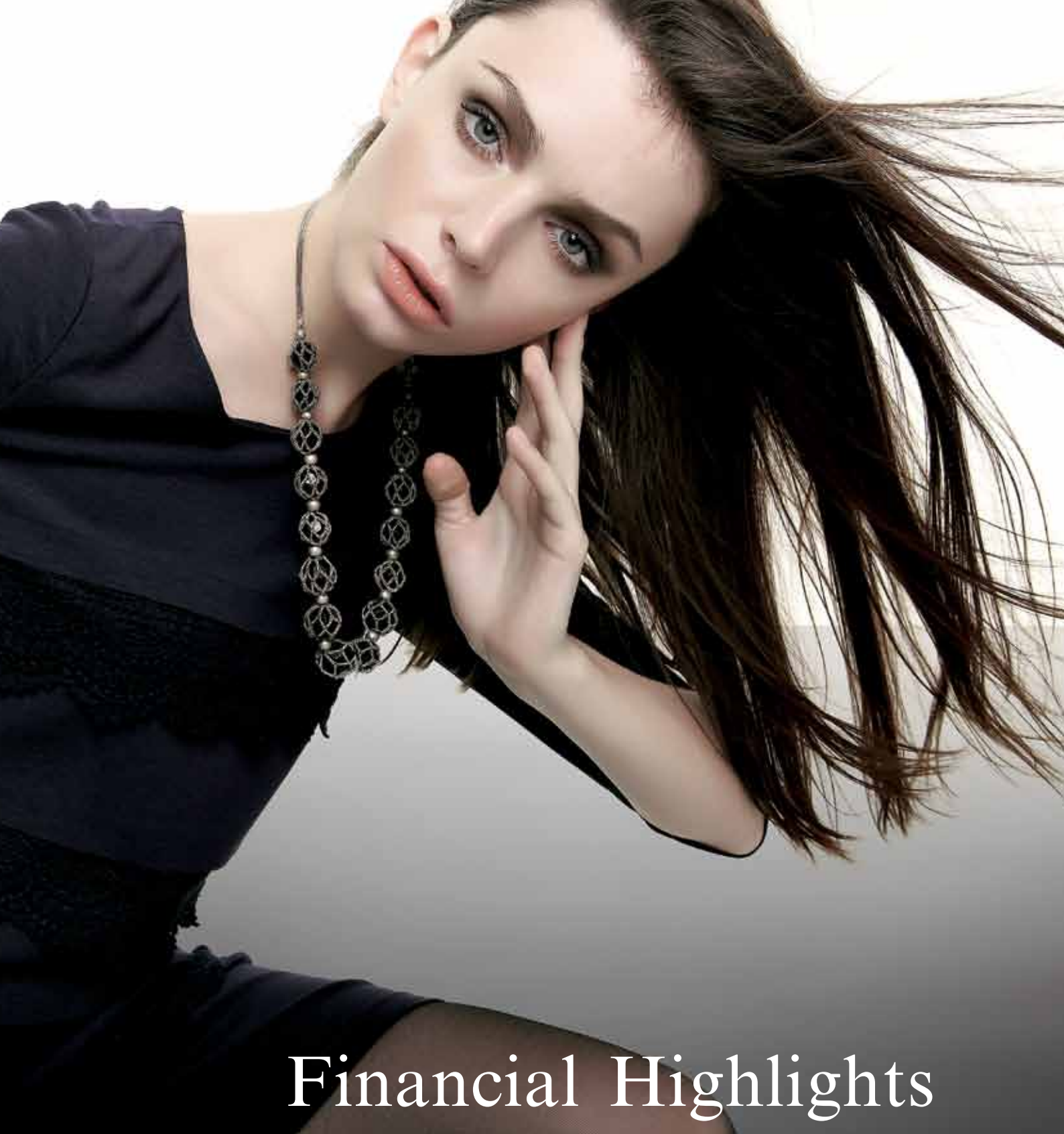




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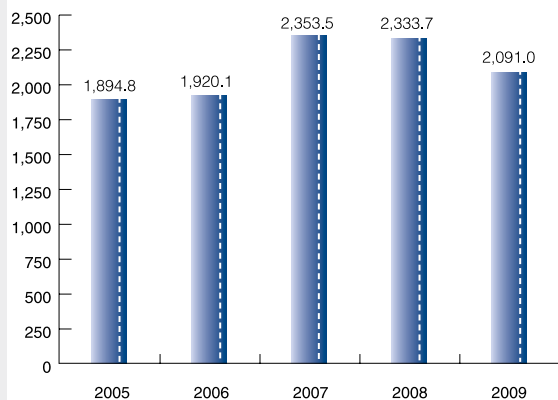
Financial Highlights

財務摘要

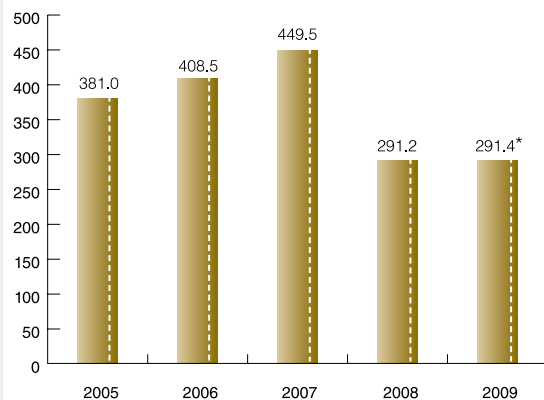
Financial Highlights

財務摘要

Revenue (HK\$'million)
營業額 (百萬港元)



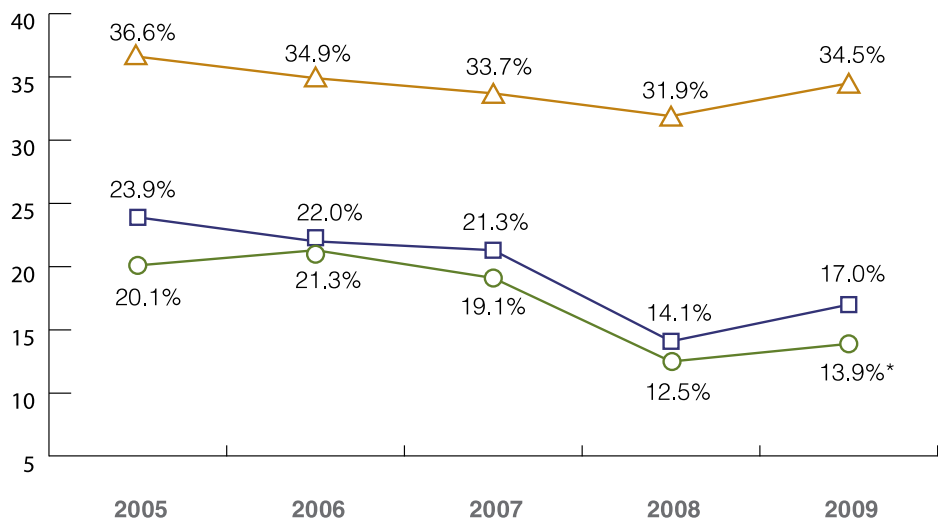
Profit attributable to equity holders of the Company (HK\$'million)
本公司股權持有人應佔溢利 (百萬港元)



* excluding negative goodwill
* 不包括負商譽

4

Margins 溢利率



▲ Gross Profit Margin 毛利率
■ Operating Profit Margin 經營溢利率
● Net Profit Margin 純利率

* excluding negative goodwill
* 不包括負商譽

Financial Highlights (continued)

財務摘要 (續)

		2009 二零零九年 HK\$' million 百萬港元	2008 二零零八年 HK\$' million 百萬港元	% Change 變動%
Revenue	收入			
OEM Business	原設備製造業務	1,755.7	2,047.8	(14.3)
Brand Retail Business	品牌零售業務	335.3	285.9	17.3
		2,091.0	2,333.7	(10.4)
Operating profit	經營溢利	355.2	328.9	8.0
Profit attributable to the Company's equity holders	本公司股權持有人應佔溢利	376.6	291.2	29.3
Profit attributable to the Company's equity holders (excluding negative goodwill)	本公司股權持有人應佔溢利 (不包括負商譽)	291.4	291.2	0.1
Dividend per share	每股股息			
— Final (HK cents)	— 終期(港仙)	5.26	4.46	17.9
— Full year (HK cents)	— 全年(港仙)	9.70	9.70	—
Dividend payout ratio (excluding negative goodwill)	股息派出比率(不包括負商譽)	70%	70%	—
Equity attributable to the Company's equity holders	本公司股權持有人應佔權益	2,475.9	2,278.2	8.7
Equity per share (HK cents)	每股權益(港仙)	118.2	108.9	8.5





Corporate Information

公司資料

Corporate Information

公司資料

Executive Directors

Mr. TING Man Yi (*Chairman*)

Mr. TING Hung Yi (*Chief Executive Officer*)^{3, 4, 5, 6}

Mr. DING Jianer

Mr. CHEUNG Ting Yin, Peter

Independent Non-executive Directors

Dr. CHENG Chi Pang^{1, 3, 5}

Mr. WONG Chi Keung^{1, 2, 5}

Mr. LEUNG Man Kit^{1, 3}

Notes:

1. Member of Audit Committee
2. Chairman of Audit Committee
3. Member of Nomination Committee
4. Chairman of Nomination Committee
5. Member of Remuneration Committee
6. Chairman of Remuneration Committee

Company Secretary and Qualified Accountant

Mr. CHENG Ho Lung, Raymond *CPA, FCCA*

Head Office and Principal Place of Business in Hong Kong

28th Floor, Futura Plaza

111-113 How Ming Street

Kwun Tong

Kowloon

Hong Kong

Registered Office

Cricket Square, Hutchins Drive P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Company Website

www.chinating.com.hk

Principal Banker

Nanyang Commercial Bank Limited

Legal Advisers

Squire, Sanders & Dempsey

Auditor

PricewaterhouseCoopers

執行董事

丁敏兒先生 (*主席*)

丁雄尔先生 (*行政總裁*)^{3, 4, 5, 6}

丁建兒先生

張定賢先生

獨立非執行董事

鄭志鵬博士^{1, 3, 5}

黃之強先生^{1, 2, 5}

梁民傑先生^{1, 3}

附註：

1. 審核委員會成員
2. 審核委員會主席
3. 提名委員會成員
4. 提名委員會主席
5. 薪酬委員會成員
6. 薪酬委員會主席

公司秘書及合資格會計師

鄭浩龍先生 *CPA, FCCA*

香港總辦事處暨主要營業地點

香港

九龍

觀塘

巧明街111-113號

富利廣場28樓

註冊辦事處

Cricket Square, Hutchins Drive P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

公司網站

www.chinating.com.hk

主要往來銀行

南洋商業銀行有限公司

法律顧問

翰宇國際律師事務所

核數師

羅兵咸永道會計師事務所

Corporate Information (continued)

公司資料 (續)

Principal Share Registrar

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House, 68 Fort Street
George Town
Grand Cayman
KY1-1107
Cayman Islands

Hong Kong Branch Share Registrar

Computershare Hong Kong Investor Services Limited
Shops 1712-16, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

2010 Annual General Meeting

18 May 2010

Closure of Register of Members

From 13 May 2010 to 18 May 2010 (both days inclusive)

股份過戶登記總處

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House, 68 Fort Street
George Town
Grand Cayman
KY1-1107
Cayman Islands

股份過戶登記處香港分處

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1712-16號舖

二零一零年股東週年大會

二零一零年五月十八日

暫停辦理股份過戶登記手續

從二零一零年五月十三日至
二零一零年五月十八日 (包括首尾兩日)





Chairman's Statement

主席報告

Chairman's Statement

主席報告



On behalf of the board (the “**Board**”) of Directors (the “**Directors**”) of China Ting Group Holdings Limited (the “**Company**”), I am pleased to present to you the 2009 annual report of the Company and its subsidiaries (collectively, the “**Group**”).

After the economic tsunami caused a virtual meltdown of global financial systems in the latter part of 2008, drastic measures taken by international governments including those of the USA and Europe have brought about the beginnings of a rebound in the latter half of 2009. Economies, however, continue to remain weaker than expected with high levels of unemployment being a major factor in hindering a quick revival.

During the year the Group’s performance in its ODM business did not escape the complications brought about by important changes in customer tendencies, financial uncertainties and market behaviour, and the Group saw a slight decline in turnover although our solid fundamentals and liquidity has allowed us to maintain our gross profit margin. We are satisfied with our results achieved in this challenging environment although we expect the stress prolonged by the constraint on actual selling prices will continue for some time.

In the retail sector, however, we were not largely affected by the economic crisis and we saw an increase in both turnover and actual selling prices. We continue to enforce our strategy and focus actions on expansions which were temporarily disrupted in the autumn of 2008. We intend to pursue our aggressive inroads into the USA, European and Asian markets through innovative products and services while capitalizing on our core strengths as a vertically integrated company to enhance our competitiveness and sustain development and growth.

I take this opportunity to express my appreciation to the management and staff of the Group for their loyalty, commitment and dedication, and to thank our shareholders, investors, business associates and our customers for their continued support of the Group.

TING MAN YI
Chairman

Hong Kong, 26 March 2010

Chairman's Statement (continued)

主席報告(續)

本人謹代表華鼎集團控股有限公司(「**本公司**」)董事(「**董事**」)會(「**董事會**」)，欣然向閣下提呈本公司及其附屬公司(統稱「**本集團**」)的2009年年報。

於二零零八年下半年開始的金融風暴給全球金融體系造成實質性的崩潰，包括美國和歐洲在內的國際性政府所採取的果斷舉措已導致經濟於二零零九年下半年開始復甦。然而，經濟復甦仍繼續較預期緩慢，居高不下的失業率是阻礙經濟迅速復甦的主要因素。

本集團原設計製造業務年內的表現亦無可避免地受到因客戶喜好出現重大變動、財務不確定性及市場行為所帶來的各種複雜因素的影響。本集團該業務的銷售額輕微下跌，然而，由於本集團堅實的基礎及穩健的流動資金，令本集團可保持毛利率不出現下跌。雖然本集團預期對售價的長限制所產生的壓力將持續一段時間，但本集團對在如此具挑戰性的環境下所取得的業績感到滿意。

然而，在零售方面，本集團受經濟危機的影響不大，本集團的營業額及實際售價均錄得增長。本集團繼續提升其擴充的策略及重點舉措，有關擴充於二零零八年秋季暫時中斷。本集團計劃在利用其本身作為垂直一體化公司的核心優勢的同時，積極進軍美國、歐洲及亞洲市場，以提升本集團的競爭力及維持持續發展及增長。

本人藉此機會向本集團管理層及員工的忠誠、專心一意及熱忱工作表示由衷的感激，同時亦感謝本集團股東、投資者、業務夥伴及客戶對本集團的鼎力支持。

丁敏兒

主席

香港，二零一零年三月二十六日







Management's Discussion and Analysis

管理層討論及分析

Management's Discussion and Analysis

管理層討論及分析

(1) Business Review

In 2009, despite the continued volatile global economy and slow recovery of the US and European markets and consumer confidence, the Group achieved satisfactory results with a revenue of approximately HK\$2,091.0 million. The Group's revenue declined slightly, but the Group's gross profit margin increased by approximately 2.6% to approximately 34.5%, as compared with 2008, as a result of strong management, tighter cost control and stable vertical production systems.

Export Manufacturing Business

The Group's focus continued to be on the Original Equipment Manufacturing ("OEM") and Original Design Manufacturing ("ODM") businesses, both of which remained strong in 2009. Through the efforts in exploring new markets, new customers and new opportunities to cooperate with key players in the international markets, the Group achieved a total revenue of approximately HK\$1,755.7 million, representing approximately 84.0% of the Group's total revenue for the year.

In the second half of 2009, the Group cooperated with Bernard Chaus Inc. in the United States, by way of a long-term exclusive supply agreement relating to garment and apparel items manufactured in Asia. The agreement is for a term of 10 years. The Directors believe that such business collaboration is beneficial to the Group's business. The Group's strong financial standing and vertically integrated production systems will enable Bernard Chaus Inc. to focus on the design and international marketing, whilst the Group provides the manufacturing and design support solutions. This business collaboration is currently moving forward successfully.

The wool business of the Group is in operation and is intended to fully utilise the production capacity of the Group during the third quarter of each year. We expect to increase our business activities in this sector. With our vertical production systems and in partnership with our Italian business associates, we expect to increase our wool business where there is a demand for real Italian quality at affordable prices. The wool business will strengthen our edge over our competitors and we are working to expand our business portfolio in this area.

Faced with an ever changing international market conditions, the Group continues to focus on product and technological innovation, quality improvement, product development and diversification and increased productivity to maintain its edge over its competitors in servicing our customers.

(1) 業務回顧

於二零零九年，儘管全球經濟繼續波動以及美國及歐洲市場和消費者信心的復甦緩慢，但本集團仍取得令人滿意的業績，收入約達2,091.0百萬港元。本集團的收入輕微下跌，但與二零零八年相比，本集團的毛利率上升約2.6%至約34.5%，此乃由於本集團強有力的管理、更嚴苛的成本控制及穩健的垂直生產體系所致。

出口製造業務

本集團工作的重點是繼續開展原設備製造（「原設備製造」）及原設計製造（「原設計製造」）業務，該等業務於二零零九年仍然維持強勁的增長。通過在開拓新市場、物色新客戶及新商機以與國際市場的主要製造商合作方面的努力，本集團的出口製造業務取得總收入約1,755.7百萬港元，佔本集團於該年度總收入約84.0%。

於二零零九年下半年，本集團透過訂立一項與在亞洲生產的成衣及服裝相關的長期獨家供應協議之方式，與美國Bernard Chaus Inc.進行合作。該協議的期限為10年。董事相信，該項業務合作將有利於本集團的業務。本集團穩健的財務狀況及垂直整合的生產體系將令Bernard Chaus Inc.可專注於設計及國際市場推廣方面，而本集團亦會向其提供製造及設計支持解決方案。該項業務合作目前正成功進行。

本集團目前正在經營毛料業務，該業務將能完全動用本集團在每年第三季的產能。本集團預期會增加該項業務的業務活動。憑藉本集團的垂直生產體系及與意大利業務夥伴進行合作，倘以可承受的價格購買到可媲美意大利品質的毛料，勢必會對本集團的毛料產品有所需求，這樣本集團預期會擴大毛料業務的規模。毛料業務將增強本集團的優勢，令本集團勝過其競爭對手，本集團現正於該領域擴大其業務。

面對多變的國際市況，本集團繼續將重點放在產品與技術創新、質量改進、產品開發與多樣化及提升生產力上，以在服務於本集團客戶時維持其優勢，勝過其競爭對手。

Management's Discussion and Analysis (continued)

管理層討論及分析(續)

Brand Retail Business

The retail market in China was also affected by the global economic volatility. Competition among brands in China is fierce. However, in 2009, the Group captured increased market share in the brand retail business and recorded a substantial increase in the sales generated by its four brands: "FINITY" "DBNI" "ELANIE" and "RIVERSTONE".

As of 31 December 2009, the Group's sales network in China included 445 retail outlets with a total revenue of HK\$335.3 million and a gross profit margin of approximately 65.6%. Such results were achieved through a better control on production planning and inventory control which resulted in short lead time to sales. We also focus on the provision of intensive staff training programs, and were selective in store opening with better and prime locations.

(2) Financial Review

Results Performance

During the year ended 31 December 2009, the Group's revenue amounted to HK\$2,091.0 million, representing a decrease of 10.4% as compared with HK\$2,333.7 million in 2008. The gross profit margin for the year ended 31 December 2009 was 34.5%, representing an increase of approximately 2.6 percentage points as compared with approximately 31.9% in 2008. The result were benefit from the on-job trainings and further career development provided by the Group, which enhanced the productivity and reduced the labour costs in the production process.

The net profit attributable to equity holders of the Company was HK\$376.6 million, representing an increase of 29.3% as compared with HK\$291.2 million in 2008. Earnings per share was HK18.00 cents, representing HK4.15 cents higher as compared to HK13.85 cents for the same period last year.

品牌零售業務

中國的零售市場亦受到全球經濟波動的影響。中國品牌間的競爭十分激烈。然而，於二零零九年，本集團品牌零售業務所佔的市場份額增加，其四個品牌「FINITY(菲妮迪)」、「DBNI(迪妮)」、「ELANIE(依蘭)」及「RIVERSTONE(瑞弗史東)」所產生的銷售額錄得較大增幅。

於二零零九年十二月三十一日，本集團位於中國的銷售網絡包括445家零售店舖，總收入為335.3百萬港元，毛利率約為65.6%。該等業績乃透過更好地控制生產規劃及存貨控制(該等舉措縮短了從產品開始生產至上市銷售的時間)而取得。本集團亦集中提供密集式員工培訓計劃，及有選擇地開設店舖以將本集團的店舖開在黃金地段。

(2) 財務回顧

業績

於截至二零零九年十二月三十一日止年度，本集團收入達2,091.0百萬港元，較二零零八年2,333.7百萬港元減少10.4%。截至二零零九年十二月三十一日止年度的毛利率為34.5%，較二零零八年之約31.9%增加約2.6個百分點。此結果得益於本集團為員工提供在職培訓以及更長遠職業發展計劃，這在生產流程中，可增加生產力及於生產程序中減低員工成本。

本公司股權持有人應佔純利為376.6百萬港元，較二零零八年291.2百萬港元上升29.3%。每股盈利為18.00港仙，比去年同期的13.85港仙增加4.15港仙。

Management's Discussion and Analysis (continued)

管理層討論及分析(續)

OEM and ODM Business

During the year, the revenue derived from our OEM/ODM business recorded a decrease to approximately HK\$1,755.7 million from approximately HK\$2,047.8 million in 2008. During the year 2009, the Group further diversified its product portfolios with cotton and cotton blended apparel and apparel in synthetic fabrics together contributing 53.6% to the revenue of our OEM/ODM business (2008: 36.2%). The following table sets forth an analysis of the revenue of our OEM/ODM business by products:

原設備製造及原設計製造業務

年內，來自原設備製造／原設計製造業務之收入由二零零八年之約2,047.8百萬港元減少至約1,755.7百萬港元。於二零零九年度，本集團進一步成功把產品種類多元化至棉及棉混紡服裝以及合成纖維服裝，兩者於原設備製造／原設計製造業務之收入貢獻共有53.6%(二零零八年：36.2%)。下表列載原設備製造／原設計製造業務以產品劃分之收入分析：

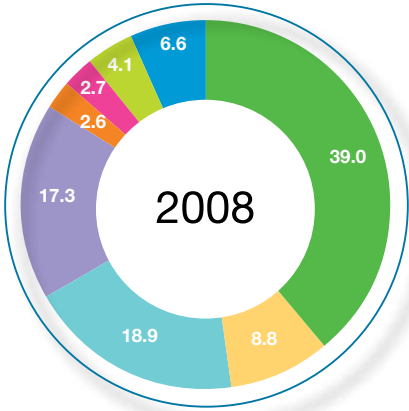
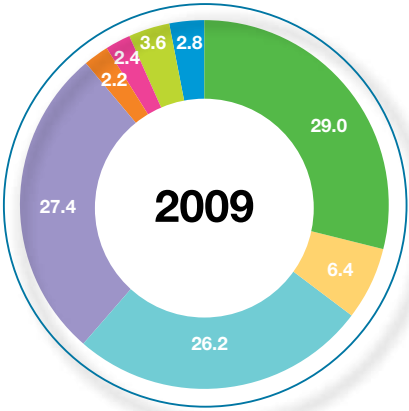
		2009		2008		% Change 變動%
		HK\$ million 百萬港元	% %	HK\$ million 百萬港元	% %	
Silk and silk-blended apparel	絲綢及絲混紡服裝	508.7	29.0	798.9	39.0	(36.3)
Linen and linen blended apparel	麻及麻混紡服裝	113.0	6.4	179.2	8.8	(36.9)
Cotton and cotton-blended apparel	棉及棉混紡服裝	459.8	26.2	386.3	18.9	19.0
Apparel in synthetic fabrics	合成纖維服裝	481.1	27.4	355.0	17.3	35.5
Wool and wool-blended apparel	羊毛及羊毛混紡服裝	39.1	2.2	54.5	2.6	(28.3)
Printing and dyeing	印染	42.0	2.4	55.2	2.7	(23.9)
Home textile fabric and accessories	家紡面料及成品	63.1	3.6	84.0	4.1	(24.9)
Others	其他	48.9	2.8	134.7	6.6	(63.7)
Total	總計	1,755.7	100.0	2,047.8	100.0	(14.3)

In terms of markets, sales to the US market amounted to approximately HK\$1,304.0 million (2008: HK\$1,514.3 million), which accounted for approximately 74.3% (2008: 74.0%) of the OEM revenue. Sales to European and other markets were approximately HK\$124.2 million (2008: HK\$117.7 million) and HK\$327.5 million (2008: HK\$415.8 million), respectively.

按地區市場分析，銷售往美國市場的金額約為1,304.0百萬港元(二零零八年：1,514.3百萬港元)，佔原設備製造收入約74.3%(二零零八年：74.0%)。歐洲及其他市場所佔的銷售額分別約為124.2百萬港元(二零零八年：117.7百萬港元)及327.5百萬港元(二零零八年：415.8百萬港元)。

Management's Discussion and Analysis (continued)

管理層討論及分析(續)



Silk and silk-blended apparel
 Linen and linen blended apparel
 Cotton and cotton-blended apparel
 Apparel in synthetic fabrics
 Wool and wool-blended apparel
 Printing and dyeing
 Home textile fabric and accessories
 Others

絲綢及絲混紡服裝
 麻及麻混紡服裝
 棉及棉混紡服裝
 合成纖維服裝
 羊毛及羊毛混紡服裝
 印染
 家紡面料及成品
 其他



Management's Discussion and Analysis (continued)

管理層討論及分析(續)

Brand Retail Business

During the year ended 31 December 2009, the retail sales increased by approximately 17.3% from HK\$285.9 million to approximately HK\$335.3 million, which was mainly driven by the expansion of the Group's retail network and the improvement in store sales performance. Sales under the brand name, "FINITY", grew by approximately 23.4% to HK\$162.4 million (2008: HK\$131.6 million), accounting for 48.4% of the Group's retail sales. The retail sales analysis by brand name is as follows:

品牌零售業務

於截至二零零九年十二月三十一日止年度，零售銷售額由285.9百萬港元增長至約335.3百萬港元，增長約17.3%，該增長主要是由本集團之零售網絡擴展所推動，並受惠於店舖銷售表現改善。FINITY(菲妮迪)品牌的銷售額增加約23.4%至162.4百萬港元(二零零八年：131.6百萬港元)，佔本集團零售銷售額約48.4%。按品牌分類的零售銷售額分析如下：

		2009 二零零九年		2008 二零零八年		% Change 變動%
		HK\$ million 百萬港元	% %	HK\$ million 百萬港元	% %	
In-house brands	自家品牌					
Finity	菲妮迪	162.4	48.4	131.6	46.0	23.4
Dbni	迪妮	17.8	5.3	27.5	9.6	(35.3)
Elanie	依蘭	60.4	18.0	44.6	15.6	35.4
Riverstone	瑞弗史東	39.8	11.9	31.2	10.9	27.6
Licensed brands	代理品牌					
Maxstudio	Maxstudio	54.9	16.4	50.8	17.8	8.1
Burlington House	Burlington House	—	—	0.2	0.1	N/A 不適用
Total retail sales	總零售銷售額	335.3	100.0	285.9	100.0	17.3

In terms of retail revenue analysis by sales channel, sales from concessions amounted to approximately HK\$228.4 million (2008: HK\$188.8 million), accounting for approximately 68.1% of total retail turnover. Sales from freestanding stores and franchisees amounted to HK\$18.7 million (2008: HK\$10.4 million) and HK\$88.2 million (2008: HK\$86.7 million) respectively.

按銷售管道對零售收入作出分析，專櫃銷售額約為228.4百萬港元(二零零八年：188.8百萬港元)，約佔總零售營業額68.1%。專賣店及專營代理的銷售額分別約有18.7百萬港元(二零零八年：10.4百萬港元)及約88.2百萬港元(二零零八年：86.7百萬港元)。

Management's Discussion and Analysis (continued)

管理層討論及分析(續)

A Nationwide Retail Network

全國性的零售網絡



No. of retail outlets:
零售店數目：

In-house brands
自家品牌

FINITY 171

ÉLANIE RIESE 78

Dbni 60

RIVER STONE 77

Licensed brands
代理品牌

MAXSTUDIO.COM 59

Management's Discussion and Analysis (continued)

管理層討論及分析(續)

Operating profit

The Group's operating profit for the year ended 31 December 2009 increased from approximately HK\$328.9 million to approximately HK\$355.2 million. The increase in operating profit was principally attributable to the changes in fair value of the short-term investment portfolio of the Group, which recorded fair value gain of approximately HK\$20.5 million (2008: net fair value losses: HK\$66.8 million). The Group's profit before income tax for the year ended 31 December 2009 increased from approximately HK\$333.7 million to approximately HK\$451.0 and the Group's profit for the year increased from HK\$290.7 million to HK\$382.6 million. The increase was mainly due to the negative goodwill arising on the acquisition of a subsidiary in the PRC. Please refer to the paragraphs under "Acquisition of a subsidiary in PRC" for further information.

Acquisition of a subsidiary in the PRC

As disclosed in the announcement dated 19 October 2009, the Group entered into an equity transfer agreement and loan transfer agreement with independent third parties for the acquisition of 100% equity interest in Zhejiang Huize Investment Company Limited ("**Zhejiang Huize**") which owns 29% equity interest in Zhejiang Haoran Property Company Limited ("**Zhejiang Haoran**"). Zhejiang Haoran is the sole owner of a parcel of land situated in Qianjiang New City, Hangzhou, Zhejiang Province, China (the "**Land**") and the developer of the business building development project proposed to be erected on the Land (the "**Property Project**").

The Directors intend to use part of the Property Project as the Group's new headquarters of the retail business in China. The Directors consider that the transactions will provide the Group with a good opportunity to participate in the Property Project that would facilitate the business expansion of the Group.

Based on the purchase consideration and the fair value of net assets acquired, the Group recorded a negative goodwill, which was attributable to the fair value of the Land on the date of acquisition. The negative goodwill was recognized directly in the consolidated statement of comprehensive income.

Long Term Exclusive Supply Agreement

On 31 July 2009, the Group and Bernard Chaus, Inc. entered into a long term exclusive supply agreement whereby the Group will act as the exclusive garment and apparel supplier in Asia. The Directors consider this new business cooperation will attract prestigious branded companies to the Group and an opportunity to enhance the market share.

經營溢利

本集團截至二零零九年十二月三十一日止年度的經營溢利由約328.9百萬港元增至約355.2百萬港元。經營溢利增加主要由於本集團短期投資組合之公平值變動所致，短期投資組合錄得公平值收益約20.5百萬港元(二零零八年：公平值虧損淨額：66.8百萬港元)。本集團截至二零零九年十二月三十一日止年度之除所得稅前溢利由約333.7百萬港元增至約451.0百萬港元，本集團於本年度之溢利由290.7百萬港元增至382.6百萬港元。有關增加主要由於因收購一間中國附屬公司而產生負商譽所致。有關進一步資料，請參閱「收購一間中國附屬公司」一段。

收購一間中國附屬公司

誠如本公司日期為二零零九年十月十九日之公佈所披露，本集團就收購浙江惠澤投資有限公司(「**浙江惠澤**」，其擁有浙江浩然置業有限公司(「**浙江浩然**」)29%股權)而與獨立第三方訂立一項股權轉讓協議及貸款轉讓協議。浙江浩然乃一幅位於浙江省杭州市錢江新城之土地(「**該幅土地**」)之唯一擁有人及擬於該幅土地上興建之商業樓宇發展項目(「**物業項目**」)之發展商。

董事擬使用物業項目的部分作為本集團於中國的零售業務新總部。董事認為，交易事項將為本集團帶來參與物業項目的良機，從而將會促進本集團的業務擴充。

根據購買代價及獲收購資產之公平值計算，本集團錄得一項負商譽，此乃由於該幅土地於收購日期的公平值所致。負商譽將直接於綜合全面收入表確認。

長期獨家供應協議

於二零零九年七月三十一日，本集團與美國Bernard Chaus Inc.訂立一項長期獨家供應協議，據此，本集團將成為亞洲獨家成衣及服裝供應商。董事認為，該項新業務合作將吸引知名品牌公司與本集團合作，並可為本集團帶來提高市場佔有率之良機。

Management's Discussion and Analysis (continued)

管理層討論及分析(續)

Liquidity and Financial Resources

The Group continues to retain a good and solid financial position. During the year, the Group satisfied their working capital needs principally from its normal operations. As at 31 December 2009, the cash and cash equivalents were approximately HK\$350.7 million, representing a decrease of approximately 45.6% from approximately HK\$645.0 million as at 31 December 2008. Net cash generated from operating activities decreased from HK\$436.7 million to HK\$220.0 million in 2009. The cash used in investing activities and financing activities was approximately HK\$377.6 million and HK\$137.3 million, respectively. During the year ended 31 December 2009, the Group's major cash expenditure used during the year included the acquisition of a subsidiary amounting to HK\$298.3 million, the acquisition of plant and equipment amounting to HK\$111.8 million, the acquisition of an exclusive supply right amounting to HK\$31.0 million and the payment of 2008 final dividends and 2009 interim dividends to equity holders during the year.

As at 31 December 2009, the Group had bank borrowings of HK\$78.7 million (2008: HK\$30.2 million), repayable within one year. The debt to equity ratio was 3.2% (2008: 1.3%). The Directors are confident that the Group has adequate financial resources to support its working capital requirement and future expansion.

The sales of the Group are mainly denominated in US dollars and Renminbi and the purchase of raw materials are mainly made in Renminbi, US dollars and Hong Kong dollars. As at 31 December 2009, all cash and cash equivalents, and bank borrowings were mainly denominated in US dollars, Renminbi and Hong Kong dollars. Hence, the Group has no significant exposure to foreign exchange risk.

(3) Outlook

Innovation and expansion continues to be the focus of the Group to meet customer needs, sustain profitability, and combat competitiveness.

OEM/ODM Business

Leveraging the Group's international design teams from the US, Europe and Asia, the Group has diversified from OEM (Original Equipment Manufacturing) to ODM (Original Design Manufacturing) which emphasised on smooth integration of design, production and sales-support services to the customers.

The Directors are optimistic that the Group's capability to respond quickly, its vertically integrated production systems and innovation will enhance the Group's business, improve the Group's competitiveness and profitability and enable the Group to explore new markets especially in EU and Asia.

流動資金及財務資源

本集團繼續維持良好穩健的財政狀況，本集團年內主要以其日常營運所得應付營運資金需求。於二零零九年十二月三十一日，現金及現金等值項目約為350.7百萬港元，較二零零八年十二月三十一日約645.0百萬港元減少約45.6%。營運活動所得的現金淨額自436.7百萬港元減至二零零九年的220.0百萬港元。投資活動及融資活動所用現金分別為約377.6百萬港元及約137.3百萬港元。截至二零零九年十二月三十一日止年度，本集團年內已動用主要現金開支包括收購一間附屬公司達298.3百萬港元，收購廠房及設備達111.8百萬港元，收購一項獨家供應權達31.0百萬港元以及年內向股權持有人派付二零零八年終期股息以及二零零九年中期股息。

於二零零九年十二月三十一日，本集團銀行借貸為78.7百萬港元(二零零八年：30.2百萬港元)，須於一年內償還。負債對權益比率為3.2%(二零零八年：1.3%)。董事有信心本集團具備充裕財政資源，足以應付營運資金需求及未來擴展所需。

本集團銷售主要以美元及人民幣計值，而採購原材料則主要以人民幣、美元及港元進行。於二零零九年十二月三十一日，所有現金及現金等值項目以及銀行借貸主要以美元、人民幣及港元計值。因此，本集團並無重大外匯風險。

(3) 展望

為滿足客戶需求、維持盈利能力及加強競爭力，創新及擴展仍是本集團工作的重點。

原設備製造／原設計製造業務

憑藉本集團來自美國、歐洲及亞洲的國際設計團隊，本集團已將其業務範圍由原設備製造(原設備製造)擴展至原設計製造(原設計製造)，並強調在設計、生產和銷售支援上為客戶提供一體化的服務。

董事樂觀地認為，本集團憑着快速反應的能力、垂直整合的生產體系及創新將增強本集團的業務、提升本集團的競爭力及盈利能力，令本集團可開拓新市場，尤其是歐盟及亞洲市場。

Management's Discussion and Analysis (continued)

管理層討論及分析(續)

Brand Retail Business

Aggressive marketing and promotions, opening of image and flagship stores, as well as enhancing design and collections, remain the main objectives for achieving the Group's strategy on retail business for the purpose of making it as one of the significant businesses of the Group's overall performance.

As the PRC economy continues to improve and consumer spending potential strengthens, upgrading logistic systems and additional promotional activities have enhanced the Group's brands image and visibility on the market and 2009 has shown excellent revenue results.

In 2010, the Group plans to open 100 stores, including larger image and flagship stores in prime locations to capture a significant market share of China's retail business with a vision of expanding internationally.

(4) Human Resources

As at 31 December 2009, the Group had approximately 12,000 full-time employees. The staff costs for 2009 amounted to HK\$405.0 million, representing a decrease of approximately 3.0% over 2008.

The Group has established an incentive bonus scheme for its employees, in which the benefits are determined based on the performance of the Group and individual employees. The management believes that a competitive remuneration scheme, a safe and comfortable workplace, and career development opportunities are incentives for employees to excel in their areas of responsibilities.

品牌零售業務

開展積極的市場推廣及宣傳活動、開設形像旗艦店舖以及提升設計和產品系列仍是實現本集團零售業務策略的主要目標，有關目標旨在令該業務成為本集團整體業務表現中的其中一項重要業務。

隨著中國經濟持續改善及消費者的消費潛力增強，物流系統及其他宣傳活動的升級已提升本集團品牌的形像及市場知名度，二零零九年已錄得可觀的收入業績。

於二零一零年，本集團計劃於黃金地段開設100家店舖(包括更大型的形像旗艦店舖)以佔據中國零售業務的龐大市場份額，以最終期望打進國際市場。

(4) 人力資源

於二零零九年十二月三十一日，本集團僱有約12,000名全職僱員。二零零九年的僱員成本為405.0百萬港元，較二零零八年減少約3.0%。

本集團已為其僱員成立獎勵花紅計劃，按本集團和個別僱員表現作為分配福利的依據。管理層深信具競爭力的薪酬計劃、安全及舒適的工作環境，以及適當的事業發展機會將激勵僱員們在彼等的工作崗位爭取最佳表現。

Directors and Senior Management

董事及高層管理人員

Executive Directors

Mr. TING Man Yi, aged 53, is the Chairman of the Group and an executive Director. Mr. TING started the business of the Group in December 1992 and has considerable experience in the silk fabric and silk garment manufacturing and trading business. Prior to establishing the initial company of the Group, Mr. TING worked for Hangzhou Silk Industrial Company (杭州市絲綢工業公司) from 1981 to 1986. Mr. TING is currently responsible for the overall strategic planning of the Group, especially in overseeing the expansive manufacturing industrial complex in Hangzhou, as well as the planning and implementation of major new investments and projects of the Group. Mr. TING is the elder brother of Mr. TING Hung Yi and Mr. DING Jianer, and the younger brother of Ms. DING Yinger.

Mr. TING Hung Yi, aged 49, is the Chief Executive Officer of the Group and an executive Director. Mr. TING joined the Group in May 2002 and is principally responsible for the strategic development of the Group's OEM, ODM, and retail businesses. Prior to joining the Group, Mr. TING was the general manager of a trading company in Hong Kong between 1991 and 2002. Mr. TING graduated from Zhejiang Sci-Tech University (浙江理工大學), formerly known as Zhejiang Institute of Silk Textiles (浙江絲綢工學院), in 1987 and has over 20 years of experience in the operations of garment export. Mr. TING is the younger brother of Mr. TING Man Yi, Mr. DING Jianer and Ms. DING Yinger, as well as the brother-in-law of Mr. CHEN Jun.

Mr. DING Jianer, aged 50, is an executive Director of the Group. Mr. DING joined the Group in October 1996 when he was first involved in the management and business operations of Shenzhen Fuhowe Fashion Company Limited. He has considerable experience in the silk garment manufacturing business, with focus on various specific areas ranging from the operations of weaving plants, sales and marketing to printing and dyeing and is responsible for the Group's fabric research and development along with innovative techniques. Mr. DING is the younger brother of Mr. TING Man Yi and Ms. DING Yinger and the elder brother of Mr. TING Hung Yi.

Mr. CHEUNG Ting Yin, Peter, aged 46, is an executive Director of the Company and the managing director of Concept Creator Fashion Limited. Mr. CHEUNG has extensive experience in the garment and textile industry and joined the Group in January 2000, and oversees the Group's sales and marketing teams. Mr. CHEUNG obtained a Bachelor of Arts (cum laude) Degree from the University of Washington in 1987, and a Master's Degree in Business Administration from Simon Fraser University in 1990. Mr. CHEUNG was made a member of the Golden Key National Honor Society and Phi Beta Kappa in 1986 and 1988, respectively.

執行董事

丁敏兒先生，53歲，本集團主席兼執行董事。丁先生於一九九二年十二月開展本集團業務，並在絲綢面料貿易業務及絲綢成衣製造業務擁有豐富經驗。彼成立本集團的初始公司前，曾於一九八一年至一九八六年間在杭州市絲綢工業公司任職，現時負責本集團的整體策略規劃，尤其是監督本集團位於杭州的龐大工業園，以及規劃及實行本集團的主要全新投資及項目。丁先生為丁雄尔先生和丁建兒先生的胞兄，並為丁英兒女士的胞弟。

丁雄尔先生，49歲，本集團行政總裁兼執行董事。丁先生於二零零二年五月加盟本集團，主要負責本集團原設備製造、原設計製造及零售業務的策略發展。丁先生加盟本集團前，曾於一九九一年至二零零二年間出任香港一家貿易公司的總經理。彼於一九八七年畢業於浙江理工大學(前稱浙江絲綢工學院)，經營成衣出口業務逾二十年。丁先生為丁敏兒先生、丁建兒先生及丁英兒女士的胞弟，亦為陳俊先生的襟兄。

丁建兒先生，50歲，本集團執行董事。丁先生於一九九六年十月加盟本集團，起初參與深圳富豪時裝有限公司的管理工作及業務營運。彼在絲綢成衣製造業務經驗豐富，專注於織造廠營運、銷售及營銷以至印染等不同範疇，並負責本集團利用創新技術的布料研究及發展。丁先生為丁敏兒先生和丁英兒女士的胞弟，並為丁雄尔先生的胞兄。

張定賢先生，46歲，本公司執行董事兼創越時裝有限公司的董事總經理。張先生在成衣及紡織業積累豐富經驗，並於二零零零年一月加盟本集團，負責監督本集團的銷售及營銷團隊。張先生於一九八七年獲取華盛頓大學文學士(優等)學位，後於一九九零年獲西門弗雷澤大學(Simon Fraser University)頒授工商管理碩士學位。張先生於一九八六年及一九八八年先後成為Golden Key National Honor Society及Phi Beta Kappa會員。

Directors and Senior Management (continued)

董事及高層管理人員 (續)

Independent Non-executive Directors

Dr. CHENG Chi Pang, aged 52, was appointed as an independent non-executive Director in November 2005. Dr. CHENG obtained a Bachelor's Degree in Business in 1992, a Master's Degree in Business Administration in 1997, an Honorary Doctorate Degree of Philosophy in Business Management in 2003 and a Master's Degree in Laws (Chinese and Comparative Law) in 2009. Dr. CHENG is an associate member of the Hong Kong Institute of Certified Public Accountants, CPA Australia, the Taxation Institute of Hong Kong and a member of the Institute of Chartered Accountants in England and Wales.

Dr. CHENG is a Certified Public Accountant practicing in Hong Kong with over 30 years of experience in auditing and business advisory as well as financial management. Dr. CHENG was chief executive officer and group financial controller of NWS Holdings Limited ("NWSH"), the shares of which are listed on the Stock Exchange. Prior to joining the New World Group, he was a senior manager of an international accounting firm. Dr. Cheng is now Senior Partner of Leslie Cheng & Co. as well as an independent non-executive director and chairman of audit committee of Nine Dragons Paper (Holdings) Limited, Tianjin Port Development Holdings Limited and Fortune Sun (China) Holdings Limited all being companies listed on the Stock Exchange of Hong Kong Limited and Chief Executive Officer of L&E Consultants Limited. Dr. CHENG is currently a non-executive director of Wai Kee Holdings Limited and Build King Holdings Limited, companies listed on The Stock Exchange of Hong Kong Limited.

Mr. WONG Chi Keung, aged 55, was appointed as an independent non-executive Director in November 2005. Mr. WONG holds a master's degree in business administration from the University of Adelaide in Australia. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, The Association of Chartered Certified Accountants and CPA Australia, an associate member of The Institute of Chartered Secretaries and Administrators and The Chartered Institute of Management Accountants. Mr. Wong is also the Responsible Officer of Sinox Fund Management Limited and is licensed to carry out certain regulated activities under the Securities and Futures Ordinance namely asset management, advising on securities and advising on corporate finance.

Mr. WONG has over 30 years of experience in finance, accounting and management, and was, for over 10 years, an executive director, deputy general manager, group financial controller and company secretary of Yuexiu Property Company Limited (formerly known as Guangzhou Investment Company Limited), a company listed on the Stock Exchange. He is also an independent non-executive director and a member of the audit committee of Asia Orient Holdings Limited, Asia Standard International Group Limited, Century City International Holdings Limited, China Nickel Resources Holdings Company Limited, Golden Eagle Retail Group Limited, PacMOS Technologies Holdings Limited, Paliburg Holdings Limited, Regal Hotels International Holdings Limited, TPV Technology Limited and Ngai Lik Industrial Holdings Limited, which are all listed on the Stock Exchange of Hong Kong Limited. Mr. Wong is also an independent non-executive director of First Natural Foods Holdings Limited

獨立非執行董事

鄭志鵬博士，52歲，於二零零五年十一月獲委任為獨立非執行董事。鄭博士於一九九二年取得商學士學位，於一九九七年取得工商管理碩士學位，於二零零三年取得工商管理榮譽哲學博士學位及於二零零九年取得法學(中國法與比較法)碩士學位。鄭博士是香港會計師公會、澳洲會計師公會及香港稅務學會的會員，並為英格蘭與威爾士特許會計師公會的會員。

鄭博士是香港執業會計師，在審核及商業諮詢以及財務管理方面積逾三十年經驗。鄭博士曾出任於聯交所上市的新創建集團有限公司(「新創建」)的主要行政人員及集團財務總監，在加入新世界集團前，彼曾於一家國際會計師事務所擔任高級經理。鄭博士現任鄭志鵬會計師事務所高級合夥人。鄭博士現時亦擔任玖龍紙業(控股)有限公司、天津港發展控股有限公司及富陽(中國)控股有限公司(全部均為於香港聯合交易所有限公司上市的公司)之獨立非執行董事暨審核委員會主席，以及L&E Consultants Limited行政總裁。鄭博士現為兩家於香港聯合交易所有限公司上市的公司惠記集團有限公司及利基控股有限公司的非執行董事。

黃之強先生，55歲，於二零零五年十一月獲委任為獨立非執行董事。黃先生獲澳洲阿得雷德大學頒發工商管理碩士學位，並為香港會計師公會、英國特許公認會計師公會及澳洲會計師公會之資深會員，及英國特許秘書及行政人員公會及英國特許管理會計師公會之會員；亦為利禾資金管理有限公司之註冊負責人員，持牌進行香港證券及期貨條例下若干受規管活動，即資產管理、證券顧問及企業融資顧問。

黃先生於財務、會計及管理方面積累了逾三十年之經驗，並曾出任越秀地產股份有限公司(前稱越秀投資有限公司)之執行董事、副總經理、集團財務總監及公司秘書超過十年，該公司於聯交所上市。黃先生亦為匯漢控股有限公司、泛海國際集團有限公司、世紀城市國際控股有限公司、中國鍊資源控股有限公司、金鷹商貿集團有限公司、弘茂科技控股有限公司、百利保控股有限公司、富豪酒店國際控股有限公司、冠捷科技有限公司及毅力工業集團有限公司之獨立非執行董事兼審核委員會成員，上述公司均在香港聯合交易所有限公司上市。黃先生亦為第一天然食品有限公司(已委任臨時清盤人)之獨立

Directors and Senior Management (continued)

董事及高層管理人員 (續)

(Provisional liquidators appointed). Provisional liquidators were appointed by the High Court of Hong Kong on 7 January 2009. Mr. Wong is an independent non-executive director of FU JI Food and Catering Services Holdings Limited (Provisional liquidators appointed). Provisional liquidators were appointed by the High Court of Hong Kong on 19 October 2009.

Mr. LEUNG Man Kit, aged 56, was appointed as an independent non-executive Director in November 2005. Mr. LEUNG obtained a Bachelor's Degree in Social Science from the University of Hong Kong in 1977. Mr. LEUNG has over 25 years of experience in project finance and corporate finance and has held senior positions with Peregrine Capital (China) Limited, Crosby Securities (HK) Limited and Swiss Bank Corporation, Hong Kong Branch. Mr. LEUNG was also a director of Emerging Markets Partnership (Hong Kong) Limited which was the principal adviser to the AIG Infrastructure Fund L.P.

Mr. LEUNG is an independent non-executive director and audit committee member of NetEase, a NASDAQ listed company. Mr. LEUNG is also an independent non-executive director and audit committee member of Junefield Department Store Group Limited and Golden Harvest Entertainment (Holdings) Limited, and an independent non-executive director of Auhui Expressway Company Limited, which are all companies listed on the Stock Exchange of Hong Kong Limited.

Corporate Management Team

Export, OEM and ODM Business

Ms. LI Yuet Mui, Xera, aged 50, is a vice president of the Group and the managing director of China Ting Garment Mfg (Group) Limited. Ms. LI joined China Ting Garment in May 2002 and is responsible for the strategic development of the Company, focusing on its sales, marketing and overall management. Ms. LI has over 25 years of experience in the garment industry and, prior to joining the Group, Ms. LI worked in a couple of well-established companies in the garment industry.

Ms. LO Man Yi, Cyan, aged 52, is a director of China Ting Garment Mfg (Group) Limited, responsible for its business development, sales and marketing. Ms. LO joined the Group in August 2004 and holds a Higher Diploma in Fashion and Clothing Technology from Hong Kong Polytechnic University obtained in 1981. Ms. LO has over 25 years of experience in the apparel industry.

Mr. LEUNG Che Hung, Archie, aged 44, is a director of Hangzhou China Ting Fashion Company Limited and the general manager of its Shanghai office. Mr. LEUNG joined the Group in May 2000, and has since been responsible for the sales, marketing and overall management of the office. Mr. LEUNG has considerable experience in the garment and textile industry.

非執行董事。香港高等法院已於二零零九年一月七日委任臨時清盤人。黃先生擔任獨立非執行董事之福記食品服務控股有限公司(已委任臨時清盤人)已於二零零九年十月十九日獲香港高等法院委任臨時清盤人。

梁民傑先生，56歲，於二零零五年十一月獲委任為獨立非執行董事。梁先生於一九七七年取得香港大學社會科學學士學位，在項目融資及企業融資方面擁有逾二十五年經驗，並曾出任百富勤融資(中國)有限公司、香港高誠證券有限公司及瑞士銀行香港分行的高層成員，亦曾任 Emerging Markets Partnership (Hong Kong) Limited 董事，該公司曾是美國友邦集團亞洲基礎設施投資基金總顧問。

此外，梁先生為美國納斯達克上市公司網易的獨立非執行董事兼審核委員會成員。梁先生亦為莊勝百貨集團有限公司及嘉禾娛樂事業(集團)有限公司的獨立非執行董事兼審核委員會成員，以及安徽皖通高速公路股份有限公司之獨立非執行董事，上述公司均於香港聯合交易所有限公司上市。

企業管理團隊

出口、原設備製造及原設計製造業務

李月妹女士，50歲，本集團副總裁兼華鼎製衣(集團)有限公司董事總經理。李女士於二零零二年五月加盟華鼎製衣，負責公司策略發展，專注於銷售、營銷及整體管理，在成衣業有逾二十五年經驗。李女士加盟本集團前，曾在成衣業內多家大公司工作。

盧敏兒女士，52歲，華鼎製衣(集團)有限公司董事，負責業務發展、銷售及營銷。盧女士於二零零四年八月加盟本集團，彼於一九八一年獲香港理工大學頒授時裝及製衣科技高級文憑，在服裝業積逾二十五年經驗。

梁誌鴻先生，44歲，杭州華鼎時裝有限公司董事及其上海辦事處總經理。梁先生於二零零零年五月加盟本集團，自此一直負責上海辦事處的銷售、營銷及整體管理工作。彼於成衣及紡織業積累了豐富經驗。

Directors and Senior Management (continued)

董事及高層管理人員 (續)

Mr. COHEN, Paul Alan, aged 64, is a senior vice president for business development of China Ting Fashion Group (USA) LLC. Mr. COHEN has considerable experience in the garment trading and fabric industry. Mr. COHEN joined the Group in May 2002 with responsibilities for the day-to-day operations of China Ting Fashion Group (USA) LLC.

Mr. SHEN Ren, Tony, aged 33, is the president of China Ting Fashion Group (USA) LLC and JV/China Ting LLC. Mr. SHEN joined the Group in 2005 and has assumed the management post since late 2008. Mr. SHEN holds an LLB from Zhejiang University Law School, an LLM from University of Glasgow, Scotland (International Law) and an LLM from University of Warwick, UK (Law in Development). Prior to joining the group, Mr. SHEN worked as assistant manager within the Department of Government Procurement of China and as consultant in the international legal firm Horwath & Partners, Shanghai.

Weaving and Apparel Production Management

Mr. YE Ai Min, aged 49, is a vice president of the Group and is responsible for overseeing the Group's production management. Mr. YE joined the Group in August 1993 and has served in various posts since, including being the general manager of Shenzhen Fuhowe Fashion Company Limited and Hangzhou China Ting Fashion Company Limited. Mr. YE graduated from Zhejiang Medical University (浙江醫科大學) in 1983 with a bachelor's degree in medicine. Mr. YE has more than ten years of experience in apparel production management and product quality control.

Mr. FU Xiao Bo, aged 47, is a vice president of the Group overseeing its export business and product development in Shanghai and Hangzhou. Mr. FU joined the Group in May 1997. Mr. FU has considerable experience in business expansion notably in fabric and product innovation, fabrication and production techniques. In 1984, Mr. FU graduated with bachelor's degree from Zhejiang Sci-Tech University (浙江理工大學), formerly known as Zhejiang Institute of Silk Textiles (浙江絲綢工學院). He also received extensive fabric technical training in Germany before he joined the Group.

Ms. JIN Xiao Ying, aged 55, joined the Group in May 1999 and is a vice president of the Group and general manager of Zhejiang Huali Fashion Company Limited, in charge of the Group's product quality control operations. Ms. JIN completed her tertiary education in 1988 and has considerable experience in the management of apparel manufacturing, production management and product quality control.

Mr. CHENG Si Min, aged 57 is a vice president of the Group and general manager of Zhejiang China Ting Jincheng Silk Company Limited, with responsibility for the Group's weaving operations, innovative product development and technical expertise. Mr. CHENG joined the Group in October 2003 and has substantial experience in silk weaving, printing and dyeing. Mr. CHENG has assumed various management positions especially in woven fabric development, weaving enterprises, production technique and product quality control. Mr. CHENG was formerly the managing director and general manager

Paul Alan COHEN先生，64歲，China Ting Fashion Group (USA) LLC業務發展部高級副總裁。COHEN先生在成衣貿易及面料行業經驗豐富，於二零零二年五月加盟本集團，負責China Ting Fashion Group (USA) LLC的日常營運。

沈人先生，33歲，China Ting Fashion Group (USA) LLC及JV/China Ting LLC總裁。沈先生於二零零五年加盟本集團，自二零零八年年底起負責管理職務。沈先生持有浙江大學法學院的法律學士、蘇格蘭格拉斯哥大學的法律碩士(國際法律)及英國華威大學的法律碩士(法律發展)。沈先生加盟本集團前，曾先後出任中國政府採購部門助理經理及國際律師行浩信律師事務所上海辦事處顧問。

織造及服裝生產管理

葉愛民先生，49歲，本集團副總裁，負責監督本集團的生產管理工作。彼於一九九三年八月加盟本集團，先後擔任深圳富豪時裝有限公司及杭州華鼎時裝有限公司的總經理等多個職務。葉先生於一九八三年獲浙江醫科大學頒授醫學學士學位，具有超過十年服裝生產管理及產品質量監控的經驗。

傅小波先生，47歲，本集團副總裁，負責監督本集團於上海及杭州的出口業務及產品發展工作。傅先生自一九九七年五月加入本集團，尤其在布料及產品創新、面料及生產工藝方面之業務拓展具有非常豐富的經驗。傅先生於一九八四年獲浙江理工大學(前稱浙江絲綢工學院)頒授學士學位。彼亦於加盟本集團前於德國接受廣泛的面料技術培訓。

金曉英女士，55歲，於一九九九年五月加入本集團，為本集團副總裁兼浙江華勵時裝有限公司總經理，負責本集團的產品質量監控運營。金女士於一九八八年修畢大專課程，具有豐富的服裝製造管理、生產管理以及產品質量監控經驗。

成思民先生，57歲，本集團副總裁兼浙江華鼎金誠絲綢有限公司總經理，負責監督本集團織造業務、新產品開發及技術開發。成先生於二零零三年十月加入本集團，在絲綢織造和印染方面經驗豐富。成先生曾出任多個管理職位，尤其具有織造面料開發、織造企業、生產工藝規劃及產品質量監控的管理經驗。成先生曾擔任杭州金

Directors and Senior Management (continued)

董事及高層管理人員(續)

of Hangzhou Jincheng, and graduated from the Department of Electrical and Mechanical Engineering of Zhejiang University (浙江大學) in 1980, specializing in automation of industrial electrical equipment.

Retail and Brand Management

Mr. LIU Gang, aged 48, is the managing director of Zhejiang China Ting Brand Management Company Limited and the director for art and design for the Group. Mr. LIU joined the Group in August 1998 and is responsible for the design, promotion and management and exploitation of the Group's various in-house brand names in the China market, including the Group's own brands of FINITY, DBNI, ELANIE, RIVERSTONE and the licensed brand of MAX STUDIO. Mr. LIU graduated from Zhejiang Sci-Tech University (浙江理工大學) formerly known as Zhejiang Institute of Silk Textiles (浙江絲綢工學院) in 1987.

Mr. CHEN Jun, aged 48, is the general manager of Finity International Fashion Company Limited and DBNI (Hangzhou) Fashion Company Limited, joining the Group in 1999. Since 2001, as general manager of the above-mentioned fashion companies, he has been responsible for the manufacturing, sales, promotion and marketing of the brands' apparel retail business in China. Mr. CHEN is very experienced in market promotion and branded apparel development in the PRC. He graduated from the Zhejiang Radio and Television University (浙江廣播電視大學) in 1983 and he is also the brother-in-law of Mr. TING Hung Yi, an executive director.

Mr. HE Yi Min, aged 43, is the general manager of Finity Fashion (Shenzhen) Company Limited. Mr. HE joined the group in April 1998 assuming the said post of general manager in 2003. With more than 10 years of experience in garment manufacturing and fashion retail sales behind him, Mr. HE is currently in charge of the retail operations of the ELANIE brand. Mr. HE obtained a bachelor's degree in education from the Zhejiang Normal University (浙江師範大學) in 1990.

Investor Relations and Global Business Development

Ms. WOOD Sharon, aged 61, originally director of Concept Creator Limited, France, with responsibilities for the Group's overall European operations, is now the vice president of the Group responsible for investor relations and global business development while maintaining her role as director of sales for Europe. Ms. WOOD holds a Master's degree in Business Consultation and Professional Coaching for Change Management from joint faculties HEC, France and Oxford University, UK. Ms. WOOD has over 25 years of management experience with 10 years in the service industry (Air France HK Regional office) and over 15 years in the textile sector, specializing in market development, sales and corporate management. Ms. WOOD joined the Group in June 2002.

誠的董事總經理及總經理。成先生一九八零年畢業於浙江大學機電系，攻讀工業電器自動化專業。

零售及品牌管理

劉剛先生，48歲，浙江華鼎品牌管理有限公司董事總經理及本集團藝術設計總監。劉先生於一九九八年八月加盟本集團，負責設計、宣傳及管理本集團於中國市場的多個自有品牌，包括 FINITY(菲妮迪)、DBNI(迪妮)、ELANIE(依蘭)、RIVERSTONE(瑞弗史東)以及代理品牌MAX STUDIO。劉先生於一九八七年畢業於浙江理工大學(前稱浙江絲綢工學院)。

陳俊先生，48歲，菲妮迪國際時裝有限公司及迪妮(杭州)時裝有限公司總經理，於一九九九年加入本集團，自二零零一年起出任上述時裝公司總經理，負責就本集團品牌服裝的中國零售業務進行製造、銷售、宣傳及營銷工作。陳先生在中國的市場宣傳及品牌服裝發展方面擁有豐富經驗。陳先生在一九八三年畢業於浙江廣播電視大學，為執行董事丁雄尔先生的襟弟。

何一民先生，43歲，菲妮迪時裝(深圳)有限公司總經理。何先生於一九九八年四月加盟本集團，於二零零三年起擔任上述公司總經理，何先生在製衣及時裝零售業積逾十年經驗，現時負責 ELANIE(依蘭)品牌的零售業務。何先生於一九九零年獲浙江師範大學頒授教育學士學位。

投資者關係及全球業務發展

吳德慧女士，61歲，原任法國創越時裝有限公司的董事，負責本集團的整體歐洲業務，現為本集團副總裁，負責投資者關係及全球業務發展，同時兼任歐洲的銷售董事。吳女士持有法國HEC大學及英國牛津大學合辦的業務諮詢及轉變管理專業指導(Business Consultation and Professional Coaching for Change Management)碩士學位。吳女士擁有逾二十五年管理經驗，其中十年累積自服務業(法國航空公司香港地區辦事處)及逾十五年累積自紡織業，擅長市場開發、銷售及企業管理。吳女士於二零零二年六月加盟本集團。

Directors and Senior Management (continued)

董事及高層管理人員(續)

Accounting, Finance and Administration

Mr. FANG Long, aged 54, is a vice president of the Group, responsible for the Group's administration and public relations in China. Mr. FANG joined the Group in August 2000 and was, formerly, deputy general manager of Finity Fashion (Shenzhen) Company Limited until late March 2003. Mr. FANG is currently in charge of administration and corporate management, including offices, production facilities and properties, of the China Ting Industrial Complex in Hangzhou. Mr. FANG also assumes responsibilities as General Manager of the Group's latest wool mill joint venture with Italian partners. Mr. FANG completed undergraduate studies at Jiangxi University (江西大學) in 1989.

Mr. MAO Jian Hua, aged 56, is the Financial Controller and Chief Accountant of the Group. Mr. MAO joined the Group in December 2003 and is responsible for the overall accounting and budget control for the Group's OEM production in China. Mr. MAO is a holder of the Certificate of Certified Public Valuer of the PRC (中華人民共和國註冊資產評估師證書) as well as a member of the Chinese Institute of Certified Public Accountants (中國註冊會計師協會). Mr. MAO has over 20 years of work experience in financial management and accounting in China.

Ms. DING Yinger, aged 60, is the General Manager (Finance) of the Group in China. Ms. DING joined the group in March 2002 and is responsible for the management of funds for the Group and overall financial management and control of the Group's retail business in China. Ms. DING has considerable experience in financial management and is the elder sister of Mr. TING Man Yi, Mr. TING Hung Yi, and Mr. DING Jianer.

Mr. CHENG Ho Lung, Raymond, aged 32, is the finance and accounting manager of the Group. Mr. CHENG is also the Company Secretary of the Group. Mr. CHENG joined the Group in May 2005, and is responsible for the Group's overall matters related to financial and treasury management, financial accounting and reporting, budgetary control, taxation and statutory audit. Mr. CHENG graduated from the Hong Kong University of Science and Technology in 1999 with a Bachelor's Degree in Business Administration (Accounting), and is an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Prior to joining the Group, Mr. CHENG worked as audit manager for an international accounting firm in Hong Kong.

會計、財務及行政管理

方隆先生，54歲，本集團副總裁，負責本集團的行政管理及公共關係。方先生於二零零零年八月加入本集團，曾擔任菲妮迪時裝(深圳)有限公司副總經理，直至二零零三年三月底為止。方先生現時負責的行政管理和企業管理工作，包括管理座落於杭州華鼎工業園內的辦事處、生產設施及物業。方先生亦擔任本集團與意大利業務夥伴合營的最新羊毛紡織合營企業的總經理。方先生於一九八九年修畢江西大學本科課程。

茅建華先生，56歲，本集團財務總監兼總會計師。茅先生於二零零三年十二月加盟本集團，負責本集團的中國原設備製造生產的整體會計及財政預算監控。茅先生持有中華人民共和國註冊資產評估師證書，並為中國註冊會計師協會會員。茅先生於中國從事財務管理及會計工作逾二十年。

丁英兒女士，60歲，本集團的中國總經理(財務)。丁女士於二零零二年三月加盟本集團，負責為本集團管理基金以及本集團中國零售業務的整體財務管理及監控。丁女士在財務管理方面經驗豐富。丁女士為丁敏兒先生、丁雄尔先生及丁建兒先生的胞姐。

鄭浩龍先生，32歲，本集團財務及會計經理，亦為本集團公司秘書，於二零零五年五月加入本集團，現負責本集團財務及財資管理、財務會計及申報、財政預算監控、稅務及法定審核方面之整體事務。鄭先生於一九九九年畢業於香港科技大學，持工商管理(會計)學士學位。鄭先生為香港會計師公會會員及英國特許公認會計師公會資深會員。鄭先生加盟本集團前，曾在香港一家國際會計師事務所擔任核數經理。

Corporate Governance Report

企業管治報告

The Directors recognise the importance and are committed in maintaining high-standards of corporate governance in the management structure of the Group and the internal control procedures of the Group, so as to make sure that all business activities of the Group and the decision-making process are properly regulated to safeguard shareholders' interests as well as the Company's assets to lead and manage the Company to success. During the financial year ended 31 December 2009, the Company complied with the applicable code provisions set forth in The Code on Corporate Governance Practices (the "Code") as set out in appendix 14 to The Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

Board of Directors

The Board is responsible for preventing frauds and irregularities, safeguarding the assets of the Group and formulating business strategies for the Group. The Board currently comprises four executive Directors and three independent non-executive Directors. Details of the Directors are set forth on pages 25 to 27 of this report.

The four executive Directors include three brothers, namely Mr. TING Man Yi, Mr. TING Hung Yi and Mr. DING Jianer, and Mr. CHEUNG Ting Yin, Peter. Mr. CHEUNG Ting Yin, Peter has no family relationship with any of the other executive and independent non-executive Directors.

The roles of the Chairman and the Chief Executive Officer are separate and held by Mr. TING Man Yi and Mr. TING Hung Yi, respectively, who are siblings. The Chairman is responsible for the overall strategic planning of the Group, overseeing the manufacturing business of the Group in Hangzhou and the planning and implementation of major new investments and projects of the Group. The Chairman will ensure that the Group maintains good measures and effective corporate governance practices and procedures. The Chief Executive Officer is responsible for the day-to-day management of the business of the Group and the strategic development of the Group's OEM and retail business. With the assistance of other members of the Board and other senior management, the Chief Executive Officer closely monitors the operating and financial results of the Group, identifies weakness of the operation and takes all necessary and appropriate remedial steps.

All three independent non-executive Directors have been appointed for a term of three years, commencing from 18 November 2008. All of them have satisfied the independence criteria, and each of them has made such confirmation pursuant to rule 3.13 of the Listing Rules. The Directors are of the view that all independent non-executive Directors meet the independence guidelines set forth in rule 3.13 of the Listing Rules.

董事認為企業管治對本集團管理架構及內部監控程序而言至為重要，並致力維持高水平的企業管治，以確保本集團一切業務活動及決策過程得以妥善規管，保障股東利益及本公司的資產以領導及管理本公司邁向成功。截至二零零九年十二月三十一日止財政年度，本公司一直遵守聯交所證券上市規則（「上市規則」）附錄14所載的企業管治常規守則（「守則」）的適用守則條文。

董事會

董事會負責防止欺詐及不當行為、保障本集團的資產以及制定本集團的業務策略。董事會目前由四位執行董事及三位獨立非執行董事組成。各董事的詳情載於本報告第25至27頁。

四位執行董事包括丁敏兒先生、丁雄尔先生和丁建兒先生三兄弟，以及張定賢先生。張定賢先生與任何其他執行董事及獨立非執行董事並無任何親屬關係。

本集團主席與行政總裁的角色分立，並分別由丁敏兒先生及丁雄尔先生（彼等為胞兄弟）擔任。主席負責本集團的整體策略籌劃、監督本集團在杭州的製造業務，以及策劃和施行本集團主要的新投資及項目，確保本集團保持良好措施及企業管治常規及程序有效。行政總裁負責本集團業務的日常管理以及原設備製造與零售業務的策略發展工作，並在董事會其他成員和其他高層管理人員協助下，密切監察本集團的營運及財務業績，識別業務營運中的弱項，並採取一切必要的適當修正措施。

三位獨立非執行董事的任期全部由二零零八年十一月十八日開始，為期三年。彼等全部符合獨立準則，並已根據上市規則第3.13條各自發出每年獨立確認。董事認為全體獨立非執行董事均符合上市規則第3.13條指引所載的獨立指引。

Corporate Governance Report (continued)

企業管治報告 (續)

During 2009, the Board held four meetings and individual attendance of each Director at the Board meetings is set out below:

於二零零九年，董事會舉行四次會議，各董事於董事會會議之個別出席記錄載列如下：

Director 董事	Attendance 出席次數
Executive Director 執行董事	
Mr. TING Man Yi 丁敏兒先生	4/4
Mr. TING Hung Yi 丁雄尔先生	4/4
Mr. DING Jianer 丁建兒先生	4/4
Mr. CHEUNG Ting Yin, Peter 張定賢先生	3/4
Independent Non-Executive Director 獨立非執行董事	
Dr. CHENG Chi Pang 鄭志鵬博士	4/4
Mr. WONG Chi Keung 黃之強先生	3/4
Mr. LEUNG Man Kit 梁民傑先生	3/4

The Board is responsible for the formulation of the overall business strategies and objectives, the monitoring and evaluation of the operating and financial performance, the review of the corporate governance standard and the supervision of the management of the Group. The management of the Group is responsible for the implementation of the business strategies and the day-to-day operations of the Group under the supervision of the Chief Executive Officer. The Directors have full access to information on the Group. All senior management of the Group also provide the Directors from time to time with information on the business of the Group.

董事會負責制定整體業務策略及目標、監察及評估營運和財務表現、檢討企業管治標準以及監督本集團管理層。本集團管理層在行政總裁監督下，負責施行本集團的業務策略及日常運作。董事有權查閱本集團所有資料，而本集團全體高層管理人員亦會不時向董事提供有關本集團業務的資料。

Model Code for Securities Transactions

The Company has adopted The Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set forth in appendix 10 to the Listing Rules. The Company has made specific enquiries with the Directors, and all Directors have confirmed that they complied with the requirements under the Model Code throughout the year ended 31 December 2009.

進行證券交易的標準守則

本公司已採納上市規則附錄10所載的上市發行人董事進行證券交易的標準守則(「標準守則」)。據本公司向董事作出特定查詢後所悉，所有董事確認於截至二零零九年十二月三十一日止年度全年已遵守標準守則下的規定。

Corporate Governance Report (continued)

企業管治報告 (續)

Remuneration Committee

The remuneration committee of the Board has three members, namely Mr. TING Hung Yi, Dr. CHENG Chi Pang and Mr. WONG Chi Keung. The chairman of the remuneration committee is Mr. TING Hung Yi. The primary duties of the remuneration committee include reviewing the terms of remuneration packages and determining the award of bonuses. Its terms of reference are available on request, and are also posted on the website of the Company. The remuneration committee was established on 18 November 2005. One remuneration committee meeting was held in 2009 and all the committee members attended the meeting.

Nomination Committee

The nomination committee of the Board consists of Mr. TING Hung Yi, Dr. CHENG Chi Pang and Mr. LEUNG Man Kit. The chairman of the nomination committee is Mr. TING Hung Yi. The nomination committee selects and recommends appropriate candidates, based on his or her prior experience and qualifications, to the Board on the appointment of Directors and the senior management of the Group. Its terms of reference are available on request and are also posted on the website of the Company. The nomination committee was established on 18 November 2005. One nomination committee meeting, discussing the nomination procedures, was held in 2009 and all the committee members attended the meeting.

Audit Committee

The audit committee of the Board comprises three independent non-executive Directors, Mr. WONG Chi Keung, Dr. CHENG Chi Pang and Mr. LEUNG Man Kit. Mr. WONG Chi Keung is the chairman of the audit committee. The audit committee assists the Board to review the financial reporting process, evaluate the effectiveness of the internal control systems of the Group and oversee the auditing processes. Its terms of reference are available on request and are also posted on the website of the Company. The audit committee was established on 18 November 2005. Two audit committee meetings were held in 2009, together with senior management and the external auditor. All the committee members attended these meetings.

During 2009, the audit committee considered the external auditor's proposed audit fees; discussed with the external auditor their independence and the nature and scope of the audit; reviewed the interim and annual financial statements, particularly judgemental areas, before submission to the Board; reviewed the Group's adherence to the Code Provisions in the Code. The audit committee recommended the Board to adopt the interim and annual report for 2009.

Director's Responsibilities for the Financial Statements

The Directors acknowledge that it is their responsibility for overseeing the preparation of the financial statements of the Group with a view to ensuring such financial statements give a true and fair view of the state of affairs of the Group, selecting suitable accounting policies, applying the selected accounting policies consistently, and making prudent and reasonable judgements and estimates for the preparation of the financial statements of the Group.

薪酬委員會

董事會轄下的薪酬委員會由丁雄尔先生、鄭志鵬博士及黃之強先生三位成員組成，主席為丁雄尔先生。薪酬委員會的主要職責包括審閱薪酬方案條款及釐定花紅發放。本公司會在有人要求時提供薪酬委員會的職權範圍，並在本公司網站登載。薪酬委員會於二零零五年十一月十八日成立，並於二零零九年舉行過一次會議，全體委員會成員均有出席。

提名委員會

董事會轄下的提名委員會由丁雄尔先生、鄭志鵬博士及梁民傑先生三位成員組成，主席為丁雄尔先生。提名委員會負責根據各人的過往經驗及資歷，就委任本集團董事及高層管理人員之事宜，向董事會選舉和推薦合適的人才。本公司會在有人要求時提供提名委員會的職權範圍，並在本公司網站登載。提名委員會於二零零五年十一月十八日成立，並於二零零九年舉行過一次會議，全體委員會成員均有出席，會上討論各項提名程序。

審核委員會

董事會轄下的審核委員會由黃之強先生、鄭志鵬博士及梁民傑先生三位獨立非執行董事組成，並由黃之強先生擔任主席。審核委員會負責協助董事會檢討財務申報程序、評估本集團內部監控制度的效能及監督審核過程。本公司會在有人要求時提供審核委員會的職權範圍，並在本公司網站登載。審核委員會於二零零五年十一月十八日成立，並於二零零九年與高層管理人員及外聘核數師舉行過兩次會議，全體委員會成員均有出席。

於二零零九年，審核委員會已審議外聘核數師之建議審核費用；與外聘核數師討論彼等之獨立性以及審核之性質及範圍；審閱中期及年度財務報表(尤其是有關判斷之範圍)後方提交董事會；審閱本集團是否遵守守則的守則條文。審核委員會建議董事會採納二零零九年中中期及年度報告。

董事對財務報表的責任

董事承認彼等有責任監督本集團編製財務報表，以確保該等財務報表真實而公平地反映本集團的業務狀況，選取合適會計政策並貫徹運用所選的會計政策，以及對本集團財務報表之編製作出審慎合理的判斷及估計。

Corporate Governance Report (continued)

企業管治報告 (續)

The statement of the auditor of the Company about their reporting responsibilities on the financial statements of the Group is set forth in the independent auditor's report on page 53.

Auditor's Remuneration

The professional fee charged by the Company's auditor in respect of the auditing services is disclosed in note 25 to the financial statements. The remuneration of the auditor of the Company, PricewaterhouseCoopers, for audit and non-audit services (namely taxation services and interim review) rendered during 2009 was HK\$3.3 million and HK\$0.6 million, respectively.

Internal Control

The Board and the management of the Group maintain a sound and effective system of internal control of the Group so as to ensure the effectiveness and efficiency of operations of the Group in achieving the established corporate objectives, safeguarding assets of the Group, rendering reliable financial reporting and complying with the applicable laws and regulations.

The Board is also responsible for making appropriate assertions on the adequacy of internal controls over financial reporting and the effectiveness of disclosure controls and procedures. Through the audit committee of the Board, the Board reviews the effectiveness of these systems on a regular basis.

本公司核數師已就其對本集團財務報表的申報責任作出聲明，有關聲明載於第53頁的獨立核數師報告。

核數師酬金

本公司核數師就核數服務所收取的專業費用，於財務報表附註25中披露。於二零零九年內，本公司就核數師羅兵咸永道會計師事務所提供的核數及非核數服務(稅務服務及中期審閱)，分別支付酬金3.3百萬港元及0.6百萬港元。

內部監控

本集團董事會與管理層負責維持本集團的內部監控制度穩健妥善而且有效，以確保本集團有效地以高效率營運，藉以達成企業目標、保障本集團資產、作出可靠的財務申報以及遵守適用的法律及規例。

董事會亦負責對財務申報的內部監控是否充足以及披露監控和程序是否有效，作出適當的聲明，並透過轄下的審核委員會定期檢討該等制度是否有效。

Report of the Directors

董事會報告

The Directors are pleased to present their report together with the audited financial statements for the financial year ended 31 December 2009.

Principal Business Activities

The principal business activity of the Company is investment holding. Details of the principal business activities of the subsidiaries of the Company are set forth in note 9 to the financial statements.

The Group's principal business activities during the financial year ended 31 December 2009 were garment manufacturing for export and retailing branded fashion apparel in Mainland China.

An analysis of the Group's performance for the financial year ended 31 December 2009 by business and geographical segments is set out in note 5 to the financial statements.

Results and Appropriations

The Group's consolidated results for the financial year ended 31 December 2009 are set forth in the consolidated statement of comprehensive income on page 58 of this annual report.

An interim dividend of HK3.70 cents per Share and a special dividend of HK0.74 cents per share were paid to the shareholders during the year. At a meeting held on 26 March 2010, the Directors proposed a special dividend of HK2.01 cents per share in addition to a final dividend of HK3.25 cents per share. Upon the approval to be obtained from the forthcoming Annual General Meeting to be held on 18 May 2010, the final dividend and the special dividend will be payable on or about 25 May 2010 to the shareholders whose name appear on the register of members of the Company at close of business on Tuesday, 18 May 2010.

The register of members of the Company will be closed from Thursday, 13 May 2010 to Tuesday, 18 May 2010, both days inclusive, during which no transfer of shares will be effected. In order to qualify for the final dividend and special dividend to be considered at the forthcoming Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Wednesday, 12 May 2010.

Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 147 and 148 of this report.

Property, Plant and Equipment

Details of the movements in property, plant and equipment of the Group are set out in note 6 to the financial statements.

董事欣然呈列董事會報告，連同截至二零零九年十二月三十一日止財政年度的經審核財務報表。

主要業務

本公司的主要業務是投資控股，本公司附屬公司主要業務的詳情載於財務報表附註9。

本集團截至二零零九年十二月三十一日止財政年度的主要業務是在中國製造成衣以供出口，以及零售品牌時裝。

本集團於截至二零零九年十二月三十一日止財政年度按業務及地區分部分類的業績分析載於財務報表附註5。

業績及分配

本集團截至二零零九年十二月三十一日止財政年度的綜合業績，載於本年報第58頁之綜合全面收入表內。

年內已向股東派付中期股息每股股份3.70港仙及特別股息每股股份0.74港仙。於二零一零年三月二十六日舉行的會議上，董事建議除派付終期股息每股股份3.25港仙外，亦派付特別股息每股股份2.01港仙。經將於二零一零年五月十八日舉行的應屆股東週年大會批准後，終期股息及特別股息將於二零一零年五月二十五日或前後向於二零一零年五月十八日(星期二)營業時間結束時名列本公司股東名冊的股東派付。

本公司將於二零一零年五月十三日(星期四)至二零一零年五月十八日(星期二)(包括首尾兩日)暫停辦理股份過戶登記，期間將不會進行任何股份過戶。為符合資格獲得將於應屆股東週年大會上審議的終期股息及特別股息，所有過戶文件連同有關股票，最遲於二零一零年五月十二日(星期三)下午四時三十分前交回本公司股份過戶登記處香港分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-16號舖。

財務概要

本集團過去五個財政年度的業績、資產及負債概要載於本年報第147至第148頁。

物業、廠房及設備

有關本集團物業、廠房及設備的變動，詳情載於財務報表附註6。

Report of the Directors (continued)

董事會報告 (續)

Share Capital and Share Options

Details of the movements in the share capital of the Company and the share options granted by the Company are set forth in note 16 to the financial statements.

Reserves

Details of movements in the reserves of the Company and the Group during the financial year ended 31 December 2009 are set forth in note 17 to the financial statements.

Distributable Reserves

As at 31 December 2009, the Company's reserves available for distributions amounted to HK\$1,626.7 million.

Major Customers and Suppliers

During the financial year ended 31 December 2009, sales made to the Group's top five customers and the largest customer accounted for approximately 36.3% and 9.7% of the total sales. The Group purchased less than 30% of its goods and services from its five largest suppliers.

None of the Directors, their associates or Shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued Shares) had any beneficial interest in the Group's five largest customers or five largest suppliers.

Directors

The Directors of the Company during the financial year ended 31 December 2009 and up to the date of this report are:

Executive Directors:

Mr. TING Man Yi (*Chairman*)
Mr. TING Hung Yi (*Chief Executive Officer*)
Mr. DING Jianer
Mr. CHEUNG Ting Yin, Peter

Independent non-executive Directors:

Dr. CHENG Chi Pang
Mr. WONG Chi Keung
Mr. LEUNG Man Kit

In accordance with article 86 of the Company's articles of association (the "Articles"), Mr. CHEUNG Ting Yin, Peter, Mr. WONG Chi Keung and Mr. LEUNG Man Kit will retire and being eligible, offer themselves for re-election at the forthcoming Annual General Meeting.

The Company received from each of Dr. CHENG Chi Pang, Mr. WONG Chi Keung and Mr. LEUNG Man Kit a confirmation of their independence pursuant to rule 3.13 of the Listing Rules and the Company considers all of them to be independent.

股本及購股權

有關本公司股本及本公司已授出購股權的變動，詳情載於財務報表附註16。

儲備

有關本公司及本集團於截至二零零九年十二月三十一日止財政年度的儲備變動，詳情載於財務報表附註17。

可供分派儲備

於二零零九年十二月三十一日，本公司的可供分派儲備為1,626.7百萬港元。

主要客戶及供應商

截至二零零九年十二月三十一日止財政年度，本集團向五大客戶及最大客戶銷售所得的銷售額分別佔總銷售額約36.3%及9.7%。本集團向五大供應商採購的貨物及服務低於其採購額的30%。

董事、彼等的聯繫人或據董事所知擁有本公司已發行股份超過5%的股東概無擁有本集團五大客戶或五大供應商的任何實益權益。

董事

於截至二零零九年十二月三十一日止財政年度及直至本年報刊發日期止的本公司在任董事如下：

執行董事：

丁敏兒先生(主席)
丁雄尔先生(行政總裁)
丁建兒先生
張定賢先生

獨立非執行董事：

鄭志鵬博士
黃之強先生
梁民傑先生

根據本公司章程細則(「章程細則」)第86條細則，張定賢先生、黃之強先生及梁民傑先生將會退任，並符合資格可在應屆股東週年大會上膺選連任。

本公司已接獲鄭志鵬博士、黃之強先生及梁民傑先生分別根據上市規則第3.13條發出的獨立確認書，本公司認為彼等全部屬獨立人士。

Report of the Directors (continued)

董事會報告(續)

Directors' and Senior Management's Biographies

Biographical details of the Directors and the senior management of the Group are set forth on pages 25 to 30 of this report.

Directors' Service Contracts

The annual salary and bonus of each of Mr. TING Man Yi, Mr. TING Hung Yi, Mr. DING Jianer and Mr. CHEUNG Ting Yin, Peter for the financial year ended 31 December 2009 was HK\$4.5 million, HK\$4.5 million, HK\$2.8 million, and HK\$3.1 million, respectively. The annual salary and bonus of each executive Director shall be determined by the Board and subject to the annual review by the remuneration committee of the Company, provided that any increment shall not be more than 15% of the annual salary received by each executive Director for the immediate preceding year.

Each of the executive Directors is also entitled to a management bonus, the amount of which is determined with reference to the audited consolidated net profits of the Group after taxation and minority interests but before extraordinary items (the "Net Profits") as the Board may, in its absolute discretion, approve, provided that the aggregate amount of the management bonus payable to all executive Directors in respect of any financial year shall not exceed 4% of the Net Profits for the relevant financial year.

Each of the independent non-executive Directors has signed a letter of appointment dated 18 November 2008 with the Company under which each of them has agreed to act as an independent non-executive Director for a period of three years, commencing from 18 November 2008, unless terminated in accordance with the terms and conditions specified therein. The initial annual fee payable to Mr. WONG Chi Keung, Dr. CHENG Chi Pang and Mr. LEUNG Man Kit is HK\$360,000, HK\$240,000 and HK\$240,000, respectively.

In recognition of the services of the independent non-executive Directors, each of them has also been granted 1,000,000 options pursuant to the Company's share option scheme adopted on 18 November 2005. Mr. LEUNG Man Kit and Mr. WONG Chi Keung have exercised part of their options. Further details on their interests in the Shares of the Company are set forth on pages 39-40 in this report.

Save as mentioned above, none of the independent non-executive Directors is expected to receive any other remuneration for holding their office as an independent non-executive Director. Save as disclosed above, there is no service contract, which is not determinable by the Company or its subsidiaries within one year without payment of compensation (other than statutory compensation), entered into with any of the executive Director proposed for re-election at the forthcoming Annual General Meeting.

董事及高層管理人員之履歷

有關董事及本集團高層管理人員的履歷，詳情載於本年報第25至第30頁。

董事服務合約

於截至二零零九年十二月三十一日止財政年度，丁敏兒先生、丁雄尔先生、丁建兒先生及張定賢先生各自可獲得年薪及花紅分別4.5百萬港元、4.5百萬港元、2.8百萬港元及3.1百萬港元。各執行董事的年薪及花紅須由董事會釐定並由本公司薪酬委員會每年檢討，惟任何加薪幅度不得多於各執行董事於緊接上一年度所獲年薪的15%。

各執行董事亦有權獲得管理花紅，管理花紅乃參考本集團除稅及少數股東權益後但未計非經常項目的經審核綜合純利(「純利」)釐定，再由董事會全權酌情批准，惟於任何財政年度支付予全體執行董事的管理花紅總額，不得超過有關財政年度所得純利的4%。

各獨立非執行董事已於二零零八年十一月十八日與本公司簽署委任書，據此，彼等各自同意由二零零八年十一月十八日起出任獨立非執行董事三年，惟根據委任書訂明的條款及條件終止則除外。初步應向黃之強先生、鄭志鵬博士及梁民傑先生支付的年度袍金分別為360,000港元、240,000港元及240,000港元。

為表彰獨立非執行董事的服務，彼等各自亦已根據本公司於二零零五年十一月十八日採納的購股權計劃獲授1,000,000份購股權。梁民傑先生及黃之強先生已行使其部份購股權。有關彼等於本公司股份的權益的進一步詳情載於本報告第39至40頁。

除上文所述者外，預期獨立非執行董事概不會為彼等擔任獨立非執行董事職務而收取任何其他薪酬。除上文所披露者外，任何建議在應屆股東週年大會上重選的執行董事，概無訂立任何不可由本公司或其附屬公司於一年內毋須支付賠償(法定賠償除外)而終止的服務合約。

Report of the Directors (continued)

董事會報告 (續)

Directors' Interests in Contracts

No Director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, its holding company or any of its subsidiaries was a party during the financial year.

Emolument Policy of the Group

The Company's policies concerning remuneration of the Directors are as follows:

- (i) the amount of remuneration is determined by the remuneration committee of the Board on the basis of the relevant executive Director's experience, responsibility, workload and the time devoted to the Group;
- (ii) non-cash benefits may be provided to the executive Directors under their remuneration package; and
- (iii) the Directors may be granted, at the discretion of the Board with the endorsement of the remuneration committee of the Board, options pursuant to the share option scheme adopted by the Company, as part of their remuneration package.

The emolument policy of the Group is aimed at attracting, retaining and motivating talented individuals. The principle is to have performance based remuneration which reflects market standards. The employee's remuneration packages are generally determined based on their job nature and position with reference to market standards. Employees also receive certain welfare benefits. The Group's emolument policy will be adjusted depending on a number of factors, including changes to the market practice and stages of the Group's business development, so as to achieve the Group's operational targets.

董事之合約權益

本財政年度內，董事概無於任何就本集團業務而言乃屬重大，而本公司、其控股公司或其任何附屬公司亦屬訂約方之一的合約中直接或間接擁有重大權益。

本集團之酬金政策

本公司有關董事薪酬的政策如下：

- (i) 薪酬金額乃由董事會轄下的薪酬委員會根據有關執行董事的經驗、職責、工作量及服務本集團的時間長短而釐定；
- (ii) 執行董事或會根據彼等的薪酬方案而獲得非現金福利；及
- (iii) 董事會可在其轄下的薪酬委員會同意下酌情決定，根據本公司採納的購股權計劃向董事授出購股權，作為彼等薪酬方案的一部分。

本集團的酬金政策旨在吸引、挽留和策勵有才幹的人員，其原則是設定以績效為準則並反映市場標準的薪酬水平。僱員的薪酬方案一般根據個別人員的工作性質和職位並參考市場標準而釐定。僱員亦會收取若干福利利益。本集團的酬金政策將會按照市場慣例變動及本集團業務發展的階段等多個因素作出調整，藉此達致本集團的營運目標。

Report of the Directors (continued)

董事會報告(續)

Interests and/or Short Positions of Directors and Chief Executive in the Shares, Underlying Shares or Debentures of the Company and its Associated Corporations

As at 31 December 2009, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have taken under such provisions), or were required, pursuant to section 352 of the Securities and Futures Ordinance (“SFO”), to be entered in the register required to be maintained, or were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange, were as follows:

(a) Beneficial Interests in the Shares

Name of Directors	Capacity	Number of Shares	Approximate percentage of interest in the Company [#]
董事姓名	身份	股份數目 (Note 1) (附註1)	佔本公司權益 概約百分比 [#]
Mr. TING Man Yi 丁敏兒先生	Interest of controlled corporation 受控制法團權益	1,490,000,000 (L) (Note 2) (附註 2)	71.15%
Mr. TING Hung Yi 丁雄尔先生	Interest of controlled corporation 受控制法團權益	1,490,000,000 (L) (Note 3) (附註 3)	71.15%
Mr. DING Jianer 丁建兒先生	Interest of controlled corporation 受控制法團權益	1,490,000,000 (L) (Note 4) (附註 4)	71.15%
Dr. CHENG Chi Pang 鄭志鵬博士	Directly beneficially owned 直接實益擁有	200,000 (L)	0.01%
	Directly beneficially owned 直接實益擁有	1,000,000 (L) (Note 5) (附註 5)	0.05%
Mr. WONG Chi Keung 黃之強先生	Directly beneficially owned 直接實益擁有	330,000 (L)	0.02%
	Directly beneficially owned 直接實益擁有	670,000 (L) (Note 5) (附註 5)	0.03%
Mr. LEUNG Man Kit 梁民傑先生	Directly beneficially owned 直接實益擁有	330,000 (L)	0.02%
	Directly beneficially owned 直接實益擁有	670,000 (L) (Note 5) (附註 5)	0.03%

董事及最高行政人員於本公司及其相聯法團的股份、相關股份或債權證中擁有的權益及／或淡倉

於二零零九年十二月三十一日，本公司董事及最高行政人員於本公司及其相聯法團(按證券及期貨條例第XV部的涵義)的股份、相關股份或債權證中，擁有根據證券及期貨條例第XV部第7及8分部的規定已知會本公司及聯交所的權益及淡倉(包括根據該等條文規定被當作或被視作擁有的權益及淡倉)，或根據證券及期貨條例(「證券及期貨條例」)第352條規定須登記於需存置的登記冊內的權益及淡倉，或根據標準守則規定須知會本公司及聯交所的權益及淡倉如下：

(a) 於股份的實益權益

Report of the Directors (continued)

董事會報告(續)

The approximate percentage of interest in the Company is based on the issued share capital of the Company as at 31 December 2009.

Notes:

1. The letter "L" stands for the Director's long position in the Shares.
2. Longerview Investments Limited ("Longerview") is owned as to 41.5% by Firmsuccess Limited ("Firmsuccess") which is wholly-owned by Mr. TING Man Yi. Longerview is a controlled corporation (within the meaning of the SFO) of Mr. TING Man Yi. As such, under the SFO, Mr. TING Man Yi is deemed to be interested in the 1,490,000,000 Shares held by Longerview.
3. Longerview is owned as to 40.5% by In Holdings Limited ("In Holdings") which is wholly-owned by Mr. TING Hung Yi. Longerview is a controlled corporation (within the meaning of the SFO) of Mr. TING Hung Yi. As such, under the SFO, Mr. TING Hung Yi is deemed to be interested in the 1,490,000,000 Shares held by Longerview.
4. Pursuant to a shareholders' agreement dated 18 November 2005 and entered into between Mr. TING Man Yi, Firmsuccess, Mr. TING Hung Yi, In Holdings, Mr. DING Jianer, Willport Investments Limited ("Willport") and Longerview (collectively the "Controlling Shareholders"), each of the Controlling Shareholders (other than Longerview) has agreed to enter into pre-emptive arrangements in respect of their shareholding in Longerview. For the purpose of Part XV of the SFO, each of Mr. TING Man Yi, Mr. TING Hung Yi and Mr. DING Jianer is therefore deemed to have effective voting power in respect of the 1,490,000,000 Shares held by Longerview. As such, under the SFO, Mr. DING Jianer is also deemed to be interested in the 1,490,000,000 Shares held by Longerview.
5. The interest in the underlying shares of the options granted by the Company is pursuant to the share option scheme adopted on 18 November 2005.

估本公司權益概約百分比乃按本公司於二零零九年十二月三十一日的已發行股本計算。

附註：

1. 字母「L」指董事於股份中的好倉。
2. Firmsuccess Limited (「Firmsuccess」) 擁有 Longerview Investments Limited (「Longerview」) 的 41.5%，而丁敏兒先生則全資擁有 Firmsuccess。Longerview 為丁敏兒先生的受控制法團(按證券及期貨條例的涵義)。因此，根據證券及期貨條例，丁敏兒先生被視作擁有 Longerview 持有的 1,490,000,000 股股份的權益。
3. In Holdings Limited (「In Holdings」) 擁有 Longerview 的 40.5%，而丁雄尔先生則全資擁有 In Holdings。Longerview 為丁雄尔先生的受控制法團(按證券及期貨條例的涵義)。因此，根據證券及期貨條例，丁雄尔先生被視作擁有 Longerview 持有的 1,490,000,000 股股份的權益。
4. 根據丁敏兒先生、Firmsuccess、丁雄尔先生、In Holdings、丁建兒先生、Willport Investments Limited (「Willport」) 及 Longerview (統稱為「控股股東」) 於二零零五年十一月十八日訂立的股東協議，各控股股東 (Longerview 除外) 已同意就彼等於 Longerview 之股權訂立優先購買安排。就證券及期貨條例第 XV 部而言，丁敏兒先生、丁雄尔先生及丁建兒先生各自因此被視作擁有 Longerview 所持 1,490,000,000 股股份的實際投票權。因此，根據證券及期貨條例，丁建兒先生亦被視作擁有 Longerview 持有的 1,490,000,000 股股份的權益。
5. 於本公司根據二零零五年十一月十八日採納的購股權計劃授出的購股權的相關股份中的權益。

Report of the Directors (continued)

董事會報告(續)

(b) Beneficial Interests in the Shares of Associated Corporations

(b) 於相聯法團股份的實益權益

Name of Directors	Name of associated corporation	Nature of interest	Number of Shares	Approximate percentage of interest in the associated corporation
董事姓名	相聯法團名稱	權益性質	股份數目	佔相聯法團權益概約百分比
Mr. TING Man Yi 丁敏兒先生	Firmsuccess	Personal interest 個人權益	1	100%
	Longerview	Corporate interest 法團權益	415 (Note 1) (附註 1)	41.5%
Mr. TING Hung Yi 丁雄尔先生	In Holdings	Personal interest 個人權益	1	100%
	Longerview	Corporate interest 法團權益	405 (Note 2) (附註 2)	40.5%
Mr. DING Jianer 丁建兒先生	Willport	Personal interest 個人權益	1	100%
	Longerview	Corporate interest 法團權益	180 (Note 3) (附註 3)	18.0%

Notes:

- The 415 shares in Longerview are held by Firmsuccess, which is wholly-owned by Mr. TING Man Yi.
- The 405 shares in Longerview are held by In Holdings, which is wholly-owned by Mr. TING Hung Yi.
- The 180 shares in Longerview are held by Willport, which is wholly-owned by Mr. DING Jianer.

附註：

- Firmsuccess 持有 Longerview 的 415 股股份，丁敏兒先生則全資擁有 Firmsuccess。
- In Holdings 持有 Longerview 的 405 股股份，丁雄尔先生則全資擁有 In Holdings。
- Willport 持有 Longerview 的 180 股股份，丁建兒先生則全資擁有 Willport。

Report of the Directors (continued)

董事會報告(續)

Substantial Shareholders' Interests and/or Short Positions in the Shares, Underlying Shares or Debentures of the Company

So far as the Directors are aware, as at 31 December 2009, the persons, other than Directors and chief executive of the Company, having interests or short positions in the Shares or underlying shares or debentures of the Company, which were required to be entered into the register kept by the Company pursuant to section 336 of the SFO, were as follows:

主要股東於本公司股份、相關股份或債權證中擁有的權益及／或淡倉

據董事所知，於二零零九年十二月三十一日，於本公司股份、相關股份或債權證中擁有權益或淡倉，而根據證券及期貨條例第336條須登記於需存置的登記冊內的人士(並非董事或本公司最高行政人員)如下：

Name of substantial Shareholders	Capacity	Number of Shares	Approximate percentage of interest in the Company
主要股東名稱	身份	股份數目 (Note 1) (附註 1)	佔本公司權益 概約百分比
Longerview	Beneficial owner 實益擁有人	1,490,000,000 (L) (Note 2) (附註 2)	71.15%
Firmsuccess	Interest of controlled corporation 受控制法團權益	1,490,000,000 (L) (Note 2) (附註 2)	71.15%
In Holdings	Interest of controlled corporation 受控制法團權益	1,490,000,000 (L) (Note 3) (附註 3)	71.15%
Willport	Interest of controlled corporation 受控制法團權益	1,490,000,000 (L) (Note 4) (附註 4)	71.15%

Notes:

附註：

- The letter "L" stands for the substantial Shareholders' long position in the Shares.
- Longerview is owned as to 41.5% by Firmsuccess. As such, Longerview is a controlled corporation (within the meaning of the SFO) of Firmsuccess. Firmsuccess is therefore deemed to be interested in the 1,490,000,000 Shares held by Longerview.
- Longerview is owned as to 40.5% by In Holdings. As such, Longerview is a controlled corporation (within the meaning of the SFO) of In Holdings. In Holdings is therefore deemed to be interested in the 1,490,000,000 Shares held by Longerview.
- Pursuant to a shareholders' agreement dated 18 November 2005 and entered into between the Controlling Shareholders, each of the Controlling Shareholders (other than Longerview) has agreed to enter into pre-emptive arrangements in respect of their shareholding in Longerview. For the purpose of Part XV of the SFO, each of Firmsuccess, In Holdings and Willport is therefore deemed to have effective voting power in respect of the 1,490,000,000 Shares held by Longerview. As such, Willport is also deemed to be interested in the 1,490,000,000 Shares held by Longerview.

- 字母「L」指主要股東於股份中的好倉。
- Firmsuccess擁有Longerview的41.5%。因此，Longerview為Firmsuccess的受控制法團(按證券及期貨條例的涵義)。故此，Firmsuccess被視作擁有Longerview持有的1,490,000,000股股份的權益。
- In Holdings擁有Longerview的40.5%。因此，Longerview為In Holdings的受控制法團(按證券及期貨條例的涵義)。故此，In Holdings被視作擁有Longerview持有的1,490,000,000股股份的權益。
- 根據各控股股東於二零零五年十一月十八日訂立的股東協議，各控股股東(Longerview除外)已同意就彼等於Longerview之股權訂立優先購買安排。就證券及期貨條例第XV部而言，Firmsuccess、In Holdings及Willport各自因此被視作擁有Longerview所持1,490,000,000股股份的實際投票權。因此，Willport亦被視作擁有Longerview持有的1,490,000,000股股份的權益。

Report of the Directors (continued)

董事會報告(續)

Share Option Scheme and Pre-IPO Share Option Deed

(a) Share Option Scheme

Pursuant to the written resolutions of the sole Shareholder passed on 18 November 2005, a share option scheme (the “**Share Option Scheme**”) was approved and adopted by the Company.

The purpose of the Share Option Scheme is to allow the Company to grant options to subscribe for Shares (the “**Options**”) to Participants (as defined below) as incentives or rewards for their contribution to the Group.

For the purpose of the Share Option Scheme, Participants include (i) employees of the Company (whether full-time or part-time) or any of its subsidiaries; and (ii) Directors (whether executive Directors or non-executive Directors or independent non-executive Directors) or any director of its subsidiaries (together, the “**Participants**” and each a “**Participant**”).

The total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company shall not, in aggregate, exceed 199,000,000 Shares (the “**Scheme Mandate Limit**”), unless the Company obtains an approval from the Shareholders as set out below. Options lapsed shall not be counted for the purpose of calculating the Scheme Mandate Limit.

The Company may seek approval of the shareholders in general meeting to refresh the Scheme Mandate Limit such that the total number of Shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of the Company in issue shall not exceed 10% (the “**Refreshed Limit**”) of the issued share capital of the Company as at the date of approval to refresh such limit. Options previously granted under the Share Option Scheme and any other share option schemes (including those outstanding, cancelled, lapsed in accordance with the Share Option Scheme or any other share option schemes or exercised Options) shall not be counted for the purpose of calculating the Refreshed Limit.

購股權計劃及首次公開發售前購股權契據

(a) 購股權計劃

根據唯一股東於二零零五年十一月十八日通過的書面決議案，本公司批准並採納購股權計劃（「**購股權計劃**」）。

購股權計劃的目的乃容許本公司向參與者（定義見下文）授出可認購股份的購股權（「**購股權**」），作為鼓勵或獎勵彼等對本集團所作出的貢獻。

就購股權計劃而言，參與者包括(i)本公司或其任何附屬公司的僱員（不論全職或兼職）；及(ii)本公司或其附屬公司的任何董事（不論為執行董事或非執行董事或獨立非執行董事）（統稱及個別稱為「**參與者**」）。

因行使根據購股權計劃及本公司任何其他購股權計劃授出的所有購股權而可能發行的股份總數，不得超過199,000,000股股份（「**計劃授權上限**」），除非本公司按下述方式獲得股東批准。就計算計劃授權上限而言，已失效的購股權不得計算在內。

本公司可於股東大會上尋求股東批准更新計劃授權上限，惟根據購股權計劃及本公司任何其他購股權計劃可能授出的購股權所涉及的已發行股份總數不得超過批准更新計劃授權上限當日本公司已發行股本的10%（「**更新限額**」）。就計算更新限額而言，先前根據購股權計劃及任何其他購股權計劃授出的購股權（包括該等尚未行使、已註銷、根據購股權計劃或任何其他購股權計劃失效或已行使的購股權）將不得計算在內。

Report of the Directors (continued)

董事會報告(續)

Notwithstanding the above, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company shall not exceed 30% of the total number of Shares in issue from time to time. No option may be granted under the Share Option Scheme and any other share option schemes of the Company if this will result in the aforesaid 30% limit being exceeded.

The maximum number of Shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period up to and including the date of grant of the options shall not exceed 1% of the total number of Shares in issue. Any further grant of Options to a Participant which would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such Participant under the Share Option Scheme and any other share option schemes of the Company (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue shall be subject to the shareholders' approval in general meeting with such Participant and his associates (as defined in the Listing Rules) abstaining from voting.

An Option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period of not more than 10 years to be notified by the Board to each grantee. Such period shall commence on the date on which an offer of the grant of an Option is accepted or deemed to be accepted in accordance with the terms of the Share Option Scheme and expire on the last day of such period as determined by the Board.

An amount of HK\$1.00 is payable by the Participant to the Company on acceptance of the option offer as consideration for the grant. Unless otherwise determined by the Board and specified in the offer letter to be given to the Participant at the time of the offer of the Option, there is neither any performance target that needs to be achieved by the grantee before an Option can be exercised nor any minimum period for which an Option must be held before it can be exercised.

儘管有上文所述者，因行使根據購股權計劃及本公司任何其他購股權計劃已授出而尚未行使的全部購股權而可能發行的股份最高數目，不得超過不時已發行股份總數的30%。倘授出購股權將導致超過上述30%限額，則不可根據購股權計劃及本公司任何其他購股權計劃授出購股權。

因行使已向各參與者授出的購股權(包括已行使及尚未行使的購股權)而發行及將予發行的股份最高數目，在任何十二個月期間內直至授出購股權日期(包括當日)不得超過已發行股份總數的1%。截至進一步授出購股權日期為止(包括當日)之十二個月期間內，凡向參與者進一步授出購股權會導致因行使根據購股權計劃及本公司任何其他購股權計劃已授予或將授予該參與者的所有購股權(包括已行使、已註銷及尚未行使的購股權)而已發行及將予發行之股份總數，如超過本公司已發行股份之1%者，則須另行於股東大會上經股東批准，而有關參與者及其聯繫人(定義見上市規則)須就此放棄投票。

購股權可於董事會通知各承授人當日起計不超過十年的期間內，隨時根據購股權計劃的條款行使。行使期須自根據購股權計劃條款接納或被視為接納獲授予購股權的要約當日起計，直至董事會決定有關期間的最後日期為止屆滿。

參與者接納購股權要約須向本公司支付1.00港元以作為獲授購股權的代價。除非董事會另行規定，以及向參與者提呈購股權要約時發出的要約函件內另有指明者，否則承授人毋須在行使購股權前達成任何表現目標，且行使購股權前亦概無最低購股權持有期限。

Report of the Directors (continued)

董事會報告(續)

The subscription price in respect of each Share issued under the Share Option Scheme will be a price determined by the Board and notified to a Participant and will be no less than the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of offer to the Participant, which must be a day on which licensed banks are open for business in Hong Kong and the Stock Exchange is open for business of dealing in securities (a "Trading Day"); (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five consecutive Trading Days immediately preceding the date of offer to the Participant; and (iii) the nominal value of a Share.

The Share Option Scheme will remain valid for a period of 10 years commencing on the date on which the Share Option Scheme is conditionally adopted by the written resolutions of the sole Shareholder, after which period no further Options will be granted but in respect of all Options which remain exercisable at the end of such period, the provisions of the Share Option Scheme shall remain in full force and effect.

Details of the share options outstanding as at 31 December 2009 were as follows:

根據購股權計劃發行的每股股份認購價將由董事會釐定，由董事會通知參與者且不得低於以下三者之最高者：(i)向參與者提呈購股權當日聯交所每日報價表所列股份的收市價，該日須為香港持牌銀行的營業日及聯交所進行證券買賣之日(「交易日」)；(ii)緊接向參與者提呈購股權當日前連續五個交易日聯交所每日報價表所列股份的平均收市價；及(iii)股份面值。

購股權計劃將於唯一股東通過書面決議案有條件採納購股權計劃當日起計十年內有效，其後將不再授出其他購股權，惟有關所有購股權於該期限終結時仍可予以行使，購股權計劃的所有條文將仍具十足效力及作用。

於二零零九年十二月三十一日尚未行使的購股權詳情如下：

	Date of grant	Exercise price	Number of options				
			At 1 January 2009	Granted during the year	Exercised during the year	Lapsed during the year	At 31 December 2009
	授出日期	行使價	於二零零九年一月一日	年內授出	年內行使	年內失效	於二零零九年十二月三十一日
		HK\$					
		港元					
Directors							
董事							
Dr. CHENG Chi Pang 鄭志鵬博士	13 November 2008 二零零八年十一月十三日	0.59	1,000,000	—	—	—	1,000,000
Mr. WONG Chi Keung 黃之強先生	13 November 2008 二零零八年十一月十三日	0.59	1,000,000	—	330,000	—	670,000
Mr. LEUNG Man Kit 梁民傑先生	13 November 2008 二零零八年十一月十三日	0.59	1,000,000	—	330,000	—	670,000

Report of the Directors (continued)

董事會報告 (續)

(b) Pre-IPO Share Option Deed

A share option deed was entered into between the Company and Ms. LI Yuet Mui, Xera (“**Ms. LI**”), a senior management staff of the Group, on 18 November 2005 (the “**Pre-IPO Share Option Deed**”), whereby the Company has granted Ms. LI an option to subscribe for certain number of Shares upon and subject to the terms and conditions set forth in the Pre-IPO Share Option Deed.

The purpose of the Pre-IPO Share Option Deed is to provide incentive and reward to Ms. LI for her contribution to the management and business growth of the Group.

The principal terms of the Pre-IPO Share Option Deed, as approved by the written resolutions of the sole Shareholder passed on 18 November 2005, are substantially the same as the terms of the Share Option Scheme except that:

- (i) the subscription price for each Share subject to the option granted under the Pre-IPO Share Option Deed shall be the par value of each Share;
- (ii) the period within which Ms. LI may exercise the option under the Pre-IPO Share Option Deed is eight years from the Listing Date. During the exercise period, Ms. LI can exercise the option in each year no more than one-eighth of the total number of the Option Shares (as defined below) granted, provided that Ms. LI cannot exercise any option granted under the Pre-IPO Share Option Deed during the period of six months immediately after the Listing Date;
- (iii) the total number of the Shares subject to the Pre-IPO Share Option Deed shall be up to 10,000,000 Shares upon full exercise of the option under the Pre-IPO Share Option Deed; and
- (iv) save for the options which has been granted, no further options will be granted under the Pre-IPO Share Option Deed.

(b) 首次公開發售前購股權契據

本公司與本集團高層管理人員李月妹女士（「**李女士**」）於二零零五年十一月十八日訂立購股權契據（「**首次公開發售前購股權契據**」），據此，本公司已向李女士授出購股權，以按首次公開發售前購股權契據內所載的條款及條件以及在其規限下認購若干數目股份。

首次公開發售前購股權契據的目的在於提供鼓勵及獎勵，以回報李女士對本集團管理工作及業務增長的貢獻。

誠如二零零五年十一月十八日唯一股東通過的書面決議案所批准，首次公開發售前購股權契據的主要條款與購股權計劃的條款大致相同，惟下列條款除外：

- (i) 首次公開發售前購股權契據項下授出購股權所涉及的每股股份認購價，須為每股股份面值；
- (ii) 李女士可於上市日期起計八年內行使首次公開發售前購股權契據項下的購股權。於行使期間，李女士每年可行使的購股權數目不超過購股權股份（定義見下文）總數的八分之一，惟李女士不得於緊隨上市日期後六個月內行使根據首次公開發售前購股權契據已授出的任何購股權；
- (iii) 待悉數行使首次公開發售前購股權契據項下的購股權後，所涉及的股份總數不得超過10,000,000股股份；及
- (iv) 除已授出的購股權外，不會再根據首次公開發售前購股權契據另行授出購股權。

Report of the Directors (continued)

董事會報告(續)

Details of the share options outstanding as at 31 December 2009 were as follows:

於二零零九年十二月三十一日尚未行使的購股權詳情如下：

	Options held at 1 January 2009 於二零零九年 一月一日 持有的購股權	Granted during the year 年內授出	Options exercised during the year 年內行使的 購股權	Options lapsed during the year 年內失效的 購股權	Options held as at 31 December 2009 於二零零九年 十二月三十一日 持有的購股權
Ms. Li Yuet Mei, Xera 李月妹女士	6,250,000	—	1,250,000	—	5,000,000

Directors' and Controlling Shareholders' Interest in Competing Business

As at 31 December 2009, none of the Directors and their respective associates (as defined in the Listing Rules) or the controlling shareholders of the Company (as defined in the Listing Rules) had any interest in a business, which competes or may compete with the business of the Group.

Pre-emptive Rights

There are no provisions for pre-emptive rights under the Company's bye-laws or the laws of Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

Purchase, Sale or Redemption of Shares

During the year ended 31 December 2009, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

董事及控股股東於競爭業務的權益

於二零零九年十二月三十一日，董事及其各自的聯繫人(定義見上市規則)或本公司控股股東(定義見上市規則)概無在與本集團業務構成競爭或可能構成競爭的業務中擁有任何權益。

優先購買權

本公司細則或開曼群島法律項下概無任何優先購買權條文，規定本公司須按比例向現有股東提呈發售新股。

購買、出售或贖回股份

截至二零零九年十二月三十一日止年度內，本公司及其任何附屬公司概無於年內購買、出售或贖回任何本公司之上市證券。

Report of the Directors (continued)

董事會報告 (續)

Continuing Connected Transactions

Particulars of Transactions

As at 31 December 2009, the Group has entered into the following non-exempt continuing connected transactions (as disclosed in the announcement of the Company dated 24 July 2008):

- (a) A lease agreement dated 22 July 2008 was entered into between Hangzhou Yuhang Huaming Garment Manufacturing Company Limited (“**Yuhang Huaming**”) and Zhejiang Huali Fashion Company Limited (“**Zhejiang Huali**”), a member of the Group. Yuhang Huaming agreed to lease to Zhejiang Huali a portion of a factory building and staff quarters for a period from 1 January 2008 to 31 December 2010. The annual rental for the leased property is fixed at RMB0.8 million (approximately HK\$1.0 million) during the term of the lease agreement. For the year ended 31 December 2009, the aggregate amount payable by Zhejiang Huali to Yuhang Huaming under the lease was HK\$1.0 million (2008: HK\$0.9 million).
- (b) A lease agreement dated 22 July 2008 was entered into between Yuhang Huaming and Hangzhou Fuding Fashion Company Limited (“**Hangzhou Fuding**”), a member of the Group. Yuhang Huaming agreed to lease to Hangzhou Fuding a portion of a factory building and staff quarters for a period from 1 January 2008 to 31 December 2010. The annual rental for the leased property is fixed at RMB0.6 million (approximately HK\$0.7 million) during the term of the lease agreement. For the year ended 31 December 2009, the aggregate amount payable by Hangzhou Fuding to Yuhang Huaming under the lease was HK\$0.7 million (2008: HK\$0.7 million).
- (c) A supply contract dated 24 July 2008 was entered into between Hangzhou Fuze Textile Technology Company Limited (“**Hangzhou Fuze**”) and various members of the Group for a period from 1 January 2008 to 31 December 2010, whereby Hangzhou Fuze has undertaken to supply to members of the Group the required silk fabric at such prices which are not higher than the prices offered to independent third parties after taking into consideration the prevailing market rates for providing similar products from time to time. For the year ended 31 December 2009, the Group did not purchase silk fabric from Hangzhou Fuze (2008: HK\$Nil million). The annual cap was HK\$2.8 million.

持續關連交易

交易詳情

於二零零九年十二月三十一日，本集團已進行的不獲豁免持續關連交易如下(誠如本公司日期為二零零八年七月二十四日的公佈所披露)：

- (a) 杭州余杭華明製衣有限公司(「**余杭華明**」)與本集團成員公司浙江華勵時裝有限公司(「**浙江華勵**」)於二零零八年七月二十二日訂立租賃協議，余杭華明同意於二零零八年一月一日至二零一零年十二月三十一日期間，向浙江華勵出租一幢廠房大樓及員工宿舍的部分。於租賃協議期間，該租賃物業的年租固定為人民幣0.8百萬元(約1.0百萬港元)。截至二零零九年十二月三十一日止年度，浙江華勵須就此項租賃向余杭華明應支付總額1.0百萬港元(二零零八年：0.9百萬港元)。
- (b) 余杭華明與杭州富鼎時裝有限公司(「**杭州富鼎**」)(本集團成員公司)於二零零八年七月二十二日訂立租賃協議，余杭華明同意於二零零八年一月一日至二零一零年十二月三十一日期間，向杭州富鼎出租另一幢廠房大樓及員工宿舍的部分。於租賃協議期間，該租賃物業的年租固定為人民幣0.6百萬元(約0.7百萬港元)。截至二零零九年十二月三十一日止年度，杭州富鼎須就此項租賃向余杭華明應支付總額0.7百萬港元(二零零八年：0.7百萬港元)。
- (c) 杭州富澤紡織科技有限公司(「**杭州富澤**」)與多間本集團成員公司於二零零八年七月二十四日訂立供應合約，年期由二零零八年一月一日起至二零一零年十二月三十一日止，據此，杭州富澤承諾以不高於提供予獨立第三方的價格(經計及不時提供同類產品的當時市價)，向本集團成員公司供應所需的絲綢面料。截至二零零九年十二月三十一日止年度，本集團並無向杭州富澤採購絲綢面料(二零零八年：無)。年度上限為2.8百萬港元。

Report of the Directors (continued)

董事會報告(續)

- (d) A supply contract dated 24 July 2008 was entered into between Hangzhou Huaze Textile Company Limited (“**Hangzhou Huaze**”) and various members of the Group for a period from 1 January 2008 to 31 December 2010, whereby Hangzhou Huaze has undertaken to supply to members of the Group the required velour at such prices which are not higher than the prices offered to independent third parties after taking into consideration the prevailing market rates for providing similar products from time to time. For the year ended 31 December 2009, the aggregate purchase of velour by the Group from Hangzhou Huaze amounted to HK\$0.7 million (2008: HK\$Nil million) which was below the annual cap of HK\$8.0 million.
- (d) 杭州華澤絲綢織造有限公司(「**杭州華澤**」)與多間本集團成員公司於二零零八年七月二十四日訂立供應合約，年期由二零零八年一月一日起至二零一零年十二月三十一日止，據此，杭州華澤承諾以不高於提供予獨立第三方的價格(經計及不時提供同類產品的當時市價)，向本集團成員公司供應所需的絲絨。截至二零零九年十二月三十一日止年度，本集團向杭州華澤採購的絲絨總額為0.7百萬港元(二零零八年：無)，低於8.0百萬港元的年度上限。
- (e) A supply contract dated 24 July 2008 was entered into between Hangzhou Huasheng Accessories Company Limited (“**Huasheng Accessories**”) and various members of the Group for a period from 1 January 2008 to 31 December 2010, whereby Huasheng Accessories has undertaken to supply to members of the Group the required plastic bags and hangers at such prices which are not higher than the prices offered to independent third parties after taking into consideration the prevailing market rates for providing similar products from time to time. For the year ended 31 December 2009, the aggregate purchase of plastic bags and hangers by the Group from Huasheng Accessories amounted to HK\$7.5 million (2008: HK\$9.7 million) which was below the annual cap of HK\$17.6 million.
- (e) 杭州華盛輔料有限公司(「**華盛輔料**」)與多間本集團成員公司於二零零八年七月二十四日訂立供應合約，年期由二零零八年一月一日起至二零一零年十二月三十一日止，據此，華盛輔料承諾以不高於提供予獨立第三方的價格(經計及不時提供同類產品的當時市價)，向本集團成員公司供應所需的塑料袋及衣架。截至二零零九年十二月三十一日止年度，本集團成員公司向華盛輔料採購塑料袋及衣架的總額為7.5百萬港元(二零零八年：9.7百萬港元)，低於17.6百萬港元的年度上限。
- (f) A sub-contracting agreement dated 24 July 2008 was entered into between Zhejiang Huaxide Fashion Apparel Company Limited (“**Zhejiang Huaxide**”) and various members of the Group for a period from 1 January 2008 to 31 December 2010, whereby Zhejiang Huaxide has undertaken to provide subcontracting service to members of the Group upon the same terms and conditions as those provided to independent third parties. For the year ended 31 December 2009, the aggregate subcontracting service provided to the Group by Zhejiang Huaxide amounted to HK\$0.8 million (2008: HK\$1.0 million) which was below the annual cap of HK\$12 million.
- (f) 浙江華詩迪服飾有限公司(「**浙江華詩迪**」)與多間本集團成員公司於二零零八年七月二十四日訂立分包合約，年期由二零零八年一月一日起至二零一零年十二月三十一日止，據此，浙江華詩迪承諾按提供予獨立第三方的同等條款及條件，向本集團成員公司分包服務。截至二零零九年十二月三十一日止年度，浙江華詩迪向本集團提供分包服務的總額為0.8百萬港元(二零零八年：1.0百萬港元)，低於12百萬港元的年度上限。

Report of the Directors (continued)

董事會報告 (續)

Information on Connected Persons

Yuhang Huaming

Yuhang Huaming is owned by Mr. DING Minger as to 58%. Mr. DING Minger is the eldest brother of Mr. TING Man Yi, Mr. DING Jianer and Mr. TING Hung Yi, all being executive Directors. Mr. DING Minger is also a director of one of the subsidiaries of the Company. As such, Mr. DING Minger is a connected person of the Company as defined under the Listing Rules. Yuhang Huaming is therefore an associate of a connected person of the Company as defined under Rule 1.01 of the Listing Rules.

Hangzhou Fuze and Hangzhou Huaze

Jiangsu Fuze Textile Company Limited (“**Jiangsu Fuze**”), being a non-wholly owned subsidiary of the Company, is owned as to 52% by Hong Kong Fuhowe Fashion Company Limited (“**Hong Kong Fuhowe**”) (a wholly-owned subsidiary of the Company), 26.2% by Hangzhou Fuze and 21.8% by Hangzhou Huaze. As each of Hangzhou Fuze and Hangzhou Huaze is a substantial shareholder of Jiangsu Fuze, each of Hangzhou Fuze and Hangzhou Huaze is a connected person of the Company as defined under Rule 14A.11 (1) of the Listing Rules.

Huasheng Accessories

Huasheng Accessories is a company established in the PRC with limited liability. Huasheng Accessories is owned as to 25% by Hong Kong Fuhowe and as to 75% by Ms. ZHOU Shi Min, the spouse of Mr. DING Jianer (an executive Director). Ms. ZHOU Shi Min is a connected person as defined under rule 14A.11 (4) of the Listing Rules. Therefore, Huasheng Accessories is an associate of a connected person of the Company pursuant to rule 1.01 of the Listing Rules.

Zhejiang Huaxide

Zhejiang Huaxide is owned by China Ting Garment Mfg (Group) Limited (a wholly-owned subsidiary of the Company) and Haiyan Feilong Silk Product Company Limited (“**Haiyan Feilong**”) as to 51% and 49%, respectively. As Haiyan Feilong is a substantial shareholder of Zhejiang Huaxide which is a non wholly-owned subsidiary of the Company, Haiyan Feilong is a connected person of the Company. Haiyan Feilong is owned by two individuals, namely Mr. CHEN Suiming and Mr. LIU Qianfa as to 81.1% and 18.9%, respectively. Mr. CHEN Suiming is a director of Zhejiang Huaxide and therefore a connected person of the Company. In such capacity and because of the equity interest held by Mr. CHEN Suiming in Haiyan Feilong, Zhejiang Huaxide is an associate of Mr. CHEN Suiming and hence, a connected person of the Company pursuant to rule 14A.11 (4) of the Listing Rules.

有關關連人士的資料

余杭華明

余杭華明由丁明兒先生擁有58%權益。丁明兒先生為三位執行董事丁敏兒先生、丁建兒先生及丁雄尔先生的長兄。丁明兒先生亦擔任本公司其中一家附屬公司的董事。因此，根據上市規則的定義，丁明兒先生為本公司關連人士。按上市規則第1.01條所界定，余杭華明因此屬於本公司關連人士的聯繫人。

杭州富澤及杭州華澤

江蘇富澤紡織有限公司(「**江蘇富澤**」)為本公司的非全資附屬公司，由香港富豪時裝有限公司(「**香港富豪**」)(本公司的全資附屬公司)、杭州富澤及杭州華澤分別擁有52%、26.2%及21.8%權益。由於杭州富澤及杭州華澤分別為江蘇富澤的主要股東，按上市規則第14A.11(1)條所界定，杭州富澤及杭州華澤各自為本公司的關連人士。

華盛輔料

華盛輔料是在中國成立的有限責任公司。華盛輔料由香港富豪及周施敏女士分別擁有25%及75%權益，而周施敏女士是執行董事丁建兒先生的配偶，故此為關連人士(定義見上市規則第14A.11(4)條)。因此，根據上市規則第1.01條，華盛輔料為本公司關連人士的聯繫人。

浙江華詩迪

浙江華詩迪由華鼎製衣(集團)有限公司(本公司的全資附屬公司)及海鹽飛龍絲綢製品有限公司(「**海鹽飛龍**」)分別擁有51%及49%權益。由於海鹽飛龍為本公司的非全資附屬公司浙江華詩迪的主要股東，故海鹽飛龍為本公司的關連人士。海鹽飛龍由兩名個別人士陳水明先生及劉錢法先生分別擁有81.1%及18.9%權益。陳水明先生是浙江華詩迪的董事，因此，陳水明先生為本公司的關連人士。基於此身份，以及由於陳水明先生持有的海鹽飛龍的股本權益，浙江華詩迪為陳水明先生的聯繫人，因此根據上市規則第14A.11(4)條為本公司的關連人士。

Report of the Directors (continued)

董事會報告(續)

Confirmations

The independent non-executive Directors have reviewed the above non-exempt continuing connected transactions of the Group and have confirmed that these transactions have been entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties;
- (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and
- (iv) have not exceeded the respective cap amounts set out in the relevant agreements referred to above.

In accordance with paragraph 14A.38 of the Listing Rules, the Board of Directors engaged the auditors of the Company to perform certain factual finding procedures on the above continuing connected transaction on a sample basis in accordance with Hong Kong Standard on Related Services 4400 "Engagements to Perform Agreed-Upon Procedures Regarding Financial Information" issued by the Hong Kong Institute of Certified Public Accountants. The auditors have reported their factual findings on the selected samples based on the agreed procedures to the Board of Directors.

The purchases of accessories from Huasheng Accessories as set out in Note 33(a) to the financial statements, being the significant related party transactions of the Group, constitute continuing connected transactions of the Group. The disclosure requirements in respect of these continuing connected transactions have been complied with in accordance with the Listing Rules.

Sufficiency of Public Float

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

確認事項

獨立非執行董事已審閱本集團的上述不獲豁免持續關連交易，並確認該等交易均：

- (i) 在本集團正常及日常業務過程中進行；
- (ii) 按一般商業條款或不遜於本集團獲／向獨立第三方提供的條款進行；
- (iii) 按對本公司股東整體屬公平合理且符合其利益的條款，根據規管各項交易的相關協議進行；及
- (iv) 並未超出上述相關協議所載的各個年度上限。

根據上市規則第14A.38段，董事會聘請本公司核數師根據香港會計師公會頒佈的香港相關服務準則第4400號「接受委聘進行有關財務資料之協定程序」按抽樣基礎就上述持續關連交易進行若干事實調查程序。核數師已根據董事會同意的程序就經揀選的樣本匯報彼等的事實調查結果。

按財務報表附註33(a)所載列，本集團向華盛輔料採購輔料，為本集團重大有關連人士交易，並構成本集團的持續關連交易。本集團已遵守上市規則項下有關於持續關連交易的披露規定。

公眾持股量充足

根據本公司可獲得的公開資料及據董事所悉，於本年報刊發日期，公眾人士持有本公司已發行股本總額最少25%。

Report of the Directors (continued)

董事會報告 (續)

Audit Committee

The Company has established an audit committee, comprising three independent non-executive Directors and has adopted terms of reference which are in compliance with the Listing Rules. The primary duties of the audit committee are to review financial information of the Group, make recommendation on the external auditor and supervise the financial reporting process and internal control system of the Group and to provide comments and advice to the Board. The audit committee has reviewed the audited financial statements of the Company and audited consolidated financial statements of the Group for the financial year ended 31 December 2009.

Auditor

The financial statements have been audited by PricewaterhouseCoopers who will retire at the forthcoming Annual General Meeting of the Company and, being eligible, offer themselves for re-appointment.

On Behalf of the Board

TING Man Yi

Chairman

Hong Kong, 26 March 2010

審核委員會

本公司已成立審核委員會，由三位獨立非執行董事組成，並已採納符合上市規則的職權範圍。審核委員會的主要職責為審閱本集團財務資料，向外聘核數師作出推薦建議及監管本集團財務申報程序以及內部監控制度，並向董事會提供意見及建議。審核委員會已審閱分別本公司及本集團截至二零零九年十二月三十一日止財政年度的經審核財務報表及經審核綜合財務報表。

核數師

羅兵咸永道會計師事務所已審核財務報表。羅兵咸永道會計師事務所將於應屆股東週年大會上退任，惟符合資格可應聘連任。

代表董事會

主席

丁敏兒

香港，二零一零年三月二十六日

Independent Auditor's Report

獨立核數師報告

PRICEWATERHOUSECOOPERS 

羅兵咸永道會計師事務所

PricewaterhouseCoopers
22/F, Prince's Building
Central, Hong Kong

TO THE SHAREHOLDERS OF CHINA TING GROUP HOLDINGS LIMITED
(incorporated in the Cayman Islands with limited liability)

致華鼎集團控股有限公司列位股東
(於開曼群島註冊成立的有限公司)

We have audited the consolidated financial statements of China Ting Group Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 55 to 145, which comprise the consolidated and company balance sheets as at 31 December 2009, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

本核數師(以下簡稱「我們」)已審核列載於第55至第145頁華鼎集團控股有限公司(「貴公司」)及其附屬公司(以下合稱「貴集團」)的綜合財務報表。此綜合財務報表包括於二零零九年十二月三十一日的綜合及公司資產負債表與截至該日止年度的綜合全面收入表、綜合權益變動報表和綜合現金流量報表，以及主要會計政策概要及其他附註解釋。

Directors' responsibility for the 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 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.

董事就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按照香港《公司條例》的披露規定編製及真實而公平地列報該等綜合財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部控制，以使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；及按情況下作出合理的會計估計。

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, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表作出意見，並僅向整體股東報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。

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 financial statements are free from material misstatement.

我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements in order to design audit procedures that are appropriate in the

審核涉及執程序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部

Independent Auditor's Report (continued)

獨立核數師報告(續)

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 financial statements.

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2009 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 26 March 2010

控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零零九年十二月三十一日的事務狀況及 貴集團截至該日止年度的利潤及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

羅兵咸永道會計師事務所

執業會計師

香港，二零一零年三月二十六日

Consolidated Balance Sheet

綜合資產負債表

As at 31 December 2009

於二零零九年十二月三十一日

			2009	2008
		Note	二零零九年	二零零八年
		附註	HK\$'000	HK\$'000
			千港元	千港元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	6	865,671	833,607
Investment properties	投資物業	7	7,000	7,000
Leasehold land and land use rights	批租土地及土地使用權	8	100,843	100,040
Interests in associates	於聯營公司的權益	10	387,151	4,811
Intangible assets	無形資產	11	161,827	143,061
Deferred income tax assets	遞延所得稅資產	19	24,397	22,139
			1,546,889	1,110,658
Current assets	流動資產			
Inventories	存貨	12	457,697	403,411
Trade and other receivables	應收貿易賬款及 其他應收款項	13	491,148	378,781
Tax recoverable	可退稅款		7,081	795
Financial assets at fair value through profit or loss	按公平值列賬在損益表中 處理的金融資產	14	35,199	29,733
Cash and bank balances	現金及銀行結餘	15	414,007	766,592
			1,405,132	1,579,312
Total assets	資產總值		2,952,021	2,689,970
EQUITY	權益			
Capital and reserves attributable to the Company's equity holders	本公司股權持有人應佔股本及儲備			
Share capital	股本	16	209,415	209,224
Reserves	儲備	17	2,099,574	1,925,202
Proposed dividends	擬派股息	17	110,152	93,314
			2,419,141	2,227,740
Minority interests	少數股東權益		56,742	50,448
Total equity	權益總值		2,475,883	2,278,188

Consolidated Balance Sheet (continued)

綜合資產負債表(續)

As at 31 December 2009

於二零零九年十二月三十一日

			2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
	Note 附註			
LIABILITIES		負債		
Non-current liabilities		非流動負債		
Deferred income tax liabilities	19	遞延所得稅負債	19,991	20,714
Current liabilities		流動負債		
Trade and other payables		應付貿易賬款及 其他應付款項	350,136	341,128
Bank borrowings	21	銀行借貸	78,714	30,176
Current income tax liabilities		流動所得稅負債	27,297	19,764
			456,147	391,068
Total liabilities		負債總值	476,138	411,782
Total equity and liabilities		權益及負債總值	2,952,021	2,689,970
Net current assets		流動資產淨值	948,985	1,188,244
Total assets less current liabilities		資產總值減流動負債	2,495,874	2,298,902

TING Man Yi

丁敏兒

Director

董事

TING Hung Yi

丁雄尔

Director

董事

The notes on pages 63 to 145 are an integral part of these financial statements.

第63至第145頁的附註為該等財務報表的組成部份。

Balance Sheet

資產負債表

As at 31 December 2009

於二零零九年十二月三十一日

	Note	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
	附註		
ASSETS			
Non-current assets			
Investments in subsidiaries	9	1,131,296	1,091,370
Current assets			
Amounts due from subsidiaries	33(c)	709,602	736,569
Other receivables, deposits and prepayments			
Tax recoverable	13	36	—
Cash and bank balances	15	1,700	2,396
		711,338	741,171
Total assets		1,842,634	1,832,541
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital	16	209,415	209,224
Reserves	17	1,520,952	1,526,798
Proposed dividends	17	110,152	93,314
Total equity		1,840,519	1,829,336
LIABILITIES			
Current liabilities			
Other payables and accruals	20	2,052	3,205
Current income tax liabilities		63	—
		2,115	3,205
Total equity and liabilities		1,842,634	1,832,541
Net current assets		709,223	737,966
Total assets less current liabilities		1,840,519	1,829,336

TING Man Yi
丁敏兒
Director
董事

TING Hung Yi
丁雄尔
Director
董事

The notes on pages 63 to 145 are an integral part of these financial statements.

第63至第145頁的附註為該等財務報表的組成部份。

Consolidated Statement of Comprehensive Income

綜合全面收入表

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

			2009	2008
		Note	二零零九年	二零零八年
		附註	HK\$'000	HK\$'000
			千港元	千港元
Revenue	收入	5	2,090,980	2,333,734
Cost of sales	銷售成本	25	(1,369,110)	(1,589,267)
Gross profit	毛利		721,870	744,467
Other gains/(losses), net	其他收益／(虧損)淨值	22	36,022	(8,608)
Selling, marketing and distribution costs	銷售、營銷及分銷成本	25	(175,918)	(180,390)
Administrative expenses	行政開支	25	(226,812)	(226,589)
Operating profit	經營溢利		355,162	328,880
Finance income, net	融資收入淨值	23	4,791	6,680
Share of losses of associates	分佔聯營公司	10	(1,615)	(1,840)
Negative goodwill arising on the acquisition	因收購產生負商譽	32	92,686	—
Profit before income tax	除所得稅前溢利		451,024	333,720
Income tax expense	所得稅開支	24	(68,417)	(43,021)
Profit for the year	年度溢利		382,607	290,699
Other comprehensive income:	其他全面收入：			
Deregistration of a subsidiary	撤銷附屬公司之註冊		—	(23,653)
Revaluation reserve, net of tax, arising from the acquisition of controlling interest in an associate	因收購聯營公司 控股股東權益產生的 除稅後重估儲備		—	10,572
Currency translation differences	貨幣兌換之差額		(1,260)	94,852
Other comprehensive income, net of tax	其他全面收入(扣除稅項)		(1,260)	81,771
Total comprehensive income	全面收入總額		381,347	372,470

Consolidated Statement of Comprehensive Income (continued)

綜合全面收入表(續)

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

			2009	2008
			二零零九年	二零零八年
	Note		HK\$'000	HK\$'000
	附註		千港元	千港元
Profit attributable to:		以下人士應佔之溢利：		
Equity holders of the Company		本公司股權持有人	376,625	291,184
Minority interests		少數股東權益	5,982	(485)
			382,607	290,699
Total comprehensive income attributable to:		全面收入總額屬於：		
Equity holders of the Company		本公司股權持有人	375,053	370,042
Minority interests		少數股東權益	6,294	2,428
			381,347	372,470
Earnings per share for profit attributable to the equity holders of the Company during the year (expressed in HK cents per share)		年內本公司股權持有人應佔溢利之每股盈利 (以每股股份港仙呈列)		
— basic		— 基本	28	18.00 cents 仙
				13.85 cents 仙
— diluted		— 攤薄	28	17.99 cents 仙
				13.85 cents 仙
Dividends		股息	29	203,076
				203,498

The notes on pages 63 to 145 are an integral part of these financial statements.

第63至第145頁的附註為該等財務報表的組成部份。

Consolidated Statement of Changes in Equity

綜合權益變動報表

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Attributable to the equity holders of the Company							
		本公司股權持有人應佔							
		Share capital	Share premium	Other reserves	Retained earnings	Total	Minority interests	Total equity	
		股本	股份溢價	其他儲備	保留盈利	總值	少數股東權益	權益總值	
Note		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
附註		千港元	千港元	千港元	千港元	千港元	千港元	千港元	
At 1 January 2009	於二零零九年一月一日	209,224	967,864	328,196	722,456	2,227,740	50,448	2,278,188	
Comprehensive income	全面收入								
Profit for the year	年度溢利	—	—	—	376,625	376,625	5,982	382,607	
Other comprehensive income	其他全面收入								
Currency translation differences	貨幣換算差額	17	—	(1,572)	—	(1,572)	312	(1,260)	
Total comprehensive income	全面收入總額	—	—	(1,572)	376,625	375,053	6,294	381,347	
Transactions with owners	與擁有人的交易								
Employee share option scheme:	僱員購股權計劃：								
— proceeds from share issues	— 發行股份所得款項	16, 17	191	2,338	(2,014)	—	515	515	
— value of employee services	— 僱員服務價值	17	—	—	2,071	—	—	2,071	
2008 final dividend paid	二零零八年已付終期股息	29	—	—	(93,314)	(93,314)	—	(93,314)	
2009 interim dividend paid	二零零九年已付中期股息	29	—	—	(92,924)	(92,924)	—	(92,924)	
Profit appropriation	溢利分配	17	—	—	20,319	(20,319)	—	—	
Total transactions with owners	與擁有人的交易總額	191	2,338	20,376	(206,557)	(183,652)	—	(183,652)	
At 31 December 2009	於二零零九年十二月三十一日	209,415	970,202	347,000	892,524	2,419,141	56,742	2,475,883	

Consolidated Statement of Changes in Equity (continued)

綜合權益變動報表(續)

		Attributable to the equity holders of the Company 本公司股權持有人應佔						
		Share capital	Share premium	Other reserves	Retained earnings	Total	Minority interests	Total equity
		股本	股份溢價	其他儲備	保留盈利	總值	少數股東權益	權益總值
Note		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
附註		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2008	於二零零八年一月一日	206,525	902,608	217,646	735,639	2,062,418	48,020	2,110,438
Comprehensive income	全面收入							
Profit/(loss) for the year	年度溢利/(虧損)	—	—	—	291,184	291,184	(485)	290,699
Other comprehensive income	其他全面收入							
Deregistration of a subsidiary	撤銷附屬公司之註冊	—	—	(23,653)	—	(23,653)	—	(23,653)
Revaluation reserve, net of tax, arising from the acquisition of controlling interest in an associate	因收購聯營公司控股股東權益產生的除稅後重估儲備	—	—	10,572	—	10,572	—	10,572
Currency translation differences	貨幣換算差額	17	—	91,939	—	91,939	2,913	94,852
Total other comprehensive income	其他全面收入總額	—	—	78,858	—	78,858	2,913	81,771
Total comprehensive income	全面收入總額	—	—	78,858	291,184	370,042	2,428	372,470
Transactions with owners	與擁有人的交易							
Issue of shares	發行股份		4,590	83,997	—	88,587	—	88,587
Repurchase of shares	購回股份	16, 17	(2,016)	(20,643)	2,016	(20,643)	—	(20,643)
Employee share option scheme:	僱員購股權計劃:							
— proceeds from share issues	— 發行股份所得款項	16, 17	125	1,902	(1,902)	125	—	125
— value of employee services	— 僱員服務價值	17	—	—	2,071	2,071	—	2,071
2007 final dividend paid	二零零七年已付終期股息	29	—	—	—	(164,790)	—	(164,790)
2008 interim dividend paid	二零零八年已付中期股息	29	—	—	—	(110,070)	—	(110,070)
Profit appropriation	溢利分配	17	—	—	29,507	(29,507)	—	—
Total transactions with owners	與擁有人的交易總額		2,699	65,256	31,692	(304,367)	—	(204,720)
At 31 December 2008	於二零零八年十二月三十一日	209,224	967,864	328,196	722,456	2,227,740	50,448	2,278,188

The notes on pages 63 to 145 are an integral part of these financial statements.

第63至第145頁的附註為該等財務報表的組成部份。

Consolidated Cash Flow Statement

綜合現金流量報表

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

			2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
		Note 附註		
Cash flows from operating activities	營運活動現金流量			
Cash generated from operations	經營所得現金	30	292,854	490,715
Interest paid	已付利息		(2,707)	(3,849)
Income tax paid	已付所得稅		(70,111)	(50,169)
Net cash generated from operating activities	營運活動所得現金淨額		220,036	436,697
Cash flows from investing activities	投資活動現金流量			
Acquisition of a subsidiary and an associate	收購一間附屬公司及 一間聯營公司	32	(298,308)	—
Repayment of loan to an associate	償還借予一間 聯營公司的貸款	10(b)	267	—
Acquisition of the controlling interest in an associate, net of cash acquired	收購聯營公司控股股東 權益，扣除所收購現金		—	14,202
Purchase of property, plant and equipment	購買物業、廠房及設備		(111,771)	(189,981)
Purchase of intangible assets	購買無形資產	11	(31,015)	(16,770)
Proceeds on disposal of property, plant and equipment and leasehold land and land use rights	出售物業、廠房及設備 以及批租土地及 土地使用權所得款項	30(b)	533	11,258
Purchase of leasehold land and land use rights	收購批租土地及 土地使用權		(3,076)	(379)
Decrease/(increase) in term deposits with initial term of over three months	原期限超過三個月的 定期存款減少／(增加)		40,941	(97,746)
Decrease/(increase) in pledged deposits	已抵押存款減少／(增加)		17,381	(10,705)
Interest received	已收利息		7,498	10,529
Net cash used in investing activities	投資活動所用現金淨額		(377,550)	(279,592)
Cash flows from financing activities	融資活動現金流量			
Proceeds from issuance of ordinary shares	發行普通股所得款項		515	125
Repurchase of shares	購回股份		—	(20,643)
Proceeds from bank borrowings	銀行借貸所得款項		114,412	63,314
Repayment of bank borrowings	償還銀行借貸		(65,979)	(47,302)
Dividend paid to equity holders of the Company	已付本公司股權 持有人股息		(186,238)	(274,860)
Net cash used in financing activities	融資活動所用現金淨額		(137,290)	(279,366)
Net decrease in cash and cash equivalents	現金及現金等值項目 減少淨額		(294,804)	(122,261)
Cash and cash equivalents at 1 January	一月一日的現金及 現金等值項目		644,963	734,423
Exchange gains on cash and cash equivalents	現金及現金等值項目 匯兌收益		541	32,801
Cash and cash equivalents at 31 December	十二月三十一日的 現金及現金等值項目		350,700	644,963

The notes on pages 63 to 145 are an integral part of these financial statements.

第63至第145頁的附註為該等財務報表的組成部份。

Notes to the Financial Statements

財務報表附註

1 General information

China Ting Group Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 31 May 2005 as an exempted company with limited liability under the Companies Law (Cap. 22, Law 3 of 1961, as combined and revised) of the Cayman Islands. The address of the Company’s registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company and its subsidiaries (together, the “**Group**”) are engaged in the manufacturing and sale of garments.

The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 15 December 2005 (the “**Listing**”).

These consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 26 March 2010.

2 Summary of significant accounting policies

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

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRS**”). They have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss and investment properties, which are carried at fair value, as explained below.

The preparation of consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4 to the financial statements.

1 一般資料

華鼎集團控股有限公司(「**本公司**»)於二零零五年五月三十一日根據開曼群島公司法(第22章·一九六一年第三號法案·經綜合及修訂)在開曼群島註冊成立為獲豁免有限公司。本公司的註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。

本公司及其附屬公司(統稱為「**本集團**»)的主要業務是製造及銷售成衣。

本公司股份已於二零零五年十二月十五日在香港聯合交易所有限公司(「**聯交所**»)主板上市(「**上市**»)。

除另有說明外，該等綜合財務報表乃以港元(「**港元**»)為單位呈列。董事會已於二零零一年三月二十六日批准刊發該等綜合財務報表。

2 重大會計政策概要

編製該等綜合財務報表所用的主要會計政策載列如下。除另有說明外，該等政策已於所有呈列年度貫徹應用。

2.1 編製基準

本公司按照香港財務報告準則(「**香港財務報告準則**»)編製綜合財務報表。綜合財務報表乃按歷史成本法編製，並按透過損益以公平值重估金融資產及金融負債與重估以公平值列賬的投資物業作出修訂，詳見下文所闡述。

依據香港財務報告準則編製綜合財務報表須使用若干重要會計估計。管理層於應用本集團會計政策時亦需作出判斷。涉及大量判斷或複雜程度較高的範疇，或假設及估計對綜合財務報表具重大影響的範疇於財務報表附註4中披露。

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

(a) *New and amended standards adopted by the Group*

The Group has adopted the following new and amended HKFRSs as of 1 January 2009:

- HKAS 1 (revised), “Presentation of financial statements” — effective 1 January 2009. The revised standard prohibits the presentation of items of income and expenses (that is, “non-owner changes in equity”) in the statement of changes in equity, requiring “non-owner changes in equity” to be presented separately from owner changes in equity in a statement of comprehensive income. As a result the Group presents in the consolidated statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income. Comparative information has been re-presented so that it is also in conformity with the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on earnings per share.

2 重大會計政策概要 (續)

2.1 編製基準 (續)

(a) *本集團採納的新訂及經修訂準則*

本集團已於二零零九年一月一日採納以下新訂及經修訂香港財務報告準則：

- 香港會計準則第1號(經修訂)「財務報表的列報」— 由二零零九年一月一日起生效。此項經修訂準則禁止在權益變動表中呈列收入及開支項目(即「非擁有人的權益變動」)，並規定「非擁有人的權益變動」在綜合全面收入表中必須與擁有人的權益變動分開呈列。因此，本集團在綜合權益變動表中呈列全部擁有人的權益變動，而非擁有人的權益變動則在綜合全面收入表中呈列。比較數字已重新呈列，以符合修訂準則。由於會計政策的變動只影響呈列方面，故此對每股收益並無影響。

Notes to the Financial Statements (continued)

財務報表附註(續)

2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

(a) *New and amended standards adopted by the Group (continued)*

- HKFRS 8, “Operating segments” (effective 1 January 2009). HKFRS 8 replaces HKAS 14, “Segment reporting”, and aligns segment reporting with the requirements of the US standard SFAS 131, “Disclosures about segments of an enterprise and related information”. The new standard requires a “management approach”, under which segment information is presented on the same basis as that used for internal reporting purposes. There is no change in the number of reportable segments presented. In addition, the segments are reported in a manner that is more consistent with the internal reporting provided to the chief operating decision-maker.
- HKFRS 7, “Financial instruments: disclosures” (amendment) — effective 1 January 2009. The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. As the change in accounting policy only results in additional disclosures, there is no impact on earnings per share.

2 重大會計政策概要(續)

2.1 編製基準(續)

(a) *本集團採納的新訂及經修訂準則(續)*

- 香港財務報告準則第8號「營運分部」(由二零零九年一月一日起生效)。香港財務報告準則第8號取代了香港會計準則第14號「分部報告」，並將分部報告與美國財務會計準則第131號「有關企業分部及相關資料的披露」的規定統一。此項新準則要求採用「管理方法」，即分部資料須按照與內部報告所採用的相同基準呈報。可報告分部之呈列數目並沒有改變。此外，分部報告方式與已向主要營運決策人提供的內部報告方式更為一致。
- 香港財務報告準則第7號「金融工具 — 披露」(修訂本) — 由二零零九年一月一日起生效。該修訂本要求提高有關公平值計量及流動資金風險的披露。尤其是，有關修訂要求按公平值的計量架構披露公平值計量。由於會計政策的變動只導致額外披露，因此對每股盈利並無影響。

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

(b) *The following new standards, amendments to standards and interpretations are mandatory for the first time for the financial year beginning 1 January 2009, but are not currently relevant or do not have significant impact to the Group.*

HKAS 7 (amendment)	Cash flow statements
HKAS 16 (amendment)	Property, plant and equipment
HKAS 19 (amendment)	Employee benefits
HKAS 20 (amendment)	Accounting for government grants and disclosure of government assistance
HKAS 23 (revised)	Borrowing costs
HKAS 28 (amendment)	Investments in associates
HKAS 29 (amendment)	Financial reporting in hyperinflationary economies
HKAS 31 (amendment)	Interest in joint venture
HKAS 32 and HKAS 1 (amendment)	Puttable financial instruments and obligations arising on liquidation
HKAS 36 (amendment)	Impairment of assets
HKAS 38 (amendment)	Intangible assets

2 重大會計政策概要 (續)

2.1 編製基準 (續)

(b) 以下為首次強制本集團於二零零九年一月一日開始之年度期間應用但目前與本集團無關或對本集團無重大影響的新訂準則、對準則的修訂及相關詮釋。

香港會計準則第7號 (修訂本)	現金流量表
香港會計準則第16號 (修訂本)	物業、廠房及設備
香港會計準則第19號 (修訂本)	僱員福利
香港會計準則第20號 (修訂本)	政府補貼的會計處理和政府資助的披露
香港會計準則第23號 (經修訂)	借貸成本
香港會計準則第28號 (修訂本)	於聯營公司的投資
香港會計準則第29號 (修訂本)	嚴重通脹經濟中的財務報告
香港會計準則第31號 (修訂本)	於聯營公司的權益
香港會計準則第32號及香港會計準則第1號 (修訂本)	可沽售金融工具及清盤時產生的責任
香港會計準則第36號 (修訂本)	資產減值
香港會計準則第38號 (修訂本)	無形資產

Notes to the Financial Statements (continued)

財務報表附註(續)

2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

(b) *The following new standards, amendments to standards and interpretations are mandatory for the first time for the financial year beginning 1 January 2009, but are not currently relevant or do not have significant impact to the Group. (continued)*

HKAS 39 (amendment)	Financial instruments: recognition and measurement
HKAS 40 (amendment)	Investment property
HKAS 41 (amendment)	Agriculture
HKFRS 2 (amendment)	Share-based payment — vesting conditions and cancellations
HK(IFRIC) — Int 13	Customer loyalty programmes
HK(IFRIC) — Int 15	Agreements for the construction of real estate
HK(IFRIC) — Int 16	Hedges of a net investment in a foreign operation

2 重大會計政策概要(續)

2.1 編製基準(續)

(b) *以下為首次強制本集團於二零零九年一月一日開始之年度期間應用但目前與本集團無關或對本集團無重大影響的新訂準則、對準則的修訂及相關詮釋。(續)*

香港會計準則第39號(修訂本)	金融工具：確認及估量
香港會計準則第40號(修訂本)	投資物業
香港會計準則第41號(修訂本)	農業
香港財務報告準則第2號(修訂本)	以股份為基礎之付款 — 歸屬條件及註銷
香港(國際財務報告詮釋委員會) — 詮釋第13號	客戶忠誠計劃
香港(國際財務報告詮釋委員會) — 詮釋第15號	有關興建房地產建設的協議
香港(國際財務報告詮釋委員會) — 詮釋第16號	對外國業務投資淨值的對沖

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

(c) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group*

The following standards and amendments to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 July 2009 or later periods, but the Group has not early adopted them:

HKAS 24 (revised)	Related party disclosures ⁴
HKAS 27 (revised)	Consolidated and separate financial statements ¹
HKAS 39 (amendment)	Financial instruments: recognition and measurement — eligible hedged items ¹
HKFRS 1 (revised)	First time adoption of Hong Kong Financial Reporting Standards ¹
HKFRS 2 (amendment)	Share-based payment — group cash-settled share-based payment transaction ²
HKFRS 3 (revised)	Business combinations ¹
HKFRS 9	Financial instruments ⁵
HK(IFRIC) — Int 17	Distributions of non-cash assets to owners ¹
HK(IFRIC) — Int 18	Transfers of assets from customers ³
HK(IFRIC) — Int 19	Extinguishing financial liabilities with equity instruments ⁶

2 重大會計政策概要 (續)

2.1 編製基準 (續)

(c) *尚未生效且本集團並無提早採納的準則、修訂及對現有準則的詮釋*

以下為已頒佈且強制本集團於二零零九年七月一日或其後開始之會計期間或較後期間應用惟本集團並無提早採納的準則及對現有準則的修訂：

香港會計準則第24號 (經修訂)	關連人士披露 ⁴
香港會計準則第27號 (經修訂)	綜合及個別財務報表 ¹
香港會計準則第39號 (修訂本)	金融工具：確認及估量 — 合資格對沖項目 ¹
香港財務報告準則第1號 (經修訂)	首次採納香港財務報告準則 ¹
香港財務報告準則第2號 (修訂本)	以股份為基礎之付款 — 集團現金結算以股份為基礎之付款交易 ²
香港財務報告準則第3號 (經修訂)	企業合併 ¹
香港財務報告準則第9號	金融工具 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 ¹
香港 (國際財務報告詮釋委員會) — 詮釋第18號	從客戶轉讓資產 ³
香港 (國際財務報告詮釋委員會) — 詮釋第19號	以股本工具償清金融負債 ⁶

Notes to the Financial Statements (continued)

財務報表附註(續)

2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

(c) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (continued)*

- | | |
|---|--|
| 1 | effective for annual periods beginning on or after 1 July 2009 |
| 2 | effective for annual periods beginning on or after 1 January 2010 |
| 3 | effective for transfer of assets from customers received on or after 1 July 2009 |
| 4 | effective for annual periods beginning on or after 1 January 2011 |
| 5 | effective for annual periods beginning on or after 1 January 2013 |
| 6 | effective for annual periods beginning on or after 1 July 2010 |

In addition, Hong Kong Institute of Certified Public Accountants (“HKICPA”) also published a number of amendments for the existing standards under its annual improvement project. These amendments are not expected to have a significant financial impact on the results and financial position of the Group.

2 重大會計政策概要(續)

2.1 編製基準(續)

(c) *尚未生效且本集團並無提早採納的準則、修訂及對現有準則的詮釋(續)*

- | | |
|---|----------------------------|
| 1 | 於二零零九年七月一日或其後開始之年度期間生效 |
| 2 | 於二零一零年一月一日或其後開始之年度期間生效 |
| 3 | 對於二零零九年七月一日或其後收到的從客戶轉讓資產生效 |
| 4 | 於二零一一年一月一日或其後開始之年度期間生效 |
| 5 | 於二零一三年一月一日或其後開始之年度期間生效 |
| 6 | 於二零一零年七月一日或其後開始之年度期間生效 |

此外，香港會計師公會(「香港會計師公會」)亦根據其年度改進項目頒佈多項對現行準則的修訂。預期該等修訂對本集團的業績及財務狀況並無重大財務影響。

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 Summary of significant accounting policies (continued)

2.2 Consolidation

The consolidated financial statements include the financial statements of the Company and all of its subsidiaries made up to 31 December.

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the profit or loss.

Inter-company transactions, balances and unrealised gains on transactions between the Group's entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2 重大會計政策概要 (續)

2.2 綜合賬目

綜合財務報表包括本公司及其所有附屬公司以十二月三十一日為結算日的財務報表。

(a) 附屬公司

附屬公司指所有本集團有權管理其財務及經營政策，且一般而言擁有其過半數投票權的實體(包括特別用途實體)。在評估本集團是否控制另一實體時，將考慮目前可行使或可轉換的潛在投票權是否存在及其影響。

附屬公司由控制權轉讓予本集團當日起全面綜合賬目，並於控制權終止當日停止綜合賬目。

本集團採用會計購入法把附屬公司的收購入賬。收購成本按交易日所獲資產、發行的股本工具及招致或承擔的負債的公平值，加與收購直接相關的成本計量。不論所佔任何少數股東權益，業務合併時所收購的可資識別資產及所承擔的負債及或然負債均初步以收購日期的公平值計量。收購成本超出本集團所佔所收購可資識別的資產淨值之公平值部分乃記錄為商譽。倘收購成本低於所購入附屬公司資產淨值的公平值，則差額直接於收益表中確認。

集團內各實體間的交易、結餘及交易的未變現收益均予以對銷。除非有證據證明交易所轉讓資產出現減值，否則未變現虧損亦予以對銷。附屬公司的會計政策已在需要時作出改動，以確保與本集團所採用的政策貫徹一致。

Notes to the Financial Statements (continued)

財務報表附註(續)

2 Summary of significant accounting policies (continued)

2.2 Consolidation (continued)

(a) *Subsidiaries (continued)*

In the Company's balance sheet the investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

(b) *Transactions and minority interests*

The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals to minority interests result in gains and losses for the Group that are recorded in the profit or loss. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary.

(c) *Associates*

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The excess of the cost of acquisition over the fair value of the Group's share of the net assets of associates acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the Group's share of the net assets of associates acquired, the difference is recognised directly in the profit or loss.

2 重大會計政策概要(續)

2.2 綜合賬目(續)

(a) *附屬公司(續)*

於附屬公司的投資乃按成本減去減值虧損撥備，在本公司的資產負債表中列賬。本公司以已收及應收股息為基準為附屬公司的業績入賬。

(b) *交易及少數股東權益*

本集團的政策是將其與少數股東權益之間的交易，當作本集團與外間人士之間的交易處理。向少數股東權益出售而為本集團帶來的損益乃記入損益表。向少數股東權益採購產生商譽，有關商譽即任何已付代價與有關應佔所收購附屬公司資產淨值的賬面值兩者之差額。

(c) *聯營公司*

聯營公司是指本集團對其有重大影響，但並不擁有控制權，且一般擁有其20%至50%投票權的所有實體。於聯營公司的投資乃以權益會計法處理，並初步按成本確認。本集團於聯營公司的投資包括收購時所認定的商譽(扣除任何累計減值虧損)。

收購成本超出本集團所佔所收購聯營公司的資產淨值之公平值部分乃記錄為商譽。倘收購成本低於本集團應佔所購入聯營公司資產淨值的公平值，則差額直接於損益表確認。

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 Summary of significant accounting policies (continued)

2.2 Consolidation (continued)

(c) Associates (continued)

The Group's share of its associates' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

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

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the Company's presentation currency. The functional currency of the Company is US dollar ("US\$").

2 重大會計政策概要 (續)

2.2 綜合賬目 (續)

(c) 聯營公司 (續)

本集團分佔其聯營公司收購後溢利或虧損於損益表中確認，而其分佔收購後儲備的變動則在儲備中確認。收購後累積變動乃按投資的賬面值作調整。當本集團應佔聯營公司虧損等於或大於其聯營公司的權益時(包括任何其他無抵押應收款項)，本集團不再確認進一步虧損，惟本集團代表聯營公司產生責任或代墊款項則除外。

本集團與其聯營公司之間交易而產生之未變現收益按本集團於聯營公司的權益比例對銷。除非有證據證明該交易所轉讓資產出現減值，否則未變現虧損亦予以對銷。聯營公司的會計政策已在需要時作出改動，以確保與本集團所採納的政策貫徹一致。

2.3 分部報告

經營分部與主要營運決策人使用的內部報告相同，負責分配資源和評估分部經營業績的主要營運決策人，被認為制定戰略決策的董事會。

2.4 外幣換算

(a) 功能及呈報貨幣

集團各實體的財務報表所包括項目，乃按該實體經營所在的主要經濟環境所用的貨幣(「功能貨幣」)計量。本公司的呈報貨幣為港元，綜合財務報表以港元呈列。本公司的功能貨幣為美元(「美元」)。

Notes to the Financial Statements (continued)

財務報表附註(續)

2 Summary of significant accounting policies (continued)

2.4 Foreign currency translation (continued)

(b) Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

(c) Group's entities

The results and financial position of all the Group's entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2 重大會計政策概要(續)

2.4 外幣換算(續)

(b) 交易及結餘

外幣交易均按交易日期之當時匯率換算為功能貨幣。因該等交易結算及按結算日之匯率換算外幣計值之貨幣資產及負債而產生之匯兌損益，均於收益表中確認。

(c) 集團各實體

本集團所有實體(全部均非採用高通脹經濟體系的貨幣)的功能貨幣倘有別於呈報貨幣，其業績及財務狀況須按以下方式換算為呈報貨幣：

- (i) 各資產負債表所列的資產及負債按其結算日的收市匯率換算；
- (ii) 各全面收入表所列的收支按平均匯率換算，除非此平均匯率不足以合理地概括反映交易日期當時匯率的累積影響，在此情況下，收支則按交易日期的匯率換算；及
- (iii) 一切因此而產生的匯兌差額均確認為權益的一個獨立組成部分。

當綜合賬目時，換算海外實體投資淨值所產生的匯兌差額，將於股東權益中處理。部分出售或出售海外業務時，該等匯兌差額於權益入賬，以作為銷售收益或虧損部分於損益表中確認。

收購海外實體所產生的商譽及公平值調整列作有關海外實體的資產及負債，並按收市匯率換算。

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 Summary of significant accounting policies (continued)

2.5 Property, plant and equipment

Property, plant and equipment, except for construction in progress, are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged in the profit or loss during the financial period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Buildings	20–40 years
Leasehold improvements	5 years
Plant and machinery	5–10 years
Vehicles	3–10 years
Furniture, fittings and equipment	5–10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in the profit or loss.

Construction in progress represents buildings, plant and machinery under construction or pending installation and is stated at cost less accumulated impairment losses. Cost includes the costs of construction of buildings, costs of plant and machinery, and borrowing costs arising from borrowings used to finance these assets during the year of construction or installation and testing. No provision for depreciation is made on construction in progress until such time as the relevant assets are completed and ready for intended use. When the assets concerned are brought into use, the costs are transferred to respective property, plant and equipment and depreciated in accordance with the policy as stated above.

2 重大會計政策概要 (續)

2.5 物業、廠房及設備

物業、廠房及設備(在建工程除外)按歷史成本減累計折舊及累計減值虧損後列賬。歷史成本包括收購該等項目所佔直接開支。

只有在項目有關之未來經濟利益有可能流入本集團及項目成本能可靠計量時，其後成本才會加入資產賬面值或確認為另外一項資產(如適用)。替代部分的賬面值取消確認。所有其他維修及維護則於產生的財政期間內在損益表扣除。

物業、廠房及設備折舊以直線法計算，按估計可使用年內將其成本分配至其剩餘價值，估計可使用年期如下：

樓宇	20–40年
租賃物業裝修	5年
廠房及機械	5–10年
汽車	3–10年
傢俬、裝置及設備	5–10年

資產剩餘價值及可使用年期將於每個結算日審閱及調整(如適用)。倘資產賬面值大於其估計可收回金額，則該資產賬面值將即時撇減至其可收回金額。

出售所得損益乃按所得款項及賬面值的差額釐定，並包括在損益表內。

在建工程指在建或有待裝置的樓宇、廠房及機械，並按成本減去累計減值虧損後入賬。成本包括樓宇建築成本、廠房及機械成本以及就作為該等資產於興建或安裝及測試期內的融資的借貸產生的借貸成本開支。在建工程直至有關資產完成及可作擬定用途前不計提折舊撥備。當有關資產投入運作時，將成本轉撥至相關物業、廠房及設備，並按上文所述的政策計提折舊。

Notes to the Financial Statements (continued)

財務報表附註(續)

2 Summary of significant accounting policies (continued)

2.6 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group's entities, is classified as investment property.

Investment property comprises land held under operating leases and buildings held under finance leases. Land held under operating leases are classified and accounted for as investment property when the rest of the definition of investment property is met. The operating lease is accounted for as if it were a finance lease.

Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions.

The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of those outflows are recognised as a liability, including finance lease liabilities in respect of land classified as investment property; others, including contingent rent payments, are not recognised in the financial statements.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the profit or loss during the financial period in which they are incurred.

Changes in fair values are recognised in the profit or loss, as part of the other gains/(losses), net.

2 重大會計政策概要(續)

2.6 投資物業

為長期租金收益或資本升值或上述兩者持有的物業，而並非由本集團內各實體佔用的物業，均列作投資物業。

投資物業包括以經營租賃持有的土地及以融資租賃持有的樓宇。根據經營租賃持有的土地如能符合投資物業所有餘下定義，均列作並入賬為投資物業。經營租賃會當作融資租賃入賬。

投資物業初步以成本(包括相關交易成本)計量。經初步確認後，投資物業按公平值列賬。公平值乃以活躍市價為基礎，於必要時就特定資產之性質、地點或狀況之任何差異作出調整。倘無法獲得此等資料，本集團可採用其他估值方法，例如活躍度較低市場的近期價格或折算預測現金流量。

投資物業的公平值應反映(其中包括)當前租賃所得租金收入及根據當前市場環境對未來租賃所得租金收入的假設。

在類似基準下，公平值也反映關於該物業預計的任何現金流出額。部分現金流出額確認為負債，包括有關列作投資物業的土地的融資租賃負債。其他現金流出額(包括或然租金付款)則不會於財務報表中確認。

只有在投資物業有關之未來經濟利益有可能流入本集團及該項目成本能可靠地計量時，其後開支才會於該項資產的賬面值中扣除。所有其他維修及維護成本則於產生的財政期間內在損益表列作開支。

公平值變動於損益表中確認為其他收益/(虧損)淨額的部分。

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 Summary of significant accounting policies (continued)

2.7 Intangible assets

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates is included in interests in associates and is tested for impairment as part of the overall balance. Separately recognised goodwill is tested for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units ("CGUs") for the purpose of impairment testing. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose.

(b) Trademarks

Trademarks are shown at historical cost. Trademarks have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks over their estimated useful lives of 10 years.

(c) Licence rights

Licence rights are stated at historical cost less accumulated amortisation and accumulated impairment losses, if any. They are initially measured at the fair value of the consideration given to acquire the licence at the time of the acquisition, which represents the present values of expected fixed payments at the time of the acquisition.

Licence rights are amortised over the licence periods on a straight-line basis over 3 years.

2 重大會計政策概要 (續)

2.7 無形資產

(a) 商譽

商譽指收購成本超出本集團於收購日期應佔已收購附屬公司／聯營公司可資識別資產淨值的公平值的差額。收購附屬公司所產生的商譽計入於無形資產中。收購聯營公司的商譽則計入於聯營公司的權益中，並為整體結餘的一部份測試減值。獨立確認的商譽會作出減值測試及以成本減累計減值虧損列賬。商譽的減值虧損並不會撥回。出售實體損益包括與已售實體有關的商譽賬面值。

為測試減值，商譽被分配到現金產生單位。有關商譽會分配到預期會從產生有關商譽的業務合併中受惠的該等現金產生單位或現金產生單位組別。

(b) 商標

商標以歷史成本列示。商標具指定可使用年期，並按成本減累計攤銷列賬。攤銷以直線法計算，將商標成本於其預計可使用年期10年內攤銷。

(c) 專營權

專營權乃以歷史成本減累計攤銷及累計減值虧損(如有)列賬。其初步以於收購時就取得專營權支付的代價的公平值計量，即於收購時的預期固定付款的現值。

專營權乃於三年期內以直線法攤銷。

Notes to the Financial Statements (continued)

財務報表附註(續)

2 Summary of significant accounting policies (continued)

2.7 Intangible assets (continued)

(d) Customer relationships

Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. The customer relationships have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the customer relationship of 10 years.

(e) Exclusive supply rights

Exclusive supply rights represent the rights to sell pre-determined amount of garments to customers over certain periods of time pursuant to the legal binding agreements entered into between the Group and the customers. Exclusive supply rights are stated at cost less accumulated amortisation and any impairment losses. Exclusive supply rights are amortised over the unexpired periods of the agreements.

2.8 Impairment of investments in subsidiaries, associates and non-financial assets

Assets that have an indefinite useful life or have not yet available for use are not subject to amortisation and are tested annually for impairment. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

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

2 重大會計政策概要(續)

2.7 無形資產(續)

(d) 客戶關係

於業務合併過程中獲得之客戶關係按收購當日之公平值確認。客戶關係之使用年期有限，並按成本減累計攤銷列賬。攤銷乃按客戶關係的估計可使用年期十年以直線法計算。

(e) 獨家供應權

獨家供應權指根據本集團與客戶訂立的具法律約束力的協議於若干期間內向客戶出售預先釐定金額成衣的權利。獨家供應權按成本減累計攤銷及任何減值虧損列賬。獨家供應權按有關協議尚未屆滿的期限攤銷。

2.8 於附屬公司、聯營公司及非金融資產的投資減值

無既定可使用年期或尚未可供使用的資產毋須計提攤銷，並每年進行一次減值測試。當出現事件或情況改變顯示未必能收回資產的賬面值時，則會檢討該等資產的減值。減值虧損按資產賬面值超過可收回數額(即資產公平值減出售成本後金額與使用價值兩者之較高者)的差額確認。就評估減值而言，資產按可獨立分辨現金流量之最低水平分類。除商譽以外而出現減值的非金融資產可於各報告日期就可能撥回減值進行審閱。

倘從於附屬公司或聯營公司的投資收取的股息超過該附屬公司於股息宣派期間的全面收入總額或倘個別財務報表所列投資的賬面值超過綜合財務報表所列被投資公司資產淨值(包括商譽)的賬面值，則於從該等投資收到股息後須對有關投資進行減值測試。

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 Summary of significant accounting policies (continued)

2.9 Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group established fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

2.10 Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value.

The Group's derivative financial instruments do not qualify for hedge accounting and are accounted for at fair value through profit or loss. Changes in the fair value of these derivative instruments are recognised immediately in the statement of comprehensive income within "other (losses)/gains, net".

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2 重大會計政策概要 (續)

2.9 按公平值列賬在損益表中處理的金融資產

按公平值列賬在損益表中處理的金融資產為持作買賣的金融資產。倘一項金融資產乃主要因於短期出售而購入，則會分類至本類別。除非衍生工具乃指定作對沖，否則會分類為持作買賣。於本類別的資產分類為流動資產。

有價投資的公平值乃根據當前的叫價釐定。倘金融資產所屬的市場並不活躍(及就非上市證券而言)，本集團使用估值技巧釐定公平值。有關技巧包括使用近期進行的公平交易、參考其他大體上相同的工具、折算現金流量分析及期權定價模式、盡量使用市場數據及盡可能不依靠特定實體的數據。

2.10 衍生金融工具及對沖活動

衍生工具初步以訂立衍生工具合約當日的公平值確認，其後則以其公平值重新計量。

本集團的衍生金融工具不符資格採用對沖會計法，並以公平值列賬在損益表內處理。該等衍生工具的公平值變動即時於全面收入表內確認的「其他(虧損)/收益淨額」中確認。

2.11 存貨

存貨按成本與可變現淨值兩者的較低者列賬。成本以加權平均法計算。製成品及在製品的成本包括原材料、直接工資、其他直接成本及相關生產間接開支(按一般營運產能計算)，惟不包括借貸成本。可變現淨值指在日常業務過程中的估計售價，減適用的變動銷售開支。

Notes to the Financial Statements (continued)

財務報表附註(續)

2 Summary of significant accounting policies (continued)

2.12 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtors will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the profit or loss. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in the profit or loss.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

2.14 Share capital

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

2.15 Trade payables

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

2 重大會計政策概要(續)

2.12 應收貿易賬款及其他應收款項

應收貿易賬款及其他應收款項初步按公平值確認，其後使用實際利率法按攤銷成本計量，並減去減值撥備。當有客觀證據顯示本集團未能根據應收款項之原訂條款收回所有到期款項，則會就應收貿易賬款及其他應收款項計提減值撥備。債務人遇上重大財政困難、債務人極可能破產或債務重組、欠繳或拖欠還款，均視作應收貿易賬款的減值指標。撥備金額為資產賬面值與按原本實際利率折現之預期未來現金流量現值兩者的差額。資產賬面值通過撥備賬目作減值，其虧損數額被確認於損益表內。當一項應收貿易賬款為不可收回時，則於應收貿易賬款的撥備賬目撇銷。其後收回先前已撇銷的金額則計入損益表。

2.13 現金及現金等值項目

現金及現金等值項目包括手頭現金、隨時可提取的銀行存款及原期限不超過三個月的其他高流動性短期投資。

2.14 股本

普通股歸類為權益。與發行新股或購股權直接有關的增量成本，在權益中列為所得款項的減項(扣除稅項)。

2.15 應付貿易賬款

應付貿易賬款初步以公平值確認及其後使用實際利率法以攤銷成本計量。

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 Summary of significant accounting policies (continued)

2.16 Licence fees payable

Licence fees payable in respect of the acquisition of a licence right are initially recognised at fair value of the consideration given to acquire the licence at the time of the acquisition, which represent the present values of expected variable payments that can be reliably estimated at the time of the acquisition. Expected variable payments are based on pre-determined criteria on future revenue by reference to budgets and forecasts based on past performance of the business associated with the underlying licence and industry situation and trends, and after considering uncertainties and different chances of various outcomes. They are subsequently stated at amortised cost using the effective interest method.

Interest is accrued on licence fees payable and charged to interest expense.

2.17 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.18 Current and deferred income tax

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

2 重大會計政策概要 (續)

2.16 應付專營權費

就取得專營權應付的專營權費初步以收購時就取得專營權所支付的代價的公平值確認，即預期可於收購時可靠地計算的浮動付款。預期浮動付款乃根據就參考預算就未來收益預先釐定的基準，以及根據專營權相關業務的過往表現所作的預測，加上行業狀況及走勢，於考慮到不確定因素及不同結果的出現機會後釐定。應付專營權費於其後則使用實際利息法以攤銷成本列賬。

利息乃就應付專營權費累計，並計入利息開支中。

2.17 借貸

借貸初步以公平值確認(扣除所產生的交易成本)。借貸其後以攤銷成本列賬。所得款項(扣除交易成本)及贖回價值之任何差額，以實際利率法於借貸期間在損益表予以確認。

除非本集團有無條件權利將償還負債的期限延至結算日起計最少12個月後，否則借貸均列作流動負債。

2.18 即期及遞延所得稅

即期所得稅開支乃根據本公司及其附屬公司及聯營公司營運及產生應課稅收入的國家於結算日已頒行或大體上已頒行的稅法計算。管理層定期就有待詮釋的適用稅務條例評估退稅狀況，以及於適當時就預期將支付予稅務機關的款項釐定撥備金額。

Notes to the Financial Statements (continued)

財務報表附註(續)

2 Summary of significant accounting policies (continued)

2.18 Current and deferred income tax (continued)

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

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

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

2.19 Employee benefits

(a) Pension obligations

The Group participates in a number of defined contribution plans in Hong Kong and the People's Republic of China ("the PRC"), the assets of which are generally held in separate trustee-administered funds. The pension plans are generally funded by payments from employees and the relevant Group's entities. The Group pays contributions to the pension plans on a mandatory, contractual or voluntary basis which are calculated as a percentage of the employees' salaries.

The Group has no legal or constructive obligations to make further payments once the required contributions have been paid, even if the plans do not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior years.

The contributions are recognised as employee benefit expense when they are due and are not reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2 重大會計政策概要(續)

2.18 即期及遞延所得稅(續)

遞延所得稅以負債法就資產及負債之稅基與在綜合財務報表所列賬面值間之暫時差額作出全數撥備。然而，如遞延所得稅乃源自業務合併以外的交易中初步確認之資產或負債，而在交易時並不影響會計或應課稅溢利或虧損，則不會入賬處理。遞延所得稅以結算日已頒行或大體上已頒行之稅率(及稅法)計算，並預期在相關遞延所得稅項資產實現時或遞延所得稅項負債償還時動用。

倘日後應課稅溢利可能抵銷暫時差額，則會確認遞延所得稅項資產。

遞延所得稅按於附屬公司及聯營公司的投資所產生的暫時差額計提撥備，惟除了暫時差額的撥回時間由本集團控制及暫時差額未必會於可見的將來撥回外。

2.19 僱員福利

(a) 退休金責任

本集團於香港及中華人民共和國(「中國」)參與多個定額供款計劃，其資產一般由信託管理基金分開持有。退休金計劃所需資金一般由僱員及相關的集團實體作出供款。本集團以強制、合約或自願基準向退休金計劃作出供款，款項按僱員薪金的百分比計算。

在作出規定供款後，即使計劃並無足夠資產向所有僱員支付僱員於當年度及過往年度所作服務有關的福利，本集團亦無任何法律或推定責任再支付其他款項。

該等供款於到期時確認為僱員福利開支，且不會以僱員在取得全數供款前退出計劃而被沒收之供款作扣減。預繳供款確認為資產，惟須以可獲現金退款或扣減日後供款為限。

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 Summary of significant accounting policies (continued)

2.19 Employee benefits (continued)

(b) *Employee leave entitlements*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of the services rendered by employees up to the balance sheet date. Employee entitlements to sick and maternity leave are not recognised until the time of leave.

(c) *Profit sharing and bonus plans*

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(d) *Share-based compensation*

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

2 重大會計政策概要 (續)

2.19 僱員福利 (續)

(b) *僱員應有假期*

僱員應有年假乃於累計予僱員時確認。本集團已就截至結算日僱員提供服務所產生年假的估計負債作出撥備。僱員應有病假及產假在僱員放假時方予確認。

(c) *分享溢利及花紅計劃*

本集團根據一條公式(考慮本公司股東應佔溢利並經若干調整後)，就花紅及分享溢利確認負債及開支。本集團於合約規定或過往慣例產生推定責任時確認撥備。

(d) *以股份支付的報酬*

本集團推行一項按股本結算、以股份支付報酬的計劃。為換取授出購股權而獲得的僱員服務公平值乃確認為開支。將於歸屬期內支銷的總金額乃參照已授出購股權的公平值釐定，不包括任何非市場歸屬條件的影響(例如盈利能力及銷售量增長目標)。有關預期歸屬的購股權數目的假設，已包括非市場歸屬條件。於各結算日，有關實體會修訂其估計預期歸屬的購股權數目，並在損益表內確認修訂原來估計數字(如有)的影響，以及對股本作出相應調整。

在購股權行使時，已收取並經扣除任何直接應佔交易成本的所得款項均計入股本(面值)及股份溢價中。

Notes to the Financial Statements (continued)

財務報表附註(續)

2 Summary of significant accounting policies (continued)

2.20 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

2.21 Provisions

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.22 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sales of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns and discounts and after eliminating sales within the Group.

2 重大會計政策概要(續)

2.20 或然負債

或然負債乃因過去事件而可能出現的責任，而須視乎日後會否出現一項或多項本集團不可完全控制的不確定事件方可確實。或然負債亦包括基於過去事件而產生的現有責任，但由於未必需要經濟資源流出或不能就該責任數額作可靠計量而未有確認。

或然負債不會確認入賬但會於財務報表附註中披露。倘流出之可能性出現變化，而相當可能出現流出，則會確認為撥備。

2.21 撥備

本集團若因過往事件而有法定或推定責任，並可能需要資源流出以清償有關責任，而能就相關金額作出可靠計量，則會確認撥備。本集團不會就日後經營虧損確認撥備。

倘出現多項類似責任，會考慮責任之整體類別後釐定清償責任會否導致資源流出。即使同類別責任中任何一項可能流出資源的機會不大，仍會確認撥備。

撥備乃按照清償責任預計所需開支的現值，利用反映當前市場對貨幣時間值及有關責任的特有風險所作之評估的除稅前比率計量。因時間流逝而增加的撥備須確認為利息開支。

2.22 收入確認

收入乃本集團業務活動的正常過程銷售貨物及服務的已收或應收代價之公平值。收入乃扣除增值稅、退貨及折扣和集團內銷售後列示。

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 Summary of significant accounting policies (continued)

2.22 Revenue recognition (continued)

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(a) *Sales of goods — OEM garment sales*

Sales of goods are recognised when a group's entity has delivered products to the customer, the customer has accepted the products and collectibility of the related receivables is reasonably assured.

(b) *Sales of goods — retailing of branded fashion apparel*

Sales of goods are recognised when a group's entity sells a product to the customer. Retail sales are in cash or by credit cards or collected by department stores on behalf of the Group. The recorded revenue includes credit card fees payable for the transaction. Such credit card fees are included in selling, marketing and distribution costs. It is the Group's policy to sell its products to the end customer with a right of return. Accumulated experience is used to estimate and provide for such returns at the time of sale.

(c) *Interest income*

Interest income is recognised on a time-proportion basis using the effective interest method.

(d) *Dividend income*

Dividend income is recognised when the right to receive payment is established.

(e) *Rental income*

Rental income on assets leased out under operating leases is recognised on a straight-line basis over the lease term.

2 重大會計政策概要 (續)

2.22 收入確認 (續)

本集團於收入數額能可靠地計量、未來經濟收入可能流入實體及符合下文所述的本集團各項業務活動的特定條件時，確認收入。待有關銷售的所有或然情況解決後，收入的數額方會被視為能可靠地計量。本集團以過往業績為估計基準，並計入顧客種類、交易類型及各項安排的特定情況。

(a) *銷售貨物 — 銷售原設備製造成衣*

當集團屬下實體向客戶交付產品、客戶接收該等產品以及合理確保可收取相關應收款項時，將確認銷售貨物。

(b) *銷售貨物 — 品牌時裝零售*

銷售貨物於集團屬下實體向客戶出售產品時確認。零售銷售乃以現金或信用卡支付，或由百貨公司代本集團收取。所記錄收入包括交易的應付信用卡費用。該等信用卡費用將列入銷售、營銷及分銷成本中。向最終客戶銷售產品附退貨權利乃本集團的政策。銷售時，乃依靠累積經驗就退貨作出估計及撥備。

(c) *利息收入*

利息收入利用實際利率法按時間比例基準確認。

(d) *股息收入*

股息收入於收款權利獲確立時確認。

(e) *租金收入*

根據經營租賃租出資產的租金收入，於租賃期內以直線法確認。

Notes to the Financial Statements (continued)

財務報表附註(續)

2 Summary of significant accounting policies (continued)

2.23 Government grants

Government grants are subsidies on export of textile and clothing and assistance on certain projects approved by local government. Government grants are recognised at their fair value where there is a reasonable assurance that the grants will be received and the Group will comply with all attached conditions.

Government grants are recognised when the right to receive payment is established.

2.24 Financial guarantee contract liabilities

Financial guarantee contract liabilities are measured initially at their fair values and are subsequently measured at the higher of (i) the amount initially recognised less, where appropriate, cumulative amortisation recognised in the profit or loss over the period of the relevant liabilities and (ii) the amount of which the Group is obliged to reimburse the recipient under the financial guarantee contracts.

2.25 Leases (as the lessee for operating leases)

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit or loss on a straight-line basis over the period of the lease.

2.26 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors where appropriate.

2 重大會計政策概要(續)

2.23 政府補助金

政府補助金為地方政府批准對紡織品及衣物出口的補貼及若干項目的資助。當有合理保證會收到補助金，而本集團將遵照所有附帶的條件，政府補助金會以其公平值確認。

政府補助金乃於收款權利獲確立時確認。

2.24 財務擔保合同負債

財務擔保合同負債初步以其公平價值計量，其後以(i)初步確認金額扣除相關負債期間於損益表內確認的累計攤銷(如適用)及(ii)根據財務擔保合同本集團須向被擔保方支付的金額兩者的較高者計量。

2.25 租賃(作為經營租賃的承租人)

凡資產擁有權的絕大部分風險及回報仍歸出租人所有的租賃，均歸類為經營租賃。根據經營租賃的付款(扣除出租人給予的任何優惠)在租期內以直線法在損益表中扣除。

2.26 股息分派

向本公司股東的股息分派在本公司股東或董事(如適用)批准股息的期間於本集團及本公司財務報表中確認為負債。

Notes to the Financial Statements (continued)

財務報表附註 (續)

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign exchange risk

The Group mainly operates in Hong Kong and Mainland China. Sales are made to overseas customers as well as customers in the PRC while purchases are mainly from suppliers in Hong Kong and the PRC. The functional currencies of the Group's entities in Hong Kong and Mainland China are US\$ and RMB respectively.

Foreign exchange risks arise on monetary assets and liabilities being denominated in a currency that is not the functional currency. The Group's entities in Mainland China have monetary assets and liabilities denominated in US\$, which is not their functional currencies. The Group has not used any forward contracts, currency borrowings or other means to hedge its foreign currency exposure.

At 31 December 2009, if RMB had strengthened/weakened by 5% (2008: 5%) against the US\$ with all other variables held constant, profit for the year and equity holders' equity would have been approximately HK\$905,000 (2008: HK\$5,468,000) lower, mainly as a result of foreign exchange losses on translation of US\$ denominated cash and bank balances held by the Group's entities in Mainland China. Profit is more sensitive to movement in US\$/RMB exchange rates in 2009 than 2008 because of the increased amount of US\$ denominated cash and bank balances held by the Group's entities in Mainland China.

3 財務風險管理

3.1 財務風險因素

本集團業務面對多種財務風險：市場風險(包括貨幣風險、現金流量及公平值利率風險)、信貸風險及流動資金風險。本集團的整體風險管理程序專注於金融市場的不可預測性，並尋求將對本集團財務表現的潛在不利影響降至最低。

(a) 外匯風險

本集團主要於香港及中國內地經營業務，並向海外及中國的客戶銷售，及主要向香港及中國的供應商進行採購。本集團位於香港及中國內地的實體之功能貨幣分別為美元及人民幣。

以非功能貨幣計值之貨幣資產及負債引致外匯風險。本集團位於中國內地的實體擁有以美元計值的貨幣資產及負債，而美元並非彼等的功能貨幣。本集團尚未使用任何遠期合約、貨幣借貸或其他方式來對沖其他外幣風險。

於二零零九年十二月三十一日，倘人民幣兌美元升值／貶值5%(二零零八年：5%)，而其他變數維持不變，年度溢利及股權持有人的權益將減少約905,000港元(二零零八年：5,468,000港元)，主要因換算本集團於中國內地的實體所持有以美元計值的現金及銀行結餘所產生的匯兌虧損。與二零零八年比較，二零零九年溢利對美元／人民幣匯率變動的敏感程度上升，原因為本集團於中國內地的實體所持有以美元計值的現金及銀行結餘金額上升所致。

Notes to the Financial Statements (continued)

財務報表附註(續)

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(b) Price risk

The Group is exposed to equity securities price risk because certain investments held by the Group are classified in the consolidated balance sheet as financial assets at fair value through profit or loss. At 31 December 2009, if there had been a 5% change in the market value of financial assets at fair value through profit or loss with all other variables held constant, the Group's profit for the year would have increased/(decreased) by approximately HK\$1,760,000 (2008: HK\$1,487,000). The Group has not entered into derivatives to manage such exposures.

(c) Cash flow and fair value interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest-bearing assets except for bank deposits. The Group's exposure to changes in interest rates is mainly attributable to its bank deposits and borrowings. Bank deposits and borrowings at variable rates expose the Group to cash flow interest-rate risk. Borrowings at fixed rates expose the Group to fair value interest rate risk. The interest rates of the Group's bank deposits and the rates and terms of the Group's borrowings are disclosed in Notes 15 and 21 to the financial statements respectively.

The Group has not used any interest rate swaps to hedge its exposure to interest rate risk.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 價格風險

由於本集團所持有的若干投資於綜合資產負債表中被分類為按公平值列賬在損益表中處理的金融資產，故本集團面臨股本證券價格風險。於二零零九年十二月三十一日，倘按公平值列賬在損益表中處理的金融資產的市值變動5%而其他所有變量維持不變，則本集團於本年度的溢利可能會增加／(減少)約1,760,000港元(二零零八年：1,487,000港元)。本集團尚未訂立任何衍生工具來對沖該等風險。

(c) 現金流量及公平值利率風險

除銀行存款外，本集團並無重大付息資產，因此，本集團的收入及經營現金流量大致不受市場利率波動影響。本集團所面對的利率波動風險主要來自其銀行存款及借貸。按浮動利率計息的銀行存款及借貸令本集團面對現金流量利率風險。按固定利率計息的借貸令本集團面對公平值利率風險。本集團的銀行存款利率及本集團借貸的利率及條款分別於財務報表附註15及21中披露。

本集團並無使用任何利率掉期對沖其利率風險。

Notes to the Financial Statements (continued)

財務報表附註 (續)

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(d) *Credit risk*

The carrying amounts of cash and bank balances, trade and other receivables, except for prepayments, represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group also has policies in place to ensure that sales of products are made to customers with an appropriate credit history. OEM garment sales to large or long-established customers with good repayment history comprise a significant proportion of the total Group's OEM garment sales. The Group also has policies on granting different settlement methods to different customers to monitor the credit exposure. Letters of credit are normally required from new customers and existing customers with short trading history for settlement purposes. Sales to retail customers are made in cash or via credit cards or collected by department stores on behalf of the Group. The Group's historical experience in collection of trade and other receivables falls within the recorded allowances. At 31 December 2009, trade and bills receivables amounted to HK\$389,270,000 (2008: HK\$319,529,000) were due from multi-national companies operating under international well-known brand retailers.

The Group has policies to place its cash and cash equivalents only with major financial institutions and does not expect any losses from non-performance by these financial institutions.

(e) *Concentration risk*

During the year ended 31 December 2009, the Group's sales to top 5 customers who are international well-known brand retailers accounted for approximately 36.2% (2008: 47.4%) of the total revenue. The Group aims to maintain long-term relationship with reputable customers in the expansion of its business.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(d) *信貸風險*

現金及銀行結餘、應收貿易賬款及其他應收款項(預付款項除外)的賬面值,乃本集團就金融資產所面對的最大信貸風險。

本集團亦具政策以確保向具備合適信貸記錄的客戶銷售產品。向具備良好還款記錄的大型或長期客戶銷售原設備製造成衣佔本集團全部原設備製造成衣銷售額的重要部分。本集團的另一政策乃向不同客戶授出不同清償方式,以監管信貸風險。新客戶及交易記錄較短的現有客戶一般須以信用證付款。零售客戶的銷售乃以現金或信用卡進行,或由百貨公司代表本集團收取款項。本集團過往未收回之應收貿易賬款及其他應收款項並無超出有關撥備。於二零零九年十二月三十一日,應收貿易款項及應收票據389,270,000港元(二零零八年:319,529,000港元)為應收國際知名品牌零售商所經營的跨國公司的款項。

本集團亦有政策,將其現金及現金等值項目僅存放於主要金融機構,且本集團並不預期會因該等金融機構違約而產生任何損失。

(e) *集中風險*

截至二零零九年十二月三十一日止年度,本集團向五大客戶(均為國際知名品牌零售商)的銷售額分別約佔總收入的36.2%(二零零八年:47.4%)。本集團為擴張業務,致力維持與著名客戶的長遠關係。

Notes to the Financial Statements (continued)

財務報表附註(續)

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(f) *Liquidity risk*

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group aims to maintain flexibility in funding by keeping committed credit lines available.

The Group's primary cash requirements have been for purchases of materials, machinery and equipment and payments of employee benefit expenses. The Group finances its working capital requirements through a combination of funds generated from operations and bank loans. The Group generally operates with a working capital surplus.

As at 31 December 2008 and 2009, the Group's and the Company's contractual obligations mature within 1 year.

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or increase debt.

The Group monitors capital on the basis of the debt to equity ratio. This ratio is calculated as bank borrowings of HK\$78,714,000 (2008: HK\$30,176,000) divided by total equity of HK\$2,475,883,000 (2008: HK\$2,278,188,000). The ratio as at 31 December 2009 and 2008 were 3.2% and 1.3% respectively.

3 財務風險管理(續)

3.1 財務風險因素(續)

(f) *流動資金風險*

審慎的流動資金風險管理令本集團可維持足夠現金及透過充足已承諾信貸額取得資金。本集團的目標乃通過保持取得已承諾信貸額，維持資金的靈活性。

本集團主要現金需求乃用於採購材料、機械及設備以及支付僱員福利開支。本集團以經營業務及銀行借貸所得資金應付其營運資金需求。本集團營運資金一般具備盈餘。

於二零零八年及二零零九年十二月三十一日，本集團及本公司的已訂約責任於一年內到期。

3.2 資本風險管理

本集團管理資本的目標為保障本集團繼續以持續基準經營能力，藉以為股東帶來回報及其他有關人士帶來利益，以及維持最適的資本架構，從而降低資本成本。

為維持或調整資本架構，本集團可對支予股東的股息作出調整、向股東退回資本、發行新股或增加債務。

本集團以負債對權益比率監察資本。是項比率乃以銀行借貸78,714,000港元(二零零八年：30,176,000港元)除以權益總額2,475,883,000港元(二零零八年：2,278,188,000港元)計算。於二零零九年及二零零八年十二月三十一日之比率分別為3.2%及1.3%。

Notes to the Financial Statements (continued)

財務報表附註(續)

3 Financial risk management (continued)

3.3 Fair value estimation

Effective 1 January 2009, the Group adopted the amendment to HKFRS 7 for financial instruments that are measured in the balance sheet at fair value, this requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2009.

Financial assets at fair value through profit or loss

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise primarily equity investments listed on Shanghai Stock Exchange.

3 財務風險管理(續)

3.3 公平值估計

自二零零九年一月一日起，本集團就資產負債表內按公平值計量之金融工具採納對香港財務報告準則第7號作出之修訂，此項修訂規定須按以下公平值計量級別披露公平值之計量：

- 同類資產或負債於活躍市場的報價(未經調整)(級別1)。
- 資產或負債可直接(即價格)或間接(即從價格中得出的參數)觀察獲得的參數(包括在級別1內的已報價格除外)(級別2)。
- 資產或負債並非根據可觀察獲得的市場數據(即不可觀察獲得的參數)得出的參數(級別3)。

下表呈列本集團於二零零九年十二月三十一日按公平值計量的資產及負債。

Level 1
級別1
HK\$'000
千港元

按公平值列賬在損益表中處理的金融資產

35,199

於活躍市場買賣的金融工具的公平值乃根據於結算日的市場報價計算得出。如果該報價可以容易地或規律地從交易市場、經銷商、經紀、產業集團、股價服務機構或管理機構中獲得，並且該等報價代表按公平基準進行的真實及經常市場交易，則該市場則被視為活躍市場。本集團所持金融資產採用的市場報價為當前買入價。該等金融工具包括在級別1內。包括在級別1內的金融工具主要包括於上海證券交易所上市的股權投資。

Notes to the Financial Statements (continued)

財務報表附註(續)

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Useful lives and residual values of property, plant and equipment

The Group's management determines the estimated useful lives, residual values and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

(b) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on the current market condition and the historical experience of manufacturing and selling products of similar nature. It could change significantly as a result of changes in customer taste and competitor actions in response to severe industry cycles. Management will reassess the estimations by the balance sheet date.

(c) Trade and other receivables

The Group's management determines the provision for impairment of trade and other receivables. This estimate is based on the credit history of its customers and the current market condition. Management reassesses the provision by each balance sheet date.

(d) Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2.7. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates (Note 11).

4 重要會計估計及判斷

本集團持續評審估計及判斷，且該等估計及判斷乃基於過往經驗及其他因素，包括按情況而言相信屬合理而對未來事項的預測。

本集團就未來事項作出估計及假設。該等因而產生的會計估計按定義甚少與相關實際結果相同。有很大機會對下一財政年度資產及負債的賬面值構成重大調整的估計及假設詳列如下。

(a) 物業、廠房及設備可使用年期及剩餘價值

本集團管理層就其物業、廠房及設備釐定估計可使用年期、剩餘價值及相關折舊開支。此項估計乃基於具類似性質及功能的物業、廠房及設備的實際可使用年期的過往經驗，但可能會因為技術創新及競爭對手為回應嚴峻行業週期而採取的行動而出現重大改變。倘可使用年期少於先前估計的可使用年期，管理層將增加折舊開支，或將撇銷或撇減已棄用或出售的技術過時或非策略性資產。

(b) 存貨可變現淨值

存貨的可變現淨值乃基於日常業務過程中的估計售價，減估計完成的成本及銷售開支。該等估計乃基於目前市況及製造及銷售具類似性質產品的過往經驗，但可能會因為客戶喜好改變及競爭對手為回應嚴峻行業週期而採取的行動而出現重大改變。管理層將於結算日或之前重新評估該等估計。

(c) 應收貿易賬款及其他應收款項

本集團管理層按客戶信貸往績及當前市況釐定應收貿易賬款及其他應收款項的減值撥備。管理層將於每個結算日或之前重新評估撥備。

(d) 商譽減值估計

根據附註2.7所述的會計政策，本集團每年測試商譽有否減值。現金產生單位的可收回金額按照使用價值計算，計算時須利用估計(附註11)。

Notes to the Financial Statements (continued)

財務報表附註(續)

4 Critical accounting estimates and judgements (continued)

(e) **Estimated valuation of identifiable assets acquired in the acquisition of a subsidiary and an associate**

On 30 October 2009, the Group acquired Zhejiang Huize Investment Company Limited (“**Zhejiang Huize**”) and Zhejiang Haoran Property Company Limited (“**Zhejiang Haoran**”) at a consideration of approximately HK\$298,115,000 (Note 32). The excess of Group’s share of net fair value of the associate’s identifiable assets and liabilities over the consideration paid was recognised as negative goodwill in the consolidated statement of comprehensive income. The principal asset included in the associate was a land located in Hangzhou, the People’s Republic of China. The fair value of the land was determined based on the valuation performed by an independent professional qualified valuer. In determining the fair value, the valuer has based on land valuation techniques which involve certain estimates including making reference to the comparable market transactions and other market conditions. In relying on the valuation report, management has exercised their judgement and is satisfied that the method of valuation is reflective of the current market condition.

(f) **Income taxes**

The Group is subject to income taxes in several jurisdictions. Significant judgement is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

5 Segment information

The chief operating decision-maker has been identified as the board of directors (the “**Board**”). The Board reviews the Group’s internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Board considers the Group has two reportable segments: (1) manufacturing and sale of garments on an OEM basis (“**OEM**”); and (2) manufacturing and retailing of branded fashion apparel (“**Retail**”).

The Board assesses the performance of the operating segments based on profit before income tax, which is consistent with that in the financial statements. Other information, as noted below, is also provided to the Board.

4 重要會計估計及判斷(續)

(e) **於收購一間附屬公司及一間聯營公司時購入的可識別資產的估計估值**

於二零零九年十月三十日，本集團收購浙江惠澤投資有限公司(「**浙江惠澤**」)及浙江浩然置業有限公司(「**浙江浩然**」)，代價約為298,115,000港元(附註32)。本集團應佔該聯營公司可識別資產及負債的公平值淨額超出已付代價的數額於綜合全面收入表確認為負商譽。該聯營公司包含的主要資產為一幅位於中華人民共和國杭州市的土地。該幅土地的公平值乃根據獨立專業合資格估值師進行的估值釐定。在釐定公平值時，估值師已根據土地估值技巧進行，有關估值技巧涉及若干估計(包括參考可資比較市場交易及其他市況)。依賴估值報告，管理層已行使彼等的判斷，並確信有關估值方法反映了現行市況。

(f) **所得稅**

本集團須在多個司法權區繳納所得稅。於釐定所得稅撥備時須作出重大判斷。日常業務過程中有大量無法確定最終稅款的交易及計算。本集團根據對是否需要繳付額外稅款的估計，就預期稅務審計項目確認負債。倘該等事項最終稅款結果有別於最初記錄的金額，有關差額將影響作出有關決定的期間的所得稅及遞延稅項撥備。

5 分部資料

本公司之董事會(「**董事會**」)已確立主要營運決策人制定策略決定。董事會審閱本集團之內部報告，並根據該等報告以評估管理層已決定之營運分部之表現及資源分配。

董事會認為本集團有兩項可報告之分部：(1)按原設備製造(「**原設備製造**」)基準製造及銷售成衣；及(2)品牌時裝製造及零售(「**零售**」)。

董事會根據與財務報表相符的除所得稅溢利評估營運分部的表現。其他資料，如下所述者，均已提供與董事會。

Notes to the Financial Statements (continued)

財務報表附註(續)

5 Segment information (continued)

Total assets exclude deferred income tax assets, financial assets at fair value through profit or loss and interests in associates, all of which are managed on a central basis. These are part of the reconciliation to total balance sheet assets.

Turnover comprises sale of goods. Sales between segments are carried out based on terms agreed. The revenue from external parties reported to the Board is measured in a manner consistent with that in the consolidated statement of comprehensive income.

5 分部資料(續)

總資產不包括由中央處理的遞延所得稅資產、按公平值列賬在損益表中處理的金融資產以及於聯營公司之權益。該等項目須與總負債表之資產對賬。

營業額包括銷售貨品。分部之間之銷售乃基於雙方同意之條款進行。呈報予董事會之外部方收入所計量之基準乃與綜合全面收入表相同。

		OEM 原設備製造 HK\$'000 千港元	Retail 零售 HK\$'000 千港元	Total 總值 HK\$'000 千港元
Year ended 31 December 2009	截至二零零九年十二月三十一日止年度			
Total revenue	總收入	1,759,354	337,566	2,096,920
Inter-segment revenue	分部間收入對銷	(3,719)	(2,221)	(5,940)
Revenue (from external customers)	收入(來自外部客戶)	1,755,635	335,345	2,090,980
Profit before income tax	除所得稅前溢利	297,558	47,550	345,108
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(77,664)	(2,471)	(80,135)
Amortisation of leasehold land and land use rights	批租土地及土地使用權攤銷	(2,358)	(31)	(2,389)
Amortisation of intangible assets	無形資產攤銷	(2,762)	(9,522)	(12,284)
Finance income	融資收入	7,032	466	7,498
Finance costs	融資成本	(479)	(2,228)	(2,707)
Share of profits/(losses) of associates	分佔聯營公司溢利/(虧損)	97	(1,303)	(1,206)
Income tax expense	所得稅開支	(49,587)	(18,830)	(68,417)

Notes to the Financial Statements (continued)

財務報表附註(續)

5 Segment information (continued)

5 分部資料(續)

		OEM 原設備製造 HK\$'000 千港元	Retail 零售 HK\$'000 千港元	Total 總值 HK\$'000 千港元
Year ended 31 December 2008	截至二零零八年十二月三十一日止年度			
Total revenue	總收入	2,051,513	287,611	2,339,124
Inter-segment revenue	分部間收入對銷	(3,668)	(1,722)	(5,390)
Revenue (from external customers)	收入(來自外部客戶)	2,047,845	285,889	2,333,734
Profit before income tax	除所得稅前溢利	370,183	39,251	409,434
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(67,949)	(2,649)	(70,598)
Amortisation of leasehold land and land use rights	批租土地及土地使用權攤銷	(1,182)	(24)	(1,206)
Amortisation of intangible assets	無形資產攤銷	(1,470)	(7,955)	(9,425)
Finance income	融資收入	10,045	484	10,529
Finance costs	融資成本	(1,217)	(2,632)	(3,849)
Share of losses of associates	分佔聯營公司虧損	(1,460)	(380)	(1,840)
Income tax expense	所得稅開支	(25,899)	(17,122)	(43,021)

Notes to the Financial Statements (continued)

財務報表附註(續)

5 Segment information (continued)

5 分部資料(續)

		OEM 原設備製造 HK\$'000 千港元	Retail 零售 HK\$'000 千港元	Total 總值 HK\$'000 千港元
As at 31 December 2009	於二零零九年十二月三十一日			
Total assets	總資產	2,063,561	428,813	2,492,374
Total assets include:	總資產包括：			
Interests in associates	於聯營公司之權益	1,603	1,314	2,917
Additions to non-current assets (other than financial instruments and deferred income tax assets)	添置非流動資產 (金融工具及遞延 所得稅資產除外)	144,748	1,114	145,862
		OEM 原設備製造 HK\$'000 千港元	Retail 零售 HK\$'000 千港元	Total 總值 HK\$'000 千港元
As at 31 December 2008	於二零零八年十二月三十一日			
Total assets	總資產	2,219,331	408,576	2,627,907
Total assets include:	總資產包括：			
Interests in associates	於聯營公司之權益	1,927	2,884	4,811
Additions to non-current assets (other than financial instruments and deferred income tax assets)	添置非流動資產 (金融工具及遞延 所得稅資產除外)	354,700	22,161	376,861

Notes to the Financial Statements (continued)

財務報表附註 (續)

5 Segment information (continued)

A reconciliation of reportable segments' profit before income tax to total profit before income tax is provided as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Total segment profit before income tax	除所得稅前分部溢利總額	345,108	409,434
Net fair value gains/(losses) of financial assets at fair value through profit or loss	按公平值列賬在損益表中處理的金融資產		
	公平淨值收益/(虧損)	20,530	(66,780)
Corporate overhead	企業經常開支	(8,755)	(9,957)
Rental income	租賃收入	1,864	1,023
Share of loss of an associate	分佔一間聯營公司虧損	(409)	—
Negative goodwill arising from the acquisition (Note 32)	因收購產生負商譽(附註32)	92,686	—
Profit before income tax	除所得稅前溢利	451,024	333,720

A reconciliation of reportable segments' assets to total assets is provided as follows:

5 分部資料(續)

可報告之除所得稅前分部溢利與除所得稅前溢利總額的對賬如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Total segment assets	分部資產總額	2,492,374	2,627,907
Financial assets at fair value through profit or loss	按公平值列賬在損益表中處理的金融資產		
		35,199	29,733
Corporate assets	企業資產	1,736	2,396
Investment property	物業投資	7,000	7,000
Deferred income tax assets	遞延所得稅資產	24,397	22,139
Tax recoverable	可退稅款	7,081	795
Interest in an associate	於一間聯營公司的權益	384,234	—
Total assets per balance sheet	總資產	2,952,021	2,689,970

可報告之分部資產與總資產的對賬如下：

Notes to the Financial Statements (continued)

財務報表附註(續)

5 Segment information (continued)

The Company is domiciled in the Cayman Islands. The results of its revenue from external customers located in the following geographical areas are as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
North America	北美洲	1,304,005	1,514,283
European Union	歐盟	124,192	117,708
Mainland China	中國內地	603,841	639,874
Hong Kong	香港	22,753	48,723
Other countries	其他國家	36,189	13,146
		2,090,980	2,333,734

The total of non-current assets other than interests in associates and deferred income tax assets (there are no employment benefit assets and rights arising under insurance contracts) located in the following geographical areas are as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Mainland China	中國內地	1,081,110	1,056,390
Hong Kong	香港	53,544	26,693
North America	北美洲	687	625
		1,135,341	1,083,708

For the year ended 31 December 2009, no single external customer contributed more than 10% of the Group's revenue.

For the year ended 31 December 2008, revenues of approximately HK\$303,430,000, HK\$301,879,000 and HK\$238,755,000 are derived from three external customers. These revenues are attributable to the OEM reportable segment and each of them accounted for greater than 10% of the Group's revenue.

5 分部資料(續)

本公司於開曼群島註冊成立。來自位於以下地區之外部客戶收入如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
North America	北美洲	1,304,005	1,514,283
European Union	歐盟	124,192	117,708
Mainland China	中國內地	603,841	639,874
Hong Kong	香港	22,753	48,723
Other countries	其他國家	36,189	13,146
		2,090,980	2,333,734

非流動資產總額，除金融工具及遞延所得稅資產外(保險合約未有產生僱員福利資產和權利)，來自以下之地區：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Mainland China	中國內地	1,081,110	1,056,390
Hong Kong	香港	53,544	26,693
North America	北美洲	687	625
		1,135,341	1,083,708

截至二零零九年十二月三十一日止年度，概無單一外部客戶為本集團的收入貢獻超過10%。

截至二零零八年十二月三十一日止年度，約303,430,000港元、301,879,000港元及238,755,000港元之收入來自三名外部客戶。該等收入乃歸屬於原設備製造之可報告分部，各分部均佔本集團營業額10%以上。

Notes to the Financial Statements (continued)

財務報表附註 (續)

6 Property, plant and equipment — Group

6 物業、廠房及設備 — 本集團

		Buildings	Leasehold improvements 租賃物業裝修	Plant and machinery 廠房及機械	Vehicles 汽車	Furniture, fittings and equipment 傢俬、裝置及設備	Construction in progress 在建工程	Total 合計
		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
Year ended 31 December 2009	截至二零零九年十二月三十一日止年度							
Opening net book amount	年初賬面淨值	398,997	11,755	213,377	14,537	27,834	167,107	833,607
Exchange differences	匯兌差額	652	14	403	15	27	137	1,248
Additions	添置	5,114	4,149	5,724	3,144	3,227	90,413	111,771
Transfers	轉撥	85,103	—	119,404	—	834	(205,341)	—
Disposals	出售	—	(187)	(241)	(236)	(156)	—	(820)
Depreciation	折舊	(22,822)	(6,580)	(32,683)	(6,517)	(11,533)	—	(80,135)
Closing net book amount	年末賬面淨值	467,044	9,151	305,984	10,943	20,233	52,316	865,671
At 31 December 2009	於二零零九年十二月三十一日							
Cost	成本	542,045	27,155	419,494	38,078	69,002	52,316	1,148,090
Accumulated depreciation	累計折舊	(75,001)	(18,004)	(113,510)	(27,135)	(48,769)	—	(282,419)
Net book amount	賬面淨值	467,044	9,151	305,984	10,943	20,233	52,316	865,671
Year ended 31 December 2008	截至二零零八年十二月三十一日止年度							
Opening net book amount	年初賬面淨值	264,578	6,328	152,634	12,192	30,230	151,337	617,299
Exchange differences	匯兌差額	12,300	399	9,396	726	1,718	8,936	33,475
Additions	添置	5,974	7,133	20,159	7,962	8,437	140,316	189,981
Additions through the acquisition of controlling interest in an associate	通過收購聯營公司控股股東權益添置	19,924	—	43,033	474	1,009	6,381	70,821
Transfers	轉撥	117,801	2,360	19,193	—	509	(139,863)	—
Disposals	出售	(4,441)	—	(435)	(1,740)	(755)	—	(7,371)
Depreciation	折舊	(17,139)	(4,465)	(30,603)	(5,077)	(13,314)	—	(70,598)
Closing net book amount	年末賬面淨值	398,997	11,755	213,377	14,537	27,834	167,107	833,607
At 31 December 2008	於二零零八年十二月三十一日							
Cost	成本	451,088	23,159	298,767	37,274	66,807	167,107	1,044,202
Accumulated depreciation	累計折舊	(52,091)	(11,404)	(85,390)	(22,737)	(38,973)	—	(210,595)
Net book amount	賬面淨值	398,997	11,755	213,377	14,537	27,834	167,107	833,607

Notes to the Financial Statements (continued)

財務報表附註(續)

6 Property, plant and equipment — Group (continued)

Depreciation expenses of HK\$54,415,000 (2008: HK\$51,703,000) and HK\$25,720,000 (2008: HK\$18,895,000) have been charged in cost of sales and administrative expenses respectively.

As at 31 December 2009, buildings with net book amount of HK\$33,647,000 (2008: HK\$26,473,000) were pledged as securities for the Group's bank borrowings (Note 21).

7 Investment properties — Group

The investment properties were revalued at 31 December 2009 by the directors. Valuations were determined with reference to current prices in an active market of similar properties.

The Group's interest in investment properties are held in Hong Kong with lease periods between 10 to 50 years.

6 物業、廠房及設備 — 本集團(續)

折舊開支54,415,000港元(二零零八年: 51,703,000港元)及25,720,000港元(二零零八年: 18,895,000港元)已分別計入銷售成本及行政開支。

於二零零九年十二月三十一日,本集團若干銀行借貸乃以賬面淨值33,647,000港元(二零零八年: 26,473,000港元)的樓宇作為抵押(附註21)。

7 投資物業 — 本集團

2009	2008
二零零九年	二零零八年
HK\$'000	HK\$'000
千港元	千港元

At 31 December	於十二月三十一日	7,000	7,000
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投資物業已於二零零九年十二月三十一日由董事重估。估值乃參考類似物業之活躍市場當前價格。

本集團於香港持有的投資物業權益,租賃期由10至50年不等。

Notes to the Financial Statements (continued)

財務報表附註(續)

8 Leasehold land and land use rights — Group

8 批租土地及土地使用權 — 本集團

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
At 1 January	於一月一日	100,040	84,012
Exchange differences	匯兌差額	116	3,815
Additions	添置	3,076	379
Additions through the acquisition of controlling interest in an associate	通過收購聯營公司 控股股東權益添置	—	16,289
Disposals	出售	—	(3,249)
Amortisation	攤銷	(2,389)	(1,206)
At 31 December	於十二月三十一日	100,843	100,040

The Group's interests in leasehold land and land use rights represent prepaid operating lease payments and their net book values are analysed as follows:

本集團於批租土地及土地使用權的權益指預付經營租賃款項，其賬面淨值分析如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
In Hong Kong, held on:	於香港持有：		
— Leases of between 10 to 50 years	— 介乎10年至50年之租賃	1,980	2,054
Mainland China, held on:	於中國內地持有：		
— Leases of between 10 to 50 years	— 介乎10年至50年之租賃	98,863	97,986
		100,843	100,040

As at 31 December 2009, leasehold land and land use rights with net book amount of HK\$10,253,000 (2008: HK\$5,905,000) were pledged as securities for the Group's bank borrowings (Note 21).

於二零零九年十二月三十一日，本集團若干銀行借貸乃以賬面值10,253,000港元(二零零八年：5,905,000港元)的批租土地及土地使用權作為抵押(附註21)。

Notes to the Financial Statements (continued)

財務報表附註(續)

9 Investments in subsidiaries — Company

Unlisted shares, at cost	非上市股份，按成本
Amounts due from subsidiaries	應收附屬公司款項

9 於附屬公司的投資 — 本公司

Company 本公司

2009	2008
二零零九年	二零零八年
HK\$'000	HK\$'000
千港元	千港元

		478,054	478,054
		653,242	613,316
		1,131,296	1,091,370

None of the subsidiaries had any loan capital in issue at any time during the year ended 31 December 2009 (2008: Nil).

於截至二零零九年十二月三十一日止年度內任何時間，概無任何附屬公司有任何已發行貸款資本(二零零八年：無)。

Amounts due from subsidiaries, under investments in subsidiaries, are unsecured, interest-free and have no pre-determined repayment terms.

於附屬公司的投資項下，應收附屬公司款項為無抵押、免息及無預定還款期。

The amounts due from subsidiaries were denominated in the following currencies.

應收附屬公司款項以下列貨幣計值。

HK\$	港元	637,284	595,070
US\$	美元	15,958	18,246
		653,242	613,316

Company 本公司

2009	2008
二零零九年	二零零八年
HK\$'000	HK\$'000
千港元	千港元

Notes to the Financial Statements (continued)

財務報表附註 (續)

9 Investments in subsidiaries — Company (continued)

The particulars of the Group's principal subsidiaries as at 31 December 2009 are set out as follows:

9 於附屬公司的投資 — 本公司(續)

於二零零九年十二月三十一日，本集團主要附屬公司的詳情如下：

Name 公司名稱	Country/place of incorporation/ establishment and type of legal entity 註冊成立／成立國家／ 地點及法定實體類別	Principal activities and place of operations 主要業務及經營地點	Particulars of issued/ paid-in capital 已發行／實收 股本詳情	Equity interest attributable to the Group 本集團 應佔股權
Directly held: 直接持有：				
Joyocean Investments Limited	British Virgin Islands, limited liability company 英屬處女群島，有限公司	Investment holding in the British Virgin Islands 於英屬處女群島進行投資控股	1,000 shares of US\$1 each 1,000股每股面值1美元之股份	100%
Manfame Investments Limited	British Virgin Islands, limited liability company 英屬處女群島，有限公司	Investment holding in the British Virgin Islands 於英屬處女群島進行投資控股	1,000 shares of US\$1 each 1,000股每股面值1美元之股份	100%
Oceanroc Investments Limited	British Virgin Islands, limited liability company 英屬處女群島，有限公司	Investment holding in the British Virgin Islands 於英屬處女群島進行投資控股	1,000 shares of US\$1 each 1,000股每股面值1美元之股份	100%
Skyyear Holdings Limited	British Virgin Islands, limited liability company 英屬處女群島，有限公司	Investment holding in the British Virgin Islands 於英屬處女群島進行投資控股	1,000 shares of US\$1 each 1,000股每股面值1美元之股份	100%
Witpower Investments Limited	British Virgin Islands, limited liability company 英屬處女群島，有限公司	Investment holding in the British Virgin Islands 於英屬處女群島進行投資控股	1,000 shares of US\$1 each 1,000股每股面值1美元之股份	100%

Notes to the Financial Statements (continued)

財務報表附註(續)

9 Investments in subsidiaries — Company (continued)

9 於附屬公司的投資 — 本公司(續)

Name 公司名稱	Country/place of incorporation/ establishment and type of legal entity 註冊成立/成立國家/ 地點及法定實體類別	Principal activities and place of operations 主要業務及經營地點	Particulars of issued/ paid-in capital 已發行/實收 股本詳情	Equity interest attributable to the Group 本集團 應佔股權
Indirectly held: 間接持有:				
China Ting Garment Mfg (Group) Limited 華鼎製衣(集團)有限公司	Hong Kong, limited liability company 香港·有限公司	Garment trading in Hong Kong 成衣貿易(香港)	5,000,000 shares of HK\$1 each 5,000,000股 每股面值1港元之股份	100%
Concept Creator Fashion Limited 創越時裝有限公司	Hong Kong, limited liability company 香港·有限公司	Garment trading in Hong Kong 成衣貿易(香港)	200,000 shares of HK\$1 each 200,000股 每股面值1港元之股份	100%
Diny (Hangzhou) Fashion Company Limited 迪妮(杭州)時裝有限公司	The PRC, wholly foreign owned enterprise 中國·外商獨資企業	Garment manufacturing and retailing and trademark holding in the PRC 成衣製造及零售及持有商標(中國)	US\$3,130,000 3,130,000美元	100%
Finity Fashion (Shenzhen) Company Limited 菲妮迪時裝(深圳)有限公司	The PRC, wholly foreign owned enterprise 中國·外商獨資企業	Garment manufacturing and retailing and trademark holding in the PRC 成衣製造及零售及持有商標(中國)	HK\$10,000,000 10,000,000港元	100%
Finity International Fashion Company Limited 菲妮迪國際時裝有限公司	The PRC, wholly foreign owned enterprise 中國·外商獨資企業	Garment manufacturing and retailing and trademark holding in the PRC 成衣製造及零售及持有商標(中國)	US\$10,900,000 10,900,000美元	100%
Hangzhou China Ting Fashion Company Limited 杭州華鼎時裝有限公司	The PRC, wholly foreign owned enterprise 中國·外商獨資企業	Garment manufacturing in the PRC 成衣製造(中國)	US\$4,180,000 4,180,000美元	100%
Hangzhou China Ting Tailored Fashion Company Limited 杭州華鼎西服時裝有限公司	The PRC, wholly foreign owned enterprise 中國·外商獨資企業	Garment manufacturing in the PRC 成衣製造(中國)	US\$8,000,000 8,000,000美元	100%

Notes to the Financial Statements (continued)

財務報表附註(續)

9 Investments in subsidiaries — Company (continued)

9 於附屬公司的投資 — 本公司(續)

Name 公司名稱	Country/place of incorporation/ establishment and type of legal entity 註冊成立/成立國家/ 地點及法定實體類別	Principal activities and place of operations 主要業務及經營地點	Particulars of issued/ paid-in capital 已發行/實收 股本詳情	Equity interest attributable to the Group 本集團 應佔股權
Indirectly held: (continued) 間接持有:(續)				
China Ting Pietraluna (Hangzhou) Wool Textile Dyeing & Finishing Company Limited 華貝納(杭州)毛紡染整有限公司	The PRC, wholly foreign owned enterprise 中國·外商獨資企業	Wool textile and garment manufacturing in the PRC 毛紡產品織造及成衣製造(中國)	US\$20,000,000 20,000,000美元	100%
Hangzhou Fucheng Fashion Company Limited 杭州富成時裝有限公司	The PRC, wholly foreign owned enterprise 中國·外商獨資企業	Garment manufacturing in the PRC 成衣製造(中國)	RMB13,000,000 人民幣 13,000,000元	100%
Hangzhou Fuding Fashion Company Limited 杭州富鼎時裝有限公司	The PRC, wholly foreign owned enterprise 中國·外商獨資企業	Garment manufacturing in the PRC 成衣製造(中國)	US\$2,000,000 2,000,000美元	100%
Hangzhou Fuxi Fashion Company Limited 杭州富茜時裝有限公司	The PRC, wholly foreign owned enterprise 中國·外商獨資企業	Garment retailing in the PRC 成衣零售(中國)	US\$200,000 200,000美元	100%
Hangzhou Huaxing Silk Printing Company Limited 杭州華星絲綢印染有限公司	The PRC, wholly foreign owned enterprise 中國·外商獨資企業	Printing and dyeing of silk and other high quality fabrics in the PRC 絲綢及其他優質面料印染(中國)	US\$5,000,000 5,000,000美元	100%
He Shan Tri-Star Silk Dyeing and Printing Work Limited 鶴山三星絲綢印染企業有限公司	The PRC, wholly foreign owned enterprise 中國·外商獨資企業	Printing and dyeing of silk and other high quality fabrics in the PRC 絲綢及其他優質面料印染(中國)	US\$3,500,000 3,500,000美元	100%
Interfield Industrial Limited 中都實業有限公司	Hong Kong, limited liability company 香港·有限公司	Fabric printing and dyeing 面料印染	23,400,000 shares of HK\$1 each 23,400,000股每股 面值1港元之 股份	100%

Notes to the Financial Statements (continued)

財務報表附註(續)

9 Investments in subsidiaries — Company (continued)

9 於附屬公司的投資 — 本公司(續)

Name 公司名稱	Country/place of incorporation/ establishment and type of legal entity 註冊成立/成立國家/ 地點及法定實體類別	Principal activities and place of operations 主要業務及經營地點	Particulars of issued/ paid-in capital 已發行/實收 股本詳情	Equity interest attributable to the Group 本集團 應佔股權
Indirectly held: (continued) 間接持有:(續)				
Jiangsu Fuze Textile Company Limited 江蘇富澤紡織有限公司	The PRC, sino-foreign joint venture 中國·中外合資企業	Jacquard and velvet fabric weaving in the PRC 提花布及絲絨面料織造(中國)	US\$2,625,000 2,625,000美元	52%
Shenzhen Fuhowe Fashion Company Limited 深圳富豪時裝有限公司	The PRC, wholly foreign owned enterprise 中國·外商獨資企業	Garment manufacturing in the PRC 成衣製造(中國)	US\$560,000 560,000美元	100%
Zhejiang China Ting Brand Management Company Limited 浙江華鼎品牌管理有限公司	The PRC, wholly foreign owned enterprise 中國·外商獨資企業	Garment manufacturing and retailing and trademark holding in the PRC 成衣製造及零售及持有商標(中國)	US\$2,200,000 2,200,000美元	100%
Zhejiang China Ting Jincheng Silk Company Limited 浙江華鼎金誠絲綢有限公司	The PRC, wholly foreign owned enterprise 中國·外商獨資企業	Silk fabric weaving in the PRC 絲綢面料織造(中國)	US\$2,520,000 2,520,000美元	100%
Zhejiang China Ting Knitwear Company Limited 浙江華鼎針織品有限公司	The PRC, wholly foreign owned enterprise 中國·外商獨資企業	Knitwear manufacturing in the PRC 針織品製造(中國)	US\$3,500,000 3,500,000美元	100%
Zhejiang China Ting Textile Technology Company Limited 浙江華鼎紡織科技有限公司	The PRC, wholly foreign owned enterprise 中國·外商獨資企業	Home textile weaving in the PRC 家紡產品織造(中國)	US\$11,200,000 11,200,000美元	100%
Zhejiang Concept Creator Fashion Company Limited 浙江創越時裝有限公司	The PRC, wholly foreign owned enterprise 中國·外商獨資企業	Garment manufacturing in the PRC 成衣製造(中國)	US\$5,000,000 5,000,000美元	100%
Zhejiang Fucheng Fashion Company Limited 浙江富成時裝有限公司	The PRC, wholly foreign owned enterprise 中國·外商獨資企業	Garment manufacturing in the PRC 成衣製造(中國)	US\$4,000,000 4,000,000美元	100%

Notes to the Financial Statements (continued)

財務報表附註(續)

9 Investments in subsidiaries — Company (continued)

9 於附屬公司的投資 — 本公司(續)

Name 公司名稱	Country/place of incorporation/ establishment and type of legal entity 註冊成立/成立國家/ 地點及法定實體類別	Principal activities and place of operations 主要業務及經營地點	Particulars of issued/ paid-in capital 已發行/實收 股本詳情	Equity interest attributable to the Group 本集團 應佔股權
Indirectly held: (continued) 間接持有：(續)				
Zhejiang Fuhowe Fashion Company Limited 浙江富豪時裝有限公司	The PRC, wholly foreign owned enterprise 中國，外商獨資企業	Garment manufacturing in the PRC 成衣製造(中國)	US\$4,200,000 4,200,000美元	100%
Zhejiang China Ting Group Company Limited 浙江華鼎集團有限責任公司	The PRC, wholly foreign owned enterprise 中國，外商獨資企業	Properties holding and garment trading 持有物業及成衣貿易(中國)	RMB50,000,000 人民幣 50,000,000元	92%
Zhejiang Huali Fashion Company Limited 浙江華勵時裝有限公司	The PRC, wholly foreign owned enterprise 中國，外商獨資企業	Garment manufacturing in the PRC 成衣製造(中國)	US\$2,150,000 2,150,000美元	100%
Zhejiang Huayue Silk Products Company Limited 浙江華越絲綢製品有限公司	The PRC, sino-foreign joint venture 中國，中外合營企業	Spun silk fabric weaving in the PRC 絹絲面料織造(中國)	US\$2,500,000 2,500,000美元	55%
Zhejiang Huize Investment Company Limited 浙江惠澤投資有限公司	The PRC, wholly foreign owned enterprise 中國，外商獨資企業	Investment holding in the PRC 投資控股(中國)	RMB35,000,000 人民幣 35,000,000元	100%
Zhejiang Xinan Fashion Company Limited 浙江信安時裝有限公司	The PRC, wholly foreign owned enterprise 中國，外商獨資企業	Garment manufacturing in the PRC 成衣製造(中國)	US\$3,580,000 3,580,000美元	100%

The English names of certain subsidiaries referred herein represent management's best effort in translating the Chinese names of these subsidiaries as no English names have been registered.

由於上述若干附屬公司並無登記英文名稱，故該等英文名稱乃管理層盡力翻譯其中文名稱所得。

The above table includes the subsidiaries of the Group which, in the opinion of the directors, principally affected the results of the year or formed a substantial portion of the net assets of the Group. Giving details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

上表包括董事認為主要影響年內業績或組成本集團大部份資產淨值之本集團附屬公司。董事認為，刊登其他附屬公司之資料會使篇幅過長。

Notes to the Financial Statements (continued)

財務報表附註(續)

10 Interests in associates — Group

10 於聯營公司的權益 — 本集團

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Share of net assets	分佔資產淨值	154,093	1,486
Advances/loans to associates (Note (a))	墊付予多間聯營公司的款項／借予多間聯營公司的貸款(附註(a))	233,058	3,325
		387,151	4,811

Notes:

附註：

(a) On 30 October 2009, the Group accepted the transfer of Zhejiang Haoran's shareholders' loans of approximately HK\$230,000,000 (Note 32).

(a) 於二零零九年十月三十日，本集團接受轉讓浙江浩然的股東貸款約230,000,000港元(附註32)。

The advances/loans to associates are unsecured, interest-free and have no pre-determined repayment terms.

墊付予多間聯營公司的款項／借予多間聯營公司的貸款為無抵押、免息及尚未預先釐定還款期。

(b) Movements of interests in associates are as follows:

(b) 於聯營公司的權益之變動分析如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
At 1 January	於一月一日	4,811	39,170
Exchange differences	匯兌差額	(12)	427
Addition through the acquisition of a subsidiary (Note 32)	透過收購一間附屬公司添置(附註32)	384,234	—
Share of losses	分佔虧損	(1,615)	(1,840)
Repayment of loan to an associate	償還借予一間聯營公司的貸款	(267)	—
Reduction as a result of the acquisition of controlling interest in an associate	因收購聯營公司控股股東權益減少	—	(32,946)
At 31 December	於十二月三十一日	387,151	4,811

Notes to the Financial Statements (continued)

財務報表附註 (續)

10 Interests in associates — Group (continued)

Notes: (continued)

(c) The summary of the financial information of the Group's associates in aggregate is as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Total assets	資產總值	1,488,605	18,240
Total liabilities	負債總值	949,584	11,415
Revenue	收入	10,433	18,439
Loss for the year	年內虧損	(4,447)	(3,629)

(d) The particulars of the Group's associates as at 31 December 2009 are set out as follows:

Name	Country/place of incorporation/ establishment and type of legal entity 註冊成立/成立國家/地點及法定實體類別	Particular of issued/ paid-in capital 已發行/實收股本詳情	Equity interest attributable to the Group 本集團應佔股權	Principal activities 主要業務
Hangzhou Huasheng Accessories Company Limited 杭州華盛輔料有限公司	The PRC, wholly foreign owned enterprise 中國·外商獨資企業	US\$250,000 250,000 美元	25%	Accessories and plastic bags manufacturing 製造輔料及塑膠袋
Lee Cooper China (Hong Kong) Limited*	Hong Kong, limited liability company 香港·有限公司	300,000 shares of Euro 1 each 300,000股每股面值1歐元之股份	50%	Retailing 零售
Zhejiang Haoran Property Company Limited 浙江浩然置業有限公司	The PRC, limited liability company 中國·有限公司	RMB100,000,000 人民幣 100,000,000 元	29%	Property development 物業發展

The Group can exercise significant influence over Lee Cooper China (Hong Kong) Limited, through its representation on the board allowing participation in financial and operating policy decisions but not necessarily control of those policies.

附註：(續)

(c) 本集團聯營公司的財務資料合計概要如下：

(d) 本集團於二零零九年十二月三十一日之聯營公司之詳情如下：

本集團透過其於Lee Cooper China (Hong Kong) Limited董事會設立的代表，令本集團可參與該公司的財務及經營政策決策(但毋須控制該等決策)，因而可對Lee Cooper China (Hong Kong) Limited行使重大影響力。

Notes to the Financial Statements (continued)

財務報表附註(續)

11 Intangible assets — Group

11 無形資產 — 本集團

		Goodwill 商譽	Trademark 商標	Licence right 專營權	Customer relationship 客戶關係	Exclusive supply right 獨家供應權	Total 合計
		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
		Note (a) 附註 (a)	Note (b) 附註 (b)	Note (c) 附註 (c)	Note (d) 附註 (d)	Note (e) 附註 (e)	
Year ended	截至二零零九年十二月						
31 December 2009	三十一日止年度						
Opening net book amount	期初賬面淨值	91,549	33,568	4,723	13,221	—	143,061
Exchange differences	匯兌差額	35	—	—	—	—	35
Additions	添置	—	—	—	—	31,015	31,015
Amortisation	攤銷	—	(4,799)	(4,723)	(1,470)	(1,292)	(12,284)
Closing net book amount	期末賬面淨值	91,584	28,769	—	11,751	29,723	161,827
At 31 December 2009	於二零零九年						
	十二月三十一日						
Cost	成本	91,584	47,986	14,169	14,691	31,015	199,445
Accumulated amortisation	累計攤銷	—	(19,217)	(14,169)	(2,940)	(1,292)	(37,618)
Net book amount	賬面淨值	91,584	28,769	—	11,751	29,723	161,827

Notes to the Financial Statements (continued)

財務報表附註 (續)

11 Intangible assets — Group (continued)

11 無形資產 — 本集團 (續)

		Goodwill 商譽	Trademark 商標	Licence right 專營權	Customer relationship 客戶關係	Exclusive supply right 獨家供應權	Total 合計
		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
		Note (a) 附註(a)	Note (b) 附註(b)	Note (c) 附註(c)	Note (d) 附註(d)	Note (e) 附註(e)	
Year ended	截至二零零八年十二月						
31 December 2008	三十一日止年度						
Opening net book amount	期初賬面淨值	22,253	20,030	9,446	—	—	51,729
Exchange differences	匯兌差額	1,366	—	—	—	—	1,366
Additions	添置	—	16,770	—	—	—	16,770
Additions through the acquisition of controlling interest in an associate	通過收購聯營公司 控股股東權益添置	67,930	—	—	14,691	—	82,621
Amortisation	攤銷	—	(3,232)	(4,723)	(1,470)	—	(9,425)
Closing net book amount	期末賬面淨值	91,549	33,568	4,723	13,221	—	143,061
At 31 December 2008	於二零零八年 十二月三十一日						
Cost	成本	91,549	47,986	14,169	14,691	—	168,395
Accumulated amortisation	累計攤銷	—	(14,418)	(9,446)	(1,470)	—	(25,334)
Net book amount	賬面淨值	91,549	33,568	4,723	13,221	—	143,061

Notes:

附註：

(a) **Impairment tests for goodwill**
Goodwill is allocated to the CGU identified for OEM garment business and fabric printing and dyeing businesses, the identified groups of CGUs that are expected to benefit from the synergies of the combinations.

(a) **商譽減值測試**
商譽分配予原設備製造成衣業務及面料印染業務之已識別之現金產生單位，為可於合併獲協同效益之可識別現金產生單位組別。

A summary of the goodwill allocation is presented below:

商譽分配概要呈列如下：

		HK\$'000 千港元
OEM garment business	原設備製造成衣業務	23,654
Fabric printing and dyeing business	面料印染業務	67,930
		91,584

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

現金產生單位的可收回金額乃根據使用價值計算方法釐定。該等計算乃根據經管理層批准覆蓋五年期間的財務預算，以除稅前現金流量預計作出。五年期限之後的現金流量乃按下文所述的估計增長率推斷。增長率並未超越現金產生單位經營的業務的長期平均增長率。

Notes to the Financial Statements (continued)

財務報表附註(續)

11 Intangible assets — Group (continued)

Notes: (continued)

(a) Impairment tests for goodwill (continued)

Key assumptions used for value-in-use calculations

Budgeted gross margin	預算毛利率
Pre-tax discount rate	除稅前折現率
Weighted average growth rate used to extrapolate cash flows beyond the budgeted periods	用以推斷預算期後之現金流量之加權平均利率

Management determined budgeted gross margin based on past performance and its expectations for the market development. The discount rate used is pre-tax and reflects specific risks relating to the CGU. The weighted average growth rate beyond the budget period is estimated based on current capacity of the CGU.

(b) The trademark represents the right to use the brand FINITY.

(c) In January 2007, the Group entered into a licence agreement to acquire an exclusive right to retail and appoint franchisees to retail products bearing the Maxstudio trademark in the PRC and a non-exclusive right to produce such products in the PRC. The licence right represents capitalisation of the expected licence fees payable through 2009 (Note 18), based on a discount rate equal to the Group's weighted average borrowing rate of approximately 5.88% per annum at the date of the acquisition.

(d) The customer relationships were acquired in a business combination with Interfield Industrial Limited.

(e) On 24 July 2009, the Group entered into an exclusive supply agreement ("Agreement") with Bernard Chaus, Inc. ("Chaus"). Pursuant to the Agreement, Chaus appointed the Group as the sole supplier of all its career and casual sportswear in mainland China for a term of 10 years from the date of the Agreement. In return the Group agreed to pay Chaus an exclusive supply premium of US\$4,000,000 (approximately HK\$31,015,000).

11 無形資產 — 本集團(續)

附註：(續)

(a) 商譽減值測試(續)

使用價值計算法採用的主要假設

OEM garment business 原設備製造 成衣業務	Fabric printing and dyeing business 面料 印染業務
29%	22%
8%	8%
0%	0%

管理層按過往表現及預期市場發展決定預算毛利率。所使用折現率為除稅前，並反映有關現金產生單位之特定風險。於預算期後之加權平均增長利率乃根據現金產生單位之當時能力決定。

(b) 商標代表使用FINITY(菲妮迪)品牌的權利。

(c) 於二零零七年一月，本集團訂立專營權協議以取得獨家權利以零售及委任特許商以零售附有中國Maxstudio商標的產品，及取得非獨家權利以於中國生產該產品。專營權指根據相當於在收購日期本集團之加權平均借貸利率約每年5.88厘的折現率將二零零九年預期應付專營權費撥充資本(附註18)。

(d) 客戶關係乃與中都實業有限公司進行業務合併時獲得。

(e) 於二零零九年七月二十四日，本集團和美國 Bernard Chaus Inc. (「Chaus」) 達成獨家供應協議 (「協議」)。根據協議，Chaus 委託本集團為旗下所有上班服及運動便服在中國內地之獨家供應商，為期由協議日期起計十年。本集團同意支付 4,000,000 美元 (約為 31,015,000 港元) 予 Chaus 之獨家供應作為報酬。

12 Inventories — Group

Raw materials	原材料
Work in progress	在製品
Finished goods	製成品

The cost of inventories recognised as expense and included in cost of sales amounted to approximately HK\$1,369,110,000 (2008: HK\$1,589,267,000).

12 存貨 — 本集團

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Raw materials	143,002	133,822
Work in progress	111,324	74,132
Finished goods	203,371	195,457
	457,697	403,411

確認為開支並計入銷售成本的存貨成本約為 1,369,110,000 港元 (二零零八年：1,589,267,000 港元)。

Notes to the Financial Statements (continued)

財務報表附註(續)

13 Trade and other receivables

13 應收貿易賬款及其他應收款項

		Group 本集團		Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Trade and bills receivables	應收貿易賬款及 應收票據	389,270	319,529	—	—
Less: Provision for impairment	減：減值撥備	(5,654)	(3,840)	—	—
Trade and bills receivables, net	應收貿易賬款及 應收票據淨值	383,616	315,689	—	—
Amounts due from associates (Note 33(c))	應收聯營公司款項 (附註33(c))	2,840	3,989	—	—
Other receivables, deposits and prepayments	其他應收款項、 按金及預付款項	104,692	59,103	36	—
		491,148	378,781	36	—

The ageing analysis of gross trade and bills receivables is as follows:

應收貿易賬款及應收票據的賬齡分析如下：

		Group 本集團	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
0 to 30 days	0至30日	258,798	207,434
31 to 60 days	31至60日	94,681	78,975
61 to 90 days	61至90日	16,764	12,035
Over 90 days	超過90日	19,027	21,085
		389,270	319,529

Notes to the Financial Statements (continued)

財務報表附註(續)

13 Trade and other receivables (continued)

As of 31 December 2009, trade and bills receivables of approximately HK\$23,923,000 (2008: HK\$11,066,000) were past due but not considered impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade and bills receivables is as follows:

		Group	
		本集團	
		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
0 to 30 days	0至30日	10,111	6,728
31 to 60 days	31至60日	7,502	785
Over 60 days	超過60日	6,310	3,553
		23,923	11,066

As at 31 December 2009, overdue trade and bills receivables of HK\$5,654,000 (2008: HK\$3,840,000) were considered impaired and had been fully provided for.

The risk of trade and bills receivables that are neither past due nor impaired as at 31 December 2009 becoming impaired is low as most of the balances related to customers with no history of default.

The carrying amounts of the Group's net trade and other receivables are denominated in the following currencies:

		Group	
		本集團	
		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
HK\$	港元	13,788	16,725
RMB	人民幣	214,099	142,740
US\$	美元	262,668	216,758
Other currencies	其他貨幣	593	2,558
		491,148	378,781

13 應收貿易賬款及其他應收款項(續)

於二零零九年十二月三十一日，應收貿易賬款及應收票據約23,923,000港元(二零零八年：11,066,000港元)已逾期但不視為減值。此乃與若干近期並無拖欠記錄的獨立客戶相關。應收貿易賬款及應收票據的賬齡分析如下：

		Group	
		本集團	
		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
0 to 30 days	0至30日	10,111	6,728
31 to 60 days	31至60日	7,502	785
Over 60 days	超過60日	6,310	3,553
		23,923	11,066

於二零零九年十二月三十一日，逾期應收貿易賬款及應收票據5,654,000港元(二零零八年：3,840,000港元)已獲考慮減值及已全數作出撥備。

由於大部分結餘與無拖欠歷史的客戶相關，故既無逾期亦無於二零零九年十二月三十一日減值的應收貿易賬款及應收票據出現減值的風險較低。

本集團應收貿易賬款及應收票據淨值之賬面值以下列貨幣計值：

		Group	
		本集團	
		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
HK\$	港元	13,788	16,725
RMB	人民幣	214,099	142,740
US\$	美元	262,668	216,758
Other currencies	其他貨幣	593	2,558
		491,148	378,781

Notes to the Financial Statements (continued)

財務報表附註 (續)

13 Trade and other receivables (continued)

For OEM garment sales, the Group's trade receivables from its customers are generally settled by way of letters of credit or telegraphic transfer with credit periods of not more than 90 days. The grant of open account terms without security coverage is generally restricted to large or long-established customers with good repayment history. Sales to these customers comprise a significant proportion of the Group's OEM garment sales. On the other hand, for new and existing customers with short trading history, letters of credit issued by these customers are normally demanded for settlement purposes.

For sales of branded fashion apparel to franchisees, the Group normally requests payments in advance or deposits from such customers, with the remaining balances settled immediately upon delivery of goods. The Group also grants open account terms of 30 credit days to long-established customers with good repayment history.

Retail sales are settled in cash or by credit cards or collected by department stores on behalf of the Group. The department stores are normally required to settle the proceeds to the Group within 2 months from the date of sale.

Bills receivables are with average maturity dates of within 2 months.

The carrying amounts of trade and other receivables approximate their fair values.

Movements on the provision for impairment of receivables are as follows:

13 應收貿易賬款及其他應收款項(續)

就原設備製造成衣銷售而言，本集團來自客戶的應收貿易賬款一般以信用證或電匯方式清償，信貸期不超過90日。毋須提供任何保證的記賬交易條款一般只會授予還款紀錄良好的大型或長期客戶。本集團向此等客戶進行的銷售，佔原設備製造成衣銷售額的重要部分。另外，本集團一般要求業務新客戶或交易紀錄較短現有客戶提供信用證以作清償用途。

就對專營代理商進行的品牌時裝銷售而言，本集團一般要求該等客戶預付款項或按金，餘額則於貨品付運後即時清償。本集團亦會向還款紀錄良好的長期客戶授出長達30日的記賬交易條款。

零售乃以現金或信用卡進行，或由百貨公司代表本集團收取。本集團一般要求百貨公司於銷售日起計兩個月內向本集團清償所得款項。

應收票據的平均到期日為兩個月內。

應收貿易賬款及其他應收款項的賬面值與其公平值相若。

應收款項減值撥備變動如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
At 1 January	於一月一日	3,840	3,188
Exchange differences	匯兌差額	4	57
Additions through the acquisition of controlling interest in an associate	通過收購聯營公司 控股股東權益添置	—	625
Additions	添置	2,461	823
Write-off	撇銷	(651)	(853)
At 31 December	於十二月三十一日	5,654	3,840

Notes to the Financial Statements (continued)

財務報表附註(續)

14 Financial assets at fair value through profit or loss

14 按公平值列賬在損益表中處理的金融資產

		Group 本集團	
		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Market value of listed securities in the PRC	於中國之上市證券 之市值	35,199	29,733

Note:

Financial assets at fair value through profit or loss are presented within "operating activities" as part of changes in working capital in the cash flow statement (Note 30).

Changes in fair values of financial assets at fair value through profit or loss are recorded in "other gains/(losses), net", in the statement of comprehensive income (Note 22).

The fair value of all equity securities is based on their current bid prices in an active market.

附註：

按公平值列賬在損益表中處理的金融資產乃於「營運活動」中呈列，作為現金流量報表中營運資金之部份變動(附註30)。

按公平值列賬在損益表中處理的金融資產之公平值變動乃記錄於全面收入表中「其他收益／(虧損)淨額」(附註22)。

所有股本證券之公平值均按於活躍市場中之當前買入價釐定。

15 Cash and bank balances

15 現金及銀行結餘

		Group 本集團		Company 本公司	
		2009	2008	2009	2008
		二零零九年	二零零八年	二零零九年	二零零八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Cash at bank and in hand	銀行結餘及 手頭現金	343,884	503,614	1,700	2,396
Short-term bank deposits (Note (a))	短期銀行存款 (附註(a))	6,816	141,349	—	—
Cash and cash equivalents	現金及現金等值 項目	350,700	644,963	1,700	2,396
Term deposits with initial term over three months (Note (a))	原期限超過三個月 的定期存款 (附註(a))	56,805	97,746	—	—
Pledged bank deposits (Note (b))	已抵押銀行存款 (附註(b))	6,502	23,883	—	—
		414,007	766,592	1,700	2,396

Notes to the Financial Statements (continued)

財務報表附註 (續)

15 Cash and bank balances (continued)

15 現金及銀行結餘 (續)

		Group 本集團		Company 本公司	
		2009 二零零九年	2008 二零零八年	2009 二零零九年	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
Denominated in:	以下列貨幣計值：				
HK\$	港元	14,461	15,589	641	2,075
RMB (Note (c))	人民幣 (附註(c))	219,452	366,395	1	1
US\$	美元	178,154	384,528	1,037	298
Other currencies	其他貨幣	1,940	80	21	22
		414,007	766,592	1,700	2,396

Notes:

(a) The effective interest rate on short-term bank deposits and term deposits was 1.77% (2008: 1.54%) per annum; these deposits have a maturity ranging from 7 to 180 days.

(b) Bank deposits of HK\$6,502,000 (2008: HK\$23,883,000) have been pledged for trade finance facilities made available to the Group.

The effective interest rate on pledged bank deposits was 2.02% (2008: 1.51%) per annum.

(c) The Group's cash and bank balances denominated in RMB are deposited with banks in the PRC. The conversion of these RMB denominated balances into foreign currencies and the remittance of funds out of the PRC is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

附註：

(a) 短期銀行存款及定期存款的實際年利率為1.77% (二零零八年：1.54%)；該等存款的到期日由7至180日不等。

(b) 6,502,000港元(二零零八年：23,883,000港元)之銀行存款已予抵押，以為本集團取得貿易融資信貸額。

已抵押銀行存款之實際年利率為2.02%(二零零八年：1.51%)。

(c) 本集團以人民幣計值的現金及銀行結餘均存放於中國的銀行。該等以人民幣計值的結餘兌換外幣及將資金匯出中國，須受中國政府頒佈的外匯管制規則及法規所限制。

Notes to the Financial Statements (continued)

財務報表附註(續)

16 Share capital and share options

(a) Share capital

		Note 附註	Number of Shares 股份數目 (in '000) (千股)	Total 千港元 HK\$'000 千港元
Ordinary shares of HK\$0.10 each	每股面值0.10港元 之普通股			
Authorised:	法定：			
At 1 January 2008, 31 December 2008 and 31 December 2009	於二零零八年一月一日、 二零零八年十二月 三十一日及二零零九年 十二月三十一日		10,000,000	1,000,000
Issued and fully paid:	已發行及繳足：			
At 1 January 2008	於二零零八年一月一日		2,065,254	206,525
Issue of shares	發行股份	(i)	45,900	4,590
Repurchase of shares	購回股份	(ii)	(20,166)	(2,016)
Exercise of share options	行使購股權		1,250	125
At 31 December 2008	於二零零八年 十二月三十一日		2,092,238	209,224
Exercise of share options	行使購股權		1,910	191
At 31 December 2009	於二零零九年 十二月三十一日		2,094,148	209,415

Notes to the Financial Statements (continued)

財務報表附註 (續)

16 Share capital and share options (continued)

(a) Share capital (continued)

Notes:

- (i) The Group issued 45,900,000 shares on 18 January 2008 (2.2% of the total ordinary share capital issued) to a shareholder of Interfield Industrial Limited ("Interfield") as part of the purchase consideration for the acquisition of additional 60% equity interest of Interfield. The fair value of the shares issued amounted to HK\$88,587,000 (HK\$1.93 per share) based on the share price of the Company on 3 January 2008, the date on which the control of Interfield was passed to the Group.
- (ii) The Company repurchased a total of 20,166,000 of its own shares on the Stock Exchange at a price ranging from HK\$0.38 to HK\$1.70 per share, for a total consideration, before expenses, of approximately HK\$20,643,000. The repurchased shares were cancelled and an amount equivalent to the nominal value of these shares of approximately HK\$2,016,000 was transferred from share capital to the capital redemption reserve. The premium paid on the repurchased shares was charged against the share premium.

16 股本及購股權 (續)

(a) 股本 (續)

附註：

- (i) 本集團於二零零八年一月十八日向中都實業有限公司(「中都」)一名股東發行45,900,000股股份(已發行普通股本總額2.2%)，作為收購中都額外60%股權的部分收購代價。按本公司於二零零八年一月三日(中都控制權轉讓予本集團當日)的股價計算，已發行股份公平值為88,587,000港元(每股1.93港元)。
- (ii) 本公司於聯交所按介乎0.38港元至1.70港元之價格購回其股份總數20,166,000股，總代價(於扣除開支前)約20,643,000港元。購回之股份已註銷，且相當於該等股份之面值之金額約2,016,000港元已由股本轉撥至資本贖回儲備。於購回股份時已付溢價已計入股份溢價。

Month of repurchase 購回月份	Number of ordinary shares of HK\$0.10 each 每股面值0.10港元 之普通股數目	Price per share 每股價格		Aggregate consideration paid 已付 代價總額 HK\$'000 千港元
		Highest 最高價 HK\$ 港元	Lowest 最低價 HK\$ 港元	
January 2008 二零零八年一月	3,660,000	1.70	1.48	5,967
February 2008 二零零八年二月	1,450,000	1.31	1.27	1,876
June 2008 二零零八年六月	4,544,000	1.30	1.25	5,860
July 2008 二零零八年七月	2,190,000	1.26	1.16	2,685
October 2008 二零零八年十月	5,198,000	0.61	0.50	2,890
November 2008 二零零八年十一月	3,124,000	0.48	0.38	1,365
	20,166,000			20,643

Notes to the Financial Statements (continued)

財務報表附註(續)

16 Share capital and share options (continued)

(b) Share options

Pursuant to the Pre-IPO Share Option Deed (the "Pre-IPO Share Option Scheme") dated 18 November 2005, an employee has been conditionally granted options prior to 15 December 2005 to subscribe for up to 10,000,000 shares of HK\$0.10 each in the share capital of the Company. The options granted under the Pre-IPO Share Option Scheme may be exercised by the employee in part, during a period of eight years from 15 December 2005, representing no more than one-eighth of the total number of the option shares in each calendar year. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

In accordance with the Share Option Scheme approved on 18 November 2005, three directors have been granted options to subscribe for up to 3,000,000 shares of HK\$0.59 each in the share capital of the Company on 13 November 2008. The options granted may be exercised by the directors in part, during a period of three years from 13 November 2008, representing no more than one-third of the total number of the option shares in each calendar year. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

		2009 二零零九年		2008 二零零八年	
		Average exercise price in HK\$ per share 每股股份 平均行使價 (港元)	Options (thousands) 購股權 (千份)	Average exercise price in HK\$ per share 每股股份 平均行使價 (港元)	Options (thousands) 購股權 (千份)
At 1 January	於一月一日	0.26	9,250	0.10	7,500
Granted	已授出	—	—	0.59	3,000
Exercised	已行使	0.27	(1,910)	0.10	(1,250)
At 31 December	於十二月三十一日	0.26	7,340	0.26	9,250

16 股本及購股權(續)

(b) 購股權

根據於二零零五年十一月十八日的首次公開發售前購股權契據(「首次公開發售前購股權計劃」)，該僱員在二零零五年十二月十五日前有條件獲授予購股權，最多可以認購本公司股本中每股面值0.10港元之10,000,000股股份。該僱員可於二零零五年十二月十五日起計八年內，行使根據首次公開發售前購股權計劃授出的部分購股權，而每個曆年相當於不超過購股權股份總數八分之一。本集團概無法律或推定責任以現金購回或清償購股權。

根據於二零零五年十一月十八日通過的購股權計劃，三名董事於二零零八年十一月十三日獲授購股權，可認購本公司股本中最多3,000,000股股份(每股0.59港元)。董事可於二零零八年十一月十三日起計三年期間行使已授出的部份購股權，而每個曆年相當於不超過購股權股份總數三分之一。本集團概無法律或推定責任以現金購回或清償購股權。

尚未行使購股權的數目及其相關加權平均行使價的變動如下：

Notes to the Financial Statements (continued)

財務報表附註 (續)

16 Share capital and share options (continued)

(b) Share options (continued)

5,000,000 outstanding options at 31 December 2009 (2008: 6,250,000) were not exercisable as at that date and will be exercisable at an exercise price of HK\$0.10 per share over the period up to 15 December 2013. They will be expired on 15 December 2013 at an exercise price of HK\$0.10 per share.

Out of 2,340,000 outstanding options (2008: 3,000,000), 1,000,000 options at 31 December 2009 (2008: 2,000,000) were not exercisable as at that date and will be exercisable at an exercise price of HK\$0.59 per share over the period up to 12 November 2011. They will be expired on 12 November 2011 at an exercise price of HK\$0.59 per share.

Options exercised in 2009 resulted in 1,910,000 shares (2008: 1,250,000 shares) being issued at a weighted average price of HK\$0.27 each (2008: HK\$0.10 each). The related weighted average share price at the time of exercise was HK\$1.22 (2008: HK\$1.29) per share.

16 股本及購股權 (續)

(b) 購股權 (續)

於二零零九年十二月三十一日尚未行使的5,000,000份購股權(二零零八年: 6,250,000份)於該日不可行使,並將可於截至二零一三年十二月十五日止期間以行使價每股0.10港元行使。該等購股權將於二零一三年十二月十五日屆滿,行使價為每股0.10港元。

在2,340,000份(二零零八年: 3,000,000份)尚未行使的購股權中,其中於二零零九年十二月三十一日尚未行使的1,000,000份購股權(二零零八年: 2,000,000份)於該日不可行使,並將可於截至二零一一年十一月十二日止期間以行使價每股0.59港元行使。該等購股權將於二零一一年十一月十二日屆滿,行使價為每股0.59港元。

於二零零九年獲行使之購股權導致以每股0.27港元(二零零八年: 每股0.10港元)之加權平均價發行1,910,000股(二零零八年: 1,250,000股)股份。於行使時之相關加權平均股價為每股1.22港元(二零零八年: 1.29港元)。

Notes to the Financial Statements (continued)

財務報表附註(續)

17 Reserves

(a) Group

		Share premium	Capital reserve	Contributed surplus	Statutory reserves	Share based compensation reserve	Capital redemption reserve	Revaluation reserve	Exchange reserve	Retained earnings	Total
		股份溢價	資本儲備	繳入盈餘	法定儲備	以股份支付報酬儲備	資本贖回儲備	重估儲備	外匯儲備	保留盈利	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
			(Note (i))	(Note (ii))	(Note (iii))	(Note (iv))	(Note (v))				
			(附註(i))	(附註(ii))	(附註(iii))	(附註(iv))	(附註(v))				
At 1 January 2009	二零零九年一月一日	967,864	7,746	(4,624)	96,284	2,071	2,241	10,572	213,906	722,456	2,018,516
Profit for the year	年度溢利	-	-	-	-	-	-	-	-	376,625	376,625
Currency translation differences	貨幣換算差額	-	-	-	-	-	-	-	(1,572)	-	(1,572)
Employee share option scheme:	僱員購股權計劃:										
- proceeds from share issues	- 發行股份所得款項	2,338	-	-	-	(2,014)	-	-	-	-	324
- value of employee services	- 僱員服務價值	-	-	-	-	2,071	-	-	-	-	2,071
2008 final dividend paid	二零零八年已付終期股息	-	-	-	-	-	-	-	-	(93,314)	(93,314)
2009 interim dividend paid	二零零九年已付中期股息	-	-	-	-	-	-	-	-	(92,924)	(92,924)
Profit appropriation	溢利分配	-	-	-	20,319	-	-	-	-	(20,319)	-
At 31 December 2009	二零零九年十二月三十一日	970,202	7,746	(4,624)	116,603	2,128	2,241	10,572	212,334	892,524	2,209,726
Representing:	組成如下:										
2009 final dividend proposed	二零零九年擬派終期股息	-	-	-	-	-	-	-	-	68,060	68,060
2009 special dividend proposed	二零零九年擬派特別股息	-	-	-	-	-	-	-	-	42,092	42,092
Others	其他	-	-	-	-	-	-	-	-	782,372	782,372
										892,524	892,524
At 1 January 2008	二零零八年一月一日	902,608	7,746	(4,624)	66,777	1,902	225	-	145,620	735,639	1,855,893
Profit for the year	年度溢利	-	-	-	-	-	-	-	-	291,184	291,184
Deregistration of a subsidiary	一間附屬公司取消註冊	-	-	-	-	-	-	-	(23,653)	-	(23,653)
Revaluation reserve, net of tax, arising from the acquisition of controlling interest in an associate	因收購聯營公司控股股東權益產生的除稅後重估儲備	-	-	-	-	-	-	10,572	-	-	10,572
Currency translation differences	貨幣換算差額	-	-	-	-	-	-	-	91,939	-	91,939
Issue of shares	發行股份	83,997	-	-	-	-	-	-	-	-	83,997
Repurchase of shares	購回股份	(20,643)	-	-	-	-	2,016	-	-	-	(18,627)
Employee share option scheme:	僱員購股權計劃:										
- proceeds from share issues	- 發行股份所得款項	1,902	-	-	-	(1,902)	-	-	-	-	-
- value of employee services	- 僱員服務價值	-	-	-	-	2,071	-	-	-	-	2,071
2007 final dividend paid	二零零七年已付終期股息	-	-	-	-	-	-	-	-	(164,790)	(164,790)
2008 interim dividend paid	二零零八年已付中期股息	-	-	-	-	-	-	-	-	(110,070)	(110,070)
Profit appropriation	溢利分配	-	-	-	29,507	-	-	-	-	(29,507)	-
At 31 December 2008	二零零八年十二月三十一日	967,864	7,746	(4,624)	96,284	2,071	2,241	10,572	213,906	722,456	2,018,516
Representing:	組成如下:										
2008 final dividend proposed	二零零八年擬派終期股息	-	-	-	-	-	-	-	-	49,586	49,586
2008 special dividend proposed	二零零八年擬派特別股息	-	-	-	-	-	-	-	-	43,728	43,728
Others	其他	-	-	-	-	-	-	-	-	629,142	629,142
										722,456	722,456

Notes to the Financial Statements (continued)

財務報表附註 (續)

17 Reserves (continued)

(b) Company

17 儲備 (續)

(b) 本公司

		Share premium	Contributed Surplus	Share based compensation reserve	Capital redemption reserve	Retained earnings	Total
		股份溢價	繳入盈餘	以股份支付報酬儲備	資本贖回儲備	保留盈利	合計
		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
			(Note (ii))	(Note (iv))	(Note (v))		
			(附註(ii))	(附註(iv))	(附註(v))		
At 1 January 2009	二零零九年一月一日	967,864	468,054	2,071	2,241	179,882	1,620,112
Profit for the year	年度溢利	—	—	—	—	194,835	194,835
Employee share option scheme:	僱員購股權計劃:						
— proceeds from share issues	— 發行股份所得款項	2,338	—	(2,014)	—	—	324
— value of employee services	— 僱員服務價值	—	—	2,071	—	—	2,071
2008 final dividend paid	二零零八年已付終期股息	—	—	—	—	(93,314)	(93,314)
2009 interim dividend paid	二零零九年已付中期股息	—	—	—	—	(92,924)	(92,924)
At 31 December 2009	二零零九年十二月三十一日	970,202	468,054	2,128	2,241	188,479	1,631,104
Representing:	組成如下:						
2009 final dividend proposed	二零零九年擬派終期股息					68,060	
2009 special dividend proposed	二零零九年擬派特別股息					42,092	
Others	其他					78,327	
						188,479	
At 1 January 2008	二零零八年一月一日	902,608	468,054	1,902	225	175,803	1,548,592
Profit for the year	年度溢利	—	—	—	—	278,939	278,939
Issue of shares	發行股份	83,997	—	—	—	—	83,997
Repurchase of shares	購回股份	(20,643)	—	—	2,016	—	(18,627)
Employee share option scheme:	僱員購股權計劃:						
— proceeds from share issues	— 發行股份所得款項	1,902	—	(1,902)	—	—	—
— value of employee services	— 僱員服務價值	—	—	2,071	—	—	2,071
2007 final dividend paid	二零零七年已付終期股息	—	—	—	—	(164,790)	(164,790)
2008 interim dividend paid	二零零八年已付中期股息	—	—	—	—	(110,070)	(110,070)
At 31 December 2008	二零零八年十二月三十一日	967,864	468,054	2,071	2,241	179,882	1,620,112
Representing:	組成如下:						
2008 final dividend proposed	二零零八年擬派終期股息					49,586	
2008 special dividend proposed	二零零八年擬派特別股息					43,728	
Others	其他					86,568	
						179,882	

Notes to the Financial Statements (continued)

財務報表附註(續)

17 Reserves (continued)

(b) Company (continued)

Note:

- (i) **Capital reserve**
Capital reserve represents capital contributions other than the paid up share capital of the subsidiaries comprising the Group.
- (ii) **Contributed surplus**
Contributed surplus of the Group represents the difference between the nominal value of the shares of subsidiaries acquired pursuant to the reorganisation of the Group took place in 2005 over the nominal value of the share capital of the Company issued in exchange.
- Contributed surplus of the Company represents the difference between the costs of investments in subsidiaries acquired pursuant to the reorganisation of the Group took place in 2005 over the fair value of the subsidiaries in exchange.
- (iii) **Statutory reserves**
Statutory reserves include statutory reserve fund and enterprise expansion fund. In accordance with relevant rules and regulations on foreign investment enterprises established in the PRC, the Company's PRC subsidiaries are required to transfer an amount of their profit for the year to the statutory reserve fund, until the accumulated total of the fund reaches 50% of their registered capital. The statutory reserve fund can only be used, upon approval by the relevant authority, to make good of previous years' losses or to increase the capital of these subsidiaries.
- The appropriation to the enterprise expansion fund is solely determined by the board of directors of the subsidiaries in the PRC. The enterprise expansion fund can only be used to increase capital of group companies or to expand their production operations upon approval by the relevant authority.
- (iv) **Share based compensation reserve**
Share based compensation reserve represents value of employee services under the Group's Pre-IPO Share Option Scheme and Share Option Scheme.
- (v) **Capital redemption reserve**
Capital redemption reserve represents the nominal amount of the shares repurchased.

17 儲備(續)

(b) 本公司(續)

附註:

- (i) **資本儲備**
資本儲備為股東出資，但不包括本集團旗下各附屬公司的實收股本。
- (ii) **繳入盈餘**
本集團的繳入盈餘為根據二零零五年本集團進行重組所收購附屬公司的股份面值與本公司為作交換而已發行的股本面值的差額。
- 本公司的繳入盈餘是在根據二零零五年本集團重組所收購附屬公司的投資成本與作為交換之附屬公司公平值之間的差額。
- (iii) **法定儲備**
法定儲備包括法定公積金及企業發展基金。根據於中國設立外商投資企業的相關規則及規例，本公司的中國附屬公司須將其一部分年度溢利轉撥至法定公積金，直至累計公積金總額達其註冊資本50%。經相關機構批准後，法定公積金僅可用以彌補以往年度的虧損或增加該等附屬公司的資本。
- 企業發展基金的分配純粹由中國各附屬公司的董事會決定。企業發展基金經相關機構批准後只可用作增加集團屬下公司的資本，或用作擴充生產業務。
- (iv) **以股份支付報酬儲備**
僱員購股權儲備為本集團首次公開發售前購股權計劃及購股權計劃的僱員服務價值。
- (v) **資本贖回儲備**
資本贖回儲備指購回股份之面值。

Notes to the Financial Statements (continued)

財務報表附註(續)

18 Licence fees payable — Group

Within one year 於一年內

Details of licence fees payable are set out in Note 11(c) to the financial statements. Licence fees payable are denominated in US dollar.

The carrying amount of licence fees payable approximates its fair value.

19 Deferred income tax — Group

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows:

Deferred income tax assets 遞延所得稅資產

Deferred income tax liabilities 遞延所得稅負債

Deferred income tax assets and deferred income tax liabilities are expected to be settled after more than 12 months.

The movements in net deferred income tax (assets)/liabilities are as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
At 1 January	於一月一日	(1,425)	5,691
Additions through the acquisition of controlling interest in an associate	通過收購聯營公司 控股股東權益添置	—	7,540
Credited to the profit or loss (Note 24)	計入損益表(附註24)	(2,981)	(14,656)
At 31 December	於十二月三十一日	(4,406)	(1,425)

18. 應付專營權費 — 本集團

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Within one year	2,931	5,569

應付專營權費之詳情已載於財務報表附註11(c)。應付專營權費乃以美元計值。

應付專營權費的賬面值與其公平值相若。

19 遞延所得稅 — 本集團

當出現可依法執行的權利以將現有稅項資產與現有稅項負債抵銷，而遞延所得稅與同一政府財務機關相關，即會抵銷遞延所得稅資產及負債。抵銷數額如下：

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Deferred income tax assets	(24,397)	(22,139)
Deferred income tax liabilities	19,991	20,714
	(4,406)	(1,425)

遞延所得稅資產及遞延所得稅負債預期於超逾12個月後清償。

遞延所得稅(資產)/負債淨額的變動數額如下：

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
At 1 January	(1,425)	5,691
Additions through the acquisition of controlling interest in an associate	—	7,540
Credited to the profit or loss (Note 24)	(2,981)	(14,656)
At 31 December	(4,406)	(1,425)

Notes to the Financial Statements (continued)

財務報表附註(續)

19 Deferred income tax — Group (continued)

The movements in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

19 遞延所得稅 — 本集團(續)

遞延所得稅資產及負債於年內的變動(不計及於同一稅務司法權區抵銷之結餘)如下:

		Accelerated tax depreciation	Provisions for inventories	Net fair value losses of financial assets at fair value through profit or loss	Others	Total
		加速 稅項折舊	存貨撥備	按公平值 列賬在損 益表中處 理的金融 資產的 公平值 虧損淨額	其他	合計
		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
Deferred income tax assets	遞延所得稅資產					
At 1 January 2008	於二零零八年 一月一日	94	8,301	—	201	8,596
Credited to the profit or loss	計入損益表	2,725	2,499	8,319	—	13,543
At 31 December 2008	於二零零八年 十二月三十一日	2,819	10,800	8,319	201	22,139
Credited/(charged) to the profit or loss	計入/(扣除) 損益表	3,050	2,125	(2,716)	(201)	2,258
At 31 December 2009	於二零零九年 十二月三十一日	5,869	12,925	5,603	—	24,397

Notes to the Financial Statements (continued)

財務報表附註 (續)

19 Deferred income tax — Group (continued)

19 遞延所得稅 — 本集團(續)

		Accelerated tax depreciation 加速 稅項折舊 HK\$'000 千港元	Revaluation of buildings and land use rights on acquisition 重估樓宇及 土地使用權 HK\$'000 千港元	Customer relationship 客戶關係 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Deferred income tax liabilities	遞延所得稅負債				
At 1 January 2008	於二零零八年一月一日	1,119	13,168	—	14,287
Additions through the acquisition of controlling interest in an associate	通過收購聯營公司 控股股東權益添置	395	4,721	2,424	7,540
Credited to the profit or loss	計入損益表	(85)	(1,028)	—	(1,113)
At 31 December 2008	於二零零八年 十二月三十一日	1,429	16,861	2,424	20,714
Credited to the profit or loss	計入損益表	(98)	(383)	(242)	(723)
At 31 December 2009	於二零零九年 十二月三十一日	1,331	16,478	2,182	19,991

As at 31 December 2009, deferred income tax liabilities of HK\$20,774,000 (31 December 2008: HK\$9,224,000) have not been established for the withholding taxation that would be payable on the unremitted earnings of certain subsidiaries in the PRC totalling HK\$414,880,000 (31 December 2008: HK\$184,474,000) as the directors considered that the timing of the reversal of the related temporary differences can be controlled and the related temporary difference will not be reversed or will not be taxable in the foreseeable future.

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through the future taxable profits is probable. The Group did not recognise deferred income tax assets of HK\$5,052,000 (2008: HK\$3,918,000) in respect of losses amounting to HK\$20,207,000 (2008: HK\$15,671,000), that can be carried forward against future taxable income. The tax losses expire from 2011 to 2014 (2008: 2010 to 2014).

於二零零九年十二月三十一日，遞延所得稅負債20,774,000港元(二零零八年十二月三十一日：9,224,000港元)並未按若干於中國的附屬公司尚未匯出收益共414,880,000港元(二零零八年十二月三十一日：184,474,000港元)需付之預扣稅作出撥備，因董事認為可以控制相關之臨時差額以及有關之臨時差額預期將不會於可見將來撥或被徵收稅款。

遞延所得稅資產乃就結轉稅務虧損確認，以相關稅務利益可透過未來應課稅溢利變現為限。本集團並無就可結轉以抵銷未來應課稅收入之虧損20,207,000港元(二零零八年：15,671,000港元)而確認遞延所得稅資產5,052,000港元(二零零八年：3,918,000港元)。稅務虧損由二零一一年至二零一四年屆滿(二零零八年：二零一零年至二零一四年)。

Notes to the Financial Statements (continued)

財務報表附註(續)

20 Trade and other payables

20 應付貿易賬款及其他應付款項

		Group 本集團		Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Trade and bills payables	應付貿易賬款及 應付票據	211,897	202,331	—	—
Other payables and accruals	其他應付款項及 應計費用	133,633	131,746	2,052	3,205
Amounts due to associates (Note 33(c))	應付聯營公司款項 (附註33(c))	1,675	1,482	—	—
Licence fees payable (Note 18)	應付專營權費 (附註18)	2,931	5,569	—	—
		350,136	341,128	2,052	3,205

The ageing analysis of trade and bills payables is as follows:

應付貿易賬款及應付票據的賬齡分析如下：

		Group 本集團	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
0 to 30 days	0至30日	165,994	128,460
31 to 60 days	31至60日	35,616	32,921
61 to 90 days	61至90日	4,618	13,554
Over 90 days	超過90日	5,669	27,396
		211,897	202,331

Bills payables are with average maturity dates of within 2 months.

應付票據的平均到期日為兩個月內。

Notes to the Financial Statements (continued)

財務報表附註 (續)

20 Trade and other payables (continued)

The carrying amounts of the Group's trade and other payables are denominated in the following currencies:

		Group 本集團		Company 本公司	
		2009 二零零九年	2008 二零零八年	2009 二零零九年	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\$	港元	36,789	43,147	2,052	3,205
RMB	人民幣	281,517	282,928	—	—
Other currencies	其他貨幣	31,830	15,053	—	—
		350,136	341,128	2,052	3,205

The carrying amounts of trade and other payables approximate their fair values.

20 應付貿易賬款及其他應付款項(續)

本集團的應付貿易賬款及其他應付款項的賬面值以下列貨幣計值：

應付貿易賬款及其他應付款項的賬面值與其公平值相若。

21 Bank borrowings — Group

		2009 二零零九年	2008 二零零八年
		HK\$'000 千港元	HK\$'000 千港元
Bank borrowings	銀行借貸		
— secured	— 有抵押	57,128	20,533
— unsecured	— 無抵押	21,586	9,643
		78,714	30,176

At 31 December 2009, the Group's bank borrowings were wholly repayable within one year.

At 31 December 2009, the secured bank borrowings were secured by certain buildings (Note 6) and leasehold land and land use rights (Note 8) with aggregated net book value of HK\$43,900,000 (2008: HK\$32,378,000).

21 銀行借貸 — 本集團

於二零零九年十二月三十一日，本集團之銀行借貸須於一年內全數償還。

於二零零九年十二月三十一日，有抵押銀行借貸以總賬面淨值為43,900,000港元(二零零八年：32,378,000港元)之若干樓宇(附註6)、批租土地及土地使用權(附註8)抵押。

Notes to the Financial Statements (continued)

財務報表附註(續)

21 Bank borrowings — Group (continued)

An analysis of the carrying amounts of the Group's bank borrowings by type and currency is as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
US\$ at floating rates	美元，浮動利率	1,629	2,836
RMB at fixed rates	人民幣，固定利率	77,085	27,340
		78,714	30,176

The effective interest rates per annum at the balance sheet date were as follows:

		2009 二零零九年	2008 二零零八年
US\$	美元	1.06%	6.37%
RMB	人民幣	4.67%	6.55%

The carrying amounts of bank borrowings approximate their fair values.

銀行借貸的賬面值與其公平值相若。

The Group has the following undrawn borrowing facilities:

本集團未動用借貸信貸額如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Floating rate	浮動利率		
— expiring within one year	— 一年內屆滿	31,034	33,569
— expiring beyond one year	— 一年後屆滿	—	1,929
Fixed rate	固定利率		
— expiring within one year	— 一年內屆滿	45,444	—
— expiring beyond one year	— 一年後屆滿	—	3,630
		76,478	39,128

The facilities expiring within one year are annual facilities subject to review at various dates during 2010.

一年內屆滿的信貸額為年度信貸額，須於二零一零年內不同日期予以審閱。

Notes to the Financial Statements (continued)

財務報表附註(續)

22 Other gains/(losses), net

22 其他收益/(虧損)淨額

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Government grants	政府補助金	8,459	6,748
Net exchange gains	匯兌收益淨額	127	13,262
Gain on deregistration of a subsidiary	取消一間附屬公司 註冊之收益	—	23,653
Net fair value gains/(losses) of financial assets at fair value through profit or loss	按公平值列賬在損益表中 處理的金融資產公平值 收益/(虧損)淨額	20,530	(66,780)
Net fair value losses of foreign exchange forward contracts	遠期外匯合約之 公平值虧損淨額	—	(926)
Rental income	租賃收入	1,864	1,023
(Loss)/gain on disposal of property, plant and equipment and leasehold land and land use rights	出售物業、廠房及設備、 批租土地及土地使用權 (虧損)/收益	(287)	638
Investment tax credits (Note)	投資稅項抵免(附註)	—	7,695
Others	其他	5,329	6,079
		36,022	(8,608)

Note:

Investment tax credits represent incentives received as a result of the reinvestment of the dividend income from subsidiaries in the People's Republic of China ("PRC").

附註：

投資稅項抵免指將從中華人民共和國(「中國」)附屬公司取得之股息收入再次投資而獲得之稅務優惠。

23 Finance income, net

23 融資收入淨值

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Finance income — interest income on	融資收入 — 利息收益來自		
— bank deposits	— 銀行存款	7,283	10,243
— amount due from an associate (note 33(a))	— 應收一間聯營公司 的款項(附註33(a))	215	286
Finance costs — interest expense on	融資成本 — 於下列項目 的利息開支		
— bank loans	— 銀行借款	(2,414)	(3,244)
— licence fees payable	— 應付專營權費	(293)	(605)
		4,791	6,680

Notes to the Financial Statements (continued)

財務報表附註(續)

24 Income tax expense

24 所得稅開支

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Current income tax	本期所得稅		
— Hong Kong profits tax (Note (a))	— 香港利得稅(附註(a))	23,148	26,781
— PRC enterprise income tax (Note (b))	— 中國企業所得稅 (附註(b))	47,225	39,158
— Under/(over)-provision in prior years	— 過往年度之不足/ (超額)撥備	1,025	(8,262)
Deferred income tax (Note 19)	遞延所得稅(附註19)	(2,981)	(14,656)
		68,417	43,021

Notes:

- (a) **Hong Kong profits tax**
Hong Kong profits tax has been provided at the rate of 16.5% (2008: 16.5%) on the estimated assessable profit for the year.
- (b) **PRC enterprise income tax**
PRC enterprise income tax is provided on the basis of the profits of the PRC established and operating subsidiaries for statutory financial reporting purposes, adjusted for income and expense items which are not assessable or deductible for income tax purposes. The applicable enterprise income tax rate for these subsidiaries of the Group is 25%.

The new Corporate Income Tax Law increases the corporate income tax rate for foreign investment enterprises from previous preferential rates to 25% with effect from 1 January 2008. Companies established in the PRC before 16 March 2007 and previously taxed at the rate lower than 25% may be offered a gradual increase of tax rate to 25% within 5 years. Certain subsidiaries of the Group established in the PRC will enjoy preferential income tax rate from 2008 to 2011 and be taxed at the rate of 25% from 2012 or when the preferential treatment expires. Certain subsidiaries established in the PRC are entitled to exemption and concessions from income tax under tax holidays. Income tax was calculated at rates given under the concessions.

附註:

- (a) **香港利得稅**
香港利得稅乃按年內之估計應課稅溢利以稅率16.5%(二零零八年:16.5%)作出撥備。
- (b) **中國企業所得稅**
中國企業所得稅乃按於中國設立及經營的附屬公司於法定財政報告呈列的溢利作出撥備,並就毋須課稅或不獲扣減所得稅的收入及開支項目作出調整。本集團該等附屬公司的適用企業所得稅稅率為25%。

根據新企業所得稅法,外國投資企業的企業所得稅率由二零零八年一月一日起從過往的優惠稅率上調至25%。於二零零七年三月十六日前於中國成立,及過往稅率低於25%的公司稅率將於五年內遞增至25%。因此,本集團於中國成立的若干附屬公司將由二零零八年至二零一一年期間享有所得稅率優惠,並於二零一二年或優惠待遇屆滿後按稅率25%繳納稅項。若干於中國內地成立的附屬公司按有關豁免及優惠於減稅期內均可享有稅務寬減。所得稅按稅項優惠的稅率計算。

Notes to the Financial Statements (continued)

財務報表附註(續)

24 Income tax expense (continued)

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

24 所得稅開支(續)

本集團就除所得稅前溢利的稅項與應用綜合實體之溢利適用之加權平均稅率計算的理論稅款差異如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	451,024	333,720
Tax calculated at domestic tax rates applicable to profits in the respective places/countries	按各地區／國家溢利適用之本地稅率計算之稅項	80,363	61,485
Effects of tax concession	豁免課稅之影響	(13,851)	(8,772)
Income not subject to tax	毋須課稅的收入	(1,233)	(4,042)
Utilisation of previously unrecognised tax losses	動用以往未確認的稅項虧損	(4,485)	—
Expenses not deductible for tax purposes	不可扣稅的開支	3,166	2,211
Under/(over)-provision in prior years	過往年度撥備不足／(過度撥備)	1,025	(8,262)
Tax losses not recognised	未確認之稅務虧損	1,903	933
Effect of change in tax rate	稅率變動之影響	—	(64)
Others	其他	1,529	(468)
Income tax expense	所得稅開支	68,417	43,021

The weighted average applicable tax rate was 17.8% (2008: 18.4%). The decrease is caused by a change in the profitability of the Group's subsidiaries in the respective places/countries.

適用之加權平均稅率為17.8%(二零零八年：18.4%)。下降乃由於各地區／國家之本集團附屬公司之溢利變動所致。

Notes to the Financial Statements (continued)

財務報表附註(續)

25 Expenses by nature

25 按性質分類的開支

		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Auditor's remuneration	核數師酬金	3,300	4,200
Amortisation of leasehold land and land use rights (Note 8)	批租土地及土地使用權 攤銷(附註8)	2,389	1,206
Amortisation of intangible assets (Note 11)	無形資產攤銷(附註11)	12,284	9,425
Depreciation of property, plant and equipment (Note 6)	物業、廠房及設備折舊 (附註6)	80,135	70,598
Employee benefit expenses (including directors' emolument) (Note 26)	僱員福利開支 (包括董事酬金)(附註26)	405,043	417,367
Changes in inventories of finished goods and work in progress	製成品及在製品存貨變動	(58,606)	(14,489)
Raw materials and consumables used	已耗用原材料及消耗品	938,772	995,037
Direct operating expenses arising from investment properties that generate rental income	產生租金收入的投資物業 所招致的直接經營開支	67	72
Operating lease rental in respect of property, plant and equipment	物業、廠房及設備的 經營租賃租金	22,151	22,177
Processing and subcontracting charges	加工及分包費用	160,239	186,455
Duties and other taxes	稅務及其他稅項	16,136	66,013
Provision for impairment of receivables (Note 13)	應收款項減值撥備(附註13)	2,461	823
Others	其他開支	187,469	237,362
Total cost of sales, selling, marketing and distribution costs and administrative expenses	銷售成本、銷售、營銷及 分銷成本及行政開支總額	1,771,840	1,996,246

Notes to the Financial Statements (continued)

財務報表附註 (續)

26 Employee benefit expenses (including directors' emoluments) 26 僱員福利開支 (包括董事酬金)

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Salaries, wages and bonuses	薪金、工資及花紅	351,775	363,272
Pension costs — defined contribution plans (Note)	退休金成本 — 定額供款計劃 (附註)	17,392	20,092
Share-based payments	股份報酬	2,071	2,071
Staff welfare	員工福利	33,805	31,932
		405,043	417,367

Note:

Employees in the Group's PRC subsidiaries are required to participate in defined contribution retirement scheme administered and operated by the local municipal government. The Group's PRC subsidiaries contribute 12% of employees' basic salary to the scheme to fund the retirement benefits of the employees.

The Group has also established a mandatory provident fund scheme ("MPF scheme") in Hong Kong. The assets of the MPF scheme are held in separate trustee-administered funds. Both the Group and the employees are required to contribute 5% of the employee's relevant income up to a maximum of HK\$1,000 per employee per month.

附註：

本集團中國附屬公司的僱員須參與由當地市政府管理及營辦的定額供款退休計劃。本集團中國附屬公司按僱員基本薪金之12%向該計劃供款，為僱員的退休福利撥資。

本集團亦於香港設立強制性公積金計劃(「強積金計劃」)。強積金計劃之資產由獨立信託人監管。本集團及僱員均須每月按有關僱員之收入之5%作出供款，上限為1,000港元。

Notes to the Financial Statements (continued)

財務報表附註(續)

26 Employee benefit expenses (including directors' emoluments) (continued)

(a) Directors' and senior management's emoluments

The remuneration of each director of the Company for the year ended 31 December 2009 is set out below:

Name	姓名	Basic salaries, housing allowances, other allowances and benefits in kind (Note(i))		Contributions to pension plans	Discretionary bonus	Total
		Fees				
		袍金	基本薪金、房屋津貼、其他津貼及實物利益(附註(i))	退休金計劃之供款	酌情花紅	合計
		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
Ting Man Yi	丁敏兒	—	3,000	12	1,500	4,512
Ding Jianer	丁建兒	—	2,130	12	700	2,842
Ting Hung Yi	丁雄尔	—	3,000	12	1,500	4,512
Cheung Ting Yin, Peter	張定賢	—	1,235	12	1,900	3,147
Cheng Chi Pang	鄭志鵬	240	56	—	—	296
Wong Chi Keung	黃之強	360	56	—	—	416
Leung Man Kit	梁民傑	240	56	—	—	296
		840	9,533	48	5,600	16,021

26 僱員福利開支(包括董事酬金)(續)

(a) 董事及高層管理人員的酬金

本公司截至二零零九年十二月三十一日止年度各董事的薪酬載列如下：

Notes to the Financial Statements (continued)

財務報表附註 (續)

26 Employee benefit expenses (including directors' emoluments) (continued)

(a) Directors' and senior management's emoluments (continued)

The remuneration of each director of the Company for the year ended 31 December 2008 is set out below:

Name	姓名	Fees	Basic salaries, housing allowances, other allowances and benefits in kind (Note(i))	Contributions to pension plans	Discretionary bonus	Total
		袍金	基本薪金、房屋津貼、其他津貼及實物利益(附註(i))	退休金計劃之供款	酌情花紅	合計
		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
Ting Man Yi	丁敏兒	—	3,000	12	2,250	5,262
Ding Jianer	丁建兒	—	2,130	12	1,000	3,142
Ting Hung Yi	丁雄尔	—	3,000	12	2,250	5,262
Wong Sin Yung (Note(ii))	黃善榕 (附註(ii))	—	253	4	—	257 [#]
Cheung Ting Yin, Peter	張定賢	—	1,235	12	2,000	3,247
Cheng Chi Pang	鄭志鵬	230	—	—	75	305
Wong Chi Keung	黃之強	283	—	—	50	333
Leung Man Kit	梁民傑	205	—	—	50	255
		718	9,618	52	7,675	18,063

The remuneration excluded the payment in lieu of notice of HK\$279,000 received from Mr. Wong Sin Yung.

Note(i): Other benefits in kind include share option value.

Note(ii): Resigned on 12 April 2008.

No directors of the Company waived any emoluments and no emoluments were paid by the Group to any of the directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office.

26 僱員福利開支(包括董事酬金)(續)

(a) 董事及高層管理人員的酬金(續)

本公司截至二零零八年十二月三十一日止年度各董事的薪酬載列如下：

Name	姓名	Fees	Basic salaries, housing allowances, other allowances and benefits in kind (Note(i))	Contributions to pension plans	Discretionary bonus	Total
		袍金	基本薪金、房屋津貼、其他津貼及實物利益(附註(i))	退休金計劃之供款	酌情花紅	合計
		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
Ting Man Yi	丁敏兒	—	3,000	12	2,250	5,262
Ding Jianer	丁建兒	—	2,130	12	1,000	3,142
Ting Hung Yi	丁雄尔	—	3,000	12	2,250	5,262
Wong Sin Yung (Note(ii))	黃善榕 (附註(ii))	—	253	4	—	257 [#]
Cheung Ting Yin, Peter	張定賢	—	1,235	12	2,000	3,247
Cheng Chi Pang	鄭志鵬	230	—	—	75	305
Wong Chi Keung	黃之強	283	—	—	50	333
Leung Man Kit	梁民傑	205	—	—	50	255
		718	9,618	52	7,675	18,063

薪酬不包括黃善榕先生支付的279,000港元代通知金。

附註(i)：其他實物利益包括購股權價值。

附註(ii)：於二零零八年四月十二日辭任。

本公司董事並無放棄任何酬金，而本集團亦無向本公司任何董事支付酬金作為誘使加入本集團或加入本集團，或作為失去職位的補償。

Notes to the Financial Statements (continued)

財務報表附註(續)

26 Employee benefit expenses (including directors' emoluments) (continued)

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include four (2008: four) directors of the Company whose emoluments are reflected in the analysis presented in Note (a) above. The emoluments payable to the remaining one (2008: one) individual during the year are as follows:

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Basic salaries, housing allowances, other allowances and benefits in kind (Note)	3,137	3,137
Contributions to pension plans	12	12
Discretionary bonuses	1,300	1,200
	4,449	4,349

Note: Other benefits in kind include share option value.

None of the highest paid individuals of the Group waived any emoluments and no emoluments were paid by the Group to the individual as an inducement to join or upon joining the Group or as compensation for loss of office.

27 Profit attributable to equity holders of the Company

The profit attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of HK\$194,835,000 (2008: HK\$278,939,000).

28 Earnings per share

(a) The calculation of basic earnings per share is based on the Group's profit attributable to equity holders of the Company of HK\$376,625,000 (2008: HK\$291,184,000) and weighted average number of ordinary shares in issue during the year of 2,092,553,726 (2008: 2,102,223,712).

(b) Diluted earnings per share is calculated based on the profit attributable to equity holders of the Company of HK\$376,625,000 (2008: HK\$291,184,000), and the weighted average number of ordinary shares of 2,092,944,865 (2008: 2,102,223,712) which is the weighted average number of ordinary shares in issue during the year plus the weighted average number of dilutive potential ordinary shares of 391,139 (2008: Nil) deemed to be issued at no consideration if all outstanding share option granted under the Share Option Scheme had been exercised.

26 僱員福利開支(包括董事酬金)(續)

(b) 五名最高薪酬人士

本集團年內最高薪酬的五名人士包括本公司四名董事(二零零八年:四名),其薪酬於上文附註(a)所呈列的分析內反映。年內,應付其餘一名人士(二零零八年:一名)的薪酬如下:

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
基本薪金、房屋津貼、其他津貼及實物利益(附註)	3,137	3,137
退休金計劃的供款	12	12
酌情花紅	1,300	1,200
	4,449	4,349

附註: 其他實物利益包括購股權價值。

本集團最高薪酬人士概無放棄任何酬金,而本集團亦無向任何該等人士支付酬金作為誘使加入本集團或加入本集團,或作為失去職位的補償。

27 本公司股權持有人應佔溢利

本公司股權持有人應佔溢利在本公司的財務報表入賬為194,835,000港元(二零零八年:278,939,000港元)。

28 每股盈利

(a) 計算每股基本盈利,乃根據本集團之本公司股權持有人應佔溢利376,625,000港元(二零零八年:291,184,000港元)及年內已發行普通股之加權平均數2,092,553,726股(二零零八年:2,102,223,712股)計算。

(b) 計算每股攤薄盈利乃根據本公司股權持有人應佔之溢利376,625,000港元(二零零八年:291,184,000港元)港元及普通股加權平均數2,092,944,865股(二零零八年:2,102,223,712股)計算。該普通股加權平均數乃年內已發行普通股加權平均數加上倘行使首次公開發售前購股權計劃下授出之所有尚未行使購股權,則視為無償發行之攤薄潛在普通股加權平均數391,139股(二零零八年:無)計算。

Notes to the Financial Statements (continued)

財務報表附註(續)

29 Dividends

29 股息

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Interim	中期		
Interim dividend, paid, of HK3.70 cents (2008: HK4.56 cents) per ordinary share	已付中期股息，每股 普通股3.70港仙 (二零零八年：4.56港仙)	77,437	95,885
Special dividend, paid, of HK0.74 cent (2008: HK0.68 cent) per ordinary share	已付特別股息，每股 普通股0.74港仙 (二零零八年：0.68港仙)	15,487	14,299
Final (Note)	終期(附註)		
Proposed final dividend of HK3.25 cents (2008: HK2.37 cents) per ordinary share	擬派終期股息每股 普通股3.25港仙 (二零零八年：2.37港仙)	68,060	49,586
Proposed special dividend of HK2.01 cents (2008: HK2.09 cents) per ordinary share	擬派特別股息每股 普通股2.01港仙 (二零零八年：2.09港仙)	42,092	43,728
		203,076	203,498

Note:

The amount of 2009 proposed final and special dividends is based on 2,094,148,000 shares in issue as at 26 March 2010 (2008: 2,092,238,000 shares in issue as at 27 March 2009).

At a meeting held on 26 March 2010, the directors proposed a special dividend of HK2.01 cents per ordinary share in addition to a final dividend of HK3.25 cents per ordinary share. The proposed dividends are not reflected as a dividend payable in the financial statements, but will be reflected as an appropriation of retained earnings for the year ending 31 December 2010.

附註：

二零零九年擬派終期及特別股息之數量乃按二零一零年三月二十六日已發行股份2,094,148,000股(二零零八年：於二零零九年三月二十七日已發行股份2,092,238,000股)釐定。

於二零一零年三月二十六日舉行的會議上，董事建議除終期股息每股普通股3.25港仙外，亦派付特別股息每股普通股2.01港仙。擬派股息並未於財務報表中列作應付股息，但將於截至二零一零年十二月三十一日止年度列作保留盈利分派。

Notes to the Financial Statements (continued)

財務報表附註(續)

30 Cash generated from operations

(a) Reconciliation of operating profit to cash generated from operations is as follows:

30 經營所得現金

(a) 經營溢利與經營所得現金的對賬如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Operating profit	經營溢利	355,162	328,880
Adjustments for:	調整：		
— Depreciation of property, plant and equipment	— 物業、廠房及設備折舊	80,135	70,598
— Amortisation of leasehold land and land use rights	— 批租土地及土地使用權攤銷	2,389	1,206
— Amortisation of intangible assets	— 無形資產攤銷	12,284	9,425
— Loss/(gain) on disposal of property, plant and equipment and leasehold land and land use rights (see below)	— 出售物業、廠房及設備以及批租土地及土地使用權虧損／(收益)(如下)	287	(638)
— Net fair value (gains)/losses of financial assets at fair value through profit or loss	— 按公平值列賬在損益表中處理的金融資產公平淨值(收益)／虧損	(20,530)	66,780
— Net fair value losses of foreign exchange forward contracts	— 外匯遠期合約之公平淨值虧損	—	926
— Amortisation of share option scheme	— 購股權計劃攤銷	2,071	2,071
Changes in working capital:	營運資金的變動：		
— Inventories	— 存貨	(57,390)	(779)
— Trade and other receivables	— 應收貿易賬款及其他應收款項	(105,626)	37,924
— Change in financial assets at fair value through profit or loss	— 按公平值列賬在損益表中處理的金融資產變動	15,064	(51,067)
— Trade and other payables	— 應付貿易賬款及其他應付款項	9,008	25,389
Cash generated from operations	經營所得現金	292,854	490,715

Notes to the Financial Statements (continued)

財務報表附註 (續)

30 Cash generated from operations (continued)

- (b) In the cash flow statement, proceeds from disposal of property, plant and equipment and leasehold land and land use rights comprise:

30 經營所得現金 (續)

- (b) 於現金流量報表內，出售物業、廠房及設備以及批租土地及土地使用權的所得款項包括：

		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Net book amount of:	以下各項賬面淨值：		
Property, plant and equipment (Note 6)	物業、廠房及設備(附註6)	820	7,371
Leasehold land and land use rights (Note 8)	批租土地及土地使用權(附註8)	—	3,249
(Loss)/gain on disposal of property, plant and equipment and leasehold land and land use rights (Note 22)	出售物業、廠房及設備以及批租土地及土地使用權(虧損)／收益(附註22)	(287)	638
Proceeds from disposal of property, plant and equipment and leasehold land and land use rights	出售物業、廠房及設備以及批租土地及土地使用權所得款項	533	11,258

Notes to the Financial Statements (continued)

財務報表附註(續)

31 Commitments

(a) Capital commitments

As at 31 December 2009, the Group had capital commitment contracted but not provided for in respect of property, plant and equipment amounting to HK\$1,323,000 (2008: HK\$3,802,000).

(b) Operating lease commitments

The Group leases various retail outlets, offices, warehouses and plant and equipment under non-cancellable operating lease agreements. The leases have varying terms, escalation claims and renewal rights.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Land and buildings	土地及樓宇		
— No later than 1 year	— 不超過一年	14,768	11,530
— Later than 1 year and no later than 5 years	— 超過一年但不超過五年	6,084	7,589
		20,852	19,119
Plant and equipment	廠房及設備		
— No later than 1 year	— 不超過一年	73	169
— Later than 1 year and no later than 5 years	— 超過一年但不超過五年	26	42
		99	211
		20,951	19,330

31 承擔

(a) 資本承擔

於二零零九年十二月三十一日，本集團就擁有物業、廠房及設備已訂約但未作出撥備的資本承擔為1,323,000港元(二零零八年：3,802,000港元)。

(b) 經營租賃承擔

本集團根據不可撤銷經營租賃協議租用多個零售店、辦公室、貨倉以及廠房及設備。該等租賃的年期、加租權及續約權各有不同。

本集團根據不可撤銷經營租賃日後支付的最低租金款項總額如下：

Notes to the Financial Statements (continued)

財務報表附註 (續)

32 Acquisition of a subsidiary and an associate

On 30 October 2009, the Group acquired entire equity interest in Zhejiang Huize Investment Company Limited (“Zhejiang Huize”) at a consideration of approximately HK\$68,115,000, which holds 29% of the equity interest in Zhejiang Haoran Property Company Limited (“Zhejiang Haoran”), and accepted the transfer of Zhejiang Haoran’s shareholders’ loans of approximately HK\$230,000,000.

Zhejiang Huize and Zhejiang Haoran are engaged in investing holding and property development respectively. The acquired business contributed revenue of approximately HK\$nil and loss for the year of approximately HK\$409,000 to the Group for the year ended 31 December 2009.

Details of net assets acquired and negative goodwill are as follows:

		HK\$'000 千港元
Purchase consideration	收購代價	
– Cash paid	– 已付現金	298,115
– Direct costs relating to the acquisition	– 有關收購的直接成本	210
Total purchase consideration	總收購代價	298,325
Fair value of net assets acquired	已收購資產淨值的公平值	(391,011)
Negative goodwill arising on the acquisition	因收購產生負商譽	(92,686)

The negative goodwill was mainly resulted from the fair value of a land held by Zhejiang Haoran on the date of acquisition. The negative goodwill was recognised directly in the consolidated statement of comprehensive income.

32. 收購一間附屬公司及一間聯營公司

於二零零九年十月三十日，本集團收購浙江惠澤投資有限公司（「浙江惠澤」）的全部股權，代價為68,115,000港元，浙江惠澤擁有浙江浩然置業有限公司（「浙江浩然」）29%股權，並接受轉讓浙江浩然的股東貸款約230,000,000港元。

浙江惠澤及浙江浩然分別從事投資控股及物業發展業務。該項已收購的業務截至二零零九年十二月三十一日止年度為本集團貢獻收入為零及產生虧損約409,000港元。

已收購資產淨值及負商譽的詳情如下：

	HK\$'000 千港元
收購代價	
– 已付現金	298,115
– 有關收購的直接成本	210
總收購代價	298,325
已收購資產淨值的公平值	(391,011)
因收購產生負商譽	(92,686)

負商譽主要因浙江浩然於收購日期所持有的一幅土地的公平值而產生。負商譽直接於綜合全面收入表確認。

Notes to the Financial Statements (continued)

財務報表附註(續)

32 Acquisition of a subsidiary and an associate (continued)

The assets and liabilities as of 30 October 2009 arising from the acquisition are as follows:

32. 收購一間附屬公司及一間聯營公司(續)

於二零零九年十月三十日因收購而產生的資產及負債：

		Fair value	Acquiree's carrying amount
		公平值	被收購公司的賬面值
		HK\$'000	HK\$'000
		千港元	千港元
Interest in an associate	於一間聯營公司的權益	384,234	257,112
Other receivables	其他應收款項	6,760	6,760
Cash and cash equivalents	現金及現金等值項目	17	17
Fair value of net assets acquired	已收購資產淨值的公平值	391,011	
			HK\$'000
			千港元
Purchase consideration settled in cash	以現金結算的收購代價		298,325
Cash and cash equivalents acquired	已收購現金及現金等值項目		(17)
Cash outflow on the acquisition	收購事項的現金流出		298,308

33 Significant related party transactions

The Group is controlled by Longerview Investments Limited (incorporated in the British Virgin Islands), which owns 71% of the Company's shares. The remaining 29% of the shares are widely held.

The directors are of the view that the following companies are related parties of the Group:

33 重大有關連人士交易

本集團為Longerview Investments Limited (於英屬處女群島註冊成立)所控制，其持有本公司71%的股份。餘下的29%股份由公眾持有。

董事認為下列公司為本集團的有關連人士：

Name 名稱	Relationship with the Group 與本集團的關係
Hangzhou Huasheng Accessories Company Limited ("Huasheng Accessories") 杭州華盛輔料有限公司(「華盛輔料」)	An associate 聯營公司

The name of Huasheng Accessories referred to in the above represents management's best efforts at translating the Chinese name of this company as no English name has been registered or available.

由於華盛輔料並無登記英文名稱，故該等英文名稱乃管理層盡力翻譯其中文名稱所得。

Notes to the Financial Statements (continued)

財務報表附註 (續)

33 Significant related party transactions (continued)

(a) Transactions with related parties

In the opinion of the directors, the transactions below were conducted in the ordinary and usual course of business and the pricing of these transactions was determined based on mutual negotiation and agreement between the Group and the related parties.

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Interest income from Huasheng Accessories	來自華盛輔料之利息收入	215	286
Purchases of accessories from Huasheng Accessories	向華盛輔料購置輔料	7,462	9,679

(b) Key management compensation

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	20,034	22,534
Post-employment benefits	退休福利	87	93
Share-based payments	股份報酬	1,902	1,902
		22,023	24,529

(c) Year-end balances with related parties

		Group 本集團		Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Receivables from related parties	應收有關連人士款項				
— associates	— 聯營公司	2,840	3,989	—	—
— subsidiaries	— 附屬公司	—	—	709,602	736,569
Payables to related parties	應付有關連人士款項				
— associates	— 聯營公司	1,675	1,482	—	—

33 重大有關連人士交易 (續)

(a) 與有關連人士進行的交易

董事認為，下文之交易乃於日常及正常業務過程中進行，而該等交易的定價則根據本集團與有關連人士互相磋商及協議而釐定。

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Interest income from Huasheng Accessories	來自華盛輔料之利息收入	215	286
Purchases of accessories from Huasheng Accessories	向華盛輔料購置輔料	7,462	9,679

(b) 主要管理層的報酬

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	20,034	22,534
Post-employment benefits	退休福利	87	93
Share-based payments	股份報酬	1,902	1,902
		22,023	24,529

(c) 與有關連人士之年度結算結餘

		Group 本集團		Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Receivables from related parties	應收有關連人士款項				
— associates	— 聯營公司	2,840	3,989	—	—
— subsidiaries	— 附屬公司	—	—	709,602	736,569
Payables to related parties	應付有關連人士款項				
— associates	— 聯營公司	1,675	1,482	—	—

Notes to the Financial Statements (continued)

財務報表附註(續)

33 Significant related party transactions (continued)

(c) Year-end balances with related parties (continued)

All amounts due are unsecured, interest-free and repayable on demand, except for the amount due from an associate of HK\$2,840,000 (2008: HK\$3,971,000) which bears interest at 6.8% (2008: 4.8%) per annum.

The carrying amounts of these balances approximate their fair values.

The amounts due from related parties were denominated in the following currencies.

		Group 本集團		Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Denominated in:	以下列貨幣計值：				
HK\$	港元	2,840	3,971	709,602	699,966
RMB	人民幣	—	18	—	—
US\$	美元	—	—	—	36,603
		2,840	3,989	709,602	736,569

The amounts due to related parties were denominated in the following currencies.

		Group 本集團		Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Denominated in:	以下列貨幣計值：				
HK\$	港元	570	567	—	—
RMB	人民幣	1,105	915	—	—
		1,675	1,482	—	—

33 重大有關連人士交易(續)

(c) 與有關連人士之年度結算結餘(續)

所有到期款額均為無抵押、免息及須按要項償還，惟應收一間聯營公司之款項2,840,000港元(二零零八年：3,971,000港元)除外，該款項按年利率6.8厘(二零零八年：4.8厘)計息。

該等項之賬面值與其公平值相若。

應收有關連人士款項以下列貨幣計值。

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Schedule of Property for Development and/or Sale

發展及／或出售物業表

As at 31 December 2009

於二零零九年十二月三十一日

Property for development and/or sale
發展及／或出售物業

Description	Use	Approx. Area	Stage of completion (estimated completion date)	Percentage interest attributable to the Company
簡述	用途	大概面積	完成階段 (預算完成日期)	本公司應佔權益百分率
(1) Lot B-06-1, Qianjiang New City, Hangzhou, Zhejiang Province, China	Office/ commercial/ financial	Site area – 15,259 sq. m. Gross floor area – 122,072 sq. m.	The property is currently vacant	26.68%
中國 浙江省 杭州市 錢江新城B-06-1地塊	辦公室／ 商業／ 金融	地盤面積 – 15,259平方米 總樓面面積 – 122,072平方米	該物業目前空置	26.68%

Five-year Financial Summary

五年財務概要

A summary of the published results and assets, liabilities and minority interests of the Group for the last five financial years is set out below.

本集團過去五個財政年度經登載的業績及資產、負債及少數股東權益概要列載如下。

		For the financial years ended 31 December 截至十二月三十一日止財政年度 (Amounts expressed in HK\$'000, unless specified) (除另有指明外，全以千港元呈列)				
		2005 二零零五年	2006 二零零六年	2007 二零零七年	2008 二零零八年	2009 二零零九年
Turnover	營業額	1,894,835	1,920,068	2,353,507	2,333,734	2,090,980
Cost of sales	銷售成本	(1,202,126)	(1,249,738)	(1,560,468)	(1,589,267)	(1,369,110)
Gross profit	毛利	692,709	670,330	793,039	744,467	721,870
Other gains/(losses), net	其他收益／(虧損) 淨值	22,546	23,797	50,455	(8,608)	36,022
Selling, marketing and distribution costs	銷售、營銷及分銷成本	(102,667)	(117,960)	(152,736)	(180,390)	(175,918)
Administrative expenses	行政開支	(160,089)	(152,985)	(189,482)	(226,589)	(226,812)
Operating profit	經營溢利	452,499	423,182	501,276	328,880	355,162
Finance income, net	融資收入淨額	1,298	35,486	15,817	6,680	4,791
Share of profits/(losses) of associates	分佔聯營公司溢利／(虧損)	9,023	6,823	11,776	(1,840)	(1,615)
Negative goodwill arising on the acquisition	因收購產生負商譽	—	—	—	—	92,686
Profit before income tax	除所得稅前溢利	462,820	465,491	528,869	333,720	451,024
Income tax expense	所得稅開支	(72,715)	(54,690)	(76,732)	(43,021)	(68,417)
Profit for the year	年度溢利	390,105	410,801	452,137	290,699	382,607
Minority interests	少數股東權益	(9,108)	(2,262)	(2,620)	485	(5,982)
Profit attributable to equity holders of the Company	本公司股權持有人應佔溢利	380,997	408,539	449,517	291,184	376,625

Five-year Financial Summary (continued)

五年財務概要 (續)

		As at 31 December 於十二月三十一日				
		(Amounts expressed in HK\$'000, unless specified) (除另有指明外，全以千港元呈列)				
		2005	2006	2007	2008	2009
		二零零五年	二零零六年	二零零七年	二零零八年	二零零九年
Non-current Assets	非流動資產	370,400	652,094	807,806	1,110,658	1,546,889
Current Assets	流動資產	1,485,578	1,569,656	1,665,269	1,579,312	1,405,132
Total Assets	資產總值	1,855,978	2,221,750	2,473,075	2,689,970	2,952,021
Non-current Liabilities	非流動負債	5,147	19,752	19,547	20,714	19,991
Current Liabilities	流動負債	396,491	359,214	343,090	391,068	456,147
Total Liabilities	負債總值	401,638	378,966	362,637	411,782	476,138
Total Equity	權益總值	1,454,340	1,842,784	2,110,438	2,278,188	2,475,883
Net Current Assets	流動資產淨值	1,089,087	1,210,442	1,322,179	1,188,244	948,985
Total Assets Less Current Liabilities	資產總值減流動負債	1,459,487	1,862,536	2,129,985	2,298,902	2,495,874

