

Giordano International Limited
佐丹奴國際有限公司
Annual Report 2013 年報

GIORDANO

2013

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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)

銷售額	Sales
毛利	Gross profit
毛利率	Gross margin
經營溢利(附註1,2及7)	Operating profit (notes 1, 2 & 7)
經營溢利率(附註1,2及7)	Operating margin (notes 1, 2 & 7)
股東應佔溢利(附註1,2及7)	Profit attributable to shareholders (notes 1, 2 & 7)
銷售回報率(附註1,2及7)	Return on sales (notes 1, 2 & 7)

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及7)	Working capital (notes 1 & 7)
資產總額(附註2及7)	Total assets (notes 2 & 7)
負債總額(附註2及7)	Total liabilities (notes 2 & 7)
股東資金(附註2及7)	Shareholders' funds (notes 2 & 7)

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1,2及7)	Return on average total assets (notes 1, 2 & 7)
平均股東資金回報率(附註1,2及7)	Return on average shareholders' funds (notes 1, 2 & 7)
存貨對成本之流轉比率(日數)(附註3)	Inventory turnover on costs (days) (note 3)
流動比率(倍數)(附註1及7)	Current ratio (times) (notes 1 & 7)

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)
自營店	Self-operated stores in Group markets
加盟店	Franchised stores in Group markets

集團市場門市總數	Group markets total
非集團市場門市總數(附註5)	Non-group markets total (note 5)

全球門市總數	Total stores worldwide
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附註：

Notes:

- 2004年之數字已因採納香港會計準則17「租賃」及香港財務報告準則2「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銷售成本乘以年內日數
 - 年結日數字
 - 由南韓合營公司、中東聯營公司(2011年及以前年度)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 financial 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 cost of sales and multiplied by number of days in the year
 - Figures as at year end
 - Stores in markets operated by joint ventures in South Korea and Middle East (prior year 2011) and third-party franchisees

十年財務與業務摘要

TEN-YEAR FINANCIAL AND OPERATION HIGHLIGHTS

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
	5,848	5,673	5,614	4,731	4,233	5,048	4,950	4,372	4,413	4,003
	3,551	3,331	3,283	2,731	2,175	2,439	2,357	2,178	2,243	2,035
	60.7%	58.7%	58.5%	57.7%	51.4%	48.3%	47.6%	49.8%	50.8%	50.8%
	828	1,005	909	695	320	325	384	376	518	491
	14.2%	17.7%	16.2%	14.7%	7.6%	6.4%	7.8%	8.6%	11.7%	12.3%
	663	826	728	537	288	311	295	205	406	387
	11.3%	14.6%	13.0%	11.4%	6.8%	6.2%	6.0%	4.7%	9.2%	9.7%
	1,105	1,173	1,209	978	750	454	474	665	827	689
	1,616	1,555	1,658	1,385	1,047	742	736	862	1,029	861
	4,469	4,605	3,822	3,320	2,810	2,557	2,935	2,984	2,970	2,717
	1,220	1,452	1,001	827	624	651	909	894	755	684
	3,096	2,997	2,735	2,408	2,118	1,855	1,927	1,987	2,122	1,954
	42.60	53.80	48.20	36.00	19.30	20.80	19.80	13.80	27.50	26.70
	16.00	15.00	15.00	4.50	2.00	4.50	4.50	4.50	4.50	4.00
	-	-	-	4.00	-	2.00	2.00	2.00	2.00	1.50
	24.00	25.00	23.00	7.00	7.00	3.00	5.00	5.00	5.00	4.50
	-	-	-	11.50	7.00	-	10.00	15.00	15.00	13.00
	16.1%	21.1%	21.8%	18.5%	11.1%	11.5%	10.3%	7.3%	15.2%	15.9%
	21.8%	28.8%	28.3%	23.7%	14.5%	16.4%	15.1%	10.0%	19.9%	20.6%
	82	74	95	74	52	42	62	70	62	62
	2.6	2.3	2.8	2.9	3.0	2.3	1.9	2.1	2.6	2.4
	1,566,837	1,543,709	1,521,291	1,496,069	1,491,647	1,491,647	1,491,513	1,490,853	1,489,631	1,450,592
	10,858	11,501	8,565	6,777	3,431	2,909	5,578	6,336	6,480	7,072
	1,499	1,449	1,232	1,052	1,015	1,036	1,000	962	914	811
	694	758	838	748	602	512	482	441	423	441
	2,193	2,207	2,070	1,800	1,617	1,548	1,482	1,403	1,337	1,252
	449	441	601	553	497	458	413	366	357	333
	2,642	2,648	2,671	2,353	2,114	2,006	1,895	1,769	1,694	1,585

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)

銷售額	Sales	4,710
毛利	Gross profit	2,362
毛利率	Gross margin	50.1%
經營溢利	Operating profit	330
經營溢利率	Operating margin	7.0%
股東應佔溢利	Profit attributable to shareholders	290
銷售回報率	Return on sales	6.2%

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)

		2008
	Sales	4,710
	Gross profit	2,362
	Gross margin	50.1%
	Operating profit	330
	Operating margin	7.0%
	Profit attributable to shareholders	290
	Return on sales	6.2%

7. 2013年以前之數字並未因採納香港會計準則19「僱員福利」而作出調整

7. The adoption impact of HKAS 19 "Employee benefits" are not reflected in the years prior 2013

公司資料

CORPORATE INFORMATION

董事會

執行董事

劉國權

(主席及行政總裁)

Ishwar Bhagwandas CHUGANI

非執行董事

鄭志剛

陳世昌

獨立非執行董事

畢滌凡

鄭其志 · GBS · JP

梁覺教授

Simon Devilliers RUDOLPH

集團首席財務總監

Dominic Leo Richard IRWIN

集團法律總監及公司秘書

羅學文

審核委員會

畢滌凡 (主席)

鄭其志 · GBS · JP

梁覺教授

Simon Devilliers RUDOLPH

提名委員會

劉國權 (主席)

畢滌凡

梁覺教授

Simon Devilliers RUDOLPH

薪酬委員會

梁覺教授 (主席)

劉國權

畢滌凡

Simon Devilliers RUDOLPH

授權代表

劉國權

羅學文

BOARD OF DIRECTORS

Executive Directors

LAU Kwok Kuen, Peter

(Chairman and Chief Executive)

Ishwar Bhagwandas CHUGANI

Non-Executive Directors

CHENG Chi Kong, Adrian

CHAN Sai Cheong

Independent Non-Executive Directors

Barry John BUTTIFANT

KWONG Ki Chi, GBS, JP

Professor LEUNG Kwok

Simon Devilliers RUDOLPH

GROUP CHIEF FINANCIAL OFFICER

Dominic Leo Richard IRWIN

GENERAL COUNSEL AND COMPANY SECRETARY

Mark Alan LOYND

AUDIT COMMITTEE

Barry John BUTTIFANT (Chairman)

KWONG Ki Chi, GBS, JP

Professor LEUNG Kwok

Simon Devilliers RUDOLPH

NOMINATION COMMITTEE

LAU Kwok Kuen, Peter (Chairman)

Barry John BUTTIFANT

Professor LEUNG Kwok

Simon Devilliers RUDOLPH

REMUNERATION COMMITTEE

Professor LEUNG Kwok (Chairman)

LAU Kwok Kuen, Peter

Barry John BUTTIFANT

Simon Devilliers RUDOLPH

AUTHORIZED REPRESENTATIVES

LAU Kwok Kuen, Peter

Mark Alan LOYND

核數師

羅兵咸永道會計師事務所
執業會計師

律師

香港律師
肯尼狄律師行
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

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主要股份過戶 登記處

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26 Burnaby Street
Hamilton HM 11
Bermuda

股份過戶登記處 香港分處

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香港
皇后大道東183號
合和中心22樓

主要往來銀行

香港上海滙豐銀行有限公司
渣打銀行(香港)有限公司
交通銀行股份有限公司香港分行
法國巴黎銀行
株式會社三菱東京UFJ銀行

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants

LAWYERS

Hong Kong lawyers
Kennedys
Robertsons
King & Wood Mallesons

PRC lawyers
King & Wood Mallesons

REGISTERED OFFICE

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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

MUFG Fund Services (Bermuda) Limited
26 Burnaby Street
Hamilton HM 11
Bermuda

BRANCH SHARE REGISTRARS AND TRANSFER OFFICE IN HONG KONG

Tricor Abacus Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

PRINCIPAL BANKERS

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

主席報告書

CHAIRMAN'S STATEMENT

致各位股東：

本人謹此代表董事會呈報佐丹奴之2013年業績。

2013年對佐丹奴而言充滿挑戰。我們各主要市場均身處嚴峻逆境，我們的人員沉著應對，取得不俗成績。品牌銷售額減少2%之下，全線市場均出現盈利能力壓力。撇除2012年的出售溢利，我們的純利由2012年6.83億港元下降3%至6.63億港元。整合佐丹奴阿拉伯聯合酋長國公司及沙特阿拉伯公司的全年業績後，溢利貢獻較去年增加5,700萬港元。撇除該宗交易的影響，溢利下降11%。

中國大陸是我們的最大市場，消費者情緒仍然疲弱。經濟增長轉差、而供過於求營商環境，加上國際品牌加入市場，均對我們的銷售造成負面影響。為此，我們實施大幅改革，包括更改品牌定位、店舖升級及建立區域團隊。我們在全中國為品牌實行重大重新定位。其他市場亦出現大量挑戰。台灣經濟低迷，抑制我們在該市場的銷售額。香港方面，銷售額增長溫和，不足以抵銷租金大幅上升對盈利能力的影響。在新加坡，近年來大量國際品牌進入市場，在競爭對手大幅割價求售下，我們的銷售額下降6%。新興東南亞市場表現不俗，當中馬來西亞的溢利大致持平，印尼及泰國則持續錄得強勁銷售及盈利增長。貨幣弱勢使印尼盈利受壓，惟該業務的基本因素仍佳。在此背景下，在本地團隊努力削減開支、控制存貨及追求產品及市場創新下，盈利能力仍然可觀。中東業績低於預期，稍覺失望，惟此成績反映因受到多項短期問題影響，市場需求薄弱（尤其是沙特阿拉伯）。然而我們依然相信，此項投資仍具價值，可望帶來預期回報。此短期狀況預期會於2014年減輕，屆時銷售增長及盈利能力可望增強。

Dear Shareholders:

On behalf of the Board, I present to you Giordano's 2013 results.

2013 was a challenging year for Giordano. Strong headwinds prevailed across all of our major markets and our people have responded well in these circumstances to deliver creditable results. With brand sales down by 2%, all markets saw pressure on profitability. Excluding profits on disposals in 2012, our net profit declined from HK\$683 million to HK\$663 million, a 3% reduction on 2012's performance. The consolidation of full year results of Giordano UAE and Saudi Arabia contributed HK\$57 million more profit than last year. Excluding the impact of this transaction, our profits declined by 11%.

In Mainland China, our biggest market, consumer sentiment has continued to be weak. Declining economic growth, over-capacity of retail outlets, and an increase in international brands entering the market, have all impacted our sales negatively. In response, we have implemented significant improvements designed to re-position our brand, upgrade our stores and develop our regional teams. A major re-positioning of the brand is now being executed across China. Other markets also saw significant challenges. Taiwan's sluggish economy continues to depress our sales in this market. In Hong Kong, a modest increase in sales was not enough to counteract the impact on profitability of large rent increases. In Singapore, where a large number of international brands have entered the market in the last few years, sales declined by 6% as many of these competitors discounted prices heavily. The emerging South East Asian markets performed well, whilst Malaysian profits were broadly flat, Indonesia and Thailand continued to deliver strong sales and earnings growth. Currency weakness is putting our earnings in Indonesia under pressure, but the fundamentals of this business remain strong. Against this background, our profitability remains robust, thanks to the efforts of our local teams in reducing costs, controlling inventory and embracing product and market innovation. The result from the Middle East was slightly disappointing and below our expectations, but this reflects weak market demand, particularly in Saudi Arabia, which was impacted by a number of short term problems. We remain confident however that this investment still represents value and will generate the anticipated return. These short term conditions are expected to ease in 2014 and this will lead to stronger sales growth and profitability going forward.

即使面對重重挑戰，佐丹奴的人員仍然取得下列成就：

1. 利潤及成本控制持續奏效，舒緩銷售額下降的負面影響，使我們得以在不少市場內達到相應的盈利能力水平。此乃主要歸功於強大供應鏈夥伴及有效商品開發，使我們得以改善產品組合及提升平均售價。我們的商品組合仍需進一步發展，惟年內仍見佐丹奴團隊積極主動，將我們的產品創新及區別出來，並於2014年再進一步。
2. 針對需求減少，庫存控制是行內不少商戶均會面對的挑戰。「明智採購」法指以比較保守之水平預測市場層面之銷量，而本公司之供應鏈功能則隨時可靈活提升應付實際需求大於預期之情況。故此，我們在年內審慎管理整體庫存水平，一年過去，大部分市場之庫存均處於滿意水平，使我們準備就緒，可以在日後為店舖補充具新產品設計之商品。
3. 本公司取得自由現金流量5.99億港元，繼續將盈利有效地轉化為現金。已建立庫務程序，在公司層面集中現金，減少營運單位所需之備用現金金額。故此，我們宣佈派發全年股息40.0港仙，總額6.26億港元，佔全年盈利之94%，反映我們將多餘現金回饋股東之政策。可用現金達11.26億港元（已付為數2.50億港元之中期股息）。我們相信可繼續產生現金流，使我們得以在來年繼續支付優厚股息。
4. 於2013年，我們進一步專注於「執行」經營措施，具體而言在中國集中通過將店舖升級及增加本地化專業營銷活動，將該市場上的品牌重新定位。店舖質素逐步改進，惟尚有很大改善空間。

Against this challenging backdrop, Giordano people have achieved the following:

1. Margin and Cost Control continued to be effective, mitigating the adverse impact of lower sales volumes enabling us to deliver respectable levels of profitability in most markets. This was mainly achieved through strong supply chain partnerships and effective merchandise development, which enabled us to improve product mix and increase our average selling prices. Our merchandise portfolio requires further development but the year saw Giordano people step up initiatives to innovate and differentiate our products. These efforts will be intensified in 2014.
2. Against a backdrop of falling demand, inventory control is a challenge that many across the industry struggle with. Our “smart purchasing” approach is to forecast volumes at relatively conservative levels at the market level, with the Company supply chain functions being ready to flexibly top these amounts up where demand turns out to be stronger than expected. Consequently we have managed overall inventory levels prudently in the year and have finished the year with satisfactory levels of inventory in most markets, putting us in a good position to refresh merchandise in our stores with new product designs as we go forward.
3. The Company strongly generated a free cash flow of HK\$599 million, continuing to convert earnings to cash at an efficient rate. Treasury processes are being developed to concentrate cash at the corporate level and reduce the amount of cash buffer required by operating units. As a result, we have declared a full year dividend of 40.0 HK cents a share for the year, total HK\$626 million, which is 94% of the year's earnings. This reflects our policy of returning surplus cash to shareholders. Cash available for use is HK\$1,126 million (we have already paid an interim dividend of HK\$250 million). We believe that we can continue to deliver cash flow that will enable us to continue to pay strong dividends in future years.
4. During 2013, we stepped up our focus on the “execution” of operational initiatives, particularly in Mainland China to focus on re-positioning the brand in this market through upgraded stores and more professional localized marketing campaigns. The quality of our stores is gradually improving, but we still have some way to go.

主席報告書

CHAIRMAN'S STATEMENT

5. 我們的香港經營團隊面對激烈競爭及租金成本上升，應對方法為加強品牌組合以促進更好的品牌差異。*Giordano Junior*品牌已予重新定位，形象轉為新潮時尚，證明頗受緊貼潮流家長的接受。同樣，*BSX*品牌已發展成高級時裝品牌，多家門店為加強此形象已予關閉。此等發展使我們準備好迎接市場內的未來挑戰。
 6. 在新加坡，我們在新達城新開設大型格局店舖。新達城正進行大規模改造工程，將於2014年中全面開業。此高端「形象店」獲業主大力好評，有助於我們在此競爭激烈市場內提升品牌形象。東南亞其他地方方面，我們深入該區各地擴大網絡，故能繼續錄得健康增長。我們與全球性品牌（如Nike）維持強大加盟合作關係，而此多品牌經營方式亦將持續。
5. Our operations team in Hong Kong has faced intense competition and rising rental costs, and has responded by strengthening the brand portfolio to promote better brand differentiation. The *Giordano Junior* brand has been re-positioned with a more chic, trendy image and this is proving popular with fashion conscious parents. Similarly, the *BSX* brand has been developed into a premium fashion brand, with some outlets closed in order to strengthen this image. These developments keep us in good shape to respond to future challenges in this market.
 6. In Singapore, we established a new large format store in Suntec City, a mall which is being significantly upgraded and which will be fully operational again in mid-2014. This high quality “image” store is already receiving strong positive feedback from landlords and will help us lift our brand position in this highly competitive market. In the rest of South East Asia, we continue to generate healthy growth as we expand our network deep into regional locations. We already have strong franchise partnerships with global brands, such as Nike, and this multi-brand approach will continue.

於2014年，我們將優先專注以下各項：

- a. 進一步發展我們的品牌組合及商品，確保我們將適當產品以適當渠道銷售至適當地方。這點對瞬息萬變的中國大陸市場尤其重要，同時亦為我們在其他面對激烈競爭及新「國際品牌」加入的市場提供更大機會。
- b. 以佐丹奴精簡、普遍性及物有所值等核心價值為基礎，開發新「功能性」品牌。此舉可推廣以優質布料製造的基本功能產品，價位比主流佐丹奴品牌為低。此舉可在對價格敏感之渠道上帶來增長機會，亦使我們可將此價值主張與核心品牌區別出來。隨著該品牌發展及增長，將於百貨公司內與中國大陸之核心「*Giordano Men*」及「*Giordano Women*」品牌分開，並定位為物超所值之品牌，吸引業主及主要購物中心及百貨公司之客戶。「*Giordano Women*」於2014年將繼續發展，亦將有助於我們在各百貨公司與其他時尚及具風格之競爭對手同場，從而建立兩大核心品牌。
- c. 2014年秋/冬季，我們預期會在中國大陸推出一個全新女裝品牌，明確地以歐洲設計價值為楷模，惟仍保留佐丹奴功能上簡約的傳統特色。商品之標價將高於核心「*Giordano Women*」品牌，惟明顯低於「*Giordano Ladies*」，並將以之推動在高級百貨公司之增長。

During 2014 we will focus on the following priorities:

- a. Further develop our brand portfolio and merchandising to ensure that we have the right products, in the right channels, at the right place. This is particularly important in the fast changing Mainland China market but will also offer us greater opportunities for profitable growth in other markets that face intensifying competition and the entry of new “international brands”.
- b. To develop a new “functional” brand based on the core Giordano values of simplicity, universality and value for money. This will market basic functional products, using good quality fabrics, but at a lower price point than the main Giordano brand. This will offer growth opportunities into price sensitive channels and enable us to differentiate this value proposition from our core brand. As this brand develops and grows, it will differentiate the core “*Giordano Men*” and “*Giordano Women*” brands in Mainland China department stores and position them as value-premium brands, to attract landlords and customers in more premium shopping centres and department stores. “*Giordano Women*” will continue to develop during 2014 and will help us to establish two core brands in each department store, co-located with smarter, more stylish competitors.
- c. For Fall/Winter 2014, we expect to launch a new woman's fashion brand in Mainland China, explicitly modelled on European design values whilst retaining the traditional Giordano characteristics of functional simplicity. Merchandise will be priced at a premium to the core “*Giordano Women*” brand, but significantly below that of “*Giordano Ladies*” and will facilitate growth into premium department stores.

- d. 過去多年來發展BSX品牌，現時終於為我們帶來將業務擴張至甲級購物中心的機會。該年輕品牌兼備個性及潮流，設計優良，定價屬精品水平，可為我們帶來大量增長機會，特別是可進入較高級的地方。
- e. 於2013年，中國大陸網上業務現在佔該市場銷售額的8%，增長略低於20%。中國網上銷售的重要性不斷提升，我們會因應此趨勢，與網上平台夥伴推出多個合作項目，以改善網上知名度及帶動技術的應用，從而通過移動科技及店內網店設施，加強「線上線下」業務活動的關係。
- f. 近年來，我們的東南亞業務是本集團表現最好的部分，尤其是印尼、泰國及馬來西亞等新興市場。於2014年，我們將通過改善市場營銷，以加大建立品牌力度，並會更努力在該等國家裡尚未打開知名度的地區內推廣，進一步建立我們在該等國家的「先行者」優勢。
- g. 於2013年底，我們收購越南加盟商的控制性權益。越南是一個擁有龐大人口，及以年青人為主的市場，具重大增長潛力。於2014年，我們將努力與商場及百貨公司管理人員建立緊密關係，並開設新店，在該市場開始將品牌地位「國際化」。我們會積極評估進入其他「新興」市場（東南亞及全球）的機會。
- d. The development of the BSX brand over the past few years now provides us with opportunities to grow this business into “A” grade shopping centres. This is a cool and trendy youth brand with high quality designs and premium pricing which can offer us significant opportunities to grow, particularly into higher grade locations.
- e. E-business in Mainland China now accounts for 8% of sales in that market and grew at just under 20% in 2013. The importance of online sales in China is growing all the time and we will respond to this by launching a number of partnership initiatives with e-platform partners to improve our online visibility and to harness the use of technology to enhance the relationship between “online and off-line” business activities through mobile technology and in-store e-shop facilities.
- f. Our South East Asian business has been the strongest performing part of the Group in recent years, particularly emerging markets in Indonesia, Thailand and Malaysia. In 2014, we will step up brand building efforts through improved marketing and will push harder into regions of these countries where we have yet to establish a presence, further building on the “early mover” advantage we have established here.
- g. At the end of 2013, we acquired a controlling interest in our Vietnamese franchisee. Vietnam is a market with significant growth potential and a large, young population. During 2014, we will work to develop strong relationships with shopping centre and department store managers and establish new stores which will start to “internationalize” the brand position in this market. We will actively evaluate opportunities to enter new “emerging” markets both in South East Asia and globally.

總括而言，管理團隊在2013年面對不少重大挑戰，並會繼續考驗我們的人員，如何能靈活創新，且將佐丹奴從眾多競爭者當中脫穎而出的能力。我們的團隊能恰當地回應，惟在2014年帶動佐丹奴更上一層樓之際，有不少挑戰及機會需要處理。佐丹奴在壓力下更能發揮實力，並會以韌力及決心建立公司能力。本人亦謹此感謝各股東一直對佐丹奴的願景及策略的深信不移。最後，本人謹請閣下參閱「管理層之論述及分析」一節，以瞭解有關本集團2013年業績的詳盡分析。

In conclusion, 2013 was a year where our management teams faced some significant challenges. This will continue to be a test of our people's abilities to act in a flexible and nimble way to innovate and differentiate Giordano from our competitors. Our people have responded well, but there are plenty of exciting challenges and opportunities to tackle in 2014 as we take Giordano to the next level. Giordano has always performed strongest when under pressure and we will continue to show resilience and determination as we develop the Company's capabilities. I would like to thank our shareholders for your support in these challenging times and for your continuing endorsement of Giordano's vision and strategy. Finally, for a detailed analysis of the Group's 2013 results, I refer you to the “Management Discussion and Analysis” section.

劉國權

主席

2014年2月27日

LAU Kwok Kuen, Peter

Chairman

February 27, 2014

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

2013年度業績概覽

Overview of 2013 Performance

(以百萬港元為單位)	(In HK\$ millions)	2013	2012	變動 Variance
銷售額	Sales	5,848	5,673	3%
毛利	Gross profit	3,551	3,331	7%
毛利率	Gross margin	60.7%	58.7%	2.0pp/ 百分點
經營費用	Operating expenses	(2,836)	(2,620)	8%
經營溢利(已報告)	Operating profit (as reported)	828	1,005	(18%)
經營溢利率(已報告)	Operating margin (as reported)	14.2%	17.7%	(3.5pp/ 百分點)
經營溢利(撇除 特別出售收益)	Operating profit (excluding exceptional disposal gains)	828	834	(1%)
經營溢利率(撇除 特別出售收益)	Operating margin (excluding exceptional disposal gains)	14.2%	14.7%	(0.5pp/ 百分點)
EBITDA	EBITDA	1,066	1,247	(15%)
EBITDA(撇除特別 出售收益)	EBITDA (excluding exceptional disposal gains)	1,066	1,133	(6%)
淨溢利	Net profit	663	826	(20%)
淨溢利率	Net profit margin	11.3%	14.6%	(3.3pp/ 百分點)
淨溢利(撇除特別 出售收益)	Net profit (excluding exceptional disposal gains)	663	683	(3%)
淨溢利率(撇除 特別出售收益)	Net profit margin (excluding exceptional disposal gains)	11.3%	12.0%	(0.7pp/ 百分點)
從經營業務所得之自由現金流量	Free cash flow from operations	599	675	(11%)
現金及銀行結存淨額 ¹	Net cash and bank balances ¹	1,105	1,173	(6%)
存貨餘額 ¹	Inventory balances ¹	518	476	9%
存貨日數對成本之流轉比(日數) ²	Inventory days on costs (days) ²	82	74	8
門市數目 ¹	Number of outlets ¹	2,642	2,648	(6)
年內門市數目變動淨額	Net change in outlets during the year	(6)	(23)	

¹ 於年末。

² 年結日所持存貨除以銷售成本乘以365日。

¹ At the end of the year.

² Inventory held at year end divided by cost of sales and multiplied by 365 days.

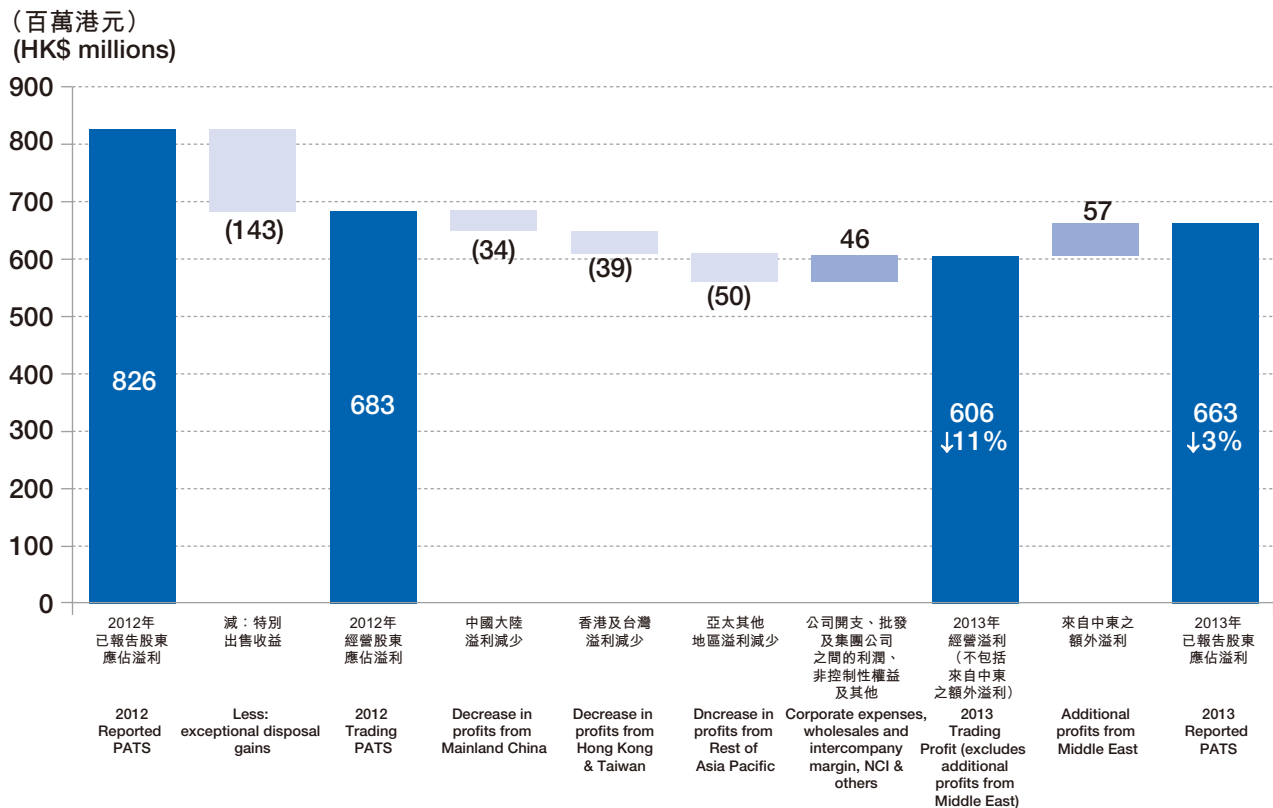
管理層之論述及分析 MANAGEMENT DISCUSSION AND ANALYSIS

股東應佔溢利

年內，股東應佔溢利較去年8.26億港元減少20%至6.63億港元。撇除特別出售收益，股東應佔溢利減少3%。

Profit Attributable to Shareholders (“PATS”)

During the year, PATS decreased by 20% to HK\$663 million from HK\$826 million last year. Excluding exceptional disposal gains from last year, profit attributable to shareholders decreased by 3%.



管理層之論述及分析

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上一年度之特別出售收益

於2012年，本集團完成三項重大出售交易，為股東應佔溢利貢獻1.43億港元。其中兩項為「視為出售」之會計收益：現有資產之實際重估。第三項交易為以現金出售本集團之最後一項製衣業務，錄得出售溢利。該等交易可概述如下：

Exceptional Disposal Gains in the Prior Year

In 2012, the Group completed three significant disposal transactions which contributed HK\$143 million to PATS. Two of these were accounting gains on “deemed disposals”: effectively revaluations of existing assets. The third transaction was a cash disposal of the Group’s last manufacturing business which generated profit on disposal. These can be summarized as follows:

(百萬港元)	(HK\$ millions)	
2012年股東應佔溢利	Profit Attributable to Shareholders in 2012	826
減：收購佐丹奴於中東之控股權益所得收益	Less: Gain arising from acquisition of controlling interest in Giordano Middle East	(100)
減：被視作出售佐丹奴於迅捷環球控股有限公司之控股權益所得收益	Less: Gain arising from flotation of Higrowth as Speedy Global Holdings	(14)
2012年股東應佔溢利(撇除視作出售收益)	PATS excluding profit on deemed disposals in 2012	712
減：現金出售製衣業務所得溢利	Less: Profit on disposal of Manufacturing Business for Cash	(29)
2012年股東應佔溢利(撇除特別出售收益)	PATS excluding exceptional disposal gains in 2012	683

管理層認為：

Management considers that:

- 由於該等出售並未產生現金，故「股東應佔溢利(撇除視作出售收益)」為釐定派付股息之合適基準。
- 就評估業績表現，「股東應佔溢利(撇除特別出售收益)」乃較為合適之基準。
- “PATS excluding profit on deemed disposals” is an appropriate basis for the determination of dividend payout as the profit on these disposals generated no cash.
- “PATS excluding exceptional disposal gains” is a more appropriate basis for evaluating business performance.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

貨幣對利潤表之影響

外幣匯率變動之影響對利潤表有以下影響：

Currency Impacts to Income Statement

The impact of foreign currency exchange rates changes had the following impact on the Income Statement:

(以百萬港元為單位) (In HK\$ millions)		已申報 Reported	換算差額 Translation difference	交易差額 Transaction difference	採購時之 貨幣貶值 虧損 Currency depreciation loss on purchase	對沖收益 Hedging gain	經調整 Adjusted
銷售額	Sales	5,848	38	-	-	-	5,886
毛利	Gross profit	3,551	27	-	27	-	3,605
其他收入	Other income	113	(1)	(22)	-	(2)	88
經營費用	Operating Expense	(2,836)	(13)	-	-	-	(2,849)
股東應佔溢利	PATS	663	2	(22)	27	(2)	668

本集團於海外地區經營使用外幣。由於換算東南亞貨幣（主要為印尼盾）之不利影響幾乎被在中國內地以人民幣列值業務之換算溢利所抵銷，故此於換算該等實體之業績為港元時對股東應佔溢利造成之影響為小額虧損。持有人民幣及日元貸款之溢利，已因印尼盾貶值時於當地錄得期初應付款項之列賬虧損所部份抵銷。此外，以港元採購商品成本上升（尤其為印尼的採購），於本年度產生虧損2,700萬港元。整體而言，外幣變動對本集團業績造成之影響為負500萬港元。

The Group operates in foreign jurisdictions which do business in foreign currencies. The impact on PATS of translating the results of these entities into Hong Kong dollars was a small loss with the adverse impact from translation of South East Asian currencies, mainly the Indonesia Rupiah, being largely offset by translation gains from Chinese yuan denominated business in Mainland China. Gains from holding RMB and loans in Japanese Yen were partly offset by losses booked on open payables in Indonesia at the time of currency depreciation. Also, increased costs of purchasing merchandise in Hong Kong dollars, by Indonesia in particular, contributed a loss of HK\$27 million in the year. Overall, the impact of foreign currency changes on the Group's results was an adverse impact of HK\$5 million.

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MANAGEMENT DISCUSSION AND ANALYSIS

銷售額

Sales

(以百萬港元為單位)	(In HK\$ millions)	2013	2012	變動 Variance
總銷售額 ¹	Total Sales ¹	5,848	5,673	3%
全球品牌銷售額 ²	Global brand sales ²	7,912	8,062	(2%)
可比較門市銷售額 ³ 減少	Comparable store sales ³ decrease	(2%)	(1%)	
門市數目 ⁴	Number of outlets ⁴	2,642	2,648	(6)
年內門市數目變動淨額	Net change in outlets during the year	(6)	(23)	

¹ 總銷售額指自營店零售總額及向加盟店之批發銷售總額(按平均匯率計算)。

² 全球品牌銷售額指自營店(包括網上商店)、加盟店及由附屬公司及聯營公司/共同控制公司經營之店舖之零售總額(按固定匯率計算)。

³ 可比較門市銷售額指往年由附屬公司及聯營公司/共同控制公司營業/經營之現有門市及網上商店之品牌銷售總額(按固定匯率計算)。

⁴ 於年末。

¹ Total Sales are total retail sales in self-operated stores and total wholesale sales to franchisees, translated at average exchange rates.

² Global Brand Sales are total retail sales, at constant exchange rates, in self-operated stores (include e-shop), franchised stores and stores operated by subsidiaries and associates/jointly controlled entities.

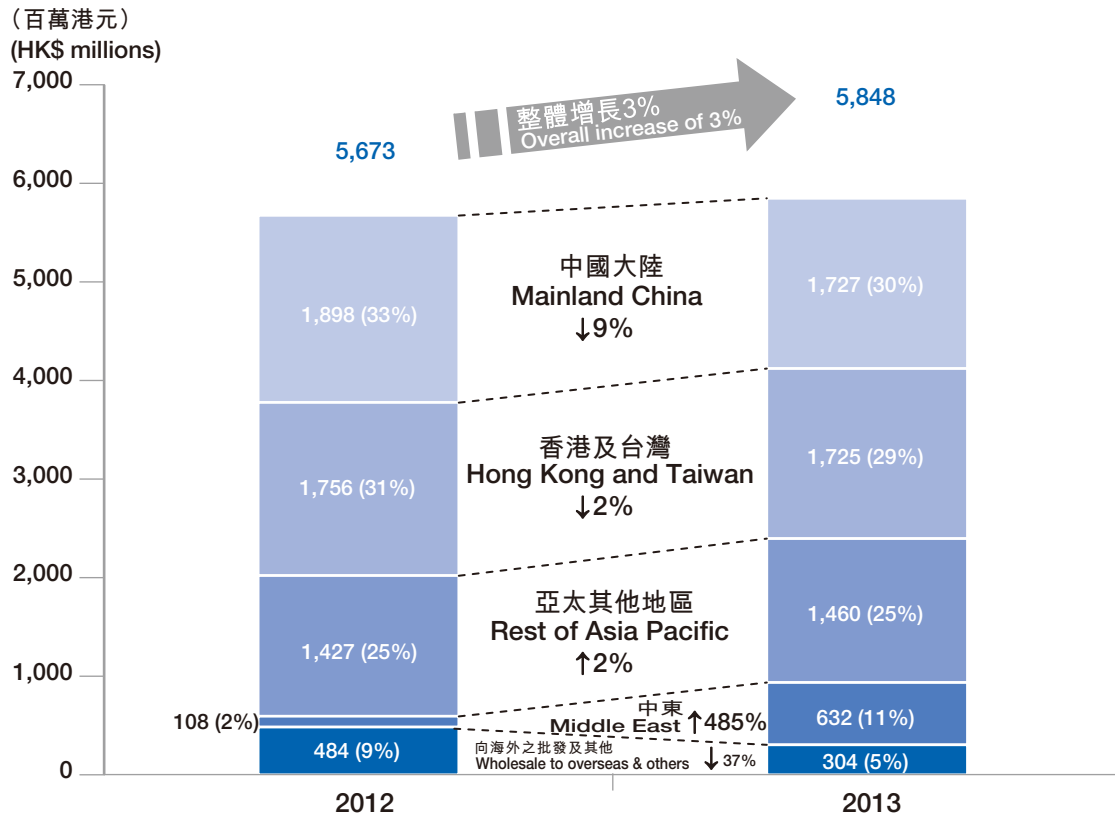
³ Comparable Store Sales are total brand sales, at constant exchange rates, from existing stores and e-shop that have been opened/operated by subsidiaries and associates/jointly controlled entities in the prior year.

⁴ At the end of the year.

- 本集團2013年之銷售額由2012年之56.73億港元，增加3%至58.48億港元。撇除從外幣銷售額換算為港元之影響，銷售額亦較去年增加3%。
- 中國大陸之銷售額較去年同期減少9%，而香港及台灣之銷售額則較去年減少2%。亞太其他市場(主要為新加坡、馬來西亞、印尼及泰國)之銷售額較去年同期增長2%。
- 2013年全年來自中東業務之銷售額已於2012年十月末收購一項控股權益後整合入2013年全年之「銷售淨額」中(2012年：僅將兩個月之銷售額綜合入賬)。而相對於將2012年10個月之批發銷售額綜合入賬，本集團於2013年向中東批發進行之內部銷售額因合併而被抵銷。由於收購關係，2013年銷售淨額淨增長3.34億港元。如扣除該宗交易，則2013年本集團之銷售淨額較2012年減少3%。
- The Group's sales increased by 3% to HK\$5,848 million in 2013 from HK\$5,673 million in 2012. Excluding the effects of translating sales made in foreign currencies into Hong Kong dollars, sales also increased by 3% year on year.
- Sales in Mainland China decreased by 9% while sales in Hong Kong and Taiwan reduced by 2% compared to last year. Sales in other Asia Pacific markets, mainly Singapore, Malaysia, Indonesia and Thailand, grew by 2% compared to last year.
- Sales from the Middle East operations were consolidated into "Net Sales" for the whole of 2013 following the acquisition of a controlling interest at the end of October 2012, compared to consolidation of just two months sales in 2012. This was offset by the non-consolidation into "Net Sales" of wholesale sales from the Group to the Middle East in 2013, compared to consolidation of ten months of such wholesale sales in 2012. The net increase in Net Sales in 2013, as a result of the acquisition was HK\$334 million. Excluding this transaction Net Sales for the Group reduced by 3% in 2013 compared to 2012.

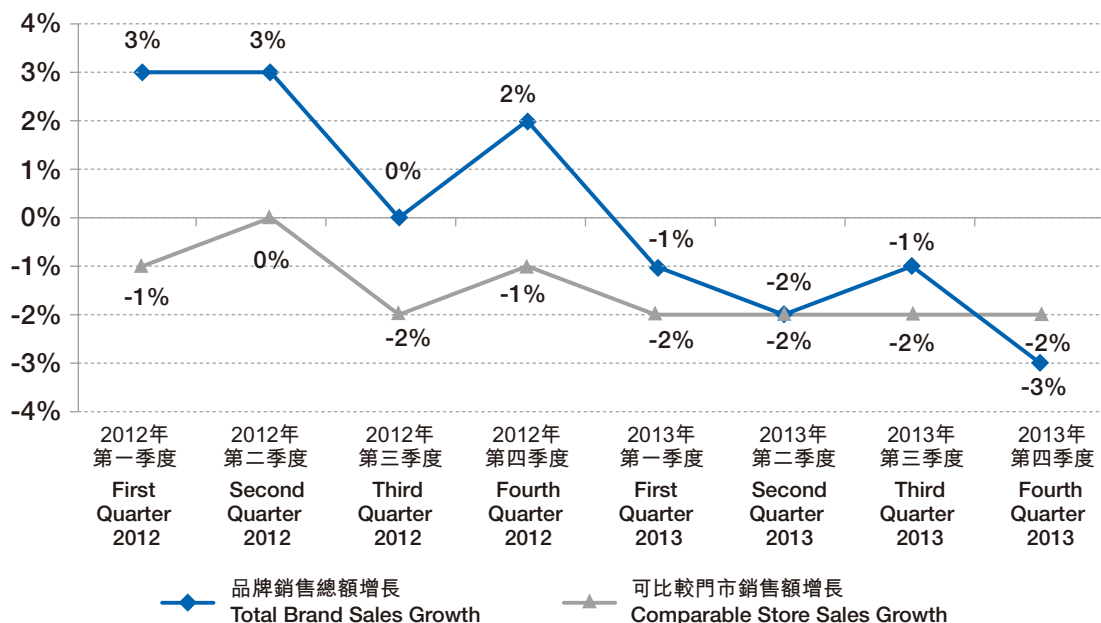
管理層之論述及分析 MANAGEMENT DISCUSSION AND ANALYSIS

銷售額增長及貢獻 Sales growth and contribution



% to group sales in brackets
括號內為佔本集團銷售之百分比

最近八個季度品牌銷售額增長 Brand sales growth for the last eight quarters

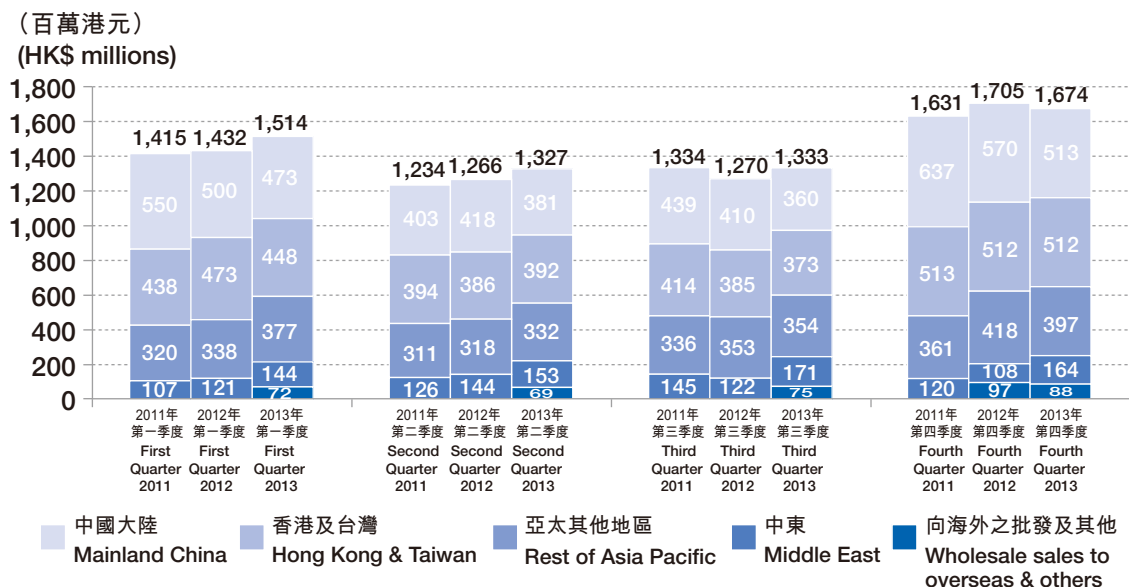


管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

最近十二個季度銷售額

Sales for the last twelve quarters



中國大陸

Mainland China

(以百萬港元為單位)	(In HK\$ millions)	2013	2012	變動 Variance
總銷售額 ¹	Total sales ¹	1,727	1,898	(9%)
自營店銷售額	Retail self-operated stores	1,275	1,391	(8%)
向加盟店之批發	Wholesale to franchisees	452	507	(11%)
品牌銷售總額 ²	Total brand sales ²	2,160	2,439	(11%)
自營店	Self-operated stores	1,275	1,423	(10%)
加盟店	Franchised stores	885	1,016	(13%)
可比較門市銷售額 ³ 減少	Comparable store sales ³ decrease	(6%)	(6%)	
門市數目 ⁴	Number of outlets ⁴	1,161	1,243	(82)
自營店	Self-operated stores	532	534	(2)
加盟店	Franchised stores	629	709	(80)
年內門市數目變動淨額	Net change in outlets during the year	(82)	(129)	
自營店	Self-operated stores	(2)	(11)	
加盟店	Franchised stores	(80)	(118)	

¹ 總銷售額指自營店零售總額及向加盟店之批發銷售總額(按平均匯率計算)。

² 品牌銷售總額指自營店(包括網上商店)及加盟店之零售總額(按固定匯率計算)。

³ 可比較門市銷售額指往年營業/經營之現有門市及網上商店之品牌銷售總額(按固定匯率計算)。

⁴ 於年末。

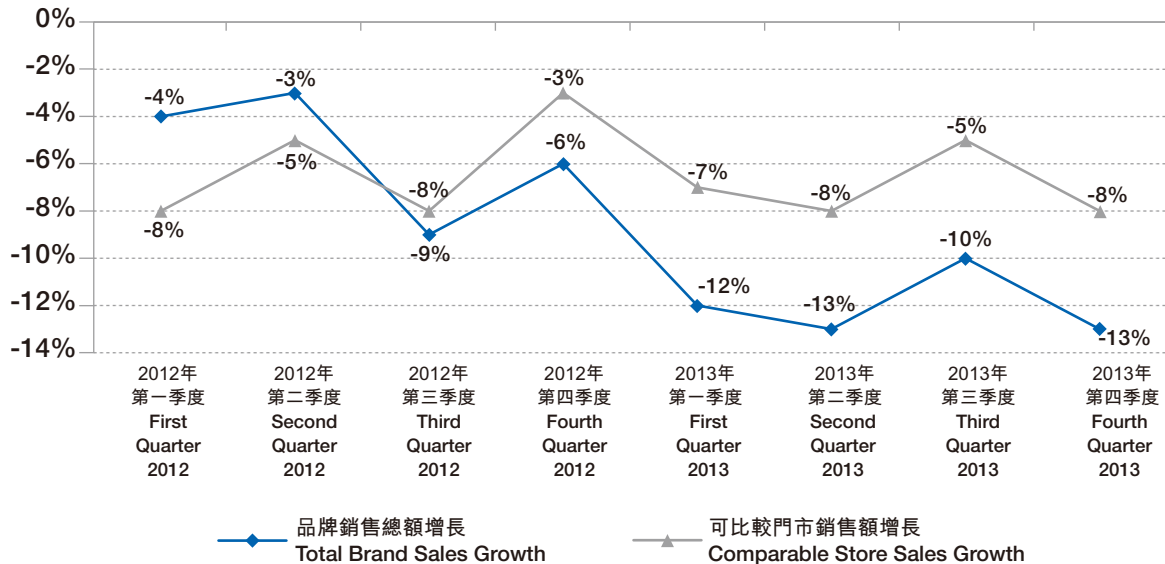
¹ Total Sales are total retail sales in self-operated stores and total wholesale sales to franchisees, translated at average exchange rates.

² Total Brand Sales are total retail sales, at constant exchange rates, in self-operated stores (include e-shop) and franchised stores.

³ Comparable Store Sales are total brand sales, at constant exchange rates, from existing stores and e-shop that have been opened/operated in the prior year.

⁴ At the end of the year.

最近八個季度中國大陸品牌銷售額增長
Brand sales growth in Mainland China for the last eight quarters



- 2013年中國大陸銷售額由2012年之18.98億港元，減少9%或1.71億港元至17.27億港元。撇除從人民幣換算為港元之影響，本年度銷售額減少11%。
- Mainland China sales decreased by 9% in 2013, or HK\$171 million, to HK\$1,727 million from HK\$1,898 million in 2012. Excluding the effect of translating Chinese yuan into Hong Kong dollars, sales decreased by 11% in the year.
- 銷售額增長之主要基礎計量指標為品牌銷售額，反映貨品透過佐丹奴門市(自營及加盟店)之最終銷售額。此計量指標並不包括貨幣匯率變動以及加盟店存貨變動之影響。2013年中國大陸品牌銷售額減少11%及可比較門市銷售額減少6%。
- The key underlying measure of sales growth is brand sales, which represents the end sales of merchandise through Giordano stores, both self-managed and franchised. This measure excludes the effects of both currency exchange fluctuations and the impact of inventory changes undertaken by franchisees. Brand sales in Mainland China decreased by 11% in 2013 and comparable store sales decreased by 6%.
- 銷售額減少之原因如下：
 - 中國大陸之市場環境仍然充滿挑戰，國內生產總值增長率下降，導致消費者對服裝之需求僅保持單位數字增長。零售面積之增長與此增長同步，同時國際品牌亦保持在中國之市場持續發展。其他競爭者繼續通過大幅度折扣及電子渠道，搶佔「實體」店之市場份額，並繼續以極低價格銷售服裝。
 - Market conditions in Mainland China continue to be very challenging. Falling GDP growth has resulted in single figure growth in consumer demand for apparel. Retail space has grown to match this growth and “international brands” continue to expand their presence in China. Other competitors continue to discount heavily and e-channels, which are taking market share from physical “bricks and mortar” stores, continue to sell apparel at very low prices.
 - 儘管正力爭將品牌區別於其他「休閒服飾」之同行，惟品牌重新定位之執行較預期緩慢。正在進行之改善生產質素及積極回應市場需求前景向好，惟效果尚未浮現。截至2013年年底前，已推出一系列項目以加快其重新定位。
 - Despite initiatives to differentiate our brand from “casual apparel” peers, execution of our brand repositioning has been slower than we would have liked. Efforts to develop the quality and responsiveness of our organization are ongoing and show promise. However, the effects of these actions are yet to be seen. A number of programs have been launched towards the end of 2013 to accelerate this re-positioning.
- Sales decreased for the following reasons:

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

- 於本年度我們已關閉82間門市，其中絕大多數為加盟店。我們提高加盟商所得之毛利率，同時減少給予虧損店舖之直接補貼，已有效提升表現良好之加盟商並淘汰業績不佳者，我們認為在2014年及往後將健康發展。而於提高加盟商集中程度方面之舉措則成效不彰，在中國大陸之加盟商總數由66下降至58。發展加盟商將成為集團管理層一項重要項目。
- 我們繼續嚴格管理供應鏈，並已降低加盟商於2012年末所持存貨水平。由於採用此嚴謹方針，我們在中國大陸之存貨保持在健康水平且並無大量款式過時及不合時宜之存貨堆積，並為2014年將推出之新產品做好準備。
- 儘管中國大陸之銷售表現主要受消費者情緒低迷所影響，管理層已實行以下措施，提升於中國大陸業務之長期競爭力：
 - 於本年度下半年，在五個區域性中心推出12項快速行銷項目。該等項目在周期及執行質素而言正不斷改進，而來自業主之反饋顯示上述活動有助於積極區分我們的品牌，且此策略將進一步發展及加強。
 - 我們已年內更新/開設199間自營門市及69間加盟店。每間門店之投資額為上年度水平之三倍多，顯示該等門店之規格有所提升。
 - 百貨公司方面，我們開始由「男女裝便服」模式轉為更多元化之單一品牌模式。開設男裝或女裝專櫃，可在百貨公司內藉著同系品牌建立品牌地位，吸引更多消費者駐足。年內，我們開設35個「Giordano Women」專櫃，總銷售額1,700萬港元。我們減慢此擴充計劃之速度，因為我們正集中發展更恰當的產品系列，並將於2014年下半年推出。此舉可望加快在中國大陸百貨公司內的多元化擴充。
- During the year we closed 82 stores, mostly at franchisees. We have increased the gross margin earned by our franchisees at the same time that we have reduced direct subsidies to loss making shops. This has had the effect of strengthening the better franchisees and eliminating poor performers which we believe will be healthy for 2014 onwards. Efforts to improve the concentration of our franchisees have been disappointing with our total number of franchisees in Mainland China reduced from 66 to 58. Franchisee development going forward is a key program for Group management.
- We continue to manage our supply chain tightly and have reduced inventory at our franchisees from levels held at the end of 2012. As a result of this disciplined approach, our inventory in Mainland China is healthy and we are well positioned to launch new product ranges in 2014 unencumbered by significant amounts of inventory of older styles and obsolete lines.
- Although sales performance in Mainland China is mainly impacted by weak consumer sentiment, management has implemented the following initiatives designed to enhance the long-term strength of our operations in Mainland China:
 - 12 Fast Marketing projects were launched in each of our 5 regional centres during the second half of the year. These programs are constantly improving in regularity and quality of execution. Feedback from landlords is already showing that these campaigns help to positively differentiate our brand and this strategy will be developed further and strengthened as we go forward.
 - We have upgraded/opened 199 self-managed stores and 69 franchisee stores during the year. Investment per store has been over three times the level of investments last year reflecting an upgrade in the standard of these stores.
 - In department stores we have started to move away from the “Unisex Casual Apparel” format to a more diversified brand-focused approach. The creation of separate men’s and women’s counters will position the brand in department stores with peer brands that attract more foot-fall. During the year we opened 35 “Giordano Women” counters, with total sales of HK\$17 million. We have decelerated this expansion program as we focus on developing a more appropriate product range which will be launched in the second half of 2014. This will enable a more rapid expansion of store diversification within Mainland China department stores.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

- 本集團持續發展其網上業務，除我們本身之網站外，我們亦於阿里巴巴等合作夥伴之第三方「網上商城」平台營運。年內銷售額由1.45億港元，增加20%或2,900萬港元至1.74億港元，增長略為令人失望。網上業務佔中國大陸品牌銷售額的8%，未來我們會將此百分比提升至雙位數字，追貼市場組合。
- The Group continues to develop its online business which in addition to our own website also operates on third party “e-mall” platforms with partners like Alibaba. Sales grew by HK\$29 million from HK\$145 million by 20% to HK\$174 million in the year which was slightly disappointing. This represents 8% of brand sales in Mainland China and going forward we would like to increase this ratio to double digit levels in line with market mix.
- 定價規律確保我們之網上業務有利可圖並可產生現金。此外，我們因庫存及物流系統強大令達成承諾之水平頗高，使我們在電子商城具有不俗地位。展望未來，我們會善用此長處，與夥伴合作提高行銷接觸面，包括加強使用「按點擊收費」的廣告超鏈結。此外，我們將投資提升「線上到線下」O2O應用，運用科技，通過短訊或其他媒體的個人化宣傳以及其他創新應用，建立客戶與佐丹奴品牌的緊密關係。
- Pricing discipline has ensured that our e-business is profitable and cash generative. Furthermore, we have a good standing with the e-malls due to a strong inventory and logistics system which results in high levels of promise fulfillment. Going forward, we will leverage this strength by working with partners to increase our marketing reach, including increased use of “pay for clicks” advertising links. Additionally, we will invest in initiatives to enhance “online to offline” O2O applications that use technology to build customer intimacy with the Giordano brand, through personalized promotions through SMS or other media, and other innovative applications.

五年業務摘要	Five-year operations highlights	2013	2012	2011	2010	2009
總銷售額 ¹ (以百萬港元為單位)	Total sales ¹ (in HK\$ millions)	1,727	1,898	2,029	1,781	1,633
每平方呎銷售額 ² (以港元為單位)	Sales per sq. ft. ² (in HK\$)	1,900	1,900	2,100	2,100	2,300
可比較門市銷售額 ³ (減少)/增加	Comparable store sales ³ (decrease)/increase	(6%)	(6%)	6%	4%	(5%)
零售面積 ⁴ (平方呎)	Retail floor area ⁴ (square feet)	1,001,100	1,077,600	1,173,900	1,037,500	903,600
門市數目 ⁴	Number of outlets ⁴	1,161	1,243	1,372	1,188	1,017

¹ 總銷售額指自營店零售總額及向加盟店之批發銷售總額(按平均匯率計算)。

² 每平方呎銷售數字乃根據自營店及加盟店之品牌銷售額加權平均基準計算(按平均匯率計算)。

³ 可比較門市銷售額指往年營業/經營之現有門市及網上商店之品牌銷售總額(按固定匯率計算)。

⁴ 年末自營店及加盟店之總零售面積及門市數目。

¹ Total Sales are total retail sales in self-operated stores and total wholesale sales to franchisees, translated at average exchange rates.

² Sales per sq. ft. figure calculated on a weighted average basis for brand sales, at average exchange rates, in self-operated and franchised stores.

³ Comparable Store Sales are total brand sales, at constant exchange rates, from existing stores and e-shop that have been opened/operated in the prior year.

⁴ Total retail floor area and number of outlets for self-operated and franchised stores at the end of the year.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

香港及台灣

Hong Kong and Taiwan

(以百萬港元為單位)	(In HK\$ millions)	2013	2012	變動 Variance
總銷售額 ¹	Total sales ¹	1,725	1,756	(2%)
可比較門市銷售 ² 增加	Comparable store sales ² increase	持平/Flat	2%	
門市數目 ³	Number of outlets ³	289	298	(9)
年內門市數目變動淨額	Net change in outlets during the year	(9)	17	

¹ 總銷售額指零售總額(按平均匯率計算)。

² 可比較門市銷售指往年營業/經營之現有門市之品牌銷售總額(按固定匯率計算)。

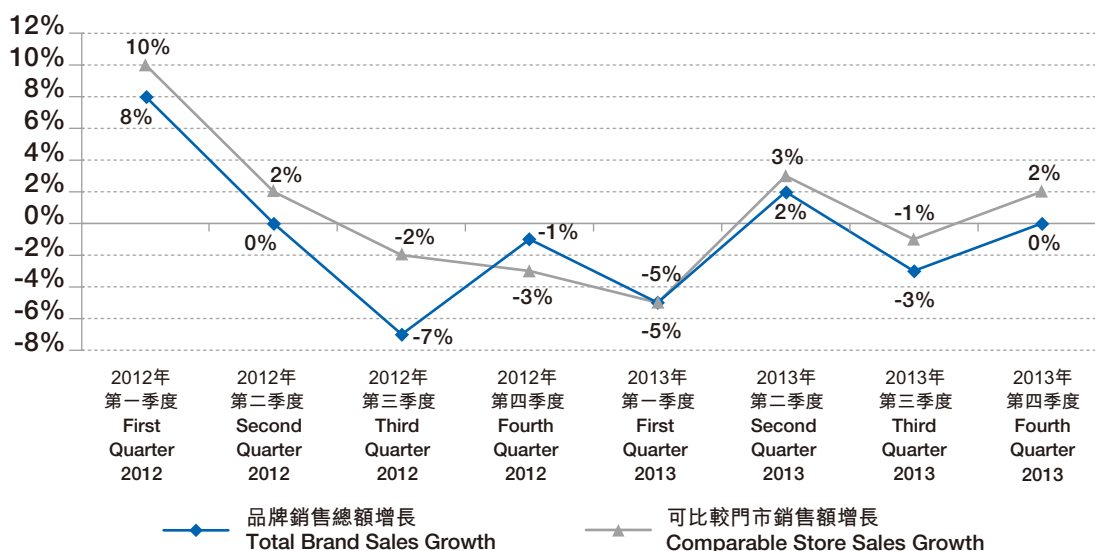
³ 於年末。

¹ Total Sales are total retail sales translated at average exchange rates.

² Comparable Store Sales are total brand sales, at constant exchange rates, from existing stores that have been opened/operated in the prior year.

³ At the end of the year.

最近八個季度香港及台灣品牌銷售額增長
Brand sales growth in Hong Kong and Taiwan for the last eight quarters



- 香港及台灣市場之銷售額從2012年的17.56億港元減少2% (或3,100萬港元) 至2013年的17.25億港元。撇除從台幣換算為港元之影響，銷售額減少1%。可比較相同門市銷售額與上年同期相比則持平。
- Sales in Hong Kong and Taiwan markets declined by 2% or HK\$31 million from HK\$1,756 million in 2012 to HK\$1,725 million in 2013. Excluding the effect of translating Taiwanese dollars into Hong Kong dollars, sales declined by 1%. Comparative same store sales were flat year on year.
- 香港銷售額年內增長2%。我們透過本地化市場推廣活動以及有選擇性地開設門市，繼續增強在這個市場的運營。年內我們淨新增4間新門市。於屯門及九龍灣的新門市以及位於澳門威尼斯人的大型新門市將幫助本公司成為業主方心目中的「國際」品牌。
- Sales in Hong Kong increased by 2% in the year. We continue to strengthen our operations in this market through localized marketing campaigns and selective store openings. We added a net of 4 new stores in the year. New stores in Tuen Mun and Kowloon Bay, together with a major new store in the Venetian in Macau, are helping to position the Company with landlords as an “international” brand.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

- 香港銷售額部分受到高檔*Concepts One*品牌銷售額下降之影響。於2014年中國農曆新年之後此品牌已經撤出香港。由於此品牌於2013年持續產生虧損，預期香港市場之盈利情況將可有所改善。由於品牌重新定位，*BSX*之銷售額輕微下降3%。此品牌目前正在發展成為一個高檔青少年品牌，具有體面之門市以及市場新潮時尚之個性商品，對於購物中心業主方具吸引力。*Giordano Junior*品牌的定位亦已從「可愛有趣」發展為更「有型時尚」，以從其他競爭對手中脫穎而出，此品牌亦因此錄得9%之增長。本集團計劃在2014年進一步發展這兩個強大品牌。*Giordano Ladies*之銷售額增加5%，仍然是一個穩定、優秀的盈利品牌，於香港市場之表現尤為強勁。佔總銷售額60%的核心*Giordano*品牌年內僅增長2%。
- 台灣銷售額減少6%，相同門市銷售額減少4%。此市場的經濟前景及消費者情緒仍然疲弱。年內，由於我們退出無法盈利之門市並放慢擴展步伐，門市淨關閉數目達13間(6%)。
- 我們繼續發展本地市場推廣活動及跨界推廣活動，以區別我們的品牌。於第四季度，我們與國際外套品牌合作並推出獲授權產品，刺激銷售額增長，當季相同門市銷售額增長1%，我們將致力於通過新的創新活動保持這一上升勢頭。
- Sales in Hong Kong were partly depressed by a significant reduction in sales in the premium *Concepts One* brand. This brand was discontinued in Hong Kong following Chinese New Year 2014. As this was a loss-maker in 2013, this is expected to boost profitability in this market. *BSX* sales declined slightly by 3% as a result of brand repositioning. This brand is now developing into a premium youth brand with smart shops and cool merchandise that is trendy and fashionable and attractive to shopping centre landlords. The *Giordano Junior* brand has also been developed from a “cute and fun” position to a more “stylish and chic” offering to differentiate from other competitors and this brand enjoyed 9% growth as a result. The Group intends to develop these two strong brands further in 2014. *Giordano Ladies* increased sales by 5% and remains a stable and profitable niche brand, particularly strong in the Hong Kong market. The core *Giordano* brand, which represents 60% of total sales, grew by just 2% in the year.
- Taiwan sales reduced by 6% and same store sales reduced by 4%. The economic outlook and consumer sentiment continues to be weak in this market. During the year, net store closures were 13 (6%) as we exited unprofitable stores and slowed our expansion.
- We continue to develop local marketing campaigns and cross-over campaigns which help to differentiate the brand. In the fourth quarter, we partnered with an international outerwear brand, launching licensed products which boosted sales resulting in same store sales growth for the quarter of 1%, an upward trend which we will look to continue going forward with fresh and innovative campaigns.

五年業務摘要	Five-year operations highlights	2013	2012	2011	2010	2009
總銷售額 ¹ (以百萬港元為單位)	Total sales ¹ (in HK\$ millions)	1,725	1,756	1,759	1,447	1,330
每平方呎銷售額 ² (以港元為單位)	Sales per sq. ft. ² (in HK\$)	5,900	5,900	6,300	5,300	4,600
可比較門市銷售額 ³ 增加/(減少)	Comparable store sales ³ increase/(decrease)	持平/Flat	2%	18%	8%	(3%)
零售面積 ⁴ (平方呎)	Retail floor area ⁴ (square feet)	296,400	305,000	297,000	274,800	272,800
門市數目 ⁴	Number of outlets ⁴	289	298	281	256	249

¹ 總銷售額指零售總額(按平均匯率計算)。

² 每平方呎銷售數字乃根據品牌銷售額加權平均基準計算(按平均匯率計算)。

³ 可比較門市銷售額指往年營業/經營之現有門市之品牌銷售總額(按固定匯率計算)。

⁴ 於年末。

¹ Total Sales are total retail sales translated at average exchange rates.

² Sales per sq. ft. figure calculated on a weighted average basis for brand sales translated at average exchange rates.

³ Comparable Store Sales are total brand sales, at constant exchange rates, from existing stores that have been opened/operated in the prior year.

⁴ At the end of the year.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

亞太其他地區

Rest of Asia Pacific

(以百萬港元為單位)	(In HK\$ millions)	2013	2012	變動 Variance
總銷售額 ¹	Total sales ¹	1,460	1,427	2%
可比較門市銷售額 ² 增加	Comparable store sales ² increase	2%	3%	
門市數目 ³	Number of outlets ³	548	482	66
年內門市數目變動淨額	Net change in outlets during the year	66	65	

¹ 總銷售額指零售總額(按平均匯率計算)。

² 可比較門市銷售額指往年營業/經營之現有門市之品牌銷售總額(按固定匯率計算)。

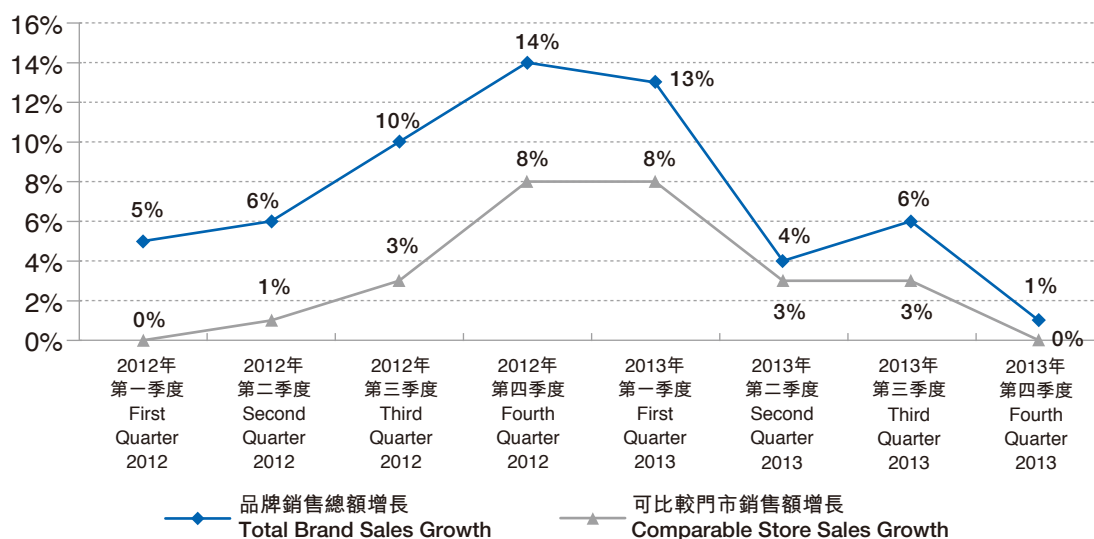
³ 於年末。

¹ Total Sales are total retail sales translated at average exchange rates.

² Comparable Store Sales are total brand sales, at constant exchange rates, from existing stores that have been opened/operated in the prior year.

³ At the end of the year.

最近八個季度亞太其他地區品牌銷售額增長
Brand sales growth in Rest of Asia Pacific for the last eight quarters



亞洲其他市場(主要為新加坡、馬來西亞、泰國及印尼)之銷售額從2012年之14.27億港元增加2%(或3,300萬港元)至14.6億港元。撇除從外幣換算為港元之影響,該等市場之銷售額增加8%。可比較相同門市銷售額增長2%。

Sales in other markets in Asia, notably in Singapore, Malaysia, Thailand and Indonesia, grew by 2% or HK\$33 million to HK\$1,460 million from HK\$1,427 million in 2012. Excluding the effect of translating foreign currencies into Hong Kong dollars, sales in these markets increased by 8%. Comparable same store sales grew by 2%.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

新加坡銷售額較去年同期下降5%。多個因素令該市場的需求減少。近期國際品牌之流入，加上印尼、泰國及印度貨幣貶值後地區前景惡化，令價格競爭更趨激烈。我們於2012年開始實施的品牌重新定位繼續開展，於2013年有3間門市進行大規模升級，並增加了6間新門市，包括位於新達城的一間8,000平方呎大型格局店舖。此店舖於2013年8月在一個大型購物中心開設，該購物中心目前正在進行大規模的二次開發，計劃於2014年年中竣工。員工於2013年下半年開始接受快速市場推廣的培訓，我們計劃於2014年在新加坡推出全面的市場推廣活動。

印尼業務繼續錄得強勁增長，相同門市銷售額增加14%，品牌銷售額增長23%。年內我們淨增加了36間新門市（增加25%），目前於這個增長迅速的市場擁有179間門市，其中包括我們於該市場作為加盟店的27間其他國際品牌門市。這增強了我們對於購物中心業主方的影響力。本公司在該市場的部署非常成熟，門市遍佈全國，但多個國際品牌的進入將加劇市場競爭，尤其是在雅加達。我們將繼續在這個快速增長的市場透過品牌合作持續發展。

馬來西亞業務之銷售額錄得小幅增長，相同門市銷售額及品牌銷售額分別增長2%及6%。我們在該市場新增了3間門市。儘管增長較低，但由於良好的毛利率紀律以及嚴格的成本控制，馬來西亞業務之溢利略高於2012年。

泰國業務之銷售額增長強勁，相同門市銷售額及整體品牌銷售額分別增長13%及20%。年內我們新增了16間門市（增加14%），於該市場的門市總數達到133間。泰國仍然是我們的快速增長市場，具有進一步擴展之潛力。

澳洲方面，年內銷售額表現低迷，相同門市銷售額及品牌銷售額分別減少13%及19%。年內零售情緒疲弱，部分國際品牌進駐市場亦令此情況進一步惡化。有鑑於此，我們對少數重要門市進行了升級，並增加總部向該市場提供的支持。此業務將會進行持續檢討。

Sales weakened in Singapore reducing by 5% from the same period last year. A number of factors have combined to weaken demand in this market. The recent influx of international brands, coupled with a weaker regional outlook following currency devaluation in Indonesia, Thailand and India, has led to strong price competition. The brand re-positioning that we started in 2012 has continued with 3 stores being significantly upgraded and 6 new stores added in 2013, including a large format 8,000 square foot store in Suntec City. This was opened in August 2013 in a major shopping mall that is currently under major re-development and is due to be completed in mid-2014. Staff development and training in Fast Marketing was carried out in the second half of 2013 and we plan to roll out a full program of marketing programs in Singapore in 2014.

Indonesia continues to deliver strong growth with same store sales of 14% and brand sales growth of 23%. We added 36 net new stores in the year (up 25%) and now have 179 stores in this fast growing market, which includes 27 stores from other international brands where we act as a franchisee in this market. This strengthens our position with the landlords of shopping centres. The Company is very well established in this market with stores across the nation, but the entry of a number of other international brands will increase competition here, particularly in Jakarta. We will continue to diversify our portfolio geographically and through brand partnerships in this fast growing market.

Sales growth in Malaysia was modest, with 2% same store sales growth and 6% brand sales growth. We added 3 stores in this market. Despite low growth, due to good gross margin discipline and strong cost controls, Malaysia delivered slightly higher profits than in 2012.

Sales growth in Thailand was strong, with 13% same store sales growth and 20% overall brand sales growth. We added 16 new stores (14% more) in the year and now have 133 stores in this market. Thailand remains a fast growing market for us with potential for more expansion.

In Australia, sales were very weak in the year with a same store sales reduction of 13% and brand sales down 19%. Retail sentiment in the year was weak and this was exacerbated by the arrival of some international brands into this market. In response, we have upgraded a small number of key stores and have increased support to this market from Head Office. This business is being kept under continuous review.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

五年業務摘要	Five-year operations highlights	2013	2012	2011	2010	2009
總銷售額 ¹ (以百萬港元為單位)	Total sales ¹ (in HK\$ millions)	1,460	1,427	1,328	1,109	950
每平方呎銷售額 ² (以港元為單位)	Sales per sq. ft. ² (in HK\$)	3,300	3,500	3,700	3,300	2,700
可比較門市銷售額 ³ 增加/(減少)	Comparable store sales ³ increase/(decrease)	2%	3%	8%	8%	(5%)
零售面積 ⁴ (平方呎)	Retail floor area ⁴ (square feet)	489,800	428,900	380,200	337,200	342,000
門市數目 ⁴	Number of outlets ⁴	548	482	417	356	351

¹ 總銷售額指零售總額(按平均匯率計算)。

² 每平方呎銷售數字乃根據品牌銷售額加權平均基準計算(按平均匯率計算)。

³ 可比較門市銷售額指往年營業/經營之現有門市之品牌銷售總額(按固定匯率計算)。

⁴ 於年末。

¹ Total Sales are total retail sales translated at average exchange rates.

² Sales per sq. ft. figure calculated on a weighted average basis for brand sales translated at average exchange rates.

³ Comparable Store Sales are total brand sales, at constant exchange rates, from existing stores that have been opened/operated in the prior year.

⁴ At the end of the year.

中東

Middle East

(以百萬港元為單位)	(In HK\$ millions)	2013	2012	變動 Variance
總銷售額 ¹	Total sales ¹	632	108	485%
品牌銷售總額 ²	Total brand sales ²	637	636	持平/Flat
可比較門市銷售額 ³ (減少)/增加	Comparable store sales ³ (decrease)/increase	(4%)	4%	
門市數目 ⁴	Number of outlets ⁴	195	184	11
年內門市數目變動淨額	Net change in outlets during the year	11	—	

¹ 總銷售額指零售總額及向加盟店之批發銷售總額(按平均匯率計算)。

² 品牌銷售總額指阿拉伯聯合酋長國、沙特阿拉伯、阿曼、卡塔爾及科威特之零售總額(按固定匯率計算)。

³ 可比較門市銷售額指往年營業/經營之現有門市之品牌銷售總額(按固定匯率計算)。

⁴ 於年末。

¹ Total Sales are total retail sales and total wholesale sales to franchisees, translated at average exchange rates.

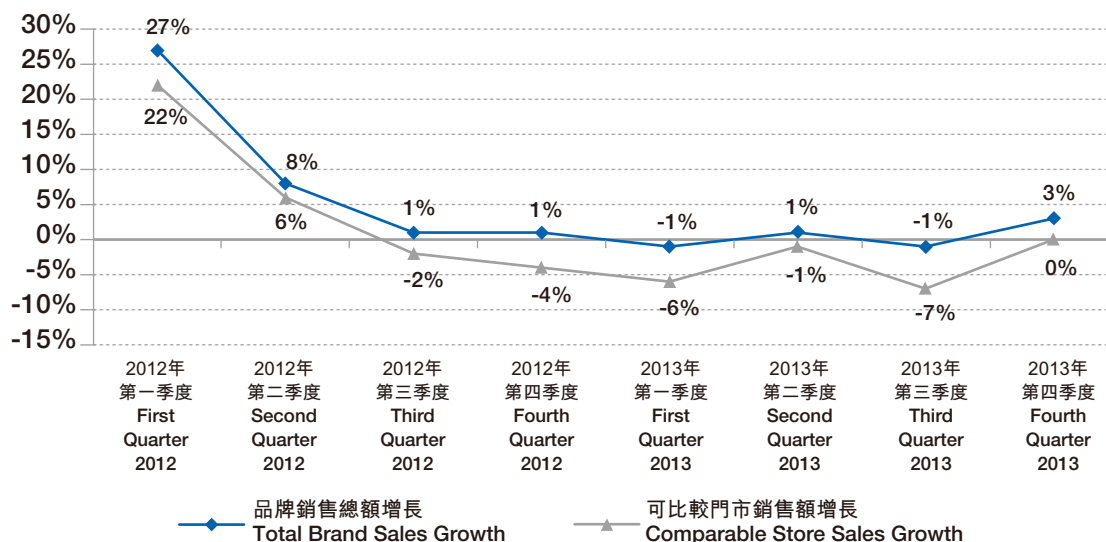
² Total Brand Sales are total retail sales, at constant exchange rates, in UAE, Saudi Arabia, Oman, Qatar and Kuwait.

³ Comparable Store Sales are total brand sales, at constant exchange rates, from existing stores that have been opened/operated in the prior year.

⁴ At the end of the year.

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

最近八個季度中東品牌銷售額增長
Brand sales growth in Middle East for the last eight quarters



- 由於2012年10月收購佐丹奴中東公司之控股權益，綜合銷售額從2012年之1.08億港元增加至2013年之6.32億港元。這主要是因為於2013年將12個月之銷售額綜合入賬，而2012年僅綜合兩個月之銷售額所致。
- 中東業務的可比較相同門市銷售額減少4%，而品牌銷售額則持平。令人失望的銷售業績是受到整個地區的多個不利因素所影響，尤其是敘利亞政局不穩以及印度盧比貶值均對該地區之消費者需求構成影響。
- 沙特阿拉伯之可比較相同門市銷售額減少4%，而品牌銷售額則小幅上升2%。一項針對非法移民之大規模政府行動導致大量外國工人被驅逐出境，嚴重影響零售購物中心之人流。此外，中東呼吸綜合症的爆發以及對於該國聖地的進入限制增加（因為基礎設施正在進行大規模的升級工程），亦令遊客數量大幅減少。我們認為該等不利因素於2014年及2015年將會舒緩，沙特阿拉伯將仍然是本集團的重要戰略市場之一，擁有巨大的增長潛力。
- 其他市場之銷售額令人失望，相同門市銷售額減少8%，反映中東及北非地區之政局不穩。新市場之發展於年內並無進展，這將會是2014年的重點關注領域之一。
- As a result of the acquisition of a controlling interest in Giordano Middle East in October 2012, consolidated sales increased from HK\$108 million in 2012 to HK\$632 million in 2013. This is mainly due to the consolidation of twelve months sales in 2013 compared to two months sales in 2012.
- Comparative Same Store Sales for the Middle East decreased by 4% with flat Brand Sales. This disappointing sales result was impacted by a number of headwinds that impacted the region, not least the political instability in Syria and the devaluation of the Indian Rupiah which have impacted consumer demand in this region.
- Comparative same store sales in Saudi Arabia reduced by 4% with brand sales showing a modest 2% improvement. A major government initiative to tackle illegal immigration, which has resulted in large scale deportations of foreign workers, has severely impacted footfall in retail malls. Additionally, a combination of an outbreak of Middle East Respiratory syndrome and increased restrictions on admission to Holy sites in the country (as infrastructure undergoes a major program of upgrades) has also reduced visitors significantly. We believe these headwinds will ease in 2014 and 2015 and that this remains a key strategic market for the Group with significant potential for growth.
- Sales in other markets have been disappointing with an 8% reduction in same store sales reflecting regional political instability across the Middle East and North Africa. Development of new markets has not yielded results in the year and this will be a key area of focus for 2014.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

向海外加盟店及合營公司之批發

Wholesale Sales to Overseas Franchisees and Joint Ventures

(以百萬港元為單位)	(In HK\$ millions)	2013	2012	變動 Variance
總銷售額	Total sales	304	473	(36%)
門市數目 ¹	Number of outlets ¹	449	441	8
年內門市數目變動淨額	Net change in outlets during the year	8	(160) ²	

¹ 於年末。

² 2012年下半年收購中東股權後，184間店舖由向加盟店批發之業務市場，轉至附屬公司經營之本集團市場。

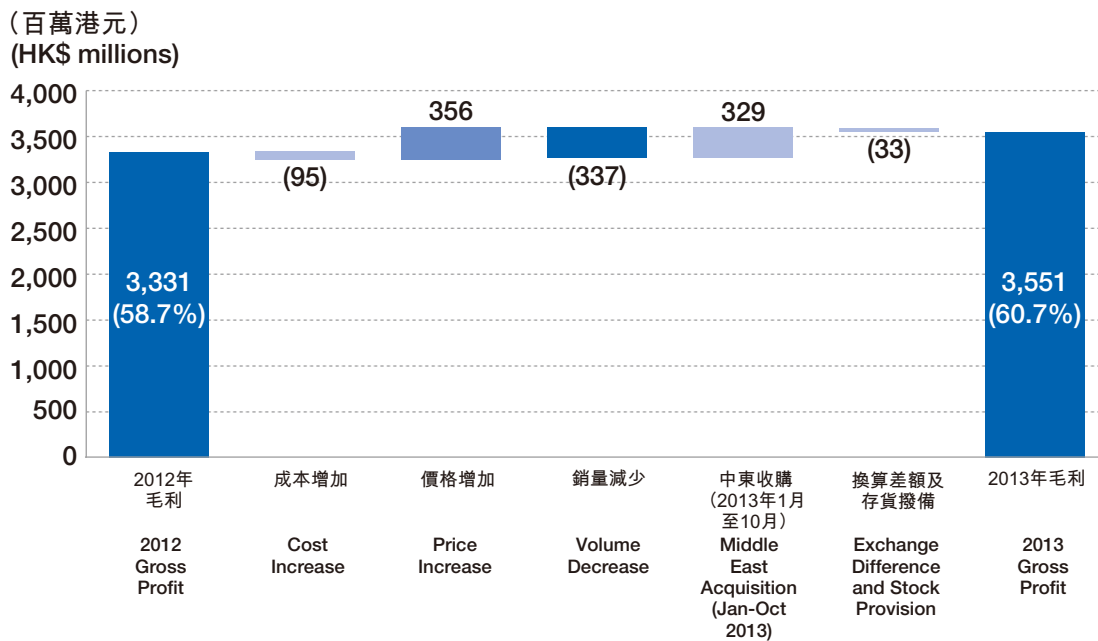
¹ At the end of the year.

² Upon the acquisition of equity interests in Middle East, 184 shops have been transferred from wholesales to franchisees business market to Group market operated by subsidiary during the second half of 2012.

- 批發額減少36%，主要是因為在2012年收購中東業務之控股權益後，向中東之銷售額被重新分類為集團公司間銷售所致。撇除中東業務，批發額從2012年的2.9億港元增加1,400萬港元（或5%）至2013年的3.04億港元。
- Wholesale sales declined by 36% mainly due to the reclassification of sales to the Middle East as intercompany sales, following acquisition of a controlling stake in these businesses in 2012. Excluding the Middle East, wholesale sales increased by HK\$14 million, or 5%, from HK\$290 million in 2012 to HK\$304 million in 2013.
- 向韓國合資公司之銷售額增加3%（或500萬港元），反映該市場之相同門市銷售額持平。
- Sales to the Korean joint venture increased by 3% or HK\$5 million reflecting flat same store sales in that market.
- 向菲律賓之銷售額增加12%（或700萬港元），反映強勁之市場增長以及於該市場良好部署之品牌。
- Sales to the Philippines increased 12% or HK\$7 million reflecting a strong market growth and a well-positioned brand in this market.

毛利

Gross Profit
毛利對比
Gross profit reconciliation



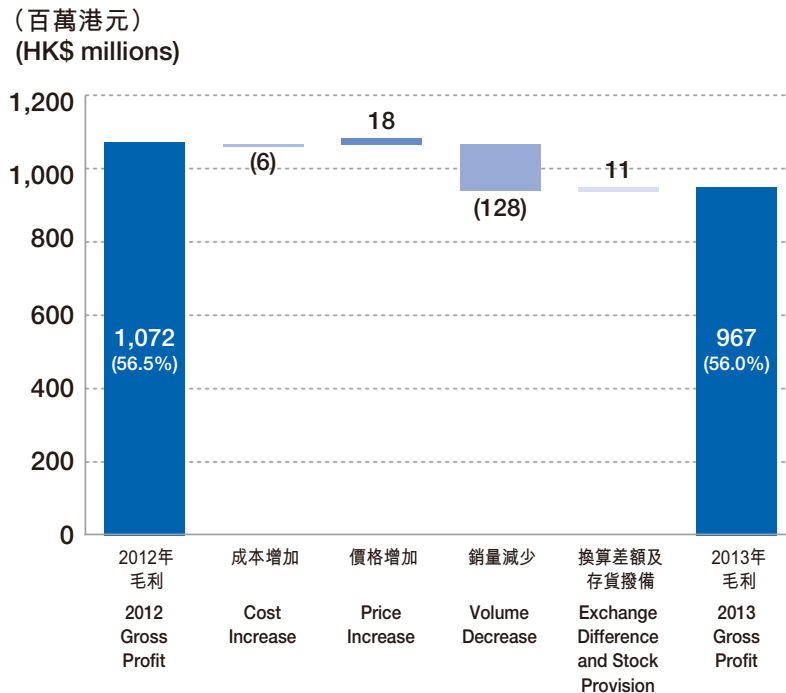
- 本集團之毛利率增加2.0個百分點至60.7%，毛利從2012年的33.31億港元增加2.2億港元至35.51億港元，增幅為6.6%。
- The Group increased gross margin by 2.0 percentage points to 60.7% and the Group's gross profit increased by HK\$220 million, or 6.6%, to HK\$3,551 million from HK\$3,331 million in 2012.
- 在全年12個月內將中東業務綜合列賬（於2012年為兩個月）令全年毛利率增加2.3個百分點。這反映此業務的毛利率高於本集團的整體平均水平。
- The consolidation of the Middle East business for the full twelve months (compared to two months of 2012) increased gross margins in the year by 2.3 percentage points. This reflects higher gross profit margins in this business than the average for the Group as a whole.
- 此外，匯率變動對銷售成本之影響（透過以港元採購商品）令全年毛利率減少0.5個百分點。由於印尼盾在第三季度貶值，匯率變動對印尼的影響更為顯著。受該等變動之影響，第四季度毛利率亦減少0.9個百分點。
- Additionally, the impact of foreign currency changes on cost of sales, through purchasing of merchandise in Hong Kong dollars, was to reduce gross margin by 0.5 percentage points in the year. This was particularly relevant in Indonesia following devaluation of the Indonesian Rupiah in the third quarter. The impact of these changes on gross profit in the fourth quarter was to reduce gross margin by 0.9 percentage points.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

- 一般而言，佐丹奴強烈抗拒提供折扣，以犧牲毛利率為代價，以提高銷量的方式。年內，儘管經營環境競爭激烈，相關毛利率仍輕微增加。然而，於2013年第4季度，由於提供有限的折扣以減少庫存，相關毛利率較去年同期減少2.0個百分點。我們預期在2014年將繼續實行毛利率小幅增長的戰略。
- 全年平均生產成本增加4%。通常而言，在對等替換產品方面，我們的成本為持平，反映原材料價格穩定以及供應商效率提升。
- 年內，本集團繼續提高銷售質量，令平均售價上升7%。新產品亦提供了更多的細節、設計，並具有更多的織物和色塊搭配。
- 此等產品的價格上升得到了快速市場推廣活動以及經改良商鋪格調的支持。儘管我們在不斷調整此方法：在可能的情況下簡化設計、裁切及風格，但這種方法是在我們大部分市場的競爭對手大幅度降價的情況下實施。我們的部分產品開發（尤其是增加襖款的細節）產生了不理想的結果，因為產品並不能和市場上充斥的其他羽絨服明顯區分開來。此類（定價相對較高）產品的價格競爭非常激烈，儘管我們有選擇地對部分產品進行了降價，但我們此等類別產品相對較高的價格影響了銷量。褲類亦錄得同比下降，反映於中國舊款卡其服裝與新的創新卡其服裝之間的更替出現執行問題。我們的保暖內衣系列（G Warmer）的表現亦遜於預期。銷量亦因此受到影響，2013年銷量較2012年減少12%。本集團積極進行產品開發，並將在2014/15年度對襖款等產品類別進行創新。
- Generally speaking, Giordano strongly resists discounting as a way of boosting volumes at the expense of margins. During the year, underlying gross profit margins increased slightly, despite highly competitive trading environments. However, in the fourth quarter of 2013, underlying margin declined by 2.0 percentage points over the corresponding quarter in 2012, as limited price discounting was introduced to reduce inventories. We expect to return to our strategy of modest continuous growth in Gross Profit margins in 2014.
- Average product costs increased by 4% over the year. Generally, on like for like products, our costs were flat, which reflects stability in raw material prices and improved efficiency at suppliers.
- During the year, the Group continued to grow the quality of sales, resulting in an increased average selling price of 7%. New products were launched with increased detail, design and featured more fabric and colour blocking, together with added features.
- The higher pricing of these products was supported by fast marketing campaigns and improved store ambience. Although we are continuously fine tuning this approach: simplifying design, cut and styles where appropriate, this has been done against a background of our competitors discounting heavily across most markets. Some of our product development, notably the increased detail on jackets, produced disappointing results, as products were not sufficiently differentiated from other down jacket styles where there is a glut of supply in the market. Prices for these (relatively high priced) items were extremely competitive and although we did some selective discounting, our relatively high prices in these categories impacted volumes sold. Bottoms were also down year on year reflecting execution issue of the changeover between the old styles of khakis and the new Innokhakis in China. Our warm underwear range (G Warmer) also performed under expectation. Consequently volumes have been negatively impacted with quantities sold down 12% in 2013 over 2012. The Group is actively pursuing product development and will look to innovate categories like jackets in 2014/15.

毛利對比－中國大陸
Gross profit reconciliation – Mainland China



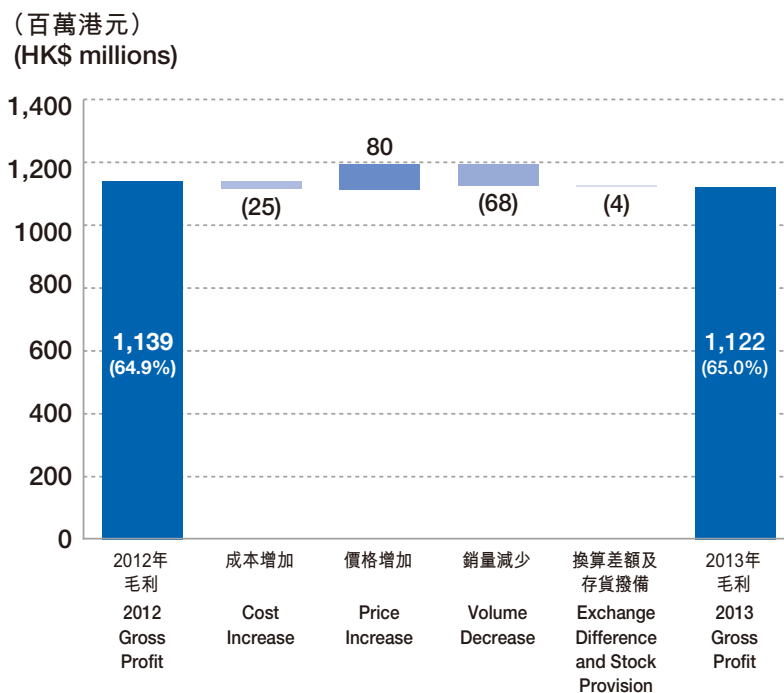
中國大陸

- 中國大陸的毛利減少10%，毛利率下降0.5個百分點。自營店（毛利率較高）與加盟店（毛利率較低）表現參差對中國地區的毛利造成重大影響。自營店的毛利率減少0.6個百分點。來自加盟店的銷售毛利率則持平。加盟店本身的毛利率（透過我們的銷售點系統計量）增加2.5個百分點。
- 撇除從外幣換算為港元之影響，毛利減少12%。
- 年內推出商品的細節及時尚程度均高於上一年度。為了能夠從同類產品中脫穎而出，羽絨服增加了織物和色塊搭配。然而，市場上的羽絨服總體供過於求，產品價格非常低，由於此等差異化力度不足，此類產品的銷量低於前一年度，對本年度的銷量及毛利率造成不利影響。
- 中國大陸市場繼續提供大幅折扣。在第四季度，由於冷冬遲遲未出現以及價格競爭激烈，我們進行了降價以將庫存成功地降至健康水平。然而，此市場的全年銷量仍減少12%。

Mainland China

- Gross profit in Mainland China decreased by 10% with gross margin decreasing by 0.5 percentage points. Gross profit in China is significantly impacted by the mix between self-managed stores (higher gross margin) and franchisees (lower gross margin). Gross margin in self-managed stores decreased 0.6 percentage points. Gross margin from sales to franchisees is flat. The gross margin of our franchisees themselves (which we measure through our point of sales system) increased by 2.5 percentage points.
- Excluding the effect of translating foreign currencies into Hong Kong dollars, gross profit decreased by 12%.
- During the year, merchandise was introduced with higher levels of detail and fashion than in the previous year. Down jackets were differentiated with more colour and fabric blocking. Nevertheless, with oversupply of down jackets to the market in general, and very low prices for these types of product, this differentiation was too weak and this category lost volume compared to prior year, impacting both volume and margin mix negatively in the year.
- Mainland China continues to be a market with strong price discounting. In the fourth quarter, with a delay of cold weather onset and with fierce price competition, we did reduce prices in order to successfully clear inventory to healthy levels. Nevertheless, volumes in this market fell by 12% in the year.

毛利對比－香港及台灣
Gross profit reconciliation – Hong Kong and Taiwan



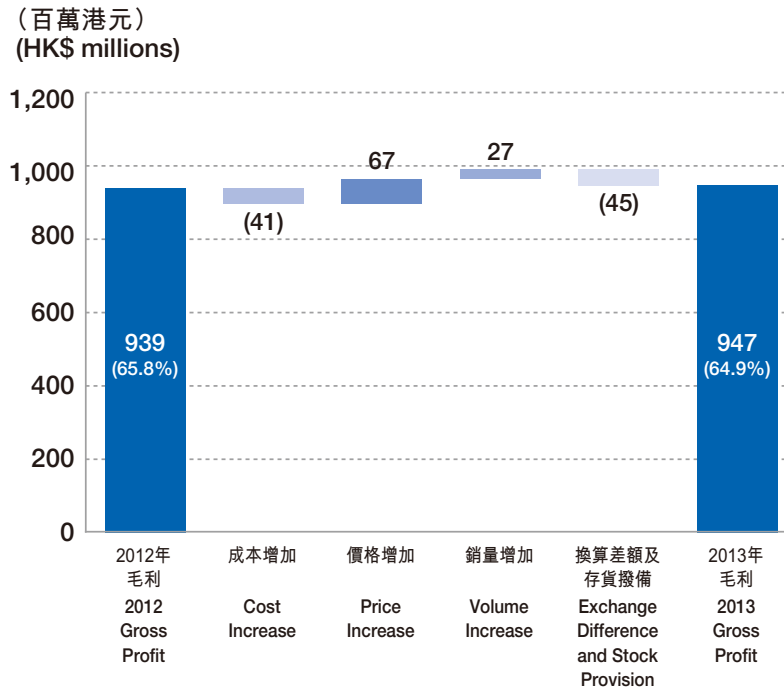
香港及台灣

- 香港及台灣地區的毛利減少1.5%，毛利率則增加0.1個百分點。
- 撇除從台幣換算為港元之影響，毛利減少1.2%。香港的毛利率減少0.3個百分點，而台灣的毛利率則增加0.5個百分點。香港方面，襖款的大幅降價被Ladies、BSX等品牌的正毛利率所抵銷，而新的Giordano Junior品牌亦表現出色。台灣方面，降價幅度低於2012年，令毛利率有所提升。

Hong Kong and Taiwan

- Gross profit in Hong Kong and Taiwan decreased by 1.5% and gross margin increased by 0.1 percentage point.
- Excluding the effect of translating Taiwan dollars into Hong Kong dollars, gross profit decreased by 1.2%. Hong Kong gross profit margin declined by 0.3 percentage points while Taiwan gross profit margin increased by 0.5 percentage points. In Hong Kong, strong discounting of jackets was offset by positive brand margin mix as Ladies, BSX and the new Giordano Junior brands performed well. In Taiwan, discounting was lower than in 2012, resulting in higher gross margin.

毛利對比－亞太其他市場
Gross profit reconciliation – Rest of Asia Pacific



亞太其他市場

- 亞太其他市場的毛利增長1%，毛利率則下降0.9個百分點。
- 撇除從外幣換算為港元之影響，毛利增加6%。
- 向此等市場供應的商品主要為季節性產品，該等產品引入了新的設計及細節，以提高差異性。這令該地區的平均售價增加了5%。相關成本上升3%，但由於東南亞貨幣兌港元自第三季度以來持續貶值，全年成本的增幅達到8%。

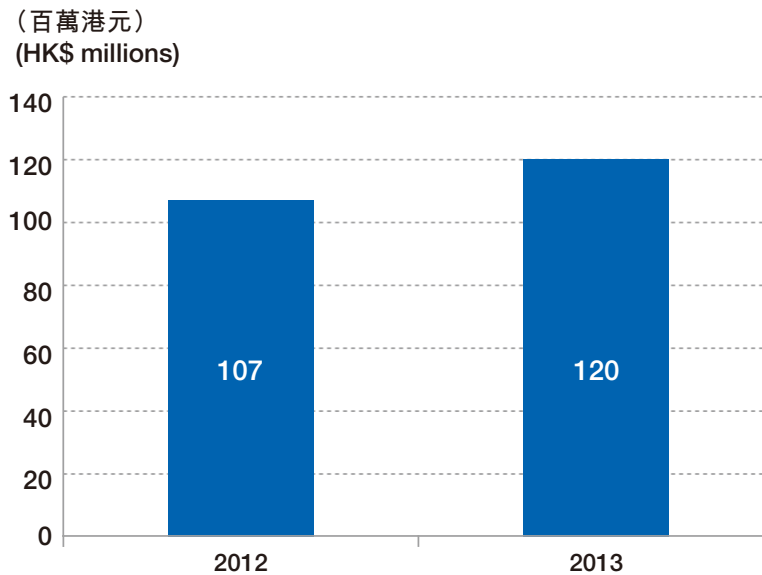
Rest of Asia Pacific

- Gross profit grew by 1% in other Asia Pacific markets with a decrease in gross margin of 0.9 percentage points.
- Excluding the effect of translating foreign currencies into Hong Kong dollars, gross profit increased by 6%.
- Merchandise to these markets, which are largely one seasonal, incorporated new designs and details in order to improve differentiation. This enabled average selling price increases of 5% across the region. Underlying costs increased by 3%, but with the depreciation of South East Asian currencies against the Hong Kong dollar since third quarter, this rose to 8% for the year.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

毛利－向海外加盟店之批發及其他分部 Gross profit – Wholesale sales to overseas franchisees & other segments



向海外加盟店之批發及其他分部

- 向境外加盟店及附屬公司的批發毛利增加1,500萬港元，主要是由於附屬公司及非中國加盟店的銷量增加所致。此增加因2012年出售成衣製造業務產生之毛利200萬港元在2013年並無複現而有所抵銷。

Wholesale sales to overseas franchisees & other segments

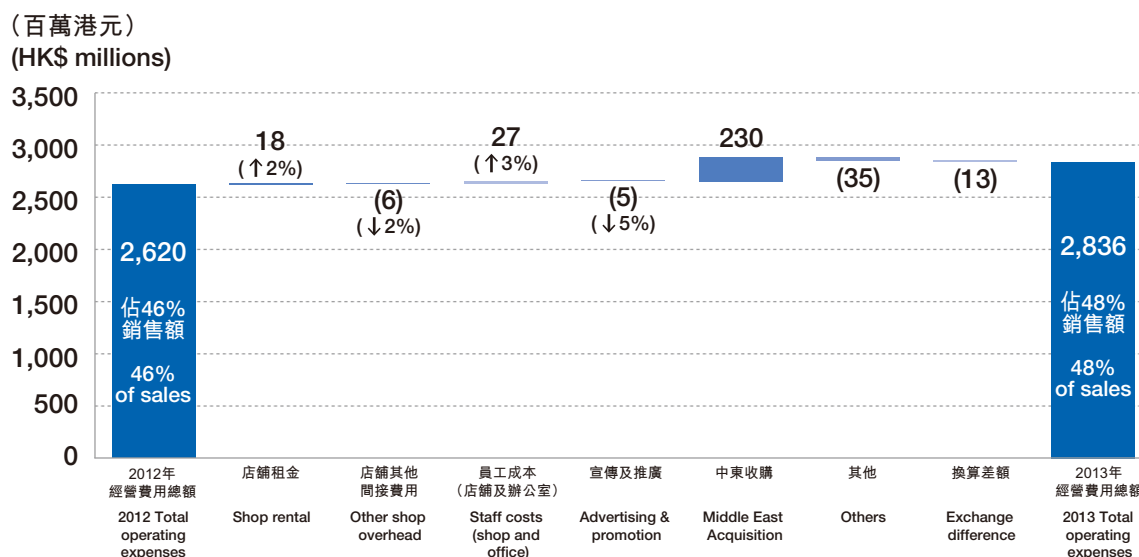
- Wholesale gross profit from overseas franchisees and subsidiaries increased by HK\$15 million, mainly due to increases in sales volumes in subsidiaries and non-China franchisees. This was offset by the non-recurring manufacturing gross profit of HK\$2 million in 2012 which was disposed last year and therefore did not recur in 2013.

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

經營費用

Operating Expenses

2013年經營費用總額對比 Total operating expenses reconciliation for 2013



- 整體而言，本集團之經營費用由去年之26.2億港元，增加8%至28.36億港元。撇除整合中東業務之額外十個月經營費用2.3億港元，本集團之經營費用減少1%。
- 總租金成本增加2%，主要是因為平均店舖面積增加3%所致。每平方呎租金持平，主要反映在印尼及泰國等低成本發展中市場的增長，以及在中國大陸百貨公司的浮動租金。租金銷售比率(包括中東)從19.7%上升至20.7%。
- 店舖間接成本包括店舖折舊、倉庫、水電及信用卡費用。可變成本有所減少，例如在2012年及2013年我們實行的倉庫業務精簡等削減成本活動亦令成本得以縮減。
- 平均員工人數持平，而平均薪酬則增加3%。
- 其他集團成本下降，有賴於總部成本持續減少，部分是因為2013年支付的員工花紅減少，以及2012年有關中東收購的法律費用並無複現所致。
- 經營費用總額佔銷售額的比例從46%上升至48%。在銷售額持平及通脹環境下，這顯示本集團的管理層團隊實行嚴格的成本控制並令流程效率得到提升。
- Overall, the Group's operating expenses increased by 8% to HK\$2,836 million from HK\$2,620 million in last year. Excluding the additional ten months' operating expenses of HK\$230 million from consolidating Middle East operation, the Group's operating expenses down 1%.
- Total rent costs increased by 2%, mainly due to the increase in average shop area by 3%. Rent per square foot is flat, which largely reflects growth in low cost developing markets such as Indonesia and Thailand, together with variable rentals in department stores in Mainland China. Rental to sales (including Middle East) increased from 19.7% to 20.7%.
- Shop overhead costs comprised shop depreciation, warehouse, utilities and credit card charges. Variable costs decreased and other costs were reduced by cost reduction activities such as the rationalization of our warehouse operations in 2012 and 2013.
- Average staff headcount stayed flat while average salaries increased by 3%.
- Other Group costs reduced, being the continuing reduction in headquarters costs, partly due to lower staff incentives paid in 2013, and also the non-recurrence of significant legal costs related to the Middle East acquisition in 2012.
- Total operating expenses as a proportion of sales increased from 46% to 48%. With flat sales and businesses operating in an inflationary environment, this represents strong cost control and process efficiency improvement by management teams throughout the Group.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

除其他收入前之經營溢利

- 整體而言，年內銷售額增長3%，毛利率較去年上升2.0個百分點，毛利增加7%。經營費用增加8%，除其他收入前之經營溢利為7.15億港元，較去年增加1%。

其他收入

- 其他收入由2.94億港元減少1.81億港元至1.13億港元。
- 此減少主要是因為去年的非經常性交易所致：
 - 因本集團於中東業務的股權增加，以及在Higrowth Ventures Limited重組後以該公司之9.9%權益以交換迅捷環球控股有限公司之6.46%權益，而從「被視為出售」確認特別會計收益1.14億港元。
 - 成衣製造業務的現金（即並非「被視為」）出售的除稅前溢利5,700萬港元。

經營溢利

- 由於上述原因，本集團2013年之經營溢利由2012年之10.05億港元減少1.77億港元至8.28億港元。

撇除出售收益之經營溢利

- 撇除去年之出售收益，經營溢利較2012年之8.34億港元減少600萬港元至8.28億港元。撇除此等會計調整之經營溢利率由14.7%下降0.5個百分點至14.2%。

Operating Profit before Other Income

- Overall, sales grew by 3% in the year and with 2.0 percentage points incremental gross margin on last year, gross profit improved by 7%. Operating expenses increased by 8%, resulting in an Operating Profit before Other Income of HK\$715 million, up 1% from last year.

Other Income

- Other income decreased by HK\$181 million from HK\$294 million to HK\$113 million.
- This decrease is mainly due to non-recurring prior year transactions:
 - Recognition of exceptional accounting gains of HK\$114 million from “deemed disposals” due to the step up of the Group’s equity interests in the Middle East and the exchange of a 9.9% interest in Higrowth Ventures Limited for a 6.46% share in Speedy Global Holdings Limited following a re-organization by that company.
 - Pre-tax profit on a cash (ie not “deemed”) disposal of a manufacturing facility of HK\$57 million.

Operating Profit

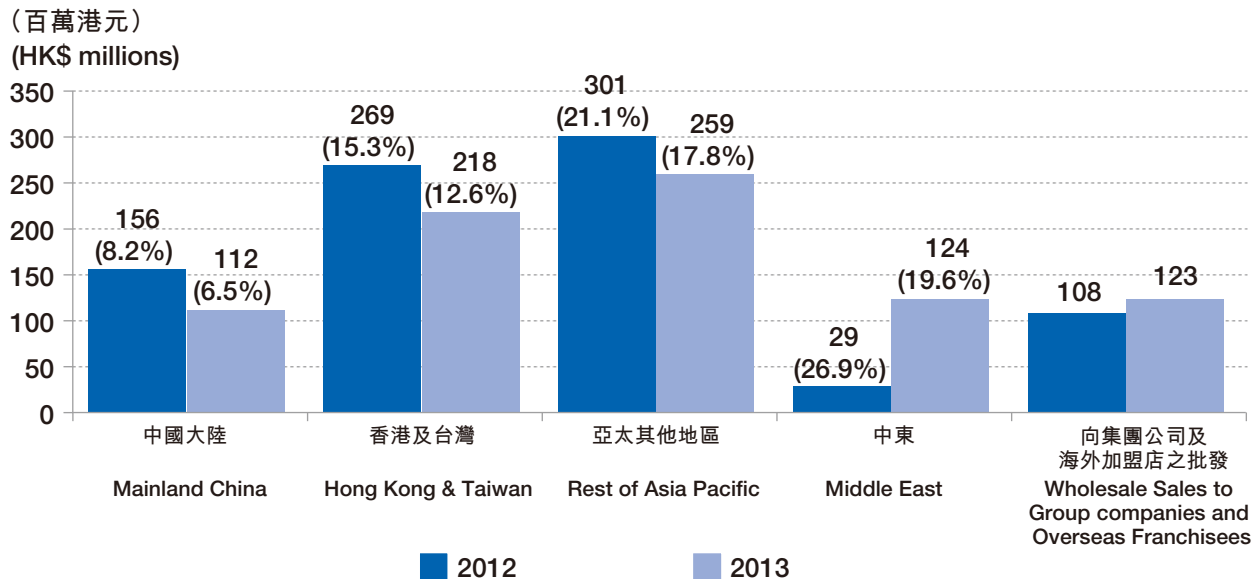
- As a result of the above, the Group’s 2013 operating profit decreased by HK\$177 million to HK\$828 million from HK\$1,005 million in 2012.

Operating Profit excluding Profits on Disposals

- Excluding profits on disposals from last year, operating profit decreased by HK\$6 million to HK\$828 million compared to HK\$834 million in 2012. Operating margin excluding these accounting adjustments decreased by 0.5 percentage points from 14.7% to 14.2%.

經營溢利－按市場

Operating Profit by Market



上表撇除總部職能及製衣費用800萬港元 (2012年：收入1.42億港元)

The above exclude the corporate function and manufacturing expense of HK\$8 million (2012: Income of HK\$142 million)

中國大陸

- 中國大陸之經營溢利從去年的1.56億港元減少4,400萬港元 (或28%) 至1.12億港元，而經營溢利率則從8.2%下降至6.5%。
- 溢利減少是因為銷售額下降9%及毛利下降10%所致。當中部份被經營費用減少7%所抵銷。隨著效率及成本控制措施的加強，浮動租金 (來自大型百貨公司的組合為基礎) 以及員工及間接成本有所減少，令經營費用減少。這反映佐丹奴近期退出無法盈利且帶有固定租金的街道及購物中心店舖，而發展浮動租金店舖的審慎戰略。我們仍然會尋找開設街道及購物中心店舖的合適機會，但我們會非常謹慎地避免開設將會削弱我們的品牌形象並產生巨大固定成本的店舖。
- 我們繼續尋找提高生產力和整頓人手的方法。2013年整個業務之員工人數減少 (從3,410人減少153人至3,257人，減幅達5%) 正反映了我們在這個方面的努力。

Mainland China

- Operating profit in Mainland China decreased by HK\$44 million from HK\$156 million to HK\$112 million, down 28% compared to last year. Operating margin decreased from 8.2% to 6.5%.
- Profit declined due to a 9% decline in sales and a 10% decrease in gross profit. This was partly offset by a 7% decrease in operating expenses. Strong cost control was driven by variable rents (from a large department store based portfolio), and lower staff and overhead costs, as efficiency and cost control initiatives were intensified. This reflects Giordano's prudent strategy in recent times to exit unprofitable street and shopping mall stores, with fixed rents and to develop in variable rent locations. We still do look for the right opportunities to open street and shopping mall stores, but we are very careful to avoid locations which will weaken our brand and incur significant fixed costs.
- We continue to find ways to improve productivity and rationalize headcount. Headcount reduced across the business in 2013 (from 3,410 to 3,257 by 153 employees, a reduction of 5%) reflecting these efforts.

管理層之論述及分析

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- 年內，本集團繼續實行店舖發展計劃，更強調業務的質量而非數量。我們的自營店網絡從534間淨減少2間至532間。所有新店舖及重續租約均需經過詳細檢討及審查，尤其強調店舖網絡的盈利性。我們採取了相應措施以減少虧損店舖的數量，並通過在百貨公司的擴展建立可盈利增長。於2013年，56間虧損店舖被關閉，44間虧損店舖扭虧為盈。對於表現欠佳店舖的管理審查將在2014年繼續實施。
- During the year, the Group continued to pursue a store development program which emphasizes the quality of business over the quantity. Our network of self-managed stores reduced by a net of 2, from 534 to 532. All new stores and lease renewals are subject to detailed review and scrutiny with a strong emphasis on the profitability of our store network. Efforts have been made to reduce the number of loss making stores and to establish profitable growth through expansion in department stores. In 2013, 56 lossmakers were closed and 44 lossmakers were turned to profit contributors. This management scrutiny of poorly performing stores will continue into 2014.

香港及台灣

- 香港及台灣之經營溢利從去年的2.69億港元減少5,100萬港元至2.18億港元，減幅為19%。經營溢利率從15.3%下降至12.6%。
- 香港業務之毛利增加1.3%，反映經營環境見挑戰性以及為*Giordano Ladies*、*BSX*及*Giordano Junior*品牌重新定位及轉變方向所做的工作。然而，由於黃金店舖地段的租金大幅上漲以及運營網絡擴大（於2013年年底店舖數量對比12個月前增加4間），此市場的成本錄得雙位數字上升。我們在2014年將繼續關注銷售效率，店舖組合的發展將會更為溫和，但將會包括創新的多品牌店舖新格局。
- 台灣方面，儘管經營環境困難，我們仍然實行了嚴格的成本控制並關閉了表現不佳的店舖，令我們的門市數量從214間減少至201間。儘管毛利減少6%，嚴格的經營成本控制令經營溢利率僅減少7%，台灣業務得以保持雙位數的經營溢利率。2014年的工作將着重於改善店舖組合的質量，以及實行更高質量的市場推廣及跨界推廣活動，以提高銷售量。
- Hong Kong operations generated an increase in gross profit of 1.3%, reflecting challenging trading conditions and work done to reposition and turn around the *Giordano Ladies*, *BSX* and *Giordano Junior* brands. This market, however, has seen double digit cost increases based on significant increases in rent in prime store locations, and an increasing footprint as we establish a stronger store network with 4 more stores at the end of 2013 than twelve months earlier. We will focus on sales efficiency in 2014 and portfolio development will be more modest but will include an innovative new multi-brand store format.
- In Taiwan, despite the difficult trading conditions, we exercised strong cost control and closed poorly performing stores, reducing our number of outlets from 214 to 201. Despite gross profit reducing by 6%, strong operational cost controls resulted in operating margin reducing by just 7%, protecting Taiwan's double digit operating margin. Emphasis going forward will be on improving the quality of the store portfolio and executing higher quality marketing and crossover programs in 2014 to boost sales volume.

Hong Kong and Taiwan

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

亞太其他地區

- 亞太其他地區之經營溢利從去年的3.01億港元減少4,200萬港元至2.59億港元，減幅為14%。經營溢利率從21.1%下降至17.8%。
- 東南亞貨幣兌港元的貶值(尤其是印尼盾)導致該地區的毛利率(以至經營溢利率)下降1.7%。
- 新加坡(此地區最大的市場)及澳洲(銷售額減少25%)的銷售額及毛利減少，導致整體毛利亦錄得下降。於新加坡，我們正在透過一個店舖翻新及店舖開設計劃對品牌進行重新定位，下半年我們在新達城開設了一間特大型店舖，該店舖預期可在2014年帶來溢利貢獻並增強我們的品牌形象。在錄得自2010年以來的第一個年度虧損後，澳洲業務正在進行檢討。
- 整體經營溢利率下降是因為地區經營費用增加6%，而毛利僅增加1%所致。經營費用增加的主要原因是該地區的員工及店舖間接成本大幅上升(尤其是在印尼及泰國)，而這是因為該等市場的店舖數量增加以及強勁的通脹成本壓力所致。
- 年內，亞太其他地區之店舖數量增加66間，主要位於印尼、泰國及印度，我們將繼續在該等地區將我們的運營網絡擴展至地區性的購物中心和百貨公司。

向集團公司及海外加盟店之批發

- 向集團公司及海外加盟店之批發之經營溢利從1.08億港元增加14%(或1,500萬港元)至1.23億港元。增加主要由於向該等市場之銷售額增加，尤其是菲律賓及南韓。

Rest of Asia Pacific

- Operating profit in Rest of Asia Pacific decreased by HK\$42 million from HK\$301 million to HK\$259 million, down 14% compared to last year. Operating margin decreased from 21.1% to 17.8%.
- The depreciation of South East Asian currencies against the Hong Kong dollar in the year, particularly the Indonesian Rupiah, resulted in Gross Profit Margins (hence Operating Margins) in the region declining by 1.7%.
- Overall gross profit was also reduced by negative sales and gross profit growth in Singapore, the biggest market in this region, and Australia, where sales fell by 25%. In Singapore, we are in the process of re-positioning the brand through a program of store refurbishments and store openings and in the second half of the year we opened a large mega-store in Suntec City Mall, which will be expected to contribute to profit and an enhanced brand image as we go into 2014. The Australian business is under review after registering the first loss for the year since 2010.
- The reduction in operating margin overall was due to an increase in operating expenses of 6% across the region compared to an increase in gross profit of 1%. This increase was driven primarily due to labour and shop overhead costs increasing significantly across the region, particularly in Indonesia and Thailand, reflecting increases in the number of stores and strong inflationary cost pressures in these markets.
- During the year, the number of shops in the Rest of Asia Pacific increased by 66 mainly in Indonesia, Thailand and India where we continue to expand our reach into regional shopping centres and department stores.

Wholesale sales to Group companies and overseas franchisees

- Operating profit from wholesale sales to group companies and overseas franchisees increased by 14% or HK\$15 million from HK\$108 million to HK\$123 million. Such increase was a result of the increased sales to these markets, particularly the Philippines and South Korea.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

共同控制公司－南韓

Jointly Controlled Companies – South Korea

(以百萬港元為單位)	(In HK\$ millions)	2013	2012	變動 Variance
總銷售額 ¹	Total sales ¹	1,756	1,670	5%
可比較門市銷售額 ² 減少	Comparable store sales ² decrease	(1%)	–	
毛利	Gross profit	1,014	955	6%
毛利率	Gross profit margin	57.8%	57.2%	0.6pp/ 百分點
淨溢利	Net Profit	158	156	1%
應佔共同控制公司溢利 (持有股份權益：48.5%)	Share of JCE profit (% of equity holding: 48.5%)	77	76	1%
門市數目 ³	Number of outlets ³	244	253	(9)
門市數目變動淨額	Net change in outlets	(9)	21	

¹ 總銷售額指零售總額(按平均匯率計算)。

² 可比較門市銷售額指往年營業/經營之現有門市之品牌銷售總額(按固定匯率計算)。

³ 於年末。

¹ Total Sales are total retail sales translated at average exchange rates.

² Comparable Store Sales are total brand sales, at constant exchange rates, from existing stores that have been opened/operated in the prior year.

³ At the end of the year.

- 撇除從韓圓換算為港元之影響，韓國銷售額增長3%，但溢利持平。

- Excluding the effect of translating Korean Won into Hong Kong dollars, sales in Korea grew by 3%, but profit was flat.

- 南韓市場於2013年的市場環境非常艱難，部分是受到多個國際品牌進駐該市場所影響。在此情況下，我們繼續發展品牌差異化戰略，推出規模較大的Concepts門市。大部分增長均來自此等投資，但高昂的租金以及折舊增加對此等店舖的盈利情況構成壓力。我們預期在2014年將通過嚴格的成本控制以及更高的銷售效率提升盈利能力。

- Market conditions in the South Korean market were fairly tough in 2013, partly impacted by the entry of a number of international brands into the market. Against this background, we continued to develop our brand differentiation with the roll out of the larger format Concepts stores. Most growth came from these investments but high rents and increased depreciation depressed the profitability of these stores. We expect to improve profitability in 2014 through tight cost control and improved sales efficiency.

所得稅

- 本集團的2013年所得稅開支為1.73億港元(2012年：2.21億港元)，實際所得稅率¹為19.2%(2012年：19.9%)。

Income Tax

- The Group's 2013 income taxation expense was HK\$173 million (2012: HK\$221 million), resulting in an effective tax rate¹ of 19.2% (2012: 19.9%).

- 撇除出售中國東莞製衣業務之非課稅會計被視為出售收益及現金稅項，以及就過往年度撥備不足作出之調整後，實際稅率為19.2%(2012年：18.7%)。

- Excluding the non-taxable accounting deemed gains on disposals and tax on the disposal for cash of the manufacturing operation in Dongguan, China, and adjusting for under-provision in prior years, the effective tax rate was 19.2% (2012: 18.7%).

¹ 所得稅開支除以稅前溢利。

¹ Income tax expense divided by profit before taxation.

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

股東應佔溢利

- 2013年股東應佔溢利由去年之8.26億港元，減少20%（或1.63億港元）至6.63億港元。淨溢利率由14.6%下降3.3個百分點至11.3%。每股基本及攤薄盈利分別減少至42.6港仙（2012年：53.8港仙）及42.1港仙（2012年：53.2港仙）。

撇除出售收益之股東應佔溢利

- 撇除2012年被視為出售（實際上為現有資產重估）的會計收益1.14億港元，以及2012年出售東莞成衣製造業務的會計收益2,900萬港元，股東應佔溢利減少2,000萬港元至6.63億港元，較去年同期之6.83億港元減少2.9%。撇除2012年之出售收益，淨溢利率從12.0%下降至11.3%。
- 撇除2012年被視為出售之收益（但包括現金出售之收益），每股基本及攤薄盈利分別減少至42.6港仙（2012年：46.4港仙）及42.1港仙（2012年：45.8港仙）。

Profit Attributable to Shareholders

- 2013 profit attributable to shareholders decreased by 20% or HK\$163 million to HK\$663 million from HK\$826 million last year. Net profit margin decreased by 3.3 percentage points from 14.6% to 11.3%. Basic and diluted earnings per share decreased to 42.6 HK cents (2012: 53.8 HK cents) and 42.1 HK cents (2012: 53.2 HK cents), respectively.

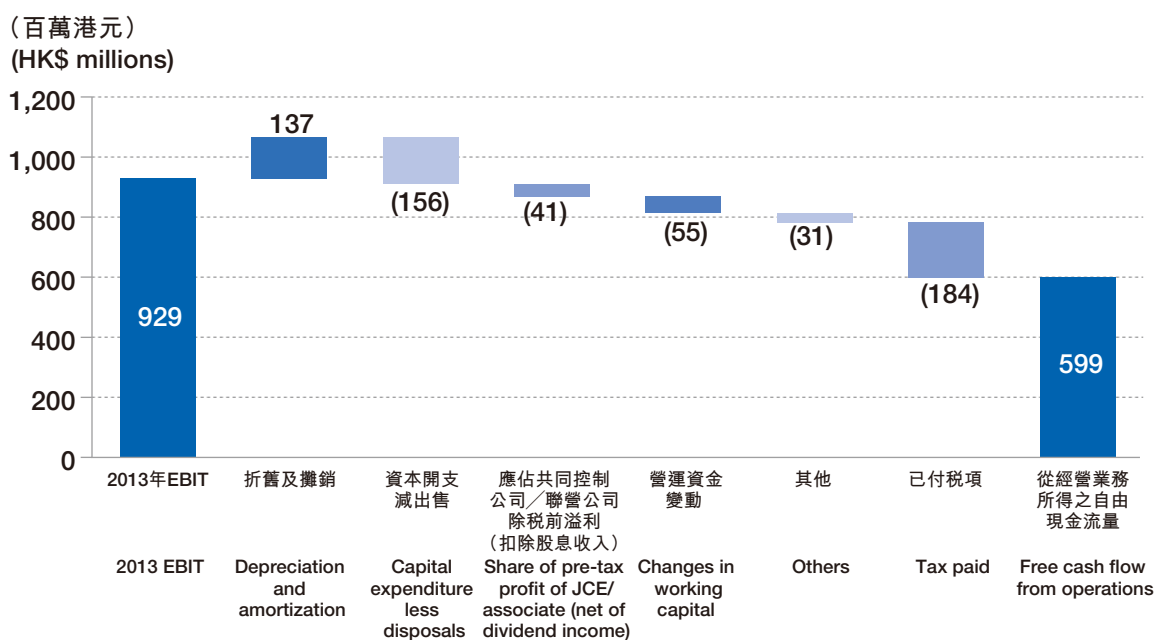
Profit Attributable to Shareholders Excluding Profits on Disposals

- Excluding the 2012 accounting gain of HK\$114 million on deemed disposals which were effectively revaluations of existing assets, and the 2012 accounting gain of HK\$29 million on the disposal of the Dongguan Manufacturing business, profit attributable to shareholders decreased by HK\$20 million from HK\$683 million to HK\$663 million, a decline of 2.9%. Excluding gains on disposals from 2012, net profit margin decreased from 12.0% to 11.3%.
- Excluding the profits on deemed disposals (but including the profit on the cash disposal) in 2012, basic and diluted earnings per share decreased to 42.6 HK cents (2012: 46.4 HK cents) and 42.1 HK cents (2012: 45.8 HK cents).

從經營業務所得之自由現金流量

Free Cash Flow from Operations

2013年EBIT及從經營業務所得之自由現金流量
EBIT and free cash flow from operations for 2013



從經營業務所得之自由現金流量為5.99億港元，較2012年之6.75億港元減少7,600萬港元（或11%）。

Free cash flow from operations was HK\$599 million, a reduction of HK\$76 million, or 11%, from HK\$675 million in 2012.

管理層之論述及分析

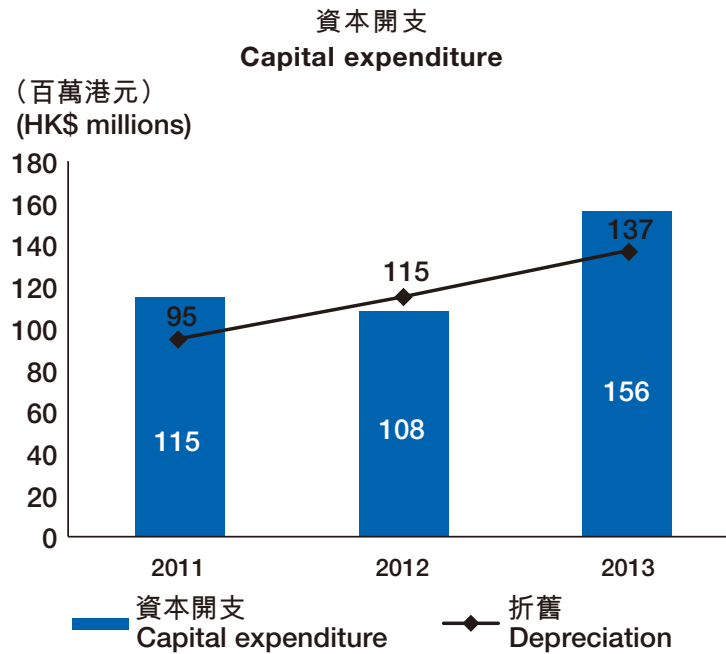
MANAGEMENT DISCUSSION AND ANALYSIS

自由現金流量之簡單分析

Simplified free cash flow analysis

(以百萬港元為單位)	(In HK\$ millions)	2013	2012	變動 Variance
除稅前溢利	Profit before income tax	903	1,109	(19%)
加：應佔共同控制公司/ 聯營公司稅項	Add: Share of tax of JCE/associate	22	21	5%
加：利息開支	Add: Interest expense	4	2	100%
加：折舊及攤銷	Add: Depreciation and amortization	137	115	19%
EBITDA	EBITDA	1,066	1,247	(15%)
出售製造業務/ 物業之收益	Disposal gain on manufacturing business/property	–	(57)	(100%)
被視為出售之會計收益	Accounting gains on deemed disposals	–	(114)	(100%)
應佔共同控制公司/ 聯營公司除稅前溢利	Share of pre-tax profit of JCE/associate	(101)	(127)	(20%)
租金預付款項攤銷	Amortization of rental prepayments	57	35	63%
營運資金變動	Changes in working capital	(55)	64	(186%)
已付利息	Interest paid	(4)	(2)	100%
已付所得稅	Income tax paid	(184)	(216)	(15%)
利息收入、匯兌及其他	Interest income, Exchange and others	(43)	(25)	72%
從經營業務所得之現金 流入淨額	Net cash inflow from operating activities	736	805	(9%)
來自共同控制公司/ 聯營公司之股息收入	Dividend income from JCE/associate	60	21	186%
資本開支減出售所得款項	Capital expenditure less proceeds from disposals	(156)	(108)	44%
租賃按金及租金預付 款項增加	Increase in rental deposits and rental prepayments	(65)	(67)	(3%)
已收利息	Interest received	24	24	–
從經營業務所得之 自由現金流量	Free cash flow from operations	599	675	(11%)

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



資本開支

- 2013年資本開支較2012年增加4,800萬港元，這是因為中東業務全年綜合入賬、中國大陸及新加坡之店舖升級以及印尼店舖擴展所致。本集團將繼續對其店舖組合進行投資，在不同市場對品牌進行重新定位，並開發創新的店舖格局，以提升競爭力。
- 折舊較去年增加2,200萬港元。增加主要由於中東業務全年綜合入賬產生額外折舊2,100萬港元。

營運資金變動

本年度之營運資金增加5,500萬港元，如下列所示：

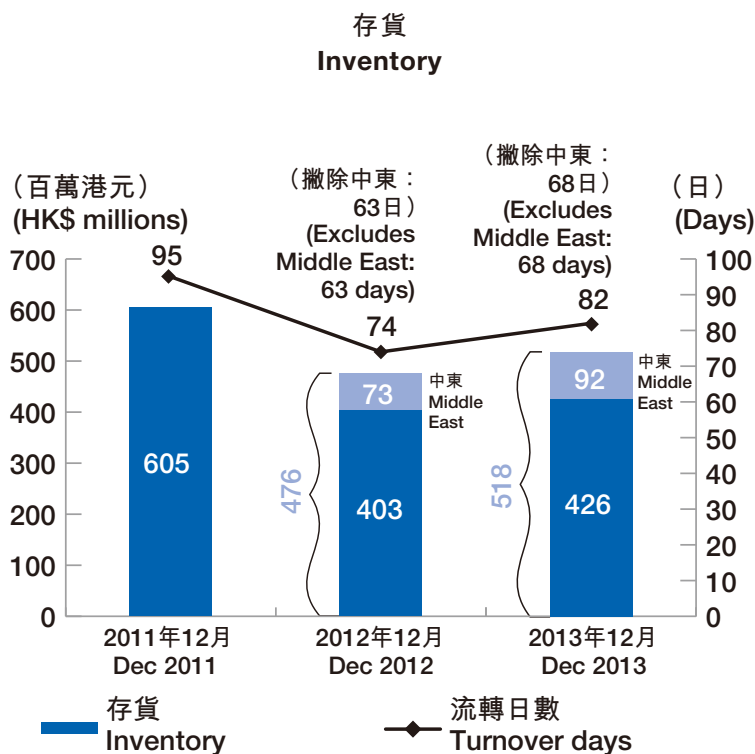
Capital Expenditure

- Capital expenditure increased by HK\$48 million in 2013 compared to 2012 as a result of the consolidation of Middle East operations for a full year, store upgrades in Mainland China and Singapore, and store expansion in Indonesia. The Group will continue to invest in its store portfolio as it repositions the brand in different markets and develops innovative store formats to improve competitive position.
- Depreciation increased by HK\$22 million from last year. The increase is mainly from the addition of HK\$21 million depreciation from the consolidation of Middle East operations for a full year.

Changes in Working Capital

Working Capital in the year increased by HK\$55 million as follows:

(以百萬港元為單位) (In HK\$ millions)		2012	營運 資金變動 Change in Working Capital	已付中東 收購前 股息 Middle East Completion Dividend Paid	其他 Others	2013
存貨	Inventory	476	42	–	–	518
應收賬款及 其他應收款	Trade and other receivables	640	(43)	(73)	–	524
應付賬款及 其他應付款	Trade and other payables	(739)	56	160	(9)	(532)
		377	55	87	(9)	510



存貨

- 於2013年，本集團之存貨由4.76億港元增加4,200萬港元至5.18億港元。撇除中東收購之影響，存貨從4.03億港元增加2,300萬港元至4.26億港元。
- 存貨對成本之流轉比率¹為82日，管理層認為此比率略微較高，主要是因為中東的存貨水平較高所致。撇除存貨日數為141日之中東業務，存貨流轉比率為68日。中國之存貨相對穩健，於店舖、加盟店及供應商之存貨減少4,400萬港元。於其他市場之存貨有所增加，我們將在2014年第一季度努力減少於該等市場的存貨。

¹ 年末所持存貨除以銷售成本乘以年內日數。

Inventory

- Group inventory in 2013 increased by HK\$42 million from HK\$476 million to HK\$518 million. Excluding the Middle East acquisition, inventory increased by HK\$23 million from HK\$403 million to HK\$426 million.
- Inventory turnover on costs¹ was 82 days, which management regards as slightly high, mainly due to high levels of inventory in the Middle East. Excluding the Middle East operation, which has 141 days of inventory, inventory turnover was 68 days. Inventory in China is relatively healthy with a reduction in inventory held at our shops, franchisees and suppliers of HK\$44 million. Inventory in other markets has increased and we will be working to reduce stock in these markets in the first quarter of 2014.

¹ Inventory held at the year end divided by cost of sales and multiplied by number of days in the year.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

存貨總額 (包括於供應商之製成貨品)

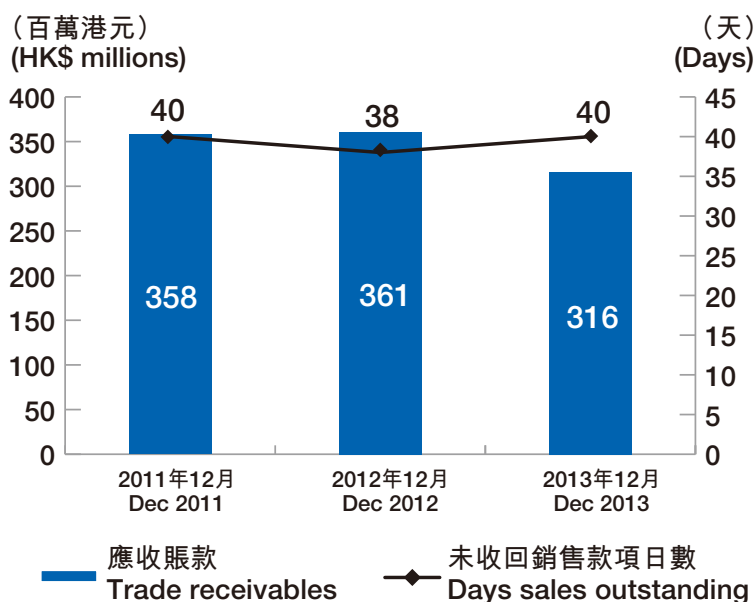
Total inventory including finished goods at suppliers

(以百萬港元為單位)	(In HK\$ millions)	13年12月 Dec-13	12年12月 Dec-12
本集團持有之存貨餘額	Inventory balance held by the Group	518	476
中國大陸加盟店持有之存貨餘額	Inventory balance held by franchisees in Mainland China	94	133
於供應商之製成貨品 (未付運)	Finished goods at suppliers (not yet shipped)	27	33
系統存貨總額	Total system inventory	639	642

- 系統存貨乃衡量資產負債表上之存貨以及供應商及中國大陸加盟店持有之其他存貨 (所有權並非由集團公司持有)，此項數據與去年相比大致持平。
 - 存貨組合以新貨為主，另有少量2013年春/夏季款式剩貨。
- System inventory, which measures inventory on the balance sheet and additional inventory held at suppliers and franchisees (where title is not held by Group companies) was broadly flat, year on year.
 - Inventory profile is fresh with low volumes of Spring/Summer styles leftover from 2013.

		13年12月 Dec-13	12年12月 Dec-12
核心項目	Core items	16%	30%
本季	Current season	61%	49%
舊季	Past seasons	23%	21%
		100%	100%

應收賬款
Trade receivables

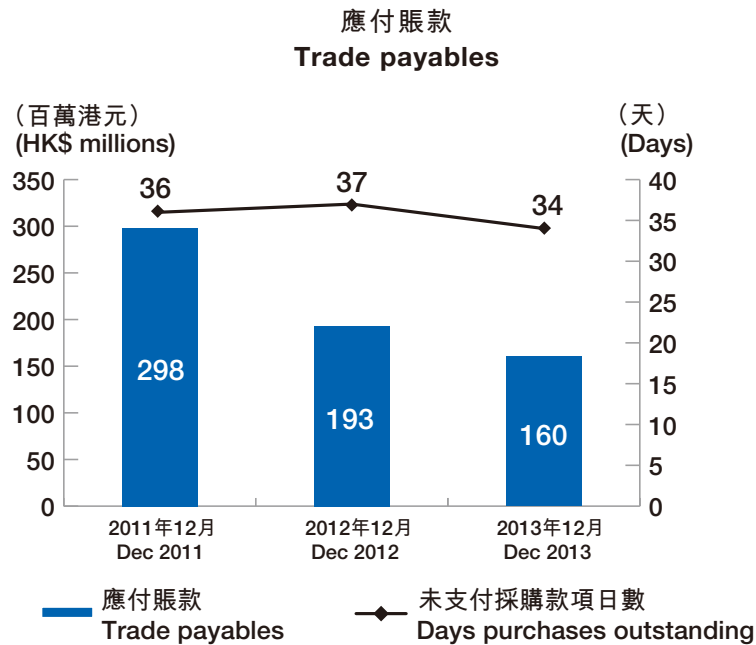


應收賬款

- 應收賬款於2013年減少4,500萬港元至3.16億港元。
- 本集團向百貨公司延長有限之除賬期，由百貨公司向客戶收取現金，然後向零售商及加盟店支付該等款項。此等除賬期並非用於為加盟店之業務提供資金支持，而是在商品付運至市場之時間以及需求之季節性等方面為其提供協助。總體而言，此等除賬期不會超過自貨物付運/產品出售之日起的30日。
- 年內，超過60日之應收賬款仍然佔應收賬款總額的10%（2012年：10%）。逾期款項總額佔應收賬款總額的26%，低於去年的水平（2012年：32%）。本集團密切監察未收回之信貸結餘，尤其是逾期款項，並在適當情況下限制及停止付運。我們將繼續審慎管理此領域的風險。

Trade Receivables

- Trade receivables decreased in 2013 by HK\$45 million to HK\$316 million.
- The Group extends limited credit terms to department stores, where the practice is for the store to collect cash from the customer and pay it on to the retailer, and to franchisees. These terms are not intended to finance the business of our franchisees but to assist them with factors such as time of merchandise shipments to market and seasonality of demand. In general, these terms do not exceed 30 days from the date of shipment of goods/sale of products.
- During the year receivables over 60 days late remained at 10% (2012: 10%) of gross receivables. Total overdues at 26% of gross receivables, reduced from last year (2012: 32%). The Group exercises careful monitoring of outstanding credit balances, particularly overdues, restricting and stopping shipments where appropriate. We will continue to manage the risk in this area carefully.



應付賬款

- 應付賬款減少3,300萬港元至1.6億港元。這是因為2013年12月的採購款項低於2012年同期所致。儘管中國農曆新年之時間較2012年為早，採購減少以對存貨進行嚴格之控制。

Trade Payables

- Trade payables decreased by HK\$33 million to HK\$160 million. This is due to lower purchases in December 2013 than in the same month in 2012. Purchases were reduced in order to exert tight control over inventory, despite an earlier Chinese New Year season than in 2012.

應佔共同控制及聯營公司之溢利及已收股息收入

該項目指年內本集團應佔共同控制及聯營公司溢利與該等公司已向本集團支付股息之差額：

Share of Profit of Jointly controlled and Associated Companies and Dividend income received

This represents the difference between the portion of profit due to the Group from Jointly Controlled and Associated Companies and the dividends paid to the Group in the year:

		南韓 South Korea			中東 Middle East			總計 Total		
(百萬港元)	(HK\$ millions)	2013	2012	變動 Variance	2013	2012	變動 Variance	2013	2012	變動 Variance
應佔除稅前溢利	Share of pre-tax profit	99	98	1%	2	29	(93%)	101	127	(20%)
已收股息 ¹	Dividend received ¹	(60)	-	100%	-	(21)	(100%)	(60)	(21)	186%
		39	98	(60%)	2	8	(75%)	41	106	(61%)

¹ 來自分派去年之溢利。

¹ From distribution of previous years' profits

- 於2013年12月31日，韓國合營公司持有5.63億港元現金結餘。佐丹奴所佔(48.5%)之2.73億港元並無合併入我們的資產負債表。
- 於2013年，收到韓國合營公司派發之股息6,000萬港元，而2012年則並無收到股息。目前，並無對韓國業務作出重大投資之重大計劃，我們正在就未來的股息派發計劃與合營公司之合作夥伴進行商討。
- At December 31, 2013, the Korean joint venture held cash balances of HK\$563 million. Giordano's (48.5%) share of HK\$273 million is not consolidated in our balance sheet.
- During 2013, HK\$60 million was received in dividend from the Korean Joint Venture after having received no dividend in 2012. At present, there are no major plans to make substantial investments in the Korean operation and discussions with our joint venture partners are ongoing as to future dividend.

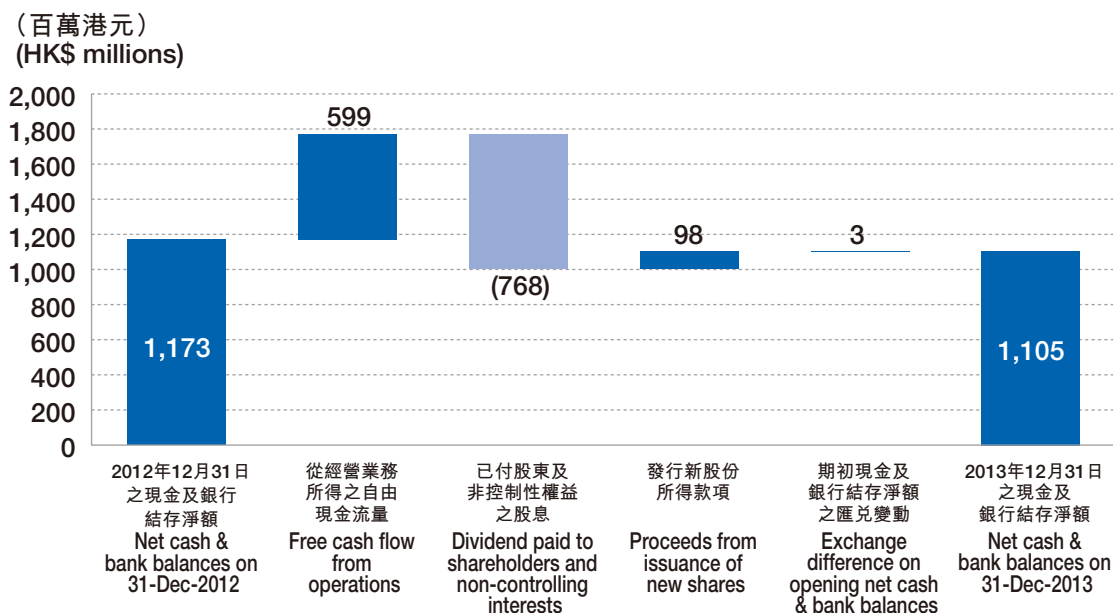
管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

本集團之淨現金狀況

Net cash position of the Group

2013年現金及銀行結存淨額變動 Change in net cash and bank balances for 2013



- 本集團之現金及銀行結存淨額減少6,800萬港元至2013年12月31日之11.05億港元 (2012年12月31日：11.73億港元)。
- 從經營業務產生之自由現金流量為5.99億港元。
- 年內已付股息包括以下各項：
- The Group decreased its net cash and bank balances by HK\$68 million to HK\$1,105 million as at December 31, 2013 (December 31, 2012: HK\$1,173 million).
- HK\$599 million free cash flow was generated from operations.
- Dividends paid during the year comprised the following:

(百萬港元)	(HK\$ millions)	2013
2012年末期股息(全年股息達本集團全年溢利之74%)	2012 Final dividend (which brought the full year dividend to 74% of the Group's full year profit)	390
2013年中期股息(達本集團中期溢利之74%)	2013 Interim dividend (74% of 2013 Group's interim profit)	250
已付中東附屬公司之非控制性權益之收購前股息	Completion dividend paid to non-controlling interests of the subsidiaries in Middle East	87
已付印尼附屬公司之非控制性權益之股息	Dividend paid to non-controlling interests of subsidiary in Indonesia	41
已付股東及非控制性權益之股息	Dividend paid to shareholders and non-controlling interests	768

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

- 年內，因僱員購股權獲行使而籌集9,800萬港元。
- 由於以日圓計值之貸款之換算收益，未償還銀行貸款減少700萬港元至3.32億港元（2012年12月31日：3.39億港元）。
- 現金及銀行結存為14.37億港元（2012年12月31日：15.12億港元），其中2.05億港元為從存款日期起計3至12個月之定期存款。
- HK\$98 million was raised from the exercise of employee share options during the year.
- Outstanding bank loans decreased by HK\$7 million to HK\$332 million (December 31, 2012: HK\$339 million) due to a translation gain on a loan denominated in Japanese Yen.
- Cash and bank balances were HK\$1,437 million (December 31, 2012: HK\$1,512 million) of which HK\$205 million were fixed term deposits with maturity over 3 months but less than 12 months from the date of deposit.

現金及銀行結存淨額分析

Analysis of net cash and bank balances

(百萬港元)	(HK\$ millions)	
現金及銀行結存	Cash and bank balances	921
定期存款	Time deposits	205
可用現金	Cash available for use	1,126
人民幣抵押存款	RMB pledged deposits	311
美元貸款	USD loans	(299)
中東收購之資金流動	Fund mechanism for Middle East Acquisition	12
其他銀行借貸	Other bank borrowings	(33)
現金及銀行結存淨額	Net cash and bank balances	1,105

- 本集團透過與合適之其他業務建立夥伴關係或進行收購項目，持續物色高增長之商機。我們的經驗、審慎態度及盈利記錄令我們處於有利位置，以部署認為合適之任何相關增長措施，並可為其提供所需資金。
- The Group is constantly looking at opportunities for growth, organic through partnerships with other businesses which demonstrate strong fit or through acquisitions. Our experience, prudence and record of profitability place us in an excellent position to engage in, as well as finance any such growth initiatives deemed appropriate.

股息

Dividends

- 本集團議決派發末期股息每股24.0港仙（2012年：每股25.0港仙），全年股息合共為每股40.0港仙（2012年：每股40.0港仙）。派息金額為6.26億港元。此反映：
 - (i) 強勁的自由現金流量及穩健的營運資金，以及本集團持有的大量現金結存；
 - (ii) 本集團將不需用於發展或運營業務的現金回報予股東的政策；及
 - (iii) 管理層之信心認為強勁的自由現金流量可於中短期內維持。本公司亦具有充足資金對長遠未來進行充分之投資。
- The Group has decided to pay a final dividend of 24.0 HK cents per share (2012: 25.0 HK cents) which will result in a full year dividend of 40.0 HK cents per share (2012: 40.0 HK cents). This represents HK\$626 million. This reflects:
 - (i) Strong free cash flow and healthy working capital, together with significant cash balances held by the Group;
 - (ii) The policy of the Group to return cash to shareholders that is not required to develop or operate the business; and
 - (iii) Management's confidence that strong free cash flow can be maintained in the short to medium term. Sufficient funds are also available to adequately invest in the long term future of the Company.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

前景及策略

於2014年，我們預期將繼續面臨富挑戰性的經營環境。隨著更多國際品牌進入我們的市場，我們將加快實施我們的品牌市場推廣作為應對。我們亦將利用我們在該等市場上的固有競爭優勢：關於本地品味及習慣的知識（包括產品版型）；令我們能夠深入滲透新興地區及城市的先行者優勢；成熟、高效的供應鏈令我們能夠有效控制存貨並迅速應對市場變動，以及在執行策略上之經驗及與本地員工於本地工作文化下合作之經驗。於2014年，管理層將繼續專注於以下主要目標：

1. 中國大陸業務發展

- 中國大陸之零售氣氛繼續疲弱，我們預期此情況於2014年將會持續。存貨過剩，零售市場供過於求以及線上競爭的加劇，將繼續抑制零售商增加銷量及利潤率的能力。
- 零售商的成敗將取決於在多個領域進行創新及分流的能力：商品設計、品牌知名度發展、購物體驗以及強勁的渠道管理將成為線上及「實體」零售網絡取得成功的關鍵。
- 佐丹奴將繼續利用其傳統優勢：強大、高效的供應鏈，嚴格的存貨管理及定價控制，為我們的顧客帶來優質、物有所值的機能服裝。
- 於2013年，本公司將其中國大陸業務分散至六個指揮中心。地區團隊目前專注於實現業績目標並就此承擔責任。於2014年，我們將以品牌管理架構作為補充，擴大大公司對於業主及消費者的吸引力。定位更清晰的品牌加上不同的價值主張，將令我們能夠在適合的地區實施適合的零售解決方案。
- 在積極尋求增長的過程中，本公司迅速擴展至超市等渠道，而該等渠道已不再適合我們的核心品牌。我們將推出具備優質功能商品的優秀品牌，該等商品的定價使之可在此等渠道中有效地進行銷售。精簡、價值及廣泛等核心價值觀將成為此項措施的核心。

OUTLOOK AND STRATEGY

During 2014, we expect to face continuing challenging trading conditions. As more and more international brands enter our markets, we will respond by stepping up our own brand marketing. We will also leverage our intrinsic competitive advantages in our markets: knowledge of local tastes and customs (including product silhouettes); early mover advantages which enable us to penetrate markets deeply in emerging regions and cities; a well-established and effective supply chain which will enable us to control inventory well and respond to market changes quickly and experience in strategy execution and working with local employees within local work cultures. Management will continue to focus on the following key objectives for 2014:

1. Mainland China Development

- Retail sentiment in Mainland China continues to be weak and we expect this to continue in 2014. Excess inventories, over capacity of retail space and the growth of online competition, will continue to depress the ability of retailers to grow volume and margins.
- Success or failure for retailers will depend on the ability to innovate and differentiate in a number of areas: merchandise design, brand awareness development, shopping experience and strong channel management will be key to success in both online and “bricks and mortar” retail networks.
- Giordano will continue to leverage its traditional strengths: a strong and efficient supply chain, disciplined inventory management and strong controls over pricing to bring high quality, value for money functional apparel to our customers.
- During 2013, the Company consolidated the decentralization of its Mainland China operations into six profit centres. Regional teams are now focused on and accountable for delivery of results. In 2014, we will supplement this with brand management structures which will widen the Company's appeal, both with landlords and consumers. More clearly defined brands, with different value propositions, will enable us to direct the right retail solutions to the right places.
- In aggressive pursuit of growth the Company expanded very rapidly into channels which are no longer seen as appropriate for our core brand, such as supermarkets. We will launch a value brand with high quality functional merchandise, which will be priced to sell effectively in these channels. The core group values of simplicity, value and universality will be at the heart of this initiative.

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

- 上述措施將令我們能夠更有效地執行我們的戰略，將核心的*Giordano Men*及*Giordano Women*品牌打造為「國際品牌」。我們將專注於發展我們的百貨公司網絡，從「休閒服裝」轉移至獨立的男裝及女裝櫃檯，提供具有強烈視覺效果的貨品展示陳列、更創新的商品以及更親切的門市格調。
- 為補充核心品牌，我們亦將在2014年下半年推出一款女裝時尚品牌，該品牌將以歐洲的設計價值為基礎，但保留功能精簡之特點（佐丹奴之核心元素）。此品牌的定價將高於核心的*Giordano Woman*品牌（但仍遠低於*Giordano Ladies*之價格），將幫助我們繼續擴展於中國之百貨公司網絡。
- *BSX*品牌於香港的成功發展將為此品牌於中國大陸的穩定發展提供一個平台。店舖將基於香港之模板，開設於適合的購物中心，與「國際品牌」共存。鑒於中國大陸有過多的購物中心，將採取審慎措施在合適地段以可盈利的方式打造此品牌。
- 發展加盟店網絡亦將是2014年的主要優先目標之一，本集團以及地區總經理將積極發展與多家有能力擴大其店舖網絡的「A」級加盟店之關係及支持策略。我們將繼續從溢利補貼轉向支持品牌打造及店舖質量的政策，並將專注於幫助有能力發展品牌的加盟店提高盈利能力。
- 在2013年於中國確立的本地化「快速市場推廣」活動將進一步開展，相關的系列活動將提高市場推廣的質量及覆蓋範圍。我們將透過本地知名人士及國際合作夥伴推出跨界推廣活動，以打造具有本地相關性及國際質量的品牌。此等市場推廣活動將成為我們發展店舖組合的關鍵，並將繼續增強我們對於業主的聲譽及議價能力。
- The above will enable us to be more effective in execution of our efforts to establish the core *Giordano Men* and *Giordano Women* brands as “international brands”. We will focus on growing our networks in department stores, moving away from a “casual apparel” offering to separate Men and Women counters with strong visual merchandising, more innovative merchandise and a more intimate store ambience.
- To supplement the core brands we will also launch a woman’s fashion brand in the second half of 2014, based on European design values, but retaining the functional simplicity that is at the core of *Giordano*. This brand, to be priced at a premium to the core *Giordano Woman* brand (but still significantly below the price point of *Giordano Ladies*), will enable us to continue to expand across department store networks in China.
- The successful development of the *BSX* brand in Hong Kong will provide a platform for the steady development of this brand in Mainland China. Shops will be opened based on the Hong Kong template and be suitable for shopping centres and co-location with “international brands”. Given the excess capacity of Mainland China shopping centres, care will be taken to build this brand profitably in the right locations.
- The development of our franchisee network will also be a clear priority for 2014 and the Group, with regional General Managers, will actively develop relationships and support strategies with a number of “A” grade franchisees who have the ability to grow their store networks. We will continue to move away from profit subsidy towards a policy of supporting brand building and shop quality and will focus on delivering stronger profitability to those franchisees who demonstrate their ability to grow the brands.
- The establishment of localized “fast marketing campaigns” in China in 2013 will be developed further through a program of campaigns that will improve in quality and reach. We will build crossover campaigns with local celebrities and international partners to build a brand of international quality with local relevance. These marketing campaigns will be key to our development of our store portfolio and will strengthen our reputation and negotiating power with landlords.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

- 我們將繼續發展與中國虛擬購物中心的網上合作關係。在2014年，我們將擴大於虛擬購物中心平台的廣告及市場推廣工作，以增加對我們產品的「點擊」。
- 我們亦將與網上平台供應商緊密合作，以擴展至O2O(線上到線下)應用技術，將虛擬及移動技術與實體店舖相連接。通過這種方式，顧客可以使用手機及家用電腦設備進行網上購物，並得到實體店舖的購物體驗。憑藉此類技術，我們將能夠基於線上及線下之個人購物歷史，度身定製合適的推廣活動，從而吸引特定的顧客前來我們的實體店舖。另一方面，透過能夠方便地進行線上購物的店內終端，此類技術亦將令我們的實體店舖能夠提供更大的產品範圍。
- We will continue to develop our e-partnerships with virtual shopping malls in China. During 2014 we will extend product advertising and marketing on virtual shopping mall platforms to increase “clicks” towards our products.
- We will also work closely with the e-platform providers to extend technology into O2O (Online to Offline) applications which link virtual and mobile technology to physical store locations. In this way, shoppers can integrate the use of e-shopping on their mobile and home computer devices with the experience of shopping in physical stores. Technology will enable customization of promotions campaigns based on online and offline personal shopping history; thus enabling us to target specific shoppers to visit our physical stores. Conversely, in-store technology will enable our physical stores to offer a much wider product range through in shop terminals that facilitate online shopping.

2. 香港及台灣

- 香港團隊將繼續進行在2013年實施的品牌發展。*BSX*品牌將進一步擴展至更高質素的購物中心。從「可愛有趣」改為「有型時尚」形象的*Giordano Junior*品牌將延續於2013年取得的成功。年內將為該兩個品牌開展強勁的市場推廣活動。
- 我們將基於「多品牌」大型門市設計，在2014年4月推出名為「*Concepts*」的新門市設計。此設計將在澳門推出，將不同的佐丹奴品牌放在一個「迷你百貨公司」格局中，每個品牌在門市內均擁有自身的格調及實物標誌。此設計將令本集團能夠更容易地向業主方將我們的品牌重新定位為「國際品牌」。
- 多個賞心悅目之快速市場推廣活動正在規劃中，每個計劃將分別展示我們一個品牌的價值觀。在2014年，該等活動將以創造力及個人主義為重心。
- 台灣方面，我們將與合作品牌推出多個跨界推廣活動，以吸引年輕新顧客。同時，我們將有選擇性地進行店舖升級，以提升品牌形象。

2. Hong Kong and Taiwan

- The Hong Kong team will build on the brand developments it has executed in 2013. This will see further expansion of the *BSX* brand into higher quality shopping malls. The *Giordano Junior* brand, which has moved the image from “cute and fun” to “stylish and chic” will continue to build on its success in 2013. Both these brands will be assisted by strong marketing initiatives in the year.
- We will launch a new store format called *Concepts* in April 2014, based on a “multi-brand” large store format. This will be launched in Macau and will incorporate the different *Giordano* brands in a “mini-department store” format, each brand having its own ambience and physical identity within the store. This format will enable the Group to re-position our brand more easily with landlords as an “international brand”.
- A number of exciting fast marketing programs are being planned, each choosing an aspect of our brand values to highlight. These will focus on creativity and individualism in 2014.
- In Taiwan, we will launch a number of crossover campaigns with partner brands, designed to attract new, younger customers. At the same time, we will embark on a selective program of store upgrades which will help us enhance the brand image.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

3. 東南亞

- 新加坡方面，我們將透過開設新達城旗艦店以及實施其他重要的店舖翻新，繼續建立於2013年建立的新店舖形象，並通過持續的快速市場推廣活動增強品牌之影響力。我們將繼續尋找機會在此市場適度擴大我們的店舖網絡。
- 在馬來西亞、印尼及泰國等其他重要市場，我們將繼續擴展至地區性位置，以實現「先行者」優勢。我們亦將在該等市場開展市場推廣活動，以增強品牌之影響力。這將幫助我們更有效地與進入此等市場的國際品牌進行競爭。
- 我們已於越南成立附屬公司，並將繼續發展小型市場。透過與國際百貨公司及購物中心進行有效的合作，我們將建立強大的品牌地位及「先行者」優勢。我們亦將注意在柬埔寨及緬甸的發展機會。隨著此等新興市場的不斷發展，我們預期該等市場將成為未來的重要收入增長來源。

4. 中東

- 中東業務於2013年之合併可從兩個方面來看：
 - 此等市場在過去兩至三年大幅增長。
 - 本地管理層團隊學習作為附屬公司而非加盟店與佐丹奴進行業務往來。
- 2014年於多個方面均有較樂觀的前景：
 - 有關部門大力打擊非法移民問題等外部因素限制遊客前往聖地，影響了沙特阿拉伯業務的2013年銷售額。此等因素正在舒緩，加上2013年下半年的新店舖適度擴展，我們預期2014年銷售額將重拾升軌。
 - 我們亦對阿拉伯聯合酋長國之經濟增長前景感到樂觀，這將帶動阿聯酋業務取得適度增長。這將有助於抵銷此市場之租金及其他成本上漲的影響。
- 於2014年，發展新市場的步伐將會放慢，同時將會加強在中東、小亞細亞、中亞、非洲、東歐及中歐和拉丁美洲等新興市場尋找業務合作夥伴的力度。

3. South East Asia

- In Singapore, we will build on the new store image that has been established in 2013, through the opening of the Suntec City flagship store and other key store refurbishments, with a rolling program of Fast Marketing campaigns which will strengthen the brand. We will continue to seek opportunities to establish modest store growth in this market.
- In other key markets such as Malaysia, Indonesia and Thailand we will continue to expand into regional locations to realize “early mover” advantage. Marketing programs will also be established in these markets to strengthen our brand. This will help us to compete more effectively with international brands that enter these markets.
- We will continue to develop small markets such as Vietnam where we have now established a subsidiary. By effectively partnering with international department stores and shopping centres, we will establish a strong brand position and “early mover” advantage. We will also be looking at opportunities in Cambodia and Myanmar. As these emerging markets develop we expect that they will be a source of significant revenue growth in the future.

4. Middle East

- 2013 was a year of consolidation for the Middle East businesses in two senses:
 - Following two to three years of significant growth in these markets.
 - Local management team learned to work with Giordano as a subsidiary instead of a franchisee.
- Outlook for 2014 is positive in a number of respects:
 - Sales growth in Saudi Arabia has been depressed in 2013 by external factors surrounding a clampdown by the authorities on illegal immigrants to issues which have restricted visitors to Holy Pilgrim sites. These factors are already easing and together with modest expansion in new stores in the second half of 2013, we expect to see sales growth returning in 2014.
 - We are also optimistic that the upswing in economic growth in the United Arab Emirates will lead to modest growth. This will help offset the impact of rising rents and other costs that we are seeing in this market.
- Development of new markets in 2014 was slow and efforts to secure business partners in emerging markets in the Middle East, Asia Minor, Central Asian republics, Africa, Eastern and Central Europe and Latin America will be intensified in 2014.

管理層之論述及分析

MANAGEMENT DISCUSSION AND ANALYSIS

5. 維持強勁現金流量

- 儘管2013年的存貨管理相對有效，本集團於2014年將致力於進一步整頓存貨，尤其是在新加坡及中東等2013年年底時存貨水平偏高的市場。
- 透過現金池以及使用本地借貸（而非現金）緩衝附屬公司之現金流量需要等財務管理措施，將更多的現金集中至集團層面，並令本集團能夠降低日常營運的現金需求。
- 為維持毛利率，我們在2014年將尋求擴大供應商基礎，包括在東南亞物色更強大的供應渠道。我們預期商品成本將面臨適度的上漲壓力，但我們將透過加強競爭、提高銷量以及消除商品上多餘的非功能性設計，儘量降低此方面的影響。
- 大部分市場目前均處於困難之經營環境中。我們將繼續對店舖升級及市場推廣活動進行審慎的投資。本公司對於全球業務的員工及經營成本維持嚴格的成本控制。

6. 發展版圖

- 於2013年，本集團收購了越南的加盟店業務。我們將繼續審視透過直接投資、與加盟店及合資公司之合作發展本集團業務之機會。

人力資源

於2013年12月31日，本集團約有8,200名（2012年：8,100名）僱員。本集團為各級員工提供具競爭力之薪酬組合，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且與表現掛鉤之花紅計劃及獲發購股權，以酬報及挽留優秀幹練之管理團隊。我們亦投放大量資源於基本銷售及客戶服務培訓、管理、規劃及領導才能發展，以挽留具有技術且主動貢獻的工作團隊。

5. Maintain Strong Cash Flow

- Although inventory management was relatively effective in 2013, the Group will work to further rationalize inventory in 2014, particularly in markets, such as Singapore and the Middle East where inventories at 2013 year end were relatively high.
- Treasury initiatives, such as cash pooling and using local borrowing instead of cash to buffer subsidiary cash flow requirements, are concentrating more cash at the Group level and will enable the Group to lower its cash requirement for day to day operations.
- To maintain gross margin we will look to widen the supplier base in 2014, including finding improved supply capability in South East Asia. We expect moderate upward pressure on merchandise costs but we will mitigate this through enhanced competition, higher volume programs and elimination of excess, non-functional features on merchandise.
- Most markets are operating in difficult trading conditions right now. We will continue to invest prudently in store upgrades and marketing initiatives. The Company maintains strong cost control over headcount and operating costs across our global operations.

6. Portfolio Development

- During 2013 the Group acquired the franchised business in Vietnam. We will continue to review opportunities to develop the Group's operations through direct investment, partnerships with franchisees and joint ventures.

HUMAN RESOURCES

On December 31, 2013, the Group had approximately 8,200 employees (2012: 8,100). The Group offers competitive remuneration packages and generous, goal-oriented bonuses targeted to different levels of staff. Senior managers are also offered generous performance-based bonus schemes and share options as a means for the Group to reward and retain a high calibre leadership team. We also invest heavily in training in sales and customer service, management, planning and leadership development to retain a skilled and motivated workforce.

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

總銷售額、可比較門市銷售額增長及門市發展概況－按市場

Summary of total sales, comparable store sales growth and store development by market

按市場概況 (以百萬港元為單位)	Summary by market (In HK\$ millions)	總銷售額 ¹ Total sales ¹			可比較門市銷售額 ² Comparable store sales ²	
		2013	2012	變動 Variance	2013	2012
中國大陸	Mainland China	1,727	1,898	(9%)	(6%)	(6%)
香港	Hong Kong	1,042	1,024	2%	2%	11%
台灣	Taiwan	683	732	(7%)	(4%)	(9%)
新加坡	Singapore	373	398	(6%)	(5%)	(5%)
印尼	Indonesia	435	380	14%	14%	18%
馬來西亞	Malaysia	240	234	3%	2%	3%
泰國	Thailand	241	199	21%	13%	9%
澳洲	Australia	142	189	(25%)	(13%)	(2%)
印度	India	29	27	7%	(4%)	(3%)
阿聯酋	UAE	246	54	356%	(2%)	2%
沙特阿拉伯	Saudi Arabia	335	54	520%	(4%)	7%
其他中東地區	Other Middle East regions	51	–	N/A	(8%)	(1%)
零售及分銷總額	Retail & Distribution total	5,544	5,189	7%	(2%)	(1%)
向海外加盟店之 批發及其他	Wholesale sales to overseas franchisees & others	304	484	(37%)		
集團總額	Group total	5,848	5,673	3%		

¹ 總銷售額指自營店零售總額及向加盟店之批發銷售總額(按平均匯率計算)。

² 可比較門市銷售額指往年營業/經營之現有門市及網上商店之品牌銷售總額(按固定匯率計算)。

¹ Total Sales are total retail sales in self-operated stores and total wholesale sales to franchisees, translated at average exchange rates.

² Comparable Store Sales are total brand sales, at constant exchange rates, from existing stores and e-shop that have been opened/operated in the prior year.

管理層之論述及分析

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門市數目，於	Number of outlets as at	2013年12月 Dec 2013	2012年12月 Dec 2012
中國大陸	Mainland China	1,161	1,243
香港	Hong Kong	88	84
台灣	Taiwan	201	214
新加坡	Singapore	52	54
印尼	Indonesia	179	143
馬來西亞	Malaysia	87	84
泰國	Thailand	133	117
澳洲	Australia	32	32
印度	India	65	52
阿聯酋	UAE	44	43
沙特阿拉伯	Saudi Arabia	99	88
其他中東地區	Other Middle East regions	52	53
南韓	South Korea	244	253
其他市場	Other Markets	205	188
集團總額	Group total	2,642	2,648

按品牌回顧

Review by Brand

(以百萬港元 為單位) (In HK\$ millions)	銷售額 Sales			經營溢利 Operating profit			經營溢利率 Operating margin		
	2013	2012	變動 Variance	2013	2012	變動 Variance	2013	2012	變動 Variance
Giordano及 Giordano Junior	4,877	4,520	8%	629	665	(5%)	12.9%	14.7%	(1.8pp/百分點)
BSX	220	245	(10%)	24	18	33%	10.9%	7.3%	3.6pp/百分點
Giordano Ladies	374	370	1%	51	63	(19%)	13.6%	17.0%	(3.4pp/百分點)
其他	73	54	35%	9	9	-	12.3%	16.7%	(4.4pp/百分點)
零售及分銷	5,544	5,189	7%	713	755	(6%)	12.9%	14.6%	(1.7pp/百分點)

門市數目	Number of outlets	2013	2012
Giordano及Giordano Junior	Giordano & Giordano Junior	2,026	2,034
BSX	BSX	71	100
Giordano Ladies	Giordano Ladies	69	59
其他	Others	27	14
零售及分銷總額	Retail & Distribution total	2,193	2,207

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61歲，為本集團行政總裁。彼亦為本公司提名委員會主席及薪酬委員會成員。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。

劉博士現任大快活集團有限公司之獨立非執行董事，以及曾於2002年至2010年出任新昌營造集團有限公司之獨立非執行董事，該兩間公司均於香港聯合交易所上市。劉博士亦為香港理工大學管理及市場學系顧問委員會之主席，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、加拿大卡加利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會員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。

Ishwar Bhagwandas CHUGANI先生 (執行董事)，現年55歲，於2013年2月1日獲委任為本公司執行董事。CHUGANI先生出任佐丹奴中東FZE之董事總經理及本公司管理委員會成員。

Chugani先生為中東購物中心協會創始會員及董事，擁有逾35年中東零售及市場推廣經驗。Chugani先生畢業於菲律賓德拉薩大學(De La Salle University)，持有商務管理榮譽學位。

Dr. LAU Kwok Kuen, Peter (Chairman), aged 61, is the Group's Chief Executive. He is also chairman of the Nomination Committee and a member of the Remuneration Committee of the Company. He joined the Group in 1987, became the Chief Executive on February 8, 1994, and was elected Chairman of the Board of Directors of the Group on August 10 in the same year.

Dr. Lau is also an independent non-executive director of Fairwood Holdings Limited and was an independent non-executive director of Hsin Chong Construction Group Ltd. from 2002 to 2010, both of which are listed on the Stock Exchange of Hong Kong. Dr. Lau is currently the Chairman of the Advisory Committees on management and marketing 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. Ishwar Bhagwandas CHUGANI (Executive Director), aged 55, was appointed as an Executive Director of the Company on February 1, 2013. He is the managing director of Giordano Middle East FZE and a member of the Management Committee of the Company.

Mr. Chugani is a founding member and director of the Middle East Council of Shopping Centers and has over 35 years of retail and marketing experience in the Middle East. Mr. Chugani graduated from De La Salle University in the Philippines with an honours degree in business management.

董事及高級管理人員簡介

DIRECTORS AND SENIOR MANAGEMENT PROFILES

鄭志剛先生(非執行董事)，現年34歲，於2012年5月22日獲委任為本公司非執行董事。彼亦為本公司其中一位主要股東拿督鄭裕彤博士之孫兒。鄭先生擔任新世界發展有限公司執行董事兼聯席總經理，新世界中國地產有限公司，新世界百貨中國有限公司，周大福珠寶集團有限公司及國際娛樂有限公司執行董事，以及現代傳播控股有限公司非執行董事，該等公司均為香港上市公眾公司。鄭先生彼為周大福(控股)有限公司及周大福企業有限公司之董事。彼亦為新世界集團慈善基金有限公司主席。鄭先生於2003年9月至2006年4月曾任職於某大國際銀行，具有豐富企業融資經驗。

鄭先生於2003年3月從哈佛大學取得東亞研究文學士學位(優等成績)，集中研究中國文學及文化。

鄭先生為中央企業青年聯合會副主席、中華全國青年聯合會副主席、中國人民政治協商會議天津市委員會委員、中華青年精英基金會主席、K11 Art Foundation榮譽主席及無止橋慈善基金籌款委員會名譽主席。

陳世昌先生(非執行董事)，現年51歲，於2012年5月22日獲委任為本公司非執行董事。陳先生出任香港上市公司周大福珠寶集團有限公司之執行董事。陳先生從事珠寶行業已有32年經驗。

陳先生為香港貿發局珠寶業諮詢委員會成員、中國珠寶玉石首飾行業協會常務理事、廣東省金銀首飾商會常務副會長、深圳市黃金珠寶首飾行業協會理事、廣東省金銀珠寶玉器業廠商會副總裁、及中國地質大學(武漢)珠寶學院董事。

Mr. CHENG Chi Kong, Adrian (*Non-executive Director*), aged 34, was appointed as a Non-executive Director on May 22, 2012. He is a grandson of Dato' Dr. Cheng Yu-Tung, being one of the substantial Shareholders of the Company. Mr. Cheng is an executive director and joint general manager of New World Development Company Limited, an executive director of New World China Land Limited, New World Department Store China Limited, Chow Tai Fook Jewellery Group Limited and International Entertainment Corporation, and a non-executive director of Modern Media Holdings Limited, all being listed public companies in Hong Kong. He is a director of Chow Tai Fook (Holding) Limited and Chow Tai Fook Enterprises Limited. He is also the chairman of New World Group Charity Foundation Limited and worked in a major international bank from September 2003 to April 2006 and has substantial experience in corporate finance.

Mr. Cheng obtained a Bachelor of Arts Degree (cum laude) in East Asian Studies with concentration in Chinese literature and cultural studies from Harvard University in March 2003.

Mr. Cheng is the Vice Chairman of the Youth Federation of the Central State-owned Enterprises, the vice-chairman of the All-China Youth Federation, a member of the Tianjin Municipal Committee of The Chinese People's Political Consultative Conference, the chairman of China Young Leaders Foundation, the honorary chairman of K11 Art Foundation and the honorary chairman of Fundraising Committee of the Wu Zhi Qiao (Bridge to China) Charitable Foundation.

Mr. CHAN Sai Cheong (*Non-executive Director*), aged 51, was appointed as a Non-executive Director on May 22, 2012. He was also as an executive director of Chow Tai Fook Jewellery Group Limited, a listed company in Hong Kong. Mr. Chan has been in the Jewellery industry for 32 years.

Mr. Chan is a member of the Hong Kong Trade Development Council's Jewellery Advisory Committee, an administrative director of the Gems and Jewellery Trade Association of China, an executive vice chairman of the Guangdong Gold and Silver Jewellery Chamber of Commerce, a council member of the Shenzhen Gold Jewellery Association, a vice chairman of the Guangdong Golden Jewellery and Jade Industry's Association and a director of the Gemmological Institute, China University of Geosciences (Wuhan).

董事及高級管理人員簡介

DIRECTORS AND SENIOR MANAGEMENT PROFILES

畢滌凡博士(獨立非執行董事)，現年69歲，於1991年5月加入本公司，彼亦為本公司審核委員會主席，提名委員會及薪酬委員會成員。

畢滌凡博士現為台和商事控股有限公司之獨立非執行董事，該公司於香港聯合交易所上市。畢滌凡博士亦分別為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。

由2011年起，畢滌凡博士為新昌營造集團有限公司(「新昌營造集團」)執行董事、以及新昌管理集團有限公司(「新昌管理集團」)之非執行董事，並於2014年2月辭退該兩間公司之職務，該等公司均於香港聯合交易所上市。

畢滌凡博士於2010年7月擔任萬威國際有限公司之執行董事。於2009年10月，畢滌凡博士出任駿豪集團(「駿豪集團」)之集團財務執行董事，彼早於2008年12月已是該集團之顧問。於加入駿豪集團前，畢滌凡博士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，畢滌凡博士出任駿豪集團之財務執行董事。於2004年12月，畢滌凡博士出任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。畢滌凡博士亦曾為這兩間上市公司之替代董事。畢滌凡博士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年至2004年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。畢滌凡博士於2005至2009年期間出任華訊股份有限公司之獨立非執行董事。畢滌凡博士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。畢滌凡博士亦獲英國愛丁堡龍比亞大學工商管理榮譽博士學位。

Dr. Barry John BUTTIFANT (*Independent Non-executive Director*), aged 69, joined the Company in May 1991. He is also chairman of the Audit Committee and a member of the Nomination Committee and the Remuneration Committee of the Company.

Dr. Buttifant is currently an independent non-executive director of Daiwa Associate Holdings Limited, which is listed on the main board of the Stock Exchange. He also serves as a non-executive director of Global-Tech Advanced Innovations Inc. and China Nepstar Chain Drugstore Ltd., both of which are NASDAQ and New York Stock Exchange-listed companies, respectively.

Dr. Buttifant has been an executive director of Hsin Chong Construction Group Ltd. ("HCCG") and a non-executive director of Synergis Holdings Limited ("Synergis") since 2011 but has resigned both positions in February 2014, all of which are listed on the Stock Exchange of Hong Kong.

In July 2010, Dr. Buttifant was an executive director of the IDT International Limited. In October 2009, Dr. Buttifant was a director of Mission Hills Group ("MHG") – corporate finance and prior to this appointment, he was a consultant to the Group since December 2008. Prior to joining MHG, Dr. 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, Dr. Buttifant was the executive director – finance of MHG. In December 2004, Dr. 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). Dr. Buttifant was also an alternate director to both public companies. Dr. 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 2002 to 2004. Prior to joining Wo Kee Hong, he was the managing director of IDT International Limited for over 8 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. Dr. Buttifant was formerly an independent non-executive director of Alltronics Holdings Limited from 2005 to 2009. Dr. 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. He has been awarded an honorary doctorate of Business Administration (Honoris Causa) by Edinburgh Napier University, United Kingdom.

董事及高級管理人員簡介

DIRECTORS AND SENIOR MANAGEMENT PROFILES

鄺其志先生，GBS，JP (獨立非執行董事)，現年63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。鄺先生現為另一上市公司，進智公共交通控股有限公司及一間私營的資產管理公司，Chenavari Investment Managers (HK) Limited (前名為mCAPITAL Investment Management Limited) 之獨立非執行董事。鄺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，鄺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。

鄺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 63, 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 another listed company, AMS Public Transport Holdings Limited and a private asset management company, Chenavari Investment Managers (HK) Limited (previously known as mCAPITAL Investment Management Limited). 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

梁覺教授 (獨立非執行董事)，現年54歲，於2010年7月7日獲委任為本公司獨立非執行董事。彼乃為本公司薪酬委員會主席、審核委員會及提名委員會成員。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。

Simon Devilliers RUDOLPH先生 (獨立非執行董事)，現年53歲，於2013年6月28日獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會、提名委員會及薪酬委員會成員。Rudolph先生，於富蘭克林鄧普頓投資(Franklin Templeton Investments)任職基金經理已有17年，其中最近13年於香港工作。期間，Rudolph先生累積了廣泛的環球商貿知識及經驗，尤其是於亞太區、中東及北非，且特別專注於地產及消費品行業。於香港富蘭克林鄧普頓任職前，Rudolph先生在美國富蘭克林鄧普頓工作4年，及此前於倫敦摩根士丹利(Morgan Stanley)工作7年，及分別於倫敦UBS Philips and Drew及Coopers and Lybrand(現時為PricewaterhouseCoopers之部份)各任職3年。自1986年起，Rudolph先生為英格蘭及威爾斯特許會計師公會會員。他持有英國德倫大學(University of Durham)經濟史學士學位。

Dominic Leo Richard IRWIN先生 (集團首席財務總監)，現年50歲，於2010年8月1日加入本公司。IRWIN先生持有英國利物浦大學學士學位及擁有超過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。

Professor LEUNG Kwok (Independent Non-executive Director), aged 54, was appointed as an Independent Non-executive Director of the Company on July 7, 2010. He is also chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee of the Company. He was the Board Advisor and provided consulting services to the Group for more than 20 years. Professor Leung received his Ph.D. in Psychology from University of Illinois, Urbana-Champaign, U.S.A. He holds a chair in management at the City University of Hong Kong. In addition to his international reputation for his scholarly work, he has extensive consulting experience with a wide range of organizations and government departments in Hong Kong and Mainland China.

Mr. Simon Devilliers RUDOLPH (Independent Non-executive Director), aged 53, was appointed as an Independent Non-executive Director of the Company on June 28, 2013. He is also a member of the Audit Committee, the Nomination Committee and the Remuneration Committee of the Company. Mr. Rudolph has worked for 17 years as a Fund Manager for Franklin Templeton Investments, the last 13 in Hong Kong. Over this time, Mr. Rudolph has developed extensive knowledge and experience of businesses across the world and in Asia Pacific, the Middle East and North Africa in particular, with specific focus on the property and consumer goods sectors. Prior to his employment by Franklin Templeton in Hong Kong, Mr. Rudolph worked for 4 years with Franklin Templeton in the USA, and before that in London for 7 years at Morgan Stanley, 3 years at UBS Philips and Drew and 3 years at Coopers and Lybrand (now part of PricewaterhouseCoopers) in London. Mr. Rudolph has been a member of the Institute of Chartered Accountants of England and Wales since 1986. He holds a degree in Economic History from the University of Durham in the United Kingdom.

Mr. Dominic Leo Richard IRWIN (Group Chief Financial Officer), aged 50, joined the Company since August 1, 2010. Mr. Irwin holds a bachelor degree from University of Liverpool 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，其負責制定及檢討本公司的企業管治以及在遵守法律及監管規定方面的政策及常規。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」）附錄十四之企業管治常規守則及其新版本企業管治守則《企業管治守則》（「企業管治守則」）之前，董事會已定期檢討並提升本公司之企業管治守則。以下為本公司實踐企業管治優於、符合或偏離企業管治守則之重點：

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 is committed to excellence in corporate governance, it is responsible for developing and reviewing the Company’s policies and practices on corporate governance as well as compliance with legal and regulatory requirements. 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 and its new edition of the Corporate Governance Code (the “CG Code”), as set out in Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”). The following items highlight where the Company’s corporate governance practice surpasses, attains or varies from the CG Code:

遵例情況	COMPLIANCE
<p>優於</p> <ul style="list-style-type: none"> 董事會成員二分之一是獨立非執行董事，超過上市規則所要求的最少有三分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，優勝於企業管治守則。 	<p>Surpass</p> <ul style="list-style-type: none"> Independent Non-executive Directors comprise a half of the members of the Board, exceeding the minimum of one-third as required under the Listing Rules. 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.

符合

- 本公司已購買合適之董事及高級人員責任保險，符合企業管治守則。
- 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，符合企業管治守則。
- 本公司採納了企業管治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守則必須遵守之守則條文。

偏離

- 本公司之主席及行政總裁兩職位同時由一人出任，偏離了企業管治守則。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.
- 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.
- The Company adopts the CG Code guidelines on reviewing its internal control system.
- The Company meets all the CG Code mandatory provisions except the variances mentioned below.

Deviate

- The Company deviates from the CG Code 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。董事會所訂立之策略及計劃，則由管理層負責執行。管理層就本集團的日常營運向董事會負上全責。

於本報告日期，董事會由四名獨立非執行董事、兩名非執行董事，以及兩名執行董事組成。獨立非執行董事及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，此舉符合企業管治守則。

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55頁至第59頁。

本公司鼓勵董事參與持續專業發展，以發展並更新彼等之知識及技能。本公司向每名新委任的董事提供全面的就任資料文件，涵蓋香港上市公司董事之職責及法律責任概要、本公司之細則文件以及香港公司註冊處發出的《董事責任指引》，確保有關董事充份知悉其於上市規則及其他監管規定下的職責及責任。

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. The strategies and plans as decided by the Board are implemented by the management. The management assumes full accountability to the Board for the day-to-day operation of the Group.

As at the date of this report, the Board is composed of four Independent Non-executive Directors, two Non-executive Directors and two Executive Directors. The Independent Non-executive Directors and the 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.

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 55 to 59 of this annual report.

The Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company provides a comprehensive induction package covering the summary of the responsibilities and liabilities of a director of the listed company, the constitutional documents and "A Guides on Directors' Duties" issued by the Companies Registry to each newly appointed Director to ensure that he is sufficiently aware of his responsibilities and obligations as Director.

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本公司秘書不時向董事匯報上市規則、企業管治常規以及其他監管制度之最新變動及發展並提供相關書面資料，亦安排講座講解有關董事職務及職責之專業知識及監管規定的最新情況。

The Company Secretary reports from time to time the latest changes and development of the Listing Rules, corporate governance practices and other regulatory regime to the Directors with written materials, as well as organizes seminars on the professional knowledge and latest development of regulatory requirements related to director's duties and responsibilities.

於2013年，本公司與外聘專業顧問舉行一次講座。其內容包括上市公司之董事角色，職責及其職務。所有董事亦參與下列培訓類型：

During the year of 2013, a seminar was conducted by the external professional consultants relating to the roles, functions and duties of a listed company director. In addition, all Directors also participated in the following trainings:

董事會成員	Members of the Board	培訓類型 Types of Training
獨立非執行董事	Independent Non-executive Directors	
畢滌凡博士	Dr. Barry John BUTTIFANT	A, C
鄺其志先生，GBS，JP	Mr. KWONG Ki Chi, GBS, JP	A, C
梁覺教授	Professor LEUNG Kwok	A, B, C
Simon Devilliers RUDOLPH先生	Mr. Simon Devilliers RUDOLPH	A, B, C
非執行董事	Non-executive Directors	
鄭志剛先生	Mr. CHENG Chi Kong, Adrian	A, B, C
陳世昌先生	Mr. CHAN Sai Cheong	A, B, C
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)	A, B, C
Ishwar Bhagwandas CHUGANI先生	Mr. Ishwar Bhagwandas CHUGANI	A, B, C

A：參加研討會及/或會議及/或論壇

attending seminars and/or conferences and/or forums

B：在研討會及/或會議及/或論壇上演講

giving talks at seminars and/or conferences and/or forums

C：閱讀與經濟、一般業務、董事之培訓及責任等有關之報章、雜誌及更新資料

reading newspapers, journals and updates relating to the economy, general business, director's training and responsibilities, etc.

企業管治報告書

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按照良好的企業管治原則，董事會設立了三個董事委員會，即審核委員會、提名委員會及薪酬委員會。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。於2013年12月31日，董事會、審核委員會、提名委員會及薪酬委員會之組成如下，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 had established three Board Committees: the Audit Committee, the Nomination Committee and the Remuneration Committee. In addition, a Management Committee and a Risk Management Committee are also in place to support the Board and the Board Committees. As at December 31, 2013, the composition of the Board, the Audit Committee, the Nomination Committee and the Remuneration 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	提名委員會 Nomination Committee	薪酬委員會 Remuneration Committee
獨立非執行董事	Independent Non-executive Directors			
畢滌凡博士	Dr. Barry John BUTTIFANT	✓	✓	✓
鄺其志先生，GBS，JP	Mr. KWONG Ki Chi, GBS, JP	✓		
梁覺教授	Professor LEUNG Kwok	✓	✓	✓
Simon Devilliers RUDOLPH先生	Mr. Simon Devilliers RUDOLPH	✓	✓	✓
非執行董事	Non-executive Directors			
鄭志剛先生	Mr. CHENG Chi Kong, Adrian			
陳世昌先生	Mr. CHAN Sai Cheong			
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)		✓	✓
Ishwar Bhagwandas CHUGANI先生	Mr. Ishwar Bhagwandas CHUGANI			

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，惟鄺先生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；而鄭先生及陳先生在周大福珠寶集團有限公司董事會中同時擔任執行董事。

The Board members have no financial, business, family or other material or relevant relationships with each other except that Mr. Kwong serves on the board of AMS Public Transport Holdings Limited as independent non-executive directors; while Mr. Cheng and Mr. Chan both serve on the board of Chow Tai Fook Jewellery Group Limited as 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及非執行董事擁有本公司之股份。

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

企業管治報告書

CORPORATE GOVERNANCE 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。

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。會議記錄之初稿及最終定稿亦會發送予所有董事供彼等提供意見。根據細則，若任何董事未能親身出席任何董事會會議，則可藉著電話會議或其他安排，參與董事會會議。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。

董事會於截至2013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，董事會通過了兩套書面決議案。

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.

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.

During the year ended December 31, 2013, 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, two sets of resolutions in writing were passed.

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董事於2013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 2013 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	
畢滌凡博士	Dr. Barry John BUTTIFANT	4/4
鄭其志先生，GBS，JP	Mr. KWONG Ki Chi, GBS, JP	4/4
李鵬飛博士，JP (於2013年6月14日退任)	Dr. LEE Peng Fei, Allen, JP (retired on June 14, 2013)	2/2
梁覺教授	Professor LEUNG Kwok	4/4
Simon Devilliers RUDOLPH先生 (於2013年6月28日獲委任)	Mr. Simon Devilliers RUDOLPH (appointed on June 28, 2013)	2/2
非執行董事	Non-executive Directors	
鄭志剛先生	Mr. CHENG Chi Kong, Adrian	3/4
陳世昌先生	Mr. CHAN Sai Cheong	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
Ishwar Bhagwandas CHUGANI先生	Mr. Ishwar Bhagwandas CHUGANI	4/4

為了促進坦誠及公開討論事務之氣氛，獨立非執行董事及非執行董事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, the Independent Non-executive Directors and the Non-executive Directors may also meet without the presence of the Executive Directors from time to time.

董事之委任及重選

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。

APPOINTMENT AND RE-ELECTION OF DIRECTORS

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.

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現時，所有獨立非執行董事及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守則，已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，董事會將在年報或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)主席及行政總裁毋須輪值告退(守則條文A.4.2)。

李鵬飛博士於2013年6月14日退任獨立非執行董事一職及Simon Devilliers RUDOLPH先生獲委任為獨立非執行董事，並於2013年6月28日起生效。

於即將舉行之股東週年大會，梁覺教授將根據本公司細則第98條規定輪值告退，而Simon Devilliers RUDOLPH先生將根據本公司細則第101(B)條規定告退。

梁覺教授及Simon Devilliers RUDOLPH先生符合資格並願意於即將舉行之股東週年大會上膺選連任。除前述者外，本公司其他董事均將繼續留任。

Currently, all Independent Non-executive Directors and 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 CG Code 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 annual report or circular the reasons why it considers such Director to continue to be independent and should be re-elected.

The Directors are not aware of any information that would reasonably indicate that the Company is non-compliant 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 Chief Executive are not subject to retirement by rotation (Code Provision A.4.2).

Dr. LEE Peng Fei, Allen retired as Independent Non-executive Director on June 14, 2013 and Mr. Simon Devilliers RUDOLPH was appointed as Independent Non-executive Director of the Company with effect from June 28, 2013.

At the forthcoming annual general meeting of the Company, Professor LEUNG Kwok shall retire by rotation in accordance with Bye-law 98 of the Company, and Mr. Simon Devilliers RUDOLPH shall retire in accordance with Bye-law 101(B) of the Company.

Whereas Professor LEUNG Kwok and Mr. Simon Devilliers RUDOLPH, being eligible, will offer themselves for re-election at the forthcoming annual general meeting. Save for the aforesaid, the other directors of the Company will continue in office.

企業管治報告書

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主席及行政總裁

劉國權博士目前同時出任主席及行政總裁兩職位。鑒於劉博士的豐富業內經驗以及對本集團業務的深厚認識，董事會認為由劉博士兼任主席及行政總裁能為本集團提供強勢及貫徹之領導，並能更有效地策劃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：

- 董事會之成員有二分之一為獨立非執行董事；
- 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及非執行董事有效地督導本集團之管理層和就策略、風險和誠信等範疇提供有效的監管。董事會將不斷檢討本集團企業管治架構之成效，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 a half 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 and 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，並由畢滌凡博士出任主席，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。審核委員會主要負責委任、重新委任及罷免外聘核數師、審閱及監控外聘核數師之獨立客觀及審核程序之有效性，以及與外聘核數師討論審核之性質及範疇。該委員會同時負責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，並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。審核委員會之職權範圍可供索取及已載於本公司之網站<http://www.giordano.com.hk/HK/investors/Gov/2012/cTORAC.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2013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

畢滌凡博士
 鄺其志先生，GBS，JP
 李鵬飛博士，JP
 (於2013年6月14日退任)
 梁覺教授
 Simon Devilliers RUDOLPH先生
 (於2013年6月28日獲委任)

AUDIT COMMITTEE

The Audit Committee comprises all four Independent Non-executive Directors and is chaired by Dr. Buttifant, a qualified accountant with extensive experience in financial reporting and controls. The Audit Committee is responsible for the appointment, re-appointment and removal of external auditors, reviewing and monitoring the external auditor's independence and objectivity and the effectiveness of the audit process and discussing with the external auditor the nature and scope of the audit. It is also responsible for reviewing the Group's financial information, overseeing the Group's financial reporting system and internal control procedures and 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/HK/investors/Gov/2012/eTORAC.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 2013, 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	
Dr. Barry John BUTTIFANT	2/2
Mr. KWONG Ki Chi, GBS, JP	2/2
Dr. LEE Peng Fei, Allen, JP (retired on June 14, 2013)	1/1
Professor LEUNG Kwok	2/2
Mr. Simon Devilliers RUDOLPH (appointed on June 28, 2013)	1/1

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審核委員會於會上與外聘核數師審閱審核策略摘要、截至2012年12月31日止全年業績和截至2013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。

提名委員會

為符合企業管治守則的規定，董事會於2012年3月21日成立提名委員會，由三名獨立非執行董事及主席組成，並由劉博士出任主席。提名委員會之主要職責為定期審閱董事會架構、規模及組成(包括其技能、知識及經驗)，並物色合適人選加盟董事會。其職責亦包括評核獨立非執行董事之獨立性及就委任或重新委任董事及董事之接任計劃等相關事宜向董事會提供推薦建議。提名委員會之推薦建議其後將提呈董事會考慮及採納(如適用)。提名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/HK/investors/Gov/2012/cTORNC.pdf>。

董事會於2013年採納《董事會成員多元化政策》，該政策載列達致董事會成員多元化的方法。

本公司知悉董事會層面日益多元化將為達成本公司策略目標及可持續發展提供支持。

本公司藉考慮多項因素，包括但不限於技能、地域及行業經驗、教育背景、種族、性別及其他資格，務求達致董事會成員多元化。本公司決定董事會最佳成員組合時，亦將不時考慮其本身業務模式及具體需要。

During the meetings, the Audit Committee reviewed with the external auditors the audit strategy summary, the final results for the year ended December 31, 2012 and the interim accounts for the six months ended June 30, 2013. 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.

NOMINATION COMMITTEE

In compliance with the requirements of the CG Code, on March 21, 2012, the Board established the Nomination Committee comprising of three Independent Non-executive Directors and the Chairman, and chaired by Dr. Lau. The main duties of the Nomination Committee are to review the structure, size and composition (including the skills, knowledge and experience) of the Board, on a regular basis, and to identify individuals qualified to become board members. It is also responsible for assessing the independence of Independent Non-executive Directors and making recommendations to the Board on matters relating to the appointment or re-appointment of Directors and succession planning for Directors. The recommendations of the Nomination Committee are then put forward for consideration and adoption, where appropriate, by the Board. Its terms of reference are available on request and also accessible on the Company's website at <http://www.giordano.com.hk/HK/investors/Gov/2012/eTORNC.pdf>.

The Board has also adopted a Board Diversity Policy in 2013 which sets out the approach to achieve diversity on the Board.

The Company recognizes that increasing diversity at the Board level will support the attainment of the Company's strategic objectives and sustainable development.

The Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to skills, regional and industry experiences, background, race, gender, and other qualities. The Company will also take into consideration its own business model and specific needs from time to time in determining the optimum composition of the Board.

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提名委員會將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識、服務任期及其他素質。最終將按人選的長處及可為董事會提供的貢獻而作決定。

The Nomination Committee has set measurable objectives based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, length of services and other qualities. The ultimate decision will be based on merit and contribution that the selected candidate(s) will bring to the Board.

在2013年內，提名委員會的成員按其職權範圍，以全體成員簽署的書面行動及決議案，執行以下工作：

During the year of 2013, the members of the Nomination Committee performed the following works pursuant to action and resolutions in writing signed by all members in accordance with its terms of reference:

1. 向董事會建議分別委任Simon Deveilliers RUDOLPH先生為本公司之獨立非執行董事及Ishwar Bhagwandas CHUGANI先生為本公司之執行董事；
2. 檢討董事會成員多元化的本政策草稿，以作董事會採納；及
3. 檢討董事會的人數、組成、架構及多元化，並評估董事會技能的均衡和經驗；及觀點多元化以適合及有利於本公司及其附屬公司的業務要求，以及檢討獨立非執行董事的獨立性。

1. recommended to the Board the appointment of Mr. Simon Deveilliers RUDOLPH as Independent Non-executive Director of the Company and Mr. Ishwar Bhagwandas CHUGANI as Executive Director of the Company respectively;
2. reviewed the draft Board Diversity Policy of the Board for Board's adoption; and
3. reviewed the size, composition and structure and diversity of the Board, and assessed the balance of skills and experience of the Board as expedient with diversity of perspectives appropriate to the requirements of the business of the Company and its subsidiaries and reviewed the independence of the Independent Non-executive Directors.

據此，截至2013年12月31日止年度內，提名委員會概無召開會議。

As such, no meetings were held by the Nomination Committee during the year ended December 31, 2013.

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薪酬委員會

薪酬委員會由三名獨立非執行董事及主席組成，並由梁教授出任主席。薪酬委員會負責檢討及決定董事及高級管理人員之薪金、補償及福利。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。薪酬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/HK/investors/Gov/2012/cTORRC.pdf>。

REMUNERATION COMMITTEE

The Remuneration Committee is composed of three Independent Non-executive Directors and the Chairman, and chaired by Professor Leung. The Remuneration Committee is responsible for reviewing and determining the remuneration, compensation and benefits of Directors and senior management. 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. Its terms of reference of the Remuneration Committee are available on request and also accessible on the Company's website at <http://www.giordano.com.hk/HK/investors/Gov/2012/eTORRC.pdf>.

薪酬委員會會議	Remuneration 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	
梁覺教授	Professor LEUNG Kwok	1/1
畢滌凡博士	Dr. Barry John BUTTIFANT	1/1
李鵬飛博士 (於2013年6月14日退任)	Dr. LEE Peng Fei, Allen (retired on June 14, 2013)	1/1
Simon Devilliers RUDOLPH先生 (於2013年6月28日獲委任)	Mr. Simon Devilliers RUDOLPH (appointed on June 28, 2013)	不適用/N/A
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2013年，薪酬委員會舉行了一次會議，檢討主席及行政總裁之薪金及花紅、確認2012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2012年花紅。主席及行政總裁並無出席是次薪酬委員會會議，並放棄投票，以免涉及任何利益衝突。按成員姓名分列之會議出席記錄載於上文。此外，該委員會通過了一套書面決議案。

In 2013, the Remuneration Committee held a meeting to review the remuneration and bonus of the Chairman and Chief Executive, confirm the 2012 guaranteed bonus to the Chairman and Chief Executive and ratify and approve the 2012 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. The attendance record of the meeting, on a named basis, is set out above. In addition, one set of resolution in writing was passed.

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。

薪酬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及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，薪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、有關董事所付出的時間、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。

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，則由薪酬委員會每年檢討。於2013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75.7%。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。

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

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 Remuneration Committee. In 2013, the cash performance bonus component accounted for 75.7% 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.

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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2013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，該計劃已在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（包括以股份支付的開支）。

(以百萬港元為單位)

	(In HK\$ millions)	2013	2012
袍金	Fees	2	2
薪酬、津貼及其他福利	Salaries, allowances and other benefits	7	7
購股權	Share Options	1	–
浮動的績效薪酬	Variable remuneration related to performance	26	24
		36	33

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, 2013 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 (including share-based payments) is shown below:

獨立非執行董事、非執行董事、執行董事及五位最高薪職員（當中2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 Non-executive Directors, the Executive Directors and the five highest paid employees (2 of whom were Executive Directors) fell within the following bands:

薪酬	Remuneration	2013 人數 Number	2012 人數 Number
0港元 – 1,000,000港元	HK\$0 – HK\$1,000,000	6	6
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	–	–
3,000,001港元 – 4,000,000港元	HK\$3,000,001 – HK\$4,000,000	2	1
4,000,001港元 – 5,000,000港元	HK\$4,000,001 – HK\$5,000,000	–	2
5,000,001港元 – 6,000,000港元	HK\$5,000,001 – HK\$6,000,000	1	1
6,000,001港元 – 7,000,000港元	HK\$6,000,001 – HK\$7,000,000	1	–
20,000,001港元 – 30,000,000港元	HK\$20,000,001 – HK\$30,000,000	1	1
		11	11

全體獨立非執行董事及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' and 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、執行董事及財務總監組成。

企業管治職能

董事會確認，企業管治應屬董事之共同責任，且彼等之企業管治職能包括：

- 制定、檢討及實施本公司之企業管治政策及常規；
- 檢討及監察董事及高級管理人員之培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面之政策及常規；
- 制定、檢討及監察適用於僱員及董事之操守準則及合規手冊（如有）；
- 檢討本公司遵守企業管治守則之情況及企業管治報告之披露；及
- 制定、檢討及監察股東通訊政策的有效推行及向董事會提出有助鞏固本公司與股東之關係之建議。

年內，董事會已檢討本公司的內部監控及風險管理系統是否有效；及制定關於內幕消息管理制度。

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 Group Chief Financial Officer.

CORPORATE GOVERNANCE FUNCTION

The Board recognizes that corporate governance should be the collective responsibility of Directors and their corporate governance duties include:

- To develop, review and update the Company's policy and practices on corporate governance;
- To review and monitor the training and continuous professional development of directors and senior management;
- To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- To develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors;
- To review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report; and
- To develop, review and monitor the implementation of the shareholders' communication policy to ensure its effectiveness, and make recommendation to the Board where appropriate to enhance shareholders' relationship with the Company.

During the year, the Board has reviewed the effectiveness of the internal controls and risk management systems of the Company and formulated internal policy on inside information.

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CORPORATE GOVERNANCE REPORT

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；控制資本開支，備存妥善而準確之會計記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內幕消息。

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; control over capital expenditure; 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 inside information.

企業管治報告書

CORPORATE GOVERNANCE REPORT

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。風險管理委員會有四位成員，包括執行董事Ishwar Bhagwandas CHUGANI先生、集團財務總監、內部審計主管以及一名高級管理層代表。該委員會根據本公司之企業管治守則中有關內部監控的守則條文檢討所有重要的監控，並每年向董事會作出兩次滙報。風險管理委員會在管理及監視內部控制的系統向董事會全面負責提供保證。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滙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 four members including one Executive Director, Mr. Ishwar Bhagwandas CHUGANI, together with the Group Chief Financial Officer, the Head of Internal Audit and one senior management representative. 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 for providing assurance on managing and monitoring the system of internal controls. 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 keys tasks of the Internal Audit Department include:

- Unrestricted access to review all aspects of the Group's key activities, risk management, control and governance processes;
- 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.

企業管治報告書

CORPORATE GOVERNANCE REPORT

內部審計部採取以風險法，實施審核委員會及管理層已批准之審計計劃，此乃以風險評估法為依據。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2013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携手，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年及2013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年及2013年更新該標準守則，以監管該些擁有及得悉內幕消息的員工之證券交易。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。

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。

Adopting a risk-based approach, the Internal Audit Department implements the audit plan approved by the Audit Committee and management, which is based on a risk assessment methodology. 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 2013, 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 and 2013 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 and 2013 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 inside 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.

DIRECTORS' AND AUDITORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors are responsible for overseeing the preparation of financial statements for each financial period to ensure that they give a true and fair view of the state of affairs of the Group, its operational results and cash 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.

企業管治報告書

CORPORATE GOVERNANCE REPORT

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92頁至第93頁之獨立核數師報告書內。

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 92 to 93.

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：

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:

(以百萬港元為單位)	(In HK\$ millions)	2013	2012
非審核服務(包括稅務事宜、若干議定審核程序及其他申報服務)	Non-audit services (included tax-related matters, certain agreed-upon procedures work and other reporting services)	2	2
法定審核	Statutory audit	4	4
總數	Total	6	6

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2013年與機構投資者及研究分析員舉行之會議合計超過200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 communicate clearly the Company's business strategies, developments and prospects. Over 200 meetings with institutional investors and research analysts were held in 2013.

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。

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 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.

企業管治報告書

CORPORATE GOVERNANCE REPORT

董事會歡迎股東對影響本集團的事項提出意見，並鼓勵他們出席股東大會，藉以直接向董事會或管理層反映他們關注的事項。本公司之股東週年大會（「股東週年大會」）是尤其重要的平台。為了鼓勵及方便股東出席股東週年大會，本公司於大會舉行日期前最少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。

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188頁。

本公司於2013年6月14日舉行2013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 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.

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 188 of this annual report.

The Company held its 2013 AGM on June 14, 2013. 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:

股東會議	Shareholders' Meeting in 2013	出席次數/ 會議舉行次數 AGM Meeting attended/held
獨立非執行董事	Independent Non-executive Directors	
畢滌凡博士	Dr. Barry John BUTTIFANT	1/1
鄺其志先生，GBS，JP	Mr. KWONG Ki Chi, GBS, JP	1/1
李鵬飛博士，JP ¹	Dr. LEE Peng Fei, Allen, JP ¹	0/1
梁覺教授	Professor LEUNG Kwok	1/1
Simon Devilliers RUDOLPH先生 ²	Mr. Simon Devilliers RUDOLPH ²	不適用/N/A
非執行董事	Non-executive Directors	
鄭志剛先生	Mr. CHENG Chi Kong, Adrian	0/1
陳世昌先生	Mr. CHAN Sai Cheong	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 ³	Mr. MAH Chuck On, Bernard ³	不適用/N/A
Ishwar Bhagwandas CHUGANI先生	Mr. Ishwar Bhagwandas CHUGANI	1/1

¹ 李鵬飛博士於2013年6月14日股東週年大會完結後退任獨立非執行董事。
Dr. LEE Ping Fei, Allen retired as an Independent Non-executive Director after the conclusion of the 2013 AGM held on June 14, 2013.

² Simon Devilliers RUDOLPH先生於2013年6月28日獲委任獨立非執行董事。
Mr. Simon Devilliers RUDOLPH was appointed as an Independent Non-executive Director on June 28, 2013.

³ 馬灼安先生於2013年2月1日退任執行董事。
Mr. MAH Chuck On Bernard retired as an Executive Director with effect from February 1, 2013.

主席宣布2013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；
- 有關末期股息的決議案；
- 重選退任董事及選舉董事；
- 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2014年5月16日舉行2014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。

股東權利

應股東要求召開股東特別大會

股東有權要求董事會召開本公司的股東特別大會。持有本公司合共不少於十分之一(10%)繳足股本的股東可向本公司董事會寄發請求書，要求召開股東特別大會。

經有關股東簽妥的請求書須列明會議目的並送交本公司註冊辦事處。

本公司於接獲有效請求書時，將採取適當行動及作出必要安排，有關股東須根據百慕達《1981年公司法》(「公司法」)第74條負責支付進行該等行動及安排所產生的開支。

The Chairman opened formal business at the 2013 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;
- resolution on a final dividend;
- re-election of retiring directors and election of directors;
- re-appointment of auditor;
- resolution on the grant of general mandate to issue shares; and
- renewal of the general mandate to repurchase shares.

The 2014 AGM is proposed to be held on May 16, 2014. 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.

SHAREHOLDERS' RIGHTS

Convening of Special General Meetings on Requisition by Shareholders

Shareholders shall have the right to request the Board to convene a Special General Meeting ("SGM") of the Company. Shareholders holding in aggregate of not less than one-tenth (10%) of the paid up capital of the Company may send a written request to the Board of the Company to request for a SGM.

The written requisition, duly signed by the shareholders concerned, must state the purposes of the meeting and must be deposited at the registered office of the Company.

The Company would take appropriate actions and make necessary arrangements, and the shareholders concerned would be responsible for the expenses incurred in giving effect thereto in accordance with the requirements under Section 74 of the Companies Act 1981 of Bermuda (the "Companies Act") once a valid requisition is received.

企業管治報告書

CORPORATE GOVERNANCE REPORT

股東於股東大會提呈建議的程序

以下股東有權於本公司股東大會提呈建議(可於會議上正式提呈的建議)以供考慮：

- (a) 於請求日期佔本公司總投票權不少於二十分之一(5%)的任何股東；或
- (b) 不少於100位持有本公司股份的股東。

經有關股東簽妥並載列建議的請求書連同建議內的所述事宜須送交本公司註冊辦事處。本公司於接獲有效請求書時，將採取適當行動及作出必要安排，有關股東須根據公司法第79及80條負責支付進行該等行動及安排所產生的開支。

如股東擬於股東大會上提名退任董事以外的人士參選董事，請查閱載於本公司網頁內之有關程序。

股東可隨時以書面方式透過公司秘書向董事會提出查詢及關注事宜，地址為香港九龍長沙灣道777至779號天安工業大廈5樓。

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。自此，本公司一直恪守「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。

Procedures for Making Proposals at General Meetings by Shareholders

The following shareholders are entitled to put forward a proposal (which may properly be put to the meeting) for consideration at a general meeting of the Company:

- (a) any members representing not less than one-twentieth (5%) of the total voting rights of the Company on the date of the requisition; or
- (b) not less than 100 members holding shares in the Company.

The requisition specifying the proposal, duly signed by the shareholders concerned, together with a statement with respect to the matter referred to in the proposal must be deposited at the registered office of the Company. The Company would take appropriate actions and make necessary arrangements, and the shareholders concerned would be responsible for the expenses incurred in giving effect thereto in accordance with the requirements under Sections 79 and 80 of the Companies Act once valid documents are received.

As regards proposing a person other than the retiring Director for election as a Director in a general meeting, please refer to the procedures available on the website of the Company.

Shareholders may at any time send their enquires and concerns to the Board in writing through the Company Secretary at 5th Floor, Tin On Industrial Building, 777-779 Cheung Sha Wan Road, Kowloon, Hong Kong.

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. Since then the Company continues 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。

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。

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.

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.

企業管治報告書

CORPORATE GOVERNANCE REPORT

- 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。
- 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.

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。

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。截至2013年年底，已設立了22所佐丹奴希望小學。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。

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 Mainland China with access to primary school education by funding the construction of a number of Giordano Hope primary schools. Thus far, there had been 22 Giordano Hope primary school completed to the end of 2013. The Group also donated to the Caring for Children Foundation in support of children's welfare in the Mainland.

環境保護

本集團亦致力透過減低消耗電力以推行環境保護及保育，因大部份電力是由燃燒碳及其他化石燃料所產生。自2008年起，本集團推行了有關旗下店舖轉用節能照明設備之措施。截至2013年年底，本集團於南韓、新加坡、台灣、泰國和中東等之門市，已轉用節能照明設備。

ENVIRONMENTAL PROTECTION

The Group is also committed to protecting and sustaining the environment through reduced consumption of electrical power, much of which is generated from the burning of carbon and other fossil fuels. In 2008, the Group launched an initiative to convert its shops to using energy saving lighting. By the end of 2013, most of the Group's stores in South Korea, Singapore, Taiwan, Thailand and the Middle East converted to using energy-saving lighting.

本集團「綠色團隊」，由來自不同部門的代表組成，共同致力提倡低碳生活。於2013年「綠色團隊」每月安排各類活動，讓員工學習及體驗低碳生活，其中包括資源回收循環再用活動。

Our “Green Team” initiates and brings together representatives from different departments to promote low carbon living. In 2013, The Green Team organized various monthly activities for staff to learn about and experience low carbon living which include recycling campaigns.

董事會欣然提呈本公司及本集團截至2013年12月31日止年度之董事會報告書及經審核財務報表。

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, 2013.

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及Giordano Junior、Giordano Ladies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。

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal business of the Group is the retail and distribution of men's, women's and children's basic and fashion apparel and accessories under the Giordano & Giordano Junior, Giordano Ladies 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.

分部資料

本集團截至2013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。

SEGMENT INFORMATION

An analysis of the Group's performance by principal activity and geography for the year ended December 31, 2013 is set out in note 5 to the financial statements.

業績

本集團截至2013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94頁至第181頁之財務報表內。

RESULTS

The results of the Group for the year ended December 31, 2013 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 94 to 181.

股息

中期股息每股16.0港仙已於2013年9月27日派發。

DIVIDENDS

An interim dividend of 16.0 HK cents per share were paid on September 27, 2013.

董事會向股東建議派發截至2013年12月31日止年度末期股息每股24.0港仙予2014年5月23日名列本公司股東名冊上之股東。

The directors recommend to shareholders the payment of a final dividend of 24.0 HK cents per share for the year ended December 31, 2013 to those shareholders whose names appear on the register of members of the Company on May 23, 2014.

儲備

本年度內，儲備之變動情況載於第102頁至第107頁之權益變動表。

RESERVES

Movements in reserves during the year are set out in the Statements of Changes in Equity on pages 102 to 107.

可供分派儲備

於2013年12月31日，本公司之可供分派滾存溢利及繳入盈餘為9.75億港元(2012年：11.55億港元)。

DISTRIBUTABLE RESERVES

As at December 31, 2013, the retained profits of the Company together with the contributed surplus available for distribution amounted to HK\$975 million (2011: HK\$1,155 million).

慈善捐款

本集團於本年度內之慈善捐款為19萬港元(2012年：15萬港元)。

CHARITABLE DONATIONS

Donations made for charitable purposes by the Group during the year amounted to HK\$190,000 (2012: HK\$150,000).

董事會報告書

DIRECTORS' REPORT

固定資產

本年度內，本集團共添置約1.56億港元（2012年：1.08億港元）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2013年12月31日之主要附屬公司之詳情載於財務報表附註40。

銀行貸款

於2013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3.32億港元（2012年：3.39億港元）。

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	30%
五大供應商總額合計	51%

本集團於本年度內首五大客戶所佔的銷售總額均低於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27。

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182頁至第187頁。

FIXED ASSETS

During the year, the Group acquired fixed assets of approximately HK\$156 million (2012: HK\$108 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, 2013 are set out in note 40 to the financial statements.

BANK LOANS

As at December 31, 2013, the Group had bank loans of approximately HK\$332 million (2012: HK\$339 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	30%
Five largest suppliers combined	51%

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 27 to the financial statements.

SHARE OPTION INFORMATION

A summary of the Company's share option scheme and details of the movement in share options of the Company during the year are set out on pages 182 to 187.

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¹
Ishwar Bhagwandas CHUGANI先生²
鄭志剛先生[#]
陳世昌先生[#]
畢滌凡博士*
鄭其志先生，GBS，JP*
李鵬飛博士，JP*³
梁覺教授*
Simon Devilliers RUDOLPH先生*⁴

[#] 非執行董事

* 獨立非執行董事

¹ 於2013年2月1日退任

² 於2013年2月1日獲委任

³ 於2013年6月14日退任

⁴ 於2013年6月28日獲委任

於即將舉行之股東週年大會，梁覺教授將根據本公司細則第98條規定輪值告退，而Simon Devilliers RUDOLPH先生將根據本公司細則第101(B)條規定告退。

梁覺教授及Simon Devilliers RUDOLPH先生乎合資格並願意於即將舉行之股東週年大會上膺選連任。除前述者外，本公司其他董事均得繼續留任。

於本報告日，本公司董事之個人資料詳載於本年報第55頁至第59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。

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, Bernard¹
Mr. Ishwar Bhagwandas CHUGANI²
Mr. CHENG Chi Kong, Adrian[#]
Mr. CHAN Sai Cheong[#]
Dr. Barry John BUTTIFANT*
Mr. KWONG Ki Chi, GBS, JP*
Dr. LEE Peng Fei, Allen, JP*³
Professor LEUNG Kwok*
Mr. Simon Devilliers RUDOLPH*⁴

[#] Non-executive directors

* Independent non-executive directors

¹ Retired on February 1, 2013

² Appointed on February 1, 2013

³ Retired on June 14, 2013

⁴ Appointed on June 28, 2013

At the forthcoming annual general meeting of the Company, Professor LEUNG Kwok shall retire by rotation in accordance with Bye-Law 98 of the Company, and Mr. Simon Devilliers RUDOLPH shall retire in accordance with Bye-Law 101(B) of the Company.

Both Professor Leung and Mr. Rudolph, being eligible, will offer themselves for re-election at the forthcoming annual general meeting. Save for the aforesaid, the other directors of the Company will continue in office.

Biographical details of the directors of the Company as at the date of this report are set out on pages 55 to 59 of this annual report. Further information of the retiring directors proposed to be re-elected are set out in the circular.

董事會報告書

DIRECTORS' REPORT

董事服務合約

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

董事享有權益之合約

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

董事之證券權益

於2013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：

DIRECTORS' SERVICE CONTRACT

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

DIRECTORS' INTERESTS IN CONTRACTS

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

DIRECTORS' INTERESTS IN SECURITIES

As at December 31, 2013, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept under section 352 of the SFO; or as notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

董事姓名 Name of director	權益性質 Nature of interest	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	26,318,000	—	1.68%
Ishwar Bhagwandas CHUGANI	個人 Personal	1,200,000	6,000,000	0.46%

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184頁及第186頁。

Note: Interests in the shares and underlying shares of equity derivatives were long position. Underlying unlisted shares are share options granted to the directors pursuant to the share option scheme of the Company and details of which are set out on pages 184 and 186.

除上述披露外，於2013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2013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, 2013, none of the directors nor 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, 2013 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.

主要股東

於2013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, 2013, 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	279,209,469	17.82%
Sino Wealth International Limited 周大福代理人有限公司 Chow Tai Fook Nominee Limited	2	384,830,000	24.56%
拿督鄭裕彤博士	2	384,830,000	24.56%
Dato' Dr. Cheng Yu Tung	2	384,830,000	24.56%
Templeton Asset Management Limited	3	124,140,976	7.92%
JPMorgan Chase & Co.	4	96,068,674 (L)	6.13%
JPMorgan Chase & Co.	4	100,000 (S)	0.01%
JPMorgan Chase & Co.	4	86,760,074 (P)	5.54%

L: 好倉
S: 淡倉
P: 可供借出的股份

L: Long Position
S: Short Position
P: Lending Pool

附註:

Notes:

1. Aberdeen Asset Management Plc及其聯繫人以投資經理身份持有279,209,469股股份。

1. Aberdeen Asset Management Plc and its associates held 279,209,469 shares in the capacity of Investment Manager.

董事會報告書

DIRECTORS' REPORT

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 Name of subsidiary	好倉股份總數 Aggregate long position in shares
Aberdeen Asset Management Asia Limited	259,389,000
Aberdeen Asset Management Inc	14,902,000
Aberdeen Asset Management Limited	190,000
Aberdeen Asset Managers Limited	63,102,000
Aberdeen International Fund Managers Limited	224,311,469
Aberdeen Private Wealth Management Limited	13,722,000

- 該等股份指Sino Wealth International Limited持有的384,830,000股份。Sino Wealth International Limited由周大福代理人有限公司全資擁有，而周大福代理人有限公司則由拿督鄭裕彤博士控制。因此，就證券及期貨條例而言，周大福代理人有限公司及拿督鄭裕彤博士被視為於Sino Wealth International Limited持有上述股份及相關股份中擁有權益。
- Those shares represent 384,830,000 shares held by Sino Wealth International Limited. Sino Wealth International Limited is wholly owned by Chow Tai Fook Nominee Limited, which is in turn controlled by Dato' Dr. Cheng Yu Tung. As such, Chow Tai Fook Nominee Limited and Dato' Dr. Cheng Yu Tung were deemed to have interests in the said shares and underlying shares held by Sino Wealth International Limited for the purpose of the SFO.
- 由Franklin Resources, Inc.之間接全資附屬公司Templeton Asset Management Limited以投資經理身份持有124,140,976股份被視作彼擁有之權益。
- Franklin Resources, Inc. had a deemed interest in respect of 124,140,976 shares held by its indirect wholly-owned subsidiary, Templeton Asset Management Limited in the capacity of Investment Manager.
- 由JPMorgan Chase & Co持有的權益乃終下列身份持倉：
- The interests held by JPMorgan Chase & Co. were held in the following capacities:

身份 Capacity	股份數目 Number of shares 好倉 Long position	股份數目 Number of shares 淡倉 Short Position
實益擁有人 Beneficial owner	440,600	100,000
投資經理 Investment manager	8,868,000	-
託管法團/核准借出代理人 Custodian corporation/ approved lending agent	86,760,074	-

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。

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.

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14A章作出披露。

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.

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。

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.

承董事會命
劉國權
主席

香港，2014年2月27日

On behalf of the Board
LAU Kwok Kuen, Peter
Chairman

Hong Kong, February 27, 2014

獨立核數師報告書 INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

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)

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

本核數師(以下簡稱「我們」)已審計列載於第94頁至181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2013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、合併權益變動表及合併現金流量表，以及主要會計政策概要及其他附註解釋資料。

We have audited the consolidated financial statements of Giordano International Limited (the “Company”) and its subsidiaries (together the “Group”) set out on pages 94 to 181, which comprise the consolidated and company balance sheets as at December 31, 2013, 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.

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佈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。

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.

核數師的責任

我們的責任是根據我們的審計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，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。

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.

我們已根據香港會計師公會頒佈的香港審計準則進行審計。該等準則要求我們遵守道德規範，並規劃及執行審計，以合理確定合併財務報表是否不存在任何重大錯誤陳述。

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.

獨立核數師報告書

INDEPENDENT AUDITOR'S REPORT

審計涉及執程序以獲取有關合併財務報表所載金額及披露資料的審計憑證。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合併財務報表以作出真實而公平的反映相關的內部控制，以設計適當的審計程序，但目的並非對公司內部控制的有效性發表意見。審計亦包括評價董事所採用會計政策的合適性及所作出會計估計的合理性，以及評價合併財務報表的整體列報方式。

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

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2013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，2014年2月27日

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, 2013, 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, February 27, 2014

合併利潤表

CONSOLIDATED INCOME STATEMENT

截至2013年12月31日止年度
For the year ended December 31, 2013

(除每股盈利外， 以百萬港元為單位)	(In HK\$ millions, except earnings per share)	附註 Note	2013	2012
銷售額	Sales	5	5,848	5,673
銷售成本	Cost of sales		(2,297)	(2,342)
毛利	Gross profit		3,551	3,331
其他收入及其他收益，淨額	Other income and other gains, net	6	113	294
分銷費用	Distribution expense		(2,370)	(2,173)
行政費用	Administrative expense		(466)	(447)
經營溢利	Operating profit	7	828	1,005
融資費用	Finance expense	8	(4)	(2)
應佔共同控制公司溢利	Share of profit of jointly controlled companies	19	77	77
應佔聯營公司溢利	Share of profit of associates	20	2	29
除稅前溢利	Profit before taxation	5	903	1,109
稅項	Taxation	11	(173)	(221)
本年度溢利	Profit for the year		730	888
應佔溢利：	Profit attributable to:			
本公司股東	Shareholders of the Company	12	663	826
非控制性權益	Non-controlling interests		67	62
			730	888
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)		42.6	53.8
攤薄 (港仙)	Diluted (HK cents)		42.1	53.2
股息	Dividends	14(a)	626	617

合併綜合收益表

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

截至2013年12月31日止年度
For the year ended December 31, 2013

(以百萬港元為單位)	(In HK\$ millions)	2013	2012
本年度溢利	Profit for the year	730	888
其他綜合收益：	Other comprehensive income:		
或可轉移到損益賬之項目	Items that may be reclassified		
	to profit or loss		
可出售金融資產 公允值之變動(附註21)	Fair value change on available-for-sale financial asset (Note 21)	(10)	5
現金流量套期公允值之溢利 (附註26)	Fair value gain on cash flow hedge (Note 26)	3	-
出售製造業務 變現之儲備(附註34)	Realization of reserves upon disposal of manufacturing business (Note 34)	-	(1)
出售一可出售金融資產 變現之儲備	Realization of reserves upon disposal of an available-for-sale financial asset	-	(14)
分階段收購附屬公司後變現 原先持有聯營公司之儲備 (附註35)	Realization of reserves upon disposal of previously held interests of associates in a step acquisition of subsidiaries (Note 35)	-	(3)
海外附屬公司、聯營公司、 共同控制公司及分公司換算 之匯兌調整	Exchange adjustment on translation of overseas subsidiaries, associates, jointly controlled entities and branches	(40)	34
本年度總綜合收益	Total comprehensive income for the year	683	909
應佔總綜合收益：	Total comprehensive income attributable to:		
本公司股東	Shareholders of the Company	645	855
非控制性權益	Non-controlling interests	38	54
		683	909

合併資產負債表

CONSOLIDATED BALANCE SHEET

2013年12月31日
December 31, 2013

		截至12月31日		截至1月1日
		As at December 31		As at
		2013	2012	January 1
			(重列)	(重列)
(以百萬港元為單位)	(In HK\$ millions)	Note	(Restated)	(Restated)
資產	ASSETS			
非流動資產	Non-current assets			
物業、機器及設備	Property, plant and equipment	15	284	229
投資物業	Investment property	16	–	74
商譽	Goodwill	17	535	5
共同控制公司權益	Interest in jointly controlled companies	19	539	415
聯營公司權益	Interest in associates	20	5	54
可出售之金融資產	Available-for-sale financial assets	21	14	19
於損益賬按公允值處理之金融資產	Financial assets at fair value through profit or loss	22	28	28
租賃土地及租金預付款項	Leasehold land and rental prepayments	23	246	265
租賃按金	Rental deposits		153	133
遞延稅項資產	Deferred tax assets	30	49	42
			1,853	1,264
流動資產	Current assets			
存貨	Inventories	24	518	605
租賃土地及租金預付款項	Leasehold land and rental prepayments	23	44	45
應收賬款及其他應收款	Trade and other receivables	25	614	633
衍生金融工具	Derivative financial instruments	26	3	–
現金及銀行結存	Cash and bank balances	32	1,437	1,272
			2,616	2,555
資產總額	Total assets		4,469	3,819

合併資產負債表(續)

CONSOLIDATED BALANCE SHEET (continued)

2013年12月31日
December 31, 2013

			截至12月31日 As at December 31	截至1月1日 As at January 1	
(以百萬港元為單位)	(In HK\$ millions)	附註 Note	2013	2012 (重列) (Restated)	2012 (重列) (Restated)
權益及負債	EQUITY AND LIABILITIES				
股本及儲備	Capital and reserves				
股本	Share capital	27	78	77	76
儲備	Reserves	28	2,642	2,522	2,297
擬派股息	Proposed dividends	14	376	386	350
本公司股東應佔權益	Equity attributable to shareholders of the Company		3,096	2,985	2,723
非控制性權益	Non-controlling interests		153	156	86
權益總額	Total equity		3,249	3,141	2,809
非流動負債	Non-current liabilities				
其他長期負債	Other long-term liabilities	29	102	102	-
遞延稅項負債	Deferred tax liabilities	30	118	121	101
			220	223	101
流動負債	Current liabilities				
應付賬款及其他應付款	Trade and other payables	31	532	748	698
銀行貸款	Bank loans	33	332	339	63
稅項	Taxation		136	151	148
			1,000	1,238	909
負債總額	Total liabilities		1,220	1,461	1,010
權益及負債總額	Total equity and liabilities		4,469	4,602	3,819
淨流動資產	Net current assets		1,616	1,543	1,646
資產總額減流動負債	Total assets less current liabilities		3,469	3,364	2,910

劉國權
LAU Kwok Kuen, Peter
董事
Director

Ishwar Bhagwandas CHUGANI
董事
Director

資產負債表

BALANCE SHEET

2013年12月31日
December 31, 2013

(以百萬港元為單位)	(In HK\$ millions)	附註 Note	2013	2012
資產	ASSETS			
非流動資產	Non-current assets			
物業、機器及設備	Property, plant and equipment	15	8	8
附屬公司權益	Interest in subsidiaries	18	817	817
於損益賬按公允值處理 之金融資產	Financial assets at fair value through profit or loss	22	28	28
應收附屬公司款項	Amounts due from subsidiaries	18	239	248
租賃土地及租金預付款項	Leasehold land and rental prepayments	23	124	129
租賃按金	Rental deposits		1	1
			1,217	1,231
流動資產	Current assets			
租賃土地及租金預付款項	Leasehold land and rental prepayments	23	5	5
應收賬款及其他應收款	Trade and other receivables	25	8	9
應收附屬公司款項	Amounts due from subsidiaries	18	699	871
現金及銀行結存	Cash and bank balances	32	122	6
			834	891
資產總額	Total assets		2,051	2,122

資產負債表(續) BALANCE SHEET (continued)

2013年12月31日
December 31, 2013

(以百萬港元為單位)	(In HK\$ millions)	附註 Note	2013	2012
權益及負債	EQUITY AND LIABILITIES			
股本及儲備	Capital and reserves			
股本	Share capital	27	78	77
儲備	Reserves	28	1,532	1,601
擬派股息	Proposed dividends	14	376	386
權益總額	Total equity		1,986	2,064
流動負債	Current liabilities			
應付賬款及其他應付款	Trade and other payables	31	6	9
應付附屬公司款項	Amounts due to subsidiaries	18	26	9
銀行貸款	Bank loans	33	33	40
負債總額	Total liabilities		65	58
權益及負債總額	Total equity and liabilities		2,051	2,122
淨流動資產	Net current assets		769	833
資產總額減流動負債	Total assets less current liabilities		1,986	2,064

劉國權
LAU Kwok Kuen, Peter
董事
Director

Ishwar Bhagwandas CHUGANI
董事
Director

合併現金流量表

CONSOLIDATED CASH FLOW STATEMENT

截至2013年12月31日止年度
For the year ended December 31, 2013

(以百萬港元為單位)	(In HK\$ millions)	附註 Note	2013	2012
經營業務：	Operating activities:			
除稅前溢利	Profit before taxation		903	1,109
調整：	Adjustments for:			
出售製造業務附屬公司權益之收益	Gain on disposal of manufacturing subsidiaries	34	-	(57)
分階段收購附屬公司時以公允值重新計量原先持有之權益之收益	Gain on remeasurement of previously held interest upon step acquisition of subsidiaries	35	-	(100)
出售一可供出售金融資產收益	Gain on disposal of an available-for-sale financial asset	21	-	(14)
應佔共同控制公司溢利	Share of profit of jointly controlled companies	19	(77)	(77)
應佔聯營公司溢利	Share of profit of associates	20	(2)	(29)
租賃土地及租金預付款項攤銷	Amortization of leasehold land and rental prepayments	23	66	44
利息收入	Interest income	6	(24)	(24)
折舊	Depreciation	7	128	106
出售物業、機器及設備之淨虧損	Net loss on disposal of property, plant and equipment	6	2	-
銀行貸款利息	Interest on bank loans	8	4	2
購股權費用	Share option expense	9	8	8
匯兌調整	Exchange difference		(29)	(9)
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		979	959
存貨之(增加)/減少	(Increase)/decrease in inventories		(42)	183
應收賬款及其他應收款之減少	Decrease in trade and other receivables		43	4
應付賬款及其他應付款之減少	Decrease in trade and other payables		(56)	(123)
經營活動所產生之現金	Cash generated from operations		924	1,023
已付利息	Interest paid		(4)	(2)
已付香港利得稅	Hong Kong profits tax paid		(57)	(24)
已付海外稅項	Overseas tax paid		(127)	(192)
經營業務之現金流入淨額	Net cash inflow from operating activities		736	805

合併現金流量表(續)

CONSOLIDATED CASH FLOW STATEMENT (continued)

截至2013年12月31日止年度
For the year ended December 31, 2013

(以百萬港元為單位)	(In HK\$ millions)	附註 Note	2013	2012
投資業務：	Investing activities:			
購買物業、機器及設備	Purchase of property, plant and equipment	15	(156)	(108)
出售製造業務附屬公司 (減除銀行結存及現金等值)	Disposal of manufacturing subsidiaries (net of bank balances and cash equivalents disposed of)	34	-	151
收購附屬公司 (減除銀行結存及現金等值)	Acquisition of subsidiaries (net of bank balances and cash equivalents acquired of)	35	-	(361)
支付予非控制性權益的對價	Consideration paid to non-controlling interests	36	-	(2)
租賃土地及租金預付款項之增加	Increase in leasehold land and rental prepayments	23	(56)	(47)
租賃按金之增加	Increase in rental deposits		(9)	(20)
銀行定期存款之減少/(增加)	Decrease/(increase) in bank time deposits	32	435	(430)
已收利息	Interest received		24	24
已收共同控制公司股息	Dividends received from jointly controlled companies		60	-
已收聯營公司股息	Dividends received from associates		-	21
投資業務之 現金流入/(流出)淨額	Net cash inflow/(outflow) from investing activities		298	(772)
融資業務：	Financing activities:			
發行股本所得款項	Proceeds from issue of share capital		98	90
已付非控制性權益股息	Dividends paid to non-controlling interests		(128)	(17)
已付股息	Dividends paid		(640)	(585)
銀行貸款之增加	Addition of bank loans		-	299
償還銀行貸款	Repayments of bank loans		-	(18)
融資業務之現金流出淨額	Net cash outflow from financing activities		(670)	(231)
現金及現金等值之增加/(減少)	Increase/(decrease) in cash and cash equivalents		364	(198)
年初現金及現金等值 結存	Cash and cash equivalents at the beginning of the year		872	1,062
現金及現金等值外幣匯率變動 之影響	Effect of foreign exchange rate changes on cash and cash equivalents		(4)	8
年終現金及現金等值 結存	Cash and cash equivalents at the end of the year		1,232	872
現金及現金等值結存之分析	ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
現金及銀行結存	Cash and bank balances	32	1,437	1,512
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		(205)	(640)
			1,232	872

權益變動表

STATEMENTS OF CHANGES IN EQUITY

截至2013年12月31日止年度
For the year ended December 31, 2013

(a) 集團 Group

	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			
(以百萬港元為單位) (In HK\$ millions)													
於2013年1月1日·重列 At January 1, 2013, as restated	77	383	3	808	21	143	30	5	1,515	2,985	156	3,141	
本年度溢利 Profit for the year	-	-	-	-	-	-	-	-	663	663	67	730	
其他綜合收益： Other comprehensive income:													
- 可出售金融資產公允價值 之變動(附註21) - Fair value change on available- for-sale financial assets (Note 21)	-	-	-	-	-	-	-	(10)	-	(10)	-	(10)	
- 現金流量套期公允價值 之溢利(附註26) - Fair value gain on cash flow hedge (Note 26)	-	-	-	-	-	-	3	-	-	3	-	3	
- 海外附屬公司、聯營公司、 共同控制公司及分公司換算 之匯兌調整 - Exchange adjustment on translation of overseas subsidiaries, associates, jointly controlled entities and branches	-	-	-	-	-	(11)	-	-	-	(11)	(29)	(40)	
總綜合收益 Total comprehensive income	-	-	-	-	-	(11)	3	(10)	663	645	38	683	

權益變動表 (續)

STATEMENTS OF CHANGES IN EQUITY (continued)

截至2013年12月31日止年度
For the year ended December 31, 2013

(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 Available- for-sale financial asset reserve	滾存溢利 Retained profits	合計 Total	非控制性 權益 Non- controlling interests	權益總額 Total equity
與所有者交易：												
Transactions with owners:												
儲備間撥轉												
Transfer among reserves	-	-	-	-	(6)	-	58	-	(52)	-	-	-
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	1	-	-	97	-	-	-	-	-	98	-	98
- 購股權費用 - Share option expense	-	-	-	-	8	-	-	-	-	8	-	8
非控制性權益股息												
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(41)	(41)
2012年末期股息(附註14(b)) 2012 final dividend (Note 14(b))	-	-	-	-	-	-	-	-	(390)	(390)	-	(390)
2013年中期股息(附註14(a)) 2013 interim dividend (Note 14(a))	-	-	-	-	-	-	-	-	(250)	(250)	-	(250)
本公司擁有人出資及 向本公司擁有人分派總額												
Total contributions by and distributions to owners of the Company	1	-	-	97	2	-	58	-	(692)	(534)	(41)	(575)
與所有者總交易												
Total transactions with owners	1	-	-	97	2	-	58	-	(692)	(534)	(41)	(575)
於2013年12月31日 At December 31, 2013	78	383	3	905	23	132	91	(5)	1,486	3,096	153	3,249

權益變動表 (續)

STATEMENTS OF CHANGES IN EQUITY (continued)

截至2013年12月31日止年度

For the year ended December 31, 2013

(a) 集團 Group

(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2012年1月1日，如之前呈報 At January 1, 2012, as previously reported	76	383	3	719	19	106	136	13	1,280	2,735	86	2,821	
會計政策變更之影響 Effect of changes in accounting policies	-	-	-	-	-	-	-	-	(12)	(12)	-	(12)	
於2012年1月1日，重列 At January 1, 2012, as restated	76	383	3	719	19	106	136	13	1,268	2,723	86	2,809	
本年度溢利 Profit for the year	-	-	-	-	-	-	-	-	826	826	62	888	
其他綜合收益： Other comprehensive income:													
- 可出售金融資產公允價值 之溢利 (附註21) - Fair value gains on available- for-sale financial assets (Note 21)	-	-	-	-	-	-	-	5	-	5	-	5	
- 出售製造業務變現 之儲備 (附註34) - Realization of reserves upon disposal of manufacturing business (Note 34)	-	-	-	-	-	(1)	-	-	-	(1)	-	(1)	
- 分階段收購附屬公司後變現 原先持有聯營公司之儲備 (附註35) - Realization of reserves upon disposal of previously held interests of associates in a step acquisition of subsidiaries (Note 35)	-	-	-	-	-	(3)	-	-	-	(3)	-	(3)	
- 出售一可出售金融資產變現 之儲備 - Realization of reserves upon disposal of an available- for-sale financial asset	-	-	-	-	-	(1)	-	(13)	-	(14)	-	(14)	
- 海外附屬公司、聯營公司、 共同控制公司及分公司換算 之匯兌調整 - Exchange adjustment on translation of overseas subsidiaries, associates, jointly controlled entities and branches	-	-	-	-	-	42	-	-	-	42	(8)	34	
總綜合收益 Total comprehensive income	-	-	-	-	-	37	-	(8)	826	855	54	909	

權益變動表 (續)

STATEMENTS OF CHANGES IN EQUITY (continued)

截至2013年12月31日止年度
For the year ended December 31, 2013

(a) 集團 Group

(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											
	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	非控制性 權益 Non- controlling interests	權益總額 Total equity
與所有者交易：	Transactions with owners:											
儲備間撥轉	Transfer among reserves											
購股權計劃	-	-	-	-	(6)	-	-	-	6	-	-	-
Share option scheme	Share option scheme											
- 因行使購股權而發行之股份	- Shares issued upon exercise											
- 購股權費用	1	-	-	89	-	-	-	-	-	90	-	90
- Share option expense	-	-	-	-	8	-	-	-	-	8	-	8
非控制性權益股息	Dividends to non-controlling interests											
2011年末期股息(附註14(b))	-	-	-	-	-	-	-	-	-	-	(17)	(17)
2011 final dividend (Note 14(b))	-	-	-	-	-	-	-	-	(354)	(354)	-	(354)
2012年中期股息(附註14(a))	-	-	-	-	-	-	-	-	(231)	(231)	-	(231)
2012 interim dividend (Note 14(a))	-	-	-	-	-	-	-	-	(231)	(231)	-	(231)
本公司擁有人出資及 向本公司擁有人分派總額	Total contributions by and distributions to owners of the Company											
	1	-	-	89	2	-	-	-	(579)	(487)	(17)	(504)
業務合併產生的非控制性權益 (附註35)	Non-controlling interests arising on business combination (Note 35)											
因收購附屬公司而產生之認估期 權益負債(附註29)	Recognition of put option liability arisen from acquisition of subsidiaries (Note 29)											
	-	-	-	-	-	-	(102)	-	-	(102)	-	(102)
於附屬公司的擁有權益改變而 控制權不變(附註36)	Changes in ownership interests in subsidiaries without change of control (Note 36)											
	-	-	-	-	-	-	(4)	-	-	(4)	2	(2)
與所有者總交易	Total transactions with owners											
	1	-	-	89	2	-	(106)	-	(579)	(593)	16	(577)
於2012年12月31日	At December 31, 2012											
	77	383	3	808	21	143	30	5	1,515	2,985	156	3,141

權益變動表（續）

STATEMENTS OF CHANGES IN EQUITY (continued)

截至2013年12月31日止年度

For the year ended December 31, 2013

(b) 公司 Company

		股本	繳入盈餘	資本 贖回儲備	股份溢價	購股權 儲備	滾存溢利	權益總額
		Share	Contributed	Capital	Share	Share	Retained	Total
(以百萬港元為單位)	(In HK\$ millions)	capital	surplus	redemption	premium	options	profits	equity
於2013年1月1日	At January 1, 2013	77	540	3	808	21	615	2,064
本年度溢利(附註12)	Profit for the year (Note 12)	-	-	-	-	-	456	456
總綜合收益	Total comprehensive income	-	-	-	-	-	456	456
儲備間撥轉	Transfer among reserves	-	-	-	-	(6)	6	-
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	1	-	-	97	-	-	98
- 購股權費用	- Share option expense	-	-	-	-	8	-	8
2012年末期股息(附註14(b))	2012 final dividend (Note 14(b))	-	-	-	-	-	(390)	(390)
2013年中期股息(附註14(a))	2013 interim dividend (Note 14(a))	-	-	-	-	-	(250)	(250)
		1	-	-	97	2	(634)	(534)
於2013年12月31日	At December 31, 2013	78	540	3	905	23	437	1,986

權益變動表 (續)

STATEMENTS OF CHANGES IN EQUITY (continued)

截至2013年12月31日止年度
For the year ended December 31, 2013

(b) 公司 Company

2012年之比較數字如下：

The comparative figures for 2012 are set out as follows:

(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	滾存溢利 Retained profits	權益總額 Total equity
於2012年1月1日	At January 1, 2012	76	540	3	719	19	425	1,782
本年度溢利 (附註12)	Profit for the year (Note 12)	-	-	-	-	-	769	769
總綜合收益	Total comprehensive income	-	-	-	-	-	769	769
儲備間撥轉	Transfer among reserves	-	-	-	-	(6)	6	-
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	1	-	-	89	-	-	90
- 購股權費用	- Share option expense	-	-	-	-	8	-	8
2011年末期股息 (附註14(b))	2011 final dividend (Note 14(b))	-	-	-	-	-	(354)	(354)
2012年中期股息 (附註14(a))	2012 interim dividend (Note 14(a))	-	-	-	-	-	(231)	(231)
		1	-	-	89	2	(579)	(487)
於2012年12月31日	At December 31, 2012	77	540	3	808	21	615	2,064

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

2013年12月31日
December 31, 2013

1. 一般資料

佐丹奴國際有限公司(「本公司」)及其附屬公司(統稱「本集團」)透過一個擁有超過2,600間店鋪並遍布20多個國家之零售網絡分銷及銷售Giordano及Giordano Junior、Giordano Ladies及BSX等時尚服裝品牌。

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2014年2月27日獲董事會通過。

2. 主要會計政策

編製本合併財務報表採用的主要會計政策載於下文。除另有說明外，此等政策在所列報的所有年度內貫徹應用。

(a) 編製基準

本合併財務報表乃按照香港會計師公會頒佈之香港財務報告準則(「HKFRS」)編製。本合併財務報表按照歷史成本法編製，再重估可供出售金融資產，於損益賬按公允值處理之金融資產以及衍生金融工具之公允值計量而作出修訂。

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

1. GENERAL INFORMATION

Giordano International Limited (the "Company") and its subsidiaries (together the "Group") distribute and sell fashion apparel under the brand names of *Giordano & Giordano Junior*, *Giordano Ladies* and *BSX* through an extensive retailing network with over 2,600 shops spanning over 20 countries.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is 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 millions 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 February 27, 2014.

2. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants. The consolidated financial statements are prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets at fair value through profit or loss and derivative financial instruments, which are carried at fair value.

The preparation of financial statements in conformity with HKFRS 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

2. 主要會計政策(續)

(b) 新增及經修改之準則及詮釋的影響

本集團應用以下之修改準則，並於2013年1月1日或之後開始之本集團財政年度生效。

香港會計準則1 (修改)	財務報表之呈列 (2012年7月1日或之後 開始的年度期間生效)
香港會計準則19 (修訂)	僱員福利 (2013年1月1日或之後 開始的年度期間生效)
香港會計準則27 (修訂)	獨立財務報表 (2013年1月1日或之後 開始的年度期間生效)
香港財務報告 準則10	綜合財務報表 (2013年1月1日或之後 開始的年度期間生效)
香港財務報告 準則11	合營安排 (2013年1月1日或之後 開始的年度期間生效)
香港財務報告 準則12	披露於其他實體之權益 (2013年1月1日或之 後開始的年度期間生效)
香港財務報告 準則13	公允值計量 (2013年1月1日或之後 開始的年度期間生效)

除香港會計準則19(修訂)外，採納以上之新增/修訂準則及對現行準則之修改並無對本集團之合併財務報表造成重大影響。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(b) Impact of new and amended standards and interpretations

The Group has adopted the following amended standards which are effective for the Group's financial year beginning on or after January 1, 2013:

HKAS 1 (Amendment)	Presentation of financial statements (effective for annual periods beginning on or after July 1, 2012)
HKAS 19 (Revised)	Employee benefits (effective for annual periods beginning on or after January 1, 2013)
HKAS 27 (Revised)	Separate financial statements (effective for annual periods beginning on or after January 1, 2013)
HKFRS 10	Consolidated financial statements (effective for annual periods beginning on or after January 1, 2013)
HKFRS 11	Joint arrangements (effective for annual periods beginning on or after January 1, 2013)
HKFRS 12	Disclosure of interests in other entities (effective for annual periods beginning on or after January 1, 2013)
HKFRS 13	Fair value measurement (effective for annual periods beginning on or after January 1, 2013)

Except for HKAS 19 (Revised), the adoption of the above new/revised standards and amendment to existing standards have no material impact to the Group's consolidated financial statements.

財務報表附註（續）

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

2. 主要會計政策（續）

(b) 新增及經修改之準則及詮釋的影響（續）

香港會計準則19（修訂）「僱員福利」（自2013年1月1日起生效）修訂僱員福利的會計計量。本集團已根據該準則的過渡條文追溯應用該準則。在以下方面對本集團產生影響：

修訂後的準則刪除了區間法，並要求就設定受益計劃按淨注資基準計算融資成本。其亦要求因經驗調整及精算假設改變而產生的精算利得和損失立即在其他綜合收益中確認以及過去服務成本立即在利潤表中確認。

修訂後的準則亦以基於年初時計量的設定受益資產或負債淨額和折現率的淨利息費用替代設定受益義務的利息費用和計劃資產的預期回報。確定折現率的方法未發生變化；其仍反映了高質量的公司債券的收益。這一變化對計入利潤表的費用和綜合收益總額並無影響，因為應用於資產的折現率等於資產的預期回報。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(b) Impact of new and amended standards and interpretations (continued)

HKAS 19 (Revised) “Employee benefits” (effective from January 1, 2013) amends the accounting for employment benefits. The Group has applied the standard retrospectively in accordance with the transition provisions of the standard. The impact on the Group has been in the following areas:

The revised standard eliminates the corridor approach and requires financial costs to be calculated on a net funding basis for a defined benefit plan. It also requires actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions to be recognized immediately in other comprehensive income and past service costs immediately in the income statement.

The revised standard also replaces the interest cost on the defined benefit obligation and the expected return on plan assets with a net interest cost based on the net defined benefit asset or liability and the discount rate, measured at the beginning of the year. There is no change to determining the discount rate. This continues to reflect the yield on high-quality corporate bonds. This has no impact to the income statement and total comprehensive income as the discount rate applied to assets is equal to the expected return on assets.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

2. 主要會計政策(續)

(b) 新增及經修改之準則及詮釋的影響(續)

採納香港會計準則19(修訂)後會計政策變動的影響載列於下：

合併資產負債表：

(以百萬港元為單位)	(In HK\$ millions)	於2013年 12月31日 As at December 31 2013	於2012年 12月31日 As at December 31 2012	於2012年 1月1日 As at January 1 2012
滾存溢利減少	Decrease in retained earnings	12	12	12
離職後福利減少	Decrease in post employment benefits			
—其他應收賬減少	— Decrease in other receivables	3	3	3
—其他應付賬增加	— Increase in other payable	9	9	9
資產淨值減少	Decrease in net assets	12	12	12

此乃一個新術語「重新計量」。它由精算收益和損失、實際投資回報與淨利息費用所暗示的回報之間的差額組成。

會計政策變動對截至2013年及2012年12月31日止12個月的利潤表、綜合收益表、現金流量表及每股盈利的影響並不重大。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(b) Impact of new and amended standards and interpretations (continued)

The effects of changes to the accounting policy on the adoption of HKAS 19 (Revised) are set out below:

On the consolidated balance sheet:

There is a new term “remeasurements”. This is made up of actuarial gains and losses, the difference between actual investment returns and the return implied by the net interest cost.

The effect of the change in accounting policy on the income statement, statement of comprehensive income, cash flow statement and earnings per share for the twelve months ended December 31, 2013 and 2012 was immaterial.

財務報表附註（續）

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

2. 主要會計政策（續）

(c) 附屬公司

附屬公司為本集團控制之實體（包括結構性實體）。當本集團對參與實體業務之浮動回報承擔風險或享有權利以及能透過對實體之權力影響該等回報時，即取得控制權。

附屬公司在控制權轉移至本集團之日全面合併入賬。附屬公司在控制權終止之日起停止合併入賬。

集團內公司之間的交易、結餘及交易之未變現利得予以對銷。未變現損失亦予以對銷。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。

業務合併

本集團利用購買法將業務合併入賬。購買一子公司所轉讓的對價，為所轉讓資產、對被收購方的前所有人產生的負債，及本集團發行的股本權益的公允價值。所轉讓的對價包括或有對價安排所產生的任何資產和負債的公允價值。在業務合併中所購買可辨認的資產以及所承擔的負債及或有負債，首先以彼等於購買日期的公允價值計量。就個別收購基準，本集團可按公允價值或按非控制性權益應佔被購買方淨資產的比例，計量被收購方的非控制性權益。

收購相關成本於產生時列為開支。

倘業務合併分階段進行，收購方過往於被收購方持有之股權按於收購日期之公允價值透過損益重新計量。上述重新計量時出現之收益及虧損均於收益表內確認。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(c) Subsidiaries

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

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.

Intra-group transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Business combination

The Group applies the acquisition method 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 to the former owners of the acquiree 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. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognized amounts of acquiree's identifiable net assets.

Acquisition related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognized in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

2. 主要會計政策(續)

(c) 附屬公司(續)

業務合併(續)

所轉讓對價、被收購方任何非控制性權益及被收購方任何過往股權於收購日期之公允值超出所收購資產淨值公允值之差額乃作為商譽列賬。若在折扣收購之情況下，所轉讓對價、已確認非控制性權益及已計量之過往持有權益少於所收購附屬公司之資產淨值公允值，差額直接於合併利潤表內確認。

不導致失去控制權的子公司權益變動

本集團將其與非控制性權益進行不導致失去控制權的交易入賬為權益交易—即與所有者以其作為所有者身份進行的交易。所支付任何對價的公允價值與相關應佔所收購子公司淨資產賬面值的差額記錄為權益。向非控制性權益的處置的盈虧亦記錄在權益中。

出售子公司

當集團不再持有控制權或重大影響力，在實體的任何保留權益重新計量至公平值，賬面值的變動在損益中確認。公平值為就保留權益的後續入賬而言為聯營公司、共同控制公司或金融資產的初始賬面值。此外，之前在其他全面收入中確認與該實體有關的任何金額猶如本集團已直接出售相關資產和負債般入賬。這可能表示之前在其他全面收入中確認的數額重新分類至損益。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(c) Subsidiaries (continued)

Business combination (continued)

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 identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated income statement.

Change in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposal to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

2. 主要會計政策(續)

(c) 附屬公司(續)

獨立財務報表

子公司投資按成本扣除減值列賬。成本亦包括投資的直接歸屬成本。子公司的業績由本公司按已收及應收股息入賬。

如股息超過宣派股息期內子公司的總綜合收益，或如在獨立財務報表的投資帳面值超過合併財務報表中被投資公司淨資產(包括商譽)的帳面值，則必須對子公司投資作減值測試。

(d) 共同控制公司

本集團已於2012年1月1日應用HKFRS 11於所有共同控制公司。根據HKFRS 11，在合營安排的投資分類為共同經營或合營企業，視乎每名投資者擁有的合同權利和義務。本公司已評估其合營安排的性質，並釐定其為合營企業。合營投資使用權益法入賬。

根據權益法，合營企業權益初步以成本確認，其後經調整在其他綜合收益中確認集團享有利潤或虧損的收購後份額和變動。當集團享有某一合營企業的虧損超過或相等於在該合營企業的權益(包括任何實質上構成集團在該合營淨投資的長期權益)，則集團不確認進一步虧損，除非集團已產生義務或已代合營企業付款。

集團與其合營企業之間的未變現交易利得按集團在該等合營企業的權益予以對消。未變現虧損也予以對消，除非交易提供證據證明所轉讓的資產出現減值。合營企業的會計政策如有需要已改變以符合集團採納的政策。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(c) Subsidiaries (continued)

Separate financial statements

Investments in subsidiaries are accounted for at cost, less impairment. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

(d) Joint arrangements

The Group has applied HKFRS 11 to all joint arrangements as of January 1, 2012. Under HKFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor have. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

2. 主要會計政策(續)

(e) 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。根據權益法，投資初始以成本確認，而賬面值被增加或減少以確認投資者享有被投資者在收購日期後的損益份額。

本集團對收購後應佔聯營公司的利潤或虧損於合併利潤表中確認，而應佔收購後的聯營公司在其他綜合收益表中確認，並於投資賬面值相對調整。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。

本集團在每個報告日期釐定是否有客觀證據證明聯營公司投資已減值。如投資已減值，本集團計算減值，數額為聯營公司可收回數額與其賬面值的差額，並在合併利潤表中確認。

本集團與其聯營公司之間的上流和下流交易的利潤和虧損，在集團的財務報表中確認，但僅限於無關連投資者在聯營權益的數額。除非交易提供證據顯示所轉讓資產已減值，否則未實現虧損亦予以對銷。聯營公司的會計政策已按需要作出改變，以確保與本集團採用的政策符合一致。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(e) Associates

An associate is a company over which the Group has significant influence but does not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in an associate are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition.

The Group's share of its associate's post-acquisition profits or losses is recognized in the consolidated income statement, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income with a corresponding adjustment to 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.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in the consolidated income statement.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognized in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealized losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the group.

財務報表附註（續）

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

2. 主要會計政策（續）

(f) 分部報表

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

(g) 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本集團的呈列貨幣。

(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。除了符合在權益中遞延入賬的現金流量套期和淨投資套期外，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合併利潤表中確認。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(f) 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 directors and senior management that make strategic decisions.

(g) 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 the Group's 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 consolidated income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

2. 主要會計政策(續)**(g) 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。

購買境外主體產生的商譽及公允價值調整視為該境外主體的資產和負債，並按期末匯率換算。產生的匯兌差額在其他綜合收益中入賬。

(iv) 境外經營的處置

對於境外經營的處置(即處置集團在境外經營中的全部權益，或者處置涉及喪失對擁有境外經營的公司的控制權，或涉及喪失對擁有境外經營的共同控制主體的共同控制權，或涉及喪失對擁有境外經營的聯營企業的控制權)，就該項經營累計計入權益的歸屬於公司權益持有者的所有匯兌差額均重分類至損益。

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

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entities and translated at the closing rate. Exchange differences arising are recognized in other comprehensive income.

(iv) Disposal of foreign operation

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

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

2. 主要會計政策(續)

(h) 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。

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)。已更換零件的賬面值已被終止確認。所有其他維修及保養支出於其產生之財務期內計入合併利潤表。

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

- 永久業權之土地不作攤銷。
- 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。
- 廠房及機器 5年
- 其他物業及設備 3至5年

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(h) 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.

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. The carrying amount of the replaced part is derecognized. All other repairs and maintenance costs are expensed in the consolidated 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 amortized.
- 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 and equipment 5 years
- Other property and equipment 3 – 5 years

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

2. 主要會計政策(續)

(h) 物業、機器及設備(續)

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。

若資產的賬面值高於其估計可收回價值，其賬面值即時撇減至可收回金額。

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

(i) 投資物業

投資物業是指持有作為長期收租或資本增值，或兩者皆是。投資物業包括融資租賃之樓宇，以成本值扣除累積折舊及累積減值虧損列賬。成本值是指投資物業之購買價及將物業達至現行用途之其他有關費用。投資物業之折舊是按剩餘租賃年期將其成本值用直線折舊方法撇銷計算。

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

投資物業於其被出售或投資物業永久不再被使用且預期不會就其出售產生未來經濟利益時終止確認。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(h) Property, plant and equipment (continued)

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

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

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

(i) 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 consolidated income statement during the financial period in which they are incurred.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

2. 主要會計政策(續)

(j) 商譽

商譽產生自收購附屬公司、聯營和合營企業，並相當於所轉讓對價超過本公司在被收購方的可辨認資產、負債和或有負債淨公允價值權益與非控制性權益在被收購方公允價值的數額。

就減值測試而言，在業務合併中購入的商譽會分配至每個現金產出單元或現金產出單元組(預期可從合併中獲取協同利益)。商譽被分配的每個單元或單元組指在主體內商譽被監控作內部管理用途的最底層次。商譽在經營分部層次進行監控。

對商譽的減值檢討每年進行，或如事件或情況轉變顯示可能存在減值，則更頻密地檢討。商譽賬面值與可收回數額(使用價值與公允價值減出售成本較高者)比較。任何減值須即時確認及不得在之後期間撥回。

(k) 非金融資產減值

使用壽命不限定的資產無需攤銷，但每年須就減值進行測試。須作攤銷的資產，當有事件出現或情況改變顯示賬面值可能無法收回時就進行減值檢討。減值虧損按資產的賬面值超出其可收回金額的差額確認。可收回金額以資產的公允價值扣除銷售成本或使用價值兩者之間較高者為準。於評估減值時，資產按可分開辨認現金流量(現金產出單元)的最低層次組合。除商譽外，已蒙受減值的非金融資產在每個報告日期均就減值是否可以轉回進行檢討。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(j) Goodwill

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures and represents the excess of the consideration transferred over the Company's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognized immediately as an expense and is not subsequently reversed.

(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). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

2. 主要會計政策(續)

(I) 金融資產

分類

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

(i) 按公允值透過損益記賬的金融資產

按公允值透過損益記賬的金融資產指持有作買賣用途的金融資產。金融資產若在購入時主要用作在短期內出售，則分類為此類別。衍生工具除非被指定為套期，否則亦分類為持作買賣用途。在此類別的資產假若預期在12個月內結算，分類為流動資產；否則分類為非流動資產。

(ii) 貸款及應收款

貸款及應收款為有固定或可釐定付款額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的非衍生工具。除非投資到期或管理層有意在報告期末後12個月內處置該投資，否則此等資產列在非流動資產內。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(I) Financial assets

Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, 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

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also classified in this category as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

(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 balance" 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 the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

財務報表附註（續）

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

2. 主要會計政策（續）

(l) 金融資產（續）

確認及計量

常規購買及出售的金融資產在交易日確認－交易日指本集團承諾購買或出售該資產之日。對於以公允價值計量但其變動並非計入損益的所有金融資產，其投資初始按其公允價值加交易成本確認。以公允價值計量且其變動計入損益的金融資產，初始按公允價值確認，而交易成本則在利潤表支銷。當從投資收取現金流量的權利已到期或已轉讓，而本集團已實質上將所有權的所有風險和報酬轉讓時，金融資產即終止確認。可供出售金融資產及以公允價值計量且其變動計入損益的金融資產其後按公允價值列賬。貸款及應收款項其後利用實際利率法按攤銷成本列賬。

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允價值調整列入利潤表內作為「投資證券的利得和損失」。

(m) 金融資產減值

(i) 以攤銷成本列賬的資產

本集團於每個報告期末評估是否存在客觀證據證明某一金融資產或某一金融資產組出現減值。只有當存在客觀證據證明於因為首次確認資產後發生一宗或多宗事件導致出現減值（「損失事項」），而該宗（或該等）損失事項對該項或該組金融資產的估計未來現金流量構成的影響可以合理估計，有關的金融資產或金融資產組才算出現減值及產生減值虧損。

減值虧損的證據可包括債務人或一組債務人遇上嚴重財政困難、逾期或拖欠償還利息或本金、債務人很有可能破產或進行其他財務重組，以及有可觀察數據顯示估計未來現金流有可計量的減少，例如與違約有相互關連的拖欠情況或經濟狀況改變。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(l) Financial assets (continued)

Recognition and measurement

Regular way purchases and sales of financial assets are recognized on the trade-date – the date on which the group commits to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortized cost using the effective interest method.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognized in equity are included in the income statement as “gains and losses from investment securities”.

(m) Impairment of financial assets

(i) Assets carried at amortized cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a ‘loss event’) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

2. 主要會計政策(續)**(m) 金融資產減值(續)****(i) 以攤銷成本列賬的資產(續)**

對於貸款及應收款類別，損失金額乃根據資產賬面值與按金融資產原實際利率貼現而估計未來現金流量(不包括仍未產生的未來信用損失)的現值兩者的差額計量。資產賬面值予以削減，而損失金額則在合併利潤表確認。如貸款或持有至到期投資有浮動利率，計量任何減值損失的貼現率為按合同釐定的當前實際利率。在實際應用中，集團可利用可觀察的市場價格，按工具的公允價值計量減值。

如在後繼期間，減值虧損的數額減少，而此減少可客觀地聯繫至減值在確認後才發生的事件(例如債務人的信用評級有所改善)，則之前已確認的減值虧損可在合併利潤表轉回。

(ii) 可供出售資產

本集團在每個報告期末評估是否有客觀證據證明某一金融資產或某一金融資產組已經減值。對於債券，本集團利用上文(a)的標準。至於分類為可供出售的權益投資，證券公允價值的大幅度或長期跌至低於其成本值，亦是證券已經減值的證據。若可供出售金融資產存在此等證據，累計虧損—按購買成本與當時公允價值的差額，減該金融資產之前在損益確認的任何減值虧損計算—自權益中剔除並在損益中記賬。在合併利潤表確認的權益工具的減值虧損不會透過單獨的合併利潤表轉回。如在較後期間，被分類為債務工具的公允價值增加，而增加可客觀地與減值虧損在損益確認後發生的事件有關，則將減值虧損在合併利潤表轉回。

2. PRINCIPAL ACCOUNTING POLICIES (continued)**(m) Impairment of financial assets (continued)****(i) Assets carried at amortized cost (continued)**

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the consolidated income statement. If a loan or held- to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the consolidated income statement.

(ii) Assets classified as available for sale

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For debt securities, the Group uses the criteria referred to in (a) above. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets 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 profit or loss – is removed from equity and recognized in profit or loss. Impairment losses recognized in the consolidated income statement on equity instruments are not reversed through the consolidated income statement. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss is reversed through the consolidated income statement.

財務報表附註（續）

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

2. 主要會計政策（續）

(n) 衍生金融工具及套期活動

衍生工具初始按於衍生工具合同訂立日的公允價值確認，其後按其公允價值重新計量。確認所產生的利得或損失的方法取決於該衍生工具是否指定作套期工具，如指定為套期工具，則取決於其所套期項目的性質。本集團指定若干衍生工具作為套期與一項已確認資產或負債或一項極可能預期交易有關的特定風險（現金流量套期）。本集團於交易開始時就套期工具與被套期項目的關係，以至其風險管理目標及執行多項套期交易的策略作檔案記錄。本集團亦於套期開始時和按持續基準，記錄其對於該等用於套期交易的衍生工具，是否高度有效地抵銷被套期項目的公允價值或現金流量變動的評估。

多項作套期用途之套期衍生工具之公允價值於附註26披露。股東權益之套期儲備變動於附註28顯示。若餘下之套期項目超過12個月，套期衍生工具之公允價值全數分類為非流動資產或負債；若套期項目之餘下年期不足12個月，則分類為流動資產或負債。作買賣用途之衍生工具分類為流動資產或負債。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(n) Derivative financial instruments and hedging activities

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as hedges of a particular risk associated with a recognized asset or liability or a highly probable forecast transaction (cash flow hedge). The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative instruments used for hedging purposes are disclosed in Note 26. Movements on the hedging reserve in shareholders' equity are shown in Note 28. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining hedged item is more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

2. 主要會計政策(續)**(n) 衍生金融工具及套期活動(續)****現金流量套期**

被指定並符合資格作為現金流量套期的衍生工具的公允價值變動的有效部份於其他綜合收益中確認。與無效部份有關的利得和損失即時在利潤表中確認。

在權益累計的金額當被套期項目影響利潤或虧損時(例如:當被套期的預期銷售發生時)重分類至該期間的利潤表。

當一項套期工具到期或售出後,或當套期不再符合套期會計的條件時,其時在權益中的任何累計利得和損失仍保留在權益內,並於預期交易最終在利潤表內確認時確認入賬。當一項預測交易預期不會再出現時,在權益中申報的累計利得和損失即時轉撥入利潤表中。

(o) 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)。

2. PRINCIPAL ACCOUNTING POLICIES (continued)**(n) Derivative financial instruments and hedging activities (continued)****Cash flow hedge**

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges is recognized in other comprehensive income. The gain or loss relating to the ineffective portion is recognized immediately in the income statement.

Amounts accumulated in equity are reclassified to income statement in the period when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place).

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

(o) 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.

財務報表附註（續）

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

2. 主要會計政策（續）

(p) 應收賬款及其他應收款

應收賬款為在日常經營活動中就商品銷售或服務執行而應收客戶的款項。如應收賬款及其他應收款的收回預期在一年或以內（如仍在正常經營週期中，則可較長時間），其被分類為流動資產；否則分類為非流動資產。

應收賬款及其他應收款以公允價值為初始確認，其後利用實際利率法按攤銷成本扣除減值準備計量。

(q) 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。銀行透支於合併資產負債表流動負債之銀行貸款內呈列。

(r) 股本

普通股被分類為權益。直接歸屬於發行新股或期權的新增成本在權益中列為所得款的減少（扣除稅項）。

(s) 應付賬款

應付賬款為在日常經營活動中購買商品或服務而應支付的債務。如應付款的支付日期在一年或以內（如仍在正常經營週期中，則可較長時間），其被分類為流動負債；否則分類為非流動負債。

應付賬款以公允價值為初始確認，其後利用實際利率法按攤銷成本計量。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(p) Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

(q) Cash and cash equivalents

In the consolidated cash flow 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 consolidated balance sheet.

(r) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(s) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

2. 主要會計政策(續)

(t) 銀行貸款

銀行貸款按公允價值並扣除產生的交易費用為初始確認，其後按攤銷成本列賬；所得款(扣除交易成本)與贖回價值的任何差額利用實際利率法於借款期間內在利潤表確認。

除非本集團可無條件將負債的結算遞延至結算日後最少12個月，否則借款分類為流動負債。

(u) 認沽期權安排

與本集團就子公司的權益而發行的認沽期權，當該等期權或只可以固定現金款額或另一項金融資產交換子公司固定數量股份作為結算時，其有關的潛在現金付款列為金融負債。根據該期權或須支付的應付款，初步按公允價值在借款中確認，而相應數額則直接在權益中扣除。

集團確認此等認沽期權的發出成本，釐定為期權的公允價值超過任何收取對價的數額作為融資成本。此等期權其後利用實際利息法按攤銷成本計量，以將負債增量至期權首次可行使日期時的應付款額。產生的扣除額記錄為融資成本。如期權未經行使而到期，負債剔除確認，相應金額在權益中調整。

(v) 借貸成本

所有借貸成本於發生期間內於合併利潤表支銷，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。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(t) Bank loans

Bank loans are recognized initially at fair value, net of transaction costs incurred, and are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the consolidated income statement over the period of the other financial liabilities using the effective interest method.

Bank loans are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

(u) Put option arrangements

The potential cash payments related to put options issued by the Group over the equity of subsidiary companies are accounted for as financial liabilities when such options may only be settled other than by exchange of a fixed amount of cash or another financial asset for a fixed number of shares in the subsidiary. The amount that may become payable under the option on exercise is initially recognized at fair value within borrowings with a corresponding charge directly to equity.

The Group recognizes the cost of writing such put options, determined as the excess of the fair value of the option over any consideration received, as a financing cost. Such options are subsequently measured at amortized cost, using the effective interest rate method, in order to accrete the liability up to the amount payable under the option at the date at which it first becomes exercisable. The charge arising is recorded as a financing cost. In the event that the option expires unexercised, the liability is derecognized with a corresponding adjustment to equity.

(v) Borrowing costs

Borrowing costs are expensed in the consolidated 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.

財務報表附註（續）

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

2. 主要會計政策（續）

(w) 當期及遞延稅項

本期間的稅項支出包括當期和遞延稅項。稅項在合併利潤表中確認，但與在其他綜合收益中或直接在權益中確認的項目有關者則除外。在該情況下，稅項亦分別在其他綜合收益或直接在權益中確認。

當期所得稅支出根據本公司的附屬公司及聯營經營及產生應課稅收入的國家於資產負債表日已頒佈或實質上已頒佈的稅務法例計算。管理層就適用稅務法例解釋所規限的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關支付的稅款設定準備。

內在差異

遞延所得稅利用負債法確認資產和負債的稅基與資產和負債在合併財務報表的賬面值的差額而產生的暫時性差異。然而，若遞延所得稅負債來自對商譽的初始確認，以及若遞延所得稅來自在交易（不包括業務合併）中對資產或負債的初始確認，而在交易時不影響會計損益或應課稅利潤或損失，則不作記賬。遞延所得稅採用在資產負債表日前已頒佈或實質上已頒佈，並在有關的遞延所得稅資產實現或遞延所得稅負債結算時預期將會適用的稅率（及法例）而釐定。

遞延所得稅資產是就很可能有未來應課稅利潤而就使用暫時性差異而確認。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(w) Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in the consolidated income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Inside basis differences

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2. 主要會計政策(續)**(w) 當期及遞延稅項(續)****外在差異**

遞延稅項就附屬公司、聯營公司及共同控制實體之權益產生的暫時性差異而準備，但假若本集團可以控制暫時性差異的轉回時間，而暫時性差異在可預見將來很可能不會轉回則除外。

當有法定可執行權力將當期稅項資產與當期稅務負債抵銷，且遞延所得稅資產和負債涉及由同一稅務機關對應課稅主體或不同應課稅主體但有意向以淨額基準結算所得稅結餘時，則可將遞延所得稅資產與負債互相抵銷。

(x) 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)**(w) Current and deferred tax (continued)****Outside basis differences**

Deferred income tax is provided on temporary differences arising on interests in subsidiaries, associates and jointly controlled entities, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(x) 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.

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

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2. 主要會計政策(續)

(x) 僱員福利(續)

(i) 退休金責任(續)

在舊制下，本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台灣銀行投資。

在新制下，台灣分公司依據參與新制的員工之每月薪金，按月提撥6%的退休金，最高提撥上限為9,000元台幣，並存入員工於勞工保險局之個人賬戶內。

(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允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允值而釐定，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，則於合併利潤表內確認，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。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(x) 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 Bank of Taiwan.

Under the New Scheme, the branches contribute each month at 6% of the salary of employees, with a cap of NTD9,000 who choose to participate in the New Scheme into individual pension accounts at the Bureau of Labor Insurance.

(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 to original estimates, if any, in the consolidated 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.

2. 主要會計政策(續)**(y) 撥備**

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

(z) 收入確認

收入按已收或應收對價的公允價值計量，並相當於供應貨品的應收款項，扣除折扣、回扣、退貨和增值稅後列帳。當收入的金額能夠可靠計量；當未來經濟利益很可能流入有關主體；及當本集團每項活動均符合具體條件時(如下文所述)，本集團便會將收入確認。本集團會根據退貨往績並考慮客戶類別、交易種類和每項安排的特點作出估計。

(i) 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；而記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。銷售是已減去退貨，回扣及折扣。

(ii) 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。

(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。

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

(z) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, rebates, returns and value added taxes. The Group recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below. The Group bases its estimates of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(i) 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.

(ii) 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.

(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.

財務報表附註（續）

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
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2. 主要會計政策（續）

(z) 收入確認（續）

(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。

(vi) 租金收入

租金收入乃按租賃年期以直線法入賬。

(aa) 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合併利潤表內支銷。

(ab) 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)

(z) Revenue recognition (continued)

(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.

(vi) Rental income

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

(aa) 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 consolidated income statement on the straight-line basis over the lease periods.

(ab) 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.

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：匯兌風險、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。

(i) 匯兌風險

本集團國際營運業務面對之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匯兌風險影響，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。

年內，本集團訂立外匯遠期合同，總設定本金額為516萬港元，以套期未來12個月向中國大陸供應商之存貨購置預計現金流量。

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。

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 risk. 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.

(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 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.

During the year, the Group has entered into forward contracts, total notional amount of HK\$516 million to hedge the anticipated cash flows for the purchase of inventories from suppliers in China for the subsequent 12 months.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk.

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

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2013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。

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30-60日。

下表呈列於2013年及2012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	
		2013	2012
訂約方：	Counterpart:		
百貨公司	Department stores	247	268
加盟商	Franchisees	61	66
關聯人士應收賬款	Trade receivables from related parties	9	6
應收信用卡賬款	Credit card receivables	13	27
其他	Others	3	8
應收賬款 (附註25)	Trade receivables (Note 25)	333	375
業主	Landlords	242	237
		575	612

此等訂約方於過往並無壞賬記錄。本集團並無持有由業主發出之銀行擔保(2012: 600萬港元)。

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, 2013, all the bank deposits are deposited in the high quality financial institutions without significant credit risk.

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 of 30-60 days.

The table below shows the major types of debtors as at December 31, 2013 and 2012.

These counterparts have no default history in the past. The Group holds nil bank guarantees (2012: HK\$6 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物，來控制流動資金風險。

除認股期權負債於2年(2012: 3年)後到期外，本集團及本公司於2013年及2012年12月31日之全部財務負債均於一年內到期。

本集團全部非買賣全額結算衍生金融工具具有套期關係，並須於結算日後12個月內結算。該等合約需要未貼現合約現金流入5.16億港元(2012年: 無)及未貼現合約現金流出5.11億港元(2012年: 無)。

(iv) 現金流量利率風險

除銀行存款14.37億港元(2012年: 15.12億港元)及短期銀行借貸3.32億港元(2012年: 3.39億港元)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**

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.

As at December 31, 2013 and 2012, except for the Group's put option liability which is due after 2 years (2012: 3 years), all of the Group's and Company's financial liabilities are due within one year.

All of the Group's non-trading gross settled derivative financial instruments are in hedge relationships and are due to settle within 12 months of the balance sheet date. These contracts require undiscounted contractual cash inflows of HK\$516 million (2012: HK\$Nil) and undiscounted contractual cash outflows of HK\$511 million (2012: HK\$Nil).

(iv) Cash flow interest rate risk

Except for the bank balance of HK\$1,437 million (2012: HK\$1,512 million) and the short-term bank borrowings of HK\$332 million (2012: HK\$339 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.

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

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10.7% (2012年：11.3%)。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。

(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允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允值處理之金融資產之公允值各自有增加/減少5%的改變，且其他可變因素均維持不變，則本集團截至2013年12月31日止年度之權益將增加/減少70萬港元(2012年：120萬港元)及淨溢利將增加/減少140萬港元(2012年：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 10.7% (2012: 11.3%). 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.

(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 assets and financial assets at fair value through profit or loss.

As at December 31, 2013, 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 (2012: HK\$1.2 million) and net profit would have increased/decreased by HK\$1.4 million (2012: HK\$1.4 million).

4. 重要會計估計及判斷

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

重要會計估計及假設

本集團對未來作出推算及假設。所得之會計估計理論上難以與相關的實際結果相同。以下所論述之估計及假設有相當風險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) 評估商譽減值

根據綜合財務報表附註2(k)所述之會計政策，本集團每年就商譽是否出現任何減值進行測試。現金產出單元之可收回金額乃按使用中價值計算法或將其公允值扣除銷售成本(以較高者為準)釐定，兩者均須本集團估計該現金產出單元之預期未來現金流量，並以適當貼現率計算現值。倘實際未來現金流量少於預期，將可產生減值虧損(附註17)。

倘永久增長率按管理層預算減1%，商譽將不會有減值虧損。

(ii) 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準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。

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) Assessment of impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2(k). The recoverable amounts of CGUs have been determined based on value-in-use calculations or its fair value less cost to sell, whichever is higher, and both bases require the Group to estimate the future cash flows expected to arise from the CGUs and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, an impairment loss may arise (Note 17).

If the estimated terminal growth rate had been 1% lower than the management's estimate, the goodwill would not be impaired.

(ii) 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.

財務報表附註（續）

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

4. 重要會計估計及判斷（續）

(iii) 評估非流動金融資產減值

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

(iv) 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。

(v) 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。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

(iii) 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.

(iv) 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.

(v) 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

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。

本集團主要分兩個業務：零售及分銷分部之業務及批發方式銷售予海外加盟商之業務。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，零售及分銷分部包含中國大陸及中東零售及加盟商業務、香港及台灣及亞太其他地區市場零售業務。根據品牌之觀點，零售及分銷分部細分為Giordano及Giordano Junior、Giordano Ladies、BSX及其他之表現。

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。並以此作計算基礎，向主要營運決策者匯報，以作資源分配及評估分部表現。

按照營運分部劃分，本集團之銷售額及經營溢利之分析如下：

5. OPERATING SEGMENTS

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

There are two major business segments, namely Retail and Distribution and Wholesale sales to overseas franchisees. 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 comprises retail and franchise sales in Mainland China and Middle East, retail sales in Hong Kong and Taiwan and Rest of Asia Pacific. From a brand perspective, the Retail and Distribution segment is sub-divided into Giordano & Giordano Junior, Giordano Ladies, BSX and Others.

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

An analysis of the Group's reportable segment sales and operating profit is as follows:

(以百萬港元為單位)	(In HK\$ millions)	2013		2012	
		銷售額 Sales	經營溢利 Operating profit	銷售額 Sales	經營溢利 Operating profit
中國大陸	Mainland China	1,727	112	1,898	156
香港及台灣	Hong Kong and Taiwan	1,725	218	1,756	269
亞太其他地區	Rest of Asia Pacific	1,460	259	1,427	301
中東地區	Middle East	632	124	108	29
零售及分銷合計	Total Retail and Distribution	5,544	713	5,189	755
以批發方式銷售予海外加盟商	Wholesale sales to overseas franchisees	304	44	484	60
分部銷售/經營溢利	Segment sales/operating profit	5,848	757	5,673	815
總部職能	Corporate function		71		188
製造業務	Manufacturing business		-		2
融資費用	Finance expense		(4)		(2)
應佔共同控制公司溢利	Share of profit of jointly controlled companies		77		77
應佔聯營公司溢利	Share of profit of associates		2		29
除稅前溢利	Profit before taxation		903		1,109

財務報表附註（續）

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
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5. 營運分部（續）

以品牌劃分之零售及分銷之進一步分析如下：

(以百萬港元為單位)

品牌：
Giordano及Giordano Junior
Giordano Ladies
BSX
其他

5. OPERATING SEGMENTS (continued)

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

		2013		2012	
		銷售額	經營溢利	銷售額	經營溢利
		Sales	Operating profit	Sales	Operating profit
	(In HK\$ millions)				
品牌：	By brand:				
Giordano及Giordano Junior	Giordano & Giordano Junior	4,877	629	4,520	665
Giordano Ladies	Giordano Ladies	374	51	370	63
BSX	BSX	220	24	245	18
其他	Others	73	9	54	9
零售及分銷合計	Total Retail and Distribution	5,544	713	5,189	755

本公司駐於香港，其於香港對外客戶之收入為13.46億港元（2012年：14.97億港元），其於中國大陸對外客戶之收入為17.27億港元（2012年：19.09億港元），而於其他國家對外客戶之收入為27.75億港元（2012年：22.67億港元）。

分部之間之收入11.2億港元（2012年：6.65億港元）已予合併對銷。

中國大陸折舊及攤銷費用為4,100萬港元（2012年：4,500萬港元），香港及台灣為3,900萬港元（2012年：3,800萬港元），亞太其他地區為3,300萬港元（2012年：2,700萬港元），中東地區為2,400萬港元（2012年：300萬港元）。

中國大陸稅項費用為2,400萬港元（2012年：3,400萬港元），香港及台灣為3,500萬港元（2012年：4,700萬港元），亞太其他地區為6,300萬港元（2012年：5,500萬港元），中東地區為1,100萬港元（2012年：300萬港元）。

The entity is domiciled in Hong Kong. The revenue from external customers in Hong Kong is HK\$1,346 million (2012: HK\$1,497 million), Mainland China is HK\$1,727 million (2012: HK\$1,909 million) and the total of revenue from external customers from other countries is HK\$2,775 million (2012: HK\$2,267 million).

Inter-segment sales of HK\$1,120 million (2012: HK\$665 million) has been eliminated upon consolidation.

Depreciation and amortization charged in Mainland China was HK\$41 million (2012: HK\$45 million), Hong Kong and Taiwan was HK\$39 million (2012: HK\$38 million), Rest of Asia Pacific was HK\$33 million (2012: HK\$27 million) and Middle East was HK\$24 million (2012: HK\$3 million).

Income tax expense charged in Mainland China was HK\$24 million (2012: HK\$34 million), Hong Kong and Taiwan was HK\$35 million (2012: HK\$47 million), Rest of Asia Pacific was HK\$63 million (2012: HK\$55 million) and Middle East was HK\$11 million (2012: HK\$3 million).

NOTES TO THE FINANCIAL STATEMENTS (continued)

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5. 營運分部(續)

於香港不包括金融工具及遞延稅項資產之非流動資產總額為2.34億港元(2012年:2.25億港元),而於中國大陸為1.64億港元(2012年:1.61億港元),而於海外國家之該類非流動資產總額為13.64億港元(2012年:13.35億港元)。

按照地區分部劃分,本集團之分部資產之分析如下:

5. OPERATING SEGMENTS (continued)

The total of non-current assets other than financial instruments and deferred tax assets located in Hong Kong is HK\$234 million (2012: HK\$225 million), located in Mainland China is HK\$164 million (2012: HK\$161 million) and the total of these non-current assets located in other countries is HK\$1,364 million (2012: HK\$1,335 million).

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

(以百萬港元為單位)	(In HK\$ millions)	分部資產	
		2013	2012 (重列) (Restated)
中國大陸	Mainland China	1,073	1,079
香港及台灣	Hong Kong and Taiwan	1,283	1,302
亞太其他地區	Rest of Asia Pacific	587	636
中東地區	Middle East	891	948
分部資產	Segment assets	3,834	3,965
共同控制公司權益	Interest in jointly controlled companies	539	532
一聯營公司權益	Interest in an associate	5	5
可出售之金融資產	Available-for-sale financial assets	14	24
於損益賬按公允值處理之金融資產	Financial assets at fair value through profit or loss	28	28
遞延稅項資產	Deferred tax assets	49	48
資產總額	Total assets	4,469	4,602

財務報表附註（續）

NOTES TO THE FINANCIAL STATEMENTS (continued)

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6. 其他收入及其他收益，淨額

6. OTHER INCOME AND OTHER GAINS, NET

(以百萬港元為單位)	(In HK\$ millions)	集團	
		2013	2012
租金收入	Rental income	12	13
特許權收入	Royalty income	36	31
匯兌收益淨額	Net exchange gain	22	27
利息收入	Interest income	24	24
股息收入	Dividend income	7	6
出售物業、機器及設備之淨虧損	Net loss on disposal of property, plant and equipment	(2)	–
分階段收購附屬公司時以公允值重新計量原先持有之權益之收益(附註35)	Gain on remeasurement of previously held interest upon step acquisition of subsidiaries (Note 35)	–	100
出售製造業務之稅前收益(附註)	Pre-tax gain on disposal of manufacturing business (Note)	–	57
出售一可出售之金融資產收益(附註21)	Gain on disposal of an available-for-sale financial asset (Note 21)	–	14
其他收入/收益	Other income/gains	14	22
		113	294

附註：

於2012年5月31日，本集團出售其在中國東莞之製造業務及廠房，錄得稅前收益港幣5,700萬港元及稅後收益2,900萬港元(附註34)。

Note:

On May 31, 2012, the Group disposed its manufacturing business together with its manufacturing complex in Dongguan, the PRC and recorded a pre-tax gain on disposal of HK\$57 million and a post-tax gain of HK\$29 million (Note 34).

NOTES TO THE FINANCIAL STATEMENTS (continued)

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7. 經營溢利

7. OPERATING PROFIT

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2013	2012
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	6	8
物業、機器及設備折舊	Depreciation of property, plant and equipment	128	105
投資物業折舊	Depreciation of investment property	–	1
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		
– 寫字樓及貨倉	– office and warehouse	19	17
– 最低租金支出 – 店舖	– Minimum lease payments – shop	905	791
– 或然租金費用	– Contingent rent	299	317
陳舊存貨準備及	Provision/(reversal) for obsolete		
存貨之撇銷/(回撥)	stock and stock written off	1	(15)
員工成本(附註9)	Staff costs (Note 9)	942	830

8. 融資費用

8. FINANCE EXPENSE

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2013	2012
銀行貸款利息，	Interest on bank loans,		
五年內到期之銀行貸款	wholly repayable within 5 years	4	2

9. 員工成本

9. STAFF COSTS

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2013	2012
薪金及工資	Salaries and wages		
(包括董事酬金)	(including directors' emoluments)	855	736
購股權費用	Share option expense	8	8
退休金 – 界定供款計劃	Pension cost – defined contribution plans	79	86
		942	830

本年度內，本集團沒有運用未能領取之供款(2012年：無)以減低供款水平。於2013年及2012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 (2012: Nil). As at December 31, 2013 and 2012, no unvested benefits were available to be utilized in the future years.

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

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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

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# benefits#	僱主退休金 供款 Employer's contribution	合計 Total
							to pension schemes	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
2013								
劉國權 ⁺	LAU Kwok Kuen, Peter ⁺	-	3,164	21,263	-	1,884	15	26,326
Ishwar Bhagwandas CHUGANI ¹	Ishwar Bhagwandas CHUGANI ¹	-	1,312	4,357	1,198	48	61	6,976
馬灼安 ²	MAH Chuck On, Bernard ²	-	519	555	-	205	4	1,283
鄭志剛	CHENG Chi Kong, Adrian	200	-	-	-	-	-	200
陳世昌	CHAN Sai Cheong	200	-	-	-	-	-	200
畢滌凡 [*]	Barry John BUTTIFANT [*]	400	-	-	-	-	-	400
鄭其志 [*]	KWONG Ki Chi [*]	350	-	-	-	-	-	350
李鵬飛 ³	LEE Peng Fei, Allen ³	175	-	-	-	-	-	175
Simon Devilliers RUDOLPH ⁴	Simon Devilliers RUDOLPH ⁴	175	-	-	-	-	-	175
梁覺 [*]	LEUNG Kwok [*]	370	-	-	-	-	-	370
		1,870	4,995	26,175	1,198	2,137	80	36,455
2012								
劉國權 ⁺	LAU Kwok Kuen, Peter ⁺	-	3,039	23,153	-	1,563	14	27,769
馬灼安 ²	MAH Chuck On, Bernard ²	-	2,132	827	-	253	14	3,226
鄭志剛 [^]	CHENG Chi Kong, Adrian [^]	133	-	-	-	-	-	133
陳世昌 [^]	CHAN Sai Cheong [^]	133	-	-	-	-	-	133
畢滌凡 [*]	Barry John BUTTIFANT [*]	350	-	-	-	-	-	350
鄭其志 [*]	KWONG Ki Chi [*]	350	-	-	-	-	-	350
李鵬飛 ³	LEE Peng Fei, Allen ³	350	-	-	-	-	-	350
梁覺 [*]	LEUNG Kwok [*]	275	-	-	-	-	-	275
		1,591	5,171	23,980	-	1,816	28	32,586

⁺ 主席及行政總裁

^{*} 獨立非執行董事

[^] 非執行董事

[#] 其他收益包括保險供款、房屋及稅項津貼

¹ 於2013年2月1日委任董事

² 於2013年2月1日退任董事

³ 於2013年6月14日退任董事

⁴ 於2013年6月28日委任董事

⁺ Chairman and Chief Executive

^{*} Independent non-executive directors

[^] Non-executive directors

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

¹ Appointed as a director on February 1, 2013

² Retired as a director on February 1, 2013

³ Retired as a director on June 14, 2013

⁴ Appointed as a director on June 28, 2013

NOTES TO THE FINANCIAL STATEMENTS (continued)

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10. 董事及高級管理人員酬金(續)

(a) 董事酬金(續)

於本年度內，向本公司董事支付之酬金總額如下：

(以百萬港元為單位)	(In HK\$ millions)	2013	2012
袍金	Fees	2	2
其他酬金：	Other emoluments:		
基本薪金、房屋津貼、購股權、	Basic salaries, housing		
其他津貼及實物收益	allowances, share options,	8	7
	other allowances and		
	benefits in kind	8	7
花紅	Bonuses	26	24
		36	33

(b) 五位最高薪職員

於本年度內，本集團五位最高薪職員中包括2位(2012年：2位)董事，其酬金之詳情已於上文披露。付予餘下3位(2012年：3位)最高薪職員酬金總額如下：

(以百萬港元為單位)	(In HK\$ millions)	2013	2012
基本薪金、房屋津貼、購股權、	Basic salaries, housing allowances,		
其他津貼及實物收益	share options, other allowances	7	7
	and benefits in kind		
花紅	Bonuses	4	7
		11	14

餘下最高薪職員按酬金組別歸類如下：

酬金組別
Emolument bands

港幣

HK\$

3,000,001 – 4,000,000
4,000,001 – 5,000,000
5,000,001 – 6,000,000

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

(a) Directors' emoluments (continued)

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

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include 2 (2012: 2) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining 3 (2012: 3) individuals during the year are as follows:

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

人數
Number of individuals

2013 2012

2 –
– 2
1 1

財務報表附註（續）

NOTES TO THE FINANCIAL STATEMENTS (continued)

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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	
		2013	2012
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	28	31
– 香港以外	– Outside Hong Kong	118	135
– 附屬公司及一共同控制公司 之可分配扣繳稅項	– Withholding tax on distribution from subsidiaries and a jointly controlled company	36	32
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	(2)	5
過往期間準備(剩餘)/不足	(Over)/under provision in prior years		
– 香港利得稅	– Hong Kong profits tax	(5)	9
– 香港以外	– Outside Hong Kong	(2)	9
稅項支出	Taxation charge	173	221

NOTES TO THE FINANCIAL STATEMENTS (continued)

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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	
		2013	2012
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 associates)	824	1,003
按稅率16.5%(2012年: 16.5%)計算	Calculated at a taxation rate of 16.5% (2012: 16.5%)	136	166
其他國家不同稅率之影響	Effect of different tax rates in other countries	13	25
不可扣稅之支出	Expenses not deductible for tax purpose	12	6
未確認之遞延稅項資產	Deferred tax assets not recognized	19	12
無須課稅之收入	Income not subject to tax	(36)	(37)
使用早前未有確認之稅損	Utilization of previously unrecognized tax losses	(1)	(5)
確認早前未有確認之稅損	Recognition of previously unrecognized tax losses	-	(7)
扣繳稅項	Withholding tax	37	43
過往年度準備不足	Under provision in prior years	(7)	18
稅項支出	Taxation charge	173	221

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%(2012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% (2012: 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.

財務報表附註（續）

NOTES TO THE FINANCIAL STATEMENTS (continued)

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12. 股東應佔溢利

股東應佔集團之合併溢利為6.63億港元（2012年：8.26億港元），包括在本公司財務報表內已計入之股東應佔溢利為4.56億港元（2012年：7.69億港元）。

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6.63億港元（2012年：8.26億港元）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1,556,788,852股（2012年：1,534,640,315股）計算。

每股攤薄盈利乃按截至2013年度內已發行股份之加權平均股數1,556,788,852股（2012年：1,534,640,315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18,834,471股（2012年：19,943,039股）計算。

12. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The Group's consolidated profit attributable to shareholders of the Company of HK\$663 million (2012: HK\$826 million) includes a profit of HK\$456 million (2012: HK\$769 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\$663 million (2012: HK\$826 million).

The basic earnings per share is based on the weighted average of 1,556,788,852 shares (2012: 1,534,640,315 shares) in issue during the year.

The diluted earnings per share is based on 1,556,788,852 shares (2012: 1,534,640,315 shares) which is the weighted average number of shares in issue during the year plus the weighted average of 18,834,471 shares (2012: 19,943,039 shares) deemed to be issued if all outstanding share options granted under the share option scheme of the Company had been exercised.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

14. 股息

(a) 本年度股息如下：

(以百萬港元為單位)

已宣布及已派發之中期股息
每股16.0港仙
(2012年：每股15.0港仙)於結算日後建議之末期股息
每股24.0港仙
(2012年：每股25.0港仙)

14. DIVIDENDS

(a) Dividends attributable to the year:

(In HK\$ millions)

Interim dividend declared and
paid of 16.0 HK cents
(2012: 15.0 HK cents) per shareFinal dividend proposed
after the balance sheet date
of 24.0 HK cents (2012:
25.0 HK cents) per share

	2013	2012
	250	231
	250	231
	376	386
	376	386
	626	617

於2014年2月27日舉行之董事會會議上，董事建議派發末期股息為每股24.0港仙。此項擬派息在結算當日並無確認負債。擬派股息之金額乃基於建議派息日之已發行股份數目計算。

At the board meeting held on February 27, 2014, the directors proposed final dividend of 24.0 HK cents per share. The proposed dividend has not been recognized as a liability at the balance sheet date. The amount of proposed dividend was based on the shares in issue as at the proposed date.

(b) 屬於上一年度，並於本年度內通過及支付的股息：

(以百萬港元為單位)

已批准及派發2012年末期股息
每股25.0港仙
(2011年：每股23.0港仙)

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

(In HK\$ millions)

2012 final dividend approved and
paid of 25.0 HK cents
(2011: 23.0 HK cents) per share

	2013	2012
	390	354

已支付股息金額乃基於股息支付日之已發行股份數目計算。

The amount of dividends paid was based on the number of shares outstanding as at the dividend payment date.

財務報表附註（續）

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
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15. 物業、機器及設備 集團

15. PROPERTY, PLANT AND EQUIPMENT Group

		永久業權 之土地 及樓宇 Freehold land & buildings	樓宇 Buildings	廠房及 機器 Plant & equipment	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2013年1月1日	At January 1, 2013	61	25	60	983	26	1,155
換算差額	Translation difference	(3)	-	(5)	(22)	(1)	(31)
添置	Additions	-	-	-	152	4	156
出售	Disposals	-	-	-	(70)	(6)	(76)
於2013年12月31日	At December 31, 2013	58	25	55	1,043	23	1,204
累積折舊	Accumulated depreciation						
於2013年1月1日	At January 1, 2013	13	7	51	800	17	888
換算差額	Translation difference	-	-	-	(22)	-	(22)
本年度折舊	Charge for the year	-	-	1	124	3	128
出售	Disposals	-	-	-	(69)	(5)	(74)
於2013年12月31日	At December 31, 2013	13	7	52	833	15	920
於2013年12月31日 之賬面淨值	Net book value at December 31, 2013	45	18	3	210	8	284

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

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15. 物業、機器及設備(續)

集團

15. PROPERTY, PLANT AND EQUIPMENT (continued)

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	廠房及 機器 Plant & equipment	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2012年1月1日	At January 1, 2012	55	25	68	851	24	1,023
換算差額	Translation difference	1	-	-	8	-	9
添置	Additions	-	-	8	98	2	108
出售	Disposals	-	-	-	(69)	(3)	(72)
收購附屬公司(附註35)	Acquisition of subsidiaries (Note 35)	5	-	-	134	5	144
出售製造業務附屬公司 (附註34)	Disposal of manufacturing subsidiaries (Note 34)	-	-	(16)	(39)	(2)	(57)
於2012年12月31日	At December 31, 2012	61	25	60	983	26	1,155
累積折舊	Accumulated depreciation						
於2012年1月1日	At January 1, 2012	12	6	63	696	17	794
換算差額	Translation difference	-	-	-	8	-	8
本年度折舊	Charge for the year	1	1	1	100	2	105
出售	Disposals	-	-	-	(69)	(3)	(72)
收購附屬公司(附註35)	Acquisition of subsidiaries (Note 35)	-	-	-	93	3	96
出售製造業務附屬公司 (附註34)	Disposal of manufacturing subsidiaries (Note 34)	-	-	(13)	(28)	(2)	(43)
於2012年12月31日	At December 31, 2012	13	7	51	800	17	888
於2012年12月31日 之賬面淨值	Net book value at December 31, 2012	48	18	9	183	9	267

財務報表附註（續）

NOTES TO THE FINANCIAL STATEMENTS (continued)

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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	
		2013	2012	2013	2012
在香港持有	In Hong Kong, held on				
– 10年至50年租約	– leases of between 10 and 50 years	16	16	8	8
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	1	1	-	-
		2	2	-	-
於12月31日	At December 31	18	18	8	8

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

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15. 物業、機器及設備(續)

公司

15. PROPERTY, PLANT AND EQUIPMENT (continued)

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2013年1月1日及 2013年12月31日	At January 1, 2013 and December 31, 2013	11	2	13
累積折舊	Accumulated depreciation			
於2013年1月1日	At January 1, 2013	3	2	5
本年度折舊	Charge for the year	-	-	-
於2013年12月31日	At December 31, 2013	3	2	5
於2013年12月31日 之賬面淨值	Net book value at December 31, 2013	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2012年1月1日及 2012年12月31日	At January 1, 2012 and December 31, 2012	11	2	13
累積折舊	Accumulated depreciation			
於2012年1月1日	At January 1, 2012	3	2	5
本年度折舊	Charge for the year	-	-	-
於2012年12月31日	At December 31, 2012	3	2	5
於2012年12月31日 之賬面淨值	Net book value at December 31, 2012	8	-	8

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

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16. 投資物業

本集團持有一物業作長期收租。

16. INVESTMENT PROPERTY

The Group had a property which was held for long-term rental yields.

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2013	2012
成本值	Cost		
於1月1日	At January 1	-	101
出售製造業務 附屬公司(附註34)	Disposal of manufacturing subsidiaries (Note 34)	-	(101)
於12月31日	At December 31	-	-
累積折舊	Accumulated depreciation		
於1月1日	At January 1	-	27
本年度折舊	Charge for the year	-	1
出售製造業務) 附屬公司(附註34)	Disposal of manufacturing subsidiaries (Note 34)	-	(28)
於12月31日	At December 31	-	-
於12月31日之賬面淨值	Net book value at December 31	-	-

在合併利潤表中已包括該投資物業截至2012年12月31日止年度之租金收入為100萬港元。

In the consolidated income statement, rental income relating to investment property of HK\$1 million for the year ended December 31, 2012 was included.

NOTES TO THE FINANCIAL STATEMENTS (continued)

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17. 商譽

17. GOODWILL

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2013	2012
於1月1日	At January 1	536	5
換算差額	Translation difference	(1)	–
分階段收購附屬公司 (附註35)	Step acquisitions of subsidiaries (Note 35)	–	531
於12月31日	At December 31	535	536

商譽已根據業務所在地點及業務分部分配至本集團之已識別現金產生單位(「CGU」)。商譽按經營分部分析如下：

Goodwill is allocated to the Group's cash generating units ("CGU") identified according to the location of operation and business segment. The goodwill analysed by operating segment is as follows:

(以百萬港元為單位)	(In HK\$ millions)	2013	2012
零售及分銷	Retail and Distribution		
– 亞太其他地區	– Rest of Asia Pacific	5	5
– 中東地區	– Middle East	530	531
		535	536

商譽減值測試

CGU之可收回金額乃按使用價值方法計算。該項計算方法以管理層批准之5年財務預算以計算稅前現金流量。管理層根據過往中東業務及其對市場發展之預期來釐定預算。按年銷售增長率預計5%。5年期間以後之現金流量，則使用已考慮內在及外在因素後的估計每年增長率3%估算。所使用之貼現率12.4%乃稅前利率及已反映有關經營分部之特定風險。

Impairment test for goodwill

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Management determines the financial budgets of Middle East based on past performance and its expectations of market development. The annual sales growth rate is expected to be 5%. Cash flows beyond the five-year period are extrapolated using the estimated growth rate of 3% per annum after considering both internal and external factors. The discount rate used of 12.4% is pre-tax and reflect specific risks relating to the segment.

董事認為於2013年及2012年12月31日止並無商譽減值。

The directors are of the opinion that there was no impairment of goodwill as at December 31, 2013 and 2012.

財務報表附註（續）

NOTES TO THE FINANCIAL STATEMENTS (continued)

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December 31, 2013

18. 附屬公司權益

(a) 附屬公司權益

(以百萬港元為單位)	(In HK\$ millions)	公司 Company	2013	2012
非上市投資(成本值)	Unlisted investment (at cost)		817	817
應收附屬公司款項	Amounts due from subsidiaries			
短期部分	Current portion		699	871
長期部分	Long-term portion		239	248
			938	1,119
應付附屬公司款項	Amounts due to subsidiaries			
— 短期	— current		26	9

所有附屬公司往來款均無抵押及免息。除應收附屬公司款項6.99億港元(2012年：8.71億港元)將會在一年內收回，其餘的款項乃資本性質及預期不會在一年內收回。

主要附屬公司之詳情載於財務報表附註40。

(b) 重大非控制性權益

本期間之非控股權益總額為1.53億港元，其中PT. Giordano Indonesia (「Indonesia」) 佔1億港元，Giordano Fashions (L.L.C.) (「UAE」) 佔2,200萬港元，而Textile and Ready Garments Co. Ltd. (「Saudi」) 佔3,100萬港元。其他公司之非控股權益不重大。

18. INTEREST IN SUBSIDIARIES

(a) Interest in subsidiaries

The balances with subsidiaries are unsecured and non-interest bearing. Except for the amounts due from subsidiaries of HK\$699 million (2012: HK\$871 million) are recoverable within one year, the remaining balances are of equity in nature and are not expected to be repayable within one year.

Details of principal subsidiaries are set out in Note 40 to the financial statements.

(b) Material non-controlling interest

The total non-controlling interest for the period is HK\$153 million, of which HK\$100 million is for PT. Giordano Indonesia ("Indonesia"), HK\$22 million is for Giordano Fashions (L.L.C.) ("UAE") and HK\$31 million is for Textile and Ready Garments Co. Ltd. ("Saudi"). The non-controlling interest in respect of the rest of the companies are not material.

NOTES TO THE FINANCIAL STATEMENTS (continued)

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December 31, 2013

18. 附屬公司權益(續)

(b) 重大非控制性權益(續)

擁有重大非控股權益之附屬公司之財務資料概要

下文載列各擁有非控股權益(對本集團而言屬重大性質)之附屬公司之財務資料概要。有關非控股權益交易,見附註36。

資產負債表摘錄

(以百萬港元為單位)	(In HK\$ millions)	印尼		阿拉伯聯合酋長國		沙地阿拉伯	
		Indonesia	2012	UAE	2012	Saudi	2012
		2013	2012	2013	2012	2013	2012
流動資產	Current Assets	160	185	105	225	125	122
負債	Liabilities	(47)	(41)	(29)	(173)	(39)	(66)
流動淨資產總額	Total current net assets	113	144	76	52	86	56
非流動資產	Non-current Assets	54	49	29	24	40	31
負債	Liabilities	-	-	-	-	-	-
非流動淨資產總額	Total non-current net assets	54	49	29	24	40	31
淨資產	Net assets	167	193	105	76	126	87

18. INTEREST IN SUBSIDIARIES (continued)

(b) Material non-controlling interest (continued)

Summarised financial information on subsidiaries with material non-controlling interests

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. See Note 36 for transactions with non-controlling interests.

Summarised balance sheet

(以百萬港元為單位)	(In HK\$ millions)	印尼		阿拉伯聯合酋長國		沙地阿拉伯	
		Indonesia	2012	UAE	2012	Saudi	2012
		2013	2012	2013	2012	2013	2012
收入	Revenue	435	380	251	65	335	53
除稅前溢利	Profit before income tax	115	115	34	10	53	75
所得稅費用	Income tax expense	(31)	(28)	-	-	(10)	(4)
除稅後溢利	Post-tax profit	84	87	34	10	43	71
其他綜合收益	Other comprehensive income	(43)	(8)	-	-	-	-
總綜合收益	Total comprehensive income	41	79	34	10	43	71
非控制性權益總綜合收益	Total comprehensive income allocated to Non-Controlling Interests	21	40	7	2	11	4
非控制性權益已付股息	Dividends paid to Non-Controlling Interests	35	15	-	-	-	-

利潤表摘錄

Summarised income statement

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

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18. 附屬公司權益(續)

(b) 重大非控制性權益(續)

擁有重大非控股權益之附屬公司
之財務資料概要(續)

現金流量表摘錄

(以百萬港元為單位)	(In HK\$ millions)	印尼		阿拉伯聯合酋長國		沙地阿拉伯	
		Indonesia		UAE		Saudi	
		2013	2012	2013	2012	2013	2012
經營業務之現金流入淨額	Net cash inflow from operating activities	62	64	76	140	50	92
投資業務之現金流出淨額	Net cash outflow from investing activities	(21)	(13)	(13)	(10)	(24)	(17)
融資業務之現金流出淨額	Net cash outflow from financing activities	(60)	(29)	(111)	(84)	(32)	(29)
現金及現金等值之(減少)/增加	(Decrease)/increase in cash and cash equivalents	(19)	22	(48)	46	(6)	46
於1月1日之現金及現金等值結存	Cash and cash equivalents at January 1	84	66	98	52	59	15
外幣匯率變動之影響	Effect of foreign exchange rate changes	(17)	(4)	-	-	-	-
於12月31日之現金及現金等值結存	Cash and cash equivalents at December 31	48	84	50	98	53	61

上述資料為未計集團公司之間對銷前的金額。

18. INTEREST IN SUBSIDIARIES (continued)

(b) Material non-controlling interest (continued)

Summarised financial information on subsidiaries with material non-controlling interests (continued)

Summarised cash flows

The information above is the amount before inter-company eliminations.

19. 共同控制公司權益

非上市共同控制公司之資料如下：

19. INTEREST IN JOINTLY CONTROLLED COMPANIES

Particulars of the unlisted jointly controlled companies are as follows:

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
		2013	2012		
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

NOTES TO THE FINANCIAL STATEMENTS (continued)

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19. 共同控制公司權益(續)

以下為非上市共同控制公司之資產、負債、業績及承擔：

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2013	2012
流動資產	Current assets	1,177	1,159
流動負債	Current liabilities	(136)	(128)
非流動資產	Non-current assets	87	78
非流動負債	Non-current liabilities	(16)	(12)
資產淨值	Net assets	1,112	1,097
收益	Revenue	1,769	1,685
費用	Expense	(1,565)	(1,482)
除稅前溢利	Profit before taxation	204	203
稅項	Taxation	(45)	(43)
除稅後溢利	Profit after taxation	159	160
營業租賃之承擔	Operating lease commitments	443	338

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重大或然負債及資本承擔。

19. INTEREST IN JOINTLY CONTROLLED COMPANIES (continued)

Assets, liabilities, results and commitments of the unlisted jointly controlled companies are as follows:

There are no material 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. 聯營公司權益

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2013	2012
非上市股份(成本值)	Unlisted shares (at cost)	-	-
所佔收購後溢利	Share of post-acquisition profits	5	5
所佔收購後儲備	Share of post-acquisition reserves	-	-
		5	5

20. INTEREST IN ASSOCIATES

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

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20. 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	
		2013	2012
資產	Assets	7	7
負債	Liabilities	(2)	(2)
所佔資產淨值	Share of net assets	5	5
收益	Revenue	12	117
費用	Expense	(10)	(88)
除稅前溢利	Profit before taxation	2	29
稅項	Taxation	-	-
應佔除稅後溢利	Share of profit after taxation	2	29

20. INTEREST IN ASSOCIATES (continued)

The Group's interest in its unlisted associates are as follows:

21. 可出售之金融資產

可出售之金融資產指於迅捷環球控股有限公司(「迅捷環球」)6.46%之權益(2012: 6.46%)。

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2013	2012
於1月1日	At January 1	24	19
添置	Additions	-	19
出售	Disposals	-	(19)
按公允值之變動轉入 可出售之金融資產儲備	Fair value change transfer to available-for-sale financial assets reserve	(10)	5
於12月31日	At December 31	14	24

21. AVAILABLE-FOR-SALE FINANCIAL ASSETS

Available-for-sale financial assets represented 6.46% interests in Speedy Global Holdings Limited ("Speedy") (2012: 6.46%).

於2012年5月，本集團出售其於Higrowth Ventures Limited 9.9%之權益，以換取迅捷環球6.46%之權益。已確認1,400萬港元之出售項目所得收益。於2013年1月15日，迅捷環球於香港聯合交易所有限公司上市。

In May 2012, the Group disposed its 9.9% interest in Higrowth Ventures Limited in exchange for 6.46% of Speedy. A disposal gain of HK\$14 million has been recognized. Speedy was listed on The Stock Exchange of Hong Kong Limited on January 15, 2013.

於2013年12月31日，可出售之金融資產指於迅捷環球6.46%之權益。該資產是以港元計值。迅捷環球從事成衣製造業務，是本集團的主要供應商之一。

As at December 31, 2013, available-for-sale financial assets represented 6.46% interest in Speedy and is denominated in Hong Kong dollars. Speedy engaged in garment manufacturing business and is one of the key suppliers of the Group.

於2013年12月31日，可出售之金融資產之公允值是根據香港聯合交易所有限公司之股價釐定，分類為第一級。

As at December 31, 2013, the fair value of the available-for-sale financial asset is determined using its quoted price on The Stock Exchange of Hong Kong Limited which is categorised as Level 1.

NOTES TO THE FINANCIAL STATEMENTS (continued)

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22. 於損益賬按公允值處理之金融資產

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，買方亦授予本公司優先股之認沽期權。

該優先股連同有關期權會於損益賬以公允值估量。公允價值已於去年末估值，及將於其後之每年年末由專業估值公司重新評估。

於2013年12月31日該優先股及有關期權之公允價值為2,800萬港元(2012年：2,800萬港元)。於損益賬按公允值處理之金融資產之公允值變動會於利潤表記錄為其他收入(附註6)。

該可於損益賬按公允值處理之金融資產公允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的公允值的階級組織分類為第三級。

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 also granted 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, 2013 (2012: HK\$28 million). Changes in the fair values of financial assets at fair value through profit or loss are recorded in other income in the income statement (Note 6).

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)	集團及公司 Group and Company	
		2013	2012
於1月1日	At January 1	28	28
於利潤表按公允值之增加	Increase in fair value to income statement	-	-
於12月31日	At December 31	28	28

該於損益賬按公允值處理金融資產之公允值由一獨立及持有專業資格之評值公司估值，並根據貼現現金流量模式評估其公允值。

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

財務報表附註（續）

NOTES TO THE FINANCIAL STATEMENTS (continued)

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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	2012
		Leasehold land prepayments	Rental prepayments	Total	
		2013	2013	2013	
於1月1日之賬面淨值	Net book value at January 1	186	114	300	310
換算差額	Translation difference	1	(1)	-	-
添置	Additions	6	50	56	47
出售製造業務 附屬公司(附註34)	Disposal of manufacturing subsidiaries (Note 34)	-	-	-	(13)
本年度攤銷	Amortization for the year	(9)	(57)	(66)	(44)
於12月31日之賬面淨值	Net book value at December 31	184	106	290	300
短期部分	Current portion	(5)	(39)	(44)	(37)
長期部分	Long-term portion	179	67	246	263

公司

Company

租賃土地預付款項分析如下：

Leasehold land prepayments are analyzed as follows:

(以百萬港元為單位)	(In HK\$ millions)	2013	2012
於1月1日之賬面淨值	Net book value at January 1	134	139
本年度攤銷	Amortization for the year	(5)	(5)
於12月31日之賬面淨值	Net book value at December 31	129	134
短期部分	Current portion	(5)	(5)
長期部分	Long-term portion	124	129

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23. 租賃土地及租金預付款項(續)

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：

23. LEASEHOLD LAND AND RENTAL PREPAYMENTS (continued)

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)	(In HK\$ millions)	集團		公司	
		Group	2012	Company	2012
		2013		2013	
在香港持有	In Hong Kong, held on				
- 10年至50年租約	- leases of between 10 and 50 years	137	143	129	134
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	27	22	-	-
-多於50年租約	- leases of over 50 years	20	21	-	-
		184	186	129	134

24. 存貨

24. INVENTORIES

(以百萬港元為單位)	(In HK\$ millions)	集團	
		Group	2012
		2013	
原料	Raw materials	2	2
在製貨品	Work in progress	-	1
製成品	Finished goods	516	473
		518	476

存貨值已確認為費用並記賬在銷售成本中為22.97億港元(2012年：23.42億港元)。

The cost of inventories recognized as expense and included in cost of goods sold amounted to HK\$2,297 million (2012: HK\$2,342 million).

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

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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			公司	
		2013	2012 (重列) (Restated)	2011 (重列) (Restated)	2013	2012
應收賬款	Trade receivables	333	375	368	-	-
減：減值撥備	Less: Provision for impairment	(17)	(14)	(10)	-	-
應收賬款淨值	Trade receivables, net	316	361	358	-	-
其他應收款，包括 訂金及預付款項	Other receivables, including deposits and prepayments	298	395	275	8	9
		614	756	633	8	9

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30至60日信貸期。

Other than cash and credit card sales, the Group normally allows a credit period of 30-60 days to its trade customers.

應收賬款及其他應收款內的其他類別沒有包含已減值資產。

The other classes within trade and other receivables do not contain impaired assets.

(a) 賬齡分析

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：

(a) Ageing analysis

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	
		2013	2012
0至30日	0 – 30 days	233	245
31至60日	31 – 60 days	49	79
61至90日	61 – 90 days	19	19
逾90日	Over 90 days	15	18
		316	361

應收賬款之賬面值約以公允值列賬。因本集團之顧客分散於世界各地，故有關應收賬款並無集中性中之信貸風險。

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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

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25. 應收賬款及其他應收款(續)

(a) 賬齡分析(續)

於2013年12月31日，逾期但並無減值之應收賬款為9,300萬港元(2012年：1.05億港元)。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：

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	
		2013	2012
0至30日	0 – 30 days	53	73
逾30日	Over 30 days	40	32
		93	105

(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。

年內呆賬撥備之變動(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 Group	
		2013	2012
於1月1日	At January 1	14	10
本年撥備	Provision for the year	3	4
於12月31日	At December 31	17	14

個別已減值之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)

(a) Ageing analysis (continued)

As at December 31, 2013, trade receivables of HK\$93 million (2012: HK\$105 million) were past due but not impaired. These related to a number of customers for whom there had been no recent history of default. Their ageing analysis from the due date is as follows :

(b) Impairment of trade receivables

Impairment loss in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly.

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

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.

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
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26. 衍生金融工具

26. DERIVATIVE FINANCIAL INSTRUMENTS

(以百萬港元為單位)	(In HK\$ millions)	集團 Group	2013	2012
遠期外匯合同 — 現金流量套期	Forward foreign exchange contracts – cash flow hedges		3	–

遠期外匯合同

於2013年12月31日，仍未結算的遠期外匯合同的設定本金額為5.16億港元。

被套期的外幣極可能預測交易預期將於未來12個月內的多個日期產生。於2013年12月31日，就遠期外匯合同在權益內的套期儲備中確認的利得和損失(附註28)，在套期交易影響利潤表的一個或多個期間內確認。這一般是在報告期末後12個月內。

根據HKFRS 7的公允值的階級組織，該衍生金融工具之公允值分類為第二級。

Forward foreign exchange contract

The notional principal amount of the outstanding forward foreign exchange contracts at December 31, 2013 were HK\$516 million.

The hedged highly probable forecast transactions denominated in foreign currency are expected to occur at various dates during the next 12 months. Gains and losses recognised in the hedging reserve in equity (Note 28) on forward foreign exchange contracts as of December 31, 2013 are recognised in the income statement in the period or periods during which the hedged forecast transaction affects the income statement. This is generally within 12 months from the end of the reporting period.

The fair value of the derivative financial instruments is categorised as level 2 under the fair value hierarchy pursuant to HKFRS 7.

27. 股本

27. SHARE CAPITAL

(以百萬港元為單位)	(In HK\$ millions)	2013	2012
法定： 2,000,000,000股 每股面值5港仙之普通股	Authorized: 2,000,000,000 ordinary shares of HK\$0.05 each	100	100
已發行及全數繳足： 1,566,836,518股 (2012年：1,543,708,518股) 每股面值5港仙之普通股	Issued and fully paid: 1,566,836,518 ordinary shares (2012: 1,543,708,518 ordinary shares) of HK\$0.05 each	78	77

NOTES TO THE FINANCIAL STATEMENTS (continued)

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December 31, 2013

27. 股本(續)

於本年度內，已發行股本之變動情況如下：

27. SHARE CAPITAL (continued)

Details of the movement in the issued share capital during the year are set out below:

		股份數目	
		Number of shares	
		2013	2012
每股面值5港仙之普通股	Ordinary shares of HK\$0.05 each		
於1月1日	At January 1	1,543,708,518	1,521,290,518
發行股份	Issue of shares	23,128,000	22,418,000
於12月31日	At December 31	1,566,836,518	1,543,708,518

(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港仙之新普通股股份共23,128,000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182頁至187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2013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(2012年：1,800,000股)。

(a) Issue of shares

Pursuant to the share option scheme of the Company, the Company issued 23,128,000 new ordinary shares of HK\$0.05 each in the capital of the Company to option-holders who exercised their rights attached to share options during the year.

All the new ordinary shares issued by the Company ranked pari passu with the then existing shares of the Company in all respects.

(b) Share option information

A summary of the share option scheme and details of the movement in share options of the Company during the year are set out on pages 182 to 187.

(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, 2013, 1,800,000 shares ordinary shares (2012: 1,800,000 shares) were held by a jointly controlled company.

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

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28. 儲備

於2013年12月31日，本集團及本公司之儲備分析如下：

28. RESERVES

The reserves of the Group and the Company as at December 31, 2013 are analyzed as follows:

(以百萬港元為單位)	(In HK\$ millions)	集團		公司	
		2013	2012 (重列) (Restated)	2013	2012
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	905	808	905	808
購股權儲備	Share options reserve	23	21	23	21
匯兌儲備	Exchange reserve	132	143	-	-
其他儲備	Other reserves	91	30	-	-
可出售之金融資產儲備	Available-for-sale financial assets reserve	(5)	5	-	-
滾存溢利	Retained profits	1,486	1,515	437	615
		3,018	2,908	1,908	1,987
擬派末期股息(附註14(a))	Proposed final dividends (Note 14(a))	(376)	(386)	(376)	(386)
儲備總額	Total reserves	2,642	2,522	1,532	1,601

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.

28. 儲備(續)

其他儲備之主要項目詳情如下：

- (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。
- (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，除聯邦法規規定外，不可作分配之用。
- (d) 認沽期權財務負債1.02億港元(2012年：1.02億港元)(附註29)。
- (e) 套期儲備300萬港元(2012：無)。

29. 其他長期負債

於2012年，本集團就向Giordano Fashions (L.L.C.) (「Giordano UAE」) 及Textile and Ready Garments Co. Ltd. (「Giordano KSA」) 之非控股股東授出認沽期權，以供其出售於此等公司之餘下權益予本集團所產生的財務負債而確認負債約1.02億港元(2012年：1.02億港元)。該認沽期權於本集團完成收購Giordano UAE及Giordano KSA之股份3年後隨時可行使，而且無到期日期。該等財務負債初步按其公允值確認，即估計贖回金額的現金及從股本中重新分類。授出認沽期權負債以美元計值。

30. 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。

本集團於年內之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：

28. RESERVES (continued)

Details of the main items in other reserves are as follows:

- (a) According to the relevant laws and financial regulations, the statutory reserve funds of the subsidiaries in Mainland China may be used to make up prior years' losses, if any, and to increase the capital of the subsidiaries.
- (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.
- (d) Put option financial liability of HK\$102 million (2012: HK\$102 million) (Note 29).
- (e) Hedging reserve of HK\$3 million (2012: nil).

29. OTHER LONG-TERM LIABILITIES

In 2012, the Group recognized financial liabilities of approximately HK\$102 million in relation to the financial liabilities arising from the put option granted to the non-controlling shareholders of Giordano Fashions (L.L.C.) ("Giordano UAE") and Textile and Ready Garments Co. Ltd. ("Giordano KSA") to sell their remaining interests in these companies to the Group. Such put option is exercisable any time after 3 years from completion of the Group's acquisition of the shares in Giordano UAE and Giordano KSA and has no expiry dates. Such financial liabilities are initially recognized at their fair value, which are the present value of the estimated redemption amount and were reclassified from equity. The put option liabilities are denominated in U.S. dollars.

30. 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:

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

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30. 遞延稅項(續)

遞延稅項(資產)/負債

(以百萬港元為單位)

於2013年1月1日
換算差額
於利潤表中列支/(計入)

於2013年12月31日

於2012年1月1日
換算差額
於利潤表中列支/(計入)

於2012年12月31日

本集團有未確認遞延稅項資產7,600萬港元(2012年: 6,900萬港元)主要源於稅損。此等未確認遞延稅項資產當中4,000萬港元(2012年: 3,000萬港元)將於2013年12月31日起5年內屆滿。餘下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滾存溢利之扣繳稅項的遞延稅項負債為1,100萬港元(2012年: 1,300萬港元)。

30. DEFERRED TAXATION (continued)

Deferred tax (assets)/liabilities

		加速 會計折舊 Accelerated accounting depreciation	未分派之 滾存溢利 Unremitted profits	其他 Others	合計 Total
At January 1, 2013		(9)	115	(33)	73
Translation difference		-	(1)	(1)	(2)
Charged/(credited) to income statement		1	1	(4)	(2)
At December 31, 2013		(8)	115	(38)	69
At January 1, 2012		(11)	98	(28)	59
Translation difference		-	6	3	9
Charged/(credited) to income statement		2	11	(8)	5
At December 31, 2012		(9)	115	(33)	73

The Group has unrecognized deferred tax assets of HK\$76 million (2012: HK\$69 million) arising mainly from tax losses. These unrecognized deferred tax assets to the extent of HK\$40 million (2012: HK\$30 million) will expire within 5 years from December 31, 2013. 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\$ 11 million (2012: HK\$13 million) 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)

遞延稅項資產
遞延稅項負債

(In HK\$ millions)

Deferred tax assets
Deferred tax liabilities

集團
Group

	2013	2012
Deferred tax assets	(49)	(48)
Deferred tax liabilities	118	121
	69	73

NOTES TO THE FINANCIAL STATEMENTS (continued)

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31. 應付賬款及其他應付款

31. TRADE AND OTHER PAYABLES

(以百萬港元為單位)	(In HK\$ millions)	集團 Group			公司 Company	
		2013	2012 (重列) (Restated)	2011 (重列) (Restated)	2013	2012
應付賬款	Trade payables	160	193	298	-	-
其他應付款及應付費用	Other payables and accrued expenses	372	555	400	6	9
		532	748	698	6	9

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	
		2013	2012
0至30日	0 – 30 days	136	134
31至60日	31 – 60 days	11	29
61至90日	61 – 90 days	3	10
逾90日	Over 90 days	10	20
		160	193

應付賬款之賬面值約以公允值列賬。

The carrying amount of trade payables is stated approximately at its fair value.

財務報表附註（續）

NOTES TO THE FINANCIAL STATEMENTS (continued)

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32. 現金及銀行結存

32. CASH AND BANK BALANCES

(以百萬港元為單位)	(In HK\$ millions)	集團		公司	
		Group	2012	Company	2012
		2013		2013	
現金及現金等值	Cash and cash equivalents	1,232	872	122	6
存款日起三個月以上到期 之銀行定期存款	Bank deposits with maturity over three months from date of deposits	205	640	-	-
現金及銀行總結存	Total cash and bank balances	1,437	1,512	122	6

本集團以上之現金及銀行結存包括等值7.93億港元（2012年：8.34億港元）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\$793 million (2012: HK\$834 million) denominated in Renminbi.

於2013年12月31日，3.11億港元（2012年：3.03億港元）之定期存款已作銀行貸款抵押。

As at December 31, 2013, bank deposits of HK\$311 million (2012: HK\$303 million) were pledged for a bank loan.

本集團定期存款的實際利率為3.0%（2012年：3.6%），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 3.0% (2012: 3.6%); these deposits have an average maturity of more than 3 months.

33. 銀行貸款

33. BANK LOANS

(以百萬港元為單位)	(In HK\$ millions)	集團		公司	
		Group	2012	Company	2012
		2013		2013	
短期銀行貸款（無抵押）， 日元計值	Short-term bank loans (unsecured), Japanese yen denominated	33	40	33	40
短期銀行貸款（有抵押）， 美元計值	Short-term bank loans (secured), U.S. dollars denominated	299	299	-	-
		332	339	33	40

本集團之銀行貸款的實際利率為1.2%（2012年：1.3%）。該等銀行貸款於一年內到期。

The effective interest rate of Group's short term bank loans was 1.2% (2012: 1.3%); these bank loans are repayable within one year.

於2013年12月31日，有抵押之短期銀行貸款以3.11億港元（2012年：3.03億港元）定期存款作抵押。

As at December 31, 2013, the secured short-term bank loans are secured by a pledged bank deposits of HK\$311 million (2012: HK\$303 million).

短期銀行貸款的賬面值與其公允價值相近。

The fair value of short-term bank loans approximate their carrying value.

NOTES TO THE FINANCIAL STATEMENTS (continued)

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34. 合併現金流量表附註

出售製造業務

於2012年5月31日，本集團向一名獨立第三方出售於智興製衣有限公司的全部股權。出售之詳情如下：

34. NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Disposal of manufacturing business

On May 31, 2012, the Group disposed of its entire equity interests in Master Trend Garments Limited, a subsidiary which is engaged in manufacturing business. Details of the disposal are as follows:

百萬港元
HK\$ millions

已收取之現金代價	Cash consideration received	166
出售項目之資產淨值	Net assets disposed of:	
物業、機器及設備	Property, plant and equipment	14
投資物業	Investment property	73
租賃土地	Leasehold land	13
存貨	Inventories	26
應收賬款及其他應收款	Trade and other receivables	80
現金及銀行結存	Cash and bank balances	15
應付賬款及其他應付款	Trade and other payables	(83)
		138
變現匯兌儲備	Realization of exchange reserve	1
出售製造業務之收益	Gain on disposal of manufacturing business	29
出售所引致之現金 流入淨額之分析：	Analysis of the net cash inflow in respect of the disposal:	
已收取之現金代價	Cash consideration received	166
減：出售銀行結存及現金	Less: Bank balances and cash disposed of	(15)
出售附屬公司所引致之現金 流出淨額之分析	Analysis of the net cash inflow from the disposal subsidiaries	151

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

35. 業務合併

於2012年，本集團增加60% Giordano Fashions (L.L.C.) (「Giordano UAE」) 權益至80%。此外，本集團持有Textile and Ready Garments Co. Ltd (「Giordano KSA」) 的75% 權益。

下表摘要就支付Giordano KSA及Giordano UAE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允價值。

35. BUSINESS COMBINATION

In 2012, the Group increased its economic interests in Giordano Fashions (L.L.C.) ("Giordano UAE") by 60% to 80% and has established 75% interests in Textile and Ready Garments Co. Ltd. ("Giordano KSA").

The following table summarises the consideration paid for Giordano KSA and Giordano UAE, the fair value of net assets acquired, liabilities assumed and the non-controlling interest at the acquisition date.

		百萬港元 HK\$ millions
代價	Purchase consideration	
— 現金	— cash paid	499
— 應付代價	— consideration payable	9
應收完成股息及扣繳稅項	Completion dividend receivable and corresponding withholding tax	(26)
總代價轉移	Total consideration transferred	482
集團在合併前持有Giordano KSA及Giordano UAE權益的公平值	Fair value of equity interest in Giordano KSA and Giordano UAE held before the business combination	155
代價總額	Total consideration	637
購入項目之資產淨值:	Net assets acquired:	
物業、機器及設備	Property, plant and equipment	48
存貨	Inventories	80
應收賬款及其他應收款	Trade and other receivables	146
現金及銀行結餘	Cash and bank balances	138
應付賬款及其他應付款	Trade and other payables	(275)
		137
非控制性權益	Non-controlling interests	(31)
收購所產生之商譽	Goodwill on acquisition	531
		637
收購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 subsidiaries:	
已付現金代價	Cash consideration paid	499
所收購之銀行結存及現金	Bank balances and cash acquired	(138)
收購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 subsidiaries	361

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

35. 業務合併(續)

收購所產生的費用共1,900萬港元計入至2012年12月31日合併利潤表中的行政費用。

本集團選擇於收購日以應佔資產淨額確認非控制性權益。

購買產生的商譽5.31億港元，來自本集團與Giordano KSA及Giordano UAE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。

本集團因重新計量合併前持有Giordano KSA及Giordano UAE的20%權益之公允值而錄得1億港元之收益，此收益計入2012年12月31日之合併利潤表中的其他收益。

自收購起，Giordano KSA及Giordano UAE貢獻1.08億港元銷售及2,000萬港元溢利。

假若Giordano KSA及Giordano UAE在2012年1月1日起已合併入賬，至2012年12月31日的合併利潤表的銷售額將增加3.53億港元及溢利增加6,600萬港元。

除授予Giordano UAE及Giordano KSA之非控股股東之認沽期權外(附註29)，本集團亦獲非控股股東授予認購期權，以購買其於Giordano UAE及Giordano KSA之股權。該認購期權於本集團完成收購Giordano UAE及Giordano KSA之股份兩年後隨時可行使，而且無到期日期。認沽及認購期權之行使價為以下兩者中之較高者：(a)與收購事項之每股價值等額及(b)行使期權時之公允市值。

35. BUSINESS COMBINATION (continued)

Acquisition-related costs of HK\$19 million have been charged to administrative expenses in the consolidated income statement for the year ended December 31, 2012.

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

The goodwill of HK\$531 million arising from the acquisition is attributable to the economies of scale expected from combining the operations of the Group and Giordano KSA and Giordano UAE. None of the goodwill recognized is expected to be deductible for income tax purposes.

The Group recognized a gain of HK\$100 million as a result of measuring at fair value of its 20% equity interests in Giordano KSA and Giordano UAE held before the business combination. The gain is included in other gain in the consolidated income statement for the year ended December 31, 2012.

Giordano KSA and Giordano UAE contributed HK\$108 million sales and HK\$20 million profit since acquisition.

Had Giordano KSA and Giordano UAE been consolidated from January 1, 2012, the consolidated income statement for the year ended December 31, 2012 would show an increase of sales of HK\$353 million and profit of HK\$66 million.

In addition to the put option granted to non-controlling shareholders of Giordano UAE and Giordano KSA (Note 29), the Group was also granted a call option from the non-controlling shareholders with the rights to purchase their interests in Giordano UAE and Giordano KSA. Such call option is exercisable any time after 2 years from completion of the Group's acquisition of the shares in Giordano UAE and Giordano KSA and has no expiry dates. The exercise price of both the put and call options shall be the higher of (a) the same per share valuation as the acquisition and (b) the fair market value at the time of exercise of the option.

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

36. 與非控制性權益的交易

2012年12月12日，本公司購入Netop Limited（為一附屬公司，其於澳洲持有零售業務）額外6.8%已發行股份，購買對價為約200萬港元。2012年Netop Limited所有者權益的變動對歸屬於本公司所有者的權益的影響摘要如下：

36. TRANSACTION WITH NON-CONTROLLING INTERESTS

On December 12, 2012, the Group acquired an additional 6.8% of the issued shares of Netop Limited, a subsidiary which holds the retail business in Australia, for a cash consideration of approximately HK\$2 million. The effect of changes in the ownership interest of Netop Limited on the equity attributable to owners of the Company during the year is summarised as follows:

百萬港元
HK\$ millions

購入非控制性權益的賬面值	Carrying amount of non-controlling interests acquired	(2)
支付予非控制性權益的對價	Consideration paid to non-controlling interests	(2)
超額支付的對價部份於儲備中確認	Excess of consideration paid recognised within equity	(4)

37. 承擔

經營租賃之承擔

(a) 於2013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：

37. COMMITMENTS

Commitments under operating leases

(a) As at December 31, 2013, the Group and the Company had future aggregate minimum lease charges payable under non-cancellable operating leases in respect of retail shops, office premises, factories and warehouses as set out below:

(以百萬港元為單位)	(In HK\$ millions)	集團 Group		公司 Company	
		2013	2012	2013	2012
1年內	Within one year	835	782	2	3
1年後但5年內	After one year but within five years	994	832	-	3
5年以上	Over five years	14	22	-	-
		1,843	1,636	2	6

經營租賃合約包含不同種類條款，租金遞升協定及續租權。若干門市之經營租賃租金乃根據最低保證租金或以銷售額計算之租金（以較高者為準）。上述承擔乃按最低保證租金計算。

The leases have varying terms, escalation clauses and renewal rights. The operating lease rentals of certain outlets are based on the higher of a minimum guaranteed rental or a sales level based rental. The minimum guaranteed rental has been used to arrive at the above commitments.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

37. 承擔(續)

經營租賃之承擔(續)

- (b) 於2013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 Group		公司 Company	
		2013	2012	2013	2012
1年內	Within one year	11	8	18	13
1年後但5年內	After one year but within five years	7	6	32	-
		18	14	50	13

37. COMMITMENTS (continued)

Commitments under operating leases (continued)

- (b) As at December 31, 2013, the Group and the Company had future aggregate minimum lease income receivable under non-cancellable operating leases in respect of retail shops and factories as set out below:

38. 資本承擔

於2013年及2012年12月31日，本集團及本公司並無重大關於租賃物業裝修、傢俬及辦公室設備之資本承擔。

本公司同意購買經營佐丹奴零售業務之阿曼公司、卡塔爾公司及科威特公司之49%權益。收購總代價為1,800萬港元。該交易預計將於2014年7月31日或之前完成。

38. CAPITAL COMMITMENTS

As at December 31, 2013 and 2012, the Group and the Company had no material capital commitment in respect of leasehold improvement, furniture and fixtures.

The Company agreed to purchase 49% of the entities in Oman, Qatar and Kuwait which operate Giordano retail operation. Total consideration for the acquisition will be HK\$18 million. The transaction is expected to complete by July 31, 2014.

財務報表附註（續）

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

39. 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聯營公司進行正常交易。有關該等交易詳述如下：

(以百萬港元為單位)

銷售給：
— 共同控制公司
— 聯營公司

(In HK\$ millions)

Sales to:
a jointly controlled company
associates

集團
Group

2013

2012

178

173

23

185

201

358

特許權收入：
— 共同控制公司

Royalty income from:
a jointly controlled company

28

25

於12月31日應收關聯人士款項：

Amounts due from these related parties at December 31 are:

(以百萬港元為單位)

應收關聯人士款項：
— 共同控制公司
— 聯營公司

(In HK\$ millions)

Amounts due from:
jointly controlled companies
associates

集團
Group

2013

2012

15

11

2

4

17

15

於2013年12月31日，上述應收關聯人士款項已分別反映在應收及其他應收賬款。應收款項均為免息、無抵押及須於要求時償還。

As at December 31, 2013, the above amounts due from related parties are reflected in trade and other receivables. The receivables are unsecured in nature, bear no interest and are repayable on demand.

- (b) 重要管理層報酬

董事認為重要管理層為最高薪五位職員，其酬金於財務報表附註10披露。

- (b) Key management compensation

The directors regard the five highest paid individuals as the key management of the Group whose remuneration is disclosed in Note 10 to the financial statements.

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

40. 主要附屬公司

本公司於2013年12月31日之主要附屬公司如下：

40. PRINCIPAL SUBSIDIARIES

The following is a list of the principal subsidiaries of the Company as at December 31, 2013:

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	2013	2012	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
寶斯特有限公司* Bluestar Exchange Limited*	香港 Hong Kong	100	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	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	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	92.8	92.8	92.8	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
Giordano Fashions (India) Private Limited*	印度 India	50.9	50.9	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
Giordano Fashions (L.L.C.)*	阿拉伯 聯合酋長國 United Arab Emirates	49	49	49	3,000股每股面值 1,000阿聯酋迪拉姆之股份 3,000 shares of AED1,000 each	經營零售服裝及配襯 用品/阿拉伯聯合酋長國 Retail of apparel and accessories/United Arab Emirates

財務報表附註(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

40. 主要附屬公司(續)

40. 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
		2013	2012		
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 Middle East FZE*	阿拉伯聯合 酋長國-杜拜 Dubai - United Arab Emirates	100	100	1股 每股面值1,000,000 阿聯酋迪拉姆之股份 1 share of AED1,000,000 each	經營分銷 服裝及配襯用品/ 阿拉伯聯合酋長國-杜拜 Distribution of apparel and accessories/ Dubai - UAE
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
Giordano Vietnam Limited*	香港 Hong Kong	60	-	10,000股 每股面值1美元之普通股 10,000 ordinary shares of USD1 each	經營合資企業 及特許經營投資/越南 Joint Ventures investment & franchising/Vietnam
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(續)

NOTES TO THE FINANCIAL STATEMENTS (continued)

2013年12月31日
December 31, 2013

40. 主要附屬公司(續)

40. 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
		2013	2012		
深圳虎威製衣 有限公司*(附註) Shenzhen Tiger Garment Ltd.* (note)	中國大陸 Mainland China	100	100	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/ Mainland China
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/ Mainland China
Textile and Ready Garments Co. Ltd.*	沙特阿拉伯王國 Kingdom of Saudi Arabia	75	75	10,000股 每股面值2,700 沙特里亞爾之股份 10,000 shares of SR2,700 each	經營零售服裝及配襯用品/ 沙特阿拉伯王國 Retail of apparel and accessories/Saudi Arabia
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

41. 財務報表通過

本年度財務報表已於2014年2月27日獲董事會通過。

41. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board of directors on February 27, 2014.

購股權資料

SHARE OPTION INFORMATION

購股權計劃

於2011年6月9日，本公司終止其於2002年1月24日採納之購股權計劃（「2002年購股權計劃」），並於同日採納新購股權計劃（「2011年購股權計劃」），惟於當日已授出且尚未行使及/或已承諾授出之購股權須繼續遵照2002年購股權計劃之條文及上市規則之規定。

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

On June 9, 2011, the Company terminated its then share option scheme adopted on January 24, 2002 (the “2002 Scheme”) and adopted a new share option scheme (the “2011 Scheme”) on the same date, but the options which have been granted and remained outstanding and/or committed as of that date shall continue to follow the provisions of the 2002 share option scheme and the Listing Rules.

Summary of the share option scheme of the Company (the “Scheme”) is as follows:

(1) Purpose

As incentives or rewards for the contribution or potential contribution to the Group from the selected eligible persons.

(2) Eligible persons

(i) (a) any director or proposed director (whether executive or non-executive, including any independent non-executive director), employee or proposed employee (whether full time or part time) of, or

(b) any individual for the time being seconded to work for;

any member of the Group or any controlling shareholder or any company controlled by a controlling shareholder; or

(ii) any holder of any securities issued by any member of the Group or any controlling shareholder or any company controlled by a controlling shareholder; or

(iii) any member of the Group or any controlling shareholder or a company controlled by a controlling shareholder:

(a) any business or joint venture partner, franchisee, contractor, agent or representative of,

(b) any person or entity that provides research, development or other technological support or any advisory, consultancy, professional or other services to,

(c) any supplier of goods or services to,

(d) any customer of, or

(e) any landlord or tenant (including any sub-tenant) of;

and, for the purposes of the Scheme, shall include any company controlled by one or more persons belonging to any of the above classes of eligible persons.

(3) 股份數目上限

於2014年2月27日，可發行之股份數目上限為90,865,251股，約相等於本公司已發行股份之5.8%。

(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1.00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2021年6月8日屆滿。

(3) Maximum number of shares

As at February 27, 2014, the maximum number of shares available for issue is 90,865,251, representing approximately 5.8% 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 June 8, 2021.

購股權資料

SHARE OPTION INFORMATION

購股權之變動

於本年度內，本公司購股權之變動詳情載列如下：

MOVEMENT OF SHARE OPTIONS

During the year, movements of the Company's share options are set out below:

2002年購股權計劃

2002 Share Option Scheme

合資格人士 Eligible person	購股權數目 Number of share options				於2013年 12月31日之結餘 Balance as at 12/31/2013	每股行使價 Exercise price per share	授出日期 Date of grant	行使期 Exercisable period
	於2013年 1月1日之結餘 Balance as at 1/1/2013	於年內授出 Granted during the year	於年內行使 Exercised during the year	於本年度內 註銷/失效 Canceled/ lapsed during the year				
						港元 HK\$	(月/日/年) (MM/DD/YYYY)	(月/日/年) (MM/DD/YYYY)
董事 Director								
馬灼安 ¹ MAH Chuck On, Bernard ¹	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
	1,200,000	-	1,200,000	-	-			
Ishwar Bhagwandas CHUGANI ²	400,000	-	400,000	-	-	4.160	07/30/2008	10/01/2008 - 09/30/2018
	400,000	-	400,000	-	-			

¹ 於2013年2月1日退任執行董事

² 於2013年2月1日獲委任為執行董事

¹ Retired as an executive director on February 1, 2013

² Appointed as an executive director on February 1, 2013

購股權之變動(續)

MOVEMENT OF SHARE OPTIONS (continued)

2002年購股權計劃

2002 Share Option Scheme

合資格人士 Eligible person	購股權數目 Number of share options				於2013年 12月31日之結餘 Balance as at 12/31/2013	每股行使價 Exercise price per share	授出日期 Date of grant	行使期 Exercisable period
	於2013年 1月1日之結餘 Balance as at 1/1/2013	於年內授出 Granted during the year	於年內行使 Exercised during the year	於本年度內 註銷/失效 Canceled/ lapsed during the year				
					港元 HK\$	(月/日/年) (MM/DD/YYYY)	(月/日/年) (MM/DD/YYYY)	
連續合約僱員 Continuous Contract Employees	24,000	-	10,000	14,000	-	2.650	06/10/2003	06/10/2004 - 06/09/2013
	32,000	-	14,000	18,000	-	2.650	06/10/2003	06/10/2005 - 06/09/2013
	68,000	-	26,000	42,000	-	2.650	06/10/2003	06/10/2006 - 06/09/2013
	266,000	-	100,000	-	166,000	4.500	06/16/2004	06/16/2005 - 06/15/2014
	266,000	-	100,000	-	166,000	4.500	06/16/2004	06/16/2006 - 06/15/2014
	268,000	-	100,000	-	168,000	4.500	06/16/2004	06/16/2007 - 06/15/2014
	12,000	-	2,000	4,000	6,000	4.235	08/17/2004	08/17/2005 - 08/16/2014
	16,000	-	8,000	8,000	-	4.235	08/17/2004	08/17/2006 - 08/16/2014
	110,000	-	110,000	-	-	4.875	12/30/2004	12/30/2004 - 12/29/2014
	230,000	-	132,000	-	98,000	3.896	11/27/2007	11/27/2008 - 11/26/2017
	352,000	-	232,000	-	120,000	3.896	11/27/2007	11/27/2009 - 11/26/2017
	574,000	-	416,000	-	158,000	3.896	11/27/2007	11/27/2010 - 11/26/2017
	32,000	-	16,000	-	16,000	3.896	01/23/2008	01/23/2009 - 01/22/2018
	32,000	-	-	-	32,000	3.896	01/23/2008	01/23/2010 - 01/22/2018
	36,000	-	-	-	36,000	3.896	01/23/2008	01/23/2011 - 01/22/2018
	3,084,000	-	1,628,000	122,000	1,334,000	3.520	07/30/2008	10/01/2008 - 09/30/2018
	1,296,000	-	620,000	-	676,000	3.840	07/30/2008	10/01/2008 - 09/30/2018
	1,396,000	-	720,000	-	676,000	4.160	07/30/2008	10/01/2008 - 09/30/2018
	80,000	-	-	-	80,000	3.340	07/07/2010	03/25/2011 - 06/30/2020
	3,206,000	-	2,206,000	-	1,000,000	3.340	07/07/2010	03/22/2012 - 06/30/2020
	12,150,000	-	5,450,000	-	6,700,000	3.340	07/07/2010	03/01/2013 - 06/30/2020
	800,000	-	-	-	800,000	4.502	10/08/2010	03/25/2011 - 06/30/2020
	1,700,000	-	-	-	1,700,000	4.502	10/08/2010	03/22/2012 - 06/30/2020
	2,500,000	-	-	-	2,500,000	4.502	10/08/2010	03/01/2013 - 06/30/2020
	200,000	-	-	-	200,000	6.160	05/24/2011	03/22/2012 - 06/30/2020
	300,000	-	-	-	300,000	6.160	05/24/2011	03/01/2013 - 06/30/2020
	500,000	-	-	-	500,000	6.160	05/24/2011	02/28/2014 - 06/30/2020
	29,530,000	-	11,890,000	208,000	17,432,000			
其他 Others	1,100,000	-	560,000	80,000	460,000	4.150	01/27/2004	01/27/2005 - 01/26/2014
	1,320,000	-	700,000	100,000	520,000	4.975	12/29/2004	12/29/2004 - 12/28/2014
	2,420,000	-	1,260,000	180,000	980,000			
合計 Total	33,550,000	-	14,750,000	388,000	18,412,000			

購股權資料

SHARE OPTION INFORMATION

購股權之變動(續)

MOVEMENT OF SHARE OPTIONS (continued)

2011年購股權計劃

2011 Share Option Scheme

合資格人士 Eligible person	購股權數目 Number of share options				於2013年 12月31日之結餘 Balance as at 12/31/2013	每股行使價 Exercise price per share	授出日期 Date of grant	行使期 Exercisable period
	於2013年 1月1日之結餘 Balance as at 1/1/2013	於年內授出 Granted during the year	於年內行使 Exercised during the year	於本年度內 註銷/失效 Canceled/ lapsed during the year				
						港元 HK\$	(月/日/年) (MM/DD/YYYY)	(月/日/年) (MM/DD/YYYY)
董事 Director								
Ishwar Bhagwandas CHUGANI ²	-	1,200,000	-	-	1,200,000	7.650	04/10/2013	02/28/2014 - 03/31/2022
Ishwar Bhagwandas CHUGANI ²	-	1,800,000	-	-	1,800,000	7.650	04/10/2013	附註1 Note 1 - 03/31/2022
Ishwar Bhagwandas CHUGANI ²	-	3,000,000	-	-	3,000,000	7.650	04/10/2013	附註2 Note 2 - 03/31/2022
	-	6,000,000	-	-	6,000,000			
連續合約僱員 Continuous Contract Employees	5,442,000	-	1,980,000	-	3,462,000	5.200	10/07/2011	03/22/2012 - 09/30/2021
	11,370,000	-	4,342,000	-	7,028,000	5.200	10/07/2011	03/01/2013 - 09/30/2021
	18,950,000	-	-	1,050,000	17,900,000	5.200	10/07/2011	02/28/2014 - 09/30/2021
	928,000	-	116,000	20,000	792,000	5.380	06/12/2012	03/01/2013 - 12/31/2021
	300,000	-	-	-	300,000	5.380	06/12/2012	02/28/2014 - 12/31/2021
	500,000	-	-	-	500,000	5.380	06/12/2012	附註1 Note 1 - 12/31/2021
	-	1,760,000	-	-	1,760,000	7.650	04/10/2013	02/28/2014 - 03/31/2022
	-	2,640,000	-	-	2,640,000	7.650	04/10/2013	附註1 Note 1 - 03/31/2022
	-	4,400,000	-	-	4,400,000	7.650	04/10/2013	附註2 Note 2 - 03/31/2022
	37,490,000	8,800,000	6,438,000	1,070,000	38,782,000			
其他 Others	1,200,000	-	860,000	-	340,000	5.200	10/07/2011	03/22/2012 - 09/30/2021
	1,800,000	-	1,080,000	-	720,000	5.200	10/07/2011	03/01/2013 - 09/30/2021
	3,000,000	-	-	-	3,000,000	5.200	10/07/2011	02/28/2014 - 09/30/2021
	6,000,000	-	1,940,000	-	4,060,000			
合計 Total	43,490,000	14,800,000	8,378,000	1,070,000	48,842,000			

² 於2013年2月1日獲委任為執行董事

² Appointed as an executive director on February 1, 2013

附註:

Note:

1. 2014年全年業績公布翌日
2. 2015年全年業績公布翌日

1. The day after 2014 final results announcement
2. The day after 2015 final results announcement

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7.53港元。
2. 於2013年12月31日之每股市價為6.93港元。
3. 於2013年4月10日授出之14,800,000股購股權,其購股權授出日期前一天之收市價為7.6港元。

購股權價值

於2013年4月10日授出之14,800,000股購股權,其行使價為7.65港元。

於2013年財政年度授出之購股權之每股公平價值為0.514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：0.645% (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51.0港仙

預期波幅：歷史波幅為30.26%

預期行使期：7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\$7.53.
2. The market value per share as at December 31, 2013 was HK\$6.93.
3. The closing price of the shares immediately before April 10, 2013, being the date of grant of the 14,800,000 share options, was HK\$7.6.

VALUATION OF SHARE OPTIONS

On April 10, 2013, the company granted a total of 14,800,000 share options at an exercise price of HK\$7.65.

The fair value per share option granted during the financial year 2013 was HK\$0.514. 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：0.645%, being the approximate yield of ten-year Exchange Fund Note on the grant date

Expected dividend：average historical dividends of 51.0 HK cents per share

Expected volatility：30.26% based on historical volatility

Expected life：7 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

股東週年大會

2014年5月12日至2014年5月16日
(首尾兩天包括在內)

暫停辦理股份過戶登記

建議末期股息

2014年5月22日至2014年5月23日
(首尾兩天包括在內)

股東週年大會

2014年5月16日

股息

中期股息 : 每股16.0港仙
派發日期 : 2013年9月27日
建議末期股息 : 每股24.0港仙
建議派發日期 : 2014年6月27日

股份代號

香港聯合交易所 : 709
彭博 : 709 HK
路透社 : 0709.HK

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IMPORTANT DATES

Closure of Register of Members

Annual General Meeting

May 12, 2014 to May 16, 2014
(both days inclusive)

Closure of Register of Members

Proposed Final Dividend

May 22, 2014 to May 23, 2014
(both days inclusive)

Annual General Meeting

May 16, 2014

Dividends

Interim Dividend : 16.0 HK cents per share
Paid on : September 27, 2013
Proposed Final Dividend : 24.0 HK cents per share
Payable on : June 27, 2014

STOCK CODE

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

INVESTOR RELATIONS CONTACT

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