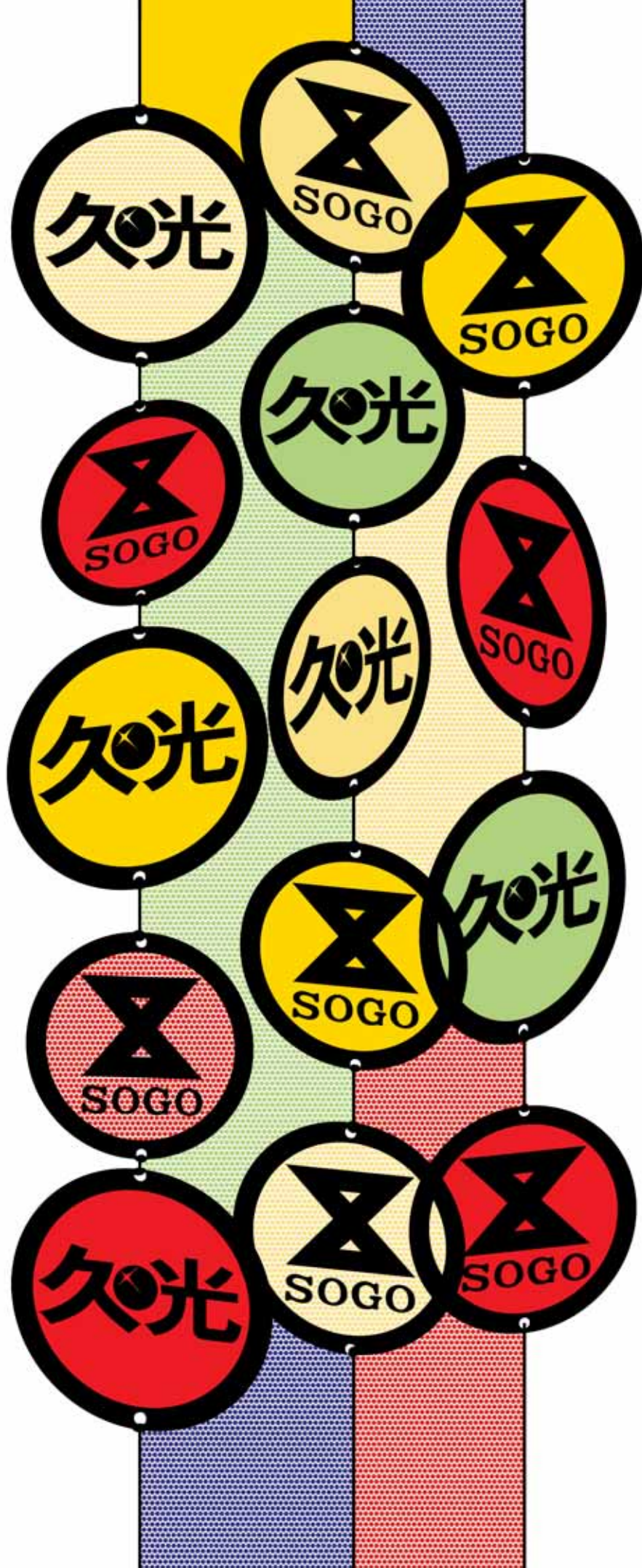




 **Lifestyle**
International Holdings Ltd.
利福國際集團有限公司
Stock Code 股份代號: 1212

Driving
Forward
Building
Future

Annual Report 年報 2008



Contents

目錄

- 1 Corporate Profile
企業簡介
- 2 Corporate Information
企業資料
- 4 Financial Highlights
財務摘要
- 6 2008 Milestones
二零零八年大事回顧
- 8 Managing Director's Message
董事總經理報告
- 12 Management Discussion and Analysis
管理層討論及分析
- 22 Corporate Governance Report
企業管治報告
- 30 Profile of Directors
董事簡介
- 34 Directors' Report
董事局報告
- 50 Independent Auditor's Report
獨立核數師報告書
- 52 Consolidated Income Statement
綜合收益表
- 53 Consolidated Balance Sheet
綜合資產負債表
- 55 Consolidated Statement of
Changes in Equity
綜合權益變動表
- 56 Consolidated Cash Flow Statement
綜合現金流量表
- 58 Notes to the Financial Statements
財務報表附註
- 128 Five-Year Group Financial Summary
五年集團財務摘要

Corporate Profile

企業簡介

Lifestyle International Holdings Limited (the “Company” or “Lifestyle International” together with its subsidiaries, collectively the “Group”) is a Hong Kong-based retail operator that specializes in the operation of high-end department stores through its two retailer brand names, SOGO and Jiuguang, in Hong Kong and the PRC. The Group owns two SOGO stores in Hong Kong including the flagship store in Causeway Bay (“SOGO CWB”), the largest and leading department store in Hong Kong, as well as the Tsim Sha Tsui store (“SOGO TST”), which features a slightly different format that targets a younger group of customers. Our Shanghai Jiuguang Store was established with a similar business format to that of our flagship SOGO CWB, and has gained considerable popularity with the Group’s brand-building efforts to developing the premise into a preferred department store in Shanghai since its grand opening in September 2004.

The success of the Group’s SOGO stores in Hong Kong over the years has enabled the Group and its management team to develop concrete retail brand building and management expertise, which is leveraged on to build a loyal customer base, strong business network and further expansion into other cities in China. In December 2006, the Group announced the acquisition of two new sites for the development of fully-fledged retail complexes in Suzhou and Shenyang. The Suzhou Jiuguang Store, the Group’s second self-built store in China, currently the largest department store in Suzhou City, was inaugurated on 16th January, 2009. The Shenyang Jiuguang Store is scheduled to commence operations by the end of 2011. Apart from self-built projects, the Group acquired two retail properties respectively in Dalian and Tianjin in the middle of 2008 for operation of department stores with format similar to our SOGO TST, The Dalian Jiuguang saw the trial opening of part of the store in December 2008 and the store is expected to be fully operational in the first half of 2009 while the Tianjin Jiuguang Store is scheduled to open in the second half of 2009. Riding on the Group’s solid foundation that has embodied an impressive track record, these new projects will further fuel the Group’s growth momentum in the future.

利福國際集團有限公司(「本公司」或「利福國際」，連同其附屬公司統稱「本集團」)是紮根於香港的零售營運商，透過崇光及久光兩大零售品牌，在香港及國內專門經營高檔次百貨店。本集團的兩家崇光百貨分別為全港最大型位於銅鑼灣的旗艦店(「銅鑼灣崇光」)以及經營模式稍有不同、目標客戶為年青一族的尖沙咀店(「尖沙咀崇光」)。我們上海久光百貨店的業務模式與香港銅鑼灣的旗艦店相似，自二零零四年九月開幕以來，透過集團於品牌建設方面的努力，上海久光百貨已獲得顧客的廣泛認同，並已打造為上海首選百貨店。

香港崇光百貨多年來的卓越成就為集團及管理人員在建立零售品牌方面帶來具體的知識及管理專才，令本集團能夠建立忠誠的客戶群及廣闊的業務網絡關係並可於中國不同城市進一步發展。二零零六年十二月，本集團宣佈收購兩幅分別位處蘇州及瀋陽的土地，發展為多功能零售綜合大樓。蘇州久光百貨為本集團於中國的第二間自建百貨店，亦是蘇州市內最大之百貨店，已於二零零九年一月十六日開幕。瀋陽久光百貨則可望於二零一一年底前投入營運。除了自建物業外，本集團於二零零八年年中完成收購兩項分別位於大連及天津的零售物業作營運百貨店之用，其業務模式將與尖沙咀店相類似。大連久光百貨店部份樓層已於二零零八年十二月份開始試營業，並預計將於二零零九年上半年全面開業。天津久光則預期於二零零九年下半年開業。憑藉本集團亮麗往績的穩固基礎，這些新項目將進一步推動集團在未來的增長動力。

Corporate Information

企業資料

BOARD OF DIRECTORS

Executive Directors

Mr. Lau Luen-hung, Thomas (*Managing Director*)
Mr. Doo Wai-hoi, William

Non-executive Directors

Dató Dr. Cheng Yu-tung (*Chairman*)
Dr. Cheng Kar-shun, Henry
Mr. Lau Luen-hung, Joseph
Ms. Lau Yuk-wai, Amy

Independent Non-executive Directors

Mr. Lam Siu-lun, Simon (*ACA, FTIHK*)
Mr. Cheung Yuet-man, Raymond
The Hon. Shek Lai-him, Abraham
Mr. Hui Chiu-chung, Stephen

QUALIFIED ACCOUNTANT

Mr. Poon Fuk-chuen, Terry (*CPA*)

COMPANY SECRETARY

Ms. Siu Po-sim, Katherine (*ACS, ACIS*)

AUTHORISED REPRESENTATIVES

Mr. Lau Luen-hung, Thomas
Ms. Siu Po-sim, Katherine (*ACS, ACIS*)

AUDIT COMMITTEE

Mr. Lam Siu-lun, Simon (*ACA, FTIHK*) (*Chairman of the Audit Committee*)
Mr. Cheung Yuet-man, Raymond
The Hon. Shek Lai-him, Abraham
Mr. Hui Chiu-chung, Stephen

REMUNERATION COMMITTEE

Mr. Lau Luen-hung, Thomas (*Chairman of the Remuneration Committee*)
Mr. Lam Siu-lun, Simon (*ACA, FTIHK*)
The Hon. Shek Lai-him, Abraham
Mr. Hui Chiu-chung, Stephen

REGISTERED OFFICE

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

董事局

執行董事

劉鑾鴻先生(*董事總經理*)
杜惠愷先生

非執行董事

拿督鄭裕彤博士(*主席*)
鄭家純博士
劉鑾雄先生
劉玉慧女士

獨立非執行董事

林兆麟先生 (*ACA, FTIHK*)
張悅文先生
石禮謙議員
許照中先生

合資格會計師

潘福全先生 (*CPA*)

公司秘書

蕭寶嬋女士 (*ACS, ACIS*)

授權代表

劉鑾鴻先生
蕭寶嬋女士 (*ACS, ACIS*)

審核委員會

林兆麟先生 (*ACA, FTIHK*) (*審核委員會主席*)
張悅文先生
石禮謙議員
許照中先生

薪酬委員會

劉鑾鴻先生 (*薪酬委員會主席*)
林兆麟先生 (*ACA, FTIHK*)
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

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

PRINCIPAL BANKER

Bank of China (Hong Kong) Limited

AUDITORS

Deloitte Touche Tohmatsu

SOLICITORS

Richards Butler
Sit, Fung, Kwong & Shum

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE (BRANCH REGISTRAR)

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

CAYMAN ISLANDS SHARE REGISTRAR AND TRANSFER OFFICE (REGISTRAR)

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House, 68 Fort Street
P.O. Box 609
Grand Cayman KY1-1107
Cayman Islands

SHARE INFORMATION

Place of listing: Main Board of The Stock Exchange of Hong Kong Limited
Stock code: 1212
Board lot: 500 shares
Financial year end: 31st December
Share price at 31st December, 2008: HK\$7.85
Market capitalization at 31st December, 2008: HK\$13,141 million

WEBSITE ADDRESS

www.lifestylehk.com.hk

總辦事處及主要營業地點

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

律師

齊伯禮律師行
薛馮鄭岑律師行

香港股份過戶登記處(分處)

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

開曼群島股份過戶登記處(總處)

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House, 68 Fort Street
P.O. Box 609
Grand Cayman KY1-1107
Cayman Islands

股份資料

上市地點：香港聯合交易所有限公司主板
股份代號：1212
每手買賣單位：500股
財政年度年結：十二月三十一日
於二零零八年十二月三十一日股價：7.85港元
於二零零八年十二月三十一日市值：131.41億港元

網址

www.lifestylehk.com.hk

Financial Highlights

財務摘要

OPERATING RESULTS

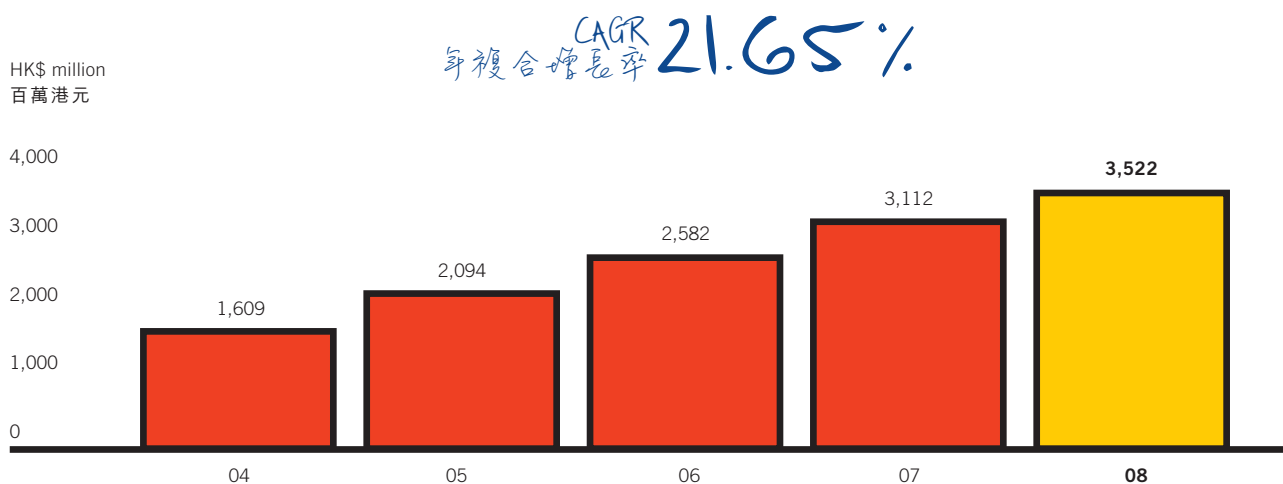
經營業績

HK'000 千港元	2008 二零零八年	2007 二零零七年	2006 二零零六年	2005 二零零五年	2004 二零零四年
Sales proceeds 銷售所得款	7,674,699	6,780,518	5,531,552	4,579,212	3,558,254
Turnover 營業額	3,521,633	3,112,368	2,581,962	2,094,299	1,608,728
EBITDA 除利息收入及支出、稅項、折舊及攤銷前之盈利	1,496,000	1,348,400	978,600	817,700	586,600
Net profit 純利	927,226	1,024,085	740,170	539,378	414,125
Basic earnings per share (HK cents) 每股基本盈利(港仙)	54.5	60.2	43.7	34.7	31.1
Total dividends per share (HK cents) 每股股息(港仙)	24.0	24.0	17.8	15.3	13.7

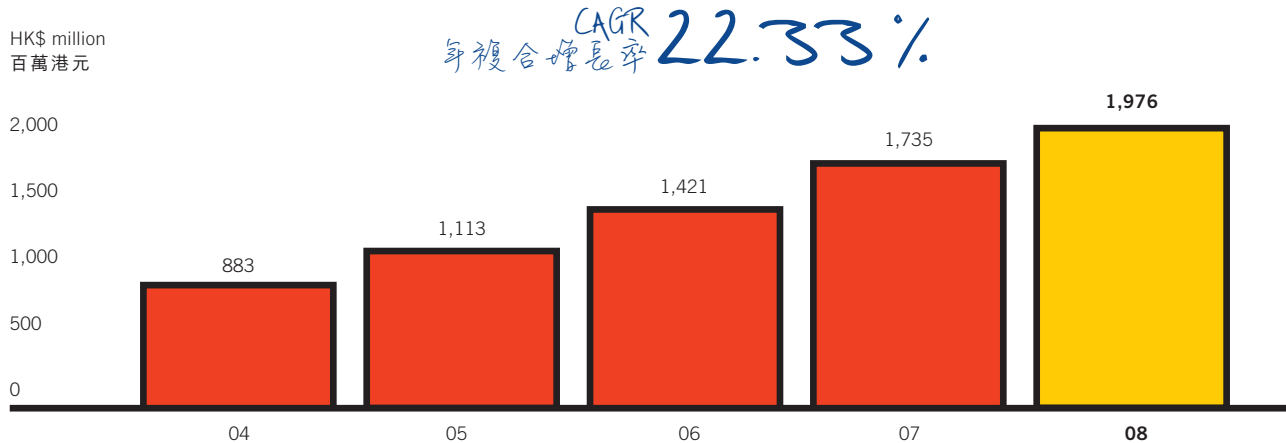
for the year ended 31st December 截至十二月三十一日止年度

TURNOVER GROWTH

營業額增長



GROSS PROFIT
毛利



2008 SALES PROCEEDS BY MARKET
二零零八年按市場劃分之銷售所得款

Hong Kong
香港

Sales Proceeds Growth
in Hong Kong
香港業務銷售所得款增長

+9.2%

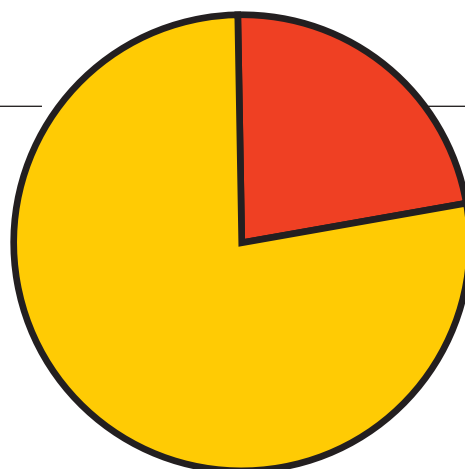
- Market leader
行業領先地位
- High Customer loyalty
顧客忠誠度高

China
中國

Sales Proceeds Growth
in China
中國業務銷售所得款增長

+31.9%

- Increasing popularity
知名度不斷提高
- Increasing operating leverage
經營槓桿比率不斷提高



2008 Milestones

二零零八年大事回顧



May

Completed the acquisition of four retail properties in Dalian, Tianjin, Harbin and Qingdao

完成收購位於大連、天津、哈爾濱及青島的四個零售物業

April

Completed the share swap transaction with Beiren Group

完成與北人股權置換的交易



September

Launch the SOGO Visa
Platinum Card

推出「崇光Visa白金卡」

November

Record high daily sales and
traffic footfall of HK\$44.4 million
and 172,000 at Sogo CWB
during Thankful Week

銅鑼灣崇光店於「感謝週」
分別創下最高單日銷售額和
人流量44,400,000港元和
172,000人次的紀錄

December

Dalian Jiuguang began trial operation

大連久光開始試營業

Managing Director's Message

董事總經理報告



Leading the industry and Building for the future 領導零售市場 構建美好將來

LAU Luen-hung, Thomas 劉鑾鴻
Managing Director 董事總經理

The year 2008 saw dramatic changes in the global economy and financial market that had posed significant challenges to governments, corporations and individuals around the world. To weather the economic turbulence, Lifestyle International had stayed focused on implementing sound business strategies for its core business and managed to achieve satisfactory results for the Group.

For the year ended 31st December, 2008, the Group recorded a 13.1% increase in turnover from the previous year and net profit of HK\$927.2 million. The Board has recommended payment of a final cash dividend of HK12.0 cents per share and together with the interim dividend of HK12.0 cents that was paid on 12th September, 2008, total dividends for the 2008 financial year amounting to HK24.0 cents.

Despite the volatile market condition in 2008, total retail sales in Hong Kong still increased by 10.5% in value for the whole year. The first few months of 2008 saw the retail market continued to enjoy the growth momentum carried forward from the previous year, before the growth rate began to tail off following the disastrous Sichuan earthquake in May, exceptionally wet weather in Hong Kong in June, and mounting uncertainties due to the global financial crisis emanating from the US subprime mortgage crisis. Nonetheless, the negative market sentiment started to improve slightly from November onwards as the global financial market had begun to stabilize, thus helping to drive up retail sales towards the end of the year. The improvement was also a result of the festive atmosphere coupled with a rebound in inbound tourism in Hong Kong.

全球經濟及金融市場於二零零八年面對急劇轉變，為世界各地之政府、企業以致個人帶來重大挑戰。為安然度過經濟動盪時期，利福國際集中專注核心業務並實施穩健策略，成功達致滿意業績。

於截至二零零八年十二月三十一日止年度，本集團之營業額較去年增加13.1%並錄得純利927,200,000港元。董事局建議派付現金末期股息每股12.0港仙，連同二零零八年九月十二日派付之中期股息12.0港仙，二零零八年財政年度之股息總額達24.0港仙。

儘管二零零八年市場環境動盪，香港零售總額於全年仍增加了10.5%之價值。零售市場於二零零八年首數個月仍坐享承自去年之增長勢頭，但隨著五月一場災難性的四川地震、六月香港異常多雨的天氣及源自美國次級按揭危機引發環球金融危機之不明朗因素籠罩下，增長率逐漸萎縮。儘管如此，隨著全球金融市場漸趨穩定，零售市場之負面氣氛自十一月起開始稍微改善，有助帶動年終前之零售銷售，此亦可歸功於節日氣氛及訪港旅客有所回升。

In the face of the challenge, the Group stayed focused on pursuing its business strategies through careful planning and execution of various initiatives. The perseverance had translated into modest growth of the Group's businesses in both Hong Kong and Shanghai for the year as a whole.

During the year, SOGO CWB continued to be the major contributor of the Group's revenue and profit. Sales growth of the flagship store, which in effect serves as a barometer of Hong Kong's economy, had been largely in line with fluctuations in the financial market and economic changes. Yet thanks to its solid foundation and leading industry status, SOGO CWB maintained a moderate 7.7% growth on the whole, compared with 18.2% in the previous year. Meanwhile, SOGO TST delivered more than satisfactory results, effectively affirming it as a popular shopping destination for young and fashion-conscious customers. For the year under review, the store logged a 26.8% sales growth, compared with 19.5% in 2007.

As the leading department store operator, we maintained a sizeable market share at around 2.2% of total retail sales and 21.4% of department store sales in Hong Kong.

Our Shanghai Jiuguang continued to achieve sales and profit growth. During the year, it recorded a 18.7% increase in sales, compared with 40.4% in the previous year. As with Hong Kong consumers, mainland consumers had become more cautious about spending due to the global economic downturn. This had led to dramatic slowdown in sales growth at the store in the second half of the year. Nevertheless, Shanghai Jiuguang still managed to deliver double-digit sales growth for the year as a whole.

Regarding our new operations in China, we are pleased to announce that our Dalian store began trial operation at the end of 2008 and the official opening is scheduled for April 2009. The Group's second self-built store in China, Suzhou Jiuguang, located in the heart of Suzhou Industrial Park, was inaugurated on 16th January, 2009. With a gross floor area of approximately 170,000 square metres, the six-level Suzhou Jiuguang is currently the largest department store in Suzhou City and a one-stop destination for fine dining, entertainment and shopping. Meanwhile, the Tianjin store is scheduled to open in the fourth quarter in 2009 and the Shenyang store in 2011. This carefully planned opening schedule of new stores will steadily increase the Group's retailing space and exposure in the PRC without overstretching our financial resources amid the current economic climate.



本集團透過謹慎策劃及實行多項措施，專注實現其業務策略以面對挑戰。本集團堅持不懈的精神於年內為香港及上海之業務整體帶來穩步增長。

銅鑼灣崇光於年內繼續為本集團收益及盈利的主要貢獻來源。旗艦店之銷售增長亦為香港經濟之寒暑表，大致反映金融市場之波動及經濟變化。然而，全賴本公司的堅實基礎及領先的行業地位，銅鑼灣崇光之整體增長比較去年之18.2%，仍能維持穩健上升7.7%。與此同時，尖沙咀崇光取得驕人成績，足以證明尖沙咀店已成為深受年輕人及潮流人士歡迎之人氣購物熱點。於回顧年度，該店在二零零七年19.5%增長上再錄得26.8%的銷售增長。

作為主要百貨店經營商，本集團維持較大市場佔有率，佔香港總零售銷售額及百貨店銷售額分別約2.2%及21.4%。

上海久光繼續取得銷售及溢利增長。年內，上海久光錄得18.7%銷售額增長，去年為40.4%。內地消費者亦與香港消費者同樣因全球經濟衰退而對消費變得更為審慎。該店於年內下半年度的銷售增長因此大幅放緩。然而，上海久光於年內整體上仍然實現了雙位數字的銷售增長。

就中國之新業務而言，本集團欣然宣佈大連店於二零零八年年底開始試營業，並預期於二零零九年四月正式開業。本集團位於蘇州工業園區中心地段之中國第二間自建店鋪蘇州久光，

已於二零零九年一月十六日開幕。共六層之蘇州久光總樓面面積約為170,000平方米，為目前蘇州市內最大型的百貨店，亦為高級餐飲、娛樂及購物的一站式地點。同時，天津店及瀋陽店分別預期於二零零九年第四季度及二零一一年開業。本集團謹慎計劃新店開業時間將可穩步增加其於中國之零售面積及接觸面之餘，亦不會在現時之經濟氣候下過度耗用本集團之財務資源。



Seizing a solid foundation

In view of the current economic uncertainties, the management takes a cautious view on the Hong Kong and Mainland retail markets in 2009. Nevertheless, we believe the relative impact on China would not be as significant and domestic demand would continue to rise, thanks to the central government's stimulus package aimed to pushing economic growth and boosting domestic consumptions. The stimulus package is believed to also benefit Hong Kong given its close economic ties with China.

We are confident of our ability to ride on our solid foundation and to stay focused on maintaining the well-being of our existing operations through careful planning and execution of our innovative promotion and marketing strategies. In addition, the current economic climate and financial uncertainties are set to provide investment opportunities to the Group and as such, the Group will continue to seek new projects with a view to expanding the Group's business in the coming years.

Last but not the least, on behalf of the board I would like to take this opportunity to thank our team for their hard work throughout the year, as well as our customers, business partners and shareholders for their support. We look forward to your continuing trust and support in the years to come.

Lau Luen-hung, Thomas
Managing Director

3rd March, 2009

鑒於現時經濟存在不明朗因素，管理層對二零零九年香港及國內零售市場抱持審慎態度。然而，因中央政府旨在推動經濟增長及促進本土消費而推行刺激方案，本集團相信中國所受之影響將相對未及重大，而內需亦將繼續上升。鑒於香港與中國之經濟緊密聯繫，相信刺激方案亦會令香港受惠。

本集團有信心，透過謹慎策劃及運用創新之市場推廣策略，定能憑藉穩固基礎，專注維持現有業務之穩健狀況。此外，現時之經濟氣候及金融市場上之不明朗因素，實為本集團提供投資機遇，本集團亦因此將繼續尋求新項目，以望來年擴展本集團之業務。

最後，本人謹代表董事局對各本集團員工於年內的不懈努力，以及客戶、業務夥伴及股東的支持衷心致謝，並希望於來年繼續獲得閣下的信任及支持。

董事總經理
劉鑾鴻

二零零九年三月三日

Management Discussion And Analysis

管理層討論及分析

MARKET OVERVIEW

The year 2008 was no doubt a dramatic and stormy year for all industries and economies around the globe, China and Hong Kong were no exception although the impact of the financial turmoil to this part of the world has so far not been as severe as those more developed economies such as the US and most major countries in Europe.

Retail sales during the year 2008 in Hong Kong still showed decent growth thanks to the momentum carried forward from the previous year into most part of the first half of 2008. Continued increase in inbound tourists from Mainland China and other countries also helped the retail sales as a whole. The steadier condition of the global financial market following rescue or stimulus packages announced by most governments around the world led to slight improvement in consumer confidence in the last two months of the year, which added to the retail sales growth momentum amid the festive atmosphere. As a result, total retail sales in Hong Kong for 2008 increased 10.5% from that of the previous year.

For Mainland China, the year 2008 was also an extremely challenging one, with the natural disasters such as the snow storms hitting central and southern China in the beginning of the year, the Sichuan earthquake in May, and the global financial tsunami affecting the country's exports since the second half of the year. With a strong foundation, however, China managed to weather these crises, recording a 9.0% growth in GDP and a 21.6% year-on-year increase in retail sales. This was thanks in part to the rising consumption power of urban dwellers and the middle class, which continued to grow in size.

FINANCIAL REVIEW 2008

In view of the economic uncertainties, the Group stayed focused on pursuing its business strategy through careful planning and execution of various initiatives. As a result, SOGO CWB and SOGO TST managed to achieve a 9.2% growth in aggregate sales revenue. SOGO TST, in particular, delivered a highly satisfactory performance that represented a remarkable feat given the economic slowdown and dipping consumer confidence. The Group's Hong Kong operations continued to remain competitive and sales continued to account for 21.4% of the Hong Kong's department store sector. In Mainland China, our Shanghai Jiuguang store continued to gain popularity and both traffic footfall and sales continued to grow in this highly competitive Shanghai market.

市場概況

二零零八年無疑對所有行業及全球經濟而言均為戲劇性及艱辛的一年。雖然金融危機到目前為止對中國及香港之影響不及對那些已發展經濟體系如美國及歐洲之主要國家嚴重，但中國及香港仍不能置身事外。

由於二零零八年上半年大部份時間承接了去年之增長勢頭，二零零八年香港的零售銷售額仍然錄得驕人增長。來自中國內地及其他國家之訪港旅客數目增加亦有助整體零售銷售。於全球多國政府公佈救市或刺激經濟方案後，環球金融市場漸趨穩定，致使消費者信心在年內最後兩個月稍微恢復，而在節日氣氛籠罩下，亦刺激了零售銷售之增長勢頭。因此，於二零零八年香港之總零售銷售額較去年增加10.5%。

對中國內地而言，二零零八年亦為非常具挑戰性的一年。先是年初發生了影響中國中部及南部地區的雪災，繼而發生五月份之四川地震等自然災害，而環球金融海嘯則影響國家下半年之出口。然而，由於擁有穩健基礎，中國安然渡過此等危機，而部份原因在不斷壯大之市區居民及中產人士消費力持續上升帶動下，國民生產總值錄得9.0%增長，零售銷售額按年上升21.6%。

二零零八年財務回顧

由於經濟前景不明朗，本集團透過審慎計劃及施行若干措施，繼續專注發展其業務策略。因此，銅鑼灣崇光及尖沙咀崇光之總銷售收益錄得9.2%之增長。當中尤以尖沙咀崇光表現令人欣喜，在經濟放緩及消費者信心下降之情況下錄得理想業績。本集團之香港業務繼續保持競爭力，銷售額持續佔香港百貨業市場之21.4%。於中國內地，上海久光百貨繼續深受顧客歡迎，人流及銷售額均顯示在上海這競爭激烈之市場仍錄得持續增長。

TURNOVER AND SALES PROCEEDS

The Group once again achieved record-high turnover which represented a 13.1% increase to HK\$3,521.6 million. Total sales proceeds (net of VAT) from both direct and concessionaire sales transactions increased 13.2% from HK\$6,780.5 million in 2007 to HK\$7,674.7 million. The increase stemmed from organic growth of the Group's three existing stores. Sales proceeds of SOGO CWB, SOGO TST and Shanghai Jiuguang were HK\$5,524.7 million, HK\$570.2 million and HK\$1,579.8 million respectively, accounting for 72.0%, 7.4% and 20.6% of the Group's total sales proceeds.

GROSS PROFIT AND GROSS MARGIN

The Group's gross profit margin increased to 56.1%, compared with 55.7% in 2007 with the amount of gross profit reaching HK\$1,976.4 million, up 13.9% from HK\$1,734.6 million recorded in the previous year. The improvement in gross profit margin was a result of the slight improvement in the average commission rate at the Shanghai Jiuguang store in respect of concessionaire sales from 20.56% to 21.03%.

SELLING AND DISTRIBUTION COSTS

The Group keeps a tight control on its costs and the increase in the year was mainly due to pre-operating expenses amounting to approximately HK\$42.1 million, including depreciation and amortization charges of land and buildings, in respect of our Dalian, Tianjin and Suzhou Jiuguang store.

ADMINISTRATIVE EXPENSES

The increase was mainly a result of the HK\$23.3 million professional fees incurred during the year relating to the proposed acquisition of Egana as well as the additional non-cash share option charge of HK\$58.9 million relating to the share options granted to a director and employees of the Group in October 2007. Other increases in administrative expenses for the year included also salaries and wages which was result of increase in headcounts to cope with business expansion and general wage rise.

INVESTMENT INCOME

This comprises mainly interest income from the Group's surplus cash deposited at banks and net investment income from yield-enhancement products as part of the Group's treasury activities. The relatively small income this year was a result of the Group's lower cash level during the year coupled with the low interest rate environment. Furthermore, the investment income recorded in 2007 included approximately HK\$96.7 million gain on disposal of listed securities where similar gain during the year was only approximately HK\$27.0 million.

營業額及銷售所得款項

本集團年內之營業額增加13.1%至3,521,600,000港元，再創新高，而來自直接銷售及透過特許專櫃銷售之銷售所得款項總額(扣除增值稅)由二零零七年之6,780,500,000港元增加13.2%至7,674,700,000港元。有關增長有賴本集團三間現有百貨公司之內部增長。銅鑼灣崇光、尖沙咀崇光及上海久光之銷售所得款項分別為5,524,700,000港元、570,200,000港元及1,579,800,000港元，分別佔本集團銷售所得款項總額之72.0%、7.4%及20.6%。

毛利及毛利率

本集團之毛利率上升至56.1%，而二零零七年則為55.7%，毛利則由去年錄得之1,734,600,000港元增加13.9%至1,976,400,000港元。毛利率改善乃由於上海久光之特許專櫃銷售額由20.56%上升至21.03%，令平均佣金稍有改善所致。

銷售及分銷成本

本集團一直嚴格控制成本，而年內的上升主要由於大連、天津及蘇州久光百貨之開業前期費用約42,100,000港元，當中包括土地及樓宇折舊及攤銷。

行政開支

開支上升主要來自年內建議收購聯洲國際所產生之專業費用23,300,000港元及就二零零七年十月授予本集團董事及僱員之購股權之額外非現金購股權開支58,900,000港元。年度行政開支的其他增加亦包括因配合業務擴展而導致僱員數目增加及一般工資調整所引致的薪金及工資支出增加。

投資收入

此主要包括來自本集團存放於銀行存款之利息收入及來自之作為本集團提高回報的投資活動產生之投資收入淨額。本年度相對較小之收入乃由於年內本集團較低之現金水平再加上低利率環境所致。此外，二零零七年錄得之投資收入包括出售上市證券約96,700,000港元收益，而本年度之相類收益僅約為27,000,000港元。

Widen our Presence in the PRC

FINANCE COSTS

Total finance costs, mainly comprised interest expense on the Group's bank loans and other finance charges, increased 14.2% to HK\$111.3 million (2007: HK\$97.5 million). The increase was mainly caused by higher average loan level throughout the year which was a result of the massive capital expenditures incurred in 2007 and during the year but was partly off-set by a relatively low interest environment during the year compared to the previous year. During the year, HK\$43.2 million (2007: HK\$15.6 million) of the interest incurred has been capitalised as property under development.

DISCOUNT ARISING ON ACQUISITION OF ASSOCIATES

This fair-value adjustment gain represents the excess over its cost in respect of the Group's share of the fair-value adjusted net book value of its indirectly held associated company, 石家庄北國人百集團有限責任公司 ("Beiren Group"), following completion of the share swap transaction during the year. As this investment in the Beiren Group was made through a 60% owned subsidiary, 40% of this gain has been accounted for as minority interests in the accounts.

FAIR VALUE CHANGES ON INVESTMENT PROPERTIES

The amount represents mainly the surplus gain before tax arising from fair-value change in respect of the Group's two retail properties in the PRC following completion of the acquisition during the year and confirmation of the Group's intention to holding them for rental or resale purpose.

LIQUIDITY AND FINANCIAL RESOURCES

After making payments of the acquisition costs and construction costs of the Group's various projects in the PRC, the Group's net cash position had turned net debt (HK\$578.7 million) as at 31st December, 2008, comprising approximately HK\$2,439.4 million of cash and bank balances, and approximately HK\$3,018.1 million of bank loans. Cash and bank balances comprise

融資成本

融資成本總額主要包括本集團銀行貸款之利息支出及其他融資費用上升14.2%至111,300,000港元(二零零七年: 97,500,000港元)。上升主要由於二零零七年及年內產生龐大資本開支令年內平均貸款額增加, 惟因年內利息相對較去年低, 故能抵銷部份有關成本的上升。年內, 43,200,000港元(二零零七年: 15,600,000港元)之利息已資本化為發展中物業成本。

收購聯營公司所產生之折讓

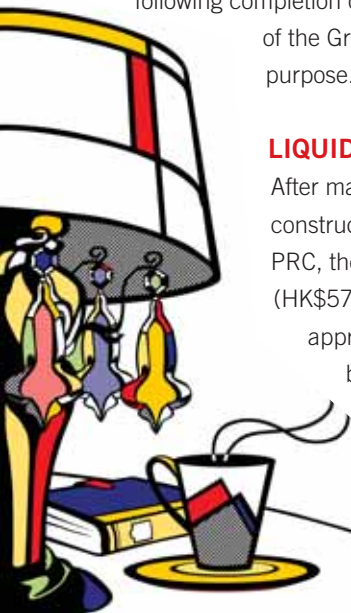
是項公平值調整收益指完成年內股本置換交易後本集團所佔其間接持有聯營公司石家莊北國人百集團有限責任公司(「北人集團」)之經調整賬面淨值公平值超出其成本之數額。由於北人集團之投資乃透過一間持有60%權益之附屬公司進行, 因此是項收益之40%於賬目中以少數股東權益列賬。

投資物業之公平值變動

此數額主要指於年內完成收購並確認本集團有意將其位於中國之兩項零售物業持作租賃或轉售用途後, 該兩項零售物業因公平值變動而產生之除稅前盈餘收益。

流動資金及財務資源

在支付本集團於中國之若干項目之收購及建築成本後, 於二零零八年十二月三十一日, 本集團由淨現金狀況變為淨負債(578,700,000港元), 涉及之現金及銀行結存約為2,439,400,000港元以及銀行貸款約為3,018,100,000港元。現金及銀行結存主要為美元及港元, 大部分(相當於本集團現金及銀行結存總額約66.2%)存放於香港的銀行作為短期



久光



mostly US dollars and Hong Kong dollars, accounting for approximately 66.2% of the Group's total cash and bank balances, are held mainly as short-term deposits at banks in Hong Kong which are under the government's Deposit Protection Scheme. The remaining approximately 33.8% of the Group's cash and bank balances are denominated in RMB and deposited with banks in the PRC. The Group's bank loans included a Hong Kong dollar secured term loan of HK\$2,600.0 million, repayable semi-annually, with the final repayment due in December 2011. As at 31st December, 2008, the Group had committed un-drawn loan facilities of HK\$1.0 billion, expiring also in December 2011, granted by a bank in Hong Kong. This loan facility bears interest calculated with reference to the HIBOR. The remaining RMB loan balance comprises a secured project loan and unsecured working capital loans borrowed in China bearing interest calculated with reference to the PBOC lending rate.

PLEDGE OF ASSETS

As at 31st December, 2008, the Group had pledged certain leasehold land and buildings with carrying values of HK\$1,636.0 million (2007: HK\$1,680.3 million), together with certain shares of the Company's subsidiaries, to secure the banking facilities of HK\$4,000.0 million (2007: HK\$4,000.0 million) granted to the Group of which HK\$3,000.0 million (2007: HK\$3,000.0 million) has been utilised. In addition, the Group's property under development in the PRC with carrying value as at 31st December, 2008 of approximately HK\$1,123.6 million has been pledged to secure a project loan facility of RMB390.0 million (equivalent to approximately HK\$440.7 million). At 31st December, 2007, certain investment properties of the Group with carrying values HK\$1,538.9 million were pledged to secure a RMB300.0 million (equivalent to approximately HK\$320.4 million) loan advanced by a bank to a third party to whom the Group was indebted.

OPERATIONAL REVIEW

The Hong Kong and Shanghai retail market continued to grow during the first few months of the year before the growth rate began to slow down in May due to the combined effects of negative financial and property market sentiment, the Sichuan earthquake and exceptionally wet weather in the case of Hong Kong. Consumer confidence was brought down further by rising uncertainties caused by the global financial crisis. Nonetheless, the Group, leveraging on its solid foundation and leading industry status, managed to stay focus on pursuing its business strategies through careful planning and execution of innovative promotion and marketing initiatives. With the joint efforts of almost all governments and central banks around the world that indicate their commitments to rescue the global economy, the financial market started to stabilise in the last two months of the year. Together with the festive atmosphere these positive signs have brought back consumer confidence and spending to a certain extent.

存款，該等銀行為政府存款保障計劃項下之銀行。本集團餘下約33.8%之現金及銀行結存為人民幣，並存放於中國境內的銀行。本集團銀行貸款包括港元有抵押定期貸款2,600,000,000港元，須每半年還款一次，最後還款期為二零一一年十二月。於二零零八年十二月三十一日，本集團由一家香港銀行授出之未提取之融資貸款為1,000,000,000港元。該筆融資貸款參考香港銀行同業拆息計息。其餘人民幣貸款結餘為有抵押項目貸款及無抵押營運資金貸款，該等貸款於中國籌借，並參考中國人民銀行借貸率計息。

資產抵押

於二零零八年十二月三十一日，本集團將賬面值為1,636,000,000港元（二零零七年：1,680,300,000港元）之若干租賃土地及樓宇，連同本公司附屬公司若干股份抵押，作為本集團獲授銀行融資額4,000,000,000港元（二零零七年：4,000,000,000港元）之抵押，其中3,000,000,000港元（二零零七年：3,000,000,000港元）已動用。另外，本集團於二零零八年十二月三十一日之賬面值約1,123,600,000港元之一項位於中國的發展中物業已為人民幣390,000,000元（約相當於440,700,000港元）項目貸款作抵押。於二零零七年十二月三十一日，若干賬面值為1,538,900,000港元之本集團投資物業已抵押以獲取銀行向本集團結欠之第三方墊付之貸款人民幣300,000,000元（相當於約320,400,000港元）。

業務回顧

香港及上海之零售市場於年內首幾個月持續增長，惟於五月起，由於金融及地產市場情況欠佳，加上四川地震及香港之異常多雨天氣等連串影響而轉趨放緩。環球金融危機引致之不明朗因素不斷增加，令消費者信心進一步受挫。然而，本集團基於穩固基礎及行內之領導地位，一直專注發展其業務，並制定審慎計劃及作出創新宣傳及市場推廣活動。在全球多國政府及中央銀行共同協力展示各國挽救環球金融經濟之決心帶動下，金融市場於年內最後兩個月漸趨穩定。加上節日氣氛之影響，此等正面訊息某程度上有助提升消費者的信心及消費。

SOGO CWB remained during the year the major contributor of the Group's revenue and profit. Regarded as the barometer of Hong Kong's economy, SOGO CWB has seen fluctuations of its store sales throughout the year in line with changes of the economic environment and financial market. Notwithstanding the negative impact of the financial meltdown to the sentiment of the consumer market, the flagship store still managed to achieve positive year on year sales growth even in the second half of the year and as a whole, posted an approximate 7.7% year on year sales growth for the full year.

SOGO TST continued during the year to deliver more than satisfactory performance, logging a 26.8% sales growth compared to 2007. The double-digit growth achieved even in the second half of the year was particularly remarkable amid the economic uncertainties and was attributable mainly to an improvement of brand-mix that meets the needs of the store's customer profile and the continuous rise in traffic footfall resulting from increasing inbound tourists and growing popularity of the store.

Shanghai Jiuguang, by now one of the most sought-after shopping destinations in Shanghai and a consistent profit contributor of the Group, recorded 18.7% increase in sales year-on-year in local currency term. The credit crunch that triggered the global financial crisis has caused devaluation of the stock and property market in China and created negative impact on the wealth of most people. Mainland consumers have become more cautious about spending especially when it comes to luxurious discretionary items. Notwithstanding this negative impact, Shanghai Jiuguang still managed to deliver double-digit growth due in part to the Group's relentless efforts in promoting the store as a quality lifestyle shopping destination through careful marketing strategies.

SOGO CWB

With its premium location and interesting product offerings, SOGO CWB remained the shopping Mecca for Hong Kong people and in-bound tourists especially those from Mainland China. Part of its success achieved in 2008 lied in its high brand recognition and innovative marketing initiatives, such as the Thankful Week in May and November, which created another record high daily traffic exceeding 172,000 on 15th November, 2008.

During the year under review, the average daily traffic at SOGO CWB remained at a high level of around 92,500 compared with around 94,700 in the previous year. The stay-and-buy ratio was down slightly to 30.1% from 30.4% in the previous year. The average ticket size however increased approximately 9.7% to HK\$530 (2007: HK\$483). During the "Thankful Week" in November, the store recorded once again record-breaking daily sales amount of HK\$44.4 million that demonstrated strong customer loyalty. Sales of the store grew approximately 7.7% from a year ago to HK\$5,524.7 million.

年內，銅鑼灣崇光仍是本集團收益及溢利之主要來源。作為香港經濟之寒暑表，銅鑼灣崇光年內之百貨店銷售額波動與經濟環境及金融市場之變動大致同步。雖然金融危機對消費者市場帶來負面影響，但旗艦店仍於下半年及整年均錄得按年銷售額正增長，全年錄得約7.7%之按年銷售額增長。

年內，尖沙咀崇光繼續交出令人欣喜的表現，銷售額較二零零七年增加了26.8%。在經濟前景不明朗之情況下，該店仍可於下半年取得雙位數字增長，表現尤其出色。此乃主要由於品牌組合之改善切合該店客戶需要，加上訪港旅客增加及該店之知名度上升令人流增加所致。

上海久光現時為上海最受歡迎的購物熱點之一，並為本集團的穩定收入來源，以本地貨幣計算更錄得18.7%的按年銷售額增長。環球金融危機引發之信貸危機令中國股票及地產市場出現減值，令大部份人民之財產承受負面影響。內地消費者已以較審慎之態度消費，尤其在奢侈品方面。雖然出現負面影響，上海久光仍然錄得雙位數字增長，部份歸功於本集團不遺餘力透過審慎市場推廣策略宣傳該店為品味生活購物點所致。

銅鑼灣崇光

因銅鑼灣崇光之地點優越及多元化特色商品一應俱全，仍然為港人及訪港旅客之購物聖地，當中尤以中國內地旅客為甚。於二零零八年銅鑼灣店業務成功，部份由於其較高品牌認受性及創新之市場推廣策略（如五月及十一月之感謝週），於二零零八年十一月十五日創下了逾172,000人次之單日人流量新高。

於回顧年內，銅鑼灣崇光之平均每日人流維持於大概92,500人次之高水平，去年則約為94,700人次。逗留購買比率由去年之30.4%微跌至30.1%。平均每宗交易額卻增加約9.7%至530港元（二零零七年：483港元）。於十一月之「感謝週」期間，該店再次刷新單日銷售額紀錄44,400,000港元，顯示出強烈之顧客忠誠度。該店之銷售額較去年增加約7.7%至5,524,700,000港元。

SOGO TST

After three years of operation, SOGO TST has firmly established itself as a widely popular shopping destination for young and fashion-conscious customers in Kowloon. Through continued efforts in enhancing and enriching the store's merchandising and brand mix to meet market demand as well as investing in marketing and promotion fronts, the average daily traffic stayed at around 32,000 with the stay-buy ratio increasing from 13.8% to 14.2%. Average ticket size jumped approximately 15.7% to HK\$339. The store's sales surged approximately 26.8% from the previous year to approximately HK\$570.2 million.

SHANGHAI JIUGUANG

Four years since its inception, Shanghai Jiuguang continued to thrive and grow in popularity and has established itself as one of the most sought-after mid- to high-end shopping destinations in Shanghai and has been delivering consistent results and performance. During the year, it recorded approximately 18.7% year-on-year same-store growth in local currency term with daily traffic footfall up approximately 7.8% from 45,700 to 49,300. As consumers have become more cautious in spending, average ticket size increased only marginally from RMB261 to RMB269, up approximately 3.1%.

EXPANSION IN MAINLAND CHINA

The Group has been making tremendous progress during the year in terms of rolling out its expansion plans in Mainland China.

The retail property in Dalian, which acquisition was completed in the middle of 2008, started trial opening of part of the store before the Christmas in December 2008. The renovation work for the remaining portion of the building will be gradually completed in the next couple of months and the whole store is expected to officially open in April/May 2009. This 35,500 square metres GFA Dalian Jiuguang store will be focusing on young customers and the brand and product mix in the store will be tailored for the local needs.

Located in the heart of the Central Retail District of the Suzhou Industrial Park, the Suzhou Jiuguang store, the Group's second self-built store in China was inaugurated on 16th January, 2009. With a gross floor area of approximately 170,000 square metres, the six-level Suzhou Jiuguang is currently the largest department store in Suzhou City. It is home to more than 500 brands, a vast array of products, an amusement centre, mega supermarkets and fine dining and other amenities.

Meanwhile, renovation work for the Tianjin Jiuguang store is scheduled to begin in the next couple of months and the store is expected to open by the end of the third quarter or the beginning of the fourth quarter in 2009.

尖沙咀崇光

經過三年營運後，尖沙咀崇光已奠定九龍區人氣購物點之穩固地位，深受年輕人及潮流人士歡迎。透過不斷加強及豐富尖沙咀崇光之商品及品牌組合以切合市場需求，以及於市場推廣及宣傳方面作出投資，平均每日人流得以保持於約32,000人次，逗留購買比率則由13.8%增加至14.2%。平均每宗交易額增加約15.7%至339港元。該店之銷售額較去年躍升約26.8%至約570,200,000港元。

上海久光

上海久光開業四年，一直茁壯成長，知名度亦不斷提高，並已發展成為上海其中一個中級至高級購物熱點，更一直保持良好業績及表現。以當地貨幣計算，上海久光於年內錄得約18.7%按年同店增長，而每日人流更由45,700人次上升約7.8%至49,300人次。由於消費者對消費變得更為審慎，平均每宗交易額僅由人民幣261元微升約3.1%至人民幣269元。

於中國內地拓展業務

於年內，本集團就進行其於中國內地的拓展計劃取得重大進展。

於二零零八年年中已完成收購大連之零售物業，其部份樓層已於二零零八年十二月聖誕節前開始試業。餘下部份樓層之粉飾工程將於未來數月逐步完成，預計全店將於二零零九年四月/五月正式全面開業。樓面面積35,500平方米之大連久光店將以年輕客戶為目標，而店內之品牌及產品組合將切合當地需要。

蘇州久光店位於蘇州工業園中央零售區之心臟地帶，為本集團於中國的第二間自建百貨店，已於二零零九年一月十六日開幕。蘇州久光之樓面面積約為170,000平方米，共六層，現為蘇州市內最大之百貨店，內有逾500個品牌、種類繁多之商品、娛樂中心、大型超級市場、佳餚美食及其他設施。

同時，天津久光店之粉飾工程計劃於未來數月內開始，並預期於二零零九年第三季末或第四季初前開業。

Planning work for the development and construction of the Shenyang Jiuguang store is underway and after taking into account the current market conditions and the experience with the Suzhou store, the Group expects that the Shenyang store should be ready for business before end of 2011.

Beiren Group, a leading retail group based in Shijiazhuang, Hebei Province, in which the Group holds an effective 18% stake following the completion of the share swap transaction in April 2008. The Beiren Group operates 6 department stores, 14 supermarkets and a number of outlets selling items in the electrical appliances and consumer electronics and jewellery categories. The Group's share of results of this Beiren Group during the period after adjusting for amortisation of fair-value gains at the Group level has been negligible.

ACQUISITION OF EGANAGOLDPFEIL (HOLDINGS) LIMITED

The Group's year-long participation in the debt restructuring and proposed acquisition of the Egana Group ended in September 2008 when certain conditions precedent as set out in the debt restructuring agreement were not fulfilled. The Group has since shifted the focus to dealing with recovering the HK\$300.0 million loan advanced to the Egana Group. As at 31st December, 2008, the outstanding loan principal and default interest due amounted to HK\$296.6 million and HK\$7.2 million respectively and in view of the financial position of the Egana Group, impairment provision in the amount of HK\$276.6 million and HK\$7.2 million has been made in the accounts for the loan and default interest respectively after taking into account the estimated net realizable value of the collaterals available against the loan principal. The Group is in the process of enforcing its rights against these collaterals.

FUTURE PROSPECTS

The current financial tsunami, believed to have been sparked by the sub-prime mortgage crisis in the United States almost a year and a half ago, has created unprecedented damages to the world's economy and so far it is impossible to measure the depth and width of the economic wound. The economic outlook for the rest of this year depends largely on the effectiveness of the various massive stimulus plans being implemented in the US and rest of the world.

瀋陽久光店正在進行發展及建築計劃工作，考慮到現時市況及蘇州店之經驗後，本集團期望瀋陽店可於二零一一年年底前投入運作。

北人集團為河北省石家莊之翹楚零售集團，於二零零八年四月之股份置換交易完成後，本集團實際持有其18%股權。北人集團經營6家百貨店、14家超級市場及多家電器產品、消費電子產品及珠寶銷售門市。本集團期內應佔北人集團之業績在按本集團調整公平值收益之攤銷後並不重大。

收購聯洲國際集團有限公司

當載於債務重組協議之若干先決條件於二零零八年九月未能完成，本集團長達一年參與之聯洲國際集團債務重組及建議收購並隨即終止。本集團隨之著眼於收回墊付予聯洲國際集團之300,000,000港元貸款。於二零零八年十二月三十一日，未收回貸款本金及欠付利息分別為296,600,000港元及7,200,000港元，鑒於聯洲國際集團之財務狀況，於計及貸款本金之可適用抵押品之估計可變現淨值後，已於賬目內分別就貸款及未繳利息作出276,600,000港元及7,200,000港元之減值撥備。本集團已就抵押品行使其權力。

前景展望

當前之金融海嘯源自美國近一年半前之次級按揭危機而觸發，並對全球經濟造成前所未有的損害，而是次對經濟損害之程度至今難以衡量。本年內之經濟前景很大程度上須視乎美國乃至全球其他國家正在實施之各項大型刺激經濟方案之成效。



Quality Goods on an Exquisite Platform

Despite our strong and sound fundamentals and foundation, Hong Kong and China have not been spared as exports in China started to drop and factories started to reduce or cease production. This inevitably has slowed down China's economy and the trend is set to persist. An effective government stimulus package is indispensable and keeping an eye on the domestic market is a matter of course. With the central government's determination to help enterprises in different sectors and boost domestic consumption in Mainland China, retail markets in China and Hong Kong are expected to benefit as a result.

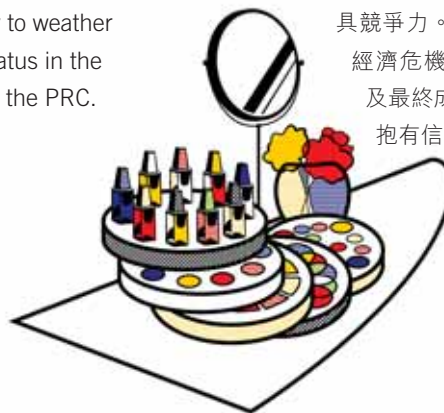
Uncertain as the economy is for the rest of the year, and with the employment market in Hong Kong and China worsening, the management takes a cautious view about the retail market in Hong Kong and Mainland China in 2009. Nonetheless, with the Group's unique business model and its strong market presence in Hong Kong and Shanghai, we will continue to leverage on our strengths and work to become even stronger. Notwithstanding the uncertainty concerning growth in store sales, the Group's cash flow in 2009 is expected to remain strong and will be able to provide steady funding source for existing projects and new investment opportunities. The management also believes the current market conditions are in favour of the Group in terms of identifying new projects.

In the meantime, we will be focusing on upholding the leading market position and profitability of our existing operations and making them even more competitive. We are confident in the Group's ability to weather this global economic turbulence, maintain our leading status in the industry, and ultimately become a leading retail player in the PRC.

縱使擁有強健穩固之基礎根基，在中國之出口開始下降，工廠亦逐步減產或停產的情況下，香港及中國亦不能倖免。此無可避免地令中國經濟出現放緩而這個情況將會持續。有效的政府刺激經濟方案實在不可缺少，最重要是著眼本地市場。在中央政府決定幫助不同行業及刺激中國內地之本地消費的政策下，預期中國及香港之零售市場將會得益。

經濟於年內將持續不明朗，而隨著香港及中國之就業市場日趨惡化，管理層對香港及中國二零零九年之零售市場抱持審慎態度。然而，憑著本集團在香港及上海之獨特業務模式及其強勁市場表現，本集團將繼續善用優勢及致力變得更加強大。雖然百貨銷售增長不明朗，預期本集團二零零九年之現金流量仍保持強勁，並將為現有項目及新投資商機提供穩定資金來源。管理層亦相信，現時市況有利於本集團物色新項目。

現時，本集團將集中提高其市場領導地位及其現時業務之盈利能力，並使有關業務更具競爭力。本集團對其渡過是次環球經濟危機、維持業界內之領導地位及最終成為中國零售商翹楚之能力抱有信心。



Corporate Governance Report

企業管治報告

The Group believes in the principle that maintaining a high standard of corporate governance benefits all stakeholders, investors, and is good for its business

本集團相信維持高企業管治水平可讓全體股東及投資者受惠，並對其業務有重大裨益

COMMITMENT TO TRANSPARENCY

The Board emphasizes in creating and maintaining a high level of transparency through timely disclosure of relevant information on our activities to our shareholders, investors, media and investment public, through regular press releases, analysis's briefings, press conferences, as well as timely updating of the Company's website, availability of designated investor relationship agent to handle enquiries. Our Executive Directors and senior management, who looks after the business operation, are committed to respond to enquiries from regulators, shareholders and business partners.

COMMITMENT TO GOOD CORPORATE GOVERNANCE PRACTICES

Our management commits to good corporate governance practices as our corporate culture. We instill this corporate culture into our internal procedures and control structures, which are supervised and headed by the Board of Directors and its various committees. All efforts and measures are aimed at improving the quality and standards of governance practices for greater accountability towards our stakeholders and the public.

Throughout the year under review, the Group had complied with all the code provisions of the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

提高企業透明度

董事局著重透過定期報章公佈、分析簡介、記者招待會、即時更新公司的網站及指派投資關係代理處理查詢，適時向股東、投資者、媒體及公眾投資人士披露業務相關資料，以締造及維持高透明度。此外，執行董事及負責業務運作的高級管理層樂意對監管機構、股東及業務夥伴提出之查詢作積極回應。

遵守良好企業管治常規

本公司管理層致力以良好企業管治常規作為本公司企業文化。本公司將有關企業文化注入由董事局及各委員會監督及領導之內部程序與監控架構。所有努力及措施旨在改善管治常規之質素及標準，以向股東及公眾人士承擔責任。

於整個回顧年度，本集團一直遵守聯交所證券上市規則（「上市規則」）附錄14所載企業管治常規守則（「企業管治守則」）的所有守則條文。

THE BOARD AND BOARD PROCESS

All executive members of the Board are responsible for reviewing, evaluating and finalizing the Company's strategies and policies, annual budgets, business plans and performance, and all board members have full access to and are provided with adequate, reliable and timely information of the Group and its operation so as to enable them to make timely decision. Such information analysis can be accessed directly through briefing and reporting by the Executive Directors and senior management. Access to independent professional and legal advice on issues is available to all Board members whenever they consider it necessary.

Currently the Board comprises two Executive Directors, four Non-executive Directors and four Independent Non-executive Directors. Each one of them has different professional and industrial qualification and experience, which enable them to make valuable and diversified advice and guidance to the Group's activities and development. Within the Board, more than one-third of the members are Independent Non-executive Directors with one of whom being a qualified accountant.

Our Board members meet on a regular basis to discuss strategic and main business issues, and to evaluate the financial performance of the Group. During the year, there were four physical full board meetings, a physical meeting for our Remuneration Committee, two physical meetings for our Audit Committee, and ten full Board written consents.

Regular quarterly board meetings were held for review of the Group's activities, financial performance and data. In our regular board meetings, Directors discussed and reviewed the Group's operations, its activities, future directions, financial performance, budgeting, control and relevant matters having been identified by the Directors. Board members attended either in person or through telephone conferencing means in accordance with provision in the Company's Articles of Association. Additional board meetings will be organized upon request and demand by Directors. Our Company Secretary will ensure the proper convening and conducting of the Board meetings, with relevant information and material being provided to the Directors in a timely manner before the meetings. During the year, Mr. Lau Luen-hung, Thomas, Ms. Lau Yuk-wai, Amy, Mr. Lam Siu-lun, Simon, Mr. Cheung Yuet-man, Raymond, The Hon. Shek Lai-him, Abraham and Mr. Hui Chiu-chung, Stephen attended all the four physical full board meetings; while Mr. Doo Wai-hoi, William, Dató Dr. Cheng Yu-tung, Dr. Cheng Kar-shun, Henry and Mr. Lau Luen-hung, Joseph were not present at the said meetings.

董事局及董事會議程序

董事局全體行政成員負責審閱、評估及落實本公司策略及政策、年度預算案、業務計劃及表現，而董事局全體成員均可全面取得及獲提供有關本集團及其營運之足夠而可靠的最新資料，以便彼等作出適時決策。透過由執行董事及高級管理層簡單匯報及報告，可直接取得有關資料或分析。董事局全體成員可於彼等認為有需要時就有關事項諮詢獨立專業及法律意見。

董事局現時由兩名執行董事、四名非執行董事及四名獨立非執行董事組成。董事局各成員擁有不同專業及行業的資格和經驗，可為本集團業務及發展帶來寶貴貢獻及提供不同意見與指引。超過三分之一董事局成員為獨立非執行董事，其中一人為合資格會計師。

董事局成員會定期會面，討論策略及主要業務事宜，並評估本集團之財務表現。於本年度，董事局曾舉行四次董事局全體成員會議、一次薪酬委員會會議、兩次審核委員會會議以及十次透過董事局全體成員書面決議。

董事局定期每季舉行會議，以審閱本集團業務、財務表現及數據。於定期董事局會議中，董事商討及審閱本集團營運、其業務、未來方向、財務表現、財政預算、監控及經董事發現之相關事宜。根據本公司之組織章程細則條文規定，董事局成員可親身或以電話會議方式參與會議。本公司亦將應董事要求另行舉行董事局會議。公司秘書將確保正式召開及舉行董事局會議，並將於舉行會議前適時向董事提供相關資料及材料。年內，劉鑾鴻先生、劉玉慧女士、林兆麟先生、張悅文先生、石禮謙議員及許照中先生均有出席合共四次董事局全體成員會議；而杜惠愷先生、拿督鄭裕彤博士、鄭家純博士及劉鑾雄先生概無出席上述會議。

RESPONSIBILITIES OF MEMBERS OF THE BOARD

The Chairman of the Board is responsible for setting and leading the overall strategic plan and development of the Group whereas our Managing Director is responsible, in addition to assisting in setting the Group's strategic planning, for implementing the Board's decisions, monitoring and supervising the Group's overall performance, ensuring adequate capital and managerial resources to implement the business strategies adopted, setting out and monitoring targets, plans and direction for the senior management, reporting to the Board on the Group's overall performance and proposing business plans and future strategic directions for the Board to evaluate and to conclude. We have distinctive role for our Chairman and Managing Director but they are often complementing to each other. Other Board members review and discuss various key issues and put forward directions and suggestions to the Board.

Pursuant to Rule 3.13 of the Listing Rules, each of the Independent Non-executive Directors has made an annual confirmation of independence. The Company is of the view that all our Independent Non-executive Directors meet the independence guidelines as set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

DIRECTORS' RESPONSIBILITY FOR THE GROUP'S FINANCIAL REPORTING

Directors are responsible to ensure the financial statements of the Group are prepared in accordance with the relevant statutory requirements and applicable accounting and financial reporting standards in force, and to ensure that the financial statements are published in a timely manner and give a true and fair view of the Group's state of affairs, the results and cash flow for the year.

Directors are responsible to select and to timely apply, on a consistent basis, suitable accounting policies of the Hong Kong Accounting Standards and Hong Kong Financial Reporting Standards in our financial reporting. Thus, the Group's financial statements are prepared in accordance with the Listing Rules, regulations, accounting principles and practices generally accepted in Hong Kong.

The Board understands and emphasis the importance of presenting a clear and comprehensive assessment of the Group's overall performance, financial positions and prospects to the stakeholders and investment public in a timely manner. Our annual and interim results have been announced within the four-month and three-month limits, respectively, after the end of the relevant periods.

董事局成員之責任

董事局主席負責制定及領導本集團整體策略規劃及發展，而董事總經理除協助制定本集團的策略規劃外，亦負責執行董事局決策、監察與監督本集團整體表現、確保具備充裕資金及管理資源執行所採納業務策略、為高級管理層制定及監察目標、計劃及方向、就本集團整體表現向董事局匯報以及提呈業務計劃及日後策略方向以供董事局評估及總結。本公司主席及董事總經理履行之職責有所區分，但他們經常互相補足。其他董事局成員則審閱及商討各項主要事項，並向董事局提供指示及建議。

根據上市規則第3.13條，各獨立非執行董事已作出年度獨立身分確認。本公司認為，全體獨立非執行董事均符合上市規則第3.13條所載獨立身分指引，而根據有關指引條款，彼等均屬獨立人士。

董事對本集團財務報告之責任

董事須負責確保根據有關法定規定及適用有效會計及財務申報準則編製本集團財務報表，並確保適時刊發財務報表，就本集團年內之財務狀況、業績及現金流量提供真實公平之意見。

董事負責就本集團財務申報選用並適時貫徹應用香港會計準則及香港財務報告準則之合適會計政策。因此，本集團之財務報表乃根據上市規則、規例、香港普遍採納的會計原則及慣例編製。

董事局深明及強調按時向股東及公眾投資者呈報就本集團整體表現、財務狀況及前景所作清晰而全面評估的重要性。本集團全年及中期業績分別於有關期間結束後四個月及三個月限期內作公佈。

DIRECTORS' AND OFFICERS' LIABILITIES INSURANCE

To indemnify directors and officers of the Company against all costs, charges, losses, expenses and liabilities incurred by them in the execution of and discharge of their duties or in relation thereto, the Company has arranged insurance cover for this purpose.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company adopts the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 of the Listing Rules as its own code of conduct in regarding to our Directors' securities transactions on the Company's shares.

Specific enquiries have been made to all Directors about their securities transactions, and all of them have confirmed that they have complied with all the relevant codes and requirements as set out in the Model Code adopted during the year.

CONTROL MECHANISMS

The Board acknowledges its responsibility in maintaining a sound and effective internal control system for the Group to safeguard investments of the shareholders and assets of the Company at all times.

INTERNAL CONTROL AND INTERNAL AUDIT

The system of internal controls aims to help achieve the Group's business objectives, safeguard assets and maintain proper accounting records for provision of reliable financial information. The system is designed to provide reasonable, but not absolute, assurance against material misstatement in the financial statements or loss of assets and to manage rather than eliminate risks of failure when business objectives are being sought.

Management has conducted regular reviews during the year on the effectiveness of the internal control system covering all material factors related to financial, operational and compliance controls, various functions for risk management and physical and information systems security. Audit Committee had been reported during the Audit Committee Meetings key findings identified both by the Company's auditors, discussed findings and actions or measures taken in addressing those findings relating to the Group's internal controls. No material issue during the year has been reported to the Board by the Audit Committee.

The Board also sets targets for and reviews plans and progress on continuous improvement work of the Company's internal control system, working in conjunction with senior management and the Audit Committee.

The Group keeps an internal audit team within the Group's finance team headquartered in Hong Kong, that works together with the finance team members for conducting regular review of the Group's internal control

董事及高級職員之責任保險

為彌償本公司董事及高級職員因執行及履行其職責或與之有關所產生之所有費用、收費、損失、開支及債務，本公司已就此安排保險投保。

證券交易的標準守則

本公司已採納上市規則附錄10所載上市公司董事進行證券交易的標準守則(「標準守則」)作為其有關董事就本公司股份進行證券交易的操守準則。

經就證券交易向全體董事作出具體查詢後，彼等確認，彼等於本年度均已遵守所採納標準守則所載所有有關守則及規定。

監控機制

董事局知悉其有責任維持本集團良好及有效之內部監控制度，使股東投資及本公司資產在任何時間均得到保障。

內部監控及內部審核

內部監控制度旨在幫助本集團達致業務目標、保障資產及維持良好會計記錄以提供可靠財務資料。有關制度乃為避免財務報表出現重大錯誤陳述或資產損失提供合理而非絕對保證並管理而非消除業務風險而設。

於本年度，管理層定期檢討內部監控制度之效能，該制度涵蓋一切有關財務、營運及守章監控、風險管理工作以及實際及資訊系統保安等重要因素。審核委員會於審核委員會會議匯報有關內部監控之結果，連同公司核數師提出的主要發現以及就有關本集團內部監控之發現所採取行動或措施。審核委員會於本年度並無向董事局報告任何重大事項。

董事局亦與高級管理層及審核委員會就持續改善本公司內部監控制度訂定目標，並就此檢討計劃及進度。

本集團在總部設於香港之本集團財務隊伍旗下設立內部審核隊伍，該隊伍與財務隊伍合作，負責定期審閱本集團內部監控程序，包括會計

procedures, including accounting system and operational procedures. Although the current internal audit team is not working totally independent from the finance team, the management considers the present arrangement is adequate and effective having taking into account the current organizational structure, lines of responsibility, authority of the management team and the risks associated with the operations of the Group. The senior management and Audit Committee however are reviewing and monitoring on a regular basis the situation, and will strengthen independence of the Group's internal auditing functions should circumstances arise.

EXTERNAL AUDITORS

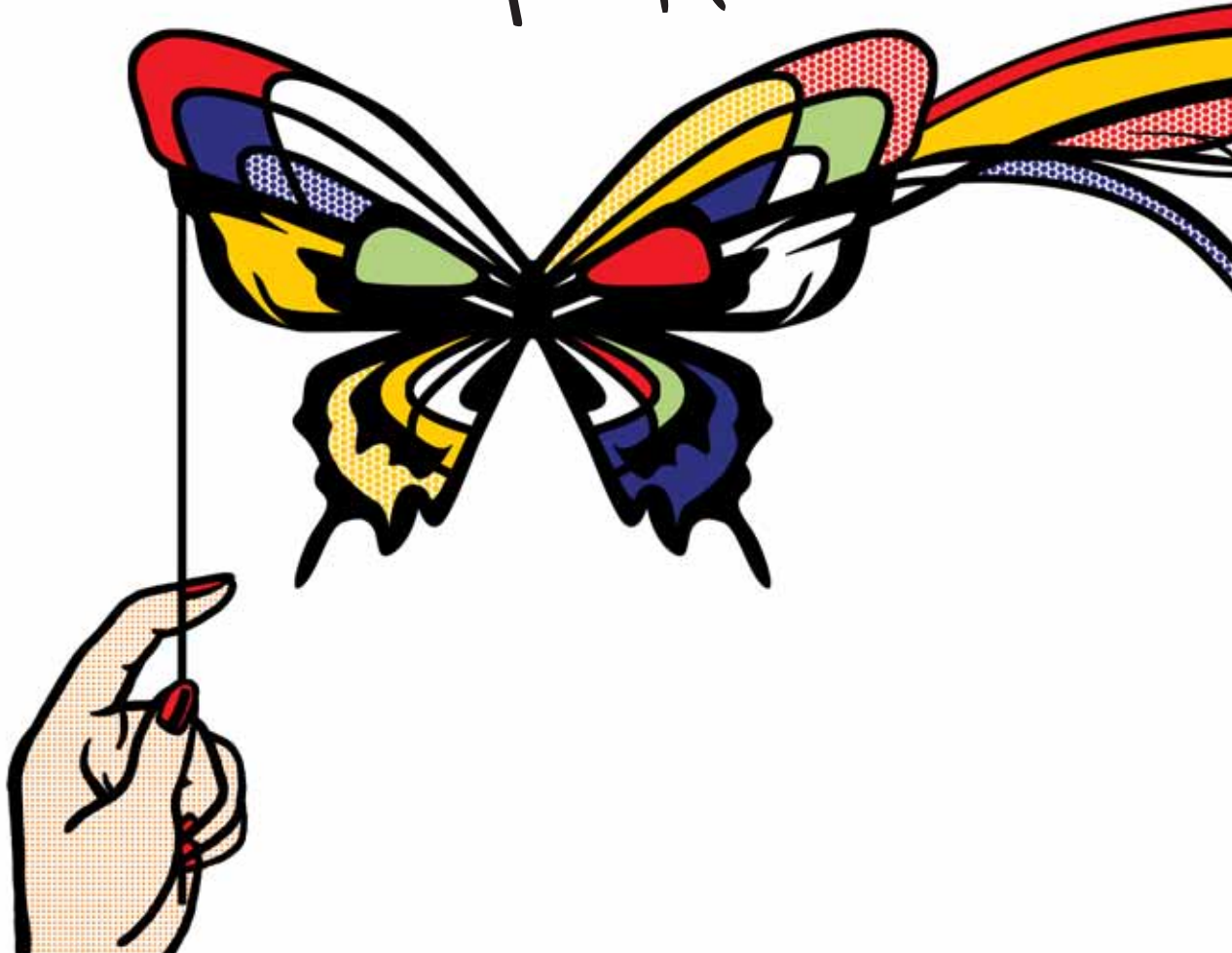
The Report of the Auditors of the Company, Messrs. Deloitte Touche Tohmatsu, in respect of the audit of the Group's financial statements for the year is set out on pages 50 to 51 of the annual report. The Board takes steps to ensure the continued objectivity and independence of the auditors.

制度及營運程序。儘管內部審核隊伍並非完全獨立於財務隊伍，惟在經考慮現行組織架構、管理層隊伍之職責與權力的分工以及本集團業務所涉及風險後，管理層認為現行安排屬足夠及有效。然而，高級管理層與審核委員會現正定期檢討及監管情況，於有需要時將加強本集團內部審核職能的獨立性。

外聘核數師

本公司核數師德勤•關黃陳方會計師行有關審核本集團本年度之財務報表之報告書載於年報第50頁至第51頁。董事局已採取措施，確保核數師繼續保持客觀及獨立。

The Future Leading
Retail Player in the PRC



For the year under review, the auditors of the Company received approximately HK\$3.3 million in respect of audit services provided to the Group.

In addition, the auditors also received approximately HK\$3.1 million for providing financial due diligence services in relation to the Group's participation in the financial restructuring of the Egana Group.

AUDIT COMMITTEE

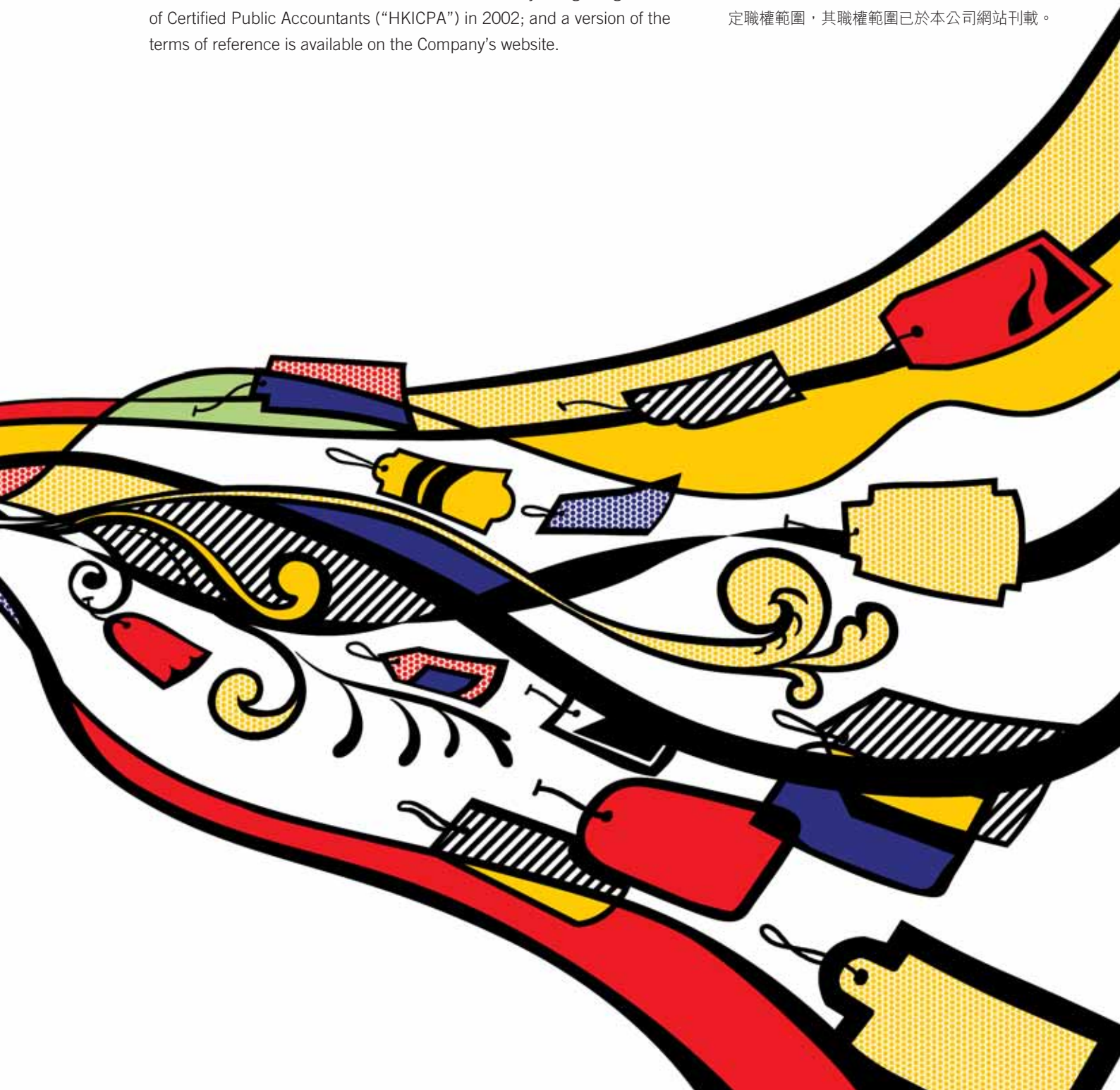
The Company's Audit Committee was established with terms of reference to "A Guide For Effective Audit Committees" issued by Hong Kong Institute of Certified Public Accountants ("HKICPA") in 2002; and a version of the terms of reference is available on the Company's website.

於回顧年度，本公司核數師就向本集團提供核數服務收取約3,300,000港元。

此外，核數師亦就本集團參與聯洲國際集團的財務重組提供有關財務狀況盡職審查工作收取約3,100,000港元的費用。

審核委員會

本公司成立審核委員會，並按香港會計師公會於二零零二年頒佈之「有效運作審核委員會指引」制定職權範圍，其職權範圍已於本公司網站刊載。



In compliance with the CG Code, Audit Committee members comprise solely of our four Independent Non-executive Directors, namely, Mr. Lam Siu-lun, Simon, Mr. Cheung Yuet-man, Raymond, The Hon. Shek Lai-him, Abraham and Mr. Hui Chiu-chung, Stephen. None of them is, or has previously been, a member of the Company's current or previous external auditors. The Audit Committee is chaired by Mr. Lam Siu-lun, Simon, who is a certified public accountant.

The principal duties of the Audit Committee are as follows:

1. to consider the service and appointment of the Company's external auditors, nature and scope of auditing, and the related audit fee;
2. to review and approve changes in accounting policies and practices, to review the effectiveness of the financial reporting system and process, its compliance with accounting standards, the Listing Rules and legal requirements;
3. to oversee the adequacy of the Group's financial reporting process, internal control procedures and risk management system;
4. to review internal control programme and to ensure adequate responses to internal audit functions, to consider and discuss audit findings, for any significant or unusual terms thereof, directly with external auditors; and
5. to assist the Board in overseeing the proper preparation of the Group's financial statements and reports.

The Audit Committee held two committee meetings during the year. All committee members attended both meetings. In the meetings, the committee reviewed and discussed with the external auditors on the Group's financial statements before they were submitted to the Board for consideration and approval.

REMUNERATION COMMITTEE

The Company's Remuneration Committee was established with terms of reference specifying its authority and duties. A version of the terms of reference is posted on the Company's website.

In compliance with the CG Code, the Remuneration Committee members comprise as majority three Independent Non-executive Directors, namely, Mr. Lam Siu-lun, Simon, The Hon. Shek Lai-him, Abraham and Mr. Hui Chiu-chung, Stephen, and one Executive Director, Mr. Lau Luen-hung, Thomas, who is the Managing Director and Chairman of the Remuneration Committee.

為符合企業管治守則，審核委員會僅由四名獨立非執行董事林兆麟先生、張悅文先生、石禮謙議員及許照中先生組成。彼等並非亦不曾出任本公司現任或先前外聘核數師成員。審核委員會由林兆麟先生出任主席，彼為執業會計師。

審核委員會之主要職責如下：

1. 考慮本公司外聘核數師之服務及委任以及核數性質與範疇及相關審核費用；
2. 審閱及批准會計政策與慣例之變動，檢討財務申報系統及程序之效能，並遵守會計準則、上市規則及法例規定；
3. 監察本集團之財務申報程序、內部監控程序及風險管理制度是否恰當；
4. 檢討內部監控程序，並確保充分回應內部審核職能；直接與外聘核數師考慮及商討審核結果以及任何重大或不尋常條款；及
5. 協助董事局監察適當編製本集團財務報表及報告。

於本年度，審核委員會曾舉行兩次委員會會議。四名委員會成員均有出席兩次會議。委員會於會上與外聘核數師審閱及商討本集團財務報表後始呈交董事局以供考慮及批准。

薪酬委員會

本公司成立薪酬委員會，並制定職權範圍說明其職權及職責，其職權範圍已於本公司網站刊載。

為符合企業管治守則，薪酬委員會由三名獨立非執行董事林兆麟先生、石禮謙議員及許照中先生以及執行董事劉鑾鴻先生組成。劉鑾鴻先生為本公司董事總經理及薪酬委員會主席。

Under the terms of reference, the principal role of this Committee is to provide advice and recommendation to the Board on the remuneration package of Directors and senior management, on any specific remuneration package with reference to market conditions, performance of the Group and the individuals against preset goals and targets as set by the Board from time to time, and if necessary, on any compensation policy for termination of office of Directors or senior management.

Besides putting forward recommendation for the Board's approval, the Remuneration Committee has to make advice and recommendation to shareholders for approval if required under the Listing Rules and applicable legislation from time to time. The Remuneration Committee met once in the year, with all committee members attended the meeting.

INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

The Company regards high quality reporting as an essential element in building successful relationships with its shareholders. The Company always seeks to provide relevant information to existing and potential investors, not only to comply with the different requirements in force but also to enhance transparency and communications with shareholders and the investing public. This is part of a continuous communication program that encompasses meetings and relevant announcements to the market in addition to periodic written reports in the form of preliminary announcement of results and interim and annual reports.

The Company also maintains a corporate website on which comprehensive information about the Group is provided. Regular meetings are also held with institutional investors and research analysts to provide them with timely updates on the Group's latest business developments and non-price sensitive information. These activities keep the public informed of the Group's activities and foster effective communications.

The Group also participated in investment conferences and forums organized by leading investment banks during the year in order to enhance the awareness of the investing public of the Group's vision and strategies.

The Company is committed to ensuring that it is fully compliant with disclosure obligations stipulated under the Listing Rules and other applicable laws and regulations, and that all shareholders and potential investors have an equal opportunity to receive and obtain externally available information that is released by the Group.

根據職權範圍，本委員會之主要職責為就董事以及高級管理層之薪酬待遇，向董事局提供建議及推薦意見，並就經參考市場情況、本集團及個人表現以及董事局不時制定之目標後，對任何具體薪酬待遇作出檢討，且於必要時就董事或高級管理層終止任期之任何賠償政策作出檢討。

除提出推薦意見供董事局批准外，倘上市規則及不時適用之法例規定，則薪酬委員會須向股東提供建議及推薦意見以供批准。於本年度，薪酬委員會曾舉行一次會議，全體委員會成員均有出席該次會議。

投資者關係及與股東之溝通

本公司認為高質素的通訊為與股東成功建立關係之重要元素。本公司一直致力向現有及潛在投資者提供有關資料，所提供資料不單符合不同的生效規定，亦同時提高透明度及加強與股東及公眾投資者之溝通。持續的溝通除以初步業績公佈以及按中期報告及年報形式定期刊發報告書外，還包括舉行會議及向市場作出有關公佈。

本公司亦設有公司網站，提供有關本集團之全面資料。本公司亦定期與機構投資者及證券分析員會面，以提供有關本集團業務之最新發展及非股價敏感資料。該等活動可讓大眾得知本集團業務狀況，並促進有效溝通。

本集團在本年度亦出席由具領導地位之投資銀行舉辦之投資會議及論壇，以提高公眾投資者對本集團目標及策略之認識。

本公司致力確保全面遵守上市規則及其他適用法例與法規訂明之披露責任，而全體股東及潛在投資者均同樣可獲得及取得本集團公佈之公開資料。

Profile of Directors

董事簡介

EXECUTIVE DIRECTORS

MR. LAU LUEN-HUNG, THOMAS (BA, MBA)

Managing Director

Mr. Lau, aged 54, is the Managing Director of the Company who leads the management of the whole Group. He is also the Chairman of Remuneration Committee of the Company. Mr. Lau holds a Bachelor degree and a Master degree of Business Administration. Mr. Lau is responsible for implementing overall strategic development, setting policies and monitoring targets of the retailing business of the Group. He has over 30 years of successful entrepreneurial experience in manufacturing, corporate finance, property investment and development, retailing business and the technology industry. Mr. Lau was the co-founder and is an investor of Gemstar-TV Guide International Group Inc., a NASDAQ listed multimedia company in which he was involved in its early years of strategic development and planning. Currently, he has devoted much of his effort to manage the business of the Group. Mr. Lau is also a member of the Chinese People's Political Consultative Conference Shanghai Committee, a director of Shanghai Chinese Overseas Friendship Association and a member of Hong Kong-Shanghai Economic Development Association Limited. He is the younger brother of Mr. Lau Luen-hung, Joseph ("Mr. Joseph Lau") and Ms. Lau Yuk-wai, Amy.

MR. DOO WAI-HOI, WILLIAM (JP)

Mr. Doo, aged 64, joined the Group in March 2005. He is currently the Vice-Chairman of New World China Land Limited and the Deputy Chairman of NWS Holdings Limited and Taifook Securities Group Limited, and an Independent Non-executive Director of The Bank of East Asia, Limited, the shares of which are all listed on the Stock Exchange. Mr. Doo also acts as a director of New World Hotels (Holdings) Limited and Fung Seng Diamond Company Limited. Mr. Doo serves as a Governor of the Canadian Chamber of Commerce in Hong Kong since 1995. In addition, Mr. Doo is a Member of the Standing Committee of the Eleventh Chinese People's Political Consultative Conference in Shanghai, and the Convener of the Shanghai Committee in Hong Kong and Macau. He has been appointed as the Honorary Consul of the Kingdom of Morocco in Hong Kong since June 2005. Mr. Doo is the son-in-law of Dató Dr. Cheng Yu-tung and brother-in-law of Dr. Cheng Kar-shun, Henry.

執行董事

劉鑾鴻先生(BA, MBA)

董事總經理

劉先生現年54歲，為本公司董事總經理，負責領導本集團管理層。彼為本公司薪酬委員會主席。劉先生持有學士學位及工商管理碩士學位。劉先生負責執行本集團零售業務之整體策略發展、制定政策及監督業務目標。彼為成功企業家，在製造業、企業融資、物業投資及發展、零售業務和科技業方面擁有逾30年經驗。劉先生為納斯達克上市多媒體公司Gemstar-TV Guide International Group Inc.之共同創辦人兼投資者，參與該公司早期策略發展及規劃。彼目前致力管理本集團業務。劉先生亦為中國人民政治協商會議上海市委員會會員、上海海外聯誼會理事及滬港經濟發展協會會員。彼為劉鑾雄先生（「劉鑾雄先生」）及劉玉慧女士之胞弟。

杜惠愷先生(太平紳士)

杜先生現年64歲，於二零零五年三月加盟本集團。彼現為股份於聯交所上市之新世界中國地產有限公司、新創建集團有限公司及大福證券集團有限公司之副主席，以及東亞銀行有限公司之獨立非執行董事。彼亦為新世界酒店(集團)有限公司及豐盛珠寶有限公司之董事。自一九九五年起，彼出任加拿大商會駐港總監之職。此外，杜先生為中國人民政協會議上海市第十一屆常務委員及港澳委員召集人。彼自二零零五年六月起獲摩洛哥王國委任為駐港名譽領事。杜先生為拿督鄭裕彤博士之女婿及鄭家純博士之妹夫。

NON-EXECUTIVE DIRECTORS

DATÓ DR. CHENG YU-TUNG

(DPMS, LLD(HON), DBA(HON), DSSC(HON))

Chairman

Dató Dr. Cheng, aged 83, is the non-executive Chairman of the Company. He joined the Group in March 2004. Dató Dr. Cheng is also the Chairman of Chow Tai Fook Enterprises Limited, Chow Tai Fook Jewellery Company Limited and New World Hotels (Holdings) Limited. He is a director of Cheng Yu Tung Family (Holdings) Limited and Centennial Success Limited. He is also the Chairman of New World Development Company Limited (conglomerate) and Melbourne Enterprises Limited, both listed on the Stock Exchange. He is an independent non-executive director of Hang Seng Bank Limited and non-executive director of Shun Tak Holdings Limited. Dr. Cheng was awarded Grand Bauhinia Medal by the Government of the Hong Kong Special Administrative Region in 2008. Dató Dr. Cheng is the father of Dr. Cheng Kar-shun, Henry and the father-in-law of Mr. Doo Wai-hoi, William.

DR. CHENG KAR-SHUN, HENRY

(BA, MBA, DBA(HON), LLD(HON), GBS)

Dr. Cheng, aged 62, joined the Group in May 2001. Dr. Cheng is a director of Chow Tai Fook Enterprises Limited, Chow Tai Fook Jewellery Company Limited, Cheng Yu Tung Family (Holdings) Limited and Centennial Success Limited. He is the Managing Director of New World Development Company Limited, conglomerate listed on the Stock Exchange. Dr. Cheng is also the Chairman and Managing Director of New World China Land Limited, which is listed on the Stock Exchange; the Chairman of NWS Holdings Limited, New World Department Store China Limited and Taifook Securities Group Limited, all listed on the Stock Exchange. He is also the Chairman of International Entertainment Corporation. He is the Managing Director of New World Hotels (Holdings) Limited and an independent non-executive director of HKR International Limited, which is listed on the Stock Exchange.

Dr. Cheng is the Chairman of the Advisory Council for The Better Hong Kong Foundation and a Standing Committee Member of the Eleventh Chinese People's Political Consultative Conference of the People's Republic of China. In 2001, Dr. Cheng was awarded the Gold Bauhinia Star by the Government of the Hong Kong Special Administrative Region. Dr. Cheng is the son of Dató Dr. Cheng Yu-tung and brother-in-law of Mr. Doo Wai-hoi, William.

非執行董事

拿督鄭裕彤博士

(DPMS, LLD(HON), DBA(HON), DSSC(HON))

主席

拿督鄭裕彤博士現年83歲，為本公司非執行董事主席，於二零零四年三月加盟本集團。拿督鄭博士亦為周大福企業有限公司、周大福珠寶金行有限公司及新世界酒店(集團)有限公司之主席，彼為Cheng Yu Tung Family (Holdings) Limited及Centennial Success Limited之董事。彼亦為於聯交所上市之新世界發展有限公司(綜合企業)及萬邦投資有限公司之主席，以及恒生銀行有限公司獨立非執行董事及信德集團有限公司非執行董事。鄭博士於2008年獲香港特別行政區政府頒授大紫荊勳章。彼為鄭家純博士之父親及杜惠愷先生之岳父。

鄭家純博士

(BA, MBA, DBA(HON), LLD(HON), GBS)

鄭博士現年62歲，於二零零一年五月加盟本集團。鄭博士為周大福企業有限公司、周大福珠寶金行有限公司、Cheng Yu Tung Family (Holdings) Limited及Centennial Success Limited之董事，亦為於聯交所上市之綜合企業新世界發展有限公司董事總經理，於聯交所上市之新世界中國地產有限公司主席兼董事總經理及於聯交所上市之新創建集團有限公司、新世界百貨中國有限公司及大福證券集團有限公司之主席。彼亦為國際娛樂有限公司之主席，新世界酒店(集團)有限公司董事總經理及聯交所上市公司香港興業國際集團有限公司獨立非執行董事。

鄭博士為香港明天更好基金顧問委員會主席，亦為中華人民共和國第十一屆全國政協商務委員。鄭博士於二零零一年獲香港特別行政區政府頒授金紫荊星章。鄭博士為拿督鄭裕彤博士之兒子及杜惠愷先生之大舅。

MR. LAU LUEN-HUNG, JOSEPH

Mr. Lau, aged 57, joined the Group in May 2001. Mr. Joseph Lau is also the chairman and an executive director of Chinese Estates Holdings Limited which is a company listed on the Stock Exchange. He has over 33 years of experience in corporate finance, manufacturing and property investment and development. Mr. Joseph Lau is the elder brother of Mr. Lau Luen-hung, Thomas (“Mr. Thomas Lau”) and Ms. Lau Yuk-wai, Amy.

MS. LAU YUK-WAI, AMY

Ms. Lau, aged 55, joined the Group in March 2004. Ms. Lau holds a Bachelor degree in Science and a Doctor degree in Dental Surgeon from the University of Toronto in Canada. She is also a non-executive director of Chinese Estates Holdings Limited, which is a company listed on the Stock Exchange. Ms. Lau is the sister of Mr. Thomas Lau and Mr. Joseph Lau.

INDEPENDENT NON-EXECUTIVE DIRECTORS

MR. LAM SIU-LUN, SIMON (BA, ACA, FTIHK)

Mr. Lam, aged 59, joined the Group in March 2004. He is also the Chairman of Audit Committee of the Company. Mr. Lam graduated from the University of Hong Kong in 1973. After graduation, he worked at KPMG Peat Marwick London and Hong Kong and obtained his qualification as a Certified Public Accountant from HKICPA in 1979. Mr. Lam has been a practicing accountant for over 19 years and is the proprietor of Messrs. S.L. Lam & Company. He has served as a member of the Insider Dealing Tribunal on a number of occasions. He is an independent non-executive director and audit committee member of Le Saunda Holdings Limited, a company whose shares are listed on the main board of the Stock Exchange.

MR. CHEUNG YUET-MAN, RAYMOND

Mr. Cheung, aged 54, joined the Group in March 2004. Mr. Cheung was an entrepreneur and has over 16 years of experience in the textile and garment manufacturing industries and has over 15 years of experience in property investment.

劉鑾雄先生

劉先生現年57歲，於二零零一年五月加盟本集團。劉先生亦為聯交所上市公司華人置業集團之主席及執行董事。彼於企業融資、製造及物業投資與發展方面擁有逾33年經驗。劉鑾雄先生為劉鑾鴻先生(「劉鑾鴻先生」)及劉玉慧女士之胞兄。

劉玉慧女士

劉女士現年55歲，於二零零四年三月加盟本集團。劉女士持有加拿大多倫多大學之理學士學位及牙科博士學位。彼亦為聯交所上市公司華人置業集團之非執行董事。劉女士為劉鑾雄先生之胞妹及劉鑾鴻先生之胞姊。

獨立非執行董事

林兆麟先生(BA, ACA, FTIHK)

林先生現年59歲，於二零零四年三月加盟本集團。彼為本公司審核委員會主席。林先生於一九七三年在香港大學畢業後，曾於倫敦及香港畢馬威會計師事務所工作，並於一九七九年獲取香港會計師公會確認之執業會計師資格。林先生從事執業會計師超過19年，並為林兆麟會計師事務所東主。彼曾多次擔任內幕交易審核處成員。彼為利信達集團有限公司之獨立非執行董事兼審核委員會成員，該公司之股份於聯交所主板上市。

張悅文先生

張先生現年54歲，於二零零四年三月加盟本集團。張先生為企業家，擁有逾16年紡織及成衣製造業經驗及逾15年物業投資經驗。

THE HON. SHEK LAI-HIM, ABRAHAM (BA, DIP. ED., JP)

Mr. Shek, aged 63, joined the Group in March 2004. Mr. Shek obtained his Bachelor degree of Arts in 1969 and has extensive experience in the property development field. Mr. Shek is a member of the Legislative Council of Hong Kong. He is also a member of the Council of The Hong Kong University of Science & Technology and Court of The University of Hong Kong. He is an independent non-executive director and audit committee member of each of Midas International Holdings Limited, Paliburg Holdings Limited, Chuang's Consortium International Limited, NWS Holdings Limited, ITC Corporation Limited, Titan Petrochemicals Group Limited and Country Garden Holdings Company Limited and an independent non-executive director of Hop Hing Group Holdings Limited, Hsin Chong Construction Group Ltd., Chuang's China Investments Limited and MTR Corporation Limited whose shares are listed on the main board of the Stock Exchange. He is also an independent non-executive director of SJM Holdings Limited and an independent non-executive director and audit committee member of Regal Portfolio Management Limited. He is also an independent non-executive director and audit committee member of Eagle Asset Management (CP) Limited, the manager of Champion Real Estate Investment Trust which is listed on the Stock Exchange. Mr. Shek is also a director to The Hong Kong Mortgage Corporation Limited. He is also the Vice Chairman of Independent Police Complaints Council.

MR. HUI CHIU-CHUNG, STEPHEN (JP)

Mr. Hui, aged 61, joined the Group in July 2005. Mr. Hui is currently the Chief Executive Officer of OSK Holdings (Hong Kong) Limited. He has 38 years of experience in the securities and investment industry. Mr. Hui had for years been served as a Council Member and Vice Chairman of the Stock Exchange of Hong Kong, member of the Advisory Committee of the Hong Kong Securities and Futures Commission, and was also a director of the Hong Kong Securities Clearing Company Limited. Mr. Hui was appointed by the Government of the HKSAR a Justice of the Peace in 2004 and was also appointed a member of the Zhuhai Municipal Committee of the Chinese People's Political Consultative Conference in 2006. He is at present a member of the Listing Committee of The Hong Kong Exchanges and Clearing Limited, an appointed member of the Securities and Futures Appeals Tribunal and a member of the Committee on Real Estate Investment Trusts of the Hong Kong Securities and Futures Commission. Mr. Hui is also a member of the Standing Committee on Company Law Reform, an appointed member of the Hong Kong Institute of Certified Public Accountants Investigation Panel A. Mr. Hui also serves as independent non-executive director of Luk Fook Holdings (International) Limited, Jiuzhou Development Company Limited, Chun Wo Development Holdings Limited and Frasers Property (China) Limited whose shares are listed on the Stock Exchange.

石禮謙議員 (BA, DIP. ED., 太平紳士)

石先生現年63歲，於二零零四年三月加盟本集團。石先生於一九六九年取得文學士學位，於物業發展方面擁有豐富經驗。石先生為香港立法會議員。彼亦為香港科技大學及香港大學校董會成員。彼為勤達集團國際有限公司、百利保控股有限公司、莊士機構國際有限公司、新創建集團有限公司、德祥企業集團有限公司、泰山石化集團有限公司及碧桂園控股有限公司之獨立非執行董事兼審核委員會成員，彼亦為合興集團控股有限公司、新昌營造集團有限公司、莊士中國投資有限公司及香港鐵路有限公司之獨立非執行董事，該等公司之股份於聯交所主板上市。彼亦為SJM澳門博彩控股有限公司之獨立非執行董事及富豪資產管理有限公司之獨立非執行董事兼審核委員會成員。彼亦為於聯交所上市之冠君產業信託之管理人鷹君資產管理(冠君)有限公司之獨立非執行董事兼審核委員會成員。石先生亦為香港按揭證券有限公司董事。彼亦為投訴警方獨立監察委員會副主席。

許照中先生 (太平紳士)

許先生現年61歲，於二零零五年七月加盟本集團。許先生現為僑豐金融集團(香港)有限公司之行政總裁，具備38年之證券及投資經驗，多年來曾出任香港聯交所理事及副主席以及香港證券及期貨事務監察委員會諮詢委員會委員，亦曾擔任香港中央結算有限公司董事。許先生於二零零四年獲香港特區政府頒授太平紳士榮銜，另於二零零六年獲委任為中華人民共和國人民政治協商會議珠海市委員會委員。彼現為香港交易及結算所有限公司上市委員會委員、證券及期貨事務上訴審裁處委員以及香港證券及期貨事務監察委員會房地產投資信託基金委員會委員。許先生亦為公司法改革常務委員會委員、香港會計師公會調查小組A組會員。許先生亦為股份於聯交所上市之公司六福集團(國際)有限公司、九洲發展有限公司、俊和發展集團有限公司及星獅地產(中國)有限公司之獨立非執行董事。

Directors' Report

董事局報告

The Directors of the Company present their annual report and the audited financial statements for the year ended 31st December, 2008.

Principal activities

The principal activity of the Company is investment holding and the principal activities of its subsidiaries are the operation of "lifestyle" department stores and property holding. Particulars of the Company's principal subsidiaries are set out in note 49 to the financial statements.

Results and appropriations

The results of the Group for the year ended 31st December, 2008 are set out in the consolidated income statement on page 52.

An interim dividend of HK cents 12.0 per share was paid during the year. The Directors has recommended the payment of a final dividend of HK cents 12.0 in cash per share to the shareholders whose names appear on the Register of Members of the Company on Monday, 27th April, 2009, amounting to a total of HK cents 24.0 in cash per share for the year.

Fixed assets

During the year, the Group revalued all of its investment properties at the year end date. The net increase in fair value of investment properties amounting to HK\$176,030,000 has been credited directly to the income statement.

The Group continued its leasehold improvements replacement policy and expended HK\$12,648,000 on new leasehold improvements during the year.

Details of these and other movements during the year in the fixed assets of the Group are set out in notes 17 and 18 to the financial statements.

Share capital

Details of movements during the year in the share capital of the Company are set out in note 38 to the financial statements.

Directors

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

Executive Directors:

Mr. Lau Luen-hung, Thomas (*Managing Director*)
Mr. Doo Wai-hoi, William

Non-executive Directors:

Dató Dr. Cheng Yu-tung (*Chairman*)
Dr. Cheng Kar-shun, Henry
Mr. Lau Luen-hung, Joseph
Ms. Lau Yuk-wai, Amy

Independent Non-executive Directors:

Mr. Lam Siu-lun, Simon
Mr. Cheung Yuet-man, Raymond
The Hon. Shek Lai-him, Abraham
Mr. Hui Chiu-chung, Stephen

本公司董事謹此提呈其年報及截至二零零八年十二月三十一日止年度之經審核財務報表。

主要業務

本公司主要業務為投資控股，其附屬公司之主要業務則為經營「生活時尚」百貨店及持有物業。本公司主要附屬公司詳情載於財務報表附註49。

業績及分配

本集團截至二零零八年十二月三十一日止年度之業績載於第52頁綜合收益表。

於本年度，本公司派付中期股息每股12.0港仙。董事建議向於二零零九年四月二十七日(星期一)名列本公司股東名冊之股東，派付現金末期股息每股12.0港仙，本年度股息合共現金每股24.0港仙。

固定資產

於本年度，本集團於年結日重估其所有投資物業。直接計入收益表之投資物業公平值增加淨額為176,030,000港元。

本集團秉持其物業裝修重置政策，於本年度就新物業裝修耗用12,648,000港元。

有關本集團固定資產於本年度之該等及其他變動詳情，載於財務報表附註17及18。

股本

本公司股本於本年度之變動詳情載於財務報表附註38。

董事

於本年度及截至本報告日期期間，本公司董事如下：

執行董事：

劉鑾鴻先生(*董事總經理*)
杜惠愷先生

非執行董事：

拿督鄭裕彤博士(*主席*)
鄭家純博士
劉鑾雄先生
劉玉慧女士

獨立非執行董事：

林兆麟先生
張悅文先生
石禮謙議員
許照中先生

Directors (continued)

In accordance with Article 87 of the Articles of the Company, Mr. Doo Wai-hoi, William, Mr. Lau Luen-hung, Joseph and Mr. Hui Chiu-chung, Stephen shall retire by rotation and, being eligible, offer themselves for re-election.

The term of office of each Non-executive Director and Independent Non-executive Director is appointed for a specific term of one year and is subject to retirement and re-election at annual general meeting in accordance with the Company's articles of association.

Mr. Lau Luen-hung, Thomas and Mr. Doo Wai-hoi, William entered into service contract with the Company for an initial fixed term of three years commencing from 1st April, 2004 and 2nd March, 2005 respectively, and is subject to renewal and extension automatically for further three years unless terminated by either party in writing. There is no specific clause in both service contracts providing for the amount of compensation in case of early termination of office.

Other than as disclosed above, no Director proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

Directors' and chief executives' interests in shares and underlying shares

As at 31st December, 2008, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which are required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or are required, pursuant to Section 352 of Part XV of the SFO, to be entered in the register referred to therein, or are required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange to be notified to the Company and the Stock Exchange were as follows:

(i) Long positions in the issued shares of the Company

Name of Director	Nature of interest and capacity	Number of shares	Approximate percentage of interest in the issued share capital of the Company (Note 3) 佔本公司已發行股本權益之概約百分比 (附註3)
董事姓名	權益性質及身分	股份數目	
Mr. Lau Luen-hung, Thomas ("Mr. Thomas Lau") 劉鑾鴻先生(「劉鑾鴻先生」)	Interest in controlled corporation (Note 1) 受控制公司權益(附註1)	1,080,000,000	64.52%
	Interest in controlled corporation (Note 2) 受控制公司權益(附註2)	40,698,500	2.43%
	Beneficial owner 實益擁有人	11,118,000	0.66%

董事(續)

根據本公司之章程細則第87條規定，杜惠愷先生、劉鑾鴻先生及許照中先生須輪值告退，惟合資格並願意膺選連任。

各非執行董事及獨立非執行董事乃按指定年期一年委任，且須根據本公司之組織章程細則於股東週年大會告退並膺選連任。

劉鑾鴻先生及杜惠愷先生與本公司訂有服務合約，分別自二零零四年四月一日及二零零五年三月二日起計，首個固定年期為三年，任期另將自動重續及延展三年，除非任何一方發出不續約之書面通知。該等服務合約並無載有規定提早終止任期補償金額之特定條款。

除上文披露者外，概無擬於應屆股東週年大會膺選連任之董事訂有本集團不作賠償(法定賠償除外)則不可於一年內終止之服務合約。

董事及行政總裁於股份及相關股份之權益

於二零零八年十二月三十一日，本公司董事及行政總裁於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中擁有須根據證券及期貨條例第XV部第7及8分部知會本公司及香港聯合交易所有限公司(「聯交所」)的權益及淡倉(包括彼等根據證券及期貨條例該等條文被當作或視為擁有的權益及淡倉)；或根據證券及期貨條例第XV部第352條所述本公司存置之登記冊記錄；或根據聯交所證券上市規則(「上市規則」)附錄10所載之上市發行人董事進行證券交易的標準守則須知會本公司及聯交所之權益及淡倉如下：

(i) 本公司已發行股份之好倉

Directors' and chief executives' interests in shares and underlying shares (continued)

(i) Long positions in the issued shares of the Company (continued)

Notes:

1. Real Reward Limited ("Real Reward"), which is jointly owned by United Goal Resources Limited ("United Goal") and Go Create Limited ("Go Create") in equal shares, holds 1,080,000,000 shares. United Goal, a company incorporated in the BVI, is ultimately owned by Mr. Thomas Lau and a family trust with certain family members of Mr. Lau Luen-hung, Joseph ("Mr. Joseph Lau") as eligible beneficiaries. By virtue of the SFO, Mr. Thomas Lau is deemed to be interested in the 1,080,000,000 shares held by Real Reward.
2. Dynamic Castle Limited ("Dynamic Castle"), which is wholly-owned by Mr. Thomas Lau, holds 40,698,500 shares. By virtue of the SFO, Mr. Thomas Lau is deemed to be interested in the 40,698,500 shares held by Dynamic Castle.
3. As at 31st December, 2008, the issued share capital of the Company was HK\$8,369,827.50 divided into 1,673,965,500 shares of HK\$0.005 each.

(ii) Long positions in associated corporations

董事及行政總裁於股份及相關股份之權益

(續)

(i) 本公司已發行股份之好倉 (續)

附註：

1. 由United Goal Resources Limited(「United Goal」)及Go Create Limited(「Go Create」)共同平均擁有之Real Reward Limited(「Real Reward」)持有1,080,000,000股。United Goal為於英屬維爾京群島註冊成立之公司，由劉鑾鴻先生及合資格受益人為劉鑾雄先生(「劉鑾雄先生」)若干家族成員之家族信託最終擁有。根據證券及期貨條例，劉鑾鴻先生被視作於Real Reward所持1,080,000,000股中擁有權益。
2. 由劉鑾鴻先生全資擁有之Dynamic Castle Limited(「Dynamic Castle」)持有40,698,500股。根據證券及期貨條例，劉鑾鴻先生被視作於Dynamic Castle所持40,698,500股中擁有權益。
3. 於二零零八年十二月三十一日，本公司之已發行股本為8,369,827.50港元，分為1,673,965,500股每股面值0.005港元之股份。

(ii) 相聯法團之好倉

Name of Director 董事姓名	Name of associated corporation 相聯法團名稱	Nature of interest and capacity 權益性質及身分	Total number of shares held 所持股份總數	Percentage of interest 權益百分比
Mr. Thomas Lau 劉鑾鴻先生	Real Reward	Interest in controlled corporation (Note 1) 受控制公司權益(附註1)	1	50%
	Crystal Key Investment Limited	Interest in controlled corporation (Note 2) 受控制公司權益(附註2)	1	100%
	Grandville Venture Corp.	Interest in controlled corporation (Note 2) 受控制公司權益(附註2)	50,000	100%
	Global Centre Investments Limited	Interest in controlled corporation (Note 2) 受控制公司權益(附註2)	1	100%
	Leeson Limited 麗信有限公司	Interest in controlled corporation (Note 2) 受控制公司權益(附註2)	1	100%
	Wise Ocean Limited 偉洋有限公司	Interest in controlled corporation (Note 2) 受控制公司權益(附註2)	1	100%

Notes:

1. United Goal, a company incorporated in the BVI and ultimately owned by Mr. Thomas Lau and a family trust with certain family members of Mr. Joseph Lau as eligible beneficiaries, has 50% interest in Real Reward. By virtue of the SFO, Mr. Thomas Lau is deemed to be interested in the one share in Real Reward.

附註：

1. United Goal為於英屬維爾京群島註冊成立之公司，擁有Real Reward 50%權益，並由劉鑾鴻先生及合資格受益人為劉鑾雄先生若干家族成員之家族信託最終擁有。根據證券及期貨條例，劉鑾鴻先生被視作於Real Reward 1股中擁有權益。

Directors' and chief executives' interests in shares and underlying shares (continued)

(ii) Long positions in associated corporations (continued)

Notes: (continued)

- United Goal, a company incorporated in the BVI and ultimately owned by Mr. Thomas Lau and a family trust with certain family members of Mr. Joseph Lau as eligible beneficiaries, has 50% interest in Real Reward. Crystal Key Investment Limited, Grandville Venture Corp., Global Centre Investments Limited, Leeson Limited and Wise Ocean Limited are, either direct or indirect, wholly-owned subsidiaries of Real Reward. By virtue of SFO, Mr. Thomas Lau is deemed to be interested in the shares held by Real Reward in Crystal Key Investment Limited, Grandville Venture Corp., Global Centre Investments Limited, Leeson Limited and Wise Ocean Limited.

All the interests stated above represented long positions. As at 31st December, 2008, the Directors and chief executives had no short positions recorded in the register required to be kept by the Company pursuant to Section 352 of Part XV of the SFO.

Interests of substantial shareholders

As at 31st December, 2008, so far as is known to any Director or chief executive of the Company, 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 which would fall to be disclosed to the Company under the provisions of the Divisions 2 and 3 of Part XV of the SFO:

(i) Long positions in the shares and the underlying shares of the Company

Name of Shareholder	Nature of interest and capacity	Number of shares	Approximate percentage of interest in the issued share capital of the Company (Note 4)
股東名稱	權益性質及身分	股份數目	佔本公司已發行股本權益之概約百分比 (附註4)
Real Reward	Beneficial owner (Note 1) 實益擁有人(附註1)	1,080,000,000	64.52%
United Goal	Interest in controlled corporation (Note 2) 受控制公司權益(附註2)	1,080,000,000	64.52%
Asia Prime Assets Limited ("Asia Prime")	Interest in controlled corporation (Note 2) 受控制公司權益(附註2)	1,080,000,000	64.52%
Go Create	Interest in controlled corporation (Note 3) 受控制公司權益(附註3)	1,080,000,000	64.52%
Chow Tai Fook Enterprises Limited ("CTF") 周大福企業有限公司(「周大福」)	Interest in controlled corporation (Note 3) 受控制公司權益(附註3)	1,080,000,000	64.52%
JPMorgan Chase & Co.	(a) Beneficial owner (a) 實益擁有人 (b) Investment manager (b) 投資經理 (c) Custodian (c) 託管人	207,500 74,148,500 60,082,181 Total: 134,438,181 總計:	8.03%

董事及行政總裁於股份及相關股份之權益

(續)

(ii) 相聯法團之好倉(續)

附註:(續)

- United Goal為於英屬維爾京群島註冊成立之公司，擁有Real Reward 50%權益，並由劉鑾鴻先生及合資格受益人為劉鑾鴻先生若干家族成員之家族信託最終擁有。Crystal Key Investment Limited、Grandville Venture Corp.、Global Centre Investments Limited、麗信有限公司及偉洋有限公司為Real Reward直接或間接全資附屬公司。根據證券及期貨條例，劉鑾鴻先生被視作於Real Reward在Crystal Key Investment Limited、Grandville Venture Corp.、Global Centre Investments Limited、麗信有限公司及偉洋有限公司持有之股份中擁有權益。

上述全部權益均為好倉。於二零零八年十二月三十一日，本公司根據證券及期貨條例第XV部第352條規定存置之登記冊並無記錄董事及行政總裁擁有任何淡倉。

主要股東權益

於二零零八年十二月三十一日，據董事或本公司行政總裁所知，下列人士(不包括董事或本公司行政總裁)於本公司之股份及相關股份中擁有須根據證券及期貨條例第XV部第2及3分部之條文向本公司披露之權益或淡倉：

(i) 本公司股份及相關股份之好倉

Interests of substantial shareholders (continued)**(ii) Lending pool with respect of the shares and underlying shares of the Company****主要股東權益** (續)**(ii) 可供借出之本公司股份及相關股份**

Name of Shareholder	Capacity	Number of shares	Approximate percentage of interest in the issued share capital of the Company (Note 4) 估本公司已發行股本權益之概約百分比 (附註4)
股東名稱	身份	股份數目	
JPMorgan Chase & Co.	Custodian 託管人	60,082,181	3.59%

Notes:

- Real Reward is a company jointly owned by United Goal and Go Create in equal shares. United Goal is ultimately owned by Mr. Thomas Lau and a family trust with certain family members of Mr. Joseph Lau as eligible beneficiaries. Go Create is wholly owned by CTF of which family members of Dató Dr. Cheng Yu-tung have controlling interests. Mr. Thomas Lau, Mr. Joseph Lau and Dr. Cheng Kar-shun, Henry, being Directors, are also directors of Real Reward.
- Asia Prime, a company wholly owned by Mr. Thomas Lau, holds more than one-third of the entire issued share capital of United Goal, a 50% shareholder of Real Reward. By virtue of the SFO, Asia Prime and United Goal are deemed to be interested in the 1,080,000,000 shares held by Real Reward. Mr. Thomas Lau and Mr. Joseph Lau, being Directors, are directors of United Goal and Mr. Thomas Lau is also the sole director of Asia Prime.
- Go Create, a company incorporated in the BVI and wholly owned by CTF of which family members of Dató Dr. Cheng Yu-tung have controlling interests, has 50% interest in Real Reward. By virtue of the SFO, CTF and Go Create are deemed to be interested in the 1,080,000,000 shares held by Real Reward. Dató Dr. Cheng Yu-tung and Dr. Cheng Kar-shun, Henry, being Directors, are directors of CTF and Dr. Cheng Kar-shun, Henry is also a director of Go Create.
- As at 31st December, 2008, the issued share capital of the Company was HK\$8,369,827.50 divided into 1,673,965,500 shares of HK\$0.005 each.

All the interests stated above represented long positions. As at 31st December, 2008, the substantial shareholders of the Company had no short positions recorded in the register required to be kept by the Company pursuant to Section 336 of Part XV of the SFO.

附註：

- Real Reward由United Goal與Go Create共同平均擁有。United Goal由劉鑾鴻先生及合資格受益人為劉鑾雄先生若干家族成員之家族信託最終擁有。Go Create由周大福全資擁有，而拿督鄭裕彤博士之家族成員於周大福擁有控股權益。董事劉鑾鴻先生、劉鑾雄先生及鄭家純博士亦為Real Reward之董事。
- Asia Prime由劉鑾鴻先生全資擁有，其持有United Goal全部已發行股本超過三分之一，而United Goal為持有Real Reward 50%權益之股東。根據證券及期貨條例，Asia Prime及United Goal被視為於Real Reward所持之1,080,000,000股中擁有權益。董事劉鑾鴻先生及劉鑾雄先生為United Goal之董事，而劉鑾鴻先生亦為Asia Prime唯一之董事。
- Go Create於英屬維爾京群島註冊成立，由拿督鄭裕彤博士之家族成員擁有控股權益之周大福全資擁有，Go Create於Real Reward 擁有50%權益。根據證券及期貨條例，周大福及Go Create被視為於Real Reward持有之1,080,000,000股中擁有權益。董事拿督鄭裕彤博士及鄭家純博士為周大福之董事，而鄭家純博士亦為Go Create之董事。
- 於二零零八年十二月三十一日，本公司之已發行股本為8,369,827.50港元，分為1,673,965,500股每股面值0.005港元之股份。

上述全部權益均為好倉。於二零零八年十二月三十一日，本公司根據證券及期貨條例第XV部第336條規定存置之登記冊並無記錄本公司主要股東擁有任何淡倉。

Share option schemes

(i) The 2004 Share Option Scheme

The Company's share option scheme (the "Scheme") was adopted for a period of 10 years commencing 27th March, 2004 pursuant to a written resolution of the sole shareholder for the purpose of providing incentives or rewards to selected full-time employees and Directors for their contribution to the Group.

Under the Scheme, the Company may grant options to selected full-time employees and Directors of the Company and its subsidiaries, to subscribe for shares in the Company. Additionally, the Company may, from time to time, grant share options to eligible advisors and consultants to the Company and its subsidiaries at the discretion of the Board of Directors.

The total number of shares in respect of which options may be granted under the Scheme and any other scheme of the Company is not permitted to exceed 10% of the shares of the Company in issue as at the date of the commencement of dealings in the shares on the Stock Exchange, being 144,000,000 shares of HK\$0.005 each after the share subdivision in 2007, which represented approximately 8.63% of the issued share capital of the Company as at the date of this report. The Company may seek approval from its shareholders in general meeting to renew such limit provided that it must not exceed 10% of the issued share capital of the Company at the date of approval of the renewed limit. The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other scheme must not exceed such number of shares as shall represent 30% of the total number of issued shares of the Company from time to time. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue, without prior approval from the Company's shareholders. Options granted to substantial shareholders, Independent Non-executive Directors, or any of their respective associates (including a trustee of a discretionary trust of which they or any of their family interests are discretionary objects) in excess of 0.1% of the Company's share capital and with a value in excess of HK\$5,000,000 must be also approved by the Company's shareholders.

Option granted must be taken up within the time limit specified in the offer letter (which shall not be later than 5 days from the date of offer), upon payment of HK\$1 per option. Options may be exercised at any time during a period commencing on or after the date on which the option is accepted and deemed to be granted and expiring on a date to be notified by the Board to each grantee which shall not be more than 10 years from the date on which the option is accepted and deemed to be granted. The exercise price is determined by the Directors of the Company, and will not be less than the highest of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

The termination of the Scheme was conditionally approved by the shareholders of the Company in an extraordinary general meeting held on 3rd March, 2009. No further options will be offered under the Scheme, but all options granted prior to such termination shall continue to be valid and exercisable in accordance with the Scheme.

購股權計劃

(i) 二零零四年購股權計劃

本公司根據唯一股東之書面決議案採納購股權計劃(「該計劃」)，由二零零四年三月二十七日起為期十年，旨在向經甄選之全職僱員及董事就彼等對本集團所作貢獻提供獎勵或獎賞。

根據該計劃，本公司可向本公司及其附屬公司經甄選之全職僱員及董事授予購股權，以認購本公司股份。此外，本公司可不時按董事局酌情權向本公司及其附屬公司之合資格顧問及諮詢顧問授予購股權。

根據該計劃或本公司任何其他計劃可授予購股權所涉及股份總數，不得超過本公司於股份在聯交所開始買賣之日期已發行股份10%，即於二零零七年股份拆細後每股面值0.005港元之144,000,000股股份(相當於本公司於本報告日期已發行股本約8.63%)。本公司可於股東大會上尋求股東之批准以更新有關限額，惟該限額不得超過更新限額批准當日本公司已發行股本之10%。行使根據該計劃及任何其他計劃所有已授予而尚未行使之未行使購股權時發行之股份數目，合計最多不得超過本公司不時之已發行股份之30%之股份數目。如未經本公司股東事先批准，於任何一年，就任何個別人士所獲授及可獲授之購股權已發行及將發行之股份數目，不得超過本公司已發行股份1%。授予主要股東、獨立非執行董事或任何彼等各自之聯繫人(包括全權信託之信託人，彼等或任何彼等之家屬權益為全權受益人)超過本公司股本0.1%或價值超過5,000,000港元之購股權，亦必須經本公司股東批准。

授出之購股權須於要約函件所指定時限(不得遲於要約日期起計5日)內接納，接納時須就每份購股權支付1港元。購股權可於接納及被視為已授予當日或之後起至董事局知會各承授人屆滿當日止期間內隨時行使，惟由接納及被視為已授予購股權當日起計不得超過10年。行使價由本公司董事釐定，將不低於(i)授予日期本公司股份收市價；(ii)緊接授予日期前五個營業日股份平均收市價；及(iii)本公司股份面值三者之較高者。

本公司股東於二零零九年三月三日舉行之股東特別大會上有條件批准終止該計劃。額外購股權將不會根據該計劃提出要約，惟於有關終止前，根據該計劃所有授予之購股權將繼續屬有效及可行使。

Share option schemes (continued)**(ii) The 2009 Share Option Scheme**

The adoption of a new share option scheme (the “**2009 Share Option Scheme**”) was conditionally approved by the shareholders of the Company in an extraordinary general meeting held on 3rd March, 2009 for a period of 10 years commencing from 3rd March, 2009 as incentive or reward for the contribution of the eligible participants to the growth of the Group and to provide to the Group with a more flexible means to reward, remunerate, compensate and/or provide benefits to the eligible participants.

Under the 2009 Share Option Scheme, the Company may grant options to (a) any full-time or part-time employee of the Company and/or any subsidiary; (b) any Director (including Executive, Non-executive and Independent Non-executive Director) of the Company and/or any subsidiary; and (c) any consultant or adviser (whether professional or otherwise and whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid), distributor, contractor, supplier, service provider, agent, customer and business partner of the Company and/or any subsidiary who, at the sole determination of the Board, have contributed or will contribute to the Company and/or any subsidiary.

There is no general requirement on the minimum period for which an option must be held or the performance targets which must be achieved before an option can be exercised under the terms of the 2009 Share Option Scheme. However, the Board may offer to grant any options subject to such terms and conditions in relation to the minimum period of the options to be held and/or the performance targets to be achieved before such Options can be exercised and/or any other terms as the Board may determine in its absolute discretion.

The total number of shares which may be issued upon exercise of all options which may be granted under the 2009 Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 166,860,950 shares, representing 10% of the issued share capital of the Company as at 3rd March, 2009, the date on which the 2009 Share Option Scheme was conditionally approved by the shareholders of the Company. The Board may seek approval by shareholders in general meeting to renew such limit provided that it must not exceed 10% of the issued share capital of the Company at the date of approval of the renewed limit. The maximum aggregate number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2009 Share Option Scheme and any other scheme must not exceed such number of shares as shall represent 30% of the issued share capital of the Company from time to time.

購股權計劃 (續)**(ii) 二零零九年購股權計劃**

本公司股東於二零零九年三月三日舉行之股東特別大會上有條件批准採納新購股權計劃(「**二零零九年購股權計劃**」)，自二零零九年三月三日起為期十年，作為合資格參與者對本集團發展作出貢獻之激勵或獎賞，並讓本集團更具彈性地向合資格參與者提供獎賞、報酬、補償及/或提供福利。

根據二零零九年購股權計劃，本公司可授予購股權予(a)本公司及/或任何附屬公司之任何全職或兼職僱員；(b)本公司及/或任何附屬公司之任何董事(包括執行、非執行及獨立非執行董事)；及(c)經董事局全權決定，已對或將會對本公司及/或任何附屬公司作出貢獻之本公司及/或任何附屬公司之任何專家顧問或顧問(不論其是否專業人士及不論其基於聘用、合約或榮譽或其他性質及是否受薪)、分銷商、承包商、供應商、服務供應商、代理、客戶及業務夥伴。

對於購股權可以根據二零零九年購股權計劃之條款行使前必須持有購股權之最低期限或須達致之表現目標，並無設立一般性規定。然而，董事局授予任何購股權時可設立有關條款及條件，規限在有關購股權可以行使前必須持有購股權之最低期限及/或須達致之表現目標，及/或董事局可絕對酌情釐定之任何其他條款。

因行使根據二零零九年購股權計劃及本公司任何其他購股權計劃授予之所有購股權而可發行之股份總數，合計不得超過166,860,950股股份，相當於本公司股東於二零零九年三月三日舉行之股東特別大會上有條件批准二零零九年購股權計劃當日本公司已發行股本10%。董事局可於股東大會上尋求股東之批准以更新有關限額，惟該限額不得超過更新限額批准當日本公司已發行股本之10%。行使根據二零零九年購股權計劃及任何其他計劃所有已授予而尚未行使之未行使購股權時發行之股份數目，合計最多不得超過本公司不時已發行股本30%之股份數目。

Share option schemes (continued)

(ii) The 2009 Share Option Scheme (continued)

The total number of shares issued and to be issued upon exercise of the options granted to each eligible participant (including both exercised and outstanding options under the 2009 Share Option Scheme) in any 12-month period must not exceed 1% of the issued share capital of the Company. Where any further grant of options to an eligible participant would result in excess of such limit, such further grant must be subject to the approval of the shareholders at general meeting with such eligible participant and his associates abstaining from voting.

Options granted to a connected person of the Company or any of its associates must be approved by all of the Independent Non-executive Directors of the Company (excluding any Independent Non-executive Director of the Company who is the grantee of the options).

Where options are proposed to be granted to a substantial shareholder or an Independent Non-executive Director of the Company or any of their respective associates, and the proposed grant of options will result in the total number of shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the issued share capital of the Company on the date of offer and having an aggregate value, based on the closing price of the shares at the date of each grant, in excess of HK\$5 million, such grant of options must be subject to the approval of the shareholders taken on a poll at general meeting. The connected person involved in such proposed grant of options and all other connected persons of the Company must abstain from voting in such general meeting (except that any connected person may vote against the proposed grant provided that his intention to do so has been stated in the relevant circular to the shareholders).

Option granted must be taken up within the time limit specified in the offer letter (which shall not be later than 5 days from the date of offer), upon payment of HK\$1 on acceptance of the offer. Options may be exercised at any time during a period to be notified by the Board to each grantee which shall not be more than 10 years from the date of the offer. The exercise price is determined by the Directors of the Company, and will be at least the highest of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

購股權計劃(續)

(ii) 二零零九年購股權計劃(續)

各合資格參與者於任何12個月內因行使其獲授購股權(包括二零零九年購股權計劃項下已行使及尚未行使之購股權)而已發行及將發行之股份總數，不得超過本公司已發行股本之1%。倘進一步向合資格參與者授予購股權將導致該限額被超過，則該進一步購股權授予須在股東大會上獲得股東批准，而有關合資格參與者及其聯繫人須放棄投票。

向本公司或其任何聯繫人之關連人士授予購股權必須獲得本公司全體獨立非執行董事(不包括身為有關購股權承授人之本公司獨立非執行董事)批准。

倘於截至及包括授予日期前任何12個月內建議向本公司主要股東、獨立非執行董事或彼等各自之任何聯繫人授予購股權，會使該人士因行使所有已獲授及將獲授購股權(包括已行使、註銷及尚未行使之購股權)而已發行及將發行之股份總數合計超過本公司於要約日期已發行股本之0.1%，而有關總值(按各授予日期股份收市價計算)超過5,000,000港元，則該次購股權授予須在股東大會上獲得股東按股數投票表決批准。涉及該次建議授予購股權之關連人士以及本公司之所有其他關連人士須在上述股東大會上放棄投票(然而，任何關連人士均可投票反對授予建議，惟其相關意向須載列於致股東之相關通函內)。

授予之購股權須於要約函件所指定時限(不得遲於要約日期起計5日)內接納，於接納要約時須支付1港元。購股權可於董事局知會各承授人期間內隨時行使，惟於要約日期起計不得超過10年。行使價由本公司董事釐定，將至少為下列三者中之最高者(i)授予日期本公司股份收市價；(ii)緊接授予日期前五個營業日股份平均收市價；及(iii)本公司股份面值。

Details of options granted by the Company

As at 31st December, 2008, options to subscribe for an aggregate of 52,323,000 shares of the Company granted to a Director (as disclosed above) and certain full-time employees pursuant to the Scheme remained outstanding, details of which were as follows:

本公司授予購股權之詳情

於二零零八年十二月三十一日，誠如上文所披露，本公司根據該計劃向一名董事及若干全職僱員授予可供認購合共52,323,000股本公司股份且尚未行使之購股權詳情如下：

	Date of grant 授予日期	Number of share options 購股權數目					Outstanding as at 31st December, 2008 於二零零八年十二月三十一日 尚未行使	Option period 購股權期限	Subscription price per share 每股認購價
		Outstanding as at 1st January, 2008 於二零零八年一月一日 尚未行使	Granted during the year 年內授予	Exercised during the year 年內行使	Lapsed during the year 年內失效	Cancelled during the year 年內註銷			
Director									
董事									
Mr. Thomas Lau 劉鑾鴻先生	07/10/2005 二零零五年 十月七日	1,008,000	-	-	-	1,008,000	07/10/2006 – 26/3/2014 (Note 1) 二零零六年 十月七日至 二零一四年 三月二十六日 (附註1)	HK\$6.16 6.16港元	
	16/03/2006 二零零六年 三月十六日	9,156,000	-	-	-	9,156,000	16/03/2007 – 26/03/2014 (Note 2) 二零零七年 三月十六日至 二零一四年 三月二十六日 (附註2)	HK\$6.37 6.37港元	
	31/08/2007 二零零七年 八月三十一日	17,020,000	-	-	-	17,020,000	01/10/2008 – 26/03/2014 (Note 3) 二零零八年 十月一日至 二零一四年 三月二十六日 (附註3)	HK\$18.50 18.50港元	
Employees									
僱員									
	07/10/2005 二零零五年 十月七日	5,749,000	-	(2,076,000)	(54,000)	3,619,000	07/10/2006 – 26/03/2014 (Note 1) 二零零六年 十月七日至 二零一四年 三月二十六日 (附註1)	HK\$6.16 6.16港元	
	31/08/2007 二零零七年 八月三十一日	21,970,000	-	-	(450,000)	21,520,000 (Note 4) (附註4)	01/10/2008 – 26/03/2014 (Note 3) 二零零八年 十月一日至 二零一四年 三月二十六日 (附註3)	HK\$18.50 18.50港元	
Total		54,903,000	-	(2,076,000)	(504,000)	52,323,000			
總計									

Details of options granted by the Company (continued)

Notes:

- The options, granted on 7th October, 2005, are exercisable from 7th October, 2006 to 26th March, 2014 (both days inclusive) subject to the following vesting period:
 - up to 40% of the options commencing 7th October, 2006;
 - up to 70% of the options (including the options not exercised under the limit prescribed for in the previous period) commencing 7th October, 2007;
 - up to 100% of the options (including the options not exercised under the limit prescribed for in the previous periods) commencing 7th October, 2008.
- The options, granted on 16th March, 2006, are exercisable from 16th March, 2007 to 26th March, 2014 (both days inclusive) subject to the following vesting period:
 - up to 40% of the options commencing 16th March, 2007;
 - up to 70% of the options (including the options not exercised under the limit prescribed for in the previous period) commencing 16th March, 2008;
 - up to 100% of the options (including the options not exercised under the limit prescribed for in the previous periods) commencing 16th March, 2009.
- The options, granted on 31st August, 2007, are exercisable from 1st October, 2008 to 26th March, 2014 (both days inclusive) subject to the following vesting period:
 - up to 40% of the options commencing 1st October, 2008 or 1st October, 2009;
 - up to 70% of the options (including the options not exercised under the limit prescribed for in the previous period) commencing 1st October, 2009 or 1st October, 2010;
 - up to 100% of the options (including the options not exercised under the limit prescribed for in the previous periods) commencing 1st October, 2010 or 1st October, 2011.

The grant of the options to Mr. Thomas Lau was subsequently approved by independent shareholders on 25th September, 2007.

Subsequent to the balance sheet date, approvals have been obtained from the board of directors and shareholders in respect of cancellation and replacement of the options granted to employees (other than those granted to Mr. Thomas Lau) as more fully described in notes 39 and 47(i) of the notes to the financial statements.

- Options granted to certain employees on 31st August, 2007 entitling them to subscribe for an aggregate of 1,120,000 shares had lapsed in accordance with its terms during the period between 1st January, 2009 to 3rd March, 2009. On 3rd March, 2009, the outstanding options previously granted to employees of the Group on 31st August, 2007 (which entitled such employees to subscribe for an aggregate of 20,400,000 shares) were cancelled and replaced by new options granted by the Company entitling them to subscribe for the same number of shares at an exercise price of HK\$6.40 per share (the "2009 Employee Options"). The 2009 Employee Options are exercisable from 7th February, 2010 to 26th March, 2014 (both days inclusive) in the following manner:-
 - 40% as from 7th February, 2010;
 - 30% (in addition to the 40% mentioned in (i) above) as from 7th February, 2011; and
 - remaining 30% (in addition to the 70% mentioned in (i) and (ii) above) as from 7th February, 2012.

本公司授予購股權之詳情(續)

附註：

- 該等於二零零五年十月七日授予之購股權可於二零零六年十月七日至二零一四年三月二十六日期間(包括首尾兩日)行使，有關歸屬期如下：
 - 自二零零六年十月七日起最多40%之購股權；
 - 自二零零七年十月七日起最多70%之購股權(包括上個期間指定限額並未行使之購股權)；
 - 自二零零八年十月七日起最多100%之購股權(包括上個期間指定限額並未行使之購股權)。
- 該等於二零零六年三月十六日授予之購股權可於二零零七年三月十六日至二零一四年三月二十六日期間(包括首尾兩日)行使，有關歸屬期如下：
 - 自二零零七年三月十六日起最多40%之購股權；
 - 自二零零八年三月十六日起最多70%之購股權(包括上個期間指定限額並未行使之購股權)；
 - 自二零零九年三月十六日起最多100%之購股權(包括上個期間指定限額並未行使之購股權)。
- 該等於二零零七年八月三十一日授予之購股權可於二零零八年十月一日至二零一四年三月二十六日期間(包括首尾兩日)行使，有關歸屬期如下：
 - 自二零零八年十月一日或二零零九年十月一日起最多40%之購股權；
 - 自二零零九年十月一日或二零一零年十月一日起最多70%之購股權(包括上個期間指定限額並未行使之購股權)；
 - 自二零一零年十月一日或二零一一年十月一日起最多100%之購股權(包括上個期間指定限額並未行使之購股權)。

授予劉鑾鴻先生之購股權其後獲獨立股東於二零零七年九月二十五日批准。

於結算日後，已就註銷及取代授予僱員之購股權(授予劉鑾鴻先生購股權除外)取得董事局及股東批准，詳情見財務報表附註39及47(i)。

- 根據於二零零九年一月一日起至二零零九年三月三日止期間之購股權條款，於二零零七年八月三十一日授予若干僱員致使彼等合乎資格認購合共1,120,000股股份之購股權已經失效。於二零零九年三月三日，於二零零七年八月三十一日授予本集團僱員之未行使購股權(使有關僱員合資格認購合共20,400,000股股份)經已註銷，並由本公司授予之新購股權所取代(使彼等合乎資格按行使價每股6.40港元認購相同數目之股份(「二零零九年僱員購股權」))。二零零九年僱員購股權由二零一零年二月七日起至二零一四年三月二十六日止期間(包括首尾兩日)以下列方式行使：
 - 自二零一零年二月七日可行使40%；
 - 自二零一一年二月七日，除上文(i)所述之40%，可行使另外30%；及
 - 自二零一二年二月七日，除上文(i)及(ii)所述之70%，可行使餘下之30%。

Arrangements to purchase shares or debentures

Other than as disclosed under the section "Details of options granted by the Company", at no time during the year was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in contracts of significance

Other than as disclosed under the section "Connected Transactions", no contracts of significance to which the Company, its holding company, subsidiaries or fellow subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Connected transactions

(i) CTF Jewellery's concessionaire counter at Sogo CWB Store (Continuing connected transaction)

Sogo Hong Kong Company Limited ("Sogo HK"), an indirect wholly owned subsidiary of the Company, and Chow Tai Fook Jewellery Company Limited ("CTF Jewellery") entered into a dealership agreement (the "2007 HK Dealership Agreement") on 7th September, 2007 for a period from 1st December, 2005 to 29th February, 2008. After the expiry of the 2007 HK Dealership Agreement, on 27th March, 2008, Sogo HK also entered into another dealership agreement (the "2008 HK Dealership Agreement") for a period from 1st March, 2008 to 28th February, 2010 with CTF Jewellery. Sogo HK agreed to make available a consignee counter of approximately 1,107.40 sq.ft. on the First Floor of Sogo Causeway Bay Store ("Sogo CWB Store") or such other location of Sogo CWB Store as Sogo HK may prescribe from time to time to CTF Jewellery for exhibiting and selling fine jewellery under the brand name of "Chow Tai Fook" at a monthly commission based on certain percentages of the gross turnover from sales by CTF Jewellery at the said counter, subject to an annual minimum commission of HK\$3,986,640.

During the period from 1st January, 2008 to 28th February, 2008, Sogo HK received a total of HK\$2.4 million commission from CTF Jewellery under the 2007 HK Dealership Agreement and such amount is within the cap of HK\$2.95 million as stipulated in the Company's announcement dated 7th September, 2007.

During the period from 1st March, 2008 to 31st December, 2008, Sogo HK received a total of HK\$9.9 million commission from CTF Jewellery under the 2008 HK Dealership Agreement and such amount is within the cap of HK\$13.5 million as stipulated in the Company's announcement dated 9th April, 2008.

Real Reward, the Company's controlling shareholder, is owned as to 50% by United Goal and the other 50% by Go Create which, in turn, is wholly owned by CTF. Being an associate of CTF, CTF Jewellery is a connected person of the Company under the Listing Rules. Therefore, the 2007 HK Dealership Agreement and the 2008 HK Dealership Agreement constitute continuing connected transactions of the Group.

購買股份或債券之安排

除「本公司授出購股權之詳情」一節披露者外，於本年度任何時間，本公司、其控股公司或其任何附屬公司或同系附屬公司概無訂立任何安排，致使本公司董事藉收購本公司或任何其他法人團體股份或債券而獲益。

董事之重大合約權益

除「關連交易」一節披露者外，本公司董事概無於本公司、其控股公司、附屬公司或同系附屬公司所訂立且於本年度年結日或本年度任何時間仍然生效之重大合約中，直接或間接擁有重大權益。

關連交易

(i) 位於崇光銅鑼灣店之周大福珠寶特許專櫃 (持續關連交易)

本公司間接全資附屬公司崇光(香港)百貨有限公司(「崇光香港」)與周大福珠寶金行有限公司(「周大福珠寶」)於二零零七年九月七日訂立專櫃經營協議(「二零零七年香港專櫃經營協議」)，期限為二零零五年十二月一日至二零零八年二月二十九日。於二零零七年香港專櫃經營協議屆滿後，於二零零八年三月二十七日，崇光香港與周大福珠寶再訂立另一份專櫃經營協議(「二零零八年香港專櫃經營協議」)，期限為二零零八年三月一日至二零一零年二月二十八日。崇光香港同意向周大福珠寶提供崇光銅鑼灣店(「崇光銅鑼灣店」)1樓約1,107.40平方呎面積或崇光香港不時指定之崇光銅鑼灣店其他地點作陳列及銷售「周大福」品牌珠寶首飾之寄售人專櫃，每月佣金按周大福珠寶於上述專櫃銷售產生之總營業額若干百分比計算，而每年最低佣金則為3,986,640港元。

於二零零八年一月一日至二零零八年二月二十八日期間，崇光香港根據二零零七年香港專櫃經營協議自周大福珠寶獲取佣金合共2,400,000港元，而該金額屬本公司日期為二零零七年九月七日之公佈所訂明之上限2,950,000港元之範圍內。

於二零零八年三月一日至二零零八年十二月三十一日期間，崇光香港根據二零零八年香港專櫃經營協議自周大福珠寶獲取佣金合共9,900,000港元，而該金額屬本公司日期為二零零八年四月九日之公佈所訂明上限13,500,000港元之範圍內。

本公司控股股東Real Reward分別由United Goal及Go Create各自擁有50%權益。Go Create為由周大福全資擁有之公司。根據上市規則，作為周大福之聯繫人，周大福珠寶為本公司之關連人士。因此，二零零七年香港專櫃經營協議及二零零八年香港專櫃經營協議構成本集團持續關連交易。

Connected transactions (continued)

(ii) Operating JV's tenancy agreement (Continuing connected transaction)

On 26th November, 2004, 上海久光百貨有限公司 (the "Operating JV") entered into a tenancy agreement (the "JV Tenancy Agreement") with 上海九百城市廣場有限公司 (the "Property JV") in respect of the leasing of the entire building of Shanghai Joinbuy City Plaza (the "Shopping Complex") of approximately 92,000 sq.m. for a term of 20 years commencing from 1st October, 2004 to 30th September, 2024 at a basic annual rental of RMB125 million with an upward adjustment for additional rental at the rate of 3.5% on the amount over and above the annual revenue of RMB1,500 million for the whole Shopping Complex.

Details of the terms of the JV Tenancy Agreement were disclosed in the Company's circular dated 14th December, 2004 which were subsequently confirmed and approved by independent shareholders of the Company on 30th December, 2004. The Company also issued a circular dated 13th October, 2008 to, inter alia, renew annual caps for the financial years ending 31st December, 2008, 2009 and 2010 respectively. During the year, an amount of RMB125 million (equivalent to approximately HK\$140.1 million) of rental and RMB30.3 million (equivalent to approximately HK\$34.0 million) of management fee were paid by the Operating JV and both are within the annual caps of RMB155 million and RMB44 million respectively as stipulated in the Company's circular dated 13th October, 2008.

The Operating JV is a 65% indirectly owned subsidiary of the Company. As 上海九百(集團)有限公司 (Shanghai Joinbuy Group Co., Ltd.) and 上海九百股份有限公司 (Shanghai Joinbuy Co., Ltd.) (together the "Joinbuy Group") collectively own 35% and 50% interests in the Operating JV and Property JV respectively, the Property JV is an associate of the Joinbuy Group which is a connected person of the Company through their 35% controlling equity interest in the Operating JV, a non-wholly owned subsidiary of the Company. As such, the JV Tenancy Agreement constitutes a continuing connected transaction of the Group.

(iii) JV Dealership Agreement at Jiuguang Department Store (Continuing connected transaction)

On 7th September, 2007, the Operating JV entered into a dealership agreement (the "JV Dealership Agreement") with 周大福珠寶金行(蘇州)有限公司上海分公司 ("CTF(Suzhou) Jewellery") for making available a consignee counter of approximately 96 sq.m. on the Second Floor of Jiuguang Department Store to CTF(Suzhou) Jewellery for exhibiting and selling jewellery under the brand name of "Chow Tai Fook" (but excluding silver products) for a period from 18th September, 2007 to 31st August, 2009. Monthly commission is payable by CTF(Suzhou) Jewellery to the Operating JV based on certain percentages of the gross turnover from sales (including tax) by CTF(Suzhou) Jewellery, subject to a monthly minimum commission of RMB86,400.

During the year, the Operating JV received commission for RMB2.2 million (equivalent to approximately HK\$2.5 million) from CTF(Suzhou) Jewellery, which is within the annual cap of RMB2.7 million as stipulated in the Company's announcement dated 7th September, 2007.

關連交易(續)

(ii) 營運合營企業租賃協議(持續關連交易)

於二零零四年十一月二十六日，上海久光百貨有限公司(「營運合營企業」)與上海九百城市廣場有限公司(「物業合營企業」)就租賃整幢上海九百城市廣場(「購物廣場」)約92,000平方米訂立租賃協議(「合營企業租賃協議」)，自二零零四年十月一日起至二零二四年九月三十日止，為期20年，基本年租為人民幣125,000,000元，並可按整幢購物廣場年度收益超逾人民幣1,500,000,000元之部分以3.5%計算的額外租金而上調。

合營企業租賃協議條款之詳情於本公司日期為二零零四年十二月十四日之通函披露，有關協議其後於二零零四年十二月三十日獲本公司獨立股東確認及批准。本公司亦刊發日期為二零零八年十月十三日之通函，以(其中包括)更新分別截至二零零八年、二零零九年及二零一零年十二月三十一日止財政年度之年度上限。於本年度，營運合營企業已支付租金及管理費分別為人民幣125,000,000元(約相當於140,100,000港元)及人民幣30,300,000元(約相當於34,000,000港元)，上述款額屬本公司日期為二零零八年十月十三日之通函所訂明之年度上限分別為人民幣155,000,000元及人民幣44,000,000元之範圍內。

營運合營企業為本公司擁有65%權益之間接附屬公司。由於上海九百(集團)有限公司及上海九百股份有限公司(統稱「九百集團」)共同分別於營運合營企業及物業合營企業擁有35%及50%權益，故物業合營企業為九百集團聯繫人，而九百集團透過其於本公司非全資附屬公司營運合營企業之35%控股權益而屬本公司關連人士。因此，合營企業租賃協議構成本集團持續關連交易。

(iii) 久光百貨合營企業專櫃經營協議(持續關連交易)

於二零零七年九月七日，營運合營企業與周大福珠寶金行(蘇州)有限公司上海分公司(「周大福蘇州珠寶」)訂立一份專櫃經營協議(「合營企業專櫃經營協議」)，內容有關久光百貨於二零零七年九月十八日至二零零九年八月三十一日期間，向周大福蘇州珠寶提供2樓約96平方米面積作陳列及銷售「周大福」品牌珠寶首飾(但不包括銀器在內)之寄售人專櫃。周大福蘇州珠寶應付營運合營企業之每月佣金按周大福蘇州珠寶自銷售產生之總營業額(包括稅項)若干百分比計算，而每月最低佣金則為人民幣86,400元。

於本年度，營運合營企業自周大福蘇州珠寶取得人民幣2,200,000元(約相當於2,500,000港元)佣金，有關金額屬本公司日期為二零零七年九月七日之公佈所訂明年度之上限人民幣2,700,000元之範圍內。

Connected transactions (continued)**(iii) JV Dealership Agreement at Jiuguang Department Store (Continuing connected transaction)** (continued)

As mentioned in paragraph (i) above, CTF is a connected person of the Company and its associate, CTF(Suzhou) Jewellery, is also regarded as a connected person to the Company. Therefore, the JV Dealership Agreement constitutes a continuing connected transaction of the Group.

(iv) Leasing of the premises for the Sogo TST Department Store (Continuing connected transaction)

Pursuant to the lease agreement dated 24th February, 2005 (the "Lease") entered into between Sogo HK as tenant and Hong Kong Island Development Limited ("HK Island"), an associate of CTF, as landlord for the leasing of the Portions of Ground Floor, Podium 1 and the entire Podium 2 of The Amazon at no. 12 Salisbury Road, Tsimshatsui, Kowloon to Sogo HK for a term of 15 years at a turnover rent, based on sales at the premises, of 6% for the 1st to the 10th years and 7% for the 11th to the 15th years. Details of other terms of the Lease were described in the Company's circular dated 11th March, 2005 which were subsequently approved by independent shareholders on 29th March, 2005. The Company also issued an announcement dated 9th April, 2008 to, inter alia, renew annual caps for the financial years ending 31st December, 2008, 2009 and 2010 respectively. During the year, a total of HK\$45.2 million of rental including air-conditioning charges, management fees, government rates and other outgoings was paid by the Group, the amount of which is within the annual cap of HK\$64.2 million as stipulated in the Company's announcement dated 9th April, 2008.

HK Island is a subsidiary of New World Development Company Limited ("NWD") which in turn is an associate of CTF. As CTF is a connected person of the Company, the Lease constitutes a continuing connected transaction of the Group.

(v) General cleaning and pest control services provided to Sogo TST Store and Sogo CWB Store (Continuing connected transactions)

On 10th November, 2006, Sogo HK entered into an agreement ("2006 TST Agreement") with Pollution & Protection Services Limited ("PPS") for the provision of general cleaning and pest control services to its Sogo TST Store for a period from 1st October, 2006 to 7th January, 2008. After the expiry of the 2006 TST Agreement, on 27th March, 2008, Sogo HK and PPS entered into a new agreement ("2008 TST Agreement") for the same services for a period from 8th January, 2008 to 7th January, 2009.

On 10th November, 2006, Sogo HK also entered into another agreement ("2006 CWB Agreement") with PPS for the provision of general cleaning and pest control services to its Sogo CWB Store for a period from 16th December, 2006 to 7th January, 2008. After the expiry of the 2006 CWB Agreement, on 27th March, 2008, Sogo HK and PPS entered into a new agreement ("2008 CWB Agreement") for the same services for a period from 8th January, 2008 to 7th January, 2009.

關連交易 (續)**(iii) 久光百貨合營企業專櫃經營協議 (持續關連交易)** (續)

誠如上文第(i)段所述，周大福為本公司的關連人士，其聯繫人周大福蘇州珠寶亦被視為本公司關連人士。因此，合營企業專櫃經營協議構成本集團之持續關連交易。

(iv) 尖沙咀崇光百貨物業租賃 (持續關連交易)

崇光香港作為租戶與周大福聯繫人香島發展有限公司(「香島」)作為業主，就租賃九龍尖沙咀梳士巴利道12號亞瑪遜地部分、地庫1之部分及地庫2全層予崇光香港訂立日期為二零零五年二月二十四日之租賃協議(「租約」)，為期15年，崇光香港須按在有關物業銷售額計算租金，租賃期內第1至10年及第11至15年分別按營業額的6%及7%計算租金。租約其他條款詳情於本公司日期為二零零五年三月十一日之通函中披露，該租約其後於二零零五年三月二十九日取得獨立股東批准。本公司亦發佈日期為二零零八年四月九日之公佈，以(其中包括)更新分別截至二零零八年、二零零九年及二零一零年十二月三十一日止財政年度之年度上限。於本年度，本集團已付合共45,200,000港元租金，當中包括冷氣費、管理費、政府差餉及其他開支，有關金額屬本公司日期為二零零八年四月九日之公佈所訂明之年度上限64,200,000港元之範圍內。

香島為新世界發展有限公司(「新世界發展」)之附屬公司，新世界發展則為周大福之聯繫人。由於周大福為本公司關連人士，因此，租約構成本集團持續關連交易。

(v) 向崇光尖沙咀店及崇光銅鑼灣店提供一般清潔及滅蟲服務 (持續關連交易)

於二零零六年十一月十日，崇光香港與寶聯防污服務有限公司(「寶聯防污」)就寶聯防污於二零零六年十月一日至二零零八年一月七日期間向崇光尖沙咀店提供一般清潔及滅蟲服務訂立協議(「二零零六年尖沙咀協議」)。於二零零六年尖沙咀協議屆滿後，於二零零八年三月二十七日，崇光香港與寶聯防污就於二零零八年一月八日至二零零九年一月七日期間提供相同服務訂立一份新協議(「二零零八年尖沙咀協議」)。

於二零零六年十一月十日，崇光香港亦與寶聯防污就寶聯防污於二零零六年十二月十六日至二零零八年一月七日期間向崇光銅鑼灣店提供一般清潔及滅蟲服務訂立另一份協議(「二零零六年銅鑼灣協議」)。於二零零六年銅鑼灣協議屆滿後，於二零零八年三月二十七日，崇光香港與寶聯防污就於二零零八年一月八日至二零零九年一月七日期間提供相同服務訂立一份新協議(「二零零八年銅鑼灣協議」)。

Connected transactions (continued)

(v) General cleaning and pest control services provided to Sogo TST Store and Sogo CWB Store (Continuing connected transactions)

(continued)

During the period from 1st January, 2008 to 7th January, 2008, a total of HK\$176,000 for the said services to both Sogo TST Store and Sogo CWB Store was paid by the Group under the 2006 TST Agreement and the 2006 CWB Agreement, and such amount is within the cap of HK\$216,000 as stipulated in the Company's announcement dated 10th November, 2006.

During the period from 8th January, 2008 to 31st December, 2008, a total of HK\$11.7 million for the said services to both Sogo TST Store and Sogo CWB Store was paid by the Group under the 2008 TST Agreement and the 2008 CWB Agreement, and such amount is within the cap of HK\$14 million as stipulated in the Company's announcement dated 9th April, 2008.

PPS, a subsidiary of NWD which in turn is deemed to be controlled by CTF, is an associate of a connected person of the Company under the Listing Rules. Therefore, the 2006 and 2008 TST Agreements together with the 2006 and 2008 CWB Agreements constitute continuing connected transactions of the Group.

Remuneration policy

The remuneration policy of the Group is set on basis of the employees' merit, qualifications and competence.

The emoluments package of the Directors of the Company are reviewed and concluded by the Remuneration Committee, with consideration to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to Directors and eligible employees, details of the scheme is set out under the section headed "Share option scheme" above.

Competing business interests of Directors

Save as disclosed below, as at 31st December, 2008, none of the Directors nor their respective associates had any interest in a business which competes or is likely to compete, either directly or indirectly, with any business of the Group.

As at 31st December, 2008, CTF, of which the family members of Dató Dr. Cheng Yu-tung (including Dató Dr. Cheng Yu-tung himself and Dr. Cheng Kar-shun, Henry, both Non-executive Directors of the Company) had controlling interests, owned about 37.92% of the issued share capital of New World Development Company Limited (Stock Code: 0017) ("NWD") which in turn owned about 72.29% of the issued share capital of New World Department Store China Limited (Stock Code: 0825) ("NWDS"). Both NWD and NWDS are companies whose shares are listed on the Main Board of the Stock Exchange. NWDS, which was founded in 1993 and listed in July 2007 currently operates and/or manages a department store business selling merchandise, from direct purchase and through concessionaire counters. As at 31st December, 2008, NWDS operated and managed 33 department stores with an aggregate gross floor area of about 1,042,570 square metres in seventeen cities in the PRC (namely Wuhan, Shenyang, Wuxi, Harbin, Tianjin, Ningbo, Beijing, Shanghai, Dalian, Kunming, Lanzhou, Xiamen, Chongqing, Changsha, Chengdu, Anshan and Nanjing). As such, the business of NWDS may compete directly or indirectly with the business of the Group in the PRC.

關連交易(續)

(v) 向崇光尖沙咀店及崇光銅鑼灣店提供一般清潔及滅蟲服務(持續關連交易)(續)

於二零零八年一月一日至二零零八年一月七日期間，本集團已根據二零零六年尖沙咀協議及二零零六年銅鑼灣協議就崇光尖沙咀店及崇光銅鑼灣店之上述服務支付合共176,000港元，而該金額屬本公司日期為二零零六年十一月十日之公佈所訂明之上限216,000港元之範圍內。

於二零零八年一月八日至二零零八年十二月三十一日期間，本集團已根據二零零八年尖沙咀協議及二零零八年銅鑼灣協議就崇光尖沙咀店及崇光銅鑼灣店之上述服務支付合共11,700,000港元，而該金額屬本公司日期為二零零八年四月九日之公佈所訂明之上限14,000,000港元之範圍內。

寶聯防污乃視作由周大福控制之新世界發展的附屬公司，根據上市規則，屬本公司關連人士之聯繫人。因此，二零零六年及二零零八年尖沙咀協議以及二零零六年及二零零八年銅鑼灣協議構成本集團持續關連交易。

薪酬政策

本集團之薪酬政策按僱員之表現、資歷及能力而制定。

本公司董事之酬金待遇乃由薪酬委員會經考慮本公司營業績、個別表現及比較市場數據而作出檢討及總結。

本公司已採納購股權計劃以獎勵董事及合資格僱員，計劃詳情載於上文「購股權計劃」一節。

董事於競爭業務之權益

除下文披露者外，於二零零八年十二月三十一日董事或彼等各自之聯繫人概無於任何足以或可能與本集團任何業務構成直接或間接競爭之業務中擁有任何權益。

於二零零八年十二月三十一日拿督鄭裕彤博士之家屬(包括本公司兩位非執行董事拿督鄭裕彤博士本人及鄭家純博士)擁有控股權益之周大福擁有新世界發展有限公司(股份代號：0017)(「新世界發展」)已發行股本約37.92%，而新世界發展則擁有新世界百貨中國有限公司(股份代號：0825)(「新世界百貨」)約72.29%已發行股本。新世界發展及新世界百貨均為股份於聯交所主板上市之公司。新世界百貨於一九九三年創立及於二零零七年七月上市，現透過直接採購及特許經營專櫃售賣貨品經營及/或管理百貨公司業務。於二零零八年十二月三十一日，新世界百貨在中國十七個城市(分別為武漢、瀋陽、無錫、哈爾濱、天津、寧波、北京、上海、大連、昆明、蘭州、廈門、重慶、長沙、成都、鞍山及南京)經營及管理33間百貨公司，總樓面面積約為1,042,570平方米。因此，新世界百貨之業務或會與本集團在中國之業務直接或間接構成競爭。

Competing business interests of Directors (continued)

Dató Dr. Cheng Yu-tung is not a director of, and is not involved in the daily operations of, NWDS. Dr. Cheng Kar-shun, Henry, chairman and non-executive director of NWDS, also is not involved in the day-to-day operations of NWDS. The management of NWDS and the management of the Group are separate. The executive directors of NWDS do not participate in the management and operations of the Company. In relation to NWD, two of its directors, Dató Dr. Cheng Yu-tung and Dr. Cheng Kar-shun, Henry, are also the Non-executive Directors of the Company. Since the completion of the acquisition of Sogo HK in May 2001, neither CTF nor any of these two directors has participated in the daily operations and management of the Group. As Non-executive Directors, it is not intended that they will participate in the daily operations and management of the Group.

Purchase, sale or redemption of the Company's securities

During the year, the Company repurchased 33,193,500 ordinary shares on the Stock Exchange at an aggregate consideration of HK\$196,436,000. The share-repurchase was effected by the Directors for the enhancement of shareholders' value and details of which are as follows:

Month of the repurchase	Total number of ordinary shares repurchased	Highest price paid per share	Lowest price paid per share	Aggregate consideration
購回月份	購回普通股總數	HK\$ 所付每股 最高價 港元	HK\$ 所付每股 最低價 港元	HK\$'000 總代價 千港元
September 2008 二零零八年九月	4,466,500	9.50	7.81	37,629
October 2008 二零零八年十月	16,994,000	8.68	4.15	102,999
November 2008 二零零八年十一月	9,480,000	4.95	3.96	42,556
December 2008 二零零八年十二月	2,253,000	6.03	5.48	13,252
	33,193,500			196,436

All of the shares repurchased during the year were cancelled on delivery of the share certificates and the nominal value of such cancelled shares was credited to capital redemption reserve and paid out from the Company's retained profits, and the relevant premium of HK\$196,270,000 was paid out from the Company's share premium.

Saved as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the year.

Pre-emptive rights

There are no provisions for pre-emptive rights under the Company's Articles although there are no restrictions against such rights under the laws in the Cayman Islands.

董事於競爭業務之權益(續)

拿督鄭裕彤博士並非新世界百貨之董事，亦無參與新世界百貨之日常運作。鄭家純博士為新世界百貨之主席兼非執行董事，亦並無參與新世界百貨之日常運作。新世界百貨及本集團乃分開管理。新世界百貨之執行董事不會參與本公司之管理及營運。關於新世界發展方面，其兩名董事拿督鄭裕彤博士及鄭家純博士亦為本公司之非執行董事。自二零零一年五月完成收購崇光香港後，周大福或上述兩名董事並無參與本集團之日常業務及管理。彼等作為非執行董事，無意參與本集團之日常運作及管理。

購買、出售或贖回本公司證券

於本年內，本公司以總代價196,436,000港元於聯交所購回33,193,500股普通股。董事作出股份購回乃為提高股東價值。購回詳情如下：

於本年內之所有購回股份已在交付股票時註銷。該等註銷股份之面值已撥入資本贖回儲備，並由本公司之保留溢利支付，而有關溢價196,270,000港元則由本公司之股份溢價支付。

除上文披露者外，本公司或其任何附屬公司於本年內並無購買、出售或贖回本公司任何上市證券。

優先購買權

儘管開曼群島法例並無有關優先購買權之限制，惟本公司之章程細則並無限制有關權利之條文。

Employees

As at 31st December, 2008, the Group had a total of about 1,000 employees in Hong Kong, 1,300 employees in the PRC and 3 employees in Japan. Staff costs (excluding directors' emoluments) including employees' share option charges amounted to HK\$272.8 million (2007: HK\$223.6 million). The Group ensures that the pay levels of its employees are competitive according to market trend and its employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system. During the year, no stock options (2007: 22,200,000 shares) were granted to employees of the Group.

Major customers and suppliers

The Group is principally involved in retail business. The five largest customers and the five largest suppliers of the Group accounted for less than 30% of the Group's turnover and purchases respectively during the year.

Sufficiency of public float

Based on information available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as of the date of this report.

Charitable Donations

During the year, the Group made charitable and other donations amounting to HK\$3.6 million (2007: HK\$0.3 million).

Post balance sheet events

Details of post balance sheet event are set out in note 47 to the financial statements.

Auditors

A resolution will be proposed to the annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board
Lau Luen-hung, Thomas
Managing Director

3rd March, 2009

僱員

於二零零八年十二月三十一日，本集團分別於香港、中國及日本共僱用約1,000名、1,300名及3名員工。員工成本(不包括董事酬金但包括僱員購股權開支)為272,800,000港元(二零零七年：223,600,000港元)。本集團按照市場水平確保其僱員薪酬具競爭力，而其僱員可按其表現在本集團薪金及花紅體制之一般架構內獲取報酬。年內，本集團並無向其僱員授出購股權(二零零七年：22,200,000股股份)。

主要客戶及供應商

本集團主要從事零售業務。於本年度，本集團五大客戶及五大供應商分別佔本集團營業額及採購額不足30%。

足夠公眾持股量

根據本公司所獲提供資料及據董事所知悉，於本報告日期，公眾人士最少持有本公司已發行股本總額25%。

慈善捐款

於年內，本集團作出之慈善及其他捐款為3,600,000港元(二零零七年：300,000港元)。

結算日後事項

結算日後事項詳情載於財務報表附註47。

核數師

本公司將於股東週年大會提呈續聘德勤•關黃陳方會計師行為本公司核數師之決議案。

代表董事局
董事總經理
劉鑾鴻

二零零九年三月三日

Independent Auditor's Report

獨立核數師報告書

Deloitte.

德勤

TO THE MEMBERS OF LIFESTYLE INTERNATIONAL HOLDINGS LIMITED
(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Lifestyle International Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 52 to 127, which comprise the consolidated balance sheet as at 31st December, 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the consolidated financial statements

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with 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. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

致：利福國際集團有限公司各位股東
(於開曼群島註冊成立的有限公司)

本行已完成審核載於第52至127頁利福國際集團有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此等綜合財務報表包括於二零零八年十二月三十一日的綜合資產負債表與截至該日止年度的綜合收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例之披露規定編製及真實而公平地呈列該等綜合財務報表。有關責任包括設計、實施及維護與編製及真實而公平地呈列綜合財務報表相關的內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當的會計政策；及按情況作出合理的會計估計。

核數師的責任

本行的責任是根據本行的審核對該等綜合財務報表作出意見，且本行的意見僅按照協定委聘條款，為股東(作為一個團體)而報告，並不為其他任何目的。本行並不就本報告之內容對任何其他人士承擔任何義務或接受任何責任。本行已根據香港會計師公會頒佈的香港審計準則進行審核。該等準則規定本行遵守道德規範，並規劃及執行審核，以合理確定綜合財務報表是否不存有任何重大錯誤陳述。

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

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31st December, 2008 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

3rd March, 2009

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該實體編製及真實而公平地呈列綜合財務報表相關的內部監控，以設計適當的審核程序，惟並非為對實體的內部監控的效能發表意見。審核亦包括評價董事所採用會計政策的合適性及所作出會計估計的合理性，以及評價綜合財務報表的整體呈列方式。

本行相信，本行所獲得審核憑證已充足和適當地為本行的審核意見提供基礎。

意見

本行認為，綜合財務報表已根據香港財務報告準則真實與公平地反映 貴集團於二零零八年十二月三十一日的財政狀況及 貴集團於截至該日止年度的溢利和現金流量，並已按照香港公司條例之披露規定妥善編製。

德勤•關黃陳方會計師行

執業會計師

香港

二零零九年三月三日

Consolidated Income Statement

綜合收益表

for the year ended 31st December, 2008 截至二零零八年十二月三十一日止年度

		NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Turnover	營業額	7	3,521,633	3,112,368
Cost of sales	銷售成本	7	(1,545,203)	(1,377,795)
Gross profit	毛利		1,976,430	1,734,573
Other operating income	其他經營收入	9	76,675	73,794
Selling and distribution costs	銷售及分銷成本		(653,232)	(600,091)
Administrative expenses	行政開支		(269,438)	(140,447)
Investment income	投資收入	10	148,677	245,396
Fair value changes on investment properties	投資物業之公平值變動		176,030	3,648
Share of profit of a jointly controlled entity	應佔一家共同控制實體溢利		8,250	6,926
Discount arising on acquisition of associates	收購聯營公司產生之折讓	42	207,577	–
Share of losses of associates	分佔聯營公司虧損		(1,605)	–
Impairment loss on loan receivable	應收貸款減值虧損		(276,615)	–
Finance costs	融資成本	11	(68,112)	(81,846)
Profit before taxation	除稅前溢利	12	1,324,637	1,241,953
Taxation	稅項	14	(265,491)	(190,739)
Profit for the year	本年度溢利		1,059,146	1,051,214
Attributable to:	應佔部分：			
Equity holders of the Company	本公司股東		927,226	1,024,085
Minority interests	少數股東權益		131,920	27,129
			1,059,146	1,051,214
Dividends	股息	15	435,186	357,088
Earnings per share	每股盈利			
– basic	– 基本	16	HK\$0.5452	HK\$0.6022
– diluted	– 攤薄	16	HK\$0.5429	HK\$0.5982

Consolidated Balance Sheet

綜合資產負債表

at 31st December, 2008 於二零零八年十二月三十一日

		NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Non-current assets	非流動資產			
Investment properties	投資物業	17	363,940	19,620
Property, plant and equipment	物業、廠房及設備	18	3,890,636	2,727,584
Prepaid lease payments	預付租賃款項	19	1,306,558	–
Deposit paid for prepaid lease payments and acquisition of property, plant and equipment	就預付租賃款項及收購物業、廠房及設備所支付按金	20	12,496	1,085,016
Interests in associates	於聯營公司權益	21	1,123,805	–
Interest in a jointly controlled entity	於一家共同控制實體權益	22	488,554	468,938
Deferred tax assets	遞延稅項資產	34	1,855	5,611
Available-for-sale investments	可供出售投資	23	28,175	31,918
Financial assets designated at fair value through profit or loss	按公平值計入損益之金融資產	24	342,412	154,285
Club debenture	會所債券		1,350	1,350
Loans receivable	應收貸款	25	–	467,718
			7,559,781	4,962,040
Current assets	流動資產			
Inventories	存貨	26	62,582	60,309
Prepaid lease payments	預付租賃款項	19	7,074	–
Trade and other receivables	應收賬款及其他應收款項	27	142,027	181,470
Amount due from a jointly controlled entity	應收一家共同控制實體款項	28	24,146	46,046
Financial assets designated at fair value through profit or loss	按公平值計入損益之金融資產	24	–	36,531
Held for trading investments	持作買賣投資	29	68,447	–
Loans receivable	應收貸款	25	258,718	2,000
Bank balances and cash	銀行結存及現金	30	2,439,443	3,598,388
			3,002,437	3,924,744
Assets of disposal group classified as held for sale	分類為持作出售之出售集團資產	31	–	1,547,459
			3,002,437	5,472,203
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款項	32	1,448,312	1,411,958
Tax payable	應繳稅項		89,350	94,137
Bank borrowings – due within one year	銀行借貸 – 一年內到期	33	592,100	406,810
			2,129,762	1,912,905
Liabilities of disposal group classified as held for sale	分類為持作出售之出售集團負債	31	–	615,773
			2,129,762	2,528,678
Net current assets	流動資產淨值		872,675	2,943,525
			8,432,456	7,905,565

CONSOLIDATED BALANCE SHEET 綜合資產負債表

at 31st December, 2008 於二零零八年十二月三十一日

		NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Non-current liabilities	非流動負債			
Bank borrowings – due after one year	銀行借貸 – 一年後到期	33	2,426,000	2,600,000
Deferred tax liabilities	遞延稅項負債	34	73,144	26,883
Derivative instrument	衍生工具	35	–	1,002
Other payable	其他應付款項	36	60,000	60,000
Loan from a minority shareholder of a subsidiary	來自一家附屬公司一名 少數股東之貸款	37	18,329	–
			2,577,473	2,687,885
			5,854,983	5,217,680
Capital and reserves	資本及儲備			
Share capital	股本	38	8,370	8,525
Reserves	儲備		5,169,342	4,648,193
Equity attributable to equity holders of the Company	本公司股東應佔權益		5,177,712	4,656,718
Minority interests	少數股東權益		677,271	560,962
			5,854,983	5,217,680

The consolidated financial statements on pages 52 to 127 were approved and authorised for issue by the Board of Directors on 3rd March, 2009 and are signed on its behalf by:

第52至127頁綜合財務報表獲董事局於二零零九年三月三日批准及授權刊發，並由下列董事代表簽署：

Lau Luen-hung, Thomas 劉鑾鴻
Managing Director 董事總經理

Doo Wai-hoi, William 杜惠愷
Executive Director 執行董事

Consolidated Statement of Changes in Equity

綜合權益變動表

for the year ended 31st December, 2008 截至二零零八年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司股東應佔部分										
		Share capital	Share premium	Capital redemption reserve	Asset revaluation reserve	Exchange reserve	Share-based payment reserve	Investment reserve	Retained profits	Total	Minority interests	Total
		股本	股份溢價	資本贖回儲備	資產重估儲備	匯兌儲備	股份付款儲備	投資儲備	保留溢利	總計	少數股東權益	總計
		HK\$'000	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	千港元
At 1st January, 2007	於二零零七年一月一日	8,480	3,199,948	-	3,680	8,812	20,600	36,103	576,357	3,853,980	4,929	3,858,909
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	82,183	-	-	-	82,183	9,072	91,255
Net income recognised directly in equity	直接於權益確認之收入淨額	-	-	-	-	82,183	-	-	-	82,183	9,072	91,255
Profit for the year	本年度溢利	-	-	-	-	-	-	-	1,024,085	1,024,085	27,129	1,051,214
Transfer to profit or loss on sale of available-for-sale investments	出售可供出售投資轉撥至損益	-	-	-	-	-	-	(36,103)	-	(36,103)	-	(36,103)
Total recognised income and expense for the year	本年度已確認收入及開支總額	-	-	-	-	82,183	-	(36,103)	1,024,085	1,070,165	36,201	1,106,366
Recognition of equity-settled share based payments	確認股本結算股份付款	-	-	-	-	-	32,035	-	-	32,035	-	32,035
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	-	-	-	-	519,832	519,832
Exercise and lapse of share options	購股權獲行使及失效	45	70,362	-	-	-	(15,640)	-	2,859	57,626	-	57,626
Dividends paid	已派付股息	-	(357,088)	-	-	-	-	-	-	(357,088)	-	(357,088)
At 31st December, 2007	於二零零七年十二月三十一日	8,525	2,913,222	-	3,680	90,995	36,995	-	1,603,301	4,656,718	560,962	5,217,680
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	108,096	-	-	-	108,096	12,542	120,638
Share of reserve of associates	應佔聯營公司儲備	-	-	-	-	3,486	-	-	-	3,486	2,324	5,810
Share of reserve of a jointly controlled entity	應佔一家共同控制實體儲備	-	-	-	-	11,366	-	-	-	11,366	-	11,366
Change in fair value for available-for-sale investments	可供出售投資公平值變動	-	-	-	-	-	-	(3,538)	-	(3,538)	-	(3,538)
Net income recognised directly in equity	直接於權益確認之收入淨額	-	-	-	-	122,948	-	(3,538)	-	119,410	14,866	134,276
Transfer to profit or loss on impairment of available-for-sale investments	可供出售投資減值時轉撥至損益	-	-	-	-	-	-	3,538	-	3,538	-	3,538
Profit for the year	本年度溢利	-	-	-	-	-	-	-	927,226	927,226	131,920	1,059,146
Total recognised income and expense for the year	本年度已確認收入及開支總額	-	-	-	-	122,948	-	-	927,226	1,050,174	146,786	1,196,960
Release upon disposal of a subsidiary (note 42)	出售一家附屬公司時撥回(附註42)	-	-	-	-	(1,328)	-	-	-	(1,328)	(885)	(2,213)
Recognition of equity-settled share based payments	確認股本結算股份付款	-	-	-	-	-	90,981	-	-	90,981	-	90,981
Reduction on minority interest upon equity interests swap (note 42)	股權置換時扣減少數股東權益(附註42)	-	-	-	-	-	-	-	-	-	(9,274)	(9,274)
Share repurchase	股份購回	-	-	-	-	-	-	-	-	-	-	-
- repurchase of shares	- 購回股份	(166)	-	-	-	-	-	-	-	(166)	-	(166)
- premium on repurchase of shares	- 購回股份之溢價	-	(196,270)	-	-	-	-	-	-	(196,270)	-	(196,270)
- transfer	- 轉讓	-	-	166	-	-	-	-	(166)	-	-	-
Exercise and lapse of share options	購股權獲行使及失效	11	15,767	-	-	-	(4,528)	-	1,539	12,789	-	12,789
Dividends paid to minority interests	已派付予少數股東股息	-	-	-	-	-	-	-	-	-	(20,318)	(20,318)
Dividends paid	已派付股息	-	(435,186)	-	-	-	-	-	-	(435,186)	-	(435,186)
At 31st December, 2008	於二零零八年十二月三十一日	8,370	2,297,533	166	3,680	212,615	123,448	-	2,531,900	5,177,712	677,271	5,854,983

Consolidated Cash Flow Statement

綜合現金流量表

for the year ended 31st December, 2008 截至二零零八年十二月三十一日止年度

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務		
Profit before taxation	除稅前溢利	1,324,637	1,241,953
Adjustments for:	經作出以下調整：		
Interest income on bank deposits	銀行存款之利息收入	(48,011)	(109,609)
Loan interests and other interest income	貸款利息及其他利息收入	(45,163)	(15,683)
Finance costs	融資成本	68,112	81,646
Depreciation of property, plant and equipment	物業、廠房及設備折舊	148,731	134,172
Release of prepaid lease payments	預付租賃款項轉出	4,127	-
Dividend income from available-for-sale investments	可供出售投資之股息收入	(3,500)	(2,757)
Dividend income from held for trading investments	持作買賣投資之股息收入	(1,564)	-
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備 (收益)虧損	(54)	1,001
Fair value changes in respect of index-linked notes and equity-linked note/held for trading investments/derivative financial instruments	與指數掛鈎票據及與權益掛鈎票據/持作買賣投資/衍生金融工具之公平值變動	(53,977)	(28,152)
Impairment loss on available-for-sale investments	可供出售投資之減值虧損	3,538	7,472
Change in fair value of investment properties	投資物業之公平值變動	(176,030)	(3,648)
Share of profit of a jointly controlled entity	應佔一家共同控制實體溢利	(8,250)	(6,926)
Share of losses of associates	分佔聯營公司虧損	1,605	-
Write-down of obsolete inventories	滯銷存貨撇減	1,431	1,896
Allowance for (reverse of) bad and doubtful debts	呆壞賬撥備(撥回)	7,764	(1,381)
Gain on disposal of available-for-sale investments	出售可供出售投資之收益	-	(96,667)
Share-based payment expense	股份付款開支	90,981	32,035
Impairment loss on loan receivable	應收貸款減值虧損	276,615	-
Discount arising on acquisition of associates	收購聯營公司產生之折讓	(207,577)	-
Operating cash flows before movements in working capital	營運資金變動前經營現金流量	1,383,415	1,235,352
(Increase) decrease in inventories	存貨(增加)減少	(1,410)	3,776
Decrease (increase) in trade and other receivables	應收賬款及其他應收款項減少(增加)	47,402	(7,179)
(Decrease) increase in trade and other payables	應付賬款及其他應付款項(減少)增加	(51,937)	266,983
Cash generated from operations	經營業務所得現金	1,377,470	1,498,932
Interest received	已收利息	78,068	107,365
Hong Kong Profits Tax paid	已繳香港利得稅	(178,455)	(143,704)
PRC Enterprise Income Tax paid	已繳中國企業所得稅	(41,992)	(2,856)
Hong Kong Profits Tax refunded	香港利得稅退稅	1,215	52
NET CASH FROM OPERATING ACTIVITIES	經營業務所得現金淨額	1,236,306	1,459,789

	NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
INVESTING ACTIVITIES	投資活動		
Purchase of index-linked notes	購買與指數掛鈎票據	(195,000)	(585,750)
Purchase of held for trading investments	購買持作買賣投資	(172,138)	-
Deposit paid for prepaid lease payment and acquisition of property, plant and equipment	就預付租賃款項及收購物業、廠房及設備按金	(12,496)	(841,489)
Purchase of prepaid lease payments	購買預付租賃款項	(14,468)	-
Purchase of property, plant and equipment	購買物業、廠房及設備	(760,023)	(98,864)
Purchase of investment property	購買投資物業	(4,061)	(20,040)
Purchase of available-for-sale investments	購買可供出售投資	-	(103,452)
Purchase of equity-linked note	購買與權益掛鈎票據	-	(233,800)
Purchase of club debenture	購買會所債券	-	(1,350)
Increase in loans receivable	應收貸款增加	(65,615)	(432,668)
Proceeds from early redemption of index-linked notes	提早贖回與指數掛鈎票據所得款	-	697,954
Proceeds from early redemption of equity-linked note	提早贖回與權益掛鈎票據所得款	38,997	233,950
Proceeds from disposal of held for trading investments	出售持作買賣投資所得款	125,415	-
Proceeds from disposal of available-for-sale investments	出售可供出售投資所得款	-	219,819
Decrease (increase) in amount due from a jointly controlled entity	應收一家共同控制實體款項減少(增加)	24,568	(33,903)
Interest received from index-linked notes and equity-linked note	與指數掛鈎票據及與權益掛鈎票據之已收利息	25,190	37,737
Interest received from held for trading investments	持作買賣投資之已收利息	769	-
Interest received from derivative instruments	衍生工具之已收利息	8,077	-
Dividend received from available-for-sale investments	可供出售投資之已收股息	3,500	2,757
Dividend received from held for trading investments	持作買賣投資之已收股息	1,564	-
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款	704	608
Payment to settle the derivative instruments	支付衍生工具款項	(1,008)	-
Equity interests swap (net of cash and cash equivalents acquired)	股權置換(扣除所收購現金及現金等價物)	42 (342)	-
Acquisition of assets (net of cash and cash equivalents acquired)	收購資產(扣除所收購現金及現金等價物)	41 (689,861)	(541,514)
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額	(1,686,228)	(1,700,005)
FINANCING ACTIVITIES	融資活動		
New bank borrowings raised	新借銀行借貸	301,800	1,800,000
Exercise of share options	行使購股權	12,789	57,626
Loan from minority shareholder of a subsidiary	一家附屬公司之少數股東貸款	18,329	-
Repayment of bank borrowings	償還銀行借貸	(300,000)	(153,318)
Dividends paid	已派付股息	(435,186)	(357,088)
Dividends paid to minority shareholders	已派付予少數股東股息	(20,318)	-
Finance costs paid	已付融資成本	(101,641)	(97,831)
Repurchase of ordinary shares	購回普通股	(196,436)	-
Repayment of obligations under finance leases	償還融資租約承擔	-	(10)
NET CASH (USED IN) FROM FINANCING ACTIVITIES	融資活動(所用)所得現金淨額	(720,663)	1,249,379
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENT	現金及現金等價物(減少)增加淨額	(1,170,585)	1,009,163
EFFECT OF FOREIGN EXCHANGE RATE DIFFERENCE	匯率差異之影響	5,072	11,706
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初現金及現金等價物	3,604,956	2,584,087
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, REPRESENTING BANK BALANCES AND CASH	年終現金及現金等價物，即銀行結存及現金	40 2,439,443	3,604,956

Notes to the Financial Statements

財務報表附註

for the year ended 31st December, 2008 截至二零零八年十二月三十一日止年度

1. General

The Company is a public listed company incorporated in Cayman Islands as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (“Stock Exchange”). The Company’s holding and ultimate holding company is Real Reward Limited (“Real Reward”), a company incorporated in the Cayman Islands. The addresses of the registered office and the head office and principal place of business of the Company are disclosed in the Corporate Information to the annual report.

The consolidated financial statements are presented in Hong Kong dollar, which is also the functional currency of the Company.

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are the operation of “lifestyle” department stores and property holding.

2. Application of new and revised Hong Kong financial reporting standards

In the current year, the Group has applied the following amendments of Hong Kong Financial Reporting Standards (“HKFRS”s), Hong Kong Accounting Standards (“HKAS”s) and interpretations (hereinafter collectively referred to as “new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) which are or have become effective.

HKAS 39 & HKFRS 7 (Amendments)	Reclassification of financial assets
HK(IFRIC)* – INT 11	HKFRS 2 Share-based payment: Group and treasury share transactions
HK(IFRIC) – INT 12	Service concession arrangements
HK(IFRIC) – INT 14	HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction

The adoption of the above new or revised HKFRSs has had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been made.

1. 一般事項

本公司為一間於開曼群島註冊成立為受豁免有限公司之公眾上市公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。於開曼群島註冊成立之 Real Reward Limited（「Real Reward」）為本公司之控股及最終控股公司。本公司之註冊辦事處及總辦事處及主要營業地點地址於年報企業資料披露。

綜合財務報表以本公司功能貨幣港元列值。

本公司為投資控股公司，其主要附屬公司之主要業務為經營「生活時尚」百貨店及持有物業。

2. 應用新訂及經修訂香港財務報告準則

於本年度，本集團已應用由香港會計師公會（「香港會計師公會」）頒佈現正或經已生效之多項香港財務報告準則（「香港財務報告準則」）、香港會計準則（「香港會計準則」）及詮釋（下文統稱「新訂香港財務報告準則」）之修訂本。

香港會計準則第39號及香港財務報告準則第7號（修訂本）	金融資產重新分類
香港（國際財務報告詮釋委員會）— 詮釋第11號	香港財務報告準則第2號以股份為基礎之付款：集團及庫存股份交易
香港（國際財務報告詮釋委員會）— 詮釋第12號	服務經營權安排
香港（國際財務報告詮釋委員會）— 詮釋第14號	香港會計準則第19號— 界定福利資產限額、最低資金規定及其相互關係

應用上述新訂或經修訂香港財務報告準則對現時或先前會計期間業績及財務狀況之編製及呈報方式並無構成重大影響，故毋須作出前期調整。

2. Application of new and revised Hong Kong financial reporting standards (continued)

The Group has not early applied the following new or revised Standards and Interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Improvements to HKFRSs ¹
HKAS 1 (Revised)	Presentation of financial statements ²
HKAS 23 (Revised)	Borrowing costs ²
HKAS 27 (Revised)	Consolidated and separate financial statements ³
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation ²
HKAS 39 (Amendment)	Eligible hedged items ¹
HKFRS 1 & HKAS 27 (Amendments)	Cost of an investment in a subsidiary, jointly controlled entity or associate ²
HKFRS 2 (Amendment)	Vesting conditions and cancellations ²
HKFRS 3 (Revised)	Business combinations ³
HKFRS 8	Operating segments ²
HK(IFRIC) – INT 13	Customer loyalty programmes ⁴
HK(IFRIC) – INT 15	Agreements for the construction of real estate ²
HK(IFRIC) – INT 16	Hedges of a net investment in a foreign operation ⁵
HK(IFRIC) – INT 17	Distribution of non-cash assets to owners ³
HK(IFRIC) – INT 18	Transfer of assets from customers ⁶

¹ Effective for annual periods beginning on or after 1st January, 2009 except the amendments to HKFRS 5, effective for annual periods beginning on or after 1st July, 2009.

² Effective for annual periods beginning on or after 1st January, 2009.

³ Effective for annual periods beginning on or after 1st July, 2009.

⁴ Effective for annual periods beginning on or after 1st July, 2008.

⁵ Effective for annual periods beginning on or after 1st October, 2008.

⁶ Effective for transfers of assets from customers received on or after 1st July, 2009.

* IFRIC represents the International Financial Reporting Interpretations Committee.

The directors of the Company anticipate that the application of these Standards or Interpretations will have no material impact on the results and financial position of the Group.

2. 應用新訂及經修訂香港財務報告準則 (續)

本集團並無提早應用以下已頒佈惟尚未生效之新訂或經修訂準則以及詮釋。

香港財務報告準則(修訂本)	香港財務報告準則之改進 ¹
香港會計準則第1號(經修訂)	財務報表呈列 ²
香港會計準則第23號(經修訂)	借款成本 ²
香港會計準則第27號(經修訂)	綜合及獨立財務報表 ³
香港會計準則第32號及第1號(修訂本)	可沽售金融工具及清盤時產生之責任 ²
香港會計準則第39號(修訂本)	合資格對沖項目 ¹
香港財務報告準則第1號及香港會計準則第27號(修訂本)	於附屬公司、共同控制實體或聯營公司投資之成本 ²
香港財務報告準則第2號(修訂本)	歸屬條件及註銷 ²
香港財務報告準則第3號(經修訂)	業務合併 ³
香港財務報告準則第8號	經營分部 ²
香港(國際財務報告詮釋委員會) – 詮釋第13號	顧客長期支持計劃 ⁴
香港(國際財務報告詮釋委員會) – 詮釋第15號	建造房地產之協議 ²
香港(國際財務報告詮釋委員會) – 詮釋第16號	對外國業務之淨投資進行對沖 ⁵
香港(國際財務報告詮釋委員會) – 詮釋第17號	向擁有人分派非現金資產 ³
香港(國際財務報告詮釋委員會) – 詮釋第18號	轉移自客戶之資產 ⁶

¹ 於二零零九年一月一日或之後開始之年度期間生效，惟不包括於二零零九年七月一日或之後開始之年度期間生效之香港財務報告準則第5號之修訂本。

² 於二零零九年一月一日或之後開始之年度期間生效。

³ 於二零零九年七月一日或之後開始之年度期間生效。

⁴ 於二零零八年七月一日或之後開始之年度期間生效。

⁵ 於二零零八年十月一日或之後開始之年度期間生效。

⁶ 於二零零九年七月一日或之後已收轉移自客戶之資產時生效。

本公司董事預期，應用該等準則或詮釋將不會對本集團之業績及財務狀況構成重大影響。

3. Significant accounting policies

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

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

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Business combinations

The acquisition of businesses is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 Business Combinations are recognised at their fair values at the acquisition date.

3. 主要會計政策

綜合財務報表乃根據歷史成本基準編製，誠如以下會計政策所闡釋，惟若干投資物業及金融工具則按公平值計算。

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則及香港公司條例規定之適用披露。

綜合基準

綜合財務報表涵蓋本公司及本公司控制之實體(包括具特殊目的之實體)(其附屬公司)之財務報表。於本公司有權控制實體之財務及營運政策以自其業務獲取利益，即達到控制目的。

年內所收購或出售附屬公司自實際收購日期起及直至實際出售日期止(視適用情況而定)之業績計入綜合收益表。

如需要，附屬公司財務報表會作出調整，以符合本集團其他成員公司所用會計政策。

集團內公司間所有交易、結存、收入及開支於綜合賬目時對銷。

綜合附屬公司資產淨值之少數股東權益與本集團股本分開呈列。於資產淨值之少數股東權益包括該等權益於原有業務合併日期之款額及少數股東自合併日期起應佔權益變動。少數股東權益之虧損超出附屬公司之少數股東權益之數額分配至本集團之權益內，惟少數股東權益具有約束責任及可作出額外投資以補償虧損之情況則除外。

業務合併

收購業務採用收購法入賬。收購成本按於交換日期本集團就換取被收購方控制權所給予資產、所產生或承擔負債以及所發行股本工具之公平值總額，加上業務合併任何直接應佔成本計算。符合香港財務報告準則第3號業務合併項下確認條件之被收購方可識別資產、負債及或然負債，乃於收購日期按有關公平值確認。

3. Significant accounting policies (continued)

Business combinations (continued)

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition.

Investment properties included in a disposal group that is classified as held for sale are measured at their fair values at each balance sheet date (see the accounting policy for investment properties). Other non-current assets (and disposal groups) classified as held for sale are measured at the lower of the assets' (disposal groups') previous carrying amount and fair value less costs to sell.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts and sales related taxes.

Sales of goods are recognised when goods are sold and title has been passed.

Income from concessionaire sales is recognised upon sales of goods by the relevant shops.

Service income is recognised when services are rendered.

Minimum guaranteed sales commission is recognised in accordance with terms of contracts.

3. 主要會計政策(續)

業務合併(續)

收購所產生商譽確認為資產，且初步按成本計算，成本即業務合併成本超出本集團於已確認可識別資產、負債及或然負債公平淨值之權益之差額。倘於重新評估後，本集團於被收購方之可識別資產、負債及或然負債公平淨值之權益超出業務合併成本，則超出數額即時於損益確認。

少數股東於被收購方之權益，初步按已確認資產、負債及或然負債公平淨值之少數股東比例計算。

持作出售之非流動資產

如賬面金額將主要透過出售交易(而非透過持續使用)收回，則非流動資產及出售集團分類為持作出售。在出售很可能進行及資產(或出售集團)可按現況即時出售，此條件才被視作達成論。

分類為持作出售之計入出售集團之投資物業按於各結算日有關投資物業之公平值計量(見投資物業之會計政策)。分類為持作出售之其他非流動資產(及出售集團)按資產(出售集團)過往賬面金額及公平值減銷售成本之較低者入賬。

收益確認

收益乃按已收或應收代價之公平值計算，指於日常業務中就所售出貨品及提供服務之應收款項扣除折扣及銷售相關稅項。

貨品銷售於貨品售出及擁有權轉移時確認。

特許專櫃銷售收入於有關店舖售出貨品時確認。

服務收入於提供服務時確認。

最低保證銷售佣金根據合約條款予以確認。

3. Significant accounting policies (continued)**Revenue recognition (continued)**

Interest income from a financial asset including financial assets at fair value through profit or loss is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investment is recognised when the shareholders' right to receive payment have been established.

Investment properties

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated income statement in the year in which the item is derecognised.

Property, plant and equipment

Property, plant and equipment other than construction in progress are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of property, plant and equipment over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

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

Assets held under finance leases are depreciated over their estimated useful lives on the same basis as owned assets, or where shorter, the term of leases.

3. 主要會計政策(續)**收益確認(續)**

金融資產(包括按公平值計入損益之金融資產)之利息收入乃按時間基準,經參考未償還本金及適用之實際利率計算,該利率為確實地將金融資產預計可用年期內之估計未來現金收入貼現至該資產於初步確認時之賬面淨值之貼現率。

投資所得股息收入乃於股東收取款項之權利確立時確認。

投資物業

於初步確認時,投資物業按成本計算,包括任何直接應佔開支。於初步確認後,投資物業之公平值採用公平值模式計算。投資物業公平值變動產生之收益或虧損計入產生期間之損益。

投資物業於出售時或當投資物業永久不再使用及預期出售投資物業不會帶來未來經濟利益時剔除確認。剔除確認資產所產生之任何收益或虧損(按該資產之出售所得款項淨額與賬面值間之差額計算)於該項目被剔除確認之年度計入綜合收益表。

物業、廠房及設備

物業、廠房及設備(在建工程除外)乃按成本減其後累計折舊及累計減值虧損列賬。

折舊乃按物業、廠房及設備估計可使用年期與經計及其估計剩餘價值後以直線法撇銷其成本計算。

在建工程包括建設中以供生產或供其本身使用之物業、廠房及設備。在建工程乃按成本減任何已確認減值虧損列賬。在建工程於落成及備妥作擬定用途時,分類為物業、廠房及設備之適當類別。該等資產按與其他物業資產相同之基準於資產可作擬定用途時開始折舊。

根據融資租約持有之資產按自置資產之相同基準,於估計可使用年期或按租期(以較短者為準)折舊。

3. Significant accounting policies (continued)

Property, plant and equipment (continued)

An investment property is transferred to property, plant and equipment when it is evidenced by the commencement of owner-occupation. The fair value at the date of transfer is the deemed cost of the property for subsequent accounting in accordance with HKAS 16 Property, plant and equipment. The property interest held under an operating lease which was previously classified as investment property under the fair value model is continued to account for as a finance lease after the transfer.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the year in which the item is derecognised.

When the leasehold land and buildings are in the course of development for production or for administrative purposes, the leasehold land component is classified as a prepaid lease payment and amortised over a straight-line basis over the lease term. During the construction period, the amortisation charge provided for the leasehold land is included as part of costs of buildings under construction. Buildings under construction are carried at cost, less any identified impairment losses. Depreciation of buildings commences when they are available for use (i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by management).

Club debenture

Club debenture is measured at cost less any impairment losses.

Investments in associates

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associates, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

3. 主要會計政策(續)

物業、廠房及設備(續)

當開始自用時，投資物業轉撥至物業、廠房及設備。於轉讓日期之公平值(就其後會計而言，為視作物業之成本)乃根據香港會計準則第16號「物業、廠房及設備」計算。原先分類為投資物業，根據經營租約持有之物業權益乃按公平值模式於轉讓後繼續入賬為融資租約。

物業、廠房及設備項目於出售時或預期待日後將不會自持續使用資產獲得經濟利益時剔除確認。剔除確認資產產生之任何收益或虧損(按出售所得款淨額與有關項目賬面值之差額計算)於剔除確認有關項目之年度計入收益表。

當租賃土地及樓宇為在建中以作生產或行政用途時，租賃土地部分乃分類為預付租賃款項，並以直線法於租期內攤銷。於建築期內，就租賃土地之攤銷撥備乃計入在建樓宇成本之部分。在建樓宇按成本列賬，減任何已識別減值虧損。當樓宇可供使用(即樓宇之地點及狀況已達致能以管理層擬定之方式經營之地點及狀況)時會開始計算折舊。

會所債券

會所債券按成本減任何減值虧損計算。

於聯營公司之投資

聯營公司為投資者可對其行使重大影響力，且並非附屬公司或於合營企業之權益之實體。

聯營公司之業績及資產與負債採用權益會計法計入綜合財務報表。根據權益法，於聯營公司之投資按成本減任何已識別減值虧損於綜合資產負債表列賬，並就本集團應佔聯營公司資產之收購後變動作出調整。倘本集團應佔一家聯營公司虧損相等於或超出其於該聯營公司之權益(包括實際組成本集團於該聯營公司投資淨值其中部分之任何長期權益)，則本集團終止確認其應佔之進一步虧損。倘本集團產生法定或推定責任或代表該聯營公司付款，方始就額外應佔虧損作出撥備及確認有關責任。

倘本集團旗下實體與本集團之聯營公司進行交易，則於本集團在有關聯營公司之權益撇銷損益。

3. Significant accounting policies (continued)**Jointly controlled entities**

Joint venture arrangements that involve the establishment of a separate entity in which venturers have joint control over the economic activity of the entity are referred to as jointly controlled entities.

The results and assets and liabilities of jointly controlled entities are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in jointly controlled entities are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the jointly controlled entities, less any identified impairment loss. When the Group's share of losses of a jointly controlled entity equals or exceeds its interest in that jointly controlled entity (which includes any long-term interests that, in substance, form part of the Group's net investment in the jointly controlled entity), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that jointly controlled entity.

When a Group entity transacts with a jointly controlled entity of the Group, profits or losses are eliminated to the extent of the Group's interest in the jointly controlled entity.

Leasing

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

THE GROUP AS LESSOR

Rental income from operating leases is recognised in the consolidated income statement on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

THE GROUP AS LESSEE

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

3. 主要會計政策(續)**共同控制實體**

涉及成立合營企業商對實體之經濟活動擁有共同控制權之個別實體之合營企業安排稱為共同控制實體。

共同控制實體業績及資產與負債採用權益會計法計入綜合財務報表。根據權益法，於共同控制實體之投資按成本減任何已識別減值虧損於綜合資產負債表列賬，並就本集團應佔共同控制實體資產之收購後變動作出調整。倘本集團應佔一家共同控制實體虧損相等於或超出其於該共同控制實體之權益(包括實際組成本集團於該共同控制實體投資淨值其中部分之任何長期權益)，則本集團終止確認其應佔之進一步虧損。倘本集團產生法定或推定責任或代表該共同控制實體付款，方始就額外應佔虧損作出撥備及確認有關責任。

倘本集團旗下實體與本集團之共同控制實體進行交易，則於本集團在共同控制實體之權益撇銷損益。

租約

當租約條款將涉及擁有權之絕大部分風險及回報轉讓予承租人時，該租約乃分類為融資租約。所有其他租約均分類為經營租約。

本集團作為出租人

經營租約之租金收入乃按相關租約年期以直線法，於綜合收益表確認。於磋商及安排經營租約產生之初步直接成本，加上租賃資產之賬面值，按租約年期以直線法確認作開支。

本集團作為承租人

按融資租約持有之資產於租約開始時按其公平值或(如較低)最低租賃款項現值確認為本集團資產。出租人之相應負債計入資產負債表，列作融資租約承擔。租賃款項於融資開支與租賃承擔減少之間分配，以就承擔結餘得出固定利率。融資開支直接於損益扣除。

根據經營租約應付之租金於有關租約年期按直線法在損益扣除。已收及應收作為訂立經營租約優惠之利益，於租賃年期按直線法確認為租金開支減少。

3. Significant accounting policies (continued)

Leasing (continued)

LEASEHOLD LAND AND BUILDING

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification, unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire lease is generally treated as a finance lease and accounted for as property, plant and equipment. To the extent the allocation of the lease payments can be made reliably, leasehold interests in land are accounted for as operating leases.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value, are included in profit or loss for the period except for exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the exchange differences are also recognised directly in equity.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (the exchange reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

3. 主要會計政策(續)

租約(續)

租賃土地及樓宇

租賃土地及樓宇之土地及樓宇部分就租約分類而言將會個別考量，惟租約付款未能在土地及樓宇部分間可靠地分配除外，於此情況下，整份租約一般按融資租約處理，並以物業、廠房及設備列賬。倘租約付款能可靠地分配時，於土地之租賃權益乃以經營租約列賬。

外幣

於編製本集團旗下各個別實體之財務報表時，以該實體之功能貨幣以外貨幣(外幣)進行之交易按交易日期之匯率(即該實體經營業務所在主要經濟環境之貨幣)列賬。於各個結算日，以外幣結算之貨幣項目按結算日之匯率重新換算。按公平值列賬且以外幣結算之非貨幣項目按釐定公平值當日匯率重新換算。按過往成本以外幣計算之非貨幣項目不會重新換算。

交收貨幣項目及換算貨幣項目時產生之匯兌差額於產生期間在損益確認。重新換算按公平值列賬之非貨幣項目產生之匯兌差額計入期內損益，倘若非貨幣項目產生之有關收益及虧損直接於股本確認，則在該情況下，重新換算產生之匯兌差額亦直接於股本確認。

就綜合財務報表呈報方式而言，本集團海外業務之資產及負債按結算日之匯率換算為本集團之呈報貨幣(即港元)，而其收入及開支則按年內平均匯率換算，除非匯率於期內出現大幅波動，在該情況下，則採用交易日期之匯率換算。所產生匯兌差額(如有)確認為股本之獨立部分(匯兌儲備)。有關匯兌差額於出售海外業務期間在損益確認。

3. Significant accounting policies (continued)**Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

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

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

3. 主要會計政策(續)**借貸成本**

收購、興建或生產合資格資產直接應佔借貸成本將撥充資本成為該等資產成本其中部分。當資產大致可供用作擬定用途或出售時，則終止將該等借貸成本撥充資本。就由於合資格資產前作短暫投資之特定借貸所賺取投資收入，自合資格撥充資本之借貸成本扣除。

所有其他借貸成本均於產生期間在損益確認。

稅項

所得稅支出指現行應繳稅項與遞延稅項之總和。

現行應繳稅項乃按本年度應課稅溢利計算。應課稅溢利不計入其他年度的應課稅或可扣稅收支項目，亦不計入收益表中毋須課稅或不獲扣稅項目，故有別於綜合收益表所報溢利。本集團有關現行應繳稅項按於結算日已實施或大致上已實施之稅率計算。

遞延稅項按綜合財務報表中資產及負債賬面值與計算應課稅溢利所用相應稅基間差額，按資產負債表負債法計算。所有暫時應課稅差額一般都會確認為遞延稅項負債，惟遞延稅項資產則於應課稅溢利有可能抵銷可扣稅暫時差額時予以確認。但倘若有關暫時差額是由商譽又或由初步確認(非業務合併)既不影響應課稅溢利亦不影響會計溢利的交易的其他資產和負債所引起，則不會確認該等資產和負債。

遞延稅項負債乃就於附屬公司及聯營公司之投資及於合營企業之權益所產生之暫時應課稅差額確認，惟倘本集團能控制暫時差額之收回以及暫時差額有機會不會於可見將來撥回除外。

遞延稅項資產賬面值於每個結算日檢討，並於不可能有足夠應課稅溢利以收回全部或部分資產時作出扣減。

遞延稅項於清償有關負債或變賣有關資產時，按預計有關期間適用稅率計算。遞延稅項扣自或計入損益，除非遞延稅項與直接從股本扣除或計入的項目相關，在該情況下，遞延稅項亦須在股本中處理。

3. Significant accounting policies (continued)

Inventories

Inventories, which represent merchandise held for resale, are stated at the lower of cost and net realisable value. The cost of merchandise is determined by the retail method and is computed by reference to the retail selling price of goods less the average gross profit margins. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Financial instruments

Financial assets and financial liabilities are recognised on the balance sheet when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

FINANCIAL ASSETS

Financial assets are classified into one of the three categories, including financial assets at fair value through profit or loss (“FVTPL”), loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

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

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets designated at FVTPL, of which interest income is included in investment income.

Financial assets at FVTPL has two subcategories, including financial assets held for trading and those designated at FVTPL on initial recognition.

3. 主要會計政策(續)

存貨

存貨指持有作轉售的商品，以成本及可變現淨值較低者入賬。商品成本以零售法釐定，參考貨品零售價減平均毛利率計算。可變現淨值指在日常業務中估計售價減估計銷貨所需成本。

金融工具

當本集團旗下實體成為金融工具合約條文之訂約方時，於資產負債表確認金融資產及金融負債。金融資產及金融負債初步按公平值計算。收購或發行金融資產及金融負債(按公平值計入損益之金融資產及金融負債除外)產生之直接應佔交易成本，於初步確認金融資產或金融負債之公平值加入或扣除(視適用情況而定)。收購按公平值計入損益之金融資產或金融負債時產生之直接應佔交易成本則即時於損益確認。

金融資產

金融資產分為三類，包括按公平值計入損益(「按公平值計入損益」)之金融資產、貸款及應收款項及可供出售金融資產。所有以正常方式購買或出售之金融資產按交易日基準確認及剔除確認。正常購買或出售方式規定須於規例或市場慣例設定之時限內以交付資產方式購買或出售金融資產。

實際利率法

實際利率法是一種計算相關期間內金融資產之攤銷成本以及分配利息收入之方法。實際利率是一種在金融資產之預期壽命或(如適用)更短期間內能夠精確計算預計未來現金收入(包括所有到期支付或收取並為實際利率、交易成本及其他溢價或折讓組成部分之費用)貼現至於初步確認時之賬面淨值之利率。

利息收入乃就債券工具按實際利率基準確認，惟該等指定為「按公平值計入損益之金融資產」除外，其利息收入計入投資收入。

按公平值計入損益之金融資產分為兩個分類，包括持作買賣金融資產及該等於初步確認時指定按公平值計入損益之金融資產。

3. Significant accounting policies (continued)**Financial instruments** (continued)**FINANCIAL ASSETS** (continued)*Effective interest method* (continued)

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Index-linked notes, equity-linked note

Index-linked notes and equity-linked note are hybrid instruments that contain embedded derivatives. The Group has designated the index-linked notes and equity-linked note as "financial assets at fair value through profit or loss" upon initial recognition in accordance with HKAS 39. At each balance sheet date subsequent to initial recognition, financial assets at FVTPL are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss includes any dividend or interest earned from the financial assets.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade and other receivables, loans receivable, bank balances, and amount due from a jointly controlled entity) are carried at amortised cost using the effective interest method, less any identified impairment losses.

3. 主要會計政策(續)**金融工具**(續)**金融資產**(續)*實際利率法*(續)

倘出現下列情況，金融資產乃分類為持作買賣：

- 其收購乃主要作在不久將來出售之用；或
- 其為本集團共同管理之已識別金融工具組合之部分，並錄得近期實際短期利潤；或
- 其屬並非指定為對沖工具及有效作對沖工具之衍生工具。

倘出現下列情況，持作買賣金融資產以外之金融資產可於初步確認時指定按公平值計入損益：

- 有關指定撤銷或大幅減低計量或確認可能出現不一致之情況；或
- 金融資產組成一組金融資產或金融負債或兩者其中部分，並根據本集團既定風險管理或投資策略，按公平值基準管理及評估其表現，而分類資料則按該基準由內部提供；或
- 金融資產組成包含一種或以上內含附帶衍生工具之合約其中部分，而香港會計準則第39號允許整份合併合約(資產或負債)將指定按公平值計入損益。

與指數掛鈎票據及與權益掛鈎票據

與指數掛鈎票據及與權益掛鈎票據指包括附帶衍生工具在內的複合式交易工具。根據香港會計準則第39號作出初步確認時，本集團指定將該等與指數掛鈎票據及與權益掛鈎票據當作「按公平值計入損益之金融資產」處理。於初步確認後之每個結算日，按公平值計入損益之金融資產乃按公平值計量，而公平值變動則於產生期內直接於損益確認。於損益確認之收益或虧損淨額包括自金融資產賺取之任何股息或利息。

貸款及應收款項

貸款及應收款項為設有固定或待付款金額之非衍生金融資產，且不會在活躍市場掛牌。於初步確認後各個結算日，貸款及應收款項(包括應收賬款及其他應收款項、應收貸款、銀行結存及應收一家共同控制實體款項)採用實際利率法按已攤銷成本減任何已識別減值虧損列賬。

3. Significant accounting policies (continued)

Financial instruments (continued)

FINANCIAL ASSETS (continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified as any of the other categories. At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss. Any impairment losses on available-for-sale financial assets are recognised in profit or loss. Impairment losses recognised in profit or loss for investments in equity instruments classified as available-for-sale will not reverse through profit or loss.

IMPAIRMENT OF FINANCIAL ASSETS

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it is becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of within 30 days, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

可供出售金融資產

可供出售金融資產為指定為可供出售或並未分類為任何其他類別之非衍生金融資產。於初步確認後各個結算日，可供出售金融資產按公平值計算。公平值變動於股本確認，直至金融資產出售或被釐定出現減值為止，屆時先前於股本確認之累計收益或虧損會自股本剔除，並於損益確認。可供出售金融資產之任何減值虧損於損益確認。就分類為可供出售之於股本工具之投資所確認之減值虧損不會投過損益撥回。

金融資產減值

金融資產(按公平值計入損益之金融資產除外)會於每個結算日評定是否有減值跡象。金融資產於有客觀證據顯示其估計未來現金流量因於初步確認該金融資產後發生之一項或多項事件而受到影響時作出減值。

就可供出售股本投資而言，該項投資之公平值大幅或持續下跌至低於成本，則視作減值之客觀證據。

就所有其他金融資產而言，減值之客觀證據可包括：

- 發行人或交易方出現重大財政困難；或
- 未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組。

就若干類別之金融資產(如應收賬款)而言，被評估不會個別減值之資產，將會其後彙集一併評估減值。應收款項組合出現減值之客觀證據包括本集團過往收款記錄、組合中已超出平均信貸期30日之未能繳款次數增加，以及國家或地區經濟狀況出現明顯變動導致應收賬款未能償還。

就按已攤銷成本列賬之金融資產而言，當有客觀證據證明資產已減值，減值虧損於損益中確認，並按資產賬面值與按原實際利率貼現之估計日後現金流量現值之差額計算。

3. Significant accounting policies (continued)**Financial instruments** (continued)**IMPAIRMENT OF FINANCIAL ASSETS** (continued)

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

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

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

Impairment losses for available-for-sale equity investments will not be reversed through profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in equity. For available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

FINANCIAL LIABILITIES AND EQUITY

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Financial liabilities are classified into financial liabilities at FVTPL and other financial liabilities. The Group's financial liabilities comprise of only other financial liabilities.

3. 主要會計政策(續)**金融工具**(續)**金融資產減值**(續)

就按成本列賬之金融資產而言，減值虧損金額乃按資產賬面值與按類似金融資產現時市場回報率貼現之估計日後現金流量之現值之差額計算。有關減值虧損將不會於往後期間撥回。

金融資產賬面值之減值會直接按減值虧損扣減，惟應收賬款除外，其賬面值會透過使用撥備賬作出扣減。撥備賬內之賬面值變動會於損益中確認。當應收賬款被視為不可收回時，其將於撥備賬內撇銷。其後收回已撇銷的款項，均計入損益內。

就按已攤銷成本計量之金融資產而言，如在隨後期間，減值虧損金額減少，而有關減少在客觀上與確認減值虧損後發生之事件有關，則先前已確認之減值虧損將透過損益予以撥回，惟該資產於減值被撥回當日之賬面值，不得超過未確認減值時之已攤銷成本。

可供出售股本投資之減值虧損不會於往後期間撥回損益。減值虧損其後增加之公平值會於權益直接確認。就可供出售債務投資而言，倘投資增加之公平值客觀地與確認減值虧損後發生之事件有關，則於其後撥回減值虧損。

金融負債及股本

本集團旗下實體發行之金融負債及股本工具按所訂立訂約安排內容以及金融負債及股本工具之定義分類。

股本工具為證明本集團資產經扣除所有負債後餘下權益之任何合約。金融負債分類為按公平值計入損益之金融負債及其他金融負債。本集團金融負債僅包括其他金融負債。

3. Significant accounting policies (continued)

Financial instruments (continued)

FINANCIAL LIABILITIES AND EQUITY (continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition. Interest expense is recognised on an effective interest basis.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately.

Other financial liabilities

Other financial liabilities including bank borrowings, trade payables, concessionaire sales payable and other payables are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

DERECOGNITION

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in profit or loss.

3. 主要會計政策(續)

金融工具(續)

金融負債及股本(續)

實際利率法

實際利率法是一種計算相關期間內金融負債之攤銷成本以及分配利息收入之方法。實際利率是一種在金融負債之預期壽命或(如適用)更短期間內能夠精確計算預計未來現金付款貼現至於初步確認時之賬面淨值之利率。利息開支按實際利率法確認。

衍生金融工具

衍生工具初步於訂立衍生合約日期按公平值確認，其後於各結算日按公平值重新計量。所得出之收益或虧損即時於損益確認。

其他金融負債

其他金融負債包括銀行借貸、應付賬款、應付特許專權銷售款項及其他應付款項，其後採用實際利率法按已攤銷成本計算。

股本工具

本公司發行之股本工具按所收取款項扣除直接發行成本後入賬。購回本公司本身之股本工具乃直接於權益確認及扣除。購買、出售、發行或註銷本公司本身之股本工具時不會於損益確認收益或虧損。

剔除確認

金融資產於自資產收取現金流量之權利屆滿或金融資產已轉讓且本集團轉讓金融資產所有權之絕大部分風險及回報時剔除確認。於剔除確認金融資產時，資產賬面值與已收代價及已直接於股本確認之累計收益或虧損之總和間之差額於損益確認。

金融負債於有關合約所指定責任遭免除、註銷或屆滿時剔除確認。剔除確認之金融負債賬面值與已付或應付代價間之差額於損益確認。

3. Significant accounting policies (continued)**Impairment of tangible assets**

At each balance sheet date, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

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

Share-based payment transactions

The fair value of employee services received in an equity-settled share-based payment transaction is determined by reference to the fair value of share options determined at the grant date. The fair value of employee services is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share-based payment reserve).

At each balance sheet date, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with a corresponding adjustment to the share-based payment reserve.

At the time when the share options are exercised, the amount previously recognised in share-based payment reserve will be transferred to share premium. When the share options are not exercised at the expiry date, the amount previously recognised in share based payment reserve will be transferred to retained profits.

Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

3. 主要會計政策(續)**有形資產減值**

本集團於各結算日審閱其有形資產賬面值，以釐定該等資產有否出現減值虧損跡象。倘資產之可收回金額估計低於其賬面值，則資產之賬面值減至其可收回金額。減值虧損即時確認為支出。

倘減值虧損其後撥回，則將調高資產賬面值至其經修訂估計可收回金額，惟經調高之賬面值不得超逾假設於過往年度並無就資產確認減值虧損而釐定之賬面值。減值虧損撥回即時確認為收入。

股份付款交易

於股本結算股份付款交易所收取之僱員服務之公平值乃參考於授出日期釐定之購股權公平值而釐定。僱員服務之公平值於歸屬期以直線法支銷，並於權益(股份付款儲備)有相應增加。

於各結算日，本集團修訂其估計預期最終歸屬之購股權數目。修訂原有估計之影響(如有)按餘下歸屬期間於損益確認，並於股份付款儲備作出相應調整。

於購股權獲行使時，先前於股份付款儲備確認之金額將轉撥至股份溢價。倘購股權於到期日尚未行使，則先前於股份付款儲備確認之金額將轉撥至保留溢利。

退休福利成本

定額供款退休福利計劃供款，在到期支付時列作支出。

4. Key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The following are the critical judgements that the directors have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Loans receivable

As detailed in note 25(b), the Group has recognised an impairment loss relating to a bridging loan advanced to the Egana Group of HK\$277 million. The directors estimated the recoverable amount of the loan based on the net realizable value of pledged assets.

Income taxes

At 31st December, 2008, a deferred tax asset of HK\$1,855,000 in relation to unused tax losses has been recognised in the Group's balance sheet. No deferred tax asset has been recognised on the tax loss of approximately HK\$311.2 million due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future assessable profits or taxable temporary differences will be available in the future. In cases where the actual future assessable profits generated are less than expected, a material reversal of deferred tax assets may arise, which would be recognised in the income statement for the period in which such a reversal takes place.

5. Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debt, which includes the borrowings as disclosed in note 33, cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued share capital, reserves and retained earnings.

4. 主要不確定估計來源

應用於附註3所述之本集團之會計政策時，本公司董事須就未能於其他來源獲取之資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃以過往經驗及其他被認為屬有關之因素為依據。實際結果或會與該等估計有所出入。

估計及相關假設均會按持續基準審閱。倘會計估計之修訂僅影響作出估計修訂之期間，則會於該期間確認會計估計之修訂，或倘修訂影響當前及未來期間，則於有關修訂及未來期間確認。以下為董事於應用實體之會計政策時所作出之重大判斷，其對於財務報表確認之金額有最重大影響。

應收貸款

根據附註25(b)，本集團已就墊付予聯洲國際集團之277,000,000港元過渡貸款確認減值虧損。董事根據已質押資產可變現淨值而估計該貸款之可收回金額。

所得稅

於二零零八年十二月三十一日，有關未動用稅項虧損之遞延稅項資產1,855,000港元已於本集團資產負債表確認。由於未能預測日後之溢利來源，故並無就稅項虧損約311,200,000港元確認遞延稅項資產。遞延稅項資產之可變現情況主要取決於日後是否有充裕溢利或應課稅暫時差額。倘日後所產生實際溢利較預期少，或會對遞延稅項資產作出重大撥回，而有關撥回將於作出撥回之期間內在收益表確認。

5. 資本風險管理

本集團管理其資本，以確保本集團之實體能繼續持續經營，同時透過優化債務及股本結餘，為股東提供最佳回報。本集團之整體策略與去年相同。

本集團之資本架構包括債務（包括附註33披露之借貸）、現金及現金等價物及本公司股東應佔權益（包括已發行股本、儲備及保留盈利）。

5. Capital risk management (continued)

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

The gearing ratio at the year end was as follows:

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Debt (i)	債務(i)	(3,018,100)	(3,006,810)
Cash and cash equivalents	現金及現金等價物	2,439,443	3,604,956
Net (debt) cash	(債務)現金淨額	(578,657)	598,146
Equity (ii)	權益(ii)	5,177,712	4,656,718
Net debt to equity ratio	債務淨額與權益比率	11.18%	N/A不適用

(i) Debt is defined as long- and short-term borrowings as detailed in note 33.

(ii) Equity includes all capital and reserves of the Group.

5. 資本風險管理(續)

本公司董事定期檢討資本架構。作為是項檢討之一部分，董事會考慮資本成本與各類資本相關之風險。根據董事之建議，本集團將透過派付股息、發行新股及股份購回以及發行新債或贖回現有債項以平衡其整體資本架構。

於年結日之資產與負債比率如下：

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Debt (i)	債務(i)	(3,018,100)	(3,006,810)
Cash and cash equivalents	現金及現金等價物	2,439,443	3,604,956
Net (debt) cash	(債務)現金淨額	(578,657)	598,146
Equity (ii)	權益(ii)	5,177,712	4,656,718
Net debt to equity ratio	債務淨額與權益比率	11.18%	N/A不適用

(i) 債務之定義為長期及短期借貸，詳情載於附註33。

(ii) 權益包括本集團所有股本及儲備。

6. Financial instruments**Categories of financial instruments**

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Financial assets	金融資產		
Fair value through profit or loss (FVTPL)	於按公平值計入損益		
Financial assets designated at fair value through profit or loss	指定為按公平值計入損益之金融資產	342,412	190,816
Held for trading investments	持作買賣投資	68,447	-
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等價物)	2,845,775	5,389,159
Available-for-sale financial assets	可供出售金融資產	28,175	31,918
Financial liabilities	金融負債		
Derivative instrument	衍生工具	-	1,002
Amortised cost	攤銷成本	4,383,102	4,440,392

6. 金融工具**金融工具類別**

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Financial assets	金融資產		
Fair value through profit or loss (FVTPL)	於按公平值計入損益		
Financial assets designated at fair value through profit or loss	指定為按公平值計入損益之金融資產	342,412	190,816
Held for trading investments	持作買賣投資	68,447	-
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等價物)	2,845,775	5,389,159
Available-for-sale financial assets	可供出售金融資產	28,175	31,918
Financial liabilities	金融負債		
Derivative instrument	衍生工具	-	1,002
Amortised cost	攤銷成本	4,383,102	4,440,392

6. Financial instruments (continued)

Financial risk management objectives and policies

The Group's major financial assets and liabilities include bank balances and cash, available-for-sale investments, index-linked notes, equity-linked note, held for trading investments, loans receivable, trade and other receivables, trade and other payables, amount due from a jointly controlled entity, concessionaire sales payable, bank borrowings, other payable and loan from a minority shareholder of a subsidiary. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

CURRENCY RISK

The functional currency of the Company and its major subsidiaries in Hong Kong is HK\$ in which most of the transactions are denominated. The functional currency of those subsidiaries operating in PRC is RMB in which most of its transactions are denominated. Certain bank balances of the Group amounting to approximately HK\$194,693,000 (2007: HK\$826,686,000) and all index-linked notes, equity-linked note, certain available-for-sale investments and certain bank balances are denominated in United States Dollar ("USD"). The Group currently does not have a foreign currency hedging policy as HK\$ is effectively pegged to USD. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

The following table details the Group's sensitivity to a reasonably possible change of 0.5% in exchange rate of USD against HK\$ while all other variables are held constant. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at each balance sheet date for a 0.5% change in foreign currency rates.

		Year ended 31st December, 截至十二月三十一日止年度	
		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Increase (decrease) in profit for the year	年內溢利增加(減少)		
– if HK\$ weakens against USD	– 倘若港元兌美元貶值	3,169	5,247
– if HK\$ strengthens against USD	– 倘若港元兌美元升值	(3,169)	(5,247)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

6. 金融工具(續)

財務風險管理目的及政策

本集團之主要金融資產及負債包括銀行結存及現金、可供出售投資、與指數掛鈎票據、與權益掛鈎票據、持作買賣投資、應收貸款、應收賬款及其他應收款項、應付賬款及其他應付款項、應收一家共同控制實體款項、應付特許專櫃銷售款項、銀行借貸、其他應付款項及來自一家附屬公司一名少數股東之貸款。此等金融工具詳情於相關附註中披露。下文載列與此等金融工具相關之風險及減低此等風險之政策。管理層會管理及監控該等風險，以確保及時與有效地採取適當措施。

外匯風險

本公司及其香港主要附屬公司之功能貨幣為港元，當中大部分交易以港元結算。於中國經營之附屬公司之功能貨幣為人民幣，當中大部分交易以人民幣結算。本集團若干為數約194,693,000港元(二零零七年：826,686,000港元)之銀行結餘及所有與指數掛鈎票據、與權益掛鈎票據、若干可供出售投資及若干銀行結餘均以美元結算。由於港元與美元是掛鈎貨幣，本集團現時並無外幣對沖政策。然而，管理層會監控外匯風險，並於需要時考慮對沖重大外幣風險。

下表詳列本集團於美元兌港元之匯率可能出現0.5%合理變動而所有其他變數維持不變時之敏感度。敏感度分析僅包括未兌換外幣結算貨幣項目，並於結算日按0.5%外匯率變動調整換算。

管理層認為，由於年結日之風險並無反映年內風險，故敏感度分析並不代表固有外匯風險。

6. Financial instruments (continued)**Financial risk management objectives and policies** (continued)**INTEREST RATE RISK**

The cash flow interest rate risk relates primarily to the Group's floating-rate loan receivables, bank borrowings, index-linked notes and derivative swap. The interests on the Group's index-linked notes and derivative swap are linked with Constant Maturity Swap (CMS) rates and 3-month United States Dollars London Interbank Offered Rate (3-month USD LIBOR) respectively. The fair value interest rate risk relates primarily to fixed-rate short-term bank fixed deposits. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise. The fair value interest rate risk on bank deposits is insignificant as the fixed deposits are short-term.

The Group's sensitivity to cash flow interest rate risk has been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the balance sheet date and the reasonably possible change taking place at the beginning of each year and held constant throughout the year. The Group's sensitivity to interest rate risk at each balance sheet date while all other variables were held constant is as follows:

		Year ended 31st December, 截至十二月三十一日止年度	
		2008	2007
		二零零八年	二零零七年
Reasonably possible change in interest rate	利率之合理可能變動	100 basis points 100個點子	100 basis points 100個點子
		HK\$'000 千港元	HK\$'000 千港元
Increase (decrease) in profit for the year	年內溢利增加(減少)		
– as a result of increase in interest rate	– 由於利率上升	(13,015)	4,199
– as a result of decrease in interest rate	– 由於利率下降	4,739	(5,958)

6. 金融工具 (續)**財務風險管理目的及政策** (續)**利率風險**

現金流量利率風險主要與本集團之浮息應收貸款、銀行借貸、與指數掛鈎票據及衍生掉期有關。本集團與指數掛鈎票據及衍生掉期之利率分別與固定期限交換利率或三個月美元倫敦銀行同業拆息率掛鈎。公平值利率風險主要與定息短期銀行定期存款有關。本集團現時並無任何利率對沖政策。然而，管理層會監控利率風險，並於需要時考慮對沖重大利率風險。由於定期存款屬短期性質，故銀行存款之公平值利率風險並不重大。

本集團對現金流利率風險之敏感度，乃根據衍生及非衍生工具於結算日之利率風險，以及於每年年初合理地可能出現之變動而於全年維持不變釐定。當所有其他變數維持不變，本集團於各結算日對利率風險敏感度如下：

6. Financial instruments (continued)

Financial risk management objectives and policies (continued)

CREDIT RISK

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 31st December, 2008 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated balance sheet.

In order to minimise the credit risk, the management of the Group has formulated a defined fixed credit policy and delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade receivable regularly at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced. Retail sales are mainly on cash basis, either in cash, debit card or credit card payments. The Group has no significant concentration of credit risk in relation to trade and other receivables, with exposure spread over a number of counterparties and customers.

For loans receivables as set out in note 25, the Group reviews the recoverable amount of each loan receivable on a regular basis and the value of pledged assets, if any, to ensure adequate impairment losses are made for irrecoverable amounts.

The credit risk on liquid funds, index-linked notes and equity-linked note is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies and government authority.

6. 金融工具(續)

財務風險管理目的及政策(續)

信貸風險

於二零零八年十二月三十一日，本集團就對手方未能履行其責任而按各類別已確認金融資產面對之最高信貸風險，指綜合資產負債表所述該等資產之賬面值。為盡量減低信貸風險，本集團管理層已制定明確之既定信貸政策，並委任一組人員，專責釐定信貸限額、批核信貸額及進行其他監管程序，以確保能跟進有關逾期債務之追討事宜。此外，本集團會於各結算日定期檢討各項個別應收賬款之可收回金額，以確保就不可收回款項作出足夠減值虧損。就此，本公司董事認為，本集團之信貸風險已大幅減少。零售銷售主要以現金進行，可以現金、記賬卡或信用卡付款。由於信貸風險分散於多名對手方及客戶，故本集團就應收賬款及其他應收款項並無重大信貸風險集中情況。

就載於附註25之應收貸款而言，本集團會定期審閱各應收貸款之可收回金額及所質押資產(如有)之價值，以確保已就不可收回金額作出足夠減值虧損。

由於對手方均為獲國際信貸評級機構高信貸評級之銀行及政府機構，故流動資金、與指數掛鈎票據及與權益掛鈎票據之信貸風險有限。

6. Financial instruments (continued)**Financial risk management objectives and policies** (continued)**PRICE RISK**

The Group's available-for-sale investments, equity-linked note and held for trading investments are measured at fair value at each balance sheet date. Therefore, the Group is exposed to equity security price risk. The management manages this exposure by maintaining a portfolio of investments with different risk profiles. Details of the available-for-sale investments, equity-linked note and held for trading investments are set out in notes 23, 24 and 29 respectively.

The Group's sensitivity to equity price risk on the available-for-sale investments, equity-linked note and held for trading investments at each balance sheet date while all other variables were held constant is as follows:

2008	二零零八年	
Reasonably possible change in equity price	權益價格之可能合理變動	1%
		HK\$'000 千港元
Increase (decrease) in profit for the year	年內溢利增加(減少)	
– as a result of increase in equity price	– 由於權益價格增加	855
– as a result of decrease in equity price	– 由於權益價格減少	(855)
2007	二零零七年	
Reasonably possible change in equity price	權益價格之可能合理變動	1%
		HK\$'000 千港元
Increase (decrease) in profit for the year	年內溢利增加(減少)	
– as a result of increase in equity price	– 由於權益價格增加	172
– as a result of decrease in equity price	– 由於權益價格減少	(172)

LIQUIDITY RISK

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As at 31st December, 2008, the Group has available unutilised borrowing facilities of approximately HK\$1,281 million (2007: HK\$1,000 million). Details of which are set out in note 33.

The following table details the Group's remaining contractual maturity for its financial liabilities. For non-derivative financial liabilities, the table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

6. 金融工具 (續)**財務風險管理目的及政策** (續)**價格風險**

本集團可供銷售投資、與權益掛鈎票據及持作買賣投資乃按各結算日之公平值計量。因此，本集團面對股本證券價格風險。管理層透過維持具不同風險之投資組合以管理是項風險。可供出售投資、與權益掛鈎票據及持作買賣投資之詳情分別載於附註23、24及29。

在其他變數維持不變下，本集團於各結算日對可供出售投資、與權益掛鈎票據及持作買賣投資之權益價格風險敏感度如下：

流動資金風險

於管理流動資金風險時，本集團監察及維持管理層視為足以應付本集團業務所需資金水平之現金及現金等價物，並減低現金流量波動影響。管理層監察銀行借貸之運用，確保遵守貸款契諾。

本集團依靠銀行借貸作為重要的流動資金來源。於二零零八年十二月三十一日，本集團之未提取銀行融資額度為約1,281,000,000港元(二零零七年：1,000,000,000港元)，詳情載於附註33。

下表詳列本集團之餘下金融負債合約到期日。就非衍生金融負債而言，下表乃按照本集團可能被要求還款之最早日期，以金融負債之非貼現現金流量顯示。下表已載列利息及主要現金流量。

6. Financial instruments (continued)

Financial risk management objectives and policies (continued)

LIQUIDITY RISK (continued)

Liquidity and interest risk tables

		Weighted average effective interest rate	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	Adjustments	Carrying amount at 31.12.2008
		加權平均 實際利率 %	一個月內 HK\$'000 千港元	一至三個月 HK\$'000 千港元	三個月至一年 HK\$'000 千港元	一至五年 HK\$'000 千港元	調整 HK\$'000 千港元	於二零零八年 十二月三十一日 之賬面值 HK\$'000 千港元
2008	二零零八年							
Non-derivative financial liabilities	非衍生金融負債							
Trade and other payables	應付賬款及其他應付款項	-	545,091	33,428	708,154	-	-	1,286,673
Bank borrowings – variable rate	銀行借貸—浮動利率	4.35	-	-	690,238	2,571,547	(243,685)	3,018,100
Other payable	其他應付款項	-	-	-	-	60,000	-	60,000
Loan from a minority shareholder of a subsidiary	來自一家附屬公司 一名少數股東之貸款	-	-	-	-	18,329	-	18,329
			545,091	33,428	1,398,392	2,649,876	(243,685)	4,383,102

		Weighted average effective interest rate	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	Adjustments	Carrying amount at 31.12.2007
		加權平均 實際利率 %	一個月內 HK\$'000 千港元	一至三個月 HK\$'000 千港元	三個月至一年 HK\$'000 千港元	一至五年 HK\$'000 千港元	調整 HK\$'000 千港元	於二零零七年 十二月三十一日 之賬面值 HK\$'000 千港元
2007	二零零七年							
Non-derivative financial liabilities	非衍生金融負債							
Trade and other payables	應付賬款及其他應付款項	-	587,101	36,004	750,477	-	-	1,373,582
Bank borrowings – variable rate	銀行借貸—浮動利率	4.89	-	-	543,719	2,892,500	(429,409)	3,006,810
Other payable	其他應付款項	-	-	-	-	60,000	-	60,000
			587,101	36,004	1,294,196	2,952,500	(429,409)	4,440,392

6. Financial instruments (continued)**Financial risk management objectives and policies** (continued)

LIQUIDITY RISK (continued)

Fair value

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices and ask prices respectively; and
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as inputs.
- the fair value of derivative instruments is calculated using quoted prices provided by financial institutions. Where such prices are not available, fair value is estimated based on discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their fair values.

7. Turnover

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

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Sales of goods – direct sales	貨品銷售 – 直接銷售	2,100,750	1,873,010
Income from concessionaire sales	特許專櫃銷售收入	1,271,362	1,120,580
Service income	服務收入	79,465	64,458
Rental income	租金收入	70,056	54,320
		3,521,633	3,112,368

6. 金融工具 (續)**財務風險管理目的及政策** (續)

流動資金風險 (續)

公平值

金融資產及金融負債之公平值釐定如下：

- 附帶標準條款及條件並於高度流通市場買賣之金融資產及金融負債之公平值乃分別參考所報市場買入價及賣出價釐定；及
- 其他金融資產及金融負債之公平值乃按公認訂價模式，採用現時觀察所得市場交易價格或利率貼現之現金流量釐定。
- 衍生工具之公平值以金融機構之報價計算。當未能獲取有關價格時，就非期權衍生工具而言，公平值將以其有效期適用之孳息曲線進行折算現金流量分析估計，而就期權衍生工具而言，公平值則採用期權定價模型進行折算現金流量分析估計。

董事認為，按攤銷成本於綜合財務報表入賬之金融資產及金融負債賬面值與其公平值相若。

7. 營業額

營業額指本集團本年度就向外界客戶售出貨品之已收及應收款項減折扣及銷售相關稅項、特許專櫃銷售收入、服務收入以及租金收入，茲分析如下：

7. Turnover (continued)

The cost of sales are analysed as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Cost of goods sold	貨品銷售成本	1,493,480	1,329,523
Other cost of sales	其他銷售成本	51,723	48,272
		1,545,203	1,377,795

8. Business and geographical segments

Geographical segments

The Group's operations are located in Hong Kong and Mainland of the People's Republic of China (the "PRC"). The location of the Group's assets that is also the location of the Group's operations, are the basis on which the Group reports its primary segment information.

2008

Income statement

7. 營業額(續)

銷售成本分析如下：

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Cost of goods sold	1,493,480	1,329,523
Other cost of sales	51,723	48,272
	1,545,203	1,377,795

8. 業務及地區分部

地區分部

本集團業務位於香港及中華人民共和國(「中國」)內地。本集團的資產所在地點亦為其業務之所在地點，為本集團申報其主要分部資料之基準。

二零零八年

收益表

		Hong Kong 香港 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Consolidated Total 綜合總額 HK\$'000 千港元
Revenue	收益			
External sales	對外銷售	2,959,438	562,195	3,521,633
Result	業績			
Segment result	分部業績	990,778	139,657	1,130,435
Investment income	投資收入	136,057	12,620	148,677
Fair value changes on investment properties	投資物業之公平值變動	1,380	174,650	176,030
Share of profit of a jointly controlled entity	應佔一家共同控制實體溢利	–	8,250	8,250
Discount arising on acquisition of associates	收購聯營公司所產生之折讓	–	207,577	207,577
Share of losses of associates	分佔聯營公司之虧損	–	(1,605)	(1,605)
Impairment loss on loan receivable	應收貸款減值虧損	(276,615)	–	(276,615)
Finance costs	融資成本	–	–	(68,112)
Profit before taxation	除稅前溢利			1,324,637
Taxation	稅項	(169,783)	(95,708)	(265,491)
Profit for the year	本年度溢利			1,059,146

8. Business and geographical segments (continued)

Balance sheet

8. 業務及地區分部 (續)

資產負債表

		Hong Kong	PRC	Consolidated
		香港	中國	Total
		HK\$'000	HK\$'000	綜合總額
		千港元	千港元	千港元
Assets	資產			
Segment assets	分部資產	3,694,759	4,529,997	8,224,756
Available-for-sale investments	可供出售投資	28,175	–	28,175
Financial assets designated at fair value through profit or loss	按公平值計入損益之金融資產	342,412	–	342,412
Held for trading investments	持作買賣投資	68,447	–	68,447
Interest in a jointly controlled entity	於一家共同控制實體權益	–	488,554	488,554
Interests in associates	於聯營公司權益	–	1,123,805	1,123,805
Amount due from a jointly controlled entity	應收一家共同控制實體款項	–	24,146	24,146
Loans receivable	應收貸款	258,718	–	258,718
Unallocated assets	未分配資產			3,205
Consolidated total assets	綜合資產總值			10,562,218
Liabilities	負債			
Segment liabilities	分部負債	819,768	628,544	1,448,312
Unallocated liabilities	未分配負債			3,258,923
Consolidated total liabilities	綜合負債總額			4,707,235

Other information

其他資料

		Hong Kong	PRC	Consolidated
		香港	中國	Total
		HK\$'000	HK\$'000	綜合總額
		千港元	千港元	千港元
Capital expenditure	資本開支	19,751	1,572,627	1,592,378
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	90,815	57,916	148,731
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備之(收益)虧損	(67)	13	(54)
Provision on bad and doubtful debts	呆壞賬撥備	7,374	390	7,764
Write-down of obsolete inventories	滯銷存貨撇減	1,021	410	1,431

8. Business and geographical segments (continued)
2007

Income statement

		Hong Kong 香港	PRC 中國	Consolidated Total 綜合總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue	收益			
External sales	對外銷售	2,690,101	422,267	3,112,368
Result	業績			
Segment result	分部業績	969,297	98,532	1,067,829
Investment income	投資收入	242,991	2,405	245,396
Fair value changes on investment properties	投資物業之公平值變動	3,648	–	3,648
Share of profit of a jointly controlled entity	應佔一家共同控制實體溢利	–	6,926	6,926
Finance costs	融資成本			(81,846)
Profit before taxation	除稅前溢利			1,241,953
Taxation	稅項	(187,883)	(2,856)	(190,739)
Profit for the year	本年度溢利			1,051,214

Balance sheet

		Hong Kong 香港	PRC 中國	Consolidated Total 綜合總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Assets	資產			
Segment assets	分部資產	5,353,352	2,319,034	7,672,386
Assets of disposal group classified as held for sale	分類為持作出售之出售集團資產	–	1,547,459	1,547,459
Available-for-sale investments	可供出售投資	31,918	–	31,918
Financial assets designated at fair value through profit or loss	按公平值計入損益之金融資產	190,816	–	190,816
Interest in a jointly controlled entity	於一家共同控制實體權益	–	468,938	468,938
Amount due from a jointly controlled entity	應收一家共同控制實體款項	–	46,046	46,046
Loans receivable	應收貸款	469,718	–	469,718
Unallocated assets	未分配資產			6,962
Consolidated total assets	綜合資產總值			10,434,243
Liabilities	負債			
Segment liabilities	分部負債	785,807	686,150	1,471,957
Liabilities of disposal group classified as held for sale	分類為持作出售之出售集團負債	–	615,773	615,773
Derivative instrument	衍生工具	1,002	–	1,002
Unallocated liabilities	未分配負債			3,127,831
Consolidated total liabilities	綜合負債總額			5,216,563

8. 業務及地區分部 (續)

二零零七年

收益表

		Hong Kong 香港	PRC 中國	Consolidated Total 綜合總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue	收益			
External sales	對外銷售	2,690,101	422,267	3,112,368
Result	業績			
Segment result	分部業績	969,297	98,532	1,067,829
Investment income	投資收入	242,991	2,405	245,396
Fair value changes on investment properties	投資物業之公平值變動	3,648	–	3,648
Share of profit of a jointly controlled entity	應佔一家共同控制實體溢利	–	6,926	6,926
Finance costs	融資成本			(81,846)
Profit before taxation	除稅前溢利			1,241,953
Taxation	稅項	(187,883)	(2,856)	(190,739)
Profit for the year	本年度溢利			1,051,214

資產負債表

		Hong Kong 香港	PRC 中國	Consolidated Total 綜合總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Assets	資產			
Segment assets	分部資產	5,353,352	2,319,034	7,672,386
Assets of disposal group classified as held for sale	分類為持作出售之出售集團資產	–	1,547,459	1,547,459
Available-for-sale investments	可供出售投資	31,918	–	31,918
Financial assets designated at fair value through profit or loss	按公平值計入損益之金融資產	190,816	–	190,816
Interest in a jointly controlled entity	於一家共同控制實體權益	–	468,938	468,938
Amount due from a jointly controlled entity	應收一家共同控制實體款項	–	46,046	46,046
Loans receivable	應收貸款	469,718	–	469,718
Unallocated assets	未分配資產			6,962
Consolidated total assets	綜合資產總值			10,434,243
Liabilities	負債			
Segment liabilities	分部負債	785,807	686,150	1,471,957
Liabilities of disposal group classified as held for sale	分類為持作出售之出售集團負債	–	615,773	615,773
Derivative instrument	衍生工具	1,002	–	1,002
Unallocated liabilities	未分配負債			3,127,831
Consolidated total liabilities	綜合負債總額			5,216,563

8. Business and geographical segments (continued)

Other information

8. 業務及地區分部 (續)

其他資料

		Hong Kong 香港	PRC 中國	Consolidated Total 綜合總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Capital expenditure	資本開支	38,273	1,952,213	1,990,486
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	97,054	37,118	134,172
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	956	45	1,001
Reversal of allowance for bad and doubtful debts	呆壞賬撥備撥回	(1,381)	–	(1,381)
Write-down of obsolete inventories	滯銷存貨撇減	1,483	413	1,896

Over 90% of the Group's turnover and contribution to operating profit is attributable to the operation of department stores for retailing of merchandise. Accordingly no analysis of business segment is presented.

本集團超過90%營業額和經營溢利貢獻來自經營百貨商品零售，故並無呈列業務分部分析。

9. Other operating income**9. 其他經營收入**

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Cleaning income	清潔收入	26,002	22,397
Project income	項目收入	4,258	3,717
Others	其他	46,415	47,680
		76,675	73,794

10. Investment income

10. 投資收入

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Interest income on bank deposits	銀行存款之利息收入	48,011	109,609
Interest income on loans receivable	應收貸款之利息收入	36,681	15,657
Other interest income	其他利息收入	8,482	26
Dividend income	股息收入		
Available-for-sale investments	可供出售投資	3,500	2,757
Held for trading investments	持作買賣投資	1,564	-
Realized gain on disposal of available-for-sale investments/held for trading investments	出售可供出售投資/持作買賣投資之已變現收益	26,992	96,667
Impairment loss on available-for-sale investments	可供出售投資減值虧損	(3,538)	(7,472)
Change in fair value of financial assets	金融資產公平值變動		
Financial asset designated at fair value through profit or loss	指定按公平值計入損益之金融資產	23,021	29,154
Held for trading investments	持作買賣投資	(4,107)	-
Derivative instrument	衍生工具	8,071	(1,002)
		148,677	245,396

11. Finance costs

11. 融資成本

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Interest on:	以下項目之利息：		
Bank borrowings and overdrafts:	銀行借貸及透支：		
– wholly repayable within five years	– 須於五年內悉數償還	78,744	88,404
– wholly repayable after five years	– 須於五年後悉數償還	11,894	-
Finance leases	融資租約	-	2
Others	其他	20,625	9,080
		111,263	97,486
Less: Amounts capitalised	減：資本化款額	(43,151)	(15,640)
		68,112	81,846

Borrowing costs capitalised during the year arose on HK dollar and RMB borrowings from Hong Kong and the PRC at interest rates calculated by reference to the HIBOR and PBOC lending rate respectively on qualifying assets.

年內，已撥充資本之借貸成本，乃源自香港及中國之港元及人民幣借貸，其利息乃分別參考香港銀行同業拆息及中國人民銀行借貸息率並按合資格資產計算。

12. Profit before taxation

12. 除稅前溢利

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Profit before taxation has been arrived at after charging:	除稅前溢利已扣除下列項目：		
Directors' remuneration (Note 13):	董事酬金(附註13)：		
Fees	袍金	800	800
Other emoluments	其他薪酬	4,079	4,038
Share-based payment	股份付款	59,978	10,249
Retirement benefits scheme contributions	退休福利計劃供款	13	12
		64,870	15,099
Other staff costs	其他員工成本	233,437	194,096
Retirement benefits scheme contributions, net of forfeited contributions	退休福利計劃供款減沒收供款	8,401	7,698
Share-based payment	股份付款	31,003	21,786
Total staff costs	總員工成本	337,711	238,679
Auditors' remuneration	核數師酬金	3,253	2,583
Depreciation for property, plant and equipments	物業、廠房及設備之折舊	148,731	134,172
Release of prepaid lease payments	預付租賃款項轉出	4,127	-
Write-down of obsolete inventories	滯銷存貨撇減	1,431	1,896
Minimum lease payments paid under operating lease in respect of leasehold land and buildings to	就經營租約項下租賃土地及樓宇向		
– a jointly controlled entity	以下人士支付之最低租約款項		
– other parties	– 一家共同控制實體	140,775	128,227
	– 其他人士	59,930	50,582
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	-	1,001
Cost of inventories recognised as expense	確認為支出之存貨成本	1,493,480	1,329,523
Allowance for bad and doubtful debts	呆壞賬撥備	7,764	-
Share of tax of a jointly controlled entity	於一家共同控制實體應佔稅項	5,323	6,049
Net exchange loss	匯兌虧損淨額	8,295	-
and crediting:	以及計入下列項目：		
Net exchange gain	匯兌收益淨額	-	1,512
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	54	-
Reversal of allowance for bad and doubtful debts	呆壞賬撥備撥回	-	1,381
Gross rental from investing properties (net of negligible outgoings)	投資物業租金總額 (扣除少量支銷)	19,043	6,818
Gross rental from sub-letting of commercial properties	商業物業分租租金 總額	51,012	47,503
Less: Direct operating expenses in respect of sub-letting of commercial properties	減：分租商用物業的 直接經營開支	(53,982)	(38,320)
Net rental income	租金收入淨額	16,073	16,001

13. Directors' and employees' remuneration

The emoluments paid or payable to each of the 10 (2007: 10) directors were as follows:

		Lau Luen Hung, Thomas 劉鑾鴻	Doo Wai Hoi, William 杜惠愷	Cheng Yu 鄭裕彤	Cheng Kar Shun, Henry 鄭家純	Lau Luen Hung, Joseph 劉鑾雄	Lau Yuk Wai, Amy 劉玉慧	Lam Siu Lun, Simon 林兆麟	Cheung Yuet Man, Raymond 張悅文	Shek Lai Him, Abraham 石禮謙	Hui Chiu Stephen 許照中	Total 總計 2008 二零零八年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Fees	袍金	-	-	100	100	100	100	100	100	100	800	
Other emoluments	其他酬金											
Salaries and other benefits	薪金及其他福利	3,988*	91	-	-	-	-	-	-	-	4,079	
Contributions to retirement benefits schemes	退休福利計劃供款	12	1	-	-	-	-	-	-	-	13	
Share-based payment	股份付款	59,978	-	-	-	-	-	-	-	-	59,978	
Total emoluments	酬金總額	63,978	92	100	100	100	100	100	100	100	64,870	

		Lau Luen Hung, Thomas 劉鑾鴻	Doo Wai Hoi, William 杜惠愷	Cheng Yu 鄭裕彤	Cheng Kar Shun, Henry 鄭家純	Lau Luen Hung, Joseph 劉鑾雄	Lau Yuk Wai, Amy 劉玉慧	Lam Siu Lun, Simon 林兆麟	Cheung Yuet Man, Raymond 張悅文	Shek Lai Him, Abraham 石禮謙	Hui Chiu Stephen 許照中	Total 總計 2007 二零零七年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Fees	袍金	-	-	100	100	100	100	100	100	100	800	
Other emoluments	其他酬金											
Salaries and other benefits	薪金及其他福利	3,988*	50	-	-	-	-	-	-	-	4,038	
Contributions to retirement benefits schemes	退休福利計劃供款	12	-	-	-	-	-	-	-	-	12	
Share-based payment	股份付款	10,249	-	-	-	-	-	-	-	-	10,249	
Total emoluments	酬金總額	14,249	50	100	100	100	100	100	100	100	15,099	

No directors waived any emoluments in the year ended 31st December, 2008 and 2007.

* Mr. Lau Luen-hung, Thomas and Sogo Hong Kong Company Limited ("Sogo HK"), a wholly-owned subsidiary of the Company, has entered into an employment agreement dated 25th July, 2003 (the "Employment Agreement") whereby, inter alia, Sogo HK has employed Mr. Lau as the general manager commencing from 1st May, 2003. Mr. Lau is entitled to a monthly salary of HK\$200,000 and, subject to the operating results of Sogo HK, to a discretionary bonus under the Employment Agreement.

13. 董事及僱員酬金

向各10名(二零零七年: 10名)董事已付或應付之酬金如下:

		Lau Luen Hung, Thomas 劉鑾鴻	Doo Wai Hoi, William 杜惠愷	Cheng Yu 鄭裕彤	Cheng Kar Shun, Henry 鄭家純	Lau Luen Hung, Joseph 劉鑾雄	Lau Yuk Wai, Amy 劉玉慧	Lam Siu Lun, Simon 林兆麟	Cheung Yuet Man, Raymond 張悅文	Shek Lai Him, Abraham 石禮謙	Hui Chiu Stephen 許照中	Total 總計 2008 二零零八年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Fees	袍金	-	-	100	100	100	100	100	100	100	800	
Other emoluments	其他酬金											
Salaries and other benefits	薪金及其他福利	3,988*	91	-	-	-	-	-	-	-	4,079	
Contributions to retirement benefits schemes	退休福利計劃供款	12	1	-	-	-	-	-	-	-	13	
Share-based payment	股份付款	59,978	-	-	-	-	-	-	-	-	59,978	
Total emoluments	酬金總額	63,978	92	100	100	100	100	100	100	100	64,870	

		Lau Luen Hung, Thomas 劉鑾鴻	Doo Wai Hoi, William 杜惠愷	Cheng Yu 鄭裕彤	Cheng Kar Shun, Henry 鄭家純	Lau Luen Hung, Joseph 劉鑾雄	Lau Yuk Wai, Amy 劉玉慧	Lam Siu Lun, Simon 林兆麟	Cheung Yuet Man, Raymond 張悅文	Shek Lai Him, Abraham 石禮謙	Hui Chiu Stephen 許照中	Total 總計 2007 二零零七年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Fees	袍金	-	-	100	100	100	100	100	100	100	800	
Other emoluments	其他酬金											
Salaries and other benefits	薪金及其他福利	3,988*	50	-	-	-	-	-	-	-	4,038	
Contributions to retirement benefits schemes	退休福利計劃供款	12	-	-	-	-	-	-	-	-	12	
Share-based payment	股份付款	10,249	-	-	-	-	-	-	-	-	10,249	
Total emoluments	酬金總額	14,249	50	100	100	100	100	100	100	100	15,099	

截止二零零八年及二零零七年十二月三十一日止年度，概無董事放棄收取任何酬金。

* 劉鑾鴻先生與本公司全資附屬公司崇光(香港)百貨有限公司(「崇光香港」)訂有日期為二零零三年七月二十五日之僱傭協議(「僱傭協議」)，據此(其中包括)劉先生自二零零三年五月一日起獲崇光香港委任為總經理。根據僱傭協議，劉先生之月薪為200,000港元，並有權按崇光香港經營業績獲取酌情花紅。

for the year ended 31st December, 2008 截至二零零八年十二月三十一日止年度

13. Directors' and employees' remuneration (continued)

Of the five highest paid individuals of the Group for the year ended 31st December, 2008, one of them (2007: one) was a director of the Company whose remuneration is disclosed above. The remaining four (2007: four) are employees of the Group, details of whose remuneration were as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Employees:	僱員：		
Salaries, allowances and other benefits	薪金、津貼及其他福利	6,066	5,226
Retirement benefits scheme contributions	退休福利計劃供款	48	48
Performance related incentive payments	與表現掛鈎獎金	1,020	2,320
Share-based payment	股份付款	9,092	3,923
		16,226	11,517

The emolument of the remaining four were within the following bands:

其餘四名最高薪人士之薪酬介乎以下範圍：

		2008 二零零八年 Number of individuals 人數	2007 二零零七年 Number of individuals 人數
HK\$1,000,001 to HK\$1,500,000	1,000,001港元 至 1,500,000港元	-	-
HK\$1,500,001 to HK\$2,000,000	1,500,001港元 至 2,000,000港元	1	2
HK\$2,000,001 to HK\$2,500,000	2,000,001港元 至 2,500,000港元	-	-
HK\$2,500,001 to HK\$3,000,000	2,500,001港元 至 3,000,000港元	1	-
HK\$3,000,001 to HK\$3,500,000	3,000,001港元 至 3,500,000港元	-	1
Above HK\$3,500,000	3,500,000港元以上	2	1

During the year ended 31st December, 2008, no remuneration was paid by the Group to the director or the four highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office.

截至二零零八年十二月三十一日止年度，本集團並無向董事或四名最高薪僱員支付以吸引其加入本集團或作為加入本集團之獎金或離職補償。

14. Taxation

14. 稅項

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
The charge comprises:	支出包括下列項目：		
Hong Kong Profits Tax	香港利得稅	177,290	181,823
PRC Enterprise Income Tax	中國企業所得稅	41,992	2,856
(Over)underprovision in prior years:	過往年度(超額撥備)撥備不足：		
Hong Kong	香港	(4,837)	1,802
		214,445	186,481
Deferred tax charge (note 34)	遞延稅項支出(附註34)		
Current year	本年度	52,262	4,258
Attributable to a change on tax rate	稅率變動所引致遞延稅項	(1,216)	-
		265,491	190,739

On 26th June, 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 which reduced corporate profits tax rate from 17.5% to 16.5% effective from the year of assessment 2008/2009. Therefore, Hong Kong Profits Tax is calculated at 16.5% (2007: 17.5%) of the estimated assessable profit for the year.

於二零零八年六月二十六日，香港立法會通過《2008年收入條例草案》，由二零零八至二零零九年課稅年度開始將企業利得稅稅率由17.5%調低至16.5%。因此，本年度之估計應課稅溢利將按稅率16.5%（二零零七年：17.5%）計算香港利得稅。

On 16th March, 2007, the PRC promulgated the Law of the PRC on Enterprise Income Tax (the "New Law") by Order No. 63 of the President of the PRC. On 6th December, 2007, the State Council of the PRC issued Implementation Regulations of the New Law. Under the New Law and Implementation Regulation, the Enterprise Income Tax rate of the Group's subsidiaries in the PRC was reduced from 33% to 25% from 1st January, 2008 onwards.

於二零零七年三月十六日，中國根據中國國家主席令63號頒佈中國企業所得稅法（「新稅法」）。於二零零七年十二月六日，中國國務院發出新稅法之實施細則。根據新稅法之實施細則，本集團於中國之附屬公司之企業所得稅率自二零零八年一月一日起由33%調低至25%。

The charge for the year can be reconciled to the profit before taxation per consolidated income statement as follows:

本年度的稅項支出與綜合收益表之除稅前溢利對賬如下：

for the year ended 31st December, 2008 截至二零零八年十二月三十一日止年度

14. Taxation (continued)**14. 稅項**(續)

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Profit before taxation	除稅前溢利	1,324,637	1,241,953
Tax at Hong Kong Profits Tax rates	按香港利得稅稅率計算之稅項	218,565	217,342
Tax effect of share of profit of a jointly controlled entity	分佔一家共同控制實體溢利之稅務影響	(1,361)	(1,212)
Tax effect of share of losses of associates	分佔聯營公司虧損之稅務影響	265	-
Tax effect on non-taxable income	毋須課稅收入之稅務影響	(56,164)	(26,395)
Tax effect on non-deductible expenses	不可扣稅支出之稅務影響	28,747	12,654
Tax effect on utilisation of tax losses not previously recognised	動用先前未有確認稅項虧損之稅務影響	(1,659)	(14,113)
Tax losses not recognised	未確認稅項虧損	44,626	877
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營業務之附屬公司稅率不同之影響	19,102	1,304
(Over)underprovision in prior years	過往年度(超額撥備)撥備不足	(4,837)	1,802
Withholding tax	預扣稅	10,054	-
Others	其他	8,153	(1,520)
		265,491	190,739

15. Dividends**15. 股息**

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Dividend recognised as distributions during the year:	年內確認為分派之股息：		
Final dividend in cash for 2007, paid – HK cents 13.5 per share (2007: HK cents 10.5 paid for 2006)	二零零七年以現金派付之末期股息 – 每股13.5港仙 (二零零七年：派付二零零六年股息10.5港仙)	230,370	178,176
Interim dividend in cash for 2008, paid – HK cents 12.0 per share (2007: HK cents 10.5)	二零零八年以現金派付之中期股息 – 每股12.0港仙 (二零零七年：10.5港仙)	204,816	178,912
		435,186	357,088

Subsequent to the balance sheet date, final dividend of HK cents 12.0 (2007: HK cents 13.5) per share has been proposed by the directors which is subject to approval by the shareholders in the forthcoming general meeting.

結算日後，董事建議派付末期股息每股12.0港仙(二零零七年：13.5港仙)，須待股東於應屆股東大會批准。

The dividend per share in 2007 has been adjusted for the effect of the Company's share subdivision that took place during the year ended 31st December, 2007.

二零零七年每股股息已按於截至二零零七年十二月三十一日止年度進行本公司股份拆細之影響作出調整。

16. Earnings per share

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

16. 每股盈利

本公司普通股股東應佔每股基本及攤薄盈利乃按下列數據計算得出：

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Earnings	盈利		
Profit for the year attributable to equity holders of the Company for the purposes of basic and diluted earnings per share	就計算每股基本及攤薄盈利而言之本公司股東應佔本年度溢利	927,226	1,024,085
		'000	'000
		千股	千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purposes 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	1,700,712	1,700,439
Effect of dilutive potential ordinary shares issuable under the Company's share option scheme	本公司購股權計劃項下可予發行之潛在攤薄普通股之影響	7,211	11,627
Weighted average number of ordinary shares for the purposes of diluted earnings per share	就計算每股攤薄盈利而言之普通股加權平均數	1,707,923	1,712,066

17. Investment properties

17. 投資物業

HK\$'000
千港元

FAIR VALUE	公平值	
At 1st January, 2007	於二零零七年一月一日	30,948
Increase in fair value recognised in the income statement	於收益表確認之公平值增加	3,648
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	(14,976)
At 31st December, 2007	於二零零七年十二月三十一日	19,620
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	(21,000)
Acquired through acquisition of subsidiaries (Note 41)	收購附屬公司時購入(附註41)	182,103
Additions during the year	年內添置	4,061
Increase in fair value recognised in the income statement (Note)	於收益表確認之公平值增加(附註)	171,914
Exchange adjustments	匯兌調整	7,242
At 31st December, 2008	於二零零八年十二月三十一日	363,940

Note: The amount does not include the fair value change of HK\$4,116,000 on the investment property held by Kaiyuan Square before the Equity Interest Swap (Note 42).

附註：該金額並未包括在股權置換(附註42)前開元廣場所持投資物業產生之公平值變動4,116,000港元。

The carrying amount of investment properties shown above comprises:

上述投資物業之賬面值包括：

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Land in Hong Kong held under long lease	於香港根據長期租約持有之土地	19,620
Land in PRC held under medium lease	於中國根據中期租約持有之土地	-
	363,940	19,620

Fair value of the Group's investment properties situated in Hong Kong as at 31st December, 2007 were determined by the directors of the Company by reference to the then market prices for similar properties. These investment properties had been transferred to property, plant and equipment during 2008. No valuation has been performed by independent qualified professional valuers.

本集團位於香港之投資物業於二零零七年十二月三十一日之公平值乃由本公司董事經參考類似物業當時之市價後釐定。於二零零八年此等投資物業已轉撥至物業、廠房及設備。概無獨立合資格專業估值師就該等物業進行估值。

Fair value of the Group's investment properties situated in the PRC as at 31st December, 2008 has been arrived at based on a valuation carried out on that date by Shanghai Gooray & Henry Property Valuation Chartered Surveyors Co., Ltd. ("Gooray"), an independent qualified professional valuers not connected with the Group. Gooray is a member of the Royal Institution of Chartered Surveyors. The fair value is determined based on the Income Method by capitalising future rental income derived from the property interest at an appropriate market yield for the remaining term of the land use rights of the property. The valuation is made in accordance with the Practice Statements of the Royal Institution of Chartered Surveyors' Valuation Standards.

本集團位於中國之投資物業於二零零八年十二月三十一日之公平值乃根據獨立合資格專業估值師(其與本集團概無關連)上海國瑞量行房地產估價事務所有限公司(「國瑞」)於該日進行之估值達致。國瑞為英國皇家特許測量師公會之成員。公平值乃根據收入法，將物業權益在物業土地使用權之剩餘年期按適當市場回報率計算之未來租金收入資本化而釐定。估值乃遵照英國皇家特許測量師學會《估值準則》之應用條文進行。

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

本集團所有按經營租約持有、用作賺取租金或資本增值之物業權益，均按公平值模式計算，並分類及列為投資物業。

18. Property, plant and equipment

18. 物業、廠房及設備

		Leasehold land and buildings	Leasehold improvements	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Total
		租賃土地 及樓宇	租賃物業 裝修	廠房及機器	傢俬、 固定裝置 及設備	汽車	在建工程	總計
		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
COST	成本							
At 1st January, 2007	於二零零七年一月一日	2,476,259	658,055	163,023	78,325	1,332	-	3,376,994
Exchange adjustment	匯兌調整	-	22,255	1,979	921	-	16,730	41,885
Transferred from investment property	自投資物業轉撥	14,976	-	-	-	-	-	14,976
Acquired on acquisition of subsidiaries	收購附屬公司時購入	-	-	-	304	-	397,391	397,695
Additions	添置	-	38,943	369	3,774	3,325	68,093	114,504
Disposals/written off	出售/對銷	-	(2,490)	-	(2,883)	-	-	(5,373)
At 31st December, 2007	於二零零七年 十二月三十一日	2,491,235	716,763	165,371	80,441	4,657	482,214	3,940,681
Exchange adjustment	匯兌調整	9,366	19,585	2,590	1,471	135	26,318	59,465
Transferred from investment property	自投資物業轉撥	21,000	-	-	-	-	-	21,000
Acquired on acquisition of subsidiaries	收購附屬公司時購入	409,407	-	20,577	6,522	391	1,240	438,137
Additions	添置	63,284	12,648	446	11,907	3,783	711,106	803,174
Disposals/written off	出售/對銷	-	(635)	-	(339)	-	-	(974)
At 31st December, 2008	於二零零八年 十二月三十一日	2,994,292	748,361	188,984	100,002	8,966	1,220,878	5,261,483
DEPRECIATION	折舊							
At 1st January, 2007	於二零零七年一月一日	642,685	294,300	98,040	40,313	791	-	1,076,129
Exchange adjustment	匯兌調整	-	5,645	480	429	6	-	6,560
Provided for the year	年內折舊	46,418	66,365	11,270	9,743	376	-	134,172
Eliminated on disposals/ written off	出售攤銷/對銷	-	(2,482)	-	(1,282)	-	-	(3,764)
At 31st December, 2007	於二零零七年 十二月三十一日	689,103	363,828	109,790	49,203	1,173	-	1,213,097
Exchange adjustment	匯兌調整	1,663	5,898	815	911	56	-	9,343
Provided for the year	年內折舊	58,046	67,041	11,146	11,327	1,171	-	148,731
Eliminated on disposals/ written off	出售攤銷/對銷	-	(109)	-	(215)	-	-	(324)
At 31st December, 2008	於二零零八年 十二月三十一日	748,812	436,658	121,751	61,226	2,400	-	1,370,847
NET BOOK VALUES	賬面淨值							
At 31st December, 2008	於二零零八年 十二月三十一日	2,245,480	311,703	67,233	38,776	6,566	1,220,878	3,890,636
At 31st December, 2007	於二零零七年 十二月三十一日	1,802,132	352,935	55,581	31,238	3,484	482,214	2,727,584

18. Property, plant and equipment (continued)

Included in construction in progress is borrowing cost amounting to HK\$43,151,000 capitalised during the year (2007: HK\$15,640,000).

The above items of property, plant and equipment, other than construction in progress, are depreciated on a straight-line basis at the following rates per annum:

Leasehold land and buildings	Over the lease terms
Leasehold improvements	Over the shorter of the lease terms, or 20%
Plant and machinery	10%
Furniture, fixtures and equipment	20%
Motor vehicles	20%

18. 物業、廠房及設備 (續)

在建工程包括年內已撥充資本之借貸成本43,151,000港元(二零零七年：15,640,000港元)。

除在建工程外，上述物業、廠房及設備項目乃以直線法按下列年率計算折舊：

租賃土地及樓宇	按租約年期
租賃物業裝修	按租約年期或20% (以較短者為準)
廠房及機器	10%
傢俬、固定裝置及設備	20%
汽車	20%

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
The carrying amount of leasehold land and buildings comprises land and buildings:	租賃土地及樓宇賬面值 包括以下土地及樓宇：		
– long lease in Hong Kong	– 位於香港受長期租約管轄	494,241	481,940
– medium term lease in Hong Kong	– 位於香港受中期租約管轄	1,282,143	1,320,192
		1,776,384	1,802,132
– medium term lease outside Hong Kong	– 位於香港境外受中期租約管轄	469,096	–
		2,245,480	1,802,132

The Group has pledged certain leasehold land and buildings with net book values of approximately HK\$1,636 million (2007: HK\$1,680 million) to secure general banking facilities granted to the Group.

本集團已抵押賬面淨值約1,636,000,000港元(二零零七年：1,680,000,000港元)之若干租賃土地及樓宇，以獲取授予本集團之一般銀行信貸。

19. Prepaid lease payments

The Group's prepaid lease payments comprise:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Leasehold land outside Hong Kong Medium-term lease (Note)	位於香港境外之租賃土地 中期租約(附註)	1,313,632	–
Analysed for reporting purposes as:	就呈報目的分析為：		
Current portion	即期部份	7,074	–
Non-current portion	非即期部份	1,306,558	–
		1,313,632	–

Note: As at 31st December, 2008, the Group has not yet obtained the legal document in respect of the land use right in the PRC with carrying value of HK\$1,159,710,000. The Group is in the process of obtaining the land use right certificate.

附註：於二零零八年十二月三十一日，本集團尚未取得賬面值1,159,710,000港元位於中國之土地使用權之法定文件。本集團正辦理取得該土地使用証之手續。

20. Deposit paid for prepaid lease payments and acquisition for property, plant and equipment

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Deposit paid for:	就以下項目所支付按金：		
– prepaid lease payments (Note)	– 預付租賃款項(附註)	–	1,085,016
– acquisition of property, plant and equipment	– 收購物業、廠房及設備	12,496	–
		12,496	1,085,016

Note: The deposit paid represents amount paid to the relevant government authority for a medium term prepaid lease payments in relation to the Group's project in Shenyang, PRC and has been transferred to prepaid lease payment during the year.

附註：該已付按金是指為本集團在中國瀋陽之項目向有關政府機關支付之中期租約預付租賃付款之按金。年中該按金已轉撥作預付租賃款項列帳。

19. 預付租賃款項

本集團之預付租賃款項包括：

20. 預付租賃款項及收購物業、廠房及設備所支付按金

21. Interests in associates

21. 於聯營公司權益

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Unlisted, at cost	非上市，按成本	1,119,600	-
Share of post-acquisition profits and reserves	分佔收購後之溢利及儲備	4,205	-
		1,123,805	-

As at 31st December, 2008, the Group had interests in the following associates:

於二零零八年十二月三十一日，本集團於以下聯營公司擁有權益：

Name of entity	Form of business structure	Place/country of incorporation/registration	Principal place of operation	Proportion of nominal value of issued capital/registered capital held by the Group 本集團所持已發行股本/註冊股本面值比例 2008 二零零八年	Proportion of voting power held 所持投票權比例 2008 二零零八年	Principal activity
實體名稱	業務結構模式	註冊成立/註冊地點/國家	主要經營地點			主要業務
石家莊北國人百集團 有限責任公司 ("Beiren Group") (「北人集團」)	Incorporation 註冊成立	PRC 中國	PRC 中國	30% (Note 1) (附註1)	30%	Investment holding of a group of companies engaging in operation of department stores, supermarkets, electrical appliances malls and property leasing 從事百貨店、超市、電器用品商場及物業租賃業務之集團公司投資控股
河北北國開元廣場 有限責任公司 ("Kaiyuan Square") (「開元廣場」)	Incorporation 註冊成立	PRC 中國	PRC 中國	48% (Note 2) (附註2)	48%	Property holding and leasing 物業持有及租賃

Notes:

附註：

- The Group holds indirectly 30% equity interest in Beiren Group through a 60% owned subsidiary, 河北旭源貿易有限公司 (Hebei Xuyuan Trading Company Limited) ("Hebei Xuyuan").
- The Group holds indirectly 48% equity interest in Kaiyuan Square through a 60% owned subsidiary, Ample Sun Group Limited. At 31st December, 2008, Kaiyuan Square was also owned as to 51% by the Beiren Group.

- 本集團透過其擁有60%權益之附屬公司河北旭源貿易有限公司(「河北旭源」)間接持有北人集團30%股本權益。
- 本集團透過其擁有60%權益之附屬公司益良集團有限公司間接持有開元廣場48%股本權益。於二零零八年十二月三十一日，北人集團亦持有開元廣場51%股本權益。

21. Interests in associates (continued)

Summarised financial information in respect of the Group's associates is set out below:

		2008 二零零八年 HK\$'000 千港元
Total assets	資產總額	5,842,331
Total liabilities	負債總額	4,035,699
Net assets	資產淨值	1,806,632
Group's share of associates' net assets	本集團應佔聯營公司資產淨值	1,123,805
Revenue	收益	4,383,377
Losses for the year	本年度虧損	(7,213)
Group's share of losses of associates for the year	本集團應佔聯營公司本年度虧損	(1,605)

22. Interest in a jointly controlled entity

At 31st December, 2008 and 2007, the Group had interests in the following significant jointly controlled entity:

Name of entity	Form of business structure	Place of establishment/ operation	Proportion of nominal value of issued capital held by the Group 本集團所持已發行股本面值比例	Proportion of voting power held 所持投票權比例	Principal activity
實體名稱	業務結構模式	成立/ 經營地點			主要業務
上海九百城市廣場有限公司 (Shanghai Joinbuy City Plaza Co., Ltd.)	Sino-foreign equity joint venture 中外合資合營企業	People's Republic of China 中華人民共和國	50%	50%	Property holding and leasing 物業持有及租賃

Jointly controlled entity is accounted for using the equity method of accounting:

21. 於聯營公司權益 (續)

有關本集團聯營公司之財務資料概述如下：

22. 於一家共同控制實體權益

於二零零八年及二零零七年十二月三十一日，本集團於下列重要共同控制實體擁有權益：

共同控制實體按權益會計法入賬：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Cost of unlisted investments in a jointly controlled entity	一家共同控制實體非上市投資之成本	433,104	433,104
Share of post-acquisition profits	分佔收購後溢利	25,568	17,318
Share of post-acquisition reserves	分佔收購後儲備	29,882	18,516
		488,554	468,938

22. Interest in a jointly controlled entity (continued)

The summarised financial information related to the Group's interest in the jointly controlled entity is set out below:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Non-current assets	非流動資產	1,483,068	1,486,514
Current assets	流動資產	16,870	15,562
Current liabilities	流動負債	240,330	196,229
Non-current liabilities	非流動負債	282,500	367,970
Income	收入	174,468	154,780
Expenses	開支	157,970	140,929
Group's share of profit of the jointly controlled entity	本集團應佔共同控制實體溢利	8,250	6,926

22. 於一家共同控制實體權益 (續)

有關本集團於共同控制實體之權益之財務資料概述如下：

23. Available-for-sale investments

Available-for-sale investments comprise:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Unlisted investment at fair value	非上市投資，按公平值	28,175	31,918

23. 可供出售投資

可供出售投資包括：

Available-for-sale investments comprise an unlisted equity securities issued by a mutual fund company incorporated in Bermuda. The investment is denominated in USD and its fair value is based on price quoted by the counterparty financial institution. During the year, an impairment loss of HK\$3,538,000 (2007: HK\$7,472,000) has been recognised in the consolidated income statement.

可供出售投資包括由一家於百慕達註冊成立之互惠基金公司所發行非上市股本證券之投資。該投資以美元為單位，其公平值按由交易方金融機構所提供之價格計算。年內，3,538,000港元(二零零七年：7,472,000港元)之減值虧損已於綜合收益表確認。

24. Financial assets designated at fair value through profit or loss

Financial assets designated at fair value through profit or loss comprises:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Index-linked notes (Note)	與指數掛鈎票據(附註)	342,412	154,285
Equity-linked note	與權益掛鈎票據	–	36,531
		342,412	190,816
Less: Amounts due within one year shown under current liabilities	減：列入流動負債於一年內到期之款項	–	(36,531)
Amounts due after one year	一年後到期之款項	342,412	154,285

Note: The index-linked notes are denominated in USD with principal amount of USD45,000,000 (31st December, 2007: USD20,000,000). The obligations of interest accrual depends on the difference between the USD 10-Year Constant Maturity Swap (“CMS”) Rate and the USD 30-Year CMS Rate. The issuer has options to redeem the notes before maturity or at maturity, settled at the principal amount plus any accrued and unpaid interest. Accrued interests are paid at fixed intervals on a quarterly basis. The index-linked notes are designated as financial assets at fair value through profit or loss upon initial recognition as they contain one or more embedded derivatives.

The maturity dates of the index-linked notes outstanding as at 31st December, 2008 are June 2017 and February 2018 respectively. The maturity date of those outstanding as at 31st December, 2007 was June 2017 and was therefore classified as non-current.

On 5th February, 2009, one of the index-linked note with principal amount of USD25,000,000 was early terminated, resulting in a realised loss of approximately USD225,000 (equivalent to approximately HK\$1,755,000) for the year ending 31 December 2009 (note 47(ii)).

24. 指定按公平值計入損益之金融資產

指定按公平值計入損益之金融資產包括：

附註：本金額為45,000,000美元(二零零七年十二月三十一日：20,000,000美元)之與指數掛鈎票據乃以美元結算，並按十年期美元固定期限交換(「固定期限交換」)利率與三十年期美元固定期限交換利率之差額釐定累計利息。發行人有權於到期時或之前，以本金額加任何累計及未付利息贖回有關票據。累計利息按固定季度期間支付。由於與指數掛鈎票據包含一種或多種附帶衍生工具，故其於初步確認時獲指定為按公平值計入損益之金融資產。

於二零零八年十二月三十一日尚未行使之與指數掛鈎票據將分別於二零一七年六月及二零一八年二月到期，而於二零零七年十二月三十一日尚未行使之與指數掛鈎票據之到期日將為二零一七年六月，故分類為非流動。

於二零零九年二月五日，其中一份本金額25,000,000美元之與指數掛鈎票據提早終止並產生截至二零零九年十二月三十一日止年度約225,000美元(相當於約1,755,000港元)之虧損(附註47(ii))。

25. Loans receivable

Loans receivable comprises:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Non-current assets	非流動資產		
Loan extended in relation to a project in Shenyang (Note a)	就瀋陽項目提供之貸款 (附註a)	–	167,718
Loan to EganaGoldpfeil (Holdings) Limited ("Egana") (Note b)	向聯洲國際集團有限公司(「聯洲國際」) 提供之貸款(附註b)	–	300,000
		–	467,718
Current asset	流動資產		
Loan extended in relation to a project in Shenyang (Note a)	就瀋陽項目提供之貸款 (附註a)	238,718	–
Loan to Egana (Note b)	向聯洲國際提供之貸款(附註b)	20,000	–
Other loan receivable (Note c)	其他應收貸款(附註c)	–	2,000
		258,718	2,000
Total	總計	258,718	469,718

25. 應收貸款

應收貸款包括：

for the year ended 31st December, 2008 截至二零零八年十二月三十一日止年度

25. Loans receivable (continued)

Notes:

- (a) The loan represents the amount drawn down and remained outstanding as at 31st December, 2008 from the HK\$250.0 million facility the Company granted to a third party group of companies ("Borrower Group") who is in the process of taking over a retail property project in the PRC. The loan is secured by the shares in certain companies of the Borrower Group and guaranteed by a third party individual. The loan bears interest at the Hong Kong prime rate and is repayable after 18 months from the loan agreement date on 6th November, 2006. In connection with this loan facility, a fellow subsidiary of the Company was granted an option from this Borrower Group to acquire certain interests in the retail property project which the Borrower Group is contemplating. The repayment date of the loan was extended to 31st May, 2009 according to supplemental agreement entered into between the borrower and the Company on 28th February, 2009. As at 31st December, 2008, the fair value of the option is not material.
- (b) On 24th September, 2007, the Group granted a bridging loan of HK\$300 million (the "Bridging Loan") to Egana (together with its subsidiaries the "Egana Group") in connection with the Group's participation in the financial restructuring of Egana ("Proposed Restructuring"). The Bridging Loan bears interest at 2% above the Hong Kong prime rate offered by The Hong Kong and Shanghai Banking Corporation and is secured by a charge over all equity interests in a wholly-owned subsidiary of Egana that owns a brand (the "Brand"), a charge over certain office premises of Egana in Hong Kong and a charge over 434,345,736 shares of HK\$1.00 each in the capital of Egana (the "Pledged Shares"), representing approximately 29.67% of the issued share capital held by the major shareholder of Egana.

The Group's intended participation in the financial restructuring of Egana is to pursue, as part of the Group's business strategy, the branded goods retail and distribution business through taking a controlling interest in Egana. According to the latest published unaudited financial statements of Egana, before any debt and business restructuring, the Egana Group had as at 30th November, 2007, total assets amounting to approximately HK\$4.3 billion, net deficit of approximately HK\$1 billion and was indebted to a group of bank creditors (the "Bank Group") of approximately HK\$3.6 billion.

Pursuant to the conditional debt restructuring agreement which took effect on 26th May, 2008 entered among the Company, Egana and the Bank Group (the "DRA"), subject to certain conditions, the Group has agreed to inject into Egana an aggregate of approximately HK\$1.2 billion as new capital (by way of subscription of new shares and convertible bonds issued by the Egana Group) that may result in the Group becoming the controlling shareholder of Egana, and the Bank Group has agreed the waiver of debts to reduce the indebtedness to approximately HK\$2.0 billion. The proposed capital injection by the Group and waiver of debts by the Bank Group will improve the financial position of the Egana Group from net deficit to net assets upon the Proposed Restructuring becoming effective.

A circular dated 30th June, 2008 in relation to, among other things, the entering into of the conditional DRA as contemplated under the Proposed Restructuring has been issued by the Company. As stated in the Company's announcement dated 29th July, 2008, the extraordinary general meeting (the "EGM") convened and held on 29th July, 2008 by the Company to approve the form and substance of the proposed subscription agreements for the issuing of new shares and convertible bonds of Egana to the Group (the "Subscription Agreements") was adjourned until further notice of the Company as the Company required further time to clarify with Egana the issues as mentioned in the announcement of the Company dated 22nd July, 2008 ("Matters").

25. 應收貸款(續)

附註：

- (a) 有關貸款指本公司授予第三方公司集團(「借方集團」)250,000,000港元信貸中已提取而於二零零八年十二月三十一日尚未償還之金額。借方集團目前正收購中國一個零售物業項目。有關貸款獲借方集團以旗下若干公司之股份抵押，並由第三方個別人士擔保。有關貸款以香港最優惠利率計息，並須於貸款協議日期二零零六年十一月六日起計18個月後償還。根據此項信貸，本公司一家同系附屬公司獲借方集團授予認購權購入借方集團擬進行之零售物業項目若干權益。根據借方與本公司於二零零九年二月二十八日訂立之補充協議，有關貸款之償還日期押後至二零零九年五月三十一日。於二零零八年十二月三十一日，有關認購權之公平值並不重大。
- (b) 於二零零七年九月二十四日，本集團就本集團參與聯洲國際財務重組(「建議重組」)向聯洲國際授出過渡貸款300,000,000港元(「過渡貸款」)。過渡貸款以香港上海滙豐銀行提供之香港最優惠利率加2厘計息，並以聯洲國際擁有一個品牌(「該品牌」)之一家全資附屬公司的全部股本權益、聯洲國際集團在香港之若干辦公室物業以及聯洲國際股本中434,345,736股每股面值1.00港元之股份(「已抵押股份」)(即聯洲國際主要股東所持佔已發行股本約29.67%之股份)作為抵押。

本集團擬參與聯洲國際財務重組，作為本集團業務策略其中一環，目的為透過獲得聯洲國際之控股權益，涉足名牌貨品零售及分銷業務。根據聯洲國際最近期刊發之未經審核財務報表，在未計及任何債項及業務重組前，聯洲國際集團於二零零七年十一月三十日之資產總值約為4,300,000,000港元，虧絀淨額約為1,000,000,000港元，並結欠債權銀行(「銀行集團」)約3,600,000,000港元。

根據本公司、聯洲國際與銀行集團所訂立於二零零八年五月二十六日生效之有條件債項重組協議(「債項重組協議」)，在若干條件規限下，本集團同意以認購聯洲國際集團所發行新股份及可換股債券之方式，向聯洲國際合共注資約1,200,000,000港元，作為新資本，此舉或會使本集團成為聯洲國際之控股股東，而銀行集團同意，將債項減免至約2,000,000,000港元。本集團建議注資及銀行集團免除債項，將使聯洲國際集團於建議重組生效後之財務狀況得以改善，由錄得虧絀淨額轉為具資產淨值。

本公司已刊發日期為二零零八年六月三十日之通函，內容關於(其中包括)訂立根據建議重組所擬定之有條件債項重組協議。誠如本公司日期為二零零八年七月二十九日之公佈所述，由於本公司需額外時間與聯洲國際釐清有關本公司日期為二零零八年七月二十二日之公佈所述事宜(「有關事宜」)，故本公司就批准有關向本集團發行聯洲國際新股份及可換股債券之建議認購協議(「認購協議」)之形式及內容而於二零零八年七月二十九日召開及舉行之股東特別大會(「股東特別大會」)已延期，直至本公司另行通知。

25. Loans receivable (continued)

Notes: (continued)

(b) (continued)

On 26th September, 2008, the conditional DRA ceased to have effect and the Bridging Loan became matured and no full repayment of the Bridging Loan was made by Egana. On 28th October, 2008, the Group filed a writ of summons to the High Court of the Hong Kong Special Administrative Region to demand Egana for repayment of the Bridging Loan.

Egana subsequently made partial repayment of the principle amount in the sum of HK\$3,385,000 to the Group and as a result the outstanding principle amount of the Bridging Loan was reduced to HK\$296,615,000 (the "Remaining Loan"). On 31st October, 2008, the Group served a statutory demand on Egana to require repayment of the Remaining Loan plus interest within 21 days failing which the Group may proceed under the provisions of the Companies Ordinance to taking further legal actions against Egana.

In view of the latest development, the directors of the Company considered that the likelihood of full recovery of the Remaining Loan is remote and that a provision for impairment of the Remaining Loan is required in the financial statements for the year ended 31st December, 2008. At 31st December, 2008, the recoverable amount of the Remaining Loan is ascertained to be the net realisable value of the pledged office premises which was estimated to be HK\$20,000,000. In the opinion of directors, other pledged assets are likely to have minimal value to the Group. Thus, the shortfall of the Remaining Loan after the estimated net realisable value of pledged office premises was impaired as at 31st December, 2008. During the year ended 31st December, 2008, the Group made the provision of HK\$276,615,000 as the impairment loss for loans receivable from Egana.

(c) The amount represents a loan advanced to a third party. It is secured, bears interest at 5.5% per annum and is fully settled in 2008.

26. Inventories

Merchandise held for resale

持有作轉售商品

62,582

60,309

25. 應收貸款(續)

附註：(續)

(b) (續)

於二零零八年九月二十六日，該有條件債項重組協議不再有效，過渡貸款於因而到期，而聯洲國際未有清還過渡貸款。在二零零八年十月二十八日，本集團在香港特別行政區高等法院備存一份傳訊令狀以追討聯洲國際償還過渡貸款。

其後，聯洲國際向本集團償還部份本金為數3,385,000港元，因此，過渡貸款之未償還本金額減至296,615,000港元(「剩餘貸款」)。在二零零八年十月三十一日，本集團送呈一份法定要求償債書予聯洲國際，要求彼在21天內償還剩餘貸款加利息。否則，本集團可進而根據公司條例條文對聯洲國際採取其他法律行動。

有鑑於最近期發展，本公司董事認為全數追回剩餘貸款的可能性甚低，故須在截至二零零八年十二月三十一日止年度的財務報表中就剩餘貸款作減值撥備。在二零零八年十二月三十一日，剩餘貸款的可追回數額乃確認為已抵押辦公室物業之可變現淨值，估計為20,000,000港元。董事認為，對本集團而言，其他已抵押資產之價值極低。因此，剩餘貸款減去已抵押辦公室物業之估計可變現淨值後之短欠數額在二零零八年十二月三十一日出現減值。在截至二零零八年十二月三十一日止年度，本集團已就聯洲國際之應收貸款作出276,615,000港元減值虧損撥備。

(c) 有關款額指墊付予第三方之貸款。貸款為有抵押、按5.5厘之年利率計息，已於二零零八年清還。

26. 存貨

2008	2007
二零零八年	二零零七年
HK\$'000	HK\$'000
千港元	千港元

Merchandise held for resale

持有作轉售商品

62,582

60,309

27. Trade and other receivables**27. 應收賬款及其他應收款項**

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Trade receivables	應收賬款	56,837	68,874
Less: Allowance for doubtful debts	減：呆賬撥備	(2,852)	(2,799)
		53,985	66,075
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	88,042	115,395
Total trade and other receivables	應收賬款及其他應收款項總額	142,027	181,470

The Group's retail sales to customers are mainly on cash basis, either in cash, debit card or credit card payments. The Group does not have a defined fixed credit policy as its major trade receivables arise from credit card sales. An aged analysis of the Group's trade receivables as at the balance sheet date is as follows:

本集團向顧客作出的零售銷售主要以現金進行，可以現金、記賬卡或信用卡付款。由於本集團主要應收賬款來自信用卡銷售，故並無既定信貸政策。本集團於結算日的應收賬款賬齡分析如下：

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
0-30 days	0日至30日	42,470	62,649
31-60 days	31日至60日	10,559	1,806
61-90 days	61日至90日	672	428
Over 90 days	超過90日	284	1,192
		53,985	66,075

Included in the Group's trade receivable balance are debtors with aggregate carrying amount of HK\$956,000 (2007: HK\$1,620,000) which are past due at the reporting date for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances. The average age of these receivables is 90 days (2007: 90 days).

本集團應收賬款結餘包括賬面總值956,000港元(二零零七年：1,620,000港元)之應收款，該等應收款於申報日期逾期尚未收回，而本集團未曾作出減值撥備。本集團並無就該等結餘持有任何抵押品。該等應收款項之平均賬齡為90日(二零零七年：90日)。

27. Trade and other receivables (continued)

Ageing of trade receivables which are past due but not impaired

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
61-90 days	61日至90日	672	428
Over 90 days	超過90日	284	1,192
		956	1,620

The Group has not provided fully for all receivables over 90 days because historical experience is such that receivables are recoverable from the relevant debtors.

Movement in the allowance for doubtful debts

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	2,799	4,180
Written off as uncollectible	壞賬撇銷	(515)	-
Impairment losses provided (reversed)	減值虧損撥備(撥回)	568	(1,381)
Balance at end of the year	年終結餘	2,852	2,799

28. Amount due from a jointly controlled entity

The amount is unsecured, interest-free and repayable on demand.

29. Held for trading investments

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Unlisted debt securities at fair value	非上市債務證券，按公平值	68,447	-

The fair value of held for trading investments is determined based on the quoted market prices provided by financial institution.

27. 應收賬款及其他應收款項(續)

逾期但未減值之應收賬款的賬齡如下

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
61-90 days	672	428
Over 90 days	284	1,192
	956	1,620

本集團並未就所有超過90日的應收款作全數撥備，原因為根據過往經驗，集團可從有關債務人收回該等應收款。

呆賬撥備變動

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Balance at beginning of the year	2,799	4,180
Written off as uncollectible	(515)	-
Impairment losses provided (reversed)	568	(1,381)
Balance at end of the year	2,852	2,799

28. 應收一家共同控制實體款項

有關款項為無抵押、免息及須應要求償還。

29. 持作買賣投資

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Unlisted debt securities at fair value	68,447	-

持作買賣投資之公平值乃根據金融機構所報之市價釐定。

30. Bank balances and cash

At the balance sheet dates, bank balances and cash comprised mainly short-term deposits which carry interest at prevailing market rates.

Included in bank balances and cash are the following amounts denominated in currency other than functional currency of the relevant group entities:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
United States Dollar	美元	194,693	826,686

31. Disposal group classified as held for sale

The assets and liabilities attributable to a subsidiary, Kaiyuan Square, which was sold and became an associate during the period as described in note 42, were classified as assets of disposal group classified as held for sale and liabilities associated with assets classified as liabilities of disposal group classified as held for sale as at 31st December, 2007. The carrying amounts of the major assets and liabilities as at 31st December, 2007, which have been presented separately in the consolidated balance sheet, are as follows:

		2007 二零零七年 HK\$'000 千港元
Investment properties	投資物業	1,538,938
Trade and other receivables	應收賬款及其他應收款項	1,953
Bank balances and cash	銀行結存及現金	6,568
Assets classified as held for sale	分類為持作出售資產	1,547,459
Trade and other payables	應付賬款及其他應付款項	(615,773)
Liabilities of associated with assets classified as held for sale	與分類為持作出售資產有關之負債	(615,773)
Net assets classified as held for sale	分類為持作出售之資產淨值	931,686

30. 銀行結存及現金

於結算日，銀行結存及現金主要包括按現行市場利率計息的短期存款。

銀行結餘及現金包括下列以相關集團實體的功能貨幣以外貨幣計算的款項：

31. 分類為持作出售之出售集團

按附註42所述，附屬公司開元廣場於期內已出售並成為聯營公司，在二零零七年十二月三十一日，其應佔資產及負債已分類為持作出售之出售集團資產及與分類為持作出售之出售集團負債之資產相關之負債。在二零零七年十二月三十一日，於綜合資產負債表獨立呈列之主要資產及負債賬面值如下：

32. Trade and other payables

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Trade payables	應付賬款	217,871	220,306
Concessionaire sales payable	應付特許專櫃銷售款項	668,387	635,571
Other payables, deposits and accrued charges	其他應付款項、按金及應計費用	562,054	556,081
		1,448,312	1,411,958

An aged analysis of the Group's trade payables at the balance sheet dates is as follows:

本集團於結算日的應付賬款賬齡分析如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
0-30 days	0日至30日	187,866	181,448
31-60 days	31日至60日	26,992	27,075
61-90 days	61日至90日	527	7,767
Over 90 days	超過90日	2,486	4,016
		217,871	220,306

The average credit period of trade payables and concessionaire sales payable is within 45 days. The Group has financial risk management policies in place to ensure that all payables are paid 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。

33. Bank borrowings**33. 銀行借貸**

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Bank borrowings comprised bank loans and analysed as:	銀行借貸由銀行貸款組成，並按以下分析：		
Secured	有抵押	2,939,000	3,006,810
Unsecured	無抵押	79,100	-
		3,018,100	3,006,810

Carrying amount repayable:

應償還賬面值：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
On demand or within one year	應要求或一年內償還	592,100	406,810
More than one year, but not exceeding two years	一年後但不超過兩年	500,000	400,000
More than two years, but not exceeding three years	兩年後但不超過三年	1,745,200	500,000
More than three years, but not exceeding four years	三年後但不超過四年	56,500	1,700,000
More than four years, but not exceeding five years	四年後但不超過五年	56,500	-
Over five years	超過五年	67,800	-
		3,018,100	3,006,810
Less: Amounts due within one year shown under current liabilities	減：列入流動負債於一年內到期之款項	(592,100)	(406,810)
Amount due after one year	一年後到期之款項	2,426,000	2,600,000

Floating-rate borrowings comprise:

浮息借貸包括：

		Carrying amount 賬面值	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
HKD bank loan at HIBOR + 0.29% p.a. ⁽¹⁾	港元銀行貸款，按香港銀行同業拆息加年息0.29厘計息 ⁽¹⁾	2,600,000	2,900,000
Other RMB bank loans ⁽²⁾	其他人民幣銀行貸款 ⁽²⁾	418,100	106,810
Total borrowings	借貸總額	3,018,100	3,006,810

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

(1) 須於三年內償還，而利率每隔一至三個月重新定價。

(2) Repayable in six years (2007: one year) and the loans carry interest with reference to benchmark loan rates of financial institutions set by The People's Bank of China.

(2) 須於六年(二零零七年：一年)內償還，而有關貸款之利息以參考中國人民銀行制定之金融機構基準貸款利率為基準。

33. Bank borrowings (continued)

The ranges of effective interest rates of the borrowings are also equal to contracted interest rates.

At the balance sheet date, the Group has undrawn borrowing facilities with floating rate expiring within 3 years amounting to approximately HK\$1,281 million (2007: HK\$1,000 million) as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Floating rate	浮息		
– expiring within one year	– 一年內到期	281,370	–
– expiring beyond one year	– 一年後到期	1,000,000	1,000,000
		1,281,370	1,000,000

34. Deferred taxation

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Analysis:	分析：		
Deferred tax liabilities	遞延稅項負債	73,144	26,883
Deferred tax assets	遞延稅項資產	(1,855)	(5,611)
Net position	淨額	71,289	21,272

33. 銀行借貸(續)

實際利率幅度亦與訂約利率相同。

於結算日，本集團於三年內到期之浮息未提取銀行融資額度約為1,281,000,000港元(二零零七年：1,000,000,000港元)如下：

34. 遞延稅項

34. Deferred taxation (continued)

The following are the major deferred tax liabilities and assets recognised and movements thereon during the current and prior years:

34. 遞延稅項 (續)

以下為本集團確認之主要遞延稅項負債及資產以及於本年度及過往年度的變動：

		Property, plant and equipment/ investment properties 物業、廠房 及設備/ 投資物業 HK\$'000 千港元	Interest in subsidiaries and associates 放附屬公司及 聯營公司 之權益 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Available- for-sale investments 可供出售 投資 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1st January, 2007	於二零零七年一月一日	27,153	-	(10,139)	7,658	24,672
(Credit) charge to consolidated income for the year	(計入)扣除自該年度 綜合收入	(270)	-	4,528	-	4,258
Credit to equity for the year	計入該年度權益	-	-	-	(7,658)	(7,658)
At 31st December, 2007	於二零零七年十二月三十一日	26,883	-	(5,611)	-	21,272
Disposal of subsidiary	出售附屬公司	(1,029)	-	-	-	(1,029)
Charge to consolidated income for the year (Note 14)	扣除自本年度 綜合收入(附註14)	38,772	10,054	3,436	-	52,262
Effect of change in tax rate	稅率變動之影響	(1,536)	-	320	-	(1,216)
At 31st December, 2008	於二零零八年十二月三十一日	63,090	10,054	(1,855)	-	71,289

At the balance sheet date, the Group has unused tax losses of approximately HK\$322.4 million (2007: HK\$50.7 million) available for offset against future profits. A deferred tax asset has been recognised in respect of approximately HK\$11.2 million (2007: HK\$32.1 million) of such losses. No deferred tax asset has been recognised in respect of the remaining HK\$311.2 million (2007: HK\$18.6 million) due to unpredictability of future profit streams. At 31st December, 2008, all tax losses may be carried forward indefinitely.

於結算日，本集團有未動用稅項虧損約322,400,000港元(二零零七年：50,700,000港元)可用作抵銷日後溢利，並已就該等虧損中約11,200,000港元(二零零七年：32,100,000港元)確認遞延稅項資產。由於日後溢利來源難以預測，故此並無就餘下311,200,000港元(二零零七年：18,600,000港元)確認遞延稅項資產。於二零零八年十二月三十一日，所有稅項虧損均可無限期結轉。

35. Derivative instrument**35. 衍生工具**

		Non-current 非即期	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Derivative instrument include swap derivatives not under hedge accounting	衍生工具，包括並無根據對沖 會計法入賬之掉期衍生工具	-	1,002

35. Derivative instrument (continued)

Major terms of the swap derivatives as at 31st December, 2007 are as follows:

Notional amount 面值	Maturity date 到期日
(1) USD20,000,000 20,000,000美元	29/06/2015 二零一五年六月二十九日
(2) USD30,000,000 30,000,000美元	13/02/2018 二零一八年二月十三日

* USD LIBOR BBA represents USD London Inter-bank Offered Rate ("LIBOR") which is fixed on a daily basis by the British Bankers' Association ("BBA").

During the year, the Group settled all of the swap derivatives contracts and a fair value loss of HK\$6,000 (2007: HK\$1,002,000) has been recognised in consolidated income statement.

36. Other payable

The non-current other payable represents part of the purchase consideration payable for the acquisition of an investment property, the deferred payment of which is to meet with a guaranteed investment income for a 54 month – period from 31st October, 2007. The directors consider that the ultimate payment is probable and recognised the payable accordingly.

37. Loan from a minority shareholder of a subsidiary

The amount is unsecured, interest free and repayable after one year.

35. 衍生工具(續)

於二零零七年十二月三十一日之掉期衍生工具之主要條款如下：

Swaps 掉期

Group pays interest at 3-month USD LIBOR BBA* while receives interest calculated on daily basis at 3-month USD LIBOR BBA plus 1.35% when USD LIBOR is within 0% and 7.1% (inclusive)
本集團按三個月英國銀行協會美元倫敦銀行同業拆息率*支付利息，而當美元倫敦銀行同業拆息率介乎0厘至7.1厘範圍（包括首尾兩數值）時，收取按三個月英國銀行協會美元倫敦銀行同業拆息率加1.35厘每日計算之利息

Group pays interest calculated on daily basis at 3-month USD LIBOR BBA while receives interest at fixed rate of 6.5% when USD LIBOR is within 0% and 7% (inclusive)
本集團支付按三個月英國銀行協會美元倫敦銀行同業拆息率每日計算之利息，而當美元倫敦銀行同業拆息率介乎0厘至7厘範圍（包括首尾兩值）時，收取按6.5厘固定息率計算之利息

* 英國銀行協會美元倫敦銀行同業拆息率指由英國銀行協會每日釐定之美元倫敦銀行同業拆息率。

年內本集團已解除所有掉期衍生工具合約並於綜合收益表確認公平值虧損6,000港元（二零零七年：1,002,000港元）。

36. 其他應付款項

非流動其他應付款項指收購一項投資物業之部分購買代價，將以於一項由二零零七年十月三十一日起為期54個月之保證投資收入遞延支付。董事認為最終付款之可能性甚大，因此已確認應付款項。

37. 來自一家附屬公司一名少數股東之貸款

有關款項為無抵押、免息及須於一年後償還。

38. Share capital of the Company

Details of the changes in the Company's share capital during the year ended 31st December, 2008 are as follows:

38. 本公司股本

截至二零零八年十二月三十一日止年度，本公司之股本變動詳情如下：

		Number of shares 股份數目	Amount 款項 HK\$'000 千港元
Authorised:	法定：		
Ordinary shares of HK\$0.01 each as at 31st December, 2006	於二零零六年十二月三十一日 每股面值0.01港元之普通股	2,000,000,000	20,000
Subdivision into shares of HK\$0.005 each (Note a)	拆細至每股面值0.005港元之 股份(附註a)	2,000,000,000	-
Ordinary shares of HK\$0.005 each as at 31st December, 2007 and 31st December, 2008	於二零零七年十二月三十一日及 二零零八年十二月三十一日 每股面值0.005港元之普通股	4,000,000,000	20,000
Issued and fully paid:	已發行及繳足：		
At 1st January, 2007 – ordinary shares of HK\$0.01 each	於二零零七年一月一日 – 每股面值0.01港元之普通股	847,968,000	8,480
Exercise of share options – ordinary shares of HK\$0.01 each	行使購股權 – 每股面值0.01港元 之普通股	4,217,000	42
Subdivision of shares of HK\$0.01 to HK\$0.005 each (Note a)	每股面值0.01港元拆細至0.005港元之 股份(附註a)	852,185,000	-
Exercise of share options – ordinary shares of HK\$0.005 each	行使購股權 – 每股面值0.005港元 之普通股	713,000	3
At 31st December, 2007	於二零零七年十二月三十一日	1,705,083,000	8,525
Exercise of share options (Note b)	行使購股權(附註b)	2,076,000	11
Shares repurchased (Note c)	購回之股份(附註c)	(33,193,500)	(166)
At 31st December, 2008	於二零零八年十二月三十一日	1,673,965,500	8,370

Notes:

附註：

- (a) On 27th September, 2007, the Company subdivided each of the existing issued and unissued shares of HK\$0.01 each in the share capital of the Company into two shares of HK\$0.005 each. The share subdivision was intended to improve the liquidity in the trading of the shares of the Company and widen the Company's shareholder base.
- (b) During the year, 2,076,000 shares of HK\$0.005 each were issued at HK\$6.16 per share upon exercise of the 2005 share option (as defined under note 39) of the Company by share option holders and all these shares rank pari passu with other ordinary shares of the Company in all respects.

- (a) 於二零零七年九月二十七日，本公司將股本中每股面值0.01港元之現有已發行及未發行股份拆細為兩股每股面值0.005港元之股份。股份拆細旨在提高本公司股份交易之流通性及擴闊本公司之股東基礎。
- (b) 年內，本公司於購股權持有人行使二零零五年購股權(定義見附註39)時按每股6.16港元發行2,076,000股每股面值0.005港元之股份，該等股份於各方面均與本公司其他普通股享有同等權益。

38. Share capital of the Company (continued)

Notes: (continued)

- (c) During the year, the Company repurchased its own shares on the Stock Exchange as follows:

Month of repurchased 購回月份		Number of ordinary shares HK\$0.005 each in thousand 每股面值0.005港元 之普通股數目 千位數	Price per share 每股價格		Aggregate consideration paid 所支付總代價 HK\$'000 港元
			Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
September 2008	二零零八年九月	4,467	9.50	7.81	37,629
October 2008	二零零八年十月	16,994	8.68	4.15	102,999
November 2008	二零零八年十一月	9,480	4.95	3.96	42,556
December 2008	二零零八年十二月	2,253	6.03	5.48	13,252
		33,194	N/A	N/A	196,436

Note: The above shares were repurchased and cancelled during the year.

None of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

39. Share-based payment transactions

The Company's share option scheme (the "Scheme") was adopted for a period of 10 years commencing 27th March, 2004. Under the Scheme, the Company may grant options to selected full-time employees and directors of the Company and its subsidiaries, to subscribe for shares in the Company. Additionally, the Company may, from time to time, grant share options to eligible advisors and consultants to the Company and its subsidiaries at the discretion of the Board of Directors.

The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point of time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to substantial shareholders, independent non-executive directors, or any of their respective associates (including a discretionary trust whose discretionary objects include a substantial shareholder or an independent non-executive director or any of their respective associates) in excess of 0.1% of the Company's share capital or with a value in excess of HK\$5,000,000 must be approved by the Company's shareholders.

38. 本公司股本(續)

附註：(續)

- (c) 於本年內，本公司於聯交所購回自身股份之詳情如下：

附註：以上股份乃本年內購回及註銷。

本公司之附屬公司於本年內並無購買、出售或贖回本公司任何上市證券。

39. 股份付款交易

本公司已採納由二零零四年三月二十七日起為期十年之購股權計劃(「該計劃」)。根據該計劃，本公司可向本公司及其附屬公司經甄選之全職僱員及董事授出購股權，以認購本公司股份。此外，本公司可不時按董事局酌情權向本公司及其附屬公司之合資格顧問及諮詢顧問授出購股權。

如未經本公司股東事先批准，根據該計劃可授出購股權所涉及股份總數，不得超過本公司於任何時間已發行股份10%。如未經本公司股東事先批准，於任何一年，就任何個別人士所獲授及可獲授之購股權已發行及將發行之股份數目，不得超過本公司於任何時間已發行股份1%。授予主要股東、獨立非執行董事或任何彼等各自之聯繫人(包括全權信託，而有關全權受益人包括主要股東或獨立非執行董事或任何彼等各自之聯繫人)超過本公司股本0.1%或價值超過5,000,000港元之購股權，亦必須經本公司股東批准。

39. Share-based payment transactions (continued)

Option granted must be taken up within the time limit specified in the offer letter (which shall not be later than 5 days from the date of offer), upon payment of HK\$1 per option. Options may be exercised at any time during a period commencing on or after the date on which the option is accepted and deemed to be granted and expiring on a date to be notified by the Board to each grantee which shall not be more than 10 years from the date on which the option is accepted and deemed to be granted. The exercise price is determined by the directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

Details of specific categories of options are as follows:

Option type 購股權種類	Date of grant 授出日期	Vesting period 歸屬期	Exercise period 行使期	Exercise price	Adjusted exercise price
				行使價	經調整行使價
				HK\$ 港元	HK\$ 港元
2005	7.10.2005	7.10.2005 – 7.10.2008	7.10.2006 – 26.3.2014	12.32	6.16 (Note 1)
二零零五年	二零零五年 十月七日	二零零五年十月七日至 二零零八年十月七日	二零零六年十月七日至 二零一四年三月二十六日	12.32	6.16(附註1)
2006	16.3.2006	16.3.2006 – 16.3.2009	16.3.2007 – 26.3.2014	12.74	6.37 (Note 1)
二零零六年	二零零六年 三月十六日	二零零六年三月十六日至 二零零九年三月十六日	二零零七年三月十六日至 二零一四年三月二十六日	12.74	6.37(附註1)
2007A (note 3)	31.8.2007	31.8.2007 – 1.10.2011	1.10.2009 – 26.3.2014	37	18.50 (Note 1)
二零零七年甲 (附註3)	二零零七年 八月三十一日	二零零七年八月三十一日至 二零一一年十月一日	二零零九年十月一日至 二零一四年三月二十六日	37	18.50(附註1)
2007B (note 3)	31.8.2007	31.8.2007 – 1.10.2010	1.10.2008 – 26.3.2014	37	18.50 (Note 1)
二零零七年乙 (附註3)	二零零七年 八月三十一日	二零零七年八月三十一日至 二零一零年十月一日	二零零八年十月一日至 二零一四年三月二十六日	37	18.50(附註1)
2007C	25.9.2007 (Note 2)	31.8.2007 – 1.10.2010	1.10.2008 – 26.3.2014	37	18.50 (Note 1)
二零零七年丙 (附註2)	二零零七年 九月二十五日	二零零七年八月三十一日至 二零一零年十月一日	二零零八年十月一日至 二零一四年三月二十六日	37	18.50(附註1)

Notes:

- The exercise price has been adjusted upon sub-division of shares of the Company of HK\$0.01 to HK\$0.005 on 27th September, 2007.
- Option subject to approval by independent shareholders was proposed and granted by the Board of Directors on 31st August, 2007. The approval was subsequently obtained on 25th September, 2007 which is the date of grant as defined in accordance with HKFRS 2.
- Options outstanding as at 31st December, 2008 have subsequent to the balance sheet date been cancelled and replaced (see note 47(i)).

39. 股份付款交易(續)

授出之購股權須於提呈函件所指定時限(不得遲於提呈日期起計5日)內接納, 接納時須就每份購股權支付1港元。購股權可於接納及被視為已授出當日或之後起至董事局知會各承授人屆滿當日止期間內隨時行使, 惟由接納及被視為已授出購股權當日起計不得超過10年。行使價由本公司董事釐定, 將不低於(i)授出日期本公司股份收市價; (ii)緊接授出日期前五個營業日股份平均收市價; 及(iii)本公司股份面值三者之較高者。

特定類別購股權之詳情如下:

Option type 購股權種類	Date of grant 授出日期	Vesting period 歸屬期	Exercise period 行使期	Exercise price	Adjusted exercise price
				行使價	經調整行使價
				HK\$ 港元	HK\$ 港元
2005	7.10.2005	7.10.2005 – 7.10.2008	7.10.2006 – 26.3.2014	12.32	6.16 (Note 1)
二零零五年	二零零五年 十月七日	二零零五年十月七日至 二零零八年十月七日	二零零六年十月七日至 二零一四年三月二十六日	12.32	6.16(附註1)
2006	16.3.2006	16.3.2006 – 16.3.2009	16.3.2007 – 26.3.2014	12.74	6.37 (Note 1)
二零零六年	二零零六年 三月十六日	二零零六年三月十六日至 二零零九年三月十六日	二零零七年三月十六日至 二零一四年三月二十六日	12.74	6.37(附註1)
2007A (note 3)	31.8.2007	31.8.2007 – 1.10.2011	1.10.2009 – 26.3.2014	37	18.50 (Note 1)
二零零七年甲 (附註3)	二零零七年 八月三十一日	二零零七年八月三十一日至 二零一一年十月一日	二零零九年十月一日至 二零一四年三月二十六日	37	18.50(附註1)
2007B (note 3)	31.8.2007	31.8.2007 – 1.10.2010	1.10.2008 – 26.3.2014	37	18.50 (Note 1)
二零零七年乙 (附註3)	二零零七年 八月三十一日	二零零七年八月三十一日至 二零一零年十月一日	二零零八年十月一日至 二零一四年三月二十六日	37	18.50(附註1)
2007C	25.9.2007 (Note 2)	31.8.2007 – 1.10.2010	1.10.2008 – 26.3.2014	37	18.50 (Note 1)
二零零七年丙 (附註2)	二零零七年 九月二十五日	二零零七年八月三十一日至 二零一零年十月一日	二零零八年十月一日至 二零一四年三月二十六日	37	18.50(附註1)

附註:

- 行使價已於二零零七年九月二十七日日本公司股份由0.01港元拆細為0.005港元後作出調整。
- 董事局於二零零七年八月三十一日建議及授出有待獨立股東批准之購股權, 其後於根據香港財務報告準則第2號界定之授出日期二零零七年九月二十五日取得批准。
- 於二零零八年十二月三十一日尚未行使之購股權已於結算日後被註銷及取代(見附註47(i))。

39. Share-based payment transactions (continued)

The following table discloses movements of the Company's share options held by certain employees and directors:

2008

Option type	購股權種類	Outstanding at 31st December, 2007 於二零零七年 十二月三十一日 尚未行使	Exercised during year 年內行使	Lapsed during year 年內失效	Outstanding at 31st December, 2008 於二零零八年 十二月三十一日 尚未行使
2005	二零零五年	6,757,000	(2,076,000)	(54,000)	4,627,000
2006	二零零六年	9,156,000	-	-	9,156,000
2007A	二零零七年甲	11,340,000	-	(100,000)	11,240,000
2007B	二零零七年乙	10,630,000	-	(350,000)	10,280,000
2007C	二零零七年丙	17,020,000	-	-	17,020,000
Total	總計	54,903,000	(2,076,000)	(504,000)	52,323,000
Exercisable at end of the year	於年終可予行使				20,125,000
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
Weighted average exercise price per share	每股加權平均行使價	14.96	6.16	17.18	15.29

39. 股份付款交易(續)

下表披露若干僱員及董事所持本公司購股權之變動：

二零零八年

Outstanding
at
31st December,
2008

Exercised
during
year

Lapsed
during
year

Outstanding
at
31st December,
2008

年內行使

年內失效

尚未行使

(2,076,000)

(54,000)

-

-

11,340,000

-

(100,000)

10,630,000

-

(350,000)

17,020,000

-

-

54,903,000

(2,076,000)

(504,000)

52,323,000

for the year ended 31st December, 2008 截至二零零八年十二月三十一日止年度

39. Share-based payment transactions (continued)

2007

Option type	購股權種類	Outstanding at	Granted	Exercised	Lapsed	Subdivision	Outstanding at
		31st December,				of shares	
		2006	during year	during year	during year	of HK\$0.01	2007
		於二零零六年				將每股0.01	於二零零七年
		十二月三十一日				港元之股份	十二月三十一日
		尚未行使	年內授出	年內行使	年內失效	拆細至每股	尚未行使
		0.005港元				0.005港元	
2005	二零零五年	5,002,000	-	(1,521,500)	(102,000)	3,378,500	6,757,000
2006	二零零六年	7,630,000	-	(3,052,000)	-	4,578,000	9,156,000
2007A	二零零七年甲	N/A 不適用	5,670,000	-	-	5,670,000	11,340,000
2007B	二零零七年乙	N/A 不適用	5,430,000	-	(115,000)	5,315,000	10,630,000
2007C	二零零七年丙	N/A 不適用	8,510,000	-	-	8,510,000	17,020,000
Total	總計	12,632,000	19,610,000	(4,573,500)	(217,000)	27,451,500	54,903,000
Exercisable at end of the year	於年終可予行使						3,125,000
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元
Weighted average exercise price per share	每股加權平均行使價	12.57	37.00	12.60	24.54	29.92	29.92
Adjusted weighted average exercise price per share (Note)	經調整每股加權平均行使價(附註)	6.29	18.50	6.30	12.27	14.96	14.96

Note: In 2007, the weighted average exercise price per share has been adjusted for subdivision of shares of the Company of HK\$0.01 to HK\$0.005.

附註：在二零零七年，每股加權平均行使價已因應本公司股份由每股0.01港元拆細至0.005港元而作出調整。

In respect of the share options exercised during the year, the weighted average share price at the dates of exercise is HK\$18.57 (2007: HK\$15.77).

就年內已行使購股權而言，各行使日期之加權平均股價為18.57港元(二零零七年：15.77港元)。

During the year ended 31st December, 2007, share options were granted on 31st August, 2007 and 25th September, 2007 respectively. The estimated fair values of the options granted on that date were as follows:

在截至二零零七年十二月三十一日止年度內，本公司分別於二零零七年八月三十一日及二零零七年九月二十五日授出購股權。於該日授出之購股權之估計公平值如下：

	Grant date	Fair value
	授出日期	公平值
		HK\$
		港元
2007A	31.8.2007	3.59
二零零七年甲	二零零七年八月三十一日	
2007B	31.8.2007	2.89
二零零七年乙	二零零七年八月三十一日	
2007C	25.9.2007	6.29
二零零七年丙	二零零七年九月二十五日	

39. Share-based payment transactions (continued)

The closing prices of the Company's shares each immediately before 31st August, 2007 and 25th September, 2007 were HK\$16.90* and HK\$21.90* respectively.

These fair values were calculated using the Black-Scholes pricing model. The inputs into the model were as follows:

		2007A	2007B	2007C	2006	2005
		二零零七年甲	二零零七年乙	二零零七年丙	二零零六年	二零零五年
Share price on grant date	於授出使日期之股價	33.80港元	33.80港元	43.80港元	13.15港元	12.15港元
Adjusted share price on grant date	於授出日期之經調整股價	16.90港元*	16.90港元*	21.90港元*	6.58港元*	6.08港元*
Exercise price	行使價	37.00港元	37.00港元	37.00港元	12.74港元	12.32港元
Adjusted exercise price	經調整行使價	18.50港元*	18.50港元*	18.50港元*	6.37港元*	6.16港元*
Expected volatility	預期波幅	32%	32%	32%	30.71%	32.47%
Expected life	預計年期	2.6至4.6年	1.6至3.6年	1.5至3.5年	5.5年	8.5年
Risk-free rate	無風險比率	4.089%至4.23%	4.03%至4.16%	3.81%至4.00%	4.55%	4.18%
Expected dividend yield	預期股息率	1.22%	1.22%	1.22%	2.52%	2.73%

Expected volatility was determined by using the historical volatility of the Company's share price in the preceding year. The expected life used in the model has been made, based on management's best estimate and take into account the effects of non-transferability, exercise restrictions and behavioral considerations.

The Group recognised an expense in the income statement of approximately HK\$91 million (2007: HK\$32.0 million) for the year ended 31st December, 2008 in relation to share options granted by the Company.

* Adjusted for sub-division of shares of the Company of HK\$0.01 to HK\$0.005.

40. Cash and cash equivalents

Cash and cash equivalents cash be reconciled to the related items in the consolidated balance sheet as follows:

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Bank balances and cash	銀行結餘及現金	2,439,443	3,598,388
Cash and cash equivalents included in asset held for sale (Note 31)	計入持作出售資產之現金及現金等價物(附註31)	-	6,568
		2,439,443	3,604,956

39. 股份付款交易(續)

本公司股份於緊接二零零七年八月三十一日及二零零七年九月二十五日前之收市價分別為16.90港元*及21.90港元*。

此等公平值乃按「柏力克－舒爾斯」期權定價模式計算。代入該模式之數字如下：

預期波幅以本公司股價於過往年度之歷史波幅釐定。該模式中使用之預計年期乃已按管理層經考慮不可轉讓性、行使限制及行為考慮因素後作出之最佳估計作出調整。

於截至二零零八年十二月三十一日止年度，本集團就本公司授出購股權於收益表確認開支約91,000,000港元(二零零七年：32,000,000港元)。

* 就本公司股份由0.01港元拆細至0.005港元而調整

40. 現金及現金等價物

現金及現金等價物與綜合資產負債表內相關項目對賬如下：

41. Acquisition of assets

During the year, the Group completed the acquisition of 100% interest in each of 大連伊都錦商廈有限公司* (Dalian Itokin Commercial Building Company Limited) (“Dalian Co”), 青島伊都錦商廈有限公司* (Qingdao Itokin Commercial Building Company Limited) (“Qingdao Co”), 天津伊都錦商廈有限公司 (Tianjin Itokin Commercial Building Company Limited) (“Tianjin Co”), and 哈爾濱伊都錦商廈有限公司* (Haerbin Itokin Commercial Building Company Limited) (“Haerbin Co”) (collectively referred to as “Itokin Companies”) from an independent third party, for a consideration of HK\$743,467,000. Major assets of the Itokin Companies are land and buildings situated in PRC and as such, the acquisition have been accounted for as acquisitions of assets rather than businesses.

* 大連伊都錦商廈有限公司、青島伊都錦商廈有限公司及哈爾濱伊都錦商廈有限公司 was subsequently renamed as 利福商廈(大連)有限公司、嘉標商廈(青島)有限公司及哈爾濱利福商廈有限公司 respectively.

Net assets of the Itokin Companies acquired are as follows:

41. 收購資產

年內，本集團已完成自獨立第三方收購大連伊都錦商廈有限公司*(「大連公司」)、青島伊都錦商廈有限公司*(「青島公司」)、天津伊都錦商廈有限公司(「天津公司」)及哈爾濱伊都錦商廈有限公司*(「哈爾濱公司」)各公司(統稱「伊都錦公司」)之全部權益，代價為743,467,000港元。伊都錦公司之主要資產為於中國之土地及樓宇。因此，該收購按資產收購入賬，而非按業務收購入賬。

* 大連伊都錦商廈有限公司、青島伊都錦商廈有限公司及哈爾濱伊都錦商廈有限公司於其後分別被易名為利福商廈(大連)有限公司、嘉標商廈(青島)有限公司及哈爾濱利福商廈有限公司。

收購伊都錦公司之資產淨值如下：

		Itokin Companies 伊都錦公司
		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	438,137
Prepaid lease payments	預付租賃款項	150,435
Investment properties	投資物業	182,103
Other receivables	其他應收款項	2,006
Bank balances and cash	銀行結存及現金	35,489
Trade and other payables	應付賬款及其他應付款項	(61,403)
Short-term loan	短期貸款	(3,300)
		743,467
Satisfied by:	經下列方式支付：	
Cash consideration	現金代價	725,350
Other payable	其他應付款項	18,117
		743,467
Net cash outflow arising on acquisition:	收購產生之現金流出淨額：	
Cash consideration paid	已付現金代價	725,350
Bank balances and cash acquired	所收購銀行結存及現金	(35,489)
		689,861

42. Equity interests swap

On 18th April, 2008, the Group entered into an equity interests swap agreement with the purchaser, 河北開元房地產開發股份有限公司 Hebei Kaiyuan Real Estate Development Joint Stock Company Limited (“Kaiyuan Real Estate”), an independent third party, for the disposal of 51% equity interest in Kaiyuan Square which is 99% held by a 60% owned subsidiary of the Company, 石家莊旭恆貿易有限公司 (Shijiazhuang Xuheng Trading Company Limited), in exchange for the entire equity interest in 河北旭源貿易有限公司 (Hebei Xuyuan Trading Company Limited) (“Hebei Xuyuan”) held by Kaiyuan Real Estate (“Equity Interests Swap”). Kaiyuan Square has since become an associate of the Group after completion of Equity Interest Swap (Note 21).

The net assets of Hebei Xuyuan, which comprise mainly those of its associated company Beiren Group upon completion of the Equity Interests Swap that has been accounted for using the purchase method, were as follows:

		Hebei Xuyuan Group's carrying amount	Fair value adjustments	Fair value
		河北旭源集團 之賬面值	公平值調整	公平值
		HK\$'000 千港元	HK\$'000 千港元 (Note) (附註)	HK\$'000 千港元
Interests in associates	於聯營公司權益	199,265	475,190	674,455
Other receivables	其他應收款項	3,805	-	3,805
Bank balances and cash	銀行結存及現金	71	-	71
		203,141	475,190	678,331
Discount arising on acquisition of associates	收購聯營公司產生之折讓			(207,577)
Total consideration	總代價			470,754
Satisfied by:	經下列方式支付：			
51% equity interest in Kaiyuan Square	開元廣場之51%股權			470,754
Net cash inflow arising on acquisition	收購產生之現金流入淨額：			
Cash consideration paid	已付現金代價			-
Bank balances and cash acquired	所收購銀行結存及現金			71
				71

Note: The fair value adjustments of interests in associates represented mainly the revaluation surplus of the land and buildings of the associates of Hebei Xuyuan.

The fair value of property, plant and equipment are determined by an independent appraiser, Gooray, at the acquisition date.

42. 股權置換

於二零零八年四月十八日，本集團與屬獨立第三方之買方河北開元房地產開發股份有限公司(「開元房地產」)訂立股權置換協議，以出售於開元廣場(由本公司擁有60%權益之附屬公司石家莊旭恆貿易有限公司持有99%權益)之51%股本權益，換取由開元房地產持有之河北旭源貿易有限公司(「河北旭源」)及全部股本權益(「股權置換」)。於股權置換後，開元廣場自此成為本集團之聯營公司(附註21)。

於股權置換完成時河北旭源之淨資產(主要包括其聯營公司北人集團之淨資產)已按購入法列賬如下：

		Hebei Xuyuan Group's carrying amount	Fair value adjustments	Fair value
		河北旭源集團 之賬面值	公平值調整	公平值
		HK\$'000 千港元	HK\$'000 千港元 (Note) (附註)	HK\$'000 千港元
Interests in associates	於聯營公司權益	199,265	475,190	674,455
Other receivables	其他應收款項	3,805	-	3,805
Bank balances and cash	銀行結存及現金	71	-	71
		203,141	475,190	678,331
Discount arising on acquisition of associates	收購聯營公司產生之折讓			(207,577)
Total consideration	總代價			470,754
Satisfied by:	經下列方式支付：			
51% equity interest in Kaiyuan Square	開元廣場之51%股權			470,754
Net cash inflow arising on acquisition	收購產生之現金流入淨額：			
Cash consideration paid	已付現金代價			-
Bank balances and cash acquired	所收購銀行結存及現金			71
				71

附註：於聯營公司權益之公平值調整主要指河北旭源聯營公司之土地及樓宇重估盈餘。

物業、廠房及設備之公平值由獨立估值師國瑞於收購日期評定。

42. Equity interests swap (continued)

Hebei Xuyuan contributed a loss of HK\$1,605,000 to the Group's profit for the year between the date of acquisition and the balance sheet date.

If the acquisition had been completed on 1st January, 2008, the effect to total group revenue and profit for the year would have been insignificant.

The net assets of Kaiyuan Square at the date of disposal upon the Equity Interests Swap as described above was as follows:

42. 股權置換 (續)

河北旭源由收購日期至結算日止為本集團年度溢利帶來1,605,000港元之虧損。

倘收購於二零零八年一月一日完成，對集團年內總收入及溢利之影響並不重大。

開元廣場於出售日期(在上文所述之股權置換後)之資產淨值如下：

Kaiyuan Square

開元廣場

HK\$'000

千港元

Investment properties	投資物業	1,562,110
Other receivables	其他應收款項	3,300
Bank balances and cash	銀行結存及現金	413
Trade and other payables	應付賬款及其他應付款項	(637,408)
Deferred tax liabilities	遞延稅項負債	(1,029)
		927,386
Minority interests	少數股東權益	(9,274)
		918,112
Transferred to interest in associates	轉撥至於聯營公司權益	(445,145)
		472,967
Exchange reserve realised	已變現匯兌儲備	(2,213)
		470,754
Satisfied by:	經下列方式支付：	
100% interest in Hebei Xuyuan and its associates	於河北旭源及其聯營公司全部權益	470,754
Net cash outflow arising on acquisition:	收購產生之現金流出淨額：	
Cash consideration paid	已付現金代價	-
Bank balances and cash disposed of	所出售銀行結存及現金	(413)
		(413)

43. Operating lease commitments

The Group as lessee

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of leasehold land and buildings which are as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within one year	一年內	145,362	140,568
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	560,549	539,163
Over five years	超過五年	1,506,075	1,579,898
		2,211,986	2,259,629

Operating lease payments represent rentals payable by the Group for leasing commercial properties. Leases are generally negotiated for an average terms of one to five years and rentals are fixed for an average of two years except the following:

- (a) Lease of the Shanghai Joinbuy Cityplaza by Shanghai Ongoing Department Store Limited, a non-wholly owned subsidiary of the Company, for the period from 1st October, 2004 to 30th September, 2024, with an option to renew for a further 10 years.
- (b) Lease of the Amazon, No. 12 Salisbury Road, Tsimshatsui, Kowloon by Sogo Hong Kong Company Limited, with Hong Kong Island Development Limited for the period from 15th September, 2005 to 14th September, 2020, with an option to renew for a further 5 years.

The Group as lessor

At the balance sheet date, the Group had contracted with tenants for the following future minimum lease payments:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within one year	一年內	27,876	67,087
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	18,972	105,854
		46,848	172,941

Leases are generally negotiated for an average term of one to five years.

In addition, the Group had contracted with its concessionaire to receive contingent rentals based on the concessionaires' turnover for an average term of one to two years.

43. 經營租約承擔

本集團作為承租人

於結算日，本集團就不可撤銷經營租約之租賃土地及樓宇所承擔日後最低租約款項如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within one year	一年內	145,362	140,568
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	560,549	539,163
Over five years	超過五年	1,506,075	1,579,898
		2,211,986	2,259,629

經營租約款項指本集團就租用商業物業應付之租金。租約一般按平均租賃期一至五年協商，租金平均每兩年釐定，惟以下各項則除外：

- (a) 本公司非全資附屬公司上海久光百貨有限公司所訂立有關上海九百城市廣場之租約，租期由二零零四年十月一日至二零二四年九月三十日，可選擇進一步續期十年。
- (b) 崇光(香港)百貨有限公司與香島發展有限公司所訂立有關九龍尖沙咀梳士巴利道12號亞瑪遜之租約，租期由二零零五年九月十五日至二零二零年九月十四日，可選擇進一步續期五年。

本集團作為出租人

於結算日，本集團已與租戶訂約的日後最低租約款項如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within one year	一年內	27,876	67,087
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	18,972	105,854
		46,848	172,941

租約一般按平均租賃期一至五年協商。

此外，本集團與其特許專櫃就按特許專櫃營業額收取或然租金訂立平均年期為一至兩年之合約。

44. Capital and other commitments**44. 資本及其他承擔**

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Capital expenditure in respect of acquisition of property, plant and equipment	有關購入物業、廠房及設備之資本開支		
– Authorised but not contracted for	– 已授權惟未訂約	2,978,900	3,820,900
– Contracted for but not provided in the financial statements	– 已訂約惟未於財務報表撥備	378,400	374,700
		3,357,300	4,195,600
Capital expenditure in respect of acquisition of land use right contracted for but not provided in the financial statements	有關收購土地使用權而已訂約惟未於財務報表撥備之資本開支	–	10,500
Other commitments in respect of acquisition of equity interests of PRC companies	有關收購中國公司股本權益之其他承擔	–	770,400
		3,357,300	4,976,500

45. Contingent liabilities

Pursuant to two sales and purchase agreements entered into among the subsidiaries in 1985 and 1996, certain properties were transferred within the Group. The assignments of these properties have not been executed. If no exemption for stamp duty is granted under the Stamp Duty Ordinance, upon execution of the assignment of the properties, the Group will be subject to an aggregate stamp duty of approximately HK\$38.9 million.

45. 或然負債

根據附屬公司間於一九八五年及一九九六年訂立之兩份買賣協議，若干物業於本集團內公司間轉讓，惟該等物業轉讓至今仍未執行。倘未能根據印花稅條例獲豁免印花稅，則本集團於轉讓該等物業時，將須繳付合共約38,900,000港元印花稅。

46. Pledge of assets

At 31st December, 2008, the Group has pledged certain leasehold land and buildings with carrying values of HK\$1,636 million (2007: HK\$1,680 million), together with certain shares of the Company's subsidiaries, to secure the banking facilities of HK\$4,000 million (2007: HK\$4,000 million) granted to the Group of which HK\$3,000 million (2007: HK\$3,000 million) has been utilised. In addition, the Group's property under development in the PRC with carrying value of approximately HK\$1,124 million has been pledged to secure a project loan facility of RMB390 million (equivalent to approximately HK\$440 million).

46. 資產抵押

於二零零八年十二月三十一日，本集團將賬面值為1,636,000,000港元(二零零七年：1,680,000,000港元)之若干租賃土地及樓宇，連同本公司附屬公司若干股份抵押，作為本集團獲授銀行融資額4,000,000,000港元(二零零七年：4,000,000,000港元)之抵押，其中3,000,000,000港元(二零零七年：3,000,000,000港元)已動用。另外，本集團賬面值約1,124,000,000港元之一項位於中國的發展中物業已為人民幣390,000,000元(約相當於440,000,000港元)項目貸款融資額作抵押。

At 31st December, 2007, certain investment properties of the Group with carrying values of HK\$1,539 million were pledged to secure a loan of RMB300 million (equivalent to approximately HK\$320 million) advanced by a bank to a third party. At 31st December, 2008, this arrangement no longer existed.

於二零零七年十二月三十一日，本集團若干賬面值約1,539,000,000港元之投資物業已予抵押，作為一家銀行墊予一名第三方人民幣300,000,000元(約相當於320,000,000港元)貸款之抵押。於二零零八年十二月三十一日，此安排已不存在。

47. Post balance sheet event

- (i) Pursuant to a resolution passed at an Extraordinary General Meeting on 3rd March, 2009, outstanding options as at 31st December, 2008 granted to employees under the 2007 A and 2007 B scheme were cancelled and replaced by new options, details of which are as follows:

Option type 購股權種類	Date of grant 授出日期	Vesting period 歸屬期	Exercise period 行使期	Exercise price 行使價 HK\$ 港元
2009 二零零九年	2.2.2009 二零零九年二月二日	2.2.2009-7.2.2012 二零零九年二月二日至 二零一二年二月七日	7.2.2010-26.3.2014 二零一零年二月七日至 二零一四年三月二十六日	6.4

- (ii) As mentioned in note 24 above, an index-linked note with principal amount of USD25,000,000 were early terminated in February 2009.

48. Related party disclosure

(a) Transactions

During the year, the Group had entered into the following significant transactions with the following related parties and connected parties:

Name of related parties 有關連人士名稱	Nature of transaction 交易性質	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Shanghai Joinbuy City Plaza Co. Ltd. ("Property JV") 上海九百城市廣場有限公司 (「物業合資企業」)	Rental and management fee paid (Note 1) 已付租金及管理費(附註1)	174,068	154,582

47. 結算日後事項

- (i) 根據於二零零九年三月三日舉行之股東特別大會通過之決議案，於二零零七年甲及二零零七年乙項下授出予僱員而於二零零八年十二月三十一日尚未行使之購股權已予註銷，並由新購股權取代，有關詳情如下：

- (ii) 誠如上文附註24所述，本金額為25,000,000美元之與指數掛鈎票據已於二零零九年二月提早終止。

48. 有關連人士披露

(a) 交易

年內，本集團曾與以下有關連人士及有關連人士進行下列重大交易：

48. Related party disclosure (continued)**(a) Transactions** (continued)

Name of connected parties 關連人士名稱	Nature of transaction 交易性質	2008	2007
		二零零八年 HK\$'000 千港元	二零零七年 HK\$'000 千港元
Chow Tai Fook Jewellery Co., Ltd. ("CTF Jewellery") 周大福珠寶金行有限公司(「周大福珠寶」)	Income from concessionaire sales (Note 2) 特許專櫃銷售收入(附註2)	12,307	11,505
周大福珠寶金行(深圳)有限公司 (「周大福深圳珠寶」)	Income from concessionaire sales (Note 2) 特許專櫃銷售收入(附註2)	-	1,443
周大福珠寶金行(蘇州)有限公司 (「周大福蘇州珠寶」)	Income from concessionaire sales (Note 2) 特許專櫃銷售收入(附註2)	2,510	684
Hong Kong Island Development Limited ("Hong Kong Island") 香島發展有限公司(「香島」)	Rental, vetting fee, air-conditioning charges and management fee paid (Note 2) 已付租金、審批費用、空調費及管理費(附註2)	45,203	38,672
Pollution & Protection Services Limited ("PPS") 寶聯防污服務有限公司(「寶聯防污」)	Cleaning service (Note 2) 清潔服務(附註2)	11,867	9,522

Notes:

- Property JV is a jointly controlled entity in which the Group has a 50% interest.
- CTF Jewellery, 周大福深圳珠寶, 周大福蘇州珠寶, Hong Kong Island and PPS are companies in which Dató Dr. Cheng Yu-tung and Dr. Cheng Kar-shun, Henry, directors of the Company, have beneficial interests.
- At 31st December, 2008, concessionaire sales payable included amounts of approximately HK\$19,087,000 and HK\$3,434,000 (2007: HK\$12,233,000 and HK\$2,869,000) aged within 30 days due to CTF Jewellery and 周大福蘇州珠寶 respectively in which related parties, Dató Dr. Cheng Yu-tung and Dr. Cheng Kar-shun, Henry, directors of the Company, have beneficial interests. The amount was trading in nature and relate to payables arising from concessionaire sales. These trading balances are unsecured, non-interest bearing and repayable according to the terms of the concessionaire dealership agreement.

(b) Compensation of key management personnel

The remuneration of executive directors during the year was determined by the remuneration committee having regard to the performance of the individuals and market. Details of which together with the other 4 highest paid management personnel are disclosed in note 13 above.

48. 有關連人士披露 (續)**(a) 交易** (續)

Name of connected parties 關連人士名稱	Nature of transaction 交易性質	2008	2007
		二零零八年 HK\$'000 千港元	二零零七年 HK\$'000 千港元
Chow Tai Fook Jewellery Co., Ltd. ("CTF Jewellery") 周大福珠寶金行有限公司(「周大福珠寶」)	Income from concessionaire sales (Note 2) 特許專櫃銷售收入(附註2)	12,307	11,505
周大福珠寶金行(深圳)有限公司 (「周大福深圳珠寶」)	Income from concessionaire sales (Note 2) 特許專櫃銷售收入(附註2)	-	1,443
周大福珠寶金行(蘇州)有限公司 (「周大福蘇州珠寶」)	Income from concessionaire sales (Note 2) 特許專櫃銷售收入(附註2)	2,510	684
Hong Kong Island Development Limited ("Hong Kong Island") 香島發展有限公司(「香島」)	Rental, vetting fee, air-conditioning charges and management fee paid (Note 2) 已付租金、審批費用、空調費及管理費(附註2)	45,203	38,672
Pollution & Protection Services Limited ("PPS") 寶聯防污服務有限公司(「寶聯防污」)	Cleaning service (Note 2) 清潔服務(附註2)	11,867	9,522

附註:

- 物業合營企業為本集團擁有50%權益之共同控制實體。
- 周大福珠寶、周大福深圳珠寶、周大福蘇州珠寶、香島及寶聯防污為本公司董事拿督鄭裕彤博士及鄭家純博士持有實益權益的公司。
- 於二零零八年十二月三十一日，應付特許專櫃銷售款項包括須於30天內支付予有關連人士周大福珠寶及周大福蘇州珠寶款項分別約19,087,000港元及3,434,000港元(二零零七年: 12,233,000港元及2,869,000港元)。本公司兩名董事拿督鄭裕彤博士及鄭家純博士持有該等公司實益權益。該筆款項屬貿易性質，與特許專櫃銷售所產生應付款項相關。此等賬款結餘為無抵押、免息及須按特許專櫃經營協議條款償還。

(b) 主要管理人員薪酬

年內，執行董事之酬金乃由薪酬委員會按個別表現及市場狀況釐定，彼等之酬金連同其餘四名最高收入管理層成員之酬金詳情於上文附註13披露。

49. Particulars of principal subsidiaries

At 31st December, 2008, the details of the Company's principal subsidiaries are as follows:

49. 主要附屬公司詳情

於二零零八年十二月三十一日，本公司主要附屬公司之詳情如下：

Name of company 公司名稱	Place of incorporation and operation date of incorporation 註冊成立及營業地點 以及註冊成立日期	Issued and fully paid share capital 已發行及繳足股本		Attributable equity interest of the Group 本集團應佔股本權益		Principal activities 主要業務
		2008	2007	2008	2007	
		二零零八年	二零零七年	二零零八年	二零零七年	
Ample Sun Group Limited 益良集團有限公司	Hong Kong 17th August, 2007 香港 二零零七年八月十七日	HK\$10,000 10,000港元	HK\$10,000 10,000港元	60%	60%	Investment holding 投資控股
Asia Kinetic Limited 明振有限公司	Hong Kong 27th February, 2002 香港 二零零二年二月二十七日	HK\$2 2港元	HK\$2 2港元	100%	100%	Retailing and investment holding 零售及投資控股
Congenial Company Limited	Hong Kong 24th April, 1981 香港 一九八一年四月二十四日	HK\$10,000,000 10,000,000港元	HK\$10,000,000 10,000,000港元	100%	100%	General trading and property holding 一般貿易及物業持有
Eastlord Development Limited 加諾發展有限公司	Hong Kong 21st August, 1987 香港 一九八七年八月二十一日	HK\$500,000 500,000港元	HK\$500,000 500,000港元	100%	100%	Property holding and leasing 物業持有及租賃
Everwin Worldwide Limited 永盛環球有限公司	Hong Kong 17th November, 2000 香港 二零零零年十一月十七日	HK\$2 2港元	HK\$2 2港元	100%	100%	Property leasing 物業租賃
Fine Shine Limited 遠耀有限公司	Hong Kong 11th September, 2003 香港 二零零三年九月十一日	HK\$2 2港元	HK\$2 2港元	100%	100%	Restaurant, retail and supermarket 食肆、零售及超級市場
Forceworld Investments Limited 可偉投資有限公司	Hong Kong 15th July, 1988 香港 一九八八年七月十五日	HK\$500,000 500,000港元	HK\$500,000 500,000港元	100%	100%	Property holding 物業持有
Future Develop Limited	British Virgin Islands/ Hong Kong 12th December, 2003 英屬維爾京群島／香港 二零零三年十二月十二日	US\$3 3美元	US\$3 3美元	100%	100%	Investment holding 投資控股

49. Particulars of principal subsidiaries (continued)

49. 主要附屬公司詳情(續)

Name of company 公司名稱	Place of incorporation and operation date of incorporation 註冊成立及營業地點 以及註冊成立日期	Issued and fully paid share capital 已發行及繳足股本		Attributable equity interest of the Group 本集團應佔 股本權益		Principal activities 主要業務
		2008 二零零八年	2007 二零零七年	2008 二零零八年	2007 二零零七年	
Glory Line Management Limited 偉業管理有限公司	Hong Kong 5th September, 1995 香港 一九九五年九月五日	HK\$500,000 500,000港元	HK\$500,000 500,000港元	100%	100%	Provision of property security and management services 提供物業保安及管理服務
Grand Kinetic Limited 堅享有限公司	Hong Kong 7th February, 2001 香港 二零零一年二月七日	HK\$2 2港元	HK\$2 2港元	100%	100%	Property holding and leasing 物業持有及租賃
Pacific Trump Development Limited 沛駿發展有限公司	Hong Kong 6th July, 1995 香港 一九九五年七月六日	HK\$2 2港元	HK\$2 2港元	100%	100%	Property letting and investment holding 物業租賃及投資控股
Public Might Limited 群量有限公司	Hong Kong 30th August, 1984 香港 一九八四年八月三十日	HK\$1,000 1,000港元	HK\$1,000 1,000港元	100%	100%	Property investment and provision of building management services 物業投資及提供大廈 管理服務
Ronson Kwok Asia Pacific Limited	Hong Kong 5th October, 1993 香港 一九九三年十月五日	HK\$1,000,000 1,000,000港元	HK\$1,000,000 1,000,000港元	100%	100%	Building management and club operator 大廈管理及會所營運
Sogo Hong Kong Company Limited 崇光(香港)百貨有限公司	Hong Kong 23rd September, 1983 香港 一九八三年九月二十三日	HK\$4,000,000 4,000,000港元	HK\$4,000,000 4,000,000港元	100%	100%	Retailing business 零售業務
Superlite Limited	British Virgin Islands/ Hong Kong 3rd April, 2001 英屬維爾京群島/香港 二零零一年四月三日	US\$1 1美元	US\$1 1美元	100%	100%	Property holding 物業持有
上海久光百貨有限公司* (Shanghai Ongoing Department Store Limited)	People's Republic of China 26th July, 2004 中華人民共和國 二零零四年七月二十六日	US\$12,000,000 12,000,000美元	US\$12,000,000 12,000,000美元	65%	65%	Retailing business 零售業務

49. Particulars of principal subsidiaries (continued)

49. 主要附屬公司詳情(續)

Name of company 公司名稱	Place of incorporation and operation 註冊成立及營業地點 以及註冊成立日期	Issued and fully paid share capital 已發行及繳足股本		Attributable equity interest of the Group 本集團應佔 股本權益		Principal activities 主要業務
		2008	2007	2008	2007	
		二零零八年	二零零七年	二零零八年	二零零七年	
瀋陽卓遠置業有限公司**	People's Republic of China 1st December, 2006 中華人民共和國 二零零六年十二月一日	US\$74,990,000 74,990,000美元	US\$74,990,000 74,990,000美元	100%	100%	Property holding 物業持有
瀋陽怡富置業有限公司**	People's Republic of China 12th March, 2007 中華人民共和國 二零零七年三月十二日	US\$50,000,000 50,000,000美元	US\$50,000,000 50,000,000美元	100%	100%	Property holding 物業持有
利福廣場(蘇州)有限公司* (Lifestyle Plaza (Suzhou) Co., Limited)	People's Republic of China 1st March, 2007 中華人民共和國 二零零七年三月一日	RMB433,056,790 人民幣433,056,790元	RMB433,056,790 人民幣433,056,790元	66.8%	63.1%	Property holding and leasing 物業持有及租賃
利福商廈(大連)有限公司**	People's Republic of China 9th October, 1993 中華人民共和國 一九九三年十月九日	US\$45,000,000 45,000,000美元	N/A 不適用	100%	N/A 不適用	Retailing business 零售業務
天津伊都錦商廈有限公司**	People's Republic of China 7th August, 1996 中華人民共和國 一九九六年八月七日	US\$40,000,000 40,000,000美元	N/A 不適用	100%	N/A 不適用	Retailing business 零售業務
嘉標商廈(青島)有限公司**	People's Republic of China 31st December, 1995 中華人民共和國 一九九五年十二月三十一日	RMB225,000,000 人民幣225,000,000元	N/A 不適用	100%	N/A 不適用	Property holding 物業持有
哈爾濱利福商廈有限公司**	People's Republic of China 16th October, 1995 中華人民共和國 一九九五年十月十六日	US\$18,000,000 18,000,000美元	N/A 不適用	100%	N/A 不適用	Property holding 物業持有
河北北國開元廣場 有限責任公司***	People's Republic of China 27th May, 2005 中華人民共和國 二零零五年五月二十七日	RMB55,000,000 人民幣55,000,000元	RMB55,000,000 人民幣55,000,000元	N/A 不適用	59.4%	Property holding and leasing 物業持有及租賃

* a sino-foreign equity joint venture established in the PRC
 ** a wholly foreign-owned enterprise established in the PRC
 *** disposed in 2008 and become a 48% associate of the Group

* 於中國成立之中外合資企業
 ** 於中國成立之全外資企業
 *** 在二零零八年出售並成為本集團持有48%權益之
 聯營公司

None of the subsidiaries had issued any debt securities at the end of the year.

附屬公司於年終概無任何已發行債券。

50. Balance sheet information of the Company

Balance sheet information of the Company at the balance sheet date includes:

50. 本公司資產負債表資料

於結算日，本公司資產負債表資料包括：

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Non-current asset	非流動資產		
Interest in subsidiaries	於附屬公司權益	4,194	4,194
Current assets	流動資產		
Other receivables	其他應收款項	50	2,908
Amounts due from subsidiaries	應收附屬公司款項	3,538,689	2,964,045
Bank balances and cash	銀行結存及現金	195,972	93
		3,734,711	2,967,046
Current liabilities	流動負債		
Other payables	其他應付款項	4,859	2,536
Dividend payable	應付股息	-	1
Tax payable	應繳稅項	1,194	2,011
		6,053	4,548
Net current assets	流動資產淨值	3,728,658	2,962,498
		3,732,852	2,966,692
Capital and reserves	資本及儲備		
Share capital	股本	8,370	8,525
Reserves	儲備	3,724,482	2,958,167
		3,732,852	2,966,692

50. Balance sheet information of the Company (continued)

Profit for the year ended 31st December, 2008 of the Company amounted to approximately HK\$1,294,014,000 (2007: HK\$3,990,000).

Under the Company Law (Revised) Chapter 25 of the Cayman Islands, the share premium of the Company is available for distribution or paying dividends to shareholders subject to the provisions of its memorandum or articles of association and provided that immediately following the distribution of dividends, the Company is able to pay its debts as they fall due in the ordinary course of business. The Company's reserve available for distribution as at 31st December, 2008 consisted of share premium of approximately HK\$2,297,533,000 (2007: HK\$2,913,222,000) and retained profits of approximately HK\$1,303,336,000 (2007: HK\$7,949,000).

50. 本公司資產負債表資料(續)

截至二零零八年十二月三十一日止年度，本公司之溢利約為1,294,014,000港元(二零零七年：3,990,000港元)。

根據開曼群島公司法(經修訂)第25章，本公司之股份溢價可根據其公司組織章程大綱或細則之規定，分派予股東或作為股息向股東派發，惟緊隨股息分派後，本公司須有能力支付其於日常業務過程中到期之債務。於二零零八年十二月三十一日，本公司之可供分派儲備由股份溢價約2,297,533,000港元(二零零七年：2,913,222,000港元)及保留溢利約1,303,336,000港元(二零零七年：7,949,000港元)組成。

Five-Year Group Financial Summary

五年集團財務摘要

Consolidated Income Statement

For the year ended 31st December,

綜合收益表

截至十二月三十一日止年度

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元 (Restated) (重列)	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元 (Restated) (重列)
Turnover	營業額	3,521,633	3,112,368	2,581,962	2,094,299	1,608,728
Profit attributable to equity holders of the Company	本公司股東應佔溢利	927,226	1,024,085	740,170	539,378	414,125
Earnings per share (HK cents)*	每股盈利(港仙)*					
– Basic	– 基本	54.5	60.2	43.7	34.7	31.1
– Diluted	– 攤薄	54.3	59.8	43.7	N/A 不適用	N/A 不適用
Total dividends per share (HK cents)	每股股息總額(港仙)	24.0	24.0	17.8	15.3	13.7

Consolidated Balance Sheet

At 31st December,

綜合資產負債表

於十二月三十一日

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Total assets	資產總值	10,562,218	10,434,243	6,279,003	5,629,191	4,255,275
Total liabilities	負債總額	(4,707,235)	(5,216,563)	(2,420,094)	(2,261,998)	(2,462,845)
Total net assets	資產淨值總額	5,854,983	5,217,680	3,858,909	3,367,193	1,792,430
Minority interests	少數股東權益	(677,271)	(560,962)	(4,929)	(41,255)	–
Total net assets attributable to equity holders of the Company	本公司股東應佔資產淨值總額	5,177,712	4,656,718	3,853,980	3,325,938	1,792,430
Net assets per share (HK\$)*	每股資產淨值(港元)*	3.50	3.06	2.28	1.99	1.20
Net assets per share attributable to equity holders of the Company (HK\$)*	本公司股東應佔每股資產淨值(港元)*	3.09	2.73	2.27	1.96	1.20
Number of shares issued*	已發行股份數目*	1,673,965,500	1,705,083,000	1,695,936,000	1,694,000,000	1,494,000,000

* Adjusted for subdivision of shares (one into two) during the year ended 31st December, 2008.

* 已就截至二零零八年十二月三十一日止年度股份拆細(一股拆為兩股)調整。

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