



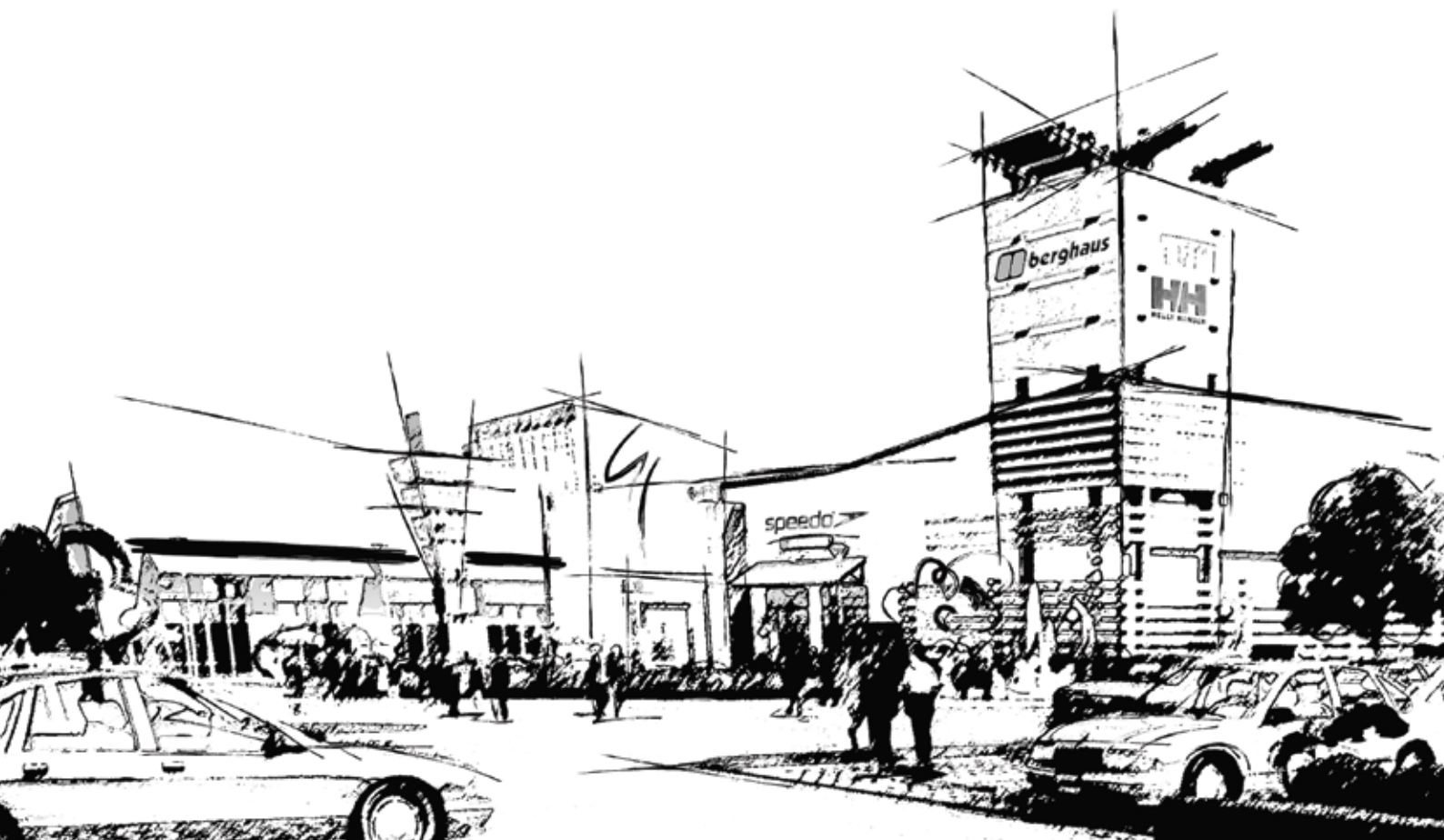
2011

INTERIM REPORT 中期報告

SYMPHONY HOLDINGS LIMITED

新豐集團有限公司

STOCK CODE 股份代號 01223



Contents 目錄

Chairman's Statement and Outlook 主席報告及展望	2
Operation Review 業績表現	6
Condensed Consolidated Statement of Comprehensive Income 簡明綜合全面收益表	10
Condensed Consolidated Statement of Financial Position 簡明綜合財務狀況表	12
Condensed Consolidated Statement of Changes in Equity 簡明綜合權益變動表	14
Condensed Consolidated Statement of Cash Flows 簡明綜合現金流量表	16
Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註	18
Corporate Governance 企業管治	43
Information to Stakeholders 持份者資訊	52

Chairman's Statement and Outlook 主席報告及展望

During the first half of 2011, Symphony Holdings Limited (“**Symphony**” or the “**Company**”), together with its subsidiaries the “**Group**”) recorded a stable performance despite a challenging world economy. Following the consolidation of production facilities and persistent upturn of domestic consumption in the PRC, revenue of the Group increased by 39.6% to HK\$1,134.0 million for the six months ended 30 June 2011. Profit attributable to owners of the Company remained solid at HK\$4.5 million. However, gross margin, being affected by the rising of high-end raw material cost, fell 290 basis points to 16.3%.

Since the acquisition of Converse in 2001, Symphony has started its transformation from a footwear OEM veteran to a multi-faceted retail conglomerate through vertical integration, taking advantage of its knowhow and extensive networks. The Group has accelerated its expansion and it has successfully optimised deployment of its resources. Over the years, Symphony has been transformed into a win-win business model and it has established its own fleet of manufacturer, retailer, brand owner and mall development. This model allows the Company to control both production and distribution channels effectively and concurrently to generate diversification of sources of revenue.

First half of 2011 remains the nurturing period of our branding and retailing businesses.

During the period under review, Pony maintained a positive EBITDA and focused on the consolidation of its licensing business. The operation of Pony in China continued to expand through broadening of its franchisee network nationwide. Despite the unfavourable effects on its EBITDA as a result of the weak dollar trend and the stagnation of US economic recovery, Haggar maintained a steady growth in gross sales by 2.2%.

於2011年首半年，儘管環球經濟充滿挑戰，新豐集團有限公司（「**新豐**」或「**本公司**」，連同其附屬公司統稱「**本集團**」）錄得穩定表現。繼整合生產設施和中國的國內消費持續上升，截至2011年6月30日止六個月，本集團的營業額增長39.6%至1,134.0百萬港元。本公司擁有人應佔溢利維持穩健至4.5百萬港元。然而，毛利率繼續受高檔原材料成本上升所影響，錄得下調290基點至16.3%。

自2001年收購Converse起，新豐已開始轉型，透過垂直整合，及利用其專有技術和龐大的網絡，新豐從資深鞋類原來設備製造商邁向多方位零售企業。本集團已加快其拓展和成功優化調配其資源。多年來，新豐已經轉型為雙贏的商業模式，並建立了自己的製造商、零售商、品牌持有人和商場發展的隊伍。該模式允許本公司有效地控制生產和分銷渠道，並同時產生多元化收入來源。

2011年首半年仍為我們品牌及零售業務的培育期。

於本回顧期間，Pony的息稅折舊攤銷前收益維持正面，並集中鞏固其商標授權業務。Pony在中國的營運透過擴大其在國內的專營網絡繼續擴張。儘管美元疲弱趨勢及美國經濟復甦停滯不前對息稅折舊攤銷前收益帶來不利影響，Haggar的總銷售額仍然維持2.2%的穩定增長。

Chairman's Statement and Outlook 主席報告及展望

Over the last six months, the ascending China economy was favourable to the performance in retailing business in the PRC. Meanwhile, our brands in the PRC were challenged by rising raw materials, rental, and labour costs. Speedo recorded a sizeable increase in turnover with gross profit improved by 19.2% year-on-year. Berghaus started to pick up momentum, as gross profit and the number of points of sale had doubled. During the period, turnover of Helly Hansen has surpassed its annual turnover in 2010 by 32.3%, adding ten direct managed stores and one franchised store. The Group currently operates eleven Mango stores in the PRC. Turnover of Mango in the first six months of 2011 was growing strongly by 36.1% compared to its full year turnover in 2010.

The turnover of JFT, a joint venture with Toyota Tsusho, the apparel arm of Toyota Motor Group, increased by 39.6% in the first half of 2011. This was driven by stronger sales at two flagship stores and the addition of new EDWIN stores. Moreover, JFT started its operation in the PRC in 2011, launching selected Shibuya 109 brands and offering competitive edge into the most promising Chinese retail market. There are expansion plans afoot to increase its presence in strategic locations in major PRC cities. As the exclusive distributor of EDWIN in Hong Kong, JFT was granted a license to produce tops for the Hong Kong market and the turnover is forecast to increase steadily. EDWIN's expansion plan in China is forging ahead and its revenue is expected to improve gradually and continually.

於過去六個月，中國經濟攀升有利於中國的零售業務表現。與此同時，我們的品牌業務在中國受原材料、租金和勞工成本上漲的挑戰。速比濤的營業額錄得大幅增長，而毛利按年增加19.2%；貝豪斯開始其勢頭，其毛利和銷售點的數量倍增。在本期間，海利漢森的營業額已超越其2010年全年營業額之32.3%，並擴展至十間直營店及一間特許經營店。本集團目前在中國經營十一間芒果服裝店。於2011年首六個月，芒果的營業額持續強勁增長，與2010年全年營業額相比，其營業額已增加36.1%。

JFT乃本集團與豐田通商(即豐田汽車集團分支公司)攜手合作的合營企業，於2011年上半年，有賴兩間旗艦店強勁的銷售增長和新開設的EDWIN店，其營業額增加39.6%。此外，JFT已於2011年登陸中國，推出精選的澀谷109品牌及提供競爭優勢進入最蓬勃的中國零售市場，並有擴展計劃在中國主要城市的策略性地點增加其銷售點。作為EDWIN的香港獨家分銷商，JFT已獲授權為EDWIN香港市場生產製造上衣，預計營業額會穩步增長。EDWIN在中國的擴張計劃正穩步前進，收入有望逐步並持續改善。

Chairman's Statement and Outlook 主席報告及展望

The construction and store leasing of the Group's flagship outlet mall in Shenyang, Park Outlet (尚柏奧萊) is currently in full swing. In early 2011, we partnered with Mitsubishi Estates Co., Ltd. ("Mitsubishi"), one of the most experienced and successful outlet mall operators in Japan to develop, manage and operate the Park Outlet. Sharing of management know-how and experience in outlet mall operations by Mitsubishi, together with the PRC connections of the Group, this strategic alliance provides the Group with a solid base for long-term and sustainable growth in the outlet mall industry. Our Shenyang Park Outlet is slated for completion by 2012. In addition, the Group is seeking opportunities to collaborate with other seasoned players in construction industry in the PRC in order to develop our land for residential and commercial properties. The appreciation of land value of the pieces of land we acquired earlier justifies our investment decision. We shall continue to explore similar land investment opportunities in developing other outlet malls in the PRC.

The footwear manufacturing division remained as the Group's principal revenue generator. The impact of seasonal demand on factory orders and the pricey raw materials for high-end footwear had raised our inventory level at the factories in June. However, following the completion of finished goods delivery from early July onwards, the current inventory level is expected to go down. In spite of this, it is anticipated that the recurring orders from a key customer will continue to impact the Group's inventory level.

The recently completed open offer and capital restructuring have increased the Group's available resources substantially and enhanced its flexibility for future expansion.

本集團位於瀋陽的名牌特價購物中心尚柏奧萊的建設工程和招商工作正如火如荼地進行。在2011年初，日本其中一個最富經驗及成功的名牌特價購物中心經營商三菱地所株式會社（「三菱地所」）與本集團組成結盟攜手開發、管理及經營尚柏奧萊。共享三菱地所經營名牌特價購物中心的實際管理知識和經驗，配合本集團在中國的網絡，此策略聯盟為本集團提供了穩健的基礎，以在名牌特價購物中心行業作長遠及可持續增長。我們的瀋陽尚柏奧萊計劃在2012年落成。此外，本集團會繼續尋求機會與在國內建築行業具豐富經驗的公司聯手，以發展我們的地塊作住宅及商業物業。我們於過去數年所收購的地塊價值上升，已印證我們有遠見的投資決定。我們會繼續進一步發掘類似的土地投資商機以在中國發展其他名牌特價購物中心。

鞋履製造業務仍是本集團的主要收入來源。鑑於季節性工廠訂單需求的影響及用於高檔鞋履的原材料價格昂貴，導致六月份工廠的存貨量增加。然而，自七月初起繼交付成品開始，現有存貨水平預期會下降。儘管如此，預期主要鞋履客戶的經常性訂單將會持續影響本集團的存貨量。

本集團最近完成的公開發售及資本重組，大體上增加了集團的現有資源，並增強其未來擴展的靈活性。

Chairman's Statement and Outlook 主席報告及展望

The booming domestic consumption demand and the rapid growth in the PRC, together with a series of effective macroeconomic regulations and controls adopted by the Chinese government benefit the business of the Group and bring exciting opportunities to retailing and property investments in the PRC. The consolidation of factory plants has proven to be effectual to stabilise the operating cost. We have been and will remain competitive by working closely with our key customers and implementing tight cost control. Despite the promising economy in China, the global business environment continues to be challenging due to prevailing political and economic uncertainties. The Board remains cautiously optimistic about the prospects in the second half of the year. It expects the business of the Group to grow moderately. We shall be prudent in selecting high quality investments and laying a firm foundation for expanding our business and enhancing shareholders' value as a whole.

Chan Ting Chuen

Chairman

Hong Kong, 25 August 2011

中國的國內消費需求蓬勃及快速增長，加上中國政府採納一系列有效的宏觀調控措施，均有利本集團的業務，並為在中國的零售及物業投資業務帶來振奮的機遇。廠房的整合已證實有效穩定經營成本。我們仍會繼續透過與主要客戶的緊密合作，實施嚴格的成本控制以保持競爭力。儘管中國經濟前景光明，當前的政治和經濟不明朗因素使環球經營環境仍具挑戰性。董事會對下半年的前景仍維持審慎樂觀。預期本集團的業務將會溫和增長。我們會繼續審慎挑選優質的投資以奠定穩厚的基礎，旨在擴展我們業務的同時，並提高股東價值。

主席

陳庭川

香港，2011年8月25日

Operation Review 業績表現

In the first half of 2011, the performance of the manufacturing and certain retail sections of the Group continued to improve and recorded an encouraging increase in revenue to HK\$1,134,020,000, representing a 39.6% corresponding growth.

During this period, owing to the appreciation in fair value on revaluation of investment properties, other income climbed to approximately HK\$75,613,000, representing an increase of 78.8% over the same period last year. In addition, the investment properties increased to HK\$796,387,000. This was mainly attributable to the acquisition of new pieces of land and the fair value gains on revaluation of land in Shenyang. Consequently, taxation for the period increased to HK\$19,779,000 due to the upsurge of deferred tax liability which is corresponding to the revaluation of investment properties.

As a result of higher operating costs and marketing expenses for aggressive market share penetration of two jointly controlled entities, share of results of jointly controlled entities weakened and recorded a 49.8% decrease.

Due to the higher raw material costs for the production of high-end footwear products, and seasonal increase in manufacturing demand, the inventory rose to HK\$517,900,000 as at 30 June 2011. After delivery of finished goods from early July onwards, the inventory level is expected to go down.

Due to the acquisition of new parcels of land in Shenyang in January 2011 and the higher raw material cost, cash and bank balance fell by 26.5% to HK\$268,745,000, while trade and other receivables rose 56.8% to HK\$542,604,000 as at 30 June 2011. The liquidity of the Group is expected to improve upon completion of delivery of finished goods to our customers.

於2011年首半年，本集團的製造和若干零售業務的表現持續改善，營業額錄得令人鼓舞的增長至1,134,020,000港元，相對去年同期增長39.6%。

於本期間，由於重估投資物業的公允價值升值，其他收入上升至約75,613,000港元，相比去年同期增加78.8%；此外，投資物業增至796,387,000港元。主要是由於新收購地塊及位於瀋陽地塊的重估公允價值收益。由此，期內稅項增加至19,779,000港元，乃由於重估投資物業的相應遞延稅項負債增加。

為配合積極滲透市場佔有率，兩個共同控制實體的經營成本和營銷費用增加，削弱佔共同控制實體業績，並錄得49.8%的跌幅。

由於生產高檔鞋履產品的原材料成本價格較高，加上生產的季節性需求增加，因此，於2011年6月30日，存貨增加至517,900,000港元。繼七月初開始交付運送製成品後，存貨水平預期會下降。

由於在2011年1月於瀋陽收購新地塊及較高的原材料成本，故於2011年6月30日，現金及銀行結餘下降26.5%至268,745,000港元，而貿易及其他應收賬款增加56.8%至542,604,000港元。預期完成製成品付運予客戶後，本集團的資金流動狀況會得到改善。

As at 30 June 2011, the Group had interest bearing bank borrowings of HK\$193,910,000. As a result, the finance costs were approximately HK\$1,024,000 during the period.

MANUFACTURING AND RETAILING BUSINESS MARKET INFORMATION

During the period, sales to North America comprised 43.6% (2010: 47.9%) and orders to Europe comprised 21.6% (2010: 29.7%) of the total sales and the remaining 34.8% (2010: 22.4%) was shared between Asia, Africa, Australia, Latin America and the Middle East.

CUSTOMER RELATIONSHIP MAINTENANCE AND RESEARCH AND DEVELOPMENT

Our extensive experience and knowledge on the manufacturing process, production materials, and procurement allows us to work closely with our customers to achieve quality and efficiency and to produce cost-effective products. Our dynamic brands development team provides their expertise, foresight and advice to our customers on retail and wholesale market in mainland China. The maintenance of close relationship with our customers has built an in-depth understanding of their needs so that we are capable of anticipating and resolving their problems expeditiously and effectively. Our research and development team improves products design to maximize their comfort, endurance and functionality, and where necessary, introduces new technology to enhance their market appeal. Our value-added contributions enable us to maintain our long-term partnership with our customers.

於2011年6月30日，本集團有付息銀行貸款約193,910,000港元。因此，在此期間的財務費用約為1,024,000港元。

製造及零售業務市場資訊

期內，北美洲的銷售額佔本集團總營業額43.6% (2010：47.9%)，歐洲銷售佔總營業額21.6% (2010：29.7%)，而營業額其餘的34.8% (2010：22.4%)則由亞洲、非洲、澳洲、拉丁美洲及中東等市場攤分。

維護顧客關係及研究與開發

本集團對生產過程、製造原料及採購方面的廣泛經驗與工作知識，讓我們與客戶緊密合作，以提供高質素、高效率及有生產成本效益的產品。而本集團富活力的品牌建立團隊為中國大陸零售及分銷客戶提供專業及有遠見的意見。我們與客戶的緊密關係的維護有助深入了解客戶所需，故能有效預料客戶所面對的問題，並能迅速及有效地協助他們尋找解決方案。本集團的研究及開發隊伍能幫助客戶改良其等的產品設計，藉以大大提升產品的舒適度、耐用性及功能性，更於有需要時引進新技術以提升產品的市場吸引力。能為客戶提供增值效益，使本集團成為客戶的長期伙伴。

Operation Review 業績表現

LIQUIDITY AND CAPITAL RESOURCES

During the six months ended 30 June 2011, an aggregate of 872,022,386 shares of HK\$0.25 each were issued under the open offer at a subscription price of HK\$0.25 per offer share on the basis of one offer share for every two existing shares held by the qualifying shareholders whose names appeared on the register of members of the Company on 11 May 2011.

As at 30 June 2011, the Group had bank balances and cash of HK\$268,745,000 (31 December 2010: HK\$365,519,000). The Group was offered banking facilities amounting to HK\$335,300,000 (31 December 2010: HK\$257,500,000). As at 30 June 2011, the Group's total borrowing was HK\$193,910,000 (31 December 2010: HK\$80,000,000), which carried variable interest rates. The gearing ratio stood at 29.6% (2010: 18.3%), based on total borrowing over shareholders' fund. The banking facilities were secured by corporate guarantees from the Company and its certain subsidiaries.

CONTINGENT LIABILITIES

On 31 March 2011, the Group filed an application to High Court ("Court") for a judicial review with respect to the protective profits tax assessments for additional tax issued by the Inland Revenue Department ("IRD"), relating to the years of assessment of 2001/2002 to 2004/2005 against certain wholly-owned subsidiaries of the Company. The Group has lodged objection with the IRD against the protective profits tax assessments and purchased tax reserve certificates as directed by the Commissioner of the IRD. Leave to bring judicial review proceedings was granted by the Court, pending for hearing on 1 February 2012.

流動資金及資本來源

截至2011年6月30日止六個月期間，根據公開發售按於2011年5月11日名列本公司股東登記冊的合資格股東，每持有兩股現有股份獲發一股發售股份的基準，合共發行872,022,386股每股面值0.25港元的股份，認購價為每股發售股份0.25港元。

於2011年6月30日，本集團的銀行結餘及現金為268,745,000港元（2010年12月31日：365,519,000港元）；而銀行為本集團提供的融資額度達335,300,000港元（2010年12月31日：257,500,000港元）。於2011年6月30日，本集團的貸款總額為193,910,000港元（2010年12月31日：80,000,000港元），該貸款附浮動利率。按貸款總額對比股東資金比例計算，資產負債比率為29.6%（2010：18.3%）。銀行融資由本公司及其若干附屬公司作企業擔保。

或然負債

於2011年3月31日，本集團就稅務局（「稅務局」）發出涉及2001/2002年度至2004/2005年度對本公司若干全資附屬公司的所得稅保障性評稅之追加稅項向高等法院（「法院」）提出申請進行司法覆核。本集團已向稅務局對所得稅保障性評稅提出反對，並按稅務局局長指示購買儲稅券。法院已授權准許進行司法覆核程序，排期於2012年2月1日作出聆訊。

HUMAN RESOURCES

As at 30 June 2011, total number of employees of the Group was approximately 18,000. Employee cost (excluding directors' emoluments) amounted to approximately HK\$245,859,000 (2010: HK\$206,927,000).

In addition to competitive remuneration packages, discretionary bonuses and employee options are awarded to eligible staff of the Group based on their performance and individual merits, and the operating results of the Company.

SHARE OPTIONS

At an annual general meeting of the Company held on Friday, 10 June 2011, shareholders of the Company have approved the termination of the share option scheme adopted on 22 October 2001 ("**2001 Scheme**") and the adoption of a new share option scheme ("**New Scheme**"). For the six months ended 30 June 2011, the Group has no share option being granted, outstanding, lapsed or cancelled pursuant to the 2001 Scheme and the New Scheme.

人力資源

於2011年6月30日，本集團的僱員總數約為18,000人。僱員成本(不包括董事袍金)約為245,859,000港元(2010：206,927,000港元)。

除享有具競爭力的薪酬外，本公司合資格員工亦可依據其表現、個人功績及本公司經營業績獲發酌情花紅及僱員購股權。

購股權

於2011年6月10日星期五召開的本公司股東周年大會，本公司股東已批准終止於2001年10月22日採納的購股權計劃(「**2001計劃**」)，並採納一新購股權計劃(「**新計劃**」)。於截至2011年6月30日止六個月，本集團並無根據2001計劃及新計劃授出購股權，亦無購股權尚未行使、已失效或被取消。

Condensed Consolidated Statement of Comprehensive Income 簡明綜合全面收益表

Six months ended 30 June 截至6月30日止六個月

Unaudited 未經審核

		Notes	2011 HKD'000 千港元	2010 HKD'000 千港元 (Restated) (經重列)
Revenue	營業額	4	1,134,020	812,425
Cost of sales	銷售成本		(949,521)	(656,842)
Gross profit	毛利		184,499	155,583
Other income	其他收入		75,613	42,279
Distribution and selling expenses	分銷及銷售開支		(90,073)	(83,316)
Administrative expenses	行政開支		(96,330)	(87,968)
Other expenses	其他開支		(5,964)	(1,755)
Share of results of jointly controlled entities	佔共同控制實體業績		(29,819)	(19,909)
Finance costs	融資成本		(1,024)	-
Profit before tax	除稅前溢利		36,902	4,914
Taxation	稅項	5	(19,779)	(1,501)
Profit for the period	期內溢利	6	17,123	3,413
Other comprehensive income (expense)	其他全面收入(開支)			
Exchange differences arising on translation of foreign operations	海外業務所產生的匯兌折算差異		13,939	6,671
Fair value gain of available-for-sale investments	可供銷售投資公平價值收益		111	670
Re-classification adjustment to profit or loss upon disposal of available-for-sale investments	重新分類出售可供銷售投資於損益的調整		-	(1,597)
Reserves released upon deregistration of a subsidiary	註銷一附屬公司時撥出之儲備		-	(2,254)
Deferred tax liability arising on revaluation of properties	重估物業價值所產生的遞延稅項負債		(2,079)	(3,417)
Share of other comprehensive income (expense) of jointly controlled entities	佔共同控制實體其他全面收入(開支)		1,399	(600)
Surplus arising on revaluation of properties	重估物業所產生的盈餘		11,848	5,621
Exchange reserve released upon closure of a jointly controlled entity	一共同控制實體停業時撥出之匯兌儲備		(3)	-
Other comprehensive income for the period (net of tax)	期內其他全面收入(除稅後淨額)		25,215	5,094
Total comprehensive income for the period	期內全面收入總額		42,338	8,507

Condensed Consolidated Statement of Comprehensive Income 簡明綜合全面收益表

Six months ended 30 June 截至6月30日止六個月
Unaudited 未經審核

	Notes 附註	2011 HKD'000 千港元	2010 HKD'000 千港元 (Restated) (經重列)
Profit for the period attributable to:	應佔期內溢利：		
Owners of the Company	本公司擁有人	4,476	3,346
Non-controlling interests	非控股權益	12,647	67
		17,123	3,413
Total comprehensive income attributable to:	應佔全面收入總額：		
Owners of the Company	本公司擁有人	29,286	8,366
Non-controlling interests	非控股權益	13,052	141
		42,338	8,507
Earnings per share	每股盈利		
Basic and diluted (HK cents)	基本及攤薄(港仙)	0.45	0.37

Condensed Consolidated Statement of Financial Position 簡明綜合財務狀況表

			Unaudited 未經審核 At 30 June 2011 2011年 6月30日 HK\$'000 千港元	Audited 經審核 At 31 December 2010 2010年 12月31日 HK\$'000 千港元
		Notes 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	9	340,299	331,097
Investment properties	投資物業	9	796,387	512,962
Prepaid lease payments	預付租賃款項		19,180	19,054
Interests in jointly controlled entities	佔共同控制實體權益	10	38,176	91,217
Advances to jointly controlled entities	墊款予共同控制實體		171,532	171,388
Available-for-sale investments	可供銷售投資		6,365	6,246
Deferred tax assets	遞延稅項資產		12,003	12,266
Tax recoverable	應退稅項		23,214	23,214
Club debentures	會所債券		2,003	2,003
			1,409,159	1,169,447
Current assets	流動資產			
Inventories	存貨		517,900	281,499
Amounts due from jointly controlled entities	應收共同控制實體款項		21,581	23,693
Trade and other receivables	貿易及其他應收賬款	11	542,604	345,947
Prepaid lease payments	預付租賃款項		528	518
Bank balances and cash	銀行結餘及現金		268,745	365,519
			1,351,358	1,017,176
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬款	12	531,667	451,064
Amounts due to jointly controlled entities	應付共同控制實體款項		12,816	12,577
Dividend payable	應付股息		26,161	-
Tax payable	應付稅項		56,497	55,483
Secured bank loans	具抵押銀行貸款	13	193,910	80,000
			821,051	599,124

Condensed Consolidated Statement of Financial Position 簡明綜合財務狀況表

			Unaudited 未經審核 At 30 June 2011 2011年 6月30日 HK\$'000 千港元	Audited 經審核 At 31 December 2010 2010年 12月31日 HK\$'000 千港元
Net current assets	流動資產淨值		530,307	418,052
Total assets less current liabilities	資產總值減流動負債		1,939,466	1,587,499
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債		96,867	77,517
Net Assets	資產淨值		1,842,599	1,509,982
Capital and reserves	股本及儲備			
Share capital	股本	14	654,017	436,011
Share premium and reserves	股份溢價及儲備		990,545	972,219
Equity attributable to owners of the Company	本公司擁有人 應佔權益		1,644,562	1,408,230
Non-controlling interests	非控股權益		198,037	101,752
			1,842,599	1,509,982

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

		Attributable to owners of the Company 本公司擁有人應佔										
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Properties revaluation		Investments revaluation		Translation reserve 匯兌儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元	Non-controlling interests 非控股權益 HK\$'000 千港元	Total 總計 HK\$'000 千港元
				Other reserve 其他儲備 HK\$'000 千港元	reserve 物業 重估儲備 HK\$'000 千港元	reserve 投資 重估儲備 HK\$'000 千港元						
At 1 January 2010 (audited), as originally stated	於2010年1月1日 (經審核)·原列	436,011	364,638	-	35,825	454	62,366	403,559	1,302,853	32,620	1,335,473	
Effect of change in accounting policies	會計制度變更之影響	-	-	-	51,467	-	-	(4,705)	46,762	-	46,762	
At 1 January 2010 (audited), as restated	於2010年1月1日 (經審核)·經重列	436,011	364,638	-	87,292	454	62,366	398,854	1,349,615	32,620	1,382,235	
Profit for the period, as restated	期內溢利·經重列	-	-	-	-	-	-	3,346	3,346	67	3,413	
Exchange differences arising on translation of foreign operations	海外業務所產生 的匯兌折算差異	-	-	-	283	-	6,314	-	6,597	74	6,671	
Fair value gain of available-for-sale investments	可供銷售投資的 公平價值收益	-	-	-	-	670	-	-	670	-	670	
Re-classification adjustment to profit or loss upon disposal of available-for-sale investments	重新分類出售可供銷售 投資於損益的調整	-	-	-	-	(1,597)	-	-	(1,597)	-	(1,597)	
Reserves released upon deregistration of a subsidiary	註銷一附屬公司時撥出之儲備	-	-	(2,215)	-	-	(39)	-	(2,254)	-	(2,254)	
Deferred tax liability arising on revaluation of properties, as restated	重估物業價值所產生 的遞延稅項負債·經重列	-	-	-	(3,417)	-	-	-	(3,417)	-	(3,417)	
Share of other comprehensive expense of jointly controlled entities	佔共同控制實體 其他綜合開支	-	-	(388)	-	-	(212)	-	(600)	-	(600)	
Surplus arising on revaluation of properties, as restated	重估物業所產生的盈餘 ·經重列	-	-	-	5,621	-	-	-	5,621	-	5,621	
Other comprehensive income and expense for the period	期內其他綜合收入及開支	-	-	(2,603)	2,487	(927)	6,063	-	5,020	74	5,094	
Total comprehensive income and expense for the period	期內綜合收入及開支總額	-	-	(2,603)	2,487	(927)	6,063	3,346	8,366	141	8,507	
Acquisition of additional interests in a subsidiary	收購一附屬公司額外權益	-	-	2,215	-	-	-	-	2,215	(26,155)	(23,940)	
Dividend declared (Note 7)	宣派股息(附註7)	-	-	-	-	-	-	(22,673)	(22,673)	-	(22,673)	
At 30 June 2010 (unaudited), as restated	於2010年6月30日 (未經審核)·經重列	436,011	364,638	(388)	89,779	(473)	68,429	379,527	1,337,523	6,606	1,344,129	

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

		Attributable to owners of the Company 本公司擁有人應佔										
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Properties revaluation		Investments revaluation		Translation reserve 匯兌儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元	Non- controlling interests 非控股權益 HK\$'000 千港元	Total 總計 HK\$'000 千港元
				Other reserve 其他儲備 HK\$'000 千港元	Other reserve 物業 重估儲備 HK\$'000 千港元	Other reserve 投資 重估儲備 HK\$'000 千港元						
At 1 January 2011 (audited)	於2011年1月1日 (經審核)	436,011	364,638	-	109,652	106	79,328	418,495	1,408,230	101,752	1,509,982	
Profit for the period	期內溢利	-	-	-	-	-	-	4,476	4,476	12,647	17,123	
Exchange differences arising on translation of foreign operations	海外業務所產生的匯兌折算差異	-	-	-	495	-	13,039	-	13,534	405	13,939	
Fair value gain of available-for-sale investments	可供銷售投資的公平價值收益	-	-	-	-	111	-	-	111	-	111	
Deferred tax liability arising on revaluation of properties	重估物業所產生的遞延稅項負債	-	-	-	(2,079)	-	-	-	(2,079)	-	(2,079)	
Share of other comprehensive income of jointly controlled entities	佔共同控制實體其他綜合收入	-	-	-	-	-	1,399	-	1,399	-	1,399	
Surplus arising on revaluation of properties	重估物業所產生的盈餘	-	-	-	11,848	-	-	-	11,848	-	11,848	
Reserves released on closure of a jointly controlled entity	一共同控制實體停業時撥出之儲備	-	-	-	-	-	(3)	-	(3)	-	(3)	
Other comprehensive income and expense for the period	期內其他綜合收入及開支	-	-	-	10,264	111	14,435	-	24,810	405	25,215	
Total comprehensive income and expense for the period	期內綜合收入及開支總額	-	-	-	10,264	111	14,435	4,476	29,286	13,052	42,338	
Issue of shares (Note 14)	發行股份 (附註14)	218,006	(1,903)	-	-	-	-	-	216,103	-	216,103	
Capital injection from non-controlling interests	來自非控股權益的注資	-	-	-	-	-	-	-	-	29,737	29,737	
Additional acquisition of a subsidiary	額外收購一附屬公司	-	-	-	-	-	-	13,720	13,720	(13,720)	-	
Reserves released upon partial disposal of a subsidiary	出售部分一附屬公司時撥出之儲備	-	-	-	-	-	-	3,384	3,384	67,216	70,600	
Dividend declared (Note 7)	宣派股息 (附註7)	-	-	-	-	-	-	(26,161)	(26,161)	-	(26,161)	
At 30 June 2011 (unaudited)	於2011年6月30日 (未經審核)	654,017	362,735	-	119,916	217	93,763	413,914	1,644,562	198,037	1,842,599	

Condensed Consolidated Statement of Cash Flows 簡明綜合現金流量表

Six months ended 30 June 截至6月30日止六個月

Unaudited 未經審核

		2011 HK\$'000 千港元	2010 HK\$'000 千港元 (Restated) (經重列)
Net cash used in operating activities	用於經營活動的現金淨額	(336,440)	(245,965)
Net cash used in investing activities	用於投資活動的現金淨額		
Investments in jointly controlled entities	投資共同控制實體	-	(36,813)
Purchases of property, plant and equipment	購買物業、廠房及設備	(13,767)	(5,787)
Purchases of investment properties	購買投資物業	(217,765)	-
Advances to a jointly controlled entity	墊款予一共同控制實體	(144)	(571)
Proceeds from disposal of available-for-sale investments	出售可供銷售投資的收益	-	32,545
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備的收益	645	-
Proceeds from disposal of investment properties	出售投資物業的收益	8,200	-
Proceeds from closure of jointly controlled entity	一共同控制實體停業的收益	1,121	-
Interests received	已收利息	3,787	3,937
Cash flows from other investing activities	來自其他投資活動的現金流	(185)	574
		(218,108)	(6,115)

Condensed Consolidated Statement of Cash Flows 簡明綜合現金流量表

Six months ended 30 June 截至6月30日止六個月
Unaudited 未經審核

		2011 HK\$'000 千港元	2010 HK\$'000 千港元 (Restated) (經重列)
Net cash from financing activities	來自融資活動的現金淨額		
Issue of new shares	發行新股份	216,103	-
New bank loans obtained	新造銀行貸款	240,530	60,000
Capital injection from non-controlling interests	非控股權益注資	29,737	-
Acquisition for additional interest in a subsidiary	收購一附屬公司額外權益	-	(23,940)
Repayment to jointly controlled entities	還款予共同控制實體	-	(5,394)
Repayment of bank loans	償還銀行貸款	(126,620)	-
Proceeds from partial disposal of a subsidiary	部分出售一附屬公司的收益	94,099	-
		453,849	30,666
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(100,699)	(221,414)
Cash and cash equivalents at the beginning of the period	期初的現金及現金等價物	365,519	399,184
Effect of foreign exchange rate changes	外匯匯率變更的影響	3,925	2,281
Cash and cash equivalents at the end of the period, represented by bank balances and cash	期末現金及現金等價物，即銀行結餘及現金	268,745	180,051

1. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Exchange**”) (“**Listing Rules**”) and the Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

2. PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared on historical cost basis except for certain properties and financial instruments, which are measured at fair values.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2010, except as those explained below.

The Group has applied for the first time the following relevant revised standards, amendment and interpretations (“**new/ revised HKFRSs**”) issued by HKICPA which are effective for the current period.

1. 編製基準

本未經審核簡明綜合財務報表乃按照香港聯合交易所有限公司（「**聯交所**」）證券上市規則（「**上市規則**」）附錄16所適用的披露要求及香港會計師公會（「**香港會計師公會**」）頒佈的香港會計準則（「**香港會計準則**」）第34號「中期財務報告」而編製。

2. 主要會計政策

本未經審核簡明綜合財務報表乃根據歷史成本基準而編制，惟若干物業及財務工具則以其等的公允價值而計量。

本簡明綜合財務報表已遵循於預備本集團截至2010年12月31日止年度的周年財務報表所採納的相同會計政策，惟下列所述者除外。

本集團已首次採納以下由香港會計師公會頒佈並於本期間生效的相關經修訂準則、修訂本及詮釋（「**新訂／經修訂香港財務報告準則**」）：

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

HKFRSs (Amendments)	Improvements to HKFRSs 2010
Amendments to HKAS 32	Classification of Rights Issues
Amendments to HK(IFRIC) – Interpretation 14	Prepayments of a Minimum Funding Requirement
HK(IFRIC) – Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
HKAS 24 (Revised)	Related Party Disclosures

HKAS 24 (Revised) clarifies and simplifies the definition of related parties. It also provides for a partial exemption of related party disclosure to government-related entities for transactions with the same government or entities that are controlled, jointly controlled or significantly influenced by the same government.

The adoption of HKAS 24 (Revised) and other new/revised HKFRSs did not have an impact on the Group's financial position and performance.

The Group has not early applied the following revised standards and amendments that have been issued, potentially relevant to the Group, but are not yet effective.

2. 主要會計政策 (續)

香港財務報告準則 (修訂本)	香港財務報告準則 2010之改進
香港會計準則第32號 (修訂本)	認股權發行分類
香港 (國際財務報告詮釋委員會) 第14號 – 詮釋 (修訂本)	預付最低資金要求
香港 (國際財務報告詮釋委員會) – 詮釋第19號	終絕附有權益性工具的金融負債
香港會計準則第24號 (經修訂)	關連人士披露

香港會計準則第24號 (經修訂) 明確和簡化了關聯方的定義，並對政府關聯企業與政府、受同一政府控制、共同控制或存在重大影響的企業之間交易的關聯方披露提供了部分豁免。

採納香港會計準則第24號 (經修訂) 及其他新訂/經修訂香港財務報告準則不會對本集團的財務狀況及表現帶來影響。

本集團並無提早採納下列可能與本集團相關的已頒布惟尚未生效的經修訂準則及修訂本。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Amendments to HKFRS 7	Disclosure – Transfers of Financial Assets ¹
Amendments to HKAS 12	Deferred Tax – Recovery of Underlying Assets ²
HKAS 1 (Revised)	Presentation of Items of Other Comprehensive Income ³
HKFRS 9	Financial Instruments ⁴
HKAS 27 (2011)	Separate Financial Statements ⁴
HKAS 28 (2011)	Investments in Associates and Joint Ventures ⁴
HKFRS 10	Consolidated Financial Statements ⁴
HKFRS 11	Joint Arrangements ⁴
HKFRS 12	Disclosure of Interests in Other Entities ⁴
HKFRS 13	Fair Value Measurement ⁴
HKAS 19 (2011)	Employee Benefits ⁴

- ¹ Effective for annual periods beginning on or after 1 July 2011
- ² Effective for annual periods beginning on or after 1 January 2012
- ³ Effective for annual periods beginning on or after 1 July 2012
- ⁴ Effective for annual periods beginning on or after 1 January 2013

Having assessed the impact of these revised standards and amendments on the Group's financial statements, the directors of the Company ("Directors") have so far concluded that the application of these standards or amendments will have no material impact on the results and the financial position of the Group.

2. 主要會計政策 (續)

香港財務報告準則第7號(修訂本)	披露 – 財務資產轉移 ¹
香港會計準則第12號(修訂本)	遞延稅項 – 相關資產之回收 ²
香港會計準則第1號(經修訂)	其他綜合收入的呈列 ³
香港財務報告準則第9號	財務工具 ⁴
香港會計準則第27號(2011)	獨立財務報表 ⁴
香港會計準則第28號(2011)	投資聯營公司及合營企業 ⁴
香港財務報告準則第10號	合併財務報表 ⁴
香港財務報告準則第11號	聯合安排 ⁴
香港財務報告準則第12號	其他實體權益的披露 ⁴
香港財務報告準則第13號	公平價值計量 ⁴
香港會計準則第19號(2011)	僱員福利 ⁴

- ¹ 於2011年7月1日或以後開始的年度期間生效
- ² 於2012年1月1日或以後開始的年度期間生效
- ³ 於2012年7月1日或以後開始的年度期間生效
- ⁴ 於2013年1月1日或以後開始的年度期間生效

經評估此等經修訂準則及修訂本對本集團財務報表的影響，本公司董事(「董事」)認為，採納此等準則或修訂本將不會對本集團的業績及財務狀況造成重大影響。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

3. COMPARATIVE FIGURES

As detailed in note 2 of the financial statements for the year ended 31 December 2010 ("2010 Financial Statements"), the Group has adopted amendments to HKAS 17 "Leases" ("HKAS 17 Amendment") in preparing the 2010 Financial Statements.

In accordance with the HKAS 17 Amendment, the Group's leasehold land that qualifies for finance lease classification should be included in property, plant and equipment. Accordingly, the relevant comparative figures of these interim financial statements have been restated to conform to the adoption of the HKAS 17 Amendment and the effects are summarised as follows:

Six months ended 30 June
Unaudited

		2010 HK\$'000 千港元
Increase in depreciation	折舊增加	(904)
Decrease in amortisation of prepaid lease payments included in administrative expenses	包括在行政開支的預付租賃款項攤銷減少	275
Impact on profit for the period	對期內溢利的影響	<u>(629)</u>
Increase in surplus arising on revaluation of properties	重估物業產生之盈餘增加	5,582
Increase in deferred tax liability arising on revaluation of properties	重估物業產生之遞延稅項負債增加	<u>(3,135)</u>
Increase in other comprehensive income for the period	期內其他綜合收入增加	<u>2,447</u>

Additionally, certain comparative figures have been reclassified and restated to conform to the presentation in current year.

3. 比較數據

如截至2010年12月31日止年度的財務報表(「2010財務報表」)附註2闡述，本集團已於準備2010財務報表時採納香港會計準則第17號(經修訂)「租賃」(「經修訂香港會計準則第17號」)。

根據經修訂香港會計準則第17號，本集團具資格分類為金融租賃的租賃土地應計入物業、廠房及設備。因此，在本中期財務報表中的相關比較數據已被重列，使其符合採納經修訂香港會計準則第17號，其影響總結如下：

截至6月30日止六個月
未經審核

此外，若干比較數字已被重新分類及重列，以符合本年度的呈列方式。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

4. SEGMENT INFORMATION

The Group's reportable segments, based on information reported to the chief operating decision maker, being the managing director of the Company, for the purpose of resource allocation and performance assessment are as follows:

1. Footwear manufacturing;
2. Retailing and sourcing – retailing and provision of sourcing services for branded apparel, swimwear and accessories; and
3. Property Investment and holding.

The following is an analysis of the Group's revenue and results by reportable segments for the period under review:

Six months ended 30 June 2011
Unaudited

REVENUE	營業額
External sales	對外銷售
Segment profit (loss)	分部溢利(虧損)
Corporate income:	企業收入：
Interest income	利息收入
Gain on disposal of an investment property	出售一投資物業收益
Others	其他
Central administrative costs	中央行政成本
Share of results of jointly controlled entities	佔共同控制實體業績
Profit before tax	除稅前溢利

4. 分部資料

按用以資源調配及評定表現而呈報予主要營運決策者(即本公司董事總經理)的資料釐定之本集團的可報告分部如下：

1. 鞋履製造；
2. 零售與採購—品牌服裝、游泳服裝及配件零售並為其提供採購服務；及
3. 投資及持有物業。

下表呈列本集團於本回顧期內按可報告分部劃分的營業額及業績分析：

截至2011年6月30日止六個月
未經審核

Footwear manufacturing 鞋履製造 HK\$'000 千港元	Retailing and sourcing 零售與採購 HK\$'000 千港元	Property Investment and holding 投資及持有物業 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
1,071,683	59,099	3,238	1,134,020
42,868	(18,023)	70,643	95,488
			3,787
			200
			175
			(32,929)
			(29,819)
			36,902

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

4. SEGMENT INFORMATION (CONTINUED)

Six months ended 30 June 2010
Unaudited

4. 分部資料 (續)

截至2010年6月30日止六個月
未經審核

		Footwear manufacturing 鞋履製造 HK\$'000 千港元	Retailing and sourcing 零售與採購 HK\$'000 千港元	Property investment and holding 投資及 持有物業 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元 (Restated) (經重列)
REVENUE	營業額				
External sales	對外銷售	778,956	29,790	3,679	812,425
Segment profit (loss)	分部溢利(虧損)	31,805	(16,279)	11,276	26,802
Corporate income:	企業收入：				
Interest income	利息收入				3,937
Others	其他				19,399
Central administrative costs	中央行政成本				(25,315)
Share of results of jointly controlled entities	佔共同控制實體業績				(19,909)
Profit before tax	除稅前溢利				4,914

Segment profit (loss) represents the profit (loss) earned/incurred by each segment without allocation of corporate income, which includes interest income, gain on disposal of an investment property and others, etc., central administrative costs which include bank charges, donation and loss on disposal of property, plant and equipment, etc. and share of results of jointly controlled entities. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and performance assessment.

分部溢利(虧損)乃代表每個分部未分配企業收入(包括利息收入、出售一投資物業之盈餘及其他等)、中央行政成本(包括銀行費用、捐款及出售物業、廠房及設備之虧損等)及佔共同控制實體業績前所獲得／承擔的溢利(虧損)。此乃呈報主要營運決策者的報告用以分配資源及釐訂業績表現。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

4. SEGMENT INFORMATION (CONTINUED)

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

Footwear manufacturing	鞋履製造
Retailing and sourcing	零售及採購
Property investment and holding	投資及持有物業
Total segment assets	分部資產總值
Unallocated	未分配
Consolidated assets	綜合資產

All assets are allocated to reportable segments other than advances to jointly controlled entities, interests in jointly controlled entities, available-for-sale investments, deferred tax assets, tax recoverable, club debentures, amounts due from jointly controlled entities, and bank balances and cash.

4. 分部資料 (續)

本集團按可報告分部分類的資產分析如下：

	Unaudited 未經審核 30 June 2011 2011年 6月30日 HK\$'000 千港元	Audited 經審核 31 December 2010 2010年 12月31日 HK\$'000 千港元
	1,213,407	802,015
	73,194	55,748
	930,297	633,314
	2,216,898	1,491,077
	543,619	695,546
	2,760,517	2,186,623

除墊款予共同控制實體、佔共同控制實體權益、可供銷售投資、遞延稅項資產、應退稅項、會所債券、應收共同控制實體款項和銀行結餘及現金外，所有資產會按可報告分部分配。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

5. TAXATION

Six months ended 30 June
Unaudited

Current tax charge:	本期稅項已扣除：
Hong Kong	香港
Other jurisdictions	其他司法區域
Deferred tax charge:	遞延稅項已扣除：
Current period	本期間

HONG KONG TAX

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

From March 2008 to January 2010, the IRD issued protective profits tax assessments for additional tax which amounted to approximately HK\$78,600,000 in aggregate, relating to the years of assessment of 2001/2002 to 2003/2004, those were, for the financial years ended 31 December 2001 to 2003, against certain wholly-owned subsidiaries of the Company. The Group had lodged objections with the IRD against the protective profits tax assessments. The IRD agreed to hold over the additional tax claimed subject to the relevant subsidiaries' purchases of tax reserve certificates ("TRCs") of HK\$23,214,000 in aggregate for those three years of assessment. These TRCs were purchased and included in tax recoverable as at the respective year end dates.

5. 稅項

截至6月30日止六個月
未經審核

	2011 HK\$'000 千港元	2010 HK\$'000 千港元
Current tax charge:		
Hong Kong	238	—
Other jurisdictions	2,008	644
Deferred tax charge:		
Current period	17,533	857
	19,779	1,501

香港稅項

香港利得稅乃按兩個期間內估計應課稅溢利依稅率16.5%計算。

自2008年3月至2010年1月，稅務局發出保障性所得稅評稅通知書，有關本公司若干全資擁有附屬公司於2001／2002年度至2003／2004年度，即截至2001年至2003年12月31日止財政年度的稅務評核，額外評稅總額約為78,600,000港元。本集團已就該保障性所得稅評稅向稅務局提呈反對。稅務局同意緩繳所徵收的額外稅款，惟該等附屬公司須為該三年的保障性評稅購買總額等值23,214,000港元的儲稅券（「儲稅券」）。該等附屬公司已購買該等儲稅券，並已在各年度止的應退稅項中入賬。

5. TAXATION (CONTINUED)

HONG KONG TAX (CONTINUED)

In January 2011, the IRD issued another protective profits tax assessments for additional tax of HK\$26,400,000 in aggregate, relating to the year of assessment of 2004/2005, that was, for the financial year ended 31 December 2004, against the above mentioned wholly-owned subsidiaries of the Company. The Group had lodged objection with the IRD against the protective profits tax assessment. The IRD agreed to hold over the tax claimed subject to the purchase of TRCs of HK\$10,200,000. The Group has not agreed to this condition so far.

Directors believe that no provision for Hong Kong Profits Tax in respect of the above mentioned protective profits tax assessments is necessary. In March 2011, the Group filed an application to the Court for a judicial review relating to the years of assessment of 2001/2002 to 2004/2005. Directors consider that the judicial review is in the best interest of the Group.

Leave to bring judicial review proceedings was granted by the Court, pending for hearing in 2012. Directors consider the outcome of the proceedings and the financial impact thereof, if any, on the Group cannot be readily ascertained at this stage.

5. 稅項 (續)

香港稅項 (續)

於2011年1月，稅務局發出另一份保障性所得稅評稅通知書，有關本公司上述全資擁有附屬公司於2004／2005年度，即截至2004年12月31日止財政年度的稅務評核，額外評稅總額為26,400,000港元。本集團已就該保障性所得稅評稅向稅務局提呈反對。稅務局同意緩繳所徵收的全數稅款，該等附屬公司須購買等值10,200,000港元的儲稅券。本集團一直未有同意此項條件。

董事相信本集團無須對上述的保障性所得稅評稅為香港所得稅進行撥備。於2011年3月，本集團向法院申請就2001／2002年至2004／2005年課稅年度之保障性評稅作司法覆核。董事認為司法覆核符合本集團利益。

法院已授予批准進行司法覆核程序，並排期於2012年進行聆訊。董事認為於現階段並未能確定訴訟的結果及此訴訟對本集團的財務影響(倘有)。

5. TAXATION (CONTINUED)

PRC TAX

The tax status for certain subsidiaries of the Group operating in the People's Republic of China ("PRC"), including Zhongshan Jingmei Footwear Industry & Commerce Co. Ltd. 中山精美鞋業有限公司 ("Zhongshan Jingmei"), Fuqing Grand Galatica Footwear Co. Ltd. 福清宏太鞋業有限公司 ("Fuqing Grand Galatica") and Zhongshan Huali Footwear Industry & Commerce Co. Ltd. 中山華利企業有限公司 ("Zhongshan Huali"), are as follows:

- Zhongshan Jingmei and Zhongshan Huali enjoyed the preferential tax rate of 12.5% (being 50% of the applicable tax rate of 25%) for the years from 2008 to 2010. The tax rate increased to 25% from the year 2011 onwards.
- Fuqing Grand Galatica enjoyed the preferential tax rate of 22% for the six months ended 30 June 2010. The tax rates for 2011 and 2012 are 24% and 25% respectively.

For other PRC subsidiaries, the applicable tax rate was 25% during the period.

5. 稅項 (續)

中國稅項

本集團若干於中華人民共和國(「中國」)經營的附屬公司之稅務狀況，包括中山精美鞋業有限公司(「中山精美」)、福清宏太鞋業有限公司(「福清宏太」)及中山華利企業有限公司(「中山華利」)如下：

- 自2008年至2010年，中山精美及中山華利享有稅率優惠待遇，稅率為12.5%（即所適用稅率25%的50%），自2011年起，稅率增加至25%。
- 截至2010年6月30日止六個月，福清宏太享有稅率優惠待遇，稅率為22%；而2011年及2012年稅率分別為24%及25%。

本期內，其他中國附屬公司的所適用稅率為25%。

5. TAXATION (CONTINUED)

VIETNAM TAX

Stateway Vietnam Footwear Co. Ltd. ("**Stateway Vietnam**") was entitled to an exemption from enterprise income tax for four years starting with the first profit-making year. For the following nine years, Stateway Vietnam would be entitled to a further tax preferential tax treatment in the form of a 50% reduction in the applicable tax rate in Vietnam. Stateway Vietnam incurred loss for tax purpose during the period. It enjoyed its first tax exemption year in 2010.

Continuance Vietnam Footwear Co. Ltd. ("**Continuance Vietnam**") was entitled to an exemption from enterprise income tax for two years starting with the first profit-making year. For the following three years, Continuance Vietnam would be entitled to a further tax preferential tax treatment in the form of a 50% reduction in the applicable tax rate in Vietnam. Continuance Vietnam has not yet commenced its tax exemption period as it has not generated profit up to the end of the reporting period.

OTHERS

Taxation arising in other jurisdictions is calculated at the prevailing rates in the relevant jurisdictions.

5. 稅項 (續)

越南稅項

越南邦威企業有限公司(「**越南邦威**」)自首個錄得盈利年度開始獲四年稅務豁免，至隨後九年，越南邦威將可享有優惠稅務待遇，可獲減免越南當時所適用稅率的50%。於本期間，越南邦威產生稅務虧損，其於2010年首次享受稅務豁免優惠。

躍昇鞋業有限公司(「**越南躍昇**」)自首個錄得盈利年度開始獲兩年稅務豁免，至隨後三年，越南躍昇將可享有優惠稅務待遇，可獲減免越南當時所適用稅率的50%。由於在本報告期末越南躍昇並無產生利潤，故其稅務豁免期尚未開始。

其他

其他司法區域所產生的稅項，乃依相關司法區域的現行稅率計算。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

6. PROFIT FOR THE PERIOD

Six months ended 30 June
Unaudited

6. 期內溢利

截至6月30日止六個月
未經審核

		2011	2010
		HK\$'000	HK\$'000
		千港元	千港元
			(Restated)
			(經重列)
Profit for the period has been arrived at after charging (crediting):	期內溢利已扣除(計入)下列各項:		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	19,763	20,613
Allowance for bad and doubtful debts	呆壞賬撥備	4,100	190
Amortisation of prepaid lease payments	預付租賃款項攤銷	264	253
Research and development costs	研究及開發成本	9,816	6,404
Interest income from:	利息收入:		
Bank deposits	銀行存款	(310)	(287)
Advance to a jointly controlled entity	墊款予一共同控制實體	(3,237)	(3,216)
Available-for-sale investments	可供銷售投資	(240)	(434)
Gain on fair value changes of held-for-trading investments	持作買賣投資公平價值變更之盈餘	-	(64)
Gain on deregistration of a subsidiary	註銷一附屬公司之盈餘	-	(17,434)
Gain on disposal of available-for-sale investments	出售可供銷售投資盈餘	-	(1,597)
Gain on disposal of an investment property	出售一投資物業之盈餘	(200)	-
Increase in fair value of investment properties	投資物業公平價值增加	(68,077)	(8,293)

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

7. DIVIDENDS

Six months ended 30 June
Unaudited

2009 final dividend of HKD0.013 per share paid	已派付2009年期末股息 每股0.013港元
2010 final dividend of HKD0.015 per share declared	已宣派2010年期末股息 每股0.015港元

Directors do not recommend the payment of an interim dividend (2010: Nil) for the period ended 30 June 2011.

8. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

BASIC EARNINGS PER SHARE

Six months ended 30 June
Unaudited

Profit attributable to owners of the Company	本公司擁有人應佔溢利
---	------------

7. 股息

截至6月30日止六個月
未經審核

2011 HK\$'000 千港元	2010 HK\$'000 千港元
-------------------------	-------------------------

-	22,673
---	--------

26,161	-
---------------	---

截至2011年6月30日止期間，董事不建議派付中期股息(2010：無)。

8. 每股盈利

本公司擁有人應佔每股基本盈利乃依下列數據計算：

每股基本盈利

截至6月30日止六個月
未經審核

2011 HK\$'000 千港元	2010 HK\$'000 千港元
-------------------------	-------------------------

(Restated)
(經重列)

4,476	3,346
--------------	-------

8. EARNINGS PER SHARE (CONTINUED)

BASIC EARNINGS PER SHARE (CONTINUED)

Six months ended 30 June
Unaudited

Weighted average number of ordinary shares for the purpose of basic earnings per share

藉以計算每股基本盈利的普通股加權平均數

Basic earnings per share (HK cents)

每股基本盈利(港仙)

The weighted average number of ordinary shares for the purpose of basic earnings per share in 2011 and 2010 has been adjusted retrospectively for the issue of shares by way of an open offer in June 2011 and the reduction of shares through share consolidation in July 2011 as set out in notes 14 and 19 respectively.

DILUTED EARNINGS PER SHARE

The amount of diluted earnings per share is the same as basic earnings per share as there were no dilutive potential ordinary shares in existence during the six months ended 30 June 2011 and 2010.

9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT, AND INVESTMENT PROPERTIES

PROPERTY, PLANT AND EQUIPMENT

During the period, the Group acquired property, plant and equipment at a cost of HK\$13,767,000 (1.1.2010-30.6.2010: HK\$5,787,000).

8. 每股盈利(續)

每股基本盈利(續)

截至6月30日止六個月
未經審核

2011	2010
Number of shares	Number of shares
股份數目	股份數目
988,473,000	894,099,000
0.45	0.37

由於在2011年6月進行公開發售發行股份及在2011年7月進行股份合併以削減股份(分別載於附註14及19),故2011年及2010年藉以計算每股基本盈利的普通股加權平均數已獲追朔調整。

每股攤薄盈利

於截至2011年及2010年6月30日止六個月內,由於並無可攤薄潛在普通股,故每股攤薄盈利與每股基本盈利相同。

9. 物業、廠房及設備、與投資物業變動

物業、廠房及設備

期內,本集團以成本13,767,000港元購買物業、廠房及設備(1.1.2010-30.6.2010: 5,787,000港元)。

9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES (CONTINUED)

PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The buildings of the Group located in the PRC and Hong Kong were fair valued on 30 June 2010 and 2011 by Prudential Surveyors International Limited ("Prudential"), an independent firm of professional property valuers and chartered surveyor. The fair value of land and buildings, adopted the direct comparison approach with reference to market comparable sales evidence available in the market, resulted in a surplus of HK\$11,848,000 (1.1.2010-30.6.2010: HK\$5,621,000) which was credited directly to the properties revaluation reserve.

At 30 June 2010 and 2011, Directors have considered the carrying amounts of the Group's freehold land at revalued amounts and concluded that at that date, their fair values did not differ significantly from their carrying amounts. Directors adopted the direct comparison approach with reference to market comparable sales evidence available in the market for the valuation.

INVESTMENT PROPERTIES

During the period, the Group acquired investment properties at a total cost of HK\$217,765,000 (1.1.2010-30.6.2010: Nil). The Group's investment properties and investment properties under development were fair valued on 30 June 2010 and 2011 by Prudential. The fair value of investment properties and investment properties under development, adopted the direct comparison approach with reference to the market comparable sales evidence available in the market and replacement cost approach respectively, resulted in an increase in fair value of investment properties of HK\$68,077,000 (1.1.2010-30.6.2010: HK\$8,293,000) which was credited directly to profit or loss for the six months ended 30 June 2011.

9. 物業、廠房及設備與投資物業變動 (續)

物業、廠房及設備 (續)

於2010年及2011年6月30日，本集團位於中國及香港的樓宇已由一獨立專業物業估價師及特許測量師測建行有限公司(「測建行」)進行公平價值估值。採納直接比較法按市場提供的市場可比較銷售記錄以作估值，土地及樓宇的公平價值錄得盈餘11,848,000港元(1.1.2010-30.6.2010: 5,621,000港元)，並已直接計入物業重估儲備。

於2010年及2011年6月30日，董事已考慮本集團的永久業權土地以重估計量的賬面值，並已確定於當天，其等的公平價值與賬面值並無重大差異。董事採納直接比較法按市場提供的市場可比較銷售記錄以作估值。

投資物業

期內，本集團以總成本217,765,000港元購買投資物業(1.1.2010-30.6.2010: 零)。於2010年及2011年6月30日，本集團投資物業及發展中的投資物業乃由測建行進行公平價值估值。投資物業及發展中的投資物業之公平價值乃採納直接比較法，分別參考市場提供的的市場可比較銷售記錄及重置成本法而釐定，並錄得投資物業公平價值增加68,077,000港元(1.1.2010-30.6.2010: 8,293,000港元)，已於截至2011年6月30日止六個月直接計入損益。

10. INTERESTS IN JOINTLY CONTROLLED ENTITIES

During the period ended 30 June 2010, the Group invested an additional HK\$36,813,000 as capital contribution into an existing jointly controlled entity.

11. TRADE AND OTHER RECEIVABLES

The Group generally allows an average credit period ranging from 60 days to 90 days to its trade customers. Included in trade and other receivables are trade and bills receivables, net of allowance for doubtful debts of HK\$424,992,000 (31 December 2010: HK\$249,006,000).

The following is an ageing analysis of trade receivables net of allowances for doubtful debts, presented based on the invoice date at the end of the reporting period:

0 to 30 days	0至30天
31 to 60 days	31至60天
61 to 90 days	61至90天
Over 90 days	逾90天

10. 佔共同控制實體權益

截至2010年6月30日止期間，本集團額外向一個現存共同控制實體增資36,813,000港元。

11. 貿易及其他應收賬款

本集團一般向其貿易客戶提供為期60天至90天不等的平均信貸期。包括在貿易及其他應收賬款的貿易及應收票據，扣除呆賬撥備為424,992,000港元(2010年12月31日：249,006,000港元)。

於本報告期末，以發票日期為基礎，貿易應收賬款扣除呆賬撥備的賬齡分析如下：

Unaudited 未經審核	Audited 經審核
30 June 2011 2011年 6月30日 HK\$'000 千港元	31 December 2010 2010年 12月31日 HK\$'000 千港元
405,007	232,593
9,492	8,681
7,184	3,367
3,309	4,365
424,992	249,006

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

12. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade and bill payables of HK\$334,457,000 (31 December 2010: HK\$236,895,000).

The following is an ageing analysis of trade payables, presented based on the invoice date at the end of the reporting period:

0 to 30 days	0至30天
31 to 60 days	31至60天
61 to 90 days	61至90天
Over 90 days	逾90天

12. 貿易及其他應付賬款

包括在貿易及其他應付賬款的貿易及應付票據為334,457,000港元(2010年12月31日: 236,895,000港元)。

於本報告期末，以發票日期為基礎，貿易應付賬款的賬齡分析如下：

Unaudited 未經審核 30 June 2011 2011年 6月30日 HK\$'000 千港元	Audited 經審核 31 December 2010 2010年 12月31日 HK\$'000 千港元
162,899	129,256
59,967	54,762
52,740	23,402
58,851	29,475
334,457	236,895

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

13. SECURED BANK LOANS

13. 有抵押銀行貸款

		Unaudited 未經審核 30 June 2011 2011年 6月30日 HK\$'000 千港元	Audited 經審核 31 December 2010 2010年 12月31日 HK\$'000 千港元
Carrying amount of variable interest-rates bank loans repayable within one year	須於首年內償還的浮息銀行貸款的賬面值	73,910	20,000
Carrying amount of variable interest-rates bank loans that are not repayable within one year from the end of the reporting period but contain a repayable on demand clause	毋須於自本報告期末起的首年內償還但包含須按要求償還條款的浮息銀行貸款的賬面值	120,000	60,000
Amounts shown under current liabilities	流動負債項下的金額	193,910	80,000

The Group's bank loans bore interest at a range from 1.3% to 1.81% per annum for the six months ended 30 June 2011.

截至2011年6月30日止六個月，本集團的銀行貸款按1.3%至1.81%的年利率計息。

The effective interest rate of the Group's bank loans is 1.45% (2010: 1.36%). Part of the bank loans are secured by the Group's certain land and buildings and investment properties.

本集團銀行貸款的實際利率為1.45% (2010: 1.36%)。部分銀行貸款由本集團的若干土地及樓宇以及投資物業作抵押。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

14. SHARE CAPITAL

14. 股本

		Number of shares 股份數量	Share capital 股本 HK\$'000 千港元
Authorised ordinary share of HK\$0.25 each:	每股0.25港元的法定普通股：		
At 1 January 2011	於2011年1月1日		
and 30 June 2011	及2011年6月30日	8,000,000,000	2,000,000
Issued and fully paid ordinary share of HK\$0.25 each:	每股0.25 港元的已發行 及繳足普通股：		
At 1 January 2011	於2011年1月1日	1,744,044,773	436,011
Issue of shares through an open offer (Note)	透過公開發售發行股份 (附註)	872,022,386	218,006
At 30 June 2011	於2011年6月30日	2,616,067,159	654,017

Note:

On 7 June 2011, the Company issued and allotted 872,022,386 ordinary shares of HK\$0.25 each to the qualifying shareholders whose name appeared on the register of members of the Company on 11 May 2011 through an open offer. The net proceeds, after deducting the issuing costs, amounted to approximately HK\$216,103,000. The issuing costs of HK\$1,903,000 was debited to share premium.

附註：

於2011年6月7日，本公司透過公開發售向於2011年5月11日名列本公司股東名冊的合資格股東發行及配發872,022,386股每股0.25港元的普通股。經扣除發行成本後，所得款項淨額約為216,103,000港元。發行成本1,903,000港元已於股份溢價中扣除。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

15. OPERATING LEASES

THE GROUP AS LESSEE

The Group made the following minimum lease payments during the period as follows:

Six months ended 30 June
Unaudited

Operating lease rentals in respect of:

Minimum lease payments:

- Plants
- Retail shops

The minimum lease payments include contingent rental for various retail shops calculated based on the relevant shops' revenue using pre-determined formulae.

15. 經營租賃

本集團為承租人

期內，本集團支付以下最低租賃款項：

截至6月30日止六個月
未經審核

2011	2010
HK\$'000	HK\$'000
千港元	千港元
12,490	10,853
11,217	6,775
23,707	17,628

最低租賃款項包括若干零售商舖按相關零售商舖的營業額依預先釐定的程式計算的或然租金。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

15. OPERATING LEASES (CONTINUED)

THE GROUP AS LESSEE (CONTINUED)

At the end of the reporting date, the Group had commitments for future minimum lease payments for plants and retail shops under non-cancellable operating leases which fall due as follows:

Within one year	首年內
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)

Operating lease payments represent rental payable by the Group for certain of its plants and retail shops. Leases are negotiated for lease terms of one to five years.

The above lease commitments represent basic rents only and do not include contingent rents payable in respect of certain retail shops leased by the Group. In general, these contingent rents are calculated with reference to the relevant retail shops' revenue using pre-determined formulae. It is not possible to estimate in advance the amount of such contingent rent payable.

15. 經營租賃(續)

本集團為承租人(續)

於本報告日末，本集團已為廠房及零售商舖根據不可取消的經營租賃訂立未來最低租賃款項承擔，其到期分析如下：

Unaudited 未經審核 30 June 2011 2011年 6月30日 HK\$'000 千港元	Audited 經審核 31 December 2010 2010年 12月31日 HK\$'000 千港元
32,064	21,097
27,318	15,883
59,382	36,980

經營租賃款項乃指本集團若干廠房及零售商舖的應付租金。租約經協定為期一至五年不等。

上述租賃承擔僅指基本租金，不包括本集團租賃若干零售商舖的或然應付租金。一般而言，該等或然租金乃參考相關零售商舖的營業額使用預先釐定的程式計算，預先估計有關或然應付租金的金額並不可行。

15. OPERATING LEASES (CONTINUED)

THE GROUP AS LESSOR

Property rental income earned during the six months ended 30 June 2011 was HK\$3,238,000 (1.1.2010-30.6.2010: HK\$3,679,000). All investment properties of the Group are held for rental purposes, and have committed tenants for the following years.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

Within one year	首年內
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)

15. 經營租賃(續)

本集團為出租人

截至2011年6月30日止六個月，所收取物業租金收入為3,238,000港元(1.1.2010-30.6.2010：3,679,000港元)。所有本集團的投資物業乃持作租賃用途，並於未來數年已有訂約租戶。

於本報告期末，本集團已跟租戶訂立未來最低租賃款項的合約如下：

Unaudited 未經審核 30 June 2011 2011年 6月30日 HK\$'000 千港元	Audited 經審核 31 December 2010 2010年 12月31日 HK\$'000 千港元
2,619	4,437
2,106	2,179
4,725	6,616

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

16. CAPITAL COMMITMENTS

16. 資本承擔

	Unaudited 未經審核 30 June 2011 2011年 6月30日 HK\$'000 千港元	Audited 經審核 31 December 2010 2010年 12月31日 HK\$'000 千港元
Capital expenditure in respect of the acquisition of property, plant and equipment, and construction of investment properties contracted for but not provided in the condensed consolidated financial statements	有關已訂約但並未於簡明綜合財務報表內撥備的收購物業、廠房及設備及興建投資物業之資本開支	17,327
Capital expenditure in respect of the construction of investment properties and acquisition of a piece of land authorised but not contracted for	有關已授權惟並未訂立合約的興建投資物業及收購一塊土地之資本開支	421,595
	107,106	421,595
	210,761	438,922

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

17. RELATED PARTY TRANSACTIONS

(A) TRANSACTIONS WITH JOINTLY CONTROLLED ENTITIES

During the period, the Group had transactions with its jointly controlled entities as follows:

Six months ended 30 June
Unaudited

Interest income	利息收入
Rental income	租金收入
Royalty fee expense	專利權金開支
Sales	銷售

(B) COMPENSATION OF KEY MANAGEMENT PERSONNELS

The remuneration of Directors and key management personnels during the period was as follows:

Six months ended 30 June
Unaudited

Short-term benefits	短期福利
Post-employment benefits	終止僱用後福利
Total	總計

The remuneration of Directors and key management personnels is determined by the Remuneration Committee having regard to the performance of individuals, market trends and the overall performance of the Group.

17. 關連人士交易

(A) 與共同控制實體交易

期內，本集團與其共同控制實體的交易如下：

截至6月30日止六個月
未經審核

	2011 HK\$'000 千港元	2010 HK\$'000 千港元
	3,237	3,216
	414	-
	-	(329)
	62	-

(B) 主要管理人員報酬

期內，董事及主要管理人員的薪酬如下：

截至6月30日止六個月
未經審核

	2011 HK\$'000 千港元	2010 HK\$'000 千港元
	8,774	8,925
	356	367
	9,130	9,292

董事及主要管理人員的薪酬乃由薪酬福利委員會按個人表現、市場趨勢及本集團整體業績表現而釐定。

18. CONTINGENT LIABILITIES

As at 30 June 2011, the Group issued a financial guarantee to a bank in respect of banking facilities granted to a jointly controlled entity. The aggregate amount that could be required to be paid if the guarantee was called upon in entirety amounted to HK\$50,000,000 (2010: HK\$50,000,000), of which HK\$46,000,000 (2010: HK\$38,500,000) had been utilised by the jointly controlled entity as at the end of the reporting period.

Potential tax liability in connection with the dispute with IRD, if any, is detailed in note 5.

19. EVENT AFTER REPORTING PERIOD

Pursuant to the ordinary and special resolutions passed on 25 July 2011, the Company's authorised and issued shares of HK\$0.25 each were consolidated on the basis that every two existing issued and unissued shares of the Company be consolidated into one consolidated share of HK\$0.50. In addition, the issued consolidated share capital was reduced through the cancellation of the paid-up capital of the Company to the extent of HK\$0.40 on each issued consolidated share so that the nominal value of each issued consolidated share was reduced from HK\$0.50 to HK\$0.10. Immediately following the completion of the capital reduction, the authorised but unissued consolidated shares of HK\$0.50 each were sub-divided into five new shares of HK\$0.10 each. The credit of HK\$523,213,000 arising from the capital reduction was then credited to Contributed Surplus. Details of the above are set out in the circular of the Company dated 30 June 2011.

18. 或然負債

於2011年6月30日，本集團為一共同控制實體的銀行融通向一銀行出具財務擔保，倘若完全履行該擔保，所需支付的總金額為50,000,000港元（2010：50,000,000港元），該共同控制實體已於報告期末動用其中46,000,000港元（2010：38,500,000港元）。

就與稅務局的爭議相關的潛在稅務負債（如有）詳情於附註5披露。

19. 報告期後事項

根據於2011年7月25日通過的普通決議案及特別決議案，本公司每股面值0.25港元之法定及已發行股份已按本公司每兩股現有已發行及尚未發行的股份合併為一股每股面值0.50港元之合併股份的基準進行合併。此外，本公司之已發行合併股本已透過註銷本公司的實繳股本進行削減，按每股已發行合併股份註銷0.40港元，致使每股已發行合併股份之面值由0.50港元減至0.10港元。緊隨股本削減完成後，本公司每股面值0.50港元之法定惟尚未發行合併股份分拆為五股每股面值0.10港元的新股份。由股本削減產生的523,213,000港元進賬隨後將撥入實繳盈餘。有關上述事項之詳情已載於本公司日期為2011年6月30日的通函。

CORPORATE GOVERNANCE

The Company has complied with the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules ("**CG Code**") throughout the six months ended 30 June 2011, only with deviation from code provision A.4.1 of the CG Code.

Under code provision A.4.1, non-executive directors should be appointed for a specific term and are subject to re-election. Directors (including non-executive Directors) were not appointed for specific term but are subject to retirement by rotation and re-election at annual general meeting in accordance with Bye-law 87 of the Bye-laws of the Company.

AUDIT COMMITTEE

The audit committee of the Company ("**Audit Committee**") comprises wholly non-executive Directors of the Company ("**Non-executive Directors**"), amongst which three are independent. The Audit Committee has reviewed with the management and the external auditor the accounting principles and practices adopted by the Group and also discussed internal controls and financial reporting matters including the review of the unaudited condensed consolidated financial statements for the six months ended 30 June 2011 of the Group.

REMUNERATION COMMITTEE

The remuneration committee of the Company ("**Remuneration Committee**") comprises three independent Non-executive Directors. It is responsible for advising the Board on the emolument policies towards Directors and senior management.

企業管治

除上市規則附錄14所載的企業管治常規守則（「**企業管治常規守則**」）第A.4.1條以外，本公司已於截至2011年6月30日止六個月期間一直遵守企業管治常規守則。

根據守則第A.4.1條規定，委任非執行董事須列明指定任期，並須予以重選連任。董事（包括非執行董事）並無指定任期，惟本公司組織章程細則第87條訂明，董事須於股東週年大會上輪值告退及重選。

審核委員會

本公司審核委員會（「**審核委員會**」）由本公司非執行董事（「**非執行董事**」）組成，其中三人為獨立非執行董事。審核委員會已連同管理層及獨立核數師審閱本集團所採納的會計原則及慣例，並已討論內部監控及財務報告事宜，包括審閱本集團截至2011年6月30日止六個月的未經審核簡明綜合財務報表。

薪酬福利委員會

本公司薪酬福利委員會（「**薪酬福利委員會**」）由三名獨立非執行董事組成，其職責乃向董事會建議董事及高級管理層的薪酬政策。

Corporate Governance 企業管治

TERMS OF REFERENCE

The terms of reference of the Audit Committee and the Remuneration Committee, explaining their roles and the authorities delegated to them by the Board, are available on request and included on the website of the Company.

BOARD OF DIRECTORS

At an annual general meeting of the Company held on Friday, 10 June 2011, Mr. Chan Lu Min, Mr. Chan Ting Chuen, Ms. Chen Fang Mei and Mr. Huang Shenglan retired and were re-elected as Directors.

As from 10 June 2011 and up to the date of this report, the Board comprises:

Executive Director

Mr. Chan Ting Chuen (*Chairman*)
Mr. Sze Sun Sun Tony (*Deputy Chairman and Managing Director*)
Mr. Chang Tsung Yuan (*Deputy Chairman*)
Mr. Chan Lu Min
Ms. Chen Fang Mei
Dr. Ho Ting Seng

Non-executive Director

Mr. Li I Nan

Independent Non-executive Director

Mr. Cheng Kar Shing
Mr. Feng Lei Ming
Mr. Ho Shing Chak
Mr. Huang Shenglan

職權範圍

審核委員會及薪酬福利委員會的職權範圍，解釋其等角色及董事會轉授予其等權力的相關資料，可應要求索取，並已登載於本公司網站。

董事會

於2011年6月10日星期五舉行的本公司股東周年大會，詹陸銘先生、陳庭川先生、陳芳美女士及黃勝藍先生已於會上退任並獲重選為董事。

自2011年6月10日起至本報告日，董事會成員包括：

執行董事

陳庭川先生 (*主席*)
施新新先生 (*副主席及董事總經理*)
張聰淵先生 (*副主席*)
詹陸銘先生
陳芳美女士
何挺博士

非執行董事

李義男先生

獨立非執行董事

鄭家成先生
馮雷明先生
何成澤先生
黃勝藍先生

INTERESTS OF DIRECTORS AND CHIEF EXECUTIVES

As at 30 June 2011, interests and short positions of the Directors and chief executives of the Company in shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)), (a) which were required to be notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the Directors or the chief executives were taken or deemed to have under such provisions of SFO); or (b) which were required, pursuant to section 352 of SFO, to be entered in the register referred to therein; or (c) which were required to be notified to the Company and the Exchange pursuant to the Model Code in the Listing Rules were as follows:

LONG POSITIONS IN SHARES

Ordinary shares of HK\$0.25 each of the Company

董事及主要行政人員的權益

於2011年6月30日，本公司及其聯營公司(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的董事及最高行政人員於本公司股份、相關股份及債券的權益及淡倉而(a)須依據證券及期貨條例第XV部第7分部及第8分部(包括根據該等證券及期貨條例的條文，董事或最高行政人員持有或被視為持有的權益或淡倉)而須知會本公司及聯交所；或(b)須根據證券及期貨條例第352條記錄於登記冊內；或(c)須根據上市規則的標準守則知會本公司及聯交所如下：

股份長倉

本公司每股0.25 港元的普通股

Director 董事	Notes 附註	Number of ordinary shares held 所持普通股數量			Total 總額	Percentage of the issued share capital of the Company 佔本公司已發行股本百分比
		Beneficial owner 受益人	Controlled corporation 控股公司			
Chan Ting Chuen 陳庭川	1, 2	7,500,000	1,328,224,937	1,335,724,937	51.06%	
Chang Tsung Yuan 張聰淵	4	9,000,000	–	9,000,000	0.34%	
Sze Sun Sun Tony 施新新	1, 3	–	1,328,224,937	1,328,224,937	50.77%	

Corporate Governance 企業管治

Notes:

1. Well Success Investment Limited ("**Well Success**") was directly interested in 1,328,224,937 shares of the Company. First Dynamic International Limited ("**First Dynamic**") held more than one-third of the issued share capital of Well Success. Each of Royal Pacific Limited ("**Royal Pacific**") and Alexon International Limited ("**Alexon**") held more than one-third of the issued share capital of First Dynamic. Accordingly, First Dynamic, Royal Pacific and Alexon were deemed to be interested in 1,328,224,937 shares of the Company.
2. Mr. Chan Ting Chuen ("**Mr. Chan**") was directly interested in 7,500,000 shares of the Company. Royal Pacific was wholly-owned by TC Chan Family Holdings Limited ("**TCCFHL**"), which in turn was wholly-owned by Mr. Chan. Accordingly, Mr. Chan was deemed to be interested in 1,335,724,937 shares of the Company.
3. Mr. Sze Sun Sun Tony ("**Mr. Sze**") was interested in the entire issued share capital of Alexon and was therefore deemed to be interested in 1,328,224,937 shares of the Company.
4. Mr. Chang Tsung Yuan was directly interested in 9,000,000 shares of the Company. He was also a substantial shareholder of Well Success, in which he held 20% of its issued share capital.

SHORT POSITIONS IN SHARES

Save as disclosed above and in the section "Share Options", none of the Directors, chief executives nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as at 30 June 2011.

附註：

1. Well Success Investment Limited (「**Well Success**」) 直接持有1,328,224,937股本公司股份。First Dynamic International Limited (「**First Dynamic**」) 持有Well Success 逾三分之一已發行股本。Royal Pacific Limited (「**Royal Pacific**」) 及Alexon International Limited (「**Alexon**」) 分別持有First Dynamic逾三分之一已發行股本。因此，First Dynamic、Royal Pacific 及Alexon均被視為於1,328,224,937股本公司股份中擁有權益。
2. 陳庭川先生(「**陳先生**」) 直接於7,500,000股本公司股份中擁有權益。Royal Pacific 由TC Chan Family Holdings Limited (「**TCCFHL**」) 全資擁有，而TCCFHL則由陳先生全資擁有。因此，陳先生被視為於1,335,724,937股本公司股份中擁有權益。
3. 施新新先生(「**施先生**」) 持有Alexon全部已發行股本權益，故被視為於1,328,224,937股本公司股份中擁有權益。
4. 張聰淵先生直接於9,000,000股本公司股份中擁有權益，亦為Well Success 的主要股東，持有Well Success 已發行股本20%權益。

股份短倉

除上文及「購股權」章節所披露外，於2011年6月30日，概無董事、主要行政人員或其等的關聯人士於本公司或其任何聯營公司的任何股份、相關股份或債券持有權益或淡倉。

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

The register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that, as at 30 June 2011, the following shareholders had notified the Company of relevant interests and short positions in the issued share capital of the Company.

(1) LONG POSITIONS IN SHARES

Ordinary shares of HKD0.25 each of the Company

主要股東權益

根據證券及期貨交易條例第336條規定本公司備存的主要股東登記冊所載，公司獲悉股東於2011年6月30日持有的本公司已發行股本之相關權益及淡倉如下：

(1) 股份長倉

本公司每股0.25港元的普通股

Shareholder 股東	Notes 附註	Capacity 資格	Number of issued ordinary shares held 所持已發行普通股數量			Percentage of the issued share capital of the Company 佔本公司 已發行股本 百分比
			Direct interests 直接權益	Deemed interests 被視為 持有權益	Total interests 總權益	
Well Success	1	Beneficial owner 受益人	1,328,224,937	–	1,328,224,937	50.77%
First Dynamic	1	Interest of controlled corporation 受控法人團體	–	1,328,224,937	1,328,224,937	50.77%
Royal Pacific	1	Interest of controlled corporation 受控法人團體	–	1,328,224,937	1,328,224,937	50.77%
TCCFHL	2	Interest of controlled corporation 受控法人團體	–	1,328,224,937	1,328,224,937	50.77%

Corporate Governance 企業管治

Shareholder 股東	Notes 附註	Capacity 資格	Number of issued ordinary shares held 所持已發行普通股數量			Percentage of the issued share capital
			Direct interests 直接權益	Deemed interests 被視為 持有權益	Total interests 總權益	of the Company 佔本公司 已發行股本 百分比
Mr. Chan 陳先生	2	Beneficial owner and Interest of controlled corporation 受益人及受控法人團體	7,500,000	1,328,224,937	1,335,724,937	51.06%
Ng Shuk Fong 吳淑芳	2	Spouse 配偶	–	1,335,724,937	1,335,724,937	51.06%
Alexon	1	Interest of controlled corporation 受控法人團體	–	1,328,224,937	1,328,224,937	50.77%
Mr. Sze 施先生	3	Interest of controlled corporation 受控法人團體	–	1,328,224,937	1,328,224,937	50.77%
Lau Yuk Wah 劉玉華	3	Spouse 配偶	–	1,328,224,937	1,328,224,937	50.77%
Frensham Investments Limited	4	Beneficial owner and interest of controlled corporation 受益人及受控法人團體	125,999,145	1,328,224,937	1,454,224,082	55.59%
Pou Yuen Industrial (Holdings) Limited 寶元工業(集團)有限公司	4	Interest of controlled corporation 受控法人團體	–	1,454,224,082	1,454,224,082	55.59%

Corporate Governance 企業管治

Shareholder 股東	Notes 附註	Capacity 資格	Number of issued ordinary shares held 所持已發行普通股數量			Percentage of the issued share capital
			Direct interests 直接權益	Deemed interests 被視為 持有權益	Total interests 總權益	of the Company 佔本公司 已發行股本 百分比
Yue Yuen Industrial Limited 裕元工業有限公司	4	Interest of controlled corporation 受控法人團體	–	1,454,224,082	1,454,224,082	55.59%
Pou Hing Industrial Company Limited	4	Interest of controlled corporation 受控法人團體	–	1,454,224,082	1,454,224,082	55.59%
Yue Yuen Industrial (Holdings) Limited 裕元工業(集團)有限公司	4	Interest of controlled corporation 受控法人團體	–	1,454,224,082	1,454,224,082	55.59%
Wealthplus Holdings Limited	4	Interest of controlled corporation 受控法人團體	–	1,454,224,082	1,454,224,082	55.59%
Pou Chen Corporation 寶成工業(集團)有限公司	4	Interest of controlled corporation 受控法人團體	–	1,454,224,082	1,454,224,082	55.59%
Shah Capital Management		Investment Manager 投資經理	369,696,750	–	369,696,750	14.13%

Notes:

1. As at 30 June 2011, Well Success was directly interested in 1,328,224,937 shares of the Company. First Dynamic held more than one-third of the issued share capital of Well Success. Each of Royal Pacific and Alexon held more than one-third of the issued share capital of First Dynamic. Accordingly, First Dynamic, Royal Pacific and Alexon were deemed to be interested in 1,328,224,937 shares of the Company.

附註：

1. 於2011年6月30日，Well Success直接持有1,328,224,937股本公司股份。First Dynamic持有Well Success逾三分之一已發行股本。Royal Pacific及Alexon分別持有First Dynamic逾三分之一已發行股本。因此，First Dynamic、Royal Pacific及Alexon均被視為持有1,328,224,937股本公司股份。

Corporate Governance 企業管治

2. Ms. Ng Shuk Fong ("**Madam Ng**") is the wife of Mr. Chan, the director of the Company. Royal Pacific is wholly-owned by TCCFHL, which in turn is wholly-owned by Mr. Chan. As at 30 June 2011, Royal Pacific was deemed to be interested in 1,328,224,937 shares of the Company (see Note 1), therefore both Mr. Chan and Madam Ng were deemed to be interested in 1,328,224,937 shares of the Company. Furthermore, Mr. Chan was directly interested in 7,500,000 shares of the Company. Accordingly, Madam Ng was deemed to be interested in a total of 1,335,724,937 shares of the Company.
3. Ms. Lau Yuk Wah ("**Madam Lau**") is the wife of Mr. Sze, the director of the Company. As at 30 June 2011, Mr. Sze was interested in the entire issued share capital of Alexon, therefore he was deemed to be interested in 1,328,224,937 shares of the Company (see Note 1). Accordingly, Madam Lau was deemed to be interested in 1,328,224,937 shares of the Company.
4. Frensham Investments Limited ("**Frensham**") was a wholly-owned subsidiary of Pou Yuen Industrial (Holdings) Limited ("**Pou Yuen**") which in turn was a wholly-owned subsidiary of Yue Yuen Industrial Limited ("**Yue Yuen Industrial**"). Yue Yuen Industrial was a wholly-owned subsidiary of Pou Hing Industrial Company Limited ("**Pou Hing**") which in turn was a wholly-owned subsidiary of Yue Yuen Industrial (Holdings) Limited ("**Yue Yuen**"). Wealthplus Holdings Limited ("**Wealthplus**", a wholly-owned subsidiary of Pou Chen Corporation ("**Pou Chen**"), held over one-third of the entire issued share capital of Yue Yuen. As at 30 June 2011, Frensham held more than one-third of the issued share capital of Well Success and was therefore deemed to be interested in 1,328,224,937 shares of the Company. In addition, Frensham was directly interested in 125,999,145 shares of the Company. Accordingly, all of Frensham, Pou Yuen, Yue Yuen Industrial, Pou Hing, Yue Yuen, Wealthplus and Pou Chen were deemed to be interested in 1,454,224,082 shares of the Company.

(2) Short positions

The Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 30 June 2011.

2. 吳淑芳女士(「**吳女士**」)為本公司董事陳先生的妻子。Royal Pacific由TCCFHL全資擁有，TCCFHL則由陳先生全資擁有。於2011年6月30日，Royal Pacific被視為持有1,328,224,937股本公司股份(見附註1)，故陳先生及吳女士被視為持有1,328,224,937股本公司股份。此外，陳先生直接持有7,500,000股本公司股份，因此，吳女士被視為合共持有1,335,724,937股本公司股份。
3. 劉玉華女士(「**劉女士**」)為本公司董事施先生的妻子。於2011年6月30日，施先生持有Alexon全部已發行股本，故被視為持有本公司1,328,224,937股權益(見附註1)。因此，劉女士被視為持有共1,328,224,937股本公司股份。
4. Frensham Investments Limited (「**Frensham**」)為寶元工業(集團)有限公司(「**寶元**」)的全資附屬公司，而寶元為裕元工業有限公司(「**裕元工業**」)的全資附屬公司。裕元工業為Pou Hing Industrial Company Limited(「**Pou Hing**」)的全資附屬公司，Pou Hing為裕元工業(集團)有限公司(「**裕元**」)的全資附屬公司。Wealthplus Holdings Limited(「**Wealthplus**」)為寶成工業(集團)有限公司(「**寶成**」)的全資附屬公司，持有裕元逾三份一已發行股本。於2011年6月30日，Frensham持有Well Success逾三分一已發行股本，故被視為持有1,328,224,937股本公司股份。此外，Frensham直接持有125,999,145股本公司股份。因此，Frensham、寶元、裕元工業、Pou Hing、裕元、Wealthplus及寶成均被視為持有1,454,224,082股本公司股份。

(2) 股份短倉

於2011年6月30日，本公司概無獲悉本公司已發行股本中的任何其他相關權益或淡倉。

SHARE OPTIONS

In the annual general meeting held on Friday, 10 June 2011, shareholders of the Company has approved the termination of the 2001 Scheme and the adoption of the New Scheme. For the six months ended 30 June 2011, the Group has no share option being granted, outstanding, lapsed or cancelled pursuant to the 2001 Scheme and the New Scheme.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, each of them confirmed his compliance with the required standard set out in the Model Code during the six months ended 30 June 2011.

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

For the six months ended 30 June 2011, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

SHAREHOLDERS' COMMUNICATIONS

The Board recognises the importance of maintaining an effective mutual communication with its stakeholders. Designated management staff meets with research analysts and institutional investors on an on-going basis and provides them with the latest and comprehensive information about the corporate developments of the Group. In addition, the Company utilises its website (www.symphonyholdings.com) as a channel to provide updated information in a timely manner in order to strengthen the communication with its stakeholders.

購股權

於2011年6月10日星期五召開的股東周年大會，本公司股東已批准終止2001計劃，並採納新計劃。於截至2011年6月30日止六個月，本集團並無根據2001計劃及新計劃授出購股權，亦無購股權尚未行使、已失效或被取消。

上市公司董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載列上市公司董事進行證券交易的標準守則（「標準守則」）。經董事具體查詢後，各董事已確認於截至2011年6月30日止六個月一直遵從標準守則的標準要求。

購買、出售及贖回本公司已上市股份

於截至2011年6月30止六個月，概無本公司或其任何附屬公司已購買、贖回或出售任何本公司的上市股份。

股東通訊

本集團重視與其持份者雙向溝通的通要性，並會指派管理人員定期與研究分析師及機構投資者會面，向其等提供本集團的最新消息及企業發展等全面資訊。除此以外，本公司利用其網址 (www.symphonyholdings.com) 作為一個平台，即時提供本集團最新資訊，以加強與持份者的溝通。

Information to Stakeholders 持份者資訊

INTERIM DIVIDEND

During the six months ended 30 June 2011, Directors do not recommend a payment of interim dividend (2010: Nil).

INTERIM REPORT

The interim report of the Company for the six months ended 30 June 2011 printed in English and Chinese is available on the websites of Hong Kong Exchanges and Clearing Limited (www.hkex.com.hk) and the Company (www.symphonyholdings.com).

REGISTERED OFFICE

Address: Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Address: 10/F, Island Place Tower, 510 King's Road, North Point, Hong Kong
Email: info@symphonyholdings.com

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Name: The Bank of Bermuda Limited
Address: 6 Front Street, Hamilton HM11, Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Name: Tricor Tengis Limited
Address: 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong
Telephone: (852) 2980 1333
Facsimile: (852) 2810 8185

STOCK CODE

The Exchange: 01223

中期股息

於截至2011年6月30日止六個月，董事會不建議派付中期股息(2010：無)。

中期報告

本公司截至2011年6月30日止六個月的中期報告，分別以英文及中文編製，已於香港交易及結算有限公司網頁(www.hkex.com.hk)及本公司網頁(www.symphonyholdings.com)刊載。

註冊辦事處

地址：Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda

總辦事處及香港主要營業地點

地址：香港北角英皇道510號港運大廈10樓
電郵：info@symphonyholdings.com

主要股份過戶登記處

名稱：The Bank of Bermuda Limited
地址：6 Front Street, Hamilton HM11, Bermuda

股份過戶登記處香港分處

名稱：卓佳登捷時有限公司
地址：香港灣仔皇后大道東28號金鐘匯中心26樓
電話：(852) 2980 1333
傳真：(852) 2810 8185

股份代號

聯交所：01223

BRANDS
RETAIL
MANUFACTURE
OUTLET MALL



SYMPHONY

WWW.SYMPHONYHOLDINGS.COM