



Lifestyle

International Holdings Ltd.
利福國際集團有限公司

Stock Code 股份代號: 1212

*A New
Chapter
of
Excellence*

2018 Interim Report 中期報告

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Financial

財務摘要 Highlights

- Turnover 營業額
 - continuing operation or continuing and discontinued operation: amounted to HK\$2,112.8 million, an increase of 26.2%
持續經營業務或持續及非持續經營業務：21.1 億港元，增加 26.2%
- Profit attributable to owners of the Company 本公司擁有人應佔溢利
 - continuing operation: decreased 31.8% to HK\$882.9 million
持續經營業務：下跌 31.8% 至 8.8 億港元
 - continuing and discontinued operation: HK\$882.9 million, down 48.7%
持續及非持續經營業務：8.8 億港元，下跌 48.7%
- Earnings per share 每股盈利
 - continuing operation: decreased 31.8% to HK cents 55.1
持續經營業務：下跌 31.8% 至 55.1 港仙
 - continuing and discontinued operation: HK cents 55.1, a decrease of 48.7%
持續及非持續經營業務：55.1 港仙，減少 48.7%

The Group completed disposal of its entire equity interests in Lifestyle Properties Development Limited in April 2017 and the results attributable to the Lifestyle Properties Group for the six months ended 30 June 2017 was presented as discontinued operations in the condensed consolidated statement of profit or loss and other comprehensive income in the 2017 interim results.

於二零一七年四月，本集團完成出售利福地產發展有限公司的全部股份。因此，利福地產集團截至二零一七年六月三十日止六個月之業績於二零一七年年中期業績之簡明綜合損益及其他全面收益表呈列為非持續經營業務。

The definition for turnover has been changed effective 1 January 2018 following application of the HKFRS 15 and the corresponding figures in 2017 have been restated.

於應用香港財務報告準則第 15 號後，營業額定義從二零一八年一月一日改變，二零一七年的比較數字已重列。

Corporate 企業資料 Information

02

Board of Directors

Executive Directors

Mr. Lau Kam Sen
Ms. Lau Kam Shim

Non-executive Directors

Mr. Lau Luen Hung, Thomas (Chairman)
Mr. Doo Wai Hoi, William
Ms. Lau Yuk Wai, Amy

Independent Non-executive Directors

Mr. Lam Siu Lun, Simon
The Hon. Shek Lai Him, Abraham
Mr. Hui Chiu Chung
Mr. Ip Yuk Keung

Company Secretary

Mr. Poon Fuk Chuen

Audit Committee

Mr. Lam Siu Lun, Simon (Chairman)
The Hon. Shek Lai Him, Abraham
Mr. Hui Chiu Chung
Mr. Ip Yuk Keung

Remuneration Committee

Mr. Lau Luen Hung, Thomas
Mr. Lam Siu Lun, Simon (Chairman)
The Hon. Shek Lai Him, Abraham
Mr. Hui Chiu Chung

Nomination Committee

Mr. Lau Luen Hung, Thomas
Mr. Lam Siu Lun, Simon (Chairman)
The Hon. Shek Lai Him, Abraham
Mr. Hui Chiu Chung

Registered Office

Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

董事會

執行董事

劉今晨先生
劉今蟾小姐

非執行董事

劉鑾鴻先生(主席)
杜惠愷先生
劉玉慧女士

獨立非執行董事

林兆麟先生
石禮謙議員
許照中先生
葉毓強先生

公司秘書

潘福全先生

審核委員會

林兆麟先生(主席)
石禮謙議員
許照中先生
葉毓強先生

薪酬委員會

劉鑾鴻先生
林兆麟先生(主席)
石禮謙議員
許照中先生

提名委員會

劉鑾鴻先生
林兆麟先生(主席)
石禮謙議員
許照中先生

註冊辦事處

Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Head Office and Principal Place of Business in Hong Kong

20th Floor, East Point Centre
555 Hennessy Road
Causeway Bay, Hong Kong

Principal Banker

Bank of China (Hong Kong) Limited

Auditor

Deloitte Touche Tohmatsu
Certified Public Accountants

Solicitors

Reed Smith Richards Butler
Sit, Fung, Kwong & Shum

Hong Kong 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

Cayman Islands Share Registrar and Transfer Office

SMP Partners (Cayman) Limited
Royal Bank House, 3rd Floor
24 Shedden Road, P.O. Box 1586
Grand Cayman, KY1-1110
Cayman Islands

Share Information

Place of listing: The Stock Exchange of Hong Kong Limited
Stock code: 1212
Board lot: 500 shares
Financial year end: 31 December
Closing share price at 30 June 2018: HK\$16.64
Market capitalization at 30 June 2018: HK\$26,667 million

Website

www.lifestylehk.com.hk

總辦事處及香港主要營業地點

香港銅鑼灣
軒尼詩道 555 號
東角中心 20 樓

主要往來銀行

中國銀行(香港)有限公司

核數師

德勤•關黃陳方會計師行
執業會計師

律師

禮德齊伯禮律師行
薛馮鄭岑律師行

香港股份過戶登記處

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

開曼群島股份過戶登記處

SMP Partners (Cayman) Limited
Royal Bank House, 3rd Floor
24 Shedden Road, P.O. Box 1586
Grand Cayman, KY1-1110
Cayman Islands

股份資料

上市地點：香港聯合交易所有限公司
股份代號：1212
每手買賣單位：500 股
財政年度年結日：十二月三十一日
於二零一八年六月三十日股份收市價：16.64 港元
於二零一八年六月三十日市值：266.67 億港元

網址

www.lifestylehk.com.hk

Management Discussion and Analysis

管理層討論及分析

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Retail Market Overview

Global economic recovery became less synchronized during the first half of 2018, with widening divergence between the U.S and other developed countries. While the U.S. economy remained relatively strong, growth in Europe and emerging markets has shown signs of decelerating.

During the period under review, China's gross domestic product rose 6.8% year-on-year, well above the government's annual target of "around 6.5%" and same as the first half of 2017. With continuous upgrade in consumption structure, retail sales of consumer goods in China expanded 9.4% year-on-year.

Hong Kong, the Group's home market, has continued its recovery track with retail sales posted double-digit growth since February this year. Domestic demand has been strengthening, bolstered by favorable labor market conditions and upbeat consumer sentiment. The sustained rebound in mainland tourist arrivals also boded well for the retail sales.

For the first half of 2018, Hong Kong posted a gross domestic product growth of 4%, same as last year. Retail consumption strengthened as growth in the aggregate value of retail sales saw an increase of 13.4% year-on-year for the first half of 2018, compared with the 0.6% decline in the same period in 2017. Sales of luxury goods categories, including jewelry and watches rose 23.5% with department store sales rising 14.1% year-on-year. For the first half of 2018, tourist arrivals into Hong Kong increased 10.1% from the previous year. Of these, mainland China visitors, which accounted for 75.1% of the total, increased 13.4% for the period under review. Leveraging its loyal clientele and strong brand equity, the Group has been the key beneficiary of improving retail momentum.

零售市場概覽

全球經濟復蘇步伐於二零一八年上半年不太同步，美國與其他已發展國家的差異正在擴大。雖然美國經濟保持相對強勁，但歐洲及新興市場的增長已呈放緩跡象。

回顧期內，中國國內生產總值按年上升6.8%，較政府的年度目標「約6.5%」為高，並與二零一七年上半年的增長相同。消費結構持續升級，中國消費品的零售銷售額按年擴張9.4%。

作為本集團的本土市場，香港繼續其復蘇勢頭，零售銷售自本年度二月起錄得雙位數增長。受有利的勞動市場環境及消費意欲暢旺所推動，本地需求更見強勁。內地訪港旅客數字持續反彈亦為零售銷售帶來正面作用。

香港的本地生產總值於二零一八年上半年錄得4%增長，與去年同期相同。零售消費轉強，與二零一七年上半年下降0.6%相比，零售銷售總值於二零一八年上半年按年上升13.4%。奢侈品類商品（包括珠寶及手錶）銷售按年上升23.5%，而百貨店的銷售額則按年上升14.1%。於二零一八年上半年，訪港旅客人數與去年相比上升10.1%。其中，中國內地旅客佔總訪港旅客人數75.1%，在回顧期間增長13.4%。憑藉其忠實的顧客及優越的品牌認受性，本集團一直為改善中的零售市道的主要受惠者。

Financial Review

Turnover and Sales Proceeds

For the period under review, the Group's department store operations saw its turnover increased by 26.2% over the same period last year, while total gross sales proceeds, derived from both direct sales, APO sales and concessionaire sales transactions, was up by 23.5%, outperformed the broader market. The strong growth in turnover was mainly attributable to an approximately 35.3% increase in direct sales and an approximately 19.3% increase in commission income derived from APO sales and concessionaire sales.

Gross Profit and Gross Profit Margin

The Group's gross profit margin as a percentage of turnover decreased to 73.7% from 75.5% for the same period in 2017, mainly caused by a higher growth in direct sales relative to concessionaire sales. On the other hand, the gross profit margin as a percentage of sales proceeds remained at approximately 27.0%, similar to the 27.1% for the same period in 2017. Gross profit amounted to HK\$1,557.7 million, up 23.1% from HK\$1,264.9 million in 2017.

Net Profit Attributable to Shareholders

Net profit attributable to owners of the Group for the period amounted to HK\$882.9 million, down 48.7% from HK\$1,720.3 million in 2017. The decline was primarily a result of (i) a negative investment income of HK\$56.2 million resulting from the fair value loss on the Group's financial investments amid the volatile financial market whereas it was a positive income of HK\$328.0 million last year, (ii) the profit for the same period last year was boosted by an one-off gain of HK\$420.8 million from disposal of the Group's 59.56% interest in a subsidiary; and (iii) a lower revaluation gain of HK\$108.0 million compared to the approximately HK\$351.5 million last year in respect of the Group's investment properties, mainly the Kai Tak Land.

Selling and Distribution Costs

The aggregate selling and distribution costs of the Group increased 11.5% over the previous period and represented 5.8% (2017: 6.4%) of total gross sales proceeds. The lower expense ratio was attributable to the strong sales growth that the operations have seen a marked improvement in efficiency. The increase in the absolute amount of selling and distribution costs was mainly a result of additional rental expenses incurred for the Tsim Sha Tsui store as its sales surged during the period. The increase was also a result of higher depreciation charge in respect of leasehold improvements and other fixed assets, including full half year effect of the depreciation charge of the LED advertising screen which was only put into operation in late 2017.

財務回顧

營業額及銷售所得款項

回顧期內，本集團的百貨店業務營業額較去年同期增長26.2%，而直接銷售、「銷售後訂單」銷售及特許專櫃銷售產生的總銷售所得款項則上升23.5%，表現優於整體零售市場。營業額增長強勁主要是由於直接銷售增加約35.3%，而來自「銷售後訂單」銷售及特許專櫃銷售的佣金收入則增加約19.3%。

毛利及毛利率

本集團按營業額計算之毛利率由二零一七年同期的75.5%下降至73.7%，主要是由於直接銷售相對特許專櫃銷售錄得較高增長。另一方面，按銷售所得款項計算之毛利率維持為27.0%，與二零一七年同期的27.1%相若。毛利為1,557,700,000港元，較二零一七年的1,264,900,000港元上升23.1%。

股東應佔溢利淨額

期內本集團擁有人應佔溢利淨額為882,900,000港元，較二零一七年的1,720,300,000港元減少48.7%。減少主要是由於(i)因金融市場波動令本集團的金融產品產生公平值虧損，錄得的負投資收入56,200,000港元，而去年則錄得正收入328,000,000港元；(ii)去年同期的溢利被出售本集團於一間附屬公司的59.56%權益所得的一次性收益420,800,000港元推高；及(iii)本集團投資物業(主要為啟德地皮)的重估收益108,000,000港元較去年約351,500,000港元為低。

銷售及分銷成本

本集團的銷售及分銷成本總額較去年同期增加11.5%，佔總銷售所得款項總額5.8% (二零一七年：6.4%)。較低的支出率乃受惠於強勁銷售增長，經營效率顯著改善。銷售及分銷成本金額增加主要是由於尖沙咀店因在期內的銷售額大幅上升而產生額外租金開支。增加亦由於就物業裝修及其他固定資產產生較高折舊支出，包括僅於二零一七年底開始運作的LED廣告屏幕的半年全期折舊支出效應。

Administrative Expenses

The Group's general administrative expenses increased 6.2% to approximately HK\$63.9 million when compared to the same period in 2017 and represented 1.1% (2017: 1.3%) of the Group's total gross sales proceeds. The expense level was considered reasonable and in line with the Group's operations.

Other income, Gains and Losses

These comprise mainly management fee, credit card charges and other miscellaneous incomes received from the counters and tenants, other sundry incomes and exchange gain or loss. Decrease in other income, gains and losses of the Group during the period was mainly due to the higher exchange loss to the tune of HK\$19.1 million (2017: HK\$5.3 million) on the Group's USD denominated bonds payable recorded during the period as the USD continued to strengthen against the HK\$. The strong USD has pushed the exchange rate to nearing 1 USD: 7.85 HK\$, the lower guaranteed limit under the linked exchange rate system.

Investment Income

For the first half of 2018, the Group's aggregate interest and investment income turned to a loss of HK\$56.2 million from a gain of HK\$328.0 million for the same period in 2017. While the amount of interest income from the Group's bank deposits increased 178.5% to HK\$73.7 million, the net investment loss, which consisted mainly of fair value changes on a portfolio of financial assets, amounted to HK\$163.6 million whereas it was a net investment gain of HK\$281.1 million last year. The negative return on the Group's financial investment portfolio was due to the poor and volatile equity market conditions during the period. The market value of the Group's financial investment portfolio amounted to approximately HK\$4,021.2 million as at 30 June 2018.

Finance Costs

The Group's total finance cost consisted mainly of finance charges and interest expenses on bank loans and bonds payable. The aggregate amount of finance costs and interest incurred, before capitalization, was approximately HK\$229.0 million for the period under review (2017: HK\$185.4 million). The increase was mainly due to higher interest expenses incurred in respect of the Group's Hong Kong dollar bank loans which interest calculation is linked to the HIBOR and that has been rising in recent months. Finance costs charged to the profit and loss account during the period amounted to HK\$133.9 million (2017: HK\$112.7 million) after certain of the borrowing costs relating to the Kai Tak Land has been capitalized.

Liquidity and Financial Resources

The Group's EBITDA (excluding investment loss/income, fair value changes on investment properties, and non-recurring items) for the period under review increased 25.2% to HK\$1,285.2 million (2017: HK\$1,026.3 million). As at 30 June 2018, before counting the financial investment portfolio which was worth approximately HK\$4,021.2 million (31 December 2017: HK\$3,349.0 million), the net debt of the Group increased from approximately HK\$8,432.5 million as at 31 December 2017 to HK\$9,238.3 million as at the period end.

行政開支

本集團的一般行政開支較二零一七年同期增加6.2%至約63,900,000港元，佔本集團總銷售所得款項總額1.1% (二零一七年：1.3%)。開支水平合理及為與本集團的業務相符。

其他收入、收益及虧損

其他收入、收益及虧損主要包括從專櫃及租戶收取之管理費收入、信用卡收費及其他收入、其他雜項收入和匯兌收益或虧損。本集團期內的其他收入、收益及虧損減少主要是由於就本集團以美元計值的應付債券錄得19,100,000港元 (二零一七年：5,300,000港元) 的較高匯兌虧損，乃因美元兌港元持續強勢。美元強勢使匯率貼近聯繫匯率制度下1美元兌7.85港元的弱方兌換保證水平。

投資收入

於二零一八年上半年，本集團的利息及投資收入由二零一七年同期的328,000,000港元收益轉為56,200,000港元虧損。雖然本集團的銀行存款利息收入金額增加178.5%至73,700,000港元，但投資虧損淨額 (主要包括金融資產組合的公平值變動) 為163,600,000港元，而去年則錄得投資收益淨額281,100,000港元。本集團金融產品組合的負回報是由於期內股票市場狀況欠佳及波動所致。於二零一八年六月三十日，本集團金融產品組合的市值約為4,021,200,000港元。

融資成本

本集團的總融資成本主要包括銀行貸款及應付債券的財務費用及利息開支。回顧期內所產生的資本化前融資成本及利息總額約為229,000,000港元 (二零一七年：185,400,000港元)。有關增加主要是由於就本集團的港元銀行貸款利息計算與近月持續上升的香港銀行同業拆息掛鉤，導致較高利息開支。於若干與啟德地皮相關的借貸成本資本化後，期內於損益中扣除的融資成本為133,900,000港元 (二零一七年：112,700,000港元)。

流動資金及財務資源

本集團於回顧期內的未計利息、稅項、折舊及攤銷前的盈利 (亦不包括投資虧損/收入、投資物業公平值變動及非經常性項目) 增加25.2%至1,285,200,000港元 (二零一七年：1,026,300,000港元)。於二零一八年六月三十日，不包括金融產品組合約4,021,200,000港元 (二零一七年十二月三十一日：3,349,000,000港元)，本集團的淨負債由二零一七年十二月三十一日約8,432,500,000港元增加至期末的9,238,300,000港元。

As at 30 June 2018, the Group's cash at banks and fixed bank deposits amounted to approximately HK\$6,703.6 million (31 December 2017: HK\$7,389.3 million). Of the cash kept at banks in Hong Kong, approximately 99.4% was denominated in US dollar ("USD") and Hong Kong dollar ("HK\$") and approximately 0.6% was in Renminbi ("RMB") and other currencies.

As at 30 June 2018, the Group's outstanding bank loans amounted to approximately HK\$11,277.1 million (31 December 2017: HK\$11,184.1 million) and bonds payable amounted to approximately HK\$4,664.8 million (31 December 2017: HK\$4,637.6 million). The bank loans comprised HK\$5,000 million term loan and HK\$2,000 million revolving loan drawn under the Hong Kong dollar denominated five-year (due July 2021) HK\$8,000 million secured loan facility, which interest is calculated with reference to HIBOR. The HK\$5,000 million term loan is repayable semi-annually over the loan life, with the first repayment starting from January 2019. The bank loans consist of also a term loan of HK\$3,691 million drawn under the HK\$9,000 million project loan facility for financing payment of part of the land premium of the Kai Tak Land. This HK\$9,000 million project loan facility bear interest calculated with reference to HIBOR and does not require repayment until the end of the 5-year term in the year 2022. The remaining bank loans represented short-term USD loans totaling US\$86.7 million (equivalent to HK\$680.5 million) drawn under a USD255 million facility, which is secured against certain of the Group's financial investments, with interest calculated with reference to LIBOR.

As at 30 June 2018, the Group had aggregate unutilized banking facilities in the amount equivalent to approximately HK\$7,630.3 million (31 December 2017: HK\$8,099.0 million).

The bonds payable of HK\$4,664.8 million (USD600 million at maturity) at 30 June 2018 (31 December 2017: USD600 million at maturity) comprised a USD300 million 10-year (bearing interest at 4.25% and maturing in October 2022) and a USD300 million 10-year (bearing interest at 4.5% and maturing in June 2025) unsecured guaranteed bonds.

As at 30 June 2018, the Group's net debt to equity ratio (defined as total borrowings less cash and bank balances as well as time deposits divided by equity attributable to the owners of the Company) was 217.3% (31 December 2017: 205.4%). The abnormally high gearing was due to the fact that the Group's self-owned store property in Causeway Bay, Hong Kong is stated at historical cost less depreciation and amortization thereby its fair value has not been taken into account in the calculation of the equity attributable to owners of the Company.

於二零一八年六月三十日，本集團的銀行現金及定期存款約為6,703,600,000港元(二零一七年十二月三十一日：7,389,300,000港元)。於香港銀行存放的現金中，約99.4%以美元(「美元」)及港元(「港元」)計值，另約0.6%則以人民幣(「人民幣」)及其他幣值計值。

於二零一八年六月三十日，本集團的未償還銀行貸款約為11,277,100,000港元(二零一七年十二月三十一日：11,184,100,000港元)，而應付債券約為4,664,800,000港元(二零一七年十二月三十一日：4,637,600,000港元)。銀行貸款包括根據以港元計值有抵押五年期貸款融資額8,000,000,000港元(於二零二一年七月到期)而提取的5,000,000,000港元定期貸款及2,000,000,000港元可循環貸款，該貸款融資乃參考香港銀行同業拆息計息。該5,000,000,000港元定期貸款於貸款年內須每半年還款一次，首次還款期由二零一九年一月開始。銀行貸款亦包括根據就支付部分啟德地皮地價撥付資金的9,000,000,000港元項目貸款融資額而提取的3,691,000,000港元定期貸款。該9,000,000,000港元項目貸款融資乃參考香港銀行同業拆息計息，直至於二零二五年的五年期結束時才須還款。其餘的銀行貸款為在255,000,000美元融資額下提取以若干本集團金融產品作抵押取得的合共86,700,000美元(相等於680,500,000港元)的短期美元貸款，此貸款乃參考倫敦銀行同業拆息計息。

於二零一八年六月三十日，本集團累計未動用的銀行貸款額，折合約7,630,300,000港元(二零一七年十二月三十一日：8,099,000,000港元)。

於二零一八年六月三十日，金額為4,664,800,000港元(於到期日600,000,000美元)(二零一七年十二月三十一日：於到期日600,000,000美元)的應付債券包括一筆十年期300,000,000美元(利率為4.25%及於二零二二年十月到期)及一筆十年期300,000,000美元(利率為4.5%及於二零二五年六月到期)的無抵押擔保債券。

於二零一八年六月三十日，本集團的淨負債與權益比率(即總借貸減現金及銀行結存以及定期存款除以本公司擁有人應佔權益)為217.3%(二零一七年十二月三十一日：205.4%)。較高的資本負債狀況乃由於本集團於香港銅鑼灣店自有物業按歷史成本減折舊及攤銷入賬，其公平值於計算本公司擁有人應佔權益時並無計算在內。

Foreign Exchange Management

The functional currency of the Company and its major subsidiaries is Hong Kong dollar, in which most of the transactions are denominated. As described under the "Liquidity and Financial Resources" section above, certain monetary assets and liabilities of the Group are denominated in USD and, to a small extent, other foreign currencies. The Group currently does not require a sophisticated and comprehensive foreign currency hedging policy as the Hong Kong dollar, in which most of the Group's transactions are denominated, is pegged to the USD in which certain of the Group's borrowings are denominated and hence the Group's foreign currency exposure is somewhat capped.

Pledge of Assets

As at 30 June 2018, certain of the Group's leasehold land and buildings in Hong Kong with carrying values aggregating approximately HK\$1,223.6 million (31 December 2017: HK\$1,264.1 million), investment properties with carrying values of HK\$324.0 million (31 December 2017: HK\$322.0 million), together with shares of certain subsidiaries of the Group, were pledged to secure the HK\$8,000 million (31 December 2017: HK\$8,000 million) loan facility granted to the Group, of which HK\$7,000 million (31 December 2017: HK\$7,000 million) was utilized.

In addition, the entire Kai Tak Project, comprising the land under development and investment property under development, with an aggregate carrying value of HK\$8,728.9 million (31 December 2017: HK\$8,416.2 million) was pledged to secure the HK\$9,000 million (31 December 2017: HK\$9,000 million) loan facility granted to the Group for financing the development of the Kai Tak Project, of which HK\$3,691.0 million (31 December 2017: HK\$3,691.0 million) was utilized as at the period end. Moreover, certain of the Group's financial assets at fair value through profit or loss with carrying value amounting to approximately HK\$1,398.5 million (31 December 2017: HK\$1,427.4 million) were pledged to secure loan facilities in the amount of approximately USD255 million (31 December 2017: USD255 million).

Contingent Liabilities

The Group did not have any material contingent liabilities as at 30 June 2018.

Material Acquisitions and Disposals

There were no material acquisitions and disposals during the period under review.

外匯監管

本公司及其主要附屬公司的功能貨幣為港元，大部分交易以港元結算。如上文「流動資金及財務資源」部分所述，本集團有若干以美元計值及少部分以其他貨幣計值的貨幣資產及負債。本集團現時並無精密而全面的外幣對沖政策，是由於本集團大部分交易以港元結算及本集團若干借貸以美元計算，而港元與美元掛鈎，因此本集團的外幣風險有限。

資產抵押

於二零一八年六月三十日，本集團已將賬面總值約1,223,600,000港元(二零一七年十二月三十一日：1,264,100,000港元)的若干香港租賃土地及樓宇，賬面值約324,000,000港元(二零一七年十二月三十一日：322,000,000港元)的投資物業，連同本公司的若干附屬公司股份，作為本集團獲得銀行貸款融資額8,000,000,000港元(二零一七年十二月三十一日：8,000,000,000港元)的抵押品，其中7,000,000,000港元(二零一七年十二月三十一日：7,000,000,000港元)已被動用。

此外，本集團將賬面總值8,728,900,000港元(二零一七年十二月三十一日：8,416,200,000港元)的整個啟德項目(包括在建土地及在建投資物業)作為本集團獲得貸款融資額9,000,000,000港元(二零一七年十二月三十一日：9,000,000,000港元)的抵押品，用作撥付啟德項目發展的資金，其中3,691,000,000港元(二零一七年十二月三十一日：3,691,000,000港元)在期末已被動用。另外，本集團將若干賬面值約1,398,500,000港元(二零一七年十二月三十一日：1,427,400,000港元)按公平值計入損益的金融資產作為貸款融資額約255,000,000美元(二零一七年十二月三十一日：255,000,000美元)的抵押品。

或然負債

於二零一八年六月三十日，本集團並無任何重大或然負債。

重大收購及出售

回顧期內並無重大收購及出售事項。

Review of Operations

For the first half of 2018, the Group repeatedly outperformed the broader market and widened its lead over the Hong Kong retail market, thanks to the Group's stable leadership and evolving merchandize mix.

SOGO CWB

Against the backdrop of firming momentum in consumer spending and a revival in inbound tourism, SOGO Causeway Bay ("SOGO CWB") recorded a 20.1% growth in sales revenue for the period under review. By offering a more refined shopping experience after completion of the store enhancement program, the overall traffic footfall increased 7.1% while stay-and-buy ratio rose by 2.3 percentage points from the same period last year to 34.7%, with the average ticket size (excluding transaction tickets from the Freshmart supermarket) saw an increase from last year's HK\$1,344 to HK\$1,482. The Sogo Rewards program continued to gain traction during the period, with the number of registered members increased to 480,000 from 380,000 as at 31 December 2017. The program has helped keep customers engaged and reinforced the Group's brand equity. Sales revenue from members of the Sogo Reward program accounted for 51.5% of the total sales revenue of the store, up from 45.0% in the same period last year. The Group will continue to optimize the loyalty program to increase sales productivity of the stores.

For the period under review, the Group managed to capitalize on the uptick in consumption by introducing aggressive sales promotions and streamlined digital payment services to increase sales productivity and efficiency. The biannual SOGO "Thankful Week" event held in May once again received overwhelming responses from shoppers and achieved record-breaking sales revenue of HK\$1,307.3 million, up 19.7% from the last record of HK\$1,092.3 million for the same event last May.

In addition, CVISION, a massive outdoor full-HD LED advertising screen installed at the building façade of SOGO CWB that the Group launched in late 2017, has proven to be an effective advertising platform while also further enhances our flagship's iconic position as one of the retail landmarks in Hong Kong.

SOGO TST

SOGO Tsim Sha Tsui ("SOGO TST") which established itself as one of the most sought-after shopping destinations in the area, continued to deliver stellar performance with a 42.8% increase in sales revenue during the period under review. Cosmetics and skin care products remained the major growth driver of the Tsim Sha Tsui store and saw 55.4% growth in sales during the period under review. SOGO TST extended robust growth momentum with both average ticket size and traffic footfall increased from the previous period, thanks to stronger inbound tourism and local demand. Similar to its counterpart in Causeway Bay, the May Thankful Week event at SOGO TST was well received and achieved record-breaking sales revenue of HK\$429.3 million, up 41.9% from the same event in the previous year.

業務回顧

於二零一八年上半年，本集團的表現一再優於整體市場，擴大了其在香港零售業的領先優勢，全賴本集團穩定的領導能力及不斷求變的品牌組合。

銅鑼灣崇光

在消費性開支增長動力強勁及入境旅遊業復蘇的帶動下，銅鑼灣崇光(「銅鑼灣崇光」)於回顧期內的銷售收入錄得20.1%的升幅。透過在門店翻新計劃完成後提供更完善的購物體驗，整體客流量增加7.1%，逗留購買比率由去年同期上升2.3個百分點至34.7%，而平均每宗交易額(不包括崇光超市超級市場的交易額)則由去年的1,344港元增加至1,482港元。Sogo Rewards計劃繼續保持強勢，註冊會員數目由二零一七年十二月三十一日的380,000名增至480,000名。此計劃有助吸引顧客交流及加強本集團的品牌認受性。來自Sogo Rewards計劃會員的銷售收入佔門店總銷售收入51.5%，較去年同期的45.0%有所增長。本集團將繼續優化忠誠計劃以提升門店的銷售生產力。

於回顧期內，本集團把握消費增長的機遇，引入進取的銷售宣傳活動及簡便的電子付款服務來提高銷售生產力和效益。於五月舉行之半年一度的崇光「感謝周」再次廣受顧客歡迎，並錄得破記錄的銷售收入，由去年五月同期舉行的「感謝周」之1,092,300,000港元，上升19.7%至1,307,300,000港元。

此外，本集團於二零一七年年底在銅鑼灣崇光外牆啟用大型戶外全高清LED廣告屏幕CVISION，事實證明CVISION是一個有效的廣告平台，並進一步加強我們作為香港主要地標之一的標誌性旗艦店之地位。

尖沙咀崇光

已確立為區內最受歡迎的購物熱點之一的尖沙咀崇光(「尖沙咀崇光」)屢創佳績，於回顧期內銷售收入增加42.8%。化妝品及護膚產品繼續為尖沙咀店的主要增長動力，銷售額於回顧期內增加55.4%。受惠於入境旅遊業及本地需求回勇，尖沙咀崇光延續強勁增長勢頭，平均每宗交易額及客流量均較去年同期有所增加。與銅鑼灣店情況相若，尖沙咀崇光的五月「感謝周」活動廣受歡迎，取得破記錄的銷售收入429,300,000港元，較去年同一活動上升41.9%。

Kai Tak Project

To capture the rising purchasing power and untapped customer base in the East Kowloon area, which will be bolstered by a government supported redevelopment plan as well as increasing accessibility brought about by the upcoming Kai Tak Station of the new Shatin-Central Link, the Group through government tender on 23 November 2016 acquired a plot of land in Kai Tak — East Kowloon, at a price of HK\$7,388 million.

The government's Kai Tak redevelopment project is a huge and highly complex project spanning a total planning area of over 320 hectares, encompassing the former airport site together with the adjoining hinterland districts of Kowloon City, Wong Tai Sin and Kwun Tong. Under the current redevelopment plan, the Hong Kong government has proposed to provide a quality living environment for over 100,000 residents, developing a mix of community, housing, business, tourism and infrastructural amenities in the area.

With a site area of approximately 14,159 square metres, the Group's Kai Tak Land will be developed into two blocks of commercial buildings to provide space for both retailing and office use, with a total gross floor area of approximately 101,000 square metres. The retailing portion is planned to house a full-fledged department store and other facilities complementary to the operations of a department store as well as to use for the operation of a shopping mall and other entertaining and dining facilities, and the office space will be divided partly for self-use and partly for leasing out for rental income. The proposed development is expected to be completed before end of the second quarter in 2022, and it is believed that this Kai Tak Project will be able to create a landmark position in the new Kai Tak development and East Kowloon area and will further broaden and solidify the Group's presence in the Hong Kong retailing market.

The Kai Tak Project commenced ground breaking works in December 2017, marking the start of construction for the two commercial blocks. The construction has been proceeding as scheduled and the Group aims to complete the foundation construction work by second quarter of 2020.

啟德項目

為了吸納因政府支持的重建計劃以及新沙中綫將啟用之啟德站將改善其交通配套之九龍東地區不斷上升的購買力和新的顧客群，本集團於二零一六年十一月二十三日透過政府招標，以作價7,388,000,000港元收購位於九龍東啟德發展區的一幅地皮。

政府的啟德重建項目是一個大型且極為複雜的項目，總規劃面積超過320公頃，覆蓋前啟德機場和鄰近的九龍城、黃大仙及觀塘地區。香港政府於現行重建計劃中建議在區內為超過100,000名居民提供一個集社區、住宅、商業、旅遊及基礎設施混合用途於一身的優質生活環境。

本集團的啟德地皮佔地面積約14,159平方米，將發展成兩幢商業大廈，提供空間作零售及辦公室用途，總建築面積約101,000平方米。零售部分計劃設立一家全面百貨店及配合百貨店營運的其他設施與用於購物商場以及其他娛樂及餐飲設施，辦公室空間則將部分留作自用，其他部分將會出租以獲取租金收入。有關建築發展項目預期於二零二二年第二季度底前竣工，相信啟德項目將在新啟德發展區及九龍東區創造一個新地標，並將進一步擴展及鞏固本集團於香港零售市場的佔有率。

啟德項目於二零一七年十二月動工，標誌著兩座商業大樓開始施工。建築工程按計劃進度開展，地基建設工程可望於二零二零年第二季度前完成。

Outlook and Plan

Looking ahead, escalating Sino-US trade tensions and Brexit negotiations could derail the global economic recovery and undermine business and financial market sentiment.

The weakening of the Chinese yuan against the Hong Kong dollar and concerns over a potential slowdown in China's economy would also make a dent in Chinese tourist spending in Hong Kong and pose challenges to the steady recovery of Hong Kong's retailing market.

Notwithstanding the lingering macroeconomic uncertainties, a solid job market, government spending and a still-buoyant property market should continue to render support to Hong Kong's economy and hence to the local consumption.

Management remains prudently optimistic on the business outlook for the second half of 2018. As a reputable department store operator with strong brand equity and competent management team, the Group is confident of maintaining its leading position in the retailing market of Hong Kong. Meanwhile, the Group will continue to enhance its services and product portfolio, taking into account the changing consumer behaviors and preferences that are increasingly demanding and sophisticated.

As always, the Group remains open to strategic investment and lucrative business opportunities, with a view of generating better returns for shareholders and sustaining profitable growth in the long term.

展望與計劃

展望未來，中美貿易摩擦升溫及英國脫歐談判可能會破壞全球經濟復蘇步伐，削弱商業及金融市場情緒。

人民幣兌港元走弱以及中國經濟增長可能放緩的憂慮亦將削弱中國旅客在香港的消費，為香港零售市場的穩步復蘇帶來挑戰。

儘管宏觀經濟的不明朗因素揮之不去，但穩健的就業市場、政府開支及依然暢旺的房地產市場應繼續為香港經濟以及本地消費提供支持。

管理層對二零一八年下半年的業務前景保持審慎樂觀的態度。作為信譽良好的百貨店營運商，加上其優越的品牌認受性及能幹的管理團隊，本集團有信心能維持其在香港零售市場的領導地位。同時，因應要求不斷提高及高端的消費者習慣及喜好，本集團將繼續提升其服務及產品組合。

一如既往，本集團對策略性投資及利潤可觀的商業機遇持開放態度，以期為股東爭取更佳回報及維持長期盈利增長。

Other Information 其他資料

Interim Dividend

The board of directors ("Board") of the Company has declared an interim dividend of HK\$0.295 per share (2017: HK\$0.289 per share) to shareholders whose names appear on the register of members of the Company on Monday, 10 September 2018. The interim dividend will be payable on Friday, 21 September 2018.

Closure of Register of Members

The register of members of the Company will be closed on Monday, 10 September 2018, on which date no transfer of shares will be registered. In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificate(s) must be lodged with the Company's share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Friday, 7 September 2018.

Directors' and Chief Executive's Interests

As at 30 June 2018, the directors' and the chief executive's interests and short positions 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")), as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") were as follows:

(i) Long position in shares of the Company

Name of director 董事姓名	Nature of interest 權益性質	Number of shares held 持有股份數目	Percentage of issued shares 佔已發行股份之百分比
Mr. Lau Luen Hung, Thomas 劉鑾鴻先生	Beneficial owner 實益擁有人	108,401,792	6.77%
	Interest of controlled corporations (Note 1) 受控制法團權益(附註1)	1,000,000,000	62.40%
	Trustee (Note 2) 受託人(附註2)	1,000,000	0.06%
Mr. Lau Kam Sen 劉今晨先生	Beneficiary of a trust (Note 2) 信託受益人(附註2)	1,000,000	0.06%
Ms. Lau Kam Shim 劉今蟾小姐	Beneficiary of a trust (Note 2) 信託受益人(附註2)	1,000,000	0.06%
Ms. Lau Yuk Wai, Amy 劉玉慧女士	Beneficiary of a trust and Trustee (Note 2) 信託受益人及受託人(附註2)	1,000,000	0.06%

中期股息

本公司董事會(「董事會」)宣派中期股息為每股0.295港元(二零一七年：每股0.289港元)予於二零一八年九月十日(星期一)名列在本公司股東名冊之股東。中期股息將於二零一八年九月二十一日(星期五)派付。

暫停辦理股份過戶手續

本公司將於二零一八年九月十日(星期一)暫停辦理股份過戶登記手續，於此日將不會辦理任何股份過戶登記。為確保符合資格享有中期股息，所有股份過戶文件連同有關股票，必須於二零一八年九月七日(星期五)下午四時三十分前送交本公司位於香港灣仔皇后大道東183號合和中心17樓1712-1716號舖之香港股份過戶登記處(香港中央證券登記有限公司)，辦理股份過戶手續。

董事及最高行政人員之權益

於二零一八年六月三十日，各董事及最高行政人員於本公司或其任何之相聯法團(按《證券及期貨條例》(「證券及期貨條例」)第XV部所界定者)之股份、相關股份及債權證中持有根據證券及期貨條例第352條規定記錄於須置存之登記冊內或根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十所載之《上市發行人董事進行證券交易的標準守則》(「標準守則」)須知會本公司及聯交所之權益及淡倉載列如下：

(i) 本公司股份之好倉

Notes:

- The 1,000,000,000 shares comprise:
 - 540,000,000 shares held by United Goal Resources Limited ("United Goal"). United Goal is ultimately owned as to 80% by Mr. Lau Luen Hung, Thomas through his controlled corporations and as to 20% by certain family members of Mr. Lau Luen Hung, the elder brother of Mr. Lau Luen Hung, Thomas. By virtue of the SFO, Mr. Lau Luen Hung, Thomas is deemed to be interested in the same parcel of shares in which United Goal is interested.
 - 460,000,000 shares held by Dynamic Castle Limited ("Dynamic Castle"), which is wholly owned by Mr. Lau Luen Hung, Thomas. By virtue of the SFO, Mr. Lau Luen Hung, Thomas is deemed to be interested in the same parcel of shares held by Dynamic Castle.
- These shares are held by a trust for an estate in which certain family members of Mr. Lau Luen Hung, Thomas have interest. Mr. Lau Luen Hung, Thomas and Ms. Lau Yuk Wai, Amy are the trustees of the trust and each of Mr. Lau Kam Sen and Ms. Lau Kam Shim and Ms. Lau Yuk Wai, Amy is a beneficiary under the trust, and therefore each of them is deemed to be interested in such shares by virtue of the SFO.

附註：

- 該1,000,000,000股股份包括：
 - 540,000,000股股份由United Goal Resources Limited (「United Goal」)持有。United Goal由劉鑾鴻先生通過其受控制法團最終擁有80%股份權益及由劉鑾雄先生(為劉鑾鴻先生之胞兄)若干家族成員最終擁有20%股份權益。根據證券及期貨條例，劉鑾鴻先生被視為擁有United Goal所持有的相同股份權益。
 - 460,000,000股股份由劉鑾鴻先生全資擁有之Dynamic Castle Limited (「Dynamic Castle」)持有。根據證券及期貨條例，劉鑾鴻先生被視為擁有Dynamic Castle所持有的相同股份權益。
- 該等股份由劉鑾鴻先生若干家族成員於當中擁有權益之遺產信託持有。劉鑾鴻先生及劉玉慧女士為該信託的受託人，以及劉今晨先生、劉今蟾小姐及劉玉慧女士為信託下之受益人，因此，根據證券及期貨條例，其各自被視為擁有該等股份權益。

(ii) Long position in debentures of associated corporations of the Company**(ii) 本公司之相關法團債權證的好倉****(a) LS Finance (2025) Limited
— 4.50% guaranteed bonds due 2025****(a) LS Finance (2025) Limited
— 4.50%於2025年到期的有擔保債券**

Name of director 董事姓名	Nature of interest 權益性質	Amount of debentures held (US\$) 所持債權證金額 (美元)
Mr. Lau Kam Sen 劉今晨先生	Interest of controlled corporation (Note 1) 受控制法團權益(附註1)	15,000,000
Ms. Lau Kam Shim 劉今蟾小姐	Interest of controlled corporation (Note 2) 受控制法團權益(附註2)	10,000,000

**(b) LS Finance (2022) Limited
— 4.25% guaranteed bonds due 2022****(b) LS Finance (2022) Limited
— 4.25%於2022年到期的有擔保債券**

Name of director 董事姓名	Nature of interest 權益性質	Amount of debentures held (US\$) 所持債權證金額 (美元)
Mr. Lau Kam Sen 劉今晨先生	Interest of controlled corporation (Note 1) 受控制法團權益(附註1)	2,000,000
Ms. Lau Kam Shim 劉今蟾小姐	Interest of controlled corporation (Note 2) 受控制法團權益(附註2)	2,000,000

Notes:

- These debentures are held by Magic Achieve Limited ("Magic Achieve"), which is wholly owned by Mr. Lau Kam Sen. By virtue of the SFO, Mr. Lau Kam Sen is deemed to be interested in the same parcel of debentures in which Magic Achieve is interested.
- These debentures are held by Dynasty Sky Limited ("Dynasty Sky"), which is wholly owned by Ms. Lau Kam Shim. By virtue of the SFO, Ms. Lau Kam Shim is deemed to be interested in the same parcel of debentures in which Dynasty Sky is interested.

附註：

- 該等債權證由Magic Achieve Limited (「Magic Achieve」)持有，該公司由劉今晨先生全資擁有。根據證券及期貨條例，劉今晨先生被視為擁有Magic Achieve持有的相同債權證權益。
- 該等債權證由Dynasty Sky Limited (「Dynasty Sky」)持有，該公司由劉今蟾小姐全資擁有。根據證券及期貨條例，劉今蟾小姐被視為擁有Dynasty Sky持有的相同債權證權益。

Save as disclosed above, as at 30 June 2018, none of the directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code. Nor any of the directors and chief executive had any interest in, or had been granted any right to subscribe for the securities of the Company and its associated corporations (within the meaning of Part XV of the SFO) or had exercised any such right during the period under review.

Interests of Shareholders Discloseable under the SFO

As at 30 June 2018, the following persons (other than a director or the chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO or notified to the Company:

Long position in shares of the Company

Name	Nature of interest	Number of shares held	Percentage of issued shares
名稱	權益性質	持有股份數目	佔已發行股份之百分比
United Goal	Beneficial owner (Note 3) 實益擁有人(附註3)	540,000,000	33.70%
Asia Prime Assets Limited ("Asia Prime")	Interest of controlled corporation (Notes 1 and 3) 受控制法團權益(附註1及3)	540,000,000	33.70%
Sand Cove Holdings Limited ("Sand Cove")	Interest of controlled corporations (Notes 2 and 3) 受控制法團權益(附註2及3)	540,000,000	33.70%
Dynamic Castle	Beneficial owner (Note 3) 實益擁有人(附註3)	460,000,000	28.70%
FMR LLC	Investment manager 投資經理	95,959,000	5.99%

Notes:

- Asia Prime, a company indirectly controlled by Mr. Lau Luen Hung, Thomas, holds 80% of the entire issued share capital of United Goal. By virtue of the SFO, Asia Prime is deemed to be interested in the same parcel of shares comprising 540,000,000 shares in which United Goal is interested as beneficial owner.
- Sand Cove, which is wholly owned and directly controlled by Mr. Lau Luen Hung, Thomas, is entitled to exercise or control the exercise of 100% voting power at general meetings of Asia Prime. By virtue of SFO, Sand Cove is deemed to be interested in the same parcel of shares in which Asia Prime is deemed to be interested as set out in Note 1 above.
- Mr. Lau Luen Hung, Thomas, Mr. Lau Kam Sen and Ms. Lau Kam Shim are directors of United Goal and Sand Cove. Mr. Lau Luen Hung, Thomas is also the sole director of Asia Prime and Dynamic Castle.

除上文所披露者外，於二零一八年六月三十日，本公司董事及最高行政人員概無持有根據證券及期貨條例第352條規定記錄於須置存之登記冊內或根據標準守則須知會本公司及聯交所之本公司或其任何相聯法團(按證券及期貨條例第XV部所界定者)之任何股份、相關股份或債權證的權益或淡倉。於回顧期間，各董事及最高行政人員概無擁有或獲授任何可認購本公司及其相聯法團(按證券及期貨條例第XV部所界定者)證券之權利，亦無行使任何該等權利。

根據證券及期貨條例須予披露之股東權益

於二零一八年六月三十日，下列人士(不包括本公司董事或最高行政人員)於本公司之股份及相關股份中持有根據證券及期貨條例第336條規定記錄於須置存之登記冊內或知會本公司之權益或淡倉載列如下：

本公司股份之好倉

Name	Nature of interest	Number of shares held	Percentage of issued shares
名稱	權益性質	持有股份數目	佔已發行股份之百分比
United Goal	Beneficial owner (Note 3) 實益擁有人(附註3)	540,000,000	33.70%
Asia Prime Assets Limited ("Asia Prime")	Interest of controlled corporation (Notes 1 and 3) 受控制法團權益(附註1及3)	540,000,000	33.70%
Sand Cove Holdings Limited ("Sand Cove")	Interest of controlled corporations (Notes 2 and 3) 受控制法團權益(附註2及3)	540,000,000	33.70%
Dynamic Castle	Beneficial owner (Note 3) 實益擁有人(附註3)	460,000,000	28.70%
FMR LLC	Investment manager 投資經理	95,959,000	5.99%

附註：

- Asia Prime為劉鑾鴻先生間接控制之公司，其持有80% United Goal全部已發行股本。根據證券及期貨條例，Asia Prime被視為於United Goal實益擁有的540,000,000股股份中擁有相同權益。
- Sand Cove由劉鑾鴻先生全資擁有及直接控制，其有權在Asia Prime股東大會上行使或控制行使100%的投票權。根據證券及期貨條例，Sand Cove被視為擁有上述附註1所述Asia Prime所視為擁有的相同股份權益。
- 劉鑾鴻先生、劉今晨先生及劉今蟾小姐為United Goal及Sand Cove之董事。劉鑾鴻先生亦為Asia Prime及Dynamic Castle之唯一董事。

Save as disclosed above, the Company has not been notified by any person (other than a director or the chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company as at 30 June 2018 which were recorded in the register required to be kept under Section 336 of the SFO or notified to the Company.

Review of Interim Results

The Group's unaudited interim results for the six months ended 30 June 2018 have been reviewed by the audit committee, and by the auditors of the Company in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA.

Purchase, Sale or Redemption of the Company's Securities

During the six months ended 30 June 2018, the Company repurchased a total of 11,420,500 shares of the Company on the Stock Exchange for enhancing the net asset value and earnings per share of the Company. The repurchased shares were not cancelled until after the period end date. Details of the repurchases of shares are as follows:

Month 月份	Number of shares repurchased 購回股份數目	Price paid per share 每股購買價		Aggregate consideration (excluding expenses) 總代價(不包括開支) (HK\$) (港元)
		Highest 最高 (HK\$) (港元)	Lowest 最低 (HK\$) (港元)	
June 2018 二零一八年六月	11,420,500	16.70	15.60	185,534,382.95
	<u>11,420,500</u>			<u>185,534,382.95</u>

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company during the six months ended 30 June 2018.

Corporate Governance Code

The Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules during the six months ended 30 June 2018.

Code for Securities Transactions by Directors

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard set out in the Model Code. After specific enquiries by the Company, all directors confirmed that they have complied with the required standard set out in the Model Code and the Company's own code during the six months ended 30 June 2018.

除上文所披露者外，概無任何人士(本公司董事或最高行政人員除外)向本公司通知其於二零一八年六月三十日持有根據證券及期貨條例第336條規定記錄於須置存之登記冊內或知會本公司之本公司股份或相關股份的權益或淡倉。

中期業績之審閱

本集團截至二零一八年六月三十日止六個月之未經審核中期業績已由本公司之審核委員會審閱及經本公司核數師按照香港會計師公會頒布之香港審閱準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。

購買、出售或贖回本公司證券

截至二零一八年六月三十日止六個月內，本公司在聯交所購回總共11,420,500股本公司股份以提高本公司每股的資產淨值及盈利。該等購回股份直至期末以後才註銷。有關購回股份之詳情載列如下：

除上文所披露者外，截至二零一八年六月三十日止六個月內，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。

企業管治守則

本公司於截至二零一八年六月三十日止六個月內已遵守上市規則附錄十四所載《企業管治守則》之守則條文。

董事進行證券交易之守則

本公司已就董事進行證券交易採納一項操守準則，其條款不低於標準守則所規定之標準。經本公司作出特定查詢後，全體董事確認，彼等於截至二零一八年六月三十日止六個月內已遵守標準守則及本公司自訂守則所規定之標準。

Changes in Information of Directors

Below are the changes in directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Mr. Lau Luen Hung, Thomas

- holds directorship and owns entire issued share capital in Sand Cove*

Mr. Lau Kam Sen

- monthly salary was adjusted to HK\$350,000 with effect from 1 April 2018
- holds directorship in Sand Cove*

Ms. Lau Kam Shim

- monthly salary was adjusted to HK\$350,000 with effect from 1 April 2018
- holds directorship in Sand Cove*

The Hon. Shek Lai Him, Abraham

- appointed on 20 July 2018 as an independent non-executive director of CSI Properties Limited, a company listed on the Stock Exchange

Mr. Ip Yuk Keung

- resigned as an independent non-executive director of Hopewell Highway Infrastructure Limited, a company listed on the Stock Exchange, with effect from 4:00 p.m. on 2 May 2018
- appointed as an independent non-executive director of New World Development Company Limited, a company listed on the Stock Exchange, with effect from 1 June 2018

* Sand Cove has become a substantial shareholder of the Company on 3 May 2018

董事資料變更

以下是根據上市規則第 13.51B(1) 條之規定，須予披露之董事資料變更。

劉鑾鴻先生

- 於 Sand Cove* 擔任董事之職及持有其全部已發行股本

劉今晨先生

- 月薪調整至 350,000 港元，自二零一八年四月一日起生效
- 於 Sand Cove* 擔任董事之職

劉今蟾小姐

- 月薪調整至 350,000 港元，自二零一八年四月一日起生效
- 於 Sand Cove* 擔任董事之職

石禮謙議員

- 於二零一八年七月二十日獲委任為 CSI Properties Limited (資本策略地產有限公司) (為聯交所上市公司) 獨立非執行董事

葉毓強先生

- 自二零一八年五月二日下午四時正起辭任合和公路基建有限公司(為聯交所上市公司)獨立非執行董事
- 自二零一八年六月一日起獲委任為新世界發展有限公司(為聯交所上市公司)獨立非執行董事

* Sand Cove 於二零一八年五月三日成為本公司之主要股東

Specific Performance Covenant on Controlling Shareholders

In July 2016, the Company as guarantor and through its wholly-owned subsidiary as borrower entered into a HK\$8 billion 5-year secured loan facility agreement with a group of banks.

In April 2017, a wholly-owned subsidiary of the Company, as borrower, entered into a facility agreement with a syndicate of financial institutions for a term loan of up to HK\$9 billion. The final maturity date of the facility shall be the earlier of the date falling (i) 60 months from the utilisation date of the facility; and (ii) 6 months after issuance of a certificate of compliance by the Director of Lands for the development of the New Kowloon Land Lot No. 6557, Kai Tak Area 1E Site 2, Kowloon, Hong Kong.

Under the aforesaid facility agreements, unless with the banks' written consent, Mr. Lau Luen Hung, Thomas, his family members and/or his family trust arrangements and Mr. Lau Luen Hung's family members and/or his family trust arrangements shall remain the major shareholders of the Company with shareholding interest, directly or indirectly, of not less than 50.1% and retain management control of the Group.

Employees

As at 30 June 2018, the Group employed a total of 622 employees. Staff costs (excluding directors' emoluments) amounted to HK\$105.2 million (2017: HK\$107.1 million) for the six months ended 30 June 2018. The Group ensures that the pay levels of its employees are competitive and in line with the market trend and its employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system. Under the share option scheme of the Company, options may be granted to the directors and employees of the Group to subscribe for the shares of the Company.

Acknowledgement

We would like to thank the management and all of our staff for their hard work and dedication, as well as our shareholders and customers for their continuous support to the Group.

On behalf of the Board
Lau Kam Shim
Executive Director

13 August 2018

控股股東須履行之特定責任

於二零一六年七月，本公司(作為擔保人)及透過其全資附屬公司(作為借款人)與一銀團訂立80億港元5年期有抵押貸款融資協議。

於二零一七年四月，本公司之全資附屬公司(作為借款人)與若干金融機構訂立總金額不超過90億港元定期貸款融資協議。該融資額度的最終到期日將為(i)自該融資額度提款之日起60個月；及(ii)地政總署署長簽發有關香港九龍啟德第1E區2號土地的新九龍內地段第6557號開發之合規證明後6個月屆滿之日(以較早者為準)。

根據上述融資協議，除非銀行書面同意，劉鑾鴻先生、其家族成員及/或家族信託安排以及劉鑾雄先生的家族成員及/或家族信託安排需繼續為本公司的主要股東，合共持有的股權(不論直接或間接)不低於50.1%，並繼續對本集團擁有管理控制權。

僱員

於二零一八年六月三十日，本集團共僱用622名員工。截至二零一八年六月三十日止六個月期間，員工成本(不包括董事酬金)為105,200,000港元(二零一七年：107,100,000港元)。本集團確保僱員薪酬水平符合市場趨勢並具競爭力，僱員之薪酬乃根據本集團之一般薪金及花紅制度因應僱員表現釐定。根據本公司之購股權計劃，本集團董事及僱員可獲授予購股權，以認購本公司之股份。

致謝

我們謹此向管理人員及全體員工努力不懈、盡心全意為本集團效力，以及股東及顧客一直對本集團之鼎力支持，致以衷心謝意。

代表董事會
劉今蟾
執行董事

二零一八年八月十三日

Report on Review of Condensed Consolidated Financial Statements

簡明綜合財務報表審閱報告

Deloitte.

德勤

**TO THE BOARD OF DIRECTORS OF
LIFESTYLE INTERNATIONAL HOLDINGS LIMITED**
(Incorporated in the Cayman Islands with limited liability)

致利福國際集團有限公司董事會

(於開曼群島註冊成立之有限公司)

Introduction

We have reviewed the condensed consolidated financial statements of Lifestyle International Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 19 to 56, which comprise the condensed consolidated statement of financial position as of 30 June 2018 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
13 August 2018

引言

本核數師已審閱載於第19至56頁利福國際集團有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)之簡明綜合財務報表，其包括於二零一八年六月三十日之簡明綜合財務狀況表與截至該日止六個月期間之相關簡明綜合損益及其他全面收益表、簡明綜合權益變動表和簡明綜合現金流量表及若干說明附註。香港聯合交易所有限公司證券上市規則規定，就中期財務資料編製之報告必須符合當中有關條文以及香港會計師公會頒佈之香港會計準則第34號「中期財務報告」(「香港會計準則第34號」)。貴公司之董事須負責根據香港會計準則第34號編製及呈列該簡明綜合財務報表。本核數師之責任是根據審閱對該簡明綜合財務報表作出結論，並按照委聘之協定條款僅向閣下作為一個團體報告結論，且並無其他目的。本核數師不會就本報告之內容向任何其他人士負上或承擔任何責任。

審閱範圍

本核數師已根據香港會計師公會頒佈之香港審閱準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。審閱該等簡明綜合財務報表包括主要向負責財務和會計事務之人員作出查詢，並進行分析和其他審閱程序。審閱範圍遠少於根據香港核數準則進行審核之範圍，故本核數師不能保證本核數師將知悉如在審核中可能發現之所有重大事項。因此，本核數師不會發表審閱意見。

結論

按照本核數師之審閱，本核數師並無發現任何事項，令本核數師相信簡明綜合財務報表在各重大方面未有根據香港會計準則第34號編製。

德勤·關黃陳方會計師行
執業會計師
香港
二零一八年八月十三日

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收益表

for the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月		
		NOTES 附註	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核) (Restated) (重列)
Continuing operation	持續經營業務			
Turnover	營業額	3	2,112,795	1,674,641
Cost of sales	銷售成本	4	(555,074)	(409,703)
Gross profit	毛利		1,557,721	1,264,938
Other income, gains and losses	其他收入、收益及虧損		36,489	43,853
Selling and distribution costs	銷售及分銷成本		(334,298)	(299,772)
Administrative expenses	行政開支		(63,922)	(60,173)
Interest and investment (loss) income, net	利息及投資(虧損)收入， 淨額	5	(56,225)	328,032
Fair value changes on investment properties	投資物業公平值變動	11	108,000	351,500
Finance costs	融資成本	6	(133,927)	(112,734)
Profit before taxation	除稅前溢利		1,113,838	1,515,644
Taxation	稅項	7	(230,984)	(220,236)
Profit for the period from continuing operation	本期間來自持續經營業務 溢利	8	882,854	1,295,408
Discontinued operation	非持續經營業務			
Profit for the period from discontinued operation	本期間來自非持續經營業務 溢利	20	-	426,710
Profit for the period	本期間溢利		882,854	1,722,118
Other comprehensive income	其他全面收入			
<i>Items that may be subsequently reclassified to profit or loss:</i>	<i>隨後可能重新分類至損益之 項目：</i>			
Exchange differences arising on translation of foreign operation	換算海外業務時產生之 匯兌差額		-	16,177
Other comprehensive income for the period	本期間其他全面收入		-	16,177
Total comprehensive income for the period	本期間全面收入總額		882,854	1,738,295

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued) 簡明綜合損益及其他全面收益表(續)
for the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

Six months ended 30 June

截至六月三十日止六個月

		NOTE 附註	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核) (Restated) (重列)
Profit for the period attributable to owners of the Company:	本期間本公司擁有人應佔溢利：			
— from continuing operation	— 來自持續經營業務		882,854	1,295,408
— from discontinued operation	— 來自非持續經營業務		-	424,848
			882,854	1,720,256
Profit for the period attributable to non-controlling interests:	本期間非控股權益應佔溢利：			
— from continuing operation	— 來自持續經營業務		-	-
— from discontinued operation	— 來自非持續經營業務		-	1,862
			-	1,862
Profit for the period	本期間溢利		882,854	1,722,118
Total comprehensive income attributable to:	應佔全面收入總額：			
Owners of the Company	本公司擁有人		882,854	1,729,891
Non-controlling interests	非控股權益		-	8,404
			882,854	1,738,295
Earnings per share	每股盈利	10		
From continuing and discontinued operation	來自持續經營及非持續經營業務			
— Basic	— 基本		HK\$0.551	HK\$1.073
From continuing operation	來自持續經營業務			
— Basic	— 基本		HK\$0.551	HK\$0.808

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

at 30 June 2018 於二零一八年六月三十日

		NOTES 附註	30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核) (Restated) (重列)
Non-current assets	非流動資產			
Investment properties	投資物業	11	5,154,000	4,942,000
Property, plant and equipment	物業、廠房及設備	12	5,726,667	5,689,962
Deposit paid for acquisition of property, plant and equipment	已付購買物業、廠房及 設備之按金		52,305	29,899
Club debentures	會所債券		19,137	19,137
			10,952,109	10,680,998
Current assets	流動資產			
Inventories	存貨		44,953	37,571
Trade and other receivables	應收賬款及其他應收款項	13	137,502	174,887
Financial assets at fair value through profit or loss	按公平值計入損益之 金融資產	14	4,021,390	3,349,047
Time deposits	定期存款	15	4,129,534	—
Bank balances and cash	銀行結存及現金		2,574,031	7,389,274
			10,907,410	10,950,779
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款項	16	858,157	1,064,359
Contract liabilities	合約負債		169,261	156,786
Tax payable	應繳稅項		345,156	211,246
Bank borrowings — due within one year	銀行借貸 — 一年內到期	17	2,928,270	2,601,552
Financial liabilities at fair value through profit or loss	按公平值計入損益之 金融負債	14	224	—
			4,301,068	4,033,943
Net current assets	流動資產淨值		6,606,342	6,916,836
Total assets less current liabilities	總資產減流動負債		17,558,451	17,597,834

Condensed Consolidated Statement of Financial Position (continued) 簡明綜合財務狀況表(續)

at 30 June 2018 於二零一八年六月三十日

		NOTES 附註	30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核) (Restated) (重列)
Non-current liabilities	非流動負債			
Bank borrowings — due after one year	銀行借貸 — 一年後到期	17	8,348,789	8,582,586
Bonds	債券	18	4,664,832	4,637,641
Deferred tax liabilities	遞延稅項負債		292,860	272,883
			13,306,481	13,493,110
			4,251,970	4,104,724
Capital and reserves	資本及儲備			
Share capital	股本	19	8,013	8,013
Reserves	儲備		4,243,957	4,096,711
			4,251,970	4,104,724

The condensed consolidated financial statements on pages 19 to 56 were approved and authorised for issue by the Board of Directors on 13 August 2018 and are signed on its behalf by:

第19至56頁簡明綜合財務報表獲董事會於二零一八年八月十三日批准及授權刊發，並由下列董事代表簽署：

Ms. Lau Kam Shim 劉今蟾小姐
Executive Director 執行董事

Mr. Lau Kam Sen 劉今晨先生
Executive Director 執行董事

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

for the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔部份									
		Share capital	Treasury shares	Statutory surplus reserve	Capital redemption reserve	Asset revaluation reserve	Translation reserve	Retained profits	Subtotal	Non-controlling interests	Total
		股本	庫存股	法定盈餘	資本贖回	資產重估	匯兌儲備	保留溢利	小計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 31 December 2016 (audited)	於二零一六年十二月三十一日 (經審核)	8,013	-	225	687	240,722	92,543	1,508,184	1,850,374	597,542	2,447,916
Adjustments (note 2)	調整(附註2)	-	-	-	-	-	-	54,366	54,366	-	54,366
At 1 January 2017 (restated)	於二零一七年一月一日(重列)	8,013	-	225	687	240,722	92,543	1,562,550	1,904,740	597,542	2,502,282
Profit for the period	本期間溢利	-	-	-	-	-	-	1,720,256	1,720,256	1,862	1,722,118
Other comprehensive income for the period	本期間其他全面收入	-	-	-	-	-	9,635	-	9,635	6,542	16,177
Total comprehensive income for the period	本期間全面收入總額	-	-	-	-	-	9,635	1,720,256	1,729,891	8,404	1,738,295
Dividends paid (note 9)	已派付股息(附註9)	-	-	-	-	-	-	(549,687)	(549,687)	-	(549,687)
Release of exchange reserve upon disposal of subsidiaries	出售附屬公司時匯兌儲備之轉出	-	-	-	-	-	(102,178)	-	(102,178)	(605,946)	(708,124)
Transfer of reserves	轉撥儲備	-	-	(225)	-	-	-	225	-	-	-
At 30 June 2017 (unaudited) (restated)	於二零一七年六月三十日 (未經審核)(重列)	8,013	-	-	687	240,722	-	2,733,344	2,982,766	-	2,982,766
At 31 December 2017 (audited)	於二零一七年十二月三十一日 (經審核)	8,013	-	-	687	240,722	-	3,795,062	4,044,484	-	4,044,484
Adjustments (note 2)	調整(附註2)	-	-	-	-	-	-	60,240	60,240	-	60,240
At 1 January 2018 (restated)	於二零一八年一月一日(重列)	8,013	-	-	687	240,722	-	3,855,302	4,104,724	-	4,104,724
Profit and other comprehensive income for the period	本期間溢利及其他全面收入	-	-	-	-	-	-	882,854	882,854	-	882,854
Dividends paid (note 9)	已派付股息(附註9)	-	-	-	-	-	-	(549,687)	(549,687)	-	(549,687)
Shares repurchased but not yet cancelled (note 19)	未註銷之回購股票(附註19)	-	(185,921)	-	-	-	-	-	(185,921)	-	(185,921)
At 30 June 2018 (unaudited)	於二零一八年六月三十日 (未經審核)	8,013	(185,921)	-	687	240,722	-	4,188,469	4,251,970	-	4,251,970

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

for the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)
Net cash from operating activities	經營業務所得現金淨額	1,098,192	860,781
INVESTING ACTIVITIES	投資活動		
Purchase of property, plant and equipment	購買物業、廠房及設備	(48,685)	(81,125)
Deposit paid for acquisition of property, plant and equipment	已付購買物業、廠房及設備之按金	(24,294)	(31,076)
Purchase of investment properties	購買投資物業	(41,312)	(5,099)
Proceeds from disposal of subsidiaries (note 20)	出售附屬公司之所得款項 (附註 20)	-	872,496
Purchase of financial assets at fair value through profit or loss ("FVTPL")	購買按公平值計入損益之金融資產 (「按公平值計入損益之金融資產」)	(1,339,937)	(459,406)
Proceeds from disposal of financial assets at FVTPL	出售按公平值計入損益之 金融資產所得款項	507,441	448,211
Placement of time deposits	存放定期存款	(6,482,419)	-
Withdrawal of time deposits	提取定期存款	2,352,885	-
Interest received from financial assets at FVTPL	按公平值計入損益之金融資產之 已收利息	2,031	1,727
Dividend received from financial assets at FVTPL	按公平值計入損益之金融資產之 已收股息	33,316	20,029
Net cash (used in) from investing activities	投資活動(所用)所得現金淨額	(5,040,974)	765,757
FINANCING ACTIVITIES	融資活動		
New bank borrowings raised	新借銀行借貸	73,460	76,975
Redemption of bond payable	贖回應付債券	-	(3,879,932)
Dividends paid	已派付股息	(549,687)	(549,687)
Payment for repurchase of shares	回購股票付款	(185,921)	-
Upfront arrangement fee incurred in connection with new banking facility	與新借銀行貸款相關的 預付安排費用	-	(67,620)
Finance costs paid	已付融資成本	(213,112)	(265,668)
Net cash used in financing activities	融資活動所用現金淨額	(875,260)	(4,685,932)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(4,818,042)	(3,059,394)
Effect of foreign exchange rate difference	匯率差異之影響	2,799	28,765
Cash and cash equivalents at the beginning of the period	期初現金及現金等價物	7,389,274	7,520,140
Cash and cash equivalents at the end of the period	期末現金及現金等價物	2,574,031	4,489,511
Analysis of the balances of cash and cash equivalents:	現金及現金等價物結存之分析：		
Bank balances and cash	銀行結存及現金	2,574,031	4,489,511

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

for the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

1. Basis of Preparation

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

2. Principal Accounting Policies

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

Other than changes in accounting policies resulting from application of new Hong Kong Financial Reporting Standards ("HKFRSs"), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2018 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2017.

Application of new and amendments to HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 January 2018 for the preparation of the Group's condensed consolidated financial statements:

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle
Amendments to HKAS 40	Transfers of Investment Property

1. 編製基準

簡明綜合財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之香港會計準則第34號「中期財務報告」及香港聯合交易所有限公司(「聯交所」)證券上市規則附錄16之適用披露規定編製。

2. 主要會計政策

簡明綜合財務報表乃按歷史成本基準編制，惟若干物業及金融工具則按公平值計量(如適用)。

除應用新香港財務報告準則(「香港財務報告準則」)所導致的會計政策變動外，於截至二零一八年六月三十日止六個月的簡明綜合財務報表內所採用的會計政策及計算方法與編製本集團截至二零一七年十二月三十一日止年度的年度財務報表時一致。

應用香港財務報告準則新訂及修訂

於本中期期間，本集團首次應用香港會計師公會頒佈之香港財務報告準則的下列新訂及修訂，並於二零一八年一月一日或之後開始的年度期間強制生效，以編制本集團的簡明綜合財務報表：

香港財務報告準則第9號	金融工具
香港財務報告準則第15號	來自客戶合約之收益及相關修訂
香港(國際財務報告詮釋委員會)－詮釋第22號	外幣交易及預付代價
香港財務報告準則第2號(修訂本)	以股份付款交易之分類及計量
香港財務報告準則第4號(修訂本)	應用香港財務報告準則第9號金融工具與香港財務報告準則第4號保險合同
香港會計準則第28號(修訂本)	作為部分香港財務報告準則年度改善(2014年至2016年週期)
香港會計準則第40號(修訂本)	投資物業轉讓

2. Principal Accounting Policies (continued) Application of new and amendments to HKFRSs (continued)

In addition, the Group has applied Amendments to HKFRS 9 “Prepayment Features with Negative Compensation” in advance of the effective date, i.e. 1 January 2019.

The new and amendments to HKFRSs have been applied in accordance with the relevant transition provisions in the respective standards and amendments which results in changes in accounting policies, amounts reported and/or disclosures as described below. Except as disclosed in notes 2.1 and 2.2 below, the application of the new and amendments to HKFRSs in the current interim period has had no material effect on the Group’s financial performance and positions for the current and prior interim periods and/or disclosures set out in these condensed consolidated financial statements.

2.1 Impacts and changes in accounting policies of application on HKFRS 15 “Revenue from Contracts with Customers”

The Group has applied HKFRS 15 for the first time in the current interim period. HKFRS 15 superseded HKAS 18 “Revenue”, HKAS 11 “Construction Contracts” and the related interpretations.

The Group recognises revenue from the following major sources:

- Sales of goods: from the Group’s own sourced and direct purchase merchandises to customers
- Income from “After Purchase Order” (“APO”) sales: from sales of goods on APO arrangement based on certain percentage of sales in accordance with the terms of contracts. When the consignors fail to meet the minimum guarantee income in accordance with the terms of certain contracts, the minimum guarantee amount is recognised as income
- Income from concessionaire sales: from sales of goods by the relevant concessionaires based on certain percentage of sales in accordance with the terms of contracts. When the concessionaires fail to meet the minimum guarantee income in accordance with the terms of contracts, the minimum guarantee amount is recognised as income
- Service income: from concessionaires and clients for using the Group’s product displaying and advertising facilities
- Rental income: from tenants for leasing the Group’s department store space (not within the scope of HKFRS 15)

The Group has applied the full retrospective method of transition to HKFRS 15 and the comparative figures have been restated.

2. 主要會計政策(續)

應用香港財務報告準則新訂及修訂(續)

此外，本集團已於生效日期(即二零一九年一月一日)前應用香港財務報告準則第9號「具有負補償的提前還款特徵」的修訂。

香港財務報告準則的新訂及修訂已根據各自準則及修訂的相關過渡條文應用，導致如下述之呈報會計政策，金額及／或披露的變動。除附註2.1及2.2外，在本中中期期間應用香港財務報告準則新訂及修訂對於簡明綜合財務報表所報告之本期間、以前期間，及／或所載之披露的本集團財務表現及狀況並無重大影響。

2.1 應用香港財務報告準則第15號「來自客戶合約之收益」之影響及會計政策變動

本集團於本中中期期間首次應用香港財務報告準則第15號。香港財務報告準則第15號取代香港會計準則第18號「收益」，香港會計準則第11號「建築合約」及相關詮釋。

本集團確認來自以下主要來源的收益：

- 商品銷售：來自本集團直接採購商品並售予顧客
- 來自銷售後訂單(「銷售後訂單」)銷售之收益：來自銷售後訂單合約下之貨品銷售，乃根據合同條款下按銷售若干百分比計算。當寄售商未能按照若干合同條款達到最低保證收入時，最低保證金額確認為收入
- 來自特許專櫃銷售之收益：來自相關特許專櫃合約下之貨品銷售，乃根據合同條款下按銷售若干百分比計算。當特許專櫃未能按照合同條款達到最低保證收入時，最低保證金額確認為收入
- 服務收入：來自特許專櫃及客戶使用集團之產品展示和廣告設施
- 租金收入：租戶租賃本集團的百貨店位置(不在香港財務報告準則第15號範圍內)

本集團以全面追溯法採用香港財務報告準則第15號，比較數字亦已重列。

2. Principal Accounting Policies (continued) Application of new and amendments to HKFRSs (continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 15 "Revenue from Contracts with Customers" (continued)

2.1.1 Key changes in accounting policies resulting from application of HKFRS 15

HKFRS 15 introduces a 5-step approach when recognising revenue:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good and service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

2. 主要會計政策(續)

應用香港財務報告準則新訂及修訂(續)

2.1 應用香港財務報告準則第15號「來自客戶 合約之收益」之影響及會計政策變動(續)

2.1.1 應用香港財務報告準則第15號之主 要會計政策變動

香港財務報告準則第15號引入確認
收益的五個步驟：

- 第一步： 識別與客戶訂立的合約
- 第二步： 識別合約中的履約責任
- 第三步： 釐定交易價
- 第四步： 將交易價分配至合約中的履約責任
- 第五步： 於實體完成履約責任時(或就此)確認收益

根據香港財務報告準則第15號，本集團於完成履約責任時(或就此)確認收益，即於特定履約責任相關的商品或服務的「控制權」轉讓予客戶時。

履約責任代表可分別的或一系列可分別的貨品或服務(或一捆子貨品或服務)。

控制權隨時間轉讓，而倘達成以下其中一個條件，則收益參照相關履約責任完成程度，隨時間確認：

- 本集團履約時，客戶同時收取及消耗本集團履約所提供的利益；
- 本集團履約以創造及提升客戶控制的資產；或
- 本集團履約並無創造對本集團另有用途的資產，及本集團對截至該日已履約的付款擁有強制執行的權利。

2. Principal Accounting Policies (continued) Application of new and amendments to HKFRSs (continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 15 "Revenue from Contracts with Customers" (continued)

2.1.1 Key changes in accounting policies resulting from application of HKFRS 15 (continued)

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

Contracts with multiple performance obligations (including allocation of transaction price)

For contracts that contain more than one performance obligations including obligation to provide goods or services to customers on complementary basis and customer's options to acquire additional goods or services for free or at a discount in future granted under loyalty reward program, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

The stand-alone selling price of the distinct good or service underlying each performance obligation is determined at contract inception. It represents the price at which the Group would sell a promised good or service separately to a customer.

Accounting for unredeemed gift certificate and loyalty points under loyalty reward program

The unredeemed gift certificate and loyalty points under loyalty reward program should be recorded as contract liabilities, and should only reflect the value that is expected to be redeemed, i.e. should reflect anticipated breakage. Breakage will need to be estimated considering the guidance on constraining estimates of variable consideration as well as the Group's historical experience with gift certificate and loyalty points under loyalty reward program. Revenue should be recognised in regard to breakage in the proportion of gift certificate and loyalty points redeemed in that period and likely to result in the acceleration of revenue when the possibility of redemption becomes remote.

2. 主要會計政策(續)

應用香港財務報告準則新訂及修訂(續)

2.1 應用香港財務報告準則第15號「來自客戶 合約之收益」之影響及會計政策變動(續)

2.1.1 應用香港財務報告準則第15號之主 要會計政策變動(續)

否則，當客戶對特定貨品或服務取得控制權時，即確認收益。

合約負債指當本集團自客戶收取代價(或到期收取之代價金額)後，本集團轉讓貨品或服務予客戶的責任。

擁有多重履約責任的合約(包括分配 交易價格)

就包含多於一項履約責任(包括以補充形式向客戶提供貨品或服務)的合約，而客戶選擇免費或根據忠誠獎勵計劃所授出的日後折扣獲取額外貨品或服務，本集團以相關獨立售價基準，將交易價格分配至各項履約責任。

各項履約責任相關的特定貨品或服務獨立售價，乃於合約開始時釐定。有關獨立售價指本集團將承諾的貨品或服務獨立出售予客戶時的價格。

未兌換禮券及忠誠獎勵計劃下之積分 的會計處理

尚未兌換之禮券及忠誠獎勵計劃下之積分應記錄為合約負債，並僅應反映預期兌換的價值，即應反映預期撇賬。考慮到限制可變代價估計的指引，以及本集團於禮券及忠誠獎勵計劃下之積分的過往經驗，因此將需要就撇賬作出估計。有關撇賬應按與該期間已兌換的禮券及忠誠獎勵計劃下之積分的比例確認收入，當兌換的可能性變低時，可能導致收入加快。

2. Principal Accounting Policies (continued) Application of new and amendments to HKFRSs (continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 15 "Revenue from Contracts with Customers" (continued)

2.1.1 Key changes in accounting policies resulting from application of HKFRS 15 (continued)

Variable consideration

For contracts under APO and concessionaire sales that contain variable consideration, the Group recognises the amount of consideration to which it is entitled using the most likely amount, which better predicts the amount of consideration to which the Group is entitled.

The amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

The Group updates the estimated transaction price based on issued statements to consignors and concessionaires (including assessment of whether the variable consideration is constrained) to represent faithfully the circumstances present at the end of the reporting period.

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

The Group acts as an agent for APO and concessionaire sales as the Group does not control the specific goods provided by the consignors and concessionaires before goods transferred to a customer.

2. 主要會計政策(續)

應用香港財務報告準則新訂及修訂(續)

2.1 應用香港財務報告準則第15號「來自客戶 合約之收益」之影響及會計政策變動(續)

2.1.1 應用香港財務報告準則第15號之主 要會計政策變動(續)

可變代價

就包含可變代價的銷售後訂單及特許專權銷售下的合約而言，本集團採用最可能的金額，就其有權收取的代價金額作出確認，更適合預測本集團有權收取的代價金額。

交易價格包括可變代價金額，惟僅以當與可變代價相關的不確定性於日後得到解決，而將可變代價金額納入交易價格中將極可能不會導致日後出現重大收益撥回下，方可作出有關納入。

本集團根據已向寄售商及特許專權發出的月結單更新預計之交易價格(包括評估可變代價是否受到限制)，以專誠地呈列於期末存在之情況。

委託人對代理人

當另一方亦有參與提供貨品或服務予客戶時，本集團釐定其應允之性質是否一項提供特定貨品或服務本身的履約責任(即本集團為委託人)，或有關應允之性質為由其他方提供該等貨品或服務的安排(即本集團為代理人)。

倘於該貨品或服務轉讓予客戶前，本集團對有關貨品或服務擁有控制權，本集團即為委託人。

倘履約責任為安排另一方提供特定貨品或服務，本集團即為代理人。在此情況下，於該貨品或服務轉讓予客戶前，本集團並無對由另一方提供的特定貨品或服務擁有控制權。當本集團為代理人時，本集團因為另一方提供的特定貨品或服務作出安排，而預期有權收取的任何費用或佣金金額確認收益。

由於本集團於貨品轉讓予客戶前，並無由寄售商及特許專權提供的特定貨品擁有控制權，因此本集團就銷售後訂單及特許專權銷售充當代理人。

2. Principal Accounting Policies (continued) Application of new and amendments to HKFRSs (continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 15 "Revenue from Contracts with Customers" (continued)

2.1.2 Summary of effects arising from initial application of HKFRS 15

The Group has applied the full retrospective method of transition to HKFRS 15 and the effects of adoption of HKFRS 15 are as follows. The comparative amount has been restated accordingly. Line items that were not affected by the changes have not been included.

Impact on the condensed consolidated statement
of profit or loss and other comprehensive income

			Six months ended 30 June 2017 (originally stated) 截至 二零一七年 六月三十日止 六個月 (原本列賬)	Adjustments	Six months ended 30 June 2017 (restated) 截至 二零一七年 六月三十日止 六個月 (重列)
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Turnover	營業額	a,b	2,223,764	(549,123)	1,674,641
Cost of sales	銷售成本	a,b	(962,256)	552,553	(409,703)
Taxation	稅項	a,b	(219,670)	(566)	(220,236)

Impact on the condensed consolidated statement
of financial position

			31 December 2017 (originally stated) 於二零一七年 十二月 三十一日 (原本列賬)	Adjustments	31 December 2017 (restated) 於二零一七年 十二月 三十一日 (重列)
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Trade and other payables	應付賬款及 其他應付款項	b	(1,293,288)	228,929	(1,064,359)
Contract liabilities	合約負債	b	–	(156,786)	(156,786)
Tax payable	應繳稅項	b	(199,343)	(11,903)	(211,246)
Reserves	儲備	b	4,036,471	60,240	4,096,711

2. 主要會計政策(續)

應用香港財務報告準則新訂及修訂(續)

2.1 應用香港財務報告準則第15號「來自客戶 合約之收益」之影響及會計政策變動(續)

2.1.2 首次應用香港財務報告準則15產生 的影響摘要

本集團以完整的追溯法採用香港財務報告準則第15號，採納香港財務報告準則第15號的影響如下。相應金額已相應重列。不受變動影響之項目不包括在內。

簡明綜合損益及其他全面收益表的影響

			Six months ended 30 June 2017 (originally stated) 截至 二零一七年 六月三十日止 六個月 (原本列賬)	Adjustments	Six months ended 30 June 2017 (restated) 截至 二零一七年 六月三十日止 六個月 (重列)
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Turnover	營業額	a,b	2,223,764	(549,123)	1,674,641
Cost of sales	銷售成本	a,b	(962,256)	552,553	(409,703)
Taxation	稅項	a,b	(219,670)	(566)	(220,236)

簡明綜合財務狀況表的影響

			31 December 2017 (originally stated) 於二零一七年 十二月 三十一日 (原本列賬)	Adjustments	31 December 2017 (restated) 於二零一七年 十二月 三十一日 (重列)
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Trade and other payables	應付賬款及 其他應付款項	b	(1,293,288)	228,929	(1,064,359)
Contract liabilities	合約負債	b	–	(156,786)	(156,786)
Tax payable	應繳稅項	b	(199,343)	(11,903)	(211,246)
Reserves	儲備	b	4,036,471	60,240	4,096,711

2. Principal Accounting Policies (continued) Application of new and amendments to HKFRSs (continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 15 "Revenue from Contracts with Customers" (continued)

2.1.2 Summary of effects arising from initial application of HKFRS 15 (continued)

- (a) Application of the HKFRS 15 has resulted in a change of the accounting treatment for those sales transactions under the ("APO") arrangements. These transactions were previously accounted for as direct sales on a gross basis whereas under the HKFRS 15, the Group is regarded as the agent rather than the principal and therefore only the commission income on a net basis will be booked as the Group's turnover.
- (b) Revenue in respect of breakage is recognised in proportion to the amount of gift certificate and loyalty points under loyalty program redeemed in that period, which is likely to result in an acceleration of revenue when the possibility of redemption becomes remote. The accumulated amount of breakage amounted to HK\$60,240,000 (including HK\$54,366,000 as at 1 January 2017 and HK\$5,874,000 for the year ended 31 December 2017), which would have been recognised as turnover in previous years under HKFRS 15, has been transferred from deferred income to retained earnings, with adjustment made to account for the corresponding tax effect. Deferred income of HK\$156,786,000, which were attributable to unredeemed loyalty points under loyalty reward program and unredeemed gift certificates sold to customers, was reclassified to contract liabilities upon application of HKFRS 15.

2. 主要會計政策(續)

應用香港財務報告準則新訂及修訂(續)

2.1 應用香港財務報告準則第15號「來自客戶 合約之收益」之影響及會計政策變動(續)

2.1.2 首次應用香港財務報告準則15產生 的影響摘要

- (a) 應用香港財務報告準則第15號導致根據銷售後訂單(「銷售後訂單」)安排下銷售交易的會計處理有所變動。該等交易先前按總額計入直接銷售，而根據香港財務報告準則第15號，本集團被視為代理人而非委託人，因此本集團的營業額僅按淨額計算佣金收入入賬。
- (b) 有關撇賬之收入是按與該期間已兌換的禮券及忠誠計劃下忠誠獎勵積分金額之比例確認，在兌換可能性變得很低時，很可能導致營業額確認加快。如根據香港財務報告準則第15號，累計撇賬金額為60,240,000港元(包括於二零一七年一月一日之54,366,000港元及截止二零一七年十二月三十一日止年度之5,874,000港元)，本應於過往年度確認為營業額，連同相應稅務影響調整，已從遞延收入轉撥至累計溢利。在應用香港財務報告準則第15號後，未兌換忠誠獎勵計劃積分及出售予顧客的未兌換禮券之遞延收入為156,786,000港元，已重新分類為合約負債。

2. Principal Accounting Policies (continued) Application of new and amendments to HKFRSs (continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 "Financial Instruments"

In the current period, the Group has applied HKFRS 9 "Financial Instruments", amendments to HKFRS 9 "Prepayment Features with Negative Compensation" and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for (1) the classification and measurement of financial assets and financial liabilities, (2) expected credit losses ("ECL") for financial assets and (3) general hedge accounting.

Except for the 2010 versions of HKFRS 9 that were early adopted by the Group in previous years, the Group has applied the remaining sections of HKFRS 9 and the related consequential amendments to other HKFRSs in the current period, whereas the introduction of new requirements for ECL for financial assets is relevant to the Group.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9, i.e. applied the requirements for ECL retrospectively to instruments that have not been derecognised as at 1 January 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018. The difference between carrying amounts as at 31 December 2017 and the carrying amounts as at 1 January 2018 are recognised in the opening retained profits, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 Financial Instruments: Recognition and Measurement.

2. 主要會計政策(續)

應用香港財務報告準則新訂及修訂(續)

2.2 應用香港財務報告準則9「金融工具」之影響及會計政策變動

於本期間，本集團已應用香港財務報告準則第9號「金融工具」、香港財務報告準則第9號(修訂本)「具有負補償的提前還款特徵」及對其他香港財務報告準則的相關對應修訂本。香港財務報告準則第9號就以下各項引入新規定：1) 金融資產及金融負債的分類及計量；2) 金融資產的預期信貸虧損(「預期信貸虧損」)；及3) 一般對沖會計法。

除本集團於過往年度已提早採納的香港財務報告準則第9號(二零一零年版)外，本集團已於本期間應用就金融資產的預期信貸虧損引入新規定與本集團相關之香港財務報告準則第9號之餘下章節以及對其他香港財務報告準則的相關對應修訂本。

本集團已根據香港財務報告準則第9號所載之過渡條文應用香港財務報告準則第9號，即：對於二零一八年一月一日(初始應用日期)並未終止確認的工具，以追溯方式應用預期信貸虧損的規定，且並未對於二零一八年一月一日已終止確認的工具應用有關規定。於二零一七年十二月三十一日的賬面值，與於二零一八年一月一日的賬面值之間的差異，已於期初保留溢利中確認，而並無重列比較資料。

因此，若干比較資料可能無法與按香港會計準則第39號「金融工具：確認及計量」所編製的比較資料進行比較。

2. Principal Accounting Policies (continued) Application of new and amendments to HKFRSs (continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 "Financial Instruments" (continued)

2.2.1 Key changes in accounting policies resulting from application of HKFRS 9

Measurement of financial assets

Impairment under ECL model

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment requirements under HKFRS 9 (including trade and other receivables, time deposits and bank balances). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12mth ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

For all other instruments, the Group measures the loss allowance equal to 12mth ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

2. 主要會計政策(續)

應用香港財務報告準則新訂及修訂(續)

2.2 應用香港財務報告準則9「金融工具」之影響及會計政策變動(續)

2.2.1 應用香港財務報告準則第9號之主要會計政策變動

金融資產的計量

於預期信貸虧損模式下的減值

本集團就金融資產的預期信貸虧損確認虧損撥備，有關撥備受香港財務報告準則第9號之減值要求(包括應收賬款及其他應收款項、定期存款及銀行結存)所限。預期信貸虧損金額於各報告日更新，以反映自初始確認以來信貸風險的變動。

永久預期信貸虧損指相關工具預期期限內，所有可能違約事件引致的預期信貸虧損。反之，十二個月預期信貸虧損(「十二個月預期信貸虧損」)指於報告日後十二個月內可能發生的違約事件預期引致的部份永久預期信貸虧損。評估乃根據本集團過往信貸虧損經驗而作出，並經債務人特有的因素、一般經濟狀況，以及對報告日當前狀況和日後情況的預測而作出調整。

就所有其他工具而言，本集團以相等於十二個月預期信貸虧損計量虧損撥備，除非信貸風險自初始確認以來大幅增加，在此情況下本集團則確認永久預期信貸虧損。就應否確認永久預期信貸虧損而作出的評估，應基於自初始確認以來發生違約的可能性或風險大幅增加而作出。

信貸風險大幅增加

於評估信貸風險是否自初始確認以來已大幅增加時，本集團將於報告日金融工具發生違約的風險，以及於初始確認日期金融工具發生違約的風險進行比較。於進行此評估時，本集團考慮合理而具理據的定量及定質資料，包括過往經驗及可在毋須付出不必要成本或資源即可取得的前瞻性資料。

2. Principal Accounting Policies (continued) Application of new and amendments to HKFRSs (continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 "Financial Instruments" (continued)

2.2.1 Key changes in accounting policies resulting from application of HKFRS 9 (continued)

Measurement of financial assets (continued)

Significant increase in credit risk (continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definitions.

2. 主要會計政策(續)

應用香港財務報告準則新訂及修訂(續)

2.2 應用香港財務報告準則9「金融工具」之影響及會計政策變動(續)

2.2.1 應用香港財務報告準則第9號之主要會計政策變動(續)

金融資產的計量(續)

信貸風險大幅增加(續)

尤其是，當評估信貸風險是否已大幅增加時，將會考慮以下資料：

- 金融工具的外部(如有)或內部信貸評級實際或預期出現大幅惡化；
- 目前或預測業務、財務或經濟狀況出現不利變動，預期會大幅削弱債務人履行其債務責任的能力；
- 債務人營運業績實際或預期出現大幅惡化；
- 法規、經濟或債務人的技術環境實際或預期出現重大不利變動，導致大幅削弱債務人履行其債務責任的能力。

除非本集團有合理及具理據的資料另有所指，不論上述評估的結果為何，當合約款項逾期30日，本集團即假設信貸風險自初始確認以來已大幅增加。

儘管如上文所述，倘債務工具於報告日釐定為具低信貸風險，本集團假設債務工具信貸風險自初始確認以來並無大幅增加。倘出現以下情況，債務工具即釐定為具低信貸風險：i) 其違約風險低；ii) 借款人於近期擁有強健能力，以滿足其合約現金流的責任；及iii) 於較長遠的時期內，經濟及業務狀況的不利變動可能但不一定降低借款人滿足其合約現金流責任的能力。當債務工具的內部或外部信貸評級獲得符合全球公認的「投資級別」定義時，本集團即認為債務工具的信貸風險為低。

2. Principal Accounting Policies (continued) Application of new and amendments to HKFRSs (continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 "Financial Instruments" (continued)

2.2.1 Key changes in accounting policies resulting from application of HKFRS 9 (continued)

Measurement of financial assets (continued)

Significant increase in credit risk (continued)

The Group considers that default has occurred when the instrument is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

Generally, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

As at 1 January 2018, the directors of the Company reviewed and assessed the Group's existing financial assets for impairment using reasonable and supportable information that is available without undue cost or effort in accordance with the requirements of HKFRS 9 and concluded that there is no material impact to the condensed consolidated financial statements as a whole.

2. 主要會計政策(續)

應用香港財務報告準則新訂及修訂(續)

2.2 應用香港財務報告準則9「金融工具」之影響及會計政策變動(續)

2.2.1 應用香港財務報告準則第9號之主要會計政策變動(續)

金融資產的計量(續)

信貸風險大幅增加(續)

除非本集團有合理而具理據的資料，說明較為滯後的違約標準更為合適，當工具逾期90日，本集團即認為發生違約。

預期信貸虧損的計量及確認

預期信貸虧損的計量為違約概率、違約損失率(即倘出現違約，損失的程度)以及違約之風險的函數。違約概率及違約損失率的評估乃根據經前瞻性資料調整的歷史數據而作出。

一般而言，預期信貸虧損以本集團根據合約應收的所有合約現金流，與本集團預期收取的所有現金流之間的差異作出評估，並經於初始確認時釐定的實際利率進行折現。

利息收入乃根據金融資產的賬面總值計算，除由金融資產已作信貸減值，在此情況下，利息收入根據金融資產的攤銷成本計算。

於二零一八年一月一日，本公司董事已使用根據香港財務報告準則第9號之要求，在毋須付出不必要成本或資源而可取得的合理及具理據資料，審閱及評估本集團現有金融資產的減值情況，結論為其對簡明綜合財務報表整體並無構成重大影響。

3. Turnover and Segment Information

Turnover represents the revenue received and receivable for goods sold by the Group to outside customers net of discounts, income from APO sales, income from concessionaire sales, service income and rental income during the period, and is analysed as follows:

3. 營業額及分部資料

營業額指本集團期內就向外界客戶售出貨品的已收及應收收入減折扣、來自「銷售後訂單」銷售之收益及來自特許專櫃銷售之收益、服務收入以及租金收入，茲分析如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Restated) (重列)
Continuing operation	持續經營業務		
Sales of goods — direct sales	貨品銷售 — 直接銷售	735,359	544,582
Income from APO sales	來自「銷售後訂單」銷售之收益	264,583	219,790
Income from concessionaire sales	來自特許專櫃銷售之收益	1,024,767	860,677
Service income	服務收入	62,430	26,245
Rental income	租金收入	25,656	23,347
Total turnover	總營業額	2,112,795	1,674,641

Disaggregation of revenue from goods and service

來自貨品及服務之收入分別

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Restated) (重列)
Recognised at a point in time:	在某個時間點確認：		
Sales of goods — direct sales	貨品銷售 — 直接銷售	735,359	544,582
Recognised over time:	隨著時間確認：		
Income from concessionaire sales	來自特許專櫃銷售之收益	1,024,767	860,677
Income from APO sales	來自「銷售後訂單」銷售之收益	264,583	219,790
Service income	服務收入	62,430	26,245
Revenue from contracts with customers	來自與客戶合同之收入	2,087,139	1,651,294
Rental income	租金收入	25,656	23,347
Total turnover	總營業額	2,112,795	1,674,641

3. Turnover and Segment Information (continued)

The Group's operating activities are attributable to a single operating segment focusing on operation of department stores, property development and investment in Hong Kong. This operating segment has been identified on the basis of internal management reports prepared in accordance with accounting policies which conform with HKFRSs, that are regularly reviewed by the chief operating decision maker ("CODM") (i.e. executive directors of the Company). The CODM regularly reviews revenue analysis and profit for the period of the Group as a whole to make decisions about resource allocation. Other than these, no operating results and other discrete financial information is available for the assessment of performance. Accordingly, no separate segment information other than entity level information is prepared.

The Group has no customers that contributed over 10% of the total turnover of the Group for both periods. The Group's operations are located in Hong Kong and the Group's non-current assets are all based in Hong Kong.

4. Cost of Sales

The cost of sales is analysed as follows:

Continuing operation

Cost of goods sold — direct sales

銷售成本分析如下：

持續經營業務

貨品銷售成本 — 直接銷售

3. 營業額及分部資料(續)

本集團的經營活動歸屬於單一經營分部，在香港專注於百貨店的經營，物業發展及投資。該經營分部乃根據符合香港財務報告準則的會計政策編制的內部管理報告確定，並由主要營運決策者（「主要營運決策者」）（即本公司執行董事）定期審閱。主要營運決策者定期審閱本集團整體收益分析及溢利，以作出資源分配決策。除此之外，概無經營業績及其他單獨財務資料可作表現評估。因此，並無編製實體資料以外的個別分部資料。

於今年及去年期間，本集團並無客戶貢獻超過本集團總營業額10%。本集團的業務位於香港。所有本集團的非流動資產是基於香港。

4. 銷售成本**Six months ended 30 June**

截至六月三十日止六個月

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Restated) (重列)
The cost of sales is analysed as follows:			
Continuing operation			
Cost of goods sold — direct sales	貨品銷售成本 — 直接銷售	555,074	409,703

5. Interest and Investment (Loss) Income, Net

5. 利息及投資(虧損)收入, 淨額

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Continuing operation	持續經營業務		
Interest income on bank deposits	銀行存款之利息收入	73,735	26,480
Dividend income from financial assets at FVTPL	按公平值計入損益之金融資產的 股息收入	33,316	18,680
Interest income from financial assets at FVTPL	按公平值計入損益之金融資產的 利息收入	278	1,727
Change in fair value of financial instruments:	金融工具公平值變動：		
— financial assets at FVTPL other than derivative financial instruments	— 除衍生金融工具以外 按公平值計入損益之 金融資產	(164,578)	270,852
— derivative financial instruments	— 衍生金融工具	1,024	10,293
		(56,225)	328,032

6. Finance Costs

6. 融資成本

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Continuing operation	持續經營業務		
Interest on:	以下項目之利息：		
Bank borrowings	銀行借貸	123,380	66,947
Bonds	債券	105,580	118,429
		228,960	185,376
Less: amounts capitalised in construction in progress and investment properties under development	減：在建工程及在建投資物業之 資本化金額	(95,033)	(72,642)
		133,927	112,734

Borrowing costs capitalised are interest expenses incurred specifically for financing the development of qualifying assets.

已資本化之融資成本主要為就發展中的合資格資產之融資所產生的利息支出。

7. Taxation

7. 稅項

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Restated) (重列)
Continuing operation	持續經營業務		
Current tax:	本期稅項：		
Hong Kong Profits Tax	香港利得稅	211,007	156,534
Deferred tax	遞延稅項支出	19,977	63,702
		230,984	220,236

Hong Kong Profits Tax is provided at 16.5% (six months ended 30 June 2017: 16.5%) of the estimated assessable profit for the period.

香港利得稅按本期間之估計應課稅溢利按 16.5% (截至二零一七年六月三十日止六個月：16.5%) 稅率作出撥備。

8. Profit for the period from continuing operation

8. 本期間來自持續經營業務溢利

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit for the period from continuing operation has been arrived at after charging:	本期間來自持續經營業務之溢利已扣除下列項目：		
Depreciation	折舊	89,254	77,440
Release of prepaid lease payments	預付租賃款項轉出	-	38,926
Less: amount capitalised in construction in progress and investment properties under development	減：於在建工程及在建投資物業資本化之金額	-	(38,926)
		-	-

9. Dividends

During the current interim period, a final dividend of HK cents 34.3 per share in respect of the year ended 31 December 2017 (2017: HK cents 34.3 per share in respect of the year ended 31 December 2016) was declared and paid to the owners of the Company. The amount of the final dividend declared and paid in the current interim period amounted to HK\$549,687,000 (2017: HK\$549,687,000).

Subsequent to the end of the interim period, the board of directors has declared that an interim dividend of HK cents 29.5 (2017: HK cents 28.9) in cash per share will be paid to the owners of the Company whose names appear in the Register of Members on 10 September 2018.

10. Earnings Per Share

From continuing and discontinued operation

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

9. 股息

於本中期期間，本公司已向本公司擁有人宣告及派付截至二零一七年十二月三十一日止年度之末期股息每股34.3港仙(二零一七年：截至二零一六年十二月三十一日止年度為每股34.3港仙)。於本中期期間已宣派及支付之末期股息為549,687,000港元(二零一七年：549,687,000港元)。

於中期期間結束後，董事會宣告派付於二零一八年九月十日名列本公司股東名冊之本公司擁有人中期現金股息每股29.5港仙(二零一七年：28.9港仙)。

10. 每股盈利

來自持續經營及非持續經營業務

本公司擁有人應佔每股基本盈利乃根據以下數據計算：

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Restated) (重列)
Earnings	盈利		
Profit for the period attributable to owners of the Company for the purposes of basic earnings per share	就計算每股基本盈利而言之本公司擁有人應佔本期間溢利	882,854	1,720,256
		'000 千股	'000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share	就計算每股基本盈利而言之普通股加權平均數	1,602,371	1,602,587

10. Earnings Per Share (continued) From continuing operation

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

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Restated) (重列)
Earnings figures are calculated as follows:	盈利數字計算如下：		
Profit for the period attributable to owners of the Company	本期間本公司擁有人應佔溢利	882,854	1,720,256
Less: profit for the period from discontinued operation attributable to owners of the Company	減：本期間本公司擁有人來自非持續經營業務之應佔溢利	-	(424,848)
Earnings for the purpose of calculating basic earnings per share from continuing operation	就計算來自持續經營業務之每股基本盈利	882,854	1,295,408

From discontinued operation

Basic earnings per share from discontinued operation was HK\$0.265 per share for the six months ended 30 June 2017 based on the profit for the period attributable to the owner of the Company from discontinued operation of HK\$424,848,000 for the six months ended 30 June 2017.

The denominator used for the calculation of basic earnings per share are the same for both continuing and discontinued operation.

No diluted earnings per share is presented as there were no dilutive potential ordinary shares during both periods.

10. 每股盈利(續)

來自持續經營業務

本公司擁有人從持續經營業務之每股基本盈利乃根據以下數據計算：

來自非持續經營業務

截至二零一七年六月三十日止六個月，來自非持續經營業務之基本每股盈利為每股0.265港元，乃基於截至二零一七年六月三十日止六個月期間來自非持續經營業務之424,848,000港元溢利。

就計算持續經營及非持續經營業務之基本每股盈利所使用的分母是相同的。

本公司在這兩個期內沒有任何潛在可攤薄普通股，故每股攤薄盈利並沒有呈列。

11. Investment Properties

11. 投資物業

		HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	4,942,000
Addition	添置	104,000
Unrealised fair value changes recognised in profit or loss	於損益中確認的未變現公平值變動	108,000
At 30 June 2018	於二零一八年六月三十日	5,154,000

The fair value of the Group's investment property under development at 30 June 2018 and 31 December 2017 were arrived at based on a valuation using residual method carried out on that date by Cushman & Wakefield Limited ("C&W"), an independent professional valuer whose address is 16/F, 1063 King's Road, Quarry Bay, Hong Kong. C&W is a member of the Hong Kong Institute of Surveyors. The fair value was determined based on either a sales comparison or income capitalisation method (on the assumption that the property had already been completed at the valuation date). It also took into account the construction cost already incurred as well as the estimated cost to be incurred to complete the project plus the developer's estimated profit and margin for risk.

In addition, the fair value of the Group's completed investment property at 30 June 2018 and 31 December 2017 were arrived at based on a valuation carried out at that date, by C&W and were determined based on the direct comparison method assuming sales of the property in its existing state and making reference to comparable sales' evidence of similar nature properties available in the relevant market.

The resulting increase in fair value of investment properties of HK\$108,000,000 has been recognised directly in profit or loss for the six months ended 30 June 2018 (for the six months ended 30 June 2017: HK\$351,500,000).

於二零一八年六月三十日及二零一七年十二月三十一日，本集團之在建投資物業公平值乃根據獨立合資格專業估值師戴德梁行（「戴德梁行」），地址為香港鰂魚涌英皇道1063號16樓，於該日以剩餘法進行估值而釐定。戴德梁行為香港測量師學會之會員。該等公平值乃根據可比較銷售或收益資本化法（假設物業已於估值日期完成）釐定。其已考慮到已產生的建設成本以及完成該項目估計仍所需的成本，再加上發展商的估算利潤和風險。

此外，本集團已完成投資物業於二零一八年六月三十日及二零一七年十二月三十一日的公平值乃參考戴德梁行，於該日之估值釐定。該等公平值是以直接比較法假設每個物業在現狀出售及參考有關市場之同類質素物業的可比銷售交易來釐定。

增加的投資物業公平值108,000,000港元已直接確認於截至二零一八年六月三十日止六個月之損益中（截至二零一七年六月三十日止六個月：351,500,000港元）。

12. Property, Plant and Equipment

12. 物業、廠房及設備

		HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	5,689,962
Additions	添置	128,680
Depreciation	折舊	(89,254)
Disposals	出售	(2,721)
At 30 June 2018	於二零一八年六月三十日	5,726,667

13. Trade and Other Receivables

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
Trade receivables	應收賬款	61,239	102,899
Prepayments	預付賬款	12,220	18,568
Deposit paid	已付按金	36,411	35,630
Interest receivable	應收利息	16,744	12,011
Others	其他	10,888	5,779
		137,502	174,887

The Group's retail sales to customers are mainly made in cash or credit card payments. Its major trade receivables arising from credit card sales which are normally settled in one or two business days in arrears.

The following is an aged analysis of trade receivables net of allowance for doubtful debts presented based on the invoice date which approximates the respective revenue recognition dates.

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
0-30 days	0 日至 30 日	57,943	99,252
31-60 days	31 日至 60 日	2,989	3,581
61-90 days	61 日至 90 日	160	29
Over 90 days	超過 90 日	147	37
		61,239	102,899

13. 應收賬款及其他應收款項

本集團向顧客作出的零售銷售主要以現金或信用卡付款進行。本集團主要應收賬款來自信用卡銷售，一般於一至兩個工作天後結算。

以下為根據接近相應收入確認日的發票日期之應收賬款(扣除呆賬撥備)的賬齡分析。

14. Financial Assets/Liabilities at Fair Value Through Profit or Loss

14. 按公平值計入損益之金融資產/負債

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
Financial assets at FVTPL:	按公平值計入損益之金融資產：		
— listed equity securities	— 上市證券	2,642,781	2,442,198
— listed debt securities (note a)	— 上市債券(附註a)	309,471	8,743
— listed investment funds	— 上市投資基金	644,755	506,250
— unlisted securities (note b)	— 非上市證券(附註b)	391,607	311,778
— written put options (note c)	— 認沽期權(附註c)	32,530	34,057
— unlisted equity-linked notes (note d)	— 非上市股權掛鈎票據(附註d)	-	46,021
— interest rate swaps (note e)	— 利率掉期合約(附註e)	246	-
		4,021,390	3,349,047
Financial liabilities at FVTPL:	按公平值計入損益之金融負債：		
— interest rate swaps (note e)	— 利率掉期合約(附註e)	224	-

Notes:

- (a) The listed debt securities mainly represent investment in corporate bonds which are mainly listed in Hong Kong, Singapore and Switzerland.
- (b) The unlisted securities include hedge funds with carrying amount of HK\$152,964,000 (31 December 2017: HK\$153,648,000) and investment portfolios managed by financial institutions with carrying amount of HK\$238,643,000 (31 December 2017: HK\$158,130,000).
- (c) The written put options are derivative financial instruments. The details of the major written put options are as follows:

附註：

- (a) 上市債券主要指在香港、新加坡及瑞士上市之企業債券。
- (b) 非上市證券主要包括賬面值為152,964,000港元對沖基金(二零一七年十二月三十一日：153,648,000港元)及由金融機構管理賬面值為238,643,000港元投資組合(二零一七年十二月三十一日：158,130,000港元)。
- (c) 認沽期權屬金融衍生工具。主要認沽期權的詳情如下：

Underlying variables 相關變數	Strike 行使價	Quantities 數量	Expiration date 到期日
At 30 June 2018			
於二零一八年六月三十日			
EURO STOXX 50 Index 歐洲斯托克 50 指數 (exercisable only at expiry date) (於到期日才能夠行使)	3,275 to 3,425 points 3,275 點至 3,425 點	426	20 July 2018 to 17 August 2018 二零一八年七月二十日至 二零一八年八月十七日
S&P 500 ETF Trust 標準普爾 500 指數 ETF 基金 (exercisable anytime until the expiry date) (可於到期日前任何時間行使)	US\$264 to US\$272 264 美元至 272 美元	29,600	13 July 2018 to 17 August 2018 二零一八年七月十三日至 二零一八年八月十七日
Nikkei 225 Index 日經平均指數 (exercisable only at expiry date) (於到期日才能夠行使)	20,750 to 21,875 points 20,750 點至 21,875 點	50,000	13 July 2018 to 10 August 2018 二零一八年七月十三日至 二零一八年八月十日
iShares FTSE A50 China Index ETF iShares 安碩富時 A50 中國指數 ETF (exercisable only at expiry date) (於到期日才能夠行使)	HK\$12.96 to HK\$14.42 12.96 港元至 14.42 港元	5,650,000	25 July 2018 to 23 October 2018 二零一八年七月二十五日至 二零一八年十月二十三日

14. Financial Assets/Liabilities at Fair Value Through Profit or Loss (continued)

Notes: (continued)

(c) (continued)

Underlying variables 相關變數	Strike 行使價	Quantities 數量	Expiration date 到期日
At 31 December 2017			
於二零一七年十二月三十一日			
EURO STOXX 50 Index 歐洲斯托克 50 指數 (exercisable only at expiry date) (於到期日才能夠行使)	3,450 to 3,525 points 3,450 點至 3,525 點	459	19 January 2018 to 16 March 2018 二零一八年一月十九日至 二零一八年三月十六日
S&P 500 ETF Trust 標準普爾 500 指數 ETF 基金 (exercisable anytime until the expiry date) (可於到期日前任何時間行使)	US\$250 to US\$265 250 美元至 265 美元	38,400	5 January 2018 to 16 February 2018 二零一八年一月五日至 二零一八年二月十六日
Nikkei 225 Index 日經平均指數 (exercisable only at expiry date) (於到期日才能夠行使)	20,875 to 21,625 points 20,875 點至 21,625 點	50,000	12 January 2018 to 9 March 2018 二零一八年一月十二日至 二零一八年三月九日
iShares FTSE A50 China Index ETF iShares 安碩富時 A50 中國指數 ETF (exercisable only at expiry date) (於到期日才能夠行使)	HK\$12.9 to HK\$14.0 12.9 港元至 14.0 港元	4,580,000	11 January 2018 to 27 February 2018 二零一八年一月十一日至 二零一八年二月二十七日

(d) As at 31 December 2017, the equity-linked notes were denominated in United States Dollar ("US\$") and Japanese Yen ("JPY") with principal amount of US\$5,000,000 and JPY111,500,000. They were of tenor of 4 to 6 months. The equity-linked notes were linked with the listed shares (the "Underlying Shares") in Hong Kong and the United States. The final redemption amount at the maturity date was with reference to the performance of the share price of the Underlying Shares. The maturity dates of the equity-linked notes outstanding as at 31 December 2017 were within one year and were therefore classified as current asset.

(e) Major terms of the interest rate swaps are as follows:

Notional amount 名義金額	Period 期間	Pay fixed 支付固定利息之利率	Receive floating 收取浮動利息之利率
At 30 June 2018			
於二零一八年六月三十日			
HK\$1,300,000,000 1,300,000,000 港元	3 April 2018 to 3 April 2019 二零一八年四月三日至 二零一九年四月三日	1.66% per annum 年息 1.66 厘	HIBOR 香港銀行同業拆息
HK\$1,000,000,000 1,000,000,000 港元	29 March 2018 to 29 March 2019 二零一八年三月二十九日至 二零一九年三月二十九日	1.66% per annum 年息 1.66 厘	HIBOR 香港銀行同業拆息

The Group will pay fixed interest on the notional amount quarterly and receive floating interest on the notional amount monthly based on the interest rate swaps contracts.

15. Time Deposits

At the end of the reporting period, the balance represents bank deposits with original maturity date of over three months and carries fixed interest rates of 2.78% to 4.45% per annum.

14. 按公平值計入損益之金融資產／負債 (續)

附註：(續)

(c) (續)

Quantities 數量	Expiration date 到期日
At 31 December 2017	
於二零一七年十二月三十一日	
459	19 January 2018 to 16 March 2018 二零一八年一月十九日至 二零一八年三月十六日
38,400	5 January 2018 to 16 February 2018 二零一八年一月五日至 二零一八年二月十六日
50,000	12 January 2018 to 9 March 2018 二零一八年一月十二日至 二零一八年三月九日
4,580,000	11 January 2018 to 27 February 2018 二零一八年一月十一日至 二零一八年二月二十七日

(d) 於二零一七年十二月三十一日，股權掛鈎債券分別以美元及日元計值，本金額為5,000,000美元及111,500,000日元。該等債券年期為4至6個月。股權掛鈎債券與香港及美國的上市股份(「相關股份」)掛鈎。於到期日的最終贖回金額乃參考相關股份的股價表現。於二零一七年十二月三十一日，股權掛鈎債券之到期日在一年內，因此分類為流動資產。

(e) 利率掉期合約的主要條款如下：

Pay fixed 支付固定利息之利率	Receive floating 收取浮動利息之利率
At 30 June 2018	
於二零一八年六月三十日	
1.66% per annum 年息 1.66 厘	HIBOR 香港銀行同業拆息
1.66% per annum 年息 1.66 厘	HIBOR 香港銀行同業拆息

按利率掉期合約，本集團將於每季度按名義金額支付固定利息和按名義金額收取每月浮動利息。

15. 定期存款

於報告期末，結餘為原定到期日三個月的銀行存款，該等存款按固定年利率2.78%至4.45%計息。

16. Trade and Other Payables

16. 應付賬款及其他應付款項

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (Restated) (重列)
Trade payables	應付賬款	165,963	212,794
Construction payables	應付工程款	29,965	-
Concessionaire sales payables	應付特許專櫃銷售款項	344,171	545,905
Rental deposits received	已收租賃按金	16,855	16,632
Accrued expenses	應計支出	237,977	237,939
Interest payables	應付利息	34,287	32,575
Others	其他	28,939	18,514
		858,157	1,064,359

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period.

以下為於報告期間結算日應付賬款根據發票日期之賬齡分析。

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
0-30 days	0 日至 30 日	124,722	172,248
31-60 days	31 日至 60 日	36,530	38,847
61-90 days	61 日至 90 日	422	490
Over 90 days	超過 90 日	4,289	1,209
		165,963	212,794

The average credit period of trade payables and concessionaire sales payables is within 45 days from invoice date. All concessionaire sales payables are aged within 45 days from the invoice date. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

應付賬款及應付特許專櫃銷售款項之平均信貸期為由發票日期起計45日以內。所有應付特許專櫃銷售款項之賬齡均由發票日期起計45日以內。本集團設有財務風險管理政策，確保所有應付款項於信貸期限內支付。

17. Bank Borrowings

17. 銀行借貸

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
Bank borrowings comprised bank loans and analysed as follows:	銀行借貸由銀行貸款組成， 並按以下分析：		
Secured	有抵押	11,277,059	11,184,138
		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
Carrying amount repayable based on contractual repayment dates:	按合約中償還日期分類之 應償還賬面值：		
Within one year*	一年內償還*	2,928,270	2,601,552
More than one year, but not exceeding two years	一年後但不超過兩年	495,632	494,899
More than two years, but not exceeding three years	兩年後但不超過三年	247,816	494,899
More than three years, but not exceeding four years	三年後但不超過四年	3,965,056	3,959,193
More than four years, but not exceeding five years	四年後但不超過五年	3,640,285	3,633,595
		11,277,059	11,184,138
Less: amount due within one year shown under current liabilities	減：列入流動負債於一年內到期之款項	(2,928,270)	(2,601,552)
Amount due after one year	一年後到期之款項	8,348,789	8,582,586

* Bank borrowings amounted to approximately HK\$680.5 million (31 December 2017: HK\$601.6 million) contain repayment on demand clause.

* 約680,500,000港元(二零一七年十二月三十一日：601,600,000港元)銀行借款附帶須於要求時即時還款條款。

17. Bank Borrowings (continued)

Variable rate borrowings comprise:

17. 銀行借貸(續)

浮動利率借貸包括：

		Carrying amount 賬面值	
		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
HK\$ bank loans at Hong Kong Interbank Offered Rate ("HIBOR") + 0.81% per annum ⁽¹⁾	港元銀行貸款，按香港銀行同業拆息加年息 0.81 厘計息 ⁽¹⁾	6,956,320	6,948,991
HK\$ bank loans at HIBOR + 0.85% per annum ⁽²⁾	港元銀行貸款，按香港銀行同業拆息加年息 0.85 厘計息 ⁽²⁾	3,640,285	3,633,595
CHF bank loans at London Interbank Offered Rate ("LIBOR") + 0.65% per annum ⁽³⁾	瑞士法郎銀行貸款，按倫敦銀行同業拆息加年息 0.65 厘計息 ⁽³⁾	5,734	-
Euro bank loans at Euro Interbank Offered Rate ("EURIBOR") + 0.65% per annum ⁽³⁾	歐羅銀行貸款，按歐洲銀行同業拆息加年息 0.65 厘計息 ⁽³⁾	197,112	166,842
JPY bank loans at LIBOR + 0.65% per annum ⁽³⁾	日元銀行貸款，按倫敦銀行同業拆息加年息 0.65 厘計息 ⁽³⁾	477,608	434,710
Total bank borrowings	銀行借貸總額	11,277,059	11,184,138

⁽¹⁾ The bank borrowings comprised HK\$7 billion (31 December 2017: HK\$7 billion) and were net off by approximately HK\$43.7 million (31 December 2017: HK\$51.0 million) amortised upfront arrangement fee paid in respect of the banking facility. The amount is repayable in four years (31 December 2017: four years) and interest rates will be repriced every one month to three months.

⁽²⁾ The bank borrowings comprised approximately HK\$3.7 billion (31 December 2017: HK\$3.7 billion) and were net off by approximately HK\$50.6 million (31 December 2017: HK\$57.4 million) of amortised upfront arrangement fees paid in respect of the banking facility. The amount is repayable in five years (31 December 2017: five years) and interest rates will be repriced every one month to three months.

⁽³⁾ Repayable in one year and interest rates will be repriced every one month to three months.

The range of effective interest rates of the borrowings is 1.20% to 2.33% (31 December 2017: 1.15% to 1.85%) per annum.

⁽¹⁾ 此銀行貸款包括 7,000,000,000 港元(二零一七年十二月三十一日：7,000,000,000 港元)，並扣減就借貸額已支付及攤銷後現值約 43,700,000 港元銀行費用(二零一七年十二月三十一日：51,000,000 港元)。此金額需於四年(二零一七年十二月三十一日：四年)內償還，而利率每隔一至三個月重新定價。

⁽²⁾ 此銀行貸款包括約 3,700,000,000 港元(二零一七年十二月三十一日：3,700,000,000 港元)，並扣減就借貸額已支付及攤銷後現值約 50,600,000 港元(二零一七年十二月三十一日：57,400,000 港元)銀行費用。此金額需於五年(二零一七年十二月三十一日：五年)內償還，而利率每隔一至三個月重新定價。

⁽³⁾ 需於一年內償還，而利率將每隔一至三個月重新定價。

借貸實際利率幅度介乎年息 1.20 厘至 2.33 厘(二零一七年十二月三十一日：1.15 厘至 1.85 厘)。

18. Bonds

18. 債券

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
Carrying amount repayable:	應償還賬面值：		
More than four years, but not more than five years	超過四年但不超過五年	2,338,147	2,324,490
After five years	超過五年	2,326,685	2,313,151
		4,664,832	4,637,641
US\$300,000,000 bond with a fixed coupon rate of 4.25% per annum, payable semi-annually with maturity in October 2022	300,000,000 美元債券，固定票面年利率為 4.25%，每半年支付一次，直至二零二二年十月到期為止	2,338,147	2,324,490
US\$300,000,000 bond with a fixed coupon rate of 4.50% per annum, payable semi-annually with maturity in June 2025	300,000,000 美元債券，固定票面年利率為 4.50%，每半年支付一次，直至二零二五年六月到期為止	2,326,685	2,313,151
		4,664,832	4,637,641

19. Share Capital and Treasury Shares

19. 股本及庫存股

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.005 each	每股面值 0.005 港元之普通股		
Authorised:	法定：		
At 1 January 2017, 30 June 2017, 1 January 2018 and 30 June 2018	於二零一七年一月一日、二零一七年六月三十日、二零一八年一月一日及二零一八年六月三十日	4,000,000,000	20,000
Issued and fully paid:	已發行及繳足：		
At 1 January 2017, 30 June 2017, 1 January 2018 and 30 June 2018	於二零一七年一月一日、二零一七年六月三十日、二零一八年一月一日及二零一八年六月三十日	1,602,586,500	8,013

During the six months ended 30 June 2018, pursuant to the general mandate given to the directors, the Company repurchased 11,420,500 shares at prices ranging from HK\$15.60 to HK\$16.70 through the Stock Exchange at a total consideration of approximately HK\$185,921,000. The repurchased shares had not been cancelled at 30 June 2018 and were accounted for as treasury shares accordingly.

截至二零一八年六月三十日止六個月，根據授予董事的一般授權，本公司透過聯交所總代價約 185,921,000 港元以 15.60 港元至 16.70 港元的價格購回 11,420,500 股股份。該等購回股份於二零一八年六月三十日並未註銷，因此被列賬為庫存股。

20. Discontinued Operation and Disposal of Subsidiaries

On 13 April 2017, the Group entered into a sale and purchase agreement to dispose of its entire 59.56% equity interest holdings in Lifestyle Properties Development Limited, now known as Sansheng Holdings (Group) Co. Ltd. and its subsidiaries (collectively referred as the "Lifestyle Properties Group") for a cash consideration of HK\$1,292,986,000 to an independent third party and the disposal was completed on the same date. The principal business and activity of the Lifestyle Properties Group was property development and investments. The results of the Lifestyle Properties Group from 1 January 2017 to 13 April 2017, date of disposal, was accounted for as discontinued operation in the Group's condensed consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2017.

The profit from the discontinued operation for the preceding interim period is analysed as follows:

20. 非持續經營業務及出售附屬公司

於二零一七年四月十三日，本集團訂立一份買賣協議，以向一名獨立第三方以現金代價1,292,986,000港元出售其59.56%於利福地產發展有限公司(現稱三盛控股(集團)有限公司)及其附屬公司(統稱「利福地產集團」)的全部股權，並於同日完成出售事項。利福地產集團的主要業務為經營物業發展及投資。利福地產集團在二零一七年一月一日至二零一七年四月十三日(交易完成日期)之業績於截至二零一七年六月三十日止六個月之本集團簡明綜合損益及其他全面收益表中入賬並列作非持續經營業務。

去年中期期間來自非持續經營業務溢利分析如下：

		For the period from 1 January 2017 to 13 April 2017 從二零一七年 一月一日至 二零一七年 四月十三日 HK\$'000 千港元
Other income, gains and losses	其他收入、收益及虧損	6,655
Selling and distribution costs	銷售及分銷成本	(5,791)
Administrative expenses	行政開支	(7,757)
Interest and investment income, net	利息及投資收入，淨額	12,760
Profit before taxation	除稅前溢利	5,867
Taxation	稅項	-
Profit for the period	本期間溢利	5,867
Gain on disposal of subsidiaries, net of transaction costs	出售附屬公司之收益(已扣除交易成本)	420,843
Profit for the period from the discontinued operation	本期間來自非持續經營業務之溢利	426,710

20. Discontinued Operation and Disposal of Subsidiaries (continued)

The assets and liabilities disposed of at disposal date is disclosed below:

20. 非持續經營業務及出售附屬公司(續)

於出售日出售之資產及負債如下：

		As at the disposal date of 13 April 2017 於二零一七年 四月十三日 出售日 HK\$'000 千港元
Investment properties	投資物業	640,435
Property, plant and equipment	物業、廠房及設備	162,821
Prepaid lease payments	預付租賃款項	568,303
Deposits, prepayments and other receivables	訂金、預付款及其他應收款項	2,770
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	102,966
Bank balances and cash	銀行結存及現金	412,322
Other payables and accrued charges	其他應付及應計款項	(11,107)
Taxation payable	應繳稅項	(156,695)
Deferred tax liabilities	遞延稅項負債	(149,716)
Non-controlling interests	非控股權益	(605,946)
Net assets disposed of	出售之淨資產	966,153
Consideration received	已收代價	1,292,986
Transaction costs attributable to the disposal	出售產生之交易成本	(8,168)
Net consideration received	已收代價淨額	1,284,818
Less: net assets disposed of	減：出售之淨資產	(966,153)
Reclassification of cumulative translation reserve upon disposal to profit or loss	因出售重新分類至損益之 累積匯兌儲備	102,178
Gain on disposal	出售之收益	420,843
Net cash inflow (outflow) arising on disposal:	因出售產生之淨現金流入(流出)：	
Net cash consideration received	已收代價淨額	1,284,818
Bank balances and cash disposed of	出售包含之銀行結存及現金	(412,322)
		872,496

21. Capital and Other Commitments

21. 資本及其他承擔

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
Capital and other expenditure in respect of the acquisition of property, plant and equipment and property development project contracted for but not provided in the condensed consolidated financial statements	已訂約惟未於簡明綜合財務報表撥備之有關購入物業、廠房及設備及物業發展項目之資本開支	1,171,443	1,188,826

22. Fair Value Measurements of Financial Instruments

22. 金融工具之公平值計量

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

本集團金融資產及金融負債按經常性基準以公平值計量的公平值

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

本集團若干的金融資產和金融負債於報告期末時按公平值計量。下表提供有關如何確定這些金融資產和金融負債的公平值(尤其是估值方法和使用的輸入數據), 及按公平值計量所用輸入數據可觀察度, 將公平值計量分類到第一至三級別之公平值等級架構。

- Level 1 fair value measurements are quoted prices (unadjusted) in active market for identical assets or liabilities;
 - Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
 - Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).
- 第一級公平值計量乃自相同資產或負債於活躍市場中所報之未調整價格;
 - 第二級公平值計量乃除包括在第一級之報價外, 自資產或負債可直接(即價格)或間接(自價格衍生)可觀察輸入數據得出; 及
 - 第三級公平值計量乃包括並非根據可觀察市場數據(無法觀察輸入數據)之資產或負債之估值方法得出。

22. Fair Value Measurements of Financial Instruments (continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

22. 金融工具之公平值計量(續)

本集團金融資產及金融負債按經常性基準以公平值計量的公平值(續)

Financial assets/ financial liability 金融資產/金融負債	Fair value as at 公平值於		Fair value hierarchy 公平值 等級架構	Valuation technique(s) and key input(s) 估值方法和 主要輸入的數據	Significant unobservable inputs 重大無法觀察的 輸入數據	Relationship of unobservable inputs to fair value 無法觀察的輸入數據 與公平值的關係
	30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元				
Financial assets at FVTPL 按公平值計入損益之金融資產						
1. Listed equity securities 上市股票	2,642,781	2,442,198	Level 1 等級一	Quoted bid prices in active markets. 於活躍市場中的買入價。	N/A 不適用	N/A 不適用
2. Listed debt securities 上市債券	309,471	8,743	Level 2 等級二	Quoted bid prices in over-the-counter markets. 場外交易市場買入價。	N/A 不適用	N/A 不適用
3. Listed investment funds 上市投資基金	644,755	506,250	Level 2 等級二	Quoted market prices provided by brokers which are financial institutions. (note i) 作為經紀的金融機構提供的市場價格。(附註 i)	N/A 不適用	N/A 不適用
4. Unlisted hedge funds 非上市對沖基金	152,964	153,648	Level 2 等級二	Quoted market prices provided by brokers which are financial institutions. (note i) 作為經紀的金融機構提供的市場價格。(附註 i)	N/A 不適用	N/A 不適用
5. Unlisted investment portfolios 非上市投資組合	238,643	158,130	Level 2 等級二	Quoted market prices provided by brokers which are financial institutions. (note i) 作為經紀的金融機構提供的市場價格。(附註 i)	N/A 不適用	N/A 不適用
6. Written put options 認沽期權	32,530	34,057	Level 2 等級二	Quoted prices in the over-the-counter markets. 場外交易市場的買入價。	N/A 不適用	N/A 不適用
7. Unlisted equity-linked notes 非上市股權掛鈎債券	-	46,021	Level 2 等級二	Quoted prices in the over-the-counter markets. 場外交易市場的買入價。	N/A 不適用	N/A 不適用
8. Interest rate swaps 利率掉期合約	246	-	Level 2 等級二	Quoted prices in the over-the-counter markets. 場外交易市場的買入價。	N/A 不適用	N/A 不適用
Financial liabilities at FVTPL 按公平值計入損益之金融負債						
9. Interest rate swaps 利率掉期合約	224	-	Level 2 等級二	Quoted prices in the over-the-counter markets. 場外交易市場的買入價。	N/A 不適用	N/A 不適用

Note:

附註:

(i) Quoted market prices provided by brokers which are financial institutions represented the net asset value of the respective funds/portfolios based on the quoted prices of the underlying investments reported to the trustee by the administrators.

(i) 作為經紀的金融機構提供的市場價格乃代表由管理人匯報給受託人，根據相關投資報價釐定之各基金/組合資產淨值。

22. Fair Value Measurements of Financial Instruments (continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

There were no transfers between Level 1, 2 and 3 in the current and prior periods.

Except as detailed in the following table, the directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values:

		30 June 2018 二零一八年六月三十日		31 December 2017 二零一七年十二月三十一日	
		Carrying amount	Fair value	Carrying amount	Fair value
		賬面值	公平值	賬面值	公平值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Financial liabilities	金融負債				
Bonds	債券	4,664,832	4,468,448	4,637,641	4,659,102

Fair value measurements and valuation processes

The Company has a designated team to determine the appropriate valuation techniques and inputs for Level 3 fair value measurements.

In estimating the fair value of the Group's investment properties, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation of the Group's investment properties. At the end of each reporting period, the management of the Group works closely with the qualified external valuers or exercise their judgements based on their experience to establish and determine the appropriate valuation techniques and inputs for Level 2 and Level 3 fair value measurements. The Group will first consider and adopt Level 2 inputs where inputs can be derived from observable quoted prices in the active market. When Level 2 inputs are not available, the Group will adopt valuation techniques that include Level 3 inputs. Where there is a material change in the fair value of the assets, the causes of the fluctuations will be reported to the board of directors of the Company.

22. 金融工具之公平值計量(續)

本集團金融資產及金融負債按經常性基準以公平值計量的公平值(續)

第一級、第二級及第三級之間在今年及去年期間並無任何轉移。

除載於下表，本公司董事認為，在簡明綜合財務報表按攤銷成本列賬的金融資產和金融負債的賬面值與其公平值相若。

公平值計量及估值流程

本公司擁有特定團隊，決定第三級公平值計量的適當估值方法和輸入數據。

在估計本集團投資物業的公平值時，本集團使用可獲得的市場可觀察數據。倘並無第一級參數，本集團委聘第三方合資格估值師對本集團的投資物業進行估值。於各報告期末，本集團管理層與合資格外界估值師密切合作或根據自己的經驗判斷，確定第二級及第三級公平值計量的適當估值方法及輸入數據。如可從活躍市場可觀察報價得出輸入數據，則本集團會先考慮及採用第二級輸入數據。如無第二級輸入數據，則本集團會採用含第三級輸入數據的估值方法。倘資產公平值發生重大變動，會向本公司董事會報告波動原因。

22. Fair Value Measurements of Financial Instruments (continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

In estimating the fair value of the Group's non-derivative financial assets/liabilities at FVTPL, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the management of the Group will assess the valuation of financial instruments based on quoted bid prices of the previous trading day in the over-the-counter markets at the end of each reporting period.

In estimating the fair value of the Group's derivative financial assets/liabilities, the Group uses market-observable data to the extent it is available. Where level 1 inputs are not available, the management of the Group will assess the valuation of the derivative financial liabilities based on the quoted bid prices in active market, quoted bid prices in over-the-counter markets and quoted market prices provided by brokers which are financial institutions at the end of the reporting period. The management of the Group will exercise their judgements based on their experience to establish and determine the appropriate valuation techniques and inputs to the valuation model. Where there is a material change in the fair value of the assets/liabilities, the causes of the fluctuations will be reported to the board of directors of the Company. Information about the valuation techniques and inputs used in determining the fair value of the financial assets/liabilities at FVTPL are disclosed above.

22. 金融工具之公平值計量(續)

本集團金融資產及金融負債按經常性基準以公平值計量的公平值(續)

在估計本集團非衍生之按公平值計入損益之金融資產/負債的公平值時，本集團利用可提供範圍內市場可觀察數據。倘並無第一級輸入數據，本集團管理層將在各報告期末，以場外交易市場所報前一個交易日買入價評估金融工具估值。

於估計本集團衍生金融資產/負債之公平值，本集團利用可提供範圍內市場可觀察數據。如沒有第一級輸入數據，本集團管理層將於報告期末，根據活躍市場買入價、場外交易市場的買入價、作為經紀的金融機構提供的市場價格去評估衍生金融負債估值。本集團管理層將根據自己的經驗，建立和確定適當的估值方法和於估值模式的輸入數據而作出判斷。倘資產/負債公平值發生重大變動，將向本公司董事會報告波動原因。於上文披露了有關計量按公平值計入損益之金融資產/負債的公平值所採用的估值方法及輸入數據的資料。

23. Related Party Disclosures

During the period, the Group had entered into the following significant transactions with the following related parties:

23. 有關連人士披露

期內，本集團曾與以下有關連人士進行下列重大交易：

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Nature of related parties transactions	與有關連人士的交易性質		
Rental income received from a subsidiary of Lifestyle China Group Limited ("Lifestyle China") (note 1)	向一間利福中國集團有限公司(「利福中國」)附屬公司收取之租金收入(附註1)	6,162	5,593
Project management service income received from subsidiaries of Lifestyle China (note 1)	向利福中國附屬公司收取之項目管理服務收入(附註1)	-	3,112
Rental expenses paid to subsidiaries of Lifestyle China (note 1)	向利福中國附屬公司支付之租金支出(附註1)	-	129

Note:

- (1) The Group's related party transactions were carried out in accordance with the terms and conditions mutually agreed by the contracting parties.

附註：

- (1) 本集團的關連交易均按照由合同雙方共同協商的條款和條件進行。

24. Event after the Reporting Period

On 31 July 2018, the Group entered into a sale and purchase agreement with Majestic Eagle Limited, a wholly-owned subsidiary of Lifestyle China, to purchase 100% equity interest in Global Top Limited ("Global Top") at a consideration of HK\$52,000,000. Global Top is engaged in the restaurant business in Hong Kong. The transaction was completed on the same date. The details of the transaction is set out in the announcement of the Company dated 31 July 2018.

24. 報告期後事項

於二零一八年七月三十一日，本集團與利福中國的全資附屬公司Majestic Eagle Limited訂立買賣協議，以代價52,000,000港元收購世高有限公司(「世高」)的100%股權。世高從事香港餐廳業務。該交易已於同日完成。交易詳情載於日期為二零一八年七月三十一日的本公司公告。



Lifestyle International Holdings Limited

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