



Stock Code 股份代號: 1212

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Corporate Profile

企業簡介

Lifestyle International Holdings Limited (together with its subsidiaries, the “Group”) is a Hong Kong-based retail operator that specializes in the operation of mid to upper-end department stores 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, 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 is now widely recognized as one of the most sought-after shopping locations in Shanghai.

The Group’s retailer brand names — SOGO and Jiuguang — has become household names over the years, and 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 and Dalian Jiuguang has been gaining traction and delivering satisfactory performances since their opening in January and May 2009 respectively. Tianjin Lifestyle Plaza, the Group’s first shopping mall opened in December 2010 in the PRC, also received encouraging market response. The Group’s up and coming Shenyang Jiuguang store is scheduled for launch in 2013. Meanwhile, to further tap the vast potential of the important Shanghai market and to push ahead with the Group’s long-term growth plan in China, the Group acquired a plot of land in Zhabei District in December 2011, which will be developed into a commercial complex, part of which will be established as its second Shanghai Jiuguang store, representing a key strategic milestone of the Group to solidify its presence in the Yangtze River Delta. With the Group’s strong balance sheet and operating cash flows as well as its unparalleled brand equity, it is always prepared to take on new investment opportunities to further fuel its growth momentum in the future.

利福國際集團有限公司(連同其附屬公司,「本集團」)是紮根於香港的零售營運商,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。我們上海久光百貨的業務模式與銅鑼灣崇光的旗艦店相類似,上海久光百貨現已被公認為上海最受追捧的購物地點之一。

多年來,崇光及久光兩大零售品牌已成為家喻戶曉的名字,成就了集團及管理團隊於建立零售品牌及管理的才能,致使本集團能夠於中國其他城市進一步拓展業務。蘇州久光百貨及大連久光百貨分別自於二零零九年一月及五月開業後穩步上揚,表現令人滿意。而集團於國內的首間購物商場 — 天津利福廣場於二零一零年十二月開業,市場反應令人鼓舞。瀋陽久光百貨預期將於二零一三年開幕。另外,為進一步開拓重要的上海市場的巨大潛力及推進集團於中國的長期發展計劃,集團於二零一一年十二月投得上海閘北區的一塊土地,該地將發展為綜合商業大樓,其中一部份將發展為集團的第二間上海久光店,此舉將鞏固集團於長江三角洲的地位,成為集團策略上主要的里程碑。憑藉本集團強勁的資產負債表和營運現金流及優越的品牌效應,我們已整裝待發,發掘新的投資機會以進一步推動集團未來的增長勢頭。

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

Dato' 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

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

Authorised Representatives

Mr. Lau Luen-hung, Thomas
Mr. Poon Fuk-chuen, Terry (*CPA*)

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

Nomination Committee

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

董事會

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

潘福全先生 (*CPA*)

授權代表

劉鑾鴻先生
潘福全先生 (*CPA*)

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

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

提名委員會

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

Registered Office

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
Rooms 1712-1716, 17th 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: 31 December
Share price at 31 December 2011: HK\$17.12
Market capitalization at 31 December 2011: HK\$28,548 million

Website Address

www.lifestylehk.com.hk

註冊辦事處

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

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
薛馮勵岑律師行

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17樓1712至1716室

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
財政年度終結日：十二月三十一日
於二零一一年十二月三十一日股價：17.12港元
於二零一一年十二月三十一日市值：285.48億港元

網址

www.lifestylehk.com.hk

Financial Highlights

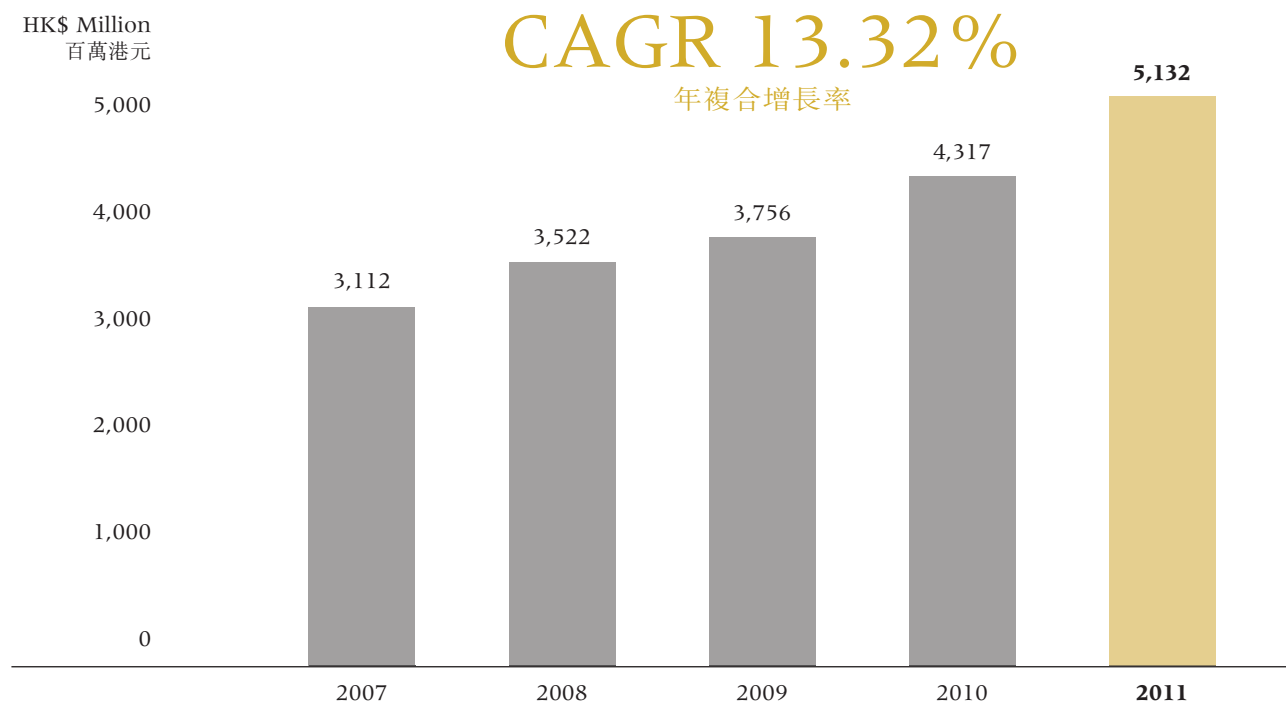
財務摘要

Operating Results 經營業績

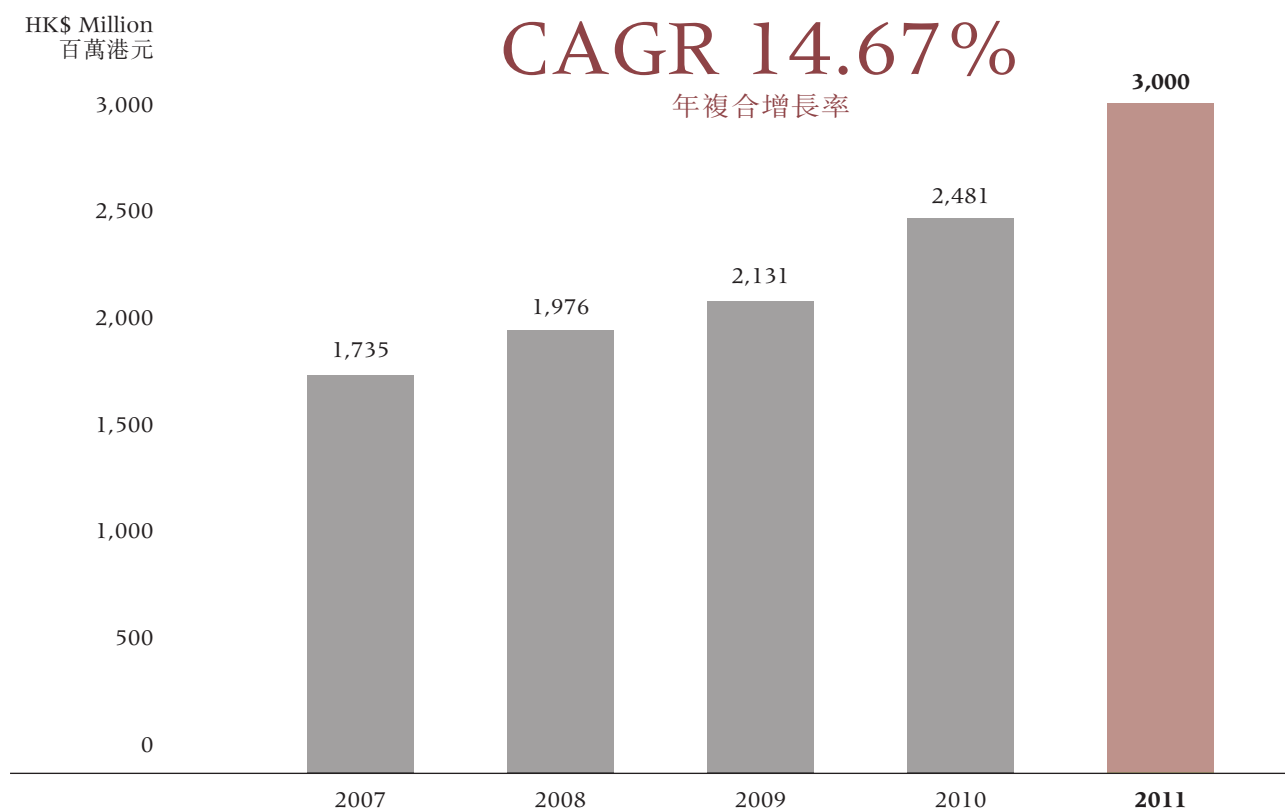
HK'000 千港元	2011	2010	2009	2008	2007
Sales proceeds 銷售所得款項	12,052,081	9,832,734	8,399,095	7,674,699	6,780,518
Turnover 營業額	5,131,950	4,317,465	3,756,208	3,521,633	3,112,368
Profit before taxation 除稅前溢利	2,594,401	1,896,256	1,498,442	1,324,637	1,241,953
Net profit 純利	1,886,301	1,407,534	1,142,468	927,226	1,024,085
Basic earnings per share (HK cents) 每股基本盈利 (港仙)	112.4	83.9	68.5	54.5	60.2
Total dividends per share (HK cents) 每股股息總額 (港仙)	44.9	33.7	28.0	24.0	24.0

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



Gross Profit 毛利



2011 Sales Proceeds By Market 二零一一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

+23.1%

- 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
國內業務銷售所得款項增長

+21.2%

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

Sep 九月

Secured HK\$5 billion 5-year
loan facility from a syndicate of banks
獲得 50 億港元五年期銀團貸款額度

Nov 十一月

SOGO CWB raked in all-time high
sales on the first day of Thankful
Week event of HK\$79.9 million
銅鑼灣崇光店於「感謝周」創下首日
銷售 79,900,000 港元之新高

Nov 十一月

Awarded “Best Management Team” of
2011 Golden Bauhinia Awards
榮獲《二零一一金紫荊獎》
「最佳管理團隊」獎項



Dec 十二月

Acquired a plot of land in Zhabei District, Shanghai, home to the Group's second Shanghai Jiuguang store

成功投得位於上海閘北區的一塊土地，將打造為集團第二間上海久光店

Niceties of

Life

Dec 十二月

Awarded "The Most Investment Potential Company" by Capital and Capital Weekly Magazine

榮獲《資本雜誌》及《資本壹週》頒發「最具投資前景企業」獎項





“Ma vie et mon
style à Jiuguang”

Managing Director's Message

董事總經理報告



a Delightful Day with plentiful choices

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

For years, Lifestyle International has been following a set of business strategies that are prudent yet proactive, visionary yet viable. With the comprehensive insight and dedication of the management team, the Group has always been able to maintain a sharp focus on its business objectives and strive for growth. From a solid beginning anchored on a single department store in Causeway Bay, Hong Kong, the Group has grown to become a well-known retail operator with solid business operations in various regions across China, including Shanghai, Suzhou, Dalian and Tianjin. Today, Sogo and Jiuguang are household names that represent the preferred shopping destinations for customers of different nationalities and from all walks of life.

As a well-established industry leader in its hometown, Lifestyle International has witnessed ups and downs of the sector and the economy over the years. In good times, the Group's operations consistently report remarkable growth; when the going gets tough, it is still able to show its mettle and outshine its industry peers.

The year 2011 was one such year in which Lifestyle International showed its strength and resilience amid challenges. Despite various downside risks around the world that affected many economies and enterprises, the Group managed to keep a steady footing and continued to deliver a satisfactory set of operating results for the year. Its Hong Kong operations continued to outperform the market average and the mainland businesses also fared well.

For the year ended 31 December 2011, the Group's turnover and net profit respectively increased year-on-year by 18.9% and 34% to HK\$5,132 million and HK\$1,886.3 million. Consistent with previous years, the Board has decided to continue the approximately 40% payout on earnings and hence recommended payment of a final cash dividend of HK cents 25.7 per share. Together with the interim dividend of HK cents 19.2 paid during the year, the total dividends for the whole financial year 2011 amounted to HK cents 44.9. Over the last seven years, the Group's earnings represented a compound annual growth rate of 24.2%. The strong performance was attributable to the Group's well-tuned business strategies and its solid foothold in the Hong Kong and mainland Chinese retail industries, which consistently enjoyed tremendous growth during the period.

多年來，利福國際一直貫徹其實施得宜的經營策略，穩健中求進取，創新中求實際。憑藉管理團隊遠闊的目光及不懈的努力，本集團一直朝著其業務宗旨進發，並一直力求增長。由紮根於香港銅鑼灣的百貨店為起點，本集團現已成為一個著名的零售商，在中國不同地區，包括上海、蘇州、大連和天津擁有穩健業務。今天，崇光及久光百貨已成為家喻戶曉的名字，更代表不同國籍及背景的顧客皆愛戴的購物熱點。

作為本土業界之龍頭，利福國際經歷多年來業界和經濟的起落：市場興旺時，本集團的業務持續錄得顯著的增長；市場面對挑戰，本集團仍然可以在同業間一枝獨秀。

二零一一年利福國際展現了強勁的實力和抵禦逆境的能力。儘管世界各地的衰退危機影響了許多經濟體系和企業，然而本集團於本年度仍能站穩腳步及持續取得令人滿意的營運業績，香港的業務繼續超越市場平均水平，而內地的業務亦表現良好。

截至二零一一年十二月三十一日止年度，本集團的營業額及純利分別按年上升18.9%至5,132,000,000港元及上升34.0%至1,886,300,000港元。一如以往，董事會將保持約40%的派息比率，故建議派付現金末期股息每股25.7港仙。連同年內已派付的中期股息每股19.2港仙，二零一一年全年股息為每股44.9港仙。在過往的七年，本集團的盈利皆造出24.2%的複合增長率。強勁的業績主要是由於年內集團實施得宜的經營策略以及本集團於香港和中國內地零售市場的堅實基礎。

While the European sovereign debt crisis continued to deepen and the US struggled with its economic woes throughout 2011, China's economy remained relatively strong, recording a 9.2% GDP growth. Retail sales of consumer goods grew by 17.1% year-on-year, a mild slowdown from 18.4% in 2010. In Hong Kong, the general economy was inevitably affected by the global economic slowdown but the retail industry grew spectacularly at a rate of 24.8%, the highest in recent decades, thanks to the stable employment market, positive consumer sentiment, wealth effect and the thriving inbound tourism.

During the year, the Group stayed focused on implementing sensible business strategies, with a view to maintaining a leadership position in our hometown. We also launched a variety of measures to mitigate the economic uncertainties and volatilities. Our Hong Kong operations continued to outperform the sector, with a combined sales revenue contributing to 21.7% of the gross sales revenue of Hong Kong's department store sector.

Our operations in mainland China also stayed on an upward trend throughout the year. While the Shanghai Jiuguang store saw a deceleration in terms of year-on-year sales growth, our two younger stores, namely Suzhou Jiuguang and Dalian Jiuguang, continued to gain traction. In particular, Suzhou performed in a way that exceeded the management's expectations. We are confident of their ability to make greater contribution to the Group's profit in future.

The Group's strategic investment in the Beiren Group has steadily proved to be a reliable profit generator, which clearly illustrates Lifestyle International's ability to identify lucrative opportunities. In 2011, the Beiren Group recorded sales growth higher than the average in the PRC, and the profit margin continued to expand.

With many uncertainties still lingering around the European debt crisis and the recovery of the US and the global economy, the year 2012 looks set to be even more challenging. Therefore, the management takes a cautious outlook on the Hong Kong and China economies and their retail markets in 2012. Nevertheless, there are reasons to be optimistic. We believe China's consumer market will continue to grow, amid continued urbanisation and expansion of the middle class across the country. As for Hong Kong, the home turf of Lifestyle International, the management believes the retail market may experience slightly higher growth compared with mainland China in 2012, given Hong Kong's unique position as a shopping paradise that will continue to attract mainland shoppers. Moreover, the persisting wealth effect and resilient demand from local consumers should not be overlooked.

Construction of the Group's Shenyang store is nearing completion and the store is set to open in early 2013. Meanwhile, we are pleased to report that we acquired in December 2011 a plot of land in the bustling Zhabei District, Shanghai, in order to push ahead with the Group's long-term growth plan in China. The site will be developed into a commercial complex, part of which will be established as our second Jiuguang store in Shanghai. The move will enable the Group to further tap the vast potential of the important Shanghai market, and it represents a key strategic milestone of the Group as it seeks to solidify its presence in the Yangtze River Delta.

雖然歐洲主權債務危機繼續深化及美國經濟於2011年內持續不明朗，但中國經濟保持相對強勁，國內生產總值錄得9.2%的增長。消費品零售額按年增長17.1%，較二零一零年的18.4%稍為放緩。香港整體經濟無可避免受到全球經濟放緩所影響，但有賴於就業市場穩定、消費意欲暢旺、財富效應及訪港旅客增多，零售業仍然錄得24.8%的顯著增長，為近數十年來最大的增幅。

年內，本集團繼續專注於實行明智的業務策略以保持在本土的領導地位。除此之外，本集團亦推行了不同的措施以緩和經濟的不明朗和波動。我們香港的業務繼續領先同業，綜合銷售總額為香港百貨店行業總銷售額的21.7%。

我們在中國內地的業務亦於年內保持升勢。雖然上海久光百貨店的按年銷售增長有放緩跡象，但我們兩家較年輕的蘇州久光店及大連久光店則穩步上揚。蘇州店的表現更超越管理層的預期。我們相信該幾家店於未來將為本集團的利潤作出更大貢獻。

本集團於北人集團的策略性投資已逐漸被證明是一個可靠的利潤來源，肯定了利福國際看準機遇的能力。於二零一一年，北人集團的銷售增長錄得高於中國的平均水平，且利潤率繼續擴大。

歐洲債務危機和美國及全球經濟復甦仍然不明朗，預計二零一二年的經營環境將更具挑戰性，因此管理層對二零一二年香港和中國經濟和零售市場前景抱持謹慎的態度。然而，我們亦認為無需過份悲觀。我們相信國內不斷的城市化及中產階級人口增加將帶動消費市場持續增長。至於身為利福國際紮根地的香港，憑藉其購物天堂的獨特地位將繼續吸引國內顧客，管理層相信香港零售市場在二零一二年的增長可能會較國內市場略高。此外，香港持續的財富效應及本地消費者的強勁需求亦不容忽視。

本集團位的瀋陽百貨店已差不多興建完成，預計二零一三年初開業。同時，我們欣然宣佈於二零一一年十二月收購了一塊位於繁華的上海閘北區的土地，以推進本集團在中國的長遠發展計劃。該地塊將被發展成一個綜合商業大樓，其中一部分將發展為我們的第二家上海久光店，有助本集團進一步開拓重要的上海市場的巨大潛力及鞏固我們在長江三角洲的地位，成為本集團策略上主要的里程碑。

Leveraging our strong balance sheet and operating cash flow, and our unparalleled brand equity, we always keep ourselves open to new investment opportunities and are able to rely on support from banks. In 2011, we secured a HK\$5 billion 5-year loan facility from a syndicate of banks, partly for refinancing the remaining balance of the existing HK\$4 billion facility secured in 2006. To establish an alternative financing channel for itself, in January 2012, the Group placed a debut issue to the tune of US\$350 million with a 5-year tenor that drew an overwhelming response in the market. Both the Group and the bond have been assigned a “Baa3” and “BBB-” rating by Moody’s and Fitch. The issuance not only provided additional funding to the Group but it also marked an important step in the Group’s corporate development.

Lastly, on behalf of the board, I would like to thank our management team members and staff for their hard work throughout the year, as well as our customers, business partners and shareholders for their support. We shall be grateful for your continuing trust and support in the years to come.

Lau Luen-hung, Thomas
Managing Director

27 February 2012

憑藉本集團強勁的資產負債表和營運現金流及優越的品牌效應，我們對未來新的投資機會時常保持開放的態度並且得到各銀行的支持。於二零一一年，我們獲得50億港元五年期銀團貸款額度，部分為二零零六年40億港元貸款餘額的重組。為開拓新的融資渠道，本集團於二零一二年一月首度發售3.5億美元五年期債券，市場反應熱烈。本集團及該債券分別獲穆迪及惠譽評定達Baa3及BBB-評級。是次發行不僅為本集團提供額外的集資途徑，亦為本集團標誌著企業發展方面的重要一步。

最後，本人謹代表董事會衷心感謝本集團全體員工於年內的不懈努力，並對顧客、業務夥伴及股東的支持致意。本集團期望未來繼續獲得閣下的信任及支持。

劉鑾鴻
董事總經理

二零一二年二月二十七日

久光デパートには
私達の生活と
ライフスタイルが
あります



Management Discussion and Analysis

管理層討論及分析

Market Overview

The year 2011 was a year of economic uncertainty, with the recession alarm bells ringing across the globe, particularly in advanced economies. At the beginning of the year, there were hopes that the momentum of the global recovery would continue but the cautious optimism was then replaced by apprehension as the sovereign debt crisis in Europe deepened and showed no signs of abating. Meanwhile, the US economy continued to grapple with its economic woes, and Japan's struggling economy was dealt a blow by the earthquake in March. As for emerging economies, while they outshone their developed-world counterparts in terms of growth and jobs in 2011, their dynamism was not enough to counter fears about inflation and shrinking demand from the US and Europe.

Despite the gloom, China's economic growth was still relatively strong, with a 9.2% GDP growth compared with 10.3% the previous year. The decrease was by and large the desirable result of the Chinese government's moves to tighten monetary and credit control and restrain investment stimuli, lest overheating of the economy should end up in a hard landing. Retail sales of consumer goods grew 17.1% year-on-year, a mild slowdown from 18.4% a year ago. Urbanisation, wage growth and consumption-friendly policy incentives were the factors helping the double-digit growth.

In Hong Kong, the overall economy was inevitably affected by the global economic slowdown, with the exports sector bearing the brunt amid tough external conditions. However, the retail sector grew at a spectacular rate of 24.8%, the strongest in recent decades, thanks to the stable employment market, rising consumer confidence and wealth effect, and the thriving inbound tourism.

Financial Review 2011

Despite all the challenges and elements of fragility plaguing the global economy, Lifestyle International managed to deliver once again a shining set of results for the financial year 2011, thanks to the Group's well-tuned business strategies and its solid foothold in the retail markets of both Hong Kong and mainland China which enjoyed tremendous growth during the year.

During the year, the Group applied a host of strategies to capture growth opportunities and seize the retail boom in Hong Kong. Meanwhile, it made relentless efforts to nurture the brand equity of Jiuguang in China and ramp up performances of its younger establishments in mainland China. As a result, the Group's aggregate sales revenue grew by 22.6% year-on-year in Hong Kong dollar terms.

The high brand equity of SOGO CWB and SOGO TST, Lifestyle International's Hong Kong operations, continued to prove to be a valuable asset to the Group. Both stores delivered double-digit sales growth for the year 2011, and their combined sales revenue accounted for 73.2% of the Group's total revenue and 21.7% of the gross sales revenue of Hong Kong's department store sector.

The Group's operations in mainland China also delivered healthier and improving performance. Shanghai Jiuguang was still the biggest profit contributor to the Group's mainland business, while business at the Suzhou Jiuguang and Dalian Jiuguang stores continued to show improvement.

市場概況

二零一一年是經濟前景不明朗的一年，全球均敲響經濟衰退的警鐘，發達國家的情況尤其嚴重。全球經濟於年初現的復甦勢頭本有望延續，但此謹慎樂觀的情況被歐洲主權債務危機的深化而取代，且沒有緩和的跡象。在美國仍繼續設法解決其經濟困境的同時，日本亦飽受因三月份地震對經濟的沖激。至於新興經濟體系，儘管他們在二零一一年的增長和貢獻較發達國家出色，然而他們的力量並不足以對抗來自美國及歐洲的通脹及需求萎縮之恐懼。

儘管經濟氣候如此不明朗，中國經濟的增長仍然相對強勁，國內生產總值由上年度的10.3%按年增長減至9.2%的按年增長。縱然增長略遜於去年，但結果亦令人滿意。增幅的減慢乃中國政府為防範經濟過熱對貨幣收緊，控制信貸和限制投資實施政策良好的結果。消費品零售額按年增長17.1%，較去年的18.4%稍微放緩。城市化、工資增長及刺激消費政策等因素造就其雙位數字的增長。

香港的整體經濟無可避免地亦受到全球經濟放緩的影響，在嚴峻的外圍環境下首當其衝的為出口業。然而，受惠於穩定的就業市場、消費信心上升和財富效應，以及訪港旅客的增多，零售銷售錄得24.8%的驚人增長速度，亦為近數十年來最大的增幅。

二零一一年財務回顧

儘管全球經濟受各種挑戰及脆弱元素所困擾，利福國際於二零一一年財政年度再次取得亮麗的業績，主要由於年內集團執行良好的經營策略及其在增長強勁的香港和中國大陸零售市場擁有穩固的基礎。

年內，本集團實施了一系列的策略以捉緊於香港發展機會及零售業興旺機遇。同時，本集團作出了不懈的努力，培育久光百貨在中國的品牌價值，及提升本集團於中國內地較為年輕店舖的表現。因此，本集團以港元計算的總銷售收入比去年同期按年增長22.6%。

利福國際位於香港的銅鑼灣崇光及尖沙咀崇光的卓越品牌，繼續是本集團的主要資產。兩間店舖的銷售額在二零一一年均創造了雙位數字的增長，該兩間店舖的總銷售額佔本集團整體銷售額的73.2%及香港百貨業總銷售額的21.7%。

而本集團在中國內地的業務也展現出健康及持續改善的表現。上海久光繼續仍然是本集團在內地業務中貢獻最多溢利的店舖，而蘇州久光及大連久光的營運在持續改善中。

Surprises down every aisle, *in every corner*

Turnover and Sales Proceeds

For the year 2011, Lifestyle International's turnover was up 18.9% from the previous year with the total sales proceeds (net of VAT), from both direct and concessionaire sales transactions, surged by 22.6%. Even contribution from the younger stores in China was coming up strong, the Group's Hong Kong operation, especially that of the SOGO CWB, was the main growth driver.

In terms of sales contribution by geographic segment, the Group's operations in Hong Kong and mainland China respectively generated HK\$8,826.7 million and HK\$3,225.4 million in sales proceeds, accounting for 73.2% and 26.8% (2010: 72.9% and 27.1%) of the Group's total sales proceeds.

Gross Profit and Concessionaire Rates

The Group's gross profit margin as a percentage of turnover amounted to 58.5%, compared with 57.5% in 2010. Gross profit reached HK\$2,999.9 million, up 20.9% from HK\$2,481.2 million recorded in the previous year. Average concessionaire rate for the Group was stable at approximately 22.2% (2010: 22.3%) and the slightly lower blended concessionaire rate in the current year was a result of better performances of the relatively lower rate counters, including gold and jewelry items and luxury accessories.

Net Profit

Net profit attributable to shareholders for the year amounted to HK\$1,886.3 million, up 34.0% from HK\$1,407.5 million of the previous year. The profit this year included an one-off realized gain after tax of HK\$125.1 million from the disposal of 90% equity interest in a subsidiary company that owns an investment property. On a comparable basis, there was also an one-off gain after non-controlling interests of HK\$68.7 million in 2010 which related to a discount on acquisition of an associated company. Overall, the Group's net profit margin after excluding this one-off gain has improved from 31.0% in 2010 to 34.3% this year. The margin expansion was partly attributable to the operating leverage the Group continued to enjoy as well as the narrowing of losses at the younger stores. The margin improvement was also helped by the significant increase in share of profit of associates, namely Beiren Group during the year.

營業額及銷售所得款項

利福國際於二零一一年度的營業額比去年增加18.9%。在扣除增值稅後，來自直接銷售及特許專櫃銷售之銷售所得款項則躍升22.6%。雖然來自中國年輕店舖的貢獻逐漸增強，本集團的香港業務，尤其是銅鑼灣崇光仍是增長的主要動力。

若按銷售額地區劃分，本集團來自香港及中國內地業務之銷售所得款項分別合共8,826,700,000港元及3,225,400,000港元，佔本集團總銷售所得款項的73.2%及26.8%（二零一零年：72.9%和27.1%）。

毛利及特許專櫃率

本集團的毛利率按營業額計算為58.5%，而二零一零年則為57.5%。毛利總數達至2,999,900,000港元，較去年2,481,200,000港元增加20.9%。而平均特許專櫃率則保持平穩於約22.2%（二零一零年：22.3%）。本年度較低混合特許專櫃率的原因，主要是因為特許專櫃率較低的專櫃，其中包括黃金和珠寶首飾和奢華配飾於去年的表現較佳。

純利

本年度股東應佔淨溢利為1,886,300,000港元，比去年同期1,407,500,000港元增加34.0%。本年度之溢利包括出售一家擁有投資物業附屬公司的90%股權所產生的一次性稅後溢利125,100,000港元。在可比基礎上，在二零一零年亦有一項關於收購聯營公司折讓獲得的一次性除非控股股東權益後的收益68,700,000港元。整體之言，不計入該等一次性的收益，本集團之純利率由二零一零年的31.0%上升至本年度的34.3%。純利率提升部份歸究於本集團持續受惠於優越的經營效率以及年輕店舖虧損收窄所致。本集團於年內應佔聯營公司（即北人集團）溢利顯著增加，亦有助於改善純利率。



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Selling and Distribution Costs

Selling and distribution costs of the Group's Hong Kong operations remained relatively stable with the exception of salary and wages costs which increase, apart from the general wage rise, was mainly attributable to the payment of discretionary bonuses to reward management and staff in view of the excellent results of the Group as well as compensation payment in lieu of leave entitlement. Increase in selling and distribution costs at our stores in China were rather mild except again the staff costs and payment of the additional turnover rental to the property joint venture company. Total selling and distribution expenses as a percentage of total sales proceeds of the Group reduced to approximately 8.0% from 8.9% in 2010.

Administrative Expenses

The Group's general administrative expenses remained relatively stable and the increase during the year was due mainly to payment of consultancy fees, legal and related fees and expenses in respect of various projects under study by the Group during the year as well as the rise in staff costs as mentioned in the selling and distribution costs section above. Total administrative expenses as a percentage of total sales proceeds of the Group remained stable at approximately 2.1% (2010: 2.1%).

Staff Costs

Staff costs (excluding directors) increased by 14.7% to approximately HK\$349.7 million during the year as a result of the payment of discretionary bonuses and leave compensation which to certain extent may not be recurring. The bonus payment plus leave compensation for staff this year represented approximately 10% of total staff costs. General salary and wages increment during the year was approximately 6.7% in Hong Kong and 15.4% in the PRC which are largely in line with the market. Total full time headcounts of the Group remained stable at around 2,400 with just over 950 working in Hong Kong and the rest in mainland China.

Other Income

The increase in other income this year stemmed mainly from exchange gains part of which was released upon disposal of the 90% interest of a subsidiary in the PRC which owns an investment property. Other increases included additional management fee received at our new Tianjin Lifestyle Plaza during the year.

Investment Income

Investment income comprises mainly interest income from the Group's bank deposits and net investment income, including fair value changes as well as actual coupon interest receivable, from a portfolio of yield enhancing financial products consisting of mainly corporate bonds and other similar fixed income type products.

銷售及分銷成本

除薪金和工資，本集團於香港業務之銷售及分銷成本維持穩定。薪金及工資增加除了一般工資上升，主要因為本集團業績理想而發放獎勵管理層及員工之酌情花紅及支付代替員工積累休假的補償。除員工薪酬及支付額外提成租金與物業合資企業，中國店舖的銷售及分銷成本增加溫和。銷售及分銷總成本佔本集團總銷售額百分比由二零一零年8.9%減少至約8.0%。

行政開支

本集團的行政開支仍保持穩定，年內增加之主要是由於支付顧問費、法律及相關費用、有關集團年內各個項目的研究費用以及在銷售及在分銷成本部分中所提及的員工成本之上漲。總行政開支佔本集團總銷售額百分比保持平穩，約2.1%（二零一零年：2.1%）。

員工成本

年內，員工薪酬（不包括董事）上升14.7%至約349,700,000港元，增加原因為支付酌情花紅及某程度上非經常性代替員工積累休假的補償。本年度員工花紅及休假補償佔總員工成本約10%。在香港及中國的一般薪金和工資分別遞增約6.7%和15.4%，大致與市場看齊。本集團的全職人數保持穩定，約有2,400名，其中約950名在香港，其餘則在中國大陸。

其他收入

本年度其他收入的增長原因主要是出售一間中國擁有投資物業的附屬公司90%權益所轉出匯兌收益。其他增加包括在年內新店天津利福廣場收取的額外管理費。

投資收入

投資收入主要包括集團的銀行存款利息收入及淨投資收入，包括主要由企業債券及其他近似獲取固定回報的產品所組成的投資組合之公平價值變動及從其取得票面應收利息。



구광에서 우리
생활과 스타일

Finance Costs

The Group's total finance costs, consisting of mainly interest expense on bank loans and other finance charges, increased to HK\$57.9 million (2010: HK\$35.8 million) during the year. The increase was a result of the relatively higher interest cost upon renewal of the loan facility on 30 September 2011 which bears higher interest margin comparing to the previous loan facility. During the year, approximately HK\$11.0 million of the interest expense has been capitalized as property under development in respect of the Shenyang Jiuguang store project.

Fair Value Changes on Investment Properties

The amount this year comprises fair value gain (before tax) in respect of the Group's investment properties situated mainly in the PRC as well as some HK\$201.8 million realized gain (before tax) on disposal of the 90% equity interest in a subsidiary which owns an investment property. The amount last year represented realized and unrealized revaluation gain on investment properties in the amount of HK\$1.1 million and HK\$62.0 million respectively.

Liquidity and Financial Resources

As at the end of 2011, the Group was in net cash position. Cash at banks was approximately HK\$7,269.3 million (2010: HK\$3,760.8 million) with bank loans at approximately HK\$6,623.7 million (2010: HK\$3,398.2 million). Of the cash at banks, approximately 78.1% was denominated in US dollar and HK dollar and 21.9% was denominated in the renminbi.

Bank loans included a HK dollar-denominated secured 5-year (due in September 2016) loan facility of HK\$5,000 million (fully drawn-down as at the end of 2011) of which approximately two-third is repayable semi-annually and the remaining one-third is of a revolver nature. This loan facility bears interest calculated with reference to the HIBOR. Other bank loans comprised RMB350 million (equivalent to HK\$431.9 million) project loan bearing interest calculated with reference to the PBOC lending rate; an unsecured 3-year term loan of RMB290 million (equivalent to HK\$357.9 million) bearing a fixed interest rate, as well as US\$55.9 million (equivalent to HK\$434.0 million) US dollar loans against which certain of the Group's financial investment are pledged. Apart from the above, a HK\$400 million unsecured loan facility bearing interest calculated with reference to the HIBOR was drawn for general working purposes as at the year end.

The returning to net cash position during the year was a result of the strong operating cash flows and the receipt of the proceeds of approximately HK\$657.7 million from disposal of the 90% interest in a subsidiary while the capital expenditure requirement was relatively small. Including the payment of a deposit of RMB493.3 million for the acquisition of a parcel of land in Zhabei, the Group incurred a total of approximately HK\$975.1 million capital expenditures (2010: HK\$216.3 million) during the year. Subsequent to 31 December 2011 in January 2012, the Group also issued a 5-year US\$350 million unsecured fixed rate US dollar bond for financing the Group's department store projects in the PRC, bearing interest at 5.25% per annum.

融資成本

本集團的總融資成本於年內增加至57,900,000港元(二零一零年:35,800,000港元),主要為銀行貸款利息及其他融資成本。利息費用增加是由於本集團於二零一一年九月三十日更新的貸款所涉及之貸款利率較舊貸款為高,引致較高利息成本。年內就瀋陽久光項目所產生利息支出約11,000,000港元已被資本化為在建工程成本。

投資物業公平值變動

此數額主要包括本集團於國內投資物業之除稅前公平值收益及因出售擁有國內投資物業之附屬公司的90%股權之變現除稅前收益201,800,000港元。而去年物業重估之變現及未變現收益分別為1,100,000港元及62,000,000港元。

流動資金及財務資源

於二零一一年年底,本集團處於淨現金狀況。銀行現金約7,269,300,000港元(二零一零年:3,760,800,000港元)及銀行貸款約6,623,700,000港元(二零一零年:3,398,200,000港元)。銀行現金中,約78.1%以美元及港元計值,21.9%則以人民幣計值。

銀行貸款包括以港元計值之有抵押五年期貸款5,000,000,000港元(於二零一六年九月到期)已於二零一一年年底全數提取,其中約三分之二須每半年還款一次,其餘的三分之一是可循環借貸。此貸款是參考香港銀行同業拆息計息。其他銀行貸款包括參考中國人民銀行計息率計息之350,000,000元人民幣(折合431,900,000港元)的項目貸款,及固定利率計算、三年期無抵押之290,000,000元人民幣(折合357,900,000港元)的貸款及以若干本集團金融產品作抵押所取得之55,900,000美元(折合434,000,000港元)的美元貸款。除此之外,於年結日亦提取400,000,000港元之無抵押貸款額度,其利息參考香港銀行同業拆息計算,用於一般營運用途。

本年度回復淨現金狀況,主要由於強勁的營運現金流入及出售90%附屬公司權益所收取款項657,700,000港元,而資本性開支則相對較少。本集團年內之總資本支出約975,100,000港元(二零一零年:216,300,000港元),當中包括收購位於閘北的一幅土地而支付的訂金493,300,000元人民幣。在二零一一年十二月三十一日之後,於二零一二年一月,本集團發行350,000,000美元之五年無抵押定息美元債券,年息為5.25%,用作融資本集團在中國百貨項目。

Pledge of Assets

As at 31 December 2011, the Group's certain leasehold land and buildings in Hong Kong with a carrying value of approximately HK\$1,502.9 million (2010: HK\$1,547.3 million), together with certain shares of the Company's subsidiaries, had been pledged to secure the HK\$5,000 million (2010: HK\$4,000 million) banking facility granted to the Group of which HK\$5,000 million (2010: HK\$4,000 million) has been utilised. In addition, certain of the Group's property, plant and equipment in the PRC and the Group's financial assets at fair value through profit or loss with carrying values of approximately HK\$1,489.3 million (2010: HK\$1,500.8 million) and HK\$465.9 million (2010: HK\$154.4 million) respectively had been pledged to secure loan facilities in the amount of approximately RMB350 million (2010: RMB390 million) and US\$55.9 million (equivalent to HK\$434.0 million) (2010: US\$20 million) respectively.

Review of Operations

With management's solid industry experience and vision, the Group stayed focused on implementing sensible business strategies during the year, steering the Group to record another year of strong results amidst uncertainties and volatilities, at home and abroad.

HONG KONG SOGO CWB

As with past years, SOGO CWB contributed to the Group the biggest share in terms of both revenue and profit in 2011. As a pointer to the general economic health of Hong Kong, the store performed largely in line with the general retail market and once again outperformed its department store peers. For the whole of 2011, SOGO CWB's revenue expanded by 23.2% year-on-year, with exceptionally high growth occurring in both the second and third quarter. On the whole, the sales growth of the store was mainly driven by a 16.8% increase in ticket size and an uptick of nearly 2 percentage points of the stay-buy ratio, with the traffic footfall remained fairly constant.

During the "Thankful Week" events in May and November, the store once again delivered remarkable results. The event in November charted new records, with the first day raking in an all-time high of HK\$79.9 million sales, up 16.2% year-on-year. Together, the two events generated some HK\$1,059.9 million in sales, which represented a 25.2% year-on-year growth. Indeed, the "Thankful Week" event has become a talk-of-the-town event for local and mainland shoppers in recent years.

SOGO TST

Having established its position as a competent industry player with a good track record, SOGO TST is today on a par with SOGO CWB in terms of its ability to deliver consistent growth and positive results. As a widely popular shopping destination in Kowloon, SOGO TST recorded a 22.5% increase in total sales revenue in 2011. The rise was largely attributable to an upsurge in tourist arrivals in the area. Stay-buy ratio increased to 16.4% from 15.6% while total daily traffic footfall remained steady at 29,000. During the year, we continued with our efforts to refine our product mix and brought in a host of new up-market brands which helped improve the average ticket size.

資產抵押

於二零一一年十二月三十一日，本集團已將位於香港賬面值約1,502,900,000港元(二零一零年：1,547,300,000港元)之若干土地及樓宇，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5,000,000,000港元(二零一零年：4,000,000,000港元)之抵押品，其中5,000,000,000港元(二零一零年：4,000,000,000港元)已動用。此外，本集團將位於中國賬面值約1,489,300,000港元(二零一零年：1,500,800,000港元)之物業、廠房及設備及價值465,900,000港元(二零一零年：154,400,000港元)按公平值計入損益之金融資產分別亦作為約350,000,000元人民幣(二零一零年：390,000,000元人民幣)及55,900,000美元(折合434,000,000港元)(二零一零年：20,000,000美元)貸款融資額之抵押品。

業務回顧

有賴管理層的豐富行業經驗及遠見，本集團於年內繼續集中於實施明智的經營策略，令至儘管本土及海外皆不明朗及波動，本集團仍能再次造出一個具強勁業績表現的年頭。

香港 銅鑼灣崇光

與往年一樣，二零一一年銅鑼灣崇光的貢獻佔本集團收入和利潤的最大部份。作為香港整體經濟狀況的指標，該店的表現與整體零售市場的發展同步，亦再次跑贏百貨同業。二零一一年，銅鑼灣崇光之收入按年增長23.2%，第二及第三季度的增長尤其強勁。整體而言，銷售增長主要源自每宗交易額增長16.8%，以及逗留購買比率上揚近2%，人流量保持穩定。

五月及十一月的「感謝周」期間，該店再次造出驕人成績。十一月的感謝週再次創新記錄，首天銷售額創79,900,000港元的新高，按年上升16.2%。兩個感謝周合共錄得1,059,900,000港元之銷售額，按年增長25.2%。誠然，近年「感謝周」已成為本地及內地消費者的城中熱話。

尖沙咀崇光

尖沙咀崇光已於業內建立穩健的地位，加上良好的往績，現時尖沙咀崇光於爭取持續增長及理想業績的能力已與銅鑼灣崇光看齊。作為九龍區廣受歡迎的購物點，二零一一年尖沙咀崇光錄得總銷售收入增長22.5%，其增長主要由於該區的訪港旅客人數大幅增加所致。逗留購買比率從15.6%升到16.4%，而總人流量穩步維持29,000人次左右。年內，我們繼續致力改進產品的組合，並引進許多新高檔品牌，有助提高平均每宗交易額。

MAINLAND CHINA SHANGHAI JIUGUANG

As one of the most preferred shopping locations in Shanghai, our Shanghai Jiuguang remained on a growth path throughout the year, with sales takings grew 7.8% in local currency term from the previous year. Average ticket size showed an uptick of 14.8% and stay-and-buy ratio was steady at 43%.

Positioned as a mid-to-high end shopping destination, Shanghai Jiuguang caters to the increasingly sophisticated taste of consumers and their demand for discretionary and luxury goods. Its high brand equity and diverse merchandise mix form the basis of its sound business portfolio.

During the first four months of the year, Shanghai Jiuguang thrived on the growth momentum carried forward from 2010. In May, however, growth of business began to slow down gradually due mainly to dampened consumer sentiment brought about by credit tightening and economic uncertainties abroad. In addition, as part of the plan to upgrade the store, the store's supermarket floor underwent large-scale renovation in the fourth quarter which inevitably led to a drop in traffic footfall. As soon as the renovation work completed and the floor fully reopened in December, the traffic picked up notably.

SUZHOU JIUGUANG

Efforts in ramping up performance of the Suzhou Jiuguang started to bear fruits in 2011. In full operation for nearly two years, Suzhou Jiuguang delivered satisfactory performance in 2011 as the store continued to grow in popularity and gradually established a persistent growth trend. Net sales revenue rose 51.2% year-on-year with average daily traffic footfall increased steadily to 14,200 from 12,200 in the previous year. For the year 2011 as a whole, this young store has achieved meaningful positive EBITDA with significant reduction in the loss from operations.

We have learnt from government officials that trial operation of the city's first metro line is set for end of April 2012 and it is expected that this metro line will benefit our Suzhou Jiuguang by bringing up more traffic flow and hence revenue when it becomes fully operational.

DALIAN JIUGUANG

Dalian Jiuguang, a store in Northern China launched into operation in May 2009, managed to deliver a steady performance in 2011. Net sales amount was up 24.4% from 2010. Leveraging on its prime location and Jiuguang's brand equity, the store is gradually gaining local recognition, as evidenced by the improvement in daily traffic footfall from 5,300 to 5,800. The management remains positive about Dalian Jiuguang's future growth. For the full year, it has also achieved positive EBITDA.

TIANJIN LIFESTYLE PLAZA

Located at the teeming Binjiang Road and positioned as a trendy shopping destination, this 11-storey Lifestyle Plaza, opened a year ago, offers a vast array of brands and a diverse product mix catering to young shoppers. The Group has been focusing on building up the traffic footfall through various promotion and marketing schemes. These efforts are set to continue in the year to come.

中國大陸 上海久光

上海久光作為上海其中一個最受歡迎的購物點，二零一一年繼續升勢，銷售額比去年同期增長7.8%（以當地貨幣計）。平均每宗交易額上揚14.8%，逗留購買比率為43%，保持穩定。

上海久光定位為中高檔購物點，一向致力迎合顧客持續提升的高尚品味以及他們對非必需品及奢侈品的需求。其高檔品牌效應及多樣化的商品組合形成了其良好的業務組合。

本年度的首四個月，上海久光延續了二零一零年增長勢頭。然而，受累於信貸緊縮和外圍不明朗因素，消費意欲受到打擊，故五月份開始錄得業務增長放緩。再者，作為提升門店質素的其中一步，該店的超市樓層於第四季度進行大規模的翻新工程，亦導致人流量下降。翻新工程已於十二月完成，樓層全面重開後人流量隨即顯著上升。

蘇州久光

集團一直努力提升蘇州久光的表現，於二零一一年亦漸見成果。蘇州久光全面開業近兩年，受歡迎程度持續提升，亦逐步維持升勢，二零一一年業績表現令人滿意。淨銷售收入比去年同期按年增長51.2%，平均每日人流量逐漸由去年的12,200人次上升至14,200人次。二零一一年整體而言，蘇州久光雖然起步尚早，但所貢獻的息稅折舊攤銷前溢利已漸見顯著，年內所錄得的虧損亦較前一年顯著減少。

我們從政府官員方面得知全市第一條地鐵線將於二零一二年四月舉行試行，預期該地鐵線全面投入服務後將為蘇州久光帶來更多的人流量及收益。

大連久光

位處中國北部的大連久光於二零零九年五月投入運作，二零一一年表現穩定。淨銷售額較二零一零年增長24.4%。憑藉其優越的地理位置及久光的品牌效應，該店每日人流量由去年5,300人次增加至5,800人次，足見百貨店逐漸獲得當地人認知。管理層對大連久光的未來發展保持樂觀。就整個年度而言，該店的息稅折舊攤銷前溢利已錄得正數。

天津利福廣場

一年前開業的天津利福廣場樓高十一層，坐落在繁華的濱江路，定位為時尚購物點，為年輕顧客廣集不同品牌及提供多樣化的產品組合。本集團一直注重通過各種宣傳及營銷計劃增加人流量，這些計劃將於來年繼續。

Interests in Associates

Performance of the Group's investment in Hebei, namely the Beiren Group, continued to shine in 2011. During the year, Beiren Group recorded an approximate 34.3% year-on-year increase in sales revenue and on the whole, the Beiren investment contributed approximately HK\$221.9 million in profit (before non-controlling interest) to Lifestyle International in 2011, compared with HK\$100.6 million in 2010. Including a new shopping complex opened in October 2011 in Baoding, a city in Hebei, Beiren Group currently operates a total of approximately 780,000 square meters of floor space that comprises 12 department stores, 22 supermarkets and various outlets specializing in electric appliances, consumer electronic products and jewellery.

Expansion in Mainland China

The Group's Shenyang Jiuguang store project, located at the well-known pedestrian walk of Zhongjie Lu, is progressing according to plan and is scheduled for opening in 2013.

To continue its expansion plan, the Group acquired on 13 December 2011 a plot of land in the transportation hub and upcoming area of Zhabei District, Shanghai, at a consideration of RMB2,467 million. The acquisition was made with an attempt to tap the vast potential of retail market in Shanghai bolstered by the rising number of affluent consumers. With a site area of over 50,000 square metres, the site will be developed into a commercial complex, including a Jiuguang department store. The Group will be the sole party to carry out the project, which means the site will be developed in a way that fits the specific needs of the Group's department store business and other retail business requirements and other amenities. Upon completion in around 2016, the project is expected to enable the Group to further broaden its presence in the important Shanghai market.

於聯營公司的投資

本集團於河北的投資 — 北人集團於二零一一年的表現繼續大放異彩。年內，北人集團的銷售收入錄得按年增長34.3%。整體而言，北人的投資於二零一一年為利福國際帶來約221,900,000港元的利潤(除非控股股東權益前)，二零一零年為100,600,000港元。連同於二零一一年十月在河北保定開業的新購物點，北人集團目前營運總面積約780,000平方米的地方，包括12間百貨店、22間超市及多間銷售電器用品、電子消費產品及珠寶首飾等的門市。

於中國內地的擴張

本集團位於瀋陽著名步行街中街路的瀋陽久光百貨店項目正在按計劃進行，並計劃在2013年開業。

為繼續推進其擴張計劃，本集團於二零一一年十二月十三日以2,467,000,000元人民幣收購一塊位於上海閘北區的土地，該地位處交通樞紐，具備潛力。有見上海富裕消費者的數目日益增加，集團有意通過是項收購開拓上海零售市場的巨大潛力。該地塊面積超過50,000平方米，將被發展成為一個商業綜合大樓，其中一部份將發展久光店。本集團將獨力開發該項目，意味著該項目發展的方針將符合本集團的百貨業務及其零售業務的具體需求及文化。預期項目將於二零一六年完工，將有助進一步擴闊集團於重要的上海市場的佔有率場。

Outlook and Future Prospects

The year 2012 looks set to be even more challenging than 2011, with many open questions about the prospect of the global economy. For now at least, it remains a matter of conjecture as to when the debt crisis in Europe will be over and whether the US economy will be able to continue staying on its recovery track. For China and Hong Kong, the downside risk together with the domestic challenges in these markets may further undermine the economic growth.

Nevertheless, we believe one needs not be overly pessimistic. China should be able to avoid a hard landing and domestic demand will remain relatively strong. Meanwhile, continued urbanisation and expansion of the Chinese middle class population are key factors that will prop up the domestic demand. The Chinese government's 12th Five-Year Programme is expected to continue pushing the ongoing process of rebalancing from export-led growth to domestic demand-driven expansion. Here in our home turf Hong Kong, inflation is said to have peaked in the fourth quarter last year, and the number of mainland visitors should continue to grow. Local consumption will remain strong so long as the employment rate remains stable and the wealth effect persists. On the whole, management takes a cautiously optimistic view regarding the retail markets in China and Hong Kong and believes Hong Kong retail may once again experience slightly stronger year-on-year growth than its counterpart in China in 2012.

Into 2012, the Group has already geared up itself to tackle challenges in the year to come and at the same time to capture growth opportunities through a host of sound and sensible business strategies. We will take full advantage of our vigorous financial position and strong brand equity, with the ultimate aim of bringing greater returns to our shareholders. We will carefully monitor market developments and roll out well-planned and innovative marketing and promotion programs for our operations at the right time, so as to foster growth and safeguard our market-leadership position.

As we continue to keeping ourselves open to new strategic investment opportunities, much effort will go into launching the Shenyang Jiuguang store in accordance with the scheduled timetable and at the same time, we will finalize the development plan of our newly acquired project in Zhabei, Shanghai.

前景展望

預期二零一二年的環境將較二零一一年更富挑戰性，全球經濟前景仍有不少疑問有待解答。當務之急是歐洲的債務危機能否獲得解決，以及美國的經濟能否繼續維持復蘇勢頭。至於中國和香港，下行風險以及這兩個市場的內在挑戰可能會進一步拖累經濟的增長。

儘管如此，我們亦認為無需過份悲觀。中國應該能夠避免硬著陸，本土需求仍應持續相對強勁。與此同時，持續的城市化和中國的中產階級人口增加將持續推動內需。中國政府的「十二五規劃」預計將繼續推動由出口主導轉至內需主導的增長模式。集團紮根的香港方面，有指通貨膨脹已經在去年第四季度到頂，而內地訪港旅客將繼續增加。如就業率保持穩定，財富效應持續，本地消費將繼續保持強勁。整體而言，管理層對中國及香港的零售市場抱謹慎樂觀的態度，預期二零一二年香港零售市道將會較中國內地市場表現理想。

踏入二零一二年，集團已整裝待發，準備迎來新一年的挑戰，並以實施得宜的業務策略捕捉增長機遇。憑藉穩健的資產負債表與經營現金流，以及強勁的品牌效應，期望為集團股東繼續帶來更佳回報。我們將密切留意市場發展，並適時為我們的業務推出精心策劃及具創意的營銷和推廣計劃，以推動增長及維持我們的市場領導地位。

集團將繼續對未來新的投資機會保持開放的態度，我們亦將致力按計劃開設瀋陽久光百貨店，與此同時，我們將落實上海閘北新購入項目的發展計劃。

Corporate Governance Report

企業管治報告

Corporate Governance Principles and Practices

The Board of Directors (“Board”) and management of the Company are committed to maintaining good corporate governance practices and procedures. The Company adopts the corporate governance principles as set out in the Code on Corporate Governance Practices (“Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and focus on a quality Board, sound internal controls, and transparency and accountability to all stakeholders.

Code Compliance

The Company has complied with all code provisions of the Code throughout the year ended 31 December 2011, except code provision E.1.2.

Code provision E.1.2 requires that the chairman of the Board should attend the Company’s annual general meeting and that the chairmen of the Company’s audit and remuneration committees should be available to answer questions at the Company’s annual general meeting. Due to other business engagements, Dato’ Dr. Cheng Yu-tung, the Chairman of the Board, and Mr. Lam Siu-lun, Simon, Chairman of the Audit Committee, were unable to attend the 2011 annual general meeting of the Company.

The Board

(1) Board Composition

As at the date of this report, the Board consists of a total of ten Directors, including two Executive Directors, four Non-executive Directors and four Independent Non-executive Directors. More than one-third of the Board is represented by Independent Non-executive Directors with one of whom being a certified public accountant. The Board believes that the balance between Executive and Non-executive Directors is reasonable and adequate to provide sufficient checks and balances that safeguard the interests of shareholders and the Company. Each Director has different professional qualification and knowledge and industry experience and expertise, which enable them to make valuable and diversified advice and guidance to the Group’s business activities and development.

Details of the composition of the Board are set out in the “Corporate Information” section to this Annual Report. The Directors’ biographies, including the relationships among the Directors are set out in the “Profile of Directors” to this Annual Report.

The independence of the Independent Non-executive Directors is assessed according to the relevant rules and requirements under the Listing Rules. The Company has received written confirmation of independence from each of the Independent Non-executive Directors and the Company is of the view that all Independent Non-executive Directors meet the independence guidelines as set out in Rule 3.13 of the Listing Rules and are therefore independent.

企業管治原則及常規

本公司董事會（「董事會」）及管理層致力維持良好的企業管治常規及程序。本公司已採納香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四之企業管治常規守則（「企業管治守則」）所載原則，且著重高質素之董事會、健全之內部監控，以向所有持份者提供透明度及負責任。

遵從企業管治守則

截至二零一一年十二月三十一日止年度內，除守則條文E.1.2外，本公司已遵從企業管治常規守則所有守則條文。

根據企業管治守則之守則條文E.1.2，董事會主席應出席本公司之股東周年大會及審核委員會主席及薪酬委員會主席應在公司之股東周年大會上回答提問。由於董事會主席拿督鄭裕彤博士及審核委員會主席林兆麟先生公務繁忙，所以未能參與本公司二零一一年股東週年大會。

董事會

(1) 董事會組成

截至本報告日期，董事會由十位董事組成，包括兩位執行董事、四位非執行董事及四位獨立非執行董事。超過三分之一董事會成員由獨立非執行董事出任，其中一人為執業會計師。董事會相信，執行董事與非執行董事之間之平衡是合理且足以提供監察及起平衡作用，以保障股東及本公司之利益。各董事擁有不同專業資格和知識及行業經驗和專門知識，可為本集團業務活動及發展帶來寶貴貢獻及提供不同意見與指引。

董事會組成詳情列載於本年報企業資料部份內。各董事之個人資料，當中包括董事間的關係，列載於本年報董事簡介項下。

獨立非執行董事的獨立性乃根據上市規則相關條例及規定而作出評核。本公司已接獲各獨立非執行董事發出之獨立性確認書，本公司認為所有獨立非執行董事皆符合上市規則第3.13條指引之規定，並根據該指引條文屬獨立人士。

(2) Chairman and Managing Director

The Chairman of the Board is responsible for setting the overall strategic plan and development of the Group whereas the Managing Director is responsible, in addition to assisting in setting the Group's strategic plan, for implementing the Board's decisions, monitoring and supervising the Group's overall performance, ensuring adequate capital and managerial resources are available to implement the business strategies being adopted from time to time, setting out and monitoring targets, plans and direction for senior management, reporting to the Board on the Group's performance and proposing business plans and strategies for further evaluation and assessment of the Board.

The positions of the Chairman of the Board and the Managing Director are currently held by two different individuals for the purpose of ensuring an effective segregation of duties and a balance of power and authority.

(3) Responsibilities

The Board is charged with promoting the success of the Company by directing and supervising its affairs in a responsible and effective manner. The Board steers and oversees the management of the Company including, establishing strategic direction and setting long-term objectives for the Company, monitoring performance of senior management, protecting and maximizing the interests of the Company and its shareholders, and reviewing, considering and approving and the subsequent reviewing and monitoring of the annual budget against actual performances and results. The Board has delegated senior management, under the leadership of the Managing Director, with authorities and responsibilities for the day-to-day operations and administration of the Group.

Each Director has a duty to act in good faith and in the best interests of the Company. The Directors are aware of their collective and individual responsibilities to the Company and all stakeholders in respect of the manner in which the affairs of the Company are being controlled and managed.

Directors are required to make declaration of their direct or indirect interests, if any, in any proposals or transactions to be considered by the Board. If a Director has a potential conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter will be dealt with in accordance with applicable rules and regulations and, if appropriate, an independent Board committee will be set up to deal with the matter.

All Directors have full access to and are provided with adequate, reliable and timely information about the operations and latest development of the Group to enable them to discharge their responsibilities and make timely decision. Information and analysis of the Company can be accessed directly through briefing and reporting by the Executive Directors and senior management during regular board meetings. Through the Company Secretary, independent professional advices, at the expense of the Company, could be sought should such advice be considered necessary by any Director for carrying out his/her duties properly.

(2) 主席及董事總經理

董事會主席負責制定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，亦負責執行董事會決策、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以執行不時所採納業務策略、為高級管理層制定及監察目標、計劃及方向、就本集團表現向董事會匯報以及提呈業務計劃和策略以讓董事會作進一步的分析及評估。

董事會主席及董事總經理職位目前由兩位不同的人士擔任，旨在確保有效職責分工以及平衡權力及授權。

(3) 責任

董事會以負責任、重效益的態度領導及監管本公司。董事會負責領導及監管本公司管理層，工作包括制訂本公司之策略方向、訂立本公司長遠目標、監控高級管理層表現、保障及盡力提高本公司與其股東之利益，以及審閱、考慮及批准及隨後審查及監控年度預算、並對表現及業績作考評。董事會委派由董事總經理所領導的高級管理層負責管理本集團日常業務及行政事宜。

所有董事均有責任真誠地及以公司的最佳利益為前提行事。董事會成員明白，須就公司的監控和管理事宜向公司及所有持份者承擔共同和個別的責任。

董事會在考慮方案或交易時，董事須申報其涉及的任何直接或間接利益。若有董事在董事會將予考慮的事項中存有潛在董事會認為重大的利益衝突，有關事項將根據適用的規則及規例處理，並在適當情況下成立董事會轄下獨立委員會處理。

全體董事均可全面取得及獲提供有關本集團之營運及最新發展之足夠、可靠及適時的資料，使彼等履行其責任作出適時決策，本公司的資料及分析可直接透過由董事會中執行董事及高級管理層的匯報及報告取得。若任何董事於履行職務時認為有必要尋求獨立專業意見，公司秘書可代為安排，費用由本公司支付。

(4) Appointment, Re-election and Removal of Directors

The Board as a whole is responsible for the appointment of Directors. Under the Company's Articles of Association, the Board may from time to time appoint a Director either to fill a casual vacancy or as an addition to the Board. Any such new Director shall hold office until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board) and shall then be eligible for re-election at the same general meeting.

All Directors (including Non-executive Directors) are subject to retirement by rotation at least once every three years and are subject to re-election in accordance with the Company's Articles of Association and the Code.

(5) Board Meetings and Directors' Attendance

The Board meets regularly and held four meetings during the year ended 31 December 2011 to review among other things quarterly operating performance of the Group, approve the Group's interim and final results announcements and financial statements and to recommend or declare dividends.

Board members attended the Company's board meeting either in person or through telephone conferencing means in accordance with provision in the Company's Articles of Association. During the year, Mr. Lau Luen-hung, Thomas, The Hon. Shek Lai-him, Abraham, Mr. Lam Siu-lun, Simon and Mr. Hui Chiu-chung, Stephen attended all the four regular board meetings; Ms. Lau Yuk-wai, Amy and Mr. Cheung Yuet-man, Raymond attended three of the said four meetings; Mr. Doo Wai-hoi, William attended two of the said four meetings; Dato' Dr. Cheng Yu-tung and Dr. Cheng Kar-shun, Henry attended one of the said four meetings; while Mr. Lau Luen-hung, Joseph did not attend any of the said four meetings.

(6) Practices and Conduct of Board and Board Committee Meetings

The Company Secretary is responsible for ensuring the proper convening and conducting of the Board and Board Committee meetings, with the relevant notices, agenda and Board and Board Committee papers being provided to the Directors and relevant Board Committee members in a timely manner before the meetings.

The Company Secretary is responsible for keeping minutes of all Board and Board Committee meetings. Board and Board Committee minutes are available for the inspection by Directors and Board Committee members.

Directors' Securities Transactions

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

In response to a specific enquiry by the Company, all Directors confirmed that they complied with the requirements of the Model Code throughout the year ended 31 December 2011.

(4) 董事之委任、重選及罷免

董事會負責委任董事。根據本公司組織章程細則，董事會可不時委任董事以填補臨時空缺或增添董事會成員。新任董事之任期至本公司下次股東會（如屬填補臨時空缺）或至本公司下屆股東週年大會（如屬增添董事會成員）為止，並有資格於同一股東大會上重選連任。

根據本公司組織章程細則及企業管治守則，所有董事（包括非執行董事）須每三年輪流告退，並須經重選連任。

(5) 董事會會議及董事的會議出席率

董事會定期開會並於截至二零一一年十二月三十一日止年度間召開四次會議，除其他事項外，以審閱本集團的季度經營表現，批准本集團的中期及全年業績公佈以及財務報表、建議或宣派股息。

根據本公司之組織章程細則條文規定，董事會成員親身或以電話會議方式參與本公司董事會會議。年內，劉鑾鴻先生、石禮謙議員、林兆麟先生及許照中先生均有出席全部四個董事會會議；劉玉慧女士及張悅文先生出席上述四個會議中的三個董事會會議；杜惠愷先生出席上述四個會議中的兩個董事會會議；拿督鄭裕彤博士及鄭家純博士出席上述四個會議中的一個董事會會議；劉鑾雄先生則沒有出席任何上述的四個董事會會議。

(6) 董事會及其轄下委員會會議之常規及準則

公司秘書負責確保合規地召開及舉行董事會及其轄下委員會會議，並於舉行會議前適時向董事及其轄下有關委員會成員提供相關通知、會議議程及董事會及其轄下委員會會議文件。

公司秘書負責保存董事會及其轄下委員會會議記錄。董事會及其轄下委員會會議記錄可供董事及其轄下委員會成員查閱。

董事之證券交易

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。

經由本公司作出具體查詢後，全體董事確認彼等於截至二零一一年十二月三十一日止整個年度內一直遵守標準守則之要求。

Directors' Responsibility for the Financial Statements

The Directors acknowledged their responsibility for overseeing the preparation of the financial statements of the Group for the year ended 31 December 2011. The Directors ensure that the financial statements of the Group are prepared so as to give a true and fair view of the Group's state of affairs, the results and cash flows for the year, and on a going concern basis in accordance with the statutory requirements and applicable accounting and financial reporting standards.

The Directors also ensure timely publication of the Group's financial statements and aims to present a clear, balanced and understandable assessment of the Group's performance and position through all its publications and communications to the public and is aware of the requirements under the applicable rules and regulations about timely disclosure of price-sensitive information.

The statement by the auditors of the Company regarding its reporting responsibilities and opinion on the financial statements of the Group for the year ended 31 December 2011 is set out in the "Independent Auditor's Report" to this Annual Report. The Board has taken steps to ensure the continued objectivity and independence of the external auditors. For the year ended 31 December 2011, the external auditors of the Company received approximately HK\$4.2 million for audit services provided to the Group.

Board Committees

As at the date of this report, there were three Board Committees, namely, the Audit Committee, the Remuneration Committee and Nomination Committee in operation and each one of them was established with specific terms of references to assist the Board in discharging its responsibilities.

(1) Audit Committee

The Audit Committee comprises four members, namely, Mr. Lam Siu-lun, Simon, Mr. Cheung Yuet-man, Raymond, The Hon. Shek Lai-him, Abraham and Mr. Hui Chiu-chung, Stephen, all are Independent Non-executive Directors. None of them is, or has previously been, the partner 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 Audit Committee is provided with sufficient resources to discharge its responsibilities.

The terms of reference of the Audit Committee, which follow closely the guidelines of the code provisions of the Code, are available from the Company's website.

The principal duties of the Audit Committee are as follows:

1. considers the service and appointment of the Company's external auditors, nature and scope of auditing, and the related audit fee;
2. reviews and approves changes in accounting policies and practices, to review effectiveness of the financial reporting system and process and its compliance with applicable accounting standards, the Listing Rules and legal requirements;

董事對財務報表之責任

董事確認彼等有責任監督編製本集團截至二零一一年十二月三十一日止年度之財務報表。董事必須確保按照法定規定及適用會計及財務報告準則，真實公平地呈報本集團年內之財務狀況、業績及現金流量，及按持續經營基準編製財務報表。

董事並確保本集團財務報表適時予以刊發，並旨在透過其向公眾刊發的息信及溝通就本集團之表現及地位提供清晰、均衡及易於理解的評估，且十分尊重根據適用的規則和法規而適時披露敏感資料。

本公司核數師對本集團截至二零一一年十二月三十一日止年度財務報表之報告責任及意見之聲明載於本年報獨立核數師報告書。董事會已採取措施確保外聘核數師的客觀及獨立性。截至二零一一年十二月三十一日止年度，本公司外聘核數師就向本集團提供核數服務收取約4,200,000港元。

董事會轄下的委員會

於本報告日，本公司轄下有三個委員會，即審核委員會、薪酬委員會及提名委員會，以各自的職權範圍協助董事會履行應有職責。

(1) 審核委員會

審核委員會由四名成員組成，即林兆麟先生、張悅文先生、石禮謙議員及許照中先生，全體成員均為獨立非執行董事。彼等並非亦不曾出任本公司現任或前任外聘核數師合夥人。審核委員會由林兆麟先生出任主席，彼為執業會計師。審核委員會獲提供充裕資源以履行其職責。

按企業管治守則的守則條文規定制訂之審核委員會職權範圍登載於本公司網站。

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其委任以及核數性質與範疇及相關費用；
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是否遵守應用會計準則、上市規則及法例規定；

3. oversees adequacy of the Group's financial reporting process, internal control procedures and risk management system;
4. considers and discusses audit findings directly with external auditors;
5. assists the Board in overseeing the proper preparation of the Group's financial statements and annual reports; and
6. performs the corporate governance duties as set out in the Code.

The Audit Committee held two meetings during the year ended 31 December 2011 with all committee members attended both meetings. In the meetings, the Audit Committee (i) reviewed and discussed with the external auditors on the Group's financial statements before they were submitted to the Board for consideration and approval and (ii) reviewed the external auditors' audit findings. No material issues have been reported to the Board by the Audit Committee during the year ended 31 December 2011.

On 23 February 2012, the Audit Committee met to review the Group's audited consolidated financial statements for the year ended 31 December 2011 ("2011 Consolidated Financial Statements"), including the accounting principles and practices adopted by the Group, with the Company's external auditors. The Audit Committee recommended the 2011 Consolidated Financial Statements for the approval of the Board.

The Audit Committee also recommended to the Board the re-appointment of Messrs. Deloitte Touche Tohmatsu as the Company's external auditors for the year ending 31 December 2012 and that the related resolution shall be put forth for shareholders' consideration and approval at the 2012 annual general meeting.

(2) Remuneration Committee

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 the Chairman of the Remuneration Committee. In the board meeting held on 27 February 2012, the Board has appointed Mr. Lam Siu-lun, Simon to act as the chairman. The Remuneration Committee is provided with sufficient resources to discharge its responsibilities.

The terms of reference of the Remuneration Committee setting out the committee's authority and duties, which follow closely the requirements of the Code Provisions of the Code and are available from the Company's website.

The principal role of the Remuneration 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.

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. 直接與外聘核數師考慮及商討審核結果；
5. 協助董事會監察適當編製本集團財務報表及年度報告；及
6. 執行企業管治守則載列之企業管治守則的職責。

截至二零一一年十二月三十一日止年度，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(i)與外聘核數師審閱及商討本集團財務報表後始呈交董事會以供考慮及批准及(ii)審閱外聘核數師的審計發現。於二零一一年十二月三十一日止年度內概無重大問題由審核委員會向董事會匯報。

審核委員會於二零一二年二月二十三日舉行會議，聯同外聘核數師審閱本集團截至二零一一年十二月三十一日止年度的已審核綜合財務報表(「二零一一年度綜合財務報表」)，包括集團採納的會計原則及實務準則。審核委員會建議董事會批准通過二零一一年度綜合財務報表。

審核委員會亦向董事會建議，重新聘任德勤•關黃陳方為本公司截至二零一二年十二月三十一日止年度的外聘核數師，並建議將有關決議於二零一二年股東週年大會上提交予股東考慮及通過。

(2) 薪酬委員會

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。於二零一二年二月二十七日之董事會會議，董事會已委任林兆麟先生為該委員會主席。薪酬委員會獲提供充裕資源以履行其職責。

按企業管治守則的守則條文規定制訂之薪酬委員會職權範圍詳列委員之權力及職責登載於本公司網站。

薪酬委員會之主要職責為就董事及高級管理層之薪酬待遇，向董事會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會不時制定之目標後，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。

The Remuneration Committee held one meeting during the year ended 31 December 2011, with all committee members attended the meeting. In the meeting, the Remuneration Committee reviewed and recommended the remuneration package of Directors and senior management.

(3) Nomination Committee

In the board meeting held on 27 February 2012, the Board has established the Nomination Committee. The Nomination Committee members comprise as majority three Independent Non-executive Directors, namely, Mr. Lam Siu-lun, Simon, who is the Chairman of the Nomination Committee, The Hon. Shek Lai-him, Abraham and Mr. Hui Chiu-chung, Stephen, and one Executive Director, Mr. Lau Luen-hung, Thomas.

The terms of reference of the Nomination Committee setting out the committee's authority and duties, which follow closely the requirements of the Code Provisions of the Code and are available from the Company's website.

The principal duties of the Nomination Committee are as follows:

1. reviews the structure, size and composition (including skills, knowledge and experience) of the Board at least annually and makes recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
2. identifies individuals suitably qualified to become Board members and selects or makes recommendations to the Board on the selection of individuals nominated for directorships;
3. assesses the independence of the Independent Non-executive Directors; and
4. makes recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman and the chief executive.

Directors' and Officers' Liabilities Insurance and Indemnity

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.

截至二零一一年十二月三十一日止年度，薪酬委員會曾舉行一次委員會會議，全體委員會成員均有出席該次會議。薪酬委員會於會上檢討及建議董事及高級管理人員之薪酬待遇。

(3) 提名委員會

董事會已於二零一二年二月二十七日的董事會會議上成立了提名委員會。提名委員會由三名獨立非執行董事，林兆麟先生(彼為該委員會之主席)、石禮謙議員及許照中先生以及執行董事劉鑾鴻先生組成。

按企業管治守則的守則條文規定訂之提名委員會職權範圍詳列委員之權力及職責登載於本公司網站。

提名委員會之主要職責如下：

1. 定期至少每年檢討董事會的架構、人數及組成(包括技能、知識及經驗方面)，並就任何為配合本公司的公司策略而擬對董事會擬作出的變動向董事會提出建議；
2. 物色具備合適資格可擔任董事的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；
3. 評核獨立非執行董事的獨立性；及
4. 就董事委任或重新委任以及董事(尤其是主席及行政總裁)繼任計劃的有關事宜向董事會提出建議。

董事及高級職員之責任保險及彌償

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。

Internal Control Framework

(1) Internal Controls

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

The Group's system of internal control which includes a defined management structure with limits of authority is designed to help the achievement of business objectives, safeguard assets against unauthorised use or disposition, ensure the maintenance of proper accounting records for the provision of reliable financial information for internal use or for external publication, and ensure compliance with relevant legislation and regulations. The system is designed to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks of failure in the operational systems for the achievement of the Group's objectives.

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. The Audit Committee had been reported during Audit Committee meetings of key findings identified by the Company's external auditors and discussed findings and actions or measures taken in addressing those findings relating to the Group's internal controls. No material issues on the system of internal control have been identified during the year ended 31 December 2011 which required significant rectification works.

The Board has, working in conjunction with senior management, conducted an annual review on plans and progress for continuous improvement work of the internal control system of the Company and its subsidiaries.

(2) Internal Audit Function

The Group's internal audit team is responsible for conducting regular review of the Group's internal control procedures, including accounting system and operational procedures, and will make recommendations to the relevant department management for necessary actions. The management considers the present work arrangement of the internal audit functions is 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 reviews and monitors closely the works of the team and are committed to strengthening the functions of the Group's internal auditing team. In addition to its agreed scheduled work, the internal audit team may conduct other review and investigative work of the Group's business on an ad hoc basis when it is required.

內部監控架構

(1) 內部監控

董事會知悉其有責任維持本集團良好及有效系統之內部監控制度，使持份者的權益及本公司資產在任何時間均得到保障。

本集團的內部監控系統包括界定管理架構及相關的權限，以協助集團達至業務目標、保管資產以防未經授權使用或處理、確保適當的會計記錄得以保存並可提供可靠的財務資料供內部使用或對外發放，並確保符合相關法例及規例。上述監控系統旨在合理（但並非絕對）保證並無重大失實陳述或損失，並管理（但並非完全消除）營運系統失誤及本集團未能達標的風險。

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。本公司外聘核數師於審核委員會會議向審核委員會匯報有關內部監控之主要發現，審核委員會就有關之發現所採取行動或措施作過討論。截至二零一一年十二月三十一日，並無重大的內部監控問題須予重大糾正。

董事會亦與高級管理層就持續改善本公司內部監控之檢討計劃及進度作出年度檢閱。

(2) 內部審核職能

本集團內部審核隊伍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，同時會向相關部門管理層提出建議以作出相應之行動。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，管理層認為現行內部監控工作安排屬足夠及有效。然而，高級管理層與審核委員會現正緊密地檢討及監管情況，及將現正致力加強本集團內部審核隊伍的職能。除了已定之工作日程外，內部審核隊伍可能在需要時進行本集團非固定的其他審查和調查工作。

Commitment to Transparency

The Board emphasizes in creating and maintaining a high level of transparency through timely disclosure of relevant information on the Group's business and activities to the 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. Our Executive Director and senior management, who look after the business operations, are committed to response to enquiries from regulators, stakeholders and business partners.

Investors' Relations and Communication with Shareholders

The Company regards high quality reporting as an essential element in building successful relationships with its stakeholders. 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 made available. Regular meetings are also held with institutional investors and research analysts to provide them with timely updates on the Group's latest business developments which are of non-price sensitive nature. These activities keep the public informed of the Group's activities and fosters effective communications.

The Group also participated in investment conferences and forums during the year in order to enhance the awareness of the investing public of the Group's business operations, development 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 released by the Group.

提高企業透明度

董事會著重透過定期新聞發佈、分析簡介、記者招待會、適時更新公司網站，向股東、投資者、媒體及公眾投資人士適時披露本集團的業務及相關資料，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、各持份者及業務夥伴提出之查詢作積極回應。

投資者關係及與股東之溝通

本公司認為高質素的滙報為與持份者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。該等活動可讓公眾得知本集團業務狀況，並促進有效溝通。

本集團於年內亦出席投資會議及論壇，以提高公眾投資者對本集團業務運作、發展及策略之認識。

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 57, joined the Company in January 2004. He is the Managing Director of the Company who leads and manages the whole Group. He is responsible for setting and implementing policies and strategies, and monitoring results and targets of the operations of the Group. Mr. Lau is also the Chairman of the Remuneration Committee of the Company. Mr. Lau holds a Bachelor degree and a Master degree of Business Administration. Mr. Lau is also a member of the Chinese People's Political Consultative Conference Shanghai Committee and a member of the Board of Directors of Shanghai Jiao Tong University. He is the younger brother of Mr. Lau Luen-hung, Joseph and Ms. Lau Yuk-wai, Amy.

Mr. Doo Wai-hoi, William (JP)

Mr. Doo, aged 67, joined the Company in March 2005. He is the Vice-Chairman of New World China Land Limited, the Deputy Chairman of NWS Holdings Limited, and an independent non-executive director of The Bank of East Asia, Limited and Shanghai Industrial Urban Development Group Limited. All the companies mentioned above are listed companies. Mr. Doo also acts as a director of New World Hotels (Holdings) Limited and Fung Seng Diamond Company Limited. He has been serving 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 Dato' Dr. Cheng Yu-tung and brother-in-law of Dr. Cheng Kar-shun, Henry.

Non-executive Directors

Dato' Dr. Cheng Yu-tung (DPMS, LLD(Hon), DBA(Hon), DSSC(Hon), GBM)

Chairman

Dato' Dr. Cheng, aged 86, joined the Company in March 2004. Dato' Dr. Cheng is also the Honorary Chairman and Non-executive Director of Chow Tai Fook Jewellery Group Limited, the Chairman of New World Development Company Limited and Melbourne Enterprises Limited, a non-executive director of Shun Tak Holdings Limited and SJM Holdings Limited, all being listed companies, the Chairman of Chow Tai Fook Enterprises Limited, Chow Tai Fook Jewellery Company Limited and New World Hotels (Holdings) Limited, and a director of Cheng Yu Tung Family (Holdings) Limited and Chow Tai Fook (Holding) Limited (formerly known as Centennial Success Limited). Dato' Dr. Cheng was awarded Grand Bauhinia Medal by the Government of the Hong Kong Special Administrative Region in 2008. Dato' Dr. Cheng is the father of Dr. Cheng Kar-shun, Henry and the father-in-law of Mr. Doo Wai-hoi, William.

執行董事

劉鑾鴻先生 (BA, MBA)

董事總經理

劉先生現年57歲，於二零零四年一月加盟本公司。彼為本公司董事總經理，負責領導及管理本集團。彼負責制定及執行政策與策略、以及監督本集團之業績及業務目標，亦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。劉先生亦為中國人民政治協商會議上海市委員會會員及上海交通大學董事會董事。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67歲，於二零零五年三月加盟本公司。彼亦為新世界中國地產有限公司及新創建集團有限公司之副主席，以及東亞銀行有限公司及上海實業城市開發集團有限公司之獨立非執行董事。上文提述之公司全部均為上市公司。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，杜先生亦為中國人民政協會議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。

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86歲，於二零零四年三月加盟本公司。拿督鄭博士亦為周大福珠寶集團有限公司之名譽主席及非執行董事、新世界發展有限公司及萬邦投資有限公司之主席、信德集團有限公司及澳門博彩控股有限公司之非執行董事(上述公司全部均為上市公司)、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、以及 Cheng Yu Tung Family (Holdings) Limited 及 Chow Tai Fook (Holding) Limited (前稱 Centennial Success Limited) 之董事。拿督鄭博士於二零零八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。

Non-executive Directors (continued)

Dr. Cheng Kar-shun (BA, MBA, DBA (Hon), LLD(Hon), GBS)

Dr. Cheng, aged 65, joined the Company in March 2004. Dr. Cheng is also the Chairman and Executive Director of Chow Tai Fook Jewellery Group Limited, the Managing Director of New World Development Company Limited, the Chairman and Managing Director of New World China Land Limited, the Chairman of NWS Holdings Limited, the Chairman and Non-executive Director of New World Department Store China Limited, the Chairman of International Entertainment Corporation, and an Independent Non-executive Director of HKR International Limited. All the companies mentioned above are listed companies. Dr. Cheng is also a director of Chow Tai Fook Enterprises Limited, Chow Tai Fook Jewellery Company Limited, Cheng Yu Tung Family (Holdings) Limited and Chow Tai Fook (Holding) Limited (formerly known as Centennial Success Limited) and the Managing Director of New World Hotels (Holdings) Limited. Dr. Cheng is a Standing Committee Member of the Eleventh Chinese People's Political Consultative Conference of The People's Republic of China. He was awarded the Gold Bauhinia Star by the Government of the Hong Kong Special Administrative Region in 2001. Dr. Cheng is the son of Dato' Dr. Cheng Yu-tung and the brother-in-law of Mr. Doo Wai-hoi, William.

Ms. Lau Yuk-wai, Amy

Ms. Lau, aged 58, joined the Company in March 2004. Ms. Lau holds a Bachelor Degree of Science and a Doctor Degree of Dental Surgery from the University of Toronto, Canada. She is a practicing dentist registered with the Royal College of Dental Surgeons of Ontario, Canada. She is also a non-executive director of Chinese Estates Holdings Limited, a Hong Kong listed company. Ms. Lau is the sister of Mr. Lau Luen-hung, Thomas and Mr. Lau Luen-hung, Joseph.

Mr. Lau Luen-hung, Joseph

Mr. Lau, aged 60, joined the Company in March 2004. Mr. Lau is the Chairman and Chief Executive Officer of Chinese Estates Holdings Limited, a Hong Kong listed company. Mr. Lau holds a Bachelor Degree of Science from the University of Windsor, Canada. He has over 36 years of experience in corporate finance, manufacturing and property investment and development. Mr. Lau is the elder brother of Mr. Lau Luen-hung, Thomas and Ms. Lau Yuk-wai, Amy.

非執行董事(續)

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

鄭博士現年65歲，於二零零四年三月加盟本公司。鄭博士亦為周大福珠寶集團有限公司之主席及執行董事、新世界發展有限公司董事總經理、新世界中國地產有限公司主席兼董事總經理、新創建集團有限公司主席、新世界百貨中國有限公司主席兼非執行董事、國際娛樂有限公司之主席、以及香港興業國際集團有限公司獨立非執行董事。上文提述之公司全部均為上市公司。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、Cheng Yu Tung Family (Holdings) Limited及Chow Tai Fook (Holding) Limited(前稱Centennial Success Limited)之董事、以及新世界酒店(集團)有限公司董事總經理。鄭博士為中華人民共和國第十一屆全國政協常務委員。彼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妻舅。

劉玉慧女士

劉女士現年58歲，於二零零四年三月加盟本公司。劉女士持有加拿大多倫多大學理學士學位及牙科博士學位。彼為加拿大安大略省皇家牙科醫學院註冊之執業牙科醫生。彼亦為華人置業集團之非執行董事(為香港上市公司)。劉女士為劉鑾雄先生之胞妹及劉鑾鴻先生之胞姊。

劉鑾雄先生

劉先生現年60歲，於二零零四年三月加盟本公司。劉先生亦為華人置業集團之主席及行政總裁(為香港上市公司)。劉先生持有加拿大溫莎大學理學士學位，彼於企業融資、製造及物業投資與發展方面擁有逾36年經驗。劉先生為劉鑾鴻先生及劉玉慧女士之胞兄。

Independent Non-executive Directors

Mr. Lam Siu-lun, Simon (BA, ACA, FTIHK)

Mr. Lam, aged 62, joined the Company in March 2004. 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 22 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 of Le Saunda Holdings Limited and Kiu Hung Energy Holdings Limited, both are listed companies.

Mr. Cheung Yuet-man, Raymond

Mr. Cheung, aged 57, joined the Company in March 2004. Mr. Cheung is an entrepreneur and has over 19 years of experience in the textile and garment manufacturing industries and has over 18 years of experience in property investment.

The Hon. Shek Lai-him, Abraham (BA, DIP. ED., JP)

Mr. Shek, aged 66, joined the Company in March 2004. Mr. Shek obtained his Bachelor degree of Arts in 1969 and has extensive experience in the property development field. He is a member of the Legislative Council for the Hong Kong Special Administrative Region (the "HKSAR") representing real estate and construction functional constituency since 2000. Mr. Shek is a member of the Court of each of The Hong Kong University of Science & Technology and The University of Hong Kong. Mr. Shek is a director of The Hong Kong Mortgage Corporation Limited and an independent non-executive director of MTR Corporation Limited, Midas International Holdings Limited, Paliburg Holdings Limited, NWS Holdings Limited, Chuang's Consortium International Limited, Chuang's China Investments Limited (also acts as Chairman), ITC Corporation Limited, ITC Properties Group Limited (also acts as Vice Chairman), Titan Petrochemicals Group Limited, Country Garden Holdings Company Limited, Hsin Chong Construction Group Limited, Hop Hing Group Holdings Limited, SJM Holdings Limited, Kosmopolito Hotels International Limited and China Resources Cement Holdings Limited, all being listed companies. He is also an independent non-executive director of Eagle Asset Management (CP) Limited (the manager of Champion Real Estate Investment Trust) and Regal Portfolio Management Limited (the manager of Regal Real Estate Investment Trust), both are being listed. Mr. Shek was awarded the Silver Bauhinia Star by the Government of the HKSAR in 2007.

獨立非執行董事

林兆麟先生 (BA, ACA, FTIHK)

林先生現年62歲，於二零零四年三月加盟本公司。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22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(上述公司均為上市公司)。

張悅文先生

張先生現年57歲，於二零零四年三月加盟本公司。張先生為企業家，擁有逾19年紡織及成衣製造業經驗及逾18年物業投資經驗。

石禮謙議員 (BA, DIP. ED., 太平紳士)

石先生現年66歲，於二零零四年三月加盟本公司。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。石先生為香港特別行政區立法會代表地產及建築功能界別的議員，及香港科技大學及香港大學的顧問委員會成員。彼為香港按揭證券有限公司董事，並為香港鐵路有限公司、勤達集團國際有限公司、百利保控股有限公司、新創建集團有限公司、莊士機構國際有限公司、莊士中國投資有限公司(兼任主席)、德祥企業集團有限公司、德祥地產集團有限公司(兼任副主席)、泰山石化集團有限公司、碧桂園控股有限公司、新昌營造集團有限公司、合興集團控股有限公司、澳門博彩控股有限公司、麗悅酒店集團有限公司及華潤水泥控股有限公司的獨立非執行董事，該等公司的股份均於香港聯交所上市。彼亦為鷹君資產管理(冠君)有限公司(冠君產業信託的管理人)及富豪資產管理有限公司(富豪產業信託的管理人)的獨立非執行董事，該等信託均於香港聯交所上市。石先生於2007年榮獲香港特別行政區政府頒授銀紫荊星章。

Independent Non-executive Directors (continued)

Mr. Hui Chiu-chung, Stephen (JP)

Mr. Hui aged 64, joined the Company in July 2005. He is the Chairman and Chief Executive Officer of Luk Fook Financial Services Limited, has 40 years of experience in the securities and investment industry. He had for years been serving as a Council Member and Vice Chairman of The Stock Exchange of Hong Kong Limited, a 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, a member of Standing Committee on Company Law Reform, a member of the Committee on Real Estate Investment Trusts of the Hong Kong Securities and Futures Commission and also an appointed member of the Hong Kong Institute of Certified Public Accountants Investigation Panel A. Mr. Hui was appointed by the Government of the HKSAR a Justice of the Peace in 2004 and was also an appointed member of the Zhuhai Municipal Committee of the Chinese People's Political Consultative Conference in 2006. He is at present a member of Government "Appointees" (independent member) of Appeal Panel of the Travel Industry Council of Hong Kong. Mr. Hui also serves as an Independent Non-executive director of the Hong Kong Exchanges and Clearing Limited, Jiuzhou Development Company Limited, Chun Wo Development Holdings Limited, Frasers Property (China) Limited, China South City Holdings Limited and Non-executive director of Luk Fook Holdings (International) Limited whose shares are listed on the Stock Exchange.

獨立非執行董事(續)

許照中先生(太平紳士)

許先生現年64歲，於二零零五年七月加盟本公司。現為六福金融集團有限公司之主席及行政總裁。具備40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會委員、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、公司法改革常務委員會委員、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及香港會計師公會調查小組A組委員等。彼於2004年獲香港特別行政區政府頒授太平紳士榮銜，並於2006年獲中國珠海市人民政治協商會議委任為政協委員。彼現為香港旅遊業議會上訴委員會獨立委員，亦為股份於聯交所上市之香港交易及結算所有限公司、九洲發展有限公司、俊和發展集團有限公司、星獅地產(中國)有限公司、華南城控股有限公司之獨立非執行董事及六福集團(國際)有限公司之非執行董事。

Directors' Report

董事會報告書

The Directors of the Company present their annual report and the audited consolidated financial statements for the year ended 31 December 2011.

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 holding in Hong Kong and the PRC. Particulars of the Company's principal subsidiaries are set out in note 47 to the financial statements.

Results and Appropriations

The results of the Group for the year ended 31 December 2011 are set out in the consolidated statement of comprehensive income on page 62.

An interim dividend of HK cents 19.20 per share was paid during the Year. The Directors have recommended the payment of a final dividend of HK cents 25.70 in cash per share to the shareholders whose names appear on the Register of Members of the Company on 30 April 2012. Total cash dividend amounting to HK cents 44.90 per share for the Year.

Fixed Assets

Details of the movements during the year in the investment properties and property, plant and equipment of the Group are set out in notes 18 and 19 respectively to the consolidated financial statements.

Share Capital

Details of movements during the year in the share capital of the Company are set out in note 35 to the financial statements.

本公司董事謹此提呈其年報及截至二零一一年十二月三十一日止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於香港及中國經營「生活時尚」百貨店及其他零售業務與及物業持有。本公司主要附屬公司詳情載於財務報表附註47。

業績及分配

本集團截至二零一一年十二月三十一日止年度之業績載於第62頁綜合全面收益表。

於本年度，本公司派付中期股息每股19.20港仙。董事建議向於二零一二年四月三十日名列本公司股東名冊之股東，派付現金末期股息每股25.70港仙，本年度現金股息合共每股44.90港仙。

固定資產

有關本集團投資物業及物業、廠房及設備於本年度之變動詳情，分別載於綜合財務報表附註18及19。

股本

本公司股本於本年度之變動詳情載於財務報表附註35。

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:

Dato' 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

In accordance with Article 87 of the Articles of the Company, Mr. Doo Wai-hoi, William, Mr. Lau Luen-hung, Joseph, Mr. Lam Siu-lun, Simon and Mr. Hui Chiu-chung, Stephen 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 ("Mr. Lau") and Mr. Doo Wai-hoi, William ("Mr. Doo"), both Executive Directors, has a service contract with the Company for the period from 1 April 2010 to 31 March 2013 and 2 March 2011 to 1 March 2014 respectively in respect of their respective directorships. The three-year term under Mr. Doo's service contract expired on 1 March 2011 and as no prior termination notice was served by either party, the service contract of Mr. Doo has already been automatically renewed for another term of three years commencing from 2 March 2011 pursuant to the terms thereof. 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, none of the Directors 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).

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

根據本公司之章程細則第87條規定，杜惠愷先生、劉鑾雄先生、林兆麟先生及許照中先生須輪值告退，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(「劉先生」)及杜惠愷先生(「杜先生」)，均為執行董事，與本公司就出任董事訂有服務合約，任期分別為二零一零年四月一日至二零一三年三月三十一日及二零一一年三月二日至二零一四年三月一日。杜先生之服務合約項下之三年任期已於二零一一年三月一日屆滿。由於本公司或杜先生均無發出事先終止通知，故杜先生之服務合約已按服務合約條款自動續期，由二零一一年三月二日起續期三年。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。

Directors' and Chief Executive's Interests in Shares and Underlying Shares

As at 31 December 2011, the Directors' and the chief executive's interests and short positions in the shares and underlying shares of the Company (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO") as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers are set out below:

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

Name of Director	Nature of interest	Number of ordinary shares of the Company	Approximate percentage of interest in the issued share capital of the Company (Note 3)
董事姓名	權益性質	本公司之普通股股份數目	估本公司已發行股本權益之概約百分比 (附註3)
Mr. Lau Luen-hung, Thomas (“Mr. Thomas Lau”) 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	64.77%
	Interest in controlled corporation (Note 2) 受控制公司權益(附註2)	57,230,000	3.43%
	Beneficial owner 實益擁有人	65,250,000	3.91%

Notes:

- 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 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.
- Dynamic Castle Limited (“Dynamic Castle”), which is wholly-owned by Mr. Thomas Lau, holds 57,230,000 shares. By virtue of the SFO, Mr. Thomas Lau is deemed to be interested in the 57,230,000 shares held by Dynamic Castle.
- As at 31 December 2011, the issued share capital of the Company was HK\$8,337,567.5 divided into 1,667,513,500 shares of HK\$0.005 each.

附註：

- 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 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。
- 由劉鑾鴻先生全資擁有之 Dynamic Castle Limited (「Dynamic Castle」) 持有 57,230,000 股。根據證券及期貨條例，劉鑾鴻先生被視作於 Dynamic Castle 所持 57,230,000 股中擁有權益。
- 於二零一一年十二月三十一日，本公司之已發行股本為 8,337,567.5 港元，分為 1,667,513,500 股每股面值 0.005 港元之股份。

董事及行政總裁於股份及相關股份之權益

於二零一一年十二月三十一日，根據《證券及期貨條例》第 352 條規定而備存之登記冊的紀錄，又或根據《標準守則》向本公司及香港聯合交易所有限公司 (「聯交所」) 發出的通知，各董事及集團行政總裁持有的本公司股份及相關股份 (按《證券及期貨條例》第 XV 部所界定者) 的權益及淡倉載列如下：

(i) 本公司已發行股份之好倉

Name of Director	Nature of interest	Number of ordinary shares of the Company	Approximate percentage of interest in the issued share capital of the Company (Note 3)
董事姓名	權益性質	本公司之普通股股份數目	估本公司已發行股本權益之概約百分比 (附註3)

附註：

- 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 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。
- 由劉鑾鴻先生全資擁有之 Dynamic Castle Limited (「Dynamic Castle」) 持有 57,230,000 股。根據證券及期貨條例，劉鑾鴻先生被視作於 Dynamic Castle 所持 57,230,000 股中擁有權益。
- 於二零一一年十二月三十一日，本公司之已發行股本為 8,337,567.5 港元，分為 1,667,513,500 股每股面值 0.005 港元之股份。

*Directors' and Chief Executive's
Interests in Shares and Underlying
Shares (continued)*

董事及行政總裁於股份及相關股份之權益(續)

(ii) Long position in the underlying shares of the Company — share options

(ii) 本公司相關股份之好倉 — 購股權

Name of Director	Nature of interest	Number of underlying shares of the Company (Note)	Approximate percentage of interest in the issued share capital of the Company
董事姓名	權益性質	本公司之相關股份數目(附註)	佔本公司已發行股本權益之概約百分比
Mr. Thomas Lau 劉鑾鴻先生	Beneficial owner 實益擁有人	17,020,000	1.02%

Note: Please refer to the details set out in the section headed "Details of Options Granted by the Company".

附註：詳情請參閱「本公司授予購股權之詳情」一節。

(iii) Long position in the underlying shares of the Company — Euro Medium Term Note

(iii) 本公司相關股份之好倉 — 歐元中期票據

Name of Director	Nature of interest	Number of underlying shares of the Company (Note)	Approximate percentage of interest in the issued share capital of the Company
董事姓名	權益性質	本公司之相關股份數目(附註)	佔本公司已發行股本權益之概約百分比
Mr. Thomas Lau 劉鑾鴻先生	Beneficial owner 實益擁有人	804,733	0.05%

Note: As at 31 December 2011, Mr. Thomas Lau held a Euro Medium Term Note with a notional amount of USD2,000,000 and a maturity date on 23 September 2013 (subject to early redemption). The redemption amount on maturity date will be determined by reference to the final share price of the worst performing stock of the basket of stocks which includes the Company. In the event where Mr. Lau elects to receive the redemption amount on maturity date in the Company's shares in lieu of cash, the number of share, calculated using the exchange rate on 29 June 2011 (date of transaction) and the contracted strike price, will be approximately 804,733 shares.

附註：於二零一一年十二月三十一日，劉鑾鴻先生持有一份於二零一三年九月二十三日到期(可提前贖回)票面金額為2,000,000美元之歐元中期票據。於到期日之贖回額將按一籃子股票(當中包括本公司)中表現最差之股票之最後股價決定。若劉先生於到期日選擇收取本公司股票而非現金作為該筆贖回額，按二零一一年六月二十九日(交易之日期)之匯率及合約中的執行股價計算，彼將收取約804,733股本公司股票。

*Directors' and Chief Executive's
Interests in Shares and Underlying
Shares (continued)*

董事及行政總裁於股份及相關股份之權益 (續)

(iv) Long positions in associated corporations

(iv) 於相聯法團之好倉

Name of Director 董事姓名	Name of associated corporation 相聯法團名稱	Nature of interest 權益性質	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:

附註：

1. United Goal is 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 is 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 the 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.

1. United Goal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一股份中擁有權益。
2. United Goal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。

Saved for those disclosed above, as at 31 December 2011, none of the Directors or chief executive had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO.

除上述披露者外，於二零一一年十二月三十一日，根據《證券及期貨條例》第352條規定而備存之登記冊的記錄，概無任何董事或本公司行政總裁在本公司或其任何相關法團（按《證券及期貨條例》第XV部所界定者）的股份、相關股份或債權證中擁有任何權益或淡倉。

Interests of Substantial Shareholders

As at 31 December 2011, 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 (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange are set out below:

Long positions in the shares and the underlying shares of the Company

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) 估本公司已發行股本權益之概約百份比 (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	64.77%
United Goal	Interest in controlled corporation (Note 2) 受控制公司權益(附註2)	1,080,000,000	64.77%
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	64.77%
Go Create	Interest in controlled corporation (Note 3) 受控制公司權益(附註3)	1,080,000,000	64.77%
Chow Tai Fook Enterprises Limited ("CTF Enterprises") 周大福企業有限公司 (「周大福企業」)	Interest in controlled corporation (Note 3) 受控制公司權益(附註3)	1,080,000,000	64.77%

主要股東權益

於二零一一年十二月三十一日，下列人士(不包括董事或本公司行政總裁)根據《證券及期貨條例》第336條規定而備存之登記冊的紀錄，又或向本公司及聯交所發出的通知，於本公司之股份及相關股份(按《證券及期貨條例》第XV部所界定者)中擁有須予披露之權益或淡倉權益載例如下：

本公司股份及相關股份之好倉

Interests of Substantial Shareholders (continued)

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

Notes:

1. 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 Enterprises of which family members of Dato' 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.
2. 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.
3. Go Create is wholly owned by CTF Enterprises of which family members of Dato' Dr. Cheng Yu-tung have controlling interests, has 50% interest in Real Reward. By virtue of the SFO, CTF Enterprises and Go Create are deemed to be interested in the 1,080,000,000 shares held by Real Reward. Dato' Dr. Cheng Yu-tung and Dr. Cheng Kar-shun, Henry, being Directors, are directors of CTF Enterprises and Dr. Cheng Kar-shun, Henry is also a director of Go Create.
4. As at 31 December 2011, the issued share capital of the Company was HK\$8,337,567.5 divided into 1,667,513,500 shares of HK\$0.005 each.

Save for those disclosed above, as at 31 December 2011, no other persons had any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

主要股東權益 (續)

本公司股份及相關股份之好倉 (續)

附註：

1. 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由周大福企業全資擁有，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。
2. 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。
3. Go Create由拿督鄭裕彤博士之家族成員擁有控股權益之周大福企業全資擁有，Go Create於Real Reward擁有50%權益。根據證券及期貨條例，周大福企業及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企業之董事，而鄭家純博士亦為Go Create之董事。
4. 於二零一一年十二月三十一日，本公司之已發行股本為8,337,567.5港元，分為1,667,513,500股每股面值0.005港元之股份。

除上述披露者外，於二零一一年十二月三十一日，根據《證券及期貨條例》第336條規定而備存之登記冊的紀錄，概無任何人士在本公司的股份及相關股份中擁有任何權益或淡倉。

Share Option Schemes

(i) The 2004 Share Option Scheme

The Company's share option scheme (the "2004 Share Option Scheme") was adopted for a period of 10 years commencing 27 March 2004 pursuant to a written resolution of the sole shareholder as incentive or rewards for the contribution of the eligible participants to the Group.

Under the 2004 Share Option Scheme, the Company may grant options to (i) any full-time employee of the Company or of any subsidiary; (ii) directors (including non-executive directors and independent non-executive directors) of the Company or any subsidiary; (iii) advisors and consultants to the Company or to any subsidiary in the areas of technical, financial legal or corporate managerial who, at the sole determination of the board of Directors of the Company (the "Board"), have contributed to the Company and/or any subsidiary (the assessment criteria of which are (a) contribution to the development and performance of the Company and/or subsidiary; (b) quality of work performed for the Company and/or any subsidiary; (c) initiative and commitment in performing his/her duties; and (d) length of service or contribution to the Company and/or any subsidiary).

The total number of shares in respect of which options may be granted under the 2004 Share Option 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. Since termination of the 2004 Share Option Scheme had been conditionally confirmed and approved in an extraordinary general meeting held on 3 March 2009, no further options will be offered under the 2004 Share Option Scheme, but all options granted prior to such termination shall continue to be valid and exercisable in accordance with the 2004 Share Option Scheme.

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.

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(「二零零四年購股權計劃」)，由二零零四年三月二十七日起為期十年，作為合資格參與者對本集團所作貢獻之獎勵或獎賞。

根據二零零四年購股權計劃，本公司可授予購股權予(i)本公司及／或任何附屬公司之任何全職僱員；(ii)本公司及／或任何附屬公司之董事(包括非執行董事及獨立非執行董事)；(iii)經本公司董事會(「董事會」)全權決定，對本公司及／或任何附屬公司作過貢獻之本公司及／或任何附屬公司的工程、財務法律或企業管理方面的顧問或專家顧問(評價準則為(a)對本公司及／或任何附屬公司發展及業績之貢獻；(b)為本公司及／或任何附屬公司工作之質量；(c)彼履行職務之主動性及承擔性；及(d)為本公司及／或任何附屬公司提供服務或貢獻之年期)。

根據二零零四年購股權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。由於本公司已經於二零零九年三月三日舉行之股東特別大會上有條件確認及批准終止二零零四年購股權計劃。額外購股權將不會根據二零零四年購股權計劃提出要約，惟於有關終止前，根據二零零四年購股權計劃所有授予之購股權將繼續屬有效及可行使。

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。

Share Option Schemes (continued)

(i) The 2004 Share Option Scheme (continued)
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.

(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 3 March 2009 for a period of 10 years commencing from 3 March 2009 as incentive or rewards 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.

購股權計劃 (續)

(i) 二零零四年購股權計劃 (續)
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會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。

(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) 經董事會全權決定, 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, 董事會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/或董事會可絕對酌情釐定之任何其他條款。

Share Option Schemes (continued)

(ii) **The 2009 Share Option Scheme** (continued)

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 3 March 2009, the date on which the 2009 Share Option Scheme was approved by the shareholders of the Company, which represented approximately 10% of the issued share capital of the Company as at the date of this report.

Unless otherwise approved by the shareholders, 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 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)

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%，相當於本公司於本報告日期之已發行股本約10%。

除獲股東另外批准外，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。購股權可於董事會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 31 December 2011, options to subscribe for an aggregate of 28,565,000 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

於二零一一年十二月三十一日，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28,565,000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 31 December 2011 於二零一一年 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 1 January 2011 於二零一一年 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	31/08/2007	17,020,000	—	—	—	—	17,020,000	01/10/2008 – 26/03/2014 (Note 2) (附註2)	HK\$18.50 18.50 港元
Employees 僱員									
	07/10/2005	694,000	—	(100,000)	—	—	594,000	07/10/2006 – 26/03/2014 (Note 1) (附註1)	HK\$6.16 6.16 港元
	02/02/2009	15,107,000	—	(3,916,000)	(240,000)	—	10,951,000	07/02/2010 – 26/03/2014 (Notes 3 & 4) (附註3及4)	HK\$6.40 6.40 港元
Total 總計		32,821,000	—	(4,016,000)	(240,000)	—	28,565,000		

Details of Options Granted by the Company (continued)

Notes:

1. The options, granted on 7 October 2005, are exercisable from 7 October 2006 to 26 March 2014 (both days inclusive) in the following manner:
 - (i) up to 40% of the total number of options granted under the Scheme commencing 7 October 2006;
 - (ii) up to 70% of the total number of options granted under the Scheme commencing 7 October 2007; and
 - (iii) up to 100% of the total number of options granted under the Scheme commencing 7 October 2008.
2. The options, granted on 31 August 2007, are exercisable from 1 October 2008 to 26 March 2014 (both days inclusive) in the following manner:
 - (i) up to 40% of the total number of options granted under the Scheme commencing 1 October 2008;
 - (ii) up to 70% of the total number of options granted under the Scheme commencing 1 October 2009; and
 - (iii) up to 100% of the total number of options granted under the Scheme commencing 1 October 2010.
3. On 3 March 2009, the outstanding options previously granted to employees of the Group on 31 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 7 February 2010 to 26 March 2014 (both days inclusive) in the following manner:
 - (i) up to 40% of the total number of options granted under the Scheme commencing 7 February 2010;
 - (ii) up to 70% of the total number of options granted under the Scheme commencing 7 February 2011; and
 - (iii) up to 100% of the total number of options granted under the Scheme commencing 7 February 2012.

本公司授予購股權之詳情(續)

附註：

1. 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,按以下方式行使:
 - (i) 自二零零六年十月七日起最多由該購股權計劃所授出購股權總數之40%;
 - (ii) 自二零零七年十月七日起最多由該購股權計劃所授出購股權總數之70%;及
 - (iii) 自二零零八年十月七日起最多由該購股權計劃所授出購股權總數之100%。
2. 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,按以下方式行使:
 - (i) 自二零零八年十月一日起最多由該購股權計劃所授出購股權總數之40%;
 - (ii) 自二零零九年十月一日起最多由該購股權計劃所授出購股權總數之70%;及
 - (iii) 自二零一零年十月一日起最多由該購股權計劃所授出購股權總數之100%。
3. 於二零零九年三月三日,先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:
 - (i) 自二零一零年二月七日起由該購股權計劃所授出購股權總數之40%;
 - (ii) 自二零一一年二月七日起由該購股權計劃所授出購股權總數之70%;及
 - (iii) 自二零一二年二月七日起由該購股權計劃所授出購股權總數之100%。

Details of Options Granted by the Company (continued)

Notes: (continued)

4. According to the Black-Scholes pricing model (the "Model"), the fair value of the options granted in 2009 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 3 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 yield 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.

本公司授予購股權之詳情 (續)

附註：(續)

4. 根據「柏力克-舒爾斯」期權定價模式(「模式」)，於二零零九年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
無風險利率	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。

Directors' Interests in Contracts of Significance

Other than as disclosed under the section "Continuing 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.

Continuing Connected Transactions

The following transactions of the Group constituted non-exempt continuing connected transactions ("Continuing Connected Transactions") for the Company during the financial year ended 31 December 2011 under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules"):

(1) Shanghai Ongoing Department Store's tenancy agreement

On 26 November 2004, the Group's 65% owned Shanghai Ongoing Department Store Limited ("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 ("CityPlaza Co") in respect of the lease of the entire building of Shanghai Joinbuy CityPlaza ("Joinbuy CityPlaza") of approximately 92,000 square metres ("sq.m."), for a period of 20 years commencing from 1 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.

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").

During the year, a total of RMB194.0 million (equivalent to approximately HK\$234.2 million) rental and management fee was paid by Shanghai Ongoing to Cityplaza Co. under the Tenancy Agreement.

The Group's 65% owned Shanghai Ongoing is owned as to 5% by 上海九百(集團)有限公司 ("Joinbuy Group") and 30% by 上海九百股份有限公司 ("Joinbuy Co"). The Group's 50% owned Cityplaza Co is owned as to 12% by Joinbuy Group and 38% by Joinbuy Co. Joinbuy Group is the controlling shareholder of Joinbuy Co. Thus, Joinbuy Group and Joinbuy Co, being substantial shareholders of Shanghai Ongoing, are connected persons of the Company. In view of Joinbuy Group and Joinbuy Co have substantial equity interest in Cityplaza Co, Cityplaza Co is an associate of Joinbuy Group and a connected person of the Company. Thus, the transaction under the Tenancy Agreement constituted a continuing connected transaction for the Company.

董事之重大合約權益

除「持續關連交易」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。

持續關連交易

截至二零一一年十二月三十一日止年度內，根據聯交所證券上市規則(「上市規則」)，本集團之下列交易乃構成不獲豁免持續關連交易(「持續關連交易」)：

(1) 上海久光百貨店租賃協議

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逾人民幣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。

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。

年內，上海久光根據租賃協議支付九百城市廣場合共人民幣194,000,000(約相當於234,200,000港元)租金及管理費。

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5%及30%。本集團擁有50%權益之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%。九百集團為上海九百之控股股東。因此，身為上海久光之主要股東的九百集團及上海九百亦為本公司之關連人士。鑒於九百集團及上海九百擁有城市廣場公司之重大股本權益，城市廣場公司為九百集團之關連聯繫人士亦為本公司之關連人士。因此，租賃協議下之交易構成本公司之持續關連交易。

Continuing Connected Transactions *(continued)*

(2) Leasing of the premises for the Sogo Tsimshatsui Store

On 24 February 2005, the Group's 100% owned Sogo Hong Kong Company Limited ("Sogo HK") entered into a lease agreement as tenant with Hong Kong Island Development Limited ("HK Island") as landlord for the leasing of portion of ground floor, portion of 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 30 September 2005 ("Lease"), at a turnover rent based on sales generating within the leasing premises at a rate of 6% for the 1st to the 10th year and 7% for the 11th to the 15th year.

The Lease was 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 Tsimshatsui lifestyle department store in Kowloon side.

During the year, a total of HK\$61,626,000 rental, management fee and other charges was paid by Sogo HK to HK Island under the lease.

HK Island is an indirect wholly-owned subsidiary of New World Development Company Limited. Go Create Limited, a company wholly-owned by Chow Tai Fook Enterprises Limited ("CTF Enterprises"), is directly interested in 50% of Real Reward Limited ("Real Reward"), the direct controlling shareholder of the Company. By virtue of its indirect shareholding in the Company, CTF Enterprises is a connected person of the Company. As an associate of CTF Enterprises, HK Island is a connected person of the Company. Therefore, the transaction under the Lease constituted a continuing connected transaction for the Company.

持續關連交易 (續)

(2) 尖沙咀崇光店物業租賃

於二零零五年二月二十四日，本集團全資附屬公司之崇光(香港)百貨有限公司(「崇光香港」)作為租戶與香島發展有限公司(「香島」)作為業主訂立租賃協議，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%。

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。

年內，崇光香港根據租約支付香島合共61,626,000港元租金、管理費及其他收費。

香島為新世界發展有限公司(「新世界發展」)之間接全資附屬公司。由周大福企業有限公司(「周大福企業」)全資擁有之Go Create Limited直接擁有本公司控股股東Real Reward Limited(「Real Reward」)之50%權益。由於周大福企業間接持有本公司之股權，故為本公司之關連人士。香島為周大福企業之聯繫人，亦為本公司之關連人士。因此，租約下之交易構成本公司之持續關連交易。

Continuing Connected Transactions (continued)

(3) Watches Dealership Agreement at the Suzhou Jiuguang Store

On 22 September 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 a consignment arrangement of a retailing counter of approximately 590.1 sq.m. on the first floor of Suzhou Jiuguang Department Store ("Suzhou Jiuguang Store") for selling watches for a period commencing from 29 April 2009 to 28 February 2012 ("Suzhou Watches Consignment"). Under the arrangement, Suzhou Ongoing would receive a monthly commission charging on certain percentages of the gross turnover at the said counter subject to a minimum monthly commission of RMB147,525, RMB177,030 and RMB236,040 for the respective years. On 30 August 2011, Suzhou Ongoing, CTF Suzhou and 重慶周大福鐘表銷售有限公司上海分公司 ("CTF Shanghai Branch") entered into an agreement to assign all the rights, responsibilities and liabilities of CTF Suzhou under the Suzhou Watches Consignment to CTF Shanghai Branch with effect from 1 August 2011 (the "Suzhou Watches Assignment").

The Suzhou Watches Consignment and the Suzhou Watches Assignment were entered into in the ordinary course of business of the Group as the merchandises to be sold by CTF Suzhou in the Suzhou Jiuguang Store can enhance the product mix and branding of the available merchandises in the Suzhou Jiuguang Store and fulfil the Group's customers' demand.

During the year, Suzhou Ongoing received a total of RMB3,257,000 (equivalent to approximately HK\$3,931,000) for commission, management fee and other charges from CTF Suzhou and CTF Shanghai Branch.

As CTF Enterprises is a connected person of the Company and its associates, CTF Suzhou and CTF Shanghai Branch, are also deemed to be a connected person of the Company, the transaction under the Suzhou Watches Consignment and the Suzhou Watches Assignment constituted a continuing connected transaction for the Company.

持續關連交易(續)

(3) 蘇州久光店手錶專櫃經營協議

於二零零九年九月二十二日，本集團全資附屬公司之久光百貨(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(「蘇州久光店」)一樓面積約590.1平方米之專櫃作銷售手錶，由二零零九年四月二十九日至二零一二年二月二十八日(「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，而各年之每月最低佣金分別為人民幣147,525元、人民幣177,030元及人民幣236,040元。於二零一一年八月三十日，蘇州久光、周大福蘇州及重慶周大福鐘表銷售有限公司上海分公司(「周大福上海分公司」)訂立一份分配協議，由二零一一年八月一日起所有周大福蘇州於蘇州手錶寄售安排項下之所有權利、責任及義務分配予周大福上海分公司「蘇州手錶分配安排」。

蘇州手錶寄售安排及蘇州手錶分配安排乃於本集團日常業務過程中訂立。周大福蘇州於上述專櫃所售貨品可豐富蘇州久光店之商品及品牌組合，以滿足本集團顧客之需求。

年內，蘇州久光自周大福蘇州及周大福上海分公司收取佣金、管理費及其他收費合共人民幣3,257,000元(約相當於3,931,000港元)。

周大福企業為本公司的關連人士，其聯繫人周大福蘇州及周大福上海分公司亦被視為本公司之關連人士。因此，蘇州手錶寄售安排及蘇州手錶分配安排下之交易構成本公司之持續關連交易。

Continuing Connected Transactions *(continued)*

(4) Jewellery Dealership Agreement at the Shanghai Jiuguang Store

On 22 September 2009, 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 the Shanghai Jiuguang Store to CTF Shanghai for exhibiting and selling jewellery under the brand name of “Chow Tai Fook” for a period of 2 years commencing from 1 September 2009 (“CTF SH 2009 Consignment”). 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 minimum monthly commission of RMB86,400.

Upon expiry of the CTF SH 2009 Consignment, on 30 August 2011, Shanghai Ongoing entered into another dealership agreement with CTF Shanghai to continue the consignment arrangement for a period of 6 months commencing from 1 September 2011 to 29 February 2012 (“CTF SH 2011 Consignment”). 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 minimum monthly commission of RMB86,400.

The CTF SH 2009 Consignment and the CTF SH 2011 Consignment were entered into in the ordinary course of business of the Group as the merchandises to be sold by CTF Shanghai in the Shanghai Jiuguang Store can enhance the product mix and branding of the available merchandises in the Shanghai Jiuguang Store and fulfil the Group’s customers’ demand.

During the year, Shanghai Ongoing received a total of RMB3,092,000 (equivalent to approximately HK\$3,732,000) for commission, management fee and other charges from CTF Shanghai under the CTF SH 2009 Consignment and the CTF SH 2011 Consignment.

As CTF Enterprises is a connected person of the Company and its associate, CTF Shanghai, is also deemed to be a connected person of the Company, the transaction under the CTF SH 2009 Consignment and the CTF SH 2011 Consignment constituted a continuing connected transaction for the Company.

持續關連交易 (續)

(4) 上海久光店珠寶專櫃經營協議

於二零零九年九月二十二日，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，由二零零九年九月一日起計為期兩年(「周大福上海二零零九年寄售安排」)。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。

於周大福上海二零零九年寄售安排屆滿後，上海久光與周大福上海於二零一一年八月三十日訂立新一份由二零一一年九月一日至二零一二年二月二十九日止為期六個月之專櫃經營協議(「周大福上海二零一一年寄售安排」)。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，而每月最低佣金則約為人民幣86,400元。

周大福上海二零零九年寄售安排及周大福上海二零一一年寄售安排乃於本集團日常業務過程中訂立。周大福上海於上述專櫃所售貨品可豐富上海久光店之商品及品牌組合，以滿足本集團顧客之需求。

年內，上海久光根據周大福上海二零零九年寄售安排及周大福上海二零一一年寄售安排自周大福上海收取佣金、管理費及其他收費合共人民幣3,092,000元(約相當於3,732,000港元)。

周大福企業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，周大福上海二零零九年寄售安排及周大福上海二零一一年寄售安排下之交易構成本公司之持續關連交易。

Continuing Connected Transactions *(continued)*

(5) Watches Dealership Agreement at the Shanghai Jiuguang Store

On 23 November 2009, Shanghai Ongoing entered into a dealership agreement with 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 selling watches for a period of 2 years commencing from 25 September 2009 ("Shanghai Watches 2009 Consignment"). Under the arrangement, Shanghai Ongoing would receive a monthly commission charging on certain percentages of the gross turnover at the said counter subject to a minimum monthly commission of RMB14,400.

Upon expiry of the Shanghai Watches 2009 Consignment, on 30 August 2011, Shanghai Ongoing entered into another dealership agreement with CTF Shanghai to continue the consignment arrangement for a period of 6 months commencing from 1 September 2011 to 29 February 2012 ("Shanghai Watches 2011 Consignment"). Under the arrangement, Shanghai Ongoing would receive a monthly commission charging on certain percentages of the gross turnover at the said counter subject to a minimum monthly commission of RMB14,400.

The Shanghai Watches 2009 Consignment and Shanghai Watches 2011 Consignment were entered into in the ordinary course of business of the Group as the merchandises to be sold by CTF Shanghai in the Shanghai Jiuguang Store can enhance the product mix and branding of the available merchandises in the Shanghai Jiuguang Store and fulfil the Group's customers' demand.

During the year, Shanghai Ongoing received a total of RMB267,000 (equivalent to approximately HK\$323,000) for commission, management fee and other charges from CTF Shanghai under the Shanghai Watches Consignment.

As CTF Shanghai is a connected person of the Company, the transaction under the Shanghai Watches 2009 Consignment and the Shanghai Watches 2011 Consignment constituted a continuing connected transaction for the Company.

(6) Jewellery Dealership Agreement at the Sogo CWB Store

On 26 April 2010, 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 square feet on the first floor of the Sogo Causeway Bay Store ("Sogo CWB Store") for exhibiting and selling fine jewellery under the brand name of "Chow Tai Fook" ("Sogo Jewellery Arrangement") for a period of two years commencing from 1 March 2010 to 29 February 2012 ("2010 CTF Consignment"). 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 approximately HK\$4 million.

持續關連交易(續)

(5) 上海久光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，提供上海久光店二樓面積約12平方米之專櫃作銷售手錶，由二零零九年九月二十五日起計為期兩年（「上海手錶二零零九年寄售安排」）。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。

於上海手錶二零零九年寄售安排屆滿後，上海久光與周大福上海於二零一一年八月三十日訂立新一份由二零一一年九月一日至二零一二年二月二十九日止為期六個月之專櫃經營協議（「上海手錶二零一一年寄售安排」）。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，而每月最低佣金則約為人民幣14,400元。

上海手錶二零零九年寄售安排及上海手錶二零一一年寄售安排乃於本集團日常業務過程中訂立。周大福上海於上述專櫃所售貨品可豐富該店之商品及品牌組合，以滿足本集團顧客之需求。

年內，上海久光根據上海手錶二零零九年寄售安排及上海手錶二零一一年寄售安排自周大福上海收取佣金、管理費及其他收費合共人民幣267,000元（約相當於323,000港元）。

周大福上海為本公司之關連人士，故上海手錶二零零九年寄售安排及上海手錶二零一一年寄售安排下之交易構成本公司之持續關連交易。

(6) 銅鑼灣崇光店珠寶專櫃經營協議

於二零一零年四月二十六日，崇光香港與周大福珠寶金行有限公司（「周大福珠寶金行」）就寄售安排訂立專櫃經營協議，提供銅鑼灣崇光店（「銅鑼灣崇光店」）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，由二零一零年三月一日起計至二零一二年二月二十九日，為期兩年（「二零一零年周大福寄售安排」）。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。

Continuing Connected Transactions *(continued)*

(6) Jewellery Dealership Agreement at the Sogo CWB Store (continued)

During the year, Sogo HK received a total of approximately HK\$25.4 million for commission, management fee and other charges from CTF Jewellery under the 2010 CTF Consignment.

The 2010 CTF Consignment was entered into in the ordinary course of business of the Group as the merchandises to be sold by CTF Jewellery in Sogo CWB Store can enhance the product mix and branding of the available merchandises in the Sogo CWB Store and fulfil the Group's customers' demand.

As CTF Enterprises is a connected person of the Company and its associate, CTF Jewellery, is also deemed to be a connected person of the Company, the transactions under the 2010 CTF Consignment constituted continuing connected transactions for the Company.

(7) Jewellery Dealership Agreement at the Suzhou Jiuguang Store

On 7 October 2010, Suzhou Ongoing entered into a dealership agreement with CTF Suzhou for the consignment arrangement of a retailing counter of approximately 102 sq.m. on the first floor of the Suzhou Jiuguang Store for selling fine jewellery under the brand names of “周大福” or “Chow Tai Fook” (“Suzhou Jewellery Arrangement”) commencing from 1 September 2010 to 31 August 2012 (“2010 Suzhou CTF Consignment”). Under the agreement, Suzhou Ongoing would receive a monthly commission charging on certain percentages of the gross turnover at the said counter subject to a minimum monthly commission of RMB51,000.

During the year, Suzhou Ongoing received a total of RMB1,645,000 (equivalent to approximately HK\$1,985,000) for commission, management fee and other charges from CTF Suzhou under the 2010 Suzhou CTF Consignment.

The 2010 CTF Consignment was entered into in the ordinary course of business of the Group as the merchandises to be sold by CTF Suzhou in the Suzhou Jiuguang Store can enhance the product mix and branding of the available merchandises in the Suzhou Jiuguang Store and fulfil the Group's customers' demand.

As CTF Suzhou is a connected person of the Company, the transactions under 2010 Suzhou CTF Consignment constituted continuing connected transactions for the Company.

持續關連交易 (續)

(6) 銅鑼灣崇光店珠寶專櫃經營協議 (續)

年內，崇光香港根據二零一零年周大福寄售安排自周大福珠寶金行收取佣金、管理費及其他收費合共約25,400,000港元。

二零一零年周大福寄售安排乃於本集團日常業務過程中訂立。周大福珠寶金行於上述專櫃所售貨品可豐富銅鑼灣崇光店之商品及品牌組合，以滿足本集團顧客之需求。

周大福企業為本公司的關連人士，其聯繫人周大福珠寶金行亦被視為本公司之關連人士。因此，二零一零年周大福寄售安排下之交易構成本公司之持續關連交易。

(7) 蘇州久光店珠寶專櫃經營協議

於二零一零年十月七日，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，提供蘇州久光店內一樓面積約102平方米之專櫃，作銷售「周大福」或「Chow Tai Fook」品牌珠寶首飾（「蘇州珠寶首飾寄售安排」），由二零一零年九月一日至二零一二年八月三十一日止（「二零一零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。

年內，蘇州久光根據二零一零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1,645,000元（約相當於1,985,000港元）。

二零一零年蘇州周大福寄售安排乃於本集團日常業務過程中訂立。周大福蘇州於上述專櫃所售貨品可豐富蘇州久光店之商品及品牌組合，以滿足本集團顧客之需求。

周大福蘇州為本公司之關連人士。因此，二零一零年蘇州周大福寄售安排下之交易構成本公司之持續關連交易。

Continuing Connected Transactions *(continued)*

(8) Jewellery Dealership Agreement at the Dalian Jiuguang Store

On 7 October 2010, the Group's 100% owned Lifestyle Plaza (Dalian) Co., Ltd ("Dalian Lifestyle") entered into a dealership agreement with 北京周大福珠寶金行有限公司 ("CTF Beijing") for the consignment arrangement of a retailing counter of approximately 107 sq.m. on the first floor of the Group's Dalian Jiuguang Department Store ("Dalian Jiuguang Store") to CTF Beijing for selling fine jewellery under the brand names of "周大福" or "Chow Tai Fook" for the period commencing from 2 September 2010 to 31 August 2012 ("Dalian Jewellery Consignment"). Dalian Lifestyle would receive a monthly commission charging on certain percentages of the gross turnover at the said counter subject to a minimum monthly commission of RMB32,100.

The Dalian Jewellery Consignment was entered into in the ordinary course of business of the Group as the merchandises to be sold by CTF Beijing in the Dalian Jiuguang Store can enhance the product mix and branding of the available merchandises in the Dalian Jiuguang Store and fulfil the Group's customers' demand.

During the year, Dalian Lifestyle received a total of RMB1,199,000 (equivalent to approximately HK\$1,447,000) for commission, management fee and other charges from CTF Beijing under the Dalian Jewellery Consignment. As CTF Enterprises is a connected person of the Company and its associate, CTF Beijing, is also deemed to be a connected person of the Company, the transaction under the Dalian Jewellery Consignment constituted a continuing connected transaction for the Company.

(9) Leasing of the shop at the Tianjin Lifestyle Plaza

On 17 November 2010, the Group's 100% owned Li Hua Jia Commercial Building (Tianjin) Co., Ltd ("Tianjin Property Co") entered into a tenancy agreement with CTF Beijing in which Tianjin Property Co agreed to lease a shop of approximately 974 sq.m. on the first floor of the Group's Tianjin Lifestyle Plaza ("Tianjin Mall") to CTF Beijing for selling fine jewellery under the brand names of "周大福" or "Chow Tai Fook", gold and watches for a period of 36 months commencing from 3 December 2010 ("Tenancy"). Tianjin Property Co would receive a monthly rental charging on certain percentages of the gross turnover at the said shop subject to a minimum monthly commission of RMB149,800, RMB224,700 and RMB299,600 for the respective years of the Tenancy.

The Tenancy was entered into in the ordinary course of business of the Group as the merchandises to be sold by CTF Beijing in Tianjin Mall can enhance the product mix and branding of the available merchandises in Tianjin Mall and fulfil the Group's customers' demand.

As CTF Beijing is a connected person of the Company, the transaction under the Tenancy constituted a continuing connected transaction for the Company.

持續關連交易(續)

(8) 大連久光店珠寶專櫃經營協議

於二零一零年十月七日，本集團全資附屬公司之利福商廈(大連)有限公司(「利福大連」)與北京周大福珠寶金行有限公司(「周大福北京」)就寄售安排訂立一份專櫃經營協議，提供本集團之大連久光百貨店(「大連久光店」)一樓面積約107平方米之專櫃，作銷售「周大福」或「Chow Tai Fook」品牌珠寶首飾，由二零一零年九月二日至二零一二年八月三十一日(「大連珠寶寄售安排」)。利福大連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32,100元。

大連珠寶寄售安排乃於本集團日常業務過程中訂立。周大福北京於上述專櫃所售貨品可豐富大連久光店之商品及品牌組合，以滿足本集團顧客之需求。

年內，利福大連根據大連珠寶寄售安排自周大福北京收取佣金、管理費及其他收費合共人民幣1,199,000元(約相當於1,447,000港元)。周大福企業為本公司的關連人士，其聯繫人周大福北京亦被視為本公司之關連人士。因此，大連珠寶寄售安排項下之交易構成本公司之持續關連交易。

(9) 天津利福廣場店舖租賃協議

於二零一零年十一月十七日，本集團全資附屬公司之利華佳商廈(天津)有限公司(「天津商廈」)與周大福北京就租賃安排訂立一份協議，提供本集團之天津利福廣場(「天津廣場」)一樓面積約974平方米之店舖作銷售純金、手錶及以「周大福」或「Chow Tai Fook」品牌珠寶首飾。由二零一零年十二月三日起計為期三十六個月(「租賃協議」)。天津商廈將每月按上述店舖之總營業額若干百分比收取租金，而各年之每月最低租金則均為人民幣149,800元、人民幣224,700及人民幣299,600元。

租賃協議乃在本集團日常業務過程中訂立，因為周大福北京於上述店舖所售貨品可豐富天津廣場之商品組合及品牌，以滿足本集團顧客之需求。

周大福北京為本公司之關連人士，故租賃協議下之交易構成本公司之持續關連交易。

Continuing Connected Transactions (continued)

(10) Framework Agreement

On 29 November 2011, the Company entered into a framework agreement which took effect on 15 December 2011 (the “Effective Date”) for continuing connected transactions entered into between the Company and Chow Tai Fook Jewellery Group Limited, an associate of CTF Enterprises (“CTF Jewellery Group”) (the “Framework Agreement”) for the purpose of consolidating and governing all existing (including transactions (3) to (9) above) and future transactions between members of the Group and members of CTF Jewellery Group and its subsidiaries (collectively “CTFJ Group”) arising from the following:

- (a) concessionaire arrangements in respect of retailing counters for the sale of jewellery and watches by CTFJ Group at properties in Hong Kong and PRC owned by, or leased to, the Group or at which the Group operates its business; and
- (b) leasing or sub-leasing of premises to members of CTFJ Group at properties in Hong Kong and PRC which are owned by, or leased to, the Group

(collectively the “Transactions”).

The Directors consider that the inclusion of jewellery and watches at “Chow Tai Fook” branded retailing counters in the stores operated by the Group provides a well mix of products for the Group’s customers. In view of the strong brand equity of “Chow Tai Fook”, the Directors consider that it is beneficial to the Group to continue to enter into the Transactions as the Transactions have facilitated, and will continue to facilitate, the operation and growth of the Group’s business. The Directors are of the view that the Transactions are and will be entered into in the ordinary and usual course of business of the Group and are and will be on normal commercial terms.

As CTF Enterprises is a connected person of the Company and its associate, CTF Jewellery Group, is also deemed to be a connected person of the Company, the Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions for the Company.

持續關連交易 (續)

(10) 框架協議

於二零一一年十一月二十九日，本公司因持續關連交易與Chow Tai Fook Jewellery Group Limited 為周大福企業之聯繫人) (「周大福珠寶」) 訂立框架協議 (「框架協議」)。框架協議由二零一一年十二月十五日 (「生效日期」) 起生效，以綜合及規管本集團成員公司與周大福珠寶及其成員公司 (統稱「周大福珠寶集團」) 之間由以下項目引致之所有現有 (包括上列第 (3) 至 (9) 項交易) 及未來交易：

- (a) 有關周大福珠寶集團於本集團在香港及中國經營業務之自有或租賃物業之零售專櫃銷售珠寶及鐘錶之特許安排；及
- (b) 於本集團在香港及中國自有或租賃之物業向周大福珠寶集團成員公司出租或分租處所

(統稱「該等交易」)。

董事認為，在本集團經營之商店之「周大福」品牌零售專櫃提供珠寶及鐘錶，可為本集團之客戶提供優良產品組合。鑑於「周大福」之強大品牌資產，董事認為由於該等交易促進並將繼續促進本集團業務之營運及增長，繼續訂立該等交易對本集團有利。董事認為，該等交易乃按一般商業條款在本公司之日常及一般業務過程中訂立。

周大福企業為本公司的關連人士，其聯繫人周大福珠寶亦被視為本公司之關連人士。因此，框架協議下之交易構成本公司之持續關連交易。

Continuing Connected Transactions (continued)

All the Continuing Connected Transactions above have been reviewed by the Independent Non-executive Directors of the Company who have confirmed that for the year ended 31 December 2011 the Continuing Connected Transactions have been entered into (i) in the ordinary and usual course of business of the Company; (ii) either on normal commercial terms or on terms no less favourable to the Company than terms available to (or from) independent third parties; and (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The auditor of the Company has provided a letter to the Board pursuant to Rule 14A.38 of the Listing Rules to confirm that for the year ended 31 December 2011 the Continuing Connected Transactions (i) have received approval of the Board of Directors of the Company; (ii) are in accordance with the pricing policies of the Company, where applicable; (iii) have been entered into in accordance with the terms of the agreements governing the transactions; and (iv) have not exceeded the respective cap amounts for the year ended 31 December 2011 as set out above in respect of each of the Continuing Connected Transactions.

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.

持續關連交易(續)

本公司之獨立非執行董事已審閱以上全部持續關連交易，並確認截至二零一一年十二月三十一日止年度，該等持續關連交易乃(i)屬本公司一般及日常業務；(ii)按一般商業條款或不遜於獨立第三方可取得或提供之條款進行；及(iii)根據該等交易之協議條款進行，屬公平合理，並符合本公司股東之整體利益。

本公司核樓師已根據上市規則第14A.38條致函董事會確認截至二零一一年十二月三十一日止年度該等持續關連交易(i)已獲本公司董事會批准；(ii)乃按照本公司之定價政策而進行(如適用)；(iii)是根據有關交易的協議條款進行；及(iv)於上述所列各持續關連交易均並無超越截至二零一一年十二月三十一日止年度披露之上限。

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。

Competing Business Interests of Directors

Save as disclosed below, as at 31 December 2011, 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.

董事於競爭業務之權益

除下文披露者外，於二零一一年十二月三十一日，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。

Businesses which are considered to compete or likely to compete with the businesses of the Group 被視為與本集團業務構成競爭或可能構成競爭的業務

Name of Director 董事姓名	Name of entity 實體名稱	Description of business 業務簡介	Nature of Interest of the Director in the entity 董事於該實體的權益性質
Cheng Kar Shun, Henry 鄭家純博士	New World Development Company Limited 新世界發展有限公司	Equity interest in New World Department Store China Limited, which operates department stores in the People's Republic of China 持有在中國人民共和國經營百貨公司之新世界百貨中國有限公司	Director 董事
	New World Department Store China Limited 新世界百貨中國有限公司	Operations of department stores in the People's Republic of China 在中國人民共和國經營百貨公司	Director 董事
Dato' Dr. Cheng Yu-Tung 拿督鄭裕彤博士	New World Development Company Limited 新世界發展有限公司	Equity interest in New World Department Store China Limited, which operates department stores in the People's Republic of China 持有在中國人民共和國經營百貨公司之新世界百貨中國有限公司	Director 董事

As the Board of the Company is independent of the boards of the above-mentioned entities and none of the above directors is in control the Board of the Company, the Group is therefore capable of carrying on its businesses independently of, and at arm's length, from the businesses of these entities.

本公司董事會乃獨立於上述實體的董事會，且概無上述董事可控制本公司董事會，故本集團有能力獨立地按公平基準進行其業務。

Purchase, Sale or Redemption of The Company's Securities

During the year, the Company repurchased 15,487,500 ordinary shares from the market through The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at an aggregate consideration of approximately HK\$280 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			
09/2011	351,500	18.80	17.94	6,425
10/2011	7,488,500	18.44	16.54	131,293
11/2011	6,810,000	19.98	17.18	128,436
12/2011	837,500	17.18	16.64	14,225
	15,487,500	19.98	16.54	280,379

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\$280,302,000 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 31 December 2011, the Group employed a total of 952 employees in Hong Kong and 1,452 employees in the PRC. Staff costs (excluding directors' emoluments), including employees' share option charges of HK\$2.5 million (2010: HK\$6.2 million), amounted to HK\$349.7 million (2010: HK\$304.8 million) for the year. The Group ensures that the pay levels of its employees are competitive and in line with market trend and its employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system. For the year ended 31 December 2011, no share options (2010: nil shares) had been granted to employees of the Group.

購買、出售或贖回本公司證券

於本年內，本公司以總代價約280,000,000港元透過香港聯合交易所有限公司(「聯交所」)購回15,487,500股普通股。董事會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280,302,000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

於二零一一年十二月三十一日，本集團分別於香港及中國共僱用約952名及1,452名員工。本年度，員工成本為349,700,000港元(二零一零年：304,800,000港元)，包括僱員購股權開支2,500,000港元(二零一零年：6,200,000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。截至二零一一年十二月三十一日止年度內，概無購股權(二零一零年：無)被授予本集團僱員。

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 35% 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\$1,349,000 (2010: HK\$105,000).

Auditors

The consolidated financial statements for the year have been audited by Messrs. Deloitte Touche Tohmatsu ("Deloitte"). A resolution will be submitted to the annual general meeting to reappoint Deloitte as auditors of the Company.

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

27 February 2012

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 35%。

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 1,349,000 港元(二零一零年：105,000 港元)。

核數師

本公司本年度綜合財務報表經由核數師德勤•關黃陳方會計師(「德勤」)審核。本公司將於股東週年大會提呈續聘德勤為本公司核數師之決議案。

代表董事會
董事總經理
劉鑾鴻

二零一二年二月二十七日

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 62 to 143, which comprise the consolidated statement of financial position as at 31 December 2011, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view 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, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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 about 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 62 至 143 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二零一一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，及負責董事確定須要的內部監控，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。

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 of the consolidated financial statements that give a true and fair view 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 31 December 2011 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
27 February 2012

審計涉及執行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。審計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 貴集團於二零一一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
二零一二年二月二十七日

Consolidated Statement of Comprehensive Income

綜合全面收益表

for the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

		NOTES 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Turnover	營業額	7	5,131,950	4,317,465
Cost of sales	銷售成本	7	(2,132,077)	(1,836,222)
Gross profit	毛利		2,999,873	2,481,243
Other income	其他收入	9	249,898	172,614
Selling and distribution costs	銷售及分銷成本		(962,011)	(876,827)
Administrative expenses	行政開支		(248,797)	(204,659)
Investment income	投資收入	10	64,301	58,079
Fair value changes on investment properties	投資物業公平值變動			
Realised gains on disposals	出售變現收益	11	203,346	1,128
Unrealised gains	未變現收益	11	94,417	62,026
Share of profit of a jointly controlled entity	應佔一家共同控制實體溢利	23	29,393	24,252
Discount arising on acquisition of additional interest in an associate	收購一家聯營公司額外權益產生之折讓	39	—	114,556
Share of profits of associates	應佔聯營公司溢利	22	221,892	99,632
Finance costs	融資成本	12	(57,911)	(35,788)
Profit before taxation	除稅前溢利		2,594,401	1,896,256
Taxation	稅項	13	(535,151)	(330,410)
Profit for the year	本年度溢利	14	2,059,250	1,565,846
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兌差額		197,429	159,428
Release of exchange reserve upon disposal of a subsidiary	出售一間附屬公司時解除匯兌儲備	38	(36,067)	—
Share of exchange differences of associates	應佔聯營公司匯兌差額		42,762	20,240
Share of exchange difference of a jointly controlled entity	應佔一家共同控制實體匯兌差額		9,753	7,931
Other comprehensive income for the year	本年度其他全面收入		213,877	187,599
Total comprehensive income for the year	本年度全面收入總額		2,273,127	1,753,445
Profit for the year attributable to:	本年度應佔溢利：			
Owners of the Company	本公司擁有人		1,886,301	1,407,534
Non-controlling interests	非控股權益		172,949	158,312
			2,059,250	1,565,846
Total comprehensive income attributable to:	應佔全面收入總額：			
Owners of the Company	本公司擁有人		2,078,382	1,577,723
Non-controlling interests	非控股權益		194,745	175,722
			2,273,127	1,753,445
Earnings per share	每股盈利			
— basic	— 基本	17	HK\$1.1239	HK\$0.8392
— diluted	— 攤薄	17	HK\$1.1141	HK\$0.8340

Consolidated Statement of Financial Position

綜合財務狀況表

at 31 December 2011 於二零一一年十二月三十一日

		NOTES 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Non-current assets	非流動資產			
Investment properties	投資物業	18	1,147,261	1,609,018
Property, plant and equipment	物業、廠房及設備	19	3,985,972	3,815,144
Prepaid lease payments	預付租賃款項	20	1,373,133	1,334,765
Long-term deposits paid	已付長期按金	21	631,214	3,083
Interests in associates	於聯營公司權益	22	2,039,839	1,348,828
Interest in a jointly controlled entity	於一家共同控制實體權益	23	486,089	467,929
Club debenture	會所債券		12,737	12,737
			9,676,245	8,591,504
Current assets	流動資產			
Inventories	存貨	24	71,949	61,611
Prepaid lease payments	預付租賃款項	20	22,715	21,721
Trade and other receivables	應收賬款及其他應收款項	25	326,673	214,012
Amount due from a jointly controlled entity	應收一家共同控制實體款項	26	69,899	—
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	27	1,144,574	786,370
Bank balances and cash	銀行結存及現金	28	7,269,294	3,760,829
			8,905,104	4,844,543
Assets classified as held for sale	分類為持作出售資產	29	—	436,909
			8,905,104	5,281,452
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款項	30	2,078,733	2,009,463
Amount due to a jointly controlled entity	應付一家共同控制實體款項	26	—	29,934
Tax payable	應繳稅項		262,877	166,742
Bank borrowings — due within one year	銀行借貸 — 一年內到期	31	2,693,114	2,985,200
Derivative financial liabilities	衍生金融負債	32	14,333	—
			5,049,057	5,191,339
Current assets less current liabilities	流動資產減流動負債		3,856,047	90,113
Total assets less current liabilities	總資產減流動負債		13,532,292	8,681,617
Non-current liabilities	非流動負債			
Bank borrowings — due after one year	銀行借貸 — 一年後到期	31	3,930,620	413,000
Deferred tax liabilities	遞延稅項負債	33	220,595	198,576
Amount due to a non-controlling shareholder of subsidiaries	應付附屬公司一名非控股股東之款項	34	174,379	166,987
			4,325,594	778,563
			9,206,698	7,903,054

Consolidated Statement of Financial Position (continued) 綜合財務狀況表(續)
at 31 December 2011 於二零一一年十二月三十一日

		NOTES 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Capital and reserves	資本及儲備			
Share capital	股本	35	8,338	8,395
Reserves	儲備		8,391,834	7,208,489
Equity attributable to owners of the Company	本公司擁有人應佔權益		8,400,172	7,216,884
Non-controlling interests	非控股權益		806,526	686,170
			9,206,698	7,903,054

The consolidated financial statements on pages 62 to 143 were approved and authorised for issue by the Board of Directors on 27 February 2012 and are signed on its behalf by:

第 62 至 143 頁綜合財務報表獲董事會於二零一二年二月二十七日批准及授權刊發，並由下列董事代表簽署：

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

Doo Wai-hoi, William 杜惠愷
Executive Director 執行董事

Consolidated Statement of Changes in Equity

綜合權益變動表

for the year ended 31 December 2011 截至二零一一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	Capital redemption reserve	Asset revaluation reserve	Exchange reserve	Share-based payment reserve	Retained profits	Total	Non-controlling interests	Total	
		股本	股份溢價	儲備	儲備	匯兌儲備	儲備	保留溢利	總計	非控股權益	總計	
		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	
		(Note 37) (附註37)										
At 1 January 2010	於二零一零年一月一日	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
Profit for the year	本年度溢利	—	—	—	—	—	—	1,407,534	1,407,534	158,312	1,565,846	
Other comprehensive income for the year	本年度其他全面收入	—	—	—	—	170,189	—	—	170,189	17,410	187,599	
Total comprehensive income for the year	本年度全面收入總額	—	—	—	—	170,189	—	1,407,534	1,577,723	175,722	1,753,445	
Recognition of equity-settled share based payments	確認股本結算股份付款	—	—	—	—	—	15,365	—	15,365	—	15,365	
Exercise and lapse of share options	購股權獲行使及失效	27	39,686	—	—	—	(5,602)	82	34,193	—	34,193	
Dividends paid to non-controlling interests	已派付予非控股權益股息	—	—	—	—	—	—	—	—	(51,090)	(51,090)	
Dividends paid	已派付股息	—	(531,866)	—	—	—	—	—	(531,866)	—	(531,866)	
Transfer of reserves	轉撥儲備	—	—	16,219	—	—	—	(16,219)	—	—	—	
At 31 December 2010	於二零一零年十二月三十一日	8,395	1,424,231	29,334	228	123,641	414,511	159,144	5,057,400	7,216,884	686,170	7,903,054
Profit for the year	本年度溢利	—	—	—	—	—	—	1,886,301	1,886,301	172,949	2,059,250	
Other comprehensive income for the year	本年度其他全面收入	—	—	—	—	192,081	—	—	192,081	21,796	213,877	
Total comprehensive income for the year	本年度全面收入總額	—	—	—	—	192,081	—	1,886,301	2,078,382	194,745	2,273,127	
Recognition of equity-settled share based payments	確認股本結算股份付款	—	—	—	—	—	2,513	—	2,513	—	2,513	
Share repurchase	股份購回	—	—	—	—	—	—	—	—	—	—	
— repurchase of shares	— 購回股份	(77)	—	—	—	—	—	—	(77)	—	(77)	
— premium on repurchase of shares	— 購回股份之溢價	—	(280,986)	—	—	—	—	—	(280,986)	—	(280,986)	
— transfer	— 轉讓	—	—	—	77	—	—	(77)	—	—	—	
Exercise and lapse of share options	購股權獲行使及失效	20	29,630	—	—	—	(4,206)	235	25,679	—	25,679	
Dividends paid to non-controlling interests	已派付予非控股權益股息	—	—	—	—	—	—	—	—	(74,389)	(74,389)	
Dividends paid	已派付股息	—	(642,223)	—	—	—	—	—	(642,223)	—	(642,223)	
Transfer of reserves	轉撥儲備	—	—	23,616	—	—	—	(23,616)	—	—	—	
At 31 December 2011	於二零一一年十二月三十一日	8,338	530,652	52,950	305	123,641	606,592	157,451	6,920,243	8,400,172	806,526	9,206,698

Consolidated Statement of Cash Flows

綜合現金流量表

for the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

	NOTES 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務		
Profit before taxation	除稅前溢利	2,594,401	1,896,256
Adjustments for:	經作出以下調整：		
Interest income on bank deposits	銀行存款之利息收入	(52,035)	(12,384)
Loan interests and other interest income	貸款利息及其他利息收入	—	(6,066)
Finance costs	融資成本	57,911	35,788
Depreciation of property, plant and equipment	物業、廠房及設備折舊	211,870	209,068
Release of prepaid lease payments	預付租賃款項轉出	11,111	10,357
Dividend income from financial assets at fair value through profit or loss	按公平值計入損益之金融資產之股息收入	(13,763)	(23,183)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	172	445
Fair value changes in respect of financial assets at fair value through profit or loss	按公平值計入損益之金融資產之公平值變動	1,497	(16,446)
Change in fair value of investment properties	投資物業之公平值變動	(297,763)	(63,154)
Share of profit of a jointly controlled entity	應佔一家共同控制實體溢利	(29,393)	(24,252)
Share of profits of associates	應佔聯營公司溢利	(221,892)	(99,632)
(Reversal of) write-down of obsolete inventories	滯銷(撥回)存貨撇減	(355)	1,012
(Reversal of) impairment for other receivables	其他應收款項減值(撥回)撥備	(142)	(71)
Share-based payment expense	股份付款開支	2,513	15,365
Gain on disposal of a subsidiary	出售一間附屬公司溢利	(36,067)	—
Discount arising on acquisition of additional interest in an associate	收購一家聯營公司額外權益產生之折讓	—	(114,556)
Operating cash flows before movements in working capital	營運資金變動前經營現金流量	2,228,065	1,808,547
Increase in inventories	存貨增加	(9,163)	(2,110)
Increase in trade and other receivables	應收賬款及其他應收款項增加	(90,316)	(50,017)
Decrease in pledged bank deposits	已抵押銀行存款減少	—	120,203
Increase in trade and other payables	應付賬款及其他應付款項增加	302,618	105,187
(Increase in amount due from) decrease in amount due to a jointly controlled entity	應付一家共同控制實體款項減少(款項增加)	(99,833)	29,934
Cash generated from operations	經營業務所得現金	2,331,371	2,011,744
Interest received	已收利息	52,035	18,450
Hong Kong Profits Tax paid	已繳香港利得稅	(261,670)	(216,640)
PRC Enterprise Income Tax paid	已繳中國企業所得稅	(116,731)	(33,503)
Hong Kong Profits Tax refunded	香港利得稅退稅	1,749	1,984
NET CASH FROM OPERATING ACTIVITIES	經營業務所得現金淨額	2,006,754	1,782,035

	NOTES 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
INVESTING ACTIVITIES	投資活動		
Purchase of financial assets at fair value through profit or loss	購買按公平值計入損益之金融資產	(532,660)	(855,938)
Addition to prepaid lease payments	預付租賃款項增加	—	(59,150)
Addition to and deposit paid for property, plant and equipment	購買物業、廠房及設備已付按金	(956,363)	(334,715)
Purchase of investment properties	購買投資物業	(82,175)	(60,609)
Purchase of club debenture	購買會所債券	—	(1,981)
Decrease in loans receivable	應收貸款減少	—	159,246
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公平值計入損益之金融資產所得款	218,094	423,214
Repayment from a jointly controlled entity	收到一家共同控制實體之款項	—	47,484
Interest received from financial assets at fair value through profit or loss	按公平值計入損益之金融資產之已收利息	1,608	14,214
Dividend received from financial assets at fair value through profit or loss	按公平值計入損益之金融資產之已收股息	13,763	23,183
Dividend received from an associate	一家聯營公司之已收股息	10,551	—
Dividend received from a jointly controlled entity	一家共同控制實體之已收股息	20,986	66,552
Proceeds from disposal of a subsidiary (net of cash and cash equivalents disposed of)	出售一間附屬公司所得款項(已扣除所出售之現金及現金等價物)	596,726	—
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款	22	477
Proceeds from disposal of investment properties	出售投資物業所得款	13,553	4,889
Proceed from disposal of prepaid lease payments	出售預付租賃款項所得款	—	154,527
Acquisition of additional interest in an associate	收購一家聯營公司額外權益	—	(157,584)
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額	(695,895)	(576,191)
FINANCING ACTIVITIES	融資活動		
New bank borrowings raised	新借銀行借貸	7,833,537	2,479,000
Exercise of share options	行使購股權	25,679	34,193
Advance from a non-controlling shareholder of subsidiaries	向附屬公司非控股股東借款	—	163,542
Repayment of bank borrowings	償還銀行借貸	(4,633,595)	(2,291,600)
Dividends paid	已派付股息	(642,223)	(531,866)
Repurchase of ordinary shares	購回普通股	(281,063)	—
Dividends paid to non-controlling shareholders	已派付給非控股股東股息	(74,389)	(51,090)
Finance costs paid	已付融資成本	(68,929)	(40,567)
NET CASH FROM (USED IN) FINANCING ACTIVITIES	融資活動所得(所用)現金淨額	2,159,017	(238,388)
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加淨額	3,469,876	967,456
EFFECT OF FOREIGN EXCHANGE RATE DIFFERENCE	匯率差異之影響	38,589	23,883
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初現金及現金等價物	3,760,829	2,769,490
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	7,269,294	3,760,829

Notes to the Consolidated Financial Statements

綜合財務報表附註

for the year ended 31 December 2011 截至二零一一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 (“HK\$”), 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 holding.

2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”)

In the current year, the Group has applied the following new and revised Hong Kong Accounting Standards (“HKAS”s), HKFRS, amendment and interpretations (“INT”s) (hereinafter collectively referred to as “new and revised HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

Amendments to HKFRSs	Improvements to HKFRSs issued in 2010
HKAS 24 (as revised in 2009)	Related party disclosures
Amendments to HKAS 32	Classification of rights issues
Amendments to HK(IFRIC)* Prepayments of a minimum -INT 14	Prepayments of a minimum funding requirement
HK(IFRIC)-INT 19	Extinguishing financial liabilities with equity instruments

* IFRIC represents the IFRS Interpretations Committee

Except as described below, the application of the new and revised HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

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，本集團採用下列財務報告準則由香港會計師公會頒佈之新訂及經修訂香港會計準則、香港財務報告準則、修訂及詮釋（以下統稱為「新訂及經修訂香港財務報告準則」）。

香港財務報告準則（修訂本）	2010年頒佈的香港財務報告準則改進
香港會計準則第24號（2009年重訂本）	關連人士披露
香港會計準則第32號（修訂本）	供股分類
香港（國際財務報告詮釋委員會）-詮釋第14號（修訂本）	最低資金要求之預付款項
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

除以下敘述外，採納新訂及經修訂香港財務報告準則並沒有對本集團本年度或過往年度之業績及財務狀況及或於該等綜合財務報告之披露有重大影響。

2. *Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”)* (continued)

Amendments to HKAS 1 Presentation of financial statements (as part of Improvements to HKFRSs issued in 2010)

The amendments to HKAS 1 clarify that an entity may choose to disclose an analysis of other comprehensive income by item in the consolidated statement of changes in equity or in the notes to the consolidated financial statements. In the current year, for each component of equity, the Group has chosen to present such an analysis in the consolidated statement of comprehensive income with a single-line presentation of other comprehensive income in the consolidated statement of changes in equity. Such amendments have been applied retrospectively, and hence the disclosures in these consolidated financial statements have been modified to reflect the change.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 7	Disclosures — Transfers of financial assets ¹
	Disclosures — Offsetting financial assets and financial liabilities ²
Amendments to HKFRS 7 and HKFRS 9	Mandatory effective date of HKFRS 9 and transition disclosures ³
HKFRS 10	Consolidated financial statements ²
HKFRS 11	Joint arrangements ²
HKFRS 12	Disclosure of interests in other entities ²
HKFRS 13	Fair value measurement ²
Amendments to HKAS 1	Presentation of items of other comprehensive income ⁵
Amendments to HKAS 12	Deferred tax — Recovery of underlying assets ⁴
HKAS 19 (as revised in 2011)	Employee benefits ²
HKAS 27 (as revised in 2011)	Separate financial statements ²
HKAS 28 (as revised in 2011)	Investments in associates and joint ventures ²
Amendments to HKAS 32	Offsetting financial assets and financial liabilities ⁶
HK(IFRIC)-INT 20	Stripping costs in the production phase of a surface mine ²

2. 應用新訂及經修訂香港財務報告準則 (續)

香港會計準則第1號修訂 — 財務報表之呈報 (如在2010年頒佈的香港財務報告準則改進的一部分)

香港會計準則第1號的修訂澄清，一個實體可以選擇披露在綜合權益變動表或綜合財務報表附註中的其他全面收入作項目分析。在本年度，於權益中各組成部分，本集團已選擇於綜合全面收益表，以單行呈列於綜合權益變動表中其他全面收入，表達該分析。這些修訂已追溯應用，因此在這些綜合財務報表的披露已被修改以反映這個變化。

本集團並無應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第7號 (修訂本)	披露 — 轉讓金融資產 ¹
	披露 — 抵銷金融資產及金融負債 ²
香港財務報告準則第7號及9號 (修訂本)	香港財務報告準則第9號的強制性生效日期及過渡披露 ³
香港財務報告準則第10號	綜合財務報表 ²
香港財務報告準則第11號	共同安排 ²
香港財務報告準則第12號	於其他實體之權益之披露 ²
香港財務報告準則第13號	公平值計量 ²
香港會計準則第1號 (修訂本)	其他全面收入項目的列報 ⁵
香港會計準則第12號 (修訂本)	遞延稅項：收回相關資產 ⁴
香港會計準則第19號 (2011年重訂本)	僱員福利 ²
香港會計準則第27號 (2011年重訂本)	獨立財務報表 ²
香港會計準則第28號 (2011年重訂本)	於聯營公司及合營公司之投資 ²
香港會計準則第32號 (修訂本)	抵銷金融資產及金融負債 ⁶
香港財務報告詮釋委員會詮釋第20號	露天礦場生產階段的剝採成本 ²

2. *Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”)* (continued)

Amendments to HKAS 1 Presentation of financial statements (as part of Improvements to HKFRSs issued in 2010) (continued)

- ¹ Effective for annual periods beginning on or after 1 July 2011.
- ² Effective for annual periods beginning on or after 1 January 2013.
- ³ Effective for annual periods beginning on or after 1 January 2015.
- ⁴ Effective for annual periods beginning on or after 1 January 2012.
- ⁵ Effective for annual periods beginning on or after 1 July 2012.
- ⁶ Effective for annual periods beginning on or after 1 January 2014.

New and revised Standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

Key requirements of these five standards are described below.

HKFRS 10 replaces the parts of HKAS 27 “Consolidated and separate financial statements” that deal with consolidated financial statements and HK(SIC)-INT 12 “Consolidation — Special purpose entities”. HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor’s returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 11 replaces HKAS 31 “Interests in joint ventures” and HK(SIC)-INT 13 “Jointly controlled entities — Non-monetary contributions by venturers”. HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. Under HKFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations.

In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate accounting.

2. 應用新訂及經修訂香港財務報告準則(續)

香港會計準則第1號修訂 — 財務報表之呈報(如在2010年頒布之香港財務報告準則改進的一部分)(續)

- ¹ 由2011年7月1日起或以後年度期間生效。
- ² 由2013年1月1日起或以後年度期間生效。
- ³ 由2015年1月1日起或以後年度期間生效。
- ⁴ 由2012年1月1日起或以後年度期間生效。
- ⁵ 由2012年7月1日起或以後年度期間生效。
- ⁶ 由2014年1月1日起或以後年度期間生效。

新訂及經修訂的準則於合併、聯合安排、聯營公司及披露

於2011年6月，合併、聯合安排、聯營公司及披露的五個準則一併發出，包括香港財務報告準則第10號，香港財務報告準則第11號，香港財務報告準則第12號，香港會計準則第27號(2011年重訂)和香港會計準則第28號(2011年重訂)。

這五項準則的關鍵要求如下所述。

香港財務報告準則第10號取代香港會計準則第27號「綜合及獨立財務報表」中有關綜合財務報表及香港詮釋委員會標準—詮釋第12號「合併—特殊目的實體」之部分。香港財務報告準則第10號載有控制權之新定義，包括三項元素：(a) 對被投資方之權力，(b) 介入被投資方所得可變回報之風險或權利，及(c) 對被投資方行使其權力從而影響投資者回報金額之能力。香港財務報告準則第10號已添加了廣泛的指導去處理複雜情況。

香港財務報告準則第11號取代香港會計準則第31號「於合營企業之權益」及香港詮釋委員會標準—詮釋第13號「共同控制實體—合營非貨幣性的貢獻」。香港財務報告準則第11號處理應如何分類由兩方或多方共同控制之合營安排。根據香港財務報告準則第11號，合營安排分為兩類：合營業務及合營企業，分類乃基於各方根據有關安排之權利及責任。反之，香港會計準則第31號則有共同控制實體、共同控制資產及共同控制業務三類不同之合營安排。

此外，香港財務報告準則第11號項下之合營企業需採用會計權益法入賬，而香港會計準則第31號項下之共同控制實體可以會計權益法或會計比例法入賬。

2. *Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”)* (continued)

New and revised Standards on consolidation, joint arrangements, associates and disclosures (continued)

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

These five standards are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted provided that all of these five standards are applied early at the same time.

The directors of the Company anticipate that these five standards will be adopted in the Group’s consolidated financial statements for the annual period beginning 1 January 2013. The application of these five standards may have significant impact on amounts reported in the consolidated financial statements. The application of HKFRS 10 may result in the Group no longer consolidating some of its investees, and consolidating investees that were not previously consolidated (e.g. the Group’s investment in associates may become the Group’s subsidiaries based on the new definition of control and the related guidance in HKFRS 10). However, the directors have not yet performed a detailed analysis of the impact of the application of these Standards and hence have not yet quantified the extent of the impact.

HKFRS 13 Fair value measurement

HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The Standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of HKFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in HKFRS 13 are more extensive than those in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under HKFRS 7 “Financial instruments: Disclosures” will be extended by HKFRS 13 to cover all assets and liabilities within its scope.

2. 應用新訂及經修訂香港財務報告準則 (續)

新訂及經修訂的準則於合併、聯合安排、聯營公司及披露 (續)

香港財務報告準則第12號是一項披露準則，是適用於實體的附屬公司，合營安排，聯營公司和／或非合併的結構實體的權益。在一般情況下，在香港財務報告準則第12號的披露要求比現行準則更加廣泛。

這五個標準是2013年1月1日或之後開始之年度期間生效。提早採用是允許的，但這五項標準必須在同一時間提早採用。

本公司董事預期，這5項標準將在2013年1月1日起開始的年度期間本集團的綜合財務報表所採用。這5項標準的應用可能有對綜合財務報表之報告金額產生重大影響。應用香港財務報告準則第10號或導致本集團不再合併其中的一些投資公司，及合併一些之前沒有合併的投資公司(如本集團的聯營公司的投資可能基於新的控制定義及根據香港財務報告準則第10號之有關指導，成為本集團的附屬公司)。然而，董事尚未對這些準則的應用影響進行詳細分析，因此還沒有量化其影響程度。

香港財務報告準則第13號「公平值計量」

香港財務報告準則第13號設立有關公平值計量及公平值計量的披露的單一指引。該準則界定公平值、設立計量公平值的框架以及有關公平值計量的披露規定。香港財務報告準則第13號的範圍廣泛，其應用於其他香港財務報告準則規定或允許公平值計量及有關公平值計量披露的金融工具項目及非金融工具項目，惟特定情況除外。整體而言，香港財務報告準則第13號所載的披露規定較現行準則所規定者更為全面。例如，現時僅規限香港財務報告準則第7號金融工具：披露項下的金融工具的三級公平值等級的量化及定性披露將藉香港財務報告準則第13號加以擴展，以涵蓋該範圍內的所有資產及負債。

2. *Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”)* (continued)

HKFRS 13 Fair value measurement (continued)

HKFRS 13 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

The directors of the Company anticipate that HKFRS 13 will be adopted in the Group’s consolidated financial statements for the annual period beginning 1 January 2013 and that the application of the new Standard may affect the amounts reported in the consolidated financial statements and result in more extensive disclosures in the consolidated financial statements.

Amendments to HKAS 1 Presentation of items of other comprehensive income

The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis.

The amendments to HKAS 1 are effective for annual periods beginning on or after 1 July 2012. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in the future accounting periods.

Amendments to HKAS 12 Deferred tax — Recovery of underlying assets

The amendments to HKAS 12 provide an exception to the general principles in HKAS 12 that the measurement of deferred tax assets and deferred tax liabilities should reflect the tax consequences that would follow from the manner in which the entity expects to recover the carrying amount of an asset. Specifically, under the amendments, investment properties that are measured using the fair value model in accordance with HKAS 40 “Investment property” are presumed to be recovered through sale for the purposes of measuring deferred taxes, unless the presumption is rebutted in certain circumstances.

The directors anticipate that the application of the amendments to HKAS 12 may have a significant impact on deferred tax recognised for investment properties that are measured using the fair value model. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

2. 應用新訂及經修訂香港財務報告準則(續)

香港財務報告準則第13號「公平值計量」(續)
香港財務報告準則第13號於2013年1月1日或之後開始的年度期間生效，並可提早應用。

本公司董事預期，本集團的財務報表將於2013年1月1日開始的年度期間採納香港財務報告準則第13號，而應用新準則或會對本集團於綜合財務狀況表呈列數字造成影響，而且令綜合財務報表的披露更為全面。

香港會計準則第1號修訂 — 其他全面收益項目的表述

香港會計準則第1號的修訂保留選項呈現在一個單獨的報表，或在兩個獨立但連續的報表於損益和其他全面收益表中。然而，香港會計準則第1號的修訂要求額外披露其他全面收益而其他全面收益項目分為兩類：(a) 項目將不會最後重新分類到損益；(b) 項目在滿足特定條件下可能最後被重新分類到損益。其他全面收益項目的所得稅須在同一基礎上分配。

香港會計準則第1號的修訂，會於2012年7月1日或之後開始之年度期間生效。其他全面收益項目的表述將在以後會計期間修訂時作相應的修改。

香港會計準則第12號「遞延稅項」之修訂 — 收回相關資產

香港會計準則第12號之修訂提供了在香港會計準則第12號一般原則的一個例外，遞延稅項資產和遞延稅項負債的計量應反映該企業預計收回資產的眼面值的方式而引致稅務後果。特定地，在此修訂下，根據香港會計準則第40號「投資物業」以公平值計量之投資物業，除非在某情況下被駁回，否則在計算遞延稅項時其價值假定是從出售中收回。

董事預期應用香港會計準則第12號之修訂可能對有使用公平值模式計量的投資物業確認的遞延稅項產生重大影響。但是，現時不能提供一個合理的估計，直到完成了詳細的審查為止。

3. Significant Accounting Policies

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain 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 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 in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein.

Allocation of total comprehensive income to non-controlling interests

Total comprehensive income and expense of a subsidiary is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance (effective from 1 January 2010 onwards).

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

3. 重大會計政策

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（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。

於附屬公司非控股權益與本集團於其中的權益分開呈列。

分配綜合全面收益予非控股權益

附屬公司的綜合全面收益與開支會分配予公司擁有人及非控股權益，即使這將導致非控股權益金額為負數（從2010年1月1日起生效）。

本集團於現有附屬公司之擁有權益變動

本集團於附屬公司之擁有權益變動若無導致本集團失去對有關附屬公司之控制權，則按權益交易入賬。本集團權益及非控股權益之賬面值作出調整，以反映其於附屬公司之相關權益變動。非控股權益之調整金額以及已付或已收代價之公平值間之任何差額直接於權益確認，並歸屬於本公司擁有人。

3. Significant Accounting Policies (continued)

Basis of consolidation (continued)

Changes in the Group's ownership interests in existing subsidiaries (continued)

When the Group loses control of a subsidiary, it (i) derecognises the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost, (ii) derecognises the carrying amount of any non-controlling interests in the former subsidiary at the date when control is lost (including any components of other comprehensive income attributable to them), and (iii) recognises the aggregate of the fair value of the consideration received and the fair value of any retained interest, with any resulting difference being recognised as a gain or loss in profit or loss attributable to the Group. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the related assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39 "Financial instruments: Recognition and measurement" or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 "Income taxes" and HKAS 19 "Employee benefits" respectively;

3. 重大會計政策(續)

綜合基準(續)

本集團於現有附屬公司之擁有權益變動(續)

當本集團失去一家附屬公司之控制權時，集團將會(i)在失去控制權之日起終止確認附屬公司的資產(包括任何商譽)和負債之其賬面金額；及(ii)在失去控制權的日期時終止確認前附屬公司的任何非控股權益的賬面金額(包括任何與他們有關之其他全面收入)，(iii)確認收取代價的公平值及任何保留權益的公平值的總和，及任何差異確認於本集團應佔的收益或損失於損益表。倘該附屬公司若干資產按重估金額或公平值計量，而相關累計損益已於其他全面收益確認及於權益累計，則原先於其他全面收益確認及於權益累計之金額按猶如本集團已直接出售相關資產入賬(即根據適用香港財務準則重分類至損益或直接轉往保留盈利)。前附屬公司中之任何保留投資於失去控制權當日之公平值，根據香港會計準則第39號「金融工具：確認及計量」視作初步確認時之公平值，以供隨後會計處理，或(如適用)於初步確認聯營公司或一家共同控制實體投資時視作成本。

企業合併

收購業務採用購買法進行會計處理。企業合併成本會以公平值計量，包括在交易日本集團為換取被收購者的控制權而轉讓的資產、承擔被收購者前擁有人的負債，以及發行的股本權益的公平值的差異。與收購有關的成本一般會於發生時計入損益。

於收購日，被收購的能識別資產、承擔負債應按其在收購日的公平值予以確認，惟以下各項除外：

- 遞延稅項資產或負債或僱員福利安排的相關資產應分別按「香港會計準則第12號—所得稅」和「香港會計準則第19號—僱員福利」予以確認和計量；

3. Significant Accounting Policies (continued)

Business combinations (continued)

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 “Share-based payment” at the acquisition date (see the accounting policy below); and
- 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” are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer’s previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after re-assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer’s previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity’s net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests’ proportionate share of the recognised amounts of the acquiree’s identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another Standard.

Investments in associates

An associate is an entity over which the Group 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.

3. 重大會計政策 (續)

企業合併 (續)

- 於收購日，有關被收購者股份付款交易或被收購者股份付款交易以本集團股份付款交易取代之負債或權益工具，應按香港財務報告準則第2號「股份付款」計量（參看以下會計政策）；及
- 按照香港財務報告準則第5號「持有待售的非流動資產和終止經營」劃歸為持有待售的資產（或出售集團）應按該準則予以計量。

商譽按轉讓代價，於被收購者非控股權益金額及之前於被收購者持有股本權益（如有）公平值之總和與已收購能識別資產及承擔負債於收購日淨值之差額計量。如果在重新評估後，已收購能識別淨資產及承擔負債於收購日之淨值額超過了轉讓價、在被購者的任何非控股權益金額以及購買方先前在被收購者持有的權益（如有）的總額，超出的差額立即作為廉價購入收益計入損益。

非控股權益為現有擁有權益，當發生清盤時給予持有人相應於公司淨資產佔有比例。其初步以公平值或非控股權益於被收購者能識別淨資產應佔確認金額計量，計量基準選擇按個別交易基準決定。其他種類非控股權益按公平值或其他準則要求計量基準計量。

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。

3. Significant Accounting Policies (continued)

Investments in associates (continued)

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 initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associates. 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. Additional losses are 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 and liabilities of an associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment.

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.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 "Impairment of assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with its associate, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

3. 重大會計政策(續)

於聯營公司之投資(續)

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於綜合財務狀況表列賬，並就本集團應佔聯營公司收購後損益及其他全面收益作出調整。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，方始額外確認應佔虧損。

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及負債之公平淨值之差額確認為商譽，其中已包括在投資的賬面價值中。

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

香港會計準則第39號之規定適用於釐定有否需要就本集團於聯營公司之投資確認任何減損。如有需要，投資之全部賬面值(包括商譽)會根據香港會計準則第36號「資產減值」作為單一資產進行減值測試，方法為將可收回金額(即使用價值與公平值減銷售成本之較高者)與賬面值作比較。任何已確認之減損構成投資賬面值之一部分。倘其後投資之可收回金額增加，則根據香港會計準則第36號確認該減損之撥回。

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於綜合財務報表中撇銷損益。

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 initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the jointly controlled entities. 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. Additional losses are 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 a jointly controlled entity recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment.

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.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in a jointly controlled entity. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 "Impairment of assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with its jointly controlled entity, profits and losses resulting from the transactions with the jointly controlled entity are recognised in the Group's consolidated financial statements only to the extent of interests in the jointly controlled entity that are not related to the Group.

3. 重大會計政策 (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於綜合財務狀況表列賬，並就本集團應佔共同控制實體收購後損益及其他全面收益作出調整。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，方始額外確認應佔虧損。

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，其中已包括在投資的賬面價值中。

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

香港會計準則第39號之規定適用於釐定有否需要就本集團於共同控制實體之投資確認任何減損。如有需要，投資之全部賬面值（包括商譽）會根據香港會計準則第36號「資產減值」作為單一資產進行減值測試，方法為將可收回金額（即使用價值與公平值減銷售成本之較高者）與賬面值作比較。任何已確認之減損構成投資賬面值之一部分。倘其後投資之可收回金額增加，則根據香港會計準則第36號確認該減損之撥回。

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於綜合財務報表中撤銷損益。

3. Significant Accounting Policies (continued)

Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts 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 non-current asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

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

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 commission income representing commission charged to consignors based on certain percentage of turnover made, or floor area is recognised in accordance with terms of contracts when services are provided.

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' rights to receive payment have been established.

3. 重大會計政策(續)

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。管理層必須致力於銷售,應預期限定在從分類日起一年內確認為完成銷售。

當本集團致力於一項銷售計劃涉及損失一間附屬公司的控制權,當上述標準都滿足時,該附屬公司的資產和負債將被列為持作出售,不論本集團在出售後是否在其前附屬公司保留非控股利益。

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

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。

最低保證銷售佣金代表向貨主收取根據營業額之特定百分比或面積而收取之佣金,按照合同條款在提供服務時確認。

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。

3. Significant Accounting Policies (continued)

Property, plant and equipment

Property, plant and equipment other than construction in progress are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories 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.

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 the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

When buildings are in the course of development for production or for administrative purposes, the amortisation of prepaid lease payments provided during the construction period 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).

3. 重大會計政策 (續)

物業、廠房及設備

物業、廠房及設備(在建工程除外)於綜合財務狀況表中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。估計可使用年期、估計剩餘價值及折舊方法於每個報告結算日後審查，而估計變動之影響以預期基準列賬。

在建工程以供生產或供其本身使用之物業乃按成本減任何已確認減值虧損列賬。成本包括專業費用及按本集團會計政策於合資格資產被資本化借貸成本。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。

物業、廠房及設備項目於出售時或預期待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)計入損益。

當樓宇為發展中以作生產或行政用途時，於建築期間預付租賃款項攤銷將計入為在建中樓宇成本一部份。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。

3. Significant Accounting Policies (continued)

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including properties under construction for such purposes). Investment properties include land held for undetermined future use, which is regarded as held for capital appreciation purpose.

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

Construction costs incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction.

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 property (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.

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 leases 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. Contingent rentals arising under operating leases are recognised as an income in the period in which they are incurred.

3. 重大會計政策(續)

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。投資物業包括持有但未確定未來用途之土地，其被視為持作資本增值用途。

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。

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。

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。

會所債券

會所債券按成本減任何減值虧損計算。

租賃

當租賃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，該租賃乃分類為融資租賃。所有其他租賃均分類為經營租賃。

本集團作為出租人

經營租賃之租金收入乃按相關租賃年期以直線法於損益確認。於磋商及安排經營租賃產生之初步直接成本，加上租賃資產之賬面值，按租賃年期以直線法確認作開支。根據經營租賃所產生的或然租金在其產生期間確認為收入。

3. Significant Accounting Policies (continued)

Leasing (continued)

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

3. 重大會計政策 (續)

租賃 (續)

本集團作為承租人

除非有另一個系統基準更能表達在使用該租賃資產而獲得經濟利益的時間模式，經營租賃款項於有關租賃期間按直線法確認為開支。於經營租賃產生或然租金於產生期間確認為支出。

若訂立經營租賃時獲得租賃優惠，該優惠將被確認為負債。除非有另一個系統基準是更能表達在使用該租賃資產而獲得經濟利益的時間模式，該優惠將按直線法扣減租金支出確認。

租賃土地及樓宇

當租賃包括土地和建築成份，本集團會按因擁有每個成份而附帶的絕大部份風險和回報是否已轉移到本集團的基礎上評估每個成份，以分類為融資或經營租賃。除非很明顯地，該兩個成份均是經營租賃，在這種情況下，整個租賃則分類為經營租賃。具體來說，最低租賃款項(包括任何一次性預付款)按在開始租賃時土地成份及樓宇成份租賃權益之相對公平值，按比例分配到土地及樓宇成份。

在一定程度上租賃費能可靠地分配，租賃土地權益以「預付租賃款項」在綜合財務狀況報表列賬為經營租賃，並在租賃期內按直線法攤銷，除非那些在公平值模式下分類和列賬為投資物業。當租賃費無法可靠地分配在土地及建築成份，整個租賃一般歸類為融資租賃及列為物業、廠房及設備。

3. Significant Accounting Policies (continued)

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.

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, except for exchange differences arising on a monetary item that forms part of the Company's net investment in a foreign operation, in which case, such exchange differences are recognised in other comprehensive income and accumulated in equity and will be reclassified from equity to profit or loss on disposal of the foreign operation. 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) using exchange rate prevailing at the end of the reporting period. Income and expenses items 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 equity under the heading of exchange reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a jointly controlled entity that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

3. 重大會計政策(續)

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。

匯率差異引起的結算貨幣性項目，及重新換算貨幣項目，是在其發生期間確認損益，除公司海外業務的淨投資的組成部分產生之匯兌差額之貨幣項目外，在這種情況下，有關匯兌差額確認在其他全面收益和累計權益，並會從權益重新分類至處置海外業務損益。換算以公平值入賬的非貨幣性項目所產生的匯兌差額列入換算非貨幣性項目所產生的收益和損失方面的匯兌差額除了換算非貨幣性項目所產生的收益和損失直接計入其他全面收入外，在此情況下，匯兌差額亦直接確認於其他全面收入。

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。

海外業務出售(即集團的海外業務全部權益出售，或處置涉及失去控制權之附屬公司之外國業務，處置涉及失去共同控制權之共同控制實體之外國業務，或處置涉及處置失去重大影響之一間聯營公司之外國業務)，所有歸屬於本公司股東權益的累計匯兌差額，將重新分類收益和損失。

3. Significant Accounting Policies (continued)

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.

Deferred tax is recognised on temporary 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. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those 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.

3. 重大會計政策 (續)

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。

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。

3. Significant Accounting Policies (continued)

Taxation (continued)

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. Current and deferred tax is recognised in profit or loss.

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.

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.

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.

3. 重大會計政策(續)

稅項(續)

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。現行及遞延稅項於損益確認。

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。

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。

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間內以交付資產方式購買或出售金融資產。

3. Significant Accounting Policies (continued)

Financial instruments (continued)

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial assets at amortised cost

Debt instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss (except for debt investments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

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.

Income is recognised on an effective interest method for debt instruments measured subsequently at amortised cost. Interest income is recognised in profit or loss and is included in "investment income" line item.

3. 重大會計政策 (續)

金融工具 (續)

金融資產

根據金融資產的分類，所有已確認之金融資產隨後以其整體按攤銷成本或公平值計量。

按攤銷成本計量之金融資產

符合下列條件之債務工具其後按攤銷成本減減值損失 (除了初步確認時指定以公平值計入損益的債務投資)：

- 於一個商業模式內持有資產，而其持有資產的目的是為了收取合約現金流量；及
- 工具合同條款引致於指定日期之現金流量僅為支付本金和未償還之本金利息。

所有其他金融資產在期後按公平價值進行計量。

按實際利率法

實際利率法計算是以攤銷成本計量的金融資產和分配有關期間的利息收入的方法。實際利率折現估計未來現金收入 (包括支付或收取的所有費用率，形成一個組成部分的實際利率，交易成本及其他溢價或折讓) 通過金融資產的預期壽命，或在適當的情況下，在初始確認時的賬面淨值的較短期間。

按實際利率法確認隨後按攤銷成本計量之債務工具之收入，利息收入確認為損益並列入「投資收入」的項目。

3. Significant Accounting Policies (continued)

Financial instruments (continued)

Financial assets (continued)

Financial assets at fair value through profit or loss ("FVTPL")

Investments in equity instruments are classified as at FVTPL, unless the Group designates an investment that is not held for trading as at fair value through other comprehensive income ("FVTOCI") on initial recognition. The Group has not designated investments in unlisted equity securities as at FVTOCI on initial application of HKFRS 9 (see note 27).

Debt instruments that do not meet the amortised cost criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria but are designated as at FVTPL are measured at FVTPL. A debt instrument may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instrument as at FVTPL on initial application of HKFRS 9.

Debt instruments are reclassified from amortised cost to FVTPL when the business model is changed such that the amortised cost criteria are no longer met. Reclassification of debt instruments that are designated as at FVTPL on initial recognition is not allowed.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss is included in the "investment income" line item in the consolidated statement of comprehensive income. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on these financial assets.

Impairment of financial assets

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

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

按公平值計入損益(「按公平值計入損益」)之金融資產

權益工具投資被分類為按公平值計入損益，除非本集團指定的非持作買賣投資於初步確認按公平值計入其他全面收入(「按公平值計入其他全面收入」)。於首次應用香港財務報告準則第9號(見註27)，本集團並無指定非上市股本證券投資按公平值計入其他全面收入。

債務工具不符合成本攤銷標準(見上文)乃按公平值計入損益。此外，債務工具符合成本攤銷標準，但被指定為公平值計入損益乃按公平值計入損益計量。債務工具於初步確認可以指定為按公平值計入損益，如果該指定可以消除或顯著減少計量或確認不一致而產生按不同的基礎計量資產或負債或確認其收益和損失。當初步應用香港財務報告準則第9號時，本集團並無任何指定債務工具按公平值計入損益。

當商業模式的改變使攤銷成本的標準不再符合時，債務工具由按攤銷成本重新分類為按公平值計入損益。初步確認被指定為按公平值計入損益之債務工具是不允許重新分類。

於每個報告期末按公平值計入損益之金融資產按公平值計量，與重新計量所產生任何收益或虧損確認入損益。確認入損益中之淨收益或虧損包括在綜合全面收入報表中的「投資收入」項目。確認入損益中之淨收益或虧損不包括從其金融資產取之任何股息或利息。

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。

3. Significant Accounting Policies (continued)

Financial instruments (continued)

Impairment of financial assets (continued)

For financial assets carried at amortised cost, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it 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, in addition, 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 30 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly 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 the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3. 重大會計政策 (續)

金融工具 (續)

金融資產減值 (續)

就按攤銷成本計量之金融資產而言，減值之客觀證據可包括：

- 發行人或對手的重大財務困難；或
- 違約，如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 日之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。

就按已攤銷成本計量之金融資產而言，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)

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with to the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised 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.

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 and points 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.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

3. 重大會計政策(續)

金融工具(續)

金融負債及股本工具

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

股本工具為體現本集團資產經扣除所有負債後餘下權益之任何合約。由本集團發行的股本工具在已收所得款項扣除直接發行成本後確認。

購回公司股本直接在權益中確認及扣除。購買、出售、發行或註銷本公司的股本並不會確認任何收益或虧損於利潤表中。

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。

按公平值計入損益之金融負債

金融負債在持作買賣或它被指定為按公平值計入損益時被列為按公平值計入損益的金融負債。

倘出現下列情況，金融負債將被分類為持作買賣：

- 它被收購的主要目的在於短期內回購，或
- 於初步確認，這是本集團共同管理的可辨認金融工具組合的一部分，具有最近實際短期獲利回吐模式；
- 它是一種衍生工具，除了這是一個財務擔保合同或指定且為有效套期工具的衍生工具。

3. Significant Accounting Policies (continued)

Financial instruments (continued)

Financial liabilities and equity instruments (continued)

Derivative financial instruments

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately.

Other financial liabilities

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

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and 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 original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payment reserve.

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.

3. 重大會計政策 (續)

金融工具 (續)

金融負債及股本工具 (續)

衍生金融工具

衍生工具初始按公平值確認的衍生工具合同訂立之日起，其後在報告期末重新計量其公平價值。所產生的收益或損失立即確認至損益。

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非控股股東之款項，其後採用實際利率法按已攤銷成本量。

剔除確認

本集團剔除確認金融資產，只有當資產現金流量的合同權利屆滿，或金融資產轉移幾乎所有的風險和回報的資產所有權給另一個實體。

於剔除確認整體金融資產時，資產賬面值與已收及應收代價及已於其他全面收入確認及累計入權益之累計收益或虧損之總和間之差額於損益確認。

本集團之金融負債會於及只會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，從而累計支出反映重訂估計，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。

3. *Significant Accounting Policies* *(continued)*

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 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 recognised as an expense when employees have rendered service entitling them to the contributions.

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 the consolidated financial statements.

3. 重大會計政策(續)

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。其他應收政府補助作為補償已產生有關成本或虧損，或作為向本集團提供即時財務援助(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. 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。

4. *Key Sources of Estimation Uncertainty (continued)*

Income taxes

At 31 December 2011, no deferred tax asset has been recognised on the tax loss of approximately HK\$606.3 million (2010: HK\$491.6 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.

Financial assets at fair value through profit or loss

As described in notes 27 and 38, the Group has investments in unlisted equity securities with carrying amount of HK\$50.7 million in the consolidated statement of financial position as at 31 December 2011. The management estimated its fair value taking into account discount for lack of marketability. Favourable or unfavourable change to the estimation could affect the fair value of the investments measured at fair value through profit or loss.

Investment properties situated in the PRC

As described in note 18, investment properties situated in the PRC are stated at fair value determined by the directors of the Company by reference to a valuation performed by an independent professional valuer. The valuation of properties was arrived at using income method by capitalising future rental income derived from the property interest at an appropriate market yield with due allowance for the reversionary income potential of the properties. In relying on the valuation reports of the professional valuer, the management has exercised its judgment and is satisfied that the method of valuation is reflective of the market conditions prevailing at the end of each reporting period. Any changes in the market conditions will affect the fair value of the investment properties of the Group.

4. 主要不確定估計來源 (續)

所得稅

於二零一一年十二月三十一日，由於未能預測日後之溢利來源，故並無就稅項虧損約 606,300,000 港元 (二零一零年：491,600,000 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，或會產生重大遞延稅項資產確認，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。

按公平值計入損益之金融資產

如附註 27 和 38 所述，本集團擁有在截至 2011 年 12 月 31 日的綜合財務狀況表賬面金額 50,700,000 港元的非上市股本證券投資。管理層估計其公平值已考慮其缺乏市場而給予折扣。有利或不利的估計變化可能會影響透過損益按公平值計量之投資產品之公平值。

位於中國之投資性物業

如附註 18 所述，位於中國的投資物業按公平值由本公司董事經參考由獨立專業估值師進行估值來確定。物業估值乃使用收益法派生的財產權益，資本化在適當的市場回報復歸收入潛力的產量津貼之未來租金收入。依靠專業估值師的估值報告中，管理層已行使其判斷，並信納估值方法是反映各報告期末的現行市場條件。在市場條件下的任何變化將影響本集團的投資物業的公平值。

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 bank borrowings disclosed in note 31, net of cash and cash equivalents and equity attributable to owners 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.

6. Financial Instruments

Categories of financial instruments

	金融資產		
Financial assets	金融資產		
Fair value through profit or loss ("FVTPL") (note 27)	按公平值計入損益之金融資產 (附註27)	1,144,574	786,370
Financial assets measured at amortised cost (including cash and cash equivalents)	按攤銷成本計量之金融資產 (包括現金及現金等價物)	7,434,084	3,914,932
Financial liabilities	金融負債		
Financial liabilities measured at amortised cost	按攤銷成本計量之金融負債	8,457,286	5,261,890
Derivative financial liabilities	衍生金融負債	14,333	—

Financial risk management objectives and policies

The Group's major financial instruments include bank balances and cash, financial assets at fair value through profit or loss, trade and other receivables, trade and other payables, derivative financial liabilities, amount due to a jointly controlled entity, concessionaire sales payable, bank borrowings and amount due to a non-controlling shareholder of subsidiaries. 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.

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31披露之借貸)、扣除現金及現金等價物、已抵押銀行存款以及本公司擁有人應佔權益(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。作為該檢討之一部分，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。

6. 金融工具

金融工具類別

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Financial assets		
Fair value through profit or loss ("FVTPL") (note 27)	1,144,574	786,370
Financial assets measured at amortised cost (including cash and cash equivalents)	7,434,084	3,914,932
Financial liabilities		
Financial liabilities measured at amortised cost	8,457,286	5,261,890
Derivative financial liabilities	14,333	—

財務風險管理目的及政策

本集團之主要金融工具包括銀行結存及現金、按公平值計入損益之金融資產、應收及其他應收款項、應付及其他應付款項、衍生金融負債、應付一家共同控制實體款項、應付特許專櫃銷售款項、銀行借貸及應付附屬公司一名非控股股東之款項。這些金融工具資料在各自附註披露。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 and bank borrowings of the Group are denominated in United States Dollar ("US\$") amounting to approximately HK\$561,057,000 (2010: HK\$543,785,000) and HK\$433,974,000 (2010: HK\$155,400,000), respectively. In addition, certain financial assets at fair value through profit or loss are denominated in US\$ amounting to approximately HK\$1,011,431,000 (2010: HK\$684,639,000). The Group currently does not have a foreign currency hedging policy as HK\$ is effectively pegged to US\$. 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% (2010: 0.5%) in exchange rate of US\$ 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% (2010: 0.5%) change in foreign currency rates.

Increase (decrease) in profit for the year	年內溢利增加(減少)
— if HK\$ weakens against US\$	— 倘若港元兌美元貶值
— if HK\$ strengthens against US\$	— 倘若港元兌美元升值

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.

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。本集團若干分別為數約561,057,000港元(二零一零年：543,785,000港元)之銀行結存及433,974,000港元(二零一零年：155,400,000)之銀行借貸均以美元結算。此外，若干分別為數約1,011,431,000港元(二零一零年：684,639,000港元)之按公平值計入損益之金融資產亦以美元結算。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% (二零一零年：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% (二零一零年：0.5%) 外匯率變動調整換算。

Year ended 31 December 截至十二月三十一日止年度

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Increase (decrease) in profit for the year	年內溢利增加(減少)		
— if HK\$ weakens against US\$	— 倘若港元兌美元貶值	5,692	5,365
— if HK\$ strengthens against US\$	— 倘若港元兌美元升值	(5,692)	(5,365)

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。

6. *Financial Instruments (continued)*

Financial risk management objectives and policies (continued)

Interest rate risk

As at 31 December 2011 and 31 December 2010, the cash flow interest rate risk relates primarily to the Group's floating-rate bank deposits and bank borrowings. 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 Group's sensitivity to cash flow interest rate risk has been determined based on the exposure to interest rates for bank borrowings (excluding the specific bank borrowing for construction purpose) and floating rate bank deposits at the end of the reporting period and the reasonably possible change taking place at the beginning of each year and held constant through the year. A 100 basis points (2010: 100 basis points) increase or decrease is used for other variable rate balances, which represents management's assessment of the reasonably possible change in interest rates. For those bank balances with interest rate of 0.001% per annum, the analysis below reflects the sensitivity that the interest rate may drop to 0%. The Group's sensitivity to interest rate risk at the end of the reporting period while all other variables were held constant after taking into account the impact of the finance costs capitalised in construction in progress is as follows:

Increase in profit for the year	年內溢利增加
— as a result of increase in interest rate	— 由於利率上升
— as a result of decrease in interest rate	— 由於利率下降

The sensitivity to profit for the year has shown as an increase during both years due to a higher bank balances against the bank borrowings.

6. 金融工具(續)

財務風險管理目的及政策(續)

利率風險

於二零一一年及二零一零年十二月三十一日，現金流量利率風險主要與本集團之浮息銀行存款及銀行借貸有關。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。

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(不包括特定之銀行借貸作建築用途)及浮息銀行存款之利率風險，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。100個基點(2010: 100基點)增加或減少用於其他浮息結餘，代表管理層對利率可能合理變動的評估。對於年息0.001%利率的銀行結餘，下面的分析中反映其利率可能會下降到0%的敏感度。當所有其他變數維持不變，經考慮利息資本化於在建工程後，本集團於報告期間結算日對利率風險敏感度如下：

Year ended 31 December 截至十二月三十一日止年度

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
20,271	3,626
32,806	33,944

由於銀行結餘高於銀行借貸，導致兩年度利潤的敏感度增加。

6. *Financial Instruments (continued)*

Financial risk management objectives and policies (continued)

Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 31 December 2011 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 card or credit card payments.

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

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.

The Group's concentration of credit risk by geographical locations is mainly in Hong Kong, which accounted for 66% (2010: 62%) of the total trade receivable as at 31 December 2011.

Price risk

The Group's financial assets at fair value through profit or loss and derivative financial liabilities are measured at fair value at the end of the reporting period. Therefore, the Group is exposed to price risk. The management manages this exposure by maintaining a portfolio of investments with different risk profiles. Details of the financial assets at fair value through profit or loss and derivative financial liabilities are set out in notes 27 and 32 respectively.

6. 金融工具 (續)

財務風險管理目的及政策 (續)

信貸風險

於二零一一年十二月三十一日，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，故流動資金之信貸風險有限。

本集團與交易對手及客戶沒有重大集中信貸風險於應收及其他應收款。

本集團的集中信貸風險從地域而言，主要是在香港，佔截至二零一一年十二月三十一日應收賬款總額之66% (二零一零年：62%)。

價格風險

本集團按公平值計入損益之金融資產及衍生金融負債乃按報告期間結算日之公平值計量。因此，本集團面對價格風險。管理層透過維持具不同風險之投資組合以管理是項風險。按公平值計入損益之金融資產及衍生金融負債之詳情分別載於附註27及32。

6. Financial Instruments (continued)

Financial risk management objectives and policies (continued)

Price risk (continued)

The Group's sensitivity to price risk on the financial assets at fair value through profit or loss and derivative financial liabilities at the end of the reporting period while all other variables were held constant is as follows:

		HK\$'000 千港元
2011	二零一一年	
Reasonably possible change in price	價格之可能合理變動	5%
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	56,512
— as a result of decrease in price	— 由於價格減少	(56,512)
2010	二零一零年	
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	7,864
— as a result of decrease in price	— 由於價格減少	(7,864)

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 31 December 2011, the Group has available unutilised borrowing facilities of approximately HK\$261.7 million (2010: HK\$62.5 million). Details of which are set out in note 31.

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 both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve 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)

價格風險(續)

在其他變數維持不變下，本集團於報告期間結算日對按公平值計入損益之金融資產及衍生金融負債之價格風險敏感度如下：

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，確保遵守貸款契諾。

本集團依靠銀行借貸作為重要的流動資金來源。於二零一一年十二月三十一日，本集團之未提取銀行借貸融資額度為約261,700,000港元(二零一零年：62,500,000港元)，詳情載於附註31。

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。

下表已載列利率及主要現金流。若利息流為浮動利率，貼現金額來自在報告期末的的利率曲線。

6. Financial Instruments (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

In addition, the following table details the Group's liquidity analysis for its derivative financial instruments. The tables have been drawn up based on the undiscounted contractual net cash (inflows) and outflows on derivative instruments that settle on a net basis, and the undiscounted gross (inflows) and outflows on those derivatives that require gross settlement. When the amount payable is not fixed, the amount disclosed has been determined by reference to the projected interest rates/exchange rates as illustrated by the interest rate/exchange rate existing at the end of the reporting period. The liquidity analysis for the Group's derivative financial instruments are prepared based on the contractual maturities as the management consider that the contractual maturities are essential for an understanding of the timing of the cash flows of derivatives.

Liquidity and interest risk tables

		Weighted average effective interest rate	Less than 1 month	1-3 months	3 months to 1 year	Over 1 year	Total undiscounted cash flows	Carrying amount at
								31.12.2011
		加權平均實際利率 %	一個月內	一至三個月	三個月至一年	一年以上	總非貼現現金流量	於二零一一年十二月三十一日之賬面值
			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
2011	二零一一年							
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	—	1,211,065	366,742	31,826	49,540	1,659,173	1,659,173
Bank borrowing — fixed rate	銀行借貸—固定利率	3.50%	—	3,131	9,394	379,779	392,304	357,860
Bank borrowings — variable rate	銀行借貸—浮動利率	1.16%	2,503,063	14,406	248,239	3,777,100	6,542,808	6,265,874
Amount due to a non-controlling shareholder of subsidiaries	應付附屬公司一名非控股股東之貸款	—	—	—	—	174,379	174,379	174,379
			3,714,128	384,279	289,459	4,380,798	8,786,664	8,457,286
Derivative — gross settlement	衍生工具—總額結算							
Interest rate swap	利率掉期							
— Inflow	— 流入	—	—	(133)	(401)	(17,033)	(17,567)	
— Outflow	— 流出	—	—	—	1,719	33,692	35,411	
			—	(133)	1,318	16,659	17,844	9,994
Derivative — net settlement	衍生工具—淨額結算							
Cross currency swap	交叉貨幣掉期	—	—	—	6,543	—	6,543	4,339

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)

此外，下表詳列本集團的衍生金融工具的流動性分析。該表根據需淨額結算衍生工具之未貼現按合約淨現金(流入)及流出，及那些衍生工具需總額結算之未貼現總(流入)及流出制定。當應付金額不固定，披露金額參考預計利率或滙率(如在報告期末現有利率或滙率所示)確定。本集團的衍生金融工具的流動性分析基於合約到期日，因為管理層認為，合約到期日對了解衍生工具的現金流量時間非常重要。

流動資金及利息風險表

6. Financial Instruments (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Liquidity and interest risk tables (continued)

	Weighted average effective interest rate	Less than 1 month	1-3 months	3 months to 1 year	Over 1 year	Total undiscounted cash flows	Carrying amount at
							31.12.2010
	%	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	於二零一零年十二月三十一日之賬面值
		千港元	千港元	千港元	千港元	千港元	千港元
2010							
Non-derivative financial liabilities							
Trade and other payables	—	968,798	623,349	74,622	—	1,666,769	1,666,769
Bank borrowings — variable rate	2.24%	179,072	191	2,843,882	490,019	3,513,164	3,398,200
Amount due to a jointly controlled entity	—	29,934	—	—	—	29,934	29,934
Amount due to a non-controlling shareholder of subsidiaries	—	—	—	—	166,987	166,987	166,987
		1,177,804	623,540	2,918,504	657,006	5,376,854	5,261,890

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.

Fair value

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

- the fair value of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices;
- the fair value of derivative instruments is calculated using discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives; 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.

The directors of the Company 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.

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)

流動資金及利息風險表(續)

上文就非衍生金融負債之浮動利率工具包括之金額，會因浮動利率變動有別於報告期間結算日所釐定估計而有變。

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之公平值乃參考所報市場買入價釐定；
- 衍生工具公平值乃使用貼現現金流，以非可選衍生工具的期限適當的收益率曲線計算；及
- 其他金融資產及金融負債之公平值乃按公認訂價模式，採用貼現之現金流量分析釐定。

本公司董事認為，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。

6. *Financial Instruments (continued)*

Fair value measurements recognised in the consolidated 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)

於綜合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。

		31 December 2011 二零一一年十二月三十一日			
		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	82,483	—	—	82,483
— Unlisted debt securities	— 非上市債券	—	1,011,431	—	1,011,431
Others	其他				
— Unlisted equity securities (note)	— 非上市股本證券 (附註)	—	—	50,660	50,660
Total	總計	82,483	1,011,431	50,660	1,144,574
Financial liabilities at FVTPL:	按公平值計入損益之金融負債：				
Derivative financial liabilities	衍生金融負債	—	14,333	—	14,333

6. *Financial Instruments (continued)*
Fair value measurements recognised in the consolidated statement of financial position
(continued)

6. 金融工具(續)
於綜合財務狀況表確認之公平值計量(續)

		31 December 2010 二零一零年十二月三十一日			
		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	101,731	—	—	101,731
— Unlisted debt securities	— 非上市債券	—	671,041	—	671,041
Others	其他				
— Unlisted equity securities	— 非上市股本證券	13,598	—	—	13,598
Total	總計	115,329	671,041	—	786,370

Note:

The unlisted equity securities investment at 31 December 2011 represents the retained 10% equity interest in Shenyang Jiajian after the disposal set out in note 38. There is no change in fair value after it is transferred from investment in subsidiary.

There were no transfers between level 1 and 2 in the current and prior years.

附註：

於二零一一年十二月三十一日之非上市股本證券投資代表附註38所載的出售瀋陽佳建後保留的10%股權。公平值在由附屬公司投資轉移變動後沒有變動。

第一級和第二級之間在今年及去年並沒有轉移。

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:

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：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Sales of goods — direct sales	貨品銷售—直接銷售	2,871,430	2,491,562
Income from concessionaire sales	特許專櫃銷售收入	2,046,443	1,657,353
Service income	服務收入	112,410	90,360
Rental income	租金收入	101,667	78,190
		5,131,950	4,317,465
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	2,045,005	1,772,081
Other cost of sales	其他銷售成本	87,072	64,141
		2,132,077	1,836,222

8. Segment Information

Information reported to the board of directors of the Company (the “Board of Directors”), being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focusing on sales of goods, provision of services and lease operations in distinct geographical locations.

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

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

Segment revenues and results

The following is an analysis of the Group’s revenue and results by reportable and operating 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 31 December 2011	截至二零一一年十二月三十一日止年度			
Revenue	收益			
External sales	對外銷售	4,091,393	1,040,557	5,131,950
Result	業績			
Segment result	分部業績	1,756,746	282,217	2,038,963
Fair value changes on investment properties	投資物業公平值變動			297,763
Investment income	投資收入			64,301
Share of profit of a jointly controlled entity	應佔一家共同控制實體溢利			29,393
Share of profits of associates	應佔聯營公司溢利			221,892
Finance costs	融資成本			(57,911)
Profit before taxation	除稅前溢利			2,594,401

8. 分部資料

匯報資料給作為主要營運決策的公司董事會之目的主要是按位處不同地區的銷售、服務及租賃業務作資源分配及分部表現的評估。

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」）。本集團按集團董事會審閱並據此作出決策之內部報告釐定其經營分部。

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%。

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：

8. *Segment Information (continued)*
Segment revenues and results (continued)

8. 分部資料(續)
分部收益及業績(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
For the year ended 31 December 2010	截至二零一零年十二月三十一日止年度			
Revenue	收益			
External sales	對外銷售	3,451,605	865,860	4,317,465
Result	業績			
Segment result	分部業績	1,386,817	185,554	1,572,371
Fair value changes on investment properties	投資物業公平值變動			63,154
Discount arising on acquisition of additional interest in an associate	收購一家聯營公司額外權益產生之折讓			114,556
Investment income	投資收入			58,079
Share of profit of a jointly controlled entity	應佔一家共同控制實體溢利			24,252
Share of profits of associates	應佔聯營公司溢利			99,632
Finance costs	融資成本			(35,788)
Profit before taxation	除稅前溢利			1,896,256

The accounting policies of the reportable and operating segments are the same as the Group's accounting policies described in note 3. Segment profit represents the profit earned by each segment without share of profits of associates and jointly controlled entity, discount arising on acquisition of additional interest in an associate, fair value changes on investment properties, investment income and finance costs. This is the measure reported to the Board of Directors for the purposes of resources allocation and performance assessment.

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，惟未計及應佔聯營公司及共同控制實體溢利、收購一家聯營公司額外權益產生之折讓、投資物業公平值變動、投資收入及融資成本。此乃向本公司董事會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 and operating segment:

8. 分部資料 (續)

分部資產及負債

本集團按可報告分部劃分之資產及負債分析如下：

		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
As at 31 December 2011	於二零一一年十二月三十一日			
Assets	資產			
Segment assets	分部資產	7,343,148	7,485,063	14,828,211
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產			1,144,574
Interest in a jointly controlled entity	於一家共同控制實體權益			486,089
Amount due from a joint controlled entity	應收一家共同控制實體款項			69,899
Interests in associates	於聯營公司權益			2,039,839
Unallocated assets	未分配資產			12,737
Consolidated total assets	綜合資產總值			18,581,349
Liabilities	負債			
Segment liabilities	分部負債	1,174,792	903,941	2,078,733
Bank borrowings	銀行借貸			6,623,734
Unallocated liabilities	未分配負債			672,184
Consolidated total liabilities	綜合負債總額			9,374,651

		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:	計量分部損益或分部資產包括之數額：			
Addition to non-current assets	非流動資產添置	46,979	928,147	975,126
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	75,251	136,619	211,870
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	—	172	172
Impairment for (reversal of) other receivables	其他應收款項之減值(撥回)	120	(262)	(142)
(Reversal of) write-down of obsolete inventories	滯銷存貨撇減(撥回)撥備	(439)	84	(355)
Release of prepaid lease payments	預付租賃款項轉出	—	11,111	11,111
Share-based payment	股份付款	2,513	—	2,513

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 31 December 2010	於二零一零年十二月三十一日			
Assets	資產			
Segment assets	分部資產	4,348,087	6,909,005	11,257,092
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產			786,370
Interest in a jointly controlled entity	於一家共同控制實體權益			467,929
Interests in associates	於聯營公司權益			1,348,828
Unallocated assets	未分配資產			12,737
Consolidated total assets	綜合資產總值			13,872,956
Liabilities	負債			
Segment liabilities	分部負債	962,850	1,046,613	2,009,463
Amount due to a jointly controlled entity	應付一家共同控制實體款項			29,934
Bank borrowings	銀行借貸			3,398,200
Unallocated liabilities	未分配負債			532,305
Consolidated total liabilities	綜合負債總額			5,969,902

		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:	計量分部損益或分部資產包括之數額：			
Addition to non-current assets	非流動資產添置	1,310	214,990	216,300
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	79,540	129,528	209,068
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備之(收益)虧損	(103)	548	445
(Reversal of impairment for) impairment for other receivables	其他應收款項之(撥回)減值	(112)	41	(71)
Provision for write-down of obsolete inventories	滯銷存貨撇減撥備	638	374	1,012
Release of prepaid lease payment	預付租賃款項轉出	—	10,357	10,357
Share-based payment	股份付款	15,365	—	15,365

At 31 December 2010 and 31 December 2011, the unallocated segment assets represent club debentures held by the group and unallocated segment liabilities mainly represent deferred tax liabilities, amount due to a non-controlling shareholder of subsidiaries and derivative financial liabilities.

於二零一零年十二月三十一日和二零一一年十二月三十一日，未分配的分部資產代表本集團所持之會所債券和未分配的分部負債主要指遞延稅務負債、應付附屬公司之一位非控股股東款項及衍生金融負債。

8. Segment Information (continued)

Geographical information

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

	2011 二零一一年		2010 二零一零年	
	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 非流動資產	1,832,374	5,317,943	1,910,910	4,863,837

Note: Non-current assets excluded interests in associates and jointly controlled entity.

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：

附註：非流動資產不包括於聯營公司及共同控制實體權益。

9. Other Income

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Management fee income	管理費收入	72,990	59,730
Project income	項目收入	5,360	7,769
Government subsidy	政府補助	25,964	23,805
Net exchange gain	淨匯兌收入	12,157	2,209
Release of exchange reserve upon disposal of a subsidiary	出售一間附屬公司時解除 匯兌儲備	36,067	—
Others (Note)	其他 (附註)	97,360	79,101
		249,898	172,614

Note: Others mainly represent bank credit card recharge and entrance fee income.

附註：其他主要代表銀行信用卡費用回扣及進場費收入。

10. Investment Income

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Interest income on bank deposits	銀行存款之利息收入	52,035	12,384
Interest income on loans receivable	應收貸款之利息收入	—	6,066
Dividend income	股息收入		
Held for trading	持作買賣投資	13,763	23,183
Change in fair value of financial assets	金融資產公平值變動		
Held for trading investments	持作買賣投資	12,391	16,446
Derivative instruments	衍生工具	(13,888)	—
		64,301	58,079

11. Fair Value Changes on Investment Properties

11. 投資物業公平值變動

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Change in fair value of investment properties:	投資物業公平值變動		
— realised gain on disposal of other investment properties	— 出售其他物業變現收益	1,564	1,128
— realised gain on disposal of an investment properties holding subsidiary (note 38)	— 出售擁有投資物業之附屬公司的變現收益(附註38)	201,782	—
		203,346	1,128
— unrealised gain	— 未變現收益	94,417	62,026
		297,763	63,154

12. Finance Costs

12. 融資成本

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 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	57,779	31,320
— wholly repayable after five years	— 須於五年後悉數償還	4,739	8,110
Others	其他	6,411	1,137
		68,929	40,567
Less: Amounts capitalised	減：資本化金額	(11,018)	(4,779)
		57,911	35,788

Borrowing costs capitalised during the year arising on HK dollar denominated borrowings and RMB denominated borrowings at interest rates calculated by reference to Hong Kong Interbank Offered Rate ("HIBOR"), ranging from 0.35% to 1.51% (2010: 0.36% to 0.75%) per annum and at fixed interest rate of 3.5% per annum respectively, on qualifying assets.

年內，已資本化之融資成本乃源自合資格資產，分別為參考香港銀行同業拆息介乎0.35厘至1.51厘(二零一零年：介乎0.36厘至0.75厘)所計算利息之港元借貸以及固定利率為3.5厘所計算利息之人民幣借貸。

13. Taxation

13. 稅項

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 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	279,144	228,720
PRC Tax (note)	中國企業所得稅(附註)	194,799	69,030
Underprovision in prior years:	過往年度不足撥備：		
Hong Kong Profits Tax	香港利得稅	162	3,067
		474,105	300,817
Deferred tax charge (note 33)	遞延稅項支出(附註33)	61,046	29,593
		535,151	330,410

13. Taxation (continued)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

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 1 January 2008 onwards.

Under the EIT Law, withholding tax is imposed on dividends in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation of HK\$19,356,000 (2010: HK\$16,826,000) was recognised in respect of distributable profit of PRC entities amounting of HK\$193,563,000 (2010: HK\$168,264,000) have been provided during the year ended 31 December 2011.

Note:

13. 稅項 (續)

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。

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%。

根據企業所得稅法，從二零零八年一月一日起開始就中國附屬公司所賺取的利潤之股息徵收預扣稅。於二零一一年十二月三十一日止年度，中國實體可分派利潤之港幣 193,563,000 (二零一零年：港幣 168,264,000) 所確認之遞延稅項為港幣 19,356,000 (2010：港幣 16,826,000)

附註：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
The PRC Tax charge for the year comprises:	本年度中國稅務支出包括：		
Tax arising from disposal of investment properties in the PRC	出售中國投資物業的稅項	112,701	—
PRC Enterprise Income Tax	中國企業所得稅	82,098	69,030
		194,799	69,030

The charge for the year can be reconciled to the profit before taxation per the consolidated statement of comprehensive income as follows:

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：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Profit before taxation	除稅前溢利	2,594,401	1,896,256
Tax at Hong Kong Profits Tax rate	按香港利得稅率計算之稅項	428,076	312,882
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	(4,849)	(4,002)
Tax effect of share of profits of associates	應佔聯營公司溢利之稅項影響	(36,612)	(16,439)
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅項影響	(19,644)	(26,729)
Tax effect of expense not deductible for tax purpose	不可扣稅開支之稅項影響	6,319	4,280
Tax effect on utilisation of tax losses previously not recognised	動用早前未確認稅項虧損之稅項影響	(438)	(867)
Tax effect of tax losses not recognised	未確認稅項虧損之稅項影響	19,365	17,901
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	9,469	19,535
Underprovision in prior years	過往年度不足撥備	162	3,067
Tax arising from disposal of a subsidiary	出售一間附屬公司之稅項	112,701	—
Withholding tax	預扣稅	19,356	16,826
Others	其他	1,246	3,956
Tax charge for the year	本年度稅項支出	535,151	330,410

14. Profit for the year

14. 本年度溢利

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 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 15)	董事酬金：(附註15)		
Fees	袍金	1,000	1,000
Other emoluments	其他薪酬	2,400	2,400
Bonus	花紅	20,000	10,000
Share-based payment	股份付款	—	9,150
Retirement benefits scheme contributions	退休福利計劃供款	12	12
		23,412	22,562
Other staff costs	其他員工成本	331,132	284,403
Retirement benefits scheme contributions, net of forfeited contributions	退休福利計劃供款減沒收供款	16,037	14,213
Share-based payment	股份付款	2,513	6,215
Total staff costs	總員工成本	373,094	327,393
Auditor's remuneration	核數師酬金	4,227	3,672
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	211,870	209,068
Release of prepaid lease payments	預付租賃款項轉出	11,111	10,357
Write-down of obsolete inventories	滯銷存貨撇減	—	1,012
Rental payments paid under operating lease in respect of leasehold land and buildings to	就經營租約下租賃土地及樓宇		
— a jointly controlled entity	向以下人士支付之租金款項		
— other parties	— 一家共同控制實體	191,554	173,346
	— 其他人士	96,487	71,585
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	172	445
Cost of inventories recognised as expense	確認為支出之存貨成本	2,045,005	1,772,081
and crediting:	以及計入下列項目：		
Gross rental income from investment properties	投資物業租金總額	14,950	1,424
Less: Outgoings expense	減：經營開支	(13,850)	—
Gross rental income from sub-letting of commercial properties	商用物業分租租金總額	86,717	76,766
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	(72,973)	(65,052)
Net rental income	租金收入淨額	14,844	13,138
Reversal of impairment for other receivables	其他應收款項減值撥回	142	71
Reversal of write-down of obsolete inventories	滯銷存貨撇減撥回	355	—

15. Directors' and Employees' Remuneration

The emoluments paid or payable to each of the 10 (2010: 10) directors were as follows:

2011

	Lau Luen Hung, Thomas 劉鑾鴻	Doo Wai Hoi, William 杜惠禮	Cheng Yu Tung, 鄭裕彤	Cheng Kar Shun, Henry 鄭家純	Lau Luen Hung, Joseph 劉鑾雄	Lau Yuk Wai, Amy 劉玉慧	Lam Siu Lun, Simon 林兆麟	Cheung Yuet Man, Raymond 張悅文	Shek Lai Him, Abraham 石禮謙	Hui Chiu Chung, Stephen 許照中	Total 總計 2011 二零一一年
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 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	2,400	—	—	—	—	—	—	—	—	—	2,400
Bonus* 花紅	20,000	—	—	—	—	—	—	—	—	—	20,000
Contributions to retirement benefits schemes 退休福利計劃供款	12	—	—	—	—	—	—	—	—	—	12
Share-based payment 股份付款	—	—	—	—	—	—	—	—	—	—	—
Total emoluments 酬金總額	22,512	100	100	100	100	100	100	100	100	100	23,412

2010

	Lau Luen Hung, Thomas 劉鑾鴻	Doo Wai Hoi, William 杜惠禮	Cheng Yu Tung, 鄭裕彤	Cheng Kar Shun, Henry 鄭家純	Lau Luen Hung, Joseph 劉鑾雄	Lau Yuk Wai, Amy 劉玉慧	Lam Siu Lun, Simon 林兆麟	Cheung Yuet Man, Raymond 張悅文	Shek Lai Him, Abraham 石禮謙	Hui Chiu Chung, Stephen 許照中	Total 總計 2010 二零一零年
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 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	2,400	—	—	—	—	—	—	—	—	—	2,400
Bonus* 花紅	10,000	—	—	—	—	—	—	—	—	—	10,000
Contributions to retirement benefits schemes 退休福利計劃供款	12	—	—	—	—	—	—	—	—	—	12
Share-based payment 股份付款	9,150	—	—	—	—	—	—	—	—	—	9,150
Total emoluments 酬金總額	21,662	100	100	100	100	100	100	100	100	100	22,562

No directors waived any emoluments for both years.

* The bonus is determined having regard to the performance of the Group and market trends.

15. 董事及僱員酬金

向各10名(二零一零年: 10名)董事已付或應付之酬金如下:

二零一一年

二零一零年

概無董事於本年及去年放棄收取任何酬金。

* 花紅取決於集團業績及市場趨勢。

15. Directors' and Employees' Remuneration (continued)

Of the five highest paid individuals of the Group for the year ended 31 December 2011, one of them (2010: one) was a director of the Company whose remuneration is disclosed above. The remaining four (2010: four) are employees of the Group, details of whose remuneration were as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Employees:	僱員：		
Salaries, allowances and other benefits	薪金、津貼及其他福利	6,926	7,482
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	7,980	4,480
Share-based payment	股份付款	759	2,011
		15,713	14,021

The emolument of the remaining four were within the following bands:

15. 董事及僱員酬金(續)

截至二零一一年十二月三十一日止年度，本集團五名最高薪人士中，一名(二零一零年：一名)為本公司董事，彼之酬金於上文披露。另外四名(二零一零年：四名)則為本集團僱員，彼等之酬金詳情載列如下：

其餘四名最高薪人士之薪酬介乎以下範圍：

		2011 二零一一年 Number of individuals 人數	2010 二零一零年 Number of individuals 人數
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	—	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	1
HK\$3,000,001 to HK\$3,500,000	3,000,001 港元至 3,500,000 港元	—	—
HK\$3,500,001 to HK\$4,000,000	3,500,001 港元至 4,000,000 港元	1	—
HK\$4,000,001 to HK\$4,500,000	4,000,001 港元至 4,500,000 港元	1	—
HK\$4,500,001 to HK\$5,000,000	4,500,001 港元至 5,000,000 港元	1	1
HK\$5,000,001 to HK\$5,500,000	5,000,001 港元至 5,500,000 港元	—	1

During the years ended 31 December 2011 and 2010, 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.

截至二零一一年及二零一零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。

16. Dividends

16. 股息

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 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 31 December 2010 — HK cents 19.0 per share (2010: HK cents 17.0 paid for year ended 31 December 2009)	截至二零一零年十二月三十一日止年度以現金派付之末期股息 — 每股19.0港仙 (二零一零年：派付截至二零零九年十二月三十一日止年度股息17.0港仙)	319,268	285,115
Interim dividend in cash paid for six months ended 30 June 2011 — HK cents 19.2 per share (2010: HK cents 14.7 paid for six months ended 30 June 2010)	截至二零一一年六月三十日止六個月以現金派付之中期股息 — 每股19.2港仙 (二零一零年：派付截至二零一零年六月三十日止六個月股息14.7港仙)	322,955	246,751
		642,223	531,866

Subsequent to the end of the reporting period, final dividend of HK cents 25.7 (2010: HK cents 19.0) 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25.7港仙(二零一零年：19.0港仙)，須待股東於應屆股東週年大會批准。

17. 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:

17. 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：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 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	1,886,301	1,407,534

		2011 二零一一年 '000 千股	2010 二零一零年 '000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose 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	1,678,376	1,677,245
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	14,762	10,422
Weighted average number of ordinary shares for the purpose 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	1,693,138	1,687,667

18. Investment Properties

18. 投資物業

		Completed investment properties 已落成投資物業 HK\$'000 千港元	Investment properties under construction 在建中投資物業 HK\$'000 千港元	Total 總計 HK\$'000 千港元
FAIR VALUE	公平值			
At 1 January 2010	於二零一零年一月一日	876,718	534,390	1,411,108
Transfer from property, plant and equipment	自物業、廠房及設備轉撥	1,320	—	1,320
Additions during the year	年內添置	73,021	12,368	85,389
Increase in fair value recognised in the consolidated statement of comprehensive income	於綜合全面收益表確認之公平值增加			
— Realised gain on disposal	— 出售後之可變現收益	1,128	—	1,128
— Unrealised gain	— 未變現收益	20,029	41,997	62,026
Disposals	出售	(4,889)	—	(4,889)
Exchange adjustments	匯兌調整	31,631	21,305	52,936
At 31 December 2010	於二零一零年十二月三十一日	998,958	610,060	1,609,018
Additions during the year	年內添置	20,734	39,884	60,618
Increase in fair value recognised in the consolidated statement of comprehensive income	於綜合全面收益表確認之公平值增加			
— Realised gain on disposal	— 出售後之可變現收益	1,564	—	1,564
— Unrealised gain	— 未變現收益	94,417	—	94,417
Disposals	出售	(13,553)	—	(13,553)
Disposal of a subsidiary (note 38)	出售一間附屬公司(附註38)	—	(662,352)	(662,352)
Exchange adjustments	匯兌調整	45,141	12,408	57,549
At 31 December 2011	於二零一一年十二月三十一日	1,147,261	—	1,147,261

The carrying amount of investment properties shown above comprises:

以上投資物業的賬面金額包括：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 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	53,250	52,480
Land in PRC held under medium lease	於中國根據中期租約持有之土地	1,094,011	1,556,538
		1,147,261	1,609,018

The fair value of the Group's investment properties in Hong Kong at 31 December 2010 has 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 using direct comparison method by reference to relevant market prices for similar properties in the same locations and conditions.

本集團位於香港之投資物業於二零一零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。估值乃採用直接比較方法參考在相同地點及狀況之類似物業之有關市價後釐定。

18. *Investment Properties (continued)*

Fair value of the Group's investment properties situated in the PRC as at 31 December 2010 has been arrived at based on a valuation carried out on that date by Shanghai BDGH Chartered Valuation Surveyors Co., Ltd. The fair value of completed investment properties are determined based on the income method by capitalising future rental income derived from the property interest at an appropriate market yield as at 31 December 2010 for the remaining term of the land use rights of the property. While the fair value of investment properties under construction are determined based on residual approach by reference to comparable sales evidence as available on the market and deduct the expected construction cost estimated to complete.

The fair value of the Group's investment properties in Hong Kong at 31 December 2011 were determined by the directors of the Company. At 31 December 2011, the directors of the Company carried out an assessment on the fair value of the Group's investment properties in Hong Kong with reference to a valuation report prepared by CBRE HK Limited ("CBRE"), an independent qualified professional valuer not connected with the Group, carried out at 30 November 2011 and recent property market data of similar properties in the relevant locations during December 2011. In the opinion of the directors, the fair values of these properties at 31 December 2011 approximate the fair value at 30 November 2011. CBRE 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 at 30 November 2011 was arrived at using direct comparison method 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 31 December 2011 were determined by the directors of the Company. At 31 December 2011, the directors of the Company carried out an assessment on the fair value of the Group's investment properties in the PRC with reference to a valuation report prepared by CBRE, carried out at 30 November 2011 and recent property market data of similar properties in the relevant locations during December 2011. In the opinion of the directors, the fair values of these properties at 31 December 2011 approximate the fair value at 30 November 2011. The fair value at 30 November 2011 of completed investment properties are determined based on the income method by capitalising future rental income derived from the property interest at an appropriate market yield as at 30 November 2011 with due allowance for the reversionary income potential of the properties for the remaining term of the land use rights of the properties.

18. 投資物業(續)

本集團位於中國之投資物業於二零一零年十二月三十一日之公平值乃根據上海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二零一零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。而在建中投資物業公平值按餘值方法參考在市場上提供可比銷售數據，減去估計餘下所須建築成本後釐定。

本集團在香港的投資物業於二零一一年十二月三十一日的公平值由本公司董事確定。於二零一一年十二月三十一日，本公司董事參巧與本集團並無關連之獨立合資格專業估值師世邦魏理仕香港有限公司「(世邦魏理仕)」在二零一一年十一月三十日對本集團的投資物業發出估值報告，及二零一一年十二月在相關地點同類物業市場數據而對其公平值作出評估。董事認為，這些投資物業在二零一一年十二月三十一日及二零一一年十一月三十日之公平值相若。世邦魏理仕是香港測量師學會會員，並有相應的資格和最近在相關地點類似物業估值經驗。於二零一一年十一月三十日的估值乃參考類似物業在相同的位置和條件有關的市場價格採用直接比較法釐定。

本集團在中國的投資物業於二零一一年十二月三十一日的公平值由本公司董事確定。於二零一一年十二月三十一日，本公司董事參巧世邦魏理仕在二零一一年十一月三十日對本集團的投資物業發出估值報告，及二零一一年十二月在相關地點同類物業市場數據而對其公平值作出評估。董事認為，這些投資物業在二零一一年十二月三十一日及二零一一年十一月三十日之公平值相若。已落成之投資物業於二零一一年十一月三十日的公平值採用收入法，按於二零一一年十一月三十日適當市場回報率計算之未來租金資本化而釐定，並充分考慮物業於土地使用權之剩餘年期之收入潛力。

19. Property, Plant and Equipment

19. 物業、廠房及設備

		Leasehold land and buildings 租賃土地 及樓宇 HK\$'000 千港元	Leasehold improvements 租賃物業 裝修 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、固定 裝置及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST								
At 1 January 2010	於二零一零年一月一日	4,202,064	792,787	213,308	121,184	10,946	117,244	5,452,533
Exchange adjustment	匯兌調整	48,968	11,452	3,149	1,840	197	2,261	67,867
Transferred to investment properties	轉撥至投資物業	—	—	—	—	—	(1,320)	(1,320)
Additions	添置	28,365	5,952	11,557	7,429	1,817	25,185	80,305
Disposals	出售	—	(232)	(1,101)	(124)	(669)	—	(2,126)
Transfer	轉撥	—	2,030	—	—	—	(2,030)	—
At 31 December 2010	於二零一零年 十二月三十一日	4,279,397	811,989	226,913	130,329	12,291	141,340	5,602,259
Exchange adjustment	匯兌調整	64,206	18,143	4,427	7,259	311	6,791	101,137
Disposal of a subsidiaries (note 38)	出售一間附屬公司 (附註38)	—	—	—	(56)	—	—	(56)
Additions	添置	203	11,265	6,111	18,084	1,177	272,469	309,309
Disposals	出售	—	(4,924)	—	(359)	(841)	—	(6,124)
Transfer	轉撥	4,197	7,143	—	—	—	(11,340)	—
At 31 December 2011	於二零一一年 十二月三十一日	4,348,003	843,616	237,451	155,257	12,938	409,260	6,006,525
DEPRECIATION								
At 1 January 2010	於二零一零年一月一日	841,217	508,076	134,522	74,708	3,996	—	1,562,519
Exchange adjustment	匯兌調整	6,230	7,689	1,339	1,133	341	—	16,732
Provided for the year	年內折舊	119,339	60,211	16,518	11,093	1,907	—	209,068
Eliminated on disposals	出售時對銷	—	(232)	(531)	(107)	(334)	—	(1,204)
At 31 December 2010	於二零一零年 十二月三十一日	966,786	575,744	151,848	86,827	5,910	—	1,787,115
Exchange adjustment	匯兌調整	10,913	11,138	2,328	2,296	856	—	27,531
Disposal of a subsidiary (note 38)	出售一間附屬公司 (附註38)	—	—	—	(33)	—	—	(33)
Provided for the year	年內折舊	122,649	57,876	18,277	11,191	1,877	—	211,870
Eliminated on disposals	出售時對銷	—	(4,924)	—	(323)	(683)	—	(5,930)
At 31 December 2011	於二零一一年 十二月三十一日	1,100,348	639,834	172,453	99,958	7,960	—	2,020,553
NET BOOK VALUES								
At 31 December 2011	於二零一一年 十二月三十一日	3,247,655	203,782	64,998	55,299	4,978	409,260	3,985,972
At 31 December 2010	於二零一零年 十二月三十一日	3,312,611	236,245	75,065	43,502	6,381	141,340	3,815,144

Included in construction in progress is borrowing cost and prepaid lease payments capitalised during the year, amounting to HK\$11,018,000 (2010: HK\$4,779,000) and HK\$11,914,000 (2010: HK\$8,544,000) respectively.

在建工程包括年內已資本化之借貸成本及預付租賃款項，分別為11,018,000港元(二零一零年：4,779,000港元)及11,914,000港元(二零一零年：8,544,000港元)。

19. Property, Plant and Equipment (continued)

The above items of property, plant and equipment, other than construction in progress, are depreciated after taking into account their estimated residual value, using straight-line method at the following rates per annum:

Leasehold land and buildings	Over the shorter of lease terms or 40 years
Leasehold improvements	Over the shorter of the lease terms, or 5 years
Plant and machinery	10 years
Furniture, fixtures and equipment	5 years
Motor vehicles	5 years

19. 物業、廠房及設備(續)

除在建工程外，上述物業、廠房及設備項目乃扣除了其估計殘值後，以直線法按下列年率計算折舊：

租賃土地及樓宇	按租約年期或四十年 (以較短者為準)
租賃物業裝修	按租約年期或五年 (以較短者為準)
廠房及機器	十年
傢俬、固定裝置及設備	五年
汽車	五年

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 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	467,633	476,502
— medium term lease in Hong Kong	— 位於香港受中期租約管轄	1,167,993	1,206,043
		1,635,626	1,682,545
— medium term lease in the PRC	— 位於中國受中期租約管轄	1,612,029	1,630,066
		3,247,655	3,312,611

The Group has pledged certain leasehold land and buildings in Hong Kong with net book values of approximately HK\$1,502.9 million (2010: HK\$1,547.3 million) to secure general banking facilities amount of HK\$5 billion (2010: HK\$4 billion) granted to the Group.

本集團已抵押賬面淨值約1,502,900,000港元(二零一零年：1,547,300,000港元)之若干租賃土地及樓宇，以獲取授予本集團5,000,000,000港元(二零一零年：4,000,000,000港元)之一般銀行信貸。

Certain of the Group's property, plant and equipment in the PRC with carrying value of approximately HK\$1,489.3 million (2010: HK\$1,500.8 million) have been pledged to secure loan facility. Details of which are set out in note 43.

本集團已抵押賬面值約1,489,300,000港元(二零一零年：1,500,800,000港元)位於中國之若干物業、廠房及設備，以獲授貸款融資，詳細資料列於附註43。

20. Prepaid Lease Payments

The Group's prepaid lease payments comprise:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Leasehold land in the PRC Medium-term lease (Note)	位於中國之租賃土地 中期租約(附註)	1,395,848	1,356,486
Analysed for reporting purposes as:	就呈報目的分析為:		
Current portion	即期部份	22,715	21,721
Non-current portion	非即期部份	1,373,133	1,334,765
		1,395,848	1,356,486

Note: As at 31 December 2011, the Group has not yet obtained the legal document in respect of the land use rights in the PRC with carrying value of HK\$650,172,000 (2010: HK\$621,721,000). The Group is in the process of obtaining the land use rights certificate.

附註：於二零一一年十二月三十一日，本集團尚未取得賬面值 650,172,000 港元(二零一零年：621,721,000 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。

20. 預付租賃款項

本集團之預付租賃款項包括：

21. Long-Term Deposits Paid

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Deposit paid for:	就以下各項已付按金：		
— acquisition of land use rights	— 收購土地使用權	610,000	—
— acquisition of property, plant and equipment	— 收購物業、廠房及設備	21,214	3,083
		631,214	3,083

22. Interests in Associates

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Unlisted, at cost	非上市，按成本	1,514,131	1,068,986
Discount arising on acquisition of additional interest in an associate	收購一家聯營公司額外權益產生之折讓	114,556	114,556
Share of post-acquisition profits and other comprehensive income	應佔收購後之溢利及其他全面收入	411,152	165,286
		2,039,839	1,348,828

21. 已付長期按金

22. 於聯營公司權益

22. Interests in Associates (continued)

As at 31 December 2011 and 2010, the Group had interests in the following associates:

22. 於聯營公司權益 (續)

於二零一一年及二零一零年十二月三十一日，有關本集團聯營公司之財務資料概述如下：

Name of entity 實體名稱	Form of business structure 業務結構模式	Place/country of establishment/ incorporation 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
				2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年	
石家莊北國入百集團有限公司 ("Beiren Group") (note 1) 〔「北人集團」〕 (附註1)	Incorporation 註冊成立	PRC 中國	PRC 中國	49%	49%	49%	49%	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
河北北國先天下廣場有限責任公司 ("Future Mall") (Note 2) 〔「先天下廣場」〕 (附註2)	Incorporation 註冊成立	PRC 中國	PRC 中國	48%	48%	48%	48%	Retailing business in the PRC 在中國從事零售業務
Dragon Sign Limited 龍信有限公司	Incorporation 註冊成立	Hong Kong 香港	PRC 中國	50%	50%	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

Notes:

- (1) The Group's 60% owned subsidiary holds equity interest of 49% (2010: 49%) in the Beiren Group.
- (2) At 31 December 2011 and 2010, the Group's 60% owned subsidiary, Ample Sun Group Limited, held equity interest of 48% in Future Mall. As at 31 December 2010, this 48% equity interest in Future Mall was presented under "assets classified as held for sale" but the disposal was not concluded at the end and the agreement was subsequently terminated on 30 June 2011 (note 29 below).

At 31 December 2010, Future Mall was also owned as to 51% directly by the Beiren Group. During the year ended 31 December 2011, the Beiren Group transferred its 51% equity interest in the Future Mall to a non wholly-owned subsidiary and as a result reduced its effective interest therein from 51% to 37.7% as at 31 December 2011.

附註：

1. 本集團持有60%權益之附屬公司持有北人集團49% (二零一零年：49%) 股本權益。
2. 於二零一一年十二月三十一日及二零一零年十二月三十一日，本集團持有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。於二零一零年十二月三十一日，該48%先天下廣場的股本權益呈列為「分類為持作出售資產」，但是該出售最後告吹，而有關合約並隨後於二零一一年六月三十日終止 (見以下附註29)。

於二零一零年十二月三十一日，北人集團直接持有51%先天下廣場。於二零一一年十二月三十一日年度期間，北人集團完成出售先天下廣場51%的股本權益給與其一家非全資附屬公司，因此，其實際權益於二零一一年十二月三十一日由51%減至37.7%。

22. *Interests in Associates (continued)*

Summarised financial information in respect of the Group's associates is set out below:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Total assets	資產總額	10,649,337	8,719,961
Total liabilities	負債總額	8,026,830	6,467,056
Net assets	資產淨值	2,622,507	2,252,905
Group's share of associates' net assets	本集團應佔聯營公司資產淨值	2,039,839	1,348,828
Revenue	收益	16,807,982	11,049,111
Profits for the year	本年度溢利	305,654	160,084
Other comprehensive income	其他全面收入	58,904	33,180
Group's share of profits of associates for the year	本集團應佔聯營公司本年度溢利	221,892	99,632
Group's share of other comprehensive income of associates for the year	本集團應佔聯營公司本年度其他全面收入	42,762	20,240

22. 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：

23. *Interest in a Jointly Controlled Entity*

At 31 December 2011 and 2010, the Group had interests in the following significant jointly controlled entity:

23. 於一家共同控制實體權益

於二零一一年及二零一零年十二月三十一日，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 所持投票權比例	Principal activity
實體名稱	業務結構模式	成立/經營地點			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	PRC 中國	50%	50%	Property holding and leasing 物業持有及租賃

23. Interest in a Jointly Controlled Entity (continued)

Jointly controlled entity is accounted for using the equity method of accounting:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 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	52,985	34,825
		486,089	467,929

The summarised financial information related to the Group's interest in the jointly controlled entity is set out below:

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：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Non-current assets	非流動資產	1,409,082	1,426,688
Current assets	流動資產	19,645	35,397
Current liabilities	流動負債	246,769	325,627
Non-current liabilities	非流動負債	209,780	200,600
Income	收入	235,068	188,429
Expenses	開支	176,282	139,925
Other comprehensive income	其他全面收入	19,506	15,862
Group's share of profit of the jointly controlled entity	本集團應佔共同控制實體溢利	29,393	24,252
Group's share of other comprehensive income of the jointly controlled entity	本集團應佔共同控制實體其他全面收入	9,753	7,931

24. Inventories

24. 存貨

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Merchandise held for resale	持有作轉售商品	71,949	61,611

25. Trade and Other Receivables

25. 應收賬款及其他應收款項

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Trade receivables	應收賬款	93,128	73,762
Less: Allowance for doubtful debts	減：呆賬撥備	(2,070)	(2,665)
Prepayment	預付賬款	91,058	71,097
Deposit paid	已付按金	71,833	44,522
Value added tax ("VAT") receivable	應收增值稅	20,869	15,309
Others	其他	69,181	59,870
		73,732	23,214
Total trade and other receivables	應收賬款及其他應收款項總額	326,673	214,012

The Group's retail sales to customers are mainly made in cash, through debit card or credit card payments without a defined credit policy, as its major trade receivables arise from credit card sales and the receivables are normally settled 30 days in arrear. 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、透過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，而且應收賬款通常於三十日內收回，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。

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
0-30 days	0日至30日	89,456	67,432
31-60 days	31日至60日	1,335	2,495
61-90 days	61日至90日	235	236
Over 90 days	超過90日	32	934
		91,058	71,097

Included in the Group's trade receivable balance are debtors with aggregate carrying amount of HK\$2,053,000 (2010: HK\$1,170,000) which are past due at the end of the reporting period 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 (2010: 90 days).

本集團應收賬款結餘包括賬面總值2,053,000港元(二零一零年：1,170,000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(二零一零年：90日)。

25. *Trade and other Receivables*
(continued)

Ageing of trade receivables which are past due but not impaired

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
0-30 days	0日至30日	1,786	—
31-60 days	31日至60日	—	—
61-90 days	61日至90日	235	236
Over 90 days	超過90日	32	934
		2,053	1,170

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.

Movement in the allowance for doubtful debt on trade receivables

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Balance at beginning of the reporting period	報告期初結餘	2,665	3,578
Written off as uncollectible	壞賬撇銷	(595)	(913)
Balance at end of the reporting period	報告期終結餘	2,070	2,665

26. *Amount Due from (to) a Jointly Controlled Entity*

As at 31 December 2011, the amount due from a jointly controlled entity is prepaid rentals, unsecured and interest free. As at 31 December 2010, the amount due to a jointly controlled entity is trade nature and aged within three months.

25. 應收賬款及其他應收款項 (續)

逾期但未減值之應收賬款的賬齡如下

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
0-30 days	0日至30日	1,786	—
31-60 days	31日至60日	—	—
61-90 days	61日至90日	235	236
Over 90 days	超過90日	32	934
		2,053	1,170

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。

應收賬款呆賬撥備變動

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Balance at beginning of the reporting period	報告期初結餘	2,665	3,578
Written off as uncollectible	壞賬撇銷	(595)	(913)
Balance at end of the reporting period	報告期終結餘	2,070	2,665

26. 應收(應付)一家共同控制實體款項

二零一一年十二月三十一日的餘額為預付租賃，無抵押及免息。二零一零年十二月三十一日的餘額為貿易性質，賬齡為三個月內。

27. Financial Assets at Fair Value Through Profit or Loss

27. 按公平值計入損益之金融資產

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Financial assets held for trading purpose:	持作出售用途之金融資產		
— listed equity securities in Hong Kong	— 於香港上市股本證券	68,430	88,702
— listed equity securities in Singapore	— 於新加坡上市股本證券	10,483	13,029
— listed equity securities in London	— 於倫敦上市股本證券	3,570	—
— unlisted debt securities	— 非上市債券	1,011,431	671,041
		1,093,914	772,772
Others:	其他		
— unlisted equity securities	— 非上市股本證券	50,660	13,598
		1,144,574	786,370

At 31 December 2011, financial assets at FVTPL with carrying amount of HK\$465,907,000 (2010: HK\$154,429,000) have been pledged as security for loan facility granted to the Group.

於二零一一年十二月三十一日，已抵押賬面值465,907,000港元(二零一零年：154,429,000港元)之按公平值計入損益之金融資產，以獲取授予本集團融資額度。

As at 31 December 2011, the unlisted equity securities represent the retained 10% equity interest in Shenyang Jiajian after the disposal as set out in note 38. The fair value is determined having regards to the most recent disposal transaction between the Group and a third party and adjusted by applying discount for lack of marketability of the investment.

於二零一一年十二月三十一日，非上市股本證券乃代表列於附註38出售瀋陽佳健之後尚餘之10%權益。其公平值取決於本集團與第三方之間最近期的出售交易及因相關投資欠缺市場流通性而調整。

The fair value of the remaining financial assets at FVTPL is determined based on the quoted market prices and valuations provided by counterparty financial institution with reference to price derived from the over-the-counter market.

餘下之按公平值計入損益之金融資產之公平值乃根據所報之市場價格和對方金融機構提供之參考場外交易市場公平值所釐定。

28. Bank Balances and Cash

28. 銀行結存及現金

At the end of the reporting period, bank balances and cash comprised mainly short-term deposits which carry interests at prevailing market rates ranging from 0.01% to 2.66% per annum (2010: 0.001% to 0.36% per annum) with maturity not more than 6 months.

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(年利率介乎0.01厘至2.66厘)(二零一零年：年利率介乎0.001厘至0.36厘)且於不多於六個月到期的短期存款。

Included in bank balances and cash are the following amounts denominated in currency other than functional currency of the relevant group entities:

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：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
US\$	美元	561,057	543,785

29. *Assets Classified as Held for Sale*

The conditional sale and purchase agreement signed on 16 December 2009 in respect of disposal of Ample Sun Group Limited was terminated on 30 June 2011 due to non-fulfillment of certain conditions precedent. As a result, the assets attributable to Ample Sun Group Limited is no longer classified as held for sale and reclassified as interests in associates as at 31 December 2011. The assets classified as held for sale at 31 December 2010 represented the Group's investment cost in Ample Sun Group Limited amounting of HK\$445,145,000 and share of post-acquisition loss amounting of HK\$8,236,000.

29. 分類為持作出售資產

於二零零九年十二月十六日，就有關出售益良集團有限公司簽訂之有條件買賣協議，因若干先決條件未能履行而於二零一一年六月三十日被終止。因此，於二零一一年十二月三十一日，益良集團有限公司所佔資產重新分類為聯營公司權益，不再被分類為持作出售。於二零一零年十二月三十一日分類為持作出售資產相當於本集團於益良集團有限公司之投資成本445,145,000港元及佔收購後所分配之虧損8,236,000港元。

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 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. *Trade and Other Payables*

30. 應付賬款及其他應付款項

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Trade payables	應付賬款	291,820	257,526
Concessionaire sales payable	應付特許專權銷售款項	1,168,121	997,314
Deferred income	遞延收益	151,786	137,528
Rental deposit received	已收租賃按金	53,378	50,667
Accrued expense	應計支出	214,395	286,392
VAT payable	應付增值稅	31,298	21,723
Others	其他	167,935	258,313
		2,078,733	2,009,463

30. Trade and Other Payables (continued)

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period.

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
0-30 days	0日至30日	251,839	225,904
31-60 days	31日至60日	37,459	29,263
61-90 days	61日至90日	514	557
Over 90 days	超過90日	2,008	1,802
		291,820	257,526

The average credit period of trade payables and concessionaire sales payable is within 45 days. All concessionaire sales payable are aged within 45 days. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

30. 應付賬款及其他應付款項(續)

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。

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。所有應付特許專櫃銷售款項之賬齡均為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。

31. Bank Borrowings

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 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	5,865,874	3,315,600
Unsecured	無抵押	757,860	82,600
		6,623,734	3,398,200
Carrying amount repayable:	應償還賬面值：		
On demand or within one year	應要求或一年內償還	2,693,114	2,985,200
More than one year, but not exceeding two years	一年後但不超過兩年	395,300	59,000
More than two years, but not exceeding three years	兩年後但不超過三年	898,940	59,000
More than three years, but not exceeding four years	三年後但不超過四年	674,520	70,800
More than four years, but not exceeding five years	四年後但不超過五年	1,887,820	70,800
Over five years	超過五年	74,040	153,400
		6,623,734	3,398,200
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	(2,693,114)	(2,985,200)
Amount due after one year	一年後到期之款項	3,930,620	413,000

31. 銀行借貸

31. Bank Borrowings (continued)

Fixed/Variable rate borrowings comprise:

		Carrying amount 賬面值	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
HK\$ bank loans at a range from HIBOR + 0.29% per annum to HIBOR + 1.22% per annum ⁽¹⁾	港元銀行貸款，按香港銀行同業拆息加年息0.29厘至1.22厘計息 ⁽¹⁾	5,400,000	2,700,000
US\$ bank loans at a range from LIBOR + 0.3% per annum to LIBOR + 0.35% per annum ⁽²⁾	美元銀行貸款，按倫敦銀行同業拆息加年息0.3厘至0.35厘計息 ⁽²⁾	433,974	155,400
Other RMB bank loans ⁽³⁾	其他人民幣銀行貸款 ⁽³⁾	789,760	542,800
Total borrowings	借貸總額	6,623,734	3,398,200

⁽¹⁾ Repayable in one to five year (2010: one year) and interest rates will be repriced every one month to three months.

⁽²⁾ Repayable on demand and interest rates will be repriced every three months.

⁽³⁾ Included in RMB bank loans were amounts of HK\$431,900,000 (2010: HK\$542,800,000) which were repayable in six years (2010: seven years) and the loans carry interest with reference to benchmark loan rates of financial institutions set by The People's Bank of China. The remaining RMB bank loans carry at fixed interest rate of 3.5% per annum and repayable in three years.

⁽¹⁾ 須於一年至五年(二零一零年：一年)內償還，而利率每隔一至三個月重新定價。

⁽²⁾ 須應要求償還，而利率將每三個月重新定價。

⁽³⁾ 人民幣銀行貸款當中包括431,900,000港元(二零一零年：542,800,000港元)之貸款，須於六年(二零一零年：七年)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。其餘的人民幣銀行貸款則維持於年息3.5厘之固定利率及須於三年內償還。

The ranges of effective interest rates of the borrowings are also equal to contracted interest rates ranging from 0.34% to 6.63% per annum.

借貸實際利率幅度(年息介乎0.34厘至6.63厘)亦與訂約利率相同。

At the end of the reporting period, the Group has undrawn borrowing facilities as follows:

於報告期間結算日，本集團之浮息未提取銀行融資額度如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Floating rate	浮息		
— expiring within one year	— 一年內到期	—	23,600
— expiring beyond one year	— 一年後到期	261,666	38,850
		261,666	62,450

32. Derivative Financial Liabilities 32. 衍生金融負債

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Other derivatives (not under hedge accounting):	其他衍生工具 (不根據對沖會計):		
Interest rate swaps	利率掉期	9,994	—
Foreign currency forward contracts	外匯遠期合約	4,339	—
		14,333	—

Major terms of the interest rate swaps are as follows:

利率掉期的主要條款如下:

Notional amount 名義金額	Maturity 到期日	Swaps (note) 掉期(附註)
US\$3,000,000 3,000,000 美元	20 May 2021 二零一一年五月二十日	From 3.23% to LIBOR 由 3.23 厘至倫敦銀行同業拆息
US\$3,000,000 3,000,000 美元	9 June 2041 二零四一年六月九日	From 4.025% to LIBOR 由 4.025 厘至倫敦銀行同業拆息

Note: The Group will pay fixed interest on the notional amount semi-annually and receive floating interest on the notional amount quarterly based on the interest rate swaps contracts.

附註: 本集團將於每半年按名義金額支付固定利息和按利率掉期合約以名義金額收取季度浮動利息。

Major terms of the foreign currency forward contracts are as follows:

外幣遠期合約的主要條款如下:

Notional amount 名義金額	Maturity 到期日	Exchange rates 匯率
Buy US\$19,889,841 買 19,889,841 美元	13 April 2012 二零一二年四月十三日	US\$1: RMB 6.536 1 美元兌 6.536 人民幣
Buy US\$13,848,284 買 13,848,284 美元	25 May 2012 二零一二年五月二十五日	US\$1: RMB 6.499 1 美元兌 6.499 人民幣
Buy US\$6,155,740 買 6,155,740 美元	25 May 2012 二零一二年五月二十五日	US\$1: RMB 6.498 1 美元兌 6.498 人民幣

33. *Deferred Tax Liabilities*

The following are the major deferred tax liabilities recognised and movements thereon during the current and prior years:

		Property, plant and equipment/ investment properties	Distributable profits of PRC subsidiaries, associates and jointly controlled entity 中國附屬公司、 聯營公司及 共同控制實體 之可分配利潤	Total
		物業、廠房及 設備／投資 物業 HK\$'000 (note) 千港元 (附註)	HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2010	於二零一零年一月一日	146,551	22,432	168,983
Charge to profit or loss (note 13)	扣除自損益(附註13)	12,767	16,826	29,593
At 31 December 2010	於二零一零年十二月三十一日	159,318	39,258	198,576
Charge to profit or loss (note 13)	扣除自損益(附註13)	41,690	19,356	61,046
Disposal of a subsidiary (note 38)	出售一間附屬公司(附註38)	(39,027)	—	(39,027)
At 31 December 2011	於二零一一年十二月三十一日	161,981	58,614	220,595

Note: The amounts represent deferred tax liabilities recognised in relation to accelerated tax depreciation of property, plant and equipment and fair value changes of investment properties.

At the end of the reporting period, the Group has unused tax losses of approximately HK\$606.3 million (2010: HK\$491.6 million) available for offset against future profits. No deferred tax asset has been recognised in respect of such losses for both years due to unpredictability of future profit streams. At 31 December 2011, all tax losses may be carried forward indefinitely.

34. *Amount Due to a Non-Controlling Shareholder of Subsidiaries*

The amount is unsecured and interest free. The non-controlling shareholder of subsidiaries agreed not to demand for repayment within one year from the end of the reporting period.

33. 遞延稅項負債

以下為本集團確認之主要遞延稅項負債以及於本年度及過往年度的變動：

		Property, plant and equipment/ investment properties	Distributable profits of PRC subsidiaries, associates and jointly controlled entity 中國附屬公司、 聯營公司及 共同控制實體 之可分配利潤	Total
		物業、廠房及 設備／投資 物業 HK\$'000 (note) 千港元 (附註)	HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2010	於二零一零年一月一日	146,551	22,432	168,983
Charge to profit or loss (note 13)	扣除自損益(附註13)	12,767	16,826	29,593
At 31 December 2010	於二零一零年十二月三十一日	159,318	39,258	198,576
Charge to profit or loss (note 13)	扣除自損益(附註13)	41,690	19,356	61,046
Disposal of a subsidiary (note 38)	出售一間附屬公司(附註38)	(39,027)	—	(39,027)
At 31 December 2011	於二零一一年十二月三十一日	161,981	58,614	220,595

附註：該金額代表物業、廠房及設備之加快稅項折舊及投資物業的公平值變動之遞延稅項負債確認。

於報告期間結算日，本集團有未動用稅項虧損約606,300,000港元(二零一零年：491,600,000港元)可用作抵銷日後溢利。由於日後溢利來源難以預測，故此去年及今年均並無就此虧損確認遞延稅項資產。於二零一一年十二月三十一日，所有稅項虧損均可無限期結轉。

34. 應付附屬公司一名非控股股東之款項

該款項為無抵押及免息。附屬公司之非控股股東同意不會要求在報告期末後一年內償還款項。

3.5. Share Capital

Details of the changes in the Company's share capital during the year ended 31 December 2011 are as follows:

3.5. 股本

截至二零一一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 1 January 2010, 31 December 2010 and 31 December 2011	於二零一零年一月一日、 二零一零年十二月三十一日及 二零一一年十二月三十一日 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 1 January 2010 — ordinary shares of HK\$0.005 each	於二零一零年一月一日 — 每股面值0.005港元之普通股	1,673,620,000	8,368
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	5,365,000	27
At 31 December 2010	於二零一零年十二月三十一日	1,678,985,000	8,395
Exercise of share options — ordinary shares of HK\$0.005 each (note a)	行使購股權 — 每股面值0.005港元 之普通股(附註a)	4,016,000	20
Shares repurchased (note b)	購回之股份(附註b)	(15,487,500)	(77)
At 31 December 2011	於二零一一年十二月三十一日	1,667,513,500	8,338

Notes:

附註：

- (a) During the year, 100,000 shares (2010: 596,000 shares) of HK\$0.005 each were issued at HK\$6.16 per share (2010: HK\$6.16 per share) upon exercise of the 2005 share option (as defined under note 36) and 3,916,000 shares (2010: 4,769,000 shares) of HK\$0.005 each were issued at HK\$6.40 per share (2010: HK\$6.40 per share) upon exercise of the 2009 share option (as defined under note 36) 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 on the Stock Exchange as follows:

- (a) 年內，本公司於購股權持有人行使二零零五年購股權及二零零九年購股權(定義見附註36)時分別按每股6.16港元(二零一零年：每股6.16港元)發行100,000股(二零一零年：596,000股)每股面值0.005港元之股份及按每股6.40港元(二零一零年：每股6.40港元)發行3,916,000股(二零一零年：4,769,000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) 年內，本公司從證券交易所購回之公司股份詳情如下：

Month of repurchased 回購月份	Number of ordinary shares HK\$0.005 each 每股面值0.005港元 之普通股股份數目 000 千股	Price per share 每股作價		Aggregate consideration paid 總支付金額 HK\$'000 千港元
		Highest 最高 HK\$ 千港元	Lowest 最低 HK\$ 千港元	
September 2011	二零一一年九月	18.80	17.94	6,425
October 2011	二零一一年十月	18.44	16.54	131,293
November 2011	二零一一年十一月	19.98	17.18	128,436
December 2011	二零一一年十二月	17.18	16.64	14,225
	15,488			280,379

Note: The above shares were repurchased and cancelled during the year.

附註：以上股票已在年內回購及註銷。

36. 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 27 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 of Directors 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.

36. 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會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會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。

36. *Share-Based Payment Transactions (continued)*

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 3 March 2009 for a period of 10 years commencing from 3 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 directors (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 of Directors, 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 of Directors 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 of Directors 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 3 March 2009, the date on which the 2009 Share Option Scheme was approved by the shareholders of the Company. The Board of Directors 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.

36. 股份付款交易(續)

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)經董事會全權決定，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，董事會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/或董事會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%。董事會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。

36. *Share-Based Payment Transactions (continued)*

The 2009 Share Option Scheme (continued)

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 of Directors 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.

36. 股份付款交易 (續)

二零零九年購股權計劃 (續)

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。購股權可於董事會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。

36. Share-Based Payment Transactions (continued)

Details of specific categories of options are as follows:

36. 股份付款交易(續)

特定類別購股權之詳情如下：

Option type 購股權種類	Date of grant 授出日期	Vesting period 歸屬期	Exercise period 行使期	Exercise price 行使價 HK\$ 港元	Adjusted exercise price 經調整 行使價 HK\$ 港元
Under the 2004 Share Option Scheme 在2004年購股權計劃下					
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 (note 1) (附註1)
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	37.00	18.50 (note 1) (附註1)
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	37.00	18.50 (note 1) (附註1)
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	37.00	18.50 (note 1) (附註1)
Under the 2009 Share Option Scheme 在2009年購股權計劃下					
2009 (note 2) 二零零九年(附註2)	2.2.2009(note 3) 二零零九年 二月二日(附註3)	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:

附註：

- | | |
|---|---|
| <p>(1) The exercise price has been adjusted upon sub-division of shares of the Company of HK\$0.01 to HK\$0.005 on 27 September 2007.</p> <p>(2) During the year ended 31 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.</p> <p>(3) Option subject to approval by independent shareholders was proposed and granted by the Board of Directors on 2 February 2009. The approval was subsequently obtained on 3 March 2009, which is the date of grant as defined in accordance with HKFRS 2.</p> | <p>(1) 行使價已於二零零七年九月二十七日由0.01港元調整至公司股份拆細後之0.005港元。</p> <p>(2) 截止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。</p> <p>(3) 董事會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。</p> |
|---|---|

36. Share-Based Payment Transactions (continued)

The following table discloses movements of the Company's share options held by certain employees and directors:

2011

Option type	購股權種類	Outstanding at 31 December 2010 於二零一零年十二月三十一日 尚未行使	Exercised during the year 年內行使	Lapsed during the year 年內失效	Outstanding at 31 December 2011 於二零一一年十二月三十一日 尚未行使
2005	二零零五年	694,000	(100,000)	—	594,000
2007C	二零零七年丙	17,020,000	—	—	17,020,000
2009	二零零九年	15,107,000	(3,916,000)	(240,000)	10,951,000
Total	總計	32,821,000	(4,016,000)	(240,000)	28,565,000
Exercisable at end of the year	於年終可予行使				22,859,000
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
Weighted average exercise price per share	每股加權平均行使價	12.67	6.39	6.40	13.60

2010

Option type	購股權種類	Outstanding at 31 December 2009 於二零零九年十二月三十一日 尚未行使	Exercised during the year 年內行使	Lapsed during the year 年內失效	Outstanding at 31 December 2010 於二零一零年十二月三十一日 尚未行使
2005	二零零五年	1,290,000	(596,000)	—	694,000
2007C	二零零七年丙	17,020,000	—	—	17,020,000
2009	二零零九年	19,960,000	(4,769,000)	(84,000)	15,107,000
Total	總計	38,270,000	(5,365,000)	(84,000)	32,821,000
Exercisable at end of the year	於年終可予行使				20,929,000
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
Weighted average exercise price per share	每股加權平均行使價	11.77	6.37	6.40	12.67

In respect of the share options exercised during the year, the weighted average share price at the dates of exercise is HK\$21.13 (2010: HK\$14.99).

The Group recognised an expense in the consolidated statement of comprehensive income of approximately HK\$2.5 million (2010: HK\$15.4 million) for the year ended 31 December 2011 in relation to share options granted by the Company.

36. 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：

二零一一年

二零一零年

就年內已行使購股權而言，各行使日期之加權平均股價為21.13港元(二零一零年：14.99港元)。

於截至二零一一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2,500,000港元(二零一零年：15,400,000港元)。

37. 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.

38. Disposal of a Subsidiary

On 17 June 2011, the Group entered into a sale and purchase agreement with a third party for the disposal of 90% equity interests in a subsidiary, Shenyang Jiajian, at a cash consideration of RMB540,000,000 (or equivalent to approximately HK\$657,726,000). The transaction was completed on 31 October 2011.

Analysis of assets and liabilities disposed of:

37. 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會每年決定。法定公積金可用於彌補過往年度之虧損(如有)，並可以資本化之方式轉換為資本。

38. 出售一間附屬公司

於二零一一年六月十七日，本集團與一間第三方公司訂立買賣協議，以作價人民幣540,000,000元(或相當於約657,726,000港元)出售一間附屬公司瀋陽佳建之90%權益。此交易已於二零一一年十月三十一日完成。

有關出售之資產和負債分析：

		HK\$'000 千港元
Investment property	投資物業	662,352
Property, plant and equipment	物業廠房及設備	23
Other receivables	其他應收款項	2,710
Bank balances and cash	銀行結存及現金	61,000
Other payables	其他應付款項	(180,398)
Tax payables	應交稅金	(56)
Deferred tax liabilities	遞延稅項負債	(39,027)
		506,604
Gain on disposal of a subsidiary	出售一間附屬公司之收益	
Consideration received	已收作價	657,726
Net assets disposed of	出售之淨資產	(506,604)
Financial assets at fair value through profit or loss retained	已保留之按公平值計入損益之金融資產	50,660
Cumulative exchange differences in respect of the net assets of the subsidiary reclassified from equity to profit or loss on loss of control of the subsidiary	失去附屬公司控制後，附屬公司的淨資產從權益重新分類至損益的累計匯兌差額	36,067
Gain on disposal	出售之收益	237,849
Gain on disposal recognised:	出售之收益確認：	
as realised gain on change in fair value of investment properties	投資物業公平值變動之變現收益	201,782
as reclassification of exchange differences accumulated in exchange reserve to other income	從匯兌儲備重新分類至其他收入之累計匯兌差額	36,067
		237,849
Cash inflow arising on disposal:	出售所產生之現金流入：	
Cash consideration received	已收現金作價	657,726
Less: Bank balance and cash disposed of	減：出售之銀行結存及現金	(61,000)
		596,726

39. Discount Arising on Acquisition of Additional Interest in an Associate

In February 2010, the Group's 60% owned subsidiary, 河北旭源投資有限公司 ("Hebei Xuyuan"), 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"), an independent third party, whereby (i) Xiantianxia agreed to transfer to Hebei Xuyuan its 100% equity interest in 北京匯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 investment 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 had been increased to 49%.

An amount of HK\$114.6 million, representing the excess of the Group's share of net fair value of the identifiable assets and liabilities over the cost of the acquisition was recognised in profit or loss for the year ended 31 December 2010.

40. Operating Leases The Group as lessee

	期內根據經營租約已付之 最低租約款項： 其他資產 租賃土地及樓宇
Minimum lease payments paid under operating leases during the year:	
Other assets	1,496
Leasehold land and buildings	199,006

During the year ended 31 December 2011, the Group incurred HK\$87,539,000 (2010: HK\$68,530,000) contingent rental which was based on certain percentage of sales.

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:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Within one year	一年內	161,826	157,596
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)	617,075	600,693
Over five years	超過五年	1,195,437	1,297,233
		1,974,338	2,055,522

Operating lease payments represent rental payable by the Group for certain of its leasehold land and building amounting of HK\$1,974,091,000 (2010: HK\$2,043,250,000) and other assets amounting of HK\$247,000 (2010: HK\$12,272,000).

39. 收購一家聯營公司額外權益產生之折讓

二零一零年二月，本集團擁有60%股權之附屬公司河北旭源，與河北先天下房地產開發有限責任公司(「先天下」)，獨立第三方，簽訂一份股權轉讓協議及債權轉讓協議，據此(i)先天下同意轉讓予河北旭源其於北京匯通潤信貿易有限公司(「北京匯通」)之100%股權，代價為人民幣100,000,000元(相當於約113,700,000港元)而其主要資產為於北人集團之投資及(ii)先天下同意轉讓給河北旭源由北京匯通欠下之應收賬款人民幣246,500,000元，代價與轉讓金額相同。完成上述股權轉讓後，本集團在北人集團的股權已增至49%。

價值114,600,000港元(代表本集團在應佔可識別資產及負債之淨公平值與收購成本的差額)於截至二零一零年十二月三十一日止年度損益確認。

40. 經營租約

本集團作為承租人

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Minimum lease payments paid under operating leases during the year:		
Other assets	1,496	1,786
Leasehold land and buildings	199,006	174,615
	200,502	176,401

於截至二零一一年十二月三十一日止年度，本集團按銷售若干百分比支付或然租金為87,539,000港元(二零一零年：68,530,000港元)。

於報告期間結算日，本集團就不可撤銷經營租約之所承擔日後最低租約款項如下：

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Within one year	161,826	157,596
In the second to fifth year inclusive	617,075	600,693
Over five years	1,195,437	1,297,233
	1,974,338	2,055,522

經營租約款項指由本集團應支付在租賃土地及房屋1,974,091,000港元(二零一零年：2,043,250,000港元)及在其他資產247,000港元(二零一零年：12,272,000港元)的租金。

40. 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 and rentals payable are predetermined at fixed amounts except for certain lease of which contingent rental are charged based on the percentage of sales. Leases are generally negotiated for terms ranging from one to five years and rentals are fixed for terms ranging from one to 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 1 October 2004 to 30 September 2024, with an option to renew for a further 10 years upon the request from Shanghai Ongoing Department Store Limited not less than 12 months before the expiry of the lease terms.
- (b) Lease of the Amazon, No. 12 Salisbury Road, Tsimshatsui, Kowloon by Sogo Hong Kong Company Limited for the period from 30 September 2005 to 29 September 2020, with an option to renew for a further 5 years upon the provision of a written notice by Sogo Hong Kong Company Limited not less than 3 months before the expiry of the lease terms.

The Group as lessor

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Within one year	一年內	76,952	73,023
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	100,187	111,909
Over five years	超過五年	1,625	7,917
		178,764	192,849

Leases are generally negotiated for terms ranging from one to five years.

In addition, the Group had contracted with its concessionaires to receive contingent rentals based on the concessionaires' turnover for terms ranging from one to two years.

40. 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。而應付之租金則預定在固定的金額,除了一些根據銷售額比例為條件而收取租金的租約。租約一般按租賃期一至五年協商,租金固定於每一至兩年釐定,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,但上海久光百貨有限公司須在租賃期限屆滿前不少於12個月內提出請求。
- (b) 崇光(香港)百貨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三十日至二零二零年九月二十九日,可選擇進一步續期五年,但崇光(香港)百貨有限公司須在租賃期限屆滿前不少於3個月內提出書面通知。

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:

租約一般按租賃期由一至五年協商。

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年期為期由一至兩年之合約。

41. Capital and Other Commitments

41. 資本及其他承擔

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 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	537,700	1,584,400
— Contracted for but not provided in the consolidated financial statements	— 已訂約惟未於綜合財務報表撥備	430,700	390,500
		968,400	1,974,900
Capital expenditure in respect of the acquisition of PRC land use right contracted for but not provided in the consolidated financial statements	已訂約收購中國土地使用權但未在綜合財務報表撥備的資本開支	2,434,300	—
		3,402,700	1,974,900

42. 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.

42. 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。

43. Pledge of Assets

At 31 December 2011, the Group has pledged certain leasehold land and buildings in Hong Kong with carrying values of HK\$1,502.9 million (2010: HK\$1,547.3 million), together with certain shares of the Company's subsidiaries, to secure the banking facilities of HK\$5,000 million (2010: HK\$4,000 million) granted to the Group of which HK\$5,000 million (2010: HK\$4,000 million) has been utilised.

43. 資產抵押

於二零一一年十二月三十一日，本集團將賬面值為1,502,900,000港元(二零一零年：1,547,300,000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5,000,000,000港元(二零一零年：4,000,000,000港元)之抵押，其中5,000,000,000港元(二零一零年：4,000,000,000港元)已動用。

In addition, certain of the Group's property, plant and equipment in the PRC and Group's financial assets at fair value through profit or loss with carrying value of approximately HK\$1,489.3 million (2010: HK\$1,500.8 million) and HK\$465.9 million (2010: HK\$154.4 million) respectively have been pledged to secure loan facilities in the amount of approximately RMB350.0 million (equivalent to approximately HK\$431.9 million) (2010: HK\$460.2 million) and US\$55.9 million (equivalent to HK\$434.0 million) (2010: HK\$155.4 million) respectively.

另外，本集團賬面值約1,489,300,000港元(二零一零年：1,500,800,000港元)之位於中國的物業、廠房及設備及賬面值465,900,000港元(二零一零年：154,400,000港元)之按公平值計入損益之金融資產已分別為人民幣350,000,000元(約相當於431,900,000港元)(二零一零年：460,200,000港元)及55,900,000美元(相當於434,000,000港元)(二零一零年：155,400,000港元)貸款融資額作抵押。

44. 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:

44. 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	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 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 (note 1) 租金及管理費(附註1)	234,174	212,720
Connected parties 關連人士			
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) 特許專櫃銷售收入(附註2)	25,366	14,170
周大福珠寶金行(蘇州)有限公司 (「周大福蘇州珠寶」)	Income from concessionaire sales in Suzhou store (note 2) 於蘇州店特許專櫃銷售收入(附註2)	4,159	4,000
	Income from concessionaire sales in Shanghai store (note 2) 於上海店特許專櫃銷售收入(附註2)	3,936	3,247
北京周大福珠寶金行有限公司 (「北京周大福珠寶」)	Income from concessionaire sales in Dalian store (note 2) 於大連店特許專櫃銷售收入(附註2)	1,447	315
	Rental income in Tianjin store (note 2) 於天津店租金收入(附註2)	2,956	101
重慶周大福鐘錶銷售有限公司 (「重慶周大福鐘錶」)	Income from concessionaire sales in Shanghai store (note 2) 於上海店特許專櫃銷售收入(附註2)	119	—
	Income from concessionaire sales in Suzhou Store (note 2) 於蘇州店特許專櫃銷售收入(附註2)	1,758	—
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)	61,626	54,212

Notes:

- Property JV is a jointly controlled entity in which the Group has a 50% interest.
- CTF Jewellery, 周大福蘇州珠寶, 北京周大福珠寶, 重慶周大福鐘錶 and Hong Kong Island are companies in which Dato' Dr. Cheng Yu-tung and Dr. Cheng Kar-shun, Henry, directors of the Company, have control over the companies.
- At 31 December 2011, concessionaire sales payable included amounts of approximately HK\$39,644,000, HK\$10,860,000, HK\$1,735,000 and HK\$2,609,000 (2010: HK\$20,147,000, HK\$10,406,000, HK\$1,157,000 and nil) aged within 30 days due to CTF Jewellery, 周大福蘇州珠寶, 北京周大福珠寶 and 重慶周大福鐘錶 respectively. 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.

附註：

- 物業合營企業為本集團擁有50%權益之共同控制實體。
- 周大福珠寶、周大福蘇州珠寶、北京周大福珠寶、重慶周大福鐘錶及香島為本公司董事拿督鄭裕彤博士及鄭家純博士擁有控制權的公司。
- 於二零一一年十二月三十一日，應付特許專櫃銷售款項包括須於30天內支付予有關連人士周大福珠寶及周大福蘇州珠寶及北京周大福珠寶及重慶周大福鐘錶之款項分別約39,644,000港元、10,860,000港元、1,735,000港元及2,609,000港元(二零一零：20,147,000港元、10,406,000港元及1,157,000港元及零元)。該筆款項屬貿易性質，與特許專櫃銷售所產生應付款項相關。此等賬款結餘為無抵押、免息及須按特許專櫃經營協議條款償還。

44. *Related Party Disclosure* (continued)

(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 15 above.

45. *Retirement Benefits Schemes*

Hong Kong

The Group participates in a defined contribution scheme under Occupational Retirement Schemes Ordinance ("ORSO Scheme") and Mandatory Provident Fund Scheme ("MPF Scheme").

For members of the MPF Scheme, both the Group and the employee contribute 5% of the employee's relevant income to the Scheme according to the MPF ordinance.

The ORSO Scheme is funded by monthly contributions from both employees and the Group at 5% of the employee's basic salary.

PRC

The employees of the Group in PRC are members of state-managed retirement benefit schemes operated by the respective local governments in relevant jurisdictions. The Group is required to contribute and recognise a specified percentage of payroll costs to the schemes to fund the benefits. The only obligations of the Group with respect to these schemes are to make the specified contributions and recognise the respective retirement pay in accordance with terms set out in the schemes and relevant jurisdiction requirements.

The total cost charged to profit or loss in respect of the above-mentioned schemes in the relevant jurisdictions amounted to approximately HK\$8,699,000 (2010: HK\$7,219,000).

46. *Event after the Reporting Period*

In January 2012, LS Finance (2017) Limited, a wholly owned subsidiary of the Company, issued corporate bonds ("Corporate Bonds") in aggregate amount of US\$350,000,000 (approximately equivalent to HK\$2,719,500,000). The Corporate Bonds carry fixed coupon rate 5.25%. The maturity of the Corporate Bonds is 5 years from the date of issue. Details of which are set out in the announcement of the Company dated 26 January 2012.

44. 有關連人士披露 (續)

(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15披露。

45. 退休福利計劃

香港

本集團參與職業退休計劃條例下界定供款計劃(「職業退休計劃」)及強積金計劃(「強積金計劃」)。

作為強積金計劃成員，本集團及員工均根據強積金條例，以5%有關入息向計劃供款。

職業退休計劃由員工及本集團每月按員工基本薪金之5%出資供款。

中國

本集團在中國的員工都是由有關司法管轄區的相關地方政府運作的國家管理退休福利計劃的成員。本集團須提供並確認工資成本的指定百分比到計劃以資助有關福利。本集團就這些計劃唯一的義務是作出指定供款並確認按照計劃所載的條款和有關司法管轄區的要求之相關退休工資。

有關上述在司法管轄區的計劃中計入損益的總成本費用總額約為8,699,000港元(二零一零年：7,219,000港元)。

46. 報告期後事件

於二零一二年一月，本公司的全資附屬公司，LS Finance (2017) Limited，發行的公司債券(「公司債券」)總額為350,000,000美元(約折合2,719,500,000港元)。公司債券附帶固定票面利率5.25%。公司債券的期限為從簽發之日起計之5年。有關詳情載於本公司二零一二年一月二十六日之公佈。

47. Particulars of Principal Subsidiaries

At 31 December 2011 and 2010, the details of the Company's principal subsidiaries, all held indirectly, are as follows:

47. 主要附屬公司詳情

於二零一一年及二零一零年十二月三十一日，本公司間接持有之主要附屬公司詳情如下：

Name of company 公司名稱	Place/Date of incorporation/ establishment and operation 註冊成立及營業地點 以及註冊成立日期	Issued and fully paid share capital/registered capital 已發行及實繳/註冊股本		Attributable equity interest of the Group 本集團應佔股本權益		Principal activities 主要業務
		2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年	
Ample Sun Group Limited 益良集團有限公司	Hong Kong 17 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
Congenial Company Limited	Hong Kong 24 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 21 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 17 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 11 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 12 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 5 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
Grand Kinetic Limited 堅亨有限公司	Hong Kong 7 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 6 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 holding and leasing 物業持有及租賃

47. Particulars of Principal Subsidiaries (continued)

47. 主要附屬公司詳情 (續)

Name of company 公司名稱	Place/Date of incorporation/ establishment and operation 註冊成立及營業地點 以及註冊成立日期	Issued and fully paid share capital/registered capital 已發行及實繳/註冊股本		Attributable equity interest of the Group 本集團應佔股本權益		Principal activities 主要業務
		2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年	
Public Might Limited 群量有限公司	Hong Kong 30 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 5 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 23 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 3 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 26 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
Wingold Limited	Hong Kong 20 April 2007 香港 二零零七年四月二十日	HK\$10,000 10,000 港元	HK\$10,000 10,000 港元	60%	60%	Investment holding 投資控股
瀋陽卓遠置業有限公司**	People's Republic of China 1 December 2006 中華人民共和國 二零零六年十二月一日	US\$94,762,988 94,762,988 美元	US\$94,762,988 94,762,988 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 12 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
利福廣場(蘇州)有限公司** Lifestyle Plaza (Suzhou) Co., Limited	People's Republic of China 1 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	RMB600,000,000 人民幣600,000,000元	100%	100%	Property holding and leasing 物業持有及租賃

47. Particulars of Principal Subsidiaries (continued)

47. 主要附屬公司詳情(續)

Name of company 公司名稱	Place/Date of incorporation/ establishment and operation 註冊成立及營業地點 以及註冊成立日期	Issued and fully paid share capital/registered capital 已發行及實繳/註冊股本		Attributable equity interest of the Group 本集團應佔股本權益		Principal activities 主要業務
		2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年	
久光百貨(蘇州)有限公司**	People's Republic of China 17 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 20 June 2006 中華人民共和國 二零零六年六月二十日	RMB277,500,000 人民幣 277,500,000元	RMB277,500,000 人民幣 277,500,000元	10% (note 1)	100%	Property holding 物業持有
利福商廈(大連)有限公司**	People's Republic of China 9 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** Li Hua Jie Commercial Building (Tianjin) Co., Ltd	People's Republic of China 7 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 & leasing 物業持有及租賃
嘉標商廈(青島)有限公司**	People's Republic of China 31 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 16 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.

** wholly foreign-owned enterprises 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

Note 1: In October 2011, the Group disposed of its 90% equity interest in 瀋陽佳建置業開發有限公司 to the independent third party. Details are disclosed in note 38.

附註1: 二零一一年十月, 本集團出售其在瀋陽佳建置業開發有限公司的90%股權與獨立第三方。詳情載於附註38。

The above table lists the subsidiaries of the Group which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

上述列表列出董事認為主要影響本集團業績或資產之附屬公司。董事認為, 提供其他附屬公司資料會導致詳情過長。

None of the subsidiaries had issued any debt securities at the end of the reporting period.

附屬公司於報告期間結算日概無任何已發行債券。

48. Statement of Financial Position of The Company

Information about the statement of financial position of the Company at the end of the reporting period includes:

48. 本公司財務狀況表

於報告期間結算日，本公司財務狀況表資料包括：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Non-current asset	非流動資產		
Interests 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	486	1,580
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	—	10,925
Tax recoverable	應收稅項	—	1,398
Amounts due from subsidiaries	應收附屬公司款項	5,970,366	5,559,753
Bank balances and cash	銀行結存及現金	4,777	5,172
		5,975,629	5,578,828
Current liabilities	流動負債		
Other payables	其他應付款項	1,742	1,927
Amounts due to subsidiaries	應付附屬公司款項	1,795,360	2,004,592
Tax payable	應繳稅項	785	—
		1,797,887	2,006,519
Net current assets	流動資產淨值	4,177,742	3,572,309
		4,181,936	3,576,503
Capital and reserves	資本及儲備		
Share capital	股本	8,338	8,395
Reserves	儲備	4,173,598	3,568,108
		4,181,936	3,576,503

Profit for the year ended 31 December 2011 of the Company amounted to approximately HK\$1,500,528,000 (2010: HK\$420,759,000).

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 31 December 2011 consisted of share premium of approximately HK\$530,652,000 (2010: HK\$1,424,231,000) and retained profits of approximately HK\$3,485,191,000 (2010: HK\$1,984,505,000).

截至二零一一年十二月三十一日止年度，本公司之溢利約為1,500,528,000港元(二零一零年：420,759,000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。於二零一一年十二月三十一日，本公司之可供分派儲備由股份溢價約530,652,000港元(二零一零年：1,424,231,000港元)及保留溢利約3,485,191,000港元(二零一零年：1,984,505,000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 31 December

綜合全面收益表

截至十二月三十一日止年度

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	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
Turnover	營業額	5,131,950	4,317,465	3,756,208	3,521,633	3,112,368
Profit attributable to owners of the Company	本公司擁有人應佔溢利	1,886,301	1,407,534	1,142,468	927,226	1,024,085
Earnings per share (HK cents)	每股盈利(港仙)					
— Basic	— 基本	112.4	83.9	68.5	54.5	60.2
— Diluted	— 攤薄	111.4	83.4	68.1	54.3	59.8
Total dividends per share (HK cents)	每股股息總額(港仙)	44.9	33.7	28.0	24.0	24.0

Consolidated Statement of Financial Position

At 31 December

綜合財務狀況表

於十二月三十一日

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	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
Total assets	資產總值	18,581,349	13,872,956	12,301,402	10,562,218	10,434,243
Total liabilities	負債總額	(9,374,651)	(5,969,902)	(5,618,395)	(4,707,235)	(5,216,563)
Total net assets	資產淨值總額	9,206,698	7,903,054	6,683,007	5,854,983	5,217,680
Non-controlling interests	非控股股東權益	(806,526)	(686,170)	(561,538)	(677,271)	(560,962)
Total net assets attributable to owners of the Company	本公司擁有人應佔資產淨值總額	8,400,172	7,216,884	6,121,469	5,177,712	4,656,718
Net assets per share (HK\$)	每股資產淨值(港元)	5.52	4.71	3.99	3.50	3.06
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)	5.04	4.30	3.66	3.09	2.73
Number of shares issued	已發行股份數目	1,667,513,500	1,678,985,000	1,673,620,000	1,673,965,500	1,705,083,000

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