

TEXWINCA holdings limited
INTERIM REPORT

中期報告 2020

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Corporate Information 公司資料

DIRECTORS

Poon Bun Chak (*Executive Chairman*)
Ting Kit Chung (*Chief Executive Officer*)
Poon Ho Tak
Au Son Yiu*
Cheng Shu Wing*
Law Brian Chung Nin*

* *Independent Non-executive Directors*

NOMINATION COMMITTEE

Cheng Shu Wing (*Chairman*)
Au Son Yiu
Law Brian Chung Nin
Ting Kit Chung

REMUNERATION COMMITTEE

Au Son Yiu (*Chairman*)
Cheng Shu Wing
Law Brian Chung Nin
Ting Kit Chung

AUDIT COMMITTEE

Law Brian Chung Nin (*Chairman*)
Au Son Yiu
Cheng Shu Wing

COMPANY SECRETARY

Chan Chi Hon

REGISTERED OFFICE

Clarendon House,
2 Church Street,
Hamilton HM 11,
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

16th Floor, Metroplaza Tower II,
223 Hing Fong Road, Kwai Chung,
New Territories, Hong Kong

董事

潘彬澤(*執行主席*)
丁傑忠(*行政總裁*)
潘浩德
區樂耀*
鄭樹榮*
羅仲年*
* *獨立非執行董事*

提名委員會

鄭樹榮(*主席*)
區樂耀
羅仲年
丁傑忠

薪酬委員會

區樂耀(*主席*)
鄭樹榮
羅仲年
丁傑忠

審核委員會

羅仲年(*主席*)
區樂耀
鄭樹榮

公司秘書

陳志漢

註冊辦事處

Clarendon House,
2 Church Street,
Hamilton HM 11,
Bermuda

總辦事處及主要營業地點

香港新界
葵涌興芳路223號
新都會廣場第2座16樓

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
4th Floor North, Cedar House,
41 Cedar Avenue,
Hamilton HM12,
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
Level 54, Hopewell Centre,
183 Queen's Road East,
Wanchai, Hong Kong

AUDITOR

Ernst & Young
Certified Public Accountants

LEGAL ADVISORS

Jennifer Cheung & Co.
Wilkinson & Grist

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
BNP Paribas
Citibank, N.A.
The Hongkong and Shanghai Banking Corporation Limited
Hang Seng Bank
Mizuho Bank Limited

WEBSITES

<http://www.texwinca.com/>
<http://www.irasia.com/listco/hk/texwinca/>

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
4th Floor North, Cedar House,
41 Cedar Avenue,
Hamilton HM12,
Bermuda

香港股份過戶登記分處

卓佳登捷時有限公司
香港灣仔
皇后大道東183號
合和中心54樓

核數師

安永會計師事務所
執業會計師

法律顧問

張美霞律師行
高露雲律師行

主要往來銀行

中國銀行(香港)有限公司
法國巴黎銀行
花旗銀行
香港上海滙豐銀行有限公司
恒生銀行
瑞穗銀行

網址

<http://www.texwinca.com/>
<http://www.irasia.com/listco/hk/texwinca/>

Financial Information 財務資料

The board of directors (the "Board") of Texwinca Holdings Limited (the "Company") has pleasure in presenting the unaudited consolidated interim results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 September 2020. The interim results have been reviewed by the Company's audit committee.

德永佳集團有限公司(「本公司」)之董事會欣然公佈，本公司及其附屬公司(合稱「本集團」)截至二零二零年九月三十日止六個月之未經審核綜合中期業績。此中期業績已由本公司審核委員會審閱。

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

簡明綜合損益表

		Six months ended 30 September 截至九月三十日止六個月	
		2020 二零二零年 (Unaudited) (未經審核)	2019 二零一九年 (Unaudited) (未經審核)
		HK\$'000 港幣千元	HK\$'000 港幣千元
	Notes 附註		
REVENUE	收入	4	
Cost of sales	銷售成本	(2,394,981)	4,197,328 (2,865,905)
Gross profit	毛利	1,012,312	1,331,423
Other income and gains	其他收入及收益	5	87,652
Selling and distribution expenses	銷售及分銷費用	(552,200)	76,255 (680,898)
Administrative expenses	行政費用	(332,640)	(431,571)
Other operating expenses, net	其他營運費用，淨額	(5,216)	(11,877)
Finance costs	財務費用	(17,642)	(34,654)
Share of profit of an associate	應佔聯營公司溢利	677	6,483
PROFIT BEFORE TAX	除稅前溢利	6	192,943
Income tax expense	稅項	7	255,161 (52,879)
PROFIT FOR THE PERIOD ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	歸屬本公司普通權益所有者 本期溢利		140,064
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	歸屬本公司普通權益所有者 每股盈利		211,566
Basic and diluted (HK cents)	基本及攤薄後(港幣仙)	9	10.1
			15.3

Details of the dividends for the period are disclosed in note 8 to the financial statements.

本期股息詳情披露於財務報表附註8內。

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

簡明綜合全面收入表

		Six months ended 30 September	
		截至九月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		港幣千元	港幣千元
PROFIT FOR THE PERIOD	本期溢利	140,064	211,566
OTHER COMPREHENSIVE INCOME/(LOSS)	其他全面收入／(虧損)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:	於其後期間可重新分類至損益的其他全面收入／(虧損)：		
Exchange differences on translation of foreign operations	換算海外經營業務產生之匯兌差額	136,038	(181,844)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX	本期其他全面收入／(虧損)，除稅後淨額	136,038	(181,844)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	歸屬本公司普通權益所有者本期全面收入總額	276,102	29,722

Financial Information 財務資料

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

			30 September 2020 二零二零年 九月三十日 (Unaudited) (未經審核) HK\$'000 港幣千元	31 March 2020 二零二零年 三月三十一日 (Audited) (經審核) HK\$'000 港幣千元
	Notes 附註			
NON-CURRENT ASSETS		非流動資產		
Property, plant and equipment	10	物業、廠房及設備	1,161,499	1,144,341
Right-of-use assets		使用權資產	524,538	617,418
Investment properties		投資物業	516,737	516,737
Construction in progress		在建工程	5,646	373
Trademarks		商標	33,293	33,293
Investment in an associate		於聯營公司之投資	49,029	48,288
Prepayments		預付款項	3,335	17,220
Long term rental deposits		長期租金按金	72,647	76,149
Financial assets at fair value through profit or loss		按公允值計入損益的金融資產	80,849	74,776
Long term debt instruments at amortised cost		長期按已攤銷成本的債務工具	86,374	99,247
Deferred tax assets		遞延稅項資產	14,074	23,630
Total non-current assets		總非流動資產	2,548,021	2,651,472
CURRENT ASSETS		流動資產		
Inventories		存貨	2,084,204	2,102,440
Trade receivables	11	應收賬款	951,147	712,289
Bills receivable		應收票據	277,659	197,307
Prepayments, deposits and other receivables		預付款項、訂金及其他應收賬款	831,485	817,045
Financial assets at fair value through profit or loss		按公允值計入損益的金融資產	15,600	56,946
Debt instruments at amortised cost		按已攤銷成本的債務工具	55,421	37,780
Derivative financial assets		衍生金融資產	308	41
Cash and cash equivalents		現金及現金等價物	1,055,710	1,737,012
Total current assets		總流動資產	5,271,534	5,660,860
CURRENT LIABILITIES		流動負債		
Trade payables	12	應付賬款	1,089,829	708,400
Bills payable		應付票據	—	1,472
Other payables and accrued liabilities		其他應付賬款及應計負債	527,410	526,662
Lease liabilities		租賃負債	239,537	203,468
Derivative financial liabilities		衍生金融負債	—	419
Interest-bearing bank borrowings		附息銀行貸款	133,520	1,229,533
Tax payable		應付稅項	223,775	183,589
Total current liabilities		總流動負債	2,214,071	2,853,543

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

簡明綜合財務狀況表(續)

		30 September 2020 二零二零年 九月三十日 (Unaudited) (未經審核)	31 March 2020 二零二零年 三月三十一日 (Audited) (經審核)
		Note 附註	HK\$'000 港幣千元
NET CURRENT ASSETS	流動資產淨額		3,057,463
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		5,605,484
NON-CURRENT LIABILITIES	非流動負債		
Deposit received	已收訂金		—
Lease liabilities	租賃負債		288,694
Deferred tax liabilities	遞延稅項負債		99,386
Total non-current liabilities	總非流動負債		388,080
Net assets	資產淨額		5,217,404
EQUITY	權益		
Equity attributable to ordinary equity holders of the Company	歸屬本公司普通權益所有者權益		
Issued capital	已發行股本		69,085
Reserves	儲備		5,079,234
Interim/final dividends	中期／末期股息	8	69,085
Total equity	總權益		5,217,404

Financial Information 財務資料

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

Attributable to ordinary equity holders of the Company 本公司普通股權益持有者應佔										
	Issued capital 已發行股本 (Unaudited) (未經審核) HK\$'000 港幣千元	Share premium account 股本溢價賬 (Unaudited) (未經審核) HK\$'000 港幣千元	Capital redemption reserve 股本贖回儲備 (Unaudited) (未經審核) HK\$'000 港幣千元	Contributed surplus 實繳盈餘 (Unaudited) (未經審核) HK\$'000 港幣千元	Exchange fluctuation reserve 外匯變動儲備 (Unaudited) (未經審核) HK\$'000 港幣千元	Asset revaluation reserve 資產重估儲備 (Unaudited) (未經審核) HK\$'000 港幣千元	Capital reserve 股本儲備 (Unaudited) (未經審核) HK\$'000 港幣千元	Retained profits 保留溢利 (Unaudited) (未經審核) HK\$'000 港幣千元	Dividends 股息 (Unaudited) (未經審核) HK\$'000 港幣千元	Total equity 總權益 (Unaudited) (未經審核) HK\$'000 港幣千元
At 31 March 2020 於二零二零年三月三十一日	69,085	703,365	1,695	3,986	(149,959)	99,246	375,180	3,827,615	—	4,930,213
Effect of early adoption of Amendment to HKFRS 16 提早採納香港財務報告準則 第16號(修訂本)之影響	—	—	—	—	—	—	—	11,089	—	11,089
At 1 April 2020 (restated) 於二零二零年四月一日(重列)	69,085	703,365	1,695	3,986	(149,959)	99,246	375,180	3,838,704	—	4,941,302
Profit for the period 本期溢利	—	—	—	—	—	—	—	140,064	—	140,064
Other comprehensive income for the period: 本期其他全面收入: 換算海外經營業務產生之 匯兌差額	—	—	—	—	136,038	—	—	—	—	136,038
Exchange differences on translation of foreign operations	—	—	—	—	136,038	—	—	—	—	136,038
Total comprehensive income for the period	—	—	—	—	136,038	—	—	140,064	—	276,102
2020/2021 interim dividend	—	—	—	—	—	—	—	(69,085)	69,085	—
At 30 September 2020 於二零二零年九月三十日	69,085	703,365	1,695	3,986	(13,921)	99,246	375,180	3,909,683	69,085	5,217,404
At 31 March 2019 於二零一九年三月三十一日	69,085	703,365	1,695	3,986	54,668	99,246	375,180	3,863,075	207,254	5,377,554
Effect of adoption of HKFRS 16 採納香港財務報告準則第16號之影響	—	—	—	—	—	—	—	(66,344)	—	(66,344)
At 1 April 2019 (restated) 於二零一九年四月一日(重列)	69,085	703,365	1,695	3,986	54,668	99,246	375,180	3,796,731	207,254	5,311,210
Profit for the period 本期溢利	—	—	—	—	—	—	—	211,566	—	211,566
Other comprehensive loss for the period: 本期其他全面虧損: 換算海外經營業務產生之 匯兌差額	—	—	—	—	(181,844)	—	—	—	—	(181,844)
Exchange differences on translation of foreign operations	—	—	—	—	(181,844)	—	—	—	—	(181,844)
Total comprehensive income/(loss) for the period	—	—	—	—	(181,844)	—	—	211,566	—	29,722
2018/2019 final dividend declared 已宣派末期股息	—	—	—	—	—	—	—	—	(207,254)	(207,254)
2019/2020 interim dividend	—	—	—	—	—	—	—	(138,170)	138,170	—
At 30 September 2019 於二零一九年九月三十日	69,085	703,365	1,695	3,986	(127,176)	99,246	375,180	3,870,127	138,170	5,133,678

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

		Six months ended 30 September 截至九月三十日止六個月	
		2020 二零二零年 (Unaudited) (未經審核) HK\$'000 港幣千元	2019 二零一九年 (Unaudited) (未經審核) HK\$'000 港幣千元
NET CASH FLOWS FROM OPERATING ACTIVITIES	經營所得現金流入淨額	563,598	502,878
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES	投資活動現金流入/(流出)淨額	575,751	(95,068)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	融資活動現金流出淨額	(1,214,954)	(321,194)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物之增加/(減少)淨額	(75,605)	86,616
Cash and cash equivalents at beginning of period	期初之現金及現金等價物	1,088,828	1,975,981
Foreign exchange adjustments	外匯調整	(9,098)	(17,558)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末之現金及現金等價物	1,004,125	2,045,039
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析		
Cash and bank balances	現金及銀行存款	275,115	460,109
Non-pledged time deposits with original maturity within three months when acquired	於訂立日三個月內到期之無抵押定期存款	729,010	1,584,930
Non-pledged time deposits with original maturity over three months when acquired	於訂立日三個月以上到期之無抵押定期存款	51,585	190,536
Cash and cash equivalents as stated in the condensed consolidated statement of financial position	現金及現金等價物，如載於簡明綜合財務狀況表	1,055,710	2,235,575
Less: Non-pledged time deposits with original maturity over three months when acquired	減：於訂立日三個月以上到期之無抵押定期存款	(51,585)	(190,536)
Cash and cash equivalents as stated in the condensed consolidated statement of cash flows	現金及現金等價物，如載於簡明綜合現金流量表	1,004,125	2,045,039

Financial Information 財務資料

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of Preparation

The unaudited condensed interim financial statements are prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and Appendix 16 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 March 2020.

2. Significant Accounting Policies

The accounting policies and basis of preparation adopted in the preparation of the unaudited condensed interim financial statements are the same as those used in the Group’s annual financial statements for the year ended 31 March 2020, except in relation to the following new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by the HKICPA that affect the Group and are adopted for the first time for the current period’s financial statements:

Amendments to HKFRS 3 *Definition of a Business*

Amendments to HKFRS 9, HKAS 39 and HKFRS 7 *Interest Rate Benchmark Reform*

Amendments to HKAS 1 and HKAS 8 *Definition of Material*

Amendment to HKFRS 16 *COVID-19-Related Rent Concessions (early adopted)*

Other than as explained below regarding the impact of Amendment to HKFRS 16, the adoption of the above new and revised HKFRSs has had no significant financial effect on these condensed interim financial statements.

財務報表附註

1. 編製基準

本未經審核簡明中期財務報表乃根據香港會計師公會頒佈之香港會計準則第34號*中期財務報告*及香港聯合交易所有限公司(「聯交所」)《證券上市規則》(「上市規則」)附錄16編製。

該等簡明中期財務報表並未包含年度財務報表所要求的所有資料及披露，並應與本集團截至二零二零年三月三十一日止年度的年度財務報表一併閱讀。

2. 主要會計政策

在編製此未經審核簡明中期財務報表採納的會計政策和編製基準與本集團截至二零二零年三月三十一日止年度的年度財務報表所採用的一致，除以下影響本集團及在本期財務報表中首次採納的香港會計師公會頒佈之新訂及經修訂香港財務報告準則(包括所有香港財務報告準則、香港會計準則及詮釋)：

香港財務報告準則 3號(修訂本) *業務之定義*

香港財務報告準則 9號、香港會計準則第39號及香港財務報告準則第7號(修訂本) *基準利率的改革*

香港會計準則第1號及香港會計準則第8號(修訂本) *重大之定義*

香港財務報告準則 16號(修訂本) *19新型冠狀病毒相關的租金減免(提早採納)*

除下文所述有關香港財務報告準則第16號(修訂本)之影響外，採納上述新訂及經修訂香港財務報告準則對該等簡明中期財務報表並無重大財務影響。

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Significant Accounting Policies (continued)

Amendment to HKFRS 16

Amendment to HKFRS 16 provides a practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. The practical expedient applies only to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (ii) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and (iii) there is no substantive change to other terms and conditions of the lease. The amendment is effective retrospectively for annual periods beginning on or after 1 June 2020 with earlier application permitted.

During the year ended 31 March 2020 and the six months ended 30 September 2020, certain monthly lease payments for the leases of the Group's retail stores have been reduced or waived by the lessors as a result of the COVID-19 pandemic and there are no other changes to the terms of the leases. The Group has early adopted the amendment on 1 April 2020 and elected not to apply lease modification accounting for all rent concessions granted by the lessors as a result of the COVID-19 pandemic during the year ended 31 March 2020 and six months ended 30 September 2020. Accordingly, a reduction in the lease payments arising from the rent concessions of HK\$11,089,000 and HK\$8,912,000 has been accounted for as a variable lease payment by derecognising part of the lease liabilities and crediting to retained profits as at 1 April 2020 and profit or loss for the six months ended 30 September 2020, respectively.

3. Significant Accounting Judgements and Estimates

The judgments and estimates adopted in the preparation of the unaudited condensed interim financial statements are the same as those used in the Group's annual financial statements for the year ended 31 March 2020.

財務報表附註(續)

2. 主要會計政策(續)

香港財務報告準則第16號(修訂本)

香港財務報告準則第16號(修訂本)為承租人提供一個實際可行的權宜方法以選擇就19新型冠狀病毒疫情的直接後果產生的租金減免不應應用租賃修改會計處理。該實際可行權宜方法僅適用於19新型冠狀病毒疫情直接後果產生的租金減免，且僅當(i)租賃付款的變動使租賃代價有所修改，而經修改的代價與緊接變動前租賃代價大致相同，或少於緊接變動前租賃代價；(ii)租賃付款的任何減幅僅影響原到期日為二零二一年六月三十日或之前的付款；及(iii)租賃的其他條款及條件並無實質變動。該修訂於二零二零年六月一日或之後開始的年度期間追溯有效，並允許提早應用。

於截至二零二零年三月三十一日止年度及二零二零年九月三十日止六個月期間，本集團零售店舖租賃的若干每月租賃付款因19新型冠狀病毒疫情而獲出租人減少或豁免，租賃條款並無其他變動。本集團已於二零二零年四月一日提早採納該修訂，並選擇不對截至二零二零年三月三十一日止年度及二零二零年九月三十日止六個月期間因19新型冠狀病毒疫情而獲出租人授出的所有租金減免應用租賃修改會計處理。因此，列為可變租賃款的租金減免產生的租賃付款減少港幣11,089,000元及港幣8,912,000元已透過終止確認部分租賃負債及分別計入於二零二零年四月一日的保留溢利及截至二零二零年九月三十日止六個月期間的損益。

3. 主要會計判斷及估計

在編製此未經審核簡明中期財務報表時採納的判斷及估計與本集團截至二零二零年三月三十一日止年度的年度財務報表採用的一致。

Financial Information 財務資料

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Operating Segment Information

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

- (a) the production, dyeing and sale of knitted fabric, yarn and garments segment;
- (b) the retailing and distribution of casual apparel and accessories segment; and
- (c) the "others" segment comprises, principally, the provision of franchise services and property investment.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss) which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit before tax except interest income, non-lease related finance costs and share of profit of an associate, are excluded from such measurement.

財務報表附註(續)

4. 營運分類資料

就管理而言，本集團根據所提供產品及服務將業務單位分類，三個可匯報營運分類如下：

- (a) 針織布、棉紗及成衣之產銷及整染分類；
- (b) 便服及飾物之零售及分銷分類；及
- (c) 「其他」分類主要包含提供特許經營服務及物業投資。

管理層獨立監察本集團的營運分類業績以作出資源分配及表現評估的決定。分類表現乃按經調整除稅前損益計量的可匯報分類損益予以評估。經調整除稅前損益與本集團的除稅前溢利的計量一致，惟利息收入、非租賃相關之財務費用及應佔聯營公司溢利均不計入該計量內。

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Operating Segment Information (continued)

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

財務報表附註(續)

4. 營運分類資料(續)

分類間之銷售及轉撥交易之售價乃參照售予第三者之當時市場價格訂定。

	Production, dyeing and sale of knitted fabric, yarn and garments 針織布、棉紗及成衣之 產銷及整染		Retailing and distribution of casual apparel and accessories 便服及飾物之零售及分銷		Others 其他		Eliminations 對銷		Consolidated 綜合	
	2020 二零二零年 (Unaudited) (未經審核)	2019 二零一九年 (Unaudited) (未經審核) (Restated) (重列)	2020 二零二零年 (Unaudited) (未經審核)	2019 二零一九年 (Unaudited) (未經審核) (Restated) (重列)	2020 二零二零年 (Unaudited) (未經審核)	2019 二零一九年 (Unaudited) (未經審核)	2020 二零二零年 (Unaudited) (未經審核)	2019 二零一九年 (Unaudited) (未經審核)	2020 二零二零年 (Unaudited) (未經審核)	2019 二零一九年 (Unaudited) (未經審核) (Restated) (重列)
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Segment revenue:	分類收入：									
Sales to external customers	2,308,488	2,849,791	1,097,602	1,346,157	1,203	1,380	—	—	3,407,293	4,197,328
Intersegment sales	83,795	18,913	—	—	3,769	3,017	(87,564)	(21,930)	—	—
Other revenue	34,204	25,446	15,788	2,814	23,558	17,293	(1,363)	(4,159)	72,187	41,394
	2,426,487	2,894,150	1,113,390	1,348,971	28,530	21,690	(88,927)	(26,089)	3,479,480	4,238,722
Segment results	分類業績									
	326,051	351,001	(172,749)	(130,636)	34,649	14,827	(6,743)	—	181,208	235,192
<i>Reconciliation:</i>	<i>調節：</i>									
Interest income									15,465	34,861
Finance costs (excluding interest on lease liabilities)									(4,407)	(21,375)
Share of profit of an associate									677	6,483
Profit before tax									192,943	255,161
Income tax expense									(52,879)	(43,595)
Profit for the period									140,064	211,566

Financial Information 財務資料

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

5. Revenue, Other Income and Gains

5. 收入、其他收入及收益

		Six months ended 30 September 截至九月三十日止六個月	
		2020 二零二零年 (Unaudited) (未經審核) HK\$'000 港幣千元	2019 二零一九年 (Unaudited) (未經審核) HK\$'000 港幣千元
Revenue from contracts with customers	來自與客戶訂立的合約的收入		
Sales of goods	銷售貨品	3,401,135	4,190,439
Rendering of services	提供服務	5,074	5,746
Franchise and royalty income	特許經營及專利收入	1,084	1,143
		3,407,293	4,197,328
<i>Disaggregated revenue information</i>	<i>分拆收入資料</i>		
Timing of revenue recognition	收入確認時間		
At a point in time	於某一時點	3,401,135	4,190,439
Over time	於某一時段	6,158	6,889
		3,407,293	4,197,328
Other income and gains	其他收入及收益		
Interest income	利息收入	15,465	34,861
Net fair value gains on foreign exchange derivative financial instruments	外匯衍生金融工具公允值收益淨額	1,420	1,743
Gross rental income from investment property operating leases	投資物業經營租賃租金收入總額	10,020	11,323
Compensation from suppliers for defective goods	就次貨獲得供應商賠償	5,058	13,213
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備項目收益	—	65
Government subsidies	政府補助款	27,931	6,402
Sundry income	雜項收入	27,758	8,648
		87,652	76,255

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

6. Profit Before Tax

The Group's profit before tax is arrived at after charging/ (crediting):

6. 除稅前溢利

本集團之除稅前溢利已扣除/(加上)：

		Six months ended 30 September 截至九月三十日止六個月	
		2020 二零二零年 (Unaudited) (未經審核) HK\$'000 港幣千元	2019 二零一九年 (Unaudited) (未經審核) HK\$'000 港幣千元
Depreciation of property, plant and equipment	物業、廠房及設備折舊	109,545	127,566
Depreciation of right-of-use assets	使用權資產折舊	123,752	135,321
Write-down/(reversal of write-down) of inventories	存貨撇減/(撇減撥回)	9,879	(4,605)
Impairment of trade receivables	應收賬款減值	1,389	8,091
Net loss/(gain) on disposal of items of property, plant and equipment	出售物業、廠房及設備項目虧損/(收益)淨額	4,913	(65)

Financial Information 財務資料

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. Income Tax Expense

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 September 2019: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime effective from the year of assessment 2018/2019. The first HK\$2,000,000 of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

財務報表附註(續)

7. 稅項

香港利得稅已按期內於香港賺取之估計應課稅溢利以稅率16.5% (截至二零一九年九月三十日止六個月：16.5%) 提撥準備，惟本集團一間附屬公司除外，該公司為合資格應用於二零一八／二零一九課稅年度生效的利得稅兩級制的實體。該附屬公司首港幣2,000,000元的應課稅利潤按8.25%的稅率繳稅，餘下的應課稅利潤則按16.5%的稅率繳稅。在其他地區的應課利得稅項，乃根據本集團業務經營所在司法權區之現行稅率計算。

		Six months ended 30 September 截至九月三十日止六個月	
		2020 二零二零年 (Unaudited) (未經審核) HK\$'000 港幣千元	2019 二零一九年 (Unaudited) (未經審核) HK\$'000 港幣千元
Current – Hong Kong and Mainland China: 本期－香港及中國大陸：			
Charge for the period	本期準備	54,399	41,773
Underprovision in prior years	往年度撥備不足	165	—
Deferred	遞延	(1,685)	1,822
Total tax charge for the period	本期稅項合計	52,879	43,595

NOTES TO THE FINANCIAL STATEMENTS (continued)

財務報表附註(續)

8. Dividends

8. 股息

		Six months ended 30 September	
		截至九月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Interim dividend	中期股息	69,085	138,170
Interim dividend per ordinary share (HK cents)	每股普通股中期股息 (港幣仙)	5.0	10.0

9. Earnings Per Share Attributable to Ordinary Equity Holders of the Company

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 1,381,696,104 (six months ended 30 September 2019: 1,381,696,104) in issue during the period.

The Company had no potentially dilutive ordinary shares in issue during the six months ended 30 September 2020 and 30 September 2019.

10. Property, Plant and Equipment

During the six months ended 30 September 2020, the Group acquired items of property, plant and equipment with a cost of HK\$69,416,000 (six months ended 30 September 2019: HK\$73,484,000). Items of property, plant and equipment with a net book value of HK\$5,776,000 (six months ended 30 September 2019: HK\$5,744,000) were disposed of during the six months ended 30 September 2020.

9. 歸屬本公司普通權益所有者每股盈利

基本每股盈利金額乃按本公司普通權益所有者應佔該期溢利及於該期內已發行普通股1,381,696,104股(截至二零一九年九月三十日止六個月: 1,381,696,104股)之加權平均股數計算。

本公司於截至二零二零年九月三十日及二零一九年九月三十日止六個月內並無已發行的潛在可引致攤薄的普通股。

10. 物業、廠房及設備

於截至二零二零年九月三十日止六個月內，本集團添置價值為港幣69,416,000元(截至二零一九年九月三十日止六個月: 港幣73,484,000元)之物業、廠房及設備項目。於截至二零二零年九月三十日止六個月內，賬面淨值為港幣5,776,000元(截至二零一九年九月三十日止六個月: 港幣5,744,000元)之物業、廠房及設備項目被出售。

Financial Information 財務資料

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. Trade Receivables

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance of HK\$34,777,000 (31 March 2020: HK\$33,388,000), is as follows:

		30 September 2020 二零二零年 九月三十日 (Unaudited) (未經審核) HK\$'000 港幣千元	31 March 2020 二零二零年 三月三十一日 (Audited) (經審核) HK\$'000 港幣千元
Within 90 days	90日內	770,049	670,617
Over 90 days	90日以上	181,098	41,672
		951,147	712,289

Payment terms of the Group's customers mainly range from "cash before delivery" to "90 days from the date of invoice". A significant portion of the customers trades with the Group under documentary credit terms. The Group seeks to maintain strict credit control on its outstanding receivables and has a policy to manage its credit risk. Since the Group's trade receivables relate to a large number of customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

財務報表附註(續)

11. 應收賬款

於報告期末，按發票日期及扣除損失撥備港幣34,777,000元(二零二零年三月三十一日：港幣33,388,000元)後之應收賬款賬齡分析如下：

本集團客戶主要賬期由「先款後貨」至「發票日起的90天」，其中有重大部份是以信用狀與本集團進行交易。本集團對應收款項實施一套嚴謹監察制度以管理信貸風險。由於本集團應收賬款包括眾多客戶，因此並無重大的信貸集中風險。本集團並無就其應收賬款結餘持有任何抵押品或其他提升信用之保障。應收賬款為非附息。

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. Trade Payables

An ageing analysis of trade payables as at the end of the reporting period, based on the invoice date, is as follows:

		30 September 2020 二零二零年 九月三十日 (Unaudited) (未經審核) HK\$'000 港幣千元	31 March 2020 二零二零年 三月三十一日 (Audited) (經審核) HK\$'000 港幣千元
Within 90 days	90日內	964,303	690,687
Over 90 days	90日以上	125,526	17,713
		1,089,829	708,400

At the end of the reporting period, the trade payables are non-interest-bearing and are normally settled on 90-day terms.

於報告期末，應付賬款為非附息及一般為90天的賬期。

13. Contingent Liabilities

(a) At the end of the reporting period, contingent liabilities not provided for in the financial statements were as follows:

13. 或有負債

(a) 於報告期末，以下或有負債未於財務報表中撥備：

		30 September 2020 二零二零年 九月三十日 (Unaudited) (未經審核) HK\$'000 港幣千元	31 March 2020 二零二零年 三月三十一日 (Audited) (經審核) HK\$'000 港幣千元
Bank guarantees given in lieu of property rental deposits	代替租用物業按金之銀行擔保	4,646	4,892

Financial Information 財務資料

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. Contingent Liabilities (continued)

- (b) The Hong Kong Inland Revenue Department (the "IRD") initiated a review on the tax affairs of certain subsidiaries of the Group for the years of assessment from 2005/2006 to 2016/2017.

Details of protective tax assessments issued by the IRD to certain subsidiaries of the Group:

財務報表附註(續)

13. 或有負債(續)

- (b) 香港稅務局(「稅局」)向本集團部份附屬公司提出就二零零五／二零零六至二零一六／二零一七課稅年度的稅務事項進行覆核。

稅局向本集團部份附屬公司發出的保障性稅務評估詳情：

Protective tax assessments 保障性稅務評估			Amount of tax reserve certificates purchased 已購買儲稅券金額
Related to the year of assessment 有關課稅年度	Year and month of issue 發出年份及月份	Tax amount 應繳稅額 HK\$'000 港幣千元	HK\$'000 港幣千元
2005/2006 二零零五／二零零六	March 2012 二零一二年三月	69,125	4,500
2006/2007 二零零六／二零零七	March 2013 二零一三年三月	189,000	31,500
2007/2008 二零零七／二零零八	March 2014 二零一四年三月	388,878	34,000
2008/2009 二零零八／二零零九	March 2015 二零一五年三月	376,200	38,000
2009/2010 二零零九／二零一零	March 2016 二零一六年三月	323,648	38,000
2010/2011 二零一零／二零一一	January 2017 二零一七年一月	237,600	50,000
2011/2012 二零一一／二零一二	January 2018 二零一八年一月	183,745	7,090
2012/2013 二零一二／二零一三	April 2018 and January 2019 二零一八年四月及 二零一九年一月	175,049	46,069
2013/2014 二零一三／二零一四	April 2018 and January 2020 二零一八年四月及 二零二零年一月	502,200	166,320
2014/2015 二零一四／二零一五	April 2018 二零一八年四月	247,460	82,500
2015/2016 二零一五／二零一六	April 2018 二零一八年四月	230,400	71,710
2016/2017 二零一六／二零一七	April 2018 二零一八年四月	129,628	49,808
As at 30 September 2020 and 31 March 2020 於二零二零年九月三十日及二零二零年三月三十一日		3,052,933	619,497

The directors of these subsidiaries believe that there are valid grounds to object to the tax claimed. Subsequent to the objections filed, the IRD agreed to hold over the tax claimed completely subject to the purchases of tax reserve certificates.

該等附屬公司董事相信有充份理據就追討的稅款提出反對。於提出反對後，稅局同意暫緩所徵的全部稅款，惟必須購買儲稅券。

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. Contingent Liabilities (continued)

(b) (continued)

In view that the tax review is still in progress, the outcome of the case is still uncertain. Up to the date of approval of these financial statements, the directors of the Company consider that adequate tax provisions have been made in these financial statements.

14. Capital Commitments

The commitments for capital expenditure of the Group at the end of the reporting period were as follows:

	30 September 2020 二零二零年 九月三十日 (Unaudited) (未經審核) HK\$'000 港幣千元	31 March 2020 二零二零年 三月三十一日 (Audited) (經審核) HK\$'000 港幣千元
In respect of property, plant and equipment, contracted but not provided for	30,547	18,669

In respect of property, plant and equipment, contracted but not provided for

就物業、廠房及設備，已訂約但未提撥備

30,547

18,669

15. Related Party Transactions

(a) During the period, the Group had the following related party transactions:

	Six months ended 30 September 截至九月三十日止六個月	
	2020 二零二零年 (Unaudited) (未經審核) HK\$'000 港幣千元	2019 二零一九年 (Unaudited) (未經審核) HK\$'000 港幣千元
Rental expenses paid to related companies	7,283	12,231

Rental expenses paid to related companies 向關連公司支付租金費用

(i)

7,283

12,231

Note:

(i) Rental expenses were paid to related companies, of which certain directors of the Company are also the directors and beneficial shareholders, for the provision of directors' quarters, retail outlets and a training centre for certain subsidiaries in Hong Kong and Mainland China. The directors considered that the monthly rentals were charged based on the prevailing market rates at the dates of entering into the tenancy agreements.

附註：

(i) 租金費用是支付予關連公司作為部份香港及中國大陸之附屬公司的董事宿舍、零售門市及培訓中心，該等公司之董事及實益股東亦為本公司之部份董事。董事認為每月之租金乃根據租賃合同簽訂日之市場價格釐定。

Financial Information 財務資料

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. Related Party Transactions (continued)

(b) On 17 January 2020, the Group entered into a lease agreement with Mountain Rich Limited ("MRL"), a company wholly-owned by Mr. Poon Bun Chak, an executive director and controlling shareholder of the Company, to lease Tianjin Bin Jiang Fu Shi Commercial Building at 282-286 Bin Jiang Road, He Ping Qu, Tianjin, China from MRL as a retail outlet for the retail and distribution of apparel and accessories business of the Group for a term of two years commencing from 1 April 2020 at the monthly rent of RMB1,329,900. During the period, MRL waived the rental from 1 July 2020 to 30 September 2020, the Group paid to MRL operating lease rentals in respect of the above property of HK\$4,365,929 (six months ended 30 September 2019: HK\$9,224,186).

On 17 January 2020, the Group entered into a lease agreement with Latex (Hong Kong) Limited ("Latex"), a company wholly-owned by Mr. Poon Bun Chak, an executive director and controlling shareholder of the Company, to lease a property located at 22 Perkins Road, Jardine's Lookout, Hong Kong from Latex as a director's quarter of the Group for a term of two years commencing from 1 April 2020 at the monthly rent of HK\$400,000. During the period, the Group paid to Latex operating lease rentals in respect of the above property of HK\$2,400,000 (six months ended 30 September 2019: HK\$2,400,000).

On 17 January 2020, the Group entered into a lease agreement with Winson Link Enterprises Limited ("WLEL"), a company wholly-owned by Mr. Poon Bun Chak, an executive director and controlling shareholder of the Company, to lease Room 4207B, 42nd Floor, Metroplaza Tower II, 223 Hing Fong Road, Kwai Chung, New Territories, Hong Kong and a car parking space from WLEL as a training center of the Group for a term of two years commencing from 1 April 2020 at the monthly rent of HK\$67,240. During the period, the Group paid to WLEL operating lease rentals in respect of the above property and a car parking space of HK\$403,440 (six months ended 30 September 2019: HK\$379,000).

On 17 January 2020, the Group entered into a lease agreement with Sonway Enterprises Limited ("Sonway"), a company wholly-owned by Mr. Ting Kit Chung, an executive director of the Company to lease a property located at 3/F, Ernest Court, 27 Ngan Mok Street, Tin Hou, Hong Kong from Sonway as a director's quarter of the Group for a term of one year commencing from 1 April 2020 at the monthly rent of HK\$38,000. The agreement was early terminated on 1 July 2020. During the period, the Group paid to Sonway operating lease rentals in respect of the above property of HK\$114,000 (Six months ended 30 September 2019: HK\$228,000).

財務報表附註(續)

15. 關連人士交易(續)

(b) 於二零二零年一月十七日，本集團與山富國際有限公司(「山富」)(由本公司的執行董事及控股股東潘彬澤先生全資擁有)簽訂合約，向山富承租位於中國天津市和平區濱江道282號-286號的天津濱江服飾商廈，作為本集團便服及飾物之零售及分銷業務的零售門市，由二零二零年四月一日起為期兩年，每月租金為人民幣1,329,900元。於本期內，山富減免二零二零年七月一日至二零二零年九月三十日之租金，本集團就上述物業向山富支付經營租賃租金港幣4,365,929元(截至二零一九年九月三十日止六個月：港幣9,224,186元)。

於二零二零年一月十七日，本集團與立德(香港)有限公司(「立德」)(由本公司執行董事及控股股東潘彬澤先生全資擁有)簽訂合約，向立德承租位於香港渣甸山白建時道22號的物業，作為本集團一董事宿舍之用。由二零二零年四月一日起為期兩年，每月租金為港幣400,000元。於本期內，本集團就上述物業向立德支付經營租賃租金港幣2,400,000元(截至二零一九年九月三十日止六個月：港幣2,400,000元)。

於二零二零年一月十七日，本集團與永信興企業有限公司(「永信興」)(由本公司執行董事及控股股東潘彬澤先生全資擁有)簽訂合約，向永信興承租香港新界葵涌興芳路223號新都會廣場第二座42樓4207B室及一個停車位，作為本集團的培訓中心。由二零二零年四月一日起，為期兩年，每月租金為港幣67,240元。於本期內，本集團就上述物業及一個停車位向永信興支付經營租賃租金港幣403,440元(截至二零一九年九月三十日止六個月：港幣379,000元)。

於二零二零年一月十七日，本集團與順旺企業有限公司(「順旺」)(由本公司執行董事丁傑忠先生全資擁有)簽訂合約，向順旺承租香港天后銀幕街27號永安樓4樓，作為本集團的董事宿舍。由二零二零年四月一日起，為期一年，每月租金為港幣38,000元。該合約於二零二零年七月一日提早終止。於本期內，本集團就上述物業向順旺支付經營租賃租金港幣114,000元(截至二零一九年九月三十日止六個月：港幣228,000元)。

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. Related Party Transactions (continued)

- (c) Compensation of key management personnel of the Group:

		Six months ended 30 September 截至九月三十日止六個月	
		2020 二零二零年 (Unaudited) (未經審核)	2019 二零一九年 (Unaudited) (未經審核)
Note 附註		HK\$'000 港幣千元	HK\$'000 港幣千元
	Short term employee benefits	19,046	26,274
	Post-employment benefits	17	18
	Total compensation paid to key management personnel	19,063	26,292

Note:

- (i) As the Group was affected by the outbreak of COVID-19, Mr. Poon Bun Chak, Mr. Ting Kit Chung and Mr. Poon Ho Tak voluntarily agreed to waive part of their compensation of HK\$4,006,800, HK\$690,000 and HK\$180,000, respectively, for the six months ended 30 September 2020 (six months ended 30 September 2019: Nil).

附註：

- (i) 由於本集團受19新型冠狀病毒爆發的影響，潘彬澤先生、丁傑忠先生及潘浩德先生同意自願放棄其截至二零二零年九月三十日止六個月的部份薪酬分別為港幣4,006,800元、港幣690,000元及港幣180,000元(截至二零一九年九月三十日止六個月：無)。

16. Fair Value Hierarchy of Financial Instruments

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

16. 金融工具之公允值等級

所有載於本財務報表計量或披露的資產及負債乃基於對公允值計量整體而言屬重大的最低層輸入數據按以下公允值等級分類：

- 第一級 — 基於相同資產或負債於活躍市場的報價(未經調整)
- 第二級 — 基於對公允值計量而言屬重大的可觀察(直接或間接)最低層輸入數據的估值方法
- 第三級 — 基於對公允值計量而言屬重大的不可觀察最低層輸入數據的估值方法

Financial Information 財務資料

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. Fair Value Hierarchy of Financial Instruments (continued)

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

財務報表附註(續)

16. 金融工具之公允價值等級(續)

本集團金融工具之賬面值及公允值(賬面值與其公允值合理地相若之金融工具除外)載列如下:

		Carrying amounts		Fair values	
		賬面值		公允值	
		30 September	31 March	30 September	31 March
		2020	2020	2020	2020
		二零二零年	二零二零年	二零二零年	二零二零年
		九月三十日	三月三十一日	九月三十日	三月三十一日
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		(未經審核)	(經審核)	(未經審核)	(經審核)
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Financial assets	金融資產				
Derivative financial instruments	衍生金融工具	308	41	308	41
Financial assets at fair value through profit or loss	按公允值計入損益的金融資產	96,449	131,722	96,449	129,920
Debt instruments at amortised cost	按已攤銷成本的債務工具	141,795	137,027	134,164	119,028
		238,552	268,790	230,921	248,989
Financial liabilities	金融負債				
Derivative financial instruments	衍生金融工具	—	419	—	419

Management has assessed that the fair values of cash and cash equivalents, trade receivables, bills receivable, financial assets included in prepayments, deposits and other receivables, trade payables, bills payable, an amount due to an associate, the current portion of interest-bearing bank borrowings, and financial liabilities included in other payables and accrued liabilities approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance department headed by the financial controller is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance department directly reports to the Board. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the Board.

管理層已評估現金及現金等價物、應收賬款、應收票據、包括於預付款項、訂金及其他應收賬款內之金融資產、應付賬款、應付票據、應付聯營公司款項、附息銀行貸款流動部份及包括於其他應付賬款及應計負債內之金融負債的公允值與其賬面值相若，主要由於此等工具的到期年期較短。

本集團由財務總監領導之財務部負責決定金融工具公允值計量之政策及流程。財務部直接向董事會匯報。於每一報告日，財務部分析金融工具價值變動，並決定估值時使用之主要輸入值。估值由董事會審查批准。

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. Fair Value Hierarchy of Financial Instruments (continued)

The fair values of the financial assets and liabilities are included as the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of financial assets at fair value through profit or loss and debt instruments at amortised cost are estimated based on quoted prices.

The fair values of the long term rental deposits and non-current interest-bearing bank borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for interest-bearing bank borrowings as at 30 September 2020 was assessed to be insignificant.

The Group enters into derivative financial instruments with various counterparties, principally financial institutions. Derivative financial instruments, including forward currency contracts, are measured using valuation techniques similar to forward pricing, using present value calculations. The models incorporate various market observable inputs including the credit quality of counterparties, foreign exchange spot and forward rates, and interest rate curves. The carrying amounts of forward currency contracts are the same as their fair values.

財務報表附註(續)

16. 金融工具之公允值等級(續)

金融資產及負債之公允值以該工具於自願交易方(而非強迫或清盤銷售)當前交易下之可交易金額入賬。在評估其公允值時已採用下列方法及假設：

按公允值計入損益的金融資產及按已攤銷成本的債務工具的公允值乃按報價估計。

長期租金按金及附息銀行貸款非流動部份已使用具有類似條款、信貸風險及餘下到期日之工具當前可用之利率貼現預期未來現金流量以計算其公允值。本集團於二零二零年九月三十日就附息銀行貸款的自身不履約風險被評定為不重大。

本集團與多名對手(主要為金融機構)訂立衍生金融工具。衍生金融工具(包括遠期外匯合約)均採用與以現值計算遠期定價相似的估值技術計量。該等模型包括多項市場可觀察輸入值，包括對手的信貸質素、外匯的即期及遠期匯率及利率曲線。遠期外匯合約的賬面值與彼等的公允值相同。

Financial Information 財務資料

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. Fair Value Hierarchy of Financial Instruments (continued)

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

財務報表附註(續)

16. 金融工具之公允價值等級(續)

下表列明本集團的金融工具的公允價值計量等級：

按公允價值計量的資產：

		Fair value measurement as at 30 September 2020 (Unaudited) 於二零二零年九月三十日的 公允價值計量採用(未經審核)			
		Quoted prices in active markets (Level 1) 於活躍市場 的報價 (第一級) HK\$'000 港幣千元	Significant observable inputs (Level 2) 重大可觀察 的輸入數據 (第二級) HK\$'000 港幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 的輸入數據 (第三級) HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Derivative financial assets	衍生金融資產	—	308	—	308
Financial assets at fair value through profit or loss	按公允價值計入損益的 金融資產	96,449	—	—	96,449
		96,449	308	—	96,757

		Fair value measurement as at 31 March 2020 (Audited) 於二零二零年三月三十一日的 公允價值計量採用(經審核)			
		Quoted prices in active markets (Level 1) 於活躍市場 的報價 (第一級) HK\$'000 港幣千元	Significant observable inputs (Level 2) 重大可觀察 的輸入數據 (第二級) HK\$'000 港幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 的輸入數據 (第三級) HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Derivative financial assets	衍生金融資產	—	41	—	41
Financial assets at fair value through profit or loss	按公允價值計入損益的 金融資產	129,920	—	—	129,920
		129,920	41	—	129,961

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. Fair Value Hierarchy of Financial Instruments (continued) Liabilities measured at fair value:

財務報表附註(續)

16. 金融工具之公允值等級(續) 按公允值計量的負債：

Fair value measurement as at 30 September 2020 (Unaudited) 於二零二零年九月三十日的 公允值計量採用(未經審核)					
Quoted prices in active markets (Level 1) 於活躍市場 的報價 (第一級) HK\$'000 港幣千元	Significant observable inputs (Level 2) 重大可觀察 的輸入數據 (第二級) HK\$'000 港幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 的輸入數據 (第三級) HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元		
Derivative financial liabilities 衍生金融負債	—	—	—	—	

Fair value measurement as at 31 March 2020 (Audited) 於二零二零年三月三十一日的 公允值計量採用(經審核)					
Quoted prices in active markets (Level 1) 於活躍市場 的報價 (第一級) HK\$'000 港幣千元	Significant observable inputs (Level 2) 重大可觀察 的輸入數據 (第二級) HK\$'000 港幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 的輸入數據 (第三級) HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元		
Derivative financial liabilities 衍生金融負債	—	419	—	419	

As at 30 September 2020 and 31 March 2020, the Group had no financial instruments measured at fair value under Level 3.

於二零二零年九月三十日及二零二零年三月三十一日，本集團並無按公允值計量第三級之金融工具。

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (six months ended 30 September 2019: nil).

期內，金融資產及金融負債均無任何公允值計量第一級與第二級之間的轉撥，亦無從第三級轉入或轉出(截至二零一九年九月三十日止六個月：無)。

Financial Information 財務資料

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. Fair Value Hierarchy of Financial Instruments (continued) Assets for which fair values are disclosed:

財務報表附註(續)

16. 金融工具之公允價值等級(續) 已披露公允價值的資產：

		Fair value measurement as at 30 September 2020 (Unaudited) 於二零二零年九月三十日的 公允價值計量採用(未經審核)			
		Quoted prices in active markets (Level 1) 於活躍市場 的報價 (第一級) HK\$'000 港幣千元	Significant observable inputs (Level 2) 重大可觀察 的輸入數據 (第二級) HK\$'000 港幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 的輸入數據 (第三級) HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Debt instruments at amortised cost	按已攤銷成本的 債務工具	134,164	—	—	134,164
Fair value measurement as at 31 March 2020 (Audited) 於二零二零年三月三十一日的 公允價值計量採用(經審核)					
		Quoted prices in active markets (Level 1) 於活躍市場 的報價 (第一級) HK\$'000 港幣千元	Significant observable inputs (Level 2) 重大可觀察 的輸入數據 (第二級) HK\$'000 港幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 的輸入數據 (第三級) HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Debt instruments at amortised cost	按已攤銷成本的 債務工具	119,028	—	—	119,028

Management's Discussion and Analysis 管理層之論述及分析

INTERIM DIVIDEND

The Board has declared an interim dividend of HK5.0 cents (six months ended 30 September 2019: HK10.0 cents) per ordinary share for the six months ended 30 September 2020. The interim dividend will be payable on Friday, 8 January 2021 to shareholders registered on the Register of Members of the Company on Wednesday, 16 December 2020.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Monday, 14 December 2020 to Wednesday, 16 December 2020 (both days inclusive) for the purpose of determining the entitlement to the interim dividend for the six months ended 30 September 2020. During which period no transfer of shares of the Company will be registered and no share will be allotted and issued. In order to qualify for entitlement to the interim dividend for the six months ended 30 September 2020, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar and Transfer Office in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:00 p.m. on Friday, 11 December 2020.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENT

For the six months ended 30 September 2020, the Group's total turnover decreased by 18.8% to HK\$3,407 million (six months ended 30 September 2019: HK\$4,197 million). Profit for the period attributable to the ordinary equity holders of the Company amounted to HK\$140 million (six months ended 30 September 2019: HK\$212 million), a drop of 34.0%. The Group's gross profit margin was 29.7% (six months ended 30 September 2019: 31.7%), a decrease of 2.0 percentage points from last year. The Board has recommended an interim dividend of HK5.0 cents per ordinary share, a decrease of 50.0% compared to last interim period's HK10.0 cents per ordinary share.

中期股息

董事會宣佈派發截至二零二零年九月三十日止六個月之中期股息每股普通股港幣5.0仙(截至二零一九年九月三十日止六個月：港幣10.0仙)。該中期股息將於二零二一年一月八日星期五，派發予二零二零年十二月十六日星期三名列本公司股東名冊之股東。

暫停辦理過戶登記

本公司將由二零二零年十二月十四日星期一至二零二零年十二月十六日星期三(首尾兩日包括在內)暫停辦理股份過戶登記手續，以便釐定擁有獲派發截至二零二零年九月三十日止六個月之中期股息之權利。期間將不會進行任何本公司股份之過戶登記，及不會分配和發行股份。如欲符合獲派截至二零二零年九月三十日止六個月之中期股息之資格，所有過戶文件連有關股票，必須於二零二零年十二月十一日星期五下午四時前送達本公司在香港之股份及過戶登記分處卓佳登捷時有限公司，地址為香港灣仔皇后大道東183號合和中心54樓，辦理股份過戶登記手續。

業務回顧及未來發展

截至二零二零年九月三十日止六個月，本集團之總營業額減少18.8%至港幣3,407百萬元(截至二零一九年九月三十日止六個月：港幣4,197百萬元)。本公司普通股權益所有者應佔本期溢利為港幣140百萬元(截至二零一九年九月三十日止六個月：港幣212百萬元)，下跌34.0%。本集團之毛利率為29.7%(截至二零一九年九月三十日止六個月：31.7%)，較去年減少2.0個百分點。董事會建議派發中期股息每股普通股港幣5.0仙，較去年中期每股普通股港幣10.0仙，減少50.0%。

Management's Discussion and Analysis 管理層之論述及分析

REVIEW OF BUSINESS AND FUTURE DEVELOPMENT

(continued)

Textile business

Revenue of the business decreased by 19.0% to HK\$2,308 million (six months ended 30 September 2019: HK\$2,850 million). The amount was 67.7% (six months ended 30 September 2019: 67.9%) of the Group's total turnover. Since the beginning of 2020, the outbreak of the 2019 novel coronavirus (COVID-19) has disrupted the Group's production at different times in China. Factory operations were suspended for some time after the Chinese New Year in February 2020. International lockdowns have severely impacted the global economic activities. The Group faced the adverse market situation, resulting in delays and cancellation of business orders. Until June 2020, the apparel industry slowly recovered. In the period, raw materials and fuel prices decreased moderately, resulting a more favourable cost structure. The Group continued focusing on cost reduction to enhance operating profitability. The average selling price decreased by 6.9% and the gross profit margin increased to 24.0% from last year's 23.2%. The performance and the key financial ratios of the business were as below:

業務回顧及未來發展(續)

紡織業務

此業務之收入減少19.0%至港幣2,308百萬元(截至二零一九年九月三十日止六個月:港幣2,850百萬元)。此數目為本集團總營業額之67.7%(截至二零一九年九月三十日止六個月:67.9%)。由二零二零年初開始,19新型冠狀病毒之爆發於不同時段防礙了本集團在中國之生產。廠房運作在二零二零年二月農曆新年後停頓了一段時間。國際之封鎖令全球經濟活動受到嚴重之打擊。本集團面對不利之市場情況,導致業務訂單有受延遲或取消。直到二零二零年六月,服裝工業才緩慢復甦。期內,原料及燃料價格適度下調,令成本結構較為有利。本集團繼續專注於成本控制以提升經營利潤。平均產品價格下跌6.9%,而毛利率由去年之23.2%增加至24.0%。此業務之表現及主要財務比率現列於下:

		Six months		Six months		Year ended 31 Mar 2018
		ended 30 Sep 2020	Year ended 31 Mar 2020	ended 30 Sep 2019	Year ended 31 Mar 2019	
	(Amounts expressed in HK\$ million, unless specified)	截至 二零二零年 九月三十日止 六個月	截至 二零二零年 三月三十一日止 全年	截至 二零一九年 九月三十日止 六個月	截至 二零一九年 三月三十一日止 全年	截至 二零一八年 三月三十一日止 全年
Net sales	銷售淨額	2,308	4,919	2,850	4,759	4,535
Gross profit margin (%)	毛利率(%)	24.0	23.2	23.2	18.3	15.9
Operating profit (note 1)	營業利潤(附註1)	326	540	351	354	241
EBITDA (note 1)	息、稅、折舊及攤銷前利潤 (附註1)	419	770	447	526	410
Return on total assets (%) (annualised) (note 2)	總資產收益率(%) (年度化)(附註2)	9.5	6.9	8.8	4.2	1.9
Return on sales (%) (note 2)	銷售收益率(%) (附註2)	11.8	8.9	10.8	5.9	2.9
Return on equity (%) (annualised) (note 2)	權益收益率(%) (年度化)(附註2)	12.3	10.8	15.0	6.8	3.0
Capital expenditure	資本性支出	47	76	34	160	162

Notes:

- (1) Exclude interest income and rental income.
(2) Exclude rental income.

附註:

- (1) 不包括利息收入及租金收入。
(2) 不包括租金收入。

Management's Discussion and Analysis 管理層之論述及分析

REVIEW OF BUSINESS AND FUTURE DEVELOPMENT

(continued)

Retail and distribution business

Sales of the business dropped by 18.4% to HK\$1,098 million (six months ended 30 September 2019: HK\$1,346 million). The sum represented 32.2% (six months ended 30 September 2019: 32.1%) of the Group's total turnover. At the start of 2020, the COVID-19 outbreak caused the China government to announce different stages of lockdown across the country. The retail activities in China were seriously hurt as a consequence of the temporary or permanently closure of stores. The Group's retail operation was thus negatively impacted. The retail business in Hong Kong has also weakened mainly due to the adverse economic environment and restrictions on social activities. The gross profit margin was 42.3%, a significant decrease from last year's 49.8%. The performance and the key financial ratios of this business were as below:

(a) the business performance and the key financial ratios were as follows:

業務回顧及未來發展(續)

零售及分銷業務

此業務銷售淨額減少18.4%至港幣1,098百萬元(截至二零一九年九月三十日止六個月:港幣1,346百萬元)。此數目為本集團之總營業額32.2%(截至二零一九年九月三十日止六個月:32.1%)。由二零二零年初開始,19新型冠狀病毒之爆發令中國政府宣佈了多次全國封鎖。零售活動因店舖暫時或永久之關閉受嚴重傷害。本集團之零售營運亦因而受到負面影響。香港之零售業務亦轉弱主要由於不利之經濟環境及社交活動限制所致。毛利率為42.3%,比去年之49.8%大幅減少。此業務之表現及主要財務比率現列於下:

(a) 業務表現及主要財務比率現列如下:

		Six months ended		Six months ended		
		30 Sep 2020	Year ended 31 Mar 2020	30 Sep 2019	Year ended 31 Mar 2019	Year ended 31 Mar 2018
(Amounts expressed in HK\$' million, unless specified)		截至二零二零年九月三十日止六個月	截至二零二零年三月三十一日止全年	截至二零一九年九月三十日止六個月	截至二零一九年三月三十一日止全年	截至二零一八年三月三十一日止全年
Net sales	銷售淨額	1,098	2,709	1,346	3,448	3,989
Gross profit margin (%)	毛利率(%)	42.3	47.5	49.8	50.1	47.4
Sales growth of comparable shops (%) (note 1)	可比店舖銷售增長比率(%) (附註1)	(21.3)	(17.1)	(15.9)	(12.8)	(6.9)
Operating profit/(loss) (note 2)	營業利潤/(虧損) (附註2)	(173)	(316)	(131)	(110)	14
EBITDA (note 2)	息、稅、折舊及攤銷前利潤 (附註2)	(15)	3	49	(24)	102
Return on total assets (%) (annualised) (note 3)	總資產收益率(%) (年度化) (附註3)	(11.8)	(11.1)	(8.9)	(4.3)	0.4
Return on sales (%) (note 3)	銷售收益率(%) (附註3)	(14.7)	(10.6)	(8.6)	(2.9)	0.2
Return on equity (%) (annualised) (note 3)	權益收益率(%) (年度化) (附註3)	(71.0)	(53.4)	(25.4)	(8.8)	0.7
Capital expenditure	資本性支出	28	146	40	76	94

Notes:

- (1) Comparable shops include shops with full period/year operation during the period/year and the preceding period/year.
- (2) Exclude interest income and rental income.
- (3) Exclude rental income.

附註:

- (1) 可比店舖指於該期/年及其前一期/年均有全期/年營運的店舖。
- (2) 不包括利息收入及租金收入。
- (3) 不包括租金收入。

Management's Discussion and Analysis 管理層之論述及分析

REVIEW OF BUSINESS AND FUTURE DEVELOPMENT 業務回顧及未來發展(續)

(continued)

Retail and distribution business (continued)

(b) the analysis of turnover by major brand was as follows:

零售及分銷業務(續)

(b) 按主要品牌銷售分析如下：

		Six months ended	Year ended	Six months ended	Year ended	Year ended
		30 Sep 2020	31 Mar 2020	30 Sep 2019	31 Mar 2019	31 Mar 2018
		截至	截至	截至	截至	截至
		二零二零年	二零二零年	二零一九年	二零一九年	二零一八年
		九月三十日止	三月三十一日止	九月三十日止	三月三十一日止	三月三十一日止
		六個月	全年	六個月	全年	全年
(HK\$'million) (港幣百萬元)						
Baleno	班尼路	1,021	2,484	1,219	3,073	3,274
Others	其他	77	225	127	375	715
Total	合計	1,098	2,709	1,346	3,448	3,989

(c) the development in different markets was as follows:

(c) 各地市場發展情況如下：

Mainland China

中國大陸

		Six months ended	Year ended	Six months ended	Year ended	Year ended
		30 Sep 2020	31 Mar 2020	30 Sep 2019	31 Mar 2019	31 Mar 2018
		截至	截至	截至	截至	截至
		二零二零年	二零二零年	二零一九年	二零一九年	二零一八年
		九月三十日止	三月三十一日止	九月三十日止	三月三十一日止	三月三十一日止
		六個月	全年	六個月	全年	全年
Net sales (HK\$' million)	銷售淨額(港幣百萬元)	886	2,085	1,052	2,767	3,414
Decrease in net sales (%)	銷售淨額之減少(%)	(16)	(25)	(27)	(19)	(2)
Retail floor area (sq. ft.)**	零售樓面面積(平方呎)**	1,478,918	1,690,117	1,446,033	1,626,047	1,781,314
Number of sales associates **	營業員數目**	3,582	3,446	4,104	4,182	4,946
Number of outlets *Δ	門市數目*Δ	1,838	1,838	1,985	2,183	2,499

Management's Discussion and Analysis 管理層之論述及分析

REVIEW OF BUSINESS AND FUTURE DEVELOPMENT 業務回顧及未來發展(續) (continued)

Retail and distribution business (continued)

(c) the development in different markets was as follows: (continued)

零售及分銷業務(續)

(c) 各地市場發展情況如下：(續)

Hong Kong

香港

		Six months ended	Year ended	Six months ended	Year ended	Year ended
		30 Sep 2020	31 Mar 2020	30 Sep 2019	31 Mar 2019	31 Mar 2018
		截至	截至	截至	截至	截至
		二零二零年	二零二零年	二零一九年	二零一九年	二零一八年
		九月三十日止	三月三十一日止	九月三十日止	三月三十一日止	三月三十一日止
		六個月	全年	六個月	全年	全年
Net sales (HK\$' million)	銷售淨額(港幣百萬元)	212	624	294	681	575
Increase/(decrease) in net sales (%)	銷售淨額之增加/(減少) (%)	(28)	(8)	6	18	1
Retail floor area (sq. ft.)**	零售樓面面積(平方呎)**	91,194	90,281	89,074	87,752	79,822
Number of sales associates **	營業員數目**	314	288	520	571	484
Number of outlets **	門市數目**	84	83	80	78	73

* As at the end of the reporting period

For self-managed stores

△ Including self-managed stores, consignment stores and franchise stores

* 於報告期末

自營店

△ 包括自營店、聯銷店及特許經營店

FINANCIAL CONDITION

Liquidity and financial resources

The Group continued to maintain a sound financial position. The current ratio, the total bank borrowings and the gearing ratio as at the period end were 2.4, HK\$134 million and -0.2 (31 March 2020: 2.0, HK\$1,230 million and -0.1) respectively. Bank borrowings decreased during the period as the Group continued to repay its bank loans with cash inflow from its operating activities and matured time deposits. The gearing ratio refers to the ratio of the total interest-bearing debts, net of cash and cash equivalents, to the total equity.

財務狀況

流動資金及財務資源

本集團繼續維持良好的財務狀況。於本期末，流動比率、銀行貸款總額及資本負債比率分別為2.4倍、港幣134百萬元及-0.2倍(二零二零年三月三十一日：2.0倍、港幣1,230百萬元及-0.1倍)。本期銀行貸款下跌因本集團主要繼續以經營所得的現金流入及到期的定期存款償還銀行貸款。資本負債比率乃指扣除現金及現金等價物的總付息債務除以總權益。

Management's Discussion and Analysis 管理層之論述及分析

FINANCIAL CONDITION (continued)

Liquidity and financial resources (continued)

During the period, the interest cover, the trade and bills receivables to turnover and the inventories to turnover were 12 times, 66 days and 112 days (six months ended 30 September 2019: 8 times, 47 days and 89 days) respectively. The interest cover improved as the interest expenses dropped following the substantial repayment of bank borrowings during the period. The trade and bills receivables to turnover days and the inventory turnover days rose during the period as customer demand was weakened due to the widespread of the COVID-19 pandemic. The Group mainly satisfied its funding requirements with cash inflow from its operating activities and bank borrowings. At the period end, the cash and cash equivalents, the equity attributable to ordinary equity holders of the Company and the unutilized banking facilities were HK\$1,056 million, HK\$5,217 million and HK\$6,632 million (31 March 2020: HK\$1,737 million, HK\$4,930 million and HK\$5,491 million), respectively.

Capital expenditure

The capital expenditure incurred by the Group during the period was HK\$75 million (six months ended 30 September 2019: HK\$74 million). The capital expenditure incurred by the textile business for the period was HK\$47 million (six months ended 30 September 2019: HK\$34 million) mainly for the addition of plant and machinery for the dyeing and knitting factory. For the retail and distribution business, our capital expenditure incurred for the period amounted to HK\$28 million (six months ended 30 September 2019: HK\$40 million) mainly for the addition of leasehold improvements of the retail outlets.

Pledge of assets

No significant assets were pledged as at 30 September 2020 and 31 March 2020.

Contingent Liabilities

Details of the contingent liabilities as at 30 September 2020 and 31 March 2020 have been set out in note 13 to the financial statements.

財務狀況(續)

流動資金及財務資源(續)

於本期，利息保障比率、應收賬款及票據比營業額周轉天數及存貨比營業額周轉天數分別為12倍、66天及112天(截至二零一九年九月三十日止六個月：8倍、47天及89天)。於本期，由於歸還銀行貸款較大，利息支出下降，致使利息保障比率改善。本期的應收賬款及票據比營業額和存貨比營業額的周轉天數上升，主要由於19新型冠狀病毒疫情廣泛傳播引致客戶需求減弱。本集團主要以經營所得現金流入及銀行貸款滿足其營運資金的需求。於本期末，現金及現金等價物、本公司普通權益所有者應佔權益及未動用銀行信貸額分別為港幣1,056百萬元、港幣5,217百萬元及港幣6,632百萬元(二零二零年三月三十一日：港幣1,737百萬元、港幣4,930百萬元及港幣5,491百萬元)。

資本性支出

本集團於本期內資本性支出為港幣75百萬元(截至二零一九年九月三十日止六個月：港幣74百萬元)。紡織業務本期資本性支出為港幣47百萬元(截至二零一九年九月三十日止六個月：港幣34百萬元)，主要用作織染廠添置廠房及機器設備。零售及分銷業務方面，本期資本性支出為港幣28百萬元(截至二零一九年九月三十日止六個月：港幣40百萬元)，主要用於添置零售店舖的租賃改良。

資產抵押

於二零二零年九月三十日及二零二零年三月三十一日，並無重大資產已作抵押。

或有負債

於二零二零年九月三十日及二零二零年三月三十一日的或有負債詳情已載於本財務報表附註13內。

Management's Discussion and Analysis 管理層之論述及分析

FINANCIAL CONDITION (continued)

Foreign exchange and interest rate risks

The Group continued to adopt a strict and prudent policy in managing its interest rate and currency exchange risks. The major interest bearing bank borrowings of the Group were HKD, USD and RMB fixed or floating rate borrowings with maturity due within one years (31 March 2020: within two years). At the period end, the cash and cash equivalents, debt instruments at amortised cost and financial assets at fair value through profit or loss were mainly denominated in HKD, RMB and USD. The cash and cash equivalents were placed as fixed deposits with well established financial institutions at fixed interest rate with maturity due within one year (31 March 2020: within one year). And, the debt instruments at amortised cost and financial assets at fair value through profit or loss were mainly fixed interest rate investments with maturity due within five years or at perpetuity (31 March 2020: within six years or at perpetuity). As affected by the widespread of COVID-19, the global economic activities are suffering from serious slowdown. The interest rate is expected to stay at the low level in the coming few year. The Group will continue to monitor the interest rate risk and arrange appropriate financial instruments to reduce its risk whenever appropriate.

During the period, the major assets, liabilities, revenue, expenses and procurements of the Group were denominated in HKD, USD, RMB and YEN and the Group had arranged foreign exchange forward contracts to reduce its currency exchange risk.

HUMAN RESOURCES

At the period end, the Group had about 11,570 (31 March 2020: 11,589) employees in the Greater China. The remuneration of the employees was largely based on industry practice and the performance of individual employee.

財務狀況(續)

匯兌及利率風險

本集團維持嚴格及審慎政策管理其利率與匯率風險。本集團主要附息銀行貸款為定息或浮息的港元、美元及人民幣貸款，並於一年內(二零二零年三月三十一日：兩年內)到期。於期末，現金及現金等價物、按已攤銷成本的債務工具及按公允值計入損益的金融資產主要為港元、人民幣及美元。現金及銀行結餘為存於有良好基礎的金融機構作一年內(二零二零年三月三十一日：一年內)到期的固定利率定期存款。按已攤銷成本的債務工具及按公允值計入損益的金融資產主要乃固定息率投資，到期日為五年內或永續(二零二零年三月三十一日：六年內或永續)。由於受19新型冠狀病毒疫情廣泛傳播，世界經濟正嚴重減慢，未來數年利息仍處於低位，本集團將繼續監察利率風險，並於合適時間安排財務工具以減低該風險。

於本期內，本集團主要資產、負債、收入、支出及採購皆為港元、美元、人民幣及日元，本集團已安排遠期外匯合約以減低其匯率風險。

人力資源

於本期末，本集團約有僱員11,570人(二零二零年三月三十一日：11,589人)於大中華。員工薪酬之釐定主要基於行業之情況及員工個人之表現。

Management's Discussion and Analysis 管理層之論述及分析

CORPORATE SOCIAL RESPONSIBILITY

As a responsible corporate citizen, the Group has been active in participating in charitable donation, caring for the needy people, and supporting and sponsoring educational and environmental protection activities. In addition, we also encourage our employees, customers and business partners to partake in the aforesaid activities with a view to developing a better future for our community.

During the period, some of the activities/organisations the Group participated in/donated or sponsored to were:

- (1) Educational Fund in Dongguan City of Guangdong Province;
- (2) The Community Chest of Hong Kong "Green Low Carbon Day"; and
- (3) The Hong Kong Council of Social Service "Caring Company".

The Group believes that the development of a better future for our community relies on the participation of people, corporations and the government. Therefore, we will continue to invest resources in all major social, educational and environmental protection activities to strive for a better future for our community.

OUTLOOK

At the date of this interim report, the COVID-19 pandemic is still dynamic in many countries. The global economy and the consumer market are expected to be highly uncertain in the near future. Fortunately, the COVID-19 in China is under control and normal public life is basically resumed. The Group's retail business performance is expected to have improvement in the second half of 2020.

Looking forward, the operating environment will be challenging. The Group will closely monitor the market situation and the development of the COVID-19 epidemic to apply timely business measures. The Group will also continue to exercise stringent cash management to maintain a solid financial position. Notwithstanding the challenges and uncertainty ahead, the Group holds a positive attitude towards the performance in the second half of the year.

企業社會責任

作為一個負責的企業公民，本集團一向熱心參與慈善公益事務、關心有需要的人士，支持及贊助教育及環保活動。此外，我們亦鼓勵員工、客戶及商業夥伴共同參與上述活動，為社會創造一個更好的未來。

於本期內，部份本集團曾參與／捐助或贊助的活動／團體包括：

- (1) 廣東省東莞市教育基金；
- (2) 香港公益金「綠色低碳日」；及
- (3) 香港社會服務聯會「商界展關懷」。

本集團相信為社會創造一個更好的未來，有賴市民、企業及政府的參與。因此，我們將繼續不斷投入資源於主要社會、教育及環保活動，為社會創造一個更好的未來而努力。

展望

在此中期報告日，19新型冠狀病毒在多國仍廣泛流行。全球經濟及消費市場預期在不久將來仍高度不明朗。幸而，19新型冠狀病毒在中國已受控而正常羣眾活動已大致恢復。本集團之零售業務表現預期在二零二零下半年會有所改進。

展望未來，經營環境將具挑戰性。本集團將密切留意市場情況及19新型冠狀病毒流行之發展以制訂適時業務措施。本集團仍繼續執行嚴格資金管理以維持穩固財務狀況。儘管前面充滿挑戰及不確性，本集團仍對下半年之表現維持正面態度。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 30 September 2020, the interests and short positions of the directors in the shares and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules, was as follows:

Long positions in ordinary shares of the Company:

Name of director	Capacity	Note	Number of ordinary shares held	Percentage of the Company's issued share capital
董事姓名	身份	附註	持有普通股數目	佔本公司已發行股本百分比
Executive directors:				
執行董事：				
Poon Bun Chak 潘彬澤	Founder of a family trust 家族信託之創辦人	1	693,360,104	50.2
Ting Kit Chung 丁傑忠	Beneficial owner 實益擁有		6,100,000	0.4

Note:

1. Mr. Poon Bun Chak is a founder of a family trust and is deemed to be interested in 693,360,104 shares held under the family trust. For details, please refer to the section "Substantial shareholders' and other person's interests in shares and underlying shares" below.

Save as disclosed above, as at 30 September 2020, none of the directors had registered an interest or short position in the shares, underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

董事於股份及相關股份之權益及淡倉

於二零二零年九月三十日，本公司根據《證券及期貨條例》第352條而備存的登記冊，或根據上市規則附錄十所載之《上市發行人董事進行證券交易的標準守則》（「標準守則」）通知本公司及聯交所，各董事在本公司及其聯繫法團（定義見《證券及期貨條例》第XV部）的股份及相關股份之權益及淡倉如下：

於本公司普通股之好倉：

附註：

1. 潘彬澤先生是家族信託之創辦人及被視為擁有家族信託所持有的693,360,104股股份的權益。有關詳情，請參閱以下「主要股東及其他人士於股份及相關股份權益」一節。

除上文所披露者外，於二零二零年九月三十日，董事概無於本公司或其任何聯繫法團之股份、相關股份中，擁有須遵照《證券及期貨條例》第352條予以記錄之權益或淡倉，或根據標準守則須知會本公司及聯交所。

Other Information 其他資料

DIRECTORS' RIGHTS TO ACQUIRE SHARES

At no time during the period were rights to acquire benefits by means of the acquisition of shares in the Company granted to any directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSON'S INTERESTS IN SHARES AND UNDERLYING SHARES

At 30 September 2020, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions in ordinary shares of the Company:

董事之購股權利

於期內任何時間，概無任何董事或彼等各自的配偶或未成年子女獲授可藉購入本公司的股份而獲益的權利，或彼等概無行使此等權利；或本公司或其任何附屬公司概無參與任何安排，致令董事可於任何其他法人團體獲得此等權利。

主要股東及其他人士於股份及相關股份權益

於二零二零年九月三十日，以下擁有本公司已發行股本5%或以上之權益，已根據《證券及期貨條例》第336條規定記載於本公司須保存的權益登記冊內：

於本公司普通股之好倉：

Name	Capacity	Notes	Number of ordinary shares held	Percentage of the Company's issued share capital
名稱	身份	附註	持有普通股數目	佔本公司已發行股本百分率
UBS Trustees (B.V.I.) Limited	Trustee 受託人	1	693,360,104	50.2
Poon's Holdings Limited 潘氏控股有限公司	Through controlled corporation 藉受控制法團	1	693,360,104	50.2
Farrow Star Limited	Directly owned 直接擁有	1	693,360,104	50.2
Pandanus Associates Inc.	Through controlled corporations 藉受控制法團	2	69,460,000	5.0
Pandanus Partners L.P.	Through controlled corporations 藉受控制法團	2	69,460,000	5.0
FIL Limited	Through controlled corporations 藉受控制法團	2	69,460,000	5.0

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSON'S INTERESTS IN SHARES AND UNDERLYING SHARES (continued)

Notes:

1. *UBS Trustees (B.V.I.) Limited, as a trustee of a family trust founded by Mr. Poon Bun Chak, holds the entire issued share capital of Poon's Holdings Limited through its nominee, UBS Nominees Limited. Poon's Holdings Limited holds the entire issued share capital of Farrow Star Limited. Farrow Star Limited in turn holds 693,360,104 shares of the Company. Therefore, each of Mr. Poon Bun Chak, UBS Trustees (B.V.I.) Limited, Poon's Holdings Limited and Farrow Star Limited is deemed to be interested in 693,360,104 Shares held by Farrow Star Limited.*
2. *Pandanus Associates Inc. has the entire control of Pandanus Partners L.P. which in turn owns 37.01% in FIL Limited. FIL Limited is deemed to be interested in 69,460,000 shares of the Company through a series of subsidiaries. Therefore, each of Pandanus Associates Inc., Pandanus Partners L.P. and FIL Limited is deemed to be interested in 69,460,000 shares of the Company.*

Save as disclosed above, as at 30 September 2020, no person, other than the directors of the Company, whose interests are set out in the section "Directors' interests and short positions in shares and underlying shares" above, had registered an interest and short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the period.

AUDIT COMMITTEE

The Audit Committee (the "Committee") consists of the three independent non-executive directors of the Company namely Mr. Law Brian Chung Nin, Mr. Au Son Yiu and Mr. Cheng Shu Wing. The Committee is chaired by Mr. Law Brian Chung Nin, a qualified accounting professional. The principal duties of the Committee include the review and supervision of the financial reporting process and internal controls of the Group.

For the interim period under review, the Committee has reviewed and discussed with the management the interim report and the risk management and internal controls of the Group and has made recommendations to the Board.

主要股東及其他人士於股份及相關股份權益(續)

附註：

1. *UBS Trustees (B.V.I.) Limited (作為家族信託的受託人，該信託由潘彬澤先生成立)通過其代名人 UBS Nominees Limited 持有潘氏控股有限公司的全部已發行股本。潘氏控股有限公司持有 Farrow Star Limited 的全部已發行股本。Farrow Star Limited 繼而持有本公司 693,360,104 股股份。因此，潘彬澤先生、UBS Trustees (B.V.I.) Limited、潘氏控股有限公司及 Farrow Star Limited 均被視為擁有 Farrow Star Limited 所持有的 693,360,104 股股份的權益。*
2. *Pandanus Associates Inc. 擁有 Pandanus Partners L.P. 的全部控制權，Pandanus Partners L.P. 繼而持有 FIL Limited 37.01% 的股份。FIL Limited 透過一系列附屬公司被視為擁有本公司 69,460,000 股股份的權益。因此，Pandanus Associates Inc.、Pandanus Partners L.P. 及 FIL Limited 均被視為擁有本公司 69,460,000 股股份的權益。*

除上文所披露者外，於二零二零年九月三十日，概無人士(除本公司董事其權益已詳述於「董事於股份及相關股份之權益及淡倉」外)於本公司股份或相關股份中，擁有須遵照《證券及期貨條例》第336條予以記錄之權益及淡倉。

購入、贖回或出售本公司上市證券

於本期內，本公司及其任何附屬公司並無購入、贖回或出售本公司任何上市證券。

審核委員會

審核委員會(「委員會」)包括本公司三位獨立非執行董事，分別為羅仲年先生、區樂耀先生及鄭樹榮先生。羅仲年先生為委員會主席，並擁有專業會計資格。委員會主要職責包括審閱及監察本集團之財務報告程序及內部監控。

關於本中期，委員會已審閱及與管理層討論本集團的中期報告及風險管理與內部監控，並向董事會提供意見。

Other Information 其他資料

CORPORATE GOVERNANCE

In the opinion of the directors, the Company complied with all the code provisions set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 of the Listing Rules throughout the accounting period covered by the interim report, except for the following deviation:

Under code provision E.1.2 of the CG Code, the chairman of the Board should attend the annual general meeting of the Company.

The chairman of the Board has delegated the duty of attending the annual general meeting to an executive director of the Company. The chairman considers the executive director a suitable person for taking up such duty as the executive director has good understanding of each operating segment of the Group.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code as the Company’s code of conduct for dealings in securities of the Company by the directors. Based on specific enquiry of the Company’s directors, they have all complied with the required standard set out in the Model Code throughout the accounting period covered by the interim report.

CHANGES IN INFORMATION OF DIRECTORS

There is no change in the information of directors that is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the publication of the Company’s 2020 Annual Report.

BOARD OF DIRECTORS

As at the date of this report, the executive directors of the Company are Mr. Poon Bun Chak, Mr. Ting Kit Chung and Mr. Poon Ho Tak; the independent non-executive directors of the Company are Mr. Au Son Yiu, Mr. Cheng Shu Wing and Mr. Law Brian Chung Nin.

On behalf of the Board

Poon Bun Chak

Executive Chairman

Hong Kong, 11 November 2020

企業管治

按董事的意見，本公司於本中期報告所述之會計期間一直符合上市規則附錄十四所載之《企業管治守則》（「企業管治守則」）之所有守則條文，惟下列條文除外：

企業管治守則E.1.2條規定董事會之主席須出席本公司之股東週年大會。

董事會主席將出席股東週年大會之職務委任本公司一執行董事。主席認為該執行董事處理該職務是合適人選，因該執行董事對本集團各營運分類也十分瞭解。

董事的證券交易

本公司已採納標準守則作為本公司董事進行本公司證券交易之守則。按本公司向各董事之查詢，各董事均於本中期報告所述之會計期間遵守標準守則之規定。

董事資料的變動

自本公司二零二零年年報發佈以來，概無董事資料的變動須根據上市規則第13.51B (1)條之規定而予以披露。

董事會

於本報告日期，本公司之執行董事為潘彬澤先生、丁傑忠先生及潘浩德先生；而本公司之獨立非執行董事為區樂耀先生、鄭樹榮先生及羅仲年先生。

代表董事會

執行主席

潘彬澤

香港，二零二零年十一月十一日

TEXWINCA holdings limited

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德永佳集團有限公司

Stock Code 股份代號 : 321