

GIORDANO
Giordano International Limited
佐丹奴國際有限公司
Annual Report 2009 年報

(Stock Code 股份代號: 709)

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十年財務與業務摘要

TEN-YEAR FINANCIAL AND OPERATION HIGHLIGHTS

(除特別註明外，以港幣百萬元為單位)

(In HK\$ millions unless otherwise specified)

營業額	Turnover
毛利	Gross profit
毛利率	Gross margin
經營溢利(附註1及2)	Operating profit (notes 1 & 2)
經營溢利率(附註1及2)	Operating margin (notes 1 & 2)
股東應佔溢利(附註1及2)	Profit attributable to shareholders (notes 1 & 2)
銷售回報率(附註1及2)	Return on sales (notes 1 & 2)
現金及銀行結存減銀行貸款	Cash and bank balances less bank loans
營運資金(附註1)	Working capital (note 1)
資產總額(附註2)	Total assets (note 2)
負債總額(附註2及3)	Total liabilities (notes 2 & 3)
股東資金(附註2及3)	Shareholders' funds (notes 2 & 3)
每股盈利—基本(港仙)(附註1及2)	Earnings per share – Basic (HK cents) (notes 1 & 2)
每股中期股息(港仙)	Interim dividend per share (HK cents)
每股特別中期股息(港仙)	Special interim dividend per share (HK cents)
每股末期股息(港仙)	Final dividend per share (HK cents)
每股特別末期股息(港仙)	Special final dividend per share (HK cents)
平均資產總額回報率(附註1及2)	Return on average total assets (notes 1 & 2)
平均股東資金回報率(附註1及2)	Return on average shareholders' funds (notes 1 & 2)
存貨對銷售之流轉比率(日數)(附註4)	Inventory turnover on sales (days) (note 4)
流動比率(倍數)(附註1)	Current ratio (times) (note 1)
市場流通股份數目(千股)	Number of shares outstanding (in thousands)
市值總額	Market capitalization
直接管理門市	Directly managed stores
門市數目(附註5)	Number of stores (note 5)
零售面積(以千平方呎為單位)(附註5)	Retail floor area (in thousands of square feet) (note 5)
同店銷售額增加/(減少)(附註6)	Same store sales increase/(decrease) (note 6)
門市總數(附註5)	Total stores (note 5)
分部間採購之百分率	Inter-segment purchases percentage

附註：

Notes:

- 二零零四年之數字已因採納HKAS17「租賃」及HKFRS2「以股份支付的支出」而作出調整，該會計準則於二零零五年一月一日或以後開始之會計年度生效
- 二零零二年之數字已因採納SSAP12「所得稅」(經修訂)而作出調整，該會計實務準則於二零零三年一月一日或以後開始之會計年度生效
- 二零零零年之數字已因採納SSAP9「結算日後事項」(經修訂)而作出調整，該會計實務準則於二零零一年一月一日或以後開始之會計年度生效
- 年結日之存貨除全年營業額乘三百六十五日或三百六十六日
- Figures from 2004 are adjusted for the adoption of HKAS 17 "Leases" and HKFRS 2 "Share-based Payment" which are effective for accounting years commencing on or after January 1, 2005
- Figures for 2002 are adjusted for the adoption of SSAP 12 "Income Taxes" (revised) which is effective for accounting years commencing on or after January 1, 2003
- Figures for 2000 are adjusted for the adoption of SSAP 9 "Events after the Balance Sheet Date" (revised) which is effective for accounting years commencing on or after January 1, 2001
- Inventory held at year end divided by full year turnover times 365 or 366 days

十年財務與業務摘要

TEN-YEAR FINANCIAL AND OPERATION HIGHLIGHTS

2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
4,233	5,048	4,950	4,372	4,413	4,003	3,389	3,588	3,479	3,431
2,175	2,439	2,357	2,178	2,243	2,035	1,634	1,677	1,544	1,516
51.4%	48.3%	47.6%	49.8%	50.8%	50.8%	48.2%	46.7%	44.4%	44.2%
320	325	384	376	518	491	364	385	372	425
7.6%	6.4%	7.8%	8.6%	11.7%	12.3%	10.7%	10.7%	10.7%	12.4%
288	311	295	205	406	387	266	328	377	416
6.8%	6.2%	6.0%	4.7%	9.2%	9.7%	7.8%	9.1%	10.8%	12.1%
750	454	474	665	827	689	784	614	494	747
1,047	742	736	862	1,029	861	911	861	798	1,014
2,810	2,557	2,935	2,984	2,970	2,717	2,555	2,419	2,371	2,110
624	651	909	894	755	684	685	564	625	511
2,118	1,855	1,927	1,987	2,122	1,954	1,799	1,794	1,695	1,558
19.30	20.80	19.80	13.80	27.50	26.70	18.50	22.80	26.30	29.30
2.00	4.50	4.50	4.50	4.50	4.00	1.50	4.50	4.50	4.25
-	2.00	2.00	2.00	2.00	1.50	3.00	-	-	-
7.00	3.00	5.00	5.00	5.00	4.50	4.50	4.50	4.50	6.00
7.00	-	10.00	15.00	15.00	13.00	12.00	10.00	5.00	5.00
11.1%	11.5%	10.3%	7.3%	15.2%	15.9%	11.8%	14.7%	17.3%	21.4%
14.5%	16.4%	15.1%	10.0%	19.9%	20.6%	14.8%	18.8%	23.2%	27.7%
25	23	33	35	31	30	24	26	30	32
3.0	2.3	1.9	2.1	2.6	2.4	2.5	2.8	2.3	3.1
1,491,647	1,491,647	1,491,513	1,490,853	1,489,631	1,450,592	1,442,199	1,440,345	1,436,029	1,430,683
3,431	2,909	5,578	6,336	6,480	7,072	5,192	4,393	4,954	5,150
1,015	1,036	1,000	962	914	811	550	473	456	367
1,017	1,046	995	957	918	846	650	599	598	466
(4%)	(2%)	2%	(3%)	(1%)	7%	(9%)	(2%)	(4%)	4%
2,114	1,970	1,895	1,767	1,694	1,585	1,363	1,256	1,159	920
6.3%	11%	16%	26%	30%	27%	28%	26%	24%	25%

5. 年結日數字

5. Figures as at year end

6. 指於兩個作比較之財政年度內經營滿十二個月之門市

6. For stores which were operated for the full 12 months in each of the two fiscal years under comparison

7. 持續經營業績：

7. Operating results on continuing operations:

於二零零八年，本集團出售其主要成衣製造附屬公司Placita Holdings Limited（「非持續經營業務」）。本集團之零售及其他業務（「持續經營業務」）之二零零九及二零零八業績總結如下以作比較：

In 2008, the Group disposed of its principal garment manufacturing subsidiary Placita Holdings Limited ("Discontinued Operations"). The results of the Group's retail and other businesses ("Continuing Operations") for 2009 and 2008 are summarized below for easier comparison:

（除特別註明外，以港幣百萬元為單位）

(In HK\$ millions unless otherwise specified)

	2009	2008
營業額	4,233	4,710
毛利	2,175	2,362
毛利率	51.4%	50.1%
經營溢利	320	330
經營溢利率	7.6%	7.0%
股東應佔溢利	288	290
銷售回報率	6.8%	6.2%

公司資料

CORPORATE INFORMATION

董事會

執行董事

劉國權
(主席及行政總裁)
馬灼安

非執行董事

梁覺教授

獨立非執行董事

畢滌凡
鄭其志, GBS, JP
李鵬飛, JP

集團首席財務總監

姚卓基

公司秘書

姚卓基

審核委員會

畢滌凡
鄭其志, GBS, JP
李鵬飛, JP
梁覺教授

補償委員會

劉國權
畢滌凡
李鵬飛, JP
梁覺教授

授權代表

劉國權
姚卓基

核數師

羅兵咸永道會計師事務所
執業會計師

BOARD OF DIRECTORS

Executive Directors

LAU Kwok Kuen, Peter
(Chairman and Chief Executive)
MAH Chuck On, Bernard

Non-Executive Director

Professor LEUNG Kwok

Independent Non-Executive Directors

Barry John BUTTIFANT
KWONG Ki Chi, GBS, JP
LEE Peng Fei, Allen, JP

GROUP CHIEF FINANCIAL OFFICER

IO Cheok Kei, Rudy

COMPANY SECRETARY

IO Cheok Kei, Rudy

AUDIT COMMITTEE

Barry John BUTTIFANT
KWONG Ki Chi, GBS, JP
LEE Peng Fei, Allen, JP
Professor LEUNG Kwok

COMPENSATION COMMITTEE

LAU Kwok Kuen, Peter
Barry John BUTTIFANT
LEE Peng Fei, Allen, JP
Professor LEUNG Kwok

AUTHORIZED REPRESENTATIVES

LAU Kwok Kuen, Peter
IO Cheok Kei, Rudy

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants

律師

香港律師
羅拔臣律師事務所
金杜律師事務所

中國律師
金杜律師事務所

註冊辦事處

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

主要營業地點

香港
九龍
長沙灣道七七七至七七九號
天安工業大廈五樓

主要股份過戶 登記處

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

股份過戶登記處 香港分處

卓佳雅柏勤有限公司
香港
灣仔
皇后大道東二十八號
金鐘匯中心二十六樓

主要往來銀行

香港上海滙豐銀行有限公司
渣打銀行(香港)有限公司
法國巴黎銀行
株式會社三菱東京UFJ銀行

LAWYERS

Hong Kong lawyers
Robertsons
King & Wood

PRC lawyers
King & Wood

REGISTERED OFFICE

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

PRINCIPAL PLACE OF BUSINESS

5th Floor, Tin On Industrial Building
777-779 Cheung Sha Wan Road
Kowloon
Hong Kong

PRINCIPAL SHARE REGISTRARS AND TRANSFER OFFICE

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

BRANCH SHARE REGISTRARS AND TRANSFER OFFICE IN HONG KONG

Tricor Abacus Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Standard Chartered Bank (Hong Kong) Limited
BNP Paribas
The Bank of Tokyo-Mitsubishi UFJ, Ltd.

主席報告書

CHAIRMAN'S STATEMENT

致各位股東：

於二零零八年第四季爆發之「全球金融海嘯」嚴重打擊本集團於二零零九年上半年之業績。截至二零零九年六月三十日止六個月，本集團之股東應佔溢利為港幣四千八百萬元，表現未如理想。為應對此前所未有之危機，本集團立即實施多項審慎理財政策，精簡所有開支、與策略性供應鏈夥伴重新磋商產品成本以及改善同店毛利，使本集團得以達成建立充裕現金儲備之目標，確保財政穩健。本集團於下半年之股東應佔溢利為港幣二億四千萬元，全年則為港幣二億八千八百萬元，較二零零八年少港幣二千三百萬元。本集團業績於二零零九年下半年有所改善，除受惠於整體經濟復甦外，更有賴管理層採取一系列具實質成效之行動。

台灣業務在連續兩年錄得經營虧損後，於二零零九年轉虧為盈，錄得經營溢利港幣二千七百萬元，對比二零零八年錄得之經營虧損港幣二千七百萬元有大幅改善。本集團在新加坡業務經歷二零零七年及二零零八年之短暫性倒退後，其盈利潛力重返正軌，由二零零八年錄得經營虧損港幣一千四百萬元，扭虧為盈至二零零九年錄得經營溢利港幣一千八百萬元。上述兩個主要市場表現改善，皆歸因於重組及精簡工序令溢利率大幅提升。本集團相信該等市場於日後將會持續改善。本集團韓國共同控制公司自二零零七年底開始復甦後，營業額及盈利能力均維持強勁增長。

人事與工序乃零售業成功之關鍵。此兩項要素加上不同外在因素不時為經營地方業務帶來挑戰。本集團於某些市場仍然面對短期挑戰。澳洲乃本集團之策略性市場，有助建立匯聚多元文化之零售專業知識及管理資源，讓本集團能達致長期增長。該市場近年錄得重大經營虧損，本集團已於二零零九年底就澳洲人事與工序方面完成大刀闊斧之改革，加上於上述三個市場轉虧為盈之經驗，因此本集團預期澳洲業務於二零一零年將有顯著改善。

Dear Shareholders:

The “global financial tsunami” which began during the fourth quarter of 2008 severely hurt the Group’s first half 2009 results. The Group’s profit attributable to shareholders for the six months ended June 30, 2009 was a disappointing HK\$48 million. In the face of this unprecedented crisis, the Group swiftly implemented prudent strategies to rationalize all expenses, renegotiate product costs with strategic supply chain partners and rebuild same store gross profits, thereby achieving its objective of building adequate cash reserves to ensure financial stability. The Group’s profit attributable to shareholders came to HK\$240 million in the second half and thus HK\$288 million for the full year. Though still shy of 2008 profit attributable to shareholders by HK\$23 million, it is noteworthy that the Group’s improved results for the second half of 2009 were built not only on the general economic recovery but also on solid actions taken by Management.

Taiwan, after sustaining two consecutive years of operating losses, finally saw a remarkable profit recovery with a 2009 operating profit of HK\$27 million against a 2008 operating loss of HK\$27 million. Singapore where the Group had experienced a brief setback in 2007 and 2008 also saw a normalization of its profit potential with a 2009 operating profit of HK\$18 million against a 2008 operating loss of HK\$14 million. Improvements in these two important markets are attributed to re-engineered and streamlined processes which significantly enhanced margins. The Group believes that these improvements are sustainable. Our Korean jointly controlled company which begun its turnaround in late 2007 continued showing strong growth in both turnover and profitability.

Success in retail depends very much on people and processes. These together with various exogenous factors at times make running a local operation challenging. There are markets where the Group still faces short term challenges. Australia is a strategic market for the Group to build the multi-cultural retail expertise and management resources essential for long term growth. Its operating losses in recent years were heavy and sweeping changes on the people and process fronts were made towards the end of 2009. We therefore expect Australia to show notable improvements in 2010 leveraging on experiences gained in the turnarounds of the three markets abovementioned.

我們承諾會加快於中國大陸之擴張步伐。於二零零九年，本集團聘用更多人才，大幅增強當地管理實力。新管理團隊已成功增設一百零八間店舖，令店舖數目由二零零八年底之九百零九間增至二零零九年底之一千零十七間。本集團於二零一零年將會繼續進行店舖擴展工作，並集中確保新設店舖能為集團帶來合理回報。

本集團今後之整體策略簡單而明確：

1. 繼續透過加強與供應鏈夥伴之合作關係及精簡業務程序，提升毛利率及經營溢利率。
2. 透過強化本集團品牌之獨有優勢，提升其形象及增強競爭力。
3. 在雄厚管理及財務資源基礎上，以有利可圖為方針，有計劃地集中拓展中國大陸市場。

本公司深知本集團之商機不僅有賴於宏觀經濟環境，更取決於我們能否比競爭對手為客戶提供更優勝之服務。與此同時，本公司亦將會密切注視意料之內及之外的潛在威脅。

「危難當前，優勝劣敗」。管理層成員在艱難環境能夠勇往直前，本人深感自豪。本人亦衷心感激公司全人及供應鏈夥伴於艱難時刻一直不離不棄，團結一致，給予本集團鼎力支持。

最後，本人謹此感謝各股東一直對佐丹奴之願景及「以客為先，盈利自來」之獨特管理哲學深信不移。本人謹請閣下參閱「管理層之論述及分析」一節，內有業務分析及前景之詳情。

劉國權

主席

二零一零年三月二十五日

We promised a quicker pace for our mainland China expansion. Our 2009 recruitment drive has greatly bolstered management capacity there. The strengthened management team achieved a net increase of 108 stores from 909 at the end of 2008 to 1,017 at the end of 2009. The year 2010 will see continued store expansion but more importantly a sharpened focus on ensuring that these new stores are profit-generators to the Group.

The Group's grand strategies going forward are clear and simple:

1. Continue to work on gross and operating margin improvements by way of improved supply chain relationships and business process simplification.
2. Enhance competitiveness of Group brands by strengthening their respective identities through reinforcing points of differences.
3. Concentrate on achieving measured and profitable Mainland China expansion grounded in solid management and financial resources.

Your company is aware that success depends not so much on the macro economical environment but rather on our ability to carve out spaces where we can serve the customers better than our competition. At the same time, your company will be vigilant to both predictable and unpredictable threats.

"When the going gets tough, the tough get going". I am proud that our management team have risen to the occasion. I am heartened also by the solidarity and unwavering support demonstrated by our general staff and supply chain partners who stuck by us during these testing times.

Lastly I thank you, our shareholders, who continue to believe in Giordano's vision and its unique management philosophy of putting our customers first and the profits will come. I refer you to the "Management Discussion and Analysis" section for detailed analyses and outlooks.

LAU Kwok Kuen, Peter

Chairman

March 25, 2010

管理層之論述及分析 MANAGEMENT DISCUSSION AND ANALYSIS

本集團經營業績

於二零零八年八月，本集團出售其主要成衣製造附屬公司Placita Holdings Limited（「Placita」）百分之二十一附投票權股東權益，並將其餘下百分之三十附投票權股東權益轉換為百分之三十無附投票權但具保證股息之優先股。其後，Placita不再併入本集團業績之內，而其二零零八年業績已根據香港財務報告準則於本集團合併財務報表中以「非持續經營業務」另行呈列。除另有指明外，下文之數字及論述僅涉及本集團之零售及其他業務（「持續經營業務」），並不包括Placita之業績。

本集團業務

		全年 Full Year			下半年 Second Half			上半年 First Half		
		二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)
營業額	Turnover	4,233	4,710	(10.1%)	2,230	2,368	(5.8%)	2,003	2,342	(14.5%)
毛利	Gross profit	2,175	2,362	(7.9%)	1,210	1,152	5.0%	965	1,210	(20.2%)
毛利率	Gross margin	51.4%	50.1%	1.3 pp/ 百分點	54.3%	48.6%	5.7 pp/ 百分點	48.2%	51.7%	(3.5 pp/ 百分點)
EBITDA	EBITDA	487	529	(7.9%)	350	189	85.2%	137	340	(59.7%)
EBITDA利潤率	EBITDA margin	11.5%	11.2%	0.3 pp/ 百分點	15.7%	8.0%	7.7 pp/ 百分點	6.8%	14.5%	(7.7 pp/ 百分點)
經營溢利	Operating profit	320	330	(3.0%)	254	86	195.3%	66	244	(73.0%)
經營溢利率	Operating margin	7.6%	7.0%	0.6 pp/ 百分點	11.4%	3.6%	7.8 pp/ 百分點	3.3%	10.4%	(7.1 pp/ 百分點)
股東應佔溢利	Profit attributable to shareholders	288	290	(0.7%)	240	76	215.8%	48	214	(77.6%)
銷售回報率	Return on sales	6.8%	6.2%	0.6 pp/ 百分點	10.8%	3.2%	7.6 pp/ 百分點	2.4%	9.1%	(6.7 pp/ 百分點)

本集團業務摘要（以港幣百萬元為單位）

Group Operations Highlights (in HK\$ millions)

RESULTS OF GROUP OPERATIONS

In August 2008, the Group disposed of its 21.0 percent voting equity interest in Placita Holdings Limited (“Placita”), the Group’s principal garment manufacturing subsidiary, and converted its remaining 30.0 percent voting equity interest into 30.0 percent non-voting preference shares with a guaranteed dividend. Consequently, Placita is no longer consolidated into the Group’s results and its 2008 results are presented separately under the heading “Discontinued Operations” in the Group’s consolidated financial statements in accordance with the Hong Kong Financial Reporting Standards. The figures and discussion below pertain to the Group’s retail and other businesses (“Continuing Operations”) and excludes Placita’s results unless otherwise stated.

Group Operations

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

營業額及毛利

全球「金融海嘯」令消費者信心受到沉重打擊，市場同業因而大幅割價，營商環境困難，導致本集團於二零零九年上半年之營業額下跌百分之十四點五，毛利率則下調三點五個百分點至百分之四十八點二。本集團之供應商亦因為北美洲及歐洲市場衰退而受到打擊。本集團把握機會與策略性供應鏈夥伴合作，革新工作流程，大幅降低產品成本，為產品系列注入高銷量高利潤之新商品。與此同時，本集團以其他市場推廣行動取代減價促銷。上述兩項措施使本集團下半年毛利率得以顯著提升，對比去年同期增加五點七個百分點至百分之五十四點三，以全年計算，則增加一點三個百分點至百分之五十一點四。整體而言，儘管本集團於二零零九年營業額減少百分之十點一至港幣四十二億三千三百萬元（二零零八年：港幣四十七億一千萬元），惟毛利則減少百分之七點九至港幣二十一億七千五百萬元（二零零八年：港幣二十三億六千二百萬元），跌幅相對較為輕微。

經營費用、經營溢利及未計利息、稅項、折舊及攤銷費用之盈利(EBITDA)

當市況於二零零八年下半年開始轉壞之際，管理層以全面精簡開支作出應變，包括在中國大陸以外市場整合門市及凍結人手。於二零零九年，租金成本減少百分之五點五至港幣八億五千三百萬元（二零零八年：港幣九億三百萬元），而員工成本（包括董事酬金及僱員購股權開支）則減少百分之八點八至港幣六億六千一百萬元（二零零八年：港幣七億二千五百萬元）。本集團透過上述行動，配合其他提升效益措施，成功將其經營費用削減百分之九點六至港幣十九億六千五百萬元（二零零八年：港幣二十一億七千三百萬元）。

營商環境困難，導致其他收入下降至港幣一億一千萬元（二零零八年：港幣一億四千一百萬元）。

Turnover and Gross Profit

The year got off to a rocky start with the global “financial tsunami” pummeling consumer confidence. Market players responded with deep markdowns. The adverse operating environment caused the Group’s turnover to decline by 14.5 percent and gross margin to fall by 3.5 percentage points to 48.2 percent in the first half of 2009. Our suppliers were also negatively impacted by recessions in their North American and European markets. The Group seized the opportunity to collaborate with strategic supply chain partners on innovative workflow changes to significantly lower product costs, priming the product pipeline with new high volume and high margin merchandise. At the same time the Group reduced discounting in favour of non-price marketing efforts. These two initiatives enabled the Group to lift its gross margin by a remarkable 5.7 percentage points year-on-year to 54.3 percent in the second half and by 1.3 percentage points to 51.4 percent for the full year. Overall, although Group turnover decreased by 10.1 percent to HK\$4,233 million (2008: HK\$4,710 million), gross profit decreased by a less severe 7.9 percent to HK\$2,175 million (2008: HK\$2,362 million) in 2009.

Operating Expenses, Operating Profit and Earnings before Interest, Taxation, Depreciation and Amortization Expense (EBITDA)

When market conditions began to weaken in the second half of 2008, Management responded with a comprehensive program to rationalize expenses including store consolidations and hiring freezes in markets outside Mainland China. Rental costs were reduced by 5.5 percent to HK\$853 million (2008: HK\$903 million) and staff costs (including directors’ emoluments and employees’ share option charges) by 8.8 percent to HK\$661 million (2008: HK\$725 million) in 2009. Along with other efficiency enhancements, the Group managed to cut its operating expenses by 9.6 percent to HK\$1,965 million (2008: HK\$2,173 million).

Other income decreased to HK\$110 million (2008: HK\$141 million), reflecting a tougher business environment.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

憑藉改善毛利率及加緊控制經營成本，本集團得以於下半年將EBITDA提升百分之八十五點二至港幣三億五千萬元（零八年下半年：港幣一億八千九百萬元），因此，二零零九年EBITDA下跌百分之七點九至港幣四億八千七百萬元（二零零八年：港幣五億二千九百萬元），而營業額之跌幅則為百分之十點一。

基於相同原因，本集團於下半年之經營溢利急升至港幣二億五千四百萬元，幾近二零零八年下半年港幣八千六百萬元之三倍，以及接近二零零九年上半年港幣六千六百萬元之四倍。全年整體計算，經營溢利為港幣三億二千萬元，僅略低於去年（二零零八年：港幣三億三千萬元）。經營溢利率因營業額收窄而上升零點六個百分點至百分之七點六（二零零八年：百分之七）。

股東應佔溢利

於二零零九年，本集團持續經營業務之股東應佔溢利為港幣二億八千八百萬元，較去年稍低港幣二百萬元（二零零八年：持續經營業務之股東應佔溢利為港幣二億九千萬元，持續及非持續經營業務合計則為港幣三億一千一百萬元）。如撇除去年出售迅捷環球製衣（香港）有限公司之一次性收益港幣一千七百萬元，持續經營業務之股東應佔溢利較二零零八年高出百分之五點五。

每股基本及全面攤薄盈利同為港幣十九點三仙，較去年輕微下跌（二零零八年：持續經營業務之每股基本及全面攤薄盈利為港幣十九點四仙，持續及非持續經營業務合計則為港幣二十點八仙）。

本集團之南韓共同控制公司對集團業績作出之除稅後溢利貢獻增加至港幣三千八百萬元（二零零八年：港幣二千二百萬元），惟有關升幅部分被集團之中東聯營公司之溢利貢獻減少所抵銷。

本集團二零零九年之所得稅開支減少至港幣六千四百萬元（二零零八年：港幣八千二百萬元），實際稅率為百分之二十（二零零八年：百分之二十四點八），反映出較高稅率市場之溢利貢獻較少。

Better gross margins and tighter operating cost controls made possible for the Group to boost second half EBITDA by 85.2 percent to HK\$350 million (2H08: HK\$189 million), resulting in a 2009 EBITDA decrease of 7.9 percent to HK\$487 million (2008: HK\$529 million) against a 10.1 percent decrease in turnover.

By the same token, in the second half the Group's operating profit swelled to HK\$254 million, almost triple the HK\$86 million recorded in second half 2008 and nearly quadruple the HK\$66 million in first half 2009. For the year as a whole operating profit came in at HK\$320 million, only slightly lower than the previous year (2008: HK\$330 million). With a smaller turnover, operating margin improved by 0.6 percentage point to 7.6 percent (2008: 7.0 percent).

Profit Attributable to Shareholders

The Group's 2009 profit attributable to shareholders from continuing operations came in at HK\$288 million, just HK\$2 million lower than the previous year (2008: HK\$290 million from continuing operations and HK\$311 million from continuing and discontinued operations together). Profit attributable to shareholders from continuing operations would have posted a 5.5 percent gain against 2008 if the one-off HK\$17 million gain on the disposal of Speedy Garment Manufacturing (Hong Kong) Company Limited last year were excluded.

Basic and fully diluted earnings per share were the same at 19.3 HK cents, slightly lower than the previous year (2008: basic and fully diluted EPS were 19.4 HK cents from continuing operations and 20.8 HK cents from continuing and discontinued operations combined).

Our South Korean jointly controlled company increased its after-tax profit contribution to the Group's results to HK\$38 million (2008: HK\$22 million). The increase was partially offset by lower profit contribution from our Middle East associate.

The Group's 2009 income taxation expense decreased to HK\$64 million (2008: HK\$82 million) at an effective tax rate of 20.0 percent (2008: 24.8 percent) reflecting lower profit contributions from higher tax regime markets.

從持續及非持續經營業務所得之現金流量

二零零九年來自經營業務之現金流為港幣四億一千九百萬元，較去年減少港幣三千九百萬元（二零零八年：港幣四億五千八百萬元）。然而，本集團於二零零九年之已付香港及海外稅項減省港幣七千二百萬元，因此經營業務之現金流入淨額上升港幣三千五百萬元至港幣三億八千二百萬元（二零零八年：港幣三億四千七百萬元）。

投資活動之現金流出增加港幣一億六千四百萬元至港幣二億六千八百萬元（二零零八年：港幣一億零四百萬元），主要由於超過三個月之定期存款增加港幣二億三千二百萬元所致，惟部分因資本開支削減百分之四十五點九至港幣五千九百萬元（二零零八年：港幣一億零九百萬元）而被抵銷。

鑑於爆發全球「金融海嘯」，本集團調低二零零八年末期及二零零九年中期之股息。因此，二零零九年已付股息合共為港幣七千五百萬元，較二零零八年派付之港幣三億二千一百萬元減少港幣二億四千六百萬元，為本集團二零零九年融資活動之現金流出由去年之港幣二億八千一百萬元減少港幣二億元至港幣八千一百萬元之主因。

本集團之財務狀況

短期狀況

本集團致力減低全球「金融海嘯」帶來之潛在財務風險，並維持保守淨現金狀況。於二零零九年十二月三十一日，集團之現金及銀行結存總額達港幣八億二千四百萬元（二零零八年十二月三十一日：港幣五億三千二百萬元），全部存置於大型商業銀行。經抵銷未償還銀行貸款後，集團於年底之現金及銀行結存淨額達港幣七億五千萬元（二零零八年十二月三十一日：港幣四億五千四百萬元）。本集團將款項主要用於投資及拓展中國大陸市場，以及用作一般營運資金。本集團有意將剩餘現金以股息形式回饋股東，詳情請參閱下文「股息」一節之論述。

Cash Flow from Continuing and Discontinued Operations

At HK\$419 million, cash inflow from operations in 2009 was HK\$39 million below the year before (2008: HK\$458 million). However, net cash inflow from operating activities increased by HK\$35 million to HK\$382 million (2008: HK\$347 million) due to a HK\$72 million reduction in Hong Kong and overseas taxes paid in 2009.

Cash outflow from investing activities increased by HK\$164 million to HK\$268 million (2008: HK\$104 million) primarily because of a HK\$232 million increase in time deposits with terms longer than three months which was partially offset by a 45.9 percent cut in capital expenditure to HK\$59 million (2008: HK\$109 million).

The Group lowered both its 2008 final and 2009 interim dividend in response to the global “financial tsunami”. As such, dividends paid in 2009 totalled HK\$75 million, HK\$246 million lower than the HK\$321 million paid in 2008, which largely explains the HK\$200 million reduction in the Group’s cash outflow from financing activities to HK\$81 million in 2009 from HK\$281 million the year before.

GROUP FINANCIAL POSITION

Short term

The Group was vigilant to mitigate potential financial risks from the unprecedented global “financial tsunami” and attained a defensive net cash position. On December 31, 2009, the Group had total cash and bank balances of HK\$824 million (December 31, 2008: HK\$532 million), all of which is deposited with major commercial banks. After offsetting against outstanding bank loans, year-end net cash and bank balances amounted to HK\$750 million (December 31, 2008: HK\$454 million). The Group will use the money principally for investment and expansion in Mainland China and normal working capital purposes. The Group intends to return any surplus by way of dividends to shareholders to be discussed in the section titled “Dividends” later.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

由於現金及銀行結存淨額增加及短期應付款減少，流動比率增至三倍（二零零八年十二月三十一日：二點三倍）。

本集團之存貨狀況維持於健康水平。於年底，存貨總額為港幣二億九千四百萬元，而二零零八年底則為港幣二億九千七百萬元，基本上維持不變。存貨對銷售之流轉比率為二十五日（二零零八年：二十三日），穩處於管理層所定「安全」範圍內。

本集團於年底之融資信貸合共港幣五億八千一百萬元（二零零八年十二月三十一日：港幣三億四千七百萬元），其中港幣五千七百萬元已於正常業務過程中提取，截至年底尚未償還（二零零八年十二月三十一日：港幣七千八百萬元）。

長期狀況

於二零零九年十二月三十一日，本集團之負債總額為港幣六億二千四百萬元（二零零八年：港幣六億五千一百萬元），其中港幣九千七百萬元主要為遞延稅項之非流動負債（二零零八年：港幣九千九百萬元）。股東權益為港幣二十一億一千八百萬元（二零零八年十二月三十一日：港幣十八億五千五百萬元）。於二零零九年十二月三十一日，本集團之資本負債比率（未償還銀行貸款總額除以股東權益）為百分之三點五（二零零八年十二月三十一日：百分之四點二）。

本集團暫緩中國大陸以外擴充及翻新店舖之計劃，資本開支因而大幅減少百分之四十五點九至港幣五千九百萬元（二零零八年：港幣一億零九百萬元）。資本開支共佔經營業務現金流入淨額百分之十五點四（二零零八年：百分之三十一點四）。由於本集團將恢復正常店舖擴充及翻新計劃，並加強中國大陸市場發展之力度，管理層估計二零一零年之資本開支將會增加至港幣一億五千萬元至港幣二億元之間。

Current ratio increased to 3.0 times (December 31, 2008: 2.3 times) mainly due to increased net cash and bank balance and reduced short term payables.

The Group's inventory position remains healthy. At the end of the year, inventories totalled HK\$294 million, practically unchanged from the HK\$297 million recorded at the end of 2008. Inventory turnover on sales was 25 days (2008: 23 days), comfortably within the "safety" range intended by Management.

The Group had financing facilities totalling HK\$581 million at the end of the year (December 31, 2008: HK\$347 million), of which HK\$57 million had been drawn down in the normal course of business and were outstanding as at year end (December 31, 2008: HK\$78 million).

Long Term

On December 31, 2009, the Group had total liabilities of HK\$624 million (2008: HK\$651 million), of which HK\$97 million consisting mainly of deferred tax liabilities were non-current (2008: HK\$99 million). Shareholders' equity was HK\$2,118 million (December 31, 2008: HK\$1,855 million). On December 31, 2009, the Group's gearing (total bank loans outstanding divided by shareholders' equity) was 3.5 percent (December 31, 2008: 4.2 percent).

Capital expenditure was slashed by 45.9 percent to HK\$59 million (2008: HK\$109 million) as the Group put its ex-Mainland China store expansion and renovation plans on hold. Capital expenditure totalled 15.4 percent (2008: 31.4 percent) of net cash inflow from operating activities. Management estimates capital expenditure in 2010 to range higher between HK\$150 million and HK\$200 million as we resume our normal store expansion and refurbishment programs and intensify our Mainland China growth.

管理層之論述及分析 MANAGEMENT DISCUSSION AND ANALYSIS

業務回顧

零售及分銷分部

摘要

本集團重新制訂其市場推廣及採購計劃，強調「品質優異」及「物超所值」之「日常必備服裝」，吸引受全球「金融海嘯」打擊之消費者。隨着地區經濟轉趨穩定，集團於下半年減少減價促銷。零售及分銷於下半年之同店銷售額及同店毛利分別增長百分之一點八及百分之十三點一。更為重要的是，零售及分銷於二零零九年下半年之毛利率急增至百分之五十六點七，較上半年百分之五十點一增加六點六個百分點。加上本集團加強成本控制，下半年之經營溢利為去年同期三倍以上。因此，儘管全年營業額下跌百分之八至港幣三十九億一千三百萬元，零售及分銷之全年經營溢利仍能收復上半年百分之八十七點三跌幅，達致港幣二億七千七百萬元，僅稍低於二零零八年數字。

OPERATIONS REVIEW

Retail & Distribution Segment

Highlights

The Group re-positioned its marketing and merchandising programs to emphasize “quality essentials” and “value” appealing to consumers shaken by the global “financial tsunami”. We withdrew from price promotions in the second half as regional economies stabilized. Retail & Distribution’s second half same store sales rose by 1.8 percent and same store gross profit rose by 13.1 percent. More importantly, Retail & Distribution gross margin surged to 56.7 percent in the second half, up by 6.6 percentage points from 50.1 percent in the first half 2009. Coupled with tightened cost controls, the second half saw operating profit more than tripling year-on-year. Consequently, Retail & Distribution’s full year operating profit recovered from the 87.3 percent decline suffered in the first half to come in at HK\$277 million, slightly lower than 2008 despite turnover decreasing by 8.0 percent to HK\$3,913 million.

		全年 Full Year			下半年 Second Half			上半年 First Half		
		二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)
營業額	Turnover	3,913	4,255	(8.0%)	2,080	2,147	(3.1%)	1,833	2,108	(13.0%)
同店銷售額 增加 / (減少) [†]	Same store sales increase/(decrease) [†]	(3.7%)	(1.5%)	N/A	1.8%	(4.4%)	N/A	(9.2%)	0.8%	N/A
毛利	Gross profit	2,097	2,250	(6.8%)	1,179	1,094	7.8%	918	1,156	(20.6%)
毛利率	Gross margin	53.6%	52.9%	0.7 pp/ 百分點	56.7%	51.0%	5.7 pp/ 百分點	50.1%	54.8%	(4.7 pp/ 百分點)
同店毛利 增加 / (減少) [†]	Same store gross profit increase/(decrease) [†]	(1.2%)	(4.7%)	N/A	13.1%	(12.0%)	N/A	(14.3%)	1.1%	N/A
經營溢利	Operating profit	277	278	(0.4%)	251	73	243.8%	26	205	(87.3%)
經營溢利率	Operating margin	7.1%	6.5%	0.6 pp/ 百分點	12.1%	3.4%	8.7 pp/ 百分點	1.4%	9.7%	(8.3 pp/ 百分點)

零售及分銷分部業務摘要 (以港幣百萬元為單位)

踏入二零一零年，零售及分銷業務持續改善。於二零一零年首兩個月，受惠於農曆新年期間寒冷天氣，加上本集團減少割價，零售及分銷分部之毛利錄得雙位數升幅，營業額亦錄得單位數增長。

Retail & Distribution Segment Operations Highlights (in HK\$ millions)

Business continued to improve going into 2010. Favourable weather conditions over Chinese New Year and restrained markdowns helped the Retail & Distribution segment achieve a double digit increase in gross profit against a single digit growth in turnover in the first two months of 2010.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

零售及分銷—按市場回顧

中國大陸

Retail & Distribution Review by Market

Mainland China

		全年 Full Year			下半年 Second Half			上半年 First Half		
		二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)
營業額 ²	Turnover ²	1,633	1,689	(3.3%)	857	885	(3.2%)	776	804	(3.5%)
同店銷售額 增加/(減少) ¹	Same store sales increase/(decrease) ¹	(7.1%)	6.1%	N/A	(4.5%)	(1.9%)	N/A	(9.2%)	11.8%	N/A
同店毛利 增加/(減少) ¹	Same store gross profit increase/(decrease) ¹	(5.4%)	6.3%	N/A	5.3%	(7.4%)	N/A	(14.2%)	16.4%	N/A
經營溢利	Operating profit	152	265	(42.6%)	119	88	35.2%	33	177	(81.4%)
門市數目 ³	Number of outlets ³	1,017	909	108	1,017	909	108	912	859	53

中國大陸業務摘要 (以港幣百萬元為單位)

Mainland China Operations Highlights (in HK\$ millions)

本集團眾多市場中以中國大陸上半年表現最受挑戰。約佔集團中國大陸業務半數之華南及華東沿海地區因倚重出口，受全球經濟倒退重挫。本集團因應形勢大幅減價促銷，同時經營費用因去年擴張業務而提高，導致上半年業績下挫。受惠於產品成本下降及縮減折扣，毛利率於本年度下半年反彈五個百分點至百分之五十點九（零八年下半年：百分之四十五點九），並有助下半年經營溢利提升百分之三十五點二。儘管不足以彌補上半年之倒退，全年同店毛利跌幅仍然收窄至百分之五點四。中國大陸業務之全年經營溢利為港幣一億五千二百萬元，較二零零八年下跌百分之四十二點六，若撇除去年之一次性再投資退稅港幣三千三百萬元，跌幅則為百分之三十四點五。人民幣兌港幣之匯率維持穩定，對業績並無重大影響。

Mainland China experienced the most challenging first half among our markets. The export-oriented southern and eastern coastal regions of Mainland China which account for about half of our Mainland China business were hit hard by the global economic downturn. We responded with deep discounting and with operating expenses higher from the previous year's expansion, our first half results tumbled as a result. Lower product cost and reduced discounting made possible a 5.0 percentage point gross margin rebound to 50.9 percent (2H08: 45.9 percent) which helped increase operating profit by 35.2 percent in the second half. Though insufficient to overcome the first half's setbacks, same store gross profit still managed to register a much smaller decrease of 5.4 percent for the full year. Mainland China's full year operating profit came in at HK\$152 million, a decline against 2008 of 42.6 percent (34.5 percent if we excluded the one-off HK\$33 million PRC reinvestment tax refund received last year). The RMB/HKD exchange rate was stable and had no material impact on the results.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

隨着經濟持續向好，本集團之中國大陸業務亦按月穩步上揚，自二零零九年十月以來，毛利對比去年同期每月均有雙位數增長。雖然二零一零年首兩個月之總營業額因減少折扣而較二零零九年及二零零八年錄得單位數跌幅，但是中國大陸市場於該兩個月之同店毛利仍較二零零九年及二零零八年同期分別錄得雙位數及單位數增長。

With the economy remaining robust, our Mainland China business has been on a steady monthly uptrend, posting double digit year-on-year gross profit growth every month since October 2009. Total turnover in the first two months of 2010 recorded a single digit decline against both 2009 and 2008 because of less discounting. However, Mainland China posted double digit and single digit same store gross profit growth in these two months against the same period in 2009 and 2008 respectively.

		二零零九年	二零零八年	二零零七年	二零零六年	二零零五年
		2009	2008	2007	2006	2005
營業額 (以港幣百萬元為單位) ²	Turnover (in HK\$ millions) ²	1,633	1,689	1,349	1,090	987
每平方呎銷售額 (以港幣為單位) ⁴	Sales per sq. ft. (in HK\$) ⁴	2,800	3,100	2,900	2,400	2,400
同店銷售額 增加 / (減少) ¹	Same store sales increase/(decrease) ¹	(7.1%)	6.1%	15.2%	8.5%	5.5%
同店毛利 增加 / (減少) ¹	Same store gross profit increase/(decrease) ¹	(5.4%)	6.3%	18.6%	6.0%	13.4%
零售面積 (平方呎) ³	Retail floor area (square feet) ³	903,600	816,800	690,700	605,100	585,600
門市數目 ³	Number of outlets ³	1,017	909	820	729	706

中國大陸五年業務摘要

本集團於年內在中國大陸共增設一百零八間門市，至二零零九年底網絡擴充至一千零十七間。本集團將致力維持於中國大陸之增長勢頭，冀能於二零一零年增加約一百五十間門市，而首要工作是通過增加特許經營活動，刺激二三線城市及內陸省份店舖利潤增長。

Mainland China Five-Year Operations Highlights

We added a total of 108 outlets in Mainland China during the year to bring our network there to 1,017 at the end of 2009. The Group will concentrate on maintaining its growth momentum in Mainland China, with a view to adding some 150 outlets in 2010. Priority will be given to driving profitable growth in second and third-tier cities and inland provinces through increased franchising activities.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

香港及澳門

Hong Kong & Macau

		全年 Full Year			下半年 Second Half			上半年 First Half		
		二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)
營業額	Turnover	775	850	(8.8%)	409	419	(2.4%)	366	431	(15.1%)
同店銷售額 增加 / (減少) ¹	Same store sales increase/(decrease) ¹	(1.2%)	(1.7%)	N/A	7.2%	(8.3%)	N/A	(10.8%)	3.8%	N/A
同店毛利 增加 / (減少) ¹	Same store gross profit increase/(decrease) ¹	1.3%	(3.8%)	N/A	16.6%	(17.3%)	N/A	(15.1%)	8.2%	N/A
經營溢利	Operating profit	64	39	64.1%	54	12	350.0%	10	27	(63.0%)
門市數目 ³	Number of outlets ³	75	82	(7)	75	82	(7)	80	86	(6)

香港及澳門業務摘要 (以港幣百萬元為單位)

Hong Kong & Macau Operations Highlights (in HK\$ millions)

香港業務上半年同店毛利急跌百分之十五點一後，於下半年穩步復甦，同店銷售額及毛利分別上升百分之七點二及百分之十六點六。為避免承受過份昂貴租金，管理層選擇性關閉香港七間位處非策略性地段之門市。憑藉有效進行市場推廣及控制經營費用，香港業務於下半年之經營溢利超過去年同期四倍，全年計算增加百分之六十四點一至港幣六千四百萬元。

After experiencing a 15.1 percent slump in same store gross profit in the first half, Hong Kong's business staged a sturdy recovery with same store sales and gross profit rising by 7.2 percent and 16.6 percent respectively in the second half. To avoid ridiculously high rentals, Management selectively surrendered seven non-strategic locations in Hong Kong. Effective marketing efforts and operating expense controls allowed Hong Kong to achieve an over four-fold year-on-year jump in its operating profit in the second half and a 64.1 percent increase to HK\$64 million for the full year.

一如中國大陸，香港於二零一零年首兩個月之同店毛利亦較二零零九年錄得雙位數增長，並較二零零八年錄得單位數增長。

Like Mainland China, in the first two months of 2010 Hong Kong also achieved double digit same store gross profit growth against 2009 and single digit same store gross profit increase against 2008.

		二零零九年 2009	二零零八年 2008	二零零七年 2007	二零零六年 2006	二零零五年 2005
營業額 (以港幣百萬元為單位)	Turnover (in HK\$ millions)	775	850	892	873	867
每平方呎銷售額 (以港幣為單位) ⁴	Sales per sq. ft. (in HK\$) ⁴	8,400	8,200	7,800	7,600	7,400
同店銷售額 增加 / (減少) ¹	Same store sales increase/(decrease) ¹	(1.2%)	(1.7%)	8.1%	5.4%	4.4%
同店毛利 增加 / (減少) ¹	Same store gross profit increase/(decrease) ¹	1.3%	(3.8%)	11.1%	2.3%	4.7%
零售面積 (平方呎) ³	Retail floor area (square feet) ³	87,100	98,700	110,900	117,300	119,500
門市數目 ³	Number of outlets ³	75	82	92	98	101

香港及澳門五年業務摘要

Hong Kong & Macau Five-Year Operations Highlights

管理層之論述及分析 MANAGEMENT DISCUSSION AND ANALYSIS

台灣

Taiwan

		全年 Full Year			下半年 Second Half			上半年 First Half		
		二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)
營業額	Turnover	555	634	(12.5%)	286	300	(4.7%)	269	334	(19.5%)
同店銷售額 增加 / (減少) ¹	Same store sales increase/(decrease) ¹	(1.8%)	(3.2%)	N/A	7.6%	(9.4%)	N/A	(9.5%)	2.2%	N/A
同店毛利 增加 / (減少) ¹	Same store gross profit increase/(decrease) ¹	7.4%	(12.5%)	N/A	32.6%	(21.2%)	N/A	(11.1%)	(5.2%)	N/A
經營溢利(虧損)	Operating profit (loss)	27	(27)	N/A	31	(25)	N/A	(4)	(2)	N/A
門市數目 ³	Number of outlets ³	174	192	(18)	174	192	(18)	179	200	(21)

台灣業務摘要 (以港幣百萬元為單位)

台灣業務之重組終見成效。經全面革新其採購運作，台灣二零零九年之毛利率較去年急升四點九個百分點。毛利率顯著改善，加上經營成本下降，讓台灣全年業績轉虧為盈，錄得經營溢利港幣二千七百萬元（二零零八年：經營虧損港幣二千七百萬元）。台灣二零零九年同店銷售額微跌百分之一點八，惟營業額下跌百分之十二點五至港幣五億五千五百萬元，主要因為關閉店舖所致。若以當地貨幣計算，營業額僅減少百分之八。年內，匯率變動並無對台灣業績構成重大影響。

革新採購運作惠及二零一零年首兩個月，毛利較二零零九年及二零零八年同期錄得雙位數增長。

Taiwan Operations Highlights (in HK\$ millions)

The restructuring of our Taiwanese operations finally showed positive results. After a total revamp of its merchandising practices, Taiwan's gross margin surged by 4.9 percentage points in 2009 compared to the previous year. Significantly improved gross margins along with reduced operating costs swung Taiwan into the black to post an operating profit of HK\$27 million for the full year (2008: operating loss of HK\$27 million). Taiwan's 2009 same store sales decreased slightly by 1.8 percent while turnover declined by 12.5 percent to HK\$555 million due largely to store closures. In local currency terms, turnover decreased by only 8.0 percent. Exchange rate changes during the year had no material impact on Taiwan's results.

The gains from the revamped merchandising practices have extended to the first two months of 2010 to yield double digit gross profit growth when compared with same period in both 2009 and 2008.

		二零零九年 2009	二零零八年 2008	二零零七年 2007	二零零六年 2006	二零零五年 2005
營業額 (以港幣百萬元為單位)	Turnover (in HK\$ millions)	555	634	649	658	732
每平方呎銷售額 (以港幣為單位) ⁴	Sales per sq. ft. (in HK\$) ⁴	2,900	3,000	2,800	2,800	3,000
同店銷售額 增加 / (減少) ¹	Same store sales increase/(decrease) ¹	(1.8%)	(3.2%)	(4.2%)	(9.1%)	(5.8%)
同店毛利 增加 / (減少) ¹	Same store gross profit increase/(decrease) ¹	7.4%	(12.5%)	(6.8%)	(11.2%)	(3.6%)
零售面積(平方呎) ³	Retail floor area (square feet) ³	185,700	204,900	218,700	235,800	243,900
門市數目 ³	Number of outlets ³	174	192	210	239	237

台灣五年業務摘要

Taiwan Five-Year Operations Highlights

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

新加坡

Singapore

		全年 Full Year			下半年 Second Half			上半年 First Half		
		二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)
營業額	Turnover	310	368	(15.8%)	163	179	(8.9%)	147	189	(22.2%)
同店銷售額 增加/(減少) ¹	Same store sales increase/(decrease) ¹	(4.7%)	(7.7%)	N/A	(4.5%)	1.4%	N/A	(4.9%)	(13.8%)	N/A
同店毛利 增加/(減少) ¹	Same store gross profit increase/(decrease) ¹	(2.2%)	(12.8%)	N/A	8.9%	(3.4%)	N/A	(12.9%)	(18.7%)	N/A
經營溢利(虧損)	Operating profit (loss)	18	(14)	N/A	21	(10)	N/A	(3)	(4)	N/A
門市數目 ³	Number of outlets ³	47	51	(4)	47	51	(4)	46	54	(8)

新加坡業務摘要(以港幣百萬元為單位)

Singapore Operations Highlights (in HK\$ millions)

新加坡業務重組及精簡門市計劃亦取得成功。儘管同店銷售額於二零零九年下跌百分之四點七，新加坡藉着本集團與全球策略性供應鏈夥伴磋商高利潤新產品，二零零九年毛利率對比去年同期擴大一點五個百分點，達致經營溢利港幣一千八百萬元(二零零八年：經營虧損港幣一千四百萬元)。若以當地貨幣計算，營業額微跌百分之十三，滙率波動對新加坡業績並無重大影響。

The business process re-engineering and store rationalization programs in Singapore were also successful. Although same store sales declined by 4.7 percent in 2009, Singapore was able to leverage on the new high margin products negotiated with the Group's strategic supply chain partners globally to record a 1.5 percentage point year-on-year gross margin expansion and achieve an operating profit of HK\$18 million in 2009 (2008: operating loss of HK\$14 million). Turnover in local currency terms experienced a smaller decline of 13.0 percent but otherwise results reported for Singapore were not materially affected by exchange rate fluctuations.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

國際品牌於二零零九年進一步進駐新加坡市場，若干大眾化品牌亦同時撤出該市場。本集團將於二零一零年專注建立品牌資產，應對新加坡競爭日趨激烈之營商環境。新加坡二零一零年一月及二月之毛利對比二零零九年及二零零八年同期均錄得雙位數增長。

2009 saw international brands making further inroads as certain mass market brands exited the Singapore market. The Group will respond to the increasingly competitive landscape in Singapore by concentrating on building brand equity in 2010. Singapore recorded double digit year-on-year gross profit growth in January and February 2010 when compared with same period in both 2009 and 2008.

		二零零九年 2009	二零零八年 2008	二零零七年 2007	二零零六年 2006	二零零五年 2005
營業額 (以港幣百萬元為單位)	Turnover (in HK\$ millions)	310	368	390	403	403
每平方呎銷售額 (以港幣為單位) ⁴	Sales per sq. ft. (in HK\$) ⁴	6,100	6,500	6,900	7,700	8,300
同店銷售額 增加 / (減少) ¹	Same store sales increase/(decrease) ¹	(4.7%)	(7.7%)	(10.9%)	(11.9%)	(1.2%)
同店毛利 增加 / (減少) ¹	Same store gross profit increase/(decrease) ¹	(2.2%)	(12.8%)	(11.6%)	(16.9%)	(1.9%)
零售面積 (平方呎) ³	Retail floor area (square feet) ³	51,300	54,300	57,300	55,100	50,500
門市數目 ³	Number of outlets ³	47	51	53	53	48

新加坡五年業務摘要

Singapore Five-Year Operations Highlights

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

澳洲

Australia

		全年			下半年			上半年		
		Full Year			Second Half			First Half		
		二零零九年	二零零八年	增加 (減少)	二零零九年	二零零八年	增加 (減少)	二零零九年	二零零八年	增加 (減少)
	2009	2008	Increase (Decrease)	2009	2008	Increase (Decrease)	2009	2008	Increase (Decrease)	
營業額	Turnover	180	218	(17.4%)	103	108	(4.6%)	77	110	(30.0%)
同店銷售額 增加/(減少) ¹	Same store sales increase/(decrease) ¹	(3.6%)	0.2%	N/A	(1.2%)	13.7%	N/A	(6.0%)	(12.1%)	N/A
同店毛利 增加/(減少) ¹	Same store gross profit increase/(decrease) ¹	(4.9%)	(3.6%)	N/A	2.2%	1.7%	N/A	(11.4%)	(8.9%)	N/A
經營虧損	Operating loss	(28)	(29)	N/A	(12)	(10)	N/A	(16)	(19)	N/A
門市數目 ³	Number of outlets ³	45	56	(11)	45	56	(11)	52	56	(4)

澳洲業務摘要 (以港幣百萬元為單位)

Australia Operations Highlights (in HK\$ millions)

本集團於二零零九年加強重組澳洲業務力度，現時澳洲市場採用與本集團一致之市場推廣及採購計劃。於二零零九年，當地合共關閉十一間門市，將門市網絡點整合至年底之四十五間。澳洲市場二零零九年全年之營業額下跌百分之十七點四至港幣一億八千萬，並錄得經營虧損港幣二千八百萬元。以當地貨幣計算，除營業額下跌百分之十一點七以外，年內滙率波動並無對澳洲業績構成重大影響。

The Group intensified the restructuring of its Australian operations in 2009. Australia's marketing and merchandising programs are now fully aligned with the Group's. A total of 11 stores were closed in 2009 to consolidate the network to 45 stores at the end of the year. For 2009 as a whole, Australia recorded a 17.4 percent decline in its turnover to HK\$180 million and an operating loss of HK\$28 million. In local currency terms, turnover decreased by 11.7 percent but otherwise Australia's reported results were not materially affected by exchange rate changes during the year.

於二零一零年首兩個月之毛利率由百分之四十八點一攀升至百分之六十一點七，而辦公室開支則減少百分之十四點五。二零一零年首兩個月之同店毛利對比二零零九年同期錄得雙位數增長。於二零一零年一月一日生效之關稅下調將有助減低澳洲業務之到岸成本。

The first two months of 2010 saw gross margin surging from 48.1 percent to 61.7 percent and office overheads reduced by 14.5 percent. A double digit same store gross profit growth was recorded for the first two months of 2010 when compared with same period 2009. A reduction in tariffs that took effect on January 1, 2010 will help our Australian operations by reducing landed costs.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

其他市場

Other Markets

		全年 Full Year			下半年 Second Half			上半年 First Half		
		二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)
營業額	Turnover	460	496	(7.3%)	262	256	2.3%	198	240	(17.5%)
經營溢利	Operating profit	44	44	-	38	18	111.1%	6	26	(76.9%)
門市數目 ³	Number of outlets ³	259	258	1	259	258	1	259	253	6

其他市場業務摘要 (以港幣百萬元為單位)

Other Markets Operations Highlights (in HK\$ millions)

集團其他市場包括馬來西亞、泰國、印尼及日本。於二零零九年，此等較小型市場合計之經營溢利為港幣四千四百萬元，而銷售額則為港幣四億六千萬。本集團已決定於二零一零年全面撤出日本市場。預期撤出成對集團之二零一零年業績影響甚微。下表所列之數字僅涉及馬來西亞、印尼及泰國市場。

The Group's other markets comprise Malaysia, Thailand, Indonesia and Japan. Together, these smaller markets posted operating profit of HK\$44 million on sales of HK\$460 million in 2009. The Group has decided to completely exit from Japan 2010. Exit costs are expected to be immaterial to the Group's 2010 results. The figures below pertain to Malaysia, Indonesia and Thailand only.

		馬來西亞 Malaysia			印尼 Indonesia			泰國 Thailand		
		二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)
營業額	Turnover	142	168	(15.5%)	183	175	4.6%	122	126	(3.2%)
同店銷售額 增加 / (減少) ¹	Same store sales increase/(decrease) ¹	(8.4%)	(4.2%)	N/A	7.7%	(4.7%)	N/A	(3.4%)	(6.7%)	N/A
同店毛利 增加 / (減少) ¹	Same store gross profit increase/(decrease) ¹	(7.1%)	(8.6%)	N/A	6.5%	(6.5%)	N/A	(10.9%)	(3.8%)	N/A
門市數目 ³	Number of outlets ³	66	67	(1)	99	97	2	91	87	4

馬來西亞、印尼及泰國業務摘要 (以港幣百萬元為單位)

Malaysia, Indonesia and Thailand Operations Highlights (in HK\$ millions)

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

零售及分銷—按品牌回顧

Giordano及Giordano Junior

		全年 Full Year			下半年 Second Half			上半年 First Half		
		二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)
營業額	Turnover	3,379	3,552	(4.9%)	1,810	1,796	0.8%	1,569	1,756	(10.6%)
同店銷售額 增加/(減少) ¹	Same store sales increase/(decrease) ¹	(3.8%)	(0.9%)	N/A	1.2%	(2.3%)	N/A	(8.4%)	0.1%	N/A
同店毛利 增加/(減少) ¹	Same store gross profit increase/(decrease) ¹	(1.7%)	(4.0%)	N/A	12.4%	(9.5%)	N/A	(14.0%)	0.3%	N/A
經營溢利	Operating profit	271	290	(6.6%)	222	87	155.2%	49	203	(75.9%)
門市數目 ³	Number of outlets ³	1,485	1,392	93	1,485	1,392	93	1,393	1,341	52

Giordano及Giordano Junior業務摘要 (以港幣百萬元為單位)

為應對突如其來之「金融海嘯」，集團審慎地減低主要系列*Giordano*及*Giordano Junior*的存貨，令二零零八年下半年及二零零九年上半年之毛利率減至百分之五十以下。於二零零九年下半年，集團減少割價促銷，同時推行以*Giordano*「品質優異」及「物超所值」之「日常必備服裝」為重點之市場推廣行動，推出成本較低之嶄新商品，令毛利率回升逾五個百分點。經營溢利於下半年增加超過一倍，收復上半年大部分跌幅。於二零零九年，*Giordano*及*Giordano Junior*之營業額下跌百分之四點九至港幣三十三億七千九百萬元。經營溢利倒退百分之六點六至港幣二億七千一百萬元。年內，集團合共增設九十三間*Giordano*及*Giordano Junior*門市，至二零零九年底將全球門市增至一千四百八十五間。

Retail & Distribution Review by Brand

Giordano & Giordano Junior

Giordano & Giordano Junior Operations Highlights (in HK\$ millions)

Moving defensively to reduce inventory in response to the sudden “financial tsunami”, gross margin of the Group’s main *Giordano* and *Giordano Junior* business decreased to below 50 percent in the second half of 2008 and the first half of 2009. The second half saw it bounce back by over five percentage points as we cut back on discounting, launched concerted marketing programs emphasizing *Giordano’s* strengths in “quality essentials” and “value” and filled our product pipeline with new lower cost merchandise. Operating profit more than doubled in the second half, recovering much of the decline suffered in the previous half. For 2009, *Giordano* and *Giordano Junior* turnover decreased by 4.9 percent to HK\$3,379 million. Operating profit receded by 6.6 percent to HK\$271 million. During the year we added a total of 93 *Giordano* and *Giordano Junior* outlets, bringing our global network to 1,485 by the end of 2009.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

Giordano Ladies

		全年 Full Year			下半年 Second Half			上半年 First Half		
		二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)
營業額	Turnover	250	265	(5.7%)	136	137	(0.7%)	114	128	(10.9%)
同店銷售額 增加 / (減少) ¹	Same store sales increase/(decrease) ¹	(2.5%)	(0.1%)	N/A	4.7%	(7.1%)	N/A	(10.0%)	5.8%	N/A
同店毛利 增加 / (減少) ¹	Same store gross profit increase/(decrease) ¹	0.2%	(1.6%)	N/A	12.8%	(11.5%)	N/A	(12.5%)	6.8%	N/A
經營溢利	Operating profit	28	26	7.7%	27	13	107.7%	1	13	(92.3%)
門市數目 ³	Number of outlets ³	43	45	(2)	43	45	(2)	40	41	(1)

Giordano Ladies業務摘要 (以港幣百萬元為單位)

受惠於二零零九年中消費信心逐步恢復，本集團高級系列*Giordano Ladies*之經營溢利於二零零九年下半年攀升至港幣二千七百萬元，升幅超過年初之跌幅。以全年計算，*Giordano Ladies*之經營溢利上升百分之七點七至港幣二千八百萬元，銷售額則為港幣二億五千萬。年內，該品牌關閉兩間門市，令二零零九年十二月三十一日門市總數減少至四十三間。

Giordano Ladies Operations Highlights (in HK\$ millions)

Recovering consumer sentiment in the middle of 2009 benefited our premium *Giordano Ladies* line so that second half 2009 operating profit surged to HK\$27 million which more than made up for the drop experienced at the beginning of the year. For the full year, *Giordano Ladies* posted a 7.7 percent increase in operating profit to HK\$28 million on sales of HK\$250 million. During the year we closed two outlets to bring the brand's network to 43 as at December 31, 2009.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

Giordano Concepts

		全年 Full Year			下半年 Second Half			上半年 First Half		
		二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)
營業額	Turnover	106	217	(51.2%)	42	109	(61.5%)	64	108	(40.7%)
同店銷售額 增加 / (減少) ¹	Same store sales increase/(decrease) ¹	(16.1%)	(11.4%)	N/A	(9.2%)	(21.4%)	N/A	(27.0%)	(0.1%)	N/A
同店毛利 增加 / (減少) ¹	Same store gross profit increase/(decrease) ¹	(11.6%)	(19.0%)	N/A	14.2%	(34.8%)	N/A	(36.0%)	(0.7%)	N/A
經營虧損	Operating loss	(24)	(23)	N/A	(5)	(22)	N/A	(19)	(1)	N/A
門市數目 ³	Number of outlets ³	22	31	(9)	22	31	(9)	24	24	-

Giordano Concepts業務摘要 (以港幣百萬元為單位)

鑑於每個新品牌建立初期必然經過艱難成長階段，加上期內經濟低迷令客戶減少消費，Giordano Concepts於過去兩年經營艱難。惟經過二零零九年上半年積極清理問題存貨後，毛利率已見回升。該品牌於二零零九年關閉九間表現欠佳之門市，使門市網絡減少至年底之二十二間。因此，於二零零九年下半年，經營虧損由上半年之港幣一千九百萬元及去年同期之港幣二千二百萬元大幅收窄至港幣五百萬元。以全年計算，Giordano Concepts錄得經營虧損港幣二千四百萬元，銷售額則為港幣一億六百萬。

長遠而言，管理層會以發展中國大陸之高級男士服裝市場作為重點策略。本集團已增聘產品設計及採購人才，並將品牌重新命名為 Concepts One，以進軍上述目標市場。二零一零年將為 Concepts One 關鍵性之一年。

Giordano Concepts

Giordano Concepts Operations Highlights (in HK\$ millions)

Given the steep learning curve that any new brand faces coupled with reduced customer spending brought on by the economic downturn in the period, Giordano Concepts has labored through most of the last two years. Gross margin rebounded after aggressive clearance of problem stocks in the first half of 2009. It also closed nine non-performing outlets in 2009 to bring its store network down to 22 at the end of the year. As a result, operating losses were significantly reduced to HK\$5 million in the second half of 2009 from HK\$19 million in the first half and HK\$22 million a year ago. For the year as a whole, Giordano Concepts posted an operating loss of HK\$24 million on sales of HK\$106 million.

For the longer term, Management has identified Mainland China's high end menswear sector as a strategic focus. New product design and merchandising talents have been brought in and the brand re-christened to Concepts One to target this market segment. The year 2010 will be critical for Concepts One.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

BSX

		BSX								
		全年 Full Year			下半年 Second Half			上半年 First Half		
		二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)
營業額	Turnover	158	206	(23.3%)	82	95	(13.7%)	76	111	(31.5%)
同店銷售額 增加 / (減少) ¹	Same store sales increase/(decrease) ¹	(1.4%)	(1.2%)	N/A	14.1%	(10.4%)	N/A	(10.3%)	4.2%	N/A
同店毛利 增加 / (減少) ¹	Same store gross profit increase/(decrease) ¹	5.8%	(2.1%)	N/A	30.6%	(15.1%)	N/A	(8.7%)	6.4%	N/A
經營溢利 (虧損)	Operating profit (loss)	-	(18)	N/A	6	(7)	N/A	(6)	(11)	N/A
門市數目 ³	Number of outlets ³	59	74	(15)	59	74	(15)	64	96	(32)

BSX業務摘要 (以港幣百萬元為單位)

本集團歷時三年之BSX/Bluestar Exchange品牌重塑行動終見成果。BSX成功定位為活潑年青而風格獨特之城市品牌，從而提升售價。配合本集團持續控制採購成本，BSX得以於二零零九年將毛利率擴大五點三個百分點。與此同時，管理層於二零零九年再關閉十五間表現欠佳之門市，進一步精簡該品牌成本架構。二零零九年為BSX之分水嶺，錄得銷售額港幣一億五千八百萬元，並達致收支平衡。

BSX Operations Highlights (in HK\$ millions)

The Group's three-year long effort to rebrand BSX/Bluestar Exchange has finally borne fruit. BSX successfully established itself as a fun, youth-oriented urban brand with a distinctive identity worthy of a price premium. This, together with ongoing efforts to control its sourcing costs, enabled BSX to expand its gross margin by 5.3 percentage points in 2009. Meanwhile, Management further rationalized the brand's cost structure, closing another 15 non-performing outlets in 2009. BSX reached a watershed in 2009 to break even on sales of HK\$158 million.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

出口及特許經營分部

Export & Licensing Segment

		全年			下半年			上半年		
		Full Year			Second Half			First Half		
		二零零九年	二零零八年	增加 (減少)	二零零九年	二零零八年	增加 (減少)	二零零九年	二零零八年	增加 (減少)
	2009	2008	Increase (Decrease)	2009	2008	Increase (Decrease)	2009	2008	Increase (Decrease)	
營業額	Turnover	350	501	(30.1%)	166	247	(32.8%)	184	254	(27.6%)
經營溢利	Operating profit	50	75	(33.3%)	17	33	(48.5%)	33	42	(21.4%)

出口及特許經營分部業務摘要 (以港幣百萬元為單位)

Export & Licensing Segment Operations Highlights (in HK\$ millions)

本集團之出口及特許經營業務因全球「金融海嘯」而受到沉重打擊。韓圓貶值令本集團韓國共同控制公司於本土增加直接採購，以進行自然對沖。儘管增加直接採購不會影響出口及特許經營之經營溢利，惟其營業額則因而下跌。再者，集團其他出口市場之需求下降，令出口及特許經營之營業額下跌百分之三十點一至港幣三億五千萬元。二零零九年之經營溢利減少百分之三十三點三至港幣五千萬元。管理層預期於二零一零年，當海外市場從二零零八/二零零九年之「金融海嘯」中全面復甦後，該等市場之需求將會回升。

The Group's Export & Licensing business was severely impacted by the global "financial tsunami". The depreciation of the Korean Won necessitated a tactical increase in local sourcing for our Korean jointly controlled company as a natural hedge. Although the increased direct sourcing did not affect Export & Licensing's operating profit, its turnover was adversely impacted. Along with reduced demand from the Group's other export markets, Export & Licensing turnover fell by 30.1 percent to HK\$350 million. Operating profit decreased by 33.3 percent to HK\$50 million in 2009. Management foresees an upturn in overseas demand in 2010 when these markets fully recover from the 2008/2009 "financial tsunami".

製造及其他分部

Manufacturing & Others Segment

		全年			下半年			上半年		
		Full Year			Second Half			First Half		
		二零零九年	二零零八年	增加 (減少)	二零零九年	二零零八年	增加 (減少)	二零零九年	二零零八年	增加 (減少)
	2009	2008	Increase (Decrease)	2009	2008	Increase (Decrease)	2009	2008	Increase (Decrease)	
營業額	Turnover	137	119	15.1%	61	59	3.4%	76	60	26.7%
經營溢利(虧損)	Operating profit (loss)	(7)	(23)	N/A	(14)	(20)	N/A	7	(3)	N/A

製造及其他分部業務摘要 (以港幣百萬元為單位)

Manufacturing & Others Segment Operations Highlights (in HK\$ millions)

於二零零八年減持Placita權益後，本集團餘下之小規模製造業務主要為零售及分銷業務迅速供貨。於二零零九年，製造業務之營業額上升百分之十五點一至港幣一億三千七百萬元，而經營虧損則主要由於經營費用減少而收窄至港幣七百萬元。

The Group's remaining manufacturing business after the divestment of Placita in 2008 is small and provides quick response stock replenishment for the Group's retail and distribution operations. Manufacturing turnover rose by 15.1 percent to HK\$137 million in 2009 while operating loss decreased to HK\$7 million mainly from lowered operating expenses.

共同控制公司及聯營公司
南韓

Jointly Controlled and Associated Companies
South Korea

		全年 Full Year			下半年 Second Half			上半年 First Half		
		二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)	二零零九年 2009	二零零八年 2008	增加 (減少) Increase (Decrease)
營業額	Turnover	905	835	8.4%	550	383	43.6%	355	452	(21.5%)
同店銷售額 增加 / (減少) ¹	Same store sales increase/(decrease) ¹	16.0%	(4.1%)	N/A	35.8%	(11.6%)	N/A	0.1%	2.1%	N/A
同店毛利 增加 / (減少) ¹	Same store gross profit increase/(decrease) ¹	16.8%	(3.7%)	N/A	41.6%	(12.4%)	N/A	(3.0%)	3.3%	N/A
門市數目 ³	Number of outlets ³	191	167	24	191	167	24	169	178	(9)

南韓業務摘要 (以港幣百萬元為單位)

South Korea Operations Highlights (in HK\$ millions)

本集團南韓共同控制公司自二零零七年底業務開始好轉後致力維持增長動力。隨着於二零零八年推出之新系列BSX之分銷網絡擴大，加上靈活轉移採購基地以減輕韓貶值之不利因素影響，韓國市場於二零零九年下半年之營業額錄得百分之四十三點六增長，而毛利率則上升二點六個百分點，升幅超過上半年之跌幅。二零零九年全年韓國市場營業額與二零零八年比較增長百分之八點四（以當地貨幣計算為百分之二十五點二）至港幣九億五百萬元，同店銷售額及毛利則分別躍升百分之十六及百分之十六點八。因此，韓國市場稅後溢利對本集團溢利之貢獻增加百分之七十二點七（以韓圓計算為百分之九十九點五）至港幣三千八百萬元（二零零八年：港幣二千二百萬元）。韓國市場二零零九年增設二十四間門市，令門市總數增至年底之一百九十一間。二零零九年十二月三十一日，集團持有南韓共同控制公司百分之四十八點五權益。對比二零零九年及二零零八年，韓國於二零一零年首兩個月之毛利按年持續錄得雙位數增幅。

Our South Korean jointly controlled company persevered with its turnaround drive which began in late 2007. With expanded distribution of the new BSX line that was launched in 2008 and a nimble shift of its sourcing base to mitigate the adverse impact from the depreciation of the Korean Won, Korea achieved a 43.6 percent increase in turnover and a 2.6 percentage point expansion in gross margin in the second half, more than making up for the ground lost in the first half. For 2009 as a whole, Korea grew its turnover by 8.4 percent (25.2 percent in local currency terms) to HK\$905 million while same store sales and gross profit leapt by 16.0 percent and 16.8 percent respectively compared to 2008. As a result, Korea increased its after-tax profit contribution to Group profit by 72.7 percent (99.5 percent in Korean Won terms) to HK\$38 million (2008: HK\$22 million). Twenty-four outlets were added in 2009 to bring the total store count to 191 at the end of the year. The Group held 48.5 percent in its South Korean jointly controlled company as at December 31, 2009. Korea continued to post double digit year-on-year gross profit growth in the first two months of 2010 compared with both 2009 and 2008.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

		二零零九年 2009	二零零八年 2008	二零零七年 2007	二零零六年 2006	二零零五年 2005
營業額 (以港幣百萬元為單位)	Turnover (in HK\$ millions)	905	835	982	1,014	995
每平方呎銷售額 (以港幣為單位) ⁴	Sales per sq. ft. (in HK\$) ⁴	5,500	6,200	6,700	7,500	6,300
同店銷售額 增加 / (減少) ¹	Same store sales increase/(decrease) ¹	16.0%	(4.1%)	(8.6%)	(6.5%)	(4.0%)
同店毛利 增加 / (減少) ¹	Same store gross profit increase/(decrease) ¹	16.8%	(3.7%)	(4.2%)	(7.6%)	2.0%
零售面積 (平方呎) ³	Retail floor area (square feet) ³	164,100	133,700	145,600	135,600	157,000
門市數目 ³	Number of outlets ³	191	167	173	148	168

南韓五年業務摘要

South Korea Five-Year Operations Highlights

中東

本集團中東聯營公司之業務受油價下跌及其主要市場之一迪拜信貸危機拖累，營業額下跌百分之十一點五至港幣四億七千七百萬元。勞工及租金成本在經濟倒退下仍然居高不下，令利潤有所縮減。因此，本集團中東聯營公司稅後溢利對本集團溢利之貢獻下跌百分之四十五點五至港幣六百萬元（二零零八年：港幣一千一百萬元）。於二零零九年十二月三十一日，本集團持有中東聯營公司百分之二十權益。於二零一零年一月及二月，毛利對比二零零九年同期錄得單位數之跌幅。

Middle East

The business of our associated company in the Middle East was hurt by declining oil prices and the credit crisis in Dubai, one of its key markets. Turnover declined by 11.5 percent to HK\$477 million and margins were squeezed by labour and rental costs that remained stubbornly high despite the economic downturn. As a result, after-tax profit contribution from our Middle East associated company to Group profit dropped by 45.5 percent to HK\$6 million (2008: HK\$11 million). The Group held a 20.0 percent shareholding in its Middle East associate on December 31, 2009. January and February 2010 gross profit were down by single digit compared to the same period in 2009.

附註：

Notes:

1. 指於兩個作比較之財政年度各年內經營滿六個月或十二個月之直接管理門市
2. 包括售予特許專賣商之銷售淨額
3. 於期終直接管理門市（就中國大陸而言包括特許專賣商門市）總數
4. 按加權平均基準計算之直接管理之門市

1. For directly managed outlets which were open for the full 6 or 12 months in each of the two fiscal years under comparison
2. Including net sales to authorized dealer
3. Total directly managed outlets (and authorized dealer outlets in the case of Mainland China) as at period end
4. On a weighted-average basis for directly managed outlets

展望

為應對全球「金融海嘯」帶來之衝擊，管理層於二零零八年底部署增加本集團之現金儲備、減省開支、與策略性供應鏈夥伴緊密合作以降低產品成本，以及提升毛利及毛利率。如前所述，管理層正陸續達成上述目標。展望二零一零年，中國大陸及香港市場仍然充滿挑戰。中國大陸人均收入持續上升，本集團會藉此機會重點拓展全國網絡；另一方面，香港市場前景則憂喜參半，中國大陸旅客日增無疑有助提高營業額，但零售租金持續高企，且升勢未止。因此，管理層將繼續增聘人手積極擴充中國大陸業務，同時會在香港推出高增值商品，推動毛利及毛利率增長。於經營環境較穩定之台灣、新加坡及韓國市場，管理層將集中推行多項策略，繼續循序漸進地改善業務。管理層亦計劃致力於改善澳洲市場營運，冀能於二零一一年轉虧為盈。

本集團業務於二零零九年下半年漸入佳境，而於二零一零年，管理層之整體目標為延續復甦勢頭，並訂出三個主要目標以確保成功改善業務。首先是透過加強與供應鏈伙伴之合作關係及優化業務程序，以提高毛利及經營溢利率。管理層會特別着重與新供應鏈夥伴建立良好關係，並與現有夥伴更緊密合作，全面發揮本集團與所有策略性供應鏈夥伴功能。

國際品牌繼續在充滿增長潛力的亞洲地區投資，令本集團各個市場之競爭越趨激烈。管理層於二零一零年之第二項目標為集中強化集團各品牌之獨特優勢，提升品牌形象，從而確保集團之長遠競爭力。下文概述本集團有關提升品牌形象之各項策略。

OUTLOOK

To counter the onslaught of the global “financial tsunami”, Management resolved in late 2008 to build up the Group’s cash reserves, cut expenses, collaborate with strategic supply chain partners to lower product costs and rebuild gross profits and margins. As explained earlier, Management is achieving these objectives. Looking ahead, both Mainland China and Hong Kong present challenges in 2010. While per capita income in Mainland China continues to rise, providing opportunities for the Group to expand its network throughout the country, Hong Kong’s outlook is somewhat mixed. The influx of Mainland Chinese tourists will undoubtedly help lift turnover but the escalation in already sky high retail rentals continues unabated. As such, Management will keep investing in additional human resources to intensify its Mainland China expansion but focus on driving gross profit and margin growth with high value-added merchandise in Hong Kong. In Taiwan, Singapore and Korea where the operating environment tends to be more stable, Management will focus on steady and methodical execution of their respective turnaround strategies. Management targets to also significantly reduce losses in Australia with a return to profitability targeted in 2011.

Management’s overall goal for 2010 is to galvanize the recovery in the Group’s business that began in the second half of 2009. It has three key objectives to successfully ensure this business improvement. Its first objective is to extend gross and operating margin gains by way of improved supply chain relationships and business process re-engineering, focusing on simplification. In particular, Management continues to forge new relationships and deepen existing collaborations to fully engage all our strategic supply chain partners.

International brands have continued to invest in Asia, being a region that still offers potential for growth, intensifying competition in all our markets. Management’s second objective for 2010 is to strengthen branding by concentrating on points of differences to ensure the long term competitiveness of the Group’s brands. The following briefly discusses our various branding strategies.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

於二零零九年，本集團以「品質優異」及「物超所值」之「日常必備服裝」為市場推廣及產品採購重點。此方針廣獲消費者認同，令 *Giordano* 及 *Giordano Junior* 於本年度下半年之毛利率大幅攀升。於二零一零年，集團會藉新產品及市場推廣活動加強宣傳此等訊息。*BSX* 於二零零九年之毛利率增加五點三個百分點，反映此品牌已於年青便服市場中成功立足。於二零一零年，集團將在此成功基礎上審慎地優化及擴充 *BSX* 之門市網絡。此外，管理層亦將 *Giordano Concepts* 品牌重新包裝並命名為 *Concepts One*，主攻中國大陸高級男士服裝市場。本集團會於二零一零年上半年進一步調整 *Concepts One* 之商品策略，繼而於秋 / 冬季加速拓展業務。

在競爭激烈之市場中產品設計及開發為建立及維持品牌優勢之重要環節。因此，本集團於二零零九年下半年於東莞新設一個佔地五千五百平方米之設計中心，以便促進集團與其主要供應鏈夥伴於設計及生產方面更緊密合作。

管理層的最後目標為加快推動中國大陸業務增長，冀於二零一零年將集團門市增加約百分之十五。本集團將着力加強市場推廣，主要透過特許經營支持二線及較小型城市業務發展。管理層無意效法普遍祇着眼短線增長而犧牲長遠溢利之策略，反會以穩健管理及充實財務資源作後盾，恪守集團追求有利可圖之增長策略，以確保每間新增門市均能為集團帶來溢利。儘管中國大陸市場於二零一零年首兩個月銷售額較二零零九年同期微跌，毛利仍隨着毛利率顯著改善而錄得雙位數之增長。

The Group's moves to emphasize "quality essentials" and "value" in its marketing and merchandising in 2009 have been successful with consumers and helped drive *Giordano* and *Giordano Junior's* strong gross margin recovery in the second half of the year. 2010 will see the Group reinforcing these messages with new product and marketing campaigns. *BSX* has succeeded in carving out its own space within the young casual wear segment, as evidenced by the 5.3 percentage point gross margin expansion it achieved in 2009. We will build on this success by prudently upgrading and expanding *BSX's* store network in 2010. With the re-branding of *Giordano Concepts* to *Concepts One*, Management aims to penetrate the high end menswear sector in Mainland China. The first half will witness further fine tuning of *Concepts One's* merchandising strategies before a wider roll-out with the Fall/Winter 2010 season.

Product design and development are critical for creating and sustaining points of differences in a competitive market such as ours. As such, the Group opened a new 5,500 sq. m. design centre in Dongguan in the second half of 2009 to facilitate closer design and production collaboration with our key supply chain partners.

Management's third and final objective is to drive faster growth in Mainland China, with a view to our network in that market by around 15.0 percent in 2010. The emphasis will be on growing our business with the support of increased marketing in second tier and smaller cities mainly through franchising. Rather than following the herd and engaging in a scramble for short term growth at the expense of long term profit, Management will follow through on its strategy of pursuing measured, profitable growth supported by solid management and financial resources so as to ensure that every store added will contribute to our profitability. On the back of significantly improved gross margins, in the first two months of 2010 Mainland China posted double digit gross profit growth on slightly lower sales compared to the same period in 2009.

管理層之論述及分析 MANAGEMENT DISCUSSION AND ANALYSIS

於二零一零年一月及二月，香港、台灣及新加坡市場之毛利亦按年錄得雙位數之增長。管理層會重點提升同店銷售及溢利，但隨着市況好轉，集團於二零一零年亦會審慎物色機會提升及擴充店舖網絡。

概括而言，雖然國際品牌陸續進駐及物業價格不斷上漲，管理層仍看好二零一零年營運走勢。本集團會致力達成上述三大目標，冀能於二零一零年提升溢利，為顧客長遠增值及為股東帶來持續回報。

人力資源

聘用、挽留、發展及鼓勵優秀員工一直為本集團成功之基石。本公司為各級員工提供具競爭力之薪津組合，並發放按目標為本計算之優厚花紅。高級管理人員亦可參與優厚之花紅獎勵計劃及獲發購股權，以酬報並挽留優秀幹練之管理團隊。

多項研究及經驗顯示，優厚薪津組合固然重要，但商業道德價值、公平，以及未來專業及個人發展之機會，對激勵人才同樣重要。因此，本集團投放大量資源於員工培訓及發展，除銷售及服務培訓外，更涵蓋管理、規劃及領導能力等範疇，全面支持員工專業及個人方面的發展。本公司亦鼓勵員工自發自主學習，設立僱員自導學習計劃。本集團在考慮僱員個人加薪及晉升時亦會着重考慮僱員能否達到該計劃之要求。

於二零零九年十二月三十一日，本集團有七千三百名僱員（二零零八年十二月三十一日：八千三百名）。總員工成本（不包括董事酬金，但包括僱員購股權開支）為港幣六億四千四百萬元（二零零八年：港幣七億六千八百萬元）。於二零零九年，本集團並無授出任何購股權（二零零八年：四千一百萬份購股權）予其僱員。

Hong Kong, Taiwan and Singapore also recorded double digit year-on-year gross profit growth in January and February 2010. The priority here will be given to growing same store sales and profits, though with market conditions improving, the Group will also be on the lookout for opportunities to cautiously upgrade and expand its store network in 2010.

In summary, Management sees positive trends going into 2010 despite risks posed by incoming international players and rising property prices. Achieving the Group's three objectives will be critical to attaining expected profit improvements in 2010 and to creating long term value for our customers and sustained return for shareholders.

HUMAN RESOURCES

The recruitment, retention, development and motivation of outstanding employees have always been the foundation of our success. The Company offers competitive remuneration packages and generous, goal-oriented bonuses to different levels of staff. Senior managers are also offered generous incentive bonus schemes and share options as a means to reward and retain a high caliber management team.

Although a competitive remuneration package is important, numerous studies and experience have shown that ethical business values, fairness and opportunities for further professional and personal development are equally important drivers for high achievers. As such, the Group invests heavily not only in comprehensive staff training and development programs in sales and service, but also in management, planning and leadership programs addressing our people's professional and personal development needs. The Company also has an Employee Self Learning Program to foster individual initiative and responsibility for development. Fulfilment of the program's requirements is an important consideration in evaluating an employee's total performance for compensation and career advancement.

On December 31, 2009, the Group had 7,300 employees (December 31, 2008: 8,300). Total staff cost (excluding directors' emoluments but including employees' share option charges) amounted to HK\$644 million (2008: HK\$768 million). The Group did not grant any share options to its employees in 2009 (2008: 41 million share options).

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

股息

本公司擬透過派發股息將現金盈餘回饋其股東。本公司一直根據其股息政策派發約相當於大部份盈利的普通股股息，另外於考慮現金結存水平、未來投資需要，以及營運資金因素後，酌情派發特別股息。於二零零九年十二月三十一日，本集團之現金及銀行結存淨額為港幣七億五千萬元，其中人民幣現金及銀行結存淨額折合港幣三億六千六百萬元，當中絕大部分預留作支援中國大陸之擴充計劃。中國大陸以外市場預期會提供足夠現金流，以應付當地營運資金及資本開支所需。

因此，董事會議決建議向股東派發截至二零零九年十二月三十一日止年度之末期股息每股港幣七仙（二零零八年：港幣三仙）及特別末期股息每股港幣七仙（二零零八年：無）。連同於二零零九年九月二十一日派付之中期股息每股港幣二仙（二零零八年：港幣四點五仙及特別中期股息每股港幣二仙），二零零九年之股息合共為每股港幣十六仙（二零零八年：港幣九點五仙），代表二零零九年之派息率為每股盈利的百分之八十二點九。待於應屆股東週年大會上取得股東批准後，末期及特別末期股息約於二零一零年六月十五日（星期二）派發予於二零一零年六月九日（星期三）名列於本公司股東名冊上之股東。

DIVIDENDS

It is the Company's intention to return surplus cash to its shareholders through payment of dividends. In line with its dividend policy, the Company has been paying a substantial portion of its earnings as an ordinary dividend plus a special dividend the amount of which may vary depending on cash on hand, future investment requirements and working capital considerations. The Group had net cash and bank balances of HK\$750 million at December 31, 2009, of which HK\$366 million was in RMB and a substantial part of it earmarked for supporting our Mainland China expansion program. Ex-Mainland China markets are expected to generate positive operating cash inflow to sustain their respective working capital and capital expenditure requirements.

As such, the Board has resolved to recommend to shareholders the payment of a final dividend of 7.0 HK cents (2008: 3.0 HK cents) per share and a special final dividend of 7.0 HK cents (2008: nil) per share for the year ended December 31, 2009. Together with the interim dividend of 2.0 HK cents per share (2008: 4.5 HK cents per share plus a special interim dividend of 2.0 HK cents per share) paid on September 21, 2009, total 2009 dividend would amount to 16.0 HK cents (2008: 9.5 HK cents) per share, representing a payout of 82.9 percent of 2009 per share earnings. Subject to the approval of the shareholders at the forthcoming Annual General Meeting, the final and special final dividends will be payable on or about Tuesday, June 15, 2010 to shareholders whose names appear on the register of members of the Company on Wednesday, June 9, 2010.

董事及高級管理人員簡介 DIRECTORS AND SENIOR MANAGEMENT PROFILES

劉國權博士(主席)，現年五十七歲，為本集團行政總裁，彼亦為本公司補償委員會成員。彼於一九八七年加入本集團，並於一九九四年二月八日成為行政總裁，同年八月十日獲選為本集團董事會主席。劉博士亦為新昌營造集團有限公司及大快活集團有限公司之獨立非執行董事，該兩間公司均於香港聯合交易所上市。劉博士持有香港理工大學工商管理博士學位及加拿大卡加里大學工商管理碩士學位。彼為加拿大特許會計師公會會員。於加入本集團前，劉博士於加拿大之私營及公營機構有超過十二年的會計工作經驗。

馬灼安先生(執行董事)，現年六十歲，於一九九六年加入本集團，並於一九九九年六月十四日獲本公司委任現職銜。馬先生亦為本集團中國大陸業務之執行主席及海外業務拓展執行董事。彼畢業於加拿大阿伯特大學，取得商業管理學士學位。彼亦為加拿大特許會計師公會會員。於加入本集團前，馬先生擁有豐富工商投資經驗，並曾於加拿大政府之會計及核數部門出任高職達十五年。

Dr. LAU Kwok Kuen, Peter (*Chairman*), aged 57, is the Group's Chief Executive and a member of the Compensation Committee of the Company. He joined the Group in 1987, became the Chief Executive on February 8, 1994, and was elected Chairman of the Board of Directors of the Group on August 10 in the same year. Dr. Lau is also an independent non-executive director of Hsin Chong Construction Group Ltd. and Fairwood Holdings Limited, both of which are listed on the Stock Exchange of Hong Kong. Dr. Lau holds a Doctorate degree in Business Administration from The Hong Kong Polytechnic University and an MBA degree from the University of Calgary in Canada. He is a member of The Canadian Institute of Chartered Accountants. Prior to joining the Group, Dr. Lau had over 12 years of accounting experience in the private and public sectors in Canada.

Mr. MAH Chuck On, Bernard (*Executive Director*), aged 60, joined the Group in 1996 and was appointed to the current position of the Company on June 14, 1999. Mr. Mah is also the Executive Chairman of the Group's operations in Mainland China and Group Executive Director – Global Business Development. He graduated from the University of Alberta in Canada with a bachelor degree in Business Administration and is a member of The Canadian Institute of Chartered Accountants. Prior to joining the Group, Mr. Mah had gained extensive experience in industrial and commercial investment sectors and had held senior government positions in accounting and auditing in Canada for 15 years.

董事及高級管理人員簡介

DIRECTORS AND SENIOR MANAGEMENT PROFILES

畢滌凡先生(獨立非執行董事)，現年六十五歲，於一九九一年五月加入本集團，彼亦為本公司審核委員會主席及補償委員會成員。彼為台和商事控股有限公司之獨立非執行董事。畢滌凡先生亦分別為於納斯達克及紐約聯合交易所上市之Global-Tech Advanced Innovations Inc.及中國海王星辰連鎖藥店有限公司之非執行董事。畢滌凡先生曾任新昌營造集團有限公司(「新昌營造集團」)及新昌管理集團有限公司(「新昌管理集團」)之執行董事，於二零零九年三月調任為非執行董事。畢滌凡先生於二零零九年六月二日退任其於華訊股份有限公司之獨立非執行董事之職務。於二零零九年十月畢滌凡先生再次加入駿豪集團(「駿豪集團」)，獲委任為集團財務執行董事，彼早於二零零八年十二月已是該集團之顧問。於加入駿豪集團前，畢滌凡先生曾任呂禮恒會計師事務所(一間專業會計師事務所)(「KLC」)之主管及KLC Transactions Limited之董事總經理。於加入KLC前，畢滌凡先生於二零零八年二月至十一月期間擔任駿豪集團之財務執行董事。於二零零四年十二月至二零零七年十二月期間，畢滌凡先生出任Hsin Chong International Holdings Limited之董事總經理一職。Hsin Chong International Holdings Limited為建築公司新昌營造集團(於二零零七年十一月獲駿豪集團收購)及物業管理服務公司新昌管理集團(於二零零八年九月獲新昌營造集團收購)這兩間公司之控股股東。畢滌凡先生亦曾為這兩間上市公司之替代董事。畢滌凡先生曾為霸菱亞洲投資有限公司之營運合夥人。彼於二零零一年至二零零二年期間亦曾擔任和記行(集團)有限公司(「和記行」)之董事總經理，並於二零零二年十一月至二零零四年四月期間出任和記行之業務及企業發展顧問。於加入和記行前，彼於萬威國際有限公司擔任董事總經理超過八年，並曾於寶麗碧集團和森那美香港有限公司工作超過十一年，期間曾出任財務董事及董事總經理職務。畢滌凡先生為特許公認會計師公會、香港會計師公會、Chartered Management Institute、香港管理專業協會及香港董事學會之資深會員。

Mr. Barry John BUTTIFANT (*Independent Non-executive Director*), aged 65, joined the Group in May 1991. He is also chairman of the Audit Committee and a member of the Compensation Committee of the Company. He is an independent non-executive director of Daiwa Associate Holdings Limited. Mr. Buttifant also serves as a non-executive director of Global-Tech Advanced Innovations Inc. and China Nepstar Chain Drugstore Ltd., both of which are NASDAQ and New York Stock Exchange-listed companies, respectively. Mr. Buttifant has been re-designated from Executive Director to Non-Executive Director of Hsin Chong Construction Group Ltd. (“HCCG”) and Synergis Holdings Limited (“Synergis”) in March 2009. He retired as an independent non-executive director of Alltronics Holdings Limited on June 2, 2009. In October 2009, Mr. Buttifant rejoined Mission Hills Group (“MHG”) as a director – corporate finance and prior to this appointment, he was the consultant to the Group since December 2008. Prior to joining MHG, Mr. Buttifant served as a principal of KLC Kennic Lui & Company (“KLC”), a professional accounting firm, and managing director of KLC Transactions Limited. Prior to joining KLC, Mr. Buttifant was the executive director – finance of MHG from February 2008 till November 2008. From December 2004 to December 2007, Mr. Buttifant was the managing director of Hsin Chong International Holdings Limited, a controlling shareholder of both the construction company HCCG (which was acquired by MHG in November 2007) and a property management service company, Synergis (which was acquired by HCCG in September 2008). Mr. Buttifant was also an alternate director to both public companies. Mr. Buttifant was an operating partner of Baring Private Equity Asia Limited. He was also the managing director of Wo Kee Hong (Holdings) Limited (“Wo Kee Hong”) from 2001 to 2002 and was the Advisor to the board of directors of Wo Kee Hong from November 2002 to April 2004. Prior to joining Wo Kee Hong, he was the managing director of IDT International Limited for over eight years and had worked for Polly Peck Group and Sime Darby Hong Kong Limited for more than 11 years in the capacity of finance director and managing director. Mr. Buttifant is a fellow member of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants, the Chartered Management Institute, the Hong Kong Management Association and the Hong Kong Institute of Directors.

董事及高級管理人員簡介 DIRECTORS AND SENIOR MANAGEMENT PROFILES

鄭其志先生，GBS，JP（獨立非執行董事），現年五十九歲，於二零零四年四月二十六日加入本公司為獨立非執行董事，彼亦為本公司審核委員會成員。鄭先生持有香港大學物理及數學理學士學位，亦在英國劍橋大學獲取經濟及政治發展(Economics and Politics of Development)哲學碩士學位。彼在香港政府服務二十七年，主要擔任經濟及金融事務之職位。彼於一九九五年至一九九八年擔任庫務司/庫務局局長，主要負責公共財政事務，及於一九九八年至二零零零年三月擔任資訊及廣播局局長，主要負責資訊科技、電信及廣播事務。隨著香港聯合交易所、香港期貨交易所及其相關結算所改革及合併，彼於二零零零年三月離開香港特別行政區政府加入香港交易及結算所有限公司擔任執行董事及首位行政總裁直至二零零三年四月卸任。於二零零四年一月至六月期間，鄭先生受聘為新昌國際集團之董事總經理，並於二零零四年七月至二零零六年七月期間出任偉新（國際）有限公司之董事總經理。彼現出任於澳門從事娛樂業務的澳門勵駿創建有限公司之執行董事及澳門漁人碼頭國際投資股份有限公司之董事。鄭先生已辭去此兩間公司之董事職務，由二零一零年五月一日起生效。

鄭先生為香港非官守太平紳士及獲香港特別行政區政府頒授金紫荊星章。

李鵬飛博士，JP（獨立非執行董事），現年六十九歲，於一九九九年九月十日加入本公司，彼亦為本公司審核委員會及補償委員會成員。彼持有香港理工大學工程博士榮譽學位及香港中文大學法學博士榮譽學位。李博士現為下述於香港聯合交易所有限公司上市公司之獨立非執行董事：進智公共交通控股有限公司、ITE (Holdings) Limited、彩星集團有限公司、三和集團有限公司、卓越金融有限公司及宏安集團有限公司。

李博士曾為中華人民共和國第九及第十屆全國人民代表大會香港特別行政區代表、一九七八年至一九九七年香港立法局成員、一九八八年至一九九一年香港立法局資深成員、一九八五年至一九九二年香港行政局成員。彼積極參與公共事務。

Mr. KWONG Ki Chi, GBS, JP (*Independent Non-executive Director*), aged 59, joined the Company as an Independent Non-executive Director on April 26, 2004 and is a member of the Audit Committee of the Company. Mr. Kwong graduated from The University of Hong Kong with a Bachelor of Science degree in Physics and Mathematics and was awarded a Master of Philosophy degree in Economics and Politics of Development by the University of Cambridge, England. He has served in the Government of Hong Kong for 27 years and held positions principally in the economic and financial fields. He was the Secretary for the Treasury from 1995 to 1998, with responsibility for the public finances, and Secretary for Information Technology and Broadcasting from 1998 to March 2000, with responsibility for information technology, telecommunications and broadcasting. He left the Government of Hong Kong Special Administrative Region in March 2000 to join the Hong Kong Exchanges and Clearing Limited as executive director and first Chief Executive, following the demutualization and merger of the Stock Exchange of Hong Kong, the Hong Kong Futures Exchange and their associated clearing houses and retired in April 2003. Mr. Kwong was the managing director of Hsin Chong International Holdings Ltd. from January to June 2004 and Hongkong Sales (Int'l) Limited from July 2004 to July 2006. He is currently an executive director of Macau Legend Development Ltd. and a director of Macau Fisherman's Wharf International Investment Ltd., both of which are based in Macau and engaged in the leisure industry. He has tendered his resignation as its director of both companies with effect from May 1, 2010.

Mr. Kwong is a non-official Justice of the Peace in Hong Kong and has been awarded the Gold Bauhinia Star by the Government of the Hong Kong Special Administrative Region.

Dr. LEE Peng Fei, Allen, JP (*Independent Non-executive Director*), aged 69, joined the Company on September 10, 1999. He is also a member of the Audit Committee and the Compensation Committee of the Company. He holds an honorary degree of Doctor of Engineering from The Hong Kong Polytechnic University and an honorary degree of Doctor of Laws from The Chinese University of Hong Kong. Dr. Lee is currently an independent non-executive director of AMS Public Transport Holdings Limited, ITE (Holdings) Limited, Playmates Holdings Limited, Sam Woo Holdings Limited, VXL Capital Limited and Wang On Group Limited, all of which are listed on the Stock Exchange of Hong Kong.

Dr. Lee was formerly a deputy of Hong Kong SAR, the 9th and 10th National People's Congress, PRC, a member of the Hong Kong Legislative Council from 1978 to 1997, a senior member of the Hong Kong Legislative Council from 1988 to 1991 and a member of the Hong Kong Executive Council from 1985 to 1992. He has taken an active role in public service.

董事及高級管理人員簡介

DIRECTORS AND SENIOR MANAGEMENT PROFILES

梁覺教授（非執行董事），現年五十一歲，於二零零八年七月一日獲委任為本公司非執行董事。彼乃本公司審核委員會及補償委員會成員。彼曾為本集團董事會顧問及為本集團提供顧問服務超過二十年。梁教授於美國伊利諾大學 Urbana-Champaign 分校獲得心理學博士學位，現任香港城市大學管理學系講座教授。梁教授為國際知名學者，亦擁有在香港及中國大陸不同機構及政府部門資深的顧問經驗。

姚卓基先生，現年五十歲，集團首席財務總監兼公司秘書。彼畢業於加拿大約克大學和澳洲科庭理工大學，擁有行政管理榮譽學士和工商碩士（資訊科技）學位。彼為香港會計師公會資深會員及加拿大特許會計師公會會員。於二零一零年一月四日加入本集團，彼擁有超過二十年在中華區上市公司的財務管理，併購和融資經驗。

除其他大型企業公司外，姚先生亦曾分別於法國交易所上市之跨國戶外多媒體企業集團德高中國控股有限公司及於香港聯合交易所上市之中國電力國際發展有限公司出任首席財務總監。

Professor LEUNG Kwok (*Non-executive Director*), aged 51, was appointed as Non-executive Director of the Company on July 1, 2008. He is also a member of the Audit Committee and Compensation Committee of the Company. He was the Board Advisor and provided consulting services to the Group for more than 20 years. Professor Leung received his Ph.D. in Psychology from University of Illinois, Urbana-Champaign, U.S.A. He holds a chair in management at the City University of Hong Kong. In addition to his international reputation for his scholarly work, he has extensive consulting experience with a wide range of organizations and government departments in Hong Kong and Mainland China.

Mr. IO Cheok Kei, Rudy, aged 50, is the Group Chief Financial Officer and Company Secretary. He graduated from the York University of Canada and Curtin University of Technology in Australia with an Honours Bachelor's degree in Administrative Studies and a Master of Business (IT) degree. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and is a member of The Canadian Institute of Chartered Accountants. He joined the Group on January 4, 2010 and has over 20 years of experience in managing financial operations, merger and acquisitions and fund raising activities of listed companies in the Greater China region.

In addition to other major corporations, Mr. Io had worked in JCDecaux (China) Holding Limited, a multinational out of home media group listed in France and China Power International Limited, a stated-owned enterprise listed on the Stock Exchange of Hong Kong Limited as Chief Financial Officer.

本公司董事會（「董事會」）致力在合理可行的架構中保持最高水平的企業管治，董事會堅信，透明、問責和獨立三項原則對於保障全體利益相關者的利益及提升股東的價值至為重要。

董事會一直致力提高企業管治水平，早在香港聯合交易所有限公司（「香港聯交所」）引入證券上市規則（「上市規則」）之《企業管治常規守則》（「企業管治常規守則」）之前，董事會已定期檢討並提升本公司之企業管治守則。企業管治常規守則於二零零五年一月一日開始之會計期內生效，並且分為兩個遵例層次：上市公司必須遵守守則條文，建議最佳常規只屬指引。任何偏離守則條文之舉則必需解釋。鑑於上市規則的修訂於二零零九年一月一日起生效，董事會因此於二零零九年一月更新了本公司的企業管治守則，使其與企業管治常規守則更加一致。以下為本公司實踐企業管治優於、符合或偏離企業管治常規守則之重點：

The board of directors (the “Board”) of the Company is dedicated to maintaining the highest standard of corporate governance within a sensible and practical framework. The Board firmly believes that the principles of transparency, accountability and independence are essential for upholding the interests of all stakeholders and maximizing shareholder value.

The Board has long been committed to excellence in corporate governance. It has reviewed and upgraded the Company’s Code on Corporate Governance on a regular basis even before The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) introduced the Code on Corporate Governance Practices (the “CG Code”) of the Rules Governing the Listing of Securities (the “Listing Rules”). The CG Code came into effect during the accounting period from January 1, 2005 and has two levels of compliance: compliance with the Code Provisions is mandatory whereas the Recommended Best Practices are for guidance only. Any deviations from the Code Provisions must be explained. In light of the amendments to the Listing Rules that took effect on January 1, 2009, the Board updated the Company’s Code on Corporate Governance in January 2009 to bring it into closer alignment with the CG Code. The following items highlight where the Company’s corporate governance practice surpasses, attains or deviates from the CG Code:

遵例情況

優於

- 董事會成員一半是獨立非執行董事，超過企業管治常規守則之建議最佳常規所要求的最少有三分之一董事會成員為獨立非執行董事。
- 本公司設有風險管理委員會，檢討所有重大監控及風險管理，該委員會每年向董事會匯報兩次，更勝企業管治常規守則之守則條文的規定。

COMPLIANCE

Surpass

- Independent Non-executive Directors comprise half the members of the Board, exceeding the CG Code Recommended Best Practices minimum of one-third.
- The Company has a Risk Management Committee that reviews all material controls and risk management functions and reports to the Board twice a year, surpassing the CG Code Code Provisions.

企業管治報告書

CORPORATE GOVERNANCE REPORT

符合

- 董事會包括三名獨立非執行董事，符合上市規則之規定。
- 本公司為董事及高級管理人員購買合適之責任保險，符合企業管治常規守則之建議最佳常規的規定。
- 凡服務董事會超過九年之獨立非執行董事，須獲股東以獨立決議案批准方可連任，符合企業管治常規守則之建議最佳常規的規定。
- 本公司採納了企業管治常規守則指引以檢討其內部監控制度。
- 除以下所載之偏離情況外，本公司符合所有企業管治常規守則之守則條文。

偏離

- 本公司之主席及行政總裁兩職位同時由一人出任，偏離了企業管治常規守則之守則條文。此舉之優點及本公司為保障股東利益而採取的制衡機制在本報告「主席及行政總裁」一節中有詳細論述。
- 根據本公司之公司細則（「細則」），主席或董事總經理毋須輪值告退。

Attain

- The Board includes three Independent Non-executive Directors, in line with the requirement under the Listing Rules.
- The Company maintains appropriate directors' and officers' liability insurance in line with the CG Code Recommended Best Practices.
- Any Independent Non-executive Director who has served more than nine years will be subject to a separate resolution on further appointment to be approved by shareholders in line with the CG Code Recommended Best Practices.
- The Company adopts the CG Code guidelines on the review of its internal control system.
- The Company meets all the CG Code Code Provisions except the deviations below.

Deviate

- The Company deviates from the CG Code Code Provisions by having the roles of Chairman and Chief Executive performed by the same person. The advantages of doing so and the balancing measures that the Company has adopted to protect shareholder interests are discussed in detail under the section Chairman and Chief Executive of this report.
- According to the Bye-Laws of the Company (the "Bye-Laws"), the Chairman or the Managing Director are not subject to retirement by rotation.

董事會

董事會肩負有效率及盡責地領導本公司的職責。董事會訂立本集團之整體方向和策略、監管及評估本集團之營運與財務上的表現，並檢討本公司之企業管治水平。董事會亦須就各項公司事宜作出決策，包括關於全年及中期業績、須予公佈交易、董事聘任或續聘、股息及會計政策。董事，無論個別或全體成員，都致力以誠，將公司及股東整體利益列為最優先。

於本報告日期，董事會由三名獨立非執行董事、一名非執行董事、以及兩名執行董事組成。非執行董事帶來多方面的專業知識、技能和經驗，為本集團提供有效指引，並為本集團面對的所有重要決策帶出新穎和局外的觀點。為方便履行職責，董事可隨時與本公司之外聘核數師及內部審計師直接接觸，本公司亦已訂立程序，讓董事尋求獨立專業意見，費用由本公司支付。本公司亦已為董事及高級管理人員購買合適之責任保險，此舉符合企業管治常規守則之建議最佳常規的規定。

基於董事會的整體組合及每位董事之獨特專業知識、技能和經驗，本集團相信董事會架構能提供適當及足夠之監察及制衡，以保障本公司和股東的利益。董事會將定期檢討其組合，確保其於專業知識、技能及經驗方面維持適當的平衡及多元化，以繼續有效地指導及監管本公司之業務。本公司董事之個人資料詳情載於本年報第33頁至第36頁。

BOARD

The Board is charged with providing effective and responsible leadership for the Company. It sets the Group's overall objectives and strategies, monitors and evaluates its operating and financial performance and reviews the standard of corporate governance of the Company. It also decides on matters related to annual and interim results, notifiable transactions, director appointments or re-appointments, and dividend and accounting policies. The Directors, individually and collectively, are committed to act in good faith in the best interests of the Company and its shareholders.

As at the date of this report, the Board is comprised of three Independent Non-executive Directors, one Non-executive Director and two Executive Directors. The Non-executive Directors bring a diverse range of expertise, skills and experience to give effective guidance and a fresh, outside perspective to all major decisions facing the Group. To assist them in discharging their duties, the Directors have free and direct access to both the Company's external and internal auditors and procedures are in place to allow Directors to obtain independent professional advice at the Company's expense. The Company has obtained appropriate directors' and officers' liability insurance in line with the CG Code Recommended Best Practices.

Given the overall composition of the Board and the expertise, skills and experience that each Director brings individually, the Group is of the belief that the Board is appropriately structured to provide sufficient checks and balances to protect the interests of the Company and its shareholders. The Board will review its composition regularly to ensure that it has the proper balance and diversity of expertise, skills and experience to continue to effectively guide and oversee the business of the Company. Biographical details of the Directors of the Company are set out on pages 33 to 36 of this annual report.

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按照良好的企業管治原則，董事會設立了兩個董事委員會，即審核委員會及補償委員會。此外，本公司更成立了管理委員會及風險管理委員會，為董事會及董事委員會提供支援。董事會、審核委員會及補償委員會之組成如下，而管理委員會及風險管理委員會於本報告的相關部份有進一步之描述。

In accordance with good corporate governance principles, the Board established two Board Committees, namely the Audit Committee and the Compensation Committee. In addition, a Management Committee and a Risk Management Committee are also in place to support the Board and the Board Committees. The composition of the Board, the Audit Committee and the Compensation Committee is given below. The Management and Risk Management committees are discussed in the relevant sections in this report.

董事會成員	Members of the Board	審核委員會 Audit Committee	補償委員會 Compensation Committee
獨立非執行董事	Independent Non-executive Directors		
畢滌凡先生	Mr. Barry John BUTTIFANT	✓	✓
鄭其志先生，GBS，JP	Mr. KWONG Ki Chi, GBS, JP	✓	
李鵬飛博士，JP	Dr. LEE Peng Fei, Allen, JP	✓	✓
非執行董事	Non-executive Director		
梁覺教授	Professor LEUNG Kwok	✓	✓
執行董事	Executive Directors		
劉國權博士 (主席及行政總裁)	Dr. LAU Kwok Kuen, Peter (Chairman and Chief Executive)		✓
馬灼安先生	Mr. MAH Chuck On, Bernard		

各董事會成員之間並沒有財務、業務、親屬或其他重大或相關之關係，惟畢滌凡先生及劉博士在新昌營造集團有限公司董事會中分別擔任非執行董事及獨立非執行董事。

The Board members have no financial, business, family or other material or relevant relationships with each other except that Mr. Buttifant and Dr. Lau both serve on the board of Hsin Chong Construction Group Ltd. as non-executive director and independent non-executive director respectively.

董事會認為，上述關係並不影響該等董事於執行職務時之獨立判斷及個人誠信。

It is the Board's opinion that these relationships do not affect the Directors' independent judgment and integrity in executing their roles and responsibilities.

直至本報告日期為止，概無獨立非執行董事擁有本公司之股份。

None of the Independent Non-executive Directors owned any shares of the Company up to the date of this report.

根據上市規則之規定，各獨立非執行董事已根據相關指引向本公司書面確認其獨立性。因此，本公司認為各獨立非執行董事確屬獨立人士。

Pursuant to the requirements of the Listing Rules, each of the Independent Non-executive Directors has confirmed with the Company in writing his independence from the Company in accordance with the relevant guidelines. The Company therefore considers all of the Independent Non-executive Directors to be independent.

董事會每年定期召開四次會議，亦會在有需要時召開更多會議。董事會的定期會議舉行日期會預先訂定，致使全體董事會成員能安排出席。公司秘書協助主席擬訂董事會會議議程，而每位董事均獲邀提出任何擬在會議中討論和動議的事項。此外，全體董事可與公司秘書接觸，要求公司秘書提供意見和服務，以確保董事會的程序和適用的規則和條例得以遵守。董事會會議文件在會議舉行前不少於三天送予所有董事及其他列席人士，以確保彼等可及時地獲得一切有關會議之資料。會議紀錄之初稿及最終定稿亦會發送予所有董事供彼等提供意見。根據細則，若任何董事未能親身出席任何董事會會議，則可藉著電話會議或其他安排，參與董事會會議。根據細則，若未能召開董事會會議，則可藉著傳閱有關緊急事宜之書面決議案而取得董事會批准。當傳閱書面決議案之同時，本公司亦會向董事提供足夠的資料和說明材料。

The Board holds four regular meetings a year and additional meetings as and when required. Regular Board meetings are scheduled in advance to facilitate the fullest possible attendance. The Company Secretary assists the Chairman in setting the agenda of the Board meetings and each Director is invited to present any businesses that he wishes to discuss or propose at such meetings. Furthermore, all Directors have access to the Company Secretary for advice and services to ensure that board procedures and applicable rules and regulations are adhered to. Board papers are circulated to all Directors and other attendees not less than three days before the Board meetings to ensure timely access to relevant information. Draft and final versions of the minutes are circulated to all Directors for comments. Any Director who is unable to physically attend any Board meeting may participate electronically by conference call or via alternate arrangements in accordance with the Bye-Laws. Pursuant to the Bye-Laws, Board approval may also be obtained by way of circulation of a resolution in writing on urgent matters when convening a Board meeting is not practicable. Sufficient information and explanatory materials will be provided to the Directors at the same time when a resolution in writing is circulated.

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董事會於截至二零零九年十二月三十一日止之年度，舉行了四次全體董事會會議，會議上，董事會檢討了季度業績表現和商討了本集團之未來發展策略以及其他事務。此外，董事會通過了兩套書面決議案。

During the year ended December 31, 2009, four full Board meetings were held during which the Board reviewed the quarterly performance results and discussed the Group's strategy going forward, as well as other business. In addition, two sets of resolutions in writing were passed.

董事於二零零九年的全體董事會會議之出席記錄如下：

Attendances of Directors of the full Board meetings in 2009 are as follows:

董事會會議	Board Meeting	出席次數/會議舉行次數 Meetings attended/held
獨立非執行董事	Independent Non-executive Directors	
畢滌凡先生	Mr. Barry John BUTTIFANT	4/4
鄺其志先生，GBS，JP	Mr. KWONG Ki Chi, GBS, JP	4/4
李鵬飛博士，JP	Dr. LEE Peng Fei, Allen, JP	4/4
非執行董事	Non-executive Director	
梁覺教授	Professor LEUNG Kwok	4/4
執行董事	Executive Directors	
劉國權博士 (主席及行政總裁)	Dr. LAU Kwok Kuen, Peter (Chairman and Chief Executive)	4/4
馬灼安先生	Mr. MAH Chuck On, Bernard	4/4

為了促進坦誠及公開討論事務之氣氛，獨立非執行董事會不時在沒有執行董事出席下會面討論。

In order to facilitate free and open discussion of issues, Independent Non-executive Directors also meet without the presence of Executive Directors from time to time.

董事之委任及重選

本公司特意安排董事會全體成員參議新董事的委任，因此並沒有根據企業管治常規守則之建議最佳常規成立代表性有限的提名委員會。董事會考慮擬委任董事之專業知識、經驗、誠信及承擔等各方面的因素。

根據細則，任何由董事會委任之新董事（主席或董事總經理除外）須於其獲委任後本公司舉行之下一次股東大會上（如屬填補臨時空缺）或本公司下一次股東週年大會上（如屬增加董事人數）退任及由股東重選。於每屆之股東週年大會上，三分之一（或最近但不超過三分之一）之董事（主席或董事總經理除外）須輪值告退，惟每位董事（主席或董事總經理除外）須最少每三年輪值告退一次。

現時，所有獨立非執行董事的指定任期為三年，彼等須根據細則輪值告退及重選。為進一步提高企業管治水平，本公司依照企業管治常規守則之建議最佳守則，要求凡服務董事會超過九年之獨立非執行董事，須獲得股東以獨立決議案方式批准方可連任。董事會會在本年報中向股東列明其認為該董事仍屬獨立人士以及應獲重選之原因。

本公司董事概不知悉有任何資料可合理地指出本公司並無遵守企業管治常規守則，惟 (i) 主席及行政總裁兩職位同時由一人出任（守則條文A.2.1）；及 (ii) 主席及董事總經理毋須輪值告退（守則條文A.4.2）。

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Instead of following CG Code Recommended Best Practices and establishing a nomination committee which would only have limited representation, the Company intentionally involves the full Board in the appointment of new Directors. The Board takes into account criteria such as expertise, experience, integrity and commitment in its deliberations.

In accordance with the Bye-Laws, any new Director (other than the Chairman or the Managing Director) appointed by the Board is subject to retirement and re-election by shareholders at the next general meeting of the Company (in the case of filling a casual vacancy) or at the next annual general meeting of the Company (in the case of an addition to their number) following his appointment. At each annual general meeting, one-third (or the number nearest to but not exceeding one-third) of the Directors (other than the Chairman or the Managing Director) will retire from office by rotation and every Director (other than the Chairman or the Managing Director) is subject to retirement by rotation at least once every three years.

Currently, all Independent Non-executive Directors are appointed for a specific term of three years and subject to retirement by rotation and re-election pursuant to the Bye-Laws. To further strengthen the standard of corporate governance, the Company follows the CG Code Recommended Best Practices and requires any re-appointment of an Independent Non-executive Director who has served on the Board for over nine years to be subject to a separate resolution to be approved by shareholders. The Board will set out in this annual report the reasons it considers such Director to continue to be independent and should be re-elected.

None of the Directors of the Company is aware of information that would reasonably indicate that the Company is not in compliance with the CG Code, except that (i) the roles of the Chairman and Chief Executive are vested in the same person (Code Provision A.2.1); and (ii) the Chairman and the Managing Director are not subject to retirement by rotation (Code Provision A.4.2).

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主席及行政總裁

劉國權博士目前同時出任主席及行政總裁兩職位。鑒於劉博士的豐富業內經驗以及對本集團業務的深厚認識，董事會認為由劉博士兼任主席及行政總裁能為本集團提供強勢及貫徹之領導，並能更有效地策劃及推行長期商業策略以及提高決策的效率。董事會亦相信本公司已擁有配合公司實際情況的堅實企業管治架構，確保能有效地監管本公司之管理層。該架構的主要內容包括：

- 董事會之成員有半數為獨立非執行董事；
- 審核委員會包括全體三位獨立非執行董事和該位非執行董事；
- 確保全體非執行董事可隨時與本公司之外聘核數師及內部審計師接觸，並在有需要時尋求獨立專業意見；及
- 設立「密函檢舉」機制，允許本集團員工以匿名和機密形式向內部審計部主管舉報高級管理人員包括主席及行政總裁的欺詐或不當的行為，詳情載於「內部監控」一節。

董事會相信，上述機制能確保獨立非執行董事及非執行董事有效地督導本集團之管理層和就策略、風險和誠信等範疇提供有效的監管。董事會將不斷檢討本集團企業管治架構之成效，用以評估是否需要作任何修改。

CHAIRMAN AND CHIEF EXECUTIVE

Currently Dr. Lau Kwok Kuen, Peter, holds the positions of Chairman and Chief Executive. In view of Dr. Lau's extensive experience in the industry and deep understanding of the Group's businesses, the Board believes that vesting the roles of both Chairman and Chief Executive in Dr. Lau provides the Group with strong and consistent leadership, allows for more effective planning and execution of long term business strategies and enhances efficiency in decision-making. The Board also believes that the Company already has a strong corporate governance structure appropriate for its circumstances in place to ensure effective oversight of Management. The main elements of this structure include:

- Having Independent Non-executive Directors comprise half of the Board;
- Having all three Independent Non-executive Directors and the Non-executive Director to comprise the Audit Committee;
- Ensuring that all Non-executive Directors have free and direct access to both the Company's external and internal auditors and independent professional advice where necessary; and
- Having a "whistle-blowing" mechanism in place to allow the Group's staff members to anonymously and confidentially report any suspected acts of fraud or gross misconduct by senior management, including that of the Chairman and Chief Executive, to the Head of Internal Audit, the details of which are discussed under the section "Internal Control".

The Board believes that these measures enable our Independent Non-executive Directors and Non-executive Director to rigorously supervise the Group's Management and to provide effective control of key issues relating to strategy, risk and integrity. The Board continually reviews the effectiveness of the Group's corporate governance structure to assess whether any changes are necessary.

審核委員會

審核委員會由全體三位獨立非執行董事及該位非執行董事組成，並由畢滌凡先生出任主席，彼為一位在處理財務匯報及監控方面具資深經驗的合資格會計師。審核委員會負責委任外聘核數師、審閱本集團之財務資料、監察本集團之財務匯報系統和內部監控程序等事宜。該委員會在評核本集團中期及全年業績後，才向董事會作出建議是否同意採納有關業績。審核委員會可不受限制地與本公司之外聘核數師及內部審計師接觸。審核委員會的職權範圍可供索取及已載於本公司之網站 <http://www.giordano.com.hk/web/HK/investors/2005AC.pdf>。

審核委員會每年最少舉行兩次會議，會上審閱財務匯報及檢討內部監控事宜。集團首席財務總監、風險管理委員會主席、內部審核總管、公司秘書及本公司外聘核數師之代表應出席審核委員會之會議。委員會亦可酌情邀請其他管理層成員出席會議。於二零零九年，審核委員會共舉行了兩次會議，按成員姓名分列之會議出席記錄載列如下：

審核委員會會議	Audit Committee Meeting	出席次數/會議舉行次數 Meetings attended/held
獨立非執行董事	Independent Non-executive Directors	
畢滌凡先生	Mr. Barry John BUTTIFANT	2/2
鄺其志先生，GBS，JP	Mr. KWONG Ki Chi, GBS, JP	2/2
李鵬飛博士，JP	Dr. LEE Peng Fei, Allen, JP	2/2
非執行董事	Non-executive Director	
梁覺教授	Professor LEUNG Kwok	2/2

AUDIT COMMITTEE

The Audit Committee comprises all three Independent Non-executive Directors and the Non-executive Director and is chaired by Mr. Buttifant, a qualified accountant with extensive experience in financial reporting and controls. The Committee is responsible for the appointment of external auditors, review of the Group's financial information and oversight of the Group's financial reporting system and internal control procedures. It is also responsible for reviewing the interim and final results of the Group prior to recommending them to the Board for approval. To this end, the Audit Committee has unrestricted access to both the Company's external and internal auditors. Its terms of reference are available on request and also accessible on the Company's website at <http://www.giordano.com.hk/web/HK/investors/2005AC.pdf>.

The Audit Committee reviews financial reporting and internal control matters in the Audit Committee meeting which is held at least twice a year. The Group Chief Financial Officer, the Chairman of the Risk Management Committee, the Head of Internal Audit, the Company Secretary and representatives of the External Auditor of the Company are expected to attend meetings of the Committee. At the discretion of the Committee, other members of Management may also be invited to attend its meetings. In 2009, the Audit Committee held two meetings and the attendance record, on a named basis, is set out below:

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審核委員會於會上與外聘核數師審閱審核策略摘要、截至二零零八年十二月三十一日止全年業績和截至二零零九年六月三十日止六個月中期賬目。於會上，審核委員會亦有檢討本集團內部審計部門的工作及其內部審計報告，並且與管理層商討其報告關於集團業務運作的調查結果及建議。審核委員會更與管理層討論本集團的內部監控系統，以確保其成效，尤其關注負責本集團的會計及財務報告之員工是否具備足夠資源、資格和經驗，及其訓練課程和預算是否充足。

補償委員會

本公司已成立補償委員會以處理薪酬事宜。補償委員會由二名獨立非執行董事、該位非執行董事及主席組成，負責檢討及決定董事及高級管理人員之酬金、補償及福利。於每次會議開始時，委員會成員會選出一名成員為會議主席。當審閱個別董事之薪酬福利時，相關董事為免涉及任何利益衝突須放棄投票權。補償委員會的職權範圍可供索取及已載於本公司之網站 <http://www.giordano.com.hk/web/HK/investors/2005CC.pdf>。

During the meetings, the Audit Committee reviewed the audit strategy summary and the final results for the year ended December 31, 2008 and the interim accounts for the six months ended June 30, 2009 with external auditors. During the meetings, the Audit Committee also reviewed the activities of the Group's Internal Audit Department and its internal audit report and discussed with Management the report's findings and recommendations on the Group's business operations. The Audit Committee also discussed with Management the Group's internal control system to ensure its effectiveness, with attention being paid to the adequacy of resources, the qualifications and experience of the Group's accounting and financial reporting staff, as well as their training programs and budget.

COMPENSATION COMMITTEE

The Company established a Compensation Committee to deal with matters of remuneration. It is composed of two Independent Non-executive Directors, the Non-executive Director and the Chairman. It is responsible for reviewing and determining the remuneration, compensation and benefits of Directors and senior management. The committee members elect one member to act as chair at the commencement of each meeting. When the remuneration package of an individual Director is under review, the Director in question is required to abstain from voting to avoid any conflict of interest. The terms of reference of the Compensation Committee are available on request and also accessible on the Company's website at <http://www.giordano.com.hk/web/HK/investors/2005CC.pdf>.

補償委員會會議	Compensation Committee Meeting	出席次數/會議舉行次數 Meeting attended/held
獨立非執行董事	Independent Non-executive Directors	
畢滌凡先生	Mr. Barry John BUTTIFANT	1/1
李鵬飛博士，JP	Dr. LEE Peng Fei, Allen, JP	1/1
執行董事	Executive Director	
劉國權博士 (主席及行政總裁)	Dr. LAU Kwok Kuen, Peter (Chairman and Chief Executive)	0/1
非執行董事	Non-executive Director	
梁覺教授	Professor LEUNG Kwok	1/1

於二零零九年，補償委員會舉行了一次會議，檢討主席及行政總裁之酬金及花紅、確認給予主席二零零八年的保證花紅、以及批准和通過支付予董事和高級管理人員的二零零八年花紅。主席及行政總裁並無出席是次補償委員會會議，並放棄投票，以免涉及任何利益衝突。是次會議按成員姓名分列之會議出席記錄載於上文。

薪酬政策

本公司明白，合理而全面的薪酬組合是吸引、留用以及激勵高質素人才的重要因素。因此，本公司致力確保薪酬具競爭力，並且符合本公司之目標和表現。本公司於釐定薪酬政策時考慮多項相關因素，包括同類型公司所支付之薪金、職責、職務和職權、本公司及其附屬公司之聘用條件、市場慣例，以及本公司的財務和非財務表現。

如上一節所討論，補償委員會檢討並決定董事之薪酬。為確保非執行董事可以就其為本公司付出的時間及承擔的責任獲得合理的報酬，委員會會考慮多方面因素，包括同類型公司所支付的袍金，非執行董事所付出的時間、肩負的職責、預計的工作量，以及本公司其他職級的聘用條件，以釐定非執行董事之薪酬。

本公司為包括主席及行政總裁以及執行董事在內之僱員訂出的薪酬組合，包括固定薪酬、現金績效花紅、浮動獎金、長期獎勵金以及退休計劃，詳情載於下文。

固定薪酬包括僱員的基本薪金、津貼及福利（例如醫療福利）。不同職位的基本薪金和津貼是考慮到本公司之薪酬政策、本公司和僱員的個人表現，以及市場情況和慣例後訂出的，並會每年作出檢討。福利會定期檢討，主要是按照當地標準及慣例而釐定。

In 2009, the Committee held a meeting to review the remuneration and bonus of the Chairman and Chief Executive, to confirm the 2008 guaranteed bonus to the Chairman and to ratify and approve the 2008 bonus payment to directors and senior management. The Chairman and Chief Executive absented himself from attending the said meeting and abstained from voting to avoid any conflict of interest. Attendance record of the meeting, on a named basis, is set out above.

REMUNERATION POLICY

The Company understands that a reasonable and comprehensive remuneration package is an important factor in attracting, retaining and motivating high quality personnel. As such, the Company works to ensure that remuneration is competitive and aligns with the Company's objectives and performance. The Company takes into consideration a number of relevant factors including salaries paid by comparable companies, job responsibilities, duties and scope, employment conditions elsewhere in the Company and its subsidiaries, market practices and financial and non-financial performance in determining its remuneration policy.

As discussed in the previous section, the Compensation Committee reviews and determines the remuneration of the Directors. To ensure that Non-executive Directors are appropriately paid for their time and responsibilities to the Company, the Committee considers factors such as fees paid by comparable companies, time commitment, the responsibilities and likely workload of the Non-executive Directors, and employment conditions elsewhere in the Company in determining the remuneration of the Non-executive Directors.

The Company's remuneration structure for its employees, including the Chairman and Chief Executive and the Executive Director, is composed of fixed compensation, cash performance bonuses, variable cash incentives, long-term incentives, and retirement schemes as discussed below.

Fixed compensation includes an employee's base salary, allowances and benefits (e.g. medical). Base salary and allowances are set and reviewed annually for each position taking into consideration the Company's remuneration policy, the Company's and the individual's performance as well as market conditions and practices. Benefits are reviewed regularly and determined largely on the basis of local standards and practices.

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僱員亦會因集團、所屬業務單位及個人幾項層面的表現而獲得年度現金花紅。發放給主席及行政總裁、執行董事以及高級管理層成員的花紅，由補償委員會每年檢討。於二零零九年，現金績效花紅佔主席及行政總裁以及執行董事之總薪酬的百分之五十八點四。詳情請參閱財務報表附註10(a)。此外，本公司設有銷售及業務相關獎勵計劃，藉此激勵某些工種的員工，例如前線銷售人員，以達致本公司訂出的銷售或其他業務目標。

本公司亦設有購股權計劃以提供長期的獎勵，從而酬謝和挽留精銳的管理團隊。計劃詳情以及執行董事和僱員截至二零零九年十二月三十一日已行使及未行使之購股權的資料，載於本年報「購股權資料」一節中。

本公司根據強制性公積金計劃條例參與一項強積金計劃，該計劃已經與強制性公積金計劃管理局登記。

以下為董事會成員之總薪酬（不包括以股份支付的開支）。

(以港幣百萬元為單位)

袍金
薪酬、津貼及其他福利
浮動的績效薪酬
購股權
退休計劃供款

Employees are also eligible to receive an annual cash bonus based on performance at the Group, business unit and individual levels. The bonuses awarded to the Chairman and Chief Executive, the Executive Director and members of senior management are reviewed annually by the Compensation Committee. In 2009, the cash performance bonus component accounted for 58.4 percent of the total remuneration of the Chairman and Chief Executive and the Executive Director. Please refer to note 10(a) to the financial statements for details. In addition, the Company operates sales and business-related incentive schemes to motivate certain staff such as front-line sales associates to achieve specific sales or other business targets of the Company.

The Company also operates a share option scheme to provide long-term incentives to reward and retain a high calibre management team. The details of the scheme, together with information on options exercised and outstanding in respect of the Executive Directors and employees as at December 31, 2009 under the scheme are set out in the section of Share Option Information of this annual report.

Pursuant to the Mandatory Provident Fund Schemes Ordinance, the Company participates in an MPF scheme which has been registered with the Mandatory Provident Fund Schemes Authority.

The total remuneration of the members of the Board (excluding share-based payments) is shown below:

	(In HK\$ millions)	2009	2008
Fees		1	1
Salaries, allowances and other benefits		7	8
Variable remuneration related to performance		9	9
Share Options		-	1
Retirement scheme contributions		-	-
		17	19

非執行董事、執行董事及五位最高薪職員（當中兩位為執行董事）總薪酬（不包括以股份支付的開支）按酬金組別歸類如下：

The total remuneration (excluding share-based payments) of Non-executive, Executive Directors and the five highest paid employees (two of whom were Executive Directors) fell within the following bands:

薪酬	Remuneration	2009 人數 Number	2008 人數 Number
港幣0元－港幣1,000,000元	HK\$0 – HK\$1,000,000	4	5
港幣1,000,001元－港幣2,000,000元	HK\$1,000,001 – HK\$2,000,000	–	1
港幣2,000,001元－港幣3,000,000元	HK\$2,000,001 – HK\$3,000,000	4	2
港幣3,000,001元－港幣4,000,000元	HK\$3,000,001 – HK\$4,000,000	–	1
港幣5,000,001元－港幣6,000,000元	HK\$5,000,001 – HK\$6,000,000	–	1
港幣12,000,001元－港幣13,000,000元	HK\$12,000,001 – HK\$13,000,000	1	1
港幣13,000,001元－港幣14,500,000元	HK\$13,000,001 – HK\$14,500,000	–	–
		9	11

全體非執行董事之薪酬均屬於第一薪酬組別，詳情請參閱財務報表附註10(a)。

All Non-executive Directors' emoluments fell within the first remuneration band. Please refer to note 10(a) to the financial statements for details.

管理委員會

董事會已授權管理委員會負責執行其商業策略及管理本集團之日常商業運作。管理委員會對董事會全面負責，由董事會兩名現任執行董事及一名負責本集團中東及印度業務之董事組成。

MANAGEMENT COMMITTEE

The Board has delegated the authority and responsibility for implementing its business strategies and managing the daily operations of the Group's businesses to a Management Committee. The Management Committee is fully accountable to the Board and comprises the two Executive Directors who currently serve on the Board and a director of the Group's Middle East and India operations.

內部監控

董事會全面負責本集團之內部監控，特別是財務、營運、守法方面，以及風險管理功能，藉此持續監察其成效。本公司已實行和制訂合適政策及程序，保障資產不會於未獲授權下使用或處置，備存妥善而準確之會計紀錄，和提高財務報告之可靠性，以及確保營運效益及成效，並遵守適用之法律法規。此等政策和程序旨在針對重大失實報告或損失提供合理但並非絕對之保證，以及管理及減低而非完全消除本集團營運系統之失誤風險。

INTERNAL CONTROL

The Board has overall responsibility for the Group's internal controls, particularly in respect of financial, operational, compliance controls and risk management functions and as such monitors the effectiveness on an ongoing basis. Appropriate policies and procedures have been put in place to safeguard assets against unauthorized use or disposition; to maintain proper and accurate accounting records and enhance the reliability of financial reporting; to ensure efficiency and effectiveness of operations and compliance with applicable laws and regulations. Such policies and procedures are designed to provide reasonable, but not absolute, assurance against material misstatement or loss, and to manage and minimize rather than eliminate the risk of failure in the Group's operational systems.

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本集團之內部監控制度由以下主要部份組成：

- 具界定責任、適當職責劃分及授權的組織及管治架構；
- 財務監控、內部監控及風險管理等制度及程序，以識別及衡量風險，以及每半年進行風險評估以監察風險輕減進展；
- 營運及財務預算及預測制度，以衡量績效，包括定期分析預算偏離情況，並作出合適行動以修正不足之處；
- 嚴謹的政策及程序以評核、檢討及審批重大資本及經常性開支；
- 設立「密函檢舉」機制，允許本集團員工以匿名形式向內部審計部主管舉報高級管理人員，包括主席及行政總裁的欺詐或不當行為；內部審計部主管會將該等密函轉交本公司之獨立非執行董事作進一步行動；及
- 嚴謹的內部程序和監控措施以處理及發布股價敏感資料。

董事會已授權風險管理委員會負責集團之內部監控制度及檢討其效能。風險管理委員會有五位成員，包括執行董事馬先生、集團財務總監、內部審計部主管以及兩名高級管理層代表。該委員會根據本公司之企業管治守則中有關內部監控的守則條文檢討所有重要的監控，並每年向董事會作出兩次滙報。風險管理委員會對董事會全面負責。該委員會評估及滿意集團會計及財務報告職能之資源充足度、有關僱員之資格及經驗以及彼等之培訓計劃及年度預算，並就本集團營運風險之內部監控制度向董事會滙報所有重要範疇均為充足及恰當，並且持續地有效運作。

The Group's internal control framework includes the following major components:

- An organizational and governance structure with defined responsibility, proper segregation of duties and delegated authority;
- Systems and procedures of financial control, internal control and risk management to identify and measure risks and conduct bi-annual risk assessment to monitor the progress of risk mitigation;
- Operational and financial budgeting and forecasting systems for performance measurement, including regular variance analysis against budgets with appropriate actions taken to rectify deficiencies;
- Stringent policies and procedures for the appraisal, review and approval of major capital and recurrent expenditures;
- A “whistle-blowing” mechanism to allow the Group's staff to anonymously report any suspected acts of fraud or gross misconduct by senior management, including that of the Chairman and Chief Executive, to the Head of Internal Audit who will refer the report to the Company's Independent Non-executive Directors for further action; and
- Strict internal procedures and controls for the handling and dissemination of price sensitive information.

The Board has delegated the authority and responsibility for the Group's internal control system and the reviewing of its effectiveness to a Risk Management Committee. The Risk Management Committee is composed of five members including one Executive Director, Mr. Mah, together with the Group Chief Financial Officer, the Head of Internal Audit and two senior management representatives. It reviews all material controls in accordance with the code provisions on internal control of the Company's Code on Corporate Governance and reports to the Board twice a year. The Risk Management Committee is fully accountable to the Board. The Committee evaluated and was satisfied with the adequacy of resources, qualifications and experience of the staff of the Group's accounting and financial reporting function as well as their training programmes and budget for the year and reported to the Board that in all material respects the system of internal control over risks associated with the Group's operations was sufficient, appropriate and operated effectively on a continuing basis.

透過與風險管理委員會緊密合作，內部審計部於監管本集團的內部監控事宜上扮演著重要角色。

Co-operating closely with the Risk Management Committee, the Internal Audit Department plays a major role in monitoring the internal controls of the Group.

內部審計部之主要工作包括：

The keys tasks of the Internal Audit Department include:

- 不受限制地檢討本集團主要活動、風險管理、監控及管治程序各個方面；
 - 定期對業務及各支援單位及附屬公司進行獨立及全面之財務、營運及守法監控及風險管理審計，包括建議改善方法及監察各單位及附屬公司之糾正或補救行動，以盡量減低所承受之風險；
 - 就管理層或審核委員會提出關注之範圍進行特別檢討；
 - 調查商業道德、利益衝突及其他集團政策之違規情況；及
 - 監督「密函檢舉」機制。
- Unrestricted access to review all aspects of the Group's key activities, risk management, control and governance process;
 - Conduct independent, comprehensive and regular audits of financial, operational and compliance controls and risk management functions of the business and support units as well as subsidiaries, including recommending improvements and monitoring corrective or remedial actions taken by the units and subsidiaries to minimize risk exposure;
 - Conduct special reviews of areas of concern identified by Management or the Audit Committee;
 - Investigation of business ethics, conflict of interest and other Group policy violations; and
 - Oversee the "whistle-blowing" mechanism.

內部審計部採取以風險為本之方法，執行審核委員會及管理層已批准之審計計劃。內部審計部以內部審計報告形式向管理層提交獨立而客觀之評估及建議。內部審計主管每年兩次向審核委員會直接匯報主要調查結果、糾正行動及管理回應。審核委員會可隨時直接接觸內部審計主管，而毋須知會主席或管理層。

Adopting a risk-based approach, the Internal Audit Department implements the audit plan approved by the Audit Committee and Management. It furnishes independent and objective evaluations and recommendations in the form of an internal audit report to Management. The Head of Internal Audit reports directly to the Audit Committee twice a year on major findings, corrective actions and management responses. The Audit Committee has free and direct access to the Head of Internal Audit without reference to the Chairman or Management.

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證券交易的標準守則

本公司於二零零四年八月已採納了一套依照上市規則附錄十規定之《董事進行證券交易的標準守則》，並於二零零九年更新該守則。全體董事均確認於本年度內已遵守上述標準守則。

本公司亦於二零零五年三月已採納了一套《相關員工進行證券交易的標準守則》，並於二零零九年更新該《相關員工進行證券交易的標準守則》，以監管該些擁有及得悉影響股價敏感資料的員工之證券交易。上述標準守則涵蓋之範疇包括禁止和進行本公司證券之買賣、避免利益衝突，以及本公司資料之保密等。有關僱員於年內已一直遵守上述守則。

董事及核數師就財務報表所承擔之責任

董事負責監督每個財政期間財務報表的編製，以確保該報表能夠真實和公平地反映該期間本集團之財政狀況、營運業績與現金流量。本公司財務報表之編製均符合所有有關之法定要求及適用的會計準則。董事有責任確保選擇及連貫地應用合適之會計政策，並作出審慎和合理的判決及估計。

本公司主要核數師羅兵咸永道會計師事務所就本集團財務報表作出之申報責任聲明載於第65頁至第66頁之獨立核數師報告書內。

核數師之酬金

本集團之主要核數師羅兵咸永道會計師事務所和其關連機構就其非審核及法定審核服務收取之費用如下：

(以港幣百萬元為單位)

非審核服務
法定審核

總數

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company adopted in August 2004 and updated in 2009 a Code of Conduct for Securities Transactions by Directors on terms required by Appendix 10 of the Listing Rules. All directors confirmed that they complied with the aforesaid code throughout the year.

The Company also adopted in March 2005 and updated in 2009 a Code of Conduct for Securities Transactions by Specified Employees to govern securities transactions of those employees who may possess or have access to price sensitive information. The said code covers areas such as prohibitions and conduct in the dealing of Company's securities, avoidance of conflict of interests and confidentiality of Company's information, etc. These employees have complied with the aforesaid code throughout the year.

DIRECTORS' AND AUDITORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors are responsible for overseeing the preparation of financial statements for each financial period to ensure that they give a true and fair view of the state of affairs of the Group, its operational results and cash flow for that period. The Company's financial statements 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 where judgment has been applied and estimates made, they are prudent and reasonable.

The statement by the principal auditor of the Company, PricewaterhouseCoopers, regarding their reporting responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report on pages 65 to 66.

AUDITOR'S REMUNERATION

The remuneration charged by the Group's principal auditor PricewaterhouseCoopers and its affiliated firms for non-audit and statutory audit services is set out below:

(In HK\$ millions)

Non-audit services
Statutory audit

Total

2009

2008

1

1

3

4

4

5

與投資者及股東之關係

本公司清晰及有效對外溝通集團之業務策略和發展，有助維持及提升股東價值。因此，本集團之高級管理層透過公司專訪、電話會議、會議交流及參與大型投資者研討會，與投資界保持定期和公開的對話。總括而言，高級管理層於二零零九年與機構投資者及研究分析員舉行了超過一百一十次會議。

本公司的股東廣泛而多元化，成員包括機構和散戶投資者。本公司善用公司網站來發布最新消息，譬如業績公布和新聞稿以確保全體股東均可公平及適時地取得公司重要資訊。為了讓股東在掌握本公司表現之餘又不會過份看重短期業績，本公司決定不依照企業管治常規守則之建議最佳守則刊發季度財務業績。本公司改為於公司網站刊登其首三個月及九個月期間之最新業務資料。公司網站上亦載有年報、中期報告以及其他向交易所提交的資料。

董事會歡迎股東對影響本集團的事項提出意見，並鼓勵他們出席股東大會，藉以直接向董事會或管理層反映他們關注的事項。本公司之股東週年大會（「股東週年大會」）是尤其重要的平台。為了鼓勵及方便股東出席股東週年大會，本公司於大會舉行日期前最少二十個工作日發出通知，並附奉詳盡的會議議程。為確保清楚達意，各項獨立議題是以獨立的決議案提出。股東要求按點算股數方式進行表決以及於股東大會上按點算股數方式進行表決之程序，已在細則中詳細規定，並且會收錄於與召開股東大會有關之各份通函。大會主席亦會於股東大會開始時講解按點算股數方式進行表決之程序。

根據細則，持有本公司不少於十份一的實繳股本，並且在股東大會上擁有投票權的任何股東，有權以書面請求形式要求董事會就該書面請求中指明的任何業務交易召開特別股東大會。

INVESTOR AND SHAREHOLDER RELATIONS

The Company's clear and effective communication of the Group's business strategies and developments will help maintain and enhance shareholder value. As such, the Group's senior management keeps a constant and open dialogue with the investment community through company visits, conference calls, information sessions and participation in major investor conferences. In all, senior management held over 110 meetings with institutional investors and research analysts in 2009.

The Company has a wide and diverse shareholder base of institutional and retail investors. To ensure all shareholders have equal and timely access to important company information, the Company makes extensive use of its corporate website to deliver up-to-date information such as results announcements and press releases. In the interest of striking a balance between keeping shareholders abreast of the Company's performance on one hand and avoiding an unhealthy focus on short term results on the other, the Company decided against following the CG Code Recommended Best Practice of publishing quarterly financial results. Instead, the Company publishes operations updates for the first three and nine month periods on its corporate website. Annual and interim reports, together with other stock exchange filings, are also accessible on the corporate website.

The Board welcomes the views of shareholders on matters affecting the Group and encourages them to attend shareholders' meetings to communicate any concerns they may have with the Board or Management directly. The Company's Annual General Meeting ("AGM") is an especially important forum. In order to encourage and facilitate shareholder attendance at its AGM, the Company gives at least 20 clear business days' prior notice together with a detailed agenda. To ensure clear communication, each substantially separate issue is proposed under a separate resolution. Details of the right of shareholders to demand a poll and procedures of poll voting at general meeting are stipulated in the Bye-Laws and included in each circular related to the convening of a general meeting. The chairman of the meeting will also explain the poll voting procedures at the commencement of the general meeting.

In accordance with the Bye-Laws, any shareholder holding not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meeting shall have the right, by written requisition, to require a special general meeting to be called by the Board for transaction of any business specified in such requisition.

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CORPORATE GOVERNANCE REPORT

投資者與股東如有意在股東大會上提出建議，又或向董事會提出查詢，可聯絡本公司之投資者關係部，其聯絡詳情載於本年報第168頁。

Investors and shareholders who wish to put forward proposals at shareholder's meetings or to make enquiries of the Board may do so by contacting our Investor Relations Department whose contact details are listed on page 168 of this annual report.

本公司於二零零九年六月三日舉行二零零九年度股東週年大會。會議假座香港九龍長沙灣道七七七至七七九號天安工業大廈三樓B座舉行。出席會議的個別董事會成員如下：

The Company held its 2009 AGM on June 3, 2009. The meeting was held at Block B, 3rd Floor, Tin On Industrial Building, 777-779 Cheung Sha Wan Road, Kowloon, Hong Kong. Attendance of individual Board members at the general meetings is set out below:

二零零九年股東會議	Shareholders' Meeting in 2009	出席次數/ 會議舉行次數 Meeting attended/held
獨立非執行董事	Independent Non-executive Directors	
畢滌凡先生	Mr. Barry John BUTTIFANT	1/1
鄺其志先生，GBS，JP	Mr. KWONG Ki Chi, GBS, JP	0/1
李鵬飛博士，JP	Dr. LEE Peng Fei, Allen, JP	1/1
非執行董事	Non-executive Director	
梁覺教授	Professor LEUNG Kwok	1/1
執行董事	Executive Directors	
劉國權博士 (主席及行政總裁)	Dr. LAU Kwok Kuen, Peter (Chairman and Chief Executive)	1/1
馬灼安先生	Mr. MAH Chuck On, Bernard	1/1

主席宣布二零零九年股東週年大會正式開始後，講解了投票表決之程序以及所收到之代表委任文件之數目。會上處理之事務如下：

The Chairman opened formal business at the 2009 AGM by advising on the voting procedures and the level of proxies received. The following items of business were considered at the meeting:

- 採納經審核財務報表及董事會與獨立核數師報告書；
 - 有關末期股息的決議案；
 - 告退及重選退任董事及重新委聘核數師；
 - 有關發行股份之一般授權的決議案；及
 - 重續購回股份之一般授權。
- Adoption of the audited financial statements and the reports from the directors and the independent auditor;
 - Resolutions on final dividend;
 - Retirement and re-election of retiring directors and re-appointment of auditor;
 - Resolution on the grant of general mandate to issue shares; and
 - Renewal of the general mandate to repurchase share.

本公司建議於二零一零年六月九日舉行二零一零年股東週年大會。載於股東週年大會的通知上的每項議案將會根據上市規則按點算股數方式投票。

本公司之細則於年內並無變動。根據規管本公司之相關法律，若需修訂細則，本公司將於本公司股東大會上提呈修訂案以供股東批准。

社會責任

本公司一向致力成為負責任的企業公民，並於二零零五年一月正式採納其企業社會責任政策聲明。儘管受全球金融海嘯影響，本公司繼續恪守「為善者諸事順」的原則，於集團經營業務的社區，在與利益相關人士之關係、社區參與以及環境保護各範疇發揮正面影響。

僱員關係

本公司相信，要獲得長遠成功，全賴機構內每一位成員的貢獻。因此，本公司以公平及尊重的態度對待員工。我們相信，通力合作、上下一心和互相信賴是集團根基所在。我們評選應徵者時考慮其能力和長處，並按照員工的個人表現決定酬報和擢升。

本公司亦認定價值、公平和專業及個人持續發展機會對優秀員工均屬同等重要之推動因素。因此，本公司投放大量資源於員工培訓及發展，除銷售及服務培訓外，更涵蓋管理、規劃及領導能力等範疇，全面支持員工專業及個人方面的發展。本公司同時設有僱員自學計劃，鼓勵員工自發自主學習。本公司將繼續投資於學習及發展方面，以維持其競爭優勢。

The 2010 AGM is proposed to be held on June 9, 2010. Each of the resolutions as set out in the notice of the AGM will be voted on by poll pursuant to the Listing Rules.

There was no change in the Company's Bye-Laws during the year. If any amendment to the Bye-Laws is necessary, according to the relevant law governing the Company, the Company will propose the amendment for shareholders' approval at a general meeting of the Company.

SOCIAL RESPONSIBILITY

The Company has long been committed to being a responsible corporate citizen, and formally adopted its Corporate Social Responsibility policy statement in January 2005. Despite the impact of the global financial tsunami, the Company continued to focus on "doing well by doing good" in order to have a positive impact in the communities where we do business, paying particular attention to stakeholder relations, community involvement and environmental protection.

Employee Relations

The Company believes that its long-term success depends on the contribution of each and every individual in the organization. As such, the Company is committed to treating our employees with fairness and respect. We believe in co-operation, teamwork, and trust. We hire on the basis of ability and merit, and reward and promote on the basis of performance.

The Company also recognizes that values, fairness and opportunities for continuing professional and personal development are equally important drivers for high achievers. As such, the Company invests heavily not only in comprehensive staff training and development programs in sales and service, but also in management, planning and leadership programs addressing our people's professional and personal development needs. The Company also has an Employee Self Learning Program to foster individual initiative and responsibility for development. The Company will continue to invest in learning and development to maintain its competitive edge.

企業管治報告書 CORPORATE GOVERNANCE REPORT

本集團不時為僱員舉辦各類活動，包括由健康護理專業人員主持之健康生活講座，藉此協助僱員在工作與生活之間取得平衡。各個興趣小組亦積極籌辦不同體育或休閒活動，讓僱員能夠以最低費用甚至免費參與。

本公司亦會每年進行僱員滿意度調查，該等調查可讓我們取得有用的回應，以作為制訂公司政策時的參考。

供應鏈管理亦是佐丹奴的成功關鍵，我們與供應商緊密合作，確保供應商符合我們有關品質、表現及勞務準則。我們更特別要求供應商遵守我們的核心道德採購規定，詳情如下：

- 供應商聘用的員工必須符合當地法定的最低工作年齡。
- 供應商不會在其生產設施的任何部份或任何方面僱用受強迫或被監禁的勞工。
- 不得虐待或威脅虐待員工。
- 供應商不得抵觸當地環保法律和法規。
- 供應商須為員工提供安全健康的工作環境。
- 若本公司或其委聘的第三方審核人員進行供應商審核期間發現任何問題，供應商必須致力糾正。

本集團的品質保證隊伍會不時進行突擊調查，確保廠方符合集團各方面的標準。

The Company organizes various activities, including seminars on healthy living conducted by healthcare professionals, for its employees from time to time to help them maintain a healthy work-life balance. Various interest groups are also active in organizing different sports events or leisure activities which employees can participate at minimal or no cost.

The Company also conducts employee satisfaction surveys annually and such surveys allow us to obtain useful feedback for reference in setting company policies.

Supply chain management is critical for Giordano's success and we work closely with suppliers to ensure that they comply with our quality, performance and not least labor standards. In particular, we expect our suppliers to comply with our Core Ethical Sourcing Requirements as listed below:

- The supplier only employs workers that are above the local legal minimum age.
- The supplier does not use forced or prison labour in any part or aspects of its facilities.
- The workers are not subjected to physical abuse, or the threat of physical abuse.
- The supplier does not contravene local environmental laws and regulations.
- The supplier provides a safe and healthy work environment for its workers.
- The supplier is committed to rectifying any areas of concern identified during supplier audits by the Company or its appointed third party auditors.

The Group's Quality Assurance team would conduct surprise inspections from time to time to ensure that factories comply with Group's various standards.

社區參與

秉承「沒有陌生人的世界」這個信念，本集團大力支持各慈善機構及慈善活動，並特別關注與教育、兒童及弱勢社群有關的項目。其中一項是在希望工程（一項由中國青少年發展基金會籌劃的公共服務項目）協助下營辦佐丹奴希望小學。本公司作為項目的長期支持者，於二零零九年捐助共港幣二十五萬元以支持向內地貧困農村的兒童提供小學教育之工作。

環境保護

本公司亦致力保護環境。自本集團於二零零八年開展行動，為旗下店舖改用節能照明設備以來，截至二零零九年年底，七個國家合共四十五間店舖（包括香港的二十八間）已轉用節能照明設備，全年節省的能源估計達六十二萬一千千瓦，即年內減少二氧化碳排放量約四百三十噸。我們亦開始於門市採用發光二極體（LED）照明設備。

本公司亦支持不同組織推動環境保護及自然保育。尤其值得一提的是，本集團已與環保組織2041建立起夥伴關係。2041由極地探險家、環保領袖兼公開演說家Robert Swan，OBE創立。Swan為首位徒步踏足南北兩極之人士，創辦2041旨在推動南極洲保育。南極洲為地球上唯一未受破壞的自然生態區，現時受南極條約環境保護協定保護，於二零四一年前可免受鑽挖開採。為協助傳播保育南極洲信息，佐丹奴夥同2041設計以2041為主題之T恤，並在哥本哈根聯合國氣候變化會議舉行之前於旗下亞洲門市出售。本公司亦為香港青年旅舍協會與昂坪360共同主辦之昂坪棧道活動之贊助商。

Community Involvement

Acting on our belief in a “World Without Strangers”, the Group actively supports various charitable organizations and causes, especially those associated with education, children and the underprivileged. One such program is the Giordano Hope Primary School project operating under the umbrella of Project Hope, a public service project organized by the China Youth Development Foundation. The Company, a longstanding supporter of the project, donated HK\$250,000 in 2009 to support its work in providing children in poverty-stricken rural areas of Mainland China with access to primary school education.

Environmental Protection

The Company is also committed to protecting the environment. Since the kick-off of the initiative to convert the Group's shops to using energy saving lighting in 2008, a total of 45 stores in 7 countries, including 28 in Hong Kong, have switched to using energy saving lighting as at the end of 2009, achieving annual energy savings estimated at 621,000 kW and the reduction of approximately 430 tons in CO2 emission a year. We also took the lead in adopting new LED lighting in our stores.

The Company also supports various organizations in their efforts to promote environmental protection and nature conservation. Particularly noteworthy is the Group's partnership with 2041, an environmental organization founded by polar explorer, environmental leader, public speaker Robert Swan, OBE. Swan, the first person to walk to both the North and South poles, founded 2041 to promote the preservation of Antarctica, the last unspoiled wilderness on Earth, which is protected from drilling and mining until 2041 by the Protocol on Environmental Protection to the Antarctic Treaty. To help publicize the cause, Giordano partnered with 2041 to feature and sell 2041-themed T-shirts in its stores across Asia in the run-up to the United Nations Climate Change Conference in Copenhagen. The Company is also a sponsor of the Ngong Ping Charity Walk jointly organized by the Youth Hostel Association of Hong Kong and Ngong Ping 360.

董事會報告書

DIRECTORS' REPORT

董事會欣然提呈本公司及本集團截至二零零九年十二月三十一日止年度之董事會報告書及經審核財務報表。

主要業務

本公司為一投資控股公司。本集團之主要業務為經營零售及分銷Giordano、Giordano Concepts、Giordano Ladies、Giordano Junior及BSX等品牌之基本及時尚男女服裝、童裝及配襯用品。該等品牌儘管以不同市場部分為銷售目標，皆致力為消費者提供品質優良、物有所值的服裝及服務。本集團亦經營成衣貿易及製造，供應本集團零售業務的需求，並向本集團以外之人士供應製成品。

分部資料

本集團截至二零零九年十二月三十一日止年度按照主要業務及地區之表現分析載於財務報表附註5。

業績

本集團截至二零零九年十二月三十一日止年度之業績及本公司與本集團於該日之財政狀況俱載於第67頁至第149頁之財務報表內。

股息

中期股息每股港幣二仙已於二零零九年九月二十一日派發。

董事會向股東建議派發截至二零零九年十二月三十一日止年度末期股息每股港幣七仙及特別末期股息每股港幣七仙予二零一零年六月九日名列本公司股東名冊上之股東。

儲備

本年度內，儲備之變動情況載於第74頁至第76頁之權益變動表。

可供分派儲備

於二零零九年十二月三十一日，本公司之可供分派滾存溢利及繳入盈餘為港幣九億零二百萬元（二零零八年：港幣六億六千五百萬元）。

The directors are pleased to submit their report together with the audited financial statements of the Company and of the Group for the year ended December 31, 2009.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal business of the Group is the retail and distribution of men's, women's and children's basic and fashion apparel and accessories under the Giordano, Giordano Concepts, Giordano Ladies, Giordano Junior and BSX brands. Although targeted at different market segments, the brands all strive to deliver excellent quality, value and service to consumers. The Group also engages in garment trading and manufacturing, supporting the Group's retail business and supplying products to third parties.

SEGMENT INFORMATION

An analysis of the Group's performance by principal activity and geography for the year ended December 31, 2009 is set out in note 5 to the financial statements.

RESULTS

The results of the Group for the year ended December 31, 2009 and the state of affairs of the Company and of the Group as at that date are set out in the financial statements on pages 67 to 149.

DIVIDENDS

An interim dividend of 2.0 HK cents per share was paid on September 21, 2009.

The directors recommend to shareholders the payment of a final dividend of 7.0 HK cents per share and a special final dividend of 7.0 HK cents per share for the year ended December 31, 2009 to those shareholders whose names appear on the register of members of the Company on June 9, 2010.

RESERVES

Movements in reserves during the year are set out in the Statements of Changes in Equity on pages 74 to 76.

DISTRIBUTABLE RESERVES

As at December 31, 2009, the retained profits of the Company together with the contributed surplus available for distribution amounted to HK\$902 million (2008: HK\$665 million).

慈善捐款

本集團於本年度內之慈善捐款為港幣四十萬元（二零零八年：港幣一百一十萬元）。

固定資產

本年度內，本集團共添置約港幣五千九百萬元（二零零八年：港幣一億零九百萬元）之固定資產。本年度固定資產變動情況載於財務報表附註15、16及22。

主要附屬公司

本公司於二零零九年十二月三十一日之主要附屬公司之詳情載於財務報表附註36。

銀行貸款

於二零零九年十二月三十一日，本集團須即付或於一年內償還之銀行貸款約為港幣七千四百萬元（二零零八年：港幣七千八百萬元）。

主要供應商及客戶

本集團首五大供應商及客戶所佔的購買及銷售總額均低於百分之三十。

十年財務資料

本集團過去十個財政年度之業績、資產及負債摘要載於第2頁及第3頁。

股本

本公司之股本於本年度內之變動詳情載於財務報表附註25。

購股權資料

本公司購股權計劃之摘要及本公司購股權於本年度內變動詳情載於第150頁至第155頁。

股份優先購買權

本公司之細則中並無股份優先購買權之規定，惟百慕達法例則無限制該等權利。

CHARITABLE DONATIONS

Donations made for charitable purposes by the Group during the year amounted to HK\$0.4 million (2008: HK\$1.1 million).

FIXED ASSETS

During the year, the Group acquired fixed assets of approximately HK\$59 million (2008: HK\$109 million). Movements in fixed assets during the year are set out in notes 15, 16 and 22 to the financial statements.

PRINCIPAL SUBSIDIARIES

Particulars of the Company's principal subsidiaries as at December 31, 2009 are set out in note 36 to the financial statements.

BANK LOANS

As at December 31, 2009, the Group had bank loans of approximately HK\$74 million (2008: HK\$78 million) that were repayable on demand or within one year.

MAJOR SUPPLIERS AND CUSTOMERS

The aggregate percentages of purchases and sales attributable to the Group's five largest suppliers and customers respectively are less than 30.0 percent.

TEN-YEAR FINANCIAL INFORMATION

A summary of the results, assets and liabilities of the Group for the last ten fiscal years is set out on pages 2 and 3.

SHARE CAPITAL

Details of the movements in share capital of the Company during the year are shown in note 25 to the financial statements.

SHARE OPTION INFORMATION

A summary of the Company's share option scheme and details of the movement in share options of the Company during the year are set out on pages 150 to 155.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-Laws although there are no restrictions against having such rights under the laws of Bermuda.

董事會報告書 DIRECTORS' REPORT

購買、出售或贖回本公司之上市證券

本公司及其任何附屬公司於本年度內並無購買、出售或贖回本公司之任何上市證券。

董事會

於本年度內及截至本報告書之日期止，本公司之董事為：

劉國權博士
馬灼安先生
畢滌凡先生*
鄭其志先生，GBS，JP*
李鵬飛博士，JP*
梁覺教授#

* 獨立非執行董事
非執行董事

根據本公司細則第九十八條，畢滌凡先生及鄭其志先生於即將舉行之股東週年大會上輪值告退，惟彼等均合資格膺選連任。

於本報告日，本公司董事之個人資料詳載於本年報第33頁至第36頁。有關將退任並獲推薦重選之董事的進一步資料詳載於本年報第164頁至第167頁。

董事服務合約

擬於即將召開之股東週年大會上膺選連任之董事，概無與本公司或其附屬公司訂立本集團不可於一年內毋須賠償（法定補償除外）而終止之服務合約。

董事享有權益之合約

本公司或其任何附屬公司概無參與訂立於年內或年終任何時間使本公司任何董事擁有不論直接或間接之重大權益之合約。

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

DIRECTORS

The directors of the Company during the year and up to the date of this report are:

Dr. LAU Kwok Kuen, Peter
Mr. MAH Chuck On, Bernard
Mr. Barry John BUTTIFANT*
Mr. KWONG Ki Chi, GBS, JP*
Dr. LEE Peng Fei, Allen, JP*
Professor LEUNG Kwok#

* Independent non-executive directors
Non-executive director

In accordance with Bye-Law 98 of the Company's Bye-Laws, Mr. Barry John BUTTIFANT and Mr. KWONG Ki Chi will retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

Biographical details of the directors of the Company as at the date of this report are set out on pages 33 to 36 of this annual report. Further information of the retiring directors proposed to be re-elected are set out on pages 164 to 167 of this annual report.

DIRECTORS' SERVICE CONTRACT

The directors being proposed for re-election at the forthcoming annual general meeting do not have any service contract with the Company or its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

None of the directors had a material interest, whether directly or indirectly, in any contract of significance subsisted during or at the end of the year to which the Company or any of its subsidiaries was a party.

董事之證券權益

於二零零九年十二月三十一日，本公司董事及行政總裁在本公司或其相關法團（定義見證券及期貨條例第XV部）的股份、相關股份及債權證中擁有根據該條例第三百五十二條須予備存的登記冊所載或根據香港聯合交易所有限公司（「聯交所」）之上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司和聯交所之任何權益及淡倉如下：

DIRECTORS' INTERESTS IN SECURITIES

As at December 31, 2009, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept under section 352 of the SFO; or as notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

董事姓名 Name of director	權益性質 Nature of interest	非上市之 相關股份 實益權益 (附註)		
		股份實益權益 (附註) Beneficial interest in shares (Note)	Beneficial interest in unlisted underlying shares (Note)	總權益 百分率概約 Approximate aggregate percentage of interests
劉國權 LAU Kwok Kuen, Peter	個人 Personal	24,118,000	1,800,000	1.74%
馬灼安 MAH Chuck On, Bernard	個人 Personal	1,619,086	6,200,000	0.52%

附註： 擁有之股份及股本衍生工具之相關股份權益均為好倉。
非上市之股本衍生工具之相關股份乃按本公司採納之購股權計劃而授予董事之購股權，有關資料載列於第153頁。

Note: Interests in the shares and underlying shares of equity derivatives were long position. Underlying unlisted shares are share options granted to the directors pursuant to the share option scheme of the Company and details of which are set out on page 153.

除上述披露外，於二零零九年十二月三十一日，本公司董事及行政總裁概無在本公司及其相關法團（定義見證券及期貨條例第XV部）的股份、相關股份及債權證中擁有或被視作擁有根據該條例第三百五十二條須予備存的登記冊所載或根據「標準守則」須知會本公司和聯交所之任何權益或淡倉。此外，除上述披露外，本公司或其任何附屬公司於截至二零零九年十二月三十一日止整年內概無訂立任何安排，令本公司董事或彼等之配偶或未滿十八歲之子女可藉購入本公司或其他法團之股份或債權證而獲益。

Save as disclosed above, as at December 31, 2009, none of the directors and chief executive of the Company had or was deemed to have any interests or short position in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept under section 352 of the SFO; or as notified to the Company and the Stock Exchange pursuant to the Model Code. Furthermore, save as disclosed above, at no time during the year ended December 31, 2009 was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company or any of their spouses or children under the age of 18 to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

董事會報告書

DIRECTORS' REPORT

主要股東

於二零零九年十二月三十一日，根據證券及期貨條例第三百三十六條記錄於本公司存置之登記冊，下列人士（除本公司董事及行政總裁外）擁有本公司之股份或相關股份之權益或淡倉百分之五或以上：

名稱 Name	附註 Note	好倉股份及 相關股份總數 Aggregate long position in shares and underlying shares of interests	總權益 百分率概約 Approximate aggregate percentage of interests
Aberdeen Asset Management Plc and its associates	1	225,113,389	15.09%
Franklin Templeton Investments Corp.	2	120,245,440	8.06%
Sanderson Asset Management Limited	3	89,767,000	6.02%

附註：

1. Aberdeen Asset Management Plc及其聯繫人以投資經理身份持有二億二千五百一十一萬三千三百八十九股股份。

由Aberdeen Asset Management Plc及其多間全資附屬公司代表其所管理的賬戶持有下列股份：

附屬公司名稱
Name of subsidiary

Aberdeen Asset Management Asia Limited
Aberdeen Asset Management Inc
Aberdeen Asset Management Limited
Aberdeen Asset Managers Limited
Aberdeen International Fund Managers Limited
Aberdeen Investment Management K.K.
Aberdeen Private Wealth Management Limited
Aberdeen Unit Trust Managers Limited
Edinburgh Fund Managers Plc

好倉股份總數
Aggregate long position in shares

213,605,389
4,214,000
712,000
49,414,816
112,110,573
3,042,000
10,722,000
25,864,816
14,000,000

2. 由 Franklin Resources, Inc. 之間接全資附屬公司 Franklin Templeton Investments Corp. 以投資經理身份持有一億二千零二十四萬五千四百四十股股份被視作彼擁有之權益。

3. Sanderson Asset Management Limited以投資經理身份持有八千九百七十六萬七千股股份。

SUBSTANTIAL SHAREHOLDERS

As at December 31, 2009, the following persons, other than directors and chief executive of the Company, having interests or short positions of five percent or more in the Company's shares or underlying shares were recorded in the register kept by the Company pursuant to section 336 of the SFO:

名稱 Name	附註 Note	好倉股份及 相關股份總數 Aggregate long position in shares and underlying shares of interests	總權益 百分率概約 Approximate aggregate percentage of interests
Aberdeen Asset Management Plc and its associates	1	225,113,389	15.09%
Franklin Templeton Investments Corp.	2	120,245,440	8.06%
Sanderson Asset Management Limited	3	89,767,000	6.02%

Notes:

1. Aberdeen Asset Management Plc and its associates held 225,113,389 shares in the capacity of Investment Manager.

Aberdeen Asset Management Plc and its various wholly owned subsidiaries held the following shares on behalf of the accounts they managed:

附屬公司名稱 Name of subsidiary	好倉股份總數 Aggregate long position in shares
Aberdeen Asset Management Asia Limited	213,605,389
Aberdeen Asset Management Inc	4,214,000
Aberdeen Asset Management Limited	712,000
Aberdeen Asset Managers Limited	49,414,816
Aberdeen International Fund Managers Limited	112,110,573
Aberdeen Investment Management K.K.	3,042,000
Aberdeen Private Wealth Management Limited	10,722,000
Aberdeen Unit Trust Managers Limited	25,864,816
Edinburgh Fund Managers Plc	14,000,000

2. Franklin Resources, Inc. had a deemed interest in respect of 120,245,440 shares held by its indirect wholly-owned subsidiary, Franklin Templeton Investments Corp., in the capacity of Investment Manager.

3. Sanderson Asset Management Limited held 89,767,000 shares in the capacity of Investment Manager.

管理合約

本年度內，本公司並無訂立或進行任何與本公司全部或重要業務有關之管理及行政合約。

持續關連交易

於二零零八年六月二十七日，本集團旗下一間附屬公司根據聯交所證券上市規則（「上市規則」）第14A.35(1)條對持續關連交易之規定分別與Placita Holdings Limited（「Placita」）訂立就本集團向Placita及其附屬公司採購Giordano品牌貨品（「該等採購」）之期限為三年之新生產許可合同（「新生產許可合同」）。該新生產許可合同項下之該等採購構成本公司之持續關連交易。

新生產許可合同之條款與舊生產許可合同大致相同，並於二零零八年八月二十五日生效。根據二零零八年六月二十七日之買賣協議，本公司於該生效日期當日正式完成出售Placita全部已發行股本百分之二十一予Gloss Mind Holdings Limited（「Gloss Mind」）及重新定類本公司所持有Placita餘下百分之三十為無投票權優先股（「交易完成」）。

交易完成後，Placita之所有附帶投票權之資本由Gloss Mind擁有，而Gloss Mind則由Placita的董事張國良先生全資擁有。根據上市規則，於交易完成後的十二個月內，Placita因而被視為本公司之關連人士。因此，於交易完成後十二個月期間內，新生產許可合同項下進行之該等採購構成本公司之持續關連交易（「該等交易」）及後根據上市規則，該等交易自二零零九年八月二十六日不再構成持續關連交易。

於二零零八年八月十三日舉行之股東特別大會（「二零零八年股東特別大會」）上，本公司之獨立股東已經批准了該等交易完成後十二個月期間內之採購新金額上限為港幣四億五千萬元，該金額於二零零八年及二零零九年之分配如下：新金額上限自交易完成之日直至二零零八年十二月三十一日止為港幣一億五千萬元及自二零零九年一月一日直至交易完成後第一週年日止為港幣三億元。

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

CONTINUING CONNECTED TRANSACTIONS

On June 27, 2008, a subsidiary of the Group entered into two new manufacturing license agreements (the "New Manufacturing License Agreements") with Placita Holdings Limited ("Placita") in respect of the purchases of *Giordano* branded merchandise by the Group from Placita and its subsidiaries (the "Purchases") with a finite term of three years as required under Rule 14A.35(1) in the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange for continuing connected transactions.

The terms of the New Manufacturing License Agreements are essentially identical to the Previous Manufacturing License Agreements and took effect from August 25, 2008 upon completion of the disposal of 21.0 percent of the entire issued share capital of Placita by the Company to Gloss Mind Holdings Limited ("Gloss Mind") and the re-designation of the remaining 30.0 percent held by the Company into non-voting preference shares in Placita pursuant to the Sale and Purchase Agreement dated June 27, 2008 ("Completion").

Following Completion, the entire voting capital of Placita is owned by Gloss Mind, which in turn is wholly owned by Mr. CHEUNG Kwok Leung, a director of Placita. Placita is still considered to be a connected person of the Company under the Listing Rules for a period of 12 months following Completion. Accordingly, the Purchases made under the New Manufacturing License Agreements during the 12-month period following Completion constituted continuing connected transactions (the "Transactions") of the Company. However, purchases from Placita ceased to constitute continuing connected transactions for the Company under the Listing Rules with effect from August 26, 2009.

At a special general meeting held on August 13, 2008 (the "2008 SGM"), shareholders of the Company independent of the Transactions approved the Transactions with the new cap amount of HK\$450 million covering the 12-month period following Completion, which is allocated between the year of 2008 and 2009 as follows: the New Cap Amount from the day after Completion to December 31, 2008 is HK\$150 million and from January 1, 2009 to the first anniversary of Completion is HK\$300 million.

董事會報告書

DIRECTORS' REPORT

持續關連交易 (續)

截至二零零九年十二月三十一日止財政年度內之該等採購總值自二零零九年一月一日直至交易完成後第一週年日止約達港幣一億一千八百萬元。

本公司之核數師就該等交易進行了若干議定程序，並已向董事會匯報在本年度內：(i)該等交易已獲本公司董事會批准；(ii)已按規管該等交易之有關協議或其他訂貨合約之條款進行；及(iii)沒有超逾於截至二零零九年十二月三十一日止財政年度內由二零零九年一月一日直至交易完成後第一週年日止之金額上限港幣三億元。

本公司之獨立非執行董事已審閱本年度之該等交易，並確認該等交易已(i)在本集團之一般及日常業務運作中進行；(ii)按正常商業條款進行，或不遜於獨立第三者之條款進行；及(iii)根據有關的協議之條款進行，而交易條款公平合理，並且符合本公司股東的整體利益。獨立非執行董事並確認該等交易之總金額沒有超逾本公司日期為二零零八年七月二十一日之通函內所載及於二零零八年股東特別大會上獲獨立股東批准之截至二零零九年十二月三十一日止財政年度內由二零零九年一月一日直至交易完成後第一週年日止港幣三億元之金額上限。

公眾持股量

於本報告日，根據本公司可以得悉之公開資料及本公司董事亦知悉之情況下，本公司已按上市規則之要求，維持足夠公眾持股量。

核數師

羅兵咸永道會計師事務所將退任，惟願膺選連任，而重聘彼等之有關決議案於即將舉行之股東週年大會上提呈。

承董事會命
劉國權
主席

香港，二零一零年三月二十五日

CONTINUING CONNECTED TRANSACTIONS (continued)

The Purchases for the period from January 1, 2009 to the first anniversary of Completion in the financial year ended December 31, 2009 is approximately HK\$118 million.

The auditor of the Company has performed certain agreed-upon procedures on the Transactions and reported to the Board that during the year (i) the Transactions have received approval from the Board; (ii) the Transactions have been entered into in accordance with the terms of the relevant agreements or other order contracts governing the Transactions; and (iii) the cap amount of HK\$300 million for the period from January 1, 2009 to the first anniversary of Completion in the financial year ended December 31, 2009 has not been exceeded.

The independent non-executive directors of the Company have reviewed the Transactions during the year and confirmed that they have been (i) entered into in the ordinary and usual course of business of the Group; (ii) conducted either on normal commercial terms or terms no less favorable to the Group than terms available to independent third parties; and (iii) entered into in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole. The independent non-executive directors have also confirmed that the Transactions have not exceeded the maximum amount of HK\$300 million capped for the period from January 1, 2009 to the first anniversary of Completion in the financial year ended December 31, 2009 in accordance with the circular of the Company dated July 21, 2008 and approved by the independent shareholders at the 2008 SGM.

PUBLIC FLOAT

As at the date of this report, the Company has maintained the prescribed public float required under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of the directors.

AUDITOR

PricewaterhouseCoopers shall retire and being eligible, offer itself for re-appointment, and a resolution to this effect will be proposed at the forthcoming annual general meeting.

On behalf of the Board
LAU Kwok Kuen, Peter
Chairman

Hong Kong, March 25, 2010



羅兵咸永道會計師事務所

致佐丹奴國際有限公司股東
(於百慕達註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審核列載於第67頁至149頁佐丹奴國際有限公司(「貴公司」)及其附屬公司(以下合稱「貴集團」)的合併財務報表。此合併財務報表包括於二零零九年十二月三十一日的合併及公司資產負債表與截至該日止年度的合併利潤表、合併綜合收益表、合併權益變動表和合併現金流量表,以及主要會計政策概要及其他附註解釋。

董事就財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及按照香港《公司條例》的披露規定編製及真實而公平地列報該等合併財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部控制,以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述;選擇和應用適當的會計政策;及按情況下作出合理的會計估計。

核數師的責任

我們的責任是根據我們的審核對該等合併財務報表作出意見,並按照百慕達一九八一年《公司法》第九十條僅向整體股東報告,除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

TO THE SHAREHOLDERS OF
GIORDANO INTERNATIONAL LIMITED
(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Giordano International Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 67 to 149, which comprise the consolidated and company balance sheets as at December 31, 2009, and 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 notes.

Directors' responsibility for the financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

獨立核數師報告書

INDEPENDENT AUDITOR'S REPORT

我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等財務報表是否不存有任何重大錯誤陳述。

審核涉及執行情序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等合併財務報表已根據香港財務報告準則真實而公平地反映貴公司及貴集團於二零零九年十二月三十一日的事務狀況及貴集團截至該日止年度的利潤及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

羅兵咸永道會計師事務所
執業會計師

香港，二零一零年三月二十五日

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

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

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

Opinion

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

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, March 25, 2010

合併利潤表

CONSOLIDATED INCOME STATEMENT

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

(除每股盈利外， 以港幣百萬元為單位)	(In HK\$ millions, except earnings per share)	附註 Note	2009	2008
持續經營業務	Continuing operations			
營業額	Turnover	5	4,233	4,710
銷售成本	Cost of sales		(2,058)	(2,348)
毛利	Gross profit		2,175	2,362
其他收入	Other income	6	110	141
分銷費用	Distribution expense		(1,545)	(1,680)
行政費用	Administrative expense		(169)	(168)
其他經營費用	Other operating expense		(251)	(325)
經營溢利	Operating profit	5, 7	320	330
出售一共同控制公司 溢利	Gain on disposal of a jointly controlled company	20	-	17
融資費用	Finance expense	8	(1)	(2)
應佔共同控制公司 溢利	Share of profit of jointly controlled companies	18	38	25
應佔一聯營公司溢利	Share of profit of an associate	19	6	11
除稅前溢利	Profit before taxation		363	381
稅項	Taxation	11	(64)	(82)
來自持續經營業務之 本年度溢利	Profit for the year from continuing operations		299	299
非持續經營業務	Discontinued operations			
來自非持續經營業務之 本年度虧損	Loss for the year from discontinued operations		-	(6)
出售一附屬公司溢利	Gain on disposal of a subsidiary		-	24
		21	-	18
本年度溢利	Profit for the year		299	317

合併利潤表 (續)

CONSOLIDATED INCOME STATEMENT (continued)

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

(除每股盈利外， 以港幣百萬元為單位)	(In HK\$ millions, except earnings per share)	附註 Note	2009	2008
應佔溢利：	Profit attributable to:			
本公司股東	Shareholders of the Company			
持續經營業務	Continuing operations		288	290
非持續經營業務	Discontinued operations		-	21
		12	288	311
少數股東	Minority interests			
持續經營業務	Continuing operations		11	9
非持續經營業務	Discontinued operations		-	(3)
			11	6
			299	317
本公司股東應佔溢利之 每股盈利	Earnings per share for profit attributable to shareholders of the Company	13		
來自持續及 非持續經營業務	From continuing and discontinued operations			
基本 (港仙)	Basic (HK cents)		19.3	20.8
攤薄 (港仙)	Diluted (HK cents)		19.3	20.8
來自持續經營業務	From continuing operations			
基本 (港仙)	Basic (HK cents)		19.3	19.4
攤薄 (港仙)	Diluted (HK cents)		19.3	19.4
來自非持續經營業務	From discontinued operations			
基本 (港仙)	Basic (HK cents)		-	1.4
攤薄 (港仙)	Diluted (HK cents)		-	1.4
股息	Dividends	14(a)	240	142

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

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

(以港幣百萬元為單位)	(In HK\$ millions)	2009	2008
本年度溢利	Profit for the year	299	317
其他綜合收益:	Other comprehensive income:		
可出售金融資產 公平值之溢利	Fair value gains on available-for-sale financial asset	2	3
海外附屬公司及分公司 換算之匯兌調整	Exchange adjustment on translation of overseas subsidiaries and branches	61	(82)
出售一共同控制公司之 變現匯兌儲備	Realization of exchange reserve upon disposal of a jointly controlled company	-	(5)
遞延稅項(負債)/資產 淨額之變動	Movement in net deferred tax (liabilities)/assets	(5)	5
本年度總綜合收益	Total comprehensive income for the year	357	238
應佔總綜合收益:	Total comprehensive income attributable to:		
本公司股東	Shareholders of the Company	337	241
少數股東	Minority interests	20	(3)
		357	238

資產負債表

BALANCE SHEETS

二零零九年十二月三十一日
December 31, 2009

(以港幣百萬元為單位)	(In HK\$ millions)	附註 Note	集團 Group		公司 Company	
			2009	2008	2009	2008
資產	ASSETS					
非流動資產	Non-current assets					
物業、機器及設備	Property, plant and equipment	15	188	227	9	9
投資物業	Investment property	16	79	81	-	-
附屬公司權益	Interest in subsidiaries	17	-	-	817	817
共同控制公司 權益	Interest in jointly controlled companies	18	317	262	-	-
一聯營公司權益	Interest in an associate	19	41	43	-	-
可出售之金融資產	Available-for-sale financial asset	20	11	9	-	-
於損益帳按公平值處理之 金融資產	Financial asset at fair value through profit or loss	21	28	25	28	25
應收附屬公司款項	Amounts due from subsidiaries	17	-	-	265	-
租賃土地及租金 預付款項	Leasehold land and rental prepayments	22	300	326	145	150
租賃按金	Rental deposits		250	264	-	-
遞延稅項資產	Deferred tax assets	27	22	26	-	-
			1,236	1,263	1,264	1,001
流動資產	Current assets					
存貨	Inventories	23	294	297	-	-
租賃土地及租金 預付款項	Leasehold land and rental prepayments	22	45	42	5	5
應收賬款及其他應收款	Trade and other receivables	24	411	423	4	3
應收附屬公司款項	Amounts due from subsidiaries	17	-	-	372	409
現金及銀行結存	Cash and bank balances	31	824	532	21	11
			1,574	1,294	402	428
資產總額	Total assets		2,810	2,557	1,666	1,429

資產負債表 (續)

BALANCE SHEETS (continued)

二零零九年十二月三十一日
December 31, 2009

(以港幣百萬元為單位)	(In HK\$ millions)	附註 Note	集團 Group		公司 Company	
			2009	2008	2009	2008
權益及負債	EQUITY AND LIABILITIES					
股本及儲備	Capital and reserves					
股本	Share capital	25	75	75	75	75
儲備	Reserves	26	1,833	1,735	1,321	1,249
擬派股息	Proposed dividends	14	210	45	210	45
本公司股東 應佔權益	Equity attributable to shareholders of the Company		2,118	1,855	1,606	1,369
少數股東權益	Minority interests		68	51	-	-
權益總額	Total equity		2,186	1,906	1,606	1,369
非流動負債	Non-current liabilities					
遞延稅項負債	Deferred tax liabilities	27	82	77	-	-
其他應付款	Other payables	28	15	22	-	-
			97	99	-	-
流動負債	Current liabilities					
應付賬款及其他應付款	Trade and other payables	28	419	451	3	2
銀行貸款	Bank loans	32	74	78	57	58
稅項	Taxation		34	23	-	-
			527	552	60	60
負債總額	Total liabilities		624	651	60	60
權益及負債總額	Total equity and liabilities		2,810	2,557	1,666	1,429

劉國權
LAU Kwok Kuen, Peter
董事
Director

馬灼安
MAH Chuck On, Bernard
董事
Director

合併現金流量表

CONSOLIDATED CASH FLOW STATEMENT

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

(以港幣百萬元為單位)	(In HK\$ millions)	附註 Note	2009	2008
經營業務：	Operating activities:			
除稅前溢利	Profit before taxation		363	399
調整：	Adjustments for:			
出售一共同控制公司權益之溢利	Gain on disposal of a jointly controlled company		-	(17)
出售一附屬公司權益之溢利應佔共同控制公司	Gain on disposal of a subsidiary share of profit of jointly controlled companies	18	(38)	(25)
應佔一聯營公司溢利	Share of profit of an associate	19	(6)	(11)
租賃土地及租金預付款項攤銷	Amortization of leasehold land and rental prepayments	22	47	31
利息收入	Interest income	6	(6)	(10)
折舊	Depreciation	7	99	130
物業、機器及設備減值	Impairment of property, plant and equipment	7	3	8
出售物業、機器及設備之淨虧損	Net loss on disposal of property, plant and equipment	7	3	2
於損益表公平值入賬金融資產之增加收益	Gain on financial asset at fair value through profit or loss	6	(3)	(1)
銀行貸款利息	Interest on bank loans	8	1	3
購股權費用	Share option expense	9	1	12
營運資金、利息及稅項變動前之經營現金流入	Operating cash inflow before changes in working capital, interest and tax		464	497
存貨之減少	Decrease in inventories		3	67
應收賬款及其他應收款之減少/(增加)	Decrease/(increase) in trade and other receivables		5	(60)
應付賬款及其他應付款之減少—短期部分	Decrease in trade and other payables – current portion		(46)	(68)
其他應付款之(減少)/增加—長期部分	(Decrease)/increase in other payables – long-term portion		(7)	22
經營活動所產生之現金	Cash generated from operations		419	458
已付利息	Interest paid		(1)	(3)
已付香港利得稅	Hong Kong profits tax paid		(8)	(23)
已付海外稅項	Overseas tax paid		(28)	(85)
經營業務之現金流入淨額	Net cash inflow from operating activities		382	347

合併現金流量表 (續)

CONSOLIDATED CASH FLOW STATEMENT (continued)

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

(以港幣百萬元為單位)	(In HK\$ millions)	附註 Note	2009	2008
投資業務：	Investing activities:			
購買物業、	Purchase of property,			
機器及設備	plant and equipment	15	(59)	(109)
出售物業、	Proceeds from sale of property,			
機器及設備之收入	plant and equipment		2	2
租賃土地及	Increase in leasehold land and			
租金預付款項之增加	rental prepayments	22	(22)	(58)
租賃按金之減少/(增加)	Decrease/(increase) in rental deposits		12	(7)
銀行定期存款之	(Increase)/decrease in			
(增加)/減少	bank time deposits	31	(232)	1
已收利息	Interest received		6	10
已收共同控制公司	Dividends received from jointly			
股息	controlled companies		17	5
已收一聯營公司股息	Dividends received from an associate		8	10
共同控制公司償還	Repayment of shareholder loan from			
股東貸款	jointly controlled companies		-	2
出售一共同控制公司之	Net cash inflow from the disposal of			
現金流入淨額	a jointly controlled company		-	42
出售一附屬公司之	Net cash outflow from			
現金流出淨額	the disposal of a subsidiary	21	-	(2)
投資業務之	Net cash outflow from			
 現金流出淨額	 investing activities		(268)	(104)
融資業務：	Financing activities:			
已付少數股東股息	Dividends paid to minority shareholders		(3)	(27)
已付股息	Dividends paid		(75)	(321)
銀行貸款之增加	Additions of bank loans		17	67
銀行貸款之減少	Repayments of bank loans		(20)	-
融資業務之	Net cash outflow from			
 現金流出淨額	 financing activities		(81)	(281)
現金及現金等值之	Increase/(decrease) in cash and			
增加/(減少)	 cash equivalents		33	(38)
年初現金及現金等值	Cash and cash equivalents			
結存	 at the beginning of the year		530	567
外幣匯率變動之	Effect of foreign exchange			
影響	 rate changes		27	1
年終現金及現金等值	Cash and cash equivalents			
結存	 at the end of the year	31	590	530

權益變動表

STATEMENTS OF CHANGES IN EQUITY

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

(a) 集團

Group

	本公司股東應佔權益 Attributable to shareholders of the Company											少數股東 權益 Minority interests	權益總額 Total equity
	股本 Share capital	繳入盈餘 Contributed surplus	資本 贖回儲備 Capital redemption reserve	股份溢價 Share premium	購股權 儲備 Share options reserve	匯兌儲備 Exchange reserve	其他儲備 Other reserves	可出售之金 融資產儲備 Available- for-sale financial asset reserve	滾存溢利 Retained profits	合計 Total			
(以港幣百萬元為單位) (In HK\$ millions)													
於二零零九年一月一日 At January 1, 2009	75	383	3	608	18	(15)	101	3	679	1,855	51	1,906	
本年度溢利 Profit for the year	-	-	-	-	-	-	-	-	288	288	11	299	
其他綜合收益: Other comprehensive income:													
— 可出售金融資產公平值之溢利 (附註20) — Fair value gains on available-for-sale financial asset (note 20)	-	-	-	-	-	-	-	2	-	2	-	2	
— 海外附屬公司及分公司換算之匯兌調整 — Exchange adjustment on translation of overseas subsidiaries and branches	-	-	-	-	-	52	-	-	-	52	9	61	
— 遞延稅項負債淨額之變動 (附註27) — Movement in net deferred tax liabilities (note 27)	-	-	-	-	-	(5)	-	-	-	(5)	-	(5)	
總綜合收益 Total comprehensive income	-	-	-	-	-	47	-	2	288	337	20	357	
與所有者交易: Transactions with owners:													
儲備間撥轉 Transfer among reserves	-	-	-	-	-	-	32	-	(32)	-	-	-	
購股權費用 Share option expense	-	-	-	-	1	-	-	-	-	1	-	1	
少數股東股息 Dividends to minority shareholders	-	-	-	-	-	-	-	-	-	-	(3)	(3)	
二零零八年末期股息 (附註14(b)) 2008 final dividends (note 14(b))	-	-	-	-	-	-	-	-	(45)	(45)	-	(45)	
二零零九年中中期股息 (附註14(a)) 2009 interim dividends (note 14(a))	-	-	-	-	-	-	-	-	(30)	(30)	-	(30)	
與所有者總交易 Total transactions with owners	-	-	-	-	1	-	32	-	(107)	(74)	(3)	(77)	
於二零零九年十二月三十一日 At December 31, 2009	75	383	3	608	19	32	133	5	860	2,118	68	2,186	

權益變動表 (續)

STATEMENTS OF CHANGES IN EQUITY (continued)

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

(a) 集團 Group

二零零八年之比較數字如下：

The comparative figures for 2008 are set out as follows:

(以港幣百萬元為單位) (In HK\$ millions)	本公司股東應佔權益 Attributable to shareholders of the Company											少數股東 權益 Minority interests	權益總額 Total equity
	股本 Share capital	繳入盈餘 Contributed surplus	資本 贖回儲備 Capital redemption reserve	股份溢價 Share premium	購股權 儲備 Share options reserve	匯兌儲備 Exchange reserve	其他儲備 Other reserves	可出售之金 融資產儲備 Available- for-sale financial asset reserve	滾存溢利 Retained profits	合計 Total			
於二零零八年一月一日 At January 1, 2008	75	383	3	608	7	57	113	-	681	1,927	99	2,026	
本年度溢利 Profit for the year	-	-	-	-	-	-	-	-	311	311	6	317	
其他綜合收益： Other comprehensive income:													
— 可出售金融資產公平值之溢利 (附註20) — Fair value gains on available-for-sale financial asset (note 20)	-	-	-	-	-	-	-	3	-	3	-	3	
— 海外附屬公司及分公司換算之 匯兌調整 — Exchange adjustment on translation of overseas subsidiaries and branches	-	-	-	-	-	(73)	-	-	-	(73)	(9)	(82)	
— 出售一共同控制公司之變現匯兌儲備 — Realization of exchange reserve upon disposal of a jointly controlled company	-	-	-	-	-	(5)	-	-	-	(5)	-	(5)	
— 遞延稅項資產淨額之變動 (附註27) — Movement in net deferred tax assets (note 27)	-	-	-	-	-	5	-	-	-	5	-	5	
總綜合收益 Total comprehensive income	-	-	-	-	-	(73)	-	3	311	241	(3)	238	
與所有者交易： Transactions with owners:													
儲備間撥轉 Transfer among reserves	-	-	-	-	(1)	-	-	-	1	-	-	-	
購股權費用 Share option expense	-	-	-	-	12	-	-	-	-	12	-	12	
資本投入於一附屬公司 Capital contributions to a subsidiary	-	-	-	-	-	-	-	-	(5)	(5)	5	-	
出售一附屬公司 Disposal of a subsidiary	-	-	-	-	-	1	(12)	-	12	1	(23)	(22)	
少數股東股息 Dividends to minority shareholders	-	-	-	-	-	-	-	-	-	-	(27)	(27)	
二零零七年末期及特別股息 (附註14(b)) 2007 final and special dividends (note 14(b))	-	-	-	-	-	-	-	-	(224)	(224)	-	(224)	
二零零八年中期及特別股息 (附註14(a)) 2008 interim and special dividends (note 14(a))	-	-	-	-	-	-	-	-	(97)	(97)	-	(97)	
與所有者總交易 Total transactions with owners	-	-	-	-	11	1	(12)	-	(313)	(313)	(45)	(358)	
於二零零八年十二月三十一日 At December 31, 2008	75	383	3	608	18	(15)	101	3	679	1,855	51	1,906	

權益變動表 (續)

STATEMENTS OF CHANGES IN EQUITY (continued)

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

(b) 公司

Company

(以港幣百萬元為單位)	(In HK\$ millions)	股本	繳入盈餘	資本 贖回儲備	股份溢價	購股權儲備	滾存溢利	權益總額
		Share capital	Contributed surplus	Capital redemption reserve	Share premium	Share options reserve	Retained profits	Total equity
於二零零九年一月一日	At January 1, 2009	75	540	3	608	18	125	1,369
本年度溢利 (附註12)	Profit for the year (note 12)	-	-	-	-	-	312	312
總綜合收益	Total comprehensive income	-	-	-	-	-	312	312
儲備間撥轉	Transfer among reserves	-	-	-	-	-	-	-
購股權費用	Share option expense	-	-	-	-	-	-	-
二零零八年末期股息 (附註14(b))	2008 final dividends (note 14(b))	-	-	-	-	-	(45)	(45)
二零零九年中中期股息 (附註14(a))	2009 interim dividends (note 14(a))	-	-	-	-	-	(30)	(30)
		-	-	-	-	-	(75)	(75)
於二零零九年十二月三十一日	At December 31, 2009	75	540	3	608	18	362	1,606

二零零八年之比較數字如下：

The comparative figures for 2008 are set out as follows:

(以港幣百萬元為單位)	(In HK\$ millions)	股本	繳入盈餘	資本 贖回儲備	股份溢價	購股權儲備	滾存溢利	權益總額
		Share capital	Contributed surplus	Capital redemption reserve	Share premium	Share options reserve	Retained profits	Total equity
於二零零八年一月一日	At January 1, 2008	75	540	3	608	7	298	1,531
本年度溢利 (附註12)	Profit for the year (note 12)	-	-	-	-	-	147	147
總綜合收益	Total comprehensive income	-	-	-	-	-	147	147
儲備間撥轉	Transfer among reserve	-	-	-	-	(1)	1	-
購股權費用	Share option expense	-	-	-	-	12	-	12
二零零七年末期及特別 股息 (附註14(b))	2007 final and special dividends (note 14(b))	-	-	-	-	-	(224)	(224)
二零零八年中中期及特別 股息 (附註14(a))	2008 interim and special dividends (note 14(a))	-	-	-	-	-	(97)	(97)
		-	-	-	-	11	(320)	(309)
於二零零八年十二月三十一日	At December 31, 2008	75	540	3	608	18	125	1,369

二零零九年十二月三十一日
December 31, 2009

1. 一般資料

Giordano International Limited (「本公司」) 及其附屬公司 (統稱「本集團」) 透過一個擁有超過一千八百間店舖並遍布二十多個國家之零售網絡分銷及銷售 *Giordano*、*Giordano Concepts*、*Giordano Ladies*、*Giordano Junior* 及 *BSX* 等品牌之便服。本集團亦於中國大陸有限度經營製衣業務。

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

除特別註明外，本綜合財務報表以港幣百萬元為單位。此合併財務報表已於二零一零年三月二十五日獲董事會通過。

2. 主要會計政策

本財務報表中所採用之主要會計政策現列載如下：

(a) 編製基準

本財務報表乃按照香港會計師公會頒布之香港財務報告準則 (「HKFRS」)、香港會計準則 (「HKAS」) 及詮釋編製。本財務報表按照歷史成本法編製，再就可出售之金融資產及於損益賬按公平值處理之金融資產重估其公平值而修改。

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

1. GENERAL INFORMATION

Giordano International Limited (the "Company") and its subsidiaries (together the "Group") distribute and sell casual apparel under the brand names of *Giordano*, *Giordano Concepts*, *Giordano Ladies*, *Giordano Junior* and *BSX* through an extensive retailing network with over 1,800 shops spanning over 20 countries. It also operates a limited manufacturing capacity in Mainland China.

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

The consolidated financial statements are presented in million of units of Hong Kong dollars (HK\$ million) unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on March 25, 2010.

2. PRINCIPAL ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The financial statements are prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial asset and financial asset at fair value through profit or loss.

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

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二零零九年十二月三十一日
December 31, 2009

2. 主要會計政策 (續)

(a) 編製基準 (續)

除了採納於下列附註2(b)列出於二零零九年一月一日或以後開始之會計年度生效之新增及經修訂之HKFRS外，編製此財務報表所採用之會計政策及計算方法與編製二零零八年度之財務報表所採用相同。

(b) 新增及經修訂之HKFRS及HKASs的影響

於本年度，本集團應用由香港會計師公會所頒佈以下與本集團業務有關之新增和修訂準則及詮釋，並於二零零九年一月一日或之後開始之本集團財政年度生效。

HKAS 1 財務報表的呈報
(修訂)

HKFRS 7 金融工具：披露
(修訂)

HKFRS 8 營運分部

HK(IFRIC) 忠實客戶計劃
— 詮釋13

採納以上新增和修訂之準則及詮釋，除編列上的若干變動及額外披露外，並無對本集團之財務報表造成重大影響。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(a) Basis of preparation (continued)

The accounting policies and methods of computation used in the preparation of these financial statements are consistent with those used in 2008 except for the adoption of new and revised HKFRSs which are effective for accounting periods beginning on or after January 1, 2009 as set out in note 2(b) below.

(b) Impact of new and revised HKFRSs and HKASs

In the current year, the Group has adopted the following new and revised standards and interpretation issued by HKICPA, which are relevant to the Group's business and effective for the Group's financial year beginning on or after January 1, 2009:

HKAS 1 (Revised) Presentation of financial statements

HKFRS 7 (Revised) Financial Instruments: Disclosures

HKFRS 8 Operating segments

HK(IFRIC) – INT 13 Customer loyalty programmes

The adoptions of the above new and revised standards and interpretation have no material impact to the financial statements except for certain presentation changes and additional disclosures.

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2. 主要會計政策 (續)

(b) 新增及經修訂之HKFRS及HKASs的影響 (續)

與本集團業務相關而必須於本集團二零一零年一月一日或之後開始之會計年度採用之若干現有準則之修訂及詮釋經已頒布；惟本集團並未於截至二零零九年十二月三十一日止年度的財務報表內提早採納以下已頒布但未生效之現有準則之修訂及詮釋：

HKFRS 3 「業務合併」
(修訂) (二零零九年七月一日
或之後開始的
年度期間生效)

HKAS 27 「合併和單獨
(修訂) 財務報表」
(二零零九年七月一日
或之後開始的
年度期間生效)

HK(IFRIC) 「向所有者分派
一詮釋17 非現金資產」
(二零零九年七月一日
或之後開始的
年度期間生效)

二零零九年度 (二零一零年一月一日
之改進 或之後開始的
年度期間生效)

採納以上之新增準則和現有準則之修訂及詮釋，除編列上的若干變動及額外披露外，並無對本集團之財務報表造成重大影響。而該等修訂準則生效後，本集團會採納該等準則。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

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

Certain amendments and interpretation to existing standards have been published that are relevant to the Group's business and are mandatory for the Group's accounting periods beginning on or after January 1, 2010 or later periods. The Group has not early adopted the following amended standards and interpretation in the financial statements for the year ended December 31, 2009:

HKFRS 3 Business combinations
(Revised) (effective for annual periods
beginning on or after
July 1, 2009)

HKAS 27 Consolidated and separate
(Revised) financial statements
(effective for annual periods
beginning on or after July 1, 2009)

HK(IFRIC) Distributions of non-cash
– INT 17 assets to owners
(effective for annual periods
beginning on or after July 1, 2009)

Annual Improvements (effective for annual periods
2009 beginning on or after
January 1, 2010)

Apart from certain presentational changes and additional disclosures, the adoption of the above new standards, amendments and interpretations will have no significant impact on the Group's financial statements. The Group will adopt these revised HKFRSs and HKASs when they become effective.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

二零零九年十二月三十一日
December 31, 2009

2. 主要會計政策 (續)

(c) 綜合基準

合併財務報表包括本公司及其附屬公司截至二零零九年十二月三十一日止之財務報表。

集團內所有公司間之重大交易及結餘均於合併報表內抵銷。

於本年度內收購或出售之附屬公司，其業績由收購或直至出售之生效日起計入合併利潤表內。

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

少數股東權益指外界股東在附屬公司之經營業績及資產淨值中所佔之權益。

(d) 附屬公司

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

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

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(c) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to December 31, 2009.

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

The results of subsidiaries acquired or disposed of during the year are dealt with in the consolidated income statement from or up to the effective dates of acquisition or disposal.

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

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

(d) Subsidiaries

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

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

2. 主要會計政策 (續)**(d) 附屬公司 (續)**

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

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

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

(e) 共同控制公司

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

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

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

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

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

(e) Jointly controlled companies

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

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2. 主要會計政策 (續)

(e) 共同控制公司 (續)

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

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

(f) 聯營公司

聯營公司是指本集團對其有重大影響但不擁有控制權的公司，一般擁有其百分之二十至百分之五十股本權益。聯營公司之投資乃按權益會計法計入處理並以最初成本入賬。

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

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(e) Jointly controlled companies (continued)

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

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

(f) Associates

An associate is a company over which the Group has significant influence but does not control, generally accompanying an equity interest of between 20 percent and 50 percent. Investments in an associate are accounted for using the equity method of accounting and are initially recognized at cost.

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

2. 主要會計政策 (續)**(f) 聯營公司 (續)**

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

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

(g) 分部報表

營運分部報告要與向主要營運決策者匯報之內部報告一致。主要營運決策者是負責營運分部的資源分配及表現評估，被甄選為籌備委員會，以作出策略的決定。

(h) 外幣換算**(i) 功能性及呈列貨幣**

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

(ii) 交易及結餘

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

2. PRINCIPAL ACCOUNTING POLICIES (continued)**(f) Associates (continued)**

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

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

(g) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers. The chief operating decision-makers, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the steering committee that makes strategic decisions.

(h) Foreign currency translation**(i) Functional and presentation currency**

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

(ii) Transactions and balances

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

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2. 主要會計政策 (續)

(h) 外幣換算 (續)

(iii) 集團公司

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

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

於合併賬目時，換算境外公司投資淨值，以及借款和作為上述投資之對沖之其他貨幣投資時產生之匯兌差額乃列入匯兌儲備內。當出售或出售部份境外業務時，該匯兌差額於利潤表中確認為出售收益或虧損。

(i) 物業、機器及設備

永久業權土地以成本值入賬及不作攤銷。

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

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(h) Foreign currency translation (continued)

(iii) Group companies

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

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

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

(i) Property, plant and equipment

Freehold land is stated at cost and is not amortized.

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

2. 主要會計政策 (續)

(i) 物業、機器及設備 (續)

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

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

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

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

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

出售物業、機器及設備之收益或虧損是指出售淨收益與有關資產賬面金額之差額，並於利潤表內列賬。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(i) Property, plant and equipment (continued)

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

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

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

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

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

Gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognized in the income statement.

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2. 主要會計政策 (續)

(j) 投資物業

投資物業是指持有作為長期收租或資本增值，或兩者皆是。

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

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

(k) 非金融資產減值

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

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(j) Investment property

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

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

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

(k) Impairment of non financial assets

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

2. 主要會計政策 (續)**(I) 金融資產****分類**

本集團將其金融資產分類為以下類別：按公平值透過損益記賬、貸款及應收款，以及可供出售。分類視乎購入金融資產之目的。管理層在初始確認時釐定金融資產的分類。

(i) 按公平值透過損益記賬的金融資產

按公平值透過損益記賬的金融資產指持有作買賣用途的金融資產。金融資產若在購入時主要用作在短期內出售，則分類為此類別。衍生工具除非被指定為對沖，否則亦分類為持作買賣用途。

(ii) 貸款及應收款

貸款及應收款為有固定或可釐定付款且沒有在活躍市場上報價的非衍生金融資產。此等項目包括在流動資產內，但若到期日由結算日起計超過12個月者，則分類為非流動資產。貸款及應收款列在資產負債表中「應收及其他應收款」與「現金及銀行結存」內。

(iii) 可供出售金融資產

可供出售金融資產為被指定作此類別或並無分類為任何其他類別之非衍生工具。除非管理層有意在結算日後12個月內出售該項投資，否則此等資產列在非流動資產內。

2. PRINCIPAL ACCOUNTING POLICIES (continued)**(I) Financial assets****Classification**

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivable and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Financial assets at fair value through profit or loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or so designated at inception. Derivatives are also classified in this category unless they are designated as hedges.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The Group's loans and receivables comprise 'trade and other receivables' and 'cash and bank balances' in the balance sheet.

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

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2. 主要會計政策 (續)

(I) 金融資產 (續)

確認及計量

貸款及應收款項於初步按公平值入賬，往後採用實際利率法攤銷成本計算。

於收益賬按公平值處理之金融資產及可出售之金融資產是按公平值入賬。

來自「按公平值透過損益記賬的金融資產」類別的公平值變動所產生的盈虧，列入產生期間合併利潤表內的其他收入中。來自按公平值透過損益記賬的金融資產的股息，當本集團收取有關款項的權利確定時，在合併利潤表內確認為其他收入部份。

可出售之金融資產的公平值變動所產生的盈虧於權益中確認。

當分類為可供出售的證券售出或減值時，在權益中確認的累計公平值調整列入合併利潤表內。

至於可供出售權益工具的股息，當本集團收取有關款項的權利確定時，在合併利潤表內確認為其他收入部份。

本集團在每個結算日評估是否有客觀證據證明某項金融資產或某組金融資產經已減值。對於分類為可供出售的股權證券，證券公平值若大幅度或長期跌至低於其成本值，會被視為證券已經顯示減值。若可供出售金融資產存在此等證據，累計虧損一按收購成本與當時公平值的差額，減該金融資產之前在合併利潤表確認的任何減值虧損計算一自權益中剔除並在合併利潤表記賬。在合併利潤表確認的股權工具減值虧損不會透過合併利潤表撥回。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(I) Financial assets (continued)

Recognition and measurement

Loans and receivables are initially stated at fair value and subsequently measured at amortized cost using the effective interest method.

Financial assets at fair value through profit or loss and available-for-sale financial assets are stated at fair value.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the consolidated income statement as other income. Dividend income from financial assets at fair value through profit or loss is recognized in the consolidated income statement as part of other income when the Group's right to receive payments is established.

Gain or losses arising from changes in the fair value of available-for-sale financial assets are recognized in equity.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognized in equity are included in the consolidated income statement.

Dividends on available-for-sale equity instruments are recognized in the consolidated income statement as part of other income when the Group's right to receive payments is established.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in consolidated income statement – is removed from equity and recognized in the consolidated income statement. Impairment losses recognized in the consolidated income statement on equity instruments are not reversed through the consolidated income statement.

2. 主要會計政策 (續)**(m) 存貨**

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

- (i) 原料及購入貨品一按發票價加採購成本；
- (ii) 在製貨品及製成品一直接物料成本、直接勞工成本及應佔之生產費用，不包括借貸成本。

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

(n) 應收賬款及其他應收款

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

(o) 現金及現金等值

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

2. PRINCIPAL ACCOUNTING POLICIES (continued)**(m) Inventories**

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

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

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

(n) Trade and other receivables

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

(o) Cash and cash equivalents

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

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2. 主要會計政策 (續)

(p) 應付賬款及其他應付款

應付賬款及其他應付款以公平值確認，其後按攤銷成本計算，若貼現後的影響不大，在此情況下，可按成本值確認。

(q) 借貸成本

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

(r) 遞延稅項

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

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

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

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(p) Trade and other payables

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

(q) Borrowing costs

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

(r) Deferred taxation

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

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

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

2. 主要會計政策 (續)**(s) 僱員福利****(i) 退休金責任**

除台灣之退休計劃安排外，本集團為所有合資格的僱員實行界定供款計劃及(如適用)參與中央界定供款公積金計劃。界定供款計劃之資產與本集團之資產分開持有，並由獨立基金管理。僱主與僱員雙方均須就該等計劃作供款，而供款額乃取決於僱員薪金之百分比，最高為百分之二十。

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

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

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

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

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

Except for the pension scheme arrangements in Taiwan, the Group operates defined contributions schemes and, if applicable, participates in central defined contribution provident fund schemes for all qualified employees. The assets of the said schemes are held by independently administered funds separated from those of the Group. Contributions to these schemes are made by both the employers and employees at rates up to 20 percent on the employees' salaries.

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

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

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

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

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2. 主要會計政策 (續)

(s) 僱員福利 (續)

(ii) 以股份支付的補償

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

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

(t) 撥備

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

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(s) Employee benefits (continued)

(ii) Share-based compensation

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

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

(t) Provisions

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

2. 主要會計政策 (續)**(u) 收入確認**

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

(i) 產品銷售—分銷

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

(ii) 產品銷售—零售

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

(iii) 利息收入

利息收入根據尚未償還之本金及適用之利率，按時間比例使用實際利率法確認。

(iv) 專利權收入

專利權收入按照相關協議之實質以應計基準確認。

(v) 股息收入

股息收入於擁有權利收取股息時確認。

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

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

(i) Sales of goods – distribution

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

(ii) Sales of goods – retail

Sales of goods are recognized when products are sold to the customer. Retail sales are usually in cash or by credit card. The recorded revenue is the gross amount of sales, before netting off credit card fees payable for the transactions. Such fees are included in distribution costs. Revenue is shown net of returns, rebates and discounts.

(iii) Interest income

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

(iv) Royalty income

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

(v) Dividend income

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

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2. 主要會計政策 (續)

(u) 收入確認 (續)

(vi) 租金收入

租金收入乃按其租賃年期以直線攤銷法入賬。

(v) 衍生金融工具

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

(w) 租賃(作為承租人)

經營租賃

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

(x) 派息

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

(y) 或然負債

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

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(u) Revenue recognition (continued)

(vi) Rental income

Rental income is recognized on a straight line basis over the lease term.

(v) Derivative financial instruments

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

(w) Leases (as the lessee)

Operating leases

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

(x) Dividend distribution

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

(y) Contingent liabilities

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

2. 主要會計政策 (續)**(y) 或然負債 (續)**

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

3. 財務風險管理**(a) 財務風險因素**

本集團的業務承受多種的財務風險：外匯風險、信貸風險、流動資金風險、現金流量利率風險及價格風險。本集團整體風險管理計劃尋求將對本集團財務表現有不良影響之潛在風險減至最低。如需要時，本集團會使用金融衍生工具管理若干所面對的風險。於二零零九年十二月三十一日，本集團並沒有金融衍生工具。

(i) 匯兌風險

本集團之國際營運業務面對匯兌風險，來自商業交易、已確認之資產及負債和海外業務投資淨額。

於年結時，來自商業交易、已確認之資產及負債之匯兌風險對本集團之影響不大，因本集團的各有關實體一般以當地的功能貨幣作交易單位。本集團之各有關實體一般皆準時結算以非功能貨幣作交易單位之結餘，而使於結算日時未償付的外幣結餘極少。

2. PRINCIPAL ACCOUNTING POLICIES (continued)**(y) Contingent liabilities (continued)**

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

3. FINANCIAL RISK MANAGEMENT**(a) Financial risk factors**

The Group's activities exposed it to a variety of financial risks: foreign exchange risk, credit risk, liquidity risk, cash flow interest rate risk and price risks. The Group's overall risk management program seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to manage certain risk exposure when necessary. The Group did not have any derivative financial instruments as at December 31, 2009.

(i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from commercial transactions, recognized assets and liabilities and net investments in foreign operations.

As at the year end, the foreign exchange risk of the Group arising from commercial transactions, recognized assets and liabilities is considered to be insignificant. This is due to the Group's transactions being generally denominated in the functional currencies of the respective group entities, while balances denominated in currencies other than the functional currency of the relevant group entity are generally settled promptly leaving minimal outstanding foreign currency position as at the balance sheet date.

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二零零九年十二月三十一日
December 31, 2009

3. 財務風險管理 (續)

(a) 財務風險因素 (續)

(i) 匯兌風險 (續)

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

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

(ii) 信貸風險

本集團之信貸風險主要來自銀行存款、應收賬款及其他應收款、租賃按金、及應收關聯人士款項。該等結餘之賬面值為本集團就金融資產所面對的最高信貸風險。於二零零九年十二月三十一日，所有銀行存款均存於優質財務機構，並無重大信貸風險。

本集團就限制信貸風險，制訂只存款於有信貸評級B+級或以上之財務機構之政策。

下表呈列於二零零九年及二零零八年十二月三十一日存款於不同評級之銀行存款結餘。管理層預期不會因該等銀行不履約而產生任何虧損。

3. FINANCIAL RISK MANAGEMENT (continued)

(a) Financial risk factors (continued)

(i) Foreign exchange risk (continued)

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

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

(ii) Credit risk

The credit risk of the Group mainly arises from balances with bank, trade and other receivables, rental deposits and amounts due from related parties. The carrying amounts of these balances represent the Group's maximum exposure to credit risk in relation to financial assets. As at December 31, 2009, all the bank deposits are deposited in the high quality financial institutions without significant credit risk.

The Group will limit the amount of credit exposure to place deposits in reputable financial institutions with credit rating of B+ or above only.

The table below shows the deposit balances with banks of various rating as at December 31, 2009 and 2008. Management does not expect any losses from non-performance by these banks.

二零零九年十二月三十一日
December 31, 2009

3. 財務風險管理 (續)

(a) 財務風險因素 (續)

(ii) 信貸風險 (續)

(以港幣百萬元為單位)	(In HK\$ millions)	集團 Group	
		2009	2008
訂約方	Counterpart		
評級A+之銀行	Banks with A+ rating	27	29
評級A或A-之銀行	Banks with A or A- rating	693	454
評級B+之銀行	Banks with B+ rating	58	1
		778	484

現有信貸評級源自標準普爾。

零售銷售一般透過現金、普及信用卡或有信譽及分散之百貨公司付款。本集團僅與具備良好信貸記錄之批發客戶進行信貸銷售，信貸期為六十天內。

下表呈列於二零零九年及二零零八年十二月三十一日之主要債務人。

3. FINANCIAL RISK MANAGEMENT (continued)

(a) Financial risk factors (continued)

(ii) Credit risk (continued)

The source of current credit rating is from Standard & Poor.

Retail sales are usually made in cash, through popular credit cards or through reputable and dispersed department stores. The Group's credit sales are only made to wholesale customers with an appropriate credit history and on credit terms within 60 days.

The table below shows the major types of debtors as at December 31, 2009 and 2008.

(以港幣百萬元為單位)	(In HK\$ millions)	集團 Group	
		2009	2008
訂約方	Counterpart		
業主	Landlords	267	280
百貨公司	Department stores	165	166
關聯人士	Related parties	16	32
應收信用卡賬款	Credit card receivables	10	8
		458	486

此等訂約方於過往並無壞賬記錄。本集團持有由業主發出之銀行擔保港幣八千三百萬元(二零零八年：港幣七千萬元)。

These counterparts have no default history in the past. The Group holds bank guarantees of HK\$83 million (2008: HK\$ 70 million) from landlords.

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二零零九年十二月三十一日
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3. 財務風險管理 (續)

(a) 財務風險因素 (續)

(iii) 流動資金風險

本集團透過維持充裕銀行融資以及來自經營現金流量及融資現金流量的現金及現金等值物，來控制流動資金風險。

下表根據於結算日至合約到期日餘下期間劃分本集團及本公司之財務負債至相關到期組別之分析。表中所披露金額為合約未折現現金流量。

(以港幣百萬元為單位)

		集團		總額
		一年內	一至三年	
	(In HK\$ millions)	Within 1 year	Between 1 and 3 years	Total
應付賬款	Trade payables	181	-	181
應計費用及其他應付款	Accruals and other payables	238	15	253
銀行貸款及 貨款利息	Bank loans and interest payment on borrowings	74	-	74
於二零零九年十二月三十一日	As at December 31, 2009	493	15	508
應付賬款	Trade payables	231	-	231
應計費用及其他應付款	Accruals and other payables	220	22	242
銀行貸款及 貨款利息	Bank loans and interest payment on borrowings	78	-	78
於二零零八年十二月三十一日	As at December 31, 2008	529	22	551

3. FINANCIAL RISK MANAGEMENT (continued)

(a) Financial risk factors (continued)

(iii) Liquidity risk

The liquidity risk of the Group is controlled by maintaining sufficient banking facilities and cash and cash equivalents, which is generated from the operating cash flow and financing cash flow.

The table below analyzes the Group and Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

二零零九年十二月三十一日
December 31, 2009

3. 財務風險管理 (續)

3. FINANCIAL RISK MANAGEMENT (continued)

(a) 財務風險因素 (續)

(a) Financial risk factors (continued)

(iii) 流動資金風險 (續)

(iii) Liquidity risk (continued)

(以港幣百萬元為單位)	(In HK\$ millions)	公司		總額 Total
		一年內 Within 1 year	一至三年 Between 1 and 3 years	
應付賬款	Trade payables	-	-	-
應計費用及其他應付款	Accruals and other payables	3	-	3
銀行貸款及 貸款利息	Bank loans and interest payment on borrowings	57	-	57
於二零零九年十二月三十一日	As at December 31, 2009	60	-	60
應付賬款	Trade payables	-	-	-
應計費用及其他應付款	Accruals and other payables	2	-	2
銀行貸款及 貸款利息	Bank loans and interest payment on borrowings	58	-	58
於二零零八年十二月三十一日	As at December 31, 2008	60	-	60

(iv) 現金流量利率風險

(iv) Cash flow interest rate risk

除銀行存款港幣八億二千四百萬元 (二零零八年: 港幣五億三千二百萬元) 及短期銀行借貸港幣七千四百萬元 (二零零八年: 港幣七千八百萬元) 外, 本集團並無重大計息資產及負債。以浮動息率計息之銀行存款及短期銀行借貸令本集團面對現金流量利率風險, 惟該等風險對本集團之影響並不重大。本集團之收入及經營現金流量大致上不受市場利率變動影響。管理層預期來自利率變動的影響並不重大。

Except for the bank balances of HK\$824 million (2008: HK\$532 million) and the short-term bank borrowings of HK\$74 million (2008: HK\$78 million); the Group has no significant interest-bearing assets and liabilities. The bank balances and short-term bank borrowings at floating rate expose the Group to cash flow interest rate risk which is insignificant to the Group. The Group's income and operating cash flows are substantially independent of changes in market interest rates. Management does not anticipate significant impact resulted from the changes in interest rates.

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3. 財務風險管理 (續)

(b) 資金管理風險

本集團的資金管理目標，是保障本集團能持續營運之能力，以及為股東提供最大回報及令其他權益持有人獲益。

本集團之負債比率為百分之三點五 (二零零八年：百分之四點二)，為優化資本結構，本集團可能會增加長期借貸、調整派付予股東的股息金額、向股東發還資本及發行新股。

下表為本集團之資本結構分析。

(以港幣百萬元為單位)

權益總額

本集團的策略為維持穩固的資本基礎，以為長期經營及業務發展提供支持。於二零零九年及二零零八年十二月三十一日年度內，本集團之宗旨、政策或過程未有改變。

(c) 價格風險

本集團面臨股本價格風險，此乃由於本集團所持有之投資於合併資產負債表中被歸類為可供出售或於損益賬按公平值處理之金融資產所致。

倘本集團可供出售之金融資產及於損益賬按公平值處理之金融資產之公平值各自每增加/減少五個百分點的改變，且其他可變因素均維持不變，則本集團截至二零零九年十二月三十一日止年度之權益將增加/減少港幣六十萬元及淨溢利將增加/減少港幣一百四十萬元。

3. FINANCIAL RISK MANAGEMENT (continued)

(b) Capital risk management

The Group's objectives on managing capital are to safeguard the Group's ability to continue as a going concern as well as maximizing returns for shareholders and benefits for other stakeholders.

The Group has a low gearing ratio of 3.5% (2008: 4.2%). In order to improve the capital structure, the Group may raise long term debts, adjust the amount of dividends paid to shareholders, return capital to shareholders and issue new shares.

The table below analyzes the Group's capital structure.

		集團 Group	
	(In HK\$ millions)	2009	2008
Total equity		2,186	1,906

The Group's strategy is to maintain a solid base to support the operations and development of its business in the long term. No changes were made in the objectives, policies or processes during the years ended December 31, 2009 and 2008.

(c) Price risk

The Group is exposed to equity price risk because investments held by the Group are classified on the consolidated balance sheet as available-for-sale financial asset and financial asset at fair value through profit or loss.

As at 31 December 2009, if there had been a 5% change in the fair value of available-for-sale financial asset and financial asset at fair value through profit or loss with all other valuables held constant, the Group's equity would have increased/decreased by HK\$0.6 million and net profit would have increased/decreased by HK\$1.4 million.

4. 重要會計估計及判斷

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

重要會計估計及假設

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

(i) 所得稅

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

(ii) 評估非流動金融資產減值

每當有事件或情況之改變顯示須作折舊及攤銷之非流動資產之入賬值可能不可收回時，本集團便對該等資產進行減值審閱。管理層評估各非流動資產之可回收金額時，乃按預期未來使用該等資產之計劃，根據其使用價值或其售價淨值（參照市場價格）進行評估。該等計算須使用判斷及估算。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

Critical accounting estimates and assumptions

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

(i) Income tax

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

(ii) Assessment of impairment of non-current financial assets

The Group conducts impairment reviews of non-current assets that are subject to depreciation and amortization whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Management assesses the recoverable amount of each non-current asset based on its value in use or on its net selling price (by reference to market prices), depending upon the anticipated future plans for the assets. These calculations require the use of judgments and estimates.

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4. 重要會計估計及判斷 (續)

重要會計估計及假設 (續)

(iii) 折舊

物業、機器及設備乃按其預計使用年期以直線法折舊。本集團定期審閱該等資產之預計使用年期以釐定於任何報告期內支出之數額。使用年期乃根據本集團對相類似之資產之過往經驗而釐定。如過往之估計有重大改變，則調整在將來期間之折舊支出。

(iv) 存貨可變現淨值

存貨可變現淨值指日常業務估計售價扣除估計銷售開支。有關估計根據現行市況及過往出售類似產品之經驗而作出。相關估計可能因本集團經營地點之經濟狀況出現變動以及客戶口味及競爭對手就回應市況變動所採取措施而出現重大變動。管理層於各結算日重新評估此等估計。

(v) 於損益賬按公平值處理的金融資產之公平值

在沒有交投活躍之市場下，於損益賬按公平值處理的金融資產之公平價值，將採用貼現現金流量之模式釐定。

(vi) 估計可供出售之金融資產的公平值

該可出售之金融資產之估值乃根據市值基礎法之公開公司標準法，按照上市公司之相似可出售金融資產之不同財務數據，再調整其公平值以反映該可出售金融資產不可公開交易。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

Critical accounting estimates and assumptions (continued)

(iii) Depreciation

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives are based on the Group's historical experience with similar assets. The depreciation for future periods is adjusted if there are material changes from previous estimates.

(iv) Net realizable value of inventories

Net realizable value of inventories is the estimated selling prices in the ordinary course of business less estimated selling expenses. These estimates are based on the current market condition and the historical experience of selling products of similar nature. It could change significantly as a result of changes in economic conditions in places where the Group operates and changes in customer taste and competitor actions in response to changes in market conditions. Management reassesses these estimates at each balance sheet date.

(v) Fair value of financial asset at fair value through profit or loss

The fair value of financial asset at fair value through profit or loss that is not traded in an active market is determined by using discounted cash flow model.

(vi) Estimated fair value of available-for-sale financial asset

The valuation of the available-for-sale financial asset is made on the basis of the market approach-guideline public companies method by considering different financial information from listed companies with similar nature of the available-for-sale financial asset, with adjustments to reflect the available-for-sale financial asset is not publicly traded.

5. 營運分部

本集團按主要營運決策者所審閱並賴以作出決策的報告以釐定其營運分部。

主要營運決策者同時以地區及品牌之角度來評估業務。根據地區之觀點，被確認為業務營運分部之地區有中國大陸、香港及澳門、台灣、新加坡、澳洲及其他市場。根據不同品牌之觀點，主要營運決策者評估 *Giordano & Giordano Junior*、*Giordano Ladies*、*Giordano Concepts*、*BSX* 及其他之表現。以批發方式銷售予海外顧客之營業額及授權業務會被分類為出口及授權業務分部。此外，製造及本集團之其他收入及支出被分類為製造及其他分部。

分部溢利代表各分部所賺取之利潤未計融資費用、稅項、應佔共同控制公司與及應佔聯營公司溢利。並以此計算基礎向主要營運決策者匯報以作資源分配及評估分部表現。

主要營運決策者以地區之角度來管理分部資產。總資產不包括中央管理的共同控制公司權益，一聯營公司權益，可出售之金融資產，於損益帳按公平值處理之金融資產及遞延稅項資產。

5. OPERATING SEGMENTS

The Group determines its operating segments based on the reports reviewed by the chief operating decision-makers who make strategic decisions.

The chief operating decision-makers assess the business by both geographic location and by brand perspective. From geographic perspective, the reportable operating segments identified are Mainland China, Hong Kong and Macau, Taiwan, Singapore, Australia and other markets. From different brand perspective, the chief operating decision-makers assess the performance of *Giordano & Giordano Junior*, *Giordano Ladies*, *Giordano Concepts*, *BSX* and *Others*. Sales to overseas customers on wholesale basis and licensing business are classified as Export and Licensing segment, whilst manufacturing and all other corporate incomes and expenses of the Group are classified as the Manufacturing and other segments.

Segment profit represents the profit earned by each segment before finance cost, tax and share of profit of jointly controlled companies and associate. This is the measurement basis reported to the chief operating decision-makers for the purpose of resource allocation and assessment of segment performance.

The chief operating decision-makers manage the assets from geographic location perspective only. Total assets exclude interest in jointly controlled companies, interest in an associate, available-for-sale financial asset, financial asset at fair value through profit or loss and deferred tax asset, all of which are managed centrally.

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5. 營運分部 (續)

按照營運分部劃分，本集團之營業額及經營溢利/(虧損)按地區之分析如下：

5. OPERATING SEGMENTS (continued)

An analysis of the Group's reportable segment turnover and operating profit/(loss) by geographical location is as follows:

		2009		2008	
		營業額	經營溢利/ (虧損)	營業額	經營溢利/ (虧損)
		Turnover	Operating profit/(loss)	Turnover	Operating profit/(loss)
(以港幣百萬元為單位)	(In HK\$ millions)				
主要市場：	By principal markets:				
中國大陸	Mainland China	1,633	152	1,689	265
香港及澳門	Hong Kong and Macau	775	64	850	39
台灣	Taiwan	555	27	634	(27)
新加坡	Singapore	310	18	368	(14)
澳洲	Australia	180	(28)	218	(29)
其他市場	Other markets	460	44	496	44
零售及分銷合計	Total Retail and Distribution	3,913	277	4,255	278
出口及特許經營	Export and licensing business	350	50	501	75
製造及其他	Manufacturing and				
分部	other segments	137	(7)	119	(23)
分部間銷售	Inter-segment sales	(167)	-	(165)	-
持續經營業務	Continuing operations	4,233	320	4,710	330
非持續經營業務	Discontinued operations				
(製造)	(manufacturing)	-	-	485	(5)
分部間銷售	Inter-segment sales	-	-	(147)	-
		-	-	338	(5)
合計	Total	4,233	320	5,048	325

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5. 營運分部 (續)

以品牌劃分之零售及分銷業務之進一步分析如下：

5. OPERATING SEGMENTS (continued)

Further analysis of the Retail and Distribution business by brand is as follows:

(以港幣百萬元為單位)	(In HK\$ millions)	2009		2008	
		營業額 Turnover	經營溢利/ (虧損) Operating profit/(loss)	營業額 Turnover	經營溢利/ (虧損) Operating profit/(loss)
品牌：	By brand:				
Giordano & Giordano Junior	Giordano & Giordano Junior	3,379	271	3,552	290
Giordano Ladies	Giordano Ladies	250	28	265	26
Giordano Concepts	Giordano Concepts	106	(24)	217	(23)
BSX	BSX	158	-	206	(18)
其他	Others	20	2	15	3
零售及分銷合計	Total Retail and Distribution	3,913	277	4,255	278

本公司駐於香港，其於香港對外客戶之收入為港幣十億八千二百萬元（二零零八年：港幣十二億八千六百萬元），其於中國大陸對外客戶之收入為港幣十六億三千三百萬元（二零零八年：港幣十六億八千九百萬元），而於其他國家對外客戶之收入為港幣十五億一千八百萬元（二零零八年：港幣二十億七千三百萬元）。

The entity is domiciled in Hong Kong. The result of its revenue from external customers in Hong Kong is HK\$1,082 million (2008: HK\$1,286 million), Mainland China is HK\$1,633 million (2008: HK\$1,689 million) and the total of revenue from external customers from other countries is HK\$1,518 million (2008: HK\$2,073 million).

於香港不包括金融工具及遞延稅項資產（並沒有因保險合約所引伸之僱員福利資產及權益）的非流動資產總額為港幣三億二千九百萬元（二零零八年：港幣三億五千四百萬元），而於中國大陸為港幣三億一千一百萬元（二零零八年：港幣三億三千一百萬元），而於海外國家之該類非流動資產為港幣五億三千五百萬元（二零零八年：港幣五億一千八百萬元）。

The total of non-current assets other than financial instruments and deferred tax assets (there are no employment benefit assets and rights arising under insurance contracts) located in Hong Kong is HK\$329 million (2008: HK\$354 million), located in Mainland China is HK\$311 million (2008: HK\$331 million) and the total of these non-current assets located in other countries is HK\$535 million (2008: HK\$518 million).

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5. 營運分部 (續)

按照營運分部劃分，本集團之分部資產按地區之分析如下：

5. OPERATING SEGMENTS (continued)

An analysis of the Group's reportable segment assets by geographical location is as follows:

(以港幣百萬元為單位)	<i>(In HK\$ millions)</i>	分部資產	
		2009	2008
主要市場：	By principal markets:		
中國大陸	Mainland China	922	825
香港及澳門	Hong Kong and Macau	678	643
台灣	Taiwan	173	180
新加坡	Singapore	84	84
澳洲	Australia	35	39
其他市場	Other markets	283	207
零售及分銷合計	Total Retail and Distribution	2,175	1,978
出口及特許經營	Export and licensing business	44	39
製造及其他分部	Manufacturing and other segments	172	175
分部資產	Segment assets	2,391	2,192
共同控制公司權益	Interest in jointly controlled companies	317	262
一聯營公司權益	Interest in an associate	41	43
可出售之金融資產	Available-for-sale financial asset	11	9
於損益帳按公平值處理之 金融資產	Financial asset at fair value through profit or loss	28	25
遞延稅項資產	Deferred tax assets	22	26
總資產	Total assets	2,810	2,557

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6. 其他收入

6. OTHER INCOME

(以港幣百萬元為單位)	(In HK\$ millions)	集團 Group	
		2009	2008
持續經營業務	Continuing operations		
租金收入	Rental income	32	39
特許權收入	Royalty income	16	14
匯兌收益淨額	Net exchange gain	8	10
利息收入	Interest income	6	10
股息收入	Dividend income	5	-
於損益表公平值入賬金融資產 之收益	Gain on financial asset at fair value through profit or loss	3	1
再投資退稅(附註)	Reinvestment tax refund (note)	-	33
其他收入	Other income	40	34
		110	141
非持續經營業務	Discontinued operations		
匯兌虧損	Net exchange loss	-	(2)
其他收入	Other income	-	5
		-	3

附註：

於二零零八年內，本集團再投資約港幣一億六千八百萬元於中國若干附屬公司已被中國政府確認為合資格再投資退稅。該等附屬公司之已經繳納之企業所得稅項，因此項再投資而獲得中國政府退回百分之四十共約港幣三千三百萬元之退稅。

Note:

During 2008, approximately HK\$168 million of the Group's reinvestment in certain subsidiaries had been approved by the PRC government as qualified for a reinvestment tax refund and accordingly, 40.0 percent of the enterprise income tax previously levied on the subsidiaries in relation to such reinvestment totaling approximately HK\$33 million has been refunded by the PRC government.

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7. 經營溢利

7. OPERATING PROFIT

		集團 Group					
		持續經營業務 Continuing operations		非持續經營業務 Discontinued operations		總計 Total	
(以港幣百萬元為單位)	(In HK\$ millions)	2009	2008	2009	2008	2009	2008
經營溢利已扣除下列各項：	The operating profit is stated after charging:						
租賃土地預付款項攤銷	Amortization of leasehold land prepayments	9	9	-	-	9	9
核數師酬金	Auditor's remuneration	5	4	-	1	5	5
物業、機器及設備折舊	Depreciation of property, plant and equipment	97	117	-	10	97	127
投資物業折舊	Depreciation of investment property	2	3	-	-	2	3
物業、機器及設備減值	Impairment of property, plant and equipment	3	8	-	-	3	8
出售物業、機器及設備之淨虧損	Net loss on disposal of property, plant and equipment	3	2	-	-	3	2
土地及樓宇之經營租賃費用	Operating lease rentals in respect of land and buildings						
— 最低租金支出	— minimum lease payments	658	688	-	7	658	695
— 或然租金費用	— contingent rent	195	215	-	-	195	215
陳舊存貨準備/(撥回)及存貨撇銷	Provision/(written back) for obsolete stock and stock written off	3	(3)	-	10	3	7
員工成本(附註9)	Staff costs (note 9)	661	725	-	62	661	787

8. 融資費用

8. FINANCE EXPENSE

		集團 Group					
		持續經營業務 Continuing operations		非持續經營業務 Discontinued operations		總計 Total	
(以港幣百萬元為單位)	(In HK\$ millions)	2009	2008	2009	2008	2009	2008
銀行貸款利息	Interest on bank loans	1	2	-	1	1	3

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9. 員工成本

9. STAFF COSTS

		集團 Group					
		持續經營業務 Continuing operations		非持續經營業務 Discontinued operations		總計 Total	
(以港幣百萬元為單位)	(In HK\$ millions)	2009	2008	2009	2008	2009	2008
薪金及工資 (包括董事酬金)	Salaries and wages (including directors' emoluments)	596	645	-	62	596	707
購股權費用	Share option expense	1	12	-	-	1	12
退休金—界定供款 計劃	Pension cost – defined contribution plans	64	68	-	-	64	68
		661	725	-	62	661	787

本年度內，本集團沒有運用未能領取之供款（二零零八年：無）以減低供款水平。於二零零九年及二零零八年十二月三十一日，沒有可供來年使用之未能領取供款。

During the year, no unvested benefits were utilized by the Group to reduce the level of contributions (2008: Nil). As at December 31, 2009 and 2008, no unvested benefits were available to be utilized in the future years.

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10. 董事及高級管理人員 酬金

(a) 董事酬金

截至二零零九年十二月三十一日止年度
內各董事的酬金詳列如下：

董事姓名	Name of Directors	袍金 Fees	薪金 Salaries	花紅 Bonuses	認股權 Share options	其他津貼 [#] Other benefits [#]	僱主退休金 供款 Employer's contribution to pension schemes	合計 Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
2009								
劉國權	LAU Kwok Kuen, Peter	-	2,815	8,755	-	1,397	12	12,979
馬灼安	MAH Chuck On, Bernard	-	2,132	500	-	224	12	2,868
畢滌凡*	Barry John BUTTIFANT *	350	-	-	-	-	-	350
鄺其志*	KWONG Ki Chi *	350	-	-	-	-	-	350
李鵬飛*	LEE Peng Fei, Allen *	350	-	-	-	-	-	350
梁覺 ³	LEUNG Kwok ³	275	-	-	-	-	-	275
		1,325	4,947	9,255	-	1,621	24	17,172
2008								
劉國權	LAU Kwok Kuen, Peter	-	2,689	7,963	514	1,452	12	12,630
馮永昌 ¹	FUNG Wing Cheong, Charles ¹	-	1,218	-	-	100	32	1,350
馬灼安	MAH Chuck On, Bernard	-	2,132	1,000	343	218	12	3,705
歐文柱 ²	AU Man Chu, Milton ²	115	-	-	-	-	-	115
畢滌凡*	Barry John BUTTIFANT *	350	-	-	-	-	-	350
鄺其志*	KWONG Ki Chi *	350	-	-	-	-	-	350
李鵬飛*	LEE Peng Fei, Allen *	350	-	-	-	-	-	350
梁覺 ³	LEUNG Kwok ³	138	-	-	-	-	-	138
		1,303	6,039	8,963	857	1,770	56	18,988

* 獨立非執行董事

[^] 非執行董事

[#] 其他收益包括保險供款、房屋及稅項津貼

¹ 於二零零八年七月十五日辭退董事

² 於二零零八年五月十四日退任董事

³ 於二零零八年七月一日委任董事

10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' emoluments

The emoluments of every director for the year ended
December 31, 2009 is set out below:

Director's Name	Name of Directors	Fees	Salaries	Bonuses	Share options	Other benefits [#]	Employer's contribution to pension schemes	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
2009								
LAU Kwok Kuen, Peter	劉國權	-	2,815	8,755	-	1,397	12	12,979
MAH Chuck On, Bernard	馬灼安	-	2,132	500	-	224	12	2,868
Barry John BUTTIFANT *	畢滌凡*	350	-	-	-	-	-	350
KWONG Ki Chi *	鄺其志*	350	-	-	-	-	-	350
LEE Peng Fei, Allen *	李鵬飛*	350	-	-	-	-	-	350
LEUNG Kwok ³	梁覺 ³	275	-	-	-	-	-	275
		1,325	4,947	9,255	-	1,621	24	17,172
2008								
LAU Kwok Kuen, Peter	劉國權	-	2,689	7,963	514	1,452	12	12,630
FUNG Wing Cheong, Charles ¹	馮永昌 ¹	-	1,218	-	-	100	32	1,350
MAH Chuck On, Bernard	馬灼安	-	2,132	1,000	343	218	12	3,705
AU Man Chu, Milton ²	歐文柱 ²	115	-	-	-	-	-	115
Barry John BUTTIFANT *	畢滌凡*	350	-	-	-	-	-	350
KWONG Ki Chi *	鄺其志*	350	-	-	-	-	-	350
LEE Peng Fei, Allen *	李鵬飛*	350	-	-	-	-	-	350
LEUNG Kwok ³	梁覺 ³	138	-	-	-	-	-	138
		1,303	6,039	8,963	857	1,770	56	18,988

* Independent non-executive directors

[^] Non-executive directors

[#] Other benefits include insurance premium, housing and tax allowances

¹ Resigned as a director on July 15, 2008

² Retired as a director on May 14, 2008

³ Appointed as a director on July 1, 2008

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10. 董事及高級管理人員 酬金 (續)

(a) 董事酬金 (續)

於本年度內，向本公司董事支付之酬金總額如下：

(以港幣百萬元為單位)

袍金
其他酬金：
 基本薪金、房屋津貼、
 其他津貼及
 實物收益
花紅
購股權
退休金供款

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

(a) Directors' emoluments (continued)

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

(In HK\$ millions)

	2009	2008
Fees	1	1
Other emoluments:		
Basic salaries, housing allowances, other allowances and benefits in kind	7	8
Bonuses	9	9
Share options	-	1
Pension contributions	-	-
	17	19

(b) 五位最高薪職員

於本年度內，本集團五位最高薪職員中包括二位 (二零零八年：二位) 董事，其酬金之詳情已於上文披露。付予餘下三位 (二零零八年：三位) 最高薪職員酬金總額如下：

(以港幣百萬元為單位)

基本薪金、房屋津貼、
其他津貼及實物收益
花紅

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include two (2008: two) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining three (2008: three) individuals during the year are as follows:

(In HK\$ millions)

	2009	2008
Basic salaries, housing allowances, other allowances and benefits in kind	7	7
Bonuses	1	2
	8	9

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10. 董事及高級管理人員 酬金 (續)

(b) 五位最高薪職員 (續)

餘下最高薪職員按酬金組別歸類如下：

酬金組別 Emolument bands

港幣
HK\$
2,000,001 – 2,500,000
2,500,001 – 3,000,000
5,000,001 – 5,500,000

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

(b) Five highest paid individuals (continued)

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

酬金組別 Emolument bands	人數 Number of individuals	
	2009	2008
港幣 HK\$		
2,000,001 – 2,500,000	2	2
2,500,001 – 3,000,000	1	–
5,000,001 – 5,500,000	–	1

11. 稅項

合併利潤表內之
稅項支出為：

11. TAXATION

The charge for taxation in the consolidated income statement represents:

(以港幣百萬元為單位) (In HK\$ millions)		集團 Group					
		持續經營業務 Continuing operations		非持續經營業務 Discontinued operations		總計 Total	
		2009	2008	2009	2008	2009	2008
所得稅項	Income tax						
本年度所得稅項	Current income tax						
– 香港利得稅	– Hong Kong profits tax	13	15	–	–	13	15
– 香港以外	– Outside Hong Kong	43	61	–	–	43	61
– 附屬公司及一共同控制公司之可分配扣繳稅項	– Withholding tax on distribution from subsidiaries and a jointly controlled company	14	7	–	–	14	7
遞延稅項	Deferred tax						
關於短暫性差異之衍生及撥回	Relating to the origination and reversal of temporary differences	10	4	–	–	10	4
稅率改變之影響	Effect of changes in tax rate	(12)	–	–	–	(12)	–
過往期間準備剩餘	Over provision in previous year						
– 香港利得稅	– Hong Kong profits tax	(1)	(1)	–	–	(1)	(1)
– 香港以外	– Outside Hong Kong	(3)	(4)	–	–	(3)	(4)
稅項支出	Taxation charge	64	82	–	–	64	82

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11. 稅項 (續)

本集團之稅項支出與本公司以本港稅率而計算之除稅前溢利稅項之調節表如下：

11. TAXATION (continued)

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

		集團 Group					
		持續經營業務 Continuing operations		非持續經營業務 Discontinued operations		總計 Total	
(以港幣百萬元為單位)	(In HK\$ millions)	2009	2008	2009	2008	2009	2008
除稅前溢利 (不包括應佔共同控制公司及聯營公司溢利)	Profit before taxation (before share of profit of jointly controlled companies and an associate)	319	345	-	18	319	363
按稅率百分之十六點五 (二零零八年：百分之十六點五) 計算	Calculated at a taxation rate of 16.5% (2008: 16.5%)	53	57	-	3	53	60
其他國家不同稅率之影響	Effect of different tax rates in other countries	10	12	-	-	10	12
不可扣稅之支出	Expenses not deductible for tax purpose	5	9	-	2	5	11
未確認之遞延稅項資產	Deferred tax assets not recognized	14	22	-	-	14	22
無須課稅之收入	Income not subject to tax	(17)	(23)	-	(5)	(17)	(28)
使用早前未有確認之稅損	Utilization of previously unrecognized tax losses	(4)	(1)	-	-	(4)	(1)
扣繳稅項	Withholding tax	19	11	-	-	19	11
過往年度準備剩餘	Over provision in previous year	(4)	(5)	-	-	(4)	(5)
稅率改變之影響	Effect of changes in tax rates	(12)	-	-	-	(12)	-
稅項支出	Taxation charge	64	82	-	-	64	82

本公司及其香港附屬公司之稅項準備是根據本年度從香港賺取或源自香港之估計應課稅溢利按現稅率百分之十六點五 (二零零八年：百分之十六點五) 計算。

The provision for taxation of the Company and its Hong Kong subsidiaries is calculated by applying the current rate of taxation of 16.5 percent (2008: 16.5 percent) to the estimated assessable profits earned in or derived from Hong Kong during the year.

其他於香港以外經營之附屬公司之利得稅項是根據適用於各司法權區之稅率而計算。

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

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12. 股東應佔溢利

股東應佔集團之合併溢利為港幣二億八千八百萬元（二零零八年：港幣三億一千一百萬元），包括在本公司財務報表內已計入之股東應佔溢利為港幣三億一千二百萬元（二零零八年：港幣一億四千七百萬元）。

13. 每股盈利

每股基本及攤薄盈利乃按下列本年度股東應佔合併溢利計算：

(以港幣百萬元為單位)

持續經營業務
非持續經營業務

12. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The Group's consolidated profit attributable to shareholders of the Company of HK\$288 million (2008: HK\$311 million) includes a profit of HK\$312 million (2008: HK\$147 million) which has been dealt with in the financial statements of the Company.

13. EARNINGS PER SHARE

The calculations of basic and diluted earnings per share are based on the consolidated profit attributable to shareholders for the year as set out below:

	(In HK\$ millions)	2009	2008
持續經營業務	Continuing operations	288	290
非持續經營業務	Discontinued operations	-	21
		288	311

每股基本盈利乃按本年度內已發行股份之加權平均股數十四億九千一百六十四萬六千五百一十八股（二零零八年：十四億九千一百六十萬八千三百七十六股）計算。

每股攤薄盈利乃按普通股加權平均數調整未行使普通股至假設全數兌換具潛在攤薄影響的普通股計算。本公司於期內尚未行使的購股權可發行具潛在攤薄影響的普通股，並根據尚未行使購股權所附認購權的貨幣價值計算，以釐定原可按公平值（釐定為本公司股份的平均年度市價）收購的股份數目。

The basic earnings per share is based on the weighted average of 1,491,646,518 shares (2008: 1,491,608,376 shares) in issue during the year.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has share options outstanding during the year which are dilutive potential ordinary shares. Calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

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13. 每股盈利 (續)

截至二零零九年十二月三十一日，每股攤薄盈利相等於每股基本盈利，因並無潛在攤薄股份。每股攤薄盈利乃根據本公司於年內已發行股份之加權平均數十四億九千一百六十四萬六千五百一十八股（二零零八年：十四億九千一百六十九萬九千五百二十股）計算。

13. EARNINGS PER SHARE (continued)

For the year ended December 31, 2009, the diluted earnings per share equals basic earnings per share as there was no dilutive potential share. The diluted earnings per share is based on the weighted average number of 1,491,646,518 shares (2008: 1,491,699,520 shares).

14. 股息

(a) 本年度股息如下：

(以港幣百萬元為單位)	(In HK\$ millions)	2009	2008
已宣布及已派發之中期股息 每股港幣二仙 (二零零八年：每股港幣四點五仙)	Interim dividend declared and paid of 2.0 HK cents (2008: 4.5 HK cents) per share	30	67
已宣布及已派發之特別中期股息 每股港幣零仙 (二零零八年：每股港幣二仙)	Special interim dividend declared and paid of 0.0 HK cent (2008: 2.0 HK cents) per share	-	30
		30	97
於結算日後建議之末期股息 每股港幣七仙 (二零零八年：每股港幣三仙)	Final dividend proposed after the balance sheet date of 7.0 HK cents (2008: 3.0 HK cents) per share	105	45
於結算日後建議之特別末期股息 每股港幣七仙 (二零零八年：每股港幣零仙)	Special final dividend proposed after the balance sheet date of 7.0 HK cents (2008: 0.0 HK cent) per share	105	-
		210	45
		240	142

於二零一零年三月二十五日舉行之董事會會議上，董事建議派發末期及特別末期股息分別為每股港幣七仙及港幣七仙。此項擬派息在結算當日並無確認負債。

At the board meeting held on March 25, 2010, the directors proposed final and special final dividends of 7.0 HK cents and 7.0 HK cents per share respectively. These proposed dividends have not been recognized as a liability at the balance sheet date.

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14. 股息 (續)

14. DIVIDENDS (continued)

(b) 屬於上一年度，並於本年度內通過及支付的股息：

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

(以港幣百萬元為單位)	(In HK\$ millions)	2009	2008
已批准及派發之二零零八年末期股息 每股港幣三仙 (二零零七年：每股港幣五仙)	2008 final dividend approved and paid of 3.0 HK cents (2007: 5.0 HK cents) per share	45	75
已批准及派發之 二零零八年特別末期股息 每股港幣零仙 (二零零七年：每股港幣一角)	2008 special final dividend approved and paid of 0.0 HK cent (2007: 10.0 HK cents) per share	-	149
		45	224

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15. 物業、機器及設備

15. PROPERTY, PLANT AND EQUIPMENT

集團

Group

(以港幣百萬元為單位)	(In HK\$ millions)	永久業權之 土地及樓宇 Freehold land & buildings	樓宇 Buildings	機器 Plant	租賃物業 裝修、傢俬及 辦公室設備 Leasehold improvements, furniture & office equipment	汽車 Motor vehicles	合計 Total
成本值	Cost						
於二零零九年一月一日	At January 1, 2009	41	24	51	807	19	942
換算差額	Translation difference	1	1	-	34	1	37
添置	Additions	-	-	5	54	-	59
出售	Disposals	-	-	-	(88)	(1)	(89)
於二零零九年十二月三十一日	At December 31, 2009	42	25	56	807	19	949
累積折舊及 減值	Accumulated depreciation and impairment						
於二零零九年一月一日	At January 1, 2009	8	3	49	641	14	715
換算差額	Translation difference	-	-	-	27	1	28
本年度折舊	Charge for the year	1	1	1	92	2	97
減值	Impairment	-	-	-	3	-	3
出售	Disposals	-	-	-	(81)	(1)	(82)
於二零零九年十二月三十一日	At December 31, 2009	9	4	50	682	16	761
於二零零九年十二月三十一日之賬面淨值	Net book value at December 31, 2009	33	21	6	125	3	188

減值已分別於二零零九年及二零零八年十二月三十一日止年度支銷。減值金額為租賃物業裝修、傢俬及辦公室設備之賬面值超出其可收回金額之差額。可收回金額乃管理層根據有關資產分別於二零零九年及二零零八年十二月三十一日之估計使用價計算。

Impairment had been charged for the year ended December 31, 2009 and 2008 respectively. The impairment charge was the amount by which the carrying amount of the leasehold improvements, furniture and office equipment exceeded its recoverable amount which was determined based on the value-in-use of the relevant assets estimated by management as at December 31, 2009 and 2008 respectively.

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15. 物業、機器及設備 (續)

15. PROPERTY, PLANT AND EQUIPMENT (continued)

集團

Group

		永久業權之 土地及樓宇 Freehold land & buildings	樓宇 Buildings	機器 Plant	租賃物業 裝修、傢俬及 辦公室設備 Leasehold improvements, furniture & office equipment	汽車 Motor vehicles	合計 Total
(以港幣百萬元為單位)	(In HK\$ millions)						
成本值	Cost						
於二零零八年一月一日	At January 1, 2008	42	24	98	844	22	1,030
換算差額	Translation difference	(1)	-	2	(24)	(1)	(24)
添置	Additions	-	-	1	107	1	109
出售一附屬公司時轉出	Disposal of a subsidiary	-	-	(45)	(35)	(1)	(81)
出售	Disposals	-	-	(5)	(85)	(2)	(92)
於二零零八年十二月三十一日	At December 31, 2008	41	24	51	807	19	942
累積折舊及減值	Accumulated depreciation and impairment						
於二零零八年一月一日	At January 1, 2008	7	2	76	643	15	743
換算差額	Translation difference	-	-	-	(24)	-	(24)
本年度折舊	Charge for the year	1	1	5	118	2	127
減值	Impairment	-	-	-	8	-	8
出售一附屬公司時轉出	Disposal of a subsidiary	-	-	(27)	(23)	(1)	(51)
出售	Disposals	-	-	(5)	(81)	(2)	(88)
於二零零八年十二月三十一日	At December 31, 2008	8	3	49	641	14	715
於二零零八年十二月三十一日之賬面淨值	Net book value at December 31, 2008	33	21	2	166	5	227

二零零九年十二月三十一日
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15. 物業、機器及設備（續）

15. PROPERTY, PLANT AND EQUIPMENT (continued)

集團

Group

(a) 永久業權之土地及樓宇位於台灣及印尼。

(a) The freehold land and buildings are situated in Taiwan and Indonesia.

(b) 樓宇之賬面淨值分析如下：

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

		集團		公司	
		Group	2008	Company	2008
(以港幣百萬元為單位)	(In HK\$ millions)	2009	2008	2009	2008
在香港持有	In Hong Kong, held on				
一十年至五十年	– leases of between				
租約	10 and 50 years	18	18	9	9
在香港以外持有	Outside Hong Kong, held on				
一十年至五十年	– leases of between				
租約	10 and 50 years	1	1	–	–
一多於五十年租約	– leases of over 50 years	2	2	–	–
		3	3	–	–
於十二月三十一日	At December 31	21	21	9	9

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15. 物業、機器及設備 (續)

15. PROPERTY, PLANT AND EQUIPMENT (continued)

公司	Company	樓宇	租賃物業 裝修、傢俬及 辦公室設備 Leasehold improvements, furniture & office equipment	合計
(以港幣百萬元為單位)	(In HK\$ millions)	Buildings		Total
成本值	Cost			
於二零零九年一月一日	At January 1, 2009	11	3	14
出售	Disposals	-	(1)	(1)
於二零零九年十二月三十一日	At December 31, 2009	11	2	13
累積折舊	Accumulated depreciation			
於二零零九年一月一日	At January 1, 2009	2	3	5
本年度折舊	Charge for the year	-	-	-
出售	Disposals	-	(1)	(1)
於二零零九年十二月三十一日	At December 31, 2009	2	2	4
於二零零九年十二月三十一日之 賬面淨值	Net book value at December 31, 2009	9	-	9

公司	Company	樓宇	租賃物業 裝修、傢俬及 辦公室設備 Leasehold improvements, furniture & office equipment	合計
(以港幣百萬元為單位)	(In HK\$ millions)	Buildings		Total
成本值	Cost			
於二零零八年一月一日及 二零零八年十二月三十一日	At January 1, 2008 and December 31, 2008	11	3	14
累積折舊	Accumulated depreciation			
於二零零八年一月一日	At January 1, 2008	2	3	5
本年度折舊	Charge for the year	-	-	-
於二零零八年十二月三十一日	At December 31, 2008	2	3	5
於二零零八年十二月三十一日之 賬面淨值	Net book value at December 31, 2008	9	-	9

16. 投資物業

本集團持有一物業作長期收租。

16. INVESTMENT PROPERTY

The Group has a property which is held for long-term rental yields.

(以港幣百萬元為單位)	(In HK\$ millions)	集團 Group	
		2009	2008
成本值	Cost		
於一月一日及十二月三十一日	At January 1 and December 31	101	101
累積折舊	Accumulated depreciation		
於一月一日	At January 1	20	17
本年度折舊	Charge for the year	2	3
於十二月三十一日	At December 31	22	20
於十二月三十一日之賬面淨值	Net book value at December 31	79	81

該投資物業於二零零九年及二零零八年十二月三十一日之公平值由一獨立及持有專業資格之評值公司估值。估值乃根據土地現有市價及樓宇樓齡、現有狀況及功能老化等因素調整後之重置價而作出估計。於二零零九年十二月三十一日，該物業（包括租賃土地及樓宇部分）之總公平值為港幣一億四千九百萬元（二零零八年：港幣一億四千五百萬元）。在合併利潤表中已包括該投資物業之租金收入為港幣七百萬元（二零零八年：港幣一千一百萬元）。

The fair value of the investment property at December 31, 2009 and 2008 was assessed by an independent professional valuation firm. Valuation was based on current market value of the land and on estimate of the replacement cost of building adjusted for age, condition and functional obsolescence. The total fair value of the property, including leasehold land and the building portion, was HK\$149 million as at December 31, 2009 (2008: HK\$145 million). In the consolidated income statement, rental income relating to investment property of HK\$7 million (2008: HK\$11 million) was included.

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16. 投資物業 (續)

投資物業之賬面淨值分析
如下：

16. INVESTMENT PROPERTY (continued)

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

		集團 Group	
(以港幣百萬元為單位)	(In HK\$ millions)	2009	2008
在香港以外持有 十年至五十年租約	Outside Hong Kong, held on lease of between 10 and 50 years	79	81

17. 附屬公司權益

17. INTEREST IN SUBSIDIARIES

		公司 Company	
(以港幣百萬元為單位)	(In HK\$ millions)	2009	2008
非上市投資 (成本值)	Unlisted investment (at cost)	817	817
應收附屬公司款項	Amounts due from subsidiaries		
短期部分	Current portion	372	409
長期部分	Long-term portion	265	-
		637	409

除應收附屬公司款項港幣三億七千二百萬元 (二零零八年：港幣四億零九百萬元) 將會在一年內收回，其餘的款項為免息、無抵押及將不會在一年內還款。

Except for the amounts due from subsidiaries of HK\$372 million (2008: HK\$409 million) are recoverable within one year, the remaining balances are non-interest bearing, unsecured and not expected to be repayable within one year.

主要附屬公司之詳情載於財務報表附註36。

Details of principal subsidiaries are set out in note 36 to the financial statements.

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18. 共同控制公司 權益

下列只包括主要影響本集團業績或資產之非上市共同控制公司之資料：

18. INTEREST IN JOINTLY CONTROLLED COMPANIES

The following list contains only the particulars of jointly controlled companies, all of which are unlisted, which principally affected the results or assets of the Group:

共同控制公司名稱 Name of jointly controlled company	成立及經營地點 Place of incorporation and operation	持有股份百分比率 Percentage of equity holding	已發行及全數繳足股本或註冊資本 Issued and fully paid share capital or registered capital	主要業務 Principal activities
		2009	2008	
Giordano Corporation Limited*	大韓民國 Republic of Korea	48.5	48.7 一百零三萬股 每股面值五千韓圓之普通股 1,030,000 common stock of WON5,000 each	經營零售服裝 及配襯用品 Retail of apparel and accessories
昌耀企業有限公司* Cheong Yiu Enterprises Limited*	香港 Hong Kong	49.0	49.0 二十萬股每股面值 港幣一元之普通股 200,000 ordinary shares of HK\$1 each	經營包裝物料貿易 Trading of packaging products

* 間接持有之共同控制公司

* jointly controlled companies held indirectly

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18. 共同控制公司 權益 (續)

以下為本集團所佔該等非上市共同控制公司之資產、負債、業績及承擔：

18. INTEREST IN JOINTLY CONTROLLED COMPANIES (continued)

The Group's share of the assets, liabilities, results and commitments of its unlisted jointly controlled companies are as follows:

(以港幣百萬元為單位)	(In HK\$ millions)	集團	
		2009	2008
流動資產	Current assets	347	206
流動負債	Current liabilities	(50)	(25)
非流動資產	Non-current assets	23	82
非流動負債	Non-current liabilities	(3)	(1)
所佔資產淨值	Share of net assets	317	262
收益	Revenue	443	565
費用	Expense	(393)	(531)
除稅前溢利	Profit before taxation	50	34
稅項	Taxation	(12)	(9)
應佔除稅後溢利	Share of profit after taxation	38	25
營業租賃之承擔	Operating lease commitments	79	57

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

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

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19. 一聯營公司權益

19. INTEREST IN AN ASSOCIATE

(以港幣百萬元為單位)	(In HK\$ millions)	集團 Group	
		2009	2008
非上市股份 (成本值)	Unlisted shares (at cost)	1	1
所佔收購後溢利	Share of post-acquisition profits	39	41
所佔收購後儲備	Share of post-acquisition reserves	1	1
		41	43

下表包括主要影響本集團業績或資產之非上市聯營公司之資料：

The following list contains the particulars of an associate which is unlisted and principally affected the results or assets of the Group:

聯營公司名稱 Name of associate	成立及經營地點 Place of incorporation and operation	持有股份百分比率 Percentage of equity holding		已發行及全數繳足股本 Issued and fully paid share capital	主要業務 Principal activities
		2009	2008		
Giordano Fashions L.L.C.*	阿拉伯聯合酋長國 United Arab Emirates	20.0	20.0	三千股每股面值一千 沙地阿拉伯聯合酋長國 迪拉姆之股份 3,000 shares of AED1,000 each	經營零售服裝及配襯用品 Retail of apparel and accessories

* 間接持有之一聯營公司

* an associate held indirectly

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19. 一聯營公司權益 (續)

本集團持有之非上市聯營公司權益如下：

19. INTEREST IN AN ASSOCIATE (continued)

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

(以港幣百萬元為單位)	(In HK\$ millions)	集團	
		Group 2009	2008
資產	Assets	53	62
負債	Liabilities	(12)	(19)
所佔資產淨值	Share of net assets	41	43
收益	Revenue	95	108
除稅前溢利	Profit before taxation	6	11
稅項	Taxation	-	-
應佔除稅後溢利	Share of profit after taxation	6	11

20. 出售一共同控制公司溢利及可出售之金融資產

於二零零八年五月二十七日，本集團訂立買賣協議以現金價港幣四千二百二十萬元出售持有之Higrowth Ventures Limited (迅捷環球製衣(香港)有限公司之直接控股公司)百分之三十九點一權益，該公司原為本集團百分之四十九擁有之共同控制公司。該交易於二零零八年六月二日完成後，本集團錄得出售溢利港幣一千七百萬元。

20. GAIN ON DISPOSAL OF A JOINTLY CONTROLLED COMPANY AND AVAILABLE-FOR-SALE FINANCIAL ASSET

On May 27, 2008, the Group entered into a sale and purchase agreement to dispose of its 39.1 percent interest in Higrowth Ventures Limited (the immediate holding company of Speedy Garment Manufacturing (Hong Kong) Company Limited), the jointly controlled company owned by the Group as to 49.0 percent at a cash consideration of HK\$42.2 million. Upon completion of the transaction on June 2, 2008, the Group recorded a gain on disposal of HK\$17 million.

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20. 出售一共同控制公司溢利及可出售之金融資產 (續)

於Higrowth Ventures Limited餘下之百分之九點九權益已重新分類為可出售之金融資產以港幣為結算及於二零零九年及二零零八年十二月三十一日按公平值計算。

20. GAIN ON DISPOSAL OF A JOINTLY CONTROLLED COMPANY AND AVAILABLE-FOR-SALE FINANCIAL ASSET (continued)

The remaining 9.9 percent interest in Higrowth Ventures Limited was reclassified as available-for-sale financial asset denominated in Hong Kong dollar and was measured at fair value as at December 31, 2009 and 2008.

		集團 Group	
		2009	2008
於一月一日	At 1 January	9	-
添置	Additions	-	6
按公平值之溢利 轉入可出售之 金融資產儲備	Fair value gains transfer to available-for-sale financial asset reserve	2	3
於十二月三十一日	At 31 December	11	9

該可出售之金融資產之公平值由一獨立及持有專業資格之評值公司估值。

The fair value of the available-for-sale financial asset was assessed by an independent professional valuation firm.

該可出售之金融資產之公平值是決定於對該投資的各項於不可觀察市場上取得的資料(不可觀察輸入)，根據HKFRS 7的公平值的階級組織分類為第三級。

The fair value of the available-for-sale financial asset is determined using inputs that are not based on observable market data (unobservable inputs), which is categorised as level 3 under the fair value hierarchy pursuant to HKFRS 7.

該可出售之金融資產之估值乃根據市值基礎法之公開公司標準法，按照上市公司之相似可出售金融資產之不同財務數據，再調整其公平值以反映該可出售金融資產不可公開交易。

The valuation of the available-for-sale financial asset is made on the basis of the market approach-guideline public companies method by considering different financial information from listed companies with similar nature of the available-for-sale financial asset, with adjustments to reflect the available-for-sale financial asset is not publicly traded.

此金融資產為未減值。

None of the financial asset is impaired.

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**21. 非持續經營業務及於損益帳按公平
值處理之金融資產**

於二零零八年六月二十七日，本公司訂立買賣協議以現金價港幣二千二百九十萬元出售主要從事成衣製造之Placita Holdings Limited（「Placita」）百分之二十一權益。根據該協議，餘下之六百零五萬五千四百四十股普通股代表本集團持有餘下百分之三十已發行之股本將會重新分類為六百零五萬五千四百四十股Placita之優先股（「優先股」）。此外，買方將會授予本公司優先股之認沽期權，而本公司將會授予買方優先股之認購期權。買方可向本公司在五年內以港幣三千二百七十萬元收購該優先股，而本公司可向買方於兩年後以港幣二千七百八十萬元出售該優先股。並於二零零八年八月二十五日完成該交易。

該優先股連同認購及認沽期權會於損益帳以公平值估量。公平價值已於去年末估值及將於其後之每年年末由專業估值公司重新評估。

於二零零九年十二月三十一日該優先股及有關期權之公平價值為港幣二千七百八十萬元（二零零八：港幣二千五百四十萬元）。於損益帳按公平值處理之金融資產之公平值變動會於合併利潤表記錄為其他收入（附註6）。

**21. DISCONTINUED OPERATIONS AND FINANCIAL
ASSET AT FAIR VALUE THROUGH PROFIT OR
LOSS**

On June 27, 2008, the Company entered into a sale and purchase agreement to dispose of its 21.0 percent interest in Placita Holdings Limited (“Placita”), which is principally engaged in garment manufacturing businesses, at a cash consideration of HK\$22.9 million. As part of the agreement, the remaining 6,055,440 Ordinary Shares representing the Group’s remaining 30.0 percent of the total issued share capital of Placita held by the Company were redesignated into 6,055,440 Preference Shares of Placita (the “Preference Shares”). Furthermore, the Purchaser shall grant to the Company a put option and the Company shall grant to the Purchaser a call option on the Preference Shares, under which the Purchaser may acquire the Preference Share from the Company at HK\$32.7 million within five years whilst the Company may sell the Preference Shares to the Purchaser at HK\$27.8 million after two years. The transaction was completed on August 25, 2008.

The Preference Shares and the related options are measured at fair value through profit or loss. The fair value has been and will be re-assessed by a professional valuation firm at year end and the end of each subsequent period.

The fair value of the Preference Shares and the related options is HK\$27.8 million as at December 31, 2009 (2008: HK\$25.4 million). Changes in their fair values of financial assets at fair value through profit or loss are recorded in other income in the consolidated income statement (note 6).

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21. 非持續經營業務及於損益帳按公平 值處理之金融資產（續）

該可於損益帳按公平值處理之金融資產公平值是決定於對該投資的各項於不可觀察市場上取得的資料（不可觀察輸入），根據HKFRS 7的公平值的階級組織分類為第三級。

21. DISCONTINUED OPERATIONS AND FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

The fair value of the financial asset at fair value through profit or loss is determined using inputs that are not based on observable market data (unobservable inputs), which is categorised as level 3 under the fair value hierarchy pursuant to HKFRS 7.

		集團 Group	
		2009	2008
於一月一日	At 1 January	25	-
添置	Additions	-	24
於利潤表按公平值之 增加	Increase in fair value to income statement	3	1
於十二月三十一日	At 31 December	28	25

該於損益帳按公平值處理之金融資產之公平值由一獨立及持有專業資格之評值公司估值。並根據貼現現金流量模式評估其公平值。

The fair value of the financial asset at fair value through profit or loss was assessed by an independent professional firm and is determined based on discounted cash flow model.

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21. 非持續經營業務及於損益帳按公平 值處理之金融資產(續)

歸入合併利潤表及合併現金流量表內之非持
續經營業務業績及現金流量呈列如下：

(以港幣百萬元為單位)

營業額
銷售成本

毛利
其他收入
分銷、行政及
其他經營費用

經營虧損
融資費用

除稅前虧損
稅項

來自非持續經營業務之
年內虧損
出售一附屬公司溢利

應佔溢利/(虧損)：
本公司股東
少數股東

經營業務之現金流入淨額
投資業務之現金流出淨額
融資業務之現金流出淨額

來自非持續經營業務之
現金流入淨額

21. DISCONTINUED OPERATIONS AND FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

The results and cash flows of the discontinued operations up to the completion date included in the consolidated income statement and the consolidated cash flow statement are set out below:

(In HK\$ millions)

Turnover
Cost of sales

Gross profit
Other income
Distribution, administrative and
other operating expenses

Operating loss
Finance expense

Loss before taxation
Taxation

Discontinued operations
Loss for the year
Gain on disposal of a subsidiary

Profit/(Loss) attributable to:
Shareholders of the Company
Minority interests

Net cash inflow from operating activities
Net cash outflow from investing activities
Net cash outflow from financing activities

Net cash inflow from
discontinued operations

2009

2008

-

338

-

(261)

-

77

-

3

-

(85)

-

(5)

-

(1)

-

(6)

-

-

-

(6)

-

24

-

18

-

21

-

(3)

-

18

-

53

-

(3)

-

(49)

-

1

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21. 非持續經營業務及於損益帳按公平
值處理之金融資產(續)

21. DISCONTINUED OPERATIONS AND FINANCIAL
ASSET AT FAIR VALUE THROUGH PROFIT OR
LOSS (continued)

(以港幣百萬元為單位)	(In HK\$ millions)	2009	2008
已收取之現金代價	Cash consideration received	-	23
重新定類後的優先股 公平值	Fair value on redesignation of preference share	-	24
		-	47
減：出售項目之資產淨值：	Less: Net assets disposed of:		
物業、機器及設備	Property, plant and equipment	-	30
存貨	Inventories	-	77
應收賬款及其他應收款	Trade and other receivables	-	148
銀行結餘及 現金等值	Bank balances and cash equivalents	-	25
應付賬款及其他應付款	Trade and other payables	-	(136)
銀行貸款	Bank loans	-	(97)
少數股東權益	Minority interests	-	(23)
		-	24
出售一附屬公司之收益	Gain on disposal of a subsidiary	-	23
變現匯兌儲備	Realisation of exchange reserve	-	1
出售一附屬公司之總收益	Total gain on disposal of a subsidiary	-	24
出售一附屬公司之 現金流出淨額之分析：	Analysis of the net cash outflow from the disposal of a subsidiary:		
已收取之現金代價	Cash consideration received	-	23
減：出售銀行結存 及現金	Less: Bank balances and cash disposed of	-	(25)
專業費用	Professional fee	-	-
出售一附屬公司之 現金流出淨額	Net cash outflow from the disposal of a subsidiary	-	(2)

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22. 租賃土地及租金預付款項

22. LEASEHOLD LAND AND RENTAL PREPAYMENTS

集團

Group

(以港幣百萬元為單位)	(In HK\$ millions)	租賃土地	租金	合計	2008
		預付款項	預付款項		
		Leasehold	Rental	Total	
		land	prepayments	2009	
於一月一日之賬面淨值	Net book value at January 1	231	137	368	332
換算差額	Translation difference	-	2	2	9
添置	Additions	-	22	22	58
本年度攤銷	Amortization for the year	(9)	(38)	(47)	(31)
於十二月三十一日之賬面淨值	Net book value at December 31	222	123	345	368
短期部分	Current portion	(9)	(36)	(45)	(42)
長期部分	Long-term portion	213	87	300	326

公司

Company

租賃土地預付款項分析如下：

Leasehold land prepayments are analyzed as follows:

(以港幣百萬元為單位)	(In HK\$ millions)	2009	2008
於一月一日之賬面淨值	Net book value at January 1	155	160
本年度攤銷	Amortization for the year	(5)	(5)
於十二月三十一日之賬面淨值	Net book value at December 31	150	155
短期部分	Current portion	(5)	(5)
長期部分	Long-term portion	145	150

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22. 租賃土地及租金預付款項 (續)

22. LEASEHOLD LAND AND RENTAL PREPAYMENTS
(continued)

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

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

(以港幣百萬元為單位)	(In HK\$ millions)	集團		公司	
		2009	2008	2009	2008
在香港持有	In Hong Kong, held on				
一十年至五十年租約	– leases of between 10 and 50 years	159	164	150	155
在香港以外持有	Outside Hong Kong, held on				
一十年至五十年租約	– leases of between 10 and 50 years	40	43	–	–
一多於五十年租約	– leases of over 50 years	23	24	–	–
		222	231	150	155

23. 存貨

23. INVENTORIES

(以港幣百萬元為單位)	(In HK\$ millions)	集團	
		2009	2008
原料	Raw materials	7	9
在製貨品	Work in progress	7	8
製成品	Finished goods	280	280
		294	297

存貨值已確認為費用並記賬在銷售成本中為港幣二十億五千八百萬元(二零零八年:港幣二十六億零九百萬元)。

The cost of inventories recognized as expense and included in cost of goods sold amounted to HK\$2,058 million (2008: HK\$2,609 million).

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24. 應收賬款及其他應收款

24. TRADE AND OTHER RECEIVABLES

(以港幣百萬元為單位)	(In HK\$ millions)	集團		公司	
		Group	2008	Company	2008
應收賬款	Trade receivables	2009 236	253	2009 -	-
減：減值撥備	Less: Provision for impairment	(5)	(5)	-	-
應收賬款淨值	Trade receivables – net	231	248	-	-
其他應收款，包括 訂金及預付款項	Other receivables, including deposits and prepayments	180	175	4	3
		411	423	4	3

除現金及信用卡銷售外，本集團在正常情況下給予其貿易客戶平均六十日信貸期。

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

雖然部份應收賬款會於信貸期後結算，但管理層預期此等賬款可於年內收回，所以於資產負債表內分類為流動資產。

Despite some of the trade receivables being settled after the credit period, management expects that the balances are recoverable within one year; therefore, these balances are classified as current assets.

(a) 賬齡分析

(a) Ageing analysis

於結算日應收賬款（扣除呆賬撥備）之賬齡根據發票日分析如下：

As at the balance sheet date, the ageing analysis from the invoice date of trade receivables (net of allowance for doubtful debts) is as follows:

(以港幣百萬元為單位)	(In HK\$ millions)	集團	
		Group	2008
零至三十日	0 – 30 days	2009 175	196
三十一至六十日	31 – 60 days	35	37
六十一至九十日	61 – 90 days	13	10
逾九十日	Over 90 days	8	5
		231	248

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24. 應收賬款及其他應收款 (續)

(a) 賬齡分析 (續)

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

於二零零九年十二月三十一日，逾期但並無減值之應收賬款為港幣三千二百萬元（二零零八年：港幣一千五百萬元）。而若干有關客戶在最近並無壞賬記錄。根據到期日劃分之賬齡分析如下：

(以港幣百萬元為單位)	(In HK\$ millions)	集團 Group	
		2009	2008
零至三十日	0 – 30 days	13	10
逾三十日	Over 30 days	19	5
		32	15

(b) 應收賬款的減值

應收賬款的減值虧損，乃以撥備賬戶入賬，除非本集團認為收回賬款的機會極微，在此情況下，減值虧損將直接在應收賬款中撇銷。

24. TRADE AND OTHER RECEIVABLES (continued)

(a) Ageing analysis (continued)

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

As at December 31, 2009, trade receivables of HK\$32 million (2008: HK\$15 million) were past due but not impaired. These related to a number of customers for whom there had been no recent history of default. Their ageing analysis from the due date is as follows:

(b) Impairment of trade receivables

Impairment loss in respect of trade 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 receivables directly.

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24. 應收賬款及其他應收款 (續)

(b) 應收賬款的減值 (續)

年內呆賬撥備的變動 (包括特定及整體虧損部分) 如下:

(以港幣百萬元為單位)

於一月一日
出售一附屬公司時轉出
抵銷應收賬款
本年撥備

於十二月三十一日

個別已減值的應收賬款與出現財政困難的客戶，經管理層評估預期只可收回部份應收賬款，因此確認為特定呆賬撥備。本集團並無就有關欠款持有任何抵押品。

24. TRADE AND OTHER RECEIVABLES (continued)

(b) Impairment of trade receivables (continued)

The movement in the allowance for doubtful debts during the year, including both specific and collective loss components, is as follows:

集團
Group

		2009	2008
At January 1		5	10
Disposal of a subsidiary		-	(2)
Written off against trade receivables		-	(7)
Provision for the year		-	4
At December 31		5	5

The individually impaired receivables relate to customers that are in financial difficulties and management assesses that only a portion of the receivables is expected to be recovered. Consequently, specific allowances for doubtful debts were recognized. The Group does not hold any collateral over these balances.

25. 股本

(以港幣百萬元為單位)

法定：
二十億股每股面值港幣五仙之
普通股

已發行及全數繳足：
十四億九千一百六十四萬六千五百一十八股
(二零零八年：十四億九千一百六十四萬
六千五百一十八股) 每股面值港幣五仙之普通股

25. SHARE CAPITAL

(In HK\$ millions)

Authorized:
2,000,000,000 ordinary shares of
HK\$0.05 each

Issued and fully paid:
1,491,646,518 ordinary shares
(2008: 1,491,646,518 ordinary
shares) of HK\$0.05 each

2009 2008

100 100

75 75

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25. 股本 (續)

於本年度內，已發行股本之變動情況如下：

		股份數目 Number of shares	
		2009	2008
每股面值港幣五仙之普通股	Ordinary shares of HK\$0.05 each		
於一月一日	At January 1	1,491,646,518	1,491,512,518
發行股份	Issue of shares	-	134,000
於十二月三十一日	At December 31	1,491,646,518	1,491,646,518

25. SHARE CAPITAL (continued)

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

(a) 發行股份

按本公司之購股權計劃，本公司並無於本年度內因購股權持有人行使購股權附予之權利而發行每股面值港幣五仙之新普通股股份。

本公司發行之所有新普通股與本公司當時之現有股份在各方面均享有同等權益。

(b) 購股權資料

購股權計劃之摘要及本公司購股權於本年度內之變動詳情載於第150頁至155頁。

(c) 回購股份

本公司於本年度內並無購回其任何股份。

(d) 一共同控制公司所持有的股份

於二零零九年十二月三十一日，一共同控制公司持有本公司一百八十萬股普通股股份（二零零八年：一百八十萬股）。

(a) Issue of shares

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

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

(b) Share option information

A summary of the share option scheme and details of the movement in share options of the Company during the year are set out on pages 150 to 155.

(c) Repurchase of shares

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

(d) Shares held by a jointly controlled company

As at December 31, 2009, 1,800,000 ordinary shares (2008: 1,800,000 shares) were held by a jointly controlled company.

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26. 儲備

26. RESERVES

於二零零九年十二月三十一日，本集團及本公司之儲備分析如下：

The reserves of the Group and the Company as at December 31, 2009 are analyzed as follows:

(以港幣百萬元為單位)	<i>(In HK\$ millions)</i>	集團		公司	
		Group	2008	Company	2008
繳入盈餘	Contributed surplus	383	383	540	540
資本贖回儲備	Capital redemption reserve	3	3	3	3
股份溢價	Share premium	608	608	608	608
購股權儲備	Share options reserve	19	18	18	18
匯兌儲備	Exchange reserve	32	(15)	-	-
其他儲備	Other reserves	133	101	-	-
可出售之金融資產 儲備	Available-for-sale financial asset reserve	5	3	-	-
滾存溢利	Retained profits	860	679	362	125
		2,043	1,780	1,531	1,294
擬派末期及 特別股息(附註14(a))	Proposed final and special dividends (note 14(a))	(210)	(45)	(210)	(45)
儲備總額	Total reserves	1,833	1,735	1,321	1,249

本集團及本公司之繳入盈餘乃指因集團重組而產生之進賬額，而集團重組乃根據於一九九五年五月二十九日完成之協議計劃而進行。根據百慕達一九八一年公司法（經修訂），繳入盈餘可分派予股東。

The contributed surplus of the Group and the Company represents credit arising from a group reorganisation pursuant to a scheme of arrangement which was completed on May 29, 1995. Under the Companies Act 1981 of Bermuda (as amended) the contributed surplus is distributable to the shareholders.

其他儲備之主要項目詳情如下：

Details of the main items in other reserves are as follows:

(a) 根據中國大陸有關法律及財務法規，中國大陸之附屬公司之法定儲備基金可用於彌補往年虧損（如有）及用以增加該等附屬公司之資本額。

(a) According to the relevant laws and financial regulations, the statutory reserve funds of the subsidiaries in Mainland China may be used to make up prior years' losses, if any, and to increase the capital of the subsidiaries.

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26. 儲備 (續)

- (b) 根據韓國稅務獎勵限制法例及韓國商業準則，大韓民國之共同控制公司之法定儲備基金及其他儲備只可以用作抵銷未來虧損或轉作資本，而不可用作現金股息派發。
- (c) 根據阿拉伯聯合酋長國商業公司法例，阿拉伯聯合酋長國之聯營公司之法定儲備基金，除聯邦法規定外，不可作分配之用。

26. RESERVES (continued)

- (b) In accordance with the Korean Tax Incentive Limitation Law and Korean Commercial Code, the statutory reserve fund and other reserves of the jointly controlled company in the Republic of Korea may only be used to offset a future deficit or be transferred to capital stock, but not for cash dividends.
- (c) According to the United Arab Emirates Commercial Companies Law, the statutory reserve fund of the associate in United Arab Emirates is not available for distribution except as provided in the Federal Law.

27. 遞延稅項

遞延稅項採用負債法就短暫性差異按適用於各司法權區之稅率而作全數撥備。

本集團於年內的遞延稅項資產及負債之變動（在同一徵稅地區之結餘抵銷前）如下：

27. DEFERRED TAXATION

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

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

遞延稅項 (資產) / 負債

Deferred tax (assets)/liabilities

		加速		其他	合計
		會計折舊	未分派之		
		Accelerated	滾存溢利	Others	Total
		accounting	Unremitted		
		depreciation	profits		
(以港幣百萬元為單位)	(In HK\$ millions)				
於二零零九年一月一日	At January 1, 2009	(7)	76	(18)	51
換算差額	Translation difference	-	6	-	6
稅率轉變之影響	Effect on change in tax rates	-	(13)	1	(12)
於利潤表中 (計入) /	(Credited)/charged to				
列支	income statement	(4)	7	7	10
於權益中列支	Charged to equity	-	-	5	5
於二零零九年十二月三十一日	At December 31, 2009	(11)	76	(5)	60
於二零零八年一月一日	At January 1, 2008	(3)	96	(21)	72
換算差額	Translation difference	-	(24)	1	(23)
於利潤表中 (計入) /	(Credited)/charged to				
列支	income statement	(4)	4	7	7
於權益中計入	Credited to equity	-	-	(5)	(5)
於二零零八年十二月三十一日	At December 31, 2008	(7)	76	(18)	51

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27. 遞延稅項 (續)

遞延稅項 (資產) / 負債 (續)

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

本集團有未確認遞延稅項資產港幣一億一千四百萬元 (二零零八年: 港幣八千六百萬元) 主要源於稅損。此等未確認遞延稅項資產當中港幣六千一百萬元 (二零零八年: 港幣五千六百萬元) 將於二零零九年十二月三十一日起一至十年內屆滿。餘下之部分主要由澳洲及德國附屬公司之無限期稅損引致。

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

於結算日, 並沒有確認在中國的附屬公司之未分派之滾存溢利之扣繳稅項的遞延稅項負債為港幣一千零九十萬元 (二零零八年: 港幣七百八十萬元)。

27. DEFERRED TAXATION (continued)

Deferred tax (assets)/liabilities (continued)

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

The Group has unrecognized deferred tax assets of HK\$114 million (2008: HK\$86 million) arising mainly from tax losses. These unrecognized deferred tax assets to the extent of HK\$61 million (2008: HK\$56 million) will expire within 1 to 10 years from December 31, 2009. The remaining portion is mainly related to the losses of subsidiaries in Australia and Germany which has no expiry date.

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

At the balance sheet date, deferred tax liabilities of HK\$10.9 million (2008: HK\$7.8 million) have not been recognized for the withholding tax that would be payable on the unremitted earnings of the PRC subsidiaries.

		集團 Group	
(以港幣百萬元為單位)	(In HK\$ millions)	2009	2008
遞延稅項資產	Deferred tax assets	(22)	(26)
遞延稅項負債	Deferred tax liabilities	82	77
		60	51

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28. 應付賬款及其他應付款

28. TRADE AND OTHER PAYABLES

(以港幣百萬元為單位)	(In HK\$ millions)	集團		公司	
		Group		Company	
		2009	2008	2009	2008
應付賬款	Trade payables	181	231	-	-
其他應付款及應付費用	Other payables and accrued expenses	253	242	3	2
		434	473	3	2
長期部分	Long-term portion	(15)	(22)	-	-
短期部分	Current portion	419	451	3	2

以下為應付賬款之賬齡分析：

The ageing analysis of trade payables is as follows:

(以港幣百萬元為單位)	(In HK\$ millions)	集團	
		Group	
		2009	2008
零至三十日	0 – 30 days	138	184
三十一至六十日	31 – 60 days	41	35
六十一至九十日	61 – 90 days	2	11
逾九十日	Over 90 days`	-	1
		181	231

應付賬款之賬面值約以公平值列賬。

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

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29. 淨流動資產

本集團之淨流動資產指流動資產扣除流動負債。本集團於二零零九年及二零零八年之淨流動資產分別為港幣十億四千七百萬元及港幣七億四千二百萬元。本公司於二零零九年及二零零八年之淨流動資產分別為港幣三億四千二百萬元及港幣三億六千八百萬元。

30. 資產總額扣除流動負債

本集團於二零零九年及二零零八年之資產總額扣除流動負債分別為港幣二十二億八千三百萬元及港幣二十億零五百萬元。本公司於二零零九年之資產總額扣除流動負債為港幣十六億零六百萬元，而二零零八年則為港幣十三億六千九百萬元。

31. 現金及現金等值結存之分析

(以港幣百萬元為單位)

現金及銀行結存
減：存款日起
三個月以上到期之
銀行定期存款

29. NET CURRENT ASSETS

The Group's net current assets, defined as current assets less current liabilities, amounted to HK\$1,047 million and HK\$742 million in 2009 and 2008 respectively. The Company's net current assets was HK\$342 million and HK\$368 million in 2009 and 2008 respectively.

30. TOTAL ASSETS LESS CURRENT LIABILITIES

The Group's total assets less current liabilities amounted to HK\$2,283 million and HK\$2,005 million in 2009 and 2008 respectively. The Company's total assets less current liabilities was HK\$1,606 million in 2009 compared with HK\$1,369 million in 2008.

31. ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS

	集團		公司	
	Group		Company	
	2009	2008	2009	2008
Cash and bank balances	824	532	21	11
Less: Bank deposits with maturity over three months from date of deposits	(234)	(2)	-	-
	590	530	21	11

(In HK\$ millions)

本集團以上之現金及銀行結存包括等值港幣三億八千三百萬元(二零零八年：港幣二億四千五百萬元)之人民幣現金及銀行結存。

Included in the cash and bank balances of the Group are cash and bank balances totaling HK\$383 million (2008: HK\$245 million) denominated in Renminbi.

本集團定期存款的實際利率為百分之二(二零零八年：百分之三點六)，該等存款之平均到期期限為多於三個月。

The effective interest rate on bank deposits of the Group was 2.0 percent (2008: 3.6 percent); these deposits have an average maturity of more than 3 months.

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32. 銀行貸款

32. BANK LOANS

(以港幣百萬元為單位)	(In HK\$ millions)	集團		公司	
		Group	2008	Company	2008
信託票據貸款 (無抵押)	Trust receipts bank loans (unsecured)	2009	2008	2009	2008
		-	-	-	-
短期銀行貸款 (無抵押)	Short-term bank loans (unsecured)	74	78	57	58
		74	78	57	58

本集團之信託票據貸款及銀行貸款的實際利率為百分之一點七(二零零八年:百分之二點四)。該等銀行貸款之平均到期期限為少於三個月。

The effective interest rate of Group's trust receipts and short term bank loans was 1.7 percent (2008: 2.4 percent); these bank loans have an average maturity of less than 3 months.

33. 承擔

33. COMMITMENTS

經營租賃之承擔

Commitments under operating leases

(a) 於二零零九年十二月三十一日,本集團及本公司就零售店舖、辦公室、工廠及貨倉之不可於未來撤銷之經營租賃的最低應付租賃費用如下:

(a) As at December 31, 2009, the Group and the Company had future aggregate minimum lease charges payable under non-cancellable operating leases in respect of retail shops, office premises, factories and warehouses as set out below:

(以港幣百萬元為單位)	(In HK\$ millions)	集團		公司	
		Group	2008	Company	2008
一年內	Within one year	2009	2008	2009	2008
		559	622	3	4
一年後但 五年內	After one year but within five years	467	668	2	7
五年以上	Over five years	2	2	-	-
		1,028	1,292	5	11

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

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

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33. 承擔 (續)

經營租賃之承擔 (續)

(b) 於二零零九年十二月三十一日，本集團及本公司就零售店舖及工廠之不可於未來撤銷之經營租賃的最低應收租賃收入如下：

(以港幣百萬元為單位)	(In HK\$ millions)	集團		公司	
		Group	2008	Company	2008
一年內	Within one year	2009	24	2009	16
一年後但 五年內	After one year but within five years	11	24	3	14
		32	48	15	30

33. COMMITMENTS (continued)

Commitments under operating leases (continued)

(b) As at December 31, 2009, the Group and the Company has future aggregate minimum lease income receivable under non-cancellable operating leases in respect of retail shops and factories as set out below:

34. 資本承擔

於二零零九年十二月三十一日，本集團有以下關於租賃物業裝修、傢俬及辦公室設備之資本承擔：

(以港幣百萬元為單位)	(In HK\$ millions)	集團		公司	
		Group	2008	Company	2008
已簽約但未撥備	Contracted but not provided for	-	-	-	-
已授權但未簽約	Authorized but not contracted for	-	-	-	-
		-	-	-	-

34. CAPITAL COMMITMENTS

As at December 31, 2009, the Group has the following capital commitments in respect of leasehold improvement, furniture and fixtures:

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35. 重要關聯人士交易

有關聯人士指可直接或間接控制另一方，或在作出財務及營運決策時對另一方行使重大影響力之人士。共同受他人控制或受他人重大影響力之人士亦視為有有關聯人士。

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

35. MATERIAL RELATED PARTIES TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

- (a) During the year, certain subsidiaries traded with jointly controlled companies and an associate in the ordinary and usual course of business. Details relating to these transactions are as follows:

(以港幣百萬元為單位)	(In HK\$ millions)	集團 Group	
		2009	2008
銷售給：	Sales to:		
一共同控制公司	a jointly controlled company	104	130
一聯營公司	an associate	146	249
		250	379
購貨自：	Purchases from:		
一共同控制公司	a jointly controlled company	-	248
租金收入自：	Rental income from:		
一共同控制公司	a jointly controlled company	-	5

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35. 重要關聯人士交易 (續)

(a) 於十二月三十一日應收/應付關聯人士款項：

(以港幣百萬元為單位)

應收關聯人士款項：
— 共同控制公司
— 聯營公司

應付關聯人士款項：
— 共同控制公司

35. MATERIAL RELATED PARTIES TRANSACTIONS (continued)

(a) Amounts due from/to these related parties at December 31 are:

		集團 Group	
	(In HK\$ millions)	2009	2008
應收關聯人士款項：	Amounts due from:		
— 共同控制公司	a jointly controlled company	8	5
— 聯營公司	an associate	11	27
		19	32
應付關聯人士款項：	Amounts due to:		
— 共同控制公司	a jointly controlled company	1	1

於二零零九年十二月三十一日，上述應收關聯人士與應付關聯人士等款項已分別反映在應收賬款及其他應付款。應收及應付款項均為免息及無抵押。

As at December 31, 2009, the above amounts due from related parties and amounts due to related parties are reflected in trade receivables and other payables respectively. The receivables and payables are unsecured in nature and bear no interest.

(b) 重要管理層報酬

董事認為重要管理層為最高薪五位職員，其酬金於財務報表附註10披露。

(b) Key management compensation

The directors regard the five highest paid individuals as the key management of the Group whose remuneration is disclosed in note 10 to the financial statements.

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36. 主要附屬公司

本公司於二零零九年十二月三十一日之主要附屬公司如下：

36. PRINCIPAL SUBSIDIARIES

The following is a list of the principal subsidiaries of the Company as at December 31, 2009:

附屬公司名稱 Name of subsidiary	成立地點 Place of incorporation	持有股份之 實際百分率 Effective percentage of equity holding	已發行及全數繳足 股本或註冊資本 Issued and fully paid share capital or registered capital	主要業務/經營地區 Principal activities/ place of operation
		2009	2008	
寶斯特有限公司* Bluestar Exchange Limited *	香港 Hong Kong	100	100 三百萬股 每股面值港幣一元之普通股 3,000,000 ordinary shares of HK\$1 each	經營零售及分銷服裝及 配襯用品/香港 Retail and distribution of apparel and accessories/Hong Kong
捷達環球貿易有限公司* Bluestar Exchange Worldwide Limited *	香港 Hong Kong	100	100 六十五萬股 每股面值港幣一元之普通股 650,000 ordinary shares of HK\$1 each	經營零售服裝及 配襯用品/台灣 Retail of apparel and accessories/Taiwan
East Jean Limited *	香港 Hong Kong	100	100 十萬股 每股面值港幣十元之普通股 100,000 ordinary shares of HK\$10 each	經營零售服裝及 配襯用品/台灣 Retail of apparel and accessories/Taiwan
智源澳門離岸商業服務有限公司* G & B Sourcing Macao Commercial Offshore Limited *	澳門 Macau	100	100 澳門幣十萬元 MOP100,000	成衣貿易/澳門 Garment trading/Macau
Giordano (Australia) Pty. Limited*	澳洲 Australia	86	86 七十萬股 每股面值一澳元之普通股 700,000 ordinary shares of AUD1 each	經營零售服裝及 配襯用品/澳洲 Retail of apparel and accessories/Australia
Giordano (Japan) Limited *	日本 Japan	100	100 一千零二十股 每股面值五萬日元之普通股 1,020 ordinary shares of JPY50,000 each	經營零售服裝及 配襯用品/日本 Retail of apparel and accessories/ Japan

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

二零零九年十二月三十一日
December 31, 2009

36. 主要附屬公司 (續)

36. PRINCIPAL SUBSIDIARIES (continued)

附屬公司名稱 Name of subsidiary	成立地點 Place of incorporation	持有股份之 實際百分率 Effective percentage of equity holding	已發行及全數繳足 股本或註冊資本 Issued and fully paid share capital or registered capital	主要業務/經營地區 Principal activities/ place of operation
		2009	2008	
佐丹奴有限公司* Giordano Limited *	香港 Hong Kong	100	100 五萬股 每股面值港幣一百元之普通股 50,000 ordinary shares of HK\$100 each	經營零售及分銷服裝及 配襯用品/香港 Retail and distribution of apparel and accessories/ Hong Kong
Giordano (M) Sdn. Bhd.	馬來西亞 Malaysia	100	100 三十五萬股 每股面值馬來西亞幣一元之 普通股 350,000 ordinary shares of RM1 each	經營零售服裝及配襯用品/ 馬來西亞 Retail of apparel and accessories/Malaysia
佐丹奴澳門有限公司* Giordano (Macau) Limited *	澳門 Macau	100	100 澳門幣五萬元 以兩股出資份額代表 MOP50,000 represented by 2 quotas	經營零售服裝及配襯用品/澳門 Retail of apparel and accessories/Macau
Giordano Originals (Singapore) Private Limited	新加坡 Singapore	100	100 新加坡幣一百九十萬零二元 S\$1,900,002	經營零售及貿易服裝及 配襯用品/新加坡 Retailing and trading of apparel and accessories/ Singapore
PT. Giordano Indonesia *	印尼 Indonesia	40	40 一千五百股 每股面值一百萬印尼盾之普通股 1,500 ordinary shares of IDR1,000,000 each	經營零售服裝、配襯用品及 其有關產品/印尼 Retail of apparel, accessories and related products/ Indonesia
深圳虎威製衣有限公司* (附註) Shenzhen Tiger Garment Ltd. * (note)	中國大陸 Mainland China	100	100 人民幣二億一千零十萬元 RMB210,100,000	投資控股、製造及銷售服裝及 配襯用品/中國大陸 Investment holding, manufacturing and retailing of apparel and accessories/ Mainland China

二零零九年十二月三十一日
December 31, 2009

36. 主要附屬公司 (續)

36. PRINCIPAL SUBSIDIARIES (continued)

附屬公司名稱 Name of subsidiary	成立地點 Place of incorporation	持有股份之 實際百分率 Effective percentage of equity holding	2008	已發行及全數繳足 股本或註冊資本 Issued and fully paid share capital or registered capital	主要業務/經營地區 Principal activities/ place of operation
		2009			
虎威企業有限公司 Tiger Enterprises Limited	香港 Hong Kong	100	100	一千股 每股面值港幣一元之普通股、 六千萬股每股面值港幣一元之 無投票權遞延股 1,000 ordinary shares of HK\$1 each, 60,000,000 non-voting deferred shares of HK\$1 each	投資控股、成衣貿易及 提供管理服務/中國大陸 Investment holding, trading of garment products and provision of management services/Mainland China
Walton International Ltd. *	開曼群島 Cayman Islands	100	100	一百零二股 每股面值一美元之普通股 102 ordinary shares of US\$1 each	批授商標專利權 Licensing of trademarks

附註：此該公司為外商獨資企業

Note: This is a wholly foreign owned enterprise

* 間接持有之附屬公司

* Subsidiaries held indirectly

37. 財務報表通過

37. APPROVAL OF FINANCIAL STATEMENTS

本年度財務報表已於二零一零年三月二十五日
獲董事會通過。

The financial statements were approved by the board of directors
on March 25, 2010.

購股權資料

SHARE OPTION INFORMATION

購股權計劃

本公司購股權計劃（「該計劃」）之摘要如下：

(1) 目的

該計劃旨在鼓勵及獎勵對本集團作出貢獻或將可作出貢獻之選定合資格人士。

(2) 合資格人士

(i) (a) 任何董事或擬委任董事（不論是執行或非執行，包括任何獨立非執行董事）、僱員或擬聘請之僱員（不論是全職或兼職），或

(b) 其時借調之任何人；

而屬於本集團任何成員或任何控股股東或由控股股東控制之任何公司；或

(ii) 持有本集團任何成員或任何控股股東或任何控股股東控制公司所發行之任何證券之持有人；或

(iii) 本集團任何成員或任何控股股東或由控股股東控制之任何公司的：

(a) 任何業務或合作伙伴、特許經營權受讓人、承包商、代理或代表，

(b) 任何人士或個體提供研究、發展或其他技術支援或任何諮詢、顧問、專業或其他服務，

(c) 任何貨品或服務供應商，

(d) 任何客戶，或

(e) 任何業主及租客（包括分租租客）；

並就該計劃而言，將包括由一位或多位隸屬以上任何合資格人士所控制之任何公司。

SHARE OPTION SCHEME

Summary of the share option scheme of the Company (the "Scheme") is as follows:

(1) Purpose

As incentives or rewards for the contribution or potential contribution to the Group from the selected eligible persons.

(2) Eligible persons

(i) (a) any director or proposed director (whether executive or non-executive, including any independent non-executive director), employee or proposed employee (whether full time or part time) of, or

(b) any individual for the time being seconded to work for;

any member of the Group or any controlling shareholder or any company controlled by a controlling shareholder; or

(ii) any holder of any securities issued by any member of the Group or any controlling shareholder or any company controlled by a controlling shareholder; or

(iii) any member of the Group or any controlling shareholder or a company controlled by a controlling shareholder;

(a) any business or joint venture partner, franchisee, contractor, agent or representative of,

(b) any person or entity that provides research, development or other technological support or any advisory, consultancy, professional or other services to,

(c) any supplier of goods or services to,

(d) any customer of, or

(e) any landlord or tenant (including any sub-tenant) of;

and, for the purposes of the Scheme, shall include any company controlled by one or more persons belonging to any of the above classes of eligible persons.

(3) 股份數目上限

於二零一零年三月二十五日，可發行之股份數目上限為七千六百二十四萬八百五十一股，約相等於本公司已發行股份之百分之五。

(4) 每位合資格人士可獲授權益上限

每位合資格人士在任何十二個月內（直至授出購股權當日止），根據該計劃及本公司任何其他購股權計劃獲授之購股權（包括已註銷、已行使及尚未行使之購股權）予以行使時，所發行及將發行之股份上限不得超過本公司已發行股份之百分之一。

(5) 購股權行使期

購股權可根據該計劃條款之規定，於董事授出購股權時，決定授出之購股權當日或其後日子開始行使，直至董事授出購股權時已決定之日期營業時間結束時屆滿；惟於任何情況下，由授出購股權當日（即提出授出購股權要約當日，而該購股權要約獲接受）起計不可超過十年。

(6) 接受授出購股權之要約

購股權獲授人接受授出購股權之要約，必須於提出要約之日起三十日內（包括提出要約當日）接受有關之要約。於接受授出購股權之要約時，須繳付港幣一元。

(3) Maximum number of shares

As at March 25, 2010, the maximum number of shares available for issue is 76,240,851, representing approximately five percent of the issued share capital of the Company.

(4) Maximum entitlement of each eligible person

The maximum number of shares issued and to be issued upon exercise of options granted under the Scheme and any other share option schemes of the Company to any eligible person (including canceled, exercised and outstanding options), in any 12-month period up to the date of grant shall not exceed one percent of the shares in issue.

(5) Time of exercise of option

An option may be exercised in accordance with the terms of the Scheme at any time during a period commencing on such date on or after the date on which the option is granted as the directors may determine in granting the option and expiring at the close of business on such date as the directors may determine in granting the option but in any event shall not exceed ten years from the date of grant (which is the date of offer of grant if the offer for the grant of the option is accepted).

(6) Acceptance of offers

An offer for the grant of options must be accepted within 30 days inclusive of the day on which such offer was made. The amount payable on acceptance of the offer for the grant of an option is HK\$1.00.

購股權資料

SHARE OPTION INFORMATION

(7) 釐定購股權行使價之基準

行使購股權時須予支付之每股股份之購股權價將由董事決定，惟購股權價須以下列較高者釐定：

- (i) 要約授出購股權當日之股份收市價；
- (ii) 緊接要約授出購股權當日前五個交易日之平均收市價；及
- (iii) 每股股份之面值。

(8) 該計劃尚餘之有效期

該計劃有效期至二零一二年一月二十四日屆滿。

(7) Basis of determining the option exercise price

The option price per share payable on the exercise of an option is to be determined by the directors provided always that it shall be at least the higher of:

- (i) the closing price of the shares on the date of offer;
- (ii) the average closing price of the shares for the five business days immediately preceding the date of offer; and
- (iii) the nominal amount of a share.

(8) The remaining life of the Scheme

The Scheme remains in force until January 24, 2012.

購股權之變動

MOVEMENT OF SHARE OPTIONS

於本年度內，本公司購股權之變動詳情載列如下： During the year, movements of the Company's share options are set out below:

合資格人士 Eligible person	購股權數目 Number of share options				於二零零九年 十二月三十一日 之結餘 Balance as at 12/31/2009	每股行使價 Exercise price per share	授出日期 Date of grant	行使期 Exercisable period
	於二零零九年 一月一日 之結餘 Balance as at 01/01/2009	於本年度內 授出 Granted during the year	於本年度內 行使 Exercised during the year	於本年度內 註銷/失效 Canceled/ lapsed during the year				
董事 Director						港元 HK\$	(月/日/年) (MM/DD/YYYY)	(月/日/年) (MM/DD/YYYY)
劉國權 LAU Kwok Kuen, Peter	600,000	-	-	-	600,000	3.520	07/30/2008	10/01/2008 – 09/30/2018
	600,000	-	-	-	600,000	3.840	07/30/2008	10/01/2008 – 09/30/2018
	600,000	-	-	-	600,000	4.160	07/30/2008	10/01/2008 – 09/30/2018
	1,800,000	-	-	-	1,800,000			
馬灼安 MAH Chuck On, Bernard	1,666,000	-	-	-	1,666,000	4.650	04/08/2002	04/08/2003 – 04/07/2012
	1,666,000	-	-	-	1,666,000	4.650	04/08/2002	04/08/2004 – 04/07/2012
	1,668,000	-	-	-	1,668,000	4.650	04/08/2002	04/08/2005 – 04/07/2012
	400,000	-	-	-	400,000	3.520	07/30/2008	10/01/2008 – 09/30/2018
	400,000	-	-	-	400,000	3.840	07/30/2008	10/01/2008 – 09/30/2018
	400,000	-	-	-	400,000	4.160	07/30/2008	10/01/2008 – 09/30/2018
	6,200,000	-	-	-	6,200,000			

購股權資料

SHARE OPTION INFORMATION

購股權之變動(續)

MOVEMENT OF SHARE OPTIONS (continued)

購股權數目 Number of share options	購股權數目 Number of share options					每股行使價 Exercise price per share	授出日期 Date of grant	行使期 Exercisable period
	於二零零九年 一月一日 之結餘 Balance as at 01/01/2009	於本年度內 授出 Granted during the year	於本年度內 行使 Exercised during the year	於本年度內 註銷/失效 Canceled/ lapsed during the year	於二零零九年 十二月三十一日 之結餘 Balance as at 12/31/2009			
合資格人士 Eligible person						港元 HK\$	(月/日/年) (MM/DD/YYYY)	(月/日/年) (MM/DD/YYYY)
連續合約僱員 Continuous Contract Employees	1,048,000	-	-	22,000	1,026,000	4.650	04/08/2002	04/08/2003 - 04/07/2012
	1,170,000	-	-	22,000	1,148,000	4.650	04/08/2002	04/08/2004 - 04/07/2012
	1,272,000	-	-	26,000	1,246,000	4.650	04/08/2002	04/08/2005 - 04/07/2012
	333,000	-	-	-	333,000	2.795	02/05/2003	02/05/2004 - 02/04/2013
	333,000	-	-	-	333,000	2.795	02/05/2003	02/05/2005 - 02/04/2013
	502,000	-	-	-	502,000	2.795	02/05/2003	02/05/2006 - 02/04/2013
	274,000	-	-	80,000	194,000	2.650	06/10/2003	06/10/2004 - 06/09/2013
	352,000	-	-	92,000	260,000	2.650	06/10/2003	06/10/2005 - 06/09/2013
	656,000	-	-	132,000	524,000	2.650	06/10/2003	06/10/2006 - 06/09/2013
	64,000	-	-	-	64,000	2.785	08/20/2003	08/20/2004 - 08/19/2013
	4,000	-	-	-	4,000	2.785	08/20/2003	08/20/2005 - 08/19/2013
	6,000	-	-	-	6,000	2.785	08/20/2003	08/20/2006 - 08/19/2013
	6,000	-	-	-	6,000	3.300	09/19/2003	09/19/2004 - 09/18/2013
	6,000	-	-	-	6,000	3.300	09/19/2003	09/19/2005 - 09/18/2013
	28,000	-	-	-	28,000	3.300	09/19/2003	09/19/2006 - 09/18/2013
	614,000	-	-	-	614,000	4.500	06/16/2004	06/16/2005 - 06/15/2014
	616,000	-	-	-	616,000	4.500	06/16/2004	06/16/2006 - 06/15/2014
	620,000	-	-	-	620,000	4.500	06/16/2004	06/16/2007 - 06/15/2014
	28,000	-	-	-	28,000	4.235	08/17/2004	08/17/2005 - 08/16/2014
	34,000	-	-	-	34,000	4.235	08/17/2004	08/17/2006 - 08/16/2014
	1,000,000	-	-	-	1,000,000	4.305	09/30/2004	09/30/2004 - 09/29/2014
	178,000	-	-	68,000	110,000	4.875	12/30/2004	12/30/2004 - 12/29/2014
	2,644,000	-	-	270,000	2,374,000	3.896	11/27/2007	11/27/2008 - 11/26/2017
	2,644,000	-	-	270,000	2,374,000	3.896	11/27/2007	11/27/2009 - 11/26/2017
	2,760,000	-	-	284,000	2,476,000	3.896	11/27/2007	11/27/2010 - 11/26/2017
	128,000	-	-	32,000	96,000	3.896	01/23/2008	01/23/2009 - 01/22/2018
	128,000	-	-	32,000	96,000	3.896	01/23/2008	01/23/2010 - 01/22/2018
	144,000	-	-	36,000	108,000	3.896	01/23/2008	01/23/2011 - 01/22/2018
	22,092,000	-	-	3,074,000	19,018,000	3.520	07/30/2008	10/01/2008 - 09/30/2018
	7,606,000	-	-	1,254,000	6,352,000	3.840	07/30/2008	10/01/2008 - 09/30/2018
	7,606,000	-	-	1,254,000	6,352,000	4.160	07/30/2008	10/01/2008 - 09/30/2018
	54,896,000	-	-	6,948,000	47,948,000			
其他 Others	1,640,000	-	-	180,000	1,460,000	4.150	01/27/2004	01/27/2005 - 01/26/2014
	1,860,000	-	-	220,000	1,640,000	4.975	12/29/2004	12/29/2004 - 12/28/2014
	3,500,000	-	-	400,000	3,100,000			
合計 Total	66,396,000	-	-	7,348,000	59,048,000			

購股權之變動(續)

附註:

1. 於二零零九年十二月三十一日之每股市價為港幣二元三角。
2. 於本年度內，本公司無授出購股權，故毋須作出評估授出購股權的公平值。本公司購股權計劃授出購股權之公平值是以柏力克•舒爾斯期權定價模式評估，並計入一些因素，如行使價、購股權年期、市價、有關股票之波幅及購股權之預計年期的無風險利率等。該模式的設計旨在評估並無授出限制且可以自由轉讓之公開買賣期權之公平價值。此外，它亦須視乎若干高度主觀假設數據，包括預期股價波幅。任何主觀假設數據倘出現任何變動均會對購股權之公平價值造成重大影響。

MOVEMENT OF SHARE OPTIONS (continued)

Notes:

1. The market value per share as at December 31, 2009 was HK\$2.30.
2. As no share option was granted by the Company during the year, thus the estimation of fair value of share options granted was not applicable. For share options granted under share option scheme of the Company, the fair value of the options shall be estimated by applying the Black-Scholes option pricing model, taking into account a number of factors such as the exercise price, the life of the option, the market price and volatility of the underlying shares, and the risk-free interest rate for the expected life of the option. The Model is developed to estimate the fair value of publicly traded options that have no vesting restrictions and are fully transferable. In addition, it requires input of highly subjective assumptions, including the expected stock price volatility. Any changes in the subjective input assumptions may materially affect the estimation of the fair value of an option.

股東週年大會通告

NOTICE OF ANNUAL GENERAL MEETING

茲通告佐丹奴國際有限公司(「本公司」)謹訂於二零一零年六月九日(星期三)上午九時三十分假座香港九龍長沙灣道七七七至七七九號天安工業大廈三樓B座舉行股東週年大會，議程如下：

作為普通事項：

- 一、省覽截至二零零九年十二月三十一日止年度之經審核財務報表及董事會與核數師報告書；
- 二、宣布派發截至二零零九年十二月三十一日止年度之末期股息；
- 三、宣布派發截至二零零九年十二月三十一日止年度之特別末期股息；
- 四、重選退任董事；
- 五、重新委聘核數師及授權董事會釐定其酬金；

作為特別事項：

- 六、考慮並酌情通過或經修訂後通過下列決議案為普通決議案：

「動議：

- (I) 無條件授予本公司董事一項一般性授權，可於有關期間內配發、發行或處理本公司股本中之額外股份，並作出或授予可能須行使該等權力之建議、協議及購股權，惟須符合下列條件：
 - (a) 該項授權之有效期不可超越有關期間，惟本公司董事可在有關期間內作出或授予可能於有關期間內或屆滿後行使該等權力之建議、協議及購股權；及

NOTICE IS HEREBY GIVEN that the annual general meeting of Giordano International Limited (the “Company”) will be held at Block B, 3rd Floor, Tin On Industrial Building, 777-779 Cheung Sha Wan Road, Kowloon, Hong Kong on Wednesday, June 9, 2010 at 9:30 a.m. for the following purposes:

As ordinary business:

1. To receive and consider the audited financial statements and the reports of the directors and auditor for the year ended December 31, 2009;
2. To declare a final dividend for the year ended December 31, 2009;
3. To declare a special final dividend for the year ended December 31, 2009;
4. To re-elect retiring directors;
5. To re-appoint the auditor and authorize the directors to fix its remuneration;

As special business:

6. To consider and, if thought fit, pass, with or without modifications, the following resolution as an Ordinary Resolution:

“**THAT:**

- (I) a general mandate be and is hereby unconditionally given to the directors of the Company during the Relevant Period to allot, issue or otherwise deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power, subject to the following conditions:
 - (a) such mandate shall not extend beyond the Relevant Period save that the directors of the Company may during the Relevant Period make or grant offers, agreements and options which might require the exercise of such powers at any time during or after the end of the Relevant Period; and

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(b) 本公司董事依據上述授權而配發、發行或處理本公司股本中之股份面值總額不得超過本公司於通過本決議案當日已發行股本面值總額之百分之十，惟依據(i)供股；或(ii)根據本公司所發行賦有權力認購或購買本公司股份之認股權證或其他證券之條款而行使之認購權或兌換股權；或(iii)根據本公司股東採納之任何購股權計劃，向合資格人士授出可認購本公司股份之購股權，而該等人士因行使有關購股權所發行之股份；或(iv)根據本公司細則訂立之以股代息或其他類似計劃而發行之股份除外；及

(II) 就本決議案而言：

「有關期間」乃指本決議案獲通過之日起至下列最早日期止之期間：

- (a) 本公司下屆股東週年大會結束；
- (b) 依照本公司細則或百慕達適用之法例規定本公司須召開下屆股東週年大會之期限屆滿之日；及
- (c) 本公司股東於股東大會上通過普通決議案撤銷或修訂本決議案所給予之授權。

「供股」乃指本公司董事於指定期間內向於指定記錄日期名列股東名冊之股份持有人，按照其當時之持股量比例向彼等提出之股份發售建議（惟本公司董事有權就零碎股權或根據任何香港以外地區之法例或任何認可管制機構或任何證券交易所之規定的限制或責任，而作出其認為必須或權宜之豁免或其他安排。）；及

(b) the aggregate nominal amount of shares in the capital of the Company which may be allotted, issued or otherwise dealt with by the directors of the Company pursuant to such mandate, otherwise than pursuant to (i) a Rights Issue; or (ii) the exercise of rights of subscription or conversion under the terms of any warrants or other securities issued by the Company carrying a right to subscribe for or purchase shares of the Company; or (iii) the exercise of any option under any share option scheme of the Company adopted by its shareholders for the grant or issue to eligible persons options to subscribe for or rights to acquire shares of the Company; or (iv) any scrip dividend or other similar scheme implemented in accordance with the Bye-Laws of the Company, shall not exceed ten percent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution; and

(II) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by its Bye-Laws or any applicable laws of Bermuda to be held; and
- (c) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares on its Register of Members on a fixed record date in proportion to their holdings of shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of or the requirements of any recognized regulatory body or stock exchange in any territory outside Hong Kong).”; and

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七、考慮並酌情通過或經修訂後通過下列決議案為普通決議案：

「動議：

(I) 無條件授予本公司董事一項一般性授權，可於有關期間內行使本公司一切權力購回本公司股本中之股份，惟須符合下列條件：

(a) 根據該項授權行使一切權力，惟須遵守所有適用法例及聯合交易所證券上市規則或任何其他適用之證券交易所規定；及

(b) 本公司依據上述授權而購回之本公司股本中之股份面值總額，不得超過本公司於通過本決議案當日已發行股本面值總額之百分之十；及

(II) 就本決議案而言：

「有關期間」乃指本決議案獲通過之日起至下列最早日期止之期間：

(a) 本公司下屆股東週年大會結束；

(b) 依照本公司細則或百慕達適用之法例規定本公司須召開下屆股東週年大會之期限屆滿之日；及

(c) 本公司股東於股東大會上通過普通決議案撤銷或修訂本決議案所給予之授權。」。

承董事會命
姚卓基
公司秘書

香港，二零一零年四月二十三日

7. To consider and, if thought fit, pass, with or without modifications, the following resolution as an Ordinary Resolution:

“THAT:

(I) a general mandate be and is hereby unconditionally given to the directors of the Company during the Relevant Period to exercise all powers of the Company to purchase shares in the capital of the Company subject to the following conditions:

(a) the exercise of all powers pursuant to such mandate shall be subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other applicable stock exchange; and

(b) the aggregate nominal amount of shares in the share capital of the Company which may be purchased pursuant to such mandate shall not exceed ten percent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution; and

(II) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

(a) the conclusion of the next annual general meeting of the Company;

(b) the expiration of the period within which the next annual general meeting of the Company is required by its Bye-Laws or any applicable laws of Bermuda to be held; and

(c) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”.

By Order of the Board
IO Cheok Kei, Rudy
Company Secretary

Hong Kong, April 23, 2010

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附註：

- (i) 凡有權出席上文通告所召開之大會並於大會上投票之股東，均有權委派一位或以上之代表代其出席會議，並於按點算股數方式表決時代其投票。受委代表毋須為本公司股東。
- (ii) 代表委任表格連同經簽署之授權書或其他授權文件（如有）或經由公證人簽署證明該等授權書或授權文件之副本，最遲須於大會或其任何續會指定舉行時間四十八小時前送達本公司於香港之股份過戶登記分處卓佳雅柏勤有限公司，地址為香港灣仔皇后大道東二十八號金鐘匯中心二十六樓，方為有效。
- (iii) 本公司將由二零一零年六月七日（星期一）至二零一零年六月九日（星期三）（首尾兩天包括在內）暫停辦理股份過戶登記手續。為確定合資格享有建議派發之末期及特別末期股息股東之身份（派發日期約為二零一零年六月十五日（星期二）），所有過戶文件連同有關股票最遲須於二零一零年六月四日（星期五）下午四時三十分前送達本公司於香港之股份過戶登記分處卓佳雅柏勤有限公司，地址為香港灣仔皇后大道東二十八號金鐘匯中心二十六樓，辦理登記手續。
- (iv) 上述第六項及第七項決議案旨在徵求股東批准授予本公司董事一般授權配發本公司的股份和購回本公司的股份。
- (v) 年報中的「說明函件」詳列了有關第七項決議案的資料。
- (vi) 根據聯合交易所證券上市規則之有關規定及為實行良好的企業管治常規，董事會主席將指示以投票方式表決載於本會議通告的每項決議案。

Notes:

- (i) A shareholder entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, on a poll, vote in his stead. A proxy need not be a shareholder of the Company.
- (ii) To be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or authority must be deposited at the Company's branch share registrars in Hong Kong, Tricor Abacus Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting.
- (iii) The Register of Members of the Company will be closed from Monday, June 7, 2010 to Wednesday, June 9, 2010, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final and special final dividends (which will be payable on or about Tuesday, June 15, 2010), all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrars in Hong Kong, Tricor Abacus Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Friday, June 4, 2010.
- (iv) In relation to the above resolutions numbered 6 and 7, approval is being sought from shareholders for a general mandate to be given to the directors of the Company to allot new shares and to repurchase shares of the Company.
- (v) An Explanatory Statement which contains important information concerning the above resolution numbered 7 is appended to the annual report.
- (vi) In accordance with the relevant requirements under the Rules Governing the Listing of Securities on the Stock Exchange and for good corporate governance practice, the Chairman of the Board will direct that each of the resolutions set out in the notice of the Meeting be voted on by poll.

說明函件

EXPLANATORY STATEMENT

香港交易及結算所有限公司及香港聯合交易所有限公司對下列資料的內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因下列全部或任何部分內容而產生或因倚賴該等內容而引致的任何損失承擔任何責任。

購回股份授權

以下說明函件乃遵照香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）向佐丹奴國際有限公司（「本公司」）股東提供資料，以便股東考慮是否批准授予本公司董事（「董事」）一般性授權購回本公司股份（「購回股份授權」）。倘若購回股份授權在本公司擬於二零一零年六月九日舉行之股東週年大會（「二零一零年股東週年大會」）上獲得通過，董事將獲得一般性授權，以便在直至本公司下屆股東週年大會或在相關普通決議案中所列明之較早期間內，隨時購回本公司股本中已發行並全數繳付之每股面值港幣五仙之普通股股份（「股份」），最多不超過於決議案通過當日本公司已發行股本之百分之十。

(A) 建議購回股份授權

建議董事可行使本公司之權力購回之股份數目不得超過購回股份授權決議案通過之日本公司已發行股份之百分之十。於二零一零三月二十五日，即本年報付印之前最後可行日期（「最後可行日期」），本公司已發行股份數目為十四億九千一百六十四萬六千五百一十八股。倘若購回股份授權之決議案獲通過，並假定本公司於二零一零年股東週年大會舉行前再無發行或購回股份之情況下，本公司根據購回股份授權可購回最多一億四千九百一十六萬四千六百五十一股股份。

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SHARE REPURCHASE MANDATE

The following is the explanatory statement, as required by the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), to provide information to shareholders of Giordano International Limited (the “Company”) for their consideration of the proposed granting of a general mandate to the Company’s directors (the “Directors”) to repurchase shares of the Company (the “Share Repurchase Mandate”). The Share Repurchase Mandate, upon obtaining shareholders’ approval at the Company’s annual general meeting to be held on June 9, 2010 (the “2010 Annual General Meeting”), gives a general authority to the Directors to repurchase, at any time until the next annual general meeting of the Company or such earlier period as stated in the relevant resolution, the issued and fully paid ordinary shares of HK\$0.05 each in the capital of the Company (the “Shares”), up to a maximum of ten percent of its issued share capital at the date of passing of the relevant resolution.

(A) Proposed Share Repurchase Mandate

It is proposed that the Directors may exercise the powers of the Company to repurchase up to ten percent of the Shares in issue as at the date of passing of the resolution to approve the granting to the Directors the Share Repurchase Mandate. As at March 25, 2010, being the latest practicable date prior to the printing of this annual report (the “Latest Practicable Date”), the number of Shares in issue was 1,491,646,518 Shares. Subject to the passing of the proposed resolution for approving the Share Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the date of the 2010 Annual General Meeting, the Company would be allowed under the Share Repurchase Mandate to repurchase up to a limit of 149,164,651 Shares.

(B) 購回原因

董事深信倘若股東授予董事該一般性授權在市場購回股份，可為本公司及其股東帶來最佳利益。董事根據市場實況及資金安排，並認為該購回股份可增加本公司資產淨值及/或每股盈利以及對本公司及其股東有裨益時，才會進行。

(C) 購回之資金

購回任何股份所需之資金，必須是依據百慕達法例及本公司組織章程大綱及細則所規定可合法使用於該用途之資金。董事建議根據購回股份授權而作出之股份購回將由本公司之內部資源或現有之銀行信貸支付。

對比本公司於其截至二零零九年十二月三十一日止年度之經審核財務報表所披露之狀況而言，購回股份授權倘若全面付諸實行，可能會對本公司之營運資金或負債情況有重大之不利影響，惟董事祇在彼等認為行使該授權並不會導致此等重大不利影響之情形下才會行使是項權力。

(B) Reasons for Repurchases

The Directors believe that it is in the best interests of the Company and its shareholders for the Directors to have a general authority from shareholders of the Company to repurchase Shares in the market. A repurchase of Shares may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per share and will only be made when the Directors believe that such repurchase will benefit the Company and its shareholders.

(C) Funding of Repurchases

Repurchases must be funded out of funds legally available for such purposes in accordance with the laws of Bermuda and the Memorandum of Association and Bye-Laws of the Company. The Directors propose that repurchases of Shares under the Share Repurchase Mandate would be financed from the Company's internal resources or existing banking facilities.

Whilst the Share Repurchase Mandate, if exercised in full, may have a material adverse impact on the working capital or gearing position of the Company, as compared with the position disclosed in the Company's audited financial statements for the year ended December 31, 2009, the Directors expect to exercise such mandate if and to such extent only as they are satisfied that the exercise thereof will not have such a material adverse impact.

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(D) 股價

過去十二個月每月在聯交所錄得每股股份之最高及最低價如下：

(D) Share Prices

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange in each of the previous 12 months were as follows:

		最高 Highest	最低 Lowest
		港元 HK\$	港元 HK\$
二零零九年	2009		
三月	March	1.86	1.46
四月	April	1.65	1.44
五月	May	1.73	1.50
六月	June	2.00	1.60
七月	July	2.60	1.55
八月	August	2.78	2.02
九月	September	2.31	1.92
十月	October	2.10	1.81
十一月	November	2.43	1.89
十二月	December	2.47	2.18
二零一零年	2010		
一月	January	2.61	2.25
二月	February	2.53	2.28

(E) 一般資料

董事已向聯交所作出承諾，將根據上市規則、百慕達法例及本公司組織章程大綱及細則，按照購回股份授權行使本公司購回股份之權力。

董事或（於進行一切合理查詢後據彼等所知）其聯繫人（按上市規則定義）目前概無意於股東授予董事購回股份授權後按該授權出售任何股份予本公司。

本公司現時並無接獲本公司之關連人士（按上市規則定義）通知，彼等目前有意於股東授予董事購回股份授權後，出售股份予本公司，或已承諾不會向本公司出售股份。

(E) General Information

The Directors have undertaken to the Stock Exchange to exercise the powers of the Company to make repurchases pursuant to the Share Repurchase Mandate in accordance with the Listing Rules, the laws of Bermuda and the Memorandum of Association and Bye-Laws of the Company.

None of the Directors nor (to the best of their knowledge having made all reasonable enquiries) their associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company under the Share Repurchase Mandate if such is granted by the shareholders.

No other connected persons of the Company (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Share Repurchase Mandate is granted by the shareholders.

於最後可行日期前六個月內，本公司概無在聯交所或以其他方式購回任何股份。

倘若因本公司根據購回股份授權行使購回股份之權力，而使股東所佔本公司投票權比例增加，則根據公司收購、合併及股份購回守則，該項增加將被視作一項收購。因此，某股東或一群一致行動之股東可取得或鞏固公司控制權，則須根據公司收購及合併守則第二十六條及第三十二條提出強制收購建議。

下列股東於最後可行日期已根據證券及期貨條例（「該條例」）第XV部第2及第3分部向本公司披露，並已根據該條例第三百三十六條列入記錄於本公司存置之登記冊，擁有本公司之股份或相關股份之權益或淡倉，及倘若董事行使全部權力購回股份，則各股東於本公司之股本權益會增加如下：

名稱 Name	股份數目 No. of shares	權益百分率概約 Approximate percentage of interests	若行使全部購回股份授權之權益百分率概約 Approximate percentage of interests if the Share Repurchase Mandate is exercised in full
Aberdeen Asset Management Plc and its associates	225,113,389	15.09%	16.77%
Franklin Templeton Investments Corp.	120,245,440	8.06%	8.96%
Sanderson Asset Management Limited	89,767,000	6.02%	6.69%

因此，董事並不知悉，任何原因根據購回股份授權購回股份，而就公司收購及合併守則而言可能出現之情況。

During the six months prior to the Latest Practicable Date, the Company has not repurchased any Shares whether on the Stock Exchange or otherwise.

If a shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Share Repurchase Mandate, such increase will be treated as an acquisition for the purpose of The Codes on Takeovers and Mergers and Share Repurchases. As a result, a shareholder or a group of shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of The Code on Takeovers and Mergers.

The interests or short positions of the following shareholders in the shares or underlying shares of the Company which have been disclosed to the Company, at the Latest Practicable Date, pursuant to Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (the "SFO") and have been recorded in the register kept by the Company pursuant to section 336 of the SFO; together with the respective total interests would be increased in the event that the Directors exercise in full the Share Repurchase Mandate:

Accordingly, the Directors are not aware of any consequences which may arise under The Code on Takeovers and Mergers as a result of any repurchase made under the Share Repurchase Mandate.

建議重選退任董事之資料

INFORMATION OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED

根據本公司細則，本公司董事畢滌凡先生及鄺其志先生將於二零一零年股東週年大會上退任，並均願膺選連任。以下乃該等董事之個人資料簡介供股東參考：

畢滌凡先生 (獨立非執行董事)，現年六十五歲，於一九九一年五月加入本集團，彼亦為本公司審核委員會主席及補償委員會成員。彼為台和商事控股有限公司之獨立非執行董事。畢滌凡先生亦分別為於納斯達克及紐約聯合交易所上市之 Global-Tech Advanced Innovations Inc. 及中國海王星辰連鎖藥店有限公司之非執行董事。畢滌凡先生曾任新昌營造集團有限公司 (「新昌營造集團」) 及新昌管理集團有限公司 (「新昌管理集團」) 之執行董事，於二零零九年三月調任為非執行董事。畢滌凡先生於二零零九年六月二日退任其於華訊股份有限公司之獨立非執行董事之職務。於二零零九年十月畢滌凡先生再次加入駿豪集團 (「駿豪集團」)，獲委任為集團財務執行董事，彼早於二零零八年十二月已是該集團之顧問。於加入駿豪集團前，畢滌凡先生曾任呂禮恒會計師事務所 (一間專業會計師事務所) (「KLC」) 之主管及 KLC Transactions Limited 之董事總經理。於加入 KLC 前，畢滌凡先生於二零零八年二月至十一月期間擔任駿豪集團之財務執行董事。於二零零四年十二月至二零零七年十二月期間，畢滌凡先生出任 Hsin Chong International Holdings Limited 之董事總經理一職。Hsin Chong International Holdings Limited 為建築公司新昌營造集團 (於二零零七年十一月獲駿豪集團收購) 及物業管理服務公司新昌管理集團 (於二零零八年九月獲新昌營造集團收購) 這兩間公司之控股股東。畢滌凡先生亦曾為這兩間上市公司之替代董事。畢滌凡先生曾為霸菱亞洲投資有限公司之營運合夥人。彼於二零零一年至二零零二年期間亦曾擔任和記行 (集團) 有限公司 (「和記行」) 之董事總經理，並於二零零二年十一月至二零零四年四月期間出任和記行之業務及企業發展顧問。於加入和記行前，彼於萬威國際有限公司擔任董事總經理超過八年，並曾於寶麗碧集團和森那美香港有限公司工作超過十一年，期間曾出任財務董事及董事總經理職務。畢滌凡先生為特許公認會計師公會、香港會計師公會、Chartered Management Institute、香港管理專業協會及香港董事學會之資深會員。

In accordance with the Bye-Laws of the Company, Mr. Barry John BUTTIFANT and Mr. KWONG Ki Chi, Directors of the Company, will retire from office at the 2010 annual general meeting and will offer themselves for re-election. The following are the brief biographical particulars of each of these Directors for the shareholders' information:

Mr. Barry John BUTTIFANT (*Independent Non-executive Director*), aged 65, joined the Group in May 1991. He is also chairman of the Audit Committee and a member of the Compensation Committee of the Company. He is an independent non-executive director of Daiwa Associate Holdings Limited. Mr. Buttifant also serves as a non-executive director of Global-Tech Advanced Innovations Inc. and China Nepstar Chain Drugstore Ltd., both of which are NASDAQ and New York Stock Exchange-listed companies, respectively. Mr. Buttifant has been re-designated from Executive Director to Non-Executive Director of Hsin Chong Construction Group Ltd. ("HCCG") and Synergis Holdings Limited ("Synergis") in March 2009. He retired as an independent non-executive director of Alltronics Holdings Limited on June 2, 2009. In October 2009, Mr. Buttifant rejoined Mission Hills Group ("MHG") as a director – corporate finance and prior to this appointment, he was the consultant to the Group since December 2008. Prior to joining MHG, Mr. Buttifant served as a principal of KLC Kennic Lui & Company ("KLC"), a professional accounting firm, and managing director of KLC Transactions Limited. Prior to joining KLC, Mr. Buttifant was the executive director – finance of MHG from February 2008 till November 2008. From December 2004 to December 2007, Mr. Buttifant was the managing director of Hsin Chong International Holdings Limited, a controlling shareholder of both the construction company HCCG (which was acquired by MHG in November 2007) and a property management service company, Synergis (which was acquired by HCCG in September 2008). Mr. Buttifant was also an alternate director to both public companies. Mr. Buttifant was an operating partner of Baring Private Equity Asia Limited. He was also the managing director of Wo Kee Hong (Holdings) Limited ("Wo Kee Hong") from 2001 to 2002 and was the Advisor to the board of directors of Wo Kee Hong from November 2002 to April 2004. Prior to joining Wo Kee Hong, he was the managing director of IDT International Limited for over eight years and had worked for Polly Peck Group and Sime Darby Hong Kong Limited for more than 11 years in the capacity of finance director and managing director. Mr. Buttifant is a fellow member of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants, the Chartered Management Institute, the Hong Kong Management Association and the Hong Kong Institute of Directors.

INFORMATION OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED

畢滌凡先生與本公司之任何董事、高級管理人員或主要股東概無任何關連，亦無於本公司或本集團其他公司擔當任何其他職位。按證券及期貨條例第XV部之涵義，彼於二零一零年三月二十五日無持有本公司任何股份之權益。

本公司與畢滌凡先生之間並無任何服務合約。彼出任董事的任期為三年，並須按本公司之細則輪值告退及膺選連任。彼每年董事酬金為港幣三十五萬元，該酬金乃根據彼於本公司之職務及職責及現時市況而釐定。

畢滌凡先生服務本集團已逾九年。彼符合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條所載獨立性指引，並已向聯交所書面確認其對公司的獨立性，亦按年向公司確認其獨立身份。因此，董事會視彼仍為獨立人士，並鑒於彼之豐富經驗及對董事會之寶貴貢獻，深信彼應該被重選為董事。

彼並無根據上市規則第13.51(2)(h)條至第13.51(2)(v)條須予披露的資料，亦無涉及根據該等條文須予披露的事宜，且並無任何本公司股東需要知悉的其他事項。

Mr. Buttifant does not have any relationship with any directors, senior management or substantial shareholders of the Company nor hold any other position with the Company and other members of the Group. As at March 25, 2010, he does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

There is no service contract entered into between the Company and Mr. Buttifant. He is appointed for a term of three years and subject to retirement by rotation and re-election pursuant to the Bye-Laws of the Company. He is entitled to receive an annual director's fee of HK\$350,000 which is determined with reference to his duties and responsibilities with the Company and the prevailing market conditions.

Mr. Buttifant has served the Group for over nine years. He has met the independence guidelines as set out in Rule 3.13 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and has submitted to the Stock Exchange a written confirmation concerning his independence and given an annual confirmation of his independence to the Company. The Board, therefore, considers him to continue to be independent and believes he should be re-elected in view of his extensive experience and valuable contribution to the Board.

There is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the shareholders of the Company.

建議重選退任董事之資料

INFORMATION OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED

鄭其志先生，GBS，JP（獨立非執行董事），現年五十九歲，於二零零四年四月二十六日加入本公司為獨立非執行董事，彼亦為本公司審核委員會成員。鄭先生持有香港大學物理及數學理學士學位，亦在英國劍橋大學獲取經濟及政治發展(Economics and Politics of Development)哲學碩士學位。彼在香港政府服務二十七年，主要擔任經濟及金融事務之職位。彼於一九九五年至一九九八年擔任庫務司/庫務局局長，主要負責公共財政事務，及於一九九八年至二零零零年三月擔任資訊及廣播局局長，主要負責資訊科技、電信及廣播事務。隨著香港聯合交易所、香港期貨交易所及其相關結算所改革及合併，彼於二零零零年三月離開香港特別行政區政府加入香港交易及結算所有限公司擔任執行董事及首位行政總裁直至二零零三年四月卸任。於二零零四年一月至六月期間，鄭先生受聘為新昌國際集團之董事總經理，並於二零零四年七月至二零零六年七月期間出任偉新（國際）有限公司之董事總經理。彼現出任於澳門從事娛樂業務的澳門勵駿創建有限公司之執行董事及澳門漁人碼頭國際投資股份有限公司之董事。鄭先生已辭去此兩間公司之董事職務，由二零一零年五月一日起生效。

鄭先生為香港非官守太平紳士及獲香港特別行政區政府頒授金紫荊星章。

鄭先生與本公司之任何董事、高級管理人員或主要股東概無任何關連，亦無於本公司或本集團其他公司擔當任何其他職位。按證券及期貨條例第XV部之涵義，彼於二零一零年三月二十五日無持有本公司任何股份之權益。

Mr. KWONG Ki Chi, GBS, JP (*Independent Non-executive Director*), aged 59, joined the Company as an Independent Non-executive Director on April 26, 2004 and is a member of the Audit Committee of the Company. Mr. Kwong graduated from The University of Hong Kong with a Bachelor of Science degree in Physics and Mathematics and was awarded a Master of Philosophy degree in Economics and Politics of Development by the University of Cambridge, England. He has served in the Government of Hong Kong for 27 years and held positions principally in the economic and financial fields. He was the Secretary for the Treasury from 1995 to 1998, with responsibility for the public finances, and Secretary for Information Technology and Broadcasting from 1998 to March 2000, with responsibility for information technology, telecommunications and broadcasting. He left the Government of Hong Kong Special Administrative Region in March 2000 to join the Hong Kong Exchanges and Clearing Limited as executive director and first Chief Executive, following the demutualization and merger of the Stock Exchange of Hong Kong, the Hong Kong Futures Exchange and their associated clearing houses and retired in April 2003. Mr. Kwong was the managing director of Hsin Chong International Holdings Ltd. from January to June 2004 and Hongkong Sales (Int'l) Limited from July 2004 to July 2006. He is currently an executive director of Macau Legend Development Ltd. and a director of Macau Fisherman's Wharf International Investment Ltd., both of which are based in Macau and engaged in the leisure industry. He has tendered his resignation as director of both companies with effect from May 1, 2010.

Mr. Kwong is a non-official Justice of the Peace in Hong Kong and has been awarded the Gold Bauhinia Star by the Government of the Hong Kong Special Administrative Region.

Mr. Kwong does not have any relationship with any directors, senior management or substantial shareholders of the Company nor hold any other position with the Company and other members of the Group. As at March 25, 2010, he does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

INFORMATION OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED

本公司與鄺先生之間並無任何服務合約。彼出任董事的任期為三年，並須按本公司之細則輪值告退及膺選連任。彼每年董事酬金為港幣三十五萬元，該酬金乃根據彼於本公司之職務及職責及現時市況而釐定。

There is no service contract entered into between the Company and Mr. Kwong. He is appointed for a term of three years and subject to retirement by rotation and re-election pursuant to the Bye-Laws of the Company. He is entitled to receive an annual director's fee of HK\$350,000 which is determined with reference to his duties and responsibilities with the Company and the prevailing market conditions.

彼並無根據上市規則第13.51(2)(h)條至第13.51(2)(v)條須予披露的資料，亦無涉及根據該等條文須予披露的事宜，且並無任何本公司股東需要知悉的其他事項。

There is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the shareholders of the Company.

投資者參考資料

INFORMATION FOR INVESTORS

重要日期

暫停辦理股份過戶登記

二零一零年六月七日至
二零一零年六月九日
(首尾兩天包括在內)

股東週年大會

二零一零年六月九日

股息

中期股息 : 每股港幣二仙
派發日期 : 二零零九年九月二十一日
建議末期股息 : 每股港幣七仙
建議特別末期股息 : 每股港幣七仙
建議派發日期 : 二零一零年六月十五日

股份代號

香港聯合交易所 : 709
彭博 : 709 HK
路透社 : 0709.HK

投資者聯絡

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網址

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IMPORTANT DATES

Closure of Register of Members

June 7, 2010 to June 9, 2010
(both days inclusive)

Annual General Meeting

June 9, 2010

Dividends

Interim Dividend : 2.0 HK cents per share
Paid on : September 21, 2009
Proposed Final Dividend : 7.0 HK cents per share
Proposed Special Final Dividend : 7.0 HK cents per share
Payable on : June 15, 2010

STOCK CODE

Stock Exchange of Hong Kong : 709
Bloomberg : 709 HK
Reuters : 0709.HK

INVESTOR RELATIONS CONTACT

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