



福田實業(集團)有限公司

Fountain Set (Holdings) Limited

The World's Finest Circular Knits. Since 1969.

世界優質圓筒針織，始於1969

SEHK: 420

2012 INTERIM REPORT 中期報告

編織創意，活出新意。  
*Knit Different. Live Different.*



## GROUP PROFILE

### About Fountain Set (Holdings) Limited

Fountain Set (Holdings) Limited and its subsidiaries are recognized 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 Group's worldwide sales reached HK\$7.6 billion (US\$974 million) in the financial year 2011.

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 5 countries and a global staff force of over 14,200.

To learn more about Fountain Set, please visit [www.fshl.com](http://www.fshl.com)

## 集團簡介

### 有關福田實業(集團)有限公司

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布料生產商之一，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。作為主要布料供應商，集團向超過40個國家的成衣製造商提供布料，以供應成衣至國際知名的零售品牌。集團於2011年財政年度的環球銷售額達76億港元(9.74億美元)。

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／代表處分佈五個國家，全球僱員超過14,200人。

欲知更多集團資料，請瀏覽 [www.fshl.com](http://www.fshl.com)

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION 中期財務資料審閱報告

**Deloitte.**  
**德勤**

TO THE BOARD OF DIRECTORS OF FOUNTAIN SET (HOLDINGS) LIMITED  
(incorporated in Hong Kong with limited liability)

致福田實業(集團)有限公司董事會

(於香港註冊成立之有限公司)

**Introduction**

We have reviewed the interim financial information set out on pages 2 to 26, which comprises the condensed consolidated statement of financial position of Fountain Set (Holdings) Limited (the "Company") and its subsidiaries as of 29 February 2012 and the related condensed consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

**引言**

本行已審閱載於第2至26頁之中期財務資料，當中包括福田實業(集團)有限公司(「貴公司」)及其附屬公司於2012年2月29日之簡明綜合財務狀況報表，以及截至該日止6個月期間之相關簡明綜合收益表、全面收益表、權益變動表及現金流量表，以及若干附註解釋。香港聯合交易所有限公司主板證券上市規則規定，編製中期財務資料之報告須遵守其項下相關條文，以及香港會計師公會頒佈之香港會計準則第34號「中期財務申報」(「香港會計準則第34號」)。貴公司董事須負責根據香港會計準則第34號編製及呈列此中期財務資料。本行之責任乃根據本行之審閱結果就中期財務資料提出結論，並按照與本行協定之聘用條款，僅向閣下全體報告。除此以外，本報告不作其他用途。本行概不就本報告之內容對任何其他人士負責或承擔法律責任。

**Scope of review**

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

**審閱範圍**

本行已根據香港會計師公會頒佈之《香港審閱委聘準則》第2410號「實體獨立核數師對中期財務資料之審閱」進行審閱。審閱中期財務資料包括向負責財務及會計事務之人士作出查詢，並應用分析性及其他審閱程序。審閱範圍遠小於根據香港核數準則進行審核之範圍，故本行未能保證本行將知悉在審核中可能發現之所有重大事項。因此，本行不會發表審核意見。

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

**結論**

根據本行之審閱，本行並無發現任何事項致使本行相信中期財務資料未有於各重大方面根據香港會計準則第34號編製。

Deloitte Touche Tohmatsu  
Certified Public Accountants  
Hong Kong  
13 April 2012

德勤•關黃陳方會計師行  
執業會計師  
香港  
2012年4月13日

## Condensed Consolidated Income Statement 簡明綜合收益表

For the six months ended 29 February 2012  
截至2012年2月29日止6個月

		Six months ended 截至下列日期止6個月	
		29 February 2012 2012年 2月29日 HK\$' 000 千港元 (unaudited) (未經審核)	28 February 2011 2011年 2月28日 HK\$' 000 千港元 (unaudited) (未經審核)
Revenue	營業額	3	3,207,910
Cost of sales	銷售成本		(2,958,605)
Gross profit	毛利		249,305
Other income and gains	其他收入及收益		72,452
Distribution and selling expenses	分銷及銷售費用		(99,549)
Administrative expenses	行政費用		(325,913)
Other expenses	其他費用		(1,043)
Finance costs	融資成本	4	(37,509)
(Loss) profit before taxation	除稅前(虧損)盈利		(142,257)
Income tax expense	所得稅支出	5	(16,735)
(Loss) profit for the period	是期間(虧損)盈利	6	(158,992)
(Loss) profit for the period attributable to:	應佔是期間(虧損)盈利：		
Owners of the Company	本公司擁有人		(157,628)
Non-controlling interests	非控股權益		(1,364)
			(158,992)
			HK cents 港仙
(Loss) earnings per share	每股(虧損)盈利	8	
Basic	基本		(19.9)
Diluted	攤薄		(19.9)



# Condensed Consolidated Statement of Comprehensive Income

## 簡明綜合全面收益表

For the six months ended 29 February 2012  
截至2012年2月29日止6個月

		Six months ended	
		截至下列日期止6個月	
		29 February	28 February
		2012	2011
		2012年	2011年
		2月29日	2月28日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
(Loss) profit for the period	是期間(虧損)盈利	(158,992)	163,084
Other comprehensive (expense) income:	其他全面(開支)收益:		
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	(224)	4,766
Reclassification adjustment of translation reserve upon disposal of subsidiaries	出售附屬公司時匯兌儲備之重新分類調整	-	(616)
Other comprehensive (expense) income for the period	是期間其他全面(開支)收益	(224)	4,150
Total comprehensive (expense) income for the period	是期間全面(開支)收益總值	(159,216)	167,234
Total comprehensive (expense) income for the period attributable to:	應佔是期間全面(開支)收益總值:		
Owners of the Company	本公司擁有人	(157,973)	155,804
Non-controlling interests	非控股權益	(1,243)	11,430
		(159,216)	167,234

## Condensed Consolidated Statement of Financial Position 簡明綜合財務狀況表

At 29 February 2012  
於2012年2月29日

			At 29 February 2012 2012年 2月29日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 August 2011 2011年 8月31日 HK\$'000 千港元 (audited) (已經審核)
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、機器及設備	9	1,996,084	2,155,311
Prepaid lease payments	預付租賃款項			
– non-current portion	– 非流動部份		108,808	119,207
Deposits paid for acquisition of property, plant and equipment	購買物業、機器及設備之已付按金		14,698	–
Prepayments for and rights under life insurance policies	人壽保險保單預付款項及權利	10	36,323	–
Deferred tax assets	遞延稅項資產		18,080	25,689
			<u>2,173,993</u>	<u>2,300,207</u>
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	11	1,695,109	1,683,454
Trade and bills receivables	營業及票據應收款項	12	1,254,583	1,275,741
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	12	221,707	214,193
Prepaid lease payments	預付租賃款項			
– current portion	– 流動部份		2,525	2,732
Derivative financial instruments	衍生金融工具		2,489	4,984
Tax recoverable	可收回稅項		6,186	3,039
Short-term bank deposits	短期銀行存款		112,514	106,075
Bank balances and cash	銀行結存及現金		853,677	1,018,477
			<u>4,148,790</u>	<u>4,308,695</u>
Assets classified as held for sale	分類為持作出售之資產	13	66,615	–
			<u>4,215,405</u>	<u>4,308,695</u>
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and bills payables	營業及票據應付款項	14	850,738	698,433
Other payables and accruals	其他應付款項及應計費用	14	304,503	320,661
Amounts due to non-controlling shareholders	欠非控股股東款項		80,100	80,100
Consideration payable	應付代價	15	–	23,501
Deferred income – current portion	遞延收入 – 流動部份		1,458	1,458
Derivative financial instruments	衍生金融工具		743	108
Tax payable	應付稅項		99,418	131,311
Bank borrowings	銀行借貸			
– due within one year	– 一年內到期	16	1,679,991	1,443,532
Bank overdrafts	銀行透支		15,313	–
			<u>3,032,264</u>	<u>2,699,104</u>
<b>Net current assets</b>	<b>流動資產淨值</b>		<u>1,183,141</u>	<u>1,609,591</u>
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>		<u>3,357,134</u>	<u>3,909,798</u>

## Condensed Consolidated Statement of Financial Position 簡明綜合財務狀況表

At 29 February 2012  
於2012年2月29日

			At 29 February 2012 2012年 2月29日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 August 2011 2011年 8月31日 HK\$'000 千港元 (audited) (已經審核)
	Note 附註			
<b>Non-current liabilities</b>		<b>非流動負債</b>		
Deferred income		遞延收入		
– non-current portion		– 非流動部份	66,349	67,080
Derivative financial instruments		衍生金融工具	33,970	45,583
Bank borrowings		銀行借貸		
– due after one year		– 一年後到期	384,387	755,854
Deferred tax liabilities	16	遞延稅項負債	3,312	3,055
			<u>488,018</u>	<u>871,572</u>
<b>Net assets</b>		<b>資產淨值</b>	<u>2,869,116</u>	<u>3,038,226</u>
<b>Capital and reserves</b>		<b>資本及儲備</b>		
Share capital		股本	158,802	158,802
Reserves		儲備	2,518,717	2,679,224
Equity attributable to owners of the Company		本公司擁有人應佔權益	2,677,519	2,838,026
Non-controlling interests		非控股權益	191,597	200,200
<b>Total equity</b>		<b>權益總值</b>	<u>2,869,116</u>	<u>3,038,226</u>

# Condensed Consolidated Statement of Changes in Equity

## 簡明綜合權益變動表

For the six months ended 29 February 2012  
截至2012年2月29日止6個月

		Attributable to owners of the Company 本公司擁有人應佔							Non-controlling interests		Total equity
		Share capital	Share premium	Capital redemption reserve	Translation reserve	Share options reserve	Statutory reserves	Retained profits	Total	Non-controlling interests	Total equity
		股本	股份溢價	贖回儲備	匯兌儲備	購股權儲備	法定儲備	滾存盈利	總值	非控股權益	權益總值
		HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 September 2010 (audited)	於2010年9月1日(已經審核)	158,802	197,124	210	(35,138)	-	42,193	2,270,134	2,633,325	179,770	2,813,095
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	2,309	-	-	-	2,309	2,457	4,766
Reclassification adjustment of translation reserve upon disposal of subsidiaries	出售附屬公司時匯兌儲備之重新分類調整	-	-	-	(616)	-	-	-	(616)	-	(616)
Profit for the period	是期間盈利	-	-	-	-	-	-	154,111	154,111	8,973	163,084
Total comprehensive income for the period	是期間全面收益總值	-	-	-	1,693	-	-	154,111	155,804	11,430	167,234
Equity-settled share-based payments	以權益結算以股份為基礎之付款	-	-	-	-	1,408	-	-	1,408	-	1,408
Dividends recognised as distribution (note 7)	已確認分派之股息(附註7)	-	-	-	-	-	-	(7,940)	(7,940)	-	(7,940)
Capital contribution from a non-controlling shareholder	非控股股東之注資	-	-	-	-	-	-	-	-	4	4
Dividends paid to non-controlling shareholders	已付股息予非控股股東	-	-	-	-	-	-	-	-	(11,610)	(11,610)
At 28 February 2011 (unaudited)	於2011年2月28日(未經審核)	158,802	197,124	210	(33,445)	1,408	42,193	2,416,305	2,782,597	179,594	2,962,191
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	1,217	-	-	-	1,217	1,852	3,069
Reclassification adjustment of translation reserve upon disposal of subsidiaries	出售附屬公司時匯兌儲備之重新分類調整	-	-	-	(4,550)	-	-	-	(4,550)	-	(4,550)
Profit for the period	是期間盈利	-	-	-	-	-	-	56,775	56,775	19,859	76,634
Total comprehensive (expense) income for the period	是期間全面(開支)收益總值	-	-	-	(3,333)	-	-	56,775	53,442	21,711	75,153
Equity-settled share-based payments	以權益結算以股份為基礎之付款	-	-	-	-	1,987	-	-	1,987	-	1,987
Dividends paid to non-controlling shareholders	已付股息予非控股股東	-	-	-	-	-	-	-	-	(290)	(290)
Appropriation to a non-controlling shareholder upon deregistration of a subsidiary	取消註冊附屬公司時分派予非控股股東	-	-	-	-	-	-	-	-	(815)	(815)
At 31 August 2011 and 1 September 2011 (audited)	於2011年8月31日及2011年9月1日(已經審核)	158,802	197,124	210	(36,778)	3,395	42,193	2,473,080	2,838,026	200,200	3,038,226
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	(345)	-	-	-	(345)	121	(224)
Loss for the period	是期間虧損	-	-	-	-	-	-	(157,628)	(157,628)	(1,364)	(158,992)
Total comprehensive expense for the period	是期間全面開支總值	-	-	-	(345)	-	-	(157,628)	(157,973)	(1,243)	(159,216)
Equity-settled share-based payments	以權益結算以股份為基礎之付款	-	-	-	-	5,406	-	-	5,406	-	5,406
Dividends recognised as distribution (note 7)	已確認分派之股息(附註7)	-	-	-	-	-	-	(7,940)	(7,940)	-	(7,940)
Transfers	調撥	-	-	-	-	-	1,109	(1,109)	-	-	-
Dividends paid to non-controlling shareholders	已付股息予非控股股東	-	-	-	-	-	-	-	-	(7,360)	(7,360)
At 29 February 2012 (unaudited)	於2012年2月29日(未經審核)	158,802	197,124	210	(37,123)	8,801	43,302	2,306,403	2,677,519	191,597	2,869,116



## Condensed Consolidated Statement of Cash Flows 簡明綜合現金流量表

For the six months ended 29 February 2012  
截至2012年2月29日止6個月

		Six months ended 截至下列日期止6個月	
		29 February 2012 2012年 2月29日 HK\$'000 千港元 (unaudited) (未經審核)	28 February 2011 2011年 2月28日 HK\$'000 千港元 (unaudited) (未經審核)
	Note 附註		
Net cash from operating activities	營運項目所得之現金淨值	84,710	191,675
Net cash (used in) from investing activities:	投資項目(所用)所得之現金淨值:		
Purchase of property, plant and equipment	購買物業、機器及設備	(41,842)	(73,683)
Upfront payments under life insurance policy contracts	人壽保險保單合約之預付款項	(36,178)	-
Deposits paid for acquisition of property, plant and equipment	購買物業、機器及設備之已付按金	(14,698)	-
Consideration received from sale of assets classified as held for sale	出售分類為持作出售資產之所收代價	-	94,145
Other investing cash flows	其他投資之現金流量	44,892	3,436
		<u>(47,826)</u>	<u>23,898</u>
Net cash used in financing activities:	融資項目所用之現金淨值:		
Repayment of bank borrowings	償還銀行借貸	(1,670,594)	(2,269,783)
Payments for consideration payable	支付應付代價	(23,501)	(12,129)
Dividends paid to non-controlling shareholders	已付股息予非控股股東	(7,360)	(11,610)
Dividends paid	已付股息	(7,940)	(7,940)
New bank borrowings raised	新籌集之銀行借貸	1,532,382	2,057,008
Other financing cash flows	其他融資之現金流量	(33,745)	(28,943)
		<u>(210,758)</u>	<u>(273,397)</u>
Net decrease in cash and cash equivalents	現金及等同現金項目之減少淨值	(173,874)	(57,824)
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	1,124,552	666,990
Effect of foreign exchange rate changes	匯率變動之影響	204	3,144
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	<u>950,882</u>	<u>612,310</u>
<b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS:</b>	<b>現金及等同現金項目結存之分析:</b>		
Short-term bank deposits	短期銀行存款	112,514	5,565
Bank balances and cash	銀行結存及現金	853,677	652,146
Bank balances and cash classified as held for sale	分類為持作出售之銀行結存及現金	4	-
Bank overdrafts	銀行透支	(15,313)	(45,401)
		<u>950,882</u>	<u>612,310</u>

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 29 February 2012  
截至2012年2月29日止6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 (the "Listing Rules") and with Hong Kong Accounting Standard ("HKAS") 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 and methods of computation used in the condensed consolidated financial statements for six months ended 29 February 2012 are the same as those followed in the preparation of annual financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 August 2011 except for the accounting policy for prepayments for and rights under life insurance policies newly adopted by the Group which has been disclosed below.

#### Prepayments for and rights under life insurance policies

Prepaid life insurance premium component of the relevant contracts is amortised over the life insurance policy period on a straight-line basis. The remaining component of the contracts contains discretionary participation feature as well as a guaranteed element. Under the discretionary participation feature, the relevant insurers have full discretion to declare interest on top of the guaranteed interest on a monthly basis. Interest income is recognised upon monthly declaration of the interest by the insurers. Rights under life insurance policies are stated in the condensed consolidated statement of financial position at cost plus accumulated interest earned and minus insurance costs and administrative charges.

Moreover, in the current interim period, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations ("new and revised HKFRSs") issued by the HKICPA, which are effective for the Group's financial year beginning on 1 September 2011.

### 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(「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(「香港會計準則」)第34號「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。

截至2012年2月29日止6個月之簡明綜合財務報表所採用之會計政策及計算方法與編製本公司及其附屬公司(統稱「本集團」)截至2011年8月31日止年度之全年財務報表所遵循者相同,惟下文所述本集團就人壽保險保單預付款項及權利新採納之會計政策除外。

#### 人壽保險保單預付款項及權利

相關合約之預付人壽保險保費部份按人壽保險保單年期以直線法攤銷。合約之餘下部份具備酌情分紅特點及包含保證成份。根據酌情分紅特點,相關保險公司每月可全權酌情在保證利息以外宣派利息。利息收入於保險公司每月宣派利息時確認。人壽保險保單權利於簡明綜合財務狀況表中按成本加所賺取之累計利息,扣除保費及行政費用列賬。

此外,於本中期期間,本集團首次應用下列由香港會計師公會頒佈並於本集團2011年9月1日開始之財政年度生效之新訂及經修訂準則、修訂本及詮釋(「新訂及經修訂香港財務報告準則」)。

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

For the six months ended 29 February 2012  
截至2012年2月29日止6個月

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

- Improvements to HKFRSs issued in 2010 that are effective for annual periods beginning on or after 1 January 2011
- HKFRS 7 (Amendments) “Disclosures – Transfers of Financial Assets”
- HKAS 24 (as revised in 2009) “Related Party Disclosures”
- Amendments to HK(IFRIC) – Int 14 “Prepayments of a Minimum Funding Requirement”

The application of the above new or revised HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

The Group has not early applied new or revised HKFRSs that have been issued but are not yet effective. The following new or revised HKFRSs have been issued after the date the consolidated financial statements for the year ended 31 August 2011 were authorised for issuance and are not yet effective:

#### Amendments to HKFRS 7

香港財務報告準則第7號之修訂本

#### Amendments to HKFRS 7 and HKFRS 9

香港財務報告準則第7號及第9號之修訂本

#### Amendments to HKAS 32

香港會計準則第32號之修訂本

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2013.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2015.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2014.

The directors of the Company anticipate that the application of the new and revised HKFRSs will have no material impact on the results and the financial position of the Group.

### 2. 主要會計政策(續)

- 2010年頒佈之香港財務報告準則的改進，於2011年1月1日或之後開始之年度期間生效
- 香港財務報告準則第7號(修訂本)「披露-金融資產之轉撥」
- 香港會計準則第24號(於2009年經修訂)「關連方披露」
- 香港(國際財務報告詮釋委員會)-詮釋第14號之修訂本「最低資本規定之預付款項」

於本中期期間應用上述新訂或經修訂香港財務報告準則並無對該等簡明綜合財務報表所呈報之金額及/或該等簡明綜合財務報表所披露之事項造成重大影響。

本集團並無提早應用已頒佈但尚未生效之新訂或經修訂香港財務報告準則。下列新訂或經修訂香港財務報告準則於截至2011年8月31日止年度之綜合財務報表經授權刊發後已頒佈但尚未生效：

#### Disclosures – Offsetting Financial Assets and Financial Liabilities<sup>1</sup>

披露-抵銷金融資產及金融負債<sup>1</sup>

#### Mandatory Effective Date of HKFRS 9 and Transition Disclosures<sup>2</sup>

香港財務報告準則第9號之強制生效日期及過渡性披露<sup>2</sup>

#### Offsetting Financial Assets and Financial Liabilities<sup>3</sup>

抵銷金融資產及金融負債<sup>3</sup>

<sup>1</sup> 於2013年1月1日或之後開始之年度期間生效

<sup>2</sup> 於2015年1月1日或之後開始之年度期間生效

<sup>3</sup> 於2014年1月1日或之後開始之年度期間生效

本公司董事預期應用新訂及經修訂之香港財務報告準則將不會對本集團之業績及財務狀況造成重大影響。

## Notes to the Condensed Consolidated Financial Statements (Continued)

### 簡明綜合財務報表附註 (續)

For the six months ended 29 February 2012  
截至2012年2月29日止6個月

#### 3. REVENUE AND SEGMENT INFORMATION

The board of directors of the Company, i.e. the chief operating decision maker, regularly reviews the operating results and financial information based on distinct geographical areas of location of customers, including Hong Kong (place of domicile of the Group), the People's Republic of China (the "PRC"), Taiwan, Korea, Sri Lanka, America, Europe and Others (i.e. representing other geographical locations mainly Singapore and Macau). All of these geographical areas are operating segments except "Others" which is an aggregation of operating segments.

The following is an analysis of the Group's revenue and profit from the production and sales of dyed fabrics, sewing threads, yarns and garments and results by reportable segment for the period under review.

#### 3. 營業額及分類資料

本公司董事會(即首席營運決策者)根據客戶所在地區位於不同的地域位置定期審閱經營業績及財務資料,包括香港(本集團所屬地)、中華人民共和國(「中國」)、台灣、韓國、斯里蘭卡、美洲、歐洲及其他地區(即指其他地域位置,主要為新加坡及澳門),所有該等地域位置為營運分類,而「其他地區」則為綜合之營運分類。

以下為本集團源自製造及銷售色布、縫紉線、紗及成衣之營業額及盈利於回顧期內按可申報分類所作之分析。

#### Six months ended 29 February 2012

#### 截至2012年2月29日止6個月

		Segment								total	Eliminations	Consolidated
		Hong Kong	The PRC	Taiwan	Korea	Sri Lanka	America	Europe	Others			
		香港	中國	台灣	韓國	斯里蘭卡	美洲	歐洲	其他地區	分類總值	對銷	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>REVENUE</b>	<b>營業額</b>											
External sales	對外銷售	894,453	633,702	421,231	366,015	376,145	149,950	45,308	321,106	3,207,910	-	3,207,910
Inter-segment sales (note)	分類間銷售(附註)	2,220,060	1,496,940	-	-	221,101	59,148	-	112,752	4,110,001	(4,110,001)	-
Total segment revenue	分類營業額總值	<u>3,114,513</u>	<u>2,130,642</u>	<u>421,231</u>	<u>366,015</u>	<u>597,246</u>	<u>209,098</u>	<u>45,308</u>	<u>433,858</u>	<u>7,317,911</u>	<u>(4,110,001)</u>	<u>3,207,910</u>
<b>RESULTS</b>	<b>業績</b>											
Segment profit	分類盈利	<u>54,864</u>	<u>29,952</u>	<u>23,620</u>	<u>21,064</u>	<u>13,126</u>	<u>13,794</u>	<u>2,406</u>	<u>18,538</u>			177,364
Interest income	利息收入											5,962
Unallocated expenses, net	未分配支出, 淨值											(288,074)
Finance costs	融資成本											(37,509)
Loss before taxation	除稅前虧損											<u>(142,257)</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 29 February 2012  
截至2012年2月29日止6個月

### 3. REVENUE AND SEGMENT INFORMATION (Continued)

Six months ended 28 February 2011

### 3. 營業額及分類資料(續)

截至2011年2月28日止6個月

		Segment								Eliminations	Consolidated	
		Hong Kong	The PRC	Taiwan	Korea	Sri Lanka	America	Europe	Others			total
		香港	中國	台灣	韓國	斯里蘭卡	美洲	歐洲	其他地區	分類總值	對銷	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>REVENUE</b>	<b>營業額</b>											
External sales	對外銷售	963,015	736,668	492,312	420,803	384,672	171,246	25,575	484,023	3,678,314	-	3,678,314
Inter-segment sales (note)	分類間銷售(附註)	2,279,306	1,414,338	-	-	253,101	40,969	-	33,107	4,020,821	(4,020,821)	-
Total segment revenue	分類營業額總值	<u>3,242,321</u>	<u>2,151,006</u>	<u>492,312</u>	<u>420,803</u>	<u>637,773</u>	<u>212,215</u>	<u>25,575</u>	<u>517,130</u>	<u>7,699,135</u>	<u>(4,020,821)</u>	<u>3,678,314</u>
<b>RESULTS</b>	<b>業績</b>											
Segment profit	分類盈利	<u>133,672</u>	<u>103,631</u>	<u>77,840</u>	<u>67,122</u>	<u>26,742</u>	<u>5,436</u>	<u>3,667</u>	<u>74,691</u>			492,801
Interest income	利息收入											6,138
Unallocated expenses, net	未分配支出, 淨值											(284,149)
Finance costs	融資成本											(34,813)
Profit before taxation	除稅前盈利											<u>179,977</u>

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

附註: 分類間銷售之價格乃參照當時之市場價格而釐定。

Segment profit represents the profit earned by each segment without allocation of central administration costs and other expenses (including non-production related employee benefits expense, directors' emoluments, bank charges, etc.), depreciation charges, interest income, loss on disposal/written-off of property, plant and equipment, net gain from derivative financial instruments and finance costs. This is the measure reported to the board of directors of the Company for the purposes of resource allocation and performance assessment.

分類盈利乃指各分類所賺取的盈利, 當中並沒有計入中央行政成本及其他費用(包括非有關生產之僱員福利支出、董事酬金、銀行費用等)、折舊、利息收入、出售/註銷物業、機器及設備之虧損、衍生金融工具之收益淨額及融資成本。此乃為資源分配及績效評估而向本公司董事會匯報之基準。

## Notes to the Condensed Consolidated Financial Statements (Continued)

### 簡明綜合財務報表附註(續)

For the six months ended 29 February 2012  
截至2012年2月29日止6個月

#### 4. FINANCE COSTS

#### 4. 融資成本

		Six months ended 截至下列日期止6個月	
		29 February 2012 2012年 2月29日 HK\$'000 千港元	28 February 2011 2011年 2月28日 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 之銀行借貸	37,509	34,262
Imputed interest expense on consideration payable (note 15)	應付代價之推算利息開支 (附註15)	-	551
		<u>37,509</u>	<u>34,813</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 29 February 2012  
截至2012年2月29日止6個月

#### 5. INCOME TAX EXPENSE

#### 5. 所得稅支出

		Six months ended 截至下列日期止6個月	
		29 February 2012 2012年 2月29日 HK\$'000 千港元	28 February 2011 2011年 2月28日 HK\$'000 千港元
Current tax:	是期間稅項：		
Hong Kong	香港	585	30,941
The PRC	中國	5,730	2,669
Other jurisdictions	其他司法地區	2,351	-
		<u>8,666</u>	<u>33,610</u>
Under(over)provision in prior years:	過往年度撥備不足(超額撥備)：		
The PRC	中國	489	(1,016)
Other jurisdictions	其他司法地區	(287)	485
		<u>202</u>	<u>(531)</u>
Deferred tax:	遞延稅項：		
The PRC	中國	7,532	(15,991)
Other jurisdictions	其他司法地區	335	(195)
		<u>7,867</u>	<u>(16,186)</u>
		<u><u>16,735</u></u>	<u><u>16,893</u></u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods.

香港利得稅乃按兩個期間之估計應課稅盈利以16.5%計算。

Under the law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT law, the tax rate of the PRC subsidiaries is 25% starting from 1 January 2008 onwards. Certain of the Company's PRC subsidiaries are entitled to exemption from the PRC Enterprise Income Tax for two calendar years 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% for both periods. The Tax Holiday will expire by 31 December 2012.

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，從2008年1月1日起，中國附屬公司之稅率為25%。本公司若干中國附屬公司可於兩個曆年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(「免稅期」)。於兩個期間免稅期的經調低稅率為12.5%。免稅期將於2012年12月31日屆滿。

## Notes to the Condensed Consolidated Financial Statements (Continued)

### 簡明綜合財務報表附註 (續)

For the six months ended 29 February 2012  
截至2012年2月29日止6個月

#### 5. INCOME TAX EXPENSE (Continued)

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 31 August 2015. Accordingly, no provision for income tax was made on the profit for both periods.

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

In February 2008, the Hong Kong Inland Revenue Department (the "IRD") initiated a tax audit on the Company and its subsidiaries for the years of assessment from 2001/02 onwards and is obtaining information and documents from the Group. In March 2008, 2009 and 2010, February 2011, January 2012 and February 2012, notices of estimated additional assessment (the "Protective Assessments") for the years of assessment 2001/02, 2002/03, 2003/04, 2004/05, 2005/06 and 2005/06 in an aggregate amount of HK\$14,352,000, HK\$19,844,000, HK\$18,390,000, HK\$62,834,000, HK\$35,019,000 and HK\$12,343,000, respectively, were issued to the Company and certain subsidiaries of the Company by the IRD.

Regarding the Protective Assessments for the year of assessment 2003/04, out of the aggregate amount of HK\$18,390,000, two Protective Assessments of HK\$4,375,000 issued to the Company and a Hong Kong subsidiary, respectively, were in effect alternative assessments to that of an overseas subsidiary. Regarding the Protective Assessments for the year of assessment 2004/05, out of the aggregate amount of HK\$62,834,000, two Protective Assessments of HK\$2,266,000 and HK\$23,194,000 issued to the Company and a Hong Kong subsidiary, respectively, were also in effect alternative assessments to that of the above overseas subsidiary. Regarding the Protective Assessments for the year of assessment 2005/06, out of the aggregate amount of HK\$47,362,000, two Protective Assessments of HK\$1,687,000 and HK\$15,985,000 issued to the Company and a Hong Kong subsidiary, respectively, were also in effect alternative assessments to that of the above overseas subsidiary.

#### 5. 所得稅支出 (續)

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2015年8月31日為止。據此，於兩個期間均無就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2008年2月，香港稅務局（「稅務局」）就本公司及其附屬公司由2001/02及其後之課稅年度進行一項稅務審查，並正向本集團搜集資料及文件。於2008年3月、2009年3月及2010年3月、2011年2月、2012年1月以及2012年2月，稅務局就2001/02、2002/03、2003/04、2004/05、2005/06及2005/06課稅年度分別發出合共14,352,000港元、19,844,000港元、18,390,000港元、62,834,000港元、35,019,000港元及12,343,000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2003/04課稅年度之保障性評稅合共18,390,000港元之金額，當中兩張保障性評稅金額各4,375,000港元分別發出給本公司及一間香港附屬公司實為發出給一間海外附屬公司的保障性評稅之交替式的估計評稅。就2004/05課稅年度之保障性評稅合共62,834,000港元之金額，當中兩張保障性評稅金額2,266,000港元及23,194,000港元分別發出給本公司及一間香港附屬公司實為發出給上述海外附屬公司的保障性評稅之交替式的估計評稅。就2005/06課稅年度之保障性評稅合共47,362,000港元之金額，當中兩張保障性評稅金額1,687,000港元及15,985,000港元分別發出給本公司及一間香港附屬公司實為發出給上述海外附屬公司的保障性評稅之交替式的估計評稅。



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

For the six months ended 29 February 2012  
截至2012年2月29日止6個月

### 5. INCOME TAX EXPENSE (Continued)

Objections against the Protective Assessments were lodged. For the years of assessment 2001/02 and 2002/03, full amounts were held over unconditionally. For the years of assessment 2003/04, 2004/05 and 2005/06, amounts were held over on the condition that Tax Reserve Certificates in the amount of HK\$1,600,000, HK\$23,000,000 and HK\$10,000,000 were purchased in May 2010, April 2011 and March 2012, respectively. The scope and outcome of the tax audit cannot be readily ascertained at this stage.

Having taken the advices from the Group's tax advisor, the directors of the Company made an aggregate provision of HK\$41,000,000 in relation to the tax audit and believe that other than the aforesaid provision, no significant amount of additional profits tax will be payable for the tax audit.

Since the process to finalise the tax audit with the IRD is still at a preliminary stage, the eventual amount of penalty and interest payable, if any, under the tax audit cannot be reliably estimated at this stage. Hence, no provision for penalty or interest has been recognised.

Given the above stance of the Group, the directors of the Company are also considering various approaches in the best interests of the Group to resolve the dispute with the IRD.

### 5. 所得稅支出(續)

就此項保障性評稅已提出反對，2001/02及2002/03課稅年度之全數金額已獲無條件緩繳，而2003/04、2004/05及2005/06課稅年度之金額已分別於2010年5月、2011年4月及2012年3月購買1,600,000港元、23,000,000港元及10,000,000港元之儲稅券時獲緩繳。此項稅務審查之範圍及結果於現階段還未能確定。

經考慮本集團稅務顧問之意見後，本公司董事已就此稅務審查作出撥備合共41,000,000港元及相信除上述撥備外，就稅務審查需償付之補加利得稅金額並不重大。

由於與稅務局達致完成稅務審查之程序仍在初步階段，於現階段仍未能確定估計其最終罰款金額及應付利息(如有)。因此，未有就罰款或利息作撥備確認。

鑑於本集團之上述情況，本公司董事亦正在考慮符合本集團最佳利益之不同方法以解決與稅務局之糾紛。



## Notes to the Condensed Consolidated Financial Statements (Continued)

### 簡明綜合財務報表附註(續)

For the six months ended 29 February 2012  
截至2012年2月29日止6個月

#### 8. (LOSS) EARNINGS PER SHARE

The calculation of the basic and diluted (loss) earnings per share attributable to owners of the Company is based on the following data:

#### 8. 每股(虧損)盈利

本公司擁有人應佔每股基本及攤薄(虧損)盈利乃根據下列數據計算：

		Six months ended 截至下列日期止6個月	
		29 February 2012 2012年 2月29日 HK\$'000 千港元	28 February 2011 2011年 2月28日 HK\$'000 千港元
<b>(Loss) earnings</b>	<b>(虧損)盈利</b>		
(Loss) profit for the period attributable to owners of the Company for the purposes of basic and diluted (loss) earnings per share	就計算每股基本及攤薄(虧損)盈利所用之本公司擁有人應佔是期間(虧損)盈利	<u>(157,628)</u>	<u>154,111</u>
		Six months ended 截至下列日期止6個月	
		29 February 2012 2012年 2月29日	28 February 2011 2011年 2月28日
<b>Number of shares</b>	<b>股份數目</b>		
Number of ordinary shares for the purposes of basic and diluted (loss) earnings per share	就計算每股基本及攤薄(虧損)盈利所用之普通股數目	<u>794,010,960</u>	<u>794,010,960</u>

The computation of diluted (loss) earnings per share for the six months ended 29 February 2012 and 28 February 2011 does not assume the exercise of the Company's outstanding share options because the adjusted exercise prices of those options calculated in accordance with HKAS 33 "Earnings Per Share" are higher than the average market price of the shares for the relevant period.

由於根據香港會計準則第33號「每股盈利」計算，本公司尚未行使購股權之經調整行使價高於股份於相關期間之平均市價，因此計算截至2012年2月29日止6個月及截至2011年2月28日止6個月之每股攤薄(虧損)盈利時並無假設該等購股權已獲行使。

## Notes to the Condensed Consolidated Financial Statements (Continued)

### 簡明綜合財務報表附註 (續)

For the six months ended 29 February 2012  
截至2012年2月29日止6個月

#### 9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

The Group incurred expenditure of HK\$41,842,000 during the six months ended 29 February 2012 (six months ended 28 February 2011: HK\$73,683,000) on property, plant and equipment to expand and upgrade the Group's manufacturing facilities.

During this period, the Group disposed of certain property, plant and equipment with an aggregate carrying amount of HK\$12,822,000 (six months ended 28 February 2011: HK\$3,384,000) and reclassified certain property, plant and equipment with an aggregate carrying amount of HK\$57,319,000 (six months ended 28 February 2011: HK\$27,593,000) as assets classified as held for sale (note 13).

#### 10. PREPAYMENTS FOR AND RIGHTS UNDER LIFE INSURANCE POLICIES

During the six months ended 29 February 2012, the Group entered into contracts with two insurance companies which contain life insurance policies to insure against the death of certain key members of management of the Group for a period ranging from 25 to 44 years, with an aggregate insured sum of approximately US\$18.8 million (equivalent to approximately HK\$145.8 million). Under these contracts, the beneficiary and policy holder is the Company. The Company has made upfront payments of HK\$36,178,000 during the current interim period and is required to pay monthly insurance costs and administrative charges determined by the insurance companies. Out of the upfront payments, a portion of HK\$2,164,000 represents prepayments for the life insurance premium. The insurers will declare interest (including the guaranteed interest) to the Company on a monthly basis based on the amount of upfront payments, plus accumulated interest earned and less amounts representing prepayments for life insurance premium, monthly insurance costs and administrative charges, at a rate to be determined at their own discretion.

#### 11. INVENTORIES

Spare parts	備件
Raw materials	原料
Work in progress	半製品
Finished goods	製成品

#### 9. 物業、機器及設備之變動

本集團於截至2012年2月29日止6個月，為擴大及增強本集團之生產設施而用於物業、機器及設備的開支為41,842,000港元（截至2011年2月28日止6個月：73,683,000港元）。

於本期間，本集團出售若干物業、機器及設備，賬面總值為12,822,000港元（截至2011年2月28日止6個月：3,384,000港元），並重新分類賬面總值57,319,000港元之若干物業、機器及設備為持作出售之資產（截至2011年2月28日止6個月：27,593,000港元）（附註13）。

#### 10. 人壽保險保單預付款項及權利

截至2012年2月29日止6個月期間，本集團與兩間保險公司訂立合約，當中包含人壽保險保單，為本集團若干名主要管理層成員之身故事宜投保，年期介乎25年至44年，投保金額合共約為18,800,000美元（相等於約145,800,000港元）。根據該等合約，受益人及保單持有人為本公司。本公司於本中期期間已支付預付按金36,178,000港元，並須每月支付保費及保險公司釐定之行政費用。預付按金當中，2,164,000港元為預付人壽保險保費。保險公司每月可酌情向本公司宣派利息（包括保證利息），計算方法將根據預付款項金額，加所賺取之累計利息，扣除相當於人壽保險保費預付款項、每月保費及行政費用。

#### 11. 存貨

	At 29 February 2012 2012年 2月29日 HK\$'000 千港元	At 31 August 2011 2011年 8月31日 HK\$'000 千港元
Spare parts	111,031	98,941
Raw materials	784,677	787,348
Work in progress	374,875	397,242
Finished goods	424,526	399,923
	<u>1,695,109</u>	<u>1,683,454</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 29 February 2012  
截至2012年2月29日止6個月

### 12. TRADE AND BILLS RECEIVABLES/PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

The Group allows a credit period ranging from 30 days to 90 days to its trade customers. The following is an aged analysis of trade and bills receivables based on the payment due date net of allowance for doubtful debts:

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

Other receivables as at 29 February 2012 represented value-added tax recoverable of HK\$74,802,000 (31 August 2011: HK\$65,967,000), tax reserve certificates purchased of HK\$24,600,000 (31 August 2011: HK\$24,600,000) and prepayments, deposits and other receivables of HK\$122,305,000 (31 August 2011: HK\$123,626,000).

### 12. 營業及票據應收款項／預付款項、按金及其他應收款項

本集團提供介乎30天至90天數期予其營業客戶。營業及票據應收款項根據付款到期日(經扣除呆賬撥備)之賬齡分析如下：

At 29 February 2012 2012年 2月29日 HK\$'000 千港元	At 31 August 2011 2011年 8月31日 HK\$'000 千港元
745,880	919,114
247,886	179,692
114,158	109,931
146,659	67,004
1,254,583	1,275,741

於2012年2月29日，其他應收款項乃指可收回增值稅74,802,000港元(2011年8月31日：65,967,000港元)、購買儲稅券24,600,000港元(2011年8月31日：24,600,000港元)以及預付款項、按金及其他應收款項122,305,000港元(2011年8月31日：123,626,000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 29 February 2012  
截至2012年2月29日止6個月

#### 13. ASSETS CLASSIFIED AS HELD FOR SALE

On 29 February 2012, the Group entered into an agreement with an independent third party to dispose of its 100% equity interests of New Achieve Investments Limited ("New Achieve"), Able Jubilee Limited ("Able Jubilee") and Jiangyin Jintian Machinery Limited ("Jintian Machinery"), at an aggregate consideration of RMB90,000,000 (equivalent to HK\$109,756,000). The assets attributable to New Achieve, Able Jubilee and Jintian Machinery were classified as assets held for sale and were presented separately in the condensed consolidated statement of financial position as at 29 February 2012. The disposal of these subsidiaries are expected to be completed within one year of the end of the reporting period. There were no liabilities in these companies at 29 February 2012. The first installment of RMB72,000,000 (equivalent to HK\$87,805,000) was settled subsequent to the end of the reporting period and the remaining balance is due for settlement in June 2012.

At 29 February 2012, assets classified as held for sale comprise:

#### 13. 分類為持作出售之資產

於2012年2月29日，本集團與一名獨立第三方訂立協議，以出售New Achieve Investments Limited (「New Achieve」)、聚堡有限公司 (「聚堡」) 及江陰金田機械有限公司 (「金田機械」) 之100%股本權益，總代價為人民幣90,000,000元 (相等於109,756,000港元)。New Achieve、聚堡及金田機械之資產已分類為持作出售之資產，並於2012年2月29日之簡明綜合財務狀況表獨立呈列。有關出售該等附屬公司預期將於報告期終後一年內完成。於2012年2月29日，該等公司並無任何負債。第一期款項人民幣72,000,000元 (相等於87,805,000港元) 已於報告期終後償付，而餘額將於2012年6月到期償付。

於2012年2月29日，分類為持作出售之資產包括：

		HK\$'000 千港元
Property, plant and equipment	物業、機器及設備	57,319
Prepaid lease payments	預付租賃款項	9,292
Bank balances and cash	銀行結餘及現金	4
		<hr/>
Total assets classified as held for sale	分類為持作出售之資產總值	<u>66,615</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 29 February 2012  
截至2012年2月29日止6個月

#### 14. TRADE AND BILLS PAYABLES/OTHER PAYABLES AND ACCRUALS

		At 29 February 2012 2012年 2月29日 HK\$'000 千港元	At 31 August 2011 2011年 8月31日 HK\$'000 千港元
Trade payables	營業應付款項	424,740	418,672
Bills payables	票據應付款項	425,998	279,761
		<u>850,738</u>	<u>698,433</u>

The following is an aged analysis of trade payables based on the payment due date:

		At 29 February 2012 2012年 2月29日 HK\$'000 千港元	At 31 August 2011 2011年 8月31日 HK\$'000 千港元
Not yet due	未到期	366,382	363,886
Overdue 1 – 30 days	過期1-30天	24,114	26,801
Overdue 31 – 60 days	過期31-60天	16,931	6,550
Overdue > 60 days	過期超過60天	17,313	21,435
		<u>424,740</u>	<u>418,672</u>

All the bills payables of the Group are not yet due at the end of the reporting period.

Other payables and accruals as at 29 February 2012 represented other payables of HK\$146,237,000 (31 August 2011: HK\$149,248,000) and accruals of HK\$158,266,000 (31 August 2011: HK\$171,413,000).

#### 14. 營業及票據應付款項/其他應付款項及應計費用

營業應付款項按付款到期日之賬齡分析如下：

於報告期終，本集團之所有票據應付款項均未到期。

於2012年2月29日，其他應付款項及應計費用指其他應付款項146,237,000港元（2011年8月31日：149,248,000港元）及應計費用158,266,000港元（2011年8月31日：171,413,000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 29 February 2012  
截至2012年2月29日止6個月

#### 15. CONSIDERATION PAYABLE

On 27 April 2009, Folkture Limited ("Folkture"), a wholly owned subsidiary of the Company, entered into an agreement with certain non-controlling shareholders of Dongguan Fuan Textiles Limited ("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"). Upon completion of the Share Transfer Agreement in 2009, Dongguan Fuan became a 90% owned subsidiary of the Company.

Pursuant to the Share Transfer Agreement, the consideration was payable by 5 installments, unsecured and interest-free. The fair value of the deferred consideration at the date of initial recognition was determined as HK\$74,433,000 based on the estimated future cash flows by applying a discount rate of 3.7% per annum. The balance outstanding as at 31 August 2011 was fully settled during the current interim period.

Details of the above transaction are set out in the circular of the Company dated 30 July 2009.

#### 16. BANK BORROWINGS

During the current interim period, the Group obtained new bank borrowings of HK\$1,532,382,000 (six months ended 28 February 2011: HK\$2,057,008,000) and made repayments of HK\$1,670,594,000 (six months ended 28 February 2011: HK\$2,269,783,000). These bank borrowings obtained and repaid are mainly denominated in Hong Kong dollar. The bank borrowings raised were mainly used to repay the existing bank borrowings or as working capital of the Group.

The borrowings mainly carry floating interest at the weighted average effective interest rate of 2.36% (31 August 2011: 2.58%) per annum and are repayable by installments over a period from one to three years. Except for borrowings of HK\$15,307,000 (31 August 2011: Nil) which are secured by certain life insurance policies as detailed in note 10, all other borrowings are unsecured.

#### 15. 應付代價

於2009年4月27日，本公司之一間全資附屬公司福津有限公司(「福津」)與東莞福安紡織印染有限公司(「東莞福安」)若干名非控股股東(「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」)。於2009年完成股權轉讓協議後，東莞福安成為本公司擁有90%權益之附屬公司。

根據股權轉讓協議，代價分五期支付，為無抵押及免息。於初步確認日期之遞延代價之公平價值為74,433,000港元，乃根據估計未來現金流量按貼現年率3.7%計算。於2011年8月31日之餘下未償還款項已於本中期間清償。

有關上述交易之詳情已載於本公司日期為2009年7月30日之通函內。

#### 16. 銀行借貸

於本中期間，本集團取得新銀行借貸1,532,382,000港元(截至2011年2月28日止6個月：2,057,008,000港元)及已償還1,670,594,000港元(截至2011年2月28日止6個月：2,269,783,000港元)，該等取得及已償還之銀行借貸主要以港元計值。所籌集之銀行借貸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。

有關借貸主要按浮息以加權平均實際年利率2.36%(2011年8月31日：2.58%)計算利息，並須於介乎1年至3年期內分期償還。除附註10所詳述以若干人壽保險保單抵押之借貸15,307,000港元(2011年8月31日：無)外，所有其他借貸均為無抵押。

## Notes to the Condensed Consolidated Financial Statements (Continued)

### 簡明綜合財務報表附註(續)

For the six months ended 29 February 2012  
截至2012年2月29日止6個月

#### 17. CAPITAL COMMITMENTS

#### 17. 資本承擔

		At 29 February 2012 2012年 2月29日 HK\$'000 千港元	At 31 August 2011 2011年 8月31日 HK\$'000 千港元
Capital expenditure contracted for but not provided in the condensed consolidated financial statements in respect of:	就下列各項之已簽約但在簡明綜合財務報表未有作出撥備之資本開支：		
– acquisition of property, plant and equipment	– 購買物業、機器及設備	40,378	7,432
– additions to intangible assets	– 添置無形資產	8,012	1,386
		<u>48,390</u>	<u>8,818</u>
Capital expenditure authorised but not contracted for in respect of:	就下列各項之已批准但未簽約之資本開支：		
– acquisition of property, plant and equipment	– 購買物業、機器及設備	1,663	7,540
– additions to intangible assets	– 添置無形資產	350	–
		<u>2,013</u>	<u>7,540</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 29 February 2012  
截至2012年2月29日止6個月

### 18. SHARE-BASED PAYMENT TRANSACTIONS

#### The 2002 Scheme

The Company has a share option scheme (the “2002 Scheme”), which was adopted by the Company at the extraordinary general meeting held on 25 January 2002 and early terminated on 20 January 2011. The primary purpose of the 2002 Scheme was to provide the Company with a flexible mean of giving incentives to, rewarding, remunerating, compensating and/or providing benefits to the employees and for such other purposes as the board of directors of the Company might approve from time to time.

#### The 2011 Scheme

On 20 January 2011, the Company adopted a new share option scheme (the “2011 Scheme”) pursuant to a resolution passed at the extraordinary general meeting held on the same date. The 2011 Scheme will expire on 20 January 2021.

The terms and conditions of the 2011 Scheme are basically the same as those of the 2002 Scheme except that the eligible participants of the 2011 Scheme include, among others, directors and full-time or part-time employees whereas the eligible participants of the 2002 Scheme cover only directors and full-time employees.

### 18. 以股份為基礎之付款交易

#### 2002年計劃

本公司擁有一項購股權計劃(「2002年計劃」)，乃由本公司於2002年1月25日舉行之股東特別大會上採納，並已於2011年1月20日提前終止。2002年計劃的主要目的為讓本公司可向僱員給予鼓勵、獎償、報酬、補償及／或提供福利及就本公司董事會不時批准的其他目的而言提供一個靈活方式。

#### 2011年計劃

於2011年1月20日，本公司已根據於同日舉行之股東特別大會上通過之一項決議案採納一項新購股權計劃(「2011年計劃」)。2011年計劃將於2021年1月20日屆滿。

2011年計劃之條款及條文基本上與2002年計劃相同，惟2011年計劃之合資格參與者包括(其中包括)董事及全職或兼職僱員，而2002年計劃之合資格參與者僅包括董事及全職僱員。



## Notes to the Condensed Consolidated Financial Statements (Continued)

### 簡明綜合財務報表附註(續)

For the six months ended 29 February 2012  
截至2012年2月29日止6個月

#### 18. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The following table discloses movements of the Company's share options granted under the 2002 Scheme and the 2011 Scheme during the period.

#### 18. 以股份為基礎之付款交易(續)

下表披露本公司根據2002年計劃及2011年計劃已授出購股權於期內之變動情況。

	Scheme	Date of grant	Exercise price	Outstanding at 1 September 2010	Granted during the period	Forfeited during the period	Outstanding at 28 February 2011	Granted during the period	Outstanding at 31 August 2011 and 29 February 2012
	計劃	授出日期	行使價	於2010年9月1日 尚未行使	期內已授出	期內已沒收	於2011年2月28日 尚未行使	期內已授出	於2011年 8月31日及 2012年2月29日 尚未行使
Category 1: Directors	2002	17 September 2010	HK\$1.29	-	11,200,000	-	11,200,000	-	11,200,000
第1類：董事	2002年	2010年9月17日	1.29港元						
	2011	18 August 2011	HK\$1.21	-	-	-	-	9,600,000	9,600,000
	2011年	2011年8月18日	1.21港元						
				-	11,200,000	-	11,200,000	9,600,000	20,800,000
Category 2: Employees	2002	17 September 2010	HK\$1.29	-	11,200,000	(4,600,000)	6,600,000	-	6,600,000
第2類：僱員	2002年	2010年9月17日	1.29港元						
	2011	18 May 2011	HK\$1.91	-	-	-	-	3,352,000	3,352,000
	2011年	2011年5月18日	1.91港元						
	2011	18 August 2011	HK\$1.21	-	-	-	-	13,445,000	13,445,000
	2011年	2011年8月18日	1.21港元						
				-	11,200,000	(4,600,000)	6,600,000	16,797,000	23,397,000
Two categories	兩類別合共			-			17,800,000		44,197,000
Exercisable at the end of the period	於期終時 可予行使			N/A 不適用			-		-

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

*For the six months ended 29 February 2012*  
截至2012年2月29日止6個月

### 18. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

Further details of the exercisable period of the options granted are set out in the 2011 annual report.

The Group recognised the total expense of HK\$5,406,000 (six months ended 28 February 2011: HK\$1,408,000) for the current interim period in relation to share options granted by the Company.

### 19. EVENT AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, the disposal of assets classified as held for sale as detailed in note 13 has been completed.

### 18. 以股份為基礎之付款交易 (續)

有關已授出購股權之行使期間之進一步詳情已載於2011年年報內。

本集團於本中期期間已就本公司授出之購股權確認總開支合共5,406,000港元(截至2011年2月28日止6個月：1,408,000港元)。

### 19. 報告期後事項

於報告期終後，附註13所詳述出售分類為持作出售之資產經已完成。

## BUSINESS REVIEW 業務回顧

We would like to report to shareholders the results of the Group for the six months ended 29 February 2012. The Group's revenue was approximately HK\$3,207.9 million, a decrease of 12.8% over the same period last year. Unaudited loss attributable to owners of the Company amounted to approximately HK\$157.6 million, compared to profit attributable to owners of the Company of approximately HK\$154.1 million recorded in the same period last year. Gross profit margin for the period under review was 7.8%, a decrease of 8.4 percentage points over the same period last year. Basic loss per share was HK19.9 cents, compared to basic earnings per share HK19.4 cents for the first half of financial year 2011. The Board has resolved not to pay any interim dividend for the period under review (2011: Nil).

During the first half of financial year 2012, the difficult economic environment in North America and Europe caused by factors including high unemployment rate and concerns over default of European debts has led to lower consumer confidence and demand for textile products, which adversely affected the Group's selling prices and sales volume during the period. Meanwhile, the continuous and substantial decline in the costs of cotton and cotton yarn during the last three quarters of calendar year 2011 also contributed to downward pressure on market prices of knitted fabrics. Since majority of the cotton and cotton yarn inventories consumed by the Group during the period under review were purchased earlier when costs were higher, the gross profit of the Group in the six months ended 29 February 2012 was adversely affected.

During the period under review, the Group negotiated and entered into a sale and purchase agreement on an arm's length basis with an independent third party ("Agreement") to dispose of a wholly-owned subsidiary, Jiangyin Jintian Machinery Limited ("Jintian"), which was subsequently completed on 14 March 2012, at an aggregate consideration of RMB90,000,000, (equivalent to HK\$109,756,000), comprising RMB75,600,000 as the consideration for an outstanding shareholder's loan provided to the holding company of Jintian and RMB14,400,000 as the consideration for the entire issued share capital of the holding company of Jintian (the "Disposal Transaction"). The assets attributable to Jintian were classified as held for sale and were presented separately in the condensed consolidated statement of financial position as at 29 February 2012.

The first installment of RMB72,000,000 (equivalent to HK\$87,805,000) was settled subsequent to the end of the reporting period and the remaining balance is due for settlement before the end of June 2012. The net proceeds already received from the Disposal Transaction were applied to loan repayment and general working capital of the Group.

本集團向各股東匯報集團截至2012年2月29日止六個月之業績。集團營業額約為3,207.9百萬港元，與去年同期相比下降了12.8%。本公司擁有人應佔未經審核虧損約為157.6百萬港元，相對去年同期本公司擁有人應佔未經審核盈利為154.1百萬港元。回顧期內的毛利率為7.8%，與去年同期相比下降了8.4個百分點。每股基本虧損為19.9港仙，相對2011年上半年財政年度的每股基本盈利19.4港仙。董事會議決通過就回顧期內不予派發任何中期股息(2011：零)。

在2012年上半年財政年度期間，由高失業率及擔憂歐洲債務違約等因素而引致北美及歐洲經濟環境嚴峻，導致消費者信心減弱及對紡織品需求下降，繼而影響集團此期間的銷售價格及銷售量。同時，隨著棉花及棉紗價格持續於2011年曆年度最後三季內大幅下降，導致針織布的市場價格面對下調壓力。鑒於集團於回顧期內使用的大部份棉花和棉紗存貨乃較早前於成本偏高時購入，所以對集團截至2012年2月29日止六個月之毛利造成不利影響。

在回顧期內，集團與獨立第三方在互不受控制的基礎上談判並訂立買賣協議(以下簡稱「協議」)，出售一全資附屬公司--江陰金田機械有限公司(以下簡稱「金田」)，並隨後於2012年3月14日完成。總代價為人民幣90,000,000元(相等於109,756,000港元)，包括以人民幣75,600,000元出售向金田的控股公司提供之未償還股東貸款及以約人民幣14,400,000元出售金田的控股公司所有已發行股份(以下簡稱「出售交易」)。屬於金田之資產被歸類為持作出售，且分別公佈於截至2012年2月29日之簡明綜合財務狀況表中。

第一批分期付款人民幣72,000,000元(相等於87,805,000港元)已在報告期結束後隨後收妥，而餘下款項將於2012年6月底前到期。出售交易中已收到之所得款項淨額將用於償還貸款及集團的一般營運資金。

## BUSINESS REVIEW (Continued) 業務回顧(續)

Jintian was principally engaged in the manufacturing of textile machineries at the industrial sites located at the Economic Development Area of the city of Jiangyin, the PRC with a total site area of approximately 69,000 square metres.

The weaker economic conditions and reduction in demand for textile products mentioned above have also resulted in weaker demand for textile machinery. As the production capacity of Jintian has been relocated to other manufacturing location of the Group, the Disposal Transaction provided the Group with an opportunity to realize its investment in the PRC and enable the Group to reallocate its resources to the principal businesses, reduce gearing and increase the liquidity of the Group. The Directors are of the view that the terms of the Disposal Transaction are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

In January 2012, Fountain Set (Holdings) Limited was accredited with the "Green Medal of Hang Seng Pearl River Delta Environmental Awards 2010/11" and "3 Years + entrant" awards by the Federation of Hong Kong Industries and Hang Seng Bank. Dongguan Shatin Lake Side Textiles Printing & Dyeing Co., Ltd. ("Lake Side", a subsidiary of the Group) was accredited a "Gold Label" in the WWF Low Carbon Manufacturing Programme (LCMP) in 2011, a leap from the "Certified Label" in 2010. Lake Side has demonstrated a satisfactory performance in carbon intensity reduction, greenhouse gas management and best practices in energy efficiency of manufacturing process and operations.

### Production and Sales of Dyed Fabrics, Sewing Threads and Yarns

For the period under review, the Group had undergone re-positioning of sales and marketing efforts and strategies to fully capture macro market opportunities. Nevertheless, the decrease in average selling price of products negatively impacted the revenue from production and sales of dyed fabrics, sewing threads and yarns of approximately HK\$2,781.5 million, resulting in a decrease of approximately 13.9% as compared with the same period last year, and accounted for 86.7% of the Group's total revenue.

### Production and Sales of Garments

For the first half of financial year 2012, with the decrease in sales volume and lower average selling price, revenue from the production and sales of garments was approximately HK\$426.4 million, a decrease of 5.1% as compared with the same period last year, and accounted for 13.3% 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 93.9% of the Group's total revenue. The remaining 6.1% was mainly generated from sales to customers located in Europe and America.

金田之主要業務為從事製造紡織機械，並位於中國江陰市經濟開發區的工業區，佔地總面積約為69,000平方米。

上述提及之疲弱的經濟環境及紡織品需求之減少，同樣也導致紡織機械需求衰弱。因金田機械之生產能力已遷移至本集團之其他生產地點，故出售交易乃為集團提供良好機會，將其於中國的投資變現，以及集團透過出售將資源調回主要業務上，減低負債比率並增加本集團之資金流動性。協議的條款通過公平磋商釐定。董事認為出售交易乃按正常商業條款訂定及屬公平合理，出售並符合本公司及股東之整體利益。

2012年1月，福田實業(集團)有限公司榮獲香港工業總會及恒生銀行授予之「恒生珠三角環保大獎2010/11綠色獎章」及「3年+參與」獎章。集團之附屬公司，東莞沙田麗海印染有限公司(以下簡稱「沙田麗海」)於2011年度的世界自然基金會低碳製造計劃中，由2010年度的「可認證」標籤大幅躍升至「黃金」標籤，以表示沙田麗海於去年檢測年度內已實行低碳製造計劃、減少碳強度，建立溫室管理系統及遵循在製造過程及運作中的能源最佳守則。

### 製造及銷售色布、縫紉線及紗

在回顧期內，集團透過重新部署銷售和市場推廣的努力和策略而捕捉宏觀市場機會。但是產品平均售價下降對製造及銷售色布、縫紉線及紗約2,781.5百萬港元的營業額造成負面影響，因此與去年同期相比下降約13.9%，佔集團營業額總值的86.7%。

### 製造及銷售成衣

在2012年上半年財政年度期間，由於平均售價及定單量下降，製造及銷售成衣的營業額約為426.4百萬港元，較去年同期下降5.1%，佔集團營業額總值的13.3%。

### 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93.9%。而餘下的6.1%則主要來自銷售其位於歐洲及美洲的客戶。

## OUTLOOK 展望

The continuing concerns over European sovereign debt are likely to maintain pressure on liquidity in the global banking system thus increasing market cost of borrowing. On the other hand, unemployment rate and retail market sentiment in the United States appear to have stabilized with some signs of slight improvement. It is also expected that the Chinese economy will continue to grow, making it an increasingly important market for textile products. Moreover, the prices of cotton and cotton yarn have stabilized since the end of 2011. Barring other unforeseen circumstances that could adversely impact the demand and prices for textile products, the Group believes the business environment of the textile industry could gradually improve within the next six to twelve months.

Looking forward to the second half of the Group's financial year of 2012, the Group will continue to increase domestic sales to China market as well as other emerging markets such as Russia. With the increasing number of foreign apparel brands entering China market, the Group believes it is well positioned to service these additional demands for textile products by leveraging its established relationships with these foreign brands in their international markets and its proven track record of innovation, reliability and quality control. Therefore, overall demand for the Group's products is anticipated to gradually improve.

For the Group's fabric business, cotton yarn inventories that were previously purchased at relatively higher prices have been mostly depleted in the first half of financial year 2012, resulting in more certainty for the management of the Group's product costs. With the anticipation of further consolidation of fabric supply chain by many brands and retailers, the Group is implementing more aggressive sales strategies and cost control measures to enhance its competitiveness.

The Group will monitor closely the market conditions and the upcoming sourcing plan of our customers before investing in any additional fabric production capacity. 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. The 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 be better positioned to efficiently service the PRC market while maintaining competitiveness for the export market in the long term.

The minimum wages is likely to continue to increase by the Chinese Government resulted in continuous pressure on the cost of labour and other labour intensive services. In addition, potential risks for the industry will stem from the continuous volatility in cotton price as well as possible surge on fuel prices, all of which are universal to the Group and the major competitors and would therefore contribute towards stronger momentum for adjustment in average selling price of fabrics.

對於歐盟主權債務的持續憂慮，很有可能令全球金融市場之流動性持續受壓，從而提高市場借貸成本。另一方面，美國的失業率及零售市場氣氛已趨穩定，並有輕微改善跡象。預計中國經濟將持續增長，從而提升其作為紡織品市場的重要性。此外，從2011年年底開始，棉花及棉紗的價格已趨穩定。假如沒有任何不可預見而有機會影響紡織品需求及價格的負面情況出現，集團相信在未來的6至12個月內紡織行業的經營環境將逐步改善。

展望集團2012年下半年財政年度，集團將繼續致力增加中國內銷市場以及一些如俄國等新興市場的銷售。隨著越來越多外國服裝品牌進軍中國市場，集團認為可以充分利用與該等品牌在國際業務上之長久關係及集團良好的往績，包括創新、可靠及良好品質控制等，以吸納這些新增的紡織品需求。因此，對集團產品的整體需求預計將逐步提升。

有關集團的布料業務，先前在相對較高價格時購買之棉紗庫存在2012年上半年財政年度已大部分耗盡，令集團的產品成本管理更有把握。隨著許多品牌和零售商對布料供應鏈之進一步整合，集團現已推行更進取之銷售策略和成本控制措施來增強競爭力。

集團在投資於任何額外的布料生產能力之前，將會繼續密切監察市場狀況和客戶未來的採購安排。同時，集團位於江蘇省江陰市的廠房仍然是集團內最大的布料生產廠房，預計其產能約佔集團總產能的一半。這在中國珠江三角洲及長江三角洲逐步平衡產能分佈的計劃，將有助集團策略性地分散地域風險，並有更好的定位去有效地服務國內市場，同時保持出口市場的長遠競爭力。

中國政府將有可能繼續上調最低工資，為勞工成本以及其他勞工密集之服務帶來持續壓力。另外，持續高企的棉花價格，以及燃料價格可能大幅攀升，亦將對行業構成潛在風險。由於集團及各主要競爭對手，均需面對以上各項因素，故該些因素將會形成一道強勁動力，引致布料的平均售價調整。



## OUTLOOK (Continued) 展望(續)

The Group seeks to continue improving its operational efficiency and cost structure mainly through three approaches: (1) to invest in, improve and upgrade its production facilities, technologies and production processes which will improve its operational efficiency and allow it to achieve savings in electricity, water and raw material consumption, and repair and maintenance expenses; (2) to increase the utilization rate of its production facilities which in turn will allow the Group to achieve optimal resource allocation and (3) to continue to control production, selling and other costs both as an amount and as a percentage of the Group's revenue, and to optimize the upstream and downstream supply chain efficiency by leveraging the growing scale of the Group's integrated operations and the improvement of inventory and procurement management.

Further to the decrease in sales of fabrics during the period under review, the market for garment export from China remains volatile and highly competitive. Under such market conditions, the Group expects continuing challenges for the garment business in the second half of this financial year.

The Group maintains a policy to implement stringent cost control and efficiency improvement measures to reduce our overall operating costs. After close to 9% reduction in the headcounts last year, the number of employees of the Group remains the same as approximately 14,200 as of 29 February 2012 when compared with the figure as of 31 August 2011.

On 3 April 2012, the Group entered into an agreement with the Chinatex Corporation ("Chinatex") ("Subscription Agreement"), a state-owned enterprise established under the laws of the PRC, pursuant to which Chinatex has conditionally agreed to (or shall procure its wholly-owned subsidiary to) subscribe for 409,036,000 new shares of the Group at the subscription price of HK\$1.25 per share. Such new shares represent approximately 51.52% of the issued share capital of the Company as at the date of the Subscription Agreement and approximately 34.00% of the issued share capital of the Group as enlarged by this subscription (assuming that there is no change in the issued share capital of the Company other than the issue of these new shares between the date of the Subscription Agreement up to completion of the subscription). The Directors (other than the independent non-executive Directors who will express their view after considering the advice from the independent financial adviser) consider that the Subscription Agreement and the transactions contemplated thereunder is fair and reasonable and on normal commercial terms and the entering into of the Subscription Agreement is in the interests of the Group and the Shareholders as a whole. The completion of the abovementioned transaction is subject to, amongst other things, the vote by independent shareholders of the Company at an extraordinary general meeting of the Company to be held at a later date. More details relating to this proposed transaction is available in an announcement made by the Company on 3 April 2012.

本集團主要通過三種方式致力繼續改善其營運效率及成本結構：(1)投資、改善和提升其生產設施，技術和生產過程以提高其運作效率，並達到節省電力、水和原材料消耗，以及修理和保養費用。(2)提高生產設施使用率，使集團實現最理想的資源配置。(3)繼續控制生產、銷售及其他成本以及該等成本所佔集團總收入的百分比，同時利用集團綜合性業務的規模和發展，並改善存貨和採購管理，從而優化上下游供應鏈的效益。

回顧期內布料銷售錄得下降，中國成衣出口市場的需求依舊波動，且競爭異常激烈。在此市場情形下，集團預料本財政年度下半年的成衣業務可能依然充滿挑戰。

集團已持續實行嚴緊的成本控制措施及效率優化計劃，以減少集團的整體營運成本。在經過去年精簡了9%之僱員人數後，集團截至2012年2月29日之僱員人數與2011年8月31日止相比維持約14,200人。

於2012年4月3日，集團與中國中紡集團公司（「中紡」，根據中國法律成立之國有企業）訂立認購協議（「認購協議」），中紡已有條件同意（或將促使代名人）按每股認購股份1.25港元之價格，認購合共409,036,000股集團新認購股份。認購股份相當於公司於認購協議日期之已發行股本約51.52%及集團經認購事項擴大後之已發行股本約34.00%（假設於認購協議日期至完成之間，除發行認購股份外，本公司已發行股本並無何變動）。董事（獨立非執行董事除外，其將於考慮獨立財務顧問之意見後表達其觀點）認為認購協議及據此擬進行之交易屬公平合理，並按一般商業條款，而訂立認購協議符合本集團及股東之整體利益。上述之交易須待（其中包括）公司之獨立股東於往後舉行的公司股東特別大會投票批准後，方可作實。此建議交易之詳情已刊登於2012年4月3日之公司公函上。



## FINANCIAL REVIEW 財務回顧

### Liquidity and Financial Information

At 29 February 2012, the total amount of short-term bank deposits, bank balances and cash of the Group was approximately HK\$966.2 million, a decrease of approximately HK\$158.4 million compared with 31 August 2011. At 29 February 2012, the financial ratios of the Group were as follows:

		29 February 2012 2012年2月29日	31 August 2011 2011年8月31日
Gearing ratio	資本負債比率	1.29	1.24
Bank borrowings ratio	銀行借貸比率	0.78	0.78
Net bank borrowings ratio	銀行借貸淨值比率	0.42	0.38

The sales and 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. Interests are mainly charged on a floating rate basis. In addition, the Group mainly operates in China 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 would 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\$41.8 million in property, plant and equipment, represented a reduction of about 43.2% from capital expenditure of the same period in last year.

### 流動資金及財務資料

於2012年2月29日，集團之短期銀行存款，銀行結存及現金總值約為966,200,000港元，相對於2011年8月31日減少約158,400,000港元。於2012年2月29日，集團之財務比率如下：

本集團之銷售及原材料採購以港元、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。另外，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

在回顧期內，本集團已投資約41,800,000港元用於物業，機器及設備，與去年同期資本開支金額相比下降了43.2%。

## EMPLOYEES AND EMOLUMENT POLICIES 僱員及酬金政策

At 29 February 2012, the Group had approximately 14,200 full time employees. There is no significant change in the Group's emolument policies.

於2012年2月29日，集團全職僱員人數約為14,200人，而集團薪酬政策並無重大改變。

## DIRECTORS' INTERESTS IN SECURITIES 董事之證券權益

At 29 February 2012, 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:

Long positions in shares of the Company:

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	34,280,000	212,108,948 (note) (附註)	246,388,948	31.03
Mr. HA Kam On, Victor 夏錦安先生	90,841,096	–	90,841,096	11.44
Dr. YEN Gordon 嚴震銘博士	6,400,000	–	6,400,000	0.81
Mrs. FUNG YEH Yi Hao, Yvette 馮葉儀皓女士	70,000	–	70,000	0.01

Note:

Mr. HA Chung Fong was deemed to be interested in 212,108,948 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 Ltd. ("Newcorp").

Long positions in underlying shares of the Company:

Name of director 董事姓名	Date of grant 授出日期	Exercise period 行使期	Number of share options 購股權數目
Mr. HA Kam On, Victor 夏錦安先生	17.09.2010	17.03.2014 – 17.03.2017 (note 1) (附註1)	4,600,000
	18.08.2011	19.08.2012 – 18.08.2017 (note 2) (附註2)	3,300,000
Dr. YEN Gordon 嚴震銘博士	17.09.2010	17.03.2014 – 17.03.2017 (notes 1, 3) (附註1,3)	6,600,000
	18.08.2011	19.08.2012 – 18.08.2017 (notes 2, 4) (附註2,4)	6,300,000
Mr. HA Hon Kuen 夏漢權先生	17.09.2010	17.03.2014 – 17.03.2017 (note 1) (附註1)	2,000,000
	18.08.2011	19.08.2012 – 18.08.2017 (note 2) (附註2)	3,000,000

於2012年2月29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：

於本公司股份的好倉情況：

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212,108,948股本公司股份權益。Trustcorp Limited（「Trustcorp」）為the HA Trust之受託人。Trustcorp是Newcorp Ltd.（「Newcorp」）之全資附屬公司。

於本公司相關股份的好倉情況：

DIRECTORS' INTERESTS IN SECURITIES (Continued)

董事之證券權益(續)

Notes:

附註：

1. 30% of the share options are exercisable from 17 March 2014 to 17 March 2017, up to 60% of the share options are exercisable from 17 March 2015 to 17 March 2017 and all share options are exercisable from 17 March 2016 to 17 March 2017.
2. 20% of the share options are exercisable from 19 August 2012 to 18 August 2017, up to 40% of the share options are exercisable from 19 August 2013 to 18 August 2017, up to 60% of the share options are exercisable from 19 August 2014 to 18 August 2017, up to 80% of the share options are exercisable from 19 August 2015 to 18 August 2017 and all share options are exercisable from 19 August 2016 to 18 August 2017.
3. Dr. YEN Gordon, being the spouse of Ms. HA Kam Yee, was also deemed to be interested in 2,000,000 share options granted to Ms. HA Kam Yee by the Company on 17 September 2010.
4. Dr. YEN Gordon, being the spouse of Ms. HA Kam Yee, was also deemed to be interested in 3,000,000 share options granted to Ms. HA Kam Yee by the Company on 18 August 2011.

1. 由2014年3月17日起至2017年3月17日，可行使30%購股權；由2015年3月17日起至2017年3月17日，最多可行使60%購股權；及由2016年3月17日起至2017年3月17日，可行使所有購股權。
2. 由2012年8月19日起至2017年8月18日，可行使20%購股權；由2013年8月19日起至2017年8月18日，最多可行使40%購股權；由2014年8月19日起至2017年8月18日，最多可行使60%購股權；由2015年8月19日起至2017年8月18日，最多可行使80%購股權；及由2016年8月19日起至2017年8月18日，可行使所有購股權。
3. 嚴震銘博士(作為夏錦兒小姐之配偶)亦被視為在本公司於2010年9月17日授予夏錦兒小姐之2,000,000購股權中擁有權益。
4. 嚴震銘博士(作為夏錦兒小姐之配偶)亦被視為在本公司於2011年8月18日授予夏錦兒小姐之3,000,000購股權中擁有權益。

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.

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。

## SUBSTANTIAL SHAREHOLDERS' AND OTHER SHAREHOLDERS' INTERESTS

### 主要股東及其他股東權益

At 29 February 2012, 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.

於2012年2月29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。

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	246,388,948 (notes 1 and 3) (附註1及3)	Spouse interest 配偶權益	31.03
Newcorp	212,108,948 (notes 2 and 3) (附註2及3)	Interest of corporation controlled 所控制的法團的權益	26.71

Notes:

附註：

- Ms. TANG Kuen Mui, spouse of Mr. HA Chung Fong, was deemed to be interested in the shares.
- Newcorp is the sole 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.

- 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之唯一控股股東，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。

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 29 February 2012.

除上述披露外，於2012年2月29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 29 February 2012 in compliance with the code of provisions of the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules.

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2012年2月29日止6個月期間未有或未遵守上市規則附錄14所載之企業管治常規守則之守則條文。

## 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 for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules (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」)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 three independent non-executive directors of the Company (Mr. NG Kwok Tung, Mr. WONG Kwong Chi and Mr. CHOW Wing Kin, Anthony, SBS, JP). The Audit Committee has reviewed the unaudited interim results.

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(伍國棟先生、王幹芝先生及周永健先生，銀紫荊星章，太平紳士)組成。審核委員會已審閱未經審核之中期業績。

## 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 the four independent non-executive directors 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。薪酬委員會現由四位本公司獨立非執行董事組成。

On behalf of the Board  
**HA Chung Fong**  
Chairman

Hong Kong  
13 April 2012

代董事會  
主席  
**夏松芳**

香港  
2012年4月13日

## SHAREHOLDER INFORMATION 股東資料

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

**Stock Code** : 420

**Board Lot** : 2,000

**Par Value** : HK\$0.20

**Shares Issued** : 794,010,960

**上市** : 自1988年4月20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 2012

Financial year ended 31 August 2012

Interim results announced 13 April 2012

Register of members closed N/A

Distribution of dividend N/A

2012 full year results to be announced End of November 2012

### 2012年財務日誌

財政年度結算 2012年8月31日

中期業績公佈 2012年4月13日

股份暫停登記 不適用

股息派發 不適用

2012年全年業績公佈 2012年11月下旬

### Shareholder Services

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

#### Tricor Secretaries Limited

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

### 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：

#### 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

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### 投資者關係

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# Global Network | 環球網絡

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

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Fountain Set has overseas marketing/representative offices in the following locations. Addresses, phone numbers and fax numbers are listed at [www.fshl.com](http://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](http://www.fshl.com)內

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