

The World's Finest Circular Knits. Since 1969.
世界優質圓筒針織，始於1969



福田實業(集團)有限公司
Fountain Set (Holdings) Limited



編織創意，活出新意

Knit Different. Live Different.

SEHK: 420

INTERIM REPORT | 中期報告 2009

GROUP PROFILE

Fountain Set (Holdings) Limited and its subsidiaries are recognised in the industry as one of the world's largest circular knitted fabric manufacturers and has long been a driving force in the global market through its vertically integrated operations in spinning, knitting, dyeing, printing and finishing. The Group's product range also includes dyed yarns, sewing threads and garments. As a major fabric supplier to garment manufacturers in over 40 countries that supply to internationally renowned retail brands, Fountain Set's worldwide sales reached HK\$6.1 billion (US\$782 million) in the financial year 2008.

Headquartered in Hong Kong and listed on The Stock Exchange of Hong Kong Limited, Fountain Set (Holdings) Limited (SEHK: 420) has production facilities in the PRC, Sri Lanka and Indonesia, with marketing and representative offices in 6 countries and a global staff force of approximately 16,500.

To learn more about Fountain Set, please visit www.fshl.com

集團簡介

福田實業(集團)有限公司及其附屬公司被業界譽為世界最大的圓筒針織面料生產商之一，並一直通過提供紡紗、針織、染色、印花及整理等高度垂直之綜合服務而成為環球紡織行業的翹楚。集團產品亦包括色紗、縫紉線及成衣。福田實業向超過40個國家的成衣製造商提供面料，以製成國際知名品牌的成衣。福田實業於2008年財政年度的環球銷售額達61億港元(7.82億美元)。

福田實業(集團)有限公司之總部位於香港，並於香港聯合交易所有限公司上市(香港聯交所編號：420)，在中國、斯里蘭卡及印尼設有生產設施；海外市場推廣辦事處／代表處分佈6個國家，全球共聘用僱員約16,500人。

欲知更多福田實業資料，請瀏覽 www.fshl.com

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表

The Board of Directors would like to announce that the unaudited condensed consolidated financial statements of the Company and its subsidiaries (the "Group") for the six months ended 28th February, 2009 are as follows:

董事會宣佈截至二零零九年二月二十八日止六個月本公司及其附屬公司(「本集團」)之未經審核簡明綜合財務報表如下：

Condensed Consolidated Income Statement 簡明綜合收益賬

For the six months ended 28th February, 2009

截至二零零九年二月二十八日止六個月

			Six months ended 28th February, 2009 截至 二零零九年 二月二十八日止 六個月 HK\$'000 千港元 (unaudited) (未經審核)	Six months ended 29th February, 2008 截至 二零零八年 二月二十九日止 六個月 HK\$'000 千港元 (unaudited) (未經審核)
Revenue	營業額	3	2,488,319	3,074,168
Cost of sales	銷售成本		(2,132,134)	(2,618,154)
Gross profit	毛利		356,185	456,014
Other income	其他收入		35,744	29,544
Distribution and selling expenses	分銷及銷售費用		(166,645)	(154,719)
Administrative expenses	行政費用		(306,906)	(356,504)
Other expenses	其他費用		(44,494)	(24,943)
Finance costs	融資成本	4	(28,006)	(52,623)
Impairment losses on property, plant and equipment	物業、機器及設備之 減值損失	9	-	(238,209)
Employee termination benefits	終止僱員的福利支出	9, 13	-	(44,135)
Relocation cost of plant and equipment	機器及設備之遷移成本	9, 13	-	(2,130)
Loss before taxation	除稅前虧損		(154,122)	(387,705)
Income tax credit	所得稅計入	5	4,630	5,216
Loss for the period	是期間虧損	6, 9	(149,492)	(382,489)
Attributable to:	應佔：			
Equity holders of the Company	本公司權益持有人		(166,158)	(398,998)
Minority interests	少數股東權益		16,666	16,509
			(149,492)	(382,489)
Dividend paid	已付股息	7	-	31,760
			HK cents 港仙	HK cents 港仙
Basic loss per share	每股基本虧損	8	20.9	50.3

Condensed Consolidated Balance Sheet 簡明綜合資產負債表

At 28th February, 2009

於二零零九年二月二十八日

			At 28th February, 2009 二零零九年 二月二十八日 HK\$'000 千港元 (unaudited) (未經審核)	At 31st August, 2008 二零零八年 八月三十一日 HK\$'000 千港元 (audited) (已經審核)
Non-current assets	非流動資產			
Investment properties	投資物業		12,997	12,680
Property, plant and equipment	物業、機器及設備	9	2,217,830	2,152,310
Prepaid lease payments – non-current portion	預付租賃款項 – 非流動部份	9	144,126	146,588
Derivative financial instruments	衍生金融工具		–	7,175
Deferred tax assets	遞延稅項資產		22,660	18,885
			<u>2,397,613</u>	<u>2,337,638</u>
Current assets	流動資產			
Inventories	存貨	10	1,307,388	1,465,681
Prepaid lease payments – current portion	預付租賃款項 – 流動部份	9	3,245	3,237
Trade and other receivables	營業及其他應收款項	11	1,122,216	1,205,659
Derivative financial instruments	衍生金融工具		9,497	15,876
Tax recoverable	可收回稅項		24,457	31,404
Bank deposits with restricted use	有限制用途的銀行存款		6,092	4,698
Short-term bank deposits	短期銀行存款		40,240	394,092
Bank balances and cash	銀行結存及現金		610,493	286,708
			<u>3,123,628</u>	<u>3,407,355</u>
Assets classified as held for sale	分類為持作出售之資產	9	216,872	255,222
			<u>3,340,500</u>	<u>3,662,577</u>
Current liabilities	流動負債			
Trade and other payables	營業及其他應付款項	12	509,313	657,657
Bills payable	應付票據	12	199,466	162,703
Amounts due to minority shareholders	欠少數股東款項		76,214	76,214
Deferred income	遞延收入		1,458	1,458
Derivative financial instruments	衍生金融工具		6,377	9,921
Tax payable	應付稅項		15,697	17,333
Restructuring provisions	重組撥備	13	5,299	11,695
Bank borrowings – due within one year	銀行借貸 – 一年內到期	14	934,870	547,763
Bank overdrafts	銀行透支		2,708	4,086
			<u>1,751,402</u>	<u>1,488,830</u>
Net current assets	流動資產淨值		<u>1,589,098</u>	<u>2,173,747</u>
Total assets less current liabilities	資產總值減流動負債		<u>3,986,711</u>	<u>4,511,385</u>

Condensed Consolidated Balance Sheet 簡明綜合資產負債表

At 28th February, 2009

於二零零九年二月二十八日

			At 28th February, 2009 二零零九年 二月二十八日 HK\$'000 千港元 (unaudited) (未經審核)	At 31st August, 2008 二零零八年 八月三十一日 HK\$'000 千港元 (audited) (已經審核)
Non-current liabilities	非流動負債			
Deferred income	遞延收入		70,724	71,454
Derivative financial instruments	衍生金融工具		30,071	2,309
Bank borrowings	銀行借貸			
– due after one year	– 一年後到期	14	1,381,602	1,732,084
Deferred tax liabilities	遞延稅項負債		3,222	6,344
			<u>1,485,619</u>	<u>1,812,191</u>
Net assets	資產淨值		<u>2,501,092</u>	<u>2,699,194</u>
Capital and reserves	資本及儲備			
Share capital	股本		158,802	158,802
Reserves	儲備		2,110,746	2,289,353
Equity attributable to equity holders of the Company	本公司權益持有人 應佔權益		2,269,548	2,448,155
Minority interests	少數股東權益		231,544	251,039
Total equity	權益總值		<u>2,501,092</u>	<u>2,699,194</u>

Condensed Consolidated Statement of Changes in Equity 簡明綜合權益變動表

For the six months ended 28th February, 2009
截至二零零九年二月二十八日止六個月

		Attributable to equity holders of the Company 本公司權益持有人應佔								
		Share capital	Share premium	Capital redemption reserve	Translation reserve	Statutory reserves	Retained profits	Total	Minority interests	Total equity
		股本	股份溢價	贖回儲備	匯兌儲備	法定儲備	滾存盈利	總值	股東權益少數	權益總值
		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
At 1st September, 2007 (audited)	於二零零七年 九月一日(已經審核)	158,802	197,124	210	(64,084)	18,000	2,555,608	2,865,660	218,796	3,084,456
Exchange differences arising on translation of foreign operations recognised directly in equity	直接在權益內確認之海外業務匯兌差額	-	-	-	6,371	-	-	6,371	3,228	9,599
(Loss) profit for the period	是期間(虧損)盈利	-	-	-	-	-	(398,998)	(398,998)	16,509	(382,489)
Total recognised income and expense for the period	是期間確認之收入及支出總值	-	-	-	6,371	-	(398,998)	(392,627)	19,737	(372,890)
Dividend paid to equity holders of the Company	已付股息予本公司權益持有人	-	-	-	-	-	(31,760)	(31,760)	-	(31,760)
Dividend paid to minority shareholders	已付股息予少數股東	-	-	-	-	-	-	-	(9,206)	(9,206)
Transfer	調撥	-	-	-	-	19,714	(19,714)	-	-	-
At 29th February, 2008 (unaudited)	於二零零八年 二月二十九日(未經審核)	158,802	197,124	210	(57,713)	37,714	2,105,136	2,441,273	229,327	2,670,600
Exchange differences arising on translation of foreign operations recognised directly in equity	直接在權益內確認之海外業務匯兌差額	-	-	-	12,275	-	-	12,275	7,853	20,128
Profit for the period	是期間盈利	-	-	-	-	-	2,547	2,547	21,545	24,092
Total recognised income for the period	是期間確認之收入總值	-	-	-	12,275	-	2,547	14,822	29,398	44,220
Dividend paid to equity holders of the Company	已付股息予本公司權益持有人	-	-	-	-	-	(7,940)	(7,940)	-	(7,940)
Dividend paid to minority shareholders	已付股息予少數股東	-	-	-	-	-	-	-	(7,686)	(7,686)
Transfer	調撥	-	-	-	-	71	(71)	-	-	-
At 31st August, 2008 (audited)	於二零零八年 八月三十一日(已經審核)	158,802	197,124	210	(45,438)	37,785	2,099,672	2,448,155	251,039	2,699,194
Exchange differences arising on translation of foreign operations recognised directly in equity	直接在權益內確認之海外業務匯兌差額	-	-	-	(12,449)	-	-	(12,449)	(10,432)	(22,881)
(Loss) profit for the period	是期間(虧損)盈利	-	-	-	-	-	(166,158)	(166,158)	16,666	(149,492)
Total recognised income and expense for the period	是期間確認之收入及支出總值	-	-	-	(12,449)	-	(166,158)	(178,607)	6,234	(172,373)
Dividend paid to minority shareholders	已付股息予少數股東	-	-	-	-	-	-	-	(25,729)	(25,729)
At 28th February, 2009 (unaudited)	於二零零九年 二月二十八日(未經審核)	158,802	197,124	210	(57,887)	37,785	1,933,514	2,269,548	231,544	2,501,092

Condensed Consolidated Cash Flow Statement 簡明綜合現金流量表

For the six months ended 28th February, 2009
截至二零零九年二月二十八日止六個月

		Six months ended 28th February, 2009 截至 二零零九年 二月二十八日止 六個月 HK\$'000 千港元 (unaudited) (未經審核)	Six months ended 29th February, 2008 截至 二零零八年 二月二十九日止 六個月 HK\$'000 千港元 (unaudited) (未經審核)
Net cash from operating activities	營運項目所得之現金淨值	136,490	29,431
Net cash used in investing activities:	投資項目所用之現金淨值：		
Purchase of property, plant and equipment	購買物業、機器及設備	(143,630)	(213,381)
Additions of prepaid lease payments	預付租賃款項之增加	-	(5,535)
Other investing cash flows	其他投資之現金流量	7,056	9,539
		(136,574)	(209,377)
Net cash (used in) from financing activities:	融資項目(所用)所得之現金淨值：		
New bank borrowings raised	新籌集之銀行借貸	737,808	1,056,830
Repayment of bank borrowings	償還銀行借貸	(701,528)	(851,492)
Dividend paid to minority shareholders	已付股息予少數股東	(25,729)	(9,206)
Other financing cash flows	其他融資之現金流量	(31,876)	(72,216)
		(21,325)	123,916
Net decrease in cash and cash equivalents	現金及等同現金項目之減少淨值	(21,409)	(56,030)
Cash and cash equivalents at beginning of the period	於是期間開始時之現金及等同現金項目	676,714	786,239
Effect of foreign exchange rate changes	匯率變動之影響	(7,280)	6,918
Cash and cash equivalents at end of the period	於是期間終結時之現金及等同現金項目	648,025	737,127
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS	現金及等同現金項目結存之分析		
Being:	作為：		
Short-term bank deposits	短期銀行存款	40,240	445,003
Bank balances and cash	銀行結存及現金	610,493	305,025
Bank overdrafts	銀行透支	(2,708)	(12,901)
		648,025	737,127

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 28th February, 2009
截至二零零九年二月二十八日止六個月

1. BASIS OF PREPARATION

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

2. PRINCIPAL ACCOUNTING POLICIES

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

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of annual financial statements of the Group for the year ended 31st August, 2008.

In the current interim period, the Group has applied, for the first time, a number of new interpretations issued by the HKICPA, which are effective for the Group's financial year beginning on 1st September, 2008 and listed below:

HK(IFRIC) – Int 12
香港 (國際財務申報詮釋委員會) – 詮釋第12條

HK(IFRIC) – Int 13
香港 (國際財務申報詮釋委員會) – 詮釋第13條

HK(IFRIC) – Int 14
香港 (國際財務申報詮釋委員會) – 詮釋第14條

The adoption of the new interpretations has had no material effect on the results and financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment is required.

1. 編製基準

本簡明綜合財務報表乃根據香港聯合交易所有限公司證券上市規則附錄16之適用披露規定及按照香港會計師公會 (「香港會計師公會」) 頒佈之香港會計準則第34條「中期財務申報」而編製。

2. 主要會計政策

本簡明綜合財務報表 (除部份金融工具以公平價值列出外) 乃按歷史成本基準編製。

本簡明綜合財務報表所採用之會計政策與編製本集團截至二零零八年八月三十一日止年度之全年財務報表所遵循者一致。

本中期間本集團已首次應用香港會計師公會頒佈之多項新詮釋，於本集團財政年度二零零八年九月一日開始時生效，並載列如下：

Service Concession Arrangements
服務特許權安排

Customer Loyalty Programmes
客戶忠誠計劃

HKAS 19 – The Limit on a Defined Benefit Asset,
Minimum Funding Requirements and
their Interaction
香港會計準則第19條 – 既定利益資產的界限、
最低撥資的規定及其相互關係

採納新詮釋對本會計期間及過往會計期間本集團之業績及財務狀況並無重大影響。據此，毋須就過往期間作出調整。

Notes to the Condensed Consolidated Financial Statements (Continued) 簡明綜合財務報表附註(續)

For the six months ended 28th February, 2009
截至二零零九年二月二十八日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

The Group has not early applied the following new and revised standards, amendment or interpretations (the “new HKFRSs”) that have been issued but are not yet effective.

HKFRSs (Amendments)
香港財務申報準則(修正)

HKAS 1 (Revised)
香港會計準則第1條(修訂)

HKAS 23 (Revised)
香港會計準則第23條(修訂)

HKAS 27 (Revised)
香港會計準則第27條(修訂)

HKAS 32 & 1 (Amendments)
香港會計準則第32條及第1條(修正)

HKAS 39 (Amendment)
香港會計準則第39條(修正)

HKFRS 1 & HKAS 27 (Amendments)
香港財務申報準則第1條及香港會計準則第27條(修正)

HKFRS 2 (Amendment)
香港財務申報準則第2條(修正)

HKFRS 3 (Revised)
香港財務申報準則第3條(修訂)

HKFRS 7 (Amendment)
香港財務申報準則第7條(修正)

HKFRS 8
香港財務申報準則第8條

2. 主要會計政策(續)

本集團並無提早應用以下已頒佈但尚未生效的新訂及修訂的準則、修正或詮釋。

Improvements to HKFRSs¹
香港財務申報準則的改進¹

Presentation of Financial Statements²
財務報表的呈列²

Borrowing Costs²
借貸成本²

Consolidated and Separate Financial Statements³
綜合及個別財務報表³

Puttable Financial Instruments and Obligations
Arising on Liquidation²
可認沽金融工具及清盤時產生的責任²

Eligible Hedged Items³
合資格對沖項目³

Cost of an Investment in a Subsidiary, Jointly
Controlled Entity or Associate²
於附屬公司、共同控制機構或聯營公司的
投資成本²

Vesting Conditions and Cancellations²
歸屬條件及註銷²

Business Combinations³
業務合併³

Improving Disclosures about Financial Instruments²
金融工具之披露改進²

Operating Segments²
營運分類²

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註 (續)

For the six months ended 28th February, 2009
截至二零零九年二月二十八日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

HK(IFRIC) – Int 9 & HKAS 39 (Amendments)

香港 (國際財務申報詮釋委員會) – 詮釋第9條
及香港會計準則第39條 (修正)

HK(IFRIC) – Int 15

香港 (國際財務申報詮釋委員會) – 詮釋第15條

HK(IFRIC) – Int 16

香港 (國際財務申報詮釋委員會) – 詮釋第16條

HK(IFRIC) – Int 17

香港 (國際財務申報詮釋委員會) – 詮釋第17條

HK(IFRIC) – Int 18

香港 (國際財務申報詮釋委員會) – 詮釋第18條

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

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

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

⁴ Effective for annual periods ending on or after 30th June, 2009

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

⁶ Effective for transfers on or after 1st July, 2009

The application of HKFRS 3 (Revised) may affect the Group's accounting for business combination for which the acquisition date is on or after the beginning of the Group's annual reporting period beginning on 1st September, 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions. The Group has commenced considering the potential impact of the new HKFRSs but is not yet in a position to determine whether the new HKFRSs would have a significant impact on its results and financial position.

2. 主要會計政策 (續)

Embedded Derivatives⁴

嵌入式衍生工具⁴

Agreements for the Construction of Real Estate²

房地產建築協議²

Hedges of a Net Investment in a Foreign Operation⁵

海外業務投資淨額對沖⁵

Distributions of Non-cash Assets to Owners³

將非現金資產分派予擁有人³

Transfers of Assets from Customers⁶

客戶轉讓資產⁶

¹ 於二零零九年一月一日或之後開始的年度期間生效，而香港財務申報準則第5條的修正除外，其於二零零九年七月一日或之後開始的年度期間生效

² 於二零零九年一月一日或之後開始的年度期間生效

³ 於二零零九年七月一日或之後開始的年度期間生效

⁴ 於二零零九年六月三十日或之後結束的年度期間生效

⁵ 於二零零八年十月一日或之後開始的年度期間生效

⁶ 於二零零九年七月一日或之後之轉讓生效

應用香港財務申報準則第3條 (修訂) 可能影響收購日期在二零零九年九月一日或之後開始的本集團週年報告期間的業務合併的會計處理。香港會計準則第27條 (修訂) 將對每當母公司在其附屬公司的應佔權益有所變動而不導致失去對其控制權時的會計處理有所影響，這將被計入為權益交易。本集團已開始考慮該等新香港財務申報準則的潛在影響，惟目前仍未能確定該等新香港財務申報準則會否對業績及財務狀況有重大影響。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註 (續)

For the six months ended 28th February, 2009
截至二零零九年二月二十八日止六個月

3. SEGMENT INFORMATION

The Group's primary format for reporting segment information is geographical segments (based on location of customers). Others mainly represent Singapore and Macau.

Six months ended 28th February, 2009

		The People's Republic of China (the "PRC") 中華人民共和國		Taiwan 台灣	Korea 韓國	Sri Lanka 斯里蘭卡	America 美洲	Europe 歐洲	Others 其他地區	Eliminations 對銷	Consolidated 綜合
		Hong Kong 香港	共和國 (「中國」)	台灣	韓國	斯里蘭卡	美洲	歐洲	其他地區	對銷	綜合
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
REVENUE	營業額										
External sales	對外銷售	732,058	362,542	288,311	223,171	327,218	174,272	23,754	356,993	-	2,488,319
Inter-segment sales (note)	分類間銷售(附註)	1,684,325	1,017,090	-	-	166,315	12,828	-	42,899	(2,923,457)	-
Total revenue	營業額總值	2,416,383	1,379,632	288,311	223,171	493,533	187,100	23,754	399,892	(2,923,457)	2,488,319
RESULTS	業績										
Segment results	分類業績	61,299	24,737	21,798	16,677	53,819	9,543	2,096	27,923		217,892
Interest income	利息收入										3,233
Unallocated expenses	不可分拆的支出										(347,241)
Finance costs	融資成本										(28,006)
Loss before taxation	除稅前虧損										(154,122)
Income tax credit	所得稅計入										4,630
Loss for the period	是期間虧損										(149,492)

3. 分類資料

本集團呈報分類資料的主要格式為地域分類(按客戶所在地區為基準)。其他地區主要指新加坡及澳門。

截至二零零九年二月二十八日止六個月

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註 (續)

For the six months ended 28th February, 2009
截至二零零九年二月二十八日止六個月

3. SEGMENT INFORMATION (Continued)

Six months ended 29th February, 2008

		Hong Kong	The PRC	Taiwan	Korea	Sri Lanka	America	Europe	Others	Eliminations	Consolidated
		香港	中國	台灣	韓國	斯里蘭卡	美洲	歐洲	其他地區	對銷	綜合
		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
REVENUE	營業額										
External sales	對外銷售	1,061,395	227,645	276,950	398,102	401,936	208,717	26,668	472,755	-	3,074,168
Inter-segment sales (note)	分類間銷售(附註)	2,516,324	1,405,527	-	-	281,693	14,299	-	30,868	(4,248,711)	-
Total revenue	營業額總值	<u>3,577,719</u>	<u>1,633,172</u>	<u>276,950</u>	<u>398,102</u>	<u>683,629</u>	<u>223,016</u>	<u>26,668</u>	<u>503,623</u>	<u>(4,248,711)</u>	<u>3,074,168</u>
RESULTS	業績										
Segment results	分類業績	<u>102,267</u>	<u>20,020</u>	<u>24,181</u>	<u>38,749</u>	<u>74,498</u>	<u>13,059</u>	<u>1,870</u>	<u>45,267</u>		319,911
Interest income	利息收入										7,266
Unallocated expenses	不可分拆的支出										(662,259)
Finance costs	融資成本										(52,623)
Loss before taxation	除稅前虧損										(387,705)
Income tax credit	所得稅計入										5,216
Loss for the period	是期間虧損										<u>(382,489)</u>

3. 分類資料 (續)

截至二零零八年二月二十九日止六個月

Note: Inter-segment sales are charged at prices with reference to the prevailing market rates.

附註：分類間銷售的價格乃參照當時的市場價格而釐定。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

For the six months ended 28th February, 2009
截至二零零九年二月二十八日止六個月

4. FINANCE COSTS

4. 融資成本

		Six months ended 28th February, 2009 截至 二零零九年 二月二十八日止 六個月 HK\$'000 千港元	Six months ended 29th February, 2008 截至 二零零八年 二月二十九日止 六個月 HK\$'000 千港元
Finance costs on:	融資成本：		
Bank borrowings wholly repayable within five years	須於五年內全部償還的 銀行借貸	31,584	53,581
Finance leases wholly repayable within five years	須於五年內全部償還的 財務租賃	-	4
Total finance costs	融資成本總值	31,584	53,585
Less: amounts capitalised	減：化作資產金額	(3,578)	(962)
		28,006	52,623

Finance costs capitalised during the period arose on the general borrowing and have been calculated by applying a capitalisation rate of 2.68% (six months ended 29th February, 2008: 4.61%) per annum on expenditure of qualifying assets.

本期間化作資產之融資成本乃由一般借貸項目產生，並經以年息率2.68%（截至二零零八年二月二十九日止六個月：4.61%）計算，轉至合資格資產內。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註 (續)

For the six months ended 28th February, 2009
截至二零零九年二月二十八日止六個月

5. INCOME TAX CREDIT

5. 所得稅計入

		Six months ended 28th February, 2009 截至 二零零九年 二月二十八日止 六個月 HK\$'000 千港元	Six months ended 29th February, 2008 截至 二零零八年 二月二十九日止 六個月 HK\$'000 千港元
Current tax:	是期間稅項：		
Hong Kong	香港	-	1,649
The PRC	中國	1,850	(2,976)
Other jurisdictions	其他司法地區	417	(412)
		<u>2,267</u>	<u>(1,739)</u>
Deferred tax:	遞延稅項：		
Hong Kong	香港	(4,994)	(17,274)
The PRC	中國	102	13,467
Other jurisdictions	其他司法地區	(2,005)	330
		<u>(6,897)</u>	<u>(3,477)</u>
Taxation attributable to the Group	本集團應佔稅項	<u>(4,630)</u>	<u>(5,216)</u>

On 26th June, 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 which includes the reduction in corporate profits tax rate by 1% to 16.5% effective from the year of assessment 2008/2009. The effect of such decrease has been reflected in measuring the current and deferred tax for the current period. Hong Kong Profits Tax is calculated at 16.5% (six months ended 29th February, 2008: 17.5%) of the estimated assessable profit for the period. No provision for Hong Kong Profits Tax has been made as the Group's operations in Hong Kong incurred tax losses for the current period.

於二零零八年六月二十六日，香港立法會通過《二零零八年收入條例草案》，當中包括將企業利得稅率降低1%至16.5%，由二零零八／二零零九課稅年度生效。有關稅率下調的影響已於計算本期間稅項及遞延稅項中予以反映。本期間估計應課稅盈利按香港利得稅稅率16.5%（截至二零零八年二月二十九日止六個月：17.5%）計算。由於本期間本集團於香港之業務錄得稅項虧損，故並無作出香港利得稅撥備。

Notes to the Condensed Consolidated Financial Statements (Continued) 簡明綜合財務報表附註(續)

For the six months ended 28th February, 2009
截至二零零九年二月二十八日止六個月

5. INCOME TAX CREDIT (Continued)

Pursuant to the relevant laws and regulations in the PRC, certain of the Company's PRC subsidiaries are entitled to exemption from the PRC enterprise income tax for two calendar years commencing from their first profit-making year of operation and thereafter, they are entitled to 50% relief from the PRC enterprise income tax for the following three calendar years (the "Tax Holiday"). The reduced tax rate for the relief period is 12.5%. The Tax Holiday will expire by 31st December, 2012.

The Enterprise Income Tax Law ("Tax Law") of the PRC promulgated in 2007 is effective on 1st January, 2008. In February 2008, the Ministry of Finance and the State Administration of Taxation issued several important tax circulars which clarify the implementation of the Tax Law and have an impact on the Company's PRC subsidiaries. The PRC enterprise income tax rates for the Company's PRC subsidiaries are unified at 25% effective from 1st January, 2008, while certain of the Company's PRC subsidiaries will continue to enjoy the reduced tax rate of 12.5% until 31st December, 2012 under the Tax Holiday.

Pursuant to the relevant laws and regulations in Sri Lanka, the profit generated from a subsidiary of the Company is entitled to exemption from the Sri Lanka income tax until 31st August, 2015. Accordingly, no provision for income tax was made on the relevant profit for the current period.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

In February 2008, the Hong Kong Inland Revenue Department ("IRD") initiated a tax audit on the Company and its subsidiaries for the years of assessment from 2001/02 onwards and has commenced to obtain information and documents from the Group. In March 2008 and 2009, notices of estimated additional assessment (the "Protective Assessments") for the year of assessment 2001/02 and 2002/03 in an aggregate amount of HK\$14,352,000 and HK\$19,844,000, respectively were issued to the Company and certain subsidiaries of the Company by the IRD. Objections against the Protective Assessments were lodged and both amounts were held over unconditionally. The scope and outcome of the tax audit cannot be readily ascertained at this stage. The directors of the Company believe that no significant amount of additional profits tax will be payable under the Protective Assessments and no provision for additional Hong Kong profits tax is therefore necessary.

5. 所得稅計入(續)

根據中國有關法律及法規，本公司若干中國附屬公司可於首個業務獲利年度起兩個曆年內，獲豁免繳納中國企業所得稅，及於其後三個曆年獲減免50%的中國企業所得稅(「稅務假期」)。減稅期的經調低稅率為12.5%。稅務假期將於二零一二年十二月三十一日屆滿。

於二零零七年中國頒佈的企業所得稅法(「稅法」)自二零零八年一月一日起生效。於二零零八年二月，財政部及國家稅務總局頒佈若干重要稅務通知以闡明稅法的實施事宜，本公司的中國附屬公司受到影響。本公司中國附屬公司統一按25%繳納中國企業所得稅(自二零零八年一月一日起生效)，而本公司亦有若干中國附屬公司於稅務假期內將繼續享有經調低稅率12.5%，直至二零一二年十二月三十一日。

根據斯里蘭卡有關之法律及法規，由本公司一間附屬公司所產生之盈利可獲豁免斯里蘭卡所得稅，直至二零一五年八月三十一日為止。據此，本期間並無就有關盈利作出所得稅撥備。

其他司法地區之稅項是以有關各自司法地區當時之稅率計算。

於二零零八年二月，香港稅務局(「稅務局」)就本公司及其附屬公司由二零零一／零二及其後之課稅年度進行一項稅務審查，並已就此項稅務審查開始向本集團搜集資料及文件。於二零零八年三月及二零零九年三月，稅務局就二零零一／零二及二零零二／零三課稅年度分別發出合共14,352,000港元及19,844,000港元金額之估計補加評稅通知(「保障性評稅」)予本公司及本公司若干附屬公司。就此等保障性評稅已提出反對及兩項金額已獲無條件緩繳。此項稅務審查之範圍及結果於現階段還未能確定。本公司董事相信就此項保障性評稅需償付之補加利得稅金額並不重大及無需作出補加香港利得稅之撥備。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註 (續)

For the six months ended 28th February, 2009
截至二零零九年二月二十八日止六個月

6. LOSS FOR THE PERIOD

6. 是期間虧損

		Six months ended 28th February, 2009 截至 二零零九年 二月二十八日 止 六個月 HK\$'000 千港元	Six months ended 29th February, 2008 截至 二零零八年 二月二十九日 止 六個月 HK\$'000 千港元
Loss for the period has been arrived at after charging (crediting):	是期間虧損已扣減 (計入) 下列 :		
Release of prepaid lease payments	預付租賃款項轉出	2,416	987
Depreciation of investment properties	投資物業的折舊	241	207
Depreciation of property, plant and equipment	物業、機器及設備的折舊	103,986	134,098
(Gain) loss on disposal of property, plant and equipment	出售物業、機器及設備的 (盈利) 虧損	(201)	2,027
Gain on disposal of assets classified as held for sale	出售分類為持作出售資產的盈利	(43)	-
Net foreign exchange loss (included in other expenses)	匯兌虧損淨值 (包括在其他費用內)	6,722	17,764
Net loss from fair value changes of derivative financial instruments (included in other expenses)	衍生金融工具的公平價值變動所產生之虧損淨值 (包括在其他費用內)	37,772	5,152
Interest income	利息收入	(3,233)	(7,266)
Net rental income from investment properties	投資物業的租金收入淨值	(2,732)	(2,036)

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

For the six months ended 28th February, 2009
截至二零零九年二月二十八日止六個月

7. DIVIDEND PAID

Final, paid during the six months ended
29th February, 2008 for the year ended
31st August, 2007 – HK4.0 cents per share

已付末期：於截至二零零八年
二月二十九日止六個月內已付
截至二零零七年八月三十一日
止年度 – 每股4.0港仙

Six months ended 28th February, 2009 截至 二零零九年 二月二十八日止 六個月 HK\$'000 千港元	Six months ended 29th February, 2008 截至 二零零八年 二月二十九日止 六個月 HK\$'000 千港元
-	31,760

No interim dividend was proposed by the directors for the six months ended 28th February, 2009 (six months ended 29th February, 2008: HK1.0 cent per share).

董事不建議派發截至二零零九年二月二十八日止六個月之中期股息(截至二零零八年二月二十九日止六個月：每股1.0港仙)。

8. BASIC LOSS PER SHARE

The calculation of basic loss per share attributable to the equity holders of the Company is based on the loss for the period attributable to equity holders of the Company of HK\$166,158,000 (six months ended 29th February, 2008: HK\$398,998,000) and on 794,010,960 (six months ended 29th February, 2008: 794,010,960) ordinary shares in issue during the period.

8. 每股基本虧損

本公司權益持有人應佔每股基本虧損乃根據本公司權益持有人應佔本期間虧損166,158,000港元(截至二零零八年二月二十九日止六個月：398,998,000港元)及按是期間之已發行普通股794,010,960股(截至二零零八年二月二十九日止六個月：794,010,960)計算。

9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND PREPAID LEASE PAYMENTS/ASSETS CLASSIFIED AS HELD FOR SALE

During the period ended 28th February, 2009, the Group incurred expenditure of approximately HK\$147,208,000 (six months ended 29th February, 2008: HK\$219,878,000) on property, plant and equipment and prepaid lease payments to expand and upgrade the Group's manufacturing facilities.

9. 物業、機器及設備和預付租賃款項／分類為持作出售的資產之變動

於二零零九年二月二十八日止期間內，本集團為擴大及增強本集團之生產設施而用於物業、機器及設備和預付租賃款項的開支約為147,208,000港元(截至二零零八年二月二十九日止六個月：219,878,000港元)。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註 (續)

For the six months ended 28th February, 2009
截至二零零九年二月二十八日止六個月

9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND PREPAID LEASE PAYMENTS/ASSETS CLASSIFIED AS HELD FOR SALE (Continued)

Due to significant costs of replacement and continuous maintenance on existing facilities and infrastructure including electricity generators and effluent treatment facilities, which were outmoded and aged, of Dongguan Fuan Textiles Limited ("Dongguan Fuan"), a non wholly-owned PRC subsidiary of the Group, management decided to close down Dongguan Fuan which was engaged in the manufacture of dyed fabrics and yarns. As at 28th February, 2009, the assets with an aggregate amount of HK\$216,872,000 (as at 31st August, 2008: HK\$255,222,000), which are expected to be sold within one year of the balance sheet date, have been classified as assets held for sale and are presented separately in the condensed consolidated balance sheet. The assets of Dongguan Fuan classified as held for sale mainly comprise property, plant and equipment. Subsequent to the balance sheet date, the Group has entered into an agreement with an independent third party to sell a substantial portion of those assets held for sale, details of which are set out in note 16.

As at 28th February, 2009, this closure was still in progress. Management has determined that the fair value less costs to sell of the relevant cash-generating unit which comprises mainly property, plant and equipment of Dongguan Fuan was less than its carrying amount. An impairment loss of HK\$238,209,000 was recognised by the Group in the six months ended 29th February, 2008. The impairment loss was subsequently reduced to HK\$150,449,000 and the effect of this reversal has been reflected in the result of the latter half of the year ended 31st August, 2008. The estimated fair value less costs to sell is determined by reference to the latest quotations from independent third parties or recent market prices for similar assets at each balance sheet date.

Under this closure plan, management of the Group decided to terminate employments of a significant number of employees of Dongguan Fuan. Accordingly, a provision for employee termination benefits in the aggregate amount of HK\$54,270,000 was recognised by the Group, of which HK\$44,135,000 was recognised as an expense in the six months ended 29th February, 2008.

9. 物業、機器及設備和預付租賃款項／分類為持作出售的資產之變動 (續)

由於本集團之一間非全資擁有的中國附屬公司，東莞福安紡織印染有限公司（「東莞福安」）之現有設備及基礎設施包括發電及污水處理設備均已過時及老化，而涉及更換及持續性維修之成本龐大，故管理層決定將從事製造色布及色紗之東莞福安關閉。於二零零九年二月二十八日，該等資產合共216,872,000港元（於二零零八年八月三十一日：255,222,000港元），預期將於結算日後一年內售出，已被分類為持作出售的資產並於綜合資產負債表內個別地呈列。東莞福安的分類為持作出售的資產主要包括物業、機器及設備。繼結算日後，集團已與獨立第三者訂立合同出售大量該等持作出售的資產，詳情載列於附註16內。

於二零零九年二月二十八日，此項關閉計劃仍在進行中。管理層已確定有關主要包括東莞福安之物業、機器及設備的現金產生單位的公平價值減銷售成本乃低於其賬面金額。本集團於二零零八年二月二十九日止六個月內已確認238,209,000港元之減值損失，其後該減值損失已被調減至150,449,000港元，而其回撥之影響已反映在二零零八年八月三十一日下半年度的業績中。估計公平價值減銷售成本乃於每個結算日參考獨立第三者之最新報價或同類資產的近期市場價格而釐定。

在此項關閉計劃下，本集團管理層決定終止僱用大量東莞福安之僱員。據此，本集團已確認合共54,270,000港元的終止僱員之福利支出。當中44,135,000港元已於二零零八年二月二十九日止六個月內確認為支出。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

For the six months ended 28th February, 2009
截至二零零九年二月二十八日止六個月

9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND PREPAID LEASE PAYMENTS/ASSETS CLASSIFIED AS HELD FOR SALE (Continued)

In addition, under the closure plan, certain plant and equipment of Dongguan Fuan were identified for relocation to other factories of the Group. Accordingly, a restructuring cost in relation to relocation of plant and equipment of Dongguan Fuan amounting to HK\$2,130,000 was also recognised by the Group in the six months ended 29th February, 2008.

Details of these restructuring provisions of the Group are disclosed in note 13.

The costs in relation to the closure plan of Dongguan Fuan amounting to HK\$310,867,000 was recognised by the Group for the six months ended 29th February, 2008 and its impact on the Group is as follows:

9. 物業、機器及設備和預付租賃款項／分類為持作出售的資產之變動(續)

此外，在此關閉計劃下，已確定東莞福安之若干機器及設備將遷移至本集團其他廠房。據此，本集團亦已於二零零八年二月二十九日止六個月內就有關遷移東莞福安的機器及設備確認2,130,000港元為重組成本。

有關本集團的重組撥備詳情，乃於附註13內披露。

本集團於截至二零零八年二月二十九日止六個月內，已就東莞福安關閉計劃確認約310,867,000港元的關閉成本，有關其對本集團的影響如下：

		Six months ended 28th February, 2009 截至 二零零九年 二月二十八日止 六個月 HK\$'000 千港元	Six months ended 29th February, 2008 截至 二零零八年 二月二十九日止 六個月 HK\$'000 千港元
Loss of the Group for the period before closure costs of Dongguan Fuan	東莞福安之關閉成本前的 是期間本集團虧損	(149,492)	(71,622)
Closure costs of Dongguan Fuan (net of tax), including impairment losses on property, plant and equipment, employee termination benefits, relocation cost of plant and equipment and write-down of inventories	東莞福安的關閉成本(除稅後)， 包括物業、機器及設備的 減值損失、終止僱員的福利 支出、機器及設備的遷移成本 及存貨撇值	-	(310,867)
Loss of the Group for the period	是期間本集團虧損	<u>(149,492)</u>	<u>(382,489)</u>

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註 (續)

For the six months ended 28th February, 2009
截至二零零九年二月二十八日止六個月

10. INVENTORIES

		At 28th February, 2009 二零零九年 二月二十八日 HK\$'000 千港元	At 31st August, 2008 二零零八年 八月三十一日 HK\$'000 千港元
Spare parts	備件	156,276	165,561
Raw materials	原料	533,780	714,273
Work in progress	半製品	311,016	311,010
Finished goods	製成品	306,316	274,837
		<u>1,307,388</u>	<u>1,465,681</u>

11. TRADE AND OTHER RECEIVABLES

The Group allows an average credit period from 30 days to 90 days to its trade customers.

The following is an aged analysis of trade receivables net of allowance for doubtful debts at the balance sheet date:

10. 存貨

		At 28th February, 2009 二零零九年 二月二十八日 HK\$'000 千港元	At 31st August, 2008 二零零八年 八月三十一日 HK\$'000 千港元
Spare parts	備件	156,276	165,561
Raw materials	原料	533,780	714,273
Work in progress	半製品	311,016	311,010
Finished goods	製成品	306,316	274,837
		<u>1,307,388</u>	<u>1,465,681</u>

11. 營業及其他應收款項

本集團提供平均30天至90天數期予其營業客戶。

於結算日，營業應收款項(經扣除呆賬撥備)之賬齡分析如下：

		At 28th February, 2009 二零零九年 二月二十八日 HK\$'000 千港元	At 31st August, 2008 二零零八年 八月三十一日 HK\$'000 千港元
Not yet due	未到期	458,387	566,719
Overdue 1 – 30 days	過期1 – 30天	237,714	246,935
Overdue 31 – 60 days	過期31 – 60天	136,853	128,256
Overdue > 60 days	過期超過60天	84,347	107,288
		<u>917,301</u>	<u>1,049,198</u>

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

For the six months ended 28th February, 2009
截至二零零九年二月二十八日止六個月

12. TRADE AND OTHER PAYABLES, BILLS PAYABLE

The following is an aged analysis of trade payables at the balance sheet date:

Not yet due	未到期
Overdue 1 – 30 days	過期1 – 30天
Overdue 31 – 60 days	過期31 – 60天
Overdue > 60 days	過期超過60天

12. 營業及其他應付款項和應付票據

於結算日，營業應付款項之賬齡分析如下：

At 28th February, 2009 二零零九年 二月二十八日 HK\$'000 千港元	At 31st August, 2008 二零零八年 八月三十一日 HK\$'000 千港元
214,654	278,030
34,506	38,443
26,695	26,550
15,935	15,428
291,790	358,451

All bills payable of the Group are not yet due at the balance sheet date.

於結算日，本集團所有應付票據均未到期。

13. RESTRUCTURING PROVISIONS

Due to the closure plan of Dongguan Fuan as detailed in note 9, management of the Group decided to terminate employments of a significant number of employees. Accordingly, a provision for employee termination benefits of HK\$54,270,000 was recognised by the Group up to 31st August, 2008. Out of the provision made, an amount of HK\$44,135,000 was recognised as an expense in the six months ended 29th February, 2008. No further provision was made during the current period.

13. 重組撥備

由於東莞福安的關閉計劃(詳列於附註9內)，本集團管理層決定終止僱用大量僱員。據此，本集團已於截至二零零八年八月三十一日止確認54,270,000港元的終止僱員之福利支出撥備。當中撥備金額44,135,000港元已於二零零八年二月二十九日止六個月內確認為支出。本期內並無再增加撥備。

In addition, under the closure plan, certain plant and equipment of Dongguan Fuan was identified for relocation to other factories of the Group. Accordingly, a restructuring cost in relation to relocation of plant and equipment of Dongguan Fuan amounting to HK\$2,130,000 was recognised by the Group in the six months ended 29th February, 2008. Since then, no further provision was made by the Group.

此外，在關閉計劃下，已確定東莞福安的若干機器及設備將遷移至本集團其他廠房。據此，本集團已於二零零八年二月二十九日止六個月內就有關遷移東莞福安的機器及設備確認2,130,000港元為重組成本。自此以後，本集團並無再增加撥備。

An amount of HK\$51,101,000 of such restructuring provisions has been utilised by the Group up to 28th February, 2009, of which HK\$6,396,000 was utilised during the current period.

截至二零零九年二月二十八日止，本集團已運用該重組撥備金額51,101,000港元，當中6,396,000港元已於本期間運用。

Details of the closure plan are disclosed in note 9.

關閉計劃的詳情乃於附註9內披露。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註 (續)

For the six months ended 28th February, 2009
截至二零零九年二月二十八日止六個月

14. BANK BORROWINGS

During the period, the Group obtained new bank loans of approximately HK\$737,808,000 (six months ended 29th February, 2008: HK\$1,056,830,000) and made repayments of approximately HK\$701,528,000 (six months ended 29th February, 2008: HK\$851,492,000). The proceeds from the new loans were mainly used to repay the existing bank loans or as working capital of the Group.

The loans carry interest at the average effective interest rates of 2.71% (at 31st August, 2008: 3.74%) per annum and are repayable by instalments over a period from one to five years (at 31st August, 2008: one to five years).

15. CAPITAL COMMITMENTS

Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements

Capital expenditure in respect of the acquisition of property, plant and equipment authorised but not contracted for

就有關購買物業、機器及設備之已簽約但未在簡明綜合財務報表作出撥備之資本開支

就有關購買物業、機器及設備之已批准但未簽約之資本開支

14. 銀行借貸

本期間本集團取得新銀行貸款約737,808,000港元(截至二零零八年二月二十九日止六個月: 1,056,830,000港元)及已償還約701,528,000港元(截至二零零八年二月二十九日止六個月: 851,492,000港元)。新貸款所得款項乃主要用作償還現有的銀行借貸或用作本集團之流動資金。

銀行貸款以平均有效年利率2.71%(於二零零八年八月三十一日: 3.74%)計算利息,並介乎一年至五年(於二零零八年八月三十一日: 一年至五年)期內分期償還。

15. 資本承擔

At 28th February, 2009 二零零九年 二月二十八日 HK\$'000 千港元	At 31st August, 2008 二零零八年 八月三十一日 HK\$'000 千港元
74,242	143,516
12,738	19,037

Notes to the Condensed Consolidated Financial Statements (Continued) 簡明綜合財務報表附註(續)

For the six months ended 28th February, 2009
截至二零零九年二月二十八日止六個月

16. POST BALANCE SHEET EVENTS

The following events took place subsequent to the balance sheet date:

- (a) On 27th April, 2009, Dongguan Fuan entered into an agreement with an independent third party to sell the parcels of land located at Dongguan Fuan Textiles Complex, Changan Town, Dongguan City, Guangdong, the PRC (the "Properties") for a total cash consideration of RMB255,000,000 (approximately HK\$288,136,000) payable in 5 installments (the "Property Agreement"). The Properties with a carrying amount of HK\$157,964,000 have been included in the Group's assets classified as held for sale at the balance sheet date. The Property Agreement is conditional upon approval by the shareholders of the Company in the forthcoming extraordinary general meeting.
- (b) On 27th April, 2009, Folktune Limited ("Folktune"), a wholly-owned subsidiary of the Company entered into an agreement with certain minority shareholders of Dongguan Fuan (the "Transferors") to acquire from the Transferors in aggregate 39% of the equity interests in Dongguan Fuan at a total consideration of HK\$77,326,205 (the "Share Transfer Agreement").

On the same day, Folktune issued an undertaking to China Resources Textiles Company Limited ("China Resources Textiles"), also a minority shareholder of Dongguan Fuan, pursuant to which Folktune undertakes after one year from the date of the undertaking to (i) pay to China Resources Textiles HK\$7,616,000 as compensation under the undertaking and operation agreement dated 3rd July, 2001 entered into between Folktune, the Transferors and China Resources Textiles (the "Fuan Agreement") and (ii) to acquire 10% equity interests in Dongguan Fuan from China Resources Textiles for a cash consideration of HK\$12,211,232 (the "Undertaking").

16. 結算日後事項

以下事項於結算日後發生：

- (a) 於二零零九年四月二十七日，東莞福安與一獨立第三者訂立合同出售位於中國廣東省東莞市長安鎮宵邊大道福安紡織城內之土地(「該物業」)，總現金代價為人民幣255,000,000元(約288,136,000港元)，以五次分期付款(「物業合同」)。該物業的賬面值157,964,000港元於結算日已包括在本集團之分類為持作出售的資產內。物業合同須待本公司股東於即將舉行的股東特別大會上批准後方可作實。
- (b) 於二零零九年四月二十七日，本公司之一間全資附屬公司福津有限公司(「福津」)與東莞福安若干少數股東(「轉讓方」)訂立協議，以總代價77,326,205港元從轉讓方收購於東莞福安總計39%之股本權益(「股權轉讓協議」)。

同日，福津向華潤紡織有限公司(「華潤紡織」)，亦為東莞福安之一名少數股東發出承諾函，據此福津承諾於承諾函出具之日起一年後(i)向華潤紡織支付7,616,000港元作為根據由福津、轉讓方及華潤紡織於二零零一年七月三日訂立之承包經營合同(「福安協議」)之補償費及(ii)以現金代價12,211,232港元從華潤紡織收購東莞福安10%之股本權益(「承諾書」)。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註 (續)

For the six months ended 28th February, 2009

截至二零零九年二月二十八日止六個月

16. POST BALANCE SHEET EVENTS (Continued)

(b) (Continued)

Folktune, the Transferors and China Resources Textiles had also on 27th April, 2009 entered into a cancellation agreement pursuant to which the parties agreed that the Fuan Agreement shall be cancelled with effect from March 2008 and the operation fees payable to the Transferors and China Resources Textiles since March 2008 pursuant to the Fuan Agreement shall be set off by the consideration payable by Folktune to them for purchase of equity interests in Dongguan Fuan. Upon completion of the Share Transfer Agreement, Dongguan Fuan will become a 90% owned subsidiary of the Company, and upon completion of the matters as stated in the Undertaking issued to China Resources Textiles, Dongguan Fuan will become a wholly-owned subsidiary of the Company.

The Share Transfer Agreement is conditional upon the signing and performance of the Property Agreement and approval by the independent shareholders of the Company in the forthcoming extraordinary general meeting.

Details of the above transactions, which constitute very substantial disposal transaction and major and connected transactions of the Company, are set out in an announcement of the Company dated 29th April, 2009.

16. 結算日後事項 (續)

(b) (續)

福津、轉讓方及華潤紡織亦於二零零九年四月二十七日訂立註銷協議，據此訂約方同意將註銷福安協議，自二零零八年三月起生效，而根據福安協議自二零零八年三月後應付轉讓方及華潤紡織之營運費用將由福津收購東莞福安之股本權益而應付之代價償清。股權轉讓協議完成後，東莞福安將成為本公司佔90%擁有之附屬公司，並於完成發出予華潤紡織承諾書上的事項後，東莞福安將成為本公司之全資擁有附屬公司。

股權轉讓協議之交易須按簽訂及履行物業合同後，及須待本公司獨立股東於即將舉行的股東特別大會上批准方可作實。

以上交易細節構成本公司非常重大出售事項和主要及關連交易，已於二零零九年四月二十九日於本公司公告上載列。

BUSINESS REVIEW 業務回顧

We would like to report to shareholders the results of the Group for the six months ended 28th February, 2009. The Group's revenue was approximately HK\$2,488,319,000, a decrease of 19.1% over the same period last year. Unaudited loss attributable to shareholders amounted to approximately HK\$166,158,000. Net loss margin for the period under review was 6.7%, a decrease of 6.3 percentage point over the same period last year or an increase of 3.8 percentage point if excluding last year's cost in relation to the reduction of production capacity of Dongguan Fuan Textiles Limited ("Dongguan Fuan"), one of the Group's non wholly-owned subsidiary. Basic loss per share was HK20.9 cents, compared to basic loss per share HK50.3 cents (HK11.1 cents if excluding last year's cost in relation to the reduction of production capacity) for the first half of financial year 2008. The Board has resolved not to pay any interim dividend for the period under review (2008: HK1.0 cent per share).

During the first half of financial year 2009, the world economy was still challenging due to the worsening of the US sub-prime mortgage crisis towards the end of calendar year 2008 which has adversely affected the economic climate and consumer markets, especially those in the US and Europe. During the period under review, many brands and retailers in the US and Europe were aggressively reducing their inventories, thus the order volume for knitted fabrics of the Group has been negatively impacted. The overall operating environment of the period under review remained difficult given the weak global economy and high operating costs.

The decrease in the Group's revenue compared to the same period last year was due mainly to the reduction in capacity in Dongguan Fuan. Moreover, the weaker economy has led to reduced buying budgets and tougher price negotiations by the customers, resulting in lower average selling price for the Group. Despite decline in commodity prices such as cotton and coal during the first half of the current financial year, the Group could not benefit significantly until the full replenishment of lower cost inventory. Similarly, the relief from increase in textile and apparel export related VAT rebate by the Chinese government from 13% to 14% on 1st November, 2008 and from 14% to 15% on 1st February, 2009 will only be fully reflected in the second half of this financial year. At the same time, the reduction in capacity also brought down the economies of scale for the Group resulting in lower operating margin.

本集團向各股東匯報本集團截至二零零九年二月二十八日止六個月之業績。集團營業額約為2,488,319,000港元，與去年同期相比下跌19.1%。股東應佔未經審核虧損約為166,158,000港元。回顧期內的淨虧損率為6.7%，與去年同期相比下跌6.3個百分點，倘若撇除集團其中一間非全資附屬機構－東莞福安紡織印染有限公司（「東莞福安」）去年縮減生產規模造成的成本後，則增加3.8個百分點。每股基本虧損為20.9港仙，相對二零零八年上半財政年度為每股基本虧損50.3港仙（撇除去年縮減生產規模造成的成本後則為11.1港仙）。董事會議決通過就回顧期內不予派發任何中期股息（二零零八年度：每股1.0港仙）。

於二零零九年上半財政年度期間，全球經濟依舊挑戰重重。這是由於臨近二零零八曆年年底美國次貸危機的惡化，對經濟形勢及消費市場帶來不利影響，尤其以美國和歐洲為甚。回顧期內，美國和歐洲的眾多品牌及零售商正全力減少他們的存貨，集團針織布訂單亦因之已遭受負面衝擊。鑒於全球經濟疲弱和運營成本高企，回顧期內的整體經營環境困難依然。

較之去年同期集團營業額出現下跌，這主要是由於縮減東莞福安的生產規模。此外，疲弱的經濟引發客戶縮減採購預算及艱難議價，導致了集團較低的平均銷售價格。儘管在本財政年度的上半年度，若干商品如棉花和煤炭價格出現下跌，不過在完全補充低成本存貨前集團將未能顯著獲益。同樣，中國政府將紡織服裝出口有關的增值稅退稅率分別自二零零八年十一月一日由13%提高至14%，二零零九年二月一日由14%提高至15%，其舒緩效果只有在本財政年度的下半年度才能完全表現出來。同時，縮減產能亦降低集團的規模經濟，導致了較低的邊際利潤。

BUSINESS REVIEW (Continued) 業務回顧 (續)

On 27th April 2009, Dongguan Fuan entered into a Property Agreement (“Property Agreement”) with an independent third party in China, for the disposal of its whole land and property interest (“Properties”) for a total cash consideration of RMB255,000,000 (approximately HK\$288,136,000) payable in five installments over a 24-month period. The Board considered that this was a good opportunity for the Group to realize its investment in the Properties and to increase the liquidity of the Group through this transaction. At the same time, the Group also entered into certain Share Acquisition arrangements (“Share Acquisition”) with the other four shareholders of Dongguan Fuan. The board had evaluated various alternatives and had concluded that the Share Acquisition was the most efficient method that was also acceptable to the shareholders of Dongguan Fuan, to enable the Group to access the cash generated from the transaction under the Property Agreement as soon as it becomes available.

Production and Sales of Dyed Fabrics, Sewing Threads and Yarns

For the period under review, due to a weaker economy as well as the reduction in capacity due to the reduction of capacity in Dongguan, revenue from the production and sales of dyed fabrics, sewing threads and yarns was approximately HK\$2,086,687,000, a decrease of 24.0% as compared with the same period last year, and accounted for 83.9% of the Group’s total revenue.

Production and Sales of Garments

For the first half of financial year 2009, revenue from the production and sales of garments reached approximately HK\$401,632,000, an increase of 22.8% as compared with the same period last year, and accounted for 16.1% of the Group’s total revenue.

Analysis by Customer Geographical Regions

For the period under review, the Group’s major customers were located in Asia and accounted for approximately 92.0% of the Group’s total revenue. The remaining 8.0% was generated from sales to customers located in Europe and America.

於二零零九年四月二十七日，東莞福安與一中國的獨立第三方，訂立一項物業合同（「物業合同」）以出售其全部土地及物業權益（「物業」），總現金代價為人民幣255,000,000元（約288,136,000港元），在24個月之內以5次分期付款支付。董事會認為此對於本集團乃將此投資物業變現之一次良機，並可透過此項交易增加本集團之資金流動性。與此同時，集團亦與其他四家東莞福安之股東訂立若干股份收購協議（「股份收購」）。董事會已評估多個可選方案並決定股份收購乃能盡早使用由物業合同之交易所產生的現金之方法最有效，並為東莞福安股東可以接受之方法。

製造及銷售色布、縫紉線及紗

在回顧期內，由於經濟疲弱和東莞縮減產能導致的產能下降，製造及銷售色布、縫紉線及紗的營業額約為2,086,687,000港元，比去年同期減少24.0%，佔集團營業額總值的83.9%。

製造及銷售成衣

在二零零九年上半財政年度期間，製造及銷售成衣的營業額達到約401,632,000港元，較去年同期增加22.8%，佔集團營業額總值的16.1%。

客戶所屬地域分析

在回顧期內，集團之主要客戶位於亞洲，佔集團營業額總值約92.0%。而餘下的8.0%則來自銷售予位於歐洲及美洲的客戶。

OUTLOOK 展望

Looking forward to the second half of the Group's financial year of 2009, it is expected that the aftermath of the global financial turmoil will continue to adversely affect the retail consumer spending in the US and Europe. As a result, the demand for textile and apparel products is anticipated to remain sluggish. Our foreign customers have continuously expressed concerns over the near term outlook of the retail business, which may result in continuation of conservative placements of fabric and garment orders.

For the fabric business, following consolidation of fabric supply chain by some of our key customers and our implementation of more aggressive sales strategies, cost control and streamlining measures, the Group has already seen some improvements in sales volume and business performance in the initial months of the second half of the current financial year. The Group currently possesses a total of approximately 23 million pounds of monthly fabric dyeing capacity. Because of weakness in demand and uncertainty in market outlook, the completion of the Yancheng fabric mill has been delayed. The Group will monitor closely the market conditions and our clients order plan before commissioning the Yancheng fabric mill. Meanwhile, the Group's plant in Jiangyin, Jiangsu Province, remains the largest fabric production site within the Group and is expected to represent about half of the Group's total capacity. This phased plan of balancing the distribution of capacity between the Pearl River Delta and the Yangtze River Delta of the PRC will enable the Group to strategically diversify our geographical risk and lessen the impact of rising costs of producing in Southern part of the PRC in the long term.

Despite increase in sales during the period under review, the market for garment export remains volatile and highly competitive. Under such market conditions, the Group expects possibilities of weakening in the performance of garment business in the second half of this financial year.

The Group has continued to implement stringent cost-controlling measures to reduce our overall operating costs. The number of employees of the Group has been reduced from 18,200 as of 31st August, 2008 to 16,500 as of 28th February, 2009. Given the current assessment of the market environment, the Group maintains an extremely cautious view on the Group's overall performance for the whole financial year.

展望集團二零零九年下半財政年度，預期全球金融危機的餘波將持續危及美國和歐洲零售顧客的消費能力。因此，紡織及成衣產品的需求預期保持呆滯。集團國外顧客已持續反映對近期零售業務前景展望的憂慮，這可能導致他們於布料及成衣審慎落單的持續。

有關布料業務，隨著集團部分主要客戶對布料供應鏈的整合，以及我們推行更加進取的銷售策略、成本控制和優化措施，於本財政年度下半年度的最初數月，集團已看到銷售數量和業務績效的若干改善。集團現時總染布產能為每月大約2千3百萬磅。由於需求疲弱及市場前景的不確定性，鹽城布料廠房的竣工已經被推後。在鹽城布料廠房投產之前，集團將密切留意市場狀況和客戶訂單安排。同時，集團位於中國江蘇省江陰的廠房仍然是集團內最大的布料生產廠房，並預期達到約集團總產能的一半。這在中國珠江三角洲和長江三角洲之間逐步平衡產能分佈的計劃將有助於集團策略性地分散集團的地域風險及舒緩中國南方地區生產成本長期上漲的衝擊。

儘管回顧期間銷售錄得增長，成衣出口市場依舊波動而且競爭異常激烈。在此市場情形下，集團預期本財政年度的下半年度成衣業務的表現可能欠佳。

集團已持續實施從緊的成本控制措施以降低集團的整體營運成本。集團的僱員人數已由二零零八年八月三十一日的18,200減少至二零零九年二月二十八日的16,500。基於評估現在市場環境，集團維持對集團於整個財政年度的整體表現保持極其審慎的態度。

FINANCIAL REVIEW 財務回顧

Liquidity and Financial Information

At 28th February, 2009, the total amount of bank deposits, bank balances and cash of the Group was approximately HK\$656,825,000, a decrease of approximately HK\$28,673,000 compared with 31st August, 2008.

At 28th February, 2009, the financial ratios (inclusive of interim dividend declared, if any) of the Group were as follows:

Gearing ratio	資本負債比率
Bank borrowings ratio	銀行借貸比率
Net bank borrowings ratio	銀行借貸淨值比率

The Group has engaged in certain interest rate swap contracts for part of the term loans in order to convert the variable HIBOR rate to fixed rates ranging from 2.4% to 4.07%. Owing to the dramatic decrease in the HIBOR rate, a loss from change in fair values of approximately HK\$34,936,000 was included as other expenses for the period ended 28th February, 2009.

The sales and the purchase of raw materials of the Group are mainly denominated in Hong Kong dollars, US dollars and Renminbi. Bank borrowings are also denominated in Hong Kong dollars, US dollars and Renminbi and interest are mainly charged on a floating rate basis. In addition, the Group mainly operates in the PRC and is exposed to foreign exchange risk arising from Renminbi exposure. The fluctuations in the US dollars and Renminbi have always been the concern of the Group. In order to mitigate the foreign currency risk and interest rate risk, the Group will enter into appropriate hedging arrangements in accordance with the Group's risk management policies.

Capital Expenditure

During the period under review, the Group invested approximately HK\$147,208,000 in the property, plant and equipment and prepaid lease payments. The Group estimates its capital expenditure for this financial year to be approximately HK\$300,000,000. Although this figure is higher than that estimated in the annual report of last year, it represents a reduction of about 42% from the capital expenditure of last year. The increase in capital expenditure is due to additional investments in the Group's production facilities in China and Sri Lanka for enhancing efficiency and competitiveness.

流動資金及財務資料

於二零零九年二月二十八日，集團之銀行存款、銀行結存及現金總值約為656,825,000港元，比二零零八年八月三十一日減少約28,673,000港元。

於二零零九年二月二十八日，集團之財務比率(包括已宣派之中期股息在內，如有)如下：

28th February, 2009 二零零九年 二月二十八日	31st August, 2008 二零零八年 八月三十一日
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1.53	1.45
1.02	0.93
0.73	0.65

集團已為部分定期貸款訂立若干利率互換協議，以轉換變動的香港銀行同業拆息利率為2.4%到4.07%之間的固定利率。由於香港銀行同業拆息利率的顯著下跌，截至二零零九年二月二十八日之回顧期內一筆源於公平價值變動的34,936,000港元之損失被列入了其他費用。

本集團之銷售及原料採購以港元、美元及人民幣為主。銀行借貸亦以港元、美元及人民幣為單位，利息主要以浮動利率計算。此外，本集團主要於中國經營業務，故涉及人民幣所產生之外匯風險。本集團一直關注美元及人民幣匯率之波動。為降低外匯及利率風險，本集團會依據風險管理政策作出合適的對沖安排。

資本開支

於回顧期內，本集團已投資約147,208,000港元以用於物業、機器及設備和預付租賃款項。集團估計本財政年度的資本開支約為3億港元。儘管這個金額高於去年年報估計的金額，但是較上一財政年度的資本開支減少約42%。資本開支的增加是因為集團於中國和斯里蘭卡生產設施的追加投資以提升效益和競爭優勢。

EMPLOYEES AND EMOLUMENT POLICIES 僱員及酬金政策

At 28th February, 2009, the Group had approximately 16,500 full time employees. There is no significant change in the Group's emolument policies.

集團於二零零九年二月二十八日之全職僱員人數約為16,500人，而集團之酬金政策並無重大改變。

DIRECTORS' INTERESTS IN SECURITIES 董事之證券權益

At 28th February, 2009, the interests of the directors of the Company and their associates in the shares and underlying shares of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance ("SFO"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules (the "Model Code"), were as follows:

於二零零九年二月二十八日，根據本公司按證券及期貨條例(「證券及期貨條例」)第352條設置之名冊所記錄或按上市規則內上市公司董事進行證券交易之標準守則(「標準守則」)須通知本公司及香港聯合交易所有限公司(「聯交所」)之資料，本公司各董事及其聯繫人於本公司及其聯營公司所擁有之股份及相關股份權益如下：

Long positions in shares and underlying shares of the Company:

於本公司股份及相關股份的好倉情況：

Name of director 董事名稱	Number of shares held as 持有股份數目			Approximate % of the issued share capital 約佔已發行 股本比率
	Beneficial owner 實益擁有人	Other interests 其他權益	Total 總數	
Mr. HA Chung Fong 夏松芳先生	46,716,000	280,082,044 (note) (附註)	326,798,044	41.16
Mr. HA Kam On, Victor 夏錦安先生	798,000	-	798,000	0.10
Mr. LAU Hong Yon 柳康遠先生	280,000	-	280,000	0.04
Mrs. FUNG YEH Yi Hao, Yvette 馮葉儀皓女士	70,000	-	70,000	0.01

DIRECTORS' INTERESTS IN SECURITIES (Continued)*Note:*

Mr. HA Chung Fong was deemed to be interested in 280,082,044 shares in the Company in virtue of the set up of a discretionary trust, the HA Trust, for the benefit of his family and Trustcorp Limited ("Trustcorp") is the trustee of the HA Trust. Trustcorp is the wholly owned subsidiary of Newcorp Holdings Limited ("Newcorp").

Other than as disclosed above, none of the directors of the Company nor their associates had any interests or short positions in any shares and underlying shares of the Company or any of its associated corporations, which were recorded in the register as required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' AND OTHER SHAREHOLDERS' INTERESTS

主要股東及其他股東權益

At 28th February, 2009, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain directors, the following shareholders had notified the Company of relevant interests in the issued share capital of the Company.

董事之證券權益 (續)*附註：*

由於夏松芳先生為其家族利益成立一項酌情信託the HA Trust，因此被當作擁有280,082,044股本公司股份權益。Trustcorp Limited (「Trustcorp」) 為the HA Trust之受託人。Trustcorp是Newcorp Holdings Limited (「Newcorp」) 之全資附屬公司。

除上述披露外，根據本公司按證券及期貨條例第352條設置之名冊所記錄或按標準守則須通知本公司及聯交所之資料，本公司董事及其聯繫人並無擁有本公司或本公司任何聯營公司任何股份及相關股份權益或淡倉。

於二零零九年二月二十八日，根據本公司按證券及期貨條例第336條所設置的主要股東名冊顯示，除上述部份董事已披露之權益外，以下股東已通知本公司其擁有本公司已發行股本的有關權益。

SUBSTANTIAL SHAREHOLDERS' AND OTHER SHAREHOLDERS' INTERESTS (Continued)

主要股東及其他股東權益 (續)

Long positions in shares and underlying shares of the Company:

於本公司股份及相關股份的好倉情況：

Name of substantial shareholder 主要股東名稱	Number of shares 股份數目	Capacity 身份	Approximate % of the issued share capital 約佔已發行 股本比率
Ms. TANG Kuen Mui 鄧娟妹女士	326,798,044 (notes 1 and 3) (附註1及3)	Spouse interest 配偶權益	41.16
Newcorp	280,082,044 (notes 2 and 3) (附註2及3)	Interest of corporation controlled 所控制的法團的權益	35.27
Templeton Investment Counsel, LLC	46,724,566	Investment manager 投資經理	5.88
Brandes Investment Partners, L.P.	126,325,000	Investment manager 投資經理	15.91
The Bank of New York Mellon Corporation	58,685,900 (note 4) (附註4)	Interest of corporation controlled 所控制的法團的權益	7.39
Franklin Templeton Investments Corp.	77,465,989	Investment manager 投資經理	9.76

Notes:

附註：

- Ms. TANG Kuen Mui, spouse of Mr. HA Chung Fong, was deemed to be interested in the shares.
- Newcorp is the ultimate controlling shareholder of Trustcorp and Trustcorp is the trustee of the HA Trust, a discretionary trust set up by Mr. HA Chung Fong for the benefit of his family.
- The interests of Mr. HA Chung Fong, Ms. TANG Kuen Mui and Newcorp were duplicated.
- The 58,685,900 shares included a lending pool of 42,903,900 shares.

- 鄧娟妹女士為夏松芳先生之配偶，因而被當作擁有該等股份權益。
- Newcorp乃Trustcorp之最終控股股東，而Trustcorp為the HA Trust之受託人，the HA Trust為夏松芳先生為其家族利益而成立的一項酌情信託。
- 夏松芳先生、鄧娟妹女士及Newcorp之權益是重複的。
- 於58,685,900股內包括42,903,900股可供借出的股份。

Other than as disclosed above, the Company has not been notified of any other relevant interests or short position in the issued share capital of the Company as at 28th February, 2009.

除上述披露外，於二零零九年二月二十八日，本公司並無收到任何其他擁有本公司已發行股本的有關權益或淡倉通知。

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES 購買、出售及贖回本公司之上市證券

For the period under review, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

於回顧期內本公司及其任何附屬公司並無購買、出售或贖回本公司之任何上市證券。

CODE OF CORPORATE GOVERNANCE PRACTICES 企業管治常規守則

None of the directors of the Company is aware of any information which would reasonably indicate that the Company is not, or, was not during the six months ended 28th February, 2009 in compliance with the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Listing Rules, with deviation from the Code provision as explained below.

本公司董事概不知悉任何資料，足以合理地顯示本公司於截至二零零九年二月二十八日止六個月期間未有或未曾遵守上市規則附錄14所載之企業管治常規守則（「守則」），惟下文所載之守則條文之偏離行為除外。

Under the Code provision A.2.1, the roles of chairman and chief executive officer ("CEO") should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and CEO should be clearly established and set out in writing. Mr. HA Chung Fong ("Mr. HA") is presently the Chairman and Managing Director of the Company. Having considered the current business operation and nature of the Company, the Board is of the view that Mr. HA acting as both the roles of chairman and CEO is in the best interest of the Company. The Board will review this situation periodically.

按守則條文A.2.1規定，主席與行政總裁（「行政總裁」）的角色應有區分，不應由一人同時兼任。主席與行政總裁之間之職責分工應清楚界定並以書面列載。夏松芳先生（「夏先生」）現為本公司之主席兼董事總經理。經考慮本公司之現有業務運作及特性，董事會認為夏先生同時擔任主席及行政總裁之角色乃最符合本公司利益。董事會將定期檢討此情況。

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS 董事進行證券交易的標準守則

The Company has adopted the Model Code as its own code of conduct regarding directors' securities transactions. Having made specific enquiry of all directors of the Company, the Company considers that all directors of the Company have complied with the required standard set out in the Model Code for the period under review.

本公司已採納標準守則為其有關董事進行證券交易之守則。經向本公司所有董事作出查詢後，本公司認為本公司所有董事於回顧期內均已遵守標準守則所要求的標準。

AUDIT COMMITTEE 審核委員會

The Company has established an Audit Committee for the purposes of reviewing and providing supervision over the Company's financial reporting process and internal controls. The Audit Committee presently comprises the three independent non-executive directors of the Company. The Audit Committee has reviewed the unaudited interim results. In addition, the Group's external auditor has carried out a review of the unaudited interim results in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA.

本公司已成立審核委員會，藉以檢討及監察本公司之財務申報程序及內部監控制度。審核委員會現由三位本公司獨立非執行董事組成。審核委員會已審閱未經審核之中期業績。再者，本集團之外聘核數師已依照香港會計師公會頒佈的香港審閱工作準則第2410號「獨立核數師對中期財務資訊的審閱」對未經審核之中期業績進行審閱。

REMUNERATION COMMITTEE 薪酬委員會

The Company has established a Remuneration Committee for the purposes of making recommendations to the Board on the Company's remuneration policy and structure for directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remunerations. The Remuneration Committee presently comprises five directors of the Company, including the three independent non-executive directors of the Company, Mrs. FUNG YEH Yi Hao, Yvette (non-executive director of the Company) and Mr. WAI Yick Man (executive director of the Company).

本公司已成立薪酬委員會，藉以向董事會就董事及高級管理人員的薪酬政策及架構，以及就設立正規而具透明度的程序制訂此等薪酬政策提供建議。薪酬委員會現由五位本公司董事組成，包括三位本公司獨立非執行董事、馮葉儀皓女士(本公司非執行董事)及衛億民先生(本公司執行董事)組成。

On behalf of the Board

HA Chung Fong

Chairman

Hong Kong

15th May, 2009

代董事會

主席

夏松芳

香港

二零零九年五月十五日

SHAREHOLDER INFORMATION 股東資料

Listing : Listed on the Main Board of
The Stock Exchange of Hong Kong Limited
since 20th April, 1988

Stock Code : 420

Board Lot : 2,000

Par Value : HK\$0.20

Shares Issued : 794,010,960

上市 : 自一九八八年四月二十日起於
香港聯合交易所有限公司主板
上市

股份代號 : 420

買賣單位 : 2,000

面值 : 0.20港元

已發行股份 : 794,010,960

Financial Calendar 2009/2010

Financial year ended 31st August, 2009

Interim results announced 15th May, 2009

Register of members closed N/A

Distribution of dividend N/A

2009 full year results to be announced Mid-December 2009

2009/2010年財務日誌

財政年度結算 二零零九年八月三十一日

中期業績公佈 二零零九年五月十五日

股份暫停登記 不適用

股息派發 不適用

2009年全年業績公佈 二零零九年十二月中旬

Interim Dividend

The Board does not recommend the declaration of an interim dividend for the year ending 31st August, 2009 (2008: HK1.0 cent).

中期股息

董事會不建議派發截至二零零九年八月三十一日止年度中期股息(二零零八年: 1.0港仙)。

Shareholder Services

For enquiries about share transfer and registration, please contact the Company's share registrar:

股東服務

任何有關股份過戶及登記之查詢，請聯絡本公司股份過戶登記處：

Tricor Secretaries Limited

26/F, Tesbury Centre
28 Queen's Road East
Wanchai, Hong Kong
Tel +852 2980 1766
Fax +852 2861 1465

卓佳秘書商務有限公司

香港灣仔皇后大道東28號
金鐘匯中心26樓
電話+852 2980 1766
傳真+852 2861 1465

Investor Relations

Ms Charmaine CHENG
Corporate Communications & Investor Relations Manager
Block A, 6/F, Eastern Sea Industrial Building
29-39 Kwai Cheong Road, Kwai Chung
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Tel +852 3478 7017
Email pr@fshl.com

投資者關係

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企業傳訊及投資者關係經理
香港新界葵涌葵昌路29-39號
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Global Network | 環球網絡

FOUNTAIN SET (HOLDINGS) LIMITED
福田實業 (集團)有限公司

Block A, 7/F, Eastern Sea Industrial Building,
29-39 Kwai Cheong Road, Kwai Chung,
New Territories, Hong Kong

香港新界葵涌葵昌路29-39號
東海工業大廈A座7字樓

Tel 電話 +852 2485 1881

Fountain Set has overseas marketing/representative offices in the following locations. Addresses, phone numbers and fax numbers are listed at www.fshl.com

福田實業於下列地區設有海外市場推廣辦事處/代表處，地址、電話號碼及傳真號碼均列明在www.fshl.com內

New York • Toronto • Vancouver • Ho Chi Minh City • Seoul • Shanghai • Shenzhen • Singapore
紐約 • 多倫多 • 溫哥華 • 胡志明市 • 首爾 • 上海 • 深圳 • 新加坡

Production facilities are set up in the following countries:

於下列國家設有生產設施：

The PRC • Indonesia • Sri Lanka
中國 • 印尼 • 斯里蘭卡