CENTURY GINWA RETAIL HOLDINGS LIMITED
世紀金花商業控股有限公司

(前稱中國金展控股有限公司)
(Formerly known as China Golden Development Holdings Limited)

Stock Code 股份代號: 162

ANNUAL REPORT
年報 2010

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Corporate Information
公司資料

BOARD OF DIRECTORS

Executive and Non-executive Directors
Mr. Wu Yijian *(Chairman)*
Mr. Qiu Zhongwei *(Vice Chairman)*
Mr. Choon Hoi Kit, Edwin *(Chief Executive Officer)*
Mr. Qu Jiaqi
Mr. Sha Yingjie
Mr. Chen Shuai

Independent Non-executive Directors
Mr. Chan Wai Kwong, Peter
Mr. Fu Wing Kwok, Ewing
Mr. Tsang Kwok Wai
Ms. Li Ling

FINANCIAL CONTROLLER AND COMPANY SECRETARY
Mr. Chiu Ngam, Chris

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS
Suites 1701-1703, 17/F, Dah Sing Financial Centre,
108 Gloucester Road, Wanchai, Hong Kong

PRINCIPAL BANKERS
Agricultural Bank of China
Bank of China
Industrial and Commercial Bank of China
ICBC (Asia)
Wing Lung Bank

REGISTERED OFFICE
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

COMPANY WEB SITE
www.cgrh.com.hk

董事會

執行與非執行董事
吳一堅先生*(主席)*
邱中偉先生*(副主席)*
鄭開杰先生*(行政總裁)*
曲家琪先生
沙英杰先生
陳帥先生

獨立非執行董事
陳為光先生
傅榮國先生
曾國偉先生
厲玲女士

財務總監及公司秘書
趙岩先生

總辦事處兼主要營業地點
香港灣仔告士打道108號
大新金融中心17樓1701-03室

主要往來銀行
中國農業銀行
中國銀行
中國工商銀行
中國工商銀行(亞洲)
永隆銀行

註冊辦事處
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

公司網址
www.cgrh.com.hk

Corporate Information
公司資料

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE
Tricor Abacus Limited
26/F Tesbury Centre
28 Queen's Road East
Hong Kong

香港股份過戶登記分處
卓佳雅柏勤有限公司
香港
皇后大道東28號
金鐘匯中心26樓

LEGAL ADVISERS
Li & Partners (Hong Kong Law)
Michael Li & Co (Hong Kong Law)
Conyers Dill & Pearman (Bermuda Law)

法律顧問
李偉斌律師行(香港法律)
李智聰律師事務所(香港法律)
Conyers Dill & Pearman(百慕達法律)

AUDITORS
KPMG
Certified Public Accountants

核數師
畢馬威會計師事務所
執業會計師

AUDIT COMMITTEE MEMBERS
Mr. Fu Wing Kwok, Ewing *(Chairman)*
Mr. Chen Shuai
Mr. Chan Wai Kwong, Peter
Mr. Tsang Kwok Wai
Ms. Li Ling

審核委員會成員
傅榮國先生*(主席)*
陳帥先生
陳為光先生
曾國偉先生
厲玲女士

REMUNERATION COMMITTEE MEMBERS
Mr. Qiu Zhongwei *(Chairman)*
Mr. Chen Shuai
Mr. Chan Wai Kwong, Peter
Mr. Fu Wing Kwok, Ewing
Mr. Tsang Kwok Wai
Ms. Li Ling

薪酬委員會成員
邱中偉先生*(主席)*
陳帥先生
陳為光先生
傅榮國先生
曾國偉先生
厲玲女士

BERMUDA PRINCIPAL SHARE REGISTRAR
Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road,
Pembroke HM 08
Bermuda

百慕達主要股份過戶登記處
Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road,
Pembroke HM 08
Bermuda

STOCK CODE
00162

股份代號
00162

CHAIRMAN'S STATEMENT

On behalf of the board of directors (the "Board") of Century Ginwa Retail Holdings Limited (the "Company"), I am pleased to present the audited results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2010 ("the year").

FINANCIAL RESULTS

For the year ended 31 December 2010, the Group's revenue increased by 28% to HK$699 million. The Group's operating profit for 2010 was HK$134 million, increased by 81% from HK$74 million in 2009. Profit for the year was HK$120 million for 2010 compared with HK$39 million in 2009, a 208% increase. Net profit attributable to equity shareholders of the Company was HK$74 million for 2010 compared with HK$10 million in 2009. The Board does not recommend the payment of any dividends for the year.

BUSINESS REVIEW

The principal business activity of the Group is engaging in the operation of department stores in North-western China.

We have successfully consolidated our department stores operation in North-western China, one of the highest growing regions in the People's Republic of China ("PRC"). This enables us to lead the Group to achieve continuous business growth in 2010. This strategy will continue to generate revenue for the Group, while it will also identify further acquisition opportunities.

主席報告

本人謹代表世紀金花商業控股有限公司(「本公司」)董事會(「董事會」),欣然呈報本公司及其附屬公司(「本集團」)截至二零一零年十二月三十一日止年度(「本年度」)之經審核業績。

財務業績

於截至二零一零年十二月三十一日止年度,本集團之收入增加28%至699,000,000港元。於二零一零年,本集團之經營溢利由二零零九年之74,000,000港元增加81%至134,000,000港元。於二零一零年,本年度溢利為120,000,000港元,而二零零九年為39,000,000港元,增長208%。於二零一零年,本公司股東應佔溢利淨額為74,000,000港元,而二零零九年則為10,000,000港元。董事會不建議就本年度派付任何股息。

業務回顧

本集團之主要業務為於中國西北部經營百貨公司。

我們成功整合了中國西北部之百貨公司業務,該等地區為中華人民共和國(「中國」)最高增長地區之一。此舉讓我們成功令本集團於二零一零年持續錄得業務增長。此策略將為本集團持續帶來收益,而本集團亦會進一步物色收購機遇。

FUTURE PLAN AND OUTLOOK

In recent years, the economic development of China has gradually matured with increasing domestic demand, which steadily lift the per capita disposable income and total retail sales of social consumer goods. On the other hand, pace of urbanization in China will further drive the development of the modern retail industry. In view of this favourable situation, the Group will continue exploring opportunities in the operation of department store by acquiring existing Century Ginwa department stores and expanding Century Ginwa geographically in the PRC. The Group also plans to reinvent and remodel its existing stores to further enhance the store image and to improve productivity by the more efficient use of the available floor space. Meanwhile, the Group would introduce more famous international brands to further enhance its market status and maximize shareholders' value. The Group strongly believes that the business strategy of Century Ginwa could eventually lead the Group to become one of the top tier department store operators in the PRC.

APPRECIATION

I would like to express my deep thanks to my fellow directors and colleagues for their valuable contribution during the year 2010. I and on behalf of the Board would also like to extend my sincere thanks to our shareholders, investors, customers, suppliers, bankers and business associates for their continued strong support.

Wu Yijian
Chairman
Hong Kong, 22 March 2011

未來計劃及展望

近年來，中國的經濟發展日趨成熟，內部需求逐漸增加，令人均可支配收入及社會消費品零售總額穩步增長。另一方面，我國的城市化步伐將進一步驅動現代零售行業的發展。鑑於這一利好局勢，本集團將在營運百貨公司範疇內繼續透過收購世紀金花現有百貨公司及擴大世紀金花在中國之經營地域以開拓商機。本集團亦計劃改造及重新塑造其現有店舖以進一步改善店舖形象，並透過更有效地利用可用樓面面積提升產能。同時，本集團會引進更多國際知名品牌，以進一步提升其市場地位及令股東價值實現最大化。本集團深信，世紀金花之業務策略定可引領本集團最終躋身中國頂級百貨公司營運商之列。

致謝

本人謹此就董事會同寅及同僚們於二零一零年作出之寶貴貢獻深表謝意。此外，本人謹此代表董事會向各股東、投資者、客戶、供應商、往來銀行及業務夥伴致以摯誠謝意，感激彼等一直以來之鼎力支持。

吳一堅
主席
香港，二零一一年三月二十二日

FINANCIAL HIGHLIGHTS 財務摘要

	2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 (經重列)	Change 變動
Turnover 營業額	**699,000**	548,000	+28%
Profit from operations 經營溢利	**134,000**	74,000	+81%
Profit for the year 本年度溢利	**120,000**	39,000	+208%
Profit attributable to equity holders 本公司股東應佔溢利	**74,000**	10,000	+640%
Basic earnings per share 每股基本溢利	**4.32 cents仙**	0.88 cents仙	+391%
Net assets of the Group 本集團資產淨值	**405,000**	241,000	+68%
NAV per share 每股資產淨值	**0.18 dollar元**	0.17 dollar元	+6%
Net cash generated from operations 業務產生之現金淨額	**197,000**	185,000	+6%

FINANCIAL RESULTS

In the year, the Group successfully acquired Golden Chance (Xian) Limited and CPI Asia Big Bell Limited. Benefited from the steady economy growth of China and its economies of scale, the Group achieved continuous business growth.

(i) The turnover of the Group for the year ended 31 December 2010 increased to HK$699 million as compared to HK$548 million for the same period last year, representing an increase of 28%.

(ii) The gross profit of the Group increased to HK$460 million as compared to HK$375 million for the same period last year. The gross profit margin of the Group for the year ended 31 December 2010 decreased to 66% from 68% of last year due to acquisition of newly operated departments stores in Xian during the year.

(iii) The Group's operating profit for 2010 was HK$134 million, increased by 81% from HK$74 million for 2009.

(iv) The finance income in 2010 was HK$34 million (2009 finance costs: HK$9 million). The changes in finance income/costs was mainly due to a gain of HK$34 million arising from change in fair value of the convertible bonds recorded in 2010 (2009: HK$6 million).

(v) The Group's profit for the year and consolidated profit attributable to shareholders of the Company were HK$120 million (2009: HK$39 million) and HK$74 million (2009: HK$10 million) respectively.

財務業績

於本年度，本集團成功收購了Golden Chance (Xian) Limited及CPI Asia Big Bell Limited。受惠於中國經濟穩步發展及規模效益，本集團錄得持續業務增長。

(i) 本集團截至二零一零年十二月三十一日止年度之營業額增加至699,000,000港元，而去年同期為548,000,000港元，相當於增加28%。

(ii) 本集團之毛利增加至460,000,000港元，去年同期為375,000,000港元。本集團截至二零一零年十二月三十一日止年度之毛利率由去年68%減少至66%，乃由於年內收購西安新營運之百貨商場所致。

(iii) 本集團之經營溢利由二零零九年之74,000,000港元增加81%至二零一零年之134,000,000港元。

(iv) 二零一零年之財務收入為34,000,000港元（二零零九年財務費用：9,000,000港元）。財務收入／財務費用變動乃主要由於於二零一零年錄得之可換股債券之公允值變動產生之收益34,000,000港元（二零零九：6,000,000港元）。

(v) 本集團本年度溢利及本公司股東應佔綜合溢利分別為120,000,000港元（二零零九年：39,000,000港元）及74,000,000港元（二零零九年：10,000,000港元）。

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2010, the Group's consolidated net assets value was HK$405 million (2009: HK$241 million). As at 31 December 2010, the Group had cash and cash equivalents amounting to HK$115 million (2009: HK$89 million). The current ratio of the Group as at 31 December 2010 was 0.22 (2009: 0.16). The gearing ratio, being the bank and other loans, the unsecured notes and the convertible bonds and less cash and cash equivalents divided by the total equity, as at 31 December 2010, was 4.01 (2009: 4.12). The capital raising activities during the year are disclosed in note 28 to the financial statements.

流動資金及財政資源

於二零一零年十二月三十一日，本集團之綜合資產淨值為405,000,000港元（二零零九年：241,000,000港元）。於二零一零年十二月三十一日，本集團之現金及現金等值項為115,000,000港元（二零零九年：89,000,000港元）。於二零一零年十二月三十一日，本集團之流動比率為0.22（二零零九年：0.16）。於二零一零年十二月三十一日之資本負債比率（即銀行及其他貸款、無抵押票據及可換股債券及減現金及現金等值項目後除以權益總額）為4.01（二零零九年：4.12）。有關本年度集資活動於財務報表附註28中披露。

BUSINESS REVIEW

Department Store Operations

In December 2010, the Group acquired three Century Ginwa branded department stores and the properties of Xian Bell Tower Department Store. Currently, the Group operates five department stores in Xian and one department store in Urumqi, the PRC, which achieved continuous business growth.

The Board believes that with the rising standard of living and the increasing domestic demand in China, the department store operations will become an industry generating a considerable revenue in China in the foreseeable future.

業務回顧

百貨公司業務

於二零一零年十二月，本集團收購三所「世紀金花」品牌百貨商店以及西安鐘樓百貨商店物業。目前，本集團於中國西安及烏魯木齊分別經營五間及一間百貨公司而業務錄得持續增長。

董事會相信，隨著中國生活水平持續提升以及內部需求不斷增加，百貨公司業務於不久將來將成為中國收益可觀之行業。

Corporate Restructuring and Introduction of Investment Fund

With the continuous effort of the management to improve its operations and to promote corporate governance, the Group had successfully signed a Memorandum of Understanding with Hony Capital, an investment fund, on 20 February 2010.

Hony Capital is an investment fund which is structured as an exempted limited partnership established in the Cayman Islands. Based on the limited partnership interests of Hony Capital, Legend Holdings Limited, via its wholly-owned subsidiary, Right Lane Limited, is the single largest investor in Hony Capital, with a holding of approximately 14.3% of the value of the fund. Apart from Legend Holdings Limited, Hony Capital has 77 other investors with interests ranging from 0.02% to 7.15% of the value of the fund.

企業重組及引入投資基金

在管理層不斷改善本集團之營運及提倡企業管治下，本集團於二零一零年二月二十日成功與投資基金弘毅投資簽署諒解備忘錄。

弘毅投資為一支投資基金，其結構為於開曼群島成立之受豁免有限夥伴公司。根據弘毅投資之有限夥伴權益，聯想控股有限公司透過其全資附屬公司南明有限公司作為弘毅投資單一最大投資者，持有該基金之價值約14.3%。除聯想控股有限公司外，弘毅投資另有77名投資者，彼等持有該基金之價值由0.02%至7.15%不等之權益。

Pursuant to the Memorandum of Understanding signed on 20 February 2010, the Group had successfully signed a Convertible Notes Agreement on 31 August 2010 to secure an investment of HK$887 million. In addition, the Group also issued an option agreement to allow the option holder to purchase another Convertible Notes with a principal of HK$443.5 million with the same term of the Convertible Notes issued. The transaction was completed on 3 December 2010. By securing this investment, the Group is able to expand its operation, reduce banking facilities cost and optimize capital structure continuously.

基於二零一零年二月二十日簽署的諒解備忘錄，本集團成功於二零一零年八月三十一日簽署可換股票據協議，獲得887,000,000港元之投資。此外，本集團亦發出一項購股權協議以准許購股權持有人購買本金額為443,500,000港元且與已發行可換股票據具有相同條款之其他可換股票據。於二零一零年十二月三日有關交易已順利成交。取得有關投資讓本集團可以繼續擴大經營，降低銀行融資成本及優化股本結構。

Merger & Acquisition

As mentioned in 2009 Annual Report, the Group will continue to explore other business opportunities of acquiring department stores in the PRC. As a further step to achieve its business objective, the Group had completed the acquisitions of three departments in Xian, the PRC on 3 December 2010. The Board believes with its operation network comprising six department stores, the Group could enhance economies of scale, attract more talents and strengthen the advantages of bulk purchasing, so as to contribute more revenue to the Group.

合併與收購

誠如二零零九年年報所述，本集團將在中國收購百貨公司方面持續物色其他業務機遇。本集團已於二零一零年十二月三日完成收購三間位於中國西安之百貨公司的交易，以作為達成業務目標之進一步舉措。董事會相信憑藉其由六間百貨公司組成之業務網絡，可藉此擴大其業務之規模效益，進一步吸引人才及強化集中採購之優勢，為本集團帶來更高收益。

In order to consolidate the development of its own business and mitigate the impact of increasing rental expenses due to appreciation of commercial properties on operation, the Group had successfully acquired CPI Asia Big Bell Limited, the holding company of the properties in which Xian Bell Tower Store, operated by Century Ginwa Joint Stock Company Limited, is located on 3 December 2010. This acquisition allows the Group to optimize its assets quality, saving rental expenses of more than HK$60 million per year. At the same time, the Group will also continue to identify and acquire premium commercial properties in the PRC when appropriate.

本集團為鞏固本身業務的發展及減輕商業物業之升值所帶來租金上升對經營的影響，本集團於二零一零年十二月三日成功收購CPI Asia Big Bell Limited，彼為本集團附屬公司世紀金花股份有限公司經營的西安鐘樓百貨商店所在物業的控股公司，此收購同時令本集團之資產質量進一步優化，每年可節省租金超過60,000,000港元。同時本集團亦將繼續在國內物色優質商業物業及在適當時候進行收購。

On 18 January 2011, the Group signed a Memorandum of Understanding with Shaanxi F&L Properties Co. Ltd, for the acquisition of a property situated at North District, Xian City, Shaanxi Province at the consideration of RMB1.03 billion. Upon completion, apart from 25,000 square meters in operation, it will increase the Group's commercial operation area by approximately 60,000 square meters. As Xian Municipal Government and its various administrative authorities have been relocated to the north in March 2011, it is expected that this acquisition will be another bright spot in operation.

於二零一一年一月十八日，本集團與陝西富力房地產開發有限公司簽署諒解備忘錄，以1,030,000,000元人民幣收購位於陝西省西安市北區之一項物業，完成後除正在經營之二萬五千平方米外，將為本集團增加約六萬平方米的商業經營面積，由於西安市政府及各行政機關已於二零一一年三月北移，預期有關收購將為本集團的經營帶來另一亮點。

On 31 January 2011, the Group announced to acquire 100% equity interest in Ideal Mix Limited, which owns 2 department stores and 5 supermarkets in Xianyang City, Shaanxi Province, with guaranteed profit for 2011 of not less than RMB32 million. The Group is confident that it can integrate resources from different regions to capitalize the maximum synergies, in order to maximize shareholders' profits.

於二零一一年一月三十一日，本集團公佈收購Ideal Mix Limited之100%股權，彼持有位於陝西省咸陽市之兩家百貨公司及五家超市，二零一一年的利潤保證不低於人民幣32,000,000元。本集團很有信心能夠整合不同地區的資源以發揮最大的協同效應，為股東創造最大的利潤。

BANKING FACILITIES

The Group's banking facilities are disclosed in note 22 to the financial statements.

銀行融資

本集團之銀行融資於財務報表附註22中披露。

CONTINGENT LIABILITIES

The Group's contingent liabilities are disclosed in note 32 to the financial statements.

或然負債

本集團之或然負債於財務報表附註32中披露。

FOREIGN EXCHANGE EXPOSURE

During the year, the Group's operation of department stores earned revenue and incurred costs in Renminbi. Renminbi was relatively stable although there was an appreciation pressure during the year. The Directors considered that the Group's exposure to fluctuations in foreign exchange rate was minimal, and accordingly, the Group did not employ any financial instruments for hedging purpose.

匯兑風險

於本年度，本集團經營的百貨公司業務，其所賺取之收入及產生之費用均以人民幣計算。儘管人民幣於本年度有升值壓力，惟其仍屬相對穩定。董事認為本集團面對之匯率波動風險甚微，故本集團並無採用任何金融工具作對沖。

SEASONAL OR CYCLICAL FACTORS

During the year, the Group's business operations were not significantly affected by any seasonal and cyclical factors.

季節性或週期因素

於本年度，本集團之業務運作並無因任何季節性或週期因素而受到重大影響。

HUMAN RESOURCES

As at 31 December 2010, the Group employed approximately 1,600 (2009: 1,000) full time employees including management and administrative staff. Most of the employees are employed in Mainland China. The employees' remuneration, promotion and salary increments are assessed based on both individual's and Company's performance, professional and working experience and by reference to prevailing market practice and standards. Apart from the general remuneration package, the Group also granted share options and discretionary bonus to the eligible staff based on their performance and contribution to the Group. The Group regards quality staff as one of the key factors to corporate success.

人力資源

於二零一零年十二月三十一日，本集團僱用約1,600名（二零零九年：1,000名）全職僱員，其中包括管理及行政人員。大部份僱員均受僱於中國內地。僱員之薪酬、晉升及加薪幅度乃根據個人及本公司之表現、僱員之專業及工作經驗、並參考當時市場慣例及標準來評估釐定。除了一般薪酬計劃外，本集團亦根據合資格僱員之表現及其對本集團之貢獻，向其授出購股權及酌情花紅。本集團認為優秀僱員是企業能成功發展之關鍵因素。

Biographies of Directors
董事履歷

EXECUTIVE DIRECTORS AND NON-EXECUTIVE DIRECTORS

Mr. Wu Yijian

Mr. Wu Yijian ("Mr. Wu"), aged 50, was appointed as Chairman and a Non-Executive Director of the Company on 7 January 2011. Mr. Wu currently holds directorship of certain subsidiaries of the Company, and he was the executive director and chairman of the Company from January 2001 to May 2008 and from May 2003 to May 2008, respectively.

Mr. Wu graduated in Huazhong Normal University with a Master degree in Economic Management. He was granted the national titles of "Ten Most Outstanding Youth of China" in 1996, "Contribution Award of International Excellent Entrepreneur" in 1997, "Chinese Excellent Youth Entrepreneur" in 2002 and "National Outstanding Builders of Socialism with Chinese Characteristics" in 2004. Mr. Wu is chairman and director of Ginwa Enterprise (Group) Inc. (a company listed on the Shanghai Stock Exchange) and the Ginwa Investment Company Limited. He is also the committee member of National Committee of the Chinese People's Political Consultative Conference, vice-chairman of All-China Federation of Industry and Commerce, chairman of the Chairmen Board of China Federation of Industrial Economics, vice-president of the China Association of Small and Medium Enterprises, vice-chairman of China Red Ribbon Foundation, expert committee member of The People's Government of Shaanxi Province Consult Committee, president of Shaanxi Business Promotion Association, vice-president of Shaanxi General Chamber of Commerce, honorable president of Shaanxi Chamber of Commerce of Shanxi Merchant, honorable president of Hong Kong Xian Trade Association Limited and vice-president of Shaanxi Pharmaceutical Profession Association.

執行董事與非執行董事

吳一堅先生

吳一堅先生(「吳先生」),50歲,於二零一一年一月七日獲委任為本公司主席兼非執行董事。吳先生為本公司數間附屬公司之董事,亦分別於二零零一年一月至二零零八年五月間及二零零三年五月至二零零八年五月間,出任本公司執行董事及主席。

吳先生畢業於華中師範大學,取得經濟管理碩士學位。彼曾榮獲「一九九六年中國十大傑出青年」、「一九九七年國際優秀企業家貢獻獎」、「二零零二年全國優秀青年企業家」及「二零零四年優秀中國特色社會主義事業建設者」等多項殊榮。吳先生現為金花企業(集團)股份有限公司(一間於上海證券交易所上市之公司)及金花投資有限公司總裁及董事。彼亦現任全國政協委員、中華全國工商業聯合會副主席、中國工業經濟聯合會主席團主席、中國中小企業協會副會長、中華紅絲帶基金副理事長、陝西省人民政府決策諮詢委員會專家委員、陝西省創業促進會會長、陝西省總商會副會長、陝西省晉商商會名譽會長、香港西安商會榮譽會長及陝西省醫藥協會副會長。

Biographies of Directors
董事履歷

Mr. Qiu Zhongwei

Mr. Qiu Zhongwei ("Mr. Qiu"), aged 42, was appointed as an Executive Director of the Company on 3 December 2010 and was appointed as Vice Chairman of the Company and chairman of the remuneration committee on 7 January 2011.

Mr. Qiu joined Hony Capital in 2005. He oversees Hony Capital's overall investment activities and direct investments in culture and media, equipment machinery, consumer goods and retail, and construction materials sectors. He has extensive experience in direct investments, project planning, business development and retail business. He built and served as the chief executive officer of one of the largest private-owned department stores chain in China. Mr. Qiu holds a joint Master of Business Administration degree from the Kellogg School of Management at Northwestern University and the Hong Kong University of Science and Technology. He received his bachelor degree in engineering from Xi'an Jiaotong University. He is a non-executive director of Digital China Holdings Limited (a company listed on the Stock Exchange with Stock Code: 861) and a non-executive director of Changsha Zoomlion Heavy Industry Science and Technology Development Co., Limited (a company listed on the Shenzhen Stock Exchange).

Mr. Choon Hoi Kit, Edwin

Mr. Choon Hoi Kit, Edwin ("Mr. Choon"), aged 43, was appointed as the Executive Director and Chief Executive Officer of the Company on 8 March 2010. Mr. Choon has over 19 years of experience in finance, mergers & acquisitions, and corporate restructuring and held management positions in various listed companies. He had worked for one of the Big Four international accountancy firms and another prestigious CPA firm and had also been engaged in various mergers and acquisitions exercises. Mr. Choon was the General Manager of Finance Department of Guangnan Holdings Limited (Stock code: 1203) during its restructuring exercise from 1999 to 2001. Mr. Choon also has experience in department Store business in the PRC and was the director of the jointly controlled entity Wuhan Plaza and also held the position of Deputy Chief Operating Officer from 2003 to 2007 of Junefield Department Store Holdings Limited (Stock code: 758).

邱中偉先生

邱中偉先生(「邱先生」),42歲,於二零一零年十二月三日獲委任為本公司執行董事,並於二零一一年一月七日獲委任為本公司之副主席及其薪酬委員會之主席。

邱先生於二零零五年加入弘毅投資。彼監督弘毅投資有關文化及傳媒、設備機械、消費品及零售及建築材料行業之整體投資活動及直接投資。彼於直接投資、項目策劃、業務發展及零售業務方面擁有豐富經驗。彼建立中國最大私營百貨商店連鎖店之一並擔任行政總裁。邱先生持有西北大學凱洛格工商管理學院及香港科技大學聯合頒發之工商管理碩士學位。彼獲頒西安交通大學之工程專業學士學位。彼為神州數碼控股有限公司(一間於聯交所上市之公司,股份代號:861)之非執行董事及長沙中聯重工科技發展股份有限公司(一間於深圳證券交易所上市之公司)之非執行董事。

鄭開杰先生

鄭開杰先生(「鄭先生」),43歲,於二零一零年三月八日獲委任為本公司執行董事兼行政總裁。鄭先生於融資、併購及公司重組方面擁有逾十九年經驗,並曾於多間上市公司擔任管理職位。鄭先生曾於其中一間四大國際會計師事務所及另一間信譽卓著之會計師事務所公司任職,並曾從事多宗併購活動。於一九九九年至二零零一年廣南(集團)有限公司(股份代號:1203)進行重組活動期間,鄭先生擔任該公司財務部之總經理。鄭先生亦擁有中國百貨業務經驗,於二零零三年至二零零七年期間擔任莊勝百貨集團有限公司(股份代號:758)之副營運總監職位,且同時為其共同控制企業武漢廣場之董事。

Biographies of Directors
董事履歷

Mr. Qu Jiaqi

Mr. Qu Jiaqi ("Mr. Qu"), aged 52, was appointed as an Executive Director of the Company on 11 August 2007. He is currently Vice President of Ginwa Enterprise (Group) Inc. ("Ginwa Enterprise") and General Manager of Century Ginwa Joint Stock Limited Company ("Century Ginwa"), both companies are connected persons of the Company as defined under the Listing Rules. Mr. Qu joined Ginwa Enterprise and Century Ginwa Group in 1999. Before that, Mr. Qu worked with several other large department stores and shopping malls in Xian, China.

Mr. Qu has nearly 30 years of working experience in department store business. Mr. Qu received Management education and training in Mainland China. He also received training in High Level Business Administration from the Open University of Hong Kong. He was awarded the "Shaanxi Province Outstanding Young Entrepreneur" in October 2000 and "China Professional Operational Management Master" in 2005. Mr. Qu is also a Representative of the 13th and 14th Xian City People's Assembly.

曲家琪先生

曲家琪先生(「曲先生」),52歲,於二零零七年八月十一日獲委任為本公司執行董事。彼現時為金花企業(集團)股份有限公司(「金花企業」)副總裁、及世紀金花股份有限公司(「世紀金花」)總經理。根據上市規則定義,這兩間公司均為本公司關連人士。曲先生於一九九九年加入金花企業及世紀金花集團。之前,曲先生於中國西安多間大型百貨商店及購物中心任職。

曲先生在經營百貨商店業務方面擁有近三十年豐富經驗。曲先生在中國內地學習管理及接受有關培訓,亦於香港公開大學進修工商管理深造課程。彼於二零零零年十月獲頒「陝西省傑出青年企業家獎」,更於二零零五年被喻為「中國商業經營大師」。曲先生亦是第十三及十四屆西安市人民代表大會代表。

Mr. Sha Yingjie

Mr. Sha Yingjie ("Mr. Sha"), aged 53, was appointed as an Executive Director of the Company on 1 July 2007. He is currently the Financial Controller of Century Ginwa Joint Stock Company Limited ("Century Ginwa"), a connected person of the Company as defined under the Listing Rules. Mr. Sha joined Century Ginwa in 1997 and was appointed Financial Controller and Assistant General Manager in 2004 and 2009 respectively. Before Mr. Sha joined Century Ginwa, he once worked as Financial Controller of the Supply Station of XiBei Electrical Engineering Company Limited, and the Financial Controller of Xian Taiwan Hotel.

Mr. Sha has more than 20 years of working experience in commerce and finance. Mr. Sha received Management education and training in Mainland China. He also holds a master degree in business administration from the Open University of Hong Kong. He was awarded China Career Manager in June 2003 and was appointed as Taxation Practice Review Inspector by Xian Tax Bureau in the PRC in 2006. He obtained a chief financial officer qualification certificate in respect of business administration positions in 2007 and was appointed as Taxation Practice Review Inspector of the local taxation bureau in Lianhu District, Xian in 2009.

沙英杰先生

沙英杰先生(「沙先生」),53歲,於二零零七年七月一日獲委任為本公司執行董事。沙先生現時為世紀金花股份有限公司(「世紀金花」)財務總監。根據上市規則定義,該公司為本公司關連人士。沙先生於一九九七年加入世紀金花,並於二零零四年及二零零九年分別獲委任為財務總監及副總經理。在加入世紀金花前,沙先生曾出任西北機電公司西安供應站財務總監、及西安臺灣酒店財務總監。

沙先生有二十餘年商業及財務工作經驗。彼曾於中國內地接受管理教育及培訓,並於香港公開大學進修工商管理深造課程。彼亦持有香港公開大學之工商管理碩士學位。沙先生於二零零三年六月取得中國職業經理人資格,並於二零零六年獲中國西安市國家稅務局聘為稅務執法糾風監督員。二零零七年取得企業管理崗位財務總監資格証書及二零零九年獲聘為西安市蓮湖區地方稅務局稅務執法糾風監督員。

Biographies of Directors
董事履歷

Mr. Chen Shuai

Mr. Chen Shuai ("Mr. Chen"), aged 37, was appointed as a Non-Executive Director of the Company on 3 December 2010 and was appointed as a member of each of the audit committee and remuneration committee of the Company on 7 January 2011.

Mr. Chen joined Hony Capital in 2003. He directs investments in financial services, culture and media, consumer goods and retail and construction material sectors. Mr. Chen has extensive experience in investment management, supplier management and retail business. Prior to joining Hony Capital in 2003, Mr. Chen had worked in an investment company, a PRC retail chain and department store and a PRC domestic comprehensive supermarket company. Mr. Chen holds an Executive Master of Business Administration degree from the China Europe International Business School. He received his bachelor degree in economics from Beijing Forestry University. He is a non-executive director of China Glass Holdings Limited (a company listed on the Stock Exchange with Stock Code: 3300).

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Wai Kwong, Peter

Mr. Chan Wai Kwong, Peter ("Mr. Chan"), aged 57, was appointed as an Independent Non-Executive Director of the Company on 24 September 2004. Mr. Chan graduated with a bachelor degree in Social Science (Economics) from the University of Western Ontario, Canada in 1978. Mr. Chan has over 25 years' experience in marketing and business development. Mr. Chan is also an Executive Director of China Solar Energy Holdings Limited and Mobile Telecom Network (Holdings) Limited, both of which are listed companies in Hong Kong. He is an independent non-executive director of Tai Shing International (Holdings) Limited (a company listed on the Stock Exchange).

Mr. Fu Wing Kwok, Ewing

Mr. Fu Wing Kwok, Ewing ("Mr. Fu"), aged 42, was appointed as an Independent Non-Executive Director of the Company on 8 January 2007. Mr. Fu is currently an independent non-executive director of Hao Wen Holdings Limited (Formerly known as "Everpride Biopharmaceutical Company Limited"), a company listed on the Growth Enterprise Market of the Stock Exchange of Hong Kong. He holds a bachelor degree in science with major in accounting of Bemidji State University, USA and is a member of both American Institute of Certified Public Accountants and Hong Kong Institute of Certified Public Accountants. He has over 16 years of experience in auditing and accounting field.

陳帥先生

陳帥先生(「陳先生」),37歲,於二零一零年十二月三日獲委任為本公司非執行董事,並於二零一一年一月七日獲委任為本公司審核委員會和薪酬委員會之成員。

陳先生於二零零三年加入弘毅投資。彼主導金融服務、文化及傳媒、消費品以及零售及建築物料行業之投資。陳先生於投資管理、供應商管理及零售業務方面擁有豐富經驗。於二零零三年加入弘毅投資之前,陳先生已在一間投資公司、一間中國零售連鎖百貨商店及一間中國國內綜合超市公司任職。陳先生持有中歐國際工商學院頒發之高層管理人員工商管理碩士學位。彼獲頒北京林業大學經濟學學士學位。彼現為中國玻璃控股有限公司(一間於聯交所上市之公司,股份代號:3300)之非執行董事。

獨立非執行董事

陳為光先生

陳為光先生(「陳先生」),57歲,於二零零四年九月二十四日獲委任為本公司獨立非執行董事。陳先生於一九七八年畢業於加拿大西安大略大學,獲頒社會科學(經濟)學士學位。陳先生在市場推廣及業務發展方面積累逾二十五年經驗。陳先生亦是華基光電能源控股有限公司及流動電訊網絡(控股)有限公司的執行董事。這兩間公司均為香港上市公司。彼亦是泰盛國際(控股)有限公司(一間在聯交所上市之公司)的獨立非執行董事。

傅榮國先生

傅榮國先生(「傅先生」),42歲,於二零零七年一月八日獲委任為本公司獨立非執行董事。傅先生目前亦擔任香港聯交所創業板上市公司皓文控股有限公司(前稱「中遠威生物製藥有限公司」)之獨立非執行董事。彼持有美國伯米吉州立大學理學學士學位,主修會計;並為美國會計師公會及香港會計師公會會員。傅先生在審計及會計方面積累逾十六年經驗。

Biographies of Directors
董事履歷

Mr. Tsang Kwok Wai

Mr. Tsang Kwok Wai ("Mr. Tsang"), aged 41, was appointed as an Independent Non-Executive Director of the Company on 25 September 2008. Mr. Tsang is a fellow member of The Hong Kong Institute of Certified Public Accountants; The Association of Chartered Certified Accountants; and The Taxation Institute of Hong Kong. He has over 17 years of experience in accounting and finance. At present, Mr. Tsang runs his own firm and practices public accounting.

Mr. Tsang is an independent non-executive director of K.P.I. Company Limited (a company listed on The Stock Exchange of Hong Kong Limited) which is engaged in retail business in PRC. Mr. Tsang was an independent non-executive director of ABC Communications (Holdings) Limited (a company listed on The Stock Exchange of Hong Kong Limited) which is engaged in the business of financial information services for the period from 18 September 2008 to 28 January 2011.

Ms. Li Ling

Ms. Li Ling ("Ms. Li"), aged 52, was appointed as an Independent Non-Executive Director and a member of each of the audit committee and remuneration committee of the Company on 7 January 2011. Ms. Li has been working as the general manager of certain reputable department stores and shopping complex in China over the past 10 years and has extensive management experience in department store and retail business. Ms. Li holds a master of science degree in biology from the Hangzhou University (currently known as Zhejiang University). She is a consultant of Hangzhou Jiebai Group Company Limited (a company listed on the Shanghai Stock Exchange).

曾國偉先生

曾國偉先生(「曾先生」),41歲,於二零零八年九月二十五日獲委任為本公司獨立非執行董事。曾先生為香港會計師公會之資深會員、英國特許公認會計師公會資深會員,以及香港稅務學會資深會員。曾先生在會計及財務界擁有逾十七年經驗。曾先生現時經營其本身之公司並從事會計工作。

曾先生是從事中國零售業之港佳控股有限公司(一間於香港聯合交易所有限公司上市之公司)之獨立非執行董事。曾先生於二零零八年九月十八日至二零一一年一月二十八日期間為從事財務資訊服務業之佳訊(控股)有限公司(一間於香港聯合交易所有限公司上市之公司)之獨立非執行董事。

厲玲女士

厲玲女士(「厲女士」),52歲,於二零一一年一月七日獲委任為本公司之獨立非執行董事及審核委員會和薪酬委員會之成員。厲女士在過去十多年,曾在中國多間著名百貨公司及大型綜合購物中心出任總經理,擁有豐富的百貨及零售業管理經驗。厲女士持有杭州大學(現稱浙江大學)生物科學碩士學位。現為杭州解百集團股份有限公司(一間於上海證券交易所上市之公司)之顧問。

Directors' Report
董事會報告

The directors have pleasure in presenting their report together with the audited financial statements for the year ended 31 December 2010 (the "year").

董事欣然提呈截至二零一零年十二月三十一日止年度(「本年度」)之報告,連同經審核財務報表。

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and those of the subsidiaries are set out in note 16 to the financial statements.

主要業務

本公司之主要業務為投資控股。各附屬公司之主要業務載於財務報表附註16。

RESULTS AND DIVIDENDS

The profit and cash flows of the Group for the year and the state of affairs of the Company and of the Group as at 31 December 2010 are set out in the financial statements on pages 39 to 46.

業績及股息

本集團於本年度之溢利及現金流量,及本公司與本集團於二零一零年十二月三十一日之財政狀況載於第39至46頁之財務報表內。

The directors do not recommend the payment of any dividends in respect of the year.

董事不建議就本年度派付任何股息。

FINANCIAL SUMMARY

The summary of the consolidated results of the Group for the period ended 31 December 2006 and for the four years ended 31 December 2010 and the assets and liabilities of the Group as at 31 December 2006, 2007, 2008, 2009 and 2010 are set out on page 172.

財務概要

本集團於截至二零零六年十二月三十一日止期間及截至二零一零年十二月三十一日止四個年度之綜合業績,以及本集團於二零零六年、二零零七年、二零零八年、二零零九年及二零一零年十二月三十一日之資產與負債概要載於第172頁。

SHARE CAPITAL

Details of movements in share capital of the Company during the year are set out in note 28(c) to the financial statements.

股本

本公司股本於本年度內之變動詳情載於財務報表附註28(c)。

SHARE OPTION SCHEME

In accordance with the terms of the share option scheme adopted by the Company pursuant to an ordinary resolution of the Company passed on 15 February 2011 (the "Share Option Scheme"), the Company may grant options to the eligible person of the Company to subscribe for shares in the Company, subject to a maximum of 30% of the issued share capital of the Company from time to time excluding for this purpose shares issued in the exercise of options for the purpose of providing incentives or rewards to selected eligible person for their contribution to the Group. The Share Option Scheme became effective on 15 February 2011 and unless otherwise cancelled or amended according to the Share Option Scheme, will remain in force for 10 years from that date. Eligible person of the Share Option Scheme includes the followings:–

(i) any director, employee or consultant of the Company, a subsidiary or an affiliate; or

(ii) any discretionary trust whose discretionary objects include any director, employee or consultant of the Company, a subsidiary or an affiliate; or

(iii) a company beneficially owned by any director, employee or consultant of the Company, a subsidiary or an affiliate; or

(iv) any person or entity whose service to the Group or business with the Group contributes or is expected to contribute to the business or operation of the Group as may be determined by the directors from time to time.

The exercise price of the share options shall be the higher of (i) the nominal value of the shares; (ii) the closing price of the shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant; and (iii) the average closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant (subject to Scheme adjustments).

Details of movements in share options of the Company are set out in note 25 to the financial statements.

購股權計劃

按照本公司根據二零一一年二月十五日通過之普通決議案所採納的購股權計劃條款(「購股權計劃」),本公司可向本公司之合資格人士授出購股權,以認購本公司股份,惟數額以本公司不時已發行股本的30%為限。就此而言,此計劃不包括因行使用作獎勵或獎賞對本集團有所貢獻的指定合資格人士而授出的購股權而發行之股份。購股權計劃自二零一一年二月十五日起生效。除非根據購股權計劃之規定撤銷或作修訂外,購股權計劃將於該日起計十年內有效。購股權計劃之合資格人士包括下列各方:–

(i) 本公司、附屬公司或聯號公司之任何董事、僱員或顧問;或

(ii) 任何全權信託之全權託管對像包括本公司、附屬公司或聯號公司之任何董事、僱員或顧問;或

(iii) 本公司、附屬公司或聯號公司之任何董事、僱員或顧問實益擁有之公司;或

(iv) 董事不時酌情認定之任何人士或實體,其為本集團提供之服務或其與本集團進行之交易,曾經或將會對本集團之業務或營運有所貢獻。

購股權之行使價須為下列各項之較高者:(i)股份面值;(ii)按聯交所發出之每日報價表所示、股份於授出日期之收市價;及(iii)按聯交所發出之每日報價表所示,股份於緊接授出日期前五個營業日之平均收市價(可按該計劃作出調整)。

本公司之購股權變動詳情載於財務報表附註25。

RESERVES

Details of movements in reserves of the Group and the Company during the year are set out in note 28 to the financial statements.

As at 31 December 2010, no reserves (2009: HK$Nil) were available for distribution to the Company's shareholders. In addition, the share premium of the Company in the amount of approximately HK$387,920,000 (2009: HK$385,035,000), may be distributed in form of fully paid bonus shares.

儲備

本集團及本公司之儲備於本年度內之變動詳情載於財務報表附註28。

於二零一零年十二月三十一日，本公司無儲備可供分派予其股東（二零零九年：零港元）。此外，本公司之股份溢價金額約為387,920,000港元（二零零九年：385,035,000港元），可以繳足紅股形式分派。

CONVERTIBLE NOTES

Details of movements in convertible notes of the Group and the Company during the year are set out in note 24 to the financial statements.

可換股票據

於本年度，本集團及本公司之可換股票據變動詳情載於財務報表附註24。

RETIREMENT BENEFITS

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme (the "MPF Scheme"). The MPF Scheme is a defined contribution scheme managed by an independent trustee. Under the MPF scheme, each of the Group and its employees make monthly contribution to the scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation. Both the employer's and the employee's contributions are subject to a cap of monthly earnings of HK$20,000 and thereafter contributions are voluntary. As stipulated by the rules and regulations in PRC, the Group contributes to state-sponsored retirement plans for its employees in PRC. The Group contributes to retirement plans at specified percentages of the basic salaries of its employees, and has no further obligations for the actual payment of pensions or post-retirement benefits. The state-sponsored retirement plans are responsible for the entire pension obligations payable to retired employees.

退休福利

本集團安排其香港僱員參加強制性公積金計劃（「強積金計劃」）。強積金計劃乃由獨立受託人管理之定額供款計劃。根據強積金計劃，本集團及其僱員各自須每月按僱員薪金（定義見強制性公積金法例）的5%作為計劃供款。僱主及僱員之供款以每月薪金20,000港元為上限。另可作自願性額外供款。根據中國法律及法規之規定，本集團為其中國僱員於國家資助退休計劃作出供款。本集團按其僱員基本薪金之特定百分比向該退休計劃作出供款；除此以外，概無進一步實際繳付退休金或退休後福利之責任。國家資助退休計劃將全權負上向退休僱員支付退休金之責任。

FIXED ASSETS

Details of movements in fixed assets of the Group and the Company during the year are set out in note 13 to the financial statements.

固定資產

本集團及本公司之固定資產於本年度內之變動詳情載於財務報表附註13。

BANK LOANS AND OTHER BORROWINGS

Details of bank loans and other borrowings of the Group during the year are set out in note 22 to the financial statements.

銀行貸款及其他借貸

本集團之銀行貸款及其他借貸於本年度內之詳情載於財務報表附註22。

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in note 33 to the financial statements, no contracts of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest subsisted at the end of the year or at any time during the year.

董事之合約權益

除財務報表附註33所披露者外，於本年度年結日或本年度內任何時間，本公司各董事概無在本公司或其任何附屬公司所訂立之任何重要合約中擁有重大權益。

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The directors of the Company who held office during the year and up to the date of this report were:

董事及董事之服務合約

於本年度內及截至本報告日期止，本公司之在任董事如下：

Executive Directors		**執行董事**	
Mr. Qiu Zhongwei *(Vice Chairman)*	(appointed on 3 December 2010)	邱中偉先生 *（副主席）*	（於二零一零年十二月三日獲委任）
Mr. Choon Hoi Kit, Edwin *(Chief Executive Officer)*	(appointed on 8 March 2010)	鄭開杰先生 *（行政總裁）*	（於二零一零年三月八日獲委任）
Mr. Qu Jiaqi		曲家琪先生	
Mr. Sha Yingjie		沙英杰先生	
Mr. Hu Yangxiong	(resigned on 8 March 2010)	胡養雄先生	（於二零一零年三月八日辭任）
Mr. Li Haogang	(resigned on 3 December 2010)	李郝港先生	（於二零一零年十二月三日辭任）
Ms. Lu Xiaoling	(resigned on 3 December 2010)	魯曉玲女士	（於二零一零年十二月三日辭任）
Non-Executive Directors		**非執行董事**	
Mr. Wu Yijian *(Chairman)*	(appointed on 7 January 2011)	吳一堅先生 *（主席）*	（於二零一一年一月七日獲委任）
Mr. Chen Shuai	(appointed on 3 December 2010)	陳帥先生	（於二零一零年十二月三日獲委任）
Independent Non-Executive Directors		**獨立非執行董事**	
Mr. Chan Wai Kwong, Peter		陳為光先生	
Mr. Fu Wing Kwok, Ewing		傅榮國先生	
Mr. Tsang Kwok Wai		曾國偉先生	
Ms. Li Ling	(appointed on 7 January 2011)	厲玲女士	（於二零一一年一月七日獲委任）

In accordance with the Bye-law 86(2) of the Company, the newly appointed Directors, Mr. Wu Yijian, Mr. Qiu Zhongwei, Mr. Chen Shuai and Ms. Li Ling are subject to re-election at the forthcoming annual general meeting.

根據本公司細則第86(2)條，新委任之董事吳一堅先生、邱中偉先生、陳帥先生及厲玲女士須於即將舉行之股東週年大會上重選連任。

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS *(continued)*

In accordance with the Bye-law 87(1) of the Company, Mr. Chan Wai Kwong, Peter and Mr. Tsang Kwok Wai will retire from the office of directorship by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting. Mr. Fu Wing Kwok, Ewing has informed the Board that he wished to retire and does not offer himself for re-election at the AGM.

The Company has received annual confirmations of independence from the Independent Non-Executive Directors, Mr. Chan Wai Kwong, Peter, Mr. Tsang Kwok Wai, Mr. Fu Wing Kwok, Ewing and Ms. Li Ling, and considers them to be independent for this year. The Company considers that each of such Independent Non-Executive Directors to be independent from the Group based on the Guidelines set out in Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("Stock Exchange") ("Listing Rules").

Biographical details of the directors of the Company are set out on pages 11 to 15 of the annual report.

None of the directors had entered into any service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

EMOLUMENTS OF DIRECTORS AND TOP FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the directors and top five highest paid individuals of the Group are set out in notes 9 and 10 to the financial statements.

CONNECTED TRANSACTIONS

The details of connected transactions of the Group which were discloseable under Chapter 14A of the Listing Rules are disclosed in note 33 to the financial statements.

董事及董事之服務合約*(續)*

根據本公司細則第87(1)條，陳為光先生及曾國偉先生將輪席告退董事職務，但符合資格並願意於即將舉行之股東週年大會上重選連任。傅榮國先生已通知董事會其告退董事職務之意願，以及將不在股東週年大會上重選連任。

本公司已接獲各獨立非執行董事(即陳為光先生、曾國偉先生、傅榮國先生及厲玲女士)就其獨立身份發出之年度確認書，認為彼等於本年度均屬獨立人士。根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)第3.13條所載指引，本公司認為上述各獨立非執行董事均為本集團的獨立人士。

本公司董事之履歷詳情載於年報第11至第15頁。

各董事概無與本集團任何成員公司訂立本集團不可於一年內免付賠償(法定賠償除外)而予以終止之服務合約。

董事酬金及五名最高薪人士

本集團董事及五名最高薪人士之酬金詳情載於財務報表附註9及10。

關連交易

本集團須根據上市規則第14A章之規定予以披露的關連交易詳情載於財務報表附註33。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 31 December 2010, the interests and short positions of the directors and chief executives of the Company in shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") which were required to be entered into the register required to be kept under section 352 of the SFO or otherwise were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) and/or the Model Code for Securities Transactions by Directors of Listed issuers in the Listing Rules (the "Model Code"), were as follows:

(a) Long positions in the shares of the Company

Name of director 董事姓名	Nature of interests 權益性質	Number of issued ordinary shares held 所持已發行普通股數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本概約百分比
Mr. Sha Yingjie 沙英杰先生	Personal interests 個人權益	1,674,000	0.09%

Save as disclosed above, as at 31 December 2010, none of the directors or chief executives of the Company had, under Divisions 7 and 8 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"), nor were they taken to or deemed to have under such provisions of the SFO, any interests or short positions in the shares of HK$0.10 each of the Company, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) or any interests which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules or any interests which are required to be entered into the register kept by the Company pursuant to section 352 of the SFO.

董事及主要行政人員於本公司股份、相關股份及債券之權益及短倉

於二零一零年十二月三十一日，本公司董事及主要行政人員於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中，擁有須載入根據證券及期貨條例第352條之規定所存置之登記冊之權益及短倉，或根據證券及期貨條例第XV部第7及第8分部而須知會本公司及聯交所之權益及短倉（包括根據證券及期貨條例相關規定被視作或當作擁有之權益及短倉）及／或根據上市規則當中上市發行人董事進行證券交易的標準守則（「標準守則」）而須知會本公司及聯交所之權益及短倉載列如下：

(a) 本公司股份中之長倉

Name of director 董事姓名	Nature of interests 權益性質	Number of issued ordinary shares held 所持已發行普通股數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本概約百分比
Mr. Sha Yingjie 沙英杰先生	Personal interests 個人權益	1,674,000	0.09%

除上文所披露者外，於二零一零年十二月三十一日，本公司董事或主要行政人員概無根據香港法例第571章證券及期貨條例（「證券及期貨條例」）第7及第8分部擁有或根據證券及期貨條例相關規定而被視作或當作於本公司每股面值0.10港元之股份中擁有任何權益或短倉、本公司或任何相聯法團（定義見證券及期貨條例第XV部）相關股份或債券的任何權益或短倉，或根據上市規則當中上市發行人董事進行證券交易之標準守則而須知會本公司及聯交所的任何權益，或須載入本公司根據證券及期貨條例第352條之規定所存置之登記冊之任何權益。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY *(continued)*

董事及主要行政人員於本公司股份、相關股份及債券之權益及短倉*(續)*

(b) Long position in the share options of the Company

(b) 本公司購股權之長倉

Name of grantee 承授人姓名	Date of grant 授出日期	Exercise Price (HK$) 行使價（港元）	Vesting and exercise period 歸屬及行使期	Number of share options 購股權數目 Outstanding as at 1 January 2010 於二零一零年一月一日尚未行使	Granted during the year 年內授出	Forfeited/ Expired during the year 年內沒收／失效	Outstanding as at 31 December 2010 於二零一零年十二月三十一日尚未行使
Mr. Wu Yijian *(Note 1)* 吳一堅先生*(附註1)*	20 Oct 2010 二零一零年十月二十日	0.315 0.315	20 Oct 2010 to 19 Oct 2015 二零一零年十月二十日至二零一五年十月十九日	–	17,500,000	–	17,500,000
Mr. Choon Hoi Kit, Edwin *(Note 2)* 鄭開杰先生*(附註2)*	20 Oct 2010 二零一零年十月二十日	0.315 0.315	20 Oct 2010 to 19 Oct 2015 二零一零年十月二十日至二零一五年十月十九日	–	2,500,000	–	2,500,000
Mr. Qu Jiaqi 曲家琪先生	15 Jan 2008 二零零八年一月十五日	0.740 0.740	16 Jan 2008 to 15 Jan 2010 二零零八年一月十六日至二零一零年一月十五日	2,000,000	–	(2,000,000)	–
	20 Oct 2010 二零一零年十月二十日	0.315 0.315	20 Oct 2010 to 19 Oct 2015 二零一零年十月二十日至二零一五年十月十九日	–	2,500,000	–	2,500,000
Mr. Sha Yingjie 沙英杰先生	15 Jan 2008 二零零八年一月十五日	0.740 0.740	16 Jan 2008 to 15 Jan 2010 二零零八年一月十六日至二零一零年一月十五日	2,000,000	–	(2,000,000)	–
	20 Oct 2010 二零一零年十月二十日	0.315 0.315	20 Oct 2010 to 19 Oct 2015 二零一零年十月二十日至二零一五年十月十九日	–	2,000,000	–	2,000,000
Mr. Hu Yangxiong *(Note 3)* 胡養雄先生*(附註3)*	15 Jan 2008 二零零八年一月十五日	0.740 0.740	16 Jan 2008 to 15 Jan 2010 二零零八年一月十六日至二零一零年一月十五日	3,154,000	–	(3,154,000)	–
Mr. Li Haogang *(Note 4)* 李郝港先生*(附註4)*	15 Jan 2008 二零零八年一月十五日	0.740 0.740	16 Jan 2008 to 15 Jan 2010 二零零八年一月十六日至二零一零年一月十五日	2,000,000	–	(2,000,000)	–
	20 Oct 2010 二零一零年十月二十日	0.315 0.315	20 Oct 2010 to 19 Oct 2015 二零一零年十月二十日至二零一五年十月十九日	–	2,300,000	–	2,300,000

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY *(continued)*

董事及主要行政人員於本公司股份、相關股份及債券之權益及短倉*(續)*

(b) Long position in the share options of the Company *(continued)*

(b) 本公司購股權之長倉*(續)*

Notes:

1) Mr. Wu Yijian was appointed as director of the Company on 7 January 2011.

2) Mr. Choon Hoi Kit, Edwin was appointed as director of the Company on 8 March 2010.

3) Mr. Hu Yangxiong resigned as director of the Company on 8 March 2010.

4) Mr. Li Haogang resigned as director of the Company on 3 December 2010.

附註：

1) 吳一堅先生於二零一一年一月七日獲委任為本公司董事。

2) 鄭開杰先生於二零一零年三月八日獲委任為本公司董事。

3) 胡養雄先生於二零一零年三月八日辭任本公司董事。

4) 李郝港先生於二零一零年十二月三日辭任本公司董事。

All the interests stated above represents long positions. Neither long nor short positions were recorded in the register maintained by the Company under Section 352 of the SFO as at 31 December 2010.

上述所示所有權益均為長倉。於二零一零年十二月三十一日，本公司根據證券及期貨條例第352條之規定存置之登記冊並無任何長倉及短倉記錄。

Save as disclosed above, as at 31 December 2010, none of the directors or chief executives of the Company had, under Divisions 7 and 8 of the SFO, nor were they taken to or deemed to have under such provisions of the SFO, any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) or any interests which are required to be notified to the Company and the Stock Exchange or any interests which are required to be entered into the register kept by the Company pursuant to Section 352 of the SFO or are required pursuant to the Model Code.

除上文所披露者外，於二零一零年十二月三十一日，本公司董事或主要行政人員概無擁有下述權益，即根據證券及期貨條例第7及第8分部、或根據證券及期貨條例相關規定而視作或當作擁有本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券的任何權益及短倉；或須知會本公司及聯交所之任何權益；或須載入根據證券及期貨條例第352條規定所存置的登記冊內之任何權益；或根據標準守則而須知會本公司及聯交所之任何權益。

SUBSTANTIAL SHAREHOLDERS

主要股東

Interests of shareholders discloseable pursuant to the SFO

The register of substantial shareholders required to be kept under section 336 of the SFO shows that as at 31 December 2010, the Company had been notified of the following substantial shareholders' interests and short positions, being interests of 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the directors of the Company.

根據證券及期貨條例須予披露之股東權益

於二零一零年十二月三十一日，根據證券及期貨條例第336條存置，之主要股東登記冊顯示，本公司獲知會，下列主要股東於本公司已發行股本中擁有5%或以上權益及短倉。該等權益為上述所披露本公司董事擁有之權益以外之權益。

SUBSTANTIAL SHAREHOLDERS *(continued)*

主要股東*(續)*

(a) Long position/short position in the shares of the Company

(a) 本公司股份之長倉／短倉

Name of shareholder 股東名稱	Long position/ short position 長倉／短倉	Nature of interests 權益性質	Number of issued shares held 所持已發行股份數目		Approximate percentage of the issued share capital of the Company 佔本公司已發行股本之概約百分比
Best Mineral Resources Limited ("BMRL") 長倉	Long position	Personal interests 個人權益	476,196,108	*(Note 1)* *(附註1)*	26.84%
Mr. Chen Jian 陳健先生	Long position 長倉	Corporate interests 公司權益	476,196,108	*(Note 1)* *(附註1)*	26.84%
Mr. Li Peng 李鵬先生	Long position 長倉	Personal interests 個人權益	10,001,000	*(Note 2)* *(附註2)*	0.56%
Glory Keen Holdings Limited 榮建控股有限公司	Long position 長倉	Personal interests 個人權益	476,196,108	*(Note 3)* *(附註3)*	26.84%
Hony Capital Fund 2008, L.P.	Long position 長倉	Corporate interests 公司權益	476,196,108	*(Note 3)* *(附註3)*	26.84%
Hony Capital Fund 2008 GP, L.P. 長倉	Long position	Corporate interests 公司權益	476,196,108	*(Note 3)* *(附註3)*	26.84%
Hony Capital Fund 2008 GP Limited 長倉	Long position	Corporate interests 公司權益	476,196,108	*(Note 3)* *(附註3)*	26.84%
Hony Capital Management Limited 長倉	Long position	Corporate interests 公司權益	476,196,108	*(Note 3)* *(附註3)*	26.84%
Mr. Zhao John Huan 趙令歡先生	Long position 長倉	Corporate interests 公司權益	476,196,108	*(Note 3)* *(附註3)*	26.84%
Right Lane Limited 南明有限公司	Long position 長倉	Corporate interests 公司權益	476,196,108	*(Note 3)* *(附註3)*	26.84%
Legend Holdings Limited 聯想控股有限公司	Long position 長倉	Corporate interests 公司權益	476,196,108	*(Note 3)* *(附註3)*	26.84%
Employees' Shareholding Society of Legend Holdings Limited 聯想控股有限公司職工持股會	Long position 長倉	Corporate interests 公司權益	476,196,108	*(Note 3)* *(附註3)*	26.84%
Chinese Academy of Sciences Holdings Co., Ltd. 中國科學院國有資產經營有限責任公司	Long position 長倉	Corporate interests 公司權益	476,196,108	*(Note 3)* *(附註3)*	26.84%
Chinese Academy of Sciences 中國科學院	Long position 長倉	Corporate interests 公司權益	476,196,108	*(Note 3)* *(附註3)*	26.84%

SUBSTANTIAL SHAREHOLDERS *(continued)*

主要股東*(續)*

(b) Long position/short position in the underlying shares equity derivatives of the Company (as defined in Part XV of the SFO)

(b) 於本公司股權衍生工具項下之相關股份之長倉／短倉(定義見證券及期貨條例第XV部)

Name of shareholder 股東名稱	Long position/ short position 長倉／短倉	Nature of interests 權益性質	Number of Issued shares held 所持已發行股份數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本之概約百分比
Best Mineral Resources Limited ("BMRL") 	Long position 長倉	Personal interests 個人權益	1,007,724,904 *(Note 1)* *(附註1)*	56.79%
Mr. Chen Jian 陳健先生	Long position 長倉	Corporate interests 公司權益	1,007,724,904 *(Note 1)* *(附註1)*	56.79%
Mr. Li Peng 李鵬先生	Long position 長倉	Personal interests 個人權益	301,320,000 *(Note 2)* *(附註2)*	16.98%
Glory Keen Holdings Limited 榮建控股有限公司	Long position 長倉	Personal interests 個人權益	5,845,906,721 *(Note 4)* *(附註4)*	329.47%
Hony Capital Fund 2008, L.P. 	Long position 長倉	Corporate interests 公司權益	5,845,906,721 *(Note 4)* *(附註4)*	329.47%
Hony Capital Fund 2008 GP, L.P.	Long position 長倉	Corporate interests 公司權益	5,845,906,721 *(Note 4)* *(附註4)*	329.47%
Hony Capital Fund 2008 GP Limited 	Long position 長倉	Corporate interests 公司權益	5,845,906,721 *(Note 4)* *(附註4)*	329.47%
Hony Capital Management Limited 	Long position 長倉	Corporate interests 公司權益	5,845,906,721 *(Note 4)* *(附註4)*	329.47%
Mr. Zhao John Huan 趙令歡先生	Long position 長倉	Corporate interests 公司權益	5,845,906,721 *(Note 4)* *(附註4)*	329.47%
Right Lane Limited 南明有限公司	Long position 長倉	Corporate interests 公司權益	5,845,906,721 *(Note 4)* *(附註4)*	329.47%
Legend Holdings Limited 聯想控股有限公司	Long position 長倉	Corporate interests 公司權益	5,845,906,721 *(Note 4)* *(附註4)*	329.47%
Employees' Shareholding Society of Legend Holdings Limited 聯想控股有限公司職工持股會	Long position 長倉	Corporate interests 公司權益	5,845,906,721 *(Note 4)* *(附註4)*	329.47%
Chinese Academy of Sciences Holdings Co., Ltd. 中國科學院國有資產經營有限責任公司	Long position 長倉	Corporate interests 公司權益	5,845,906,721 *(Note 4)* *(附註4)*	329.47%
Chinese Academy of Sciences 中國科學院	Long position 長倉	Corporate interests 公司權益	5,845,906,721 *(Note 4)* *(附註4)*	329.47%

SUBSTANTIAL SHAREHOLDERS *(continued)*

(b) Long position/short position in the underlying shares equity derivatives of the Company (as defined in Part XV of the SFO) *(continued)*

Notes:

(1) BMRL held 476,196,108 Shares and 1,007,724,904 underlying Shares related to its derivative interests under the BMRL Convertible Bonds in its own name. Mr. Chen Jian held 100% of the issued share capital of BMRL. As such, Mr. Chen Jian was deemed to be interested in 476,196,108 shares and 1,007,724,904 underlying shares related to its derivative interests by virtue of his shareholding in BMRL. Pursuant to the terms and conditions of the BMRL Convertible Bonds, no holder of the BMRL Convertible Bonds or any party acting in concert with such holder shall be permitted to exercise the conversion rights attaching to the BMRL Convertible Bonds if such exercise would result in such holder or any party acting in concert with it being required to make a mandatory general offer for the shares of the Company under the Takeovers Code and/or the public float of the Company would become less than 25% of the issued share capital as required under the Listing Rules after issuance of such Shares.

The derivative represents the BMRL Convertible Bonds. Under the terms of the BMRL Convertible Bonds, the conversion rights to the BMRL Convertible Bonds cannot be exercised if, immediately after exercise of such conversion rights into the Shares, the holder(s) of the BMRL Convertible Bonds its concert parties will trigger a general offer obligation under the Hong Kong Code on Takeovers and Mergers and/or the public float of the Company will be less than 25% of the issued share capital of the Company as required under the Listing Rules after issuance of such Shares.

(2) Mr. Li Peng is interested in 10,001,000 shares and 301,320,000 warrants, each of the warrant confers the rights to subscribe for new share in cash at an initial subscription price of HK$0.20 per share (subject to adjustments).

主要股東*(續)*

(b) 於本公司股權衍生工具項下之相關股份之長倉／短倉(定義見證券及期貨條例第XV部)*(續)*

附註：

(1) BMRL以本身名義持有476,196,108股股份以及有關其於BMRL可換股債券項下衍生權益之1,007,724,904股股份。陳健先生持有BMRL 100%已發行股本。因此，陳健先生因其在BMRL之股權而視作於476,196,108股股份以及有關其衍生權益之1,007,724,904股相關股份中擁有權益。根據BMRL可換股債券之條款及條件，倘BMRL可換股債券之持有人或任何與該持有人一致行動之人士於行使BMRL可換股債券附帶之兑換權時將會導致該持有人或任何與其一致行動之人士須根據收購守則作出強制性全面收購本公司股份之建議及／或本公司之公眾持股量將會於發行有關股份後低於上市規則所規定之已發行股本之25%，則BMRL可換股債券之持有人或任何與其一致行動之人士概不得行使該兑換權。

衍生工具指BMRL之可換股債券。根據BMRL可換股債券之條款，倘緊隨行使BMRL可換股債券之轉換權轉換股份後，BMRL可換股債券持有人及其一致行動人士將觸發香港公司收購及合併守則下提出全面收購建議之責任及／或於發行有關股份後，本公司之公眾持股量將低於上市規則下所規定之本公司已發行股本之25%，則不得行使BMRL可換股債券所附帶之轉換權。

(2) 李鵬先生於10,001,000股股份及301,320,000份認股權證中擁有權益，每份認股權證均附有可按初步認購價每股股份0.20港元(可予調整)以現金認購新股份之權利。

SUBSTANTIAL SHAREHOLDERS *(continued)*

(b) Long position/short position in the underlying shares equity derivatives of the Company (as defined in Part XV of the SFO) *(continued)*

Notes: (continued)

(3) The long position represents the security interest held by Glory Keen Holdings Limited over the 476,196,108 Shares held by BMRL under the Bridge BMRL Share Charge. Hony Capital Fund 2008, L.P. holds the entire issued share capital of Glory Keen Holdings Limited. Hony Capital Fund 2008 GP, L.P. is the sole general partner of Hony Capital Fund 2008, L.P.. Hony Capital Fund 2008 GP Limited, a wholly-owned subsidiary of Hony Capital Management Limited, is the sole general partner of Hony Capital Fund 2008 GP, L.P.. Mr. Zhao John Huan and Right Lane Limited respectively own 55% and 45% equity interests in Hony Capital Management Limited. Right Lane Limited is a wholly-owned subsidiary of Legend Holdings Limited. Chinese Academy of Sciences Holdings Co., Ltd. and Employees' Shareholding Society of Legend Holdings Limited are the substantial shareholders of Legend Holdings Limited, with 36% and 35% interests, respectively. Chinese Academy of Sciences Holdings Co., Ltd. is a wholly-owned subsidiary of Chinese Academy of Sciences. Each of the above-mentioned parties is therefore deemed to be interested in the security interest held by Glory Keen Holdings Limited.

(4) The long position represents the interest in the 3,225,454,545 Conversion Shares and 1,612,727,272 Conversion Shares which may be issued under the Convertible Bonds and the Option Bonds respectively and the security interest held by Glory Keen Holdings Limited under the Bridge BMRL Share Charge over the 1,007,724,904 underlying Shares which may be issued (subject to the conversion restriction as stated in Note (1) above) under the BMRL Convertible Bonds. The exercise of the conversion rights attaching to the Convertible Bonds and the Option Bonds are subject to the restrictions as stated in the paragraph headed "Principal terms of the Convertible Bonds" under the section headed "Subscription Agreement" in the circular dated 30 October 2010.

Save as disclosed above, the directors and chief executives of the Company are not aware that there is any person who, as at 31 December 2010, had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any other member of the Group.

主要股東*(續)*

(b) 於本公司股權衍生工具項下之相關股份之長倉／短倉(定義見證券及期貨條例第XV部)*(續)*

附註：(續)

(3) 長倉指榮建控股有限公司就BMRL根據過渡BMRL股份押記持有476,196,108股股份所持有之抵押權益。Hony Capital Fund 2008, L.P.持有榮建控股有限公司之全部已發行股本。Hony Capital Fund 2008 GP, L.P.為Hony Capital Fund 2008, L.P.之唯一普通合夥人。Hony Capital Fund 2008 GP Limited為Hony Capital Management Limited之全資附屬公司，且為Hony Capital Fund 2008 GP, L.P.之唯一普通合夥人。趙令歡先生及南明有限公司於Hony Capital Management Limited分別擁有55%及45%之股本權益。南明有限公司為聯想控股有限公司之全資附屬公司。中國科學院國有資產經營有限公司及聯想控股有限公司職工持股會為聯想控股有限公司之主要股東，分別持有36%及35%之權益。中國科學院國有資產經營有限公司為中國科學院之全資附屬公司。上述各方因而被視為於榮建控股有限公司所持有之抵押權益中擁有權益。

(4) 長倉指於分別根據可換股債券及期權債券而可能予以發行之3,225,454,545股兌換股份及1,612,727,272股兌換股份之權益及榮建控股有限公司根據過渡BMRL股份押記所持對根據BMRL可換股股債券而可能予以發行(受上文附註(1)所述之兌換限制規限)之1,007,724,904股相關股份之抵押權益。行使可換股債券及期權債券附帶之兌換權均須受二零一零年十月三十日之通函「認購協議」一節項下「可換股債券之主要條款」一段所載之限制規限。

除上文所披露者外，於二零一零年十二月三十一日，據本公司董事及主要行政人員所知，概無任何人士於任何股份或相關股份中擁有任何權益或短倉須根據證券及期貨條例第XV部第2及第3分部之規定而向本公司披露，或直接或間接持有附帶權利可在任何情形下於本集團任何其他成員公司之股東大會投票之任何類別股本面值之5%或以上權益。

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the directors of the Company is interested in any business apart from the Group's business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

董事於競爭業務之權益

除本集團業務外，本公司董事概無擁有任何直接或間接對本集團業務構成競爭或可能構成競爭之業務權益。

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate sales attributable to the Group's largest customer and five largest customers taken together were less than 30% of the Group's total sales for the year. The aggregate purchases attributable to the Group's largest supplier and five largest suppliers taken together were less than 30% of the Group's total purchases for the year.

None of the directors, their associates, or any shareholders (which, to the best knowledge of the directors, owned more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest major customers and suppliers during the year.

主要客戶及供應商

本集團最大客戶及五大客戶佔本集團總銷售額合共少於本集團年內總銷售額之30%。本集團對最大供應商及五大供應商之總採購額合共少於本集團年內總採購額之30%。

於本年度內，概無任何董事、其聯繫人士或任何股東（以董事所知擁有本公司5%以上已發行股本）於本集團五大主要客戶及供應商中擁有任何實益權益。

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Save as disclosed in the note 28 to the financial statements, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

購買、出售或贖回本公司之上市證券

除財務報表附註28所披露者外，於本年度內，本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Bye-laws and the laws in Bermuda.

優先購買權

本公司之公司細則及百慕達法例均無關於優先購買權之條文。

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or existed during the year.

管理合約

本集團於本年度並無訂立或訂有任何關於本集團全部業務或其中任何重大部份之管理及行政合約。

MATERIAL LITIGATION

Save as disclosed in note 32(a) to the financial statements, neither the Company nor any of its subsidiaries is engaged in any other litigation or arbitration of material importance and there is no litigation or claim of material importance known to the directors to be pending or threatened by or against the Company or any of its subsidiaries.

重大訴訟

除財務報表附註32(a)所披露者外，本公司或其任何附屬公司概無涉及任何其他重大訴訟或仲裁。而就董事所知，本公司或其任何附屬公司亦無任何尚未了結之重大訴訟或索償或面臨重大訴訟或索償之威脅。

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors as at the date of this report, there is sufficient public float of more than 25% of the Company's shares in the market as required under the Listing Rules.

足夠公眾持股量

按本公司取得之公開資料及據董事所知，於本報告日期，本公司股份在市場上具有高於上市規則所規定25%之足夠公眾持股量。

POST BALANCE SHEET EVENTS

Details of post balance sheet events of the Group are set out in note 34 to the financial statements.

結算日後事項

本集團之結算日後事項之詳情載於財務報表附註34。

AUDITORS

Baker Tilly Hong Kong Limited ("Baker Tilly") audited the Company's financial statements for the year ended 31 December 2009. Baker Tilly has resigned as auditors of the Company with effect from 6 January 2011. KPMG ("KPMG") were appointed to fill the casual vacancy following the resignation of Baker Tilly.

KPMG retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

核數師

天職香港會計師事務所有限公司(「天職」)已審核本公司截至二零零九年十二月三十一日止年度之財務報表。天職已辭任本公司核數師，自二零一一年一月六日開始生效。畢馬威會計師事務所(「畢馬威」)獲委任為本公司核數師，以填補天職辭任後之臨時空缺。

畢馬威任滿告退，惟其符合資格並願意膺聘連任。於應屆股東週年大會上，將提呈重新委聘畢馬威為本公司核數師之決議案。

On behalf of the Board

Choon Hoi Kit, Edwin
Chief Executive Officer
Hong Kong, 22 March 2011

代表董事會

鄭開杰
行政總裁
香港，二零一一年三月二十二日

Corporate Governance Report
企業管治報告

The Board is committed to upholding a high standard of corporate governance practices and business ethics in the firm belief that they are essential for maintaining and promoting investors' confidence and maximizing shareholders' returns.

董事會恪守維持高水平企業管治及商業道德標準的承諾，並堅信此對保持及提高投資者信心、增加股東回報攸關重要。

The Board perpetually reviews its corporate governance practices and internal control policy and procedures from time to time in order to meet the rising expectations of stakeholders and comply with increasingly stringent regulatory requirements, and to fulfill its commitment to excellence in corporate governance.

為了達成公司相關利益者不斷提升的期望、及符合日趨嚴謹之規管要求，以及實踐董事會堅守優越企業管治之承諾，董事會不斷檢討本集團的企業管治守則及內部監控政策與程序。

The Board considers that the Company has complied throughout the year ended 31 December 2010 with the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 of the Listing Rules, except for certain deviations. The corporate governance of the Company for the year is stated as follows:

董事會認為本公司於截至二零一零年十二月三十一日止年度一直遵守上市規則附錄14所載《企業管治常規守則》(「企業管治守則」)之規定，惟若干偏離情況除外。本公司於本年度之企業管治詳情載列如下：

BOARD OF DIRECTORS

Code provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. During the period from 8 March 2010 to 31 December 2010 (the "Relevant Period"), the Company did not have chairman or deputy chairman of the Board. During the Relevant Period, the Board, with the assistance of the chief executive officer and other senior management of the Group, was responsible for overseeing the management of the Board and the day-to-day management of the business of the Group. The Board considers that such arrangements enable the Group to operate effectively and ensure a balance of power and authority. Mr. Wu Yijian and Mr. Qiu Zhongwei have been appointed as Chairman and Vice Chairman of the Company on 7 January 2011 respectively.

董事會

守則條文第A.2.1條訂明，主席及行政總裁之職務應有區分及不應由一人同時兼任。由二零一零年三月八日至二零一零年十二月三十一日止期間(「有關期間」)，本公司之董事會並無主席及副主席。於有關期間，在行政總裁及本集團其他高級管理人員的協助下，董事會負責審視其管理以及本集團業務的日常管理。董事會認為此安排使本集團能有效營運及保證權力及權責平衡。吳一堅先生及邱中偉先生於二零一一年一月七日分別獲委任為本公司之主席及副主席。

Code Provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election. None of the existing Independent Non-executive Directors of the Company is appointed for a specific term. However, all the directors (Executive, Non-executive and Independent Non-executive) are subject to retirement at least once every three years under Bye-Law 87(1) of the Bye-Laws of the Company. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the CG Code.

守則條文第A.4.1條訂明，非執行董事須以指定任期委任並須膺選連任。本公司之現任獨立非執行董事並非以指定任期委任。然而，根據本公司細則之細則第87(1)條，全體董事（包括執行、非執行及獨立非執行董事）須至少每三年輪席告退一次。因此，本公司認為已採取足夠措施確保本公司之企業管治常規不比企業管治守則所載之規定寬鬆。

The Company has received from each of the Independent Non-executive Directors a written confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company thus considers all the Independent Non-executive Directors are independent for the year.

本公司已接獲各獨立非執行董事根據上市規則第3.13條就彼等之獨立身份而發出之確認書。本公司認為全體獨立非執行董事於本年度均屬獨立人士。

OPERATIONS OF THE BOARD

The Board determines the corporate mission and broad strategies, monitors and controls operating and financial performance and sets appropriate policies to manage risks in pursuit of the Group's strategic objectives. According to CG Code Provision A.1.1, the Board should meet regularly and Board meetings should be held at least four times a year at approximate intervals. During the year, the Board met regularly and frequently for the review and approval on the business of department stores. Details of Directors' attendance of the Board, Shareholders, audit and remuneration committee meetings held for the year ended 31 December 2010 are set out as follows:

董事會之運作

董事會負責釐定企業願景及主要策略、監察及監控營運及財務表現，以及制定合適的風險管理政策。以達成本集團的策略目標。根據企業管治守則條文第A.1.1條之規定，董事會應定期舉行董事會會議。董事會會議應每年舉行最少四次，約每季一次。於本年度，董事會定期及經常舉行會議，以檢討及審批經營百貨商店之業務。關於截至二零一零年十二月三十一日止年度舉行之董事會會議、股東大會、審核委員會會議及薪酬委員會會議，董事之出席紀錄載列如下：

		Board Meeting 董事會會議	AGM & SGM 股東週年大會及股東特別大會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會
Executive Directors *執行董事*					
Note 1 *附註1*	Qiu Zhongwei 邱中偉	–	–	–	–
Note 2 *附註2*	Choon Hoi Kit, Edwin 鄭開杰	13/13	2/2	–	–
	Qu Jiaqi 曲家琪	13/14	0/2	–	–
	Sha Yingjie 沙英杰	14/14	0/2	–	–
Note 3 *附註3*	Hu Yangxiong 胡養雄	–	–	–	–
Note 4 *附註4*	Li Haogang 李郝港	12/13	0/2	–	–
Note 5 *附註5*	Lu Xiaoling 魯曉玲	13/13	0/2	–	–
Non-Executive Directors *非執行董事*					
Note 6 *附註6*	Wu Yijian 吳一堅	–	–	–	–
Note 7 *附註7*	Chen Shuai 陳帥	–	–	–	–
Independent Non-Executive Directors *獨立非執行董事*					
	Chan Wai Kwong, Peter 陳為光	13/14	2/2	1/2	3/3
	Fu Wing Kwok, Ewing 傅榮國	14/14	–	2/2	3/3
	Tsang Kwok Wai 曾國偉	14/14	–	2/2	3/3
Note 8 *附註8*	Li Ling 厲玲	–	–	–	–

Notes:

1) appointed on 3 December 2010
2) appointed on 8 March 2010
3) resigned on 8 March 2010
4) resigned on 3 December 2010
5) resigned on 3 December 2010
6) appointed on 7 January 2011
7) appointed on 3 December 2010
8) appointed on 7 January 2011

附註：

1) 於二零一零年十二月三日獲委任
2) 於二零一零年三月八日獲委任
3) 於二零一零年三月八日辭任
4) 於二零一零年十二月三日辭任
5) 於二零一零年十二月三日辭任
6) 於二零一一年一月七日獲委任
7) 於二零一零年十二月三日獲委任
8) 於二零一一年一月七日獲委任

MODEL CODE FOR SECURITIES TRANSACTION BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of all the directors, all the directors confirmed that they have complied with the required standards set out in the Model Code throughout the year ended 31 December 2010.

董事進行證券交易之標準守則

本公司採納了上市規則附錄10所載上市發行人董事進行證券交易的標準守則。經向所有董事作出特定查詢後，全部董事確實彼等於截至二零一零年十二月三十一日止年度內，一直遵守標準守則所載之規定準則。

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors are responsible for overseeing in preparation of accounts for each financial period with a view to ensuring such accounts give a true and fair view of the state of affairs of the Group and of the results and cashflow for that period. The Company's accounts are prepared in accordance with all relevant statutory requirements and applicable accounting standards. The Directors are responsible for ensuring that appropriate accounting policies are selected and applied consistently; and that judgments and estimates made are prudent and reasonable.

董事就財務報表所承擔之責任

董事須負責監督每個財政期間會計賬目之編製、以確保該等賬目能夠真實與公平地反映本集團於該期間之財務狀況、業績與現金流量。本公司會計賬目之編製均符合全部有關法定要求及適用之會計準則。董事有責任確保選用合適會計政策並能貫徹應用，同時作出審慎及合理的判斷及估量。

NOMINATION COMMITTEE

The Board has not set up a nomination committee. The Executive Directors would consult Independent Non-Executive Directors on any nominations to the Board and the Board would review regularly the need to appoint additional Director with appropriate professional knowledge and industry experience.

提名委員會

董事會並無設立提名委員會。執行董事會就提名任何人士加入董事會事宜諮詢獨立非執行董事的意見。董事會亦會定期檢討是否有需要增加委任具備相關專業知識及業內經驗的董事。

REMUNERATION COMMITTEE

The remuneration committee is responsible for formulating the remuneration's structure and policy of the Group, reviewing the remuneration packages of Executive Director and Senior Management, including bonuses and options granted under the Share Option Scheme, to ensure that such remuneration is reasonable and not excessive. Generally, their remunerations are determined based on their experience and qualifications, the Group's performance as well as market conditions.

薪酬委員會

薪酬委員會負責制定本集團之薪酬架構及政策，審核執行董事及高級管理層之薪酬待遇，包括花紅及根據購股權計劃授出之購股權，確保彼等之薪酬屬合理而不致過多。一般而言，彼等之薪酬乃根據彼等之經驗及資歷、本集團之表現及市場情況釐定。

The committee shall consist of not less than two members. Currently, the remuneration committee consists of one Executive Director: Mr. Qiu Zhongwei, four Independent Non-Executive Directors: Mr. Chan Wai Kwong, Peter, Mr. Tsang Kwok Wai, Mr. Fu Wing Kwok, Ewing and Ms. Li Ling, and one Non-executive Director: Mr. Chen Shuai.

薪酬委員會由最少兩名成員組成。薪酬委員會現任成員包括一名執行董事：邱中偉先生、四名獨立非執行董事：陳為光先生、曾國偉先生、傅榮國先生及厲玲女士，以及一名非執行董事：陳帥先生。

AUDIT COMMITTEE

The primary objective of the audit committee is to review the financial reporting process of the Group and its internal control system, oversee the audit process and perform other duties assigned by the Board and make recommendations for the Company to improve the quality of financial information to be disclosed. It also reviews the annual and interim reports of the Company prior to their approval by the Board. The audit committee shall consist of not less than 3 members. Currently, the audit committee consists of four Independent Non-Executive Directors: Mr. Chan Wai Kwong, Peter, Mr. Fu Wing Kwok, Ewing, Mr. Tsang Kwok Wai and Ms. Li Ling, one Non-executive Director, Mr. Chen Shuai.

The audit committee together with management and independent auditors have reviewed the accounting principles and practices adopted by the Group, and discussed auditing, internal control and financial reporting matters including the review of the audited results for the year ended 31 December 2010, and the unaudited interim results for the six months ended 30 June 2010 prior to their approval by the Board.

AUDITORS' REMUNERATION

A remuneration of HK$1.7 million was paid/payable to the Company's external auditors for the provision of audit services in 2010. During the year, the fees paid/payable to the external auditors for non-audit related activities, mainly regulatory reporting services fees, amounted to HK$0.3 million and ad hoc projects accounting fees, amounted to HK$2.2 million.

審核委員會

審核委員會之主要目標是檢討本集團之財務申報程序及其內部監控系統，監督審核過程及履行董事會指派之其他職務，以及向本公司提供建議，以改善將予披露財務資料之質素。此外，審核委員會亦會在董事會作出批准前，預先審閱本公司之年度及中期報告。審核委員會由最少三名成員組成，其現任成員包括四名獨立非執行董事：陳為光先生、傅榮國先生、曾國偉先生及厲玲女士，以及一名非執行董事：陳帥先生。

審核委員會，連同管理層及獨立核數師已審閱本集團所採納之會計原則及慣例，並討論審核、內部監控及財務申報事宜，包括在董事會作出批准前，審閱截至二零一零年十二月三十一日止年度之經審核業績及截至二零一零年六月三十日止六個月之未經審核中期業績。

核數師酬金

本公司就外聘核數師於二零一零年提供之審核服務而已付／應付之酬金為1,700,000港元。年內，就外聘核數師提供之非審核相關活動而已付／應付之費用（主要為監管報告服務費用）為300,000港元，以及特別項目之會計費用為2,200,000港元。

INTERNAL CONTROL

The Board is responsible for maintaining a sound internal control system and reviewing its effectiveness at least annually to safeguard the shareholders' investments and the Group's assets. During the year ended 31 December 2010, the Board was assisted by the audit committee in reviewing the effectiveness of the Group's internal control system with no material deficiencies identified. The Board and the audit committee have considered all material aspects, including financial, operational and compliance controls, risk management functions, as well as the adequacy of resources, qualifications and experience of staff of the Group's accounting and financial reporting function, and their training programmes and budget in the review. The Board and the audit committee are satisfied that the Group's internal control system was effective and there was no significant area of concern which might affect the interests of the shareholders of the Company.

The Group will use its best endeavour to implement changes to further improve the Group's internal control system whenever necessary.

內部監控

董事會負責維持良好之內部監控系統及至少每年檢討其效能，以保障股東之投資及本集團之資產。於截至二零一零年十二月三十一日止年度，董事會在審核委員會之協助下檢討本集團內部監控系統之效能，並無發現重大不足之處。董事會及審核委員會在檢討中已考慮所有重大方面，包括財務、營運及合規控制、風險管理職能，及本集團會計及財務申報職能員工具備足夠資源、資格及資歷，以及彼等之培訓計劃及預算。董事會及審核委員會均認為本集團之內部監控乃屬有效且並無任何可能影響本公司股東權益之重大問題。

如有需要，本集團將盡其最大努力來施行改變以進一步改善本集團之內部監控系統。

COMMUNICATION WITH SHAREHOLDERS

The Board recognises the importance of effective communication with the shareholders of the Company. The Company has established a number of communication channels to maintain an ongoing dialogue with its shareholders and to enhance the transparency of the Group. These include (i) holding annual and extraordinary general meetings to provide a forum for shareholders to communicate directly with the Board and the Board Committees; (ii) distributing corporate documents and releasing announcements to disseminate the Group's latest information to the shareholders; and (iii) maintaining the Company's website to provide an electronic means of communication with the shareholders and the public.

Shareholders and other interested parties are welcome to access the Group's information from the Company's website at www.cgrh.com.hk. The Group's corporate information including terms of reference of the Board committees, the Group's financial reports, announcements and circulars are available on the website. In order to enhance shareholders' understanding of the Group's business performance and development, the Company will continue to improve its corporate disclosure on the Company's website and the communication with its shareholders.

與股東之溝通

董事會深明與本公司股東進行有效溝通之重要性。本公司建立多個溝通渠道，以維持與其股東之持續對話並提升本集團之透明度。該等渠道包括(i)舉行股東週年大會及股東特別大會，向股東提供直接與董事會及董事會委員會溝通之論壇；(ii)向股東寄發企業文件及發出公告以發佈本集團之最新動態；及(iii)維護本公司網站，以向股東及公眾提供電子溝通方式。

歡迎股東及其他有興趣方訪問本公司網站www.cgrh.com.hk獲取有關本集團之資料。本集團之公司資料包括網站上提供之董事會委員會之職權範圍、本集團之財務報告、公佈及通函。為深化股東對本集團業務表現及發展之瞭解，本公司將繼續增加在本公司網站上之企業資料披露及加強與其股東之溝通。

Independent Auditor's Report
獨立核數師報告

Independent auditor's report to the shareholders of Century Ginwa Retail Holdings Limited
(formerly known as China Golden Development Holdings Limited)
(Incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Century Ginwa Retail Holdings Limited (formerly known as China Golden Development Holdings Limited) (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 39 to 171, which comprise the consolidated and the Company's statements of financial position as at 31 December 2010, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement 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.

致世紀金花商業控股有限公司

(前稱中國金展控股有限公司)各股東
(於百慕達註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審核刊於第39頁至第171頁有關世紀金花商業控股有限公司(前稱中國金展控股有限公司)(「貴公司」)及各附屬公司(統稱「貴集團」)之綜合財務報表。此財務報表包括於二零一零年十二月三十一日之綜合及　貴公司財務狀況表及截至該日止年度之綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表以及主要會計政策概要及其他解釋資料。

董事就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之有關披露規定編制真實而公允之綜合財務報表,以及制定董事認為必要之相關內部控制,以使編製綜合財務報表時不存在由於欺詐或錯誤而導致之重大錯誤陳述。

Independent Auditor's Report
獨立核數師報告

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. This report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, 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.

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 judgement, 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 consolidated financial position of the Company and of the Group as at 31 December 2010, 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.

核數師之責任

我們的責任是根據我們審核工作的結果，對該等綜合財務報表提出意見。該份報告書是根據一九八一年百慕達公司法第90條之規定，僅為整體股東而編寫，除此以外，我們的報告書不可用作其他用途。我們概不會就本報告書的內容，對任何其他人士負責或承擔法律責任。

我們已根據香港會計師公會頒佈之香港審計準則進行審核。該等準則要求我們遵守道德規範、規劃及執行審核工作，以對該等綜合財務報表是否不存有任何重大錯誤陳述作出合理確定。

審核工作涉及執行獲取有關該等綜合財務報表所載金額及披露資料審核憑證之程序。而程序之選定則取決於核數師之判斷，包括評估因欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師會考慮與該公司有關編製及真實公允反映情況之綜合財務報表之內部監控，以便設計適當之審核程序，而並非為對公司內部監控之效能發表意見。審核亦包括評價董事所採用之會計政策是否合適及其會計估計是否合理、以及評價綜合財務報表之整體列報方式。

我們相信，我們獲得充足及適當之審核憑證，作為下列審核意見之基礎。

意見

我們認為，綜合財務報表已根據《香港財務報告準則》真實公允地反映　貴公司及　貴集團於二零一零年十二月三十一日的財務狀況、及　貴集團於截至該日止年度之盈利及現金流量，並已按照香港《公司條例》之披露規定妥善編製。

Independent Auditor's Report
獨立核數師報告

EMPHASIS OF MATTER

Without qualifying our opinion, we draw attention to Note 4 to the consolidated financial statements which states that the Company has made various prior years' adjustments to restate the consolidated financial statements and the Company's financial statements for the year ended 31 December 2009, including certain opening balances as at 1 January 2009. The prior years' adjustments have been made to correct certain prior years' errors that were identified during our audit of the Group's consolidated financial statements for the year ended 31 December 2010.

強調事項

在我們不作保留意見之情況下，我們務請　閣下留意綜合財務報表附註4，其闡釋　貴公司已作出多項過往年度之調整以重列綜合財務報表及　貴公司於截至二零零九年十二月三十一日止年度之財務報表，包括二零零九年一月一日之若干年初結餘。已糾正對在審核　貴集團截至二零一零年十二月三十一日止年度的綜合財務報表時所發現的過往年度錯誤而作出過往年度調整。

KPMG
Certified Public Accountants
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22 March 2011

畢馬威會計師事務所
香港執業會計師
香港，中環
遮打道10號
太子大廈8樓

二零一一年三月二十二日

Consolidated Income Statement
綜合收益表

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

(Expressed in Hong Kong dollars ("HK$")) （以港元（「港元」）呈列）

		Note 附註	2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Turnover	**營業額**	*5*	**698,860**	548,052
Cost of sales	銷售成本		**(238,495)**	(173,474)
Gross profit	**毛利**		**460,365**	374,578
Other revenue	其他收益	*6*	**22,135**	5,644
Other net (loss)/income	其他（虧損）／收入淨額	*6*	**(3,619)**	442
Selling expenses	銷售開支		**(38,346)**	(29,451)
Administrative expenses	行政開支		**(306,857)**	(277,365)
Profit from operations	**經營溢利**		**133,678**	73,848
Finance income/(costs)	財務收入／（費用）	*7(a)*	**34,493**	(9,072)
Profit before taxation	**除税前溢利**	*7*	**168,171**	64,776
Income tax	所得税	*8*	**(48,449)**	(25,485)
Profit for the year	**本年度溢利**		**119,722**	39,291
Attributable to:	**由下列人士應佔：**			
Equity shareholders of the Company	本公司股東		**74,479**	10,168
Non-controlling interests	非控股權益		**45,243**	29,123
Profit for the year	**本年度溢利**		**119,722**	39,291
Earnings per share	**每股盈利**			
Basic (HK$ cents)	基本（港仙）	*12(a)*	**4.32**	0.88
Diluted (HK$ cents)	攤薄（港仙）	*12(b)*	**1.01**	不適用

The notes on pages 47 to 171 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in Note 28(b).

第47至171頁之附註乃組成該等財務報表之部份。應付本公司股東之股息應佔本年度溢利之詳情載於附註28(b)。

Consolidated Statement of Comprehensive Income
綜合全面收益表

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

(Expressed in HK$) *（以港元呈列）*

		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Profit for the year	**本年度溢利**	**119,722**	39,291
Other comprehensive income for the year (before and after tax):	**本年度其他全面收益（除税前後）：**		
Exchange differences on translation into presentation currency	兑換為呈列貨幣之匯兑差額	**4,202**	2,632
Total comprehensive income for the year	**本年度全面收益總額**	**123,924**	41,923
Attributable to:	**由下列人士應佔：**		
Equity shareholders of the Company	本公司股東	**77,649**	12,211
Non-controlling interests	非控股權益	**46,275**	29,712
Total comprehensive income for the year	**本年度全面收益總額**	**123,924**	41,923

The notes on pages 47 to 171 form part of these financial statements.

第47至171頁之附註乃組成該等財務報表之部份。

Consolidated Statement of Financial Position
綜合財務狀況表

At 31 December 2010 於二零一零年十二月三十一日

(Expressed in HK$) *（以港元呈列）*

		Note 附註	2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Non-current assets	**非流動資產**			
Fixed assets	固定資產	*13*	**994,397**	154,693
Intangible assets	無形資產	*14*	**403,199**	240,365
Goodwill	商譽	*15*	**1,081,609**	757,254
Loans receivables	應收貸款	*17*	**681,174**	1,018,577
Deferred tax assets	遞延稅項資產	*27(b)*	**30,447**	12,244
			3,190,826	2,183,133
Current assets	**流動資產**			
Inventories	存貨	*18*	**43,488**	27,293
Trade and other receivables	應收賬款及其他應收款	*19*	**156,992**	81,332
Cash and cash equivalents	現金及現金等值項目	*20*	**115,101**	88,505
			315,581	197,130
Current liabilities	**流動負債**			
Trade and other payables	應付賬款及其他應付款	*21*	**1,198,103**	963,563
Bank and other loans	銀行及其他貸款	*22(a)*	**149,371**	241,036
Current taxation	本期稅項	*27(a)*	**65,231**	39,689
			1,412,705	1,244,288
Net current liabilities	**流動負債淨額**		**(1,097,124)**	(1,047,158)
Total assets less current liabilities	**總資產減流動負債**		**2,093,702**	1,135,975
Non-current liabilities	**非流動負債**			
Bank and other loans	銀行及其他貸款	*22(b)*	**216,821**	26,305
Unsecured notes	無抵押票據	*23*	**98,661**	–
Convertible notes	可換股票據	*24*	**1,275,102**	812,159
Deferred tax liabilities	遞延稅項負債	*27(b)*	**97,649**	56,755
			1,688,233	895,219
NET ASSETS	**資產淨額**		**405,469**	240,756

The notes on pages 47 to 171 form part of these financial statements.

第47至171頁之附註乃組成該等財務報表之部份。

Consolidated Statement of Financial Position
綜合財務狀況表

At 31 December 2010 於二零一零年十二月三十一日

(Expressed in HK$)（以港元呈列）

		Note 附註	2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
CAPITAL AND RESERVES	**股本及儲備**			
Share capital	股本	*28*	**177,436**	116,824
Reserves	儲備	*28*	**134,979**	85,333
Total equity attributable to equity shareholders of the Company	**本公司股東應佔權益總額**		**312,415**	202,157
Non-controlling interests	**非控股權益**		**93,054**	38,599
TOTAL EQUITY	**權益總額**		**405,469**	240,756

Approved and authorised for issue by the board of directors on 22 March 2011.

於二零一一年三月二十二日獲董事會批准及授權刊發。

Choon Hoi Kit, Edwin
鄭開杰
Director
董事

Sha Yingjie
沙英杰
Director
董事

The notes on pages 47 to 171 form part of these financial statements.

第47至171頁之附註乃組成該等財務報表之部份。

Statement of Financial Position
財務狀況表

At 31 December 2010 於二零一零年十二月三十一日

(Expressed in HK$) *（以港元呈列）*

		Note	2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
		附註		
Non-current assets	**非流動資產**			
Investments in subsidiaries	於附屬公司之投資	*16*	**458,629**	1
Current assets	**流動資產**			
Other receivables	其他應收款	*19*	**1,682,795**	1,191,273
Cash and cash equivalents	現金及現金等值項目	*20*	**2,954**	44
			1,685,749	1,191,317
Current liabilities	**流動負債**			
Other payables	其他應付款	*21*	**463,892**	11,853
Net current assets	**流動資產淨值**		**1,221,857**	1,179,464
Total assets less current liabilities	**總資產減流動負債**		**1,680,486**	1,179,465
Non-current liabilities	**非流動負債**			
Unsecured notes	無抵押票據	*23*	**98,661**	–
Convertible notes	可換股票據	*24*	**1,275,102**	812,159
			1,373,763	812,159
NET ASSETS	**資產淨額**		**306,723**	367,306
CAPITAL AND RESERVES	**股本及儲備**			
Share capital	股本	*28*	**177,436**	116,824
Reserves	儲備	*28*	**129,287**	250,482
TOTAL EQUITY	**權益總額**		**306,723**	367,306

Approved and authorised for issue by the board of directors on 22 March 2011.

於二零一一年三月二十二日獲董事會批准及授權刊發。

Choon Hoi Kit, Edwin
鄭開杰
Director
董事

Sha Yingjie
沙英杰
Director
董事

The notes on pages 47 to 171 form part of these financial statements.

第47至171頁之附註乃組成該等財務報表之部份。

Consolidated Statement of Changes in Equity
綜合權益變動表

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

(Expressed in HK$) *（以港元呈列）*

		Attributable to equity shareholders of the Company 本公司股東應佔								
		Share capital HK$'000 (Note 28(c)(i)) 股本 千港元 （附註28(c)(i)）	Share premium HK$'000 (Note 28(d)(i)) 股份溢價 千港元 （附註28(d)(i)）	Capital reserve HK$'000 (Note 28(d)(ii)) 資本儲備 千港元 （附註28(d)(ii)）	Statutory reserves HK$'000 (Note 28(d)(iii)) 法定儲備 千港元 （附註28(d)(iii)）	Exchange reserve HK$'000 (Note 28(d)(iv)) 匯兌儲備 千港元 （附註28(d)(iv)）	Accumulated losses HK$'000 累計虧損 千港元	Total HK$'000 總計 千港元	Non-controlling interests HK$'000 非控股權益 千港元	Total equity HK$'000 權益總額 千港元
Balance at 1 January 2009	於二零零九年一月一日結餘									
As previously reported	按先前呈報	115,824	386,673	54,568	9,148	12,619	(661,141)	(82,309)	71,008	(11,301)
Prior years' adjustments *(Note 4)*	過往年度調整*（附註4）*	–	(3,648)	73,553	–	(39)	194,493	264,359	(62,121)	202,238
As restated	經重列	115,824	383,025	128,121	9,148	12,580	(466,648)	182,050	8,887	190,937
Changes in equity for 2009:	二零零九年權益變動：									
Profit for the year (restated) *(Note 4)*	本年度溢利（經重列）*（附註4）*	–	–	–	–	–	10,168	10,168	29,123	39,291
Other comprehensive income (restated)	其他全面收益（經重列）	–	–	–	–	2,043	–	2,043	589	2,632
Total comprehensive income for the year	本年度全面收益總額	–	–	–	–	2,043	10,168	12,211	29,712	41,923
Issuance of warrants (restated) *(Note 4)*	發行認股權證（經重列）*（附註4）*	–	–	2,443	–	–	–	2,443	–	2,443
Shares issued on the exercise of warrants *(Note 28(c)(iv))*	行使認股權證時發行股份 *（附註28(c)(iv)）*	1,000	2,010	(110)	–	–	–	2,900	–	2,900
Equity-settled share-based transactions *(Note 25)*	以股份支付之股本交易*（附註25）*	–	–	2,553	–	–	–	2,553	–	2,553
Appropriation to reserves	轉撥至儲備	–	–	–	9,477	–	(9,477)	–	–	–
Transfer between reserves	儲備之間轉撥	–	–	(2,607)	–	–	2,607	–	–	–
Transactions with equity holders of the Group	與本集團股權持有人之交易	1,000	2,010	2,279	9,477	–	(6,870)	7,896	–	7,896
Balance at 31 December 2009 (restated)	於二零零九年十二月三十一日結餘（經重列）	116,824	385,035	130,400	18,625	14,623	(463,350)	202,157	38,599	240,756
Balance at 1 January 2010	於二零一零年一月一日結餘									
As previously reported	按先前呈報	116,824	388,578	56,952	18,625	12,768	(714,362)	(120,615)	85,652	(34,963)
Prior years' adjustments *(Note 4)*	過往年度調整*（附註4）*	–	(3,543)	73,448	–	1,855	251,012	322,772	(47,053)	275,719
As restated	經重列	116,824	385,035	130,400	18,625	14,623	(463,350)	202,157	38,599	240,756
Changes in equity for 2010:	二零一零年權益變動：									
Profit for the year	本年度溢利	–	–	–	–	–	74,479	74,479	45,243	119,722
Other comprehensive income	其他全面收益	–	–	–	–	3,170	–	3,170	1,032	4,202
Total comprehensive income for the year	本年度全面收益總額	–	–	–	–	3,170	74,479	77,649	46,275	123,924
Shares issued on the exercise of warrants *(Note 28(c)(iv))*	行使認股權證時發行股份 *（附註28(c)(iv)）*	2,000	2,152	(152)	–	–	–	4,000	–	4,000
Shares issued under share option scheme *(Note 28(c)(iii))*	根據購股權計劃發行股份 *（附註28(c)(iii)）*	200	733	(303)	–	–	–	630	–	630
Equity-settled share-based transactions *(Note 25)*	以股份支付之股本交易*（附註25）*	–	–	6,750	–	–	–	6,750	–	6,750
Shares issued on rights issue *(Note 28(c)(ii))*	於供股時發行股份*（附註28(c)(ii)）*	58,412	–	(1,057)	–	–	1,057	58,412	–	58,412
Effect on equity arising from the acquisitions of subsidiaries *(Note 29)*	收購附屬公司對股權之影響 *（附註29）*	–	–	–	–	–	–	–	8,180	8,180
Effect on equity arising from the offsetting of loan receivable with convertible notes, the extinguishment and recognition of the convertible notes *(Note 24(i))*	因應收貸款與可換股票據對銷及其後註銷及確認可換股票據而對股權產生的影響*（附註24(i)）*	–	–	(37,183)	–	–	–	(37,183)	–	(37,183)
Appropriation to reserves	轉撥至儲備	–	–	–	17,765	–	(17,765)	–	–	–
Transfer between reserves	儲備之間轉撥	–	–	(4,733)	–	–	4,733	–	–	–
Transactions with equity holders of the Group	與本集團股權持有人之交易	60,612	2,885	(36,678)	17,765	–	(11,975)	32,609	8,180	40,789
Balance at 31 December 2010	**於二零一零年十二月三十一日結餘**	**177,436**	**387,920**	**93,722**	**36,390**	**17,793**	**(400,846)**	**312,415**	**93,054**	**405,469**

The notes on pages 47 to 171 form part of these financial statements.

第47至171頁之附註乃組成該等財務報表之部份。

Consolidated Cash Flow Statement
綜合現金流量表

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

(Expressed in HK$) *（以港元呈列）*

		Note 附註	2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Operating activities	**經營業務**			
Profit before taxation	除税前溢利		**168,171**	64,776
Adjustments for:	調整：			
Depreciation	折舊	7(c)	**28,521**	23,883
Loss on disposal of fixed assets	處置固定資產之虧損	6	**4,550**	1,926
Finance (income)/cost	財務（收入）／費用	7(a)	**(34,493)**	9,072
Equity-settled share-based payments expenses	按股權結算以股份支付之款項開支	7(b)	**6,750**	2,553
Changes in working capital:	營運資金變動：			
(Increase)/decrease in inventories	存貨之（增加）／減少		**(11,796)**	5,079
Increase in trade and other receivables	應收賬款及其他應收款之增加		**(19,246)**	(11,603)
Decrease in trade and other payables	應付賬款及其他應付款之減少		**54,073**	89,549
Net cash generated from operations	**經營業務產生之淨現金**		**196,530**	185,235
Income tax paid	已繳所得税	27(a)	**(29,356)**	(16,286)
Net cash generated from operating activities	**經營活動產生之淨現金**		**167,174**	168,949
Investing activities	**投資活動**			
Proceeds from disposal of fixed assets	處置固定資產所得款項		**411**	318
Payment for the purchase of fixed assets	購買固定資產付款		**(557,177)**	(17,461)
Repayment of loans receivables	償還應收貸款		**5,885**	12,000
Payment for the acquisitions of subsidiaries, net of cash acquired	收購附屬公司付款，扣除所收購之現金	29	**(342,347)**	–
Payment of transaction costs for the acquisitions of subsidiaries	收購附屬公司之交易成本付款		**(21,615)**	–
Decrease in time deposits	定期存款減少		**–**	5,685
Interest received	已收利息		**1,286**	1,661
Net cash (used in)/generated from investing activities	**投資活動（使用）／產生之淨現金**		**(913,557)**	2,203

The notes on pages 47 to 171 form part of these financial statements.

第47至171頁之附註乃組成該等財務報表之部份。

Consolidated Cash Flow Statement
綜合現金流量表

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

(Expressed in HK$) *（以港元呈列）*

		Note 附註	2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Financing activities	**融資活動**			
Proceeds from new bank and other loans	新增銀行及其他貸款所得款項		**37,929**	–
Repayment of bank and other loans	償還銀行及其他貸款		**(177,052)**	(127,866)
Proceeds from rights issue	供股所得款項		**42,544**	–
Proceeds from the issue of warrants, net of transaction costs	發行認股權證所得款項，扣除交易成本	*26*	**–**	2,443
Proceeds from the exercise of warrants	行使認股權證所得款項	*28(c)(iv)*	**4,000**	2,900
Proceeds from the exercise of share options	行使購股權所得款項	*28(c)(iii)*	**630**	–
Proceeds from the issue of convertible notes, net of transaction costs	發行可換股票據所得款項，扣除交易成本	*24*	**887,000**	–
Other finance costs paid	其他已付財務費用		**(24,989)**	(44,687)
Net cash generated from/(used in) financing activities	**融資活動產生／（使用）之淨現金**		**770,062**	(167,210)
Net increase in cash and cash equivalents	**現金及現金等值項目之淨增加**		**23,679**	3,942
Cash and cash equivalents at 1 January	**於一月一日之現金及現金等值項目**	*20*	**88,505**	84,686
Effect of foreign exchange rate changes	**外幣兑換率變動之影響**		**2,917**	(123)
Cash and cash equivalents at 31 December	**於十二月三十一日之現金及現金等值項目**	*20*	**115,101**	88,505

The notes on pages 47 to 171 form part of these financial statements.

第47至171頁之附註乃組成該等財務報表之部份。

1 CORPORATE INFORMATION

Century Ginwa Retail Holdings Limited (formerly known as China Golden Development Holdings Limited) (the "Company") was incorporated in Bermuda on 8 August 2000 as an exempted company with limited liability under the Bermuda Companies Act 1981. The shares of the Company were listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 23 October 2000. The consolidated financial statements of the Company for the year ended 31 December 2010 comprise the Company and its subsidiaries (collectively referred to as the "Group"). The principal activities of the Group are the operation of department stores in the People's Republic of China (the "PRC").

1 公司資料

世紀金花商業控股有限公司(原中國金展控股有限公司)(「本公司」)於二零零零年八月八日根據百慕達一九八一年公司法於百慕達註冊成立為獲豁免有限公司。本公司之股份於二零零零年十月二十三日起已在香港聯合交易所有限公司(「聯交所」)上市。本公司截至二零一零年十二月三十一日止年度之綜合財務報表包括本公司及其附屬公司(統稱「本集團」)。本集團之主要業務為於中華人民共和國(「中國」)經營百貨公司。

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange. A summary of the significant accounting policies adopted by the Group is set out below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

2 主要會計政策

(a) 遵例聲明

該等財務報表已根據所有適用之香港財務報告準則(「香港財務報告準則」),包括香港會計師公會(「香港會計師公會」)頒佈之所有適用之個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港公認會計原則及香港公司條例之披露規定編製。該等財務報表亦已遵守聯交所證券上市規則之適用披露規定。本集團採納之主要會計政策概述如下。

香港會計師公會已頒佈若干新訂及經修訂之香港財務報告準則,並於本集團及本公司之本期會計期間首次生效或可供提早採納。首次應用此等與本集團有關之新訂及經修訂的準則所引致於當期及以往會計期間之任何會計政策變動已於本財務報表內反映,有關資料載於附註3。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2010 comprise the Group.

The measurement basis used in the preparation of the financial statements is the historical cost basis except for derivative financial instruments (see Note 2(e)) and leasehold land and buildings (see Note 2(f)) which are stated at their fair value.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. 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 estimate is 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.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 37.

2 主要會計政策*（續）*

(b) 財務報表編製基準

截至二零一零年十二月三十一日止年度之綜合財務報表包括了本集團。

除按公允值呈列之衍生金融工具（見附註2(e)）及租賃土地及樓宇（見附註2(f)）外，本財務報表編製時是以歷史成本作為計量基準。

管理層需在編製符合香港財務報告準則之財務報表時作出會影響會計政策應用，以及資產、負債、收入及支出之報告金額之判斷、估計及假設。此等估計及相關假設是根據以往經驗和管理層因應當時情況認為合理之多項其他因素作出，其結果構成當管理層在無法依循其他途徑實時得知資產與負債之賬面值時所作出判斷之基礎。實際結果可能有別於估計數額。

管理層會不斷審閱各項估計和相關假設。倘若會計估計之修訂只影響某一期間，其影響便會在該期間內確認，或如果修訂對當期和未來期間均有影響，則在作出修訂之期間和未來期間確認。

有關管理層在應用香港財務報告準則時所作出對財務報表有重大影響之判斷，以及估計不確定性之主要來源載述於附註37。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(b) Basis of preparation of the financial statements *(continued)*

As at 31 December 2010, the Group had net current liabilities of HK$1,097,124,000. This condition indicates the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern and, therefore, that the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. These financial statements have been prepared on a going concern basis notwithstanding the net current liabilities of the Group at 31 December 2010 because the directors of the Company are of the opinion that based on a cash flow forecast of the Group for the year ending 31 December 2011, the Group would have adequate funds to meet liabilities as and when they fall due at least twelve months from the end of the reporting period. Accordingly, the directors of the Company consider it is appropriate to prepare the financial statements on a going concern basis.

(c) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

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

2 主要會計政策*(續)*

(b) 財務報表編製基準*(續)*

於二零一零年十二月三十一日，本集團的流動負債淨額為1,097,124,000港元。這情況顯示本集團持續經營之能力存在重大不明朗因素，故本集團有可能無法在正常營運下變賣資產及清償負債。儘管本集團於二零一零年十二月三十一日之流動負債淨額，該等財務報表乃按持續經營基準編製，乃由於本公司董事認為，根據本集團截至二零一一年十二月三十一日止年度之現金流預測，本集團將產生足夠資金以滿足自報告期末起十二個月內到期之負債。因此董事認為，按持續經營基準編製財務報表乃屬適當。

(c) 附屬公司及非控股權益

附屬公司為本集團所控制之實體。當本集團有權監控該實體之財政及經營政策從而自其活動獲取利益，則本集團已持有該實體之控制權。

於附屬公司的投資於綜合財務報表內從控制開始日起至控制完結日綜合處理。集團內結餘及交易及集團內交易產生的未變現溢利於編製綜合財務報表時全數剔除。集團內交易導致的未變現虧損以相同於未變現收益之方法剔除，但只限於無減值情況，方會進行。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(c) Subsidiaries and non-controlling interests *(continued)*

Non-controlling interests (previously known as "minority interests") represent the equity interests in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those equity interests which would result in the Group as a whole having a contractual obligation in respect of those equity interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at their proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated income statement and the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

2 主要會計政策*（續）*

(c) 附屬公司及非控股權益*（續）*

非控股權益（前稱「少數股東權益」）指本公司並無直接或間接擁有的附屬公司股權，而就此而言，本集團並無與該等股權之持有人達成令本集團整體上要為該等符合為金融負債定義的股權履行合約責任的任何附加條款。就各項業務合併而言，本集團可選擇按公允值或按彼等分佔附屬公司之可識別資產淨值之比例計量任何非控股權益。

非控股權益列示於綜合財務狀況表之權益項下，以與歸屬於本公司股東應佔權益區分。於本集團業績內之非控股權益作為年內分配予非控股權益與本公司股東之總溢利或虧損及全面收入總額在綜合收益表及綜合全面收益表中列示。

本集團於一間附屬公司之權益變動（並無導致失去控制權）列作權益交易，並對綜合權益中之控股及非控股權益作出調整，以反映有關權益之變動，惟概無對商譽作出任何調整及並無確認任何損益。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(c) Subsidiaries and non-controlling interests *(continued)*

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire equity interests in that subsidiary, with a resulting gain or loss being recognised in the consolidated income statement. Any equity interests retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or jointly controlled entity.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (Note 2(i)), unless the investment is classified as held-for-sale.

(d) Goodwill

Goodwill represents the excess of

(i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interests in the acquiree; over

(ii) the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in the consolidated income statement as a gain on a bargain purchase.

2 主要會計政策*（續）*

(c) 附屬公司及非控股權益*（續）*

倘本集團失去一間附屬公司之控制權，則將入賬列作處置其於該附屬公司之全部股權，由此產生之收益或虧損於綜合收益表中確認。於失去控制權當日仍保留於前附屬公司之任何股權乃按公允值確認，而該款項將視為於初步確認一項金融資產時之公允值或（如適用）於一間聯營公司或共同控制實體之投資被初步確認時之成本。

在本公司之財務狀況表內，於一間附屬公司之投資乃以成本減減值虧損（附註2(i)）列賬，除非該投資被分類為持作出售之投資。

(d) 商譽

商譽指

(i) 所轉讓代價之公允值、於被收購方之任何非控股權益之金額及本集團先前持有被收購方股權之公允值之總額；超過

(ii) 於收購日期所計量之被收購方之可識辨資產及負債之淨公允值。

倘(ii)高於(i)，則此超出部份即時於綜合收益表確認為議價購買收益。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(d) Goodwill *(continued)*

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (Note 2(i)).

On disposal of a cash generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

(e) Derivative financial instruments

Derivative financial instruments are recognised initially, and are subsequently remeasured at fair value. Fair values of exchange traded derivative are obtained from quoted market price. Fair values of over-the-counter derivatives are obtained using valuation techniques, including discounted cash flow model and option pricing model. The gain or loss on remeasurement to fair value is recognised immediately in the income statement.

Derivative financial instruments may be embedded in other financial instruments, for example, convertible notes (Note 2(l)) with an embedded conversion option. Embedded derivatives are treated as separate derivatives when their economic characteristics and risks are not clearly and closely related to those of the host contract; the terms of the embedded derivatives would meet the definition of a stand-alone derivative if they are contained in a separate contract; and the combined contract is not held for trading or designated at fair value. These embedded derivatives are measured at fair value with changes therein recognised in the income statement.

2 主要會計政策*（續）*

(d) 商譽*（續）*

商譽是以成本減累計減值虧損列賬。業務合併產生之商譽被分配至預期可從合併之協同效益中獲益之各現金產生單位或不同組別之現金產生單位，並每年進行減值測試（附註2(i)）。

年內處置現金產生單位及任何購買商譽時，其應佔款額會被包括在計算處置收益之內。

(e) 衍生金融工具

衍生金融工具先以公允值確認，其後以公允值重新計量。於交易所買賣之衍生工具之公允值按市場報價計算。場外交易衍生工具之公允值則採用估值方法（包括現金流折現模型及期權定價模型）釐定。重新釐定公允值之損益即時於收益表確認。

其他金融工具或會內含其他金融工具，例如可轉換票據（附註2(l)）之內含可轉換權。當該等衍生工具之經濟特質及風險與其相關金融工具主體合約之經濟特質及風險並無明顯及密切關係時，或內含衍生工具之條款（倘若載於獨立合約內）會符合獨立衍生工具之定義；以及合併合約並非持作交易用途或被指明按公允值列賬時，該等內含衍生工具會被視作獨立之衍生工具。此等內含衍生工具會按公允值計量，而公允值之任何變動則於收益表內確認。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(e) Derivative financial instruments *(continued)*

Derivative financial instruments are classified as assets when their fair value is positive, or as liabilities when their fair value is negative. Derivative assets and liabilities arising from different transactions are only offset if the transactions are with the same counterparty, a legal right of offset exists, and the parties intend to settle the cash flows on a net basis.

(f) Fixed assets

Leasehold land and buildings held for own use are stated at their revalued amount, being their fair value at the date of the revaluation less any subsequent accumulated depreciation.

Revaluations are performed with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the end of reporting period.

Changes arising on the revaluation of leasehold land and buildings held for own use are generally dealt with in other comprehensive income and are accumulated separately in equity in the property revaluation reserve. The only exceptions are as follows:

- when a deficit arises on revaluation, it will be charged to the income statement to the extent that it exceeds the amount held in the reserve in respect of that same asset immediately prior to the revaluation; and

- when a surplus arises on revaluation, it will be credited to the income statement to the extent that a deficit on revaluation in respect of that same asset had previously been charged to the income statement.

Other items of fixed assets are stated at cost less accumulated depreciation and impairment losses (Note 2(i)).

2 主要會計政策*（續）*

(e) 衍生金融工具*（續）*

當衍生金融工具之公允值為正數，其會歸類為資產，若為負數則歸類為負債。如交易對約方相同，且存在對銷之合法權利，而有關各方有意按淨額結算相關現金流，方可對銷不同交易之衍生工具資產及負債。

(f) 固定資產

持作自用之租賃土地及樓宇乃按其重估金額（即其於重估日期之公允值減任何其後累計折舊）列賬。

重估乃充分地定期進行，以確保該等資產賬面值不會與報告期末採用公允值所釐定者有重大出入。

重估持作自用之租賃土地及樓宇時產生之變動一般於其他全面收益中處理並單獨於物業重估儲備之權益內累計。惟下列情況例外：

- 倘在重估時產生虧絀，則緊於重估前在該項虧絀超過儲備內列於同一資產項下之數額之情況下，有關虧絀將會在收益表中扣除；及

- 倘在重估時產生盈餘，則在有關同一資產之重估虧絀以往在收益表中扣除之情況下，該筆盈餘將會計入收益表中。

固定資產之其他項目按成本減累計折舊及減值虧損呈列（附註2(i)）。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(f) Fixed assets *(continued)*

The cost of self-constructed items of fixed assets includes the cost of materials and direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items restoring the site on which they are located.

Gains or losses arising from the retirement or disposal of an item of fixed assets are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in the income statement on the date of retirement or disposal. Any related revaluation surplus is transferred from the property revaluation reserve to retained profits and is not reclassified to the income statement.

Depreciation is calculated to write off the cost or valuation of items of fixed assets, less their estimated residual values, if any, using the straight line method over their estimated useful lives as follows:

	Estimated useful lives
Leasehold land and buildings	Over the unexpired term of lease
Leasehold improvements	5-35 years
Furniture, fixtures and equipment	5-35 years
Motor vehicles	4-14 years

Where parts of an item of fixed assets have different useful lives, the cost or valuation of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

No depreciation is provided in respect of construction in progress until it is completed and ready for intended use.

2 主要會計政策*（續）*

(f) 固定資產（續）

固定資產自建項目之成本包括材料及直接勞工、最初估計的相關拆除、移動以修復該項目所在處的成本。

報廢或處置固定資產項目所產生之盈虧為處置該項目所得款項淨額與該項目賬面值之差額，並於報廢或處置日在收益表內確認。任何相關物業重估盈餘乃自重估儲備轉撥至保留溢利但不會重新分類至收益表。

折舊乃按固定資產項目之成本或估值減其估計剩餘價值（如有），以其估計使用年期採用直線法撇銷如下：

	估計使用年期
租賃土地及樓宇	未屆滿租賃期限
租賃物業裝修	5至35年
傢俬、裝置及設備	5至35年
運輸工具	4至14年

當固定資產的各部份有不同的可使用年限，則該資產的成本或估值依照合理基準分配於各部份並單獨計提折舊。資產之可使用年期及其剩餘價值（如有）均會每年進行檢討。

並無就在建工程進行折舊直至其竣工並可作其擬定用途。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(g) Intangible assets (other than goodwill)

Intangible assets are not amortised while their useful lives are assessed to be indefinite. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives.

(h) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

2 主要會計政策*（續）*

(g) 無形資產（不包括商譽）

倘無形資產之可使用年期被評定為無限期，則不會進行攤銷。倘評定無形資產之可使用年期並無限期，則會每年審閱以釐定有否任何事件或情況繼續支持該項資產的無限可使用年期。倘並無任何該等事件或情況，可使用年期評估由無限期轉為有限期時，則自變動日期起根據攤銷有限期無形資產之政策列賬。

(h) 租賃資產

倘本集團釐定一項安排具有在協定期限內通過支付一筆或一系列款項，從而獲得使用某一特定資產或多項特定資產之權利，則該安排（由一宗交易或一系列交易組成）為租賃或包括租賃。該釐定乃根據安排之實質內容評估而作出，而不論安排是否具備租賃之法律形式。

(i) 本集團承租之資產之分類

本集團根據租賃持有資產，而有關租賃將擁有該資產之絕大部份風險及回報轉予本集團，有關資產歸類為根據融資租賃持有之資產。而並未將擁有資產之絕大部份風險及回報轉予本集團之租賃，則歸類為經營租賃。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(h) Leased assets *(continued)*

(ii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to the income statement in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in the income statement as an integral part of the aggregate net lease payments made. Contingent rentals are charged to the income statement in the accounting period in which they are incurred.

(i) Impairment of assets

(i) Impairment of receivables

Non-current and current receivables that are stated at cost or amortised cost are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;

2 主要會計政策*（續）*

(h) 租賃資產*（續）*

(ii) 經營租賃費用

倘若本集團乃以經營租賃使用資產，則根據租賃支付之款項於租賃期所涵蓋之會計期間內，以等額在收益表內扣除，惟如有其他基準能更清晰地反映其租賃資產所產生的收益模式則除外。租賃所涉及的鼓勵措施之收入均在收益表中確認為租賃淨付款總額的組成部份。或有租金在其產生的會計期間內在收益表中扣除。

(i) 資產減值

(i) 應收款項減值

非流動應收款項及流動應收款項按成本或攤銷成本列賬，並於每個報告期末檢討，以釐定是否出現減值的客觀證據。減值的客觀證據包括本集團注意到以下一項或多項虧損事項的顯著數據：

- 債務人有重大財務困難；
- 違反合約，如拖欠利息或本金之償還；

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(i) Impairment of assets *(continued)*

***(i) Impairment of receivables** (continued)*

– it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and

– significant changes in the market, economic or legal environment that have an adverse effect on the debtor.

If any such evidence exists, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where financial assets carried at amortised cost share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

2 主要會計政策*（續）*

(i) 資產減值*（續）*

***(i) 應收款項減值**（續）*

– 債務人可能破產或進行其他財務重組；及

– 市場、經濟或法律環境有重大改變以致對債務人造成不利影響。

倘有任何該等證據存在，則減值虧損則按資產之賬面值與估計未來現金流量之現值之間的差額計量。如貼現之影響屬重大，上述未來現金流量現值以該金融資產之原訂實際利率（即首次確認該等資產時計算之實際利率）貼現。如按攤銷成本列賬之金融資產具備類似之風險特徵，例如類似之逾期情況及並未個別被評估為應減值，則有關之評估會共同進行。作共同評估減值金融資產之未來現金流量會根據與該等資產具有類似信貸風險特徵資產之過往虧損情況作出。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(i) Impairment of assets *(continued)*

(i) Impairment of receivables *(continued)*

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through the income statement. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of receivable whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against receivable directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in the income statement.

2 主要會計政策*（續）*

(i) 資產減值*（續）*

(i) 應收款項減值 *（續）*

倘減值虧損之金額於往後期間減少，而有關減少可客觀地與確認減值虧損後發生之事件有聯繫，則減值虧損透過收益表中撥回。撥回減值虧損不應引致該資產之賬面值高於假若以往年度並無確認減值虧損時原應釐定之數額。

減值虧損直接抵銷相應資產，惟就被認為為呆壞賬但收回機會並不渺茫之應收款之已確認減值虧損除外。在此情況下，呆賬之減值虧損用撥備賬記錄。當本集團信納收回機會渺茫，被視為無法收回的金額會直接在應收款中撇銷，而任何列入撥備賬與此債項有關的金額會被撥回。其後若收回之前已在撥備賬中計入的金額，則會在撥備賬中撥回。撥備賬內之其他變動及其後收回之前已直接撇銷的金額於收益表內確認。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(i) Impairment of assets *(continued)*

(ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- fixed assets and pre-paid interests in leasehold land classified as being held under an operating lease (other than properties carried at revalued amounts);
- intangible assets;
- investments in subsidiaries (except for those classified as held-for-sale); and
- goodwill.

If any such indication exists, the asset's recoverable amount is estimated. In addition, the recoverable amount for goodwill and intangible assets that have indefinite useful lives is estimated annually whether or not there is any indication of impairment.

2 主要會計政策*（續）*

(i) 資產減值*（續）*

(ii) 其他資產之減值

本集團於各報告期末檢討內部及外來資料，以識別下列資產有否出現減值跡象，或除商譽外，過往已確認之減值虧損不再存在或已減少：

- 固定資產及分類為持作經營租賃之租賃土地預付權益（不包括按重估金額進行之物業）；
- 無形資產；
- 於附屬公司之投資（分類為持作出售除外）；及
- 商譽。

倘有任何減值跡象，則會估計該項資產之可收回金額。此外，商譽及無限使用年期之無形資產之可收回金額不論有否出現減值跡象而均需每年估計。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(i) Impairment of assets *(continued)*

(ii) Impairment of other assets (continued)

– *Calculation of recoverable amount*

The recoverable amount of an asset is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

2 主要會計政策*（續）*

(i) 資產減值*（續）*

(ii) 其他資產之減值（續）

– *計算可收回金額*

資產之可收回金額為其公允值減銷售成本及使用價值兩者中之較高者。於評估使用價值時，會使用除税前貼現率將估計未來現金流量貼現至現值。該貼現率反映市場當時所評估之貨幣時間價值和該資產之獨有風險。倘個別資產所產生之現金流入基本上不能獨立於其他資產所產生之現金流入，則就獨立產生現金流入之最小資產組合（即現金產生單位）來釐定可收回金額。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(i) Impairment of assets *(continued)*

(ii) Impairment of other assets (continued)

– *Recognition of impairment losses*

An impairment loss is recognised in the income statement if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

– *Reversals of impairment losses*

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

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

2 主要會計政策*（續）*

(i) 資產減值*（續）*

(ii) 其他資產之減值（續）

– *確認減值虧損*

資產或其所屬之現金產生單位之賬面值高於其可收回金額時，則會於收益表確認減值虧損。就現金產生單位確認之減值虧損會先分配用以削減現金產生單位（或一組單位）所獲分配任何商譽之賬面值，隨後則按比例削減單位（或一組單位）內其他資產之賬面值，惟資產賬面值不可下調至低於其獨立之公允值減銷售成本或使用價值（如能釐定）。

– *減值虧損撥回*

就除商譽外之資產而言，倘用以釐定可收回金額之估計發生有利變化，則會將減值虧損撥回。而有關商譽之減值虧損則不撥回。

所撥回之減值虧損僅限於倘若並無於過往年度確認減值虧損而可釐定之資產賬面值。所撥回之減值虧損在確認撥回之年度內計入收益表中。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(i) Impairment of assets *(continued)*

(iii) Interim financial reporting and impairment

Under the Rules Governing the Listing of Securities on the Stock Exchange, the Group is required to prepare an interim financial report in compliance with HKAS 34, *Interim financial reporting*, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see Notes 2(i)(i) and 2(i)(ii)).

Impairment losses recognised in an interim period in respect of goodwill are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

(j) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the first-in, first-out method and comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is determined by reference to the sales proceeds of items sold in the ordinary course of business subsequent to the financial year end date or to management estimates based on prevailing market conditions.

2 主要會計政策*（續）*

(i) 資產減值*（續）*

(iii) 中期財務報告及減值

根據聯交所證券上市規則，本集團須遵守香港會計準則第34號*「中期財務報告」*就財政年度首六個月編製中期財務報告。於中期期末，本集團應用於財政年度結束時所應用之相同減值測試、確認及撥回標準（見附註2(i)(i)及2(i)(ii)）。

在中期期間確認有關商譽之減值虧損在往後期間不會撥回。即使僅於有關該中期期間之財政年度結束時所作出的減值評估應該確認無虧損或較少虧損，在中期期間確認的減值虧損仍不會撥回。

(j) 存貨

存貨按成本及可變現淨值較低者入賬。

成本以先進先出法計算且包括購買之全部成本及將存貨送至其目前位置及狀態所產生之其他成本。

可變現淨值乃參考按於財政年度結算日以後循日常業務過程中出售項目所得之出售所得款項或由管理層根據當前市況而作之估計釐定。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(j) Inventories *(continued)*

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

(k) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost less allowance for impairment of doubtful debts (see Note 2(i)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts (Note 2(i)).

(l) Convertible notes

(i) Convertible notes that contain an equity component

Convertible notes that can be converted to equity share capital at the option of the holder, where the number of shares that would be issued on conversion and the value of the consideration that would be received at that time do not vary, are accounted for as compound financial instruments which contain a liability component, an equity component, and a derivative component, where applicable.

2 主要會計政策*（續）*

(j) 存貨*（續）*

當出售存貨時，該等存貨賬面值於有關收入確認之期間內確認為開支。任何存貨金額撇減而至可變現淨值及存貨之所有遺失均於撇減或遺失之發生期內確認為開支。存貨任何撇減撥回之金額於撥回發生之期間內被確認為已確認為開支之存貨金額之減少。

(k) 應收賬款及其他應收款

應收賬款及其他應收款首次按公允值確認，其後則按攤銷成本減去呆賬減值撥備後所得數額入賬（見附註2(i)），惟倘若應收款為借予關連人士且無任何固定償還年期之免息貸款，或貼現影響輕微者則除外。在該等情況下，應收款會按成本減呆賬減值撥備後所得數額入賬（附註2(i)）。

(l) 可換股票據

(i) 載有權益部份之可換股票據

可換股票據持有人可選擇轉換可換股債券為權益股本，而當時可轉換的已發行股份數量及將收取之代價值不變之可換股票據被視為包含負債部份、權益部份，及衍生部份（如適用）之複合金融工具。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(l) Convertible notes *(continued)*

(i) Convertible notes that contain an equity component *(continued)*

At initial recognition the liability component of the convertible notes is measured as the present value of the future interest and principal payments, discounted at the market rate of interest applicable at the time of initial recognition to similar liabilities that do not have a conversion option. At initial recognition the derivative component of the convertible notes, if any, is measured at fair value (see Note 2(e)). Any excess of proceeds over the amount initially recognised as the liability component and the derivative component, where applicable, is recognised as the equity component. Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability, derivative (where applicable) and equity components in proportion to the allocation of proceeds.

The derivative component is subsequently remeasured in accordance with Note 2(e). The liability component is subsequently carried at amortised cost. The interest expense recognised in the income statement on the liability component is calculated using the effective interest method. The equity component is recognised in the capital reserve until either the note is converted or redeemed.

If the note is converted, the capital reserve, together with the carrying amount of the derivative and liability components at the time of conversion, are transferred to share capital and share premium as consideration for the shares issued. If the note is redeemed, the capital reserve is released directly to retained profits and any difference between the amount paid and the carrying amounts of derivative and liability components is recognised in the income statement.

2 主要會計政策*（續）*

(l) 可換股票據*（續）*

(i) 載有權益部份之可換股票據 *（續）*

於首次確認時，估量可換股票據之負債部份是以未來利息及本金付款，以首次確認並無可轉換權之類近負債的市價利息比率貼現至現值而計量。於首次確認時，可換股票據的衍生部份（如有）乃以公允值計量（見附註2(e)）。任何超過首次確認為負債部份及衍生部份（如適用）的所得款項被確認為權益部份。與發行複合金融工具有關的交易成本按所得款項比例分配至負債、衍生部份（如適用）及權益部份。

衍生部份其後根據附註2(e)再計量。負債部份其後按攤銷成本入賬。負債部分於收益表中確認之利息支出以實際利息方法計算。權益部份於資本儲備列賬直至票據被轉換或贖回為止。

倘若票據被轉換，則資本儲備，連同衍生及負債部分在轉換時的賬面值會轉移至股本及股份溢價，並作為發行股份之代價。倘若票據被贖回，則資本儲備會直接撥回至保留溢利。而已付金額與衍生及負債部份之賬面額的差額於收益表中確認。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(l) Convertible notes *(continued)*

(ii) Other convertible notes

Convertible notes which do not contain an equity component are accounted for as follows:

At initial recognition the derivative component of the convertible notes is measured at fair value (see Note 2(e)). Any excess of proceeds over the amount initially recognised as the derivative component is recognised as the liability component. Transaction costs that relate to the issue of the convertible notes are allocated to the liability and derivative components in proportion to the allocation of proceeds. The portion of the transaction costs relating to the liability component is recognised initially as part of the liability. The portion relating to the derivative component is recognised immediately in the income statement.

The derivative component is subsequently remeasured in accordance with Note 2(e). The liability component is subsequently carried at amortised cost. The interest expense recognised in the income statement on the liability component is calculated using the effective interest method.

If the note is converted, the carrying amounts of the derivative and liability components are transferred to share capital and share premium as consideration for the shares issued. If the note is redeemed, any difference between the amount paid and the carrying amounts of both components is recognised in the income statement.

2 主要會計政策*（續）*

(l) 可換股票據*（續）*

(ii) 其他可換股票據

不含有權益部份的可換股票據的會計處理方法如下：

於首次確認可換股票據衍生部份時是按公允值計量（見附註2(e)）。任何超過首次確認為衍生部份款額的所得款項以負債部份記賬。與發行可換股票據有關的交易成本按其所得款項比例分配至負債及衍生部份。負債部份的交易成本首次確認為負債部份。而衍生部份的交易成本則即時於收益表中確認。

衍生部份其後根據附註2(e)再計量。負債部份其後按攤銷成本入賬。負債部份於收益表中確認之利息支出按實際利息方法計算。

若票據被轉換，衍生及負債部份的賬面值會轉移至股本及股份溢價，並作為發行股份的代價。若票據被贖回，兩部份的已付金額與賬面值的差額於收益表中確認。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(m) Warrants

The issue of warrants will be settled by the exchange of fixed amount of cash for a fixed number of the Company's own equity instruments. When the warrants are subscribed, the fair value of the consideration received is recognised in capital reserve.

The fair value of the warrant is recognised in capital reserve until either the warrant is exercised (when it is transferred to the share premium account) or the warrant expires (when it is released directly to retained profits).

(n) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in the income statement over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(o) Trade and other payables

Trade and other payables are initially recognised at fair value and are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

2 主要會計政策*（續）*

(m) 認股權證

發行認股權證將透過以固定金額之現金換取固定數目之本公司本身權益工具支付。當認購認股權證時，代價的公允值於資本儲備確認。

認股權證的公允值乃於資本儲備確認直至認股權證獲行使（當其轉移至股份溢價賬）或認股權證到期（當其直接撥回至保留溢利）為止。

(n) 計息借貸

計息借貸首次按公允值扣除應佔交易成本後確認。於首次確認後，計息借貸將按攤銷成本入賬，而最初確認金額與贖回價值之間之任何差額則以實際利息方法於借貸期內連同任何應付利息及費用於收益表中確認。

(o) 應付賬款及其他應付款

應付賬款及其他應付款首次按公允值確認，其後按攤銷成本入賬，但如貼現影響輕微者，則按成本入賬。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(p) Cash and cash equivalents

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

(q) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) Share-based payments

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the Black-Scholes Model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

2 主要會計政策*（續）*

(p) 現金及現金等值項目

現金及現金等值項目包括銀行結存及手頭現金、存放於銀行及其他財務機構之活期存款及短期而高流動性之投資，此等投資可隨時兑換為已知金額之現金，且所須承受之價值波動風險不大。

(q) 僱員福利

(i) 短期僱員福利及定額供款退休計劃的供款

薪金、年終花紅、有薪年假、定額供款退休計劃的供款及非現金福利成本均在僱員提供有關服務之年度內應計。倘若付款或還款遞延並有嚴重影響，該等金額以其現值呈列。

(ii) 股份付款

已向僱員授出的購股權公允值確認為僱員成本，並於權益內資本儲備中作相應增加。公允值於授出日經計及授出購股權的條款及條件以柏力克－舒爾斯模式計量。倘若僱員於無條件享有購股權前須符合歸屬條件，購股權的估計總公允值乃經計及購股權將歸屬的可能性後按歸屬期分佈。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(q) Employee benefits *(continued)*

(ii) Share-based payments *(continued)*

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the income statement for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

(iii) Termination benefits

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

2 主要會計政策*（續）*

(q) 僱員福利*（續）*

(ii) 股份付款（續）

於歸屬期內，會對預期歸屬的購股權數量作出檢討。除非原先僱員開支符合資格被確認為資產，否則就此產生的對前年確認的累計公允值之任何調整於回顧年度的收益表扣減／入賬，並對資本儲備作相應調整。於歸屬日，已確認為開支之金額乃予以調整以反映已歸屬購股權之實際數量（及資本儲備亦相應調整），惟因本公司股份的市場價格導致歸屬條件不能達成而要沒收則除外。權益金額於資本儲備確認，直至購股權被行使（當其轉移至股份溢價賬時）或購股權到期（當其直接撥回至保留溢利時）。

(iii) 終止僱用福利

終止僱用福利僅在本集團可明確承諾終止僱用或備有詳細正式且實際上不可撤銷之自願離職計劃提供福利，方獲確認。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(r) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in the income statement except to the extent that they relate to business combinations, or items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

2 主要會計政策*（續）*

(r) 所得税

年內所得税包括即期税項及遞延税項資產與負債之變動。即期税項及遞延税項資產及負債之變動均在收益表內確認，但以與業務合併或確認為其他全面收益或直接確認為權益項目相關者除外，在該情況下，有關税項金額分別確認為其他全面收益或直接於權益確認。

即期税項是按年內應課税收入以報告期末已生效或實際上已生效之税率計算之預期應付税項，加以往年度應付税項之任何調整。

遞延税項資產及負債分別由可抵扣及應課税暫時差異，即資產及負債就財務申報而言之賬面值與其税基之間之差異而產生。遞延税項資產亦由未動用税務虧損及未動用税項抵免而產生。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(r) Income tax *(continued)*

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

2 主要會計政策*（續）*

(r) 所得稅（續）

除了某些有限之例外情況外，所有遞延稅項負債及遞延稅項資產（只限於有可能用來撇銷日後應課稅溢利之資產）均予確認。支持確認由可抵扣暫時差異所產生遞延稅項資產的未來應課稅溢利包括因撥回目前存在之應課稅暫時差異而產生之數額；但該等撥回之差異必須與同一稅務機關和同一應課稅實體有關，並預期在可抵扣暫時差異預計撥回之同一期間或遞延稅項資產所產生稅項虧損可向後期或向前期結轉之期間內撥回。在決定目前存在之應課稅暫時差異是否足以支持確認由未動用稅項虧損及抵免所產生之遞延稅資項資產時，亦會採用同一準則，即倘差異是與同一稅務機關及同一應課稅實體有關，以及預期在動用稅項虧損和抵免之期間內撥回，則計入該等差異。

確認遞延稅項資產及負債之少數例外情況為源自不可扣稅之商譽之暫時差異、初步確認不影響會計或應課稅溢利（惟並非業務合併之其中部份）之資產或負債，以及有關投資於附屬公司之暫時差異，惟以（就應課稅差異而言）本集團可控制撥回時間且於可見將來可能不會撥回差異，或（就可扣稅差異而言）除非有關差異可能將於日後撥回為限。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(r) Income tax *(continued)*

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

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

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

– in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or

2 主要會計政策*（續）*

(r) 所得稅（*續*）

已確認之遞延稅項金額是按照資產及負債賬面值之預期變現或清償方式，以報告期末已生效或實際上已生效之稅率計量。遞延稅項資產及負債均不貼現計算。

每個報告期末均會檢討遞延稅項資產之賬面值，並調減至再無足夠應課稅溢利以動用有關稅務利益為止。任何有關減幅於可能有足夠應課稅溢利時予以撥回。

即期稅項結餘及遞延稅項結餘以及有關變動均獨立呈列，不予抵銷。倘本公司或本集團具備合法權力將即期稅項資產與即期稅項負債抵銷，且符合以下額外條件，則即期稅項資產與即期稅項負債抵銷，而遞延稅項資產則與遞延稅項負債抵銷：

– 就即期稅項資產及負債而言，本公司或本集團擬按淨額基準結算或同時變現資產及清付負債；或

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(r) Income tax *(continued)*

– in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:

  – the same taxable entity; or

  – different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(s) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

2 主要會計政策*（續）*

(r) 所得稅*（續）*

– 就遞延稅項資產及負債而言，倘與相同稅務機構就以下其中一項徵收之所得稅有關：

  – 同一應課稅實體；或

  – 不同應課稅實體，而該等實體於各個預期清付或收回遞延稅項負債或資產之重大金額之日後期間，擬按淨額基準變現即期稅項資產及清付即期稅項負債或同時變現資產及清付負債。

(s) 撥備及或然負債

倘若本集團或本公司須就已發生之事件承擔法律或推定責任，則履行該責任時可能會導致經濟利益外流，並可作出可靠之估計，便會就該時間或金額不定之負債確認撥備。如果貨幣時間價值重大時，撥備則按預計履行責任所涉及開支之現值入賬。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(s) Provisions and contingent liabilities *(continued)*

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(t) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the income statement as follows:

(i) Sale of goods and net income from concession sales

Revenue arising from the sale of goods and net income from concession sales are recognised when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts. No revenue or net income is recognised if there are significant uncertainties regarding recovery of the consideration due, the possible return of goods, or continuing management involvement with the goods.

2 主要會計政策*（續）*

(s) 撥備及或然負債*（續）*

倘若不可能出現經濟利益外流，或是無法對有關金額作出可靠之估計，便會將該責任披露為或然負債，除非經濟利益外流之可能性渺茫則除外。須視乎某宗或多宗未來事件是否發生才能確定存在與否之潛在責任，亦會披露為或然負債，除非經濟利益外流之可能性渺茫則除外。

(t) 收入確認

收入按已收或應收代價之公允值計量。收入只會於有關經濟利益有可能流入本集團並能可靠地計量該收入及成本（如適用）之情況下，方會按下列基準於收益表內確認：

(i) 銷售貨品及專櫃銷售收入淨額

銷售貨品及專櫃銷售收入淨額於客戶接受貨品及有關風險及擁有權時確認為收入。收入不包括增值税或其他銷售税，且經扣除任何貿易折扣後。倘到期代價之收回存在重大不確定性，貨物可能被退回，或本集團仍持續參與貨物管理，則不會確認收益或收入淨額。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(t) Revenue recognition *(continued)*

(ii) Rental income from operating leases

Rental income receivable under operating leases is recognised in the income statement in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in the income statement as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

(iii) Customer loyalty programme

The Group's customer loyalty programme awards customers credits which entitle the customers to the right to exchange for products offered under the customer loyalty programme. The fair value of the consideration received or receivable in respect of the initial sale is allocated between the programme credits and the other components of the sale. The amount allocated to the programme credits is estimated by reference to the fair value of the right to exchange for products offered under the customer loyalty programme, adjusted to take into account the expected forfeiture rate. Such amount is deferred and revenue is recognised when the programme credits are redeemed and the Group has fulfilled its obligations to supply the products offered under the customer loyalty programme. Deferred revenue is also released to revenue when it is no longer considered probable that the programme credits will be redeemed.

(iv) Interest income

Interest income is recognised as it accrues using the effective interest method.

2 主要會計政策*（續）*

(t) 收入確認*（續）*

(ii) 經營租賃之租金收入

經營租賃之應收租金收入在租賃期所涵蓋期間內，以等額在收益表中確認，但如有其他基準能更清晰地反映使用的租賃資產所產生的收益模式則除外。授出之租賃獎勵在收益表中確認為應收淨租金總額的組成部分。或然租金於其賺得之會計期間內確認為收益。

(iii) 客戶忠誠計劃

本集團之客戶忠誠度計劃獎勵客戶積分，而有關積分授予客戶權利交換根據客戶忠誠度計劃所提供之產品。初步銷售之已收或應收代價之公允值乃於計劃積分及銷售之其他部份之間分配。分配至計劃積分之金額乃參考交換根據客戶忠誠度計劃所提供之產品之權利之公允值估計，並會考慮預期沒收率作出調整。有關金額會遞延處理，而收益會於計劃積分獲贖回及本集團已履行其根據客戶忠誠度計劃提供產品之責任時確認。遞延收益亦於計劃積分將不再可能被贖回時撥作收益。

(iv) 利息收入

利息收入採用實際利息方法，於產生時確認入賬。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2 主要會計政策*（續）*

(u) Translation of foreign currencies

Foreign currency transactions during the year are translated into the functional currency of the entity to which they relate at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency of the entity to which they relate at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in the income statement.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates.

The results of operations which have a functional currency other than Hong Kong dollars are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into Hong Kong dollars at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

(u) 外幣換算

年內之外幣交易按交易日之外幣匯率換算為與其有關公司之功能貨幣。以外幣計值之貨幣資產及負債按報告期末之外幣匯率換算為與其有關公司之功能貨幣，匯兑盈虧在收益表中確認。

根據外幣歷史成本計量之非貨幣資產及負債乃使用交易當日釐定之外匯匯率進行換算。

使用港元以外之功能貨幣計值之經營業績按交易當日釐定之外匯匯率之概約匯率換算為港元。財務狀況表項目按報告期末之外匯收市匯率換算為港元。所產生之匯兑差額於其他全面收益確認並於匯兑儲備之權益中獨立累計。

(v) Borrowing costs

Borrowing costs are expensed in the period in which they are incurred.

(v) 借貸成本

借貸成本在產生之期間支銷。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(w) Related parties

For the purposes of these financial statements, a party is considered to be related to the Group if:

(i) the party has the ability, directly or indirectly through one or more intermediaries, to control the Group or exercise significant influence over the Group in making financial and operating policy decisions, or has joint control over the Group;

(ii) the Group and the party are subject to common control;

(iii) the party is a member of key management personnel of the Group or the Group's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;

(iv) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals; or

(v) the party is a post-employment benefit plan which is for the benefit of employees of the Group or of any entity that is a related party of the Group.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

2 主要會計政策*（續）*

(w) 關連人士

就該等財務報表而言，以下人士被認為是本集團之關連人士如：

(i) 該名人士有能力直接或間接透過一個或多個中介人控制本集團或可對本集團之財政及經營決策作出重大影響，或共同控制本集團；

(ii) 本集團與該名人士均受共同控制；

(iii) 該名人士屬本集團或本集團母公司之主要管理人員成員之一，或該個別人士之近親家庭成員，或受該個別人士控制、共同控制或重大影響之公司；

(iv) 該名人士屬(i)項所指人士之近親家庭成員或受該個別人士控制或重大影響之公司；或

(v) 該名人士屬提供予本集團或與本集團有關連人士之任何公司之僱員離職後福利計劃。

個別人士之近親家庭成員乃指該親屬成員在與公司交易時可能影響或被影響之親屬成員。

2 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(x) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

The Group's turnover is substantially derived from the operation of department stores in the PRC, these department stores are subject to similar risks and returns and, accordingly, the Group only has one segment. The Group's turnover is substantially derived from retail customers situated in the PRC and the Group's operating assets are substantially located in the North-western region of the PRC. Accordingly, no segment analysis based on geographical location of the customers and assets is provided.

2 主要會計政策*（續）*

(x) 分部報告

經營分部及財務報表內呈報之各分部項目之金額是由定期提供予本集團最高行政管理人員以作資源分配，及對本集團之各項業務及地區分部進行業績評估之財務資料中識別出來的。

除非分部具備相似之經濟特徵及在產品及服務性質、客戶類型或類別、分銷產品或提供服務所使用之方法以及監管環境方面相似，否則各個重大經營分部在財務匯報中不會進行合算。個別非重大之經營分部，如果符合上述大部份標準，則可能會進行合算。

本集團之營業額主要源自於中國經營百貨公司。百貨公司營運面對類似風險及回報，故本集團僅設一個分部。本集團之營業額絕大部份源自其於中國之零售客戶，而本集團之經營資產絕大部份位於中國西北地區。因此，並無提供根據客戶及資產所在地理區域劃分之分部分析。

3 CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of revised HKFRSs, amendments to HKFRSs and new Interpretations that are first effective for the current accounting period of the Group and the Company. Of these, the following developments are relevant to the Group's financial statements:

- HKFRS 3 (revised 2008), *Business combinations*
- Amendments to HKAS 27, *Consolidated and separate financial statements*
- Amendments to HKFRS 5, *Non-current assets held for sale and discontinued operations – Plan to sell the controlling interest in a subsidiary*
- Improvements to HKFRSs (2009)
- HK (Int) 5, *Presentation of financial statements – Classification by the borrower of a term loan that contains a repayment on demand clause*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 會計政策變動

香港會計師公會已頒佈多項《香港財務報告準則》修訂本、《香港財務報告準則》經修訂及新詮釋，乃於本集團及本公司之本會計期間首次生效。這些準則的發展包括下列與本集團財務報表有關：

- 香港財務報告準則第3號（二零零八年訂本）*「業務合併」*
- 對香港會計準則第27號之修訂）*「綜合及獨立財務報表」*
- 對香港財務報告準則第5號之修訂，*「持作出售非流動資產及終止經營業務－計劃出售一間附屬公司控股權益」*
- 二零零九年頒佈之香港財務報告準則之改進
- 香港（詮釋）第5號，*「財務報表之呈列－借款人對包含可隨時要求償還條款之定期貸款之分類」*

本集團於本會計期間並無應用任何尚未生效之新準則或詮釋。

3 CHANGES IN ACCOUNTING POLICIES *(continued)*

The improvements to HKFRSs (2009) comprise a number of amendments to a range of HKFRSs which the HKICPA has issued as an omnibus batch of amendments. These amendments have had no material impact on the Group's financial statements. The issuance of HK (Int) 5 has had no material impact on the Group's financial statements as the Interpretation's conclusions were consistent with policies already adopted by the Group. The other developments resulted in changes in accounting policy but none of these changes in policy have a material impact on the current or comparative periods, for the following reasons:

- The impact of the majority of the revisions to HKAS 27 and HKFRS 5 have not yet had a material effect on the Group's financial statements as these changes will first be effective as and when the Group enters into a relevant transaction and there is no requirement to restate the amounts recorded in respect of previous such transactions.

Further details of these changes in accounting policy are as follows:

- As a result of the adoption of HKFRS 3 (revised 2008), any business combination acquired on or after 1 January 2010 will be recognised in accordance with the new requirements and detailed guidance contained in HKFRS 3 (revised 2008). These include the following changes in accounting policies:

  – Transaction costs that the Group incurs in connection with a business combination, such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees, will be expensed as incurred, whereas previously they were accounted for as part of the cost of the business combination and therefore impacted the amount of goodwill recognised.

3 會計政策變動*（續）*

二零零九年頒佈之香港財務報告準則之改進包括對一系列香港財務報告準則之多向修訂，而香港會計師公會已將修訂編纂成集。該等修訂對本集團之財務報表並無重大影響。頒佈香港（詮釋）第5號對本集團之財務報表並無重大影響，原因是該詮釋之結論與本集團已採納之政策一致。其他發展導致會計政策出現變動，惟該等變動並無對本期間或比較期間構成任何重大影響，原因如下：

- 香港會計準則第27號及香港財務報告準則第5號的大部份修訂對本集團財務報告並無重大影響，原因為此等變動在本集團進行相關交易時方會首次生效，並且無需對過往有關交易之記錄金額進行重列。

該等會計政策變動之進一步詳情載列如下：

- 由於採納香港財務報告準則第3號（二零零八年修訂本），於二零一零年一月一日或之後所收購的任何業務合併將根據香港財務報告準則第3號（二零零八年修訂本）的新規定及詳細指引予以確認。該等規定及指引包括下列的會計政策變動：

  — 本集團就業務合併所產生的交易成本，包括介紹費用、法律費用、盡職審查費用與其他專業及顧問費用，將於產生時列支。由於過往該等費用會計入業務合併成本內，故會影響已確認的商譽金額。

3 CHANGES IN ACCOUNTING POLICIES *(continued)*

- If the acquiree has accumulated tax losses or other temporary deductible differences and these fail to meet the recognition criteria for deferred tax assets at the date of acquisition, then any subsequent recognition of these assets will be recognised in the income statement, rather than as an adjustment to goodwill as was previously the policy.

- In addition to the Group's existing policy of measuring the non-controlling interests (previously known as the "minority interests") in the acquiree at the non-controlling interest's proportionate share of the acquiree's net identifiable assets, in future the Group may elect, on a transaction by transaction basis, to measure the non-controlling interest at fair value.

In accordance with the transitional provisions in HKFRS 3 (revised 2008), these new accounting policies will be applied prospectively to any business combinations in the current or future periods. The new policy in respect of recognition in the movement of deferred tax assets will also be applied prospectively to accumulated tax losses and other temporary deductible differences acquired in previous business combinations. In applying HKFRS 3 (revised 2008), no adjustments have been made to the carrying values of assets and liabilities that arose from business combinations whose acquisition dates preceded the application of this revised standard.

3 會計政策變動*（續）*

- 倘被收購方於收購日的已累計稅項虧損或其他暫時可扣減差異而未能符合遞延稅項資產的確認標準，則該等資產的任何後續確認將在收益表確認，而不會如過往在商譽內調整。

- 本集團現有政策乃按非控股權益（前稱「少數股東權益」）佔被收購方的可識別資產淨值之比例計算於被收購方的非控制權益。日後，本集團可選擇按逐項交易的基準以公允值計算非控制權益。

根據香港財務報告準則第3號（二零零八年修訂本）的過渡條款，該等新會計政策將應用予本期間或未來期間的任何業務合併。有關確認遞延稅項資產變動之新政策亦將應用於以往業務合併中所取得的累積稅項虧損及其他暫時可扣減差異。採用香港財務報告準則第3號（二零零八年修訂本）無須就收購日較應用此經修訂準則前之業務合併所產生的資產及負債之賬面值作出調整。

3 CHANGES IN ACCOUNTING POLICIES *(continued)*

Other changes in accounting policies which are relevant to the Group's financial statements are as follows:

- As a result of the amendments to HKAS 27, as from 1 January 2010 any losses incurred by a non-wholly owned subsidiary will be allocated between the controlling and non-controlling interests in proportion to their interests in that entity, even if this results in a deficit balance within consolidated equity being attributed to the non-controlling interests. Previously, if the allocation of losses to the non-controlling interests would have resulted in a deficit balance, the losses were only allocated to the non-controlling interests if the non-controlling interests were under a binding obligation to make good the losses. In accordance with the transitional provisions in HKAS 27, this new accounting policy is being applied prospectively and therefore previous periods have not been restated.

3 會計政策變動*（續）*

其他與本集團財務報表有關的會計政策變動如下：

- 於採納香港會計準則第27號（修訂本）後，自二零一零年一月一日起，非全資附屬公司產生的任何虧損將按於該實體所佔的權益比例，於控股權益與非控股權益之間分配，即使因而會導致於綜合權益內非控股權益所佔者出現虧絀結餘。以往，倘虧損分配至非控股權益而導致虧絀結餘，則該等虧損僅當非控股權益有約束力責任彌補該等虧損時方會分配至非控股權益。根據香港會計準則第27號的過渡條文，該新會計政策會於往後應用，因此以往期間未予重列。

4 CORRECTION OF PRIOR YEARS' ERRORS

During the course of preparing the Group's financial statements for the year ended 31 December 2010, it has come to the attention of the directors of the Company that the prior years financial statements of the Group and of the Company contained errors.

The following tables disclose the adjustments that have been made in order to rectify the errors stated in Notes 4(a) and 4(b) to each of the line items in the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated cash flow statement and the Company's statement of financial position as previously reported for the year ended 31 December 2009, and the consolidated statement of financial position and the Company's statement of financial position at 1 January 2009.

4. 糾正過往年度的錯誤

於編製本集團截至二零一零年十二月三十一日止年度的財務報表時，本公司董事留意到本集團及本公司的過往年度財務報表出現錯誤。

下表披露已作出之調整以糾正附註4(a)及4(b)所述對先前呈報之截至二零零九年十二月三十一日止年度之綜合收益表、綜合全面收益表、綜合財務狀況表、綜合現金流量表及本公司之財務狀況表，以及於二零零九年一月一日之綜合財務狀況表及本公司之財務狀況表中各會計項目之錯誤。

4 CORRECTION OF PRIOR YEARS' ERRORS *(continued)*

4. 糾正過往年度的錯誤*(續)*

The Group

本集團

Consolidated Income Statement for the year ended 31 December 2009

截至二零零九年十二月三十一日止年度之綜合收益表

			Effect of prior years' adjustments 過往年度調整的影響				
		2009 (as previously reported) HK$'000 二零零九年（誠如先前所呈報）千港元	Initial recognition and subsequent measurements on assets acquired and liabilities assumed in a business combination HK$'000 *(Note 4(a))* 於業務合併中對所收購資產及所承擔負債之初步確認及其後計量 千港元 *（附註4(a)）*	Adjustments to expenses HK$'000 *(Note 4(b))* 開支調整 千港元 *（附註4(b)）*	Reclassification HK$'000 *(Note 35)* 重新分類 千港元 *（附註35）*	Total adjustments HK$'000 調整總額 千港元	2009 (as restated) HK$'000 二零零九年（經重列）千港元
Turnover	營業額	542,237	–	(2,958)	8,773	5,815	548,052
Cost of sales	銷售成本	(158,808)	–	–	(14,666)	(14,666)	(173,474)
Gross profit	**毛利**	383,429	–	(2,958)	(5,893)	(8,851)	374,578
Other revenue	其他收益	97,203	–	–	(91,559)	(91,559)	5,644
Other net income	其他收入淨額	–	–	–	442	442	442
Selling expenses	銷售開支	(41,875)	–	(646)	13,070	12,424	(29,451)
Administrative expenses	行政開支	(279,325)	1,540	(13,337)	13,757	1,960	(277,365)
Profit from operations	**經營溢利**	159,432	1,540	(16,941)	(70,183)	(85,584)	73,848
Finance costs	財務費用	(160,951)	81,696	–	70,183	151,879	(9,072)
(Loss)/profit before taxation	**除稅前（虧損）／溢利**	(1,519)	83,236	(16,941)	–	66,295	64,776
Income tax	所得稅	(30,188)	(385)	5,088	–	4,703	(25,485)
(Loss)/profit for the year	**本年度（虧損）／溢利**	(31,707)	82,851	(11,853)	–	70,998	39,291
Attributable to:	**由下列人士應佔：**						
Equity shareholders of the Company	本公司股東	(46,351)	67,140	(10,621)	–	56,519	10,168
Non-controlling interests	非控股權益	14,644	15,711	(1,232)	–	14,479	29,123
(Loss)/profit for the year	**本年度（虧損）／溢利**	(31,707)	82,851	(11,853)	–	70,998	39,291
(Loss)/earnings per share	**每股（虧損）／盈利**						
Basic and diluted (HK$ cents)	基本及攤薄（港仙）	(3.99)	5.78	(0.91)	–	4.87	0.88

4 CORRECTION OF PRIOR YEARS' ERRORS *(continued)*

4. 糾正過往年度的錯誤*（續）*

The Group *(continued)*

本集團（*續*）

Consolidated Statement of Comprehensive Income for the year ended 31 December 2009

截至二零零九年十二月三十一日止年度之綜合全面收益表

			Effect of prior years' adjustments 過往年度調整的影響			
		2009 (as previously reported) HK$'000 二零零九年（誠如先前所呈報）千港元	Initial recognition and subsequent measurements on assets acquired and liabilities assumed in a business combination HK$'000 *(Note 4(a))* 於業務合併中對所收購資產及所承擔負債之初步確認及其後計量 千港元 *（附註4(a)）*	Adjustments to expenses HK$'000 *(Note 4(b))* 開支調整 千港元 *（附註4(b)）*	Total adjustments HK$'000 調整總額 千港元	2009 (as restated) HK$'000 二零零九年（經重列）千港元
(Loss)/profit for the year	年度（虧損）／溢利	(31,707)	82,851	(11,853)	70,998	39,291
Other comprehensive income for the year (before and after tax):	本年度其他全面收益（除税前後）：					
Exchange differences on translation into presentation currency	換算為呈列貨幣之匯兑差額	149	2,537	(54)	2,483	2,632
Total comprehensive income for the year	年度全面收益總額	(31,558)	85,388	(11,907)	73,481	41,923
Attributable to:	以下人士應佔：					
Equity shareholders of the Company	本公司股東	(46,202)	69,088	(10,675)	58,413	12,211
Non-controlling interests	非控股權益	14,644	16,300	(1,232)	15,068	29,712
Total comprehensive income for the year	年度全面收益總額	(31,558)	85,388	(11,907)	73,481	41,923

4 CORRECTION OF PRIOR YEARS' ERRORS (continued)

4. 糾正過往年度的錯誤(續)

The Group (continued)

本集團(續)

Consolidated Statement of Financial Position at 31 December 2009

於二零零九年十二月三十一日之綜合財務狀況表

			Effect of prior years' adjustments 過往年度調整的影響				
		31 December 2009 (as previously reported) HK$'000 二零零九年十二月三十一日(誠如先前所呈報) 千港元	Initial recognition and subsequent measurements on assets acquired and liabilities assumed in a business combination HK$'000 (Note 4(a)) 於業務合併中對所收購資產及所承擔負債之初步確認及其後計量 千港元 (附註4(a))	Adjustments to expenses HK$'000 (Note 4(b)) 開支調整 千港元 (附註4(b))	Reclassification HK$'000 (Note 35) 重新分類 千港元 (附註35)	Total adjustments HK$'000 調整總額 千港元	31 December 2009 (as restated) HK$'000 二零零九年十二月三十一日(經重列) 千港元
Non-current assets	非流動資產						
Fixed assets	固定資產	157,641	6,176	(9,124)	–	(2,948)	154,693
Intangible assets	無形資產	–	240,365	–	–	240,365	240,365
Goodwill	商譽	226,579	530,675	–	–	530,675	757,254
Loans receivables	應收貸款	1,393,789	(375,212)	–	–	(375,212)	1,018,577
Deferred tax assets	遞延稅項資產	3,368	–	8,876	–	8,876	12,244
		1,781,377	402,004	(248)	–	401,756	2,183,133
Current assets	流動資產						
Inventories	存貨	27,293	–	–	–	–	27,293
Trade and other receivables	應收賬款及其他應收款	81,083	6	–	243	249	81,332
Cash and cash equivalents	現金及現金等值項目	88,505	–	–	–	–	88,505
		196,881	6	–	243	249	197,130
Current liabilities	流動負債						
Trade and other payables	應付賬款及其他應付款	971,164	–	24,556	(32,157)	(7,601)	963,563
Bank and other loans	銀行及其他貸款	267,341	–	–	(26,305)	(26,305)	241,036
Current taxation	本期稅項	7,289	–	–	32,400	32,400	39,689
		1,245,794	–	24,556	(26,062)	(1,506)	1,244,288
Net current liabilities	流動負債淨額	(1,048,913)	6	(24,556)	26,305	1,755	(1,047,158)
Total assets less current liabilities	總資產減流動負債	732,464	402,010	(24,804)	26,305	403,511	1,135,975
Non-current liabilities	非流動負債						
Bank and other loans	銀行及其他貸款	–	–	–	26,305	26,305	26,305
Convertible notes	可換股票據	767,427	44,732	–	–	44,732	812,159
Deferred tax liabilities	遞延稅項負債	–	56,755	–	–	56,755	56,755
		767,427	101,487	–	26,305	127,792	895,219
NET (LIABILITIES)/ASSETS	(負債)/資產淨額	(34,963)	300,523	(24,804)	–	275,719	240,756
CAPITAL AND RESERVES	資本及儲備						
Share capital	股本	116,824	–	–	–	–	116,824
Reserves	儲備	(237,439)	344,583	(21,811)	–	322,772	85,333
Total equity attributable to equity shareholders of the Company	本公司股東應佔總權益	(120,615)	344,583	(21,811)	–	322,772	202,157
Non-controlling interests	非控股權益	85,652	(44,060)	(2,993)	–	(47,053)	38,599
TOTAL (DEFICIT)/EQUITY	(虧絀)/權益總額	(34,963)	300,523	(24,804)	–	275,719	240,756

4 CORRECTION OF PRIOR YEARS' ERRORS *(continued)*

4. 糾正過往年度的錯誤*（續）*

The Group *(continued)*

本集團*（續）*

Consolidated Statement of Changes in Equity for the year ended 31 December 2009

截至二零零九年十二月三十一日止年度之綜合權益變動表

			Effect of prior years' adjustments 過往年度調整的影響				
		2009 (as previously reported) HK$'000 二零零九年（誠如先前所呈報）千港元	Initial recognition and subsequent measurements on assets acquired and liabilities assumed in a business combination HK$'000 (Note 4(a)) 於業務合併中對所收購資產及所承擔負債之初步確認及其後計量 千港元 *（附註4(a)）*	Adjustments to expenses HK$'000 (Note 4(b)) 開支調整 千港元 *（附註4 (b)）*	Reclassification HK$'000 (Note 35) 重新分類 千港元 *（附註35）*	Total adjustments HK$'000 調整總額 千港元	2009 (as restated) HK$'000 二零零九年（經重列）千港元
Share capital	股本	116,824	–	–	–	–	116,824
Share premium	股份溢價	388,578	(3,648)	–	105	(3,543)	385,035
Capital reserve	資本儲備	56,952	73,553	–	(105)	73,448	130,400
Statutory reserves	法定儲備	18,625	–	–	–	–	18,625
Exchange reserve	匯兑儲備	12,768	1,909	(54)	–	1,855	14,623
Accumulated losses	累計虧損	(714,362)	272,769	(21,757)	–	251,012	(463,350)
Total equity attributable to equity shareholders of the Company	**本公司股東應佔權益總額**	(120,615)	344,583	(21,811)	–	322,772	202,157
Non-controlling interests	**非控股權益**	85,652	(44,060)	(2,993)	–	(47,053)	38,599
Total (deficit)/equity	**（虧絀）／權益總額**	(34,963)	300,523	(24,804)	–	275,719	240,756

4 CORRECTION OF PRIOR YEARS' ERRORS *(continued)*

4. 糾正過往年度的錯誤*（續）*

The Group *(continued)*

本集團*（續）*

Consolidated Cash Flow Statement for the year ended 31 December 2009

截至二零零九年十二月三十一日止年度之綜合現金流量表

			Effect of prior years' adjustments 過往年度調整的影響				
		2009 (as previously reported) HK$'000 二零零九年（誠如先前所呈報）千港元	Initial recognition and subsequent measurements on assets acquired and liabilities assumed in a business combination HK$'000 *(Note 4(a))* 於業務合併中對所收購資產及所承擔負債之初步確認及其後計量 千港元 *（附註4(a)）*	Adjustments to expenses HK$'000 *(Note 4(b))* 開支調整 千港元 *（附註4 (b)）*	Reclassification HK$'000 *(Note 35)* 重新分類 千港元 *（附註35）*	Total adjustments HK$'000 調整總額 千港元	2009 (as restated) HK$'000 二零零九年（經重列）千港元
Operating activities	**經營業務**						
(Loss)/profit before taxation	除税前（虧損）／溢利	(1,519)	83,236	(16,941)	–	66,295	64,776
Adjustments for:	調整：						
Depreciation	折舊	16,308	(1,540)	9,124	(9)	7,575	23,883
Loss on disposal of fixed assets	處置固定資產虧損	1,927	–	–	(1)	(1)	1,926
Finance costs	財務費用	84,179	(81,696)	–	6,589	(75,107)	9,072
Equity-settled share-based payments expenses	按股權結算以股份支付之開支	2,553	–	–	–	–	2,553
Changes in working capital:	營運資金變動：						
Decrease in inventories	存貨減少	5,079	–	–	–	–	5,079
Increase in trade and other receivables	應收賬款及其他應收款增加	(11,771)	–	–	168	168	(11,603)
Increase in trade and other payables	應付賬款及其他應付款增加	83,780	–	7,817	(2,048)	5,769	89,549
Net cash generated from operations	**經營業務產生之淨現金**	180,536	–	–	4,699	4,699	185,235
Income tax paid	已繳所得税	(16,286)	–	–	–	–	(16,286)
Net cash generated from operating activities	**經營活動產生之淨現金**	164,250	–	–	4,699	4,699	168,949
Net cash generated from investing activities	**投資活動產生之淨現金**	1,959	–	–	244	244	2,203
Net cash used in financing activities	**融資活動所用之淨現金**	(162,267)	–	–	(4,943)	(4,943)	(167,210)
Net increase in cash and cash equivalents	**現金及現金等值項目增加淨額**	3,942	–	–	–	–	3,942
Cash and cash equivalents at 1 January 2009	**於二零零九年一月一日之現金及現金等值項目**	84,686	–	–	–	–	84,686
Effect of foreign exchange rate changes	**外匯匯率變動之影響**	(123)	–	–	–	–	(123)
Cash and cash equivalents at 31 December 2009	**於二零零九年十二月三十一日之現金及現金等值項目**	88,505	–	–	–	–	88,505

4 CORRECTION OF PRIOR YEARS' ERRORS *(continued)*

4. 糾正過往年度的錯誤*（續）*

The Group *(continued)*

本集團*（續）*

Consolidated Statement of Financial Position at 1 January 2009

於二零零九年一月一日之綜合財務狀況表

			Effect of prior years' adjustments 過往年度調整的影響			
		1 January 2009 (as previously reported) HK$'000 二零零九年一月一日（誠如先前所呈報）千港元	Initial recognition and subsequent measurements on assets acquired and liabilities assumed in a business combination HK$'000 *(Note 4(a))* 於業務合併中對所收購資產及所承擔負債之初步確認及其後計量 千港元 *（附註4(a)）*	Adjustments to expenses HK$'000 *(Note 4(a))* 開支調整 千港元 *（附註4(a)）*	Total adjustments HK$'000 調整總額 千港元	1 January 2009 (as restated) HK$'000 二零零九年一月一日（經重列）千港元
Non-current assets	**非流動資產**					
Fixed assets	固定資產	158,534	4,637	–	4,637	163,171
Intangible assets	無形資產	–	240,365	–	240,365	240,365
Goodwill	商譽	226,579	530,675	–	530,675	757,254
Loans receivables	應收貸款	1,343,644	(443,338)	–	(443,338)	900,306
Deferred tax assets	遞延稅項資產	3,655	–	3,780	3,780	7,435
		1,732,412	332,339	3,780	336,119	2,068,531
Current assets	**流動資產**					
Inventories	存貨	32,372	–	–	–	32,372
Trade and other receivables	應收賬款及其他應收款	86,958	6	–	6	86,964
Cash and cash equivalents	現金及現金等值項目	84,686	–	–	–	84,686
		204,016	6	–	6	204,022
Current liabilities	**流動負債**					
Trade and other payables	應付賬款及其他應付款	856,211	–	16,717	16,717	872,928
Bank and other loans	銀行及其他貸款	358,575	–	–	–	358,575
Current taxation	即期稅項	26,030	–	–	–	26,030
		1,240,816	–	16,717	16,717	1,257,533
Net current liabilities	**流動負債淨額**	(1,036,800)	6	(16,717)	(16,711)	(1,053,511)
Total assets less current liabilities	**總資產減流動負債**	695,612	332,345	(12,937)	319,408	1,015,020
Non-current liabilities	**非流動負債**					
Convertible notes	可換股票據	706,913	60,928	–	60,928	767,841
Deferred tax liabilities	遞延稅項負債	–	56,242	–	56,242	56,242
		706,913	117,170	–	117,170	824,083
NET (LIABILITIES)/ASSETS	**（負債）／資產淨額**	(11,301)	215,175	(12,937)	202,238	190,937
CAPITAL AND RESERVES	**資本及儲備**					
Share capital	股本	115,824	–	–	–	115,824
Reserves	儲備	(198,133)	275,535	(11,176)	264,359	66,226
Total equity attributable to equity shareholders of the company	**本公司股東應佔權益總額**	(82,309)	275,535	(11,176)	264,359	182,050
Non-controlling interests	**非控股權益**	71,008	(60,360)	(1,761)	(62,121)	8,887
TOTAL (DEFICIT)/EQUITY	**（虧絀）／權益總額**	(11,301)	215,175	(12,937)	202,238	190,937

4 CORRECTION OF PRIOR YEARS' ERRORS *(continued)*

4. 糾正過往年度的錯誤*（續）*

The Company

本公司

Statement of Financial Position at 31 December 2009

於二零零九年十二月三十一日之財務狀況表

			Effect of prior years' adjustments 過往年度調整的影響			
		31 December 2009 (as previously reported) HK$'000	Initial recognition and subsequent measurements on consideration of a business combination HK$'000 *(Note 4(a))* 於業務合併中對所收購資產及所承擔負債之初步確認及其後計量 千港元 *（附註4(a)）*	Adjustments to impairment losses previously recognised HK$'000 *(Note 4(a))* 對先前確認之減值虧損之調整 千港元 *（附註4(a)）*	Total adjustments HK$'000 調整總額 千港元	31 December 2009 (as restated) HK$'000 二零零九年十二月三十一日（經重列） 千港元
		二零零九年十二月三十一日（誠如先前所呈報） 千港元				
Non-current assets	**非流動資產**					
Investments in subsidiaries	於附屬公司之投資	1	–	–	–	1
Current assets	**流動資產**					
Other receivables	其他應收款項	464,300	46,974	679,999	726,973	1,191,273
Cash and cash equivalents	現金及現金等值項目	44	–	–	–	44
		464,344	46,974	679,999	726,973	1,191,317
Current liabilities	**流動負債**					
Other payables	其他應付款項	11,853	–	–	–	11,853
Net current assets	**流動資產淨值**	452,491	46,974	679,999	726,973	1,179,464
Total assets less current liabilities	**總資產減流動負債**	452,492	46,974	679,999	726,973	1,179,465
Non-current liabilities	**非流動負債**					
Convertible notes	可換股票據	767,427	44,732	–	44,732	812,159
NET (LIABILITIES)/ASSETS	**（負債）／資產淨額**	(314,935)	2,242	679,999	682,241	367,306
CAPITAL AND RESERVES	**資本及儲備**					
Share capital	股本	116,824	–	–	–	116,824
Reserves	儲備	(431,759)	2,242	679,999	682,241	250,482
TOTAL (DEFICIT)/EQUITY	**（虧絀）／權益總額**	(314,935)	2,242	679,999	682,241	367,306

4 CORRECTION OF PRIOR YEARS' ERRORS *(continued)*

4. 糾正過往年度的錯誤*（續）*

The Company *(continued)*

本公司（續）

Statement of Financial Position at 1 January 2009

於二零零九年一月一日之財務狀況表

			Effect of prior years' adjustments 過往年度調整的影響			
		1 January 2009 (as previously reported) HK$'000 二零零九年一月一日（誠如先前所呈報）千港元	Initial recognition and subsequent measurements on consideration of a business combination HK$'000 *(Note 4(a))* 於業務合併中對所收購資產及所承擔負債之初步確認及其後計量 千港元 *（附註4(a)）*	Adjustments to impairment losses previously recognised HK$'000 *(Note 4(a))* 對先前確認之減值虧損之調整 千港元 *（附註4(a)）*	Total adjustments HK$'000 調整總額 千港元	1 January 2009 (as restated) HK$'000 二零零九年一月一日（經重列）千港元
Non-current assets	**非流動資產**					
Investments in subsidiaries	於附屬公司之投資	1	–	–	–	1
Current assets	**流動資產**					
Other receivables	其他應收款項	737,236	46,975	445,499	492,474	1,229,710
Cash and cash equivalents	現金及現金等值項目	8	–	–	–	8
		737,244	46,975	445,499	492,474	1,229,718
Current liabilities	**流動負債**					
Other payables	其他應付款項	9,561	–	–	–	9,561
Net current assets	**流動資產淨值**	727,683	46,975	445,499	492,474	1,220,157
Total assets less current liabilities	**總資產減流動負債**	727,684	46,975	445,499	492,474	1,220,158
Non-current liabilities	**非流動負債**					
Convertible notes	可換股票據	706,913	60,927	–	60,927	767,840
NET ASSETS	**資產淨值**	20,771	(13,952)	445,499	431,547	452,318
CAPITAL AND RESERVES	**資本及儲備**					
Share capital	股本	115,824	–	–	–	115,824
Reserves	儲備	(95,053)	(13,952)	445,499	431,547	336,494
TOTAL EQUITY	**權益總額**	20,771	(13,952)	445,499	431,547	452,318

4 CORRECTION OF PRIOR YEARS' ERRORS *(continued)*

(a) Initial recognition and subsequent measurements on assets acquired and liabilities assumed in a business combination completed in 2008

On 25 September 2007, the Group, through a wholly owned subsidiary, entered into an agreement with Ginwa Investments Limited ("Ginwa Investments") to acquire Ginwa Investments' 76.43% equity interests in Century Ginwa Joint Stock Company Limited ("Ginwa Bell Tower") for a consideration of HK$1,091,142,000, comprised cash consideration of RMB180,000,000 and the Company's issuance of convertible notes with a face value of HK$1,231,612,200. The acquisition was completed on 31 August 2008. It has come to the attention of the directors of the Company that the previous accounting treatments adopted in relation to this acquisition including the related subsequent measurements were not compliant with HKFRS 3, *Business combinations*, as follows:

- intangible assets (trademark-use-right) and related deferred tax liabilities of the acquiree were not identified and recognised at the acquisition date; and
- non-current loans receivables of the acquiree were not measured at their fair values at the acquisition date by taking into account the effect of discounting.

- As a result of the above adjustments to the identifiable net assets acquired and the below adjustments to the convertible notes issued, a different amount of goodwill has been recognised. In addition, due to the adjustment made to loans receivables, the Group has also adjusted the related amounts of interest income for each accounting period using the effective interest method. The intangible assets (trademark-use-right) are assessed to be indefinite.

4. 糾正過往年度的錯誤*（續）*

(a) 對於二零零八年完成的業務合併中所收購資產及所承擔負債的初步確認及其後計量

於二零零七年九月二十五日，本集團透過一間全資附屬公司與金花投資有限公司（「金花投資」）訂立協議，以收購金花投資於世紀金花股份有限公司（「金花鐘樓」）的76.43%股權，涉及代價為1,091,142,000港元，包括現金代價人民幣180,000,000元及本公司發行面值為1,231,612,200港元的可換股票據。該收購已於二零零八年八月三十一日完成。本公司董事留意到過往所採用有關是次收購的會計處理方法包括相關其後計量並無遵守香港財務報告準則第3號，*業務合併*的規定。

- 被收購方的無形資產（商標使用權）及相關遞延稅項負債並無在收購日期識別及確認；及
- 被收購方的非即期應收貸款並無計算貼現的影響下在收購日期以公平值計量。

- 因應上述對所收購可識別資產淨值的調整及下文對已發行可換股票據的調整，已確認商譽的不同金額。此外，由於對應收貸款作出調整，本集團亦已採用實際利息法調整各會計期間的相關利息收入。無形資產（商標使用權）被評估為無限期。

4 CORRECTION OF PRIOR YEARS' ERRORS *(continued)*

(a) Initial recognition and subsequent measurements on assets acquired and liabilities assumed in a business combination completed in 2008 *(continued)*

- Previously the convertible notes issued as part of the consideration were accounted for by the Group as containing a liability component and a derivative component (i.e. a conversion option). But after revisiting the terms of the convertible notes, the directors of the Company consider that the convertible notes should have been accounted for as compound financial instruments containing a liability component, an equity component and a derivative component (i.e. a call option). Adjustments have been made accordingly.

  As a result of the adjustment made to the liability component of the convertible notes, the Group has also adjusted the related amounts of interest charges for each accounting period using the effective interest method. In addition, due to the identification of a new derivative financial instrument, the Group has re-measured the derivative financial instrument at the end of each reporting period using a binomial lattice model, and adjusted the amounts of changes in fair value for each accounting period.

4. 糾正過往年度的錯誤*（續）*

(a) 對於二零零八年完成的業務合併中所收購資產及所承擔負債的初步確認及其後計量（續）

- 作為部份代價而發行之可換股票據之前乃由本集團作為包含負債部份及衍生部份（即可轉換權）入賬。但於重新查看可換股票據之條款後，本公司董事認為，可換股票據應作為包含負債部份、權益部份及衍生部份（即認購期權）之複合金融工具入賬，因此，已作出調整。

  由於對可換股票據之負債部份作出之調整，本集團已使用實際利息法調整各會計期間之相關利息費用。此外，由於確認一項新衍生金融工具，本集團已於各報告期末使用二項式點陣模式重新計量衍生金融工具並調整各會計期間之公允值變動金額。

4 CORRECTION OF PRIOR YEARS' ERRORS *(continued)*

(a) Initial recognition and subsequent measurements on assets acquired and liabilities assumed in a business combination completed in 2008 *(continued)*

- Given the change in value of the amount of goodwill arising from the above acquisition, the directors of the Company have reassessed whether the goodwill may be impaired at the end of each reporting period. In assessing the recoverable amount, the directors have revisited the cash flow forecast previously adopted and concluded that such cash flow forecast contained errors. As a result, adjustments were made to the cash flow forecast, and consequently, the reversal of the previously overstatement of impairment loss on goodwill.

  In addition to the above, the Company has also adopted cash flow forecasts that contained errors in considering the recoverability of amounts due from subsidiaries. Based on the revised cash flow forecasts, the directors of the Company consider that no impairment losses on the amounts due from subsidiaries with department store operations were required as at 31 December 2009.

4. 糾正過往年度的錯誤*（續）*

(a) 對於二零零八年完成的業務合併中所收購資產及所承擔負債的初步確認及其後計量*（續）*

- 鑑於上述收購產生之商譽之價值變動，本公司董事已於各報告期末重估商譽有否出現減值。於評估可收回金額時，董事已重新查看之前所採用之現金流量預測並認為有關現金流量預測存在錯誤。因此，已對現金流量預測作出調整，並隨後對先前超出的商譽減值虧損作出撥回。

  除上述者外，本公司亦於考慮應收附屬公司款項之可收回性時採納存在錯誤的現金流量預測。根據妥為編製之現金流量預測，本公司董事認為於二零零九年十二月三十一日應收擁有百貨公司業務之附屬公司款項無需作出減值虧損。

4 CORRECTION OF PRIOR YEARS' ERRORS *(continued)*

(b) Other adjustments to expenses recognised in prior years

The following errors in connection with expenses recognised in prior years have also been identified as follows:

(i) The Group has implemented a customer loyalty programme for its department store operations since the commencement of operations of each department store, but did not account for such programme in accordance with HK(IFRIC) 13, *Customer loyalty programmes*. Accordingly, the Group has made adjustments upon the adoption of HK(IFRIC) 13 (see accounting policy set out in Note 2(t)(iii)).

(ii) The Group leases certain properties for its department stores. Under the terms of the leases, the Group is entitled to rent-free periods. Previously such incentives had not been taken into account by the Group when determining the operating lease charges for each accounting period and, consequently, the Group has made adjustments in accordance with the accounting policy set out in Note 2(h).

(iii) The Group previously depreciated certain leasehold improvements over their estimated useful lives, which are longer than their respective lease terms and was not in accordance with the Group's accounting policy as set out in Note 2(f). Consequently, the Group has made adjustments to depreciate leasehold improvements over the shorter of their estimated useful lives or lease terms.

4. 糾正過往年度的錯誤*（續）*

(b) 於過往年度確認開支之其他調整

本集團亦已識別有關於過往年度確認開支之錯誤如下：

(i) 本集團自各百貨公司啟業時已對其百貨公司實施客戶忠誠度計劃，惟並無根據《香港（國際財務報告詮釋委員會）詮釋第13號》*客戶忠誠度計劃*將該計劃入賬。因此，本集團已於採納《香港（國際財務報告詮釋委員會）詮釋第13號》時作出調整（參閱附註2(t)(iii)所載之會計政策）。

(ii) 本集團為其百貨公司租得若干物業。根據租賃條款，本集團享有免租期。過往，本集團於釐定各會計期間之經營租賃費用時並無計及該等獎勵，而其後，本集團已根據附註2(h)所載之會計政策作出調整。

(iii) 本集團過往對其若干租賃物業裝修以其估計使用期（較其各自之租賃期長）進行折舊，而並無根據附註2(f)所載之本集團的會計政策行事。其後，本集團已按其估計使用期或租賃期兩者之較短者作出調整，以對租賃物業裝修進行折舊。

5 TURNOVER

The principal activities of the Group are the operation of department stores in the PRC.

Turnover represents the sales value of goods sold to customers (net of value added tax or other sales tax and discounts), net income from concession sales, rental income from operating leases and management service fee income. The amount of each significant category of revenue recognised during the year is analysed as follows:

5 營業額

本集團之主要業務是在中國經營百貨公司。

營業額指向客戶售出之商品銷售價值（扣除增值税或其他銷售税收及折扣）、特許專櫃銷售淨收入、來自經營租賃之租金收入及管理服務費收入。於年內，已確認之各主要收益類別金額之分析如下：

		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Sale of goods	商品銷售	**249,556**	196,909
Net income from concession sales	特許專櫃銷售淨收入	**402,904**	312,657
Rental income from operating leases	來自經營租賃之租金收入	**33,680**	28,616
Management service fee income	管理服務費收入	**12,720**	9,870
		698,860	548,052

The Group's customer base is diversified and has no customer with whom transactions have exceeded 10% of the Group's turnover for the year ended 31 December 2010 (2009: HK$Nil). Details of concentrations of credit risk are set out in Note 30(a).

本集團之客戶群呈多樣化，並無客戶與本集團之交易額超過本集團於截至二零一零年十二月三十一日止年度營業額之10%（二零零九年：零港元）。有關集中信貸風險之詳情載於附註30(a)。

6 OTHER REVENUE AND NET (LOSS)/INCOME

6 其他收益及淨（虧損）／收入

		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Other revenue	**其他收益**		
Non-redemption of credits under customer loyalty programme	無需清償客戶忠誠度計劃項下之積分	**15,347**	–
Interest income	利息收入	**1,286**	1,661
Others	其他	**5,502**	3,983
		22,135	5,644
Other net (loss)/income	**其他（虧損）／收入淨額**		
Net loss on disposal of fixed assets	處置固定資產虧損淨額	**(4,550)**	(1,926)
Net income from the sale of food and beverages in department stores	來自於百貨公司的銷售食物及飲料之收入淨額	**931**	2,368
		(3,619)	442

7 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) Finance (income)/costs:

7 除税前溢利

除税前溢利已扣除／（計入）：

(a) 財務（收入）／費用：

		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Interest expenses on bank and other loans	銀行及其他貸款之利息支出	**19,119**	42,295
Finance charges on unsecured and convertible notes	無抵押票據及可換股票據之財務支出	**95,861**	83,750
Bank charges and other finance costs	銀行費用及其他財務費用	**7,748**	5,096
Total borrowing costs	總借貸成本	**122,728**	131,141
Finance income on loans receivables	應收貸款之財務收入	**(126,986)**	(116,248)
Changes in fair value on the derivative components of convertible notes	可換股票據之衍生部份公允值變動	**(34,319)**	(5,821)
Net loss on redemption of convertible notes *(Note 24)*	贖回可換股票據之虧損淨額*（附註24）*	**4,084**	–
		(34,493)	9,072

7 PROFIT BEFORE TAXATION *(continued)* 7 除税前溢利*（續）*

(b) Staff costs (b) 員工成本

		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Salaries, wages and other benefits	薪金、工資及其他福利	**82,554**	65,320
Contributions to defined contribution retirement plans	向定額供款退休計劃供款	**5,910**	5,011
Equity-settled share-based payment expenses	按股權結算以股份支付之支出	**6,750**	2,553
		95,214	72,884

The employees of the subsidiaries of the Group established in the PRC (the "PRC subsidiaries") participate in defined contribution retirement benefit schemes managed by the local government authorities, whereby the PRC subsidiaries are required to contribute to the schemes at 20% of the employees' basic salaries. Employees of the PRC subsidiaries are entitled to retirement benefits, calculated based on a percentage of the average salaries level in the PRC, from the above mentioned retirement schemes at their normal retirement age.

本集團於中國成立之附屬公司（「中國附屬公司」）之僱員參與地方政府機構管理之定額供款退休福利計劃，據此中國附屬公司須按僱員基本薪金之20%向該等計劃供款。根據上述退休計劃，中國附屬公司僱員於達致正常退休年齡時有權按上述退休計劃享有按中國平均薪資水平百分比計算之退休福利。

The employees of the Company who situated in Hong Kong Special Administrative Region ("Hong Kong SAR") participate in the Mandatory Provident Fund Scheme, whereby the Company is required to contribute to the scheme at 5% of the employees' basic salaries.

本公司之香港特別行政區（「香港特別行政區」）僱員參與強制性公積金計劃，因此本公司須按僱員基本薪資之5%向該計劃供款。

The Group has no further obligation for payment of other retirement benefits beyond the above annual contributions.

除作出上述年度供款外，本集團概無就其他退休福利付款之責任。

7 PROFIT BEFORE TAXATION *(continued)* 7 除税前溢利*（續）*

(c) Other items (c) 其他項目

		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Auditors' remuneration – audit service	核數師酬金 －核數服務	**1,724**	1,330
Depreciation *(Note 13)*	折舊*（附註13）*	**28,521**	23,883
Impairment losses on trade and other receivables *(Note 19(b))*	應收賬款及其他應收款減值虧損*（附註19(b)）*	**–**	131
Operating lease charges in respect of:	有關以下各項之經營租賃費用：		
– buildings	－樓宇	**115,619**	126,657
– motor vehicles	－運輸工具	**1,655**	1,637
– contingent rentals on property rentals	－物業租金之或然租金	**2,816**	2,000
Net foreign exchange loss	外匯虧損淨額	**255**	152
Cost of inventories sold *(Note 18)*	已售存貨成本*（附註18）*	**191,739**	153,986

8 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

8 綜合收益表內所得稅

(a) Taxation in the consolidated income statement represents:

(a) 綜合收益表內之稅項指：

		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Current tax *(Note 27(a))*:	**本期稅項**（*附註27(a)*）：		
– Provision for PRC income tax for the year	－年內中國所得稅撥備	**50,658**	26,837
– Withholding income tax on dividends paid by a PRC subsidiary of the Group	－有關本集團一間中國附屬公司派付股息之預扣所得稅	**1,548**	1,126
– Under-provision in respect of prior years	－過往年度撥備不足	**853**	1,937
		53,059	29,900
Deferred taxation *(Note 27(b))*:	**遞延稅項**（*附註27(b)*）：		
– Origination and reversal of temporary differences	－暫時性差異之產生及撥回	**(4,610)**	(4,415)
		48,449	25,485

8 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT *(continued)*

8 綜合收益表內所得稅*（續）*

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

(b) 按適用稅率調節之稅項支出及會計溢利如下：

		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Profit before taxation	除稅前溢利	**168,171**	64,776
Expected tax on profit before tax, calculated at the rates applicable to profits in the tax jurisdictions concerned *(Notes (i), (ii) and (iii))*	除稅前溢利之預期稅項，按相關稅務司法權區獲得溢利之適用稅率計算*（附註(i)、(ii)及(iii)）*	**58,660**	35,756
Tax effect of non-deductible expenses	不可扣減支出之稅務影響	**1,956**	94
Tax effect of non-taxable income	非課稅收入之稅務影響	**(21,304)**	(16,375)
Tax effect of unused tax losses not recognised	未確認未動用稅務虧損之稅務影響	**6,736**	2,947
Withholding income tax on dividends paid by a PRC subsidiary of the Group	本集團之中國附屬公司所支付股息之預扣所得稅	**1,548**	1,126
Under-provision in respect of prior years	過往年度撥備不足	**853**	1,937
Income tax	所得稅	**48,449**	25,485

Notes:

(i) No provision for Hong Kong Profits Tax has been made, as the subsidiaries of the Group incorporated in Hong Kong SAR did not have assessable profits subject to Hong Kong Profits Tax for the year ended 31 December 2010 (2009: HK$Nil).

附註：

(i) 由於本集團於香港特別行政區註冊成立之附屬公司截至二零一零年十二月三十一日止年度並無須繳納香港利得稅之應課稅溢利（二零零九年：零港元），故並未就香港利得稅作出撥備。

8 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT *(continued)*

(b) Reconciliation between tax expense and accounting profit at applicable tax rates: *(continued)*

(ii) The Company and its subsidiaries incorporated in countries other than the PRC and Hong Kong SAR are not subject to any income tax pursuant to the rules and regulations of their respective countries of incorporation.

(iii) The PRC subsidiaries of the Group are subject to PRC Corporate Income Tax rates ranging from 15% to 25% (2009: 15% to 25%).

8 綜合收益表內所得稅*（續）*

(b) 按適用稅率調節之稅項支出及會計溢利如下：*（續）*

(ii) 本公司及其於中國及香港特別行政區以外國家註冊成立之附屬公司根據其各自所在註冊國家之法律及法規毋須繳納任何所得稅。

(iii) 本集團之中國附屬公司須繳納中國企業所得稅稅率介乎15%至25%（二零零九年：15%至25%）。

9 DIRECTORS' REMUNERATION

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

9 董事薪酬

根據香港《公司條例》第161條披露之董事薪酬如下：

		2010 二零一零年						
		Directors' fees HK$'000 董事袍金 千港元	Salaries, allowances and benefits in kind HK$'000 薪金、津貼及其他實物福利 千港元	Discretionary bonuses HK$'000 酌情花紅 千港元	Retirement scheme contributions HK$'000 退休金計劃供款 千港元	Sub-total HK$'000 小計 千港元	Share-based payments HK$'000 *(Note (i))* 股份付款 千港元 *（附註(i)）*	Total HK$'000 總計 千港元
Executive directors	**執行董事**							
Mr. Qiu Zhongwei (Appointed on 3 December 2010)	邱中偉先生（於二零一零年十二月三日獲委任）	–	–	–	–	–	–	–
Mr. Choon Hoi Kit, Edwin (Appointed on 8 March 2010)	鄭開杰先生（於二零一零年三月八日獲委任）	–	1,218	3,000	10	4,228	377	4,605
Mr. Qu Jiaqi	曲家琪先生	–	385	1,094	23	1,502	382	1,884
Mr. Sha Yingjie	沙英杰先生	–	316	722	23	1,061	306	1,367
Mr. Hu Yangxiong (Resigned on 8 March 2010)	胡養雄先生（於二零一零年三月八日辭任）	–	283	–	3	286	7	293
Mr. Li Haogang (Resigned on 3 December 2010)	李郝港先生（於二零一零年十二月三日辭任）	–	329	823	23	1,175	352	1,527
Ms. Lu Xiaoling (Resigned on 3 December 2010)	魯曉玲女士（於二零一零年十二月三日辭任）	–	228	–	31	259	–	259
Non-executive directors	**非執行董事**							
Mr. Chen Shuai (Appointed on 3 December 2010)	陳帥先生（於二零一零年十二月三日獲委任）	–	–	–	–	–	–	–
Independent non-executive directors	**獨立非執行董事**							
Mr. Chan Wai Kwong, Peter	陳為光先生	96	–	–	–	96	–	96
Mr. Fu Wing Kwok, Ewing	傅榮國先生	96	–	–	–	96	–	96
Mr. Tsang Kwok Wai	曾國偉先生	96	–	–	–	96	–	96
		288	2,759	5,639	113	8,799	1,424	10,223

9 DIRECTORS' REMUNERATION *(continued)* 9 董事薪酬（續）

		2009 二零零九年						
		Directors' fees HK$'000 董事袍金 千港元	Salaries, allowances and benefits in kind HK$'000 薪金、津貼及其他實物福利 千港元	Discretionary bonuses HK$'000 酌情花紅 千港元	Retirement scheme contributions HK$'000 退休金計劃供款 千港元	Sub-total HK$'000 小計 千港元	Share-based payments HK$'000 (Note (i)) 股份付款 千港元 (附註(i))	Total HK$'000 總計 千港元
Executive directors	**執行董事**							
Mr. Qu Jiaqi	曲家琪先生	–	192	750	14	956	254	1,210
Mr. Sha Yingjie	沙英杰先生	–	129	540	14	683	254	937
Mr. Hu Yangxiong	胡養雄先生	–	1,200	100	27	1,327	400	1,727
Mr. Li Haogang	李郝港先生	–	159	625	14	798	254	1,052
Ms. Lu Xiaoling (Appointed on 1 February 2009)	魯曉玲女士（於二零零九年二月一日獲委任）	–	236	–	19	255	–	255
Independent non-executive directors	**獨立非執行董事**							
Mr. Chan Wai Kwong, Peter	陳為光先生	96	–	–	–	96	–	96
Mr. Fu Wing Kwok, Ewing	傅榮國先生	96	–	–	–	96	–	96
Mr. Tsang Kwok Wai	曾國偉先生	96	–	–	–	96	–	96
		288	1,916	2,015	88	4,307	1,162	5,469

There were no amounts paid during the year to the directors in connection with their retirement from employment or compensation for loss of office with the Group, or inducement to join. There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

本集團於年內並無向董事支付任何有關彼等退休或離職補償或加入時獎勵之款項。年內並無董事放棄或同意放棄任何酬金之安排。

Note (i): These represent the estimated value of share options granted to the directors under the Company's share option scheme. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions as set out in Note 2(q)(ii). The details of these benefits in kind, including the principal terms and number of options granted, are disclosed under the paragraph "Share option scheme" in the directors' report and Note 25.

附註(i)： 該等金額指根據本公司購股權計劃授予董事之購股權之估計價值。該等購股權之價值是根據本集團列於附註2(q)(ii)股份付款交易之會計政策計量。有關此等實物福利之詳情，包括主要條款及授予之購股權數目，已於董事會報告之「購股權計劃」一段及附註25披露。

10 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, four (2009: five) are directors whose emoluments are disclosed in Note 9.

The emoluments in respect of the other one (2009: Nil) individual are as follows:

10 最高薪人士

在五名最高薪人士中，四名（二零零九年：五名）均為董事，而其酬金詳情已於附註9披露。

有關其他一名（二零零九年：無）人士之酬金總額如下：

		2010 HK$'000 二零一零年 千港元	2009 HK$'000 二零零九年 千港元
Salaries, allowances and benefits in kind	薪金、津貼及其他實物福利	407	–
Discretionary bonuses	酌情花紅	842	–
Retirement scheme contributions	退休金計劃供款	26	–
Share-based payments	股份付款	302	–
		1,577	–

No emoluments were paid or payable to this employee as an inducement to join or upon joining the Group or as compensation for loss of office during the year.

年內並無向該僱員支付或應支付任何酬金，作為其加入或於加入本集團時之離職補償。

11 PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

The consolidated profit attributable to equity shareholders of the Company includes a loss of HK$93,192,000 (2009: loss of HK$92,908,000 (restated)) which has been dealt with in the financial statements of the Company.

11 本公司股東應佔之溢利

本公司股東應佔之綜合溢利包括93,192,000港元之虧損（二零零九年：虧損92,908,000港元（經重列）），已於本公司之財務報表內處理。

12 EARNINGS PER SHARE

12 每股盈利

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of HK$74,479,000 (2009: HK$10,168,000 (restated)) and the weighted average of 1,724,709,000 ordinary shares (2009: 1,161,392,000 ordinary shares) in issue during the year, calculated as follows:

(a) 每股基本盈利

每股基本盈利是依據本公司股東應佔溢利74,479,000港元（二零零九年：10,168,000港元（經重列））及年內已發行股份之加權平均數1,724,709,000股普通股（二零零九年：1,161,392,000股普通股）計算如下：

(i) Weighted average number of ordinary shares

(i) 普通股加權平均數：

		2010 '000 二零一零年 千股	2009 '000 (restated) 二零零九年 千股 （經重列）
Issued ordinary shares at 1 January	於一月一日之已發行普通股	**1,168,241**	1,158,241
Effect of rights issue *(Note 28(c)(ii))*	供股之影響（*附註28(c)(ii)*）	**552,714**	–
Effect of share options exercised *(Note 28(c)(iii))*	已行使購股權之影響（*附註28 (c)(iii)*）	**55**	–
Effect of warrants exercised *(Note 28(c)(iv))*	已行使認股權證之影響（*附註28(c)(iv)*）	**3,699**	3,151
Weighted average number of ordinary shares at 31 December	於十二月三十一日之普通股加權平均數	**1,724,709**	1,161,392

12 EARNINGS PER SHARE *(continued)*

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to equity shareholders of the Company of HK$38,055,000 and the weighted average number of 3,773,974,000 ordinary shares, calculated as follows:

(i) Profit attributable to ordinary equity shareholders of the Company (diluted)

12 每股盈利*（續）*

(b) 每股攤薄盈利

每股攤薄盈利是依據本公司股東應佔溢利38,055,000港元及普通股之加權平均數3,773,974,000股計算如下：

(i) 本公司普通股股東應佔溢利（攤薄）

		2010 HK$'000 二零一零年 千港元
Profit attributable to ordinary equity shareholders	普通股股東應佔溢利	**74,479**
After tax effect of effective interest on the liability component of convertible notes	可換股票據負債部份實際利息之除税後影響	**88,272**
After tax effect of changes in fair value recognised on the derivative component of convertible notes	就可換股票據之衍生部份確認之公平值變動之除税後影響	**(124,696)**
Profit attributable to ordinary equity shareholders (diluted)	普通股股東應佔溢利（攤薄）	**38,055**

12 EARNINGS PER SHARE *(continued)*

(b) Diluted earnings per share *(continued)*

(ii) Weighted average number of ordinary shares (diluted)

12 每股盈利*（續）*

(b) 每股攤薄盈利 *（續）*

(ii) 普通股加權平均數（攤薄）

		2010 '000 二零一零年 千股
Weighted average number of ordinary shares at 1 January	於一月一日之普通股加權平均數	1,724,709
Effect of conversion of convertible notes	轉換可換股票據之影響	1,915,026
Effect of deemed issue of shares under the Company's share option scheme	視為根據本公司購股權計劃發行股份之影響	3,094
Effect of deemed issue of shares on the exercise of warrants	視為行使認股權證時發行股份之影響	131,145
Weighted average number of ordinary shares (diluted) at 31 December	於十二月三十一日之普通股加權平均數（攤薄）	3,773,974

There were no dilutive potential ordinary shares as at 31 December 2009.

於二零零九年十二月三十一日，並無具攤薄影響之潛在普通股。

13 FIXED ASSETS

13 固定資產

The Group

本集團

		Leasehold land and buildings HK$'000 租賃土地及樓宇 千港元	Leasehold improvements HK$'000 租賃物業裝修 千港元	Furniture, fixtures and equipment HK$'000 傢俬、裝置及設備 千港元	Motor vehicles HK$'000 汽車 千港元	Construction in progress HK$'000 在建工程 千港元	Total HK$'000 合計 千港元
Cost:	**成本：**						
At 1 January 2009	於二零零九年一月一日						
As previously reported	如先前呈報	–	125,644	40,835	4,132	5,915	176,526
Prior years' adjustments *(Note 4)*	過往年度調整*（附註4）*	–	853	3,170	100	–	4,123
As restated	經重列	–	126,497	44,005	4,232	5,915	180,649
Exchange adjustments	匯兌調整	–	79	139	1	4	223
Additions	添置	–	10,471	2,979	2,142	1,869	17,461
Transfer in/(out)	轉入／（出）	–	3,678	209	–	(3,887)	–
Disposals	處置	–	(3,037)	(2,163)	(165)	–	(5,365)
At 31 December 2009 (restated)	於二零零九年十二月三十一日（經重列）	–	137,688	45,169	6,210	3,901	192,968
Accumulated depreciation:	**累計折舊：**						
At 1 January 2009	於二零一零年一月一日						
As previously reported	如先前呈報	–	10,728	7,026	238	–	17,992
Prior years' adjustments *(Note 4)*	處置年度調整*（附註4）*	–	(106)	(395)	(13)	–	(514)
As restated	經重列	–	10,622	6,631	225	–	17,478
Exchange adjustments	匯兌調整	–	24	11	–	–	35
Charge for the year (restated) *(Note 4)*	年度折舊（經重列）*（附註4）*	–	17,352	6,222	309	–	23,883
Written back on disposals	處置時撥回	–	(1,549)	(1,559)	(13)	–	(3,121)
At 31 December 2009 (restated)	於二零零九年十二月三十一日（經重列）	–	26,449	11,305	521	–	38,275
Net book value:	**賬面淨值：**						
At 31 December 2009 (restated)	於二零零九年十二月三十一日（經重列）	–	111,239	33,864	5,689	3,901	154,693

13 FIXED ASSETS *(continued)* 13 固定資產*（續）*

The Group *(continued)* 本集團*（續）*

		Leasehold land and buildings HK$'000 租賃土地及樓宇 千港元	Leasehold improvements HK$'000 租賃物業裝修 千港元	Furniture, fixtures and equipment HK$'000 傢俬、裝置及設備 千港元	Motor vehicles HK$'000 汽車 千港元	Construction in progress HK$'000 在建工程 千港元	Total HK$'000 合計 千港元
Cost:	**成本：**						
At 1 January 2010 (restated)	於二零一零年一月一日（經重列）	–	137,688	45,169	6,210	3,901	192,968
Exchange adjustments	匯兑調整	–	6,154	3,939	318	308	10,719
Additions through acquisitions of subsidiaries *(Note 29)*	透過收購附屬公司之添置*（附註29）*	–	66,213	7,123	785	–	74,121
Additions	添置	746,491	21,411	9,982	4,736	12,531	795,151
Transfer in/(out)	轉入／（出）	–	4,330	–	–	(4,330)	–
Disposals	處置	–	(4,840)	(4,115)	(2,175)	–	(11,130)
At 31 December 2010	**於二零一零年十二月三十一日**	**746,491**	**230,956**	**62,098**	**9,874**	**12,410**	**1,061,829**
Representing:	**指：**						
Cost	成本	–	230,956	62,098	9,874	12,410	315,338
Valuation – 2010	估值－二零一零年	746,491	–	–	–	–	746,491
		746,491	230,956	62,098	9,874	12,410	1,061,829
Accumulated depreciation:	**累計折舊：**						
At 1 January 2010 (restated)	於二零一零年一月一日（經重列）	–	26,449	11,305	521	–	38,275
Exchange adjustments	匯兑調整	–	1,680	1,968	96	–	3,744
Additions through acquisitions of subsidiaries *(Note 29)*	透過收購附屬公司之添置*（附註29）*	–	2,320	715	26	–	3,061
Charge for the year	年度折舊	1,417	18,158	6,120	2,826	–	28,521
Written back on disposals	處置時撥回	–	(2,362)	(2,202)	(1,605)	–	(6,169)
At 31 December 2010	**於二零一零年十二月三十一日**	**1,417**	**46,245**	**17,906**	**1,864**	**–**	**67,432**
Net book value:	**賬面淨值：**						
At 31 December 2010	**於二零一零年十二月三十一日**	**745,074**	**184,711**	**44,192**	**8,010**	**12,410**	**994,397**

13 FIXED ASSETS *(continued)*

Revaluation of leasehold land and buildings

The Group's leasehold land and buildings held for own use were acquired on 3 December 2010. On acquisition date, the leasehold land and buildings were revalued based on direct comparison method by reference to recent market transactions in comparable properties. The valuations were carried out by a qualified surveyor who is an associate member of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued.

13 固定資產*（續）*

租賃土地及樓宇之重估

本集團持作自用之租賃土地及樓宇已於二零一零年十二月三日收購。於收購日期，租賃土地及樓宇已參考可資比較物業之近期市場交易根據直接比較法進行重估。該等估值乃由一名屬香港測量師學會會員並對所估值物業地點及類別擁有近期經驗之合資格測量師進行。

14 INTANGIBLE ASSETS

14 無形資產

		The Group Trademark-use-right HK$'000 本集團 商標使用權 千港元
Cost:	**成本值：**	
At 1 January and 31 December 2009	於二零零九年一月一日及二零零九年十二月三十一日	
As previously reported	如先前呈報	–
Prior years' adjustments *(Note 4)*	過往年度調整*（附註4）*	240,365
As restated	經重列	240,365
Additions through acquisitions of subsidiaries *(Note 29)*	透過收購附屬公司之添置*（附註29）*	162,834
At 31 December 2010	於二零一零年十二月三十一日	403,199
Accumulated impairment losses:	**累計減值虧損：**	
At 1 January 2009 (restated), 31 December 2009 (restated) and 31 December 2010	於二零零九年一月一日（經重列）、二零零九年十二月三十一日（經重列）及二零一零年十二月三十一日	–
Carrying amount:	**賬面值：**	
At 31 December 2010	**於二零一零年十二月三十一日**	**403,199**
At 31 December 2009 (restated)	於二零零九年十二月三十一日（經重列）	240,365

15 GOODWILL 15 商譽

		The Group HK$'000 本集團 千港元
Cost:	**成本值：**	
At 1 January and 31 December 2009	於二零零九年一月一日及二零零九年十二月三十一日	
As previously reported	如先前呈報	831,232
Prior years' adjustments *(Note 4)*	過往年度調整*（附註4）*	255,595
As restated	經重列	1,086,827
Addition through acquisitions of subsidiaries *(Note 29)*	透過收購附屬公司之添置*（附註29）*	324,355
At 31 December 2010	於二零一零年十二月三十一日	1,411,182
Accumulated impairment losses:	**累計減值虧損：**	
At 1 January and 31 December 2009 (restated)	於二零零九年一月一日及二零零九年十二月三十一日（經重列）	
As previously reported	如先前呈報	604,653
Prior years' adjustments *(Note 4)*	過往年度調整*（附註4）*	(275,080)
As restated and at 31 December 2010	經重列及於二零一零年十二月三十一日	329,573
Carrying amount:	**賬面值：**	
At 31 December 2010	**於二零一零年十二月三十一日**	**1,081,609**
At 31 December 2009 (restated)	於二零零九年十二月三十一日（經重列）	757,254

15 GOODWILL *(continued)*

Impairment loss

During the year ended 31 December 2008, the Group acquired 76.43% equity interests in Ginwa Bell Tower for a consideration of HK$1,091.1 million. The excess of the cost of purchase over the net fair value of Ginwa Bell Tower's identifiable net assets was HK$1,086.8 million, which was recorded as goodwill and allocated to the department store operations of Ginwa Bell Tower.

At 31 December 2008, due to the global economic crisis, the directors of the Company have determined that the recoverable amount of the cash generating unit which the goodwill related to was less than its carrying value by HK$ 329.6 million, and accordingly, an impairment loss of the same amount was provided in 2008.

During the year ended 31 December 2010, the Group acquired 100% equity interests in Golden Chance (Xi'an) Limited ("GCX") for a total consideration of HK$458.6 million. The excess of the cost of purchase over the net fair value of GCX's identifiable net assets was HK$324.4 million, which was recorded as goodwill and allocated to the department store operations of GCX.

The recoverable amount of the cash generating unit was determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets prepared by the directors of the Company covering a five-year period and a discount rate of 7% (2009: 10%).

15 商譽*（續）*

減值虧損

於截至二零零八年十二月三十一日止年度，本集團以代價1,091,100,000港元收購金花鐘樓76.43%股權。購買成本較金花鐘樓的可識別淨資產超出1,086,800,000港元，該等金額乃計作商譽並分配至金花鐘樓的百貨商場業務。

於二零零八年十二月三十一日，由於全球經濟危機，本公司董事已釐定商譽相關的現金產生單位的可收回金額較其賬面值少於329,600,000港元，因此，該相同金額的減值虧損於二零零八年計提撥備。

截至二零一零年十二月三十一日止年度，本集團以總代價458,600,000港元收購Golden Chance (Xi'an) Limited（「GCX」）的全部股權。購買成本較GCX的可識別資產之公允值淨額超出324,400,000港元，該等金額乃計作商譽並分配至GCX的百貨商場業務。

現金產生單位的可收回數額乃按使用價值計算而釐定。有關價值乃使用根據本公司董事就五年期間編製的財務預算及貼現率7%（二零零九年：10%）為基準的現金流量預測計算。

16 INVESTMENTS IN SUBSIDIARIES 16 於附屬公司之投資

		The Company 本公司	
		2010 HK$'000 二零一零年 千港元	2009 HK$'000 二零零九年 千港元
Unlisted shares, at cost	非上市股份，按成本值	**458,630**	2
Less: Impairment loss	減：減值虧損	**(1)**	(1)
		458,629	1

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group.

下表僅載列主要影響本集團業績、資產或負債之附屬公司詳情。

Name of company 公司名稱	Place of establishment and operations 成立及營業地點	Particulars of registered and paid up capital 已註冊及繳足股本資料	Proportion of ownership interest 擁有權權益比例 The Group's effective interest 本集團之實際權益	Held by the Company 由本公司持有	Held by a subsidiary 由附屬公司持有	Principal activities 主營業務
Century Ginwa Joint Stock Company Limited * 世紀金花股份有限公司	PRC 中國	RMB235,500,000 人民幣235,500,000元	76.43%	–	76.43%	Operation of department store 經營百貨公司
Century Ginwa Urumqi Shopping Mall Company Limited * 世紀金花烏魯木齊購物中心有限公司	PRC 中國	RMB50,000,000 人民幣50,000,000元	100%	–	100%	Operation of department store 經營百貨公司

16 INVESTMENTS IN SUBSIDIARIES *(continued)* 16 於附屬公司之投資*（續）*

Name of company 公司名稱	Place of establishment and operations 成立及營業地點	Particulars of registered and paid up capital 已註冊及繳足股本資料	Proportion of ownership interest 擁有權權益比例 The Group's effective interest 本集團之實際權益	Held by the Company 由本公司持有	Held by a subsidiary 由附屬公司持有	Principal activities 主營業務
Shaanxi Century Ginwa Tangrenjie Shopping Mall Company Limited * 陝西世紀金花唐人街商場有限責任公司	PRC 中國	RMB20,000,000 人民幣20,000,000元	51%	–	51%	Operation of department store 經營百貨公司
Xi'an Century Ginwa Nandajie Shopping Mall Company Limited * 西安世紀金花南大街購物中心有限公司	PRC 中國	RMB5,000,000 人民幣5,000,000元	100%	–	100%	Operation of department store 經營百貨公司
Xi'an Century Ginwa Saigo Shopping Mall Company Limited * 西安世紀金花賽高購物有限公司	PRC 中國	RMB30,000,000 人民幣30,000,000元	100%	–	100%	Operation of department store 經營百貨公司
Xi'an Century Ginwa Shopping Mall Company Limited * 西安世紀金花購物有限公司	PRC 中國	HK$65,000,000 65,000,000港元	100%	–	100%	Operation of department store 經營百貨公司
Xi'an Yixin Property Management Company Limited * 西安億鑫物業管理有限公司	PRC 中國	RMB60,000,000 人民幣60,000,000元	100%	–	100%	Properties management 物業管理

* *The English translation of the names of these companies are for reference only. The official names of these companies are in Chinese.*

* *公司的英文譯名僅供參考。該等公司的正式名稱以中文為準。*

17 LOANS RECEIVABLES

17 應收貸款

		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Loan receivable from a related party *(Note (i))*	應收關連人士貸款 *（附註(i)）*	**681,174**	1,018,577
Loans receivable from third parties	應收第三方貸款	**3,526**	8,982
		684,700	1,027,559
Less: Current portion of loans receivables classified as trade and other receivables *(Note (ii))*	減少：應收貸款流動部份分類為應收賬款及其他應收款 *（附註(ii)）*	**(3,526)**	(8,982)
		681,174	1,018,577

Notes:

(i) Loan receivable from a related party represented a loan granted to Ginwa Investments, a related party of the Group, and was part of the assets acquired in the Group's acquisition of Ginwa Bell Tower. The original principal balance of the loan is RMB1,165.3 million (equivalent to approximately HK$1,333.0 million). The loan is secured by convertible notes issued by the Company to the Company's immediate holding company (the "BMRL Notes", see Note 24) and is repayable on 31 August 2013. Of the total loan balance, is an amount of RMB776.4 million bearing interest at a rate of 6.22% per annum (2009: 5.76% per annum).

On 3 December 2010, a principal amount of RMB425.4 million (equivalent to approximately HK$495.4 million) together with accrued interest of RMB49.7 million (equivalent to approximately HK$57.8 million) were used to offset a portion of the BMRL Notes of HK$544.2 million. As a result of the above offsetting, only an amount of RMB351.0 million of the remaining loan receivable is interest bearing. The remaining terms of the loan have not been changed.

附註：

(i) 應收關連人士貸款乃授予金花投資（本集團之關連人士）之貸款，並為本集團收購金花鐘樓中所收購之部分資產。該貸款之原本金額結餘為人民幣1,165,300,000元（相當於約1,333,000,000港元）。該貸款由本公司向本公司之直接控股公司發行可換股票據（「BMRL票據」，參閱附註24）作抵押及須於二零一三年八月三十一日償還。於貸款結餘總額中，金額為人民幣776,400,000元乃附有年息6.22%（二零零九年：每年5.76%）。

於二零一零年十二月三日，本金額人民幣425,400,000元（相當於約495,400,000港元）連同應計利息人民幣49,700,000元（相當於約57,800,000港元）乃用於抵銷部分BMRL票據544,200,000港元。由於上述抵銷，餘下應收貸款中僅金額人民幣351,000,000元為計息。貸款之餘下條款並無改變。

17 LOANS RECEIVABLES *(continued)*

Notes: (continued)

(ii) As at 31 December 2010, loan receivable from a third party comprise an unsecured loan of RMB3.5 million, bearing interest at 7.839% per annum, and is repayable on 31 August 2011. As at 31 December 2009, loans receivables from third parties were unsecured, bore interest ranging from 4% to 7.839% per annum, and were repayable within one year.

17 應收貸款*（續）*

附註：（續）

(ii) 於二零一零年十二月三十一日，應收第三方貸款包括一項無抵押貸款人民幣3,500,000元，該貸款按每年7.839%計息及須於二零一一年八月三十一日償還。於二零零九年十二月三十一日，應收第三方貸款為無抵押，按每年介乎4%至7.839%計息，及須於一年內償還。

18 INVENTORIES

18 存貨

		The Group 本集團	
		2010 HK$'000 二零一零年 千港元	2009 HK$'000 二零零九年 千港元
Merchandises	商品	**38,418**	24,230
Low value consumables	低值易耗品	**5,070**	3,063
		43,488	27,293

An analysis of the amount of inventories recognised as an expense and included in the consolidated income statement is as follows:

確認為開支並列入綜合收益表之存貨款項分析如下：

		The Group 本集團	
		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Carrying amount of inventories sold	已售存貨賬面值	**191,739**	153,986

19 TRADE AND OTHER RECEIVABLES

19 應收賬款及其他應收款

		The Group 本集團		The Company 本公司	
		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元（經重列）	**2010 HK$'000 二零一零年 千港元**	2009 HK$'000 (restated) 二零零九年 千港元（經重列）
Trade receivable from third parties	應收第三方賬款	**29,439**	15,289	**–**	–
Less: allowance for doubtful debts *(Note 19(b))*	減：呆賬備抵（*附註19(b)*）	**(3,352)**	(3,244)	**–**	–
		26,087	12,045	**–**	–
Amounts due from related parties *(Note 19(c))*	應收關連人士款項（*附註19(c)*）	**27,537**	271	**–**	–
Amounts due from subsidiaries *(Note 19(d))*	應收附屬公司款項（*附註19(d)*）	**–**	–	**1,706,916**	1,222,389
Less: allowance for doubtful debts *(Note 19(b))*	減：呆賬備抵（*附註19(b)*）	**–**	–	**(24,503)**	(31,500)
		–	–	**1,682,413**	1,190,889
Prepayments, deposits and other receivables	預付款項、按金及其他應收款	**103,368**	69,016	**382**	384
		156,992	81,332	**1,682,795**	1,191,273

19 TRADE AND OTHER RECEIVABLES *(continued)*

Except for deposits of HK$637,000 (2009: HK$119,000), all of the trade and other receivables are expected to be recovered or recognised as expenses within one year.

(a) Ageing analysis

Included in trade and other receivables are trade receivables (net of allowance for doubtful debts) with the following ageing analysis as of the end of the reporting period:

		The Group 本集團	
		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Less than 1 month	少於一個月	**21,214**	9,014
More than 1 month but less than 3 months	一個月以上但少於三個月	**3,813**	2,234
More than 3 months	三個月以上	**1,060**	797
		26,087	12,045

Trade receivables that were not impaired mainly relate to credit card centres owned by financial institutions for whom there were no recent history of default and have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

19 應收賬款及其他應收款 *（續）*

除按金637,000港元（二零零九年：119,000港元）外，所有應收賬款及其他應收款預期將於一年內收回或確認為支出。

(a) 賬齡分析

計入應收賬款及其他應收款之應收賬款（已扣除呆賬備抵）於報告期末之賬齡分析如下：

並無減值之應收賬款主要與由財務機構擁有之信用卡中心有關，而該等機構並無近期違約記錄且與本集團有良好之往績記錄。根據過往經驗，管理層相信毋需為該等結餘作減值備抵，原因為信貸質素並無重大改變及認為餘額仍可全數收回。本集團並無就該等結餘持有任何抵押品。

19 TRADE AND OTHER RECEIVABLES *(continued)*

(b) Impairment of trade and other receivables

Impairment losses in respect of trade and other receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade and other receivables directly *(See Note 2(i)(i))*.

The movement in the allowance for doubtful debts during the year is as follows:

19 應收賬款及其他應收款 *（續）*

(b) 應收賬款及其他應收款之減值

應收賬款及其他應收款之減值虧損採用撥備賬記錄，惟本集團認為有關款項之可回收機會渺茫，減值虧損則直接於應收賬款及其他應收款撇銷*（見附註2(i)(i)）*。

年內之呆賬備抵變動如下：

		The Group 本集團		The Company 本公司	
		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）	**2010 HK$'000 二零一零年 千港元**	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
At 1 January	於一月一日	**3,244**	3,118	**31,500**	31,500
Exchange adjustments	匯兑調整	**108**	(5)	**–**	–
Impairment loss recognised/(reversal of impairment loss)	已確認減值虧損／（撥回減值虧損）	**–**	131	**(6,997)**	–
At 31 December	於十二月三十一日	**3,352**	3,244	**24,503**	31,500

(c) Amounts due from related parties

The amounts due from related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

(c) 應收關連人士款項

應收關連人士款項為無抵押、免息及並無固定還款期。

(d) Amounts due from subsidiaries

The amounts due from subsidiaries are unsecured, non-interest bearing and have no fixed terms of repayment.

(d) 應收附屬公司款項

應收附屬公司款項為無抵押、免息及並無固定還款期。

20 CASH AND CASH EQUIVALENTS

20 現金及現金等值項目

		The Group 本集團		The Company 本公司	
		2010 HK$'000 二零一零年 千港元	2009 HK$'000 二零零九年 千港元	**2010 HK$'000 二零一零年 千港元**	2009 HK$'000 二零零九年 千港元
Cash at bank and in hand	銀行結存及手頭現金	**115,101**	88,505	**2,954**	44

The Group's operations of department stores in the PRC are conducted in Renminbi. Renminbi is not a freely convertible currency and the remittance of Renminbi out of the PRC is subject to the relevant rules and regulations of foreign exchange control promulgated by the PRC government.

本集團於中國之百貨公司經營業務乃以人民幣進行。人民幣為非自由兑換貨幣，故自中國匯出人民幣匯款須受中國政府頒佈的有關外匯管制規則及規例所規限。

21 TRADE AND OTHER PAYABLES

21 應付賬款及其他應付款

		The Group 本集團		The Company 本公司	
		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）	**2010 HK$'000 二零一零年 千港元**	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Trade payable arising from:	應付賬款因以下各項產生：				
– Concession sales	－特許專櫃銷售	**337,731**	239,685	**–**	–
– Purchase of inventories	－購買存貨	**21,702**	21,687	**–**	–
		359,433	261,372	**–**	–
Amounts due to related parties *(Note (i))*	應付關連人士款項 *（附註(i)）*	**30,047**	15,431	**–**	–
Amounts due to subsidiaries *(Note (i))*	應付附屬公司款項 *（附註(i)）*	**–**	–	**452,655**	7,605
Other payables and accrued expenses	其他應付款及應計費用	**232,801**	105,091	**9,429**	4,248
Financial liabilities measured at amortised cost	按攤銷成本計量之金融負債	**622,281**	381,894	**462,084**	11,853
Derivative financial instrument *(Note (ii))*	衍生金融工具 *（附註(ii)）*	**1,808**	–	**1,808**	–
Deferred income	遞延收入	**4,085**	18,090	**–**	–
Receipts in advance	預收款項	**569,929**	563,579	**–**	–
		1,198,103	963,563	**463,892**	11,853

21 TRADE AND OTHER PAYABLES *(continued)*

All of the trade and other payables are expected to be settled or recognised as revenue within one year.

Notes:

(i) The amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

(ii) The derivative financial instrument relates to an option granted to the holder of the convertibles notes issued on 3 December 2010 (see Note 24) which entitles the holder of such convertible notes to subscribe for additional convertible notes to be issued by the Company of up to HK$443.5 million, where, if issued, the major terms and conditions will be substantially the same as the convertible notes issued on 3 December 2010. The option will expire on 2 December 2015, and is issued at nil consideration.

21 應付賬款及其他應付款 *（續）*

所有應付賬款及其他應付款預期將於一年內償還或確認為收入。

附註：

(i) 該等款項為無抵押、免息及並無固定還款期。

(ii) 衍生金融工具與已授予於二零一零年十二月三日發行之可換股票據之持有人之一項認購權有關（見附註24），該認購權讓該等可換股票據持有人有權認購本公司將發行之最多443,500,000港元之額外可換股票據，而倘發行，其主要條款及條件將與於二零一零年十二月三日發行之可換股票據大致相同。該認購權將於二零一五年十二月二日到期，乃無償發行。

Ageing analysis / 賬齡分析

Included in trade and other payables are trade payable with the following ageing analysis as of the end of the reporting period:

計入應付賬款及其他應付款之應付賬款於報告期末之賬齡分析如下：

	The Group 本集團	
	2010 HK$'000 **二零一零年 千港元**	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Due within one month or on demand 於一個月內到期或按要求時支付	**359,433**	261,372

22 BANK AND OTHER LOANS

(a) The Group's short-term bank and other loans are analysed as follows:

22 銀行及其他貸款

(a) 本集團之短期銀行及其他貸款分析如下：

		The Group 本集團	
		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Bank loans:	銀行貸款：		
– Guaranteed by related parties	－由關連人士擔保	**45,773**	78,949
– Secured by properties of related parties	－以關連人士之物業作抵押	**–**	39,361
– Jointly guaranteed by related parties and secured by properties of related parties	－由關連人士共同擔保及以關連人士之物業作抵押	**55,271**	68,121
		101,044	186,431
Add: current portion of long-term bank and other loans	加：長期銀行及其他貸款之即期部份	**48,327**	54,605
		149,371	241,036

22 BANK AND OTHER LOANS *(continued)*

(b) The Group's long-term bank and other loans are analysed as follows:

22 銀行及其他貸款*（續）*

(b) 本集團之長期銀行及其他貸款分析如下：

		The Group 本集團	
		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Bank loans: – Secured by properties of the Group *(Note (i))*	銀行貸款：－以本集團之物業作抵押*（附註(i)）*	**237,974**	–
Other loans: – Secured by properties of related parties	其他貸款：－以關連人士之物業作抵押	**27,174**	80,910
		265,148	80,910
Less: current portion of long-term bank and other loans	減：長期銀行及其他貸款之即期部份	**(48,327)**	(54,605)
		216,821	26,305

Note:

(i) The long-term bank loans are secured by the Group's leasehold land and buildings. The aggregate carrying value of the secured properties amounted to HK$745.1 million as at 31 December 2010 (2009: HK$Nil).

附註：

(i) 長期銀行貸款以本集團之租賃土地及樓宇作抵押。於二零一零年十二月三十一日，已抵押物業之總賬面值為745,100,000港元（二零零九年：零港元）。

22 BANK AND OTHER LOANS *(continued)*

(b) The Group's long-term bank and other loans are analysed as follows: *(continued)*

The long-term bank and other loans are repayable as follows:

22 銀行及其他貸款*（續）*

(b) 本集團之長期銀行及其他貸款分析如下：*（續）*

長期銀行及其他貸款須於下列期間償還：

		The Group 本集團	
		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Within 1 year or on demand	一年內或於要求時	**48,327**	54,605
After 1 year but within 2 years	一年後但兩年內	**21,153**	26,305
After 2 years but within 5 years	兩年後但五年內	**63,460**	–
After 5 years	五年後	**132,208**	–
		265,148	80,910

All of the non-current interest-bearing borrowings are carried at amortised cost. None of the non-current interest-bearing borrowings is expected to be settled within one year.

所有非即期計息借款均按攤銷成本入賬。概無非即期計息借款預期將於一年內清償。

(c) Certain of the Group's bank and other loans are subject to the fulfilment of covenants commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the loans would become payable on demand. The Group regularly monitors its compliance with these covenants. Further details of the Group's management of liquidity risk are set out in Note 30(b). At 31 December 2010, none of the covenants relating to the bank and other loans had been breached (2009: HK$Nil).

(c) 本集團若干銀行及其他貸款須履行於與金融機構訂立之放貸安排中所共同建立之契諾。倘本集團違反該等契諾，貸款將須按要求償還。本集團定期監察其遵守該等契諾之情況。有關本集團管理流動資金風險之進一步詳情載於附註30(b)。於二零一零年十二月三十一日，概無與銀行及其他貸款有關之契諾已遭違反（二零零九年：零港元）。

23 UNSECURED NOTES

On 3 December 2010, the Company issued unsecured notes with a principal amount of HK$138.7 million as part of the consideration for the acquisition of the 100% equity interests in GCX. The unsecured notes are non-interest bearing and will mature on 3 December 2012.

Further details on the acquisition of GCX are set out in Note 29.

23 無抵押票據

於二零一零年十二月三日，本公司發行本金額為138,700,000港元之無抵押票據，作為收購GCX全部股權之部份代價。無抵押票據不計利息並將於二零一二年十二月三日到期。

有關收購GCX之進一步詳情載於附註29。

24 CONVERTIBLE NOTES

The Group's convertible notes are analysed as follows:

24 可換股票據

本集團之可換股票據分析如下：

		Liability component HK$'000 負債部份 千港元	Derivative component – Call option HK$'000 衍生部份 – 認購期權 千港元	Derivative component – Conversion option HK$'000 衍生部份 – 轉換期權 千港元	Derivative component – Redemption option HK$'000 衍生部份 – 贖回期權 千港元	Total HK$'000 總計 千港元
At 1 January 2009	於二零零九年一月一日					
As previously reported	如先前呈報	645,773	–	61,140	–	706,913
Prior years' adjustments *(Note 4)*	過往年度調整*（附註4）*	160,859	(38,791)	(61,140)	–	60,928
As restated	經重列	806,632	(38,791)	–	–	767,841
Accrued finance charges for the year (restated)	本年度應計財務支出（經重列）	50,139	–	–	–	50,139
Fair value change on the derivative component (restated)	衍生部份之公允值變動（經重列）	–	(5,821)	–	–	(5,821)
At 31 December 2009 and 1 January 2010 (restated)	於二零零九年十二月三十一日及二零一零年一月一日（經重列）	856,771	(44,612)	–	–	812,159
Convertible notes issued on 3 December 2010	於二零一零年十二月三日發行之可換股票據	418,265	–	208,144	260,591	887,000
Amount classified as derivative financial instrument *(Note 21(ii))*	分類為衍生財務工具之金額*（附註21(ii)）*	(2,558)	–	–	–	(2,558)
Redemption during the year	年內贖回	(12,425)	641	–	–	(11,784)
Offset with loan receivable	與應收貸款抵銷	(458,478)	60,973	–	–	(397,505)
Extinguishment and recognition of the BMRL Notes	抵償及確認BMRL票據	(47,832)	(12,863)	–	–	(60,695)
Accrued finance charges for the year	本年度應計財務支出	82,054	–	–	–	82,054
Fair value change on the derivative components	衍生部份之公允值變動	–	(124,696)	103,019	(11,892)	(33,569)
At 31 December 2010	於二零一零年十二月三十一日	835,797	(120,557)	311,163	248,699	1,275,102

Notes:

(i) On 19 September 2008, the Company has issued unsecured convertible notes with an aggregate face value of HK$1,231.6 million, bearing interest at 2.75% per annum and will mature on 18 September 2013.

The holder of the BMRL Notes can, at any time up till 18 September 2013, convert the BMRL Notes into the Company's shares at HK$0.689 per share (i.e. equity component). In 2010, as a result of the rights issue mentioned in Note 28(c)(ii), the conversion price of the BMRL Notes is adjusted to HK$0.54 per share.

附註：

(i) 於二零零八年九月十九日，本公司已發行總賬面值約1,231,600,000港元按每年2.75%計息並將於二零一三年九月十八日到期之無抵押可換股票據。

BMRL票據之持有人可於二零一三年九月十八日前任何時間按每股0.689港元將BMRL票據轉換為本公司之股份（即權益部份）。於二零一零年，於附註28(c)(ii)所述之供股後，BMRL票據之轉換價調整至每股0.54港元。

24 CONVERTIBLE NOTES *(continued)*

Notes: (continued)

The Company has the right to redeem the BMRL Notes in whole or in part at any time before the maturity date at its face value (i.e. call option). The call option is classified as derivative financial instrument and included in the balance of convertible notes on the consolidated and the Company's statement of financial position.

On 3 December 2010, a principal amount of the BMRL Notes of HK$544.2 million has been used to offset a portion of the loan receivable from Ginwa Investments (see Note 17).

The holder of the BMRL Notes has also agreed to amend the terms of the BMRL Notes from interest bearing at 2.75% per annum to non-interest bearing. As the change represented a substantial modification to the terms of the BMRL Notes, the remaining BMRL Notes has been accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

(ii) On 3 December 2010, the Company has issued unsecured convertible notes with an aggregate face value of HK$887.0 million, bearing interest at 3% per annum and will mature on 2 December 2015 (the "New Convertible Notes").

The holder of the New Convertible Notes can, at any time up till 2 December 2015, convert the New Convertible Notes into the Company's shares at HK$0.275 per share (i.e. conversion option). The holder of the New Convertible Notes also has a right to require the Company to redeem the New Convertible Notes in whole or in part at any time from 3 December 2013 till the maturity date at its face value plus a pre-determined premium (i.e. redemption option). Both the conversion and redemption options are classified as derivative financial instruments and included in the balance of convertible notes on the consolidated and the Company's statement of financial position.

24 可換股票據（續）

附註：（續）

本公司有權於到期日前任何時間按其賬面值贖回全部或部份BMRL票據（即認購期權）。認購期權分類為衍生金融工具並包括在綜合財務狀況表及本公司財務狀況表的可換股票據結餘內。

於二零一零年十二月三日，BMRL票據之本金額544,200,000港元已被用作抵銷應收金花投資之部份貸款（參閱附註17）。

BMRL票據之持有人亦已同意更改BMRL票據之條款，由按每年2.75%計息改為免息。由於該變動相當於對BMRL票據條款之重大修改，故餘下BMRL票據已入賬為抵償原金融負債及確認新金融負債。

(ii) 於二零一零年十二月三日，本公司已發行總賬面值為887,000,000港元按每年3%計息並將於二零一五年十二月二日到期之無抵押可換股票據（「新可換股票據」）。

新可換股票據之持有人可於二零一五年十二月二日前任何時間按每股0.275港元將新可換股票據轉換為本公司之股份（即轉換期權）。新可換股票據之持有人亦有權要求本公司於自二零一三年十二月三日起至到期日止任何時間，按其面值加上預先釐定的溢價贖回全部或部份新可換股票據（即贖回期權）。轉換期權及贖回期權均分類為衍生金融工具並包括在綜合財務狀況表及本公司財務狀況表的可換股票據結餘內。

24 CONVERTIBLE NOTES *(continued)*

Fair value of derivative components

The estimate of the fair value of the derivative components of both the BMRL Notes and the New Convertible Notes are measured based on a binomial lattice model. Details of the assumptions used are as follows:

24 可換股票據*（續）*

衍生部份之公允值

BMRL票據及新可換股票據兩者之衍生部份之公允值估計乃根據二項式點陣模型計量。有關所用假設之詳情如下：

		Derivative component of the BMRL Notes BMRL票據之衍生部份			Derivative components of the New Convertible Notes 新可換股票據之衍生部份	
Date of valuation	估值日期	31 December 2010 二零一零年十二月三十一日	3 December 2010 二零一零年十二月三日	31 December 2009 (restated) 二零零九年十二月三十一日（經重列）	31 December 2010 二零一零年十二月三十一日	3 December 2010 二零一零年十二月三日
Share price (HK$)	股價（港元）	0.70	0.49	0.19	0.70	0.49
Exercise price (HK$)	行使價（港元）	0.54	0.54	0.689	0.275	0.275
Expected volatility	預期波幅	79.659%	77.783%	84.171%	82.011%	86.831%
Dividend yield	股息率	–	–	–	–	–
Maturity period	屆滿期間	2.72 years年	2.79 years年	3.72 years年	4.93 years年	5 years年
Conversion period	轉換期間	2.72 years年	2.79 years年	3.72 years年	4.93 years年	5 years年
Discount rate	折讓率	8.539%	8.516%	11.406%	23.397%	22.306%

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the derivative components), adjusted for any expected changes to future volatility based on publicly available information. Dividend yield are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

預期波幅乃根據歷史波幅（根據衍生部份之加權平均剩餘年期計算）計算，並就對根據公開可得資料計算之未來波幅之任何預期變動作出調整。股息收益乃根據歷史股息計算。主觀輸入假設變動可對公允值估計產生重大影響。

25 EQUITY-SETTLED SHARE-BASED TRANSACTIONS

The Company has a share option scheme which was adopted on 6 November 2001, whereby the directors of the Company are authorised, at their discretion, to invite employees and service providers of the Group, including directors of any company in the Group, to take up options at HK$1 to subscribe for shares of the Company. The options granted in 2008 contain a vesting period ranges from six months to two years and are exercisable within a period of two years. The options granted in 2010 do not have a vesting condition and are exercisable within a period of five years. Each option gives the holder the right to subscribe for one ordinary share in the Company and is settled gross in shares.

25 按股權結算以股份支付之交易

本公司設有一項購股權計劃並於二零零一年十一月六日採納，據此本公司董事獲授權可酌情邀請本集團僱員及服務供應者（包括本集團旗下任何公司之董事）按1港元接納可認購本公司股份之購股權。於二零零八年授出之購股權包含介乎於六個月至兩年之歸屬期，然後可於兩年期內予以行使。於二零一零年授出之購股權並無歸屬條件且可於五年期內予以行使。每份購股權賦予持有人可認購一股本公司普通股並以股份全數結算之權利。

25 EQUITY-SETTLED SHARE-BASED TRANSACTIONS *(continued)*

25 按股權結算以股份支付之交易*（續）*

(a) The terms and conditions of the grants existed during the reporting period are as follows:

(a) 於報告期內現有授出之條款及條件如下：

	Number of instruments 工具數目	Vesting conditions 歸屬條件	Contractual life of options 購股權合約期
Options granted to directors: 授予董事之購股權：			
– on 15 January 2008	10,654,000	6 months to 2 years from the date of grant	2 years
一二零零八年一月十五日		自授出日期起六個月至兩年	2年
– on 20 October 2010	9,300,000	No vesting condition	5 years
一二零一零年十月二十日		並無歸屬條件	5年
Options granted to employees and service providers: 授予僱員及服務供應者之購股權：			
– on 15 January 2008	38,452,000	6 months to 2 years from the date of grant	2 years
一二零零八年一月十五日		自授出日期起六個月至兩年	2年
– on 20 October 2010	34,700,000	No vesting condition	5 years
一二零一零年十月二十日		並無歸屬條件	5年
Total share options granted 已授出之購股權總數	93,106,000		

25 EQUITY-SETTLED SHARE-BASED TRANSACTIONS *(continued)*

25 按股權結算以股份支付之交易*（續）*

(b) The number and weighted average exercise price of share options are as follows:

(b) 購股權之數目及加權平均行使價如下：

		2010 二零一零年		2009 二零零九年	
		Weighted average exercise price 加權平均行使價	Number of options 購股權數目	Weighted average exercise price 加權平均行使價	Number of options 購股權數目
Outstanding at the beginning of the year	年初尚未行使	HK$0.74港元	18,638,000	HK$0.74港元	36,506,900
Granted during the year	年內已授出	HK$0.315港元	44,000,000	HK$0.74港元	–
Exercised during the year	年內已行使	HK$0.315港元	(2,000,000)	HK$0.74港元	–
Forfeited during the year	年內已沒收	HK$0.74港元	(18,638,000)	HK$0.74港元	(17,868,900)
Outstanding at the end of the year	年終尚未行使	HK$0.315港元	42,000,000	HK$0.74港元	18,638,000
Exercisable at the end of the year	年終可予行使	HK$0.315港元	42,000,000	HK$0.74港元	18,638,000

The weighted average share price at the date of exercise for share options exercised during the year was HK$0.71. No share options were exercised for the year ended 31 December 2009.

年內已行使購股權於行使日期之加權平均股價為0.71港元。截至二零零九年十二月三十一日止年度並無購股權獲行使。

The options outstanding at 31 December 2010 had an exercise price of HK$0.315 (2009: HK$0.74) and a weighted average remaining contractual life of 4.8 years (2009: 0.1 year).

於二零一零年十二月三十一日尚未行使購股權之行使價為0.315港元（二零零九年：0.74港元）及加權平均餘下合約年期為4.8年（二零零九年：0.1年）。

25 EQUITY-SETTLED SHARE-BASED TRANSACTIONS *(continued)*

25 按股權結算以股份支付之交易*（續）*

(c) Fair value of share options and assumptions

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on the Black-Scholes Model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the model.

(c) 購股權公允值及假設

以授出購股權換取之所得服務的公允值乃參考已授出購股權的公允值計量。已授出購股權公允值乃根據柏力克－舒爾斯模型估量。在模型中使用購股權的合約年期並納入提早行使之預期。

Fair value of share options and assumptions	**購股權公允值及假設**	**Options granted on 20 October 2010 於二零一零年十月二十日授出之購股權**	Options granted on 15 January 2008 於二零零八年一月十五日授出之購股權
Fair value at measurement date	計量日的公允值	**HK$0.151港元**	HK$0.25港元
Share price	股份價格	**HK$0.31港元**	HK$0.74港元
Exercise price	行使價	**HK$0.315港元**	HK$0.74港元
Expected volatility (expressed as weighted average volatility used in the modelling under the Black-Scholes Model)	預期波幅（根據柏力克－舒爾斯模型以模型中所用的加權平均波幅列示）	**85.246%**	94.164%
Option life (expressed as weighted average life used in the modelling under the Black-Scholes Model)	購股權年期（根據柏力克－舒爾斯模型以模型中所用的加權平均年期列示）	**2.5 years年**	2 years年
Expected dividends	預期股息	**0%**	0%
Risk-free interest rate (based on the Hong Kong Exchange Fund Notes)	無風險利率（根據香港外匯基金票據計算）	**0.572%**	1.89% to 1.90%

25 EQUITY-SETTLED SHARE-BASED TRANSACTIONS *(continued)*

(c) Fair value of share options and assumptions *(continued)*

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

Share options were granted either with or without a service condition. This condition, if any, has not been taken into account in the grant date fair value measurement of the services received. There were no market conditions associated with the share option granted.

25 按股權結算以股份支付之交易*（續）*

(c) 購股權公允值及假設*（續）*

預期波幅乃根據歷史波幅（按購股權的加權平均餘下年期計算）計算，並根據公開可得之資料就未來波幅之任何預期變動作出調整。預期股息乃根據歷史股息計算。主觀假設的變動會對公允值估計造成重大影響。

購股權乃根據或毋須根據服務條件授出。於授出日計算所得服務的公允值時並無考慮此條件（如有）。授出購股權亦與市場情況無關。

26 WARRANTS

On 17 August 2009, the Company issued 231,600,000 warrants at a price of HK$0.011 each to an independent third party. Each warrant entitles the holder to subscribe for one ordinary share of the Company at a subscription price of HK$0.29 per share, and the warrants are exercisable within a period of two years.

In 2009, 10,000,000 warrants were exercised. In 2010, as a result of the rights issue mentioned in Note 28(c)(ii) and the issue of the New Convertible Notes mentioned in Note 24(ii), the number of outstanding warrants has been increased to 321,320,000 with the subscription price being adjusted to HK$0.20 per share. In 2010, a further 20,000,000 warrants were exercised.

26 認股權證

於二零零九年八月十七日，本公司按每份0.011港元之價格向一名獨立第三方發行231,600,000份認股權證。每份認股權證賦予持有人權利可按認購價每股0.29港元認購一股本公司普通股，且認股權證可於兩年期內行使。

於二零零九年，10,000,000份認股權證已獲行使。於二零一零年，於附註28(c)(ii)所述之供股及附註24(ii)所述之發行新可換股票據後，尚未行使認股權證數目已增至321,320,000份，而認購價調整至每股0.20港元。於二零一零年，20,000,000份認股權證已進一步獲行使。

27 INCOME TAX IN THE STATEMENT OF FINANCIAL POSITION

27 財務狀況表內之所得稅

(a) Movements in current taxation in the consolidated statement of financial position are as follows:

(a) 綜合財務狀況表內之本期稅項指：

		The Group 本集團	
		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Balance of income tax payable at 1 January	於一月一日應付所得稅結餘	**39,689**	26,030
Exchange adjustments	匯兌調整	**1,839**	45
Provision for income tax on the estimated taxable profit for the year *(Note 8(a))*	就本年度估計應課稅溢利之所得稅撥備 *（附註8(a)）*	**50,658**	26,837
Withholding income tax on dividends paid by a PRC subsidiary of the Group *(Note 8(a))*	本集團之中國附屬公司支付之股息預扣所得稅 *（附註8(a)）*	**1,548**	1,126
Under-provision in respect of prior years *(Note 8(a))*	過往年度撥備不足 *（附註8(a)）*	**853**	1,937
Income tax paid during the year	年內已付所得稅	**(29,356)**	(16,286)
Balance of income tax payable at 31 December	於十二月三十一日應付所得稅結餘	**65,231**	39,689

27 INCOME TAX IN THE STATEMENT OF FINANCIAL POSITION *(continued)*

27 財務狀況表內之所得稅 *（續）*

(b) Deferred tax assets and liabilities recognised:

(b) 已確認遞延稅項資產及負債：

(i) The Group

The components of deferred tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the year are as follows:

(i) 本集團

於綜合財務狀況表確認之遞延稅項資產／（負債）之部份及年內之變動如下：

		Assets 資產				Liabilities 負債	
		Unused tax loss HK$'000	Depreciation allowances in excess of the related depreciation HK$'000	Accrued expenses and deferred income HK$'000	Total HK$'000	Fair value adjustments on fixed assets and intangible assets and related depreciation HK$'000	Net HK$'000
Deferred tax arising from:	因下列各項產生之遞延稅項：	未動用稅項虧損 千港元	折舊撥備超出相關折舊 千港元	應計開支及遞延收入 千港元	總計 千港元	固定資產及無形資產之公允值調整與相關折舊 千港元	淨值 千港元
At 1 January 2009	於二零零九年一月一日						
As previously reported	如先前呈報	–	5,764	(2,109)	3,655	–	3,655
Prior years' adjustments *(Note 4)*	過往年度調整 *（附註4）*	–	–	3,780	3,780	(56,242)	(52,462)
As restated	經重列	–	5,764	1,671	7,435	(56,242)	(48,807)
Exchange adjustments	匯兌調整	–	(121)	2	(119)	–	(119)
Credited/(charged) to the consolidated Income statement (restated) *(Note 8(a))*	計入／（扣自）綜合收益表（經重列） *（附註8(a)）*	–	3,779	1,149	4,928	(513)	4,415
At 31 December 2009 (restated)	於二零零九年十二月三十一日（經重列）	–	9,422	2,822	12,244	(56,755)	(44,511)
Exchange adjustments	匯兌調整	102	330	171	603	–	603
Additions through acquisitions of subsidiaries *(Note 29)*	透過收購附屬公司之添置 *（附註29）*	6,362	–	6,241	12,603	(40,507)	(27,904)
Credited/(charged) to the consolidated income statement *(Note 8(a))*	計入／（扣自）綜合收益表 *（附註8(a)）*	3,436	854	707	4,997	(387)	4,610
At 31 December 2010	於二零一零年十二月三十一日	9,900	10,606	9,941	30,447	(97,649)	(67,202)

27 INCOME TAX IN THE STATEMENT OF FINANCIAL POSITION *(continued)*

(b) Deferred tax assets and liabilities recognised: *(continued)*

(ii) The Company

There were no significant deferred tax assets and liabilities as at 31 December 2010 and 2009.

(c) Deferred tax assets not recognised

In accordance with the accounting policy set out in Note 2(r), the Group has not recognised deferred tax assets in respect of unused tax losses of HK$539,704,000 (2009: HK$419,195,000 (restated)) as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. The unused tax losses do not expire under current tax legislation.

(d) Deferred tax liabilities not recognised

At 31 December 2010, temporary differences relating to the undistributed profits of certain PRC subsidiaries of the Group amounted to HK$261,036,000 (2009: HK$157,576,000 (restated)). Deferred tax liabilities of HK$13,052,000 (2009: HK$7,879,000 (restated)) have not been recognised in respect of the tax that would be payable on the distribution of these retained profits as the Company controls the dividend policy of these PRC subsidiaries and it has been determined that it is probable that profits will not be distributed in the foreseeable future.

28 CAPITAL, RESERVES AND DIVIDENDS

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity.

27 財務狀況表內之所得稅 *（續）*

(b) 已確認遞延稅項資產及負債：*（續）*

(ii) 本公司

於二零一零年及二零零九年十二月三十一日並無重大遞延稅項資產及負債。

(c) 未確認之遞延稅項資產

根據附註2(r)所載之會計政策，本集團就未動用稅務虧損539,704,000港元（二零零九年：419,195,000港元（經重列）），原因為在有關稅務司法權區及實體將不大可能會取得未來應課稅溢利以動用虧損。未動用稅項虧損根據現時稅務法例並不會到期。

(d) 未確認之遞延稅項負債

於二零一零年十二月三十一日，與本集團若干中國附屬公司之未分配溢利有關之暫時差異為261,036,000港元（二零零九年：157,576,000港元（經重列））。遞延稅項負債13,052,000港元（二零零九年：7,879,000港元（經重列））尚未就將按該等保留溢利之分派應付之稅項而予以確認，原因為本公司控制該等中國附屬公司之股息政策及已釐定溢利不大可能於可預見將來予以分派。

28 資本、儲備及股息

(a) 股權部份變動

本集團綜合權益之各部份之年初及年末結餘之對賬乃載於綜合權益變動表。

28 CAPITAL, RESERVES AND DIVIDENDS *(continued)*

28 資本、儲備及股息*（續）*

(a) Movements in components of equity *(continued)*

Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

(a) 股權部份變動*（續）*

年初至年末本公司之各個權益部份之變動詳情載列如下：

The Company ***本公司***

		Share capital HK$'000 *(Note 28(c))* 股本 千港元 *（附註28(c)）*	Share premium HK$'000 *(Note 28(d)(i))* 股份溢價 千港元 *（附註28(d)(i)）*	Capital reserve HK$'000 *(Note 28(d)(ii))* 資本儲備 千港元 *（附註28(d)(ii)）*	Accumulated losses HK$'000 累計虧損 千港元	Total HK$'000 總計 千港元
Balance at 1 January 2009	於二零零九年一月一日之結餘					
As previously reported	如先前呈報	115,824	386,673	54,568	(536,294)	20,771
Prior years' adjustments *(Note 4)*	過往年度調整 *（附註4）*	–	(3,648)	73,553	361,642	431,547
As restated	經重列	115,824	383,025	128,121	(174,652)	452,318
Changes in equity for 2009:	二零零九年股權變動：					
Total comprehensive income for the year (restated)	本年度全面收益總額（經重列）	–	–	–	(92,908)	(92,908)
Issuance of warrants (restated) *(Note 26)*	發行認股權證（經重列）*（附註26）*	–	–	2,443	–	2,443
Shares issued on the exercise of warrants *(Note 28(c)(iv))*	行使認股權證時發行股份 *（附註28(c)(iv)）*	1,000	2,010	(110)	–	2,900
Equity-settled share-based transactions *(Note 25)*	按股權結算以股份支付之交易 *（附註25）*	–	–	2,553	–	2,553
Transfer between reserves	儲備之間轉撥	–	–	(2,607)	2,607	–
Balance at 31 December 2009 (restated)	於二零零九年十二月三十一日之結餘（經重列）	116,824	385,035	130,400	(264,953)	367,306

28 CAPITAL, RESERVES AND DIVIDENDS *(continued)*

28 資本、儲備及股息*（續）*

(a) Movements in components of equity *(continued)*

(a) 股權部份變動*（續）*

The Company *(continued)*

本公司（續）

		Share capital HK$'000 *(Note 28(c))* 股本 千港元 *（附註28(c)）*	Share premium HK$'000 *(Note 28(d)(i))* 股份溢價 千港元 *（附註28(d)(i)）*	Capital reserve HK$'000 *(Note 28(d)(ii))* 資本儲備 千港元 *（附註28(d)(ii)）*	Accumulated losses HK$'000 累計虧損 千港元	Total HK$'000 總計 千港元
Balance at 1 January 2010	**於二零一零年一月一日之結餘**					
As previously reported	如先前呈報	116,824	388,578	56,952	(877,289)	(314,935)
Prior years' adjustments *(Note 4)*	過往年度調整 *（附註4）*	–	(3,543)	73,448	612,336	682,241
As restated	經重列	116,824	385,035	130,400	(264,953)	367,306
Changes in equity for 2010:	**二零一零年股權變動：**					
Total comprehensive income for the year	本年度全面收益總額	–	–	–	(93,192)	(93,192)
Shares issued on the exercise of warrants *(Note 28(c)(iv))*	行使認股權證時發行股份*（附註28(c)(iv)）*	2,000	2,152	(152)	–	4,000
Shares issued under share option scheme *(Note 28(c)(iii))*	根據購股權計劃發行股份*（附註28(c)(iii)）*	200	733	(303)	–	630
Equity-settled share-based transactions *(Note 25)*	按股權結算以股份支付之交易*（附註25）*	–	–	6,750	–	6,750
Shares issued on rights issue *(Note 28(c)(ii))*	供股時發行股份*（附註28(c)(ii)）*	58,412	–	(1,057)	1,057	58,412
Effect on equity arising from the offsetting of loan receivable with convertible notes, the extinguishment and recognition of the convertible notes *(Note 24(i))*	因應收貸款與可換股票據對銷及其後註銷及確認可換股票據而對股權產生的影響*（附註24(i)）*	–	–	(37,183)	–	(37,183)
Transfer between reserves	儲備之間轉撥	–	–	(4,733)	4,733	–
At 31 December 2010	**於二零一零年十二月三十一日**	**177,436**	**387,920**	**93,722**	**(352,355)**	**306,723**

(b) Dividends

(b) 股息

(i) Dividends payable to equity shareholders of the Company attributable to the year

The directors of the Company do not recommend the payment of a final dividend for the year ended 31 December 2010 (2009: HK$Nil).

(i) 本公司股東應佔本年度應付股息

本公司董事並不建議派付截至二零一零年十二月三十一日止年度之末期股息（二零零九年：零港元）。

28 CAPITAL, RESERVES AND DIVIDENDS *(continued)*

28 資本、儲備及股息*（續）*

(b) Dividends *(continued)*

(b) 股息*（續）*

(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

The directors of the Company did not recommend the payment of a final dividend for the year ended 31 December 2009 (2008: HK$Nil).

(ii) 本公司股東應佔年內已批准及支付之上一個財務年度應付股息

本公司董事並不建議派付截至二零零九年十二月三十一日止年度之末期股息（二零零八年：零港元）。

(c) Share capital

(c) 股本

(i) Authorised and issued share capital

(i) 法定及已發行股本

		2010 二零一零年		2009 二零零九年	
		Number of shares '000 股份數目 千股	HK$'000 千港元	Number of shares '000 股份數目 千股	HK$'000 千港元
Authorised:	法定：				
Ordinary shares of HK$0.10 each	每股面值0.10港元之普通股	**20,000,000**	**2,000,000**	20,000,000	2,000,000
Ordinary shares, issued and fully paid:	已發行及繳足普通股：				
At 1 January	於一月一日	**1,168,241**	**116,824**	1,158,241	115,824
Shares issued on rights issue *(Note 28(c)(ii))*	供股時發行股份*（附註28(c)(ii)）*	**584,120**	**58,412**	–	–
Shares issued under share option scheme *(Note 28(c)(iii))*	根據購股權計劃發行股份*（附註28(c)(iii)）*	**2,000**	**200**	–	–
Shares issued on the exercise of warrants *(Note 28(c)(iv))*	行使認股權證時發行股份*（附註28(c)(iv)）*	**20,000**	**2,000**	10,000	1,000
At 31 December	於十二月三十一日	**1,774,361**	**177,436**	1,168,241	116,824

28 CAPITAL, RESERVES AND DIVIDENDS *(continued)*

(c) Share capital *(continued)*

(i) Authorised and issued share capital (continued)

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

(ii) Shares issued on rights issue

On 20 January 2010, the Company allotted and issued 584,120,426 ordinary shares with par value of HK$0.10 each at a subscription price of HK$0.10 per share on the basis of one new share for every two shares in a rights issue.

(iii) Shares issued under share option scheme

On 22 December 2010, options were exercised to subscribe for 2,000,000 ordinary shares in the Company at a consideration of HK$630,000 of which HK$200,000 was credited to share capital and the remaining balance of HK$430,000 was credited to the share premium account. HK$303,000 has been transferred from the capital reserve to the share premium account in accordance with policy set out in Note 2(q)(ii).

28 資本、儲備及股息*（續）*

(c) 股本*（續）*

(i) 法定及已發行股本（續）

普通股持有人有權收取不時宣派之股息及有權於本公司大會上每股投一票。所有普通股於本公司之剩餘資產方面均擁有同等地位。

(ii) 供股時發行股份

於二零一零年一月二十日，本公司配發及發行584,120,426股每股面值0.10港元之普通股，認購價為每股0.10港元，基準為供股中每持有兩股股份獲發一股新股份。

(iii) 根據購股權計劃發行股份

於二零一零年十二月二十二日，購股權獲行使以認購2,000,000股本公司普通股，代價為630,000港元，其中200,000港元計入股本及餘額430,000港元計入股份溢價賬。303,000港元已根據附註2(q)(ii)所載之政策自資本儲備轉至股份溢價賬。

28 CAPITAL, RESERVES AND DIVIDENDS *(continued)*

(c) Share capital *(continued)*

(iv) Shares issued on the exercise of warrant

On 8 September 2009, 10,000,000 warrants were exercised, and accordingly, 10,000,000 ordinary shares of HK$0.10 each were issued at HK$0.29 per share. Of the proceeds of HK$2,900,000, HK$1,000,000, representing the par value, were credited to share capital and the remaining proceeds of HK$1,900,000 were credited to the share premium account. HK$110,000 has been transferred from the capital reserve to the share premium account in accordance with the accounting policy set out in Note 2(m).

On 7 September 2010 and 13 December 2010, an aggregate of 20,000,000 warrants were exercised, and accordingly, 20,000,000 ordinary shares of HK$0.10 each were issued at HK$0.20 per share. Of the proceeds of HK$4,000,000, HK$2,000,000 representing the par value, were credited to share capital, and the remaining proceeds of HK$2,000,000 were credited to the share premium account. HK$152,000 has been transferred from the capital reserve to the share premium account in accordance with the accounting policy set out in Note 2(m).

28 資本、儲備及股息*（續）*

(c) 股本*（續）*

(iv) 行使認股權證時發行之股份

於二零零九年九月八日，10,000,000份認股權證獲行使，因此，10,000,000股每股面值0.10港元之普通股已按每股0.29港元發行。於2,900,000港元之所得款項中，1,000,000港元（相當於面值）已計入股本，及餘下所得款項1,900,000港元已計入股份溢價賬。110,000港元已根據附註2(m)所載之會計政策自資本儲備轉至股份溢價賬。

於二零一零年九月七日及二零一零年十二月十三日，合共20,000,000份認股權證已獲行使，因此，20,000,000股每股面值0.10港元之普通股已按每股0.20港元發行。於4,000,000港元之所得款項中，2,000,000港元（相當於面值）已計入股本，及餘下所得款項2,000,000港元已計入股份溢價賬。152,000港元已根據附註2(m)所載之會計政策自資本儲備轉至股份溢價賬。

28 CAPITAL, RESERVES AND DIVIDENDS *(continued)*

28 資本、儲備及股息*（續）*

(c) Share capital *(continued)*

(c) 股本*（續）*

(v) Terms of unexpired and unexercised share options and warrants at the end of the reporting period

(v) 於報告期末尚未到期及尚未行使購股權及認股權證之條款：

Exercise period 行使期	Exercise price 行使價	2010 Number '000 二零一零年 數目 千份	2009 Number '000 二零零九年 數目 千份
Share options: **購股權：**			
15 January 2008 to 14 January 2010 二零零八年一月十五日至二零一零年一月十四日	HK$0.74港元	–	18,638
20 October 2010 to 19 October 2015 二零一零年十月二十日至二零一五年十月十九日	HK$0.315港元	**42,000**	–
		42,000	18,638
Warrants: **認股權證：**			
17 August 2009 to 16 August 2011 二零零九年八月十七日至二零一一年八月十六日	HK$0.29港元	–	221,600
17 August 2009 to 16 August 2011 二零零九年八月十七日至二零一一年八月十六日	HK$0.20港元	**301,320**	–
		301,320	221,600

Each option or warrant entitles the holder to subscribe for one ordinary share in the Company. Further details of these options and warrants are set out in Notes 25 and 26, respectively, to the financial statements.

每份購股權或認股權證賦予持有人認購本公司之一股普通股。該等購股權及認股權證之進一步詳情分別載於財務報表附註25及26。

28 CAPITAL, RESERVES AND DIVIDENDS *(continued)*

(d) Nature and purpose of reserves

(i) Share premium

The application of the share premium account is governed by Section 40 of the Bermuda Companies Act 1981.

(ii) Capital reserve

At 31 December 2010 and 2009, capital reserve comprises the following:

- the portion of the grant date fair value of unexercised share options granted to employees of the Group that has been recognised in accordance with the accounting policy adopted for share-based payments in Note 2(q)(ii);
- the amount allocated to the unexercised equity component of convertible notes issued by the Company recognised in accordance with the accounting policy adopted for convertible notes in Note 2(l)(i);
- the portion of the issue date fair value of the unexercised warrants issued by the Company that has been recognised in accordance with the accounting policy adopted for warrants in Note 2(m);

28 資本、儲備及股息*（續）*

(d) 儲備之性質及用途

(i) 股份溢價

股份溢價賬的應用由百慕達一九八一年公司法第40條監管。

(ii) 資本儲備

於二零一零年及二零零九年十二月三十一日，資本儲備包括以下各項：

- 授予本集團僱員之尚未行使購股權於授出日期之公允值部份，乃已根據附註2(q)(ii)就以已採納股份付款之會計政策確認；
- 分配予本公司所發行可換股票據之尚未行使權益部份之金額，乃已根據附註2(l)(i)就已採納可換股票據之會計政策確認；
- 本公司所發行尚未行使認股權證於發行日期之公允值部份，乃已根據附註2(m)就已採納認股權證之會計政策確認；

28 CAPITAL, RESERVES AND DIVIDENDS *(continued)*

(d) Nature and purpose of reserves *(continued)*

***(ii) Capital reserve** (continued)*

– the difference between the nominal value of the ordinary shares issued by the Company and the aggregate of the share capital and share premium of a subsidiary acquired through an exchange of shares pursuant to a group reorganisation took place on 28 September 2000.

(iii) Statutory reserves

In accordance with the articles of association of the PRC subsidiaries of the Group, the PRC subsidiaries were required to set up certain statutory reserves, which were non-distributable. The transfers of these reserves are at discretion of the directors of the PRC subsidiaries. The statutory reserves can only be utilised for predetermined means upon approval by the relevant authority.

(iv) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of operations which have a functional currency other than Hong Kong dollars into Hong Kong dollars. The reserve is dealt with in accordance with the accounting policy set out in Note 2(u).

(e) Distributable reserves

At 31 December 2010, the aggregate amount of reserves available for distribution to equity shareholders of the Company is HK$Nil (2009: HK$Nil). The directors of the Company do not recommend the payment of a final dividend for the year ended 31 December 2010 (2009: HK$Nil).

28 資本、儲備及股息*（續）*

(d) 儲備之性質及用途*（續）*

***(ii) 資本儲備**（續）*

– 本公司根據於二零零零年九月二十八日進行之集團重組所發行普通股之面值與透過股份交換所收購之一間附屬公司之股本及股份溢價總額之間的差額。

(iii) 法定儲備

根據本集團中國附屬公司之組織章程細則，中國附屬公司須設立若干不可分派之法定儲備。該等儲備之轉撥由中國附屬公司董事酌情進行。法定儲備僅可於有關當局批准後用於預先釐定之用途。

(iv) 匯兑儲備

匯兑儲備包括所有因將功能貨幣為非港元之經營業務財務報表換算為港元所產生的匯兑差額。儲備已根據附註2(u)所載之會計政策處理。

(e) 可供分派儲備

於二零一零年十二月三十一日，可供分派予本公司股東之儲備總額為零港元（二零零九年：零港元）。本公司董事不建議派發截至二零一零年十二月三十一日止年度之末期股息（二零零九年：零港元）。

28 CAPITAL, RESERVES AND DIVIDENDS *(continued)*

28 資本、儲備及股息*（續）*

(f) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for equity shareholders and benefits for other stakeholders, by pricing products commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of an adjusted net debt-to-capital ratio. For this purpose, adjusted net debt is defined as total debt (which includes bank and other loans, unsecured notes and convertible notes), less cash and cash equivalents. Adjusted capital comprises all components of equity.

During 2010, the Group's strategy was to continue to lower the adjusted net debt-to-capital ratio to an acceptable level. In order to improve the Group's capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares, raise new debt financing or sell assets to reduce debt.

(f) 資本管理

本集團管理資本主要旨在保障本集團的持續經營能力，以便可透過與風險水平對等地為產品定價及按合理成本取得融資而繼續為股東帶來回報及為其他利益相關者帶來利益。

本集團積極及定期檢討及管理其資本架構，在維持較高借貸水平而可能帶來較高股東回報與取得穩健資金狀況所帶來的裨益及保障之間作出平衡，並就經濟環境的轉變對資本架構進行調整。

本集團以經調整淨債項對資本比率為基準而監察其資本結構。就此而言，經調整淨債項乃界定為總債項（其包括銀行及其他貸款、無抵押票據及可換股票據）減現金及現金等值項目。經調整資本包括所有權益部份。

於二零一零年，本集團之策略為繼續降低經調整淨債項對資本比率至可接受水平。為改善本集團之資本架構，本集團可調整支付予股東的股息金額、發行新股份、籌集新的債務融資或出售資產以減少債務。

28 CAPITAL, RESERVES AND DIVIDENDS *(continued)*

28 資本、儲備及股息*（續）*

(f) Capital management *(continued)*

The adjusted net debt-to-capital ratio at 31 December 2010 and 2009 is as follows:

(f) 資本管理（續）

於二零一零年及二零零九年十二月三十一日，經調整淨債項對資本比率如下：

		The Group 本集團		The Company 本公司	
		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元（經重列）	**2010 HK$'000 二零一零年 千港元**	2009 HK$'000 (restated) 二零零九年 千港元（經重列）
Current liabilities:	流動負債：				
Bank and other loans	銀行及其他貸款	**149,371**	241,036	**–**	–
Non-current liabilities:	非流動負債：				
Bank and other loans	銀行及其他貸款	**216,821**	26,305	**–**	–
Unsecured notes	無抵押票據	**98,661**	–	**98,661**	–
Convertible notes	可換股票據	**1,275,102**	812,159	**1,275,102**	812,159
Total debt	總負債	**1,739,955**	1,079,500	**1,373,763**	812,159
Less: cash and cash equivalents	減：現金及現金等值項目	**(115,101)**	(88,505)	**(2,954)**	(44)
Adjusted net debt	**經調整淨債項**	**1,624,854**	990,995	**1,370,809**	812,115
Total equity and adjusted capital	權益及經調整資本總額	**405,469**	240,756	**306,723**	367,306
Adjusted net debt-to-capital ratio	**經調整淨債項對資本比率**	**401%**	412%	**447%**	221%

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

本公司及其任何附屬公司概不受外界施加之資本規定規限。

29 ACQUISITIONS OF SUBSIDIARIES

On 31 August 2010, the Company entered into an agreement with Best Mineral Resources Limited, the Company's immediate holding company, to acquire 100% equity interests in GCX, a company owns three department store operations in the PRC, for a consideration of HK$458.6 million. Of the consideration, HK$361.3 million was satisfied in cash and the remaining HK$97.3 million was satisfied through the issuance of unsecured notes by the Company. The above acquisition was completed on 3 December 2010.

29 收購附屬公司

於二零一零年八月三十一日，本公司與Best Mineral Resources Limiled（本公司之直接控股公司）訂立協議以收購GCX（一家擁有三間在中國經營之百貨商場之公司）之全部股權，代價為458,600,000港元。在該代價中，已以現金支付361,300,000港元而餘額97,300,000港元由本公司透過發行無抵押票據支付。上述收購已於二零一零年十二月三日完成。

29 ACQUISITIONS OF SUBSIDIARIES *(continued)*

The directors of the Company consider the acquisition of the three department stores owned by GCX will benefit the Group through synergies and economies of scale.

The identifiable assets acquired and liabilities assumed in the above acquisition were as follows:

29 收購附屬公司*（續）*

本公司董事認為，收購GCX所擁有之三間百貨商場將透過協同效益及規模效益令本集團受惠。

上述收購中所收購之可識別資產及所承擔之負債如下：

		Pre-acquisition carrying amounts HK$'000 收購前賬面值 千港元	Fair value adjustments HK$'000 公允值調整 千港元	Recognised values on acquisition HK$'000 已確認之收購價值 千港元
Fixed assets	固定資產	71,866	(806)	71,060
Intangible assets	無形資產	–	162,834	162,834
Deferred tax assets	遞延稅項資產	12,603	–	12,603
Inventories	存貨	4,399	–	4,399
Trade and other receivables	應收賬款及其他應收款	58,884	–	58,884
Cash and cash equivalents	現金及現金等值項目	18,951	–	18,951
Trade and other payables	應付賬款及其他應付款	(145,771)	–	(145,771)
Deferred tax liabilities	遞延稅項負債	–	(40,507)	(40,507)
Total identifiable net assets	可識別資產淨值總額	20,932	121,521	142,453
Less: non-controlling interests	減：非控股權益			(8,180)
Net identifiable assets acquired	所收購之可識別資產淨值			134,273
Goodwill *(Note 15)*	商譽*（附註15）*			324,355
Total consideration	總代價			458,628
Less: consideration satisfied by issuance of unsecured notes	減：發行無抵押票據支付代價			(97,330)
Consideration satisfied in cash	以現金償還代價			361,298
Less: cash and cash equivalents acquired	減：獲得之現金及現金等值項目			(18,951)
Net cash outflow	現金流出淨額			342,347

29 ACQUISITIONS OF SUBSIDIARIES *(continued)*

Pre-acquisition carrying amounts of the acquiree's assets and liabilities were determined based on applicable HKFRSs immediately before the acquisition. The values of assets, liabilities and contingent liabilities recognised on acquisition are their estimated fair values. In determining the fair values of fixed assets and intangible assets, the directors of the Company have referenced the fair value adjustments to valuation reports issued by independent valuers. The valuation methods adopted were cost approach, market approach and income approach, where applicable.

From the date of the above acquisition to 31 December 2010, the above acquisition contributed net loss of HK$6.9 million to the Group for the year ended 31 December 2010. Had the above acquisition been occurred on 1 January 2010, the directors of the Company estimate that the consolidated turnover and consolidated net profit for the year ended 31 December 2010 would have been HK$747.2 million and HK$105.1 million, respectively.

29 收購附屬公司*（續）*

緊接收購事項前，被收購方之資產及負債之收購前賬面值乃根據適用香港財務報告準則釐定。於收購時確認之資產、負債及或然負債之價值均為其估計公允值。於釐定固定資產及無形資產之公允值時，本公司董事已參考由獨立估值師發出之估值報告之公允值調整。所採用之估值方法為成本法、市場法及收入法（如適用）。

由上述收購日期至二零一零年十二月三十一日，上述收購於截至二零一零年十二月三十一日止年度為本集團增加虧損淨額6,900,000港元。倘上述收購已於二零一零年一月一日完成，本公司董事估計，截至二零一零年十二月三十一日止年度之綜合營業額及綜合溢利淨額分別為747,200,000港元及105,100,000港元。

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

The Group's credit risk is primarily attributable to trade and other receivables and loans receivables. Management has a credit policy in place, and the exposures to these credit risks are monitored on an ongoing basis.

30 財務風險管理及公允值

於本集團之正常業務過程中會產生信貸、流動資金、利率及貨幣風險。

本集團所承受之該等風險及本集團用以管理該等風險之財務風險管理政策與慣例載述如下。

(a) 信貸風險

本集團之信貸風險主要來自應收賬款及其他應收款以及應收貸款。管理層已制訂信貸政策，並持續監控須承受的該等信貸風險。

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES *(continued)*

(a) Credit risk *(continued)*

In respect of trade and other receivables and loans receivables, individual credit evaluations are performed on all debtors requiring credit over a certain amount. These evaluations focus on the debtor's past history of making payments when due and current ability to pay, and take into account information specific to the debtor as well as pertaining to the economic environment in which the debtor operates. Trade receivables are generally due within 3 months from the date of billing. Normally, the Group does not obtain collateral from debtors.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each debtor rather than the industry or country in which the debtors operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual debtors. At the end of the reporting period, 37% (2009: 42%) and 76% (2009: 72%) of the total trade receivable was due from the Group's largest debtor and the five largest debtors respectively.

The maximum exposure to credit risk without taking account of any collateral held is represented by the carrying amount of each financial assets, including derivative financial instruments, in the consolidated statement of financial position after deducting any impairment allowance. Except for the financial guarantees given by the Group as set out in Note 32, the Group does not provide any other guarantees which would expose the Group or the Company to credit risk. The maximum exposure to credit risk in respect of these financial guarantees at the end of the reporting period is disclosed in Note 32.

30 財務風險管理及公允值 *（續）*

(a) 信貸風險 *（續）*

就應收賬款及其他應收款及應收貸款而言，本集團對要求一定金額以上信貸額之所有債務人進行個別信貸評估。該等評估注重債務人過往到期付款歷史及當期之付款能力，並計及債務人特定及與債務人經營所在經濟環境有關資料。應收賬款一般自發票日起於三個月內到期。一般而言，本集團不會要求債務人交出抵押品。

本集團承受之信貸風險主要受各債務人自身狀況之影響，而非債務人經營所在行業或國家，因此重大集中信貸風險主要是當本集團須承受對個別債務人之重大風險時而產生。於報告期末，應收賬款總額之37%（二零零九年：42%）及76%（二零零九年：72%）乃分別來自本集團之最大債務人及五大債務人。

承擔之最高信貸風險（未計及所持有之任何抵押品）指於綜合財務狀況表內各金融資產（包括衍生金融工具）經扣除任何減值撥備後之賬面值。除附註32所載之本集團所給予之財務擔保外，本集團並無提供將使本集團或本公司承擔信貸風險的任何其他擔保。於報告期末，就該等財務擔保承擔之最大信貸風險於附註32披露。

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES *(continued)*

(a) Credit risk *(continued)*

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from loans receivables and trade and other receivables are set out in Notes 17 and 19.

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short-term investment of cash surplus and raising of loans to cover expected cash demands, subject to approval by the Company's directors when the borrowings exceed certain predetermined level of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

At 31 December 2010, the Group had net current liabilities of HK$1,097.1 million. The Group will continue to undertake various measures in order to further improve its liquidity position in the short and longer term.

30 財務風險管理及公允值 *（續）*

(a) 信貸風險 *（續）*

有關本集團承擔因應收貸款以及應收賬款及其他應收款而產生之信貸風險之進一步定量披露載於附註17及19。

(b) 流動資金風險

本集團內個別經營實體負責彼等自身之現金管理，包括現金盈餘之短期投資及籌集貸款以應付預期現金需求，惟當借貸超出某個預定獲授權水平時須取得本公司董事之批准。本集團之政策為定期監察其流動資金需求及其遵守放貸契諾之情況，以確保本集團維持充足現金儲備以及獲主要金融機構承諾提供足夠資金，以應付短期及長期之流動資金需求。

於二零一零年十二月三十一日，本集團之流動負債淨額為1,097,100,000港元。本集團將繼續採取多項措施以進一步改善其短期及長期之流動資金狀況。

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES *(continued)*

30 財務風險管理及公允值 *（續）*

(b) Liquidity risk *(continued)*

The following tables show the remaining contractual maturities at the end of reporting period of the Group's and of the Company's non-derivative financial liabilities and derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of reporting period) and the earliest date the Group and the Company can be required to pay:

(b) 流動資金風險 *（續）*

下表載有本集團及本公司之非衍生金融負債及衍生金融負債於報告期末之餘下合約到期情況，有關情況乃根據合約未折現現金流量（包括使用合約利率計算，或如屬浮動利率，則根據於報告期末之利率計算之利息付款）以及本集團及本公司可能被要求還款之最早日期得出：

The Group

本集團

		2010 Contractual undiscounted cash outflow 二零一零年合約未折現現金流出					
		Within 1 year or on demand HK$'000 一年內或於要求時 千港元	More than 1 year but less than 2 years HK$'000 一年以上但少於兩年 千港元	More than 2 years but less than 5 years HK$'000 兩年以上但少於五年 千港元	More than 5 years HK$'000 五年以上 千港元	Total HK$'000 總計 千港元	Carrying amount at 31 December 2010 HK$'000 於二零一零年十二月三十一日之賬面值 千港元
Trade and other payables	應付賬款及其他應付款	622,281	–	–	–	622,281	622,281
Bank and other loans	銀行及其他貸款	171,368	35,859	98,642	162,457	468,326	366,192
Unsecured notes	無抵押票據	–	138,702	–	–	138,702	98,661
Convertible notes	可換股票據	26,610	26,610	1,511,038	–	1,564,258	1,275,102
		820,259	201,171	1,609,680	162,457	2,793,567	2,362,236

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES *(continued)*

30 財務風險管理及公允值 *（續）*

(b) Liquidity risk *(continued)*

(b) 流動資金風險 *（續）*

***The Group** (continued)*

***本集團**（續）*

		2009 (restated) Contractual undiscounted cash outflow 二零零九年（經重列）合約未折現現金流出					
		Within 1 year or on demand HK$'000 一年內或於要求時 千港元	More than 1 year but less than 2 years HK$'000 一年以上但少於兩年 千港元	More than 2 years but less than 5 years HK$'000 兩年以上但少於五年 千港元	More than 5 years HK$'000 五年以上 千港元	Total HK$'000 總計 千港元	Carrying amount at 31 December 2009 HK$'000 於二零零九年十二月三十一日之賬面值 千港元
Trade and other payables	應付賬款及其他應付款	381,894	–	–	–	381,894	381,894
Bank and other loans	銀行及其他貸款	243,498	26,305	–	–	269,803	267,341
Convertible notes	可換股票據	30,366	30,366	1,156,379	–	1,217,111	812,159
		655,758	56,671	1,156,379	–	1,868,808	1,461,394

The Company

本公司

		2010 Contractual undiscounted cash outflow 二零一零年合約未折現現金流出					
		Within 1 year or on demand HK$'000 一年內或於要求時 千港元	**More than 1 year but less than 2 years HK$'000 一年以上但少於兩年 千港元**	**More than 2 years but less than 5 years HK$'000 兩年以上但少於五年 千港元**	**More than 5 years HK$'000 五年以上 千港元**	**Total HK$'000 總計 千港元**	**Carrying amount at 31 December 2010 HK$'000 於二零一零年十二月三十一日之賬面值 千港元**
Other payables	其他應付款	**462,084**	**–**	**–**	**–**	**462,084**	**462,084**
Unsecured notes	無抵押票據	**–**	**138,702**	**–**	**–**	**138,702**	**98,661**
Convertible notes	可換股票據	**26,610**	**26,610**	**1,511,038**	**–**	**1,564,258**	**1,275,102**
		488,694	**165,312**	**1,511,038**	**–**	**2,165,044**	**1,835,847**

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES *(continued)*

30 財務風險管理及公允值 *（續）*

(b) Liquidity risk *(continued)*

(b) 流動資金風險 *（續）*

The Company *(continued)*

本公司（續）

		2009 (restated) Contractual undiscounted cash outflow 二零零九年（經重列）合約未折現現金流出					
		Within 1 year or on demand HK$'000 一年內或於要求時 千港元	More than 1 year but less than 2 years HK$'000 一年以上但少於兩年 千港元	More than 2 years but less than 5 years HK$'000 兩年以上但少於五年 千港元	More than 5 years HK$'000 五年以上 千港元	Total HK$'000 總計 千港元	Carrying amount at 31 December 2009 HK$'000 於二零一零年十二月三十一日之賬面值 千港元
Other payables	其他應付款	11,853	–	–	–	11,853	11,853
Convertible notes	可換股票據	30,366	30,366	1,156,379	–	1,217,111	812,159
		42,219	30,366	1,156,379	–	1,228,964	824,012

(c) Interest rate risk

The Group's interest rate risk arises primarily from interest bearing borrowings. Borrowings issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. Given the anticipation of a rise in interest rate in the foreseeable future, the Group's strategy is to maintain a relatively higher proportion of its borrowings on a fixed basis.

(c) 利率風險

本集團之利率風險主要來自計息借貸。按可變利率及按固定利率發行之借貸使本集團分別承受現金流量利率風險及公允值利率風險。鑑於預計於可見將來利率會上調，本集團之策略是維持相對較高比例之按固定利率計息之借貸。

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES *(continued)*

30 財務風險管理及公允值 *（續）*

(c) Interest rate risk *(continued)*

(c) 利率風險 *（續）*

(i) Interest rate profile

The following table details the interest rate profile of the Group's and of the Company's borrowings at the end of reporting period.

(i) 利率概況

下表詳列本集團及本公司借貸於報告期末之利率概況：

		The Group 本集團			
		2010		2009 (restated) 二零零九年（經重列）	
		二零一零年			
		Effective interest rate 實際利率 %	HK$'000 千港元	Effective interest rate 實際利率 %	HK$'000 千港元
Fixed rate borrowings:	固定利率借貸：				
Bank and other loans	銀行及其他貸款	7.52%	27,174	7.52%	80,910
Convertible notes	可換股票據	10.60%-21.50%	1,275,102	10.49%	812,159
			1,302,276		893,069
Variable rate borrowings:	可變利率借貸：				
Bank and other loans	銀行及其他貸款	5.84%-8.72%	339,018	5.31%-7.97%	186,431
Total borrowings	借貸總額		1,641,294		1,079,500
Fixed rate borrowings as a percentage of total borrowings	固定利率借貸佔借貸總額之百分比		79%		83%

		The Company 本公司			
		2010		2009 (restated) 二零零九年（經重列）	
		二零一零年			
		Effective interest rate 實際利率 %	HK$'000 千港元	Effective interest rate 實際利率 %	HK$'000 千港元
Fixed rate borrowings:	固定利率借貸：				
Convertible notes	可換股票據	10.60%-21.50%	1,275,102	10.49%	812,159
Total borrowings	借貸總額		1,275,102		812,159
Fixed rate borrowings as a percentage of total borrowings	固定利率借貸佔借貸總額之百分比		100%		100%

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES *(continued)*

(c) Interest rate risk *(continued)*

(ii) Sensitivity analysis

At 31 December 2010, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have decreased/increased the Group's profit after tax and increased/decreased the Group's accumulated losses by approximately HK$2.5 million (2009: HK$1.4 million).

The sensitivity analysis above indicates the exposure to cash flow interest rate risk arising from floating rate non-derivative financial instruments held by the Group at the end of the reporting period, the impact on the Group's profit after tax and accumulated losses is estimated as an annualised impact on interest expense of such a change in interest rates. The analysis is performed on the same basis for 2009.

(d) Currency risk

The Group is not exposed to currency risk as no transactions are conducted in a foreign currency other than the functional currency of the operations to which the transactions relate.

30 財務風險管理及公允值*（續）*

(c) 利率風險*（續）*

(ii) 敏感性分析

於二零一零年十二月三十一日，估計利率普遍上調／下調100個基點，在所有其他可變動因素保持不變之情況下，本集團除税後盈利將減少／增加及本集團累計虧損將增加／減少約2,500,000港元（二零零九年：1,400,000港元）。

上述敏感性分析預示於報告期末承擔因本集團所持有之按浮動利率計息之非衍生金融工具而產生之現金流量利率風險，對本集團除税後溢利及累計虧損之影響乃按有關利率變動對利息開支之年化影響而估計。分析按與二零零九年相同之基準進行。

(d) 貨幣風險

本集團毋須承擔貨幣風險，原因為並無交易以經營業務之功能貨幣以外且與交易有關之外幣進行。

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES *(continued)*

(e) Fair values

(i) Financial instruments carried at fair value

The following table presents the carrying value of financial instruments measured at fair value at the end of the reporting period in accordance with the fair value hierarchy defined in HKFRS 7, *Financial Instruments: Disclosures*, with the fair value of each financial instrument categorised in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels are defined as follows:

- Level 1 (highest level): fair values measured using quoted prices (unadjusted) in active markets for identical financial instruments.
- Level 2: fair values measured using quoted prices in active markets for similar financial instruments, or using valuation techniques in which all significant inputs are directly or indirectly based on observable market data.
- Level 3 (lowest level): fair values measured using valuation techniques in which any significant input is not based on observable market data.

The Group's and the Company's financial instruments carried at fair value at 31 December 2010 and 2009 are all measured under Level 2.

30 財務風險管理及公允值（續）

(e) 公允值

(i) 按公允值列賬之金融工具

下表呈列於報告期末根據香港財務報告準則第7號*「金融工具：披露」*所界定的公允值等級，以公允值計量的金融工具之賬面值，而各金融工具之公允值整體分類乃根據對公允值計量有重大影響之輸入值計量的最低級別。有關等級界定如下：

- 第1級（最高等級）：利用在活躍市場中相同金融工具的報價（未經調整）計算公允值。
- 第2級：利用在活躍市場中類似金融工具的報價，或所有重要輸入均直接或間接基於可觀察市場數據的估值技術，計算公允值。
- 第3級（最低等級）：利用任何重要輸入並非基於可觀察市場數據的估值技術計算公允值。

於二零一零年及二零零九年十二月三十一日，本集團及本公司之按公允值計量之金融工具均按第2級計量。

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES *(continued)*

(e) Fair values *(continued)*

(i) Financial instruments carried at fair value

30 財務風險管理及公允值 *（續）*

(e) 公允值*（續）*

(i) 按公允值列賬之工具金融

		The Group and the Company 本集團及本公司 Level 2 第2級	
		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
(Liabilities)/assets	**（負債）／資產**		
Derivative financial instruments:	衍生金融工具：		
– Option to acquire additional convertible notes *(Note 21)*	－認購額外可換股票據之期權*（附註21）*	**(1,808)**	–
– Call option under the BMRL Notes *(Note 24)*	－BMRL票據項下之認購期權*（附註24）*	**120,557**	44,612
– Conversion and redemption options under the New Convertible Notes *(Note 24)*	－新可換股票據項下之轉換及贖回期權*（附註24）*	**(559,862)**	–
		(441,113)	44,612

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES *(continued)*

(e) Fair values *(continued)*

(ii) Fair values of financial instruments carried at other than fair value

The carrying amounts of the Group's and of the Company's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2010 and 2009 except as follows:

30 財務風險管理及公允值（續）

(e) 公允值（續）

(ii) 並非按公允值列賬之金融工具的公允值

於二零一零年及二零零九年十二月三十一日，本集團及本公司以成本或攤銷成本列賬之金融工具之賬面值與其公允值並無重大差別，惟下列者除外：

The Group **本集團**

		2010 二零一零年		2009 (restated) 二零零九年（經重列）	
		Carrying amount HK$'000 賬面值 千港元	Fair value HK$'000 公允值 千港元	Carrying amount HK$'000 賬面值 千港元	Fair value HK$'000 公允值 千港元
Loans receivables	應收貸款	**681,174**	**662,606**	1,018,577	995,815
Long-term bank and other loans	長期銀行及其他貸款	**216,821**	**204,069**	26,305	23,967
Unsecured notes	無抵押票據	**98,661**	**104,271**	–	–
Convertible notes – liability component	可換股票據－負債部份	**835,797**	**798,937**	856,771	803,068

The Company **本公司**

		2010 二零一零年		2009 (restated) 二零零九年（經重列）	
		Carrying amount HK$'000 賬面值 千港元	Fair value HK$'000 公允值 千港元	Carrying amount HK$'000 賬面值 千港元	Fair value HK$'000 公允值 千港元
Unsecured notes	無抵押票據	**98,661**	**104,271**	–	–
Convertible notes – liability component	可換股票據－負債部份	**835,797**	**798,937**	856,771	803,068

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES *(continued)*

(f) Estimation of fair values

The following summarises the major methods and assumptions used in estimating the fair values of financial instruments.

(i) Derivatives

The fair values of derivatives are determined based on valuation models at the end of the reporting period. Details of the assumptions adopted are disclosed in Note 24.

(ii) Long-term bank and other loans, convertible notes, unsecured notes and loans receivables

The fair value is estimated as the present value of future cash flows, discounted at current market interest rates for similar financial instruments.

The Group uses the interest rate published by the People's Bank of China as of 31 December 2010 and 2009 plus an adequate constant credit spread to discount long-term bank and other loans and loans receivables. The Group uses the risk free interest rate reference to the Hong Kong Exchange Fund Notes as of 31 December 2010 and 2009 plus credit spread of comparable notes with similar credit rating, coupons and maturities to discount the liability component of the convertible notes and unsecured notes. The interest rates used are as follows:

30 財務風險管理及公允值 *（續）*

(f) 公允值估計

以下概述用以估計金融工具公允值之主要方法及假設。

(i) 衍生工具

於報告期末，衍生工具之公允值乃根據估值模型釐定。有關所採納假設之詳情於附註24披露。

(ii) 長期銀行及其他貸款、可換股票據、無抵押票據及應收貸款

公允值乃按未來現金流量按同類金融工具之現行市場利率貼現後之現值估計。

本集團採用中國人民銀行於二零一零年及二零零九年十二月三十一日公佈之利率加足夠固定信貸息差貼現長期銀行及其他貸款以及應收貸款。本集團採用香港外匯基金票據於二零一零年及二零零九年十二月三十一日之無風險利率加具有類似信貸評級、息票及到期日之可資比較票據之信貸息差貼現可換股票據之負債部份及無抵押票據。所採用之利率如下：

		2010 二零一零年	2009 (restated) 二零零九年 （經重列）
Long-term bank and other loans	長期銀行及其他貸款	**7.04%**	7.52%
Convertible notes	可換股票據		
– liability component	－負債部份	**8.539%-23.397%**	11.406%
Unsecured notes	無抵押票據	**15.968%**	–
Loans receivables	應收貸款	**13.85%**	13.40%

31 COMMITMENTS

(a) Capital commitments

At 31 December 2010, the outstanding capital commitments of the Group not provided for in the consolidated financial statements were as follows:

31 承擔

(a) 資本承擔

於二零一零年十二月三十一日，未在綜合財務報表中撥備之未付資本承擔如下：

		The Group 本集團	
		2010 HK$'000 二零一零年 千港元	2009 HK$'000 二零零九年 千港元
Commitments in respect of purchase of fixed assets – Contracted for	購買固定資產之承擔 – 已訂約	**15,645**	5,208

At 31 December 2010, capital commitments in respect of purchase of fixed assets are for leasehold improvements to be installed in the department stores.

於二零一零年十二月三十一日，有關購買固定資產之資本承擔乃與將於百貨公司安裝之租賃裝修有關。

31 COMMITMENTS *(continued)*

(b) Operating lease commitments

At 31 December 2010, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

31 承擔*（續）*

(b) 經營租賃承擔

於二零一零年十二月三十一日，根據不可撤銷之經營租賃在日後應付之最低租賃付款總額如下：

		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Within 1 year	一年內	**69,017**	102,353
After 1 year but within 5 years	一年後但五年內	**237,625**	115,338
After 5 years	五年後	**743,336**	204,689
		1,049,978	422,380

The Group leases properties for the use by its department stores under operating leases. The leases typically run for an initial period of 1 to 20 years, where all terms are renegotiated upon renewal. One of the leases includes contingent rentals which are calculated based on a fixed percentage on the department store's turnover.

本集團根據經營租賃租賃若干物業供其百貨公司使用。該等租賃一般初步為期一至二十年，而所有條款於續期後均可重新商定。其中一項租賃包括根據百貨公司營業額之固定百分比計算之或然租金。

31 COMMITMENTS *(continued)*

31 承擔*（續）*

(c) Properties leased out under operating leases

At 31 December 2010, the Group's total future minimum lease payments under non-cancellable operating leases are receivable as follows:

(c) 根據經營租賃出租之物業

於二零一零年十二月三十一日，本集團根據不可撤銷之經營租賃在日後應收之最低租賃款項總額如下：

		2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Within 1 year	一年內	**15,603**	15,601
After 1 year but within 5 years	一年後但五年內	**56,362**	61,380
After 5 years	五年後	**26,881**	34,802
		98,846	111,783

The Group leases out part of its department stores and office premises under operating leases. The leases typically run for an initial period of 1 to 10 years, where all terms are renegotiated upon renewal. Certain of the leases include contingent rentals which are calculated based on a fixed percentage on the tenants' turnover.

本公司根據經營租賃出租百貨公司之部分購物區及辦公室。該等租賃一般初步為期一至十年，而所有條款可於續期時重新商定。若干租賃根據包括租戶營業額之固定百分比計算之或然租金。

32 CONTINGENT LIABILITIES

(a) Legal claims

(i) Ginwa Bell Tower, a subsidiary of the Group, has provided a guarantee on bank loan of RMB24.0 million drawn by a third party in 2005. This third party has subsequently defaulted repayment on the bank loan and has yet to repay the bank loan as of the date of these financial statements. In October 2006 and December 2009, Ginwa Bell Tower received court judgements which found that both the third party and Ginwa Bell Tower to be jointly and severally liable for the repayment of the defaulted bank loan plus interest accrued thereof. The court judgements have required Ginwa Bell Tower to fulfil its obligation as the guarantor. Under an agreement entered into between Ginwa Bell Tower and Ginwa Investments in 2008, Ginwa Investments has agreed to indemnify Ginwa Bell Tower on any losses incurred arising from the above guarantee. As of 31 December 2010, the defaulted bank loan plus accrued interest amounted to RMB26.2 million (equivalent to approximately HK$30.8 million). The directors of the Company believe the indemnity agreement entered into with Ginwa Investments will enable the Group to recover any losses the Group may have incurred arising from the above guarantee. Accordingly, no provision has been made in respect of this claim.

32 或然負債

(a) 法律索償

(i) 本集團一間附屬公司金花鐘樓已於二零零五年就第三方提取之銀行貸款人民幣24,000,000元提供擔保。該第三方隨後拖欠償還銀行貸款且於該等財務報表日期尚未償還銀行貸款。於二零零六年十月及二零零九年十二月，金花鐘樓接獲法院判決，並發現第三方及金花鐘樓均須共同及個別負責償還拖欠之銀行貸款及其所產生之利息。法院判決要求金花鐘樓履行其作為擔保人之義務。根據金花鐘樓與金花投資於二零零八年訂立之協議，金花投資已同意向金花鐘樓彌償因上述擔保而產生之任何損失。於二零一零年十二月三十一日，拖欠之銀行貸款以及所產生之利息為人民幣26,200,000元（相等於約30,800,000港元）。本公司董事相信，與金花投資訂立之彌償協議將令本集團可收回因上述擔保而可能出現之任何虧損。因此並無就此索償作出撥備。

32 CONTINGENT LIABILITIES *(continued)*

(a) Legal claims *(continued)*

(ii) In January 2011, Ginwa Bell Tower received a notice that it is being sued by a third party in respect of a guarantee provided by Ginwa Bell Tower on a loan of RMB13.2 million (equivalent to approximately HK$15.5 million) granted by this third party to Ginwa Investments in August 2005. Ginwa Investments has subsequently defaulted repayment on the loan but is currently under negotiation with the third party to formulate a revised repayment plan. As of the date of these financial statements, the above lawsuit is under reviewed before an arbitrator. The directors of the Company believe Ginwa Investments will be able to agree a revised repayment plan with the third party in the foreseeable future. Accordingly, no provision has been made in respect of this claim.

32 或然負債*（續）*

(a) 法律索償*（續）*

(ii) 於二零一一年一月，金花鐘樓收到一份通知，獲悉一名第三方正就有關該名第三方於二零零五年八月授予金花投資之貸款人民幣13,200,000元（相等於約15,500,000港元）而由金花鐘樓提供之擔保向金花鐘樓提起訴訟。金花投資其後拖欠償還該筆貸款，但目前正與該名第三方進行磋商，以達成一份經修訂之還款計劃。於該等財務報表日期，上述訴訟現時正提交仲裁員審查。本公司董事相信，金花投資於可見未來將能夠與該名第三方協定一份經修訂之還款計劃。因此並無就此索償作出撥備。

32 CONTINGENT LIABILITIES

(b) Financial guarantees issued

As at the end of the reporting period, and in addition to the guarantees mentioned in Note 32(a), the Group has issued the following guarantees:

(i) A guarantee provided by Ginwa Bell Tower in respect of an interesting bearing bank loan of RMB90.0 million (equivalent to approximately HK$105.8 million) drawn by Ginwa Investments in 2008. The loan will mature in July 2012. In September 2010, Ginwa Bell Tower and Ginwa Investments have entered into an agreement, where Ginwa Investments has agreed to indemnify Ginwa Bell Tower on any losses incurred arising from the above guarantee.

(ii) A guarantee provided by Ginwa Bell Tower in respect of an interesting bearing bank loan of RMB15.0 million (equivalent to approximately HK$17.6 million) drawn by Ginwa Investments in 2007. The loan will mature in September 2013. In August 2008, Ginwa Bell Tower and Ginwa Investments have entered into an agreement, where Ginwa Investments has agreed to indemnify Ginwa Bell Tower on any losses incurred arising from the above guarantee.

As at the end of the reporting period, the directors of the Company do not consider it probable that a claim will be made against the Group under any of the above guarantees. The maximum liability of the Group at the end of the reporting period under the guarantees issued is the outstanding amount of the bank loans of RMB105.0 million (equivalent to approximately HK$123.4 million) plus accrued interest.

32 或然負債*（續）*

(b) 發出之財務擔保

於報告期末，除附註32(a)所述之擔保外，本集團已發出以下擔保：

(i) 金花鐘樓就金花投資於二零零八年提取之計息銀行貸款人民幣90,000,000元（相等於約105,800,000港元）而提供之擔保。該筆貸款將於二零一二年七月到期。於二零一零年九月，金花鐘樓及金花投資已訂立協議，據此，金花投資已同意向金花鐘樓彌償因上述擔保產生之任何損失。

(ii) 金花鐘樓就金花投資於二零零七年提取之計息銀行貸款人民幣15,000,000元（相等於約17,600,000港元）而提供之擔保。該筆貸款將於二零一三年九月到期。於二零零八年八月，金花鐘樓及金花投資已訂立協議，據此，金花投資已同意向金花鐘樓彌償因上述擔保產生之任何損失。

於報告期末，本公司董事認為將不大可能會根據任何上述擔保而對本集團提出索償。本集團於報告期末之已發出擔保項下之最高負債為尚未償還之銀行貸款人民幣105,000,000元（相等於約123,400,000港元）加應計利息。

33 MATERIAL RELATED PARTY TRANSACTIONS

In addition to the balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions.

33 重大關連人士交易

除該等財務報表其他部份所披露之結餘外，本集團亦進行以下重大關連人士交易。

(a) Transactions with equity shareholders of the Company and their affiliates:

(a) 與本公司股東及彼等聯屬人士進行之交易

		Note 附註	2010 HK$'000 二零一零年 千港元	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）
Interest expenses	利息開支	*(i)*	**27,655**	30,366
Interest income	利息收入	*(ii)*	**51,961**	49,282
Management service fee income	管理服務費收入		**7,740**	7,307
Sale of goods	銷售貨品		**–**	4,229
Purchase of leasehold land and buildings, net of related bank loan *(Note 13)*	購買租賃土地及樓宇，扣除相關銀行貸款 *（附註13）*		**508,517**	–
Guarantees provided by and/or secured by properties of related parties for the Group's bank and other loans at the end of the reporting period	於報告期末關連人士為本集團之銀行及其他貸款提供及／或以物業作出之擔保		**128,218**	267,341

Further details on the acquisition of a subsidiary from a related party and guarantees the Group provided for related parties are set out in Notes 29 and 32, respectively.

有關向一名關連人士收購附屬公司及本集團為關連人士提供擔保之進一步詳情分別載於附註29及32。

Notes:

(i) Interest expenses represented interest charges on the BMRL Notes.

(ii) Interest income represented the interest on the loan receivable from a related party.

附註：

(i) 利息開支指就BMRL票據之利息支出。

(ii) 利息收入指應收一名關連人士貸款之利息。

33 MATERIAL RELATED PARTY TRANSACTIONS *(continued)*

33 重大關連人士交易*（續）*

(b) Key management personnel remuneration

Remuneration for key management personnel, including amounts paid to the Company's directors as disclosed in Note 9 and the highest paid employee as disclosed in Note 10, is as follows:

(b) 主要管理人員薪酬

主要管理人員之薪酬（包括附註9所披露已付予本公司董事及附註10所披露已付予若干最高薪酬僱員之款項）如下：

		2010 HK$'000 二零一零年 千港元	2009 HK$'000 二零零九年 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	9,935	4,219
Retirement scheme contributions	退休計劃供款	139	88
Share-based payments	股份付款	1,726	1,162
		11,800	5,469

Total remuneration is recorded in "staff costs" (see Note 7(b)).

薪酬總額計入「員工成本」內（參閱附註7(b)）。

34 NON-ADJUSTING SUBSEQUENT EVENTS

34 報告日期後之非調整事項

(a) Acquisition of non-controlling interests in a subsidiary of the Group

On 30 December 2010, the Company, through a wholly-owned subsidiary of the Group, entered into various share transfer agreements to acquire the remaining 49% equity interests in Shaanxi Century Ginwa Tangrenjie Shopping Mall Company Limited ("Ginwa Tangrenjie") from the existing non-controlling equity holders of Ginwa Tangrenjie at a total consideration of RMB47.5 million (equivalent to approximately HK$55.8 million). Upon completion of the above share transfers, Ginwa Tangrenjie will be a wholly-owned subsidiary of the Group. Up to the date of issue of these financial statements, these transactions have not been completed.

(a) 收購本集團一間附屬公司之非控股權益

於二零一零年十二月三十日，本公司透過本集團一間全資附屬公司，訂立多份股份轉讓協議，以向陝西世紀金花唐人街商場有限責任公司（Shaanxi Century Ginwa Tangrenjie Shopping Mall Company Limited）（「金花唐人街店」）現有非控股權益持有人收購金花唐人街店餘下49%股權，總代價為人民幣47,500,000元（相當於約55,800,000港元）。於完成上述股份轉讓後，金花唐人街店將成為本集團之全資附屬公司。截至本財務報表刊發日期，該等交易尚未完成。

34 NON-ADJUSTING SUBSEQUENT EVENTS *(continued)*

(a) Acquisition of non-controlling interests in a subsidiary of the Group *(continued)*

The directors of the Company have confirmed that the Group has commenced considering the potential financial impact of the above transactions but is not yet in a position to determine the potential financial impact of the above transactions on the Group's results of operations in future periods and financial position at future dates.

(b) Acquisition of a subsidiary

On 31 January 2011, the Company, through a wholly-owned subsidiary, entered into a share transfer agreement with a third party to acquire 100% equity interests in Ideal Mix Limited, a company owns several department store operations in the PRC, at a consideration of HK$348.5 million. The consideration will be satisfied by HK$254.0 million in cash and the Company's issuance of HK$94.5 million of convertible notes to this third party. This acquisition will require the approval by the Company's shareholders in a special general meeting to be held in the future. Up to the date of issue of these financial statements, this acquisition has not been completed.

The directors of the Company have confirmed that the Group has commenced considering the potential financial impact of the above acquisition but is not yet in a position to determine the potential financial impact of the above acquisition on the Group's results of operations in future periods and financial position at future dates.

34 報告日期後之非調整事項 *（續）*

(a) 收購本集團一間附屬公司之非控股權益 *（續）*

本公司董事已確認，本集團已開始考慮上述交易之潛在財務影響，惟尚無法確定上述交易對本集團未來期間經營業績及日後財務狀況的潛在財務影響。

(b) 收購一間附屬公司

於二零一一年一月三十一日，本公司透過一間全資附屬公司，與第三方訂立一份股份轉讓協議，以收購Ideal Mix Limited（一間在中國擁有百貨商場業務之公司）100%股權，代價為348,500,000港元，代價將以現金254,000,000港元及本公司向該第三方發行94,500,000港元之可換股票據支付。是項收購將需要在日後舉行之股東特別大會上獲本公司股東批准，方可作實。於刊發本財務報表日期，該等交易尚未完成。

本公司董事已確認，本集團已開始考慮上述收購之潛在財務影響，但尚無法確定上述收購對本集團未來期間經營業績及日後財務狀況的潛在財務影響。

34 NON-ADJUSTING SUBSEQUENT EVENTS *(continued)*

(c) Possible acquisition of a subsidiary

On 18 January 2011, the Company, through a wholly-owned subsidiary, entered into a memorandum of understanding ("MOU") with a third party. Pursuant to the MOU, which is subject to further negotiation between the Group and this third party and the finalisation of the related agreement, the Group will acquire 100% equity interests in a company which owns the properties that one of the Group's department stores is currently situated. The preliminary consideration is set at RMB1,030.0 million (equivalent to approximately HK$1,210.4 million). As at the date of issue of these financial statements, the share transfer agreement in connection with the above transaction has yet to be finalised.

(d) Change of the Company's name

In a special general meeting held on 15 February 2011, the shareholders of the Company have approved to change the Company's name from "China Golden Development Holdings Limited" to "Century Ginwa Retail Holdings Limited". As at the date of issue of these financial statements, the above change of name has yet to be completed.

35 COMPARATIVE FIGURES

As a result of the correction of prior years' errors, certain comparative figures have been adjusted to conform to current year's presentation and to provide comparative amounts in respect of items disclosed for the first time in 2010. Further details of these corrections are disclosed in Note 4.

34 報告日期後之非調整事項 *（續）*

(c) 可能收購一間附屬公司

於二零一一年一月十八日，本公司透過一間全資附屬公司與第三方訂立諒解備忘錄（「諒解備忘錄」）。根據諒解備忘錄（須待本集團與該第三方進一步磋商及落實相關協議後，方可作實），本集團將收購在中國擁有本集團其中一間百貨商場現時所在之物業之公司之100%股權。初步代價為人民幣1,030,000,000元（相當於約1,210,400,000港元）。於刊發本財務報表日期，與上述交易有關之股份轉讓協議尚未落實。

(d) 更改本公司名稱

於二零一一年二月十五日的股東特別大會上，本公司股東已批准將本公司之名稱由「China Golden Development Holdings Limited」更改為「Century Ginwa Retail Holdings Limited」。於刊發該等財務報表日期，上述名稱變更尚未完成。

35 比較數字

由於糾正過往年度的錯誤，若干比較數字經已調整以與本年度的呈列方式保持一致，並為二零一零年首次披露之項目提供比較數字。該等糾正之進一步詳情於附註4披露。

36 IMMEDIATE HOLDING COMPANY

At 31 December 2010, the directors of the Company consider the immediate holding company of the Group to be Best Mineral Resources Limited, which is incorporated in the British Virgin Islands. This entity does not produce financial statements available for public use.

36 直接控股公司

於二零一零年十二月三十一日，本公司董事認為，本集團之直接控股公司為於英屬處女群島註冊成立之Best Mineral Resources Limited。該實體並無編製可供公眾使用之財務報表。

37 ACCOUNTING JUDGEMENTS AND ESTIMATES

Notes 24 and 25 contain information about the assumptions and their risk factors relating to fair value of financial instruments and share options granted. Other key sources of estimation uncertainty are as follows:

(a) Impairment of receivables

The management maintains an allowance for doubtful accounts for estimated losses resulting from the inability of the debtors to make the required payments. The management bases the estimates on the ageing of the individual receivable balance, debtor credit-worthiness and historical write-off experience. If the financial condition of the debtors were to deteriorate, actual write-offs would be higher than estimated.

37 會計判斷及估計

附註24及25載有與金融工具及所授出購股權之公允值有關之假設及其風險因素之資料。估計不確定之其他重要來源如下：

(a) 應收款項減值

管理層會就債務人未能支付所需款項產生之估計虧損計提呆賬撥備。管理層根據個別應收賬款之賬齡、債務人信譽及過往撇銷經驗作出估計。倘若債務人之財務狀況惡化，實際撇銷將會較估計撇銷為高。

37 ACCOUNTING JUDGEMENTS AND ESTIMATES *(continued)*

37 會計判斷及估計*（續）*

(b) Impairment of long-lived assets

If circumstances indicate that the carrying amount of a long-lived asset may not be recoverable, the asset may be considered "impaired", and an impairment loss may be recognised in accordance with accounting policy for impairment of long-lived assets as described in Note 2(i). The carrying amounts of long-lived assets are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. When such a decline has occurred, the carrying amount is reduced to recoverable amount. The recoverable amount is the greater of the fair value less costs to sell and the value in use. In determining the value in use, expected future cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to the level of revenue and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions and projections of the level of revenue and amount of operating costs. Changes in these estimates could have a significant impact on the carrying value of the assets and could result in additional impairment charge or reversal of impairment in future periods, where applicable.

(b) 耐用資產減值

倘有情況顯示無法收回耐用資產之賬面值，有關資產可能視為「減值」，並可能根據附註2(i)所述有關耐用資產減值之會計政策確認減值虧損。本集團定期審核耐用資產之賬面金額，藉以評估可收回數額是否下跌至低於賬面金額。倘出現上述減值情況，賬面金額則會減至可收回數額。可收回數額為公允值減銷售成本或使用價值兩者中之較高者。在釐定使用價值時，預計資產產生的未來現金流量貼現至現值，當中須對相關收入水平及經營成本金額作出重要判斷。本集團在釐定與可回收金額相若之合理數額時，使用全部可輕易獲得資料，包括基於合理及有支持力之假設之估計以及收入與經營成本款額之預測水平。有關估計之變動可對資產之賬面值產生重大影響，並可於未來期間引致額外減值開支或作出減值撥回（如適用）。

(c) Depreciation

Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the assets, after taking into account the estimated residual values. The management reviews the estimated useful lives and the residual values of the assets regularly in order to determine the amount of depreciation expense to be recorded during any reporting period. The determination of the useful lives and the residual values are based on historical experience with similar assets and taking into account anticipated technological changes. The depreciation expense for future periods is adjusted if there are significant changes from previous estimates.

(c) 折舊

固定資產之折舊乃經考慮估計剩餘價值後，按資產之估計可使用年限以直線法計算。管理層定期審核資產之估計可使用年限及剩餘價值，以釐定於任何報告期內記錄之折舊支出金額。可使用年限及剩餘價值乃根據類似資產之過往經驗計算，並考慮預計技術轉變。倘過往之估計出現重大變動，則日後期間之折舊支出亦會調整。

38 POSSIBLE IMPACT OF NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2010

Up to the date of issue of these financial statements, the HKICPA has issued a number of new standards, amendments to standards and interpretations which are not yet effective for the year ended 31 December 2010 and which have not been adopted in these financial statements.

38 已頒佈但尚未於截至二零一零年十二月三十一日止年度生效之新訂準則、準則之修訂及詮釋之潛在影響

截至刊發該等財務報表日期，香港會計師公會已頒佈以下尚未於截至二零一零年十二月三十一日止年度生效且尚未於該等財務報表採納的新訂準則、準則之修訂及詮釋：

	Effective for accounting periods beginning on or after **於下列日期或之後開始之會計期間生效**
Amendments to HKAS 32, *Financial instruments: Presentation – Classification of rights issues* 香港會計準則第32號（修訂本）*「金融工具：呈列－供股之分類」*	1 February 2010 二零一零年二月一日
HK(IFRIC) 19, *Extinguishing financial liabilities with equity instruments* 香港（國際財務報告詮釋委員會）第19號*「以權益工具抵銷金融負債」*	1 July 2010 二零一零年七月一日
Amendments to HKFRS 1, *First-time adoption of Hong Kong Financial Reporting Standards – Limited exemption from comparative HKFRS 7 disclosures for first-time adopters* 香港財務報告準則第1號（修訂本）*「首次採納香港財務報告準則－就首次採納者對香港財務報告準則第7號比較披露之有限豁免」*	1 July 2010 二零一零年七月一日
Amendments to HKFRS 1, *First-time adoption of Hong Kong Financial Reporting Standards – Severe hyperinflation and removal of fixed dates for first-time adopters* 香港財務報告準則第1號（修訂本）*「首次採納香港財務報告準則－嚴重高通脹及剔除首次採納者之固定日期」*	1 July 2011 二零一一年七月一日
Improvements to HKFRSs (2010) 香港財務報告準則之改進（二零一零年）	1 July 2010 or 1 January 2011 二零一零年七月一日或二零一一年一月一日

38 POSSIBLE IMPACT OF NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2010 *(continued)*

38 已頒佈但尚未於截至二零一零年十二月三十一日止年度生效之新訂準則、準則之修訂及詮釋之潛在影響*（續）*

	Effective for accounting periods beginning on or after 於下列日期或之後開始之會計期間生效
Revised HKAS 24, *Related party disclosures* 經修訂之香港會計準則第24號*「關連人士披露」*	1 January 2011 二零一一年一月一日
Amendments to HK(IFRIC) 14, HKAS 19 – *The limit on a defined benefit asset, minimum funding requirements and their interaction – Prepayments of a minimum funding requirement* 香港（國際財務報告詮釋委員會）第14號（修訂本）、香港會計準則第19號*「界定福利資產之限制、最低資金要求及彼等之相互關係－最低資金要求之預付款項」*	1 January 2011 二零一一年一月一日
Amendments to HKFRS 7, *Financial instruments: Disclosures – Transfers of financial assets* 香港財務報告準則第7號（修訂本）*「金融工具：披露－金融資產之轉讓」*	1 July 2011 二零一一年七月一日
Amendments to HKAS 12, *Income taxes – Deferred tax: Recovery of underlying assets* 香港會計準則第12號（修訂本）*「所得稅－遞延稅項：相關資產之收回」*	1 January 2012 二零一二年一月一日
HKFRS 9, *Financial instruments* (2009) Basis for conclusions on HKFRS 9 (2009) Amendments to other HKFRSs and guidance on HKFRS 9 (2009) 香港財務報告準則第9號*「金融工具」*（二零零九年） 對香港財務報告準則第9號之結論基準（二零零九年） 其他香港財務報告準則（修訂本）及香港財務報告準則第9號之指引（二零零九年）	1 January 2013 二零一三年一月一日
HKFRS 9, *Financial instruments* (2010) Basis for conclusions on HKFRS 9 (2010) Implementation guidance on HKFRS 9 (2010) 香港財務報告準則第9號*「金融工具」*（二零一零年） 對香港財務報告準則第9號之結論基準（二零一零年） 香港財務報告準則第9號之實施指引（二零一零年）	1 January 2013 二零一三年一月一日

38 POSSIBLE IMPACT OF NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2010 *(continued)*

The directors of the Company have confirmed that the Group has commenced considering the potential impact of the above new standards, amendments to standards and interpretations but is not yet in a position to determine whether these new standards, amendments to standards and interpretations will have a significant impact on how the results of operations and financial position are prepared and presented. These new standards, amendments to standards and interpretations may result in changes in the future as to how the results and financial position are prepared and presented.

38 已頒佈但尚未於截至二零一零年十二月三十一日止年度生效之新訂準則、準則之修訂及詮釋之潛在影響*（續）*

本公司董事確認，本集團已開始考慮新訂準則、準則之修訂及詮釋之潛在影響，惟尚未能釐定該等新訂準則、準則之修訂及詮釋是否會對如何編製及呈列經營業績及財務狀況造成重大影響。該等新訂準則、準則之修訂及詮釋可能會導致日後對如何編製及呈列業績及財務狀況作出變動。

Five Years Summary Financial Information (2006 – 2010)
五年財務資料摘要（二零零六年至二零一零年）

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

(Expressed in Hong Kong dollars) *（以港元呈列）*

RESULTS
業績

		Year ended 31 December 截至十二月三十一日止年度				Period from 1 July 2005 to 31 December
		2010 **HK$'000** **二零一零年 千港元**	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）	2008 HK$'000 (restated) 二零零八年 千港元 （經重列）	2007 HK$'000 二零零七年 千港元	2006 HK$'000 二零零五年七月一日至二零零六年十二月三十一日止期間 千港元
Turnover	營業額					
– Continuing operations	－持續經營業務	**698,860**	548,052	285,973	115,656	34,681
– Discontinued operations	－終止經營業務	**–**	–	–	–	15,000
		698,860	548,052	285,973	115,656	49,681
Profit/(loss) attributable to equity shareholders	股東應佔溢利／（虧損）					
– Continuing operations	－持續經營業務	**74,479**	10,168	(361,267)	5,330	(23,701)
– Discontinued operations	－終止經營業務	**–**	–	–	–	(127,501)
		74,479	10,168	(361,267)	5,330	(151,202)

ASSETS AND LIABILITIES
資產及負債

		As at 31 December 於十二月三十一日				
		2010 **HK$'000** **二零一零年 千港元**	2009 HK$'000 (restated) 二零零九年 千港元 （經重列）	2008 HK$'000 (restated) 二零零八年 千港元 （經重列）	2007 HK$'000 二零零七年 千港元	2006 HK$'000 二零零六年 千港元
NON-CURRENT ASSETS	非流動資產	**3,190,826**	2,183,133	2,068,531	106,574	74,611
CURRENT ASSETS	流動資產	**315,581**	197,130	204,022	354,986	53,275
DEDUCT:	減：					
CURRENT LIABILITIES	流動負債	**1,412,705**	1,244,288	1,257,533	103,719	41,650
NET CURRENT (LIABILITIES)/ASSETS	流動（負債）／資產淨額	**(1,097,124)**	(1,047,158)	(1,053,511)	251,267	11,625
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債	**2,093,072**	1,135,975	1,015,020	357,841	86,236
DEDUCT:	減：					
NON-CURRENT LIABILITIES	非流動負債	**1,688,233**	895,219	824,083	–	21,323
NET ASSETS/(LIABILITIES)	資產／（負債）淨額	**405,469**	240,756	190,937	357,841	64,913