

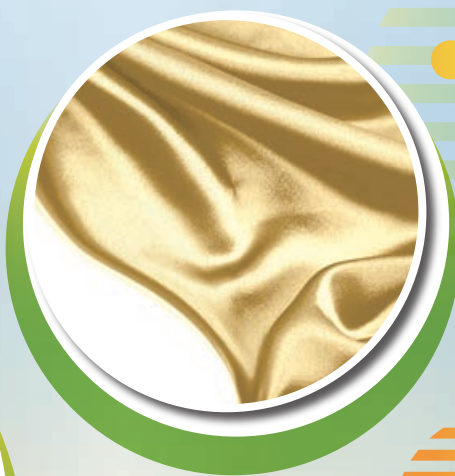


PACIFIC TEXTILES HOLDINGS LIMITED 互太紡織控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號 : 01382)



Annual Report 2019/20
年報

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BOARD OF DIRECTORS

Executive Directors

Mr. WAN Wai Loi (Chairman and Chief Executive Officer)
Mr. Masaru OKUTOMI (Vice Chairman) (appointed with effect from 1 July 2019)
Mr. TOU Kit Vai (Chief Financial Officer)
Mr. Toshiya ISHII

Non-executive Directors

Mr. CHOI Kin Chung (resigned on 12 June 2019)
Mr. LAU Yiu Tong (re-designated as Non-executive Director with effect from 1 June 2019)

Independent Non-executive Directors

Dr. CHAN Yue Kwong, Michael
Mr. NG Ching Wah
Mr. SZE Kwok Wing, Nigel

AUDIT COMMITTEE

Mr. SZE Kwok Wing, Nigel (Chairman)
Dr. CHAN Yue Kwong, Michael
Mr. NG Ching Wah

REMUNERATION COMMITTEE

Dr. CHAN Yue Kwong, Michael (Chairman)
Mr. NG Ching Wah
Mr. SZE Kwok Wing, Nigel
Mr. WAN Wai Loi
Mr. Masaru OKUTOMI (appointed as a member with effect from 12 September 2019)
Mr. LAU Yiu Tong (ceased to be a member since 1 June 2019)

NOMINATION COMMITTEE

Mr. NG Ching Wah (Chairman)
Dr. CHAN Yue Kwong, Michael
Mr. SZE Kwok Wing, Nigel
Mr. WAN Wai Loi
Mr. Masaru OKUTOMI (appointed as a member with effect from 12 September 2019)
Mr. LAU Yiu Tong (ceased to be a member since 1 June 2019)

COMPANY SECRETARY

Ms. CHAN Sau Yee, FCS, FCIS, CGP

PRINCIPAL BANKERS

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

董事局

執行董事

尹惠來先生 (主席兼行政總裁)
奧富勝先生 (副主席) (自2019年7月1日獲委任)
杜結威先生 (首席財務總監)
石井俊哉先生

非執行董事

蔡建中先生 (於2019年6月12日辭任)
劉耀棠先生 (自2019年6月1日起調任為非執行董事)

獨立非執行董事

陳裕光博士
伍清華先生
施國榮先生

審核委員會

施國榮先生 (主席)
陳裕光博士
伍清華先生

薪酬委員會

陳裕光博士 (主席)
伍清華先生
施國榮先生
尹惠來先生
奧富勝先生 (自2019年9月12日起獲委任為成員)
劉耀棠先生 (自2019年6月1日起不再擔任成員)

提名委員會

伍清華先生 (主席)
陳裕光博士
施國榮先生
尹惠來先生
奧富勝先生 (自2019年9月12日起獲委任為成員)
劉耀棠先生 (自2019年6月1日起不再擔任成員)

公司秘書

陳秀儀女士 FCS, FCIS, CGP

主要往來銀行

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

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants

REGISTERED OFFICE

P.O. Box 309GT, Uglund House
South Church Street
George Town, Grand Cayman
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

7/F., Block B, Eastern Sea Industrial Building
48-56 Tai Lin Pai Road, Kwai Chung
New Territories, Hong Kong

PRINCIPAL PLACE OF BUSINESS IN THE PRC

Liu Chong Tong Xin County
Wan Qing Sha Town
Nansha, Guangzhou City
Guangdong Province, PRC

PRINCIPAL PLACE OF BUSINESS IN VIETNAM

Lai Vu Industrial Zone, Lai Vu Commune
Kim Thanh District
Hai Duong Province
Vietnam

PRINCIPAL SHARE REGISTRAR

SMP Partners (Cayman) Limited
Royal Bank House – 3rd Floor
24 Shedden Road, P.O. Box 1586
Grand Cayman, KY1-1110, Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17/F., Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

HONG KONG STOCK EXCHANGE STOCK CODE

01382

COMPANY WEBSITE

www.pacific-textiles.com

核數師

羅兵咸永道會計師事務所
香港執業會計師

註冊辦事處

P.O. Box 309GT, Uglund House
South Church Street
George Town, Grand Cayman
Cayman Islands

總辦事處及香港主要營業地點

香港新界
葵涌大連排道48-56號
東海工業大廈B座8樓

中國主要營業地點

中國廣東省
廣州市南沙
萬頃沙鎮
六涌同興村

越南主要營業地點

Lai Vu Industrial Zone, Lai Vu Commune
Kim Thanh District
Hai Duong Province
Vietnam

主要股份過戶登記處

SMP Partners (Cayman) Limited
Royal Bank House – 3rd Floor
24 Shedden Road, P.O. Box 1586
Grand Cayman, KY1-1110, Cayman Islands

股份過戶登記處香港分處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓1712-1716號舖

香港聯合交易所股份代號

01382

公司網址

www.pacific-textiles.com

CHAIRMAN'S STATEMENT

主席報告書

Dear Shareholders

On behalf of the Board, I hereby present the Group's consolidated financial results for the 2020 Financial Year and give an overview of the Group's strategy and business outlook.

FINANCIAL AND BUSINESS REVIEW

As many other business corporations, the Group experienced certain turbulences over the few months at around the close of financial year. The unprecedented epidemic of COVID-19 has caught many by surprise. Facing the challenge, the management team of the Company has responded proactively on the sudden event and at the very early stage, a special task force was set up and led by the senior management to take instant measures. For instance, getting timely statistics at hand on the workers affected by the district closures or traffic conditions, re-arranging working procedures, body temperature screening, dividing areas for necessary distance among workers, preparing abundant face masks for use in work place, and other relevant measures as precaution against the spreading of the epidemic. We are delighted that the Company also received support from the Toray Group, our shareholder, in providing large number of face masks in February when the global supply of masks was tight. All these lead to the quick resumption of production of Panyu factory in February.

BUSINESS OUTLOOK

While we have confidence in our resourceful management team, the dedicated team of staff and the quality of products and services of the Company, the business prospect of this year also depends on other factors that are beyond our control. The seemingly slowing down of global economic growth and customers conservative spending trend may reduce the general demand for fabrics and restrict the sales volume for the coming few months.

As a well-established textiles mill, the Group will stick to medium-to-long term plan of working towards to set up a new factory in Vietnam for expanding production capacity as well as diversification of production sites. In this year, the Company would use its best endeavors to increase our market share in fabrics for sportswear and explore new business opportunities as well as adopt disciplined budgetary control.

APPRECIATION

On behalf of the Board, I am pleased to express my sincere appreciation to our customers, business partners, suppliers, stakeholders and bankers for their continuous support to the Group during the period, I sincerely hope our employees will be able to grow together with the Group, enjoy balanced life, and realize their potential in the Group.

I would also thank our shareholders for their continuous support and confidence in the Group during the past year.

On behalf of the Board

WAN Wai Loi
Chairman

Hong Kong, 18 June 2020

各位股東

本人謹代表董事局提呈本集團2020財政年度之綜合財務業績，並概述本集團的策略及業務前景。

財務及業務回顧

一如眾多其他公司，本集團於臨近財政年度結束的數月間經歷動盪。2019冠狀病毒病疫情的空前影響使各界措手不及。面對挑戰，本公司管理團隊已對突如其來的情況作出積極應對，早早設立由高級管理層領導的特別工作組以採取即時措施。舉例而言，我們及早掌握受地區封閉或交通狀況所影響的工人的統計數據、重新編排工作次序、實施體溫檢查、劃分區域讓工人互相保持必要距離、準備足夠口罩於工作場所使用，以及採取其他相關措施，預防疫情蔓延。在全球口罩供應緊拙的2月，本公司股東Toray集團伸出援手，向本公司提供大量口罩，我們對此不勝感激。以上種種原因令番禺廠能夠於2月迅速恢復生產。

業務展望

我們對運籌帷幄的管理團隊、緊守崗位的員工團隊以及本公司的產品和服務質素深具信心，儘管如此，今年的業務前景亦取決於我們無法控制的其他因素。全球經濟增長似乎有所放緩以及客戶消費趨向保守有可能減低對布料的整體需求，限制未來數月的銷量。

作為一家發展成熟的紡織廠，本集團將按照中長期計劃致力於越南開設新廠房，以擴大產能及分散生產基地。今年，本公司將全力增加我們於運動服裝布料的市場份額及探索新商機，同時採取嚴格的預算控制。

致謝

本人謹代表董事局對我們的客戶、業務夥伴、供應商、持份者及往來銀行於此期間對本集團的持續支持表示衷心的感謝，本人衷心希望我們的員工能與本集團一起成長，享受平衡的生活，並在集團盡展所長。

本人亦感謝我們的股東在過去一年對本集團的持續支持和信任。

承董事局命

主席
尹惠來

香港，2020年6月18日

OVERVIEW

BUSINESS AND FINANCIAL REVIEW

Pacific Textiles Holdings Limited and its subsidiaries are principally engaged in manufacturing and trading of textiles products, including high quality cotton and synthetic knitted fabrics.

Revenue

During the year under review, revenue of the Group was approximately HK\$5,476.2 million (2019: approximately HK\$6,119.1 million) representing a decrease of 10.5% as compared with the year ended 31 March 2019, due to the temporary 3 weeks' PRC factory closure arising from 2019 novel coronavirus disease ("COVID-19").

Revenue generated from sales of goods from different geographical locations (as determined by where the products were delivered to) is set out in note 5 to the Financial Statements of the Company on page 103.

Other incomes comprising, among others, sales of residual materials and government grants are set out in note 23 of the Financial Statements of the Company on page 133.

Cost of sales

The cost of sales of the Group was approximately HK\$4,551.6 million (2019: HK\$5,058.2 million) representing a decrease of 10.0% as compared with the year ended 31 March 2019 in line with the decrease in revenue during the year.

Profit

During the year under review, profit attributable to equity holders of the Company was HK\$743.5 million (2019: approximately HK\$861.8 million) representing a decrease of 13.7% as compared with last year because of the drop in sales revenue.

Selling and distribution expenses

During the year under review, selling and distribution expenses decreased to HK\$64.0 million (2019: HK\$65.9 million).

Administration expenses

The administration expenses slightly decreased to HK\$189.9 million (2019: HK\$192.0 million).

概覽

業務及財務回顧

互太紡織控股有限公司及其附屬公司主要從事紡織產品(包括優質全棉及化纖針織布)之製造及貿易。

收入

於回顧年度，本集團之收入為約5,476.2百萬港元(2019年：約6,119.1百萬港元)，較截至2019年3月31日止年度減少10.5%，原因為2019新型冠狀病毒病(「2019冠狀病毒病」)使中國廠房臨時關閉3週。

不同地區銷售貨品產生的收入(根據產品交付地點釐定)載於第103頁本公司財務報表附註5。

其他收入包含(其中包括)出售剩餘物料及政府補貼，載於第133頁本公司財務報表附註23。

銷售成本

本集團之銷售成本為約4,551.6百萬港元(2019年：5,058.2百萬港元)，較截至2019年3月31日止年度減少10.0%，與年內收入減少一致。

溢利

於回顧年度，本公司權益持有人應佔溢利為743.5百萬港元(2019年：約861.8百萬港元)，較去年減少13.7%，原因為銷售收入下跌。

銷售及分銷開支

於回顧年度，銷售及分銷開支減至64.0百萬港元(2019年：65.9百萬港元)。

行政開支

行政開支輕微減少至189.9百萬港元(2019年：192.0百萬港元)。

OVERVIEW (Cont'd)

BUSINESS AND FINANCIAL REVIEW (Cont'd)

Finance costs

Finance costs comprising of, among others, interest expenses on bank loan decreased by approximately 19.7% to HK\$11.4 million (2019: HK\$14.2 million) mainly due to decrease in exchange loss on cash and cash equivalents.

Trade receivables and trade payables turnover days

Trade receivables turnover days was 49 days while trade payables turnover days was 49 days.

Income tax

The Group recorded an income tax expense from continuing operations of approximately HK\$103.0 million during the year under review (2019: HK\$145.5 million). The average effective tax rate of the Group was 11.8% which was lower than last year (2019: 14.3%). The reduction in effective tax rate was mainly attributed to (i) lower tax rate due to the tax holiday entitled by the Group's subsidiary in Vietnam; and (ii) the benefit of PRC tax incentives resulted from research and development projects.

Assets

As at 31 March 2020, the total assets of the Group were HK\$4,813.2 million (2019: HK\$4,530.2 million) representing an increase of 6.2%. The total assets comprised non-current assets of HK\$1,912.4 million (2019: HK\$2,001.3 million) and current assets of HK\$2,900.8 million (2019: HK\$2,528.9 million). Such increase was a result of increase in inventory, accounts receivables, and cash and bank balances.

Key financial ratios are set out below:

		For the year ended 31 March 截至3月31日止年度	
		2020 2020年	2019 2019年
Gross Profit Margin ⁽¹⁾	毛利率 ⁽¹⁾	16.9%	17.3%
Return on Equity ⁽²⁾	權益回報率 ⁽²⁾	25.6%	26.6%
Interest Coverage Ratio ⁽³⁾	利息覆蓋比率 ⁽³⁾	86.9	127.8

Notes:

- (1) The calculation of Gross Profit Margin is based on gross profit divided by revenue and multiplied by 100%.
- (2) The calculation of Return on Equity is based on profit for the year divided by total equity and multiplied by 100%.
- (3) The calculation of Interest Coverage Ratio is based on profit before interest expenses on bank loans and tax expenses divided by interest expenses on bank loans.

概覽(續)

業務及財務回顧(續)

財務成本

財務成本包含(其中包括)銀行貸款利息開支,減少約19.7%至11.4百萬港元(2019年:14.2百萬港元),主要由於現金及現金等值項目的匯兌虧損減少。

應收賬款及應付賬款週轉天數

應收賬款週轉天數為49天,而應付賬款週轉天數為49天。

所得稅

於回顧年度,本集團錄得持續經營業務之所得稅開支約103.0百萬港元(2019年:145.5百萬港元)。本集團之平均實際稅率為11.8%,較去年(2019年:14.3%)為低。實際稅率減少乃主要歸因於(i)由於本集團之越南附屬公司享有稅務寬減,以致稅率較低;及(ii)受惠於研發項目帶來之中國稅務獎勵。

資產

於2020年3月31日,本集團之資產總值為4,813.2百萬港元(2019年:4,530.2百萬港元),增加6.2%。資產總值包括非流動資產1,912.4百萬港元(2019年:2,001.3百萬港元)及流動資產2,900.8百萬港元(2019年:2,528.9百萬港元)。有關增加乃由於存貨、應收賬款及現金及銀行結餘增加所致。

關鍵財務比率載列如下:

註:

- (1) 毛利率乃按毛利除以收入再乘以100%計算。
- (2) 權益回報率乃按年內溢利除以權益總額再乘以100%計算。
- (3) 利息覆蓋比率乃按銀行貸款利息開支及稅項開支前溢利除以銀行貸款利息開支計算。

OVERVIEW (Cont'd)

BUSINESS AND FINANCIAL REVIEW (Cont'd)

Liquidity and financial resources and capital structure

As at 31 March 2020, the Group was in a net cash position of HK\$66.5 million (2019: HK\$274.7 million).

The Group's principal source of working capital was cash generated from sales of its products, supplemented with bank borrowings and a shareholder's loan contributed by our joint venture partner for the Vietnam subsidiary.

As at 31 March 2020, the Group had total cash and bank balances of HK\$928.8 million (2019: HK\$720.9 million) comprising of HK\$50.6 million, the equivalent of HK\$673.4 million denominated in US\$, the equivalent of HK\$200.8 million denominated in RMB, the equivalent of HK\$3.6 million denominated in VND and the equivalent of HK\$0.4 million denominated in other currencies. The cash and bank balances and time deposits were to finance the Group's working capital and capital expenditure plans.

The Group had bank loans of HK\$737.2 million (2019: HK\$300 million) and the shareholder's loan of HK\$125.0 million (2019: HK\$146.2 million) contributed by our joint venture partner to the Vietnam subsidiary. The said shareholder's loan was of equity nature and was not repayable within one year. The Group did not pledge any of its assets for bank borrowing (2019: Nil).

For the year ended 31 March 2020, the Group's total assets amounted to HK\$4,813.2 million (2019: HK\$4,530.2 million) representing an increase of 6.2%. Non-current assets and current assets were HK\$1,912.4 million and HK\$2,900.8 million respectively. The above assets were financed by current liabilities of HK\$1,613.4 million, non-current liabilities of HK\$202.7 million and equity attributable to Shareholders of HK\$2,985.9 million.

Capital expenditure and capital commitment

The Group had been adopting cautious measures and fine-tuned its capital expenditure in response to the market demand. During the year under review, total capital expenditure decreased by 31.9% to HK\$151.9 million (2019: HK\$223.2 million) which was mainly used to purchase machinery and to finance the environmental protection projects of Panyu factory and Vietnam factory.

Details on the land use rights, property, plant and equipment are set out on pages 104 to 106 of this annual report.

Details of the capital commitments are set out in note 32 to the Financial Statements of the Company on page 142 of this annual report.

概覽(續)

業務及財務回顧(續)

資金流動性與財務資源及資本架構

於2020年3月31日，本集團之淨現金水平為66.5百萬港元(2019年：274.7百萬港元)。

本集團之主要營運資金來源為銷售其產品產生的現金，配以銀行借貸以及我們的合營企業夥伴向越南附屬公司提供的股東貸款。

於2020年3月31日，本集團擁有現金及銀行結餘總額928.8百萬港元(2019年：720.9百萬港元)，當中包括50.6百萬港元、相等於673.4百萬港元之美元、相等於200.8百萬港元之人民幣、相等於3.6百萬港元之越南盾及相等於0.4百萬港元之其他貨幣。現金及銀行結餘連同定期存款為本集團之營運資金及資本開支計劃提供資金來源。

本集團擁有銀行貸款737.2百萬港元(2019年：300百萬港元)及由我們的合營企業夥伴向我們越南附屬公司提供的股東貸款125.0百萬港元(2019年：146.2百萬港元)。所述股東貸款為權益性質，毋須於一年內償還。本集團並無就銀行借貸抵押其任何資產(2019年：無)。

截至2020年3月31日止年度，本集團資產總值為4,813.2百萬港元(2019年：4,530.2百萬港元)，增加6.2%。非流動資產及流動資產分別為1,912.4百萬港元及2,900.8百萬港元。上述資產由流動負債1,613.4百萬港元、非流動負債202.7百萬港元及股東應佔權益2,985.9百萬港元提供融資。

資本開支及資本承擔

本集團一直採取謹慎的措施，並根據市場的需求而微調資本開支。於回顧年度，本集團錄得資本開支總額減少31.9%至151.9百萬港元(2019年：223.2百萬港元)，主要提供購買機器及番禺廠房及越南廠房環保項目的資金。

土地使用權以及物業、廠房及設備之詳情載於本年報第104至第106頁。

資本承擔之詳情載於本年報第142頁本公司財務報表附註32。

OVERVIEW (Cont'd)

BUSINESS AND FINANCIAL REVIEW (Cont'd)

Key liquidity or leverage ratios:

		As at 31 March 3月31日	
		2020 2020年	2019 2019年
Current Ratio ⁽⁴⁾	流動比率 ⁽⁴⁾	1.8	2.4
Quick Ratio ⁽⁵⁾	速動比率 ⁽⁵⁾	1.1	1.5
Gearing Ratio ⁽⁶⁾	資本負債比率 ⁽⁶⁾	29.3%	14.3%
Debt to Equity Ratio ⁽⁷⁾	負債權益比率 ⁽⁷⁾	60.6%	38.6%

Notes:

- (4) The calculation of Current Ratio is based on current assets divided by current liabilities.
- (5) The calculation of Quick Ratio is based on current assets minus inventories divided by current liabilities.
- (6) The calculation of Gearing Ratio is based on total borrowings and bills payable divided by total equity multiplied by 100%.
- (7) The calculation of Debt to Equity Ratio is based on total liabilities divided by total equity multiplied by 100%.

Risk Management on Foreign Exchange and Interest Exposure

The Group had been exposed to foreign exchange risk arising from various currency exposures with respect to the US Dollars, Renminbi and Vietnamese Dongs primarily. The Group managed its foreign exchange risks by performing regular review and monitoring its foreign exchange exposures. The Group would hedge against certain of its exposures in order to reduce the risk involved as appropriate.

The Group mainly operated in Hong Kong, PRC, Macau and Vietnam. Except for certain cash and bank balances and certain inter-company receivables denominated in foreign currencies, transactions were generally conducted in a functional currency of the respective group entity. The foreign currency risk arising from recognised assets and liabilities was considered by the Directors to be minimal.

The Group had been using forward foreign currency contracts to hedge part of its foreign exchange risk. These forward foreign currency contracts did not qualify for hedge accounting and were accounted for at fair value through profit or loss.

Operating Lease Commitments

Details of the operating lease commitments are set out on pages 142 to 143 of this annual report.

概覽(續)

業務及財務回顧(續)

主要流動資金或槓桿比率：

註：

- (4) 流動比率乃按流動資產除以流動負債計算。
- (5) 速動比率乃按流動資產減存貨除以流動負債計算。
- (6) 資本負債比率乃按總借貸及應付票據除以權益總額再乘以100%計算。
- (7) 負債權益比率乃按負債總額除以權益總額再乘以100%計算。

外匯及利率風險管理

本集團一直面對多種貨幣之外匯風險，主要涉及美元、人民幣及越南盾。本集團通過定期檢討及監察以管理外匯風險。本集團於適時採用對沖措施以降低若干風險。

本集團主要於香港、中國、澳門及越南營運。除了若干現金及銀行結餘與若干內部公司應收款項以外幣計算，交易通常以各集團之功能貨幣進行。董事認為已確認資產與負債所產生之外幣風險極小。

本集團一直採用遠期外匯合約對沖其部分外匯風險。該等遠期外匯合約不符合採用對沖會計法入賬，而按公允值計入損益。

經營租賃承擔

經營租賃承擔詳情載於本年報第142至143頁。

OVERVIEW (Cont'd)

BUSINESS AND FINANCIAL REVIEW (Cont'd)

Pledge of Assets

No assets were pledged to obtain financing as at 31 March 2019 and 31 March 2020 respectively.

Segmental Information

Details of segmental information are set out in note 5 to the annual financial information.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

There was no material acquisition or disposal of the Company's subsidiaries, associates and joint ventures during the year ended 31 March 2020.

Contingent Liabilities

As at 31 March 2020, the Group had no material contingent liabilities (2019: Nil)

Events Subsequent to the Period

Save as disclosed in this annual report, there was no significant event undertaken by the Company or by the Group after 31 March 2020 and up to the date of this report.

ENVIRONMENTAL AND SOCIAL REPORTING

The Group had spared no effort to continuously invest in the environmental protection, energy consumption and reduction of wastage, and the achievements were well recognized. During the year under review, the Company's subsidiary in Panyu had received the following awards:

"Bank of China (Hong Kong) Corporate Environmental Leadership Awards – EcoChallenger", granted by the Federation of Hong Kong Industries and Bank of China (Hong Kong) in May 2019.

"Exemplary Enterprises – green design of industrial products (1st batch)", recommended by Department of Industry and Information Technology of Guangdong Province and further honoured by the Ministry of Industry and Information Technology of PRC in November 2019[#].

"Top 10 Energy-Saving Enterprises 2019" granted by Guangzhou Energy Conservation Association in December 2019[#].

"Provincial Prize for Progress in Science and Technology – Second Class Award" granted by People's Government of Guangdong Province in February 2020[#].

概覽(續)

業務及財務回顧(續)

資產抵押

於2019年3月31日及2020年3月31日，並無為獲得融資抵押資產。

分部資料

分部資料之詳情載於全年財務資料附註5。

重大收購及出售附屬公司、聯營公司及合營企業

截至2020年3月31日止年度，本集團並無作出有關本公司之附屬公司、聯營公司及合營企業之重大收購或出售事項。

或有負債

於2020年3月31日，本集團並無重大或有負債(2019年：無)。

期後事項

除本年報所披露者外，於2020年3月31日後至本報告日期本公司或本集團並無進行任何重大事項。

環境及社會報告

本集團不遺餘力地不斷投資於環保、能源消耗及減少浪費，其成績已獲得認可。於回顧年度內，本公司於番禺之廠房榮獲以下獎項：

於2019年5月，獲香港工業總會及中國銀行(香港)頒發「中銀香港企業環保領先大獎環保優秀企業」。

於2019年11月，獲廣東省工業和信息化廳推薦並進一步獲中國工業和信息化部評為「工業產品綠色設計示範企業(第一批)」[#]。

於2019年12月，被廣州市節能協會評選為2019年度十大優秀節能企業[#]。

於2020年2月，被廣東省人民政府授予「廣東省科技進步獎」二等獎[#]。

PRODUCT RESEARCH AND DEVELOPMENT

During the year under review, the Company contributed to develop innovative products to meet the market needs. The Company has received awards for its new products, such as:

- A lightweight and smooth underwear fabric was honored 2019 First Class Award of excellent fabric by China Dyeing and Printing Association (“CDPA”) in April 2019*.
- A glossy light-and-dark, warp-knitted fabric was honored 2019 First Class Award of excellent fabric by CDPA in April 2019*.
- A high-grade, warp-knitted fabric with anti-slip function was awarded 2019 Second Class Award of excellent fabric by CDPA in April 2019*.
- A two-tone jacquard cloth with diamond pattern was awarded 2019 Second Class Award of excellent fabric by CDPA in April 2019*.
- The development and industrialization of glossy light-and-dark, warp-knitted fabric was awarded the “Textile Light” – Innovation Contribution Award of Knitted Underwear by China National Textile & Apparel Council (“CNTAC”) in September 2019*.

* The English translated version is for reference only. If there is any inconsistency between the Chinese and English versions, the Chinese version shall prevail.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2020, the Group had 5,197 full-time employees (2019: 5,688). There was no significant change in the Group’s remuneration policy. The Group’s remuneration package for its employees included salary, bonuses, allowances and retirement benefits based on the performance, skills and knowledge of each employee. The Group also provided additional benefits to its employees, for instances subsidized accommodation and meals for those working in production facilities, accident and medical insurance, etc.

The Group will continue to provide regular trainings and competitive remuneration package to the employees in order to enhance their incentive and motivation to work.

DIVIDENDS

The Board proposed to pay a final dividend of HK18 cents (2019: HK25 cents) per share for the 2020 Financial Year, subject to the approval of the Shareholders at the forthcoming AGM. Together with an interim dividend of HK26 cents (2019: HK32 cents) per share, the total dividend for the 2020 Financial Year amounted to HK44 cents (2019: HK57 cents) per share.

產品研發

於回顧年度內，本公司投入開發創新產品以迎合市場需要。本公司新產品榮獲多個獎項，例如：

- 於2019年4月，一種輕盈透滑內衣面料被中國印染行業協會（「CDPA」）評為2019年度中國印染行業優秀面料一等獎*。
- 於2019年4月，一種明暗光澤經編印花面料被中國印染行業協會評為2019年度中國印染行業優秀面料一等獎*。
- 於2019年4月，一種高檔經編防滑布被中國印染行業協會評為2019年度中國印染行業優秀面料二等獎*。
- 於2019年4月，一種菱形雙色提花布被中國印染行業協會評為2019年度中國印染行業優秀面料二等獎*。
- 於2019年9月，明暗光澤經編印花面料研發及產業化被中國紡織工業聯合會（「CNTAC」）授予「紡織之光」針織內衣創新貢獻獎*。

* 本英譯內容僅供參考。如中英文內容文意不相符，應以中文為準。

僱員及薪酬政策

於2020年3月31日，本集團僱用5,197名全職僱員（2019年：5,688名）。本集團薪酬政策並無重大變動。本集團僱員薪酬待遇包括薪金、花紅、津貼及退休福利，其乃根據各僱員表現、技能及知識釐定。本集團亦向僱員提供額外福利，如向駐生產設施之僱員提供食宿津貼、意外及醫療保險等。

本集團將持續向僱員提供定期培訓及具競爭性之薪酬待遇以提升其工作動力及積極性。

股息

董事局建議就2020年財政年度派發末期股息每股港幣18仙（2019年：港幣25仙），惟須待股東於應屆股東週年大會上批准。連同中期股息每股港幣26仙（2019年：港幣32仙），2020年財政年度的股息總額為每股港幣44仙（2019年：港幣57仙）。

PROSPECT AND OUTLOOK

The financial performance for the year ended 31 March 2020 has been hit by few factors, including the 2019 warm winter which lowered the demand on synthetic fabrics for thermal innerwear, and the unexpected production disruption of the Panyu plant in early 2020 due to the pandemic of unprecedented COVID-19. The net profit attributable to equity holders of the Company for the year under review has recorded a decrease of 13.7%.

The temporary production halt started from Chinese New Year holidays until mid-February 2020 and the below normal production capacity due to subdued labour force after re-opening of Panyu factory, has led to decrease in sales revenue for February. Although the Group's factory in Panyu swiftly resumed to original production level in late February, the Company's short-term financial performance in March was hindered by postponement on delivery requested by customers arising from adjustment of their own production schedules to cope with the shops closure or lockdown in certain cities.

The business environment for the year 2020/21 is full of challenges and uncertainty. The time taken for full resurrection of the global economy is unknown, but it is estimated that the customers' demand for fabrics (generated by consumers' demand for clothing) in the first half of the financial year 2020/21 would be lower than the same period of last year. The management expect that the demand on fabrics would rebound when most of the global economic activities are back to normal and the effect of stimulus packages of various major economies kick in.

On the cost front, although the cost on yarns, dye stuff, and other raw materials are expect to fall in this financial year due to poor global economic performance due to COVID-19, the Company's cost on achieving greener production and keeping high environmental standard would be similar as previous years. The management will continue to adopt cost efficiency measures to control production cost at reasonable level. The Company constantly improves its production efficiency by streamlining of working procedures and reduce manual work by wider use of information technology.

Last year, the sales on sportswear rose by HK\$100 million, representing approximately 19.4% growth as compared with the financial year 2018/19. The management expect that the income from sales of fabrics for sportswear would comprise higher portion on the overall revenue. As disclosed previously, the Company's strategy in exploring more business on fabrics for sportswear and increasing long term production capacity by setting up a new production site in Nam Dinh, Vietnam remain unchanged. The factory is expected to be in use by end of 2022.

Since August 2019, the Company has repurchased 2.4% of its shares to improve the earning per shares ("EPS") of the Company. The Company may further repurchase the Company's shares when the management thinks fit. Although lower profit was recorded for the year ended 31 March 2020, the management stick to its dividend practice in maintaining higher than market payout ratio to provide favorable return to its investors and shareholders as a gratitude to their long-term support.

前景及展望

截至2020年3月31日止年度的財務表現受到數項因素的影響，包括溫暖的2019冬季減少了對用於保暖內衣的合成纖維面料的需求，以及番禺工廠於2020年初因為前所未有的2019冠狀病毒病大流行而影響了生產。在回顧年度，本公司權益持有人應佔純利錄得減少了13.7%。

從農曆新年假期開始直到2020年2月中旬的短暫生產停頓，加上番禺工廠重新開業後勞動力不足導致的較正常低的生產能力降低了2月的銷售收入。儘管集團的番禺工廠在2月下旬迅速恢復到原來的生產水平，但由於客戶因一些城市受封鎖或商店關閉，而調整了他們的生產計劃，要求本公司推遲交貨，故此阻礙了公司3月份的短期財務表現。

2020/21年度的商業環境充滿挑戰和不確定性。全球經濟全面復蘇所需的時間未知，但據估計，在2020/21財政年度上半年，客戶對面料的需求（由消費者對服裝的需求產生）將低於去年同期。管理層預計，當全球大多數經濟活動恢復正常，並且各主要經濟體的經濟刺激方案開始發揮作用時，面料需求將反彈。

在成本方面，儘管由於2019冠狀病毒病導致全球經濟不景，預計本財政年度紗線、染料和其他原材料的成本將隨之下降，但公司實現綠色生產和保持高環保標準的成本將和往年相若。管理層將繼續採取成本效益措施以將生產成本控制在合理水平。公司通過簡化工作流程不斷提高生產效率，並透過廣泛使用信息技術來減少人手工作。

去年，運動服的銷售額增長了1億港元，與2018/19財政年度相比增長了約19.4%。管理層預計，運動服用面料銷售收入將佔總收入的比重較高。如前所述，在運動服用面料上開拓更多業務，並通過在越南南定建立新的生產基地來提高長期生產能力仍然是公司的戰略。預計該工廠將於2022年底投入使用。

自2019年8月以來，公司已回購了其2.4%的股份以改善公司的每股盈利。在管理層認為合適時，公司可能會進一步回購公司股份。儘管截至2020年3月31日止的財政年度錄得較低利潤，但管理層仍堅持派息的慣例，即保持高於市場的派息比率，以對投資者和股東的長期支持表示感謝。

PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡介

EXECUTIVE DIRECTORS

Mr. WAN Wai Loi, aged 70, co-founded the Group in 1997 and has been appointed as a Director of the Company since 2004. He is currently an executive Director, Chairman and Chief Executive Officer of the Group. Moreover, he is a director of various subsidiaries of the Group and a non-executive director of Teejay Lanka Plc., an associated company of the Group, whose shares are listed on the Colombo Stock Exchange in Sri Lanka. He is responsible for leading the management team to oversee the overall production and operation of the Group, providing corporate directions and formulating business strategies of the Group. Mr. Wan obtains a Bachelor of Science Degree in Chemical Engineering from National Cheng Kung University in Taiwan. He has over 49 years of experience in the textiles industry.

Mr. Masaru OKUTOMI, aged 62, joined the Group on 1 July 2019 as executive Director and the Vice Chairman of the Board. Mr. Okutomi holds a bachelor's degree in law from Hitotsubashi University in 1981 and after his graduation, he joined the merchandise sales department (textiles) of Toray. Toray is a company listed on the Tokyo Stock Exchange and is a substantial shareholder of the Company. He has been the managing director of Toray Industries (South China) Co., Ltd. and Toray Industries (H.K.) Ltd. from May 2016 to 30 June 2019, and the deputy managing director of Toray Industries (China) Co., Ltd. from May 2016 to 30 June 2019. Mr. Okutomi has extensive experience in management of textiles business.

Mr. TOU Kit Vai, aged 57, joined the Group in 2013 and became Chief Financial Officer on 1 April 2014. Mr. Tou has been appointed as an executive Director from 1 July 2017. Moreover, he is a director of various subsidiaries of the Group and a non-executive director of Teejay Lanka Plc., an associated company of the Group, whose shares are listed on the Colombo Stock Exchange in Sri Lanka. Mr. Tou has extensive experience in factory operations, financial management, project management and ERP system. He is responsible for overseeing the corporate financial management, information technology, group administration and human resources, and back office operations. Mr. Tou is a fellow member of The Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants. He was an executive director of a company listed on the Stock Exchange during the period from 2007 to 2012.

Mr. Toshiya ISHII, aged 57, joined the Group in 2017 as an executive Director. Mr. Ishii is responsible for the Group's budgetary control and setting up of key performance indicators for fulfilling corporate goal and targets. Mr. Ishii was employed by Toray after graduation from Keio University in 1985. Prior to joining the Group, he was a general manager of controller's department of Toray and he has extensive experience in the textiles industry.

執行董事

尹惠來先生，70歲，於1997年連同其他人士共同創辦本集團，並自2004年起獲委任為本公司董事。彼現任本集團執行董事、主席兼行政總裁。此外，彼為本集團多間附屬公司的董事及本集團聯營公司Teejay Lanka Plc.（其股份於斯里蘭卡科倫坡證券交易所上市）之非執行董事。彼負責領導管理團隊，監督本集團整體生產及營運，提供企業指示及制定本集團業務策略。尹先生持有台灣國立成功大學頒授之化學工程學理學士學位。彼在紡織業擁有逾49年經驗。

奧富勝先生，62歲，於2019年7月1日加入本集團，出任執行董事及董事局副主席。奧富先生於1981年取得一橋大學法律學士學位，於畢業後加入Toray商品銷售部門（紡織品）。Toray為一間於東京證券交易所上市的公司，為本公司之一名主要股東。彼於2016年5月至2019年6月30日出任Toray Industries (South China) Co., Ltd. 及Toray Industries (H.K.) Ltd. 之董事總經理及於2016年5月至2019年6月30日出任東麗（中國）投資有限公司之副董事總經理。奧富先生於紡織業務方面擁有豐富的管理經驗。

杜結威先生，57歲，於2013年加入本集團並於2014年4月1日成為首席財務總監。杜先生自2017年7月1日起獲委任為執行董事。此外，彼為本集團多間附屬公司的董事及本集團聯營公司Teejay Lanka Plc.（其股份於斯里蘭卡科倫坡證券交易所上市）之非執行董事。杜先生於工廠運營、財務管理、項目管理及ERP系統方面擁有豐富經驗。彼負責監督企業財務管理、資訊科技、集團行政與人力資源以及後勤支援職能。杜先生為香港會計師公會及特許公認會計師公會資深會員。彼於2007年至2012年期間於一間聯交所上市之公司擔任執行董事。

石井俊哉先生，57歲，於2017年加入本集團出任執行董事。石井先生負責本集團之財務預算控制及設立主要績效指標以達成企業目標。石井先生於1985年畢業於慶應義塾大學，並於畢業後獲聘於Toray。加入本集團之前，彼為Toray總監部門總經理，在紡織業擁有豐富經驗。

NON-EXECUTIVE DIRECTORS

Mr. LAU Yiu Tong, aged 72, joined the Group in 1997 and became a Non-executive Director in 2007. He has been re-designated as an executive Director and appointed as the Vice Chairman of the Group from 1 July 2017. From 1 June 2019, Mr. Lau has been re-designated as Non-executive Director of the Company and ceased to act as the Vice Chairman of the Board. Mr. Lau holds a Higher Diploma in Textile Technology from Hong Kong Polytechnic University (formerly known as The Hong Kong Technical College). He has over 43 years of experience in the textiles industry, and he was the Chairman of Group 3 (Dyeing and Finishing) of Federation of Hong Kong Industries.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. CHAN Yue Kwong, Michael, aged 68, has been appointed as an Independent Non-executive Director of the Company since 2007. He was the former chairman and is currently the non-executive director of Cafe de Coral Holdings Limited, a Hong Kong listed company which he joined in 1984, and has considerable experience in planning and management. Dr. Chan has also been an independent non-executive director of Starlite Holdings Limited since 1993, Tse Sui Luen Jewellery (International) Limited since 2010, Modern Dental Group Limited since 2015 and Human Health Holdings Limited since 2016, and a non-executive director of Tao Heung Holdings Limited since 2007, the abovementioned companies are listed on the Main Board of the Stock Exchange. Dr. Chan holds a Bachelor of Arts, a Master degree in City Planning from the University of Manitoba, Canada, an Honorary Doctorate Degree in Business Administration and is also bestowed as Honorary Fellow from Lingnan University. He is currently the adviser of the Quality Tourism Services Association, the Honorary Chairman of the Hong Kong Institute of Marketing and also a member of the advisory committee of the department of management and marketing of the Hong Kong Polytechnic University. Dr. Chan was the former chairman of Business Enterprise Management Centre of The Hong Kong Management Association.

Mr. NG Ching Wah, aged 71, has been appointed as an Independent Non-executive Director of the Company since 2007. Mr. Ng has over 33 years of senior management experience in the telecommunications industry. Mr. Ng was a director and a member of the executive committee for Advanced Info Service Public Company Limited, a Thailand listed company. He was an independent director of China Digital TV Holding Co. Ltd., a New York Stock Exchange listed company and a non-executive director of HKC International Holdings Limited, a Hong Kong listed company. He was the chief executive officer of Hong Kong CSL Limited. He was the chief executive officer of SmarTone Telecommunications Holdings Limited, a Hong Kong listed company and the President of PCCW Mobility Services Limited. Mr. Ng was the Honorary Advisor of the Communications Association of Hong Kong. Mr. Ng was a member of the Digital 21 Strategy Advisory Committee (D21SAC) and a appointed member of Communications Authority, an independent statutory body established under the Communications Authority Ordinance in April 2012. Mr. Ng graduated from the Chinese University of Hong Kong in 1975, with a Bachelor of Business and Administration.

非執行董事

劉耀棠先生，72歲，於1997年加入本集團，並於2007年成為非執行董事。彼其後自2017年7月1日起獲調任為執行董事並獲委任為本集團副主席。由2019年6月1日起，劉先生獲調任為本公司非執行董事，且不再出任董事局副主席。劉先生持有香港理工大學（前稱香港工業學院）頒授之紡織工藝高級文憑。彼在紡織業擁有逾43年經驗；曾為香港工業總會第3分組（染色及整理）的主席。

獨立非執行董事

陳裕光博士，68歲，自2007年起獲委任為本公司獨立非執行董事。彼於1984年加入香港上市公司大家樂集團有限公司，曾任該公司主席，現擔任非執行董事，於策劃及管理工作方面擁有豐富經驗。陳博士自1993年起出任星光集團有限公司之獨立非執行董事，自2010年起出任謝瑞麟珠寶（國際）有限公司之獨立非執行董事，於2015年及2016年先後獲委任為現代牙科集團有限公司及盈健醫療集團有限公司之獨立非執行董事及自2007年起出任稻香控股有限公司之非執行董事，上述公司均於聯交所主板上市。陳博士持有加拿大曼尼托巴大學（University of Manitoba）文學學士學位及城市規劃碩士學位，更獲頒授工商管理榮譽博士學位及榮膺嶺南大學之榮譽院士殊榮，彼現為優質旅遊服務協會顧問、香港市務學會榮譽主席及香港理工大學管理及市場學系顧問委員會成員。陳博士曾擔任香港管理專業協會企業管理發展中心主席。

伍清華先生，71歲，自2007年起獲委任為本公司獨立非執行董事。伍先生於電訊業擁有逾33年資深管理經驗。伍先生曾出任泰國上市公司Advanced Info Service Public Company Limited之董事兼執行委員會成員。他曾出任紐約證券交易所上市公司中華數字電視控股有限公司之獨立董事及香港上市公司香港通訊國際控股有限公司之非執行董事。他曾出任香港流動通訊有限公司行政總裁、香港上市公司數碼通電訊集團有限公司行政總裁及PCCW Mobility Services Limited總裁。伍先生曾擔任香港通訊業聯會榮譽顧問。伍先生曾擔任數碼21資訊科技策略諮詢委員會（D21SAC）委員及曾獲委任為於2012年4月根據《通訊事務管理局條例》成立之獨立法定機構通訊事務管理局之成員。伍先生於1975年畢業於香港中文大學，獲頒工商管理學學士學位。

INDEPENDENT NON-EXECUTIVE DIRECTORS (Cont'd)

Mr. SZE Kwok Wing, Nigel, aged 63, has been appointed as an Independent Non-executive Director of the Company since 2007. Mr. Sze has senior management experience in the private and investment banking industry serving high net worth clients and institutions. Mr. Sze is also an independent non-executive director of Wecon Holdings Limited since 27 February 2019, which a company listed on the Main Board of the Stock Exchange. He was the managing director, head of China and Hong Kong of Julius Baer Bank; the chief executive officer of EFG Asset Management (Hong Kong) Limited for Asia Pacific Region; the managing director, head of investment of Citi Wealth Management for Asia Pacific region; the chief executive officer of Asia-Pacific for Barclays Wealth and an executive director in the private clients division at Morgan Stanley Asia Limited, Hong Kong. Mr. Sze holds a Master of Business from the University of Newcastle, Australia. He is a Fellow of CPA Australia.

COMPANY SECRETARY

Ms. CHAN Sau Yee, is the Company Secretary. Ms. Chan is a fellow member of Chartered Governance Institute (ICSA) and The Hong Kong Institute of Chartered Secretaries (HKICS) respectively. She has obtained dual qualifications as Chartered Governance Professional and Chartered Secretary from ICSA and HKICS. She has also obtained a Bachelor Degree in Economics and a Postgraduate Certificate in Laws from the University of Hong Kong. She also holds a Bachelor of Law Degree from the University of London. Ms. Chan has ample corporate secretarial experience gained from international law firms, listed companies and large private groups. Ms. Chan joined the Company in November 2017.

獨立非執行董事(續)

施國榮先生，63歲，自2007年起獲委任為本公司獨立非執行董事。施先生於私人及投資銀行業擁有資深管理經驗，服務高資產淨值之客戶及機構。施先生自2019年2月27日起出任偉工控股有限公司之獨立非執行董事，該公司於聯交所主板上市。施先生曾任瑞士寶盛銀行有限公司中國和香港區之董事總經理和主管；瑞士盈豐資產管理(香港)有限公司亞太區行政總裁；Citi Wealth Management亞太區董事總經理與投資部主管；Barclays Wealth亞太區行政總裁與香港摩根士丹利亞洲有限公司私人客戶部執行董事。施先生持有澳洲紐卡素大學(University of Newcastle)頒授之商學碩士學位，並為澳洲註冊會計師公會資深會員。

公司秘書

陳秀儀女士，為公司秘書。陳女士為英國特許公司治理公會(「英國特許公司治理公會」)及香港特許秘書公會(「香港特許秘書公會」)資深會員。彼獲英國特許公司治理公會及香港特許秘書公會頒發特許管治專業人員及特許秘書雙重資格。彼亦獲頒香港大學經濟學學士學位及法學專業證書。彼亦持有倫敦大學法律學士學位。陳女士於國際律師事務所、上市公司及大型私人集團積累豐富公司秘書經驗。陳女士於2017年11月加入本公司。

SENIOR MANAGEMENT

Mr. GAO Jinhua, aged 54, is the General Manager (Production) and a director of some of the subsidiaries of the Company who has worked for the Group for more than 20 years and is experienced in operational and production management. Prior to taking up the current position, Mr. Gao has been the head of dyeing factory and Assistant General Manager of the Production Department. Mr. Gao graduated from the Shanghai Normal University, major in Chemistry in 1988.

Mr. ZHAO Qizhi, aged 54, is the General Manager (Engineering) and a director of some of the subsidiaries of the Company who joined the Group in 1997 and has over 25 years of experience in the textiles industry. He is responsible for managing the engineering department of the factories. Mr. Zhao holds a Bachelor's Degree in Mechanical Engineering from Shanghai Jiaotong University, China.

Mr. LAI Chi Man, aged 54, is the General Manager (Sales) and a director of some of the subsidiaries of the Company who joined the Group in 1998 and has over 25 years of experience in the textiles industry. Mr. Lai holds a Bachelor of Arts Degree in Textile and Clothing Marketing from The Hong Kong Polytechnic University. He also obtained a Master of Business Administration Degree (The Kellogg – HKUST EMBA Program) awarded by Northwestern University and The Hong Kong University of Science and Technology jointly.

Mr. Koji ASADA, aged 51, is the General Manager (Marketing). Upon his graduation from Faculty of Economics, Kwansei Gakuin University in 1991, Mr. Asada joined Toray. Starting his career as a textiles salesman, he was later promoted as the section manager of the fashion fabrics and was seconded to TSD (Toray Skai Dyeing & Weaving) in Nantong City, China in 2008 where he had been a director for 6 years. Mr. Asada also has experience as staple fiber general manager and sports textile general manager.

Mr. TSANG Sian Chung, Hubert, aged 43, is the Chief Information Officer and a director of a subsidiary of the Company. Mr. Tsang joined the Group in 2010 and now leads the Group's digitalization initiatives. Mr. Tsang has over 20 years of experience in the IT field, ranging from performing academic research on high performance computing to building large scale Internet websites to building and maintaining enterprise shared services. Mr. Tsang holds an MBA degree and Bachelor of Computer Science, both from the University of Maryland, College Park.

Mr. CHUNG Chi Shing, aged 56, is the Assistant General Manager (Production Technology) and a director of a subsidiary of the Company who joined the Group in 1998 and has been serving for 22 years. He is responsible for dyeing and finishing technology, fabric development, procurement of yarns, dyes and chemicals (DCA). Mr. Chung graduated from The Hong Kong Polytechnic University in Textile Chemistry, with over 30 years of experience in textiles industry. He is a holder of Chartered Colourist granted by the Society of Dyers and Colourists.

高級管理人員

高金華先生，54歲，總經理（生產）及本公司若干附屬公司之董事，於本集團任職逾20年，在營運及生產管理方面富有經驗。履任現時職位前，高先生為印染廠房主管兼生產部助理總經理。高先生於1988年畢業於上海師範大學化學系。

趙奇志先生，54歲，總經理（工程）及本公司若干附屬公司之董事，於1997年加入本集團，在紡織業擁有逾25年經驗。他負責管理各廠房之工程部。趙先生持有中國上海交通大學頒授之機械工程學士學位。

黎志文先生，54歲，總經理（銷售）及本公司若干附屬公司之董事，於1998年加入本集團，在紡織業擁有逾25年經驗。黎先生持有香港理工大學紡織和服裝營銷學士學位。彼亦獲西北大學(Northwestern University)與香港科技大學共同頒授之工商管理碩士(凱洛格商學院與香港科技大學合辦之行政人員工商管理碩士課程)學位。

淺田康治先生，51歲，總經理（市場推廣）。淺田先生於1991年畢業於關西學院大學經濟學院後加入Toray。彼以紡織品營業員開展事業，隨後獲晉升為時裝布料部經理，並於2008年獲派駐中國南通市Toray Skai Dyeing & Weaving (TSD)，在該公司擔任董事6年。此外，淺田先生曾任短纖維部總經理及運動紡織品部總經理。

曾憲中先生，43歲，資訊總監及本公司一間附屬公司之董事。曾先生於2010年加入本集團，現時主管本集團之數碼化方針。曾先生在資訊科技領域擁有逾20年經驗，當中包括高性能計算學術研究及搭建大型網站及建立和維護企業共享服務系統。曾先生持有馬里蘭大學旗艦校區(University of Maryland, College Park)頒發之工商管理碩士及電腦科學士學位。

鍾志成先生，56歲，副總經理（技術）及本公司一間附屬公司之董事，於1998年加入本集團，至今服務本公司22年。彼負責染整技術、布料研發以及紗線、染料及化學品採購(DCA)。鍾先生畢業於香港理工大學紡織化學系，在紡織業擁有逾30年經驗。彼持有英國染色家學會(Society of Dyers and Colourists)之特許公認印染師資格。

SENIOR MANAGEMENT (Cont'd)

Mr. WANG Sijie, aged 49, is the Assistant General Manager (Dyeing and Finishing) and a director of a subsidiary of the Company who joined the Group in 1997. Mr. Wang is responsible for the management of dyeing and finishing factory. Mr. Wang is a professorate senior engineer and a holder of master degree. He is the Vice President of Guangzhou Textile Engineering Society and a member of expert and technical committee of China Knitting Industry Association (廣州紡織工程學會副理事長及中國針織工業協會專家技術委員會委員). Mr. Wang was awarded as outstanding chief engineer by China Knitting Industries Association and technical innovation award by China Textile Engineering Society.

Mr. Masanobu SATO, aged 47, is the Assistant General Manager (Innovative Merchandise Development) and he joined the Group as Assistant General Manager (Research and Development) in 2017. Mr. Sato has over 20 years of experience in textiles and related production technique development. Mr. Sato has studied material engineering in Tokyo Metropolitan University. Upon his graduation, he joined Toray. Prior to joining the Company, he has been working in different factory and laboratory in Japan and China, such as Taltex (Zhuhai) Ltd. and Toray Fiber Research Center.

Mr. LAU Tak Ho Kevin, aged 46, is the Assistant General Manager (Finance, Human Resources Management & Administration) who joined the Company in 2013. Mr. Lau is responsible for group finance, human resources, administration, procurement management in Hong Kong and Mainland China. Mr. Lau graduated with Eng (Hons.) and MBA degree in Development & Industrialisation from the University of Liverpool and a Postgraduate Certificate in Professional Accounting from the City University of Hong Kong. He is a fellow member of Institute of Public Accountants in Australia. Prior to joining the Group, he had worked in an international accounting firm and various listed companies. He has extensive working experiences in finance, cost control, human resources & administration and procurement management.

Mr. CHAN Kam Yuen, aged 52, is the Assistant General Manager (Sales) who joined the Group in 1998 and has been serving for 22 years. Mr. Chan graduated from The Hong Kong Polytechnic University with a Higher Diploma in Textile Chemistry, with over 30 years of experience in textiles industry.

高級管理人員(續)

王思捷先生，49歲，副總經理(染整)及本公司一間附屬公司之董事，於1997年加入本集團。王先生負責管理染整廠房。王先生為一名正高級工程師(教授級高級工程師)，持有碩士學位。彼為廣州紡織工程學會副理事長，亦為中國針織工業協會專家技術委員會委員。王先生獲中國針織工業協會評為優秀總工程師及獲中國紡織工程學會頒發「技術創新獎」。

佐藤雅伸先生，47歲，副總經理(創新商品開發)，於2017年加入本集團，當時出任副總經理(研究開發)。佐藤先生在紡織及相關生產技術開發方面擁有超過20年經驗。佐藤先生曾於東京都立大學攻讀材料工程學，畢業後加入Toray。加入本公司前，彼先後在聯業織染(珠海)有限公司(Taltex (Zhuhai) Ltd.)及Toray Fiber Research Center等中日兩地各大廠房及實驗室任職。

劉德浩先生，46歲，副總經理(財務、人力資源管理及行政)，於2013年加入本公司。劉先生主要負責本集團財務、人力資源、行政及香港與中國內地的採購管理。劉先生畢業於利物浦大學，並取得工程學學士及工商管理(工業化及發展)碩士學位，亦自香港城市大學取得專業會計學深造證書。劉先生亦為澳洲公共會計師協會之資深會員。於加入本集團前，劉先生曾於一間國際會計師事務所及多間上市公司工作。彼在財務、成本控制、人力資源、行政、及採購管理等界別擁有豐富工作經驗。

陳錦源先生，52歲，副總經理(銷售)，於1998年加入本集團，至今服務本公司22年。陳先生畢業於香港理工大學並獲頒紡織化學高級文憑，在紡織業擁有逾30年經驗。

The Board is pleased to present the annual report together with the audited consolidated financial statements of the Group for the 2020 Financial Year.

PRINCIPAL ACTIVITIES

The Group is principally engaged in manufacturing and trading of textiles products, including high quality cotton and synthetic knitted fabrics.

An analysis of the performance of the Group for the 2020 Financial Year by geographical locations of business operations is set out in note 5 to the consolidated financial statements.

BUSINESS REVIEW

A review of the Group during the year and discussions on its future developments are provided in the section headed "Management Discussion and Analysis" in this annual report.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's financial condition, results of operations, business and prospects might be affected by a number of risks and uncertainties. The followings were the key risks and uncertainties identified by the Group for the 2020 Financial Year. There might be other risks and/or uncertainties in addition to those outlined below which were unknown to the Group or which might not be material during the period under review but will turn out to be material in the future.

Business Risk

The macro-economic and political factors, such as potential trade barriers between China and United States of America and the economic effect of COVID-19, posed uncertainty to the business of the Group. Slowing down of global economic growth, risk of stagflation and unstable foreign exchange rate and interest rate were also the factors that adversely affected the financial performance of the Group.

Strategic Direction Risk

The success of future business depends on the achievement of our strategic objectives including but not limited to acquisitions, joint ventures, disposals and/or restructurings. The Group faced risk in its application of assets and capital towards potential investments when business and investment opportunities had arisen.

Legal and Compliance Risk

Legal risk might be constituted due to unenforceable contracts, lawsuits or unfavourable judgements which disrupted or negatively affected the business operations or financial conditions of the Group.

Failing to oblige by relevant applicable laws and regulations might constitute compliance risk. The Group might suffer from financial losses or losses in reputation due to any possible legal risk or regulatory sanctions.

董事局欣然提呈本集團2020年財政年度之年報連同經審核綜合財務報表。

主要業務

本集團主要從事優質全棉及化纖針織布等紡織產品之製造及貿易。

本集團按商業營運之地區劃分的2020年財政年度之表現分析載於綜合財務報表附註5。

業務回顧

本集團年內回顧及其未來發展之討論載於本年報「管理層討論與分析」一節。

主要風險及不明朗因素

本集團的財務狀況、經營業績、業務及前景可能受多項風險及不明朗因素影響。本集團識別到2020年財政年度的主要風險及不明朗因素載列如下。除下文所述者外，亦可能存在本集團並不知悉或於回顧期內未必屬重大但日後可能變成重大的其他風險及／或不明朗因素。

業務風險

中美潛在貿易障礙及2019冠狀病毒病的經濟影響等宏觀經濟及政治局勢，對本集團業務構成不明朗因素。全球經濟增長放緩、停滯性通脹風險乃至匯率及利率不穩等因素，亦對本集團財務表現構成不利影響。

策略方針風險

我們未來業務的成功取決於策略目標的達致，包括但不限於收購、合營公司、出售及／或重組。本集團於出現業務及投資機會時動用資產及資金作適合投資時，會面臨風險。

法律及合規風險

不可執行合約、訴訟或不利判決可能造成法律風險，其可能使本集團之業務營運或財務狀況出現混亂或負面影響。

未有遵守相關適用法例及規例可能造成合規風險。本集團可能因任何潛在法律風險或監管機構制裁而蒙受財務損失或聲譽受損。

BUSINESS REVIEW (Cont'd)

PRINCIPAL RISKS AND UNCERTAINTIES (Cont'd)

Policy risk

The change in governmental policies and regulations in the countries in which the Group operated, such as amended environmental protection policies, might result in adjustment to production method or increase in cost in fulfilling those statutory standards.

SUBSIDIARIES

Details of principal activities of the Company's subsidiaries at 31 March 2020 are set out in note 9 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the 2020 Financial Year are set out in the consolidated statement of profit or loss on page 55 of this annual report.

An interim dividend of HK26 cents (2019: HK32 cents) per Share was paid on 18 December 2019 to the Shareholders. The Board has recommended the payment of a final dividend of HK18 cents (2019: HK25 cents) per Share. Subject to the approval of the Shareholders at the forthcoming AGM, the final dividend of HK18 cents will be paid on 27 August 2020 to the Shareholders whose names appear on the Register of Members of the Company on 17 August 2020.

The Board intends to maintain long term return for shareholders. In deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into consideration of various factors, such as the financial results of the operation, general financial condition of the Group, future funding requirements on capital, business operations and development, general market conditions, interest of shareholders as a whole, legal requirements, and other conditions that the Board deems relevant.

CLOSURE OF REGISTER OF MEMBERS

The Register of the Members of the Company will be closed from 3 August 2020 to 6 August 2020 (both days inclusive) for the purpose of determining the identity of members who are entitled to attend and vote at the forthcoming AGM, during which period no transfer of shares of the Company will be registered. In order to qualify for attending the forthcoming AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 31 July 2020. The record date which determines the Shareholder's voting right is scheduled on 3 August 2020.

The Register of the Members of the Company will be closed from 13 August 2020 to 17 August 2020 (both days inclusive) for the purpose of determining the identity of members who are entitled to the final dividend for the year ended 31 March 2020, during which period no transfer of shares of the Company will be registered. In order to qualify for the final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 12 August 2020.

業務回顧(續)

主要風險及不明朗因素(續)

政策風險

本集團業務經營所在國家的政府政策及規例作出的變更(如修訂環境保護政策等),可能導致須調整生產方式或為符合該等法定標準而導致成本增加。

附屬公司

本公司附屬公司於2020年3月31日之主要業務詳情載於綜合財務報表附註9。

業績及股息

本集團之2020年財政年度業績載於本年報第55頁綜合損益表。

本公司已於2019年12月18日向股東派發中期股息每股港幣26仙(2019年:港幣32仙)。董事局已建議派發末期股息每股港幣18仙(2019年:港幣25仙)。待股東於應屆股東週年大會上批准後,末期股息港幣18仙將於2020年8月27日派付予於2020年8月17日名列於本公司股東名冊之股東。

董事局有意持續為股東帶來長期回報。於決定是否建議派發股息及釐定股息金額時,董事局會考慮多項因素,例如營運之財務業績、本集團之整體財務狀況、未來資金需求、業務營運及發展、整體市況、全體股東利益、法律規定以及董事局認為相關之其他情況。

暫停辦理股份過戶登記

本公司將由2020年8月3日至2020年8月6日(首尾兩天包括在內)暫停辦理股份過戶登記手續,以便釐定股東出席應屆股東週年大會的權利並於會上投票之資格,期間將不會辦理本公司股份過戶登記。為符合出席應屆股東週年大會之資格,股東最遲須於2020年7月31日下午4時30分前將所有過戶文件連同有關股票交回本公司股份過戶登記處香港分處之香港中央證券登記有限公司,地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。釐定股東投票權的記錄日期為2020年8月3日。

本公司將由2020年8月13日至2020年8月17日(首尾兩天包括在內)暫停辦理股份過戶登記手續,以便釐定股東有權獲派發截至2020年3月31日止年度之末期股息之資格,期間將不會辦理本公司股份過戶登記。為符合獲派發末期股息之資格,股東最遲須於2020年8月12日下午4時30分前將所有過戶文件連同有關股票交回本公司股份過戶登記處香港分處之香港中央證券登記有限公司,地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

SHARE CAPITAL

Details of movements in the issued share capital of the Company during the 2020 Financial Year are set out in note 17 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Group during the 2020 Financial Year are set out in note 18 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

As at 31 March 2020, the distributable reserves of the Company amounted to approximately HK\$2,319 million (2019: HK\$2,739 million) comprising share premium, share-based reserve, retained earnings, and offsetting the treasury shares of the Company.

Under the Companies Law (Cap. 22) of the Cayman Islands, in addition to the retained earnings of the Company, the share premium and capital reserves of the Company are also available for distribution to the Shareholders provided that the Company will be able to pay its debts as they fall due in the ordinary course of business immediately following the date on which any such distribution is proposed to be paid.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles, or the laws of the Cayman Islands, being the jurisdiction in which the Company is incorporated, which oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of any business of the Company were entered into or existed during the 2020 Financial Year.

DONATIONS

During the year under review, the Group made charitable and other donation totalling approximately HK\$2,090,000 (2019: HK\$556,000).

PROPERTY, PLANT AND EQUIPMENT

Expenditure of approximately HK\$152 million (2019: HK\$223 million) was incurred during 2020 Financial Year primarily to expand the production capacity of the Group.

Details of movements in property, plant and equipment of the Group are set out in note 7 to the consolidated financial statements.

CAPITALISED INTERESTS

During the 2020 Financial Year, no interest had been capitalised (2019: Nil).

股本

本公司已發行股本於2020年財政年度期間之變動詳情載於綜合財務報表附註17。

儲備

本集團儲備於2020年財政年度期間之變動詳情載於綜合財務報表附註18。

可供分派儲備

於2020年3月31日，本公司之可供分派儲備總額約為2,319百萬港元（2019年：2,739百萬港元），包括本公司股份溢價、以股份為基準儲備、保留溢利及抵銷庫存股份。

根據開曼群島公司法第22章，除本公司之保留溢利外，本公司之股份溢價和資本儲備亦可向股東分派，惟於緊隨建議進行任何上述分派當日後，本公司必須仍有能力償還在日常業務中到期支付之欠款。

優先認購權

本公司之章程細則或本公司註冊成立地點開曼群島之法例並無關於優先認購權之規定，要求本公司須按比例向現有股東發行新股。

管理合約

本公司於2020年財政年度期間並無就整體業務或任何重要業務之管理及行政工作簽訂或存有任何合約。

捐款

本集團於回顧年度作出之慈善及其他捐款共約2,090,000港元（2019年：556,000港元）。

物業、廠房及設備

於2020年財政年度內，主要就擴充本集團產能支出約152百萬港元（2019年：223百萬港元）。

本集團物業、廠房及設備的變動詳情載於綜合財務報表附註7。

利息資本化

於2020年財政年度期間並無將利息資本化（2019年：無）。

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year ended 31 March 2020, the Company repurchased a total of 33,091,000 Shares on the Stock Exchange at an aggregate consideration of (excluding expenses) HK\$141,801,580. Among those repurchased shares, 11,000,000 Shares were cancelled during the year ended 31 March 2020, and 22,091,000 Shares were subsequently cancelled in April 2020. The issued share capital of the Company was reduced by the par value thereof. Details of the repurchases of shares were as follows:

Month of repurchase	Number of Shares repurchased	Price per Share		Aggregate consideration (excluding expenses)	
		Highest	Lowest		
購回月份	購回股份數目	每股價格		總代價 (不包括費用)	
		最高	最低	HK\$	
		港元	港元	港元	
August 2019	2019年8月	1,300,000	5.20	5.08	6,676,370
September 2019	2019年9月	664,000	5.30	5.19	3,491,240
October 2019	2019年10月	132,000	5.15	5.10	677,100
January 2020	2020年1月	3,371,000	5.17	4.96	17,047,690
February 2020	2020年2月	2,370,000	5.01	4.59	11,308,630
March 2020	2020年3月	25,254,000	5.07	3.48	102,600,550

Subsequent to the end of the reporting period and up to the date of this report, the Company repurchased a total of 2,124,000 Shares on the Stock Exchange at an aggregate consideration of (excluding expenses) of HK\$7,707,010. Such repurchased shares were subsequently cancelled on 1 April 2020 and 17 April 2020. The issued share capital of the Company was reduced by the par value thereof. Details of the repurchased after the end of the reporting period are as follows:

Month of repurchase	Number of Shares repurchased	Price per Share		Aggregate consideration (excluding expenses)	
		Highest	Lowest		
購回月份	購回股份數目	每股價格		總代價 (不包括費用)	
		最高	最低	HK\$	
		港元	港元	港元	
April 2020	2020年4月	2,124,000	3.70	3.50	7,707,010

The repurchase of shares was made by the Directors, pursuant to the general mandate granted by the Shareholders at the annual general meeting held on 8 August 2019 with a view to benefiting shareholders as a whole by enhancing the net asset value per share and earnings per share.

Save as disclosed above, neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 March 2020 and up to the date of report.

購買、出售或贖回股份

截至2020年3月31日止年度內，本公司於聯交所購回合共33,091,000股股份，總代價（不包括費用）為141,801,580港元。該等購回股份中，11,000,000股股份已於截至2020年3月31日止年度內註銷，另有22,091,000股股份隨後已於2020年4月註銷。本公司已發行股本按獲註銷股份之面值減少。購回股份之詳情如下：

於報告期末後及截至本報告日期，本公司於聯交所購回合共2,124,000股股份，總代價（不包括費用）為7,707,010港元。該等購回股份隨後已於2020年4月1日及2020年4月17日註銷。本公司已發行股本按獲註銷股份之面值減少。於報告期末後購回股份之詳情如下：

購回股份乃由董事根據股東於2019年8月8日舉行之股東週年大會上授出之一般授權進行，乃旨在藉著提高每股資產淨值及每股盈利而使股東受惠。

除上文所披露者外，於截至2020年3月31日止年度內及截至本報告日期，本公司或其任何附屬公司概無購買、贖回或出售本公司之任何上市證券。

MAJOR CUSTOMERS AND SUPPLIERS

During the 2020 Financial Year, sales to the Group's five largest customers accounted for approximately 70.0% of the Group's total sales and sales to the Group's largest customer included therein amounted to approximately 37.0%. Purchases from the Group's five largest suppliers accounted for approximately 49.3% of the Group's total purchases and purchase from the Group's largest supplier included therein amounted to approximately 31.5%.

Except as disclosed below, none of the Directors, their associates or any Shareholders of the Company (which to the knowledge of the Directors had owned more than 5% of the Company's issued Shares) had any interests in the Group's five largest customers or suppliers noted above:-

Toray, a substantial shareholder of the Company, accounted for approximately 4.3% of the Group's total purchases. The purchase from Toray constituted continuing connected transactions, details of which are set out in note 33 to the consolidated financial statements.

FINANCIAL SUMMARY

A summary of the consolidated results and consolidated balance sheet of the Group for the last five financial years is set out on page 150 of this annual report.

DIRECTORS

The list of Directors during the 2020 Financial Year was as follows:

Executive Directors

Mr. WAN Wai Loi (*Chairman and Chief Executive Officer*)

Mr. Masaru OKUTOMI (*Vice Chairman*)

(*appointed with effect from 1 July 2019*)

Mr. TOU Kit Vai (*Chief Financial Officer*)

Mr. Toshiya ISHII

Non-executive Directors

Mr. CHOI Kin Chung (*resigned on 12 June 2019*)

Mr. LAU Yiu Tong (*re-designated as Non-executive Director with effect from 1 June 2019*)

Independent Non-executive Directors

Dr. CHAN Yue Kwong, Michael

Mr. NG Ching Wah

Mr. SZE Kwok Wing, Nigel

主要客戶及供應商

於2020年財政年度，向本集團五大客戶作出之銷售約佔本集團銷售總額的70.0%，而當中向本集團最大客戶作出之銷售約佔其中的37.0%。向本集團五大供應商作出之採購約佔本集團採購總額的49.3%，而當中向本集團最大供應商作出之採購約佔其中的31.5%。

除以下披露外，本公司各董事、其聯繫人或任何股東（就董事所知擁有本公司已發行股份5%以上）概無擁有上述本集團五大客戶或供應商之任何權益：

本公司主要股東Toray佔本集團採購總額約4.3%。向Toray作出之採購構成持續關連交易，有關詳情載於綜合財務報表附註33。

財務概要

本集團於過去五個財政年度之綜合業績和綜合資產負債表概要載於本年報第150頁。

董事

於2020年財政年度期間之董事名單如下：

執行董事

尹惠來先生 (*主席兼行政總裁*)

奧富勝先生 (*副主席*)

(*自2019年7月1日獲委任*)

杜結威先生 (*首席財務總監*)

石井俊哉先生

非執行董事

蔡建中先生 (*於2019年6月12日辭任*)

劉耀棠先生 (*自2019年6月1日起調任為非執行董事*)

獨立非執行董事

陳裕光博士

伍清華先生

施國榮先生

DIRECTORS (Cont'd)

Pursuant to article 130 of the Articles, at every AGM one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years.

Accordingly, Mr. TOU Kit Vai, Dr. CHAN Yue Kwong, Michael and Mr. SZE Kwok Wing, Nigel will retire by rotation from the Board at the forthcoming AGM and will, being eligible, have offered themselves for re-election as Directors.

PROFILES OF DIRECTORS

Profiles of the Directors are set out on pages 12 to 14 of this annual report.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors had entered into a service agreement with the Company for an initial term of two years, renewable thereafter until terminated by either party by giving at least six months' prior notice to another party in writing.

Each of the Independent Non-executive Directors and Non-executive Directors had been appointed for a term of two years and are renewable thereafter.

All Directors are subject to retirement by rotation in accordance with the Articles and the Listing Rules.

None of the Directors proposed for re-election at the forthcoming AGM had a service contract with the Company or any of its subsidiaries not determinable by the Company within one year without payment of compensation (other than statutory compensation).

董事(續)

根據章程細則第130條，於每屆股東週年大會上三分之一的當時在任董事(或倘董事人數並非三或三的倍數，則為最接近但不少於三分之一的人數)須輪席告退，惟每位董事(包括委任為特定任期的董事)須最少每三年輪席告退一次。

因此，杜結威先生、陳裕光博士及施國榮先生將於應屆股東週年大會從董事局輪席告退，惟彼等合資格並願膺選連任。

董事之簡介

董事之簡介詳列於本年報第12至14頁。

董事之服務合約

各執行董事已與本公司訂立初步為期兩年之服務協議，可予續期，直至其中一方向另一方發出不少於六個月事先書面通知終止協議為止。

各獨立非執行董事及非執行董事獲委任之任期為兩年，其後可予續期。

全體董事須根據章程細則及上市規則輪值退任。

擬於應屆股東週年大會上膺選連任之董事概無與本公司或任何附屬公司訂立任何本公司不可於一年內終止而毋須作出賠償(法定賠償除外)之服務合約。

REMUNERATION OF THE DIRECTORS

The remuneration of the Directors are reviewed and determined by the Remuneration Committee on the basis of each Director's experience, responsibility and the time commitment to the business of the Group.

Details of emoluments of every Director for the 2020 Financial Year are set out in note 35 to the consolidated financial statements.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No transaction, arrangement, or contract of significance in relation to the business of the Group to which the Company or any of its subsidiaries was a party and in which a Director or his or her connected entity had a material interest, either directly or indirectly, subsisted at any time during or at the end of the 2020 Financial Year.

COMPETING INTEREST

None of the Directors had, either directly or indirectly, an interest in a business which caused or might cause any significant competition with the business of the Group and any other conflicts of interest which any such person had or might had with the Group during the year under review.

TAX RELIEF AND EXEMPTION

The Directors were not aware of any tax relief and exemption available to the Shareholders of the Company by reason of their holdings of the Shares.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the 2020 Financial Year was the Company, its holding companies, or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of Shares in, or debentures of, the Company or any other body corporate.

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles of Association, every director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto.

董事薪酬

董事之薪酬由薪酬委員會按各董事之經驗、職責及於本集團業務所投放之時間而審閱與釐定。

各位董事於2020年財政年度之酬金詳情載於綜合財務報表附註35。

董事於交易、安排或合約的重大權益

於2020年財政年度末或年內任何時間，概無存續任何與本集團業務相關，而本公司或其任何附屬公司為訂約方及董事或其關連實體直接或間接擁有重大權益的重大交易、安排或合約。

競爭權益

於回顧年度內董事概無在與本集團業務構成或可能構成任何重大競爭的業務中直接或間接擁有任何權益，而任何該等人士與本集團亦無存在或可能存在任何其他利益衝突。

稅務減免與豁免

董事並不知悉任何本公司之股東因持有股份而可享有任何稅務減免與豁免。

購買股份或債券之安排

本公司、其控股公司或其任何附屬公司或同系附屬公司於2020年財政年度期間任何時間概無參與訂立任何安排，致使本公司董事可藉購入本公司或任何其他法人團體之股份或債券而獲益。

獲准許彌償條文

根據組織章程細則，各董事就其於履行職務或其他相關情況下可能蒙受或招致的一切損失或債務，均有權獲得本公司以其資產賠償。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2020, the interests and short positions of the Directors and chief executives (Note 1) of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (Note 1) as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange were as follows:

LONG POSITIONS IN SHARES

董事於股份和相關股份之權益及淡倉

於2020年3月31日，本公司董事及最高行政人員（附註1）於本公司或其任何相聯法團（附註1）的股份、相關股份及債券中，擁有須根據證券及期貨條例第352條須予存置的登記冊所記錄或須知會本公司及聯交所的權益及淡倉如下：

股份之好倉

Name of Directors/ Chief Executives 董事／最高行政人員姓名	Number of Issued Shares Held and Nature of Interests 持有已發行股份數目及權益性質					Approximate percentage of issued share capital of the Company 於本公司 已發行股本 之概約百分比 (Note 4) (附註4)
	Personal Interests (beneficial owner) 個人權益 (實益擁有人)	Family Interests (interests of spouse) 家屬權益 (配偶之權益)	Corporate Interests (interests of a controlled corporation) 法團權益 (於受控法團 之權益)	Trusts and similar interests 信託及 類似權益	Total Interests 權益總額	
Wan Wai Loi 尹惠來	10,295,000	1,030,000 (Note 2) (附註2)	-	-	11,325,000	0.79%
Tou Kit Vai 杜結威	707,000	-	-	-	707,000	0.05%
Lau Yiu Tong 劉耀棠	53,393,000	-	-	-	53,393,000	3.72%
Sze Kwok Wing, Nigel 施國榮	400,000	-	-	-	400,000	0.03%
Tsang Sian-Chung, Hubert 曾憲中	450,000 (Note 3) (附註3)	-	-	-	450,000	0.03%

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Cont'd)

LONG POSITIONS IN SHARES (Cont'd)

Notes:

1. Within the meaning of Part XV of the SFO.
2. The Shares are held by Ms. Chiu Bo Lan, the spouse of Mr. Wan Wai Loi.
3. Mr. Tsang Sian-Chung, Hubert is the Chief Information Officer of the Company who was granted share options of the Company. A summary of Share Option Scheme is set out on pages 27 to 29 of this annual report.
4. Based on the information and the total number of issued Shares of the Company on the date of relevant event per notification to the Company made by the Directors/Chief Executives.

Save as disclosed above, as at 31 March 2020, no Directors nor chief executives of the Company had any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange.

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

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2020, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares of the Company as recorded in the register required to be kept under section 336 of the SFO were as follows:-

董事於股份和相關股份之權益及淡倉(續)

股份之好倉(續)

附註：

1. 定義見證券及期貨條例第XV部。
2. 該等股份由尹惠來先生之配偶趙寶蘭女士持有。
3. 曾憲中先生為本公司之資訊總監，並獲授予本公司購股權。購股權計劃之概要載於本年報第27頁至第29頁。
4. 根據董事／最高行政人員向本公司作出通知之資料及於相關事件日期之本公司已發行股份總數。

除上文披露者外，於2020年3月31日，根據證券及期貨條例第352條規定須予存置的登記冊的記錄，又或須以其他方式向本公司及聯交所發出的通知，概無本公司董事或最高行政人員於本公司或其任何相聯法團的股份、相關股份及債券中，擁有任何權益或淡倉。

於回顧年度內任何時間，概無任何董事或彼等各自的配偶或未成子女獲授可藉購入本公司股份而獲益的權利，或彼等行使任何此等權利；或本公司、其控股公司或其任何附屬公司概無參與任何安排，致令董事可於任何其他法人團體獲得此等權利。

主要股東及其他人士於股份和相關股份之權益及淡倉

於2020年3月31日，以下人士(本公司董事或最高行政人員除外)於本公司股份或相關股份中擁有根據本公司按證券及期貨條例第336條規定存置之登記冊所記錄之權益或淡倉：

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Cont'd)

主要股東及其他人士於股份和相關股份之權益及淡倉(續)

LONG POSITIONS IN SHARES

股份之好倉

Name 姓名／名稱	Capacity in which ordinary shares were held 於所持普通股之身份	Number of ordinary shares 普通股數目	Approximate percentage of issued share capital of the Company 於本公司已發行股本之概約百分比 (Note 6) (附註6)
Toray	Beneficial Owner 實益擁有人	405,394,000 (L)	28.03%
Schroders Plc	Investment Manager 投資經理	129,509,000 (L)	8.97%
Lam Wing Tak 林榮德	Beneficial Owner 實益擁有人	14,566,000 (L)	
	Interest of Spouse 配偶權益	718,000 (L)	
	Founder of a discretionary trust 全權信託之創辦人	69,243,000(L)	
		84,527,000 (Note 5) (附註5)	5.85%
Wong Bik Ha 黃碧霞	Beneficial Owner 實益擁有人	718,000 (L)	
	Interest of Spouse 配偶權益	14,566,000 (L)	
	Founder of a discretionary trust 全權信託之創辦人	69,243,000(L)	
		84,527,000 (Note 5) (附註5)	5.85%

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Cont'd)

LONG POSITIONS IN SHARES (Cont'd)

Notes:

- Mr. Lam Wing Tak is the spouse of Ms. Wong Bik Ha, vice versa. For the purpose of the SFO, Mr. Lam Wing Tak is the founder of the family trust.
- Based on the information and the total number of issued Shares of the Company on the date of relevant event per notification to the Company made by the respective Shareholders.

SHARE OPTION SCHEME

Pursuant to the written resolutions of Shareholders passed on 27 April 2007, the Company adopted the Share Option Scheme subject to the terms and conditions therein.

Options enabling the exercise of 22,820,000 Shares were granted on 18 July 2007 ("1st Grant") and expired on 17 July 2017. Options enabling the exercise of 10,000,000 Shares were granted on 11 October 2013 ("2nd Grant") will expire on 10 October 2023. The closing price of the share of the Company immediately before the dates of the 1st Grant and the 2nd Grant were HK\$4.86 and HK\$10.06 per share respectively.

A. SUMMARY OF THE SHARE OPTION SCHEME

1. Purpose

The purpose of the Share Option Scheme is to provide the Company with a flexible means of retaining, incentivising, rewarding, remunerating, compensating and/or providing benefits to eligible participants (as defined in paragraph 2 below).

2. Participants

The Board may grant options to any eligible participants, namely an employee, Director or Non-executive Director (including INED) of any Member of the Group.

"Member of the Group" means the Company, any holding company, subsidiaries or affiliates of the Company or other companies or associated companies of the Company which the Board determines will be subject to the Share Option Scheme.

3. Maximum number of Shares

The total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes must not in aggregate exceed 10% of the Shares in issue as at the date of Listing of the Shares on the Stock Exchange on 18 May 2007 (the "Listing Date"), representing 143,293,600 Shares or 30% of the Shares of the Company in issue from time to time.

主要股東及其他人士於股份和相關股份之權益及淡倉(續)

股份之好倉(續)

附註：

- 林榮德先生與黃碧霞女士互為配偶。就證券及期貨條例而言，林榮德先生為家族信託之創辦人。
- 根據相關股東向本公司作出通知之資料及於相關事件日期之本公司已發行股份總數。

購股權計劃

根據股東於2007年4月27日通過之書面決議案，本公司已採納購股權計劃，並受限於其所訂之條款及條件。

可行使購股權發行22,820,000股股份於2007年7月18日授出(「第一次授出」)，已於2017年7月17日屆滿。可行使購股權發行10,000,000股股份於2013年10月11日授出(「第二次授出」)，將於2023年10月10日屆滿。本公司股份於緊接第一次授出及第二次授出日期前之收市價分別為每股4.86港元及10.06港元。

A. 購股權計劃概要

1. 目的

購股權計劃之目的為使本公司能靈活地挽留、激勵、回饋、酬報、補償及／或提供利益予合資格參與者(定義見下文第2段)。

2. 參與者

董事局可向任何合資格參與者，包括本集團任何成員公司之僱員、董事或非執行董事(包括獨立非執行董事)授出購股權。

「本集團成員公司」指本公司、任何本公司之控股公司、附屬公司或聯屬公司或董事局認為符合購股權計劃之其他公司或本公司聯營公司。

3. 最高股份數目

根據購股權計劃及任何其他計劃可能授出之所有購股權獲行使而可發行之股份總數，合共不得超過於股份於2007年5月18日於聯交所上市日期(「上市日期」)已發行股份之10%，相當於143,293,600股股份或不時已發行本公司股份之30%。

SHARE OPTION SCHEME (Cont'd)

A. SUMMARY OF THE SHARE OPTION SCHEME (Cont'd)

4. Maximum entitlement of each participant

The total number of Shares issued and to be issued upon exercise of the options granted to each eligible participant (including exercised and outstanding options) in any 12-month period must not exceed 1% of the Shares in issue at the date of grant of the options.

5. Time of exercise of options and duration of Share Option Scheme

(a) General vesting period

The general vesting period for options granted under the Share Option Scheme is 5 anniversary of grant date unless the Board specifies a different vesting period under the terms of the offer. The option period will not be more than 10 years from the date of grant.

An option may be exercised to the extent that it has vested and any performance conditions or targets set by the Board have been met.

(b) Duration of the Share Option Scheme

The duration of the Share Option Scheme shall be 10 years from the Listing Date.

6. Exercise price and payment on grant

(a) Exercise price

The exercise price for the Shares under the Share Option Scheme shall be the price determined by the Board and notified to the option holder which shall not be less than the highest of:

- (i) the average closing price of the Shares for the five business days immediately preceding the date of grant of the option as stated in the Stock Exchange's daily quotation sheets;
- (ii) the closing price of the Shares as stated on the Stock Exchange's daily quotations sheet of the Shares on the date of grant of the option; and
- (iii) the nominal value of the Shares.

(b) Payment on grant

Eligible Persons are not required to pay for the acceptance of an option granted to them.

7. Life of the Share Option Scheme

The Share Option Scheme was terminated automatically at midnight on the day immediately before the 10th anniversary of the Listing Date, in other words, the Share Option Scheme was terminated as at 17 May 2017.

購股權計劃(續)

A. 購股權計劃概要(續)

4. 每名參與者可獲授權益上限

在任何12個月期間，因合資格參與者行使獲授之購股權(包括已行使及尚未行使之購股權)而已經或將予發行之股份總數，不得超過購股權授出之日已發行股份之1%。

5. 行使購股權之時間及購股權計劃之有效期

(a) 一般歸屬期

根據購股權計劃授出購股權之一般歸屬期為授出日期5週年，除非董事局根據授予之條款指明另一歸屬期。購股權期間將不會超過授出日期起計10年。

購股權按已歸屬程度於達致任何由董事局釐定之表現條件或目標時行使。

(b) 購股權計劃之期限

購股權計劃之期限為上市日期起計10年。

6. 行使價及授出時付款

(a) 行使價

購股權計劃項下之股份行使價將由董事局釐定並通知購股權持有人，惟該價格不得低於以下各項之最高者：

- (i) 緊接購股權授出日期前五個營業日根據聯交所每日報價表所示股份之平均收市價；
- (ii) 於購股權授出日期根據聯交所每日報價表所示股份之收市價；及
- (iii) 股份之面值。

(b) 授出時付款

合資格人士毋須於接納授予彼等之購股權時付款。

7. 購股權計劃有效期

購股權計劃於緊接上市日期第10週年屆滿當日前一日凌晨起自動終止，換言之，購股權計劃已於2017年5月17日終止。

SHARE OPTION SCHEME (Cont'd)

B. OPTIONS GRANTED BY THE COMPANY

The share options issued under 1st Grant were fully exercised. The movement of 2nd Grant as at 31 March 2020 was as follows:

Date of Grant	Grantee	Exercise Price	Number of Share Options Granted	Tranche	Vesting Date	Percentage of total Share Options Granted	Number of Share Options Vested/ to be Vested	Exercisable Period	As at				As at 31/03/2020
									01/04/2019	Exercised	Lapsed	Cancelled	
授出日期	承授人	行使價	已授出購股權數目	批次	歸屬日期	佔已授出購股權總數的百分比	已歸屬/待歸屬購股權數目	行使期	於2019年4月1日	已行使	失效	註銷	於2020年3月31日
11/10/2013	Eligible Employees 合資格僱員	HK\$9.98 9.98港元	10,000,000	1st 第一批	11/10/2016	30%	3,000,000	11/10/2016 – 10/10/2023	9,050,000	-	1,000,000	-	8,050,000
				2nd 第二批	11/10/2019	35%	3,500,000	11/10/2019 – 10/10/2023					
				3rd 第三批	11/10/2022	35%	3,500,000	11/10/2022 – 10/10/2023					

The fair value of options of the 2nd Grant is approximately at an average of HK\$1.85 per Share on the basis of binomial model (the "Model"). The significant inputs into the Model were the closing price of the Share of the Company at the date of grant of HK\$9.98 per Share, annual risk-free interest rate of approximately 2.09%, an expected option life of approximate 10 years, expected volatility of 45% and annual dividend yield of 9%. HK\$1,174,000 amortised fair value of share options for the 2020 Financial Year was charged to the consolidated income statement (2019: HK\$1,695,000).

The Model was developed for use in estimating fair value of traded options that are fully transferable. The Model requires input of highly subjective assumptions, including the expected stock price volatility. Since the Company's share options have characteristics significantly different from those of traded options, and because change in the subjective input assumptions can materially affect the fair value estimate, the Model does not necessarily provide a reliable measure of the fair value of the share options.

購股權計劃(續)

B. 本公司已授出之購股權

第一次授出發行的購股權已獲悉數行使。於2020年3月31日，第二次授出的變動列示如下：

根據二項式期權定價模式(「定價模式」)，第二次授出之購股權之公允值平均約為每股1.85港元。該定價模式主要基於本公司股份於授出購股權日期之收市價為每股9.98港元、每年約2.09%的無風險利率、約10年的預期購股權有效期、45%的預期引伸波幅及每年9%的股息回報率計算。於2020年財政年度，1,174,000港元購股權之經攤銷公允值已於綜合收益表內入賬(2019年：1,695,000港元)。

定價模式是為評估所買賣的可悉數轉讓期權的公允值而設。該定價模式涉及大量主觀假設，包括預期股價波動。由於本公司的購股權與所買賣的期權截然不同，加上主觀假設更改可能對公允值估計有重大影響，故此該定價模式不一定能對購股權的公允值作出可靠的評估。

CONTINUING CONNECTED TRANSACTIONS

Certain related party transactions set out in note 33 to the consolidated financial statements also constituted continuing connected transaction under the Listing Rules.

During the 2020 Financial Year, the Group had the following continuing connected transactions, which were subject to reporting, and announcement requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A.33 of the Listing Rules:

(1) SALE AND PURCHASE OF KNITTED FABRIC TO CRYSTAL GROUP

During the 2020 Financial Year, the Group conducted business pursuant to an agreement dated 29 March 2018 in relation to the sale and purchase of knitted fabric manufactured and owned by the Group to Crystal International Group Limited ("Crystal" together with its subsidiaries, referred to as "Crystal Group") with its term up to 31 March 2021 ("Crystal Group Sale and Purchase of knitted Fabric New Master Agreement"). The annual cap for each of the three years ended 31 March 2019, ending 31 March 2020 and 31 March 2021 shall be HK\$2,000 million. Details of the Crystal Group Sale and Purchase of knitted Fabric New Master Agreement were set out in the Company's announcement dated 29 March 2018.

During the 2020 Financial Year, the total transaction amount between Crystal Group and the Group was approximately HK\$1,001 million which was within the relevant annual cap.

According to the Listing Rules, by virtue of its shareholding in PCGT Limited, an indirect non-wholly-owned subsidiary of the Company, Crystal is a substantial shareholder (as defined in the Listing Rules) of a subsidiary of the Company and hence a connected person of the Company at the subsidiary level. Crystal Group is therefore also regarded as connected person of the Company.

In accordance with Rule 14A.55 of the Listing Rules, the Independent Non-executive Directors of the Company reviewed the continuing connected transactions in the paragraph above and confirmed that the transactions were entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or better; and
- (iii) according to the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Group as a whole.

持續關連交易

載於綜合財務報表附註33的若干關聯方交易亦構成上市規則下的持續關連交易。

於2020年財政年度期間，本集團有下列持續關連交易須根據上市規則第14A.33章遵守申報及公告規定惟可獲豁免遵守獨立股東批准：

(1) 向晶苑集團銷售及購買針織布

於2020年財政年度，本集團根據日期為2018年3月29日有關本集團向Crystal International Group Limited（「晶苑」，連同其附屬公司統稱為「晶苑集團」）銷售及購買本集團所製造及擁有的針織布的協議進行業務，年期直至2021年3月31日為止（「晶苑集團銷售與採購針織布新總目協議」）。截至2019年3月31日、2020年3月31日及2021年3月31日止三個年度各年之年度上限分別為2,000百萬港元。晶苑集團銷售與採購針織布新總目協議詳情載列於本公司日期為2018年3月29日的公告。

於2020年財政年度，晶苑集團與本集團之間的交易總額約為1,001百萬港元，有關金額並無超出相關年度上限。

根據上市規則，因晶苑為本公司間接非全資附屬公司PCGT Limited的股東，由於晶苑為本公司的附屬公司的主要股東（定義見上市規則），故此為附屬公司層面的關連人士。晶苑集團亦視做本公司關連人士。

根據上市規則第14A.55條，本公司獨立非執行董事已審閱上述之持續關連交易並確認該等交易的訂立是：

- (i) 屬本集團的日常業務；
- (ii) 按照一般商務條款或更佳條款進行；及
- (iii) 根據有關交易的協議條款進行，而交易條款屬公平合理，並且符合本集團股東的整體利益。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(2) SALE OF YARNS BY TORAY TO THE GROUP

During the 2020 Financial Year, the Group conducted business pursuant to an agreement dated 28 July 2017 in relation to sale of yarns by manufactured or owned by Toray Industries, Inc. ("Toray", together with its subsidiaries, "Toray Group") to the Group for a period ending 31 March 2020. The annual cap for each of the three years ended 31 March 2018 and 31 March 2019 and ending 31 March 2020 shall be HK\$230 million.

According to the Listing Rules, Toray is a substantial shareholder of the Company and hence a connected person of the Company. Toray Group is therefore also regarded as connected person of the Company.

During the 2020 Financial Year, the total transaction amount between Toray Group and the Group was approximately HK\$154 million which was within the relevant annual cap.

In accordance with Rule 14A.55 of the Listing Rules, the Independent Non-executive Directors of the Company reviewed the continuing connected transactions in the paragraph above and confirmed that the transactions were entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or better; and
- (iii) according to the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Group as a whole.

持續關連交易 (續)

(2) TORAY向本集團銷售紗

於2020年財政年度，本集團根據日期為2017年7月28日有關Toray Industries, Inc. (「Toray」，連同其附屬公司統稱為「Toray集團」)向本集團銷售其生產或擁有的紗之協議進行業務，年期截至2020年3月31日為止。截至2018年3月31日、2019年3月31日及2020年3月31日止三個年度各年之年度上限分別為230百萬港元。

根據上市規則，由於Toray為本公司主要股東，故為本公司的關連人士。Toray集團亦視作本公司關連人士。

於2020年財政年度，Toray集團與本集團之間的交易總額約為154百萬港元，有關金額並無超出相關年度上限。

根據上市規則第14A.55條，本公司獨立非執行董事已審閱上述之持續關連交易並確認該等交易的訂立是：

- (i) 屬本集團的日常業務；
- (ii) 按照一般商務條款或更佳條款進行；及
- (iii) 根據有關交易的協議條款進行，而交易條款屬公平合理，並且符合本集團股東的整體利益。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(3) SALE OF FABRICS BY THE GROUP TO TORAY GROUP

During the 2020 Financial Year, the Group conducted business pursuant to an agreement dated 27 February 2019 in relation to sale of fabrics by the Group to Toray Group for a term of three financial years. The annual cap for each of the three financial years ending 31 March 2021 shall be HK\$100 million.

According to the Listing Rules, Toray is a substantial shareholder of the Company and hence a connected person of the Company. Toray Group is therefore also regarded as connected person of the Company.

During the 2020 Financial Year, the total transaction amount between Toray Group and the Group was approximately HK\$47 million which was within the relevant annual cap.

In accordance with Rule 14A.55 of the Listing Rules, the Independent Non-executive Directors of the Company reviewed the continuing connected transactions in the paragraph above and confirmed that the transactions were entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or better; and
- (iii) according to the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Group as a whole.

Pursuant to Rule 14A.56 of the Listing Rules, the Company's external auditor, PricewaterhouseCoopers ("PwC") was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. PwC had issued an unmodified letter containing findings and conclusions in respect of the above continuing connected transactions (1) to (3) as disclosed by the Group in accordance with rule 14A.56 of the Listing Rules. A copy of the auditor's letter was provided by the Company to the Stock Exchange.

持續關連交易 (續)

(3) 本集團向TORAY集團銷售布料

於2020年財政年度，本集團已根據日期為2019年2月27日有關本集團向Toray集團銷售布料之協議進行業務，年期為三個財政年度。截至2021年3月31日止三個財政年度各年之年度上限分別為100百萬港元。

根據上市規則，由於Toray為本公司主要股東，故為本公司的關連人士。Toray集團亦視作本公司關連人士。

於2020年財政年度，Toray集團與本集團之間的交易總額約為47百萬港元，有關金額並無超出相關年度上限。

根據上市規則第14A.55條，本公司獨立非執行董事已審閱上述之持續關連交易並確認該等交易的訂立是：

- (i) 屬本集團的日常業務；
- (ii) 按照一般商務條款或更佳條款進行；及
- (iii) 根據有關交易的協議條款進行，而交易條款屬公平合理，並且符合本集團股東的整體利益。

根據上市規則第14A.56條，本公司的外聘核數師羅兵咸永道會計師事務所（「羅兵咸永道」）獲聘遵照香港會計師公會發出的香港核證聘用準則第3000號（經修訂）的「歷史財務資料審計或審閱以外的核證聘用」，並參照《實務說明》第740號「關於香港上市規則所述持續關連交易的核數師函件」，就本集團的持續關連交易作出匯報。羅兵咸永道已根據上市規則第14A.56條發出載有本集團於上文(1)至(3)項披露之持續關連交易的審驗結果的無保留意見函件。本公司已將該核數師函件副本呈交聯交所。

AUDIT COMMITTEE

The Company has established an audit committee (the "Audit Committee") with written terms of reference in compliance with the CG Code contained in Appendix 14 to the Listing Rules. The members of the Audit Committee are Mr. Sze Kwok Wing, Nigel, Mr. Ng Ching Wah and Dr. Chan Yue Kwong, Michael (who are Independent Non-executive Directors). Mr. Sze Kwok Wing, Nigel, a Fellow of CPA Australia, is the chairman of the Audit Committee.

The Audit Committee had reviewed the financial statements of the Group for the 2020 Financial Year and discussed with the management and the auditor of the Company on the accounting principles and practices adopted by the Group and internal controls and financial reporting matters.

Pursuant to the recent development of CG Code contained in Appendix 14 to the Listing Rules, an amended and restated terms of reference for Audit Committee was effective from 1 January 2019.

CORPORATE GOVERNANCE

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report on pages 34 to 48 of this annual report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Discussion on the Group's environmental policies and performance, relationships with its key stakeholders and compliance with relevant laws and regulations which have a significant impact on the Group will be provided in the Environmental, Social and Governance Report which will be published on the websites of the Company and the Stock Exchange no later than three months after the publication of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the latest practicable date prior to the issue of this annual report, there was sufficient public float of more than 25% of the issued shares of the Company as required under the Listing Rules.

AUDITOR

The consolidated financial statements for the 2020 Financial Year have been audited by PricewaterhouseCoopers. A resolution to re-appoint PricewaterhouseCoopers as auditor of the Company will be proposed for approval by the Shareholders of the Company at the forthcoming AGM.

On behalf of the Board

WAN Wai Loi

Chairman

Hong Kong, 18 June 2020

審核委員會

本公司已成立審核委員會（「審核委員會」），並定明符合上市規則附錄十四所載的企業管治守則的書面職權範圍。審核委員會之成員為施國榮先生、伍清華先生及陳裕光博士（彼等均為獨立非執行董事）。施國榮先生為澳洲註冊會計師公會資深會員，擔任審核委員會主席。

審核委員會已審閱本集團2020年財政年度的財務報表，並已與本公司管理層及核數師討論本集團所採納的會計原則及慣例，以及內部監控及財務申報事宜。

依據上市規則附錄十四所載企業管治守則的最新修訂，審核委員會經修訂及重列的「職權範圍」自2019年1月1日起生效。

企業管治

本公司所採納的主要企業管治常規載列於本年報第34頁至48頁企業管治報告中。

環境、社會以及管治報告

有關本集團環境政策及績效、與其關鍵持份者的關係以及對本集團有重大影響之相關法律法規合規情況的討論，將載於環境、社會以及管治報告，該報告將於本年報刊發後不遲於三個月在本公司及聯交所網站登載。

充足公眾持股量

根據本公司可獲得之公開資料顯示及就董事所知，於刊發本年報前之最後實際可行日期，本公司已發行股份有足夠並超過上市規則規定25%之公眾持股量。

核數師

羅兵咸永道會計師事務所已審核2020年財政年度的綜合財務報表。於應屆股東週年大會上將提呈決議案，以取得本公司股東批准續聘羅兵咸永道會計師事務所為本公司核數師。

代表董事局

主席

尹惠來

香港，2020年6月18日

The Board is committed to maintaining high standard of corporate governance to enhance transparency and accountability and to safeguard the interests of Shareholders of the Company. The Group reviews corporate governance practices from time to time to ensure that business activities and decision making processes are properly regulated.

A. CORPORATE GOVERNANCE PRACTICE OF THE COMPANY

The Company complied with the applicable code provisions and certain recommended best practices set out in the CG Code contained in Appendix 14 to the Listing Rules where suitable to the Company so as to enhance the corporate governance standard of the Company throughout the 2020 Financial Year.

Mr. Wan Wai Loi had served as the Chairman and the Chief Executive Officer of the Company during the year, hence the Company did not comply with the code provision A.2.1 of the CG Code which requires that the roles of chairman and chief executive should be separate and should not be performed by the same individual. While the dual role arrangement has provided strong and consistent leadership and facilitated the implementation of the Group's business strategies, the Company will nevertheless review the structure from time to time in light of the prevailing circumstance.

B. THE BOARD

1. RESPONSIBILITIES OF THE BOARD

The Board is responsible for leadership and control of the Company, the Board is responsible for formulation of strategic, management and financial objectives of the Group and ensuring that Shareholders' interests are protected. Daily operations and administration of the Group are delegated to the Executive Directors and the management. The Board has established Board committees and has delegated various responsibilities to these committees as set out in their respective terms of reference. All relevant terms of reference are published on the websites of the Stock Exchange and the Company respectively.

The Company and the Board require each Director to keep abreast of the responsibilities as a Director of the Company and of the business and operating activities and development of the Group. Every Director is committed to devoting sufficient time and involvement in the affairs of the Board and material matters of the Company and serving the Board with such degree of care and due diligence given his own expertise, qualification and professionalism.

Executive Directors are responsible for managing different aspects or functions of the business of the Group. The Non-executive Directors advise on business strategies of the Group and review its financial and operational performance. The INEDs serve the Audit Committee, the Remuneration Committee and the Nomination Committee and provide independent reviews on the issues of strategic direction, development, performance and risk management of the Group.

董事局致力維持高水平的企業管治，以提升透明度與問責性，維護本公司股東之利益。本集團不時檢討企業管治常規，藉以確保業務活動及決策程序受到適當的規管。

A. 本公司的企業管治常規

本公司於2020年財政年度內一直遵守上市規則附錄十四所載的企業管治守則載列的適用守則條文與若干建議最佳常規，以提高本公司的企業管治標準。

尹惠來先生於年內擔任本公司主席兼行政總裁，故本公司未能遵守企業管治守則守則條文第A.2.1條（該條文規定主席與行政總裁的職能須分立且不應由同一人擔任）。儘管雙重職務安排已提供強大一致的領導及促進本集團實施業務策略，本公司仍會不時因應當前情況檢討有關架構。

B. 董事局

1. 董事局的責任

董事局負責領導及控制本公司。董事局負責制定本集團策略、管理和財務目標，以及確保股東的權益得以保障。本集團的日常營運及行政管理委派執行董事和管理層處理。董事局已成立董事委員會並將多項責任委派予該等委員會（如其各自之職權範圍所載）。所有有關職權範圍均於聯交所及本公司網站刊載。

本公司及董事局要求各董事清楚彼作為本公司董事之職責，以及了解本集團之業務和經營活動及發展。各董事均已承諾投入足夠時間及精神處理董事局事務及本公司重要事宜，並按照各自之專門知識、資歷及專業技能，以謹慎盡責之態度為董事局服務。

執行董事於本集團的業務上擔負不同的管理範疇或職責。非執行董事就本集團業務策略提供意見和審閱其財務和營運表現。獨立非執行董事出任審核委員會、薪酬委員會和提名委員會成員，並獨立審閱本集團的策略方針、發展、業績及風險管理事宜。

B. THE BOARD (Cont'd)

1. RESPONSIBILITIES OF THE BOARD (Cont'd)

All Directors had been updated and briefed relevant changes in legal and regulatory matters to ensure that they had a proper understanding of the operations and business of the Group and that they were fully aware of their responsibilities under applicable laws and regulations.

2. DELEGATION OF MANAGEMENT FUNCTION

The Board is responsible for making all major decisions of the Company, including approving and monitoring all major policies, overall strategies and budgets, internal control, risk management framework, significant financial and operational matters as well as nomination of directors. The day-to-day management and operation of the Company are delegated to the management team of the Company under the supervision of the Executive Directors. The Executive Directors normally meet on an informal basis and participate in senior management meetings on a regular basis to keep abreast of the latest operations and performance of the Group and to monitor and ensure the management carrying out all directions and strategies set by the Board appropriately.

3. COMPOSITION OF THE BOARD

Profiles of current Directors are set out on pages 12 to 14 of this annual report and are available on the website of the Company. The list of Directors during the 2020 Financial Year was as follows:

Executive Directors

Mr. WAN Wai Loi (*Chairman and Chief Executive Officer*)

Mr. Masaru OKUTOMI (*Vice Chairman*)
(*appointed with effect from 1 July 2019*)

Mr. TOU Kit Vai (*Chief Financial Officer*)

Mr. Toshiya ISHII

Non-executive Director

Mr. CHOI Kin Chung (*resigned on 12 June 2019*)

Mr. LAU Yiu Tong (*re-designated as Non-executive Director*
with effect from 1 June 2019)

Independent Non-executive Directors

Dr. CHAN Yue Kwong, Michael

Mr. NG Ching Wah

Mr. SZE Kwok Wing, Nigel

There is no financial, business, family or other material relationships among the Directors. The list of Directors and their roles and functions are published on the websites of the Stock Exchange and the Company respectively.

B. 董事局(續)

1. 董事局的責任(續)

每名董事皆獲得最新有關法例和監管事項的變動簡要提示，以確保彼等清楚了解本集團之營運及業務，且充分明了彼等於適用法律及法規下之責任。

2. 委派管理職能

董事局負責本公司的所有重大決策，包括批准及監督所有重大政策、整體策略及預算、內部監控、風險管理框架、重大財務及營運事宜以及提名董事。本公司的日常管理及營運委派本公司管理團隊處理並受執行董事監督。執行董事一般定期舉行非正式會議，並定期參與高級管理層之會議，以便掌握本集團近期之營運及表現，且監察及確保管理層恰當地執行董事局制定之所有指示及策略。

3. 董事局之組成

有關各現任董事的簡介載於本年報第12頁至第14頁及載於本公司網站。2020年財政年度的董事局名單如下：

執行董事

尹惠來先生(*主席兼行政總裁*)

奧富勝先生(*副主席*)
(*自2019年7月1日獲委任*)

杜結威先生(*首席財務總監*)

石井俊哉先生

非執行董事

蔡建中先生(*於2019年6月12日辭任*)

劉耀棠先生(*自2019年6月1日起調任*
為非執行董事)

獨立非執行董事

陳裕光博士

伍清華先生

施國榮先生

董事之間概無存有有關財務、業務、家屬或其他重大關係。董事名單與其職責和職能已刊載於聯交所及本公司網站。

B. THE BOARD (Cont'd)

3. COMPOSITION OF THE BOARD (Cont'd)

The composition of the Board is well-balanced with the Directors having sales and marketing experience and technical knowledge in textiles business, administrative and managerial experience in PRC factories and financial and accounting skill. Taking into account the nature and scope of business operations and development of the Group, such balance of skills, experience and diversity of perspectives is appropriate for effective decision making. The Board considers that the Non-executive Director and each of the INEDs bring their own relevant expertise to the Board.

As permitted under the Articles, the Company has arranged Directors and Officers Liability Insurance in respect of any legal actions which may be taken against Directors and management in execution and discharge of their duties or in relation thereto.

4. APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

The Board is empowered under the Articles to appoint any person as a Director either to fill a casual vacancy or as an additional member of the Board. Suitable candidates who are experienced and competent and able to fulfil fiduciary duties and duties of skill, care and diligence would be recommended to the Board.

If a Shareholder wishes to propose a person for election as a Director at the AGM, the Shareholder can deposit a written notice to that effect at the registered office of the Company for the attention of the Company Secretary. Procedures for shareholders to propose a person for election as a director are published on the website of the Company.

Each of the Executive Directors was appointed for an initial term of two years and each service agreement is renewable thereafter until terminated by either party by giving to the other party at least six months' prior notice in writing.

Each of the Independent Non-executive Directors and Non-executive Directors had been appointed for a term of two years and are renewable thereafter.

B. 董事局(續)

3. 董事局之組成(續)

董事局之均衡組成，有賴董事具備有關紡織業務之銷售及市場推廣經驗及技術知識、中國工廠之行政及管理經驗，以及財務及會計技能。鑑於本集團之業務營運與發展性質及規模，此等技能、經驗與觀點多元化的平衡對其決策效率而言實屬合適。董事局認為非執行董事及各獨立非執行董事均能將其本身之專業知識帶入董事局。

於章程細則允許下，本公司已為董事和管理層就履行其職責或相關事宜時可能承擔之法律行動安排董事和管理人員責任保險。

4. 董事委任、重選及罷免

董事局依照章程細則有權委任任何人士出任董事以補替臨時空缺或作為董事局新增成員。具豐富經驗及才能，有能力履行受託職責，有技能、謹慎及勤勉之合適候選人士將獲推薦予董事局。

若股東擬在股東週年大會上提名人士競選董事，彼可向本公司註冊辦事處遞交書面通知，抬頭註明公司秘書收。股東提名人士競選董事之程序已刊載於本公司網站。

各執行董事之委任初步為期兩年，其後各服務協議可予續期，直至其中一方向另一方發出不少於六個月事先書面通知終止協議為止。

各獨立非執行董事及非執行董事獲委任之任期為兩年，其後可予續期。

B. THE BOARD (Cont'd)

4. APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS (Cont'd)

All Directors are subject to retirement by rotation and are eligible for re-election pursuant to the Articles. Pursuant to the Articles, any Director appointed by the Board either to fill a casual vacancy or as an addition to the Board shall hold office only until the next following AGM and then be eligible for re-election at that AGM. In addition, at every AGM, one-third of the Directors, including the chairman, shall be subject to retirement by rotation and re-election by Shareholders at least once every three years. The Directors appointed by the Board who are subject to retirement and re-election as mentioned above shall be taken into account in calculating the total number of Directors for the time being but shall not be taken into account in calculating the number of Directors who are to retire by rotation. All Directors eligible for re-election shall have their biographical details made available to Shareholders to enable them to make an informed decision on their re-election.

Any appointment, resignation, removal or re-designation of Director shall be timely disclosed to Shareholders by announcement. Any reasons for resignation given by the Director shall also be included in such announcement.

5. INDUCTION AND CONTINUING DEVELOPMENT FOR DIRECTORS

Every newly appointed Director had been provided with comprehensive and tailored induction of business operation of the Group, including a site visit of our factory in China on the first occasion of his appointment.

All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company from time to time updates the Directors on the latest development on the Listing Rules and other applicable regulatory requirements to ensure their contribution to the Board remains informed and relevant.

B. 董事局(續)

4. 董事委任、重選及罷免(續)

根據章程細則，全體董事須輪值退任並符合資格膺選連任。根據章程細則，董事局委任之任何董事（不論為填補臨時空缺或屬董事局新增成員）均僅留任至下屆股東週年大會為止，屆時將合資格於股東週年大會上膺選連任。此外，於每屆股東週年大會上，三分之一之董事（包括主席）均須至少每三年一次輪值退任及由股東重選。於計算當時董事總數時，將會計入按上文所述由董事局委任而須退任及膺選連任之董事，惟於計算將輪值退任董事人數時則不予計算。所有符合資格膺選連任之董事均須向股東披露個人履歷，以便股東於重選時作出知情決定。

任何董事委任、辭任、罷免或調任事宜均須以公告形式及時向股東披露。董事所提供任何辭任之理由亦須在該公告中註明。

5. 董事之入職介紹及持續發展

每名新委任董事均會獲得有關本集團業務營運的詳盡而有針對性的介紹，包括首次獲委任為董事時實地考察本集團於中國的廠房。

本公司鼓勵所有董事參與持續專業發展並更新其知識及技能。本公司不時向董事提供上市規則及其他適用監管規定的最新修訂，以確保其繼續在具備全面資訊及切合所需的情況下對董事局作出貢獻。

B. THE BOARD (Cont'd)

5. INDUCTION AND CONTINUING DEVELOPMENT FOR DIRECTORS (Cont'd)

According to the training records provided by the Directors, a summary of which during the 2020 Financial Year is as follows:

B. 董事局(續)

5. 董事之入職介紹及持續發展(續)

根據董事所提供的培訓記錄，於2020年財政年度期間的培訓記錄概要如下：

		Topics on training covered 培訓所涵蓋的主題		
		Corporate governance 企業管治	Listing Rules and regulatory updates 上市規則及法規更新	Risk and financial management 風險及財務管理
Executive Directors	執行董事			
Mr. WAN Wai Loi	尹惠來先生	B	B	B
Mr. Masaru OKUTOMI (appointed with effect from 1 July 2019)	奧富勝先生 (自2019年7月1日獲委任)	A, B	A, B	B
Mr. TOU Kit Vai	杜結威先生	B	B	B
Mr. Toshiya ISHII	石井俊哉先生	B	B	B
Non-executive Directors	非執行董事			
Mr. CHOI Kin Chung (resigned on 12 June 2019)	蔡建中先生 (於2019年6月12日辭任)	-	-	-
Mr. LAU Yiu Tong (re-designated as Non-executive Director with effect from 1 June 2019)	劉耀棠先生 (自2019年6月1日起調任為 非執行董事)	B	B	B
Independent Non-executive Directors	獨立非執行董事			
Dr. CHAN Yue Kwong, Michael	陳裕光博士	A, B	A, B	B
Mr. NG Ching Wah	伍清華先生	B	B	B
Mr. SZE Kwok Wing, Nigel	施國榮先生	B	B	B
Type of trainings		培訓類別		
A. Attending briefings, seminars, webinar or training courses		A. 參加簡介會、座談會、網絡研討會 或培訓課程		
B. Reading materials		B. 閱讀資料		

B. THE BOARD (Cont'd)

6. THE BOARD MEETINGS AND GENERAL MEETINGS

NUMBER OF MEETINGS

The Board met at least 4 times per year and additional meetings are convened when deemed necessary by the Board. The schedule of regular meetings for the whole year had been informed to each Director. The attendance record of the Directors is set out on page 40 of this annual report.

During the 2020 Financial Year, the Board held 6 meetings to approve interim and final results announcements, interim report and annual report, to consider dividend policy, to discuss significant issues and general operation of the Company.

The Company held the AGM on 8 August 2019. All proposed Shareholders' resolutions put forwarded were resolved by poll and were duly passed. The poll result of each resolution was set out in the Company's announcement released on the even date.

PRACTICE AND CONDUCT OF MEETINGS

Notice of Board meeting will be served to all Directors at least 14 days before the meeting. Notices and agenda of the Board meeting are prepared by the Company Secretary as delegated by the chairman. All Directors are given the opportunity to include any matters which they believe to be appropriate in the agenda of the Board meetings.

Agenda and relevant information of Board meeting with adequate background information and supporting analysis are made available to the Directors at least 3 days before the intended date of the Board meeting. All Directors are given separate and independent access to the Company's senior management for further information and enquiries. The Company Secretary and relevant senior management members attend all the meetings of the Board and Board committees to advise on corporate governance, statutory compliance and financial matters.

Any material matters that would have conflict of interest between the Directors or substantial Shareholders and the Company will be dealt with in the Board meeting. Pursuant to the Articles, a Director is not entitled to vote on (nor is counted in the quorum) any resolution of the Board in respect of any contract or arrangement or any other proposal whatsoever in which he or any of his associates (including any person who would be deemed to be an "associate" of the Directors under the Listing Rules) has any material interest except in certain special circumstances. The chairman of the Board meeting is required to ensure that each Director is aware of such requirement at the commencement of each Board meeting and declaration of interest is properly made in the Board meeting where conflicts of interest arise.

B. 董事局(續)

6. 董事局會議及股東大會

會議次數

董事局每年召開會議不少於4次，並於董事局認為需要時增開會議。全年定期會議時間表已通知各董事。董事出席會議記錄載於本年報第40頁。

於2020年財政年度期間，董事局舉行6次會議以批准中期與全年業績公告、中期報告與年報、商討派息政策、討論本公司重要事項及一般運作。

本公司已於2019年8月8日舉行一次股東週年大會。所有獲提呈之建議股東決議案已按投票表決方式議決並獲正式通過。各項決議案之表決結果載於本公司於同日刊發之公告。

會議常規及程序

召開董事局會議通告將會於會議舉行前不少於14天送呈全體董事。召開董事局會議通告及議程由主席委派公司秘書負責編製。全體董事皆有機會提出任何彼等認為合適商討之事項並將其列入董事局會議議程。

董事局會議議程及相關附有充足的背景資料及論據分析的資料會在擬召開的董事局會議日期前最少3天送呈各董事查閱。所有董事可各自單獨接觸本公司高級管理人員索取進一步的資訊與查詢。公司秘書與相關的高級管理層成員參與所有董事局會議及董事局轄下各委員會會議，就企業管治、遵守法則和財務事宜方面提供意見。

任何重要事項中存有董事或主要股東和本公司有利益衝突時，將在董事局會議上處理。根據章程細則規定，除若干特殊情況外，董事無權就彼或彼任何聯繫人(包括上市規則項下被視為董事「聯繫人」之任何人士)擁有任何重大權益之任何合約或安排或任何其他建議，就董事局決議案投票(或就此計入法定人數)。董事局會議的主席須於每次董事局會議舉行時確保每名董事均知悉有關規定，並於出現利益衝突時妥為向董事局申報其權益。

B. THE BOARD (Cont'd)

6. THE BOARD MEETINGS AND GENERAL MEETINGS (Cont'd)

PRACTICE AND CONDUCT OF MEETINGS (Cont'd)

Directors have access to advice and services of the Company Secretary and key officers of the Company in relation to the Board procedures. Draft minutes of the Board or Board committee meetings recorded in sufficient details, the matters considered by the participants of those meetings and decisions reached are forwarded to the participants for comments within a reasonable time after the meetings and final versions of minutes of Board or Board committee meetings are kept by the Company Secretary, which are open for inspection by any Directors at any reasonable time on reasonable notice.

Board members are provided with complete, adequate and timely information to allow the Directors to fulfil their duties properly. Directors may seek independent professional advice at the Company's expenses with the approval of the Board, if necessary.

ATTENDANCE OF MEETINGS

The attendance records of each Director at the meetings of the Board, the Audit Committee, Remuneration Committee, Nomination Committee and AGM during the 2020 Financial Year are set out as follows:

		Meetings attended/Meetings held 出席會議次數/舉行會議次數				
		Board 董事局	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	AGM 股東週年大會
Executive Directors	執行董事					
Mr. WAN Wai Loi (Chairman and Chief Executive Officer)	尹惠來先生 (主席兼行政總裁)	6/6	N/A不適用	3/3	2/2	1/1
Mr. Masaru OKUTOMI (Vice Chairman) (appointed with effect from 1 July 2019)	奧富勝先生(副主席)(自2019年7月1日獲委任)	4/4	N/A不適用	N/A不適用	1/1	1/1
Mr. TOU Kit Vai (Chief Financial Officer)	杜結威先生(首席財務總監)	6/6	N/A不適用	N/A不適用	N/A不適用	1/1
Mr. Toshiya ISHII	石井俊哉先生	6/6	N/A不適用	N/A不適用	N/A不適用	1/1
Non-executive Directors	非執行董事					
Mr. CHOI Kin Chung (resigned on 12 June 2019)	蔡建中先生 (於2019年6月12日辭任)	0/1	N/A不適用	N/A不適用	N/A不適用	N/A不適用
Mr. LAU Yiu Tong (re-designated as Non-executive Director with effect from 1 June 2019)	劉耀棠先生 (自2019年6月1日起調任為非執行董事)	6/6	N/A不適用	1/1	1/1	1/1
INEDs	獨立非執行董事					
Dr. CHAN Yue Kwong, Michael	陳裕光博士	6/6	4/4	3/3	2/2	0/1
Mr. NG Ching Wah	伍清華先生	6/6	3/4	3/3	2/2	1/1
Mr. SZE Kwok Wing, Nigel	施國榮先生	5/6	4/4	3/3	2/2	0/1

B. 董事局(續)

6. 董事局會議及股東大會(續)

會議常規及程序(續)

董事有權要求本公司公司秘書和主要職員提供有關董事局程序的意見和服務。董事局或其轄下委員會會議草稿詳細記錄該等會議參與者所考慮的事項及達致的決定，並於會議後的合理時間內送呈會議草稿予議會者表達意見。董事局或其轄下委員會會議記錄最後定稿由公司秘書存檔。任何董事於合理時間內，發出合理通知後可查閱有關文件。

董事局向其成員提供完整、適當、及時之資料，以使董事能夠恰當地履行其職責。董事如有需要時，於得到董事局批准後，可尋求獨立專業意見，費用由本公司支付。

出席會議情況

各董事於2020年財政年度期間出席董事局、審核委員會、薪酬委員會、提名委員會會議及股東週年大會之記錄載列如下：

B. THE BOARD (Cont'd)

7. INEDS

The Board at all times met the requirements of the Listing Rules relating to the appointment of at least 3 INEDs with at least one INED possessing appropriate professional qualifications, or accounting or related financial management expertise throughout the 2020 Financial Year.

As at 31 March 2020, the Board comprised eight members with three INEDs. The number of INEDs met the minimum requirement prescribed under Rule 3.10A of the Listing Rules.

C. CHAIRMAN AND CHIEF EXECUTIVES

The Chairman of the Board provides leadership for the Board and is responsible for chairing the meetings, managing the operations of the Board and ensuring that all matters submitted for discussion are discussed by the Board in a timely and orderly manner. The Chief Executive Officer is responsible for leading the management team and overseeing the operations for the Group.

The Chairman and Chief Executive Officer of the Company are Mr. Wan Wai Loi, hence the Company did not comply with the code provision A.2.1 of the CG Code which requires that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

For the previous years, Mr. Wan has provided the Company with strong and consistent leadership and facilitated the implementation of the Group's business strategies in an efficient manner. The Company will nevertheless review the structure from time to time in light of the prevailing circumstance.

With the support of the Company Secretary, the Chairman ensures that all Directors were properly briefed on the issues arising at the Board meetings and provided with adequate information in a timely manner.

The Company received an annual written confirmation from each of the INEDs of their independence pursuant to Rule 3.13 of the Listing Rules and considered them to be independence of the management and free of any relationship that could materially interfere with the exercise of their independent judgements.

B. 董事局(續)

7. 獨立非執行董事

董事局於2020年財政年度期間所有時間均符合上市規則之規定，委任最少三名獨立非執行董事，而其中最少一名獨立非執行董事具備適當專業資格，或會計或有關財務管理之專業知識。

於2020年3月31日，董事局由八名成員組成，包括三名獨立非執行董事。獨立非執行董事人數符合上市規則第3.10A條規定之最低要求。

C. 主席及最高行政人員

董事局主席領導董事局及負責主持會議、管理董事局之運作及確保董事局及時有序地討論已提呈的所有待商討事宜。行政總裁負責領導管理團隊及監督本集團的營運。

本公司主席及行政總裁均由尹惠來先生擔任，故本公司未能遵守企業管治守則守則條文第A.2.1條(該條文規定主席與最高行政人員的職能須分立且不應由同一人擔任)。

於過往年度，尹先生為本公司提供強大一致的領導，有利於有效實施本集團的業務策略。然而，本公司仍會因應當時情況不時審視此架構。

在公司秘書協助下，主席確保於董事局會議上所有董事均適當知悉當前的事項，並適時獲得充足資料。

本公司已接獲各獨立非執行董事根據上市規則第3.13條之規定發出之年度獨立性書面確認函，並認同獨立非執行董事乃獨立於管理層，且並無任何足以嚴重干預彼等進行獨立判斷之關係。

D. BOARD COMMITTEES

The Board has established three main Board Committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee, each chaired by different INED, to assist the Board in overseeing particular aspects of the Company's affairs. Board Committees report to the Board of their decisions and recommendations at the Board meetings.

The terms of reference (as revised) setting out the principles, procedures and arrangements of the Audit Committee, the Remuneration Committee and the Nomination Committee have been reviewed by the Board with reference to the CG Code and are published on the websites of the Stock Exchange and the Company respectively.

The Board Committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances at the Company's expenses.

AUDIT COMMITTEE

The Audit Committee was established on 27 April 2007 with written terms of reference in compliance with the CG Code. The primary duties of the Audit Committee are reviewing, overseeing and supervising the effectiveness of the Group's financial reporting process, risk management and internal control systems.

The members of the Audit Committee are Mr. Sze Kwok Wing, Nigel, Mr. Ng Ching Wah and Dr. Chan Yue Kwong, Michael. All of them are INEDs. Mr. Sze Kwok Wing, Nigel, a Fellow of CPA Australia, is the chairman of the Audit Committee.

The Audit Committee has reviewed the audited annual consolidated financial information of the Group for the 2020 Financial Year and the accounting principles and practices adopted by the Group with the management in conjunction with the auditor. The Annual Report for the 2020 Financial Year has been reviewed by the Audit Committee.

The Audit Committee held 4 meetings during 2020 Financial Year. The major work performed by the Audit Committee in respect of the 2020 Financial Year included approving the terms of engagement (including the remuneration) of the external auditor; reviewing the unaudited interim financial information and interim results announcement for the six months ended 30 September 2019; reviewing the audited annual consolidated financial information and final results announcement for the 2020 Financial Year; reviewing the work of the Group's internal audit department; assessing the effectiveness of the Group's systems of risk management and internal control and reviewing the effectiveness of the whistleblowing policy and the incidents reported through such channel. The attendance of the Directors for the Audit Committee meetings is set out in the table on page 40 of this annual report.

D. 董事局委員會

董事局已成立三個主要董事局委員會，即審核委員會、薪酬委員會及提名委員會，分別由不同獨立非執行董事出任主席，以協助董事局監督本公司事務之各項特定範疇。董事局委員會於董事局會議向董事局匯報其決定和建議。

審核委員會、薪酬委員會及提名委員會之原則、程序及安排之職權範圍（經修訂）已由董事局經參照企業管治守則審閱，並已刊載於聯交所及本公司網站。

董事局委員會獲提供充足資源以履行其職責，並於提出合理要求後，可於適當情況下尋求獨立專業意見，費用概由本公司承擔。

審核委員會

審核委員會於2007年4月27日成立，其書面職權範圍與企業管治守則相符。審核委員會之主要職責為檢討、管理及監督本集團之財務匯報程序、風險管理及內部監控系統的成效。

審核委員會之成員為施國榮先生、伍清華先生及陳裕光博士。彼等均為獨立非執行董事。施國榮先生，澳洲註冊會計師公會資深會員，為審核委員會主席。

審核委員會已和管理層聯同核數師審閱本集團2020年財政年度之經審核年度綜合財務資料及本集團所採納之會計原則及常規。2020年財政年度之年報已由審核委員會審閱。

審核委員會於2020年財政年度期間舉行了4次會議。審核委員會於2020年財政年度已履行之主要職務包括批准外聘核數師之聘任條款（包括酬金）、審閱截至2019年9月30日止六個月之未經審核中期財務資料及中期業績公告、審閱2020年財政年度經審核全年綜合財務資料及全年業績公告、審閱本集團內部審計部之工作、評估本集團之風險管理系統與內部監控系統之成效及審閱檢舉政策之成效與透過此渠道檢舉之事件。董事出席審核委員會會議記錄載於本年報第40頁之表內。

D. BOARD COMMITTEES (Cont'd)

AUDIT COMMITTEE (Cont'd)

The Audit Committee has reviewed the scope and results of the audit and its cost effectiveness and the independence and objectivity of the Company's external auditor.

The fees in respect of audit and non-audit services provided by the Company's external auditor during the years under review (and the previous year) are as follows:

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Audit Services	審核服務	2,906	2,852
Non-audit Services	非審核服務		
– Tax consultation services	– 稅務顧問服務	79	96

The Audit Committee has undertaken a review of all non-audit services provided by the Company's external auditor and concluded that such services did not affect the independence of the external auditor.

The Audit Committee recommended the Board about re-appointment of PricewaterhouseCoopers as the Company's external auditor for the ensuing year and the related resolutions shall be put forth in the forthcoming AGM.

NOMINATION COMMITTEE

The Nomination Committee was established on 27 April 2007 with written terms of reference in compliance with the CG Code. The primary duties of the Nomination Committee are to make recommendations to the Board on appointment of Directors with due regard to diversity of the Board and management of the Board succession.

The majority members of the Nomination Committee are INEDs. As at the date of the report, the members of the Nomination Committee are Mr. Ng Ching Wah; Dr. Chan Yue Kwong, Michael, Mr. Sze Kwok Wing, Nigel, Mr. Wan Wai Loi and Mr. Masaru Okutomi. Mr. Ng Ching Wah, an INED, is the chairman of the Nomination Committee.

D. 董事局委員會(續)

審核委員會(續)

審核委員會已檢討審核之範疇、結果及成本效益，以及本公司外聘核數師的獨立性和客觀性。

於回顧年度(及去年)，本公司外聘核數師所提供的審核及非審核服務之費用如下：

審核委員會已檢討本公司外聘核數師所提供之全部非審核服務，認為該等服務並不影響外聘核數師之獨立性。

審核委員會向董事局建議重新聘任羅兵咸永道會計師事務所為本公司下年度之外聘核數師，並建議於應屆股東週年大會提呈有關決議。

提名委員會

提名委員會於2007年4月27日成立，其書面職權範圍與企業管治守則相符。提名委員會之主要職責為就委任董事，適當考慮董事局多元化及董事局繼任之管理向董事局提供建議。

提名委員會之大部份成員均為獨立非執行董事。於本報告日期，提名委員會之成員為伍清華先生、陳裕光博士、施國榮先生、尹惠來先生及奧富勝先生。獨立非執行董事伍清華先生為提名委員會主席。

D. BOARD COMMITTEES (Cont'd)

NOMINATION COMMITTEE (Cont'd)

The Nomination Committee met twice during the 2020 Financial Year and reviewed the implementation of the board diversity policy ("the Policy"). The Policy sets out the approach to achieve diversity on the Board. In reviewing and assessing the Board composition, the Nomination Committee will consider a number of factors, including but not limited to educational background, professional qualifications, skills, industry experience, age, gender and ethnic origin, subject to the actual situation of the Company and relevant provisions under the applicable laws. Restrictions like age, gender and ethnic origin will not be set when short-listing the candidates. The major work performed by the Nomination Committee in respect of the 2020 Financial Year included assessing the independence of the INEDs and making recommendations in line with the Policy on re-election of the Directors of the Company to be subject to rotation requirements at the forthcoming AGM (including the new director(s) appointed by the Board who is subject to re-election requirement under rule 114 of the Articles. The attendance of the Directors for the Nomination Committee meeting is set out in the table on page 40 of this annual report.

REMUNERATION COMMITTEE

The Remuneration Committee was established on 27 April 2007 with written terms of reference in compliance with the CG Code. The primary duties of the Remuneration Committee are to review and determine the terms of remuneration packages, bonuses and other compensation payable to Directors and senior management of the Group with reference to the nature of their works, complexity of their responsibilities and performances and to make recommendations to the Board. No director is allowed to take part in any discussion about his own remuneration.

The majority members of the Remuneration Committee are INEDs. As at the date of report, the members of the Remuneration Committee are Dr. Chan Yue Kwong, Michael; Mr. Sze Kwok Wing, Nigel, Mr. Ng Ching Wah, Mr. Wan Wai Loi and Mr. Masaru Okutomi. Dr. Chan Yue Kwong, Michael, an INED, is the chairman of the Remuneration Committee.

The Remuneration Committee met three times during the 2020 Financial Year. The major work performed by the Remuneration Committee for the 2020 Financial Year included reviewing the remunerations of the Directors and senior management with reference to the remuneration levels of directors and senior management of comparable listed companies. The attendance of the Directors for the Remuneration Committee meeting is set out in the table on page 40 of this annual report.

Details of the remunerations of the Directors disclosed pursuant to Section 161 of Hong Kong Companies Ordinance and Appendix 16 of the Listing Rules are set out in note 35 to the consolidated financial statements. Executive Directors' remunerations shall from time to time be determined by the Remuneration Committee with reference to the Directors' duties and responsibilities.

D. 董事局委員會(續)

提名委員會(續)

提名委員會於2020年財政年度期間舉行了2次會議並檢討了董事局多元性政策(「該政策」)的實施情況。該政策訂定方向以實現董事局多元性。在檢討及評估董事局的組成時，提名委員會將作多方面考慮，包括但不限於教育背景、專業資格、技能、行業經驗、年齡、性別及種族，以及基於本公司之實際情況及根據適用法律之有關係文。篩選候選人名單時，將不會設置如年齡、性別和種族的規限。提名委員會於2020年財政年度已履行之主要職務包括評估獨立非執行董事之獨立性，以及於應屆股東週年大會上根據輪值規定重選本公司董事(包括獲董事局委任須遵守章程細則第114條項下之重選規定之新董事)連任之事宜依據該政策作出建議。董事出席提名委員會會議記錄載於本年報第40頁之表內。

薪酬委員會

薪酬委員會於2007年4月27日成立，其書面職權範圍與企業管治守則相符。薪酬委員會之主要職責為參照本集團董事及高級管理人員之工作性質、職責的複雜性和表現，審閱及釐定付予彼等之薪酬組合條款、花紅及其他應付酬金，並就此向董事局提出建議。任何董事不可參與討論其個人薪酬。

薪酬委員會之大部份成員均為獨立非執行董事。於本報告日期，薪酬委員會之成員為陳裕光博士、施國榮先生、伍清華先生、尹惠來先生及奧富勝先生。獨立非執行董事陳裕光博士為薪酬委員會主席。

薪酬委員會於2020年財政年度期間舉行了3次會議。薪酬委員會於2020年財政年度已履行之主要職務包括參照可比較上市公司之董事及高級管理人員薪酬水平以審閱董事及高級管理人員酬金。董事出席薪酬委員會會議記錄載於本年報第40頁之表內。

依照香港公司條例第161條及上市規則附錄十六而披露之董事酬金資料詳列於綜合財務報表附註35。執行董事酬金則由薪酬委員會參照董事之職責及責任釐定。

E. CORPORATE GOVERNANCE FUNCTIONS

The Board should be responsible for performing corporate governance duties as follows:

- (a) to develop and review the Company's policies and practices on corporate governance and make recommendations;
- (b) to review and monitor the training and continuous professional development of Directors and senior management;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (e) to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

F. COMPANY SECRETARY

Ms. Chan Sau Yee was appointed as Company Secretary on 23 November 2017 being a full-time employee of the Company to report directly to the Board. The Directors have access to the advice and services of the Company Secretary to ensure the Board procedures, and all applicable law, rules and regulations, are followed. During the 2020 Financial Year, the Company Secretary complied with Rule 3.29 of the Listing Rules by taking no less than 15 hours of relevant professional training.

G. DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the standard of Model Code as set out in Appendix 10 to the Listing Rules as its code of conduct regarding securities transactions by the Directors. Having made specific enquiries of all Directors, all current Directors confirmed that they had complied with the required standard set out in such Code throughout the 2020 Financial Year.

E. 企業管治功能

董事局應負責履行如下企業管治職責：

- (a) 制定及檢討本公司的企業管治政策及常規並提出建議；
- (b) 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- (c) 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- (d) 制定、檢討及監察僱員及董事適用的操守準則及合規手冊（如有）；及
- (e) 檢討本公司遵守企業管治守則的情況及在企業管治報告內的披露。

F. 公司秘書

陳秀儀女士於2017年11月23日獲委任為公司秘書，為本公司之全職僱員，其直接向董事局匯報。董事可獲取公司秘書之意見及服務以確保遵從董事局程序及所有適用法例、規則及規例。於2020年財政年度，公司秘書透過參加不少於15小時的有關專業培訓遵守上市規則第3.29條。

G. 董事的證券交易

本公司已採納上市規則附錄十所載的標準守則的準則，作為其內部有關董事所進行證券交易的行為守則。在向全體董事作出特定查詢後，全體現任董事已確認，彼等於2020年財政年度內已遵守標準守則所載準則。

H. DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The Board acknowledged its responsibility for preparing the Company's financial statements for 2020 Financial Year which gave a true and fair view of financial position of the Group and in accordance with statutory requirements and applicable accounting standards. The Company's interim report and annual report were prepared and published in accordance with statutory requirements and Hong Kong Financial Reporting Standards in a timely manner required under the Listing Rules. Directors were provided with adequate information to enable them to make an informed assessment of financial and other information on matters for their approval. Furthermore, Directors were provided with monthly updates on the Group's performance to enable them to discharge their duties.

The statement of the external auditor of the Company regarding its reporting responsibility to Shareholders on the consolidated financial statements of the Group is set out in the Independent Auditor's Report on pages 49 to 54 of this annual report.

I. RISK MANAGEMENT AND INTERNAL CONTROL

The Group has established risk management and internal control systems to safeguard shareholders' investment and assets of the Group. The Board acknowledges its responsibility for the risk management and internal control systems of the Group. From time to time and at least annually, the Board, through the Audit Committee, reviews the effectiveness of the risk management and internal control systems of the Group in order to ensure that they meet with the ever-changing business environment as well as the requirements under the Listing Rules. To enhance the objectiveness and credibility of the review, an independent consultancy firm has been engaged to periodically conduct the appraisal of the adequacy and effectiveness of the Group's risk management and internal control system.

During the year ended 31 March 2020, the Board, assisted by the Audit Committee, assessed the effectiveness of the risk management and internal control system of the Group by reviewing the investigation results of management report and internal audits, and considered that the risk management and internal control system of the Group for the year ended 31 March 2020 was effective and adequate.

The Group has in place the sound and effective internal controls to safeguard shareholders' investment and assets of the Group. The Company has from time to time reviewed effectiveness of internal control systems and adopts corresponding measures. Certain management committees were set up to set policies and monitor potential internal control weakness in order to ensure that they meet with the dynamic and ever-changing business environment.

H. 董事的財務報告責任

董事局知悉其有編製本公司2020年財政年度財務報表的責任且賬目須真實而公平地反映本集團的財政狀況，並根據法定規定與適用會計準則編製。本公司中期報告及年報乃根據上市規則要求按法定規定及香港財務報告準則而適時編製與刊發。董事獲提供適當資料，以便彼等就批准的事項作出財務和其他資料的知情決定。此外，董事每月獲提供本集團的表現之更新資料，以使彼等履行其職責。

本公司外聘核數師就其對本集團綜合財務報表向股東承擔之申報責任作出之聲明載於本年報第49頁至第54頁之獨立核數師報告。

I. 風險管理及內部監控

本集團已設立風險管理及內部監控系統，以保障股東的投資和本集團的資產。董事局知悉其負責本集團風險管理及內部監控系統。董事局不時（至少每年一次）透過審核委員會檢討本集團風險管理及內部監控系統之有效性，以確保系統能應付瞬息萬變之商業環境以及符合上市規則規定。為加強檢討之客觀性及可信度，本集團已委聘一家獨立顧問公司對本集團風險管理及內部監控系統之充足性及有效性定期進行評估。

於截至2020年3月31日止年度，董事局在審核委員會的協助下，透過檢討管理層報告及內部審計之調查結果，評估本集團風險管理及內部監控系統之有效性，並認為截至2020年3月31日止年度，本集團風險管理及內部監控系統屬有效及充足。

本集團已設立穩健及有效的內部監控，以保障股東的投資和本集團的資產。本公司不時檢討內部監控系統之有效性並採納相應措施。本公司亦已成立若干管理委員會以制訂政策及監察潛在內部監控問題，以確保系統能應付瞬息萬變之商業環境。

I. RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

During the 2020 Financial Year, the Board has reviewed effectiveness of the Group's internal control systems, including financial, operational and compliance controls and risk management functions, adequacy of resources, training programmes, budget, qualifications and experience of staff of the Company's accounting and financial reporting function, through the Internal Audit Department, the Audit Committee and with assistance of an international independent risk consulting firm.

The Company has established a whistleblowing policy and system which enables employees to raise concern, in confidence, about the possible improprieties in any matter relating to the Company, reported case will be assessed with due care, with top management oversight and for valid compliant, appropriate action will be taken to address the concern.

J. COMMUNICATION WITH SHAREHOLDERS

The Board recognises the importance of continuing communications with Shareholders and strives to ensure timeliness, completeness and accuracy of information disclosure to Shareholders and to protect the interests of Shareholders.

The Board has established a shareholders' communication policy and reviews it on a regular basis to ensure its effectiveness. As a channel to further promote effective communication, the Group maintains a website allowing Shareholders to access updates on the Company's particulars where the Company's announcements, financial information, shareholders' communication policy and other information are posted.

The Board maintains an on-going dialogue with Shareholders through general meeting of the Company to communicate with Shareholders. The chairman of the Board, the representative of each committee and the external auditor attend the general meeting to answer any questions from Shareholders. A separate resolution shall be proposed at general meeting on each substantially separate issue. A Shareholder is permitted to appoint any number of proxies to attend and vote in his stead.

To promote effective communication, the Company maintains a website, www.pacific-textiles.com, where information and updates on the Company's business developments and operations, financial information, corporate governance practices and other information are available for public access.

I. 風險管理及內部監控(續)

於2020年財政年度內，董事局透過內部審計部、審核委員會，以及在國際獨立風險顧問公司的協助下，檢討本集團內部監控系統之有效性，包括財務監控、運作監控及合規監控以及風險管理功能，本公司會計及財務匯報職能方面的資源運用、培訓課程、預算、員工的資歷及經驗。

本公司訂有檢舉政策及系統，可讓僱員就與本公司有關之任何事宜之可能不當行為以保密方式提出關注，所報告個案將在最高管理層監督下獲審慎評估，並將就獲證實投訴採取適當行動以解決有關關注。

J. 與股東溝通

董事局明了與股東維持溝通的重要性，並致力確保能適時向股東披露完整準確的資料及保障股東的利益。

董事局已制定股東通訊政策，並定期檢討以確保其成效。本集團已設立網站，以作為增進有效溝通之渠道，讓股東查閱本公司最新資料，而本公司之公告、財務資料、股東通訊政策及其他資料皆於網站刊登。

董事局通過本公司股東大會作為與股東溝通的橋樑，與股東保持持續對話。董事局主席、各委員會代表及外部核數師均出席股東大會，回答股東之任何提問。本公司須就各項實質上個別事項於股東大會上個別提呈決議案。股東可委派任何數目之代表出席大會及代其投票。

本公司設立網站www.pacific-textiles.com以增進有效溝通。公眾可於該網站查閱有關本公司業務發展及營運之資料及更新情況、財務資料、公司管治常規及其他資料。

K. SHAREHOLDERS' RIGHTS

PROCEDURES FOR CONVENING AN EXTRAORDINARY GENERAL MEETING

Any two or more shareholders or any one shareholder which is a recognised clearing house (or its nominee(s)), holding not less than one-tenth of the paid-up capital of the Company may, in accordance with requirements and procedures set out in the Articles of the Company, make a written requisition to the Board to convene an extraordinary general meeting of the Company and put forward proposals at the meeting. The objects of the meeting must be stated in the written requisition which must be signed by the requisitioner(s) and deposited at the Company's principal place of business in Hong Kong.

There are no provisions allowing Shareholders to put forward new resolutions at general meetings under Cayman Islands law or the Articles of the Company. Shareholders who wish to put forward a resolution may request the Company to convene an extraordinary general meeting in accordance with procedures set out above.

NOTICE OF GENERAL MEETINGS

Notice of all general meetings shall be sent to Shareholders in accordance with the Articles and the requirements of Listing Rules. Notice for AGM and all other general meetings shall be sent at least 20 clear business days and 10 clear business days prior to the meeting respectively.

VOTING BY POLL

At any general meetings, the chairman may exercise his power under the Articles to put each resolution set out in the notice to be voted by way of poll, explain detailed procedures for conducting a poll and answer any questions from Shareholders on voting by poll. The results of the poll, if any, will be published on the websites of the Stock Exchange and the Company respectively.

PROCEDURES FOR RAISING ENQUIRIES

Shareholders should direct their questions about their shareholdings to the Company's Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited (Address: 17M/F., Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong and Telephone: (852) 2862 8555).

Shareholders who have any questions for the Board may send written enquiries together with their detailed contact information, such as postal address or e-mail address, by post to the Company's principal place of business in Hong Kong or by e-mail to ir@pacific-textiles.com.

The Board also encourages Shareholders to attend general meetings to make enquiries directly.

L. CONSTITUTIONAL DOCUMENTS

The Articles is published on the website of the Stock Exchange and the Company respectively. During the 2020 Financial Year, there was no change to the Articles of the Company.

K. 股東權利

召開股東特別大會之程序

根據本公司章程細則列明之規定及程序，任何兩名或以上持有本公司不少於十分之一繳足股本之股東或任何一名（為一間認可結算所（或其代名人））持有本公司不少於十分之一繳足股本之股東，可向董事局書面要求召開本公司股東特別大會，並於會上提呈議案。召開會議之目的必須列明於有關書面要求內，並由提出該請求之人士簽署及送達本公司之香港主要營業地點。

開曼群島法例或本公司章程細則並未規定股東可在股東大會上提呈新決議案。有意提呈決議案之股東可按上述程序要求本公司召開股東特別大會。

股東大會通告

所有股東大會之通告將根據章程細則及上市規則之規定寄發予股東。股東週年大會通告及所有其他股東大會通告須分別在大會舉行前不少於足20個營業日及不少於足10個營業日寄發。

以投票方式表決

於任何股東大會上，主席可行使章程細則賦予之權力，就通告內之各項決議案提呈以投票方式進行表決、解釋以投票方式進行表決之詳細程序以及回答股東有關以投票方式進行表決的任何提問。投票方式表決的結果（如有）將於聯交所及本公司網站登載。

提出查詢之程序

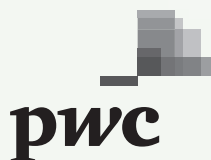
股東如對其名下持有之股份有任何疑問，應向本公司股份過戶登記處香港分處香港中央證券登記有限公司（地址：香港灣仔皇后大道東183號合和中心17M樓；電話：(852) 2862 8555）提出。

股東如欲向董事局提出任何查詢，可將書面查詢連同其詳細聯絡資料（如郵寄地址或電郵地址）郵寄至本公司之香港主要營業地點，或電郵至 ir@pacific-textiles.com。

董事局亦鼓勵股東出席股東大會，直接提出查詢。

L. 憲章文件

章程細則已刊發於聯交所及本公司網站。於2020年財政年度內，本公司的章程細則並無任何變動。



羅兵咸永道

TO THE SHAREHOLDERS OF PACIFIC TEXTILES HOLDINGS LIMITED

(incorporated in Cayman Islands with limited liability)

OPINION

What we have audited

The consolidated financial statements of Pacific Textiles Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 55 to 149, which comprise:

- the consolidated balance sheet as at 31 March 2020;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

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

Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

致互太紡織控股有限公司股東

(於開曼群島註冊成立之有限公司)

意見

我們已審計的內容

互太紡織控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第55至149頁的綜合財務報表，包括：

- 於2020年3月31日的綜合資產負債表；
- 截至該日止年度的綜合損益表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的香港財務報告準則真實而中肯地反映了貴集團於2020年3月31日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露規定妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的香港審計準則進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的意見提供基礎。

獨立性

根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他道德責任。

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. We considered "Revenue recognition" as a key audit matter that was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。我們認為「收入確認」乃關鍵審計事項，是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不對該事項提供單獨的意見。

Key Audit Matter**關鍵審計事項****How our audit addressed the Key Audit Matter****我們的審計如何處理關鍵審計事項****Revenue Recognition****收入確認**

Refer to note 2.21 for the Group's accounting policies on revenue recognition and note 5 for the analysis of revenue from sales of goods for the year ended 31 March 2020.

有關 貴集團採用的對收入確認的會計政策，請參閱附註2.21。有關截至2020年3月31日止年度銷售貨品所得收入的分析，請參閱附註5。

Revenue from sales of goods for the year ended 31 March 2020 amounted to HK\$5,476,196,000. The Group has operations in several geographical locations, and derives revenue from sales to multiple customers.

截至2020年3月31日止年度銷售貨品所得收入為5,476,196,000港元。貴集團於多個地區經營業務，並從多個客戶銷售取得收入。

Revenue is recognised when the control of the products has transferred, being when the products are delivered to the customers, the customers have full discretion over the price to sell the products and there is no unfulfilled obligation that could affect the customers' acceptance of the products. Delivery occurs when the products have been shipped to the specified location and the risks of obsolescence and loss have been transferred to the customers.

當產品的控制權轉移至客戶（即交付產品予客戶時），而客戶對銷售產品的價格擁有絕對酌情權，且並無可能影響客戶接納產品的未履約義務時，貴集團確認收入。當產品付運至指定地點，且陳舊及損失風險已轉移至客戶時，則落實交付。

We focused on this area due to the large volume of revenue transactions derived from sales to multiple customers in different geographical locations such that we have incurred significant time and resources in carrying out our work in this area.

我們關注該領域是因為源自在不同地區向多個客戶銷售的收入交易量大，故我們為進行於該領域的工作花費了大量時間及資源。

We understood, evaluated and tested management's key internal controls that are present in the Group's sales process from end-to-end.

我們已了解、評估及驗證管理層對 貴集團銷售過程中的關鍵內部監控。

We tested samples of sales transactions against sales orders, shipping documents, invoices and other supporting documents. To the extent that those sales have been settled, we also reviewed bank remittance advices and/or bank statements in support of the payments made by the customers.

我們已針對銷售訂單、裝運單據、發票及其他支持性文件對銷售交易作出抽樣測試。倘該等銷售已結算，我們亦會審閱支持客戶付款的銀行匯款通知書及／或銀行賬單。

Furthermore, we tested sales transactions that took place shortly before and after the balance sheet date to assess whether sales transactions were recognised in the correct reporting periods.

此外，我們已測試於緊接資產負債表日期前後發生的銷售交易，以評估銷售交易是否於正確的報告期間確認。

Our work also included testing of a sample of revenue-related journal entries by inquiring management of their nature and inspecting the relevant supporting documents.

我們的工作還包括通過詢問管理層日誌性質及查閱相關支持性文件對收入相關日誌的樣本進行測試。

We found that the Groups' sales transactions being tested were recognised in a manner consistent with the Group's accounting policy for revenue recognition.

我們認為 貴集團被測試的銷售交易已按與 貴集團的收入確認會計政策一致的方式確認。

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

其他信息

董事須對其他信息負責。其他信息包括年報內的所有信息，綜合財務報表及我們對此發表的核數師報告除外。

我們對綜合財務報表的意見並不涵蓋其他信息，我們不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀前述定義的其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為本其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部監控負責。

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會須負責監督貴集團的財務報告過程。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響使用者依賴該等綜合財務報表所作出的經濟決定，則有關的錯誤陳述被視作重大。

在根據香港審計準則進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部監控，以設計適當的審計程序，但目的並非對貴集團內部監控的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

核數師就審計綜合財務報表承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則須在核數師報告中提請注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於截至核數師報告日期止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責集團審計的方向、監督和執行。我們對審計意見承擔全部責任。

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出的內部監控的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Leung Po Wah, Pauline.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 18 June 2020

核數師就審計綜合財務報表承擔的責任(續)

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是梁寶華。

羅兵咸永道會計師事務所

執業會計師

香港，2020年6月18日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 March 2020

綜合損益表

截至2020年3月31日止年度

		Note 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Revenue	收入	5	5,476,196	6,119,081
Cost of sales	銷售成本	24	(4,551,618)	(5,058,180)
Gross profit	毛利		924,578	1,060,901
Other income and other (losses)/gains – net	其他收入及其他(虧損)/收益 – 淨額	23	146,741	183,223
Reversal of/(impairment loss) on trade receivables	應收賬款撥回/(減值虧損)		2,172	(2,722)
Distribution and selling expenses	分銷及銷售開支	24	(63,985)	(65,864)
General and administrative expenses	一般及行政開支	24	(189,919)	(191,996)
Operating profit	經營溢利		819,587	983,542
Finance income	財務收入	26	25,435	11,673
Finance costs	財務成本	26	(11,435)	(14,166)
Share of profits of associates	分佔聯營公司之溢利	10	37,340	34,738
Profit before income tax	所得稅前溢利		870,927	1,015,787
Income tax expense	所得稅開支	27	(102,998)	(145,528)
Profit for the year	年度溢利		767,929	870,259
Profit attributable to:	下列人士應佔溢利：			
Equity holders of the Company	本公司權益持有人		743,489	861,780
Non-controlling interests	非控制性權益		24,440	8,479
			767,929	870,259
Earnings per share attributable to equity holders of the Company for the year (expressed in HK\$ per share)	年內本公司權益持有人 應佔每股盈利 (以每股港元列示)			
– basic	– 基本	28	0.51	0.60
– diluted	– 攤薄	28	0.51	0.60

The accompanying notes are an integral part of these consolidated financial statements.

隨附之附註乃此等綜合財務報表不可或缺之部分。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2020

綜合全面收益表

截至2020年3月31日止年度

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Profit for the year	年度溢利	767,929	870,259
Other comprehensive income: <i>Items that have been or may be reclassified to profit or loss:</i>	其他全面收入： <i>已或可能重新分類至損益的項目：</i>		
Currency translation differences	外幣換算差額	(162,317)	(212,734)
Total comprehensive income for the year	年度全面收入總額	605,612	657,525
Attributable to:	下列人士應佔：		
Equity holders of the Company	本公司權益持有人	584,508	650,781
Non-controlling interests	非控制性權益	21,104	6,744
		605,612	657,525

The accompanying notes are an integral part of these consolidated financial statements.

隨附之附註乃此等綜合財務報表不可或缺之部分。

CONSOLIDATED BALANCE SHEET

As at 31 March 2020

綜合資產負債表

於2020年3月31日

			2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
		Note 附註		
ASSETS	資產			
Non-current assets	非流動資產			
Land use rights	土地使用權	6	-	115,321
Property, plant and equipment	物業、廠房及設備	7	1,410,037	1,520,210
Right-of-use assets	使用權資產	8	110,815	-
Interests in associates	於聯營公司之權益	10	323,487	320,572
Financial assets at fair value through other comprehensive income	按公允值計入其他全面收入的金融資產	11	853	853
Deferred income tax assets	遞延所得稅資產	20	19,579	15,843
Deposits for land use rights and prepayment for property, plant and equipment	土地使用權按金和物業、廠房及設備的預付款項	14	47,586	28,497
			1,912,357	2,001,296
Current assets	流動資產			
Inventories	存貨	12	1,133,792	947,353
Trade and bills receivables	應收賬款及票據	13	741,994	735,882
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	14	66,701	63,676
Amounts due from associates	應收聯營公司款項	10	29,542	52,799
Derivative financial instruments	衍生金融工具	15	-	8,339
Short-term bank deposits	短期銀行存款	16	161,645	-
Cash and cash equivalents	現金及現金等值項目	16	767,143	720,892
			2,900,817	2,528,941
Total assets	資產總值		4,813,174	4,530,237
EQUITY	權益			
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益			
Share capital	股本	17	1,435	1,446
Share premium	股份溢價	17	1,398,998	1,453,188
Treasury shares	庫存股份	17	(88,037)	-
Reserves	儲備	18	1,673,528	1,824,977
			2,985,924	3,279,611
Non-controlling interests	非控制性權益		11,132	(9,972)
Total equity	權益總額		2,997,056	3,269,639

CONSOLIDATED BALANCE SHEET (Cont'd)

As at 31 March 2020

綜合資產負債表(續)

於2020年3月31日

	Note	2020	2019
	附註	2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
LIABILITIES			
Non-current liabilities			
Borrowings	19	125,049	146,225
Lease liabilities	8	373	–
Deferred income tax liabilities	20	50,989	39,889
Other non-current provision	22	26,305	22,934
		202,716	209,048
Current liabilities			
Borrowings	19	737,190	300,000
Trade and bills payables	21	645,691	568,485
Accruals and other payables	22	183,862	160,636
Lease liabilities	8	771	–
Derivative financial instruments	15	6,994	225
Current income tax liabilities		38,894	22,204
		1,613,402	1,051,550
Total liabilities		1,816,118	1,260,598
Total equity and liabilities		4,813,174	4,530,237

The accompanying notes are an integral part of these consolidated financial statements.

隨附之附註乃此等綜合財務報表不可或缺之部分。

The consolidated financial statements were approved by the Board of Directors on 18 June 2020 and were signed on its behalf:

董事局已於2020年6月18日批准綜合財務報表並代表董事局簽署：

Wan Wai Loi
尹惠來
Director
董事

Tou Kit Vai
杜結威
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2020

綜合權益變動表

截至2020年3月31日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔權益					Non-controlling interests 非控制性權益	Total 總額
		Share capital 股本 HK\$'000 千港元 (Note 17) (附註17)	Share premium 股份溢價 HK\$'000 千港元 (Note 17) (附註17)	Treasury shares 庫存股份 HK\$'000 千港元 (Note 17) (附註17)	Reserves 儲備 HK\$'000 千港元 (Note 18) (附註18)	Sub-total 小計 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Balance at 1 April 2018	於2018年4月1日之結餘	1,446	1,453,188	-	1,902,944	3,357,578	(16,716)	3,340,862
Comprehensive income:	全面收入：							
Profit for the year	年度溢利	-	-	-	861,780	861,780	8,479	870,259
Other comprehensive income:	其他全面收入：							
Currency translation differences	外幣換算差額	-	-	-	(210,999)	(210,999)	(1,735)	(212,734)
Total other comprehensive income, net of tax	其他全面收入總額，扣除稅項	-	-	-	(210,999)	(210,999)	(1,735)	(212,734)
Total comprehensive income	全面收入總額	-	-	-	650,781	650,781	6,744	657,525
Transactions with owners:	與擁有人交易：							
Share-based compensation	以股份為基礎之酬金	-	-	-	1,696	1,696	-	1,696
Dividends	股息	-	-	-	(730,444)	(730,444)	-	(730,444)
Total transactions with owners	與擁有人交易總額	-	-	-	(728,748)	(728,748)	-	(728,748)
Balance at 31 March 2019	於2019年3月31日之結餘	1,446	1,453,188	-	1,824,977	3,279,611	(9,972)	3,269,639
Balance at 1 April 2019	於2019年4月1日之結餘	1,446	1,453,188	-	1,824,977	3,279,611	(9,972)	3,269,639
Comprehensive income:	全面收入：							
Profit for the year	期內溢利	-	-	-	743,489	743,489	24,440	767,929
Other comprehensive income:	其他全面收入：							
Currency translation differences	外幣換算差額	-	-	-	(158,981)	(158,981)	(3,336)	(162,317)
Total other comprehensive income, net of tax	其他全面收入總額，扣除稅項	-	-	-	(158,981)	(158,981)	(3,336)	(162,317)
Total comprehensive income	全面收入總額	-	-	-	584,508	584,508	21,104	605,612
Transactions with owners:	與擁有人交易：							
Repurchase and cancellation of shares	購回及註銷股份	(11)	(54,190)	(88,037)	-	(142,238)	-	(142,238)
Share-based compensation	以股份為基礎之酬金	-	-	-	1,174	1,174	-	1,174
Dividends	股息	-	-	-	(737,131)	(737,131)	-	(737,131)
Total transactions with owners	與擁有人交易總額	(11)	(54,190)	(88,037)	(735,957)	(878,195)	-	(878,195)
Balance at 31 March 2020	於2020年3月31日之結餘	1,435	1,398,998	(88,037)	1,673,528	2,985,924	11,132	2,997,056

The accompanying notes are an integral part of these consolidated financial statements.

隨附之附註乃此等綜合財務報表不可或缺之部分。

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2020

綜合現金流量表

截至2020年3月31日止年度

	Note	2020	2019
	附註	2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Cash flow from operating activities			
Cash generated from operations	30(a)	948,683	1,221,163
Interest paid		(10,137)	(8,010)
Hong Kong profits tax paid		(48,233)	(45,149)
PRC and overseas tax paid		(45,566)	(85,100)
PRC tax refunded		17,811	–
		862,558	1,082,904
Cash flow from investing activities			
Purchases of property, plant and equipment		(179,034)	(210,346)
Increase in deposits for land use rights		(7,673)	(9,278)
Proceeds from disposals of property, plant and equipment	30(b)	2,518	14,462
Dividends received from associates	10(a)	26,217	21,683
Placement of short-term bank deposits	16	(161,645)	–
Release of short-term bank deposits	16	–	43,875
Interest income received		12,090	11,615
		(307,527)	(127,989)
Cash flow from financing activities			
Repayment of bank borrowings		(523,261)	(513,264)
Repayment of loan to non-controlling interest		(19,493)	–
New bank borrowings		966,105	500,000
Payment of lease liabilities		(944)	–
Dividends paid		(737,131)	(730,444)
Repurchase of shares		(142,238)	–
		(456,962)	(743,708)
Net increase in cash and cash equivalents		98,069	211,207
Cash and cash equivalents at 1 April		720,892	622,826
Currency translation differences		(51,818)	(113,141)
Cash and cash equivalents at 31 March	16	767,143	720,892

The accompanying notes are an integral part of these consolidated financial statements.

隨附之附註乃此等綜合財務報表不可或缺之部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Pacific Textiles Holdings Limited (the "Company") and its subsidiaries (together, the "Group") are principally engaged in manufacturing and trading of textile products. Its production bases are located in the People's Republic of China (the "PRC") and Vietnam.

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is P.O. Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands.

The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in Hong Kong Dollars ("HK\$"), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 18 June 2020.

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The consolidated financial statements have been prepared under the historical cost basis, except for financial assets at fair value through other comprehensive income and derivative financial instruments which were measured at fair value.

綜合財務報表附註

1 一般資料

互太紡織控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）主要從事紡織產品之製造及貿易。其生產基地位於中華人民共和國（「中國」）及越南。

本公司是於開曼群島註冊成立之有限公司。其註冊地址為P.O. Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands。

本公司股份於香港聯合交易所有限公司主板上市。

除另有說明外，此等綜合財務報表以港元（「港元」）呈報。此等綜合財務報表於2020年6月18日經董事局批准刊發。

2 編製基準與主要會計政策概要

編製此等綜合財務報表所採納之編製基準與主要會計政策載於下文。除另有說明外，此等政策已於所有呈報年度貫徹應用。

2.1 編製基準

本集團綜合財務報表乃按照香港會計師公會（「香港會計師公會」）頒佈的所有適用香港財務報告準則（「香港財務報告準則」）編製。綜合財務報表乃根據歷史成本基準編製，惟按公允值計入其他全面收入的金融資產及衍生金融工具乃按公允值計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.1 Basis of preparation (Cont'd)

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

(a) *New standards, amendments to standards and interpretation to existing standards adopted by the Group*

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 April 2019:

Amendments to Annual Improvements Project	Annual improvements 2015-2017 cycle
Amendments to HKFRS 9	Prepayment features with negative compensation
Amendments to HKAS 19	Plan amendment, curtailment or settlement
Amendments to HKAS 28	Long-term interests in associates and joint ventures
HKFRS 16	Leases
HK(IFRIC)-Int 23	Uncertainty over income tax treatments

The Group changed its accounting policies for leases with effect from 1 April 2019 following the adoption of HKFRS 16 "Leases" ("HKFRS 16") as disclosed in Note 2.2 below. All other amendments to standards and interpretation listed above do not have significant effect on the Group's accounting policies.

綜合財務報表附註(續)

2 編製基準與主要會計政策概要(續)

2.1 編製基準(續)

編製財務報表乃符合香港財務報告準則所規定使用的若干主要會計估計。此亦要求管理層在運用本集團會計政策時行使其判斷。有關於綜合財務報表中涉及高度判斷或複雜程度的範疇，或有重要假設及估計的範疇披露於附註4。

(a) 本集團已採納之新訂準則、準則修訂及現行準則之詮釋

本集團於2019年4月1日開始之年度報告期間首次應用以下準則及修訂：

年度改進項目(修訂本)	2015年至2017年週期之年度改進
香港財務報告準則第9號(修訂本)	具負債補償之預付特徵
香港會計準則第19號(修訂本)	計劃修訂、縮減或結清
香港會計準則第28號(修訂本)	於聯營公司及合營企業之長期權益
香港財務報告準則第16號	租賃
香港(國際財務報告詮釋委員會)一	有關所得稅處理之不確定性
詮釋第23號	

誠如下文附註2.2所披露，本集團因採納香港財務報告準則第16號「租賃」(「香港財務報告準則第16號」)而更改其有關租賃之會計政策，由2019年4月1日起生效。上文所列所有其他準則修訂本及詮釋對本集團之會計政策概無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2 編製基準與主要會計政策概要(續)

2.1 Basis of preparation (Cont'd)

2.1 編製基準(續)

(b) *New standards and amendments to standards that have been issued but are not effective*

(b) *已頒佈但未生效之新訂準則及準則修訂*

The following new and amended standards and interpretations have been issued but are not effective for the financial year beginning on 1 April 2019 and have not been early adopted by the Group:

下列為已頒佈之新訂及經修訂準則以及詮釋，但並未於2019年4月1日開始之財政年度生效且本集團並未提早採納：

		Effective for annual periods beginning on or after			於以下日期 或之後開始 之年度 期間生效
Amendments to HKFRS 3	Definition of a business	1 April 2020	香港財務報告準則第3號(修訂本)	業務之定義	2020年4月1日
Conceptual Framework for Financial Reporting 2018	Revised conceptual framework for financial reporting	1 April 2020	2018年財務報告概念框架	經修訂財務報告概念框架	2020年4月1日
Amendments to HKAS 1 and HKAS 8	Definition of Material	1 April 2020	香港會計準則第1號及香港會計準則第8號(修訂本)	重大之定義	2020年4月1日
Amendments to HKAS 39, HKFRS 7 and HKFRS 9	Hedge accounting	1 April 2020	香港會計準則第39號、香港財務報告準則第7號及香港財務報告準則第9號(修訂本)	對沖會計	2020年4月1日
HKFRS 17	Insurance contracts	1 April 2021	香港財務報告準則第17號	保險合約	2021年4月1日
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture	Note	香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合營企業之間的資產出售或出繳	附註

Note: To be announced by HKICPA

附註：有待香港會計師公會公佈

None of the above new standards and amendments to standards is expected to have a material impact on the consolidated financial statements of the Group in the current or future reporting periods and on foreseeable future transactions.

上述新準則或對準則之修訂預期將不會對本集團於當前或未來申報期間的綜合財務報表以及可見將來交易造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**2.2 Changes in accounting policies**

The following explains the impact of the adoption of HKFRS 16 on the Group's consolidated financial statements. As indicated in Note 2.1 above, the Group has adopted HKFRS 16 from 1 April 2019, but has not restated comparatives as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 April 2019. The new accounting policies are disclosed in Note 2.24.

On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of HKAS 17 "Leases". These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 April 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 April 2019 was 3.92%.

(i) Practical expedients applied

In applying HKFRS 16 for the first time, the Group has used the following recognition exemptions and practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- relying on previous assessments on whether leases are onerous
- accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases
- exempting operating leases for which the underlying assets are of low value
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying HKAS 17 and HK(IFRIC) -4 "Determining whether an Arrangement contains a Lease".

綜合財務報表附註(續)

2 編製基準與主要會計政策概要(續)**2.2 會計政策變動**

下文解釋採納香港財務報告準則第16號對本集團綜合財務報表之影響。誠如上文附註2.1所示，本集團自2019年4月1日起採納香港財務報告準則第16號，惟根據該準則之具體過渡性條文所許可，並不會重列比較資料。因此，新租賃規則產生之重新分類及調整於2019年4月1日之年初資產負債表確認。新會計政策於附註2.24披露。

於採納香港財務報告準則第16號時，本集團就以往根據香港會計準則第17號「租賃」之原則分類為「經營租賃」之租賃確認租賃負債。該等負債按餘下租賃付款之現值計量，並採用2019年4月1日承租人之遞增借款利率貼現。於2019年4月1日適用於該等租賃負債之加權平均承租人遞增借款利率為3.92%。

(i) 所採用之實際權宜措施

於初次應用香港財務報告準則第16號時，本集團已採用以下準則所允許之確認豁免及實際權宜措施：

- 對特徵合理地相似之租賃組合使用單一貼現率
- 對於租賃是否繁重依賴過往評估
- 將於2019年4月1日餘下租賃期少於12個月之經營租賃入賬列作短期租賃
- 豁免相關資產屬低價值之經營租賃
- 於初次應用日期計量使用權資產時撇除初始直接成本，及
- 倘合約含有延長或終止租賃之選擇權，在釐定租賃期時採用事後確認法。

本集團亦已選擇不會於初次應用日期重新評估合約是否租賃或是否包含租賃。相反，對於過渡日期前訂立之合約，本集團依賴應用香港會計準則第17號及香港(國際財務報告詮釋委員會)一第4號「釐定安排是否包含租賃」作出之評估。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2 編製基準與主要會計政策概要(續)

2.2 Changes in accounting policies (Cont'd)

2.2 會計政策變動(續)

(ii) Measurement of lease liabilities

(ii) 計量租賃負債

		HK\$'000 千港元
Operating lease commitments disclosed as at 31 March 2019	於2019年3月31日披露之 經營租賃承擔	1,442
Discounted using the lessee's incremental borrowing rate at the date of initial application	採用承租人於初次應用日期之 遞增借款利率貼現	1,292
Lease liability recognized as at 1 April 2019	於2019年4月1日已確認之 租賃負債	1,292
Of which are:	其中：	
– Current lease liabilities	– 流動租賃負債	662
– Non-current lease liabilities	– 非流動租賃負債	630
		1,292

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2 編製基準與主要會計政策概要(續)

2.2 Changes in accounting policies (Cont'd)

2.2 會計政策變動(續)

(iii) Measurement of right-of-use assets

(iii) 計量使用權資產

The associated right-of-use assets for property leases were measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet as at 31 March 2019. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application. Right-of-use assets recognised upon the date of initial application were measured at the amount equal to the lease liabilities.

物業租賃之相關使用權資產乃按相等於租賃負債之金額計量，並就與於2019年3月31日於資產負債表確認之租賃有關之任何預付或應計租賃付款金額作出調整。於初次應用日期，概無繁重租賃合約而須對使用權資產作出調整。於初次應用日期確認之使用權資產乃按相當於租賃負債之金額計量。

Land use rights, previously presented as a separate item on the consolidated balance sheet, and leasehold land, previously included in property, plant and equipment, are grouped as part of right-of-use assets with effect from 1 April 2019.

過往於綜合資產負債表呈列為獨立項目之土地使用權及過往計入物業、廠房及設備之租賃土地由2019年4月1日起歸類為使用權資產之一部分。

The recognised right-of-use assets relate to the following types of assets:

已確認之使用權資產與以下類別資產有關：

		As at 31 March 2020 於2020年 3月31日 HK\$'000 千港元	As at 1 April 2019 於2019年 4月1日 HK\$'000 千港元
Office premises	辦公室物業	1,129	1,292
Leasehold land	租賃土地	2,632	2,728
Land use rights	土地使用權	107,054	115,321
		110,815	119,341

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2 編製基準與主要會計政策概要(續)

2.2 Changes in accounting policies (Cont'd)

2.2 會計政策變動(續)

(iv) Adjustments recognised on the adoption of HKFRS 16

(iv) 就採納香港財務報告準則第16號
確認之調整

Changes in accounting policies affected the following items in the consolidated balance sheet on 1 April 2019:

會計政策變動對於2019年4月1日
之綜合資產負債表中以下項目造成影響：

Consolidated balance sheet (extract)

綜合資產負債表(摘要)

		As at 31 March 2019 as originally presented 於2019年 3月31日 按原先呈列 HK\$'000 千港元	Effects of the adoption of HKFRS 16 採納香港 財務報告準則 第16號之影響 HK\$'000 千港元	As at 1 April 2019 Restated 於2019年 4月1日 經重列 HK\$'000 千港元
Non-current assets	非流動資產			
Land use rights	土地使用權	115,321	(115,321)	-
Property, plant and equipment	物業、廠房及設備	1,520,210	(2,728)	1,517,482
Right-of-use assets	使用權資產	-	119,341	119,341
Current liabilities	流動負債			
Lease liabilities	租賃負債	-	662	662
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	-	630	630

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3 Subsidiaries

2.3.1 Consolidation

Subsidiaries are entities (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

(a) Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the aggregate fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated statement of profit or loss.

綜合財務報表附註(續)

2 編製基準與主要會計政策概要(續)

2.3 附屬公司

2.3.1 綜合賬目

附屬公司指本集團對其具有控制權之實體(包括結構性實體)。當本集團因為參與該實體而承擔可變回報之風險或享有可變回報之權利,並有能力透過其對該實體之權力影響此等回報時,本集團即控制該實體。附屬公司自控制權轉移至本集團之日起綜合入賬。附屬公司自控制權終止之日起停止綜合入賬。

(a) 業務合併

本集團應用收購法為業務合併列賬。收購附屬公司之轉讓代價為向被收購方前擁有人轉讓之資產、產生之負債及本集團所發行股本權益之公允值總額。所轉讓代價包括或然代價安排產生之任何資產或負債之公允值。收購相關成本於產生時列為開支。在業務合併中所收購可識別之資產以及所承擔之負債及或有負債,首先以其於收購日期之公允值計量。本集團根據逐項收購基準按公允值或非控制性權益佔被收購方之可識別資產淨值之已確認金額之比例,確認任何於被收購方之非控制性權益。非控制性權益之所有其他組成部分按收購日期之公允值計量,惟香港財務報告準則規定按其他計量基準計量者除外。

所轉讓代價、被收購方之任何非控制性權益數額及任何先前於被收購方之權益在收購日期之公允值,超過購入可識別資產淨值之公允值之數額記錄為商譽。如所轉讓代價、確認之非控制性權益及先前持有之權益計量之總和低於購入附屬公司資產淨值之公允值(於議價購買之情況下),則將該差額直接在綜合損益表中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2 編製基準與主要會計政策概要(續)

2.3 Subsidiaries (Cont'd)

2.3 附屬公司(續)

2.3.1 Consolidation (Cont'd)

2.3.1 綜合賬目(續)

(a) Business combinations (Cont'd)

(a) 業務合併(續)

Intra-Group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

集團內公司之間之交易、結餘及交易之未變現收益予以對銷。未變現虧損亦予以對銷。附屬公司報告之數額已按需要作出改變，以確保與本集團會計政策相符。

(b) Changes in ownership interests in subsidiaries without change in control

(b) 不涉及控制權變動之於附屬公司擁有權益變動

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

並無導致失去控制權之非控制性權益交易入賬列作權益交易—即與擁有人以彼等作為擁有人身份進行之交易。任何已付代價公允值與有關應佔所收購附屬公司資產淨值賬面值之間之差額均計入權益。出售非控制性權益之收益或虧損亦計入權益。

(c) Disposal of subsidiaries

(c) 出售附屬公司

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

倘本集團不再擁有控制權，於該實體之任何保留權益按其失去控制權當日之公允值重新計量，而賬面值變動則於損益內確認。就隨後入賬列作一間聯營公司、合營公司或金融資產之保留權益而言，此公允值即初步賬面值。此外，先前於其他全面收入內確認與該實體有關之任何金額按猶如本集團已直接出售有關資產或負債之方式入賬。這可能意味著先前在其他全面收入內確認之金額重新分類至損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**2.3 Subsidiaries (Cont'd)***2.3.2 Separate financial statements*

Interests in subsidiaries are accounted for at cost less impairment. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the company on the basis of dividends received and receivable.

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

2.4 Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Interests in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition and the investor's share of movements in other comprehensive income of the investee in other comprehensive income. The Group's interests in associates include goodwill identified on acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the aggregate fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the consolidated statement of profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its investments in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

綜合財務報表附註(續)

2 編製基準與主要會計政策概要(續)**2.3 附屬公司(續)***2.3.2 獨立財務報表*

於附屬公司之權益乃以成本減減值入賬。成本亦包括投資之直接應佔費用。附屬公司之業績由公司按已收及應收股息入賬。

當收到於附屬公司之投資之股息時，如股息超過附屬公司在宣派股息期間之總全面收入，或在獨立財務報表之投資賬面值超過被投資方資產淨值(包括商譽)在財務報表之賬面值時，必須對有關投資進行減值測試。

2.4 聯營公司

聯營公司是指本集團對其有重大影響力而無控制權之所有實體，通常附帶有20%至50%投票權之股權。於聯營公司權益以權益會計法入賬。根據權益法，投資初始以成本確認，賬面值可予增減，以確認投資公司於收購日期後應佔所投資公司之損益及投資者應佔所投資公司其他全面收入之其他全面收入變動。本集團於聯營公司之權益包括於收購時識別之商譽。在購買一間聯營公司之所有權權益時，購買成本與本集團享有之聯營公司可識別資產和負債之公允值總額之任何差額入賬列作商譽。

如於一間聯營公司之所有權權益被削減但仍保留重大影響力，僅按比例將之前在其他全面收入中確認之數額重新分類至損益(如適當)。

本集團應佔購買後利潤或虧損於綜合損益表內確認，而其應佔購買後之其他全面收入變動則於其他全面收入內確認，並相應調整投資賬面值。如本集團應佔一間聯營公司之虧損等於或超過其在該聯營公司之投資，包括任何其他無抵押應收款，本集團不會確認進一步虧損，除非本集團對聯營公司已產生法律或推定債務或已代聯營公司作出付款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2 編製基準與主要會計政策概要(續)

2.4 Associates (Cont'd)

The Group determines at each reporting date whether there is any objective evidence that the investments in associates are impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to "share of profit of an associate" in the consolidated statement of profit or loss.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. The financial information of associates has been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

Gain or losses on dilution of equity interest in associates are recognised in the consolidated statement of profit or loss.

2.5 Segment reporting

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

2.6 Foreign currency translation

(a) Functional and presentation currency

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

2.4 聯營公司(續)

本集團在每個報告日期釐定是否有客觀證據證明聯營公司投資已減值。如投資已減值，本集團計算減值，數額為聯營公司可收回數額與其賬面值之差額，並在綜合損益表中緊鄰「分佔一間聯營公司之溢利」確認有關數額。

本集團與其聯營公司之間之上下游交易產生之損益，以無關連投資公司於聯營公司之權益為限，在本集團之財務報表確認。除非交易提供證據顯示所轉讓資產減值，否則未變現虧損予以對銷。聯營公司之財務資料已按需要作出改變，以確保與本集團採用之會計政策一致。

於聯營公司之股權所產生之攤薄盈虧於綜合損益表確認。

2.5 分部呈報

報告經營分部之基準與向首席經營決策者所提供之內部報告所採用之基準貫徹一致。首席經營決策者負責分配資源和評估經營分部之表現，其為作出策略決定之執行董事全體。

2.6 外幣換算

(a) 功能及呈列貨幣

本集團各實體之財務報表所列項目，均以集團實體經營所在主要經濟環境之貨幣（「功能貨幣」）計量。綜合財務報表乃以本公司之功能貨幣及本集團之呈列貨幣港元呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**2.6 Foreign currency translation (Cont'd)***(b) Transactions and balances*

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statement of profit or loss within "finance income" or "finance costs". All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss within "other income and other gains/(losses) – net".

Changes in the fair value of monetary securities denominated in foreign currency classified as financial assets at fair value through other comprehensive income are analysed between translation differences resulting from changes in the amortised cost of the securities and other changes in the carrying amount of the securities. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as financial assets at fair value through other comprehensive income, are included in other comprehensive income.

綜合財務報表附註(續)

2 編製基準與主要會計政策概要(續)**2.6 外幣換算(續)***(b) 交易及結餘*

外幣交易按交易或項目重新計量日之匯率換算為功能貨幣。結算該等交易及按年結日之匯率換算以外幣列值之貨幣資產及負債所產生外匯盈虧均於綜合損益表確認。

借貸、現金及現金等值項目有關之匯兌盈虧在綜合損益表內之「財務收入」或「財務成本」中列報。所有其他匯兌盈虧於綜合損益表「其他收入及其他收益／(虧損)－淨額」中呈列。

分類為按公允值計入其他全面收入的金融資產之外幣列值貨幣證券之公允值變動，分析為證券攤銷成本變動產生之換算差額及證券賬面值之其他變動。攤銷成本變動相關之換算差額乃於損益確認，而賬面值其他變動則於其他全面收入確認。

非貨幣金融資產及負債(例如按公允值計入損益之權益)之換算差額乃於損益中確認為公允值損益之一部分。分類為按公允值計入其他全面收入的金融資產之權益等非貨幣金融資產之換算差額於其他全面收入入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**2 編製基準與主要會計政策概要(續)****2.6 Foreign currency translation (Cont'd)***(c) Group companies*

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

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

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

2.7 Property, plant and equipment

Buildings comprise mainly factories and offices. All other property, plant and equipment other than construction in progress are stated at historical cost less depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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

2.6 外幣換算(續)*(c) 集團公司*

集團旗下所有實體(當中不持有嚴重通脹經濟之貨幣)之功能貨幣倘有別於呈列貨幣,則其業績及財務狀況須按以下方式換算為呈列貨幣:

- (i) 每份資產負債表內所呈列資產及負債按該結算日之收市匯率換算;
- (ii) 每份損益表所列收益及開支按平均匯率換算,除非此平均匯率不足以合理反映於交易日期適用匯率之累計影響,則在此情況下,收益及開支按交易日期之匯率換算;及
- (iii) 所有由此產生之匯兌差額均確認為其他全面收入。

收購海外實體時產生之商譽及公允值調整視為該海外實體之資產及負債處理,並按收市匯率換算。所產生匯兌差額均計入其他全面收入。

2.7 物業、廠房及設備

樓宇主要包括廠房及辦公室。所有其他物業、廠房及設備(在建工程除外)乃按歷史成本減折舊及減值虧損(如有)列賬。歷史成本包括收購項目直接產生之開支。成本亦可包括從權益中轉撥之有關利用外幣購買物業、廠房及設備之合資格現金流量套期產生之任何收益/虧損。

只有當與項目相關之日後經濟利益有可能流入本集團及能可靠地計算項目成本之情況下,往後成本方會計入資產之賬面值或確認為獨立資產(按適用情況)。替換部分之賬面值予以取消確認。所有其他維修及保養於其產生期間在綜合損益表支銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**2.7 Property, plant and equipment (Cont'd)**

Depreciation on other assets other than construction in progress are calculated using the straight-line method to allocate their costs (less estimated residual values, if any) over their estimated useful lives at the annual rates, as follows:

Buildings	4% – 5%
Plant and machinery	10% – 20%
Leasehold improvements	20% – 33% or shorter of the lease terms
Furniture and equipment	20% – 33%
Motor vehicles	20% – 25%
Computer software	10%

The assets' useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Construction in progress represents buildings, plant and machinery and leasehold improvements, furniture and equipment on which construction work has not been completed. It is carried at cost which includes construction expenditures and other direct costs less any impairment losses. On completion, construction in progress is transferred to the appropriate categories of property, plant and equipment at cost less accumulated impairment losses if any. No depreciation is provided for construction in progress until the asset is completed and available for use.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are recognised in the consolidated statement of profit or loss.

2.8 Impairment of non-financial assets

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

綜合財務報表附註(續)

2 編製基準與主要會計政策概要(續)**2.7 物業、廠房及設備(續)**

其他資產(在建工程除外)以直線法計算折舊,以根據年率按其估計可使用年期攤銷成本(減去估計剩餘價值(如有))如下:

樓宇	4% – 5%
廠房及機器	10% – 20%
租賃物業裝修	20% – 33%或 較短租期
傢具及設備	20% – 33%
汽車	20% – 25%
電腦軟件	10%

資產之可使用年期會於每個結算日檢討及(倘適用)作出調整。

倘資產之賬面值超過其估計可收回金額,則資產之賬面值將即時撇減至其可收回金額。

在建工程指建設工程尚未完成之樓宇、廠房及機器及租賃物業裝修、傢具及設備,乃按成本(包括工程開支及其他直接成本)減任何減值虧損列賬。完成時,在建工程會按成本減累計減值虧損(如有)轉撥至適當類別之物業、廠房及設備。在建工程於資產落成及可投入使用時方就折舊撥備。

出售盈虧按比較所得款項與賬面值釐定,並於綜合損益表中確認。

2.8 非金融資產之減值

倘事件或情況變動顯示賬面值或不可收回,須作攤銷之資產亦會作減值檢討。在資產賬面值高於可收回數額時須將差額確認為減值虧損。可收回數額即資產公允值減銷售成本與使用價值兩者當中之較高者。為評估減值,資產按獨立可識別現金流量之最低水平(現金產生單位)分類。商譽以外之非金融資產若出現減值,則須於各報告日期評估會否撥回減值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2 編製基準與主要會計政策概要(續)

2.9 Financial assets

2.9 金融資產

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

(i) 分類

本集團將其金融資產按以下計量類別分類：

- 隨後將按公允值計量(計入其他全面收入或計入損益)；及
- 將按攤銷成本計量。

該分類取決於實體管理金融資產及現金流量合約期之業務模式。

就按公允值計量的資產而言，其收益及虧損將於損益或其他全面收入列賬。就債務工具投資而言，將取決於持有投資的業務模式。就權益工具而言，將取決於本集團有否於初始確認時不可撤回地選擇將股本投資以按公允值計入其他全面收入之方式入賬。

本集團僅會於管理債務投資之業務模式改變時方將該等資產重新分類。

(ii) 確認及終止確認

常規購買及出售金融資產在交易日確認，交易日指本集團承諾購買或出售該資產之日。當從金融資產收取現金流量之權利已到期或已轉讓，而本集團已實質上將所有權之所有風險和報酬轉讓時，金融資產即終止確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.9 Financial assets (Cont'd)

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the consolidated statement of comprehensive income.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the consolidated statement of comprehensive income when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair value through other comprehensive income: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (OCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the consolidated statement of comprehensive income and recognised in 'other income and gains – net'. Interest income from these financial assets is included in finance income using the effective interest rate method.

綜合財務報表附註(續)

2 編製基準與主要會計政策概要(續)

2.9 金融資產(續)

(iii) 計量

初始確認時，本集團按金融資產的公允值加(倘並非按公允值計入損益的金融資產)直接歸屬於收購金融資產的交易成本計量該金融資產。按公允值計入損益的金融資產的交易成本於綜合全面收益表列作開支。

債務工具

債務工具之後續計量取決於本集團管理資產之業務模式及該資產之現金流量特徵。本集團將其債務工具分類為三種計量類別：

- 攤銷成本：持作收回合約現金流量之資產，倘該等現金流量僅指支付之本金及利息，則按攤銷成本計量。後續按攤銷成本計量且並非對沖關係一部份之債務投資的收益或虧損於資產終止確認或減值時於綜合全面收益表確認。該等金融資產的利息收入採用實際利率法計入財務收入。
- 按公允值計入其他全面收入：持作收回合約現金流量及出售金融資產之資產，倘該等資產現金流量僅指支付本金及利息，則按公允值計入其他全面收入(其他全面收入)計量。賬面值之變動乃計入其他全面收入，惟於損益確認之減值收益或虧損、利息收入及匯兌盈虧除外。金融資產終止確認時，先前於其他全面收入確認之累計收益或虧損由權益重新分類至綜合全面收益表並於「其他收入及收益—淨額」確認。該等金融資產的利息收入採用實際利率法計入財務收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2 編製基準與主要會計政策概要(續)

2.9 Financial assets (Cont'd)

2.9 金融資產(續)

(iii) Measurement (Cont'd)

(iii) 計量(續)

Debt instruments (Cont'd)

債務工具(續)

- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or financial assets at fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the consolidated statement of comprehensive income within "other income and gains – net" in the period in which it arises. Interest income from these financial assets is included in the "finance income".

- 按公允值計入損益：未達攤銷成本標準或未按公允值計入其他全面收入的資產按公允值計入損益計量。後續按公允值計入損益計量且並非對沖關係一部份的債務投資的收益或虧損於損益確認，並於產生期間在「其他收入及收益－淨額」內以淨值呈列。該等金融資產的利息收入計入「財務收入」。

Equity instruments

權益工具

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the consolidated statement of comprehensive income. Dividends from such investments continue to be recognised in the consolidated statement of comprehensive income as other income when the Group's right to receive payments is established.

本集團按公允值後續計量所有權益投資。倘本集團管理層選擇於其他全面收入列報權益投資之公允值收益及虧損，概無後續重新分類公允值收益及虧損至綜合全面收益表。當本集團有權收取股息付款時，該等投資之股息繼續於綜合全面收益表確認為其他收入。

Changes in the fair value of financial assets at fair value through profit or loss are recognised in "other gains/(losses), net" in the consolidated statement of comprehensive income as applicable.

按公允值計入損益之金融資產的公允值變動於綜合全面收益表的「其他收益／(虧損)，淨額」確認(如適用)。

(iv) Impairment

(iv) 減值

The Group assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and financial assets at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

本集團按前瞻性原則，對按攤銷成本列賬的金融資產及按公允值計入其他全面收入的金融資產相關的預期信貸虧損進行評估。所採用的減值方法取決於信貸風險是否大幅增加。

For trade and bills receivables and amounts due from associates, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

就應收賬款及票據以及應收聯營公司款項而言，本集團採用香港財務報告準則第9號允許的簡化方法，其中要求整個生命期的預期虧損須自初始確認應收款項時確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**2 編製基準與主要會計政策概要(續)****2.10 Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.11 Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Derivative instruments which do not qualify for hedge accounting are accounted for at fair value through profit or loss. Changes in the fair value of these derivative instruments are recognised immediately in the consolidated statement of profit or loss.

2.12 Inventories

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

2.13 Trade, bills and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade, bills and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.10 抵銷金融工具

當有法定可執行權力可抵銷已確認金額，並有意圖按淨額基準結算或同時變現資產和結算負債時，金融資產與負債可互相抵銷，並在資產負債表報告其淨額。該法定可強制執行權利不得依賴未來事項而定。在一般業務過程中以及倘本集團或對手方出現違約、無償債能力或破產時，也必須具有法律約束力。

2.11 衍生金融工具

衍生工具初始按於衍生工具合約訂立日之公允值確認，其後按其公允值重新計量。確認所產生之收益或虧損之方法取決於該衍生工具是否指定作套期工具，如指定為套期工具，則取決於其所套期項目之性質。

不符合採用對沖會計法入賬之衍生工具按公允值計入損益。該等衍生工具之公允值的變動，即時於綜合損益表中確認。

2.12 存貨

存貨以成本與可變現淨值之較低者列賬。成本以加權平均法釐定。製成品及在製品之成本包括原料、直接勞工、其他直接成本及相關生產間接費用(按正常營運能力計算)，而不包括借款成本。可變現淨值為日常業務過程中之估計售價減適用之變動銷售開支。

2.13 應收賬款、應收票據及其他應收款項

應收賬款為在日常營運活動中就貨品銷售或提供服務而應收客戶之款項。如應收賬款及其他應收款項之收回預期在一年或以內(如仍在正常經營週期中，則可較長時間)，則其被分類為流動資產；否則分類為非流動資產。

應收賬款、應收票據及其他應收款項初步按公允值確認，其後則按實際利率法以攤銷成本扣除減值撥備計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**2 編製基準與主要會計政策概要(續)****2.14 Cash and cash equivalents**

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand and deposits held at call with banks.

2.14 現金及現金等值項目

在綜合現金流量表中，現金及現金等值項目包括手持現金及活期銀行存款。

2.15 Share capital

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

2.15 股本

股份分類為權益。直接歸屬於發行新股或購股權之新增成本在權益中列為所得款之減少(扣除稅項)。

When any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to owners of the company until the shares are cancelled or reissued.

如任何集團公司購入本公司之權益股本(庫存股)，所支付之代價，包括任何直接所佔之新增成本(扣除所得稅)，自歸屬於本公司權益持有者之權益中扣除，直至股份被註銷或重新發行為止。

2.16 Trade, bills and other payables

Trade, bills and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade, bills and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

2.16 應付賬款、應付票據及其他應付款項

應付賬款、應付票據及其他應付款項為在日常營運活動中自供應商購買貨品或服務而應支付之義務。如應付賬款、應付票據及其他應付款項之支付日期為一年或以內(如仍在正常經營週期中，則可較長時間)，則其被分類為流動負債；否則分類為非流動負債。

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

應付賬款、應付票據及其他應付款項初步按公允值確認，其後以實際利率法按攤銷成本計量。

2.17 Borrowings

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

2.17 借貸

借貸初步按公允值扣除所產生之交易成本確認。借貸其後按攤銷成本列賬；所得款項(扣除交易成本)與贖回價值間任何差額乃以實際利率法按借款期於綜合損益表確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**2.17 Borrowings (Cont'd)**

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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

2.18 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

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

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

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

綜合財務報表附註(續)

2 編製基準與主要會計政策概要(續)**2.17 借貸(續)**

倘部分或全部融資很可能將被提取，則設立貸款融資時支付之費用確認為貸款之交易費用。在此情況下，費用遞延至貸款被提取為止。如沒有證據證明部分或全部融資很可能將被提取，則該費用資本化為流動資金服務之預付款，並於有關融資期間攤銷。

借貸分類為流動負債，惟本集團有無條件權利遞延償還負債日期至結算日後最少12個月者除外。

2.18 即期及遞延所得稅

期內之稅項支出包括即期和遞延稅項。除了在其他全面收入或直接在權益中確認之項目相關者外，稅項在綜合損益表中確認。在該情況下，稅項亦分別在其他全面收入或直接在權益中確認。

即期所得稅費用根據本公司附屬公司與聯營公司及合營公司營運及產生應課稅收入之國家於結算日已頒佈或實質頒佈之稅務法例計算。管理層就適用稅務法例詮釋所規限之情況定期評估納稅申報表之狀況，並在適當情況下根據預期須向稅務機關支付之稅款設定撥備。

遞延所得稅是以負債法就資產與負債之稅基與財務報表內之賬面值間之暫時差額確認。然而，倘遞延所得稅因初次確認一項交易(業務合併除外)之資產或負債而產生，而交易時並無對會計或應課稅溢利或虧損造成影響，則該等遞延所得稅不予計算。遞延所得稅乃按於結算日已經頒佈或實質頒佈，及預期在有關遞延所得稅資產變現或遞延所得稅負債清償時適用之稅率(及法例)釐定。

遞延所得稅資產僅於可能出現日後應課稅溢利抵銷暫時差額時方會確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2 編製基準與主要會計政策概要(續)

2.18 Current and deferred income tax (Cont'd)

Deferred income tax is provided on taxable temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only when there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference in the foreseeable future, deferred tax liability in relation to taxable temporary differences arising from the associate's undistributed profits is not recognised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.19 Employee benefits

(a) Employee leave entitlements

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

(b) Retirement benefits

The Group participates in various defined contribution retirement benefit schemes. A defined contribution plan is a retirement benefit scheme under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

2.18 即期及遞延所得稅(續)

遞延所得稅按投資於附屬公司及聯營公司所產生之應課稅暫時差額作出撥備，惟本集團可控制撥回暫時差額之時間且暫時差額在可見未來不會撥回之遞延所得稅負債除外。一般而言，本集團無法控制聯營公司之暫時性差異之撥回。只有當有協議賦予本集團在可見未來控制暫時差額之撥回之能力時，與聯營公司未分配溢利所產生之應課稅暫時差額有關的遞延稅務負債方不會確認。

當有法定可執行權力將即期稅項資產與即期稅項負債抵銷，且遞延所得稅資產和負債涉及由同一稅務機關對有意向以淨額基準結算所得稅結餘之應課稅主體或不同應課稅主體徵收之所得稅時，則可將遞延所得稅資產與負債互相抵銷。

2.19 僱員福利

(a) 僱員假期福利

僱員可享有之年假之權利於該等假期累計予僱員時確認。本集團就僱員截至結算日止所提供服務而享有之年假之估計負債作出撥備。僱員可享有之病假及產假於休假時方予確認。

(b) 退休福利

本集團推行多項定額供款退休福利計劃。定額供款計劃為本集團向獨立實體作出定額供款之退休福利計劃。倘有關基金並無足夠資產就僱員於現時及過往期間所提供服務支付所有僱員福利，本集團並無法律或推定責任作出進一步供款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.19 Employee benefits (Cont'd)

(b) Retirement benefits (Cont'd)

The schemes are generally funded through payments to state/trustee-administered funds. The Group pays contributions to publicly or privately administered funds on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(c) Share-based compensation

Equity-settled share-based payment transactions

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in the statement of profit or loss, with a corresponding adjustment to equity.

綜合財務報表附註(續)

2 編製基準與主要會計政策概要(續)

2.19 僱員福利(續)

(b) 退休福利(續)

計劃一般透過向國家／受託人管理之基金作出供款撥資。本集團按強制性、合約或自願基準向公共或私人管理基金作出供款。一經作出供款後，本集團並無進一步付款責任。供款於到期應付時確認為僱員福利支出。預付供款在可取得退回現金或可扣減日後付款之情況下確認為資產。

(c) 以股份為基礎之酬金

以權益結算以股份為基礎之交易

本集團實行以權益結算以股份為基礎之酬金計劃，根據該計劃，以本集團之權益工具(購股權)作為實體取得僱員服務之代價。授出購股權所相應獲得之僱員服務公允值確認為開支。列為開支之總額乃參考已授購股權之公允值釐定：

- 包括任何市場表現條件(例如實體股份價格)；
- 不包括任何服務和非市場表現歸屬條件(例如盈利能力、銷售增長目標和職工在某特定時期內留任實體)之影響；及
- 包括任何非歸屬條件影響(例如要求僱員儲蓄)。

非市場歸屬條件包括在預期歸屬購股權數目之假設。支銷之總金額於歸屬期間確認，歸屬期間為達成所有特定歸屬條件之期間。於各結算日，該實體根據非市場歸屬條件修訂預期歸屬購股權數目之估計。彼會於損益表確認修訂原來估計(如有)之影響，並相應調整股本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**2 編製基準與主要會計政策概要(續)****2.19 Employee benefits (Cont'd)***(c) Share-based compensation (Cont'd)**Equity-settled share-based payment transactions (Cont'd)*

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

Share-based payment transactions among group entities

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution to the subsidiary. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent equity accounts.

(d) Bonus plan

The expected cost of bonus payments is recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

2.20 Provisions

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

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

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

2.19 僱員福利(續)*(c) 以股份為基礎之酬金(續)**以權益結算以股份為基礎之交易(續)*

於購股權獲行使時，本公司會發行新股。扣除任何直接應佔交易成本所收取之所得款項計入股本(面值)及股份溢價。

集團內以股份為基礎之交易

本公司向本集團附屬公司之職工授予其權益工具之購股權，被視為附屬公司資本投入。收取職工服務之公允值，參考授出日之公允值計量，並在歸屬期內確認，作為對附屬公司投資之增加，並相對應對母公司權益賬戶之權益貸記。

(d) 花紅計劃

倘本集團因僱員提供之服務而產生現有法律或推定責任，而責任金額能可靠估算時，則將花紅計劃之預計成本確認為負債入賬。

2.20 撥備

倘本集團須就過去事件承擔現有法律或推定責任，而有可能須產生資源流出以履行該責任，並能可靠估計金額，則會確認撥備。日後營運虧損不予確認撥備。

倘出現多項類似責任，會否導致資源流出以履行責任之可能性乃於整體考慮該責任類別後確定。即使同一責任類別中任何一項可能流出資源之機會不大，仍會確認撥備。

撥備採用反映當時市場對金錢時間價值之評估及該責任之特定風險之稅前貼現率，計算預期須履行責任之開支現值作為計量準則。因時間流逝而產生之撥備增加確認為利息開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.21 Revenue and income recognition

(a) Sales of goods

The Group is principally engaged in the manufacturing and trading of textile products. Revenue are recognised when control of the product to has transferred, being when the products are delivered to the customers, the customer has accepted the products and there is no unfulfilled obligation that could affect the customers' acceptance of the products. Delivery occurs when the products have been shipped to the specified location and the risk of obsolescence and loss have been transferred to the customers.

Revenue from sales of goods is recognised based on the price specified for each order, net of customer claims. Accumulated experience is used to estimate and provide for the claims and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. Provision for customer claims (included in accruals and other payables) is recognised for expected claims payable to customers in relation to sales made until the end of the reporting period.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

A contract liability is recognised when a customer pays consideration before the Group recognises the related revenue. The Group recognised its down payments from customers under other payables and accruals in the consolidated balance sheet.

(b) Sub-contracting income

The Group provides ad-hoc sub-contracting service to customers. Sub-contracting income is recognised when the services are rendered.

(c) Handling income

The Group provides handling service for purchases of raw materials on behalf. Handling income is recognised when the services are rendered.

(d) Rental income

Rental income under operating leases is recognised on a straight-line basis over the lease periods.

綜合財務報表附註(續)

2 編製基準與主要會計政策概要(續)

2.21 收入及收益確認

(a) 銷售貨品

本集團主要從事紡織產品之製造及貿易。當產品的控制權轉移至客戶(即交付產品予客戶時)，而客戶已接納產品，且並無可能影響客戶接納產品的未履約義務時，本集團確認收入。當產品付運至指定地點，且陳舊及損失風險已轉移至客戶時，則落實交付。

銷售貨品的收入乃基於每份訂單各自的價格扣除客戶申索確認。於估計申索及作出撥備時運用以往累積的經驗，而僅會於大額撥回極不可能發生時方會確認收入。客戶申索撥備(計入應計項目及其他應付款項)乃就於報告期末為止作出的銷售有關預期應付予客戶的申索確認。

應收款項於交付貨品時確認，原因為僅在付款日期到期前才需經過一段時間予以確認，而該階段的代價為無條件。

合約負債於客戶在本集團確認相關收入之前支付代價時確認。本集團將收取客戶之訂金於綜合資產負債表之其他應付款項及應計費用下確認。

(b) 分包收入

本集團按特定情況向客戶提供分包服務。分包收入於提供服務時確認。

(c) 處理收入

本集團就代為購買原材料提供處理服務。處理收入於提供服務時確認。

(d) 租金收入

經營租約之租金收入乃按租約期間以直線法來確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2 編製基準與主要會計政策概要(續)

2.22 Interest income

Interest income on financial assets at amortised cost calculated using effective interest method is recognised in consolidated statement of profit or loss. Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

2.22 利息收入

按攤銷成本計量之金融資產的利息收入採用實際利率法計算，並於綜合損益表確認。持有作現金管理用途的金融資產所賺取的利息收入列報為財務收入。利息收入按實際利率應用於金融資產賬面總值計算。

2.23 Dividend income

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

2.23 股息收入

股息收入在收取款項之權利確定時確認。

2.24 Leases

As explained in Note 2.2 above, the Group has changed its accounting policy for leases where the Group is the lessee. The new policy is described below and the impact of the change is disclosed in Note 2.2.

2.24 租賃

誠如上文附註2.2所述，本集團已更改其有關本集團為承租人之租賃的會計政策。新政策於下文載述，而變動之影響於附註2.2披露。

Until 31 March 2019, leases in which a significant portion of the risks and rewards of ownership were not transferred to the Group as lessee were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

直至2019年3月31日之前，凡擁有權的絕大部分風險及回報並無轉移至本集團作為承租人的租賃，均列作經營租賃。根據經營租賃(扣除出租人給予的任何優惠)作出的付款，於租期內以直線法於損益扣除。

From 1 April 2019, leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

自2019年4月1日起，租賃於租賃資產可供本集團使用當日確認為使用權資產及相關負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**2.24 Leases (Cont'd)**

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable (if any);
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

綜合財務報表附註(續)

2 編製基準與主要會計政策概要(續)**2.24 租賃(續)**

租賃產生的資產及負債最初按現值基準計量。租賃負債包括下列租賃付款的淨現值：

- 固定付款(包括實質固定付款)，減任何應收租賃優惠(如有)；
- 取決於一項指數或利率的可變租賃付款(最初使用於開始日期的指數或利率計量)；
- 本集團根據剩餘價值擔保預期應付的金額；
- 購買選擇權的行使價，倘本集團合理確定行使該選擇權；及
- 終止租賃的罰款，倘租期反映本集團行使該選擇權。

根據合理確定延續選擇權而支付的租賃款項亦包括於負債計量。

租賃付款採用租賃所隱含的利率予以貼現。倘無法輕易釐定該利率(本集團的租賃一般屬此類情況)，則使用承租人遞增借款利率，即個別承租人在類似經濟環境中按類似條款、抵押及條件借入所需資金以獲得與使用權資產價值類似的資產必須支付的利率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2 編製基準與主要會計政策概要(續)

2.24 Leases (Cont'd)

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing; and
- makes adjustments specific to the lease, such as term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received (if any);
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

2.24 租賃(續)

為釐定遞增借款利率，本集團：

- 在可行情況下，使用個別承租人最近獲得的第三方融資為出發點作出調整以反映自獲得第三方融資以來融資條件的變動；
- 使用累加法，首先就本集團所持有租賃的信貸風險（最近並無第三方融資）調整無風險利率；及
- 進行特定於租賃的調整，例如期限、國家、貨幣及抵押。

本集團承受取決於一項指數或利率之可變租賃付款日後可能增加的風險，其於生效前不會計入租賃負債。當取決於一項指數或利率之租賃付款的調整生效時，租賃負債將根據使用權資產重新評估及調整。

租賃付款於本金及融資成本之間攤分。融資成本在租期於損益扣除，藉以令各期間的負債餘額的期間利率一致。

使用權資產按成本計量，包括以下各項：

- 最初計量租賃負債之金額；
- 於開始日期或之前作出之任何租賃付款，扣除已收之任何租賃優惠（如有）；
- 任何初始直接成本；及
- 復修成本。

使用權資產一般按直線法於資產可使用年期或租期（以較短者為準）計算折舊。倘本集團合理確定行使購買選擇權，則使用權資產於相關資產的可使用年期內折舊。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**2.24 Leases (Cont'd)**

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment.

Lease income from operating leases where the group is a lessor is recognized in income on a straight-line basis over the lease term (Note 32(b)). Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognized as expenses over the lease term on the same basis as lease income. The respective leased assets are included in the consolidated balance sheet based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

2.25 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group has complied with all attached conditions.

Government grants relating to costs are deferred and recognised in the consolidated statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the consolidated statement of profit or loss on a straight-line basis over the expected lives of the related assets.

2.26 Contingent liabilities

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

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

綜合財務報表附註(續)

2 編製基準與主要會計政策概要(續)**2.24 租賃(續)**

與短期租賃及低價值資產租賃有關之付款按直線法於損益中確認為開支。短期租賃指租賃期為12個月或以下之租賃。低價值資產包括辦公室設備的小型項目。

本集團作為出租人從經營租賃收取的租賃收入於租期內以直線法於收入內確認(附註32(b))。取得經營租賃產生的初始直接成本加入相關資產的賬面值，並於租期內以確認租賃收入的相同基礎確認為開支。個別租賃資產按其性質計入綜合資產負債表。採納新租賃準則後，本集團無需對以出租人身份持有資產的會計處理作出任何調整。

2.25 政府補貼

當能夠合理地保證政府補貼將可收取，且本集團已符合所有附帶條件時，將政府提供之補助按其公允值確認入賬。

與成本有關之政府補貼遞延入賬及確認，並配合按擬補償之成本所需期間計入綜合損益表中。

與購買物業、廠房及設備有關之政府補貼列入非流動負債作為遞延政府補貼，並按有關資產之預計年期以直線法在綜合損益表列賬。

2.26 或有負債

或有負債指可能因過往事件而產生之可能責任，而有關責任存在須透過一項或多項並非本集團完全控制範圍內無法肯定之日後事件發生與否方能確定。或有負債亦指因過往事件而產生之現有責任，由於可能不需要流出經濟資源或責任金額無法可靠計量而未有確認。

或有負債不予確認，惟會於綜合財務報表內披露。倘資源流出之可能性有變，以致可能流出資源，則將確認為撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2 編製基準與主要會計政策概要(續)

2.27 Dividend distribution

2.27 股息分派

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

分派予本公司股東之股息於本公司股東或董事(倘適用)批准股息之期間，在本集團之綜合財務報表確認為負債。

3 FINANCIAL RISK MANAGEMENT

3 財務風險管理

3.1 Financial risk factors

3.1 財務風險因素

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

本集團業務面臨多種財務風險：市場風險(包括外匯風險、現金流量及公允價值利率風險)、信貸風險及流動資金風險。本集團之整體風險管理專注於金融市場之不可預測性，並尋求將對本集團財務表現之潛在不利影響降至最低。

(a) Market risk

(a) 市場風險

(i) Foreign exchange risk

(i) 外匯風險

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollars ("US\$"), Renminbi ("RMB") and Vietnamese Dongs ("VND"). The Group manages its foreign exchange risks by performing regular review and monitoring its foreign exchange exposure. The Group hedges certain of its exposure to reduce the risk involved as appropriate.

本集團涉及多種貨幣之外匯風險，主要為美元(「美元」)、人民幣(「人民幣」)及越南盾(「越南盾」)。本集團透過定期審閱和不斷監察所承受外匯風險以管理其外匯風險。本集團對沖若干外匯風險以減低所涉及之風險(如適用)。

As HK\$ is pegged to US\$, management believes that the exchange rate risk for translations between HK\$ and US\$ do not have material impact to the Group.

由於港元與美元掛鈎，管理層認為港元與美元換算的匯率風險不會對本集團產生重大影響。

The Group mainly operates in Hong Kong, the PRC, Macau and Vietnam. Except for certain cash and bank balances and certain inter-company receivables denominated in foreign currencies, transactions are mainly conducted in the functional currency of the respective group entity. The foreign currency risk arising from recognised assets and liabilities is considered by the Directors to be minimal.

本集團主要於香港、中國、澳門及越南營運。除了若干現金及銀行結餘與若干內部公司應收款項以外幣計算，交易主要以各集團實體之功能貨幣進行。董事認為已確認資產與負債所產生之外幣風險極小。

The Group uses forward currency contracts to economically hedge part of its foreign exchange risk. These forward currency contracts do not qualify for hedge accounting and are accounted for at fair value through profit or loss.

本集團採用遠期貨幣合約經濟對沖其部分外匯風險。該等遠期貨幣合約不符合採用對沖會計法入賬，而按公允值計入損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

3 FINANCIAL RISK MANAGEMENT (Cont'd)

3.1 Financial risk factors (Cont'd)

(a) Market risk (Cont'd)

(i) Foreign exchange risk (Cont'd)

The table below illustrates the sensitivity as at the end of the reporting period to a reasonably possible change in the respectively exchange rates against the functional currency of the respective group entities, with all other variables held constant, to the profit for the year ended 31 March 2020, mainly as a result of net foreign exchange impact on translation of cash and bank balance, trade and bills receivables, deposits and other receivables, trade and bills payables and accruals and other payables denominated in these foreign currencies.

		Change in exchange rate 匯率變動	Impact on post-tax profit 除稅後溢利之影響 HK\$'000 千港元
2020	2020年		
If US\$ strengthens/weakens against RMB	倘美元對人民幣升值／貶值	+1%/-1%	6,631 higher/lower 增加／減少
If US\$ strengthens/weakens against VND	倘美元對越南盾升值／貶值	+1%/-1%	484 lower/higher 減少／增加
If RMB strengthens/weakens against HK\$	倘人民幣對港元升值／貶值	+1%/-1%	2,922 higher/lower 增加／減少
2019	2019年		
If US\$ strengthens/weakens against RMB	倘美元對人民幣升值／貶值	+1%/-1%	6,563 higher/lower 增加／減少
If US\$ strengthens/weakens against VND	倘美元對越南盾升值／貶值	+1%/-1%	659 lower/higher 減少／增加
If RMB strengthens/weakens against HK\$	倘人民幣對港元升值／貶值	+1%/-1%	1,425 higher/lower 增加／減少

(ii) Cash flow and fair value interest rate risk

Except for bank deposits and bank loans, details of which are disclosed in Note 16 and Note 19 respectively, the Group has no other significant interest-bearing assets or liabilities.

The Group's bank deposits and bank loans are subject to variable rates which expose the Group to cash flow interest rate risk. The Group manages its interest rate risk by performing regular reviews and continually monitoring its interest rate exposures. The Group has not used any interest rate swaps to hedge its exposure to interest rate risk.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(i) 外匯風險(續)

下表闡釋於報告期末的各集團實體之功能貨幣各匯率的合理可能變動(其他所有變量保持不變)對截至2020年3月31日止年度溢利的敏感度分析, 主要因換算以該等外幣計值的現金及銀行結餘、應收賬款及票據、按金及其他應收款項、應付賬款及票據以及應計項目及其他應付款項的外匯影響淨值而產生。

(ii) 現金流量及公允價值利率

風險除銀行存款及銀行貸款(其詳情分別載列於附註16及附註19)外, 本集團並無其他重大計息資產或負債。

本集團之銀行存款及銀行貸款按浮動利率計息, 此令本集團面對現金流量利率風險。本集團透過定期審閱及不斷監察其利率所承受風險以管理其利率風險。本集團並無利用任何利率掉期交易以對沖其所承受之利率風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

3 FINANCIAL RISK MANAGEMENT (Cont'd)

3.1 Financial risk factors (Cont'd)

(a) Market risk (Cont'd)

(ii) Cash flow and fair value interest rate risk (Cont'd)

If the market interest rates for cash and bank balance and bank loans had been 50 basis points (2019: 50 basis points) higher/lower with all other variables held constant, the Group's profit for the year ended 31 March 2020 would have been approximately HK\$958,000 (2019: HK\$2,104,000) higher/lower.

(b) Credit risk

Credit risk arises from trade and bills receivables, deposits and other receivables, amounts due from associates, derivative financial instruments and cash and bank balances.

(i) Risk management

Substantially all of the cash and bank balances, as detailed in Note 16, are held in major financial institutions located in Hong Kong, the PRC, Macau and Vietnam. All derivative financial instruments are also entered into with major financial institutions, which management believes are of high credit quality. Management does not expect any losses arising from non-performance by these financial institutions.

The Group monitors the outstanding debts from its customers individually due to the concentration of credit risk. Management assesses the credit quality of the customers, taking into account its financial position, past experience and other factors. The compliance with credit limits by customers is regularly monitored by management.

(ii) Impairment of financial assets

Trade and bills receivables and amount due from associates

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade and bills receivables. To measure the expected credit losses, trade and bills receivables has been grouped based on shared credit risk characteristics and trade and bills receivables by due date.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(ii) 現金流量及公允值利率(續)

倘現金及銀行結餘及銀行貸款之市場利率上升／下降50基點(2019年: 50基點), 而其他可變因素維持不變, 本集團截至2020年3月31日止年度溢利將增加／減少約958,000港元(2019年: 2,104,000港元)。

(b) 信貸風險

信貸風險來自應收賬款及票據、按金與其他應收賬款、應收聯營公司款項、衍生金融工具及現金及銀行結餘。

(i) 風險管理

誠如附註16所詳列, 幾乎所有現金及銀行結餘存放於香港、中國、澳門及越南之主要金融機構。所有衍生金融工具均由管理層認為屬高信貸質素之主要金融機構訂立。管理層預期不會出現任何因該等金融機構不履約而產生之虧損。

由於信貸風險集中, 本集團個別監察其客戶的未清償債務。管理層考慮財政狀況、過往經驗及其他因素而評估客戶之信貸質素。管理層會定期監察客戶符合信貸限額的情況。

(ii) 金融資產減值

應收賬款及票據以及應收聯營公司款項

本集團採用香港財務報告準則第9號簡化方法計量預期信貸虧損, 並就所有應收賬款及票據使用整個生命期的預期虧損撥備。為計量預期信貸虧損, 應收賬款及票據已按照共同信貸風險特徵及應收賬款及票據到期日分組。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

3 FINANCIAL RISK MANAGEMENT (Cont'd)

3.1 Financial risk factors (Cont'd)

(b) Credit risk (Cont'd)

(ii) Impairment of financial assets (Cont'd)

Trade and bills receivables and amount due from associates (Cont'd)

The expected loss rates are based on the payment profiles of sales over a period of 12 months before 31 March 2020 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The Group has identified the Gross Domestic Products ("GDP") of the countries in which it sells its goods and services to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in these factors.

According to above mentioned consideration, the Group assessed the loss allowance of trade and bills receivables past due for less than 60 days are immaterial, whereas expected default and loss rate for trade and bills receivables past due over 60 days is 100%.

Impairment losses on trade receivables is presented as provision for impairment of trade receivables within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Other financial assets at amortised cost

The directors of the Group consider the probability of default upon initial recognition of the assets and whether there has been significant increase in credit risk on an ongoing basis. To assess whether there is a significant increase in credit risk, the Group compares risk of a default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition. The following indicators are considered:

- actual or expected significant adverse changes in business, financial economic conditions that are expected to cause a significant change to the company's ability to meet its obligations;
- actual or expected significant changes in the operating results of the company;
- significant changes in the expected performance and behavior of the company, including changes in the payment status of the third party.

綜合財務報表附註(續)

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(ii) 金融資產減值(續)

應收賬款及票據以及應收聯營公司款項(續)

預期虧損比率乃分別根據2020年3月31日前12個月期間的銷售付款組合以及有關期間內相應過往信貸虧損而得出。已對過往虧損比率作出調整以反映影響客戶償付應收款項能力的宏觀經濟因素的當前及前瞻性資料。

本集團將其銷售貨品及服務國家的國內生產總值(「國內生產總值」)識別為最相關因素，並據以根據該等因素的預期變動調整過往虧損比率。

基於上述考量，本集團評定逾期少於60日的應收賬款及票據虧損撥備為並不重大，至於逾期起過60日的應收賬款的預期違約及虧損率為100%。

應收賬款減值虧損於經營溢利內列報為應收賬款減值撥備。後續收回先前已撤銷的款項於同一項目記賬。

按攤銷成本列賬的其他金融資產

本集團董事在初始確認資產時考慮違約的可能性，並持續評估信貸風險有否顯著增加。在評估信貸風險有否顯著增加時，本集團將資產於報告日期的違約風險與初始確認日期的違約風險加以比較。已考慮以下指標：

- 預期導致公司履行責任能力出現重大變動的業務、財務或經濟狀況的實際或預期重大不利變動；
- 公司經營業績的實際或預期重大變動；
- 公司預期表現及行為的重大變動，包括第三方的付款狀況變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

3 FINANCIAL RISK MANAGEMENT (Cont'd)**3.1 Financial risk factors (Cont'd)***(b) Credit risk (Cont'd)**(ii) Impairment of financial assets (Cont'd)**Other financial assets at amortised cost (Cont'd)*

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group categorises a receivable for write off when a debtor fails to make contractual payments/repayable demanded greater than 365 days past due. Where the receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Other financial assets at amortised cost include certain deposits and other receivables. These financial assets are considered to be low credit risk primarily because they had no history of default and the counterparties had a strong capacity to meet their contractual cash flow obligations in the near term. The Group has assessed that the expected credit losses for these receivables are immaterial under 12 months expected losses method. Thus, the loss allowance provision recognised for these balances is close to zero.

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through adequate committed credit facilities. The Group's primary cash requirements are for additions and upgrades to property, plant and equipment, purchases of land, capital injections into subsidiaries, payments for purchases and operating expenses and unexpected cash outflow due to the COVID-19 pandemic or other unforeseen crisis. The Group finances its working capital requirements through funds generated from its operations, bank loans and other borrowings.

The Group's policy is to monitor current and expected liquidity requirements regularly to ensure it maintains sufficient cash and cash equivalents and has available funding through adequate amount of committed credit facilities to meet its working capital requirements.

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on the remaining period at the consolidated balance sheet date to the contractual maturity date. The amounts disclosed in the tables are the contractual undiscounted cash flows.

3 財務風險管理(續)**3.1 財務風險因素(續)***(b) 信貸風險(續)**(ii) 金融資產減值(續)**按攤銷成本列賬的其他金融資產(續)*

倘無合理的收回預期，例如債務人未能與本集團制訂還款計劃，則會撇銷金融資產。當債務人未能支付合約款項／須償還款項被催繳超過365天，本集團即將應收款項分類為撇銷。倘應收款項已被撇銷，本集團仍會繼續採取強制活動嘗試收回到期應收款項。倘收回款項，該款項會於損益中確認。

按攤銷成本列賬的其他金融資產包括若干按金及其他應收款項。此等金融資產被視為信貸風險低，主要因為其並無違約記錄且對手方有強大能力應付短期內的合約現金流量責任。本集團已評定根據12個月預期虧損方法，應收賬款的預期信貸虧損並不重大。因此，就該等結餘確認之虧損準備撥備接近零。

(c) 流動性風險

審慎之流動性風險管理是維持充足之現金並通過充足之信貸額度獲得資金。本集團之現金需求主要用於添置及更新物業、廠房及設備、土地購買、附屬公司注資以及支付採購費用及營運開支以及由於2019冠狀病毒或其他不可預見之危機引致意料之外的現金流出。本集團通過營運產生之資金、銀行貸款及其他借款以撥付營運資金需求。

本集團之政策為定期監察現時及預期流動資金要求，從而確保本集團有足夠之現金及現金等值項目及通過充足之信貸額度獲得資金，以滿足營運資金需求。

下表為按相關到期組別列示本集團於綜合結算日至合約到期日之剩餘期間之財務負債情況之分析。於表中披露之金額為合約性未折算現金流量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

3 FINANCIAL RISK MANAGEMENT (Cont'd)

3 財務風險管理(續)

3.1 Financial risk factors (Cont'd)

3.1 財務風險因素(續)

(c) Liquidity risk (Cont'd)

(c) 流動性風險(續)

		2020	2020	2020	2020
		2020年	2020年	2020年	2020年
		On demand	Within 1 year	Over 1 year	Total
		按要求	1年內	1年以上	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Bank loans	銀行貸款	737,190	-	-	737,190
Loan from a non-controlling interest of a subsidiary	一間附屬公司非控制性權益提供貸款	-	-	125,049	125,049
Trade and bills payables	應付賬款及票據	-	645,691	-	645,691
Derivative financial instruments	衍生金融工具	-	6,994	-	6,994
Lease liabilities	租賃負債	-	854	387	1,241
Accruals and other payables	應計項目及其他應付款項	-	54,864	-	54,864
		737,190	708,403	125,436	1,571,029
		2019	2019	2019	2019
		2019年	2019年	2019年	2019年
		On demand	Within 1 year	Over 1 year	Total
		按要求	1年內	1年以上	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Bank loans	銀行貸款	300,000	-	-	300,000
Loan from a non-controlling interest of a subsidiary	一間附屬公司非控制性權益提供貸款	-	-	146,225	146,225
Trade and bills payables	應付賬款及票據	-	568,485	-	568,485
Derivative financial instruments	衍生金融工具	-	225	-	225
Accruals and other payables	應計項目及其他應付款項	-	53,203	-	53,203
		300,000	621,913	146,225	1,068,138

The table below summarises the maturity analysis of the Group's bank loans with repayable on demand clause based on agreed scheduled repayments set out in the loan agreements. The amounts included interest payments computed using contractual rates. As a result, these amounts were greater than the amounts disclosed in the "on demand" time band in the maturity analysis contained above.

下表概括根據貸款協議所列之既定還款時間表，本集團包含按要求償還條款之銀行貸款之到期分析。該等款項包括以合約利率計算之利息付款。因此，該等款項超過上文所載到期分析中「按要求」時間範圍內所披露之款項。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

3 FINANCIAL RISK MANAGEMENT (Cont'd)

3.1 Financial risk factors (Cont'd)

(c) Liquidity risk (Cont'd)

Taking into account the Group's financial position, the Directors do not consider that it is probable that the banks will exercise their discretions to demand immediate repayment. The Directors believe that such loans will be repaid in accordance with the scheduled repayment date as set out in the loan agreements.

Maturity Analysis – bank borrowings subject to a repayable on demand clause based on scheduled repayments (including related interest payable):

		On demand 按要求 HK\$'000 千港元	Less than 1 year 1年內 HK\$'000 千港元	Between 1 and 2 years 1至2年 HK\$'000 千港元	Between 2 and 5 years 2至5年 HK\$'000 千港元	Over 5 year 5年以上 HK\$'000 千港元	Total 總計 HK\$'000 千港元
31 March 2020	2020年3月31日	-	745,635	-	-	-	745,635
31 March 2019	2019年3月31日	-	304,400	-	-	-	304,400

The table below analyses the Group's derivative financial instruments which will be settled on a gross basis into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

下表為按相關到期組別列示本集團結算日至合約到期日之剩餘期間之以毛額基準結算之衍生金融工具之分析。於表中披露之金額為合約性未折算現金流量。

		Less than 1 month 少於1個月 HK\$'000 千港元	Between 1 and 3 months 1至3個月 HK\$'000 千港元	Between 3 months and 1 year 3個月至1年 HK\$'000 千港元	Over 1 year 1年以上 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 March 2020:	於2020年3月31日:					
Forward currency contracts:	遠期貨幣合約:					
Inflow	流入	-	-	-	-	-
Outflow	流出	(1,986)	(2,558)	(2,450)	-	(6,994)
At 31 March 2019:	於2019年3月31日:					
Forward currency contracts:	遠期貨幣合約:					
Inflow	流入	225	924	7,190	-	8,339
Outflow	流出	-	(225)	-	-	(225)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

3 FINANCIAL RISK MANAGEMENT (Cont'd)

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, draw down or repay debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total debt divided by total capital. Total debt includes borrowings and bills payables as shown in the consolidated balance sheet, and total capital is the amount of "equity" as shown in the consolidated balance sheet. The gearing ratios were as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Borrowings	借貸	862,239	446,225
Bills payables	應付票據	16,379	22,727
Total debt	債務總額	878,618	468,952
Total capital	資本總額	2,997,056	3,269,639
Gearing ratio	資本負債比率	29.3%	14.3%

The increase in gearing ratio was mainly due to the increase in bank borrowings in the current year.

綜合財務報表附註(續)

3 財務風險管理(續)

3.2 資金風險管理

本集團之資金管理目標為保障本集團能繼續營運，以為股東提供回報，同時兼顧其他股權持有人之利益，並維持最佳之資本結構以減低資金成本。為了維持或調整資本結構，本集團可能會調整向股東派付之股息金額、向股東發還資金、發行新股、提取或償還債務。

與其他同業相同，本集團以資本負債比率監察資本。此比率按照債務總額除以資本總額計算。債務總額包括綜合資產負債表所列之借貸及應付票據以及資本總額為綜合資產負債表所列之「權益」。資本負債比率如下：

資本負債比率增加主要乃由於本年度的銀行借貸增加。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

3 FINANCIAL RISK MANAGEMENT (Cont'd)

3.3 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value as at 31 March 2020, by level of inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

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

The following table presents the Group's assets and liabilities that are measured at fair value at 31 March 2020.

		Level 1 第1層 HK\$'000 千港元	Level 2 第2層 HK\$'000 千港元	Level 3 第3層 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets	資產				
Financial assets at fair value through other comprehensive income (Note 11)	按公允值計入其他全面收入的金融資產 (附註11)				
– Club debentures	– 會籍債券	853	–	–	853
		853	–	–	853

		Level 1 第1層 HK\$'000 千港元	Level 2 第2層 HK\$'000 千港元	Level 3 第3層 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Liabilities	負債				
Derivative financial instruments	衍生金融工具				
– Forward foreign currency contracts (Note 15)	– 遠期外匯合約 (附註15)	–	6,994	–	6,994
		–	6,994	–	6,994

3 財務風險管理(續)

3.3 公允值估計

下表載列按計量公允值所用估值技術輸入值等級分析本集團於2020年3月31日以公允值列賬之金融工具。輸入值按以下三個公允值層級分類：

- 相同資產或負債在活躍市場之報價(未經調整)(第1層)。
- 除了第1層所包括之報價外，該資產或負債之可觀察之其他輸入，可為直接(即例如價格)或間接(即源自價格)(第2層)。
- 資產或負債並非依據可觀察市場數據之輸入(即非可觀察輸入)(第3層)。

下表列示本集團於2020年3月31日按公允值計量之資產及負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

3 FINANCIAL RISK MANAGEMENT (Cont'd)**3.3 Fair value estimation (Cont'd)**

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

(a) Impairment of interests in associates

Management regularly reviews the recoverability of the Group's interests in associates, in particular when they consider objective evidence of impairment exists, such as the quoted market value of listed associate fell below its carrying amount or significant adverse changes in the market environment, including, amount others, the economic impact of the unprecedented COVID-19 on the associates and the countries in which they operate.

3 財務風險管理(續)**3.3 公允價值估計(續)**

沒有在活躍市場買賣的金融工具(例如場外衍生工具)的公允價值利用估值技術釐定。估值技術儘量利用可觀察市場數據(如有),儘量少依賴主體的特定估計。如計算一金融工具的公允價值所需的所有重大輸入為可觀察數據,則該金融工具列入第2層。

如一項或多項重大輸入並非根據可觀察市場數據,則該金融工具列入第3層。

用以估值金融工具的特定估值技術包括:

- 同類型工具的市場報價或交易商報價。
- 遠期外匯合約的公允價值利用結算日的遠期匯率釐定,而所得價值折算至現值。

4 重大會計估計及判斷

估計及判斷會持續評估,並根據過往經驗及其他因素作出,包括於有關情況下被認為屬合理之日後事項預測。

本集團作出有關日後之估計及假設。作出之會計估計顧名思義地甚少與相關實際結果相同。存有重大風險或會導致須對下一個財政年度資產及負債賬面值作出重大調整之估計及假設論述如下。

(a) 聯營公司之權益減值

管理層定期檢討本集團於聯營公司之權益的可收回程度,彼等尤其會考慮減值的客觀證據,如上市聯營公司之市場報價跌至低於其賬面值或市場環境之重大不利變動,其中包括前所未見的2019冠狀病毒病對聯營公司及其營運所在國家的經濟影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

(a) Impairment of interests in associates (Cont'd)

In determining the recoverable amounts of interest in associates, management considered the higher of the value in use and fair value less cost to disposal. In determining value-in-use, an entity estimates either: (a) its share of the present value of the estimated future cash flows expected to be generated by the associates and proceeds on disposal, or (b) the present value of estimated future cash flows expected to arise from dividends to be received and proceeds on disposal. Any impairment loss is recognised by writing down the interests in associates. Any reversal of that impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

(b) Income taxes, deferred taxes and other taxes

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

The Group is also exposed to other taxes and duties. Significant judgement is required in determining these provisions. Where the final outcomes of these matters differ from the actual results, such difference will impact the provisions made and the earnings stated in the statement of profit or loss.

Recognition of deferred tax assets, which principally relate to tax losses, depends on the expectation of future taxable profit that will be available against which tax losses can be utilised. The outcome of their actual utilisation may be different. Management has performed an assessment on the recoverability of these deferred tax assets and consider that the realisation of these tax losses probable and no impairment provision is required as at year end.

(c) Provision for impairment of trade and other receivables

The Group makes provision for impairment of receivables based on assumptions about risk of default and expected loss rates (Note 3.1(b)). The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the balance sheet date.

綜合財務報表附註(續)

4 重大會計估計及判斷(續)

(a) 聯營公司之權益減值(續)

在釐定於聯營公司之權益的可收回金額時，管理層已考慮使用價值與公允價值減出售成本兩者中的較高者。在釐定使用價值時，實體估計：(a)其應佔聯營公司預期將產生之估計未來現金流量之現值及出售所得款項，或(b)將收取之股息預期將產生之估計未來現金流量之現值及出售所得款項。任何減值虧損將透過撇減於聯營公司之權益予以確認。確認之減值虧損撥回以該項投資其後所增加之可收回金額為限。

(b) 所得稅、遞延稅項及其他稅項

本集團須在其附屬公司營運所在司法權區繳納所得稅。於釐定所得稅撥備時須作出重大判斷。存在若干交易及計算無法確定最終稅款。本集團按是否須繳納額外稅項確認預計稅務審核事宜的負債。倘該等事宜的最終稅務結果有異於最初記錄的數額，有關差額將會影響釐定有關數額期間的即期及遞延所得稅資產及負債。

本集團還須繳納其他稅項與關稅。於釐定該等撥備時須作出重大判斷。倘該等事宜的最終稅務結果有異於實際結果，則有關差額將會影響有關撥備和於損益表上之盈利。

遞延稅項資產之確認主要涉及稅項虧損，視乎獲得可動用稅項虧損抵扣的未來應課稅溢利之預期而定。實際動用結果可能有所不同。管理層於年末對此等遞延所得稅資產的收回成數作出評估，認為此等稅務虧損有可能實現，故毋須作出減值撥備。

(c) 應收賬款及其他應收款項之減值撥備

本集團基於有關違約風險及預虧損比率的假設作出應收款項減值撥備(附註3.1(b))。本集團作出此等假設時運用判斷並基於本集團過往記錄、現行市況及於結算日的前瞻性估計挑選減值計算的輸入數據。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

(d) Net realisable value of inventories

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

(e) Useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. These estimates are based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. Management will increase the depreciation charge where useful lives are less than previously estimated lives, it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives. Periodic review could result in a change in depreciable lives and therefore depreciation expense in the future periods.

(f) Impairment of non-current assets

Non-current assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, including, among others, the economic impact of the unprecedented COVID-19 pandemic on the operations of the Group and the countries in which it operates. The recoverable amounts have been determined based on the higher of value-in-use calculations or fair values less cost to disposal. These calculations require the use of judgements and estimates.

Management judgement is required in the area of asset impairment particularly in assessing: (i) whether an event has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying value of an asset can be supported by the recoverable amount, being the higher of fair value less costs to sell or net present value of future cash flows which are estimated based upon the continued use of the assets in the business; and (iii) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management in assessing impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test and as a result affect the Group's reported balance sheet and results of operations. If there is a significant adverse change in the projected performance and resulting future cash flow projections, it may be necessary to take an impairment charge to the statement of profit or loss.

4 重大會計估計及判斷(續)

(d) 存貨可變現淨值

存貨之可變現淨值乃按日常業務過程中之估計售價減估計完成成本及出售開支計算。該等估計乃按現行市況及製造及銷售類似性質產品之過往經驗作出。這可能因客戶口味轉變及競爭對手因應嚴峻行業週期而作出之行動而大幅變化。管理層於每個結算日重新評估該等估計。

(e) 物業、廠房及設備之可使用年期

本集團管理層釐定物業、廠房及設備之估計可使用年期及相關折舊支出。該等估計乃根據類似性質及功能之物業、廠房及設備之實際可使用年期的過往經驗作出。管理層將於可使用年期少於早前估計時增加折舊支出，並撇銷或撇減已廢棄或售出之技術上陳舊或非策略性資產。實際經濟年期可能有別於估計可使用年期。定期作出之檢討可能導致可折舊年期出現變動，因而導致日後折舊開支有變。

(f) 非流動資產減值

非流動資產於出現顯示可能無法收回賬面值之事件或狀況變化時檢討有否減值，包括(其中包括)前所未見的2019冠狀病毒病疫情對本集團營運及其營運所在國家的經濟影響。可收回金額乃按使用價值或公允值減出售成本之較高者釐定。此等計算需要作出判斷及估計。

管理層須就資產減值之情況作出判斷，特別是：(i)評估有否發生可能顯示有關資產價值可能無法收回之事件；(ii)評估資產之可收回金額能否支持其賬面值，可收回金額為公允值減出售成本，或估計於業務中持續使用該資產可產生之日後現金流量淨現值之較高者；及(iii)評估編製現金流量預測時所用適當主要假設，包括該等現金流量預測是否按適當比率貼現。管理層評估減值時所選用假設(包括現金流量預測所用貼現率或增長率假設)如有任何變化，均可能對減值檢測中所用淨現值造成重大影響，以致對本集團報告資產負債表及營運業績造成重大影響。倘所預測表現及因此作出之日後現金流量預測出現重大負面變動，則或須於損益表作出減值支出。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

5 SEGMENT INFORMATION

The chief operating decision-maker ("CODM") has been identified as the executive directors of the Company collectively, who review the Group's internal reporting in order to assess performance and allocate resources.

As all of the Group's business operations relate to the manufacturing and trading of textile products with similar economic characteristics, the executive directors review the performance of the Group as a single segment, which covers operations conducted by subsidiaries in Hong Kong, Macau, the PRC and Vietnam. The executive directors review resources allocation and assess performance of the Group on a regular basis based on the following financial information:

5 分部資料

首席經營決策者已被確認為本公司執行董事，彼審閱本集團之內部呈報，以評估表現並分配資源。

由於本集團所有業務均與製造及買賣具有類似經濟特性的紡織品有關，執行董事按照單一分部（包括於香港、澳門、中國與越南的附屬公司所經營的業務）審閱本集團之表現。執行董事亦基於以下財務資料，定期審閱本集團的資源分配及進行表現評估：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Revenue (recognised at a point in time)	收入(於特定時間點確認)	5,476,196	6,119,081
Gross profit	毛利	924,578	1,060,901
Gross profit margin (%)	毛利率(%)	16.9%	17.3%
Operating expenses	經營開支	251,732	260,582
Operating expenses/Revenue (%)	經營開支/收入(%)	4.6%	4.3%
EBITDA (Note (i))	利息、稅項、折舊及攤銷前溢利 (附註(i))	1,014,926	1,176,897
EBITDA/Revenue (%)	利息、稅項、折舊及攤銷前 溢利/收入(%)	18.5%	19.2%
Finance income	財務收入	25,435	11,673
Finance costs	財務成本	11,435	14,166
Depreciation and amortisation (included in cost of sales and operating expenses)	折舊與攤銷(計入銷售成本及經營開支)	157,999	158,617
Share of profits of associates	分佔聯營公司溢利	37,340	34,738
Income tax expense	所得稅開支	102,998	145,528
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	743,489	861,780
Net profit margin (%)	純利率(%)	13.6%	14.1%
Total assets	資產總值	4,813,174	4,530,237
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益	2,985,924	3,279,611
Cash and bank balances	現金與銀行結餘	928,788	720,892
Borrowings	借貸	862,239	446,225
Inventories	存貨	1,133,792	947,353
Inventory turnover days (Note (ii))	存貨週轉日數(附註(ii))	83	73
Trade and bills receivables	應收賬款及票據	741,994	735,882
Trade and bills receivables turnover days (Note (iii))	應收賬款及票據週轉日數(附註(iii))	49	49
Trade and bills payables	應付賬款及票據	645,691	568,485
Trade and bills payables turnover days (Note (ii))	應付賬款及票據週轉日數(附註(ii))	49	49

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

5 SEGMENT INFORMATION (Cont'd)

Notes:

- (i) EBITDA is defined as profit for the year before finance income, finance costs, income tax expense, depreciation and amortisation.
- (ii) The turnover days are calculated by the simple average of the beginning of the year and the end of the year balances over cost of sales.
- (iii) The turnover days are calculated by the simple average of the beginning of the year and the end of the year balances over revenue.

A reconciliation of EBITDA to total profit before income tax is provided as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
EBITDA	利息、稅項、折舊及攤銷前溢利	1,014,926	1,176,897
Depreciation	折舊	(157,999)	(155,190)
Amortisation	攤銷	-	(3,427)
Finance income	財務收入	25,435	11,673
Finance costs	財務成本	(11,435)	(14,166)
Profit before income tax	所得稅前溢利	870,927	1,015,787

The Group's revenue represents sales of goods. An analysis of revenue by geographical location, as determined by the destination where the products were delivered, is as follows:

5 分部資料(續)

附註：

- (i) 利息、稅項、折舊及攤銷前溢利被定義為未計財務收入、財務成本、所得稅開支、折舊與攤銷前年度溢利。
- (ii) 週轉日數按年初與年末結餘之簡單平均數除以銷售成本計算。
- (iii) 週轉日數按年初與年末結餘之簡單平均數除以收入計算。

利息、稅項、折舊及攤銷前溢利與所得稅前溢利總額之間的對賬如下：

本集團的收入指貨品銷售。對按地區(以產品交付之目的地為準)劃分之收入的分析如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
PRC	中國	1,091,888	1,250,196
Vietnam	越南	2,280,111	2,478,934
Hong Kong	香港	466,141	646,258
America	美洲	196,208	187,278
Other Asian countries (Note (i))	其他亞洲國家(附註(i))	648,219	983,965
Sri Lanka	斯里蘭卡	371,999	255,167
India	印度	80,529	47,097
Haiti	海地	231,266	196,517
Africa	非洲	75,130	39,652
Others	其他	34,705	34,017
		5,476,196	6,119,081

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

5 SEGMENT INFORMATION (Cont'd)

Note:

- (i) Other Asian countries mainly include Bangladesh, Indonesia, Cambodia and Thailand.

For the year ended 31 March 2020, customer A and customer B accounted for approximately 37% (2019: 43%) and 18% (2019: 18%) of the Group's revenue, respectively. All other customers individually accounted for less than 10% of the Group's revenue for years ended 31 March 2020 and 2019.

The Group's non-current assets (excluding interests in associates and deferred income tax assets) are located in the following geographical areas:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
PRC	中國	1,248,513	1,336,577
Hong Kong	香港	10,865	13,009
Vietnam	越南	309,913	315,295
		1,569,291	1,664,881

6 LAND USE RIGHTS

The Group's interests in land use rights represent prepaid operating lease payments in the PRC and Vietnam. Their net book values are analysed as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Net book amount at 1 April	於4月1日之賬面淨值	115,321	48,323
Adjustment for changes in accounting policies (Note 2.2)	會計政策變動之調整(附註2.2)	(115,321)	-
Restated net book amount at 1 April	於4月1日之經重列賬面淨值	-	48,323
Transfer from prepayment for land use rights	轉撥自土地使用權預付款項	-	74,686
Amortisation	攤銷	-	(3,427)
Currency translation differences	外幣換算差額	-	(4,261)
Net book amount at 31 March	於3月31日之賬面淨值	-	115,321

綜合財務報表附註(續)

5 分部資料(續)

附註:

- (i) 其他亞洲國家主要包括孟加拉、印尼、柬埔寨及泰國。

截至2020年3月31日止年度，客戶A及客戶B分別約佔本集團收入的37% (2019年：43%) 及18% (2019年：18%)。截至2020年及2019年3月31日止年度，所有其他客戶各自佔本集團收入均低於10%。

本集團之非流動資產(不包括於聯營公司之權益及遞延所得稅資產)位於以下地區:

6 土地使用權

本集團於土地使用權之權益為於中國及越南的預付經營租約款項。其賬面淨值分析如下:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

7 PROPERTY, PLANT AND EQUIPMENT

7 物業、廠房及設備

		Leasehold land	Buildings	Plant and machinery	Leasehold improvements, furniture and equipment	Motor vehicles	Computer software	Construction in progress	Total
		租賃土地	樓宇	廠房及機器	租賃物業裝修、傢俱及設備	汽車	電腦軟件	在建工程	總計
		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
At 1 April 2018	於2018年4月1日								
Cost	成本	4,260	1,226,279	2,508,043	350,706	35,168	98,660	138,913	4,362,029
Accumulated depreciation	累計折舊	(1,435)	(476,301)	(2,041,613)	(235,885)	(23,428)	(21,305)	-	(2,799,967)
Net book amount	賬面淨值	2,825	749,978	466,430	114,821	11,740	77,355	138,913	1,562,062
Year ended 31 March 2019	截至2019年3月31日止年度								
Opening net book amount	年初賬面淨值	2,825	749,978	466,430	114,821	11,740	77,355	138,913	1,562,062
Additions	添置	-	2,482	15,729	19,334	3,837	2,337	179,476	223,195
Disposals and write-off	出售與撇銷	-	-	(14,302)	(1,427)	(518)	-	(6)	(16,253)
Depreciation	折舊	(97)	(52,505)	(51,668)	(36,520)	(4,309)	(10,091)	-	(155,190)
Transfers	轉撥	-	16,357	117,966	28,306	-	-	(162,629)	-
Currency translation differences	外幣換算差額	-	(44,846)	(12,872)	(3,426)	(1,026)	(361)	(31,073)	(93,604)
Closing net book amount	年終賬面淨值	2,728	671,466	521,283	121,088	9,724	69,240	124,681	1,520,210
At 31 March 2019	於2019年3月31日								
Cost	成本	4,260	1,171,044	2,408,794	376,081	34,766	100,636	124,681	4,220,262
Accumulated depreciation	累計折舊	(1,532)	(499,578)	(1,887,511)	(254,993)	(25,042)	(31,396)	-	(2,700,052)
Net book amount	賬面淨值	2,728	671,466	521,283	121,088	9,724	69,240	124,681	1,520,210
Year ended 31 March 2020	截至2020年3月31日止年度								
Opening net book amount	年初賬面淨值	2,728	671,466	521,283	121,088	9,724	69,240	124,681	1,520,210
Adjustment for changes in accounting policies (Note 2.2)	會計政策變動之調整(附註2.2)	(2,728)	-	-	-	-	-	-	(2,728)
Restated net book amount	經重列賬面淨值	-	671,466	521,283	121,088	9,724	69,240	124,681	1,517,482
Additions	添置	-	1,310	11,919	13,241	1,775	614	123,077	151,936
Disposals and write-off	出售與撇銷	-	(2,639)	(6,774)	(516)	(335)	-	(295)	(10,559)
Depreciation	折舊	-	(49,012)	(56,253)	(35,631)	(3,459)	(9,301)	-	(153,656)
Transfers	轉撥	-	43,578	97,987	51,275	-	-	(192,840)	-
Currency translation differences	外幣換算差額	-	(40,468)	(38,925)	(7,109)	(534)	-	(8,130)	(95,166)
Closing net book amount	年終賬面淨值	-	624,235	529,237	142,348	7,171	60,553	46,493	1,410,037
At 31 March 2020	於2020年3月31日								
Cost	成本	-	1,172,825	2,473,001	432,973	35,672	101,250	46,493	4,262,214
Accumulated depreciation	累計折舊	-	(548,590)	(1,943,764)	(290,625)	(28,501)	(40,697)	-	(2,852,177)
Net book amount	賬面淨值	-	624,235	529,237	142,348	7,171	60,553	46,493	1,410,037

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

7 PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Depreciation expense recognised in the consolidated statement of profit or loss is analysed as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Cost of sales	銷售成本	142,164	143,757
General and administrative expenses	一般及行政開支	11,492	11,433
		153,656	155,190

7 物業、廠房及設備(續)

於綜合損益表內確認之折舊開支分析如下：

8 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

8 使用權資產及租賃負債

(a) Balance recognised in the consolidated balance sheet

(a) 於綜合資產負債表確認之結餘

Right-of-use assets

使用權資產

		Office premises 辦公室物業 HK\$'000 千港元	Leasehold land 租賃土地 HK\$'000 千港元	Land use rights 土地使用權 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31 March 2020	截至2020年3月31日止年度				
Opening net book amount	年初賬面淨值	-	-	-	-
Adjustments for changes in accounting policies (Note 2.2)	會計政策變動之調整(附註2.2)	1,292	2,728	115,321	119,341
Restated net book amount as at 1 April 2019	於2019年4月1日之經重列賬面淨值	1,292	2,728	115,321	119,341
Additions	添置	845	-	-	845
Disposals	出售	(118)	-	-	(118)
Depreciation	折舊	(891)	(96)	(3,356)	(4,343)
Exchange differences	換算差額	1	-	(4,911)	(4,910)
Closing net book amount	年終賬面淨值	1,129	2,632	107,054	110,815
At 31 March 2020	於2020年3月31日				
Cost	成本	2,019	4,260	143,460	149,739
Accumulated depreciation	累計折舊	(890)	(1,628)	(36,406)	(38,924)
Net book amount	賬面淨值	1,129	2,632	107,054	110,815

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

8 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Cont'd)

8 使用權資產及租賃負債(續)

(a) Balance recognized in the consolidated balance sheet (Cont'd)

(a) 於綜合資產負債表確認之結餘(續)

Lease liabilities

租賃負債

		2020 2020年 HK\$'000 千港元
Current portion	流動部分	771
Non-current portion	非流動部分	373
		1,144

(b) Amounts recognized in the consolidated income statement

(b) 於綜合收益表確認之金額

		2020 2020年 HK\$'000 千港元
Depreciation of right-of-use assets	使用權資產折舊	4,343
Unwinding of interests on lease liabilities	解除租賃負債之利息	69

The total cash outflow of leases for the year ended 31 March 2020 was approximately HK\$944,000.

於截至2020年3月31日止年度有關租賃之現金流出總額約為944,000港元。

Depreciation of HK\$4,246,000 has been charged in 'cost of sales' and HK\$97,000 in 'administrative expenses' respectively during the year ended 31 March 2020.

於截至2020年3月31日止年度分別於「銷售成本」及「行政開支」扣除折舊4,246,000港元及97,000港元。

(c) The Group's leasing activities and how these are accounted for

(c) 本集團之租賃活動及其入賬方法

The Group leases land under land use right arrangements in the PRC and Vietnam and owns leasehold land in Hong Kong. From 1 April 2019, these land use rights and leasehold land were grouped as right-of-use assets.

本集團於中國及越南根據土地使用權安排租用土地以及於香港擁有租賃土地。自2019年4月1日起，該等土地使用權與租賃土地歸入使用權資產組別。

The Group leases various office premises. Rental contracts are typically made for fixed periods of 2 to 3 years.

本集團租用若干辦公室物業。租賃合約一般定為2至3年。

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

租賃條款個別磋商，條款及條件各有不同。租賃協議並無施加任何契諾，惟租賃資產不可用作借款之抵押品。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

9 SUBSIDIARIES

The following is a list of the principal subsidiaries at 31 March 2020 and 2019:

9 附屬公司

下表列示於2020年及2019年3月31日之主要附屬公司：

Name of subsidiaries 附屬公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及 法人實體類型	Particulars of issued share/ paid up capital 已發行股本/ 繳足股本詳情	Equity interest attributable to the Group 本集團應佔股本權益		Principal activities 主要業務
			2020 2020年	2019 2019年	
Shares held directly by the Company: 本公司直接持有股份：					
Pacific Textured Jersey Holdings Ltd.	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	HK\$1 1港元	100%	100%	Investment holding 投資控股
Pacific Textiles Overseas Holdings Ltd.	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	HK\$1 1港元	100%	100%	Investment holding 投資控股
Pacific HK & China Holdings Ltd.	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	HK\$1 1港元	100%	100%	Investment holding 投資控股
Pacific SPM Holdings Ltd.	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	HK\$1 1港元	100%	100%	Investment holding 投資控股
Solid Ally International Limited	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	HK\$1 1港元	100%	100%	Investment holding 投資控股
Fast Right Group Limited 正迅集團有限公司	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	US\$1,000 1,000美元	100%	100%	Investment holding 投資控股
Gain Trillion Limited	Hong Kong, limited liability company 香港，有限責任公司	HK\$10,000 10,000港元	100%	-	Investment holding 投資控股
Product Champion Limited	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	US\$1 1美元	100%	100%	Investment holding 投資控股

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

9 SUBSIDIARIES (Cont'd)

The following is a list of the principal subsidiaries at 31 March 2020 and 2019:
(Cont'd)

9 附屬公司(續)

下表列示於2020年及2019年3月31日之主要附屬公司:(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及 法人實體類型	Particulars of issued share/ paid up capital 已發行股本/ 繳足股本詳情	Equity interest attributable to the Group 本集團應佔股本權益		Principal activities 主要業務
			2020 2020年	2019 2019年	
Shares held indirectly by the Company: 本公司間接持有股份:					
Fast Right Group (HK) Limited 正迅集團(香港)有限公司	Hong Kong, limited liability company 香港, 有限責任公司	HK\$10,000 10,000港元	100%	100%	Investment holding 投資控股
Pacific Textiles Limited 互太紡織有限公司	Hong Kong, limited liability company 香港, 有限責任公司	HK\$103,000,000 103,000,000港元	100%	100%	Investment holding and trading of textile products in Hong Kong 於香港進行投資控股及 紡織品貿易
Pacific SPM Investment Limited 互太汽車紡織投資有限公司	Hong Kong, limited liability company 香港, 有限責任公司	HK\$1 1港元	100%	100%	Investment holding 投資控股
Pacific Overseas Textiles Macao Commercial Offshore Limited 互太海外紡織澳門離岸商業 服務有限公司	Macau, limited liability company 澳門, 有限責任公司	MOP1,030,000 1,030,000澳門幣	100%	100%	Trading of textile products in Macau 於澳門進行紡織品貿易
Pacific (Panyu) Textiles Limited (Note (a)) 互太(番禺)紡織印染有限公司(附註(a))	PRC, limited liability company 中國, 有限責任公司	US\$89,700,000 89,700,000美元	100%	100%	Manufacturing and trading of textile products in the PRC 於中國進行紡織品製造 及貿易

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

9 SUBSIDIARIES (Cont'd)

The following is a list of the principal subsidiaries at 31 March 2020 and 2019:
(Cont'd)

9 附屬公司(續)

下表列示於2020年及2019年3月31日之主要附屬公司：(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及 法人實體類型	Particulars of issued share/ paid up capital 已發行股本/ 繳足股本詳情	Equity interest attributable to the Group 本集團應佔股本權益		Principal activities 主要業務
			2020 2020年	2019 2019年	
Shares held indirectly by the Company: (Cont'd) 本公司間接持有股份：(續)					
Pacific GT Limited	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	US\$19,025,000 19,025,000美元	95%	95%	Investment holding 投資控股
PCGT Limited	Hong Kong, limited liability company 香港，有限責任公司	HK\$3,900,000 3,900,000港元	71.25%	71.25%	Investment holding and trading of textile products in Hong Kong 於香港進行投資控股及紡織品貿易
Pacific Crystal Textiles Limited ("PCTL") (Note (b))/(附註(b))	Vietnam, limited liability company 越南，有限責任公司	US\$48,000,000 48,000,000美元	71.25%	71.25%	Manufacturing and trading of textile products in Vietnam 於越南進行紡織品製造及貿易
South Shining Limited 南昱有限公司	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	US\$1 1美元	95%	95%	Investment holding 投資控股
Joyful Wonder Limited	Hong Kong, limited liability company 香港，有限責任公司	HK\$10,000 10,000港元	100%	100%	Investment holding 投資控股
Guangzhou Gaozhuan Information Technology Limited (Note (c)) 廣州高專資訊科技有限公司(附註(c))	PRC, limited liability company 中國，有限責任公司	RMB10,000,000 人民幣 10,000,000元	100%	100%	Provision for information technology service 提供資訊科技服務
Top Textiles Limited (Note (d))/(附註(d))	Vietnam, limited liability company 越南，有限責任公司	US\$3,000,000 3,000,000美元	100%	-	Manufacturing and trading of textile products in Vietnam 於越南進行紡織品製造及貿易

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

9 SUBSIDIARIES (Cont'd)

Notes:

- (a) Pacific (Panyu) Textiles Limited is a limited liability company incorporated in the PRC with registered capital of US\$89,700,000 to be operated from July 1997 to July 2047. As at 31 March 2020, the Group has fully paid up the registered capital to this subsidiary.
- (b) Pacific Crystal Textiles Limited is a limited liability company incorporated in Vietnam with registered capital of US\$48,000,000 to be operated from April 2013 to January 2054. As at 31 March 2020, the Group has fully paid up the registered capital to this subsidiary.
- (c) Guangzhou Gaozhuan Information Technology Limited is a limited liability company incorporated in PRC with registered capital of RMB20,000,000 to be operated from May 2016 to May 2046. As at 31 March 2020, the Group is yet to pay up registered capital of RMB10,000,000 to this subsidiary.
- (d) Top Textiles Limited is a limited liability company incorporated in Vietnam with registered capital of US\$14,000,000 to be operated from December 2019 to December 2064. As at 31 March 2020, the Group is yet to pay up registered capital of US\$11,000,000 to this subsidiary. As at the date of report, the Group has fully paid up the registered capital to this subsidiary.

(e) Material non-controlling interests

The total non-controlling interest as at 31 March 2020 is HK\$11,132,000 (2019: HK\$(9,972,000)), mainly comprised the Group's investment in Vietnam through Pacific GT Limited, PCGT Limited and PCTL. The non-controlling interests in respect of South Shining Limited are not material.

綜合財務報表附註(續)

9 附屬公司(續)

附註：

- (a) 互太(番禺)紡織印染有限公司為一家於中國註冊成立之有限責任公司，其註冊資本為89,700,000美元，由1997年7月開始營運至2047年7月。於2020年3月31日，本集團已繳足該附屬公司之註冊資本。
- (b) Pacific Crystal Textiles Limited為一家於越南註冊成立之有限責任公司，其註冊資本為48,000,000美元，由2013年4月開始營運至2054年1月。於2020年3月31日，本集團已繳足該附屬公司之註冊資本。
- (c) 廣州高專資訊科技有限公司為一家於中國註冊成立之有限責任公司，其註冊資本為人民幣20,000,000元，由2016年5月開始營運至2046年5月。於2020年3月31日，本集團尚未繳付該附屬公司之註冊資本人民幣10,000,000元。
- (d) Top Textiles Limited為一家於越南註冊成立之有限責任公司，其註冊資本為14,000,000美元，由2019年12月開始營運至2064年12月。於2020年3月31日，本集團尚未繳付該附屬公司之註冊資本11,000,000美元。於本報告日期，本集團已繳足此附屬公司之註冊資本。

(e) 重大非控制性權益

於2020年3月31日之非控制性權益總額為11,132,000港元(2019年：(9,972,000)港元)，主要包括本集團透過Pacific GT Limited、PCGT Limited及PCTL於越南進行的投資。南昱有限公司的非控制性權益屬非重大。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

9 SUBSIDIARIES (Cont'd)

(e) Material non-controlling interests (Cont'd)

Summarised financial information on subsidiaries with material non-controlling interests

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group.

9 附屬公司(續)

(e) 重大非控制性權益(續)

擁有重大非控制性權益附屬公司之財務資料概要

以下載列擁有對本集團而言屬重大的非控制性權益之各附屬公司之財務資料概要。

		Pacific GT Limited		PCGT Limited		PCTL	
		2020	2019	2020	2019	2020	2019
		2020年	2019年	2020年	2019年	2020年	2019年
		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
Summarised balance sheet	資產負債表概要						
Non-current assets	非流動資產	2,925	2,925	384,469	389,902	277,605	314,783
Current assets	流動資產	104,131	126,233	259,969	238,086	148,224	131,030
Non-current liabilities	非流動負債	-	-	125,049	146,225	26,305	22,934
Current liabilities	流動負債	5,816	8,832	463,295	499,158	61,846	88,436
Net assets/(liabilities)	資產/(負債)淨值	101,240	120,326	56,094	(17,395)	337,678	334,443
Summarised statement of profit or loss	損益表概要						
Revenue	收入	-	-	1,209,675	817,407	669,861	447,221
(Loss)/profit for the year	年度(虧損)/溢利	(14,186)	(9,730)	72,626	6,893	60,073	24,302
Other comprehensive (loss)/income for the year	年度其他全面(虧損)/收入	-	-	-	-	(11,617)	(5,134)
Total comprehensive (loss)/income for the year	年度全面(虧損)/收入總額	(14,186)	(9,730)	72,626	6,893	48,456	19,168
(Loss)/profit attributable to non-controlling interests	分配至非控制性權益之(虧損)/溢利	(709)	(488)	20,880	1,981	4,269	6,986
Dividends paid to non-controlling interests	向非控制性權益派付股息	-	-	-	-	-	-
Summarised cash flows	現金流量概要						
Net cash (used in)/generated from operating activities	營運活動(所用)/所得之現金淨額	-	-	(17,688)	53,275	12,518	30,431
Net cash generated from/(used in) investing activities	投資活動所得/(所用)現金淨額	-	-	2,051	988	(19,613)	(39,630)
Net cash used in financing activities	融資活動所用現金淨額	-	-	-	-	-	-
Net (decrease)/increase in cash and cash equivalents	現金及現金等值項目(減少)/增加淨額	-	-	(15,637)	54,263	(7,095)	(9,199)

The information above is the amount before inter-company eliminations.

As at 31 March 2020, cash and bank deposits of HK\$2,957,000 (2019: HK\$10,052,000) of PCTL are held in Vietnam and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends.

上述資料為公司間抵銷前金額。

於2020年3月31日，PCTL於越南持有現金及銀行存款2,957,000港元(2019年：10,052,000港元)，且須受地方外匯管制規定的規限。該等地方外匯管制規定對從國內匯出資本作出限制，惟透過普通股股息匯出則除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

10 INTERESTS IN ASSOCIATES AND AMOUNT DUE TO AN ASSOCIATE

10 於聯營公司之權益及應付一間聯營公司款項

(a) Share of net assets and goodwill

(a) 分佔資產淨值與商譽

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
SPM Automotive Textile Co., Ltd. ("SPM Automotive")	住江互太(廣州)汽車紡織產品有限公司(「住江互太」)	37,649	39,291
Teejay Lanka PLC ("PT Sri Lanka")	Teejay Lanka PLC (「PT斯里蘭卡」)	285,838	281,281
		323,487	320,572

Movements in share of net assets of associates are as follows:

分佔聯營公司資產淨值之變動如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
At 1 April	於4月1日	320,572	313,011
Dividends	股息	(26,217)	(21,683)
Share of profits	分佔溢利	37,340	34,738
Currency translation differences	外幣換算差額	(8,208)	(5,494)
At 31 March	於3月31日	323,487	320,572

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

10 INTERESTS IN ASSOCIATES AND AMOUNT DUE TO AN ASSOCIATE (Cont'd)

10 於聯營公司之權益及應付一間聯營公司款項(續)

(a) Share of net assets and goodwill (Cont'd)

The particulars of the associates at 31 March 2020 and 2019, which were held indirectly by the Company, are as follows:

(a) 分佔資產淨值與商譽(續)

於2020年及2019年3月31日之聯營公司(由本公司間接持有)之詳情如下:

Name of associates 聯營公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法人實體類型	Particulars of issued share capital 已發行股本詳情	Equity interest attributable to the Group 本集團 應佔股本權益		Principal activities 主要業務
			2020 2020年	2019 2019年	
SPM Automotive 住江互太	PRC, limited liability company 中國, 有限責任公司	US\$7,500,000 7,500,000美元	33%	33%	Manufacturing and trading of vehicles related textile products in the PRC 於中國進行汽車相關紡織品製造及貿易
Teejay Lanka PLC	Sri Lanka, limited liability company 斯里蘭卡, 有限責任公司	RS2,749,266,000 2,749,266,000斯里蘭卡盧比	28%	28%	Manufacturing and trading of textile products in Sri Lanka 於斯里蘭卡進行紡織品製造及貿易

SPM Automotive is an unlisted company in the PRC and there is no quoted market price available for its shares.

住江互太是一間中國非上市公司, 因此其股份並無可用市場報價。

At 31 March 2020, the quoted market value of the Group's interest in PT Sri Lanka, which is listed on the Colombo Stock Exchange in Sri Lanka, was approximately HK\$170,624,000 (2019: HK\$267,355,000).

於2020年3月31日, 本集團於PT斯里蘭卡(一間於斯里蘭卡科倫坡證券交易所上市的公司)的權益所報市值約為170,624,000港元(2019年: 267,355,000港元)。

As at 31 March 2020, management assessed the impairment of the Group's interest in PT Sri Lanka and determined the recoverable amount of PT Sri Lanka exceeded its carrying amounts. The recoverable amount of PT Sri Lanka was determined based on value-in-use, taking into account PT Sri Lanka's financial performance and expected future market condition, with a discount rate of 17% per annum.

於2020年3月31日, 管理層已評估本集團於PT斯里蘭卡的權益之減值, 並釐定PT斯里蘭卡的可收回金額超過其賬面值。PT斯里蘭卡的可收回金額乃經計及PT斯里蘭卡的財政表現及預期未來市況基於使用價值而釐定, 其中使用的折現率為每年17%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

10 INTERESTS IN ASSOCIATES AND AMOUNT DUE TO AN ASSOCIATE (Cont'd)

10 於聯營公司之權益及應付一間聯營公司款項(續)

(a) Share of net assets and goodwill (Cont'd)

Summarised financial information for associates

Set out below are the summarised financial information for SPM Automotive and PT Sri Lanka, which are accounted for using the equity method.

(a) 分佔資產淨值與商譽(續)

聯營公司的財務資料概要

以下載列住江互太及PT斯里蘭卡以權益法入賬的財務資料概要。

		SPM Automotive 住江互太		PT Sri Lanka PT斯里蘭卡		Total 總計	
		2020	2019	2020	2019	2020	2019
		2020年	2019年	2020年	2019年	2020年	2019年
		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
Summarised balance sheet	資產負債表概要						
Non-current assets	非流動資產	6,222	7,295	419,980	401,414	426,202	408,709
Current assets	流動資產	183,961	202,779	671,211	600,586	855,172	803,365
Non-current liabilities	非流動負債	-	-	80,264	68,264	80,264	68,264
Current liabilities	流動負債	76,095	91,009	363,501	307,430	439,596	398,439
Net assets	資產淨值	114,088	119,065	647,426	626,306	761,514	745,371
Summarised statement of profit or loss	損益表概要						
Revenue	收入	409,724	452,483	1,468,652	1,495,137	1,878,376	1,947,620
Profit for the year	年度溢利	24,751	31,305	104,752	87,930	129,503	119,235
Other comprehensive income for the year	年度其他全面收入	-	-	-	-	-	-
Total comprehensive income for the year	年度全面收入總額	24,751	31,305	104,752	87,930	129,503	119,235

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

10 INTERESTS IN ASSOCIATES AND AMOUNT DUE TO AN ASSOCIATE (Cont'd)

10 於聯營公司之權益及應付一間聯營公司款項(續)

(a) Share of net assets and goodwill (Cont'd)

Summarised financial information for associates (Cont'd)

Reconciliation of the above summarised financial information of the associates to the carrying value of the Group's interest in associates is as follows:

(a) 分佔資產淨值與商譽(續)

聯營公司的財務資料概要(續)

上述聯營公司財務資料概要與本集團於聯營公司權益賬面值的對賬如下:

		SPM Automotive 住江互太		PT Sri Lanka PT斯里蘭卡		Total 總計	
		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Opening net assets at 1 April	於4月1日年初之資產淨值	119,065	119,451	626,306	598,910	745,371	718,361
Currency translation differences	外幣換算差額	(8,150)	(9,858)	(15,212)	(8,660)	(23,362)	(18,518)
Profit for the year	年度溢利	24,751	31,305	104,752	87,930	129,503	119,235
Dividends	股息	(21,578)	(21,833)	(68,420)	(51,874)	(89,998)	(73,707)
Closing net assets at 31 March	於3月31日年末之資產淨值	114,088	119,065	647,426	626,306	761,514	745,371
Net assets attributable to the Group	本集團應佔資產淨值	37,649	39,291	180,696	174,802	218,345	214,093
Goodwill	商譽	-	-	108,021	109,358	108,021	109,358
Less: Unrealised gain on sale of machinery to an associate	減: 出售機器予一間聯營公司之未變現收益	-	-	(2,879)	(2,879)	(2,879)	(2,879)
Interests in associates	於聯營公司之權益	37,649	39,291	285,838	281,281	323,487	320,572
Dividends received from associates	已收聯營公司股息	7,121	7,205	19,096	14,478	26,217	21,683

The information above reflects the amounts presented in the financial statements of the associates adjusted for differences in accounting policies between the Group and the associates.

As at 31 March 2020, the Group's share of contingent liability in respect of a pending tax claim against PT Sri Lanka amounted to approximately HK\$7,248,000 (2019: HK\$7,338,000). The Group has no contingent liabilities relating to its interest in associates.

Cash and bank deposits of HK\$61,993,000 (2019: HK\$44,983,000) which belongs to the Group's associate in the PRC are held in the PRC and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends.

(b) Amounts due from associates

The amounts due from associates are unsecured, non-interest bearing, repayable on demand and current in nature. The amounts are denominated in US\$.

上述資料反映聯營公司財務報表所列金額，並已就本集團與聯營公司之會計政策差異作出調整。

於2020年3月31日，本集團就一項對PT斯里蘭卡提出之待決稅務申索應佔的或有負債約為7,248,000港元(2019年: 7,338,000港元)。本集團概無有關其聯營公司權益之或有負債。

於中國持有歸屬於本集團於中國之聯營公司的現金及銀行存款61,993,000港元(2019年: 44,983,000港元)，且須受地方外匯管制規定的規限。該等地方外匯管制規定對從國內匯出資本作出限制，惟透過普通股息匯出則除外。

(b) 應收聯營公司款項

應收聯營公司款項為無抵押、免息、於要求時償還及屬於即期性質。金額以美元列值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

11 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

11 按公允值計入其他全面收入的金融資產

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Club debentures	會籍債券	853	853
At 1 April	於4月1日	853	853
Fair value change	公允值變動	-	-
At 31 March	於3月31日	853	853

The fair values of club debentures are based on second hand market prices. See Note 3.3 for further information on fair value. The club debentures are denominated in HK\$.

會籍債券之公允值乃根據二手市場釐定。見附註3.3有關公允值之進一步資料。會籍債券按港元列值。

12 INVENTORIES

12 存貨

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Raw materials	原料	735,063	564,429
Work-in-progress	在製品	135,015	142,961
Finished goods	製成品	263,714	239,963
		1,133,792	947,353

The cost of inventories included in cost of sales during the year amounted to approximately HK\$3,897,936,000 (2019: HK\$4,496,968,000).

年內計入銷售成本之存貨成本約為3,897,936,000港元(2019年: 4,496,968,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

13 TRADE AND BILLS RECEIVABLES

13 應收賬款及票據

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Trade receivables	應收賬款	680,870	702,862
Bills receivables	應收票據	62,686	36,831
		743,556	739,693
Less: Provision for impairment of trade receivables	減：應收賬款減值撥備	(1,562)	(3,811)
		741,994	735,882

Majority of the Group's sales are with credit terms of 30 to 60 days. The aging analysis of trade and bills receivables based on invoice date is as follows:

本集團大部分銷售之信貸期介乎30至60天。根據發票日期，應收賬款及票據之賬齡分析如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
0 – 60 days	0 – 60天	732,248	674,723
61 – 120 days	61 – 120天	10,239	61,535
121 days – 1 year	121天 – 1年	1,069	3,435
		743,556	739,693

Trade and bills receivables were denominated in the following currencies:

應收賬款及票據按以下貨幣列值：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
HK\$	港元	69,734	157,992
US\$	美元	604,157	497,259
RMB	人民幣	69,665	84,442
		743,556	739,693

The top two customers accounted for approximately 35% (2019: 31%) and 19% (2019: 21%), respectively, of the Group's trade and bills receivables; all other customers individually accounted for less than 10% of the Group's trade and bills receivables as at 31 March 2020.

首兩大客戶分別約佔本集團應收賬款及票據35% (2019年：31%) 與19% (2019年：21%)；於2020年3月31日，所有其他客戶個別佔本集團應收賬款及票據少於10%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

13 TRADE AND BILLS RECEIVABLES (Cont'd)

The fair value of trade and bills receivables approximate the net book carrying amounts.

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and bills receivables. Note 3.1(b) provides for details about the calculation of the allowance.

Movements in the Group's provision for impairment of trade receivables are as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
At 1 April	於4月1日	3,811	1,821
Currency translation differences	外幣換算差額	(77)	(57)
(Reversal of)/provision for impairment of trade receivables	應收賬款減值(撥回)/撥備	(2,172)	2,722
Written off	撇銷	-	(675)
At 31 March	於3月31日	1,562	3,811

The maximum exposure to credit risk at balance sheet date is the net book carrying amounts of the receivables mentioned above. The Group does not hold any collateral as security.

13 應收賬款及票據(續)

應收賬款及票據之公允值與賬面淨值相若。

本集團採用香港財務報告準則第9號簡化方法計量預期信貸虧損，並就所有應收賬款及票據使用整個生命期的預期虧損撥備。附註3.1(b)載有計算撥備之詳情。

本集團就應收賬款作出減值撥備之變動如下：

於結算日，最大信貸風險為上述應收款項之賬面淨值。本集團並無持有任何抵押品作擔保。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

14 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

14 按金、預付款項及其他應收款項

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Rental, utility and other deposits	租金、公用服務及其他按金	296	293
Prepayments for purchase of inventories and consumables	購買存貨與消耗品預付款項	26,317	28,506
Prepayments for purchase of machinery	購買機器預付款項	39,913	28,497
Deposits for land use rights	土地使用權按金	7,673	-
Other prepayments	其他預付款項	8,751	5,716
Value-added tax recoverable	可收回增值稅	11,987	16,623
Others	其他	19,350	12,538
		114,287	92,173
Less non-current portion:			
Prepayments for purchase of machinery	減非流動部分： 購買機器預付款項	(39,913)	(28,497)
Deposits for land use rights	土地使用權按金	(7,673)	-
		(47,586)	(28,497)
Current portion	流動部分	66,701	63,676

Deposits, prepayments and other receivables are denominated in the following currencies:

按金、預付款項及其他應收款項按下列貨幣計值：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
US\$	美元	30,479	16,087
VND	越南盾	26,317	12,883
RMB	人民幣	55,142	59,131
HK\$	港元	1,612	548
MOP	澳門幣	737	3,524
		114,287	92,173

The book carrying amounts of deposits, prepayments and other receivables approximate their fair values.

按金、預付款項及其他應收款項之賬面值與其公允值相若。

The maximum exposure to credit risk at balance sheet date is the book carrying value of deposits and other receivables. The Group does not hold any collateral as security.

於結算日，最大信貸風險為按金及其他應收款項之賬面值。本集團並無持有任何抵押品作擔保。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

15 DERIVATIVE FINANCIAL INSTRUMENTS

15 衍生金融工具

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Assets:	資產：		
Forward foreign currency contracts	遠期外匯合約	-	8,339
Liabilities:	負債：		
Forward foreign currency contracts	遠期外匯合約	(6,994)	(225)

As at 31 March 2020, the notional principal amount of the Group's outstanding forward foreign currency contracts was HK\$234,016,000 (2019: HK\$594,302,000).

於2020年3月31日，本集團之未到期遠期外匯合約之名義本金額為234,016,000港元（2019年：594,302,000港元）。

The maximum exposure to credit risk of the derivative financial instruments at the balance sheet date is the book carrying value of the derivative financial instruments. Refer to Note 3.1 for further information.

於結算日，衍生金融工具之最大信貸風險為衍生金融工具之賬面值。有關進一步資料，請參閱附註3.1。

16 CASH AND CASH EQUIVALENTS AND SHORT-TERM BANK DEPOSITS

16 現金及現金等值項目以及短期銀行存款

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Cash and cash equivalents	現金及現金等值項目	767,143	720,892
Short-term bank deposits	短期銀行存款	161,645	-
		928,788	720,892

The maximum exposure to credit risk at the balance sheet date is the book carrying value of the cash at banks.

於結算日，最大信貸風險為銀行現金之賬面值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

16 CASH AND CASH EQUIVALENTS AND SHORT-TERM BANK DEPOSITS (Cont'd)

Cash and cash equivalents and short-term bank deposits are denominated in the following currencies:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
US\$	美元	673,432	391,278
HK\$	港元	50,628	103,286
RMB	人民幣	200,828	225,907
VND	越南盾	3,634	313
LKR	斯里蘭卡盧比	29	33
Others	其他	237	75
		928,788	720,892

The Group's cash and bank balances denominated in RMB and VND are primarily deposited with banks in the PRC and Vietnam. The conversion of these RMB and VND denominated balances into foreign currencies and the remittance of funds out of the PRC and Vietnam are subject to rules and regulations on foreign exchange control promulgated by the PRC Government and the Vietnam Government, respectively.

Cash at banks earns interest at floating rates based on daily bank deposit rates ranging from 0.8% to 2.51% per annum at 31 March 2020 (2019: 0.8% to 2.79% per annum).

The effective annual interest rate and maturities of short-term bank deposits at 31 March 2020 and 2019 are as follows:

		2020 2020年	2019 2019年
Effective annual interest rate	實際年利率	1.61%	-
Maturities	到期日	94 – 184 days天	-

16 現金及現金等值項目以及短期銀行存款(續)

現金及現金等值項目以及短期銀行存款按以下貨幣列值：

本集團以人民幣及越南盾列值之現金及銀行結餘乃主要存放於中國及越南之銀行。將該等人民幣及越南盾列值之結餘兌換為外幣以及匯款至中國及越南境外須遵守中國政府及越南政府分別頒佈之外匯管制規則及規定。

銀行現金按銀行每日存款利率以浮息賺取利息，於2020年3月31日息率介乎每年0.8%至2.51%（2019年：每年0.8%至2.79%）。

於2020年及2019年3月31日，短期銀行存款實際年利率與到期日如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

17 SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES

17 股本、股份溢價及庫存股份

(a) Share capital

(a) 股本

		Authorised (Ordinary shares of HK\$0.001 each) 法定(每股面值 0.001港元之普通股)		Issued and fully paid (Ordinary shares of HK\$0.001 each) 已發行及繳足(每股面值 0.001港元之普通股)	
		Number of shares 股份數目 (thousands) (千計)	Nominal value 面值 HK\$'000 千港元	Number of shares 股份數目 (thousands) (千計)	Nominal value 面值 HK\$'000 千港元
At 1 April 2018	於2018年4月1日	5,000,000	5,000	1,446,423	1,446
At 1 April 2019	於2019年4月1日	5,000,000	5,000	1,446,423	1,446
Repurchase and cancellation of ordinary shares (Note i)	購回及註銷普通股(附註i)	-	-	(11,000)	(11)
At 31 March 2020	於2020年3月31日	5,000,000	5,000	1,435,423	1,435

Note:

附註：

(i) During the year ended 31 March 2020, the Company repurchased from open market a total of 33,091,000 shares at an aggregate consideration of HK\$142,238,000. 11,000,000 shares repurchased at HK\$54,201,000 were cancelled during the year ended 31 March 2020. The remaining shares were recorded as Treasury Shares as at 31 March 2020 and subsequently cancelled in April 2020.

(i) 截至2020年3月31日止年度，本公司從公開市場購回合共33,091,000股股份，總代價為142,238,000港元。截至2020年3月31日止年度，以54,201,000港元購回的11,000,000股股份已註銷。餘下股份於2020年3月31日列作庫存股份，其後已於2020年4月註銷。

The issued share capital of the Company was reduced by the nominal value of these shares and the premiums paid on these shares upon the repurchase were charged against the share premium account. An amount equivalent to the par value of the shares cancelled was transferred from the Company's retained earnings to the capital redemption reserve.

本公司之已發行股本已按該等股份之面值減少，而就購回該等股份支付之溢價已於股份溢價賬扣除。相當於已註銷股份面值之金額已由本公司之保留溢利轉撥至資本贖回儲備。

(ii) Subsequent to 31 March 2020, the Company repurchased an additional 2,124,000 shares at consideration of HK\$7,725,000. Such shares were cancelled in April 2020.

(ii) 於2020年3月31日後，本公司以代價7,725,000港元進一步購回2,124,000股股份。該等股份已於2020年4月註銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

17 SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES (Cont'd)

(b) Share premium

In accordance with the Companies Law, Cap.22 of the Cayman Islands, the share premium is distributable to the shareholders of the Company, provided that immediately following the date on which the dividend is proposed to be distributed the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business.

(c) Share option scheme

The Group's share option scheme was approved and adopted by the Company by means of a shareholders' written resolution on 27 April 2007.

On 11 October 2013, the Board of Directors approved the granting of options to eligible employees to subscribe for a total of 10,000,000 shares of the Company at an exercise price of HK\$9.98 per share with vesting period of 3-9 years. These share options are exercisable at any time during the period from 11 October 2016 to 10 October 2023.

The fair value of the options granted on 11 October 2013, determined using the binomial model, was HK\$18,529,000 at the grant date. The significant inputs to the model were share price of HK\$9.98 at the grant date, exercise price of HK\$9.98, volatility of 45%, expected annual dividend yield of 9%, an expected option life of 10 years, and an annual risk free interest rate of 2.09%. The volatility measured at the grant date was referenced to the historical volatility of the Company.

Movements in share options are as follows:

		Number of share options 購股權數目	
		2020 2020年	2019 2019年
At beginning of year	於年初	9,050,000	9,050,000
Lapsed during the year	年內失效	(1,000,000)	-
At end of year	於年末	8,050,000	9,050,000

The above outstanding share options have the following expiry date and exercise price:

Expiry date 到期日	Exercise price per share HK\$ 每股行使價 港元	Number of share options 購股權數目	
		2020 2020年	2019 2019年
10 October 2023	2023年10月10日	8,050,000	9,050,000

綜合財務報表附註(續)

17 股本、股份溢價及庫存股份(續)

(b) 股份溢價

根據開曼群島公司法第22章，股份溢價可供分派予本公司股東，惟本公司於緊隨建議派發股息當日後，須有能力償還日常業務過程中到期的債項。

(c) 購股權計劃

本集團購股權計劃已於2007年4月27日通過股東書面決議案之方式獲本公司批准及採納。

於2013年10月11日，董事局批准向合資格僱員授出購股權，以供彼等按行使價每股9.98港元認購合共10,000,000股本公司股份，歸屬期為三至九年。該等購股權可於2016年10月11日至2023年10月10日期間內任何時間行使。

已於2013年10月11日授出的購股權於授出日期的公允值為18,529,000港元，乃以二項式期權定價模式釐定。該定價模式主要基於在授出日期之股價為9.98港元、行使價為9.98港元、波幅為45%、預期年度股息回報率為9%、預期購股權期限為10年及年度無風險利率為2.09%計算。於授出日期之波動性乃參考本公司之過往波動性而計量。

購股權之變動如下：

上述尚未行使購股權之到期日及行使價如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

18 RESERVES

18 儲備

		Capital reserve (Note (i))	Statutory reserves (Note (ii))	Foreign currency translation reserve	Share-based compensation reserve 以股份為 基礎之 酬金儲備	Capital redemption reserve	Retained earnings	Total
		資本儲備 (附註(i))	法定儲備 (附註(ii))	外幣 換算儲備	酬金儲備	資本 贖回儲備	保留溢利	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2018	於2018年4月1日	1,000	363,112	455,862	12,831	-	1,070,139	1,902,944
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	-	-	-	-	-	861,780	861,780
Currency translation differences	外幣換算差額	-	-	(210,999)	-	-	-	(210,999)
Total comprehensive income	全面收入總額	-	-	(210,999)	-	-	861,780	650,781
Transaction with owners:	與擁有人交易：							
Share-based compensation expense (Note 25)	以股份為基礎之酬金支出 (附註25)	-	-	-	1,696	-	-	1,696
Transfer to statutory reserve	轉撥至法定儲備	-	32,620	-	-	-	(32,620)	-
2017/2018 final dividends	2017/2018年末期股息	-	-	-	-	-	(267,588)	(267,588)
2018/2019 interim dividends	2018/2019年中期股息	-	-	-	-	-	(462,856)	(462,856)
Total transaction with owners	與擁有人交易總額	-	32,620	-	1,696	-	(763,064)	(728,748)
At 31 March 2019	於2019年3月31日	1,000	395,732	244,863	14,527	-	1,168,855	1,824,977
Representing:	表示：							
Proposed final dividend (Note 29)	建議末期股息(附註29)						361,606	
Others	其他						807,249	
							1,168,855	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

18 RESERVES (Cont'd)

18 儲備(續)

		Capital reserve (Note (i))	Statutory reserves (Note (ii))	Foreign currency translation reserve	Share-based compensation reserve 以股份為 基礎之 酬金儲備	Capital redemption reserve	Retained earnings	Total
		資本儲備 (附註(i))	法定儲備 (附註(ii))	外幣 換算儲備	酬金儲備	資本 贖回儲備	保留溢利	總計
		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
At 1 April 2019	於2019年4月1日	1,000	395,732	244,863	14,527	-	1,168,855	1,824,977
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	-	-	-	-	-	743,489	743,489
Currency translation differences	外幣換算差額	-	-	(158,981)	-	-	-	(158,981)
Total comprehensive income	全面收入總額	-	-	(158,981)	-	-	743,489	584,508
Transaction with owners:	與擁有人交易:							
Share-based compensation expense (Note 25)	以股份為基礎之酬金支出(附註25)	-	-	-	1,174	-	-	1,174
Lapse of share options	購股權失效	-	-	-	(2,146)	-	2,146	-
Repurchase and cancellation of shares	贖回及註銷股份	-	-	-	-	11	(11)	-
Transfer to statutory reserve	轉撥至法定儲備	-	25,513	-	-	-	(25,513)	-
2018/2019 final dividends	2018/2019末期股息	-	-	-	-	-	(361,606)	(361,606)
2019/2020 interim dividends	2019/2020中期股息	-	-	-	-	-	(375,525)	(375,525)
Total transaction with owners	與擁有人交易總額	-	25,513	-	(972)	11	(760,509)	(735,957)
At 31 March 2020	於2020年3月31日	1,000	421,245	85,882	13,555	11	1,151,835	1,673,528
Representing:	表示:							
Proposed final dividend (Note 29)	建議末期股息(附註29)						254,017	
Others	其他						897,818	
							1,151,835	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

18 RESERVES (Cont'd)

Notes:

- (i) Capital reserve represents the difference between the nominal value of shares of subsidiaries acquired pursuant to a reorganisation in November 2004 over the nominal value of the share capital of the Company issued in exchange thereof.
- (ii) Statutory reserves represent legal reserve of a subsidiary incorporated in Macau and statutory reserves of a subsidiary incorporated in the PRC.

In accordance with the Macao Commercial Code, the subsidiary incorporated in Macau is required to set aside a minimum of 25% of its after-tax profit to legal reserve until the balance of this reserve reaches a level equivalent to 50% of its capital. The amount of legal reserve of the subsidiary has reached 50% of its capital.

The subsidiary established in the PRC is required to make appropriations to certain statutory reserves from profit for the year after offsetting accumulated losses from prior years before any profit distribution to equity holders. The percentages to be appropriated to different statutory reserves are determined according to the relevant regulations in the PRC or at the discretion of the board of the subsidiary. Such statutory reserves can only be used to offset accumulated losses, to increase capital, or for special bonus or collective welfare of employees.

These statutory reserves cannot be distributed to equity holders of the subsidiary.

No other statutory reserves are required to be made by the Group in other jurisdictions in which the Group operates.

綜合財務報表附註(續)

18 儲備(續)

附註：

- (i) 資本儲備指根據2004年11月之重組所收購附屬公司股份之面值與本公司就此發行之股本面值之差額。
- (ii) 法定儲備指於澳門註冊成立之一間附屬公司之合法儲備與於中國註冊成立之一間附屬公司之法定儲備。

根據澳門商法典，於澳門註冊成立之附屬公司須將其除稅後溢利最少25%撥入合法儲備，直至該儲備結餘達至相當於其股本50%為止。該附屬公司劃撥至合法儲備之金額已達其股本50%。

於中國成立之附屬公司經抵銷以往年度累計虧損後之年度溢利在向權益持有人作出任何溢利分派之前須提撥若干法定儲備。提撥法定儲備資金比率按相關中國法規或由該附屬公司董事局自行決定。有關法定儲備只可用作抵銷累計虧損、增加資本或派發特別花紅或員工集體福利。

該等法定儲備不能分派予該附屬公司之權益持有人。

本集團無須於本集團經營所在的其他司法權區作出其他法定儲備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

19 BORROWINGS

19 借貸

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Non-current:	非流動：		
Loan from a non-controlling interest of a subsidiary (Note (i))	一間附屬公司非控制性權益提供貸款(附註(i))	125,049	146,225
Current:	流動：		
Short-term bank loans (Note (ii))	短期銀行貸款(附註(ii))	737,190	300,000

Notes:

- (i) The loan from a non-controlling interest of a subsidiary is denominated in US\$, unsecured, non-interest bearing, and not expected to be repayable within the next 12 months. The fair value of this balance approximates its carrying amount.
- (ii) The bank loans bear interest at floating rates. The fair values of the bank loans approximates their carrying amounts.

附註：

- (i) 一間附屬公司非控制性權益提供貸款以美元列值，為無抵押、免利息及預期無須於未來12個月內償還。該結餘之公允值約等於其賬面值。
- (ii) 銀行貸款按浮動利率計息。銀行貸款之公允值約等於其賬面值。

The Group's bank borrowings, after taking into account of repayable on demand clause, are repayable as follows:

經計及按要求償還條款，本集團之銀行借貸償還期限如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Within 1 year or on demand	須於1年內或按要求償還	737,190	300,000

The Group's bank borrowings repayable based on the scheduled repayment dates are as follows:

於計劃還款日期本集團應償還的銀行借貸如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Within 1 year	1年內	737,190	300,000
Between 1 and 2 years	1至2年	-	-
Between 2 and 5 years	2至5年	-	-
		737,190	300,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

19 BORROWINGS (Cont'd)

The carrying amounts of the Group's bank borrowings are denominated in the following currencies:

19 借貸(續)

本集團銀行借貸之賬面值按以下貨幣計值：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
US\$	美元	737,190	-
HK\$	港元	-	300,000
		737,190	300,000

As at 31 March 2020 and 31 March 2019, no borrowings were guaranteed by the Company.

於2020年3月31日及2019年3月31日，概無借貸由本公司擔保。

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates were as follows:

本集團借貸的利率變化風險及合約重新定價日期載列如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
6 months or less	六個月或以內	737,190	300,000

20 DEFERRED TAXATION

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

20 遞延稅項

當有法定可執行權力將即期所得稅資產及即期所得稅負債抵銷，且遞延所得稅資產及負債涉及由同一稅務機關對應課稅實體或不同應課稅實體但有意向以淨額基準結算結餘時，則可將遞延所得稅資產及負債互相抵銷。

The net movement in the deferred income tax account is as follows:

遞延所得稅項的淨變動如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
At 1 April	於4月1日	(24,046)	(25,007)
(Charged)/credited to the consolidated statement of profit or loss (Note 27)	於綜合損益表(扣除)/計入(附註27)	(9,185)	2,702
Currency translation differences	外幣換算差額	1,821	(1,741)
At 31 March	於3月31日	(31,410)	(24,046)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

20 DEFERRED TAXATION (Cont'd)

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

Deferred income tax assets:

		Provisions 撥備 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 March 2018	於2018年3月31日	6,262	10,622	16,884
Credited/(charged) to the consolidated statement of profit or loss	於綜合損益表計入/(扣除)	15,071	(4,445)	10,626
Currency translation differences	外幣換算差額	-	(114)	(114)
At 31 March 2019	於2019年3月31日	21,333	6,063	27,396
Credited/(charged) to the consolidated statement of profit or loss	於綜合損益表計入/(扣除)	6,453	(6,063)	390
Currency translation differences	外幣換算差額	(9)	-	(9)
At 31 March 2020	於2020年3月31日	27,777	-	27,777

20 遞延稅項(續)

遞延所得稅資產及負債變動(未計及同一稅務司法權區抵銷之結餘)如下:

遞延所得稅資產:

Deferred income tax liabilities:

遞延所得稅負債:

		Accelerated tax depreciation allowance 加速稅項折舊撥備 HK\$'000 千港元	Undistributed profits of a subsidiary and associates 附屬公司與聯營公司未分配溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 March 2018	於2018年3月31日	12,629	29,262	41,891
Currency translation differences	外幣換算差額	-	1,627	1,627
(Credited)/charged to the consolidated statement of profit or loss	於綜合損益表(計入)/扣除	(1,076)	9,000	7,924
At 31 March 2019	於2019年3月31日	11,553	39,889	51,442
Currency translation differences	外幣換算差額	9	(1,839)	(1,830)
(Credited)/charged to the consolidated statement of profit or loss	於綜合損益表(計入)/扣除	(2,510)	12,085	9,575
At 31 March 2020	於2020年3月31日	9,052	50,135	59,187

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

21 TRADE AND BILLS PAYABLES

21 應付賬款及票據

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Trade payables	應付賬款	629,312	545,758
Bills payables	應付票據	16,379	22,727
		645,691	568,485

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

應付賬款及票據之賬面值與其公允值相若。

Credit period granted by creditors generally ranges from 30 to 90 days. Trade and bills payables were aged as follows:

貸方授予之信貸期一般介乎30至90天。應付賬款及票據之賬齡如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
0 – 60 days	0 – 60天	626,878	533,624
61 – 120 days	61 – 120天	11,286	26,691
121 days – 1 year	121天 – 1年	7,527	8,170
		645,691	568,485

Trade and bills payables were denominated in the following currencies:

應付賬款及票據以下列貨幣計值：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
US\$	美元	555,339	472,106
HK\$	港元	15,463	17,028
RMB	人民幣	67,829	71,558
VND	越南盾	7,060	7,757
EUR	歐元	–	36
		645,691	568,485

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

22 ACCRUALS AND OTHER PAYABLES

22 應計項目及其他應付款項

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Accrual for operating expenses	營運開支之應計項目	21,627	21,082
Payables for purchase of property, plant and equipment	購買物業、廠房及設備之應付款項	13,100	18,579
Provision for employee benefits expense (including bonus)	僱員福利支出撥備(包括花紅)	99,523	96,120
Estimated customer claims	估計客戶索賠	10,577	10,519
Provision for reinstatement costs	修復成本撥備	26,305	22,934
Value-added tax ("VAT") payable	應付增值稅(「增值稅」)	2,354	–
Contract liabilities	合約負債	18,898	794
Others	其他	17,783	13,542
		210,167	183,570
Less: non-current portion: Provision for reinstatement costs	減：非流動部分： 修復成本撥備	(26,305)	(22,934)
Current portion	流動部分	183,862	160,636

Movement of provision for reinstatement costs is as follows:

修復成本撥備變動如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
As at 1 April	於4月1日	22,934	20,148
Addition	增加	2,896	2,193
Imputed interest of provision for reinstatement costs (Note 26)	修復成本撥備推定利息 (附註26)	1,229	1,175
Currency translation differences	外幣換算差額	(754)	(582)
As at 31 March	於3月31日	26,305	22,934

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

22 ACCRUALS AND OTHER PAYABLES (Cont'd)

Accruals and other payables were denominated in the following currencies:

22 應計項目及其他應付款項(續)

應計項目及其他應付款項以下列貨幣計值：

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
HK\$	港元	77,559	58,492
RMB	人民幣	95,025	89,390
US\$	美元	7,553	8,517
Others	其他	30,030	27,171
		210,167	183,570

23 OTHER INCOME AND OTHER (LOSSES)/GAINS – NET

23 其他收入及其他(虧損)/收益 – 淨額

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Other income:	其他收入：		
Sale of residual materials	出售剩餘物料	40,609	62,779
Sub-contracting income	分包收入	1,889	4,681
Handling income	處理收入	3,355	4,532
Rental income	租金收入	4,046	4,436
Government grants	政府補貼	85,127	20,678
Sundry income	雜項收入	69,682	59,816
		204,708	156,922
Other (losses)/gains – net:	其他(虧損)/收益 – 淨額：		
Derivative financial instruments	衍生金融工具		
– forward foreign currency contracts	– 遠期外匯合約	(23,063)	5,636
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(8,041)	(1,791)
Net foreign exchange (losses)/gains	外匯(虧損)/收益淨值	(26,863)	22,456
		(57,967)	26,301
		146,741	183,223

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

24 EXPENSES BY NATURE

24 按性質細分的開支

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Depreciation of property, plant and equipment	物業、廠房及設備折舊	153,656	155,190
Amortisation of land use rights	土地使用權攤銷	–	3,427
Depreciation of right-of-use assets	使用權資產折舊	4,343	–
Cost of raw materials and consumables used	使用原材料與消耗品產生之成本	3,897,936	4,496,968
Employee benefits expense (including directors' emoluments) (Note 25)	僱員福利開支(包括董事酬金)(附註25)	641,216	663,079
Operating lease payments in respect of land and buildings	土地及樓宇經營租約款項	1,648	4,053
Provision/(reversal of provision) for slow-moving and obsolete inventories, net	滯銷及陳舊存貨撥備/(撥備撥回)淨額	18,574	(52,363)
Auditor's remuneration	核數師薪酬		
– Audit services	– 審核服務	2,906	2,845
– Non-audit services	– 非審核服務	225	266
Others	其他	85,018	42,575
Total cost of sales, distribution and selling expenses and general and administrative expenses	銷售成本、分銷及銷售開支總額與一般及行政開支	4,805,522	5,316,040

25 EMPLOYEE BENEFITS EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS)

25 僱員福利開支(包括董事酬金)

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Wages, salaries, bonus and allowances	工資、薪金、花紅及津貼	557,847	576,144
Retirement benefit – defined contribution schemes (Note (a))	退休福利 – 定額供款計劃(附註(a))	42,164	46,214
Welfare and benefits	福利及利益	40,031	39,025
Share-based compensation expense	以股份為基礎之酬金支出	1,174	1,696
		641,216	663,079

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

25 EMPLOYEE BENEFITS EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS)
(Cont'd)

25 僱員福利開支(包括董事酬金)(續)

(a) Retirement benefit – defined contribution schemes

The Company's subsidiary in the PRC is a member of the state-managed retirement benefits scheme operated by the Government of the PRC. The Group contributes to the scheme at a fixed percentage of the basic salaries of the subsidiary's employees, subject to a cap, and has no further obligations for the actual payment of pensions or post-retirement benefits beyond its contributions. The state-managed retirement plans are responsible for the entire pension obligations payable to retired employees.

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme ("the MPF Scheme"), a defined contribution scheme managed by an independent trustee. Under the MPF Scheme, the Group and its employees make monthly contributions to the scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation. Both the Group's and the employees' contributions are subject to a cap of HK\$1,500 per month and thereafter contributions are voluntary.

The Company's subsidiary in Vietnam contributes to state-sponsored employees' social insurance scheme for its employees in Vietnam. The Group contributes to the scheme at 18% of the basic salaries of the subsidiary's employees, subject to a cap. The state-sponsored social insurance scheme is responsible for the pension obligations payable to retired employees.

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year ended 31 March 2020 include 4 directors (2019: 4 directors), whose emoluments are disclosed in Note 35. The aggregate emolument payable to the remaining individual (2019: The aggregate emolument payable to the remaining individual is as follow) is as follow:

(a) 退休福利 – 定額供款計劃

本公司於中國之附屬公司為中國政府所推行國家管理退休福利計劃之成員。本集團按附屬公司僱員基本薪金之固定百分比向計劃作出供款(不超過某一上限)，而除其供款外，並無實際支付退休金或離職福利之進一步責任。國家管理之退休計劃負責向退休僱員支付所有退休金。

本集團已安排其香港僱員參加強制性公積金計劃(「強積金計劃」)。該計劃為由獨立受託人管理之定額供款計劃。根據強積金計劃，本集團及其僱員按強制性公積金條例定義之僱員收入之5%每月向計劃作出供款。本集團及僱員供款均以每月1,500港元為上限，其後作出之供款屬自願性質。

本公司於越南之附屬公司為其越南僱員向國家推行之僱員社會保險計劃作出供款。本集團按附屬公司僱員基本薪金之18%(不超過某一上限)向計劃作出供款。國家推行之社會保險計劃負責為退休僱員提供退休金。

(b) 五名最高薪人士

截至2020年3月31日止年度，本集團之5名最高薪人士包括4名董事(2019年：4名董事)，彼等之酬金於附註35披露。應付餘下人士之酬金總額(2019年：應付餘下人士之酬金總額如下)如下：

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Salaries and allowances	薪金及津貼	3,686	3,090
Discretionary bonuses	酌情花紅	522	128
Retirement benefit	退休福利		
– defined contribution schemes	– 定額供款計劃	–	–
		4,208	3,218

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

25 EMPLOYEE BENEFITS EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS)
(Cont'd)

25 僱員福利開支(包括董事酬金)(續)

(b) Five highest paid individuals (Cont'd)

The number of non-directors with emoluments fell within the following bands:

(b) 五名最高薪人士(續)

非董事人士之酬金在下列範圍之人數：

		2020 2020年	2019 2019年
HK\$3,000,001 – HK\$3,500,000	3,000,001港元至3,500,000港元	–	1
HK\$3,500,001 – HK\$4,000,000	3,500,001港元至4,000,000港元	–	–
HK\$4,000,001 – HK\$4,500,000	4,000,001港元至4,500,000港元	1	–
		1	1

(c) Senior management remuneration by band

The number of senior management with emoluments fell within the following bands:

(c) 高級管理層薪酬範圍

高級管理層人數及酬金範圍如下：

		2020 2020年	2019 2019年
HK\$500,001 – HK\$1,000,000	500,001港元至1,000,000港元	2	–
HK\$1,000,001 – HK\$2,000,000	1,000,001港元至2,000,000港元	2	3
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	3	5
HK\$2,500,001 – HK\$3,000,000	2,500,001港元至3,000,000港元	1	–
HK\$3,000,001 – HK\$3,500,000	3,000,001港元至3,500,000港元	2	1
HK\$3,500,001 – HK\$4,000,000	3,500,001港元至4,000,000港元	–	–
HK\$4,000,001 – HK\$4,500,000	4,000,001港元至4,500,000港元	1	–
		11	9

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

26 FINANCE INCOME AND COSTS

26 財務收入及成本

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Finance income:	財務收入：		
– Bank interest income	– 銀行利息收入	12,172	11,673
– Net foreign exchange gain on bank loans	– 銀行貸款的匯兌收益淨額	5,654	–
– Net foreign exchange gain on cash and cash equivalents	– 現金及現金等值項目的匯兌收益淨額	7,609	–
		25,435	11,673
Finance costs:	財務成本：		
– Interest expense on bank loans	– 銀行貸款利息開支	(10,137)	(8,010)
– Net foreign exchange loss on cash and cash equivalents	– 現金及現金等值項目的匯兌虧損淨額	–	(4,981)
– Interest expenses arising from lease liabilities	– 租賃負債產生的利息開支	(69)	–
– Imputed interest of provision for reinstatement cost	– 修復成本撥備推定利息	(1,229)	(1,175)
		(11,435)	(14,166)
Net finance income/costs	財務收入／成本淨值	14,000	(2,493)

27 INCOME TAX EXPENSE

The Group is subject to profits tax in Hong Kong, the PRC and Vietnam. Hong Kong profits tax has been provided for at the rate of 16.5% (2019: 16.5%) on the estimated assessable profits for the year. PRC enterprise income tax has been provided for at the rate of 25% (2019: 25%) on the estimated assessable profits for the year. Vietnam enterprise income tax has been provided for at the rate of 20% (2019: 20%) on the estimated assessable profits for the year.

The Group's subsidiary in Vietnam is entitled to tax holiday and the profits are fully exempted from Vietnam enterprise income tax for two years starting from its first year of profitable operations, which is the financial year ended 31 March 2017, after offsetting prior year tax losses, followed by 50% reduction in CIT in next four years.

27 所得稅開支

本集團須繳納香港、中國及越南利得稅。香港利得稅乃就年內估計應課稅溢利按16.5% (2019年：16.5%) 之稅率作出撥備。中國企業所得稅乃就年內估計應課稅溢利按25% (2019年：25%) 之稅率作出撥備。越南企業所得稅乃就年內估計應課稅溢利按20% (2019年：20%) 之稅率作出撥備。

本集團於越南的附屬公司享有免稅期，經抵銷上一年度稅項虧損後，由首個獲利年度（即截至2017年3月31日止財政年度）起計兩年，溢利完全毋須繳納越南企業所得稅，而之後四年享有50%企業所得稅減免。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

27 INCOME TAX EXPENSE (Cont'd)

The amount of income tax charged to the consolidated statement of profit or loss represents:

27 所得稅開支(續)

於綜合損益表扣除之所得稅金額為：

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Current income tax	即期所得稅		
– Hong Kong profits tax	– 香港利得稅	43,380	69,632
– Overseas income tax	– 海外所得稅	68,244	79,579
Deferred tax (Note 20)	遞延稅項(附註20)	9,185	(2,702)
Over-provision in prior years	過往年度超額撥備	(17,811)	(981)
		102,998	145,528

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

就本集團所得稅前溢利之稅項與按適用於綜合實體溢利之加權平均稅率計算之理論金額之差異如下：

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Profit before income tax	所得稅前溢利	870,927	1,015,787
Less:	減：		
Associates results reported net of tax	聯營公司之呈報業績(不含稅)	(37,340)	(34,738)
		833,587	981,049
Tax calculated at weighted average domestic tax rate applicable to profits in respective jurisdictions	按適用於相關司法權區之加權平均地方稅率計算之稅項	132,594	148,811
Income not subject to tax	毋須課稅收入	(11,625)	(9,732)
Expenses not deductible for tax purposes	不可扣稅開支	4,973	1,141
Tax concession	稅收優惠	(17,218)	(2,711)
Tax on certain undistributed retained profit of a subsidiary and associates	附屬公司及聯營公司若干未分派保留溢利之稅項	12,085	9,000
Over-provision in prior years	過往年度超額撥備	(17,811)	(981)
		102,998	145,528

The weighted average applicable tax rate was 15.9% (2019: 15.2%). The change in weighted average applicable tax rate is due to a change in the profitability of the Group's subsidiaries in the respective countries.

加權平均適用稅率為15.9%(2019年: 15.2%)。加權平均適用稅率變動乃因本集團附屬公司在各自國家的盈利能力發生變化所致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

28 EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of shares in issue, excluding treasury shares, during the year.

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	743,489	861,780
Weighted average number of shares in issue (thousands)	已發行股份加權平均數(千股)	1,443,679	1,446,423
Basic earnings per share (HK\$ per share)	每股基本盈利(每股港元)	0.51	0.60

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue to assume conversion of all dilutive potential ordinary shares. The Company has share options to employees for years ended 31 March 2019 and 2020.

Since the average market price of the Company's shares during the year is less than the assumed exercise price of the share options, the potential ordinary shares were not included in the calculation of the diluted earnings per share as their inclusion would be anti-dilutive. Accordingly, diluted earnings per share for the years ended 31 March 2019 and 2020 is the same as basic earnings per share of the respective year.

28 每股盈利

(a) 基本

每股基本盈利按本公司權益持有人應佔溢利除年內已發行股份加權平均數(不包括庫存股份)計算。

(b) 攤薄

每股攤薄盈利以假設兌換所有潛在攤薄普通股而調整已發行普通股之加權平均數計算。於截至2019年及2020年3月31日止年度本公司有向僱員發行的購股權。

由於本公司股份於年內的平均市價低於購股權假設行使價，因此計算每股攤薄盈利時並無計入潛在攤薄普通股，因為計入該等股份會造成反攤薄。故此，截至2019年及2020年3月31日止年度的每股攤薄盈利與有關年度的每股基本盈利相同。

29 DIVIDENDS

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Interim dividend paid of HK26 cents (2019: HK32 cents) (Note (i))	已派付港幣26仙之中期股息(2019年：港幣32仙)(附註(i))	375,525	462,855
Proposed final dividend of HK18 cents (2019: HK25 cents) (Note (ii))	擬派付港幣18仙之末期股息(2019年：港幣25仙)(附註(ii))	254,017	361,606
		629,542	824,461

Notes:

- (i) On 21 November 2019, the Company's Board of Directors declared an interim dividend of HK26 cents per share (2019: HK32 cents) for the six-month period ended 30 September 2019. The amount was paid in December 2019.
- (ii) On 18 June 2020, the Company's Board of Directors proposed a final dividend of HK18 cents per share for the year ended 31 March 2020. This proposed dividend has not been reflected as dividend payable in the consolidated financial statements as at 31 March 2020.

附註：

- (i) 於2019年11月21日，本公司董事局宣派截至2019年9月30日止六個月期間中期股息每股港幣26仙(2019年：港幣32仙)。該等款項已於2019年12月支付。
- (ii) 於2020年6月18日，本公司董事局建議宣派截至2020年3月31日止年度末期股息每股港幣18仙。擬派付股息並無於2020年3月31日的綜合財務報表內反映為應付股息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

30 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

30 綜合現金流量表附註

(a) Cash generated from operations

(a) 營運產生之現金

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Profit before income tax	所得稅前溢利	870,927	1,015,787
Adjustments for:	以下各項之調整：		
Share of profits of associates	分佔聯營公司之溢利	(37,340)	(34,738)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	153,656	155,190
Depreciation of right-of-use assets	使用權資產折舊	4,343	-
Amortisation of land use rights	土地使用權攤銷	-	3,427
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	8,041	1,791
Share-based compensation expense	以股份為基礎之酬金支出	1,174	1,696
Provision for impairment of trade receivables	應收賬款減值撥備	(2,172)	2,722
Net fair value loss/(gain) on derivative financial instruments	衍生金融工具公允價值虧損/(收益)淨值	23,063	(5,636)
Finance income	財務收入	(25,435)	(11,673)
Finance costs	財務成本	11,435	14,166
Operating profit before working capital changes	營運資金變動前之經營溢利	1,007,692	1,142,732
(Increase)/decrease in inventories	存貨(增加)/減少	(186,439)	120,831
(Increase)/decrease in trade and bills receivables	應收賬款及票據(增加)/減少	(3,940)	177,896
(Increase)/decrease in deposits, prepayments and other receivables	按金、預付款項及其他應收款項(增加)/減少	(2,943)	14,849
(Decrease)/increase in amounts due from associates	應收聯營公司款項(減少)/增加	23,257	(3,707)
Change in derivative financial instruments	衍生金融工具變動	(7,955)	12,882
Increase/(decrease) in trade and bills payables	應付賬款及票據增加/(減少)	77,206	(213,166)
Increase/(decrease) in accruals and other payables	應計項目及其他應付款項增加/(減少)	41,805	(31,154)
Cash generated from operations	營運產生之現金	948,683	1,221,163

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

30 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

30 綜合現金流量表附註(續)

(b) In the consolidated statement of cash flows, proceeds from disposals of property, plant and equipment comprise:

(b) 於綜合現金流量表內，出售物業、廠房及設備所得款項包括：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Net book amount	賬面淨值	10,559	16,253
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(8,041)	(1,791)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	2,518	14,462

(c) Reconciliation of net debt in financing activities

(c) 融資活動債務淨額對賬

		Loan from a non-controlling interest of a subsidiary 一間附屬公司非控制性權益 提供貸款 HK\$'000 千港元	Bank borrowings 銀行借貸 HK\$'000 千港元	Lease liabilities 租賃負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 March 2018	於2018年3月31日	146,169	313,264	-	459,433
New bank borrowings	新借銀行借貸	-	500,000	-	500,000
Repayment of bank borrowings	償還銀行借貸	-	(513,264)	-	(513,264)
Exchange currency alignment	匯兌調整	56	-	-	56
As at 31 March 2019	於2019年3月31日	146,225	300,000	-	446,225
Adjustment for changes in accounting policies	會計政策變動之調整	-	-	1,292	1,292
As at 1 April 2019	於2019年4月1日	146,225	300,000	1,292	447,517
New bank borrowings	新借銀行借貸	-	966,105	-	966,105
Repayment of bank borrowings	償還銀行借貸	-	(523,261)	-	(523,261)
Repayment of loan from a non-controlling interest of a subsidiary	償還一間附屬公司非控制性權益提供之貸款	(19,493)	-	-	(19,493)
Addition of leases	新增租賃	-	-	727	727
Accrued interest	應計利息	-	-	69	69
Payment for lease liabilities	支付租賃負債	-	-	(944)	(944)
Exchange currency alignment	匯兌調整	(1,683)	(5,654)	-	(7,337)
As at 31 March 2020	於2020年3月31日	125,049	737,190	1,144	863,383

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

31 CONTINGENT LIABILITIES

At 31 March 2020, the Group had no material contingent liabilities (2019: Nil).

For contingent liabilities relating to associates, please refer to Note 10(a).

32 COMMITMENTS**(a) Capital commitments**

Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Contracted but not provided for:	已訂約但未撥備：		
Property, plant and equipment	物業、廠房及設備	130,913	102,810
Leasehold land and land use rights	租賃土地及土地使用權	75,513	-
		206,426	102,810

At 31 March 2020, the Group did not have any significant share of capital commitments of its associates (2019: Nil).

(b) Operating lease commitments – Group as lessor

The future aggregate minimum lease receivables under non-cancellable operating leases are as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
As lessor:	作為出租人：		
Not later than 1 year	不超過1年	743	1,372
Later than 1 year and not later than 5 years	超過1年但不超過5年	35	134
		778	1,506

綜合財務報表附註(續)

31 或有負債

於2020年3月31日，本集團並無重大或有負債(2019年：無)。

有關聯營公司之或有負債請參閱附註10(a)。

32 承擔**(a) 資本承擔**

於結算日已訂約但尚未發生之資本開支如下：

於2020年3月31日，本集團並無任何分佔聯營公司的重大資本承擔(2019年：無)。

(b) 經營租約承擔 – 本集團作為出租人

根據不可撤銷經營租約應收的未來最低租金款項總額如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

32 COMMITMENTS (Cont'd)

(c) Operating lease commitments – Group as lessee

The Group leases various office premises under non-cancellable operating lease arrangements. The lease terms are between 0.5 and 5 years, and the majority of lease arrangements are renewable at the end of the lease period. From 1 April 2019, the Group has recognised right-of-use assets for these leases.

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
As lessee:	作為承租人：		
Not later than 1 year	不超過1年	-	753
Later than 1 year and not later than 5 years	超過1年但不超過5年	-	689
		-	1,442

33 RELATED PARTY TRANSACTIONS

Related parties are those parties that have the ability to control, jointly control or exert significant influence over the other party in holding power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns. Parties are also considered to be related if they are subject to common control or joint control. Related parties may be individuals or other entities.

The directors are of the view that the following entities were related parties that had transactions or balances with the Group during the year.

Name 名稱	Relationship with the Group 與本集團之關係
Toray Industries, Inc. 東麗株式會社	A substantial shareholder 主要股東
Teejay Lanka PLC Teejay Lanka PLC	An associate 聯營公司
SPM Automotive Textiles Co. Ltd. 住江互太(廣州)汽車紡織產品有限公司	An associate 聯營公司
Source Smart Asia Ltd 雅高亞洲有限公司	A company controlled by son of a director 董事兒子控制之公司

32 承擔(續)

(c) 經營租約承擔 – 本集團作為承租人

本集團根據不可撤銷經營租約安排租用若干辦公室物業。租期介乎0.5至5年，大部分租賃安排可於租期完結時重續。自2019年4月1日起，本集團已就該等租賃確認使用權資產。

33 有關連人士交易

有關連人士指有能力控制、聯合控制被投資方或對其他可對被投資方行使權力的人士行使重大影響力的人士；須承擔或享有自其參與被投資方所得可變回報的風險或權利的人士；及可利用其對被投資方的權力影響投資者回報金額的人士。受共同控制或聯合控制的人士亦被視為有關連。有關連人士可為個人或其他實體。

董事認為，下列實體為年內曾與本集團進行交易或擁有結餘之有關連人士。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

33 RELATED PARTY TRANSACTIONS (Cont'd)

33 有關連人士交易(續)

(a) The following transactions were carried out with related parties:

(a) 與有關連人士進行之交易如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Sales of goods	銷售貨品		
– Toray Industries, Inc. (Notes (ii))	– 東麗株式會社(附註(ii))	47,252	16,792
Purchase of materials	購買材料		
– Toray Industries, Inc. (Notes (ii))	– 東麗株式會社(附註(ii))	153,510	116,444
Rental income	租金收入		
– Source Smart Asia Ltd (Note (iii))	– 雅高亞洲有限公司(附註(iii))	990	1,126
– SPM Automotive Textiles Co. Ltd. (Note (iii))	– 住江互太(廣州)汽車紡織 產品有限公司(附註(iii))	2,827	3,060
		3,817	4,186
Sub-contracting income	分包收入		
– SPM Automotive Textiles Co. Ltd. (Note (ii))	– 住江互太(廣州)汽車紡織 產品有限公司(附註(ii))	1,784	3,112
Handling income	處理收入		
– Teejay Lanka PLC (Note (iv))	– Teejay Lanka PLC(附註(iv))	3,292	4,398

Notes:

- (i) Goods are purchased at prices mutually agreed by the Group and the substantial shareholder in the ordinary course of business.
- (ii) Goods are sold and sub-contracting income are received at prices mutually agreed by the Group and its related parties in the ordinary course of business.
- (iii) Rental income is determined based on the size of the property and the relevant market rate.
- (iv) Handling fee received from an associate is charged at 2% to 3% of the value of certain purchases made as an agent of the associate, and the rates of the handling fee were mutually agreed by both parties.

附註：

- (i) 貨品購買乃在日常業務過程中按本集團與主要股東共同協定之價格進行。
- (ii) 貨品銷售與分包收入乃在日常業務過程中按本集團與有關連人士共同協定之價格進行及收取。
- (iii) 租金收入乃基於物業面積與相關市場價格釐定。
- (iv) 向一間聯營公司收取處理費用是以作為聯營公司代理人進行若干採購的價值按2%至3%收取，而處理費用比率乃經雙方共同協商。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

33 RELATED PARTY TRANSACTIONS (Cont'd)

33 有關連人士交易(續)

(b) Year-end balances

(b) 年末結餘

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Amount due from SPM Automotive Textiles Co. Ltd. for sub-contracting income and rental income	應收住江互太(廣州)汽車紡織產品有限公司分包收入及租金收入	560	381
Trade in nature: Amount due from Teejay Lanka PLC arising from purchase of goods on behalf	貿易性質： 因代為購買貨品產生之 應收Teejay Lanka PLC款項	28,982	52,418
Amount due from Toray Industries, Inc. arising from sales of goods on behalf	因代為銷售貨品產生之 應收東麗株式會社款項	3,308	–
		32,290	52,418
Trade in nature: Amount due to Toray Industries, Inc. arising from purchase of materials	貿易性質： 因購買材料產生之應付 東麗株式會社款項	33,522	24,624

(c) Key management compensation

(c) 主要管理人員酬金

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Salaries, bonus and allowances	薪金、花紅及津貼	61,023	65,829
Retirement benefits – defined contribution schemes	退休福利—定額供款計劃	132	158
		61,155	65,987

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

34 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

34 本公司資產負債表及儲備之變動

Balance sheet of the Company

本公司資產負債表

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
ASSETS	資產		
Non-current assets	非流動資產		
Interests in subsidiaries	於附屬公司之權益	1,421,249	1,454,905
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司款項	6,277,205	6,098,113
Cash and bank balances	現金及銀行結餘	13,652	3,093
		6,290,857	6,101,206
Total assets	資產總值	7,712,106	7,556,111
EQUITY	權益		
Share capital	股本	1,435	1,446
Share premium	股份溢價	1,398,998	1,453,188
Treasury shares	庫存股份	(88,037)	–
Reserves	儲備	1,008,208	1,285,503
		2,320,604	2,740,137
LIABILITIES	負債		
Current liabilities	流動負債		
Borrowings	借貸	295,931	300,000
Accruals and other payables	應計項目及其他應付款項	3,945	3,296
Amounts due to subsidiaries	應付附屬公司款項	5,091,626	4,512,678
		5,391,502	4,815,974
Total liabilities	負債總額	5,391,502	4,815,974
Total equity and liabilities	權益及負債總額	7,712,106	7,556,111

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

34 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Cont'd)

34 本公司資產負債表及儲備之變動(續)

Reserve movement of the Company

本公司儲備之變動

		Share-based compensation reserve 以股份為基礎 之酬金儲備 HK\$'000 千港元	Retained earnings 保留溢利 HK\$'000 千港元	Capital Redemption reserve 資本 贖回儲備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2018	於2018年4月1日	12,831	906,301	–	919,132
Profit for the year	年度溢利	–	1,095,119	–	1,095,119
Share-based compensation expense	以股份為基礎之 酬金支出	1,696	–	–	1,696
2017/2018 final dividends	2017/2018年末期股息	–	(267,588)	–	(267,588)
2018/2019 interim dividends	2018/2019年中期股息	–	(462,856)	–	(462,856)
At 31 March 2019	於2019年3月31日	14,527	1,270,976	–	1,285,503
Representing:	表示：				
Proposed final dividend (Note 29)	建議末期股息 (附註29)		361,606		
Others	其他		909,370		
			1,270,976		
At 1 April 2019	於2019年4月1日	14,527	1,270,976	–	1,285,503
Profit for the year	年度溢利	–	458,662	–	458,662
Share-based compensation expense	以股份為基礎之 酬金支出	1,174	–	–	1,174
Lapse of share options	購股權失效	(2,146)	2,146	–	–
Repurchase of shares	購回股份	–	(11)	11	–
2018/2019 final dividends	2018/2019年末期股息	–	(361,606)	–	(361,606)
2019/2020 interim dividends	2019/2020年中期股息	–	(375,525)	–	(375,525)
At 31 March 2020	於2020年3月31日	13,555	994,642	11	1,008,208
Representing:	表示：				
Proposed final dividend (Note 29)	建議末期股息 (附註29)		254,017		
Others	其他		740,625		
			994,642		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

35 DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Directors' and chief executive's emoluments

The aggregate amounts of emoluments paid/payable to directors of the Company by the Group are as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Fees	袍金	5,167	5,250
Salaries, bonus and allowances	薪金、花紅及津貼	31,478	39,895
Retirement benefit – defined contribution schemes	退休福利—定額供款計劃	18	18
		36,663	45,163

The emoluments of each director for the year ended 31 March 2020 are as follows:

截至2020年3月31日止年度，各董事之酬金如下：

Name of directors 董事姓名	Fees 袍金 HK\$'000 千港元	Salaries, bonus and allowances 薪金、花紅 及津貼 HK\$'000 千港元	Retirement benefit – defined contribution schemes 退休福利— 定額供款計劃 HK\$'000 千港元	Total 總計 HK\$'000 千港元	
Executive directors Wan Wai Loi (Chief executive officer)	執行董事 尹惠來(行政總裁)	1,500	21,821	–	23,321
Masaru Okutomi	奧富勝	750	2,040	–	2,790
Tou Kit Vai	杜結威	1,000	3,912	18	4,930
Toshiya Ishii	石井俊哉	1,000	2,130	–	3,130
Non-executive directors (note) Lau Yiu Tong	非執行董事(附註) 劉耀棠	167	1,575	–	1,742
Independent non-executive directors Chan Yue Kwong, Michael	獨立非執行董事 陳裕光	250	–	–	250
Ng Ching Wah	伍清華	250	–	–	250
Sze Kwok Wing, Nigel	施國榮	250	–	–	250
		5,167	31,478	18	36,663

Note: Upon being redesignated to NED on 1 June 2019, Mr. Lau has since then waived any emoluments for the year ended 31 March 2020. Mr. Choi Kin Chung, a former NED, resigned with effect from 12 June 2019 had waived emoluments during the year ended 31 March 2020.

附註：於2019年6月1日調任為非執行董事後，劉先生自此已放棄截至2020年3月31日止年度之酬金。前任非執行董事蔡建中先生(於2019年6月12日辭任)已放棄截至2020年3月31日止年度之酬金。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

35 DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Cont'd)

Directors' and chief executive's emoluments (Cont'd)

The emoluments of each director for the year ended 31 March 2019 are as follows:

35 董事及最高行政人員之酬金(續)

董事及最高行政人員之酬金(續)

截至2019年3月31日止年度，各董事之酬金如下：

Name of directors	Fees	Salaries, bonus and allowances	Retirement benefit – defined contribution schemes	Total
董事姓名	袍金	薪金、花紅及津貼	退休福利 – 定額供款計劃	總計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Executive directors				
Wan Wai Loi (Chief executive officer)	1,500	23,247	–	24,747
Lau Yiu Tong	1,000	11,044	–	12,044
Tou Kit Vai	1,000	3,474	18	4,492
Toshiya Ishii	1,000	2,130	–	3,130
Non-executive directors				
Choi Kin Chung	–	–	–	–
Tsang Kang Po	–	–	–	–
Independent non-executive directors				
Chan Yue Kwong, Michael	250	–	–	250
Ng Ching Wah	250	–	–	250
Sze Kwok Wing, Nigel	250	–	–	250
	5,250	39,895	18	45,163

36 SUBSEQUENT EVENT

Subsequent to 31 March 2020, the Company repurchased an additional 2,124,000 shares at consideration of HK\$7,725,000. Such shares were cancelled in April 2020.

36 期後事項

於2020年3月31日後，本公司以代價7,725,000港元進一步購回2,124,000股股份。該等股份已於2020年4月註銷。

FINANCIAL SUMMARY

財務概要

CONSOLIDATED RESULTS

綜合業績

		Year ended 31 March, 截至3月31日止年度				
		2020	2019	2018	2017	2016
		2020年	2019年	2018年	2017年	2016年
		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
Revenue	收入	5,476,196	6,119,081	6,098,153	5,993,632	6,927,614
Gross profit	毛利	924,578	1,060,901	947,162	1,116,484	1,302,504
Profit attributable to:	下列人士應佔溢利：					
Equity holders of the Company	本公司權益持有人	743,489	861,780	744,035	975,573	1,125,530
Non-controlling interests	非控制性權益	24,440	8,479	(20,693)	13,655	(2,835)
		767,929	870,259	723,342	989,228	1,122,695

CONSOLIDATED BALANCE SHEET

綜合資產負債表

		As at 31 March, 於3月31日				
		2020	2019	2018	2017	2016
		2020年	2019年	2018年	2017年	2016年
		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
Non-current assets	非流動資產	1,912,357	2,001,296	2,046,372	1,889,201	1,886,598
Current assets	流動資產	2,900,817	2,528,941	2,806,338	3,122,567	3,544,846
Total assets	資產總值	4,813,174	4,530,237	4,852,710	5,011,768	5,431,444
Current liabilities	流動負債	1,613,402	1,051,550	1,311,037	1,660,479	1,906,148
Total assets less current liabilities	資產總值減流動負債	3,199,772	3,478,687	3,541,673	3,351,289	3,525,296
Non-current liabilities	非流動負債	202,716	209,048	200,811	170,841	173,364
Total equity	權益總額	2,977,056	3,269,639	3,340,862	3,180,448	3,351,932
Net current assets	流動資產淨值	1,287,415	1,477,391	1,495,301	1,462,088	1,638,698
Equity attributable to:	下列人士應佔權益：					
Equity holders of the Company	本公司權益持有人	2,985,924	3,279,611	3,357,578	3,177,168	3,360,099
Non-controlling interests	非控制性權益	11,132	(9,972)	(16,716)	3,280	(8,167)
		2,997,056	3,269,639	3,340,862	3,180,448	3,351,932

In this annual report (other than the Independent Auditor's Report and Financial Information), unless the context otherwise requires, the following expressions shall have the following meanings:

於本年報內(獨立核數師報告與財務資料除外)·除非文義另有所指·下列詞彙具有以下含義:

"2020 Financial Year"	For the year ended 31 March 2020	[2020年財政年度]	截至2020年3月31日止年度
"AGM"	Annual General Meeting of the Company	[股東週年大會]	本公司之股東週年大會
"Articles"	The Articles of Association of the Company, as amended from time to time	[章程細則]	本公司不時修訂之組織章程細則
"Board"	The Board of Directors of the Company	[董事局]	本公司之董事局
"CG Code" or "Corporate Governance Code"	The Corporate Governance Code, stated in the Appendix 14 to the Main Board Listing Rules	[企業管治守則]	主板上市規則附錄十四所載之企業管治守則
"China" or "PRC"	The People's Republic of China	[中國]	中華人民共和國
"Company"	Pacific Textiles Holdings Limited, an exempted company incorporated in Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange	[本公司]	互太紡織控股有限公司·一間於開曼群島註冊成立之獲豁免有限公司·其股份於聯交所上市
"Director(s)"	The Director(s) of the Company	[董事]	本公司之董事
"Group"	The Company and its subsidiaries	[本集團]	本公司及其附屬公司
"HKD" or "\$" or "HK\$"	Hong Kong Dollar	[港元]	港元
"HKSAR" or "Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China	[香港]	中華人民共和國香港特別行政區
"INED(s)"	The Independent Non-executive Director(s) of the Company	[獨立非執行董事]	本公司之獨立非執行董事
"Listing Rules" or "Main Board Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time	[上市規則]或 [主板上市規則]	經不時修訂之聯交所證券上市規則
"LKR" or "RS"	Sri Lankan Rupee	[斯里蘭卡盧比]	斯里蘭卡盧比
"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers, Appendix 10 to the Main Board Listing Rules	[標準守則]	主板上市規則附錄十上市發行人董事進行證券交易的標準守則
"Panyu Plant"	the factory run by Pacific (Panyu) Textiles Limited located in Nansha of Guangzhou City, the PRC	[番禺廠]	於中國廣州市南沙由互太(番禺)紡織印染有限公司營運之工廠

“RMB” or “CNY”	“Renminbi/Chinese Yuan”	「人民幣」	人民幣
“SFO”	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)	「證券及期貨條例」	證券及期貨條例(香港法例第571章)
“Shares”	Shares of the Company, with a nominal value of HK\$0.001 each	「股份」	本公司每股面值0.001港元之股份
“Shareholder(s)”	The Company’s Shareholder(s)	「股東」	本公司之股東
“Share Option Scheme”	The Share Option Scheme adopted by the Company pursuant to the written resolutions of Shareholders passed on 27 April 2007, and expired on 17 May 2017	「購股權計劃」	本公司根據股東於2007年4月27日通過之書面決議案採納之購股權計劃，且已於2017年5月17日屆滿
“Stock Exchange”	The Stock Exchange of Hong Kong Limited	「聯交所」	香港聯合交易所有限公司
“Teejay Lanka PLC”	Teejay Lanka PLC (formerly known as Textured Jersey Lanka PLC and Textured Jersey Lanka (Private) Limited), a limited liability company incorporated under the laws of Sri Lanka and whose shares are listed on the Colombo Stock Exchange of Sri Lanka	「Teejay Lanka PLC」	Teejay Lanka PLC (前稱 Textured Jersey Lanka PLC 及 Textured Jersey Lanka (Private) Limited)，一間根據斯里蘭卡法律註冊成立之有限公司，其股份於斯里蘭卡科倫坡交易所上市
“Toray”	Toray Industries, Inc., a company incorporated under the laws of Japan and whose shares are listed on the Tokyo Stock Exchange in Japan, a substantial Shareholder of the Company	「Toray」	Toray Industries, Inc.，一間根據日本法律註冊成立之公司，其股份於日本東京證券交易所上市，現為本公司之一名主要股東
“USD” or “US\$”	United States Dollar	「美元」	美元
“VND”	Vietnamese Dong	「越南盾」	越南盾



PACIFIC TEXTILES HOLDINGS LIMITED
互太紡織控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)
(Stock Code 股份代號 : 01382)



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