



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
2013/14 年報

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. WAN Wai Loi (*Chairman*)
Mr. TSANG Kang Po (*Vice Chairman*)
Mr. LAM Wing Tak (*Chief Executive Officer*)

Non-executive Directors

Mr. CHOI Kin Chung
Mr. IP Ping Im
Mr. LAU Yiu Tong

Independent Non-executive Directors

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

AUDIT COMMITTEE

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

REMUNERATION COMMITTEE

Mr. CHAN Yue Kwong, Michael (*Chairman*)
Mr. NG Ching Wah
Mr. SZE Kwok Wing, Nigel
Mr. LAM Wing Tak
Mr. TSANG Kang Po

NOMINATION COMMITTEE

Mr. NG Ching Wah (*Chairman*)
Mr. CHAN Yue Kwong, Michael
Mr. SZE Kwok Wing, Nigel
Mr. LAM Wing Tak
Mr. TSANG Kang Po

COMPANY SECRETARY

Ms. Lai Tin Yin, Fion, FCIS/FCS

PRINCIPAL BANKERS

BNP Paribas, Hong Kong Branch
Citibank N.A.
DBS Bank (Hong Kong) Ltd.
Hang Seng Bank Ltd.
The Hongkong and Shanghai Banking Corp. Ltd.
Standard Chartered Bank (Hong Kong) Ltd.

董事局

執行董事

尹惠來先生(*主席*)
曾鏡波先生(*副主席*)
林榮德先生(*行政總裁*)

非執行董事

蔡建中先生
葉炳棧先生
劉耀棠先生

獨立非執行董事

陳裕光先生
伍清華先生
施國榮先生

審核委員會

施國榮先生(*主席*)
陳裕光先生
伍清華先生

薪酬委員會

陳裕光先生(*主席*)
伍清華先生
施國榮先生
林榮德先生
曾鏡波先生

提名委員會

伍清華先生(*主席*)
陳裕光先生
施國榮先生
林榮德先生
曾鏡波先生

公司秘書

黎天賢女士 · FCIS/FCS

主要往來銀行

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

Corporate Information

公司資料

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants

REGISTERED OFFICE

P.O. Box 309GT, Ugland 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 SHARE REGISTRAR

Royal Bank of Canada Trust Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, PO 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, Ugland 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

主要股份過戶登記處

Royal Bank of Canada Trust Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, PO 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室

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, it is my pleasure to present the Group's consolidated financial results for the 2014 Financial Year and give an overview of the Group's strategy and business outlook.

ECONOMIC OVERVIEW AND FINANCIAL PERFORMANCE

The external environment last year was mixed with the US Federal Reserve tapering of the quantitative easing policy which it has sustained for years, the road of recovery will be more bumpy with uncertainties over the exit strategy and interest rate policy of Federal Reserve. The European Commission's spring forecast pointed to a continuing economic recovery of the Eurozone following its emergence from recession one year ago. Japan's government debt also reached a record high by the quantitative easing programme last year to tackle the threat of deflation and lack of momentum over the past two decades. However, root problems of these advanced economies have yet to be solved, government debts has climbed to its highest level, uncertainties about the external environment has increased and concerns on Abenomics remain whether the recovery is durable.

With much appreciation to the teamwork of staff and support from our business partners, the Group has registered turnover of HK\$7,423.5 million for the 2014 Financial Year, which shows an increase of 11.6% over previous year. The Group's sales volume increased correspondingly by 8.6% at 186.9 million pounds, compared to 172.1 million pounds of the last financial year. The net profit attributable to shareholders amounted to HK\$1,116.8 million (2013: HK\$925.2 million).

The Board has proposed a final dividend of HK40 cents per share and a final special dividend of HK25 cents per share. Together with interim dividend of HK40 cents per share declared in November 2013, the total dividend for the 2014 Financial Year will be HK105 cents per share.

BUSINESS OVERVIEW AND OUTLOOK

The group's future economic growth will depend on its ability to innovate, create, and reinvent the way it does business, and our prompt response to meet untapped demands of challenging global environment.

The recent China-Vietnam tensions have posed concerns on our future strategies and expansion plan. Despite high pressure on inflationary cost of labour, dyestuff, chemical and others auxiliary cost, textile manufacturing in China is still playing a very dominating role in the global market. Even the threat from players in South and South East region is getting more and more imminent with favorable duty concession offered from advanced economies and lower labour costs in these countries, all these benefits may not outweigh the risk of political uncertainty in the region.

致各股東：

本人謹代表董事局欣然提呈本集團2014年財政年度之綜合財務業績，並提供本集團策略及業務展望之概覽。

經濟綜覽與財務表現

去年，外圍環境波動，美聯儲不斷縮減持續數年的量化寬鬆政策。美聯儲退出策略及利率政策不明朗，復蘇之路將更加艱難。歐盟委員會的春季預測指出，自一年前經濟衰退之後，歐元區的經濟持續復甦。在過去二十年，日本政府的債務亦創歷史新高，而去年實行量化寬鬆計劃以期擺脫通縮威脅，惟缺乏動力。然而，這些發達經濟體的根本問題尚未得到解決，政府債務已攀升至最高水平。外圍環境的不確定性加大，而外界對安倍經濟學復蘇的持久性產生質疑。

由於員工共同努力，本集團業務夥伴鼎力支持，本集團的營業額於2014年財政年度錄得7,423.5百萬港元，較去年增加11.6%。本集團的銷售量相應增加8.6%至186.9百萬磅，而上一個財政年度則為172.1百萬磅。股東應佔純利達1,116.8百萬港元(2013年：925.2百萬港元)。

董事局擬派末期股息每股港幣40仙與末期特別股息每股港幣25仙。連同於2013年11月宣派的中期股息每股港幣40仙，2014年財政年度的股息總額將為每股港幣105仙。

業務綜覽與展望

本集團的未來經濟增長將取決於其創新、創造及重塑其經營業務方式的能力，以及本集團迅速應對充滿挑戰的全球環境，以滿足未開發需求的能力。

近期中國與越南的緊張關係引起對本集團未來策略及擴張計劃的關注。儘管勞動力、染料和化學品成本及其他輔助費用的高通脹壓力，中國紡織製造業仍佔據全球市場的主導地位。即使南亞及東南亞地區的製造商已日趨構成不可避免的威脅，發達經濟體出台優惠關稅寬免以及該等國家較低勞工成本，所有該等裨益可能不會超過區內政治不確定性的風險。

Chairman's Statement

主席報告書

BUSINESS OVERVIEW AND OUTLOOK (Cont'd)

In the face of unstable financial and political environment in 2014, the Company will continue to closely monitor market and political developments to safeguard the interests of stakeholders.

During the year, the Secretary for Financial Services and The Treasury gazetted the commencement notice of the New Companies Ordinance ("the NCO") which stipulated 3 March 2014 as the commencement date of the NCO. With aims to further enhance Hong Kong's status as a major international business and financial centre, we shall ensure compliance of the NCO for relevant subsidiaries of the group. We welcome Stock Exchange's continued efforts to simplify and improve the clarity of the connected transaction rules and ease the compliance demands for transaction with connected person at the subsidiary level and increase the monetary limit for fully exempt connection transactions with effective from 1 July 2014.

APPRECIATION

On behalf of the Board, I am pleased to express my sincere appreciation to our customers, business partners, suppliers and bankers for their continuous support to the Group during the period. I sincerely hope our employees will be able to realise their potential at work, improve their aspirations in life and pursue work life balance.

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

On behalf of the Board

Wan Wai Loi
CHAIRMAN

Hong Kong, 27 June 2014

業務綜覽與展望(續)

面對2014年金融和政治環境的不穩定，本公司將繼續密切監察市場和政治發展，以維護持份者的利益。

年內，財經事務及庫務局局長於憲報刊發新公司條例(「新公司條例」)的生效日期公告，當中指定2014年3月3日為新公司條例開始實施的日期。為進一步提升香港作為主要國際商業和金融中心的地位，我們須確保相關集團附屬公司遵守新公司條例。我們歡迎聯交所繼續努力簡化和改進關連交易規則更清楚易明，寬減與關連人士(於附屬公司層面)進行交易的合規要求，以及提高全面豁免關連交易的金額上限(自2014年7月1日起生效)。

鳴謝

本人謹代表董事局藉此向我們的客戶、業務夥伴、供應商及往來銀行於著充滿挑戰的時間對本集團之不斷支持致以謝意。本人衷心祈望我們的員工在工作上盡展所長，促進感悟人生並邁向工作生活平衡。

本人感謝我們的股東於往年對本集團之鼎力支持與信心。

承董事局命

主席
尹惠來

香港，2014年6月27日

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW

Overview

The external environment last year was mixed with the US Federal Reserve tapering of the quantitative easing policy which it has sustained for years, the road of recovery will be more bumpy with uncertainties over the exit strategy and interest rate policy of Federal Reserve. The European Commission's spring forecast pointed to a continuing economic recovery of the Eurozone following its emergence from recession one year ago. Japan's government debt also reached a record high by the quantitative easing programme last year to tackle the threat of deflation and lack momentum over the past two decades. However, root problems of these advanced economies have yet to be solved, government debts has climbed to its highest level, uncertainties about the external environment has increased and concerns on Abenomics remain whether the recovery is durable.

During the year, the Group has registered turnover of HK\$7,423.5 million for the 2014 Financial Year, which shows an increase of 11.6% over previous year. The Group's sales volume increased correspondingly by 8.6% at 186.9 million pounds, compared to 172.1 million pounds of the last financial year. The net profit attributable to shareholders amounted to HK\$1,116.8 million (2013: HK\$925.2 million), recorded a year on year increase of 20.7%.

In line with the increase in sales volume, the Group's gross profit and operating profit reached HK\$1,361.4 million and HK\$1,288.6 million respectively. Gross profit margin and operation profit margin were increased to 18.3% and 17.4% in compare with the previous year at 17.8% and 16.1% respectively as a result of improvement of production efficiency and capacity utilisation.

The Group distribution and selling expenses increased to HK\$67.2 million (2013: HK\$55.8 million) due to the growth in sales volume and general and administrative expenses reduced to HK\$130.2 million (2013: HK\$148.3 million) mainly due to tight cost containment.

With our strong capability in technological and innovative products, the Group maintained excellent relationship with a large portfolio of renowned international brands. The top five customers and brand owners accounted for approximately 65.4% and 72.5% respectively of the Group's revenue during the year under review, versus 57.6% and 65.7% of the previous year.

Environmental Reporting and Social Reporting

Being one of the key players of textiles Industry, the group endeavor to promote clean production. During the 2014 Financial Year, we invested heavily in new environmental facilities, researched and developed the facilities and knowhow of the state of arts production, and initiated number of technological and ecological projects for energy saving, waste recycling as well as reduction of emission of low carbon manufacturing.

業務回顧

綜述

去年，外圍環境波動，美聯儲不斷縮減持續數年的量化寬鬆政策。美聯儲退出策略及利率政策不明朗，復蘇之路將更加艱難。歐盟委員會的春季預測指出，自一年前經濟衰退之後，歐元區的經濟持續復甦。在過去二十年，日本政府的債務亦創歷史新高，而去年實行量化寬鬆計劃以期擺脫通縮威脅，惟缺乏動力。然而，這些發達經濟體的根本問題尚未得到解決，政府債務已攀升至最高水平。外圍環境的不確定性加大，而外界對安倍經濟學復蘇的持久性產生質疑。

年內，本集團於2014年財政年度錄得營業額7,423.5百萬港元，較往年增加11.6%。本集團之銷售量較上一財政年度之172.1百萬磅，相應增加8.6%至186.9百萬磅。股東應佔純利達1,116.8百萬港元，(2013年：925.2百萬港元)，錄得同比增長20.7%。

本集團之毛利及經營溢利分別達1,361.4百萬港元及1,288.6百萬港元，與銷售量增加保持一致。毛利率及經營溢利率為18.3%及17.4%，較往年毛利率17.8%及經營溢利率16.1%有所增加，增長乃因提高生產效率及產能利用所致。

本集團分銷及銷售開支增加至67.2百萬港元(2013年：55.8百萬港元)乃銷售量增長所致及一般及行政開支減少至130.2百萬港元(2013年：148.3百萬港元)，主要是由於嚴謹的成本控制。

憑藉高技術和創新產品的強大能力，本集團與多個知名國際品牌維持非常密切之關係。五大客戶及品牌擁有人於回顧年度內分別佔本集團收入總額約65.4%及72.5%，而上年則分別為57.6%及65.7%。

環境及社會報告

作為紡織行業的主要參與者，本集團致力推動清潔生產。於2014年財政年度期間，本集團積極投資全新環保設備，研究及開發工藝技術及設施，再主動多項節能環保技術項目以達致節能，循環再用及減少排放的低碳製造。

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW (Cont'd)

National Qualification of Textile Dyeing and Printing Enterprises

The General Office of the State Council has published various work plans and its implementation for controlling greenhouse gas emissions during the 12th Five-Year Plan period, defining an overall outline for the plan's implementation.

In February 2013, the National Development and Reform Commission, the Ministry of Environment Protection with relevant administrations highlighted the strategic principle of energy saving and emission reduction by improving and upgrading the industrial structure.

At the same time, our Panyu factory was accredited the 1st batch of textile dyeing and printing enterprises in compliance with the national qualification as set by the Ministry of Industry and Information Technology of the People's Republic of China (MIIT). The national qualification will speed up the industry consolidation and the Group with advanced production technology and strong environmental protection capability will benefit from the industrial transformation.

Sustainable Development of Low Carbon Manufacturing

China has committed controlling greenhouse gas (GHG) emission as a major strategy into its planning for economic and social development under the 12th Five-year Plan. The Group was the first textile manufacturer in China back in 2009 accredited by BSI (China) with the Greenhouse Gases Emissions Verification Statement under ISO 14064-1:2006 which specifies principles and requirements at the organisation level for quantification and reporting of GHG emissions and removals. It also included requirements for the design, development, management, reporting and verification of the Group's GHG inventory. Thereafter, we measure the GHG Emissions inventory annually to spot the source of emissions for further control and improvement. Until the end of 2013, our GHG Emission per production unit was lowered by 16.6% since the base year of 2009.

Pacific Textiles was the pilot unit for implementation of Energy Management System under national standard, GB/T23331-2009, being the 1st dyeing and printing manufacturer accredited on 24 March 2011. Pacific Textiles endeavored to implement Energy Management System under International Standard, and being the 1st textiles manufacturer in China received the recognition of ISO50001 on 26 November 2013. Our Panyu factory further accredited Energy Management System under both national standard, GB/T23331-2012 and international standard, ISO50001:2011 by BSI (China) valid until 22 March 2015. We were also named "Energy Management Excellence of 2013" as one of six BSI (China) elite customers.

業務回顧(續)

印染行業准入條件

於第十二個五年規劃期間，國務院辦公廳公告各工作計劃及實施細則，確立整體行動方案以控制溫室氣體排放。

於2013年2月，國家發展和改革委員會，環境保護部與有關行政機構推動節能減排重點策略以改革及提升產業結構。

我們番禺廠房當時榮獲中華人民共和國工業和信息化部(工業和信息化部)表列為(第一批)符合《印染行業准入條件》企業名單。全國性印染行業准入，將加快行業整合，而本集團具備先進生產技術及強大環境保護能力將受惠於工業轉型。

低碳製造之持續發展

在第十二個五年國民經濟和社會發展之規劃內，中國承諾控制溫室氣體排放為主要策略。本集團早在2009年獲中國BSI根據ISO 14064-1:2006發出溫室氣體排放核證書的首家紡織業機構，ISO 14064-1:2006說明組織層級在量化及報告溫室氣體排放及移除的原則和要求。其亦包括本集團對溫室氣體盤查的設計，開發，管理，報告並核證本集團溫室氣體排放量。之後，我們每年進行溫室氣體排放量的盤查工作，以找出主要排放源並加以控制和改善。至2013年底，我們的單位產品溫室氣體排放量較基準年2009年下降了16.6%。

互太作為全國紡織企業推行GB/T23331-2009能源管理體系的試點單位，於2011年3月24日通過了國家標準認證，是全國印染行業的第一家。互太進一步推行ISO50001能源管理體系，並在2013年11月26日通過了國際標準認證，是全國紡織行業的第一家。我們番禺廠房再獲中國BSI同時根據國家標準能源管理系統GB/T23331-2012及國際能源管理體系ISO50001:2011，頒發有效期至2015年3月22日之註冊證書。並獲中國BSI 2013年度6項優秀客戶之其中「卓越能源管理」獎項。

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW (Cont'd)

Environmental Awards and Recognition

The awards of Green Medalist of Hang Seng Pearl River Delta Environmental Award jointly issued by the Federation of Hong Kong Industries and Hang Seng Bank in the last five consecutive years were evidence of our keen participation in environmental protection.

The benchmark of our commitments towards best practices within manufacturing sector in Hong Kong has been signified with the Sectoral Award of Certificate of Merit on green management by Environmental Campaign Committee, Hong Kong in the last four consecutive years.

In June 2013, we were elected Advanced Enterprise in Clean Production by The Economic & Information Commission of Guangdong Province.

In September 2013, the Group was elected Model Enterprise in Clean Production by the Ministry of Industry and Information Technology of the People's Republic of China for our achievements in development of clean production system; optimal selection of material and chemical; technological innovation and advancement; effective resources management.

In November 2013, we were awarded honor of textiles of innovative and technological advance fabrics of inner wear of 2013 by China National Textile And Apparel Council.

On 12 December 2013, we were nominated as the first batch of Guangdong Province Trial Entity of Resources Saving and Environmental Friendly Enterprises jointly awarded by The Economic & Information Commission of Guangdong Province and the Science and Technology Council. The nomination will last for 2 years. The trial entity will provide recommendations on relevant policies on core technique and typical development model in accomplishment of resources saving and environmental friendly enterprise for its industry.

Research and Development on State of the Arts Production

In the last three years, our Panyu factory invested in the establishment of Guangzhou Low Carbon Textiles Technological Research and Development Centre (廣州市低碳紡織工程技術研究開發中心). The objective of the development centre is to enable the textile industry to tackle the business and sustainability challenges for development of state of the arts production. It will also support various projects with government authorities and research institutions on research and development of tangible gadgets, equipment, systems or production facilities for low carbon manufacturing, patent registration of new product and technology, and standard setting of textile industry.

業務回顧(續)

環保獎項及嘉許

我們於過去五年獲得香港工業總會及恒生銀行共同頒授之「恒生珠三角環保大獎：綠色獎章」獎章，是我們熱心參與環保事務的證明。

我們連續四年榮獲香港環境保護運動委員會頒發的界別卓越獎優異獎，彰顯我們在香港製造業落實最佳實踐方面的努力。

於2013年6月，由廣東省經濟和資訊化委員會，頒發廣州市清潔生產先進企業。

於2013年9月，本集團被中華人民共和國工業和信息化部遴選為清潔生產示範企業，以表彰我們於清潔生產制度建設、原材料優化調整、技術工藝創新和改造升級、資源高效利用等方面。

於2013年十一月，紡織之光2013年度中國紡織工業聯合會針織內衣創新貢獻獎。

2013年12月12日由廣東省經濟和資訊化委員會及廣東省科學技術廳共同頒發第一批廣東省資源節約型和環境友好型企業試點。試點實施期為2年。試點企業對行業實現資源節約和環境友好發展的核心技術和典型發展模式提出相關政策建議。通過試點工作對行業起示範作用。

工藝技術的研究開發

我們番禺廠房在過去三年籌備建立廣州市低碳紡織工程技術研究開發中心，專案目標為承擔紡織行業紡織產品低碳新材料和新工藝技術的科研任務、以及新設備開發實驗，並使其產業化；開發具有自主知識產權的新產品、新技術，申報專利；承擔相關行業、標準的制定。

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW (Cont'd)

Research and Development on State of the Arts Production (Cont'd)

On 23 December 2013, The Economic & Information Commission of Guangdong Province and The Guangdong Provincial Department of Science and Technology jointly announced the first batch of provincial establishment of Clean Production Technological Centers. For implementation of the "12th Five-year Plan of Clean Production of Guangdong Province", strengthening of industrial key and common clean production technology, research on skill and production facilities, develop and promote the transformation of clean production technology, improve the industrial skill of clean production, our Panyu plant was named the first batch of "Provincial Clean Production Technological Centre" (PCPTC) of the next two years. Our PCPTC of Panyu will further strengthen our development capability, accelerate the exploitation work, develop industrialized advancement, actively develop clean production technology, research on new skills and production facilities, expand and promote the development and transformation of clean production technology, actively participate the drafting, standard setting, evaluation or other relevant topics of industrialized clean production, for staunch technological support and further advancement of provincial clean production standard.

During the 2014 Financial Year, the group invested heavily in new environmental facilities of solar photovoltaic and innovative energy saving LED solutions. We further researched and developed the facilities and knowhow of state of the arts production in printing and dyeing processes. We also initiated number of technological and ecological projects for energy saving, waste recycling as well as reduction of emission of low carbon manufacturing.

Infrastructure and Long Term Development

Going forward, we shall continue to promote clean production and invest heavily in low carbon manufacturing facilities for sustainable growth and development of the Company.

The group's future economic growth will depend on its ability to innovate, create, and reinvent the way it does business, and our prompt response to meet untapped demands of challenging global environment.

The recent China-Vietnam tensions have posed concerns on our future strategies and expansion plan. Despite high pressure on inflationary cost of labour, dyestuff, chemical and others auxiliary cost, textile manufacturing in China is still playing a very dominating role in the global market.

業務回顧(續)

工藝技術的研究開發

2013年12月23日由廣東省經濟和資訊化委員會及廣東省科學技術廳共同頒發第一批創建省清潔生產技術中心。為貫徹落實《廣東省「十二五」清潔生產規劃》，加強行業關鍵和共性清潔生產技術、工藝及產品設備的研發，促進清潔生產技術轉化和推廣應用，提高行業清潔生產水準，我們番禺廠房獲表彰第一批「省清潔生產技術中心」稱號有效期為兩年。我們番禺清潔生產技術中心進一步加強能力建設，加快推進創建工作，發揮自身行業優勢，積極開展清潔生產新技術、新工藝及新產品設備的研發，加大清潔生產技術轉化和推廣應用，積極參與行業清潔生產技術標準或評價體系等相關課題研究和技術檔編制工作，為進一步提升全省清潔生產水準提供強有力的技術支撐。

於2014年財政年度期間，本集團大量投資全新環保設備，太陽能光伏並網發電及先進LED節能燈。我們更進一步研究及開發印染工藝技術及設施，我們再主導多項節能環保技術項目以達致節能，循環再用及減少排放的低碳製造。

基礎建設和長遠發展

展望未來，我們將繼續推動清潔生產及大量投資低碳製造設備為達致公司持續增長和發展。

本集團的未來經濟增長將取決於其創新、創造及重塑其經營業務方式的能力，以及本集團迅速應對充滿挑戰的全球環境，以滿足未開發需求的能力。

近期中國與越南的緊張關係引起對本集團未來策略及擴張計劃的關注。儘管勞動力、染料和化學品成本及其他輔助費用的高通脹壓力，中國紡織製造業仍佔據全球市場的主導地位。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW

Liquidity and Financial Information

As at 31 March 2014, the Group had total cash and bank balances of HK\$1,776.3 million (2013: HK\$1,793.4 million), including HK\$506.5 million, the equivalent of HK\$987.9 million in US\$, the equivalent of HK\$278.9 million in Renminbi and the equivalent of HK\$3.0 million in other currencies. The cash and bank balances and time deposits are to finance the Group's working capital and capital expenditure plans.

The Group does not have any bank loan. The borrowings represent the portion of shareholder's loan contributed by our joint venture partner to our Vietnam subsidiary. The loan is of equity nature and is unlikely to be repaid within one year.

For the 2014 Financial Year, the Group's total assets amounted to HK\$5,353.4 million (2013: HK\$5,276.6 million), representing an increase of 1.5%. Non-current assets and current assets were HK\$1,471.3 million and HK\$3,882.1 million respectively. The above assets were financed by current liabilities of HK\$1,308.8 million, non-current liabilities of HK\$105.8 million, non-controlling interests of HK\$3.8 million and equity attributable to shareholders of HK\$3,935.0 million.

As at 31 March 2014, the current ratio (which is calculated on the basis of current assets over current liabilities) was 3.0 (2013:3.2). The gearing ratio, being the ratio of total debts (including current and non-current borrowings) to total equity, was 1.2% (2013: 1.2%). As at 31 March 2014, the Group was in a net cash position of HK\$1,728.8 million (2013: HK\$1,745.8 million).

The Group adopted cautious measures and fine-tuned its capital expenditure in response to the market demand. During the year under review, total capital expenditure increased 126.8% to HK\$242.2 million (2013: HK\$106.8 million), which was mainly used to purchase plant and machinery, construction projects of Panyu plant and others.

Foreign Exchange Risk Management

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and Renminbi. The Group manages its foreign exchange risks by performing regular review and monitoring its foreign exchange exposure. The Group hedges against the exposure and reduce the risk involved as appropriate.

Pledge of Assets

As at 31 March 2014, the Group did not have any bank loans (2013: Nil).

財務回顧

資金流動性與財務資料

於2014年3月31日，本集團擁有現金及銀行結餘額為1,776.3百萬港元(2013年：1,793.4百萬港元)，當中包括506.5百萬港元，相等於987.9百萬港元之美元，相等於278.9百萬港元之人民幣及相等於3.0百萬港元之其他貨幣。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本來源。

本集團並沒有任何銀行貸款。借貸指我們的合營公司夥伴向我們越南附屬公司提供的部分股東貸款。貸款為權益性質，並不太可能於年內償還。

於2014年財政年度，本集團資產總值為5,353.4百萬港元(2013年：5,276.6百萬港元)，增加1.5%。非流動資產及流動資產分別為1,471.3百萬港元及3,882.1百萬港元。上述資產由流動負債1,308.8百萬港元、非流動負債105.8百萬港元、非控制性權益3.8百萬港元及股東應佔權益3,935.0百萬港元提供融資。

於2014年3月31日，流動比率(根據流動資產除以流動負債計算)為3.0(2013年：3.2)。負債比率即負債總額(包括流動及非流動借貸)與權益總額之比率為1.2%(2013年：1.2%)。於2014年3月31日，本集團之淨現金水平為1,728.8百萬港元(2013年：1,745.8百萬港元)。

本集團採取謹慎的措施，並根據市場的需求而微調資本支出。於回顧年度，本集團錄得資本開支總額增加126.8%至242.2百萬港元(2013年：106.8百萬港元)，主要應用於購買設備和機器，興建番禺廠房及其他項目。

匯率風險管理

本集團面對多項貨幣之匯率風險，主要涉及美元及人民幣。本集團通過定期檢討與監察其持有外幣之情況以管理匯兌風險。本集團在適當時對沖風險與減少風險。

資產抵押

於2014年3月31日，本集團並無任何銀行貸款(2013年：無)。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW (Cont'd)

Employees and Remuneration Policies

As at 31 March 2014, the Group had approximately 4,741 full-time employees (2013: 4,888). There is no significant change in the Group's remuneration policy. The Group's remuneration package for its employees includes salary, bonuses, allowances and retirement benefits, based on employee's performance, skills and knowledge. The Group will continue to provide regular training and competitive remuneration packages to its staff. The Group also provides additional benefits to its employees, such as subsidized accommodation and meals for workers at the production facilities, and accident and medical insurance.

The Group has adopted a Share Option Scheme. Pursuant to the scheme, the Company granted options to eligible employees.

Dividends

The Board proposed to pay a final dividend of HK40 cents (2013: HK40 cents) per share and a final special dividend of HK25 cents (2013: Nil) per share for the 2014 Financial Year, subject to the approval of the shareholders at the forthcoming AGM. Together with an interim dividend of HK40 cents (2013: HK40 cents including special dividend of HK25 cents) per share, the total dividend for the 2014 Financial Year amount to HK105 cents (2013: HK80 cents) per share.

Future Prospects and Strategies

We strive to stay firm with our competitiveness in the advanced production technology and strong environmental protection capability. The group will further be benefited from the industry consolidation and transformation of printing and dyeing of textiles industry with the grant of the national qualification.

Our business team shall maintain good customer relationship for continuing growth and development. We shall reinforce our assets and liabilities management by strengthening the group liquidity in a sound and healthy manner.

Going forward, we will accelerate our development capability by research of industrialized advancement and application of clean production technologies. The geopolitical uncertainties in many parts of the world are still a cause for concern in coming years. It is difficult to predict what will happen. We will further exploit various investment opportunities in lower cost production bases like Vietnam or other South-East Asian countries.

財務回顧(續)

僱員及薪酬政策

於2014年3月31日，本集團共僱用約4,741名全職僱員(2013年：4,888名)。本集團薪酬政策並無重大的變動。本集團僱員薪酬待遇組合包括基本薪金、花紅、津貼及退休福利，其乃根據僱員表現、技能及知識釐訂。本集團將持續提供定期訓練與具競爭性的薪酬予員工。本集團亦提供額外福利予僱員，如食宿津貼予駐生產設施之工人、提供意外及醫療保險等。

本集團授出購股權計劃。根據該計劃，本公司授出購股權予合資格僱員。

股息

董事局建議就2014年財政年度派發末期股息每股港幣40仙(2013年：港幣40仙)與末期特別股息每股港幣25仙(2013年：無末期特別股息)，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40仙(2013年：港幣40仙其中包括中期特別股息港幣25仙)，2014年財政年度之股息總額為每股港幣105仙(2013年：港幣80仙)。

展望及策略

我們堅定不移地保持先進生產技術及強大環境保護能力的競爭力。本集團將受惠於紡織行業整合及轉型，因表列為全國性印染行業准入。

我們銷售團隊將維持良好的客戶關係以達致持續增長及發展。我們將強化資產負債管理，確保集團流動資金維持在具效率及健康的狀況。

展望未來，我們將加強能力建設，研究行業先進工藝和清潔生產技術應用。全球許多地方的地緣政治不確定性於來年仍會備受關注。很難預測將會發生什麼。我們將進一步開拓低生產成本地區如越南或其他東南亞國家的各種投資機會。

Profiles of Directors and Company Secretary

董事及公司秘書簡介

EXECUTIVE DIRECTORS

Mr. WAN Wai Loi, aged 64, is an executive Director and Chairman and a founder of the Group. Mr. Wan is responsible for production of the products and the formulation of the overall corporate direction and business strategies of the Group. Mr. Wan has over 41 years of experience in the textile industry. He obtained a Bachelor of Science Degree in Chemical Engineering from Taiwan National Cheng Kung University. Mr. Wan joined the Group in 1997 and was appointed as a Director in 2004. He is also a director of various subsidiaries of the Group.

Mr. TSANG Kang Po, aged 63, is an executive Director and the Vice Chairman and a founder of the Group. Mr. Tsang is responsible for sales and marketing and the formulation of the overall corporate direction and business strategies for the Group. Mr. Tsang has over 35 years of experience in the textile industry. Mr. Tsang obtained a MBA degree from The Open University of Hong Kong and a Master of Science in Business Economics from The Chinese University of Hong Kong. Mr. Tsang joined the Group in 1997 and was appointed as a Director in 2004. He is also a director of various subsidiaries of the Group.

Mr. LAM Wing Tak, aged 63, is an executive Director and the Chief Executive Officer of the Group. Mr. Lam is responsible for sales and marketing and the formulation of the overall corporate direction and business strategies for the Group. Mr. Lam has over 39 years of experience in the textile industry. Mr. Lam obtained a MBA degree from The University of Macau and a Bachelor of Business Administration from The Chinese University of Hong Kong. Mr. Lam is Vice Chairman of Board of Trustee of New Asia College and Honorary Fellow of The Chinese University of Hong Kong. Mr. Lam joined the Group in 1998 and was appointed as a Director in 2004. He is also a director of various subsidiaries of the Group.

NON-EXECUTIVE DIRECTORS

Mr. CHOI Kin Chung, aged 78, is a non-executive Director and a founder of the Group. Mr. Choi co-founded our Group in 1997 and has been the chairman of the Group since its inception until 2005. Mr. Choi is the emeritus chairman of the Company and is a director of several subsidiaries of the Group. He has approximately 46 years of experience in the textile industry. Mr. Choi was educated in 華南理工大學，建築系 (School of Architecture, South China University of Technology) and is a Honorary Professor of the University. He is also a Honorary Citizen of Guangzhou City and Jiangmen City. Mr. Choi has been awarded 中國針織行業終身成就獎 (China Knitting Industry Lifetime Achievement Award) by 中國針織工業協會第四屆理事會 (4th Council of the China Knitting Industry Association) in 2010. Mr. Choi was appointed as a Director in 2004.

執行董事

尹惠來先生，64歲，本集團執行董事兼主席及創辦人之一。尹先生負責本集團產品生產，並為本集團制定整體企業方向及業務策略。尹先生有逾41年紡織業經驗。彼持有台灣國立成功大學頒授之化學工程學理學士學位。尹先生於1997年加入本集團，並於2004年獲委任為董事。彼亦為本集團多間附屬公司的董事。

曾鏡波先生，63歲，本集團執行董事兼副主席及創辦人之一。曾先生負責本集團銷售及市場推廣工作，並為本集團制定整體企業方向及業務策略。曾先生在紡織業有逾35年經驗。曾先生持有香港公開大學頒授之工商管理學碩士學位及香港中文大學頒授之商業經濟學理碩士學位。曾先生於1997年加入本集團，並於2004年獲委任為董事。彼亦為本集團多間附屬公司的董事。

林榮德先生，63歲，本集團執行董事兼行政總裁。林先生負責銷售及市場推廣工作，並為本集團制定整體企業方向及業務策略。林先生在紡織業有逾39年經驗。林先生持有澳門大學頒授之工商管理學碩士學位及香港中文大學頒授之工商管理學士學位。林先生為香港中文大學榮譽院士及新亞書院校董會副主席。林先生於1998年加入本集團，並於2004年獲委任為董事。彼亦為本集團多間附屬公司的董事。

非執行董事

蔡建中先生，78歲，本集團非執行董事及創辦人之一。蔡先生於1997年連同其他人士共同創辦本集團，由本公司開業至2005年出任本集團主席。蔡先生為本公司榮譽主席與本集團數間附屬公司的董事，在紡織業擁有約46年經驗。蔡先生曾就讀於華南理工大學建築系，現為該大學榮譽教授。彼亦為廣州市與江門市榮譽市民。蔡先生於2010年獲中國針織工業協會第四屆理事會頒授中國針織行業終身成就獎。蔡先生於2004年獲委任為董事。

Profiles of Directors and Company Secretary

董事及公司秘書簡介

NON-EXECUTIVE DIRECTORS (Cont'd)

Mr. IP Ping Im, aged 77, is a non-executive Director. He is a co-founder and senior partner of our Group. Mr. Ip has over 37 years of experience in the textile industry. Mr. Ip was appointed as a Director in 2004. He is also a director of several subsidiaries of the Group.

Mr. LAU Yiu Tong, aged 66, is a non-executive Director. Mr. Lau has over 37 years of experience in the textile industry. Mr. Lau holds a Higher Diploma in Textile Technology from the Hong Kong Technical College. He is a member of the General Committee of Federation of Hong Kong Industries. Mr. Lau was appointed as a non-executive Director in 2007. He is also a director of several subsidiaries of the Group.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. CHAN Yue Kwong, Michael, aged 62, is an independent non-executive Director. He is currently the chairman of Café de Coral Holdings Limited, a Hong Kong listed company which he joined in 1984, and has considerable experience in planning and management. Mr. Chan is also an independent non-executive director of Starlite Holdings Limited since 1993, Kingboard Laminates Holdings Limited since 2006 and Tse Sui Luen Jewellery (International) Limited since 2010 and a non-executive director of Tao Heung Holdings Limited in 2007, all four companies are listed on the Main Board of the Hong Kong Stock Exchange. Mr. 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 also a member of the Political Consultative Committee of Nanshan District, Shenzhen in the People's Republic of China. He is currently an executive committee member of the Hong Kong Retail Management Association, the general committee member of the Employers' Federation of Hong Kong, the Adviser of the Quality Tourism Services Association, a full member of the Canadian and the Hong Kong Institute of Planners, a Fellow of the Chartered Institute of Marketing, as well as being appointed by the HKSAR Government as member of the Business Facilitation Advisory Committee. He is also the Honorary Chairman of the Hong Kong Institute of Marketing and the chairman of the Business Enterprise Management Centre of the Hong Kong Management Association. Mr. Chan was appointed as an independent non-executive Director in 2007.

非執行董事(續)

葉炳樑先生，77歲，非執行董事。彼為本集團創辦人之一，並為資深合夥人。葉先生在紡織業有逾37年經驗。葉先生於2004年獲委任為董事。彼亦是本集團數間附屬公司的董事。

劉耀棠先生，66歲，非執行董事。劉先生在紡織業有逾37年經驗。劉先生持有香港工業學院頒授之紡織工藝高級文憑，並為香港工業總會理事。劉先生於2007年獲委任為非執行董事。彼亦為本集團數間附屬公司的董事。

獨立非執行董事

陳裕光先生，62歲，獨立非執行董事。彼現為香港上市公司大家樂集團有限公司之主席。彼於1984年加入該公司，於策劃及管理工作方面擁有豐富經驗。陳先生自1993年起出任星光集團有限公司之獨立非執行董事，自2006年起出任建滔積層板控股有限公司之獨立非執行董事、於2010年獲委任為謝瑞麟珠寶(國際)有限公司之獨立非執行董事及於2007年出任稻香控股有限公司之非執行董事，此四間公司均於香港聯交所主板上市。陳先生持有加拿大曼尼托巴大學(University of Manitoba)文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。現為中華人民共和國深圳市南山區政協委員。彼現為香港零售管理協會執委會成員、香港僱主聯合會理事會成員、優質旅遊服務協會顧問、加拿大及香港規劃師學會會員、英國特許市務學會資深會員，並獲香港特別行政區政府委任為方便營商諮詢委員會成員。陳先生現時擔任香港市務學會榮譽主席及香港管理專業協會之企業管理發展中心主席。陳先生於2007年獲委任為獨立非執行董事。

Profiles of Directors and Company Secretary

董事及公司秘書簡介

INDEPENDENT NON-EXECUTIVE DIRECTORS (Cont'd)

Mr. NG Ching Wah, aged 65, is an independent non-executive Director. Mr. Ng has over 27 years of senior management experience in the telecommunications industry. Mr. Ng is currently director and 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 is the Honorary Advisor of the Communications Association of Hong Kong and is the appointed member of Communications Authority, an independent statutory body established under the Communications Authority Ordinance in April 2012. Mr. Ng was a member of the Digital 21 Strategy Advisory Committee (D21SAC). Mr. Ng graduated from the Chinese University of Hong Kong in 1975, with a Bachelor of Business and Administration. Mr. Ng was appointed as an independent non-executive Director in 2007.

Mr. SZE Kwok Wing, Nigel, aged 57, is an independent non-executive Director. Mr. Sze has senior management experience in the private and investment banking industry serving high net worth clients and institutions. He currently serves as managing director and head of China and Hong Kong of Bank Julius Baer. He was 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 International Private Bank, 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. Mr. Sze was appointed as an independent non-executive Director in 2007.

COMPANY SECRETARY

Ms. LAI Tin Yin Fion is the Company Secretary of the Group. Ms. Lai holds Postgraduate Diploma in Corporate Administration from the Hong Kong Polytechnic University. She is members of the Hong Kong Institute of Company Secretaries and Hong Kong Institute of Certified Public Accountants. Ms. Lai also holds Master in Business Administration from City University of Hong Kong. Prior to joining the Group, she had extensive experience in auditing, financial management, corporate governance and administration in various corporations. Ms. Lai joined the Group in 2011 and was appointed as Company Secretary in 2013.

獨立非執行董事(續)

伍清華先生，65歲，獨立非執行董事。伍先生於電訊業有逾27年資深管理經驗。伍先生現為泰國上市公司Advanced Info Service Public Company Limited之董事與執行委員會成員。彼曾出任於紐約證券交易所上市之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。彼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。伍先生為香港通訊業聯會榮譽顧問及根據2012年4月生效的〈通訊事務管理條例〉成立為法定機構之通訊事務管理局成員。伍先生曾為數碼21資訊科技策略委員會(D21SAC)委員。伍先生於1975年自香港中文大學畢業，獲頒工商管理學士學位。伍先生於2007年獲委任為獨立非執行董事。

施國榮先生，57歲，獨立非執行董事。施先生於私人及投資銀行業擁有高級管理經驗，服務高資產淨值客戶及機構。彼現為瑞士寶盛銀行之董事總經理兼任中國及香港區主管。彼曾出任EFG Asset Management (Hong Kong) Limited之亞太區行政總裁；Citi Wealth Management亞太區投資部主管與董事總經理；International Private Bank, Barclays Wealth亞太區之行政總裁與香港Morgan Stanley Asia Limited私人客戶部之執行董事。施先生持有澳洲University of Newcastle頒授之工商管理學碩士學位，並為澳洲註冊會計師公會資深會員。施先生於2007年獲委任為獨立非執行董事。

公司秘書

黎天賢女士為本集團之公司秘書。黎女士持有香港理工大學企業管理深造文憑。彼為香港特許秘書公會及香港會計師公會會員。黎女士另持有香港城市大學工商管理碩士學位。在加入本公司前，彼於審計、財務管理、公司管治及行政方面具有廣泛經驗。黎女士於2011年加入本集團，及於2013年獲委任為公司秘書。

Directors' Report

董事局報告

The Board is pleased to present the annual report together with the audited consolidated financial statements of the Company and the Group for the 2014 Financial Year.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The Group is principally engaged in the manufacturing and trading of textile products.

An analysis of the performance of the Group for the 2014 Financial Year by geographical location of business operation is set out in note 5 to the consolidated financial statements.

SUBSIDIARIES

Details of the principal activities of the Company's subsidiaries at 31 March 2014 are set out in note 8 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the 2014 Financial Year are set out in the consolidated income statement on page 46 of this annual report.

An interim dividend of HK40 cents (2013: HK15 cents) per share and no interim special dividend (2013: HK25 cents) per share were paid on 30 December 2013 to shareholders. The Board has recommended the payment of a final dividend of HK40 cents (2013: HK40 cents) per share and a special final dividend of HK25 cents per share (2013: Nil). Subject to the approval of the shareholders at the forthcoming AGM, the final dividend and the special final dividend totalling HK65 cents will be paid on or around 28 August 2014 to shareholders whose names appear on the Register of Members of the Company on 18 August 2014.

CLOSURE OF REGISTER OF MEMBERS

The Register of the Members of the Company will be closed from 5 August 2014 to 8 August 2014 (both days inclusive) for the purpose of determining the identity of members who are entitled to attend and vote at the AGM, during which period no transfer of shares of the Company will be registered. In order to qualify for attending the 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 4 August 2014.

The Register of the Members of the Company will be closed from 14 August 2014 to 18 August 2014 (both days inclusive) for the purpose of determining the identity of members who are entitled to the final dividend and special dividend for the year ended 31 March 2014, during which period no transfer of shares of the Company will be registered. In order to qualify for the final dividend and special 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 13 August 2014.

董事局欣然提呈本公司及本集團2014年財政年度之年報連同經審核綜合財務報表。

主要業務

本公司為一間投資控股公司，本集團主要從事紡織產品之製造及貿易。

本集團按商業營運之地區劃分的2014年財政年度之表現分析載於綜合財務報表附註5。

附屬公司

本公司附屬公司於2014年3月31日之主要業務詳情載於綜合財務報表附註8。

業績及股息

本集團之2014年財政年度業績載於本年報第46頁綜合收益表。

本公司已於2013年12月30日派發中期股息每股港幣40仙(2013年：港幣15仙)而無中期特別股息(2013年：港幣25仙)予股東。董事局已建議派發末期股息每股港幣40仙(2013年：港幣40仙)與末期特別股息每股港幣25仙(2013年：無末期特別股息)。待股東於應屆股東週年大會上批准後，末期股息與末期特別股息合共港幣65仙將於2014年8月28日前後派付予於2014年8月18日結束時，名列於本公司股東名冊之股東。

暫停辦理股份過戶登記

本公司將由2014年8月5日至2014年8月8日(首尾兩天包括在內)暫停辦理股份過戶登記手續，以便釐定股東有權出席股東週年大會並於會上投票之資格。為符合出席股東週年大會之資格，股東必須將所有過戶文件連同有關股票最遲須於2014年8月4日下午4時30分前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室。

本公司將由2014年8月14日至2014年8月18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截至2014年3月31日止年度之末期股息與特別股息之資格。為符合獲派末期股息與特別股息之資格，股東必須將所有過戶文件連同有關股票最遲須於2014年8月13日下午4時30分前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室。

Directors' Report

董事局報告

SHARE CAPITAL

Details of the movements in the issued share capital of the Company during the 2014 Financial Year are set out in note 17 to the consolidated financial statements.

RESERVES

Details of the movements in the reserves of the Group and of the Company during the 2014 Financial Year are set out in note 18 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

As at 31 March 2014, the distributable reserves of the Company amounted to approximately HK\$2,480 million (2013: HK\$2,327 million), comprising the share premium, share-based reserve and the retained earnings 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 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 law of Cayman Islands, being the jurisdiction in which the Company is incorporated under which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the 2014 Financial Year.

DONATIONS

During the 2014 Financial Year, the Group made charitable and other donation totalling approximately HK\$38,000 (2013: HK\$3,253,000).

PROPERTY, PLANT AND EQUIPMENT

Expenditure of approximately HK\$242 million (2013: HK\$107 million) was incurred during the 2014 Financial Year primarily to expand the production capacity of the Group.

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

股本

本公司已發行股本於2014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

本集團與本公司儲備於2014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2014年3月31日，本公司之可供分派儲備總額約為2,480百萬港元(2013年：2,327百萬港元)，包括股份溢價、以股份為基準儲備及保留溢利。

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，惟於緊隨建議進行上述分派當日之後，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2014年財政年度期間並無就整體業務或任何重要業務之管理或行政工作簽訂或存有任何合約。

捐款

本集團於2014年財政年度期間作出之慈善及其他捐款共約38,000港元(2013年：3,253,000港元)。

物業、廠房及設備

於2014年財政年度期間，主要就擴充本集團生產設施之支出約242百萬港元(2013年：107百萬港元)。

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。

Directors' Report

董事局報告

CAPITALISED INTERESTS

During the 2014 Financial Year, no interest had been capitalised (2013:Nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the 2014 Financial Year, the Company repurchased 1,219,000 shares on the Stock Exchange at an aggregate consideration of approximately HK\$11,201,000. The repurchased shares were cancelled on 14 August 2013 and the issued share capital of the Company was reduced by the par value thereof. Details of the repurchase of shares were as follows:

| Month/year 月份／年度 | Number of share repurchased 購回股份之數目 | Highest price paid per share 每股最高價格 HK\$ 港元 | Lowest price paid per share 每股最低價格 HK\$ 港元 | Aggregate consideration paid 總代價 HK\$'000 千港元 |
|---------------------|--|---|--|--|
| 26/7/2013-2/8/2013 | 1,219,000 | 9.2 | 9.06 | 11,201 |

Shares were repurchased during the year under review pursuant to the mandate granted by shareholders at the AGM held on 9 August 2013, with a view to benefiting shareholders as a whole by enhancing the net asset value per share, earnings per share of the Company and liquidity of the Shares.

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 2014 Financial Year.

MAJOR CUSTOMERS AND SUPPLIERS

During the 2014 Financial Year, sales to the Group's five largest customers accounted for approximately 65.4% of the Group's total sales and sales to the Group's largest customer included therein amounted to approximately 40.6%. Purchases from the Group's five largest suppliers accounted for approximately 54.6% of the Group's total purchases and purchase from the Group's largest supplier included therein amounted to approximately 39.3%.

None of the Directors, their associates or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's issued shares) had any interests in the Group's five largest customers or suppliers noted above.

利息資本化

本集團於2014年財政年度期間並無將利息資本化(2013年：無)。

購入、出售或贖回本公司之上市證券

於2014年財政年度期間，本公司於聯交所購回1,219,000股股份，總代價約為11,201,000港元。購回股份已於2013年8月14日註銷，而本公司之已發行股本已削減相應面值。購回股份之詳情如下：

於回顧年度內，購回之股份乃根據於2013年8月9日舉行之股東週年大會上股東授予之授權而進行，旨在藉著增加本集團之每股資產淨值、每股盈利及股份流通量，為股東締造整體利益。

除上文披露者外，於2014年財政年度期間，本公司或其任何附屬公司概無購買、出售或贖回本公司上市之證券。

主要客戶及供應商

於2014年財政年度期間，向本集團五大客戶作出之銷售佔本集團銷售總額約為65.4%，而當中包括向本集團最大客戶作出之銷售佔其中總額約為40.6%。向本集團五大供應商作出之採購佔本集團採購總額約為54.6%，而當中包括向本集團最大供應商作出之採購佔其中總額約為39.3%。

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。

Directors' Report

董事局報告

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 135 of this annual report.

DIRECTORS

The Directors during the 2014 Financial Year and up to the date of this report were:

Executive Directors

Mr. WAN Wai Loi (*Chairman*)
Mr. TSANG Kang Po (*Vice Chairman*)
Mr. LAM Wing Tak (*Chief Executive Officer*)

Non-executive Directors

Mr. CHOI Kin Chung
Mr. IP Ping Im
Mr. LAU Yiu Tong

Independent Non-executive Directors

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

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. Wan Wai Loi, Mr. Lau Yiu Tong, Mr. Ng Ching Wah will retire by rotation from the Board at the forthcoming AGM and, being eligible, will offer 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. Each service agreement will continue thereafter until terminated by either party by giving to the other party at least six months' prior notice in writing.

Each of the non-executive and independent non-executive Directors had been appointed for an initial term of two years with effect from 1 May 2007. The term of the appointment has been extended thereafter.

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135頁。

董事

於2014年財政年度期間及截至本報告日期止之董事如下：

執行董事

尹惠來先生(*主席*)
曾鏡波先生(*副主席*)
林榮德先生(*行政總裁*)

非執行董事

蔡建中先生
葉炳棧先生
劉耀棠先生

獨立非執行董事

陳裕光先生
伍清華先生
施國榮先生

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，尹惠來先生、劉耀棠先生和伍清華先生將於即將舉行之股東週年大會輪席告退，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服務協議。每份服務合約於其後將繼續有效，直至其中一方向另一方發出不少於六個月書面通知終止合約為止。

各非執行董事及獨立非執行董事之任期由2007年5月1日起，初步為期兩年。其後委任任期已延長。

Directors' Report

董事局報告

DIRECTORS' SERVICE CONTRACTS (Cont'd)

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 of the Company has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

REMUNERATION OF THE DIRECTORS

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

Details of the emoluments of every Director for the 2014 Financial Year is set out in note 25 to the consolidated financial statements.

DIRECTORS' INTERESTS IN CONTRACTS

There was no 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 had a material interest, whether directly or indirectly, subsisted at the end of the 2014 Financial Year or at any time during the 2014 Financial Year.

COMPETING INTEREST AND NON-COMPETE UNDERTAKING

None of Directors had, either directly or indirectly, an interest in a business which causes or may cause any significant competition with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

TAX RELIEF AND EXEMPTION

The Directors are 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 2014 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.

董事之服務合約(續)

全體董事須根據章程細則及上市規則輪值退任。

擬於本公司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。

董事薪酬

董事之薪酬由薪酬委員會按有關董事之經驗、職責及於本集團所投放之時間而審閱與釐定。

各位董事酬金於2014年財政年度之詳情載於綜合財務報表附註25。

董事於合同的權益

於2014年財政年度終結或於2014年財政年度期間任何時間內，概無存續任何與本集團業務相關，而本公司、其控股公司或其任何附屬公司為訂約方及董事直接或間接擁有重大權益的重大合約。

競爭權益及不競爭承諾

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本公司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2014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。

Directors' Report

董事局報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2014, the interests and short positions of the Directors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) 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 pursuant to the Model Code were as follows:

董事於本公司股份和相關股份之權益及淡倉

於2014年3月31日，董事及本公司行政總裁於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)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根據標準守則須知會本公司及聯交所的權益及淡倉如下：

Long positions in Shares

本公司股份之好倉

Number of issued Shares held and nature of interest 持已發行本公司股份數目及權益性質

| Name of Directors/ Chief Executives 董事／行政總裁名稱 | 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 (於共同控制 實體之權益) | Trusts and similar interests 信託及類似權益 | Total Interests 權益總額 | Approximate percentage of issued share capital of the Company 於本公司 已發行股本之 概約百分比 |
|---|---|--|---|---|-------------------------|--|
| | | | | | | |
| Choi Kin Chung 蔡建中 | – | – | – | 171,102,000 (Note 1) (附註1) | 171,102,000 | 11.83% |
| Ip Ping Im 葉炳棧 | – | 2,000,000 | 403,394,000 (Note 2) (附註2) | – | 405,394,000 | 28.03% |
| Lam Wing Tak 林榮德 | 14,566,000 | 1,087,000 | – (Note 3) (附註3) | 100,000,000 | 115,653,000 | 8.00% |
| Lau Yiu Tong 劉耀棠 | 52,501,000 | – | – | – | 52,501,000 | 3.63% |
| Tsang Kang Po 曾鏡波 | 1,988,000 | 2,501,000 | 100,000,000 (Note 4) (附註4) | – | 104,489,000 | 7.22% |
| Wan Wai Loi 尹惠來 | 15,497,000 | 1,030,000 | – | 101,304,000 (Note 5) (附註5) | 117,831,000 | 8.15% |

Directors' Report

董事局報告

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

Long positions in Shares (Cont'd)

Notes:

1. These Shares are directly held by Silver Bay International Holdings Limited, whose issued share capital is wholly-owned by Fiducia Suisse SA (formerly known as KF Suisse SA), the trustee of the Cypress Pacific Trust, a discretionary trust. For the purposes of the SFO, Mr. Choi Kin Chung is the founder of the Cypress Pacific Trust.
2. These Shares are directly held by Far East Asia Limited, whose issued share capital is wholly-owned by Mr. Ip Ping Im.
3. These Shares are directly held by Fifth Element Enterprises Limited, whose issued share capital is wholly-owned by BLWT Company Limited. The issued share capital of BLWT Company Limited is wholly-owned by HSBC International Trustee Limited, the trustee of the family trust of Mr. Lam Wing Tak. For the purpose of the SFO, Mr. Lam Wing Tak is the founder of the family trust.
4. These Shares are directly held by Top Strong Holdings Limited, whose issued share capital is 50% owned by Mr. Tsang Kang Po and 50% owned by the spouse of Mr. Tsang Kang Po.
5. These Shares are directly held by Hollywood Pacific Limited, whose issued share capital is 50% owned by Mr. Wan Wai Loi and 50% owned by WWL Assets Limited. The issued share capital of WWL Assets Limited is wholly-owned by HSBC International Trustee Limited, the trustee of the family trust of Mr. Wan Wai Loi. For the purpose of the SFO, Mr. Wan Wai Loi is the founder of the family trust.

Save as disclosed above, as at 31 March 2014, none of the Directors or chief executive 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 (within the meaning of Part XV of the SFO) 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 pursuant to the Model Code.

At no time during the 2014 Financial Year were the rights to acquire benefits by means of the acquisition of Shares in the Company granted to any directors or their respective spouse 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.

董事於本公司股份和相關股份之權益及淡倉(續)

本公司股份之好倉(續)

附註：

1. 該等本公司股份由Silver Bay International Holdings Limited直接持有，而Fiducia Suisse SA(前稱KF Suisse SA)全數擁有Silver Bay International Holdings Limited之已發行股本。Fiducia Suisse SA為酌權信託Cypress Pacific Trust之信託人。就證券及期貨條例而言，蔡建中先生為Cypress Pacific Trust之創辦人。
2. 該等本公司股份由Far East Asia Limited直接持有，而葉炳樞先生全數擁有Far East Asia Limited之已發行股本。
3. 該等本公司股份由Fifth Element Enterprises Limited直接持有，而BLWT Company Limited全數擁有Fifth Element Enterprises Limited之已發行股本。HSBC International Trustee Limited為林榮德先生之家族信託之信託人，全數擁有BLWT Company Limited之已發行股本。就證券及期貨條例而言，林榮德先生為家族信託之創辦人。
4. 該等本公司股份由Top Strong Holdings Limited直接持有，而曾鏡波先生及其配偶分別擁有Top Strong Holdings Limited之50%已發行股本。
5. 該等本公司股份由Hollywood Pacific Limited直接持有，而尹惠來先生及WWL Assets Limited分別擁有Hollywood Pacific Limited之50%已發行股本。HSBC International Trustee Limited為尹惠來先生之家族信託之信託人，全數擁有WWL Assets Limited之已發行股本。就證券及期貨條例而言，尹惠來先生為家族信託之創辦人。

除上文披露者外，於2014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，又或根據標準手則向本公司及聯交所發出的通知，概無董事或本公司行政總裁於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中，擁有任何權益及淡倉。

於2014年財政年度期間任何時間，概無任何董事或彼等各自的配偶或未成年子女獲授權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而獲利；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。

Directors' Report

董事局報告

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

As at 31 March 2014, 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 by the Company pursuant to Section 336 of the SFO:

主要股東及其他人士於本公司股份和相關股份之權益及淡倉

於2014年3月31日，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紀錄，以下人士（董事或本公司行政總裁除外）於本公司股份或相關股份中擁有之權益或淡倉：

Long positions in Shares

本公司股份之好倉

| Name of shareholders 股東名稱 | Number of issued Shares held and nature of interest 持已發行本公司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 |
|------------------------------|---|--|--|---|-------------------------|--|
| | 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 (於共同控制實體之權益) | Trusts and similar interests 信託及類似權益 | Total Interests 權益總額 | |
| Chiu Bo Lan 趙寶蘭 | 1,030,000 | 15,497,000 (Note 1) (附註 1) | – | 101,304,000 (Note 2) (附註 2) | 117,831,000 | 8.15% |
| WWL Assets Limited | – | – | – | 101,304,000 (Note 2) (附註 2) | 101,304,000 | 7.00% |
| Hollywood Pacific Limited | – | – | – | 101,304,000 (Note 2) (附註 2) | 101,304,000 | 7.00% |
| Lam Wai Yee 林慧儀 | 2,000,000 | 403,394,000 (Note 3) (附註 3) | – | – | 405,394,000 | 28.03% |
| Far East Asia Limited | 403,394,000 (Note 4) (附註 4) | – | – | – | 403,394,000 | 27.89% |
| Wong Bik Ha 黃碧霞 | 1,087,000 | 14,566,000 (Note 5) (附註 5) | – | 100,000,000 (Note 6) (附註 6) | 115,653,000 | 8.00% |
| BLWT Company Limited | – | – | – | 100,000,000 (Note 6) (附註 6) | 100,000,000 | 6.91% |

Directors' Report

董事局報告

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

Long positions in Shares (Cont'd)

主要股東及其他人士於本公司股份和相關股份之權益及淡倉(續)

本公司股份之好倉(續)

| Name of shareholders 股東名稱 | Number of issued Shares held and nature of interest 持已發行本公司股份數目及權益性質 | | | | Total 權益總額 | Approximate percentage of issued share capital of the Company 於本公司已發行股本之概約百分比 |
|---|---|--|--|---|---------------|--|
| | 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 (於共同控制實體之權益) | Trusts and similar interests 信託及類似權益 | | |
| Fifth Element Enterprises Limited | – | – | – | 100,000,000 (Note 6) (附註 6) | 100,000,000 | 6.91% |
| HSBC International Trustee Limited | – | – | – | 201,304,000 (Note 2 & 6) (附註 2 和 6) | 201,304,000 | 13.92% |
| Law Oi Mui 羅愛梅 | – | – | – | 171,102,000 (Note 7 & 8) (附註 7 和 8) | 171,102,000 | 11.83% |
| Fiducia Suisse SA | – | – | – | 171,102,000 (Note 8) (附註 8) | 171,102,000 | 11.83% |
| Silver Bay International Holdings Limited | – | – | – | 171,102,000 (Note 8) (附註 8) | 171,102,000 | 11.83% |
| Wong Mei Ling | 2,501,000 | 1,988,000 (Note 9) (附註 9) | 100,000,000 (Note 10) (附註 10) | – | 104,489,000 | 7.22% |
| Top Strong Holdings Limited | 100,000,000 (Note 10) (附註 10) | – | – | – | 100,000,000 | 6.91% |

Directors' Report

董事局報告

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

Long positions in Shares (Cont'd)

Notes:

- Ms. Chiu Bo Lan is the spouse of Mr. Wan Wai Loi, a Director.
- Hollywood Pacific Limited is 50% owned by Mr. Wan Wai Loi and 50% owned by WWL Assets Limited. WWL Assets Limited is wholly-owned by HSBC International Trustee Limited, the trustee of the family trust of Mr. Wan Wai Loi. For the purpose of the SFO, Mr. Wan Wai Loi is the founder of the family trust.
- Ms. Lam Wai Yee is the spouse of Mr. Ip Ping Im, a Director.
- Far East Asia Limited is wholly-owned by Mr. Ip Ping Im, a Director.
- Ms. Wong Bik Ha is the spouse of Mr. Lam Wing Tak, a Director.
- Fifth Element Enterprises Limited is wholly-owned by BLWT Company Limited. BLWT Company Limited is wholly-owned by HSBC International Trustee Limited, the trustee of the family trust of Mr. Lam Wing Tak. For the purpose of the SFO, Mr. Lam Wing Tak is the founder of the family trust.
- Ms. Law Oi Mui is the spouse of Mr. Choi Kin Chung, a Director.
- Silver Bay International Holdings Limited is wholly-owned by Fiducia Suisse SA (formerly known as KF Suisse SA), the trustee of the Cypress Pacific Trust, a discretionary trust. For the purposes of the SFO, Mr. Choi Kin Chung, a Director, is the founder of the Cypress Pacific Trust.
- Ms. Wong Mei Ling is the spouse of Mr. Tsang Kang Po, a Director.
- Top Strong Holdings Limited is 50% owned by Mr. Tsang Kang Po and 50% owned by Ms. Wong Mei Ling, the spouse of Mr. Tsang Kang Po.

Long positions in shares and underlying shares of any other member in the Group

主要股東及其他人士於本公司股份和相關股份之權益及淡倉(續)

本公司股份之好倉(續)

附註：

- 趙寶蘭女士為董事尹惠來先生之配偶。
- 尹惠來先生及WWL Assets Limited分別擁有Hollywood Pacific Limited之50%權益。HSBC International Trustee Limited為尹惠來先生之家族信託之信託人，全數擁有WWL Assets Limited之權益。就證券及期貨條例而言，尹惠來先生為家族信託之創辦人。
- 林慧儀女士為董事葉炳松先生之配偶。
- Far East Asia Limited由董事葉炳松先生全數擁有。
- 黃碧霞女士為董事林榮德先生之配偶。
- Fifth Element Enterprises Limited由BLWT Company Limited全數擁有。HSBC International Trustee Limited為林榮德先生之家族信託之信託人，全數擁有BLWT Company Limited之權益。就證券及期貨條例而言，林榮德先生為家族信託之創辦人。
- 羅愛梅女士為董事蔡建中先生之配偶。
- Silver Bay International Holdings Limited由Fiducia Suisse SA (前稱KF Suisse SA)全數擁有，Fiducia Suisse SA為酌權信託Cypress Pacific Trust之信託人。就證券及期貨條例而言，董事蔡建中先生為Cypress Pacific Trust之創辦人。
- 黃美玲女士為董事曾鏡波先生之配偶。
- 曾鏡波先生及其配偶黃美玲女士分別擁有Top Strong Holdings Limited之50%權益。

於本集團任何其他成員公司之股份及相關股份之好倉

| Name of members of the Group 本集團成員公司名稱 | Name of substantial shareholders 主要股東名稱 | Notes 附註 | Number of interest 權益性質 | Nature of issued shares 股份數目 | Approximate percentage of issued share capital 於本公司權益之概約百分比 |
|---|--|-------------|----------------------------|---------------------------------|--|
| PT Sri Lanka PT 斯里蘭卡 | Brandix Lanka Limited | 1 | Beneficial owner 實益擁有人 | 197,000,976 | 30.08% |
| PCGT Limited | Crystal Peak International Limited 激峰國際有限公司 | 2 & 3 | Beneficial owner 實益擁有人 | 975,000 | 25.00% |

Directors' Report

董事局報告

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

Notes:

1. PT Sri Lanka is owned as to 40% by Pacific Textured Jersey Holdings Ltd., a wholly-owned subsidiary of the Company, and 30.08% by Brandix Lanka Limited.
2. PCGT Limited is owned as to 75% by Pacific GT Limited and 25% by Crystal Peak International Limited, a wholly-owned subsidiary of Crystal International Limited.
3. Pacific GT Limited is owned as to 95% by Product Champion Limited, a wholly-owned subsidiary of the Company, and 2.5% by GSI Trading Hong Kong Limited and 2.5% by Toray Industries (H.K.) Limited.

Save as disclosed above, so far as is known to any Director or chief executive of the Company, as at 31 March 2014, no other person had an interest or short position in the Shares or underlying Shares of the Company that was required to be kept pursuant to Section 336 of the SFO.

SHARE OPTION SCHEME

Pursuant to the written resolutions of shareholders of the Company passed on 27 April 2007, the Company adopted the Share Option scheme subject to the terms and conditions therein. Refer to an announcement of 11 October 2013 for grant of 10,000,000 share options of the Company (the "2nd Grant") and the previous grant of 22,820,000 on 18 June 2007 (the "1st Grant"), the options shall expire on 10 October 2023 and 17 July 2017 respectively. 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 Persons (as defined in paragraph 2 below).

2. Participants

The Board may grant options to any "Eligible Person", 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.

主要股東及其他人士於本公司股份和相關股份之權益及淡倉(續)

附註：

1. PT斯里蘭卡由本公司之全資附屬公司Pacific Textured Jersey Holdings Ltd擁有40%權益及Brandix Lanka Limited擁有30.08%權益。
2. PCGT Limited由Pacific GT Limited擁有75%權益及晶苑國際有限公司之全資附屬公司激峰國際有限公司擁有25%權益。
3. Pacific GT Limited由本公司之全資附屬公司Product Champion Limited擁有95%權益及郡產香港有限公司擁有2.5%權益及東麗(香港)有限公司擁有2.5%權益。

除上文所披露者外，就本公司任何董事或行政總裁所知，於2014年3月31日，概無其他人士於本公司股份或相關股份中擁有根據證券及期貨條例第336條規定紀錄之權益或淡倉。

購股權計劃

根據本公司股東於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所訂之條款及條件。按本公司於2013年10月11日公告授出10,000,000份購股權通告(「第二次授出」)及早期於2007年6月18日授出22,820,000份購股權(「第一次授出」)分別於2023年10月10日及2017年7月17日屆滿。本公司股份於緊接第一次授出及第二次授出購股權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人士(定義見下文第2段)。

2. 參與者

董事局可向任何「合資格人士」，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定為符合購股權計劃之其他公司或本公司聯營公司。

Directors' Report

董事局報告

SHARE OPTION SCHEME (Cont'd)

A. Summary of the Share Option Scheme (Cont'd)

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.

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 Person (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 option.

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 higher of:

購股權計劃(續)

A. 購股權計劃概要(續)

3. 最高本公司股份數目

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本公司股份總數，合共不得超過於本公司股份於2007年5月18日於聯交所上市日期(「上市日」)本公司已發行股本之10%，相當於143,293,600股本公司股份或不時已發行本公司股份之30%。

4. 每名參與者可獲授權益上限

在任何12個月期間，因合資格人士行使獲授之購股權(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：

Directors' Report

董事局報告

SHARE OPTION SCHEME (Cont'd)

A. Summary of the Share Option Scheme (Cont'd)

6. Exercise price and payment on grant (Cont'd)

- (a) *Exercise price (Cont'd)*
- (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. Remaining life of the Share Option Scheme

The Share Option Scheme will terminate automatically at midnight on the day immediately before the 10th anniversary of the Listing Date.

B. Options granted by the Company

As at 31 March 2014, all options under the 1st Grant were fully exercised, options under the 2nd Grant to subscribe for an aggregate of 10,000,000 Shares granted to eligible full-time employees on 11 October 2013 pursuant to the terms of the Share Option Scheme remained outstanding, details of which were as follows:

| Grantee 承授人 | Date of Grant 授出日期 | Exercise Price 行使價 HK\$ 港元 | Exercisable Period 行使期 | As at 01/04/2013 於2013年 4月01日 | Number of share options 購股權數目 | | | | As at 31/03/2014 於2014年 3月31日 |
|-----------------------------|------------------------------------|--|------------------------------|--|-----------------------------------|-----------------|--------------|-----------------|--|
| | | | | | Changes during the period 期內變動 | | | | |
| | | | | | Granted 授出 | Exercised 行使 | Lapsed 失效 | Cancelled 註銷 | |
| Eligible Employees 合資格僱員 | 18/07/2007 (1st Grant 第一次授出) | 5.04 | 18/07/2010- 17/07/2017 | 4,700,000 | - | 4,700,000 | - | - | - |
| | 11/10/2013 (2nd Grant 第二次授出) | 9.98 | 11/10/2016- 10/10/2023 | - | 10,000,000 | - | - | - | 10,000,000 |

購股權計劃(續)

A. 購股權計劃概要(續)

6. 行使價及授出時付款(續)

- (a) *行使價(續)*
- (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購股權時付款。

7. 購股權計劃尚餘的有效期

購股權計劃將於緊接上市日期第10週年屆滿當日前一日零晨起自動終止。

B. 本公司已授出之購股權

至2014年3月31日，所有第一次授出之購股權已完全行使，根據購股權計劃之條款於2013年10月11日授予合資格全職僱員以認購合共10,000,000股本公司股份之購股權尚未行使，有關詳情如下：

Directors' Report

董事局報告

SHARE OPTION SCHEME (Cont'd)

B. Options granted by the Company (Cont'd)

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\$1,834,000 amortised fair value of share options for the 2014 Financial Year was charged to the consolidated income statement (2013: Nil).

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.

Save as disclosed above, no option had been granted to the Directors, chief executive or substantial shareholders of the Company or their respective associates under the Share Option.

CONTINUING CONNECTED TRANSACTIONS

During the 2014 Financial Year, the Group had the following continuing connected transactions: (1) Sale and Purchase of Knitted Fabric to Crystal Group exempted from the reporting, announcement and independent shareholder's approval requirements under the Listing Rules 14A.31(9); and (2) Sale of Products to HC Companies, additionally exempted from annual review under the Listing Rules 14A.33(3).

購股權計劃(續)

B. 本公司已授出之購股權(續)

根據二項式期權定價模式(「定價模式」)，所授出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2014年財政年度，1,834,000港元購股權之經攤銷公允值已於綜合收益表內入賬(2013年：無)。

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。

除上文披露者外，自採納購股權計劃，本公司董事、最高行政人員或主要股東或彼等個別的聯繫人士概無根據購股權計劃獲授購股權。

持續關連交易

於2014年財政年度期間，本集團有下列：(1)向晶苑集團銷售與採購針織布獲上市規則第14A.31(9)條豁免遵守有關申報、公告及獨立股東批准；及(2)向HC公司銷售產品另獲上市規則第14A.33(3)條豁免遵守年度審核規定之持續關連交易。

Directors' Report

董事局報告

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(1) Sale and Purchase of Knitted Fabric to Crystal Group

Sale and purchase of knitted fabrics to Crystal International Limited ("Crystal") together with its subsidiaries ("Crystal Group") and associates pursuant to the new agreement (the "Crystal Group Sale and Purchase of Knitted Fabric New Master Agreement") dated 25 November 2011 between the Company and Crystal relating to the sale and purchase of knitted fabric manufactured or owned by the Group with an initial term extended to 31 March 2014, other terms and conditions of a master agreement dated 19 August 2010 between the Company and Crystal remain unchanged. Details of the Crystal Group Sale and Purchase of Knitted Fabric New Master Agreement, annual caps and revised annual caps were set out in the circular of the Company dated 8 September 2010 and the circular of the Company dated 16 December 2011 (the "December 2011 Circular"). Transactions under the Crystal Group Sale and Purchase of Knitted Fabric New Master Agreement for the 2014 Financial Year did not exceed the revised annual cap of the December 2011 Circular of HK\$2,000 million (2013: HK\$1,380 million).

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

(2) Sale of Products to HC Companies

Sale of knitted fabrics to companies in which Mr. Henry Choi has substantial interest (the "HC Companies") pursuant to a master agreement (the "HC Companies Sale of Products Master Agreement") dated 30 April 2007 between the Company and the HC Companies. The term of the HC Companies Sale of Products Master Agreement has been automatically renewed for a further term of three years ended 31 March 2013. Details of HC Companies Sale of Products Master Agreement and annual caps were set out in the Prospectus of the Company dated 7 May 2007 and the announcement of the Company dated 26 February 2010. Transactions under the HC Companies Sale of Products Master Agreement for the 2014 Financial Year were on normal commercial terms where all percentage ratios on an annual basis were less than 0.1%.

Mr. Henry Choi, who is the son of Mr. Choi Kin Chung (a Director), is regarded as a connected person of the Company by virtue of Listing Rule 14A.11(4)(b).

持續關連交易(續)

(1) 向晶苑集團銷售與採購針織布

向晶苑國際有限公司(「晶苑」)連同其附屬公司(「晶苑集團」)及其聯繫人銷售與採購針織布是根據本公司與晶苑國際就本集團製造或擁有之針織布銷售與購買而於2011年11月25日訂立之新總目協議(「晶苑針織布產品銷售與採購新總目協議」)，初步年期延長至2014年3月31日止，而本公司與晶苑於2010年8月19日訂立之總目協議之其它條款與條件維持不變。晶苑針織布產品銷售與採購新總目協議、年度上限與修訂年度上限之詳情載於本公司於2010年9月8日之通函與本公司於2011年12月16日之通函(「2011年12月通函」)。於2014年財政年度，根據晶苑針織布產品銷售與採購新總目協議之交易不多於2011年12月通函之修訂年度上限2,000百萬港元(2013年：1,380百萬港元)。

根據上市規則，基於晶苑擁有本公司間接非全資附屬公司PCGT Limited股權，晶苑為主要股東(依上市規則之定義)因而為本公司之關連人士。因此，晶苑集團亦被視為本公司之關連人士。

(2) 向HC公司銷售產品

向蔡穎剛先生擁有重大權益之公司(「HC公司」)銷售針織布是根據本公司與HC公司於2007年4月30日訂立之總目協議(「HC公司產品銷售總目協議」)作出。HC公司產品銷售總目協議之年期自動續期三年至2013年3月31日止。HC公司產品銷售總目協議與年度上限之詳情載於2007年5月7日之招股章程與2010年2月26日之公告。於2014年財政年度，根據HC公司產品銷售總目協議之交易按一般商務條款進行，而且每項百分比按年計算均低於0.1%。

根據上市規則第14A.11(4)(b)條，董事蔡建中先生之兒子蔡穎剛先生被視為本公司的關連人士。

Directors' Report

董事局報告

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

The Directors, including the INEDs, have reviewed the above-mentioned continuing connected transaction of Crystal Group, not falling under the Listing Rules 14A.33 (the "Continuing Connected Transaction"), made during the 2014 Financial Year and confirmed that these transactions were entered into:

- (1) in the ordinary and usual course of business of the Group;
- (2) on normal commercial terms or on terms no less favourable to the Company than terms available to or from independent third parties; and
- (3) in accordance with each of the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

In accordance with the Listing Rules 14A.38, the auditor of the Company was engaged to report on the Group's Continuing Connected Transaction of Crystal Group, not falling under the Listing Rules 14A.33, in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" ("HKSAE 3000") and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" ("PN740") issued by the Hong Kong Institute of Certified Public Accountants. The auditor has reported to the Board based on the procedures performed in accordance with HKSAE 3000 and with reference to PN740 that nothing has come to their attention that causes them to believe that:

- (1) the Continuing Connected Transaction has not been approved by the Board;
- (2) the Continuing Connected Transaction involving the provision of goods or services by the Group was not, in all material respects, conducted in accordance with the pricing policies of the Group;
- (3) the Continuing Connected Transaction was not entered into, in all material respects, in accordance with the relevant agreement governing such transaction; and
- (4) with respect to the aggregate amount of the Continuing Connected Transaction, the value of the Continuing Connected Transaction has exceeded the maximum aggregate annual value disclosed in the December 2011 circular of the Company in respect of the Continuing Connected Transaction.

持續關連交易(續)

董事(包括獨立非執行董事)已審閱截至2014年財政年度期間進行與晶苑集團之持續關連交易並不屬於上市規則第14A.33條(「持續關連交易」), 並確認該交易:

- (1) 屬本集團的日常業務;
- (2) 按照一般商務條款進行或不遜於獨立第三方可取得或提供的條款; 及
- (3) 根據有關交易的協議條款進行, 而交易條款公平合理, 並且符合本公司股東的整體利益。

根據上市規則第14A.38條, 本公司核數師已受聘對本集團與晶苑集團之持續關連交易並不屬於上市規則第14A.33條所述者按香港會計師公會發佈的香港鑒證業務準則第3000號「歷史財務資料審核或審閱以外的鑒證業務」(「香港鑒證業務準則第3000號」)並參考實務說明第740號「香港上市規則規定的持續關連交易的核數師函件」(「實務說明第740號」)作出報告。核數師已向董事局呈報, 根據香港鑒證業務準則第3000號並參考實務說明第740號而執行程序, 並無發現任何事項致令彼等相信:

- (1) 持續關連交易未獲董事局批准;
- (2) 有關本集團提供商品或服務之持續關連交易在所有重大方面未有根據本集團之定價政策進行;
- (3) 持續關連交易在所有重大方面未有根據規管該等交易之有關協議進行; 及
- (4) 有關各持續關連交易之總價值金額, 持續關連交易之價值超逾本公司2011年12月通函就有關持續關連交易所披露之最高年度總價值上限。

Directors' Report

董事局報告

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

The auditor of the Company has issued a letter to the Board and a copy of this auditor's letter has been provided by the Company to the Stock Exchange.

AUDIT COMMITTEE

An audit committee (the "Audit Committee") was established by the Board with written terms of reference in compliance with the CG Code contained in Appendix 14 to the Listing Rules. The Audit Committee comprises three INEDs, namely Mr. Sze Kwok Wing, Nigel, Mr. Ng Ching Wah and Mr. Chan Yue Kwong, Michael. Mr. Sze Kwok Wing, Nigel is the chairman of the Audit Committee.

CORPORATE GOVERNANCE

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report from pages 32 to 43 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 the latest practicable date prior to the issue of this annual report, there is sufficient public float of more than 25% of the issued shares of the Company as required under the Listing Rules.

EVENTS AFTER REPORTING PERIOD

The Group had no significant events after the 2014 Financial Year.

AUDITOR

The consolidated financial statements for the 2014 Financial Year have been audited by PricewaterhouseCoopers. A resolution to re-appoint PricewaterhouseCoopers as auditor of the Company will be proposed for approval by shareholders of the Company at the forthcoming AGM of the Company.

On behalf of the Board

Wan Wai Loi
CHAIRMAN
Hong Kong, 27 June 2014

持續關連交易(續)

本公司核數師向董事局發出函件，而本公司已向聯交所提供該核數師之函件副本。

審核委員會

董事局成立審核委員會(「審核委員會」)，其職權範圍符合上市規則附錄14所載的企業管治守則。審核委員會的成員由三位獨立非執行董事組成，即施國榮先生、伍清華先生及陳裕光先生。施國榮先生為審核委員會的主席。

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32頁至43頁企業管治報告中。

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。

報告期後事項

本集團於2014年財政年度後並無重大事項。

核數師

羅兵咸永道會計師事務所已審核2014年財政年度的綜合財務報表。於本公司應屆股東週年大會上將提呈決議案，以取得股東批准續聘羅兵咸永道會計師事務所為本公司核數師。

承董事局命

主席
尹惠來
香港，2014年6月27日

Corporate Governance Report

企業管治報告

The Board is committed to maintaining high standard of corporate governance to enhance transparency and accountability and to safeguard 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.

CORPORATE GOVERNANCE CODE

The Company has 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 2014 Financial Year.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiries of all Directors, all Directors have confirmed that they had complied with the Model Code throughout the 2014 Financial Year.

THE BOARD

The overall management of business of the Group is vested to the Board. The Board is responsible for formulation of strategic, management and financial objectives of the Group and ensuring that interest of shareholders are protected. Daily operations and administration of the Group are delegated to the executive Directors and the management.

Composition of the Board

The Board currently has 9 members consisting of 3 executive Directors, 3 non-executive Directors and 3 INEDs. Profiles of the Directors are set out on pages 12 to 14 of this annual report and are available on the website of the Company. There is no financial, business, family or other material/relevant relationships among Directors. The list of Directors and their role and function are published on the website of the Stock Exchange and the Company.

The composition of the Board is well balanced with Directors having sales and marketing experience and technical knowledge in fabric business, administration and management experience in the PRC factories, financial and accounting skill is appropriate for effective decision making, taking into account the nature and scope of business operations and development of the Group. The Board considers that each of the Non-executive Directors and INEDs brings his own relevant expertise to the Board.

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，籍以確保業務及決策程序受到適當的規管。

企業管治守則

本公司於2014年財政年度內一直遵守上市規則附錄14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。

董事的證券交易

本公司已採納上市規則附錄10所載列的標準守則，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，全體董事已確認，彼等於2014年財政年度內已遵守標準守則。

董事局

本集團整體業務由董事局負責管理。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。

董事局之組成

董事局現由9位成員組成，包括3位執行董事；3位非執行董事與3位獨立非執行董事。有關各董事的簡介載於本年報第12頁至第14頁及載於本公司網頁。董事之間概無存有有關財務、業務、家屬或其他重大／相關的任何關係。董事名單與其角色和職能已刊載於聯交所及本公司網頁。

董事局之均衡組成，有乃董事具備有關布料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、財務及會計技能，而鑑於本集團之業務營運與發展性質及規模，對其決策效率而言實屬合適。董事局認為各非執行董事及獨立非執行董事均能將其本身之專業知識帶入董事局。

Corporate Governance Report

企業管治報告

THE BOARD (Cont'd)

Composition of the Board (Cont'd)

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.

The Board Meeting

The Board meets 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 has been informed to each Director. The attendance record of the Directors is set out in the table on page 34 of this annual report.

During the 2014 Financial Year, the Board held 4 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.

Notices of Board meeting will be served to all the 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 the Directors are given 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 the Directors are given separate and independent access to the Company's senior management for further information and enquiries. The Company Secretary and senior management attends 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/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.

董事局(續)

董事局之組成(續)

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。

董事局會議

董事局每年召開會議不少於4次，並根據需要隨時增開會議。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34頁之表內。

於2014年財政年度期間，董事局舉行4次會議以批准中期與全年業績之公佈、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。

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董事局主席委派公司秘書負責編製。全體董事皆有機會提出任何認為合適商討之事項列入董事局會議議程。

董事局會議議程及相關文件附有適時的背景資料與相關支持的分析在預期的董事局會議前最少3天送呈各董事查閱。所有董事可各自接觸本公司高級管理人員索取進一步的資訊與查詢。公司秘書與高級管理人員參與所有董事局會議，與董事局成員就企業管治、遵守法則和財務方面提供意見。

任何重要事項中存有董事／大股東和公司有利益衝突時，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。

Corporate Governance Report

企業管治報告

THE BOARD (Cont'd)

The Board Meeting (Cont'd)

Directors have access to advices and services of the Company Secretary and key officers of the Company in relation to the Board procedures. Draft minutes of the Board/Board committee meetings recorded in sufficient details, the matters considered by participants of such meetings and decisions reached are forwarded to participants for comments within a reasonable time after the meetings and final versions of minutes of Board meetings and meetings of Board committee 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 fulfill their duties properly. Directors may seek independent professional advice at the Company's expense, if necessary, with the approval of the Board.

ATTENDANCE RECORD AT THE MEETINGS

The attendance record of each Director at the meetings of the Board, the Audit Committee, Remuneration Committee, Nomination Committee and AGM during the 2014 Financial Year are set out as follows:

董事局(續)

董事局會議(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／其轄下委員會會議草稿詳細記錄該等會議所考慮的事項及達致的決定。於會議後的合理時間內送呈會議草稿與議會者表達意見。董事局／其轄下委員會會議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。

出席會議記錄

各董事於2014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：

| | | Meetings attended/Meetings held 出席會議次數/會議次數 | | | | |
|---|-----------------|--|-----------------|------------------------|----------------------|--------|
| | | Board | Audit Committee | Remuneration Committee | Nomination Committee | AGM |
| | | 董事局 | 審核委員會 | 薪酬委員會 | 提名委員會 | 股東週年大會 |
| Executive Directors | 執行董事 | | | | | |
| Mr. WAN Wai Loi (Chairman) | 尹惠來先生(主席) | 4/4 | N/A | N/A | N/A | 1/1 |
| Mr. TSANG Kang Po (Vice Chairman) | 曾鏡波先生(副主席) | 4/4 | N/A | 1/1 | 1/1 | 1/1 |
| Mr. LAM Wing Tak (Chief Executive Officer) | 林榮德先生 (行政總裁) | 4/4 | N/A | 1/1 | 1/1 | 1/1 |
| Non-executive Directors | 非執行董事 | | | | | |
| Mr. CHOI Kin Chung | 蔡建中先生 | 3/4 | N/A | N/A | N/A | 1/1 |
| Mr. IP Ping Im | 葉炳棧先生 | 4/4 | N/A | N/A | N/A | 1/1 |
| Mr. LAU Yiu Tong | 劉耀棠先生 | 3/4 | N/A | N/A | N/A | 1/1 |
| INEDs | 獨立非執行董事 | | | | | |
| Mr. CHAN Yue Kwong, Michael | 陳裕光先生 | 4/4 | 4/4 | 1/1 | 1/1 | 1/1 |
| Mr. NG Ching Wah | 伍清華先生 | 4/4 | 4/4 | 1/1 | 1/1 | 1/1 |
| Mr. SZE Kwok Wing, Nigel | 施國榮先生 | 4/4 | 3/4 | 1/1 | 1/1 | 1/1 |

Corporate Governance Report

企業管治報告

CHAIRMAN AND CHIEF EXECUTIVE

The roles of the Chairman and the Chief Executive Officer of the Company are segregated and not exercised by the same individual. The Board is headed by the Chairman, Mr. Wan Wai Loi, with the assistance of the Vice Chairman, Tsang Kang Po and the Chief Executive Officer is Mr. Lam Wing Tak.

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

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 2014 Financial Year.

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

RESPONSIBILITIES OF DIRECTORS

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

Each executive Director is responsible for management of the different functions of business of the Group.

The non-executive Directors attended the Board meetings and advised their opinion on business strategy of the Company and reviewed financial and operation performance of the Group.

The INEDs serve relevant function of bringing independent judgement on issues of strategic direction, development, performance and risk management of the Group. The INEDs are all or a majority of members of the Audit Committee, the Remuneration Committee and the Nomination Committee.

All Directors have been updated and briefed relevant changes in legal and regulatory matters to ensure that they have a proper understanding of the operations and business of the Company and that they are fully aware of their responsibilities under applicable laws and regulations. A comprehensive Compliance Manual has been provided to each Director and has been updated.

主席及行政總裁

本公司之主席及行政總裁各有獨立職務，並非由一人同時兼任。董事局由主席尹惠來先生領導，副主席曾鏡波先生協助，而行政總裁為林榮德先生。

在公司秘書協助下，主席致力確保董事局會議上所有董事均適當知悉當前的事項，並適時獲得充份及可靠的資料。

獨立非執行董事

董事局於2014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3名獨立非執行董事，而其中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。

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，且並無任何足以重大干預彼等進行獨立判斷之任何關係。

董事責任

本公司及董事局要求每名董事清楚彼作為本公司董事之職責，以及了解本公司之經營和業務活動及發展。每名董事均須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。

各執行董事於本集團的業務上擔當不同的職責。

非執行董事參與董事局會議及就本公司業務策略提供意見和審閱本集團財務和營運表現。

獨立非執行董事負責就本集團策略方針、發展、表現及風險管理作出獨立判斷。獨立非執行董事為審核委員會、薪酬委員會和提名委員會全部或大部分成員。

每位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公司之營運及業務，且充分明瞭彼等於法律及規定下之責任。詳盡的合規守則已提供給每一位董事，並會不時更新。

Corporate Governance Report

企業管治報告

MANAGEMENT FUNCTION

The Articles set out matters which are specifically reserved to the Board for its decision. 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 carry out directions and strategies set by the Board correctly and appropriately.

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 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 applicable to employees and Directors; and
- (e) to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

The Board is empowered under the Articles to appoint any person as a Director to fill a casual vacancy on or as an additional member of the Board. Suitable candidates who are experienced and competent and able to fulfill 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 will continue thereafter until terminated by either party by giving to the other party at least six months' prior notice in writing.

Each of the non-executive Directors (including the INEDs) was appointed for a specific term of two years. The term of the appointment has been extended thereafter.

管理功能

章程細則載列指明須由董事局決定之事項。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正確及恰當地執行董事局制訂之指示及策略。

企業管治功能

董事局應負責履行企業管治職責如下：

- (a) 制定及檢討本公司的企業管治政策及常規，並向董事局提出建議；
- (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的操守準則及合規手冊；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。

董事委任及重選

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、盡職審查及處理能力之候選人將獲推薦予董事局。

若股東擬在股東周年大會上提名人士競選為董事，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。股東提名人士競選為董事之程序已刊載於本公司網頁。

各執行董事之委任初步為期兩年，並於其後各服務協議將繼續有效，直至其中一方向另一方發出不少於六個月書面通知終止協議為止。

各非執行董事(包括獨立非執行董事)之委任指定任期為兩年。其後委任任期已延長。

Corporate Governance Report

企業管治報告

APPOINTMENT AND RE-ELECTION OF DIRECTORS

(Cont'd)

All Directors are subject to retirement by rotation and are eligible for re-election pursuant to the Articles.

Every newly appointed Director has 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.

Pursuant to the Articles, any Director appointed by the Board either to fill a casual vacancy or as addition to the Board shall retire and be eligible for re-appointment at the next following general meeting after appointment.

At every AGM, one-third of the Directors, including the Chairman, shall be subject to retirement by rotation and re-election by shareholders. 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 and shall include in such announcement, reasons given by the Director for his resignation.

CONTINUOUS PROFESSIONAL DEVELOPMENT

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.

According to the training record provided by the Directors, a summary of training record of all Directors during the 2014 Financial Year is as follows:

董事委任及重選(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。

每名新委任董事均會獲得本集團詳盡而合適的業務營運導言包括實地考察本集團於中國的廠房。

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)均須於獲委任後首個股東大會退任並合資格膺選連任。

於每屆股東週年大會上，三分之一之董事(包括主席)均須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，並須在公告中註明該董事辭任之理由。

持續專業發展

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。

根據董事所提供培訓的記錄，董事於2014年財政年度期間所接受的培訓記錄概要如下：

Corporate Governance Report

企業管治報告

CONTINUOUS PROFESSIONAL DEVELOPMENT (Cont'd)

持續專業發展(續)

| | | 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 |
| <i>Executive Directors</i> 執行董事 | | | | |
| Mr. WAN Wai Loi | 尹惠來先生 | B | A, B | |
| Mr. TSANG Kang Po | 曾鏡波先生 | B | A, B | |
| Mr. LAM Wing Tak | 林榮德先生 | B | A, B | |
| <i>Non-executive Directors</i> 非執行董事 | | | | |
| Mr. CHOI Kin Chung | 蔡建中先生 | B | B | |
| Mr. IP Ping Im | 葉炳棧先生 | B | A, B | |
| Mr. LAU Yiu Tong | 劉耀棠先生 | B | A, B | |
| <i>INEDs</i> 獨立非執行董事 | | | | |
| Mr. CHAN Yue Kwong, Michael | 陳裕光先生 | A, B | A, B | |
| Mr. NG Ching Wah | 伍清華先生 | A, B | A, B | |
| Mr. SZE Kwok Wing, Nigel | 施國榮先生 | B | A, B | B |

Type of trainings

- A. Attending briefings, seminars, webinar or training courses
- B. Reading materials

培訓類別

- A. 參加簡介會、座談會、網絡研討會或培訓課程
- B. 閱讀資料

BOARD COMMITTEES

The Board has established 3 main Board Committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee, each chaired by different INED, to assist the Board for overseeing particular aspects of the Company's affairs. Board Committees report to the Board of their decisions and recommendations at the Board meetings.

The revised terms of reference 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 website of the Stock Exchange and the Company.

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 supervision of the effectiveness of the Group's financial reporting process, internal control systems and risk management.

董事局委員會

董事局已成立3個主要董事局委員會，分別為審核委員會、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，以協助董事局以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、程序及安排之經修訂職權範圍已由董事局參照企業管治守則而作出審閱，並已刊載於聯交所及本公司網頁。

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，並符合企業管治守則定明書面職權範圍。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、內部監控制度及風險管理的成效。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (Cont'd)

Audit Committee (Cont'd)

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

The Audit Committee has reviewed with the management in conjunction with the auditor, the audited annual consolidated financial statements of the Group for the 2014 Financial Year and the accounting principles and practices adopted by the Group. The Annual Report for the 2014 Financial Year has been reviewed by the Audit Committee.

The Audit Committee held 4 meetings during 2014 Financial Year. The major work performed by the Audit Committee in respect of 2014 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 2013; reviewing the audited annual financial information and final results announcement for 2014 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 34 of this annual report.

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 auditor.

For 2014 Financial Year, the fees in respect of audit and non-audit services provided by the Company's auditor were as follows:

| | | 2014 | 2013 |
|---|-----------------------|----------|----------|
| | | 2014年 | 2013年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Audit Services | 審核服務 | 1,774 | 1,722 |
| Non-audit Services | 非審核服務 | | |
| – Tax consultation services and review interim financial information | – 稅務顧問服務與審閱中期 財務資料 | 316 | 354 |

董事局委員會(續)

審核委員會(續)

審核委員會之成員為施國榮先生、伍清華先生及陳裕光先生(彼等為獨立非執行董事)。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經審核本集團2014年財政年度之綜合財務報表，及本集團所採納之會計原則及常規。2014年財政年度之年報已由審核委員會審閱。

審核委員會於2014年財政年度期間舉行了4次會議。審核委員會於2014年財政年度已履行之主要職務包括向董事局提出重新聘任外聘核數師之建議、批准核數師之聘任條款(包括酬金)、審閱截至2013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佈、審閱於2014年財政年度經審核全年財務資料及全年業績公佈、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34頁之表內。

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

就2014年財政年度，本公司核數師向本集團提供的審核或非審核服務之費用如下：

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (Cont'd)

Audit Committee (Cont'd)

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

The Audit Committee recommended to the Board on 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 members of the Nomination Committee are Mr. Ng Ching Wah; Mr. Chan Yue Kwong, Michael; Mr. Sze Kwok Wing, Nigel (who are INEDs); Mr. Tsang Kang Po and Mr. Lam Wing Tak (who are executive Directors). Mr. Ng Ching Wah is the chairman of the Nomination Committee.

The Nomination Committee met once during the 2014 Financial Year and adopted 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 of director's candidates. The major work performed by the Nomination Committee in respect of the 2014 Financial Year included assessing independence of the independent non-executive directors and make recommendation in compliance with the Policy on re-election of Mr. Wan Wai Loi, Mr. Lau Yiu Tong and Mr. Ng Ching Wah as Directors of the Company at the forthcoming AGM. The attendance of the Directors for the Nomination Committee meeting is set out in the table on page 34 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 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 work, complexity of the responsibilities and performance and to make recommendations to the Board. No director is allowed to take part in any discussion about his own remuneration.

董事局委員會(續)

審核委員會(續)

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

審核委員會向董事局提出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，並符合最佳常規定明書面職權範圍。提名委員會之主要職責提名委員會於2007年4月27日成立，並符合企業管治守則定明書面職權範圍。提名委員會之主要職責為就委任董事，適當考慮董事會多元化及董事局繼任之管理向董事局提供建議。

提名委員會之成員為伍清華先生、陳裕光先生、施國榮先生(彼等為獨立非執行董事)，以及曾鏡波先生及林榮德先生(彼等為執行董事)。伍清華先生為提名委員會主席。

提名委員會於2014年財政年度期間舉行了1次會議並採納董事局多元性政策(「該政策」)。該政策訂定方向以實現董事局多元性。在審查及評估董事局的組成，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、工業經驗、年齡、性別及種族，以及基於本公司具體需求之其他因素及根據適用法律及有關條文。篩選候選董事名單時，將不會設置如年齡、性別和種族的規限。提名委員會於2014年財政年度已履行之主要職務包括審閱獨立非執行董事之獨立性，以及於應屆股東週年大會上須重選尹惠來先生、劉耀棠先生和伍清華先生連任本公司董事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34頁之表內。

薪酬委員會

薪酬委員會於2007年4月27日成立，並符合企業管治守則定明書面職權範圍。薪酬委員會之主要職責為參照其工作性質、負責範圍的複雜性和表現，審閱付予本集團董事及高級管理人員之薪酬組合條款、花紅及其他應付補償，並向董事局就此提出建議。任何董事是不可參與討論其個人薪酬。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (Cont'd)

Remuneration Committee (Cont'd)

The members of the Remuneration Committee are Mr. Chan Yue Kwong, Michael; Mr. Sze Kwok Wing, Nigel and Mr. Ng Ching Wah (who are INEDs) and Mr. Lam Wing Tak and Mr. Tsang Kang Po (who are executive Directors). Mr. Chan Yue Kwong, Michael is the chairman of the Remuneration Committee.

The Remuneration Committee met once during the 2014 Financial Year. The major work performed by the Remuneration Committee for the 2014 Financial Year included reviewing the remuneration of the Directors and senior management with reference to the remuneration level 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 34 of this annual report.

Details of the remuneration of the Directors disclosed pursuant to Section 161 of the Hong Kong Companies Ordinance and Appendix 16 of the Listing Rules are set out in note 25 to the consolidated financial statements. The Directors' fee shall be subject to shareholders' approval at general meetings. Other emoluments shall from time to time be determined by the Board with reference to the Directors' duties and responsibilities and subject to a review by the Remuneration Committee.

COMPANY SECRETARY

As an employee of the Company, Ms. Lai Tin Yin, Fion, the Company Secretary that supports the Board by ensuring the Board procedures are followed, advising the Board on governance matters and monitoring the training and continuous professional development of Directors. During the 2014 Financial Year, Ms. Lai undertook not less than 15 hours of relevant professional training to update her skills and knowledge. Profile of Company Secretary is set out on page 14 of this annual report.

ACCOUNTABILITY AND AUDIT

Financial reporting

The Board acknowledges its responsibility for preparing the Company's financial statements for 2014 Financial Year which give 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 are prepared and published in accordance with statutory requirements and Hong Kong Financial Reporting Standards in a timely manner required under the Listing Rules. Directors are provided with adequate information to enable them to make an informed assessment of financial and other information on matters for their approval. Furthermore, Directors are provided with monthly updates on the Group's performance to enable the Directors to discharge their duties.

董事局委員會(續)

薪酬委員會(續)

薪酬委員會之成員為陳裕光先生、施國榮先生及伍清華先生(彼等為獨立非執行董事)及林榮德先生及曾鏡波先生(彼等為執行董事)。陳裕光先生為薪酬委員會主席。

薪酬委員會於2014年財政年度期間舉行了1次會議。薪酬委員會於2014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34頁之表內。

依照香港公司條例第161條及上市規則附錄16而披露之董事酬金資料詳列於綜合財務報表附註25。董事收取之袍金須於股東大會上經股東同意。董事之其他酬金則由董事局不時參照董事之職責以釐定及經薪酬委員會審閱。

公司秘書

作為本公司之僱員，公司秘書黎天賢女士協助董事局，確保董事局之程序予以遵守，並就管治事宜向董事局提供建議，及監察董事之培訓及持續專業發展。於2014年財政年度期間，黎女士已接受不少於15小時之相關專業培訓，以提升其技能與知識。公司秘書的簡介載於本年報第14頁。

問責及審核

財務匯報

董事局知悉其有編製本公司2014年財政年度財務報表的責任，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與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，以使董事履行其職責。

Corporate Governance Report

企業管治報告

ACCOUNTABILITY AND AUDIT (Cont'd)

Financial reporting (Cont'd)

The statement of the auditor of the Company regarding their reporting responsibility to shareholders on the consolidated financial statements of the Group is set out in the Independent Auditor's Report on pages 44 to 45 of this annual report.

Internal controls

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 in order to ensure that they meet with the dynamic and ever changing business environment.

During the 2014 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, qualifications and experience of staff of the Company's accounting and financial reporting function, and training programmes and budget through the Internal Audit Department and the Audit Committee with assistance of an international independent risk consulting firm.

COMMUNICATION WITH SHAREHOLDERS

Effective Communication

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 the protection in the interests of shareholders.

The Board has established a shareholders' communication policy and review 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 have attended the general meeting to answer any questions from shareholders. Separate resolutions are proposed at general meetings on each substantially separate issue. A shareholder is permitted to appoint any number of proxies to attend and vote in his stead.

The notice of AGM was sent to all shareholders at least 20 clear business days before the meeting and the notice of all other general meetings to be sent at least 10 clear business days.

問責及審核(續)

財務匯報(續)

本公司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44頁至第45頁之獨立核數師報告。

內部監控

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效益，以確保系統能應付瞬息萬變之商業環境。

於2014年財政年度內，董事局透過內部審計部及審核委員會與國際獨立風險顧問公司協助下，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、員工的資歷及經驗，以及員工接受的培訓課程及有關預算。

與股東溝通

有效溝通

董事局明瞭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。本集團已設立網頁，以作為增進有效溝通之渠道，讓股東查閱本公司最新資料，而本公司之公佈、財務資料、股東通訊政策及其他資料皆於網頁刊登。

董事局通過股東大會作為與股東溝通之橋樑，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，回應股東所作出之任何提問。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。

召開股東周年大會通告在股東周年大會舉行前不少於20個營業日寄發予所有股東，而就所有其他股東大會舉行前不少於10個營業日寄發召開所有其他股東大會通告。

Corporate Governance Report

企業管治報告

COMMUNICATION WITH SHAREHOLDERS (Cont'd)

Voting by Poll

At the general meeting, the Chairman exercised his power under the Articles to put each resolution set out in the notice to be voted by way of a poll and explained detailed procedures for conducting a poll, and answered questions from shareholders. The results of the poll, if any, are published on websites of the Stock Exchange and the Company.

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 Association of the Company, make a requisition to the Board to convene an extraordinary general meeting of the Company and putting forward proposals at the meeting. The objects of the meeting must be stated in the written requisition which must be signed by the requisitionist(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 Association 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.

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, Wanchai, 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 for attention of the Company Secretary.

The Board also encourages shareholders to attend general meetings to make enquiries with the Board directly.

CONSTITUTIONAL DOCUMENTS

The memorandum and articles of association of the Company is published on the websites of the Company and the Stock Exchange. During the 2014 Financial Year, there is no change to the memorandum and articles of association of the Company.

與股東溝通(續)

以投票方式表決

於股東大會上，主席行使章程細則賦予之權力，就通告內之各項決議案以投票方式進行表決，並解釋以投票方式進行表決之詳細程序，並回答股東提問。投票方式表決的結果於聯交所及本公司網頁登載。

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，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，可根據本公司章程細則向本公司董事局要求召開股東特別大會，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。

開曼群島公司法或本公司章程細則並無列明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。

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之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樓與電話：(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，抬頭註明公司秘書收。

董事局亦鼓勵股東出席股東大會，直接向董事局提出查詢。

憲章文件

本公司組織章程大綱及章程細則已刊發於本公司及聯交所網站。於2014年財政年度內，本公司的組織章程大綱及章程細則並沒有任何變動。

Independent Auditor's Report

獨立核數師報告



羅兵咸永道

TO THE SHAREHOLDERS OF PACIFIC TEXTILES HOLDINGS LIMITED
(incorporated in Cayman Islands with limited liability)

致互太紡織控股有限公司股東
(在開曼群島註冊成立之有限公司)

We have audited the consolidated financial statements of Pacific Textiles Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 46 to 134, which comprise the consolidated and Company balance sheets as at 31 March 2014, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

本核數師(以下簡稱「我們」)已審計列載於第46至134頁互太紡織控股有限公司(以下簡稱「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於2014年3月31日的綜合和公司資產負債表與截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋資料。

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants 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.

董事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》的披露規定編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to 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.

核數師的責任

我們的責任是根據我們的審計對該等綜合財務報表作出意見，並僅向整體股東報告，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。

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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。該等準則要求我們遵守道德規範，並規劃及執行審計，以合理確定綜合財務報表是否不存在任何重大錯誤陳述。

PricewaterhouseCoopers, 22/F, Prince's Building, Central, Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

Independent Auditor's Report

獨立核數師報告

AUDITOR'S RESPONSIBILITY (Cont'd)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2014, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 27 June 2014

核數師的責任(續)

審計涉及執行程序以獲取有關綜合財務報表所載金額及披露資料的審計憑證。所選定的程序取決於核數師的判斷，包括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。在評估該等風險時，核數師考慮與該公司編製綜合財務報表以作出真實而公平的反映相關的內部控制，以設計適當的審計程序，但目的並非對公司內部控制的有效性發表意見。審計亦包括評價董事所採用會計政策的合適性及作出會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於2014年3月31日的事務狀況，及 貴集團截至該日止年度的利潤及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

羅兵咸永道會計師事務所
執業會計師

香港，2014年6月27日

Financial Information

財務資料

CONSOLIDATED INCOME STATEMENT For the year ended 31 March 2014

綜合收益表 截至2014年3月31日止年度

| | | Note | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|---|-----------------------------|------|----------------------------------|----------------------------------|
| | | 附註 | | |
| Revenue | 收入 | 5 | 7,423,481 | 6,649,206 |
| Cost of sales | 銷售成本 | 24 | (6,062,110) | (5,467,672) |
| Gross profit | 毛利 | | 1,361,371 | 1,181,534 |
| Other income and other gains/(losses) – net | 其他收入及其他收益/(虧損) — 淨 | 23 | 124,669 | 91,509 |
| Distribution and selling expenses | 分銷及銷售開支 | 24 | (67,245) | (55,827) |
| General and administrative expenses | 一般及行政開支 | 24 | (130,191) | (148,317) |
| Operating profit | 經營溢利 | | 1,288,604 | 1,068,899 |
| Finance income | 財務收入 | 26 | 8,287 | 15,300 |
| Finance costs | 財務成本 | 26 | (1,594) | – |
| Share of profits of associates | 分佔聯營公司之溢利 | 9 | 36,499 | 26,911 |
| Share of losses of joint ventures | 分佔合營公司之虧損 | 10 | (20,655) | (496) |
| Profit before income tax | 所得稅前溢利 | | 1,311,141 | 1,110,614 |
| Income tax expense | 所得稅開支 | 27 | (196,750) | (186,301) |
| Profit for the year | 年度溢利 | | 1,114,391 | 924,313 |
| Profit attributable to: | 下列人士應佔溢利： | | | |
| Equity holders of the Company | 本公司權益持有人 | | 1,116,802 | 925,165 |
| Non-controlling interests | 非控制性權益 | | (2,411) | (852) |
| | | | 1,114,391 | 924,313 |
| Earnings per share for profit attributable to equity holders of the Company during the year | 年內本公司權益持有人 應佔溢利之 每股盈利 | | | |
| – basic (HK\$) | — 基本(港元) | 28 | 0.77 | 0.64 |
| – diluted (HK\$) | — 攤薄(港元) | 28 | 0.77 | 0.64 |
| Dividends | 股息 | 29 | 1,518,744 | 1,153,112 |

The accompanying notes are an integral part of these consolidated financial statements. 隨附之附註乃此綜合財務報表之部份。

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財務資料

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME For the year ended 31 March 2014

綜合全面收益表 截至2014年3月31日止年度

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|--|-------------------------------|----------------------------------|----------------------------------|
| Profit for the year | 年度溢利 | 1,114,391 | 924,313 |
| Other comprehensive income: <i>Items that may be reclassified to profit or loss</i> | 其他全面收益： <i>其後或循環至損益的項目</i> | | |
| Currency translation differences | 外幣換算差額 | (5,218) | 41,691 |
| Fair value gains/(losses) on available-for-sale financial assets | 可供出售金融資產公允價值 收益／(虧損) | 17 | (20) |
| Total comprehensive income for the year | 年度全面收益總額 | 1,109,190 | 965,984 |
| Attributable to: | 下列人士應佔： | | |
| Equity holders of the Company | 本公司權益持有人 | 1,111,824 | 966,836 |
| Non-controlling interests | 非控制性權益 | (2,634) | (852) |
| | | 1,109,190 | 965,984 |

The accompanying notes are an integral part of these consolidated financial statements. 隨附之附註乃此綜合財務報表之部份。

Financial Information

財務資料

CONSOLIDATED BALANCE SHEET As at 31 March 2014

綜合資產負債表 於2014年3月31日

| | | Note 附註 | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|---|---------------------|------------|----------------------------------|----------------------------------|
| ASSETS | 資產 | | | |
| Non-current assets | 非流動資產 | | | |
| Land use rights | 土地使用權 | 6 | 53,930 | 55,282 |
| Property, plant and equipment | 物業、廠房及設備 | 7 | 1,183,088 | 1,103,591 |
| Interests in associates | 於聯營公司之權益 | 9(a) | 182,382 | 171,771 |
| Interests in joint ventures | 於合營公司之權益 | 10 | 18,610 | 38,133 |
| Deferred income tax assets | 遞延所得稅資產 | 20 | – | 2,300 |
| Available-for-sale financial assets | 可供出售金融資產 | 11 | 1,798 | 1,781 |
| Prepayments for construction work and purchase of machinery | 工程和購買機器的預付 | 14 | 31,481 | – |
| | | | 1,471,289 | 1,372,858 |
| Current assets | 流動資產 | | | |
| Inventories | 存貨 | 12 | 1,130,742 | 993,747 |
| Trade and bills receivables | 應收賬款及票據 | 13 | 844,920 | 952,662 |
| Deposits, prepayments and other receivables | 按金、預付款項及其他應收款項 | 14 | 60,079 | 71,082 |
| Amounts due from associates | 應收聯營公司款項 | 9(b) | 68,400 | 89,355 |
| Derivative financial instruments | 衍生金融工具 | 15 | 1,655 | 3,579 |
| Cash and bank balances | 現金及銀行結餘 | 16 | 1,776,269 | 1,793,360 |
| | | | 3,882,065 | 3,903,785 |
| Total assets | 資產總值 | | 5,353,354 | 5,276,643 |
| 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 | 1,446 | 1,443 |
| Share premium | 股本溢價 | 17 | 1,453,188 | 1,434,970 |
| Reserves | 儲備 | 18 | 2,480,379 | 2,529,432 |
| | | | 3,935,013 | 3,965,845 |
| Non-controlling interests | 非控制性權益 | | 3,800 | 6,434 |
| Total equity | 權益總額 | | 3,938,813 | 3,972,279 |

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

隨附之附註乃此綜合財務報表之部份。

Financial Information

財務資料

CONSOLIDATED BALANCE SHEET As at 31 March 2014

綜合資產負債表 於2014年3月31日

| | | Note | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|--|------------------|------|----------------------------------|----------------------------------|
| | | 附註 | | |
| LIABILITIES | 負債 | | | |
| Non-current liabilities | 非流動負債 | | | |
| Borrowings | 借貸 | 19 | 47,509 | 47,545 |
| Deferred income tax liabilities | 遞延所得稅負債 | 20 | 58,267 | 46,038 |
| | | | 105,776 | 93,583 |
| Current liabilities | 流動負債 | | | |
| Trade and bills payables | 應付賬款及票據 | 21 | 839,467 | 782,961 |
| Accruals and other payables | 應計項目及其他應付款項 | 22 | 391,089 | 362,744 |
| Amount due to an associate | 應付聯營公司款項 | 9(c) | 6,030 | – |
| Derivative financial instruments | 衍生金融工具 | 15 | 23,388 | 2,570 |
| Current income tax liabilities | 本期所得稅負債 | | 48,791 | 62,506 |
| | | | 1,308,765 | 1,210,781 |
| Total liabilities | 負債總額 | | 1,414,541 | 1,304,364 |
| Total equity and liabilities | 權益及負債總額 | | 5,353,354 | 5,276,643 |
| Net current assets | 流動資產淨值 | | 2,573,300 | 2,693,004 |
| Total assets less current liabilities | 資產總值減流動負債 | | 4,044,589 | 4,065,862 |

The financial statements were approved by the Board of Directors on 27 June 2014 and were signed on its behalf:

財務報表已獲董事局於2014年6月27日批准通過，並代表董事局簽署：

Wan Wai Loi
尹惠來
Director
董事

Tsang Kang Po
曾鏡波
Director
董事

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

隨附之附註乃此綜合財務報表之部份。

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財務資料

BALANCE SHEET As at 31 March 2014

資產負債表 於2014年3月31日

| | | Note 附註 | 2014 2014年 HK\$'000 千港元 | 2013 2013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 | 8 | 2,491,886 | 2,102,989 |
| Current assets | 流動資產 | | | |
| Amounts due from subsidiaries | 應收附屬公司款項 | 8 | 1,300,000 | 1,000,000 |
| Cash and bank balances | 現金及銀行結餘 | 16 | 21,654 | 31,569 |
| | | | 1,321,654 | 1,031,569 |
| Total assets | 資產總值 | | 3,813,540 | 3,134,558 |
| EQUITY | 權益 | | | |
| Share capital | 股本 | 17 | 1,446 | 1,443 |
| Share premium | 股本溢價 | 17 | 1,453,188 | 1,434,970 |
| Reserves | 儲備 | 18 | 1,026,952 | 892,017 |
| | | | 2,481,586 | 2,328,430 |
| LIABILITIES | 負債 | | | |
| Non-current liabilities | 非流動負債 | | | |
| Amount due to a subsidiary | 應付附屬公司款項 | 8 | 696,667 | 696,672 |
| Current liabilities | 流動負債 | | | |
| Accruals and other payables | 應計項目及其他應付款項 | 22 | 4,064 | 3,878 |
| Amounts due to subsidiaries | 應付附屬公司款項 | 8 | 631,223 | 105,578 |
| | | | 635,287 | 109,456 |
| Total liabilities | 負債總額 | | 1,331,954 | 806,128 |
| Total equity and liabilities | 權益及負債總額 | | 3,813,540 | 3,134,558 |
| Net current assets | 流動資產淨值 | | 686,367 | 922,113 |
| Total assets less current liabilities | 資產總值減流動負債 | | 3,178,253 | 3,025,102 |

The financial statements were approved by the Board of Directors on 27 June 2014 and were signed on its behalf:

財務報表已獲董事局於2014年6月27日批准通過，並代表董事局簽署：

Wan Wai Loi
尹惠來
Director
董事

Tsang Kang Po
曾鏡波
Director
董事

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

隨附之附註乃此綜合財務報表之部份。

Financial Information

財務資料

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the year ended 31 March 2014

綜合權益變動表 截至2014年3月31日止年度

| | Note 附註 | Attributable to equity holders of the Company 本公司權益持有人應佔 | | | | Non- controlling Interests 非控制性 權益 千港元 | Total 總額 千港元 |
|--|------------|---|--|------------------------------------|------------------------|---|--------------------|
| | | Share capital 股本 千港元 (Note 17) | Share premium 股本溢價 千港元 (Note 17) | Reserves 儲備 千港元 (Note 18) | Sub-total 小計 千港元 | | |
| Balance at 1 April 2012 | | 1,433 | 1,372,763 | 2,580,495 | 3,954,691 | 7,286 | 3,961,977 |
| Comprehensive income: | | | | | | | |
| Profit for the year | | - | - | 925,165 | 925,165 | (852) | 924,313 |
| Other comprehensive income: | | | | | | | |
| Currency translation differences | | - | - | 41,691 | 41,691 | - | 41,691 |
| Fair value losses on available-for-sale financial assets | 11 | - | - | (20) | (20) | - | (20) |
| Total other comprehensive income, net of tax | | - | - | 41,671 | 41,671 | - | 41,671 |
| Total comprehensive income | | - | - | 966,836 | 966,836 | (852) | 965,984 |
| Transactions with owners: | | | | | | | |
| Exercise of share options | 17(c) | 11 | 65,286 | (12,578) | 52,719 | - | 52,719 |
| Share repurchase | 17(d) | (1) | (3,079) | - | (3,080) | - | (3,080) |
| Dividends | | - | - | (1,005,321) | (1,005,321) | - | (1,005,321) |
| Total transactions with owners | | 10 | 62,207 | (1,017,899) | (955,682) | - | (955,682) |
| Balance at 31 March 2013 | | 1,443 | 1,434,970 | 2,529,432 | 3,965,845 | 6,434 | 3,972,279 |
| Balance at 1 April 2013 | | 1,443 | 1,434,970 | 2,529,432 | 3,965,845 | 6,434 | 3,972,279 |
| Comprehensive income: | | | | | | | |
| Profit for the year | | - | - | 1,116,802 | 1,116,802 | (2,411) | 1,114,391 |
| Other comprehensive income: | | | | | | | |
| Currency translation differences | | - | - | (4,995) | (4,995) | (223) | (5,218) |
| Fair value gain on available-for-sale financial assets | 11 | - | - | 17 | 17 | - | 17 |
| Total other comprehensive income, net of tax | | - | - | (4,978) | (4,978) | (223) | (5,201) |
| Total comprehensive income | | - | - | 1,111,824 | 1,111,824 | (2,634) | 1,109,190 |
| Transactions with owners: | | | | | | | |
| Share-based payments | | - | - | 1,834 | 1,834 | - | 1,834 |
| Exercise of share options | 17(c) | 4 | 29,418 | (5,737) | 23,685 | - | 23,685 |
| Share repurchase | 17(d) | (1) | (11,200) | - | (11,201) | - | (11,201) |
| Dividends | | - | - | (1,156,974) | (1,156,974) | - | (1,156,974) |
| Total transactions with owners | | 3 | 18,218 | (1,160,877) | (1,142,656) | - | (1,142,656) |
| Balance at 31 March 2014 | | 1,446 | 1,453,188 | 2,480,379 | 3,935,013 | 3,800 | 3,938,813 |

The accompanying notes are an integral part of these consolidated financial statements. 隨附之附註乃此綜合財務報表之部份。

Financial Information

財務資料

CONSOLIDATED STATEMENT OF CASH FLOWS For the year ended 31 March 2014

綜合現金流量表 截至2014年3月31日止年度

| | | Note | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|--|------------------------|-------|----------------------------------|----------------------------------|
| | | 附註 | | |
| Cash flow from operating activities | 經營業務之現金流量 | | | |
| Cash generated from operations | 經營業務產生之現金 | 30(a) | 1,540,913 | 999,275 |
| Hong Kong profits tax paid | 已付香港利得稅 | | (130,404) | (83,607) |
| PRC income tax paid | 已付中國所得稅 | | (65,379) | (55,243) |
| | | | 1,345,130 | 860,425 |
| Cash flow from investing activities | 投資活動之現金流量 | | | |
| Purchases of property, plant and equipment | 購置物業、廠房及設備 | | (262,326) | (110,635) |
| Purchase of land use rights | 購買土地使用權 | | - | (2,131) |
| Proceeds from disposals of property, plant and equipment | 出售物業、廠房及設備所得款項 | 30(b) | 19,145 | 372 |
| Dividends received from associates | 已收聯營公司股息 | | 21,752 | 18,164 |
| Capital injection to a joint venture | 合營公司之注資 | | (776) | - |
| Refund of capital from a joint venture | 合營公司之資金退還 | | - | 50,580 |
| Interest income received | 已收利息收入 | | 8,287 | 13,842 |
| | | | (213,918) | (29,808) |
| Cash flow from financing activities | 融資活動之現金流量 | | | |
| Proceeds from exercise of share options | 購股權行使所得款項 | | 23,685 | 52,719 |
| Share repurchases | 股份購回 | | (11,201) | (3,080) |
| Dividends paid | 已付股息 | | (1,156,974) | (1,005,321) |
| | | | (1,144,490) | (955,682) |
| Net decrease in cash and cash equivalents | 現金及現金等值項目減少淨額 | | (13,278) | (125,065) |
| Cash and cash equivalents at 1 April | 於4月1日現金及現金等值項目 | | 1,793,360 | 1,893,223 |
| Currency translation differences | 外幣換算差額 | | (3,813) | 25,202 |
| Cash and cash equivalents at 31 March | 於3月31日現金及現金等值項目 | | 1,776,269 | 1,793,360 |

The accompanying notes are an integral part of these consolidated financial statements. 隨附之附註乃此綜合財務報表之部份。

Financial Information

財務資料

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 the manufacturing and trading of textile products. Its production base is primarily located in the People’s Republic of China (the “PRC”).

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 has its listing on 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 27 June 2014.

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 to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with 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 convention, as modified by the revaluation of available-for-sale financial assets, and the recognition of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

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 judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

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。其生產基地主要位於中華人民共和國(「中國」)。

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。

本公司於香港聯合交易所有限公司上市。

除另有說明外，該等綜合財務報表以港元呈報。該等綜合財務報表於2014年6月27日經董事局批准刊發。

2. 編製基準與重要會計政策概要

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法而編製，並就重估之可供出售金融資產及按公允值計入損益賬之金融資產與金融負債(包括衍生工具)之確認而予以修訂。

遵照香港財務報告準則編製財務報表須運用若干重要會計估計，而管理層於應用本集團會計政策時亦須作出判斷。涉及高度的判斷或高度複雜性的範疇，或涉及對合併財務報表作出重大假設和估計的範疇，在附註4中披露。

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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)

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

- (i) The following new standards and amendments to standards are mandatory for the accounting period beginning on 1 April 2013 and relevant to the Group. The adoption of these new standards and amendments to standards has not had any impact on the published results for the current and prior periods and the financial position of the Group, other than for certain additional disclosures.

HKFRS 7 (Amendment), "Disclosure — Offsetting financial assets and financial liabilities"

HKFRS 10, "Consolidated financial statements"

HKFRS 11, "Joint arrangements"

HKFRS 12, "Disclosure of interests in other entities"

HKFRS 13, "Fair value measurement"

HKFRS 10, 11 & 12 (Amendment), "Consolidated financial statements, joint arrangements, and disclosure of interests in other entities — Transitional guidance"

HKAS 1 (Amendment), "Presentation of items of other comprehensive income"

HKAS 27 (Amendment), "Separate financial statements"

HKAS 28 (2011), "Investments in associates and joint ventures"

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.1 編製基準(續)

(a) **本集團已採納之已頒佈新訂準則、現行準則修訂與詮釋**

- (i) 下列為於2013年4月1日開始之會計期間強制執行而與本集團有關之新訂及修訂準則。採納該準則修訂未對本集團已公佈現行與過往期間之業績與財務狀況產生影響，除對於某些額外披露。

香港財務報告準則第7號(修訂本)「金融資產與金融負債之抵銷」

香港財務報告準則第10號「綜合財務報表」

香港財務報告準則第11號「合營安排」

香港財務報告準則第12號「披露於其他實體的權益」

香港財務報告準則第13號「公允值計量」

香港財務報告準則第10號、香港財務報告準則第11號與香港財務報告準則第12號(修訂本)「綜合財務報表、合營安排及披露於其他實體的權益—過渡指引」

香港會計準則第1號(修訂本)「其他全面收益項目的呈報」

香港會計準則第27號(修訂本)「獨立財務報表」

香港會計準則第28號(2011)「聯營公司與合營公司之投資」

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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)

(a) New standards, amendments to standards and interpretation to existing standards adopted by the Group (Cont'd)

- (ii) The following new standards, amendments to standards and interpretation to existing standards are also mandatory for accounting periods beginning on or after 1 April 2013 but are not currently relevant to the Group's operations:

HKFRS 1 (Amendment), "Government loans"

HKAS 19 (Amendment), "Employee benefits"

HK(IFRIC) — Int 20, "Stripping costs in the production phase of a surface mine"

Annual improvements 2009 – 2011 cycle

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

The following new standards and amendments to standards are relevant to the Group, have been issued but are not effective for accounting periods beginning on 1 April 2013 and have not been early adopted:

HKFRS 9, "Financial instruments"

HKFRS 10, HKFRS 12 and HKAS 27 (2011) (Amendment), "Investment entities"

HKAS 32 (Amendment), "Offsetting financial assets and financial liabilities"

HKAS 36 (Amendment), "Recoverable amount disclosure for non-financial assets"

Annual improvements 2010 – 2012 cycle

Annual improvements 2011 – 2013 cycle

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.1 編製基準(續)

(a) 本集團已採納之已頒佈新訂準則、現行準則修訂與詮釋(續)

- (ii) 下列為於2013年4月1日開始或其後開始之會計期間強制執行而與本集團營運無關之新訂及現行準則修訂與詮釋：

香港財務報告準則第1號(修訂本)「政府貸款」

香港會計準則第19號(修訂本)「僱員福利」

香港(國際財務報告詮釋委員會)－詮釋第20號，「露天礦場生產階段的剝採成本」

2009年至2011年週期對香港財務報告準則之年度改進

(b) 未生效的新訂準則、現行準則修訂與詮釋

以下為與本集團營運無關而已頒佈準則、準則修訂及現行準則詮釋，於2013年4月1日開始之會計期間未生效，惟並無提前採用：

香港財務報告準則第9號「金融工具」

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號(2011年)(修訂本)，「投資實體」

香港會計準則第32號(修訂本)「金融資產與金融負債抵銷的修訂」

香港會計準則第36號(修訂本)「非金融資產之可收回金額披露」

2010年至2012年週期對香港財務報告準則之年度改進

2011年至2013年週期對香港財務報告準則之年度改進

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)

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

The Directors are currently assessing the likely impact of the adoption of these new standards and amendments to standards to the Group in future periods. The directors of the Company will adopt these new standards and amendments to standards when they become effective.

2.2 Subsidiaries

2.2.1 Consolidation

A subsidiary is an entity (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. 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.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.1 編製基準(續)

(b) 未生效的新訂準則、現行準則修訂與詮釋

董事正評估本集團於未來期間採納該等新訂及經修訂準則、現行準則修訂及詮釋可能產生的影響。本公司董事預期採用該等新訂準則、現行準則修訂與詮釋會更有效用。

2.2 附屬公司

2.2.1 綜合賬目

附屬公司指本集團對其具有控制權的所有實體(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的風險或享有可變回報的權益，並有能力透過其對該實體的權力影響此等回報時，本集團即控制該實體。附屬公司在控制權轉移至本集團之日起合併入賬。附屬公司在控制權終止之日起停止合併入賬。

(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所收購公司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。在業務合併中所收購可識辨之資產以及所承擔之負債及或然負債，首先以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所收購公司可識辨之資產淨值之已確認金額之比例，確認任何於所收購公司之非控制性權益。

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

2.2 Subsidiaries (Cont'd)

2.2.1 Consolidation (Cont'd)

(a) Business combinations (Cont'd)

Acquisition-related costs are expensed as incurred.

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 income statement.

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.

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

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.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.2 附屬公司(續)

2.2.1 綜合賬目(續)

(a) 業務合併(續)

收購相關成本於產生時列為開支。

所轉讓對價、被收購方的任何非控制性權益數額，及在被收購方之前任何權益在收購日期的公允價值，超過購入可辨識淨資產公允價值的數額記錄為商譽。如所轉讓對價、確認的任何非控制性權益及之前持有的權益計量，低於購入附屬公司淨資產的公允價值，則將該數額直接在利潤表中確認。

集團內公司之間的交易、結餘及交易的未變現利得予以對銷。未變現損失亦予以對銷。附屬公司報告的數額已按需要作出改變，以確保與本集團採用的政策符合一致。

(b) 不涉及控制權變動之於附屬公司擁有權權益變動

並無導致失去控制權之非控股權益交易入帳列作權益交易 — 即與擁有人以彼等作為擁有人身份進行之交易。任何已付代價公允價值與應佔所收購附屬公司淨資產帳面值之間之差額均計入權益。出售非控股權益之收益或虧損亦計入權益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

2.2 Subsidiaries (Cont'd)

2.2.1 Consolidation (Cont'd)

(c) Disposal of subsidiaries

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.

2.2.2 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.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.2 附屬公司(續)

2.2.1 綜合賬目(續)

(c) 出售附屬公司

倘本集團不再擁有控制權，其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賬內確認。就隨後入賬列作聯營公司、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益內確認之金額重新分類至損益賬。

2.2.2 獨立財務報表

於附屬公司的權益乃以成本減減值的方法入賬。成本亦包括投資的直接應佔費用。附屬公司之業績由本公司按已收股息及應收款項入賬。

當收到於附屬公司之權益之股息時，如股息超過附屬公司在宣派股息期間之總全面收益，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。

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

2.3 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. 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 income statement, 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.

The Group determines at each reporting date whether there is any objective evidence that the investments in the associate 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/(loss) of an associate" in the income statement.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.3 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的所有實體，通常附帶有20%至50%投票權的股權。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。本集團於聯營公司之投資包括於收購時識辨之商譽。在購買聯營公司的投資時，購買成本與本集團享有的對聯營公司可辨認資產和負債的公允值總額的差額確認為商譽。

如聯營公司的權益持有被削減但仍保留重大影響力，只有按比例將之前在其他綜合收益中確認的數額重新分類至損益(如適當)。

本集團應佔聯營公司購買後利潤或虧損於利潤表內確認，而應佔其購買後的其他綜合收益變動則於其他綜合收益內確認，並相應調整投資賬面值。如本集團應佔一家聯營公司的虧損等於或超過其在該聯營公司的權益，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。

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的差額，並在利潤表中確認於「享有按權益法入賬的投資的利潤份額」。

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

2.3 Associates (Cont'd)

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 adjusted 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 income statement.

2.4 Joint arrangements

Joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses and movements in other comprehensive income. The group's investments in joint ventures include goodwill identified on acquisition. Upon the acquisition of the ownership interest in a joint venture, any difference between the cost of the joint venture and the group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for as goodwill. When the group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the group's net investment in the joint ventures), the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.3 聯營公司(續)

本集團與其聯營公司之間的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。聯營公司的財務資料已按需要作出調整，以確保與本集團採用的會計政策符合一致。

在聯營公司投資中所產生之攤薄盈虧於收益表確認。

2.4 合營安排

在合營安排的投資必須分類為共同經營或合營公司，視乎每個投資者的合同權益和義務而定。本公司已評估其合營安排的性質並釐定為合營公司。合營公司按權益法入賬。

根據權益法，合營公司權益初步以成本確認，其後經調整以確認本集團享有的收購後利潤或虧損以及其他綜合收益變動的份額。本集團對合營公司的投資包括在購買時已辨認的商譽。在購買合營公司的投資時，購買成本與本集團享有的對合營公司可辨認資產和負債的公平價值淨額的差額確認為商譽。當集團享有某一合營公司的虧損超過或相等於在該合營公司的權益(包括任何實質上構成集團在該合營淨投資的長期權益)，則集團不確認進一步虧損，除非集團已產生義務或已代合營公司付款。

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

2.4 Joint arrangements (Cont'd)

Unrealised gains on transactions between the group and its joint ventures are eliminated to the extent of the group's interests in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Amounts reported by the joint ventures have been adjusted where necessary to ensure consistency with the policies adopted by the group.

Dilution gains and losses arising in investments in joint ventures are recognised in the income statement.

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 makes 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.

(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 income statement.

Foreign exchange gains and losses that relate to cash and cash equivalents are presented in the income statement within "finance income" or "finance costs".

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.4 合營安排(續)

本集團與其合營公司進行交易的未變現收益，與本集團於合營公司的權益對銷。除非交易顯示被轉讓資產出現減值的證據，否則交易的未變現虧損亦予以對銷。合營公司的財務報表已在有需要時作出調整，以確保與本集團採納的會計政策一致。

在合營公司投資中所產生的攤薄盈虧於收益表確認。

2.5 分部呈報

報告經營分部之基準與向首席經營決策者(「首席經營決策者」)所提供的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的表現，其為執行董事全體地作出策略決定。

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，均以本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。

(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收益表確認。

現金及現金等價物有關的匯兌利得和損失在利潤表內的「財務收入」或「財務成本」中列報。

Financial Information

財務資料

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 (Cont'd)

All other foreign exchange gains and losses are presented in the income statement within 'other income and other gains/(losses) — net'.

Changes in the fair value of monetary securities denominated in foreign currency classified as available-for-sale 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 and 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 available-for-sale, are included in other comprehensive income.

(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 income statement 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.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.6 外幣換算(續)

(b) 交易及結餘(續)

所有其他匯兌盈虧於收益表「其他收入及其他收益／(虧損)一淨」中呈現。

分類為可供出售之外幣列值貨幣證券之公允價值變動，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溢利與虧損確認，而賬面值其他變動則於其他全面收益確認。

非貨幣金融資產及負債(例如按公允價值計入損益之權益)之換算差額乃於損益中確認為公允價值損益之一部分。分類為可供出售之權益等非貨幣金融資產之換算差額會列入其他全面收益內。

(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) 每份收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益。

Financial Information

財務資料

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)

(c) Group companies (Cont'd)

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 Leasehold land and land use rights

The up-front prepayments made for leasehold land interests — classified as operating lease and land use rights are accounted for as operating leases. They are expensed in the income statement on a straight-line basis over the periods of the lease or the land use rights. When there is impairment, the impairment is expensed in the income statement.

2.8 Property, plant and equipment

Land and buildings comprise mainly factories and offices. Leasehold land interests classified as finance leases and all other property, plant and equipment other than construction in progress are stated at historical cost less accumulated depreciation and accumulated 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 income statement during the period in which they are incurred.

Leasehold land interests classified as finance leases commence amortisation from the time when the land interest becomes available for its intended use. Amortisation on leasehold land classified as finance lease and depreciation on other assets other than construction in progress are calculated using the straight-line method to allocate their costs over their estimated useful lives, as follows:

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.6 外幣換算(續)

(c) 集團公司(續)

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益。

2.7 租賃土地及土地使用權

就租賃土地權益 — 分類為經營租賃及土地使用權作出之前期預付款項按經營租約列賬，並於該租約年期或按土地使用權以直線法在收益表支銷，或倘出現減值，則於收益表支銷減值。

2.8 物業、廠房及設備

土地及樓宇主要包括廠房及辦公室。分類為融資租賃之租賃土地權益與其他物業、廠房及設備(在建工程除外)乃按歷史成本法減累計折舊及累計減值虧損(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的有關不動產、工廠及設備利用外幣購買的合資格現金流量套期產生的任何利得/虧損。

只有當與項目相關之日後經濟效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)。替換部分的賬面值予以取消。所有其他維修及保養於其產生期間在收益表支銷。

分類為融資租賃之租賃土地權益，自土地權益可供其擬定用途時開始攤銷。分類為融資租賃之租賃土地之攤銷及其他資產(在建工程除外)以直線法計算折舊，以按其估計可使用年期攤銷成本如下：

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

2.8 Property, plant and equipment (Cont'd)

| | |
|---|------------------------------------|
| Leasehold land classified as finance lease | Over the remaining lease term (2%) |
| Buildings | 4% |
| Plant and machinery | 20% |
| Leasehold improvements, furniture and equipment | 20% |
| Motor vehicles | 20% |
| 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 carrying amount and are recognised within in the income statement.

2.9 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. 編製基準與重要會計政策概要(續)

2.8 物業、廠房及設備(續)

| | |
|--------------|------------|
| 分類為融資租賃之租賃土地 | 剩餘租賃期內(2%) |
| 樓宇 | 4% |
| 廠房及機器 | 20% |
| 租賃物業裝修、傢具及設備 | 20% |
| 汽車 | 20% |
| 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)轉撥至適當類別的物業、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，並自收益表中呈現。

2.9 非金融資產之減值

不論事件或情況變動何時顯示帳面值或不可收回，須作攤銷的資產亦因減值而獲審閱。在資產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高於銷售成本及使用值的數額較高者。為評估減值，資產按獨立可識別現金流量的最低水平(現金產生單位)分類。商譽以外的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。

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

2.10 Financial assets

2.10.1 Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the balance sheet date. These are classified as non-current assets. The Group's loans and receivables comprise trade and other receivables, deposits and other receivables and cash and bank balance.

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the balance sheet date.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.10 金融資產

2.10.1 分類

本集團將其金融資產分類：可供出售金融資產或貸款及應收款項。分類視乎購入金融資產之目的而定。管理層在初步確認時釐定其金融資產分類。

(a) 按公允值透過損益記賬的金融資產

按公允值透過損益記賬的金融資產指持作買賣金融資產。金融資產若在購入時主要用作在短期內出售，則分類為此類別。衍生工具除非被指定為對沖，否則亦分類為持作交易性。倘預期於12個月內結算的資產分類為流動資產；否則，分類為非流動資產。

(b) 貸款及應收款項

貸款及應收款項為附帶固定或待付付款而並無活躍市場報價之非衍生金融資產，均列入流動資產，惟到期日為結算日起計超過12個月後償還或預期會償還之款項，則歸類為非流動資產。本集團貸款及應收款項由應收賬款及其他應收款項；按金及其他應收款項與現金與銀行結餘組成。

(c) 可供出售金融資產

可供出售金融資產乃指定為此類別或並無歸類為任何其他類別之非衍生金融工具。除非投資到期或管理層擬在結算日後12個月內出售有關投資，否則列為非流動資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

2.10 Financial assets (Cont'd)

2.10.2 Recognition and measurement

Regular way of purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'other income and other gains/(losses) — net' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of other income when the Group's right to receive payments is established.

Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as 'other income and other gains/(losses) — net'.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.10 金融資產(續)

2.10.2 確認與計量

常規購買及出售的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。按公允價值透過損益記賬的金融資產，初始按公允價值確認，而交易成本則在收益表支銷。當從投資收取現金流量的權利已到期或已轉讓，而本集團已實質上將所有權的所有風險和報酬轉讓時，金融資產即終止確認。對於並非按公允價值透過損益記賬的所有金融資產，其投資初始按其公允價值加交易成本確認。可供出售金融資產及按公允價值透過損益記賬的金融資產其後按公允價值列賬。貸款及應收款項其後利用實際利率法按攤銷成本列賬。

來自「以公允價值計量且其變動計入損益的金融資產」類別的公允價值變動所產生的利得和損失，列入產生期間收益表內的「其他收入及其他收益／(虧損) — 淨」中。來自以公允價值計量且其變動計入損益的金融資產的股息收入，當本集團收取有關款項的權利確定時，在收益表內確認為部份其他收益。

分類為可供出售的貨幣性及非貨幣性證券的公允價值變動在其他全面收益中確認。

當分類為可供出售之證券出售或出現減值時，其於權益確認之累計公允價值調整將列入收益表「其他收入及其他收益／(虧損) — 淨」。

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

2.10 Financial assets (Cont'd)

2.10.2 Recognition and measurement (Cont'd)

Interest on available-for-sale securities calculated using the effective interest method is recognised in the income statement as part of other income. Dividends on available-for-sale equity instruments are recognised in the income statement as part of other income when the Group's right to receive payments is established.

2.11 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.

2.12 Impairment of financial assets

(a) Assets carried at amortised cost

The Group assesses at the end of each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.10 金融資產(續)

2.10.2 確認與計量(續)

可供出售證券利用實際利率法計算的利息在收益表內確認為部份其他收益。至於可供出售權益工具的股息，當本集團收取有關款項的權利確定時，在收益表內確認為部份其他收益。

2.11 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。

2.12 金融資產減值

(a) 以攤銷成本列賬的資產

本集團於每個資產負債表期末評估是否存在客觀證據證明某一金融資產或某一金融資產組出現減值。只有當存在客觀證據證明於因為首次確認資產後發生一宗或多宗事件導致出現減值(「損失事項」)，而該宗(或該等)損失事項對該項或該組金融資產的估計未來現金流量構成的影響可以合理估計，有關的金融資產或金融資產組才算出現減值及產生減值損失。

減值虧損的證據可包括債務人或一組債務人遇上嚴重財政困難、逾期或拖欠償還利息或本金、債務人很有可能破產或進行其他財務重組，以及有可觀察數據顯示估計未來現金流有可計量的減少，例如與違約有相互關連的拖欠情況或經濟狀況改變。

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

2.12 Impairment of financial assets (Cont'd)

(a) Assets carried at amortised cost (Cont'd)

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the income statement. If a loan investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the income statement.

(b) Assets classified as available-for-sale

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. For equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss — measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss — is removed from equity and recognised in the profit and loss. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.12 金融資產減值(續)

(a) 以攤銷成本列賬的資產(續)

就貸款及應收款種類而言，損失金額乃根據資產賬面價值與按金融資產原實際利率折現而估計未來現金流量(不包括仍未產生的未來信用損失)的現值兩者的差額計量。資產賬面價值予以削減，而損失金額則在收益表確認。如貸款投資有浮動利率，計量任何減值損失的折現率為按合同釐定的當前實際利率。在實際應用中，集團可利用可觀察的市場價格，按工具的公平價值計量減值。

如在後繼期間，減值損失的數額減少，而此減少可客觀地聯繫至確認減值後才發生的事件(例如債務人的信用評級有所改善)，則之前已確認的減值損失可在收益表轉回。

(b) 分類為可供出售資產

本集團在每個資產負債表日期評估是否有客觀證據證明某一金融資產或某一金融資產組已經減值。至於分類為可供出售的權益投資，證券公平價值大幅度或長期跌至低於其成本值，亦是證券已經減值的證據。若可供出售金融資產存在此等證據，累計虧損 — 按購買成本與當時公平價值的差額，減該金融資產之前在損益確認的任何減值損失計算 — 自權益中剔除並計入損益。在收益表確認的權益工具的減值損失不會透過收益表轉回。

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

2.13 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 income statement.

2.14 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.

2.15 Trade 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 asset. If not, they are presented as non-current assets.

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

2.16 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments, and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.13 衍生金融工具

衍生工具初始按於衍生工具合同訂立日的公允價值確認，其後按其公允價值重新計量。確認所產生的利得或損失的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的性質。

衍生工具不符合採用對沖會計法並按公允價值透過損益記賬。衍生工具的公允價值任何變動，即時於收益表中確認。

2.14 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。

2.15 應收賬款及其他應收款項

應收賬款為在日常營運活動中就貨品銷售或服務執行而應收客戶的款項。如應收賬款及其他應收款項的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)，其被分類為流動資產；否則分類為非流動資產。

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

2.16 現金及現金等值項目

在現金流量表中，現金及現金等值物包括手持現金、活期銀行存款、其他短期高流動性投資及銀行透支。在資產負債表中，銀行透支列入流動負債之借貸內。

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

2.17 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.

Where 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 re-issued.

2.18 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade 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.

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

2.19 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 income statement over the period of the borrowings using the effective interest method.

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.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.17 股本

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

如任何集團公司購入本公司的權益股本(庫存股)，所支付的對價，包括任何直接所佔的新增成本(扣除所得稅)，自歸屬於本公司權益持有者的權益中扣除，直至股份被註銷或重新發行為止。

2.18 應付賬款及其他應付款項

應付賬款及其他應付款項為在日常營運活動中購買貨品或服務而應支付的義務。如應付賬款及其他應付款項的支付日期在一年或以內(如仍在正常經營週期中，則可較長時間)，其被分類為流動負債；否則分類為非流動負債。

應付賬款及其他應付款項初步按公允價值確認，其後以實際利率法按攤銷成本計量。

2.19 借貸

借貸初步按公允價值扣除所產生之交易成本確認。借款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收益表確認。

設立貸款融資時支付的費用倘部份或全部融資將會很可能提取，該費用確認為貸款的交易費用。在此情況下，費用遞延至貸款提取為止。如沒有證據證明部份或全部融資將會很可能被提取，則該費用資本化作為流動資金服務的預付款，並按有關的融資期間攤銷。

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

2.19 Borrowings (Cont'd)

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.

2.20 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, 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. 編製基準與重要會計政策概要(續)

2.19 借貸(續)

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之日期至結算日後最少12個月者除外。

2.20 即期及遞延所得稅

期內的稅項支出包括即期和遞延稅項。除了在其他全面收益或直接在權益中確認的項目相關者外，稅項在收益表中確認。在該情況下，稅項亦分別在其他全面收益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與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的稅務法例計算。管理層就適用稅務法例詮釋所規限的情況定期評值報表的狀況，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。

遞延所得稅之確認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作全數撥備。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事實上已頒佈，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稅務法例釐定。

遞延所得稅資產只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)

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

2.20 Current and deferred income tax (Cont'd)

Deferred income tax is provided on taxable temporary differences arising on investments in subsidiaries, associates and joint ventures, 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 where there is an agreement in place that gives the group the ability to control the reversal of the temporary difference not recognised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

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.

2.21 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.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.20 即期及遞延所得稅(續)

遞延所得稅按投資於附屬公司、聯營公司及合營公司所產生之暫時差額作出撥備，惟本集團可控制撥回暫時差額之遞延所得稅負債時間，且暫時差額在可見未來不會撥回者則除外。遞延所得稅除外。一般而言，本集團無法控制聯營的暫時性差異的撥回。只有當有協議賦予本集團有能力控制暫時性差異的撥回時才不予確認。

就附屬公司、聯營和合營投資產生的可扣減暫時性差異確認遞延所得稅資產，但只限於暫時性差異很可能在將來轉回，並有充足的應課稅利潤抵銷可用的暫時性差異。

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

2.21 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及長期服務假期之估計負債作出撥備。僱員可享有之病假及產假於提取假期時方予確認。

(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行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。

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

2.21 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-market vesting conditions. It recognises the impact of the revision of original estimates, if any, in the income statement, with a corresponding adjustment to equity.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.20 即期及遞延所得稅(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退休計劃作出供款。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的情況下確認為資產。

(c) 股份酬金

以權益結算以股份為基礎的交易本集團實行以權益結算以股份為基礎的酬金計劃，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的僱員服務公允值確認為開支。列為開支的總額乃參考已授購股權的公允值釐定：

- 包括任何市場業績條件(例如實體股份價格)；
- 不包括任何服務和非市場業績可行權條件(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)的影響；及
- 包括非歸屬條件影響(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的假設。支銷的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的期間。於各結算日，本集團根據非市場歸屬條件修訂預期歸屬購股權的估計。本集團會於收益表確認修訂原來估計(如有)的影響，並相應調整股本。

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

2.21 Employee benefits (Cont'd)

(c) Share-based compensation (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.

2.22 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.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.21 僱員福利(續)

(c) 股份酬金(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的所得款項計入股本(面值)及股份溢價。

集團內以股份為基礎的交易

本公司向集團附屬公司的職工授予其權益工具的購股權，被視為附屬公司資本投入。收取職工服務的公允價值，參考授出日的公允價值計量，並在等待期內確認，作為對附屬公司投資的增加，並相對應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。

2.22 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的機會不大，仍會確認撥備。

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財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

2.22 Provisions (Cont'd)

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.

2.23 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown, net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(a) Sales of goods

Sales of goods are recognised when a Group's entity has delivered products to the customer; the customer has accepted the products and collectability of the related receivables is reasonably assured.

(b) Sub-contracting income

Sub-contracting income is recognised when services are rendered.

(c) Handling income

Handling income is recognised when 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. 編製基準與重要會計政策概要(續)

2.22 撥備(續)

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。

2.23 收入確認

收入包括於本集團日常業務過程中銷售貨品及提供服務之已收或應收代價之公允值，並於扣除增值稅、回扣及折扣，以及對銷集團內銷售後呈列。

本集團於收入金額能可靠計算，及日後可能有經濟利益流入實體，且已符合下述本集團各業務之特定條件時確認收入。本集團按過往業績作出估計，並考慮客戶種類、交易種類及各項安排之細節。

(a) 銷售貨品

銷售貨品於本集團實體向客戶交付產品，及客戶接納有關產品，並可合理確定收回相關應收款項時確認。

(b) 分包收入

分包收入以提供服務時確認。

(c) 處理收入

處理收入以提供服務時確認。

(d) 租金收入

經營租約之租金收入乃按租約年期以直線法來確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

2.23 Revenue recognition (Cont'd)

(e) Interest income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables are recognised using the original effective interest rate.

(f) Dividend income

Dividend income is recognised when the right to receive payment is established.

2.24 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 will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the income statement 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 income statement on a straight-line basis over the expected lives of the related assets.

2.25 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 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. 編製基準與重要會計政策概要(續)

2.23 收入確認(續)

(e) 利息收入

利息收入採用實際利率法確認。倘貸款和應收款出現減值，本集團會將賬面值減至可收回款額，即估計的未來現金流量按該工具的原實際利率折現值，並繼續將折現計算並確認為利息收入。

(f) 股息收入

股息收入在收取款項的權利確定時確認。

2.24 政府補貼

當能夠合理地保證政府補貼將可收取，而本集團將會符合所有附帶條件時，將政府提供的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，並配合按擬補償之成本所需期間計入收益表中。

與購買物業、機器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收益表列賬。

2.25 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或多項並非本集團控制範圍內無法肯定之日後事件發生或不發生與否方能確定。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。

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

2.26 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

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 programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

(a) Market risk

(i) Foreign exchange risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollars ("US\$") and Renminbi ("RMB"). The Group manages its foreign exchange risks by performing regular review and monitoring its foreign exchange exposure. The Group hedges against certain of its exposure to reduce the risk involved as appropriate.

The Group mainly operates in Hong Kong, the PRC and Macau. 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 each group entity. The foreign currency risk arising from recognised assets and liabilities is considered by the Directors to be minimal.

The Group uses external forward currency contracts to hedge foreign exchange risk. These forward currency contracts do not qualify for hedge accounting and are accounted for at fair value through profit or loss.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.26 股息分派

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，在本集團之財務報表確認為負債。

3. 財務風險管理

3.1 財務風險因素

本集團業務面臨多種財務風險：市場風險(包括商品價格風險、外匯風險、現金流量及公允值利率風險)、信貸風險及流動資金風險。本集團之整體風險管理程序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) 市場風險

(i) 外匯風險

本集團涉及多種貨幣之風險，主要為美元(「美元」)與人民幣(「人民幣」)。本集團透過定期審閱和不斷監察所承受外匯風險而管理其外匯風險。本集團以適當參與若干對沖產生以減低風險。

本集團主要於香港、中國和澳門營運。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，交易主要以每個集團實體之功能貨幣進行。確認為資產與負債所產生之外幣風險被董事認為低。

本集團採用外部遠期貨幣合約對沖外匯風險。該遠期外匯合約不符合採用對沖會計法入賬，而按公允值透過損益記賬。

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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 Group's cash and bank balances denominated in US\$ expose the Group to foreign exchange risk. If US\$ had strengthened/weakened by 1% against the RMB with all other variables held constant, profit for the year ended 31 March 2014 would have been approximately HK\$39,000 (2013: HK\$2,007,000) higher/lower, mainly as a result of foreign exchange risk on translation of US\$ denominated cash and bank balances.

The Group's cash and bank balances denominated in RMB expose the Group to foreign exchange risk. If RMB had strengthened/weakened by 1% against the HK Dollars with all other variables held constant, profit for the year ended 31 March 2014 would have been approximately HK\$1,964,000. (2013: HK\$38,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of RMB denominated cash and bank balances.

(ii) Cash flow and fair value interest rate risk

Except for bank deposits, details of which are disclosed in Note 16, the Group has no other significant interest-bearing assets or liabilities.

Bank deposits at variable rates 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.

If the market interest rates for short-term bank deposits had been 50 basis points (2013: 50 basis points) higher/lower with all other variables held constant, the Group's net profit for the year ended 31 March 2014 would have been approximately HK\$3,012,000 (2013: HK\$1,331,000) higher/lower.

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)

(a) 市場風險(續)

(i) 外匯風險(續)

本集團之現金及銀行結餘以美元計算產生本集團外匯風險。倘美元兌人民幣增強／轉弱1%，而其他可變因素保持不變，截至2014年3月31日止年度溢利將增加／減少39,000港元(2013年：2,007,000港元)，主要由於轉換為美元計算之現金及銀行結餘之外匯風險。

本集團之現金及銀行之結餘以人民幣計算產生令本集團承受外匯風險。倘人民幣兌港元增強／轉弱1%，而港元的其他可變因素保持不變，截至2014年3月31日止年度溢利增加／減少1,964,000港元(2013年：38,000港元)增加／減少，收益／虧損主要是由於外匯兌換人民幣現金及銀行的結算。

(ii) 現金流量及公允值利率風險

除銀行存款，其詳情分別載列於附註16外，本集團並無其他重大計息資產或負債。

按浮動利率計息之銀行存款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而管理其利率風險。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。

倘短期銀行存款之市場利率上升／下降50基點(2013年：50基點)，而其他可變因素維持不變，本集團截至2014年3月31日止年度純利將增加／減少約3,012,000港元(2013年：1,331,000港元)。

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

3. FINANCIAL RISK MANAGEMENT (Cont'd)

3.1 Financial risk factors (Cont'd)

(b) Credit risk

Credit risk arises from trade and bills receivables, deposits and other receivables, derivative financial instruments and cash and bank balances.

At 31 March 2014 and 2013, substantially all the cash and bank balances as detailed in Note 16 are held in major financial institutions located in Hong Kong, the PRC and Macau; 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 has policies in place to ensure that sales are made to customers with appropriate credit histories and the Group performs periodic credit evaluations of its customers. Credit quality of the customers is assessed based on their financial position, past experience and other factors. Normally the Group does not require collateral from trade debtors. The existing debtors have no significant defaults in the past. The Group's historical experience in collection of trade and other receivables generally falls within the recorded allowances and the Directors are of the opinion that adequate provision for uncollectible receivables has been made.

(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 of and upgrades to property, plant and equipment, purchase of land, capital injection for its subsidiaries, and payments for purchases and operating expenses. The Group finances its working capital requirements through funds generated from its operations.

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

信貸風險來自應收賬款及票據、存款與其他應收賬款、衍生金融工具及現金及銀行結餘。

於2014年與2013年3月31日，誠如附註16所詳列，所有現金及銀行結餘存放於香港、中國及澳門主要金融機構；所有衍生金融工具均由管理層認為屬高信貸質素的主要金融機構訂立。管理層並不預期會出現任何因該等金融機構不履約而產生的虧損。

本集團亦有政策確保銷售予有良好信貸記錄的客戶，而且本集團會定期評估客戶信貸。客戶信貸質素乃按其財務狀況、過往經驗及其他因素作出評估。一般而言，本集團並無要求借款人提供抵押品。現有借款人於過往期間並無重大欠付記錄。本集團過往未收回的應收賬款及其他應收款並沒有超出已計提的壞賬準備金額，並且董事認為財務報表中就不可收回的應收款項已計提足夠的壞賬準備。

(c) 流動性風險

審慎的流動性風險管理，意味著維持充足的現金並通過充足的信貸額度獲得資金。

本集團的現金需求主要用添置及更新於物業、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。本集團通過營運產生之資金以撥付營運資金所要求。

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

3. FINANCIAL RISK MANAGEMENT (Cont'd)

3.1 Financial risk factors (Cont'd)

(c) Liquidity risk (Cont'd)

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 and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the tables are the contractual undiscounted cash flows.

(i) Group

| | | (i) 本集團 | | |
|-----------------------------|---------------------|------------------|----------|------------------|
| | | Within | Between | Total |
| | | 1 year | 1 and | |
| | | 1年內 | 1年至2年 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 |
| At 31 March 2014: | 於2014年3月31日： | | | |
| Trade and bills payables | 應付賬款及票據 | 839,467 | – | 839,467 |
| Accruals and other payables | 應計項目及其他 應付款項 | 391,089 | – | 391,089 |
| Amount due to an associate | 聯營公司之應付 | 6,030 | – | 6,030 |
| | | 1,236,586 | – | 1,236,586 |
| At 31 March 2013: | 於2013年3月31日： | | | |
| Trade and bills payables | 應付賬款及票據 | 728,961 | – | 728,961 |
| Accruals and other payables | 應計項目及其他 應付款項 | 362,744 | – | 362,744 |
| | | 1,091,705 | – | 1,091,705 |

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)

(c) 流動性風險(續)

本集團的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的現金及現金等值項目及通過充足的信貸額度獲得資金，以符合營運資金之要求。

下表為本集團和本公司於結算日至合約到期日的剩餘期間的財務負債情況的分析。於表中披露的金額為合約性未折算現金流量。

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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)

(i) Group (Cont'd)

(i) 本集團(續)

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 date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

下表為本集團資產負債表日至合約到期日的剩餘期間的以毛額基準結算的衍生金融工具的分析。於表中披露的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 2014 | 於2014年3月31日 | | | | | |
| Forward currency contracts: | 遠期貨幣合約： | | | | | |
| Inflow | 流入 | 470,391 | 1,010,000 | 1,231,944 | - | 2,712,335 |
| Outflow | 流出 | (468,676) | (1,006,940) | (1,248,517) | - | (2,724,133) |
| At 31 March 2013 | 於2013年3月31日 | | | | | |
| Forward currency contracts: | 遠期貨幣合約： | | | | | |
| Inflow | 流入 | 235,971 | 979,568 | 2,548,865 | - | 3,764,404 |
| Outflow | 流出 | (232,505) | (968,501) | (2,524,339) | - | (3,725,345) |

(ii) Company

(ii) 本公司

| | | Within 1 year 1年內 HK\$'000 千港元 |
|-----------------------------|---------------------|---|
| At 31 March 2014: | 於2014年3月31日： | |
| Accruals and other payables | 應計項目及其他應付款 | 4,064 |
| Amounts due to subsidiaries | 應付附屬公司款項 | 631,223 |
| | | 635,287 |
| At 31 March 2013: | 於2013年3月31日： | |
| Accruals and other payables | 應計項目及其他應付款 | 3,878 |
| Amounts due to subsidiaries | 應付附屬公司款項 | 105,578 |
| | | 109,456 |

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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 or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total borrowings divided by total capital. Total borrowings include current and non-current borrowings 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:

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|------------------|--------|----------------------------------|----------------------------------|
| Total borrowings | 借貸總額 | 47,509 | 47,545 |
| Total capital | 資本總額 | 3,938,813 | 3,972,279 |
| Gearing ratio | 資本負債比率 | 1.2% | 1.2% |

The gearing ratio remained stable during the year ended 31 March 2014 and 2013.

3.3 Fair value estimation

The table below analyses the group's financial instruments carried at fair value as at 31 March 2014, by level of the 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).

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

本集團的資金管理政策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、發行新股或出售資產以減低債務。

與其他同業相同，本集團以資本負債比率監察資本。此比率按照借貸總額除以資本總額計算。借貸總額包括綜合資產負債表所列的流動與非流動借貸及資本總額為綜合資產負債表所列的「權益」。資本負債比率如下：

截至2014年與2013年3月31日止年度期間，資本負債比率保持穩定。

3.3 公允值估計

以下表為以估值基準分析本集團於2014年3月31日按公允值入賬的金融工具。不同基準以層級的定義如下：

- 相同資產或負債在活躍市場的報價(未經調整)(第1層)。
- 除了第1層所包括的報價外，該資產和負債的可觀察的其他輸入，可為直接(即例如價格)或間接(即源自價格)(第2層)。
- 資產和負債並非依據可觀察市場數據的輸入(即非可觀察輸入)(第3層)。

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財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

3. FINANCIAL RISK MANAGEMENT (Cont'd)

3.3 Fair value estimation (Cont'd)

The following table presents the Group's assets and liabilities that are measured at fair value at 31 March 2014.

| | | 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 | | | | |
| Derivative financial instruments (Note 15) | 衍生金融工具(附註15) | - | 1,655 | - | 1,655 |
| Available-for-sale financial assets (Note 11) | 可供出售金融資產(附註11) | | | | |
| — Equity securities | — 權益證券 | 57 | - | - | 57 |
| — Club debentures | — 會籍債券 | - | 1,741 | - | 1,741 |
| | | 57 | 3,396 | - | 3,453 |
| Liabilities | 負債 | | | | |
| Derivative financial instruments (Note 15) | 衍生金融工具(附註15) | - | (23,388) | - | (23,388) |

The following table presents the Group's assets and liabilities that are measured at fair value at 31 March 2013.

| | | 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 | | | | |
| Derivative financial instruments (Note 15) | 衍生金融工具(附註15) | - | 3,579 | - | 3,579 |
| Available-for-sale financial assets (Note 11) | 可供出售金融資產(附註11) | | | | |
| — Equity securities | — 權益證券 | 40 | - | - | 40 |
| — Club debentures | — 會籍債券 | - | 1,741 | - | 1,741 |
| | | 40 | 5,320 | - | 5,360 |
| Liabilities | 負債 | | | | |
| Derivative financial instruments (Note 15) | 衍生金融工具(附註15) | - | (2,570) | - | (2,570) |

綜合財務報表附註(續)

3. 財務風險管理(續)

3.3 公允價值估計(續)

下表顯示本集團資產和負債按2014年3月31日計量的公允價值。

下表顯示本集團資產和負債按2013年3月31日計量的公允價值。

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財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

3. FINANCIAL RISK MANAGEMENT (Cont'd)

3.3 Fair value estimation (Cont'd)

There were no transfers between levels 1 and 2 during the year.

(a) Financial instruments in level 1

The fair values of financial instruments traded in active markets are based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the closing bid price. These instruments are included in level 1. Instruments included in level 1 comprise equity investments traded on The Stock Exchange of Hong Kong Limited and are classified as available-for-sale financial assets.

(b) Financial instruments in level 2

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.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

綜合財務報表附註(續)

3. 財務風險管理(續)

3.3 公允價值估計(續)

年內第1與第2層之間並無轉撥。

(a) 在第1層內的財務工具

在活躍市場買賣的金融工具的公允價值根據資產負債表日的市場報價列賬。當報價可即時和定期從證券交易所、交易商、經紀、業內人士、定價服務者或監管代理獲得，而該等報價代表按公平交易基準進行的實際和常規市場交易時，該市場被視為活躍。本集團持有的金融資產的市場報價為收市買方報價。此等工具包括在第1層。工具包括在第1層包括在香港聯合交易所有限公司股權投資交易，並分類為可供出售金融資產。

(b) 在第2層內的財務工具

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制估計。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。
- 遠期外匯合同的公允價值利用資產負債表日期的遠期匯率釐定，而所得價值折算至現值。
- 其他技術，例如折算現金流量分析，用以釐定其餘金融工具的公允價值。

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

3 FINANCIAL RISK MANAGEMENT (Cont'd)

3.4 Offsetting financial assets and financial liabilities

(a) Financial assets

The following financial assets are subject to offsetting, enforceable master netting arrangement and similar agreements.

綜合財務報表附註(續)

3. 財務風險管理(續)

3.4 抵銷金融資產和負債

(a) 金融資產

下列金融資產受抵銷、可執行總互抵安排和類似協議的規限。

| | | Gross amounts of recognised financial assets | Gross amounts of liabilities set off in the balance sheet | Net amounts of financial assets presented in the balance sheet |
|----------------------------------|--------------------|--|--|---|
| | | 已確認 金融資產總額 HK\$'000 港幣千元 | 抵銷的已確認 金融負債總額 HK\$'000 港幣千元 | 在資產負債表 呈報的 金融資產淨額 HK\$'000 港幣千元 |
| At 31 March 2014: | 於2014年3月31日 | | | |
| Derivative financial instruments | 衍生金融資產 | 764 | - | 764 |
| Cash and bank balances | 現金及銀行結餘 | 298,579 | - | 298,579 |
| | | 299,343 | - | 299,343 |
| At 31 March 2013: | 於2013年3月31日 | | | |
| Derivative financial instruments | 衍生金融資產 | 3,167 | - | 3,167 |
| Cash and bank balances | 現金及銀行結餘 | 528,754 | - | 528,754 |
| | | 531,921 | - | 531,921 |

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

3 FINANCIAL RISK MANAGEMENT (Cont'd)

3.4 Offsetting financial assets and financial liabilities (Cont'd)

(a) Financial assets (Cont'd)

The following table presents the net financial assets subject to enforceable master netting arrangements and similar agreements by counterparty.

| | | Net amounts of financial assets presented in the balance sheet 在資產負債表呈報的金融資產淨額 HK\$'000 港幣千元 | Related amounts not set off in the consolidated balance sheet 不在資產負債表中抵銷的相關數額 Cash received 收取的現金抵押品 Financial liabilities 金融負債 HK\$'000 港幣千元 | Net Amount 淨額 HK\$'000 港幣千元 |
|--------------------------|--------------------|---|--|--------------------------------------|
| At 31 March 2014: | 於2014年3月31日 | | | |
| Counterparty A | 對手方A | 212,732 | (4,927) | - |
| Counterparty B | 對手方B | 7,674 | (5,358) | - |
| Counterparty C | 對手方C | 19,721 | (9,965) | - |
| Counterparty D | 對手方D | 59,216 | (3,138) | - |
| | | 299,343 | (23,388) | - |
| | | | | 275,955 |
| At 31 March 2013: | 於2013年3月31日 | | | |
| Counterparty A | 對手方A | 242,080 | (2,196) | - |
| Counterparty B | 對手方B | 4,828 | (101) | - |
| Counterparty C | 對手方C | 98,666 | (54) | - |
| Counterparty E | 對手方E | 6,916 | (92) | - |
| Counterparty F | 對手方F | 179,431 | (127) | - |
| | | 531,921 | (2,570) | - |
| | | | | 529,351 |

綜合財務報表附註(續)

3. 財務風險管理(續)

3.4 抵銷金融資產和負債(續)

(a) 金融資產(續)

下列金融資產受抵銷，可被對手方執行總互抵安排和類似協議的規限。

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

3 FINANCIAL RISK MANAGEMENT (Cont'd)

3.4 Offsetting financial assets and financial liabilities (Cont'd)

(b) Financial liabilities

The following financial liabilities are subject to offsetting, enforceable master netting arrangement and similar agreements.

綜合財務報表附註(續)

3. 財務風險管理(續)

3.4 抵銷金融資產和負債(續)

(b) 金融負債

下列金融負債受抵銷、可執行總互抵安排和類似協議的規限。

| | | Gross amounts of recognised financial assets set off in the balance sheet | Gross amounts of recognised financial liabilities | Net amounts of financial liabilities presented in the balance sheet |
|----------------------------------|--------------------|--|---|---|
| | | 在資產負債表 已確認金融 負債總額 HK\$'000 港幣千元 | 抵銷的已確認 金融資產總額 HK\$'000 港幣千元 | 在資產負債表 呈報的金融負 債淨額 HK\$'000 港幣千元 |
| At 31 March 2014: | 於2014年3月31日 | | | |
| Derivative financial instruments | 衍生金融工具 | 23,388 | - | 23,388 |
| At 31 March 2013: | 於2013年3月31日 | | | |
| Derivative financial instruments | 衍生金融工具 | 2,570 | - | 2,570 |

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

3 FINANCIAL RISK MANAGEMENT (Cont'd)

3.4 Offsetting financial assets and financial liabilities (Cont'd)

(b) Financial liabilities (Cont'd)

The following table presents the net financial liabilities subject to enforceable master netting arrangements and similar agreements by counterparty.

| | Net amounts of financial liabilities presented in the balance sheet 在資產負債表呈報的金融負債淨額 HK\$'000 港幣千元 | Related amounts not set off in the consolidated balance sheet 不在資產負債表中抵銷的相關數額 | | |
|--------------------------------------|--|--|--|--------------------------------------|
| | | Financial assets 金融資產 HK\$'000 港幣千元 | Cash collateral received 收取的現金抵押品 HK\$'000 港幣千元 | Net Amount 淨額 HK\$'000 港幣千元 |
| At 31 March 2014: 於2014年3月31日 | | | | |
| Counterparty A 對手方A | 4,927 | (4,927) | - | - |
| Counterparty B 對手方B | 5,358 | (5,358) | - | - |
| Counterparty C 對手方C | 3,138 | (3,138) | - | - |
| Counterparty D 對手方D | 9,965 | (9,965) | - | - |
| | 23,388 | (23,388) | - | - |
| At 31 March 2013: 於2013年3月31日 | | | | |
| Counterparty A 對手方A | 2,196 | (2,196) | - | - |
| Counterparty B 對手方B | 101 | (101) | - | - |
| Counterparty C 對手方C | 54 | (54) | - | - |
| Counterparty E 對手方E | 92 | (92) | - | - |
| Counterparty F 對手方F | 127 | (127) | - | - |
| | 2,570 | (2,570) | - | - |

For the financial assets and liabilities subject to enforceable master netting agreements or similar arrangements above, each agreement between the Group and the counterparty allows for net settlement of the relevant financial assets and liabilities when both elect to settle on a net basis. In the absence of such an election, financial assets and liabilities will be settled on a gross basis, however, each party on the master netting agreement or similar agreement will have the option to settle all such amounts on a net basis in the event of default of the other party.

根據以上提及協議條款，對於受可執行總互抵安排或類似協議所規限的金融資產和負債，本集團與對手方之間的每份協議均容許在雙方均選擇按淨額基準結算的情況下，將相關的金融資產和負債作淨結算。如沒有此選擇方案，則金融資產和負債可將按總額基準結算，但總淨額協議或類似協議的各方必須有權當另一方違約時，選擇將所有金額以淨額結算。

綜合財務報表附註(續)

3. 財務風險管理(續)

3.4 抵銷金融資產和負債(續)

(b) 金融負債(續)

下列列表出另一方金融淨負債受抵銷、可執行總互抵安排和類似協議的規限。

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

3 FINANCIAL RISK MANAGEMENT (Cont'd)

3.4 Offsetting financial assets and financial liabilities (Cont'd)

(b) Financial liabilities (Cont'd)

An event of default under the terms of the above-mentioned agreements includes failure by a party to make payment when due; failure by a party to perform any obligation required by the agreement (other than payment); or bankruptcy.

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 and joint ventures

Management regularly reviews the recoverability of the Group's interests in associates and joint ventures, in particular when they consider objective evidence of impairment exists, such as a significant or prolonged decline in the fair value of the interests in associates and joint ventures, significant adverse changes in the market environment and the fair value of the assets held by the associates and joint ventures. Appropriate impairment for estimated irrecoverable amounts is recognised in the income statement when there is objective evidence that the asset is impaired.

The recoverable amount of an interest in associates and joint ventures is the higher of its 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 associate and joint venture 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 and joint ventures.

綜合財務報表附註(續)

3. 財務風險管理(續)

3.4 抵銷金融資產和負債(續)

(b) 金融負債(續)

違約事件包括一方在到期時未有付款；一方未有根據協議履行協議規定的任何義務(除付款外)，或破產。

4. 重大會計估計及判斷

估計及判斷會定期評估，並根據過往經驗及其他因素作出，包括於有關情況下相信為合理之日後事項預測。

本集團作出有關日後之估計及判斷。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) 聯營公司與合營公司之權益減值

管理層定期檢討本集團於聯營公司與合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，如於聯營公司與合營公司之權益之公允值顯著或長期下降、市場環境之重大不利變動及聯營公司與合營公司持有的資產的公允值。當有客觀證據證明資產出現減值時，則於收益表內確認估計不可收回金額之適當減值。

於聯營公司與合營公司之權益的可收回金額按使用價值與公允值減出售成本兩者較高者計算。於釐定使用價值時，實體會估計：(a)其應佔聯營公司與合營公司之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與合營公司之權益予以確認。

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

(b) Income taxes, deferred taxes and other taxes

The Group is subject to income taxes in several jurisdictions. Significant judgement is required in determining the 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 judgements require 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 income statement.

(c) Provision for impairment of trade and other receivables

The Group's management determines the provision for impairment of trade and other receivables based on an assessment of the recoverability of the receivables. This assessment is based on the financial position, repayment history and credit rating of its customers and other debtors and the current market condition, and requires the use of judgements and estimates. Management reassesses the provision at each balance sheet date.

(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.

綜合財務報表附註(續)

4. 重大會計估計及判斷(續)

(b) 所得稅、遞延稅項及其他稅項

本集團須在數個司法權區繳納所得稅。於釐定所得稅撥備時須作出重大假設。有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而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紀錄的數額，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撥備。

本集團還須繳納的其他稅項與關稅。於釐定該等撥備時須作出重大假設。倘該等事宜的最終稅務結果有異於實際結果，關差額將會影響釐定有關撥備和於收益表上之溢利。

(c) 應收賬款及其他應收款項之減值撥備

本集團管理層按對應收款項之可收回程度之評估決定應收賬款及其他應收款項之減值撥備。有關評估乃按其客戶及其他借款人之財務狀況、還款記錄和信貸評級以及當前市況作出，並需要作出判斷及估計。管理層於每個結算日重新評估撥備。

(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周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。

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

(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 property, plant and equipment, leasehold land and land use rights

Property, plant and equipment, leasehold land and land use rights are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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 disposal 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 income statement.

綜合財務報表附註(續)

4. 重大會計估計及判斷(續)

(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。此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) 物業、廠房及設備、租賃土地及土地使用權減值

物業、廠房及設備、租賃土地及土地使用權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。可收回金額乃按使用價值或市場估值最高者釐定。此等計算需要作出判斷及估計。

管理層須就資產檢測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，以致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，則或須於收益表作出減值支出。

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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 characteristic, 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, and associates in the PRC and Sri Lanka. The executive directors review resources allocation and assess performance of the Group on a regular basis based on the following financial information:

綜合財務報表附註(續)

5. 分部資料

首席經營決策者已獲識別為本公司執行董事，其審閱本集團之內部呈報，以評估表現並分配資源。執行董事已根據此等報告呈報經營分部。

由於本集團之主要業務為具有類似經濟特徵的製造及買賣紡織品。執行董事審閱本集團之表現來自單一部分，此包括分部代表於香港、澳門、中國與越南經營附屬公司、中國與斯里蘭卡的聯營公司。執行董事亦基於以下財務資料，定期審閱本集團資源分配和進行表現評估：

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|---|---------------------------|----------------------------------|----------------------------------|
| Revenue | 收入 | 7,423,481 | 6,649,206 |
| Gross profit | 毛利 | 1,361,371 | 1,181,534 |
| Gross profit margin (%) | 毛利率 (%) | 18.3% | 17.8% |
| EBITDA (Note (i)) | 利息、稅項、折舊及攤銷前溢利 (附註(i)) | 1,461,979 | 1,286,792 |
| EBITDA/Revenue | 利息、稅項、折舊及攤銷前溢利/ 收入 | 19.7% | 19.4% |
| Operating expenses | 經營開支 | 197,436 | 204,144 |
| Operating expenses/Revenue (%) | 經營開支/收入 (%) | 2.7% | 3.1% |
| Finance income | 財務收入 | 8,287 | 15,300 |
| Finance costs | 財務成本 | 1,594 | - |
| Depreciation and amortisation | 折舊與攤銷 | 159,125 | 190,020 |
| Share of profits of associates | 分佔聯營公司溢利 | 36,499 | 26,911 |
| Share of losses of joint ventures | 分佔合營公司之虧損 | 20,655 | 496 |
| Income tax expense | 所得稅開支 | 196,750 | 186,301 |
| Profit attributable to equity holders of the Company | 本公司權益持有人應佔溢利 | 1,116,802 | 925,165 |
| Net profit margin (%) | 純利率 (%) | 15.0% | 13.9% |
| Total assets | 資產總額 | 5,353,354 | 5,276,643 |
| Equity attributable to equity holders of the Company | 本公司權益持有人應佔權益 | 3,935,013 | 3,965,845 |
| Cash and bank balances | 現金與銀行結餘 | 1,776,269 | 1,793,360 |
| Borrowings | 借貸 | 47,509 | 47,545 |
| Inventories | 存貨 | 1,130,742 | 993,747 |
| Inventories turnover days (Note (ii)) | 存貨周轉日數(附註(ii)) | 64 | 63 |
| Trade and bills receivables | 應收賬款與票據 | 844,920 | 952,662 |
| Trade and bills receivables turnover days (Note (ii)) | 應收賬款與票據周轉日數(附註(ii)) | 44 | 52 |
| Trade and bills payables | 應付賬款與票據 | 839,467 | 782,961 |
| Trade and bills payables turnover days (Note (ii)) | 應付賬款與票據周轉日數(附註(ii)) | 49 | 57 |

Notes:

(i) EBITDA is defined as profit for the year before interest income, income tax expense, depreciation and amortisation.

(ii) The turnover days are calculated based on the simple average of the beginning of the year and the end of the year balances.

附註：

(i) EBITDA被定義為未計利息收入、稅項、折舊和攤銷前溢利。

(ii) 周轉日數之計算是基於年初與年終結餘之簡單平均數。

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

5. SEGMENT INFORMATION (Cont'd)

The Group's revenue represents sales of goods. Analysis of revenue by geographical locations, as determined by the destination where the products are delivered is:

| | | 2014 | 2013 |
|-----------------|------|------------------|------------------|
| | | 2014年 | 2013年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| PRC | 中國 | 2,578,347 | 2,323,170 |
| South East Asia | 東南亞 | 1,921,760 | 1,935,436 |
| Hong Kong | 香港 | 1,269,707 | 910,556 |
| America | 美洲 | 615,532 | 479,852 |
| Sri Lanka | 斯里蘭卡 | 570,391 | 511,888 |
| Africa | 非洲 | 250,632 | 317,512 |
| Others | 其他 | 217,112 | 170,792 |
| | | 7,423,481 | 6,649,206 |

The top two customers accounted for approximately 41% (2013: 34%) and 12% (2013: 13%), respectively, of the Group's revenue; all other customers individually accounted for less than 10% of the Group's revenue.

The Group's non-current assets are located in the following geographical areas:

| | | Group | |
|------------|------|------------------|------------------|
| | | 本集團 | |
| | | 2014 | 2013 |
| | | 2014年 | 2013年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| PRC | 中國 | 1,219,755 | 1,158,898 |
| Sri Lanka | 斯里蘭卡 | 147,363 | 140,427 |
| Hong Kong | 香港 | 73,491 | 34,760 |
| Bangladesh | 孟加拉 | 18,610 | 38,133 |
| Vietnam | 越南 | 12,038 | 570 |
| Others | 其他 | 32 | 70 |
| | | 1,471,289 | 1,372,858 |

綜合財務報表附註(續)

5. 分部資料(續)

本集團收入是指貨品銷售。按地區劃分之收入乃以產品交付之目的地分類：

| | | 2014 | 2013 |
|-----------------|------|------------------|------------------|
| | | 2014年 | 2013年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| PRC | 中國 | 2,578,347 | 2,323,170 |
| South East Asia | 東南亞 | 1,921,760 | 1,935,436 |
| Hong Kong | 香港 | 1,269,707 | 910,556 |
| America | 美洲 | 615,532 | 479,852 |
| Sri Lanka | 斯里蘭卡 | 570,391 | 511,888 |
| Africa | 非洲 | 250,632 | 317,512 |
| Others | 其他 | 217,112 | 170,792 |
| | | 7,423,481 | 6,649,206 |

首兩大客戶分別佔本集團收入約41% (2013年：34%)與12% (2013年：13%)，所有其他客戶個別賬戶佔本集團收入少於10%。

本集團按地區劃分之非流動資產如下：

| | | Group | |
|------------|------|------------------|------------------|
| | | 本集團 | |
| | | 2014 | 2013 |
| | | 2014年 | 2013年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| PRC | 中國 | 1,219,755 | 1,158,898 |
| Sri Lanka | 斯里蘭卡 | 147,363 | 140,427 |
| Hong Kong | 香港 | 73,491 | 34,760 |
| Bangladesh | 孟加拉 | 18,610 | 38,133 |
| Vietnam | 越南 | 12,038 | 570 |
| Others | 其他 | 32 | 70 |
| | | 1,471,289 | 1,372,858 |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

6. LAND USE RIGHTS

The Group's land use rights represent prepaid operating lease payments and their net book value are analysed as follows:

綜合財務報表附註(續)

6. 土地使用權

本集團之土地使用權為預付經營租約款項，其賬面淨值分析如下：

| | | Group 本集團 | |
|---|------------------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| At 1 April | 於4月1日 | 55,282 | 55,800 |
| Currency translation differences | 外幣換算差額 | (46) | 754 |
| Amortisation | 攤銷 | (1,306) | (1,272) |
| At 31 March | 於3月31日 | 53,930 | 55,282 |
| In the PRC, held on: | 於中國持有： | | |
| Land use rights of between 10 to 50 years | 年期介乎10至50年之土地使用權 | 53,930 | 55,282 |

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財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd) 綜合財務報表附註(續)

7. PROPERTY, PLANT AND EQUIPMENT Group

7. 物業、廠房及設備 本集團

| | | Leasehold land 租賃土地 HK\$'000 千港元 | Buildings 樓宇 HK\$'000 千港元 | Plant and machinery 廠房及機器 HK\$'000 千港元 | Leasehold improvements, furniture and equipment 廠房及機器及 傢具及設備 HK\$'000 千港元 | Motor vehicles 汽車 HK\$'000 千港元 | Computer software 電腦軟件 HK\$'000 千港元 | Construction in progress 在建工程 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|----------------------------------|---------------------|--|------------------------------------|--|--|--|---|--|--------------------------------|
| At 1 April 2012 | 於2012年4月1日 | | | | | | | | |
| Cost | 成本 | 4,260 | 907,689 | 2,117,472 | 184,725 | 24,556 | 13,830 | 139,235 | 3,391,767 |
| Accumulated depreciation | 累計折舊 | (856) | (195,555) | (1,837,499) | (161,020) | (21,226) | - | - | (2,216,156) |
| Net book amount | 賬面淨值 | 3,404 | 712,134 | 279,973 | 23,705 | 3,330 | 13,830 | 139,235 | 1,175,611 |
| Year ended 31 March 2013 | 截至2013年3月31日 | | | | | | | | |
| | 止年度 | | | | | | | | |
| Opening net book amount | 年初賬面淨值 | 3,404 | 712,134 | 279,973 | 23,705 | 3,330 | 13,830 | 139,235 | 1,175,611 |
| Currency translation differences | 外幣換算差額 | - | 10,248 | 2,476 | 311 | 44 | - | 1,658 | 14,737 |
| Additions | 添置 | - | - | 32,005 | 10,345 | 2,670 | 5,040 | 56,768 | 106,828 |
| Disposals and write-off | 出售與撇銷 | - | (1,223) | (109) | (32) | - | (1,378) | (2,095) | (4,837) |
| Depreciation | 折舊 | (96) | (39,042) | (137,024) | (10,740) | (1,846) | - | - | (188,748) |
| Transfers | 轉撥 | - | 152,881 | 10,392 | 871 | - | - | (164,144) | - |
| Closing net book amount | 年終賬面淨值 | 3,308 | 834,998 | 187,713 | 24,460 | 4,198 | 17,492 | 31,422 | 1,103,591 |
| At 31 March 2013 | 於2013年3月31日 | | | | | | | | |
| Cost | 成本 | 4,260 | 1,072,084 | 2,185,323 | 194,926 | 26,175 | 17,492 | 31,422 | 3,531,682 |
| Accumulated depreciation | 累計折舊 | (952) | (237,086) | (1,997,610) | (170,466) | (21,977) | - | - | (2,428,091) |
| Net book amount | 賬面淨值 | 3,308 | 834,998 | 187,713 | 24,460 | 4,198 | 17,492 | 31,422 | 1,103,591 |
| Year ended 31 March 2014 | 截至2014年3月31日 | | | | | | | | |
| | 止年度 | | | | | | | | |
| Opening net book amount | 年初賬面淨值 | 3,308 | 834,998 | 187,713 | 24,460 | 4,198 | 17,492 | 31,422 | 1,103,591 |
| Currency translation differences | 外幣換算差額 | - | (621) | (113) | (95) | (42) | - | (951) | (1,822) |
| Additions | 添置 | - | - | 16,758 | 9,166 | 8,199 | 36,745 | 171,365 | 242,233 |
| Disposals and write-off | 出售與撇銷 | - | (589) | (2,216) | (136) | (154) | - | - | (3,095) |
| Depreciation | 折舊 | (97) | (44,410) | (100,230) | (11,083) | (1,999) | - | - | (157,819) |
| Transfers | 轉撥 | - | 29,136 | 88,355 | 7,402 | - | - | (124,893) | - |
| Closing net book amount | 年終賬面淨值 | 3,211 | 818,514 | 190,267 | 29,714 | 10,202 | 54,237 | 76,943 | 1,183,088 |
| At 31 March 2014 | 於2014年3月31日 | | | | | | | | |
| Cost | 成本 | 4,260 | 1,098,622 | 2,181,567 | 196,100 | 28,140 | 54,237 | 76,943 | 3,639,869 |
| Accumulated depreciation | 累計折舊 | (1,049) | (280,108) | (1,991,300) | (166,386) | (17,938) | - | - | (2,456,781) |
| Net book amount | 賬面淨值 | 3,211 | 818,514 | 190,267 | 29,714 | 10,202 | 54,237 | 76,943 | 1,183,088 |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

7. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

The net book value of the group's interests in leasehold land and buildings are analysed as follows:

| | | Group 本集團 | |
|---------------------------------|---------------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| In Hong Kong, held on: | 於香港持有： | | |
| Lease of between 10 to 50 years | 年期介乎10至50年之租賃 | 9,403 | 9,938 |
| In the PRC, held on: | 於中國持有： | | |
| Lease of between 10 to 50 years | 年期介乎10至50年之租賃 | 812,322 | 828,368 |
| | | 821,725 | 838,306 |

Depreciation expense recognised in the consolidated income statement is analysed as follows:

| | | Group 本集團 | |
|-------------------------------------|--------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| Cost of sales | 銷售成本 | 155,460 | 186,806 |
| General and administrative expenses | 一般及行政開 | 2,359 | 1,942 |
| | | 157,819 | 188,748 |

No depreciation charge on computer software was made for the year ended 31 March 2014 and 2013 as the computer software is not ready for use.

At 31 March 2014 and 2013, none of the property, plant and equipment was pledged.

綜合財務報表附註(續)

7. 物業、廠房及設備(續)

本集團於租賃土地及樓宇之權益賬面淨值分析如下：

於綜合收益表內確認之折舊開支分析如下：

截至2014年及2013年3月31日止年度並無產生電腦軟件折舊支出，此乃電腦軟件並未投入使用。

於2014年與2013年3月31日，本集團並無任何物業、廠房及設備用作抵押。

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

8. INTERESTS IN AND AMOUNTS DUE FROM/ (TO) SUBSIDIARIES

8. 於附屬公司之權益與應收／(付)款項

| | | Company 本公司 | |
|--|-------------------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| Non-current assets | 非流動資產 | | |
| Unlisted shares, at cost | 非上市股份，按成本 | 8 | 8 |
| Loans to subsidiaries (Note (i)) | 附屬公司貸款(附註(i)) | 2,491,878 | 2,102,981 |
| | | 2,491,886 | 2,102,989 |
| Current assets | 流動資產 | | |
| Amounts due from subsidiaries (Note (iii)) | 應收附屬公司款項(附註(iii)) | 1,300,000 | 1,000,000 |
| Non-current liabilities | 非流動負債 | | |
| Amount due to a subsidiary (Note (ii)) | 應付附屬公司款項(附註(ii)) | 696,667 | 696,672 |
| Current liabilities | 流動負債 | | |
| Amounts due to subsidiaries (Note (iii)) | 應付附屬公司款項(附註(iii)) | 631,223 | 105,578 |

Notes:

- (i) Loans to subsidiaries are unsecured and non-interest bearing. These loans have no pre-determined terms of repayment and are regarded as quasi equity contributions to the subsidiaries.
- (ii) The amount due to a subsidiary of HK\$696,667,000 (2013: HK\$696,672,000) is unsecured, non-interest bearing and is not repayable within one year.
- (iii) The other amounts due from/(to) subsidiaries are unsecured, non-interest bearing and repayable on demand.

附註：

- (i) 附屬公司貸款為無抵押與無利息。該貸款沒預定還款期，並確認為附屬公司準權益貢獻。
- (ii) 應收／(付)附屬公司款項為696,667,000港元(2013：696,672,000港元)，為無抵押、無利息及於一年內無須償還。
- (iii) 其他應收附屬公司款項為無抵押、無利息及須於一年內償還。

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

8. INTERESTS IN AND AMOUNTS DUE FROM/ (TO) SUBSIDIARIES (Cont'd)

The following is a list of the subsidiaries as at 31 March 2014 and 2013:

綜合財務報表附註(續)

8. 於附屬公司之權益與應收／(付)款項(續)

以下表列於2014年與2013年3月31日之附屬公司：

| Name of subsidiaries 附屬公司名稱 | Place of incorporation/ establishment and operation 註冊/ 成立及 運作地點 | Issued and fully paid up share capital/ registered capital 已發行及繳足之 股本/ 註冊資本 | Equity interest attributable to the Group 本集團應佔股本權益 | | Equity interest attributable to non-controlling interests 非控股權益佔 股本權益 | | Principal activities 主要業務 |
|---|--|---|--|-------|--|-------|------------------------------|
| | | | 2014 | 2013 | 2014 | 2013 | |
| | | | 2014年 | 2013年 | 2014年 | 2013年 | |
| Shares held directly: 直接持有股份： | | | | | | | |
| Pacific Textured Jersey Holdings Ltd. | British Virgin Islands 英屬處女群島 | HK\$1 1港元 | 100% | 100% | - | - | Investment holding 投資控股 |
| Pacific Textiles Overseas Holdings Ltd. | British Virgin Islands 英屬處女群島 | HK\$1 1港元 | 100% | 100% | - | - | Investment holding 投資控股 |
| Pacific HK & China Holdings Ltd. | British Virgin Islands 英屬處女群島 | HK\$1 1港元 | 100% | 100% | - | - | Investment holding 投資控股 |
| Pacific SPM Holdings Ltd. | British Virgin Islands 英屬處女群島 | HK\$1 1港元 | 100% | 100% | - | - | Investment holding 投資控股 |
| Solid Ally International Ltd. | British Virgin Islands 英屬處女群島 | HK\$1 1港元 | 100% | 100% | - | - | Investment holding 投資控股 |
| Lehan Resources Ltd. | British Virgin Islands 英屬處女群島 | HK\$1 1港元 | 100% | 100% | - | - | Investment holding 投資控股 |
| Fast Right Group Ltd. 正迅集團有限公司 | British Virgin Islands 英屬處女群島 | US\$1,000 1,000美元 | 100% | 100% | - | - | Investment holding 投資控股 |
| Goodscore Limited 高績有限公司 | British Virgin Islands 英屬處女群島 | US\$1 1美元 | 100% | 100% | - | - | Investment holding 投資控股 |
| Product Champion Limited | British Virgin Islands 英屬處女群島 | US\$1 1美元 | 100% | 100% | - | - | Investment holding 投資控股 |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

8. INTERESTS IN AND AMOUNTS DUE FROM/ (TO) SUBSIDIARIES (Cont'd)

The following is a list of the subsidiaries as at 31 March 2014 and 2013: (Cont'd)

綜合財務報表附註(續)

8. 於附屬公司之權益與應收／(付)款項(續)

以下表列於2014年與2013年3月31日之附屬公司：(續)

| Name of subsidiaries 附屬公司名稱 | Place of incorporation/ establishment and operation 註冊/成立及 運作地點 | Issued and fully paid up share capital/ registered capital 已發行及繳足之 股本/註冊資本 | Equity interest attributable to the Group 本集團應佔股本權益 | | Equity interest attributable to non-controlling interests 非控股權益佔 股本權益 | | Principal activities 主要業務 |
|---|---|---|--|---------------|--|---------------|---|
| | | | 2014 2014年 | 2013 2013年 | 2014 2014年 | 2013 2013年 | |
| Shares held indirectly: 間接持有股份： | | | | | | | |
| Pacific Textiles Limited 互太紡織有限公司 | Hong Kong 香港 | HK\$103,000,000 103,000,000港元 | 100% | 100% | – | – | Trading of textile products 紡織品貿易 |
| Pacific SPM Investment Limited 互太汽車紡織投資有限公司 | Hong Kong 香港 | 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 澳門 | MOP1,030,000 1,030,000澳門幣 | 100% | 100% | – | – | Trading of textile products 紡織品貿易 |
| Pacific (Panyu) Textiles Limited 互太(番禺)紡織印染有限公司 | The PRC 中國 | US\$89,700,000 89,700,000美元 | 100% | 100% | – | – | Manufacturing and trading of textile products 紡織品製造及貿易 |
| Pacific/Textured Jersey Ltd. | United Kingdom 英國 | GBP100 100英鎊 | – | 100% | – | – | Fabrics agency 布匹代理 |
| Pacific GT Limited | British Virgin Islands 英屬處女群島 | US\$19,025,000 19,025,000美元 | 95% | 95% | 5% | 5% | Investment holding 投資控股 |
| PCGT Limited | Hong Kong 香港 | HK\$3,900,000 3,900,000港元 | 71.25% | 71.25% | 28.75% | 28.75% | Investment holding 投資控股 |
| Pacific Crystal Textiles Limited | Vietnam 越南 | Registered/ paid up capital US\$48,000,000/ US\$12,000,000 註冊/繳足股本 48,000,000美 元/ 12,000,000美元 | 71.25% | 71.25% | 28.75% | 28.75% | Manufacturing and trading of textile products 紡織品製造及貿易 |
| South Shining Limited 南昱有限公司 | British Virgin Islands 英屬處女群島 | US\$1 1美元 | 95% | 95% | 5% | 5% | Investment holding 投資控股 |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

9. INTERESTS IN ASSOCIATES AND AMOUNT DUE TO AN ASSOCIATE

9. 於聯營公司之權益與於聯營公司之應付款項

(a) Share of net assets and goodwill

(a) 應佔資產淨值與商譽

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|---|---|----------------------------------|----------------------------------|
| Investment in SPM Automotive Textile Co., Ltd. ("SPM Automotive") | 於住江互太(廣州)汽車紡織產品有限公司之投資(「住江互太」) | 35,019 | 31,344 |
| Investment in Textured Jersey Lanka Limited ("PT Sri Lanka") | 於Textured Jersey Lanka Limited之投資(「PT斯里蘭卡」) | 147,363 | 140,427 |
| | | 182,382 | 171,771 |

Set out below are the associates of the Group as at 31 March 2014 and 2013. The associates as listed below are held indirectly by the company.

以下載列於2014年3月31日董事認為本集團而言屬重大之本集團聯營公司。下表載列之由本公司間接持有之聯營公司。

| Name of associates 聯營公司名稱 | Place of incorporation/ establishment and operation 註冊/ 成立及 運作地點 | Issued and fully paid up share capital/ registered capital 已發行及繳足之 股本/ 註冊資本 | Equity interest attributable to the Group 本集團應佔股本權益 | | Principal activities 主要業務 |
|------------------------------|--|---|--|---------------|--|
| | | | 2014 2014年 | 2013 2013年 | |
| SPM Automotive (「住江互太」) | The PRC 中國 | US\$7,500,000 | 33% | 33% | Manufacturing and trading of vehicles related textile products 汽車相關紡織品製造及貿易 |
| PT Sri Lanka (「PT斯里蘭卡」) | Sri Lanka 斯里蘭卡 | Rs2,749,266,000 | 40% | 40% | Manufacturing and trading of textile products 紡織品製造及貿易 |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

9. INTERESTS IN ASSOCIATES AND AMOUNT DUE TO AN ASSOCIATE (Cont'd)

(a) Share of net assets and goodwill (Cont'd)

SPM Automotive is an unlisted limited company in the PRC and there is no quoted market price available for its shares.

At 31 March 2014, the market value of the Group's interest in PT Sri Lanka, which is listed on the Colombo Stock Exchange in Sri Lanka, was HK\$245,894,000 (2013: HK\$158,741,000) and the carrying amount of the group's interest was HK\$147,363,000 (2013: HK\$140,427,000).

There are no contingent liabilities relating to the Group's interests in the associates.

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. The information below reflects the amount presented in the financial statements of the associates. There is no difference in accounting policies between the Group and the associates.

綜合財務報表附註(續)

9. 於聯營公司之權益與於聯營公司之應付款項(續)

(a) 應佔資產淨值與商譽(續)

「住江互太」是位於中國非上市有限責任公司，因此其股份並無可用市場報價。

「PT斯里蘭卡」是位於科倫坡證券交易所上市的有限責任公司，截至2014年3月31日，「PT斯里蘭卡」的權益市值是245,894,000港元，(2013年：158,741,000港元)及本集團權益之賬面值是HK\$147,363,000(2013:140,427,000港元)。

本集團於聯營公司的權益並無或有負債。

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。以下資料反映聯營公司財務報表呈列的金額，本集團與聯營公司的會計政策並無差異。

| | | SPM Automotive 住江互太 | | PT Sri Lanka PT斯里蘭卡 | | Total 總計 | |
|---|----------------|------------------------|----------|------------------------|----------|-------------|----------|
| | | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| | | 2014年 | 2013年 | 2014年 | 2013年 | 2014年 | 2013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 | 22,822 | 20,934 | 184,799 | 152,778 | 207,621 | 173,712 |
| Current assets | 流動資產 | 121,564 | 107,305 | 316,467 | 329,403 | 438,031 | 436,708 |
| Non-current liabilities | 非流動負債 | - | - | 11,541 | 8,645 | 11,541 | 8,645 |
| Current liabilities | 流動負債 | 38,267 | 33,256 | 111,182 | 122,468 | 149,449 | 155,724 |
| Net assets | 資產淨值 | 106,119 | 94,983 | 378,543 | 351,068 | 484,662 | 446,051 |
| Summarised income statement | 收益表概要 | | | | | | |
| Revenue | 收入 | 267,144 | 196,288 | 751,668 | 648,400 | 1,018,812 | 844,688 |
| Profit for the year | 年度溢利 | 26,776 | 11,356 | 69,157 | 57,908 | 95,933 | 69,264 |
| Other comprehensive income for the year | 年度其他全面收益 | - | - | - | - | - | - |
| Total comprehensive income for the year | 年度全面收益總額 | 26,776 | 11,356 | 69,157 | 57,908 | 95,933 | 69,264 |

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財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

9. INTERESTS IN ASSOCIATES AND AMOUNT DUE TO AN ASSOCIATE (Cont'd)

(a) Share of net assets and goodwill (Cont'd)

Reconciliation of summarised financial information

Reconciliation of the above summarised financial information of the material associates presented to the carrying value of the Group's interest in associates.

| | | SPM Automotive 住江互太 | | PT Sri Lanka PT斯里蘭卡 | | Total 總計 | |
|---|-------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| Opening net assets at 1 April | 於4月1日年初之 淨資產 | 94,983 | 88,420 | 351,068 | 334,027 | 446,051 | 422,447 |
| Currency translation difference | 外幣換算差額 | (418) | 1,314 | 141 | (492) | (277) | 822 |
| Profit for the year | 年度溢利 | 26,776 | 11,356 | 69,157 | 57,908 | 95,933 | 69,264 |
| Other comprehensive income | 其他全面收益 | - | - | - | - | - | - |
| Dividends | 股息 | (15,222) | (6,107) | (41,823) | (40,375) | (57,045) | (46,482) |
| Closing net assets at 31 March | 於3月31日年末之 淨資產 | 106,119 | 94,983 | 378,543 | 351,068 | 484,662 | 446,051 |
| Net assets attributable to the Group (33%; 40%) | 本集團應佔淨資產 (33% ; 40%) | 35,019 | 31,344 | 151,417 | 140,427 | 186,436 | 171,771 |
| Goodwill | 商譽 | - | - | 155,297 | 155,297 | 155,297 | 155,297 |
| Less: Impairment | 減: 減值 | - | - | (155,297) | (155,297) | (155,297) | (155,297) |
| Less: Unrealised gain on sale of machinery to associate | 減: 出售機器未 變現收益 | - | - | (4,054) | - | (4,054) | - |
| Interests in associates | 於聯營公司之權益 | 35,019 | 31,344 | 147,363 | 140,427 | 182,382 | 171,771 |
| Dividends received from associates | 已收聯營公司股息 | 5,023 | 2,015 | 16,729 | 16,150 | 21,752 | 18,165 |

(b) Amounts due from associates

The amounts due from associates are unsecured, non-interest bearing and repayable on demand. The amounts are denominated in US Dollars.

(c) Amount due to an associate

The amount due to an associate is unsecured, non-interest bearing and repayable on demand. The amount is denominated in RMB.

綜合財務報表附註(續)

9. 於聯營公司之權益與於聯營公司之應付款項(續)

(a) 應佔資產淨值與商譽(續)

對賬財務資料的概要

呈列的重大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。

(b) 應收聯營公司款項

應收聯營公司款項為無抵押、無利息及須要求償還。以美元列值。

(c) 應付聯營公司款項

應付聯營公司款項為無抵押、無利息及須要求償還，以人民幣列值。

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

10. INTERESTS IN JOINT VENTURES

綜合財務報表附註(續)

10. 於合營公司之權益

| | | Group 本集團 | |
|--|-------------------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| Share of net assets (Note (a)) | 應佔資產淨值(附註(a)) | 15,655 | 35,179 |
| Amount due from a joint venture (Note (b)) | 應收共同控制實體款項(附註(b)) | 2,955 | 2,954 |
| | | 18,610 | 38,133 |

(a) Share of net assets

Movements of share of net assets of joint ventures are as follows:

(a) 應佔資產淨值

應佔合營公司資產淨值之變動如下：

| | | Group 本集團 | |
|----------------------------------|--------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| At 1 April | 於4月1日 | 35,179 | 84,817 |
| Additions | 增加 | 776 | - |
| Currency translation differences | 外幣換算差額 | 355 | 1,438 |
| Refund of capital | 資金退還 | - | (50,580) |
| Share of losses | 分佔虧損 | (20,655) | (496) |
| At 31 March | 於3月31日 | 15,655 | 35,179 |

The directors are of the opinion that the joint ventures, in aggregate, are not material to the Group as at 31 March 2014 and 2013.

董事認為截至2014年和2013年3月31日，合營公司對本集團而言並不重大。

The Group's joint ventures are unlisted as at 31 March 2014 and 2013. The Group's share of result of these joint ventures and the aggregated assets and liabilities, are as follows:

本集團分佔此合營公司及其總業績、資產及負債如下：

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|-------------------|------|----------------------------------|----------------------------------|
| Total assets | 資產總值 | 17,580 | 37,027 |
| Total liabilities | 負債總額 | 1,925 | 1,848 |
| Revenue | 收入 | - | - |
| Loss for the year | 年度虧損 | (20,655) | (496) |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

10. INTERESTS IN JOINT VENTURES (Cont'd)

(a) Share of net assets (Cont'd)

There are no contingent liabilities relating to the Group's interests in the joint ventures.

The particulars of the joint ventures at 31 March 2014 and 2013 are as follows:

| Name of joint ventures 共同控制實體名稱 | Place of incorporation/ establishment and operation 註冊／成立／ 運作地點 | Issued and fully paid up share capital/registered capital 已發行及繳足之股本 ／ 註冊資本 | Equity interest attributable to the Group 本集團應佔股本權益 | | Principal activities 主要業務 |
|---|---|---|--|---------------|------------------------------|
| | | | 2014 2014年 | 2013 2013年 | |
| Amigo Bangladesh Ltd. | Bangladesh 孟加拉共和國 | Taka \$390,000,000 390,000,000塔卡 | 51% | 51% | Investment holding 投資控股 |
| CPAT (Singapore) Private Ltd. | Singapore 新加坡 | US\$21,440,000 21,440,000美元 | 51% | 51% | Investment holding 投資控股 |
| Fortune Joy Investment Ltd. 福愉投資有限公司 | British Virgin Islands 英屬處女群島 | US\$100 100美元 | 51% | 51% | Investment holding 投資控股 |
| King Jumbo Investment Limited | British Virgin Islands 英屬處女群島 | US\$15,000,000 15,000,000美元 | 51% | 51% | Investment holding 投資控股 |
| Kingston Bangladesh Ltd. | Bangladesh 孟加拉共和國 | Taka \$390,000,000 390,000,000塔卡 | 51% | 51% | Investment holding 投資控股 |
| Queenston Bangladesh Ltd. | Bangladesh 孟加拉共和國 | Taka \$100,000 100,000塔卡 | 51% | 51% | Investment holding 投資控股 |

(b) Amount due from a joint venture

The amount due from a joint venture is unsecured, non-interest bearing and without fixed repayment terms. The amount is denominated in US Dollars.

綜合財務報表附註(續)

10. 於合營公司之權益(續)

(a) 應佔資產淨值(續)

本集團於合營公司的權益並無或有負債。

截至2014及與2013年年3月31日，合營公司詳情如下：

(b) 應收合營公司款項

應收合營公司款項為無抵押、無利息及無固定還款期。款項金額以美元計值。

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

11. AVAILABLE-FOR-SALE FINANCIAL ASSETS

11. 可供出售金融資產

| | | Group 本集團 | |
|--|---------------------------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| Listed equity securities in Hong Kong | 香港上市之證券 | 57 | 40 |
| Club debentures | 會籍債券 | 1,741 | 1,741 |
| | | 1,798 | 1,781 |
| At 1 April | 於4月1日 | 1,781 | 1,801 |
| Fair value gains/(losses) on available-for-sale financial assets (Note 18) | 可供出售金融資產公允價值收益/(虧損)(附註18) | 17 | (20) |
| At 31 March | 於3月31日 | 1,798 | 1,781 |
| Market value of listed securities | 上市證券市場值 | 57 | 40 |

The fair values of listed equity securities are based on closing bid prices at active market. The fair values of club debentures are based on second hand market prices. See note 3.3 for further information on fair value.

上市證券之公允值乃根據活躍市場收市買價釐定。會籍債券之公允值乃根據二手市場價釐定。見附註3.3有公允值進一步之資訊。

Available-for-sale financial assets are denominated in HK Dollars.

可供出售金融資產按港元列值。

12. INVENTORIES

12. 存貨

| | | Group 本集團 | |
|------------------|-----|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| Raw materials | 原料 | 805,270 | 694,591 |
| Work-in-progress | 在製品 | 168,558 | 137,795 |
| Finished goods | 製成品 | 156,914 | 161,361 |
| | | 1,130,742 | 993,747 |

The cost of raw materials and consumables recognised as expense and included in cost of sales during the year amounted to HK\$5,506,778,000 (2013: HK\$4,950,012,000).

本年度確認為開支，並計入銷售成本之原料與消耗品成本分別為5,506,778,000港元(2013年：4,950,012,000港元)。

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財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

13. TRADE AND BILLS RECEIVABLES

綜合財務報表附註(續)

13. 應收賬款及票據

| | | Group 本集團 | |
|---|------------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| Trade receivables | 應收賬款 | 736,947 | 795,974 |
| Bills receivables | 應收票據 | 114,638 | 170,424 |
| | | 851,585 | 966,398 |
| Less: provision for impairment of trade receivables | 減：應收賬款減值撥備 | (6,665) | (13,736) |
| | | 844,920 | 952,662 |

The carrying amounts of trade and bills receivables approximate their fair values.

應收賬款及票據之賬面值與公允值相若。

The majority of the Group's sales are with credit terms of 30 to 60 days. Trade and bills receivables, based on goods delivery dates, were aged as follows:

本集團大部分銷售之信貸期介乎30至60天。應收賬款及票據之賬齡按貨品交付日期載列如下：

| | | Group 本集團 | |
|-----------------|---------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| 0-60 days | 0-60天 | 697,827 | 798,568 |
| 61-120 days | 61-120天 | 147,836 | 146,039 |
| 121 days-1 year | 121天-1年 | 5,260 | 13,838 |
| Over 1 year | 超過1年 | 662 | 7,953 |
| | | 851,585 | 966,398 |

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財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

13. TRADE AND BILLS RECEIVABLES (Cont'd)

The carrying amounts of the Group's trade and bills receivables were denominated in the following currencies:

| | | Group 本集團 | |
|--------|-----|----------------|----------------|
| | | 2014 | 2013 |
| | | 2014年 | 2013年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| HK\$ | 港元 | 601,297 | 629,888 |
| US\$ | 美元 | 227,847 | 269,944 |
| RMB | 人民幣 | 22,441 | 66,499 |
| Others | 其他 | - | 67 |
| | | 851,585 | 966,398 |

The top two customers accounted for approximately 42% (2013: 32%) and 17% (2013: 22%) 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.

At 31 March 2014, trade receivables of HK\$46,446,000 (2013: HK\$46,778,000) were past due but not considered to be impaired. These relate to a number of customers for whom there is no recent history of default. These trade receivables are aged as follows:

| | | Group 本集團 | |
|--------------|-------|--------------|----------|
| | | 2014 | 2013 |
| | | 2014年 | 2013年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Past due by: | 已逾期: | | |
| 0-60 days | 0-60天 | 46,446 | 46,778 |

綜合財務報表附註(續)

13. 應收賬款及票據(續)

本集團應收賬款及票據之賬面值按以下貨幣列值：

| | | Group 本集團 | |
|--------|-----|----------------|----------------|
| | | 2014 | 2013 |
| | | 2014年 | 2013年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| HK\$ | 港元 | 601,297 | 629,888 |
| US\$ | 美元 | 227,847 | 269,944 |
| RMB | 人民幣 | 22,441 | 66,499 |
| Others | 其他 | - | 67 |
| | | 851,585 | 966,398 |

首兩大客戶分別佔本集團應收賬款及票據約42% (2013年：32%) 與17% (2013年：22%)，所有其他客戶個別賬戶佔本集團應收賬款及票據少於10%。

於2014年3月31日，逾期但並無考慮減值之應收賬款為46,446,000港元(2013年：46,778,000港元)。其與若干近期並無壞賬記錄之客戶有關。該等應收賬款之賬齡載列如下：

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

13. TRADE AND BILLS RECEIVABLES (Cont'd)

At 31 March 2014, trade receivables of HK\$49,284,000 (2013: HK\$45,033,000) were concluded to be partially impaired and were provided for. The amount of the provision was HK\$6,665,000 as at 31 March 2014 (2013: HK\$13,736,000). The Group considers that a portion of these impaired receivables will be recovered. These trade receivables are aged as follows:

| | | Group 本集團 | |
|-----------------|---------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| Past due by: | 已逾期： | | |
| 0-60 days | 0-60天 | 42,618 | 31,299 |
| 61-120 days | 61-120天 | 2,064 | 2,718 |
| 121 days-1 year | 121天-1年 | 4,512 | 3,121 |
| Over 1 year | 超過1年 | 90 | 7,895 |
| | | 49,284 | 45,033 |

Movements on the Group's provision for impairment of trade receivables are as follows:

| | | Group 本集團 | |
|----------------------------------|--------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| At 1 April | 於4月1日 | 13,736 | 19,996 |
| Currency translation differences | 外幣換算差額 | (537) | 150 |
| Provided for the year | 年度提供 | 4,718 | 5,088 |
| Reversal of provision | 撥備撥回 | (4,042) | (8,845) |
| Written off | 撇銷 | (7,210) | (2,653) |
| At 31 March | 於3月1日 | 6,665 | 13,736 |

The creation and release of provision for impaired receivables have been included in distribution and selling expenses in the consolidated income statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The maximum exposure to credit risk at the reporting date is the carrying value of the receivables mentioned above. The Group does not hold any collateral as security.

綜合財務報表附註(續)

13. 應收賬款及票據(續)

於2014年3月31日，總括而言，已部份減值及撥備之應收賬款為49,284,000港元(2013年：45,033,000港元)。於2014年3月31日，撥備金額為6,665,000港元(2013年：13,736,000港元)。本集團考慮評估而預計已減值部份應收賬款可望收回。該等應收賬款之賬齡分析如下：

本集團就應收賬款作出減值撥備之變動如下：

已減值應收款撥備的設立及撥回已計入綜合收益表之分銷及銷售開支內。計入撥備賬戶之款項一般在預期無法收回額外現金時撇銷。

於報告日期，最大信貸風險為上述應收賬款之賬面值。本集團並無持有任何抵押品作擔保。

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

14. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

14. 租金、預付款項及其他應收款項

| | | Group 本集團 | |
|--|---------------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| Rental, utility and other deposits | 租金、公用服務及其他按金 | 2,722 | 819 |
| Prepayments for purchases of inventories | 購買機器與存貨預付款項 | 5,872 | 5,719 |
| Prepayments for construction work and purchases of machinery | 建築工程與購買機器預付款項 | 31,481 | 1,069 |
| Prepayments for purchase of land use rights | 購買土地使用權預付款項 | 15,625 | 20,412 |
| Other prepayments | 其他預付款項 | 2,223 | 4,414 |
| VAT recoverables | 可收回增值稅 | 21,468 | 31,334 |
| Other receivables | 其他應收款項 | 12,169 | 7,315 |
| | | 91,560 | 71,082 |
| Less non-current portion: | 減非流動部份： | | |
| Prepayments for construction work and purchases of machinery | 工程和購買機器之預付款項 | (31,481) | - |
| Current portion | 流動部份 | 60,079 | 71,082 |

Deposits, VAT recoverables and other receivables are denominated in the following currencies:

按金、可收回增值稅及其他應收款項按下列貨幣計值：

| | | Group 本集團 | |
|--------|-----|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| RMB | 人民幣 | 22,716 | 33,404 |
| US\$ | 美元 | 11,320 | 1,677 |
| HK\$ | 港元 | 1,776 | 2,960 |
| Others | 其他 | 547 | 1,427 |
| | | 36,359 | 39,468 |

The carrying amounts of deposits, VAT recoverables and other receivables approximate their fair values.

按金、可收回增值稅及其他應收款項之賬面值與公允值相若。

The maximum exposure to credit risk at the reporting date is the carrying value of deposits, VAT recoverables and other receivables. The Group does not hold any collateral as security.

於報告日期，最大信貸風險為上述按金、可收回增值稅及其他應收賬款之賬面值。本集團並無持有任何抵押品作擔保。

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財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

15. DERIVATIVE FINANCIAL INSTRUMENTS

| | | Group 本集團 | |
|------------------------------------|--------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| Forward foreign exchange contracts | 遠期外匯合約 | | |
| — Assets | — 資產 | 1,655 | 3,579 |
| — Liabilities | — 負債 | (23,388) | (2,570) |

The notional principal amounts of the Group's outstanding forward foreign currency contracts at the balance sheet date are HK\$2,726,410,000 (2013: HK\$3,733,763,000).

The maximum exposure to credit risk at the balance sheet date is the carrying value of the derivative assets in the balance sheet.

綜合財務報表附註(續)

15. 衍生金融工具

於結算日，未到期之本集團遠期外匯合約之名義本金額為2,726,410,000港元(2013年：3,733,763,000港元)。

於結算日，信貸風險之最高風險承擔為於資產負債表內之衍生資產之賬面值。

16. CASH AND BANK BALANCES

| | | Group 本集團 | | Company 本公司 | |
|--------------------------|---------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| Cash at bank and in hand | 銀行及手持現金 | 1,173,965 | 1,527,181 | 21,654 | 31,569 |
| Short-term bank deposits | 短期銀行存款 | 602,304 | 266,179 | - | - |
| | | 1,776,269 | 1,793,360 | 21,654 | 31,569 |

The maximum exposure to credit risk at the balance sheet date is the carrying value of the cash and bank balances in the balance sheet.

於結算日，信貸風險之最高風險承擔為於資產負債表內之現金及銀行結餘之賬面值。

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

16. CASH AND BANK BALANCES (Cont'd)

Cash and bank balances are denominated in the following currencies:

| | | Group 本集團 | | Company 本公司 | |
|--------|-----|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| US\$ | 美元 | 987,948 | 972,699 | 9,777 | 21,352 |
| HK\$ | 港元 | 506,481 | 506,754 | 11,877 | 10,129 |
| RMB | 人民幣 | 278,864 | 310,362 | – | – |
| Euro | 歐元 | 380 | 2,185 | – | – |
| Others | 其他 | 2,596 | 1,360 | – | 88 |
| | | 1,776,269 | 1,793,360 | 21,654 | 31,569 |

The Group's cash and bank balances denominated in RMB are primarily deposited with banks in the PRC. The conversion of these RMB denominated balances into foreign currencies and the remittance of funds out of the PRC are subject to the rules and regulations on foreign exchange control promulgated by the PRC Government.

Cash at bank earns interest at floating rates based on daily bank deposit rates ranging from 1.00% to 2.09% per annum at 31 March 2014 (2013: 0.32% to 3.30% per annum).

The effective annual interest rate and maturities of short-term bank deposits at 31 March 2014 and 2013 are as follows:

| | | Group 本集團 | |
|--------------------------------|-------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| Effective annual interest rate | 實際年利率 | 1.27% | 1.62% |
| Maturities | 到期日 | 1-60 days | 1-180 days |

綜合財務報表附註(續)

16. 現金及銀行結餘(續)

現金及銀行結餘按以下貨幣列值：

| | | Group 本集團 | | Company 本公司 | |
|--------|-----|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| US\$ | 美元 | 987,948 | 972,699 | 9,777 | 21,352 |
| HK\$ | 港元 | 506,481 | 506,754 | 11,877 | 10,129 |
| RMB | 人民幣 | 278,864 | 310,362 | – | – |
| Euro | 歐元 | 380 | 2,185 | – | – |
| Others | 其他 | 2,596 | 1,360 | – | 88 |
| | | 1,776,269 | 1,793,360 | 21,654 | 31,569 |

本集團主要以人民幣列值之現金及銀行結餘乃存放於中國之銀行。兌換該等人民幣列值結餘為外幣以及匯款至中國境外須遵守中國政府頒布之外匯管制規則及規定。

銀行存款按銀行每日存款利率以浮息賺取利息，於2014年3月31日息率界乎每年1.00%至2.09%(2013年：每年0.32%至3.30%)。

於2014年與2013年3月31日，短期銀行存款實際年利率與到期日如下：

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

17. SHARE CAPITAL AND SHARE PREMIUM

(a) Share capital

| | | Group and Company 本集團與本公司 | | | |
|---|-----------------|---|---------------------------------|---|---------------------------------|
| | | 2014 2014年 | | 2013 2013年 | |
| | | Number of share 股份數目 (thousands) (千計) | Amount 金額 HK\$'000 千港元 | Number of share 股份數目 (thousands) (千計) | Amount 金額 HK\$'000 千港元 |
| Authorised: | 法定： | | | | |
| Shares of HK\$0.001 each | 每股面值0.001港元之股份 | 5,000,000 | 5,000 | 5,000,000 | 5,000 |
| Issued and fully paid: | 已發行及繳足： | | | | |
| Beginning of year | 年初 | 1,442,942 | 1,443 | 1,433,086 | 1,433 |
| Issue of shares under share options scheme | 根據購股權計劃 發行股份 | 4,700 | 4 | 10,460 | 11 |
| Share repurchases | 股份回購 | (1,219) | (1) | (604) | (1) |
| End of year | 年終 | 1,446,423 | 1,446 | 1,442,942 | 1,443 |

(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 share option scheme was approved and adopted by the Company in a shareholders' written resolution on 27 April 2007. In July 2007, the Board of Directors approved the granting of options to 88 eligible full-time employees to subscribe for a total of 22,820,000 shares of the Company at an exercise price of HK\$5.04 per share with vesting periods of 3 years. These options are exercisable from 18 July 2010 to 17 July 2017 (both days inclusive), and shall expire on 18 July 2017.

綜合財務報表附註(續)

17. 股本及股本溢價

(a) 股本

| | | Group and Company 本集團與本公司 | | | |
|---|-----------------|---|---------------------------------|---|---------------------------------|
| | | 2014 2014年 | | 2013 2013年 | |
| | | Number of share 股份數目 (thousands) (千計) | Amount 金額 HK\$'000 千港元 | Number of share 股份數目 (thousands) (千計) | Amount 金額 HK\$'000 千港元 |
| Authorised: | 法定： | | | | |
| Shares of HK\$0.001 each | 每股面值0.001港元之股份 | 5,000,000 | 5,000 | 5,000,000 | 5,000 |
| Issued and fully paid: | 已發行及繳足： | | | | |
| Beginning of year | 年初 | 1,442,942 | 1,443 | 1,433,086 | 1,433 |
| Issue of shares under share options scheme | 根據購股權計劃 發行股份 | 4,700 | 4 | 10,460 | 11 |
| Share repurchases | 股份回購 | (1,219) | (1) | (604) | (1) |
| End of year | 年終 | 1,446,423 | 1,446 | 1,442,942 | 1,443 |

(b) 股本溢價

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，惟於緊隨建議派發股息當日後，本公司須有能力償還日常業務中到期的債務。

(c) 購股權計劃

購股權計劃已於2007年4月27日股東書面決議案獲本公司批准及採納。於2007年7月，董事局批准於2007年7月18日向88名合資格全職僱員授出購股權，可按行使價每股5.04港元認購本公司合共22,820,000股股份，歸屬期為三年。該購股權可於2010年7月18日至2017年7月17日(包括首尾兩天在內)行使，並於2017年7月18日屆滿。概無其他購股權授出。

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

17. SHARE CAPITAL AND SHARE PREMIUM (Cont'd)

(c) Share option scheme (Cont'd)

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 share options of the Company at an exercise price of HK\$9.98 per share. The share options may be exercisable at any time during the period from 11 October 2016 to 10 October 2023.

Movements in the above share options are as follows:

| | | Number of share options 購股權數目 | |
|---------------------------|--------|----------------------------------|-----------------|
| | | 2014 2014年 | 2013 2013年 |
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| At 1 April | 於4月1日 | 4,700,000 | 17,030,000 |
| Granted | 授出 | 10,000,000 | – |
| Exercise of share options | 購股權行使 | (4,700,000) | (10,460,000) |
| Forfeited | 沒收 | – | (1,870,000) |
| At 31 March | 於3月31日 | 10,000,000 | 4,700,000 |

Total proceeds from the exercise of share options during the year were HK\$23,685,000 (2013: HK\$52,719,000). The weighted average closing price of the shares immediately before the dates on which the options were exercised was HK\$9.38 (2013: HK\$7.02).

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 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 is referenced to the historical volatility of the Company.

(d) Shares repurchase

The Company repurchased an aggregate of 1,219,000 shares (2013: 604,000 shares) on The Stock Exchange of Hong Kong Limited in July 2013 and August 2013 at an aggregate consideration of approximately HK\$11,201,000 (2013: HK\$3,080,000). The repurchased shares were cancelled on 14 August 2013.

綜合財務報表附註(續)

17. 股本及股本溢價(續)

(c) 購股權計劃(續)

於2013年10月11日，董事局批准授出10,000,000份購股權予本公司合資格僱員，以9.98港元行使價認購。購股權可於2016年10月11日至2023年10月10日期內行使。

上述購股權之變動如下：

| | | Number of share options 購股權數目 | |
|---------------------------|--------|----------------------------------|-----------------|
| | | 2014 2014年 | 2013 2013年 |
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| At 1 April | 於4月1日 | 4,700,000 | 17,030,000 |
| Granted | 授出 | 10,000,000 | – |
| Exercise of share options | 購股權行使 | (4,700,000) | (10,460,000) |
| Forfeited | 沒收 | – | (1,870,000) |
| At 31 March | 於3月31日 | 10,000,000 | 4,700,000 |

於本年內購股權行使所得的款項為23,685,000港元(2013年：52,719,000港元)。緊隨行使購股權日前加權平均股份收市價為9.38港元(2013年：7.02港元)。

該等已授出購股權於授出日期按二元模式得出之公平值為18,529,000港元。該模式之重大數據包括於授出購股權日期之每股9.98港元，行使價為每股9.98港元，波幅為45%，預期股息回報率為9%，預期購股權期限為10年，年度無風險利率為2.09%，於授出日期之波動性及參考本公司之過往波動性而計量。

(d) 股份回購

本公司在2013年7月和8月於香港聯合交易所有限公司合共購回1,219,000股(2013年：604,000股)股份，總代價約為11,201,000港元(2013年：3,080,000港元)。回購股份已於2013年8月14日註銷。

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd) 綜合財務報表附註(續)

18. RESERVES

(a) Group

| | | Capital reserve 資本儲備 (Note (i)) (附註(i)) | Statutory reserve 法定儲備 (Note (ii)) (附註(ii)) | Foreign currency translation reserve 外幣換算儲備 | Share-based reserve 以股份為基準儲備 | Available-for-sale financial assets reserve 可供出售金融資產儲備 | Retained earnings 保留溢利 | Total 總計 |
|---|--------------------|--|--|--|---------------------------------|---|---------------------------|-----------------|
| | Note 附註 | 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 2012 | 於2012年4月1日 | 1,000 | 55,805 | 423,262 | 20,680 | 21 | 2,079,727 | 2,580,495 |
| Profit attributable to equity holders of the Company | 本公司權益持有人應佔溢利 | - | - | - | - | - | 925,165 | 925,165 |
| Currency translation differences | 外幣換算差額 | - | - | 41,691 | - | - | - | 41,691 |
| Transfer of reserve upon forfeiture and exercise of share options | 沒收與購股權行使後之儲備轉撥 | - | - | - | (14,943) | - | 2,365 | (12,578) |
| Fair value losses on available-for-sale financial assets | 可供出售金融資產公允值虧損 | 11 | - | - | - | (20) | - | (20) |
| Dividends | 股息 | - | - | - | - | - | (1,005,321) | (1,005,321) |
| At 31 March 2013 | 於2013年3月31日 | 1,000 | 55,805 | 464,953 | 5,737 | 1 | 2,001,936 | 2,529,432 |
| Representing: | 表示: | | | | | | | |
| Proposed final dividend | 建議末期股息 | 29 | | | | | 577,753 | |
| Others | 其他 | | | | | | 1,424,183 | |
| | | | | | | | 2,001,936 | |
| At 1 April 2013 | 於2013年4月1日 | 1,000 | 55,805 | 464,953 | 5,737 | 1 | 2,001,936 | 2,529,432 |
| Profit attributable to equity holders of the Company | 本公司權益持有人應佔溢利 | - | - | - | - | - | 1,116,802 | 1,116,802 |
| Currency translation differences | 外幣換算差額 | - | - | (4,995) | - | - | - | (4,995) |
| Share-based compensation expenses | 沒收與購股權行使後之儲備轉撥 | - | - | - | 1,834 | - | - | 1,834 |
| Exercise of share options | 行使購股權 | - | - | - | (5,737) | - | - | (5,737) |
| Fair value gains on available-for-sale financial assets | 可供出售金融資產公允值收益 | 11 | - | - | - | 17 | - | 17 |
| Dividends | 股息 | - | - | - | - | - | (1,156,974) | (1,156,974) |
| At 31 March 2014 | 於2014年3月31日 | 1,000 | 55,805 | 459,958 | 1,834 | 18 | 1,961,764 | 2,480,379 |
| Representing: | 表示: | | | | | | | |
| Proposed final dividend and final special dividend | 建議末期股息及末期股息 | 29 | | | | | 940,175 | |
| Others | 其他 | | | | | | 1,021,589 | |
| | | | | | | | 1,961,764 | |

18. 儲備

(a) 本集團

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

18. RESERVES (Cont'd)

(b) Company

綜合財務報表附註(續)

18. 儲備(續)

(b) 本公司

| | | Share-based compensation reserve 以股份 為基準儲備 HK\$'000 千港元 | Retained earnings 保留溢利 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|-------------------------|---|---|--------------------------------|
| At 1 April 2012 | 於2012年4月1日 | 20,680 | 890,626 | 911,306 |
| Profit for the year | 年度溢利 | – | 998,610 | 998,610 |
| Transfer of reserve upon forfeiture and exercise of share options | 購股權沒收與行使後之 儲備轉撥 | (14,943) | 2,365 | (12,578) |
| Dividends | 股息 | – | (1,005,321) | (1,005,321) |
| At 31 March 2013 | 於2013年3月31日 | 5,737 | 886,280 | 892,017 |
| Representing: | 表示： | | | |
| Proposed final dividend (Note 29) | 建議末期股息(附註29) | | 577,753 | |
| Others | 其他 | | 308,527 | |
| | | | 886,280 | |
| At 1 April 2013 | 於2013年4月1日 | 5,737 | 886,280 | 892,017 |
| Profit for the year | 年度溢利 | – | 1,295,812 | 1,295,812 |
| Exercise of share options | 行使後之儲備轉撥 | (5,737) | – | (5,737) |
| Dividends | 股息 | – | (1,156,974) | (1,156,974) |
| Share-based compensation expenses | 以股份為基礎之彌償支出 | 1,834 | – | 1,834 |
| At 31 March 2014 | 於2014年3月31日 | 1,834 | 1,025,118 | 1,026,952 |
| Representing: | 表示： | | | |
| Proposed final dividend and final special dividend (Note 29) | 建議末期股息及 末期特別股息(附註29) | | 940,175 | |
| Others | 其他 | | 84,943 | |
| | | | 1,025,118 | |

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財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

18. RESERVES (Cont'd)

(b) Company (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 the legal reserve for 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 and 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.

19. BORROWINGS

Non-current:

Loan from a non-controlling interest of a subsidiary

The loan from a non-controlling interest of subsidiary is denominated in US Dollars, unsecured and non-interest bearing. The loan has no pre-determined terms of repayment and is regarded as quasi equity contributions to the subsidiary.

綜合財務報表附註(續)

18. 儲備(續)

(b) 本公司(續)

附註:

- (i) 資本儲備為根據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附屬公司之合法儲備與於中國成立之附屬公司之法定儲備。

根據有關澳門商法典，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。劃撥至該附屬公司合法儲備之金額已達其股本50%。

於中國成立之附屬公司作出適當要求將抵銷以往年度累計虧損年度溢利與分派任何溢利予股權持有人之前，劃撥款項以提撥若干法定儲備。提撥不同法定儲備比率按相關中國法規或附屬公司董事局自行決定來計算。該法定儲備只可用作抵銷累計虧損、增加資本或特別花紅或員工集團福利。

該法定儲備不能分派予附屬公司之股權持有人。

19. 借貸

| | Group 本集團 | |
|--|----------------------------------|----------------------------------|
| | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| Non-current: | | |
| Loan from a non-controlling interest of a subsidiary | 47,509 | 47,545 |

附屬公司非控制性權益提供貸款以美元列值，為無抵押與無利息。此貸款並無預先確定的還款條款，而被視作為附屬公司之準權益貢獻。

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

20. DEFERRED INCOME TAX

20. 遞延所得稅

Deferred tax assets and deferred tax liabilities are as follows:

遞延稅項資產與遞延稅項負債如下：

| | | Group 本集團 | |
|--|--------------------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| Deferred income tax assets: | 遞延所得稅資產： | | |
| — Deferred tax assets to be recovered after more than 12 months | — 超過12個月後收回之遞延稅項資產 | - | 2,300 |
| Deferred income tax liabilities: | 遞延所得稅負債： | | |
| — Deferred tax liabilities to be settled after more than 12 months | — 超過12個月後支付之遞延稅項負債 | (58,267) | (46,038) |
| Deferred income tax liabilities, net | 遞延所得稅負債·淨值 | (58,267) | (43,738) |

The net movement in the deferred income tax account is as follows:

| | | Group 本集團 | |
|--|----------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| At 1 April | 於4月1日 | (43,738) | (27,324) |
| Currency translation differences | 外幣換算差額 | 194 | (634) |
| Charged to the consolidated income statement | 於綜合收益表支銷 | (14,723) | (15,780) |
| At 31 March | 於3月31日 | (58,267) | (43,738) |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

20. DEFERRED INCOME TAX (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:

| | | Group 本集團 | |
|--|--------------------|---|--------------------------------|
| | | Provisions for doubtful debts and staff benefits 呆賬與員工 利益撥備 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
| At 1 April 2012 | 於2012年4月1日 | 5,150 | 5,150 |
| Charged to the consolidated income statement | 於綜合收益表扣除 | (610) | (610) |
| At 31 March 2013 | 於2013年3月31日 | 4,540 | 4,540 |
| Charged to the consolidated income statement | 於綜合收益表扣除 | 900 | 900 |
| At 31 March 2014 | 於2014年3月31日 | 5,440 | 5,440 |

Deferred income tax liabilities:

| | | Group 本集團 | | |
|--|--------------------|--|---|--------------------------------|
| | | Accelerated tax depreciation allowance 加速稅項 折舊撥備 HK\$'000 千港元 | Undistributed profits of a subsidiary and an associate 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 1 April 2012 | 於2012年4月1日 | 850 | (33,324) | (32,474) |
| Currency translation differences | 外幣換算差額 | - | (634) | (634) |
| Charged to the consolidated income statement | 於綜合收益表扣除 | (3,090) | (12,080) | (15,170) |
| At 31 March 2013 | 於2013年3月31日 | (2,240) | (46,038) | (48,278) |
| Currency translation differences | 外幣換算差額 | - | 194 | 194 |
| Charged to the consolidated income statement | 於綜合收益表扣除 | (6,810) | (8,813) | (15,623) |
| At 31 March 2014 | 於2014年3月31日 | (9,050) | (54,657) | (63,707) |

綜合財務報表附註(續)

20. 遞延所得稅(續)

未經考慮抵銷同一稅務司法權區的遞延所得稅資產及負債之變動結餘如下：

遞延所得稅資產：

| | Group 本集團 |
|--|---|
| | Provisions for doubtful debts and staff benefits 呆賬與員工 利益撥備 HK\$'000 千港元 |
| At 1 April 2012 | 5,150 |
| Charged to the consolidated income statement | (610) |
| At 31 March 2013 | 4,540 |
| Charged to the consolidated income statement | 900 |
| At 31 March 2014 | 5,440 |

遞延所得稅負債：

| | Group 本集團 | | |
|--|--|---|--------------------------------|
| | Accelerated tax depreciation allowance 加速稅項 折舊撥備 HK\$'000 千港元 | Undistributed profits of a subsidiary and an associate 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 1 April 2012 | 850 | (33,324) | (32,474) |
| Currency translation differences | - | (634) | (634) |
| Charged to the consolidated income statement | (3,090) | (12,080) | (15,170) |
| At 31 March 2013 | (2,240) | (46,038) | (48,278) |
| Currency translation differences | - | 194 | 194 |
| Charged to the consolidated income statement | (6,810) | (8,813) | (15,623) |
| At 31 March 2014 | (9,050) | (54,657) | (63,707) |

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財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

20. DEFERRED INCOME TAX (Cont'd)

Deferred income tax assets are recognised for tax loss carry-forwards to extent that the realisation of the related tax benefit through future taxable profits is probable. The Group did not recognise deferred income tax assets of HK\$761,000 (2013: HK\$314,000) in respect of tax losses amounting to HK\$3,043,000 (2013: HK\$1,256,000) that can be carried forward against future taxable income. Tax losses amounting to HK\$496,000, HK\$760,000 and HK\$1,787,000 will expire in 2017, 2018 and 2019 respectively.

21. TRADE AND BILLS PAYABLES

| | | Group 本集團 | |
|----------------|------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| Trade payables | 應付賬款 | 785,421 | 671,062 |
| Bills payables | 應付票據 | 54,046 | 111,899 |
| | | 839,467 | 782,961 |

The carrying values of trade and bills payables approximate their fair values.

Credit period granted by the creditors generally ranges from 30 to 90 days.

Trade and bills payables, based on goods delivery dates, were aged as follows:

| | | Group 本集團 | |
|-------------------|-----------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| 0 – 60 days | 0 – 60天 | 598,316 | 520,215 |
| 61 – 120 days | 61 – 120天 | 196,286 | 249,173 |
| 121 days – 1 year | 121天 – 1年 | 44,865 | 12,067 |
| Over 1 year | 超過1年 | – | 1,506 |
| | | 839,467 | 782,961 |

綜合財務報表附註(續)

20. 遞延所得稅(續)

對可抵扣稅項虧損確認為遞延所得稅資產的數額，是按透過很可能產生的未來應課稅利潤而實現的相關稅務利益而確認。本集團並無就可結轉以抵銷未來應課稅收益的稅項虧損3,043,000港元(2013年：1,256,000港元)確認為遞延所得稅資產761,000港元(2013年：314,000港元)。將於2017年、2018年及2019年分別到期的稅項虧損為496,000港元、760,000港元及1,787,000港元。

21. 應付賬款及票據

應付賬款及票據之賬面值與其公允值相若。

貸方給予之信貸期一般介乎30至90天。

應付賬款及票據之賬齡按交貨日期如下：

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

21. TRADE AND BILLS PAYABLES (Cont'd)

Trade and bills payables are denominated in the following currencies:

| | | Group 本集團 | |
|--------|-----|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| US\$ | 美元 | 677,704 | 610,885 |
| HK\$ | 港元 | 71,634 | 87,281 |
| RMB | 人民幣 | 78,620 | 81,973 |
| Euro | 歐元 | 11,509 | 2,796 |
| Others | 其他 | - | 26 |
| | | 839,467 | 782,961 |

22. ACCRUALS AND OTHER PAYABLES

綜合財務報表附註(續)

21. 應付賬款及票據(續)

應付賬款及票據以下列貨幣計值：

22. 應計項目及其他應付款項

| | | Group 本集團 | | Company 本公司 | |
|---|--------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| Accruals for operating expenses | 營運開支之應計項目 | 99,370 | 101,724 | 3,294 | 3,549 |
| Payables for purchase of property, plant and equipment | 物業、廠房及設備 購買應付款 | 30,620 | 20,301 | - | - |
| Provision for employee benefits expense (including bonus) | 僱員福利支出撥備 (包括花紅) | 105,572 | 98,614 | - | - |
| Provision for customer claims | 客戶索賠撥備 | 20,026 | 26,339 | - | - |
| Receipts in advance | 預收款項 | 7,251 | 4,327 | - | - |
| Others | 其他 | 128,250 | 111,439 | 770 | 329 |
| | | 391,089 | 362,744 | 4,064 | 3,878 |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

22. ACCRUALS AND OTHER PAYABLES (Cont'd)

Accruals and other payables are denominated in the following currencies:

| | | Group 本集團 | | Company 本公司 | |
|--------|-----|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
| HK\$ | 港元 | 215,246 | 195,664 | 4,064 | 3,878 |
| RMB | 人民幣 | 161,177 | 156,023 | - | - |
| US\$ | 美元 | 14,565 | 10,936 | - | - |
| Others | 其他 | 101 | 121 | - | - |
| | | 391,089 | 362,744 | 4,064 | 3,878 |

綜合財務報表附註(續)

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:

23. OTHER INCOME AND OTHER GAINS/ (LOSSES) — NET

23. 其他收入及其他收益/(虧損) — 淨

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|---|-----------------|----------------------------------|----------------------------------|
| Other income: | 其他收入: | | |
| Sale of residual materials | 出售剩餘物料 | 42,485 | 48,141 |
| Sub-contracting income | 分包收入 | 17,494 | 11,205 |
| Handling income | 處理收入 | 5,750 | 4,769 |
| Rental income | 租金收入 | 6,048 | 4,378 |
| Government grants | 政府補貼 | 8,097 | 2,799 |
| Customer compensation on order cancellation | 客戶取消訂單賠償 | 17,256 | 6,380 |
| Gain on disposal of property, plant and equipment | 出售物業、廠房及設備之盈利 | 11,996 | - |
| Sundry income | 雜項收入 | 9,386 | 6,842 |
| | | 118,512 | 84,514 |
| Other gains/(losses) — net: | 其他收益/(虧損) — 淨: | | |
| Derivative financial instruments — forward foreign exchange contracts | 衍生金融工具 — 遠期外匯合約 | 2,943 | 12,861 |
| Net foreign exchange gains/(losses) | 外匯收益/(虧損)(淨值) | 3,214 | (5,866) |
| | | 6,157 | 6,995 |
| | | 124,669 | 91,509 |

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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

| | | 2014 | 2013 |
|---|-----------------------------|------------------|------------------|
| | | 2014年 | 2013年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Depreciation of property, plant and equipment (Note 7) | 物業、廠房及設備折舊支出(附註7) | 157,819 | 188,748 |
| Amortisation of land use rights (Note 6) | 土地使用權攤銷(附註6) | 1,306 | 1,272 |
| Cost of raw materials and consumables used (Note 12) | 原材料與消耗品應用成本(附註12) | 5,506,778 | 4,950,012 |
| Provision/(reversal of provision) for impairment of trade receivables - net | 應收賬款減值撥備/(撥回)－淨 | 676 | (3,757) |
| Employee benefits expense (including directors' emoluments) (Note 25) | 僱員福利支出(包括董事酬金)(附註25) | 471,901 | 427,769 |
| Operating lease payments in respect of land and buildings | 土地及樓宇經營租約開支 | 1,045 | 826 |
| Reversal of provision for slow-moving and obsolete inventories | 滯銷及陳舊存貨撥備撥回 | (10,364) | (14,102) |
| Auditor's remuneration | 核數師酬金 | 2,169 | 2,210 |
| Loss on disposal of property, plant and equipment | 出售、房屋、廠房和設備之虧損 | - | 4,465 |
| Other expenses | 其他開支 | 128,216 | 114,373 |
| Total cost of sales, distribution and selling expenses and general and administrative expenses | 銷售成本、分銷及銷售開支與一般及行政開支 | 6,259,546 | 5,671,816 |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

25. EMPLOYEE BENEFITS EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS)

25. 僱員福利支出(包括董事酬金)

| | | 2014 | 2013 |
|--|-----------------------|----------------|----------------|
| | | 2014年 | 2013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 | 430,359 | 392,367 |
| Retirement benefit — defined contribution schemes (Note (a)) | 退休福利 — 定額供款計劃 (附註(a)) | 14,173 | 12,371 |
| Staff welfare and benefits | 員工福利及利益 | 25,535 | 23,031 |
| Share-based payment expenses | 以股份為基礎之支出 | 1,834 | - |
| | | 471,901 | 427,769 |

(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 12% of the basic salaries of the subsidiary's employees, and has no further obligations for the actual payment of pensions or post-retirement benefits beyond the annual 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\$1,250 per month and thereafter contributions are voluntary.

(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12%向計劃作出供款，而除年度供款外，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1,250港元為上限，其後作出之供款屬自願性質。

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

25. EMPLOYEE BENEFITS EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) (Cont'd)

(b) Directors' emoluments

The remuneration of every director for the year ended 31 March 2014 is set out below:

| | | Fees 袍金 HK\$'000 千港元 | Salaries 薪金 HK\$'000 千港元 | Discretionary Bonuses 酌情花紅 HK\$'000 千港元 | Employer's contribution to retirement schemes 退休計劃之 僱主供款 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|-------------------------|-----|-------------------------------|-----------------------------------|---|--|--------------------------------|
| Ip Ping Im | 葉炳棧 | - | - | - | - | - |
| Choi Kin Chung | 蔡建中 | - | - | - | - | - |
| Wan Wai Loi | 尹惠來 | 1,500 | 3,630 | 8,481 | 15 | 13,626 |
| Tsang Kang Po | 曾鏡波 | 1,000 | 3,350 | 7,111 | 15 | 11,476 |
| Lam Wing Tak | 林榮德 | 1,000 | 3,125 | 5,617 | 15 | 9,757 |
| Lau Yiu Tong | 劉耀棠 | - | - | - | - | - |
| Chan Yue Kwong, Michael | 陳裕光 | 210 | - | - | - | 210 |
| Ng Ching Wah | 伍清華 | 210 | - | - | - | 210 |
| Sze Kwok Wing, Nigel | 施國榮 | 210 | - | - | - | 210 |
| | | 4,130 | 10,105 | 21,209 | 45 | 35,489 |

The remuneration of every director for the year ended 31 March 2013 is set out below:

| | | Fees 袍金 HK\$'000 千港元 | Salaries 薪金 HK\$'000 千港元 | Discretionary bonuses 酌情花紅 HK\$'000 千港元 | Employer's contribution to retirement scheme 退休計劃之 僱主供款 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|----------------------------|-------------------------------|-----------------------------------|---|---|--------------------------------|
| Ip Ping Im | 葉炳棧 | - | - | - | - | - |
| Choi Kin Chung | 蔡建中 | - | - | - | - | - |
| Wan Wai Loi | 尹惠來 | 1,500 | 2,790 | 6,366 | 15 | 10,671 |
| Tsang Kang Po | 曾鏡波 | 1,000 | 2,900 | 5,663 | 15 | 9,578 |
| Lam Wing Tak | 林榮德 | 1,000 | 2,900 | 5,762 | 15 | 9,677 |
| Lam King Man (retired on 10 August 2012) (Note) | 林景文(於2012年 8月10日退任)(附註) | 333 | 570 | - | 4 | 907 |
| Lam Hing Chau, Leon (retired on 10 August 2012) (Note) | 林興就(於2012年 8月10日退任)(附註) | 333 | 520 | - | 4 | 857 |
| Lau Yiu Tong | 劉耀棠 | - | - | - | - | - |
| Chan Yue Kwong, Michael | 陳裕光 | 150 | - | - | - | 150 |
| Ng Ching Wah | 伍清華 | 150 | - | - | - | 150 |
| Sze Kwok Wing, Nigel | 施國榮 | 150 | - | - | - | 150 |
| | | 4,616 | 9,680 | 17,791 | 53 | 32,140 |

Note: Retired as executive directors while remain as employees.

附註：退任為執行董事仍為僱員。

綜合財務報表附註(續)

25. 僱員福利支出(包括董事酬金)

(b) 董事酬金

截至2014年3月31日止年度，各董事之酬金如下：

截至2013年3月31日止年度，各董事之酬金如下：

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

25. EMPLOYEE BENEFITS EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) (Cont'd)

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year ended 31 March 2014 include 3 directors (2013: 3 directors), whose emoluments are reflected in the analysis presented above. The aggregate emoluments payable to the remaining 2 individuals (2013: 2) are as follows:

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|---|----------------|----------------------------------|----------------------------------|
| Basic salaries, housing allowances and other allowances | 基本薪金、房屋津貼及其他津貼 | 2,710 | 3,367 |
| Discretionary bonus | 酌情花紅 | 1,524 | 1,400 |
| Retirement benefit — defined contribution schemes | 退休福利 — 定額供款計劃 | 15 | 21 |
| Share-based compensation expenses | 以股份為基礎之彌償支出 | 183 | — |
| | | 4,432 | 4,788 |

The number of non-directors with emoluments within the following bands:

非董事人士之酬金在下列範圍之人數：

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|-------------------------------|-------------------------|----------------------------------|----------------------------------|
| HK\$2,500,001 – HK\$3,000,000 | 2,500,001港元–3,000,000港元 | — | 1 |
| HK\$2,000,001 – HK\$2,500,000 | 2,000,001港元–2,500,000港元 | 1 | 1 |
| HK\$1,500,001 – HK\$2,000,000 | 1,500,001港元–2,000,000港元 | 1 | — |
| | | 2 | 2 |

綜合財務報表附註(續)

25. 僱員福利支出(包括董事酬金)(續)

(c) 五名最高薪人士

截至2014年3月31日止年度，本集團之最高薪人士包括3名董事(2013年：3名董事)，彼等之酬金已於上列分析反映。應付餘下2名人士(2013年：2名)之酬金總額如下：

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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

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|--|----------------------|----------------------------------|----------------------------------|
| Finance income: | 財務收入： | | |
| — Bank interest income | — 銀行利息收入 | 8,287 | 13,842 |
| — Net foreign exchange gains on cash and cash equivalents | — 現金及現金等值項目之外匯兌換收益淨值 | - | 1,458 |
| | | 8,287 | 15,300 |
| Finance costs: | 財務成本： | | |
| — Net foreign exchange losses on cash and cash equivalents | — 現金及現金等值項目之外匯兌換虧損淨值 | (1,594) | - |
| Net finance income | 財務收入淨值 | 6,693 | 15,300 |

27. INCOME TAX EXPENSE

The Group is primarily subject to the Hong Kong profits tax and PRC corporate income tax. Hong Kong profits tax has been provided for at the rate of 16.5% (2013: 16.5%) on the estimated assessable profits for the year. PRC corporate income tax has been provided for at the rate of 25% (2013: 25%) on the estimated assessable profits for the year.

The amount of income tax charged to the consolidated income statement represents:

27. 所得稅開支

本集團主要繳納香港利得稅與中國企業所得稅。香港利得稅乃就有關年內估計應課稅溢利按16.5% (2013年：16.5%) 作出撥備。中國企業所得稅乃就有關年內估計應課稅溢利按25% (2013年：25%) 作出撥備。

於綜合收益表扣除之所得稅為：

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|---------------------------------|------------|----------------------------------|----------------------------------|
| Current income tax | 即期所得稅 | | |
| — Hong Kong profits tax | — 香港利得稅 | 128,944 | 114,000 |
| — PRC corporate income tax | — 中國企業所得稅 | 58,790 | 56,521 |
| — Over-provision in prior years | — 過往年度超額撥備 | (5,707) | - |
| Deferred tax (Note 20) | 遞延稅項(附註20) | 14,723 | 15,780 |
| | | 196,750 | 186,301 |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

27. INCOME TAX EXPENSE (Cont'd)

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:

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|--|------------------------|----------------------------------|----------------------------------|
| Profit before income tax | 所得稅前溢利 | 1,311,141 | 1,110,614 |
| Tax calculated at weighted average domestic tax rate applicable to profits in respective countries | 按適用於相關國家之加權平均地方稅率計算之稅項 | 186,846 | 181,131 |
| Income not subject to tax | 毋須課稅收益 | (1,049) | (1,442) |
| Expenses not deductible for tax purposes | 不可扣稅開支 | 7,841 | 581 |
| Over-provision in prior years | 過往年度超額撥備 | (5,707) | - |
| Tax losses not recognised | 未確認稅項虧損 | 447 | 190 |
| Tax on the undistributed retained earnings of the Group's subsidiaries | 本集團之附屬公司未分派保留溢利之稅項 | 8,813 | 12,080 |
| Others | 其他 | (441) | (6,239) |
| | | 196,750 | 186,301 |

The weighted average domestic applicable tax rate was:

加權平均地方適用稅率如下：

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|---|-----------------------------|----------------------------------|----------------------------------|
| Weighted average domestic applicable tax rate, after incorporating companies exempted from income tax | (包括集團中被免徵所得稅之公司) 加權平均地方適用稅率 | 14.3% | 16.3% |

綜合財務報表附註(續)

27. 所得稅開支(續)

就本集團除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：

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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 during the year.

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013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 | 1,116,802 | 925,165 |
| Weighted average number of shares in issue (thousands) | 已發行股份加權平均數(千股) | 1,445,579 | 1,435,287 |
| Basic earnings per share (HK\$ per share) | 每股基本盈利(每股港元) | 0.77 | 0.64 |

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential shares. For the year ended 31 March 2014 and 2013, the Company has one category of dilutive potential shares which is share options. A calculation is carried out to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of share calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

綜合財務報表附註(續)

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計算。

(b) 攤薄

每股攤薄盈利乃經調整未發行股份之加權平均數至假設兌換所有攤薄潛在股份計算。截至2014年與2013年3月31日止年度，本公司有一類攤薄潛在股份，指購股權。根據未行使期權所附的認購權的貨幣價值，以釐定按公允價值(釐定為本公司股份的平均年度市價)可購入的股份數目。按以上方式計算的股份數目，與假設期權行使而應已發行的股份數目作出比較。

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd) 綜合財務報表附註(續)

28. EARNINGS PER SHARE (Cont'd) (b) Diluted (Cont'd)

28. 每股盈利(續) (b) 攤薄(續)

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013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 | 1,116,802 | 925,165 |
| Weighted average number of shares in issue (thousands) | 已發行股份加權平均數(千股) | 1,445,579 | 1,435,287 |
| Adjustments for share options (thousands) | 購股權之調整(千股) | - | 647 |
| Weighted average number of shares for diluted earnings per share (thousands) | 每股攤薄盈利之股份加權平均數(千股) | 1,445,579 | 1,435,934 |
| Diluted earnings per share (HK\$ per share) | 每股攤薄盈利(每股港元) | 0.77 | 0.64 |

As the exercise price of the share options granted by the Company was higher than the average market price of the Company's shares for the year ended 31 March 2014, the outstanding share options had no dilutive effect on earnings per share. Accordingly, diluted earnings per share was the same as basic earnings per share for the year ended 31 March 2014.

由於本公司授出之購股權之行使價高於截至2014年3月31日止年度本公司股份之平均市價，尚未行使之購股權對每股盈利並無攤薄影響。因此，截至2014年3月31日止年度每股攤薄盈利與每股基本盈利相等。

29. DIVIDENDS

29. 股息

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|---|-------------------------------------|----------------------------------|----------------------------------|
| Interim dividend paid of HK40 cents (2013: HK15 cents) (Note (i)) | 已派付港幣40仙之中期股息 (2013年：港幣15仙)(附註(i)) | 578,569 | 215,760 |
| No interim special dividend paid (2013: HK25 cents) (Note (i)) | 無中期特別股息 (2013年：港幣25仙)(附註(i)) | - | 359,599 |
| Proposed final dividend of HK40 cents (2013: HK40 cents) (Note (ii)) | 擬派付港幣40仙之末期股息 (2013年：港幣40仙)(附註(ii)) | 578,569 | 577,753 |
| Proposed final special dividend of HK25 cents (2013: Nil) (Note (ii)) | 擬派付港幣25仙之末期特別股息 (2013年：無)(附註(ii)) | 361,606 | - |
| | | 1,518,744 | 1,153,112 |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

29. DIVIDENDS (Cont'd)

Notes:

- (i) On 22 November 2013, the Company's Board of Directors declared an interim dividend of HK40 cents per share (2013: HK15 cents per share) and no interim special dividend (2013: HK25 cents per share), for the six-month period ended 30 September 2013. The amount was paid on 30 December 2013.
- (ii) On 27 June 2014, the Company's Board of Directors proposed a final dividend of HK40 cents per share and a final special dividend of HK25 cents per share for the year ended 31 March 2014. These proposed dividends are not reflected as dividend payable in these financial statements.

綜合財務報表附註(續)

29. 股息(續)

附註：

- (i) 於2013年11月22日，本公司董事局宣派截至2013年9月30日止六個月期間止中期股息每股港幣40仙(2013年：每股港幣15仙)而無中期特別股息(2013年：每股港幣25仙)。該等款項已於2013年12月30日支付。
- (ii) 於2014年6月27日，本公司董事局建議截至2014年3月31日止年度末期股息每股港幣40仙與末期特別股息每股港幣25仙。擬派付股息並無於該等財務報表上反映為應付股息。

30. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Cash generated from operations

30. 綜合現金流量表附註

(a) 經營業務所產生現金

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|--|-----------------------|----------------------------------|----------------------------------|
| Profit before income tax | 所得稅前溢利 | 1,311,141 | 1,110,614 |
| Adjustments for: | 以下各項之調整： | | |
| Share of profits of associates | 應佔聯營公司溢利 | (36,499) | (26,911) |
| Share of losses of joint ventures | 應佔合營公司虧損 | 20,655 | 496 |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 157,819 | 188,748 |
| Amortisation of land use rights | 土地使用權攤銷 | 1,306 | 1,272 |
| (Gain)/loss on disposal of property, plant and equipment | 出售物業、廠房及設備之(盈利)/虧損 | (11,996) | 4,465 |
| Share based payment expenses | 以股份為基礎之支出支付 | 1,834 | - |
| Interest income | 利息收入 | (8,287) | (13,842) |
| Operating profit before working capital changes | 營運資金變動前之經營溢利 | 1,435,973 | 1,264,842 |
| Increase in inventories | 存貨增加 | (136,995) | (90,561) |
| Decrease/(increase) in trade and receivables bills | 應收賬款及票據減少/(增加) | 107,742 | (25,985) |
| Decrease/(increase) in deposits, prepayments and other receivables | 按金、預付款項及其他應收款項減少/(增加) | 9,934 | (9,213) |
| Decrease/(increase) in amounts due from associates | 應收聯營公司款項減少/(增加) | 20,955 | (15,608) |
| Increase in derivative financial instruments | 衍生金融工具增加 | 22,742 | 1,410 |
| Increase/(decrease) in trade and bills payables | 應付賬款及票據增加/(減少) | 56,506 | (145,597) |
| Increase in accruals and other payables | 應計項目及其他應付款項增加 | 18,026 | 21,783 |
| Increase/(decrease) in amount due to an associate | 應付聯營公司款項增加/(減少) | 6,030 | (1,796) |
| Cash generated from operations | 經營業務所產生現金 | 1,540,913 | 999,275 |

Financial Information

財務資料

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：

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|--|-----------------------|----------------------------------|----------------------------------|
| Net book amount (Note 7) | 賬面淨值(附註7) | 3,095 | 4,837 |
| Gain/(loss) on disposal of property, plant and equipment | 出售物業、廠房設備之 收益/(虧損) | 11,996 | (4,465) |
| Unrealised gain on sales of machinery to an associate | 聯營公司銷售機器之 未變現收益 | 4,054 | - |
| Proceeds from disposal of property, plant and equipment | 出售物業、廠房及設備所得款項 | 19,145 | 372 |

31. CONTINGENT LIABILITIES

At 31 March 2014, the Group and the Company had no material contingent liabilities (2013: Nil).

31. 或有負債

於2014年3月31日，本集團與本公司並無重大或有負債(2013年：無)。

32. COMMITMENTS

(a) Capital commitments

Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

32. 資本應承擔

(a) 資本承擔

於結算日已訂約尚未產生之資本開支如下：

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013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 | 116,334 | 88,883 |
| Leasehold land and land use rights | 租賃土地與土地使用權 | 48,151 | 48,557 |
| | | 164,485 | 137,440 |

At 31 March 2014, the Group did not have any significant share of capital commitments of its associates and joint ventures (2013: Nil).

於2014年3月31日，本集團聯營公司與合營公司並無重大資本承擔(2013年：無)。

At 31 March 2014, the Group had authorised an injection of capital of approximately HK\$522,992,000 (equivalent of US\$67,426,000) (2013: HK\$523,396,000 (equivalent of US\$67,426,000)) as capital of a subsidiary in Vietnam.

於2014年3月31日，本集團已批准向越南附屬公司注資約為522,992,000港元(相等於67,426,000美元)(2013年：523,396,000港元(相等於67,426,000美元))。

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

32. COMMITMENTS (Cont'd)

(b) Operating lease commitments

The Group had future aggregate minimum lease payments under non-cancellable operating leases of land and buildings, as follows:

As lessee:

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|--|------------|----------------------------------|----------------------------------|
| Not later than 1 year | 不超過1年 | 352 | 252 |
| Later than 1 year and not later than 5 years | 超過1年但不超過5年 | 98 | 554 |
| | | 450 | 806 |

The Group had future aggregate minimum lease receipts under non-cancellable operating leases, as follows:

As lessor:

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|--|------------|----------------------------------|----------------------------------|
| Not later than 1 year | 不超過1年 | 1,131 | 530 |
| Later than 1 year and not later than 5 years | 超過1年但不超過5年 | 1,177 | 115 |
| | | 2,308 | 645 |

綜合財務報表附註(續)

32. 資本應承擔(續)

(b) 經營租約承擔

本集團根據土地及樓宇之不可撤銷經營租約未來最低租金款項總額如下：

承租人：

本集團不可撤銷經營租約未來最低租金款項總額如下：

出租人：

33. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

33. 有關連人士交易

倘任何一方有能力直接或間接控制另一方，或對另一方之財政及營運決策行使重大影響力，則此等人士被視為有關連。倘有關連人士受共同控制或共同重大影響，則亦被視為有關連。

Financial Information

財務資料

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：

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|-----------------------------------|-------------------|----------------------------------|----------------------------------|
| Sale of goods | 銷售貨品 | | |
| Related party (Note (i) and (ii)) | 有關連人士(附註(i)與(ii)) | 2,136 | 515 |
| An associate (Note (ii)) | 聯營公司(附註(ii)) | 26,431 | 24,919 |
| | | 28,567 | 25,434 |
| Sale of machinery | 售賣機器 | | |
| An associate (Note (ii)) | 聯營公司(附註(ii)) | 10,134 | - |
| Rental income | 租金收入 | | |
| An associate (Note (iii)) | 聯營公司(附註(iii)) | 5,952 | 4,333 |
| Sub-contracting income | 分包收入 | | |
| An associate (Note (ii)) | 聯營公司(附註(ii)) | 9,663 | 6,360 |
| Handling income | 處理收入 | | |
| An associate (Note (iv)) | 聯營公司(附註(iv)) | 5,750 | 4,769 |

(b) Year-end balances arising from sub-contracting income and rental income received:

(b) 因分包收入和租金收入收取產生之年度結餘：

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|---|-----------------|----------------------------------|----------------------------------|
| Amount due from an associate for sub-contracting income and rental income | 應收聯營公司分包收入和租金收入 | 713 | 1,640 |
| Amount due to an associate for rental deposit received | 應付聯營公司預收租金按金 | (6,030) | (1,531) |

(c) Year-end balances arising from purchase of goods on behalf:

(c) 因代為購買貨品產生之年度結餘：

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|------------------------------|----------|----------------------------------|----------------------------------|
| Amount due from an associate | 應收聯營公司款項 | 67,687 | 89,246 |

Financial Information

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

33. RELATED PARTY TRANSACTIONS (Cont'd)

(d) Key management compensation

| | | 2014 2014年 HK\$'000 千港元 | 2013 2013年 HK\$'000 千港元 |
|--|---------------|----------------------------------|----------------------------------|
| Salaries, bonus and allowances | 薪金、花紅及津貼 | 37,551 | 36,855 |
| Retirement benefits — defined contribution schemes | 退休福利 — 定額供款計劃 | 55 | 73 |
| | | 37,606 | 36,928 |

Notes:

- (i) The related party is a company controlled by Mr. Henry Choi Wing Kong, the son of Mr. Choi Kin Chung, a director of the Company.
- (ii) Goods and machinery are sold and sub-contracting income are received at prices mutually agreed by both parties in the ordinary course of business.
- (iii) Rental income received is based on the size of the property and the relevant market rate.
- (iv) Handling fee received from an associate is charged at 2%–3% of the value of certain purchases made as an agent of the associate, and the rate of the handling fee were mutually agreed by both parties. These transactions are not included as the Group's sales and costs of sales.

附註：

- (i) 有關連人士為本公司董事蔡建中先生之兒子蔡穎剛先生控制之公司。
- (ii) 貨品和機器銷售與分包收入乃在日常業務過程中按雙方協定之價格收取。
- (iii) 收取租金收入是基於物業大小與相關市場利率計算。
- (iv) 向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按2%至3%收取，而處理費用比率乃經雙方共同協商。該交易並未計入本集團銷售與銷售成本。

34. PROFIT ATTRIBUTABLE TO EQUITY HOLDERS

The profit attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of approximately HK\$1,295,812,000 (2013: HK\$998,610,000).

綜合財務報表附註(續)

33. 有關連人士交易(續)

(d) 主要管理人員酬金

34. 權益持有人應佔溢利

本公司權益持有人應佔溢利於財務報表所示約1,295,812,000港元(2013年：998,610,000港元)。

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 | | | | |
|-------------------------------|-----------|------------------------------------|-----------|-----------|-----------|-----------|
| | | 2014 | 2013 | 2012 | 2011 | 2010 |
| | | 2014年 | 2013年 | 2012年 | 2011年 | 2010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 | 7,423,481 | 6,649,206 | 6,419,952 | 7,180,664 | 5,883,413 |
| Gross profit | 毛利 | 1,361,371 | 1,181,534 | 1,098,780 | 1,289,959 | 1,211,764 |
| Profit attributable to: | 下列人士應佔溢利： | | | | | |
| Equity holders of the Company | 本公司權益持有人 | 1,116,802 | 925,165 | 893,053 | 876,374 | 803,186 |
| Non-controlling interests | 非控制性權益 | (2,411) | (852) | 982 | 17,876 | 15,665 |
| | | 1,114,391 | 924,313 | 894,035 | 894,250 | 818,851 |

CONSOLIDATED BALANCE SHEET

綜合資產負債表

| | | As at 31 March, 於3月31日 | | | | |
|---------------------------------------|-----------|---------------------------|-----------|-----------|-----------|-----------|
| | | 2014 | 2013 | 2012 | 2011 | 2010 |
| | | 2014年 | 2013年 | 2012年 | 2011年 | 2010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 | 1,471,289 | 1,372,858 | 1,489,768 | 1,572,210 | 1,738,731 |
| Current assets | 流動資產 | 3,882,065 | 3,903,785 | 3,872,268 | 3,727,720 | 2,917,553 |
| Total assets | 資產總值 | 5,353,354 | 5,276,643 | 5,362,036 | 5,299,930 | 4,656,284 |
| Current liabilities | 流動負債 | 1,308,765 | 1,210,781 | 1,319,245 | 1,383,138 | 1,318,660 |
| Total assets less current liabilities | 資產總值減流動負債 | 4,044,589 | 4,065,862 | 4,042,791 | 3,916,792 | 3,337,624 |
| Non-current liabilities | 非流動負債 | 105,776 | 93,583 | 80,814 | 29,212 | 17,671 |
| Total equity | 權益總額 | 3,938,813 | 3,972,279 | 3,961,977 | 3,887,580 | 3,319,953 |
| Net current assets | 流動資產淨值 | 2,573,300 | 2,693,004 | 2,553,023 | 2,344,582 | 1,598,893 |
| Equity attributable to: | 下列人士應佔權益： | | | | | |
| Equity holders of the Company | 本公司權益持有人 | 3,935,013 | 3,965,845 | 3,954,691 | 3,800,556 | 3,254,230 |
| Non-controlling interests | 非控制性權益 | 3,800 | 6,434 | 7,286 | 87,024 | 65,723 |
| | | 3,938,813 | 3,972,279 | 3,961,977 | 3,887,580 | 3,319,953 |

Glossary

專用詞彙

In this annual report (other than the Independent Auditor's Report and Financial Information), unless the context otherwise requires, the following expression 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：

| | | | |
|-----------------------|--|-------------|---|
| "2014 Financial Year" | for the year ended 31 March 2014 | 「2014年財政年度」 | 截至2014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」 | 本公司不時修訂之公司組織章程細則 |
| "Board" | The board of Directors of the Company | 「董事局」 | 本公司之董事局 |
| "CG Code" | the Corporate Governance Code | 「企業管治守則」 | 企業管治守則 |
| "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受豁免有限公司，其股份於聯交所上市 |
| "Directors" | 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 |
| "INED" | the independent non-executive Directors | 「獨立非執行董事」 | 本公司的獨立非執行董事 |
| "Listing Rules" | the Rules Governing the Listing of Securities on the Stock Exchange | 「上市規則」 | 聯交所證券上市規則 |
| "Model Code" | Model Code for Securities Transactions by Directors of Listed Issuers | 「標準守則」 | 上市發行人董事進行證券交易的標準守則 |
| "PT Sri Lanka" | Textured Jersey Lanka PLC (formerly known as Textured Jersey Lanka (Private) Limited), a limited liability company incorporated under the laws of Sri Lanka | 「PT斯里蘭卡」 | Textured Jersey Lanka PLC (前稱Textured Jersey Lanka (Private) Limited)，一間根據斯里蘭卡法律註冊成立之有限公司 |
| "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 issued by the Company, with a nominal value of HK\$0.001 each | 「本公司股份」 | 本公司所發行每股面值0.001港元之股份 |
| "Share Option Scheme" | The share option scheme adopted by the Company pursuant to the written resolutions of the Shareholders of the Company passed on 27 April 2007 | 「購股權計劃」 | 根據本公司股東於2007年4月27日通過之書面決議案批准及採納之購股權計劃 |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited | 「聯交所」 | 香港聯合交易所有限公司 |



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