



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

(Incorporated in Hong Kong with limited liability)

(於香港註冊成立的有限公司)

SEHK 股份代號：420

THE WORLD'S
FINEST CIRCULAR KNITS
世界優質圓筒 SINCE 1969
針織始於

2021
中期報告
Interim Report

GROUP PROFILE

About Fountain Set (Holdings) Limited (the “Company”) and its subsidiaries (the “Fountain Set Group”) (Stock Code: 00420.HK)

One of the world’s largest and long-established fabric manufacturers, the Fountain Set Group produces knitted fabric and garments through vertically integrated operations in fabric knitting, dyeing, printing, finishing and garment manufacturing, for many of the renowned apparel retailers and brands.

As a strong believer of research and development, we collaborate with brands and suppliers to develop innovative and creative fabric and garment products to consumers all over the world. Headquartered in Hong Kong and listed on the Main Board of The Stock Exchange of Hong Kong Limited, the Fountain Set Group has a total of 8 production facilities in the People’s Republic of China (the “PRC”), Sri Lanka and Indonesia, with marketing and representative offices in 4 countries and a global staff force of close to 7,900 strong.

Chinatex Corporation Limited, a wholly-owned subsidiary of COFCO Corporation, has become the largest shareholder of the Company since 2012. COFCO Corporation is a state-wholly-owned enterprise established in the PRC and a direct wholly-owned subsidiary of the State-owned Assets Supervision and Administration Commission of the State Council of the PRC.

To learn more about Fountain Set (Holdings) Limited, please visit www.fshl.com

To learn more about Chinatex Corporation Limited, please visit www.chinatex.com

To learn more about COFCO Corporation, please visit www.cofco.com

集團簡介

有關福田實業(集團)有限公司(「本公司」)及其附屬公司(「福田集團」)(股份代號：00420，香港)

福田集團為一家世界最大及歷史悠久的針織面料生產商之一，提供針織、染色、印花、整理及成衣製造等高度垂直綜合服務為許多知名服裝零售商和品牌製造針織面料及成衣。

作為研發的堅信者，我們與品牌和供應商合作，為世界各地的消費者開發創新和創意的面料及成衣產品。福田集團總部位於香港，並於香港聯合交易所有限公司主板上市，其於中華人民共和國(「中國」)、斯里蘭卡及印尼共設有8個生產設施，市場推廣辦事處及代表處分佈4個國家，全球員工接近7,900人。

中國中紡集團有限公司為中糧集團有限公司的全資附屬公司，從2012年起，成為本公司第一大股東。中糧集團有限公司乃一間於中國成立之國有企業，並為中國國務院國有資產監督管理委員會之直接全資附屬公司。

欲知更多福田實業(集團)有限公司資料，請瀏覽www.fshl.com

欲知更多中國中紡集團有限公司資料，請瀏覽www.chinatex.com

欲知更多中糧集團有限公司資料，請瀏覽www.cofco.com

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



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 condensed consolidated financial statements set out on pages 3 to 28 which comprise the condensed consolidated statement of financial position of Fountain Set (Holdings) Limited and its subsidiaries (collectively referred to as the “Group”) as of 30 June 2021 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes (the “interim condensed consolidated financial statements”). The 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 are responsible for the preparation and presentation of the interim condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on the interim condensed consolidated financial statements based on our review. This report is made 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3至28頁之中期簡明綜合財務報表，當中包括福田實業(集團)有限公司及其附屬公司(統稱「貴集團」)於2021年6月30日之簡明綜合財務狀況表，以及截至該日止6個月期間之相關簡明綜合損益及其他全面收益表、簡明綜合權益變動表及簡明綜合現金流量表，以及主要會計政策概要及其他附註解釋(「中期簡明綜合財務報表」)。香港聯合交易所有限公司證券上市規則規定，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」)。董事須負責根據香港會計準則第34號編製及呈列此中期簡明綜合財務報表。本行之責任乃根據本行之審閱結果就中期簡明綜合財務報表提出結論。本報告乃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 inquiries, 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主要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審計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。

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

中期財務資料審閱報告

CONCLUSION

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

BDO Limited

Certified Public Accountants

Lam Pik Wah

Practising Certificate Number P05325

Hong Kong, 26 August 2021

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簡明綜合財務報表未有於各重大方面根據香港會計準則第34號編製。

香港立信德豪會計師事務所有限公司

執業會計師

林碧華

執業證書編號P05325

香港，2021年8月26日

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

		(Unaudited) (未經審核)		
		Six months ended 30 June 截至6月30日止6個月		
		2021	2020	
		HK\$'000 千港元	HK\$'000 千港元	
	Note 附註			
Profit/(loss) for the period	是期間盈利／(虧損)	7	151,721	(16,432)
Other comprehensive income/(loss), net of tax	其他全面收益／(虧損) (經扣除稅項)			
Item that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益之 項目：			
Exchange differences arising on translation of foreign operations	換算海外業務產生之 匯兌差額		4,825	(8,241)
Other comprehensive income/(loss) for the period	是期間其他全面收益／(虧損)		4,825	(8,241)
Total comprehensive income/(loss) for the period	是期間全面收益／(虧損) 總值		156,546	(24,673)
Total comprehensive income/(loss) for the period attributable to:	應佔是期間全面 收益／(虧損) 總值：			
Owners of the Company	本公司擁有人		139,970	(21,280)
Non-controlling interests	非控股權益		16,576	(3,393)
			156,546	(24,673)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION 簡明綜合財務狀況表

		(Unaudited) (未經審核) At 30 June 於6月30日 2021 HK\$'000 千港元	(Audited) (經審核) At 31 December 於12月31日 2020 HK\$'000 千港元
		Notes 附註	
Non-current assets	非流動資產		
Investment properties	投資物業		72,524
Property, plant and equipment	物業、機器及設備	10	1,341,494
Right-of-use assets	使用權資產	11	217,398
Other intangible assets	其他無形資產		9,045
Deposit paid for purchase of plant and equipment	購買機器及設備的已付按金		12,506
Interest in an associate	於一間聯營公司之權益		22,793
Deferred tax assets	遞延稅項資產		71,062
			1,746,822
			1,706,372
Current assets	流動資產		
Inventories	存貨	12	1,218,169
Trade and bills receivables	營業及票據應收款項	13	1,027,493
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	13	166,967
Tax recoverable	可收回稅項		3,342
Restricted bank deposits	受限制銀行存款		7,351
Short-term bank deposits	短期銀行存款		229,313
Bank balances and cash	銀行結餘及現金		1,026,254
			3,678,889
			4,051,037
Current liabilities	流動負債		
Trade and bills payables	營業及票據應付款項	14	964,731
Other payables and accruals	其他應付款項及應計費用	14	280,312
Contract liabilities	合約負債		22,014
Lease liabilities – current portion	租賃負債—流動部份		31,399
Amounts due to non-controlling shareholders	欠非控股股東款項		64,525
Amount due to an associate	欠一間聯營公司款項		5,861
Deferred income – current portion	遞延收入—流動部份		3,701
Tax payable	應付稅項		17,487
Bank borrowings – due within one year	銀行借貸—一年內到期	15	229,606
			1,619,636
			1,908,402
Net current assets	流動資產淨值		2,059,253
Total assets less current liabilities	資產總值減流動負債		3,806,075
			3,849,007

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

		(Unaudited) (未經審核)	(Audited) (經審核)
		At 30 June 於6月30日 2021	At 31 December 於12月31日 2020
		HK\$'000 千港元	HK\$'000 千港元
	Notes 附註		
Non-current liabilities	非流動負債		
Deferred income – non-current portion	遞延收入—非流動部分	71,697	66,311
Bank borrowings – due after one year	銀行借貸—一年後到期	–	7,142
Lease liabilities – non-current portion	租賃負債—非流動部分	139,687	146,037
Deferred tax liabilities	遞延稅項負債	5,663	6,796
		217,047	226,286
Net assets	資產淨值	3,631,960	3,579,789
Capital and reserves	資本及儲備		
Share capital	股本	889,810	889,810
Reserves	儲備	2,558,980	2,504,762
Equity attributable to owners of the Company	本公司擁有人應佔權益	3,448,790	3,394,572
Non-controlling interests	非控股權益	183,170	185,217
Total equity	權益總值	3,631,960	3,579,789

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 簡明綜合權益變動表

		Attributable to owners of the Company 本公司擁有人應佔							Non- controlling interests 非控股權益	Total equity 權益總值
		Share capital 股本 HK\$'000 千港元	Translation reserve 匯兌儲備 HK\$'000 千港元	Share options reserve 購股權儲備 HK\$'000 千港元	Statutory reserves 法定儲備 HK\$'000 千港元	Retained earnings 滾存盈利 HK\$'000 千港元	Total 總值 HK\$'000 千港元	Total		
At 1 January 2021 (audited)	於2021年1月1日(經審核)	889,810	(35,926)	-	105,300	2,435,388	3,394,572	185,217	3,579,789	
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	3,722	-	-	-	3,722	1,103	4,825	
Profit for the period	是期間盈利	-	-	-	-	136,248	136,248	15,473	151,721	
Total comprehensive income for the period	是期間全面收益總值	-	3,722	-	-	136,248	139,970	16,576	156,546	
Dividend recognised as distribution	已確認為分派之股息	-	-	-	-	(85,752)	(85,752)	(18,623)	(104,375)	
At 30 June 2021 (unaudited)	於2021年6月30日(未經審核)	889,810	(32,204)	-	105,300	2,485,884	3,448,790	183,170	3,631,960	

		Attributable to owners of the Company 本公司擁有人應佔							Non- controlling interests 非控股權益	Total equity 權益總值
		Share capital 股本 HK\$'000 千港元	Translation reserve 匯兌儲備 HK\$'000 千港元	Share options reserve 購股權儲備 HK\$'000 千港元	Statutory reserves 法定儲備 HK\$'000 千港元	Retained earnings 滾存盈利 HK\$'000 千港元	Total 總值 HK\$'000 千港元	Total		
At 1 January 2020 (audited)	於2020年1月1日(經審核)	889,810	(53,224)	607	100,118	2,482,150	3,419,461	165,595	3,585,056	
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	(6,126)	-	-	-	(6,126)	(2,115)	(8,241)	
Loss for the period	是期間虧損	-	-	-	-	(15,154)	(15,154)	(1,278)	(16,432)	
Total comprehensive loss for the period	是期間全面虧損總值	-	(6,126)	-	-	(15,154)	(21,280)	(3,393)	(24,673)	
Dividend recognised as distribution	已確認為分派之股息	-	-	-	-	(127,893)	(127,893)	-	(127,893)	
Transfer from share options reserve to retained earnings	由購股權儲備調撥至滾存盈利	-	-	(607)	-	607	-	-	-	
At 30 June 2020 (unaudited)	於2020年6月30日(未經審核)	889,810	(59,350)	-	100,118	2,339,710	3,270,288	162,202	3,432,490	

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

		(Unaudited) (未經審核)	
		Six months ended 30 June 截至6月30日止6個月	
		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Net cash used in operating activities	營運項目所用的現金淨值	(175,903)	(2,608)
Net cash used in investing activities:	投資項目所用的現金淨值：		
Purchases of property, plant and equipment	購買物業、機器及設備	(47,340)	(42,883)
Other investing cash flows	其他投資之現金流量	37,107	12,493
		(10,233)	(30,390)
Net cash generated from financing activities:	融資項目所得的現金淨值：		
New bank borrowings raised	新籌集之銀行借貸	692,703	432,426
Repayment of bank borrowings	償還銀行借貸	(472,999)	(51,560)
Dividends paid to non-controlling shareholders	已付股息予非控股股東	(18,623)	-
Dividends paid	已付股息	(85,752)	(127,893)
Repayment of principal portion of the lease liabilities	償還租賃負債之本金部分	(15,947)	(9,581)
Payment of interest portion of the lease liabilities	支付租賃負債之利息部分	(4,354)	(4,534)
Other financing cash flows	其他融資之現金流量	(3,323)	(18,157)
		91,705	220,701
Net (decrease)/increase in cash and cash equivalents	現金及等同現金項目的(減少)/增加淨值	(94,431)	187,703
Cash and cash equivalents at beginning of the period	於是期間開始時的現金及等同現金項目	1,228,134	937,353
Effect of exchange rate changes on cash and cash equivalents	匯率變動對現金及等同現金項目的影響	1,508	(2,816)
Cash and cash equivalents at end of the period	於是期間終結時的現金及等同現金項目	1,135,211	1,122,240
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS:	現金及等同現金項目結存的分析：		
Short-term bank deposits	短期銀行存款	95,191	225,759
Bank balances and cash	銀行結餘及現金	1,040,020	896,481
		1,135,211	1,122,240

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

1. GENERAL INFORMATION

The Company is a public limited company incorporated in Hong Kong and its issued shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and the principal place of business of the Company are Block A, 6/F., Eastern Sea Industrial Building, 29-39 Kwai Cheong Road, Kwai Chung, New Territories, Hong Kong.

The financial information relating to the year ended 31 December 2020 that is included in this Interim Report 2021 as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with Section 436 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) (the “Companies Ordinance”) is as follows:

The Company has delivered the statutory annual consolidated financial statements for the year ended 31 December 2020 to the Registrar of Companies as required by Section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company’s independent auditor has reported on those financial statements. The independent auditor’s report was unqualified; did not include a reference to any matters to which the independent auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under Sections 406(2), 407(2) or (3) of the Companies Ordinance.

2. 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 (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”).

1. 一般資料

本公司為在香港註冊成立的公眾有限公司，其已發行股份於香港聯合交易所有限公司（「聯交所」）上市。本公司的註冊辦事處地址及主要營業地點為香港新界葵涌葵昌路29-39號東海工業大廈A座6樓。

本2021年中期報告所載作為比較資料之有關截至2020年12月31日止年度之財務資料並不構成本公司於該年度之法定年度綜合財務報表，但摘錄自該等財務報表。有關根據香港法例第622章公司條例（「公司條例」）第436條須予披露之該等法定財務報表之進一步資料如下：

本公司已根據公司條例第662(3)條及附表6第3部規定向公司註冊處處長呈交截至2020年12月31日止年度之法定年度綜合財務報表。

本公司獨立核數師已就該等財務報表作出報告。獨立核數師報告並無保留意見；並無載有獨立核數師在不對其報告出具保留意見之情況下，以強調的方式提請使用者注意的任何事項；及並無載有根據公司條例第406(2)條、第407(2)或(3)條作出的陳述。

2. 編製基準

本簡明綜合財務報表乃根據聯交所證券上市規則（「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。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

簡明綜合財務報表附註 (續)

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared under the historical cost basis. These condensed consolidated financial statements have been prepared with the same accounting policies adopted in the 2020 annual financial statements, except for those that relate to new standards or interpretations effective for the first time for periods beginning on or after 1 January 2021.

In the current interim period, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations issued by the HKICPA, which are effective for the Group's financial year beginning on 1 January 2021.

Amendments to HKAS 39 and Interest Rate Benchmark Reform –
Hong Kong Financial Reporting Phase 2
Standard ("HKFRS") 7,
HKFRS 9 and HKFRS 16

The new and revised standards, amendments and interpretations that are effective from 1 January 2021 did not have any significant impact on the Group's accounting policies.

The following amendments to HKASs and HKFRSs, potentially relevant to the Group's condensed consolidated financial statements, have been issued, but are not yet effective and have not been early adopted by the Group.

Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and Hong Kong Interpretation 5 (2020), Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause⁴

Amendments to HKAS 1 and HKFRS Practice Statement 2 Disclosure of Accounting Policies⁴

Amendments to HKAS 8 Definition of Accounting Estimates⁴

Amendments to HKAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction⁴

3. 主要會計政策

本簡明綜合財務報表乃按歷史成本基準編製。此等簡明綜合財務報表所採用之會計政策與編製2020年全年財務報表所採用者相同，惟與開始期間於2021年1月1日或之後首次生效的新訂準則或詮釋相關的會計政策除外。

於本中期期間，本集團已首次應用下列由香港會計師公會頒佈並於本集團2021年1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。

香港會計準則第39號及 利率基準改革
香港財務報告準則 第二階段
(「香港財務報告準則」)
第7號、香港財務報告
準則第9號及香港財務
報告準則第16號之修訂本

自2021年1月1日起生效之新訂及經修訂準則、修訂本及詮釋並無對本集團之會計政策造成任何重大影響。

下列可能與本集團簡明綜合財務報表有關之香港會計準則及香港財務報告準則之修訂本已經頒佈，惟尚未生效，且未經本集團提早採納。

香港會計準則第1號之 流動或非流動負債
修訂本 分類及香港詮
釋第5號(2020)，
財務報表的呈
報—借款人對載
有按求償還
條款的定期貸
款的分類⁴

香港會計準則第1號及香港 會計政策披露⁴
財務報告準則作業準則
第2號之修訂本

香港會計準則第8號之 會計估計定義⁴
修訂本

香港會計準則第12號之 有關單獨交易產生
修訂本 的資產及負債
的遞延稅項⁴

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

3. PRINCIPAL ACCOUNTING POLICIES (continued)

Amendments to HKAS 16	Proceeds before Intended Use ²
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract ²
Amendments to HKFRS 3	Reference to the Conceptual Framework ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵
Amendment to HKFRS 16	COVID-19-Related Rent Concessions beyond 30 June 2021 ¹
Annual Improvements to HKFRSs 2018-2020 Cycle	Amendment to HKFRS 9, Financial Instruments ²
Annual Improvements to HKFRSs 2018-2020 Cycle	Amendment to illustrative examples accompanying HKFRS 16, Leases ²

- ¹ Effective for annual periods beginning on or after 1 April 2021.
- ² Effective for annual periods beginning on or after 1 January 2022.
- ³ Effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022.
- ⁴ Effective for annual periods beginning on or after 1 January 2023.
- ⁵ The amendments shall be applied prospectively to the sale or contribution of assets occurring in annual periods beginning on or after a date to be determined.

The directors of the Company anticipate that the application of these amendments to HKFRSs and HKASs will have no material impact on the Group's financial performance and positions and/or the disclosures to these condensed consolidated financial statements of the Group.

3. 主要會計政策(續)

香港會計準則第16號之修訂本	用作擬定用途前的所得款項 ²
香港會計準則第37號之修訂本	虧損合約—履行合約的成本 ²
香港財務報告準則第3號之修訂本	概念框架的引用 ³
香港財務報告準則第10號及香港會計準則第28號之修訂本	投資者與其聯營公司或合營公司之間的資產出售或注資 ⁵
香港財務報告準則第16號之修訂本	2021年6月30日後與COVID-19有關的租金減讓 ¹
香港財務報告準則2018年至2020年週期之年度改進	香港財務報告準則第9號之修訂本，金融工具 ²
香港財務報告準則2018年至2020年週期之年度改進	香港財務報告準則第16號隨附的闡釋範例之修訂本，租賃 ²

- ¹ 於2021年4月1日或之後開始之年度期間生效。
- ² 於2022年1月1日或之後開始之年度期間生效。
- ³ 對收購日期為2022年1月1日或之後開始之首個年度期間開始當日或之後的業務合併有效。
- ⁴ 於2023年1月1日或之後開始之年度期間生效。
- ⁵ 該等修訂將追溯應用於有待釐定的日期或之後開始的年度期間產生的資產出售或注資。

本公司董事預計應用香港財務報告準則及香港會計準則的該等修訂將不會對本集團的財務表現及狀況及／或本集團的該等簡明綜合財務報表披露資料造成重大影響。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

4. REVENUE AND SEGMENT INFORMATION (continued)

Six months ended 30 June 2020 (unaudited)

4. 營業額及分類資料(續)

截至2020年6月30日止6個月(未經審核)

		Hong Kong	The PRC	Taiwan	Korea	Sri Lanka	America	Europe	Others	Segment total	Eliminations	Consolidated
		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
REVENUE	營業額											
External sales	對外銷售	279,009	638,620	176,899	156,503	279,407	79,493	19,563	470,240	2,099,734	-	2,099,734
Inter-segment sales (note)	分類間銷售(附註)	1,203,913	405,270	-	-	66,517	-	-	46,034	1,721,734	(1,721,734)	-
Total segment revenue	分類營業額總值	1,482,922	1,043,890	176,899	156,503	345,924	79,493	19,563	516,274	3,821,468	(1,721,734)	2,099,734
RESULTS	業績											
Segment profit	分類盈利	15,920	52,227	13,235	11,720	13,315	1,178	1,465	33,948			143,008
Interest income	利息收入											3,856
Unallocated income	未分配收入											2,449
Unallocated expenses	未分配支出											(147,950)
Finance costs	融資成本											(10,800)
Share of profit of an associate	應佔一間聯營公司之盈利											226
Loss before income tax expense	除所得稅支出前虧損											(9,211)

Note: Inter-segment sales are charged at price by 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 expenses, directors' emoluments, bank charges, etc.), depreciation and amortisation of investment properties, property, plant and equipment and other intangible assets, interest income, impairment loss and loss on disposal/written-off of property, plant and equipment, finance costs, share of profit of an associate, etc.. This is the measure reported to the Board for the purposes of resource allocation and performance assessment.

分類盈利指各分類所賺取的盈利，當中並無計入中央行政成本及其他費用(包括與非生產有關之僱員福利開支、董事酬金、銀行費用等)、投資物業、物業、機器及設備及其他無形資產之折舊及攤銷、利息收入、物業、機器及設備之減值損失及出售/撇銷虧損、融資成本、應佔一間聯營公司之盈利等。此乃為資源分配及績效評估而向董事會匯報之基準。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

簡明綜合財務報表附註 (續)

4. REVENUE AND SEGMENT INFORMATION (continued)

Disaggregation of revenue

Disaggregation of revenue from contracts with customers by products and timing of revenue recognition are as follows:

		(Unaudited) (未經審核)	
		Six months ended 30 June 截至6月30日止6個月	
		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Revenue from contracts with customers within the scope of HKFRS 15:	香港財務報告準則第15號範圍內的客戶合同收入：		
Production and sales of dyed fabrics and yarns	製造及銷售色布及紗	2,867,089	1,851,603
Production and sales of garments	製造及銷售成衣	351,910	248,131
		3,218,999	2,099,734
Timing of revenue recognition:	確認收入的時間：		
At a point in time	在某時間點	3,218,999	2,099,734

5. FINANCE COSTS

4. 營業額及分類資料 (續)

營業額分列

按產品及按確認收入時間劃分的客戶合同收入分列如下：

		(Unaudited) (未經審核)	
		Six months ended 30 June 截至6月30日止6個月	
		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Finance costs on:	融資成本：		
Bank borrowings	銀行借貸	3,496	6,266
Lease liabilities	租賃負債	4,354	4,534
		7,850	10,800

5. 融資成本

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

6. INCOME TAX EXPENSE

6. 所得稅支出

		(Unaudited) (未經審核)	
		Six months ended 30 June 截至6月30日止6個月	
		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Current tax:	是期間稅項：		
Hong Kong	香港	16,320	152
The PRC	中國	15,988	9,644
Other jurisdictions	其他司法地區	7,409	755
		39,717	10,551
(Over)/under provision in prior years:	過往年度(超額撥備)/撥備不足：		
The PRC	中國	(613)	(454)
Other jurisdictions	其他司法地區	161	555
		(452)	101
Deferred tax:	遞延稅項：		
Hong Kong	香港	(1,504)	(1,900)
The PRC	中國	743	(1,041)
Other jurisdictions	其他司法地區	(1,283)	(490)
		(2,044)	(3,431)
		37,221	7,221

Under the Hong Kong two-tiered profits tax rates regime, the first HK\$2,000,000 of assessable profits of one subsidiary of the Company, which is a qualifying corporation, is taxed at 8.25% and the remaining assessable profits at 16.5%. The profits of other group entities not elected for the two-tiered profits tax rates regime will continue to be taxed at 16.5%.

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%.

Pursuant to the relevant laws and regulations in Sri Lanka, the tax rate of Sri Lanka subsidiary is 14%.

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

根據香港利得稅兩級制，本公司一間為合資格企業的附屬公司的首2,000,000港元應課稅盈利之稅率為8.25%，而餘下的應課稅盈利之稅率為16.5%。不選取利得稅兩級制的其他集團實體之盈利將繼續按稅率16.5%課稅。

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，中國附屬公司之稅率為25%。

根據斯里蘭卡有關之法律及法規，斯里蘭卡附屬公司之稅率為14%。

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。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

簡明綜合財務報表附註 (續)

7. PROFIT/(LOSS) FOR THE PERIOD

7. 是期間盈利／(虧損)

		(Unaudited) (未經審核)	
		Six months ended 30 June 截至6月30日止6個月	
		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Profit/(loss) for the period has been arrived at after charging/(crediting):	是期間盈利／(虧損) 已扣減／(計入) 下列各項：		
Amortisation of other intangible assets	其他無形資產之攤銷	1,508	1,508
Depreciation of investment properties	投資物業之折舊	2,479	1,748
COVID-19-related rent concessions*	與COVID-19有關的租金減讓*	-	(1,813)
Depreciation and impairment of property, plant and equipment	物業、機器及設備之折舊及減值	85,385	80,013
Depreciation of right-of-use assets	使用權資產之折舊	14,401	15,521
Employee costs (including directors' emoluments)	僱員成本 (包括董事酬金)	507,252	354,492
Gain on disposal/written-off of property, plant and equipment#	出售／撇銷物業、機器及設備之收益#	(562)	(1,440)
Government grants* (note)	政府補貼* (附註)	(6,192)	(9,081)
Provision for impairment loss recognised on trade and bills receivables, net#	營業及票據應收款項之減值損失撥備確認淨值#	6,183	11,858
Interest income*	利息收入*	(3,970)	(3,856)
Net exchange (gains)/losses#	匯兌 (收益)／虧損淨值#	(440)	7,927
Net rental income from investment properties*	投資物業之租金收入淨值*	(6,736)	(5,643)

* Included in other revenue

Included in other gains and losses

* 包括在其他收入內

包括在其他收益及虧損內

Note: For the six months ended 30 June 2021, government grants included grants of HK\$6,192,000 (six months ended 30 June 2020: HK\$4,473,000) received from the PRC local government authority as subsidies to the Group for incentive of foreign trade and steady growth of business and there were no restrictions with the use of such government grants. For the six months ended 30 June 2020, the Group also applied for government support programs introduced in response to the COVID-19 pandemic. Included in profit or loss was HK\$4,608,000 of government grants obtained relating to supporting the payroll of the Group's employees from the Hong Kong Government. The Group elected to present this government grant separately, rather than reducing the related expense. The Group had to commit to spending the assistance on payroll expenses, and not to reduce employee head count below prescribed levels for a specified period of time. The Group did not have any unfulfilled obligations relating to this program. No such government grants were obtained for the six months ended 30 June 2021.

附註：截至2021年6月30日止6個月，政府補貼包括收取來自中國當地政府機構授出作為本集團鼓勵外貿及業務穩定增長之補貼6,192,000港元（截至2020年6月30日止6個月：4,473,000港元），而該等政府補貼的使用並無限制。截至2020年6月30日止6個月，本集團亦申請應對COVID-19疫情而引入之政府支持計劃。就支持本集團支付僱員之工資而取得香港政府之政府補貼4,608,000港元計入損益。本集團選擇單獨呈列該政府補貼，而非扣減相關開支。本集團須承諾將補貼用於支付工資開支，且於特定期間內不可將員工人數減少至低於所規定的水平。本集團就該計劃並無任何尚未履行之責任。截至2021年6月30日止6個月，概無獲取該政府補貼。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

8. DIVIDENDS

8. 股息

		(Unaudited) (未經審核)	
		Six months ended 30 June 截至6月30日止6個月	
		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Dividend recognised as distribution during the period:	是期間已確認為分派之股息：		
2020 final dividend of HK7.00 cents (2019 final dividend: HK9.28 cents) per share	2020年末期股息 每股7.00港仙(2019年 末期股息：每股9.28港仙)	85,752	113,683
2020 nil special dividend (2019 special dividend: HK1.16 cents) per share	2020年無特別股息 (2019年特別股息： 每股1.16港仙)	-	14,210
		85,752	127,893

No interim dividend in respect of the six months ended 30 June 2021 has been declared by the Board (six months ended 30 June 2020: Nil).

董事會並無宣派截至2021年6月30日止6個月之中期股息(截至2020年6月30日止6個月：無)。

The final dividend of HK7.00 cents in respect of the year ended 31 December 2020 (2019: HK9.28 cents and special dividend of HK1.16 cents) per share, amounting to approximately HK\$85,752,000 (2019: HK\$113,683,000 and special dividend of HK\$14,210,000), had been approved by the shareholders at the annual general meeting of the Company held on 7 May 2021 and was paid during the six months ended 30 June 2021.

截至2020年12月31日止年度之末期股息每股7.00港仙(2019年：9.28港仙及特別股息1.16港仙)，約85,752,000港元(2019年：113,683,000港元及特別股息14,210,000港元)，已於2021年5月7日舉行之本公司股東週年大會上獲股東批准，並已於截至2021年6月30日止6個月期間內派付。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

簡明綜合財務報表附註 (續)

9. EARNINGS/(LOSS) PER SHARE

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

		(Unaudited) (未經審核)	
		Six months ended 30 June 截至6月30日止6個月	
		2021	2020
		HK\$'000 千港元	HK\$'000 千港元
Earnings/(loss)	盈利／(虧損)		
Profit/(loss) for the period attributable to owners of the Company for the purpose of calculation of basic and diluted earnings/(loss) per share	就計算每股基本及攤薄盈利／(虧損)所用之本公司擁有人應佔是期間盈利／(虧損)	136,248	(15,154)

		(Unaudited) (未經審核)	
		Six months ended 30 June 截至6月30日止6個月	
		2021	2020
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of computation of basic and diluted earnings/(loss) per share	就計算每股基本及攤薄盈利／(虧損)所用之普通股加權平均數目	1,225,026,960	1,225,026,960

(a) Basic earnings/(loss) per share

The computation of basic earnings per share for the six months ended 30 June 2021 (six months ended 30 June 2020: basic loss per share) is based on the profit attributable to ordinary equity shareholders of the Company of HK\$136,248,000 (six months ended 30 June 2020: loss attributable to ordinary equity shareholders of the Company of HK\$15,154,000) and on the weighted average of 1,225,026,960 ordinary shares (six months ended 30 June 2020: the weighted average of 1,225,026,960 ordinary shares) in issue during the period.

(b) Diluted earnings/(loss) per share

The Company had no potentially dilutive ordinary shares in issue during the periods ended 30 June 2021 and 30 June 2020.

9. 每股盈利／(虧損)

本公司擁有人應佔每股基本及攤薄盈利／(虧損)乃根據下列數據計算：

		(Unaudited) (未經審核)	
		Six months ended 30 June 截至6月30日止6個月	
		2021	2020
		HK\$'000 千港元	HK\$'000 千港元
Earnings/(loss)	盈利／(虧損)		
Profit/(loss) for the period attributable to owners of the Company for the purpose of calculation of basic and diluted earnings/(loss) per share	就計算每股基本及攤薄盈利／(虧損)所用之本公司擁有人應佔是期間盈利／(虧損)	136,248	(15,154)

		(Unaudited) (未經審核)	
		Six months ended 30 June 截至6月30日止6個月	
		2021	2020
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of computation of basic and diluted earnings/(loss) per share	就計算每股基本及攤薄盈利／(虧損)所用之普通股加權平均數目	1,225,026,960	1,225,026,960

(a) 每股基本盈利／(虧損)

截至2021年6月30日止6個月之每股基本盈利(截至2020年6月30日止6個月：每股基本虧損)乃按期內本公司普通股股權持有人應佔盈利136,248,000港元(截至2020年6月30日止6個月：本公司普通股股權持有人應佔虧損15,154,000港元)及已發行普通股加權平均數目1,225,026,960股(截至2020年6月30日止6個月：普通股加權平均數目1,225,026,960股)計算。

(b) 每股攤薄盈利／(虧損)

截至2021年6月30日及2020年6月30日止期間內，本公司並無已發行之具潛在攤薄影響之普通股。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

The Group incurred expenditure of HK\$47,340,000 during the six months ended 30 June 2021 (six months ended 30 June 2020: HK\$48,257,000) on property, plant and equipment to expand and upgrade the Group's manufacturing facilities.

11. MOVEMENTS IN RIGHT-OF-USE ASSETS

During the six months ended 30 June 2021, the Group entered into a new lease agreement for use of production equipment for 3 years and therefore recognised the additions to right-of-use assets of HK\$1,534,000 (six months ended 30 June 2020: HK\$1,295,000).

12. INVENTORIES

10. 物業、機器及設備之變動

本集團截至2021年6月30日止6個月期間內，為擴大及提升本集團之生產設施而用於物業、機器及設備的開支為47,340,000港元(截至2020年6月30日止6個月：48,257,000港元)。

11. 使用權資產之變動

截至2021年6月30日止6個月期間內，本集團就使用生產設備訂立一份3年期的新租賃協議，因此確認使用權資產增加1,534,000港元(截至2020年6月30日止6個月：1,295,000港元)。

12. 存貨

		(Unaudited) (未經審核)	(Audited) (經審核)
		At 30 June 於6月30日 2021	At 31 December 於12月31日 2020
		HK\$'000 千港元	HK\$'000 千港元
Spare parts	備件	32,383	26,165
Raw materials	原料	600,443	437,988
Work-in-progress	半製品	448,048	380,750
Finished goods	製成品	446,874	373,266
		1,527,748	1,218,169

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

簡明綜合財務報表附註 (續)

13. TRADE AND BILLS RECEIVABLES/PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

The Group allows a credit period ranging from 30 days to 60 days to its trade customers. The following is an ageing analysis of trade and bills receivables based on the invoice dates, as at the end of the reporting period:

		(Unaudited) (未經審核) At 30 June 於6月30日 2021 HK\$'000 千港元	(Audited) (經審核) At 31 December 於12月31日 2020 HK\$'000 千港元
Within 1 month	1個月內	657,604	586,759
1 to 2 months	1至2個月	335,133	278,901
2 to 3 months	2至3個月	168,679	116,324
Over 3 months	3個月以上	85,040	70,565
		1,246,456	1,052,549
Less: allowance for doubtful debts	減：呆賬撥備	(31,371)	(25,056)
		1,215,085	1,027,493

Other receivables as at 30 June 2021 represented value-added tax recoverable of HK\$54,711,000 (31 December 2020: HK\$61,161,000) and prepayments, deposits and other receivables of HK\$113,287,000 (31 December 2020: HK\$105,806,000).

13. 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60天信貸期予其營業客戶。營業及票據應收款項根據發票日期於報告期終的賬齡分析如下：

		(Unaudited) (未經審核) At 30 June 於6月30日 2021 HK\$'000 千港元	(Audited) (經審核) At 31 December 於12月31日 2020 HK\$'000 千港元
Within 1 month	1個月內	657,604	586,759
1 to 2 months	1至2個月	335,133	278,901
2 to 3 months	2至3個月	168,679	116,324
Over 3 months	3個月以上	85,040	70,565
		1,246,456	1,052,549
Less: allowance for doubtful debts	減：呆賬撥備	(31,371)	(25,056)
		1,215,085	1,027,493

於2021年6月30日，其他應收款項乃指可收回增值稅54,711,000港元（2020年12月31日：61,161,000港元）及預付款項、按金及其他應收款項113,287,000港元（2020年12月31日：105,806,000港元）。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

14. TRADE AND BILLS PAYABLES/OTHER PAYABLES AND ACCRUALS

14. 營業及票據應付款項/其他應付款項及應計費用

		(Unaudited) (未經審核)	(Audited) (經審核)
		At 30 June 於6月30日	At 31 December 於12月31日
		2021	2020
		HK\$'000 千港元	HK\$'000 千港元
Trade payables	營業應付款項	703,209	631,840
Bills payables	票據應付款項	274,906	332,891
		978,115	964,731

The following is an ageing analysis of trade and bills payables based on the invoice dates, as at the end of the reporting period:

營業及票據應付款項按發票日期於報告期終的賬齡分析如下：

		(Unaudited) (未經審核)	(Audited) (經審核)
		At 30 June 於6月30日	At 31 December 於12月31日
		2021	2020
		HK\$'000 千港元	HK\$'000 千港元
Within 1 month	1個月內	560,087	726,372
1 to 2 months	1至2個月	240,900	146,890
2 to 3 months	2至3個月	85,744	49,141
Over 3 months	3個月以上	91,384	42,328
		978,115	964,731

Other payables and accruals as at 30 June 2021 represented other payables of HK\$93,094,000 (31 December 2020: HK\$89,156,000) and accruals of HK\$218,691,000 (31 December 2020: HK\$191,156,000).

於2021年6月30日，其他應付款項及應計費用指其他應付款項93,094,000港元（2020年12月31日：89,156,000港元）及應計費用218,691,000港元（2020年12月31日：191,156,000港元）。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

簡明綜合財務報表附註 (續)

15. BANK BORROWINGS

During the six months ended 30 June 2021, the Group obtained new bank borrowings of HK\$692,703,000 (six months ended 30 June 2020: HK\$432,426,000) and made repayments of HK\$472,999,000 (six months ended 30 June 2020: HK\$51,560,000). These bank borrowings obtained and repaid are mainly denominated in Hong Kong dollar ("HKD") and United States dollar ("USD"). The bank borrowings raised were mainly used to repay the existing bank borrowings or as working capital of the Group.

The bank borrowings of the Group are mainly variable rate borrowings. The average effective interest rate of bank borrowings of the Group is 1.62% (31 December 2020: 2.46%) per annum and are repayable within one year. All bank borrowings were unsecured for the six months ended 30 June 2021 and the year ended 31 December 2020.

16. SHARE CAPITAL

		(Unaudited) (未經審核) At 30 June 2021 於2021年6月30日		(Audited) (經審核) At 31 December 2020 於2020年12月31日	
		<i>No. of shares</i> 股份數目	<i>HK\$'000</i> 千港元	<i>No. of shares</i> 股份數目	<i>HK\$'000</i> 千港元
Ordinary shares, issued and fully paid	普通股，已發行及繳足				
At beginning and end of the period/year	於期／年初及於期／年終	1,225,026,960	889,810	1,225,026,960	889,810

In accordance with Section 135 of the Hong Kong Companies Ordinance (Cap. 622), the ordinary shares of the Company do not have a par value.

17. CAPITAL COMMITMENTS

		(Unaudited) (未經審核) At 30 June 於6月30日 2021 <i>HK\$'000</i> 千港元	(Audited) (經審核) At 31 December 於12月31日 2020 <i>HK\$'000</i> 千港元
Capital expenditure contracted for but not provided in the condensed consolidated financial statements in respect of acquisition of property, plant and equipment	與購買物業、機器及設備相關 之已簽約但於簡明綜合財務 報表未有作出撥備之資本開 支	134,161	105,938

15. 銀行借貸

截至2021年6月30日止6個月期間內，本集團取得新銀行借貸692,703,000港元（截至2020年6月30日止6個月：432,426,000港元）及已償還472,999,000港元（截至2020年6月30日止6個月：51,560,000港元）。該等已取得及已償還之銀行借貸主要以港元（「港元」）及美元（「美元」）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營運資金。

本集團銀行借貸主要為浮息借貸。本集團銀行借貸之平均實際年利率為1.62%（2020年12月31日：2.46%），並須於1年內償還。截至2021年6月30日止6個月及截至2020年12月31日止年度，所有銀行借貸均為無抵押。

16. 股本

根據香港公司條例（第622章）第135條，本公司的普通股並無票面價值。

17. 資本承擔

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註 (續)

18. SHARE-BASED PAYMENT TRANSACTIONS

The 2011 Scheme

The Company adopted a share option scheme (the “2011 Scheme”) pursuant to a shareholders’ resolution passed at the extraordinary general meeting, held on 20 January 2011 (the “Adoption Date”). The purpose of the 2011 Scheme is to provide the Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to the Participants (as defined in the 2011 Scheme) and for such other purposes as the Board may approve from time to time.

The Participants of the 2011 Scheme include (i) any directors or any employees (whether full-time or part-time) of the Company and its subsidiaries, associated companies, jointly controlled entities and related companies from time to time (the “FSH Group”); (ii) any discretionary objects of a discretionary trust established by any directors or any employees (whether full-time or part-time) of each member of the FSH Group; (iii) any consultants, professional and other advisers to each member of the FSH Group (including their employees or executives or any persons, firms or companies proposed to be appointed for providing such services); and (iv) any chief executives or substantial shareholders of the Company, provided that the Board may have absolute discretion to determine whether or not one falls within the above categories.

The maximum number of shares which may be issued upon exercise of all options to be granted under the 2011 Scheme and the maximum number of shares which may be issued upon the exercise of all options to be granted under any other share option schemes of the Company (if any) are in aggregate equal to 10% of the total number of shares in issue as at the Adoption Date, i.e. 79,401,096 shares. Under the 2011 Scheme, share options comprising 26,100,000 shares were granted on 19 January 2018. The share option was fully vested after 12 months from the date of grant and the exercisable period of share option was from 19 January 2019 to 18 January 2020. The closing price of the shares immediately before the date of grant was HK\$1.07 each. Among those granted on 19 January 2018, share options comprising 5,800,000 shares lapsed during the six months ended 30 June 2020 due to non-exercise during the pre-determined exercisable period.

18. 以股份為基礎之付款交易

2011年計劃

本公司根據於2011年1月20日(「採納日」)舉行之股東特別大會上通過之一項股東決議案採納購股權計劃(「2011年計劃」)。2011年計劃旨在給予本公司一種靈活方案,以向參與者(如2011年計劃所定義)給予獎勵、回饋、酬勞、報酬及/或提供利益,及就董事會可不時批准之其他目的。

2011年計劃之參與者包括(i)本公司、其不時之附屬公司、相關連公司、共同控制公司及相關的公司(「FSH集團」)的任何董事或任何僱員(不論全職或兼職);(ii)FSH集團各成員公司的任何董事或任何僱員(不論全職或兼職)所成立全權信託的任何全權受益人;(iii)FSH集團各成員公司的任何諮詢顧問、專業及其他顧問(包括彼等僱員或行政人員或擬委聘提供該等服務的任何人士、商號或公司);及(iv)本公司的任何主要行政人員或主要股東,惟董事會可全權酌情決定任何人士是否屬於上述類別。

因行使根據2011年計劃將予授出的所有購股權及本公司任何其他購股權計劃(如有)項下將予授出的所有購股權獲行使而可能發行的股份總數,最多合共相當於採納日已發行股份總數的10%,即數目為79,401,096股。根據2011年計劃,於2018年1月19日已授出包含26,100,000股股份之購股權。購股權已自授出日期起12個月後悉數歸屬,而購股權的行使期為2019年1月19日至2020年1月18日。股份於緊接授出日期前之收市價為每股1.07港元。2018年1月19日授予的購股權中,其中5,800,000股股份之購股權於截至2020年6月30日止6個月期間內,由於在預先釐定之行使期內未獲行使而失效。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註 (續)

18. SHARE-BASED PAYMENT TRANSACTIONS (continued)

The 2011 Scheme (continued)

The total number of shares issued and to be issued upon exercise of the share options granted and to be granted pursuant to the 2011 Scheme and any other share option schemes of the Company to each Participant (including exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue (the "Individual Limit"). Any further grant of share options in excess of the Individual Limit shall be subject to shareholders' approval with such grantee and his close associates (or his associates if such grantee is a connected person) abstaining from voting.

In addition, share options granted to a substantial shareholder (as defined in the Listing Rules) of the Company or an independent non-executive director or any of their respective associates (as defined in the Listing Rules) in any 12-month period up to and including the date of such grant in excess of 0.1% of the shares in issue and having an aggregate value, based on the closing price of the shares at the date of each grant, exceeding HK\$5 million must be approved by shareholders in general meeting in advance.

The exercise price is determined by the Board at the date of grant and should be the higher of (a) the average of the closing prices of each share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (b) the closing price of each share as stated in the Stock Exchange's daily quotation sheet on the date of grant. The amount payable on acceptance of the share option granted is HK\$1.00. Acceptance must be made within a period from date of grant to such date as the Board may determine and specify in the offer letter (both dates inclusive). The Board is empowered to impose, at its discretion, any minimum period that an option must be held at the time of granting any option. The option period of the share option granted is determined by the Board at the time of offering the grant and, in any event, shall not be longer than 10 years from the date of grant.

The 2011 Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date, after which period no further share option will be granted. The 2011 Scheme expired on 19 January 2021.

As at 30 June 2021 and 31 December 2020, there were no outstanding share options under the 2011 Scheme.

18. 以股份為基礎之付款交易 (續)

2011年計劃 (續)

於任何12個月期間因根據2011年計劃及本公司任何其他購股權計劃授予及將授予每名參與者的購股權 (包括已行使、註銷及尚未行使的購股權) 獲行使而已經及將予發行的股份總數, 不得超過已發行股份總數的1% (「個別限額」), 進一步授出任何超逾個別限額之購股權須經股東另行批准, 方可授出, 而該承授人及其緊密聯繫人 (或其聯繫人 (如該名承授人屬關連人士)) 須放棄表決。

此外, 於直至及包括相關授出日期的任何12個月期間內, 向本公司之主要股東 (定義見上市規則) 或獨立非執行董事或彼等各自之任何聯繫人 (定義見上市規則) 授出超逾已發行股份之0.1%, 且總值 (按股份於各授出日期之收市價計算) 超逾5,000,000港元之購股權, 須事先於股東大會上獲股東批准。

行使價由董事會於提出授予購股權時釐定, 但必須為下列較高者: (a) 於緊接授出該購股權之日前五個營業日於聯交所發出之每日報價表所示之每股股份平均收市價; 及 (b) 於授出該購股權之日於聯交所發出之每日報價表所示之每股股份收市價。接納所授購股權的代價為1.00港元。必須自授出日期至董事會可能釐定之有關日期 (須在要約函中指明) (包括首尾兩日) 內接受。董事會有權於授出任何購股權時自行決定必須持有購股權的任何最短期限。購股權之行使期限由董事會於提出授予購股權時釐定, 惟任何情況下, 由授出日期起計, 不得超過10年。

2011年計劃之有效期自採納日起生效, 為期10年, 於該期限後將不可再授予購股權。2011年計劃於2021年1月19日到期。

於2021年6月30日及2020年12月31日, 2011年計劃下並無尚未行使的購股權。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

18. SHARE-BASED PAYMENT TRANSACTIONS (continued)

The 2011 Scheme (continued)

The following table discloses movements of the Company's share options granted under the 2011 Scheme during the six months ended 30 June 2020:

Scheme	Date of grant	Exercise price	(Audited)	Cancelled/	(Unaudited)	
			Outstanding at 1 January 2020	lapsed/ forfeited during the period	Outstanding at 30 June 2020	
計劃	授出日期	行使價	於2020年1月1日尚未行使	期內已註銷/失效/沒收	於2020年6月30日尚未行使	
Employees 僱員	2011 2011年	19 January 2018 2018年1月19日	HK\$1.10 1.10港元	5,800,000	(5,800,000)	-

The following assumptions were used to calculate the fair value of share options:

18. 以股份為基礎之付款交易(續)

2011年計劃(續)

下表披露本公司於截至2020年6月30日止6個月期間根據2011年計劃已授出購股權之變動情況：

以下假設乃用作計算購股權之公平價值：

		Under the 2011 Scheme
Number of options	購股權數目	26,100,000
Grant date fair value	授出日期之公平價值	HK\$2,732,000 港元
Grant date share price	授出日期之股價	HK\$1.10 港元
Exercise price	行使價	HK\$1.10 港元
Suboptimal exercise factor	次優行使因素	2.86
Contractual life	合約年期	2 years 年
Expected volatility	預計波幅	23.81%
Dividend yield	股息率	4.82%
Risk-free interest rate	無風險利率	1.28%

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註 (續)

18. SHARE-BASED PAYMENT TRANSACTIONS (continued)

The Polynomial model has been used to estimate the fair value of the share options granted on 19 January 2018. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. Changes in variables and assumptions may result in changes in the fair value of the options.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in profit and loss, with a corresponding adjustment to the share options reserve.

Expected volatilities were determined by using historical volatilities of the stock return of the Company over the previous 2 years. The risk-free interest rate used in the model was determined based on the yield of Hong Kong Sovereign Curve for the share options granted on 19 January 2018.

All share options granted on 19 January 2018 under the 2011 Scheme lapsed after 18 January 2020.

As at 30 June 2021 and 31 December 2020, there was no remaining contractual life of outstanding share options as all lapsed after 18 January 2020.

For the six months ended 30 June 2021 and 30 June 2020, there was no expense charged in relation to share options granted by the Company.

19. FINANCIAL INSTRUMENTS

Fair value

Financial instruments not measured at fair value

Financial instruments not measured at fair value include cash and cash equivalents, restricted bank deposits, trade and bills receivables, other receivables, trade and bills payables, other payables, lease liabilities, amounts due to non-controlling shareholders, amount due to an associate and bank borrowings.

Due to their short-term nature, the carrying value of cash and cash equivalents, restricted bank deposits, trade and bills receivables, other receivables, trade and bills payables, other payables, amounts due to non-controlling shareholders and amount due to an associate approximates their fair value.

The carrying amounts of the Group's financial instruments carried at cost or amortised cost were not materially different from their fair values as at 30 June 2021 and 31 December 2020.

18. 以股份為基礎之付款交易 (續)

於2018年1月19日授出的購股權之公平價值採用多項式模式估計。於計算購股權公平價值時使用之變數及假設乃按董事之最佳估計釐定。變數及假設變動可能引致購股權之公平價值變動。

於各報告期終，本集團修訂其對預期最終歸屬的購股權數目之估計。修訂估計產生之影響(如有)於損益賬內確認，並於購股權儲備作出相應調整。

預期波幅乃採用本公司過去2年股票回報之歷史波幅釐定。模式中所採用之無風險利率乃根據香港主權曲線回報率(就2018年1月19日已授出之購股權)釐定。

根據2011年計劃於2018年1月19日授出的所有購股權在2020年1月18日之後失效。

於2021年6月30日及2020年12月31日，尚未行使之購股權並無餘下合約年期，原因為其在2020年1月18日後全部失效。

截至2021年6月30日及2020年6月30日止6個月，並無與本公司授出之購股權有關之開支。

19. 金融工具

公平價值

並非以公平價值計量之金融工具

並非以公平價值計量之金融工具包括現金及等同現金項目、受限制銀行存款、營業及票據應收款項、其他應收款項、營業及票據應付款項、其他應付款項、租賃負債、欠非控股股東款項、欠一間聯營公司的款項及銀行借貸。

由於屬短期性質，現金及等同現金項目、受限制銀行存款、營業及票據應收款項、其他應收款項、營業及票據應付款項、其他應付款項、欠非控股股東款項及欠一間聯營公司款項的賬面值與其公平價值相若。

本集團按成本或攤銷成本列值的金融工具的賬面值，與彼等於2021年6月30日及2020年12月31日的公平價值並無重大差異。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

20. RELATED PARTY DISCLOSURES

(a) Related party balances

Details of the Group's outstanding balances with related parties are set out as follows respectively:

	(Unaudited) (未經審核) At 30 June 於6月30日 2021 HK\$'000 千港元	(Audited) (經審核) At 31 December 於12月31日 2020 HK\$'000 千港元
Amounts due to non-controlling shareholders 欠非控股股東款項	64,525	64,525
Amount due to an associate 欠一間聯營公司款項	3,870	5,861

Amounts due to non-controlling shareholders are unsecured, interest-free and repayable on demand. Amount due to an associate is unsecured, interest-free and repayable with agreed 30-day credit period.

欠非控股股東款項乃無抵押、免息及應要求償還。欠一間聯營公司款項乃無抵押、免息及須於30天協定信貸期間償還。

(b) Compensation of key management personnel

The remuneration of directors and other members of key management during the period was as follows:

	(Unaudited) (未經審核) Six months ended 30 June 截至6月30日止6個月 2021 HK\$'000 千港元	2020 HK\$'000 千港元
Fees 袍金	425	425
Short-term benefits 短期福利	2,091	2,091
Post-employment benefits 離職後福利	92	92
	2,608	2,608

20. 關聯人士的披露

(a) 關聯人士的結餘

本集團與關聯人士的未償還結餘詳情分別載列如下：

	(Unaudited) (未經審核) At 30 June 於6月30日 2021 HK\$'000 千港元	(Audited) (經審核) At 31 December 於12月31日 2020 HK\$'000 千港元
Amounts due to non-controlling shareholders 欠非控股股東款項	64,525	64,525
Amount due to an associate 欠一間聯營公司款項	3,870	5,861

欠非控股股東款項乃無抵押、免息及應要求償還。欠一間聯營公司款項乃無抵押、免息及須於30天協定信貸期間償還。

(b) 主要管理人員的薪酬

本期間董事及其他主要管理人員的薪酬如下：

	(Unaudited) (未經審核) Six months ended 30 June 截至6月30日止6個月 2021 HK\$'000 千港元	2020 HK\$'000 千港元
Fees 袍金	425	425
Short-term benefits 短期福利	2,091	2,091
Post-employment benefits 離職後福利	92	92
	2,608	2,608

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

簡明綜合財務報表附註 (續)

20. RELATED PARTY DISCLOSURES (continued)

(c) Transactions with other state-owned entities in the PRC

The Group operates in an economic environment currently predominated by enterprises directly or indirectly owned, jointly controlled or significantly influenced by the PRC government (collectively the “state-owned entities”). The Company’s directors consider that state-owned entities are independent third parties so far as the Group’s business transactions with them are concerned.

During the six months ended 30 June 2021 and 30 June 2020, the Group had transactions with other state-owned entities including, but not limited to, the sales of finished goods, purchases of raw materials/ utilities and transactions with state-owned banks.

The sales of finished goods and purchases of raw materials/utilities to these state-owned entities are individually not significant. In addition, the Group’s bank balances (including short-term bank deposits and restricted bank deposits) and bank borrowings of HK\$504,386,000 and HK\$187,744,000 (31 December 2020: HK\$591,894,000 and HK\$128,379,000) respectively are placed/arranged with state-owned banks as at 30 June 2021.

20. 關聯人士的披露 (續)

(c) 與其他中國國有實體進行的交易

本集團經營所在的經濟環境現時主要由中國政府直接或間接擁有、共同控制或可對其行使重大影響力的實體 (統稱「國有實體」) 主導。本公司董事認為，至今曾與本集團進行商業交易的國有實體均為獨立第三方。

截至2021年6月30日及2020年6月30日止6個月期間內，本集團曾與其他國有實體進行交易，包括但不限於銷售製成品、購買原料／水電，以及與國有銀行間的交易。

向該等國有實體銷售製成品及購買原料／水電的個別交易並非重大。此外，於2021年6月30日，本集團的銀行結餘 (包括短期銀行存款及受限制銀行存款) 及銀行借貸中分別有504,386,000港元及187,744,000港元 (2020年12月31日：分別為591,894,000港元及128,379,000港元) 為存放於國有銀行／由國有銀行安排。

BUSINESS REVIEW

The Group is delighted to report the business review for the first half of 2021 (“1H2021”) and it is the best performed interim results of the Company in terms of gross profit margin, EBITDA margin and profit attributable to the owners of the Company, in the recent 10 years. The improvement in the performance of the Group was mainly due to a larger demand in textile and apparel products when the 2019 novel coronavirus disease (the “COVID-19”) worldwide (the “Pandemic”) became less serious as well as the continuous improvement in operation efficiency of the Group. During 1H2021, the Group’s orders and production have gradually rebounded from the impact of the Pandemic since the second half of 2020. Thanks to our existing, new customers and business partners who have worked closely with the Group through the challenging time and collaborated with support and embrace.

Our total sales volume of fabric increased significantly by approximately 46.1% as compared to the first half of 2020 (“1H2020”). Our total revenue was HK\$3,219,000,000 in 1H2021 (1H2020: HK\$2,099,700,000), a 53.3% increase as compared with 1H2020. The gross profit margin increased strongly by 3.9 percentage points from 10.2% in 1H2020 to 14.1% in 1H2021. Profit for the period in 1H2021 was HK\$151,700,000, a complete turnaround from loss for the period of HK\$16,400,000 in 1H2020.

Difficult and challenging time could make a person stronger and grow mature which is the same to corporations. What the Group and the textile and apparel industries faced during the Pandemic was completely overwhelming and phenomenal. It was the determination, fast to response attitude, persistency and hard works of the management team as well as all staff to breakthrough all obstacles. The Group won’t have such turnaround results without the great effort of the team. The Group successfully managed to reduce the percentage to sales noticeable of 1. distribution and selling expenses; 2. administrative expenses and 3. finance costs when compared to the same period last year. These 3 expenses represented 9.3% of the total revenue in 1H2021, a reduction of 1.9 percentage points from 11.2% in 1H2020.

Basic earnings per share was HK11.1 cents in 1H2021, an impressive turnaround from basic loss per share of HK1.2 cents in 1H2020.

With the continuous stringent control on the Group’s credit management and solid enforcement on our credit policies, the trade and bills receivables turnover period of the Company was impressively reduced 23 days from 91 days to 68 days, which was in-line with our normal and average trade and bills receivables turnover period.

業務回顧

本集團欣然報告2021年上半年(「1H2021」)的業務回顧,這是本公司近10年就毛利率、息稅折舊、攤銷前利潤率及本公司擁有人應佔溢利而言表現最佳的中期業績。本集團業績的改善主要是由於2019年新型冠狀病毒病(「COVID-19」)在全球範圍內(「疫情」)漸趨緩和並持續改善,對紡織服裝產品的需求增加和本集團的營運效率持續提升。2021年上半年以及自2020年下半年以來,本集團的訂單和生產已逐漸從疫情的影響中恢復。以此感謝我們現有的、新的客戶和業務合作夥伴在充滿挑戰的時期與集團密切合作並與予以支持和包容。

本集團的面料總銷售量較2020年上半年(「1H2020」)大幅增長了近46.1%。本集團在1H2021的總營業額為3,219,000,000港元(1H2020: 2,099,700,000港元),較1H2020上升53.3%。毛利率由1H2020的10.2%強勁上升3.9個百分點至1H2021的14.1%。於1H2021回顧期內盈利為151,700,000港元,完全扭轉1H2020期內虧損為16,400,000港元。

困難和具有挑戰性的時間可以使一個人變得更強大並成熟,這與企業一樣。疫情期間,集團和紡織服裝行業所面臨的情況完全是壓倒性的和巨大的。正是管理團隊和全體員工的決心、快速反應的態度、堅持不懈和努力拼搏,才得以衝破一切障礙。沒有團隊的巨大努力,本集團不會有這樣的扭轉結果。本集團成功地顯著降低了與上年同期相比的佔銷售額百分比1.分銷及銷售費用;2.管理費用及3.財務費用。這3項費用佔2021年上半年總收入的9.3%,低於2020年上半年的11.2%,1.9個百分點。

於1H2021,每股基本盈利為11.1港仙,一個驚人扭轉1H2020期內每股基本虧損為1.2港仙。

隨著集團持續對信貸管理和信貸政策的嚴格控制和紮實執行,公司營業及票據應收款項周轉期由91天大幅縮短23天至68天,與我們正常和一般的營業及票據應收款項周轉期相等。

BUSINESS REVIEW (continued)

According to the information published on the website of the China Cotton Association (中國棉花協會), the China cotton price index CCINDEX2129B (中國棉花價格指數) was RMB16,452/ton as at 30 June 2021 and was RMB15,365/ton as at 4 January 2021. The China cotton price index was at the highest in March 2021 at RMB16,667/ton and at the lowest in January 2021 at RMB15,365/ton. When compared with a year before, the China cotton price index CCINDEX2129B was RMB12,213/ton as at 30 June 2020, and RMB13,915/ton as at 2 January 2020. From the year-on-year comparison between 30 June 2020 and 30 June 2021, a 34.7% increase was recorded.

According to the China coal market website, the monitoring data shown on 25 June 2021 based on the China coal price index (national comprehensive) was 208.7, an increase by 60.5 points year-on-year. The Group continued focusing on lean management, technology automation, machinery upgrade, cost reduction and control initiatives to boost overall operating profitability.

Continuous restructuring and consolidating of our subsidiaries with the aims to streamline operation and reduce costs was successfully implemented during the period under review.

Production and Sales of Dyed Fabrics and Yarns

The Group's total production capacity of 4 fabric mills in both the PRC and Sri Lanka was approximately 24.5 million pounds of fabric dyeing per month, which was a reduction of 3 million pounds as compared with the same period last year. The reason for the reduction is due to the Pandemic in last year.

For the period under review, the Group's core business, production and sales of dyed fabrics and yarns, generated revenue of approximately HK\$2,867,100,000 and accounted for 89.1% of the Group's total revenue.

Production and Sales of Garments

Revenue from the production and sales of garments for 1H2021 was approximately HK\$351,900,000 and accounted for 10.9% of the Group's total revenue.

Dividend

In view of the general practice of the Company to only recommend a final dividend, the Board has resolved not to declare any interim dividend for the six months ended 30 June 2021. The Group generously maintained a high dividend payout ratio of 80% to 90% in the past 4 years. Whether the Group is able to maintain a similar range of dividend payout ratio as our dividend policy will also depend on the results in second half of 2021. The Group is committed to providing rewarding investment return to the shareholders of the Company (the "Shareholders"), subject to the dividend policy stated in 2020 annual report of the Company.

業務回顧 (續)

根據中國棉花協會網站公佈資訊，中國棉花價格指數CCINDEX2129B於2021年6月30日為每噸人民幣16,452元，而2021年1月4日則為每噸人民幣15,365元。中國棉花價格指數分別於2021年3月及2021年1月錄得最高每噸人民幣16,667元和最低每噸人民幣15,365元的水平。對比上一年度，中國棉花價格指數CCINDEX2129B於2020年6月30日為每噸人民幣12,213元，於2020年1月2日則為每噸人民幣13,915元，於2020年6月30日至2021年6月30日期間，按年錄得34.7%上升。

根據中國煤炭市場網，中國煤炭價格指數(全國綜合指數)監測數據顯示於2021年6月25日中國煤炭指數為208.7，按年上升60.5點。集團繼續注重精益管理、技術自動化、機械升級、成本削減及管控措施，藉以提升整體經營效益。

於回顧期內，本集團持續重組及整合附屬公司的工作得以圓滿實施，成功精簡營運並降低成本。

製造及銷售色布及紗

本集團位於中國大陸和斯里蘭卡的4家面料工廠的印染產能每月約24.5百萬磅，與去年同期相比減少了3百萬磅，減少是由於去年疫情情況下所引致。

在回顧期內，本集團核心業務—色布及紗的製造及銷售，為集團帶來約2,867,100,000港元的營業額，佔集團總營業額的89.1%。

製造及銷售成衣

1H2021成衣製造及銷售的營業額約為351,900,000港元，佔集團總營業額的10.9%。

股息

鑒於本公司於一般情況下只建議派發末期股息，本公司董事會決定及宣佈就截至2021年6月30日止6個月內不予派發任何中期股息。本集團於過去4年均維持80%至90%的高派息比率。本集團能否維持與股息政策相類似的股息派息比率，亦取決於2021年下半年的業績。本集團承諾向本公司股東(「股東」)提供豐厚的投資回報，但須遵守本公司2020年年報之股息政策。

BUSINESS REVIEW (continued)

Awards and Certifications

Our awards and certificates accredited during 1H2021 were as follows:

業務回顧 (續)

獎項及認證

在2021年上半年，集團所獲獎項及認證如下：

No. 文件序號	Name of Award/Certification 獎項/認證名稱	Type of Award/ Certification 獎項/認證類型	Date of Issue (Year/Month) 頒發日期(年/月)	Issuing Unit/Organisation 發出單位/機構
Fountain Set (Holdings) Limited 福田實業(集團)有限公司				
1	COTTON USA™ Licensee COTTON USA™ 授權合作夥伴	Licensee 授權合作夥伴	2021/1	Cotton Council International 美國國際棉花協會
2	SUPIMA® Licensee SUPIMA® 授權合作夥伴*	Licensee 授權合作夥伴*	2021/1	SUPIMA® World's Finest Cottons SUPIMA® 世界頂級棉花*
3	"13th Five-Year Plan" China's Knitting Industry Excellent Technological Innovation Enterprise* 「十三五」中國針織行業優秀科技創新企業	Award 獎項	2021/5	China Knitting Industrial Association* 中國針織工業協會
Fountain Set Limited 福田實業有限公司				
4	Global Recycled Standard (GRS) 4.0 全球回收標準(GRS)4.0*	Certification 認證	2021/5	Intertek Group 天祥集團
Jiangyin Fuhui Textiles Limited 江陰福匯紡織有限公司				
5	2020 Outstanding Unit of Safety in Production of Jiangyin High-tech Zone* 2020年度江陰高新區安全生產先進單位	Award 獎項	2021/1	Administration Committee of Jiangyin High-tech Industrial Development Zone* 江陰高新技術產業開發區管理委員會
6	2020 Outstanding Unit of Ecological Civilisation* 2020年度生態文明建設先進單位	Award 獎項	2021/2	Working Committee of Jiangyin High-tech Industrial Development Zone of the Communist Party of China* 中共江陰高新技術產業開發區工作委員會 Administration Committee of Jiangyin High-tech Industrial Development Zone* 江陰高新技術產業開發區管理委員會
7	2020 Outstanding Enterprise of Foreign Investment* 2020年度外商投資先進企業	Award 獎項	2021/2	Working Committee of Jiangyin High-tech Industrial Development Zone of the Communist Party of China* 中共江陰高新技術產業開發區工作委員會 Administration Committee of Jiangyin High-tech Industrial Development Zone* 江陰高新技術產業開發區管理委員會
8	2020 Charitable Enterprise* 2020年度熱心慈善企業	Award 獎項	2021/2	Working Committee of Jiangyin High-tech Industrial Development Zone of the Communist Party of China* 中共江陰高新技術產業開發區工作委員會 Administration Committee of Jiangyin High-tech Industrial Development Zone* 江陰高新技術產業開發區管理委員會
9	2020 Enterprises with Inbound Taxes Exceeding 100 Millions* 2020年度入庫稅金超億元企業	Award 獎項	2021/2	Working Committee of Jiangyin High-tech Industrial Development Zone of the Communist Party of China* 中共江陰高新技術產業開發區工作委員會 Administration Committee of Jiangyin High-tech Industrial Development Zone* 江陰高新技術產業開發區管理委員會

BUSINESS REVIEW (continued)**Awards and Certifications** (continued)**業務回顧** (續)**獎項及認證** (續)

No. 文件序號	Name of Award/Certification 獎項/認證名稱	Type of Award/ Certification 獎項/認證類型	Date of Issue (Year/Month) 頒發日期(年/月)	Issuing Unit/Organisation 發出單位/機構
10	2020 High Quality Development Outstanding Contribution Award* 2020年度高質量發展突出貢獻獎	Award 獎項	2021/2	Working Committee of Jiangyin High-tech Industrial Development Zone of the Communist Party of China* 中共江陰高新技術產業開發區工作委員會 Administration Committee of Jiangyin High-tech Industrial Development Zone* 江陰高新技術產業開發區管理委員會
11	ISO 50001 Energy Management System Certificate ISO 50001能源管理體系認證證書	Certification 認證	2021/2	Beijing Zhongjing Quality Certification Co., Ltd. 北京中經科環質量認證有限公司
12	ISO 14001 Environmental Management System Certificate ISO 14001環境管理體系認證證書	Certification 認證	2021/2	Beijing Zhongjing Quality Certification Co., Ltd. 北京中經科環質量認證有限公司
13	2019-2020 Advanced Unit of Quality and Safety Humanistic Award* 2019-2020年度質量與安全先進單位人本獎	Award 獎項	2021/3	COFCO Corporation 中糧集團有限公司
Dongguan Shatin Lake Side Textiles Printing & Dyeing Co., Ltd. 東莞沙田麗海紡織印染有限公司				
14	Oeko-Tex Standard 100 Oeko-Tex 標準100#	Certification 認證	2021/1	TESTEX AG, Swiss Textile Testing Institute TESTEX AG, 瑞士紡織檢定所#
15	Oeko-Tex Standard 100 Oeko-Tex 標準100#	Certification 認證	2021/2	TESTEX AG, Swiss Textile Testing Institute TESTEX AG, 瑞士紡織檢定所#
16	Marks & Spencer Premier Accreditation Scheme 瑪莎百貨高級認證計劃#	Certification 認證	2021/3	Marks & Spencer Group 瑪莎百貨集團#
17	Oeko-Tex Standard 100 Oeko-Tex 標準100#	Certification 認證	2021/4	TESTEX AG, Swiss Textile Testing Institute TESTEX AG, 瑞士紡織檢定所#
18	Advanced Chemical Management Training 高階化學品管理培訓#	Certification 認證	2021/4	TUV Rheinland
19	ZDHC ClearStream Report ZDHC清流報告#	Certification 認證	2021/4	ZDHC Foundation
20	2021 Completion Of Self-Assessment 2021自我評估完成#	Certification 認證	2021/6	Sustainable Apparel Coalition

* English names are only the translation of their respective official Chinese names. In case of inconsistencies, the Chinese names shall prevail.

* 英文名稱僅為官方中文名稱之譯文。倘有歧異，概以中文名稱為準。

Chinese names are only the translation of their respective official English names. In case of inconsistencies, the English names shall prevail.

中文名稱僅為官方英文名稱之譯文。倘有歧異，概以英文名稱為準。

OUTLOOK

According to the Global Economic Prospects June 2021 issued by the World Bank Group, the world economy is experiencing an exceptionally strong but highly uneven recovery. Global growth rate is set to reach 5.6 percent in 2021, its strongest post-recession pace in 80 years. Global growth is concentrated in a few major economies, with most emerging market and developing economies ("EMDEs") lagging behind. While about 90 percent of advanced economies are expected to regain their pre-pandemic per capita income levels by 2022, only about one-third of EMDEs are expected to do so.

By 2022, global output will remain about 2 percent below pre-pandemic projections, and per capita income losses incurred last year will not be fully unwound in about two-thirds of EMDEs. The global outlook remains subject to significant downside risks, which include the possibility of large COVID-19 waves in the context of new virus variants and financial stress amid high EMDE debt levels. After declining in the first half of 2020, global inflation has rebounded quickly on recovering activity. While global inflation is likely to continue rising in the remainder of this year, inflation is expected to remain within target bands in most inflation-targeting countries.

Looking forward to the second half of 2021 ("2H2021"), the world economy and the retail market are expected to continue rebound from the Pandemic. The orders from our global clients continue to be active and normalised; hence, the Group holds a relatively optimistic attitude towards business and financial performance in the second half of this year. Nevertheless, the Group has been working closely with our existing clients in the Chinese domestic market to co-develop new collections using innovative fabrics, which provide attractive business potential going forward. As the economy in China has been rebounding speedily in 2021, we believe that the growth momentum will be concentrated in this market as well as several popular and quality Japanese brands that we have been working together. In addition, China has changed its family planning policy on 31 May 2021. With the implementation of the 3-child policy which encouraging families to have 3 children, the kidswear market is expected to become another sweet spot for fabric sales. The Group has long been the pioneer in developing innovative products together with our customers in the textile and apparel industry and will continue to allocate resources in this area in the future. If there are no unexpected negative circumstances happen in the 2H2021, the Group is confident that it will be another best performed annual results in the fiscal year of 2021 in the Group's recent history.

Notwithstanding the ever-changing global economic and market conditions, the Group is determined to do the best altogether to bring long-term values and returns to all Shareholders through various measures on cost reduction.

OUR APPRECIATION

Finally, we would like to express our gratitude to the Shareholders, customers, business partners and suppliers for their continuous unfaltering support during the increase in economic instability. We would also like to thank our dedicated staff for their commitment and contributions to the success of the Group.

展望

根據世界銀行集團2021年6月的《全球經濟展望報告》，世界經濟正在經歷異常強勁但極不平衡的復蘇。在2021年全球增長率將達到5.6%，這是80年來最強勁的衰退後增速。全球增長集中在少數主要經濟體，大多數新興市場和發展中經濟體（「EMDEs」）增長落後。雖然預計到2022年約90%的發達經濟體將恢復疫情前的人均收入水平，但只有約三分之一的發達經濟體預計會有如此恢復。

到2022年，全球產出仍將比疫情前的預測低約2%。而在約三分之二的發展中經濟體中，去年發生的人均收入損失將無法完全消除。全球前景仍面臨重大下行風險，其中包括在病毒變種和發展中經濟體高債務水平下的財務壓力的背景下可能出現大的新型冠狀病毒浪潮。在經歷了2020年上半年的下滑之後，全球通脹在復甦後迅速反彈。雖然全球通脹可能在今年餘下時間繼續上漲，但通脹預計將保持在目標區間內在大多數以通脹為目標的國家。

展望2021年下半年（「2H2021」），世界經濟和零售市場有望繼續從疫情中反彈。來自全球客戶的訂單持續活躍和常態化，因此本集團對今年下半年的業務和財務表現持相對樂觀的態度。儘管如此，本集團一直與我們在中國國內市場的現有客戶緊密合作，使用創新面料共同開發新系列產品，這些產品具有廣闊的商業潛力。由於中國經濟在2021年迅速反彈，我們相信增長動力將集中在這個市場以及我們一直在努力的數個受歡迎和優質的日本品牌。此外，中國於2021年5月31日更新其生育政策。隨著中國3孩政策的實施並鼓勵家庭生育第3個孩子，童裝市場有望成為面料銷售的另一據點。本集團一直與紡織及服裝行業的客戶聯手走在開發創新產品的前端，日後在該方面將繼續投入資源。如果在2021年下半年沒有出現不可預計的負面情況，本集團有信心2021年全年將會是另一個於集團近年歷史中表現最好的年度業績。

儘管全球經濟市場形勢不斷地變化，本集團仍決心通過各項降低成本的措施方案，為所有股東帶來長期價值及回報。

致謝

最後，我們謹向所有股東、客戶、業務夥伴和供應商致謝，感謝他們在經濟不確定性增加的同時仍持續給予支持。我們亦感激各位員工為集團的成功所作出的投入、承諾和貢獻。

FINANCIAL REVIEW

The key operating and financial indicators of the Group for the six months ended 30 June 2021 are set out below:

財務回顧

本集團截至2021年6月30日止6個月之主要經營及財務指標呈列如下：

		Six months ended 30 June 截至6月30日止6個月	
		2021	2020
Statement of Profit or Loss Items	損益表項目		
(All amounts in HK\$ thousands unless otherwise stated)	(除特別註明外所有金額均以千港元列示)		
Revenue	營業額	3,218,999	2,099,734
Gross profit	毛利	454,662	213,644
EBITDA*	息稅折舊及攤銷前利潤	285,092	101,657
Profit/(loss) for the period	是期間盈利／(虧損)	151,721	(16,432)
Profit/(loss) attributable to owners of the Company	本公司擁有人應佔盈利／(虧損)	136,248	(15,154)
Basic earnings/(loss) per share (HK cents)	每股基本盈利／(虧損) (港仙)	11.1	(1.2)
Key Financial Ratios	主要財務比率		
Profitability ratios	盈利能力比率		
Gross profit margin (%)	毛利率(%)	14.1%	10.2%
EBITDA* margin (%)	息稅折舊及攤銷前利潤率(%)	8.9%	4.8%
Expenses as a % of revenue	開支佔營業額比率		
Distribution and selling expenses	分銷及銷售費用	2.1%	2.5%
Administrative expenses	行政費用	7.0%	8.2%
Finance costs	融資成本	0.2%	0.5%
Asset efficiency	資產效率		
Inventory turnover period (days)	存貨周轉期(日)	100	94
Trade and bills receivables turnover period (days)	營業及票據應收款項周轉期(日)	68	91
Trade and bills payables turnover period (days)	營業及票據應付款項周轉期(日)	64	43

* EBITDA means earnings before interest, tax, depreciation and amortisation.

* EBITDA解釋為息稅折舊及攤銷前利潤。

		At 30 June 於6月30日 2021	At 31 December 於12月31日 2020
Asset ratios	資產比率		
Current ratio#	流動比率#	2.1	2.3
Net debt/EBITDA ratio (annualised)	淨債務／息稅折舊及攤銷前利潤率(年化)	(2.4)	(3.2)
Gearing ratio	資本負債比率		
Total liabilities/Equity attributable to owners of the Company	負債總額／本公司擁有人應佔權益	0.6	0.5

Current ratio is calculated by dividing current assets by current liabilities.

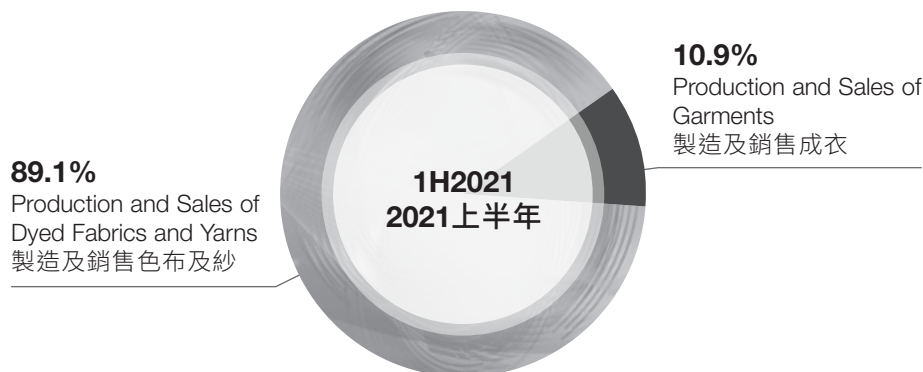
流動比率的計算方法是將流動資產除以流動負債。

FINANCIAL REVIEW (continued)

Revenue

The Group's revenue for the six months ended 30 June 2021 amounted to approximately HK\$3,218,999,000 (six months ended 30 June 2020: HK\$2,099,734,000).

Revenue by Business Segments



In the first half of 2021, the Group's core business, production and sales of dyed fabrics and yarns, generated revenue of approximately HK\$2,867,089,000 (six months ended 30 June 2020: HK\$1,851,603,000), which accounted for 89.1% (six months ended 30 June 2020: 88.2%) of the Group's total revenue. Revenue from production and sales of garments was approximately HK\$351,910,000 (six months ended 30 June 2020: HK\$248,131,000), which accounted for 10.9% (six months ended 30 June 2020: 11.8%) of the Group's total revenue.

Cost of Sales and Gross Profit

For the six months ended 30 June 2021, overall cost of sales of the Group amounted to approximately HK\$2,764,337,000 (six months ended 30 June 2020: HK\$1,886,090,000) and overall gross profit margin was 14.1% (six months ended 30 June 2020: 10.2%).

During the period under review, the Group's revenue increased by 53.3% compared with the same period last year, which was mainly due to the increase in sales volume of fabric by approximately 46.1%. Compared with the same period last year, the increase in percentage of revenue was larger than the increase in percentage of production cost, which led to the increase in gross profit margin.

Distribution and Selling Expenses

For the six months ended 30 June 2021, the Group's overall distribution and selling expenses amounted to approximately HK\$68,334,000 (six months ended 30 June 2020: HK\$52,896,000), which accounted for 2.1% (six months ended 30 June 2020: 2.5%) of the Group's total revenue.

財務回顧 (續)

營業額

集團截至2021年6月30日止6個月的營業額約為3,218,999,000港元(截至2020年6月30日止6個月: 2,099,734,000港元)。

營業額按業務分類

於2021年上半年,集團核心業務—製造及銷售色布及紗的營業額約為2,867,089,000港元(截至2020年6月30日止6個月: 1,851,603,000港元),佔集團營業額總值的89.1%(截至2020年6月30日止6個月: 88.2%)。製造及銷售成衣的營業額約為351,910,000港元(截至2020年6月30日止6個月: 248,131,000港元),佔集團營業額總值的10.9%(截至2020年6月30日止6個月: 11.8%)。

銷售成本及毛利

集團截至2021年6月30日止6個月之整體銷售成本約為2,764,337,000港元(截至2020年6月30日止6個月: 1,886,090,000港元),整體毛利率為14.1%(截至2020年6月30日止6個月: 10.2%)。

於回顧期內,本集團的營業額較去年同期上升53.3%,主要是由於面料銷售量增加約46.1%。與去年同期相比,營業額的上升幅度大於生產成本的上升幅度,引致毛利率上升。

分銷及銷售費用

集團截至2021年6月30日止6個月之整體分銷及銷售費用約為68,334,000港元(截至2020年6月30日止6個月: 52,896,000港元),佔集團營業額總值的2.1%(截至2020年6月30日止6個月: 2.5%)。

FINANCIAL REVIEW (continued)

Administrative Expenses

For the six months ended 30 June 2021, the Group's overall administrative expenses amounted to approximately HK\$224,981,000 (six months ended 30 June 2020: HK\$172,999,000), which accounted for 7.0% (six months ended 30 June 2020: 8.2%) of the Group's total revenue.

Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)

For the six months ended 30 June 2021, the Group's EBITDA amounted to approximately HK\$285,092,000 (six months ended 30 June 2020: HK\$101,657,000) and the EBITDA margin was 8.9% (six months ended 30 June 2020: 4.8%).

Finance Costs

For the six months ended 30 June 2021, the Group's finance costs amounted to approximately HK\$7,850,000 (six months ended 30 June 2020: HK\$10,800,000), representing 0.2% (six months ended 30 June 2020: 0.5%) of the Group's total revenue.

Capital Expenditure

During the period under review, the Group invested approximately HK\$47,340,000 (six months ended 30 June 2020: HK\$48,257,000) in additions of property, plant and equipment. The Group's capital commitments primarily related to the acquisition of property, plant and equipment. As at 30 June 2021, the Group had contracted capital commitments of approximately HK\$134,161,000 (31 December 2020: HK\$105,938,000) in relation to the acquisition of property, plant and equipment.

Income Tax Expense

For the six months ended 30 June 2021, income tax expense of the Group amounted to approximately HK\$37,221,000 (six months ended 30 June 2020: HK\$7,221,000).

財務回顧 (續)

行政費用

集團截至2021年6月30日止6個月之整體行政費用約為224,981,000港元(截至2020年6月30日止6個月: 172,999,000港元), 佔集團營業額總值的7.0%(截至2020年6月30日止6個月: 8.2%)。

息稅折舊及攤銷前利潤(EBITDA)

集團截至2021年6月30日止6個月之息稅折舊及攤銷前利潤約為285,092,000港元(截至2020年6月30日止6個月: 101,657,000港元), 息稅折舊及攤銷前利潤率為8.9%(截至2020年6月30日止6個月: 4.8%)。

融資成本

集團截至2021年6月30日止6個月之融資成本約為7,850,000港元(截至2020年6月30日止6個月: 10,800,000港元), 佔集團營業額總值的0.2%(截至2020年6月30日止6個月: 0.5%)。

資本開支

於回顧期內, 集團已投資約為47,340,000港元(截至2020年6月30日止6個月: 48,257,000港元)以增加物業、機器及設備。集團的資本承擔主要涉及購買物業、機器及設備。於2021年6月30日, 集團有關購買物業、機器及設備的已簽約資本承擔約為134,161,000港元(2020年12月31日: 105,938,000港元)。

所得稅支出

集團截至2021年6月30日止6個月之所得稅支出約為37,221,000港元(截至2020年6月30日止6個月: 7,221,000港元)。

FINANCIAL REVIEW (continued)

Liquidity and Financial Resources

As at 30 June 2021, the Group's net assets amounted to approximately HK\$3,631,960,000 (31 December 2020: HK\$3,579,789,000). The key figures of the Group's financial position were as follows:

		At 30 June 於6月30日 2021 <i>HK\$'000 千港元</i>	At 31 December 於12月31日 2020 <i>HK\$'000 千港元</i>
Non-current assets	非流動資產	1,706,372	1,746,822
Current assets	流動資產	4,051,037	3,678,889
Total assets	資產總值	5,757,409	5,425,711
Current liabilities	流動負債	1,908,402	1,619,636
Non-current liabilities	非流動負債	217,047	226,286
Total liabilities	負債總值	2,125,449	1,845,922
Net assets	資產淨值	3,631,960	3,579,789

The Group met its funding requirements in its usual course of operation by cash flows from operations, as well as long-term and short-term bank borrowings. Capital expenditure was mainly financed by bank borrowings.

As at 30 June 2021, the Group's bank borrowings amounted to HK\$456,612,000 (31 December 2020: HK\$236,748,000). Details of the bank borrowings of the Group are set out in note 15 to the condensed consolidated financial statements.

As at 30 June 2021, the Group's bank balances and cash, including short-term bank deposits, amounted to HK\$1,135,211,000 (31 December 2020: HK\$1,255,567,000) and were mainly denominated in HKD, USD and Renminbi ("RMB").

財務回顧 (續)

資金流動性及財政資源

於2021年6月30日，集團資產淨值約為3,631,960,000港元(2020年12月31日：3,579,789,000港元)。財務狀況的主要資料如下：

集團以營運所得現金流量及銀行的長短期貸款應付日常資金需要，而資本開支則主要由銀行貸款撥付。

於2021年6月30日，本集團銀行借貸為456,612,000港元(2020年12月31日：236,748,000港元)。本集團的銀行借貸詳情已載於綜合財務報表附註15。

於2021年6月30日，本集團銀行結餘及現金(包括短期銀行存款)合共1,135,211,000港元(2020年12月31日：1,255,567,000港元)，主要是港幣、美元及人民幣。

FINANCIAL REVIEW (continued)**Liquidity and Financial Resources** (continued)

As at 30 June 2021, the principal financial covenant figures/ratios (according to the definitions of the Group's principal banks) were as follows:

		At 30 June 於6月30日 2021	At 31 December 於12月31日 2020
Consolidated tangible net worth	綜合淨有形資產	HK\$3,330,680,000 港元	HK\$3,195,548,000港元
Consolidated total bank debt to consolidated tangible net worth	綜合總銀行負債對 綜合淨有形資產比例	0.1	0.1
Consolidated EBITDA to consolidated interest expense	綜合息稅折舊及攤銷前利潤對 綜合利息支出比例	36.3	16.2
Consolidated current assets to consolidated current liabilities	綜合流動資產對 綜合流動負債比例	2.1	2.3
Consolidated capital expenditure	綜合資本開支	HK\$47,340,000 港元	HK\$135,777,000港元

Risk Management

The Group follows a stringent and prudent risk management policy to manage foreign exchange and interest rate risks.

The sale and the purchase of raw materials of the Group were mainly denominated in HKD, USD and RMB. Since the Group mainly carries out production in China, we are exposed to foreign exchange risk arising from RMB exposure. The Group has been closely monitoring the exchange rate fluctuation for USD and RMB and will continue to monitor the trend of the exchange rate and adopt appropriate measures in order to mitigate the foreign currency risk in a cautious manner.

In addition, bank borrowings of the Group were denominated in HKD and USD and interests were mainly charged on a floating rate basis. The average effective interest rate of bank borrowings of the Group was 1.62% per annum for the period under review (31 December 2020: 2.46% per annum) and the bank borrowings were repayable within one year. All bank borrowings were unsecured for the six months ended 30 June 2021 and the year ended 31 December 2020. The Group will continue to monitor the interest rates fluctuation in the market and will adopt appropriate measures to minimise the interest rate risk.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2021, the Group had approximately 7,900 (30 June 2020: 7,700) full-time employees. The Group will continue to implement streamlined production processes so as to further minimise its labour cost. The Group's emolument policies are formulated based on the performance of individual employee and the salary trends in various regions, which are reviewed regularly. Subject to the Group's profitability, the Group may also distribute a discretionary bonus to its employees as an incentive for their contribution to the Group.

The Company has established a share option scheme for its employees (expired on 19 January 2021), and also provides regular training courses and subsidies for continuing education so as to improve the skills of its employees with respect to production, selling and management.

財務回顧 (續)**資金流動性及財政資源** (續)

於2021年6月30日，主要的財務契約數據／比率（根據本集團主要往來銀行的定義）如下：

		At 30 June 於6月30日 2021	At 31 December 於12月31日 2020
Consolidated tangible net worth	綜合淨有形資產	HK\$3,330,680,000 港元	HK\$3,195,548,000港元
Consolidated total bank debt to consolidated tangible net worth	綜合總銀行負債對 綜合淨有形資產比例	0.1	0.1
Consolidated EBITDA to consolidated interest expense	綜合息稅折舊及攤銷前利潤對 綜合利息支出比例	36.3	16.2
Consolidated current assets to consolidated current liabilities	綜合流動資產對 綜合流動負債比例	2.1	2.3
Consolidated capital expenditure	綜合資本開支	HK\$47,340,000 港元	HK\$135,777,000港元

風險管理

集團會依據嚴格及審慎的風險管理政策應對外匯及利率風險。

集團之銷售和原料採購以港元、美元及人民幣為主。而主要的生產基地位於中國，故涉及人民幣所產生之外匯風險。集團一直密切留意美元及人民幣匯率的變動，會採取謹慎的方法，適時審視匯率的走勢，安排合適的措施以減低外匯風險。

此外，集團的銀行借貸以港元和美元為單位，利息主要以浮動利率計算。回顧期內，本集團銀行借貸的平均實際年利率為1.62%（2020年12月31日：年利率為2.46%）及銀行借貸須於一年內償還。截至2021年6月30日止6個月及截至2020年12月31日止年度，所有銀行借貸均無抵押。本集團將繼續留意市場的利率波動，並安排合適的措施以減低利率上升的風險。

僱員及酬金政策

集團於2021年6月30日之全職僱員人數約7,900人（2020年6月30日：7,700人）。本集團將繼續實施精簡生產程序，以盡量減少勞動力成本。集團的酬金政策是根據個別僱員的工作表現及各地區薪酬趨勢而制定並定期作出檢討。集團亦會因應集團之盈利情況，酌情發放花紅予僱員以鼓勵他們對集團之貢獻。

本公司為僱員設有一項購股權計劃（已於2021年1月19日屆滿），亦會提供定期培訓課程及資助進修計劃，以提高僱員之生產、銷售及管理技能。

UPDATE ON THE DIRECTORS' INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

Pursuant to Rule 13.51B(1) of the Listing Rules, changes in the information of the directors of the Company (the "Directors") since the date of the 2020 annual report of the Company required to be disclosed in this interim report are as follows:

1. Mr. ZHANG Zheng has been appointed as an executive Director (the "Executive Director") with effect from 1 April 2021.
2. Mr. WONG Kwong Chi has been appointed as an independent non-executive Director (the "INED") with effect from 30 June 2021.

DIRECTORS' INTERESTS IN SECURITIES

As at 30 June 2021, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")), which were required to be: (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), (b) recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO (the "Register"), or (c) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code"), were as follows:

Long positions in the shares of the Company (the "Shares"):

Name of Directors	Capacity	Nature of Interests	Number of Shares Held	Total	Approximate % of the Issued Shares 約佔已發行股本百分比
董事姓名	身份	權益性質	持有股份數目	總數	
Dr. YEN Gordon 嚴震銘博士	Beneficial owner 實益擁有人	Personal interest 個人權益	8,380,000	2,488,000	0.20
Mr. YAU Hang Tat Andrew 邱恒達先生	Beneficial owner 實益擁有人	Personal interest 個人權益	2,008,000		
	Spouse's interests 配偶權益	Family interest 家族權益	480,000 (Note) (附註)		

Note: Mr. YAU Hang Tat Andrew is deemed to be interested in 480,000 Shares held by his spouse under the SFO.

Save as disclosed above, as at 30 June 2021, none of the Directors and the chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which (a) had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or (b) were recorded in the Register, or (c) had been notified to the Company and the Stock Exchange pursuant to the Model Code.

根據上市規則第13.51B(1)條更新有關董事資料的最新資料

根據上市規則第13.51B(1)條，自本公司2020年年度報告日期起，本中期報告須予披露的本公司董事(「董事」)資料變動如下：

1. 張正先生自2021年4月1日起獲委任為執行董事(「執行董事」)。
2. 王幹芝先生自2021年6月30日起獲委任為獨立非執行董事(「獨立非執行董事」)。

董事之證券權益

於2021年6月30日，董事及本公司行政總裁於本公司或其任何相聯法團(具有香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部所賦予之涵義)之股份、相關股份及債權證中擁有須(a)按證券及期貨條例第XV部第7及8分部通知本公司及聯交所之權益及淡倉(包括根據證券及期貨條例之有關規定彼等被當作或視為擁有之權益及淡倉)；(b)根據證券及期貨條例第352條記錄於本公司按要求備存名冊(「名冊」)之權益及淡倉；或(c)按上市規則附錄10所載的上市發行人董事進行證券交易的標準守則(「標準守則」)通知本公司及聯交所之權益及淡倉如下：

於本公司之股份(「股份」)的好倉情況：

附註：根據證券及期貨條例，邱恒達先生被視為擁有其配偶所持有的480,000股股份之權益。

除上述披露者外，於2021年6月30日，董事及本公司行政總裁概無於本公司或其任何相聯法團(具有證券及期貨條例第XV部所賦予之涵義)擁有任何股份、相關股份或債權證中(a)按證券及期貨條例第XV部第7及8分部已通知本公司及聯交所之權益及淡倉(包括根據證券及期貨條例之有關規定彼等被當作或視為擁有之權益及淡倉)或(b)記錄於名冊內或(c)按標準守則已通知本公司及聯交所之任何權益或淡倉。

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS

As at 30 June 2021, the following persons (other than a Director or the chief executive of the Company)/entities had interests and short positions in the Shares and underlying Shares as recorded in the register of interests of the substantial shareholders required to be kept by the Company pursuant to Section 336 of the SFO (the "Substantial Shareholders' Register").

Long positions in the Shares:

主要股東及其他人士權益

於2021年6月30日，以下人士（董事或本公司行政總裁除外）／實體於股份及相關股份中擁有本公司按證券及期貨條例第336條須存置之主要股東權益名冊（「主要股東名冊」）所記錄之權益及淡倉。

於股份的好倉情況：

Name of Substantial Shareholders	Capacity	Nature of Interests	Number of Shares Held	Total	Approximate % of the Issued Shares 約佔已發行股本百分比
主要股東姓名／名稱	身份	權益性質	持有股份數目	總數	
COFCO Corporation ("COFCO") 中糧集團有限公司（「中糧」）	Interest of controlled corporations 控制法團的權益	Corporate interest 法團權益	465,262,000 (Notes 1 and 2) (附註1及2)	465,262,000	37.98
Chinatex Corporation Limited ("Chinatex") 中國中紡集團有限公司（「中紡」）	Interest of controlled corporations 控制法團的權益	Corporate interest 法團權益	465,262,000 (Notes 1 and 2) (附註1及2)	465,262,000	37.98
Chinatex Jinhui Investment Management Co., Ltd.* ("Jinhui") 中紡錦輝投資管理有限責任公司 （「錦輝」）	Interest of a controlled corporation 控制法團的權益	Corporate interest 法團權益	409,036,000 (Note 1) (附註1)	409,036,000	33.39
Chinatex Yieldfull Investment Co., Ltd. ("Yieldfull") 中紡盈豐投資管理有限公司（「盈豐」）	Beneficial owner 實益擁有人	Personal interest 個人權益	409,036,000	409,036,000	33.39
Mr. SUN Weiting ("Mr. SUN") 孫偉挺先生（「孫先生」）	Interest of controlled corporations 控制法團的權益	Corporate interest 法團權益	211,966,000 (Note 3) (附註3)	211,966,000	17.30
Ms. CHEN Lingfen ("Ms. CHEN") 陳玲芬女士（「陳女士」）	Interest of controlled corporations 控制法團的權益	Corporate interest 法團權益	211,966,000 (Note 3) (附註3)	211,966,000	17.30
Huafu Holding Co., Ltd. ("Huafu Holding") 華孚控股有限公司（「華孚控股」）	Interest of controlled corporations 控制法團的權益	Corporate interest 法團權益	211,966,000 (Note 3) (附註3)	211,966,000	17.30
Huafu Fashion Co., Ltd. ("Huafu Fashion") 華孚時尚股份有限公司（「華孚時尚」）	Interest of controlled corporations 控制法團的權益	Corporate interest 法團權益	211,966,000 (Note 3) (附註3)	211,966,000	17.30

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS (continued)

主要股東及其他人士權益 (續)

Name of Substantial Shareholders	Capacity	Nature of Interests	Number of Shares Held	Total	Approximate % of the Issued Shares 約佔已發行股本百分比
主要股東姓名／名稱	身份	權益性質	持有股份數目	總數	
Mr. HA Chung Fong ("Mr. HA") 夏松芳先生 (「夏先生」)	Beneficial owner 實益擁有人	Personal interest 個人權益	107,942,801	107,942,801	8.81
Ms. TANG Kuen Mui 鄧娟妹女士	Spouse's interests 配偶權益	Family interest 家族權益	107,942,801 (Note 4) (附註4)	107,942,801	8.81

* For identification purpose only

* 只供辨識之用

Notes:

附註：

- Yieldfull is a wholly-owned subsidiary of Jinhui. Jinhui is a wholly-owned subsidiary of Chinatex and Chinatex is a wholly-owned subsidiary of COFCO. Therefore, each of Jinhui, Chinatex and COFCO is deemed to be interested in the Shares held by Yieldfull under the SFO.
- As at 30 June 2021, Chinatex (H.K.) Holding Limited ("Chinatex (H.K.)") held 56,226,000 Shares as beneficial owner. Chinatex (H.K.) is a wholly-owned subsidiary of Chinatex and Chinatex is a wholly-owned subsidiary of COFCO. Therefore, each of Chinatex and COFCO is deemed to be interested in the Shares held by Chinatex (H.K.) under the SFO.
- Hong Kong Tin Shing Trading Limited ("Tin Shing") held 211,966,000 Shares as beneficial owner. Tin Shing is a wholly-owned subsidiary of Huafu HK Co. Limited ("Huafu HK"). Huafu HK is a wholly-owned subsidiary of Shenzhen Huafu Import and Export Co., Ltd. ("Shenzhen Huafu") and Shenzhen Huafu is a wholly-owned subsidiary of Huafu Fashion. Huafu Fashion is owned as to 34.27% by Huafu Holding and Huafu Holding is owned as to 50% by each of Mr. SUN and Ms. CHEN. Therefore, each of Huafu HK, Shenzhen Huafu, Huafu Fashion, Huafu Holding, Mr. SUN and Ms. CHEN is deemed to be interested in the Shares held by Tin Shing under the SFO.
- Ms. TANG Kuen Mui, spouse of Mr. HA, is deemed to be interested in the Shares held by Mr. HA under the SFO.

- 盈豐為錦輝之全資附屬公司，錦輝為中紡之全資附屬公司，而中紡則為中糧的全資附屬公司。因此，根據證券及期貨條例，錦輝、中紡及中糧各自被視作擁有盈豐所持股份之權益。
- 於2021年6月30日，中紡(香港)控股有限公司(「中紡(香港)」)持有56,226,000股股份(作為實益擁有人)。中紡(香港)為中紡之全資附屬公司，而中紡則為中糧之全資附屬公司。因此，根據證券及期貨條例，中紡及中糧各自被視作擁有中紡(香港)所持股份之權益。
- 香港天成貿易有限公司(「天成」)持有211,966,000股股份(作為實益擁有人)。天成為香港華孚有限公司(「香港華孚」)之全資附屬公司。香港華孚為深圳市華孚進出口有限公司(「深圳華孚」)之全資附屬公司，而深圳華孚為華孚時尚之全資附屬公司。華孚時尚由華孚控股持有34.27%權益，而華孚控股由孫先生及陳女士分別持有50%權益。因此，根據證券及期貨條例，香港華孚、深圳華孚、華孚時尚、華孚控股、孫先生及陳女士均被視為擁有天成持有的股份的權益。
- 鄧娟妹女士為夏先生之配偶，因而根據證券及期貨條例，被當作擁有夏先生所持股份的權益。

Save as disclosed above, as at 30 June 2021, the Directors were not aware of any persons (other than a Director or the chief executive of the Company) who/entities which had any interests or short positions in the Shares and underlying Shares, which were recorded in the Substantial Shareholders' Register.

除上述披露者外，於2021年6月30日，董事並不知悉任何人士(董事或本公司行政總裁除外)／實體於股份及相關股份中擁有記錄於主要股東名冊之權益或淡倉。

SHARE OPTION SCHEME

The 2011 Scheme

A share option scheme was adopted by the Company pursuant to a resolution passed by the Shareholders at the extraordinary general meeting held on 20 January 2011 (the "2011 Scheme"). Under the 2011 Scheme, the Board may, at its absolute discretion, grant share options pursuant to the terms of the 2011 Scheme to eligible participants, including, among others, the directors, full-time employees and part-time employees of the Company and its subsidiaries. The 2011 Scheme expired on 19 January 2021.

As at 1 January 2021 and 30 June 2021, there was no outstanding share option under the 2011 Scheme, and no share option was granted, exercised or cancelled or lapsed during the period under review.

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the period under review, the Company had not redeemed its listed securities, nor did the Company or any of its subsidiaries purchase or sell any of such securities.

CORPORATE GOVERNANCE CODE

Throughout the period from 1 January 2021 to 30 June 2021, the Company has applied the principles of, and complied with, all the applicable code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules (the "CG Code") except for code provision A.2.1 of the CG Code.

Since 23 January 2015, Mr. ZHAO Yao, the Chairman and an Executive Director, has taken up the position of chief executive officer of the Company, details of which were set out in the announcement of the Company dated 23 January 2015. This deviated from code provision A.2.1 of the CG Code, which stipulates that the responsibilities between the chairman and chief executive officer should be divided and should not be performed by the same person. However, having considered the current status of the Group, vesting the roles of both chairman and chief executive officer in the same person enables the Group to plan its overall strategy more efficiently and achieve the budgeted target. The Board believes that the balance of power and authority under this arrangement is adequately ensured by the Board which comprises experienced, professional and high caliber individuals being INEDs, and all major decisions are made in consultation with all the Board members who meet on a regular basis to review the operations of the Group, and shall be approved by majority approval of the Board, with the INEDs on the Board scrutinising important decisions and offering independent perspectives.

購股權計劃

2011年計劃

本公司根據於2011年1月20日舉行之股東特別大會上由股東通過之一項決議案採納2011年計劃（「2011年計劃」）。2011年計劃下，董事會可根據2011年計劃條款全權酌情向合資格參與者（其中包括本公司及其附屬公司董事、全職僱員及兼職僱員）授出購股權。2011年計劃已於2021年1月19日屆滿。

於2021年1月1日及2021年6月30日，2011年計劃下並沒有尚未行使的購股權，並於回顧期內無已授出、行使、取消或失效的購股權。

購回、出售及贖回本公司之上市證券

於回顧期內，本公司並無贖回其上市證券，本公司或其任何附屬公司亦無購回或出售任何有關證券。

企業管治守則

由2021年1月1日至2021年6月30日止期間，本公司已應用及一直遵守上市規則附錄14所載之企業管治守則（「企管守則」）之原則及所有適用之守則條文，惟企管守則之守則條文第A.2.1條除外。

自2015年1月23日起，主席及執行董事趙耀先生開始兼任本公司行政總裁職務，詳情已載於本公司日期為2015年1月23日之公告。此會偏離企管守則之守則條文第A.2.1條的規定，主席與行政總裁的職責應有區分及不應由同一名人士擔任，但考慮到本集團現時的情況，由同一名人士同時擔任主席及行政總裁兩個職務可以讓本集團更有效率地計劃整體策略及完成預算目標。董事會相信會有足夠能力確保職能及權力在此安排下得到平衡。由於董事會由經驗豐富、專業及高質素人士出任獨立非執行董事，以及所有重大決策均透過定期會議上作審查及審閱本集團營運，並由所有董事會成員協商後制定，同時須獲董事會多數批准通過，包括由董事會中的獨立非執行董事審查重要決策及提供獨立觀點。

CORPORATE GOVERNANCE CODE (continued)

The Board will continue to review and consider splitting the roles of the chairman and the chief executive officer at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

Furthermore, following the appointment of Mr. ZHANG Zheng as an Executive Director with effect from 1 April 2021, the number of INEDs falls below one-third of the Board as required under Rule 3.10A of the Listing Rules. Following the appointment of Mr. WONG Kwong Chi as an INED with effect from 30 June 2021, the Board comprises 11 Directors, of which 4 are INEDs. As a result, the number of INEDs represents at least one-third of the Board, and hence, the Company has complied with the requirement of Rule 3.10A of the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct regarding Directors' securities transactions. Following the specific enquiries made by the Company with all Directors, they have confirmed that they had complied with the required standard set out in the Model Code for the period under review.

AUDIT COMMITTEE'S REVIEW

The Company has established an audit committee of the Board (the "Audit Committee") for the purposes of reviewing and providing supervision over the Company's financial reporting process, risk management and internal control systems. The Audit Committee presently comprises 1 non-executive Director and 2 INEDs, and 1 of the INEDs acts as the chairman of the Audit Committee. The Audit Committee has reviewed the unaudited consolidated interim results of the Group for the six months ended 30 June 2021 and the 2021 interim report of the Company.

By Order of the Board

Fountain Set (Holdings) Limited

ZHAO Yao

Chairman and Chief Executive Officer

Hong Kong

26 August 2021

企業管治守則 (續)

董事會將繼續檢討及考慮本集團的整體情況，並在適當及合適的時間分開主席及行政總裁的角色。

此外，自2021年4月1日起委任張正先生為執行董事後，董事會中獨立非執行董事的人數低於上市規則第3.10A條規定須佔董事會成員三分之一的要求。王幹芝先生獲委任為獨立非執行董事並自2021年6月30日起生效後，董事會由11名董事組成，其中4名為獨立非執行董事。獨立非執行董事的人數至少佔董事會的三分之一，因此，本公司已遵守上市規則第3.10A條的規定。

董事進行證券交易的標準守則

本公司已採納標準守則為其有關董事進行證券交易之守則。經本公司向所有董事作出具體查詢後，所有董事已確認彼等於回顧期內均已遵守標準守則所要求的標準。

審核委員會審閱

本公司已成立董事會審核委員會（「審核委員會」），藉以檢討及監察本公司之財務申報程序、風險管理及內部監控制度。審核委員會現由1名非執行董事及2名獨立非執行董事組成，並由其中1名獨立非執行董事擔任審核委員會主席。審核委員會已審閱本集團截至2021年6月30日止6個月之未經審核綜合中期業績及本公司2021年中期報告。

承董事會命

福田實業(集團)有限公司

趙耀

主席兼行政總裁

香港

2021年8月26日

CORPORATE INFORMATION

Honorary Chairman

Mr. HA Chung Fong

Board of Directors

Executive Directors

Mr. ZHAO Yao (*Chairman and Chief Executive Officer*)

Mr. LIU Xianfu

Mr. TAO Yongming

Mr. YAU Hang Tat Andrew

Mr. ZHANG Zheng (appointed on 1 April 2021)

Non-executive Directors

Dr. YEN Gordon (*Non-executive Vice Chairman*)

Mr. SUN Fuji

Independent Non-executive Directors

Mr. NG Kwok Tung

Mr. YING Wei

Mr. William LAM

Mr. WONG Kwong Chi (appointed on 30 June 2021)

Company Secretary

Ms. CHENG Wai Han Charmaine

Registered Office and Principal Place of Business

Block A, 6/F., Eastern Sea Industrial Building

29-39 Kwai Cheong Road, Kwai Chung, New Territories, Hong Kong

Company Website

www.fshl.com

Principal Banks

Bank of China (Hong Kong) Limited

The Hongkong and Shanghai Banking Corporation Limited

Standard Chartered Bank (Hong Kong) Limited

Hang Seng Bank Limited

Fubon Bank (Hong Kong) Limited

CTBC Bank Co., Ltd.

Solicitors

Vivien Chan & Co.

Independent Auditor

BDO Limited

Certified Public Accountants

Share Registrar

Boardroom Share Registrars (HK) Limited

Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong

公司資料

名譽主席

夏松芳先生

董事會

執行董事

趙耀先生 (*主席兼行政總裁*)

劉賢福先生

陶永銘先生

邱恒達先生

張正先生 (於2021年4月1日獲委任)

非執行董事

嚴震銘博士 (*非執行副主席*)

孫福紀先生

獨立非執行董事

伍國棟先生

應偉先生

林偉成先生

王幹芝先生 (於2021年6月30日獲委任)

公司秘書

鄭惠嫻女士

註冊辦事處及主要營業地點

香港新界葵涌葵昌路29-39號

東海工業大廈A座6字樓

公司網址

www.fshl.com

主要往來銀行

中國銀行(香港)有限公司

香港上海滙豐銀行有限公司

渣打銀行(香港)有限公司

恒生銀行有限公司

富邦銀行(香港)有限公司

中國信託商業銀行股份有限公司

律師

陳韻雲律師行

獨立核數師

香港立信德豪會計師事務所有限公司

執業會計師

股份登記處

寶德隆證券登記有限公司

香港北角電氣道148號21樓2103B室

SHAREHOLDER INFORMATION

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 shares
Number of Shares Issued	:	1,225,026,960 (as at 30 June 2021)

Financial Calendar 2021/2022

Financial year end	31 December 2021
2021 interim results announced	26 August 2021
Register of members closed	N/A
Interim dividend distributed/to be distributed	N/A
2021 annual results to be announced	Late March 2022

Shareholder Services

For enquiries about share transfer and registration,
change of correspondence address, etc.,
please contact the Company's share registrar:

Boardroom Share Registrars (HK) Limited
Room 2103B, 21/F.
148 Electric Road
North Point, Hong Kong
Tel +852 2153 1688
Fax +852 3020 5058

Investor Relations

Ms. Charmaine CHENG
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Deputy General Manager
Corporate Governance Department
Block A, 6/F., Eastern Sea Industrial Building
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New Territories, Hong Kong
Tel +852 3478 6267
Email pr@fshl.com

股東資料

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股
已發行股份數目	:	1,225,026,960 (於2021年6月30日)

2021/2022年財務日誌

財政年度結算	2021年12月31日
2021年中期業績公佈	2021年8月26日
股份暫停登記	不適用
中期股息派發／將予派發	不適用
2021年年度業績公佈	2022年3月下旬

股東服務

任何有關股份過戶及登記，
變更通訊地址等的查詢，
請聯絡本公司股份過戶登記處：

寶德隆證券登記有限公司
香港北角
電氣道148號
21樓2103B室
電話 +852 2153 1688
傳真 +852 3020 5058

投資者關係

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公司秘書兼
企業管治部
副總經理
香港新界
葵涌葵昌路29-39號
東海工業大廈A座6字樓
電話 +852 3478 6267
電郵 pr@fshl.com

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

Block A, 6/F, Eastern Sea Industrial Building
29-39 Kwai Cheong Road, Kwai Chung
New Territories, Hong Kong

香港新界葵涌葵昌路29-39號
東海工業大廈A座6樓

www.fshl.com
SEHK: 420

Overseas Offices 海外辦事處:

Ho Chi Minh City • London • Shanghai • Tokyo
胡志明市 • 倫敦 • 上海 • 東京

Production Countries 生產國家:

Cambodia • China • Indonesia • Sri Lanka
柬埔寨 • 中國 • 印尼 • 斯里蘭卡