

ANNUAL 2016 年度報告

REPORT

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)

STOCK CODE 股份代號：1028

C.BANNER

千百度國際控股有限公司
C. banner International Holdings Ltd.

2016 ANNUAL REPORT





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Corporate Profile

公司簡介

Vision To be a leading international integrated retailer and branded group of mid-to-premium ladies' footwear in China

Brand Values Elegance, Charm, Fashionable

願景 成為領先的國際綜合零售商及中國中高檔女鞋品牌集團

品牌理念 優雅、魅力、時尚

CORPORATE PROFILE

C.banner International Holdings Limited (the "Company" or "C.banner", together with its subsidiaries, the "Group") is the leading international integrated retailer and retailer of mid-to-premium women's formal and casual footwear in the PRC.

The Group distributes self-developed brands and licensed brands products through department stores and independent retail stores in different cities, ranging from first-tier to third-tier cities in the PRC, and is also proactive in developing online business as to further expand its customer base as well as sales and distribution network. In addition, the Group also acts as an OEM or ODM manufacturer for international shoes companies dealing in export markets.

Striving to be the leading branded group of mid-to-premium ladies' footwear in the PRC, the Group upholds a diversified brand strategy and product portfolio as to diversify its footwear offerings and enter diversified market segments. The Group is popular for its brand values of elegance, charm and fashionable in the market, and operates self-developed brands, including C.banner, EBLAN, sundance, MIO and Badgley Mischka and licensed brands, including naturalizer, ASH, JC Collezione and United Nude.

MULTI-BRAND PORTFOLIO

Targeting mid-to-premium footwear market, the Group adheres to its multi-brand strategy and provides new brands to clearly targeted markets, in order to diversify its footwear offerings and enter diversified market segments.

Currently, the Group manages the following self-developed brands and licensed brands:

公司簡介

千百度國際控股有限公司（「本公司」或「千百度」，連同其附屬公司，統稱「本集團」）乃領先的國際綜合零售商及中國中高檔端莊和休閒女鞋零售商。

本集團透過位於中國多個一二三線城市的百貨商店及獨立零售店舖出售自有產品及特許品牌產品，亦積極發展線上業務，以期進一步拓展其客戶群以及銷售及分銷網絡。此外，本集團亦以OEM或ODM方式為國際鞋業公司生產產品出口海外。

致力成為中國中高檔女鞋的領先品牌集團，本集團堅持多元化品牌發展戰略，並豐富產品組合，以使其鞋履種類多樣化及促進市場多元化。本集團因秉承優雅、魅力、時尚的品牌理念備受市場青睞，並經營自有品牌包括千百度、伊伴、太陽舞、米奧及Badgley Mischka，以及授權品牌包括naturalizer、ASH、JC Collezione及United Nude。

多品牌組合

以中高檔鞋履市場為目標，本集團堅持多品牌戰略，並引入具明確定位之新品牌，以使其鞋履種類多樣化及促進市場多元化。

目前，本集團經營以下自有品牌及授權品牌：

SELF-DEVELOPED BRANDS

	<p>is one of the leading brands in the mid-to-premium formal and casual segment in the PRC, offers a range of mid-to-premium fashion, business and business casual footwear.</p>	<p>中國中高檔端莊及休閒分部的一大領軍品牌，提供一系列中高檔時尚、商務及商務休閒鞋履。</p>
	<p>is comparatively more youthful, colorful and energetic in its designs.</p>	<p>設計更年輕、更絢麗，更具活力。</p>
	<p>is the most casual in appearance, in line with its younger customer profile.</p>	<p>外觀最為休閒，符合年輕客戶的形象。</p>
	<p>offers a range of trendy and high-quality ladies footwear for most young female customers.</p>	<p>為年輕女性客戶提供一系列新潮優質女鞋。</p>
	<p>is a well-known fashion brand, offers fashion ladies footwear to be worn in important occasions.</p>	<p>是知名時尚品牌，提供重要場合穿著的時尚女鞋。</p>

自有品牌

LICENSED BRANDS

	<p>is one of the well-known brands of comfortable and casual shoes in the US.</p>	<p>是美國知名的舒適休閒鞋品之一。</p>
	<p>comes from Italy and targeting a fashion conscious generation of men and women who always setting trends, never following them.</p>	<p>來自意大利，是給追求時尚，且不希望被大眾同化的顧客。</p>
	<p>offers comfortable and tasted high-class lady's shoes.</p>	<p>提供舒適、品位的高端女鞋。</p>
	<p>Its simple, elegant and creative style is no substitute.</p>	<p>簡約、優雅、極富創意的風格無可取代。</p>

授權品牌

INTRODUCTION OF LEADING WORLD RENOWNED TOY RETAILER BRAND – HAMLEYS

In October 2015, the Group acquired the entire issued share capital of Hamleys Global Holdings Limited. Hamleys is one of the largest toys retailers in the world. It owns the retail store with the world's highest sales and Hamleys brand with a brand history of over 250 years.

The first Hamleys China flagship store was successfully opened in Nanjing in October 2016. Through the introduction of Hamleys brand, the Group aims to expand its business with a focus on retail premises such as department stores to further implement the global branding strategy. The Group will leverage on its retail platforms to further develop the Hamleys brand and at the same time expand the product offerings through the addition of toys and children's products to strengthen its competitive advantages of retail channels and diversify its businesses, thus shaping C.banner as an international integrated retailer with multi-brands portfolio.

引入領先的全球知名玩具零售商品牌 – Hamleys

於2015年10月，本集團收購Hamleys Global Holdings Limited之全部已發行股本。Hamleys是全球最大的玩具零售商之一，擁有全球銷售額最高的玩具零售店及超過250年歷史的Hamleys品牌。

首間Hamleys中國旗艦店於2016年10月在南京成功開業。通過引入Hamleys品牌，本集團旨在擴大業務並專注於百貨公司等零售場所，進一步實現全球品牌戰略。本集團將運用其零售平台進一步發展Hamleys品牌，並透過引入玩具及兒童產品擴大產品系列，強化零售渠道優勢，多元化業務發展，將公司打造為多品牌的國際綜合零售商。

Corporate Information
公司資料



BOARD OF DIRECTORS

Executive Directors:

Mr. Chen Yixi (Chairman)
Mr. Zhao Wei (President)
Mr. Huo Li
Mr. Xu Tingyu (Chief Financial Officer)
(resigned on 12 December 2016)
Mr. Ngan Wing Ho (Chief Financial Officer)
(appointed on 12 December 2016)
Mr. Yuan Zhenhua
(appointed on 12 December 2016)

Non-executive Directors:

Mr. Miao Bingwen
Mr. Wu Guangze

Independent Non-executive Directors:

Mr. Kwong Wai Sun Wilson
Mr. Li Xindan
Mr. Zhang Zhiyong
Mr. Zheng Hongliang

AUTHORISED REPRESENTATIVES

Mr. Huo Li
Ms. Mok Ming Wai

AUDIT COMMITTEE

Mr. Kwong Wai Sun Wilson (Chairman)
Mr. Miao Bingwen
Mr. Li Xindan
Mr. Zhang Zhiyong
Mr. Zheng Hongliang

REMUNERATION COMMITTEE

Mr. Li Xindan (Chairman)
Mr. Miao Bingwen
Mr. Kwong Wai Sun Wilson
Mr. Zhang Zhiyong
Mr. Zheng Hongliang

NOMINATION COMMITTEE

Mr. Chen Yixi (Chairman)
Mr. Li Xindan
Mr. Kwong Wai Sun Wilson
Mr. Zhang Zhiyong
Mr. Wu Guangze
Mr. Zheng Hongliang

董事會

執行董事：

陳奕熙先生(董事長)
趙偉先生(總裁)
霍力先生
徐庭裕先生(首席財務官)
(於2016年12月12日辭任)
顏永豪先生(首席財務官)
(於2016年12月12日獲委任)
袁振華先生
(於2016年12月12日獲委任)

非執行董事：

繆炳文先生
吳廣澤先生

獨立非執行董事：

鄺偉信先生
李心丹先生
張志勇先生
鄭紅亮先生

授權代表

霍力先生
莫明慧女士

審核委員會

鄺偉信先生(主席)
繆炳文先生
李心丹先生
張志勇先生
鄭紅亮先生

薪酬委員會

李心丹先生(主席)
繆炳文先生
鄺偉信先生
張志勇先生
鄭紅亮先生

提名委員會

陳奕熙先生(主席)
李心丹先生
鄺偉信先生
張志勇先生
吳廣澤先生
鄭紅亮先生

Corporate Information

公司資料

COMPANY SECRETARY

Ms. Mok Ming Wai

公司秘書

莫明慧女士

REGISTERED OFFICE

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

註冊辦事處

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 2904, 29th Floor
Far East Finance Center
16 Harcourt Road
Hong Kong

香港主要營業地點

香港夏愨道16號
遠東金融中心
29樓2904室

STOCK CODE

1028

股份代號

1028

COMPANY WEBSITE

www.cbanner.com.cn

公司網址

www.cbanner.com.cn

LEGAL ADVISER

Sidley Austin
Level 39
Two International Finance Centre
8 Finance Street
Central, Hong Kong

法律顧問

盛德律師事務所
香港中環
金融街8號
國際金融中心二期39樓



AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants

核數師

德勤•關黃陳方會計師行
執業會計師

SHARE REGISTRARS

Principal Share Registrar and Share Transfer Agent

Estera Management (Bermuda) Limited
Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

股份過戶處

股份登記總處及股份過戶代理

Estera Management (Bermuda) Limited
Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Hong Kong Branch Share Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

香港股份過戶登記分處

香港中央證券登記有限公司
香港
灣仔
皇后大道東 183 號
合和中心 17 樓
1712-1716 號舖

PRINCIPAL BANKERS

Agricultural Bank of China, Nanjing Xinjiekou sub-branch
DBS (Bank) Ltd., Hong Kong Branch
China Merchants Bank, Nanjing Chengxi sub-branch
Bank of China, Nanjing Economic Development Zone sub-branch

主要往來銀行

中國農業銀行南京市新街口支行
星展銀行有限公司香港分行
中國招商銀行南京市城西支行
中國銀行南京市高新技術開發區支行

Financial Highlights

財務摘要

		Year ended 31 December 截至12月31日止年度	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Revenue	收益	3,206,562	3,045,805
Gross profit	毛利	1,935,672	1,862,417
Profit before tax	除稅前溢利	278,729	340,747
Income tax expense	所得稅開支	(73,296)	(85,258)
Net profit for the year	年內純利	205,433	255,489
Net profit attributable to equity holders of the Company	本公司權益持有人應佔純利	206,253	257,492
		%	%
Gross profit margin	毛利率	60.4	61.1
Operating profit margin	經營利潤率	8.7	11.2
Net profit margin	淨利潤率	6.4	8.5
Earnings per share	每股盈利		
– Basic (RMB cents)	– 基本 (人民幣分)	10.01	12.64
– Diluted (RMB cents)	– 攤薄 (人民幣分)	10.01	12.64
Bank balances and cash	銀行結餘及現金	629,299	385,188
Borrowings	借貸	703,218	836,251
		%	%
Liquidity ratio	流動資金比率	312.8	312.0
Gearing ratio	資產負債比率	20.7	24.5
		Days	Days
Average inventory turnover period	平均存貨週轉期	233.9	255.4
Average receivables turnover period	平均應收款項週轉期	46.1	48.9
Average payable turnover period	平均應付款項週轉期	53.4	54.1

Note: Liquidity ratio = current assets/current liabilities; gearing ratio = notes payable and bank loans/total assets

附註：流動資金比率 = 流動資產 / 流動負債；資產負債比率 = 應付票據及銀行貸款 / 資產總值



Chairman's Statement

主席報告



Chen Yixi
陳奕熙
Chairman
主席

“Implement global branding strategy and build creative integrated retail platform.”

「實行全球品牌策略，建立創新的綜合零售平台。」

Dear shareholders,

On behalf of the board (the “Board”) of directors (the “Directors”) of the Company, I am pleased to present the annual report of the Group for the year ended 31 December 2016.

In 2016, C.banner continued to make significant moves towards its goal of developing into a leading international retailer. Our first Hamleys flagship store in China was grandly opened in October last year and has started to generate revenue. We have also entered into cooperation with a number of world-renowned toy brands, which not only diversified our product mix, but also brought new creativity and vigour to our services. While seeking new growth momentum through the new toy business, we continued to consolidate our market position in our traditional footwear segment by taking numerous active measures, including the launch of two new women's footwear brands.

Notwithstanding such significant progress, 2016 was indeed a challenging year as factors such as Brexit had brought uncertainties to the global economy and in turn the retail market. In addition, as the US economy recovered at a faster than expected pace, the US federal is widely expected to raise interest rates further and faster in 2017, which added another uncertainty to the world's economy. However, there are positive signs amidst the challenges, as the second largest economy in the world, China has made proactive efforts to stimulate economic growth and export, including the devaluation of RMB. Going forward, China's economy will continue to undergo structural reform while keeping stable GDP growth rate.

致各股東：

本人謹代表本公司董事（「董事」）會（「董事會」）欣然提呈本集團截至2016年12月31日止年度之年度報告。

於2016年，千百度繼續朝著成為領先國際零售商的目標邁進，並且踏出一大步。本集團於中國設立Hamleys的第一家旗艦店已於去年十月正式開幕，並且開始產生收益。本集團亦與多家世界知名玩具品牌訂立合作，此不單能將我們的產品組合多元化，亦為我們的服務帶來了新的創新及活力。於通過新玩具業務尋求新增長勢頭的同時，我們繼續鞏固傳統鞋履分部的市場地位，我們採取了多項積極措施，包括推出兩款新女裝鞋履品牌。

雖然進展如此重大，但2016年確實是具有挑戰性的一年，如英國脫歐的因素為全球經濟帶來了不確定性，亦因而為零售市場帶來了不確定性。此外，由於美國經濟的恢復速度比預期為快，及廣泛預期美國聯邦於2017年將進一步及更快加息，此為世界經濟添上另一項不確定性。然而，於挑戰之中亦存在正面的跡象，中國作為世界第二大經濟體系，積極推動經濟增長及出口，包括人民幣貶值。展望未來，中國經濟將繼續進行結構改革，同時保持GDP穩定增長。

Chairman's Statement

主席報告

As one of our two principal business segments, the footwear industry continued to undergo restructure in 2016 due to a weak macro-economic environment and shift of consumption behaviour to online purchase in China. In particular, the rapid development of online shopping has brought tremendous challenges to footwear companies due to the distorting online pricing and loss of traffic of shopping malls and department stores. In general, footwear companies experienced industry wide competition and inventory build-up, which resulted in heavy discounting and harsher business environment. Nevertheless, consumption growth in the footwear industry is expected to show a slight positive sign given the increasing average disposable income and gradually improving consumer sentiment in the long term. As an experienced industry player, C.banner is confident that it can grasp the opportunities arising from the competitive business landscape to secure long-term growth of the Group.

On the other hand, our newly developed toy business is becoming an important growth engine of the Group. According to the NPD Group and the International Council of Toy Industries, the global toys market is expected to record sales of over \$90 billion in 2016. Another favourable factor is the full implementation of the two-child policy under the 13th Five-Year Plan in 2016. The National Health and Family Planning Commission predicted that the number of newborns will climb to between 17.5 million and 21 million annually for the next five years, which would significantly boost the consumption demand of the toys market, especially toys that promote outdoor activities and learning skills.

In view of the complicated business environment, the Group will roll out a series of measures to consolidate C.banner's image as a leading international integrated retailer. One key area of focus is branding. The Group will adhere to its global branding strategy and continue to implement multi-brands strategy to diversify brand and product portfolio pinpointing at different market segments. In addition to the two newly launched footwear brands, including Badgley Mischka which target at mid-high end women footwear market, the Group will continue to expand horizontally by introducing new brands or new licensed brands to cater for the personalized needs of consumers, enlarge brand influence and add synergy to business. We will also enhance the identities of each brand to strengthen their competitive strengths with a view to capturing more market share even during the industry downturn and being well positioned to benefit first once recovery takes place.

由於宏觀經濟環境疲軟及中國的消費行為轉到線上購買，作為我們兩大業務分部之一的鞋履行業於2016年繼續進行重組。尤其是線上購物快速發展，為鞋履企業帶來了巨大的挑戰，乃由於線上定價歪曲，及商場及百貨商店的流量下降所致。一般而言，鞋履企業經歷業內廣泛的競爭及庫存積聚，造成了沉重的折扣及更惡劣的營商環境。然而，鑒於平均可支配收入持續增長，長期消費者情緒逐漸改善，預期鞋履行業的消費增長將呈現稍為正面的跡象。作為經驗豐富的行業參與者，千百度有信心能夠把握競爭激烈的商業環境帶來的機遇，確保本集團的長期發展。

另一方面，我們新開發的玩具業務正在成為本集團的重要增長引擎。根據NPD集團及國際玩具行業協會的統計，預計2016年全球玩具市場銷售額將超過900億美元。於2016年另一個有利因素是根據十三五計劃全面落實雙孩政策。中國衛生部預計於未來五年，新生兒數量將達到1,750萬到2,100萬，此將大大刺激玩具市場的消費需求，特別是促進戶外活動及學習技能的玩具。

鑒於複雜的營商環境，千百度將推出一系列的措施以鞏固千百度作為成為領先的國際綜合零售商的形象。其中一個主要關注重點是品牌。本集團將堅持全球品牌戰略，繼續實施多個品牌戰略，使品牌及產品組合於不同市場分部中能夠多元化。除了兩個新推出的鞋履品牌(包括針對中高端的女裝鞋履市場的百吉利·米西卡)外，本集團將繼續通過引入新品牌或新許可品牌以滿足消費者的個性化需求，繼續橫向擴展，並擴大品牌影響力，增加協同效應。我們將提升各品牌的身份，以加強其競爭優勢，以在行業衰退期間獲得更多的市場份額，並於恢復一旦發生後能夠首先受惠。

E-commerce is another key growth driver. The Group will continue to expand online business and marketing channels through multiple major online sales platforms. We will also strengthen O2O strategy to boost sales and reach more consumers through social media and online channels. Under our mixed marketing strategy, O2O will be an integral part in enhancing brands exposure and influence and further expanding distribution and retail network. In terms of offline retail, same store sales decreased in 2016 due to macro-economic restructure of China and worsening footwear retail market growth. To cope with this challenge, the Group will continue to enhance the shopping experience offered by offline stores to drive sales, shut down underperforming outlets, expand the sales network of new brands at an optimal pace and optimize proprietary outlets in terms of business layout and operation.

The Hamleys business will be another important growth engine. Specifically, we will replicate the unique in-store experience of Hamleys to launch interactive playtime, events and special demonstrations in other populous cities in China to carve out more market share. In addition, we will continue with our efforts to build an in-depth collaborative relationship with department stores and shopping malls and leverage their platforms to further develop our brand. Besides seeking organic growth, we will continue to look for targets of mergers and acquisitions to acquire valuable corporations with good brand values.

To sum up, notwithstanding the underperformance of the footwear market in 2016, we can see a silver lining given the increasing average disposable income and gradually-improving consumer sentiment in the long term. As for the toys market, the Chinese market is booming since the second child policy was rolled out in late 2015. Although competition in the local toys market is intensifying, it is forecasted that the toys and games market will continue to grow due to rising consumption demand. In the future, C. banner will combine its experience in China's retail industry and Hamleys' expertise in the toys market to create new growth for the Group.

Lastly, on behalf of the Board, I would like to express my sincere gratitude to our management, staff, business partners and our shareholders for their solid support throughout the year. We look forward to further developing our business and creating greater value for our shareholders in the coming year.

CHEN Yixi

Chairman

PRC, 31 March 2017

電子商務是另一個主要增長動力。本集團將繼續通過多個主要線上銷售平台，以拓展線上業務及市場推廣渠道。我們亦將加強O2O策略，通過社交媒體及線上渠道促進銷售，吸引更多消費者。根據我們的混合市場推廣策略，O2O將成為提升品牌曝光率及影響力，以及進一步擴大分銷及零售網絡的重要部分。就線下零售而言，於2016年若干店鋪銷售減少主要由於中國宏觀經濟重組，及鞋履零售市場不斷惡化所致。為應付此項挑戰，本集團將繼續提升線下商店提供的購物體驗，以推動銷售、關閉表現不佳店鋪、按優化速度拓展新品牌銷售網絡，及優化自營店鋪的業務佈局及運營方式。

Hamleys業務將為另一個重要增長動力。尤其是，我們將於中國其他人口眾多的城市複製Hamleys獨特的店內體驗，推出互動式遊戲時間、活動及特別示範，以打造更多的市場份額。此外，我們將繼續努力與百貨公司及購物商場建立深入的合作關係，並利用其平台進一步發展我們的品牌。除了尋求有機增長外，我們將繼續尋找兼併收購的目標，以收購具有良好品牌價值的具有價值的企業。

總結來說，鑑於長期的平均可支配收入增加及消費者信心逐漸改善，儘管2016年鞋履市場表現不佳，但我們可以仍看見一線曙光。就玩具市場而言，由於自2015年末推出雙孩政策以來，中國市場發展蓬勃。雖然本地玩具市場的競爭日趨激烈，但由於消費需求上升，預計玩具及遊戲市場將繼續增長。千百度將於日後結合中國零售行業的經驗及Hamleys於玩具市場的專長，為本集團創造新的增長點。

最後，本人謹代表董事會衷心感謝管理層、員工、業務夥伴及股東，於本年度堅定不移的支持。我們期待於未來一年進一步開發業務，為股東創造更大的價值。

主席

陳奕熙

中國，2017年3月31日

Report of the Directors

董事會報告

The Board is pleased to present its report together with the audited consolidated financial statements of the Group for the year ended 31 December 2016.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and the principal activities of its subsidiaries are set out in note 44 to the consolidated financial statements.

BUSINESS REVIEW

The business review of the Group for the year ended 31 December 2016 is set out in the “Financial Highlights”, “Chairman’s Statement” and “Management Discussion and Analysis” on page 8, pages 10 to 13 and pages 29 to 38 respectively of this annual report.

A description of the principal risks and uncertainties facing the Group can be found in the “Chairman’s Statement” on pages 10 to 13 and note 4 to the financial statements on pages 99 to 100 of this annual report. An analysis using financial key performance indicators can be found in the Management Discussion and Analysis on pages 29 to 38 of this annual report.

The Group committed to enhancing governance, promoting employee benefits and development, protecting the environment and giving back to society in order to fulfill social responsibility and achieve sustainable growth. The Group has complied with the relevant laws and regulations that have significant impact on the operations of the Group.

RESULTS

The results of the Group for the year ended 31 December 2016 are set out in the consolidated statement of profit or loss and other comprehensive income on page 65 of this annual report.

FINAL DIVIDENDS

The Board did not recommend a final dividend for the year ended 31 December 2016 (2015: Nil).

董事會欣然呈列其報告連同本集團截至2016年12月31日止年度之經審核綜合財務報表。

主要業務

本公司主要業務為投資控股，而其附屬公司之主要業務載於綜合財務報表附註44。

業務回顧

本集團截至2016年12月31日止年度之業務回顧分別載於本年報第8頁、第10至13頁及第29至38頁之「財務摘要」、「主席報告」及「管理層討論及分析」等節。

有關本集團面對的主要風險及不確定因素載於本年報第10至13頁「主席報告」及第99至100頁財務報表附註4。使用財務主要表現指標的分析請參閱本年報第29至38頁「管理層討論及分析」一節。

本集團致力提升管治、促進僱員福利與發展、保護環境及回饋社會，從而履行社會責任並實現可持續增長。本集團已遵守對本集團營運構成重大影響之相關法律及法規。

業績

本集團截至2016年12月31日止年度之業績載於本年報第65頁之綜合損益及其他全面收益表。

末期股息

董事會並無就截至2016年12月31日止年度建議宣派末期股息(2015年：無)。

CLOSURE OF THE REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 27 June 2017 to Friday, 30 June 2017, both days inclusive, in order to determine the identity of the shareholders of the Company (the “Shareholders”) who are entitled to attend the forthcoming annual general meeting of the Company to be held on Friday, 30 June 2017. All transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712- 1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong before 4:30 p.m. on Monday, 26 June 2017.

USE OF NET PROCEEDS FROM LISTING

The net proceeds from the listing of the Company on 23 September 2011 (after deducting underwriting fees and related expenses) amounted to approximately RMB535.7 million. The use of proceeds as set out in the prospectus (the “Prospectus”) of the Company dated 12 September 2011 was as follows: (i) approximately 40% of the net proceeds for expansion of the retail network; (ii) approximately 25% for expansion and maintenance of the production facilities as well as construction of offices and warehousing facilities; (iii) approximately 20% for selective acquisition of footwear businesses; (iv) approximately 10% for repayment of bank loan; and (v) approximately 5% for expansion of the online sales through the internet.

Up to 31 December 2016, the net proceeds were applied in accordance with the allocation as set out in the Prospectus.

暫停辦理股份過戶手續

本公司的股份過戶登記處將於2017年6月27日(星期二)至2017年6月30日(星期五)(包括首尾兩日)暫停辦理股份過戶手續，為釐定有權出席於2017年6月30日(星期五)舉行之本公司應屆股東週年大會之本公司股東(「股東」)身份。所有過戶文件連同相關股票，須不遲於2017年6月26日(星期一)下午4時30分前送交本公司之香港股份過戶登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712至1716號舖。

上市之所得款項淨額用途

本公司於2011年9月23日上市之所得款項淨額(扣除包銷費用及相關開支後)約為人民幣535.7百萬元。本公司日期為2011年9月12日的售股章程(「售股章程」)所載之所得款項用途如下：(i)所得款項淨額約40%用作擴展零售網絡；(ii)約25%用作擴充及維護生產設施以及興建辦公室及倉儲設施；(iii)約20%用作甄選收購鞋履業務；(iv)約10%用作償還銀行貸款；及(v)約5%用作擴充在互聯網的網上銷售。

截至2016年12月31日，所得款項淨額乃根據售股章程所載分配予以應用。

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2016, the Group's five largest suppliers accounted for 27.7% (2015: 32.3%) of the Group's total purchases and the Group's largest supplier accounted for 14.8% (2015: 17.7%) of the Group's total purchases.

For the year ended 31 December 2016, the Group's sale to its five largest customers accounted for 9.1% (2015: 9.7%) of the Group's total sale and the Group's largest customer accounted for 3.0% (2015: 4.5%) of the Group's total sale.

None of the Directors or any of their close associates or any Shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any interest in the Group's five largest customers and suppliers during the year ended 31 December 2016.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2016 are set out in note 13 to the consolidated financial statements.

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the share capital and share options of the Company during the year are set out in note 33 and note 35 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity.

As at 31 December 2016, the Company's reserves available for distribution amounted to approximately RMB668.0 million (as at 31 December 2015: RMB662.4 million).

主要客戶及供應商

截至2016年12月31日止年度，本集團五大供應商佔本集團購買總額之27.7%（2015年：32.3%），而本集團最大供應商佔本集團購買總額之14.8%（2015年：17.7%）。

截至2016年12月31日止年度，本集團向其五大客戶之銷售佔本集團銷售總額之9.1%（2015年：9.7%），而本集團最大客戶佔本集團銷售總額之3.0%（2015年：4.5%）。

截至2016年12月31日止年度，董事或任何彼等之緊密聯繫人士或任何股東（據董事所深知持有本公司已發行股本5%以上）概無於本集團五大客戶及供應商中擁有任何權益。

物業、機器及設備

本集團截至2016年12月31日止年度之物業、機器及設備之變動詳情載於綜合財務報表附註13。

股本及購股權

本公司年內股本及購股權變動詳情載於綜合財務報表附註33及附註35。

儲備

本集團年內儲備變動詳情載於綜合權益變動表。

於2016年12月31日，本公司可供分派儲備約為人民幣668.0百萬元（於2015年12月31日：人民幣662.4百萬元）。

DIRECTORS

The Directors during the year and up to the date of this report were:

Executive Directors:

Mr. Chen Yixi (*Chairman*)
Mr. Zhao Wei (*President*)
Mr. Huo Li
Mr. Ngan Wing Ho (*Chief Financial Officer*)
(appointed on 12 December 2016)
Mr. Yuan Zhenhua (appointed on 12 December 2016)
Mr. Xu Tingyu (*Chief Financial Officer*) (resigned on 12 December 2016)

Non-executive Directors:

Mr. Miao Bingwen
Mr. Wu Guangze

Independent non-executive Directors:

Mr. Kwong Wai Sun Wilson
Mr. Li Xindan
Mr. Zhang Zhiyong
Mr. Zheng Hongliang

In accordance with Bye-law 99 and 102(B) of the bye-laws of the Company (the “Bye-laws”), Mr. Zhao Wei, Mr. Li Xindan, Mr. Zheng Hongliang, Mr. Ngan Wing Ho and Mr. Yuan Zhenhua will retire by rotation at the forthcoming annual general meeting of the Company and, being eligible, had offered themselves for re-election as Directors.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and senior management of the Group are set out on pages 54 to 58 of this annual report.

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received an annual confirmation of independence pursuant to rule 3.13 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) from each of the independent non-executive Directors and the Company considers such Directors to be independent.

董事

年內及直至本報告日期之董事為：

執行董事：

陳奕熙先生 (*主席*)
趙偉先生 (*總裁*)
霍力先生
顏永豪先生 (*首席財務官*)
(於2016年12月12日獲委任)
袁振華先生 (於2016年12月12日獲委任)
徐庭裕先生 (*首席財務官*)
(於2016年12月12日辭任)

非執行董事：

繆炳文先生
吳廣澤先生

獨立非執行董事：

鄺偉信先生
李心丹先生
張志勇先生
鄭紅亮先生

根據本公司細則(「細則」)第99條及第102(B)條，趙偉先生、李心丹先生、鄭紅亮先生、顏永豪先生及袁振華先生將於本公司應屆股東週年大會上輪值退任，且合資格並願意重選連任為董事。

董事會及高級管理層

本集團董事及高級管理層之履歷詳情載於本年報第54至58頁。

確認獨立非執行董事之獨立性

本公司已接獲各獨立非執行董事根據香港聯合交易所有限公司(「香港聯交所」)證券上市規則(「上市規則」)第3.13條發出之年度獨立性確認書，本公司認為該等董事均屬獨立。

DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the forthcoming annual general meeting of the Company has a service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

No Director had a material interest, whether directly or indirectly, in any transactions, arrangements or contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party subsisting during or at the end of the year ended 31 December 2016.

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 ended 31 December 2016.

EMOLUMENT POLICY

A remuneration committee was set up for reviewing the Group's emolument policy and structure for all remuneration of the Directors and senior management of the Group, having regard to the Group's operating results, individual performance of the Directors and senior management and comparable market practices.

The Company has adopted a share option scheme and a share award scheme as incentive to eligible employees, details of the schemes are set out in the sections headed "Share Option Scheme" and "Share Award Scheme" below.

REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the emoluments of the Directors and five highest paid individuals are set out in note 10 to the consolidated financial statements.

董事服務合約

建議於本公司應屆股東週年大會上重選之董事概無與本公司訂立任何於一年內倘本公司終止則須作出賠償(法定賠償除外)之服務合約。

董事之重大交易、安排及合約權益

董事並無直接或間接於截至2016年12月31日止年度期間或結束時存在之本公司或其任何附屬公司涉及本集團業務之任何重大交易、安排及合約中擁有重大權益。

管理合約

截至2016年12月31日止年度，並無訂立或已有涉及本公司整體業務或業務任何重大部分之管理及行政之合約。

薪酬政策

薪酬委員會已告成立，以審閱本集團之薪酬政策及本集團全體董事及高級管理層之薪酬結構，當中考慮到本集團之經營業績、董事及高級管理層之個別表現以及可資比較市場慣例。

本公司已採納購股權計劃及股份獎勵計劃，作為對合資格僱員之獎勵，有關計劃詳情載於下文「購股權計劃」及「股份獎勵計劃」一節。

董事及五名最高薪人士之酬金

董事及五名最高薪人士之酬金詳情載於綜合財務報表附註10。

CHANGES TO INFORMATION IN RESPECT OF DIRECTORS

Pursuant to rule 13.51B of the Listing Rules, the changes in Directors' information are set out below:

Mr. Xu Tingyu has resigned as an executive Director and the Chief Financial Officer of the Company with effective from 12 December 2016 due to the pursuit of other business commitment.

Mr. Ngan Wing Ho has been appointed as an executive Director and the Chief Financial Officer of the Company with effective from 12 December 2016.

Mr. Yuan Zhenhua has been appointed as an executive Director with effective from 12 December 2016.

Save as disclosed above, during the year ended 31 December 2016, there was no change to information which is required to be disclosed by Directors pursuant to paragraphs (a) to (e) and (g) of rule 13.51(2) of the Listing Rules.

PERMITTED INDEMNITY PROVISION

Pursuant to the Bye-laws, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto. There is appropriate directors' and officers' liability insurance coverage for the directors and officers of the Group.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2016, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) (i) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO), or (ii) which were required, pursuant to section 352 of the SFO, to be entered into the register maintained by the Company, or (iii) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

有關董事資料之變動

根據上市規則第13.51B條，董事資料之變動載列如下：

徐庭裕先生由於其他業務承擔，辭任執行董事及本公司首席財務官，自2016年12月12日起生效。

顏永豪先生獲委任為執行董事及本公司首席財務官，自2016年12月12日起生效。

袁振華先生獲委任為執行董事，自2016年12月12日起生效。

除上文所披露者外，於截至2016年12月31日止年度，概無任何資料之變動須根據上市規則第13.51(2)條第(a)至(e)段及(g)段由董事作出披露。

獲准許之彌償條文

根據細則，每位董事有權就其任期內，或因執行其職務而可能遭致或發生與此相關之一切損失或責任從本公司資產中獲得賠償。本公司已為本集團董事及高級職員購買適當的董事及高級職員責任保險作為保障。

董事及主要行政人員於股份、相關股份及債權證中之權益及淡倉

於2016年12月31日，董事及本公司主要行政人員於本公司或其任何相關法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債權證中，擁有(i)證券及期貨條例第XV部第7及8分部須知會本公司及香港聯交所的權益及淡倉（包括根據證券及期貨條例有關條文彼等被當作或被視為擁有的任何權益或淡倉）或(ii)根據證券及期貨條例第352條記錄於本公司須存置的登記冊內的權益及淡倉，或(iii)根據上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及香港聯交所的權益及淡倉如下：

Report of the Directors

董事會報告

Name of Director	Nature of interest	Total number of shares/underlying shares held 所持股份／ 相關股份總數	Approximate percentage of interest in the Company 佔本公司權益 概約百分比
董事姓名	權益性質		
Mr. Chen Yixi (Note 1) 陳奕熙先生(附註1)	Interest in a controlled corporation 受控制法團權益	750,000,000 (long position) (好倉)	36.11%
Mr. Miao Bingwen (Note 2) 繆炳文先生(附註2)	Interest in a controlled corporation 受控制法團權益	140,000,000 (long position) (好倉)	6.74%
	Beneficial owner 實益擁有人	20,000,000 (long position) (好倉)	0.96%
Mr. Wu Guangze (Note 3) 吳廣澤先生(附註3)	Interest in a controlled corporation 受控制法團權益	116,000,000 (long position) (好倉)	5.58%
	Beneficial owner 實益擁有人	23,400,000 (long position) (好倉)	1.13%
Mr. Huo Li 霍力先生	Beneficial owner 實益擁有人	979,000 (long position) (好倉)	0.05%
Mr. Zhao Wei 趙偉先生	Beneficial owner 實益擁有人	520,000 (long position) (好倉)	0.03%

Notes:

1. Mr. Chen Yixi is the beneficial owner of all the issued share capital of Hongguo International Group Limited (“Hongguo”) which held 750,000,000 shares of the Company in long position, among which Hongguo has charged 370,000,000 shares in favour of Timely Assets Global Limited.
2. Mr. Miao Bingwen is the beneficial owner of all the issued share capital of Sure Manage Investments Limited (“Sure Manage”) which held 140,000,000 shares of the Company in long position.
3. Mr. Wu Guangze is the beneficial owner of all the issued share capital of Famous Sino Limited which in turn holds 70% shareholding in China Consumer Capital Partners Limited. China Consumer Capital Partners Limited is the holding company of China Consumer Capital Fund, L.P. which was interested in 45,000,000 shares of the Company in long position. Also, Mr. Wu Guangze holds 90% shareholding in China Consumer Capital Partners II Limited, the holding company of China Consumer Capital Fund II, L.P. which was interested in 71,000,000 shares of the Company in long position.

Save as disclosed above, and as at 31 December 2016, none of the Directors or chief executive of the Company had any interests or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would be required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which would be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

DIRECTORS’ RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this annual report, no time during the year ended 31 December 2016 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company and any of its subsidiaries a party to any arrangement to enable the Directors, or their respective spouse or children under 18 years of age, to acquire such rights in any other body corporate.

附註：

1. 陳奕熙先生為Hongguo International Group Limited (「Hongguo」)全部已發行股本之實益擁有人，該公司持有本公司750,000,000股好倉股份，其中，Hongguo已抵押370,000,000股股份(以Timely Assets Global Limited為受益人)。
2. 繆炳文先生為Sure Manage Investments Limited (「Sure Manage」)全部已發行股本之實益擁有人，該公司持有本公司140,000,000股好倉股份。
3. 吳廣澤先生為Famous Sino Limited全部已發行股本的實益擁有人，而Famous Sino Limited持有China Consumer Capital Partners Limited的70%股權。China Consumer Capital Partners Limited為China Consumer Capital Fund, L.P.的控股公司，後者持有45,000,000股本公司好倉股份。此外，吳廣澤先生亦持有China Consumer Capital Partners II Limited的90%股權，該公司為China Consumer Capital Fund II, L.P.的控股公司，後者持有71,000,000股本公司好倉股份。

除上文所披露者外，於2016年12月31日，董事或本公司主要行政人員概無於本公司或任何其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及8條須知會本公司及香港聯交所之權益或淡倉，或根據證券及期貨條例第352部須予置存之登記冊內之權益或淡倉，或根據標準守則須予知會本公司及香港聯交所之權益或淡倉。

董事認購股份或債權證之權利

除本年報另行所披露者外，於截至2016年12月31日止年度任何時間概無任何以收購本公司股份或債權證方式獲得利益的權利授予董事或彼等各自的配偶或未滿18歲子女、或彼等有權行使有關權利；或本公司及其任何附屬公司概不為任何令董事或彼等各自的配偶或未滿18歲子女獲得任何實體法團有關權利安排的訂約方。

**SUBSTANTIAL SHAREHOLDERS' INTERESTS
AND SHORT POSITIONS IN SHARES AND
UNDERLYING SHARES**

As at 31 December 2016, to the best knowledge of the Directors, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the shares or underlying shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

**主要股東於股份及相關股份中之
權益及淡倉**

於2016年12月31日，據董事所深知，以下人士（董事或本公司主要行政人員除外）於股份或相關股份中，擁有根據證券及期貨條例第XV部第2及3分部須予知會本公司的權益或淡倉，或根據證券及期貨條例第336條須記錄於該條文所指本公司登記冊內的權益或淡倉如下：

Name of Shareholder 股東姓名／名稱	Nature of interest 權益性質	Total number of shares/underlying shares held 所持股份／ 相關股份總數	Approximate percentage of interest in the Company 佔本公司權益 概約百分比
Hongguo Hongguo	Beneficial owner 實益擁有人	750,000,000 (long position) (Note 1) (好倉) (附註1)	36.11%
Sure Manage Sure Manage	Beneficial owner 實益擁有人	140,000,000 (long position) (好倉)	6.74%
Timely Assets Global Limited (Note 2) Timely Assets Global Limited (附註2)	Security interest in shares 對股份持有保證權益	370,000,000 (long position) (好倉)	17.81%

Notes:

- Among these shares, Hongguo has charged 370,000,000 shares in favour of Timely Assets Global Limited.
- Timely Assets Global Limited, which is interested in 370,000,000 shares of the Company, is a wholly-owned subsidiary of China Huarong International Holdings Limited. China Huarong International Holdings Limited is owned as to 88.10% and 11.90% by Huarong Real Estate Co., Ltd. and Huarong Zhiyuan Investment & Management Co., Ltd. respectively, which are both wholly owned by China Huarong Asset Management Co., Ltd.. China Huarong Asset Management Co., Ltd. is owned as to 63.36% by Ministry of Finance of the People's Republic of China ("Ministry of Finance"). Therefore, the above entities are deemed to be interested in 370,000,000 shares of the Company in which Timely Assets Global Limited is interested.

附註：

- 於此等股份中，Hongguo已抵押370,000,000股股份（以Timely Assets Global Limited為受益人）。
- Timely Assets Global Limited（於本公司370,000,000股股份中擁有權益），是China Huarong International Holdings Limited之全資附屬公司。China Huarong International Holdings Limited分別由Huarong Real Estate Co., Ltd.及Huarong Zhiyuan Investment & Management Co., Ltd.擁有其88.10%及11.90%權益，而上述兩間公司則由中國華融資產管理股份有限公司全資擁有。中國華融資產管理股份有限公司由中華人民共和國財政部（「財政部」）擁有其63.36%權益。因此，上述公司被視為於Timely Assets Global Limited擁有本公司370,000,000股股份中擁有權益。

Save as disclosed above, as at 31 December 2016, the Directors were not aware of any persons (who were not Directors or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

除上文披露者外，於2016年12月31日，董事概不知悉任何人士（並非董事或本公司主要行政人員）於本公司股份或相關股份中，擁有根據證券及期貨條例第XV部第2及3分部須予披露的權益或淡倉，或根據證券及期貨條例第336條須記錄於該條文所指本公司登記冊內的權益或淡倉。

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

For the year ended 31 December 2016 (the “Review Period”), the Company repurchased and cancelled an aggregate of 5,000,000 shares of its own issued ordinary shares through the Hong Kong Stock Exchange at an aggregate consideration of approximately HKD10.3 million (equivalent to approximately RMB9.0 million) excluding transaction costs. Save for the aforesaid, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the Review Period.

購買、出售或贖回上市證券

於截至2016年12月31日止年度（「回顧期間」），本公司在香港聯交所購回及註銷其自身已發行普通股份中合共5,000,000股股份，總代價為10.3百萬港元（約等於人民幣9.0百萬元）（不包括交易成本）。除所述者外，於回顧期間，本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

Details of the shares repurchases are as follows:

股份購回的詳情如下：

Date	Number of shares repurchased	Highest price per share	Lowest price per share	Aggregate consideration
日期	購回的 股份數目	每股最高價 HKD 港元	每股最低價 HKD 港元	代價總額 HKD 港元
October 2016 2016年10月	3,000,000	2.19	2.07	6,370,360
November 2016 2016年11月	2,000,000	2.01	1.94	3,975,430

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Bye-laws or the laws of Bermuda, being the jurisdiction in which the Company is incorporated, which would oblige the Company to offer new shares on a pro rata basis to existing Shareholders.

優先權

細則或百慕達（本公司註冊成立所在司法權區）法律項下並無提供優先權，令本公司可按現有股東股權比例發售新股份。

CONTINUING CONNECTED TRANSACTIONS

Details of the related party transactions of the Group for the year ended 31 December 2016 are set out in note 42 to the consolidated financial statements. The Directors (including our independent non-executive Directors) believe that the related party transactions set out in the note 42 to the consolidated financial statements are carried out in the ordinary course of business and on normal commercial terms.

During the year under review, save for the lease agreement between the Group and Hongguo Industry Group Corporation which is an associate of certain Directors, no other transaction listed in note 42 to the consolidated financial statements constituted connected transaction or continuing connected transaction under Chapter 14A of the Listing Rules. The transaction under the above lease agreement is exempt from the relevant reporting, annual review, announcement and independent shareholders' approval requirements under the Listing Rules.

NON-COMPETITION UNDERTAKING

Each of Mr. Chen Yixi and Hongguo (the "Substantial Shareholders") has executed a deed of non-competition through which they have irrevocably and unconditionally warranted and undertaken to the Company not to, directly or indirectly engage, participate or hold any right or interest in or render any services to or otherwise be involved in any business in competition with or likely to be in competition with the business of design, manufacture and sale of footwear and other businesses as conducted by the Group; or take any action which constitutes an interference with or a disruption to the business activities of the Group including, but not limited to, solicitation of customers, suppliers or personnel of the Group.

The Substantial Shareholders have confirmed to the Company of their compliance with the deed of non-competition during the year under review for disclosure in this annual report.

The independent non-executive Directors have reviewed the status of compliance and confirmed the Substantial Shareholders' compliance of the deed of non-competition.

持續關連交易

本集團截至2016年12月31日止年度的關聯交易詳情載於綜合財務報表附註42。董事(包括獨立非執行董事)認為，綜合財務報表附註42所載的關連交易乃為日常經營業務，並按一般商業條款訂立。

於回顧年度，除本集團與若干董事之聯營公司鴻國實業集團有限公司訂立之租賃協議外，於綜合財務報表附註42列示之其他交易均無構成上市規則第14A章項下關連交易或持續關連交易。上述租賃協議項下交易獲豁免遵守上市規則項下相關申報、年度審閱、公佈及獨立股東批准之規定。

不競爭承諾

陳奕熙先生及Hongguo(「主要股東」)各自均已執行不競爭契據，當中彼等不可撤回地及無條件地向本公司保證及承諾，不會直接或間接從事、參與任何與設計、製造及銷售鞋履業務以及本集團從事之其他業務構成或可能構成競爭之任何業務，或於其中持有任何權利或權益，或向其提供任何服務或以其他形式參與有關業務；或採取對本集團業務活動構成干涉或阻礙之行動，包括但不限於招攬本集團客戶、供應商及員工。

主要股東已向本公司確認彼等已於回顧年度遵守本年報所披露之不競爭契據。

獨立非執行董事已審查該等遵守狀況，並確認各主要股東均已遵守不競爭契據。

SHARE OPTION SCHEME

The Company adopted a share option scheme (the “Share Option Scheme”) on 26 August 2011 which has become effective upon the Company’s listing on 23 September 2011. Subject to early termination by the Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of 10 years commencing on 26 August 2011.

The purpose of the Share Option Scheme is to attract and retain or otherwise maintain on-going business relationship with the eligible persons whose contributions are or will be beneficial to the long-term growth of the Group; and to motivate the eligible persons to optimize their performance efficiency for the benefit of the Group.

Pursuant to the Share Option Scheme, the Board may, at its discretion, offer to grant an option to any employees, executives, officers, directors (including executive, non-executive and independent non-executive directors) of the Company or any of its subsidiaries, any advisers, consultants, suppliers, customers and agents and related entities who, in the sole opinion of the Board, will contribute or have contributed to the Group.

The subscription price shall be a price determined by the Board in its absolute discretion, but shall not be less than the highest of (i) the closing price of the shares on the date of the grant; (ii) the average closing price of the shares for the five trading days immediately preceding the date of the grant; and (iii) the nominal value of the shares.

The acceptance of an offer of the grant of the respective share options must be made within 30 days from the date of grant with a non-refundable payment of HK\$1.00 from each grantee. An option may be exercised at any time during a period to be determined by the Board, which shall not in any event exceed ten years from the date of grant. The Share Option Scheme does not specify any minimum holding period but the Board has the authority to determine the minimum period for which a share option in respect of some or all of the shares forming the subject of the share options must be held before it can be exercised.

The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme must not exceed 30% of the total issued share capital of the Company from time to time. The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme shall not in aggregate exceed 10% of the total number of shares in issue as at the date of commencement of the listing of the shares on the Hong Kong Stock Exchange. The Company may seek approval of the Shareholders in general meeting for refreshing the 10% limit under the Share Option Scheme save that the total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme under the limit as refreshed shall not exceed 10% of the total number of shares in issue as at the date of approval of the limit.

購股權計劃

本公司於2011年8月26日採納購股權計劃(「購股權計劃」)，自本公司於2011年9月23日上市起生效。除非本公司於股東大會或董事會提前終止，購股權計劃自2011年8月26日起計十年期間合法有效。

購股權計劃旨在吸引及挽留現時或將會對本集團長遠增長利益有所貢獻之合資格人士，或以其他方式與有關人士維繫持續業務關係；及鼓勵合資格人士為本集團之利益發揮最佳表現及效率。

根據購股權計劃，董事會可酌情向董事會全權認為將向或已向本集團作出貢獻之本公司或其任何附屬公司之任何僱員、高級管理人員、主管及董事(包括執行、非執行及獨立非執行董事)、任何諮詢人、顧問、供應商、客戶及代理商以及相關實體授出購股權。

認購價將為董事會全權酌情釐定之價格，惟不得少於下列最高者(i)股份於授出日期之收市價；(ii)股份於緊接授出日期前五個交易日之平均收市價；及(iii)股份之面值。

各承授人須自授出日期起計30日內接納各授出購股權授出之要約，並不可退還地支付1.00港元。購股權可於董事會釐定之期間之任何時間行使，而該期間自授出日期起計無論如何不得超過十年。購股權計劃並無指定任何最短持有期間，惟董事會有權釐定有關構成購股權標的之若干或全部股份之購股權於可予行使前須持有之最短期間。

於悉數行使根據購股權計劃已授出惟尚未行使之購股權後可予發行之最大股份數目不得超過本公司不時已發行股本總數之30%。於悉數行使根據購股權計劃已授出之購股權後可予發行之股份總數合共將不得超過股份於香港聯交所開始上市日期已發行股份總數之10%。本公司或會於股東大會上尋求股東批准更新購股權計劃項下之10%限額，惟根據經更新限額於悉數行使根據購股權計劃已授出之購股權後可予發行之股份總數將不得超過批准限額當日已發行股份總數之10%。

Report of the Directors

董事會報告

The total number of shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue as at the date of grant. Where any further grant of options to a participant would result in the total number of shares issued and to be issued upon exercise of all the options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the total number of shares in issue, such further grant must be separately approved by the Shareholders in general meeting with such participant and his associates abstaining from voting.

Since the effective date of the Share Option Scheme, no share options had been granted, exercised or cancelled by the Company under the Share Option Scheme and there was no outstanding share option under the Share Option Scheme as at 31 December 2016. As at the date of this annual report, the number of securities of the Company available for issue under the Share Option Scheme was 200,000,000, representing approximately 9.63% of the issued share capital of the Company as at the date of this report.

SHARE AWARD SCHEME

On 31 August 2015, the Company adopted a share award scheme (the "Share Award Scheme") to recognize the contribution of certain employees of the Group and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group. A summary of the Share Award Scheme is as follows:

- (a) Duration: Subject to any early termination as may be determined by the Board pursuant to the rules to the Share Award Scheme, the Share Award Scheme shall be valid and effective for a term of ten (10) years commencing on 31 August 2015;
- (b) Maximum aggregate nominal value of shares to be awarded to a selected employee: Shall not exceed one (1) percent of the issued share capital of the Company from time to time; and
- (c) Limit: The Board shall not make any further award of shares which will result in the nominal value of the shares awarded by the Board under the Share Award Scheme exceeding ten (10) percent of the issued share capital of the Company from time to time.

Details of the Share Award Scheme are set out in the Company's announcements dated 31 August 2015 and 19 October 2015. During the year ended 31 December 2016, the Company has granted 400,000 awarded shares (2015: Nil) to selected employees.

於任何12個月期間於行使授予各參與者之購股權(包括已行使及尚未行使購股權)後已發行及將發行之股份總數不得超過於授出日期已發行股份總數之1%。倘進一步向參與者授出購股權將導致於12個月期間直至及包括有關進一步授出日期於悉數行使已授予及將授予該人士之購股權(包括已行使、註銷及尚未行使購股權)後已發行及將予發行之股份總數合共超過已發行股份總數之1%，則有關進一步授出須於股東大會上單獨獲得股東批准，而有關參與人及其聯繫人士則放棄投票。

自購股權計劃生效日期起，本公司並無根據購股權計劃授出、行使或註銷任何購股權，於2016年12月31日亦無購股權計劃項下之購股權尚未行使。於本年度報告日期，本公司根據購股權計劃可予以發行之證券數目為200,000,000，佔本公司於本報告日期已發行股本約9.63%。

股份獎勵計劃

於2015年8月31日，本公司採納一項股份獎勵計劃(「股份獎勵計劃」)，以表彰本集團若干僱員的貢獻並給予獎勵以挽留彼等為本集團之持續經營及發展而努力，及吸引合適之人才加入，以協助本集團進一步發展。股份獎勵計劃概要詳情如下：

- (a) 期限：除非董事會根據股份獎勵計劃的有關規定提前終止，否則股份獎勵計劃將自2015年8月31日起計十(10)年內有效並生效；
- (b) 授予選定僱員的最高股份總面值：不得超過本公司不時的已發行股本百分之一(1)；及
- (c) 限制：若董事會根據股份獎勵計劃授予股份會導致授出的股份的面值超過本公司不時已發行股本百分之十(10)則董事會不得進一步授予股份。

股份獎勵計劃詳情載於本公司日期為2015年8月31日及2015年10月19日的公告。於截至2016年12月31日止年度，本公司授出400,000股獎勵股份予獲選僱員(2015年：無)。

EQUITY-LINKED AGREEMENTS

Save for the Share Option Scheme, no equity-linked agreements that will or may result in the Company issuing shares, or that require the Company to enter into any agreements that will or may result in the Company issuing shares, were entered into by the Company during or at the end of the Review Period.

AUDIT COMMITTEE

The Audit Committee had reviewed together with the management and external auditor the accounting principles and policies adopted by the Group and the audited consolidated financial statements for the year.

CODE OF CONDUCT REGARDING DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard set out in Appendix 10 — Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") under the Listing Rules. Specific enquiry has been made of all the Directors and the Directors have confirmed that they had complied with such code of conduct during the Review Period.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 39 to 53 of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on information publicly available to the Company and to the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public at all times during the Review Period.

股票掛鈎協議

除購股權計劃外，於回顧期間或結束時，本公司概無訂立將會或可導致本公司發行股份的股票掛鈎協議，或要求本公司訂立任何協議將會或可導致本公司發行股份的股票掛鈎協議。

審核委員會

審核委員會連同管理層及外部核數師已審閱本集團採納之會計原則及政策以及年內經審核綜合財務報表。

董事進行證券交易之操守守則

本公司已採納董事進行證券交易的操守守則，其條款不遜於上市規則項下附錄十一上市發行人董事進行的標準守則（「標準守則」）所載的規定標準。經向全體董事作出特定查詢後，董事均確認彼等於回顧期間已遵守有關操守守則。

企業管治

本公司承諾維持高水平企業管治常規。有關本公司所採納企業管治常規的資料載於本年報第39至53頁之企業管治報告。

公眾持股量之充足性

根據本公司可公開獲得的資料及就董事所知，於回顧期間所有時間，本公司已發行股本總額的最少25%由公眾人士持有。

Report of the Directors

董事會報告

AUDITOR

Deloitte Touche Tohmatsu has acted as auditor of the Company for the year ended 31 December 2016.

Deloitte Touche Tohmatsu shall retire in the forthcoming annual general meeting of the Company and, being eligible, will offer themselves for re-appointment. A resolution for the re-appointment of Deloitte Touche Tohmatsu as auditor of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board

Mr. Chen Yixi

Chairman

PRC, 31 March 2017

核數師

德勤•關黃陳方會計師行出任本公司截至2016年12月31日止年度之核數師。

德勤•關黃陳方會計師行將於本公司應屆股東週年大會退任，並合資格及願意重獲聘任。重新聘任德勤•關黃陳方會計師行為本公司核數師之決議案將於應屆股東週年大會上提呈。

代表董事會

主席

陳奕熙先生

中國，2017年3月31日

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BUSINESS OVERVIEW

The year 2016 was yet another challenging year for the footwear industry mainly due to stagnant global economic growth coupled with weak growth and subdued inflation rate of major advanced economies. However, with our strong presence in the footwear business in China, C.banner is well positioned to benefit from the continuous stable economic growth of China, with GDP growth maintaining at 6.7% in 2016. Such encouraging pace of growth was indeed supported by a wide range of initiatives and policies taken by the Chinese government, such as “Supply-side Structural Reform”. As a fast-growing company which has set its sights on developing into one of the leading global retail brands, the Group will on one hand, ride on China’s wave of growth, while on the other hand, pursue global expansion through Hamleys, which is one of the largest toys retailers in the world.

Although total retail sales of consumer goods in China recorded a double-digit growth in 2016, traditional retail chains continued to record sluggish sales growth. Other than the changing consumption habits and personalized shopping demand of Chinese consumers, traditional retail chains also faced the challenges arising from the rapid growth of e-commerce channels, including cross-border e-commerce, with China’s online retail sales of goods and services increasing by 26.2% year-on-year. In addition, Chinese footwear companies are under increasing threat from international brands as they have penetrated the Chinese market by increasing their presence in department stores and online channels.

In the face of these tremendous challenges, low-price strategy alone is not sufficient to stimulate sales. Aspiring to reach new heights of success, C.banner has strived to develop products with differentiated and unique features to stand out in the domestic footwear market characterized by a high degree of homogeneity. In December 2016, the Group launched two women’s footwear brands, including famous “Badgley Mischka” brand, to further diversify our brand portfolio and to offer high quality products with unique positioning. Despite a multitude of challenges such as adverse operating conditions, fierce market competition and shift of consumption behavior to e-commerce, China still remains a promising market for footwear industry, especially for mid-to-premium brands, like C.banner, which are dedicated to serving customers with quality and reputable products.

While the footwear industry is confronted with huge challenges, the toy market which we have recently entered into, is blessed with huge potential. According to the NPD Group and the International Council of Toy Industries, the global toy market is expected to record unprecedented sales of over \$90 billion in 2016. Market research company, Euromonitor also forecasted

業務概覽

2016年對鞋履行業而言是充滿挑戰的一年，主要由於全球經濟增長停滯，加上主要發達經濟體增長放緩及低通脹率所致。然而，本集團的鞋履業務遍佈中國，於2016年度中國的GDP增長維持6.7%，千百度處於有利位置從中國持續經濟增長中受惠。此鼓勵性的增長步伐當然受中國政府採取的多項措施及政策所支持，例如「供給側結構性改革」。作為一間快速增長以及放眼於成為全球領先零售品牌之一的公司，本集團將一方面迎接中國的增長勢頭，另一方面，透過全球最大玩具零售商之一Hamleys於全球擴張。

儘管於2016年中國的消費品零售總額錄得雙位增長，傳統的零售連鎖店銷售增長持續低迷。除中國消費者不斷變更的消費習慣及個性化購物需求之外，傳統零售連鎖店也面臨電子商務渠道快速增長所帶來的挑戰，包括跨境電子商務，中國商品及服務線上零售額同比增長26.2%。此外，中國鞋履公司正面臨國際品牌日益增長的威脅，因為該等品牌透過增加於百貨商店及線上渠道的據點，已經滲透入中國市場。

面對該等巨大挑戰，僅靠低價策略不足以刺激銷售。千百度有志於達到更高的成功高峰，努力開發具備獨特特點的產品，希望能在國內高度同質化的鞋履市場中脫穎而出。於2016年12月，本集團推出兩大女鞋品牌，其中包括著名的「百吉利·米西卡」品牌，進一步實現品牌組合多元化，提供獨特定位的高質素產品。儘管面臨多個挑戰，例如經營條件不利、市場競爭激烈及消費行為向電子商務轉移等，對鞋履行業而言中國仍然是有前途的市場，尤其是中國的中高端品牌，如千百度，致力於為客戶提供優質及值得信賴的產品。

雖然鞋履行業面臨巨大挑戰，本集團近期進入的玩具市場卻具有巨大潛力。根據NPD集團及國際玩具行業協會的統計，全球玩具市場預計將於2016年創下前所未有的超過900億美元銷售額。市場研究公司歐睿亦預測於2017年中

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that total retail sales of toys and games in China will exceed RMB100 billion by 2017. Despite the global economic slowdown, the toys and games industry is expected to see ongoing positive growth in China over the next decade, mainly due to the introduction of two-child policy, limited supply, progress in urbanization, rising disposable income levels and the increasing willingness of consumers to purchase products of higher quality. While Chinese retail enterprises have accelerated mergers and acquisitions to enhance their competitiveness and strength, the Group has also made a key strategic move by acquiring Hamleys which has injected strong impetus into our growth.

Facing such challenges and opportunities, the Group has set out a series of strategies with branding as one key focus. In particular, the Group has commenced the global branding strategy aiming to develop the Group into an international retail group and an innovative integrated retail platform. One of our key global initiatives is the acquisition of British high-end toy retailer Hamleys which helps to diversify our business operations and enrich our brand portfolio. The Group also made strenuous efforts to reinforce the elegant and fashionable brand image and promote our brand positioning as a leading international integrated retailer and mid-to-premium footwear brand in China.

The Group proactively innovates in the sales channel and mode, establishing a seamless online and offline sales system, successfully built a new factory store mode and is trying to build a new shopping mall store mode. In terms of supply chain, efforts were also made in rebuilding the production line to increase production flexibility and efficiency and to meet the new manufacturing requirement in the shoe industry. The Group also strived to improve inventory level through rational discounting policy and more attractive promotions through both online and offline platform. All of the above strategies are aiming at delivering the best rewards to our stakeholders for their continuous trust and support throughout the years.

Future Growth Prospects for Hamleys

Headquartered in London, Hamleys is one of the most respected toy retailers in the world due to its diversified product portfolio and unique in-store shopping experience. Hamleys operates in 24 countries across the globe and in 2016 recorded a 16.7% increase in international sales. During the year, Hamleys opened 39 new stores globally, comprising 13 proprietary stores and 26 franchised stores. A further 27 stores are scheduled to be opened in 2017, including 21 franchised stores. As the majority of these new stores are operated by international franchise partners, capital outlay required for the expansion of retail networks is low.

國玩具及遊戲零售總額將超過人民幣1,000億元。儘管全球經濟放緩，預期玩具及遊戲行業於未來十年可在中國持續正面增長，主要是由於引入了二孩政策、供應有限、城鎮化進程加快、可支配收入水平上升及更多消費者願意購買更高質量的產品。中國零售企業加速併購，以提升其競爭力及實力，本集團也採取了重要的戰略措施，即收購了Hamleys，為本集團的發展注入了強大動力。

面對此等挑戰及機遇，本集團制定了一系列以品牌為重點的策略。尤其是本集團已實施全球品牌策略，旨在將本集團發展為國際零售集團及創新綜合零售平台。其中一個主要全球措舉為收購英國高端玩具零售商Hamleys，有助本集團的業務經營多元化，以及豐富本集團的品牌組合。本集團也努力加強優雅時尚的品牌形象，推動本集團品牌定位成為中國領先的國際綜合零售商和中高檔鞋履品牌。

本集團積極創新銷售渠道及模式，建立無縫線上及線下銷售系統，成功建立新的工廠店模式，並嘗試打造新的購物中心店舖模式。就供應鏈而言，本集團努力重建生產線，提高生產的靈活性及效率，以滿足鞋履行業新的製造要求。本集團亦努力通過理性折扣政策及更具吸引力的促銷活動，通過線上及線下的平台來改善庫存水平。上述所有策略旨在為我們的股東提供最好的回報，以答謝他們多年來持續的信任及支持。

Hamleys 的未來發展前景

Hamleys總部設在倫敦，由於多元化的產品組合及獨特的店內購物體驗，Hamleys是世界上最受尊崇的玩具零售商之一。Hamleys於全球24個國家開展業務，於2016年，其國際銷售增長16.7%。於本年度，Hamleys於全球開設了39間新店，包括13間自營店及26間特許經營店。另外將於2017年開設27間新店，其中包括21間特許經營店。由於這些店舖絕大部分均由國際特許經營合作夥伴運營，對資本性開支的要求很低。

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The first Hamleys China flagship store was successfully opened in Nanjing in October 2016, and has started to contribute revenue. Looking ahead, the Group plans to replicate the unique in-store experience of Hamleys and open Hamleys-themed shopping malls in other populous cities in China. We strongly believe that by leveraging C.banner's retail expertise in China and its long-term cooperation with retail channels, the Group could rapidly expand the Hamleys business in China through the shared retail platform. As one of the largest toys retailers in the world, Hamleys has allowed the Group to benefit significantly from the two-child policy in China which will greatly stimulate consumer demand for toys and children's products.

Hamleys於中國的第一間旗艦店已於2016年10月在南京成功開幕，並開始貢獻收益。展望未來，本集團計劃複製Hamleys獨特的店內體驗，並將在中國其他人口眾多的城市開設Hamleys主題購物中心。本集團堅信，憑藉著千百度於中國的零售經驗及與零售渠道的長期合作，本集團能夠透過共享零售平台迅速擴展Hamleys在中國的業務。作為世界最大的玩具零售商之一，Hamleys能夠使本集團自中國的二孩政策中大大受惠，此將大大刺激消費者對玩具及兒童產品的需求。

As of 31 December 2016, Hamleys operated an aggregate of 32 proprietary stores and 73 franchised stores. The following table shows the geographic distribution of Hamleys stores:

截至2016年12月31日，Hamleys合共管理32間自營零售店及73間特許經營店，店鋪分佈列示如下表：

Country 國家		Proprietary stores 自營零售店	Franchised stores 特許經營店	Total 總計
United Kingdom	英國	23	—	23
Ireland	愛爾蘭	1	—	1
Finland	芬蘭	2	—	2
Denmark	丹麥	2	—	2
Sweden	瑞典	2	—	2
Norway	挪威	1	—	1
China	中國	1	—	1
Czech Republic	捷克共和國	—	1	1
Egypt	埃及	—	2	2
India	印度	—	29	29
Jordan	約旦	—	5	5
Malaysia	馬來西亞	—	4	4
Malta	馬耳他	—	1	1
Mexico	墨西哥	—	2	2
Philippines	菲律賓	—	2	2
Qatar	卡塔爾	—	1	1
Russia	俄國	—	8	8
Saudi Arabia	沙特阿拉伯	—	4	4
Singapore	新加坡	—	2	2
South Africa	南非	—	7	7
Turkey	土耳其	—	1	1
The United Arab Emirates	阿拉伯聯合酋長國	—	3	3
Vietnam	越南	—	1	1
Total	總計	32	73	105

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Far-reaching Shoes Retail Networks

The Group has an extensive shoes retail network covering the majority of first, second and third-tier cities with bright sales prospects. The Group's self-developed and licensed brands are primarily distributed through a broad network of proprietary retail outlets in department stores. It also sells its self-developed brands through authorized distributors.

During the past year, the Group decreased 35 proprietary shoes retail outlets and 50 third-party shoes retail outlets respectively. As of 31 December 2016, the Group oversaw a network of 1,697 proprietary retail outlets and 417 third-party retail outlets across China, maintaining a strong presence in over 31 provinces, municipalities and autonomous regions.

The Group continued to further optimize our retail networks comprising both online and offline stores and strategically cooperated with retailers such as department stores, shopping malls and outlets to increase market share. Our goal is to enhance same store sales growth of each offline store and actively promote online sales.

The following table shows the Group's geographic distribution of shoes outlets:

覆蓋範圍廣闊的鞋履業務零售網絡

本集團的鞋履業務零售網絡遍佈絕大部份一線、二線及三線城市，且銷售前景良好。本集團主要透過於百貨公司內設立的、覆蓋範圍廣闊的自營零售店網絡，分銷自有及授權品牌，亦透過授權分銷商銷售自有品牌。

於過去一年，本集團鞋履業務自營零售店及第三方零售店分別減少35間和50間。截至2016年12月31日，本集團管理中國的1,697間自營零售店及417間第三方零售店，遍佈中國逾31個省、市及自治區。

本集團將繼續優化我們的零售網路，包括線上和線下的店舖，並與百貨公司、購物中心、奧萊城等零售商戰略合作，以提高市場份額。我們的目標是提高線下門店的同店銷售增長，並積極促進線上銷售。

下表列示本集團鞋履業務零售店的地區分佈：

Distribution Regions	Sales Area	C.banner		EBLAN		Sundance		MIO		Badgley Mischka		Total	
		Proprietary	Third-party	Proprietary	Third-party	Proprietary	Third-party	Proprietary	Third-party	Proprietary	Third-party		
		千百度	伊伴	太陽舞	米奧	米西卡	百吉利·	授權品牌	總計				
		自營	第三方	自營	第三方	自營	第三方	自營	第三方	自營	自營	第三方	
		零售店	零售店	零售店	零售店	零售店	零售店	零售店	零售店	零售店	零售店	零售店	
Northeast	東北地區	106	34	70	11	18	1	11	9	-	31	11	302
Beijing	北京地區	42	18	21	4	12	1	2	6	-	17	-	123
Tianjin	天津地區	79	84	36	9	7	-	2	-	-	28	-	245
Northwest	西北地區	71	75	36	11	3	-	-	41	-	17	-	254
Central China	華中地區	42	18	15	3	1	-	2	1	-	14	-	96
Eastern China	華東地區	176	37	96	8	42	-	28	-	1	68	-	456
Zhejiang	浙江地區	88	5	27	-	3	-	13	-	-	27	-	163
Shanghai	上海地區	59	-	18	-	3	-	-	-	-	27	-	107
Southwest	西南地區	106	12	16	3	6	-	5	3	-	31	1	183
Southern China	華南地區	107	10	25	1	-	-	7	-	-	35	-	185
Total	總計	876	293	360	50	95	2	70	60	1	295	12	2,114

Note:

- (1) Northeast region includes Jilin province, Liaoning province and Heilongjiang province;
- (2) Beijing region includes Beijing, Inner Mongolia Autonomous Region, Zhangjiakou city and Qinhuangdao city in Hebei province;
- (3) Tianjin region includes Tianjin, Shandong province and Hebei province (except Zhangjiakou city and Qinhuangdao city);
- (4) Northwest region includes Shanxi province, Shaanxi province, Qinghai province, Gansu province, Henan province, Xinjiang Autonomous Region and Ningxia Autonomous Region;
- (5) Central China region includes Hunan province and Hubei province;
- (6) Eastern China region includes Jiangsu province (except Wuxi city and Suzhou city), Anhui province and Jiangxi province;
- (7) Zhejiang region includes Zhejiang province and Wuxi city and Suzhou city in Jiangsu province;
- (8) Shanghai region includes Shanghai;
- (9) Southwest region includes Sichuan province, Guizhou province, Yunnan province, Chongqing city and Tibet Autonomous Region; and
- (10) Southern China region includes Guangdong province, Hainan province, Guangxi Autonomous Region and Fujian province.

附註：

- (1) 東北地區包括吉林省、遼寧省及黑龍江省；
- (2) 北京地區包括北京及內蒙古自治區、河北省的張家口市及秦皇島市；
- (3) 天津地區包括天津、山東省及河北省（河北省的張家口市及秦皇島市除外）；
- (4) 西北地區包括山西省、陝西省、青海省、甘肅省、河南省、新疆及寧夏自治區；
- (5) 華中地區包括湖南省及湖北省；
- (6) 華東地區包括江蘇省（無錫市及蘇州市除外）、安徽省及江西省；
- (7) 浙江地區包括浙江省以及江蘇省的無錫市及蘇州市；
- (8) 上海地區包括上海；
- (9) 西南地區包括四川省、貴州省、雲南省、重慶市及西藏自治區；及
- (10) 華南地區包括廣東省、海南省、廣西自治區及福建省。

FINANCIAL REVIEW

For the year ended 31 December 2016, the Group's total revenue increased by 5.3% to RMB3,206.6 million, compared to the same period of last year. Gross profit increased by 3.9% to RMB1,935.7 million. Operating profit decreased by 18.2% to RMB278.7 million during the year under review. Profit for the year decreased by 19.6% to RMB205.4 million. Profit attributable to equity holders was approximately RMB206.3 million, representing a decrease of approximately 19.9% over the last year.

Revenue

For the year ended 31 December 2016, the Group's total revenue increased by 5.3% to RMB3,206.6 million, compared to RMB3,045.8 million in the same period of last year.

財務回顧

截至2016年12月31日止年度，本集團總收益較去年同期增長5.3%至人民幣3,206.6百萬元。毛利增加3.9%至人民幣1,935.7百萬元。於回顧年度，經營溢利減少18.2%至人民幣278.7百萬元。年內溢利減少19.6%至人民幣205.4百萬元。權益持有人應佔溢利約為人民幣206.3百萬元，較去年減少約19.9%。

收益

截至2016年12月31日止年度，本集團總收益增長5.3%至人民幣3,206.6百萬元，去年同期則為人民幣3,045.8百萬元。

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管理層討論及分析

The Group's revenue mix comprises income from retail and wholesale of shoes ("Retail and Wholesale"), contract manufacturing of shoes ("Contract Manufacturing") and retail of toys. For the year ended 31 December 2016, revenue from retail of toys amounted to RMB624.8 million. The revenue distribution of Retail and Wholesale and Contract Manufacturing is set out as follows:

本集團的收益組合包括來自零售及批發鞋履業務(「零售及批發」)、合約生產鞋履業務(「合約生產」)及玩具零售業務的收入。截至2016年12月31日止年度，玩具零售業務貢獻收益人民幣624.8百萬元。零售及批發、合約生產的收益分佈情況如下：

		For the year ended 31 December				
		截至12月31日止年度				
		2016		2015		
		2016年		2015年		
		% of Total		% of Total		% Growth
		RMB('000)	Revenue	RMB('000)	Revenue	% Growth
		佔總收益	估總收益	佔總收益	估總收益	增長百分比
		人民幣千元	百分比	人民幣千元	百分比	增長百分比
Retail and Wholesale	零售及批發	2,332,464	72.7	2,643,225	86.8	-11.8
Contract Manufacturing	合約生產	249,312	7.8	291,493	9.6	-14.5
Total	總計	2,581,776	80.5	2,934,718	96.4	-12.0

The decrease in Retail and Wholesale is mainly attributable to the decrease in same store sales of shoes as compared with last year and the closure of inefficient shoes outlets; the decrease in Contract Manufacturing is mainly attributable to the reorganisation of the Group's OEM production lines.

零售及批發收益下降的主要原因是鞋履同店銷售額下降及關閉低效鞋履店舖所致；合約生產收益下降的主要原因是本集團OEM生產線進行結構改造所致。

Profitability

The Group's gross profit climbed 3.9% to RMB1,935.7 million, compared to RMB1,862.4 million last year. As of 31 December 2016, the gross profit margin was 60.4%, a decrease of 0.7 percentage points from 61.1% in last year.

盈利能力

本集團之毛利增長3.9%至人民幣1,935.7百萬元，而去年為人民幣1,862.4百萬元。截至2016年12月31日，毛利率為60.4%，較去年同期之61.1%下降0.7個百分點。

For the year ended 31 December 2016, distribution and selling expenses reached RMB1,550.4 million, an increase of 4.0%, compared to expenses of RMB1,490.1 million last year, which was primarily attributable to the increase in consolidation of the Hamleys Group's distribution and selling expenses during the year and the increase in rental payment for the flagship store. Distribution and selling expenses accounted for 48.3% of total revenue, compared to 48.9% in last year.

截至2016年12月31日止年度，分銷及銷售開支達人民幣1,550.4百萬元，較去年之開支人民幣1,490.1百萬元增加4.0%，該增加主要歸因於Hamleys集團於本年度的分銷及銷售開支綜合入賬增加及旗艦店租金增加所致。分銷及銷售開支佔總收益比率為48.3%，而去年同期為48.9%。

Administrative and general expenses over the year was RMB191.7 million, an increase of RMB87.3 million compared to the same period of last year. This increase was mainly attributable to the increase in consolidation of the Hamleys Group's administrative and general expense during the year. Administrative and general expenses accounted for 6.0% of total revenue, compared to 3.4% in last year.

年內行政及一般開支達人民幣191.7百萬元，較去年同期增加人民幣87.3百萬元。該增加主要歸因於Hamleys集團於本年度的行政及一般開支綜合入賬增加。行政及一般開支佔總收益比率為6.0%，而去年同期為3.4%。

Other income and other losses over the year was a net of RMB125.0 million as compared to a net of RMB106.4 million last year. Other income mainly included government subsidies, bank interest income and interest income from other financial assets.

年內其他收入及其他虧損為人民幣125.0百萬元，去年同期則為人民幣106.4百萬元。其他收入主要包括政府補貼、銀行利息收入及其他金融資產利息收入。

Finance costs over the year were RMB37.4 million, compared to RMB31.0 million last year.

年內財務成本為人民幣37.4百萬元，去年為人民幣31.0百萬元。

Income tax expense over the year decreased by RMB12.0 million or 14.0% to RMB73.3 million, compared to an expense of RMB85.3 million last year. The decrease was mostly attributable to the decrease in profit before taxation. The effective tax rate over the year was 26.3%, an increase of 1.3 percentage points from 25.0% in last year.

年內所得稅開支減少人民幣12.0百萬元或14.0%至人民幣73.3百萬元，去年開支則為人民幣85.3百萬元。此減少主要歸因於除稅前溢利減少。本年度的所得稅實際稅率為26.3%，較去年同期25.0%上升1.3個百分點。

Profit attributable to equity holders of the company decreased by 19.9% to RMB206.3 million, a decrease of RMB51.2 million from RMB257.5 million last year.

本公司權益持有人應佔溢利減少19.9%至人民幣206.3百萬元，較去年人民幣257.5百萬元減少人民幣51.2百萬元。

Liquid Assets, Financial Resources and Capital Expenditure

流動資產、財務資源及資本開支

As of 31 December 2016, the Group had bank balances and cash of RMB629.3 million, compared to RMB385.2 million at the end of last year.

截至2016年12月31日，本集團之銀行結餘及現金為人民幣629.3百萬元，去年年底則為人民幣385.2百萬元。

Net cash generated from operating activities was RMB245.8 million, a decrease of RMB44.4 million as compared to RMB290.2 million as of the end of last year.

經營業務產生之現金淨額為人民幣245.8百萬元，較去年年底人民幣290.2百萬元減少人民幣44.4百萬元。

The Group recorded a net cash inflow of RMB40.9 million from investing activities for the full year, compared to an outflow of RMB562.4 million in 2015. The inflow was primarily due to redemption of investment in other financial assets.

本集團於全年錄得投資業務之現金流入淨額人民幣40.9百萬元，於2015年則為流出淨額人民幣562.4百萬元。該流入主要由於贖回其他金融資產的投資所致。

Net cash used in financing activities was RMB93.6 million in 2016, compared to a net cash generated from financing activities of RMB305.5 million in 2015. This was mostly attributable to the repayment in bank borrowings in the amount of RMB82.5 million.

於2016年融資業務所用現金淨額為人民幣93.6百萬元，於2015年則為所得淨額人民幣305.5百萬元。主要歸因於歸還銀行借貸金額人民幣82.5百萬元所致。

As of 31 December 2016, the net current assets of the Group were RMB1,329.2 million, compared to RMB1,246.0 million at the end of last year, an increase of 6.7% or RMB83.2 million.

截至2016年12月31日，本集團之流動資產淨值為人民幣1,329.2百萬元，較去年年底人民幣1,246.0百萬元增加6.7%或人民幣83.2百萬元。

Management Discussion and Analysis

管理層討論及分析

Gearing ratio

The Group's gearing ratio, computed by dividing total loans and borrowings by total assets, was 20.7% as at 31 December 2016 compared with 24.5% as at 31 December 2015.

Capital structure

The Group's operations were financed mainly by shareholder's equity, bank facilities available to the Group and internal resources. The Group will continue to adopt its treasury policy of placing its cash and cash equivalent as interest bearing deposits. The Group's loans and cash and cash equivalents were mainly denominated in RMB, Hong Kong dollars, GBP and U.S. dollars. The Group's bank borrowings denominated in GBP as at 31 December 2016 amounted to GBP80.0 million, and denominated in RMB as at 31 December 2016 amounted to RMB5.0 million.

Pledge of Asset

Saved as disclosed in note 40 to the consolidated financial statements, the Group has made no further pledge of assets as at 31 December 2016.

Contingent Liabilities

The Group did not have any substantial or contingent liabilities as of 31 December 2016.

Foreign Exchange Risk Management

The Group's sales are mainly denominated in RMB, while its Contract Manufacturing is mainly denominated in U.S. dollars and its retail of toys is mainly denominated in GBP. The Contract Manufacturing accounted for 7.8% of total revenue, while the retail of toys accounted for 19.5% of total revenue. Nevertheless, the Board will keep monitoring the impact of the exchange rate on our business closely and take appropriate measures to mitigate the impact where necessary.

For the year ended 31 December 2016, the Group recorded a RMB66.7 million gain from currency exchange, compared to a RMB8.3 million gain last year. The Group did not hold any derivative instruments for hedging against foreign exchange risk.

Human Resources

As of 31 December 2016, the Group had 11,347 employees (31 December 2015: 13,128 employees). The Group provides its employees with competitive remuneration packages including mandatory pension funds, insurance and medical benefits. In addition, the Group pays discretionary bonuses to qualified employees according to the business performance and their individual work performance.

資產負債比率

於2016年12月31日，本集團資產負債比率(按總貸款及借貸除以總資產計算)為20.7%，而於2015年12月31日則為24.5%。

資本架構

本集團的營運主要透過股東股權、本集團可用的銀行融資及內部資源撥資。本集團將繼續採納其庫存政策，將其現金及現金等價物作為計息存款。本集團的貸款及現金及現金等價物主要以人民幣、港元、英鎊及美元計值。本集團以英鎊計值的銀行借貸於2016年12月31日為80.0百萬英鎊，以人民幣計值的銀行貸款於2016年12月31日為人民幣5.0百萬元。

資產質押

除綜合財務報表附註40所披露者外，本集團於2016年12月31日並無抵押其他資產。

或然負債

截至2016年12月31日，本集團並無任何重大或然負債。

匯兌風險管理

本集團之銷售主要以人民幣計值，而合約生產業務則主要以美元計值及玩具零售業務主要以英鎊計值。合約生產佔收益總額的7.8%，玩具零售業務佔收益總額的19.5%。董事會將密切關注匯率對業務的影響，並於必要時採取適當措施以減輕所造成的影響。

截至2016年12月31日止年度，本集團錄得匯兌收益人民幣66.7百萬元，去年同期則為收益人民幣8.3百萬元。本集團並無使用任何衍生工具以對沖外匯風險。

人力資源

截至2016年12月31日，本集團聘用合共11,347名僱員(2015年12月31日：13,128名僱員)。本集團為其僱員提供具競爭力的薪酬組合，包括強制性退休基金、保險及醫療福利。此外，本集團亦會按業務表現及個別員工工作表現向合資格僱員發放酌情花紅。

Dividend

The Board does not propose final dividend for the year ended 31 December 2016 (2015: nil).

OUTLOOK

Despite the uncertainties overshadowing the global economy, there are signs of encouragement on the horizon. This is especially so for China as the country continues to pursue consumption-driven economy which would significantly contribute to the growth momentum of the retail industry. In addition, the ongoing urbanization, the rise of China's middle classes, rising disposable income and other national policies such as "Supply-side Structural Reform" and two-child policy will all give considerable boost to the retail industry. However, the market competition is becoming more and more intense and it is essential for industry players to take proactive actions to grasp opportunities arising from the changing business landscape.

In order to strive for further business growth, the Group will fully leverage both its retail expertise in China and long-term cooperation with retail channel to rapidly expand Hamleys business in China's populous cities. The Group will also cooperate with large domestic department stores and shopping malls to develop Hamleys-themed shopping malls and replicate the unique in-store experience of Hamleys. The addition of Hamleys stores will bring synergies to our existing business and offer a variety of diversified products and services with innovative concept but more importantly, serve as the springboard to pursue international expansion under our global branding strategy to forge C.banner as a world-renowned brand.

With respect to marketing, the Group will apply innovative online and offline marketing strategies to boost sales and enhance brand influence. We will fully utilize interactive new media platforms to promote brands, provide personalized consumption experience to consumers, and generate profound, instant and accurate insight into consumers' needs and preferences. Besides promoting our newly launched footwear brands, including Badgley Mischka, the Group will also continue to explore further opportunities of growth for the Hamleys business to achieve even greater business success.

股息

董事會並無就截至2016年12月31日止年度建議宣派末期股息(2015年：無)。

前景

儘管全球經濟面臨不確定因素，但仍有出現令人鼓舞的跡象。對於中國來說尤其如此，因為中國繼續推行以消費驅動經濟，此將大大促進零售業的增長勢頭。另外，持續城鎮化、中國中產階級的崛起，可支配收入上升，及其他國家政策如「供給側結構性改革」及二孩政策等等，將大大推動零售業的發展。然而，市場競爭越來越激烈，行業參與者必須採取積極主動的行動，以掌握不斷變化的商業環境所帶來的機遇。

為爭取進一步業務發展，本集團將充分發揮其於中國的零售經驗及與零售渠道的長期合作，以在中國人口眾多的城市迅速擴展Hamleys業務。本集團亦將與國內大型百貨商場及購物中心合作，開發Hamleys主題購物商場，並複製Hamleys獨一無二的店內體驗。開設更多的Hamleys店舖將為本集團的現有業務帶來協同效應，並以創新理念提供各種多元化的產品及服務，但更重要的是，作為本集團全球品牌戰略下追求國際擴展的跳板，將千百度推動為世界級的知名品牌。

就市場推廣而言，本集團將採用創新的線上及線下營銷策略，推動銷售並提升品牌影響力。本集團將充分利用互動新媒體平台推廣品牌，為消費者提供個性化的消費體驗，深入了解消費者的需求及喜好。除了推廣本集團新推出的鞋履品牌，包括百吉利·米西卡外，本集團亦將繼續探索Hamleys業務增長的機會，以於業務上獲得更大的成功。

Management Discussion and Analysis

管理層討論及分析

During the past year, the Group has adopted a horizontal expansion approach by introducing two new women's footwear brands to increase market share. Looking ahead, the Group will take a proactive yet prudent approach in network expansion by strategically cooperating with department stores and e-commerce platforms to increase market share. In addition, the Group will shut down underperforming stores to enhance profitability. Efforts will also be made to optimize the offline sales and distribution network, particularly focusing on enhancing both store efficiency and scenario consumption experience to meet the demands of increasingly sophisticated Chinese consumers.

On the operation level, the Group will continue to improve inventory level through rational discounting policy and more appealing promotions. We will also make strenuous efforts to optimize and upgrade high-end customized 3D feet scanning services in selected offline stores and to turn online visitors into valuable business prospects to achieve online and offline integration. In a nutshell, the path to global success is full of adversities and difficulties, especially within the current weak economic environment, however, the Group is determined to transform from a leading local player to a renowned international integrated retailer in order to deliver fruitful rewards to our shareholders.

於過去一年，本集團採用橫向擴張方式，推出兩個新的女鞋品牌，以增加市場份額。展望未來，本集團將在網絡擴張方面採取積極而審慎的做法，通過與百貨公司及電子商務平台的策略性合作，增加市場份額。此外，集團將關閉業績不佳的店舖，以提升盈利能力。本集團亦將努力優化線下銷售及分銷網絡，尤其是著重提高店舖的效率及場景消費體驗，以滿足日益複雜的中國消費者的需求。

就經營層面而言，本集團將繼續通過理性的折扣政策及更具吸引力的促銷方式改善庫存水平。本集團亦將努力在選定的線下店舖優化及提升3D腳型掃描高端定制服務，並將線上訪客轉為有價值的業務前景，實現線上及線下整合。簡而言之，全球成功之路充滿了逆境及困難，尤其是目前經濟環境疲弱的情況下，然而，本集團決心從本地領先企業轉型為著名的國際綜合零售商，以將卓越成就回報我們的股東。

Corporate Governance Report

企業管治報告

The Board is pleased to present this corporate governance report in the annual report of the Company for the year ended 31 December 2016.

CORPORATE GOVERNANCE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of Shareholders and to enhance corporate value and accountability. The Company has complied with all applicable code provisions under the Corporate Governance Code and Corporate Governance Report (the “CG Code”) as set out in Appendix 14 to the Listing Rules during the Review Period. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

THE BOARD

Responsibilities

The Board is responsible for the overall leadership of the Group, overseeing the Group’s strategic decisions and monitoring the Group’s business and performance. The Board has delegated the authority and responsibility for day-to-day management and operation of the Group to the senior management of the Group. To oversee particular aspects of the Company’s affairs, the Board has established three Board committees including the audit committee (the “Audit Committee”), the remuneration committee (the “Remuneration Committee”) and the nomination committee (the “Nomination Committee”) (together, the “Board Committees”). The Board has delegated to the Board Committees responsibilities as set out in their respective terms of reference.

All Directors shall ensure that they carry out duties in good faith, in compliance with applicable laws and regulations, and in the interests of the Company and its Shareholders at all times.

The Company has arranged appropriate liability insurance to indemnify the Directors for their liabilities arising out of corporate activities. The insurance coverage will be reviewed on an annual basis.

董事會欣然呈列本公司截至2016年12月31日止年度之年報所載之企業管治報告。

企業管治

本集團致力維持高水平之企業管治以保障股東之利益，並提升企業價值及應有責任。於回顧期間，本公司已遵守上市規則附錄14所載企業管治守則及企業管治報告（「企業管治守則」）項下之所有適用守則條文。本公司將繼續審閱及提升其企業管治常規，以確保遵守企業管治守則。

董事會

職責

董事會負責本集團之整體發展，並監督本集團之策略性決定及監察本集團業務及表現。本集團高級管理層將獲董事會轉授有關本集團日常管理及營運之權力及責任。就監督本公司事務之特定方面，董事會已成立三個董事委員會，包括審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）及提名委員會（「提名委員會」）（統稱「董事委員會」）。董事會向董事委員會授出多項責任，有關責任載於其各自之職權範圍。

全體董事須確保彼等以真誠態度履行職責、遵守適用法例及法規，並一直符合本公司及其股東之利益。

本公司已安排適當的責任保險以彌償董事因從事企業活動所產生之責任。保險之保障範圍將每年予以檢討。

Corporate Governance Report 企業管治報告

Board Composition

The Board currently comprised five executive Directors, namely Mr. Chen Yixi, Mr. Zhao Wei, Mr. Huo Li, Mr. Ngan Wing Ho and Mr. Yuan Zhenhua, two non-executive Directors, namely Mr. Miao Bingwen and Mr. Wu Guangze and four independent non-executive Directors, namely Mr. Kwong Wai Sun Wilson, Mr. Li Xindan, Mr. Zhang Zhiyong and Mr. Zheng Hongliang. Mr. Xu Tingyu resigned as an executive Director with effect from 12 December 2016. The biographies of the Directors are set out under the section headed “Directors and Senior Management” of this annual report.

Relationships (including financial, business, family or other material/relevant relationships), if any, among members of the Board are also disclosed. There was no such relationship as between the chairman of the Board (the “Chairman”) and the CEO during the Review Period.

Pursuant the code provision A.5.6 of the CG code, listed issuers are required to adopt a board diversity policy. The Board has adopted the board diversity policy and the summary of the board diversity policy is set out under “Board Committees – Nomination Committee” below.

The Company has received written annual confirmation from each independent non-executive Director of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all independent non-executive Directors to be independent in accordance with the independence guidelines as set out in the Listing Rules.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. Independent non-executive Directors are invited to serve on the Audit Committee, the Remuneration Committee and the Nomination Committee.

As regards the CG Code provision requiring directors to disclose the number and nature of offices held in public companies or organisations and other significant commitments as well as their identity and the time involved to the issuer, Directors have agreed to disclose their commitments to the Company in a timely manner.

董事會組成

董事會現包括五名執行董事，即陳奕熙先生、趙偉先生、霍力先生、顏永豪先生及袁振華先生，兩名非執行董事，即繆炳文先生及吳廣澤先生，以及四名獨立非執行董事，即鄺偉信先生、李心丹先生、張志勇先生及鄭紅亮先生。徐庭裕先生辭任執行董事，自2016年12月12日起生效。董事之履歷載於本年報「董事及高級管理層」一節。

董事會成員間之關係（包括財務、業務、家族或其他重大／相關關係）（如有）亦予以披露。於回顧期間，董事會主席（「主席」）與首席執行官之間概無任何該等關係。

根據企業管治守則守則條文第A.5.6條，上市發行人須採納一項董事會成員多元化政策。董事會已採納董事會成員多元化政策及董事會成員多元化政策概要載於下文「董事委員會－提名委員會」項下。

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出之年度獨立性確認書。根據上市規則所載之獨立指引，本公司認為全體獨立非執行董事均屬獨立。

全體董事（包括獨立非執行董事）均為董事會帶來各種不同的寶貴營商經驗、知識及專門技術，使其有效率及有效地運作。獨立非執行董事獲邀加入審核委員會、薪酬委員會及提名委員會。

就企業管治守則條文要求董事向發行人披露於公眾公司或組織出任職務之數目與性質及其他重大承擔以及所涉及職務及時間而言，董事已同意及時向本公司披露彼等的職務承擔。

Chairman and Chief Executive Officer

Under the code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and performed by different individuals. During the Review Period, Mr. Chen Yixi was the Chairman and Mr. Zhao Wei was the CEO. Mr. Chen Yixi is responsible for charting the business strategy and has played a determining role in establishing the Group's presence in the PRC women's footwear industry. Mr. Zhao Wei was responsible for overseeing the operations (including brand and product development), finance and human resource management of the Group during the Review Period. As described above, there is a clear distinction between the Chairman's responsibility for providing leadership for the Board and the CEO's responsibility for managing the day-to-day operations of the Group's business.

Appointment and Re-Election of Directors

All executive Directors have entered into service contracts with the Company for a specific term of two years or three years. In addition, all non-executive Directors, including independent non-executive Directors, have entered into letters of appointment with the Company for a specific term of one year or three years.

In compliance with the code provision in A.4.2 of the CG Code, all Directors are subject to retirement by rotation at least once every three years. Furthermore, pursuant to the bye-law 99 of the Bye-laws, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest one-third but not less than one-third, shall retire from office by rotation. The retiring Directors shall be eligible for re-election. The Company at any general meeting at which any Directors retire may fill the vacated offices.

主席及首席執行官

根據企業管治守則之守則條文第A.2.1條，主席與首席執行官之角色應有所區分，應由不同人士擔任。於回顧期內，陳奕熙先生為主席，趙偉先生則為首席執行官。於回顧期間，陳奕熙先生負責制定業務策略，並就本集團進軍中國女士鞋履行業擔任決策角色。趙偉先生負責監督本集團之營運（包括品牌及產品開發）、財務及人力資源管理。誠如上文所述，兩者的權責有明顯區分，主席負責領導董事會，而首席執行官則負責管理本集團業務日常營運。

委任及重選董事

所有執行董事均已與本公司訂立服務合約，特定任期為兩年或三年。此外，所有非執行董事（包括獨立非執行董事）均已與本公司訂立委任書，特定任期為一年或三年。

為遵守企業管治守則之守則條文第A.4.2條，全體董事最少每三年輪值退任一次。此外，根據細則第99條，於各股東週年大會上當時董事的三分之一（倘股東人數並非三或三之倍數，則最接近但不少於三分之一）須輪值告退。退任董事須合資格重選連任。在本公司任何股東大會上，任何退任董事均可填補空缺。

Corporate Governance Report

企業管治報告

In compliance with the code provision in A.4.2 of the CG Code, all Directors appointed to fill a casual vacancy should be subject to election by Shareholders at the first general meeting after their appointment. By virtue of the bye-law 102(B) of the Bye-laws, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the Shareholders in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

The procedures and process of appointment, re-election and removal of directors are set out in the Bye-laws. The Nomination Committee is responsible for reviewing the Board composition, monitoring the appointment, re-election and succession planning of Directors.

Induction and Continuing Development of Directors

Each newly appointed Director shall receive formal, comprehensive and tailored induction on the first occasion of his appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors will be continuously updated on the statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. Briefing and professional development for Directors will be arranged where necessary.

為遵守企業管治守則之守則條文第A.4.2條，所有獲委任以填補空缺之董事須於獲委任後首次股東大會上經股東選出。由於細則第102(B)條規定，董事會有權不時及在任何時間委任任何人士出任董事以填補董事會空缺或加入董事會，惟獲委任之董事人數須不超過股東於股東大會上不時釐定之人數上限。任何獲董事會委任以填補空缺之董事之任期僅直至獲委任後首次本公司股東大會，並須在該大會上重選連任。任何獲董事會委任加入現有董事會之董事之任期僅直至下屆本公司股東週年大會，並須合資格重選連任。

委任、重選及罷免董事之程序及過程載於細則。提名委員會負責審閱董事會組成、監察董事之委任、重選及繼任計劃。

董事就任及持續發展

每名新任董事於首次獲委任時將會獲得正式、全面及切合需要之就任資料，以確保合理了解本公司業務及營運，以及充分認識上市規則及相關監管規定項下之董事責任及義務。

董事將不斷了解有關法定及監管制度以及經營環境之最新資料，協助履行彼等之職責。於有需要時可為董事安排簡報及提供專業發展。

Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. During the year of 2016, all Directors, namely Mr. Chen Yixi, Mr. Zhao Wei, Mr. Huo Li, Mr. Xu Tingyu (resigned on 12 December 2016), Mr. Ngan Wing Ho (appointed on 12 December 2016), Mr. Yuan Zhenhua (appointed on 12 December 2016), Mr. Miao Bingwen, Mr. Wu Guangze, Mr. Kwong Wai Sun Wilson, Mr. Li Xindan, Mr. Zhang Zhiyong and Mr. Zheng Hongliang, participated in continuous professional development to develop and refresh their knowledge and skills by ways of attending trainings and reading materials which are relevant to the Group's business or to directors' duties and responsibilities. In addition, the company secretary of the Company from time to time updates and provides written training material relating to the roles, functions and duties of a director and all the aforesaid Directors study such materials and they are asked to submit a signed training record to the Company on annual basis.

Board Meetings and General Meetings

The Company adopts the practice of holding board meetings regularly, at least four times a year, and at approximately quarterly intervals. Notices of not less than fourteen days are given for all regular board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for a regular meeting. For other Board and committee meetings, reasonable notice is generally given. When Directors or committee members are unable to attend a meeting, they will be advised of the matters to be discussed and given an opportunity to make their views known to the Chairman prior to the meeting.

Minutes of the board meetings and committee meetings are recorded in sufficient detail of the matters considered by the Board and the committees and the decisions reached, including any concerns raised by the Directors. Draft minutes of each board meeting and committee meeting are sent to the Directors for comments within a reasonable time after the date on which the meeting is held.

本公司鼓勵董事參與持續專業發展，發展並更新彼等之知識及技能。於2016年度，所有董事，即陳奕熙先生、趙偉先生、霍力先生、徐庭裕先生（於2016年12月12日辭任）、顏永豪先生（於2016年12月12日獲委任）、袁振華先生（於2016年12月12日獲委任）、繆炳文先生、吳廣澤先生、鄺偉信先生、李心丹先生、張志勇先生及鄭紅亮先生，均透過參加有關董事職務與責任的培訓及閱讀與本集團業務有關的材料，參與持續專業發展，發展並更新彼等之知識及技能。此外，本公司之公司秘書不時更新及提供有關董事之角色、職能及職責之書面培訓材料，而所有前述董事均學習該等材料且須每年向本公司提交已簽署的培訓記錄。

董事會會議及股東大會

本公司採納定期舉行董事會會議之慣例，最少一年舉行四次，大約每季舉行一次。全體董事將獲發不少於十四天之通知以召開定期董事會會議，令全體董事均獲機會出席定期會議並討論議程事項。就其他董事會及委員會會議而言，一般將獲發合理通知。當董事或委員會成員未能出席會議，彼等將獲知會有關將予討論之事宜，並有機會在舉行會議前向主席發表意見。

董事會會議及委員會會議之會議記錄將記錄董事會及委員會認為充分之事項詳情及達成之決定，包括董事所關注之任何事宜。各董事會會議及委員會會議之會議記錄草稿於會議舉行日期後合理時間內寄交董事以提供意見。

Corporate Governance Report 企業管治報告

For the Review Period, four Board meetings and an annual general meeting were held and the attendance of the individual Directors at these meetings is set out in the table below:

於回顧期間，已舉行四次董事會會議及一次股東週年大會，下表載列出席該等會議之董事人數：

Directors	Attended/Eligible to attend		董事	出席次數／舉行次數	
	Board Meetings	General Meeting		董事會會議	股東大會
Mr. Chen Yixi	4/4	1/1	陳奕熙先生	4/4	1/1
Mr. Huo Li	4/4	1/1	霍力先生	4/4	1/1
Mr. Zhao Wei	4/4	1/1	趙偉先生	4/4	1/1
Mr. Ngan Wing Ho (appointed on 12 December 2016)	0/0	0/0	顏永豪先生 (於2016年12月12日獲委任)	0/0	0/0
Mr. Yuan Zhenhua (appointed on 12 December 2016)	0/0	0/0	袁振華先生 (於2016年12月12日獲委任)	0/0	0/0
Mr. Xu Tingyu (resigned on 12 December 2016)	3/4	1/1	徐庭裕先生 (於2016年12月12日辭任)	3/4	1/1
Mr. Miao Bingwen	4/4	0/1	繆炳文先生	4/4	0/1
Mr. Wu Guangze	2/4	0/1	吳廣澤先生	2/4	0/1
Mr. Kwong Wai Sun Wilson	4/4	1/1	鄺偉信先生	4/4	1/1
Mr. Li Xindan	4/4	0/1	李心丹先生	4/4	0/1
Mr. Zhang Zhiyong	4/4	0/1	張志勇先生	4/4	0/1
Mr. Zheng Hongliang	4/4	1/1	鄭紅亮先生	4/4	1/1

During the Review Period, the Chairman held a meeting with the non-executive Directors (including the independent non-executive Directors) without the executive Directors present on 15 March 2016.

於回顧期間，於2016年3月15日，主席與非執行董事（包括獨立非執行董事）舉行一次會議，而執行董事未出席。

Model Code for Securities Transactions

The Company has adopted the Model Code as its own code of conduct regarding Directors' securities transactions. Specific enquiry has been made of all the Directors and each of the Directors has confirmed that he has complied with the Model Code throughout the Review Period.

證券交易之標準守則

本公司已採納標準守則作為其有關董事證券交易之操守守則。本公司已對全體董事作出具體查詢，且各董事確認彼於回顧期間已遵守標準守則。

Delegation by the Board

The Board reserves for its decision all major matters of the Company, including: approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters. Directors could have recourse to seek independent professional advice in performing their duties at the Company's expense and are encouraged to access and to consult with the Company's senior management independently.

The daily management, administration and operation of the Group are delegated to the senior management. The delegated functions and responsibilities are periodically reviewed by the Board. Approval has to be obtained from the Board prior to any significant transactions entered into by the management.

BOARD COMMITTEES

Audit Committee

The Audit Committee currently comprised four independent non-executive Directors, namely Mr. Kwong Wai Sun Wilson, Mr. Li Xindan, Mr. Zhang Zhiyong and Mr. Zheng Hongliang, and one non-executive Director, namely Mr. Miao Bingwen. Therefore, the majority of members of the Audit Committee are independent non-executive Directors. Mr. Kwong Wai Sun Wilson currently is the chairman of the Audit Committee. The main duties of the Audit Committee include the following:

- To review the financial statements and reports and consider any significant or unusual items raised by the internal audit division or external auditor before submission to the Board
- To review the relationship with the external auditor by reference to the work performed by the auditor, their fees and terms of engagement, and make recommendations to the Board on the appointment, reappointment and removal of external auditor
- To review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures

董事會授權

董事會保留於本公司所有主要事項之決策權，包括：批准及監察所有政策事宜、整體策略及預算、內部監控及風險管理系統、重大交易（特別是可能涉及利益衝突之交易）、財務資料、委任董事以及其他重大財務及營運事宜。董事擁有資源尋求獨立專業意見以履行其於本公司開支之職責，並鼓勵個別接觸本公司高級管理層並與其商議。

本集團之日常管理、行政及營運已授權高級管理層處理。授權功能及責任由董事會定期檢討。管理層訂立任何重大交易前須取董事會之批准。

董事委員會

審核委員會

審核委員會現包括四名獨立非執行董事，即鄺偉信先生、李心丹先生、張志勇先生及鄭紅亮先生，以及一名非執行董事，即繆炳文先生。因此，審核委員會多數成員均為獨立非執行董事。鄺偉信先生現為審核委員會主席。審核委員會之主要職責包括下列各項：

- 財務報表及報告提呈董事會前進行審閱以及考慮內部審核部門或外部核數師提出之任何重大或非經常事項
- 參考核數師之工作表現、收費及協議條款檢討與外部核數師之關係，並向董事會就委任、重選及罷免外部審數師提出意見
- 檢討本公司財務申報系統、內部監控系統及風險管理系統及相關程序之充份程度及效益

Corporate Governance Report 企業管治報告

During the Review Period, two meetings of the Audit Committee were held and the attendance record of the Audit Committee members is set out in the table below:

於回顧期間，審核委員會已舉行兩次會議，審核委員會成員之出席記錄載於下表：

Directors	Attended/Eligible to attend	董事	出席次數／舉行次數
Mr. Kwong Wai Sun Wilson	2/2	鄺偉信先生	2/2
Mr. Miao Bingwen	2/2	繆炳文先生	2/2
Mr. Li Xindan	2/2	李心丹先生	2/2
Mr. Zhang Zhiyong	2/2	張志勇先生	2/2
Mr. Zheng Hongliang	2/2	鄭紅亮先生	2/2

The Audit Committee held two meetings during the Review Period to review the annual results of the Group for the year ended 31 December 2015 and the interim results of the Group for the six months ended 30 June 2016, the financial reporting and compliance procedures, the Company's internal control and risk management systems and processes, and the re-appointment of the external auditor.

審核委員會於回顧期間舉行兩次會議，以審閱本集團截至2015年12月31日止年度之年度業績以及本集團截至2016年6月30日止六個月之中期業績、財務申報及合規程序、本公司之內部監控及風險管理系統及程序以及重新委聘外部核數師。

The Audit Committee is also responsible for performing the corporate governance duties, including:

審核委員會亦負責履行企業管治職能，包括：

- To develop and review the Company's policies 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
- 制定及審核本公司之企業管治政策及實務
 - 檢討及監察董事及高級管理人員之培訓及持續專業發展
 - 檢討及監察本公司就遵守法律法規及監管要求之政策及實務
 - 制定、檢討及審核適用於僱員及董事之行為守則及合規手冊(如有)
 - 檢討本公司遵守企業管治守則之情況及於企業管治報告中之披露

Remuneration Committee

The Remuneration Committee currently comprised four independent non-executive Directors, namely Mr. Li Xindan, Mr. Kwong Wai Sun Wilson, Mr. Zhang Zhiyong and Mr. Zheng Hongliang, and one non-executive Director, namely Mr. Miao Bingwen. Therefore, the majority of members of the Remuneration Committee are independent non-executive Directors. Mr. Li Xindan currently is the chairman of the Remuneration Committee.

The primary duties of the Remuneration Committee include making recommendations on and approving the remuneration policy and structure and remuneration packages of the executive Directors and the senior management. The Remuneration Committee has adopted the operation model where it performs an advisory role to the Board, with the Board retaining the final authority to approve the remuneration packages of individual executive Directors and senior management. The Remuneration Committee is also responsible for establishing transparent procedures for formulating such remuneration policy and structure and to ensure that no Director or any of his associates will participate in deciding his own remuneration, which remuneration will be determined by reference to the performance of the individual and the Company as well as market practice and conditions.

The Remuneration Committee held one meeting during the Review Period to review and consider the existing terms of remuneration of the Directors and senior management with reference to the prevailing market conditions, a Director's experience, responsibility, workload and fees paid by the comparable companies.

Pursuant to Code Provision B.1.5 of the CG Code, the remuneration of the members of the senior management by band for the year ended 31 December 2016 is set out below:

Remuneration band	Number of individuals
RMB1,500,001 to RMB2,000,000	2
More than RMB2,000,000	1

Further particulars relating to Directors' emoluments and the five highest paid individuals are set out in note 10 to the consolidated financial statements.

薪酬委員會

薪酬委員會現包括四名獨立非執行董事，即李心丹先生、鄺偉信先生、張志勇先生及鄭紅亮先生，以及一名非執行董事，即繆炳文先生。因此，薪酬委員會多數成員均為獨立非執行董事。李心丹先生現為薪酬委員會主席。

薪酬委員會之主要職責包括批准執行董事及高級管理層之薪酬政策及結構以及薪酬組合以及就此提供意見。薪酬委員會已採納向董事會提供建議之運作模式，董事會保留批准個別執行董事及高級管理層薪酬之最終權力。薪酬委員會亦負責制定有關薪酬政策及結構設立具透明度之程序，確保概無董事或其任何聯繫人士將參與決定其本身之薪酬，而有關薪酬將根據個別人士及本公司之表現以及市場慣例及狀況釐定。

於回顧期間，薪酬委員會舉行一次會議，以參照現行市況、董事經驗、責任、工作量及可資比較公司支付之費用審核及審議董事及高級管理層薪酬之現有條款。

根據企業管治守則之守則條文第B.1.5條，截至2016年12月31日止年度，按薪酬範圍之高級管理層成員之薪酬載列如下：

薪酬範圍	人數
人民幣1,500,001元至人民幣2,000,000元	2
人民幣2,000,000元以上	1

有關董事酬金及五位最高薪人士的進一步詳情載於綜合財務報表附註10。

Corporate Governance Report 企業管治報告

During the Review Period, one meeting of the Remuneration Committee was held and the attendance record of the Remuneration Committee members is set out as follows:

Directors	Attended/Eligible to attend	董事	出席次數／舉行次數
Mr. Li Xindan	1/1	李心丹先生	1/1
Mr. Miao Bingwen	1/1	繆炳文先生	1/1
Mr. Kwong Wai Sun Wilson	1/1	鄺偉信先生	1/1
Mr. Zhang Zhiyong	1/1	張志勇先生	1/1
Mr. Zheng Hongliang	1/1	鄭紅亮先生	1/1

Nomination Committee

The Nomination Committee currently comprised one executive Director, namely Mr. Chen Yixi, one non-executive Director, namely Mr. Wu Guangze, and four independent non-executive Directors, namely Mr. Kwong Wai Sun Wilson, Mr. Li Xindan, Mr. Zhang Zhiyong and Mr. Zheng Hongliang. Therefore, the majority of members of the Nomination Committee were independent non-executive Directors. Mr. Chen Yixi currently is the chairman of the Nomination Committee.

The principal duties of the Nomination Committee include the following:

- To review the structure, size and composition of the Board and make recommendations regarding any proposed changes
- To identify suitable candidates for appointment as Directors
- To make recommendations to the Board on appointment or reappointment of and succession planning for Directors
- To assess the independence of independent non-executive Directors

The Nomination Committee considered and resolved that all the existing Directors shall be recommended to be retained by the Company. Furthermore, in accordance with the Bye-laws and as resolved by the Nomination Committee, Mr. Zhao Wei, Mr. Li Xindan, Mr. Zheng Hongliang, Mr. Ngan Wing Ho and Mr. Yuan Zhenhua shall retire by rotation, and being eligible, offered themselves for re-election at the forthcoming annual general meeting of the Company.

於回顧期間，薪酬委員會已舉行一次會議，薪酬委員會成員之出席記錄載於下表：

提名委員會

提名委員會現包括一名執行董事，即陳奕熙先生、一名非執行董事，即吳廣澤先生以及四名獨立非執行董事，即鄺偉信先生、李心丹先生、張志勇先生及鄭紅亮先生。因此，提名委員會多數成員均為獨立非執行董事。陳奕熙先生現為提名委員會主席。

提名委員會之主要職責包括下列各項：

- 審閱董事會之結構、規模及組成，並就任何建議變動提出意見
- 物色合適人選委任為董事
- 就董事委任或重新委任及繼任計劃向董事會提出意見
- 評估獨立非執行董事之獨立性

提名委員會考慮及議決向本公司推薦保留全體現任董事。此外，根據細則且提名委員會議決，即趙偉先生、李心丹先生、鄭紅亮先生、顏永豪先生及袁振華先生須輪值退任，且合資格並願意於本公司應屆股東週年大會上重選連任。

The Company adopted the board diversity policy with measurable objectives. The Nomination Committee evaluates the balance and blend of skills, experience and diversity of perspectives of the Board. Selection of candidates is based on a range of diversity perspectives, including but not limited to age, cultural and educational background, professional and industry experience, skills, knowledge, ethnicity and other qualities essential to the Company's business, and merit and contribution that the selected candidates will bring to the Board. The Board has reviewed such measurable objectives in March 2016 to ensure their appropriateness and ascertain the progress made towards achieving those objectives.

The Nomination Committee held one meeting during the Review Period. The attendance of each member of the Nomination Committee is set out as follows:

Directors	Attended/Eligible to attend	董事	出席次數／舉行次數
Mr. Chen Yixi	1/1	陳奕熙先生	1/1
Mr. Li Xindan	1/1	李心丹先生	1/1
Mr. Kwong Wai Sun Wilson	1/1	鄺偉信先生	1/1
Mr. Zhang Zhiyong	1/1	張志勇先生	1/1
Mr. Wu Guangze	1/1	吳廣澤先生	1/1
Mr. Zheng Honliang	1/1	鄭紅亮先生	1/1

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the Group's financial statements for the year ended 31 December 2016 which give a true and fair view of the affairs of the Group and of the Group's results and cash flows.

The management has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's financial statements, which are put to the Board for approval. During the Review Period, the Company provided all members of the Board with monthly updates on the Company's performance, position and prospects.

本公司已採納董事會成員多元化政策並制定可計量目標。提名委員會評估董事會範疇的技能、經驗及多元化之平衡及結合。甄選候選人將按一系列多元化範疇為基準，包括但不限於年齡、文化及教育背景、專業及行業經驗、技能、種族及對本公司業務而言屬不可或缺之其他素質，以及獲甄選候選人將為董事會帶來之優勢及貢獻。董事會已於2016年3月檢討可計量目標以確保其行之有效以及確認達致有關目標所作之努力。

於回顧期間，提名委員會舉行一次會議，提名委員會各成員之出席記錄載列如下：

董事就財務報表之財務報告責任

董事深知其就編製本集團截至2016年12月31日止年度之財務報表之責任，並對本集團事務及本集團之業績及現金流量真實公平地發表意見。

管理層已向董事會提供董事會就本公司財務報表作出知情評估所需的說明及資料，須待董事會批准方可作實。於回顧期間，本公司向董事會所有成員提供有關本公司的表現、狀況及展望的每月最新資料。

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges that it is the responsibility of the Board for maintaining an adequate risk management and internal control systems to safeguard Shareholders' investments and the Company's assets and reviewing the effectiveness of such systems on an annual basis.

The Group's internal audit department plays a major role in monitoring the internal governance of the Company. The major tasks of the internal audit department are reviewing the financial condition and internal control of the Company and conducting comprehensive audits of all branches and subsidiaries of the Company on a regular basis.

The Board has conducted a review of the effectiveness of the risk management and internal control systems of the Group and considered the risk management and internal control systems to be effective and adequate during the Review Period.

The Group has embedded its risk management and internal control systems into the core operating practices of the business. On an ongoing basis, it will review and assess the status of potential risks which may impact on their ability to achieve the business objectives of the Group. This review process includes assessment as to whether the existing systems of risk management and internal controls continue to remain relevant, adequately addresses potential risks, and/or should be supplemented. The results of these reviews are reported to the senior management and the Board periodically and regularly. However, the mechanism under the risk management and internal control systems reasonably but not absolutely ensures the non-occurrence of significant error, loss or fraud and it is designed to manage, rather than eliminate the risk of failure to achieve business objectives.

The Group has also adopted procedures to regulate the handling and dissemination of inside information, ensuring the inside information remains confidential until the disclosure of such information is appropriately approved, and the dissemination of such information is efficiently and consistently made.

AUDITOR'S REMUNERATION

Annual audit fees of the financial statements of the Group for the year ended 31 December 2016 payable to the external auditor are approximately RMB1.65 million and the auditors did not provide any non-audit services for the Group.

風險管理及內部監控

董事會深知其維持完善風險管理及內部監控系統之責任，以保障股東投資及本公司資產，以及按年審閱有關系統之效益。

本集團之內部審核部門在監察本公司內部管治方面擔任主要角色。內部審核部門之主要工作為審閱本公司之財務狀況及內部監控，以及定期對本公司之分公司及附屬公司進行全面審核。

董事會已就本集團風險管理及內部監控系統之效益進行檢討，並認為風險管理及內部監控系統於回顧期間屬有效及充分。

本集團將風險管理及內部控制制度納入業務的核心營運中。本集團將持續審查及評估潛在風險的狀況，此等風險可能影響本集團達成業務目標的能力。此審查過程包括評估現有的風險管理及內部監控制度是否能繼續保持相關性、充分解決潛在風險及／或應予以補充。此等審查結果會定期向高級管理層及董事會報告。然而，風險管理及內部監控制度下的機制合理而非絕對保證不會發生重大錯誤、損失或欺詐，其訂立旨在管理而非消除未能達成業務目標的風險。

本集團亦已採取程序管理內幕信息的處理及傳播，以確保於適當批准披露此類信息前維持保密，以及以有效及一致的方式披露此類信息。

核數師酬金

本集團應付外部核數師截至2016年12月31日止年度之財務報表之年度審核費用約人民幣165萬元，核數師並沒有向集團提供任何非審核服務。

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and understanding of the Group's business, performance and strategies. The Company also recognises the importance of timely and non-selective disclosure of information, which will enable Shareholders and investors to make the informed investment decisions.

To promote effective communication, the Company maintains a website at www.cbanner.com.cn, where up-to-date information on the Company's business operations and developments, financial information, corporate governance practices and other information are available for public access.

SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, a separate resolution is proposed for each issue at Shareholders' meetings, including the election of individual Directors.

All resolutions put forward at Shareholders' meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and the Hong Kong Stock Exchange in a timely manner after each Shareholders' meeting.

CONVENING OF SPECIAL GENERAL MEETING

Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition sent to the Company's registered office, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition.

The written requisition must state clearly the name of the Shareholder(s) concerned, his/her/their shareholding, the purposes of the general meeting, signed by the Shareholder(s) concerned and may consist of several documents in like form, each signed by one or more of those Shareholders.

If within twenty-one (21) days of such deposit, the Board fails to proceed to convene such meeting, the requisitionists or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three (3) months from the said date.

與股東之溝通及投資者關係

本公司認為與股東之有效溝通，對改善投資者關係及了解本集團業務、表現及策略甚為重要。本公司亦確認適時及非選擇性披露資料之重要性，將有助股東及投資者作出知情投資決定。

為推動有效溝通，本公司設立網站 www.cbanner.com.cn，為本公司業務營運及發展、財務資料、企業管治常規及其他可供公眾查閱之資料提供最新資料。

股東權利

為保障股東利益及權利，每項事項均以個別決議案方式於股東大會上提呈，包括選舉個別董事。

於股東大會提呈之所有決議案將根據上市規則以按股數投票方式表決，而表決結果將於各股東大會後適時刊載於本公司網站及香港聯交所網站。

召開股東特別大會

於遞呈要求日期時持有不少於本公司繳足股本（附有於本公司股東大會上投票權）十分之一的股東，於任何時候均有權向本公司註冊辦事處發出書面要求，要求董事會就該要求指明的任何業務交易召開股東特別大會，且有關大會應於遞呈該要求後兩(2)個月內舉行。

書面要求必須清楚列明相關股東的姓名、其股權、股東大會目的並由相關股東簽署，且該要求可包括數份類似格式的文件，而各份文件均由一名或多名該等股東簽署。

倘於遞呈要求日期起計二十一(21)日內，董事會未能召開該等會議，則請求人（或當中持有彼等全體總投票權一半以上之任何人士）可自發召開有關大會，惟任何據此召開之大會均不得於上述日期起計三(3)個月屆滿後舉行。

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Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to convene a meeting shall be repaid to the requisitionists by the Company, and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration in respect of their services to such directors as were in default.

PUTTING FORWARD PROPOSALS

The Company holds an annual general meeting (“AGM”) every year, and may hold a general meeting known as a special general meeting whenever necessary.

Any one or more Shareholders holding (i) not less than one-twentieth of the total voting rights of all Shareholders having the right to vote at the general meeting; or (ii) not less than 100 Shareholders, can submit a written request stating the resolution intended to be moved at the AGM or a statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at a particular general meeting.

The written request/statements must be signed by the Shareholder(s) concerned and deposited at the Company’s registered office and its principal office not less than six weeks before the AGM in the case of a requisition requiring notice of a resolution and not less than one week before the general meeting in the case of any other requisition.

The written request will be verified with the Company’s Hong Kong branch share registrar and upon their confirmation that the request is proper and in order, the Board should (i) include the resolution in the agenda for the AGM; or (ii) circulate the statement for the general meeting, provided that the Shareholder(s) concerned have deposited a sum of money reasonably determined by the Board sufficient to meet the Company’s expenses in serving the notice of the resolution and/ or circulating the statement submitted by the Shareholder(s) concerned in accordance with the statutory requirements to all the registered Shareholders.

PROPOSING A PERSON FOR ELECTION AS A DIRECTOR

As regards proposing a person for election as a Director, the procedures are available on the website of the Company.

請求人因董事會未能妥為召開會議而招致的任何合理開支，須由本公司償還請求人，而任何償還的款項，須由本公司從到期或即將到期就失責董事的服務而應向其支付的費用或酬金中保留。

提出議案

本公司每年均舉行股東週年大會（「股東週年大會」），且於必要時可舉行股東特別大會。

(i) 持有有權於股東大會上投票的所有股東總投票權不少於二十分之一的任何一名或以上股東；或(ii)不少於100名股東，可提交一份書面請求，當中列明即將於股東週年大會上動議之決議案或提交不超過1,000字的陳述，內容有關任何建議之決議案所述之事項或即將於特定股東大會上處理之業務。

書面請求／陳述均必須由有關股東簽署，並存置於本公司註冊辦事處及其主要辦事處，倘要求發出決議案通告，則須於股東週年大會前不少於六週存置，倘為任何其他要求，則須於股東大會前不少於一週存置。

書面申請將由本公司香港股份過戶登記分處核實，且於其確認要求屬適當，董事會應(i)將決議案列入股東週年大會議程；或(ii)傳閱股東大會陳述，惟相關股東須支付董事會釐定的合理金額的費用，以便本公司根據法定要求向全體登記股東寄發決議案通知及／或向彼等傳閱相關股東提呈的陳述。

提名一名人士參選董事

有關提名一名人士參選董事的流程可於本公司網站查閱。

ENQUIRIES TO THE BOARD

Shareholders who intend to put forward their enquiries about the Company to the Board could email their enquiries to info@cbanner.com.cn.

COMPANY SECRETARY

The Company engages Ms. Mandy Mok Ming Wai, director of KCS Hong Kong Limited, (a company secretarial service provider) as its company secretary. Its primary corporate contact person at the Company is Mr. Huo Li, an executive Director.

During the year ended 31 December 2016, Ms. Mok has undertaken not less than 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

CHANGE IN CONSTITUTIONAL DOCUMENTS

During the Review Period, there is no significant change in constitutional documents of the Company.

向董事會查詢

股東如欲向董事會提出有關本公司的查詢，可將其查詢電郵至 info@cbanner.com.cn。

公司秘書

本公司委聘凱譽香港有限公司(一家公司秘書服務供應商)董事莫明慧女士出任公司秘書。其於本公司的主要公司聯絡人為執行董事霍力先生。

於截至2016年12月31日止年度，莫女士已根據上市規則第3.29條接受不少於15個小時的相關職業培訓。

章程文件之變動

於回顧期間，本公司章程文件概無重大變動。

Directors and Senior Management

董事及高級管理層

DIRECTORS

Executive Directors

Chen Yixi (陳奕熙), aged 50, is the Chairman, an executive Director and the chairman of the Nomination Committee. Mr. Chen founded Nanjing Mayflower Footwear Corporation (南京美麗華鞋業有限公司) (“Mayflower Footwear”) in 1995 and is a co-founder of the Group. Mr. Chen is responsible for charting the business strategy of the Group and has played a determining role in establishing the Group’s presence in the PRC women’s footwear industry. Mr. Chen was honored by the People’s Government of Jiangsu Province and the People’s Government of Nanjing as an Outstanding Entrepreneur of Non-Stateowned Companies (優秀民營企業家) and is currently the Vice Chairman of Nanjing Federation of Industry & Commerce (南京市工商業聯合會) and Vice President of Nanjing Enterprise Directors Association (南京市企業家協會). Mr. Chen graduated from Nanjing Normal University with a Bachelor’s Degree in News Propagation in 1988 and obtained a Master of Business Administration Degree from Cheung Kong Graduate School of Business in 2007. He served with the news publications department of Jiangsu Chinese Communist Party Council from 1988 to 1995 before co-founding Mayflower Footwear with other partners. Mr. Chen has not been a director of any other listed company in the three years immediately preceding the date of this annual report.

Zhao Wei (趙偉), aged 50, is an executive Director and the president of the Company, responsible for overseeing the Group’s overall operation. He was a former executive Director for the period from 2 February 2004 to 15 June 2012, responsible for the Group’s expansion strategies and wholesale. Mr. Zhao joined the Group in December 1995 as a sales manager. Mr. Zhao graduated from Jilin Agricultural University majoring in fishery science in 1990. He also obtained a Master of Business Administration Degree from Singapore Nanyang Technological University in 2008. Mr. Zhao has not been a director of any other listed company in the three years immediately preceding the date of this annual report.

Huo Li (霍力), aged 50, was appointed as an executive Director in 2001 and has been the vice president of the Group and chief supervisor for the Group’s International Investment Center since 2008, which is primarily responsible for evaluating opportunities of, and formulating plans for, mergers and acquisitions as well as international cooperation. Mr. Huo joined the Group as an investment manager in 2001 and is responsible for the external investments, international cooperation of the Group. In 1988, Mr. Huo graduated from Fudan University with a Bachelor’s Degree in Economics. From 1988 to 2001, he held various positions in the Bank of China, including that of deputy general manager of the bank’s Changzhou Branch. Mr. Huo has not been a director of any other listed company in the three years immediately preceding the date of this annual report.

董事

執行董事

陳奕熙，50歲，為董事長、執行董事及提名委員會主席。陳先生於1995年創立南京美麗華鞋業有限公司（「美麗華鞋業」），為本集團創辦人之一，負責制訂本集團業務策略，對於本集團立足中國女裝鞋業舉足輕重。陳先生獲江蘇省人民政府及南京市人民政府評為優秀民營企業家，現時擔任南京市工商業聯合會及南京市企業家協會副主席。陳先生於1988年畢業於南京師範大學，持有新聞傳播學士學位，並於2007年自長江商學院取得工商管理碩士學位。與其他合夥人聯合創辦美麗華鞋業前，彼於1988年至1995年任職中國共產黨江蘇省委員會新聞發佈部。陳先生於本年報日期前三年內並無擔任任何其他上市公司董事。

趙偉，50歲，為本公司執行董事兼總裁，負責監管本集團的整體運營。彼曾於2004年2月2日至2012年6月15日期間擔任前執行董事，負責本集團的擴展策略及批發事宜。趙先生於1995年12月加入本集團，擔任銷售經理。趙先生於1990年畢業於吉林農業大學，主修漁業科學，並於2008年取得新加坡南洋理工大學工商管理碩士學位。於緊接本年報日期前三年內，趙先生概無擔任任何其他上市公司之董事。

霍力，50歲，於2001年獲委任為執行董事，亦自2008年起為本集團副總裁及本集團國際投資中心的首席監事，主要負責評估併購及國際合作商機與制定有關計劃。霍先生於2001年加入本集團，擔任投資經理，負責本集團對外投資及國際合作事宜。霍先生於1988年畢業於復旦大學，獲經濟學士學位。霍先生於1988年至2001年擔任中國銀行多個職位，包括該銀行常州分行副總經理。霍先生於本年報日期前三年內並無擔任任何其他上市公司董事。

Ngan Wing Ho (顏永豪), aged 42, is an executive Director and the Chief Financial Officer of the Company and a board member of Hamleys Global Holdings Limited. He has 16 years of experience in corporate finance and equity capital markets, providing capital financing and M&A financing solutions to corporates and financial investors across Asia. Prior to joining the Company, Mr. Ngan held senior management positions at global investment banks where he was a Managing Director and Head of Equity Capital Markets at Huatai Financial Holdings, Head of Taiwan Equity Capital Markets at UBS and Head of Asia Equity Syndicate & Block Origination at ABN AMRO/RBS. He has received a Master's Degree in Accounting and Finance from the University of Southampton, United Kingdom.

Yuan Zhenhua (袁振華), aged 35, is an executive Director and the finance director of the Company and a board member of Hamleys Global Holdings Limited. He obtained a Bachelor's Degree in Accounting from Nanjing University of Aeronautics and Astronautics in 2005. Mr. Yuan is currently a non-practicing member of the PRC Certified Public Accountant Association. From 2005 to 2015, he held various positions in the Deloitte Touche Tohmatsu Certified Public Accountants LLP, Nanjing Branch, including being senior manager of the Deloitte Touche Tohmatsu Certified Public Accountants LLP, Nanjing Branch.

Non-executive Directors

Miao Bingwen (繆炳文), aged 49, is a non-executive Director and a member of the Audit Committee and the Remuneration Committee. Mr. Miao is a co-founder who served as an executive Director from 1995 to 2007, overseeing the sales and business planning of the Group. With effect from 1 March 2007, Mr. Miao was re-designated as the non-executive Director. Mr. Miao obtained a Bachelor's Degree in Chemistry and a Master of Business Administration Degree from Nanjing University in 1988 and 2005, respectively. He worked in Nanjing University Technology Development Limited (南京大學科技開發公司) from 1988 to 1991 and served as the Nanjing market supervisor from 1991 to 1995, before co-founding Mayflower Footwear with other partners. Mr. Miao has not been a director of any other listed company in the three years immediately preceding the date of this annual report.

Wu Guangze (吳廣澤), aged 39, has been appointed as a non-executive Director on 15 June 2012. He is also a member of the Nomination Committee. Mr. Wu is the partner of China Consumer Capital Partners Limited. Mr. Wu received a Master of Science degree from the University of Reading and a Bachelor of Arts degree from the University of Hertfordshire. Mr. Wu has not been a director of any other listed company in the three years immediately preceding the date of this annual report.

顏永豪，42歲，為本公司執行董事兼首席財務官及Hamleys Global Holdings Limited董事。顏先生擁有16年企業融資及股票融資市場相關工作經驗，為亞洲企業和財務投資者提供資本融資和併購融資的解決方案。在加入本公司前，顏先生受僱於國際知名的投資銀行並擔任高級管理職位，其中包括華泰金融控股的董事總經理及亞洲區股票融資市場主管，瑞銀的台灣股票融資市場主管和荷蘭銀行／蘇格蘭皇家銀行的亞洲區股票承銷和股票配售業務主管。顏先生擁有英國南安普頓大學的會計與金融碩士學位。

袁振華，35歲，為本公司執行董事及財務總監及Hamleys Global Holdings Limited董事。袁先生於2005年畢業於南京航空航天大學，獲會計學學士學位。袁先生現為中國註冊會計師協會非執業會員。袁先生於2005年至2015年擔任德勤華永會計師事務所(特殊普通合伙)南京分所多個職位，包括該所高級經理。

非執行董事

繆炳文，49歲，為非執行董事以及審核委員會及薪酬委員會成員。繆先生為本公司創辦人之一，於1995年至2007年為執行董事，負責監督本集團銷售及業務規劃。繆先生於2007年3月1日調任非執行董事。繆先生於1988年畢業於南京大學，持有化學學士學位，並於2005年取得工商管理碩士學位。彼於1988年至1991年任職南京大學科技開發公司，於1991年至1995年擔任南京市場主任，其後與其他合夥人聯合創辦美麗華鞋業。繆先生於本年報日期前三年內並無擔任任何其他上市公司董事。

吳廣澤，39歲，於2012年6月15日獲委任為非執行董事。彼亦為提名委員會成員。吳先生為China Consumer Capital Partners Limited之合夥人。吳先生取得雷丁大學理學碩士學位及University of Hertfordshire文學學士學位。於緊接本年報日期前三年內，吳先生概無擔任任何其他上市公司之董事。

Directors and Senior Management

董事及高級管理層

Independent Non-executive Directors

Kwong Wai Sun Wilson (鄭偉信), aged 51, is an independent non-executive Director. He is also the chairman of the Audit Committee and a member of the Remuneration Committee and the Nomination Committee. Mr. Kwong has been appointed as an executive director of China Metal Resources Utilization Limited, a manufacturer of recycled copper products in China and a listed company on the Hong Kong Stock Exchange, with effect from 16 August 2013. He is also an independent non-executive director of Shunfeng International Clean Energy Limited, China Outfitters Holdings Limited and China New Higher Education Group Limited, all of which are listed on the Hong Kong Stock Exchange. Mr. Kwong graduated from Cambridge University, England with a Degree of Bachelor of Arts in 1987 and is currently an associate member of the Institute of Chartered Accountants in England and Wales, the Hong Kong Institute of Certified Public Accountants and the Hong Kong Institute of Chartered Secretaries. Mr. Kwong, who previously worked at a number of investment banks in Hong Kong, has 13 years of experience in corporate finance and equity capital markets in Asia. From 2002 to 2003, Mr. Kwong was the head of equity capital markets for Cazenove Asia Limited. From 2004 to 2006, he was a managing director of investment banking and head of Hong Kong and China equity capital market of CLSA Equity Capital Markets Limited. From 2008 to August 2013, he was the President of Gushan Environmental Energy Limited, a leading biodiesel and related products producer in China formerly listed on the New York Stock Exchange.

Li Xindan (李心丹), aged 50, is an independent non-executive Director. He is also the chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee. Mr. Li currently holds several positions with Nanjing University, including the dean and the Anzhong Chair Professor of the School of Management Science and Engineering of Nanjing University, the director of the Financial Engineering Research Center and the executive director of the Venture Capital Research and Development Center of the university. Mr. Li graduated from Fudan University in 1988 with a Bachelor's Degree in Management Science as well as a Bachelor's Degree in Economics. He further obtained a Doctor's Degree in Finance from Fudan University in 1999. Mr. Li joined the Southeast University as an assistant professor in 1988 and was promoted to an associate professor and a professor in 1993 and 1999, respectively. Then Mr. Li joined Nanjing University as a professor in 2001. Mr. Li is currently an independent non-executive director of Holly Futures Co., Ltd., a company listed on the Hong Kong Stock Exchange (Stock Code: 3678) and was an independent director of NARI Technology Co., Ltd. (國電南瑞科技股份有限公司), a company listed on the Shanghai Stock Exchange (Stock Code: 600406) until 31 March 2015.

獨立非執行董事

鄭偉信，51歲，為獨立非執行董事。彼亦為審核委員會主席以及薪酬委員會及提名委員會成員。鄭先生已獲委任為中國可回收銅產品製造商及香港聯交所上市公司中國金屬資源利用有限公司之執行董事，自2013年8月16日起生效。彼亦為香港聯交所上市公司順風國際清潔能源有限公司、中國服飾控股有限公司及中國新高教集團有限公司之獨立非執行董事。鄭先生1987年畢業於英國劍橋大學，取得文學學士學位，目前乃英格蘭及威爾士特許會計師協會、香港會計師公會及香港特許秘書公會會員。鄭先生曾於香港多間投資銀行任職，在亞洲企業融資及證券資本市場擁有13年經驗。2002年至2003年間，鄭先生擔任嘉誠亞洲有限公司證券資本市場部主管。2004年至2006年間，彼擔任里昂證券資本市場有限公司投資銀行融資部董事總經理兼香港及中國證券資本市場部主管。於2008年至2013年8月，彼為古杉環境能源有限公司之總裁，該公司是先前於紐約證券交易所上市的中國領先生物柴油及相關產品生產商。

李心丹，50歲，為獨立非執行董事。彼亦為薪酬委員會主席以及審核委員會及提名委員會成員。李先生現任南京大學多個職位，包括南京大學管理科學與工程學院院長及Anzhong講座教授、金融工程研究中心教授及南京大學創業投資研究與發展中心執行主任。李先生於1988年畢業於復旦大學，持有管理科學學士學位及經濟學學士學位，並於1999年取得復旦大學金融學博士學位。李先生於1988年加入東南大學，任助理教授，之後分別於1993年及1999年升為副教授及教授。其後李先生於2001年加入南京大學，出任教授。李先生現任弘業期貨股份有限公司（於香港聯交所上市，股份代號：3678）獨立非執行董事及擔任國電南瑞科技股份有限公司（於上海證券交易所上市，股份代號：600406）獨立董事直至2015年3月31日。

Directors and Senior Management 董事及高級管理層

Zhang Zhiyong (張志勇), aged 49, has been appointed as an independent non-executive Director on 15 October 2012. He is also a member of the Audit Committee, the Remuneration Committee and the Nomination Committee. Mr. Zhang was the former Chief Executive Officer of Li Ning Company Limited (“Li Ning”), a company listed on the Hong Kong Stock Exchange (Stock Code: 2331) for the period from June 2004 to July 2012. Mr. Zhang was also an executive director of Li Ning from 5 June 2004 to 27 June 2014 and a non-executive director of Li Ning from 28 June 2014 to 6 October 2014. Mr. Zhang obtained a bachelor’s degree of economics (經濟學學士學位) from Capital University of Economics and Business (首都經濟貿易大學) (formerly known as Beijing College of Economics (北京經濟學院)) in 1991 and an executive master degree in business administration (高級管理人員工商管理碩士學位) from Guanghai School of Management of Peking University (北京大學光華管理學院) in 2006.

Zheng Hongliang (鄭紅亮), aged 58, is an independent non-executive Director. He is also a member of the Audit Committee, the Remuneration Committee and the Nomination Committee. Mr. Zheng is currently a professor of the Institute of Economics Chinese Academy of Social Science (中國社會科學院經濟研究所). Mr. Zheng is also the executive vice-editor-in-chief of editorial office of Economic Research Journal (《經濟研究》), which is a PRC journal in economic theory research published by the Institute of Economics of Chinese Academy of Social Science. Mr. Zheng’s field of research mainly covers the areas in respect of microeconomics, comparative study of corporate system, theory of corporate governance, and revolution of state enterprises. Mr. Zheng graduated from the Department of Economic of Renmin University of China with a Master Degree in 1987. Mr. Zheng is currently an independent non-executive director of Asian Capital Resources (Holdings) Limited (Stock Code: 8025), a company listed on the Growth Enterprise Market of the Hong Kong Stock Exchange.

張志勇，49歲，於2012年10月15日獲委任為獨立非執行董事。彼亦為審核委員會、薪酬委員會及提名委員會成員。於2004年6月至2012年7月期間，張先生曾為李寧有限公司（「李寧」）（一間於香港聯交所上市之公司，股份代號：2331）之前行政總裁。張先生於2004年6月5日至2014年6月27日亦擔任李寧之執行董事，及於2014年6月28日至2014年10月6日擔任李寧之非執行董事。張先生於1991年獲首都經濟貿易大學（前稱北京經濟學院）經濟學學士學位以及於2006年獲北京大學光華管理學院高級管理人員工商管理碩士學位。

鄭紅亮，58歲，為獨立非執行董事。彼亦為審核委員會、薪酬委員會及提名委員會成員。鄭先生現任中國社會科學院經濟研究所教授。鄭先生亦為《經濟研究》編輯部執行副主編，《經濟研究》是由中國社會科學院經濟研究所刊發之中國經濟理論研究期刊。鄭先生之研究領域主要包括微觀經濟學、企業制度比較研究、企業管治理論及國企改革。鄭先生於1987年畢業於中國人民大學經濟系，獲碩士學位。鄭先生現任亞洲資產（控股）有限公司（一間於香港聯交所創業板上市之公司，股份代號：8025）之獨立非執行董事。

Directors and Senior Management

董事及高級管理層

SENIOR MANAGEMENT

Wan Xianghua (萬祥華), aged 48, is a Chief Executive Assistant of the Group. Mr. Wan joined the Group as a manufacturing manager in 1996, and is currently the Chief Executive Assistant as well as the General Manager of the Group's commodity center, responsible for the Group's product research, design and development and supply chain management. Mr. Wan has served as a committee member of the National Technical Committee on Footwear of Standardization Administration of China (中國制鞋標準化委員會) since 2008 and has been a professor specializing in footwear manufacturing at Guangling Institute of Yangzhou University (揚州廣陵學院) since 2010.

Wu Weiming (吳維明), aged 45, is a Chief Executive Assistant of the Group. Mr. Wu joined the Group in 2000, and is currently the Chief Executive Assistant as well as the General Manager of the Group's retail management department, responsible for the retail operations of the Group. Prior to joining the Group, Mr. Wu had served with Shenzhen Zhen Xing Footwear Company (深圳珍興鞋業公司) since 1997 and was the general manager of East China Branch of the company when he left the company in 2000.

Gudjon Reynisson (雷國棟), aged 54, is the Chief Executive Officer of Hamleys. He joined Hamleys in 2008, and Hamleys was acquired by the Group in October 2015. He has over 14 years of experience in retail as a chief executive officer and a further 10 years in other commercial roles. He re-invigorated and re-focused Hamleys and has turned it from being UK-centric to an international group with a strong team focused on worldwide expansion. Prior to joining Hamleys, he had served with 10-11 convenience chain in Iceland as chief executive officer for 6 years.

高級管理層

萬祥華，48歲，本集團首席執行官助理。萬先生於1996年加入本集團，擔任生產經理，現時兼任本公司首席執行官助理及商品中心總經理，負責本集團產品研究、設計與開發及供應鏈管理。萬先生自2008年起為中國制鞋標準化委員會會員，自2010年以來一直擔任揚州廣陵學院鞋履製造方面的教授。

吳維明，45歲，本集團首席執行官助理。吳先生於2000年加入本集團，現擔任本集團首席執行官助理兼零售管理部總經理，負責本集團零售業務。加入本集團前，吳先生自1997年起任職深圳珍興鞋業公司，於2000年離開該公司時擔任其華東分公司總經理。

雷國棟，54歲，Hamleys首席執行官。他於2008年加入Hamleys，而Hamleys於2015年10月被本集團收購。他有超過14年零售行業的首席執行官經驗及10年其他商業領域的從業經驗。他為Hamleys注入新的活力並使得其重新獲得關注，從以英國為中心的公司轉變為具備強大的專注於全球性擴張管理團隊的國際性集團。在加入Hamleys之前，他擔任冰島10-11連鎖便利店首席執行官6年。

Deloitte.

德勤

TO THE MEMBERS OF C.BANNER INTERNATIONAL HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of C.banner International Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as “the Group”) set out on pages 65 to 163 which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (“IFRSs”) and have been properly prepared in compliance with the disclosure requirements of Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

致千百度國際控股有限公司股東

(於百慕達註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審核列載於第65至163頁千百度國際控股有限公司(「貴公司」)及其附屬公司(以下合稱「貴集團」)的綜合財務報表,此綜合財務報表包括於2016年12月31日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表,以及主要會計政策概要及其他說明資料。

我們認為,綜合財務報表已按照國際財務報告準則(「國際財務報告準則」)真實而公平地反映 貴集團於2016年12月31日之綜合財務狀況及截至該日止年度之綜合財務表現及綜合現金流量表,並已按照香港公司條例之披露規定妥為編製。

意見的基準

我們已根據香港會計師公會(「香港會計師公會」)頒佈的「香港審計準則」(「香港審計準則」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據國際道德準則制定委員會的「專業會計師道德守則」(以下簡稱「守則」),我們獨立於 貴集團,並已履行守則中的其他專業道德責任。我們相信,我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎

關鍵審計事項

關鍵審計事項是根據我們的專業判斷,認為對本期綜合財務報表的審計最為重要的事項。這些事項是在對綜合財務報表整體進行審計並形成意見的背景下來進行處理的,我們不對這些事項提供單獨的意見。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

Key audit matter	How our audit addressed the key audit matter
Impairment on brand with indefinite useful life and goodwill	
<p>We identified the impairment on brand with indefinite useful life and goodwill as a key audit matter due to its nature involving key estimation made by the management of the Company and the significant balances of brand with indefinite useful life and goodwill as at 31 December 2016.</p> <p>As disclosed in Notes 15, 16 and 17 to the consolidated financial statements, as at 31 December 2016, the brand with indefinite useful life was valued at RMB805,182,000 and goodwill was valued at RMB159,175,000, which were both related to the acquisition of Hamleys Global Holdings Limited and its subsidiaries in 2015.</p> <p>The management of the Company are required to make estimation of the recoverable amount of the cash generating units (CGU), which is the higher of the value in use or fair value less costs of disposal, in assessing whether there is any impairment of brand with indefinite useful life and goodwill. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the CGU and the suitable discount rate in order to calculate the present value.</p>	<p>Our procedures in relation to management's impairment assessment on brand with indefinite useful life and goodwill included:</p> <ul style="list-style-type: none"> - Obtaining an understanding of management controls over the impairment assessment of brand with indefinite useful life and goodwill; - Examining the determination of recoverable amounts which are the value in use of the CGU to which brand with indefinite useful life and goodwill have been allocated and obtaining an understanding of financial positions and future prospects of the CGU; - Challenging the reasonableness of key inputs and assumptions used by management in estimations of value in use, including projections of cash flows, growth rates and weighted average cost of capital (discount rate) applied; - Testing the inputs into the cash flow forecast against historical performance and in comparison to the Group's strategic plans in respect of the CGU; - Comparing the growth rates used to historical growth rates for the business of the CGU and - Involving internal valuation experts to review the reasonableness of weighted average cost of capital and checking the mathematical accuracy of the weighted average cost of capital and the free cash flows applied in the calculation of value in use.

關鍵審計事項(續)

關鍵審計事項	我們進行審計時如何處理關鍵審計事項
具有無限可使用年期之品牌及商譽之減值	
<p>我們將具有無限可使用年期之品牌及商譽之減值列為關鍵審計事項乃由於其性質牽涉貴公司管理層所作的關鍵估計及於2016年12月31日具有無限可使用年期之品牌及商譽有重大結餘。</p> <p>誠如於2016年12月31日的綜合財務報表附註15、16及17所披露，具有無限可使用年期之品牌的價值為人民幣805,182,000元及商譽的價值為人民幣159,175,000元，均與2015年收購Hamleys Global Holdings Limited及其屬附公司有關。</p> <p>貴公司管理層於釐定具有無限可使用年期之品牌及商譽是否已減值時需要估計現金產生單元之可收回金額（為使用價值或公平值減出售成本兩者中之較高者）。計算使用價值需要董事估計預期現金產生單元產生之未來現金流量及適用之折現率，以計算現值。</p>	<p>就管理層對具有無限可使用年期之品牌及商譽之減值評估，我們的審計程序包括：</p> <ul style="list-style-type: none"> - 了解管理層對具有無限可使用年期之品牌及商譽之減值評估的控制； - 檢查獲分配具有無限可使用年期之品牌及商譽的現金產生單元的可收回金額（即使用價值）的釐定方式並了解各現金產生單元的財務狀況及未來前景； - 質疑管理層於估計使用價值時所用主要輸入數據及假設的合理性，包括現金流量、增長率及所用的加權平均資本成本（折現率）； - 測試現金流量表的輸入數據（與歷史表現比較），並與貴集團就現金產生單元的策略計劃比較； - 將所用增長率與各現金產生單元的業務的歷史增長率進行比較；及 - 聘用內部估值專家審查加權平均資本成本的合理性，並檢查加權平均資本成本的數學準確性及在使用價值計算中所用的自由現金流量。

KEY AUDIT MATTERS (CONTINUED)

Key audit matter	How our audit addressed the key audit matter
<i>Allowance of Inventories obsolescence</i>	
We identified the allowance of inventories obsolescence as a key audit matter due to its nature involving key estimation made by the management of the Company and its significant balance as at 31 December 2016.	Our procedures in relation to the allowance of inventories obsolescence included: <ul style="list-style-type: none"> - Understanding how the inventory provision is estimated by the management;
As disclosed in Note 22 to the consolidated financial statements, as at 31 December 2016, the gross value of inventory, mostly finished goods, held by the Group was RMB869,872,000 and allowance of inventories obsolescence was RMB86,366,000. Inventories were carried in the financial statements at the lower of cost and net realizable value.	<ul style="list-style-type: none"> - Testing the aging analysis of the inventories, on a sample basis, to the source documents including warehouse and production records; - Challenging the NRV estimated by the management by comparing the historical unit market selling prices with predicted future unit selling prices and - Assessing the reasonableness and accuracy of the provisioning methodology with reference to the selling prices, physical conditions, aging analysis and subsequent usage and sales of inventories.
The management of the Company are required to make estimation of the net realised value ("NRV") of the inventory based on various factors including inventory aging and predicted future unit selling prices.	

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

關鍵審計事項(續)

關鍵審計事項	我們進行審計時如何處理關鍵審計事項
<i>陳舊存貨撥備</i>	
我們將陳舊存貨撥備列為關鍵審計事項乃由於其性質牽涉 貴公司管理層所作的關鍵估計及於2016年12月31日有重大結餘。	我們對陳舊存貨撥備的審計程序包括： <ul style="list-style-type: none"> - 了解管理層如何對陳舊存貨撥備作出估計；
誠如於2016年12月31日的綜合財務報表附註22所披露，貴集團持有的存貨（大部分為製成品）的總價值為人民幣869,872,000元及為數人民幣86,366,000元的陳舊存貨撥備。存貨按成本及可銷售淨值兩者中之較低者於財務報表入賬。	<ul style="list-style-type: none"> - 透過追溯源文件（包括進行倉庫及生產記錄）抽樣測試存貨的賬齡分析； - 質詢管理層透過將歷史單位售價與估計未來單位售價比較所得的淨實現價值；及 - 經參考售價、實物狀況、賬齡分析及其後存貨的使用及銷售後，評估撥備方式的合理性及真確性。
貴公司管理層需根據多個因素（包括存貨老化及估計未來單位售價）就存貨的淨實現價值（「淨實現價值」）作出估計。	

其他信息

本公司董事需對其他信息負責。其他信息包括刊載於年度報告內的信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯報的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯報，我們需要報告該事實。在這方面，我們沒有任何報告。

Independent Auditor's Report

獨立核數師報告

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs 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.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

董事及肩負管治責任者就綜合財務報表須承擔的責任

貴公司董事須負責根據國際財務報告準則及香港公司條例的披露規定編製真實而公允的綜合財務報表，並對其認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯報所需的內部控制負責。

於編製綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際的替代方案。

管治負責人須負責監督 貴集團的財務報告過程。

核數師就審計綜合財務報表承擔的責任

我們的目標是對整體綜合財務報表是否不存在由於欺詐或錯誤而導致的任何重大錯誤陳述取得合理保證，並出具包括我們的意見的核數師報告，依據百慕達公司法第90條之規定，僅為全體股東編製，而並不可作其他目的。我們不就本報告內容對任意方承擔責任及確認義務。合理保證是高水平的保證，但不能保證按香港審計準則進行的審計總能發現重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如按合理預期而錯誤陳述個別或匯總起來可能影響綜合財務報表使用者所作出的經濟決定，則有關的錯誤陳述可被視作重大。

根據香港審計準則進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及取得充足及適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險較因錯誤而導致的重大錯誤陳述的風險為高。

Independent Auditor's Report 獨立核數師報告

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的合適性及作出會計估計及相關披露資料的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所得的審計憑證，決定是否存在與事件或情況有關的重大不確定性，而可能對貴集團持續經營的能力構成重大疑慮。如我們認為存在重大不確定性，則有必要在核數師報告中提請使用者關注綜合財務報表中的相關披露資料，假若有關披露資料不足，則我們須出具非無保留意見的核數師報告。我們的結論是基於截至核數師報告日止所取得的審計憑證。然而，未來事件或情況可能導致貴集團不能繼續持續經營。
- 評價綜合財務報表的整體列報方式、結構及內容，包括披露資料，以及綜合財務報表是否公允反映交易及事項。
- 就貴集團實體或業務活動的財務資料獲取充分、適當的審計憑證，以對綜合財務報表發表意見。我們負責指導、監督及執行集團審計。我們對審計意見承擔全部負責。

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

我們與管治負責人溝通計劃審計範圍、時間安排、重大審計發現等事項，包括我們於審計期間識別出內部控制的任何重大缺陷。

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

我們亦向管治負責人提交聲明，說明我們已符合有關獨立性的相關道德要求，並與彼等溝通所有合理地被認為會影響我們的獨立性的關係及其他事項，以及（倘適用）相關的防範措施。

Independent Auditor's Report

獨立核數師報告

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in the independent auditor's report is Lo Kin Cheong.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

31 March 2017

就與管治負責人溝通的事項而言，我們釐定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們於核數師報告中描述該等事項，除非法律法規不允許對某件事項作出公開披露，或在極端罕見的情況下，若有合理預期於我們的報告中溝通某事項而造成的負面後果將會超過其產生的公眾利益，我們將不會在此等情況下在報告中溝通該事項。

獨立核數師報告的審計項目合夥人是勞建昌。

德勤•關黃陳方會計師行

執業會計師

香港

2017年3月31日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 31 December 2016

截至2016年12月31日止年度

		NOTES 附註	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Revenue	收益	5	3,206,562	3,045,805
Cost of sales	銷售成本		(1,270,890)	(1,183,388)
Gross profit	毛利		1,935,672	1,862,417
Other income and expenses and other gains and losses	其他收入及開支以 及其他收益及虧損	6	125,020	106,433
Distribution and selling expenses	分銷及銷售開支		(1,550,370)	(1,490,105)
Administrative and general expenses	行政及一般開支		(191,699)	(104,407)
Finance costs	財務成本	7	(37,436)	(30,993)
Share of loss of an associate	分佔聯營公司虧損	18	(3,626)	(3,790)
Share of profit of a joint venture	分佔合營公司溢利	19	1,168	1,192
Profit before taxation	除稅前溢利	8	278,729	340,747
Income tax expense	所得稅開支	9	(73,296)	(85,258)
Profit for the year	年內溢利		205,433	255,489
Other comprehensive income, net of income tax	其他全面收益， 扣除稅項			
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>可能隨後重新分類 至損益的項目：</i>			
Exchange differences on translating foreign operations	換算外幣產生的 匯兌差額		(32,121)	(337)
Total comprehensive income for the year	年內全面總收益		173,312	255,152
Profit for the year attributable to	下列者應佔年內溢利			
Owners of the Company	本公司擁有人		206,253	257,492
Non-controlling interests	非控股權益		(820)	(2,003)
			205,433	255,489
Total comprehensive income for the year attributable to:	下列者應佔年內 全面總收益：			
Owners of the Company	本公司擁有人		174,185	257,155
Non-controlling interests	非控股權益		(873)	(2,003)
			173,312	255,152
Earnings per share	每股盈利			
– Basic (RMB cents)	– 基本 (人民幣分)	12	10.01	12.64
– Diluted (RMB cents)	– 攤薄 (人民幣分)	12	10.01	12.64

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2016

於2016年12月31日

		NOTES 附註	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元 (restated) (重列)
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	13	275,797	271,399
Prepaid lease payments	預付租金	14	13,416	13,813
Other intangible assets	其他無形資產	15	860,956	891,853
Prepayments for other intangible assets	無形資產預付款		–	6,362
Goodwill	商譽	16	166,458	182,946
Interest in an associate	於聯營公司之權益	18	19,210	22,804
Interest in a joint venture	於合營公司之權益	19	–	6,673
Deferred tax assets	遞延稅項資產	21	83,176	86,971
Long-term deposits	長期按金		20,860	21,092
Other financial assets	其他金融資產	25	–	70,000
			1,439,873	1,573,913
Current assets	流動資產			
Inventories	存貨	22	783,506	841,127
Trade receivables	貿易應收款項	23	384,464	422,557
Other receivables and prepayments	其他應收款項及預付款	24	150,630	136,870
Held-to-maturity investments	持至到期投資項目	20	–	3,062
Interest in a joint venture	於合營公司之權益	19	6,013	–
Other financial assets	其他金融資產	25	–	45,000
Bank balances and cash	銀行結餘及現金	26	629,299	385,188
			1,953,912	1,833,804
Current liabilities	流動負債			
Trade payables	貿易應付款項	27	177,726	192,983
Other payables	其他應付款項	28	209,907	251,486
Income tax liabilities	所得稅負債		37,406	26,114
Borrowings	借貸	29	141,150	96,159
Deferred revenue	遞延收益	30	16,912	16,853
Obligations under finance leases – due within one year	融資租賃項下責任 – 於一年內到期	32	6,164	4,247
Bank overdrafts	銀行透支	29	35,470	–
			624,735	587,842
Net current assets	流動資產淨值		1,329,177	1,245,962
Total assets less current liabilities	總資產減流動負債		2,769,050	2,819,875

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2016

於2016年12月31日

		NOTES	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元 (restated) (重列)
		附註		
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	21	155,645	163,358
Borrowings – due after one year	借貸—於一年後到期	29	526,598	740,092
Obligations under finance leases – due after one year	融資租賃項下責任—於一年後到期	32	4,856	7,046
Deferred revenue	遞延收益	30	6,408	214
			693,507	910,710
Net assets	資產淨值		2,075,543	1,909,165
Capital and reserves	資本及儲備			
Share capital	股本	33	209,097	209,615
Reserves	儲備		1,807,342	1,641,212
Total equity attributable to owners of the Company	本公司擁有人應佔總權益		2,016,439	1,850,827
Non-controlling interests	非控股權益		59,104	58,338
			2,075,543	1,909,165

The consolidated financial statements on pages 65 to 163 were approved and authorised for issue by the board of directors on 31 March 2017 and are signed on its behalf by:

第65至163頁之綜合財務報表已由董事會於2017年3月31日批准及授權發行並由以下人士代表簽署：

Huo Li
DIRECTOR

Yuen Zhenhua
DIRECTOR

霍力
董事

袁振華
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2016
截至2016年12月31日止年度

		Equity attributable to owners of the Company 本公司持有人應佔權益										
		Shares held under the share award scheme 根據股份獎勵計劃持有的股份			Convertible PRC bonds equity compensation reserve 中國可換股債券為基礎的權益儲備			Foreign Currency translation reserve 外幣匯兌儲備		Non-controlling interests 非控股權益		
Share capital	Share premium	share award scheme	statutory reserve	equity reserve	Share-based compensation reserve	Accumulated profits	translation reserve	Sub-total	interests	Total		
股本	股份溢價	持有的股份	法定儲備	權益儲備	補償儲備	累計溢利	匯兌儲備	小計	權益	總計		
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
			(Note 34)	(附註34)			(restated)					
							(重列)					
At 1 January 2015	於2015年1月1日	202,087	480,964	-	203,827	25,427	-	576,098	-	1,488,403	60,341	1,548,744
Profit for the year	年內溢利	-	-	-	-	-	-	257,492	-	257,492	(2,003)	255,489
Other comprehensive	年內其他全面開支(重列)											
Expenses for the year (restated)		-	-	-	-	-	-	-	(337)	(337)	-	(337)
Total comprehensive	年內全面總收益(重列)											
income for the year (restated)		-	-	-	-	-	-	257,492	(337)	257,155	(2,003)	255,152
Transfer	轉撥	-	-	-	28,292	-	-	(28,292)	-	-	-	-
Shares repurchased and cancelled (Note 33)	購回及銷售的股份(附註33)	(1,365)	(32,045)	-	-	-	-	-	-	(33,410)	-	(33,410)
Share purchased for the share award scheme (Note 35)	根據股份獎勵計劃購回的股份(附註35)	-	-	(50,345)	-	-	-	-	-	(50,345)	-	(50,345)
Conversion of convertible bonds (Note 31)	兌換可換股債券(附註31)	8,893	205,558	-	-	(25,427)	-	-	-	189,024	-	189,024
At 31 December 2015 (restated)	於2015年12月31日(重列)	209,615	654,477	(50,345)	232,119	-	-	805,298	(337)	1,850,827	58,338	1,909,165
Profit for the year	年內溢利	-	-	-	-	-	-	206,253	-	206,253	(820)	205,433
Other comprehensive expenses for the year	年內其他全面開支	-	-	-	-	-	-	-	(32,068)	(32,068)	(53)	(32,121)
Total comprehensive income for the year	年內全面總收益	-	-	-	-	-	-	206,253	(32,068)	174,185	(873)	173,312
Transfer	轉撥	-	-	-	19,879	-	-	(19,879)	-	-	-	-
Acquisition of a subsidiary (Note 36)	收購一間屬公司(附註36)	-	-	-	-	-	-	-	-	-	739	739
Shares repurchased and cancelled (Note 33)	購回及銷售的股份(附註33)	(518)	(8,435)	-	-	-	-	-	-	(8,953)	-	(8,953)
Share purchased for the share award scheme (Note 35)	根據股份獎勵計劃購回的股份(附註35)	-	-	(591)	-	-	-	-	-	(591)	-	(591)
Equity-settled share award scheme (Note 35)	以權益結算的股份獎勵計劃(附註35)	-	-	-	-	-	971	-	-	971	-	971
Transfer of awarded shares upon vesting (Note 35)	歸屬時轉讓獎勵股份(附註35)	-	-	950	-	-	(971)	21	-	-	-	-
Capital contribution from non-controlling interest	非控股權益注資	-	-	-	-	-	-	-	-	-	900	900
At 31 December 2016	於2016年12月31日	209,097	646,042	(49,986)	251,998	-	-	991,693	(32,405)	2,016,439	59,104	2,075,543

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2016
截至2016年12月31日止年度

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Operating activities	經營活動		
Profit before tax	除稅前溢利	278,729	340,747
Adjustments for:	調整：		
Share of loss of an associate	分佔聯營公司虧損	3,626	3,790
Share of profit of a joint venture	分佔合營企業溢利	(1,168)	(1,192)
Finance costs	財務成本	37,436	30,993
Exchange gains	匯兌收益	(86,682)	-
Depreciation of property, plant and equipment	物業、機器及設備折舊	59,905	49,640
Amortisation of intangible assets	無形資產攤銷	14,480	2,083
Amortisation of prepaid lease payments	預付租金攤銷	397	383
Share-based payment expense	以股份為基礎的支付的開支	971	-
(Reversal) allowance for inventory obsolescence	陳舊存貨(撥回)撥備	(9,963)	27,225
Interest income on bank deposits	銀行存款利息收入	(4,255)	(4,550)
Income from other financial assets	其他金融資產收入	(52)	(5,204)
Income from held-to-maturity investments	持至到期投資項目收入	(107)	(837)
Gain from changes in fair value of derivative financial instruments	衍生金融工具公平值變動收益	-	(16,421)
Operating cash flows before movements in working capital	營運資金變動前經營現金流量	293,317	426,657
Decrease in inventories	存貨減少	73,166	73,964
Decrease (increase) in trade receivables	貿易應收款項減少(增加)	41,759	(5,501)
(Increase) decrease in other receivables and prepayments	其他應收款項及預付款(增加)減少	(13,760)	12,230
Decrease in trade payables	貿易應付款項減少	(23,982)	(37,916)
Decrease in other payables	其他應付款項減少	(44,244)	(67,205)
Decrease in long-term deposit	長期按金減少	232	1,000
Increase in deferred revenue	遞延收益增加	6,253	11,406
Cash generated from operations	經營業務所產生之現金	332,741	414,635
Interest paid	已付利息	(28,098)	(4,872)
Income taxes paid	已付所得稅	(58,813)	(119,536)
Net cash from operating activities	經營業務現金淨額	245,830	290,227

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2016

截至2016年12月31日止年度

		NOTES 附註	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Investing activities	投資活動			
Payments for acquisition of property, plant and equipment	收購物業、機器及設備付款		(71,674)	(36,807)
Payments for acquisition of intangible assets	收購無形資產付款		(16,365)	(1,382)
Investment in other financial assets	投資其他金融資產		(22,500)	(774,790)
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備所得款項		3,528	2,951
Redemption of held-to-maturity investments	贖回持至到期投資項目		3,062	23,800
Redemption of investment in other financial assets	贖回於其他金融資產之投資		137,500	922,830
Income received from other financial assets	已收其他金融資產收入		52	12,699
Income received from held-to-maturity investments	已收持至到期投資項目收入		107	1,029
Interest received from bank deposits	已收銀行存款利息		4,255	4,550
Acquisition of subsidiaries	收購附屬公司	36	2,981	(717,259)
Net cash from (used in) investing activities	投資活動所得(所用)現金淨額		40,946	(562,379)
Financing activities	融資活動			
New borrowings raised	新增銀行貸款		5,000	836,251
Repayment of borrowings	償還借貸		(82,501)	(150,000)
Repayment of loans from then shareholder of a subsidiary	償還一間附屬公司當時股東的貸款		-	(296,346)
Payment on repurchase of shares	購回股份的付款		(8,953)	(33,410)
Purchase of shares held under the share award scheme	購買根據股份獎勵計劃持有的股份		(591)	(50,345)
Repayment of obligation under finance lease	償還融資租賃責任		(7,428)	(602)
Capital contribution from non-controlling interests	非控股權益注資		900	-
Net cash (used in) from financing activities	融資活動(所用)所得現金淨額		(93,573)	305,548
Net increase in cash and cash equivalents	現金及現金等價物增加淨額		193,203	33,396
Cash and cash equivalents at beginning of year	年初現金及現金等價物		385,188	350,120
Effect of foreign exchange rate changes	外匯匯率變動的影響		15,438	1,672
Cash and cash equivalents at end of year	年終現金及現金等價物		593,829	385,188
Cash and cash equivalents at end of year, represented by	年終現金及現金等價物，即：			
bank balances and cash	銀行結餘及現金		629,299	385,188
bank overdrafts	銀行透支		(35,470)	-
			593,829	385,188

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016
截至2016年12月31日止年度

1. GENERAL

C.banner International Holdings Limited (the “Company”) was incorporated in Bermuda under the Companies Act as an exempted company with limited liability on 26 April 2002. The Company’s shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) on 23 September 2011. The addresses of registered office and the principal place of business of the Company are disclosed in the Corporate Information section to the annual report.

The Company is an investment holding company. Its subsidiaries are principally engaged in the manufacture and sale of branded fashion footwear and retail of toys. The principal activities of the subsidiaries, the associate and the joint venture of the Company are set out in notes 44, 18 and 19 respectively. The Company and its subsidiaries are collectively referred to as “the Group”.

The consolidated financial statements are presented in Renminbi (“RMB”), which is the functional currency of the Company.

2. APPLICATION OF NEW INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) AND AMENDMENTS TO IFRSs

2.1 Amendments to IFRSs that are mandatorily effective for the current year

The Group has applied for the first time in the current year the following amendments to IFRSs:

Amendments to IFRS 11	Accounting for Acquisitions of Interest in Joint Operations
Amendments to International Accounting Standard (“IAS”) 1	Disclosure Initiative
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to IAS 16 and IAS 41	Agriculture: Bearer Plants
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment Entities: Applying the Consolidation Exception
Amendments to IFRSs	Annual Improvements to IFRSs 2012-2014 Cycle

The application of the amendments to IFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

1. 一般資料

千百度國際控股有限公司（「本公司」）於2002年4月26日根據公司法於百慕達註冊成立為獲豁免有限公司。本公司股份於2011年9月23日起在香港聯合交易所有限公司（「香港聯交所」）主板上市。本公司之註冊辦事處及主要營業地點的地址於年報的公司資料一節內披露。

本公司為投資控股公司。其附屬公司主要從事製造及銷售品牌時尚鞋履及玩具零售。本公司附屬公司、聯營公司及合營企業的主要業務分別載於附註44、18及19。本公司及其附屬公司統稱為「本集團」。

綜合財務報表以本公司之功能貨幣人民幣（「人民幣」）呈列。

2. 應用新訂國際財務報告準則（「國際財務報告準則」）及國際財務報告準則之修訂

2.1 於本年度生效的國際財務報告準則之修訂

本集團於本年度首次應用以下國際財務報告準則之修訂：

國際財務報告準則第11號之修訂	收購聯合經營權益之會計法
國際會計準則（「國際會計準則」）第1號之修訂	披露計劃
國際會計準則第16號及國際會計準則第38號之修訂	澄清折舊及攤銷之可接受方法
國際會計準則第16號及國際會計準則第41號之修訂	農業：生產性植物
國際財務報告準則第10號、國際財務報告準則第12號及國際會計準則第28號之修訂	投資實體：應用綜合入賬之例外情況
國際財務報告準則之修訂	2012年至2014年週期國際財務報告準則之修訂

於本年度應用該等國際財務報告準則之修訂並無對本集團本年度及過往年度之財務表現及狀況及／或該等綜合財務報表所載之披露構成重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016

截至2016年12月31日止年度

2. APPLICATION OF NEW INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) AND AMENDMENTS TO IFRSs

(CONTINUED)

2.2 New IFRSs and amendments to IFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to IFRSs that have been issued but are not yet effective:

IFRS 9	Financial Instruments ¹
IFRS 15	Revenue from Contracts with Customers and the related clarifications ¹
IFRS 16	Leases ²
IFRC 22	Foreign Currency Transactions and Advance Consideration ¹
Amendments to IFRS 2	Classification and Measurement of Share-based Payment Transactions ¹
Amendments to IFRS 4	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts ¹
Amendments to IFRS 15	Clarifications to IFRS 15 Revenue from Contracts with Customers ¹
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to IAS 7	Disclosure Initiative ⁴
Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses ⁴
Amendments to IAS 40	Transfers of Investment Property ¹
Amendments to IFRSs	Annual Improvements to IFRS Standards 2014-2016 Cycle ⁵

¹ Effective for annual periods beginning on or after 1 January 2018.

² Effective for annual periods beginning on or after 1 January 2019.

³ Effective for annual periods beginning on or after a date to be determined.

⁴ Effective for annual periods beginning on or after 1 January 2017.

⁵ Effective for annual periods beginning on or after 1 January 2017 or 1 January 2018, as appropriate.

2. 應用新訂國際財務報告準則(「國際財務報告準則」)及國際財務報告準則之修訂(續)

2.2 已頒佈但尚未生效之新訂及經修訂國際財務報告準則

本集團尚未提早應用以下已頒佈但尚未生效之新訂及經修訂國際財務報告準則：

國際財務報告準則第9號	金融工具 ¹
國際財務報告準則第15號	來自客戶合約之收益及相關澄清 ¹
國際財務報告準則第16號	租賃 ²
國際財務報告準則第22號	外幣交易及預收預付對價 ¹
國際財務報告準則第2號之修訂	以股份為基礎支付交易的分類及計量 ¹
國際財務報告準則第4號之修訂	連同國際財務報告準則第4號保險合約一併應用國際財務報告準則第9號金融工具 ¹
國際財務報告準則第15號之修訂	澄清國際財務報告準則第15號客戶合約收益 ¹
國際財務報告準則第10及國際會計準則第28號之修訂	投資者與其聯營公司或合營公司之間的資產出售或投入 ³
國際會計準則第7號之修訂	披露計劃 ⁴
國際會計準則第12號之修訂	就未變現虧損確認遞延稅項資產 ⁴
國際會計準則第40號之修訂	轉讓投資物業 ¹
國際財務報告準則之修訂	國際財務報告準則2014年至2016年週期之年度改進 ⁵

¹ 於2018年1月1日或之後開始之年度期間生效。

² 於2019年1月1日或之後開始之年度期間生效。

³ 於將予釐定的日期或之後開始之年度期間生效。

⁴ 於2017年1月1日或之後開始的年度期間生效。

⁵ 於2017年1月1日或2018年1月1日(如適用)或之後開始之年度期間生效。

2. APPLICATION OF NEW INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) AND AMENDMENTS TO IFRSs

(CONTINUED)

2.2 New IFRSs and amendments to IFRSs in issue but not yet effective (continued)

IFRS 9 *Financial Instruments*

IFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of IFRS 9 which are relevant to the Group are:

- All recognised financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income (“FVTOCI”). All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2. 應用新訂國際財務報告準則(「國際財務報告準則」)及國際財務報告準則之修訂(續)

2.2 已頒佈但尚未生效之新訂及經修訂國際財務報告準則(續)

國際財務報告準則第9號 *金融工具*

國際財務報告準則第9號引入就金融資產、金融負債、一般對沖會計法及金融資產減值要求之分類及計量的新規定。

與本集團有關之國際財務報告準則第9號之主要規定載列如下：

- 屬於國際財務報告準則第9號範圍內的所有已確認金融資產，其後均按攤銷成本或公允值計量。具體而言，以收取合約現金流為目標的業務模式持有的債務投資，且合約現金流僅為支付本金及尚未償還本金利息，則一般於其後會計期間結束時按攤銷成本計量。以同時收取合約現金流及出售金融資產為目標的業務模式而持有的債務工具，以及金融資產的合約條款令於特定日期產生的現金流僅為支付本金及尚未償還本金的利息的債務工具，按透過其他全面收入按公允值列賬的方式計量。所有其他債務投資及股本投資於其後會計期間結束時按其公允值計量。此外，根據國際財務報告準則第9號，實體可不可撤回的選擇於其他全面收益內呈列股本投資(並非持作買賣)公允值的其後變動，而股息收入則一般僅於損益內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016

截至2016年12月31日止年度

2. APPLICATION OF NEW INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) AND AMENDMENTS TO IFRSs

(CONTINUED)

2.2 New IFRSs and amendments to IFRSs in issue but not yet effective (continued)

IFRS 9 *Financial Instruments* (continued)

- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

Based on the Group’s financial instruments and risk management policies as at 31 December 2016, application of IFRS 9 in the future may have a material impact on the measurement of the Group’s financial assets. The expected credit loss model may result in early provision of credit losses which are not yet incurred in relation to the Group’s financial assets measured at amortised cost. However, it is not practicable to provide a reasonable estimate of the financial effect until the directors of the Company complete a detailed review.

IFRS 16 *Leases*

IFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. IFRS 16 will supersede IAS 17 Leases and the related interpretations when it becomes effective.

IFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

2. 應用新訂國際財務報告準則（「國際財務報告準則」）及國際財務報告準則之修訂（續）

2.2 已頒佈但尚未生效之新訂及經修訂國際財務報告準則（續）

國際財務報告準則第9號金融工具（續）

- 關於金融資產減值，國際財務報告準則第9號規定按一項預期信用損失模式，而非根據國際會計準則第39號按一項已發生的信用損失模式。該預期信用損失模式規定一個實體須就其預期信用損失及該等預期信用損失之變動在每個報告日期入賬，以反映自初始確認時信貸風險之變動。換句話說，現已不再需要對之前發生的信用事件確認信用損失。

根據本集團於2016年12月31日的金融工具及風險管理策略，日後應用國際財務報告準則第9號對本集團的金融資產的計量可能產生重大影響。預期信貸虧損模式可能導致對本集團按攤銷成本計量的金融資產尚未產生的信貸虧損作出提早撥備。然而，直至本公司董事完成詳細審閱前，就財務影響提供合理估計並不可行。

國際財務報告準則第16號租賃

國際財務報告準則第16號為識別出租人及承租人之租賃安排及會計處理引入一個綜合模式。國際財務報告準則第16號於生效日期起將取代國際會計準則第17號租賃及有關詮釋。

國際財務報告準則第16號以顧客能否控制某特定資產作為區分租賃及服務合約為準則。除短期租賃及低價值資產租賃外，承租人在會計上對經營及融資租賃之區分會被刪除，而所有承租人之租賃將以確認使用權資產及相對應負債之模式取代。

2. APPLICATION OF NEW INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) AND AMENDMENTS TO IFRSs

(CONTINUED)

2.2 New IFRSs and amendments to IFRSs in issue but not yet effective (continued)

IFRS 16 Leases (continued)

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use and those classified as investment properties while other operating lease payments are presented as operating cash flows. Under the IFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows.

Under IAS 17, the Group has already recognised an asset and a related finance lease liability for finance lease arrangement and prepaid lease payments for leasehold lands where the Group is a lessee. The application of IFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

In contrast to lessee accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by IFRS 16.

2. 應用新訂國際財務報告準則(「國際財務報告準則」)及國際財務報告準則之修訂(續)

2.2 已頒佈但尚未生效之新訂及經修訂國際財務報告準則(續)

國際財務報告準則第16號租賃(續)

使用權資產按成本初步計量及其後按成本(惟受若干例外情況所規限)減累計折舊及減值虧損計量,並就租賃負債之任何重新計量作出調整。租賃負債初步按於租賃付款尚未支付當日之現值計量。其後,租賃負債就利息及租賃付款以及租賃修訂(其中包括)的影響作出調整。就現金流量分類而言,本集團現時將有關自用租賃土地及分類為投資物業之租賃土地的前期預付租賃付款呈列為投資現金流量,而其他經營租賃付款則呈列為經營現金流量。根據國際財務報告準則第16號,有關租賃負債的租賃付款將分配為本金及利息部分,其將以融資現金流量呈列。

根據國際會計準則第17號,本集團已就融資租賃安排確認一項資產及一項融資租賃相關負債及就本集團為承租人的租賃土地確認已償還租賃款項。採納國際財務報告準則第16號可能導致該等資產分類潛在變動,視乎本集團是否分開呈列有權使用的資產或按將呈列相應相關資產(倘擁有)的相同項目內呈列。

與承租人會計處理方法對比而言,國際財務報告準則第16號大致轉承了國際會計準則第17號的出租人會計處理方法的規定及繼續要求出租人將租賃分類為營運租賃或融資租賃。

此外,國際財務報告準則第16號要求更詳盡的披露資料。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016

截至2016年12月31日止年度

2. APPLICATION OF NEW INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) AND AMENDMENTS TO IFRSs

(CONTINUED)

2.2 New IFRSs and amendments to IFRSs in issue but not yet effective (continued)

IFRS 16 Leases (continued)

As at 31 December 2016, the Group has non-cancellable operating lease commitments of RMB2,617,304,000 as disclosed in note 38. A preliminary assessment indicates that these arrangements will meet the definition of a lease under IFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of IFRS 16. In addition, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above. However, it is not practicable to provide a reasonable estimate of the financial effect until the directors of the Company complete a detailed review.

Amendments to IAS 7 Disclosure Initiative

The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities including both changes arising from cash flows and non-cash changes. Specially, the amendments require the following changes in liabilities arising from financing activities to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

The amendments apply prospectively for annual periods beginning on or after 1 January 2017 with earlier application permitted. The application of the amendments will result in additional disclosures on the Group’s financing activities, specifically reconciliation between the opening and closing balances in the consolidated statement of financial position for liabilities arising from financing activities will be provided on application.

Except as described above, the directors of the Company anticipated that the application of other new IFRSs and amendments to IFRSs in issue but not yet effective will have no material impact on the Group’s consolidated financial statements.

2. 應用新訂國際財務報告準則(「國際財務報告準則」)及國際財務報告準則之修訂(續)

2.2 已頒佈但尚未生效之新訂及經修訂國際財務報告準則(續)

國際財務報告準則第16號租賃(續)

於附註38所披露，於2016年12月31日，本集團有不可註銷營運租賃承擔人民幣2,617,304,000元。初步評估表明該等安排將符合國際財務報告準則第16號項下的租賃定義，及因此，本集團將就所有該等租賃確認使用權資產及相應負債，除該等租賃於採納國際財務報告準則第16號後符合低價值或短期租賃外。此外，納採新規定或會導致上文所指計量、呈列及披露產生變動。然而，直至本公司董事完成詳細審閱前，就財務影響提供合理估計並不可行。

國際會計準則第7號披露主動之修訂

該等修訂要求實體披露資料，以便財務報表的使用者能夠評估融資活動引起的負債變動，包括現金流量引致之變動及非現金變動。尤其是，該等修訂要求披露以下來自融資活動的負債變動：(i)來自融資現金流量的變動；(ii)來自取得或失去附屬公司或其他業務的控制權的變動；(iii)外幣匯率變動的影響；(iv)公平值變動；及(v)其他變動。

該等修訂前瞻性地適用於2017年1月1日或之後開始的年度期間，並可提早應用。應用該等修訂將會導致有關本集團融資活動的額外披露，尤其是融資活動產生的負債於綜合財務狀況表的期初及期末結餘的對賬，將於應用該等修訂時提供。

除上述者外，本公司董事預期，應用其他新訂國際財務報告準則及國際財務報告準則之修訂將不會對本集團的綜合業績及財務狀況構成重大影響。

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with IFRSs. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for IFRS 2 Share-based Payment transactions that are within the scope of IAS 17 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 Inventories or value in use in IAS 36 Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3. 主要會計政策

綜合財務報表根據國際財務報告準則編製。此外，綜合財務報表包括香港聯合交易所證券上市規則及香港公司條例規定之適用披露。

除若干金融工具按公平值計量外，綜合財務報表乃按歷史成本法編製。

歷史成本一般根據兌換資產代價之公平值計量。

公平值為於計量日市場參與者於有序交易中出售資產將收取或轉讓負債支付之價格，不論該價格是否可直接觀察或使用其他估值方法估計。於估計資產或負債之公平值時，本集團考慮該資產或負債的特點，若市場參與者於計量日定價資產或負債時考慮這些特點。公平值於本綜合財務報表作計量及／或披露是按此基準釐定，惟國際會計準則第17號範圍內之租賃交易，以及與公平值有些相似但並非公平值之計量（例如國際會計準則第2號中的可變現淨值或國際會計準則第36號中的使用值）除外。

此外，根據公平值計量之輸入數據之可觀察程度及其對整體公平值計量之重要性分為第一、第二或第三級，以作財務報告之用，敘述如下：

- 第一級輸入數據指實體能於計量日在活躍市場上得到相同資產或負債之報價（未予調整）；
- 第二級輸入數據指除包含在第一級之報價以外，可直接或間接觀察得到的資產或負債的輸入數據；及
- 第三級輸入數據指資產或負債不可觀察得到的輸入數據。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016

截至2016年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

The principal accounting policies are set out below:

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3. 主要會計政策(續)

主要會計政策載列如下：

綜合基準

綜合財務報表包括本公司及本公司與其附屬公司控制之實體的財務報表。當本公司符合以下各項時，即取得控制權：

- 對投資對象之權力；
- 因參與投資對象而對可變回報承擔風險或享有權利；及
- 行使權力以影響其回報之能力。

倘有事實及情況顯示上述三項控制因素中有一項或多項出現變化，本集團將重新評估其是否對投資對象擁有控制權。

綜合一間附屬公司於本集團取得該附屬公司之控制權時開始，並於本集團失去該附屬公司之控制權時終止。具體而言，年內所收購或出售之附屬公司收入及開支自本集團取得該附屬公司控制權之日起至本集團失去控制權之日止計入綜合損益及其他全面收益表。

損益及其他全面收益之各部分歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額歸屬於本公司擁有人及非控股權益，即使會導致非控股權益產生虧絀結餘。

如有需要，附屬公司之財務報表將予調整，致使彼等之會計政策與本公司之會計政策一致。

與本集團成員公司交易有關之所有集團內資產及負債、權益、收入、開支及現金流量，將於綜合賬目時悉數撇銷。

3. SIGNIFICANT ACCOUNTING POLICIES**(CONTINUED)****Business combinations**

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-based Payment at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

3. 主要會計政策(續)**業務合併**

收購業務使用收購法入賬。業務合併中轉讓的代價按公平值計量，按本集團所轉讓資產、本集團向被收購公司的前任擁有人轉讓的負債及本集團為交換被收購公司的控制權而發行股本權益於收購日的公平值的總和計算。收購相關成本一般於發生損益內確認。

於收購日，所收購的可識別資產及所承擔的負債於收購日按公平值確認，惟下列情況除外：

- 遞延稅項資產或負債，及有關僱員福利安排之資產或負債分別根據國際會計準則第12號所得稅及國際會計準則第19號僱員福利予以確認及計量；
- 被收購方以股份為基礎之付款交易安排相關之負債或權益工具或以本集團以股份為基礎之付款交易代替被收購方之以股份為基礎之付款交易安排於收購日期按照國際財務報告準則第2號計量(見下文會計政策)；及
- 根據國際財務報告準則第5號持作出售之非流動資產及已終止經營業務分類為持作出售之資產(或出售組別)根據該準則計量。

商譽按所轉讓的代價、於被收購公司的任何非控股權益金額及收購人先前持有的被收購公司的股本權益(如有)的公平值的總和超過所收購可識別資產及所承擔的負債於收購日的金額淨額的超額部份計量。如在評估後，所收購可識別資產及所承擔的負債於收購日的金額淨額超過所轉讓的代價、於被收購公司的任何非控股權益金額及收購公司先前於被收購公司持有的權益(如有)的公平值的總和，超額部分隨即按議價購買收益於損益內確認。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Business combinations (continued)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments made against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

3. 主要會計政策(續)

業務合併(續)

屬現時擁有權權益且賦予持有人權利於清盤時按比例分佔實體資產淨值之非控股權益，可初步按公平值或非控股權益應佔被收購方可識別資產淨值之已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他類型之非控制權益按照公平值。

倘本集團於業務合併中轉讓之代價包括或然代價安排產生之資產或負債，或然代價按其收購日期公平值計量並視為於業務合併中所轉撥代價之一部份。或然代價的公平值變動如適用計量期間調整則追溯調整，並根據商譽作出相應調整。計量期間調整為於「計量期間」就於收購日期存在之事實及情況獲得的其他資料產生之調整。計量期間自收購日期起計，不超過一年。

或然代價之公平值變動之隨後入賬如不適用計量期間調整，則取決於或然代價如何分類。分類為權益的或然代價並無於隨後申報日期重新計量，而其隨後結算於權益內入賬。分類為資產或負債的或然代價於隨後申報日期重新計量，而相應收益或虧損於損益賬中確認。

倘業務合併的初步會計處理於合併發生之報告期間結算日尚未完成，則本集團報告未完成會計處理之項目臨時數額。該等臨時數額會於計量期間(見上文)予以調整，並確認額外資產或負債，以反映於收購日期已存在而據所知可能影響該日已確認款額的事實與情況所取得的新資料。

3. SIGNIFICANT ACCOUNTING POLICIES**(CONTINUED)****Goodwill**

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

3. 主要會計政策(續)**商譽**

就收購業務產生的商譽按於收購業務日期(見上述會計政策)確定的成本減累計減值虧損(如有)入賬。

就減值測試而言,商譽分配予本集團各個現金產生單元(或現金產生單元群組),並預期受益於業務組合產生的協同效益,而該單元或單元群組指就內部管理目的監控商譽的最低水平且不超過經營分部。

已分配商譽的現金產生單元(或現金產生單元群組)每年度進行減值測試,或如顯示該單元可能受到減值,則可為頻密地進行測試。就於報告期間進行收購所產生商譽而言,獲分配商譽的現金產生單元(或現金產生單元群組)會於該報告期末進行減值測試。如現金產生單元的可收回金額低於其賬面值,減值虧損首先進行分配,以減少任何分配予該單元的任何商譽的賬面值,然後按百分比基準根據該單元(或現金產生單元群組)的賬面值分配予其他資產。

出售有關現金產生單元時,商譽的可分配金額列入計算出售時損益金額中。

於聯營公司及合營企業權益

聯營公司指本集團對其有重大影響之實體。重大影響是指對被投資公司之財務及經營政策有參與決策之權利,但不能夠控制或者與其他方共同控制該等政策之制定。

合營企業指一項合營安排,據此,對安排擁有共同控制權之訂約方對合營安排之資產淨值擁有權利。共同控制是指按照合約約定對某項安排所共有的控制,共同控制僅在當相關活動要求共同享有控制權之各方作出一致同意之決定時存在。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Investments in associates and joint ventures (continued)

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of loss of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

3. 主要會計政策(續)

於聯營公司及合營企業權益(續)

聯營公司及合營企業之業績及資產與負債以權益法計入此等綜合財務報表。就權益會計目的而言聯營公司及合營企業之財務報表乃按本集團於類似環境之相似交易及事項而使用之同一會計政策而編製。根據權益法，於聯營公司或合營企業之投資初步按成本於綜合財務狀況表確認，並於其後調整以就確認本集團應佔該聯營公司或合營企業之損益及其他全面收益。當本集團應佔聯營公司或合營企業之虧損超出本集團於該聯營公司或合營企業之權益時(包括實質上成為本集團於該聯營公司或合營企業投資淨額一部分之任何長期權益)，本集團終止確認其所佔進一步虧損。僅於本集團已產生法律或推定責任，或已代表該聯營公司或合營企業支付款項之情況下，方會進一步確認虧損。

於被投資方成為一家聯營公司或合營企業當日，對於聯營公司或合營企業之投資採用權益法入賬。於收購一間聯營公司或合營企業之投資時，投資成本超過本集團分佔該被投資方可識別資產及負債公平淨值之任何部分乃確認為商譽，並計入投資之賬面值。倘本集團所佔可識別資產及負債之公平淨值高於收購成本，則差額經重新評估後會於收購投資之期間即時在損益確認。

應用國際會計準則第39號以釐定是否有必要就本集團於共同控制實體投資確認任何減值虧損。在必要時，投資(包括商譽)的整個賬面值根據國際會計準則第36號資產減值作為單一資產，透過將其可收回金額(使用價值與公平值減出售成本兩者之較高者)與其賬面值進行比較而進行減值測試。已確認的任何減值虧損構成投資的賬面值。減值虧損的任何撥回根據國際會計準則第36號進行確認，以投資的可收回金額隨後增加者為限。

3. SIGNIFICANT ACCOUNTING POLICIES**(CONTINUED)****Investments in associates and joint ventures (continued)**

When a group entity transacts with an associate or a joint venture of the Group (such as a sale or contribution of assets), profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is reduced for estimated customer returns, rebates, discounts, sales related taxes and other similar allowances.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

3. 主要會計政策(續)**於聯營公司及合營企業權益(續)**

當集團實體與本集團聯營公司或合營企業進行交易(例如銷售或貢獻資產),由與聯營公司或合營企業進行交易所產生的損益於本集團綜合財務報表內確認,以聯營公司或合營企業內與本集團不相關的權益為限。

收益確認

按已收或應收代價的公平值計量收益及減除估計客戶退貨、回扣、折讓、銷售稅及其他相若補貼。

當收益數額能可靠地計量,而未來經濟利益可能流入本集團,且符合以下本集團各業務的特定準則時,本集團便會確認收益。

銷售貨品

銷售貨品之收益於已交付貨品及轉讓所有權之後確認,在此情況下,須滿足如下情況:

- 本集團已將貨品之重大風險及所有權回報轉讓予買方;
- 本集團既無保留參與有關所有權之持續管理,亦無保留對已售貨品之實際控制權;
- 收益之金額能可靠計量;
- 與交易有關之經濟利益可能流入本集團;及
- 有關交易已產生或將予產生之成本能可靠計量。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Revenue recognition (continued)

Sale of goods (continued)

Sales of goods that result in award credits for customers under the Group's customer loyalty programme are accounted for as multiple element revenue transactions and the fair value of the consideration received or receivable is allocated between the goods sold and the award credits that are earned by the customers. The consideration allocated to the award credits is measured by reference to the fair value of the awards for which they could be redeemed. Such consideration is not recognised as revenue at the time of the initial sale transaction but is deferred and recognised as revenue when the award credits are redeemed and the Group's obligations have been fulfilled. Under the Group's customer loyalty programme, customers are entitled to convert their award credits into cash equivalents upon the fulfilment of certain criteria as set out in the terms and conditions of the Group's customer loyalty programme.

Royalty

Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement. Royalties determined on a time basis are recognised on a straight-line basis over the period of the agreement. Royalty arrangements that are earned based on a percentage of the sales of franchisee, is recognised on an accrual basis in the period in which the sales of the franchisee take place, in accordance with the terms of the relevant agreements.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

The Group's accounting policy for recognition of revenue from operating leases is described in the accounting policy below.

Leasing

Leases are classified as finance leases wherever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

3. 主要會計政策(續)

收益確認(續)

銷售貨品(續)

根據本集團客戶忠誠計劃引致客戶獲得獎品積分的貨品銷售入賬為多成分收益交易及已收或應收代價公平值在已售貨品及客戶已賺取的獎品積分之間進行分配。分配到獎勵積分的代價參考可換領獎勵的積分的公平值計量。該項代價在初步出售交易時並不確認為收益，惟會予以遞延在獎品積分贖回及本集團之責任已履行後確認為收益。根據本集團客戶忠誠計劃，客戶有權於達成本集團客戶忠誠計劃的條款及條件內所載的若干標準後將其獎品積分轉換為現金等價物。

特許

特許收益按照有關協議的實質內容累計確認。專營權費於協議期內按直線法以時間基準釐定。按特許銷售比例取得的特許安排根據相關協議的條款，於特許銷售發生期間按應計基準確認。

利息收入

金融資產利息收入在經濟利益可能流向本集團及收入金額能可靠計量時進行確認。利息收入參照未償還本金及適用的實際利率按時間基準累算，適用的實際利率為直至金融資產的預期期限的估計未來現金收入的恰當折讓至初步確認時該資產的賬面淨值的比率。

本集團確認經營租賃收益的會計政策載於以下會計政策。

租賃

當租賃條款將所有權的絕大部份風險及回報轉讓至承租人時，租賃分類為融資租賃。所有其他租賃分類為經營租賃。

3. SIGNIFICANT ACCOUNTING POLICIES**(CONTINUED)****Leasing (continued)*****The Group as lessee***

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments, including the cost of acquiring land held under operating leases, are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating lease, such incentives are recognised as a liability. The aggregate benefit of incentive is recognised as a reduction of rental expense over a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statements of financial position and is amortised over the lease term on a straight-line basis. Prepaid lease payments which are to be amortised in the next twelve months or less are classified as current assets.

3. 主要會計政策(續)**租賃(續)****本集團作為承租人**

融資租賃持有資產於租賃開始時以其公平值或以最低租賃款項之現有價值(以較低者為準)確認為本集團的資產。付予出租人之相關負債於綜合財務狀況表中當作一項融資租賃承擔。

租賃款項以財務費用及租賃承擔之減項按比例計算，以取得餘下負債結餘之不變息率。財務費用即時於損益中確認，除非彼等直接因合資格資產引致，在該情況下彼等根據本集團有關借貸成本的一般政策資本化。或然租金於其產生的期間確認為開支。

經營租賃付款(包括經營租約項下的收購成本)按直線法按租賃期間確認為一項開支。

如已收租賃獎勵以訂立經營租約，該獎勵確認為一項負債。獎勵的總收益作為租金開支的扣減項按直線法進行確認，惟更代表租賃資產的經濟收益使用的時間模式的其他系統性基準除外。

租賃土地及樓宇

當一項租賃包括土地及樓宇時，本集團根據是否每項元素所附帶的絕大部份風險及回報已轉讓予本集團的評估，作為單獨的融資或經營租賃評估每項元素的分類，除非已明確兩項元素均為經營租賃，在此情況下，整體租賃分類為融資租賃。尤其是最低租賃付款(包括任何一次過預付款)在土地及樓宇間按租賃土地及樓宇部份在租賃初的租賃權益的相關公平值的比例進行分配。

如租賃付款分配不能可靠做出，入賬為經營租賃的租賃土地權益在財務狀況表內呈報為「租賃預付款」並按租賃期間按直線法進行攤銷。將於未來十二個月或更少期間攤銷的租賃預付款分類為流動資產。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency of the entity (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated at rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purpose of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of foreign currency translation reserve.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

3. 主要會計政策(續)

外幣

在編製每個單個集團實體的財務報表時，該實體功能貨幣(外幣)以外貨幣計值的交易按交易當日現行匯率確認。於報告期結束時，以外幣計值的貨幣項目按該日比率重新換算。按外幣歷史成本計量的非貨幣項目不按公平值釐定當日的匯率重新換算。按外幣歷史成本計量的非貨幣項目不予重新換算。

因結算貨幣項目而產生的匯兌差額及重新換算貨幣項目時，於其產生期間確認為損益。

就呈報綜合財務報表而言，本集團海外業務之資產及負債根據各報告期末通行的匯率，兌換為本集團之呈列貨幣。收支項目按期內之平均匯率兌換。倘產生匯兌差異，則於其他全面收益中確認及於權益中匯兌儲備項下累計。

收購一項海外業務引致對已收購可識別資產作出之商譽及公平值調整，被視為海外業務之資產及負債，並按報告期末通行之匯率兌換。所產生之匯率差異於其他全面收入中確認。

借貸成本

直接歸屬於收購、興建或生產合資格資產(指必須經一段長時間處理以作其預定用途或銷售的資產)的一般與特定借貸成本，加入該等資產的成本內，直至資產大致上備妥供其預定用途或銷售為止。

借貸成本於其產生期間確認為損益。

3. SIGNIFICANT ACCOUNTING POLICIES**(CONTINUED)****Government grants**

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Employee benefits**Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss in the periods during which services are rendered by employees.

Short-term benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid employees rendered the services. All short-term employee benefits are recognised as an expense unless another IFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

3. 主要會計政策(續)**政府補助金**

直至合理確信本集團將會遵守政府補助金附帶條件及將會收取補助金時方可確認政府補助金。

政府補助金按系統性基準在本集團確認擬補償的補助金的相關成本為開支的期間方予確認。特別是，其主要條件為本集團應購買、興建或以其他方式收購非流動資產的政府補助金在綜合財務狀況表內確認為遞延收益並按系統化及合理基準在有關資產的可使用期間轉讓至損益。

作為已產生開支或虧損的補償或就給予本集團即財務支持而言並無產生未來相關成本的應收的政府補助金於成為應收的期間確認為損益。

僱員福利**界定供款計劃**

界定供款計劃屬退休福利計劃，而根據退休供款計劃，本集團應向單獨實體支付定額供款，但無法定或推定責任支付更多供款。界定供款養老計劃的供款責任於僱員提供服務的期間於損益表中確認為支出。

短期福利

短期僱員福利在僱員提供服務期間按預期就服務所支付的福利未折現金額確認。所有短期僱員福利確認為開支，除非另一項國際財務報告準則規定或許可將福利計入資產成本中。

僱員就工資、薪金、年假及病假應計之福利在扣減任何已付金額後確認為負債。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Equity-settled share-based payment transactions

The Company operates a share option scheme and share award scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled share-based payments").

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based compensation reserve). For share awards that vest immediately at the date of grant, the fair value of the share awards granted is expensed immediately to profit or loss.

At the end of each reporting period, the Group revises its estimates of the number of awards that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with corresponding adjustments to share-based compensation reserve.

When share options are exercised, the amount previously recognised in share-based compensation reserve will be transferred to share premium. When share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based compensation reserve will be transferred to retained earnings.

Where the Company's employee share trust purchases shares from the market, the consideration paid, including any directly attributable incremental costs is presented as "shares held under the share award scheme" and presented as a deduction against equity attributable to the Company's equity holders.

When the awarded shares are transferred to the awardees upon vesting, the related cost of the awarded shares previously recognised in "shares held under the share award scheme", and the related employment costs of the awarded shares previously recognised in "share-based compensation reserve" are transferred to accumulated profits.

3. 主要會計政策(續)

以權益結算的以股份為基礎的交易

本公司已設立購股權計劃及股份獎勵計劃，藉此激勵及獎賞為本集團業務成功作出貢獻之合資格參與者。本集團僱員（包括董事）收取以股份為基礎的支付形式之薪酬，而僱員提供服務以換取股本工具（「以權益結算的以股份為基礎的支付」）。

向僱員所作出以權益結算的以股份為基礎的支付及提供其他類似服務於授出當日按股本工具的公平值計量。

於授出以權益結算的以股份為基礎的支付當日釐定的公平值基於本集團對將最終歸屬的股本工具的估計，按直線法於歸屬期支銷，權益（以股份為基礎的補償儲備）隨之增加。就於授出當日即時歸屬的購股權及獎勵而言，授出的購股權及獎勵之公平值即時於損益列作支出。

於各報告期末，本集團會修訂其對預期最終予以歸屬之購股權數目及獎勵之估計。於歸屬期間修訂原估計之影響（如有）乃於損益內確認，從而累計開支反映經修訂的估計，並相應調整至以股份為基礎的補償儲備。

當購股權獲行使時，過往於以股份支付之儲備中確認之數額將轉撥至股份溢價。當購股權於歸屬日後被沒收或於屆滿日仍未獲行使，則過往於以股份支付之儲備中確認之數額將轉移至保留盈利。

倘本公司僱員股份信託從市場購買股份，則已付代價（包括直接應佔的新增成本）列作根據股份獎勵計劃持有的股份及列作本公司權益持有人應佔權益之扣減。

倘獎勵股份於歸屬後轉撥至獲獎勵者，則早前於「根據股份獎勵計劃持有的股份」確認的獎勵股份相關成本及早前於「以股份為基礎的補償儲備」確認的獎勵股份相關僱員成本則轉撥至累計溢利。

3. SIGNIFICANT ACCOUNTING POLICIES**(CONTINUED)****Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before taxation' as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary differences arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and an associate, and interest in a joint venture, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interest are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

3. 主要會計政策(續)**稅項**

所得稅開支為目前應付稅項及遞延稅項的總和。

目前應付稅項乃根據年內應課稅溢利計算。應課稅溢利與在綜合損益及其他全面收益表內呈報的「除稅前溢利」有所不同，乃由於其他年度應課稅或應扣減的收入或開支項目及毋須課稅或扣減的項目而引致。本集團即期稅項負債使用報告期結束時頒佈或實質頒佈的稅率計算。

就綜合財務報表內的資產及負債的賬面值與計算應課稅溢利中使用的相應稅基的暫時差額確認遞延稅項。一般就所有應課稅暫時差額確認遞延稅項負債。就所有可扣減暫時差額(以應課稅溢利可能用作對沖可動用的可扣減暫時差額為限)一般確認遞延稅項資產。如因商譽或初步確認(業務合併除外)既不影響應課稅溢利亦不會影響會計溢利的一項交易中的其他資產及負債時而產生暫時差額，則不予確認該等遞延稅項資產及負債。此外，倘臨時差額產生自初始確認商譽，則遞延稅項資產不會確認。

就投資附屬公司及聯營公司權益及於合營企業權益相關的應課稅暫時差額確認遞延稅項負債，惟本集團能控制暫時差額的撥回及暫時差額可能不會於可見未來撥回時除。因該等投資及權益相關的可扣減暫時差額產生的遞延稅項資產僅在可能將會有足夠的應課稅溢利對沖利用暫時差額利益並預期於可見未來撥回的情況下確認。

遞延稅項資產的賬面值於每個報告期結束時審閱及減少至不再可能有充足的應課稅溢利可用作備低全部或部份將予收回的資產。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Taxation (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services, or for administrative purposes (other than properties under construction as described below), are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Construction in progress includes property, plant and equipment in the course of construction for production or for administrative purposes. Construction in progress is carried at cost less any recognised impairment loss. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

3. 主要會計政策(續)

稅項(續)

遞延稅項資產及負債按報告期結束時已頒佈或實質頒佈的稅率(及税法)清償負債或變現資產期間按預期適用的稅率計量。

遞延稅項資產及負債的計量反映將會以本集團預期的方式在報告期結束時將會產生的稅務後果，以彌補或結清其資產及負債的賬面值。

年內即期或遞延稅項於損益內確認，彼等與於其他全面收入或直接於權益確認的項目有關則除外，在該情況下即期及遞延稅項亦分別於其他全面收入或直接於權益確認。如即期或遞延稅項因業務合併的初步會計核算而產生，稅務影響應列入業務合併的會計處理內。

物業、機器及設備

物業、機器及設備(包括在生產或供應貨品或服務時或就行政管理用途持作使用的樓宇(以下所述在建物業除外))，在綜合財務狀況表內按成本減其後累計折舊及其後累計減值虧損(如有)列賬。

在建物業包括為生產或行政目的興建物業、機器及設備。在建物業按成本減任何已確認的減值虧損列賬。在建物業分類為適當類別的物業、機器及設備。該等資產按與其他物業資產相同的基準，在資產準備就緒可作擬定用途時開始折舊。

確認折舊，從而按其可使用年期使用直線法撇銷資產(在建中物業除外)成本減去剩餘價值。於每個報告期結束時審閱估計可使用年期、剩餘價值及折舊法，及估計任何變動的影響按預期基準入賬。

3. SIGNIFICANT ACCOUNTING POLICIES**(CONTINUED)****Property, plant and equipment (continued)**

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation for intangible assets is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful life that are acquired separately are carried at cost less accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at cost less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Alternatively, intangible assets acquired in a business combination with indefinite useful life are carried at cost less any subsequent accumulated impairment losses.

3. 主要會計政策(續)**物業、機器及設備(續)**

根據融資租賃持有的資產按相同基準於其預期可使用年內折舊。然而，倘並無合理確定所有權將於租期末獲得，則資產於租期及其可使用年期(以較短者為準)折舊。

在出售或並無未來經濟利益預期從持續使用資產中產生時取消確認物業、機器及設備項目。因出售或棄用物業、機器及設備項目而產生的任何收益或虧損釐定為銷售所得款項與資產賬面值的差額及在損益內確認。

無形資產

單獨收購的有限期可使用年期的無形資產按成本減累計攤銷及累計減值虧損列賬。按直線法按估計可使用年期確認無形資產攤銷。估計可使用年期及攤銷法於每個報告期結束時審閱，估計任何變動影響按預期基準入賬。單獨收購的具有不確定可使用年期的無形資產按成本減累計減值虧損列賬。

無形資產於出售時或當預期使用或出售未來並無經濟利益時，取消確認無形資產。因取消確認無形資產而產生的收益及虧損(計量為出售所得款項淨額與資產賬面值兩者的差額)在取消確認資產時於損益內確認。

於業務合併中收購的無形資產

於業務合併中收購的無形資產於商譽中單獨確認並於初始於收購日期按其公平值(視為其成本)確認。

於初始確認後，具有不確定可使用年期的於業務合併中收購的無形資產按與單獨收購的無形資產相同的基準，以成本減累計攤銷及任何累計減值虧損呈報。另外，於業務合併中購得的具有不確定可使用年期的無形資產按成本減累計減值虧損列賬。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or the cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. 主要會計政策(續)

有形及無形資產(商譽除外)減值

於每個報告期結束時，本集團審閱其有形及無形資產之賬面值，以釐定是否存在該等資產已遭受減值虧損的跡象。如存在任何該等跡象，評估資產的可收回金額，從而釐定減值虧損(如有)的程度。如不可能估計個別資產的可收回金額，本集團估計該資產所屬的現金產生單元的可收回金額，或以其他方式將其分配至可識別合理及一致分配基準的現金產生單元的組別。

具有無限可使用年期的無形資產及尚未可供使用的無形資產至少每年及於出現可能減值的跡象時進行減值測試。

可收回金額為公平值減出售成本與使用中價值兩者的較高者。在評估使用中價值時，估計未來現金流量使用反映目前對貨幣的時間價值的市場評估及及尚未調整未來現金流量估計的資產特有的風險的稅前折讓率折讓至現有價值。

如資產(或現金產生單元)的可收回金額估計低於其賬面值，資產(或現金產生單元)的賬面值減少至其可收回金額。於分配減值虧損時，首先分配減值虧損以減少任何商譽的賬面值(如適用)，然後按比例根據該單位各資產的賬面值分配至其他資產。資產賬面值不得減少至低於其公平值減出售成本(如可計量)、其使用價值(如可計量)及零之中的最高值。已另行分配至資產之減值虧損數額按比例分配至該單位其他資產。減值虧損會即時於損益確認。

有形及無形資產(商譽除外)減值(續)
當其後撥回減值虧損時，資產(或現金產生單元)的賬面值增至其可收回金額的經修訂估計，惟增加的賬面值不得超過過往年度對資產(或現金產生單元)尚無確認減值虧損情況下原本會釐定的賬面值。隨即於損益內確認撥回減值虧損。

3. SIGNIFICANT ACCOUNTING POLICIES**(CONTINUED)****Inventories**

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss (“FVTPL”)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

Financial assets

The Group’s financial assets are classified into the following specified categories: loans and receivables and held-to-maturity investments. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

3. 主要會計政策(續)**存貨**

存貨按成本與可變現淨值兩者之較低者入賬。存貨成本使用加權平均法計算。可變現淨值指存貨估計售價減完成之全部估計成本及銷售所需成本。

金融工具

當集團實體成為工具合約條款的訂約方時確認金融資產及金融負債。

金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債(按公平值計入損益(「公平值計入損益」)的金融資產及金融負債除外)直接應佔交易成本在初步確認時加在金融資產或金融負債(如適用)之上或從中扣減。按公平值計入損益收購的金融資產或金融負債直接應佔交易成本隨即於損益內確認。

金融資產

本集團金融資產分類為以下指定類別：貸款及應收款項及持至到期投資項目。分類取決於金融資產的性質及目的，且將於初步確認時釐定。所有常規方式購買或銷售金融資產按交易日基準確認及取消確認。常規方式購買或銷售乃需要在法規或市場慣例確定的一定時限內交付資產的金融資產的買賣。

實際利息法

實際利息法乃計算債務工具的攤銷成本及在有關期間分配利息收入的方法。實際利率乃透過債務工具的有限年限或(如適用)初始確認時至賬面淨值的更較期間的估計未來現金收入(包括已付或已收可構成實際利息一部分的所有費用及點數、交易成本及其他溢價或折讓)的精確折讓。

利息收入按債務工具的實際利息基準確認。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade receivables and other receivables, other financial assets and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment (see accounting policy on impairment of financial assets below).

Interest income is recognised by applying the effective interest rate, except for short-term receivable where the recognition of interest would be immaterial.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the Group's management has the positive intention and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less any impairment (see the accounting policy in respect of impairment of financial assets below).

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

貸款及應收款項

貸款及應數款項為在活躍市場並無報價的具有固定或可釐定支付非衍生金融資產。於初步確認後，貸款及應收款項(包括貿易應收款項及其他應收款項、其他金融資產及銀行結餘及現金)使用實際利息法按攤銷成本減任何已確定減值虧損計量(請參閱下文有關金融資產減值之會計政策)。

利息收入採用實際利率確認，在確認利息下短期應收款項微不足道除外。

持至到期投資項目

持至到期投資項目乃指付款金額固定或可以確定，有固定到期日且本集團管理層有明確意向及能力持至到期日之非衍生工具財務資產。於初步確認後，持至到期投資項目乃使用實際利息法按攤銷成本減任何已確定減值虧損計量(請參閱下文有關金融資產減值之會計政策)。

金融資產減值

在報告期結束時評估金融資產是否有減值跡象。當有客觀證據顯示因初始確認金融資產後產生的一宗或多宗事件，投資的估計未來現金流量受到影響，則金融資產視為減值。

減值客觀證據可能包括以下各項：

- 發行人或對手方出現重大財政困難；或
- 違約，如違約或拖欠利息或本金支付；或
- 借款人有可能破產或進行財務重組。

3. SIGNIFICANT ACCOUNTING POLICIES**(CONTINUED)****Financial instruments (continued)****Financial assets (continued)****Impairment of financial assets (continued)**

For certain categories of financial asset, such as trade and other receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by a group entity are classified in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3. 主要會計政策(續)**金融工具(續)****金融資產(續)****金融資產減值(續)**

就若干類別金融資產(如貿易及其他應收款項)而言,評估為個別減值的資產乃按集體基準別外評估減值。應收款項組合減值的客觀證據可能包括本集團過往收集付款的經驗,組合超過平均信貸期押後支付的數目增加以及與應收款項拖欠相關的國內或本地經濟條件的可觀察變動。

就按攤銷成本列值的金融資產而言,已確認的減值虧損金額乃資產賬面值與按金融資產原先實際利率折讓的估計未來現金流量現值之間的差額。

金融資產賬面值就所有金融資產直接減少減值虧損,惟貿易及其他應收款項除外,如賬面值透過使備抵賬目而減少。備抵賬目的賬面值變動於損益內確認。當應收款項視為不可收回時,就備抵賬目進行撇銷。先前撇銷的其後收回金額計入損益。

就按攤銷成本計量的金融資產而言,如在其後期間,減值虧損的金額減少及減少額可能客觀上與確認減值虧損後發生的事件,先前確認的減值虧損透過損益予以撥回,如撥回減值日資產的賬面值並未超過如並無確認減值原本會產生的攤銷成本。

金融負債及股本工具

集團實體發行的金融負債及股本工具按照合約安排的內容及金融負債及股本工具的定義進行分類。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial liabilities and equity instruments (continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest expense is recognised on an effective interest basis.

Convertible bonds

Convertible bonds issued by the Group contain liability component, redemption premium derivative component and conversion component are classified separately into respective items on initial recognition in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion component that will be settled by the exchange of a fixed amount of cash for a fixed number of the Company's own equity instruments is classified as an equity instrument. Redemption premium derivative component not closely related to the host debt contract is classified as derivatives on initial recognition. On initial recognition, both the liability component and redemption premium derivative component are recognised at fair value.

The difference between the gross proceeds of the issue of the convertible bonds and the fair value assigned to the liability component and redemption premium derivative component, representing the conversion component for the holder to convert the bonds into equity, is included in equity (convertible bonds equity reserve).

3. 主要會計政策(續)

金融工具(續)

金融負債及股本工具(續)

股本工具

股本工具乃證明在扣除所有負債後實體資產的剩餘權益的任何合約。本集團發行的股本工具按已收所得款項減直接發行成本確認。

購回本公司自身的股本工具於權益直接確認及扣減。並無就購買、出售、發行或註銷本公司自身的股本工具於損益確認收益或虧損。

實際利息法

實際利息法乃計算金融負債攤銷成本及在有關期間分配利息開支的方法。實際利率乃透過金融負債的預期年期或(如適用)初步確認時至賬面值的更短期間對估計未來現金支付(包括已付或已收可構成實際利息一部分的所有費用及點數、交易成本及其他溢價或折讓)進行準確折讓的利率。利息開支按實際利息基準進行確認。

可換股債券

本公司發行的可換股債券包含的負債部分、贖回溢價衍生工具部分及兌換部分於初步確認時分類至其各自項目。將以固定金額現金交換本公司固定數目的股本工具的方式結算之兌換部分乃分類為權益工具。與總債務合約關係不大的贖回溢價衍生工具部分於初步確認時分類為衍生工具。於發行當日，負債部分及贖回溢價衍生工具部分按公平值確認。

發行可換股債券的所得款項總額與撥往負債部分及贖回溢價衍生工具部分的公平值的差額(即持有人將債券兌換為權益的兌換權)計入權益(可換股債券權益儲備)內。

3. SIGNIFICANT ACCOUNTING POLICIES**(CONTINUED)****Financial instruments (continued)****Financial liabilities and equity instruments (continued)****Convertible bonds (continued)**

In subsequent periods, the liability component of the convertible bonds is carried at amortised cost using the effective interest method, and the redemption premium derivative component is measured at fair value with changes in fair value recognised in profit or loss. The interest charged on the liability component is calculated by applying the original effective interest rate.

The equity component, representing the option to convert the liability component into ordinary shares of the Company, will remain in convertible bonds equity reserve until the option is exercised (in which case the balance stated in convertible bonds equity reserve will be transferred to share premium). Where the option remains unexercised at the expiry date, the balance stated in convertible bonds equity reserve will be released to the accumulated profits. No gain or loss is recognised in profit or loss upon conversion or expiration of the option.

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability component, redemption premium derivative component and conversion component in proportion to their relative fair values. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method. Transaction costs relating to the redemption premium derivative component is charged to profit or loss immediately. Transaction costs relating to the conversion component is included in conversion bonds equity reserve.

Financial liabilities at amortised costs

Financial liabilities at amortised costs (including trade and other payables, borrowings, obligation under finance leases and bank overdrafts) are subsequently measured at amortised cost using the effective interest method.

Derivative financial instruments

Derivatives are initially recognized at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately.

3. 主要會計政策(續)**金融工具(續)****金融負債及股本工具(續)****可換股債券(續)**

於往後期間，負債部分以實際利息法按已攤銷成本列賬，贖回溢價衍生工具部分按公平值計量公平值的變動於損益內確認。於負債部分承擔的利息按初始實際利率計量。

權益部分(即將負債部分兌換為本公司普通股的選擇權)將保留於可換股債券權益儲備，直至選擇權獲行使為止(在此情況，可換股債券權益儲備的結餘將轉撥至股份溢價)。倘選擇權於到期日未獲行使，可換股債券權益儲備的結餘將轉撥至累計溢利。選擇權獲兌換或到期時將不會於損益內確認任何盈虧。

有關發行可換股債券的交易成本乃按彼等各自公平值的比例分配至負債部分、贖回溢價衍生工具部分及兌換部分。有關負債部分的交易成本計入負債部分的賬面值且採用實際利率法於可換股債券期間攤銷。有關贖回溢價衍生工具部分隨即於損益內扣除。與轉換部分相關的交易成本計入可換股債券的權益儲備。

按攤銷成本列值的金融負債

按攤銷成本列值的金融負債(包括貿易及其他應收款項、借貸、融資租賃承擔及銀行透支)隨後使用實際利息法按攤銷成本計量。

衍生金融工具

衍生工具初步按該衍生工具合約簽訂日期之公平值確認，其後於報告期結束時重新計量其公平值，最後所得之盈利或虧損即時於損益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Embedded derivatives

Derivatives embedded in non-derivative host contract are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL. Generally, multiple embedded derivatives in a single instrument are treated as a single compound embedded derivative unless those derivatives relate to different risk exposures and are readily separable and independent of each other.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred assets, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. 主要會計政策(續)

金融工具(續)

嵌入式衍生工具

倘衍生工具符合衍生工具的定義，且其風險及特徵與主合約並非密切關連，而主合約並非按公平值計入損益入賬，列入非衍生主合約的衍生工具則被當作獨立衍生工具。般來說，單一工具中多項嵌入式衍生工具視為單一複合嵌入式衍生工具，除非該等衍生工具與不同風險有關，並可隨時分開及互相獨立。

取消確認

僅當資產的現金流量的合約權利屆滿時，或當其將金融資產及資產所有權的絕大部份風險及回報轉讓至另一實體時，本集團方會取消確認金融資產。倘本集團並無轉移亦無保留擁有權之絕大部份風險及回報並繼續控制已轉讓資產，本集團確認於資產的保留權益及其可能須支付的相關負債金額。倘本集團保留已轉讓金融資產擁有權之絕大部份風險及回報，本集團繼續確認金融資產，亦就已收取之所得款項確認有抵押借貸。

當取消確認所有金融資產時，資產賬面值與已收及應收代價總和的差額及已於其他全面收益內確認及於權益內累計的累計收益或虧損於損益內確認。

當且僅當本集團責任解除、取消或屆滿時，本集團取消確認金融負債。取消確認的金融負債的賬面值與已付及應付代價之間的差額於損益內確認。

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the directors of the Company are required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment of brand with indefinite useful life and goodwill

Determining whether brand with indefinite useful life and goodwill are impaired requires an estimation of the recoverable amount of the cash-generating units to which brand name with indefinite useful life and goodwill have been allocated, which is the higher of the value in use or fair value less costs of disposal. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, or change in facts and circumstances which results in downward revision of future cash, a material impairment loss or further impairment loss may arise.

The carrying amount of brand with indefinite useful life and goodwill at 31 December 2016 was RMB805,182,000 and RMB166,458,000 respectively (31 December 2015: RMB832,879,000 and RMB RMB182,946,000). No impairment loss was recognised during 2016 (2015: nil). Details of the impairment calculation are set out in note 17.

4. 估計不明朗性主要來源

在應用本集團會計政策(於附註3內說明)時,本公司董事須就與其他來源並無明顯差別的資產及負債的賬面值作出估計及假設。估計及相關假設乃基於過往經驗及視為相關的其他因素。實際業績可能與該等結果有所不同。

按持續基準審閱估計及相關假設。會計估計修訂於修訂估計的期間確認,如修訂僅影響該期間或修訂期間及未來期間,如修訂影響目前及未來期間。

估計不明朗性的主要來源

下列有關未來的主要假設及於報告期末估計不明朗性的其他主要來源具有重大風險,導致對下一財政年度內的資產及負債的賬面值作出重大調整。

具有無限可使用年期之品牌及商譽之減值

釐定具有無限可使用年期之品牌及商譽是否已減值時需要估計具有無限可使用年期之品牌及商譽所獲分配之現金產生單元之可收回金額(為使用價值與公平價值減出售成本兩者中之較高者)。計算使用價值需要董事估計預期現金產生單元產生之未來現金流量及適用之折現率,以計算現值。倘未來實際現金流量少於預期,或事實及情況有變而致令估計未來現金流量需向下修訂,則可能產生重大減值虧損或產生進一步減值虧損。

於2016年12月31日,具有無限可使用年期之品牌及商譽之賬面值分別為人民幣805,182,000元及人民幣166,458,000元(2015年12月31日:人民幣832,879,000元及人民幣182,946,000元)。於2016年並無確認減值虧損(2015年:無)。有關減值計算詳情載於附註17。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sources of estimation uncertainty (continued)

Write-down of inventories

Inventories are valued at the lower of cost and net realisable value. Also, the Group regularly inspects and reviews its inventories to identify slow-moving and obsolete inventories. The amount of the impairment loss is measured as the difference between inventories' cost and net realised value.

The identification of impairment of inventories requires the use of judgement and estimate of expected net realised value. Where the net realised value is lower than the carrying amount, a material impairment loss may arise. As at 31 December 2016, the carrying amount of inventories was RMB783,506,000 (2015: RMB841,127,000), net of write-down of inventories of RMB86,366,000 (2015: RMB96,729,000).

Revenue recognition in relation to the award credits earned by the customers under the Group's customer loyalty program

In accordance with the Group's accounting policy, sales of goods that result in award credits for customers under the Group's customer loyalty program are accounted for as multiple element revenue transactions and the fair value of the consideration received or receivable is allocated between the goods sold and the award credits that are earned by the customers. The portion allocated to the award credits is deferred and recognised as revenue when the award credits are redeemed and the Group's obligations have been fulfilled. The amount of revenue recognised is based on the number of award credits that have been redeemed in exchange for awards, relative to the total number of award credits expected to be redeemed.

The Group reviews the total number of award credits expected to be redeemed at the end of the year, taking into accounts various factors including the number of award credits not redeemed by the customers upon expiration. The directors of the Company estimate that customers will redeem the award credits under its customer loyalty program in the valid period of the award credits in a manner consistent with historical redemption pattern. The amount of deferred revenue recognised in accordance with IFRIC Interpretation 13 "Customer Loyalty Programmes" is classified as deferred revenue under current liability at the end of the reporting period. As at 31 December 2016, the carrying amount of deferred revenue arising from customer loyalty programme was RMB16,912,000 (2015: RMB16,853,000).

This estimate will be reviewed on an ongoing basis, and revision to the expected number of award credits to be redeemed will be made if there is significant difference between the actual number of award credits redeemed and the expected number redeemed in the future.

4. 估計不明朗性主要來源(續)

估計不明朗性的主要來源(續)

存貨撇減

存貨按成本及可變現淨值兩者之較低者估值。此外，本集團定期審查及審閱其存貨，以識別滯留及陳舊存貨。減值虧損金額計量為存貨成本與可變現價值兩者之差額。

識別存貨減值需要應用判斷及估計預期可變現淨值。如可變現淨值低於賬面值，可能產生重大減值虧損。於2016年12月31日，存貨賬面值為人民幣783,506,000元(2015年：人民幣841,127,000元)，扣除存貨撇減人民幣86,366,000元(2015年：人民幣96,729,000元)。

有關客戶根據本集團客戶忠誠計劃賺取的獎品積分的收入確認

根據本集團會計政策，引致本集團客戶忠誠計劃項下的客戶獎品積分的貨品的銷售入賬為多元素收益交易及已收或應收代價的公平值在已售貨品與客戶所賺取的獎品積分之間進行分配。分配予獎品積分的部份予以遞延及在獎品積分贖回及本集團責任已履行後確認。已確認收益金額乃根據為換取獎品已被贖回的獎品積分相對預期贖回的總數目計算。

本集團審閱年末預期贖回的獎品積分的總數目，考慮包括於屆滿後不被客戶贖回的獎品積分數目等多項因素。本公司董事估計，客戶將於獎品積分有效期間以與過往贖回模式一致的方式贖回客戶忠誠計劃項下之獎品積分。根據國際財務報告詮釋委員會詮釋第13號「客戶忠誠計劃」確認的遞延收益金額因而於報告期結束時分類為流動負債項下之遞延收益。於2016年12月31日，客戶忠誠計劃遞延收益的賬面值為人民幣16,912,000元(2015年：人民幣16,853,000元)。

本估計將會按持續基準進行審閱，將予贖回的獎品積分的預期數目將會作出修訂，如已贖回的獎品積分實際數目與未來預期贖回的數目有重大差別。

5. REVENUE AND SEGMENT INFORMATION

The Group's operating segments are based on information prepared and reported to the chief operating decision makers ("CODM"), the board of directors of the Company, for the purposes of resource allocation and performance assessment. The Group is organised into three segments, (1) retail and wholesale of branded fashion footwear ("Retail and wholesale of shoes"), (2) contract manufacturing of footwear ("Contract manufacturing of shoes") and (3) retail of toys. These segments are the basis on which the Group reports its segment information.

The following is an analysis of the Group's revenue and results by operating and reportable segments for the year:

5. 收益及分部資料

本集團之經營分部以向主要營運決策人（「主要營運決策人」，本公司董事會）編製及呈報之資料為基礎，以作資源分配及表現評估用途。本集團分為三個分部：(1) 品牌時尚鞋履零售及批發（「零售及批發鞋履」）、(2) 鞋履合約生產（「合約生產鞋履」）及(3) 玩具零售。該等分部乃根據本集團所報告之分部資料而劃分。

本集團年內來自經營及可呈報分部之收益及業績分析如下：

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Segment revenue	分部收益		
Retail and wholesale of shoes	零售及批發鞋履		
– external sales	– 外部銷售	2,332,464	2,643,225
Contract manufacturing of shoes	合約生產鞋履		
– external sales	– 外部銷售	249,312	291,493
– inter-segment sales	– 分部間銷售	15,521	14,007
Retail of toys	玩具零售		
– external sales	– 外部銷售	624,786	111,087
Segment revenue	分部收益	3,222,083	3,059,812
Eliminations	對銷	(15,521)	(14,007)
Group revenue	集團收益	3,206,562	3,045,805
Segment results	分部業績		
Retail and wholesale of shoes	零售及批發鞋履	298,435	320,502
Contract manufacturing of shoes	合約生產鞋履	(9,966)	9,890
Retail of toys	玩具零售	30,047	26,688
		318,516	357,080
Investment income from held-to-maturity investments	持至到期投資項目之投資收入	107	837
Gain from changes in fair value of derivative financial instruments	衍生金融工具之公平值變動收益	–	16,421
Finance costs	財務成本	(37,436)	(30,993)
Share of loss of an associate	分佔聯營公司虧損	(3,626)	(3,790)
Share of profit of a joint venture	分佔合營公司溢利	1,168	1,192
Profit before income tax	除所得稅前溢利	278,729	340,747
Income tax expense	所得稅開支	(73,296)	(85,258)
Net profit for the year	年內純利	205,433	255,489

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5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 3. Segment results represent the profits earned by each segment and excluding investment income from held-to-maturity investments, gain from changes in fair value of derivative financial instruments, finance costs, share of loss of an associate, share of results of a joint venture and income tax expense. This is the measure reported to CODM for the purpose of resource allocation and performance assessment.

Inter-segment sales are charged at prevailing market prices.

The following is an analysis of the Group's assets and liabilities by operating segment:

5. 收益及分部資料(續)

經營分部之會計政策與本集團會計政策一致。分部業績指各分部所賺取之溢利，不包括持至到期投資項目之投資收入、衍生金融工具之公平值變動收益、財務成本、分估聯營公司虧損、分估合營公司業績及所得稅開支。此乃向主要營運決策人報告之措施，以作資源分配及表現評估用途。

分部間銷售乃按當前市場價格進行。

本集團按經營分部劃分之資產及負債分析如下：

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元 (restated) (重列)
Segment assets	分部資產		
Retail and wholesale of shoes	零售及批發鞋履	3,129,963	3,136,443
Contract manufacturing of shoes	合約生產鞋履	449,383	452,028
Retail of toys	玩具零售	1,416,812	1,387,228
Total segment assets	分部資產總值	4,996,158	4,975,699
Eliminations	對銷	(1,710,772)	(1,802,492)
Unallocated	未分配	108,399	234,510
Total consolidated assets	綜合資產總值	3,393,785	3,407,717
Segment liabilities	分部負債		
Retail and wholesale of shoes	零售及批發鞋履	249,460	212,241
Contract manufacturing of shoes	合約生產鞋履	251,756	245,243
Retail of toys	玩具零售	1,186,065	1,298,742
Total segment liabilities	分部負債總額	1,687,281	1,756,226
Eliminations	對銷	(562,090)	(447,146)
Unallocated	未分配	193,051	189,472
Total consolidated liabilities	綜合負債總額	1,318,242	1,498,552

For the purposes of monitoring segment performance and allocating resources between segments, segment assets are allocated to operating segments other than interest in an associate, deferred tax assets and interest in a joint venture, while all liabilities are allocated to operating segments other than deferred tax liabilities and income tax liabilities.

就監控分部表現及於分部間分配資源而言，分部資產乃分配至除聯營公司之權益、遞延稅項資產及於合營公司之權益之外之經營分部，而所有負債分配至遞延稅項負債及所得稅負債之外之經營分部。

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5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Other segment information

5. 收益及分部資料(續)

其他分部資料

		Retail and wholesale of shoes 零售及批發鞋履 RMB'000 人民幣千元	Contract manufacturing of shoes 生產鞋履 RMB'000 人民幣千元	Retail of toys 零售玩具 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
For the year ended 31 December 2016	截至2016年12月31日止年度				
Depreciation expense	折舊開支	37,931	1,941	20,033	59,905
Amortisation of intangible assets	無形資產攤銷	2,936	151	11,393	14,480
Amortisation of prepaid lease payments	預付租金攤銷	397	-	-	397
(Reversal) provision for inventory obsolescence	陳舊存貨(撥回)撥備	(12,077)	497	1,617	(9,963)
Purchase of property, plant and equipment	購買物業、機器及設備	24,134	2,930	44,610	71,674
Purchase of intangible assets	購買無形資產	9,093	-	7,272	16,365
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備 所得款項	3,218	310	-	3,528
Interest income on bank deposits	銀行存款利息收入	(4,102)	(18)	(135)	(4,255)
Interest income on other financial assets	其他金融資產利息收入	(52)	-	-	(52)
For the year ended 31 December 2015	截至2015年12月31日止年度				
Depreciation expense	折舊開支	45,790	1,931	1,919	49,640
Amortisation of intangible assets	無形資產攤銷	1,367	151	565	2,083
Amortisation of prepaid lease payments	預付租金攤銷	383	-	-	383
Allowance for inventory obsolescence	陳舊存貨撥備	25,450	574	1,201	27,225
Purchase of property, plant and equipment	購買物業、機器及設備	30,106	2,472	4,229	36,807
Purchase of intangible assets	購買無形資產	779	-	603	1,382
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備 所得款項	2,640	311	-	2,951
Interest income on bank deposits	銀行存款利息收入	(4,415)	(16)	(119)	(4,550)
Interest income on other financial assets	其他金融資產利息收入	(5,204)	-	-	(5,204)

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5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Geographical information

The Group's operations are mainly located in the PRC and UK.

The Group's revenue from external customers, based on location of the domiciles of its group entities and information about its non-current assets by geographical location of the assets are detailed below:

		Revenue from external customers 來自外部客戶收益	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
PRC	中國	2,349,782	2,646,946
UK	英國	470,179	96,969
United States of America	美國	247,205	287,772
Other countries	其他國家	139,396	14,118
Total	總計	3,206,562	3,045,805

		Non-current assets 非流動資產	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元 (restated) (重列)
PRC	中國	268,674	325,597
UK	英國	614,228	697,970
Other countries	其他國家	473,795	463,375

Note: Non-current assets exclude deferred tax assets.

There is no single customer contributing over 10% of the total sales of the Group during both years.

5. 收益及分部資料(續)

地區資料

本集團業務主要位於中國及英國。

本集團來自外部客戶(按集團實體註冊所在地劃分)之收益,以及按資產所在地劃分之非流動資產資料詳述如下:

		Revenue from external customers 來自外部客戶收益	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
PRC	中國	2,349,782	2,646,946
UK	英國	470,179	96,969
United States of America	美國	247,205	287,772
Other countries	其他國家	139,396	14,118
Total	總計	3,206,562	3,045,805

		Non-current assets 非流動資產	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元 (restated) (重列)
PRC	中國	268,674	325,597
UK	英國	614,228	697,970
Other countries	其他國家	473,795	463,375

附註: 非流動資產不包括遞延稅項資產。

於兩個年度內並無單一客戶為本集團銷售總額帶來逾10%之貢獻。

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6. OTHER INCOME AND EXPENSES AND OTHER GAINS AND LOSSES

6. 其他收入及開支以及其他收益及虧損

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Other income	其他收入		
Government grants (note)	政府補助金(附註)	47,377	62,009
Interest income on bank deposits	銀行存款利息收入	4,255	4,550
Interest income on other financial assets	其他金融資產利息收入	52	5,204
Others	其他	6,563	9,137
		58,247	80,900
Other gains and losses	其他收益及虧損		
Investment income from held-to-maturity investments	持至到期投資項目之投資收入	107	837
Gain from changes in fair value of derivative financial instruments	衍生金融工具之公平值變動收益	-	16,421
Net foreign exchange gain	匯兌收益淨額	66,666	8,275
		66,773	25,533
		125,020	106,433

Note: The amount mainly represented the subsidies received from the local governments in PRC where the Group entities were located for encouragement of business development activities in the local areas.

附註：該金額主要指收取本集團實體所在中國當地政府為鼓勵於當地開展業務發展活動之補助金。

7. FINANCE COSTS

7. 財務成本

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Interest on bank borrowings	銀行貸款利息	37,436	4,873
Effective interest expense on convertible bonds (note 31)	可換股債券的實際利息開支(附註31)	-	26,120
		37,436	30,993

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8. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging:

8. 年內溢利

年內溢利已經扣除以下各項：

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Depreciation of property, plant and equipment	物業、機器及設備折舊	59,905	49,640
Amortisation (included in administrative and general expenses)	攤銷 (包含在行政及一般開支中)		
– prepaid lease payment	– 預付租金	397	383
– intangible assets	– 無形資產	14,480	2,083
Total depreciation and amortization	折舊及攤銷總額	74,782	52,106
Capitalised in inventories	存貨資本化	(7,992)	(7,613)
		66,790	44,493
Auditors' remuneration	核數師酬金	1,650	1,550
Employee benefits expense	僱員福利開支	594,115	514,138
Cost of inventories recognised as an expense (excluding reversal/allowance for inventories obsolescence)	已確認為開支之存貨成本 (不包括陳舊存貨撥備 (撥回))	1,281,253	1,153,682

9. INCOME TAX EXPENSE

9. 所得稅開支

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Current tax:	即期稅項：		
PRC Enterprise Income Tax ("EIT")	中國企業所得稅 (「企業所得稅」)	62,933	99,063
UK profits tax	英國利得稅	9,346	1,757
(Over) under provision of EIT in prior years	過往年度企業所得稅 (過度) / 撥備不足	(2,166)	2,201
		70,113	103,021
Deferred tax charge (credit) (Note 21)	遞延稅開支 (抵免) (附註21)	3,183	(17,763)
		73,296	85,258

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9. INCOME TAX EXPENSE (CONTINUED)

The tax charge for the year ended 31 December 2016 can be reconciled to the profit before tax as follows:

9. 所得稅開支(續)

截至2016年12月31日止年度之稅項開支與除稅前溢利之對賬如下：

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Profit before tax	除稅前溢利	278,729	340,747
Tax at the income tax rate of 25% (2015: 25%) (Note)	按所得稅稅率25%計算之稅項(2015年: 25%)(附註)	69,682	85,187
Tax effect of share of loss of an associate	分佔聯營公司虧損之稅務影響	907	948
Tax effect of share of profit of a joint venture	分佔合營公司溢利之稅務影響	(292)	(298)
Tax effect of expenses not deductible for tax purpose	就稅務目的不可扣減之開支之稅務影響	9,311	7,743
Tax effect of income not taxable for tax purpose	就稅務目的毋須課稅之收入之稅務影響	(2,265)	(14,810)
Decrease in opening deferred tax liability resulting from a decrease in applicable tax rate	年初遞延稅項負債因適用稅率下調而減少	(3,365)	-
(Over) under provision in respect of prior year	過往年度(過度)撥備不足	(2,166)	2,201
Utilization of tax loss previously not recognised	動用之前未確認的稅務虧損	-	(303)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	1,180	-
Effect of different tax rates of group entities operating in jurisdictions other than PRC	於中國以外司法權區運營之集團實體不同稅率之影響	(1,292)	(1,231)
Tax effect on withholding tax on undistributed profits in the PRC	中國未分配溢利預扣稅之稅務影響	1,596	5,821
Income tax expense for the year	年內所得稅開支	73,296	85,258

Note: Pursuant to the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% during the two years.

附註：根據中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司於兩個年度的稅率為25%。

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9. INCOME TAX EXPENSE (CONTINUED)

The Company incorporated in Bermuda is not subject to any income tax in that jurisdiction during the year ended 31 December 2016 (2015: nil).

Best Invent Holdings Limited (“Best Invent”) and Best Value Profits Limited (“Best Value”), two subsidiaries of the Company incorporated in the British Virgin Islands (“BVI”), are not subject to any income tax in that jurisdiction during the year ended 31 December 2016 (2015: nil) as both of them have no assessable income in the current year.

Allied Great International Holdings Limited (“Allied Great”), and China Ease Enterprise Limited (“China Ease”), which are both subsidiaries of the Company incorporated in Hong Kong, are subject to Hong Kong profits tax at 16.5% during the year ended 31 December 2016 (2015: 16.5%). None of group entities have any assessable profits subject to Hong Kong profits tax during the year ended 31 December 2016 and 31 December 2015.

Hamleys Global Holdings Limited (“Hamleys Global”) incorporated in UK is subject to UK profits tax at 20% during the year ended 31 December 2016 and 31 December 2015.

At summer budget 2015, the government of UK announced legislation setting the profits tax rate at 19% for the years starting the 1 April 2017, 2018 and 2019 and at 18% for the year starting 1 April 2020. At budget 2016, the government of UK announced a further reduction to the profits tax main rate (for all profits except ring fence profits) for the year starting 1 April 2020, setting the rate at 17%.

9. 所得稅開支(續)

本公司於百慕達註冊成立，於截至2015年12月31日止年度毋須繳納該司法權區的任何所得稅(2015年：無)。

本公司兩間附屬公司Best Invent Holdings Limited(「Best Invent」)及 Best Value Profits Limited(「Best Value」)於英屬處女群島(「英屬處女群島」)註冊成立，於截至2016年12月31日止年度毋須繳納該司法權區的任何所得稅(2015年：無)，原因為兩間公司於本年度概無產生應課稅收入。

本公司兩間附屬公司匯英國際集團(「匯英」)及華誼企業有限公司(「華誼」)於香港註冊成立，於截至2016年12月31日止年度須按16.5%繳納香港利得稅(2015年：16.5%)。於截至2016年12月31日及2015年12月31日止年度，並無集團實體有任何應課稅溢利而須繳納香港利得稅。

Hamleys Global Holdings Limited(「Hamleys」)於英國註冊成立及於截至2016年12月31日及2015年12月31日止年度按20%的稅率繳納英國利得稅。

於2015年的夏季預算中，英國政府宣佈立法規定，自2017年、2018年及2019年4月1日開始的年度利得稅率訂為19%，及自2020年4月1日開始的年度利得稅率訂為18%。於2016年的財政預算中，英國政府宣佈自2020年4月1日開始的年度進一步減低利得稅的主要稅率(除保障利潤外的所有利潤)，將利率訂為17%。

9. INCOME TAX EXPENSE (CONTINUED)

Under the relevant tax law and implementation regulations in the PRC, withholding income tax is applicable to dividends payable to investors that are “non-PRC tax resident enterprises”, which do not have an establishment or place of business in the PRC, or which have such establishment or place of business but the relevant income is not effectively connected with the establishment or place of business, to the extent such dividends have their sources within the PRC. Under such circumstances, dividends distributed from the PRC subsidiaries to non-PRC tax resident group entities in Hong Kong shall be subject to the withholding tax at 5%. Dividend distributed from a PRC subsidiary to a non-PRC tax resident group entity in BVI shall be subject to the withholding tax at 10%. As at 31 December 2016, except for those provided for as detailed in Note 21, no deferred tax has been provided in relation to withholding income tax for the remaining undistributed profits of RMB781,363,000 (31 December 2015: RMB655,023,000) retained by PRC entities, as the directors of the Company did not anticipate to distribute such profits from its PRC subsidiaries in the foreseeable future.

10. DIRECTORS', CHIEF EXECUTIVE AND EMPLOYEES' EMOLUMENTS

The emoluments paid or payable to the directors of the Company were as follows:

9. 所得稅開支(續)

根據中國相關稅法與實施條例，應付予「非中國稅務居民企業」投資者的股息須以源自中國境內的所得為限繳納預扣所得稅，該等投資者於中國並無設立機構或營業場所，或於中國有設立機構或營業場所但相關所得實際上與其在中國設立的機構或營業場所無關。據此情況，中國附屬公司向香港境內的非中國稅務居民的集團實體分配的股息，須按5%稅率繳納預扣稅。中國附屬公司派付予英屬處女群島的非中國稅務居民企業集團實體的股息須按10%的預扣所得稅稅率繳納。於2016年12月31日，除就中國實體留存的人民幣781,363,000元(2015年12月31日：人民幣655,023,000元)的餘下未分配溢利作出預扣所得稅的撥備(詳情見附註21)外，由於本公司董事預期並不會於可見之將來分配來自中國附屬公司的溢利，故並未作出有關遞延稅項撥備。

10. 董事、主要行政人員及僱員酬金

已付或應付予本公司董事之酬金如下：

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Directors' emoluments:	董事酬金：		
– Directors' fee	– 董事袍金	1,253	1,240
– Salaries and other benefits	– 工資及其他福利	3,312	3,364
– Contributions to retirement benefits scheme	– 退休福利計劃供款	61	60
Total	合計	4,626	4,664

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10. DIRECTORS', CHIEF EXECUTIVE AND EMPLOYEES' EMOLUMENTS (CONTINUED)

10. 董事、主要行政人員及僱員酬金(續)

		Salaries and other benefits	Contributions to retirement benefits scheme	Total
	Directors' fee	工資及 其他福利	退休福利 計劃供款	合計
	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元
For the year ended 31 December 2016	截至2016年12月31日止年度			
Executive directors:	執行董事：			
Chen Yixi	179	-	-	179
Zhao Wei	-	1,284	20	1,304
Huo Li	-	1,025	20	1,045
Xu Tingyu (note 2)	-	945	20	965
Yuan Zhenhua (note 3)	-	58	1	59
Ngan Wing Ho (note 3)	-	-	-	-
Non-executive directors:	非執行董事：			
Miao Bingwen	179	-	-	179
Wu Guangze	179	-	-	179
Independent non-executive directors:	獨立非執行董事：			
Kwong Wai Sun Wilson	179	-	-	179
Li Xindan	179	-	-	179
Zhang Zhiyong	179	-	-	179
Zheng Hongliang	179	-	-	179
	1,253	3,312	61	4,626
For the year ended 31 December 2015	截至2015年12月31日止年度			
Executive directors:	執行董事：			
Chen Yixi	160	-	-	160
Zhao Wei	-	1,288	20	1,308
Huo Li	-	1,038	20	1,058
Xu Tingyu	-	1,038	20	1,058
Non-executive directors:	非執行董事：			
Miao Bingwen	160	-	-	160
Ho Chi Kit (note 1)	120	-	-	120
Wu Guangze	160	-	-	160
Independent non-executive directors:	獨立非執行董事：			
Kwong Wai Sun Wilson	160	-	-	160
Li Xindan	160	-	-	160
Zhang Zhiyong	160	-	-	160
Zheng Hongliang	160	-	-	160
	1,240	3,364	60	4,664

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10. DIRECTORS', CHIEF EXECUTIVE AND EMPLOYEES' EMOLUMENTS (CONTINUED)

The executive director's emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The non-executive directors' emoluments shown above were for their services as directors of the Company. There is no arrangement of waive the remuneration.

Notes:

1. The director resigned on 14 September 2015.
2. The director resigned on 12 December 2016.
3. The directors were appointed on 12 December 2016.

Of the five individuals with the highest emoluments in the Group two (2015: three) were directors of the Company whose emoluments are included in the disclosures above. The emoluments of the remaining three (2015: two) individual were as follows:

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Salaries and other benefits	薪金及其他福利	5,939	1,565
Contributions to retirement benefits scheme	退休福利計劃供款	578	41
Total	合計	6,517	1,606

Their emoluments were within the following bands:

		2016 2016年 No. of employees 僱員數目	2015 2015年 No. of employees 僱員數目
Nil to HKD1,000,000	0港元至1,000,000港元	–	1
HKD1,000,001 to HKD1,500,000	1,000,001港元至1,500,000港元	–	1
HKD1,500,001 to HKD2,000,000	1,500,001港元至2,000,000港元	–	–
HKD2,000,001 to HKD2,500,000	2,000,001港元至2,500,000港元	2	–
HKD2,500,001 to HKD3,000,000	2,500,001港元至3,000,000港元	1	–
		3	2

10. 董事、主要行政人員及僱員酬金(續)

上表所列執行董事的酬金主要為彼等與本公司及本集團管理事宜相關服務的報酬。非執行董事的酬金乃主要為彼等擔任本公司董事提供服務的報酬。

附註：

1. 該董事於2015年9月14日辭任。
2. 該董事於2016年12月12日辭任。
3. 該董事於2016年12月12日獲委任。

本集團五名最高薪人士中，兩名(2015年：三名)為本公司董事，彼等的薪酬載於上述披露中。餘下三名(2015年：兩名)人士的薪酬如下：

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10. DIRECTORS', CHIEF EXECUTIVE AND EMPLOYEES' EMOLUMENTS (CONTINUED)

During both years, no emoluments were paid by the Group to the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office.

11. DIVIDENDS

The Directors of the Company do not propose final dividend for the year ended 31 December 2016 (final dividend for the year ended 31 December 2015: nil).

12. EARNINGS PER SHARE

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

10. 董事、主要行政人員及僱員酬金(續)

於兩個年度內，本集團概無向五名最高薪酬人士(包括董事及僱員)支付任何酬金，作為其加入本集團時或之後之獎勵，或作為其離職補償。

11. 股息

董事會並無就截至2016年12月31日止年度建議宣派末期股息(截至2015年12月31日止年度末期股息：無)。

12. 每股盈利

年內本公司擁有人應佔每股基本及攤薄盈利乃根據以下數據計算：

		2016 2016年	2015 2015年
Earnings (RMB'000)	盈利(人民幣千元)		
Earnings for the purposes of calculating basic and diluted earnings per share (profit for the year attributable to owners of the Company)	用作計算每股基本及攤薄盈利之盈利(本公司擁有人應佔年內溢利)	206,253	257,492
Number of shares ('000)	股份數目(千股)		
Weighted average number of ordinary shares in issue less shares held under the share award scheme during the year for the purpose of calculating basic and dilutive earnings per share	於計算每股基本及攤薄盈利的已發行普通股加權平均數減根據股份獎勵計劃於年內持有之股份	2,061,346	2,037,312
Earnings per share (RMB cents)	每股盈利(人民幣分)		
– Basic	– 基本	10.01	12.64
– Diluted	– 攤薄	10.01	12.64

The weighted average number of ordinary shares for the purpose of calculating basic and dilutive earnings per share were the same. Accordingly, the dilutive earnings per share was the same as the basic earnings per share for the year ended 31 December 2016.

計算基本每股盈利的加權平均股數和攤薄每股盈利的加權平均股數相同。因此於2016年12月31日，基本每股盈利和攤薄每股盈利相同。

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、機器及設備

		Buildings	Machinery	Fixtures and equipment	Motor vehicles	Leasehold Improvements	Construction in progress	PPE under finance leases 融資租賃 項下的物業、 機器及設備	Total
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
COST	成本								
At 1 January 2015	於2015年1月1日	148,418	53,525	35,582	31,897	58,457	127	–	328,006
Exchange adjustment	匯兌調整	–	–	77	–	(19)	–	(49)	9
Additions	添置	780	3,620	6,985	5,727	19,695	–	–	36,807
Acquired on acquisition of a subsidiary	收購一間附屬 公司所得	–	–	83,264	–	3,409	–	7,590	94,263
Disposals	出售	–	(2,166)	(1,617)	(8,201)	–	–	–	(11,984)
At 31 December 2015	於2015年12月31日	149,198	54,979	124,291	29,423	81,542	127	7,541	447,101
Exchange adjustment	匯兌調整	–	–	(14,071)	–	(457)	–	(1,512)	(16,040)
Additions	添置	607	4,728	13,154	4,340	48,845	–	5,668	77,342
Acquired on acquisition of a subsidiary (note 36)	收購一間附屬公司 所得(附註36)	–	–	1,116	–	–	–	–	1,116
Disposals	出售	–	(7,344)	(1,648)	(5,171)	(9,918)	(127)	–	(24,208)
At 31 December 2016	於2016年12月31日	149,805	52,363	122,842	28,592	120,012	–	11,697	485,311
DEPRECIATION	折舊								
At 1 January 2015	於2015年1月1日	28,402	28,588	28,144	18,411	31,417	–	–	134,962
Exchange adjustment	匯兌調整	–	–	150	–	(3)	–	(14)	133
Provided for the year	年內撥備	6,576	4,452	5,264	5,587	27,587	–	174	49,640
Eliminated on disposals	出售時撇銷	–	(1,752)	(1,381)	(5,900)	–	–	–	(9,033)
At 31 December 2015	於2015年12月31日	34,978	31,288	32,177	18,098	59,001	–	160	175,702
Exchange adjustment	匯兌調整	–	–	(5,027)	–	(69)	–	(317)	(5,413)
Provided for the year	年內撥備	6,801	4,790	20,601	4,568	21,635	–	1,510	59,905
Eliminated on disposals	出售時撇銷	–	(5,201)	(1,421)	(4,140)	(9,918)	–	–	(20,680)
At 31 December 2016	於2016年12月31日	41,779	30,877	46,330	18,526	70,649	–	1,353	209,514
CARRYING VALUES	賬面值								
At 31 December 2016	於2016年12月31日	108,026	21,486	76,512	10,066	49,363	–	10,344	275,797
At 31 December 2015	於2015年12月31日	114,220	23,691	92,114	11,325	22,541	127	7,381	271,399

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13. PROPERTY, PLANT AND EQUIPMENT

(CONTINUED)

The above items of property, plant and equipment other than construction in progress are depreciated, after considering their residual values, on a straight-line basis at the following rates per annum:

Buildings	4.5%
Machinery	9%
Fixtures and equipment	5%-33%
Motor vehicles	18%
Leasehold improvements	useful life or over the term of the lease, whichever is shorter

At 31 December 2016, no buildings was pledged to secure bank borrowings. At 31 December 2015, buildings with a carrying amount of approximately RMB33,817,000 have been pledged to secure bank borrowings of the Group (see note 40). The Group is not allowed to re-pledge these assets as security for other borrowings or to sell them to another entity.

In addition, the Group's obligations under finance leases (see note 32) are secured by the lessors' title to the leased assets, which have a carrying amount of RMB10,344,000 (31 December 2015: RMB7,381,000).

14. PREPAID LEASE PAYMENTS

Cost	成本
At beginning and end of the year	年初及年末
Accumulated amortisation	累計攤銷
At beginning of the year	年初
Amortisation	攤銷
At end of the year	年末
Carrying amount	賬面值
At end of the year	年末
Analysed for reporting purposes as:	就報告目的的分析：
Current asset (Note 24)	流動資產(附註24)
Non-current asset	非流動資產

The amount represents the lease premium payment for land use rights which is situated in the PRC. It is amortised over 50 years and the amortisation periods is in line with the period of land use rights.

13. 物業、機器及設備(續)

上述物業、機器及設備項目(在建工程除外)在考慮其剩餘價值後,以直線法按下列年率於租賃期限(以較短者為準)進行折舊:

樓宇	4.5%
機器	9%
裝置及設備	5%至33%
汽車	18%
租賃物業裝修	可使用年期或租期(以較短者為準)

於2016年12月31日,概無樓宇已予抵押以獲得本集團的銀行借款。於2015年12月31日,賬面值約人民幣33,817,000元的樓宇已予抵押以獲得本集團的銀行借款(參見附註40)。本集團不得再次抵押該等資產作為其他借款的擔保或出售該等資產予另一實體。

此外,本集團融資租賃項下的承擔(參見附註32)以出租人對租賃資產的所有權作抵押,其賬面值為人民幣10,344,000元(2015年12月31日:人民幣7,381,000元)。

14. 預付租金

2016	2015
2016年	2015年
RMB'000	RMB'000
人民幣千元	人民幣千元
21,037	21,037
6,827	6,444
397	383
7,224	6,827
13,813	14,210
397	397
13,416	13,813
13,813	14,210

該金額指位於中國的土地使用權的租賃溢價付款。按50年攤銷及攤銷期與土地使用權的期間一致。

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15. OTHER INTANGIBLE ASSETS

15. 其他無形資產

		Trademark 商標	Brand 品牌	Software 軟件	Franchise agreements 特許經營協議	Concession agreements 特許協議	Others 其他	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
		(restated) (重列)		(restated) (重列)	(restated) (重列)			
Cost	成本							
At 1 January 2015	於2015年1月1日	–	–	9,028	–	–	–	9,028
Exchange adjustment	匯兌調整	(24)	(1,636)	(37)	(106)	–	(19)	(1,822)
Acquired on acquisition of a subsidiary	收購一間附屬公司所得	3,578	483,434	3,311	45,211	–	2,146	537,680
Additions	添置	400	–	982	–	–	–	1,382
At 31 December 2015 (originally stated)	於2015年12月31日 (原先呈列)	3,954	481,798	13,284	45,105	–	2,127	546,268
Adjustments to fair value of assets acquired on acquisition in prior year	去年收購所得的資產的 公平值調整	–	362,879	–	(45,105)	33,924	–	351,698
At 1 January 2016 (restated)	於2016年1月1日 (重列)	3,954	844,677	13,284	–	33,924	2,127	897,966
Exchange adjustment	匯兌調整	(760)	(39,194)	(1,185)	–	(671)	(534)	(42,344)
Additions	添置	2,503	14,556	5,666	–	–	1,489	24,214
At 31 December 2016	於2016年12月31日	5,697	820,039	17,765	–	33,253	3,082	879,836
Amortisation	攤銷							
At 1 January 2015	於2015年1月1日	–	–	4,109	–	–	–	4,109
Exchange adjustment	匯兌調整	(7)	(15)	(23)	(25)	–	(9)	(79)
Charge for the period	年內開支	86	30	1,745	156	–	66	2,083
At 31 December 2015 (originally stated)	於2015年12月31日 (原先呈列)	79	15	5,831	131	–	57	6,113
Adjustments to fair value of assets acquired on acquisitions in prior year	去年收購所得的資產的 公平值調整	–	–	–	(131)	131	–	–
At 1 January 2016 (restated)	於2016年1月1日(重列)	79	15	5,831	–	131	57	6,113
Exchange adjustment	匯兌調整	(189)	(425)	(713)	–	(129)	(257)	(1,713)
Charge for the period	年內開支	441	2,483	4,027	–	6,681	848	14,480
At 31 December 2016	於2016年12月31日	331	2,073	9,145	–	6,683	648	18,880
Carrying values	賬面值							
At 31 December 2015 as originally stated	於2015年12月31日 如原先呈列	3,875	481,783	7,453	44,974	–	2,070	540,155
At 1 January 2016 (restated)	於2016年1月1日(重列)	3,875	844,662	7,453	–	33,793	2,070	891,853
At 31 December 2016	於2016年12月31日	5,366	817,966	8,620	–	26,570	2,434	860,956

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15. OTHER INTANGIBLE ASSETS (CONTINUED)

The above intangible assets other than the brand of “Hamleys” have finite useful lives. These intangible assets are amortised on a straight-line basis over the following periods:

Other brands	2~10 years
Trademarks	5 years
Software	3~5 years
Concession agreements	6 years
Others	3~5 years

The brand of Hamleys, which arose from the acquisition of Hamleys Global Holdings Limited and its subsidiaries (“Hamleys Global Group”) in November 2015, is stated at RMB 805,182,000 (2015: RMB832,879,000) and has an indefinite useful life. This indefinite useful life is supported by Hamleys being a well-established and reputable brand and is the world’s oldest toy store. There are no known legal or contractual provisions that would limit the useful life of the brand and it is protected by trademarks that can be renewed indefinitely.

16. GOODWILL

		Amount 金額 RMB'000 人民幣千元
Cost	成本	
At 1 January 2015	於2015年1月1日	5,725
Arising on acquisition of subsidiary (note b)	收購附屬公司所產生者(附註b)	177,221
At 31 December 2015 (restated)	於2015年12月31日(重列)	182,946
Arising on acquisition of subsidiary (note a & Note 36)	收購附屬公司所產生者(附註a及36)	1,558
Exchange adjustment	匯兌調整	(18,046)
At 31 December 2016	於2016年12月31日	166,458

Note a:

On 14 January 2016, the Group acquired 80% of the issued share capital of Hamleys Nordics ApS (“Hamleys Nordics”, formerly known as “HScan Holding ApS”) for a cash consideration of RMB4,514,000, resulting in a goodwill of RMB1,558,000, details of which are set out in note 36.

15. 其他無形資產(續)

上述無形資產(不包括「Hamleys」品牌)具有有限使用年限。該等無形資產於以下期間按直線法基準攤銷：

其他品牌	2至10年
商標	5年
軟件	3至5年
特許協議	6年
其他	3至5年

Hamleys之品牌(乃於2015年11月收購Hamleys Global Holdings Limited及其附屬公司(「Hamleys Global集團」)所產生)，列賬為人民幣805,182,000元(2015年：人民幣832,879,000元)，及且具有無限年期。具有無限年期是建基於Hamleys為卓越和受尊崇的品牌，並是全球歷史最悠久的玩具店。並無現存的法律或合約條文限制品牌的年期，品牌受商標保障，而商標可予以無限續期。

16. 商譽

附註 a：

於2016年1月14日，本集團收購Hamleys Nordics ApS(「Hamleys Nordics」，前稱為「HScan Holding ApS」)80%已發行股本，現金代價為人民幣4,514,000元，產生人民幣1,558,000元的商譽。有關詳情載於附註36。

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16. GOODWILL (CONTINUED)

Note b:

At 31 December 2015, goodwill of RMB177,221,000 is related to the Group's acquisition of Hamleys Global Group in November 2015.

In November 2015, the Group acquired the entire issued capital of Hamleys Global headquartered in UK for a cash consideration of approximately RMB734,207,000, resulting in a goodwill determined on a provisional basis of RMB 491,748,000, as detailed in note 38 of the annual report for the year ended 31 December 2015. During the current year, as a result of finalization of the market valuations and other calculations related to the acquisition of Hamleys Global Group, the amount of goodwill is revised to be RMB177,221,000. The difference of RMB314,527,000 previously recognised provisionally as goodwill has been restated and reclassified in the effect that other intangible assets were increased by RMB351,698,000, deferred revenue were decreased by RMB51,619,000, setting off with an corresponding increase in deferred tax liabilities of RMB70,331,000, and a decrease in trade receivables of RMB18,617,000. The comparative figures at 31 December 2015 have been restated as if the initial accounting had been completed from the acquisition date. There was no material impact to the profit or loss for the year ended 31 December 2015.

As at 1 January 2016, the following items are restated:

		Originally stated 原先呈列 RMB'000 人民幣千元	Restated 重列 RMB'000 人民幣千元
Other intangible assets	其他無形資產	540,155	891,853
Deferred tax liability	遞延稅項負債	(93,027)	(163,358)
Trade receivables	貿易應收款項	441,174	422,557
Deferred revenue	遞延收益	(68,686)	(17,067)
Foreign currency translation reserve	外幣匯兌儲備	(179)	(337)
Goodwill	商譽	497,473	182,946

The acquisition was in November 2015, there is no impact on the financial position as at 31 December 2014, thus, no opening third statement is presented.

16. 商譽(續)

附註b:

於2015年12月31日，人民幣為177,221,000元的商譽與本集團於2015年11月收購Hamleys Global集團有關。

於2015年11月，本集團收購位於英國的Hamleys Global全部已發行股本，現金代價約為人民幣734,207,000元，產生商譽暫時為人民幣491,748,000元，其詳情載於截至2015年12月31日止年度之年報附註38。於本年度，由於市場估值以及其他有關收購Hamleys Global集團的計算作最後確定，商譽金額重新修訂為人民幣177,221,000元。早前暫時確認為商譽之差額人民幣314,527,000元經已重列，並重新歸類為其他無形資產增加人民幣351,698,000元，遞延收益減少人民幣51,619,000元，抵銷遞延稅項負債增加人民幣70,331,000元及貿易應收款項減少人民幣18,617,000元的影響。於2015年12月31日之比較數字經已重列，猶如於收購日期完成初始會計處理一般。概無對2015年12月31日止年度的損益產生重大影響。

於2016年1月1日，下列項目重列為：

	Originally stated 原先呈列 RMB'000 人民幣千元	Restated 重列 RMB'000 人民幣千元
收購於2015年11月完成，對於2014年12月31日的財務狀況概無影響，因此並無呈列期初第三報表。		

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17. IMPAIRMENT TESTING ON INTANGIBLE ASSET WITH INDEFINITE USEFUL LIFE AND GOODWILL

For the purposes of impairment testing, brand with indefinite useful life and goodwill set out in notes 15 and 16 have been allocated to three individual cash generating units (CGUs). The carrying amounts of brand with indefinite useful life and goodwill as at 31 December 2016 allocated to these units are as follows:

17. 具有無限可使用年期的無形資產及商譽之減值測試年限

就減值測試而言，附註15及16所載商譽及具有無限可使用年期的品牌已分配至三個單獨的現金產生單位。分配至該等單位的商譽及品牌於2016年12月31日的賬面值如下：

		Goodwill		Brand with indefinite useful lives	
		商譽		具有無限可使用年期的品牌	
		2016	2015	2016	2015
		2016年	2015年	2016年	2015年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
			(restated)		(restated)
			(重列)		(重列)
Hamleys Global (Unit A)	Hamleys Global Holdings Limited (單位A)	159,175	177,221	805,182	832,879
Mega Brilliant International Limited (Unit B)	美宏國際有限公司 (單位B)	5,725	5,725	–	–
Hamleys Nordics (Unit C)	Hamleys Nordics (單位C)	1,558	–	–	–
		166,458	182,946	805,182	832,879

During the year ended 31 December 2016, management of the Group determine that there are no impairments of any of its CGUs containing brand with indefinite useful life and goodwill.

The basis of the recoverable amounts of the above CGUs and their major underlying assumptions are summarized below:

Unit A

The recoverable amount of this unit has been determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by directors of the Company covering a four-year period, and discount rate of 14%. Unit A's cash flow beyond the four-year period are extrapolated using an average 5% per annum growth rate. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the unit's past performance and management's expectations for the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of Unit A to exceed the aggregate recoverable amount of Unit A.

於截至2016年12月31日止年度，本集團管理層確定，其擁有商譽及具有無限可使用年期之品牌的任何現金產生單位均無錄得減值。

上述現金產生單位的可收回金額的基準及彼等主要相關假設概述如下：

單位A

該單位之可收回金額乃以計算使用價值釐定，有關計算使用根據董事所批准覆蓋四年期之財務預算及14%之折現率得出之現金流預測作出。超過四年期間之單位A現金流量按每年平均5%之增長率推算得出。計算使用價值之其他主要假設與估計現金流入／流出相關，包括預算銷售額及毛利率。該等估計乃根據單位之過往表現以及管理層對市場發展的預期作出。管理層相信任何該等假設之任何合理可能變動，將不會導致單位A之賬面總值超過單位A之可收回總金額。

17. IMPAIRMENT TESTING ON INTANGIBLE ASSET WITH INDEFINITE USEFUL LIFE AND GOODWILL (CONTINUED)

Unit B

The recoverable amount of this unit has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by directors of the Company covering a two-year period, and discount rate of 10%. Unit B's cash flow beyond the two-year period are extrapolated using an average 5% per annum growth rate. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the unit's past performance and management's expectations for the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of Unit B to exceed the aggregate recoverable amount of Unit B.

Unit C

The recoverable amount of this unit has been determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by directors of the Company covering a four-year period, and discount rate of 14%. Unit C's cash flow beyond the four-year period are extrapolated using an average 5% per annum growth rate. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the unit's past performance and management's expectations for the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of Unit C to exceed the aggregate recoverable amount of Unit C.

18. INTEREST IN AN ASSOCIATE

17. 具有無限可使用年期的無形資產及商譽之減值測試年限(續)

單位B

該單位之可收回金額乃以計算使用價值釐定，有關計算使用根據董事所批准覆蓋兩年期之財務預算及10%之折現率得出之現金流預測作出。超過兩年期間之單位B現金流量按每年平均5%之增長率推算得出。計算使用價值之其他主要假設與估計現金流入／流出相關，包括預算銷售額及毛利率。該等估計乃根據單位之過往表現以及管理層對市場發展的預期作出。管理層相信任何該等假設之任何合理可能變動，將不會導致單位B之賬面總值超過單位B之可收回總金額。

單位C

該單位之可收回金額乃以計算使用價值釐定，有關計算使用根據董事所批准覆蓋四年期之財務預算及14%之折現率得出之現金流預測作出。超過四年期間之單位A現金流量按每年平均5%之增長率推算得出。計算使用價值之其他主要假設與估計現金流入／流出相關，包括預算銷售額及毛利率。該等估計乃根據單位之過往表現以及管理層對市場發展的預期作出。管理層相信任何該等假設之任何合理可能變動，將不會導致單位C之賬面總值超過單位C之可收回總金額。

18. 於聯營公司的權益

		2016	2015
		2016年	2015年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cost of unlisted investments in an associate	於聯營公司的非上市投資成本	26,924	26,924
Share of post-acquisition loss	分佔收購後虧損	(7,714)	(4,120)
		19,210	22,804

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18. INTEREST IN AN ASSOCIATE (CONTINUED)

As at the end of the reporting period, details of the associate is as follows:

Name of associate 聯營公司名稱	Place and date of incorporation 註冊成立/成立 地點及日期	Principal place of operation 主要營業地點	Proportion of nominal value of issued/paid up capital and voting power held by the Group 本集團持有之已發行/實繳股本及投票權面值之比例		Principal activity 主要業務
			2016 2016年	2015 2015年	
United Nude international Limited	BVI 28 April 2008	Hong Kong	26%	25%	Branded shoes supplier and trading 品牌鞋履供應商及貿易
United Nude International Limited	英屬處女群島 2008年4月28日	香港			

The summarised consolidated financial information in respect of the Group's associate which is accounted for using the equity method and is not individually material is set out below:

有關本集團使用權益法入賬且並非單獨重大的聯營公司的綜合資料概要載列如下：

	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Current assets 流動資產	41,709	60,995
Non-current assets 非流動資產	2,704	3,142
Current liabilities 流動負債	34,695	39,569

The above amounts of assets and liabilities include the following:

上述資產及負債的金額包括下列各項：

	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Cash and cash equivalents 現金及現金等價物	9,713	9,742
Revenue 收入	57,510	78,955
Net loss for the year 年內虧損淨額	(14,850)	(15,480)
Total comprehensive loss for the year 年內全面虧損總額	(14,850)	(15,480)

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18. INTEREST IN AN ASSOCIATE (CONTINUED)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Net assets	淨資產	9,718	24,568
Proportion of the Group's ownership interest	本集團擁有權權益比例	26%	25%
Goodwill	商譽	7,418	7,418
Effect of fair value adjustments at acquisition	公平值調整對收購之影響	9,244	9,244
Carrying amount of the Group's interest	本集團權益之賬面值	19,210	22,804

18. 於聯營公司的權益(續)

上述財務資料概要與於綜合財務報表中已確認合營企業權益的賬面值的對賬：

19. INTEREST IN A JOINT VENTURE

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Cost of unlisted investments in a joint venture	於合營企業非上市投資成本	26,251	26,251
Share of post-acquisition loss	分佔收購後虧損	(20,238)	(19,578)
		6,013	6,673
Shown under current asset	列於流動資產下	(6,013)	-
Non-current portion	非流動部分	-	6,673

19. 於合營企業的權益

As at the end of the reporting period, the Group had interest in the following joint venture:

於報告期末，本集團於下列合營企業擁有權益：

Name of joint venture 合營企業名稱	Place and date of incorporation 註冊成立/成立 地點及日期	Principal place of operation 地點及日期 地點	Proportion of nominal value of issued/paid up capital and voting power held by the Group 本集團持有之已發行/實繳股本及投票權面值之比例		Principal activity 主要業務
			2016 2016年	2015 2015年	
B&H Footwear Company Limited 美康鞋業有限公司 ("Hong Kong B&H")* (note) 美康鞋業有限公司 ("香港美康")*(附註)	Hong Kong 29 May, 2007 香港 2007年5月29日	Hong Kong 香港	49%	49%	Trading 貿易

* Pursuant to joint-venture agreement, the entity is jointly controlled by the Group and respective joint-venture partners.

* 根據合營企業協議，該等實體由本集團及各合營企業合夥人共同控制。

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19. INTEREST IN A JOINT VENTURE

(CONTINUED)

Note: Dongguan B&H Footwear Industries Limited 東莞美康鞋業有限公司 (“Dongguan B&H”) is a 100% subsidiary held by Hong Kong B&H. The principal activity of Dongguan B&H is manufacture and retail of branded fashion footwear. The joint venture agreement of Dongguan B&H will expire in 2017. The Group and respective joint venture partners decided to close the operation of Dongguan B&H then. The carrying amount of the interest in the joint venture will be collected back by cash payment from Dongguan B&H.

The summarised consolidated financial information in respect of the Group’s joint venture which is accounted for using the equity method and is not individually material is set out below:

19. 於合營企業的權益(續)

附註：東莞美康鞋業有限公司(「東莞美康」)為香港美康全資擁有之附屬公司。東莞美康之主要業務為生產及零售品牌時尚鞋履。東莞美康之合營企業協議將於2017年屆滿。本集團及各合營企業夥伴決定屆時將結束東莞美康的營運。於合營企業之權益的眼面值將自東莞美康以現金付款收回。

有關本集團使用權益法入賬且並非單獨重大的合營企業的綜合資料概要載列如下：

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Current assets	流動資產	13,817	20,156
Non-current assets	非流動資產	465	749
Current liabilities	流動負債	2,011	7,287

The above amounts of assets and liabilities include the following:

上述資產及負債的金額包括下列各項：

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等價物	13,786	12,968
Revenue	收益	35,576	52,096
Profit for the year	年內溢利	1,347	1,304
Total comprehensive income for the year	年內全面收益總額	1,347	1,304

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19. INTEREST IN A JOINT VENTURE

(CONTINUED)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Net assets	淨資產	12,271	13,618
Proportion of the Group's ownership interest	本集團擁有權權益比例	49%	49%
Carrying amount of the Group's interest	本集團權益之賬面值	6,013	6,673

19. 於合營企業的權益 (續)

上述財務資料概要與於綜合財務報表中已確認合營企業權益的賬面值的對賬：

20. HELD-TO-MATURITY INVESTMENTS

Held-to-maturity investments comprise:

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Debt securities	債務證券		
Current portion	即期部分	-	3,062

20. 持至到期投資項目

持至到期投資項目包括：

As at 31 December 2015, the above held-to-maturity investments represented unsecured debt securities that are issued by companies with shares listed on the Hong Kong Stock Exchange. In 2016, the Company redeemed the investment with carrying amount of RMB3,169,000. A gain on redemption of RMB107,000 has been recognised as income received from held-to-maturity investments in the profit or loss in the current year.

於2015年12月31日，上述持至到期投資項目指由股份在香港聯交所上市的公司發行的無抵押債務證券，於2016年，本公司贖回賬面值為人民幣3,169,000元的投資。人民幣107,000元的贖回收益已於本年度的損益表內確認為已收持至到期投資項目的收入。

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21. DEFERRED TAXATION

The following are the deferred tax balances recognised by the Group and movements thereon during the year:

21. 遞延稅項

以下為本集團確認的遞延稅項結餘及其年內變動：

		Unrealized profit in inventories	Write down of inventories	Tax losses	Deferred income	Withholding tax on undistributed profits	Fair value Adjustment on intangible assets arising from acquisition of a subsidiary	Others	Total
		存貨未變現溢利	存貨撇減	稅項虧損	遞延收入	未變現溢利預扣稅	無形資產的公平值調整	其他	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2015	於2015年1月1日	39,977	16,764	-	3,845	(1,451)	-	-	59,135
Credit (charge) to profit or loss	計入損益 (自損益扣除)	18,062	6,752	(1,791)	368	(5,821)	223	(30)	17,763
Reversal on payment of withholding tax	撥回預扣稅付款	-	-	-	-	7,272	-	-	7,272
Acquisition of a subsidiary (note 36)	收購一間附屬公司 (附註36)	-	-	3,003	-	-	(98,267)	4,747	(90,517)
Exchange differences	匯兌差額	-	-	(9)	-	-	324	(24)	291
At 31 December 2015 (originally stated)	於2015年12月31日 (原先呈列)	58,039	23,516	1,203	4,213	-	(97,720)	4,693	(6,056)
Adjustments to fair value of assets acquired on acquisitions in prior year (note 16)	去年收購所得的資產的公平值調整 (附註16)	-	-	-	-	-	(70,331)	-	(70,331)
At 1 January 2016 (restated)	於2016年1月1日 (重列)	58,039	23,516	1,203	4,213	-	(168,051)	4,693	(76,387)
(Charge) credit to profit or loss	自損益扣除 (計入損益)	(7,995)	(2,308)	6,548	15	(1,596)	5,282	(3,129)	(3,183)
Exchange differences	匯兌差額	-	-	-	-	-	7,454	(353)	7,101
At 31 December 2016	於2016年12月31日	50,044	21,208	7,751	4,228	(1,596)	(155,315)	1,211	(72,469)

The following is the analysis of the deferred tax balances for financial reporting purposes:

以下為為財務報告目的遞延稅項結餘之分析：

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元 (restated) (重列)
Deferred tax assets	遞延稅項資產	83,176	86,971
Deferred tax liabilities	遞延稅項負債	(155,645)	(163,358)
		(72,469)	(76,387)

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21. DEFERRED TAXATION (CONTINUED)

Under the EIT Law, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries that are received by non-PRC resident entities from 1 January 2008 onwards. Deferred tax liability has been provided for distributable profits which were determined according to the dividend policies of the PRC subsidiaries.

As at 31 December 2016, the Group has unused tax losses of RMB29,302,000 (2015: RMB4,812,000.00), which will expire due after five years since the tax loss making year and RMB1,706,000 which will expire due after three years since the tax loss making year. Deferred tax asset of RMB7,751,000 have been recognised in respect of such tax losses as at 31 December 2016 (2015: RMB1,203,000).

For the year ended 31 December 2016, the Group has unused tax loss of approximately RMB4,764,000 (2015: Nil) available to offset against future profits, in respect of which no deferred tax assets have been recognised, due to the unpredictability of future profit streams. Such unrecognised losses will expire at 2021.

22. INVENTORIES

Raw materials	原材料
Work in progress	在製品
Finished goods	製成品
Allowance of inventories obsolescence	陳舊存貨撥備

21. 遞延稅項(續)

根據企業所得稅法，就中國附屬公司從2008年1月1日起自非中國居民企業所賺取的溢利宣派股息徵收預扣稅。遞延稅項負債已就可分派溢利作出撥備，可分派溢利乃根據中國附屬公司之股息政策釐定。

於2016年12月31日，本集團未動用的稅項虧損為人民幣29,302,000元(2015年：人民幣4,812,000)，自稅項虧損年度起五年後屆滿，及稅項虧損人民幣1,706,000元，自稅項虧損年度起三年後屆滿。於2016年12月31日，已就該項虧損人民幣7,751,000元確認遞延稅項資產(2015年：人民幣1,203,000元)。

截至2016年12月31日止年度，本集團未動用的稅項虧損約人民幣4,764,000元(2015年：無)可作抵銷日後溢利之用。由於日後溢利來源無法預測，故並無就此確認遞延稅項資產。該等未確認虧損將於2021年屆滿。

22. 存貨

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Raw materials	原材料	25,527	37,965
Work in progress	在製品	17,822	18,544
Finished goods	製成品	826,523	881,347
		869,872	937,856
Allowance of inventories obsolescence	陳舊存貨撥備	(86,366)	(96,729)
		783,506	841,127

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23. TRADE RECEIVABLES

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元 (restated) (重列)
Amounts receivable from sales of goods	來自銷售貨品的應收款項	351,686	357,569
Amounts receivable from royalty revenue	來自特許經營收益的應收款項	32,778	61,503
Amounts due from an associate	應收聯營公司款項	—	3,485
Total	合計	384,464	422,557

The Group allows a credit period of 15-60 days for collection of the trade receivables. Certain trade receivables which are past due are interest bearing. The Group would also allow longer credit period for certain customers with long term relationship.

The following is an aged analysis of trade receivables, presented based on the revenue recognition dates at the end of the reporting period.

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元 (restated) (重列)
0 to 60 days	0到60天	296,660	311,007
61 to 180 days	61天到180天	59,001	67,877
181 days to 1 year	181天到1年	8,460	12,759
Over 1 year	超過1年	20,343	30,914
		384,464	422,557

Pursuant to the contracts with department store operators, the Group will issue invoices upon the receipt of the regular statements from the department store operators and therefore invoices may be dated later than the revenue recognition dates.

At 31 December 2016, 77% (2015: 75%) of the trade receivables that are neither past due nor impaired. No impairment loss is provided for these receivables because they are within the credit period granted to the respective customer and the management considers the default rate is low for such receivables based on historical information and experience.

23. 貿易應收款項

本集團就貿易應收款項授出15至60天的信貸期。過期的部分貿易應收款項須計息。本集團亦會就若干長期業務關係客戶授予較長的信貸期。

以下為貿易應收款項於報告期末按收益確認日期呈列的賬齡分析。

根據與百貨公司運營商的合約，本集團將於收到百貨公司運營商的定期報表後開具發票，故發票日期或會遲於收入確認日期。

於2016年12月31日，貿易應收款項的77% (2015年：75%) 既無逾期亦無減值。就該等應收款項概無計提減值虧損撥備，乃由於其在向各個客戶授出的信貸期內及管理層認為，根據過往資料及經驗，該等應收款項的違欠支付率偏低。

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23. TRADE RECEIVABLES (CONTINUED)

Included in the Group's trade receivables are debtors with a carrying amount of RMB87,804,000 as at 31 December 2016 (2015: RMB111,550,000), which were past due for which the Group has not provided for impairment loss as there has not been a significant change in credit quality of respective debtors and the amounts are still considered recoverable.

Aging of trade receivables which are past due but not impaired

61 to 180 days	61天至180天
181 days to 1 year	181天至1年
Over 1 year	超過1年
Amounts receivable from sales of goods	銷售貨品應收款項

The Group does not hold any collateral over these balances. In determining the recoverability of the trade receivables, the Group monitors any change in the credit quality of the trade receivables since the credit was granted and up to the reporting date. After reassessment, the directors believe that no allowance is required.

Details of the Group's trade receivables denominated in foreign currency of the relevant group entities are as follows:

Denominated in:	以下列貨幣列值：
USD	美元

23. 貿易應收款項(續)

本集團貿易應收款項內包括於2016年12月31日賬面值為人民幣87,804,000元(2015年：人民幣111,550,000元)的應收款項，且已逾期，而本集團並無計提減值虧損撥備，乃由於各個應收款項的信貨質素並無重大變動及該等金額仍視為可收回。

已逾期但未減值的貿易應收款項的賬齡

2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
59,001	67,877
8,460	12,759
20,343	30,914
87,804	111,550

本集團對該等結餘並無持有任何抵押品。在釐定貿易應收款項的可收回性時，本集團監控貿易應收款項自授出信貸以來及直至報告日的信貸質素的任何變動。在重新評估後，董事認為毋須作出撥備。

本集團以相關集團實體的外幣計值的貿易應收款項詳情如下：

2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
68,882	77,872

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24. OTHER RECEIVABLES AND PREPAYMENTS

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Advance payments to suppliers	向供應商墊付款項	93,202	70,187
Value-added tax receivable	應收增值稅	5,035	953
Deferred expenses	遞延開支	35,528	45,107
Prepaid lease payments (Note 14)	預付租賃款項(附註14)	397	397
Amounts due from an associate	應收聯營公司款項	–	4
Amounts due from a joint venture	應收合營企業款項	–	1,632
Others	其他	16,468	18,590
Total	合計	150,630	136,870

24. 其他應收款項及預付款

25. OTHER FINANCIAL ASSETS

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Other financial assets under current assets	流動資產項下的其他金融資產	–	45,000
Other financial assets under non-current assets	非流動資產項下的其他金融資產	–	70,000

25. 其他金融資產

As at 31 December 2015, other financial assets represent foreign currency or interest rate linked other financial assets (“OFAs”) placed by the Group to a number of banks or the Group’s investments in other restricted low risk debt instruments arranged by banks for terms from one year to three years. Pursuant to the relevant underlying agreements, the OFAs carry interest at variable rates from 1.6% to 3.2% per annum with reference to the performance of exchange rate or interest rate during the investment period and the principal sums are denominated in RMB fixed and guaranteed by those banks. In the opinion of the directors of the Company, the fair value of embedded derivatives does not have material impacts on the results and financial position of the Group.

於2015年12月31日，其他金融資產指本集團存放於多家銀行且與外幣或利率掛鉤的其他金融資產（「其他金融資產」）或本集團於銀行安排的其他受限制低風險債務工具之投資，期限為一至三年。根據有關協議，其他金融資產按每年1.6%至3.2%的可變動利率計息，並參考投資期間內匯率或利率的表現，而本金款項以人民幣計值，且由該等銀行擔保。本公司董事認為，嵌入式衍生工具的公平值不會對本集團的業績及財務狀況造成重大影響。

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26. BANK BALANCES AND CASH

Bank balances and cash comprise cash and short-term bank deposits with an original maturity of three months or less which carried interest at market rates from 0.01% to 0.35% per annum at 31 December 2016 (2015: from 0.01% to 0.35% per annum).

The Group's bank balances and cash that were denominated in foreign currencies other than the functional currency of the relevant group entities are set out below:

26. 銀行結餘及現金

銀行結餘及現金包括現金及原有到期日三個月或以下之短期銀行存款，該等款項於2016年12月31日按每年介乎0.01%至0.35% (2015年：每年介乎0.01%至0.35%) 的市場利率計息。

本集團以有關集團實體功能貨幣以外的外幣計值的銀行結餘及現金載列如下：

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Bank balances and cash denominated in:	計值單位：		
USD	美元	24,853	17,069
EUR	歐元	11,424	10,026
SEK	瑞典克朗	3,466	-
HKD	港元	2,819	13,683
NOK	挪威克朗	1,645	-
DKK	丹麥克朗	996	-
SGD	新加坡元	*	*

* Amount less than RMB1,000

* 數額少於人民幣1,000元

27. TRADE PAYABLES

27. 貿易應付款項

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Trade payables for purchases of goods from third parties	就向第三方購買貨品之貿易應付款項	177,726	190,300
Amounts due to a joint venture	應付合營企業款項	-	2,683
Total	合計	177,726	192,983

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27. TRADE PAYABLES (CONTINUED)

Trade payables comprise amounts outstanding for trade purchases. Payment terms with suppliers are mainly on credit within 90 days from the invoice date. The aging of trade payables presented based on the invoice dates at the end of the reporting period is as follows:

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Age	賬齡		
0 to 90 days	0到90天	160,124	163,838
91 to 180 days	91天到180天	10,878	28,599
181 to 1 year	181天到1年	5,026	432
Over 1 year	超過1年	1,698	114
		177,726	192,983

At 31 December 2015, the aging of amounts due to a joint venture, presented based on the invoice dates at the end of the reporting period, is within 90 days.

The Group's trade payables that were denominated in other currencies, foreign currency of the relevant group entities, were re-translated into RMB and stated for reporting purposes as:

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Denominated in:	以下列貨幣列值：		
USD	美元	21,743	17,275

27. 貿易應付款項(續)

貿易應付款項包括尚未支付的貿易購買款項。供應商授出之信貸期主要為自發票日期起計90內付款。於報告期末按發票日期呈列的貿易應付款項的賬齡如下：

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Age	賬齡		
0 to 90 days	0到90天	160,124	163,838
91 to 180 days	91天到180天	10,878	28,599
181 to 1 year	181天到1年	5,026	432
Over 1 year	超過1年	1,698	114
		177,726	192,983

於2015年12月31日，按發票日期呈列的應付合營企業款項的賬齡為90天內。

本集團以其他貨幣(有關集團實體的外幣)就報告目的重新換算為人民幣，詳情如下：

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Denominated in:	以下列貨幣列值：		
USD	美元	21,743	17,275

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28. OTHER PAYABLES

28. 其他應付款項

		2016	2015
		2016年	2015年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Accruals	應計費用	39,486	50,075
Advance from customers	客戶墊款	12,271	11,938
Payroll payable	應付薪資	54,470	62,641
Other tax liabilities	其他稅項負債	60,206	73,383
Deposit from wholesale customers	批發客戶按金	13,517	11,771
Payable for decoration of outlets	銷售點裝飾應付款項	9,442	11,690
Others	其他	20,515	29,988
		209,907	251,486

29. BORROWINGS

29. 借貸

		2016	2015
		2016年	2015年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Bank overdrafts	銀行透支	35,470	—
Bank loans	銀行貸款	667,748	836,251
		703,218	836,251
Unsecured	無抵押	35,470	—
Secured:	已抵押：		
Pledged and guaranteed bank loan	已質押及已擔保銀行貸款	667,748	836,251
		703,218	836,251
The carrying amounts of the above borrowings are repayable*	上述借貸的賬面值須於下列情況下償還*		
Within one year	於一年內	176,620	96,159
Within a period of more than one year but not exceeding two years	於超過一年但不超過兩年的期間內	133,289	74,840
Within a period of more than two years but not exceeding five years	於超過兩年但不超過五年的期間內	393,309	665,252
		703,218	836,251
Less: Amounts due within one year shown as:	減：以下列示於一年內到期的款項：		
current liabilities	流動負債	(141,150)	(96,159)
bank overdrafts	銀行透支	(35,470)	—
Amounts shown under non-current liabilities	非流動負債項下列示的款項	526,598	740,092

* The amount due are based on scheduled repayment dates set out in the loan agreements.

* 到期款項按貸款協議載列的計劃還款日期計算。

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29. BORROWINGS (CONTINUED)

At 31 December 2016, the Company's bank loans of RMB5,000,000 (2015: nil) carry interest of 4.35% per annum and the remaining balance of RMB 662,748,000 (2015: RMB836,251,000) carry interest at London Interbank Offered Rate ("LIBOR") plus variable rate from 1.5% to 5% per annum (at 31 December 2015: at London Interbank Offered Rate ("LIBOR") plus variable rate from 1.5% to 5% per annum). Interest is reset every three months.

At 31 December 2016, the bank overdrafts were unsecured and interest free.

29. 借貸(續)

於2016年12月31日，本公司人民幣5,000,000元(2015年：零)的銀行貸款按年利率4.35%計息，及餘下人民幣662,748,000元(2015年：人民幣836,251,000元)按倫敦同業銀行拆息(「倫敦同業銀行拆息」)加浮動利率介乎1.5%至5%(於2015年12月31按倫敦同業銀行拆息加浮動利率介乎1.5%至5%)計息的浮息借貸。利息每三個月重設。

於2016年12月31日，銀行透支為無抵押及免息。

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Bank overdrafts denominated in:	以下列貨幣計值的銀行透支：		
USD	美元	(35,470)	—

Details of assets pledged by the Group at the end of the reporting period are set out in note 40. As at 31 December 2016 and 31 December 2015, the bank loans are also guaranteed by Mr Chen Yixi, the Chairman of the Group, Ms Yuan Yanan, spouse of Mr Chen Yixi and other third parties.

The ranges of effective interest rates on the Company's borrowings are as follows:

本集團於報告期末已質押資產的詳情載於附註40。於2016年12月31日及2015年12月31日，銀行借貸亦由本集團主席陳奕熙先生及陳奕熙先生的配偶袁亞南女士及其他第三方擔保。

本公司借貸的實際利率範圍介乎：

		2016 2016年	2015 2015年
Effective interest rate:	實際利率：		
Fixed-rate borrowings	固息借貸	4.35%	nil
Variable-rate borrowings	浮息借貸	1.87%~5.37%	1.69%~6.84%

30. DEFERRED REVENUE

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元 (restated) (重列)
Deferred revenue arising from customer loyalty programme (note 1)	客戶忠誠度計劃產生的遞延收益 (附註1)	16,912	16,853
Deferred revenue arising from franchise agreements (note 2)	特許經營協議產生的遞延收益 (附註2)	6,408	214
Deferred revenue	遞延收益	23,320	17,067
Less: deferred revenue under current portion	減：流動部分項下的遞延收益	(16,912)	(16,853)
Deferred revenue under non-current portion	非流動部分項下的遞延收益	6,408	214

Notes:

- At 31 December 2016 and 31 December 2015, the amount arising from customer loyalty programme represents deferred revenue arising in respect of the Group's customer loyalty programme recognised in accordance with IFRIC 13 *Customer Loyalty Programmes*.
- At 31 December 2016 and 31 December 2015, the amount arising from franchise agreements represents non-refundable exclusivity fee received from franchisees, which guarantees the franchisee the exclusive right to operate Hamleys' stores in certain territories and will be recognized as revenue over the contract term.

31. CONVERTIBLE BONDS

On 15 June 2012, the Company issued zero coupon convertible bonds at par with a par value of RMB5 each for an aggregate principal amount of RMB189,024,000 (the "Bonds") to three independent third parties who are not related to the Group (the "Bondholders"). For the principal terms of the Bonds, please refer to Note 33 to the consolidated financial statements for the year ended 31 December 2015.

30. 遞延收益

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元 (restated) (重列)
Deferred revenue arising from customer loyalty programme (note 1)	客戶忠誠度計劃產生的遞延收益 (附註1)	16,912	16,853
Deferred revenue arising from franchise agreements (note 2)	特許經營協議產生的遞延收益 (附註2)	6,408	214
Deferred revenue	遞延收益	23,320	17,067
Less: deferred revenue under current portion	減：流動部分項下的遞延收益	(16,912)	(16,853)
Deferred revenue under non-current portion	非流動部分項下的遞延收益	6,408	214

附註：

- 於2016年12月31日及2015年12月31日，客戶忠誠度計劃產生的金額指就根據國際財務報告準則第13號客戶忠誠度計劃確認的本集團客戶忠誠度計劃產生的遞延收益。
- 於2016年12月31日及2015年12月31日，特許經營協議產生的金額指從特許經營人收取的不可退還的獨有權費用，保證特許經營人擁有獨有權利可在若干地區經營Hamleys商店並將於合約期內確認為收益。

31. 可換股債券

於2012年6月15日，本公司向三名與本集團既無關聯亦無聯繫的獨立第三方（「債券持有人」）發行每份面值人民幣5元的零息可換股債券（「債券」），本金總額為人民幣189,024,000元。有關債券的主要條款，請參閱截至2015年12月31日止年度綜合財務報表附註33。

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31. CONVERTIBLE BONDS (CONTINUED)

On 21 July 2015, the Bondholders converted all the Bonds with a principal amount of RMB189,024,000 into shares of the Company (the “Bonds Conversion”). Pursuant to the Bonds Conversion, the Company issued an aggregate of approximately 96,876,000 ordinary shares of USD 0.015 each on 21 July 2015 (the “Bonds Share Issue”). After the conversions, the Company does not have any outstanding convertible bonds. The movement of the liability component, derivative component and conversion component for the reporting period is set out as below:

31. 可換股債券(續)

於2015年7月21日，債券持有人將本金額為人民幣189,024,000元的所有債券轉換為本公司股份(「債券轉換」)。根據債券轉換，本公司於2015年7月21日發行合共約96,876,000股每股面值0.015美元的普通股(「債券股份發行」)。於轉換後，本公司並無任何未轉換的可換股債券。於報告期內，負債部分、衍生工具部分及兌換部分之變動載列如下：

		Liability component	Redemption premium derivative component	Conversion component	Total
		負債部份	溢價衍生工具部份	兌換部份	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Convertible bonds:	可換股債券：				
At 1 January 2015	於2015年1月1日	162,904	16,421	25,427	204,752
Effective interest expense charged during the year	年內收取之實際利息開支	26,120	—	—	26,120
Changes on fair value	公平值變動	—	(16,421)	—	(16,421)
Conversion of convertible bonds	轉換可換股債券	(189,024)	—	(25,427)	(214,451)
At 31 December 2015 and 31 December 2016	於2015年12月31日及2016年12月31日	—	—	—	—

32. OBLIGATIONS UNDER FINANCE LEASES

32. 融資租賃承擔

		31 December 2016	31 December 2015
		2016年12月31日	2015年12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Analysed for reporting purposes as:	為呈報目的而作出之分析如下：		
Current liabilities	流動負債	6,164	4,247
Non-current liabilities	非流動負債	4,856	7,046
		11,020	11,293

32. OBLIGATIONS UNDER FINANCE LEASES**(CONTINUED)**

Certain group entities entered into finance lease arrangements to acquire equipment. The average lease term is 3 years (31 December 2015: average lease term is 3 years). Interest rates underlying all obligations under finance lease are fixed at respective contract dates ranging from 8.52% to 12.69% (31 December 2015: 8.52 % to 12.69%) per annum. Leased assets are pledged as security for the related finance lease liability.

32. 融資租賃承擔(續)

若干集團實體訂立融資租賃安排以收購設備。平均租賃期限為3年(2015年12月31日：平均租賃期限為3年)。所有融資租賃承擔的有關利率均於各合約日期釐定，介乎每年8.52%至12.69%(2015年12月31日：8.52%至12.69%)。租賃資產已抵押作為有關融資租賃負債的擔保。

		Minimum Lease payments 最低租賃付款		Present value of minimum lease payments 最低租賃付款之現值	
		31/12/2016 2016年 12月31日 RMB'000 人民幣千元	31/12/2015 2015年 12月31日 RMB'000 人民幣千元	31/12/2016 2016年 12月31日 RMB'000 人民幣千元	31/12/2015 2015年 12月31日 RMB'000 人民幣千元
Obligations under finance lease payable:	應付融資租賃承擔：				
Within one year	一年內	6,960	5,216	6,164	4,247
Within a period of more than one year But not more than 5 years	超過一年但不超過5年的期間	5,062	7,587	4,856	7,046
		12,022	12,803	11,020	11,293
Less: future finance charges	減：未來融資開支	(1,002)	(1,510)	N/A	N/A
Present value of lease obligations	租賃承擔之現值	11,020	11,293	11,020	11,293

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33. SHARE CAPITAL

33. 股本

		Number of shares 普通股數目	Amount 金額 USD'000 千美元
Ordinary shares of USD0.015 each	每股面值0.015美元		
Authorised:	法定：		
At 1 January 2015 & 31 December 2015 & 31 December 2016	於2015年1月1日及2015年12月31日 及2016年12月31日	20,000,000,000	300,000
Issued and fully paid:	已發行並繳足：		
At 1 January 2015	於2015年1月1日	2,000,000,000	30,000
Conversion of convertible bonds	轉換可換股債券	96,876,000	1,453
Shares repurchased and cancelled	購回及註銷的股份	(14,876,000)	(223)
At 31 December 2015	於2015年12月31日	2,082,000,000	31,230
Shares repurchased and cancelled	購回及註銷的股份	(5,000,000)	(75)
At 31 December 2016	於2016年12月31日	2,077,000,000	31,155
Shown in the consolidated statement of financial position	於綜合財務狀況表列示		
At 1 January 2015	於2015年1月1日		202,087
At 31 December 2015	於2015年12月31日		209,615
At 31 December 2016	於2016年12月31日		209,097

On 21 July 2015, the holders of the Bonds converted the Bonds into shares of the Company, and the Company issued a total of 96,876,000 ordinary shares of USD 0.015 each to the holders of the Bonds at the same date.

於2015年7月21日，債券持有人將債券轉換為本公司股份，且本公司於同日向債券持有人發行合共96,876,000股每股面值0.015美元的普通股。

33. SHARE CAPITAL (CONTINUED)

During the year ended 31 December 2016, pursuant to the general mandate granted to the directors of the Company, the Company repurchased its own shares through the Hong Kong Stock Exchange as follows:

Month of repurchase 購回月份	No. of ordinary shares of USD0.015 each of the Company 本公司每股0.015美元 之普通股數目	Price per share 每股價格		Aggregate consideration paid 已付總代價 HKD'000 千港元
		Highest 最高 HKD 港元	Lowest 最低 HKD 港元	
For the year ended 31 December 2016 截至2016年12月31日 止年度				
20 Oct 2016 2016年10月20日	2,160,000	2.19	2.07	4,582
24 Oct 2016 2016年10月24日	840,000	2.17	2.09	1,789
08 Nov 2016 2016年11月8日	1,014,000	2.01	1.99	2,028
09 Nov 2016 2016年11月9日	586,000	2.00	1.94	1,148
11 Nov 2016 2016年11月11日	400,000	2.00	1.99	799
	5,000,000			10,346

During the year, a total of 5,000,000 shares were repurchased and cancelled (2015: 14,876,000 shares), accordingly, the nominal value of approximately USD75,000 (2015: USD223,000) (equivalent to approximately RMB518,000 (2015: RMB1,365,000)) of the shares, and the premium paid and the related costs incurred for the repurchase of approximately HKD10,346,000 (2015: HKD40,530,000) (equivalent to approximately RMB8,435,000 (2015: RMB32,045,000)) was charged against the share capital and share premium account of the Company.

34. PRC STATUTORY RESERVES

Pursuant to the relevant laws and regulations in the PRC applicable to foreign investment enterprises and the Articles of Association of the PRC subsidiaries, the PRC subsidiaries are required to maintain a statutory surplus reserve fund. Appropriations to this fund are made out of net profit after taxation as reported in the PRC statutory financial statements of the subsidiaries (the "PRC Accounting Profit").

33. 股本(續)

於截至2016年12月31日止年度，根據授予本公司董事的一般授權，本公司透過聯交所購回其本身的股份如下：

於本年度，共5,000,000股(2015年：14,876,000股)股份購回及註銷，因此，股份約75,000美元之面值(2015年：223,000美元)(約等於人民幣518,000元)(2015年：人民幣1,365,000元)，及就購回支付之溢價及所產生的成本約10,346,000港元(2015年：40,530,000港元)(約等於人民幣8,435,000元(2015年：人民幣32,045,000元))於本公司股本及股份溢價賬扣除。

34. 中國法定儲備

根據中國外商投資企業適用的有關法律法規，中國附屬公司須維持法定盈餘儲備基金。向從中國附屬公司法定財務報表中呈報的稅後純利(「中國會計溢利」)中向該基金作出撥款。

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34. PRC STATUTORY RESERVES (CONTINUED)

Nanjing Mayflower, Dongguan Mayflower, Nanjing Soft, 江蘇美嘉(as defined in Note 44) are required to transfer 10% of their PRC Accounting Profit to the statutory surplus reserve fund in each profit making year until the balances reach 50% of the registered capital of each of the company respectively. The statutory surplus reserve fund may be used to make up prior year losses incurred and, with approval from relevant government authority, to increase capital.

Xuzhou C.banner (as defined in Note 44) is not required to maintain this statutory surplus reserve fund according to the relevant laws and regulations in the PRC applicable to Sino-foreign joint investment enterprises. However, as at 31 December 2016, the directors of Xuzhou C.banner approved on a discretionary basis to transfer 10% (2015: 10%) of the PRC Accounting Profit to the statutory surplus reserve fund.

35. SHARE-BASED PAYMENTS

Pursuant to written resolution passed on 26 August 2011, the Company adopted a share option scheme (the “Hongguo Hong Kong Share Option Scheme”), details of which are set out in “Report of the Directors-Share Option Scheme” to the annual report. No share option has been granted under the Hongguo Hong Kong Share Option Scheme since its adoption.

On 31 August 2015, the Company adopted a share award scheme (the “Share Award Scheme”) under which shares of the Company may be awarded to selected employees (including executive directors) of the Group (the “Selected Employees”) pursuant to the terms of the scheme rules and trust deed of the Share Award Scheme. The Share Award Scheme became effective on the adoption date and, unless otherwise terminated or amended, will remain in force for a term of 10 years commencing on the adoption date.

The Board shall not make any further award of awarded shares which will result in the nominal value of the Shares awarded by the Board under the Share Award Scheme exceeding 10% of the issued share capital of the Company from time to time. The maximum number of the Awarded Shares which may be awarded to a selected employee shall not exceed 1% of the issued share capital of the Company from time to time.

34. 中國法定儲備(續)

南京美麗華、東莞美麗華、南京舒服特、江蘇美嘉(定義見附註44)須於每個盈利年度將其中國會計溢利的10%轉撥至法定盈餘儲備基金，直至結餘分別達各公司註冊股本的50%。法定盈餘儲備基金可能用作彌補上年度發生的虧損，在取得有關政府機關的批准下增加資本。

根據中國中外合資企業適用的有關法律及法規，徐州千百度(定義見附註44)無須維持此項法定盈餘儲備基金。然而，於2016年12月31日，徐州千百度董事酌情批准轉撥中國會計溢利的10%(2015年：10%)予法定盈餘儲備基金。

35. 以股份為基礎的支付

根據於2011年8月26日通過的書面決議案，本公司採納一項新的購股權計劃(「鴻國香港購股權計劃」)，其詳情載於年報「董事會報告－購股權計劃」。自採納以來，概無根據鴻國香港購股權計劃授出購股權。

於2015年8月31日，本公司採納股份獎勵計劃(「股份獎勵計劃」)，據此，可根據股份獎勵計劃的計劃規則及信托契據之條款，向本集團包括執行董事在內的獲選僱員(「獲選僱員」)授出本公司股份。股份獎勵計劃於採納日期起生效，除另行被終止或修訂外，將自採納日期起計十年有效。

倘進一步授出獎勵股份會導致董事會根據股份獎勵計劃授出的股份面值超過本公司不時已發行股本的10%，則董事會不得進一步授出獎勵股份。可授予獲選僱員的獎勵股份的最高數目不得超過本公司不時已發行股本的1%。

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35. SHARE-BASED PAYMENTS (CONTINUED)

When a Selected Employee has satisfied all vesting conditions, which might include service and/or performance conditions specified by the board of directors of the Company at the time of making the award and become entitled to the shares of the Company forming the subject of the award, the trustee shall transfer the relevant awarded shares to that employee at no consideration. The Selected Employee however is not entitled to receive any income or distribution, such as dividend derived from the unvested Awarded Shares allocated to him/her.

Movement of the Company's shares held by the trustee under the Share Award Scheme during the year is as follows:

		Number of shares 股份數目(千股)		
		Held by the trustee yet to be awarded 尚未授予而由受託人所持	Held by the trustee for the grantee 受託人為承授人所持	Total held by the trustee 受託人所持總數
Balance at 1 January 2015	於2015年1月1日的結餘	–	–	–
Number of the Company's shares acquired by the trustee under the Share Award Scheme	受託人根據股份獎勵計劃購得的本公司股份數目	19,799,000	–	19,799,000
Balance at 1 January 2016	於2016年1月1日的結餘	19,799,000	–	19,799,000
Granted to grantees during the year	年內授予授予人	(400,000)	400,000	–
Transfer to grantee upon vesting	歸屬時轉予授予人	–	(400,000)	(400,000)
Number of the Company's shares acquired by the trustee under the Share Award Scheme	受託人根據股份獎勵計劃購得的本公司股份數目	201,000	–	201,000
Balance at 31 December 2016	於2016年12月31日的結餘	19,600,000	–	19,600,000

During the year ended 31 December 2016, based on the Company's instruction, the trustee acquired 201,000 (2015: 19,799,000) ordinary shares of USD0.015 each in the Company for the Share Award Scheme through purchases in the open market at a total cost, including related transaction costs, of approximately RMB591,000 (2015: RMB50,345,000).

35. 以股份為基礎的支付(續)

倘獲選僱員符合本公司董事會於作出有關獎勵列明的全部歸屬條件(其中可能包括對服務年期及/或表現的條件),便可獲取有關獎勵的本公司股份,受託人須以無代價向該名僱員轉讓有關獎勵股份。然而,獲選僱員無權收取任何收入或分派,如來自分配予彼的未歸屬獎勵股份的股息。

受託人於年內根據股份獎勵計劃所持本公司股份的變動如下:

於截至2016年12月31日止年度,按照本公司的指示,受託人根據股份獎勵計劃在公開市場購買本公司201,000股每股面值0.015美元的普通股(2015年:19,799,000股),總成本包括相關交易成本約人民幣591,000元(2015年:人民幣50,345,000元)。

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35. SHARE-BASED PAYMENTS (CONTINUED)

During the year ended 31 December 2016, the Company granted 400,000 ordinary shares of USD0.015 each (2015: Nil) to Selected Employees, details are set out below.

35. 以股份為基礎的支付(續)

於截至2016年12月31日止年度，本公司授出400,000股每股面值0.15美元的普通股予獲選僱員(2015年：無)，詳情載列下文。

Date of grant	Number of awarded shares granted	Fair value	Vesting period	Number of awarded shares				
				At 31 December 2015	Granted during the year	Vested during the year	Outstanding as at 31 December 2016	
授出日期	授出獎勵股份數目	公平值 HK\$'000 千港元	歸屬期	於2015年 12月31日	年內授出	年內歸屬	於2016年 12月31日 尚未行使	
15 June 2016	2016年6月15日	400,000	1,160	6 days	–	400,000	(400,000)	–

The closing price of the Company's shares on 15 June 2016, the date of grant of the awarded shares, was HK\$2.90 (equivalent to approximately RMB2.45). The Group recognised a total expense of RMB971,000 in relation to share award granted by the Company (2015: nil) during the year.

本公司股份於2016年6月15日(授出獎勵股份日期)之收市值為2.90港元(約等於人民幣2.45元)。本集團就本公司授出獎勵股份確認總開支人民幣971,000元(2015年：無)。

36. ACQUISITION OF SUBSIDIARIES

At 31 December 2016

On 14 January 2016, the Group acquired 80% of the issued share capital of Hamleys Nordics for a cash consideration of approximately GBP 506,000 (equivalent to approximately RMB4,514,000) from an independent third party. At the meantime, certain amount of outstanding debt due from Hamleys Nordics was waived. The contractual value of the debt was approximately GBP1,936,000 (equivalent to approximately RMB17,298,000). The fair value and carrying amount of the debt at the acquisition date was nil. This acquisition has been accounted for using the acquisition method. The amount of goodwill arising as a result of the acquisition was RMB1,558,000. Hamleys Nordics is engaged in retail of toys in Nordic market. Hamleys Nordics was acquired so as to continue the expansion of the Group's retail network of toys.

36. 收購附屬公司

於2016年12月31日

於2016年1月14日，本集團從獨立第三方收購Hamleys Nordics 80%已發行股本，代價為約506,000英鎊(約等於人民幣4,514,000元)。同時，若干未償還Hamleys Nordics的債務獲豁免償還。債務的合約價值約1,936,000英鎊(約等於人民幣17,298,000元)。於收購事項日期的債務公平值及賬面值為零。該收購事項已採用收購法入賬。自該收購所產生的商譽為人民幣1,558,000元。Hamleys Nordics的主要業務於北歐市場作玩具零售。收購Hamleys Nordics以繼續擴展本集團玩具零售網絡。

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36. ACQUISITION OF SUBSIDIARIES

(CONTINUED)

Assets acquired and liabilities recognized at the date of acquisition

36. 收購附屬公司(續)

於收購事項日期收購的資產及確認的負債

		14 January 2016 2016年 1月14日 RMB'000 人民幣千元
Current assets	流動資產	
Inventories	存貨	3,386
Trade and other receivables	貿易及其他應收款項	3,666
Bank balances and cash	銀行結餘及現金	7,495
Non-current assets	非流動資產	
Property, plant and equipment	物業、機器及設備	1,116
Deferred tax assets	遞延稅項資產	8
Current liabilities	流動負債	
Trade and other payables	貿易及其他應付款項	(8,725)
Other current liabilities	其他流動負債	(3,251)
		3,695

The fair value and the gross contractual amounts of those trade and other receivables acquired amounted to RMB3,666,000 at the date of acquisition. All contractual cash flows were expected to be collected.

於收購事項日期，該等貿易及其他應收款項的公允值及合約總金額為人民幣3,666,000元。預期將會收取所有合約現金流。

Goodwill arising on acquisition

收購事項產生的商譽

		14 January 2016 2016年 1月14日 RMB'000 人民幣千元
Consideration transferred	轉讓的代價	4,514
Plus: non-controlling interests (20% in Hamleys Nordics)	加：非控股權益(20% Hamleys Nordics)	739
Less: fair value of identifiable net assets acquired	減：收購的可識別資產淨值之公平值	(3,695)
Goodwill arising on acquisition	收購事項產生的商譽	1,558

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36. ACQUISITION OF SUBSIDIARIES

(CONTINUED)

Assets acquired and liabilities recognized at the date of acquisition (continued)

Goodwill arose in the acquisition of Hamleys Nordics because the cost of the combination included a control premium, together with the combination in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Hamleys Nordics. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

Net cash inflow on acquisition of subsidiary

Consideration paid in cash	以現金支付的代價
Less: cash and cash equivalent balance acquired	減：收購的現金及現金等價物結餘

RMB'000

人民幣千元

4,514

(7,495)

(2,981)

Impact of acquisition on the results of the Group

Included in the profit for the year is a loss of approximately RMB 10,875,000 attributable to Hamleys Nordics. Revenue for the year includes approximately RMB 35,344,000 in respect of Hamleys Nordics.

At 31 December 2015

On 29 October 2015, the Company and the former owner of Hamleys Global entered into a share sale and purchase agreement, which was completed on 25 November 2015 and the Company acquired 100% of the issued share capital of Hamleys Global for a consideration of approximately GBP 75,992,000 (approximately equivalent to RMB 734,207,000) from independent third party, details of which are set out in a circular "major transaction in relation to acquisition of the entire issued share capital of the target company" dated 22 January 2016 issued by the Company. This acquisition has been accounted for using the acquisition method. Hamleys Global Group's principal activities are retail of toys.

Hamleys Global Group was acquired to pursue a new global branding strategy coupled with a business diversification development plan of the Group.

36. 收購附屬公司(續)

於收購事項日期收購的資產及確認的負債(續)

由於收購成本包括控制權溢價，以及預期協同效益、收益增長、未來市場發展及 Hamleys Nordics 配套員工的福利綜合作用，收購 Hamleys Nordics 產生商譽。由於並未達致可識別無形資產之確認標準，此等利益並未於商譽中單獨確認。

預期收購事項將不會產生任何作扣稅目的之商譽。

收購附屬公司的現金流入淨額

收購事項對本集團業績的影響

計入年內溢利的項目為 Hamleys Nordics 的應佔虧損人民幣 10,875,000 元。年內收益包括有關 Hamleys Nordics 的約人民幣 35,344,000 元。

於2015年12月31日

於2015年10月29日，本公司與 Hamleys Global 的前擁有人訂立股份買賣協議及隨後於2015年11月25日完成，本公司從獨立第三方收購 Hamleys Global 100% 已發行股本，代價約為 75,992,000 英鎊(約等於人民幣 734,207,000 元)，其詳情載於本公司於2016年1月22日刊發的「有關收購目標公司之全部已發行股本之主要交易」通函內。該收購事項已採用收購法入賬。Hamleys Global 集團的主要業務為零售玩具。

Hamleys Global 集團被收購，以遵照本集團業務多元化的發展計劃，尋求新的全球品牌策略。

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36. ACQUISITION OF SUBSIDIARIES

(CONTINUED)

Assets acquired and liabilities recognized at the date of acquisition

36. 收購附屬公司(續)

於收購事項日期收購的資產及確認的負債

		25 November 2015 2015年 11月25日 RMB'000 人民幣千元 (restated) (重列)
Current assets	流動資產	
Inventories	存貨	126,893
Trade and other receivables	貿易及其他應收款項	66,098
Bank balances and cash	銀行結餘及現金	16,948
Non-current assets	非流動資產	
Property, plant and equipment	物業、機器及設備	94,263
Intangible assets	無形資產	889,378
Current liabilities	流動負債	
Loan from then shareholders	當時股東的貸款	(301,177)
Trade and other payables	貿易及其他應付款項	(158,195)
Tax payable	應付稅項	(4,479)
Obligation under finance leases-due within 1 year	融資租賃承擔—於一年內到期	(4,327)
Non-current liabilities	非流動負債	
Obligation under finance leases-due after 1 year	融資租賃項下責任—於一年後到期	(7,568)
Deferred tax liabilities	其他流動負債	(160,848)
		556,986

The fair value of trade and other receivables at the date of acquisition amounted to RMB66,098,000. The gross contractual amounts of those trade and other receivables acquired amounted to RMB84,810,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected amounted to RMB18,712,000.

於收購日期貿易及其他應收款項之公平值合共人民幣66,098,000元。於收購日期此等貿易及其他應收款項的總合約金額合共人民幣84,810,000元。預計於收購日期未能收回的合約現金流量的最佳估計為人民幣18,712,000元。

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36. ACQUISITION OF SUBSIDIARIES

(CONTINUED)

Assets acquired and liabilities recognized at the date of acquisition

(continued)

Goodwill arising on acquisition

		25 November 2015 2015年 11月25日 RMB'000 人民幣千元 (restated) (重列)
Consideration transferred	轉讓的代價	734,207
Less: fair value of identifiable net assets acquired	減：收購的可識別資產淨值之公平值	(556,986)
Goodwill arising on acquisition	收購事項產生的商譽	<u>177,221</u>

Goodwill arose in the acquisition of Hamleys Global Group because the cost of the combination, together with the combination in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Hamleys Global Group. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on the acquisition is expected to be deductible for tax purpose.

Net cash outflow on acquisition of subsidiary

		Year ended 31/12/2015 截至2015年 12月31日 止年度 RMB'000 人民幣千元
Consideration paid in cash	以現金支付的代價	734,207
Less: cash and cash equivalent balance acquired	減：收購的現金及現金等價物結餘	(16,948)
		<u>717,259</u>

36. 收購附屬公司(續)

於收購事項日期收購的資產及確認的負債(續)

收購事項產生的商譽

由於收購成本包括控制權溢價，連同預期協同效益、收益增長、未來市場發展及Hamleys Global集團配套員工的福利綜合作用，收購Hamleys Global集團產生商譽。由於此等利益並未達致可識別無形資產之確認標準，並未於商譽中單獨確認。

預期收購事項將不會產生任何作扣稅目的之商譽。

收購附屬公司的現金流出淨額

36. ACQUISITION OF SUBSIDIARIES**(CONTINUED)****Impact of acquisition on the results of the Group**

Included in the profit for the year is a profit of RMB 20,070,000 attributable to the Hamleys Group. Revenue for the year includes approximately RMB 111,087,000 in respect of the Hamleys Group.

Had these acquisition been completed on 1 January 2015, the revenue of the Group would have been RMB 3,476,379,000, and the profit for the year of the Group would have been RMB 244,977,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2015, nor is it intended to be a projection of future results.

37. MAJOR NON-CASH TRANSACTIONS

Part of the consideration for the purchase of a subsidiary that occurred during the year comprised waiving of outstanding debt. Further details of the acquisition are set out in note 36 above.

Part of the consideration for the purchase of property, plant and equipment and other intangible assets that occurred during the year comprised finance lease arrangements. Further details are set out in note 13 and note 15.

38. OPERATING LEASE**The Group as lessee**

Minimum lease payments paid under operating leases in the year

年內根據經營租賃支付的最低租金付款

36. 收購附屬公司(續)**收購事項對本集團業績的影響**

計入年內溢利的項目為Hamleys集團應佔的溢利人民幣20,070,000元。年內收益包括有關Hamleys集團的人民幣111,087,000元。

倘該等收購事項已於2015年1月1日完成，本集團的收益理應為人民幣3,476,379,000元，及本集團的年內溢利理應為人民幣244,977,000元。備考資料僅供說明用途，未必表示在收購事項已於2015年1月1日完成下，本集團的收益及經營業績實際上已達致，亦不擬預測未來業績。

37. 主要非現金交易

於本年度收購一間附屬公司的部份代價包含未償還債務的豁免。有關收購的進一步詳情載列於上述附註36。

於本年度購買物業、廠房及設備及其他無形資產的部份代價包含融資租賃安排。有關購買的進一步詳情載列於附註13及註15。

38. 經營租賃**本集團作為承租人**

	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Minimum lease payments paid under operating leases in the year	102,680	38,609

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38. OPERATING LEASE (CONTINUED)

The Group as lessee (continued)

At the end of the reporting period, the Group has outstanding commitment in respect of non-cancellable operating leases which fall due as follows:

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Within one year	一年內	93,989	85,711
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)	298,148	270,741
After five years	五年後	2,225,167	1,660,515
Total	合計	2,617,304	2,016,967

Operating lease payments represented rentals payable by the Group for its rental of factory premises and retail outlets. Leases and rentals for the factory premises and retail outlets are negotiated and fixed for terms ranging from ten to twenty years and one to two years respectively.

Pursuant to the lease agreement signed by Hamleys Nanjing (defined in note 44), the lease expenses of Hamleys Nanjing is calculated based on a percentage of its revenue from toys retailing on a monthly basis.

39. CAPITAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debts, which includes bank borrowings as disclosed in note 29, net of bank deposits and cash, and equity attributable to owners of the Company, comprising issued share capital, reserves and accumulated profits.

The management of the Company review the capital structure on an on-going basis. As part of this review, the management consider the cost of capital and the risks associate with each class of capital. Based on recommendations of the management, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

38. 經營租賃(續)

本集團作為承租人(續)

於報告期末，本集團到期未償還的不可撤銷經營租賃承擔如下：

	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Within one year	93,989	85,711
In the second to fifth years inclusive	298,148	270,741
After five years	2,225,167	1,660,515
Total	2,617,304	2,016,967

經營租賃付款指本集團租賃廠房樓宇及零售商舖而應付的租金。廠房樓宇及零售商舖的租約及租金予以磋商及分別按介乎十至二十年及一至兩年的租期釐定。

根據哈姆雷斯南京(定義見附註44)簽立的租賃協議，哈姆雷斯南京的租賃開支乃按每月玩具零售收益的百分比計算。

39. 資本風險管理及金融工具

本集團管理資本以確保本集團實體將會按持續經營基準經營，同時透過優化債務及股本結餘向股東提供最大回報。本集團整體策略與上年度仍無變動。

本集團資本架構包括債務淨額(包括附註29披露的銀行借貸)、銀行存款及現金淨額及本公司擁有人應佔權益(包括已發行股本、儲備及累計溢利)。

本公司管理層按持續基準審閱資本架構。作為此項審閱的一部份，管理層認為資本成本及與每類別資本相關的風險。基於管理層的推薦意見，本集團將會透過支付股息、新股份發行及股份購回以及發行新債務或贖回現有債務而平衡整體資本架構。

39. CAPITAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

39A. Categories of financial instruments

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元 (restated) (重列)
Financial assets	金融資產		
Held-to-maturity investments (current and non-current portion)	持至到期投資項目 (即期及非即期部分)	–	3,062
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等價物)	1,030,231	942,971
Financial liabilities	金融負債		
Amortised cost	攤銷成本	924,418	1,145,324
Obligations under finance leases	衍生金融工具	11,020	11,293

39B. Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, held-to-maturity investments, other financial assets, bank balances and cash, trade and other payables, borrowings, obligations under finance leases and bank overdrafts. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

39. 資本風險管理及金融工具

(續)

39A. 金融工具類別

39B. 金融風險管理目標及政策

本集團主要金融工具包括貿易及其他應收款項、持至到期投資項目、其他金融資產、銀行結餘及現金、貿易及其他應付款項、借貸、融資租賃承擔、可換股債券及衍生金融工具。該等金融工具之詳情於各自附註內披露。與該等金融工具相關的風險包括市場風險(貨幣風險及利率風險)、信貸風險及流動資金風險。如何降低該等風險的政策載列如下。管理層管理及監控該等風險，以確保及時及有效實施適當措施。

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39. CAPITAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

39B. Financial risk management objectives and policies (continued)

39B.1 Market risk

Foreign currency risk

The primary economic environment in which the principal subsidiaries of the Company operate is the Peoples' Republic of China ("PRC") and their functional currency is RMB while a subsidiary of the Company operates in the United Kingdom ("UK") and its functional currency is Great Britain Pounds ("GBP"). The Group also has certain sales and purchases denominated in United States Dollar ("USD"), European Monetary Unit ("EUR"), Danish Krone ("DKK"), Norwegian Krona ("NOK") and Swedish Krona ("SEK"), which are currencies other than the functional currency of the relevant group entities and expose the Group to foreign currency risk. Transactions in Hong Kong Dollars ("HKD") are limited.

The carrying amount of the Group's major foreign currency denominated monetary assets and monetary liabilities, at the reporting date are as follows:

		Liabilities		Assets	
		負債		資產	
		2016	2015	2016	2015
		2016年	2015年	2016年	2015年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
USD	美元	21,737	17,275	58,265	94,941
HKD	港元	789	249	2,819	13,746
GBP	英鎊	662,748	836,251	12,360	—
EUR	歐元	22,462	5,393	12,078	12,122
DKK	丹麥克朗	5,348	—	2,348	—
NOK	挪威克朗	2,700	—	3,245	—
SEK	瑞典克朗	1,736	—	3,847	—

39. 資本風險管理及金融工具 (續)

39B. 金融風險管理目標及政策 (續)

39B.1 市場風險

外幣風險

本公司主要附屬公司經營的主要經濟環境為中國及其功能貨幣為人民幣，而本公司之一間附屬公司於英國營運且其功能貨幣為英鎊（「英鎊」）。本集團亦擁有若干買賣以美元（「美元」）、歐洲貨幣單位（「歐元」）丹麥克朗（「丹麥克朗」）、挪威克朗（「挪威克朗」）及瑞典克朗（「瑞典克朗」）計值，美元為有關集團實體功能貨幣以外的貨幣並使本集團面臨外幣風險。以港元（「港元」）計值的交易數量有限。

於報告日期，本集團主要外幣計值貨幣資產及貨幣負債（而非其他金融資產）如下：

39. CAPITAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

39B. Financial risk management objectives and policies (continued)

39B.1 Market risk (continued)

Foreign currency risk (continued)

The Group currently does not have a foreign currency hedging policy but the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Sensitivity analysis

The following table details the Group's sensitivity to a 5% change in RMB against GBP, USD and HKD. 5% (2015: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currencies denominated monetary items and adjusts their translation at the end of the reporting period for a 5% (2015: 5%) change in foreign currency rates. A positive number below indicates an increase in post-tax profit for the year where the relevant foreign currencies strengthen 5% (2015: 5%) against RMB. For a 5% (2015: 5%) weakening of the relevant foreign currency against RMB, there would be an equal and opposite impact on the before-tax profit for the year.

		2016	2015
		2016年	2015年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Increase (decrease) in before-tax profit where the foreign currency strengthen 5% (2015: 5%) against RMB:	如外幣兌換人民幣升值5% (2015年: 5%)，除稅前溢利增加(減少)：		
USD impact	美元影響	3,683	3,138
HKD impact	港元影響	134	680
GBP impact	英鎊影響	(32,519)	(41,334)

39. 資本風險管理及金融工具 (續)

39B. 金融風險管理目標及政策 (續)

39B.1 市場風險 (續)

外幣風險 (續)

目前，本集團並無外幣對沖政策，但管理層監控外匯風險及將會考慮在需要出現時對沖重大外幣風險。

敏感度分析

下表詳列本集團人民幣兌換英鎊、美元及港元在5%變動範圍內的敏感性。5% (2015年: 5%) 乃向主要管理人員內部呈報外幣風險時採用之敏感度比率，且指管理層評估外匯匯率的合理可能變動幅度。敏感性分析僅包括未償還的外幣計值貨幣項目及在報告期結束時按外幣匯率5% (2015年: 5%) 調整其換算。如有關外幣兌換人民幣升值5% (2015年: 5%)，以下正值數字顯示年內除稅後溢利增加。如有關外幣兌換人民幣減值5% (2015年: 5%)，將會對年內除稅前溢利有相等及相反的影響。

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39. CAPITAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

39B. Financial risk management objectives and policies (continued)

39B.1 Market risk (continued)

Sensitivity analysis (continued)

In addition, the following table details the Group's sensitivity to a 5% change in GBP against USD, EUR, DDK and SEK (2015: 5%).

Increase (decrease) in before-tax profit where the foreign currency strengthen 5% (2015: 5%) against GBP:	如外幣兌換英鎊升值5% (2015年：無)，除稅前溢利增加(減少)：
USD impact	美元影響
EUR impact	歐元影響
DKK impact	丹麥克朗影響
SEK impact	瑞典克朗影響

Interest rate risk

The Group is exposed to fair value interest rate risk for its interest bearing financial assets, including the liability component of the convertible bonds and other financial assets which carried interest at fixed rates. The Group is also exposed to cash flow interest rate risk in relation to bank balances and variable-rate borrowings (see note 29 for details of these borrowings). It is the Group's policy to keep its borrowings at floating rate of interests so as to minimize the fair value interest rate risk.

The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate risk exposure and will consider hedging significant interest rate exposure should the need arises.

39. 資本風險管理及金融工具 (續)

39B. 金融風險管理目標及政策 (續)

39B.1 市場風險 (續)

敏感度分析 (續)

此外，下表詳述本集團對英鎊兌換美元、歐元、丹麥克朗及瑞典克朗變動5% (2015年：5%) 的敏感度。

	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Increase (decrease) in before-tax profit where the foreign currency strengthen 5% (2015: 5%) against GBP:		
USD impact	1,857	745
EUR impact	(488)	348
DKK impact	(150)	—
SEK impact	106	—

利率風險

本集團計息金融資產(包括可換股債券的負債部分及其他金融資產(按固定利率計息))面臨公平值利率風險。本集團銀行結餘及浮息借貸(請見附註29有關該等借貸的詳情)亦面臨現金流量利率風險。本集團的政策為按浮息利率保持其借貸，從而將公平值利率風險降至最低。

本集團目前並無利率對沖政策。然而，管理層監控利率風險及將會在需要出現時考慮對沖重大利率風險。

39. CAPITAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

39B. Financial risk management objectives and policies (continued)

39B.1 Market risk (continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for financial instruments (including bank balances and borrowings) at the end of the period and the stipulated changes taking place at the beginning of the financial year and held constant throughout the reporting period in the case of bank balances and borrowings.

A 5 basis points (2015: 5 basis points) increase or decrease in interest rates on variable bank balances, and a 50 basis points (2015: 50 basis points) increase or decrease in interest rates on variable-rate borrowings represent managements' assessment of the reasonably possible changes in interest rates.

If the interest rates on variable-rate bank balances had been 5 basis points (2015: 5 basis points) higher and all other variables were held constant, a positive number below indicates an increase in post-tax profit.

Increase in post-tax profit for the year	年內除稅後溢利增加
--	-----------

The post-tax profit for the year would be decreased by the same amount as mentioned above if interest rates on variable-rate bank balances had been 5 basis points (2015: 5 basis points) lower and all other variables were held constant.

If the interest rate on variable-rate borrowings had been 50 basis points (2015: 50 basic points) higher and all other variables were held constant, a positive number below indicates a decrease in post-tax profit for the year.

39. 資本風險管理及金融工具 (續)

39B. 金融風險管理目標及政策 (續)

39B.1 市場風險 (續)

敏感度分析

下文敏感度分析基於期末金融工具面臨的利率風險及於財政年度初發生的指定變動且在銀行結餘及借貸於整個呈報期間保持不變下而釐定。

浮動銀行結餘的利率上升或下降5個基點(2015年:5個基點),且浮息借貸的利率上升或下降50個基點(2015年:50個基點),表示管理層評估利率屬可能合理變動。

倘浮息銀行結餘的利率已上升5個基點(2015年:5個基點)且所有其他變數保持不變,則下文正數表示除稅後溢利增加。

2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
225	139

倘浮息銀行結餘的利率已下降5個基點(2015年:5個基點)且所有其他變數保持不變,則年內除稅後溢利將減少上述相同的金額。

倘浮息借貸的利率已上升50個基點(2015年:50個基點)且所有其他變數保持不變,則下文正數表示除稅後溢利減少。

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39. CAPITAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

39B. Financial risk management objectives and policies (continued)

39B.1 Market risk (continued)

Sensitivity analysis (continued)

Decrease in post-tax profit for the year	年內除稅後溢利減少
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The post-tax profit for the year would be increased by the same amount as mentioned above if the interest rate on variable-rate borrowings had been 50 basis points lower and all other variables were held constant.

39B.2 Credit risk

As at 31 December 2016, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

The Group has policies in place to ensure that sales of products on credit terms are made to customers with an appropriate credit history and the Group performs periodic credit evaluations of its customers. The Group's concessionaire sales through department stores are generally collectible within 60 days from the invoice date while credit sales are generally on credit terms within 60 days. The Group's royalty revenue are generally collectible within 15 ~ 30 days from the recognition date. The Group's retail revenue are mostly settled by cash. So the directors are of the opinion that the credit risk in retail revenue is remote.

39. 資本風險管理及金融工具 (續)

39B. 金融風險管理目標及政策 (續)

39B.1 市場風險 (續)

敏感度分析 (續)

2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
3,314	4,181

倘浮息借貸的利率已下降50個基點且所有其他變數保持不變，則年內除稅後溢利將增加上述相同的金額。

39B.2 信貸風險

於2016年12月31日，本集團因交易對手未能履行責任而面臨的可能對本集團造成財務虧損的最大信貸風險來自於綜合財務狀況表所列各已確認金融資產之賬面值。

本集團訂有政策確保向信貸記錄良好的客戶按除賬期銷售產品，且本集團會定期評估客戶的信貸狀況。本集團於百貨商場的特許銷售一般可於發票日起60日內收回，而信貸銷售通常按60日內的信貸期。本集團的版權收益一般自確認日期起的15至30日內可收回。本集團的零售收益大部分以現金結清。因此，董事認為，零售收益的信貸風險甚微。

39. CAPITAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

39B. Financial risk management objectives and policies (continued)

39B.2 Credit risk (continued)

Normally the Group does not require collaterals from trade debtors. The existing debtors have no significant defaults in the past and directors are of the opinion that no provision for uncollectible receivables is required.

The Group's credit risk on trade receivables is concentrated in the PRC and UK. However, the exposure spreads over a large number of counterparties and customers.

There is significant concentration of credit risk as the deposits placed in top five banks for approximately 56% (2015: 65%) of the carrying amounts of bank balances as at 31 December 2016. The credit risk on bank balances is limited because these banks are with high credit ratings assigned by international credit-rating agencies.

39B.3 Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date in which the Group can be required to pay. The tables include both interest and principal cash flows.

39. 資本風險管理及金融工具 (續)

39B. 金融風險管理目標及政策 (續)

39B.2 信貸風險 (續)

本集團一般不會要求貿易債務人提供抵押。現有債務人於過往並無重大違約，而董事認為無須就不可收回應收款項計提撥備。

本集團有關貿易應收款項的信貸風險集中於中國及英國。然而，風險遍佈於大量的交易對手方及客戶。

信貸風險有高度集中性，乃由於存入五大銀行的存款於2016年12月31日佔銀行結餘的約56% (2015年：65%)。由於該等銀行獲國際評級機構較高的信貸評級，故有關銀行結餘的信貸風險有限。

39B.3 流動資金風險

在管理流動資金風險中，本集團監控及維持由管理層視為充足的一定水平的現金及現金等值，以為本集團營運提供資金及減少現金流量波動的影響。

下表詳列本集團金融負債的合約到期日。該表乃根據本集團可能需要支付的最早日期計算的金融負債的未貼現現金流量。該表包括利息及本金現金流量。

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39. CAPITAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

39B. Financial risk management objectives and policies (continued)

39B.3 Liquidity risk (continued)

Liquidity and interest risk table

		Weighted average effective interest rate	On demand or less than 1 year	1-5 years	Total undiscounted cash flows	Carrying amount
		加權平均 實際利率 %	按要求或 少於1年 RMB'000 人民幣千元	1至5年 RMB'000 人民幣千元	未貼現現金 流量總額 RMB'000 人民幣千元	賬面值 RMB'000 人民幣千元
At 31 December 2016	於2016年12月31日					
Trade and other payables	貿易及其他應付款項	N/A 不適用	275,670	–	275,670	275,670
Bank overdrafts	銀行透支	N/A 不適用	35,470	–	35,470	35,470
Borrowings	借貸	4.55	141,150	544,602	685,752	667,748
Obligation under finance leases	融資租賃責任	11.80	6,960	5,062	12,022	11,020
			459,250	549,664	1,008,914	989,908
At 31 December 2015	於2015年12月31日					
Trade and other payables	貿易及其他應付款項	N/A 不適用	309,073	–	309,073	309,073
Borrowings	借貸	3.52	96,159	769,272	865,431	836,251
Obligation under finance leases	融資租賃責任	11.80	5,216	7,587	12,803	11,293
			410,448	776,859	1,187,307	1,156,617

The amounts included above for variable interest rate instruments are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

倘浮動利率變動有別於各報告期末釐定之該等利率估計，上述浮動利率工具金額或會出現變動。

39C. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

The fair value of financial assets and financial liabilities are determined as the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate to their fair values at the end of reporting period.

39C. 金融工具公平值計量

金融資產及金融負債之公平值按：其他金融資產及金融負債之公平值乃根據使用貼現現金流分析之普遍採納定價模式釐定。

本公司董事認為，於綜合財務報表確認的金融資產及金融負債之公平值與它們於報告期末的公平值相若。

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40. PLEDGE OF ASSETS

At the end of the reporting period, the Group has pledged the following assets to secure the banking loans granted to the Group.

		2016	2015
		2016年	2015年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Property, plant and equipment	物業、機器及設備	—	33,817

At 31 December 2016, in addition, the Company's equity interest in Nanjing Mayflower, Dongguan Mayflower, Nanjing Soft and Xuzhou C.banner (as defined in Note 44) have been pledged to secure the bank borrowings of the Group.

此外，於2016年12月31日，本公司於南京美麗華、東莞美麗華、南京舒服特及徐州千百度(定義見附註44)的股權已抵押作為本集團銀行借貸的擔保。

41. CAPITAL COMMITMENTS

		2016	2015
		2016年	2015年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Capital expenditure in respect of the acquisition of non-current assets contracted for but not provided in the consolidated financial statements	已訂約但尚未於綜合財務報表撥備的非流動資產收購的資本承擔	806	12,536

40. 質押資產

於報告期末，本集團已質押以下資產作為授予本集團銀行貸款的擔保。

41. 資本承擔

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016

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42. RELATED PARTY TRANSACTIONS

(1) Related party transactions

During the year, in addition to those disclosed elsewhere in the consolidated financial statements, the Group had the following related party transactions:

Relationship with related parties 與關聯方關係	Nature of transactions 交易性質	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
An associate 一間聯營公司	Sales of goods 銷售貨品	–	1,637
	Purchase of goods 購買貨品	31,425	4,837
A joint venture 一間合營企業	Sales of goods 銷售貨品	2,828	3,179
	Purchase of goods 購買貨品	25,062	37,226
A related company, in which certain directors of the Company have controlling interest 一間關聯公司，本公司若干董事於 其中擁有控股權益	Rental expense 租賃開支	1,120	1,120

(2) Compensation of key management personnel

The remuneration of directors, who are also the key management, are disclosed in note 10.

42. 關聯方交易

(1) 關聯方交易

年內，除綜合財務報表其他外之披露資料外，本集團的關聯方交易如下：

(2) 主要管理人員薪酬

身為主要管理人員的董事的薪酬於附註10內披露。

43. RETIREMENT BENEFITS SCHEMES

Pursuant to the relevant regulations of the PRC government, the PRC subsidiaries have participated in a central pension scheme (the “Scheme”) operated by local municipal government whereby the PRC subsidiaries are required to contribute 18% of basic salaries of the employees to the Scheme to fund their retirement benefits. The local municipal government undertakes to assume the retirement benefit obligations of all existing and future retired employees of the PRC subsidiaries. The only obligation of the PRC subsidiaries with respect to the Scheme is to pay the ongoing required contributions under the Scheme mentioned above. Contributions under the Scheme are charged to profit or loss as incurred.

Pursuant to the legal requirement of UK, the UK subsidiaries have participated in an auto-enrolment pension scheme (the “Auto-enrolment”) operated by UK government whereby the UK subsidiaries are required to contribute 1% of qualifying earnings of the employees to the Auto-enrolment to fund their retirement benefits. The only obligation of the UK subsidiaries with respect to the Auto-enrolment is to pay the ongoing required contributions under the Auto-enrolment mentioned above.

During the reporting period, the total amounts contributed by the Group to the Scheme and the Auto-enrolment which were charged to profit or loss representing contribution payable to the Scheme and auto-enrolment by the Group at rates specified in the rules of the Scheme are as follows:

Amount contributed and charged to profit or loss

供款及自損益中扣除的金額

2016	2015
2016年	2015年
RMB'000	RMB'000
人民幣千元	人民幣千元
43,161	39,941

As at 31 December 2016, there was no outstanding contributions payable to the Scheme (2015: nil).

於2016年12月31日，概無尚未償還的應付該計劃的供款(2015年：無)。

43. 退休福利計劃

根據中國政府的有關法規，中國附屬公司參加由當地市政府運作的中央退休金計劃(「該計劃」)，據此，中國附屬公司須將僱員基本工資的18%供款予該計劃，以為其退休福利提供資金。當地市政府承諾承擔所有中國附屬公司現有及未來退休的僱員的退休福利責任。中國附屬公司就該計劃的唯一責任為持續支付上述計劃項下的供款。根據該計劃作出的供款於產生時於損益中扣除。

根據英國法律規定，英國附屬公司已參與英國政府運作的自動參與養老計劃(「自動參與」)，而英國附屬公司須繳入1%的僱員合資格盈利至自動參與以為其退休福利撥資。就自動參與而言英國附屬公司的唯一責任為根據上述自動參與持續繳入所需供款。

於報告期間，本集團向該計劃供款的總金額及自損益中扣除的金額指本集團按該計劃規則指定的比率應付該計劃的供款及載列如下：

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44. PARTICULARS OF SUBSIDIARIES

44. 附屬公司詳情

Name of subsidiary 附屬公司名稱	Place/Country of incorporation/ establishment and operations 註冊成立／成立／及 營運地點／國家	Attributable equity interest of the Company 本公司應佔 股本權益		Principal activities 主要業務
		2016 2016年	2015 2015年	
Held directly by the Company: 本公司持有：				
Best Invent	BVI 英屬處女群島	100%	100%	Investment holding 投資控股
Best Value	BVI 英屬處女群島	100%	100%	Investment holding 投資控股
Allied Great 匯英國際集團有限公司	Hong Kong 香港	100%	100%	Investment holding 投資控股
China Ease 華誼企業有限公司	Hong Kong 香港	100%	100%	Investment holding 投資控股
Hamleys Global	UK 英國	100%	100%	Investment holding 投資控股
Hamleys Holdings Limited	Hong Kong 香港	100%	N/A 不適用	Investment holding 投資控股
Held by subsidiaries of the Company: 本公司附屬公司持有：				
Mayflower (Nanjing) Enterprise Limited ("Nanjing Mayflower") (Note 1) 美麗華企業(南京)有限公司 〔南京美麗華〕(附註1)	PRC 中國	100%	100%	Retail sale of branded fashion footwear 零售品牌時尚鞋履
Dongguan Mayflower Footwear Corporation Limited ("Dongguan Mayflower") (Note 1) 東莞美麗華鞋業有限公司 〔東莞美麗華〕(附註1)	PRC 中國	100%	100%	Contract manufacture and sale of branded fashion footwear 訂約生產及銷售 品牌鞋履

44. PARTICULARS OF SUBSIDIARIES (CONTINUED)

44. 附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place/Country of incorporation/ establishment and operations 註冊成立/成立/及 營運地點/國家	Attributable equity interest of the Company 本公司應佔 股本權益		Principal activities 主要業務
		2016 2016年	2015 2015年	
Held by subsidiaries of the Company: (continued) 本公司附屬公司持有：(續)				
Nanjing Soft Garment & Footwear Co., Ltd. ("Nanjing Soft") (Note 1) 南京舒服特服飾鞋業有限公司 〔南京舒服特〕(附註1)	PRC 中國	100%	100%	Manufacture and sale of branded fashion footwear and related materials 生產及銷售品牌時尚 鞋履及有關物料
Xuzhou C.banner Shoes Co., Ltd. ("Xuzhou C.banner") (Note 2) 徐州千百度鞋業有限公司 〔徐州千百度〕(附註2)	PRC 中國	100%	100%	Manufacture and sale of branded fashion footwear and related materials 生產及銷售品牌時尚 鞋履及有關物料
Mega Brilliant International Limited 美宏國際有限公司	Hong Kong 香港	51%	51%	Investment holding 投資控股
Jiangsu Mega Shoes Co., Ltd (Note 1) 江蘇美嘉鞋業有限公司 〔江蘇美嘉〕(附註1)	PRC 中國	51%	51%	Manufacture and sale of branded fashion footwear and related materials 生產及銷售品牌時尚 鞋履及有關物料
Xuzhou Mayflower Footwear Co., Ltd (Note 1) 徐州美麗華鞋業有限公司 〔徐州美麗華〕(附註1)	PRC 中國	100%	N/A 不適用	Manufacture and sale of branded fashion footwear and related materials 生產及銷售品牌時尚 鞋履及有關物料

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44. PARTICULARS OF SUBSIDIARIES (CONTINUED)

44. 附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place/Country of incorporation/ establishment and operations 註冊成立/成立/及 營運地點/國家	Attributable equity interest of the Company 本公司應佔 股本權益		Principal activities 主要業務
		2016 2016年	2015 2015年	
Held by subsidiaries of the Company: (continued) 本公司附屬公司持有：(續)				
Beijing Mei Hao Future Internet Business Co., Ltd 北京美好未來電子商務有限公司 (「美好未來」)	PRC 中國	70%	N/A 不適用	Internet service and sales 互聯網服務及銷售
Hamleys Group Limited	UK 英國	100%	100%	Investment holding 投資控股
Hamleys of London Limited	UK 英國	100%	100%	Toys retailing 玩具零售
Hamleys (Franchise) Limited	UK 英國	100%	100%	Franchise company 特許經營公司
Hamleys Asia Limited	Hong Kong 香港	100%	100%	Import company 進口公司
Hamleys Toys (Ireland) Limited	Ireland 愛爾蘭	100%	100%	Toys retailing 玩具零售
Hamleys BV	The Netherlands 荷蘭	100%	100%	Investment holding 投資控股
Scrumpalicious Limited	UK 英國	100%	100%	Toys retailing 玩具零售
Luvley Limited	UK 英國	100%	100%	Toys retailing 玩具零售

44. PARTICULARS OF SUBSIDIARIES (CONTINUED)

44. 附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place/Country of incorporation/ establishment and operations 註冊成立/成立/及 營運地點/國家	Attributable equity interest of the Company 本公司應佔 股本權益		Principal activities 主要業務
		2016 2016年	2015 2015年	
Held by subsidiaries of the Company: (continued) 本公司附屬公司持有：(續)				
Hamleys Toys (Nanjing) Co., Ltd ("Hamleys Najing") 哈姆雷斯玩具(南京)有限公司 (「哈姆雷斯南京」)	PRC 中國	100%	N/A 不適用	Toys retailing 玩具零售
Hamleys Nordics	Denmark 丹麥	80%	N/A 不適用	Investment holding 投資控股
Hamleys Finland Oy	Finland 芬蘭	80%	N/A 不適用	Toys retailing 玩具零售
Hamleys Denmark ApS	Denmark 丹麥	80%	N/A 不適用	Toys retailing 玩具零售
Hamleys Norway AS	Norway 挪威	80%	N/A 不適用	Toys retailing 玩具零售
Hamleys Swenden AB	Sweden 瑞典	80%	N/A 不適用	Toys retailing 玩具零售

Notes:

- (1) wholly-foreign owned enterprise established in the PRC
- (2) sino-foreign owned enterprise established in the PRC

附註：

- (1) 於中國成立外商獨資企業
- (2) 於中國成立之中外合資企業

None of the Company's subsidiaries had issued any debt securities at the end of the year.

於本年度末，本公司的附屬公司概無發行任何債務證券。

At 31 December 2016, out of the total 28 subsidiaries (2015: 19), 20 subsidiaries (2015: 17) are wholly-owned by the Group. The remaining 8 subsidiaries (2015: 2) do not have material non-controlling interests.

於2016年12月31日，合共28間(2015年：19間)附屬公司中，有20間(2015年：17間)附屬公司由本集團全資擁有。餘下8間(2015年：2間)附屬公司並無重大非控制性權益。

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綜合財務報表附註

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45. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

45. 本公司財務狀況表及儲備

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Assets	資產		
Non-current assets	非流動資產		
Prepayments for other intangible assets	其他無形資產預付款	–	6,309
Investment in subsidiaries	於附屬公司之投資	1,274,245	1,274,245
Property, plant and equipment	物業、廠房及設備	9	18
Other intangible asset	其他無形資產	12,784	–
Amount due from a subsidiary	應收一間附屬公司款項	277,270	296,660
		1,564,308	1,577,232
Current assets	流動資產		
Held-to-maturity investments	持至到期投資項目	–	3,062
Dividends receivables from subsidiaries	應收附屬公司股息	127,786	127,786
Other receivables and prepayments	其他應收款項及預付款項	21,983	347
Amount due from subsidiaries	應收附屬公司款項	130,615	130,516
Bank balances and cash	銀行結餘及現金	20,018	16,493
		300,402	278,204
Liabilities	負債		
Current liabilities	流動負債		
Other payables	其他應付款項	5,110	12,337
Amount due to subsidiaries	應付附屬公司款項	319,714	134,798
Borrowings	借貸	136,150	96,159
		460,974	243,294
Net current (liabilities) assets	流動(負債)資產淨值	(160,572)	34,910
Non-current liabilities	非流動負債		
Borrowing s-due after one year	一年後到期的借貸	526,598	740,092
		526,598	740,092
Net assets	資產淨值	877,138	872,050
Capital and reserves	資本及儲備		
Share capital	股本	209,097	209,615
Reserves	儲備	668,041	662,435
Total equity	總權益	877,138	872,050

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016

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45. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

(CONTINUED)

Movement in Company's reserves:

		Share capital	Share premium	Shares held under the share award scheme 根據購股權計劃持有的股份 RMB'000 人民幣千元	Convertible bonds equity reserve 可換股債券權益儲備 RMB'000 人民幣千元	Share-based compensation reserve 以股份為基礎的補償儲備 RMB'000 人民幣千元	Accumulated profits 累計溢利 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2015	於2015年1月1日	202,087	480,964	–	25,427	–	85,334	793,812
Net loss and total comprehensive expense for the year	年內虧損淨額及全面開支總額	–	–	–	–	–	(27,031)	(27,031)
Shares repurchased and cancelled	已購回及註銷的股份	(1,365)	(32,045)	–	–	–	–	(33,410)
Share purchased for the share award scheme	就購股權計劃購買的股份	–	–	(50,345)	–	–	–	(50,345)
Conversion of convertible bonds (Note 31)	轉換可換股債券(附註31)	8,893	205,558	–	(25,427)	–	–	189,024
At 31 December 2015	於2015年12月31日	209,615	654,477	(50,345)	–	–	58,303	872,050
Net profit and total comprehensive income for the year	年內純利及全面收益總額	–	–	–	–	–	13,661	13,661
Shares repurchased and cancelled	已購回及註銷的股份	(518)	(8,435)	–	–	–	–	(8,953)
Share purchased for the share award scheme	就購股權計劃購買的股份	–	–	(591)	–	–	–	(591)
Equity-settled share award scheme	以權益結算的股份獎勵計劃	–	–	–	–	971	–	971
Transfer of awarded shares upon vesting	歸屬時轉讓獎勵股份	–	–	950	–	(971)	21	–
At 31 December 2016	於2016年12月31日	209,097	646,042	(49,986)	–	–	71,985	877,138

45. 本公司財務狀況表及儲備(續)

本公司之儲備變動

46. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation.

46. 比較數字

若干比較數字已重新分類，以與本年度的呈報一致。

Financial Summary

財務摘要

		2012	2013	2014	2015	2016
		2012年	2013年	2014年	2015年	2016年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Financial results	財務業績					
Revenue	收益	2,432,165	2,430,007	2,820,738	3,045,805	3,206,562
Net profit for the year from continuing operations	來自持續經營業務的年內純利	313,521	231,338	242,224	257,492	206,253
		2012	2013	2014	2015	2016
		2012年	2013年	2014年	2015年	2016年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
					(restated)	
					(重列)	
Balance sheet summary	資產負債表概要					
Total assets	資產總額	2,260,860	2,371,857	2,302,078	3,407,717	3,393,785
Total liabilities	負債總額	555,253	524,989	753,334	1,498,552	1,318,242
Total equity	權益總額	1,705,607	1,846,868	1,548,744	1,909,165	2,075,543



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