

GIORDANO
World without strangers
没有陌生人的世界

佐丹奴國際有限公司

Giordano International Limited Annual Report 2010 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，以百萬港元為單位)

(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)	Total liabilities (note 2)
股東資金(附註2)	Shareholders' funds (note 2)
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3)	Inventory turnover on sales (days) (note 3)
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
門市數目(附註4)	Number of stores (note 4)
直接管理門市	Directly managed stores in Group markets
特許專賣商門市	Franchised stores in Group markets
集團門市總數	Group markets total
非集團市場門市(附註5)	Non-group markets total (note 5)
全球門市總數	Total stores worldwide

附註：

Notes:

- 2004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2005年1月1日或以後開始之會計年度生效
- 2002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2003年1月1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365日
- 年結日數字
- 由韓國合營公司、中東聯營公司及第三者特許專賣商所營運之市場門市
- 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
- Inventory held at year end divided by full year turnover times 365 days
- Figures as at year end
- Stores in markets operated by joint ventures (South Korea and Middle East) and third-party franchisees

十年財務與業務摘要

TEN-YEAR FINANCIAL AND OPERATION HIGHLIGHTS

2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
4,731	4,233	5,048	4,950	4,372	4,413	4,003	3,389	3,588	3,479
2,731	2,175	2,439	2,357	2,178	2,243	2,035	1,634	1,677	1,544
57.7%	51.4%	48.3%	47.6%	49.8%	50.8%	50.8%	48.2%	46.7%	44.4%
695	320	325	384	376	518	491	364	385	372
14.7%	7.6%	6.4%	7.8%	8.6%	11.7%	12.3%	10.7%	10.7%	10.7%
537	288	311	295	205	406	387	266	328	377
11.4%	6.8%	6.2%	6.0%	4.7%	9.2%	9.7%	7.8%	9.1%	10.8%
978	750	454	474	665	827	689	784	614	494
1,385	1,047	742	736	862	1,029	861	911	861	798
3,320	2,810	2,557	2,935	2,984	2,970	2,717	2,555	2,419	2,371
827	624	651	909	894	755	684	685	564	625
2,408	2,118	1,855	1,927	1,987	2,122	1,954	1,799	1,794	1,695
36.00	19.30	20.80	19.80	13.80	27.50	26.70	18.50	22.80	26.30
4.50	2.00	4.50	4.50	4.50	4.50	4.00	1.50	4.50	4.50
4.00	-	2.00	2.00	2.00	2.00	1.50	3.00	-	-
7.00	7.00	3.00	5.00	5.00	5.00	4.50	4.50	4.50	4.50
11.50	7.00	-	10.00	15.00	15.00	13.00	12.00	10.00	5.00
18.5%	11.1%	11.5%	10.3%	7.3%	15.2%	15.9%	11.8%	14.7%	17.3%
23.7%	14.5%	16.4%	15.1%	10.0%	19.9%	20.6%	14.8%	18.8%	23.2%
31	25	23	33	35	31	30	24	26	30
2.9	3.0	2.3	1.9	2.1	2.6	2.4	2.5	2.8	2.3
1,496,069	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
6,777	3,431	2,909	5,578	6,336	6,480	7,072	5,192	4,393	4,954
1,052	1,015	1,036	1,000	962	914	811	550	473	456
748	602	512	482	441	423	441	499	492	440
1,800	1,617	1,548	1,482	1,403	1,337	1,252	1,049	965	896
553	497	458	413	366	357	333	314	291	263
2,353	2,114	2,006	1,895	1,769	1,694	1,585	1,363	1,256	1,159

6. 2008年出售Placita :

於2008年，本集團出售其主要成衣製造附屬公司 Placita Holdings Ltd (「Placita」)。本集團不包括Placita 之2008業績總結如下：

(除特別註明外，以百萬港元為單位)

營業額
毛利
毛利率
經營溢利
經營溢利率
股東應佔溢利
銷售回報率

6. Disposal of Placita in 2008:

In 2008, the Group disposed of its principal garment manufacturing subsidiary Placita Holdings Ltd ("Placita"). The Group's 2008 results excluding Placita are summarized below:

(In HK\$ millions unless otherwise specified)

Turnover
Gross profit
Gross margin
Operating profit
Operating margin
Profit attributable to shareholders
Return on sales

2008
4,710
2,362
50.1%
330
7.0%
290
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

獨立非執行董事

畢滌凡
鄭其志, GBS, JP
李鵬飛, JP
梁覺教授

集團首席財務總監

Dominic Leo Richard IRWIN

公司秘書

伍偉民

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
馬灼安

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

Independent Non-Executive Directors

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

GROUP CHIEF FINANCIAL OFFICER

Dominic Leo Richard IRWIN

COMPANY SECRETARY

NG Wai Man

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
MAH Chuck On, Bernard

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777至779號
天安工業大廈5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28號
金鐘匯中心26樓

主要往來銀行

香港上海匯豐銀行有限公司
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：

面對2008至2009年全球金融危機之挑戰，本集團迅速實施各項措施以精簡開支、建立現金儲備及確保財務穩健。全球金融危機同時亦讓集團有機會專注於作為一個優秀商人之基本成功元素。本公司2010年之表現，是多年實踐之穩健管理與靈活營運之成果。

2010年上半年，本集團專注提高其溢利率與溢利表現，毛利率增長9.7個百分點至57.9%。下半年，本集團透過增加市場推廣及擴大於中國大陸之特許經營活動，重點加快銷售額增長。下半年之銷售額增長由6.7%上升至16.3%，溢利亦相應上升39.6%。2010年全年之毛利率及經營溢利率分別為57.7%及14.7%，而股東應佔溢利則增長86.5%至5.37億港元。此業績是本集團自1991年在香港聯合交易所上市以來之最佳紀錄。

2011年是本集團業務之分水嶺，我們將加強執行本集團之長期策略：

1. 透過持續改善與供應鏈夥伴之關係及業務流程，優化毛利率及經營溢利率。
2. 通過新穎、別樹一格的市場推廣及商品規劃，強化本集團之品牌。
3. 以市場推廣作支援，主要透過特許經營方式，加快中國大陸市場之拓展。

我們在2011年之主要挑戰，是如何在供應鏈內成本上漲壓力加劇之情況下，維持集團之溢利率。本集團將與策略供應鏈夥伴緊密合作以進一步提高效率，以限制原材料及其他生產成本上升之影響。

Dear Shareholders:

The global financial crisis of 2008 – 2009 challenged the Group to swiftly implement measures to rationalize expenses, build cash reserves and ensure financial stability. It also afforded us the opportunity to focus on the fundamentals of being good merchants. Your Company's performance in 2010 was the result of managerial discipline and operational nimbleness from years of practice.

The first half of 2010 saw the galvanization of the Group's margins and profits, with gross margin rising by 9.7 percentage points to 57.9%. In the second half we turned our attention to driving faster sales growth by way of increased marketing and expanded franchising activities in China Mainland. Second half sales growth accelerated from 6.7% to 16.3% and profits rose by 39.6% in response. 2010 full year gross and operating margins were 57.7% and 14.7% respectively while profit attributable to shareholders rose by 86.5% to HK\$537 million. The results are all record highs since the Group's listing on the Hong Kong Stock Exchange in 1991.

2011 is a watershed year and will see the Group's long term strategies intensified:

1. Optimizing gross and operating profit margins through continued improvements in supply chain relationships and business processes.
2. Strengthening Group brands with fresh, new marketing and merchandising programs aimed at differentiation.
3. Expediting China Mainland expansion primarily through franchising reinforced with marketing support.

Our main challenge in 2011 is to maintain our margins in the face of rising inflationary cost pressure in our supply chain. We will forge ever closer collaboration with our strategic supply chain partners to achieve additional efficiencies and limit the impact of rising raw material and other input costs.

構思周密及徹底執行的商品規劃及市場推廣計劃對本集團之強勁表現有所貢獻。本集團成功利用Giordano之「優質」、「物超所值」及「創新」之核心優勢，促進毛利率上升6.3個百分點至57.7%。為保持增長勢頭，本集團將繼續投放資源於產品設計及開發，推出能實現較高利潤，並具吸引力及創新之商品。本集團將通過令人矚目並具有影響力之市場推廣活動，以支持此等新產品之推出，從而提高認知度及加強品牌資產價值及定價能力。

本集團將加快於中國大陸市場之擴張步伐。於2010年，本集團增設171間門市，銷售額於下半年增長15.6%，全年增長9.1%。通過增加市場推廣之投入，本集團於2011年之目標是實現銷售額及溢利之雙位數增長，並增設300間門市，當中大部分將為二線或之下城市之特許經營門市。

概括而言，雖然面對供應鏈成本上漲壓力及租金成本不斷上漲，本公司仍看好2011年之營運前景。踏入2011年，銷售額及毛利上升走勢維持平穩，於首兩個月，本集團達致同期銷售額及毛利中至高十位數增長。儘管如此，本集團將繼續密切留意各種預期內外之潛在威脅，同時亦對增長機遇作出積極反應。

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，內有本集團2010年業績之詳盡分析以及對2011年展望之更深入討論。

劉國權
主席

2011年3月24日

Well-conceived and executed merchandising and marketing programs contributed to our strong performance. We successfully leveraged Giordano's core strengths of "quality", "value" and "innovation" to lift gross margin by 6.3 percentage points to 57.7%. To sustain momentum, the Group will continue to invest in product design and development to keep the supply pipeline filled with attractive and innovative merchandise that can command a premium in the market. We will support these new product initiatives with eye-catching, impactful marketing campaigns to increase awareness and to reinforce brand equity and pricing power.

We promised a quicker pace for our expansion in China Mainland. In 2010 the Group added 171 stores and saw sales increasing by 15.6% in the second half and 9.1% for the full year. With increased investment in marketing, in 2011 our target is to achieve double digit sales and profit growth and to add 300 stores with the lion's share coming from franchising in second tier and smaller cities.

In summary, your Company sees positive trends heading into 2011 despite inflationary pressures in the supply chain and rising rental costs. Sales and gross profit trends have held steady, and the first two months in 2011 have seen the Group achieving year-on-year sales and gross profit gains in the mid-to-high teens. Nevertheless, we will remain vigilant to both predictable and unpredictable threats while responsive to growth opportunities.

Lastly, I would like to thank you, our shareholders, for your unwavering belief in Giordano's vision and its philosophy of putting our customers first and believing the profits will follow. I refer you to the "Management Discussion and Analysis" section for a detailed analysis of the Group's 2010 results and a more in-depth discussion of the outlook for 2011.

LAU Kwok Kuen, Peter
Chairman

March 24, 2011

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

本集團經營業績 本集團業務

RESULTS OF GROUP OPERATIONS Group Operations

		全年 Full Year			下半年 Second Half			上半年 First Half		
		2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)
營業額	Turnover	4,731	4,233	11.8%	2,594	2,230	16.3%	2,137	2,003	6.7%
毛利	Gross profit	2,731	2,175	25.6%	1,494	1,210	23.5%	1,237	965	28.2%
毛利率	Gross margin	57.7%	51.4%	6.3 pp/ 百分點	57.6%	54.3%	3.3 pp/ 百分點	57.9%	48.2%	9.7 pp/ 百分點
EBITDA	EBITDA	866	487	77.8%	525	350	50.0%	341	137	148.9%
EBITDA利潤率	EBITDA margin	18.3%	11.5%	6.8 pp/ 百分點	20.2%	15.7%	4.5 pp/ 百分點	16.0%	6.8%	9.2 pp/ 百分點
經營溢利	Operating profit	695	320	117.2%	424	254	66.9%	271	66	310.6%
經營溢利率	Operating margin	14.7%	7.6%	7.1 pp/ 百分點	16.3%	11.4%	4.9 pp/ 百分點	12.7%	3.3%	9.4 pp/ 百分點
股東應佔溢利	Profit attributable to shareholders	537	288	86.5%	335	240	39.6%	202	48	320.8%
銷售回報率	Return on sales	11.4%	6.8%	4.6 pp/ 百分點	12.9%	10.8%	2.1 pp/ 百分點	9.5%	2.4%	7.1 pp/ 百分點

本集團業務摘要 (以百萬港元為單位)

Group Operations Highlights (in HK\$ millions)

營業額及毛利

於2010年上半年，本集團專注於鞏固2009年下半年取得之邊際毛利。產品採購方面，本集團透過加強與策略供應鏈夥伴之合作，達致降低產品成本，為市場提供具吸引力、高銷量及高利潤之新貨品。同時，本集團推出多項非以價格主導之全新市場推廣及促銷計劃。上述措施有助本集團上半年之毛利率提升9.7個百分點至57.9%（2009年上半年：48.2%），毛利上升28.2%；而營業額則較2009年同期增長6.7%。

Turnover and Gross Profit

In the first half of 2010, the Group focused on reinforcing the margin gains that it made in the second half of 2009. On the supply side, the Group strengthened cooperation with strategic supply chain partners to lower product costs and fill the product pipeline with attractive new high volume and high margin merchandise. At the same time the Group rolled out new non-price-driven marketing and promotion programs. These initiatives helped to increase the Group's first half gross margin by 9.7 percentage points to 57.9% (1H09: 48.2%) and its gross profit by 28.2% with sales growth of 6.7% over the same period in 2009.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

下半年，本集團把注意力集中於加快營業額增長。為充份掌握區內消費信心復甦及消費開支改善所帶來之機遇，繼集團於上半年增加宣傳及推廣開支（「宣傳開支」）37.2%後，下半年進一步增加69.4%，並同時繼續嚴格監控產品定價及折扣。集團營業額增長率因而相應由上半年之6.7%，上升至下半年之16.3%，毛利率則維持穩定於57.6%，令2010年下半年之毛利增長23.5%。中國大陸營業額增長由上半年微升1.8%，迅速增長至下半年之15.6%，令2010年中國大陸全年營業額較上年增長9.1%，帶動2010年集團整體之強勁表現。

總括來說，本集團於2010年營業額增加11.8%至47.31億港元（2009年：42.33億港元），毛利增加25.6%至27.31億港元。全年毛利率為57.7%，較2009年上升6.3個百分點。

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)

為加快營業額增長，本集團增加宣傳開支54.3%至8,300萬港元，佔2010年營業額之1.8%（2009年：佔營業額之1.3%）。除此以外，管理層繼續嚴格控制其他經營開支：集團之租賃開支增加4.3%至8.9億港元，佔2010年營業額之18.8%（2009年：8.53億港元，佔營業額之20.2%），而員工成本（包括董事酬金及僱員購股權費用）則上升14.5%至7.57億港元，佔2010年營業額之16.0%（2009年：6.61億港元，佔營業額之15.6%）。由於本集團於2008年至2009年全球金融危機期間嚴格控制門市擴張及翻新，折舊開支因而減少10.8%至9,900萬港元（2009年：1.11億港元）。整體而言，本集團之經營開支增加9.9%至21.59億港元（2009年：19.65億港元）。

其他收入上升至1.23億港元（2009年：1.1億港元），主要由於匯兌收益因區內貨幣對比港元升值而有所上升。

In the second half we turned our attention to driving faster sales growth. To capitalize on the recovery in consumer confidence and spending in the region, we followed up the 37.2% increase in advertising and promotion (“A&P”) outlays during the first half with a further 69.4% increase in the second half, at the same time maintaining discipline on pricing and markdowns. Sales growth accelerated from 6.7% in the first half to 16.3% in the second half in response while gross margin remained steady at 57.6%, resulting in a 23.5% increase in gross profit in the second half of 2010. The strong performance is driven by faster growth in China Mainland which saw modest sales growth in the first half of 1.8% accelerating to 15.6% in the second half, resulting in a 9.1% year-on-year increase in Mainland sales for 2010 as a whole.

Overall, 2010 saw the Group increasing its sales by 11.8% to HK\$4,731 million (2009: HK\$4,233 million) and its gross profit by 25.6% to HK\$2,731 million. Full year gross margin was 57.7%, up by 6.3 percentage points against 2009.

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

To support its push for faster top line growth, the Group increased its A&P spending by 54.3% to HK\$83 million or 1.8% of 2010 sales (2009: 1.3% of sales). Otherwise, Management continued to tightly control other operating expenses: the Group’s rental expense grew by 4.3% to HK\$890 million to account for 18.8% of 2010 sales (2009: HK\$853 million or 20.2% of sales) while staff cost (including director emoluments and employee share option charges) rose by 14.5% to HK\$757 million or 16.0% of 2010 sales (2009: HK\$661 million or 15.6% of sales). Depreciation expenses decreased by 10.8% to HK\$99 million (2009: HK\$111 million) as a result of the Group’s tight controls on shop openings and renovations during the 2008-09 global financial crisis. Overall, the Group’s operating expenses increased by 9.9% to HK\$2,159 million (2009: HK\$1,965 million).

Other income increased to HK\$123 million (2009: HK\$110 million) mainly due to an increase in exchange gain arising from the appreciation of the currencies in the region compared to the Hong Kong Dollar.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

營業額加快增長加上本集團有效控制生產及經營成本，使集團能提高營業槓杆效益。承接上半年之強勁表現，下半年之EBITDA增長50.0%至5.25億港元（2009年：3.5億港元）。集團下半年之經營溢利亦同樣地增長66.9%至4.24億港元（2009年：2.54億港元）。鑒於本集團表現於2009年下半年開始復甦，下半年溢利佔2009年全年經營溢利之79.4%，2010年下半年之成績尤其顯要。

全年整體計算，本集團之EBITDA增長77.8%至8.66億港元（2009年：4.87億港元）。集團之全年經營溢利亦同樣地增加3.75億港元至6.95億港元，較2009年錄得之3.2億港元倍增。2010年之經營溢利率為14.7%，較去年高出7.1個百分點。

股東應佔溢利

於2010年，本集團之股東應佔溢利為5.37億港元，較去年增加86.5%（2009年：2.88億港元）。每股基本及全面攤薄溢利分別上升至36.0港仙及35.9港仙（2009年：每股基本及全面攤薄盈利同為19.3港仙）。

本集團南韓合營公司之除稅後溢利貢獻增加1,800萬港元至5,600萬港元（2009年：3,800萬港元）。本集團中東聯營公司之除稅後溢利貢獻則倍增至1,200萬港元。（2009年：600萬港元）。

年內，本集團亦完成撤出日本市場，並錄得出售虧損1,300萬港元。

2010年之所得稅開支為1.81億港元（2009年：6,400萬港元），實際稅率¹為26.1%，較去年同期高出6.0個百分點（2009年：20.1%）。此增幅是由於本集團就匯出中國大陸附屬公司累計盈利應付之預扣稅作出1,800萬港元之一次性遞延稅項撥備所致。尚不存在該項撥備，本集團之實際稅率為23.5%，主要因稅率較高之市場之溢利貢獻有所增加而提高。

The combination of higher top line growth and effective controls on product and operating costs enabled the Group to achieve greater positive operating leverage. As a result, the Group managed to follow up on its strong first half performance by achieving a 50.0% increase in second half EBITDA to HK\$525 million (2009: HK\$350 million). Similarly, the Group's second half operating profit increased by 66.9% to HK\$424 million (2009: HK\$254 million). This is a particularly noteworthy achievement as the second half of 2009 marked the beginning of the Group's recovery, accounting for 79.4% of 2009 full year operating profit.

For the year as a whole, the Group's EBITDA rose by 77.8% to HK\$866 million (2009: HK\$487 million). Similarly, the Group's full year operating profit increased by HK\$375 million to HK\$695 million, more than double the HK\$320 million recorded in 2009. 2010 operating margin at 14.7% was 7.1 percentage points higher than last year.

Profit Attributable to Shareholders

The Group's 2010 profit attributable to shareholders was HK\$537 million, up by 86.5% compared to the previous year (2009: HK\$288 million). Basic and fully diluted earnings per share increased to 36.0 HK cents and 35.9 HK cents respectively (2009: basic and fully diluted EPS were the same at 19.3 HK cents).

After-tax profit contribution from the Group's South Korea joint venture increased by HK\$18 million to HK\$56 million (2009: HK\$38 million). After-tax profit contribution from our Middle East associate doubled to HK\$12 million (2009: HK\$6 million).

During the year the Group also completed its exit from Japan, incurring a HK\$13 million loss on disposal.

The Group's 2010 income taxation expense was HK\$181 million (2009: HK\$64 million), resulting in an effective tax rate¹ of 26.1% which is 6.0 percentage points higher than the same period last year (2009: 20.1%). The increase is attributable to a HK\$18 million one-off increase in deferred tax provision for withholding tax that would be payable on remittance of accumulated earnings of our subsidiaries in the Mainland. In the absence of such provisions, the Group's effective tax rate would have been 23.5%, with the increase arising from increased profit contribution from markets with higher tax regimes.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

從經營業務所得之現金流量

鑑於本集團業績改善，來自經營業務之現金流入總額上升2.96億港元至7.15億港元（2009年：4.19億港元）。惟已付稅項總額上升6,700萬港元至1.03億港元（2009年：3,600萬港元），經營業務之現金流入淨額因而上升2.28億港元至6.1億港元（2009年：3.82億港元）。

由於門市擴張及翻新計劃恢復正常，本集團2010年之資本開支增加3,200萬港元至9,100萬港元（2009年：5,900萬港元）。期內資本開支佔經營業務現金流入淨額之百分比大致不變，維持於14.9%（2009年：15.4%），反映管理層繼續密切監察資本開支。然而，期逾三個月之定期存款於2010年之增幅為1.28億港元，較2009年之2.32億港元增幅為低，抵銷了資本開支增加之影響。因此，2010年投資業務之現金流出淨額減少4,500萬港元至2.23億港元（2009年：2.68億港元）。

因本集團調高2009年末期及2010年中期之股息，2010年已付股息合共為3.36億港元，較2009年派付之7,500萬港元增加2.61億港元，為集團2010年融資活動之現金流出增加2.6億港元至3.41億港元（2009年：8,100萬港元）之主因。

本集團之財務狀況

於2010年12月31日，本集團之現金及銀行結存合共10.62億港元（2009年：8.24億港元），其中3.74億港元為期逾三個月之定期存款。經抵銷未償還銀行貸款共8,400萬港元後（2009年：7,400萬港元），本集團於年底之現金及銀行淨結餘額達9.78億港元（2009年：7.5億港元）。

Cash Flow from Operations

In line with Group's improved operational performance, cash generated from operations increased by HK\$296 million to HK\$715 million (2009: HK\$419 million). Total taxes paid increased by HK\$67 million to HK\$103 million (2009: HK\$36 million). Net cash inflow from operating activities increased by HK\$228 million to HK\$610 million (2009: HK\$382 million) as a result.

With the resumption of our normal store opening and refurbishment programs, the Group's 2010 capital expenditure increased by HK\$32 million to HK\$91 million (2009: HK\$59 million). However, capital expenditure as a percentage of net cash inflow from operating activities stayed more or less unchanged at 14.9% (2009: 15.4%) during the period, reflecting Management's continued close monitoring. However, the increase in time deposits with terms longer than three months was HK\$128 million in 2010 compared to HK\$232 million in 2009, thus offsetting the increase in capital expenditure. As a result, the net cash outflow from investing activities actually decreased by HK\$45 million to HK\$223 million (2009: HK\$268 million).

The Group increased both its 2009 final and 2010 interim dividends. As such, dividends paid in 2010 totalled HK\$336 million, HK\$261 million more than the HK\$75 million paid in 2009, which largely explains the HK\$260 million increase in the Group's cash outflow from financing activities to HK\$341 million in 2010 (2009: HK\$81 million).

GROUP FINANCIAL POSITION

On December 31, 2010, the Group had total cash and bank balances of HK\$1,062 million (2009: HK\$824 million), of which HK\$374 million were on fixed term deposits with maturity over three months from the date of deposit. After offsetting against outstanding bank loans which totalled HK\$84 million (2009: HK\$74 million), year-end net cash and bank balances amounted to HK\$978 million (2009: HK\$750 million).

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

由於預期農曆新年生意強勁，管理層增加存貨，令2010年年底之存貨增加1.1億港元至4.04億港元（2009年：2.94億港元），存貨對銷售之流轉比率²因而增加至31日（2009年：25日）。至2月底，本集團之存貨對銷售之流轉比率已回落至22日，保持於管理層認為審慎之30日範圍內。於2010年12月31日之應收賬款及其他應收款因而上升1.86億港元至5.97億港元（2009年：4.11億港元），主要由於有關銅鑼灣旗艦店之1億港元應收租金預付款項由非流動資產被重新分類為流動資產所致。

因員工績效花紅撥備增加以及應付稅項上升5,300萬港元至8,700萬港元（2009年：3,400萬港元），所以應付賬款及其他應付款上升1.29億港元至5.48億港元（2009年：4.19億港元）。流動負債因而上升1.92億港元至7.19億港元（2009年：5.27億港元）。

本集團於年底之融資信貸合共5.56億港元（2009年：5.81億港元），其中於正常業務過程中已提取並於年底尚未償還合共6,600萬港元（2009年：5,700萬港元）。

於2010年12月31日，本集團之負債總額為8.27億港元（2009年：6.24億港元），其中1.08億港元主要為非流動負債之遞延稅項（2009年：非流動負債總額為9,700萬港元，其中8,200萬港元為遞延稅項）。股東權益為24.08億港元（2009年：21.18億港元）。

本集團之資本負債比率³維持不變於3.5%，而流動比率及速動比率分別輕微下降至2.9倍（2009年：3倍）及2.4倍（2009年：2.4倍）。憑藉其現金盈餘和健康之資產負債狀況，本集團具備充裕的資金作未來發展及向投資者派發股息之用。

由於門市擴張及翻新計劃恢復正常，本集團於2010年之資本開支增加3,200萬港元至9,100萬港元（2009年：5,900萬港元）。管理層估計，隨著集團加速擴張尤其是在中國大陸之門市，2011年之資本開支將上升至1億港元至1.5億港元之間。

Management built up stocks in anticipation of a strong Chinese New Year, causing 2010 closing inventories to increase by HK\$110 million to HK\$404 million (2009: HK\$294 million) and inventory turnover on sales² to increase to 31 days (2009: 25 days). The Group's inventory turnover on sales ratio has since come back down to 22 days as at the end of February, well within the 30-day range considered prudent by Management. Trade and other receivables increased by HK\$186 million to HK\$597 million as at December 31, 2010 (2009: HK\$411 million), mainly due to the reclassification of HK\$100 million in rental deposits receivable related to the Causeway Bay flagship store from non-current to current assets.

Current liabilities rose by HK\$192 million to HK\$719 million (2009: HK\$527 million). The increase was attributable to a HK\$129 million increase in trade and other payables to HK\$548 million (2009: HK\$419 million) which included an increased provision for staff performance bonus and a HK\$53 million increase in taxation payable to HK\$87 million (2009: HK\$34 million) reflecting the recovery in business.

The Group had financing facilities totalling HK\$556 million at the end of the year (2009: HK\$581 million), of which HK\$66 million had been drawn down in the normal course of business and were outstanding as at year end (2009: HK\$57 million).

On December 31, 2010, the Group had total liabilities of HK\$827 million (2009: HK\$624 million), of which HK\$108 million consisted entirely of deferred tax liabilities that were non-current (2009: total non-current liabilities of HK\$97 million including deferred tax liabilities of HK\$82 million). Shareholders' equity was HK\$2,408 million (2009: HK\$2,118 million).

The Group's gearing³ remained unchanged at 3.5%, whereas its current and quick ratios decreased slightly to 2.9 times (2009: 3.0 times) and 2.4 times (2009: 2.4 times) respectively. With a cash surplus and a strong balance sheet, the Group is solidly placed to fund future growth and pay dividends to investors.

With the resumption of our normal store opening and refurbishment programs, the Group's 2010 capital expenditure increased by HK\$32 million to HK\$91 million (2009: HK\$59 million). Management estimates capital expenditure in 2011 to range between HK\$100 million and HK\$150 million as the Group intensify store expansion, especially in the Mainland.

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

業務回顧

零售及分銷分部

鑒於本集團之策略將集中發展中國大陸特許經營業務，同店營業額計算方式因而改變為自營店和加盟店一併計算。2009年之同店營業額增長數字亦因此重列，以便進行比較⁴。中國大陸之每平方呎營業額數字按同一方法⁵重列。本集團亦於分析中國大陸業務時開始計算「品牌銷售總額」。該數據包含自營店及加盟店之零售營業額，旨在更全面及準確地反映本集團之表現，並提高本集團內部量度網絡增長方式之一致性。

摘要

管理層繼續專注於控制採購成本及限制折扣，令零售及分銷分部之毛利率較去年提高7.2個百分點至2010年之60.8%（2009年：53.6%）。有賴市場推廣活動增加，營業額增長由上半年之6.9%上升至下半年之14.3%。全年整體計算，零售及分銷營業額增長10.8%至43.37億港元（2009年：39.13億港元），毛利增長25.7%至26.35億港元（2009年：20.97億港元）。持續控制經營開支令2010年零售及分銷分部之經營溢利增長146.6%至6.83億港元（2009年：2.77億港元），經營溢利率增長8.6個百分點至15.7%（2009年：7.1%）。

OPERATIONS REVIEW

Retail & Distribution Segment

In light of the Group's strategic focus on growing its franchising operations in the Mainland, same store sales calculation has been changed to include franchised outlets in addition to self-operated stores. As such, same store sales growth figures for 2009 have been restated to facilitate comparison⁴. Sales per sq. ft. statistics for the Mainland have also been restated to be consistent with this approach⁵. We have also started to measure "Total Brand Sales" when analyzing our Mainland operations. This metric, which comprises retail sales in both self-operated and franchised outlets, is intended to provide a fuller and more accurate picture of the Group's performance and an improved alignment with our internal measurement of network growth.

Highlights

Management's continued focus on controlling sourcing costs and limiting markdowns resulted in the Retail & Distribution segment's gross margin increasing to 60.8% in 2010, up by 7.2 percentage points against last year (2009: 53.6%). Supported by increased marketing, sales growth accelerated from 6.9% in the first half to 14.3% in the second half. For the year as a whole, Retail & Distribution turnover grew by 10.8% to HK\$4,337 million (2009: HK\$3,913 million) while gross profit increased by 25.7% to HK\$2,635 million (2009: HK\$2,097 million). Continued restraint of operating expenses enabled the Retail & Distribution segment to increase its operating profit by 146.6% to HK\$683 million (2009: HK\$277 million) and its operating margin by 8.6 percentage points to 15.7% (2009: 7.1%) in 2010.

		全年 Full Year			下半年 Second Half			上半年 First Half		
		2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)
營業額	Turnover	4,337	3,913	10.8%	2,377	2,080	14.3%	1,960	1,833	6.9%
同店銷售額 ⁴	Same store sales ⁴	5.5%	(4.5%)	N/A/ 不適用	6.4%	Flat/ 持平	N/A/ 不適用	4.5%	(9.6%)	N/A/ 不適用
毛利	Gross profit	2,635	2,097	25.7%	1,441	1,179	22.2%	1,194	918	30.1%
毛利率	Gross margin	60.8%	53.6%	7.2 pp/ 百分點	60.6%	56.7%	3.9 pp/ 百分點	60.9%	50.1%	10.8 pp/ 百分點
經營溢利	Operating profit	683	277	146.6%	413	251	64.5%	270	26	938.5%
經營溢利率	Operating margin	15.7%	7.1%	8.6 pp/ 百分點	17.4%	12.1%	5.3 pp/ 百分點	13.8%	1.4%	12.4 pp/ 百分點

零售及分銷分部業務摘要（以百萬港元為單位）

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

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 China Mainland

	全年 Full Year			下半年 Second Half			上半年 First Half		
	2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)
品牌銷售總額 ⁶ Total Brand Sales ⁶	2,116	1,950	8.5%	1,130	1,011	11.8%	986	939	5.0%
營業額 ⁷ ，包括： Turnover ⁷ ，comprising:									
—自營門市之零售額 — Retail sales in self-operated stores	1,142	1,089	4.9%	621	560	10.9%	521	529	(1.5%)
—向加盟店批發之銷售額 — Wholesales sales to franchisees	639	544	17.5%	370	297	24.6%	269	247	8.9%
總額 Total	1,781	1,633	9.1%	991	857	15.6%	790	776	1.8%
同店銷售額 ⁴ Same store sales ⁴	2.0%	(5.5%)	N/A/ 不適用	3.6%	(2.4%)	N/A/ 不適用	0.2%	(9.2%)	N/A/ 不適用
經營溢利 Operating profit	287	152	88.8%	163	119	37.0%	124	33	275.8%
經營溢利率 Operating margin	16.1%	9.3%	6.8 pp/ 百分點	16.4%	13.9%	2.5 pp/ 百分點	15.7%	4.3%	11.4 pp/ 百分點
門市數目 ⁸ Number of outlets ⁸	1,188	1,017	171	1,188	1,017	171	1,101	912	189
自營店 Self-operated	448	420	28	448	420	28	443	401	42
加盟店 Franchised	740	597	143	740	597	143	658	511	147

中國大陸業務摘要 (以百萬港元為單位)

China Mainland Operations Highlights (in HK\$ millions)

本集團透過特許經營方式繼續加速拓展中國大陸之門市，並專注發展尚未飽和的二線或以下城市，以發揮最大增長潛力。集團於年內增設143間加盟店及28間自營店，使集團於中國大陸之門市網絡達到2010年底之1,188間。下半年營業額增長因加盟店擴張步伐加快和市場推廣力度加大而顯著回升。整體而言，2010年對加盟商之批發營業額和自營店之零售銷售額分別增長17.5%和4.9%，令集團於中國大陸之總營業額增加9.1%（按人民幣計增加7.5%）至17.81億港元。年內，同店營業額增長2.0%，品牌總營業額則增長8.5%至21.16億港元。然而，由於新增門市大多開設於二線或以下城市，每平方呎營業額因而下降至2,100港元（2009年：每平方呎2,300港元）。

The Group continued to accelerate store expansion in the Mainland by way of franchising, focusing on unsaturated second and lower tier cities to maximize growth potential. We added 143 franchised outlets and 28 self-operated ones during the year, bringing our total store network in the Mainland to 1,188 at the end of 2010. With faster expansion of franchised stores and increased marketing support, sales growth noticeably picked up in the second half. Overall, wholesale sales to franchisees increased by 17.5% and retail sales in self-operated outlets grew by 4.9%, causing the Group's total turnover in the Mainland to increase by 9.1% (7.5% in Renminbi terms) to HK\$1,781 million in 2010. Same store sales grew by 2.0% and total brand sales increased by 8.5% to HK\$2,116 million during the year. However, with more stores opening in lower tier cities sales per sq. ft. decreased to HK\$2,100 (2009: HK\$2,300 per sq. ft.).

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與此同時，生產成本下降及減少減價促使毛利率提升7.6個百分點至55.4%（2009年：47.8%），令中國大陸之經營溢利幾乎倍增至2.87億港元（2009年：1.52億港元）。於2010年，中國大陸佔集團營業額之37.6%，並貢獻經營溢利41.3%。

Meanwhile, lower product cost and reduced discounting made possible a 7.6 percentage point gross margin gain to 55.4% (2009: 47.8%), enabling the Mainland to almost double its operating profit to HK\$287 million (2009: HK\$152 million). The Mainland accounted for 37.6% of the Group's sales and contributed 41.3% of its operating profit in 2010.

		2010	2009	2008	2007	2006
營業額 (以百萬港元為單位) ⁷	Turnover (in HK\$ millions) ⁷	1,781	1,633	1,689	1,349	1,090
每平方呎銷售額 (以港元為單位) ⁵	Sales per sq. ft. (in HK\$) ⁵	2,100	2,300	3,100	2,900	2,400
同店銷售額 增加／(減少) ⁴	Same store sales increase/(decrease) ⁴	2.0%	(5.5%)	6.1%	15.2%	8.5%
零售面積 (平方呎) ⁸	Retail floor area (square feet) ⁸	1,037,500	903,600	816,800	690,700	605,100
門市數目 ⁸	Number of outlets ⁸	1,188	1,017	909	820	729

中國大陸五年業務摘要

本集團預期中國大陸經濟繼續增長，因此計劃於2011年增設300間門市。因應管理層於二線或以下城市擴張之策略，新開門市大部分將為加盟店。集團亦將於2011年投入額外資源加強市場推廣，以支持門市擴張及銷售增長計劃。

China Mainland Five-Year Operations Highlights

The Group anticipates continuing growth in the Mainland, with a view to adding some 300 outlets in 2011. Franchised outlets will comprise the bulk of the new stores added, in line with Management's strategy to expand in second tier and smaller cities. Additional resources will be devoted to marketing to support our store expansion and sales growth plans in 2011.

管理層之論述及分析

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香港及澳門

Hong Kong & Macau

		全年 Full Year			下半年 Second Half			上半年 First Half		
		2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)
營業額 ⁷	Turnover ⁷	841	775	8.5%	449	409	9.8%	392	366	7.1%
同店銷售額 ⁴	Same store sales ⁴	9.4%	(3.2%)	N/A/ 不適用	8.2%	4.4%	N/A/ 不適用	10.5%	(10.9%)	N/A/ 不適用
經營溢利	Operating profit	125	64	95.3%	71	54	31.5%	54	10	440.0%
經營溢利率	Operating margin	14.9%	8.3%	6.6 pp/ 百分點	15.8%	13.2%	2.6 pp/ 百分點	13.8%	2.7%	11.1 pp/ 百分點
門市數目 ⁸	Number of outlets ⁸	75	75	-	75	75	-	74	80	(6)

香港及澳門業務摘要 (以百萬港元為單位)

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

有賴市場推廣活動增加，年內香港之營業額增加8.5%至8.41億港元，同店營業額則增長9.4%。毛利率持續增長，較2009年上升6.3個百分點，令毛利增加19.5%。配合有效控制經營開支，香港業務全年經營溢利幾近倍增至1.25億港元（2009年：6,400萬港元）。香港為本集團於2010年之營業額及經營溢利分別貢獻17.8%及18.0%。

Increased marketing efforts helped Hong Kong to grow its turnover by 8.5% to HK\$841 million and same store sales by 9.4% during the year. Gross margin continued to improve, rising by 6.3 percentage points compared to 2009. Gross profit increased by 19.5% as a result. Along with effective operating expense controls, Hong Kong almost doubled its full year operating profit to HK\$125 million (2009: HK\$64 million). Hong Kong contributed 17.8% and 18.0% to the Group's 2010 sales and operating profit respectively.

		2010	2009	2008	2007	2006
營業額 (以百萬港元為單位) ⁷	Turnover (in HK\$ millions) ⁷	841	775	850	892	873
每平方呎銷售額 (以港元為單位) ⁵	Sales per sq. ft. (in HK\$) ⁵	9,800	8,400	8,200	7,800	7,600
同店銷售額 增加/(減少) ⁴	Same store sales increase/(decrease) ⁴	9.4%	(3.2%)	(1.7%)	8.1%	5.4%
零售面積 (平方呎) ⁸	Retail floor area (square feet) ⁸	83,500	87,100	98,700	110,900	117,300
門市數目 ⁸	Number of outlets ⁸	75	75	82	92	98

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		
		2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)
營業額 ⁷	Turnover ⁷	606	555	9.2%	327	286	14.3%	279	269	3.7%
同店銷售額 ⁴	Same store sales ⁴	6.9%	(2.6%)	N/A/ 不適用	9.7%	3.8%	N/A/ 不適用	4.4%	(10.0%)	N/A/ 不適用
經營溢利 (虧損)	Operating profit (loss)	92	27	240.7%	61	31	96.8%	31	(4)	N/A/ 不適用
經營溢利率	Operating margin	15.2%	4.9%	10.3 pp/ 百分點	18.7%	10.8%	7.9 pp/ 百分點	11.1%	(1.5%)	12.6 pp/ 百分點
門市數目 ⁸	Number of outlets ⁸	181	174	7	181	174	7	176	179	(3)

台灣業務摘要 (以百萬港元為單位)

Taiwan Operations Highlights (in HK\$ millions)

管理層亦成功擴大台灣市場之溢利率，2010年台灣業務之毛利率較去年上升7.2個百分點。隨著經濟日漸改善，本集團於年內增設七間門市，使集團之網絡擴大至2010年底之181間門市。台灣之營業額因此增長9.2%（以當地貨幣計增長3.9%）至6.06億港元，同店營業額亦較去年增長6.9%。由於台灣業務之經營成本結構於重組後有所降低，台灣業務實現營業槓杆效益，經營溢利率上升10.3個百分點至15.2%，經營溢利增長超過三倍至2010年之9,200萬港元（2009年：2,700萬港元）。年內，台灣業務佔集團營業額之12.8%，為集團經營溢利貢獻13.2%。

Management's efforts to expand margins were also successful in Taiwan, with 2010 gross margin up by 7.2 percentage points over last year. With the economy strengthening, we added seven outlets during the year to grow our network to 181 locations at the end of 2010. Consequently, Taiwan's turnover grew by 9.2% (3.9% in local currency) to HK\$606 million and same store sales increased by 6.9% year-on-year. With its operating cost structure lower after restructuring, Taiwan experienced positive operating leverage and saw its operating margin rise by 10.3 percentage points to 15.2% and its operating profit more than triple to HK\$92 million (2009: HK\$27 million) in 2010. Taiwan accounted for 12.8% of the Group's sales and contributed 13.2% of its operating profit during the year.

		2010	2009	2008	2007	2006
營業額 (以百萬港元為單位) ⁷	Turnover (in HK\$ millions) ⁷	606	555	634	649	658
每平方呎銷售額 (以港元為單位) ⁵	Sales per sq. ft. (in HK\$) ⁵	3,200	2,900	3,000	2,800	2,800
同店銷售額 增加/(減少) ⁴	Same store sales increase/(decrease) ⁴	6.9%	(2.6%)	(3.2%)	(4.2%)	(9.1%)
零售面積 (平方呎) ⁸	Retail floor area (square feet) ⁸	191,300	185,700	204,900	218,700	235,800
門市數目 ⁸	Number of outlets ⁸	181	174	192	210	239

台灣五年業務摘要

Taiwan Five-Year Operations Highlights

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新加坡

Singapore

		全年 Full Year			下半年 Second Half			上半年 First Half		
		2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)
營業額 ⁷	Turnover ⁷	360	310	16.1%	188	163	15.3%	172	147	17.0%
同店銷售額 ⁴	Same store sales ⁴	2.2%	(4.1%)	N/A/ 不適用	0.4%	(4.7%)	N/A/ 不適用	4.8%	(4.9%)	N/A/ 不適用
經營溢利 (虧損)	Operating profit (loss)	54	18	200.0%	31	21	47.6%	23	(3)	N/A/ 不適用
經營溢利率	Operating margin	15.0%	5.8%	9.2 pp/ 百分點	16.5%	12.9%	3.6 pp/ 百分點	13.4%	(2.0%)	15.4 pp/ 百分點
門市數目 ⁸	Number of outlets ⁸	52	47	5	52	47	5	48	46	2

新加坡業務摘要 (以百萬港元為單位)

Singapore Operations Highlights (in HK\$ millions)

於2010年本集團在新加坡推出新產品及市場推廣行動以開拓市場。集團亦同時增設五間門市，使新加坡之門市總數達到年底之52間。2010年營業額因而增長16.1%（以當地貨幣計增長8.6%）至3.6億港元，同店營業額增長2.2%。全年毛利率較2009年上升9.3個百分點，使新加坡業務之經營溢利增長超過三倍至5,400萬港元（2009年：1,800萬港元）。新加坡業務為本集團於2010年之營業額及經營溢利分別貢獻7.6%及7.8%。

We continued to build on the turnaround in Singapore with new product and marketing programs. We also added five stores in 2010 to bring the total number of stores in Singapore to 52 at the end of the year. Turnover grew by 16.1% (8.6% in local currency) to HK\$360 million while same store sales increased by 2.2% in 2010 as a result. Full year gross margin posted a 9.3 percentage point gain compared to 2009, enabling Singapore to triple its operating profit to HK\$54 million (2009: HK\$18 million). Singapore contributed 7.6% and 7.8% to the Group's sales and operating profit in 2010 respectively.

		2010	2009	2008	2007	2006
營業額 (以百萬港元為單位) ⁷	Turnover (in HK\$ millions) ⁷	360	310	368	390	403
每平方呎銷售額 (以港元為單位) ⁵	Sales per sq. ft. (in HK\$) ⁵	7,100	6,100	6,500	6,900	7,700
同店銷售額 增加/(減少) ⁴	Same store sales increase/(decrease) ⁴	2.2%	(4.1%)	(7.7%)	(10.9%)	(11.9%)
零售面積 (平方呎) ⁸	Retail floor area (square feet) ⁸	50,800	51,300	54,300	57,300	55,100
門市數目 ⁸	Number of outlets ⁸	52	47	51	53	53

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 Full Year			下半年 Second Half			上半年 First Half		
		2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)
營業額 ⁷	Turnover ⁷	175	180	(2.8%)	102	103	(1.0%)	73	77	(5.2%)
同店銷售額 ⁴	Same store sales ⁴	(1.2%)	(6.9%)	N/A/ 不適用	5.9%	(5.2%)	N/A/ 不適用	(8.7%)	(8.4%)	N/A/ 不適用
經營溢利 (虧損)	Operating profit (loss)	(5)	(28)	N/A/ 不適用	9	(12)	N/A/ 不適用	(14)	(16)	N/A/ 不適用
經營溢利率	Operating margin	(2.9%)	(15.6%)	12.7 pp/ 百分點	8.8%	(11.7%)	20.5 pp/ 百分點	(19.2%)	(20.8%)	1.6 pp/ 百分點
門市數目 ⁸	Number of outlets ⁸	36	45	(9)	36	45	(9)	40	52	(12)

澳洲業務摘要 (以百萬港元為單位)

Australia Operations Highlights (in HK\$ millions)

澳洲業務之重組已漸見成效。產品成本因供應鏈改善而降低，加上澳元升值及減少減價促銷，澳洲業務2010年之毛利率較2009年提高6.2個百分點。本集團繼續致力重組門市網絡，除於2009年關閉11間門市外，於年內再關閉另外九間門市，將網絡整合至2010年底之36間，大幅降低經營成本。加上毛利率提升，使澳洲業務於2010年下半年轉虧為盈。以全年整體計算，澳洲業務之營業額減少2.8%（以當地貨幣計減少15.9%）至1.75億港元，而經營虧損則收窄至500萬港元（2009年：經營虧損2,800萬港元）。

The restructuring of our Australian operations began to show improved results. Lower product costs from supply chain improvements, appreciation of the Australian Dollar and reduced markdowns helped raise Australia's 2010 gross margin by 6.2 percentage points compared to 2009. We continued rationalizing our store base, closing an additional nine stores during the year on top of the 11 we closed in 2009 to consolidate the network to 36 stores at the end of 2010, significantly reducing operating costs in the process. Along with improved gross margins, this helped to swing Australia into the black in the second half of 2010. For the year as a whole, Australia's turnover decreased by 2.8% (down by 15.9% in local currency) to HK\$175 million while its operating losses narrowed to HK\$5 million (2009: operating loss of HK\$28 million).

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		
		2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)
營業額 ⁷	Turnover ⁷	574	460	24.8%	320	262	22.1%	254	198	28.3%
經營溢利	Operating profit	130	44	195.5%	78	38	105.3%	52	6	766.7%
經營溢利率	Operating margin	22.6%	9.6%	13.0 pp/ 百分點	24.4%	14.5%	9.9 pp/ 百分點	20.5%	3.0%	17.5 pp/ 百分點
門市數目 ⁸	Number of outlets ⁸	268	259	9	268	259	9	257	259	(2)

其他市場業務摘要 (以百萬港元為單位)

本集團其他市場包括印尼、馬來西亞及泰國 (本集團於2010年上半年完成退出日本市場，產生虧損1,300萬港元)。馬來西亞、泰國及印尼之顧客對於集團重新強調「優質日常系列」及「物超所值」反應良好。去年商品價格復甦及當地匯率上升 (尤其是印尼盧比強勁反彈) 亦有所貢獻。因此，2010年印尼及馬來西亞營業額分別錄得36.6% (以印尼盧比計增加19.8%) 及26.1% (以馬來西亞林吉特計增加17.1%) 之升幅。泰國之表現受到上半年爆發之政治動亂影響，曼谷數間門市受到破壞並關閉達數月。儘管如此，2010年泰國之營業額仍增長16.4% (以泰銖計增長7.2%)。由於營業額增長加上產品及經營成本降低，全部三個市場之經營溢利均強勁反彈。該三個市場合共錄得營業額5.71億港元 (2009年：4.47億港元) 及經營溢利1.29億港元 (2009年：5,100萬港元)，為本集團於2010年之營業額及經營溢利分別貢獻12.1% 及18.6%。

Other Markets Operations Highlights (in HK\$ millions)

The Group's other markets comprise Indonesia, Malaysia and Thailand (the Group completed its exit from Japan in the first half of 2010, incurring a loss of HK\$13 million). Customers in Malaysia, Thailand and Indonesia responded well to the Group's renewed emphasis on "quality essentials" and "value". The resurgence in commodity prices last year and favourable exchange rates (especially a strong rebound of the Indonesian Rupiah) also contributed. As a result, Indonesia and Malaysia recorded turnover increases of 36.6% (19.8% in Indonesian Rupiah) and 26.1% (17.1% in Malaysian Ringgit) respectively in 2010. Thailand's performance was impacted by political unrest in the first half, but despite having a number of stores in Bangkok damaged and closed for several months, Thailand still posted sales growth of 16.4% (7.2% in Thai Baht) in 2010. Operating profits in all three markets rebounded strongly from improved sales and lower product and operating costs. Excluding Japan, these smaller markets together registered sales of HK\$571 million (2009: HK\$447 million) and an operating profit of HK\$129 million (2009: HK\$51 million), contributing 12.1% and 18.6% respectively to the Group's sales and operating profit in 2010.

		印尼 Indonesia			馬來西亞 Malaysia			泰國 Thailand		
		2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)
營業額 ⁷	Turnover ⁷	250	183	36.6%	179	142	26.1%	142	122	16.4%
同店銷售額 ⁴	Same store sales ⁴	17.8%	7.8%	N/A/ 不適用	16.7%	(11.7%)	N/A/ 不適用	12.2%	(4.4%)	N/A/ 不適用
經營溢利	Operating profit	70	36	94.4%	39	10	290.0%	20	5	300.0%
經營溢利率	Operating margin	28.0%	19.7%	8.3 pp/ 百分點	21.8%	7.0%	14.8 pp/ 百分點	14.1%	4.1%	10.0 pp/ 百分點
門市數目 ⁸	Number of outlets ⁸	105	99	6	70	66	4	93	91	2

印尼、馬來西亞及泰國業務摘要 (以百萬港元為單位)

Indonesia, Malaysia 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

Retail & Distribution Review by Brand

Giordano及Giordano Junior

Giordano & Giordano Junior

		全年 Full Year			下半年 Second Half			上半年 First Half		
		2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)
營業額 ⁷	Turnover ⁷	3,773	3,379	11.7%	2,071	1,810	14.4%	1,702	1,569	8.5%
經營溢利	Operating profit	601	271	121.8%	359	222	61.7%	242	49	393.9%
經營溢利率	Operating margin	15.9%	8.0%	7.9 pp/ 百分點	17.3%	12.3%	5.0 pp/ 百分點	14.2%	3.1%	11.1 pp/ 百分點
門市數目 ⁸	Number of outlets ⁸	1,644	1,485	159	1,644	1,485	159	1,565	1,393	172

Giordano及Giordano Junior業務摘要 (以百萬港元為單位)

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

本集團繼續發揮Giordano之「優質日常系列」及「物超所值」優勢，加強市場推廣，使營業額升幅由上半年之8.5%增加至下半年之14.4%。以2010年整體計算，Giordano及Giordano Junior之營業額增長11.7%至37.73億港元（2009年：33.79億港元）。產品成本下降及減少減價，使毛利率提高7.8個百分點，再加上繼續審慎控制開支，經營溢利率因此提高7.9個百分點。2010年之經營溢利因而增長121.8%至6.01億港元（2009年：2.71億港元）。年內，本集團共增設159間門市（其中147間位於內地），令零售及分銷分部於2010年12月31日之Giordano及Giordano Junior門市數目達到1,644間。

The Group continued playing to Giordano's strengths in 'quality essentials' and 'value' as increased advertising and promotion outlays helped push sales growth up from 8.5% in the first half to 14.4% in the second half. For 2010 as a whole, Giordano and Giordano Junior's sales grew by 11.7% to HK\$3,773 million (2009: HK\$3,379 million). Lower product costs and reduced discounting produced a 7.8 percentage point gross margin gain which, along with continued vigilance in controlling expenses, translated into an 7.9 percentage point increase in operating margin. 2010 operating profit increased by 121.8% to HK\$601 million (2009: HK\$271 million) as a result. During the year we added a total of 159 outlets, 147 of them in the Mainland, to bring the number of Giordano and Giordano Junior outlets under the Retail and Distribution segment to 1,644 as at December 31, 2010.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

Giordano Ladies

Giordano Ladies

		全年 Full Year			下半年 Second Half			上半年 First Half		
		2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)
營業額 ⁷	Turnover ⁷	288	250	15.2%	159	136	16.9%	129	114	13.2%
經營溢利	Operating profit	56	28	100.0%	35	27	29.6%	21	1	N/A/ 不適用
經營溢利率	Operating margin	19.4%	11.2%	8.2 pp/ 百分點	22.0%	19.9%	2.1 pp/ 百分點	16.3%	0.9%	15.4 pp/ 百分點
門市數目 ⁸	Number of outlets ⁸	45	43	2	45	43	2	41	40	1

Giordano Ladies業務摘要 (以百萬港元為單位)

Giordano Ladies Operations Highlights (in HK\$ millions)

於2010年，高級系列*Giordano Ladies*受惠於消費信心全面復甦。營業額增長15.2%至2.88億港元，由於繼續限制減價，毛利率較去年上升3.4個百分點。因此，2010年之經營溢利倍增至5,600萬港元（2009年：2,800萬港元），經營溢利率增長至19.4%。本集團於年內增設兩間門市，使品牌網絡於2010年12月31日達至45間。

The premium *Giordano Ladies* line benefited from a general recovery in consumer confidence in 2010. Turnover increased by 15.2% to HK\$288 million while continued limits on markdowns boosted gross margin by 3.4 percentage points compared to last year. Accordingly, 2010 operating profit more than doubled to HK\$56 million (2009: HK\$28 million) and operating margin increased to 19.4%. During the year, we added two stores to bring the brand's network to 45 as at December 31, 2010.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

Concepts One/Giordano Concepts

Concepts One/Giordano Concepts

		全年 Full Year			下半年 Second Half			上半年 First Half		
		2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)
營業額 ⁷	Turnover ⁷	68	106	(35.8%)	32	42	(23.8%)	36	64	(43.8%)
經營虧損	Operating loss	(7)	(24)	N/A/ 不適用	(1)	(5)	N/A/ 不適用	(6)	(19)	N/A/ 不適用
經營溢利率	Operating margin	(10.3%)	(22.6%)	12.3 pp/ 百分點	(3.1%)	(11.9%)	8.8 pp/ 百分點	(16.7%)	(29.7%)	13.0 pp/ 百分點
門市數目 ⁸	Number of outlets ⁸	24	22	2	24	22	2	20	24	(4)

Concepts One/Giordano Concepts業務摘要 (以百萬港元為單位)

Concepts One/Giordano Concepts Operations Highlights (in HK\$ millions)

2010年對Concepts One/Giordano Concepts 品牌而言是過渡性的一年。該品牌於2009年進行重組，關閉近三分之一門市，並重新定位為針對中國大陸高端男士服裝市場。2010年該品牌之零售網絡增加兩間，令門市數目達至24間門市。儘管年內營業額下降35.8%，毛利率仍然反彈10.0個百分點。加上經營成本大幅降低，讓該品牌業務於下半年大致持平。2010年整體計算，Concepts One/Giordano Concepts 之營業額達6,800萬港元，經營虧損由上年之2,400萬港元收窄至700萬港元。

2010 has been a transitional year for the Concepts One/Giordano Concepts brand. Following the restructuring in 2009 which saw the closure of almost one third of its stores and the repositioning of the brand to target the Mainland's high end menswear sector, 2010 saw addition in its retail network by two locations to 24. Although sales decreased by 35.8% gross margin rebounded by 10.0 percentage points during the year. Along with a significantly reduced cost base, the brand more or less broke even in the second half. For 2010 as a whole, Concepts One/Giordano Concepts had sales of HK\$68 million and cut its operating loss to HK\$7 million from a loss of HK\$24 million the year before.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

BSX

		全年 Full Year			下半年 Second Half			上半年 First Half		
		2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)
營業額 ⁷	Turnover ⁷	182	158	15.2%	101	82	23.2%	81	76	6.6%
經營溢利 (虧損)	Operating profit (loss)	30	-	N/A/ 不適用	19	6	216.7%	11	(6)	N/A/ 不適用
經營溢利率	Operating margin	16.5%	-	16.5 pp/ 百分點	18.8%	7.3%	11.5 pp/ 百分點	13.6%	(7.9%)	21.5 pp/ 百分點
門市數目 ⁸	Number of outlets ⁸	78	59	19	78	59	19	62	64	(2)

BSX業務摘要 (以百萬港元為單位)

BSX繼續建立活潑年輕之城市品牌形象。配合本集團持續控制採購成本，BSX於2010年擴大毛利率6.6個百分點。隨著BSX業務之表現穩步改善，管理層認為擴張品牌之時機經已來臨，於年內增設19間門市，乃2007年以來首次增加。於2010年，BSX之營業額因而增長15.2%至1.82億港元，經營溢利達3,000萬港元。

BSX

BSX Operations Highlights (in HK\$ millions)

BSX continues to build a following as a fun, youth-oriented urban brand. This, together with ongoing efforts to control its sourcing costs, enabled BSX to expand its gross margin by 6.6 percentage points in 2010. With its performance steadily improving, Management judged it the right time to begin expanding and added 19 outlets during the year, the first increase since 2007. This helped BSX to register a 15.2% increase in sales to HK\$182 million and an operating profit of HK\$30 million in 2010.

出口及特許經營分部

		全年 Full Year			下半年 Second Half			上半年 First Half		
		2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)
營業額	Turnover	434	350	24.0%	239	166	44.0%	195	184	6.0%
經營溢利	Operating profit	62	50	24.0%	35	17	105.9%	27	33	(18.2%)
經營溢利率	Operating margin	14.3%	14.3%	Flat/ 持平	14.6%	10.2%	4.4 pp/ 百分點	13.8%	17.9%	(4.1 pp)/ 百分點

出口及特許經營分部業務摘要 (以百萬港元為單位)

由於海外市場需求穩步復甦，本集團之出口及特許經營業務（主要由集團對韓國及中東合營企業及菲律賓等批發市場之銷售組成）於2010年之營業額增長24.0%至4.34億港元，有關增幅主要源自下半年向中東供應產品之強勁復甦。2010年之經營收入因此增長24.0%至6,200萬港元。

Export & Licensing Segment

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

With the steady recovery in demand from overseas markets, the Group's Export & Licensing business (which consists primarily of the Group's sales to its Korean and Middle East joint ventures and wholesale markets such as the Philippines) saw turnover growing by 24.0% to HK\$434 million in 2010, with the increase largely attributable to a strong recovery in shipments to the Middle East in the second half. Operating income increased by 24.0% to HK\$62 million in 2010 as a result.

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

共同控制公司及聯營公司

Jointly Controlled and Associated Companies

南韓

South Korea

		全年 Full Year			下半年 Second Half			上半年 First Half		
		2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)
營業額 ⁷	Turnover ⁷	1,286	905	42.1%	693	550	26.0%	593	355	67.0%
同店銷售額 ⁴	Same store sales ⁴	17.7%	16.5%	N/A/ 不適用	10.2%	29.8%	N/A/ 不適用	30.9%	0.7%	N/A/ 不適用
門市數目 ⁸	Number of outlets ⁸	214	191	23	214	191	23	208	169	39

南韓業務摘要 (以百萬港元為單位)

South Korea Operations Highlights (in HK\$ millions)

藉着重新擴張門市及同店營業額增長17.7%，本集團之南韓共同控制公司於2010年之營業額增長42.1%（以當地貨幣計增長30.8%）至12.86億港元。由於毛利率維持穩定，且經營開支增長受到嚴格控制，韓國除稅後溢利對本集團溢利之貢獻增長47.4%至5,600萬港元（2009年：3,800萬港元）。期內，增設23間門市，使2010年底之門市總數達到214間。於2010年12月31日，本集團持有南韓共同控制公司48.5%之股權。

On the back of a renewed store expansion program and same store sales growth of 17.7%, our South Korean jointly controlled company increased sales by 42.1% (30.8% in local currency) to HK\$1,286 million in 2010. With its gross margin remaining steady and expense growth under tight control, Korea increased its after-tax profit contribution to Group profit by 47.4% to HK\$56 million (2009: HK\$38 million). Twenty-three outlets were added in the period to bring the total store count to 214 at the end of 2010. The Group held 48.5% in its South Korean jointly controlled company as at December 31, 2010.

		2010	2009	2008	2007	2006
營業額 (以百萬港元為單位) ⁷	Turnover (in HK\$ millions) ⁷	1,286	905	835	982	1,014
每平方呎銷售額 (以港元為單位) ⁵	Sales per sq. ft. (in HK\$) ⁵	7,300	5,900	6,200	6,700	7,500
同店銷售額 增加/(減少) ⁴	Same store sales increase/(decrease) ⁴	17.7%	16.5%	(4.1%)	(8.6%)	(6.5%)
零售面積 (平方呎) ⁸	Retail floor area (square feet) ⁸	180,000	164,100	133,700	145,600	135,600
門市數目 ⁸	Number of outlets ⁸	214	191	167	173	148

南韓五年業務摘要

South Korea Five-Year Operations Highlights

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中東

Middle East

		全年 Full Year			下半年 Second Half			上半年 First Half		
		2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)	2010	2009	增加 (減少) Increase (Decrease)
營業額 ⁷	Turnover ⁷	506	477	6.1%	299	252	18.7%	207	225	(8.0%)
同店銷售額 ⁴	Same store sales ⁴	5.2%	(13.2%)	N/A/ 不適用	20.8%	(14.5%)	N/A/ 不適用	(8.5%)	(11.4%)	N/A/ 不適用
門市數目 ⁸	Number of outlets ⁸	190	175	15	190	175	15	176	172	4

中東業務摘要 (以百萬港元為單位)

Middle East Operations Highlights (in HK\$ millions)

本集團中東聯營公司之業務於上半年表現呆滯，但下半年因油價回穩而重上軌道。整體而言，2010年營業額增長6.1%至5.06億港元（2009年：4.77億港元）。同時，產品成本下降及減少折扣，使毛利率提高4.5個百分點。配合嚴格控制開支，2010年中東之除稅後溢利貢獻倍增至1,200萬港元（2009年：600萬港元）。於2010年12月31日，本集團持有中東聯營公司20.0%之股權。

The business of our associated company in the Middle East started off sluggish in the first half, but picked up in the second half with the recovery in oil prices. Overall, turnover increased by 6.1% to HK\$506 million in 2010 (2009: HK\$477 million). Meanwhile, lower product costs and reduced discounting produced a 4.5 percentage point gross margin gain which, along with stringent expense controls, made possible a doubling of the Middle East's after-tax profit contribution to HK\$12 million in 2010 (2009: HK\$6 million). The Group held a 20.0% stake in its Middle East associate on December 31, 2010.

附註：

Notes:

- 1 所得稅開支除以經營溢利（扣除融資費用）。
- 2 期終之存貨除以營業額乘以期內日數。
- 3 未償還銀行貸款總額除以股東權益。
- 4 根據舊方法，在計算同店銷售額時僅計入自營店。倘有門市(i)因裝修停業15天或以上；(ii)經營之品牌改變；或(iii)銷售面積變動15%以上，則該門市不可作比較。

根據新方法，在計算同店銷售額時同時計入自營店及加盟店。倘有門市之經營日數於兩個作比較期間之差異超過10%以上，則該門市不可作比較。上述兩種方法皆以當地貨幣計算同店銷售額。
2009年之同店銷售額增長數字已作重列，以便進行比較。2008年及之前之同店銷售額增長數據則並未曾有所重列。
- 5 每平方呎銷售額數字就自營店（如屬中國大陸，另加加盟店）按加權平均基準計算。中國大陸2009年之每平方呎銷售額數字已予重列，以便進行比較。2008年及以前之每平方呎銷售額數字未予重列。其他市場之每平方呎銷售額數字之計算方式未受到影響。
- 6 自營店及加盟店之零售銷售總額。
- 7 自營店零售銷售額（如屬中國大陸，另加對加盟商之批發銷售額）。
- 8 於期終直接管理的總門市（如屬中國大陸，另加加盟店）。

- 1 Income taxation expense divided by operating profit (net of finance expense).
- 2 Inventory held at period end divided by turnover and multiplied by number of days in the period.
- 3 Total bank loans outstanding divided by shareholders' equity.
- 4 Under the old method, only directly operated stores are included in same store sales calculations. A store ceases to be comparable if (i) it is closed for 15 days or more for renovation; (ii) there is a change in the brand being carried; or (iii) its selling area changes by over 15%.

Under the new method, both directly operated and franchised are included in same store sales calculations. A store is not comparable only if the number of trading days in the two periods under comparison differs by more than 10%. Same store sales are calculated in local currency terms under both methods.
Same store sales growth figures for 2009 have been restated to facilitate comparison. Same store sales growth statistics for 2008 and before have not been restated.
- 5 Sales per sq. ft. figure calculated on a weighted average basis for self-operated stores (plus franchised stores in the case of China Mainland). 2009 sales per sq. ft. figures for China Mainland have been restated to facilitate comparison. Sales per sq. ft. statistics for 2008 and before have not been restated. Sales per sq. ft. calculations for other markets have not been affected.
- 6 Total retail sales in both self-operated and franchised stores.
- 7 Retail sales in self-operated stores (plus wholesale sales to franchisees in the case of China Mainland).
- 8 Total directly managed stores (plus franchised stores in the case of China Mainland) at period end.

展望

展望未來，2011年機遇與挑戰並存。

本集團於2011年之挑戰是，如何在供應鏈成本上漲壓力加劇之情況下，維持於2010年所實現之溢利率。於2010年，本集團所有品牌均錄得理想毛利率，部分歸功於透過與策略供應鏈夥伴緊密合作以降低生產成本。於2011年，本集團將繼續培養與供應鏈夥伴關係，以限制原材料及其他生產成本上升之影響。

構思周密及徹底執行的商品規劃及市場推廣計劃亦對本集團去年之強勁表現有所貢獻。消費者對 *Giordano* 及 *Giordano Junior* 重新強調「優質日常系列」及「物超所值」反響熱烈，令其於2010年之毛利率增長7.8個百分點至60.4%。*BSX*作為活潑年輕之都會品牌亦獲得認同，毛利率增長6.6個百分點。市場推廣投入增加，支持本集團營業額於下半年增長16.3%。於2011年，本集團將繼續投入資源於產品設計及開發，推出能實現較高利潤，並具吸引力及創新之商品。新產品將有市場推廣活動支持，特別專注於非價格促銷活動，加強品牌資產價值及定價能力，以期毛利率大致維持於2010年之水平。

溢利穩固加上營業額加快增長，使得本集團於2010年下半年實現強勁業績。本集團預期於2011年透過更高的營業額增長（尤其是在中國大陸），實現更佳的營業槓杆效益。隨著中國大陸民眾收入的不斷增加，中國大陸市場仍為本集團的發展提供強勁的增長動力。於2010年，本集團增設171間門市，營業額於下半年增長15.6%，全年增長9.1%。本集團於2011年之目標是增設300間新門市，大部分來自二線或以下城市之特許經營活動增長。擴張業務之同時，本集團亦會堅守穩健的管理及財務資源原則。本集團亦將投入更多資源進行市場推廣，以支持店舖擴張及推動營業額增長。

OUTLOOK

Looking ahead, 2011 offers both challenges and opportunities.

Our challenge in 2011 is to sustain the margin gains we achieved in 2010 in the face of rising inflationary cost pressure in our supply chain. The Group's brands all posted good gross margin gains in 2010. This was achieved in part through close collaboration with our strategic supply chain partners to lower product costs. 2011 will see continued cultivation of supply chain relationships to limit the impact of rising raw material and other input costs.

Well-conceived and executed merchandising and marketing programs also contributed to our strong performance last year. Consumers responded favourably to *Giordano* and *Giordano Junior's* renewed emphasis on "quality essentials" and "value", enabling a 7.8 percentage point increase in gross margin to 60.4% in 2010. *BSX* also gained acceptance as a fun, youth-oriented urban brand and saw its gross margin rise by 6.6 percentage points. Increased investment in marketing underpinned the Group's 16.3% top line growth in the second half. 2011 will see the Group continue investing in product design and development to keep its pipeline filled with attractive and innovative merchandise that can command a premium in the market. The new product initiatives will be supported by increased marketing, focusing especially on non-price promotional campaigns, to reinforce brand equity and pricing power, with a view to broadly maintain gross margins at 2010 levels.

Faster sales growth on the back of robust margins enabled the Group to deliver a strong set of results in the second half of 2010, and 2011 offers the opportunity for the Group to achieve greater positive operating leverage by driving higher revenue growth, especially in the Mainland. With incomes continuing to rise in China, the Mainland remains the Group's strongest growth engine. In 2010, the Group added 171 stores and saw sales increasing by 15.6% in the second half and 9.1% for the year as a whole. In 2011, our objective is to ramp up new store openings to 300, with the bulk coming from increased franchising activity in second tier and smaller cities. The expansion will be supported by solid management and financial resources and undertaken with close attention on the bottom line. The Group will also devote more resources into marketing to support store expansion and boost top line growth.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

本集團將繼續把握亞洲其他市場之盈利增長機遇。中國大陸遊客湧入香港，提升了本集團之營業額，然而亦推動零售租金上漲，香港的部份門市因而有必要重新定位，以維持經營溢利率。為此，管理層已決定不續租銅鑼灣旗艦店（佔2010年香港營業額之6.9%）。該門市將於今年第三季關閉，但本集團計劃於次級地段增設最多12間較小門市，彌補銷售面積減少之影響。預計此舉將有助香港業務於2011年繼續實現營業額及溢利增長。

台灣業務與新加坡業務預期將會實現穩固盈利增長。隨著該等地區之業務重組大致完成及當地市況改善，本集團重新開始審慎擴張，並計劃於今年在該兩個市場共增設約12間門市。印尼、馬來西亞及泰國預期亦會於2011年合共增設數目相若的門市。

最後，本集團於重組澳洲業務方面取得可觀進展。澳洲業務於下半年錄得盈利，全年虧損大幅減少。於2011年首兩個月，澳洲業務持續改善，預期將於2011年轉虧為盈。

概括而言，雖然面對供應鏈成本上漲壓力及租金不斷上升帶來之挑戰，管理層仍看好2011年之營運走勢。踏入2011年，營業額及毛利上升走勢維持平穩。受惠於農曆新年市面興旺，於1月份及2月份，本集團中國大陸業務之營業額及毛利均錄得雙位數增長，亦反映擴張業務活動有所成效。而本集團中國大陸以外之其他市場，營業額及毛利皆錄得雙位數增長。整體而言，於2011年首兩個月，本集團達致同期營業額及毛利中至高十位數增長。

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。

We will continue to pursue profitable growth opportunities in other Asian markets. In Hong Kong, the influx of Mainland tourists helped lift turnover but also fuelled the escalation in retail rentals. This will necessitate some repositioning of our stores in Hong Kong to sustain operating margins. For this reason, Management has decided against renewing the lease on the Causeway Bay flagship store which accounted for 6.9% of Hong Kong's 2010 sales. The store will close in the third quarter this year but we plan to add up to a dozen smaller stores in less prime locations to make up for the reduction in sales area and expect this to enable Hong Kong to continue delivering sales and profit growth in 2011.

Both Taiwan and Singapore are expected to see steady, profitable growth. With the restructuring of their respective operations more or less complete and local market conditions improving, we resumed cautious expansion and plan to add a total of about a dozen shops in these two markets this year. Indonesia, Malaysia and Thailand together are expected to see a similar number of store additions in 2011.

Finally, the Group has made considerable headway in restructuring its Australian operations. Australia posted a profit in the second half and a much reduced annual loss for the full year. The first two months of 2011 saw continued improvements and we expect the Australian business to return to profitability in 2011.

In summary, Management sees positive trends going into 2011 despite challenges arising from inflationary cost pressure in the supply chain and rising rental costs. Sales and gross profit trends held steady going into 2011. A strong Chinese New Year helped our Mainland business record double digit year-on-year sales and gross profit gains in January and February, indicating that our expansion effort is gaining traction. The Group's markets outside the Mainland also posted double digit sales and gross profit growth. Overall, the Group achieved year-on-year sales and gross profit gains in the mid-to-high teens during the first two months of 2011.

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.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

多項研究及經驗顯示，優厚薪金組合固然重要，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2010年12月31日，本集團有7,400名僱員（2009年：7,300）。總員工成本（不包括董事酬金，但包括僱員購股權開支）為7.3億港元（2009年：6.44億港元）。於2010年，本集團共授出4,000萬份購股權（2009年：無）予其僱員。

股息

本公司擬透過定期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2010年12月31日，本集團之現金及銀行結存淨額為9.78億港元，其中人民幣現金及銀行結存淨額折合5.26億港元。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2010年12月31日止年度之末期股息每股7.0港仙（2009年：7.0港仙）及特別末期股息每股11.5港仙（2009年：7.0港仙）。連同於2010年9月24日派付之中期股息每股4.5港仙（2009年：2.0港仙）及特別中期股息每股4.0港仙（2009年：無），2010年之股息合共為每股27.0港仙（2009年：16.0港仙），代表2010年之派息率為每股盈利的75.0%（2009年：82.9%）。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2011年6月24日（星期五）派發予於2011年6月9日（星期四）名列於本公司股東名冊上之股東。

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 programmes requirements is an important consideration in evaluating an employee's total performance for compensation and career advancement.

On December 31, 2010, the Group had 7,400 employees (2009: 7,300). Total staff cost (excluding director emoluments but including employee share option charges) amounted to HK\$730 million (2009: HK\$644 million). The Group granted a total of 40 million share options to its employees in 2010 (2009: nil).

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\$978 million at December 31, 2010, of which HK\$526 million was in RMB. Markets outside the Mainland 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 (2009: 7.0 HK cents) per share and a special final dividend of 11.5 HK cents (2009: 7.0 HK cents) per share for the year ended December 31, 2010. Together with the interim dividend of 4.5 HK cents (2009: 2.0 HK cents) per share and special interim dividend of 4.0 HK cents (2009: nil) per share paid on September 24, 2010, total 2010 dividend would amount to 27.0 HK cents (2009: 16.0 HK cents) per share, representing a payout of 75.0% of 2010 per share earnings (2009: 82.9%). 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 Friday, June 24, 2011 to shareholders whose names appear on the register of members of the Company on Thursday, June 9, 2011.

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58歲，為本集團行政總裁，彼亦為本公司補償委員會成員。彼於1987年加入本集團，並於1994年2月8日成為行政總裁，同年8月10日獲選為本集團董事會主席。

劉博士亦為於香港聯合交易所上市之大快活集團有限公司之獨立非執行董事。劉博士亦為香港理工大學工商管理學院學系顧問委員會之當然成員，以及香港城市大學兼任市場學教授。

劉博士持有香港理工大學工商管理博士學位，加拿大卡加里大學工商管理碩士學位及香港大學佛學碩士學位。彼為加拿大特許會計師公會及加拿大公認管理會計師公會之會員。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12年的管理及會計經驗。

馬灼安先生(執行董事)，現年61歲，於1996年加入本集團，並於1999年6月14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15年。

Dr. LAU Kwok Kuen, Peter (*Chairman*), aged 58, 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 an independent non-executive director of Fairwood Holdings Limited which is listed on the Stock Exchange of Hong Kong. Dr. Lau also serves as an ex-officio member of the Faculty Advisory Committee of the Faculty of Business at The Hong Kong Polytechnic University as well as Adjunct Professor of Marketing at City University of Hong Kong.

Dr. Lau holds a Doctorate degree in Business Administration from The Hong Kong Polytechnic University, an MBA degree from the University of Calgary in Canada and a Master of Buddhist Studies from The University of Hong Kong. He is a member of The Canadian Institute of Chartered Accountants and the Society of Certified Management Accountants of Canada. Dr. Lau had over 12 years of management and accounting experience in the private and public sectors in Canada before joining the Group.

Mr. MAH Chuck On, Bernard (*Executive Director*), aged 61, 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 China Mainland 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66歲，於1991年5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。畢滌凡先生現為萬威國際有限公司之執行董事兼集團行政總裁、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」)之非執行董事、台和商事控股有限公司之獨立非執行董事，以及曾為華訊股份有限公司之獨立非執行董事(已於2009年6月辭任)，該等公司均於香港聯合交易所上市。畢滌凡先生亦分別在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。於2009年10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2008年12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2008年2月至11月期間擔任駿豪集團之財務執行董事。於2004年12月至2007年12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2007年11月獲駿豪集團收購)及物業管理服務公司新昌管理集團(於2008年9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2001年至2002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2002年11月至2004年4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11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 66, joined the Group in May 1991. He is also chairman of the Audit Committee and a member of the Compensation Committee of the Company. Mr. Buttifant is currently as an executive director and group chief executive officer of IDT International Limited, a non-executive director of Hsin Chong Construction Group Ltd. (“HCCG”) and Synergis Holdings Limited (“Synergis”); an independent non-executive director of Daiwa Associate Holdings Limited; and was an independent non-executive director of Alltronics Holdings Limited (resigned in June 2009), all of which are listed on the Stock Exchange of Hong Kong. Mr. Buttifant also serves as non-executive director of Global-Tech Advanced Innovations Inc. and China Nepstar Chain Drugstore Ltd., both of which are listed in the U.S. on NASDAQ and the New York Stock Exchange respectively. 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60歲，於2004年4月26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。鄭先生亦為香港聯合交易所上市之進智公共交通控股有限公司之獨立非執行董事。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27年，主要擔任經濟及金融事務之職位。彼於1995年至1998年擔任庫務司/庫務局局長，主要負責公共財政事務，及於1998年至2000年3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2000年3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2003年4月卸任。其後，鄭先生於幾間公司先後任職為董事總經理/執行董事。其中包括新昌國際集團有限公司、偉新（國際）有限公司及澳門勵駿創建有限公司。

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。

Mr. KWONG Ki Chi, GBS, JP (*Independent Non-executive Director*), aged 60, 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 is also an independent non-executive director of AMS Public Transport Holdings Limited which is listed on the Stock Exchange of Hong Kong. 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 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 the 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. Since then, Mr. Kwong had served as the managing director/executive director of various companies, including Hsin Chong International Holdings Ltd, Hongkong Sales (Int'l) Ltd and Macau Legend Development Ltd.

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.

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

李鵬飛博士，JP (獨立非執行董事)，現年70歲，於1999年9月10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、1978年至1997年香港立法局成員、1988年至1991年香港立法局資深成員、1985年至1992年香港行政局成員。彼積極參與公共事務。

梁覺教授 (獨立非執行董事)，現年52歲，於2010年7月7日獲委任為本公司獨立非執行董事及終止非執行董事之職務。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20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。

Mr. Dominic Leo Richard IRWIN，現年47歲，集團首席財務總監。彼持有英國利物浦大學學士學位，及為英國Chartered Institute of Management Accountants之會員。於2010年8月1日加入本集團，彼擁有超過25年會計及財務管理的豐富經驗，並曾於香港和英國的工業及政府機構任職。

Dr. LEE Peng Fei, Allen, JP (*Independent Non-executive Director*), aged 70, 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 the Hong Kong Special Administrative Region at 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.

Professor LEUNG Kwok (*Independent Non-executive Director*), aged 52, was appointed as an Independent Non-executive Director and ceased to be a Non-executive Director of the Company with effect from July 7, 2010. 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 China Mainland.

Mr. Dominic Leo Richard IRWIN, aged 47, is the Group Chief Financial Officer. He holds a bachelor degree from University of Liverpool and is an Associate of The Chartered Institute of Management Accountants in the United Kingdom. He joined the Group since August 1, 2010 and has over 25 years' experience in accounting and financial management working in industry and government in both Hong Kong and the United Kingdom.

企業管治報告書

CORPORATE GOVERNANCE REPORT

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2005年1月1日開始之會計期內生效，當中分為兩個遵例層次：上市公司必須遵守的守則條文，及只屬指引性質的建議最佳常規。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2009年1月1日起生效，董事會因此於2009年1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 with two levels of compliance: compliance with the CG Code Provisions is mandatory whereas the Recommended Best Practices are for guidance only. Any variances from the CG Code Provisions must be explained. Further to 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 varies from the CG Code:

遵例情況

優於

- 董事會成員三分之二是獨立非執行董事，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。
- 董事會包括四名獨立非執行董事，超越上市規則之規定。
- 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，優勝於企業管治常規守則之守則條文的規定。

COMPLIANCE

Surpass

- Independent Non-executive Directors comprise two-thirds of the members of the Board, exceeding the minimum of one-third in the CG Code Recommended Best Practices.
- The Board includes four Independent Non-executive Directors, surpassing the requirement under the Listing Rules.
- 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 Provisions.

符合

- 本公司已購買合適之董事及高級人員責任保險，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內部監控制度。
- 除下述之偏離情況外，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 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 reviewing its internal control system.
- The Company meets all the CG Code Provisions except the variances mentioned below.

Deviate

- The Company deviates from the CG Code Provisions in 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 shareholders' interests are discussed in detail under the section "Chairman and Chief Executive" in 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.

企業管治報告書

CORPORATE GOVERNANCE REPORT

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、須予公佈之交易、聘任或續聘董事、股息以及會計政策。董事，無論個別或全體成員，都致力以誠，以公司及股東整體利益為最優先的考慮因素。

於本報告日期，董事會由四名獨立非執行董事以及兩名執行董事組成。獨立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大決策帶來局外的觀點。為協助其履行職責，董事可隨時與本公司之內部審計師及外聘核數師直接接觸，而且本公司亦已訂立有關程序，讓董事尋求獨立的專業意見，相關費用將由本公司支付。此外，本公司亦已購買合適之董事及高級人員責任保險，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30頁至第33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 corporate governance standards of the Company. It also decides on matters relating to annual and interim results, notifiable transactions, appointments or re-appointments of directors, dividends 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 composed of four Independent Non-executive Directors and two Executive Directors. The Independent Non-executive Directors bring a diverse range of expertise, skills and experience to provide effective guidance and an outside perspective to all major decisions of the Group. To assist in the discharge of their duties, the Directors have free and direct access to both the Company's internal and external auditors and procedures are in place to allow the Directors to obtain independent professional advice at the Company's expense. Besides, 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 believes 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 regularly review its composition to maintain a proper balance and diversity of expertise, skills and experience to ensure continued effective leadership and oversight of the Company's businesses. Biographical details of the Directors are set out on pages 30 to 33 of this annual report.

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: 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 set out 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	✓	✓
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，惟鄭先生及李博士在進智公共交通控股有限公司董事會中同時擔任獨立非執行董事。

The Board members have no financial, business, family or other material or relevant relationships with each other except that Mr. Kwong and Dr. Lee both serve on the board of AMS Public Transport Holdings Limited as independent non-executive directors.

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 this relationship does not affect the Directors' independent judgment and integrity in executing their roles and responsibilities.

截至本報告日期為止，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.

企業管治報告書

CORPORATE GOVERNANCE REPORT

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以供彼等提供意見。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。另按照細則，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 arrangement in accordance with the Bye-Laws. Moreover, 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.

董事會於截至2010年12月31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，董事會通過了七套書面決議案。

During the year ended December 31, 2010, four full Board meetings were held to review the quarterly performance results and discuss the Group's strategy going forward, as well as other business. In addition, seven sets of resolutions in writing were passed.

董事於2010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 2010 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
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，獨立非執行董事會可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 may 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（或最接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。如有此情況，董事會將在通告函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。

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 the CG Code Recommended Best Practices by establishing a nomination committee with 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.

According to 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. In such cases, the Board will set out in the circular the reasons it considers such Director to continue to be independent and should be re-elected.

None of the Directors 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).

企業管治報告書

CORPORATE GOVERNANCE REPORT

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，並能更有效地策劃和推行長期商業策略，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：

- 董事會之成員有三分之二為獨立非執行董事；
- 審核委員會包括全體四位獨立非執行董事；
- 確保全體獨立非執行董事可隨時與本公司之內部審計師及外聘核數師接觸，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。有關「密函檢舉」機制之詳情載於「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，以評估是否需要作出任何修改。

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 two-thirds of the Board;
- Including all four Independent Non-executive Directors as Audit Committee members;
- Ensuring that all Independent Non-executive Directors have free and direct access to both the Company's internal and external 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 to the Head of Internal Audit any suspected acts of fraud or gross misconduct by senior management, including that of the Chairman and Chief Executive. Details about the "whistle-blowing" mechanism are discussed under the section "Internal Control".

The Board believes that these measures enable our Independent Non-executive Directors to rigorously supervise the Group's Management and effectively control 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

審核委員會由全體四位獨立非執行董事組成，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內部審計師及外聘核數師接觸。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、內部審計主管、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2010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

獨立非執行董事

畢滌凡先生
鄭其志先生，GBS，JP
李鵬飛博士，JP
梁覺教授

審核委員會於會上與外聘核數師審閱審核策略摘要、截至2009年12月31日止全年業績和截至2010年6月30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。此外，審核委員會更與管理層評估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。

AUDIT COMMITTEE

The Audit Committee comprises all four Independent Non-executive Directors 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 internal and external 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 meets at least twice a year to review financial reporting and internal control matters. 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 the meetings. At the discretion of the Committee, other members of Management may also be invited to attend its meetings. In 2010, the Audit Committee held two meetings and the attendance record, on a named basis, is set out below:

Audit Committee Meeting	出席次數/會議舉行次數 Meetings attended/held
Independent Non-executive Directors	
Mr. Barry John BUTTIFANT	2/2
Mr. KWONG Ki Chi, GBS, JP	2/2
Dr. LEE Peng Fei, Allen, JP	2/2
Professor LEUNG Kwok	2/2

During the meetings, the Audit Committee reviewed with the external auditors the audit strategy summary, the final results for the year ended December 31, 2009 and the interim accounts for the six months ended June 30, 2010. 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. Besides, it also evaluated with Management the Group's internal control system to ensure its effectiveness, with particular attention 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.

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補償委員會

本公司已成立補償委員會以處理薪酬事宜。補償委員會由三名獨立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>。

COMPENSATION COMMITTEE

The Company established a Compensation Committee to deal with matters of remuneration. Composed of three Independent Non-executive Directors 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 as chairman 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
梁覺教授	Professor LEUNG Kwok	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

於2010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2009年給予主席及行政總裁的保證花紅，以及批准和通過支付予董事和高級管理人員的2009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。

In 2010, the Compensation Committee held a meeting to review the remuneration and bonus of the Chairman and Chief Executive, confirm the 2009 guaranteed bonus to the Chairman and Chief Executive and ratify and approve the 2009 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.

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。

補償委員會負責檢討並決定董事之薪酬。為確保獨立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，獨立非執行董事所付出的時間、肩負的職責、預計的工作量，以及本公司的其他聘用條件，以釐定獨立非執行董事之薪酬。

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、本公司業績和僱員的個人表現，以及市場情況和慣例後而訂出的，並將會每年作出檢討。本公司會定期檢討福利，主要按照當地標準及慣例而釐定。

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 aligned with the Company's objectives and performance. The Company takes into consideration a number of relevant factors in determining its remuneration policy, including the salaries paid by comparable companies, job responsibilities, duties and scope, employment conditions in the Company and its subsidiaries, market practices and the financial and non-financial performance of the Company.

The Compensation Committee is responsible for reviewing and determining the remuneration of the Directors. In doing so, the Committee considers factors such as the fees paid by comparable companies, time commitment, the responsibilities and likely workload of the Independent Non-executive Directors and other employment conditions in the Company to ensure that Independent Non-executive Directors are appropriately paid for their time and responsibilities to the Company.

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 regularly reviewed and determined largely on the basis of local standards and practices.

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僱員亦會因應本集團、所屬業務單位及個人幾項層面的表現而獲得該年度現金花紅。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，則由補償委員會每年檢討。於2010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73.7%。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。該計劃詳情以及執行董事和僱員截至2010年12月31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，該計劃已於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）。

(以百萬港元為單位)

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 their 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 2010, the cash performance bonus component accounted for 73.7% 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, 2010 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 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)	2010	2009
Fees		1	1
Salaries, allowances and other benefits		7	7
Variable remuneration related to performance		19	9
Share options		-	-
Retirement scheme contributions		-	-
		27	17

獨立非執行董事、執行董事及五位最高薪職員（當中一位為執行董事）的總薪酬（包括以股份支付的開支）按酬金組別歸類如下：

The total remuneration (including share-based payments) of the Independent Non-executive Directors, the Executive Directors and the five highest paid employees (one of whom was Executive Director) fell within the following bands:

薪酬	Remuneration	2010 人數 Number	2009 人數 Number
0港元 – 1,000,000港元	HK\$0 – HK\$1,000,000	4	4
1,000,001港元 – 2,000,000港元	HK\$1,000,001 – HK\$2,000,000	–	–
2,000,001港元 – 3,000,000港元	HK\$2,000,001 – HK\$3,000,000	1	4
3,000,001港元 – 4,000,000港元	HK\$3,000,001 – HK\$4,000,000	2	–
4,000,001港元 – 5,000,000港元	HK\$4,000,001 – HK\$5,000,000	1	–
5,000,001港元 – 6,000,000港元	HK\$5,000,001 – HK\$6,000,000	1	–
12,000,001港元 – 13,000,000港元	HK\$12,000,001 – HK\$13,000,000	–	1
22,000,001港元 – 23,000,000港元	HK\$22,000,001 – HK\$23,000,000	1	–
		10	9

全體獨立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 Independent 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，由主席及行政總裁、執行董事及本集團中東及印度業務之主管組成。

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 Chairman and Chief Executive, the Executive Director and the head of the Group's Middle East and India operations.

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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，並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，以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，並遵守適用之法律和法規。此等政策和程序旨在針對重大的失實報告、損失、錯誤或欺詐行為，以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。

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減輕之進展；
- 營運及財務預算及預測制度，以衡量績效，包括定期分析偏離預算及計劃的情況、訂定業績指標、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、檢討及審批重大的合約、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。內部審計主管會將該等密函轉交予審核委員會主席，以作進一步行動；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。

INTERNAL CONTROL

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

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 and plans, and setting key business performance targets with appropriate measures to rectify deficiencies;
- Stringent policies and procedures for the appraisal, review and approval of significant contracts, 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 Chairman of the Audit Committee for further action; and
- Strict internal procedures and controls for the handling and dissemination of price sensitive information.

董事會已授權風險管理委員會負責本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、集團首席財務總監、內部審計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匯報。風險管理委員會對董事會全面負責。該委員會已評估並滿意本集團的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和年度預算，並就本集團營運風險之內部監控制度向董事會匯報所有重要範疇均為充足及恰當，並且持續地有效運作。

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。

內部審計部之主要工作包括：

- 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措施，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。

The Board has delegated the authority and responsibility for the Group's internal control system and the review 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.

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

The key tasks of the Internal Audit Department include:

- 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 business and support units and subsidiaries, including recommending improvements and monitoring corrective or remedial measures 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.

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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、糾正措施及管理回應。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。

在2010年，內部審計部向管理層提交了審計報告，涵概了本集團顯著的商務流程及活動。內部審計部與管理層攜手，制定有關行動計劃，以解決任何認定的控制缺陷。而審計後進行的檢討，有助確保相關協議措施如期落實執行。

證券交易的標準守則

本公司於2004年8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2009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2005年3月已採納了一套《相關員工進行證券交易的標準守則》，並於2009年更新該標準守則，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。該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，以及對本公司的資料保密等。有關僱員於年內已一直遵守上述守則。

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 responses from Management. The Audit Committee has free and direct access to the Head of Internal Audit without reference to the Chairman or Management.

During the year of 2010, the Internal Audit Department issued audit reports to Management which covered significant business processes and activities of the Group. It worked with Management to establish action plans to address any identified control weaknesses. Post-audit reviews were performed to ensure those agreed actions have been implemented as intended.

MODEL CODE FOR SECURITIES TRANSACTIONS

As required by Appendix 10 of the Listing Rules, the Company adopted in August 2004 and updated in 2009 a Code of Conduct for Securities Transactions by Directors. All Directors confirmed their compliance with the code throughout the year.

In addition, the Company adopted in March 2005 and updated in 2009 a Code of Conduct for Securities Transactions by Specified Employees, which governs the 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 the Company's securities, avoidance of conflict of interests and confidentiality of the Company's information, etc. These employees have complied with the aforesaid code throughout the year.

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62頁至第63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：

(以百萬港元為單位)

非審核服務
法定審核

總數

DIRECTORS' AND AUDITOR'S 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 flows 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 62 to 63.

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

2010

1

3

4

2009

1

3

4

與投資者及股東之關係

贏取股東之信任一直是本公司在投資者關係上的重點工作。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，以清晰地傳達本公司的業務策略、發展及前景。於2010年與機構投資者及研究分析員舉行之會議合計超過100次。

INVESTOR AND SHAREHOLDER RELATIONS

Earning shareholders' trust and confidence has always been the major emphasis of the Company's efforts in investor relations. 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 to clearly communicate the Company's business strategies, developments and prospects. Over 100 meetings with institutional investors and research analysts were held in 2010.

企業管治報告書

CORPORATE GOVERNANCE REPORT

本公司的股東廣泛而多元化，成員包括機構和散戶投資者。本公司積極運用互聯網和其他電子通信方式，適時和高透明地提供最新的資訊。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、向交易所提交的資料、視像錄影、新聞稿以及其他資料。

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，藉以直接地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20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。

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。

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 proactively utilizes internet and other forms of electronic communication to deliver up-to-date information in a timely and transparent manner. To strike 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, stock exchange filings, video webcasts, press releases and other materials are also accessible on the corporate website.

The Board welcomes shareholders' views on matters affecting the Group, and encourages their attendance at 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.

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 to vote at general meetings 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.

企業管治報告書

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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148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 148 of this annual report.

本公司於2010年6月9日舉行2010年度股東週年大會。會議假座香港九龍長沙灣道777至779號天安工業大廈3樓B座舉行。出席會議的個別董事會成員如下：

The Company held its 2010 AGM on June 9, 2010. 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 AGM is set out below:

2010年股東會議	Shareholders' Meeting in 2010	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
鄭其志先生，GBS，JP	Mr. KWONG Ki Chi, GBS, JP	1/1
李鵬飛博士，JP	Dr. LEE Peng Fei, Allen, JP	1/1
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

企業管治報告書

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主席宣布2010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：

- 採納經審核財務報表及董事會與獨立核數師報告書；
- 有關末期股息及特別末期股息的決議案；
- 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。

本公司建議於2011年6月9日舉行2011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2005年1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。

The Chairman opened formal business at the 2010 AGM by advising on the voting procedures and the level of proxies received. The following items of business were considered at the meeting:

- Adoption of the audited financial statements and the reports from the directors and the independent auditor;
- Resolutions on a final dividend and a special 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 shares.

The 2011 AGM is proposed to be held on June 9, 2011. 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.

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。本公司不僅培育集團內人員，更投放資源為大中華區的業務夥伴及特許經營商提供培訓及發展計劃，令他們於瞬息萬變、競爭激烈的市場更具競爭力。本公司將繼續投資於學習及發展方面，以維持其競爭優勢。

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。

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. In addition to investing in our own people, the Group also invests in training and development programs for its business partners and franchisees in the Greater China region to help them better compete in today's rapidly changing and highly competitive market. The Company will continue to invest in learning and development to maintain its competitive edge.

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.

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供應鏈管理亦是本集團的成功關鍵，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不時進行突擊調查，確保廠方符合本集團各方面的標準。

Supply chain management is critical for the Group'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 conducts surprise inspections from time to time to ensure that factories comply with the Group's various standards.

社區參與

秉承「沒有陌生人的世界」這個信念，本集團積極支持各慈善機構及慈善活動，特別關注與教育、兒童及弱勢社群有關的項目。其中一項是由中國青少年發展基金會籌劃的公共服務項目 – 希望工程。本集團為此項目的長期支持者，透過資金捐助興建佐丹奴希望小學為內地貧困農村的兒童提供小學教育之機會。第二十一所佐丹奴希望小學已於2010年10月在廣東省落成。此外，本集團亦捐助福幼基金會，表達對中國大陸兒童福利的支持。

環境保護

本集團亦致力保護環境。自2008年起，本集團旗下店舖開始改用節能照明設備，截至2010年年底，包括南韓、新加坡、台灣、泰國和中東等本集團市場之門市，過半數已轉用節能照明設備。

於2010年6月，本集團成立了一個「綠色團隊」，結合來自不同部門的代表，共同致力提倡低碳生活。「綠色團隊」每月安排各類活動，令公司同事體驗低碳生活及減少碳排放。

本集團亦為香港青年旅舍協會（「香港青年旅舍」）與昂坪360共同主辦之昂步棧道活動之長期贊助商。此活動旨在提倡保育香港郊野環境。於2011年1月，本集團獲香港青年旅舍頒發感謝狀，以表彰本集團自2007年昂步棧道慈善行舉辦以來一直的支持。

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 Project Hope, a public service project organized by the China Youth Development Foundation. The Group has been a longstanding supporter of the project’s work in providing children in poverty-stricken rural areas in China Mainland with access to primary school education by funding the construction of a number of Giordano Hope primary schools. The twenty-first Giordano Hope primary school was opened in Guangdong in October 2010. The Group also donated to the Caring for Children Foundation in support of children’s welfare in the Mainland.

Environmental Protection

The Group is also committed to protecting the environment. In 2008, the Group launched an initiative to convert its shops to using energy saving lighting. By the end of 2010, over half of the Group’s stores in South Korea, Singapore, Taiwan, Thailand and the Middle East have been converted to using energy-saving lighting.

In June 2010, the Group launched the “Green Team” initiative which has representatives from different departments working together to promote low carbon living. The Green Team organizes various monthly activities for staff to experience low carbon living and reduce carbon footprint.

The Group is also a longstanding sponsor of the Ngong Ping Charity Walk, an event jointly organized by the Youth Hostel Association of Hong Kong (the “YHAHK”) and Ngong Ping 360 cable car company to promote conservation of Hong Kong’s countryside. In January 2011 the Group was recognized by the YHAHK for its unbroken support of the Ngong Ping Charity Walk since the event’s inauguration in 2007.

董事會報告書

DIRECTORS' REPORT

董事會欣然提呈本公司及本集團截至2010年12月31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、Concepts One、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分部為銷售目標，皆致力為消費者提供優良品質、物有所值的服裝及服務。

分部資料

本集團截至2010年12月31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2010年12月31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64頁至第142頁之財務報表內。

股息

中期股息每股4.5港仙及特別中期股息每股4.0港仙已於2010年9月24日派發。

董事會向股東建議派發截至2010年12月31日止年度末期股息每股7.0港仙及特別末期股息每股11.5港仙予2011年6月9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70頁至第72頁之權益變動表。

可供分派儲備

於2010年12月31日，本公司之可供分派滾存溢利及繳入盈餘為10.11億港元(2009年：9.02億港元)。

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, 2010.

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, Concepts One, Giordano Ladies, Giordano Junior and BSX brands through its own stores as well as third party franchisees. Although targeted at different market segments, the brands all strive to deliver excellent quality, value and service to consumers.

SEGMENT INFORMATION

An analysis of the Group's performance by principal activity and geography for the year ended December 31, 2010 is set out in note 5 to the financial statements.

RESULTS

The results of the Group for the year ended December 31, 2010 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 64 to 142.

DIVIDENDS

An interim dividend of 4.5 HK cents per share and a special interim dividend of 4.0 HK cents per share were paid on September 24, 2010.

The directors recommend to shareholders the payment of a final dividend of 7.0 HK cents per share and a special final dividend of 11.5 HK cents per share for the year ended December 31, 2010 to those shareholders whose names appear on the register of members of the Company on June 9, 2011.

RESERVES

Movements in reserves during the year are set out in the Statements of Changes in Equity on pages 70 to 72.

DISTRIBUTABLE RESERVES

As at December 31, 2010, the retained profits of the Company together with the contributed surplus available for distribution amounted to HK\$1,011 million (2009: HK\$902 million).

慈善捐款

本集團於本年度內之慈善捐款為50萬港元(2009年: 40萬港元)。

固定資產

本年度內, 本集團共添置約9,100萬港元(2009年: 5,900萬港元)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23。

主要附屬公司

本公司於2010年12月31日之主要附屬公司之詳情載於財務報表附註38。

銀行貸款

於2010年12月31日, 本集團須即付或於一年內償還之銀行貸款約為8,400萬港元(2009年: 7,400萬港元)。

主要供應商及客戶

本集團於本年度內主要供應商所佔的購買總額百分比如下:

購買額

最大供應商	19.1%
五大供應商總額合計	33.7%

本集團於本年度內首五大客戶所佔的營業總額均低於30%。

本公司的董事或其任何聯繫人或任何股東(據董事所深知擁有本公司已發行股本5%以上者)概無於本集團任何五大供應商及五大客戶中擁有任何權益。

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26。

CHARITABLE DONATIONS

Donations made for charitable purposes by the Group during the year amounted to HK\$500,000 (2009: HK\$400,000).

FIXED ASSETS

During the year, the Group acquired fixed assets of approximately HK\$91 million (2009: HK\$59 million). Movements in fixed assets during the year are set out in notes 15, 16 and 23 to the financial statements.

PRINCIPAL SUBSIDIARIES

Particulars of the Company's principal subsidiaries as at December 31, 2010 are set out in note 38 to the financial statements.

BANK LOANS

As at December 31, 2010, the Group had bank loans of approximately HK\$84 million (2009: HK\$74 million) that were repayable on demand or within one year.

MAJOR SUPPLIERS AND CUSTOMERS

The aggregate percentages of purchases attributable to the Group's major suppliers during the year are as follows:

Purchases

The largest supplier	19.1%
Five largest suppliers combined	33.7%

The percentage of the sales attributable to the Group's five largest customers is less than 30% during the year.

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

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 26 to the financial statements.

董事會報告書

DIRECTORS' REPORT

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143頁至第147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。

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*（於2010年7月7日獲委任，
亦於同時終止其非執行董事之職務）

* 獨立非執行董事

根據本公司細則第98條，李鵬飛博士及梁覺教授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30頁至第33頁。有關將退任並獲推薦重選之董事的進一步資料詳載於通告函。

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。

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 143 to 147.

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.

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* (appointed and ceased to be
a Non-executive Director on July 7, 2010)

* *Independent non-executive directors*

In accordance with Bye-Law 98 of the Company's Bye-Laws, Dr. LEE Peng Fei, Allen and Professor LEUNG Kwok 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 30 to 33 of this annual report. Further information of the retiring directors proposed to be re-elected are set out in the circular.

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.

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。

董事之證券權益

於2010年12月31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352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：

董事姓名 Name of director	權益性質 Nature of interest	股份實益權益 (附註) Beneficial interest in shares (Note)	非上市之 相關股份 實益權益 (附註) 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	1.73%
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145頁。

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.

DIRECTORS' INTERESTS IN SECURITIES

As at December 31, 2010, 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:

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 145.

除上述披露外，於2010年12月31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352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2010年12月31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18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, 2010, 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, 2010 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2010年12月31日，根據證券及期貨條例第336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5%或以上：

SUBSTANTIAL SHAREHOLDERS

As at December 31, 2010, the following persons, other than directors and chief executive of the Company, having interests or short positions of 5% 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	207,321,230	13.86%
Franklin Templeton Investments Corp.	2	89,459,440	5.98%

附註:

Notes:

1. Aberdeen Asset Management Plc 及其聯繫人以投資經理身份持有207,321,230股股份。

1. Aberdeen Asset Management Plc and its associates held 207,321,230 shares in the capacity of Investment Manager.

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：

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

好倉股份總數

Name of subsidiary

Aggregate long position in shares

Aberdeen Asset Management Asia Limited
Aberdeen Asset Management Inc
Aberdeen Asset Management Limited
Aberdeen Asset Managers Limited
Aberdeen International Fund Managers Limited
Aberdeen Private Wealth Management Limited

201,093,230
2,160,000
674,000
26,030,000
136,210,573
10,722,000

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89,459,440股股份被視作彼擁有之權益。

2. Franklin Resources, Inc. had a deemed interest in respect of 89,459,440 shares held by its indirect wholly-owned subsidiary, Franklin Templeton Investments Corp., 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。

關連交易

本年度內，本公司並無關連交易須根據上市規則第十四A章作出披露。

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，2011年3月24日

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.

CONNECTED TRANSACTION

The Company did not have any connected transactions which were subject to the reporting requirements under Chapter 14A of the Listing Rules during the year.

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 24, 2011

獨立核數師報告書 INDEPENDENT AUDITOR'S REPORT



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64頁至142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2010年12月31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。

董事就合併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布的香港財務報告準則及香港《公司條例》的披露規定編製合併財務報表，以令合併財務報表作出真實而公平的反映，及落實其認為編製合併財務報表所必要的內部控制，以使合併財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

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1981年《公司法》第90條僅向整體股東報告我們的意見，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 64 to 142, which comprise the consolidated and company balance sheets as at December 31, 2010, 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 information.

Directors' responsibility for the consolidated financial statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with 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，以合理確定合併財務報表是否不存在任何重大錯誤陳述。

審核涉及執行程序以獲取有關合併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合併財務報表存在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合併財務報表相關的內部控制，以設計適當的審核程序，但目的並非為對公司的內部控制的有效性發表意見。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，以及評價合併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能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2010年12月31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，2011年3月24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 about whether the consolidated financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at December 31, 2010, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, March 24, 2011

合併利潤表

CONSOLIDATED INCOME STATEMENT

截至2010年12月31日止年度
For the year ended December 31, 2010

(除每股盈利外， 以百萬港元為單位)	(In HK\$ millions, except earnings per share)	附註 Note	2010	2009
營業額	Turnover	5	4,731	4,233
銷售成本	Cost of sales		(2,000)	(2,058)
毛利	Gross profit		2,731	2,175
其他收入	Other income	6	123	110
分銷費用	Distribution expense		(1,687)	(1,545)
行政費用	Administrative expense		(200)	(169)
其他經營費用	Other operating expense		(272)	(251)
經營溢利	Operating profit	7	695	320
出售一附屬公司虧損	Loss on disposal of a subsidiary		(13)	–
融資費用	Finance expense	8	(2)	(1)
應佔共同控制公司 溢利	Share of profit of jointly controlled companies	19	56	38
應佔一聯營公司溢利	Share of profit of an associate	20	12	6
除稅前溢利	Profit before taxation	5	748	363
稅項	Taxation	11	(181)	(64)
本年度溢利	Profit for the year		567	299
應佔溢利：	Profit attributable to:			
本公司股東	Shareholders of the Company	12	537	288
非控制性權益	Non-controlling interests		30	11
			567	299
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		
基本(港仙)	Basic (HK cents)		36.0	19.3
攤薄(港仙)	Diluted (HK cents)		35.9	19.3
股息	Dividends	14(a)	404	240

合併綜合收益表

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

截至2010年12月31日止年度
For the year ended December 31, 2010

(以百萬港元為單位)	(In HK\$ millions)	2010	2009
本年度溢利	Profit for the year	567	299
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 assets	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	59	61
關於匯兌變動之遞延稅項	Deferred tax relating to the exchange movement	(3)	(5)
出售一附屬公司之 變現匯兌儲備	Realization of exchange reserve upon disposal of a subsidiary	15	-
本年度總綜合收益	Total comprehensive income for the year	640	357
應佔總綜合收益：	Total comprehensive income attributable to:		
本公司股東	Shareholders of the Company	606	337
非控制性權益	Non-controlling interests	34	20
		640	357

資產負債表

BALANCE SHEETS

2010年12月31日
December 31, 2010

(以百萬港元為單位)	(In HK\$ millions)	附註 Note	集團 Group		公司 Company	
			2010	2009	2010	2009
資產	ASSETS					
非流動資產	Non-current assets					
物業、機器及設備	Property, plant and equipment	15	202	188	8	9
投資物業	Investment property	16	77	79	-	-
商譽	Goodwill	17	5	-	-	-
附屬公司權益	Interest in subsidiaries	18	-	-	817	817
共同控制公司 權益	Interest in jointly controlled companies	19	373	317	-	-
一聯營公司權益	Interest in an associate	20	43	41	-	-
可出售之金融資產	Available-for-sale financial assets	21	13	11	-	-
於損益帳按公平值處理之 金融資產	Financial assets at fair value through profit or loss	22	28	28	28	28
應收附屬公司款項	Amounts due from subsidiaries	18	-	-	268	265
租賃土地及 租金預付款項	Leasehold land and rental prepayments	23	282	300	140	145
租賃按金	Rental deposits		164	250	-	-
遞延稅項資產	Deferred tax assets	28	29	22	-	-
			1,216	1,236	1,261	1,264
流動資產	Current assets					
存貨	Inventories	24	404	294	-	-
租賃土地及 租金預付款項	Leasehold land and rental prepayments	23	41	45	5	5
應收賬款及其他應收款	Trade and other receivables	25	597	411	10	4
應收附屬公司款項	Amounts due from subsidiaries	18	-	-	515	372
現金及銀行結存	Cash and bank balances	32	1,062	824	9	21
			2,104	1,574	539	402
資產總額	Total assets		3,320	2,810	1,800	1,666

資產負債表 (續)

BALANCE SHEETS (continued)

2010年12月31日
December 31, 2010

(以百萬港元為單位)	(In HK\$ millions)	附註 Note	集團 Group		公司 Company	
			2010	2009	2010	2009
權益及負債	EQUITY AND LIABILITIES					
股本及儲備	Capital and reserves					
股本	Share capital	26	75	75	75	75
儲備	Reserves	27	2,056	1,833	1,379	1,321
擬派股息	Proposed dividends	14	277	210	277	210
本公司股東 應佔權益	Equity attributable to shareholders of the Company		2,408	2,118	1,731	1,606
非控制性權益	Non-controlling interests		85	68	-	-
權益總額	Total equity		2,493	2,186	1,731	1,606
非流動負債	Non-current liabilities					
遞延稅項負債	Deferred tax liabilities	28	108	82	-	-
其他應付款	Other payables	29	-	15	-	-
			108	97	-	-
流動負債	Current liabilities					
應付賬款及其他應付款	Trade and other payables	29	548	419	3	3
銀行貸款	Bank loans	33	84	74	66	57
稅項	Taxation		87	34	-	-
			719	527	69	60
負債總額	Total liabilities		827	624	69	60
權益及負債總額	Total equity and liabilities		3,320	2,810	1,800	1,666

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2010年12月31日止年度
For the year ended December 31, 2010

(以百萬港元為單位)	(In HK\$ millions)	附註 Note	2010	2009
經營業務:	Operating activities:			
除稅前溢利	Profit before taxation		748	363
調整:	Adjustments for:			
出售一附屬公司權益之虧損	Loss on disposal of a subsidiary	34a	13	-
應佔共同控制公司溢利	Share of profit of jointly controlled companies	19	(56)	(38)
應佔一聯營公司溢利	Share of profit of an associate	20	(12)	(6)
租賃土地及租金預付款項攤銷	Amortization of leasehold land and rental prepayments	23	50	47
利息收入	Interest income	6	(11)	(6)
折舊	Depreciation	7	90	99
物業、機器及設備減值	Impairment of property, plant and equipment	7	-	3
出售物業、機器及設備之淨虧損	Net loss on disposal of property, plant and equipment	7	-	3
於損益表按公平值入賬金融資產之增加收益	Gain on financial assets at fair value through profit or loss	6	-	(3)
銀行貸款利息	Interest on bank loans	8	2	1
購股權費用	Share option expense	9	5	1
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		829	464
存貨之(增加)/減少	(Increase)/decrease in inventories		(107)	3
應收賬款及其他應收款之(增加)/減少	(Increase)/decrease in trade and other receivables		(82)	5
應付賬款及其他應付款之增加/(減少) - 短期部分	Increase/(decrease) in trade and other payables - current portion		90	(46)
其他應付款之減少 - 長期部分	Decrease in other payables - long-term portion		(15)	(7)
經營活動所產生之現金	Cash generated from operations		715	419
已付利息	Interest paid		(2)	(1)
已付香港利得稅	Hong Kong profits tax paid		(16)	(8)
已付海外稅項	Overseas tax paid		(87)	(28)
經營業務之現金流入淨額	Net cash inflow from operating activities		610	382

合併現金流量表 (續)

CONSOLIDATED CASH FLOW STATEMENT (continued)

截至2010年12月31日止年度
For the year ended December 31, 2010

(以百萬港元為單位)	(In HK\$ millions)	附註 Note	2010	2009
投資業務:	Investing activities:			
購買物業、 機器及設備	Purchase of property, plant and equipment	15	(91)	(59)
出售物業、 機器及設備之收入	Proceeds from sale of property, plant and equipment		3	2
出售一附屬公司 (減除銀行結存及現金等值)	Disposal of a subsidiary (net of bank balances and cash equivalents disposed of)	34a	(1)	-
收購一附屬公司 (減除銀行結存及現金等值)	Acquisition of a subsidiary (net of bank balances and cash equivalents acquired of)	34b	(5)	-
租賃土地及租金預付款項 之增加	Increase in leasehold land and rental prepayments	23	(22)	(22)
租賃按金之(增加)/減少	(Increase)/decrease in rental deposits		(12)	12
銀行定期存款之增加	Increase in bank time deposits	32	(128)	(232)
已收利息	Interest received		11	6
已收共同控制公司 股息	Dividends received from jointly controlled companies		11	17
已收一聯營公司股息	Dividends received from an associate		11	8
投資業務之 現金流出淨額	Net cash outflow from investing activities		(223)	(268)
融資業務:	Financing activities:			
發行股本所得款項	Proceeds from issue of share capital		15	-
已付非控制性 權益股息	Dividends paid to non-controlling interests		(20)	(3)
已付股息	Dividends paid		(336)	(75)
銀行貸款之增加	Additions of bank loans		-	17
銀行貸款之減少	Repayments of bank loans		-	(20)
融資業務之 現金流出淨額	Net cash outflow from financing activities		(341)	(81)
現金及現金等值之 增加	Increase in cash and cash equivalents		46	33
年初現金及現金等值 結存	Cash and cash equivalents at the beginning of the year		590	530
外幣匯率變動之 影響	Effect of foreign exchange rate changes		52	27
年終現金及現金等值 結存	Cash and cash equivalents at the end of the year	32	688	590

權益變動表

STATEMENTS OF CHANGES IN EQUITY

截至2010年12月31日止年度
For the year ended December 31, 2010

(a) 集團 Group

本公司股東應佔權益 Attributable to shareholders of the Company

(以百萬港元為單位) (In HK\$ millions)	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	滾存溢利 Retained profits	合計 Total	非控制性 權益 Non-controlling interests	權益總額 Total equity
								Available- for-sale financial asset reserve				
於2010年1月1日 At January 1, 2010	75	383	3	608	19	32	133	5	860	2,118	68	2,186
本年度溢利 Profit for the year	-	-	-	-	-	-	-	-	537	537	30	567
其他綜合收益： Other comprehensive income:												
– 可出售金融資產公平值之溢利 (附註21) – Fair value gains on available-for-sale financial assets (note 21)	-	-	-	-	-	-	-	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	-	-	-	-	-	55	-	-	-	55	4	59
– 關於匯兌變動之遞延稅項 (附註28) – Deferred tax relating to the exchange movement (note 28)	-	-	-	-	-	(3)	-	-	-	(3)	-	(3)
– 出售附屬公司之變現匯兌儲備 – Realization of exchange reserve upon disposal of a subsidiary	-	-	-	-	-	15	-	-	-	15	-	15
總綜合收益 Total comprehensive income	-	-	-	-	-	67	-	2	537	606	34	640
與所有者交易 Transactions with owners:												
儲備間撥轉 Transfer among reserves	-	-	-	-	(5)	11	2	-	(8)	-	-	-
購股權計劃 Share option scheme												
– 因行使購股權而發行之股份 – Shares issued upon exercise of share options	-	-	-	15	-	-	-	-	-	15	-	15
– 購股權費用 – Share option expense	-	-	-	-	5	-	-	-	-	5	-	5
收購所產生之非控制性權益 Non-controlling interests arising from acquisition	-	-	-	-	-	1	-	-	-	1	3	4
非控制性權益股息 Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(20)	(20)
2009年末期及特別股息 (附註14(b)) 2009 final and special dividends (note 14(b))	-	-	-	-	-	-	-	-	(210)	(210)	-	(210)
2010年中期及特別股息 (附註14(a)) 2010 interim and special dividends (note 14(a))	-	-	-	-	-	-	-	-	(127)	(127)	-	(127)
與所有者總交易 Total transactions with owners	-	-	-	15	-	12	2	-	(345)	(316)	(17)	(333)
於2010年12月31日 At December 31, 2010	75	383	3	623	19	111	135	7	1,052	2,408	85	2,493

權益變動表 (續)

STATEMENTS OF CHANGES IN EQUITY (continued)

截至2010年12月31日止年度
For the year ended December 31, 2010

(a) 集團 Group

2009年之比較數字如下：

The comparative figures for 2009 are set out as follows:

(以百萬港元為單位) (In HK\$ millions)	本公司股東應佔權益 Attributable to shareholders of the Company											非控制性 權益 Non- controlling 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2009年1月1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21) – Fair value gains on available-for- sale financial assets (note 21)	-	-	-	-	-	-	-	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	
– 關於匯兌變動之遞延稅項 (附註28) – Deferred tax relating to the exchange movement (note 28)	-	-	-	-	-	(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)	-	-	-	
購股權計劃 Share option scheme													
– 購股權費用 – Share option expense	-	-	-	-	1	-	-	-	-	1	-	1	
非控制性權益股息 Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(3)	(3)	
2008年末期股息 (附註14(b)) 2008 final dividends (note 14(b))	-	-	-	-	-	-	-	-	(45)	(45)	-	(45)	
2009年中期股息 (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2009年12月31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2010年12月31日止年度
For the year ended December 31, 2010

(b) 公司 Company

(以百萬港元為單位)	(In HK\$ millions)	股本	資本	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2010年1月1日	At January 1, 2010	75	540	3	608	18	362	1,606
本年度溢利 (附註12)	Profit for the year (note 12)	-	-	-	-	-	441	441
總綜合收益	Total comprehensive income	-	-	-	-	-	441	441
儲備間撥轉	Transfer among reserves	-	-	-	-	(5)	5	-
購股權計劃	Share option scheme							
– 因行使購股權而發行之股份	– Shares issue upon exercise of share options	-	-	-	15	-	-	15
– 購股權費用	– Share option expense	-	-	-	-	6	-	6
2009年末期及特別股息 (附註14(b))	2009 final and special dividends (note 14(b))	-	-	-	-	-	(210)	(210)
2010年中期及特別股息 (附註14(a))	2010 interim and special dividends (note 14(a))	-	-	-	-	-	(127)	(127)
		-	-	-	15	1	(332)	(316)
於2010年12月31日	At December 31, 2010	75	540	3	623	19	471	1,731

2009年之比較數字如下：

The comparative figures for 2009 are set out as follows:

(以百萬港元為單位)	(In HK\$ millions)	股本	資本	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2009年1月1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	-	-	-	-	-	-	-
購股權計劃	Share option scheme							
– 購股權費用	– Share option expense	-	-	-	-	-	-	-
2008年末期股息 (附註14(b))	2008 final dividends (note 14(b))	-	-	-	-	-	(45)	(45)
2009年中期股息 (附註14(a))	2009 interim dividends (note 14(a))	-	-	-	-	-	(30)	(30)
		-	-	-	-	-	(75)	(75)
於2009年12月31日	At December 31, 2009	75	540	3	608	18	362	1,606

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2,300間店鋪並遍布20多個國家之零售網絡分銷及銷售Giordano、Concepts One(前名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，本合併財務報表以百萬港元為單位。此合併財務報表已於2011年3月24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。

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*, *Concepts One* (renamed from *Giordano Concepts*), *Giordano Ladies*, *Giordano Junior* and *BSX* through an extensive retailing network with over 2,300 shops spanning over 20 countries. It also operates a limited manufacturing capacity in China Mainland.

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 24, 2011.

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.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

2010年12月31日
December 31, 2010

2. 主要會計政策 (續)

(a) 編製基準 (續)

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。

除了採納於下列附註2(b)列出於2010年1月1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2009年度之財務報表所採用相同。

(b) 新增及經修訂之HKFRS及HKAS的影響

於本年度，本集團應用由香港會計師公會頒布以下與本集團業務有關之修訂準則、現有準則之修訂及詮釋，並於2010年1月1日或之後開始之本集團財政年度生效。

HKFRS 3 (修訂)	業務合併 (2009年7月1日或之後 開始的年度期間生效)
HKAS 27 (修訂)	合併和獨立財務報表 (2009年7月1日或之後 開始的年度期間生效)
HK – 詮釋5	財務報表之呈列 – 借款人對於載有即時還 款條款之定期貸款的 分類

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(a) Basis of preparation (continued)

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.

The accounting policies and methods of computation used in the preparation of these financial statements are consistent with those used in 2009 except for the adoption of new and revised HKFRSs which are effective for accounting periods beginning on or after January 1, 2010 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 revised standards, amendments and interpretations 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, 2010:

HKFRS 3 (Revised)	Business combinations (effective for annual periods beginning on or after July 1, 2009)
HKAS 27 (Revised)	Consolidated and separate financial statements (effective for annual periods beginning on or after July 1, 2009)
HK – INT 5	Presentation of financial statements – Classification by the borrower of a term loan that contains a repayment on demand clause

2010年12月31日
December 31, 2010

2. 主要會計政策 (續)

(b) 新增及經修訂之HKFRS及HKAS的影響 (續)

HK(IFRIC) – 向所有者分派非現金資產
– 詮釋17 (2009年7月1日或之後
開始的年度期間生效)

2009年度之 (2010年1月1日或之後開
改進 始的年度期間生效)

採納以上之修訂準則、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。

與本集團業務相關而必須於本集團2011年
1月1日或之後開始之會計年度採用之若干
新增準則、現有準則之修訂及詮釋經已頒
布；惟本集團並未於截至2010年12月31日
止年度的財務報表內提早採納以下已頒布
但未生效之新增準則或現有準則之修訂及
詮釋：

HKAS 24 關連人仕之披露
(修訂) (2011年1月1日或之後
開始的年度期間生效)

HKFRS 9 金融工具
(2013年1月1日或之後
開始的年度期間生效)

HK(IFRIC) 以股本工具抵銷金融負債
– 詮釋19 (2010年7月1日或之後
開始的年度期間生效)

2010年度之 (2011年1月1日或之後開
改進 始的年度期間生效)

2. PRINCIPAL ACCOUNTING POLICIES (continued)

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

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

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

The adoption of the above revised standards, amendments
and interpretation has no material impact to the financial
statements except for certain presentation changes and
additional disclosures.

Certain new standard, 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, 2011 or
later periods. The Group has not early adopted the following
new or amended standards and interpretation in the financial
statements for the year ended December 31, 2010:

HKAS 24 Related party disclosures
(Revised) (effective for annual periods beginning on
or after January 1, 2011)

HKFRS 9 Financial instruments
(effective for annual periods beginning on
or after January 1, 2013)

HK(IFRIC) Extinguishing financial liabilities with equity
– INT 19 instruments
(effective for annual periods beginning on
or after July 1, 2010)

Annual (effective for annual periods beginning on
Improvements or after January 1, 2011)
2010

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

2010年12月31日
December 31, 2010

2. 主要會計政策 (續)

(b) 新增及經修訂之HKFRS及HKAS的影響 (續)

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。

(c) 綜合基準

合併財務報表包括本公司及其附屬公司截至2010年12月31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。

非控制性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50%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)

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

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.

(c) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to December 31, 2010.

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.

Non-controlling 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% 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)**

本集團進行業務合併時採用收購會計法。收購附屬公司之轉讓代價為本集團所轉讓資產、所產生負債及所發行股權之公平價。所轉讓代價包括或然代價安排產生之任何資產或負債之公平值。收購相關成本於產生時列為開支。於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，初步按收購日之公平值計量。按逐項收購基準，本集團以公平值或按非控制性權益所佔被收購方可識別資產淨值之比例確認於被收購方之任何非控股權益。

所轉讓代價、被收購方之任何非控股權益金額及任何先前於被收購方之股權於收購日期之公平值超過本集團應佔所收購可識別資產淨值之公平值差額入賬列作商譽。倘該協議購入價低於購入附屬公司之可識別資產淨值之公平值，則該差額會直接於綜合收益表內確認。

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

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

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

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired is recorded as goodwill. If this is less than the fair value of the net identifiable assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognized directly in the statement of comprehensive income.

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.

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2. 主要會計政策 (續)

(e) 共同控制公司

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

本集團採納權益法處理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應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應佔權益予以抵銷。

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20%至50%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其他綜合收益表中確認。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

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

The Group adopts the equity method to account for the interests in jointly controlled companies. The consolidated 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% and 50%. 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 other comprehensive income. 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.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

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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
- 所有兌換差異乃於其他綜合收益中確認。

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其他綜合收益內。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 other comprehensive income.

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 other comprehensive income. 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.

2010年12月31日
December 31, 2010**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於利潤表列支。

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50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50年計算，兩者之較短者折舊。
- 機器 5年
- 其他物業及設備 3至5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。

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.

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2. 主要會計政策 (續)

(i) 物業、機器及設備 (續)

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。

(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於利潤表列支。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(i) Property, plant and equipment (continued)

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.

(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.

2. 主要會計政策 (續)**(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。

(l) 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。管理層在初步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

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。

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

(l) 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.

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2. 主要會計政策 (續)

(I) 金融資產 (續)

分類 (續)

(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「應收賬款及其他應收款」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。

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。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(I) Financial assets (continued)

Classification (continued)

(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.

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.

2. 主要會計政策 (續)**(I) 金融資產 (續)****確認及計量 (續)**

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的一部份。

可出售之金融資產的公平值變動所產生的盈虧在權益中確認。

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 – 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 – 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 (continued)**

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.

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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—按發票價加採購成本；
- (ii) 在製貨品及製成品—直接物料成本、直接勞工成本及應佔之生產費用，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。

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.

2. 主要會計政策 (續)**(o) 現金及現金等值**

於合併現金流量表，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。

(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。

2. PRINCIPAL ACCOUNTING POLICIES (continued)**(o) Cash and cash equivalents**

In the consolidated cashflow statement, 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.

(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.

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2. 主要會計政策 (續)

(r) 遞延稅項 (續)

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。

(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20%。

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2005年7月1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」）。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(r) Deferred taxation (continued)

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.

(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% 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.

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

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2%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6%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 (continued)****(i) Pension obligations (continued)**

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 2% 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 6% 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，則於利潤表內確認，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，並可確實地估量該數額。

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,會即時於利潤表內確認。

(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行利潤表內支銷。

(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。

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.

2. 主要會計政策 (續)**(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。

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），否則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。

(z) 商譽

商譽指收購成本高於本集團於收購日期應佔所收購附屬公司可識別資產淨值之公平值的差額。商譽每年檢討有否減值及按成本減累計減值虧損列賬。出售實體之收益及虧損包括有關已售出實體之商譽賬面值。

就商譽進行減值測試，需把有關商譽分配到現金產生單位。而此項分配，是根據營運分部而確認之商譽需分配到預計受惠於商業合併的現金產生單位或現金產生單位群組而作出。

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

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.

(z) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is tested for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose identified according to operating segment.

財務報表附註

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December 31, 2010

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2010年12月31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。

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。

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, 2010.

(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.

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 is managed partially through borrowings denominated in their relevant foreign currencies.

2010年12月31日
December 31, 2010**3. 財務風險管理 (續)****(a) 財務風險因素 (續)****(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2010年12月31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2010年及於2009年12月31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。

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2010	2009
訂約方:	Counterpart:		
評級A+之銀行	Banks with A+ rating	25	27
評級A或A-之銀行	Banks with A or A- rating	868	693
評級B+之銀行	Banks with B+ rating	95	58
		988	778

現有信貸評級源自標準普爾。

3. FINANCIAL RISK MANAGEMENT (continued)**(a) Financial risk factors (continued)****(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, 2010, 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, 2010 and 2009. Management does not expect any losses from non-performance by these banks.

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

財務報表附註

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December 31, 2010

3. 財務風險管理 (續)

(a) 財務風險因素 (續)

(ii) 信貸風險 (續)

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60日內。

下表呈列於2010年及2009年12月31日之主要債務人。

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2010	2009
訂約方:	Counterpart:		
業主	Landlords	281	267
百貨公司	Department stores	215	165
關聯人士 (附註37)	Related parties (note 37)	16	16
應收信用卡賬款	Credit card receivables	11	10
		523	458

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8,100萬港元(2009年: 8,300萬港元)。

3. FINANCIAL RISK MANAGEMENT (continued)

(a) Financial risk factors (continued)

(ii) Credit risk (continued)

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, 2010 and 2009.

These counterparts have no default history in the past. The Group holds bank guarantees of HK\$81 million (2009: HK\$83 million) from landlords.

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，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。

集團	Group	1年內 Within 1 year	1至3年 Between 1 and 3 years	總額 Total
(以百萬港元為單位)	(In HK\$ millions)			
應付賬款	Trade payables	163	-	163
應計費用及其他應付款	Accruals and other payables	385	-	385
銀行貸款及貸款利息	Bank loans and interest payment on borrowings	85	-	85
於2010年12月31日	As at December 31, 2010	633	-	633
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
銀行貸款及貸款利息	Bank loans and interest payment on borrowings	74	-	74
於2009年12月31日	As at December 31, 2009	493	15	508

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.

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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 (續)

公司	Company	1年內	1至3年	總額
(以百萬港元為單位)	(In HK\$ millions)	Within 1 year	Between 1 and 3 years	Total
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	66	-	66
於2010年12月31日	As at December 31, 2010	69	-	69
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2009年12月31日	As at December 31, 2009	60	-	60

(iv) 現金流量利率風險

除銀行存款10.62億港元(2009年: 8.24億港元)及短期銀行借貸8,400萬港元(2009年: 7,400萬港元)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。

3. FINANCIAL RISK MANAGEMENT (continued)

(a) Financial risk factors (continued)

(iii) Liquidity risk (continued)

(iv) Cash flow interest rate risk

Except for the bank balance of HK\$1,062 million (2009: HK\$824 million) and the short-term bank borrowings of HK\$84 million (2009: HK\$74 million); the Group has no significant interest-bearing assets and liabilities. The bank balance 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.

2010年12月31日
December 31, 2010**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3.5% (2009年：3.5%)，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。

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2010	2009
權益總額	Total equity	2,493	2,186

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2010年及2009年12月31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5%的改變，且其他可變因素均維持不變，則本集團截至2010年12月31日止年度之權益將增加/減少70萬港元及淨溢利將增加/減少140萬港元。

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% (2009: 3.5%). 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.

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2010	2009
權益總額	Total equity	2,493	2,186

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, 2010 and 2009.

(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 2010, 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\$0.7 million and net profit would have increased /decreased by HK\$1.4 million.

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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準備。

(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收回金額時，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.

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公平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.

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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零售及分銷分部之業務。根據地區之觀點，零售及分銷分部進一步分類為六個營運子分部，計有中國大陸、香港及澳門、台灣、新加坡、澳洲及其他市場。根據品牌之觀點，零售及分銷分部細分為*Giordano & Giordano Junior*、*Giordano Ladies*、*Concepts One*（前名為*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本集團授權經營業務會被分類為出口及授權業務分部。

本集團於2008年把主要之成衣製造附屬公司出售後，本集團所餘下之成衣製造營運已屬小規模及主要向本集團內之公司供應貨品。鑑於對本集團業績有重要貢獻之製造營運已終止，現考慮製造及其他分部不需要亦不適合定義為營運分部。

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。

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 of the Retail and Distribution segment from both a geographic location and a brand perspective. From geographic perspective, the Retail and Distribution segment is further divided into six reportable operating sub-segments, namely China Mainland, Hong Kong and Macau, Taiwan, Singapore, Australia and Other markets. From brand perspective, the Retail and Distribution segment is sub-divided into *Giordano & Giordano Junior*, *Giordano Ladies*, *Concepts One* (renamed from *Giordano Concepts*), *BSX* and Others. Wholesale sales to overseas customers and the Group's licensing activities are grouped under the Export and Licensing business segment.

Following the disposal of the Group's principal garment manufacturing subsidiary in 2008, the Group's remaining garment manufacturing operations are small and engaged more or less exclusively in supplying products to other Group companies. In view of the cessation of the Group's manufacturing operations as a material net contributor to its results, it is no longer considered necessary nor appropriate to define a Manufacturing and Other segment as a reportable segment.

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.

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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:

(以百萬港元為單位)	(In HK\$ millions)	2010		2009	
		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)
主要市場：	By principal markets:				
中國大陸	China Mainland	1,781	287	1,633	152
香港及澳門	Hong Kong and Macau	841	125	775	64
台灣	Taiwan	606	92	555	27
新加坡	Singapore	360	54	310	18
澳洲	Australia	175	(5)	180	(28)
其他市場	Other markets	574	130	460	44
零售及分銷合計	Total Retail and Distribution	4,337	683	3,913	277
出口及特許經營	Export and licensing business	434	62	350	50
出口及特許經營之分部間銷售	Inter-segment sales on export and licensing business	(40)	-	(30)	-
合計	Total	4,731	745	4,233	327

以品牌劃分之零售及分銷之進一步分析如下：

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

(以百萬港元為單位)	(In HK\$ millions)	2010		2009	
		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	3,773	601	3,379	271
Giordano Ladies	Giordano Ladies	288	56	250	28
Concepts One (前名為 Giordano Concepts)	Concepts One (renamed from Giordano Concepts)	68	(7)	106	(24)
BSX	BSX	182	30	158	-
其他	Others	26	3	20	2
零售及分銷合計	Total Retail and Distribution	4,337	683	3,913	277

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5. 營運分部 (續)

本公司駐於香港，其於香港對外客戶之收入為12.3億港元（2009年：10.82億港元），其於中國大陸對外客戶之收入為17.81億港元（2009年：16.33億港元），而於其他國家對外客戶之收入為17.2億港元（2009年：15.18億港元）。

由營運分部之經營溢利至除稅前溢利之調節如下：

(以百萬港元為單位)

營運分部之經營溢利
製造業務
其他經營費用
出售一附屬公司虧損
融資費用
應佔共同控制公司溢利
應佔一聯營公司溢利
除稅前溢利

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）之非流動資產總額為2.16億港元（2009年：3.29億港元），而於中國大陸為3.01億港元（2009年：3.11億港元），而於海外國家之該類非流動資產總額為6.29億港元（2009年：5.35億港元）。

5. OPERATING SEGMENTS (continued)

The entity is domiciled in the Hong Kong. The result of its revenue from external customers in Hong Kong is HK\$1,230 million (2009:HK\$1,082 million), China Mainland is HK\$1,781million (2009:HK\$1,633 million) and the total of revenue from external customers from other countries is HK\$1,720 million (2009:HK\$1,518 million).

A reconciliation of operating profit for reportable segments to profit before income tax is provided as follows:

(In HK\$ millions)	2010	2009
Operating profit for reportable segments	745	327
Manufacturing business	5	11
Other operating expenses	(55)	(18)
Loss on disposal of a subsidiary	(13)	-
Finance expense	(2)	(1)
Share of profit of jointly controlled companies	56	38
Share of profit of an associate	12	6
Profit before taxation	748	363

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\$216 million (2009: HK\$329 million), located in China Mainland is HK\$301 million (2009: HK\$311 million) and the total of these non-current assets located in other countries is HK\$629 million (2009: HK\$535 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:

(以百萬港元為單位)	(In HK\$ millions)	分部資產	
		2010	2009
主要市場：	By principal markets:		
中國大陸	China Mainland	1,175	922
香港及澳門	Hong Kong and Macau	685	678
台灣	Taiwan	236	173
新加坡	Singapore	134	84
澳洲	Australia	39	35
其他市場	Other markets	353	283
零售及分銷合計	Total Retail and Distribution	2,622	2,175
出口及特許經營	Export and licensing business	32	44
分部資產	Segment assets	2,654	2,219
製造及其他	Manufacturing and others	175	172
商譽	Goodwill	5	-
共同控制公司權益	Interest in jointly controlled companies	373	317
一聯營公司權益	Interest in an associate	43	41
可出售之金融資產	Available-for-sale financial assets	13	11
於損益帳按公平值處理 之金融資產	Financial assets at fair value through profit or loss	28	28
遞延稅項資產	Deferred tax assets	29	22
資產總額	Total assets	3,320	2,810

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6. 其他收入

6. OTHER INCOME

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2010	2009
租金收入	Rental income	31	32
特許權收入	Royalty income	24	16
匯兌收益淨額	Net exchange gain	30	8
利息收入	Interest income	11	6
股息收入	Dividend income	3	5
於損益表公平值入賬金融資產 之收益	Gain on financial assets at fair value through profit or loss	-	3
其他收入	Other income	24	40
		123	110

7. 經營溢利

7. OPERATING PROFIT

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2010	2009
經營溢利已扣除下列各項:	The operating profit is stated after charging:		
租賃土地	Amortization of		
預付款項攤銷	leasehold land prepayments	9	9
核數師酬金	Auditors' remuneration	5	5
物業、機器及 設備折舊	Depreciation of property, plant and equipment	88	97
投資物業折舊	Depreciation of investment property	2	2
物業、機器及 設備減值	Impairment of property, plant and equipment	-	3
出售物業、機器及 設備之淨虧損	Net loss on disposal of property, plant and equipment	-	3
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	662	658
- 或然租金費用	- contingent rent	228	195
陳舊存貨準備及存貨 撇銷	Provision for obsolete stock and stock written off	21	3
員工成本 (附註9)	Staff costs (note 9)	757	661

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8. 融資費用

8. FINANCE EXPENSE

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2010	2009
銀行貸款利息	Interest on bank loans	2	1

9. 員工成本

9. STAFF COSTS

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2010	2009
薪金及工資 (包括董事酬金)	Salaries and wages (including directors' emoluments)	685	596
購股權費用	Share option expense	5	1
退休金 — 界定供款計劃	Pension cost — defined contribution plans	67	64
		757	661

本年度內，本集團沒有運用未能領取之供款（2009年：無）以減低供款水平。於2010年及2009年12月31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 (2009: nil). As at December 31, 2010 and 2009, 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

10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) 董事酬金

(a) Directors' emoluments

截至2010年12月31日止年度內各董事的酬金詳列如下：

The emoluments of every director for the year ended December 31, 2010 is set out below:

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
2010								
劉國權	LAU Kwok Kuen, Peter	-	2,832	18,388	-	1,529	12	22,761
馬灼安	MAH Chuck On, Bernard	-	2,132	502	-	218	12	2,864
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 ¹	LEUNG Kwok ¹	275	-	-	-	-	-	275
		1,325	4,964	18,890	-	1,747	24	26,950
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 [^]	LEUNG Kwok [^]	275	-	-	-	-	-	275
		1,325	4,947	9,255	-	1,621	24	17,172

* 獨立非執行董事

* Independent non-executive directors

[^] 非執行董事

[^] Non-executive directors

[#] 其他收益包括保險供款、房屋及稅項津貼

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

¹ 於2010年7月7日獲委任為獨立非執行董事，亦於同時終止其非執行董事之職務

¹ Appointed as an Independence non-executive director and ceased to be a Non-executive director on July 7, 2010

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10. 董事及高級管理人員酬金 (續)

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

(a) 董事酬金 (續)

(a) Directors' emoluments (continued)

於本年度內，向本公司董事支付之酬金總額如下：

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

(以百萬港元為單位)	(In HK\$ millions)	2010	2009
袍金	Fees	1	1
其他酬金：	Other emoluments:		
基本薪金、房屋津貼、	Basic salaries, housing		
其他津貼及	allowances, other allowances		
實物收益	and benefits in kind	7	7
花紅	Bonuses	19	9
購股權	Share options	-	-
退休金供款	Pension contributions	-	-
		27	17

(b) 五位最高薪職員

(b) Five highest paid individuals

於本年度內，本集團五位最高薪職員中包括一位（2009年：二位）董事，其酬金之詳情已於上文披露。付予餘下四位（2009年：三位）最高薪職員酬金總額如下：

The five individuals whose emoluments were the highest in the Group for the year include one (2009: two) director whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining four (2009: three) individuals during the year are as follows:

(以百萬港元為單位)	(In HK\$ millions)	2010	2009
基本薪金、房屋津貼、	Basic salaries, housing allowances,		
其他津貼及實物收益	other allowances and benefits in kind	7	7
花紅	Bonuses	5	1
購股權	Share options	4	-
		16	8

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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	人數 Number of individuals	
	2010	2009
港元 HK\$		
2,000,001 – 2,500,000	–	2
2,500,001 – 3,000,000	–	1
3,000,001 – 4,000,000	2	–
4,000,001 – 4,500,000	1	–
5,500,001 – 6,000,000	1	–

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:

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:

(以百萬港元為單位) (In HK\$ millions)	集團 Group	
	2010	2009
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
– 香港以外	– Outside Hong Kong	43
– 附屬公司及 – 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
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
稅率改變之影響	Effect of changes in tax rate	(12)
過往期間準備不足/(剩餘)	Under/(over) provision in previous year	
– 香港利得稅	– Hong Kong profits tax	(1)
– 香港以外	– Outside Hong Kong	(3)
稅項支出	Taxation charge	64

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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:

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2010	2009
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)	680	319
按稅率16.5% (2009年: 16.5%) 計算	Calculated at a taxation rate of 16.5% (2009: 16.5%)	112	53
其他國家不同稅率之 影響	Effect of different tax rates in other countries	33	10
不可扣稅之支出	Expenses not deductible for tax purpose	17	5
未確認之遞延稅項資產	Deferred tax assets not recognized	2	14
無須課稅之收入	Income not subject to tax	(15)	(17)
使用早前未有確認之 稅損	Utilization of previously unrecognized tax losses	(14)	(4)
扣繳稅項	Withholding tax	42	19
過往年度準備不足/(剩餘)	Under/(over) provision in previous year	4	(4)
稅率改變之影響	Effect of changes in tax rates	-	(12)
稅項支出	Taxation charge	181	64

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16.5% (2009年: 16.5%) 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% (2009: 16.5%) 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5.37億港元(2009年: 2.88億港元), 包括在本公司財務報表內已計入之股東應佔溢利為4.41億港元(2009年: 3.12億港元)。

13. 每股盈利

每股基本及攤薄盈利乃按本年度股東應佔合併溢利為5.37億港元(2009年: 2.88億港元)計算。

每股基本盈利乃按本年度內已發行股份之加權平均股數1,492,600,776股(2009年: 1,491,646,518股)計算。

每股攤薄盈利乃按截至2010年度內已發行股份之加權平均股數1,492,600,776股(2009年: 1,491,646,518股)加上假設根據本公司購股權計劃授出之所有未行使購股權皆已行使而發行之股份之加權平均股數3,482,127股(2009年: 無)計算。

12. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The Group's consolidated profit attributable to shareholders of the Company of HK\$537 million (2009: HK\$288 million) includes a profit of HK\$441 million (2009: HK\$312 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 of HK\$537million (2009: HK\$288 million).

The basic earnings per share is based on the weighted average of 1,492,600,776 shares (2009: 1,491,646,518 shares) in issue during the year.

The diluted earnings per share is based on 1,492,600,776 shares (2009: 1,491,646,518 shares) which is the weighted average number of shares in issue during the 2010 year ended plus the weighted average of 3,482,127 shares (2009: nil) deemed to be issued if all outstanding share options granted under the share option scheme of the Company had been exercised.

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14. 股息

14. DIVIDENDS

(a) 本年度股息如下：

(a) Dividends attributable to the year:

(以百萬港元為單位)	(In HK\$ millions)	2010	2009
已宣布及已派發之中期股息 每股4.5港仙 (2009年：每股2.0港仙)	Interim dividend declared and paid of 4.5 HK cents (2009: 2.0 HK cents) per share	67	30
已宣布及已派發之特別中期股息 每股4.0港仙 (2009年：無)	Special interim dividend declared and paid of 4.0 HK cents (2009: nil) per share	60	–
		127	30
於結算日後建議之末期股息 每股7.0港仙 (2009年：每股7.0港仙)	Final dividend proposed after the balance sheet date of 7.0 HK cents (2009: 7.0 HK cents) per share	105	105
於結算日後建議之特別末期股息 每股11.5港仙 (2009年：每股7.0港仙)	Special final dividend proposed after the balance sheet date of 11.5 HK cents (2009: 7.0 HK cents) per share	172	105
		277	210
		404	240

於2011年3月24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7.0港仙及11.5港仙。此項擬派股息在結算當日並無確認為負債。

At the board meeting held on March 24, 2011, the directors proposed final and special final dividends of 7.0 HK cents and 11.5 HK cents per share respectively. These proposed dividends have not been recognized as a liability at the balance sheet date.

(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:

(以百萬港元為單位)	(In HK\$ millions)	2010	2009
已批准及派發2009年末期股息 每股7.0港仙 (2008年：每股3.0港仙)	2009 final dividend approved and paid of 7.0 HK cents (2008: 3.0 HK cents) per share	105	45
已批准及派發2009年特別末期股息 每股7.0港仙 (2008年：無)	2009 special final dividend approved and paid of 7.0 HK cents (2008: nil) per share	105	–
		210	45

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15. 物業、機器及設備

15. PROPERTY, PLANT AND EQUIPMENT

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
(以百萬港元為單位)	(In HK\$ millions)						
成本值	Cost						
於2010年1月1日	At January 1, 2010	42	25	56	807	19	949
換算差額	Translation difference	4	-	-	46	1	51
透過收購公司添置	Acquisition of a subsidiary	-	-	-	7	-	7
添置	Additions	15	-	1	72	3	91
出售	Disposals	-	-	(5)	(112)	(2)	(119)
於2010年12月31日	At December 31, 2010	61	25	52	820	21	979
累積折舊	Accumulated depreciation						
於2010年1月1日	At January 1, 2010	9	4	50	682	16	761
換算差額	Translation difference	1	-	-	40	1	42
透過收購公司添置	Acquisition of a subsidiary	-	-	-	3	-	3
本年度折舊	Charge for the year	1	1	1	83	2	88
出售	Disposals	-	-	(1)	(114)	(2)	(117)
於2010年12月31日	At December 31, 2010	11	5	50	694	17	777
於2010年12月31日之賬面淨值	Net book value at December 31, 2010	50	20	2	126	4	202

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15. 物業、機器及設備 (續)

15. PROPERTY, PLANT AND EQUIPMENT (continued)

集團

Group

(以百萬港元為單位)	(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2009年1月1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2009年12月31日	At December 31, 2009	42	25	56	807	19	949
累積折舊及 減值	Accumulated depreciation and impairment						
於2009年1月1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2009年12月31日	At December 31, 2009	9	4	50	682	16	761
於2009年12月31日之賬面淨值	Net book value at December 31, 2009	33	21	6	125	3	188

減值已於2009年12月31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於2009年12月31日之估計使用價計算。

Impairment had been charged for the year ended December 31, 2009. 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.

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15. 物業、機器及設備 (續)

集團

(a) 永久業權之土地及樓宇位於台灣及印尼。

(b) 樓宇之賬面淨值分析如下：

15. PROPERTY, PLANT AND EQUIPMENT (continued)

Group

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

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

(以百萬港元為單位)	(In HK\$ millions)	集團		公司	
		Group	2009	Company	2009
		2010		2010	
在香港持有	In Hong Kong, held on				
– 10年至50年租約	– leases of between 10 and 50 years	17	18	8	9
在香港以外持有	Outside Hong Kong, held on				
– 10年至50年租約	– leases of between 10 and 50 years	1	1	–	–
– 多於50年租約	– leases of over 50 years	2	2	–	–
		3	3	–	–
於12月31日	At December 31	20	21	8	9

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

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15. 物業、機器及設備（續）

15. PROPERTY, PLANT AND EQUIPMENT (continued)

公司

Company

(以百萬港元為單位)	(In HK\$ millions)	樓宇 Buildings	租賃物業 裝修、傢俬及 辦公室設備 Leasehold improvements, furniture & office equipment	合計 Total
成本值	Cost			
於2010年1月1日及 2010年12月31日	At January 1, 2010 and December 31, 2010	11	2	13
累積折舊	Accumulated depreciation			
於2010年1月1日	At January 1, 2010	2	2	4
本年度折舊	Charge for the year	1	-	1
於2010年12月31日	At December 31, 2010	3	2	5
於2010年12月31日 之賬面淨值	Net book value at December 31, 2010	8	-	8

(以百萬港元為單位)	(In HK\$ millions)	樓宇 Buildings	租賃物業 裝修、傢俬及 辦公室設備 Leasehold improvements, furniture & office equipment	合計 Total
成本值	Cost			
於2009年1月1日 出售	At January 1, 2009 Disposals	11 -	3 (1)	14 (1)
於2009年12月31日	At December 31, 2009	11	2	13
累積折舊	Accumulated depreciation			
於2009年1月1日	At January 1, 2009	2	3	5
本年度折舊	Charge for the year	-	-	-
出售	Disposals	-	(1)	(1)
於2009年12月31日	At December 31, 2009	2	2	4
於2009年12月31日 之賬面淨值	Net book value at December 31, 2009	9	-	9

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

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16. 投資物業

16. INVESTMENT PROPERTY

本集團持有一物業作長期收租。

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

(以百萬港元為單位)	(In HK\$ millions)	集團	
		2010	2009
成本值	Cost		
於1月1日及12月31日	At January 1 and December 31	101	101
累積折舊	Accumulated depreciation		
於1月1日	At January 1	22	20
本年度折舊	Charge for the year	2	2
於12月31日	At December 31	24	22
於12月31日之賬面淨值	Net book value at December 31	77	79

該投資物業於2010年及2009年12月31日之公平值由一獨立及持有專業資格之評估公司估值。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2010年12月31日，該物業（包括租賃土地及樓宇部分）之總公平值為1.67億港元（2009年：1.49億港元）。在合併利潤表中已包括該投資物業之租金收入為900萬港元（2009年：700萬港元）。

The fair value of the investment property at December 31, 2010 and 2009 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\$167 million as at December 31, 2010 (2009: HK\$149 million). In the consolidated income statement, rental income relating to investment property of HK\$9 million (2009:HK\$7 million) was included.

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December 31, 2010

16. 投資物業 (續)

投資物業之賬面淨值分析如下：

(以百萬港元為單位)

在香港以外持有
10年至50年租約

16. INVESTMENT PROPERTY (continued)

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

		集團 Group	
	(In HK\$ millions)	2010	2009
Outside Hong Kong, held on lease of between 10 and 50 years		77	79

17. 商譽

於年內因收購Giordano Fashions (India) Private Limited的50.9%股權所產生的商譽，本集團經考慮來自外部及內部的資料後，評定並無減值跡象。本集團將每年對新收購之業務繼續進行商譽減值評估。

17. GOODWILL

For the goodwill arising from the acquisition of 50.9% equity interest in Giordano Fashions (India) Private Limited during the year, the Group has assessed there is no indication of impairment after the consideration of both external and internal sources of information. The Group will continue to perform impairment assessment for goodwill for the newly acquired business annually.

18. 附屬公司權益

(以百萬港元為單位)

非上市投資 (成本值)

應收附屬公司款項

短期部分

長期部分

18. INTEREST IN SUBSIDIARIES

		公司 Company	
	(In HK\$ millions)	2010	2009
Unlisted investment (at cost)		817	817
Amounts due from subsidiaries			
Current portion		515	372
Long-term portion		268	265
		783	637

除應收附屬公司款項5.15億港元(2009年：3.72億港元)將會在一年內收回，其餘的款項為免息、無抵押及預期不會在一年內收回。

Except for the amounts due from subsidiaries of HK\$515 million (2009: HK\$372 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38。

Details of principal subsidiaries are set out in note 38 to the financial statements.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

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19. 共同控制公司 權益

下列包括非上市共同控制公司之資料：

19. INTEREST IN JOINTLY CONTROLLED COMPANIES

The following list contains the particulars of jointly controlled companies, all of which are unlisted:

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
		2010	2009	
Giordano Corporation Limited*	大韓民國 Republic of Korea	48.5	48.5 1,030,000股 每股面值5,000韓國圓之普通股 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	49.0 200,000股 每股面值1港元之普通股 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

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：

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

(以百萬港元為單位) (In HK\$ millions)	集團 Group	
	2010	2009
流動資產 Current assets	402	347
流動負債 Current liabilities	(50)	(50)
非流動資產 Non-current assets	23	23
非流動負債 Non-current liabilities	(2)	(3)
所佔資產淨值 Share of net assets	373	317
收益 Revenue	629	443
費用 Expense	(556)	(393)
除稅前溢利 Profit before taxation	73	50
稅項 Taxation	(17)	(12)
應佔除稅後溢利 Share of profit after taxation	56	38
營業租賃之承擔 Operating lease commitments	155	79

2010年12月31日
December 31, 2010**19. 共同控制公司
權益 (續)**

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。

**19. INTEREST IN JOINTLY CONTROLLED
COMPANIES (continued)**

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.

20. 一聯營公司權益**20. INTEREST IN AN ASSOCIATE**

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2010	2009
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	40	39
所佔收購後儲備	Share of post-acquisition reserves	2	1
		43	41

下表包括非上市聯營公司之資料：

The following list contains the particulars of an associate which is unlisted:

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
		2010	2009		
Giordano Fashions L.L.C.*	阿拉伯聯合酋長國 United Arab Emirates	20	20	3,000股 每股面值1,000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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20. 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：

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2010	2009
資產	Assets	58	53
負債	Liabilities	(15)	(12)
所佔資產淨值	Share of net assets	43	41
收益	Revenue	101	95
除稅前溢利	Profit before taxation	12	6
稅項	Taxation	-	-
應佔除稅後溢利	Share of profit after taxation	12	6

20. INTEREST IN AN ASSOCIATE (continued)

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

21. 可出售之金融資產

可出售之金融資產代表於 Higrowth Ventures Limited 之9.9%權益是以港元為結算。

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2010	2009
於1月1日	At January 1	11	9
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 assets reserve	2	2
於12月31日	At December 31	13	11

21. AVAILABLE-FOR-SALE FINANCIAL ASSETS

Available-for-sale financial assets represented a 9.9% interest in Higrowth Ventures Limited denominated in Hong Kong dollar.

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 assets 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 assets 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.

2010年12月31日
December 31, 2010**21. 可出售之金融資產 (續)**

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，按照不同上市公司之相似可出售金融資產之財務數據，再調整其公平值以反映該可出售金融資產不可公開交易。

此金融資產為未減值。

22. 於損益帳按公平值處理之金融資產

於2008年6月27日，本公司訂立買賣協議出售 Placita Holdings Limited (「Placita」) 21.0% 權益。根據該協議，餘下之6,055,440股普通股代表本集團持有餘下30.0%已發行之股本被重新分類為6,055,440股Placita之優先股 (「優先股」)。此外，買方亦會授予本公司優先股之認沽期權。

該優先股連同相關期權會於損益帳以公平值估量。公平價值已於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2010年12月31日該優先股及相關期權之公平價值為2,800萬港元 (2009年：2,800萬港元)。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. AVAILABLE-FOR-SALE FINANCIAL ASSETS (continued)

The valuation of the available-for-sale financial assets 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 assets, with adjustments to reflect the available-for-sale financial assets is not publicly traded.

None of the financial assets is impaired.

22. FINANCIAL ASSETS 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% interest in Placita Holdings Limited ("Placita"). As part of the agreement, the remaining 6,055,440 Ordinary Shares representing the Group's remaining 30.0% 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 on the Preference Shares.

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\$28 million as at December 31, 2010 (2009: HK\$28 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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22. 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。

22. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

The fair value of the financial assets 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.

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2010	2009
於1月1日	At January 1	28	25
於利潤表按公平值 之增加	Increase in fair value to income statement	-	3
於12月31日	At December 31	28	28

該於損益帳按公平值處理金融資產之公平值由一獨立及持有專業資格之評估公司估值。並根據貼現現金流量模式評估其公平值。

The fair value of the financial assets at fair value through profit or loss was assessed by an independent professional valuation firm and is determined based on discounted cash flow model.

23. 租賃土地及租金預付款項

集團

23. LEASEHOLD LAND AND RENTAL PREPAYMENTS

Group

(以百萬港元為單位)	(In HK\$ millions)	租賃土地 預付款項	租金 預付款項	合計	2009
		Leasehold land prepayments	Rental prepayments	Total	
		2010	2010	2010	
於1月1日之賬面淨值	Net book value at January 1	222	123	345	368
換算差額	Translation difference	2	4	6	2
添置	Additions	-	22	22	22
本年度攤銷	Amortization for the year	(9)	(41)	(50)	(47)
於12月31日之賬面淨值	Net book value at December 31	215	108	323	345
短期部分	Current portion	(9)	(32)	(41)	(45)
長期部分	Long-term portion	206	76	282	300

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23. 租賃土地及租金預付款項 (續)

公司

租賃土地預付款項分析如下：

(以百萬港元為單位)

於1月1日之賬面淨值
本年度攤銷於12月31日之賬面淨值
短期部分

長期部分

23. LEASEHOLD LAND AND RENTAL PREPAYMENTS
(continued)

Company

Leasehold land prepayments are analyzed as follows:

(In HK\$ millions)

Net book value at January 1

Amortization for the year

Net book value at December 31

Current portion

Long-term portion

2010 2009

150 155

(5) (5)

145 150

(5) (5)

140 145

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:

(以百萬港元為單位)

在香港持有
- 10年至50年
租約在香港以外持有
- 10年至50年
租約

- 多於50年租約

(In HK\$ millions)

In Hong Kong, held on

- leases of between
10 and 50 years

Outside Hong Kong, held on

- leases of between
10 and 50 years

- leases of over 50 years

集團
Group公司
Company

2010 2009 2010 2009

153 159 145 150

39 40 - -

23 23 - -

215 222 145 150

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24. 存貨

24. INVENTORIES

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2010	2009
原料	Raw materials	7	7
在製貨品	Work in progress	9	7
製成品	Finished goods	388	280
		404	294

存貨值已確認為費用並記賬在銷售成本中為20億港元(2009年:20.58億港元)。

The cost of inventories recognized as expense and included in cost of goods sold amounted to HK\$2,000 million (2009: HK\$2,058 million).

25. 應收賬款及其他應收款

25. TRADE AND OTHER RECEIVABLES

(以百萬港元為單位)	(In HK\$ millions)	集團 Group		公司 Company	
		2010	2009	2010	2009
應收賬款	Trade receivables	291	236	-	-
減: 減值撥備	Less: Provision for impairment	(9)	(5)	-	-
應收賬款淨值	Trade receivables – net	282	231	-	-
其他應收款、包括 訂金及預付款項	Other receivables, including deposits and prepayments	315	180	10	4
		597	411	10	4

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60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.

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25. 應收賬款及其他應收款(續)

25. TRADE AND OTHER RECEIVABLES (continued)

(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:

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2010	2009
0至30日	0 – 30 days	185	175
31至60日	31 – 60 days	60	35
61至90日	61 – 90 days	29	13
逾90日	Over 90 days	8	8
		282	231

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

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

於2010年12月31日，逾期但並無減值之應收賬款為9,800萬港元(2009年：3,200萬港元)。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：

As at December 31, 2010, trade receivables of HK\$98 million (2009: HK\$32 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:

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2010	2009
0至30日	0 – 30 days	36	13
逾30日	Over 30 days	62	19
		98	32

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25. 應收賬款及其他應收款 (續)

(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。

年內呆賬撥備的變動（包括特定及整體虧損部分）如下：

(以百萬港元為單位)

	(In HK\$ millions)	集團 2010	2009
於1月1日	At January 1	5	5
本年撥備	Provision for the year	4	–
於12月31日	At December 31	9	5

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。

25. TRADE AND OTHER RECEIVABLES (continued)

(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.

The movement in the allowance for doubtful debts during the year, including both specific and collective loss components, is as follows:

	(In HK\$ millions)	集團 2010	2009
At January 1	At January 1	5	5
Provision for the year	Provision for the year	4	–
At December 31	At December 31	9	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.

26. 股本

(以百萬港元為單位)

法定：
2,000,000,000股
每股面值5.0港仙之普通股

已發行及全數繳足：
1,496,068,518股
(2009年：1,491,646,518股)
每股面值5.0港仙之普通股

26. SHARE CAPITAL

(In HK\$ millions)

Authorized:
2,000,000,000 ordinary shares of
5.0 HK cents each

Issued and fully paid:
1,496,068,518 ordinary shares
(2009: 1,491,646,518 ordinary
shares) of 5.0 HK cents each

	(In HK\$ millions)	2010	2009
法定：	Authorized:		
2,000,000,000股	2,000,000,000 ordinary shares of		
每股面值5.0港仙之普通股	5.0 HK cents each	100	100
已發行及全數繳足：	Issued and fully paid:		
1,496,068,518股	1,496,068,518 ordinary shares		
(2009年：1,491,646,518股)	(2009: 1,491,646,518 ordinary		
每股面值5.0港仙之普通股	shares) of 5.0 HK cents each	75	75

2010年12月31日
December 31, 2010**26. 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	
		2010	2009
每股面值5.0港仙之普通股	Ordinary shares of 5.0 HK cents each		
於1月1日	At January 1	1,491,646,518	1,491,646,518
發行股份	Issue of shares	4,422,000	-
於12月31日	At December 31	1,496,068,518	1,491,646,518

26. 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5.0港仙之新普通股股份共4,422,000股。

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143頁至147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2010年12月31日，一共同控制公司持有本公司1,800,000股普通股股份(2009年：1,800,000股)。

(a) Issue of shares

Pursuant to the share option scheme of the Company, the Company issued 4,422,000 new ordinary shares of 5.0 HK cents 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 143 to 147.

(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, 2010, 1,800,000 ordinary shares (2009: 1,800,000 shares) were held by a jointly controlled company.

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27. 儲備

27. RESERVES

於2010年12月31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, 2010 are analyzed as follows:

(以百萬港元為單位)	(In HK\$ millions)	集團		公司	
		Group	2009	Company	2009
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	623	608	623	608
購股權儲備	Share options reserve	19	19	19	18
匯兌儲備	Exchange reserve	111	32	-	-
其他儲備	Other reserves	135	133	-	-
可出售之金融資產 儲備	Available-for-sale financial assets reserve	7	5	-	-
滾存溢利	Retained profits	1,052	860	471	362
		2,333	2,043	1,656	1,531
擬派末期及 特別股息(附註14(a))	Proposed final and special dividends (note 14(a))	(277)	(210)	(277)	(210)
儲備總額	Total reserves	2,056	1,833	1,379	1,321

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1995年5月29日完成之協議計劃而進行。根據百慕達1981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 China Mainland may be used to make up prior years' losses, if any, and to increase the capital of the subsidiaries.

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27. 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。

27. 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.

28. 遞延稅項

遞延稅項採用負債法就短暫性差異按適用於各司法權區之稅率而作全數撥備。

本集團於年內的遞延稅項資產及負債之變動（在同一徵稅地區之結餘抵銷前）如下：

遞延稅項（資產）/負債

(以百萬港元為單位)	(In HK\$ millions)	加速	未分派之	其他	合計
		會計折舊	滾存溢利		
		Accelerated	Unremitted	Others	Total
		accounting	profits		
		depreciation			
於2010年1月1日	At January 1, 2010	(11)	76	(5)	60
換算差額	Translation difference	-	2	(2)	-
稅率轉變之影響	Effect on change in tax rates	-	-	-	-
於利潤表中（計入）/ 列支	(Credited)/charged to income statement	(1)	26	(9)	16
於權益中列支	Charged to equity	-	-	3	3
於2010年12月31日	At December 31, 2010	(12)	104	(13)	79
於2009年1月1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）/ 列支	(Credited)/charged to income statement	(4)	7	7	10
於權益中列支	Charged to equity	-	-	5	5
於2009年12月31日	At December 31, 2009	(11)	76	(5)	60

28. DEFERRED TAXATION

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

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

Deferred tax (assets)/liabilities

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28. 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致之稅項。

本集團有未確認遞延稅項資產6,700萬港元(2009年: 1.14億港元)主要源於稅損。此等未確認遞延稅項資產當中2,000萬港元(2009年: 6,100萬港元)將於2010年12月31日起1至10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,已經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1,800萬港元(2009年: 無)。

28. 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\$67 million (2009: HK\$114 million) arising mainly from tax losses. These unrecognized deferred tax assets to the extent of HK\$20 million (2009: HK\$61 million) will expire within 1 to 10 years from December 31, 2010. 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\$18 million (2009: nil) have been recognized for the withholding tax that would be payable on the unremitted earnings of the PRC subsidiaries.

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2010	2009
遞延稅項資產	Deferred tax assets	(29)	(22)
遞延稅項負債	Deferred tax liabilities	108	82
		79	60

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29. 應付賬款及其他應付款

29. TRADE AND OTHER PAYABLES

(以百萬港元為單位)	(In HK\$ millions)	集團		公司	
		Group		Company	
		2010	2009	2010	2009
應付賬款	Trade payables	163	181	-	-
其他應付款及應付費用	Other payables and accrued expenses	385	253	3	3
		548	434	3	3
長期部分	Long-term portion	-	(15)	-	-
短期部分	Current portion	548	419	3	3

以下為應付賬款之賬齡分析：

The ageing analysis of trade payables is as follows:

(以百萬港元為單位)	(In HK\$ millions)	集團	
		Group	
		2010	2009
0至30日	0 – 30 days	153	138
31至60日	31 – 60 days	9	41
61至90日	61 – 90 days	1	2
		163	181

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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30. 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2010年及2009年之淨流動資產分別為13.85億港元及10.47億港元。本公司於2010年及2009年之淨流動資產分別為4.7億港元及3.42億港元。

31. 資產總額扣除流動負債

本集團於2010年及2009年之資產總額扣除流動負債分別為26.01億港元及22.83億港元。本公司於2010年之資產總額扣除流動負債為17.31億港元，而2009年則為16.06億港元。

32. 現金及現金等值結存之分析

(以百萬港元為單位)

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

30. NET CURRENT ASSETS

The Group's net current assets, defined as current assets less current liabilities, amounted to HK\$1,385 million and HK\$1,047 million in 2010 and 2009 respectively. The Company's net current assets was HK\$470 million and HK\$342 million in 2010 and 2009 respectively.

31. TOTAL ASSETS LESS CURRENT LIABILITIES

The Group's total assets less current liabilities amounted to HK\$2,601 million and HK\$2,283 million in 2010 and 2009 respectively. The Company's total assets less current liabilities was HK\$1,731 million in 2010 compared with HK\$1,606 million in 2009.

32. ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS

		集團 Group		公司 Company	
	(In HK\$ millions)	2010	2009	2010	2009
現金及銀行結存	Cash and bank balances	1,062	824	9	21
減：存款日起 三個月以上到期 之銀行定期存款	Less: Bank deposits with maturity over three months from date of deposits	(374)	(234)	-	-
		688	590	9	21

本集團以上之現金及銀行結存包括等值5.26億港元(2009年：3.83億港元)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\$526 million (2009: HK\$383 million) denominated in Renminbi.

本集團定期存款的實際利率為2.4%(2009年：2.0%)，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 2.4% (2009: 2.0%); these deposits have an average maturity of more than 3 months.

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33. 銀行貸款

33. BANK LOANS

(以百萬港元為單位)	(In HK\$ millions)	集團		公司	
		Group	2009	Company	2009
短期銀行貸款 (無抵押)	Short-term bank loans (unsecured)	2010 84	74	2010 66	57

本集團之短期銀行貸款的實際利率為2.0% (2009年: 1.7%)。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 short term bank loans was 2.0% (2009: 1.7%); these bank loans have an average maturity of less than 3 months.

34. 合併現金流量表附註

34. NOTE TO THE CONSOLIDATED CASH FLOW STATEMENT

(以百萬港元為單位)	(In HK\$ millions)	2010	2009
(a) 出售一附屬公司	(a) Disposal of a subsidiary		
已收取之現金代價	Cash consideration received	10	-
出售項目之資產淨值	Net assets disposed of:		
應收賬款及其他應收款	Trade and other receivables	2	-
銀行結餘及現金等值	Bank balances and cash equivalents	7	-
應付賬款及其他應付款	Trade and other payables	(2)	-
		7	-
減: 出售之相關費用	Less: Expense related to the disposal	4	-
變現匯兌儲備	Realization of exchange reserve	12	-
出售一附屬公司權益之虧損	Loss on disposal of a subsidiary	(13)	-
出售一附屬公司所引致之現金流出淨額之分析:	Analysis of the net cash outflow in respect of the disposal of a subsidiary:		
已收取之現金代價	Cash consideration received	10	-
減: 出售銀行結存及現金	Less: Bank balances and cash disposed of	7	-
出售之相關費用	Expenses related to the disposal	4	-
出售一附屬公司所引致之現金流出淨額之分析	Analysis of the net cash outflow from the disposal a subsidiary	(1)	-

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34. 合併現金流量表附註(續)

於2010年12月23日，本集團購入 Giordano Fashions (India) Private Limited (「Giordano India」) 的50.9% 股本，對價800萬港元。

收購所產生之商譽500萬港元，來自所購入的客戶群，以及本集團與Giordano India集團整合經營後預期產生的經濟效益。

確認的商譽預期不可扣除所得稅。下表摘要就支付的對價和在購買日期購入的資產和承擔的負債數額以及在購買日期非控制性權益的公平價值。

34. NOTE TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

On December 23, 2010, the Group acquired 50.9% of the share capital of Giordano Fashions (India) Private Limited (“Giordano India”) for HK\$8 million.

The goodwill of HK\$5 million arising from the acquisition is attributable to acquired customer base and economies of scale expected from combining the operations of the group and Giordano India.

None of the goodwill recognized is expected to be deductible for income tax purposes. The following table summarises the consideration paid for Giordano India and the amounts of the assets acquired and liabilities assumed recognised at the acquisition date, as well as the fair value at the acquisition date of the non-controlling interests in Giordano India.

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December 31, 2010

34. 合併現金流量表附註(續)

34. NOTE TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

(以百萬港元為單位)	(In HK\$ millions)	2010	2009
(b) 收購一附屬公司	(b) Acquisition of a subsidiary		
所收購之淨資產：	Net assets acquire of:		
物業、機器及設備	Property, plant and equipment	4	-
存貨	Inventories	3	-
應收賬款及其他應收款	Trade and other receivables	10	-
三個月以上到期 之銀行存款	Bank deposits with maturity over three months	11	-
銀行結餘及現金等值	Bank balances and cash equivalents	3	-
應付賬款及其他應付款	Trade and other payables	(25)	-
		6	-
非控制性權益	Non-controlling interests	(3)	-
收購所產生之商譽	Goodwill on acquisition	5	-
現金代價總額	Total cash consideration	8	-
收購一附屬公司所引致之 現金流出淨額分析：	Analysis of the net cash outflow in respect of the acquisition of a subsidiary:		
付現金代價	Cash consideration paid	(8)	-
所收購之銀行結存 及現金	Bank balances and cash acquired	3	-
收購一附屬公司所引致之 現金流出淨額之分析	Analysis of the net cash outflow from acquisition of a subsidiary	(5)	-

應收賬款及其他應收款的公平價值為1,000萬港元，此包括公平價值為400萬港元的應收賬款。

The fair value of trade and other receivables is HK\$10 million and includes trade receivables with a fair value of HK\$4 million.

本集團選擇於收購日以應佔資產淨額確認非控制性權益。

The Group has chosen to recognize the non-controlling interests at its proportionate share of net assets for this acquisition.

由2010年12月23日起，Giordano India 對本集團之銷售及利潤無任何貢獻。

Giordano India did not contribute any revenue or profit to the Group since December 23, 2010.

假若Giordano India於2010年1月1日起已合併入賬，合併利潤表的營業額將包括2,200萬港元及虧損30萬港元。

Had Giordano India been consolidated from January 1, 2010, the consolidated income statement would include turnover of HK\$22 million and loss of HK\$0.3 million.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

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35. 承擔

經營租賃之承擔

- (a) 於2010年12月31日，本集團及本公司就零售店舖、辦公室、工廠及貨倉之不可於未來撤銷之經營租賃的最低應付租賃費用如下：

(以百萬港元為單位)	(In HK\$ millions)	集團		公司	
		Group	2009	Company	2009
1年內	Within 1 year	562	559	2	3
1年後但5年內	After 1 year but within 5 years	581	467	-	2
5年以上	Over 5 years	16	2	-	-
		1,159	1,028	2	5

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。

- (b) 於2010年12月31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：

(以百萬港元為單位)	(In HK\$ millions)	集團		公司	
		Group	2009	Company	2009
1年內	Within 1 year	13	21	18	12
1年後但5年內	After 1 year but within 5 years	33	11	31	3
		46	32	49	15

35. COMMITMENTS

Commitments under operating leases

- (a) As at December 31, 2010, 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:

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.

- (b) As at December 31, 2010, 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:

2010年12月31日
December 31, 2010**36. 資本承擔**

於2010年及2009年12月31日，本集團及本公司並無關於租賃物業裝修、傢俬及辦公室設備之資本承擔。

37. 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：

		集團 Group	
(以百萬港元為單位)	(In HK\$ millions)	2010	2009
銷售給：	Sales to:		
— 共同控制公司	a jointly controlled company	141	104
— 聯營公司	an associate	179	146
		320	250

於12月31日應收/應付關聯人士款項：

Amounts due from/to these related parties at December 31 are:

		集團 Group	
(以百萬港元為單位)	(In HK\$ millions)	2010	2009
應收關聯人士款項：	Amounts due from:		
— 共同控制公司	a jointly controlled company	7	8
— 聯營公司	an associate	12	11
		19	19
應付關聯人士款項：	Amounts due to:		
— 共同控制公司	a jointly controlled company	1	1

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NOTES TO THE FINANCIAL STATEMENTS

2010年12月31日
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37. 重要關聯人士交易 (續)

(a) 於2010年12月31日，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。

(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。

38. 主要附屬公司

本公司於2010年12月31日之主要附屬公司如下：

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
		2010	2009	
寶斯特有限公司* Bluestar Exchange Limited*	香港 Hong Kong	100	100 3,000,000股 每股面值1港元之普通股 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	100 650,000股 每股面值1港元之普通股 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	100 100,000股 每股面值10港元之普通股 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
Giordano (Australia) Pty. Limited*	澳洲 Australia	86	86 700,000股 每股面值1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

37. MATERIAL RELATED PARTIES TRANSACTIONS (continued)

(a) As at December 31, 2010, the 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) 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.

38. PRINCIPAL SUBSIDIARIES

The following is a list of the principal subsidiaries of the Company as at December 31, 2010:

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

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38. 主要附屬公司 (續)

38. 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
		2010	2009	
Giordano Fashions (India) Private Limited*	印度 India	50.9	– 10,000,000股 每股面值10印度盧比之普通股 10,000,000 ordinary shares of INR10 each	經營零售及分銷服裝及 配襯用品/印度 Retail and distribution of apparel and accessories/India
佐丹奴有限公司* Giordano Limited*	香港 Hong Kong	100	100 50,000股 每股面值100港元之普通股 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	100 500,000股 每股面值馬來西亞幣1元 之普通股 500,000 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 50,000澳門幣 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 1,900,002新加坡元 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 1,500股 每股面值1,000,000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

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

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38. 主要附屬公司 (續)

38. 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	
		2010	2009		
深圳虎威製衣有限公司* (附註) Shenzhen Tiger Garment Ltd.* (note)	中國大陸 China Mainland	100	100	210,100,000人民幣 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/ China Mainland
虎威企業有限公司 Tiger Enterprises Limited	香港 Hong Kong	100	100	1,000股普通股 每股面值1港元 1,000 ordinary shares of HK\$1 each 60,000,000股無投票權遞延股 每股面值1港元 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/China Mainland
Walton International Ltd.*	開曼群島 Cayman Islands	100	100	102股每股面值1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：此公司為外商獨資企業

Note: This is wholly foreign owned enterprise

* 間接持有之附屬公司

* Subsidiaries held indirectly

39. 財務報表通過

39. APPROVAL OF FINANCIAL STATEMENTS

本年度財務報表已於2011年3月24日獲董事會通過。

The financial statements were approved by the board of directors on March 24, 2011.

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.

購股權資料

SHARE OPTION INFORMATION

(3) 股份數目上限

於2011年3月24日，可發行之股份數目上限為44,113,851股，約相等於本公司已發行股份之3%。

(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12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1%。

(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30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1港元。

(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2012年1月24日屆滿。

(3) Maximum number of shares

As at March 24, 2011, the maximum number of shares available for issue is 44,113,851, representing approximately 3% 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 1% 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.

(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2010年 12月31日 之結餘 Balance as at 12/31/2010	每股行使價 Exercise price per share	授出日期 Date of grant	行使期 Exercisable period
	於2010年 1月1日 之結餘 Balance as at 01/01/2010	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)

合資格人士 Eligible person	購股權數目 Number of share options				於2010年 12月31日 之結餘 Balance as at 12/31/2010	每股行使價 Exercise price per share	授出日期 Date of grant	行使期 Exercisable period
	於2010年 1月1日 之結餘 Balance as at 01/01/2010	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				
連續合約僱員 Continuous Contract Employees	1,026,000	-	-	194,000	832,000	4.650	04/08/2002	04/08/2003 – 04/07/2012
	1,148,000	-	-	194,000	954,000	4.650	04/08/2002	04/08/2004 – 04/07/2012
	1,246,000	-	-	202,000	1,044,000	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	-	168,000	334,000	-	2.795	02/05/2003	02/05/2006 – 02/04/2013
	194,000	-	66,000	12,000	116,000	2.650	06/10/2003	06/10/2004 – 06/09/2013
	260,000	-	102,000	18,000	140,000	2.650	06/10/2003	06/10/2005 – 06/09/2013
	524,000	-	242,000	32,000	250,000	2.650	06/10/2003	06/10/2006 – 06/09/2013
	64,000	-	20,000	20,000	24,000	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	-	-	166,000	448,000	4.500	06/16/2004	06/16/2005 – 06/15/2014
	616,000	-	-	166,000	450,000	4.500	06/16/2004	06/16/2006 – 06/15/2014
	620,000	-	-	168,000	452,000	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
	110,000	-	-	-	110,000	4.875	12/30/2004	12/30/2004 – 12/29/2014
	2,374,000	-	226,000	144,000	2,004,000	3.896	11/27/2007	11/27/2008 – 11/26/2017
	2,374,000	-	80,000	144,000	2,150,000	3.896	11/27/2007	11/27/2009 – 11/26/2017
	2,476,000	-	-	180,000	2,296,000	3.896	11/27/2007	11/27/2010 – 11/26/2017
	96,000	-	32,000	-	64,000	3.896	01/23/2008	01/23/2009 – 01/22/2018
	96,000	-	32,000	-	64,000	3.896	01/23/2008	01/23/2010 – 01/22/2018
	108,000	-	-	-	108,000	3.896	01/23/2008	01/23/2011 – 01/22/2018
	19,018,000	-	3,222,000	3,012,000	12,784,000	3.520	07/30/2008	10/01/2008 – 09/30/2018
	6,352,000	-	96,000	960,000	5,296,000	3.840	07/30/2008	10/01/2008 – 09/30/2018
	6,352,000	-	136,000	960,000	5,256,000	4.160	07/30/2008	10/01/2008 – 09/30/2018
	-	4,950,000	-	-	4,950,000	3.340	07/07/2010	03/25/2011 – 06/30/2020
	-	9,900,000	-	-	9,900,000	3.340	07/07/2010	Note 1 – 06/30/2020
	-	14,850,000	-	-	14,850,000	3.340	07/07/2010	Note 2 – 06/30/2020
	-	1,600,000	-	-	1,600,000	4.502	10/08/2010	03/25/2011 – 06/30/2020
	-	3,400,000	-	-	3,400,000	4.502	10/08/2010	Note 1 – 06/30/2020
	-	5,000,000	-	-	5,000,000	4.502	10/08/2010	Note 2 – 06/30/2020
	47,948,000	39,700,000	4,422,000	7,572,000	75,654,000			
其他 Others	1,460,000	-	-	-	1,460,000	4.150	01/27/2004	01/27/2005 – 01/26/2014
	1,640,000	-	-	-	1,640,000	4.975	12/29/2004	12/29/2004 – 12/28/2014
	3,100,000	-	-	-	3,100,000			
合計 Total	59,048,000	39,700,000	4,422,000	7,572,000	86,754,000			

Note 1: the day after 2011 final results announcement
Note 2: the day after 2012 final results announcement

附註1: 2011年全年業績公布翌日
附註2: 2012年全年業績公布翌日

購股權之變動（續）

附註：

1. 連續合約僱員已行使之購股權於緊接行使日前之加權平均股份收市價為4.61港元。
2. 於2010年12月31日之每股市價為4.53港元。
3. 購股權授出前一天之股份收市價如下：

購股權授出日	授出購股權日 前一天之 每股股份收市價
2010年7月7日	3.33港元
2010年10月8日	4.50港元

購股權價值

於2010年財政年度授出之購股權之每股公平價值分別為0.402港元。該公平價值乃採用柏力克•舒爾斯期權定價模式，並於授出日採用以下之假設數據計算：

無風險利率	： 2.3%（於授出日之十年期外匯基金債券的大約孳息）
預期股息	： 歷史股息平均每股為33.2港仙
預期波幅	： 歷史波幅為39.4%至45.5%
預期有效期	： 十年

柏力克•舒爾斯期權定價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，該期權定價模式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 weighted average closing price of the shares immediately before the date on which the options were exercised by the Continuous Contract Employees was HK\$4.61.
2. The market value per share as at December 31, 2010 was HK\$4.53.
3. The closing price of the shares immediately before the dates on which the options were granted were as follows:

Date of grant	Closing price per share immediately before the date of grant
July 7, 2010	HK\$3.33
October 8, 2010	HK\$4.50

VALUATION OF SHARE OPTIONS

The fair value per share option granted during the financial year 2010 was HK\$0.402. The fair value of each option granted was estimated on the date of the grant using the Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate	： 2.3%, being the approximate yield of ten-year Exchange Fund Note on the grant date
Expected dividend	： Average historical dividends of 33.2 HK cents per share
Expected volatility	： 39.4% – 45.5% based on historical volatility
Expected life	： ten years

The Black-Scholes option pricing model is developed to estimate the fair value of publicly traded options that have no vesting restrictions and are fully transferable. In addition, such option pricing model 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.

投資者參考資料

INFORMATION FOR INVESTORS

重要日期

暫停辦理股份過戶登記

2011年6月7日至
2011年6月9日
(首尾兩天包括在內)

股東週年大會

2011年6月9日

股息

中期股息	:	每股4.5港仙
特別中期股息	:	每股4.0港仙
派發日期	:	2010年9月24日
建議末期股息	:	每股7.0港仙
建議特別末期股息	:	每股11.5港仙
建議派發日期	:	2011年6月24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

虞瑋麟
公司事務及外務總監
佐丹奴國際有限公司
香港九龍
長沙灣道777至779號
天安工業大廈5樓
電話 : (852) 2746 4668
傳真 : (852) 2370 8864
電子郵箱 : investorrelations@giordano.com.hk

網址

www.giordano.com.hk

IMPORTANT DATES

Closure of Register of Members

June 7, 2011 to June 9, 2011
(both days inclusive)

Annual General Meeting

June 9, 2011

Dividends

Interim Dividend	:	4.5 HK cents per share
Special Interim Dividend	:	4.0 HK cents per share
Paid on	:	September 24, 2010
Proposed Final Dividend	:	7.0 HK cents per share
Proposed Special Final Dividend	:	11.5 HK cents per share
Payable on	:	June 24, 2011

STOCK CODE

Stock Exchange of Hong Kong	:	709
Bloomberg	:	709 HK
Reuters	:	0709.HK

INVESTOR RELATIONS CONTACT

William YUE
Director of Corporate and External Affairs
Giordano International Limited
5th Floor, Tin On Industrial Building
777-779 Cheung Sha Wan Road
Kowloon, Hong Kong
Telephone : (852) 2746 4668
Facsimile : (852) 2370 8864
e-mail : investorrelations@giordano.com.hk

WEBSITE

www.giordano.com.hk

Giordano International Limited
(Incorporated in Bermuda with limited liability)
5th Floor Tin On Industrial Building
777-779 Cheung Sha Wan Road
Kowloon, Hong Kong

佐丹奴國際有限公司
(於百慕達註冊成立之有限公司)
香港九龍長沙灣道777-779號
天安工業大廈5字樓

www.giordano.com.hk



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