



Onwards & Upwards

Annual Report 年報 2009



Contents

目錄

1	Corporate Profile 企業簡介
2	Corporate Information 企業資料
4	Financial Highlights 財務摘要
6	2009 Milestones 二零零九年大事回顧
8	Managing Director's Message 董事總經理報告
12	Management Discussion and Analysis 管理層討論及分析
22	Corporate Governance Report 企業管治報告
29	Profile of Directors 董事簡介
33	Directors' Report 董事局報告
54	Independent Auditor's Report 獨立核數師報告書
56	Consolidated Statement of Comprehensive Income 綜合全面收益表
57	Consolidated Statement of Financial Position 綜合財務狀況表
59	Consolidated Statement of Changes in Equity 綜合權益變動表
60	Consolidated Statement of Cash Flows 綜合現金流量表
63	Notes to the Consolidated Financial Statements 綜合財務報表附註
133	Five-Year Group Financial Summary 五年集團財務摘要



Corporate Profile

企業簡介

Lifestyle International Holdings Limited (the "Company" or "Lifestyle International" together with its subsidiaries, collectively the "Group") is a Hong Kong-based retail operator that specializes in the operation of mid to upper-end department stores through its two retailer brand names, SOGO and Jiuguang, in Hong Kong and the PRC. The Group owns two SOGO stores in Hong Kong including the flagship store in Causeway Bay ("SOGO CWB"), the largest and leading department store in Hong Kong, as well as the Tsim Sha Tsui store ("SOGO TST"), which features a slightly different format that targets a younger group of customers. Our Shanghai Jiuguang Store was established with a similar business format to that of our flagship SOGO CWB, and has gained considerable popularity and become one of the most preferred shopping destinations in Shanghai since its grand opening in September 2004.

The success of the Group's SOGO CWB and Shanghai Jiuguang Store over the years has enabled the Group and its management team to develop concrete retail brand building and management expertise, which is leveraged on to further expand its business into other cities in China. Suzhou Jiuguang Store, the Group's second self-built store in China, currently the largest department store in Suzhou City, was inaugurated on 16th January, 2009, while the Dalian Jiuguang also launched its grand opening on 25th May, 2009. The Group also has two new projects in the pipeline to fuelling the growth. The Group's Tianjin property will be operated as a shopping mall and its opening has been scheduled to the fourth quarter 2010. As for the Shenyang project, the land will be developed in two phases and inauguration of the store has been scheduled to before end of 2012. Riding on the Group's solid foundation that has embodied an impressive track record, these new projects will further fuel the Group's growth momentum in the future.

利福國際集團有限公司(「本公司」或「利福國際」，連同其附屬公司統稱「本集團」)是紮根於香港的零售營運商，透過崇光及久光兩大零售品牌，在香港及國內專門經營中高檔次百貨店。本集團的兩家崇光百貨分別為全港最大型位於銅鑼灣的旗艦店(「銅鑼灣崇光」)以及經營模式稍有不同、目標客戶為年青一族的尖沙咀店(「尖沙咀崇光」)。我們上海久光百貨的業務模式與銅鑼灣崇光的旗艦店相似，自二零零四年九月開幕以來，上海久光百貨已獲得顧客的廣泛認同，並已打造為上海其中一家首選的購物點。

銅鑼灣崇光及上海久光百貨多年來的卓越成就為集團及管理人員在建立零售品牌方面帶來具體的知識及管理專才，令本集團能夠於中國其他城市進一步拓展業務。蘇州久光百貨為本集團於中國的第二間自建百貨店，亦是蘇州市內最大之百貨店，已於二零零九年一月十六日開幕；大連久光百貨亦已於二零零九年五月二十五日開幕。另外，集團亦有兩項新項目在進行之中，以推動集團的未來發展。集團的天津物業將轉為購物商場，開業時間已定為二零一零年第四季。而瀋陽項目的土地將分兩期開發，預期瀋陽久光百貨將於二零一二年底前開幕。憑藉本集團亮麗往績的穩固基礎，這些新項目將進一步推動集團在未來的增長動力。



Corporate Information

企業資料

Board Of Directors

Executive Directors

Mr. Lau Luen-hung, Thomas (*Managing Director*)
Mr. Doo Wai-hoi, William

Non-executive Directors

Dató Dr. Cheng Yu-tung (*Chairman*)
Dr. Cheng Kar-shun, Henry
Mr. Lau Luen-hung, Joseph
Ms. Lau Yuk-wai, Amy

Independent Non-executive Directors

Mr. Lam Siu-lun, Simon (*ACA, FTIHK*)
Mr. Cheung Yuet-man, Raymond
The Hon. Shek Lai-him, Abraham
Mr. Hui Chiu-chung, Stephen

Chief Financial Officer

Mr. Poon Fuk-chuen, Terry (*CPA*)

Company Secretary

Ms. Siu Po-sim, Katherine (*ACS, ACIS*)

Authorised Representatives

Mr. Lau Luen-hung, Thomas
Ms. Siu Po-sim, Katherine (*ACS, ACIS*)

Audit Committee

Mr. Lam Siu-lun, Simon (*ACA, FTIHK*) (*Chairman of the Audit Committee*)
Mr. Cheung Yuet-man, Raymond
The Hon. Shek Lai-him, Abraham
Mr. Hui Chiu-chung, Stephen

Remuneration Committee

Mr. Lau Luen-hung, Thomas (*Chairman of the Remuneration Committee*)
Mr. Lam Siu-lun, Simon (*ACA, FTIHK*)
The Hon. Shek Lai-him, Abraham
Mr. Hui Chiu-chung, Stephen

Registered Office

Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

董事局

執行董事

劉鑾鴻先生 (*董事總經理*)
杜惠愷先生

非執行董事

拿督鄭裕彤博士 (*主席*)
鄭家純博士
劉鑾雄先生
劉玉慧女士

獨立非執行董事

林兆麟先生 (*ACA, FTIHK*)
張悅文先生
石禮謙議員
許照中先生

財務總監

潘福全先生 (*CPA*)

公司秘書

蕭寶嬋女士 (*ACS, ACIS*)

授權代表

劉鑾鴻先生
蕭寶嬋女士 (*ACS, ACIS*)

審核委員會

林兆麟先生 (*ACA, FTIHK*) (*審核委員會主席*)
張悅文先生
石禮謙議員
許照中先生

薪酬委員會

劉鑾鴻先生 (*薪酬委員會主席*)
林兆麟先生 (*ACA, FTIHK*)
石禮謙議員
許照中先生

註冊辦事處

Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Head Office and Principal Place of Business

20th Floor, East Point Centre
555 Hennessy Road
Causeway Bay
Hong Kong

Principal Banker

Bank of China (Hong Kong) Limited

Auditors

Deloitte Touche Tohmatsu

Solicitors

Richards Butler
in association with Reed Smith LLP
Sit, Fung, Kwong & Shum

Hong Kong Share Registrar and Transfer Office (Branch Registrar)

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

Cayman Islands Share Registrar and Transfer Office (Registrar)

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House, 68 Fort Street
P.O. Box 609
Grand Cayman KY1-1107
Cayman Islands

Share Information

Place of listing: Main Board of The Stock Exchange of Hong Kong Limited
Stock code: 1212
Board lot: 500 shares
Financial year end: 31st December
Share price at 31st December, 2009: HK\$14.50
Market capitalization at 31st December, 2009: HK\$24,267 million

Website Address

www.lifestylehk.com.hk

總辦事處及主要營業地點

香港
銅鑼灣
軒尼詩道555號
東角中心20樓

主要往來銀行

中國銀行(香港)有限公司

核數師

德勤•關黃陳方會計師行

律師

齊伯禮律師行
禮德律師行聯營行
薛馮鄭岑律師行

香港股份過戶登記處 (分處)

香港中央證券登記有限公司
香港灣仔皇后大道東183號
合和中心17M樓

開曼群島股份過戶登記處 (總處)

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House, 68 Fort Street
P.O. Box 609
Grand Cayman KY1-1107
Cayman Islands

股份資料

上市地點：香港聯合交易所有限公司主板
股份代號：1212
每手買賣單位：500股
財政年度年結：十二月三十一日
於二零零九年十二月三十一日股價：14.50港元
於二零零九年十二月三十一日市值：242.67億港元

網址

www.lifestylehk.com.hk

Financial Highlights

財務摘要

Operating results

經營業績

HK'000 千港元	2009 二零零九年	2008 二零零八年	2007 二零零七年	2006 二零零六年	2005 二零零五年
Sales proceeds 銷售所得款項	8,399,095	7,674,699	6,780,518	5,531,552	4,579,212
Turnover 營業額	3,756,208	3,521,633	3,112,368	2,581,962	2,094,299
Profit before taxation 除稅前溢利	1,498,442	1,324,637	1,241,953	862,435	626,195
Net profit 純利	1,142,468	927,226	1,024,085	740,170	539,378
Basic earnings per share (HK cents) 每股基本盈利(港仙)	68.5	54.5	60.2	43.7	34.7
Total dividends per share (HK cents) 每股股息總額(港仙)	28.0	24.0	24.0	17.8	15.3

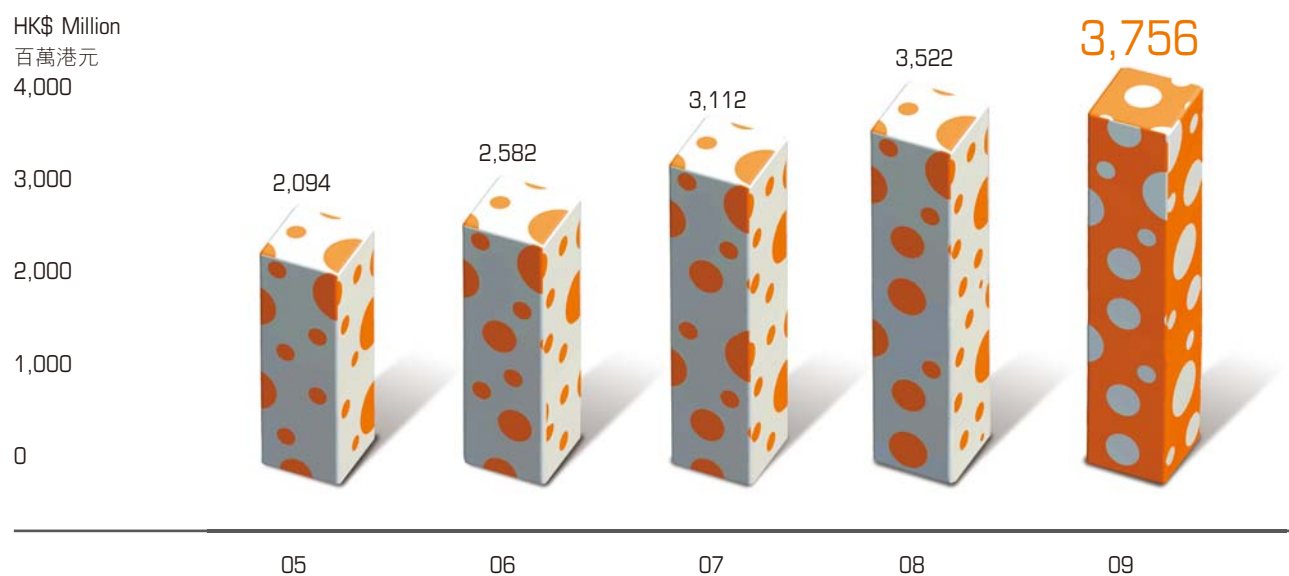
for the year ended 31st December 截至十二月三十一日止年度

Turnover Growth

營業額增長

CAGR 15.73%

年複合增長率



Gross Profit
毛利

CAGR 17.63%

年複合增長率

HK\$ Million

百萬港元

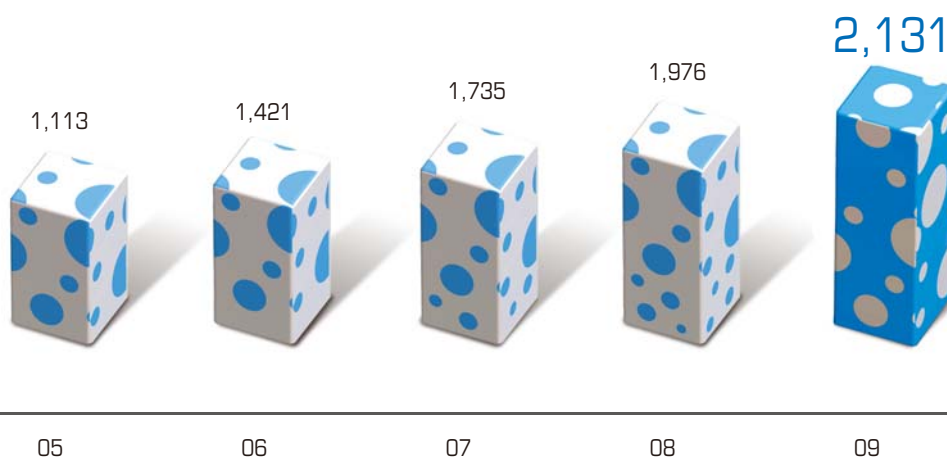
4,000

3,000

2,000

1,000

0



2009 sales proceeds by Market

二零零九年按市場劃分之銷售所得款項

Hong Kong
香港

Sales Proceeds Growth in Hong Kong
香港業務銷售所得款項增長

+3.5%

- Market leader
- 行業領先地位
- High Customer loyalty
- 顧客忠誠度高



China
中國

Sales Proceeds Growth in China
中國業務銷售所得款項增長

+32.4%

- Future growth driver
- 未來增長動力
- Expansion in good progress
- 拓展進度良好



2009 Milestones

二零零九年大事回顧



Jan

Suzhou
Jiguang
commenced
operation

蘇州久光
正式開業



May



Dalian
Jiguang
commenced
operation

大連久光
正式開業



Nov

Record daily sales revenue of a new high of HK\$53.9 million at SOGO CWB during Thankful Week

銅鑼灣崇光店於「感謝週」創下單日銷售額新高 53,900,000港元



Managing Director's Message

董事總經理報告



Leading the industry and Building for the future 領導零售市場構建美好將來

Lau Luen-hung, Thomas 劉鑾鴻
Managing Director 董事總經理

The year 2009 was a year of enormous challenge as economies across the globe continued to reel from the impact of the financial crisis. Yet the world did not, as it was feared at the beginning of the crisis, slide into slump. Rather, it started to see signs of recovery in the second half of the year, thanks to the joint efforts from government of major economies to put in place timely and aggressive monetary policies and fiscal stimulus packages. China, in particular, weathered the economic storm relatively well and it emerged as a vital force driving global economic recovery. Capitalising on the rebound in market sentiment and consumer confidence while staying focused on leveraging its business strengths, Lifestyle International managed to deliver a satisfactory set of financial results for the year 2009, with its Hong Kong operations outperformed the market average and the mainland businesses continuing to gain traction.

For the year ended 31st December, 2009, the Group recorded a 6.7% increase in turnover from the previous year and a net profit of HK\$1,142.5 million, an increase of 23.2% over that of the previous year. The Board has recommended payment of a final cash dividend of HK cents 17.0 per share. Together with the interim dividend of HK cents 11.0 paid on during the year, total dividends for the financial year 2009 amounted to HK cents 28.0.

In view of the slowing down in demand from major export markets, especially in the beginning of the year, in addition to the expansionary monetary policies, the Chinese government implemented various measures to boost domestic consumption in order to drive the economic growth. With the gradual recovery of market sentiment and the real economy in the second half of the year, which were fuelled by an increase in infrastructure spending and fixed assets investments, China recorded an impressive 8.7% growth in GDP in 2009 that also led to some 17% growth in the retail sales.

As one of the world's major financial cities and being an open economy, Hong Kong did not spare by the crisis and indeed experienced a negative growth in GDP of 2.7% for the year, partly caused by a drop in inbound tourists during most part of the second and third quarter of the year due to the fear of the human swine influenza ("Swine Flu"). As the threat of Swine Flu started to abate towards the end of the third quarter and together with an improvement in the market sentiment, strong inflow of tourists started to fuel Hong Kong's retail industry and economy again.

二零零九年，全球各地經濟持續受金融危機的衝擊，帶來重重挑戰，幸而環球經濟未如危機爆發初期市場憂慮般墮入谷底，實有賴各主要經濟體系的政府同心協力，及時實施積極的貨幣政策及振興金融市場方案，令下半年呈現復甦跡象。中國尤其能頑強抵禦此經濟風暴，並崛起成為推動全球經濟復甦的火車頭；而利福國際乘著市場氣氛回暖及消費信心增強，堅持集中發揮業務優勢，於二零零九年度達致理想的財務業績，其中香港業務更超越市場平均水平，內地業務亦蒸蒸日上。

截至二零零九年十二月三十一日止年度，本集團的營業額較去年增加6.7%，純利達1,142,500,000港元，較去年躍升23.2%。董事局建議派付現金末期股息每股17.0港仙，連同年內派付的中期股息11.0港仙，二零零九年財政年度的股息總額達28.0港仙。

有見主要出口市場需求放緩，情況於年初尤甚，除擴張型貨幣政策外，中國政府推行多項措施，刺激國內消費，務求帶動經濟增長。在基建支出及固定資產投資增加的推動下，下半年的市場氣氛漸漸回暖，實際經濟亦逐步回升。二零零九年，中國的國內生產總值增長8.7%，成績驕人，同時亦刺激零售銷售額增長約17%。

香港乃世界主要金融都會之一，屬開放型經濟，故未能在危機中獨善其身，年內本地生產總值出現2.7%負增長，部分歸因於年內第二及第三季大部分時間市場憂慮人類豬流感（「豬流感」）爆發，導致內地旅客人數驟減。由於豬流感的威脅於第三季度未開始減退，配合市場氣氛改善，旅客紛紛湧現，再次對香港零售業及經濟帶來動力。

Notwithstanding the challenging business environment and negative same store sales growth saw in the first half of the year, our leadership position in Hong Kong remains unrivalled and for the year under review, the Group's Hong Kong operations recorded a 3.5% year-on-year growth in total sales revenue. As the leading department store operator in Hong Kong, we maintained a sizeable market share at around 2.2% of total retail sales and 21.9% of department store sales in Hong Kong.

During the year, performance of the Group's flagship Shanghai Jiuguang store was just as impressive, with sales revenue increased 11.1% that we believe such growth rate outperformed the industry average in Shanghai. The two new stores in China, namely the Suzhou Jiuguang and Dalian Jiuguang, inaugurated in the first half of the year, both got off to a steady start. During the year, a host of marketing and promotion strategies has been adopted to boost traffic for the new stores, a move that was in line with the Group's long-term expansion plan in the PRC. Every foray into a foreign territory takes time and patience in order for the business to take off and the Group is confident that the two new stores will be able to contribute in the near future.

We said in August 2009 that we would be renovating the Tianjin property for the operation as a shopping mall rather than a department store. Renovation work is yet to be completed and it has been rescheduled to be put into operation in the fourth quarter 2010. In the mean time, the Shenyang project will be developed in two phases that phase one will involve the Shenyang Jiuguang store building located at Zhongjie Road, a well-known pedestrian walk in Shenhe District. The store is scheduled to be opened before end of 2012.

To increase the Group's retailing business market coverage in China, we have made a strategic investment in the Beiren Group, a leading retailing group based in Shijiazhuang City, Hebei Province, since April 2008, with an aim to leverage on its leading market position in the local market. Our investment in the Beiren Group is through a 60% subsidiary that owns 30% equity interest therein as at the end of the year. To further consolidate our position in the Beiren Group, we have after the year end in February 2010 increased through the same 60% subsidiary equity interest in the Beiren Group from 30% to 49%. Accordingly, the Group should from now on be in a better position to be more actively involved in the management of the Beiren Group.

於回顧年度，即使上半年營商環境舉步維艱，同店銷售額呈負增長，本集團香港業務的總銷售收益仍錄得3.5%的按年增幅，其於香港的領導地位仍無可比擬。作為香港首屈一指的百貨店營運商，本集團維持龐大市場份額，佔總零售銷售額約2.2%及佔香港百貨店銷售額21.9%。

年內，本集團旗艦店上海久光表現卓越，銷售收益上升11.1%，相信此增長率已超越上海業內平均比率。中國兩間新店舖蘇州久光及大連久光於上半年開幕，開業成績穩健。年內，本集團採取多項市場推廣及宣傳策略，刺激新店人流，以配合本集團於中國的長遠擴展計劃。進軍本土以外市場，不單需要時間，亦需堅定耐心，待業務踏上正軌，本集團有信心，該兩間新店定能於短期內帶來貢獻。

本集團曾於二零零九年八月表示將天津物業轉為購物商場而非百貨店。裝修工程尚未完工，並重訂於二零一零年第四季度投入運作。同時，瀋陽項目將分兩期開發。第一期涉及位於瀋河區著名步行街中街路的瀋陽久光店，計劃於二零一二年年底開幕。

為擴充本集團於中國零售業務市場的版圖，本集團自二零零八年四月起策略投資於北人集團，旨在善用其於當地市場領先的市場地位。北人集團建基於河北省石家莊市，是著名的零售集團。於北人集團的投資乃透過擁有60%權益的附屬公司進行，該公司於本年年結日擁有北人集團30%股權。為進一步鞏固於北人集團的地位，本集團於二零一零年二月年結日後，透過擁有60%權益的同一附屬公司，增持北人集團股本權益，由30%增至49%。此後，本集團將處於有利位置，得以更積極參與北人集團的管理。

Setting the industry

Looking ahead, the management takes a cautiously optimistic view on the Hong Kong and China economic prospects and retail markets in 2010. The pace and extent of the economic recovery and growth will be very much dependent on the monetary policy stance and the manner in which governments across the globe withdraw liquidity from the market. Nonetheless, growing domestic demand and job creations, coupled with major events such as the Shanghai World Expo this year are expected to enhance the growth momentum of China's economy that will also benefit Hong Kong given its close economic ties with China.

In 2010, the Group will strive to take advantage of the gradual economic recovery and set the stage for further growth. In Hong Kong, the home turf of Lifestyle International, we will continue efforts to maintain our market leadership. Having secured a formidable position in the department store sector in Hong Kong, the Group is now flexing its muscles in Mainland China, the key platform for pursuing our long-term business goals. As our mainland operations are gradually producing encouraging results, we will continue to make all-out efforts to maintain a sustainable growth. We will carefully apply sound business strategies to every of our Jiuguang store in the mainland, with the ultimate aim of setting the industry standard and making Jiuguang a role model.

With our strong balance sheet and fast-growing brand equity, and our proven ability in identifying lucrative opportunities and translate them into business profits, we will continue to pursue new projects in the form of self-built stores, strategic investments or joint ventures, with a view to expanding the Group's retailing business in China in the coming years.

Last but not the least, on behalf of the board, I would like to thank our team members for their hard work throughout the year, as well as our customers, business partners and shareholders for their constant support. We shall be grateful for your continuing trust and support in the years to come.

Lau Luen-hung, Thomas
Managing Director

9th March, 2010

展望未來，管理層對中港兩地於二零一零年的經濟前景及零售市場採取審慎樂觀態度。經濟復甦與增長的步伐及程度，主要取決於貨幣政策取向及各國政府從市場撤資的方式。儘管如此，不斷增長的內部需求、就業機會湧現，加上上海世博會等多項主要盛事將於本年舉辦，預期定必推高中國經濟增長勢頭，而香港與中國經濟一脈相連，亦能因而受惠。

於二零一零年，本集團將抓緊經濟逐步升溫的優勢，為未來發展奠定基礎。至於利福國際的基地香港，本集團將繼續致力維持市場領導地位。如今本集團在香港百貨業穩佔鰲頭，遂正於中國內地大展拳腳，並銳意於中國內地此一主要平台上實踐長遠業務目標。隨著內地業務逐步創出令人鼓舞的業績，本集團將繼續努力不懈，達致持續增長，並將針對內地每一間久光店，審慎採取奏效的業務策略，向豎立行業水準，將久光打造成業內典範的最終目標邁進。

憑藉強勁的財務狀況，發展迅速的品牌資產，加上在物色商機並將其變現業務利潤方面超卓的實力，本集團將不斷發掘自建店舖、策略投資或合營企業各種形式的新項目，務求於未來數年擴充本集團於中國的零售業務。

最後，本人謹代表董事局衷心感謝本集團全體員工於年內的不懈努力，以及客戶、業務夥伴及股東的支持，並展望來年繼續獲得閣下的信任及支持。

董事總經理
劉鑾鴻

二零一零年三月九日

my benchmark



Management Discussion and Analysis

管理層討論及分析

Market Overview

The year 2009 was a turbulent and yet a dramatic year, with most economies around the world rocked by the global financial crisis emanating from the United States in 2008. Yet the world did not, as it was feared at the beginning of the crisis, slide into slump and cause a re-run of the Great Depression. In particular, Asia's financial markets withstood the onslaught of the global financial turmoil relatively well, and China has emerged as a vital force driving global recovery. Positive effects of the expansionary monetary policies and various stimulus plans introduced by government of most major economies around the world has become more apparent since the second half of the year when most of the financial and economic indicators suggesting that the worst may be over and that signs of stability or growth are being seen in major economies. While consumers remained cautious about spending due to the possible lingering economic uncertainties, their confidence level have slowly ticked up with the gradual improvement of the economic environment.

The massive stimulus packages implemented by the Chinese government have helped an 8.7% growth in GDP for 2009 with an impressive 10.7% saw in the fourth quarter which are no doubt stellar results compared with the rest of the world. Retail sales of consumer goods also rose by some 17% annually, thanks in part to the government's economic stimulus programmes designed to boost domestic consumption. After 13 months of contraction, China's exports surged a greater-than-expected 17.7% in December 2009 from a year ago.

In Hong Kong, the GDP experienced dramatic volatility from a negative growth of 7.5% recorded in the first quarter to a positive growth of 2.6% in the fourth quarter and finished for the year as a whole with a negative growth of 2.7%. Thanks to the wealth effect created by the rallying in the stock market and surge in property prices which were caused by the surge in global liquidity, consumer sentiment started to improve gradually in the second half of the year. With the threats of the Swine Flu abating from the middle of the third quarter, the number of inbound tourists from Mainland China and other parts of the world resumed to normal that helped push up sales in the last quarter of the year. On balance, total retail sales revenue in Hong Kong for the whole of 2009 recorded negligible year-on-year positive growth of 0.3%.

市場概況

二零零九年是動盪不安而又變化多端的一年，美國於二零零八年觸發全球金融危機，拖累世界各地大部分的經濟體系；幸而環球經濟未如危機爆發初期市場憂慮般墮入谷底令經濟大蕭條重現。亞洲金融市場相對強勁，能抵禦全球金融風暴帶來的衝擊，中國更乘時崛起成為推動世界經濟復甦的火車頭。全球主要經濟體系的政府均實施寬鬆的貨幣政策及多項振興經濟計劃，而這些計劃自下半年起顯見成效，大多數金融及經濟指標均顯示，情況或已否極泰來，多個主要經濟正呈穩定或增長跡象。儘管消費者因經濟尚未明朗而仍持審慎消費態度，但隨著經濟環境逐步改善，已逐漸重拾消費信心。

在中國政府全方位的振興經濟政策帶動下，二零零九年國內生產總值增長達8.7%，第四季度更錄得10.7%的驕人增幅，表現無疑超越世界其他國家。消費品零售銷售額全年亦躍升近17%，部分有賴政府為提高國內消費而實施之刺激經濟計劃。經濟收縮十三個月後，中國出口於二零零九年十二月較去年飆升17.7%，表現勝於預期。

至於香港，本地生產總值大幅波動，由第一季度的7.5%負增長回升至第四季度的2.6%正增長，全年整體錄得2.7%負增長。股市復甦帶來財富效應，加上全球流動資金湧現，令物業價格攀升，消費意慾自下半年開始逐步改善。豬流感的威脅於第三季度中旬減退，中國內地及世界其他地區的訪港旅客人數已回復正常，推動本年度最後一季的銷售額上升。總體而言，於二零零九年全年，香港總零售銷售收益錄得輕微的按年正增長0.3%。

Aiming high



and going far with prudence

Financial Review 2009

Despite the challenges posed by the global financial crisis, Lifestyle International managed to deliver a satisfactory set of results for the financial year 2009. This was a combined result of the Group's carefully crafted business plans, its long established market position, and the huge improvement in market sentiment as a result of the surge in asset prices in the second half of the year. Amid the economic downturn, the Group's operations in Hong Kong and Mainland China remained relatively resilient and, therefore, have been able to rebound from the downward trend with relative ease as soon as the market sentiment started to improve.

The Group's Hong Kong operations that includes Sogo Causeway Bay (SOGO CWB) and Sogo Tsim Sha Tsui (SOGO TST) managed to achieve a 3.5% growth in aggregate sales revenue despite a negative sales growth recorded during the first half of the year. The two stores remained competitive and their sales continued to account for a substantial 21.9% (2008: 21.4%) of the gross sales revenue of Hong Kong's department store sector. The Group's operations in Mainland China are mainly represented by the Shanghai Jiuguang store. Notwithstanding a hold back during the first half of the year, sales revenue improved notably in the second half that has led to a decent 11.1% growth for the year. Meanwhile, Suzhou Jiuguang and Dalian Jiuguang, which were launched into operation during the year, had delivered healthy performance and were slowly amassing their strength.

Turnover and Sales Proceeds

The Group once again achieved record-high turnover that represented a 6.7% increase to HK\$3,756.2 million. Total sales proceeds (net of VAT) from both direct and concessionaire sales transactions increased 9.4% from HK\$7,674.7 million in 2008 to HK\$8,399.1 million in 2009. The increase was attributable to same store sales growth of the SOGO CWB, SOGO TST and Shanghai Jiuguang and additional sales revenue from the two newly opened Suzhou Jiuguang and Dalian Jiuguang.

Sales proceeds from the Group's Hong Kong and China operations totalled HK\$6,307 million and HK\$2,092.1 million respectively and accounted for 75.1% and 24.9% respectively of the Group's total sales proceeds.

Gross Profit and Gross Margin

The Group's gross profit margin as a percentage of turnover was 56.7%, compared with 56.1% in 2008. The amount of gross profit reached HK\$2,131 million, representing a 7.8% increase from HK\$1,976.4 million recorded in the previous year. The relatively higher gross profit margin in the current year was a result of a higher proportion of concessionaire sales from the Group's Mainland China operations.

Selling and Distribution Costs

The Group's selling and distribution costs at the three relatively mature existing stores remained stable over time and the increase for the Group in the year was mainly due to inclusion of selling and distribution costs of the two new stores in the region of approximately HK\$171 million.

二零零九年財務回顧

即使面對全球金融危機帶來的種種挑戰，利福國際仍能於二零零九財政年度取得理想業績。憑藉本集團審慎制訂的業務計劃、多年來早已確立的市場地位，加上本年度下半年物業價格攀升令市場氣氛顯著改善等因素，縱使在經濟衰退的陰霾下，本集團在香港及中國內地的業務依然相對頑強，因而只要市場氣氛改善，自能輕易立即從下滑趨勢中反彈。

本集團的香港業務包括崇光銅鑼灣店及崇光尖沙咀店，儘管於上半年銷售額出現負增長，惟按總銷售收益計算，該兩間店舖仍能達致3.5%增長，競爭力依然強勁，銷售額繼續穩佔香港百貨店業總銷售收益的21.9%（二零零八年：21.4%）。本集團中國內地業務主要為上海久光店。雖然上半年表現放緩，惟銷售收益在下半年顯著改善，在本年度錄得11.1%理想增長。此外，蘇州久光及大連久光已於年內開業，表現穩健，更逐漸建立優勢。

營業額及銷售所得款項

本集團營業額再創新高，增加6.7%至3,756,200,000港元，而扣除增值稅後，來自直接銷售及特許專櫃銷售之銷售所得款項總額由二零零八年7,674,700,000港元上升9.4%至二零零九年8,399,100,000港元。增長乃由於崇光銅鑼灣店、崇光尖沙咀店及上海久光錄得同店銷售增長，加上蘇州久光及大連久光兩間新開店舖帶來額外銷售收益。

本集團來自香港及中國業務之銷售所得款項分別合共6,307,000,000港元及2,092,100,000港元，分別佔本集團總銷售所得款項75.1%及24.9%。

毛利及毛利率

本集團之毛利率佔營業額百分比為56.7%，而二零零八年則為56.1%；毛利為2,131,000,000港元，較去年1,976,400,000港元增加7.8%。本年度毛利率較高，乃由於來自本集團中國內地業務之特許專櫃銷售額比重增加所致。

銷售及分銷成本

本集團現有有三個發展相對成熟店舖，其銷售及分銷成本一直維持穩定。年內，銷售及分銷成本增加，主要由於計入區內兩間新店約171,000,000港元的銷售及分銷成本。

Administrative Expenses

The slight increase in administrative expenses was the combined results of the additional administrative expenses of approximately HK\$43 million incurred for the two new stores and an one-off consultancy fee of HK\$34 million paid in connection with the Group's acquisition of the equity interests in the Beiren Group and a reduction of an approximately HK\$42 million of non-cash share option charge, and HK\$12 million of legal fee.

Staff Costs

Staff costs (excluding directors) increased moderately 8% to HK\$294.5 million during the year as a result of the combined effects of smaller share option charges and more headcounts upon commencement of operations of the two new stores. Staff costs accounted for 3.5% (2008: 3.6%) of total sales revenue and the steady percentage level was due to low productivity of the two new stores comparing to the existing more matured stores but was on the other hand cushioned by the lower share option charges during the year.

Other Income

The surge in other revenue during the year included mainly sundry and cleaning income of approximately HK\$31 million and government subsidy of approximately HK\$17 million from the Suzhou store. The increase was also due to, upon an agreement being reached with the vendor, recognizing as income of the one-off HK\$60 million guarantee profit previously received in connection with the purchase of the shopping mall in Shijiazhuang back in 2007 which has been recorded as a receipt-in-advance on the book.

Investment Income

This comprises mainly interest income from the Group's surplus cash deposited at banks and net investment income from yield enhancement financial products as part of the Group's treasury functions. The lower investment income during the year was mainly a result of the low interest rate environment and the lack of other interest income from Egana as in previous year.

Finance Costs

Total finance costs, mainly comprised interest expense on the Group's bank loans and other finance charges, decreased 43.6% to HK\$38.4 million (2008: HK\$68.1 million). Total interest costs decreased during the year due to the low interest rate environment but the amount of interest being capitalized also decreased upon commencement of operation of the Suzhou store. During the year, HK\$4.8 million (2008: HK\$43.2 million) of the interest incurred has been capitalised as property under development, mainly for the Shenyang project.

Fair Value Changes on Investment Properties

The amount mainly comprises fair value gain (before tax) of approximately HK\$54.8 million on the Group's three properties in Qingdao, Harbin and Tianjin respectively as well as the fair value gain (before tax) of approximately HK\$114.1 million on a property-under-development project in Shenyang in which acquisition was completed before the year end.

行政開支

由於兩間新店產生額外行政開支約43,000,000港元、本集團就收購北人集團股權支付一筆過顧問費34,000,000港元，加上非現金購股權開支減少約42,000,000港元及法律費用減少12,000,000港元，行政開支較去年微增。

員工成本

年內，員工（不包括董事）成本微增8%至294,500,000港元。員工成本增加乃由於購股權開支較少，以及兩間新店啟業增聘僱員。員工成本佔總銷售收益3.5%（二零零八年：3.6%）。錄得穩定的百分比率，乃由於兩間新店的生產力較現有發展成熟的店舖為低，惟年內的購股權開支較低，能抵銷部分影響。

其他收入

年內，其他收益飆升，主要包括雜項及清潔收入約31,000,000港元及蘇州久光的政府補貼約17,000,000港元，以及與賣方達成協議後，就於二零零七年收購石家莊購物中心之一筆過保證溢利確認收入60,000,000港元，該筆金額之前在賬目列作預收款項。

投資收入

投資收入主要包括本集團存放於銀行的盈餘現金利息收入及本集團投資活動中回報較佳金融產品之投資收入淨額。本年度投資收入較低，乃由於利率偏低及本年度並無往年度所錄得來自聯洲國際之其他利息收入。

融資成本

融資成本總額主要包括本集團銀行貸款之利息支出及其他融資費用，年內減少43.6%至38,400,000港元（二零零八年：68,100,000港元）。年內利息成本總額減少，主要由於利率偏低，惟蘇州店開業後，資本化之利息款額並相應減少。年內所產生利息4,800,000港元（二零零八年：43,200,000港元）已主要就瀋陽項目資本化為發展中物業成本。

投資物業公平值變動

此數額主要指本集團於青島、哈爾濱及天津三項物業之公平值收益（除稅前）約54,800,000港元，及於年結日前完成收購之瀋陽一項發展中物業之公平值收益（除稅前）約114,100,000港元。

Liquidity and Financial Resources

The Group as at the year end was in small net debt position comprising approximately HK\$2,889.7 million of cash at banks and approximately HK\$3,186.7 million of bank loans. Of the cash at banks 80% of which are denominated in US\$ and HK\$ and 20% are denominated in RMB. Bank loans comprises HK\$ denominated secured loan of HK\$2,550 million, repayable semi-annually, with final payment due in December 2011, bears interest calculated with reference to the HIBOR. As at 31st December, 2009, the Group had committed undrawn loan facility of HK\$650 million, expiring also in December 2011, granted by a bank in Hong Kong. The remaining bank loans are RMB loans bearing interest calculated with reference to the PBOC lending rate. The improvement of the net debt position was a result of smaller capital expenditures and investments made during the year upon completion of the main construction work of the Suzhou store property in 2008. During the year, the Group incurred a total of approximately HK\$772 million capital expenditures (2008: HK\$1,592 million).

Pledge of Assets

As at 31st December, 2009, the Group's certain leasehold land and buildings in Hong Kong with carrying values of HK\$1,591.6 million (2008: HK\$1,636.0 million), together with certain shares of the Company's subsidiaries, have been pledged to secure the banking facilities of HK\$4,000 million (2008: HK\$4,000 million) granted to the Group of which HK\$3,350 million (2008: HK\$3,000 million) has been utilised. In addition, certain of the Group's properties in the PRC with carrying value of approximately HK\$1,317.2 million (2008: HK\$1,123.6 million) have been pledged to secure loan facility in the amount of approximately RMB390 million (2008: RMB390 million) (equivalent to approximately HK\$443.4 million).

Review of Operations

The Group's operations in both Hong Kong and Mainland China experienced a slowdown in sales during the first few months of the year when market sentiment was particularly weak. Yet sales momentum picked up since April, thanks in part to signs of stabilization of the global and local financial markets and economies. The Group's solid business foundation and leading industry status also helped to pump up the momentum. In Hong Kong, tourist arrivals during the period from June to August were weak due to the Swine Flu pandemic and as a result consumer sentiment and spending has been dampened. As it emerged later that the influenza was not as destructive as it was first feared, an influx of Mainland Chinese tourists brought by the Golden Week holiday in October kick-started the shopping spree. Together with the wealth effect brought about caused by the rallying in the stock market, surge in property prices and the running up to the festive seasons, market sentiment and consumer confidence has improved dramatically that helped driving up sales significantly in the fourth quarter. On the whole, once again the Group's Hong Kong operations outperformed the market average.

流動資金及財務資源

於年結日，本集團處於輕微淨負債狀況，擁有銀行現金約2,889,700,000港元及銀行貸款約3,186,700,000港元。銀行現金中，約80%以美元及港元計值，20%則以人民幣計值。銀行貸款包括以港元計值之有抵押貸款2,550,000,000港元，須每半年還款一次，最後還款期為二零一一年十二月，參考香港銀行同業拆息計息。於二零零九年十二月三十一日，本集團有由香港一家銀行授出亦將於二零一一年十二月到期，尚未動用之承諾貸款融資額650,000,000港元。餘下銀行貸款為人民幣貸款，參考中國人民銀行借貸息率計息。淨負債狀況有所改善，乃由於蘇州店物業主要建造工程於二零零八年竣工後，年內的資本開支及投資減少所致。年內，本集團產生資本開支合共約772,000,000港元（二零零八年：1,592,000,000港元）。

資產抵押

於二零零九年十二月三十一日，本集團已將位於香港賬面值為1,591,600,000港元（二零零八年：1,636,000,000港元）之若干租賃土地及樓宇，連同本公司附屬公司若干股份，作為本集團獲授銀行融資額4,000,000,000港元（二零零八年：4,000,000,000港元）之抵押品，其中3,350,000,000港元（二零零八年：3,000,000,000港元）已動用。另外，本集團將位於中國賬面值約1,317,200,000港元（二零零八年：1,123,600,000港元）之多項物業抵押，作為約人民幣390,000,000元（二零零八年：人民幣390,000,000元）（相當於約443,400,000港元）貸款融資額之抵押品。

業務回顧

年初首幾個月，市場氣氛尤其疲弱，拖累本集團在香港及中國內地業務之銷售額表現放緩，幸而，全球及各地金融市場與經濟呈回穩跡象，帶動銷售額自四月起好轉，而本集團穩固的業務根基及業內領導地位，亦有助推動此增長勢頭。六月至八月期間，香港受到豬流感疫症影響，導致消費意慾及消費疲弱，以致訪港旅客數目下降。其後有見流感疫症非如預期般嚴重，最初憂慮得以紓緩，更適逢十月黃金週假期，中國內地旅客紛紛訪港，為購物季節揭開序幕。加上股市復甦，樓市暢旺，帶來財富效應，配合節日慶典，市場氣氛及消費信心均顯著改善，刺激第四季度銷售額大幅飆升。整體而言，本集團於香港的業務再次超越市場平均增長。



Going beyond imagination



SOGO CWB

As it did over the years, SOGO CWB remained the major contributor of the Group's revenue and profit in 2009. A reliable yardstick for economic vitality, SOGO CWB recorded negative sales growth during the first half of the year when the pain of the global financial crisis was widely felt which affected consumer spending. As a result of the improvement in the general market conditions and economic environment, the store recorded a 2.9% year-on-year sales growth for 2009 as a whole which was largely attributable to higher average ticket size. The steady performance of this flagship store was a reflection of SOGO CWB's well established market status, its huge loyal clientele, and effective marketing and promotion campaigns. During the "Thankful Week" in November, the store broke record for the third year in a row, with daily sales revenue reaching a new high at HK\$53.9 million, up approximately 21.5% from the then record a year ago.

SOGO TST

SOGO TST's performance was by and large steady and consistent throughout the year despite the challenging economic environment. It logged a 9.6% sales growth for the first half of the year and a 9% increase in the second half, giving rise to an overall sales growth for the whole year of 9.2%. The results were remarkable in view of the economic uncertainties and were attributable to the continued popularity of the store and the constant inflow of tourists. The sales growth during the year was a combined result of higher average ticket size and increase in traffic footfall.

Shanghai Jiuguang

Shanghai Jiuguang, which has firmly secured its standing as one of the most sought-after shopping destinations in Shanghai, remained a consistent profit contributor of the Group in 2009. As with the Group's Hong Kong operations, Shanghai Jiuguang's same-store sales growth slowed down during the first half of the year before picking up evidently in the second half. On the whole, the store posted a 11.1% increase in sales year-on-year in local currency term.

Five years since its inception, Shanghai Jiuguang continued to thrive and grow steadily and consistently. The growth during the year was mainly attributable to higher average ticket size and stay-and-buy ratio, reflecting strong customer loyalty and the store's success in adjusting its product mix.

銅鑼灣崇光

一如往年，銅鑼灣崇光於二零零九年仍為本集團收益及溢利之主要來源。上半年，全球金融危機席捲全球，對消費力造成打擊，而作為經濟動力之可靠指標，銅鑼灣崇光的銷售額錄得負增長。隨著普遍市況及經濟環境改善，該店於二零零九年整體之銷售額錄得2.9%的按年增長，主要由於平均每宗交易額增加。此旗艦店表現穩健，反映銅鑼灣崇光卓越的市場地位、顧客的忠誠支持及有效的市場推廣與宣傳活動。於十一月之「感謝週」期間，該店連續三年刷新紀錄，創下單日銷售額新高53,900,000港元，較去年躍增約21.5%。

尖沙咀崇光

儘管經濟環境充滿挑戰，尖沙咀崇光全年之表現大致穩定，保持一貫水平，於上半年錄得銷售增長9.6%，下半年則錄得9%增幅，令全年整體銷售額增長達致9.2%。在經濟不明朗的情況下，如此成績實屬驕人，主要由於該店繼續為購物熱點，不斷吸引旅客惠顧所致。年內銷售額增長，乃因平均每宗交易額提高及人流量增加帶動。

上海久光

上海久光早已扎穩根基，成為上海的購物熱點之一，於二零零九年繼續為本集團帶來穩定的溢利貢獻。一如本集團在香港的業務，上海久光的同店銷售額增長在上半年放緩，下半年則明顯好轉。整體來說，按當地貨幣計算，上海久光的銷售額按年增長11.1%。

自開業以來五年間，上海久光不斷茁壯成長，持續穩健發展。年內增長主要由於平均每宗交易額及逗留購買比率上升，不單反映其深受顧客愛戴，亦彰顯其於調整產品組合方面的成果。

The New Stores

Suzhou Jiuguang, the Group's second self-built store in Mainland China, got off to a steady start following its inauguration in mid-January 2009 recorded sales revenue of RMB215.4 million. During the year, the Group adopted a host of strategies to lure customers to the store, including free shuttle bus service covering certain areas around Suzhou City. Restaurants on the fourth level of the premise were launched in a gradual manner to build up customers' expectation and grab their attention. The store was opened at a time when the global market sentiment was at its lowest and, therefore, resilience and fortitude was called for. Meanwhile, certain improvement and refining works are being carried out in the store and at the same time, marketing efforts has been stepping up to boost traffic footfall, a move that is in line with the Group's long-term expansion plan in the PRC. The Group believes that traffic footfall and sales of the store will take off gradually after the new metro line is in operation which was said to be before end of 2011.

A new member of the Jiuguang empire is the Dalian Jiuguang, which was launched into operation in May 2009. Dalian Jiuguang, which occupies a prime location, targets young customers and offers a vast array of brands and products catering to local demand. The store recorded sales revenue for the year amounted to RMB59.6 million. Like its Suzhou counterpart, Dalian Jiuguang would need some time to build and nurture a growing customer base and achieve better business results.

新店舖

蘇州久光為本集團於中國內地第二間自建百貨店，在二零零九年一月中旬開幕以來，發展穩健，錄得銷售收益達人民幣215,400,000元。年內，本集團採取連串策略，吸引顧客，包括提供往返蘇州市內若干地區的免費穿梭巴士服務，接送購物人士。百貨店在四樓設置之餐廳正分階段營運，以令顧客密切留意及有所期盼。該店開幕時正值全球市場氣氛低谷，故需要抗衡逆境，積極部署。另外，百貨店內正展開多項改善與裝飾工程，同時加強市場推廣力度，以刺激人流，此舉與本集團在中國的長遠擴充計劃相輔相成。本集團亦深信，隨著新的地鐵線預期將於二零一一年底前通車，該百貨店的人流及銷售額將會逐步上揚。

久光百貨另有新成員加入，大連久光已於二零零九年五月開業。大連久光位處黃金地段，對準年輕顧客，提供大量不同品牌產品，致力迎合當地需求。此百貨店內錄得銷售收益人民幣59,600,000元。情況一如蘇州久光，大連久光需時建立及擴闊持續增長的顧客基礎，從而取得更理想的業績。



Expansion and Investments in Mainland China

To maximize operating efficiency of the relatively small Tianjin property, the Group has decided to operate the Tianjin property as a shopping mall instead of a department store. The space of the shopping mall will be put up for renting. The change of plan will be in the best interest of the Group as it will require less management resources and incur lower operating costs. Preliminary renovation work at the Tianjin property has already begun and opening of the shopping mall has been rescheduled to the fourth quarter 2010.

As for the Shenyang project, the land will be developed in two phases. Phase one, taking up about half of the land area, involves erecting the Shenyang Jiuguang store building located at Zhongjie Road, a well-known pedestrian walk in Shenhe District. Inauguration of the store has been rescheduled to before end of 2012. The Group will closely monitor changes in market conditions and make efforts to ensure a smooth launch of the store. The Group will unlikely start development of the phase two until phase one is completed.

Since November 2006, the Group has been making available a secured loan facility to the extent of HK\$250 million to an independent third party group relating to it acquiring certain interests in a retail property project adjacent to our Shenyang project. During the year and upon agreeing a repayment arrangement with the borrower, the Group has completed acquisition of the retail property project, which was still in a property-under-development state as at the year end, for a consideration of HK\$282.8 million and settlement of which was mostly through netting-off against the loan and interest receivable due from the borrower. The Group inclines not to operate this property itself but will keep it for investment purpose in view of the fact that construction of the Group's own department store building is underway.

In order to increase its geographic coverage and speed up its pace of expansion in Hebei Province with a view to strengthen its presence and market position in Mainland China, the Group, through a 60% owned subsidiary, has been holding certain equity interests in the Beiren Group, a leading retail group based in Shijiazhuang that operates 7 department stores, 16 supermarkets and a number of outlets selling items in the electrical appliances and consumer electronics and jewellery categories, since April 2008. To further consolidate the Group's position in the Beiren Group, the Group through the same 60% owned subsidiary increased the overall equity interests in the Beiren Group to 49% subsequent to the year end in February 2010. Following this move, the Group would be in a better position to be more actively involved in the management of the Beiren Group, on both the corporate and operation fronts.

於中國內地拓展 業務及投資

天津物業規模相對較小，為充分發揮其營運效率，本集團決定將天津物業轉為購物商場而非百貨店。購物商場之空間將作出租用途。由於更改計劃所需之管理資源及營運開支較少，故此舉將符合本集團之最佳利益。天津物業的前期裝修工程已經展開，而購物商場的開業時間已重訂為二零一零年第四季。

至於瀋陽項目，該土地將分兩期開發。第一期涉及於瀋陽區著名步行街中街路興建瀋陽久光店，佔近乎一半土地面積。店舖重訂於二零一二年年底開幕。本集團將密切留意市況變動，致力確保該店順利開幕。在第一期落成前，本集團展開第二期發展工程的機會不大。

自二零零六年十一月起，本集團一直向獨立第三方集團就其收購本集團瀋陽項目鄰近零售物業項目，提供為數250,000,000港元之有抵押信貸。年內，與借方協定還款安排後，本集團按代價282,800,000港元收購有關零售物業項目，於年結日，該項目仍在發展中，而代價主要透過抵銷應收貸款及利息的方式支付。鑒於本集團自有百貨店大樓的興建工程現正進行中，故本集團不傾向持有該物業作營運而保留作投資用途。

為擴闊於河北省的地域覆蓋範圍及加快擴展步伐，以加強於中國內地的市場份額及地位，本集團自二零零八年四月起，透過擁有60%權益的附屬公司，持有北人集團若干股權。北人集團為紮根於石家莊的著名零售集團，經營7間百貨店、16間超市及多間銷售電器用品、消費電子產品及珠寶等產品的門市。為進一步鞏固本集團於北人集團的地位，於年結日後，本集團於二零一零年二月透過該擁有60%權益的附屬公司增持北人集團股本權益至49%。此舉將便於本集團更多參與北人集團在企業及營運層面上的管理。

Future Prospects

Following months of contraction at its steepest rate in the post-war history, the global economy has apparently passed its trough, and various forecasts for 2010 are now being revised upwards. While the impact of the global financial crisis was not entirely subsided, the depth and breadth of the economic crisis have become clearer. Besides, signs of recovery have emerged in some parts of the world, in particular China, which is playing a key role in lifting the world economy from recession. All these raise hopes for a sustainable economic recovery in 2010.

Adding to a justifiable sense of cautious optimism is the World Expo to be held in Shanghai from May to October this year. The event is expected to enhance the growth momentum of Mainland China's economy, and that will in turn benefit the retail sectors in both the Mainland China and Hong Kong. Meanwhile, the positive effects of the Chinese government's stimulus measures continue to trickle into the real economy, creating jobs and boosting domestic consumption. All these bode well for the Mainland China and Hong Kong retail markets, as well as Lifestyle International.

Nonetheless, the management is wary of the uncertainties still lingering over the world economy and will therefore follow a prudent yet proactive approach in going about its business in 2010. The Group will continue to make relentless marketing and promotion efforts and implement ingenious business strategies to solidify its existing operations in Hong Kong and Mainland China, with a view to taking full advantage of the gradual economic recovery and setting the stage for further growth.

The Group's cash flow in 2010 is expected to remain strong and will be able to provide steady funding sources for existing projects and new investment opportunities. As a seasoned department store operator, the Group will work on all fronts to maintain and enhance its market status. As a strategic investor, it will be on the lookout for strategic investment opportunities that have the potential to strengthening the Group's profitability and financial standing.

In sum, Lifestyle International will in 2010 focus on upholding its leading marketing position and profitability in order to safeguard its leading status in the industry with the aim of establishing the Group as a leading retail player in the PRC.

前景展望

經歷多月來自戰後以來最急劇的收縮後，全球經濟已明顯走出谷底，外界紛紛調高對二零一零年的各種預測，儘管環球金融危機之影響並未完全消散，惟已能清楚瞭解危機波及的層面及程度。此外，世界部分地區已呈復甦跡象，中國尤其在引領全球經濟抗衡衰退上擔當關鍵角色。種種因素帶動下，二零一零年經濟有望持續反彈。

上海即將於本年五月至十月期間舉辦世博會，亦為抱審慎樂觀態度帶來理據。預期世博會將促進中國內地經濟增長勢頭，繼而帶旺內地及香港的零售業。同時，中國政府振興經濟措施的成效繼續推動實質經濟，創造就業機會，並刺激內部消費。此等優勢將有利中國內地與香港的零售市場，利福國際亦因而受惠。

儘管如此，管理層非常關注困擾全球經濟的不明朗因素，因此二零一零年的業務發展，將採取審慎而積極的方針。本集團將於市場推廣與宣傳上努力不懈，並實施巧妙的業務策略，以鞏固現有於中港兩地的業務，務求全面把握經濟逐步復甦的良機，為未來發展鋪路。

預期本集團於二零一零年的現金流量仍然強勁，並能提供穩定的資金來源，以提供現有項目及新投資機會所需資金。作為百貨業翹楚，本集團將全力以赴，鞏固並提高市場地位；作為策略投資者，本集團將物色具潛力的策略投資機會，務求加強本集團的盈利能力及財務根基。

總括來說，於二零一零年，利福國際將專注維持其領先的市場地位及盈利能力，銳意鞏固其業內領先地位，將本集團發展為中國首屈一指的零售營運商。

Corporate Governance Report

企業管治報告

The Group believes in the principle that maintaining a high standard of corporate governance benefits all stakeholders, investors, and is good for its business

本集團相信維持高企業管治水平可讓全體股東及投資者受惠，並對其業務有重大裨益

Commitment to Transparency

The Board emphasizes in creating and maintaining a high level of transparency through timely disclosure of relevant information on our activities to our shareholders, investors, media and investment public, through regular press releases, analysis's briefings, press conferences, as well as timely updating of the Company's website, availability of designated investor relationship agent to handle enquiries. Our Executive Directors and senior management, who looks after the business operation, are committed to response to enquiries from regulators, shareholders and business partners.

Commitment to Good Corporate Governance Practices

Our management commits to good corporate governance practices as our corporate culture. We instill this corporate culture into our internal procedures and control structures, which are supervised and headed by the Board of Directors and its various committees. All efforts and measures are aimed at improving the quality and standards of governance practices for greater accountability towards our stakeholders and the public.

Throughout the year under review, the Group had complied with all the code provisions of the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The Board and Board Process

All executive members of the Board are responsible for reviewing, evaluating and finalizing the Company's strategies and policies, annual budgets, business plans and performance, and all board members have full access to and are provided with adequate, reliable and timely information of the Group and its operation so as to enable them to make timely decision. Such information analysis can be accessed directly through briefing and reporting by the Executive Directors and senior management. Access to independent professional and legal advice on issues is available to all Board members whenever they consider it necessary.

Currently the Board comprises two Executive Directors, four Non-executive Directors and four Independent Non-executive Directors, and their names are shown in the Corporate Information to the annual report. Their biographical details are set out in the Profile of the Directors to the annual report, with their relationship stipulated therein. Each one of them has different professional and industrial qualification and experience, which enable them to make valuable and diversified advice and guidance to the Group's activities and development. Within the Board, more than one-third of the members are Independent Non-executive Directors with one of whom being a certified public accountant.

提高企業透明度

董事局著重透過定期報章公佈、分析簡介、記者招待會、即時更新公司的網站及指派投資關係代理處理查詢，適時向股東、投資者、媒體及公眾投資人士披露業務相關資料，以締造及維持高透明度。此外，執行董事及負責業務運作的高級管理層樂意對監管機構、股東及業務夥伴提出之查詢作積極回應。

遵守良好企業管治常規

本公司管理層致力以良好企業管治常規作為本公司企業文化。本公司將有關企業文化注入由董事局及各委員會監督及領導之內部程序與監控架構。所有努力及措施旨在改善管治常規之質素及標準，以向股東及公眾人士承擔責任。

於整個回顧年度，本集團一直遵守聯交所證券上市規則（「上市規則」）附錄14所載企業管治常規守則（「企業管治守則」）的所有守則條文。

董事局及董事會議程序

董事局的執行董事乃負責審閱、評估及落實本公司策略及政策、年度預算案、業務計劃及表現，而董事局全體成員均可全面取得及獲提供有關本集團及其營運之足夠而可靠的最新資料，以便彼等作出適時決策。透過由執行董事及高級管理層簡單匯報及報告，可直接取得有關資料或分析。董事局全體成員可於彼等認為有需要時就有關事項諮詢獨立專業及法律意見。

董事局現時由兩名執行董事、四名非執行董事及四名獨立非執行董事組成。彼等之姓名載於本年報企業資料內，而彼等之履歷詳情則載於本年報董事簡介內。董事局各成員擁有不同專業及行業的資格和經驗，可為本集團業務及發展帶來寶貴貢獻及提供不同意見與指引。超過三分之一董事局成員為獨立非執行董事，其中一人為執業會計師。

Our Board members meet on regular basis to discuss strategic and main business issues, and to evaluate the financial performance of the Group. During the year, there were five physical full board meetings, a physical meeting for our Remuneration Committee, two physical meetings for our Audit Committee and eight full Board written consents.

Regular quarterly board meetings were held for review of the Group's activities, financial performance and data. In our regular board meetings, Directors discussed and reviewed the Group's operations, its activities, future directions, financial performance, budgeting, control and relevant matters having been identified by the Directors. Board members attended either in person or through telephone conferencing means in accordance with provision in the Company's Articles of Association. Additional board meetings will be organized upon request and demand by Directors. Our Company Secretary will ensure the proper convening and conducting of the Board meetings, with relevant information and material being provided to the Directors in a timely manner before the meetings. During the year, Mr. Lau Luen-hung, Thomas, Mr. Lam Siu-lun, Simon, The Hon. Shek Lai-him, Abraham and Mr. Hui Chiu-chung, Stephen attended all the five physical full board meetings; Ms. Lau Yuk-wai, Amy and Mr. Cheung Yuet-man, Raymond attended four of the said meetings; Mr. Doo Wai-hoi, William attended three of the said meetings; Dr. Cheng Kar-shun, Henry and Mr. Lau Luen-hung, Joseph attended two of the said meetings; while Dató Dr. Cheng Yu-tung attended one of the said meetings.

Responsibilities of Members of the Board

The Chairman of the Board is responsible for setting and leading the overall strategic plan and development of the Group whereas our Managing Director is responsible, in addition to assisting in setting the Group's strategic planning, for implementing the Board's decisions, monitoring and supervising the Group's overall performance, ensuring adequate capital and managerial resources to implement the business strategies adopted, setting out and monitoring targets, plans and direction for the senior management, reporting to the Board on the Group's overall performance and proposing business plans and future strategic directions for the Board to evaluate and to conclude. We have distinctive role for our Chairman and Managing Director but they are often complementing to each other. Other Board members review and discuss various key issues and put forward directions and suggestions to the Board.

Pursuant to Rule 3.13 of the Listing Rules, each of the Independent Non-executive Directors has made an annual confirmation of independence. The Company is of the view that all our Independent Non-executive Directors meet the independence guidelines as set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

董事局成員會定期會面，討論策略及主要業務事宜，並評估本集團之財務表現。於本年度，董事局曾舉行五次董事局全體成員會議、一次薪酬委員會會議、兩次審核委員會會議以及八次透過董事局全體成員書面決議。

董事局定期每季舉行會議，以審閱本集團業務、財務表現及數據。於定期董事局會議中，董事商討及審閱本集團營運、其業務、未來方向、財務表現、財政預算、監控及經董事發現之相關事宜。根據本公司之組織章程細則條文規定，董事局成員可親身或以電話會議方式參與會議。本公司亦將應董事要求另行舉行董事局會議。公司秘書將確保正式召開及舉行董事局會議，並將於舉行會議前適時向董事提供相關資料及材料。年內，劉鑾鴻先生、林兆麟先生、石禮謙議員及許照中先生均有出席合共五次董事局全體成員會議；劉玉慧女士及張悅文先生出席四次上述會議；杜惠愷先生則出席三次上述會議；鄭家純博士及劉鑾雄先生出席兩次上述會議；拿督鄭裕彤博士則出席一次上述會議。

董事局成員之責任

董事局主席負責制定及領導本集團整體策略規劃及發展，而董事總經理除協助制定本集團的策略規劃外，亦負責執行董事局決策、監察與監督本集團整體表現、確保具備充裕資金及管理資源執行所採納業務策略、為高級管理層制定及監察目標、計劃及方向、就本集團整體表現向董事局匯報以及呈業務計劃及日後策略方向以供董事局評估及總結。本公司主席及董事總經理履行之職責有所區分，但彼等經常互相補足。其他董事局成員則審閱及商討各項主要事項，並向董事局提供指示及建議。

根據上市規則第3.13條，各獨立非執行董事已作出年度獨立身分確認。本公司認為，全體獨立非執行董事均符合上市規則第3.13條所載獨立身分指引，而根據有關指引條款，彼等均屬獨立人士。

Advancing to realise vision



Directors' Responsibility for the Group's Financial Reporting

Directors are responsible to ensure the financial statements of the Group are prepared in accordance with the relevant statutory requirements and applicable accounting and financial reporting standards in force, and to ensure that the financial statements are published in a timely manner and give a true and fair view of the Group's state of affairs, the results and cash flow for the year.

Directors are responsible to select and to timely apply, on a consistent basis, suitable accounting policies of the Hong Kong Accounting Standards and Hong Kong Financial Reporting Standards in our financial reporting. Thus, the Group's financial statements are prepared in accordance with the Listing Rules, regulations, accounting principles and practices generally accepted in Hong Kong.

The Board understands and emphasizes the importance of presenting a clear and comprehensive assessment of the Group's overall performance, financial positions and prospects to the stakeholders and investment public in a timely manner. Our annual and interim results have been announced within the four-month and three-month limits, respectively, after the end of the relevant periods.

Directors' and Officers' Liabilities Insurance

To indemnify Directors and officers of the Company against all costs, charges, losses, expenses and liabilities incurred by them in the execution of and discharge of their duties or in relation thereto, the Company has arranged insurance cover for this purpose.

董事對本集團財務報告之責任

董事須負責確保根據有關法定規定以及適用且有效之會計及財務申報準則編製本集團財務報表，並確保適時刊發財務報表，就本集團年內之財務狀況、業績及現金流量提供真實公平之意見。

董事負責就本集團財務申報選用並適時貫徹應用香港會計準則及香港財務報告準則之合適會計政策。因此，本集團之財務報表乃根據上市規則、規例、香港普遍採納的會計原則及慣例編製。

董事局深明及強調按時向股東及公眾投資者呈報就本集團整體表現、財務狀況及前景所作清晰而全面評估的重要性。本集團全年及中期業績分別於有關期間結束後四個月及三個月限期內作公佈。

董事及高級職員之責任保險

為彌償董事及本公司高級職員因執行及履行彼等之職責或與之有關所產生之所有費用、收費、損失、開支及債務，本公司已就此安排保險投保。





Model Code for Securities Transactions

The Company adopts the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its own code of conduct in regarding to our Directors' securities transactions on the Company's shares.

Specific enquiries have been made to all Directors about their securities transactions, and all of them have confirmed that they have complied with all the relevant codes and requirements as set out in the Model Code during the year.

Control Mechanisms

The Board acknowledges its responsibility in maintaining a sound and effective internal control system for the Group to safeguard investments of the shareholders and assets of the Company at all times.

Internal Control and Internal Audit

The system of internal controls aims to help achieve the Group's business objectives, safeguard assets and maintain proper accounting records for provision of reliable financial information. The system is designed to provide reasonable, but not absolute, assurance against material misstatement in the financial statements or loss of assets and to manage rather than eliminate risks of failure when business objectives are being sought.

Management has conducted regular reviews during the year on the effectiveness of the internal control system covering all material factors related to financial, operational and compliance controls, various functions for risk management and physical and information systems security. Audit Committee had been reported during the Audit Committee Meetings key findings identified by the Company's auditors, discussed findings and actions or measures taken in addressing those findings relating to the Group's internal controls. No material issue during the year has been reported to the Board by the Audit Committee.

The Board also sets targets for and reviews plans and progress on continuous improvement work of the Company's internal control system, working in conjunction with senior management and the Audit Committee.

The Group keeps an internal audit team within the Group's finance team headquartered in Hong Kong, that works together with the finance team members for conducting regular review of the Group's internal control procedures, including accounting system and operational procedures. Although the current internal audit team is not working totally independent from the finance team, the management considers the present arrangement is adequate and effective having taking into account the current organizational structure, lines of responsibility, authority of the management team and the risks associated with the operations of the Group. The senior management and Audit Committee however are reviewing and monitoring on a regular basis the situation, and will strengthen independence of the Group's internal auditing functions should circumstances arise.

證券交易的標準守則

本公司已採納上市規則附錄10所載上市公司董事進行證券交易的標準守則(「標準守則」)，作為其有關董事就本公司股份進行證券交易的操守準則。

經就證券交易向全體董事作出具體查詢後，彼等確認，彼等於本年度均已遵守標準守則所載所有有關守則及規定。

監控機制

董事局知悉其有責任維持本集團良好及有效之內部監控制度，使股東投資及本公司資產在任何時間均得到保障。

內部監控及內部審核

內部監控制度旨在幫助本集團達成業務目標、保障資產及維持良好會計記錄，以提供可靠財務資料。有關制度乃為避免財務報表出現重大錯誤陳述或資產損失提供合理而非絕對保證並管理而非消除業務風險而設。

於本年度，管理層定期檢討內部監控制度之成效，該制度涵蓋一切有關財務、營運及守章監控、風險管理工作以及實際及資訊系統保安等重要因素。審核委員會於審核委員會會議匯報有關內部監控之結果，連同本公司核數師提出的主要發現以及就有關本集團內部監控之發現所採取行動或措施。審核委員會於本年度並無向董事局報告任何重大事項。

董事局亦與高級管理層及審核委員會就持續改善本公司內部監控制度訂定目標，並就此檢討計劃及進度。

本集團在總部設於香港之本集團財務隊伍旗下設立內部審核隊伍，該隊伍與財務隊伍合作，負責定期審閱本集團內部監控程序，包括會計制度及營運程序。儘管內部審核隊伍並非完全獨立於財務隊伍，惟在經考慮現行組織架構、管理層隊伍之職責與權力的分工以及本集團業務所涉及風險後，管理層認為現行安排屬足夠及有效。然而，高級管理層與審核委員會現正定期檢討及監管情況，於有需要時將加強本集團內部審核職能的獨立性。

External Auditors

The Independent Auditor's Report of the Company's auditor, Messrs. Deloitte Touche Tohmatsu, in respect of the audit of the Group's financial statements for the year is set out on pages 54 and 55 of the annual report. The Board takes steps to ensure the continued objectivity and independence of the auditors.

For the year under review, the auditors of the Company received approximately HK\$3.75 million in respect of audit services provided to the Group.

Audit Committee

The Company's Audit Committee was established with terms of reference to "A Guide For Effective Audit Committee" issued by Hong Kong Institute of Certified Public Accountants ("HKICPA") in 2002; and a version of the terms of reference is available on the Company's website.

In compliance with the CG Code, Audit Committee members comprise solely of our four Independent Non-executive Directors, namely, Mr. Lam Siu-lun, Simon, Mr. Cheung Yuet-man, Raymond, The Hon. Shek Lai-him, Abraham and Mr. Hui Chiu-chung, Stephen. None of them is, or has previously been, a member of the Company's current or previous external auditors. The Audit Committee is chaired by Mr. Lam Siu-lun, Simon, who is a certified public accountant.

The principal duties of the Audit Committee are as follows:

1. to consider the service and appointment of the Company's external auditors, nature and scope of auditing, and the related audit fee;
2. to review and approve changes in accounting policies and practices, to review the effectiveness of the financial reporting system and process, its compliance with accounting standards, the Listing Rules and legal requirements;
3. to oversee the adequacy of the Group's financial reporting process, internal control procedures and risk management system;
4. to review internal control programme and to ensure adequate responses to internal audit functions, to consider and discuss audit findings, for any significant or unusual terms thereof, directly with external auditors; and
5. to assist the Board in overseeing the proper preparation of the Group's financial statements and reports.

The Audit Committee held two committee meetings during the year. All committee members attended both meetings. In the meetings, the committee reviewed and discussed with the external auditors on the Group's financial statements before they were submitted to the Board for consideration and approval.

外聘核數師

本公司核數師德勤•關黃陳方會計師行有關審核本集團本年度之財務報表之獨立核數師報告書載於年報第54頁至第55頁。董事局已採取措施，確保核數師繼續保持客觀及獨立。

於回顧年度，本公司核數師就向本集團提供核數服務收取約3,750,000港元。

審核委員會

本公司成立審核委員會，並按香港會計師公會於二零零二年頒佈之「有效運作審核委員會指引」制定職權範圍，其職權範圍已於本公司網站刊載。

為符合企業管治守則，審核委員會僅由四名獨立非執行董事林兆麟先生、張悅文先生、石禮謙議員及許照中先生組成。彼等並非亦不曾出任本公司現任或先前外聘核數師成員。審核委員會由林兆麟先生出任主席，彼為執業會計師。

審核委員會之主要職責如下：

1. 考慮本公司外聘核數師之服務及委任以及核數性質與範疇及相關審核費用；
2. 審閱及批准會計政策與慣例之變動，檢討財務申報系統及程序之效能，並遵守會計準則、上市規則及法例規定；
3. 監察本集團之財務申報程序、內部監控程序及風險管理制度是否恰當；
4. 檢討內部監控程序，並確保充分回應內部審核職能；直接與外聘核數師考慮及商討審核結果以及任何重大或不尋常條款；及
5. 協助董事局監察適當編製本集團財務報表及報告。

於本年度，審核委員會曾舉行兩次委員會會議。全體委員會成員均有出席該兩次會議。委員會於會上與外聘核數師審閱及商討本集團財務報表後呈交董事局以供考慮及批准。

Remuneration Committee

The Company's Remuneration Committee was established with terms of reference specifying its authority and duties. A version of the terms of reference is posted on the Company's website.

In compliance with the CG Code, the Remuneration Committee members comprise as majority three Independent Non-executive Directors, namely, Mr. Lam Siu-lun, Simon, The Hon. Shek Lai-him, Abraham and Mr. Hui Chiu-chung, Stephen, and one Executive Director, Mr. Lau Luen-hung, Thomas, who is the Managing Director and Chairman of the Remuneration Committee.

Under the terms of reference, the principal role of this Committee is to provide advice and recommendation to the Board on the remuneration package of Directors and senior management, on any specific remuneration package with reference to market conditions, performance of the Group and the individuals against preset goals and targets as set by the Board from time to time, and if necessary, on any compensation policy for termination of office of Directors or senior management.

Besides putting forward recommendation for the Board's approval, the Remuneration Committee has to make advice and recommendation to shareholders for approval if required under the Listing Rules and applicable legislation from time to time. The Remuneration Committee met once in the year, with all committee members attended the meeting.

Investor Relations and Communication With Shareholders

The Company regards high quality reporting as an essential element in building successful relationships with its shareholders. The Company always seeks to provide relevant information to existing and potential investors, not only to comply with the different requirements in force but also to enhance transparency and communications with shareholders and the investing public. This is part of a continuous communication program that encompasses meetings and relevant announcements to the market in addition to periodic written reports in the form of preliminary announcement of results and interim and annual reports.

The Company also maintains a corporate website on which comprehensive information about the Group is provided. Regular meetings are also held with institutional investors and research analysts to provide them with timely updates on the Group's latest business developments and non-price sensitive information. These activities keep the public informed of the Group's activities and foster effective communications.

The Group also participated in investment conferences and forums organized by leading investment banks during the year in order to enhance the awareness of the investing public of the Group's vision and strategies.

The Company is committed to ensuring that it is fully compliant with disclosure obligations stipulated under the Listing Rules and other applicable laws and regulations, and that all shareholders and potential investors have an equal opportunity to receive and obtain externally available information that is released by the Group.

薪酬委員會

本公司成立薪酬委員會，並制定職權範圍說明其職權及職責，其職權範圍已於本公司網站刊載。

為符合企業管治守則，薪酬委員會由三名獨立非執行董事林兆麟先生、石禮謙議員及許照中先生以及執行董事劉鑾鴻先生組成。劉鑾鴻先生為本公司董事總經理及薪酬委員會主席。

根據職權範圍，本委員會之主要職責為就董事及高級管理層之薪酬待遇，向董事局提供建議及推薦意見，並就經參考市場情況、本集團及個人表現及董事局不時制定之目標後，對任何具體薪酬待遇作出檢討，且於必要時就董事或高級管理層終止任期之任何賠償政策作出檢討。

除提出推薦意見供董事局批准外，倘上市規則及不時適用之法例規定，則薪酬委員會須向股東提供建議及推薦意見以供批准。於本年度，薪酬委員會曾舉行一次會議，全體委員會成員均有出席該次會議。

投資者關係及與股東 之溝通

本公司認為高質素的通訊為與股東成功建立關係之重要元素。本公司一直致力向現有及潛在投資者提供有關資料，所提供資料不單符合不同的生效規定，亦同時提高透明度及加強與股東及公眾投資者之溝通。持續的溝通除以初步業績公佈以及按中期報告及年報形式定期刊發報告書外，還包括舉行會議及向市場作出有關公佈。

本公司亦設有公司網站，提供有關本集團之全面資料。本公司亦定期與機構投資者及證券分析員會面，以提供有關本集團業務之最新發展及非股價敏感資料。該等活動可讓大眾得知本集團業務狀況，並促進有效溝通。

本集團在本年度亦出席由具領導地位之投資銀行舉辦之投資會議及論壇，以提高公眾投資者對本集團目標及策略之認識。

本公司致力確保全面遵守上市規則及其他適用法例與法規訂明之披露責任，而全體股東及潛在投資者均同樣可獲得及取得本集團公佈之公開資料。

Profile of Directors

董事簡介

EXECUTIVE DIRECTORS

MR. LAU LUEN-HUNG, THOMAS (BA, MBA)

Managing Director

Mr. Lau, aged 55, is the Managing Director of the Company who leads the management of the whole Group. He is also the Chairman of Remuneration Committee of the Company. Mr. Lau holds a Bachelor degree and a Master degree of Business Administration. Mr. Lau is responsible for implementing overall strategic development, setting policies and monitoring targets of the retailing business of the Group. He has over 31 years of successful entrepreneurial experience in industrial manufacturing, international trade, finance and economic, real estate, department store retailing and information technology. Mr. Lau was the co-founder of Gemstar-TV Guide International Inc. in the U.S.A. Currently, he has devoted much of his effort to manage the business of the Group. Mr. Lau is also a member of the Chinese People's Political Consultative Conference Shanghai Committee, a director of Shanghai Chinese Overseas Friendship Association and a member of Hong Kong-Shanghai Economic Development Association Limited. He is also an Independent Director of AutoChina International Limited, a NASDAQ listed company. He is the younger brother of Mr. Joseph Lau and Ms. Amy Lau.

MR. DOO WAI-HOI, WILLIAM (JP)

Mr. Doo, aged 65, joined the Group in March 2005. He is currently the Vice-Chairman of New World China Land Limited and the Deputy Chairman of NWS Holdings Limited, and an Independent Non-executive Director of The Bank of East Asia, Limited, the shares of which are all listed on the Stock Exchange. Mr. Doo also acts as a director of New World Hotels (Holdings) Limited and Fung Seng Diamond Company Limited. Mr. Doo has served as a Governor of the Canadian Chamber of Commerce in Hong Kong since 1995. In addition, Mr. Doo is a Member of the Standing Committee of the Eleventh Chinese People's Political Consultative Conference in Shanghai, and the Convener of the Shanghai Committee in Hong Kong and Macau. He has been appointed as the Honorary Consul of the Kingdom of Morocco in Hong Kong since June 2005. Mr. Doo is the son-in-law of Dató Dr. Cheng Yu-tung and brother-in-law of Dr. Cheng Kar-shun, Henry.

執行董事

劉鑾鴻先生(BA, MBA)

董事總經理

劉先生現年55歲，為本公司董事總經理，負責領導本集團管理層。彼為本公司薪酬委員會主席。劉先生持有學士學位及工商管理碩士學位。劉先生負責執行本集團零售業務之整體策略發展、制定政策及監督業務目標。彼為成功企業家，在工業製造、國際貿易、金融經濟、房地產、百貨零售及資訊科技方面擁有逾31年經驗。劉先生為美國Gemstar-TV Guide International Inc.之共同創辦人。彼目前致力管理本集團業務。劉先生亦為中國人民政治協商會議上海市委員會會員、上海海外聯誼會理事及滬港經濟發展協會會員。彼亦為納斯達克上市之AutoChina International Limited之獨立董事。彼為劉鑾雄先生及劉玉慧女士之胞弟。

杜惠愷先生(太平紳士)

杜先生現年65歲，於二零零五年三月加盟本集團。彼現為股份於聯交所上市之新世界中國地產有限公司、新創建集團有限公司之副主席，以及東亞銀行有限公司之獨立非執行董事。彼亦為新世界酒店(集團)有限公司及豐盛珠寶有限公司之董事。自一九九五年起，彼出任加拿大商會駐港總監之職。此外，杜先生為中國人民政協會上海市第十一屆常務委員及港澳委員召集人。彼自二零零五年六月起獲摩洛哥王國委任為駐港名譽領事。杜先生為拿督鄭裕彤博士之女婿及鄭家純博士之妹夫。

NON-EXECUTIVE DIRECTORS

DATÓ DR. CHENG YU-TUNG (DPMS, LLD (HON), DBA(HON), DSSC(HON), GBM)
Chairman

Dató Dr. Cheng, aged 84, is the non-executive Chairman of the Company. He joined the Group in March 2004. Dató Dr. Cheng is also the Chairman of Chow Tai Fook Enterprises Limited, Chow Tai Fook Jewellery Company Limited and New World Hotels (Holdings) Limited. He is a director of Cheng Yu Tung Family (Holdings) Limited and Centennial Success Limited. He is also the Chairman of New World Development Company Limited (conglomerate) and Melbourne Enterprises Limited, a non-executive director of Shun Tak Holdings Limited and SJM Holdings Limited, all listed on the Stock Exchange. He was an independent non-executive director of Hang Seng Bank Limited until 6th May, 2009. Dr. Cheng was awarded Grand Bauhinia Medal by the Government of the Hong Kong Special Administrative Region in 2008. Dató Dr. Cheng is the father of Dr. Cheng Kar-shun, Henry and the father-in-law of Mr. Doo Wai-hoi, William.

DR. CHENG KAR-SHUN, HENRY (BA, MBA, DBA(HON), LLD(HON), GBS)

Dr. Cheng, aged 63, joined the Group in May 2001. Dr. Cheng is a director of Chow Tai Fook Enterprises Limited, Chow Tai Fook Jewellery Company Limited, Cheng Yu Tung Family (Holdings) Limited and Centennial Success Limited. He is the Managing Director of New World Development Company Limited, conglomerate listed on the Stock Exchange. Dr. Cheng is also the Chairman and Managing Director of New World China Land Limited, which is listed on the Stock Exchange; the Chairman of NWS Holdings Limited, New World Department Store China Limited and International Entertainment Corporation, all listed on the Stock Exchange. He is the Managing Director of New World Hotels (Holdings) Limited and an independent non-executive director of HKR International Limited, which is listed on the Stock Exchange. He was the Chairman of Vision Values Holdings Limited (formerly known as New World Mobile Holdings Limited) and Taifook Securities Group Limited up to his resignation on 1st February, 2007 and 13th January, 2010 respectively.

Dr. Cheng is the Chairman of the Advisory Council for The Better Hong Kong Foundation and a Standing Committee Member of the Eleventh Chinese People's Political Consultative Conference of the People's Republic of China. In 2001, Dr. Cheng was awarded the Gold Bauhinia Star by the Government of the Hong Kong Special Administrative Region. Dr. Cheng is the son of Dató Dr. Cheng Yu-tung and brother-in-law of Mr. Doo Wai-hoi, William.

MR. LAU LUEN-HUNG, JOSEPH

Mr. Lau, aged 58, joined the Group in May 2001. Mr. Lau is also the chairman and an executive director of Chinese Estates Holdings Limited which is a company listed on the Stock Exchange. He has over 34 years of experience in corporate finance, manufacturing and property investment and development. Mr. Lau is the elder brother of Mr. Thomas Lau and Ms. Amy Lau.

非執行董事

拿督鄭裕彤博士 (DPMS, LLD(HON), DBA(HON), DSSC(HON), GBM)
主席

拿督鄭裕彤博士現年84歲，為本公司非執行主席，於二零零四年三月加盟本集團。拿督鄭博士亦為周大福企業有限公司、周大福珠寶金行有限公司及新世界酒店(集團)有限公司之主席，彼為Cheng Yu Tung Family (Holdings) Limited及Centennial Success Limited之董事。彼亦為於聯交所上市之新世界發展有限公司(綜合企業)及萬邦投資有限公司之主席，以及信德集團有限公司及澳門博彩控股有限公司非執行董事。彼曾任恒生銀行有限公司獨立非執行董事直至二零零九年五月六日。鄭博士於2008年獲香港特別行政區政府頒授大紫荊勳章。彼為鄭家純博士之父親及杜惠愷先生之岳父。

鄭家純博士 (BA, MBA, DBA(HON), LLD(HON), GBS)

鄭博士現年63歲，於二零零一年五月加盟本集團。鄭博士為周大福企業有限公司、周大福珠寶金行有限公司、Cheng Yu Tung Family (Holdings) Limited及Centennial Success Limited之董事，亦為於聯交所上市之綜合企業新世界發展有限公司董事總經理，於聯交所上市之新世界中國地產有限公司主席兼董事總經理及於聯交所上市之新創建集團有限公司、新世界百貨中國有限公司及國際娛樂有限公司之主席。彼亦為新世界酒店(集團)有限公司董事總經理及於聯交所上市之香港興業國際集團有限公司獨立非執行董事。彼曾任Vision Values Holdings Limited (前稱新世界移動控股有限公司)及大福證券集團有限公司之主席，分別直至二零零七年二月一日及二零零一年一月十三日辭任。

鄭博士為香港明天更好基金顧問委員會主席，亦為中華人民共和國第十一屆全國政協常務委員。鄭博士於二零零一年獲香港特別行政區政府頒授金紫荊星章。鄭博士為拿督鄭裕彤博士之兒子及杜惠愷先生之大舅。

劉鑾雄先生

劉先生現年58歲，於二零零一年五月加盟本集團。劉先生亦為聯交所上市公司華人置業集團之主席及執行董事。彼於企業融資、製造及物業投資與發展方面擁有逾34年經驗。劉先生為劉鑾鴻先生及劉玉慧女士之胞兄。

NON-EXECUTIVE DIRECTORS (continued)

MS. LAU YUK-WAI, AMY

Ms. Lau, aged 56, joined the Group in March 2004. Ms. Lau holds a Bachelor degree in Science and a Doctor degree in Dental Surgeon from the University of Toronto in Canada. She is also a non-executive director of Chinese Estates Holdings Limited, which is a company listed on the Stock Exchange. Ms. Lau is the sister of Mr. Thomas Lau and Mr. Joseph Lau.

INDEPENDENT NON-EXECUTIVE DIRECTORS

MR. LAM SIU-LUN, SIMON (BA, ACA, FTIHK)

Mr. Lam, aged 60, joined the Group in March 2004. He is also the Chairman of Audit Committee of the Company. Mr. Lam graduated from the University of Hong Kong in 1973. After graduation, he worked at KPMG Peat Marwick London and Hong Kong and obtained his qualification as a Certified Public Accountant from HKICPA in 1979. Mr. Lam has been a practicing accountant for over 20 years and is the proprietor of Messrs. S.L. Lam & Company. He has served as a member of the Insider Dealing Tribunal on a number of occasions. He is an independent non-executive director and audit committee member of Le Saunda Holdings Limited and Kiu Hung Energy Holdings Limited, companies whose shares are listed on the main board of the Stock Exchange.

MR. CHEUNG YUET-MAN, RAYMOND

Mr. Cheung, aged 55, joined the Group in March 2004. Mr. Cheung was an entrepreneur and has over 17 years of experience in the textile and garment manufacturing industries and has over 16 years of experience in property investment.

THE HON. SHEK LAI-HIM, ABRAHAM (BA, DIP. ED., JP)

Mr. Shek, aged 64, joined the Group in March 2004. Mr. Shek obtained his Bachelor degree of Arts in 1969 and has extensive experience in the property development field. Mr. Shek is a member of the Legislative Council of Hong Kong. He is also a member of the Council of The Hong Kong University of Science & Technology and Court of The University of Hong Kong. He is an independent non-executive director and audit committee member of each of Midas International Holdings Limited, Paliburg Holdings Limited, Chuang's Consortium International Limited, NWS Holdings Limited, ITC Corporation Limited, Titan Petrochemicals Group Limited and Country Garden Holdings Company Limited and an independent non-executive director of Hop Hing Group Holdings Limited, Hsin Chong Construction Group Ltd., Chuang's China Investments Limited and MTR Corporation Limited whose shares are listed on the main board of the Stock Exchange. He is also an independent non-executive director of SJM Holdings Limited and an independent non-executive director and audit committee member of Regal Portfolio Management Limited. He is also an independent non-executive director and audit committee member of Eagle Asset Management (CP) Limited, the manager of Champion Real Estate Investment Trust which is listed on the Stock Exchange. Mr. Shek is also a director to The Hong Kong Mortgage Corporation Limited. He is also the Vice Chairman of Independent Police Complaints Council.

非執行董事 (續)

劉玉慧女士

劉女士現年56歲，於二零零四年三月加盟本集團。劉女士持有加拿大多倫多大學之理學士學位及牙科博士學位。彼亦為聯交所上市公司華人置業集團之非執行董事。劉女士為劉鑾雄先生之胞妹及劉鑾鴻先生之胞姊。

獨立非執行董事

林兆麟先生 (BA, ACA, FTIHK)

林先生現年60歲，於二零零四年三月加盟本集團。彼為本公司審核委員會主席。林先生於一九七三年在香港大學畢業後，曾於倫敦及香港畢馬威會計師事務所工作，並於一九七九年獲取香港會計師公會確認之執業會計師資格。林先生從事執業會計師超過20年，並為林兆麟會計師事務所東主。彼曾多次擔任內幕交易審裁處成員。彼為利信達集團有限公司及僑雄能源控股有限公司之獨立非執行董事兼審核委員會成員，該等公司之股份於聯交所主板上市。

張悅文先生

張先生現年55歲，於二零零四年三月加盟本集團。張先生為企業家，擁有逾17年紡織及成衣製造業經驗及逾16年物業投資經驗。

石禮謙議員 (BA, DIP. ED., 太平紳士)

石先生現年64歲，於二零零四年三月加盟本集團。石先生於一九六九年取得文學士學位，於物業發展方面擁有豐富經驗。石先生為香港立法會議員。彼亦為香港科技大學及香港大學校董會成員。彼為勤達集團國際有限公司、百利保控股有限公司、莊士機構國際有限公司、新創建集團有限公司、德祥企業集團有限公司、泰山石化集團有限公司及碧桂園控股有限公司之獨立非執行董事兼審核委員會成員，彼亦為合興集團控股有限公司、新昌營造集團有限公司、莊士中國投資有限公司及香港鐵路有限公司之獨立非執行董事，該等公司之股份於聯交所主板上市。彼亦為澳門博彩控股有限公司之獨立非執行董事及富豪資產管理有限公司之獨立非執行董事兼審核委員會成員。彼亦為於聯交所上市之冠君產業信託之管理人鷹君資產管理(冠君)有限公司之獨立非執行董事兼審核委員會成員。石先生亦為香港按揭證券有限公司董事。彼亦為投訴警方獨立監察委員會副主席。

HUI Chiu-chung, Stephen JP

Mr Hui, aged 62, joined the Group in July 2005. Mr Hui is currently the Chief Executive Officer of OSK Holdings Hong Kong Limited. He has 39 years of experience in the securities and investment industry. Mr Hui had for years been serving as a Council Member and Vice Chairman of The Stock Exchange of Hong Kong, member of the Advisory Committee of the Hong Kong Securities and Futures Commission, Director of the Hong Kong Securities Clearing Company Limited, a member of the Listing Committee of the Hong Kong Exchanges and Clearing Limited, an appointed member of the Securities and Futures Appeal Tribunal and was also member of Standing Committee on Company Law Reform. Mr. Hui was appointed by the Government of the HKSAR a Justice of the Peace in 2004 and was also appointed a member of the Zhuhai Municipal Committee of the Chinese People's Political Consultative Conference in 2006. He is at present a member of the Committee on Real Estate Investment Trusts of the Hong Kong Securities and Futures Commission. Mr. Hui is also an appointed member of the Hong Kong Institute of Certified Public Accountants Investigation Panel A and member of Government "Appointees" (independent member) of Appeal Panel of the Travel Industry Council of Hong Kong. Mr. Hui also serves as independent non-executive director of Hong Kong Exchanges and Clearing Limited, Luk Fook Holdings (International) Limited, Jiuzhou Development Company Limited, Chun Wo Development Holdings Limited and Frasers Property (China) Limited whose shares are listed on the Stock Exchange.

許照中太平紳士 JP

許先生現年62歲，於二零零五年七月加盟本集團。現為僑豐金融集團(香港)有限公司行政總裁。具備三十九年之證券及投資經驗，多年來曾出任聯交所理事會理事及副主席、香港證券及期貨事務監察委員會諮詢委員、香港中央結算有限公司董事、香港交易及結算所有限公司上市委員會委員、證券及期貨事務上訴審裁處委員及公司法改革常務委員會委員。許先生於二零零四年獲香港特區政府頒授太平紳士榮銜，並於二零零六年獲中國珠海市人民政治協商會議委任為政協委員。彼現為香港證券及期貨事務監察委員會房地產投資信託基金委員會委員。許先生亦為香港會計師公會調查小組A組會員及香港旅遊業議會上訴委員會獨立委員。許先生亦為股份於聯交所上市之香港交易及結算所有限公司、六福集團(國際)有限公司、九洲發展有限公司、俊和發展集團有限公司及星獅地產(中國)有限公司之獨立非執行董事。

Directors' Report

董事局報告

The Directors of the Company present their annual report and the audited consolidated financial statements for the year ended 31st December, 2009 (the "Year").

Principal activities

The principal activity of the Company is investment holding and the principal activities of its subsidiaries are the operation of "lifestyle" department stores and other retailing format, and property development and property holding. Particulars of the Company's principal subsidiaries are set out in note 49 to the financial statements.

Results and appropriations

The results of the Group for the year ended 31st December, 2009 are set out in the consolidated statement of comprehensive income on page 56.

An interim dividend of HK cents 11.0 per share was paid during the Year. The Directors have recommended the payment of a final dividend of HK cents 17.0 in cash per share to the shareholders whose names appear on the Register of Members of the Company on Monday, 10th May, 2010, amounting to a total of HK cents 28.0 in cash per share for the Year.

Fixed assets

During the Year, the Group revalued all of its investment properties at the end of the reporting period. The net increase in fair value of investment properties amounting to HK\$178,756,000 has been credited directly to the consolidated statement of comprehensive income.

The Group continued its leasehold improvements replacement policy and expended HK\$33,420,000 on new leasehold improvements during the Year.

Details of these and other movements during the Year in the fixed assets of the Group are set out in notes 17 and 18 to the financial statements.

Share capital

Details of movements during the Year in the share capital of the Company are set out in note 38 to the financial statements.

Directors

The Directors of the Company during the Year and up to the date of this report were:

Executive Directors:

Mr. Lau Luen-hung, Thomas (*Managing Director*)
Mr. Doo Wai-hoi, William

Non-executive Directors:

Dató Dr. Cheng Yu-tung (*Chairman*)
Dr. Cheng Kar-shun, Henry
Mr. Lau Luen-hung, Joseph
Ms. Lau Yuk-wai, Amy

Independent Non-executive Directors:

Mr. Lam Siu-lun, Simon
Mr. Cheung Yuet-man, Raymond
The Hon. Shek Lai-him, Abraham
Mr. Hui Chiu-chung, Stephen

本公司董事謹此提呈其年報及截至二零零九年十二月三十一日止年度(「本年度」)之經審核綜合財務報表。

主要業務

本公司主要業務為投資控股，其附屬公司之主要業務則為經營「生活時尚」百貨店及其他零售業務、以及物業發展及持有物業。本公司主要附屬公司詳情載於財務報表附註49。

業績及分配

本集團截至二零零九年十二月三十一日止年度之業績載於第56頁綜合全面收益表。

於本年度，本公司派付中期股息每股11.0港仙。董事建議向於二零一零年五月十日(星期一)名列本公司股東名冊之股東，派付現金末期股息每股17.0港仙，本年度股息合共現金每股28.0港仙。

固定資產

於本年度，本集團於報告期終重估其所有投資物業。直接計入綜合全面收益表之投資物業公平值增加淨額為178,756,000港元。

本集團秉持其物業裝修重置政策，於本年度就新物業裝修耗用33,420,000港元。

有關本集團固定資產於本年度之該等及其他變動詳情，載於財務報表附註17及18。

股本

本公司股本於本年度之變動詳情載於財務報表附註38。

董事

於本年度及截至本報告日期期間，本公司董事如下：

執行董事：

劉鑾鴻先生(*董事總經理*)
杜惠愷先生

非執行董事：

拿督鄭裕彤博士(*主席*)
鄭家純博士
劉鑾雄先生
劉玉慧女士

獨立非執行董事：

林兆麟先生
張悅文先生
石禮謙議員
許照中先生

Directors (continued)

In accordance with Article 87 of the Articles of the Company, Dr. Cheng Kar-shun, Henry, Ms. Lau Yuk-wai, Amy and Mr. Lam Siu-lun, Simon shall retire by rotation and, being eligible, offer themselves for re-election.

The term of office of each Non-executive Director and Independent Non-executive Director is appointed for a specific term of one year and is subject to retirement and re-election at annual general meeting in accordance with the Company's articles of association.

Mr. Lau Luen-hung, Thomas and Mr. Doo Wai-hoi, William entered into service contract with the Company for an initial fixed term of three years commencing from 1st April, 2004 and 2nd March, 2005 respectively, and is subject to renewal and extension automatically for further three years unless terminated by either party in writing. There is no specific clause in both service contracts providing for the amount of compensation in case of early termination of office.

Other than as disclosed above, no Director proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

Directors' and chief executives' interests in shares and underlying shares

As at 31st December, 2009, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which are required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or are required, pursuant to Section 352 of Part XV of the SFO, to be entered in the register referred to therein, or are required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange to be notified to the Company and the Stock Exchange were as follows:

(i) Long positions in the issued shares of the Company

Name of Director	Nature of interest and capacity	Number of shares	Approximate percentage of interest in the issued share capital of the Company (Note 3) 佔本公司已發行股本權益之概約百分比 (附註3)
董事姓名	權益性質及身分	股份數目	
Mr. Lau Luen-hung, Thomas 劉鑾鴻先生	Interest in controlled corporation (Note 1) 受控制公司權益(附註1)	1,080,000,000	64.53%
	Interest in controlled corporation (Note 2) 受控制公司權益(附註2)	41,000,000	2.45%
	Beneficial owner 實益擁有人	36,506,000	2.18%

董事(續)

根據本公司之章程細則第87條規定，鄭家純博士、劉玉慧女士及林兆麟先生須輪值告退，惟合資格並願意重選連任。

各非執行董事及獨立非執行董事乃按指定年期一年委任，且須根據本公司之組織章程細則於股東週年大會告退並重選連任。

劉鑾鴻先生及杜惠愷先生與本公司訂有服務合約，分別自二零零四年四月一日及二零零五年三月二日起計，首個固定年期為三年，任期另將自動重續及延展三年，除非任何一方發出不續約之書面通知。該等服務合約並無載有規定提早終止任期補償金額之特定條款。

除上文披露者外，概無擬於應屆股東週年大會重選連任之董事訂有本集團不作賠償(法定賠償除外)則不可於一年內終止之服務合約。

董事及行政總裁於股份及相關股份之權益

於二零零九年十二月三十一日，董事及本公司行政總裁於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中，擁有須根據證券及期貨條例第XV部第7及8分部知會本公司及香港聯合交易所有限公司(「聯交所」)的權益及淡倉(包括彼等根據證券及期貨條例該等條文被當作或視為擁有的權益及淡倉)；或根據證券及期貨條例第XV部第352條須記錄於該條所述之登記冊之權益及淡倉；或根據聯交所證券上市規則(「上市規則」)附錄10所載之上市發行人董事進行證券交易的標準守則須知會本公司及聯交所之權益及淡倉如下：

(i) 本公司已發行股份之好倉

Directors' and chief executives' interests in shares and underlying shares (continued)

(i) Long positions in the issued shares of the Company (continued)

Notes:

1. Real Reward Limited ("Real Reward"), which is jointly owned by United Goal Resources Limited ("United Goal") and Go Create Limited ("Go Create") in equal shares, holds 1,080,000,000 shares. United Goal, a company incorporated in the British Virgin Islands ("BVI"), is ultimately owned by Mr. Thomas Lau and a family trust with certain family members of Mr. Lau Luen-hung, Joseph ("Mr. Joseph Lau") as eligible beneficiaries. By virtue of the SFO, Mr. Thomas Lau is deemed to be interested in the 1,080,000,000 shares held by Real Reward.
2. Dynamic Castle Limited ("Dynamic Castle"), which is wholly-owned by Mr. Thomas Lau, holds 41,000,000 shares. By virtue of the SFO, Mr. Thomas Lau is deemed to be interested in the 41,000,000 shares held by Dynamic Castle.
3. As at 31st December, 2009, the issued share capital of the Company was HK\$8,368,100.00 divided into 1,673,620,000 shares of HK\$0.005 each.

(ii) Long positions in associated corporations

Name of Director 董事姓名	Name of associated corporation 相聯法團名稱	Nature of interest and capacity 權益性質及身分	Total number of shares held 所持股份總數	Percentage of interest 權益百分比
Mr. Thomas Lau 劉鑾鴻先生	Real Reward	Interest in controlled corporation (Note 1) 受控制公司權益(附註1)	1	50%
	Crystal Key Investment Limited	Interest in controlled corporation (Note 2) 受控制公司權益(附註2)	1	100%
	Grandville Venture Corp.	Interest in controlled corporation (Note 2) 受控制公司權益(附註2)	50,000	100%
	Global Centre Investments Limited	Interest in controlled corporation (Note 2) 受控制公司權益(附註2)	1	100%
	Leeson Limited 麗信有限公司	Interest in controlled corporation (Note 2) 受控制公司權益(附註2)	1	100%
	Wise Ocean Limited 偉洋有限公司	Interest in controlled corporation (Note 2) 受控制公司權益(附註2)	1	100%

Notes:

1. United Goal, a company incorporated in the BVI and ultimately owned by Mr. Thomas Lau and a family trust with certain family members of Mr. Joseph Lau as eligible beneficiaries, has 50% interest in Real Reward. By virtue of the SFO, Mr. Thomas Lau is deemed to be interested in the one share in Real Reward.
2. United Goal, a company incorporated in the BVI and ultimately owned by Mr. Thomas Lau and a family trust with certain family members of Mr. Joseph Lau as eligible beneficiaries, has 50% interest in Real Reward. Crystal Key Investment Limited, Grandville Venture Corp., Global Centre Investments Limited, Leeson Limited and Wise Ocean Limited are, either direct or indirect, wholly-owned subsidiaries of Real Reward. By virtue of SFO, Mr. Thomas Lau is deemed to be interested in the shares held by Real Reward in Crystal Key Investment Limited, Grandville Venture Corp., Global Centre Investments Limited, Leeson Limited and Wise Ocean Limited.

董事及行政總裁於股份及相關股份之權益(續)

(i) 本公司已發行股份之好倉(續)

附註:

1. 由United Goal Resources Limited(「United Goal」)及Go Create Limited(「Go Create」)共同平均擁有之Real Reward Limited(「Real Reward」)持有1,080,000,000股。United Goal為於英屬維爾京群島註冊成立之公司，由劉鑾鴻先生及合資格受益人為劉鑾雄先生(「劉鑾雄先生」)若干家族成員之家族信託最終擁有。根據證券及期貨條例，劉鑾鴻先生被視作於Real Reward所持1,080,000,000股中擁有權益。
2. 由劉鑾鴻先生全資擁有之Dynamic Castle Limited(「Dynamic Castle」)持有41,000,000股。根據證券及期貨條例，劉鑾鴻先生被視作於Dynamic Castle所持41,000,000股中擁有權益。
3. 於二零零九年十二月三十一日，本公司之已發行股本為8,368,100.00港元，分為1,673,620,000股每股面值0.005港元之股份。

(ii) 於相聯法團之好倉

附註:

1. United Goal為於英屬維爾京群島註冊成立之公司，擁有Real Reward 50%權益，並由劉鑾鴻先生及合資格受益人為劉鑾雄先生若干家族成員之家族信託最終擁有。根據證券及期貨條例，劉鑾鴻先生被視作於Real Reward一股股份中擁有權益。
2. United Goal為於英屬維爾京群島註冊成立之公司，擁有Real Reward 50%權益，並由劉鑾鴻先生及合資格受益人為劉鑾雄先生若干家族成員之家族信託最終擁有。Crystal Key Investment Limited、Grandville Venture Corp.、Global Centre Investments Limited、麗信有限公司及偉洋有限公司為Real Reward直接或間接全資附屬公司。根據證券及期貨條例，劉鑾鴻先生被視作於Real Reward在Crystal Key Investment Limited、Grandville Venture Corp.、Global Centre Investments Limited、麗信有限公司及偉洋有限公司持有之股份中擁有權益。

Directors' and chief executives' interests in shares and underlying shares (continued)

(ii) Long positions in associated corporations (continued)

All the interests stated above represented long positions. As at 31st December, 2009, the Directors and chief executives had no short positions recorded in the register required to be kept by the Company pursuant to Section 352 of Part XV of the SFO.

Interests of substantial shareholders

As at 31st December, 2009, so far as is known to any Director or chief executive of the Company, the following persons (other than a Director or the chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of the Divisions 2 and 3 of Part XV of the SFO:

(i) Long positions in the shares and the underlying shares of the Company

董事及行政總裁於股份及相關股份之權益(續)

(ii) 於相聯法團之好倉(續)

上述全部權益均為好倉。於二零零九年十二月三十一日，本公司根據證券及期貨條例第XV部第352條規定存置之登記冊並無記錄董事及行政總裁擁有任何淡倉。

主要股東權益

於二零零九年十二月三十一日，據董事或本公司行政總裁所知，下列人士(不包括董事或本公司行政總裁)於本公司之股份及相關股份中，擁有須根據證券及期貨條例第XV部第2及3分部之條文向本公司披露之權益或淡倉：

(i) 本公司股份及相關股份之好倉

Name of Shareholder	Nature of interest and capacity	Number of shares	Approximate percentage of interest in the issued share capital of the Company (Note 4) 佔本公司已發行股本權益之概約百分比 (附註4)
股東名稱	權益性質及身分	股份數目	
Real Reward	Beneficial owner (Note 1) 實益擁有人(附註1)	1,080,000,000	64.53%
United Goal	Interest in controlled corporation (Note 2) 受控制公司權益(附註2)	1,080,000,000	64.53%
Asia Prime Assets Limited ("Asia Prime")	Interest in controlled corporation (Note 2) 受控制公司權益(附註2)	1,080,000,000	64.53%
Go Create	Interest in controlled corporation (Note 3) 受控制公司權益(附註3)	1,080,000,000	64.53%
Chow Tai Fook Enterprises Limited ("CTF") 周大福企業有限公司(「周大福」)	Interest in controlled corporation (Note 3) 受控制公司權益(附註3)	1,080,000,000	64.53%
JPMorgan Chase & Co.	(a) Beneficial owner (a) 實益擁有人 (b) Investment manager (b) 投資經理 (c) Custodian (c) 託管人	131,500 39,598,000 60,392,177	Total: 100,121,677 總計: 5.98%

Interests of substantial shareholders (continued)

(ii) Lending pool with respect of the shares and underlying shares of the Company

Name of Shareholder	Capacity	Number of shares	Approximate percentage of interest in the issued share capital of the Company (Note 4) 佔本公司已發行股本權益之概約百分比 (附註4)
股東名稱	身分	股份數目	
JPMorgan Chase & Co.	Custodian 託管人	60,392,177	3.61%

Notes:

- Real Reward is a company jointly owned by United Goal and Go Create in equal shares. United Goal is ultimately owned by Mr. Thomas Lau and a family trust with certain family members of Mr. Joseph Lau as eligible beneficiaries. Go Create is wholly owned by CTF of which family members of Dató Dr. Cheng Yu-tung have controlling interests. Mr. Thomas Lau, Mr. Joseph Lau and Dr. Cheng Kar-shun, Henry, being Directors, are also directors of Real Reward.
- Asia Prime, a company wholly owned by Mr. Thomas Lau, holds more than one-third of the entire issued share capital of United Goal, a 50% shareholder of Real Reward. By virtue of the SFO, Asia Prime and United Goal are deemed to be interested in the 1,080,000,000 shares held by Real Reward. Mr. Thomas Lau and Mr. Joseph Lau, being Directors, are directors of United Goal and Mr. Thomas Lau is also the sole director of Asia Prime.
- Go Create, a company incorporated in the BVI and wholly owned by CTF of which family members of Dató Dr. Cheng Yu-tung have controlling interests, has 50% interest in Real Reward. By virtue of the SFO, CTF and Go Create are deemed to be interested in the 1,080,000,000 shares held by Real Reward. Dató Dr. Cheng Yu-tung and Dr. Cheng Kar-shun, Henry, being Directors, are directors of CTF and Dr. Cheng Kar-shun, Henry is also a director of Go Create.
- As at 31st December, 2009, the issued share capital of the Company was HK\$8,368,100.00 divided into 1,673,620,000 shares of HK\$0.005 each.

All the interests stated above represented long positions. As at 31st December, 2009, the substantial shareholders of the Company had no short positions recorded in the register required to be kept by the Company pursuant to Section 336 of Part XV of the SFO.

主要股東權益(續)

(ii) 可供借出之本公司股份及相關股份

Name of Shareholder	Capacity	Number of shares	Approximate percentage of interest in the issued share capital of the Company (Note 4) 佔本公司已發行股本權益之概約百分比 (附註4)
股東名稱	身分	股份數目	
JPMorgan Chase & Co.	Custodian 託管人	60,392,177	3.61%

附註：

- Real Reward由United Goal與Go Create共同平均擁有。United Goal由劉鑾鴻先生及合資格受益人為劉鑾雄先生若干家族成員之家族信託最終擁有。Go Create由周大福全資擁有，而拿督鄭裕彤博士之家族成員於周大福擁有控股權益。董事劉鑾鴻先生、劉鑾雄先生及鄭家純博士亦為Real Reward之董事。
- Asia Prime由劉鑾鴻先生全資擁有，其持有United Goal全部已發行股本超過三分之一，而United Goal為持有Real Reward 50%權益之股東。根據證券及期貨條例，Asia Prime及United Goal被視為於Real Reward所持之1,080,000,000股中擁有權益。董事劉鑾鴻先生及劉鑾雄先生為United Goal之董事，而劉鑾鴻先生亦為Asia Prime唯一之董事。
- Go Create於英屬維爾京群島註冊成立，由拿督鄭裕彤博士之家族成員擁有控股權益之周大福全資擁有，Go Create於Real Reward擁有50%權益。根據證券及期貨條例，周大福及Go Create被視為於Real Reward持有之1,080,000,000股中擁有權益。董事拿督鄭裕彤博士及鄭家純博士為周大福之董事，而鄭家純博士亦為Go Create之董事。
- 於二零零九年十二月三十一日，本公司之已發行股本為8,368,100.00港元，分為1,673,620,000股每股面值0.005港元之股份。

上述全部權益均為好倉。於二零零九年十二月三十一日，本公司根據證券及期貨條例第XV部第336條規定存置之登記冊並無記錄本公司主要股東擁有任何淡倉。

Share Option Schemes

(i) The 2004 Share Option Scheme

The Company's share option scheme (the "Scheme") was adopted for a period of 10 years commencing 27th March, 2004 pursuant to a written resolution of the sole shareholder for the purpose of providing incentives or rewards to selected full-time employees and Directors for their contribution to the Group.

Under the Scheme, the Company may grant options to selected full-time employees and Directors of the Company and its subsidiaries, to subscribe for shares in the Company. Additionally, the Company may, from time to time, grant share options to eligible advisors and consultants to the Company and its subsidiaries at the discretion of the Board of Directors.

The total number of shares in respect of which options may be granted under the Scheme and any other scheme of the Company is not permitted to exceed 10% of the shares of the Company in issue as at the date of the commencement of dealings in the shares on the Stock Exchange, being 144,000,000 shares of HK\$0.005 each after the share subdivision in 2007, which represented approximately 8.60% of the issued share capital of the Company as at the date of this report. The Company may seek approval from its shareholders in general meeting to renew such limit provided that it must not exceed 10% of the issued share capital of the Company at the date of approval of the renewed limit. The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other scheme must not exceed such number of shares as shall represent 30% of the total number of issued shares of the Company from time to time. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue, without prior approval from the Company's shareholders. Options granted to substantial shareholders, Independent Non-executive Directors, or any of their respective associates (including a trustee of a discretionary trust of which they or any of their family interests are discretionary objects) in excess of 0.1% of the Company's share capital and with a value in excess of HK\$5,000,000 must be also approved by the Company's shareholders.

Option granted must be taken up within the time limit specified in the offer letter (which shall not be later than 5 days from the date of offer), upon payment of HK\$1 per option. Options may be exercised at any time during a period commencing on or after the date on which the option is accepted and deemed to be granted and expiring on a date to be notified by the Board to each grantee which shall not be more than 10 years from the date on which the option is accepted and deemed to be granted. The exercise price is determined by the Directors of the Company, and will not be less than the highest of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

The termination of the Scheme was conditionally approved by the shareholders of the Company in an extraordinary general meeting held on 3rd March, 2009. No further options will be offered under the Scheme, but all options granted prior to such termination shall continue to be valid and exercisable in accordance with the Scheme.

購股權計劃

(i) 二零零四年購股權計劃

本公司根據唯一股東之書面決議案採納購股權計劃(「該計劃」)，由二零零四年三月二十七日起為期十年，旨在向經甄選之全職僱員及董事就彼等對本集團所作貢獻提供獎勵或獎賞。

根據該計劃，本公司可向本公司及其附屬公司經甄選之全職僱員及董事授予購股權，以認購本公司股份。此外，本公司可不時按董事局酌情權向本公司及其附屬公司之合資格顧問及諮詢顧問授予購股權。

根據該計劃或本公司任何其他計劃可授予購股權所涉及股份總數，不得超過本公司於股份在聯交所開始買賣之日期已發行股份10%，即於二零零七年股份拆細後每股面值0.005港元之144,000,000股股份(相當於本公司於本報告日期已發行股本約8.60%)。本公司可於股東大會上尋求股東之批准以更新有關限額，惟該限額不得超過更新限額批准當日本公司已發行股本之10%。行使根據該計劃及任何其他計劃所有已授予而尚未行使之未行使購股權時發行之股份數目，合計最多不得超過本公司不時之已發行股份之30%之股份數目。如未經本公司股東事先批准，於任何一年，就任何個別人士所獲授及可獲授之購股權已發行及將發行之股份數目，不得超過本公司已發行股份1%。授予主要股東、獨立非執行董事或任何彼等各自之聯繫人(包括全權信託之信託人，彼等或任何彼等之家屬權益為全權受益人)超過本公司股本0.1%或價值超過5,000,000港元之購股權，亦必須經本公司股東批准。

授出之購股權須於要約函件所指定時限(不得遲於要約日期起計5日)內接納，接納時須就每份購股權支付1港元。購股權可於接納及被視為已授予當日或之後起至董事局知會各承授人屆滿當日止期間內隨時行使，惟由接納及被視為已授予購股權當日起計不得超過10年。行使價由本公司董事釐定，將不低於(i)授予日期本公司股份收市價；(ii)緊接授予日期前五個營業日股份平均收市價；及(iii)本公司股份面值三者之較高者。

本公司股東於二零零九年三月三日舉行之股東特別大會上有條件批准終止該計劃。額外購股權將不會根據該計劃提出要約，惟於有關終止前，根據該計劃所有授予之購股權將繼續屬有效及可行使。

Share Option Schemes (continued)

(ii) The 2009 Share Option Scheme

The adoption of a new share option scheme (the "2009 Share Option Scheme") was approved by the shareholders of the Company in an extraordinary general meeting held on 3rd March, 2009 for a period of 10 years commencing from 3rd March, 2009 as incentive or reward for the contribution of the eligible participants to the growth of the Group and to provide to the Group with a more flexible means to reward, remunerate, compensate and/or provide benefits to the eligible participants.

Under the 2009 Share Option Scheme, the Company may grant options to (a) any full-time or part-time employee of the Company and/or any subsidiary; (b) any Director (including Executive, Non-executive and Independent Non-executive Director) of the Company and/or any subsidiary; and (c) any consultant or adviser (whether professional or otherwise and whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid), distributor, contractor, supplier, service provider, agent, customer and business partner of the Company and/or any subsidiary who, at the sole determination of the Board, have contributed or will contribute to the Company and/or any subsidiary.

There is no general requirement on the minimum period for which an option must be held or the performance targets which must be achieved before an option can be exercised under the terms of the 2009 Share Option Scheme. However, the Board may offer to grant any options subject to such terms and conditions in relation to the minimum period of the options to be held and/or the performance targets to be achieved before such Options can be exercised and/or any other terms as the Board may determine in its absolute discretion.

The total number of shares which may be issued upon exercise of all options which may be granted under the 2009 Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 166,860,950 shares, representing 10% of the issued share capital of the Company as at 3rd March, 2009, the date on which the 2009 Share Option Scheme was approved by the shareholders of the Company. The Board may seek approval by shareholders in general meeting to renew such limit provided that it must not exceed 10% of the issued share capital of the Company at the date of approval of the renewed limit. The maximum aggregate number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2009 Share Option Scheme and any other scheme must not exceed such number of shares as shall represent 30% of the issued share capital of the Company from time to time.

購股權計劃(續)

(ii) 二零零九年購股權計劃

本公司股東於二零零九年三月三日舉行之股東特別大會上批准採納新購股權計劃(「二零零九年購股權計劃」)，自二零零九年三月三日起為期十年，作為合資格參與者對本集團發展作出貢獻之激勵或獎賞，並讓本集團更具彈性地向合資格參與者提供獎賞、報酬、補償及/或提供福利。

根據二零零九年購股權計劃，本公司可授予購股權予(a)本公司及/或任何附屬公司之任何全職或兼職僱員；(b)本公司及/或任何附屬公司之任何董事(包括執行、非執行及獨立非執行董事)；及(c)經董事局全權決定，已對或將會對本公司及/或任何附屬公司作出貢獻之本公司及/或任何附屬公司之任何專家顧問或顧問(不論其是否專業人士及不論其基於聘用、合約或榮譽或其他性質及是否受薪)、分銷商、承包商、供應商、服務供應商、代理、客戶及業務夥伴。

對於購股權可以根據二零零九年購股權計劃之條款行使前必須持有購股權之最低期限或須達致之表現目標，並無設立一般性規定。然而，董事局授予任何購股權時可設立有關條款及條件，規限在有關購股權可以行使前必須持有購股權之最低期限及/或須達致之表現目標，及/或董事局可絕對酌情釐定之任何其他條款。

因行使根據二零零九年購股權計劃及本公司任何其他購股權計劃授予之所有購股權而可發行之股份總數，合計不得超過166,860,950股股份，相當於本公司股東於二零零九年三月三日舉行之股東特別大會上有條件批准二零零九年購股權計劃當日本公司已發行股本10%。董事局可於股東大會上尋求股東之批准以更新有關限額，惟該限額不得超過更新限額批准當日本公司已發行股本之10%。行使根據二零零九年購股權計劃及任何其他計劃所有已授予而尚未行使之未行使購股權時發行之股份數目，合計最多不得超過本公司不時已發行股本30%之股份數目。

Share Option Schemes (continued)

(ii) The 2009 Share Option Scheme (continued)

The total number of shares issued and to be issued upon exercise of the options granted to each eligible participant (including both exercised and outstanding options under the 2009 Share Option Scheme) in any 12-month period must not exceed 1% of the issued share capital of the Company. Where any further grant of options to an eligible participant would result in excess of such limit, such further grant must be subject to the approval of the shareholders at general meeting with such eligible participant and his associates abstaining from voting.

Options granted to a connected person of the Company or any of its associates must be approved by all of the Independent Non-executive Directors of the Company (excluding any Independent Non-executive Director of the Company who is the grantee of the options).

Where options are proposed to be granted to a substantial shareholder or an Independent Non-executive Director of the Company or any of their respective associates, and the proposed grant of options will result in the total number of shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the issued share capital of the Company on the date of offer and having an aggregate value, based on the closing price of the shares at the date of each grant, in excess of HK\$5 million, such grant of options must be subject to the approval of the shareholders taken on a poll at general meeting. The connected person involved in such proposed grant of options and all other connected persons of the Company must abstain from voting in such general meeting (except that any connected person may vote against the proposed grant provided that his intention to do so has been stated in the relevant circular to the shareholders).

Option granted must be taken up within the time limit specified in the offer letter (which shall not be later than 5 days from the date of offer), upon payment of HK\$1 on acceptance of the offer. Options may be exercised at any time during a period to be notified by the Board to each grantee which shall not be more than 10 years from the date of the offer. The exercise price is determined by the Directors of the Company, and will be at least the highest of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

購股權計劃(續)

(ii) 二零零九年購股權計劃(續)

各合資格參與者於任何12個月內因行使其獲授購股權(包括二零零九年購股權計劃項下已行使及尚未行使之購股權)而已發行及將發行之股份總數，不得超過本公司已發行股本之1%。倘進一步向合資格參與者授予購股權將導致該限額被超過，則該進一步購股權授予須在股東大會上獲得股東批准，而有關合資格參與者及其聯繫人須放棄投票。

向本公司或其任何聯繫人之關連人士授予購股權必須獲得本公司全體獨立非執行董事(不包括身為有關購股權承授人之本公司獨立非執行董事)批准。

倘於截至及包括授予日期前任何12個月內建議向本公司主要股東、獨立非執行董事或彼等各自之任何聯繫人授予購股權，會使該人士因行使所有已獲授及將獲授購股權(包括已行使、註銷及尚未行使之購股權)而已發行及將發行之股份總數合計超過本公司於要約日期已發行股本之0.1%，而有關總值(按各授予日期股份收市價計算)超過5,000,000港元，則該次購股權授予須在股東大會上獲得股東按股數投票表決批准。涉及該次建議授予購股權之關連人士以及本公司之所有其他關連人士須在上述股東大會上放棄投票(然而，任何關連人士均可投票反對授予建議，惟其相關意向須載列於致股東之相關通函內)。

授予之購股權須於要約函件所指定時限(不得遲於要約日期起計5日)內接納，於接納要約時須支付1港元。購股權可於董事局知會各承授人期間內隨時行使，惟於要約日期起計不得超過10年。行使價由本公司董事釐定，將至少為下列三者中之最高者(i)授予日期本公司股份收市價；(ii)緊接授予日期前五個營業日股份平均收市價；及(iii)本公司股份面值。

Details of options granted by the Company

As at 31st December, 2009, options to subscribe for an aggregate of 38,270,000 shares of the Company granted to a Director (as disclosed above) and certain full-time employees pursuant to the Scheme remained outstanding, details of which were as follows:

本公司授予購股權之詳情

於二零零九年十二月三十一日，誠如上文所披露，本公司根據該計劃向一名董事及若干全職僱員授予可供認購合共38,270,000股本公司股份且尚未行使之購股權詳情如下：

	Date of grant 授予日期	Number of share options 購股權數目					Outstanding as at 31st December, 2009 於二零零九年 十二月三十一日 尚未行使	Option period 購股權期限	Subscription price per share 每股認購價
		Outstanding as at 1st January, 2009 於二零零九年 一月一日 尚未行使	Granted during the Year 年內授予	Exercised during the Year 年內行使	Lapsed during the Year 年內失效	Cancelled during the Year 年內註銷			
Director									
董事									
Mr. Thomas Lau 劉鑾鴻先生	07/10/2005 二零零五年 十月七日	1,008,000	-	(1,008,000)	-	-	07/10/2006 – 26/3/2014 (Note 1) 二零零六年 十月七日至 二零一四年 三月二十六日 (附註1)	HK\$6.16 6.16港元	
	16/03/2006 二零零六年 三月十六日	9,156,000	-	(9,156,000)	-	-	16/03/2007 – 26/03/2014 (Note 2) 二零零七年 三月十六日至 二零一四年 三月二十六日 (附註2)	HK\$6.37 6.37港元	
	31/08/2007 二零零七年 八月三十一日	17,020,000	-	-	-	17,020,000	01/10/2008 – 26/03/2014 (Note 3) 二零零八年 十月一日至 二零一四年 三月二十六日 (附註3)	HK\$18.50 18.50港元	
Employees									
僱員									
	07/10/2005 二零零五年 十月七日	3,619,000	-	(1,947,000)	(382,000)	1,290,000	07/10/2006 – 26/03/2014 (Note 1) 二零零六年 十月七日至 二零一四年 三月二十六日 (附註1)	HK\$6.16 6.16港元	
	31/08/2007 二零零七年 八月三十一日	21,520,000	-	-	(1,120,000)	(20,400,000)	01/10/2008 – 26/03/2014 (Notes 3 & 4) 二零零八年 十月一日至 二零一四年 三月二十六日 (附註3及4)	HK\$18.50 18.50港元	
	02/02/2009 二零零九年 二月二日	-	20,400,000	-	(440,000)	19,960,000	07/02/2010 – 26/03/2014 (Notes 4 & 5) 二零一零年 二月七日至 二零一四年 三月二十六日 (附註4及5)	HK\$6.40 6.40港元	
Total		52,323,000	20,400,000	(12,111,000)	(1,942,000)	(20,400,000)	38,270,000		
總計									

Details of options granted by the Company (continued)

Notes:

- The options, granted on 7th October, 2005, are exercisable from 7th October, 2006 to 26th March, 2014 (both days inclusive) subject to the following vesting period:
 - up to 40% of the options commencing 7th October, 2006;
 - up to 70% of the options (including the options not exercised under the limit prescribed for in the previous period) commencing 7th October, 2007; and
 - up to 100% of the options (including the options not exercised under the limit prescribed for in the previous periods) commencing 7th October, 2008.
- The options, granted on 16th March, 2006, are exercisable from 16th March, 2007 to 26th March, 2014 (both days inclusive) subject to the following vesting period:
 - up to 40% of the options commencing 16th March, 2007;
 - up to 70% of the options (including the options not exercised under the limit prescribed for in the previous period) commencing 16th March, 2008; and
 - up to 100% of the options (including the options not exercised under the limit prescribed for in the previous periods) commencing 16th March, 2009.

The grant of the options to Mr. Thomas Lau was subsequently approved by independent shareholders on 26th April, 2006.
- The options, granted on 31st August, 2007, are exercisable from 1st October, 2008 to 26th March, 2014 (both days inclusive) subject to the following vesting period:
 - up to 40% of the options commencing 1st October, 2008 or 1st October, 2009;
 - up to 70% of the options (including the options not exercised under the limit prescribed for in the previous period) commencing 1st October, 2009 or 1st October, 2010; and
 - up to 100% of the options (including the options not exercised under the limit prescribed for in the previous periods) commencing 1st October, 2010 or 1st October, 2011.

The grant of the options to Mr. Thomas Lau was subsequently approved by independent shareholders on 25th September, 2007.

On 2nd February, 2009 and 3rd March, 2009, approvals have been obtained from the board of directors and shareholders respectively in respect of cancellation and replacement of the options granted to employees (other than those granted to Mr. Thomas Lau) as more fully described in note 39 of the Notes to the Consolidated Financial Statements.
- On 3rd March, 2009, the outstanding options previously granted to employees of the Group on 31st August, 2007 (which entitled such employees to subscribe for an aggregate of 20,400,000 shares) were cancelled and replaced by new options granted by the Company entitling them to subscribe for the same number of shares at an exercise price of HK\$6.40 per share (the "2009 Employee Options"). The 2009 Employee Options are exercisable from 7th February, 2010 to 26th March, 2014 (both days inclusive) in the following manner:
 - 40% as from 7th February, 2010;
 - 30% (in addition to the 40% mentioned in (i) above) as from 7th February, 2011; and
 - remaining 30% (in addition to the 70% mentioned in (i) and (ii) above) as from 7th February, 2012.

本公司授予購股權之詳情(續)

附註:

- 該等於二零零五年十月七日授予之購股權可於二零零六年十月七日至二零一四年三月二十六日期間(包括首尾兩日)行使,有關歸屬期如下:
 - 自二零零六年十月七日起最多40%之購股權;
 - 自二零零七年十月七日起最多70%之購股權(包括上個期間指定限額並未行使之購股權);及
 - 自二零零八年十月七日起最多100%之購股權(包括上個期間指定限額並未行使之購股權)。
- 該等於二零零六年三月十六日授予之購股權可於二零零七年三月十六日至二零一四年三月二十六日期間(包括首尾兩日)行使,有關歸屬期如下:
 - 自二零零七年三月十六日起最多40%之購股權;
 - 自二零零八年三月十六日起最多70%之購股權(包括上個期間指定限額並未行使之購股權);及
 - 自二零零九年三月十六日起最多100%之購股權(包括上個期間指定限額並未行使之購股權)。

授予劉鑾鴻先生之購股權其後獲獨立股東於二零零六年四月二十六日批准。
- 該等於二零零七年八月三十一日授予之購股權可於二零零八年十月一日至二零一四年三月二十六日期間(包括首尾兩日)行使,有關歸屬期如下:
 - 自二零零八年十月一日或二零零九年十月一日起最多40%之購股權;
 - 自二零零九年十月一日或二零一零年十月一日起最多70%之購股權(包括上個期間指定限額並未行使之購股權);及
 - 自二零一零年十月一日或二零一一年十月一日起最多100%之購股權(包括上個期間指定限額並未行使之購股權)。

授予劉鑾鴻先生之購股權其後獲獨立股東於二零零七年九月二十五日批准。

於二零零九年二月二日及二零零九年三月三日,董事局及股東分別批准註銷及取代授予僱員之購股權(授予劉鑾鴻先生之購股權除外),詳情載於綜合財務報表附註39。
- 於二零零九年三月三日,先前於二零零七年八月三十一日授予本集團僱員之尚未行使購股權(其賦予該等僱員權利可認購合共20,400,000股股份)已獲註銷並由本公司所授予之新購股權取代,該等新購股權賦予彼等權利可按每股6.40港元之行使價認購相同數目之股份(「二零零九年僱員購股權」)。二零零九年僱員購股權可自二零一零年二月七日至二零一四年三月二十六日期間(包括首尾兩日)按以下方式行使:
 - 自二零一零年二月七日起可行使40%;
 - 自二零一一年二月七日起,除上文(i)所述之40%,可行使另外30%;及
 - 自二零一二年二月七日起,除上文(i)及(ii)所述之70%,可行使餘下之30%。

Details of options granted by the Company (continued)

Notes: (continued)

5. According to the Black-Scholes pricing model (the "Model"), the fair value of the options granted during the Year was estimated at HK\$19.9 million. The variables used in the model were as follows:

Exercise price	HK\$6.40	
Share price on grant date as defined in accordance with HKFRS 2	HK\$5.53	closing price on 3rd March, 2009
Expected volatility	55.26%	historical volatility of the Company's share price over previous years
Expected life	1.5-3.5 years	based on management's best estimation, taking into account non-transferability, exercise restrictions and other behavioural considerations
Risk-free rate	0.57-1.27%	reference to yield of Exchange Fund Notes in accordance with expected life of the option
Expected dividend yield	4.34%	based on historical dividend yield of the shares of the Company over 12-month period

This Model was developed to estimate the fair value of publicly traded options that have no vesting restriction and are fully transferable. As the Company's share options have characteristics significantly different from those traded options, and the value of the share options varies with different variables of certain subjective assumptions, any change in the variables so used may materially affect the estimation of the fair value of the share options.

Arrangements to purchase shares or debentures

Other than as disclosed under the section "Details of options granted by the Company", at no time during the Year was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in contracts of significance

Other than as disclosed under the section "Connected Transactions", no contracts of significance to which the Company, its holding company, subsidiaries or fellow subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

Connected transactions

(A) Continuing connected transaction

(i) Jewellery Dealership Agreement at Sogo CWB Store

On 27th March, 2008, the Group's 100% owned Sogo Hong Kong Company Limited ("Sogo HK") entered into a dealership agreement with Chow Tai Fook Jewellery Company Limited ("CTF Jewellery") for a consignment arrangement of a counter of 1,107.40 sq.ft. on the first floor of Sogo Causeway Bay Store ("Sogo CWB Store") for exhibiting and selling of fine jewellery under the brand name of "Chow Tai Fook" for a period of two years, commencing from 1st March, 2008 ("2008 CTF Consignment"). The Sogo HK would receive a monthly commission charging on certain percentages of the gross turnover at the said counter, subject to an annual minimum commission of around HK\$4 million.

本公司授予購股權之詳情(續)

附註：(續)

5. 根據「柏力克-舒爾斯」期權定價模式(「模式」)，於年內所授予購股權之公平值估計為19,900,000港元。模式所採用變數如下：

行使價	6.40港元	
根據香港財務報告準則第2號界定之授予日期之股價	5.53港元	於二零零九年三月三日之收市價
預期波幅	55.26%	過往年度本公司股價之歷史波幅
預計年期	1.5-3.5年	根據管理層之最佳估計，並已考慮不可轉讓性、行使限制及其他行為上的考慮因素
無風險比率	0.57-1.27%	按照購股權預計年期參考外匯基金債券收益率
預期股息率	4.34%	根據12個月期間本公司股份之歷史股息率

此模式乃為估計並無歸屬限制及可全面轉讓之公開買賣購股權之公平值而設。由於本公司購股權之特點與該等買賣購股權有重大差異，且購股權之價值會因應若干主觀假設之不同變數而改變，故所採用變數之任何變動可大幅影響購股權公平值之估計。

購買股份或債券之安排

除「本公司授予購股權之詳情」一節披露者外，於本年度任何時間，本公司、其控股公司或其任何附屬公司或同系附屬公司概無訂立任何安排，致使本公司董事藉收購本公司或任何其他法人團體股份或債券而獲益。

董事之重大合約權益

除「關連交易」一節披露者外，本公司董事概無於本公司、其控股公司、附屬公司或同系附屬公司所訂立且於本年度年結日或本年度任何時間仍然生效之重大合約中，直接或間接擁有重大權益。

關連交易

(A) 持續關連交易

(i) 銅鑼灣崇光店珠寶專櫃經營協議

於二零零八年三月二十七日，本集團全資附屬公司崇光(香港)百貨有限公司(「崇光香港」)與周大福珠寶金行有限公司(「周大福珠寶」)就寄售安排訂立專櫃經營協議，提供崇光銅鑼灣店(「崇光銅鑼灣店」)一樓面積約1,107.40平方呎之專櫃，作陳列及銷售「周大福」品牌名貴珠寶，由二零零八年三月一日起計為期兩年(「二零零八年周大福寄售安排」)。崇光香港將每月按上述專櫃之總營業額若干百分比收取佣金，而每年最低佣金則約為4,000,000港元。

Connected transactions (continued)**(A) Continuing connected transaction** (continued)**(i) Jewellery Dealership Agreement at Sogo CWB Store** (continued)

In the ordinary course of business of the Group, the Group entered into the 2008 CTF Consignment with the CTF Jewellery as the merchandises being sold at the said counter can enhance the product mix of the available merchandises in our Sogo CWB Store and fulfill the Group's customers' demand.

During the Year, the Sogo HK received a total of around HK\$12 million commission, management fee and other charges from the CTF Jewellery under the 2008 CTF Consignment, and such sum was within the annual cap of HK\$21.3 million as disclosed in the Company's announcement dated 9th April, 2008.

The Company's controlling shareholder, Real Reward, is 50% owned by Go Create which is 100% owned by Chow Tai Fook Enterprises Limited ("CTF"). CTF Jewellery, being an associate of the CTF, is deemed as a connected person of the Company under the Listing Rules. Thus, the 2008 CTF Consignment constitutes a continuing connected transaction of the Company.

(ii) Shanghai Ongoing Department Store's tenancy agreement

On 26th November, 2004, the Group's 65% owned Shanghai Ongoing Department Store Limited (the "Shanghai Ongoing") entered into a tenancy agreement with the Group's 50% owned 上海九百城市廣場有限公司 (the "CityPlaza Co") in respect of the leasing of the entire building of Shanghai Joinbuy CityPlaza (the "Joinbuy CityPlaza") of approximately 92,000 sq.m., for a period of 20 years commencing from 1st October, 2004 ("Tenancy Agreement"), at a basic annual rental of RMB125 million, with adjustment for additional rental at the rate of 3.5% on the amount over and above the annual turnover of RMB1,500 million generated from the sales at the whole Joinbuy CityPlaza. Management fee was on a cost incurred basis.

Details of the Tenancy Agreement were disclosed in the Company's circular dated 14th December, 2004. On 30th December, 2004, independent shareholders of the Company had approved the Tenancy Agreement together with annual caps of RMB125 million for rental and of RMB65 million for management fee for 3 years commencing from 1st October, 2004. The annual caps of rental and management fee were both revised and approved by major shareholders of the Company to RMB155 million and RMB44 million respectively in accordance to the Company's circular dated 13th October, 2008. During the Year, rental of RMB125 million (equivalent to approximately HK\$141.9 million) and management fee of RMB33.8 million (equivalent to approximately HK\$38.4 million) were paid by the Shanghai Ongoing under the Tenancy Agreement.

The Tenancy Agreement was arranged for the leasing of the retailing space as necessary for the operation of the Group's Shanghai Jiuguang Department Store ("Shanghai Jiuguang Store").

關連交易(續)**(A) 持續關連交易(續)****(i) 銅鑼灣崇光店珠寶專櫃經營協議(續)**

在本集團日常業務過程中，本集團與周大福珠寶訂立二零零八年周大福寄售安排，因為上述專櫃所售貨品可豐富崇光銅鑼灣店之商品組合，滿足本集團顧客之需求。

年內，崇光香港根據二零零八年周大福寄售安排自周大福珠寶收取佣金、管理費及其他收費合共約12,000,000港元，而該金額介乎本公司日期為二零零八年四月九日之公佈所披露之年度上限21,300,000港元之範圍內。

本公司控股股東Real Reward由Go Create擁有50%權益。Go Create為周大福企業有限公司(「周大福」)全資擁有之公司。根據上市規則，周大福珠寶作為周大福之聯繫人，被視為本公司之關連人士。因此，二零零八年周大福寄售安排構成本公司之持續關連交易。

(ii) 上海久光百貨租賃協議

於二零零四年十一月二十六日，本集團擁有65%股權之上海久光百貨有限公司(「上海久光」)與本集團擁有50%股權之上海九百城市廣場有限公司(「城市廣場公司」)就租賃整幢上海九百城市廣場(「九百城市廣場」)約92,000平方米訂立租賃協議(「租賃協議」)，自二零零四年十月一日起計為期20年，基本年租為人民幣125,000,000元，並可按整幢九百城市廣場年度營業額超過人民幣1,500,000,000元之部分以3.5%計算加收額外租金。管理費按收回成本基準收取。

租賃協議之詳情於本公司日期為二零零四年十二月十四日之通函內披露。於二零零四年十二月三十日，本公司之獨立股東已批准租賃協議連同由二零零四年十月一日起計三年之租金及管理費之年度上限(分別為人民幣125,000,000元及人民幣65,000,000元)。租金及管理費之年度上限其後根據本公司日期為二零零八年十月十三日之通函所載分別修訂為人民幣155,000,000元及人民幣44,000,000元，並獲本公司主要股東批准。於本年度，上海久光已根據租賃協議支付租金人民幣125,000,000元(約相當於141,900,000港元)及管理費人民幣33,800,000元(約相當於38,400,000港元)。

訂立租賃協議旨在租用經營本集團上海久光百貨店(「上海久光店」)所需零售舖位。

Connected transactions (continued)

(A) Continuing connected transaction (continued)

(ii) Shanghai Ongoing Department Store's tenancy agreement (continued)

The Group's 65% owned Shanghai Ongoing is 10% owned by 上海九百(集團)有限公司 ("Joinbuy Group") and 25% by 上海九百股份有限公司 ("Joinbuy Co"). The Group's 50% 上海九百城市廣場有限公司 ("Cityplaza Co") is owned 12% by Joinbuy Group and 38% by Joinbuy Co. Joinbuy Co is a subsidiary of Joinbuy Group. Thus, Joinbuy Group and Joinbuy Co, being substantial shareholders of Shanghai Ongoing, are connected persons of the Company. Furthermore, they, being connected persons of the Company, also have substantial equity interest in Cityplaza Co; and Cityplaza Co becomes an associate of these two connected persons. Thus, the aforesaid Tenancy Agreement constitutes a continuing connected transaction of the Company.

(iii) Jewellery Dealership Agreement at Shanghai Jiuguang Store

On 7th September, 2007, the Shanghai Ongoing entered into a dealership agreement with 周大福珠寶金行(蘇州)有限公司上海分公司 ("CTF Shanghai") for the consignment arrangement of a retailing counter of approximately 96 sq.m. on the second floor of Shanghai Jiuguang Store to CTF Shanghai for exhibiting and selling of jewellery under the brand name of "Chow Tai Fook" for a period of 2 years commencing from 18th September, 2007 (the "2007 CTF SH Consignment"). Upon expiry of the 2007 CTF SH Consignment, the Shanghai Ongoing entered into a new dealership agreement on 22nd September, 2009 with the CTF Shanghai of another 2 years commencing from 1st September, 2009 (the "2009 CTF SH Consignment"). The Shanghai Ongoing would receive a monthly commission charging on certain percentages of the gross turnover from sales generating at the said counter, subject to a monthly minimum commission of RMB86,400.

In the ordinary course of business of the Group, the Group entered into the two said consignments with the CTF Shanghai as the merchandises being sold at the said counters can enhance the product mix of the available merchandises in our Shanghai Jiuguang Store and fulfil the Group's customers' demand.

During the period from 1st January 2009 to 31st August, 2009, the Shanghai Ongoing received a total of around RMB1.4 million (equivalent to approximately HK\$1.6 million) commission, management fee and other charges from the CTF Shanghai under the 2007 CTF SH Consignment, and such sum was within the annual cap of around RMB2.3 million as stated in the Company's announcement dated 7th September, 2007.

During the period from 1st September, 2009 to 31st December, 2009, the Shanghai Ongoing received a total of around RMB631,000 (equivalent to approximately HK\$716,000) commission, management fee and other charges from the CTF Shanghai under the 2009 CTF SH Consignment, and such sum was within the cap of RMB905,000 as stated in the Company's announcement dated 22nd September, 2009.

As mentioned in previous paragraph, CTF is a connected person of the Company and its associate, CTF Shanghai, is also deemed to be a connected person to the Company. Thus, both the 2007 CTF SH Consignment and 2009 CTF SH Consignment constitute continuing connected transactions of the Company.

關連交易(續)

(A) 持續關連交易(續)

(ii) 上海久光百貨租賃協議(續)

本集團擁有65%權益之上海久光分別由上海九百(集團)有限公司(「九百集團」)及上海九百股份有限公司(「上海九百」)擁有10%及25%。本集團擁有50%權益之上海九百城市廣場有限公司(「城市廣場公司」)之股權分別由九百集團及上海九百擁有12%及38%。上海九百為九百集團之附屬公司。因此，身為上海久光百貨主要股東之九百集團及上海九百為本公司之關連人士。此外，由於該兩間公司為本公司之關連人士，同時亦擁有城市廣場公司之重大股本權益，故城市廣場公司成為該兩名關連人士之聯繫人士。因此，上述租賃協議構成本公司之持續關連交易。

(iii) 上海久光百貨店珠寶專櫃經營協議

於二零零七年九月七日，上海久光與周大福珠寶金行(蘇州)有限公司上海分公司(「周大福上海」)就寄售安排訂立一份專櫃經營協議，向周大福上海提供上海久光百貨店二樓面積約96平方米之專櫃，作陳列及銷售「周大福」品牌珠寶首飾，由二零零七年九月十八日起計為期兩年(「二零零七年周大福上海寄售安排」)。於二零零七年周大福上海寄售安排屆滿後，上海久光於二零零九年九月二十二日與周大福上海訂立另一份新專櫃經營協議，由二零零九年九月一日起計為期兩年(「二零零九年周大福上海寄售安排」)。上海久光將每月按上述專櫃自銷售產生之總營業額若干百分比收取佣金，而每月最低佣金則為人民幣86,400元。

在本集團日常業務過程中，本集團與周大福上海訂立上述兩項寄售安排，因為上述專櫃所售貨品可豐富上海久光店之商品組合，滿足本集團顧客之需求。

由二零零九年一月一日至二零零九年八月三十一日期間，上海久光根據二零零七年周大福上海寄售安排自周大福上海收取佣金、管理費及其他收費合共約人民幣1,400,000元(約相當於1,600,000港元)，有關金額介乎本公司日期為二零零七年九月七日之公佈所訂明之年度上限約人民幣2,300,000元之範圍內。

由二零零九年九月一日至二零零九年十二月三十一日期間，上海久光根據二零零九年周大福上海寄售安排自周大福上海收取佣金、管理費及其他收費合共約人民幣631,000元(約相當於716,000港元)，有關金額介乎本公司日期為二零零九年九月二十二日之公佈所訂明之上限人民幣905,000元之範圍內。

誠如上段所述，周大福為本公司的關連人士，其聯繫人周大福上海亦被視為本公司之關連人士。因此，二零零七年周大福上海寄售安排及二零零九年周大福上海寄售安排均構成本公司之持續關連交易。

Connected transactions (continued)**(A) Continuing connected transaction (continued)****(iv) Leasing of the premises for the Sogo Tsimshatsui Store**

Sogo HK, as tenant, entered into a lease agreement on 24th February, 2005, with Hong Kong Island Development Limited ("HK Island"), as landlord, for the leasing of ground floor and podium 1 and the entire podium 2 of The Amazon at No. 12 Salisbury Road, Tsimshatsui, Kowloon to Sogo HK for a term of 15 years commencing from 30th September, 2005 ("Lease"), at a turnover rent based on sales generating within the leasing premises of 6% for the 1st to the 10th year and 7% for the 11th to the 15th year. Details of terms inter alia, the annual cap, management fee, charges etc., for the Lease were disclosed in the Company's circular dated 11th March, 2005; and were subsequently approved by independent shareholders on 29th March, 2005. The Company announced on 9th April, 2008 that the annual caps of the rental were renewed for the coming three financial years starting from year 2008. During the Year, a total of HK\$49.2 million of rental, air-conditioning charges, management fees, government rates and other outgoings were paid by the Sogo HK, and such sum was within the annual cap of HK\$64.2 million as stated in the Company's announcement dated 9th April, 2008.

This Lease is negotiated as at an arm's length with general commercial terms. This leased premise is occupied by the Group for its necessary operation of the TST lifestyle department store in Kowloon side.

HK Island is a subsidiary of New World Development Company Limited ("NWD") which is an associate of the CTF. As the CTF is a connected person of the Company, the Lease constitutes a continuing connected transaction of the Company.

(v) General cleaning and pest control services for Sogo Tsimshatsui Store and Sogo CWB Store

On 27th March, 2008, Sogo HK entered into a cleaning services agreement with Pollution & Protection Services Limited ("PPS") for the provision of general cleaning and pest control services for its Sogo Tsimshatsui Store ("Sogo TST Store") for a period of 1 year commencing from 8th January, 2008 ("2008 TST Cleaning Agreement"). Upon expiry of this agreement, on 14th January, 2009, Sogo HK and PPS entered into a new agreement ("2009 TST Cleaning Agreement") to renew the said services for the aforesaid services for a period of another two years. Details of agreements were announced by the Group on 7th April, 2008 and 14th January, 2010.

On the same day (27th March, 2008), Sogo HK also entered into another cleaning agreement with PPS for the provision of general cleaning and pest control services for the Sogo CWB Store for a period of 1 year commencing from 8th January, 2008 ("2008 CWB Agreement").

General cleaning and pest control services are required for operation of both stores. PPS was selected to provide such services through tendering processes which selections were based on quoted service fees, qualification and job references of the tenderers. As such, PPS was selected among the tenderers after the normal tendering processes at normal commercial practice and negotiation.

關連交易(續)**(A) 持續關連交易(續)****(iv) 尖沙咀崇光店物業租賃**

崇光香港作為租戶與香島發展有限公司(「香島」)作為業主於二零零五年二月二十四日訂立租賃協議，將九龍尖沙咀梳士巴利道12號亞瑪遜地下部分、地庫1之部分及地庫2全層租予崇光香港，由二零零五年九月三十日起計為期15年(「租約」)，崇光香港須按在租賃物業內產生之銷售額支付營業額租金，租賃期內第1至10年為6%，而第11至15年則為7%。租約條款詳情(包括年度上限、管理費、收費等)於本公司日期為二零零五年三月十一日之通函內披露，其後於二零零五年三月二十九日取得獨立股東批准。本公司於二零零八年四月九日宣佈更新由二零零八年開始往後三個財政年度之租金年度上限。於本年度，崇光香港已支付合共49,200,000港元作為租金、冷氣費、管理費、政府差餉及其他開支，有關金額介乎本公司日期為二零零八年四月九日之公佈所訂明之年度上限64,200,000港元之範圍內。

是項租約乃在公平原則下按一般商業條款磋商。租賃物業由本集團佔用，乃本集團在九龍尖沙咀經營時尚百貨店所必須租用。

香島為新世界發展有限公司(「新世界發展」)之附屬公司，新世界發展則為周大福之聯繫人。由於周大福為本公司之關連人士，因此，租約構成本公司之持續關連交易。

(v) 向尖沙咀崇光店及銅鑼灣崇光店提供一般清潔及滅蟲服務

於二零零八年三月二十七日，崇光香港與寶聯防污服務有限公司(「寶聯防污」)就由二零零八年一月八日起計一年內向尖沙咀崇光店提供一般清潔及滅蟲服務訂立一份清潔協議(「二零零八年尖沙咀清潔協議」)。於該協議屆滿後，在二零零九年一月十四日，崇光香港與寶聯防污就延續上述服務訂立一份新協議(「二零零九年尖沙咀清潔協議」)。本集團於二零零八年四月七日及二零一零年一月十四日公佈協議詳情。

於同日(二零零八年三月二十七日)，崇光香港亦與寶聯防污就由二零零八年一月八日起計一年內向銅鑼灣崇光店提供一般清潔及滅蟲服務訂立另一份清潔協議(「二零零八年銅鑼灣清潔協議」)。

經營該兩店之業務需要一般清潔及滅蟲服務。寶聯防污乃透過招標程序獲選提供有關服務，甄選過程已考慮投標者所提供之服務收費報價、資格及往績。因此，寶聯防污乃在通過一般投標程序、按一般商業慣例及經磋商後獲選。

Connected transactions (continued)

(A) Continuing connected transaction (continued)

(v) General cleaning and pest control services for Sogo Tsimshatsui Store and Sogo CWB Store (continued)

During the period from 1st January, 2009 to 7th January, 2009, a total services fees of HK\$242,000 was paid by Sogo HK under the 2008 TST Consignment Agreement & CWB Consignment Agreement, and such sum was within the cap of HK\$282,000 as stated in the Company's announcement dated 9th April, 2008.

During the period from 8th January, 2009 to 31st December, 2009, HK\$3.3 million services fee was paid by Sogo HK under the 2009 TST Agreement, and such sum was within the cap of around HK\$3.7 million as stated in the Company's announcement dated 14th January, 2009.

PPS, a subsidiary of NWD which is in turn an associate of CTF, is a connected person of the Company. Thus, the aforesaid cleaning agreements together with the 2008 CWB Agreement all constitute continuing connected transactions of the Company.

(vi) Jewellery Dealership Agreement at Suzhou Jiuguang Store

On 14th January, 2009, the Group's 100% owned Ongoing (Suzhou) Department Store Limited ("Suzhou Ongoing") entered into a dealership agreement with 周大福珠寶金行(蘇州)有限公司 ("CTF Suzhou") for the consignment arrangement of a retailing counter of approximately 102 sq.m. on the first floor of Suzhou Jiuguang Store for selling of fine jewellery under the brand names of "周大福" or "Chow Tai Fook" commencing from 16th January, 2009 to 31st August 2010 (the "2009 Suzhou CTF Consignment"). Under the agreement, the Suzhou Ongoing would receive a monthly commission charging on the certain percentages of the gross turnover at the said counter, subject to a monthly minimum commission of RMB51,000.

In the ordinary course of business of the Group, the Group entered into the 2009 Suzhou CTF Consignment with the CTF Suzhou as the merchandises being sold at the said counter can enhance the product mix of the available merchandises in our Suzhou Jiuguang Store and can fulfill the Group's customers' demand.

During the period from 16th January, 2009 to 31st December, 2009, Suzhou Ongoing received commission, management fee and other charges for RMB556,000 (equivalent to approximately HK\$631,000) from the CTF Suzhou under the 2009 Suzhou CTF Consignment, and such sum was within the annual cap of around RMB1.6 million as stated in the Company's announcement dated 14th January, 2009.

As mentioned in previous paragraph, CTF is a connected person of the Company, and its associate, CTF Suzhou, is also deemed to be a connected person to the Company; as such the 2009 Suzhou CTF Consignment constitutes a continuing connected transaction of the Company.

關連交易(續)

(A) 持續關連交易(續)

(v) 向尖沙咀崇光店及銅鑼灣崇光店提供一般清潔及滅蟲服務(續)

由二零零九年一月一日至二零零九年一月七日期間，崇光香港已根據二零零八年尖沙咀清潔協議及二零零八年銅鑼灣清潔協議支付服務費合共242,000港元，而該金額介乎本公司日期為二零零八年四月九日之公佈所訂明之上限282,000港元之範圍內。

由二零零九年一月八日至二零零九年十二月三十一日期間，崇光香港已根據二零零九年尖沙咀清潔協議支付服務費合共3,300,000港元，而該金額介乎本公司日期為二零零九年一月十四日之公佈所訂明之上限約3,700,000港元之範圍內。

寶聯防污乃周大福之聯繫人新世界發展的附屬公司，屬本公司關連人士。因此，上述清潔協議連同二零零八年銅鑼灣協議構成本公司之持續關連交易。

(vi) 蘇州久光百貨店珠寶專櫃經營協議

於二零零九年一月十四日，本集團全資附屬公司久光百貨(蘇州)有限公司(「蘇州久光」)與周大福珠寶金行(蘇州)有限公司(「周大福蘇州」)就寄售安排訂立一份專櫃經營協議，提供蘇州久光百貨店內一樓面積約102平方米之專櫃，作銷售「周大福」品牌珠寶首飾，由二零零九年一月十六日至二零一零年八月三十一日止(「二零零九年蘇州周大福寄售安排」)。根據協議，蘇州久光將每月按上述專櫃之總營業額若干百分比收取佣金，而每月最低佣金則為人民幣51,000元。

在本集團日常業務過程中，本集團與周大福蘇州訂立二零零九年蘇州周大福寄售安排，因為上述專櫃所售貨品可豐富蘇州久光百貨店之商品組合，滿足本集團顧客之需求。

由二零零九年一月十六日至二零零九年十二月三十一日期間，蘇州久光根據二零零九年蘇州周大福寄售安排自周大福蘇州收取佣金、管理費及其他收費合共人民幣556,000元(約相當於631,000港元)，有關金額介乎本公司日期為二零零九年一月十四日之公佈所訂明之年度上限約人民幣1,600,000元之範圍內。

誠如上段所述，周大福為本公司的關連人士，其聯繫人周大福蘇州亦被視為本公司之關連人士。因此，二零零九年蘇州周大福寄售安排構成本公司之持續關連交易。

Connected transactions (continued)**(A) Continuing connected transaction (continued)****(vii) Watches Dealership Agreement at the Suzhou Jiuguang Store**

On 22nd September, 2009, the Suzhou Ongoing entered into another dealership agreement with the CTF Suzhou for a consignment arrangement of a retailing counter of approximately 590.1 sq.m. on the first floor of Suzhou Jiuguang Store for exhibiting and selling of watches commencing from 29th April, 2009 to 28th February, 2012 (the "2009 Suzhou Watches Consignment"). Under the arrangement, the Suzhou Ongoing would receive a monthly commission charging on certain percentages of the gross turnover at the said counter, subject to a monthly minimum commission of RMB147,525.

In the ordinary course of business of the Group, the Group entered into the 2009 Suzhou Watches Consignment with the CTF Suzhou as the merchandises being sold at the said counter can enhance the product mix of the available merchandises in our Suzhou Jiuguang Store and can fulfill the Group's customers' demand.

During the period from 29th April, 2009 to 31st December, 2009, Suzhou Ongoing received commission, management fee and other charges for RMB783,000 (equivalent to approximately HK\$889,000) from the CTF Suzhou, and such sum was within the cap of around RMB2.6 million as stated in the Company's announcement dated 22nd September, 2009.

As mentioned in previous paragraph, the CTF is a connected person of the Company and its associate, the CTF Suzhou, is also deemed to be a connected person to the Company; as such the 2009 Suzhou Watches Consignment constitutes a continuing connected transaction of the Company.

(viii) Watches Dealership Agreement at Shanghai Jiuguang Store

On 23rd November, 2009, the Shanghai Ongoing entered into a dealership agreement with the CTF Shanghai for a consignment arrangement of a retailing counter of approximately 12 sq.m. on the second floor of the Shanghai Jiuguang Store for exhibiting and selling of watches for a period of 2 years commencing from 25th September, 2009 (the "2009 Shanghai Watches Consignment"). Under the arrangement, the Shanghai Ongoing would receive a monthly commission charging on certain percentages of the gross turnover at the said counter, subject to a monthly minimum commission of RMB14,400.

As mentioned in previous paragraph, the CTF Shanghai, is a connected person to the Company; and thus the 2009 Shanghai Watches Consignment constitutes a continuing connected transaction of the Company. The above transaction falls into "de minimis transaction" within the Listing Rules.

關連交易(續)**(A) 持續關連交易(續)****(vii) 蘇州久光百貨店手錶專櫃經營協議**

於二零零九年九月二十二日，蘇州久光與周大福蘇州就寄售安排訂立一份專櫃經營協議，提供蘇州久光百貨店一樓面積約590.1平方米之專櫃，作陳列及銷售手錶，由二零零九年四月二十九日至二零一二年二月二十八日（「二零零九年蘇州手錶寄售安排」）。根據該項安排，蘇州久光將每月按上述專櫃之總營業額若干百分比收取佣金，而每月最低佣金則為人民幣147,525元。

在本集團日常業務過程中，本集團與周大福蘇州訂立二零零九年蘇州手錶寄售安排，因為上述專櫃所售貨品可豐富蘇州久光百貨店之商品組合，滿足本集團顧客之需求。

由二零零九年四月二十九日至二零零九年十二月三十一日期間，蘇州久光自周大福蘇州收取佣金、管理費及其他收費合共人民幣783,000元（約相當於889,000港元），有關金額介乎本公司日期為二零零九年九月二十二日之公佈所訂明之上限約人民幣2,600,000元之範圍內。

誠如上段所述，周大福為本公司的關連人士，其聯繫人周大福蘇州亦被視為本公司之關連人士。因此，二零零九年蘇州手錶寄售安排構成本公司之持續關連交易。

(viii) 上海久光百貨店手錶專櫃經營協議

於二零零九年十一月二十三日，上海久光與周大福上海就寄售安排訂立一份專櫃經營協議，提供上海久光百貨店二樓面積約12平方米之專櫃，作陳列及銷售手錶，由二零零九年九月二十五日起計為期兩年（「二零零九年上海手錶寄售安排」）。根據該項安排，上海久光將每月按上述專櫃之總營業額若干百分比收取佣金，而每月最低佣金則為人民幣14,400元。

誠如上段所述，周大福上海為本公司之關連人士，故二零零九年上海手錶寄售安排構成本公司之持續關連交易。上述交易屬於上市規則所規定之「最低豁免水平的交易」。

Connected transactions (continued)

(B) Connected transaction

(ix) Increases in Equity Interests in Lifestyle Plaza (Suzhou) Co. Limited

On 20th July, 2009, the Group's 100% owned Charm Wave Limited ("Charm Wave") entered into an equity interest transfer agreement with Suzhou Harmony Development Group Co., Ltd ("Suzhou Harmony") in relation to the acquisition of a further 4% interest in Lifestyle Plaza (Suzhou) Co. Limited ("Suzhou Plaza") at a consideration of RMB32.32 million ("Suzhou Acquisition Agreement"). After the completion of this transaction on 4th September, 2009, the Group's total equity interest held under the Charm Wave in the Suzhou Plaza was increased to 80%.

On 31st December, 2009, the Group's 100% owned Lifestyle (China) Investment Co., Ltd. ("Lifestyle China") entered into another equity interest transfer agreement with the Suzhou Harmony in relation to the acquisition of the remaining 20% interest under Suzhou Harmony in the Suzhou Plaza at a consideration of RMB142.9 million. After the completion of this transaction, the Group's total equity interest in the Suzhou Plaza had increased to 100% through the 80% interest held by the Charm Wave and 20% interest held by Lifestyle China.

The total increases in equity interest to 100% as mentioned above were in accordance to the original plan and commitment of the Group as disclosed in the Company's announcement dated 24th January, 2007, when the Group first entered into the Joint Venture Agreement with the Suzhou Harmony as announced.

After the completion of the series of equity interest acquisition, the Group had achieved 100% control in the Suzhou Plaza for which the Group's Jiuguang Suzhou Store is accommodating. As the above acquisitions involved the Suzhou Harmony which being a substantial shareholder of the Group's non-wholly-owned subsidiary at the time, these series of transactions constitute connected transactions of the Company.

(x) Disposal of Ample Sun Group Limited

On 16th December, 2009, the Group's 100% owned Win Early Limited ("Win Early") had entered, together with Smart Success Investment Limited ("Smart Success") as joint vendors, into a conditional sale and purchase agreement with GS China Shopping No. 1 GmbH & Co. KG ("GS China"), as purchaser, to dispose of their respective 60% and 40% equity interests in Ample Sun Group Limited ("Ample Sun") to the GS China, at a total consideration of around RMB521 million (equivalent to HK\$593.9 million), subject to adjustment (the "Disposal"). Details of the transactions were disclosed in the announcement of the Company on 16th December, 2009.

Approval from independent shareholders of the Company was obtained at the Company's extraordinary general meeting held on 1st February, 2010, which was convened in accordance to the Company's circular dated 6th January, 2010, having details of all the terms and conditions of the said transaction stated thereon.

關連交易(續)

(B) 關連交易

(ix) 增持利福廣場(蘇州)有限公司股權

於二零零九年七月二十日，本集團全資附屬公司祥華有限公司(「祥華」)與蘇州圓融發展集團有限公司(「蘇州圓融」)訂立股權轉讓協議，以進一步收購利福廣場(蘇州)有限公司(「蘇州廣場」)額外4%股權，代價為人民幣32,320,000元(「蘇州收購協議」)。在該交易於二零零九年九月四日完成後，本集團透過祥華於蘇州廣場持有之股權總額增至80%。

於二零零九年十二月三十一日，本集團另一全資附屬公司利福(中國)投資有限公司(「利福中國」)與蘇州圓融訂立另一份股權轉讓協議，以收購蘇州圓融於蘇州廣場所持之餘下20%股權，代價為人民幣142,900,000元。於該交易完成後，本集團於蘇州廣場持有之股權增至100%，分別由祥華及利福中國擁有80%及20%權益。

上述增持股權至100%乃按本公司日期為二零零七年一月二十四日之公佈所披露本集團之原定計劃及承諾進行，有關計劃及承諾早於本集團首次與蘇州圓融訂立合營協議時作出。

於完成上述連串股權收購後，本集團已取得持有為集團旗下蘇州久光百貨店提供所在地之蘇州廣場之全部控制權。由於上述收購均涉及蘇州圓融，而蘇州圓融當時為本集團非全資附屬公司之主要股東，故該等一連串交易構成本公司之關連交易。

(x) 出售益良集團有限公司

於二零零九年十二月十六日，本集團之全資附屬公司榮曉有限公司(「榮曉」)聯同Smart Success Investment Limited(「Smart Success」)作為共同賣方與GS China Shopping No. 1 GmbH & Co. KG(「GS China」)作為買方訂立一項有條件買賣協議，以總代價約人民幣521,000,000元(相等於593,900,000港元)(可予調整)，將其各自於益良集團有限公司(「益良」)之60%及40%股權售予GS China(「出售」)。該等交易之詳情於本公司日期為二零零九年十二月十六日之公佈中披露。

交易已於二零一零年二月一日根據本公司日期為二零一零年一月六日之通函召開之本公司股東特別大會上獲本公司獨立股東批准，有關交易之詳盡條款及條件載於該通函內。

Connected transactions (continued)**(B) Connected transaction (continued)****(x) Disposal of Ample Sun Group Limited (continued)**

At this moment, the transaction is still subject to certain conditions to be fulfilled on or before 30th April, 2010.

The Ample Sun is an investment holding vehicle with its major asset being the 48% equity interest in Hebei Future Mall Company Limited (the "PRC Enterprise") which operates and owns the Shijiazhuang Future Mall. The Future Mall is an up-scale shopping complex having 162,151 sq.m retailing space and accommodating various retail outlets. Having considered the Group's effective interest in the PRC Enterprise is only 48% before the disposal and is a minority without controlling stake, the Group had decided to dispose of this passive investment and intended to deploy the proceeds to be received for alternative purpose so as to enhance a better utilization of the Group's asset.

The Smart Success is a controlling shareholder having 40% shareholding in both the Ample Sun and Wingold Limited ("Wingold"), another 60% owned subsidiary of the Group. Under Rule 14A.13(1)(b) of the Listing Rules, the disposal constitutes a connected transaction of the Company, as in the course of disposing the interest, the Smart Success, being one of the partners in the transaction as vendor, is also a "controller" (within the meaning of the Listing Rules) by having 40% shareholding in the Wingold.

Furthermore, both Mr. Thomas Lau, the Managing Director of the Company and his wife, Madam Hung, are parties specific to certain arrangements, in which Madam Hung had disposed of her 80% equity interest together with related shareholder loan in a company, namely Wise Move Group Limited, to Dr. Zheng Cong, an individual, under a separate sales and purchase agreement dated 15th December, 2009 (the "Wise Move Transfer"). Mr. Thomas Lau, representing the Board, is also responsible for the negotiation of the Disposal. In view of the relationships among Mr. Thomas Lau, Madam Hung, the individual and the GS China in connection with the Wise Move Transfer, with details as disclosed in the Company's circular dated 6th January, 2010 therein, these aforementioned persons are all deemed to be connected persons of the Company under Rule 14A.11(4)(a) of the Listing Rules. And the Disposal constitutes a connected transaction to the Company.

(xi) Financial Assistance to Hebei Xuyuan Investment Company Limited

On 11th February, 2010, Win Early and Smart Success entered into a debt transfer agreement with Hebei Xuyuan Investment Company Limited ("Hebei Xuyuan") whereby they had, on a several basis, assumed the liabilities to pay 60% (that is, RMB207.9 million (equivalent to approximately HK\$237 million)) and 40% (that is, RMB138.6 million (equivalent to approximately HK\$158 million)) of the account payable owing by Hebei Xuyuan to 河北先天下房地產開發有限公司 ("Xiantianxia") in the total sum of RMB346.5 million. The total sum was being the total consideration payable by Hebei Xuyuan for (a) the transfer of the 100% equity interest of Beijing Huitong RunXin Trading Company Limited ("Beijing Huitong") from Xiantianxia to Hebei Xuyuan in the sum of RMB100 million; and (b) the transfer to Hebei Xuyuan the account receivable owing by Beijing Huitong in the sum of RMB246.5 million respectively.

關連交易(續)**(B) 關連交易(續)****(x) 出售益良集團有限公司(續)**

現階段交易仍須待若干條件於二零一零年四月三十日或之前達成方可作實。

益良為投資控股公司，其主要資產為其於河北北國先天下廣場有限責任公司(「中國企業」)之48%股本權益，而中國企業則經營及擁有石家莊先天下廣場。先天下廣場為一幢高檔購物商場，提供零售樓面約162,151平方米，予不同零售店舖。由於本集團於出售前於中國企業所持實際權益僅為48%，屬於無控制權之少數股東，故本集團決定出售此項被動投資，並將出售所得收入撥作其他用途，以善用本集團之資產。

Smart Success為一名控制股東，於益良及本集團擁有60%權益之附屬公司捷金有限公司(「捷金」)中各擁有40%股權。根據上市規則第14A.13(1)(b)條，出售構成本公司之關連交易，原因為在出售權益之過程中，身為交易其中一名賣方之Smart Success因擁有捷金40%股權而成為一名「控權人」(按上市規則之定義)。

此外，本公司董事總經理劉鑾鴻先生及其妻子洪女士為若干安排之指定人士，而在有關安排下，洪女士根據另一項日期為二零零九年十二月十五日之買賣協議將其於優勢集團有限公司之80%股本權益連同有關股東貸款售予個人鄭聰博士(「優勢轉讓」)。劉鑾鴻先生亦負責代表董事局就出售進行磋商。鑒於劉鑾鴻先生、洪女士、上述個人及GS China在優勢轉讓中之關係(詳情載於本公司日期為二零一零年一月六日之通函)，根據上市規則第14A.11(4)(a)條，上述人士全部均被視為本公司之關連人士，而出售則構成本公司之關連交易。

(xi) 向河北旭源投資有限公司提供財務援助
於二零一零年二月十一日，榮曉及Smart Success與河北旭源投資有限公司(「河北旭源」)訂立債務轉讓協議。據此，彼等各自分開承擔河北旭源結欠河北先天下房地產開發有限責任公司(「先天下」)之款項60%(即人民幣207,900,000元(相等於約237,000,000港元))及40%(即人民幣138,600,000元(相等於約158,000,000港元))之債務，合共人民幣346,500,000元。該總額即河北旭源分別就下列各項應付之總代價：(a)以代價人民幣100,000,000元自先天下向河北旭源轉讓於北京匯通潤信貿易有限公司(「北京匯通」)100%股權；及(b)向河北旭源轉讓北京匯通欠付應收賬款合共人民幣246,500,000元。

Connected transactions (continued)

(B) Connected transaction (continued)

(xi) Financial Assistance to Hebei Xuyuan Investment Company Limited (continued)

Hebei Xuyuan is an investment holding company and the assumption by Win Early and Smart Success of the liabilities, on a several basis, of the accounts payable provides the financial resources to facilitate settlement of the total consideration for Hebei Xuyuan.

Smart Success is a connected person of the Company by virtue of being a substantial shareholder of Ample Sun and Wingold. As Wingold is owned as to 40% by Smart Success, Wingold and its subsidiaries (including Hebei Xuyuan) are associates of Smart Success and are thus connected persons of the Company. The assumption by Win Early of the liabilities to pay 60% of the account payable owing by Hebei Xuyuan to Xiantianxia constitutes financial assistance by Win Early to Hebei Xuyuan.

Remuneration policy

The remuneration policy of the Group is set on basis of the employees' merit, qualifications and competence.

The emoluments package of the Directors of the Company are reviewed and concluded by the Remuneration Committee, with consideration to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to Directors and eligible employees, details of the scheme is set out under the section headed "Share Option Schemes" above.

Competing business interests of Directors

Save as disclosed below, as at 31st December, 2009, none of the Directors nor their respective associates had any interest in a business which competes or is likely to compete, either directly or indirectly, with any business of the Group.

As at 31st December, 2009, CTF, of which the family members of Dató Dr. Cheng Yu-tung (including Dató Dr. Cheng Yu-tung himself and Dr. Cheng Kar-shun, Henry, both non-executive Directors of the Company) had controlling interests, owned about 38.61% of the issued share capital of New World Development Company Limited (Stock Code: 0017) ("NWD") which in turn owned about 72.29% of the issued share capital of New World Department Store China Limited (Stock Code: 0825) ("NWDS"). Both NWD and NWDS are companies whose shares are listed on the Main Board of the Stock Exchange. NWDS, which was founded in 1993 and listed in July 2007 currently operates and/or manages a department store business selling merchandise, from direct purchase and through concessionaire counters. As at 31st December, 2009, NWDS operated and managed 33 department stores with an aggregate gross floor area of about 1,063,470 square metres in seventeen cities in the PRC (namely Wuhan, Shenyang, Wuxi, Harbin, Tianjin, Ningbo, Beijing, Shanghai, Dalian, Kunming, Lanzhou, Taizhou, Chongqing, Changsha, Chengdu, Anshan and Nanjing). As such, the business of NWDS may compete directly or indirectly with the business of the Group in the PRC.

Dató Dr. Cheng Yu-tung is not a director of, and is not involved in the daily operations of, NWDS. Dr. Cheng Kar-shun, Henry, chairman and non-executive director of NWDS, also is not involved in the day-to-day operations of NWDS. The management of NWDS and the management of the Group are separate. The executive directors of NWDS do not participate in the management and operations of the business of the Group. In relation to NWD, two of its directors, Dató Dr. Cheng Yu-tung and Dr. Cheng Kar-shun, Henry, are also the Non-executive Directors of the Company and being Non-executive Directors, it is not intended that they will participate in the daily operations and management of the Group.

關連交易(續)

(B) 關連交易(續)

(xi) 向河北旭源投資有限公司提供財務援助(續)

河北旭源為投資控股公司，而榮曉及 Smart Success各自分開承擔應付賬款之債務，可提供財務資源以便為河北旭源支付總代價。

Smart Success乃益良及捷金之主要股東，故為本公司之關連人士。由於 Smart Success擁有捷金40%權益，故捷金及其附屬公司(包括河北旭源)為 Smart Success之聯繫人，亦為本公司之關連人士。榮曉承擔向先天下支付河北旭源所欠應付賬款60%之債務，構成榮曉向河北旭源提供財務援助。

薪酬政策

本集團之薪酬政策按僱員之表現、資歷及能力而制定。

本公司董事之酬金待遇乃由薪酬委員會經考慮本公司經營業績、個別表現及比較市場數據而作出檢討及總結。

本公司已採納購股權計劃以獎勵董事及合資格僱員，計劃詳情載於上文「購股權計劃」一節。

董事於競爭業務之權益

除下文披露者外，於二零零九年十二月三十一日，董事或彼等各自之聯繫人概無於任何足以或可能與本集團任何業務構成直接或間接競爭之業務中擁有任何權益。

於二零零九年十二月三十一日，拿督鄭裕彤博士之家族成員(包括本公司兩位非執行董事拿督鄭裕彤博士本人及鄭家純博士)擁有控股權益之周大福擁有新世界發展有限公司(股份代號：0017)(「新世界發展」)已發行股本約38.61%，而新世界發展則擁有新世界百貨中國有限公司(股份代號：0825)(「新世界百貨」)約72.29%已發行股本。新世界發展及新世界百貨均為股份於聯交所主板上市之公司。新世界百貨於一九九三年創立及於二零零七年七月上市，現透過直接採購及特許經營專櫃售賣貨品經營及/或管理百貨公司業務。於二零零九年十二月三十一日，新世界百貨在中國十七個城市(分別為武漢、瀋陽、無錫、哈爾濱、天津、寧波、北京、上海、大連、昆明、蘭州、台州、重慶、長沙、成都、鞍山及南京)經營及管理33間百貨公司，總樓面面積約為1,063,470平方米。因此，新世界百貨之業務或會與本集團在中國之業務直接或間接構成競爭。

拿督鄭裕彤博士並非新世界百貨之董事，亦無參與新世界百貨之日常運作。鄭家純博士為新世界百貨之主席兼非執行董事，亦並無參與新世界百貨之日常運作。新世界百貨及本集團乃分開管理。新世界百貨之執行董事不會參與本集團之業務管理及營運。關於新世界發展方面，其兩名董事拿督鄭裕彤博士及鄭家純博士亦為本公司之非執行董事；作為非執行董事，彼等無意參與本集團之日常運作及管理。

Purchase, sale or redemption of the Company's securities

During the Year, the Company repurchased 12,456,500 ordinary shares from the market through The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at an aggregate consideration of approximately HK\$91 million. The share repurchase was effected by the Board for the enhancement of shareholders' value and details of which are as follows:

Month of the repurchase	Total number of ordinary shares repurchased	Highest price paid per share HK\$ 所付每股 最高價 港元	Lowest price paid per share HK\$ 所付每股 最低價 港元	Aggregate consideration HK\$'000 總代價 千港元
購回月份	購回普通股 總數			
January 2009 二零零九年一月	5,400,000	7.88	6.02	35,759
April 2009 二零零九年四月	4,424,000	7.50	7.04	32,253
May 2009 二零零九年五月	2,632,500	9.02	7.63	22,987
	12,456,500	9.02	6.02	90,999

All of the shares repurchased during the Year were cancelled on delivery of the share certificates and the nominal value of such cancelled shares was credited to capital redemption reserve and paid out from the Company's retained profits, and the relevant premium of approximately HK\$90,937,000 was paid out from the Company's share premium.

Saved as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the Year.

Pre-emptive rights

There are no provisions for pre-emptive rights under the Company's Articles although there are no restrictions against such rights under the laws in the Cayman Islands.

Employees

As at 31st December, 2009, the Group had a total of about 1,000 employees in Hong Kong and 1,400 employees in the PRC. Staff costs (excluding directors' emoluments) including employees' share option charges of HK\$23.1 million (2008: HK\$31 million) amounted to HK\$294.5 million (2008: HK\$272.8 million). The Group ensures that the pay levels of its employees are competitive according to market trend and its employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system. During the Year, a total of 20,400,000 (2008: Nil) new share options were granted to certain employees of the Group with an exercise price of HK\$6.40 per share in replacement of the options previously granted to them in 2007 with an exercise price of HK\$18.50 per share.

購買、出售或贖回本公司證券

於本年內，本公司以總代價約91,000,000港元透過香港聯合交易所有限公司(「聯交所」)購回12,456,500股普通股。董事局作出股份購回乃為提高股東利益。購回詳情如下：

所有本年內購回之股份已於交付股票時註銷。該等註銷股份之面值已撥入資本贖回儲備，並由本公司之保留溢利支付，而有關溢價約90,937,000港元則由本公司之股份溢價支付。

除上文披露者外，本公司或其任何附屬公司於本年內並無購買、出售或贖回本公司任何上市證券。

優先購買權

儘管開曼群島法例並無有關優先購買權之限制，惟本公司之章程細則並無限制有關權利之條文。

僱員

於二零零九年十二月三十一日，本集團分別於香港及中國共僱用約1,000名及1,400名員工。員工成本為294,500,000港元(二零零八年：272,800,000港元)，包括僱員購股權開支23,100,000港元(二零零八年：31,000,000港元)，但不包括董事酬金。本集團確保僱員薪酬水平符合市場趨勢並具競爭力，僱員之薪酬乃根據本集團之一般薪金及花紅制度因應僱員表現釐定。年內，本集團已向若干僱員授出合共20,400,000股行使價為每股6.40港元(二零零八年：無)之新購股權，以取代先前於二零零七年向彼等所授出行使價為每股18.50港元之購股權。

Major customers and suppliers

The Group is principally involved in retail business. The five largest customers and the five largest suppliers of the Group accounted for less than 30% of the Group's turnover and purchases respectively during the Year.

Sufficiency of public float

Based on information available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as of the date of this report.

Charitable donations

During the Year, the Group made charitable and other donations amounting to HK\$241,000 (2008: HK\$3.6 million).

Event after the reporting period

Details of event after the reporting period are set out in note 47 to the financial statements.

Auditors

A resolution will be submitted to the annual general meeting to reappoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board
Lau Luen-hung, Thomas
Managing Director

9th March, 2010

主要客戶及供應商

本集團主要從事零售業務。於本年度，本集團五大客戶及五大供應商分別佔本集團營業額及採購額不足30%。

足夠公眾持股量

根據本公司所獲提供資料及據董事所知悉，於本報告日期，公眾人士最少持有本公司已發行股本總額25%。

慈善捐款

於年內，本集團作出之慈善及其他捐款為241,000港元(二零零八年：3,600,000港元)。

報告期間後事項

報告期間後事項詳情載於財務報表附註47。

核數師

本公司將於股東週年大會提呈續聘德勤•關黃陳方會計師行為本公司核數師之決議案。

代表董事局
董事總經理
劉鑾鴻

二零一零年三月九日

Independent Auditor's Report

獨立核數師報告書

Deloitte.

德勤

TO THE MEMBERS OF LIFESTYLE INTERNATIONAL HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Lifestyle International Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 56 to 132, which comprise the consolidated statement of financial position as at 31st December, 2009, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the consolidated financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

致：利福國際集團有限公司各位股東
(於開曼群島註冊成立的有限公司)

本行已完成審核載於第56至132頁利福國際集團有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此等綜合財務報表包括於二零零九年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例之披露規定編製及真實而公平地呈列該等綜合財務報表。有關責任包括設計、實施及維護與編製及真實而公平地呈列綜合財務報表相關的內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當的會計政策；及按情況作出合理的會計估計。

核數師的責任

本行的責任是根據本行的審核對該等綜合財務報表作出意見，且本行的意見僅按照協定委聘條款，為股東(作為一個團體)而報告，並不為其他任何目的。本行並不就本報告之內容對任何其他人士承擔任何義務或接受任何責任。本行已根據香港會計師公會頒佈的香港審計準則進行審核。該等準則規定本行遵守道德規範，並規劃及執行審核，以合理確定綜合財務報表是否不存有任何重大錯誤陳述。

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

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31st December, 2009 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
9th March, 2010

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該實體編製及真實而公平地呈列綜合財務報表相關的內部監控，以設計適當的審核程序，惟並非為對實體的內部監控的效能發表意見。審核亦包括評價董事所採用會計政策的合適性及所作出會計估計的合理性，以及評價綜合財務報表的整體呈列方式。

本行相信，本行所獲得審核憑證已充足和適當地為本行的審核意見提供基礎。

意見

本行認為，綜合財務報表已根據香港財務報告準則真實與公平地反映 貴集團於二零零九年十二月三十一日的財政狀況及 貴集團於截至該日止年度的溢利和現金流量，並已按照香港公司條例之披露規定妥善編製。

德勤•關黃陳方會計師行
執業會計師
香港
二零一零年三月九日

Consolidated Statement of Comprehensive Income

綜合全面收益表

for the year ended 31 December 2009 截至二零零九年十二月三十一日止年度

		NOTES 附註	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Turnover	營業額	7	3,756,208	3,521,633
Cost of sales	銷售成本	7	(1,625,231)	(1,545,203)
Gross profit	毛利		2,130,977	1,976,430
Other income	其他收入	9	203,939	76,675
Selling and distribution costs	銷售及分銷成本		(807,705)	(653,232)
Administrative expenses	行政開支		(273,395)	(269,438)
Investment income	投資收入	10	48,355	148,677
Fair value changes on investment properties	投資物業公平值變動		178,756	176,030
Share of profit of a jointly controlled entity	應佔一家共同控制實體溢利		12,341	8,250
Discount arising on acquisition of associates	收購聯營公司產生之折讓	42	–	207,577
Share of profits (losses) of associates	應佔聯營公司溢利(虧損)		25,360	(1,605)
Reversal of (provision for) impairment loss on loan receivable	應收貸款減值虧損撥回(撥備)	29(b)	18,180	(276,615)
Finance costs	融資成本	11	(38,366)	(68,112)
Profit before taxation	除稅前溢利		1,498,442	1,324,637
Taxation	稅項	12	(303,547)	(265,491)
Profit for the year	本年度溢利	13	1,194,895	1,059,146
Other comprehensive income	其他全面收入			
Exchange differences arising on translation of foreign operation	換算海外業務時產生之匯兌差額		28,488	120,638
Share of exchange differences of associates	應佔聯營公司匯兌差額		3,861	5,810
Share of exchange difference of a jointly controlled entity	應佔一家共同控制實體匯兌差額		1,403	11,366
Transfer of properties to investment properties	將物業轉撥至投資物業			
– surplus on revaluation	– 重估盈餘		159,948	–
– deferred tax relating to revaluation surplus	– 有關重估盈餘之遞延稅項		(39,987)	–
Change in fair value for available-for-sale investments	可供出售投資公平值變動		(18,487)	(3,538)
Exchange differences release upon disposal of a subsidiary	出售一家附屬公司時匯兌差額撥回	42	–	(2,213)
Reclassification upon impairment of available-for-sale investments	可供出售投資減值時重新分類		18,487	3,538
Other comprehensive income for the year (net of tax)	本年度其他全面收入(扣除稅項)		153,713	135,601
Total comprehensive income for the year	本年度全面收入總額		1,348,608	1,194,747
Profit for the year attributable to:	本年度應佔溢利：			
Owners of the Company	本公司擁有人		1,142,468	927,226
Minority interests	少數股東權益		52,427	131,920
			1,194,895	1,059,146
Total comprehensive income attributable to:	應佔全面收入總額：			
Owners of the Company	本公司擁有人		1,294,136	1,048,846
Minority interests	少數股東權益		54,472	145,901
			1,348,608	1,194,747
Earnings per share	每股盈利			
– basic	– 基本	16	HK\$0.6849	HK\$0.5452
– diluted	– 攤薄	16	HK\$0.6812	HK\$0.5429

Consolidated Statement of Financial Position

綜合財務狀況表

at 31 December 2009 於二零零九年十二月三十一日

		NOTES 附註	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Non-current assets	非流動資產			
Investment properties	投資物業	17	1,411,108	363,940
Property, plant and equipment	物業、廠房及設備	18	3,895,014	3,890,636
Prepaid lease payments	預付租賃款項	19	1,407,190	1,306,558
Long-term deposits paid	已付長期按金	20	237,391	12,496
Interests in associates	於聯營公司權益	21	720,442	1,123,805
Interest in a jointly controlled entity	於一家共同控制實體權益	22	502,298	488,554
Deferred tax assets	遞延稅項資產	35	–	1,855
Available-for-sale investments	可供出售投資	23	9,688	28,175
Financial assets designated at fair value through profit or loss	按公平值計入損益之金融資產	24	–	342,412
Club debenture	會所債券		10,756	1,350
			8,193,887	7,559,781
Current assets	流動資產			
Inventories	存貨	25	60,513	62,582
Prepaid lease payments	預付租賃款項	19	9,952	7,074
Trade and other receivables	應收賬款及其他應收款項	26	163,924	142,027
Amount due from a jointly controlled entity	應收一家共同控制實體款項	27	47,484	24,146
Held for trading investments	持作買賣投資	28	341,457	68,447
Loans receivable	應收貸款	29	157,583	258,718
Pledged bank deposits	已抵押銀行存款	30	120,203	–
Bank balances and cash	銀行結存及現金	31	2,769,490	2,439,443
			3,670,606	3,002,437
Assets classified as held for sale	分類為持作出售之資產	32	436,909	–
			4,107,515	3,002,437
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款項	33	2,145,163	1,448,312
Tax payable	應繳稅項		114,084	89,350
Bank borrowings – due within one year	銀行借貸 – 一年內到期	34	1,043,290	592,100
			3,302,537	2,129,762
Net current assets	流動資產淨值		804,978	872,675
			8,998,865	8,432,456

at 31 December 2009 於二零零九年十二月三十一日

			2009	2008
		NOTES	二零零九年	二零零八年
		附註	HK\$'000	HK\$'000
			千港元	千港元
Non-current liabilities	非流動負債			
Bank borrowings – due after one year	銀行借貸 – 一年後到期	34	2,143,430	2,426,000
Deferred tax liabilities	遞延稅項負債	35	168,983	73,144
Other payable	其他應付款項	36	–	60,000
Amount due to a minority shareholder of a subsidiary	應付一家附屬公司一名少數股東之款項	37	3,445	18,329
			2,315,858	2,577,473
			6,683,007	5,854,983
Capital and reserves	資本及儲備			
Share capital	股本	38	8,368	8,370
Reserves	儲備		6,113,101	5,169,342
Equity attributable to owners of the Company	本公司擁有人應佔權益		6,121,469	5,177,712
Minority interests	少數股東權益		561,538	677,271
			6,683,007	5,854,983

The consolidated financial statements on pages 56 to 132 were approved and authorised for issue by the Board of Directors on 9th March, 2010 and are signed on its behalf by:

第56至132頁綜合財務報表獲董事局於二零一零年三月九日批准及授權刊發，並由下列董事代表簽署：

Lau Luen-hung, Thomas
Managing Director

劉鑾鴻
董事總經理

Doo Wai-hoi, William
Executive Director

杜惠愷
執行董事

Consolidated Statement of Changes in Equity

綜合權益變動表

for the year ended 31 December 2009 截至二零零九年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔部分											
		Share capital	Share premium	Reserve	Capital redemption reserve	Asset revaluation reserve	Exchange reserve	Share-based payment reserve	Investment reserve	Retained profits	Total	Minority interests	Total
		股本	股份溢價	儲備	資本贖回儲備	資產重估儲備	匯兌儲備	股份付款儲備	投資儲備	保留溢利	總計	少數股東權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(Note 40) (附註(40))											
At 1st January, 2008	於二零零八年一月一日	8,525	2,913,222	-	-	3,680	90,995	36,995	-	1,603,301	4,656,718	560,962	5,217,680
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	-	108,096	-	-	-	108,096	12,542	120,638
Share of exchange differences of associates	應佔聯營公司匯兌差額	-	-	-	-	-	3,486	-	-	-	3,486	2,324	5,810
Share of exchange difference of a jointly controlled entity	應佔一家共同控制實體匯兌差額	-	-	-	-	-	11,366	-	-	-	11,366	-	11,366
Change in fair value for available-for-sale investments	可供出售投資公平值變動	-	-	-	-	-	-	-	(3,538)	-	(3,538)	-	(3,538)
Exchange differences release upon disposal of a subsidiary (note 42)	出售一家附屬公司時撥回匯兌差額(附註42)	-	-	-	-	-	(1,328)	-	-	-	(1,328)	(685)	(2,013)
Reclassification upon impairment of available-for-sale investments	可供出售投資減值時重新分類	-	-	-	-	-	-	-	3,538	-	3,538	-	3,538
Other comprehensive income for the year	本年度其他全面收入	-	-	-	-	-	121,620	-	-	-	121,620	13,981	135,601
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	927,226	927,226	131,920	1,059,146
Total comprehensive income for the year	本年度全面收入總額	-	-	-	-	-	121,620	-	-	927,226	1,048,846	145,901	1,194,747
Recognition of equity-settled share based payments	確認股本結算股份付款	-	-	-	-	-	-	90,981	-	-	90,981	-	90,981
Reduction on minority interest upon equity interests swap (note 42)	股權置換時扣減少數股東權益(附註42)	-	-	-	-	-	-	-	-	-	-	(9,274)	(9,274)
Share repurchase	股份購回	-	-	-	-	-	-	-	-	-	-	-	-
- repurchase of shares	- 購回股份	(166)	-	-	-	-	-	-	-	-	(166)	-	(166)
- premium on repurchase of shares	- 購回股份之溢價	-	(196,270)	-	-	-	-	-	-	-	(196,270)	-	(196,270)
- transfer	- 轉讓	-	-	-	166	-	-	-	-	(166)	-	-	-
Exercise and lapse of share options	購股權行使及失效	11	15,767	-	-	-	-	(4,528)	-	1,539	12,789	-	12,789
Dividends paid to minority interests	已派付予少數股東股息	-	-	-	-	-	-	-	-	-	-	(20,318)	(20,318)
Dividends paid	已派付股息	-	(435,186)	-	-	-	-	-	-	-	(435,186)	-	(435,186)
At 31st December, 2008	於二零零八年十二月三十一日	8,370	2,297,533	-	166	3,680	212,615	123,448	-	2,531,900	5,177,712	677,271	5,854,983
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	-	26,738	-	-	-	26,738	1,750	28,488
Share of exchange differences of associates	應佔聯營公司匯兌差額	-	-	-	-	-	3,566	-	-	-	3,566	295	3,861
Share of exchange difference of a jointly controlled entity	應佔一家共同控制實體匯兌差額	-	-	-	-	-	1,403	-	-	-	1,403	-	1,403
Transfer of properties to investment properties	物業轉撥至投資物業	-	-	-	-	-	-	-	-	-	-	-	-
- surplus on revaluation	- 重估盈餘	-	-	-	-	159,948	-	-	-	-	159,948	-	159,948
- deferred tax relating to revaluation surplus	- 就重估盈餘之遞延稅項	-	-	-	-	(39,987)	-	-	-	-	(39,987)	-	(39,987)
Change in fair value for available-for-sale investments	可供出售投資之公平值變動	-	-	-	-	-	-	-	(18,487)	-	(18,487)	-	(18,487)
Reclassification upon impairment of available-for-sale investments	可供出售投資減值時重新分類	-	-	-	-	-	-	-	18,487	-	18,487	-	18,487
Other comprehensive income for the year	本年度其他全面收入	-	-	-	-	119,961	31,707	-	-	-	151,668	2,045	153,713
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	1,142,468	1,142,468	52,427	1,194,895
Total comprehensive income for the year	本年度全面收入總額	-	-	-	-	119,961	31,707	-	-	1,142,468	1,294,136	54,472	1,348,608
Recognition of equity-settled share based payments	確認股本結算股份付款	-	-	-	-	-	-	48,170	-	-	48,170	-	48,170
Acquisition of additional interest in a subsidiary	收購一家附屬公司之額外權益	-	-	-	-	-	-	-	-	-	-	(149,164)	(149,164)
Share repurchase	股份購回	-	-	-	-	-	-	-	-	-	-	-	-
- repurchase of shares	- 購回股份	(62)	-	-	-	-	-	-	-	-	(62)	-	(62)
- premium on repurchase of shares	- 購回股份之溢價	-	(90,937)	-	-	-	-	-	-	-	(90,937)	-	(90,937)
- transfer	- 轉讓	-	-	-	62	-	-	-	-	(62)	-	-	-
Exercise and lapse of share options	購股權行使及失效	60	93,882	-	-	-	-	(22,237)	-	4,812	76,517	-	76,517
Dividends paid to minority interests	已派付予少數股東股息	-	-	-	-	-	-	-	-	-	-	(21,041)	(21,041)
Dividends paid	已派付股息	-	(384,067)	-	-	-	-	-	-	-	(384,067)	-	(384,067)
Transfer of reserves	轉撥儲備	-	-	13,115	-	-	-	-	-	(13,115)	-	-	-
At 31st December, 2009	於二零零九年十二月三十一日	8,368	1,916,411	13,115	228	123,641	244,322	149,381	-	3,666,003	6,121,469	561,538	6,683,007

Consolidated Statement of Cash Flows

綜合現金流量表

for the year ended 31 December 2009 截至二零零九年十二月三十一日止年度

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務		
Profit before taxation	除稅前溢利	1,498,442	1,324,637
Adjustments for:	經作出以下調整：		
Interest income on bank deposits	銀行存款之利息收入	(13,466)	(48,011)
Loan interests and other interest income	貸款利息及其他利息收入	(11,735)	(45,163)
Finance costs	融資成本	38,366	68,112
Depreciation of property, plant and equipment	物業、廠房及設備折舊	200,671	148,731
Release of prepaid lease payments	預付租賃款項轉出	19,854	4,127
Dividend income from available-for-sale investments	可供出售投資之股息收入	(3,100)	(3,500)
Dividend income from held for trading investments	持作買賣投資之股息收入	(1,551)	(1,564)
Loss (gain) on disposal of property, plant and equipment	出售物業、廠房及設備虧損(收益)	84	(54)
Fair value changes in respect of index-linked notes and equity-linked note/held for trading investments/ derivative financial instruments	與指數掛鈎票據及與權益掛鈎票據／持作買賣投資／衍生金融工具之公平值變動	(36,990)	(53,977)
Impairment loss on available-for-sale investments	可供出售投資之減值虧損	18,487	3,538
Change in fair value of investment properties	投資物業之公平值變動	(178,756)	(176,030)
Share of profit of a jointly controlled entity	應佔一家共同控制實體溢利	(12,341)	(8,250)
Share of (profits) losses of associates	應佔聯營公司(溢利)虧損	(25,360)	1,605
Write-down of obsolete inventories	滯銷存貨撇減	193	1,431
Allowance for bad and doubtful debts	呆壞賬撥備	1,800	7,764
Waiver of non-current other payable	豁免其他非流動應付款項	(60,000)	-
Share-based payment expense	股份付款開支	48,170	90,981
(Reversal of) provision for impairment loss on loan receivable	應收貸款減值虧損(撥回)撥備	(18,180)	276,615
Discount arising on acquisition of associates	收購聯營公司產生之折讓	(3,752)	(207,577)
Operating cash flows before movements in working capital	營運資金變動前經營現金流量	1,460,836	1,383,415
Decrease (increase) in inventories	存貨減少(增加)	1,969	(1,410)
(Increase) decrease in trade and other receivables	應收賬款及其他應收款項(增加)減少	(19,642)	47,402
Increase in pledged bank deposits	已抵押銀行存款增加	(120,203)	-
Increase (decrease) in trade and other payables	應付賬款及其他應付款項增加(減少)	380,672	(51,937)
Cash generated from operations	經營業務所得現金	1,703,632	1,377,470
Interest received	已收利息	25,201	78,068
Hong Kong Profits Tax paid	已繳香港利得稅	(165,994)	(178,455)
PRC Enterprise Income Tax paid	已繳中國企業所得稅	(55,254)	(41,992)
Hong Kong Profits Tax refunded	香港利得稅退稅	141	1,215
NET CASH FROM OPERATING ACTIVITIES	經營業務所得現金淨額	1,507,726	1,236,306

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
	NOTES 附註		
INVESTING ACTIVITIES	投資活動		
Purchase of index-linked notes	購買與指數掛鈎票據	-	(195,000)
Purchase of held for trading investments	購買持作買賣投資	(571,212)	(172,138)
Deposit paid for prepaid lease payment and acquisition of property, plant and equipment	就預付租賃款項以及收購物業、廠房及設備已付按金	-	(12,496)
Purchase of prepaid lease payments	購買預付租賃款項	(216)	(14,468)
Purchase of property, plant and equipment	購買物業、廠房及設備	(317,397)	(760,023)
Purchase of investment property	購買投資物業	(3,374)	(4,061)
Purchase of equity-linked note	購買與權益掛鈎票據	(67,072)	-
Purchase of club debenture	購買會所債券	(9,406)	-
Increase in loans receivable	應收貸款增加	(188,700)	(65,615)
Increase in deposit paid for acquisition of an associate	收購一家聯營公司已付訂金增加	(236,374)	-
Proceeds from early redemption of index-linked notes	提早贖回與指數掛鈎票據所得款	339,616	-
Proceeds from early redemption of equity-linked note	提早贖回與權益掛鈎票據所得款	69,750	38,997
Proceeds from disposal of held for trading investments	出售持作買賣投資所得款	324,151	125,415
(Increase) decrease in amount due from a jointly controlled entity	應收一家共同控制實體款項(增加)減少	(23,338)	24,568
Interest received from index-linked notes and equity-linked note	與指數掛鈎票據及與權益掛鈎票據之已收利息	-	25,190
Interest received from held for trading investments	持作買賣投資之已收利息	8,819	769
Interest received from derivative instruments	衍生工具之已收利息	-	8,077
Dividend received from available-for-sale investments	可供出售投資之已收股息	3,100	3,500
Dividend received from held for trading investments	持作買賣投資之已收股息	1,551	1,564
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款	-	704
Proceeds from (payment to) settle the derivative instruments	結算(支付)衍生工具所得款	2,713	(1,008)
Equity interests swap (net of cash and cash equivalents acquired)	股權置換(扣除所收購現金及現金等價物)	42	(342)
Acquisition of assets (net of cash and cash equivalents acquired)	收購資產(扣除所收購現金及現金等價物)	41	(689,861)
Acquisition of an associate	收購一家聯營公司	(573)	-
Acquisition of additional interest in a subsidiary	收購一家附屬公司額外權益	(202,439)	-
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額	(882,121)	(1,686,228)

for the year ended 31 December 2009 截至二零零九年十二月三十一日止年度

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
FINANCING ACTIVITIES	融資活動		
New bank borrowings raised	新借銀行借貸	1,579,730	301,800
Exercise of share options	行使購股權	76,517	12,789
(Decrease)increase in amount due to a minority shareholder of a subsidiary	應付一家附屬公司一名少數股東之款項(減少)增加	(14,884)	18,329
Repayment of bank borrowings	償還銀行借貸	(1,413,700)	(300,000)
Dividends paid	已派付股息	(384,067)	(435,186)
Dividends paid to minority shareholders	已派付予少數股東股息	(21,041)	(20,318)
Finance costs paid	已付融資成本	(43,177)	(101,641)
Repurchase of ordinary shares	購回普通股	(90,999)	(196,436)
NET CASH USED IN FINANCING ACTIVITIES	融資活動所用現金淨額	(311,621)	(720,663)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT	現金及現金等價物增加(減少)淨額	313,984	(1,170,585)
EFFECT OF FOREIGN EXCHANGE RATE DIFFERENCE	匯率差異之影響	16,063	5,072
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初現金及現金等價物	2,439,443	3,604,956
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, REPRESENTING BANK BALANCES AND CASH	年終現金及現金等價物，即銀行結存及現金	2,769,490	2,439,443

Notes to the Consolidated Financial Statements

綜合財務報表附註

for the year ended 31 December 2009 截至二零零九年十二月三十一日止年度

1. General

The Company is a public listed company incorporated in Cayman Islands as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited ("Stock Exchange"). The Company's holding and ultimate holding company is Real Reward Limited ("Real Reward"), a company incorporated in the Cayman Islands. The addresses of the registered office and the head office and principal place of business of the Company are disclosed in the Corporate Information to the annual report.

The consolidated financial statements are presented in Hong Kong dollar, which is also the functional currency of the Company.

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are the operation of "lifestyle" department stores and other retailing format, and property development and property holding.

2. Application of new and revised Hong Kong financial reporting standards

In the current year, the Group has applied the following new and revised Standards, Amendments and Interpretations ("new and revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

HKAS 1 (Revised 2007)	Presentation of financial statements
HKAS 23 (Revised 2007)	Borrowing costs
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation
HKFRS 1 & HKAS 27 (Amendments)	Cost of an investment in a subsidiary, jointly controlled entity or associate
HKFRS 2 (Amendment)	Vesting conditions and cancellations
HKFRS 7 (Amendment)	Improving disclosures about financial instruments
HKFRS 8	Operating segments
HK(IFRIC) – INT 9 & HKAS 39 (Amendments)	Embedded derivatives
HK(IFRIC) – INT 13	Customer loyalty programmes
HK(IFRIC) – INT 15	Agreements for the construction of real estate
HK(IFRIC) – INT 16	Hedges of a net investment in a foreign operation
HK(IFRIC) – INT 18	Transfers of assets from customers
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008, except for the amendment to HKFRS 5 that is effective for annual periods beginning or after 1st July, 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendment to paragraph 80 of HKAS 39

1. 一般事項

本公司為一間於開曼群島註冊成立為受豁免有限公司之公眾上市公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。於開曼群島註冊成立之Real Reward Limited（「Real Reward」）為本公司之控股及最終控股公司。本公司之註冊辦事處及總辦事處以及主要營業地點地址於年報企業資料披露。

綜合財務報表以本公司功能貨幣港元列值。

本公司為投資控股公司，其主要附屬公司之主要業務為經營「生活時尚」百貨店及其他零售業務、以及物業發展及持有物業。

2. 應用新訂及經修訂香港財務報告準則

於本年度，本集團應用多項由香港會計師公會頒佈之新訂及經修訂準則、修訂及詮釋（「新訂及經修訂香港財務報告準則」）。

香港會計準則第1號 (二零零七年經修訂)	財務報表呈列
香港會計準則第23號 (二零零七年經修訂)	借款成本
香港會計準則第32號及 第1號(修訂)	可沽售金融工具及清盤時產生之責任
香港財務報告準則 第1號及香港會計 準則第27號(修訂)	於附屬公司、共同控制實體或 聯營公司之投資成本
香港財務報告準則 第2號(修訂)	歸屬條件及註銷
香港財務報告準則 第7號(修訂)	財務工具披露之改進
香港財務報告準則 第8號	經營分部
香港(國際財務報告 詮釋委員會)–詮釋 第9號及香港會計 準則第39號(修訂)	內含衍生工具
香港(國際財務報告 詮釋委員會)– 詮釋第13號	顧客長期支持計劃
香港(國際財務報告 詮釋委員會)– 詮釋第15號	建造房地產之協議
香港(國際財務報告 詮釋委員會)– 詮釋第16號	對外國業務之淨投資進行對沖
香港(國際財務報告 詮釋委員會)– 詮釋第18號	轉移自客戶之資產
香港財務報告準則 (修訂)	二零零八年頒佈之香港財務報 告準則之改進，於二零零九 年七月一日或之後開始之年 度期間生效之香港財務報告 準則第5號之改進除外
香港財務報告準則 (修訂)	二零零九年頒佈之香港財務報 告準則就香港會計準則第 39號第80段之修訂之改進

2. Application of new and revised Hong Kong financial reporting standards (continued)

Except as described below, the adoption of the new and revised HKFRSs has had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods.

New and revised HKFRSs affecting presentation and disclosure only

HKAS 1 (REVISED 2007) PRESENTATION OF FINANCIAL STATEMENTS

HKAS 1 (Revised 2007) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements.

IMPROVING DISCLOSURES ABOUT FINANCIAL INSTRUMENTS (AMENDMENTS TO HKFRS 7 FINANCIAL INSTRUMENTS: DISCLOSURES)

The amendments to HKFRS 7 expand the disclosures required in relation to fair value measurements in respect of financial instruments which are measured at fair value. The amendments also expand and amend the disclosures required in relation to liquidity risk. The Group has not provided comparative information for the expanded disclosures in accordance with the transitional provision set out in the amendments.

New and revised HKFRSs affecting the reported results and/or financial position

AMENDMENTS TO HKAS 40 INVESTMENT PROPERTY

As part of Improvements to HKFRSs (2008), HKAS 40 has been amended to include within its scope properties under construction or development for future use as investment properties and to require such properties to be measured at fair value (where the fair value model is used and the fair values of the properties are reliably determinable). In the past, the leasehold land and building elements of investment properties under construction were accounted for separately. The leasehold land element was accounted for as an operating lease and the building element was carried at cost less accumulated impairment losses, if any. The Group has used the fair value model to account for its investment properties.

The Group has applied the amendments to HKAS 40 prospectively from 1st January, 2009 in accordance with the relevant transitional provision. As a result of the application of the amendment, the Group's investment properties under construction acquired as a result of acquisition of a subsidiary in 2009 have been classified as investment properties and measured at fair value as at 31st December, 2009, with the fair value gain HK\$114,110,000 and related deferred tax expense of HK\$28,527,500.

2. 應用新訂及經修訂香港財務報告準則(續)

除下述者外，採納新訂及經修訂香港財務報告準則並無對本集團現時或過往會計期間的綜合財務報表造成任何重大影響。

僅影響呈列方式及披露資料的新訂及經修訂香港財務報告準則

香港會計準則第1號(二零零七年經修訂)財務報表呈列

香港會計準則第1號(二零零七年經修訂)引入多項用詞改動，包括修訂財務報表之標題，因而導致財務報表之格式及內容出現變動。

金融工具披露的改進(香港財務報告準則第7號金融工具：披露修訂本)

香港財務報告準則第7號修訂本將就按公平值所計量金融工具的公平值計算方式所需披露範疇擴大。該修訂亦擴大並修改有關流動資金風險所需披露資料。本集團並無根據該修訂本所載過渡條文，就經擴大披露範圍提供比較資料。

影響報告業績及／或財務狀況的新訂及經修訂香港財務報告準則

香港會計準則第40號投資物業修訂本

作為香港財務報告準則(二零零八年)改進的一部分，香港會計準則第40號已修訂，以將在建中或開發中以供未來用作投資物業的物業納入其範圍內，並規定該等物業在已採用公平值模式且該等物業的公平值能可靠釐定的情況下，按公平值計量。過往，在建中投資物業的租賃土地及樓宇部分乃分開列賬。租賃土地部分乃入賬列作經營租約，而樓宇部分則按成本減值計減值虧損(如有)列賬。本集團已採用公平值模式就其投資物業列賬。

本集團已根據相關過渡條文，自二零零九年一月一日起開始應用香港會計準則第40號。由於應用該修訂本，本集團於收購附屬公司時所收購在建中投資物業已分類為投資物業，並按於二零零九年十二月三十一日的公平值計量，公平值收益及相關遞延稅項開支分別為114,110,000港元及28,527,500港元。

2. Application of new and revised Hong Kong financial reporting standards (continued)

The Group has not early applied the following new and revised Standards, Amendments or Interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of improvements to HKFRSs 2008 ¹
HKFRSs (Amendments)	Improvements to HKFRSs 2009 ²
HKAS 24 (Revised)	Related party disclosures ³
HKAS 27 (Revised)	Consolidated and separate financial statements ¹
HKAS 32 (Amendment)	Classification of right issues ⁴
HKAS 39 (Amendment)	Eligible hedged items ¹
HKFRS 1 (Amendment)	Additional exemptions for first-time adopters ³
HKFRS 1 (Amendment)	Limited exemption from comparative HKFRS 7 disclosures for first-time adopters ⁵
HKFRS 2 (Amendments)	Group cash-settled share-based payments transactions ³
HKFRS 3 (Revised)	Business combinations ¹
HKFRS 9	Financial instruments ⁷
HK(IFRIC) – INT 14 (Amendments)	Prepayments of a minimum funding requirement ⁶
HK(IFRIC) – INT 17	Distributions of non-cash assets to owners ¹
HK(IFRIC) – INT 19	Extinguishing financial liabilities with equity instrument ⁵

¹ Effective for annual periods beginning on or after 1st July, 2009.

² Amendments that are effective for annual periods beginning on or after 1st July, 2009 and 1st January, 2010, as appropriate.

³ Effective for annual periods beginning on or after 1st January, 2010.

⁴ Effective for annual periods beginning on or after 1st February, 2010.

⁵ Effective for annual periods beginning on or after 1st July, 2010.

⁶ Effective for annual periods beginning on or after 1st January, 2011.

⁷ Effective for annual periods beginning on or after 1st January, 2013.

2. 應用新訂及經修訂香港財務報告準則(續)

本集團並無提早採納下列已頒佈但尚未生效的新訂及經修訂準則、修訂或詮釋。

香港財務報告準則 (修訂)	就改進二零零八年頒佈之香港財務報告準則修訂香港財務報告準則第5號 ¹
香港財務報告準則 (修訂)	二零零九年頒佈之香港財務報告準則之改進 ²
香港會計準則第24號(經修訂)	關連人士披露 ³
香港會計準則第27號(經修訂)	綜合及獨立財務報表 ¹
香港會計準則第32號(修訂)	供股分類 ⁴
香港會計準則第39號(修訂)	合資格對沖項目 ¹
香港財務報告準則第1號(修訂)	首次採納者的額外豁免 ³
香港財務報告準則第1號(修訂)	首次採納者就香港財務報告準則第7號披露的比較資料所獲有限豁免 ⁵
香港財務報告準則第2號(修訂)	集團之現金結算股份付款交易 ³
香港財務報告準則第3號(經修訂)	業務合併 ¹
香港財務報告準則第9號	金融工具 ⁷
香港(國際財務報告詮釋委員會) – 詮釋第14號(修訂)	最低資金規定的預付款項 ⁶
香港(國際財務報告詮釋委員會) – 詮釋第17號	向擁有人分派非現金資產 ¹
香港(國際財務報告詮釋委員會) – 詮釋第19號	以股本工具抵銷金融負債 ⁵

¹ 於二零零九年七月一日或之後開始之年度期間生效。

² 於二零零九年七月一日或二零一零年一月一日(按情況適用)或之後開始之年度期間生效。

³ 於二零一零年一月一日或之後開始之年度期間生效。

⁴ 於二零一零年二月一日或之後開始之年度期間生效。

⁵ 於二零一零年七月一日或之後開始之年度期間生效。

⁶ 於二零一一年一月一日或之後開始之年度期間生效。

⁷ 於二零一三年一月一日或之後開始之年度期間生效。

2. Application of new and revised Hong Kong financial reporting standards (continued)

The application of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1st July, 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary.

HKFRS 9 "Financial instruments" introduces new requirements for the classification and measurement of financial assets and will be effective from 1st January, 2013, with earlier application permitted. The Standard requires all recognised financial assets that are within the scope of HKAS 39 "Financial instruments: Recognition and measurement" to be measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 might affect the classification and measurement of the Group's financial assets.

In addition, as part of Improvements to HKFRSs issued in 2009, HKAS 17 Leases has been amended in relation to the classification of leasehold land. The amendments will be effective from 1st January, 2010, with earlier application permitted. Before the amendments to HKAS 17, leasees were required to classify leasehold land as operating leases and presented as prepaid lease payments in the consolidated statement of financial position. The amendments have removed such a requirement. Instead, the amendments require the classification of leasehold land to be based on the general principles set out in HKAS 17, that are based on the extent to which risks and rewards incidental to ownership of a leased asset lie with the lessor or the lessee. The application of the amendments to HKAS 17 might affect the classification and measurement of the Group's leasehold land.

The directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則(續)

採納香港財務報告準則第3號(經修訂)或會影響本集團對收購日期為二零零九年七月一日或以後開始首個年度報告期間之業務合併之會計處理。香港會計準則第27號(經修訂)將對母公司於附屬公司之擁有權權益變動之會計處理造成影響。

香港財務報告準則第9號「金融工具」引入金融資產分類及計量的新規定，將於二零一三年一月一日起生效，並准許提早應用。該準則規定，所有已確認金融資產屬於香港會計準則第39號「金融工具：確認及計量」的範圍內，將按攤銷成本或公平值計量。具體來說，即(i)於目標為收取合約現金流量的業務模式內持有；及(ii)具有純粹用以支付本金及未付本金的利息的合約現金流量的債務投資，一般按攤銷成本計量。所有其他債務投資及股本投資均按公平值計量。應用香港財務報告準則第9號或會影響本集團金融資產的分類及計量。

此外，作為於二零零九年所頒佈香港財務報告準則改進的一部分，香港會計準則第17號租賃已就租賃土地的分類予以修訂。該修訂本將於二零一零年一月一日起生效，並准許提早應用。修訂香港會計準則第17號前，須就租賃將租賃土地分類為經營租約，並於綜合財務狀況表呈列為預付租賃款項。該修訂已刪除有關規定。取而代之的是，該修訂規定將租賃土地按香港會計準則第17號所載一般原則為基準分類，該基準按出租人或承租人就租賃資產擁有權所附風險及回報程度釐定。應用香港會計準則第17號(修訂)或會對本集團租賃土地的分類及計量造成影響。

本公司董事預期，應用其他新訂及經修訂準則、修訂或詮釋不會對綜合財務報表造成重大影響。

2. Application of new and revised Hong Kong financial reporting standards (continued)

Summary of the effect of the above changes in accounting policies

The effect of changes in accounting policies described above on the results for the current and prior year by line items presented in the consolidated statement of comprehensive income is as follows:

		Year ended 31st December	
		截至十二月三十一日止年度	
		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Increase in fair value gain on revaluation of properties under construction for future use as investment properties (net of deferred tax)	重估供日後用作投資物業之在建物業之公平值收益增加（扣除遞延稅項）	85,583	—
Increase in profit for the year	本年度溢利增加	85,583	—

The effect of the changes in accounting policies described above on the Group's basic and diluted earnings per share for the current and prior year is as follows:

2. 應用新訂及經修訂香港財務報告準則(續)

上述會計政策變動之影響概要

上述會計政策變動對本年度及上年度之業績影響按各項目於綜合全面收益表呈列如下：

上述會計政策變動對本集團於本年度及上年度每股基本及攤薄盈利之影響如下：

Impact on basic and diluted earnings per share

對每股基本及攤薄盈利之影響

		Impact on basic earnings per share		Impact on diluted earnings per share	
		對每股基本盈利之影響		對每股攤薄盈利之影響	
		Year ended 31st December			
		截至十二月三十一日止年度			
		2009	2008	2009	2008
		二零零九年	二零零八年	二零零九年	二零零八年
		HK cents	HK cents	HK cents	HK cents
		港仙	港仙	港仙	港仙
Reported figures before adjustment	調整前已呈報數字	0.6336	0.5452	0.6302	0.5429
Adjustment arising from change in accounting policy in relation to investment property under construction (net of deferred tax) (see note 3)	因就在建投資物業之會計政策變動產生之調整(扣除遞延稅項)(見附註3)	0.0513	—	0.0510	—
Reported figures after adjustment	調整後已呈報數字	0.6849	0.5452	0.6812	0.5429

3. Significant accounting policies

The consolidated financial statements have been prepared on the historical cost basis except for certain investment properties and financial instruments, which are measured at fair value, as explained in accounting policies set out below.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Business combinations

The acquisition of businesses is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 Business Combinations are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 Non-Current Assets Held for Sale and Discontinued Operations, which are recognised and measured at fair value less costs to sell.

3. 主要會計政策

綜合財務報表乃根據歷史成本基準編製，誠如以下會計政策所闡釋，惟若干投資物業及金融工具則按公平值計算。

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則及香港公司條例規定之適用披露。

綜合基準

綜合財務報表涵蓋本公司及本公司控制之實體(包括具特殊目的之實體)(其附屬公司)之財務報表。於本公司有權控制實體之財務及營運政策以自其業務獲取利益，即達到控制目的。

年內所收購或出售附屬公司自實際收購日期起及直至實際出售日期止(視適用情況而定)之業績計入綜合全面收益表。

如需要，附屬公司財務報表會作出調整，以符合本集團其他成員公司所用會計政策。

集團內公司間所有交易、結存、收入及開支於綜合賬目時對銷。

綜合附屬公司資產淨值之少數股東權益與本集團權益分開呈列。於資產淨值之少數股東權益包括該等權益於原有業務合併日期之款額及少數股東自合併日期起應佔權益變動。少數股東權益之虧損超出附屬公司之少數股東權益之數額分配至本集團之權益內，惟少數股東權益具有約束責任及可作出額外投資以補償虧損之情況則除外。

業務合併

收購業務採用收購法入賬。收購成本按於交換日期本集團就換取被收購方控制權所給予資產、所產生或承擔負債以及所發行股本工具之公平值總額，加上業務合併任何直接應佔成本計算。符合香港財務報告準則第3號業務合併項下確認條件之被收購方可識別資產、負債及或然負債，乃於收購日期按有關公平值確認，惟根據香港財務報告第5號持作出售非流動資產及已終止業務分類為持作出售之非流動資產(或出售集團)，則按公平值減出售成本確認及入賬。

3. Significant accounting policies (continued)

Business combinations (continued)

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

On acquisition of additional interest in a subsidiary which result in acquisition of assets and assumption of liabilities, the excess of the consideration over the carrying values of the underlying assets and liabilities attributable to the additional interest acquired is added to the carrying values of the relevant assets.

Investments in associates

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting except when the investment is classified as held for sale. Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associates, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is not tested for impairment separately. Instead, the entire carrying amount of the investment is tested for impairment as a single asset. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment in the associate. Any reversal of impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

3. 主要會計政策(續)

業務合併(續)

收購所產生商譽確認為資產，且初步按成本計算，即業務合併成本超出本集團於已確認可識別資產、負債及或然負債公平淨值之權益之差額。倘於重新評估後，本集團於被收購方之可識別資產、負債及或然負債公平淨值之權益超出業務合併成本，則超出數額即時於損益確認。

少數股東於被收購方之權益，初步按已確認資產、負債及或然負債公平淨值之少數股東比例計算。

收購一家附屬公司額外權益導致收購資產及承擔負債時，代價超出所收購額外權益應佔相關資產及負債之賬面值之差額加於相關資產之賬面值。

於聯營公司之投資

聯營公司為投資者可對其行使重大影響力，且並非附屬公司或於合營企業之權益之實體。重大影響為有權參與受投資方之財務及營運決策，惟並非控制或共同控制該等決策。

聯營公司之業績及資產與負債採用權益會計法計入綜合財務報表，惟分類為持作出售之投資除外。根據權益法，於聯營公司之投資按成本減任何已識別減值虧損於綜合財務狀況表列賬，並就本集團應佔聯營公司資產淨值之收購後變動作出調整。倘本集團應佔一家聯營公司虧損相等於或超出其於該聯營公司之權益(包括實際組成本集團於該聯營公司投資淨值其中部分之任何長期權益)，則本集團終止確認其應佔之進一步虧損。倘本集團產生法定或推定責任或代表該聯營公司付款，方始就額外應佔虧損作出撥備及確認有關責任。

任何收購成本超出本集團應佔於收購日期確認之聯營公司可識別資產、負債及或然負債公平淨值之差額確認為商譽。有關商譽計入投資之賬面金額，且毋須檢測個別減值，相反，投資之全部賬面金額會作為單一資產進行減值檢測，任何已確認減值虧損不能分配給任何資產，包括組成於聯營公司投資部分賬面金額之商譽。撥回任何減值虧損予以確認，惟以可收回之投資數額其後之增加為限。

本集團應佔可識別資產、負債及或然負債超出收購成本之任何差額，在重新評估後即時於損益確認。

倘本集團旗下實體與本集團之聯營公司進行交易，則以本集團在有關聯營公司之權益為限撇銷損益。

3. Significant accounting policies (continued)

Jointly controlled entities

Joint venture arrangements that involve the establishment of a separate entity in which venturers have joint control over the economic activity of the entity are referred to as jointly controlled entities.

The results and assets and liabilities of jointly controlled entities are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in jointly controlled entities are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the jointly controlled entities, less any identified impairment loss. When the Group's share of losses of a jointly controlled entity equals or exceeds its interest in that jointly controlled entity (which includes any long-term interests that, in substance, form part of the Group's net investment in the jointly controlled entity), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that jointly controlled entity.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the jointly controlled entity recognised at the date of acquisition is recognised as goodwill. Goodwill is included within the carrying amount of the investment and is not tested for impairment separately. Instead, the entire carrying amount of the investment is tested for impairment as a single asset. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment in the associate. Any reversal of impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

When a group entity transacts with a jointly controlled entity of the Group, profits or losses are eliminated to the extent of the Group's interest in the jointly controlled entity.

Non-current assets held for sale

Non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition.

Non-current assets (or disposal groups) classified as held for sale are measured at the lower of the assets' (disposal groups') previous carrying amount and fair value less costs to sell.

3. 主要會計政策(續)

共同控制實體

涉及成立合營企業商對實體之經濟活動擁有共同控制權之個別實體之合營企業安排稱為共同控制實體。

共同控制實體業績及資產與負債採用權益會計法計入綜合財務報表。根據權益法，於共同控制實體之投資按成本減任何已識別減值虧損於綜合財務狀況表列賬，並就本集團應佔共同控制實體資產淨值之收購後變動作出調整。倘本集團應佔一家共同控制實體虧損相等於或超出其於該共同控制實體之權益(包括實際組成本集團於該共同控制實體投資淨值其中部分之任何長期權益)，則本集團終止確認其應佔之進一步虧損。倘本集團產生法定或推定責任或代表該共同控制實體付款，方始就額外應佔虧損作出撥備及確認有關責任。

任何收購成本超出本集團應佔於收購日期確認之共同控制實體可識別資產、負債及或然負債公平淨值之差額確認為商譽。有關商譽計入投資之賬面金額，且毋須檢測個別減值。相反，投資之全部賬面金額會作為單一資產進行減值檢測，任何已確認之減值虧損不能分配給任何資產，包括組成於聯營公司投資部分賬面金額之商譽。撥回任何減值虧損予以確認，惟以可收回之投資數額其後之增加為限。

本集團應佔可識別資產、負債及或然負債超出收購成本之任何差額，在重新評估後即時於損益確認。

倘本集團旗下實體與本集團之共同控制實體進行交易，則以本集團在共同控制實體之權益為限撇銷損益。

持作出售之非流動資產

如其賬面金額將主要透過出售交易(而非透過持續使用)收回，則非流動資產或出售集團分類為持作出售。在出售很可能進行及資產(或出售集團)可按現況即時出售，此條件才被視作達成論。

分類為持作出售之非流動資產(或出售集團)按資產(出售集團)過往賬面金額及公平值減銷售成本之較低者入賬。

3. Significant accounting policies (continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts and sales related taxes.

Sales of goods are recognised when goods are sold and title has been passed.

Income from concessionaire sales is recognised upon sales of goods by the relevant shops.

Service income is recognised when services are rendered.

Minimum guaranteed sales commission is recognised in accordance with terms of contracts.

Interest income from a financial asset including financial assets at fair value through profit or loss is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investment is recognised when the shareholders' right to receive payment have been established.

Property, plant and equipment

Property, plant and equipment other than construction in progress are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of property, plant and equipment other than construction in progress over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

Construction in progress includes property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is carried at cost less any recognised impairment loss. Construction in progress is classified in the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

If an item of property, plant and equipment becomes an investment property because its use has changed as evidenced by end of owner-occupation, any difference between the carrying amount and the fair value of that item at the date of transfer is recognised in other comprehensive income and accumulated in asset revaluation reserve. On the subsequent sale or retirement of the asset, the relevant revaluation reserve will be transferred directly to retained profits.

3. 主要會計政策(續)

收益確認

收益乃按已收或應收代價之公平值計算，指於日常業務中就所售出貨品及提供服務之應收款項扣除折扣及銷售相關稅項。

貨品銷售於貨品售出及擁有權轉移時確認。

特許專櫃銷售收入於有關店舖售出貨品時確認。

服務收入於提供服務時確認。

最低保證銷售佣金根據合約條款予以確認。

金融資產(包括按公平值計入損益之金融資產)之利息收入乃按時間基準，經參考未償還本金及適用之實際利率計算，該利率為確實地將金融資產預計可用年期內之估計未來現金收入貼現至該資產於初步確認時之賬面淨值之貼現率。

投資所得股息收入乃於股東收取款項之權利確立時確認。

物業、廠房及設備

物業、廠房及設備(在建工程除外)乃按成本減其後累計折舊及累計減值虧損列賬。

折舊乃按物業、廠房及設備(在建工程除外)估計可使用年期，經計及其估計剩餘價值後，以直線法撇銷其成本計算。

在建工程包括建設中以供生產或供其本身使用之物業、廠房及設備。在建工程乃按成本減任何已確認減值虧損列賬。在建工程於落成及備妥作擬定用途時，分類為物業、廠房及設備之適當類別。該等資產按與其他物業資產相同之基準於資產可作擬定用途時開始折舊。

若證據顯示，物業、廠房及設備項目因不再自用而變為投資物業，該項目於轉移當日賬面值與公平值之間之任何差額確認為其他全面收入，並於資產重估儲備累計。於其後出售或廢棄資產，有關重估儲備將直接轉撥至保留溢利。

3. Significant accounting policies (continued)

Property, plant and equipment (continued)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the period in which the item is derecognised.

When the leasehold land and buildings are in the course of development for production or for administrative purposes, the leasehold land component is classified as a prepaid lease payment and amortised over a straight-line basis over the lease term. During the construction period, the amortisation charge provided for the leasehold land is included as part of costs of buildings under construction. Buildings under construction are carried at cost, less any identified impairment losses. Depreciation of buildings commences when they are available for use (i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by management).

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

For a transfer from an investment property to an owner-occupied property as evidenced by commencement of owner-occupation, the fair value of the property at the date of transfer become the deemed cost of that property.

Construction costs incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction. Starting from 1st January, 2009, investment properties under construction are measured at fair value at the end of the reporting period. Any difference between the fair value of the investment properties under construction and their carrying amounts is recognised in profit or loss in the period in which they arise.

Leasehold land held for undetermined future use

Leasehold land held for undetermined future use is regarded as held for capital appreciation purpose and classified as an investment property, and carried at fair value. Changes in fair value of the leasehold land are recognised directly in profit or loss for the period in which changes take place.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the item is derecognised.

3. 主要會計政策(續)

物業、廠房及設備(續)

物業、廠房及設備項目於出售時或預期日後將不會自持續使用資產獲得經濟利益時剔除確認。剔除確認資產產生之任何收益或虧損(按出售所得款淨額與有關項目賬面值之差額計算)於剔除確認有關項目之期間計入盈虧。

當租賃土地及樓宇為發展中以作生產或行政用途時，租賃土地部分乃分類為預付租賃款項，並以直線法於租期內攤銷。於建築期內，就租賃土地之攤銷撥備乃計入在建樓宇成本之部分。在建樓宇按成本列賬，減任何已識別減值虧損。當樓宇可供使用(即樓宇之地點及狀況已達致能以管理層擬定之方式經營之地點及狀況)時會開始計算折舊。

投資物業

投資物業為持有以賺取租金及/或資本增值之物業。

於初步確認時，投資物業按成本計算，包括任何直接應佔開支。於初步確認後，投資物業採用公平值模式按其公平值計算。投資物業公平值變動產生之收益或虧損計入產生期間之損益。

就由投資物業轉移至證實為業主開始佔用之業主佔用物業，物業於轉移當日之公平值成為該物業之視作成本。

在建投資物業產生之建築成本乃撥充資本為撥作在建投資物業部分賬面金額。自二零零九年一月一日起，在建投資物業於報告期間結算日按公平值計量。在建投資物業公平值與其賬面金額間之任何差額於產生期間在損益確認。

就未確定未來用途持有之租賃土地

就未確定未來用途持有之租賃土地被視為持作資本增值用途及分類為投資物業，按公平值列賬。租賃土地公平值變動於變動產生期間直接於損益確認。

投資物業於出售時或當投資物業永久不再使用及預期出售投資物業不會帶來未來經濟利益時剔除確認。剔除確認資產產生之任何收益或虧損(按該資產之出售所得款淨額與賬面值間之差額計算)於該項目被剔除確認之期間計入損益。

3. Significant accounting policies (continued)

Club debenture

Club debenture is measured at cost less any impairment losses.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other lease are classified as operating leases.

THE GROUP AS LESSOR

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

THE GROUP AS LESSEE

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss.

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

LEASEHOLD LAND AND BUILDING

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification, unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire lease is generally treated as a finance lease and accounted for as property, plant and equipment. To the extent the allocation of the lease payments can be made reliably, leasehold interests in land are accounted for as operating leases and amortised over the lease term on a straight-line basis except for those that have been classified and accounted for as investment properties under the fair value model.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3. 主要會計政策(續)

會所債券

會所債券按成本減任何減值虧損計算。

租約

當租約條款將涉及擁有權之絕大部分風險及回報轉讓予承租人時，該租約乃分類為融資租約。所有其他租約均分類為經營租約。

本集團作為出租人

經營租約之租金收入乃按相關租約年期以直線法於損益確認。於磋商及安排經營租約產生之初步直接成本，加上租賃資產之賬面值，按租約年期以直線法確認作開支。

本集團作為承租人

按融資租約持有之資產於租約開始時按其公平值或(如較低)最低租賃款項現值確認為本集團資產。出租人的相應負債計入綜合財務狀況表，列作融資租約承擔。租賃款項於融資開支與租賃承擔減少之間分配，以就承擔結餘得出固定利率。融資開支直接於損益扣除。

經營租賃款項於有關租約年期按直線法確認為開支。已收及應收作為訂立經營租約優惠之利益，於租賃年期按直線法確認為租金開支減少。

租賃土地及樓宇

租賃土地及樓宇之土地及樓宇部分就租約分類而言將會個別考量，惟租約付款未能在土地及樓宇部分間可靠地分配除外，於此情況下，整份租約一般按融資租約處理，並以物業、廠房及設備列賬。倘租約付款能可靠地分配時，於土地之租賃權益乃以經營租約列賬，並於租約年期按直線法攤銷，惟已分類作投資物業並按公平值模式列賬者除外。

外幣

於編製各個別集團實體之財務報表時，以該實體之功能貨幣以外貨幣(外幣)進行之交易按交易日期適用之匯率(即該實體經營業務所在主要經濟環境之貨幣)列賬。於報告期間結算日，以外幣結算之貨幣項目按結算日適用之匯率重新換算。按公平值列賬且以外幣結算之非貨幣項目按釐定公平值當日適用之匯率重新換算。按過往成本以外幣計算之非貨幣項目不會重新換算。

3. Significant accounting policies (continued)

Foreign currencies (continued)

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in exchange reserve. Such translation differences are reclassified from equity to profit or loss in the period which the foreign operation is disposed of.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3. 主要會計政策(續)

外幣(續)

交收貨幣項目及換算貨幣項目時產生之匯兌差額於產生期間在損益確認。重新換算按公平值列賬之非貨幣項目產生之匯兌差額計入期內損益，倘若非貨幣項目產生之有關收益及虧損直接於其他全面收入確認，則在該情況下，重新換算產生之匯兌差額亦直接於其他全面收入確認。

就綜合財務報表呈報方式而言，本集團海外業務之資產及負債按報告期間結算日適用之匯率換算為本集團之呈列貨幣(即港元)，而其收入及開支則按年內平均匯率換算，除非匯率於期內出現大幅波動，在該情況下，則採用交易日期適用之匯率換算。所產生匯兌差額(如有)於其他全面收入確認，並於匯兌儲備累計。有關匯兌差額於出售海外業務期間由權益重新分類為損益。

借貸成本

收購、興建或生產合資格資產(即需長時間準備以達致其擬定用途或可供出售之資產)直接應佔借貸成本將計入該等資產成本中，直至該資產大致可供用作擬定用途或出售為止。就開支用合資格資產前作短暫投資之特定借貸所賺取投資收入，自合資格撥充資本之借貸成本扣除。

所有其他借貸成本均於產生期間在損益確認。

稅項

所得稅支出指現行應繳稅項與遞延稅項之總和。

現行應繳稅項乃按本年度應課稅溢利計算。應課稅溢利不計入其他年度的應課稅或可扣稅收支項目，亦不計入收益表中毋須課稅或不獲扣稅項目，故有別於綜合全面收益表所報溢利。本集團有關現行稅項之責任按於結算日已實施或大致上已實施之稅率計算。

3. Significant accounting policies (continued)

Taxation (continued)

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Inventories

Inventories, which represent merchandise held for resale, are stated at the lower of cost and net realisable value. The cost of merchandise is determined by the retail method and is computed by reference to the retail selling price of goods less the average gross profit margins. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

3. 主要會計政策(續)

稅項(續)

遞延稅項按綜合財務報表中資產及負債賬面值與計算應課稅溢利所用相應稅基間差額確認。所有暫時應課稅差額一般都會確認為遞延稅項負債，惟遞延稅項資產則於應課稅溢利有可能抵銷可扣稅暫時差額時予以確認。但倘若有關暫時差額是由商譽又或由初步確認(非業務合併)既不影響應課稅溢利亦不影響會計溢利的交易的其他資產和負債所引起，則不會確認該等資產和負債。

遞延稅項負債乃就於附屬公司及聯營公司之投資及於合營企業之權益所產生之暫時應課稅差額確認，惟倘本集團能控制暫時差額之撥回以及暫時差額有機會不會於可見將來撥回除外。可扣減暫時差額產生之遞延稅項資產(與該等投資及權益有關)僅於可能將有足夠應課稅溢利可動用暫時差額之利益，且彼等預期於可預見將來撥回之情況下予以確認。

遞延稅項資產賬面值於報告期間結算日檢討，並於不可能有足夠應課稅溢利以收回全部或部分資產時作出扣減。

遞延稅項資產及負債乃按照於報告期間結算日已實施或大致實施之稅率及稅法，於清償有關負債或變賣有關資產時，按預計有關期間適用稅率計算。遞延稅項負債及資產之計量反映出於報告期間結算日將依循本集團所預計以收回或清償其資產及負債賬面金額之方式之稅務後果。遞延稅項於損益確認，除非遞延稅項與其他全面收入或直接或間接於權益確認的項目相關，在該情況下，遞延稅項亦須分別於其他全面收入或直接或間接於權益確認處理。

存貨

存貨指持有作轉售的商品，以成本及可變現淨值較低者入賬。商品成本以零售法釐定，參考貨品零售價減平均毛利率計算。可變現淨值指在日常業務中估計售價減估計銷貨所需成本。

3. Significant accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

FINANCIAL ASSETS

Financial assets are classified into one of the three categories, including financial assets at fair value through profit or loss ("FVTPL"), loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets designated at FVTPL, of which interest income is included in investment income.

Financial assets at FVTPL

Financial assets at FVTPL has two subcategories, including financial assets held for trading and those designated at FVTPL on initial recognition.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

3. 主要會計政策(續)

金融工具

當本集團旗下實體成為金融工具合約條文之訂約方時，於綜合財務狀況表確認金融資產及金融負債。金融資產及金融負債初步按公平值計算。收購或發行金融資產及金融負債(按公平值計入損益之金融資產及金融負債除外)產生之直接應佔交易成本，於初步確認金融資產或金融負債之公平值加入或扣除(視適用情況而定)。收購按公平值計入損益之金融資產或金融負債時產生之直接應佔交易成本即時於損益確認。

金融資產

金融資產分為三類，包括按公平值計入損益(「按公平值計入損益」)之金融資產、貸款及應收款項以及可供出售金融資產。所有以正常方式購買或出售之金融資產按交易日基準確認及剔除確認。正常購買或出售方式規定須於規例或市場慣例設定之時限內以交付資產方式購買或出售金融資產。

實際利率法

實際利率法是一種計算相關期間內金融資產之攤銷成本以及分配利息收入之方法。實際利率是一種在金融資產之預期年期或(如適用)更短期間內能夠精確貼現預計未來現金收入(包括所有已支付或收取並為實際利率、交易成本及其他溢價或折讓組成部分之費用)至於初步確認時之賬面淨值之利率。

利息收入乃就債券工具按實際利率基準確認，惟該等指定為按公平值計入損益之金融資產除外，其利息收入計入投資收入。

按公平值計入損益之金融資產

按公平值計入損益之金融資產分為兩個分類，包括持作買賣金融資產及該等於初步確認時指定按公平值計入損益之金融資產。

倘出現下列情況，金融資產乃分類為持作買賣：

- 其收購乃主要作在不久將來出售之用；或
- 其為本集團共同管理之已識別金融工具組合之部分，並錄得近期實際短期利潤；或
- 其屬並非指定為對沖工具及有效作對沖工具之衍生工具。

3. Significant accounting policies (continued)

Financial instruments (continued)

FINANCIAL ASSETS (continued)

Held for trading investments are measured at fair value, with changes in fair value arising from remeasurement recognised directly on profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on these financial assets.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Index-linked notes, equity-linked note

Index-linked notes and equity-linked note are hybrid instruments that contain embedded derivatives. The Group has designated the index-linked notes and equity-linked note as "financial assets at fair value through profit or loss" upon initial recognition in accordance with HKAS 39. Financial assets at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss includes any dividend or interest earned from the financial assets.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, pledged bank deposits, loans receivable, bank balances and cash, and amount due from a jointly controlled entity) are carried at amortised cost using the effective interest method, less any identified impairment losses.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified as any of the other categories. Available-for-sale financial assets are measured at fair value at the end of the reporting period. Changes in fair value are recognised in other comprehensive income and accumulated in investment reserve, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously accumulated in the investment reserve is reclassified to profit or loss. Any impairment losses on available-for-sale financial assets are recognised in profit or loss.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

持作買賣投資按公平值入賬，重新計量時產生之公平值變動於產生期間直接在損益確認。於損益確認之收益或虧損淨額不包括於該等金融資產賺取之任何股息或利息。

倘出現下列情況，持作買賣金融資產以外之金融資產可於初步確認時指定按公平值計入損益：

- 有關指定撇銷或大幅減低計量或確認可能出現不一致之情況；或
- 金融資產組成一組金融資產或金融負債或兩者其中部分，並根據本集團既定風險管理或投資策略，按公平值基準管理及評估其表現，而分類資料則按該基準由內部提供；或
- 金融資產組成包含一種或以上內含附帶衍生工具之合約其中部分，而香港會計準則第39號允許整份合併合約(資產或負債)將指定按公平值計入損益。

與指數掛鈎票據及與權益掛鈎票據

與指數掛鈎票據及與權益掛鈎票據指包括附帶衍生工具在內的複合式交易工具。根據香港會計準則第39號作出初步確認時，本集團指定將該等與指數掛鈎票據及與權益掛鈎票據指定「按公平值計入損益之金融資產」。按公平值計入損益之金融資產乃按公平值計量，而公平值變動則於產生期內直接於損益確認。於損益確認之收益或虧損淨額包括自金融資產賺取之任何股息或利息。

貸款及應收款項

貸款及應收款項為設有固定或待付付款金額之非衍生金融資產，且不會在活躍市場掛牌。於初步確認後，貸款及應收款項(包括應收賬款及其他應收款項、已抵押銀行存款、應收貸款、銀行結存及現金以及應收一家共同控制實體款項)採用實際利率法按已攤銷成本減任何已識別減值虧損列賬。

可供出售金融資產

可供出售金融資產為指定為可供出售或並未分類為任何其他類別之非衍生金融資產。於報告期間結算日，可供出售金融資產按公平值計算。公平值變動於其他全面收入確認，並於投資儲備累計，直至金融資產出售或被釐定出現減值為止，屆時，先前於投資儲備累計之累計收益或虧損會重新分類至損益。可供出售金融資產之任何減值虧損於損益確認。

3. Significant accounting policies (continued)

Financial instruments (continued)

IMPAIRMENT OF FINANCIAL ASSETS

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of the reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For an available-for sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it is becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of less than 30 days, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3. 主要會計政策(續)

金融工具(續)

金融資產減值

金融資產(按公平值計入損益之金融資產除外)會於報告期間結算日評定是否有減值跡象。金融資產於有客觀證據顯示其估計未來現金流量因於初步確認該金融資產後發生之一項或多項事件而受到影響時作出減值。

就可供出售股本投資而言，該項投資之公平值大幅或持續下跌至低於成本，則視作減值之客觀證據。

就所有其他金融資產而言，減值之客觀證據可包括：

- 發行人或交易方出現重大財政困難；或
- 未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組。

就若干類別之金融資產(如應收賬款)而言，被評估不會個別減值之資產，將會其後彙集一併評估減值。應收款項組合出現減值之客觀證據包括本集團過往收款記錄、組合中已超出平均信貸期30日以內之延遲繳款次數增加，以及國家或地區經濟狀況出現明顯變動導致應收賬款未能償還。

就按已攤銷成本列賬之金融資產而言，當有客觀證據證明資產已減值，減值虧損於損益中確認，並按資產賬面值與按原實際利率貼現之估計日後現金流量現值之差額計算。

金融資產賬面值之減值會直接按減值虧損扣減，惟應收賬款除外，其賬面值會透過使用撥備賬作出扣減。撥備賬內之賬面值變動會於損益中確認。當應收賬款被視為不可收回時，其將於撥備賬內撇銷。其後收回已撇銷的款項，均計入損益內。

就按已攤銷成本計量之金融資產而言，如在隨後期間，減值虧損金額減少，而有關減少在客觀上與確認減值虧損後發生之事件有關，則先前已確認之減值虧損將透過損益予以撥回，惟該資產於減值被撥回當日之賬面值，不得超過未確認減值時之已攤銷成本。

3. Significant accounting policies (continued)

Financial instruments (continued)

IMPAIRMENT OF FINANCIAL ASSETS (continued)

Impairment losses for available-for-sale equity investments will not be reversed through profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in other comprehensive income and accumulated in investment reserve. For available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

FINANCIAL LIABILITIES AND EQUITY

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Financial liabilities are classified into financial liabilities at FVTPL and other financial liabilities. The Group's financial liabilities comprise of only other financial liabilities.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition. Interest expense is recognised on an effective interest basis.

Other financial liabilities

Other financial liabilities including bank borrowings, trade and other payables, concessionaire sales payable and amount due to a minority shareholder of a subsidiary are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3. 主要會計政策(續)

金融工具(續)

金融資產減值(續)

可供出售股本投資之減值虧損不會於往後期間撥回損益。減值虧損其後增加之公平值會於其他全面收入直接確認，並於投資儲備累計。就可供出售債務投資而言，倘投資之公平值增加客觀地與確認減值虧損後發生之事件有關，則於其後撥回減值虧損。

金融負債及股本

本集團旗下實體發行之金融負債及股本工具按所訂立訂約安排內容以及金融負債及股本工具之定義分類。

股本工具為證明本集團資產經扣除所有負債後餘下權益之任何合約。金融負債分類為按公平值計入損益之金融負債及其他金融負債。本集團金融負債僅包括其他金融負債。

實際利率法

實際利率法是一種計算相關期間內金融負債之攤銷成本以及分配利息收入之方法。實際利率是一種在金融負債之預期年期或(如適用)更短期間內能夠精確貼現預計未來現金付款(包括所有已支付或收取並為實際利率、交易成本及其他溢價或折讓組成部分之費用)貼現至於初步確認時之賬面淨值之利率。利息開支按實際利率法確認。

其他金融負債

其他金融負債包括銀行借貸、應付賬款及其他應付款項、應付特許專櫃銷售款項及應付一家附屬公司一名少數股東之款項，其後採用實際利率法按已攤銷成本計算。

股本工具

本公司發行之股本工具按所收取款項扣除直接發行成本後入賬。購回本公司本身之股本工具乃直接於權益確認及扣除。購買、出售、發行或註銷本公司本身之股本工具時不會於損益確認收益或虧損。

3. Significant accounting policies (continued)

Financial instruments (continued)

DERECOGNITION

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in profit or loss.

Share-based payment transactions

The fair value of employee services received in an equity-settled share-based payment transaction is determined by reference to the fair value of share options at the grant date. The fair value of employee services is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share-based payment reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates during the vesting period, if any, is recognised in profit or loss, with a corresponding adjustment to the share-based payment reserve.

At the time when the share options are exercised, the amount previously recognised in share-based payment reserve will be transferred to share premium. When the share options are not exercised at the expiry date, the amount previously recognised in share based payment reserve will be transferred to retained profits.

Government grants

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Other government grants are recognised as revenue over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered service entitling them to the contributions.

3. 主要會計政策(續)

金融工具(續)

剔除確認

金融資產於自資產收取現金流量之權利屆滿或金融資產已轉讓且本集團轉讓金融資產所有權之絕大部分風險及回報時剔除確認。於剔除確認金融資產時，資產賬面值與已收代價及已於其他全面收入確認之累計收益或虧損之總和間之差額於損益確認。

金融負債於有關合約所指定責任遭免除、註銷或屆滿時剔除確認。剔除確認之金融負債賬面值與已付或應付代價間之差額於損益確認。

股份付款交易

於股本結算股份付款交易所收取之僱員服務之公平值乃參考於授出日期購股權之公平值而釐定。僱員服務之公平值於歸屬期以直線法支銷，並於權益(股份付款儲備)作相應增加。

於報告期間結算日，本集團修訂其估計預期最終歸屬之購股權數目。修訂估計之影響(如有)於歸屬期間於損益確認，並於股份付款儲備作出相應調整。

於購股權獲行使時，先前於股份付款儲備確認之金額將轉撥至股份溢價。倘購股權於到期日尚未行使，則先前於股份付款儲備確認之金額將轉撥至保留溢利。

政府補助

政府補助於本集團確認該等補助擬補償之有關成本為開支之期間內按有系統基準於損益確認。其他政府補助於符合擬補償之有關成本所需之期間內按有系統基準確認為收入。作為開支或已產生虧損之補償或向本集團提供即時財務援助而可收取(並無日後相關成本)之政府補助金，乃於其成為可收取之期間於損益確認。

退休福利成本

定額供款退休福利計劃供款，在僱員提供服務而有權獲得供款時列作支出。

4. Key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The following are estimates that the directors have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in consolidated financial statements.

Income taxes

At 31st December, 2009, no deferred tax asset has been recognised on the tax loss of approximately HK\$388.4 million (2008: HK\$311.2 million) due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future assessable profits or taxable temporary differences will be available in the future. In cases where the estimated future assessable profits or taxable temporary difference are more than previously estimated, a material recognition of deferred tax assets may arise, which would be recognised in the consolidated statement of comprehensive income for the period in which the revised estimate takes place.

5. Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 34, cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued share capital, reserves and retained profits.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

4. 主要不確定估計來源

應用於附註3所述之本集團會計政策時，本公司董事須就未能於其他來源獲取之資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃以過往經驗及其他被認為屬有關之因素為依據。實際結果或會與該等估計有所出入。

估計及相關假設均會按持續基準審閱。倘會計估計之修訂僅影響作出估計修訂之期間，則會於該期間確認會計估計之修訂，或倘修訂影響當前及未來期間，則於有關修訂及未來期間確認。以下為董事於應用實體之會計政策時所作出之重大判斷，其對於綜合財務報表確認之金額造成最重大影響。

所得稅

於二零零九年十二月三十一日，由於未能預測日後之溢利來源，故並無就稅項虧損約388,400,000港元(二零零八年：311,200,000港元)確認遞延稅項資產。遞延稅項資產之可變現情況主要取決於日後是否有充裕應課稅溢利或應課稅暫時差額。倘日後應課稅溢利或應課稅暫時差額較先前預期少，或會對遞延稅項資產作出重大確認，而有關確認將於修訂估計之期間內在綜合全面收益表確認。

5. 資本風險管理

本集團管理其資本，以確保本集團之實體能繼續持續經營，同時透過優化債務及股本結餘，為股東提供最佳回報。本集團之整體策略與去年相同。

本集團之資本架構包括債務(包括附註34披露之借貸)、現金及現金等價物以及本公司股東應佔權益(包括已發行股本、儲備及保留盈利)。

本公司董事定期檢討資本架構。作為是項檢討之一部分，董事會考慮資本成本與各類資本相關之風險。根據董事之建議，本集團將透過派付股息、發行新股及股份購回以及發行新債或贖回現有債項以平衡其整體資本架構。

5. Capital risk management (continued)

The gearing ratio at the year end was as follows:

		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Debt (i)	債務(i)	(3,186,720)	(3,018,100)
Pledged bank deposits	已抵押銀行存款	120,203	-
Cash and cash equivalents	現金及現金等價物	2,769,490	2,439,443
Net debt	債務淨額	(297,027)	(578,657)
Equity (ii)	權益(ii)	6,121,469	5,177,712
Net debt to equity ratio	債務淨額與權益比率	4.85%	11.18%

(i) Debt is defined as long- and short-term borrowings as detailed in note 34.

(ii) Equity includes all capital and reserves of the Group attributable to owners of the Company.

5. 資本風險管理(續)

於年結日之資產與負債比率如下：

		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
債務(i)	債務(i)	(3,186,720)	(3,018,100)
已抵押銀行存款	已抵押銀行存款	120,203	-
現金及現金等價物	現金及現金等價物	2,769,490	2,439,443
債務淨額	債務淨額	(297,027)	(578,657)
權益(ii)	權益(ii)	6,121,469	5,177,712
債務淨額與權益比率	債務淨額與權益比率	4.85%	11.18%

(i) 債務之定義為長期及短期借貸，詳情載於附註34。

(ii) 權益包括本公司擁有人應佔本集團所有股本及儲備。

6. Financial instruments**Categories of financial instruments**

		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Financial assets	金融資產		
Fair value through profit or loss (FVTPL)	於按公平值計入損益		
Financial assets designated at fair value through profit or loss	指定為按公平值計入損益之金融資產	-	342,412
Held for trading investments	持作買賣投資	341,457	68,447
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等價物)	3,225,929	2,845,775
Available-for-sale financial assets	可供出售金融資產	9,688	28,175
Financial liabilities	金融負債		
Amortised cost	攤銷成本	5,218,162	4,383,102

Financial risk management objectives and policies

The Group's major financial assets and liabilities include bank balances and cash, pledged bank deposits, available-for-sale investments, index-linked notes, held for trading investments, loans receivable, trade and other receivables, trade and other payables, amount due from a jointly controlled entity, concessionaire sales payable, bank borrowings, other payable and amount due to a minority shareholder of a subsidiary. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

6. 金融工具**金融工具類別**

		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
金融資產	金融資產		
於按公平值計入損益	於按公平值計入損益		
指定為按公平值計入損益之金融資產	指定為按公平值計入損益之金融資產	-	342,412
持作買賣投資	持作買賣投資	341,457	68,447
貸款及應收款項(包括現金及現金等價物)	貸款及應收款項(包括現金及現金等價物)	3,225,929	2,845,775
可供出售金融資產	可供出售金融資產	9,688	28,175
金融負債	金融負債		
攤銷成本	攤銷成本	5,218,162	4,383,102

財務風險管理目的及政策

本集團之主要金融資產及負債包括銀行結存及現金、已抵押銀行存款、可供出售投資、與指數掛鈎票據、持作買賣投資、應收貸款、應收賬款及其他應收款項、應付賬款及其他應付款項、應收一家共同控制實體款項、應付特許專櫃銷售款項、銀行借貸、其他應付款項及應付一家附屬公司一名少數股東之款項。與此等金融工具相關之風險及減低有關風險之政策載於下文。管理層會管理及監控該等風險，以確保及時與有效地採取適當措施。

6. Financial instruments (continued)

Financial risk management objectives and policies (continued)

CURRENCY RISK

The functional currency of the Company and its major subsidiaries in Hong Kong is HK\$ in which most of the transactions are denominated. The functional currency of those subsidiaries operating in PRC is RMB in which most of its transactions are denominated. Certain bank balances of the Group amounting to approximately HK\$818,845,000 (2008: HK\$194,693,000), all index-linked notes and all available-for-sale investments are denominated in United States Dollar ("USD"). The Group currently does not have a foreign currency hedging policy as HK\$ is effectively pegged to USD. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

The following table details the Group's sensitivity to a reasonably possible change of 0.5% in exchange rate of USD against HK\$ while all other variables are held constant. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 0.5% change in foreign currency rates.

		Year ended 31st December	
		截至十二月三十一日止年度	
		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Increase (decrease) in profit for the year	年內溢利增加 (減少)		
- if HK\$ weakens against USD	- 倘若港元兌美元貶值	5,457	3,169
- if HK\$ strengthens against USD	- 倘若港元兌美元升值	(5,457)	(3,169)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

INTEREST RATE RISK

As at 31st December, 2009, the cash flow interest rate risk relates primarily to the Group's floating-rate bank deposits, loan receivables and bank borrowings. Whereas, it related primarily to the Group's floating-rate bank deposits, loan receivables, index-linked notes, and bank borrowings as at 31st December 2008. The interests on the Group's index-linked notes were linked with Constant Maturity Swap (CMS) rates. The fair value interest rate risk relates primarily to fixed-rate bank deposits and loan receivable as at 31st December 2009, whereas, as at 31st December 2008, it related primarily to fixed-rate bank deposits. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise. The fair value interest rate risk on bank deposits is insignificant as the fixed deposits are short-term.

6. 金融工具(續)

財務風險管理目的及政策(續)

外匯風險

本公司及其香港主要附屬公司之功能貨幣為港元，當中大部分交易以港元結算。於中國經營之附屬公司之功能貨幣為人民幣，當中大部分交易以人民幣結算。本集團若干為數約818,845,000港元(二零零八年：194,693,000港元)之銀行結存以及所有與指數掛鈎票據及所有可供出售投資均以美元結算。由於港元與美元是掛鈎貨幣，本集團現時並無外幣對沖政策。然而，管理層會監控外匯風險，並於需要時考慮對沖重大外幣風險。

下表詳列本集團於美元兌港元之匯率可能出現0.5%合理變動，而所有其他變數維持不變時之敏感度。敏感度分析僅包括未兌換外幣結算貨幣項目，並於報告期間結算日按0.5%外匯率變動調整換算。

管理層認為，由於年結日之風險並無反映年內風險，故敏感度分析並不代表固有外匯風險。

利率風險

於二零零九年十二月三十一日，現金流量利率風險主要與本集團之浮息銀行存款、應收貸款及銀行借貸有關。然而，於二零零八年十二月三十一日，其主要與本集團之浮息銀行存款、應收貸款，與指數掛鈎票據以及銀行借貸有關。本集團與指數掛鈎票據之利率與固定期限交換利率掛鈎。於二零零九年十二月三十一日，公平值利率風險主要與定息銀行定期存款及應收貸款有關，而於二零零八年十二月三十一日，則與定息銀行定期存款有關。本集團現時並無任何利率對沖政策。然而，管理層會監控利率風險，並於需要時考慮對沖重大利率風險。由於定期存款屬短期性質，故銀行存款之公平值利率風險並不重大。

6. Financial instruments (continued)**Financial risk management objectives and policies (continued)****INTEREST RATE RISK (continued)**

The Group's sensitivity to cash flow interest rate risk has been determined based on the exposure to interest rates for bank borrowings, index-linked notes, bank deposits and loans receivables at the end of the reporting period and the reasonably possible change taking place at the beginning of each year and held constant throughout the year. The Group's sensitivity to interest rate risk at the end of the reporting period while all other variables were held constant is as follows:

		Year ended 31st December	
		截至十二月三十一日止年度	
		2009	2008
		二零零九年	二零零八年
Reasonably possible change in interest rate	利率之合理可能變動	100 basis points	100 basis points
		100個點子	100個點子

		Year ended 31st December	
		截至十二月三十一日止年度	
		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Increase (decrease) in profit for the year	年內溢利增加(減少)		
– as a result of increase in interest rate	– 由於利率上升	(1,874)	(13,015)
– as a result of decrease in interest rate	– 由於利率下降	1,121	4,739

CREDIT RISK

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 31st December, 2009 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position. In order to minimise the credit risk, the management of the Group has formulated a defined fixed credit policy and delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade receivable regularly at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced. Retail sales are mainly on cash basis, either in cash, debit and or credit card payments. The Group has no significant concentration of credit risk in relation to trade and other receivables, with exposure spread over a number of counterparties and customers.

For loans receivables set out in note 29, the Group reviews the recoverable amount of each loan receivable on a regular basis and the value of pledged assets, if any, to ensure adequate impairment losses are made for irrecoverable amounts.

6. 金融工具(續)**財務風險管理目的及政策(續)****利率風險(續)**

本集團對現金流利率風險之敏感度，乃根據於報告期間結算日銀行借貸、與指數掛鉤票據、銀行存款及應收貸款之利率風險，以及於每年年初合理地可能出現之變動而於全年維持不變釐定。當所有其他變數維持不變，本集團於報告期間結算日對利率風險敏感度如下：

		Year ended 31st December	
		截至十二月三十一日止年度	
		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Increase (decrease) in profit for the year	年內溢利增加(減少)		
– as a result of increase in interest rate	– 由於利率上升	(1,874)	(13,015)
– as a result of decrease in interest rate	– 由於利率下降	1,121	4,739

信貸風險

於二零零九年十二月三十一日，本集團就對手方未能履行其責任而按各類別已確認金融資產面對之最高信貸風險，指綜合財務狀況表所述該等資產之賬面值。為盡量減低信貸風險，本集團管理層已制定明確之既定信貸政策，並委任一組人員，專責釐定信貸限額、批核信貸額及進行其他監管程序，以確保能跟進有關逾期債務之追討事宜。此外，本集團會於報告期間結算日定期檢討各項個別應收賬款之可收回金額，以確保就不可收回款項作出足夠減值虧損。就此，本公司董事認為，本集團之信貸風險已大幅減少。零售銷售主要以現金進行，可以現金、記賬卡或信用卡付款。由於信貸風險分散於多名對手方及客戶，故本集團就應收賬款及其他應收款項並無重大信貸風險集中情況。

就載於附註29之應收貸款而言，本集團會定期審閱各應收貸款之可收回金額及所質押資產(如有)之價值，以確保已就不可收回金額作出足夠減值虧損。

6. Financial instruments (continued)

Financial risk management objectives and policies (continued)

CREDIT RISK (continued)

The credit risk on liquid funds and index-linked notes is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies and government authority.

PRICE RISK

The Group's available-for-sale investments and held for trading investments are measured at fair value at the end of the reporting period. Therefore, the Group is exposed to security price risk. The management manages this exposure by maintaining a portfolio of investments with different risk profiles. Details of the available-for-sale investments and held for trading investments are set out in notes 23 and 28 respectively.

The Group's sensitivity to price risk on the available-for-sale investments and held for trading investment at the end of the reporting period while all other variables were held constant is as follows:

		HK\$'000 千港元
2009	二零零九年	
Reasonably possible change in price	價格之可能合理變動	1%
Increase (decrease) in profit for the year	年內溢利增加(減少)	
– as a result of increase in price	– 由於價格增加	3,511
– as a result of decrease in price	– 由於價格減少	(3,511)
2008	二零零八年	
Reasonably possible change in price	價格之可能合理變動	1%
Increase (decrease) in profit for the year	年內溢利增加(減少)	
– as a result of increase in price	– 由於價格增加	855
– as a result of decrease in price	– 由於價格減少	(855)

LIQUIDITY RISK

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As at 31st December, 2009, the Group has available unutilised borrowing facilities of approximately HK\$798 million (2008: HK\$1,281 million). Details of which are set out in note 34.

6. 金融工具(續)

財務風險管理目的及政策(續)

信貸風險(續)

由於對手方均為獲國際信貸評級機構高信貸評級之銀行及政府機構，故流動資金及與指數掛鈎票據之信貸風險有限。

價格風險

本集團可供銷售投資及持作買賣投資乃按報告期間結算日之公平值計量。因此，本集團面對股本證券價格風險。管理層透過維持具不同風險之投資組合以管理是項風險。可供出售投資及持作買賣投資之詳情分別載於附註23及28。

在其他變數維持不變下，本集團於報告期間結算日對可供出售投資及持作買賣投資之價格風險敏感度如下：

	HK\$'000 千港元
2009	
Reasonably possible change in price	1%
Increase (decrease) in profit for the year	
– as a result of increase in price	3,511
– as a result of decrease in price	(3,511)
2008	
Reasonably possible change in price	1%
Increase (decrease) in profit for the year	
– as a result of increase in price	855
– as a result of decrease in price	(855)

流動資金風險

於管理流動資金風險時，本集團監察及維持管理層視為足以應付本集團業務所需資金水平之現金及現金等價物，並減低現金流量波動影響。管理層監察銀行借貸之運用，確保遵守貸款契約。

本集團依靠銀行借貸作為重要的流動資金來源。於二零零九年十二月三十一日，本集團之未提取銀行借貸融資額度為約798,000,000港元(二零零八年：1,281,000,000港元)，詳情載於附註34。

6. Financial instruments (continued)**Financial risk management objectives and policies (continued)****LIQUIDITY RISK (continued)**

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes estimated interest payment based on interest rate at the end of the reporting date and principal cash outflows.

Liquidity and interest risk tables

		Weighted average effective interest rate	Less than 1 month	1 – 3 months	3 months to 1 year	1 – 5 years	Adjustments	Carrying amount at 31.12.2009
		加權平均 實際利率 %	一個月內 HK\$'000 千港元	一至三個月 HK\$'000 千港元	三個月至一年 HK\$'000 千港元	一至五年 HK\$'000 千港元	調整 HK\$'000 千港元	於二零零九年十二 月三十一日 之賬面值 HK\$'000 千港元
2009	二零零九年							
Non-derivative financial liabilities	非衍生金融負債							
Trade and other payables	應付賬款及其他應付款項	-	812,610	55,607	1,159,780	-	-	2,027,997
Bank borrowings – variable rate	銀行借貸 – 浮動利率	2.83	3,715	11,145	1,073,014	2,224,985	(126,139)	3,186,720
Amount due to a minority shareholder of a subsidiary	應付一家附屬公司 一名少數股東之款項	-	-	-	-	3,445	-	3,445
			816,325	66,752	2,232,794	2,228,430	(126,139)	5,218,162

		Weighted average effective interest rate	Less than 1 month	1 – 3 months	3 months to 1 year	1 – 5 years	Adjustments	Carrying amount at 31.12.2008
		加權平均 實際利率 %	一個月內 HK\$'000 千港元	一至三個月 HK\$'000 千港元	三個月至一年 HK\$'000 千港元	一至五年 HK\$'000 千港元	調整 HK\$'000 千港元	於二零零八年 十二月三十一日 之賬面值 HK\$'000 千港元
2008	二零零八年							
Non-derivative financial liabilities	非衍生金融負債							
Trade and other payables	應付賬款及其他應付款項	-	545,091	33,428	708,154	-	-	1,286,673
Bank borrowings – variable rate	銀行借貸 – 浮動利率	4.35	8,178	24,534	657,526	2,571,547	(243,685)	3,018,100
Other payable	其他應付款項	-	-	-	-	60,000	-	60,000
Amount due to a minority shareholder of a subsidiary	應付一家附屬公司 一名少數股東之款項	-	-	-	-	18,329	-	18,329
			553,269	57,962	1,365,680	2,649,876	(243,685)	4,383,102

The amounts included above for variable interest rate instruments for non-derivative financial liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

6. 金融工具 (續)**財務風險管理目的及政策 (續)****流動資金風險 (續)**

下表詳列本集團非衍生金融負債餘下合約到期日。下表乃按照本集團可能被要求還款之最早日期，以金融負債之非貼現現金流量顯示。下表已載列按於報告期間結算日之利率及主要現金流出計算之估計利息付款額。

流動資金及利息風險表

上文就非衍生金融負債之浮動利率包括之金額，會因應有別於報告期間結算日所釐定利率估計之浮動利率變動而有變。

6. Financial instruments (continued)

Fair value

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices and ask prices respectively; and
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions and dealer quotes for similar instruments.

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their fair values.

Fair value measurements recognised in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

6. 金融工具(續)

公平值

金融資產及金融負債之公平值釐定如下：

- 附帶標準條款及條件並於高度流通市場買賣之金融資產及金融負債之公平值乃分別參考所報市場買入價及賣出價釐定；及
- 其他金融資產及金融負債之公平值乃按公認訂價模式，採用現時觀察所得市場交易及交易商就同類工具報價之價格或利率貼現之現金流量分析釐定。

董事認為，按攤銷成本於綜合財務報表入賬之金融資產及金融負債賬面值與其公平值相若。

於財務狀況表確認之公平值計量

下表提供初步以公平值確認後計量之金融工具分析，其按可觀察公平值程度分為一至三級。

- 第一級公平值計量乃自己識別資產或負債於活躍市場中所報之未調整價格所得出。
- 第二級公平值計量乃除第一級計入之報價外，自資產或負債可直接(即價格)或間接(自價格衍生)觀察輸入數據得出。
- 第三級公平值計量乃計入並非根據可觀察市場數據(無法觀察輸入數據)之資產或負債之估值方法得出。

		31st December, 2009 二零零九年十二月三十一日			
		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets at FVTPL:	按公平值計入損益之金融資產：				
Held for trading investments	持作買賣投資				
– Listed equity securities	— 上市股本證券	78,498	–	–	78,498
– Unlisted debt securities	— 非上市債券	262,959	–	–	262,959
Available-for-sale financial assets:	可供出售金融資產：				
– Unlisted investment	— 非上市投資	9,688	–	–	9,688
Total	總計	351,145	–	–	351,145

7. Turnover

Turnover represents the amount received and receivable for goods sold by the Group to outside customers, net of discounts and sales related taxes, income from concessionaire sales, service income and rental income during the year, and is analysed as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Sales of goods – direct sales	貨品銷售—直接銷售	2,200,038	2,100,750
Income from concessionaire sales	特許專櫃銷售收入	1,416,272	1,271,362
Service income	服務收入	78,863	79,465
Rental income	租金收入	61,035	70,056
		3,756,208	3,521,633
The cost of sales are analysed as follows: 銷售成本分析如下：			
Cost of goods sold	貨品銷售成本	1,572,510	1,493,480
Other cost of sales	其他銷售成本	52,721	51,723
		1,625,231	1,545,203

8. Segment information

The Group has adopted HKFRS 8 “Operating segments” with effect from 1st January, 2009. HKFRS 8 is a disclosure standard that requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Group’s chief operating decision maker for the purpose of allocating resources to segments and assessing their performance. The chief operating decision maker of the Group has been identified as the Group’s Managing Director. In contrast, the predecessor Standard (HKAS 14, Segment Reporting) required an entity to identify two sets of segments (business and geographical) using a risks and returns approach.

The Group has two operating segments geographically, Hong Kong and People’s Republic of China (“PRC”) which are managed separately. The Group determines its operating segments based on the internal reports reviewed by the Group’s Managing Director that are used to allocate resources and assess performance.

The adoption of HKFRS 8 has not resulted in redesignation of operating segment nor change in measurement of segment result.

The Group has no customers that contributed over 10% of the total revenue of the Group for both years.

7. 營業額

營業額指本集團本年度就向外界客戶售出貨品之已收及應收款項減折扣及銷售相關稅項、特許專櫃銷售收入、服務收入以及租金收入，茲分析如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Sales of goods – direct sales	貨品銷售—直接銷售	2,200,038	2,100,750
Income from concessionaire sales	特許專櫃銷售收入	1,416,272	1,271,362
Service income	服務收入	78,863	79,465
Rental income	租金收入	61,035	70,056
		3,756,208	3,521,633
The cost of sales are analysed as follows: 銷售成本分析如下：			
Cost of goods sold	貨品銷售成本	1,572,510	1,493,480
Other cost of sales	其他銷售成本	52,721	51,723
		1,625,231	1,545,203

8. 分部資料

本集團已於二零零九年一月一日採納香港財務報告準則第8號「經營分部」。香港財務報告準則第8號為一項披露準則，規定以本集團之主要營運決策者就對分部作資源分配及評估其表現定期審閱之本集團各部門之內部報告，作為確定經營分部之基準。本集團之主要營運決策者為集團董事總經理。相對而言，前準則香港會計準則第14號「分部報告」則規定以風險及回報方式劃分兩組分部（業務及地區）。

本集團有兩個分開管理之地區經營分部，即香港及中華人民共和國（「中國」）。本集團按集團董事總經理審閱並據此作出決策之內部報告釐定其經營分部。

採納香港財務報告準則第8號並無導致須重整經營分部，而分部業績之計量方法亦無變動。

於今年及去年，本集團並無客戶貢獻超過本集團之總收益10%。

8. Segment information (continued)

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segment.

		Hong Kong 香港 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Consolidated total 綜合總額 HK\$'000 千港元
For the year ended 31st December, 2009				
	截至二零零九年十二月三十一日止年度			
Revenue	收益			
External sales	對外銷售	3,059,433	696,775	3,756,208
Result	業績			
Segment result	分部業績	1,116,497	137,319	1,253,816
Fair value changes on investment properties	投資物業公平值變動			178,756
Reversal of impairment loss on loan receivable	應收貸款減值虧損撥回			18,180
Investment income	投資收入			48,355
Share of profit of a jointly controlled entity	應佔一家共同控制實體溢利			12,341
Share of profits of associates	應佔聯營公司溢利			25,360
Finance costs	融資成本			(38,366)
Profit before taxation	除稅前溢利			1,498,442
		Hong Kong 香港 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Consolidated total 綜合總額 HK\$'000 千港元
For the year ended 31st December, 2008				
	截至二零零八年十二月三十一日止年度			
Revenue	收益			
External sales	對外銷售	2,959,438	562,195	3,521,633
Result	業績			
Segment result	分部業績	990,778	139,657	1,130,435
Fair value changes on investment properties	投資物業公平值變動			176,030
Discount on acquisition of associates	收購聯營公司產生之折讓			207,577
Provision for impairment loss on loan receivable	應收貸款減值虧損撥備			(276,615)
Investment income	投資收入			148,677
Share of profit of a jointly controlled entity	應佔一家共同控制實體溢利			8,250
Share of losses of associates	應佔聯營公司虧損			(1,605)
Finance costs	融資成本			(68,112)
Profit before taxation	除稅前溢利			1,324,637

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. Segment profit represents the profit earned by each segment without allocation of central administrative costs, directors' salaries, share of profits (losses) of associates and jointly controlled entity, reversal of (provision for) impairment loss on loan receivable, discount arising on acquisition of associates, fair value changes on investment properties, investment income and finance costs. This is the measure reported to the Group's Managing Director for the purposes of resources allocation and performance assessment.

8. 分部資料(續)

分部收益及業績

本集團按可報告分部劃分之收益及業績分析如下：

		Hong Kong 香港 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Consolidated total 綜合總額 HK\$'000 千港元
For the year ended 31st December, 2009				
	截至二零零九年十二月三十一日止年度			
Revenue	收益			
External sales	對外銷售	3,059,433	696,775	3,756,208
Result	業績			
Segment result	分部業績	1,116,497	137,319	1,253,816
Fair value changes on investment properties	投資物業公平值變動			178,756
Reversal of impairment loss on loan receivable	應收貸款減值虧損撥回			18,180
Investment income	投資收入			48,355
Share of profit of a jointly controlled entity	應佔一家共同控制實體溢利			12,341
Share of profits of associates	應佔聯營公司溢利			25,360
Finance costs	融資成本			(38,366)
Profit before taxation	除稅前溢利			1,498,442
		Hong Kong 香港 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Consolidated total 綜合總額 HK\$'000 千港元
For the year ended 31st December, 2008				
	截至二零零八年十二月三十一日止年度			
Revenue	收益			
External sales	對外銷售	2,959,438	562,195	3,521,633
Result	業績			
Segment result	分部業績	990,778	139,657	1,130,435
Fair value changes on investment properties	投資物業公平值變動			176,030
Discount on acquisition of associates	收購聯營公司產生之折讓			207,577
Provision for impairment loss on loan receivable	應收貸款減值虧損撥備			(276,615)
Investment income	投資收入			148,677
Share of profit of a jointly controlled entity	應佔一家共同控制實體溢利			8,250
Share of losses of associates	應佔聯營公司虧損			(1,605)
Finance costs	融資成本			(68,112)
Profit before taxation	除稅前溢利			1,324,637

可報告分部之會計政策與本集團於附註3所述會計政策相同。分部溢利指各分部賺取之溢利，惟未計及就中央行政開支、董事酬金、應佔聯營公司及共同控制實體溢利(虧損)、應收貸款減值虧損撥回(撥備)、收購聯營公司產生之折讓、投資物業公平值變動、投資收入及融資成本作出之分配。此乃向本集團董事總經理就資源分配及表現評估作出報告之計量方式。

8. Segment information (continued)**Segment assets and liabilities**

The following is an analysis of the Group's assets and liabilities by reportable segment:

		Hong Kong	PRC	Consolidated total
		香港	中國	綜合總額
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
As at 31st December, 2009	於二零零九年十二月三十一日			
Assets	資產			
Segment assets	分部資產	3,946,293	6,565,400	10,511,693
Available-for-sale investments	可供出售投資			9,688
Held for trading investments	持作買賣投資			341,457
Interest in a jointly controlled entity	於一家共同控制實體權益			502,298
Interests in associates	於聯營公司權益			720,442
Amount due from a jointly controlled entity	應收一家共同控制實體款項			47,484
Loans receivable	應收貸款			157,583
Unallocated assets	未分配資產			10,757
Consolidated total assets	綜合資產總值			12,301,402
Liabilities	負債			
Segment liabilities	分部負債	893,542	1,251,621	2,145,163
Bank borrowings	銀行借貸			3,186,720
Unallocated liabilities	未分配負債			286,512
Consolidated total liabilities	綜合負債總額			5,618,395
		Hong Kong	PRC	Consolidated total
		香港	中國	綜合總額
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元

Other segment information**其他分部資料**

Amounts included in the measure of segment profit or loss or segment assets:

計量分部盈虧或分部資產包括之數額：

Addition to non-current assets	非流動資產增添	40,528	732,010	772,538
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	93,101	107,570	200,671
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	66	18	84
Allowance for bad and doubtful debts	呆壞賬撥備	1,800	—	1,800
(Reversal of) provision for write-down of obsolete inventories	滯銷存貨撇減(撥回)撥備	(208)	401	193
Release of prepaid lease payment	預付租賃款項轉出	—	19,854	19,854
Waiver of non-current other payables	豁免非流動其他應付款	60,000	—	60,000
Share-based payment	股份付款	48,170	—	48,170

Note: Non-current assets excluded financial instruments and deferred tax assets.

附註：非流動資產不包括金融工具及遞延稅項資產。

8. Segment information (continued)
Segment assets and liabilities (continued)

8. 分部資料(續)
分部資產及負債(續)

		Hong Kong 香港 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Consolidated total 綜合總額 HK\$'000 千港元
As at 31st December, 2008	於二零零八年十二月三十一日			
Assets	資產			
Segment assets	分部資產	3,694,759	4,529,997	8,224,756
Available-for-sale investments	可供出售投資			28,175
Financial assets designated at fair value through profit or loss	按公平值計入損益之金融資產			342,412
Held for trading investments	持作買賣投資			68,447
Interest in a jointly controlled entity	於一家共同控制實體權益			488,554
Interests in associates	於聯營公司權益			1,123,805
Amount due from a jointly controlled entity	應收一家共同控制實體款項			24,146
Loans receivable	應收貸款			258,718
Unallocated assets	未分配資產			3,205
Consolidated total assets	綜合資產總值			10,562,218
Liabilities	負債			
Segment liabilities	分部負債	819,768	628,544	1,448,312
Bank borrowings	銀行借貸			3,018,100
Unallocated liabilities	未分配負債			240,823
Consolidated total liabilities	綜合負債總額			4,707,235
		Hong Kong 香港 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Consolidated total 綜合總額 HK\$'000 千港元
Other segment information	其他分部資料			
Amounts included in the measure of segment profit or loss or segment assets:	計量分部盈虧或分部資產包括之數額：			
Addition to non-current assets	非流動資產增添	19,751	1,572,627	1,592,378
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	90,815	57,916	148,731
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備之(收益)虧損	(67)	13	(54)
Allowance for bad and doubtful debts	呆壞賬撥備	7,374	390	7,764
Provision for write-down of obsolete inventories	滯銷存貨撇減撥備	1,021	410	1,431
Release of prepaid lease payment	預付租賃款項轉出	–	4,127	4,127
Share-based payment	股份付款	90,981	–	90,981

Note: Non-current assets excluded financial instruments and deferred tax assets.

附註：非流動資產不包括金融工具及遞延稅項資產。

8. Segment information (continued)**Geographical information**

Analyses of the Group's non-current assets by geographical location of the assets are detailed below:

	2009 二零零九年		2008 二零零八年	
	Hong Kong 香港 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Hong Kong 香港 HK\$'000 千港元	PRC 中國 HK\$'000 千港元
Non-current assets	1,977,722	4,983,737	1,983,527	3,591,453

Note: Non-current assets excluded financial instruments and deferred tax assets.

附註：非流動資產不包括金融工具及遞延稅項資產。

8. 分部資料(續)**地區資料**

按資產所在地區劃分之本集團非流動資產分析如下：

9. Other income

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Cleaning income	51,031	26,002
Project income	8,716	4,258
Waiver of non-current other payable (note 36)	60,000	—
Government subsidy	17,055	—
Others	67,137	46,415
	203,939	76,675

9. 其他收入**10. Investment income**

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Interest income on bank deposits	13,466	48,011
Interest income on loans receivable	11,727	36,681
Other interest income	8	8,482
Dividend income		
Available-for-sale investments	3,100	3,500
Held for trading investments	1,551	1,564
Realised (loss) gain on disposal of available-for-sale investments/held for trading investments/financial assets designated at fair value through profit or loss	(1,679)	26,992
Impairment loss on available-for-sale investments	(18,487)	(3,538)
Change in fair value of financial assets		
Financial asset designated at fair value through profit or loss	4,064	23,021
Held for trading investments	31,892	(4,107)
Derivative instrument	2,713	8,071
	48,355	148,677

10. 投資收入

11. Finance costs

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Interest on:	以下項目之利息：		
Bank borrowings and overdrafts:	銀行借貸及透支：		
– wholly repayable within five years	— 須於五年內悉數償還	28,151	78,744
– wholly repayable after five years	— 須於五年後悉數償還	13,814	11,894
Others	其他	1,212	20,625
		43,177	111,263
Less: Amounts capitalised	減：資本化金額	(4,811)	(43,151)
		38,366	68,112

Borrowing costs capitalised during the year arose on HK dollar denominated borrowings at interest rates calculated by reference to the HIBOR, ranging from 0.34% to 0.64%, on qualifying assets.

年內，已資本化之融資成本，乃源自合資格資產，參考香港銀行同業拆息(介乎0.34厘至0.64厘)所計算利息之港元借貸。

12. Taxation

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
The charge comprises:	支出包括下列項目：		
Hong Kong Profits Tax	香港利得稅	190,679	177,290
PRC Enterprise Income Tax	中國企業所得稅	55,254	41,992
Overprovision in prior years:	過往年度超額撥備：		
Hong Kong	香港	(93)	(4,837)
		245,840	214,445
Deferred tax charge (note 35)	遞延稅項支出(附註35)		
Current year	本年度	57,707	52,262
Attributable to a change on tax rate	稅率變動所引致遞延稅項	–	(1,216)
		303,547	265,491

On 26th June, 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 which reduced corporate profits tax rate from 17.5% to 16.5% effective from the year of assessment 2008/2009. Therefore, Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

於二零零八年六月二十六日，香港立法會通過《二零零八年收入條例草案》，由二零零八至二零零九課稅年度開始，將企業利得稅稅率由17.5%調低至16.5%。因此，香港利得稅乃根據兩個年度之估計應課稅溢利按16.5%計算。

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1st January, 2008 onwards.

根據中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司自二零零八年一月一日起之稅率為25%。

12. Taxation (continued)

The charge for the year can be reconciled to the profit before taxation per consolidated statement of comprehensive income as follows:

12. 稅項 (續)

本年度支出與綜合全面收益表所示除稅前溢利之對賬如下：

		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Profit before taxation	除稅前溢利	1,498,442	1,324,637
Tax at Hong Kong Profits Tax rates	按香港利得稅率計算之稅項	247,243	218,565
Tax effect of share of profit of a jointly controlled entity	應佔一家共同控制實體溢利之稅項影響	(2,036)	(1,361)
Tax effect of share of (profits) losses of associates	分佔聯營公司(溢利)虧損之稅項影響	(4,184)	265
Tax effect on non-taxable income	毋須課稅收入之稅項影響	(6,465)	(56,164)
Tax effect on non-deductible expenses	不可扣稅開支之稅項影響	8,924	28,747
Tax effect on utilisation of tax losses not previously recognised	動用早前未確認稅項虧損之稅項影響	(3,892)	(1,659)
Tax effect of tax losses not recognised	未確認稅項虧損之稅項影響	16,627	44,626
Effect of different tax rates of subsidiaries operating in other jurisdictions	在其他司法權區經營之附屬公司不同稅率之稅項影響	30,924	19,102
Overprovision in prior years	過往年度超額撥備	(93)	(4,837)
Withholding tax	預扣稅	12,378	10,054
Others	其他	4,121	8,153
Tax charge for the year	本年度稅項支出	303,547	265,491

13. Profit for the year

13. 本年度溢利

		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Profit for the year has been arrived at after charging: 本年度溢利已扣除下列項目：			
Directors' remuneration: (note 14)	董事酬金：(附註14)		
Fees	袍金	1,000	991
Other emoluments	其他薪酬	9,400	3,888
Share-based payment	股份付款	25,023	59,978
Retirement benefits scheme contributions	退休福利計劃供款	13	13
		35,436	64,870
Other staff costs	其他員工成本	262,507	233,437
Retirement benefits scheme contributions, net of forfeited contributions	退休福利計劃供款減沒收供款	8,873	8,401
Share-based payment	股份付款	23,147	31,003
Total staff costs	總員工成本	329,963	337,711
Auditors' remuneration	核數師酬金	3,746	3,253
Depreciation for property, plant and equipment	物業、廠房及設備之折舊	200,671	148,731
Release of prepaid lease payments	預付租賃款項轉出	19,854	4,127
Write-down of obsolete inventories	滯銷存貨撇減	193	1,431
Minimum lease payments paid under operating lease in respect of leasehold land and buildings to	就經營租約項下租賃土地及樓宇向以下		
– a jointly controlled entity	人士支付之最低租約款項		
– other parties	— 一家共同控制實體	142,695	140,775
	— 其他人士	63,785	59,930
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	84	–
Cost of inventories recognised as expense	確認為支出之存貨成本	1,572,510	1,493,480
Allowance for bad and doubtful debts on trade and other receivables	應收賬款及其他應收款項之呆壞賬撥備	1,800	7,764
Share of tax of a jointly controlled entity	於一家共同控制實體應佔稅項	6,940	5,323
Net exchange loss	匯兌虧損淨額	–	8,295
and crediting: 以及計入下列項目：			
Net exchange gain	匯兌收益淨額	1,536	–
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	–	54
Gross rental from investment properties (net of negligible outgoings)	投資物業租金總額 (扣除少量支銷)	–	19,043
Gross rental from sub-letting of commercial properties	商用物業分租租金總額	61,035	51,012
Less: Direct operating expenses in respect of sub-letting of commercial properties	減：分租商用物業的直接經營開支	(49,494)	(53,982)
Net rental income	租金收入淨額	11,541	16,073

for the year ended 31 December 2009 截至二零零九年十二月三十一日止年度

14. Directors' and employees' remuneration

The emoluments paid or payable to each of the 10 (2008: 10) directors were as follows:

2009

		Lau Luen Hung, Thomas	Doo Wai Hoi, William	Cheng Yu Tung	Cheng Kar Shun, Henry	Lau Luen Hung, Joseph	Lau Yuk Wai, Amy	Lam Siu Lun, Simon	Cheung Yuet Man, Raymond	Shek Lai Him, Abraham	Hui Chiu Chung, Stephen	Total 總計
		劉鑾鴻	杜惠愷	鄭裕彤	鄭家純	劉鑾雄	劉玉慧	林兆麟	張悅文	石禮謙	許照中	二零零九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Fees	袍金	100	100	100	100	100	100	100	100	100	100	1,000
Other emoluments	其他酬金											
Salaries and other benefits	薪金及其他福利	9,400*	-	-	-	-	-	-	-	-	-	9,400
Contributions to retirement benefits schemes	退休福利計劃供款	12	1	-	-	-	-	-	-	-	-	13
Share-based payment	股份付款	25,023	-	-	-	-	-	-	-	-	-	25,023
Total emoluments	酬金總額	34,535	101	100	100	100	100	100	100	100	100	35,436

2008

		Lau Luen Hung, Thomas	Doo Wai Hoi, William	Cheng Yu Tung	Cheng Kar Shun, Henry	Lau Luen Hung, Joseph	Lau Yuk Wai, Amy	Lam Siu Lun, Simon	Cheung Yuet Man, Raymond	Shek Lai Him, Abraham	Hui Chiu Chung, Stephen	Total 總計
		劉鑾鴻	杜惠愷	鄭裕彤	鄭家純	劉鑾雄	劉玉慧	林兆麟	張悅文	石禮謙	許照中	二零零八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Fees	袍金	100	91	100	100	100	100	100	100	100	100	991
Other emoluments	其他酬金											
Salaries and other benefits	薪金及其他福利	3,888*	-	-	-	-	-	-	-	-	-	3,888
Contributions to retirement benefits schemes	退休福利計劃供款	12	1	-	-	-	-	-	-	-	-	13
Share-based payment	股份付款	59,978	-	-	-	-	-	-	-	-	-	59,978
Total emoluments	酬金總額	63,978	92	100	100	100	100	100	100	100	100	64,870

* Mr. Lau Luen-hung, Thomas and Sogo Hong Kong Company Limited ("Sogo HK"), a wholly-owned subsidiary of the Company, has entered into an employment agreement dated 25th July, 2003 (the "Employment Agreement") whereby, inter alia, Sogo HK has employed Mr. Lau as the General Manager commencing from 1st May, 2003. Mr. Lau is entitled to a monthly salary of HK\$200,000 and, subject to the operating results of Sogo HK, to a discretionary bonus under the employment Agreement.

* 劉鑾鴻先生與本公司全資附屬公司崇光(香港)百貨有限公司(「崇光香港」)訂有日期為二零零三年七月二十五日之僱傭協議(「僱傭協議」)，據此(其中包括)劉先生自二零零三年五月一日起獲崇光香港委任為總經理。根據僱傭協議，劉先生之月薪為200,000港元，並有權按崇光香港經營業績獲取酌情花紅。

No directors waived any emoluments in the year ended 31st December, 2009 and 2008.

截至二零零九年及二零零八年十二月三十一日止年度，概無董事放棄收取任何酬金。

14. Directors' and employees' remuneration (continued)

Of the five highest paid individuals of the Group for the year ended 31st December, 2009, one of them (2008: one) was a director of the Company whose remuneration is disclosed above. The remaining four (2008: four) are employees of the Group, details of whose remuneration were as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Employees:	僱員：		
Salaries, allowances and other benefits	薪金、津貼及其他福利	6,442	6,066
Retirement benefits scheme contributions	退休福利計劃供款	48	48
Performance related incentive payments	與表現掛鈎獎金	3,720	1,020
Share-based payment	股份付款	4,052	9,092
		14,262	16,226

The emolument of the remaining four were within the following bands:

其餘四名最高薪人士之薪酬介乎以下範圍：

		2009 二零零九年 Number of individuals 人數	2008 二零零八年 Number of individuals 人數
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	—	—
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1	1
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	—	—
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	—	1
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	2	—
Above HK\$3,500,000	3,500,000港元以上	1	2

During the year ended 31st December, 2009 and 2008, no remuneration was paid by the Group to the director or the four highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office.

截至二零零九年及二零零八年十二月三十一日止年度，本集團並無向董事或四名最高薪僱員支付酬金，以吸引彼等加入本集團或作為加入本集團之獎金或離職補償。

14. 董事及僱員酬金(續)

截至二零零九年十二月三十一日止年度，本集團五名最高薪人士中，一名(二零零八年：一名)為本公司董事，彼之酬金於上文披露。另外四名(二零零八年：四名)則為本集團僱員，彼等之酬金詳情載列如下：

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Employees:		
Salaries, allowances and other benefits	6,442	6,066
Retirement benefits scheme contributions	48	48
Performance related incentive payments	3,720	1,020
Share-based payment	4,052	9,092
	14,262	16,226

其餘四名最高薪人士之薪酬介乎以下範圍：

	2009 二零零九年 Number of individuals 人數	2008 二零零八年 Number of individuals 人數
HK\$1,000,001 to HK\$1,500,000	—	—
HK\$1,500,001 to HK\$2,000,000	1	1
HK\$2,000,001 to HK\$2,500,000	—	—
HK\$2,500,001 to HK\$3,000,000	—	1
HK\$3,000,001 to HK\$3,500,000	2	—
Above HK\$3,500,000	1	2

截至二零零九年及二零零八年十二月三十一日止年度，本集團並無向董事或四名最高薪僱員支付酬金，以吸引彼等加入本集團或作為加入本集團之獎金或離職補償。

15. Dividends**15. 股息**

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Dividend recognised as distributions during the year:	年內確認為分派之股息：	
Final dividend in cash paid for year ended 31st December, 2008 – HK cents 12.0 per share (2008: HK cents 13.5 paid for year ended 31st December, 2007)	截至二零零八年十二月三十一日止年度 以現金派付之末期股息 – 每股12.0港仙 (二零零八年：派付截至 二零零七年十二月三十一日 年度股息13.5港仙)	
	199,998	230,370
Interim dividend in cash paid for six months ended 30th June, 2009 – HK cents 11.0 per share (2008: HK cents 12.0 paid for six months ended 30th June, 2008)	就截至二零零九年六月三十日止 六個月以現金派付之中期股息 – 每股11.0港仙 (二零零八年：派付截至二零零八年 六月三十日止六個月股息 12.0港仙)	
	184,069	204,816
	384,067	435,186

Subsequent to the end of the reporting period, final dividend of HK cents 17.0 (2008: HK cents 12.0) per share has been proposed by the directors which is subject to approval by the shareholders in the forthcoming general meeting.

於報告期間結束後，董事建議派付末期股息每股17.0港仙(二零零八年：12.0港仙)，須待股東於應屆股東週年大會批准。

16. Earnings per share

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

16. 每股盈利

本公司普通股股東應佔每股基本及攤薄盈利乃按下列數據計算得出：

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Earnings	盈利	
Profit for the year attributable to owners of the Company for the purposes of basic and diluted earnings per share	就計算每股基本及攤薄盈利而言之本公司擁有人應佔本年度溢利	
	1,142,468	927,226
	2009 二零零九年 '000 千股	2008 二零零八年 '000 千股
Number of shares	股份數目	
Weighted average number of ordinary shares for the purposes of basic earnings per share	就計算每股基本盈利而言之普通股加權平均數	
	1,668,021	1,700,712
Effect of dilutive potential ordinary shares issuable under the Company's share option scheme	本公司購股權計劃項下可予發行之潛在攤薄普通股之影響	
	9,167	7,211
Weighted average number of ordinary shares for the purposes of diluted earnings per share	就計算每股攤薄盈利而言之普通股加權平均數	
	1,677,188	1,707,923

17. Investment properties

17. 投資物業

		Completed investment properties	Investment properties under construction	Total 總計
		已落成投資物業 HK\$'000 千港元	在建中投資物業 HK\$'000 千港元	總計 HK\$'000 千港元
FAIR VALUE	公平值			
At 1st January, 2008	於二零零八年一月一日	19,620	–	19,620
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	(21,000)	–	(21,000)
Acquired on acquisition of subsidiaries (note 41)	收購附屬公司時購入 (附註41)	182,103	–	182,103
Additions during the year	年內添置	4,061	–	4,061
Increase in fair value recognised in the statement of comprehensive income (note)	於全面收益表確認之 公平值增加(附註)	171,914	–	171,914
Exchange adjustments	匯兌調整	7,242	–	7,242
At 31st December, 2008	於二零零八年 十二月三十一日	363,940	–	363,940
Transfer from property, plant and equipment and prepaid lease payments	自物業、廠房及設備以及預 付租賃款項轉撥	405,953	–	405,953
Acquired on acquisition of subsidiaries (note 41)	收購附屬公司時購入 (附註41)	–	420,280	420,280
Additions during the year	年內添置	3,374	–	3,374
Investment properties recovered from loans receivable (note 29(b))	自應收貸款收回之 投資物業(附註29(b))	38,180	–	38,180
Increase in fair value recognised in the statement of comprehensive income	於全面收益表確認之 公平值增加	64,646	114,110	178,756
Exchange adjustments	匯兌調整	625	–	625
At 31st December, 2009	於二零零九年十二月三十一日	876,718	534,390	1,411,108

Note: The amount did not include the fair value change of HK\$4,116,000 on the investment property held by Kaiyuan Square before the Equity Interests Swap (note 42).

附註：該金額並未包括在股權置換(附註42)前開元廣場所持投資物業產生之公平值變動4,116,000港元。

During the year, the Group transferred a leasehold land and building in the PRC to investment property. The fair value of this investment property is HK\$405,953,000 which have been arrived at based on a valuation carried out on the date of transfer by Shanghai BDGH Chartered Valuation Surveyors Co., Ltd. ("BDGH") (formerly known as Shanghai Gooray & Henry Property Valuation Chartered Surveyors Co., Ltd.), an independent qualified professional valuers not connected with the Group, BDGH is a member of the Royal Institution of Chartered Surveyors. The fair value is determined based on the Income Method by capitalising future rental income derived from the property interest at an appropriate market yield for the remaining term of the land use rights of the property. The valuation is made in accordance with the Practice Statements of the Royal Institution of Chartered Surveyors' Valuation Standards.

於年內，本集團將位於中國之租賃土地及樓宇轉撥至投資物業。此項投資物業之公平值為405,953,000港元，乃基於與本集團並無關連之獨立合資格專業估值師上海八達國瑞房地產土地估價有限公司(「八達國瑞」)(前稱上海國瑞量行房地產估價事務所有限公司)於轉撥日期進行之估值釐定。八達國瑞為英國皇家特許測量師學會之成員。公平值乃根據收入法，將物業權益在物業土地使用權之剩餘年期按適當市場回報率計算之未來租金收入資本化而釐定。估值乃遵照英國皇家特許測量師學會《估值準則》之應用條文進行。

17. Investment properties (continued)

The carrying amount of investment properties shown above comprises:

		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Land in Hong Kong held under medium lease	於香港根據中期租約持有之土地	49,550	-
Land in PRC held under medium lease	於中國根據中期租約持有之土地	1,361,558	363,940
		1,411,108	363,940

The fair value of the Group's investment properties in Hong Kong at 31st December, 2009 have been arrived at on the basis of a valuation carried out on that date by Knight Frank Petty Limited, an independent qualified professional valuers not connected with the Group. Knight Frank Petty Limited are members of the Hong Kong Institute of Surveyors, and have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The valuation was arrived at by reference to relevant market prices for similar properties in the same locations and conditions.

Fair value of the Group's investment properties situated in the PRC as at 31st December, 2009 and 2008 has been arrived at based on a valuation carried out on that date by BDGH. The fair value is determined based on the Income Method by capitalising future rental income derived from the property interest at an appropriate market yield as at 31st December, 2009 and 2008 for the remaining term of the land use rights of the property. The valuation is made in accordance with the Practice Statements of the Royal Institution of Chartered Surveyors' Valuation Standards.

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

17. 投資物業 (續)

上述投資物業之賬面值包括：

	2009	2008
	二零零九年	二零零八年
	HK\$'000	HK\$'000
	千港元	千港元
Land in Hong Kong held under medium lease	49,550	-
Land in PRC held under medium lease	1,361,558	363,940
	1,411,108	363,940

本集團位於香港之投資物業於二零零九年十二月三十一日之公平值乃基於與本集團並無關連之獨立合資格專業估值師萊坊測計師行有限公司於該日進行之估值釐定。萊坊測計師行有限公司為香港測量師學會之成員，並具備適當資格及擁有在有關地點進行類似物業估值之近期經驗。估值乃參考在相同地點及狀況之類似物業之有關市價後釐定。

本集團位於中國之投資物業於二零零九年及二零零八年十二月三十一日之公平值乃根據八達國瑞於該日進行之估值釐定。公平值乃根據收入法，將物業權益在物業土地使用權之剩餘年期按於二零零九年及二零零八年十二月三十一日之適當市場回報率計算之未來租金收入資本化而釐定。估值乃遵照英國皇家特許測量師學會《估值準則》之應用條文進行。

本集團所有按經營租約持有、用作賺取租金或資本增值之物業權益，均按公平值模式計算，並分類及列賬為投資物業。

18. Property, plant and equipment

18. 物業、廠房及設備

		Leasehold land and buildings	Leasehold improvements	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Total
		租賃土地及樓宇	租賃物業裝修	廠房及機器	傢俬、固定 裝置及設備	汽車	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
COST	成本							
At 1st January, 2008	於二零零八年一月一日	2,491,235	716,763	165,371	80,441	4,657	482,214	3,940,681
Exchange adjustment	匯兌調整	9,366	19,585	2,590	1,471	135	26,318	59,465
Transferred from investment property	自投資物業轉撥	21,000	-	-	-	-	-	21,000
Acquired on acquisition of subsidiaries	收購附屬公司時購入	409,407	-	20,577	6,522	391	1,240	438,137
Additions	添置	63,284	12,648	446	11,907	3,783	711,106	803,174
Disposals/written off	出售/撇銷	-	(635)	-	(339)	-	-	(974)
At 31st December, 2008	於二零零八年 十二月三十一日	2,994,292	748,361	188,984	100,002	8,966	1,220,878	5,261,483
Exchange adjustment	匯兌調整	2,278	2,215	323	175	10	7,611	12,612
Transferred to investment property	轉撥至投資物業	(177,183)	-	-	-	-	-	(177,183)
Transferred to prepaid lease payments	轉撥至預付租賃款項	-	-	-	-	-	(194,494)	(194,494)
Acquired on acquisition of subsidiaries (note 41)	收購附屬公司時購入 (附註41)	-	-	-	30	-	-	30
Acquired on acquisition of additional interest in a subsidiary	收購一家附屬公司 額外權益時購入	53,275	-	-	-	-	-	53,275
Additions	添置	196,678	33,420	24,001	21,241	1,970	224,978	502,288
Disposals/written off	出售/撇銷	-	(214)	-	(264)	-	-	(478)
Reclassifications	重新分類	1,132,724	9,005	-	-	-	(1,141,729)	-
At 31st December, 2009	於二零零九年 十二月三十一日	4,202,064	792,787	213,308	121,184	10,946	117,244	5,457,533
DEPRECIATION	折舊							
At 1st January, 2008	於二零零八年一月一日	689,103	363,828	109,790	49,203	1,173	-	1,213,097
Exchange adjustment	匯兌調整	1,663	5,898	815	911	56	-	9,343
Provided for the year	年內折舊	58,046	67,041	11,146	11,327	1,171	-	148,731
Eliminated on disposals/written off	出售/撇銷時對銷	-	(109)	-	(215)	-	-	(324)
At 31st December, 2008	於二零零八年 十二月三十一日	748,812	436,658	121,751	61,226	2,400	-	1,370,847
Exchange adjustment	匯兌調整	188	921	96	88	3	-	1,296
Provided for the year	年內折舊	102,118	70,645	12,675	13,640	1,593	-	200,671
Eliminated on disposals/written off	出售/撇銷時對銷	-	(148)	-	(246)	-	-	(394)
Eliminated upon transfer to investment property	轉撥至投資物業時對銷	(9,901)	-	-	-	-	-	(9,901)
At 31st December, 2009	於二零零九年 十二月三十一日	841,217	508,076	134,522	74,708	3,996	-	1,562,519
NET BOOK VALUES	賬面淨值							
At 31st December, 2009	於二零零九年 十二月三十一日	3,360,847	284,711	78,786	46,476	6,950	117,244	3,895,014
At 31st December, 2008	於二零零八年 十二月三十一日	2,245,480	311,703	67,233	38,776	6,566	1,220,878	3,890,636

18. Property, plant and equipment (continued)

Included in construction in progress is borrowing cost amounting to HK\$4,811,000 capitalised during the year (2008: HK\$43,151,000).

The above items of property, plant and equipment, other than construction in progress, are depreciated on a straight-line basis at the following rates per annum:

Leasehold land and buildings	Over the shorter of lease terms or 2.5%
Leasehold improvements	Over the shorter of the lease terms, or 20%
Plant and machinery	10%
Furniture, fixtures and equipment	20%
Motor vehicles	20%

18. 物業、廠房及設備(續)

在建工程包括年內已撥充資本之借貸成本4,811,000港元(二零零八年: 43,151,000港元)。

除在建工程外,上述物業、廠房及設備項目乃以直線法按下列年率計算折舊:

租賃土地及樓宇	按租約年期或2.5% (以較短者為準)
租賃物業裝修	按租約年期或20% (以較短者為準)
廠房及機器	10%
傢俬、固定裝置及設備	20%
汽車	20%

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
The carrying amount of leasehold land and buildings comprises land and buildings:	租賃土地及樓宇賬面值包括以下土地及樓宇:		
– long lease in Hong Kong	– 位於香港受長期租約管轄	485,372	494,241
– medium term lease in Hong Kong	– 位於香港受中期租約管轄	1,244,092	1,282,143
		1,729,464	1,776,384
– medium term lease outside Hong Kong	– 位於香港境外受中期租約管轄	1,631,383	469,096
		3,360,847	2,245,480

The Group has pledged certain leasehold land and buildings in Hong Kong with net book values of approximately HK\$1,591.6 million (2008: HK\$1,636.0 million) to secure general banking facilities granted to the Group.

Certain of the Group's property, plant and equipment in the PRC with carrying value of approximately HK\$1,317.2 million (2008: HK\$1,123.6 million) have been pledged to secure loan facility in the amount of approximately RMB390.0 million (equivalent to approximately HK\$443.4 million) (2008: HK\$440.0 million).

本集團已抵押賬面淨值約1,591,600,000港元(二零零八年: 1,636,000,000港元)之若干租賃土地及樓宇,以獲取授予本集團之一般銀行信貸。

本集團已抵押賬面值約1,317,200,000港元(二零零八年: 1,123,600,000港元)位於中國之若干物業、廠房及設備,以獲授貸款融資約人民幣390,000,000元(相當於約443,400,000港元)(二零零八年: 440,000,000港元)。

19. Prepaid lease payments

The Group's prepaid lease payments comprise:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Leasehold land outside Hong Kong Medium-term lease (Note)	位於香港境外之租賃土地 中期租約(附註)	1,417,142	1,313,632
Analysed for reporting purposes as:	就呈報目的分析為:		
Current portion	即期部份	9,952	7,074
Non-current portion	非即期部份	1,407,190	1,306,558
		1,417,142	1,313,632

Note: As at 31st December, 2009, the Group has not yet obtained the legal document in respect of the land use right in the PRC with carrying value of HK\$1,166,894,000 (2008: HK\$1,159,710,000). The Group is in the process of obtaining the land use right certificate.

During the year, the Group transferred certain prepaid lease payment with carrying value of HK\$78,723,000 to investment properties.

19. 預付租賃款項

本集團之預付租賃款項包括:

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
附註: 於二零零九年十二月三十一日, 本集團尚未取得賬面值1,166,894,000港元(二零零八年: 1,159,710,000港元)位於中國之土地使用權之法定文件。本集團正辦理取得該土地使用證之手續。		

年內, 本集團將賬面值78,723,000港元之若干預付租賃款項轉撥至投資物業。

20. Long term deposits paid

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Deposit paid for:	就以下各項已付按金:		
- acquisition of additional equity interest in an associate (Note)	- 收購一家聯營公司 額外股本權益(附註)	236,374	-
- acquisition of property, plant and equipment	- 收購物業、廠房及設備	1,017	12,496
		237,391	12,496

Note: This represents approximately 60% of the purchase consideration for the acquisition of additional equity interest in 石家莊北國人百集團有限責任公司 ("Beiren Group"). Subsequent to the end of the reporting period, the Group's 60% owned subsidiary has completed acquisition of an additional equity interest in Beiren Group, increasing its interest therein to 49%.

附註: 已付按金乃就收購石家莊北國人百集團有限責任公司(「北人集團」)額外股本權益之購買代價約60%。於報告期間結算日後, 本集團擁有60%權益之附屬公司已完成收購北人集團額外股本權益, 其於北人集團之權益增至49%。

21. Interests in associates

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Unlisted, at cost	非上市, 按成本	675,028	1,119,600
Share of post-acquisition profits and other comprehensive income	應佔收購後之溢利及其他全面收入	45,414	4,205
		720,442	1,123,805

21. 於聯營公司權益

21. Interests in associates (continued)

As at 31st December, 2009 and 2008, the Group had interests in the following associates:

Name of entity 實體名稱	Form of business structure 業務結構模式	Place/ country of incorporation/ registration 註冊成立/ 註冊地點/ 國家	Principal place of operation 主要經營 地點	Proportion of nominal value of issued capital/ registered capital held by the Group 本集團所持 已發行股本/ 註冊股本 面值比例		Proportion of voting power held 所持投票權比例		Principal activity 主要業務
				2009 二零零九年	2008 二零零八年	2009 二零零九年	2008 二零零八年	
石家莊北國人百集團有限責任公司 ("Beiren Group") (「北人集團」)	Incorporation 註冊成立	PRC 中國	PRC 中國	30%	30% (note 1) (附註1)	30%	30%	Investment holding of a group of companies engaging in the operation of department stores, supermarkets and property leasing 從事百貨店、超市及物業租賃業務之集團公司之投資控股
Dragon Sign Limited 龍信有限公司	Incorporation 註冊成立	Hong Kong 香港	PRC 中國	50%	–	50%	–	Investment holding of a company engaged in operation of restaurants in the PRC 在中國從事食肆經營之公司之投資控股
河北北國先天下廣場有限責任公司 ("Future Mall") (Formerly known as 河北北國開元廣場有限責任公司) ("Kaiyuan Square") 河北北國先天下廣場有限責任公司 (「先天下廣場」)(前稱河北北國開元廣場有限責任公司) (「開元廣場」)	Incorporation 註冊成立	PRC 中國	PRC 中國	48%	48% (note 2) (附註2)	48%	48%	Retailing business in the PRC 在中國從事零售業務

Notes:

- The Group holds equity interest of 30% in the Beiren Group indirectly through a 60% owned subsidiary of the Group.
- The Group holds equity interest of 48% in Future Mall indirectly through a 60% owned subsidiary, Ample Sun Group Limited. At 31st December, 2009 and 31st December, 2008, Future Mall was also owned as to 51% by the Beiren Group.

As at 31st December, 2009, the 48% equity interest in Future Mall has been grouped under assets classified as held for sale (note 32).

21. 於聯營公司權益(續)

於二零零九年及二零零八年十二月三十一日，本集團於以下聯營公司擁有權益：

Name of entity	Form of business structure	Place/ country of incorporation/ registration	Principal place of operation	Proportion of nominal value of issued capital/ registered capital held by the Group		Proportion of voting power held		Principal activity
				2009	2008	2009	2008	

Investment holding of a group of companies engaging in the operation of department stores, supermarkets and property leasing
從事百貨店、超市及物業租賃業務之集團公司之投資控股

Investment holding of a company engaged in operation of restaurants in the PRC
在中國從事食肆經營之公司之投資控股

Retailing business in the PRC
在中國從事零售業務

附註：

- 本集團間接透過其擁有60%權益之附屬公司持有北人集團30%股本權益。
- 本集團間接透過其擁有60%權益之附屬公司益良集團有限公司持有先天下廣場48%股本權益。於二零零九年十二月三十一日及二零零八年十二月三十一日，北人集團亦擁有先天下廣場51%權益。

於二零零九年十二月三十一日，先天下廣場48%股本權益已歸納至分類為持作出售之資產(附註32)。

21. Interests in associates (continued)

Summarised financial information in respect of the Group's associates is set out below:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Total assets	資產總額	8,145,170	5,842,331
Total liabilities	負債總額	6,263,807	4,035,699
Net assets	資產淨值	1,881,363	1,806,632
Group's share of associates' net assets	本集團應佔聯營公司資產淨值	720,442	1,123,805
Revenue	收益	9,746,231	4,383,377
Profits (losses) for the year	本年度溢利(虧損)	70,956	(7,213)
Group's share of profits (losses) of associates for the year	本集團應佔聯營公司本年度溢利(虧損)	25,360	(1,605)

21. 於聯營公司權益(續)

有關本集團聯營公司之財務資料概述如下：

22. Interest in a jointly controlled entity

At 31st December, 2009 and 2008, the Group had interests in the following significant jointly controlled entity:

22. 於一家共同控制實體權益

於二零零九年及二零零八年十二月三十一日，本集團於下列重要共同控制實體擁有權益：

Name of entity	Form of business structure	Place of establishment/operation	Proportion of nominal value of issued capital held by the Group 本集團所持已發行股本面值比例	Proportion of voting power held	Principal activity
實體名稱	業務結構模式	成立／經營地點		所持投票權比例	主要業務
上海九百城市廣場有限公司(Shanghai Joinbuy City Plaza Co., Ltd.)	Sino-foreign equity joint venture 中外合資合營企業	People's Republic of China 中華人民共和國	50%	50%	Property holding and leasing 物業持有及租賃

22. Interest in a jointly controlled entity (continued)

Jointly controlled entity is accounted for using the equity method of accounting:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Cost of unlisted investments in a jointly controlled entity	一家共同控制實體非上市投資之成本	433,104	433,104
Share of post-acquisition profits and other comprehensive income, net of dividend received	分佔收購後之溢利及其他全面收入，扣除已收股息	69,194	55,450
		502,298	488,554

The summarised financial information related to the Group's interest in the jointly controlled entity is set out below:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Non-current assets	非流動資產	1,431,323	1,483,068
Current assets	流動資產	17,904	16,870
Current liabilities	流動負債	347,986	240,330
Non-current liabilities	非流動負債	96,645	282,500
Income	收入	180,517	174,468
Expenses	開支	155,836	157,970
Group's share of profit of the jointly controlled entity	本集團應佔共同控制實體溢利	12,341	8,250

22. 於一家共同控制實體權益(續)

共同控制實體按權益會計法入賬：

有關本集團於共同控制實體之權益之財務資料概述如下：

23. 可供出售投資

可供出售投資包括：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Unlisted investment at fair value	非上市投資，按公平值	9,688	28,175

Available-for-sale investments comprise an unlisted equity securities issued by a mutual fund company incorporated in Bermuda. The investment is denominated in USD and its fair value is based on price quoted by the counterparty financial institution. During the year, an impairment loss of HK\$18,487,000 (2008: HK\$3,538,000) has been recognised in consolidated statement of comprehensive income.

可供出售投資包括一家於百慕達註冊成立之互惠基金公司所發行非上市股本證券。該投資以美元為單位，其公平值按由交易方金融機構所提供之價格計算。年內，18,487,000港元(二零零八年：3,538,000港元)之減值虧損已於綜合全面收益表確認。

24. Financial assets designated at fair value through profit or loss

Financial assets designated at fair value through profit or loss comprises:

		2008 二零零八年 HK\$'000 千港元
Index-linked notes	與指數掛鈎票據	342,412

At 31st December, 2008, the index-linked notes are denominated in USD with principal amount of USD45,000,000. The obligations of interest accrual depends on the difference between the USD 10-Year Constant Maturity Swap ("CMS") Rate and the USD 30-Year CMS Rate. The issuer has options to redeem the notes before maturity or at maturity, settled at the principal amount plus any accrued and unpaid interest. Accrued interests are paid at fixed intervals on a quarterly basis. The index-linked notes are designated as financial assets at fair value through profit or loss upon initial recognition as they contain one or more embedded derivatives.

The maturity dates of the index-linked notes outstanding as at 31st December, 2008 are June 2017 and February 2018 respectively and was therefore classified as non-current.

During the current year, all of the index-linked notes were early terminated, resulting in a realised loss of approximately HK\$6,064,000 for the year ended 31st December, 2009.

25. Inventories

Merchandise held for resale	持有作轉售商品
-----------------------------	---------

24. 指定按公平值計入損益之金融資產

指定按公平值計入損益之金融資產包括：

	2008 二零零八年 HK\$'000 千港元
	342,412

於二零零八年十二月三十一日，本金額為45,000,000美元之與指數掛鈎票據乃以美元結算，並按十年期美元固定期限交換（「固定期限交換」）利率與三十年期美元固定期限交換利率之差額釐定累計利息。發行人有權於到期時或之前，以本金額加任何累計及未付利息贖回有關票據。累計利息按固定季度期間支付。由於與指數掛鈎票據包含一種或多種附帶衍生工具，故其於初步確認時獲指定為按公平值計入損益之金融資產。

於二零零八年十二月三十一日，尚未行使之與指數掛鈎票據將分別於二零一七年六月及二零一八年二月到期，故分類為非流動。

於本年度，所有與指數掛鈎票據已提早終止，並產生截至二零零九年十二月三十一日止年度約6,064,000港元之虧損。

25. 存貨

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Merchandise held for resale	持有作轉售商品	60,513	62,582

26. Trade and other receivables

		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Trade receivables	應收賬款	62,507	56,837
Less: Allowance for doubtful debts	減：呆賬撥備	(3,578)	(2,852)
		58,929	53,985
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	104,995	88,042
Total trade and other receivables	應收賬款及其他應收款項總額	163,924	142,027

The Group's retail sales to customers are mainly on cash basis, either in cash, debit card or credit card payments. The Group does not have a defined fixed credit policy as its major trade receivables arise from credit card sales. The following is an aged analysis of trade receivables net of allowance for doubtful debts presented based on the invoice date at the end of the reporting period.

本集團向顧客作出的零售銷售主要以現金進行，可以現金、記賬卡或信用卡付款。由於本集團主要應收賬款來自信用卡銷售，故並無既定信貸政策。以下為於報告期間結算日應收賬款(扣除呆賬撥備)根據發票日期之賬齡分析。

		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
0 – 30 days	0日至30日	54,554	42,470
31 – 60 days	31日至60日	3,078	10,559
61 – 90 days	61日至90日	498	672
Over 90 days	超過90日	799	284
		58,929	53,985

Included in the Group's trade receivable balance are debtors with aggregate carrying amount of HK\$1,297,000 (2008: HK\$956,000) which are past due at the reporting date for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances. The average age of these receivables is 90 days (2008: 90 days).

本集團應收賬款結餘包括賬面總值1,297,000港元(二零零八年：956,000港元)之應收款，該等應收款於報告日期逾期尚未收回，而本集團未曾作出減值虧損撥備。本集團並無就該等結餘持有任何抵押品。該等應收款項之平均賬齡為90日(二零零八年：90日)。

Ageing of trade receivables which are past due but not impaired

逾期但未減值之應收賬款的賬齡如下

		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
61 – 90 days	61日至90日	498	672
Over 90 days	超過90日	799	284
		1,297	956

The Group has not provided fully for all receivables over 90 days because historical experience is such that receivables are recoverable from the relevant debtors.

本集團並未就所有超過90日的應收款作全數撥備，原因為根據過往經驗，集團可從有關債務人收回該等應收款。

26. Trade and other receivables (continued)

Movement in the allowance for doubtful debt on trade receivables

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Balance at beginning of the reporting period	報告期初結餘	2,852	2,799
Written off as uncollectible	壞賬撇銷	(137)	(515)
Impairment losses provided	減值虧損撥備	863	568
Balance at end of the reporting period	報告期終結餘	3,578	2,852

27. Amount due from a jointly controlled entity

The amount is unsecured, interest-free and repayable on demand.

28. Held for trading investments

Listed equity securities at fair value in Hong Kong	香港上市股本證券，按公平值	78,498	—
Unlisted debt securities at fair value	非上市債券，按公平值	262,959	68,447
		341,457	68,447

The fair value of held for trading investments is determined based on the quoted market prices, and fair values provided by financial institution.

29. Loans receivable

Loans receivable comprises:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Loan extended in relation to a project in Shenyang (note a)	就瀋陽項目提供之貸款(附註a)	—	238,718
Loan to EganaGoldpfeil (Holdings) Limited ("Egana") (note b)	向聯洲國際集團有限公司(「聯洲國際」)提供之貸款(附註b)	—	20,000
Loan to 河北先天下房地產開發有限責任公司 (note c)	向河北先天下房地產開發有限責任公司提供之貸款(附註c)	157,583	—
Total	總額	157,583	258,718

26. 應收賬款及其他應收款項(續)

應收賬款呆賬撥備變動

27. 應收一家共同控制實體款項

有關款項為無抵押、免息及須應要求償還。

28. 持作買賣投資

		78,498	—
		262,959	68,447
		341,457	68,447

持作買賣投資之公平值乃根據市價及金融機構所報公平值釐定。

29. 應收貸款

應收貸款包括：

for the year ended 31 December 2009 截至二零零九年十二月三十一日止年度

29. Loans receivable (continued)

Notes:

- (a) The loan represents the amount drawn down and remained outstanding as at 31st December, 2008 from the HK\$250 million facility the Company granted to a third party group of companies ("Borrower Group") who was in the process of taking over a retail property project in the PRC. The loan was secured by the shares in certain companies of the Borrower Group and guaranteed by a third party individual. The loan borne interest at the Hong Kong prime rate and is repayable after 18 months from the loan agreement date on 6th November, 2006. In connection with this loan facility, a subsidiary of the Company was granted an option from this Borrower Group to acquire all equity interest in Leadplus International Limited which holds certain retail property project which the Borrower Group was contemplating. The repayment date of the loan was extended to 31st December, 2009 according to supplemental agreement entered into between the borrower and the Group on 18th November, 2009.

Subsequent to the supplemental agreement signed on 18th November, 2009, the Group exercised the option to acquire Leadplus International Limited. The loan principal together with interest receivables amounting to HK\$269,835,000 were settled by off-setting against part of consideration the Group paid to the Borrower Group for acquiring Leadplus International Limited (see note 41).

- (b) On 24th September, 2007, the Group granted a bridging loan of HK\$300 million (the "Bridging Loan") to Egana (together with its subsidiaries the "Egana Group") in connection with the Group's participation in the financial restructuring of the Egana ("Proposed Restructuring"). The Bridging Loan bears interest at 2% above the Hong Kong prime rate offered by The Hong Kong and Shanghai Banking Corporation and is secured by a charge over all equity interests in a wholly-owned subsidiary of Egana that owns a brand (the "Brand"), a charge over certain office premises of the Egana in Hong Kong and a charge over 434,345,736 shares of HK\$1.00 each in the capital of Egana (the "Pledged Shares"), representing approximately 29.67% of the issued share capital held by the major shareholder of Egana.

On 26th September, 2008, the Bridging Loan became matured and no full repayment of the Bridging Loan was made by Egana. On 28th October, 2008, the Group filed a writ of summons to the High Court of the Hong Kong Special Administrative Region to demand Egana for repayment of the Bridging Loan.

Egana subsequently made partial repayment of the principal amount in the sum of HK\$3,385,000 to the Group and as a result the outstanding principal amount of the Bridging Loan was reduced to HK\$296,615,000 (the "Remaining Loan"). On 31st October, 2008, the Group served a statutory demand on Egana to require repayment of the Remaining Loan plus interest within 21 days failing which the Group may proceed under the provisions of the Companies Ordinance to taking further legal actions against Egana.

At 31st December, 2008, the directors of the Company considered that the likelihood of full recovery of the Remaining Loan is remote and that a provision for impairment of the Remaining Loan is required in the consolidated financial statements for the year ended 31st December, 2008. At 31st December, 2008, the recoverable amount of the Remaining Loan is ascertained to be the net realisable value of the pledged office premises which was estimated to be HK\$20,000,000.

On 2nd June, 2009, the Group obtained the legal title of the pledged office premises from Egana. The pledged office premises had been assessed with the valuation of HK\$38,180,000 at that date. Accordingly, HK\$18,180,000 of impairment loss on loan receivable previously recognised is now reversed and recognised as income in the consolidated statement of comprehensive income.

- (c) The amount represents a loan advanced to 河北先天下房地產開發有限責任公司, an independent third party who is in the process of acquiring an equity interest in an entity during the year. It is unsecured, bears interest at 12% per annum and is fully repayable on 18th March, 2010.

29. 應收貸款(續)

附註：

- (a) 有關貸款指本公司授予第三方公司集團(「借方集團」)250,000,000港元信貸中已提取而於二零零八年十二月三十一日尚未償還之金額。借方集團當時正收購中國一個零售物業項目。有關貸款獲借方集團以旗下若干公司之股份抵押，並由第三方個別人士擔保。有關貸款以香港最優惠利率計息，須於貸款協議日期二零零六年十一月六日起計18個月後償還。就是項信貸，本公司一家附屬公司獲借方集團授予認購權，以購入領加國際有限公司全部股本權益，領加國際有限公司持有借方集團擬進行之若干零售物業項目。根據借方與本集團於二零零九年十一月十八日訂立之補充協議，有關貸款之償還日期押後至二零零九年十二月三十一日。

於二零零九年十一月十八日簽立補充協議後，本集團行使選擇權收購領加國際有限公司。應收貸款本金連利息為數269,835,000港元乃透過抵銷本集團就收購領加國際有限公司向借方集團支付部分代價之方式支付(見附註41)。

- (b) 於二零零七年九月二十四日，本集團就本集團參與聯洲國際(連同其附屬公司統稱「聯洲國際集團」)財務重組(「建議重組」)，向聯洲國際授出過渡貸款3億港元(「過渡貸款」)。過渡貸款以香港上海滙豐銀行所報香港最優惠利率加2厘計息，並以聯洲國際旗下擁有一個品牌(「品牌」)之一家全資附屬公司的全部股本權益、聯洲國際集團在香港之若干辦公室物業及聯洲國際股本中每股面值1.00港元之434,345,736股股份(「抵押股份」)(相當於聯洲國際主要股東所持有已發行股本約29.67%)作抵押。

於二零零八年九月二十六日，過渡貸款已到期，惟聯洲國際未有全數償還過渡貸款。於二零零八年十月二十八日，本集團在香港特別行政區高等法院備存一份傳訊令狀，以追討聯洲國際償還過渡貸款。

其後，聯洲國際向本集團償還部分本金為數3,385,000港元，因此，過渡貸款之未償還本金額減至296,615,000港元(「剩餘貸款」)。在二零零八年十月三十一日，本集團送呈一份法定要求償債書予聯洲國際，要求其在21天內償還剩餘貸款加利息。否則，本集團可進而根據公司條例之條文對聯洲國際採取其他法律行動。

於二零零八年十二月三十一日，本公司董事認為全數收回剩餘貸款的可能性甚低，故須在截至二零零八年十二月三十一日止年度的綜合財務報表中就剩餘貸款作減值撥備。在二零零八年十二月三十一日，剩餘貸款的可收回數額確定為已抵押辦公室物業之可變現淨值，估計為20,000,000港元。

於二零零九年六月二日，本集團自聯洲國際取得已抵押辦公室物業之法定業權。已抵押辦公室物業於該日之估值為38,180,000港元。因此，先前確認之應收貸款減值虧損18,180,000港元現已撥回，並於綜合全面收益表確認為收入。

- (c) 該金額指年內向獨立第三方河北先天下房地產開發有限責任公司墊付之貸款。該貸款為無抵押、按年利率12厘計息，須於二零一零年三月十八日悉數償還。

30. Pledged bank deposits

Pledged bank deposits

The pledged deposits carry fixed interest rate of 0.25% per annum.

Pledged bank deposits of HK\$120,203,000 represents deposits pledged to banks to secure banking facilities and will be released upon the settlement of relevant bank borrowings. Accordingly, they are classified as current assets.

31. Bank balances and cash

At the end of the reporting period, bank balances and cash comprised mainly short-term deposits which carry interest at prevailing market rates with maturity of less than 3 months.

Included in bank balances and cash are the following amounts denominated in currency other than functional currency of the relevant group entities:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
United States Dollar	美元	818,845	194,693

32. Assets classified as held for sale

On 16th December, 2009, Win Early Limited ("Win Early"), a wholly-owned subsidiary of the Group, and Smart Success Investment Limited ("Smart Success"), 40% shareholder of Ample Sun Group Limited, entered into a conditional sale and purchase agreement as Vendors with GS China Shopping No. 1 GmbH & Co. KG (the "Purchaser"), a limited partnership incorporated under the laws of the Federal Republic of Germany, whereby Win Early and Smart Success conditionally agreed to sell their respective 60% and 40% shareholding in Ample Sun Group Limited to the Purchaser.

The Group acquired 60% shareholding in Ample Sun Group Limited in 2007. Ample Sun Group Limited is an investment holding company and its major asset is its 48% equity interest in Future Mall, a company established in the PRC.

The assets attributable to Ample Sun Group Limited expected to be sold within twelve months from the end of the reporting period were classified as assets held for sale as at 31st December, 2009. The carrying amount of the assets as at 31st December, 2009, which has been presented separately in the consolidated statement of financial position, is as follows:

		2009 二零零九年 HK\$'000 千港元
Interest in an associate held for sale	於一家持作出售聯營公司權益	436,909

30. 已抵押銀行存款

已抵押銀行存款

已抵押銀行存款按固定年利率0.25厘計息。

已抵押銀行存款120,203,000港元指已向銀行抵押之存款，以獲授銀行融資，且將於償還有關銀行借貸時解除，故分類為流動資產。

31. 銀行結存及現金

於報告期間結算日，銀行結存及現金主要包括按現行市場利率計息且於三個月到期的短期存款。

銀行結存及現金包括下列以相關集團實體功能貨幣以外貨幣計算的款項：

32. 分類為持作出售之資產

於二零零九年十二月十六日，本集團全資附屬公司榮曉有限公司(「榮曉」)(及持有益良集團有限公司40%權益之股東Smart Success Investment Limited(「Smart Success」)作為賣方與GS China Shopping No. 1 GmbH & Co. KG(「買方」，根據德意志聯邦共和國法律註冊成立之有限責任合夥企業)訂立有條件買賣協議，據此，榮曉及Smart Success有條件同意向買方出售彼等各自於益良集團有限公司60%及40%股權。

本集團於二零零七年收購益良集團有限公司60%股權。益良集團有限公司為投資控股公司，其主要資產為擁有在中國成立之公司先天下廣場48%權益。

預期益良集團有限公司應佔資產將於報告期間結算日起計十二個月內出售，於二零零九年十二月三十一日乃分類為持作出售之資產。該資產於二零零九年十二月三十一日之賬面值已在綜合財務狀況表內獨立呈列如下：

33. Trade and other payables

		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Trade payables	應付賬款	239,324	217,871
Concessionaire sales payable	應付特許專櫃銷售款項	832,745	668,387
Other payables, deposits and accrued charges	其他應付款項、按金及應計費用	1,073,094	562,054
		2,145,163	1,448,312

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period.

以下為於報告期間結算日應付賬款根據發票日期之賬齡分析。

		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
0 – 30 days	0日至30日	187,768	187,866
31 – 60 days	31日至60日	42,648	26,992
61 – 90 days	61日至90日	5,785	527
Over 90 days	超過90日	3,123	2,486
		239,324	217,871

The average credit period of trade payables and concessionaire sales payable is within 45 days. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

應付賬款及應付特許專櫃銷售款項之平均信貸期為45日以內。本集團設有財務風險管理政策，確保所有應付款項於信貸期限內支付。

34. Bank borrowings

34. 銀行借貸

		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Bank borrowings comprised bank loans and analysed as:	銀行借貸由銀行貸款組成，並按以下分析：		
Secured	有抵押	3,016,170	2,939,000
Unsecured	無抵押	170,550	79,100
		3,186,720	3,018,100
Carrying amount repayable:	應償還賬面值：		
On demand or within one year	應要求或一年內償還	1,043,290	592,100
More than one year, but not exceeding two years	一年後但不超過兩年	1,745,480	500,000
More than two years, but not exceeding three years	兩年後但不超過三年	56,850	1,745,200
More than three years, but not exceeding four years	三年後但不超過四年	56,850	56,500
More than four years, but not exceeding five years	四年後但不超過五年	68,220	56,500
Over five years	超過五年	216,030	67,800
		3,186,720	3,018,100
Less: Amounts due within one year shown under current liabilities	減：列入流動負債於一年內到期之款項	(1,043,290)	(592,100)
Amount due after one year	一年後到期之款項	2,143,430	2,426,000
Floating-rate borrowings comprise:	浮息借貸包括：		
		Carrying amount	
		賬面值	
		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
HKD bank loan at HIBOR + 0.29% p.a. ⁽¹⁾	港元銀行貸款，按香港銀行同業拆息加年息0.29厘計息 ⁽¹⁾	2,550,000	2,600,000
Other RMB bank loans ⁽²⁾	其他人民幣銀行貸款 ⁽²⁾	636,720	418,100
Total borrowings	借貸總額	3,186,720	3,018,100

⁽¹⁾ Repayable in two years (2008: three years) and interest rates will be repriced every one month to three months.

⁽¹⁾ 須於兩年(二零零八年：三年)內償還，而利率每隔一至三個月重新定價。

⁽²⁾ Repayable in eight years (2008: six years) and the loans carry interest with reference to benchmark loan rates of financial institutions set by The People's Bank of China.

⁽²⁾ 須於八年(二零零八年：六年)內償還，而有關貸款之利息以參考中國人民銀行制定之金融機構基準貸款利率為基準。

The ranges of effective interest rates of the borrowings are also equal to contracted interest rates.

實際利率幅度亦與訂約利率相同。

34. Bank borrowings (continued)

At the end of the reporting period, the Group has undrawn borrowing facilities with floating rate expiring within 2 years amounting to approximately HK\$798 million (2008: HK\$1,281 million) as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Floating rate	浮息		
– expiring within one year	– 一年內到期	147,810	281,370
– expiring beyond one year	– 一年後到期	650,000	1,000,000
		797,810	1,281,370

35. Deferred taxation

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax asset and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Deferred tax liabilities	遞延稅項負債	168,983	73,144
Deferred tax assets	遞延稅項資產	–	(1,855)
Net position	淨額	168,983	71,289

The following are the major deferred tax liabilities and assets recognised and movements thereon during the current and prior years:

		Property, plant and equipment/ investment properties 物業、廠房 及設備/ 投資物業 HK\$'000 千港元	Interest in subsidiaries, associates and jointly controlled entity 於附屬公司、 聯營公司及共同 控制實體之權益 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1st January, 2008	於二零零八年一月一日	26,883	–	(5,611)	21,272
Disposal of subsidiary	出售附屬公司	(1,029)	–	–	(1,029)
Charge to profit or loss (note 12)	扣除自損益(附註12)	38,772	10,054	3,436	52,262
Effect of change in tax rate	稅率變動之影響	(1,536)	–	320	(1,216)
At 31st December, 2008	於二零零八年 十二月三十一日	63,090	10,054	(1,855)	71,289
Charge to other comprehensive income	扣除自其他全面收入	39,987	–	–	39,987
Charge to profit or loss (note 12)	扣除自損益(附註12)	43,474	12,378	1,855	57,707
At 31st December, 2009	於二零零九年 十二月三十一日	146,551	22,432	–	168,983

34. 銀行借貸(續)

於報告期間結算日，本集團在兩年內到期之浮息未提取銀行融資額度約為798,000,000港元(二零零八年：1,281,000,000港元)如下：

35. 遞延稅項

就於綜合財務狀況表呈報目的而言，若干遞延稅項資產及負債已抵銷。就財務報告目的之遞延稅項結餘分析如下：

以下為本集團確認之主要遞延稅項負債及資產以及於本年度及過往年度的變動：

35. Deferred taxation (continued)

At the end of the reporting period, the Group has unused tax losses of approximately HK\$388.4 million (2008: HK\$322.4 million) available for offset against future profits. A deferred tax asset has been recognised in respect of approximately HK\$ nil (2008: HK\$11.2 million) of such losses. No deferred tax asset has been recognised in respect of the remaining HK\$388.4 million (2008: HK\$311.2 million) due to unpredictability of future profit streams. At 31st December, 2009, all tax losses may be carried forward indefinitely.

36. Other payable

In October 2007, the Group acquired the 60% of the issued share capital of Ample Sun Group Limited which holds 99% equity interest in Future Mall. This non-current other payable represents part of the purchase consideration being withheld in respect of the acquisition which the vendor guaranteed that the amount of investment income (representing any attributable net profit after tax but before depreciation and amortisation from Future Mall during the period between the completion date of this acquisition and 30th April, 2011) for the Group from this acquisition will not be less than RMB100,000,000 (equivalent to approximately HK\$113,700,000) ("Investment Income Guarantee").

During 2008, the Group entered into an equity interests swap agreement with an independent third party to dispose of its 51% equity interest in Future Mall (note 42). Following the equity interests swap, Future Mall has become an associate of the Group and its operation has changed from property holding for rental income to operation of a department store since 1st January, 2009. Against this background and the changes, the Group and the vendor agreed that it is no longer possible to ascertain whether the Investment Income Guarantee would be met and in December 2009, the Group and the vendor entered into a settlement agreement whereby, the vendor agreed that the Group is not required to repay the withheld amount and that the Group will not ask for additional investment return from the Vendor other than the amount withheld. Accordingly, the HK\$60,000,000 non-current other payable, which repayment was considered by the directors as probable at 31st December, 2008, was recognised as other income during the reporting period.

37. Amount due to a minority shareholder of a subsidiary

The amount is unsecured, interest free and repayable after one year.

35. 遞延稅項(續)

於報告期間結算日，本集團有未動用稅項虧損約388,400,000港元(二零零八年：322,400,000港元)可用作抵銷日後溢利，並已就該等虧損中約零港元(二零零八年：11,200,000港元)確認遞延稅項資產。由於日後溢利來源難以預測，故此並無就餘下388,400,000港元(二零零八年：311,200,000港元)確認遞延稅項資產。於二零零九年十二月三十一日，所有稅項虧損均可無限期結轉。

36. 其他應付款項

於二零零七年十月，本集團收購持有先天下廣場99%股本權益之益良集團有限公司已發行股本60%。非即期其他應付款項指部分就收購須預扣之購買代價，據此賣方保證，本集團於收購完成日期至二零一一年四月三十日期間自收購所得投資收入將不會少於人民幣100,000,000元(約相當於113,700,000港元)，即先天下廣場任何應佔除稅後但未計折舊及攤銷前純利(「投資收入擔保」)。

於二零零八年，本集團與獨立第三方訂立股權置換協議，以出售於先天下廣場之51%股本權益(附註42)。股權置換後，先天下廣場成為本集團之聯營公司。此外，先天下廣場的營運自二零零九年一月一日起已由收租物業改為經營百貨店。基於此背景及變動，本集團與賣方同意不可能肯定是否可以確認投資收入擔保，並於二零零九年十二月訂立協議，據此，賣方同意本集團毋須償付預扣金額，而本集團將不會向賣方要求除已預扣金額外的額外投資回報。有鑒於此，董事於二零零八年十二月三十一日認為該有可能需要償還之其他非即期應付款項60,000,000港元於報告期間確認為其他收入。

37. 應付一家附屬公司一名少數股東之款項

有關款項為無抵押、免息及須於一年後償還。

38. Share capital of the Company

Details of the changes in the Company's share capital during the year ended 31st December, 2009 are as follows:

		Number of shares 股份數目	Amount 款項 HK\$'000 千港元
Authorised:	法定：		
Ordinary shares of HK\$0.005 each as at 31st December, 2008 and 31st December, 2009	於二零零八年十二月三十一日及 二零零九年十二月三十一日 每股面值0.005港元之普通股	4,000,000,000	20,000
Issued and fully paid:	已發行及繳足：		
At 1st January, 2008 – ordinary shares of HK\$0.005 each	於二零零八年一月一日 — 每股面值0.005港元之普通股	1,705,083,000	8,525
Exercise of share options – ordinary shares of HK\$0.005 each	行使購股權—每股面值0.005港元 之普通股	2,076,000	11
Shares repurchased	購回之股份	(33,193,500)	(166)
At 31st December, 2008	於二零零八年十二月三十一日	1,673,965,500	8,370
Exercise of share options (note a)	行使購股權(附註a)	12,111,000	60
Shares repurchased (note b)	購回之股份(附註b)	(12,456,500)	(62)
At 31st December, 2009	於二零零九年十二月三十一日	1,673,620,000	8,368

Notes:

(a) During the year, 2,955,000 shares of HK\$0.005 each were issued at HK\$6.16 per share upon exercise of the 2005 share option and 9,156,000 shares of HK\$0.005 each were issued at HK\$6.37 per share upon exercise of the 2006 share option (as defined under note 39) of the Company by share option holders and all these shares rank pari passu with other ordinary shares of the Company in all respects.

(b) During the year, the Company repurchased its own shares from the market as follows:

Month of repurchase 購回月份	Number of ordinary shares HK\$0.005 each 每股面值 0.005港元 之普通股數目	Price per share 每股價格		Aggregate consideration paid 所支付總代價 HK\$'000 千港元	
		Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元		
January 2009	二零零九年一月	5,400,000	7.88	6.02	35,759
April 2009	二零零九年四月	4,424,000	7.50	7.04	32,253
May 2009	二零零九年五月	2,632,500	9.02	7.63	22,987
		12,456,500	9.02	6.02	90,999

Note: The above shares were repurchased and cancelled during the year.

None of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

38. 本公司股本

截至二零零九年十二月三十一日止年度，本公司之股本變動詳情如下：

		Number of shares 股份數目	Amount 款項 HK\$'000 千港元
Authorised:	法定：		
Ordinary shares of HK\$0.005 each as at 31st December, 2008 and 31st December, 2009	於二零零八年十二月三十一日及 二零零九年十二月三十一日 每股面值0.005港元之普通股	4,000,000,000	20,000
Issued and fully paid:	已發行及繳足：		
At 1st January, 2008 – ordinary shares of HK\$0.005 each	於二零零八年一月一日 — 每股面值0.005港元之普通股	1,705,083,000	8,525
Exercise of share options – ordinary shares of HK\$0.005 each	行使購股權—每股面值0.005港元 之普通股	2,076,000	11
Shares repurchased	購回之股份	(33,193,500)	(166)
At 31st December, 2008	於二零零八年十二月三十一日	1,673,965,500	8,370
Exercise of share options (note a)	行使購股權(附註a)	12,111,000	60
Shares repurchased (note b)	購回之股份(附註b)	(12,456,500)	(62)
At 31st December, 2009	於二零零九年十二月三十一日	1,673,620,000	8,368

附註：

(a) 年內，本公司於購股權持有人行使二零零五年購股權及二零零六年購股權(定義見附註39)時分別按每股6.16港元發行2,955,000股每股面值0.005港元之股份及按每股6.37港元發行9,156,000股每股面值0.005港元之股份，所有該等股份於各方面均與本公司其他普通股享有同等權益。

(b) 於年內，本公司於市場上購回自身股份之詳情如下：

附註：以上股份乃於本年內購回及註銷。

本公司之附屬公司於本年內並無購買、出售或贖回本公司任何上市證券。

39. Share-based payment transactions

The 2004 Share Option Scheme

The Company's share option scheme (the "Scheme") was adopted for a period of 10 years commencing 27th March, 2004. Under the Scheme, the Company may grant options to selected full-time employees and directors of the Company and its subsidiaries, to subscribe for shares in the Company. Additionally, the Company may, from time to time, grant share options to eligible advisors and consultants to the Company and its subsidiaries at the discretion of the Board of Directors.

The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point of time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to substantial shareholders, independent non-executive directors, or any of their respective associates (including a discretionary trust whose discretionary objects include a substantial shareholder or an independent non-executive director or any of their respective associates) in excess of 0.1% of the Company's share capital or with a value in excess of HK\$5,000,000 must be approved by the Company's shareholders.

Option granted must be taken up within the time limit specified in the offer letter (which shall not be later than 5 days from the date of offer), upon payment of HK\$1 per option. Options may be exercised at any time during a period commencing on or after the date on which the option is accepted and deemed to be granted and expiring on a date to be notified by the Board to each grantee which shall not be more than 10 years from the date on which the option is accepted and deemed to be granted. The exercise price is determined by the directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

The 2009 Share Option Scheme

The adoption of a new share option scheme (the "2009 Share Option Scheme") was approved by the shareholders of the Company in an extraordinary general meeting held on 3rd March, 2009 for a period of 10 years commencing from 3rd March, 2009 as incentive or reward for the contribution of the eligible participants to the growth of the Group and to provide to the Group with a more flexible means to reward, remunerate, compensate and/or provide benefits to the eligible participants.

Under the 2009 Share Option Scheme, the Company may grant options to (a) any full-time or part-time employee of the Company and/or any subsidiary; (b) any Director (including Executive, Non-executive and Independent Non-executive Director) of the Company and/or any subsidiary; and (c) any consultant or adviser (whether professional or otherwise and whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid), distributor, contractor, supplier, service provider, agent, customer and business partner of the Company and/or any subsidiary who, at the sole determination of the Board, have contributed or will contribute to the Company and/or any subsidiary.

39. 股份付款交易

二零零四年購股權計劃

本公司已採納由二零零四年三月二十七日起為期十年之購股權計劃(「該計劃」)。根據該計劃，本公司可向本公司及其附屬公司經甄選之全職僱員及董事授出購股權，以認購本公司股份。此外，本公司可不時按董事局酌情權向本公司及其附屬公司之合資格顧問及諮詢顧問授出購股權。

如未經本公司股東事先批准，根據該計劃可授出購股權所涉及股份總數，不得超過本公司於任何時間已發行股份10%。如未經本公司股東事先批准，於任何一年，就任何個別人士所獲授及可獲授之購股權已發行及將發行之股份數目，不得超過本公司於任何時間已發行股份1%。授予主要股東、獨立非執行董事或任何彼等各自之聯繫人(包括全權信託，而有關全權受益人包括主要股東或獨立非執行董事或任何彼等各自之聯繫人)超過本公司股本0.1%或價值超過5,000,000港元之購股權，亦必須經本公司股東批准。

授出之購股權須於提呈函件所指定時限(不得遲於提呈日期起計5日)內接納，接納時須就每份購股權支付1港元。購股權可於接納及被視為已授出當日或之後起至董事局知會各承授人屆滿當日止期間內隨時行使，惟由接納及被視為已授出購股權當日起計不得超過10年。行使價由本公司董事釐定，將不低於(i)授出日期本公司股份收市價；(ii)緊接授出日期前五個營業日股份平均收市價；及(iii)本公司股份面值三者之較高者。

二零零九年購股權計劃

本公司股東於二零零九年三月三日舉行之股東特別大會上批准採納新購股權計劃(「二零零九年購股權計劃」)，自二零零九年三月三日起為期十年，作為合資格參與者對本集團發展作出貢獻之激勵或獎賞，並讓本集團更具彈性地向合資格參與者提供獎賞、報酬、補償及/或提供福利。

根據二零零九年購股權計劃，本公司可授予購股權予(a)本公司及/或任何附屬公司之任何全職或兼職僱員；(b)本公司及/或任何附屬公司之任何董事(包括執行、非執行及獨立非執行董事)；及(c)經董事局全權決定，已對或將會對本公司及/或任何附屬公司作出貢獻之本公司及/或任何附屬公司之任何專家顧問或顧問(不論其是否專業人士及不論其基於聘用、合約或榮譽或其他性質及是否受薪)、分銷商、承包商、供應商、服務供應商、代理、客戶及業務夥伴。

39. Share-based payment transactions (continued)

The 2009 Share Option Scheme (continued)

There is no general requirement on the minimum period for which an option must be held or the performance targets which must be achieved before an option can be exercised under the terms of the 2009 Share Option Scheme. However, the Board may offer to grant any options subject to such terms and conditions in relation to the minimum period of the options to be held and/or the performance targets to be achieved before such Options can be exercised and/or any other terms as the Board may determine in its absolute discretion.

The total number of shares which may be issued upon exercise of all options which may be granted under the 2009 Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 166,860,950 shares, representing 10% of the issued share capital of the Company as at 3rd March, 2009, the date on which the 2009 Share Option Scheme was approved by the shareholders of the Company. The Board may seek approval by shareholders in general meeting to renew such limit provided that it must not exceed 10% of the issued share capital of the Company at the date of approval of the renewed limit. The maximum aggregate number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2009 Share Option Scheme and any other scheme must not exceed such number of shares as shall represent 30% of the issued share capital of the Company from time to time.

Where options are proposed to be granted to a substantial shareholder or an Independent Non-executive Director of the Company or any of their respective associates, and the proposed grant of options will result in the total number of shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the issued share capital of the Company on the date of offer and having an aggregate value, based on the closing price of the shares at the date of each grant, in excess of HK\$5 million, such grant of options must be subject to the approval of the shareholders taken on a poll at general meeting. The connected person involved in such proposed grant of options and all other connected persons of the Company must abstain from voting in such general meeting (except that any connected person may vote against the proposed grant provided that his intention to do so has been stated in the relevant circular to the shareholders).

Option granted must be taken up within the time limit specified in the offer letter (which shall not be later than 5 days from the date of offer), upon payment of HK\$1 on acceptance of the offer. Options may be exercised at any time during a period to be notified by the Board to each grantee which shall not be more than 10 years from the date of the offer. The exercise price is determined by the Directors of the Company, and will be at least the highest of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

39. 股份付款交易(續)

二零零九年購股權計劃(續)

對於購股權可以根據二零零九年購股權計劃之條款行使前必須持有購股權之最低期限或須達致之表現目標，並無設立一般性規定。然而，董事局授予任何購股權時可設立有關條款及條件，規限在有關購股權可以行使前必須持有購股權之最低期限及／或須達致之表現目標，及／或董事局可絕對酌情釐定之任何其他條款。

因行使根據二零零九年購股權計劃及本公司任何其他購股權計劃授予之所有購股權而可發行之股份總數，合計不得超過166,860,950股股份，相當於本公司股東於二零零九年三月三日舉行之股東特別大會上有條件批准二零零九年購股權計劃當日本公司已發行股本10%。董事局可於股東大會上尋求股東之批准以更新有關限額，惟該限額不得超過更新限額批准當日本公司已發行股本之10%。行使根據二零零九年購股權計劃及任何其他計劃所有已授予而尚未行使之未行使購股權時發行之股份數目，合計最多不得超過本公司不時已發行股本30%之股份數目。

倘於截至及包括授予日期前任何12個月內建議向本公司主要股東、獨立非執行董事或彼等各自之任何聯繫人授予購股權，會使該人士因行使所有已獲授及將獲授購股權(包括已行使、註銷及尚未行使之購股權)而已發行及將發行之股份總數合計超過本公司於要約日期已發行股本之0.1%，而有關總值(按各授予日期股份收市價計算)超逾5,000,000港元，則該次購股權授予須在股東大會上獲得股東按股數投票表決批准。涉及該次建議授予購股權之關連人士以及本公司之所有其他關連人士須在上述股東大會上放棄投票(然而，任何關連人士均可投票反對授予建議，惟其相關意向須載列於致股東之相關通函內)。

授予之購股權須於要約函件所指定時限(不得遲於要約日期起計5日)內接納，於接納要約時須支付1港元。購股權可於董事局知會各承授人期間內隨時行使，惟於要約日期起計不得超過10年。行使價由本公司董事釐定，將至少為下列三者中之最高者(i)授予日期本公司股份收市價；(ii)緊接授予日期前五個營業日股份平均收市價；及(iii)本公司股份面值。

39. Share-based payment transactions (continued)

Details of specific categories of options are as follows:

39. 股份付款交易(續)

特定類別購股權之詳情如下：

Option type	Date of grant	Vesting period	Exercise period	Exercise price	Adjusted exercise price
購股權種類	授出日期	歸屬期	行使期	行使價 HK\$ 港元	經調整 行使價 HK\$ 港元
2005 二零零五年	7.10.2005 二零零五年 十月七日	7.10.2005 – 7.10.2008 二零零五年十月七日至 二零零八年十月七日	7.10.2006 – 26.3.2014 二零零六年十月七日至 二零一四年三月二十六日	12.32	6.16
2006 二零零六年	16.3.2006 二零零六年 三月十六日	16.3.2006 – 16.3.2009 二零零六年三月十六日至 二零零九年三月十六日	16.3.2007 – 26.3.2014 二零零七年三月十六日至 二零一四年三月二十六日	12.74	6.37
2007A 二零零七年甲	31.8.2007 二零零七年 八月三十一日	31.8.2007 – 1.10.2011 二零零七年八月三十一日至 二零一一年十月一日	1.10.2009 – 26.3.2014 二零零九年十月一日至 二零一四年三月二十六日	37	18.50
2007B 二零零七年乙	31.8.2007 二零零七年 八月三十一日	31.8.2007 – 1.10.2010 二零零七年八月三十一日至 二零一零年十月一日	1.10.2008 – 26.3.2014 二零零八年十月一日至 二零一四年三月二十六日	37	18.50
2007C 二零零七年丙	31.8.2007 二零零七年 八月三十一日	31.8.2007 – 1.10.2010 二零零七年八月三十一日至 二零一零年十月一日	1.10.2008 – 26.3.2014 二零零八年十月一日至 二零一四年三月二十六日	37	18.50
2009 二零零九年	2.2.2009 (note 1) 二零零九年二月二日 (附註1)	2.2.2009 – 7.2.2012 二零零九年二月二日 二零一二年二月七日	7.2.2010 – 26.3.2014 二零一零年二月七日至 二零一四年三月二十六日	6.40	6.40

Notes:

1. Option subject to approval by independent shareholders was proposed and granted by Board of Directors on 2nd February, 2009. The approval was subsequently obtained on 3rd March, 2009, which is the date of grant as defined in accordance with HKFRS 2.

附註：

1. 董事局於二零零九年二月二日建議及授出有待獨立股東批准之購股權，其後於根據香港財務報告準則第2號界定之授出日期二零零九年三月三日取得批准。

for the year ended 31 December 2009 截至二零零九年十二月三十一日止年度

39. Share-based payment transactions (continued)

The following table discloses movements of the Company's share options held by certain employees and directors:

2009

Option type	購股權種類	Outstanding at	Granted	Exercised	Lapsed	Cancelled	Outstanding at
		31st December, 2008					31st December, 2009
		於二零零八年十二月三十一日尚未行使	年內授出	年內行使	年內失效	年內註銷	於二零零九年十二月三十一日尚未行使
2005	二零零五年	4,627,000	-	(2,955,000)	(382,000)	-	1,290,000
2006	二零零六年	9,156,000	-	(9,156,000)	-	-	-
2007A	二零零七年甲	11,240,000	-	-	(170,000)	(11,070,000)	-
2007B	二零零七年乙	10,280,000	-	-	(950,000)	(9,330,000)	-
2007C	二零零七年丙	17,020,000	-	-	-	-	17,020,000
2009 (Note)	二零零九年(附註)	-	20,400,000	-	(440,000)	-	19,960,000
Total	總計	52,323,000	20,400,000	(12,111,000)	(1,942,000)	(20,400,000)	38,270,000
Exercisable at end of the year	於年終可予行使						13,204,000
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元
Weighted average exercise price per share	每股加權平均行使價	15.29	6.40	6.32	13.33	18.50	11.77

2008

Option type	購股權種類	Outstanding at	Granted	Exercised	Lapsed	Cancelled	Outstanding at
		31st December, 2007					31st December, 2008
		於二零零七年十二月三十一日尚未行使	年內授出	年內行使	年內失效	年內註銷	於二零零八年十二月三十一日尚未行使
2005	二零零五年	6,757,000	-	(2,076,000)	(54,000)	-	4,627,000
2006	二零零六年	9,156,000	-	-	-	-	9,156,000
2007A	二零零七年甲	11,340,000	-	-	(100,000)	-	11,240,000
2007B	二零零七年乙	10,630,000	-	-	(350,000)	-	10,280,000
2007C	二零零七年丙	17,020,000	-	-	-	-	17,020,000
Total	總計	54,903,000	-	(2,076,000)	(504,000)	-	52,323,000
Exercisable at end of the year	於年終可予行使						20,125,000
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元
Weighted average exercise price per share	每股加權平均行使價	14.96	-	6.16	17.18	-	15.29

Note: During the year ended 31st December, 2009, 20,400,000 share options were newly granted as replacement for the cancelled share options under option types of 2007A and 2007B and this is accounted for as a modification of the original share options.

39. 股份付款交易(續)

下表披露若干僱員及董事所持本公司購股權之變動：

二零零九年

Option type	購股權種類	Outstanding at	Granted	Exercised	Lapsed	Cancelled	Outstanding at
		31st December, 2008					31st December, 2009
		於二零零八年十二月三十一日尚未行使	年內授出	年內行使	年內失效	年內註銷	於二零零九年十二月三十一日尚未行使
2005	二零零五年	4,627,000	-	(2,955,000)	(382,000)	-	1,290,000
2006	二零零六年	9,156,000	-	(9,156,000)	-	-	-
2007A	二零零七年甲	11,240,000	-	-	(170,000)	(11,070,000)	-
2007B	二零零七年乙	10,280,000	-	-	(950,000)	(9,330,000)	-
2007C	二零零七年丙	17,020,000	-	-	-	-	17,020,000
2009 (Note)	二零零九年(附註)	-	20,400,000	-	(440,000)	-	19,960,000
Total	總計	52,323,000	20,400,000	(12,111,000)	(1,942,000)	(20,400,000)	38,270,000
Exercisable at end of the year	於年終可予行使						13,204,000
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元
Weighted average exercise price per share	每股加權平均行使價	15.29	6.40	6.32	13.33	18.50	11.77

二零零八年

Option type	購股權種類	Outstanding at	Granted	Exercised	Lapsed	Cancelled	Outstanding at
		31st December, 2007					31st December, 2008
		於二零零七年十二月三十一日尚未行使	年內授出	年內行使	年內失效	年內註銷	於二零零八年十二月三十一日尚未行使
2005	二零零五年	6,757,000	-	(2,076,000)	(54,000)	-	4,627,000
2006	二零零六年	9,156,000	-	-	-	-	9,156,000
2007A	二零零七年甲	11,340,000	-	-	(100,000)	-	11,240,000
2007B	二零零七年乙	10,630,000	-	-	(350,000)	-	10,280,000
2007C	二零零七年丙	17,020,000	-	-	-	-	17,020,000
Total	總計	54,903,000	-	(2,076,000)	(504,000)	-	52,323,000
Exercisable at end of the year	於年終可予行使						20,125,000
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元
Weighted average exercise price per share	每股加權平均行使價	14.96	-	6.16	17.18	-	15.29

附註：截至二零零九年十二月三十一日止年度，本公司新授出20,400,000份購股權，以取代二零零七年甲及二零零七年乙購股權種類項下已註銷之購股權，並以修改原購股權之方式入賬。

39. Share-based payment transactions (continued)

In respect of the share options exercised during the year, the weighted average share price at the dates of exercise is HK\$11.05 (2008: HK\$18.57).

During the year ended 31st December, 2009, share option was granted on 3rd March, 2009 and the estimated fair value of the options granted on that date was as follows:

2009
二零零九年

The closing price of the Company's shares immediately before 3rd March, 2009 was HK\$5.78.

The fair value was calculated using the Black-Scholes pricing model. The inputs into the model were as follows:

		2009 二零零九年	2007A 二零零七年甲	2007B 二零零七年乙	2007C 二零零七年丙	2006 二零零六年	2005 二零零五年
Share price on grant date	於授出使日期之股價	HK\$5.53	HK\$33.80	HK\$33.80	HK\$43.80	HK\$13.15	HK\$12.15
Adjusted share price on grant date	於授出日期之經調整股價	HK\$5.53	HK\$16.90	HK\$16.90	HK\$21.90	HK\$6.58	HK\$6.08
Exercise price	行使價	HK\$6.40	HK\$37.00	HK\$37.00	HK\$37.00	HK\$12.74	HK\$12.32
Adjusted exercise price	經調整行使價	HK\$6.40	HK\$18.50	HK\$18.50	HK\$18.50	HK\$6.37	HK\$6.16
Expected volatility	預期波幅	55.26%	32%	32%	32%	30.71%	32.47%
Expected life	預計年期	1.5 to 3.5 years	2.6 to 4.6 years	1.6 to 3.6 years	1.5 to 3.5 years	5.5 years	8.5 years
Risk-free rate	無風險比率	0.57% - 1.27%	4.09% to 4.23%	4.03% to 4.16%	3.81% to 4.00%	4.55%	4.18%
Expected dividend yield	預期股息率	4.34%	1.22%	1.22%	1.22%	2.52%	2.73%

Expected volatility was determined by using the historical volatility of the Company's share price in the preceding year. The expected life used in the model has been made, based on management's best estimate and take into account the effects of non-transferability, exercise restrictions and behavioral considerations.

The Group recognised an expense in the statement of comprehensive income of approximately HK\$48.2 million (2008: HK\$91.0 million) for the year ended 31st December, 2009 in relation to share options granted by the Company.

40. Reserves

As stipulated by the relevant laws and regulations for foreign investment enterprises in the PRC, the Company's PRC subsidiaries are required to maintain a statutory surplus reserve fund. Appropriation to such reserve is made out of net profit after taxation as reflected in the statutory financial statements of the PRC subsidiaries while the amounts and allocation basis are decided by its board of directors annually. The statutory surplus reserve fund can be used to make up prior year losses, if any, and can be applied in conversion into capital by means of capitalisation issue.

39. 股份付款交易(續)

就年內已行使購股權而言，各行使日期之加權平均股價為11.05港元(二零零八年：18.57港元)。

在截至二零零九年十二月三十一日止年度內，本公司於二零零九年三月三日授出購股權。於該日授出之購股權之估計公平值如下：

Grant date 授出日期	Fair value 公平值 HK\$ 港元
3.3.2009 二零零九年三月三日	0.98

本公司股份於緊接二零零九年三月三日前之收市價為5.78港元。

此等公平值乃按「柏力克－舒爾斯」期權定價模式計算。代入該模式之數字如下：

預期波幅以本公司股價於過往年度之歷史波幅釐定。該模式中使用之預計年期乃已按管理層經考慮不可轉讓性、行使限制及行為考慮因素後作出之最佳估計作出調整。

於截至二零零九年十二月三十一日止年度，本集團就本公司授出購股權於全面收益表確認開支約48,200,000港元(二零零八年：91,000,000港元)。

40. 儲備

按有關中國外資企業之相關法律及法規，本公司之中國附屬公司須存置法定公積金。有關儲備之撥款乃來自中國附屬公司法定財務報表之除稅後純利，而款額及分配基準由董事局每年決定。法定公積金可用於彌補過往年度之虧損(如有)，並可以資本化發行方式轉換為資本。

41. Acquisition of assets

During the year ended 31st December, 2009, the Group completed the acquisition of 100% interest in Leadplus International Limited ("Leadplus") from an independent third party, for a consideration of HK\$282,835,000. Major assets of Leadplus are investment properties under construction situated in the PRC and as such, the acquisition has been accounted for as acquisition of assets rather than business.

Net assets of the Leadplus acquired are as follows:

		Leadplus 領加 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	30
Investment properties under construction	在建中投資物業	420,280
Other receivables	其他應收款項	3,426
Bank balances and cash	銀行結存及現金	1,280
Trade and other payables	應付賬款及其他應付款項	(142,181)
		282,835
Satisfied by:		
經下列方式支付：		
Cash consideration	現金代價	13,000
Settlement of outstanding loan and interest receivables due from Borrower Group (note 29(a))	支付應收借方集團未償還貸款及利息(附註29(a))	269,835
		282,835
Net cash outflow arising on acquisition:		
收購產生之現金流出淨額：		
Cash consideration paid	已付現金代價	13,000
Bank balances and cash acquired	所收購銀行結存及現金	(1,280)
		11,720

During the year ended 31st December, 2008, the Group completed the acquisition of 100% interest in each of 大連伊都錦商廈有限公司* (Dalian Itokin Commercial Building Company Limited) ("Dalian Co"), 青島伊都錦商廈有限公司* (Qingdao Itokin Commercial Building Company Limited) ("Qingdao Co"), 天津伊都錦商廈有限公司* (Tianjin Itokin Commercial Building Company Limited) ("Tianjin Co"), and 哈爾濱伊都錦商廈有限公司* (Harbin Itokin Commercial Building Company Limited) ("Harbin Co") (collectively referred to as "Itokin Companies") from an independent third party, for a consideration of HK\$743,467,000. Major assets of the Itokin Companies are land and buildings situated in the PRC and as such, the acquisitions have been accounted for as acquisitions of assets rather than businesses.

* 大連伊都錦商廈有限公司, 青島伊都錦商廈有限公司, 天津伊都錦商廈有限公司及哈爾濱伊都錦商廈有限公司 were subsequently renamed as 利福商廈(大連)有限公司, 嘉標商廈(青島)有限公司, 利華佳商廈(天津)有限公司及哈爾濱利福商廈有限公司 respectively.

41. 收購資產

截至二零零九年十二月三十一日止年度內，本集團已完成自獨立第三方收購領加國際有限公司(「領加」)之全部權益，代價為282,835,000港元。領加之主要資產為位於中國之在建中投資物業。因此，該收購按資產收購入賬，而非按業務收購入賬。

所收購領加之資產淨值如下：

		Leadplus 領加 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	30
Investment properties under construction	在建中投資物業	420,280
Other receivables	其他應收款項	3,426
Bank balances and cash	銀行結存及現金	1,280
Trade and other payables	應付賬款及其他應付款項	(142,181)
		282,835
Satisfied by:		
經下列方式支付：		
Cash consideration	現金代價	13,000
Settlement of outstanding loan and interest receivables due from Borrower Group (note 29(a))	支付應收借方集團未償還貸款及利息(附註29(a))	269,835
		282,835
Net cash outflow arising on acquisition:		
收購產生之現金流出淨額：		
Cash consideration paid	已付現金代價	13,000
Bank balances and cash acquired	所收購銀行結存及現金	(1,280)
		11,720

截至二零零八年十二月三十一日止年度內，本集團已完成自獨立第三方收購大連伊都錦商廈有限公司*(「大連公司」)、青島伊都錦商廈有限公司*(「青島公司」)、天津伊都錦商廈有限公司*(「天津公司」)及哈爾濱伊都錦商廈有限公司*(「哈爾濱公司」)各公司(統稱「伊都錦公司」)之全部權益，代價為743,467,000港元。伊都錦公司之主要資產為於中國之土地及樓宇。因此，該收購按資產收購入賬，而非按業務收購入賬。

* 大連伊都錦商廈有限公司、青島伊都錦商廈有限公司、天津伊都錦商廈有限公司及哈爾濱伊都錦商廈有限公司於其後分別易名為利福商廈(大連)有限公司、嘉標商廈(青島)有限公司、利華佳商廈(天津)有限公司及哈爾濱利福商廈有限公司。

41. Acquisition of assets (continued)

Net assets of the Itokin Companies acquired were as follows:

		Itokin Companies 伊都錦公司 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	438,137
Prepaid lease payments	預付租賃款項	150,435
Investment properties	投資物業	182,103
Other receivables	其他應收款項	2,006
Bank balances and cash	銀行結存及現金	35,489
Trade and other payables	應付賬款及其他應付款項	(61,403)
Short-term loan	短期貸款	(3,300)
		743,467
Satisfied by:	經下列方式支付：	
Cash consideration	現金代價	725,350
Other payable	其他應付款項	18,117
		743,467
Net cash outflow arising on acquisition:	收購產生之現金流出淨額：	
Cash consideration paid	已付現金代價	725,350
Bank balances and cash acquired	所收購銀行結存及現金	(35,489)
		689,861

42. Equity interests swap

On 18th April, 2008, the Group entered into an equity interests swap agreement with the purchaser, 河北開元房地產開發股份有限公司 Hebei Kaiyuan Real Estate Development Joint Stock Company Limited ("Kaiyuan Real Estate"), an independent third party, for the disposal of 51% equity interest in Future Mall which was at that time 99% held by a 60% owned subsidiary of the Group, 石家莊旭恆貿易有限公司 (Shijiazhuang Xuheng Trading Company Limited), in exchange for the entire equity interest in 河北旭源投資有限公司 (formerly known as 河北旭源貿易有限公司) (Hebei Xuyuan Trading Company Limited) ("Hebei Xuyuan") held by Kaiyuan Real Estate ("Equity Interests Swap"). Future Mall has since become an associate of the Group following completion of the Equity Interests Swap (note 21).

41. 收購資產(續)

所收購伊都錦公司之資產淨值如下：

42. 股權置換

於二零零八年四月十八日，本集團與作為獨立第三方之買方河北開元房地產開發股份有限公司(「開元房地產」)訂立股權置換協議，以出售於先天下廣場(由本集團擁有60%權益之附屬公司石家莊旭恆貿易有限公司持有99%權益)之51%股本權益，籍以換取由開元房地產持有之河北旭源投資有限公司(「前稱河北旭源貿易有限公司」)全部股本權益(「股權置換」)。於股權置換完成後，先天下廣場自此成為本集團之聯營公司(附註21)。

42. Equity interests swap (continued)

The net assets of Hebei Xuyuan, which comprise mainly those of its associated company Beiren Group upon completion of the Equity Interests Swap that has been accounted for using the purchase method, were as follows:

		Hebei Xuyuan Group's carrying amount	Fair value adjustments	Fair value
		河北旭源集團 之賬面值 HK\$'000 千港元	公平值調整 HK\$'000 千港元 (note) (附註)	公平值 HK\$'000 千港元
Interests in associates	於聯營公司權益	199,265	475,190	674,455
Other receivables	其他應收款項	3,805	-	3,805
Bank balances and cash	銀行結存及現金	71	-	71
		203,141	475,190	678,331
Discount arising on acquisition of associates	收購聯營公司產生之折讓			(207,577)
Total consideration	總代價			470,754
Satisfied by:	經下列方式支付：			
51% equity interest in Future Mall	先天下廣場之51%股權			470,754
Net cash inflow arising on acquisition	收購產生之現金流入淨額：			
Cash consideration paid	已付現金代價			-
Bank balances and cash acquired	所收購銀行結存及現金			71
				71

Note: The fair value adjustments of interests in associates represented mainly the revaluation surplus of the land and buildings of the associates of Hebei Xuyuan.

The fair value of property, plant and equipment are determined by an independent appraiser, BDGH, at the acquisition date.

Hebei Xuyuan contributed a loss of HK\$1,605,000 to the Group's profit for the year between the date of acquisition and 31st December, 2008.

If the acquisition had been completed on 1st January, 2008, effect to total group revenue and profit for the year would have been insignificant.

42. 股權置換(續)

於股權置換完成時河北旭源之資產淨值(主要包括其聯營公司北人集團之資產淨值)已按收購法列賬如下：

附註：於聯營公司權益之公平值調整主要指河北旭源聯營公司之土地及樓宇重估盈餘。

物業、廠房及設備之公平值由獨立估值師八達國瑞於收購日期釐定。

河北旭源由收購日期起至二零零八年十二月三十一日止為本集團年度溢利帶來1,605,000港元之虧損。

倘收購於二零零八年一月一日完成，對集團年內總收入及溢利之影響並不重大。

42. Equity interests swap (continued)

The net assets of Future Mall at the date of disposal upon the Equity Interests Swap as described above were as follows:

		Future Mall 先天下廣場 HK\$'000 千港元
Investment properties	投資物業	1,562,110
Other receivables	其他應收款項	3,300
Bank balances and cash	銀行結存及現金	413
Trade and other payables	應付賬款及其他應付款項	(637,408)
Deferred tax liabilities	遞延稅項負債	(1,029)
		927,386 (9,274)
Minority interests	少數股東權益	
		918,112 (445,145)
Transferred to interest in associates	轉撥至於聯營公司權益	
		472,967 (2,213)
Exchange reserve realised	已變現匯兌儲備	
		470,754
Satisfied by:	經下列方式支付：	
100% interest in Hebei Xuyuan and its associates	於河北旭源及其聯營公司全部權益	470,754
Net cash outflow arising on acquisition:	收購產生之現金流出淨額：	
Cash consideration paid	已付現金代價	-
Bank balances and cash disposed of	所出售銀行結存及現金	(413)
		(413)

43. Operating leases

The Group as lessee

43. 經營租約

本集團作為承租人

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Minimum lease payments paid under operating leases during the period:	期內根據經營租約已付之最低租約款項：		
Other assets	其他資產	12,826	-
Leasehold land and buildings	租賃土地及樓宇	2,114,873	2,211,986
		2,127,699	2,211,986

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Within one year	一年內	151,148	145,362
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	585,325	560,549
Over five years	超過五年	1,391,226	1,506,075
		2,127,699	2,211,986

43. Operating leases (continued)**The Group as lessee (continued)**

Operating lease payments represent rentals payable by the Group for leasing commercial properties and other assets which represented machineries. Leases are generally negotiated for an average term of one to five years and rentals are fixed for an average of two years except the following:

- (a) Lease of Shanghai Joinbuy Cityplaza by Shanghai Ongoing Department Store Limited, a non-wholly owned subsidiary of the Company, for the period from 1st October, 2004 to 30th September, 2024, with an option to renew for a further 10 years.
- (b) Lease of the Amazon, No. 12 Salisbury Road, Tsimshatsui, Kowloon by Sogo Hong Kong Company Limited, with Hong Kong Island Development Limited for the period from 15th September, 2005 to 14th September, 2020, with an option to renew for a further 5 years.

The Group as lessor

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Within one year	一年內	40,390	27,876
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	58,378	18,972
		98,768	46,848

Leases are generally negotiated for an average term of one to five years.

In addition, the Group had contracted with its concessionaire to receive contingent rentals based on the concessionaires' turnover for an average term of one to two years.

43. 經營租約(續)**本集團作為承租人(續)**

經營租約款項指本集團就租用商業物業及其他資產(即機器)應付之租金。租約一般按平均租賃期一至五年協商，租金平均每兩年釐定，惟以下各項則除外：

- (a) 本公司非全資附屬公司上海久光百貨有限公司所訂立有關上海九百城市廣場之租約，租期由二零零四年十月一日至二零二四年九月三十日，可選擇進一步續期十年。
- (b) 崇光(香港)百貨有限公司與香島發展有限公司所訂立有關九龍尖沙咀梳士巴利道12號亞瑪遜之租約，租期由二零零五年九月十五日及二零零九年九月十四日，可選擇進一步續期五年。

本集團作為出租人

於報告期間結算日，本集團已與租戶訂約的日後最低租約款項如下：

		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Within one year	一年內	40,390	27,876
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	58,378	18,972
		98,768	46,848

租約一般按平均租賃期一至五年協商。

此外，本集團與其特許專櫃就按特許專櫃營業額收取或然租金訂立平均年期為一至兩年之合約。

44. Capital and other commitments

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Capital expenditure in respect of the acquisition of property, plant and equipment	有關購入物業、廠房及設備之資本開支		
– Authorised but not contracted for	– 已授權惟未訂約	2,954,400	2,978,900
– Contracted for but not provided in the consolidated financial statements	– 已訂約惟未於綜合財務報表撥備	13,800	378,400
		2,968,200	3,357,300

45. Contingent liabilities

Pursuant to two sales and purchase agreements entered into among the subsidiaries in 1985 and 1996, certain properties were transferred within the Group. The assignments of these properties have not been executed. If no exemption for stamp duty is granted under the Stamp Duty Ordinance, upon execution of the assignment of the properties, the Group will be subject to an aggregate stamp duty of approximately HK\$38.9 million.

46. Pledge of assets

At 31st December, 2009, the Group has pledged certain leasehold land and buildings in Hong Kong with carrying values of HK\$1,591.6 million (2008: HK\$1,636.0 million), together with certain shares of the Company's subsidiaries, to secure the banking facilities of HK\$4,000 million (2008: HK\$4,000 million) granted to the Group of which HK\$3,350 million (2008: HK\$3,000 million) has been utilised.

In addition, certain of the Group's property, plant and equipment in the PRC with carrying value of approximately HK\$1,317.2 million (2008: HK\$1,123.6 million) have been pledged to secure loan facility in the amount of approximately RMB390.0 million (equivalent to approximately HK\$443.4 million) (2008: HK\$440.0 million).

47. Event after the reporting period

Subsequent to the end of the reporting period as at 31st December 2009, the Group's 60% owned subsidiary, Hebei Xuyuan, on 9th and 11th February, 2010 respectively, entered into an equity interest transfer agreement and a debt transfer agreement with 河北先天下房地產開發有限責任公司 ("Xiantianxia"), whereby (i) Xiantianxia agreed to transfer its 100% equity interest in 北京滙通潤信貿易有限公司 ("Beijing Huitong") at a consideration of RMB100.0 million (equivalent to approximately HK\$113.7 million) and its major asset is certain percentage of equity interest in Beiren Group and (ii) Xiantianxia agreed to transfer to Hebei Xuyuan an account receivable of RMB246.5 million owing by Beijing Huitong for a consideration of the same amount. Following the completion of the aforesaid transfer of equity interest, the Group's equity interest in the Beiren Group has been increased to 49%.

44. 資本及其他承擔

45. 或然負債

根據附屬公司間於一九八五年及一九九六年訂立之兩份買賣協議，若干物業於本集團內公司間轉讓，惟該等物業轉讓至今仍未執行。倘未能根據印花稅條例獲豁免印花稅，則本集團於轉讓該等物業時，將須繳付合共約38,900,000港元印花稅。

46. 資產抵押

於二零零九年十二月三十一日，本集團將賬面值為1,591,600,000港元（二零零八年：1,636,000,000港元）位於香港之若干租賃土地及樓宇，連同本公司附屬公司若干股份抵押，作為本集團獲授銀行融資額4,000,000,000港元（二零零八年：4,000,000,000港元）之抵押，其中3,350,000,000港元（二零零八年：3,000,000,000港元）已動用。

另外，本集團賬面值約1,317,200,000港元（二零零八年：1,123,600,000港元）之位於中國的物業、廠房及設備已為人民幣390,000,000元（約相當於443,400,000港元）（二零零八年：440,000,000港元）貸款融資額作抵押。

47. 報告期間後事項

於二零零九年十二月三十一日報告期間結算日後，本集團擁有60%權益之附屬公司河北旭源與河北先天下房地產開發有限公司（「先天下」）分別於二零一零年二月九日及十一日訂立股權轉讓協議及債務轉讓協議，據此，(i) 先天下同意轉讓其於北京滙通潤信貿易有限公司（「北京滙通」）之全部股本權益，代價為人民幣100,000,000元（相當於約113,700,000港元）及其主要資產為於北人集團若干百分比之股本權益；及(ii) 先天下同意向河北旭源轉讓由北京滙通結欠之應收賬款人民幣246,500,000元，代價與所轉讓金額相同。於上述股本權益轉讓完成後，本集團於北人集團之權益增至49%。

48. Related party disclosure**(a) Transactions**

During the year, the Group had entered into the following significant transactions with the following related parties and connected parties:

	Nature of transaction 交易性質	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Name of related parties			
有關連人士名稱			
Shanghai Joinbuy City Plaza Co. Ltd. ("Property JV") 上海九百城市廣場有限公司 (「物業合資企業」)	Rental and management fee paid (note 1) 已付租金及管理費(附註1)	180,214	174,068
Name of connected parties			
關連人士名稱			
Chow Tai Fook Jewellery Co., Ltd. ("CTF Jewellery") 周大福珠寶金行有限公司(「周大福珠寶」)	Income from concessionaire sales (note 2) 特許專權銷售收入(附註2)	11,999	12,307
周大福珠寶金行(蘇州)有限公司 — 蘇州分店 (「周大福蘇州珠寶—蘇州分店」)	Income from concessionaire sales (note 2) 特許專權銷售收入(附註2)	1,520	—
周大福珠寶金行(蘇州)有限公司 — 上海分店 (「周大福蘇州珠寶—上海分店」)	Income from concessionaire sales (note 2) 特許專權銷售收入(附註2)	2,370	2,510
Hong Kong Island Development Limited ("Hong Kong Island") 香島發展有限公司(「香島」)	Rental, vetting fee, air-conditioning charges and management fee paid (note 2) 已付租金、審批費用、空調費及 管理費(附註2)	49,245	45,203
Pollution & Protection Services Limited ("PPS") 寶聯防污服務有限公司(「寶聯防污」)	Cleaning service fee paid (note 2) 已付清潔服務費用(附註2)	3,549	11,867

Notes:

- (1) Property JV is a jointly controlled entity in which the Group has 50% interest.
- (2) CTF Jewellery, 周大福蘇州珠寶—蘇州分店, 周大福蘇州珠寶—上海分店, Hong Kong Island and PPS are companies in which Dató Dr. Cheng Yu-tung and Dr. Cheng Kar-shun, Henry, directors of the Company, have beneficial interests.
- (3) At 31st December, 2009, concessionaire sales payable included amounts of approximately HK\$27,289,000 and HK\$5,550,000 (2008: HK\$19,087,000 and HK\$3,434,000) aged within 30 days due to CTF Jewellery and 周大福蘇州珠寶 respectively in which related parties, Dató Dr. Cheng Yu-tung and Dr. Cheng Kar-shun, Henry, directors of the Company, have beneficial interests. The amount was trading in nature and related to payables arising from concessionaire sales. These trading balances are unsecured, non-interest bearing and repayable according to the terms of the concessionaire dealership agreement.

(b) Compensation of key management personnel

The remuneration of executive directors during the year was determined by the remuneration committee having regard to the performance of the individuals and market. Details of which together with the other 4 highest paid management personnel are disclosed in note 14 above.

48. 有關連人士披露**(a) 交易**

年內，本集團曾與以下有關連人士及關連人士進行下列重大交易：

	Nature of transaction 交易性質	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Name of related parties			
有關連人士名稱			
Shanghai Joinbuy City Plaza Co. Ltd. ("Property JV") 上海九百城市廣場有限公司 (「物業合資企業」)	Rental and management fee paid (note 1) 已付租金及管理費(附註1)	180,214	174,068
Name of connected parties			
關連人士名稱			
Chow Tai Fook Jewellery Co., Ltd. ("CTF Jewellery") 周大福珠寶金行有限公司(「周大福珠寶」)	Income from concessionaire sales (note 2) 特許專權銷售收入(附註2)	11,999	12,307
周大福珠寶金行(蘇州)有限公司 — 蘇州分店 (「周大福蘇州珠寶—蘇州分店」)	Income from concessionaire sales (note 2) 特許專權銷售收入(附註2)	1,520	—
周大福珠寶金行(蘇州)有限公司 — 上海分店 (「周大福蘇州珠寶—上海分店」)	Income from concessionaire sales (note 2) 特許專權銷售收入(附註2)	2,370	2,510
Hong Kong Island Development Limited ("Hong Kong Island") 香島發展有限公司(「香島」)	Rental, vetting fee, air-conditioning charges and management fee paid (note 2) 已付租金、審批費用、空調費及 管理費(附註2)	49,245	45,203
Pollution & Protection Services Limited ("PPS") 寶聯防污服務有限公司(「寶聯防污」)	Cleaning service fee paid (note 2) 已付清潔服務費用(附註2)	3,549	11,867

附註：

- (1) 物業合資企業為本集團擁有50%權益之共同控制實體。
- (2) 周大福珠寶、周大福蘇州珠寶—蘇州分店、周大福蘇州珠寶—上海分店、香島及寶聯防污為本公司董事拿督鄭裕彤博士及鄭家純博士持有實益權益的公司。
- (3) 於二零零九年十二月三十一日，應付特許專權銷售款項包括須於30天內支付予有關連人士周大福珠寶及周大福蘇州珠寶之款項分別約27,289,000港元及5,550,000港元(二零零八年：19,087,000港元及3,434,000港元)。本公司董事拿督鄭裕彤博士及鄭家純博士持有該等公司實益權益。該筆款項屬貿易性質，與特許專權銷售所產生應付款項相關。此等賬款結餘為無抵押、免息及須按特許專權經營協議條款償還。

(b) 主要管理人員薪酬

年內，執行董事之酬金乃由薪酬委員會按個別表現及市場狀況釐定，彼等之酬金連同其餘四名最高收入管理層成員之酬金詳情於上文附註14披露。

49. Particulars of principal subsidiaries

At 31st December, 2009 and 2008, the details of the Company's principal subsidiaries are as follows:

49. 主要附屬公司詳情

於二零零九年及二零零八年十二月三十一日，本公司主要附屬公司之詳情如下：

Name of company 公司名稱	Place of incorporation and operation date of incorporation 註冊成立及營業地點以及 註冊成立日期	Issued and fully paid share capital 已發行及實繳股本		Attributable equity interest of the Group 本集團應佔股本權益		Principal activities 主要業務
		2009 二零零九年	2008 二零零八年	2009 二零零九年	2008 二零零八年	
Ample Sun Group Limited 益良集團有限公司	Hong Kong 17th August, 2007 香港 二零零七年八月十七日	HK\$10,000 10,000港元	HK\$10,000 10,000港元	60%	60%	Investment holding 投資控股
Asia Kinetic Limited 明振有限公司	Hong Kong 27th February, 2002 香港 二零零二年二月二十七日	HK\$2 2港元	HK\$2 2港元	100%	100%	Business of sourcing products for fellow subsidiaries 為同系附屬公司採購 產品之業務
Congenial Company Limited	Hong Kong 24th April, 1981 香港 一九八一年四月二十四日	HK\$10,000,000 10,000,000港元	HK\$10,000,000 10,000,000港元	100%	100%	General trading and property holding 一般貿易及物業持有
Eastlord Development Limited 加諾發展有限公司	Hong Kong 21st August, 1987 香港 一九八七年八月二十一日	HK\$500,000 500,000港元	HK\$500,000 500,000港元	100%	100%	Property holding and leasing 物業持有及租賃
Everwin Worldwide Limited 永盛環球有限公司	Hong Kong 17th November, 2000 香港 二零零零年十一月十七日	HK\$2 2港元	HK\$2 2港元	100%	100%	Property leasing 物業租賃
Fine Shine Limited 遠耀有限公司	Hong Kong 11th September, 2003 香港 二零零三年九月十一日	HK\$2 2港元	HK\$2 2港元	100%	100%	License holder 特許權持有人
Forceworld Investments Limited 可偉投資有限公司	Hong Kong 15th July, 1988 香港 一九八八年七月十五日	HK\$500,000 500,000港元	HK\$500,000 500,000港元	100%	100%	Property holding 物業持有
Future Develop Limited	British Virgin Islands/ Hong Kong 12th December, 2003 英屬維爾京群島/香港 二零零三年十二月十二日	US\$3 3美元	US\$3 3美元	100%	100%	Investment holding 投資控股
Glory Line Management Limited 偉業管理有限公司	Hong Kong 5th September, 1995 香港 一九九五年九月五日	HK\$500,000 500,000港元	HK\$500,000 500,000港元	100%	100%	Provision of property security and management services 提供物業保安及管理服務

49. Particulars of principal subsidiaries (continued)

49. 主要附屬公司詳情(續)

Name of company 公司名稱	Place of incorporation and operation date of incorporation 註冊成立及營業地點以及 註冊成立日期	Issued and fully paid share capital 已發行及實繳股本		Attributable equity interest of the Group 本集團應佔股本權益		Principal activities 主要業務
		2009 二零零九年	2008 二零零八年	2009 二零零九年	2008 二零零八年	
Grand Kinetic Limited 堅享有限公司	Hong Kong 7th February, 2001 香港 二零零一年二月七日	HK\$2 2港元	HK\$2 2港元	100%	100%	Property holding and leasing 物業持有及租賃
Pacific Trump Development Limited 沛駿發展有限公司	Hong Kong 6th July, 1995 香港 一九九五年七月六日	HK\$2 2港元	HK\$2 2港元	100%	100%	Property leasing and investment holding 物業租賃及投資控股
Public Might Limited 群量有限公司	Hong Kong 30th August, 1984 香港 一九八四年八月三十日	HK\$1,000 1,000港元	HK\$1,000 1,000港元	100%	100%	Property investment and provision of building management services 物業投資及提供大廈 管理服務
Ronson Kwok Asia Pacific Limited	Hong Kong 5th October, 1993 香港 一九九三年十月五日	HK\$1,000,000 1,000,000港元	HK\$1,000,000 1,000,000港元	100%	100%	Building management and club operator 大廈管理及會所營運
Sogo Hong Kong Company Limited 崇光(香港)百貨有限公司	Hong Kong 23rd September, 1983 香港 一九八三年九月二十三日	HK\$4,000,000 4,000,000港元	HK\$4,000,000 4,000,000港元	100%	100%	Retailing business 零售業務
Superlite Limited	British Virgin Islands/ Hong Kong 3rd April, 2001 英屬維爾京群島/香港 二零零一年四月三日	US\$1 1美元	US\$1 1美元	100%	100%	Property holding 物業持有
上海久光百貨有限公司* (Shanghai Ongoing Department Store Limited)	People's Republic of China 26th July, 2004 中華人民共和國 二零零四年七月二十六日	US\$12,000,000 12,000,000美元	US\$12,000,000 12,000,000美元	65%	65%	Retailing business 零售業務
瀋陽卓遠置業有限公司**	People's Republic of China 1st December, 2006 中華人民共和國 二零零六年十二月一日	US\$74,990,000 74,990,000美元	US\$74,990,000 74,990,000美元	100%	100%	Property holding 物業持有
瀋陽怡富置業有限公司**	People's Republic of China 12th March, 2007 中華人民共和國 二零零七年三月十二日	US\$74,990,000 74,990,000美元	US\$74,990,000 74,990,000美元	100%	100%	Property holding 物業持有

49. Particulars of principal subsidiaries (continued)

49. 主要附屬公司詳情(續)

Name of company 公司名稱	Place of incorporation and operation date of incorporation 註冊成立及營業地點以及 註冊成立日期	Issued and fully paid share capital 已發行及實繳股本		Attributable equity interest of the Group 本集團應佔股本權益		Principal activities 主要業務
		2009 二零零九年	2008 二零零八年	2009 二零零九年	2008 二零零八年	
利福廣場(蘇州)有限公司** Lifestyle Plaza (Suzhou) Co., Limited	People's Republic of China 1st March, 2007 中華人民共和國 二零零七年三月一日	RMB600,000,000 人民幣 600,000,000元	RMB433,056,790 人民幣 433,056,790元	100%	66.8%	Property holding and leasing 物業持有及租賃
久光百貨(蘇州)有限公司**	People's Republic of China 17th January, 2008 中華人民共和國 二零零八年一月十七日	US\$12,000,000 12,000,000美元	US\$12,000,000 12,000,000美元	100%	100%	Retailing business 零售業務
瀋陽佳建置業開發有限公司**	People's Republic of China 20th June, 2006 中華人民共和國 二零零六年六月二十日	RMB190,328,983 人民幣 190,328,983元	N/A 不適用	100%	N/A 不適用	Property holding 物業持有
利福商廈(大連)有限公司**	People's Republic of China 9th October, 1993 中華人民共和國 一九九三年十月九日	US\$45,000,000 45,000,000美元	US\$45,000,000 45,000,000美元	100%	100%	Retailing business 零售業務
利華佳商廈(天津)有限公司** (Previously named as 天津伊都錦商廈有限公司**) (前稱天津伊都錦商廈有限公司**)	People's Republic of China 7th August, 1996 中華人民共和國 一九九六年八月七日	US\$40,000,000 40,000,000美元	US\$40,000,000 40,000,000美元	100%	100%	Property holding 物業持有
嘉標商廈(青島)有限公司**	People's Republic of China 31st December, 1995 中華人民共和國 一九九五年十二月三十一日	RMB225,000,000 人民幣 225,000,000元	RMB225,000,000 人民幣 225,000,000元	100%	100%	Property holding 物業持有
哈爾濱利福商廈有限公司**	People's Republic of China 16th October, 1995 中華人民共和國 一九九五年十月十六日	US\$18,000,000 18,000,000美元	US\$18,000,000 18,000,000美元	100%	100%	Property holding 物業持有

* a sino-foreign equity joint venture established in the PRC.

** a wholly foreign-owned enterprise established in the PRC.

* 於中國成立之中外合資企業

** 於中國成立之全外資企業

None of the subsidiaries had issued any debt securities at the end of the reporting period.

附屬公司於報告期終概無任何已發行債券。

50. Statement of financial position of the Company

Statement of financial position of the Company at the end of the reporting period includes:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Non-current asset	非流動資產		
Interest in subsidiaries	於附屬公司權益	4,194	4,194
Current assets	流動資產		
Other receivables	其他應收款項	1,304	50
Amounts due from subsidiaries	應收附屬公司款項	3,612,585	3,538,689
Bank balances and cash	銀行結存及現金	25,836	195,972
		3,639,725	3,734,711
Current liabilities	流動負債		
Other payables	其他應付款項	2,941	4,859
Tax payable	應繳稅項	2,926	1,194
		5,867	6,053
Net current assets	流動資產淨值	3,633,858	3,728,658
		3,638,052	3,732,852
Capital and reserves	資本及儲備		
Share capital	股本	8,368	8,370
Reserves	儲備	3,629,684	3,724,482
		3,638,052	3,732,852

Profit for the year ended 31st December, 2009 of the Company amounted to approximately HK\$255,570,000 (2008: HK\$1,294,014,000).

Under the Company Law (2009 Revision) of the Cayman Islands, the share premium of the Company is available for distribution or paying dividends to shareholders subject to the provisions of its memorandum or articles of association and provided that immediately following the distribution of dividends, the Company is able to pay its debts as they fall due in the ordinary course of business. The Company's reserve available for distribution as at 31st December, 2009 consisted of share premium of approximately HK\$1,916,411,000 (2008: HK\$2,297,533,000) and retained profits of approximately HK\$1,563,664,000 (2008: HK\$1,303,336,000).

50. 本公司財務狀況表

於報告期間結算日，本公司財務狀況表包括：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Non-current asset	非流動資產		
Interest in subsidiaries	於附屬公司權益	4,194	4,194
Current assets	流動資產		
Other receivables	其他應收款項	1,304	50
Amounts due from subsidiaries	應收附屬公司款項	3,612,585	3,538,689
Bank balances and cash	銀行結存及現金	25,836	195,972
		3,639,725	3,734,711
Current liabilities	流動負債		
Other payables	其他應付款項	2,941	4,859
Tax payable	應繳稅項	2,926	1,194
		5,867	6,053
Net current assets	流動資產淨值	3,633,858	3,728,658
		3,638,052	3,732,852
Capital and reserves	資本及儲備		
Share capital	股本	8,368	8,370
Reserves	儲備	3,629,684	3,724,482
		3,638,052	3,732,852

截至二零零九年十二月三十一日止年度，本公司之溢利約為255,570,000港元(二零零八年：1,294,014,000港元)。

根據開曼群島公司法(2009修訂)，本公司之股份溢價可根據其公司組織章程大綱或細則之規定，分派予股東或作為股息向股東派發，惟緊隨股息分派後，本公司須有能力支付其於日常業務過程中到期之債務。於二零零九年十二月三十一日，本公司之可供分派儲備由股份溢價約1,916,411,000港元(二零零八年：2,297,533,000港元)及保留溢利約1,563,664,000港元(二零零八年：1,303,336,000港元)組成。

Five-Year Group Financial Summary

五年集團財務摘要

Consolidated Statement of Comprehensive Income

For the year ended 31st December,

綜合全面收益表

截至十二月三十一日止年度

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元 (Restated) (重列)	2005 二零零五年 HK\$'000 千港元
Turnover	營業額	3,756,208	3,521,633	3,112,368	2,581,962	2,094,299
Profit attributable to owners of the Company	本公司擁有人應佔溢利	1,142,468	927,226	1,024,085	740,170	539,378
Earnings per share (HK cents)	每股盈利(港仙)					
– Basic	– 基本	68.5	54.5	60.2	43.7	34.7
– Diluted	– 攤薄	68.1	54.3	59.8	43.7	N/A不適用
Total dividends per share (HK cents)	每股股息總額(港仙)	28.0	24.0	24.0	17.8	15.3

Consolidated Statement of Financial Position

At 31st December,

綜合財務狀況表

於十二月三十一日

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Total assets	資產總值	12,301,402	10,562,218	10,434,243	6,279,003	5,629,191
Total liabilities	負債總額	(5,618,395)	(4,707,235)	(5,216,563)	(2,420,094)	(2,261,998)
Total net assets	資產淨值總額	6,683,007	5,854,983	5,217,680	3,858,909	3,367,193
Minority interests	少數股東權益	(561,538)	(677,271)	(560,962)	(4,929)	(41,255)
Total net assets attributable to owners of the Company	本公司擁有人應佔資產淨值總額	6,121,469	5,177,712	4,656,718	3,853,980	3,325,938
Net assets per share (HK\$)	每股資產淨值(港元)	3.99	3.50	3.06	2.28	1.99
Net assets per share attributable to owners of the Company (HK\$)	本公司擁有人應佔每股資產淨值(港元)	3.66	3.09	2.73	2.27	1.96
Number of shares issued	已發行股份數目	1,673,620,000	1,673,965,500	1,705,083,000	1,695,936,000	1,694,000,000

Lifestyle International Holdings Limited
20/F., East Point Centre, 555 Hennessy Road
Causeway Bay, Hong Kong
利福國際集團有限公司
香港銅鑼灣軒尼詩道555號
東角中心20樓
Telephone: (852) 2833 8338
Facsimile: (852) 2831 2972
info@lifestylehk.com.hk
www.lifestylehk.com.hk