



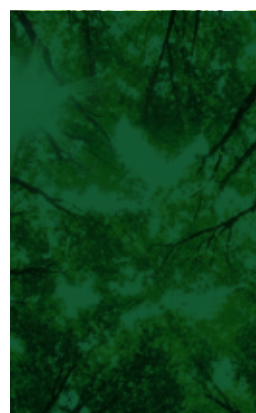
PACIFIC TEXTILES HOLDINGS LIMITED

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)



2017/18  
Annual Report  
年報



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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. WAN Wai Loi (*Chairman and Chief Executive Officer*)  
Mr. LAU Yiu Tong (*Vice Chairman with effect from 1 July 2017, and re-designated as Executive Director from Non-executive Director from 1 July 2017*)  
Mr. TOU Kit Vai (*Chief Financial Officer, and appointed as Executive Director with effect from 1 July 2017*)  
Mr. Toshiya ISHII (*appointed as Executive Director on 1 October 2017*)

#### Non-executive Directors

Mr. CHOI Kin Chung  
Mr. TSANG Kang Po (*Vice Chairman, till 1 July 2017, and re-designated as Non-executive Director from 1 July 2017, resigned on 1 July 2018*)  
Mr. IP Ping Im (*deceased on 27 October 2017*)  
Mr. LAM Wing Tak (*resigned on 22 May 2017*)

#### Independent Non-executive Directors

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

### AUDIT COMMITTEE

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

### REMUNERATION COMMITTEE

Dr. CHAN Yue Kwong, Michael (*Chairman*)  
Mr. NG Ching Wah  
Mr. SZE Kwok Wing, Nigel  
Mr. WAN Wai Loi  
Mr. LAU Yiu Tong (*became a member since 1 July 2017*)  
Mr. TSANG Kang Po (*ceased to be a member since 1 July 2017*)

### NOMINATION COMMITTEE

Mr. NG Ching Wah (*Chairman*)  
Dr. CHAN Yue Kwong, Michael  
Mr. SZE Kwok Wing, Nigel  
Mr. WAN Wai Loi  
Mr. LAU Yiu Tong (*became a member since 1 July 2017*)  
Mr. TSANG Kang Po (*ceased to be a member since 1 July 2017*)

### COMPANY SECRETARY

Ms. Chan Sau Yee (*appointed on 23 November 2017*)

### 董事局

#### 執行董事

尹惠來先生 (*主席兼行政總裁*)  
劉耀棠先生 (*自2017年7月1日起擔任副主席，並於同日起從非執行董事調任為執行董事*)  
杜結威先生 (*首席財務總監，並自2017年7月1日起獲委任為執行董事*)  
石井俊哉先生 (*於2017年10月1日獲委任為執行董事*)

#### 非執行董事

蔡建中先生  
曾鏡波先生 (*為副主席至2017年7月1日止並於同日調任為非執行董事，於2018年7月1日辭任*)  
葉炳樸先生 (*於2017年10月27日逝世*)  
林榮德先生 (*於2017年5月22日辭任*)

#### 獨立非執行董事

陳裕光博士  
伍清華先生  
施國榮先生

### 審核委員會

施國榮先生 (*主席*)  
陳裕光博士  
伍清華先生

### 薪酬委員會

陳裕光博士 (*主席*)  
伍清華先生  
施國榮先生  
尹惠來先生  
劉耀棠先生 (*自2017年7月1日起擔任成員*)  
曾鏡波先生 (*自2017年7月1日起不再擔任成員*)

### 提名委員會

伍清華先生 (*主席*)  
陳裕光博士  
施國榮先生  
尹惠來先生  
劉耀棠先生 (*自2017年7月1日起擔任成員*)  
曾鏡波先生 (*自2017年7月1日起不再擔任成員*)

### 公司秘書

陳秀儀女士 (*於2017年11月23日獲委任*)

**PRINCIPAL BANKERS**

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

**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 PLACE OF BUSINESS IN VIETNAM**

Lai Vu Industrial Zone  
Kim Thanh District  
Hai Duong Province  
Vietnam

**PRINCIPAL SHARE REGISTRAR**

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

**HONG KONG BRANCH SHARE REGISTRAR**

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

**HONG KONG STOCK EXCHANGE STOCK CODE**

01382

**COMPANY WEBSITE**

[www.pacific-textiles.com](http://www.pacific-textiles.com)

**主要往來銀行**

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

**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

**越南主要營業地點**

Lai Vu Industrial Zone  
Kim Thanh District  
Hai Duong Province  
Vietnam

**主要股份過戶登記處**

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

**股份過戶登記處香港分處**

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

**香港聯合交易所股份代號**

01382

**公司網址**

[www.pacific-textiles.com](http://www.pacific-textiles.com)

# CHAIRMAN'S STATEMENT

## 主席報告書

### Dear Shareholders

On behalf of the Board, I hereby present the Group's consolidated financial results for the 2018 Financial Year and give an overview of the Group's strategy and business outlook.

### FINANCIAL PERFORMANCE REVIEW

Last year was a special year for the Group with challenges and change. The business of the Company has been affected by economic factors as well as unforeseen special circumstances in Vietnam factory area. The business interruption of Vietnam factory due to the blockage of gateway by villagers has caused significant financial impact during the year under review. With the collective effort of the Company, our business partners and the local Government, the factory has resumed operation since January 2018, and expected to resume to its full capacity by the end of this year.

### BUSINESS OUTLOOK

The year ahead is full of challenges and opportunities. Cost of production has been rising as a result of appreciation in RMB, increased interest rate and inflated cost of operations, including labour, dye, yarn, energy as well as cost in meeting ever-rising environmental protection standard.

Thanks to the dedicated management team, the Company has stayed ahead of the relevant requirements, to name a few, the Panyu factory was (i) recognized by being nominated for "2018 Energy Management Leadership Award" by the China National Institute of Standardization Resources and Environment Branch, (ii) was recognized in water efficiency achievement (awarded 2017 Leading Water Efficient Enterprise in China by the Ministry of Industry and Information Technology and the National Development and Reform Commission ("NDRC")), (iii) was selected by NDRC to be a pilot enterprise in a Sino-Japanese research project in energy saving technology (NEDO Project). We believe that our persistent pursuit of green production would not only bring in economic benefit (i.e. lower average cost in environmental protection measures) but also environmental sustainability.

In response to the increasing cost of operation, the Company has formulated strategies for the coming year by adopting cost-savings measures, focusing on high-end products and increasing average product price with a view to enhance profitability. Having said that, higher product price may also slow down the growth of overall sales orders which may partially offset the effect of price increment.

To address the concern on likelihood of trade barriers and shortage of labour, and to achieve cost saving and increase flexibility, the Company looks for opportunity to diversify its production bases by establishing new production sites in South East Asia to manage the relevant risk.

### 各位股東：

本人謹代表董事局提呈本集團2018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。

### 財務表現回顧

去年充滿挑戰及變化，對本集團而言別具意義。本公司業務受經濟因素以及越南廠房地區出現突如其來的特別狀況所影響。連接越南廠房入口的大道被村民堵住令其營運受阻，對回顧年內造成重大財務影響。在本公司、業務夥伴及當地政府共同努力下，該廠房已於2018年1月起恢復運作，預期將於本年底可回復到其最高產能。

### 業務展望

來年充滿挑戰與機遇。受人民幣升值、加息及營運成本（包括勞工、染色、紗及能源）上漲以及為達到不斷提高的環保標準而產生的成本所影響，生產成本一直上升。

有賴傑出管理團隊的努力，本公司在配合相關要求方面表現超卓且屢獲殊榮，舉例而言，番禺廠房(i)獲提名中國標準化研究院資源與環境分院「2018年能源管理領導獎」；(ii)在善用水資源方面榮獲中華人民共和國工業和信息化部以及國家發展和改革委員會（「發改委」）頒發「2017年重點用水企業水效領跑者」獎項；及(iii)獲發改委挑選為節能技術相關中日研究項目（新能源產業技術綜合開發機構計劃）的試行企業。我們相信，本公司對進行綠色生產的不懈堅持不但可帶來經濟裨益（如減低環保措施的平均成本），亦有助推動環境的可持續發展。

為應對營運成本增加，本公司已為來年制定策略，其中包括採取節省成本的措施、集中投放資源於高端產品及提高平均產品價格，以期加強盈利能力。然而，產品價格上升可能會減慢整體銷售訂單的增長，而銷售訂單增長減慢可能會部分抵銷加價的影響。

為解決可能出現的貿易壁壘、人手短缺的問題、節省成本以及增加靈活性，本公司正物色於東南亞設立新的生產設施以分散其生產基地以管理相關風險。

During the year, Toray Industries Inc. has become our substantial shareholder, the Company looks for the potential synergy effect which hopefully could assist the Company to boost closer business relationship with customers in Japan and develop more new products.

## APPRECIATION

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

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, 21 June 2018

年內，Toray Industries, Inc. 成為我們的主要股東，此舉所帶來的潛在協同效應將有望協助本公司大大拉近與日本客戶的業務關係，及開發更多新產品。

## 致謝

本人謹代表董事局藉此向我們的客戶、業務夥伴、供應商、持份者及往來銀行於此期間對本集團的充分支持致以誠摯謝意。本人衷心祈望我們的員工能與本集團共同發展，享受和諧生活，並在本集團內盡展所長。

本人亦感謝我們的股東於過去一年對本集團的大力支持與信任。

### 承董事局命

主席

尹惠來

香港，2018年6月21日

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### OVERVIEW

#### BUSINESS AND FINANCIAL REVIEW

The Company is an investment holding company. The Group is principally engaged in the manufacturing and trading of textile products, including high quality cotton and synthetic knitted fabric.

#### Revenue

During the year under review, the revenue of the Group approximately HK\$6,098.2 million (2017: approximately HK\$5,993.6 million), representing an increase of 2% as compared with the year ended 31 March 2017.

Revenue generated from sales of good from different geographical locations (as determined by where the products is delivered) is set out in note 5 to the Financial Statement of the Company in page 106.

#### Profit

During the year under review, the profit attributable to equity holders of the Company was HK\$744 million (2017: approximately HK\$975.6 million), a decrease of 24% as compared with last year.

The downturn was mainly due to various factors, including but not limited to:

- (i) the absence of gain on reversal of provision for impairment of interest in an associate as in the previous year (amounted to approximately HK\$46.8 million in 2017);
- (ii) higher fixed cost absorption and expenses incurred to meet customer claims arising from the suspension of production of the Vietnam factory during the the year under review, which amounted to around HK\$100 million;
- (iii) the inflation of production costs, such as yarn, chemicals, labor, coal as well as appreciation of RMB during the year under review.

#### Selling and distribution expenses

The selling expenses increased to HK\$94.2 million (2017: HK\$50.8 million) mainly due to the increase of cost in meeting customer claims arising from suspension of production of the Vietnam factory during April 2017 to December 2017.

#### Administration expenses

The administration expenses increased to HK\$142.3 million (2017: HK\$126.5 million) as a result of increased labour cost and appreciation of RMB.

#### Finance costs

Finance costs from continuing operations consists of interest expenses on bank loan, increased by approximate 36% to HK\$16.9 million (2017: HK\$12.4 million) as a result of combined effect in exchange loss in USD loan (due to USD appreciation) despite the overall interest expense on total bank loan had decreased during the period.

### 概覽

#### 業務及財務回顧

本公司為投資控股公司。本集團主要從事紡織產品（包括優質全棉及化纖針織布）之製造及貿易。

#### 收入

於回顧年度，本集團之收入為約6,098.2百萬港元（2017年：約5,993.6百萬港元），較截至2017年3月31日止年度增加2%。

不同地區銷售貨品產生的收入（根據產品交付地點釐定）載於第106頁本公司財務報表附註5。

#### 溢利

於回顧年度，本公司權益持有人應佔溢利為744百萬港元（2017年：約975.6百萬港元），較去年減少24%。

溢利減少乃主要由於多項因素所致，包括但不限於：

- (i) 有異於去年，本年度並無錄得於一間聯營公司之權益減值撥備撥回收益（2017年為約46.8百萬港元）；
- (ii) 於回顧年度為應對因越南廠房暫停生產導致的較高固定成本之分擔及客戶索償所承擔的費用而使開支增加，為約100百萬港元；
- (iii) 生產成本增加，如紗、化工品、勞工、煤炭以及人民幣於回顧年度升值。

#### 銷售及分銷開支

銷售開支增至94.2百萬港元（2017年：50.8百萬港元），乃主要由於2017年4月至2017年12月應對因越南廠房暫停生產導致的客戶索償令成本增加。

#### 行政開支

行政開支因勞工成本增加及人民幣升值增至142.3百萬港元（2017年：126.5百萬港元）。

#### 財務成本

持續經營業務之財務成本包括銀行貸款利息開支，增加約36%至16.9百萬港元（2017年：12.4百萬港元），原因是儘管期內銀行貸款總額的整體利息開支減少，美元升值令美元貸款產生匯兌虧損的綜合影響。

## OVERVIEW (Cont'd)

### BUSINESS AND FINANCIAL REVIEW (Cont'd)

#### Trade receivables day and Trade payable day

Trade receivables day was 56 days while the trade payable day was 61 days.

#### Income tax

The Group recorded an income tax expense from continuing operations of approximately HK\$130.1 million during the year under review (2017: HK\$146.6 million). There was no change in applicable tax rates for the Company's subsidiaries for both years. The average effective tax rate of the Company was 15.2% which was higher than last year (2017: 12.9%) because the subsidiary in Vietnam could not enjoy the tax holiday of Vietnam as loss was recorded during the year under review.

#### Assets

As at 31 March 2018, the total assets of the Group was HK\$4,852.7 million (2017: HK\$5,011.8 million), representing a decrease of 3%. The total assets comprises non-current assets of HK\$2,046.4 million (2017: HK\$1,889.2 million), and current asset of HK\$2,806.3 million (2017: 3,122.6 million).

#### Key financial ratios are set out below:

## 概覽 (續)

### 業務及財務回顧 (續)

#### 應收賬款天數及應付賬款天數

應收賬款天數為56天，而應付賬款天數為61天。

#### 所得稅

於回顧年度，本集團錄得持續經營業務之所得稅開支約130.1百萬港元（2017年：146.6百萬港元）。本公司附屬公司於兩個年度之適用稅率並無變動。本公司之平均實際稅率為15.2%，較去年（2017年：12.9%）為高，此乃由於越南附屬公司於回顧年度錄得虧損，無法享有越南免稅期。

#### 資產

於2018年3月31日，本集團之資產總值減少3%至4,852.7百萬港元（2017年：5,011.8百萬港元）。總產總值包括非流動資產2,046.4百萬港元（2017年：1,889.2百萬港元）及流動資產2,806.3百萬港元（2017年：3,122.6百萬港元）。

#### 關鍵財務比率載列如下：

		For the year ended 31 March 截至3月31日止年度	
		2018	2017
		2018年	2017年
Gross Profit Margin <sup>(1)</sup>	毛利率 <sup>(1)</sup>	15.5%	18.6%
Return on Equity <sup>(2)</sup>	權益回報率 <sup>(2)</sup>	21.7%	31.1%
Interest Coverage Ratio <sup>(3)</sup>	利息覆蓋比率 <sup>(3)</sup>	117.2	105.8

(1) The calculation of Gross Profit Margin is based on gross profit divided by revenue and multiplied by 100%.

(2) The calculation of Return on Equity is based on profit for the year divided by total equity and multiplied by 100%.

(3) The calculation of Interest Coverage Ratio is based on profit before interest and tax expenses divided by interest expenses.

(1) 毛利率乃按毛利除以收入再乘以100%計算。

(2) 權益回報率乃按年內溢利除以權益總額再乘以100%計算。

(3) 利息覆蓋比率乃按除利息及稅項開支前溢利除以利息開支計算。



#### OVERVIEW (Cont'd)

##### BUSINESS AND FINANCIAL REVIEW (Cont'd)

###### Liquidity and financial resources and capital structure

As at 31 March 2018, the Group was in a net cash position of HK\$207.3 million (2017: HK\$465.4 million).

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

As at 31 March 2018, the Group had total cash and bank balances of HK\$666.7 million (2017: HK\$1,081.8 million), including HK\$106.1 million, the equivalent of HK\$465.2 million denominated in US\$, the equivalent of HK\$86.2 million denominated in RMB, the equivalent of HK\$2.9 million denominated in VND and the equivalent of HK\$6.3 million denominated 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 had bank loans of HK\$313.3 million (2017: HK\$471.7 million), and a shareholder's loan of HK\$146.2 million (2017: HK\$144.8 million) contributed by our joint venture partners to our Vietnam subsidiary. The said shareholder's loan is of equity nature and is unlikely to be repaid within one year. The Group did not pledge any of its assets for bank borrowing (2017: nil).

For the 2018 Financial Year, the Group's total assets amounted to HK\$4,852.7 million (2017: HK\$5,011.8 million), representing a decrease of 3.2%. Non-current assets and current assets were HK\$2,046.4 million and HK\$2,806.3 million, respectively. The above assets were financed by current liabilities of HK\$1,311.0 million, non-current liabilities of HK\$200.8 million, and equity attributable to shareholders of HK\$3,357.6 million.

###### Capital Expenditure and Capital Commitment

The Group has adopted cautious measures and fine-tuned its capital expenditure in response to the market demand. During the year under review, total capital expenditure increased by 2% to HK\$169.9 million (2017: HK\$166.4 million), which was mainly used to purchase plant and machinery, and to finance the construction projects of Panyu plant and Vietnam Plant.

Details on the land use right, property, plant and equipment are set out on page 107 to 109 of this annual report.

#### 概覽 (續)

##### 業務及財務回顧 (續)

###### 資金流動性與財務資源及資本架構

於2018年3月31日，本集團之淨現金水平為207.3百萬港元（2017年：465.4百萬港元）。

本集團之主要營運資金來源為銷售其產品產生之現金，配以銀行借款以及我們的合營公司夥伴向越南附屬公司提供的股東貸款。

於2018年3月31日，本集團擁有現金及銀行結餘總額666.7百萬港元（2017年：1,081.8百萬港元），當中包括106.1百萬港元、相等於465.2百萬港元之美元、相等於86.2百萬港元之人民幣、相等於2.9百萬港元之越南盾及相等於6.3百萬港元之其他貨幣。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。

本集團擁有銀行貸款313.3百萬港元（2017年：471.7百萬港元）及由我們的合營公司夥伴向我們越南附屬公司提供的股東貸款146.2百萬港元（2017年：144.8百萬港元）。所述股東貸款為權益性質，並不太可能於一年內償還。本集團並無就銀行借款抵押其任何資產（2017年：無）。

於2018年財政年度，本集團資產總值為4,852.7百萬港元（2017年：5,011.8百萬港元），減少3.2%。非流動資產及流動資產分別為2,046.4百萬港元及2,806.3百萬港元。上述資產由流動負債1,311.0百萬港元、非流動負債200.8百萬港元及股東應佔權益3,357.6百萬港元提供融資。

###### 資本支出及資本承擔

本集團採取謹慎的措施，並根據市場的需求而微調資本開支。於回顧年度，本集團錄得資本開支總額增加2%至169.9百萬港元（2017年：166.4百萬港元），主要用於購買廠房和機器以及為番禺廠房及越南廠房建設項目提供資金。

土地使用權以及物業、廠房及設備之詳情載於本年報第107至第109頁。

## OVERVIEW (Cont'd)

### BUSINESS AND FINANCIAL REVIEW (Cont'd)

#### Key liquidity or leverage ratios:

## 概覽 (續)

### 業務及財務回顧 (續)

#### 主要流動資金或槓桿比率：

		As at 31 March 於3月31日	
		2018 2018年	2017 2017年
Current Ratio <sup>(4)</sup>	流動比率 <sup>(4)</sup>	2.1	1.9
Quick Ratio <sup>(5)</sup>	速動比率 <sup>(5)</sup>	1.3	1.3
Gearing Ratio <sup>(6)</sup>	資本負債比率 <sup>(6)</sup>	14.4%	19.9%
Debt to Equity Ratio <sup>(7)</sup>	負債權益比率 <sup>(7)</sup>	45.3%	57.6%

(4) The calculation of Current Ratio is based on current assets divided by current liabilities.

(4) 流動比率乃按流動資產除以流動負債計算。

(5) The calculation of Quick Ratio is based on current assets minus inventories divided by current liabilities.

(5) 速動比率乃按流動資產減存貨除以流動負債計算。

(6) The calculation of Gearing Ratio is based on total borrowings and bills payable divided by total equity multiplied by 100%.

(6) 資本負債比率乃按總借貸及應付票據除以權益總額再乘以100%計算。

(7) The calculation of Debt to Equity Ratio is based on total liabilities divided by total equity multiplied by 100%.

(7) 負債權益比率乃按負債總額除以權益總額再乘以100%計算。

#### Risk Management on Foreign Exchange and Interest Exposure

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

#### 外匯及利率風險管理

本集團面對利率及多種貨幣之外匯風險，主要涉及美元、越南盾及人民幣以及相關利率。本集團通過定期檢討及監察其利率及外匯風險管理利率及外匯風險。本集團適時對沖風險及降低相關風險。

#### Operating Lease Commitments

Details of the operating lease commitments is set out on page 146 of this annual report.

#### 經營租賃承擔

經營租賃承擔詳情載於本年報第146頁。

## ENVIRONMENTAL REPORTING AND SOCIAL REPORTING

For the year under review, the Group has continued its operating policies with commitments on water and energy efficiency as well as emission reduction. The Group has regarded energy saving and green manufacturing as key components of its sustainable developments. The results are noticeable and have been accredited by various governments as well as industrial organisations:

### 1. NOMINATION FOR 2018 ENERGY MANAGEMENT LEADERSHIP AWARD

Pacific Panyu Textiles Limited ("PPTL", the Company's subsidiary running Group's production plant in Panyu, PRC "Panyu Plant") was nominated by China National Institute of Standardization Resources and Environment Branch to participate in the 2018 Energy Management Leadership Award, this global award programme was organised by the Energy Management Working Group ("EMWG"), a joint venture of the Clean Energy Ministerial and the International Partnership for Energy Efficiency Cooperation.

### 2. 2017 CHINA ENERGY MANAGEMENT NATIONAL AWARD

PPTL was conferred the China Energy Management National Award by the PRC unit of EMWG.

### 3. 2017 LEADING WATER EFFICIENT ENTERPRISE

On the water efficiency front, PPTL, was selected, together with other 11 enterprises, as a 2017 Leading Water Efficient Enterprise, a review co-organized by the Ministry of Water Resources, Ministry of Industry and Information Technology, National Development and Reform Commission ("NDRC") and the General Administration of Quality Supervision and Quarantine of the PRC, for recognition of enterprises promoting green production. PPTL is one of the only three awarded enterprises in the textiles and dyeing industry.

### 4. NEDO PROJECT

PPTL was selected by NDRC and the New Energy and Industrial Technology Development Organization ("NEDO" note 1) to be a pilot enterprise to participate in a Sino-Japanese research project, a collaboration among the China Southern Power Grid and three power technology companies in Japan. Under the project, Japanese energy saving technologies and concepts will be introduced to PPTL to further enhance the Group's energy management process, in particular, the power plant operation, optimizing and leveling out the energy usage pattern.

Note 1: NEDO is one of the largest public research and development management organizations in Japan, it promotes greater utilization of new energy and improved energy conservation, and enhances industrial technology.

### 5. SOLAR PHOTOVOLTAIC PROJECT

For the purpose of saving energy expenses, PPTL also entered into a 20 years' cooperation arrangement with a local solar power technology enterprise. Pursuant to the arrangement, PPTL will let out certain factory premises area for deploying solar glass and solar panel, in exchange for long term discount and priority on the use of electricity generated by the solar photovoltaic system.

## 環境及社會報告

於回顧年度，本集團的營運策略繼續注重節水節能及減排。本集團將節能及綠色製造視為其可持續發展的主要組成部分，且所取得成果顯著，並獲得各個政府及行業組織認可：

### 1. 獲提名2018年能源管理領導獎

經營本集團位於中國番禺的生產廠房（「番禺廠房」）的本公司附屬公司互太（番禺）紡織印染有限公司（「番禺互太」）被中國標準化研究院資源與環境分院推薦參加2018年能源管理領導獎，此項全球獎勵計劃乃由能源管理工作組（「EMWG」）主辦，EMWG是由清潔能源部長級會議及國際能效合作夥伴關係組織聯合策劃。

### 2. 2017年度全國優秀能源案例

番禺互太獲能源管理工作組中國組評為全國優秀能源案例。

### 3. 2017年重點用水企業水效領跑者

用水效益方面，在由中國水利部、工業和信息化部、國家發展改革委員會（「發改委」）和國家品質監督檢驗檢疫總局聯合開發的，旨在表揚推行綠色製造的企業的2017年度重點用水企業水效領跑者榜，番禺互太連同其他十一間企業被評為重點用水企業水效領跑者，也是紡織印染行業僅三家被表彰企業之一。

### 4. NEDO項目

國家發改委和日本新能源產業技術綜合開發機構（「NEDO」註一）挑選了番禺互太作為試點企業，參與一項由中國南方電網綜合能源有限公司和三間日本電力技術公司合作的中日研究項目，根據該項目，日本的節能技術和概念將被引入番禺互太，以進一步提升本集團的能源管理過程，尤其是在電站運行、優化和平衡能源使用模式等方面。

註一：NEDO是日本最大的公共研究和開發管理機構之一，提倡更廣泛利用新能源和改善節能，以及提高工業技術。

### 5. 太陽能光伏項目

為了節約能源開支，番禺互太與一間當地的太陽能科技企業簽訂為期20年的合作安排。根據該合作安排，番禺互太將出租部分廠房面積以用於部署太陽能玻璃和太陽能電池板，以換取能優先使用太陽能光伏系統產生的電力及長期折扣。

## EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2018, the Group had 5,543 full-time employees (2017: 5,267). There was 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 has granted options to eligible employees.

## DIVIDENDS

The Board proposed to pay a final dividend of HK18.5 cents (2017: HK30 cents) per share for the 2018 Financial Year, subject to the approval of the shareholders at the forthcoming AGM. Together with an interim dividend of HK26.5 cents (2017: HK30 cents) per share, the total dividend for the 2018 Financial Year amounted to HK45 cents (2017: HK60 cents) per share.

## PROSPECT AND OUTLOOK

As the blockage of gateway to Vietnam factory has been cleared and the production in Vietnam has resumed, the overall production capacity of the Group will rise up again. Meanwhile, there shall be no further expenses to meet customer claims arising from the interruption from operation in Vietnam for the financial year ending 31 March 2019.

Inflation of raw material, labor, and fuel, appreciation of RMB and increasing interest rate will remain challenges for the Company, in order to offset the negative impact on the financial performance, the management is continuously exploring cost reduction initiatives and formulating relevant business strategies, for instance, increasing selling price is one of the key strategies of the Company for the coming year.

With a view to achieve environmental sustainable development as well as to meet and keep ahead of environmental protection rules enacted by PRC and Vietnam, the Group has invested substantially in reducing carbon emission, increasing water use efficiency and utilizing renewable energy through our internal expertise and cooperation with top technological organization with relevant specialization, such as participating in NEDO project. The Group believe that our investment in environment initiatives will pay off in long term, and cost saving could be achieved.

The global political and economic situation is ever-changing, whether any kind of trade barrier between nations will be imposed remain unseen.

## 僱員及薪酬政策

於2018年3月31日，本集團僱用5,543名全職僱員（2017年：5,267名）。本集團薪酬政策並無重大變動。本集團僱員薪酬待遇包括薪金、花紅、津貼及退休福利，其乃根據僱員表現、技能及知識釐定。本集團將持續向其員工提供定期培訓及具競爭性之薪酬待遇。本集團亦向僱員提供額外福利，如向駐生產設施之僱員提供食宿津貼、意外及醫療保險。

本集團已採納一項購股權計劃。根據該計劃，本公司已授予合資格僱員購股權。

## 股息

董事局建議就2018年財政年度派發末期股息每股港幣18.5仙（2017年：港幣30仙），惟須待股東於應屆股東週年大會上批准。連同中期股息每股港幣26.5仙（2017年：港幣30仙），2018年財政年度的股息總額為每股港幣45仙（2017年：港幣60仙）。

## 前景及展望

由於越南廠房入口堵塞已獲清理且已於越南恢復生產，本集團的整體產能將再次提升。同時，截至2019年3月31日止財政年度將不會產生進一步開支以應對因越南廠房營運中斷導致的客戶索償。

原材料、勞工及燃料通脹、人民幣升值及日益增加的利率將仍為本公司所面臨的挑戰，為抵銷對財務表現的不利影響，管理層繼續探索減少成本的舉措及制定相關業務策略，例如，增加售價為本公司於來年之主要策略之一。

為實現環境可持續發展以及符合及了解中國及越南頒佈的環保規則，本集團透過內部專長及與具備有關專長的頂尖技術組織合作（如參與NEDO項目）於減少碳排放、提升用水效率及使用可再生能源方面進行大量投資。本集團相信，長遠而言，我們於環保的投資將獲得回報並實現減少成本。

全球政治及經濟狀況變幻莫測，國家之間是否將施加任何形式的貿易壁壘仍不可知。

#### PROSPECT AND OUTLOOK (Cont'd)

During July 2017, Toray Industries Inc., a well-established Japanese fibers and textile supplier, has become a substantial shareholder of the Company, the Company looks for potential closer business relationship with Toray Group and our customers in Japan, and expects that long term economic benefit will be achieved.

Looking forward, the Group would look for suitable location to build up new production bases in South East Asia for potential expansion as well as risk diversification. With the experienced and dedicated management team, added to the potential synergy effect with Toray Group, the Company is cautiously optimistic with profitability of coming years.

#### 前景及展望(續)

於2017年7月，日本知名纖維紡織品供應商 Toray Industries Inc. 成為本公司的主要股東，本公司期望與Toray集團及我們的日本客戶建立更加密切的潛在業務關係，並預期實現長期經濟利益。

展望未來，本集團將於東南亞物色合適地點建立新生產基地作潛在擴張以及風險分散用途。憑藉經驗豐富及敬業奉獻的管理團隊，另加與Toray集團產生的潛在協同效應，本公司對來年的盈利能力持審慎樂觀態度。

### EXECUTIVE DIRECTORS

**Mr. WAN Wai Loi**, aged 68, is an executive Director and Chairman, Chief Executive Officer and a founder of the Group. Mr. Wan was appointed as the Chief Executive Officer with effect from 1 July 2015. Mr. Wan is responsible for leading the management team, overseeing the overall production and operation of the Group, providing corporate direction and formulating business strategies of the Group. Mr. Wan has over 45 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 a director of various subsidiaries of the Group. He is also a non-executive director of Teejay Lanka Plc., an associated company of the Group, whose shares are listed on the Colombo Stock Exchange, Sri Lanka.

**Mr. LAU Yiu Tong**, aged 70, is an executive Director and Vice Chairman of the Group. He is also a director of several subsidiaries of the Group. Mr. Lau has over 41 years of experience in the textile industry. Mr. Lau is responsible for leading the sales and marketing function, managing business relationship, providing direction on marketing strategies of the Group, and formulating business plan. Mr. Lau holds a Higher Diploma in Textile Technology from the Hong Kong Technical College. He is the Vice Chairman of Group 3 (Dyeing and Finishing) of Federation of Hong Kong Industries. He was the member of the General Committee of Federation of Hong Kong Industries. Mr. Lau was appointed as a non-executive Director in 2007, and re-designated as executive Director and appointed as the Vice Chairman of the Group from 1 July 2017. He is a director of several subsidiaries of the Group.

**Mr. TOU Kit Vai**, aged 55, is an executive Director from 1 July 2017, and also a director of various subsidiaries of the Group. He joined the Group in 2013 and appointed as the Chief Financial Officer on 1 April 2014. Mr. Tou is responsible for overseeing the corporate financial management, information technology, group administration and human resources, and back office supporting functions. Mr. Tou is a fellow member of the Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants, he was an executive director of a HK listed company during 2007-2012 and he has extensive experiences in factory operations, financial management, project management and ERP System. He is a director of several subsidiaries of the Group. He is also a non-executive director of Teejay Lanka Plc., an associated company of the Group, whose shares are listed on the Colombo Stock Exchange, Sri Lanka.

**Mr. Toshiya ISHII**, aged 55, is an executive Director. Mr. Ishii has been appointed as an executive Director of the Group from 1 October 2017. Mr. Ishii is responsible for the Group's budgetary control and setting up key performance indicators for fulfillment of corporate goal and targets. He was graduated from Keio University in 1985 and has been an employee of Toray Industries, Inc. ("Toray") since 1985. Toray is a company listed on Tokyo Stock Exchange and is the single largest shareholder and a substantial shareholder of the Company. Prior to joining the Group, he was general manager of controller's department of Toray and he has extensive experience in the textiles industry.

### 執行董事

**尹惠來先生**，68歲，本集團執行董事、主席、行政總裁兼創辦人之一。尹先生自2015年7月1日起獲委任為行政總裁。尹先生負責領導管理團隊，監督本集團整體生產及營運，提供企業指示及制定本集團業務策略。尹先生在紡織業擁有逾45年經驗。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。彼亦為本集團聯營公司Teejay Lanka Plc.(其股份於斯里蘭卡科倫坡證券交易所上市)之非執行董事。

**劉耀棠先生**，70歲，本集團執行董事兼副主席，彼亦為本集團多間附屬公司的董事。劉先生負責領導本集團銷售及市場推廣職能，管理本集團業務關係、為本集團市場推廣策略提供指示、並為本集團制定業務計劃。劉先生在紡織業擁有逾41年經驗。劉先生持香港工業學院頒授之紡織工藝高級文憑，並為香港工業總會第3分組（染色及整理）的副主席，同時亦是香港工業總會理事會成員。劉先生於2007年獲委任為非執行董事，並於2017年7月1日起獲調任為執行董事並獲委任為本集團副主席。彼亦為本集團多間附屬公司的董事。

**杜結威先生**，55歲，自2017年7月1日起擔任執行董事，亦為本集團多間附屬公司的董事。彼於2013年加入本集團並於2014年4月1日獲委任為首席財務總監。杜先生負責監督企業財務管理、資訊科技、集團行政與人力資源以及後勤支援職能。杜先生為香港會計師公會及特許公認會計師公會資深會員。彼於2007年至2012年期間於一間香港上市公司擔任執行董事。彼於工廠運營、財務管理、項目管理及ERP系統方面擁有豐富經驗。彼為本集團多間附屬公司的董事。彼亦為本集團聯營公司Teejay Lanka Plc.(其股份於斯里蘭卡科倫坡證券交易所上市)之非執行董事。

**石井俊哉先生**，55歲，執行董事。石井先生於2017年10月1日獲委任為本集團執行董事。石井先生負責本集團之財務預算控制及設立主要績效指標以達成企業目標。彼於1985年畢業於慶應義塾大學，並於同年加入Toray Industries, Inc. (「Toray」)。Toray為一間於東京證券交易所上市的公司，並為本公司的最大單一股東和主要股東。加入本集團之前，彼為Toray總監部門總經理，在紡織業擁有豐富經驗。

#### NON-EXECUTIVE DIRECTORS

**Mr. CHOI Kin Chung**, aged 82, 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 50 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 has been awarded the Gold (Tinct Ind.) Medal of The Society of Dyers and Colourists (SDC) in April 2018 for his outstanding contribution to coloration industry and education in S.E. Asia. Mr. Choi was appointed as a Director in 2004.

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Dr. CHAN Yue Kwong, Michael**, aged 66, is an independent non-executive Director. He was the former chairman and is currently the non-executive director of Cafe de Coral Holdings Limited, a Hong Kong listed company which he joined in 1984, and has considerable experience in planning and management. Dr. Chan is also an independent non-executive director of Starlite Holdings Limited since 1993, Tse Sui Luen Jewellery (International) Limited since 2010, Modern Dental Group Limited in 2015 and Human Health Holdings Limited in 2016, and a non-executive director of Tao Heung Holdings Limited since 2007, above named five companies are listed on the Main Board of the Hong Kong Stock Exchange. Dr. Chan ceased to be the independent non-executive director of Kingboard Laminates Holdings Limited since August, 2015. Dr. Chan holds a Bachelor of Arts, a Master degree in City Planning from the University of Manitoba, Canada, an Honorary Doctorate Degree in Business Administration and is also bestowed as Honorary Fellow from Lingnan University. He is currently the Adviser of the Quality Tourism Services Association, the Honorary Chairman of the Hong Kong Institute of Marketing and the chairman of the Business Enterprise Management Centre of the Hong Kong Management Association. He is also being appointed by the HKSAR Government as a member of the Business Facilitation Advisory Committee and ceased to be the member of the Task Force on promotion of Vocational Education. Dr. Chan was appointed as an independent non-executive Director in 2007.

#### 非執行董事

**蔡建中先生**，82歲，本集團非執行董事兼創辦人之一。蔡先生於1997年連同其他人士共同創辦本集團，由本集團成立起至2005年期間出任本集團主席。蔡先生為本公司榮譽主席，亦為本集團多間附屬公司的董事，在紡織業擁有約50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2018年4月獲英國漂染師及印染師學會頒授金獎 (Tinct Ind.)，以嘉許彼對東南亞的印染業及教育貢獻良多。蔡先生於2004年獲委任為董事。

#### 獨立非執行董事

**陳裕光博士**，66歲，獨立非執行董事。彼於1984年加入香港上市公司大家樂集團有限公司，曾任該公司主席，現擔任非執行董事，於策劃及管理工作方面擁有豐富經驗。陳博士自1993年起出任星光集團有限公司之獨立非執行董事，自2010年起出任謝瑞麟珠寶(國際)有限公司之獨立非執行董事，於2015年及2016年先後獲委任為現代牙科集團有限公司及盈健醫療集團有限公司之獨立非執行董事及自2007年起出任稻香控股有限公司之非執行董事，上述五間公司均於香港聯交所主板上市。陳博士自2015年8月起不再擔任建滔積層板控股有限公司之獨立非執行董事。陳博士持有加拿大曼尼托巴大學(University of Manitoba)文學學士學位及城市規劃碩士學位，更獲頒授工商管理榮譽博士學位及榮膺嶺南大學之榮譽院士殊榮，彼現為優質旅遊服務協會顧問、香港市務學會榮譽主席及香港管理專業協會之企業管理發展中心主席。陳博士榮獲香港特別行政區政府委任為方便營商諮詢委員會成員，並不再擔任推廣職業教育專責小組成員。陳博士於2007年獲委任為獨立非執行董事。

**INDEPENDENT NON-EXECUTIVE DIRECTORS (Cont'd)**

**Mr. NG Ching Wah**, aged 69, is an independent non-executive Director. Mr. Ng has over 31 years of senior management experience in the telecommunications industry. Mr. Ng was a director and a member of the executive committee for Advanced Info Service Public Company Limited, a Thailand listed company. He was an independent director of China Digital TV Holding Co. Ltd., a New York Stock Exchange listed company and a non-executive director of HKC International Holdings Limited, a Hong Kong listed company. He was the chief executive officer of Hong Kong CSL Limited. He was the chief executive officer of SmarTone Telecommunications Holdings Limited, a Hong Kong listed company and the President of PCCW Mobility Services Limited. Mr. Ng 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 61, 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 was the managing director, head of China and Hong Kong of Julius Baer Bank; the chief executive officer of EFG Asset Management (Hong Kong) Limited for Asia Pacific Region; the managing director, head of investment of Citi Wealth Management for Asia Pacific region; the chief executive officer of Asia-Pacific for Barclays Wealth and an executive director in the private clients division at Morgan Stanley Asia Limited, Hong Kong. Mr. Sze holds a Master of Business from the University of Newcastle, Australia. He is a Fellow of CPA Australia. Mr. Sze was appointed as an independent non-executive Director in 2007.

**COMPANY SECRETARY**

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

**獨立非執行董事 (續)**

**伍清華先生**，69歲，獨立非執行董事。伍先生於電訊業擁有逾31年資深管理經驗。伍先生曾出任泰國上市公司Advanced Info Service Public Company Limited之董事兼執行委員會成員。他曾出任紐約證券交易所上市公司中華數字電視控股有限公司之獨立董事及香港上市公司香港通訊國際控股有限公司之非執行董事。他曾出任香港流動通訊有限公司行政總裁、香港上市公司數碼通電訊集團有限公司行政總裁及PCCW Mobility Services Limited總裁。伍先生為香港通訊業聯會榮譽顧問，並獲委任為於2012年4月根據《通訊事務管理局條例》成立之獨立法定機構通訊事務管理局之成員。伍先生曾擔任數碼21資訊科技策略諮詢委員會(D21SAC)委員。伍先生於1975年畢業於香港中文大學，獲頒工商管理學學士學位。伍先生於2007年獲委任為獨立非執行董事。

**施國榮先生**，61歲，獨立非執行董事。施先生於私人及投資銀行業擁有資深管理經驗，服務高資產淨值之客戶及機構。施先生曾任瑞士寶盛銀行有限公司中國和香港區之董事總經理和主管；瑞士盈豐資產管理(香港)有限公司亞太區行政總裁；Citi Wealth Management亞太區董事總經理與投資部主管；Barclays Wealth亞太區行政總裁與香港摩根士丹利亞洲有限公司私人客戶部執行董事。施先生持有澳洲紐卡素大學(University of Newcastle)頒授之商學碩士學位，並為澳洲註冊會計師公會資深會員。施先生於2007年獲委任為獨立非執行董事。

**公司秘書**

**陳秀儀女士**，為公司秘書。陳女士為英國特許秘書及行政人員公會(「英國特許秘書及行政人員公會」)及香港特許秘書公會(「香港特許秘書公會」)資深會員。彼獲頒香港大學經濟學學士學位及法學專業證書。彼亦持有倫敦大學法律學士學位。陳女士於國際律師事務所、上市公司及大型私人集團積累豐富公司秘書經驗。陳女士於2017年11月加入本公司。



#### SENIOR MANAGEMENT

**Mr. GAO Jinhua**, aged 52, is the General Manager (Production). Mr. Gao graduated from the Shanghai Normal University, major in Chemistry in 1988. Mr. Gao has worked for the Group for more than 20 years and is experienced in operational and production management. Prior to taking up the current position, Mr. Gao has been the head of dyeing factory and Assistant General Manager of the Production Department.

**Mr. ZHAO Qizhi**, aged 52, is the General Manager (Engineering), he is responsible for managing the engineering department of the factories. Mr. Zhao holds a Bachelor's Degree in Mechanical Engineering from Shanghai Jiaotong University, China. He has over 25 years of experience in the textile industry. Mr. Zhao joined the Group in June 1997.

**Mr. LAI Chi Man**, aged 52, is the General Manager (Sales). He holds a Bachelor of Arts Degree in Textile and Clothing Marketing from the Hong Kong Polytechnic University. Mr. Lai obtained a Master of Business Administration Degree (The Kellogg – HKUST EMBA Program) awarded jointly by Northwestern University and the Hong Kong University of Science and Technology. Mr. Lai joined the Group in May 1998 and has over 25 years of experience in the textile industry.

**Mr. Koji ASADA**, aged 49, was appointed the General Manager (Marketing) in 2017. Upon his graduation from Faculty of Economics, Kwansei Gakuin University in 1991, Mr. Asada joined Toray Industries, Inc. Starting his career as a textiles salesman, he was later promoted as the section manager of the fashion fabrics and was seconded to TSD (Toray Skai Dyeing & Weaving) in China Nantong in 2008, where he had been a director for 6 years. Mr. Asada also has experience as staple fiber general manager and sports textile general manager.

**Mr. TSANG Sian Chung, Hubert**, aged 41, is the Chief Information Officer. Mr. Tsang joined the Group in 2010 and now leads the Group's digitalization initiatives. Mr. Tsang has over 20 years of experience in the IT field, ranging from performing academic research on high performance computing to building large scale Internet websites to building and maintaining enterprise shared services. Mr. Tsang holds an MBA degree and Bachelor of Computer Science, both from the University of Maryland, College Park.

**Mr. CHUNG Chi Shing**, aged 54, is the Assistant General Manager (Production Technology). Mr. Chung has graduated from Hong Kong Polytechnic University in Textile Chemistry, with over 30 years experience in textile industry. He is a holder of Chartered Colourist granted by the Society of Dyers and Colourists. He joined the Group in 1998 and has served the company for 20 years. He is responsible for Dyeing and Finishing Technology, Fabric Development, Procurement of yarns, dyes and chemicals (DCA).

#### 高級管理人員

**高金華先生**，52歲，總經理（生產）。高先生於1988年畢業於上海師範大學化學系。高先生於本集團任職逾20年，在營運及生產管理方面富有經驗。履任現時職位前，高先生為印染廠房主管兼生產部助理總經理。

**趙奇志先生**，52歲，總經理（工程）。他負責管理各廠房之工程。趙先生持有中國上海交通大學頒授之機械工程學士學位。彼於紡織業擁有逾25年經驗。趙先生於1997年6月加入本集團。

**黎志文先生**，52歲，總經理（銷售）。彼持有香港理工大學紡織和服裝營銷學士學位。黎先生獲西北大學(Northwestern University)與香港科技大學共同頒授之工商管理碩士(凱洛格商學院與香港科技大學合辦之行政人員工商管理碩士課程)學位。黎先生於1998年5月加入本集團，在紡織業擁有逾25年經驗。

**淺田康治先生**，49歲，於2017年獲委任為總經理（市場推廣）。淺田先生於1991年畢業於關西學院大學經濟學院後加入Toray Industries, Inc.。彼以紡織品營業員開展事業，隨後獲晉升為時裝布料部經理，並於2008年獲派駐中國南通市Toray Skai Dyeing & Weaving (TSD)，在該公司擔任董事6年。此外，淺田先生曾任短纖維部總經理及運動紡織品部總經理。

**曾憲中先生**，41歲，資訊總監。曾先生於2010年加入本集團，現時主管本集團之數碼化方針。曾先生在資訊科技領域擁有逾20年經驗，當中包括進行有關利用高性能計算建立大型網站及建立和維護企業共享服務等學術研究。曾先生持有馬里蘭大學學院市分校(University of Maryland, College Park)頒發之工商管理碩士及電腦科學學士學位。

**鍾志成先生**，54歲，副總經理（技術）。鍾先生畢業於香港理工大學紡織化學學系，在紡織業擁有逾30年經驗。彼持有英國漂染師及印染師學會(Society of Dyers and Colourists)之特許公認漂染師資格。彼於1998年加入本集團，至今服務本公司20年。彼負責染整技術、布料研發以及紗線、染料及化學品採購(DCA)。

**SENIOR MANAGEMENT (Cont'd)**

**Mr. WANG Sijie**, aged 47, joined the Group in May 1997, is the Assistant General Manager (Dyeing and Finishing). Mr. Wang is a senior engineer and a holder of master degree. Mr. Wang is responsible for the management of dyeing and finishing factory. He is the Vice President of Guangzhou Textile Engineering Society and a member of expert and technical committee of China Knitting Industry Association (廣州紡織工程學會副理事長、中國針織工業協會專家技術委員會委員). Mr. Wang was awarded as outstanding chief engineer by China Knitting Industries Association and technical innovation award by China Textile Engineering Society.

**Mr. Masaonbu SATO**, aged 45, is the Assistant General Manager (Research and Development) since 2017. Mr. Sato has studied material engineering in Tokyo Metropolitan University, upon his graduation, he joined Toray Industries Inc.. Mr. Sato has over 20 years experience in textiles and related production technique development. Prior to joining the Company, he has been working in different factory and laboratory in Japan and China, such as Taltex (Zhuhai) Ltd. and Toray Fiber Research Centre.

**Mr. CHENG Kam Fai, Eugene**, aged 58, is the Assistant General Manager (Human Resources Management and Administration) and is mainly responsible for Group Human Resources, Administration, Corporate Social Responsibility and Procurement Management in China and Vietnam. Mr. Cheng graduated with BA (Hons.) and EMBA of the Chinese University of Hong Kong (CUHK) together with a professional Diploma in Business Management from the CUHK. He has extensive working experiences in Human Resources Management, General Administration, Corporate Social Responsibility and Procurement Management of various kinds of industries including trading, banking and manufacturing in both Hong Kong and China. He was an associate member of IHRM of Hong Kong. Before joining the Company, he had worked for local and MNC publicly listed companies for over 20 years. He joined the Company in 2012.

**高級管理人員 (續)**

**王思捷先生**，47歲，於1997年5月加入本集團，現為副總經理（染整）。王先生為一名高級工程師，持有碩士學位。王先生負責管理染整廠房。彼為廣州紡織工程學會副理事長，亦為中國針織工業協會專家技術委員會委員。王先生獲中國針織工業協會評為優秀總工程師及獲中國紡織工程學會頒發「技術創新獎」。

**佐藤雅伸先生**，45歲，自2017年起出任副總經理（研究開發）。佐藤先生曾於東京都立大學攻讀材料工程學，畢業後加入Toray Industries Inc.。佐藤先生在紡織及相關生產技術開發方面擁有超過20年經驗。加入本公司前，彼先後在聯業織染（珠海）有限公司(Taltex (Zhuhai) Ltd.)及Toray Fiber Research Centre等中日兩地各大廠房及實驗室任職。

**鄭錦輝先生**，58歲，副總經理（人力資源管理及行政），主要負責本集團人力資源、行政、企業社會責任及中國與越南的採購管理。鄭先生畢業於香港中文大學（中文大學），並取得文學士及行政人員工商管理碩士學位，亦自中文大學取得商業管理專業文憑。彼在中港兩地之貿易、銀行及製造業等行業中擁有人力資源管理、一般行政、企業社會責任和採購管理等界別的廣泛工作經驗。彼曾為香港人力資源管理學會會員。加入本公司之前，彼於本地及跨國上市公司任職逾20年。彼於2012年加入本公司。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會以及管治報告

This sustainability report outlines the approaches, commitment and strategies of the major member companies of the Group in four aspects of sustainability – workplace quality, environmental protection, operating practices and community involvement. The reporting period of this report is from 1 April 2017 to 31 March 2018. We maintain an open dialogue with our stakeholders (including management, employees, customers, suppliers and investors) to receive their comments and understand their expectation on what the ESG issues matter most via meetings, interviews and discussions. The areas of focus of this report include environmental discharges, employment and labor standard, community outreach and the supply chain management. The data disclosed in this report are prepared and provided by the respective administration departments of Panyu plant and Vietnam plant of the Group.

While the operation of the Company during the year under review was mainly focused in the Panyu plant (and the operation of Vietnam factory was suspended and resumed in January 2018), this report is based on the status of Panyu plant of Pacific Textiles. The Vietnam factory basically follows the required standard as Panyu plant.

### VISION

“To make the world a more comfortable and better place through our products” – Pacific Textiles is a creative and sizeable knitted fabric manufacturer and distributor whose business scope covers integrated services of knitting, dyeing, printing and finishing.

### MISSION

“In global textile community, we strive for:

- Quality products and services;
- Equitable opportunities and mutual respect;
- High returns to the investors;
- Excellent environmental protection;

through the faith of social responsibility and innovation.” – Pacific Textiles considers green manufacturing and environmental protection not only as the responsibility of a responsible corporate citizen, but also as the basis of long-term sustainability for any company. Pacific Textiles has been actively taking steps to ensure that by-products generated in the manufacturing process are disposed of properly with minimal effects on the environment and trying its best to achieve harmonious development of the company, natural environment and all stakeholders.

此可持續發展報告概述本集團的主要屬下成員在工作環境質素、環境保護、營運慣例及社區參與等四個方面之工作方法、承諾及策略。本報告之報告期自2017年4月1日起至2018年3月31日止。我們與持份者（包括管理層、僱員、客戶、供應商及投資者）保持開放溝通，透過會議、面談及討論聽取其意見，並了解其對最重要環境、社會及管治議題的期望。本報告的重點範疇包括環境排放、僱傭及勞工準則、社區外展及供應鏈管理。本報告所披露的數據由本集團屬下之番禺廠和越南廠的負責管理部門整理、提供。

基於本公司於回顧年內的業務主要集中於番禺廠房（而越南廠房則中止營運，惟已於2018年1月恢復運作），本報告將以互太旗下番禺廠房的狀況為基準。越南廠房大致遵循番禺廠房的規定標準。

### 願景

「讓我們的產品，令世界更舒適美好」— 互太是一個具創意和具規模的針織布生產及營銷商，其業務範圍涵蓋了針織、染色、印花及整理之綜合處理。

### 使命

「在國際紡織界中，以社會責任及創新思維的信念，努力做到：

- 優質的產品及服務；
- 平等工作機會及互相尊重；
- 豐厚的投資回報；
- 卓越的環境保護。」

– 互太不但視綠色生產和環境保護為其盡企業公民之責任，而且更視之為企業能夠長遠持續發展的基礎；互太一直主動採取各項措施以確保生產過程中所產生的副產品能得到妥善處理，致力將對環境的影響減到最小，盡力成就企業、自然環境和各持份者之間都能和諧發展。

## WORK ENVIRONMENT

Each employee is required to sign an employment contract and a receipt of a notice of occupational hazards issued to employees as stated in the local government requirements. The notice mainly covers job positions and duties, working hours, rest period, statutory benefits and preventive and control measures for occupational hazards, etc. We conduct assessment on the work environment to ensure good and safe working conditions for our employees in terms of temperature, noise, air, dust, ventilation, gas, etc. All relevant factors are managed and controlled in accordance with local government standards. We are committed to providing our employees with proper PPE to prevent potential occupational accidents and reduce the influence on employees' health. The equipment includes ear plugs, goggles, dust respirators, masks, rubber gloves/boots, insulated shoes, aprons, hairnets, safety harnesses, etc.. Annual health check is arranged for all employees to help them and the company have an understanding of their health conditions and make proper arrangements for work and, if necessary, seek medical treatment.

## EMPLOYEES' BASIC INFORMATION

As at March 2018, 4,183 employees were under full-time employment in Panyu plant (previous year: 4,350), with all aged over 18 and coming from different provinces of Mainland China, mostly from Hunan and Yunnan, and a male-female ratio of 0.64:0.36.

As at March 2018, a total of 612 employees were under full-time employment in Vietnam plant (previous year: 848), with all aged over 18 and coming from different provinces nationwide, the majority of whom being local residents, and a male-female ratio of 0.65 : 0.35. Vietnam plant was closed for business from April 2017 to December 2017 due to the blockage of the road to the plant and thus the number of employees for the period dropped significantly compared with that of the previous year.

During the Year, the Group held various kind of recreational activities for staff to promote employees' work-life balance.

## 工作環境

每名僱員均須簽署僱傭合約及簽收當地政府規定所提及須向任職人員發放的職業危害告知。該告知主要涵蓋職位及職責、工作時數、休息時間、法定福利及崗位職業危害因素防控措施等。我們就溫度、噪音、空氣、粉塵、通風及氣體等對勞動工作環境進行評價，確保為僱員提供良好及安全的工作條件。所有相關因素均依照當地政府的標準進行管控。我們致力為僱員提供適當的個人防護裝備以預防潛在的勞動意外及儘量減少對僱員健康的影響，該等裝備包括：耳塞、護目鏡、防塵口罩、面具、橡膠手套／靴子、絕緣鞋子、圍裙、髮網及安全帶等。我們每年對所有僱員進行健康體檢，以幫助僱員及本公司了解僱員的健康狀況，並作出適當的工作安排及進行治療（如需要）。

## 僱員基本資料

截至2018年3月，番禺廠僱用4,183名全職僱員（上年：4,350名）。所有員工皆年滿18歲以上，來自中國內地各省份，當中以湖南及雲南較多，男女比例為0.64：0.36。

截至2018年3月，越南廠僱用共612名全職僱員（上年：848名）。所有員工皆年滿18歲以上，越南廠的僱員來自全國不同省份，但絕大部分為本地居民，男女比例為0.65：0.35。由於越南的廠房自2017年4月至2017年12月期間，因通往廠房之道路被堵塞，而暫停營運，故此期間，僱員人數較去年明顯下跌。

年內，本集團不時為員工舉辦各種康樂活動，以鼓勵員工的工作與生活之平衡。



Yoga Class  
瑜伽班



Badminton Competition  
羽毛球比賽



Pingpong Competition  
乒乓球比賽

#### HEALTH AND SAFETY

Panyu plant attaches great importance to production safety management and occupational health management. It has spared no effort to implement an occupational health and safety policy of “compliance, care, safety, health, inspection of hidden dangers, risk control, safety assurance, full participation, aggressiveness, promotion of harmonious development”, firmly enforced a policy of “observing laws and regulations, striving to control and reduce safety risks and adhering to the people-oriented principle with an aim to provide a safe and healthy workplace and living environment for employees”, proactively carried out standard procedures for safety production, established a management system of standard procedures for safety production, and obtained OHSAS18001 certification under the Occupational Health and Safety Management System.



Fire Drill  
消防演練



First Aid Training  
急救員培訓



First Aid Training  
急救員培訓

#### FATALITY NUMBER AND RATE

No occupational fatalities were recorded for the year under review.

#### WORKING DAYS LOST DUE TO WORK INJURY

During the year, the number of working days lost due to work injury in Panyu plant was 2,591 man-days (previous year: 1,553 man-days).

No serious injury case was recorded during the year under review, the increase in loss of working days was mainly caused by more leaves taken, under the recommendation of the supervisors, arising from minor injury case, in order to ensure that staff only return to work under best body conditions, and stay healthy.

#### OCCUPATIONAL HEALTH AND SAFETY MEASURES

In terms of safe production management, Panyu plant conducts thorough hazard identification and risk assessment annually and has established risk control measures and necessary emergency drills for significant sources of hazards. Safety executives from all departments who have participated in pre-employment professional training, passed the tests and obtained qualifications manage and control the significant sources of hazards and comprehensively control the potential safety hazards, so as to reduce workplace incidents. In terms of occupational health management, Panyu plant invited Guangdong Province Hospital for Occupational Disease Prevention and Treatment to assess the occupational hazards to each job position of the Company. Pacific Textiles has implemented initiatives of occupational hazard prevention for respective job positions and occupational health protection for employees according to the assessment results, and has arranged annual occupational health checks to ensure employees' health.

#### 健康與安全

番禺廠非常重視安全生產管理及職業健康管理，努力貫徹「守法、關愛、安全、健康、查隱患、控風險、保障安全、全員參與、積極進取、促進和諧發展」的職業健康安全方針，堅決執行「遵守法律法規，努力控制及降低安全風險，堅持以人為本，為員工提供安全、健康的工作環境和生活環境」的政策，積極開展安全生產標準化的工作，建立了安全生產標準化的管理體系，並通過了OHSAS18001職業健康安全管理体系認證。

#### 死亡人數及比率

於回顧年內並無錄得因工作關係而死亡的案例。

#### 因工傷損失工作日數

番禺廠在本年度因工傷損失的工作日數為2,591人日（上年：1,553人日）。

我們於回顧年內並無接獲嚴重工傷案例。至於損失工作日數增加，是主要由於主管建議遭遇輕微工傷的員工申請休假的情況增加，從而確保員工恢復最佳狀態及身體健康後，方重投工作崗位。

#### 職業健康與安全措施

番禺廠針對安全生產管理，每年進行全面的危險源辨識和風險評價，並針對重要危險源制定了風險控制措施和必要的應急演練。各部門經過專業培訓考證上崗的安全執行人針對重要危險源進行管控，對安全隱患進行全面控制，努力降低安全生產事故。番禺廠針對職業健康管理，邀請了廣東省職業病防治院對公司各崗位進行職業危害狀況評價，互太根據評價結果對這些崗位進行職業危害防護、對員工進行職業健康防護，並每年進行職業健康體檢，以保障員工的身體健康。

## DEVELOPMENT AND TRAINING

Panyu plant has set up long-standing policies and training schemes to improve employees' job knowledge and skills. These policies and schemes cover induction training courses for general workers as well as internal and external vocational training courses for university-level, elementary-level and middle-level employees. Various kinds of training and development programs were conducted for enhancing employees working skills and knowledge when discharging their job duties and functions including orientation for new employees for getting familiar with company environment and departmental requirements in short period of time; training for security and canteen workers for understanding about environment safety, protection of property and food safety control; the first aid training to manage accidents in a proper and effective way for injured employees in the working environment as well as having occupational health & safety for avoiding unexpected occupational disease or illnesses; fire fighting protection training for enhancing fire prevention consciousness, and fighting fire in a proper and effective way when having minor fire accidents; on-the-job-training for various departments so as to polish their work skills and techniques in aspect of technical and managerial levels. During the period from 1 April 2017 to 31 March 2018, the number of monthly training hours per employee in Panyu plant was approximately 2.43 (previous year: 2.31 hours).

## 發展及培訓

番禺廠制定長期的政策及培訓計劃提高僱員的履職知識和技能。該等政策及計劃覆蓋普通工人的入職培訓以及大學水平、初級及中級水平僱員的內外部職業培訓。番禺廠舉辦各式各樣培訓及發展計劃以提升僱員履行職責及職能時的工作知識和技能，當中涵蓋新僱員入職培訓，讓其在短時間內熟悉公司環境及部門要求；保安員及食堂員工培訓，讓其認識環境安全、財產保護及食物安全控制；急救訓練，倘僱員因工受傷，可妥善有效處理意外，並加強職業健康及安全以防意料之外的職業病；消防培訓，以提高防火意識，一旦遇上小型火災，亦能適當有效滅火；不同部門的在職培訓，以提升僱員在技術及管理上的工作技能及技術。在2017年4月1日至2018年3月31日期間，番禺廠員工每月人均培訓時數約為2.43（上年：2.31小時）。



2017 Language courses  
2017 語言課程



2017 Language courses  
2017 語言課程



2017 Management Training  
2017年中層管理人員培訓



2017 Management Training  
2017年中層管理人員培訓

## LABOUR STANDARDS

We have formulated the policy of remuneration, recruitment, equal opportunity employment, anti-discrimination and general fringe benefits as referred to relevant labor codes, decrees, circulars and articles announced by the local government from time to time. All those policies are included in the company staff handbook which has been gone through a reviewed and commented procedure by the local government office if necessary. Child labour and forced labour are prohibited in both Panyu plant and Vietnam Plant.

## 勞工準則

我們已按照當地政府不時公佈的相關勞工守則、法令、通告及條文制定薪酬、招聘、平等僱用機會、反歧視及一般福利待遇政策。該等政策均已納入通過當地政府辦公室審閱及評論程序（如需要）的公司員工手冊。番禺廠及越南廠均不得使用童工及強迫勞動力。

## ENVIRONMENTAL PROTECTION

Panyu plant has set up the following policies on energy management: proactively using advanced energy-saving technologies, striving to conduct research and development of low-consumption techniques, constantly improving energy usage efficiency and raising energy consumption standards to advanced international standards. Panyu plant has achieved high energy-saving efficiency by proactively using advanced energy-saving technologies, undertaking a number of industrial and national demonstration projects and sparing no effort in the research and development of energy-saving techniques and technologies.

Power consumption for non-production purposes increased in the year under review as a result of increased financial commitment to environmental protection facilities and improvement of the environment of workshops, while there were higher production output and energy consumption for production increased accordingly. As a result, Panyu plant's total energy consumption was 193,300 tons (previous year: 162,100 tons) of standard coal in the year under review, representing an increase of 31,200 tons of standard coal in energy consumption as compared with that in last year.

However, Panyu plant delivered good environmental performance in the year under review, winning a number of awards from the government including: "Green Brand Company for Environmental Trustworthiness" awarded by the Guangdong Province's Department of Environmental Protection (only 10.1% of the companies in Guangdong Province were rated as Green Brand Companies); "Green Development Company in the Textile Industry" by the China National Textile and Apparel Council; "2017 Leading Water Efficient Enterprise" by the Ministry of Industry and Information Technology; Leading Enterprise in the Chemicals Stewardship 2020 initiative of CNTAC-ZDHC; "2017 China Energy Management Award" awarded by the National Development and Reform Commission (only eight companies received this award). Pacific Textiles was also one of the three companies in China that represented the country in an international competition for excellency in energy management.

Panyu plant made reference to the policy requirements related to the treatment of dangerous waste in handling hazardous waste by enforcing the administration system of duplicated forms in the transfer of dangerous waste and by entrusting work units with operational qualifications to implement centralised disposal of dangerous waste, thereby reaching a compliance disposal rate for dangerous waste of 100%. Relevant work units were entrusted to recycle non-hazardous waste for reuse and comprehensive treatment, with a comprehensive treatment rate of 100%.

Panyu plant took a proactive approach in carrying out environmental protection by investing RMB60 million in upgrading and renovating the flue gas treatment technology for the coal-fired boilers in the power plants. At present, the emitted flue gas has reached the ultra-low emission standards of Guangdong Province, and the technology has been recommended by experts for nomination as an excellent demonstration project for environment protection in Guangdong Province.

Panyu plant accomplished:

- an investment of RMB60 million in upgrading and renovating the flue gas treatment technology for the coal-fired boilers in the power plants to achieve:
- a yearly reduction of 36.08 tons in SO<sub>2</sub> emissions, a yearly reduction of 16.09 tons in nitrogen oxide emissions and a yearly reduction of 10.19 tons in smoke and dust emissions.
- a yearly reduction of 4,557 tons (previous year: 2,850 tons) in CO<sub>2</sub> emissions (Note: this figure refers to comparison between 2016 and 2017 calendar year).

## 環境保護

番禺廠在能源管理方面的政策是：積極採用先進的節能技術，努力研發低耗工藝，不斷提高能源利用效率，推動能耗水準向國際先進水平邁進。番禺廠積極採用先進的節能技術、承擔了多項行業和國家的示範項目，並努力進行工藝和技術的節能研發，取得了良好的節能效益。

在回顧年內由於加大了環境保護設施的投入和改善工場工作環境的投入，非生產用電增加，同時生產量增多及生產耗能相應增加，最終，在回顧年內番禺廠總耗能193,300噸標煤（上年：162,100噸），比去年增加能源消耗31,200噸標煤。

但在回顧年內番禺工廠取得了良好的環境成績，獲得了政府的多項嘉獎，包括：廣東省環保廳頒發的「環保誠信綠牌企業」，而全廣東省獲得綠牌企業的只有10.1%；中國紡織工業聯合會「紡織行業綠色發展企業」；國家工信部「2017年重點用水企業水效領跑者」；CNTAC-ZDHC供應鏈化學品管理創新2020行動領跑者企業；國家發改委頒授的「2017年優秀能源管理案例」企業，獲得此項表彰的僅有8家企業，同時，互太又代表中國參加國際優秀能源管理評比，是中國的三家企業之一。

番禺廠對有害廢棄物參照危險廢棄物處理的相關政策要求，執行轉移聯單制度，委託有運營資質的單位統一處理，危險廢棄物合規處置率100%；無害廢棄物委託相關單位回收利用、綜合處理，綜合處理率100%。

番禺廠積極進行環境保護，投資6,000萬元人民幣對電廠燃煤鍋爐煙氣治理技術進行升級改造，目前排放的煙氣已達到廣東省超低排放標準，而該項技術被專家推薦申報廣東省環境保護優秀示範工程。

番禺廠實現了：

- 番禺廠投資6,000萬元人民幣對電廠燃煤鍋爐煙氣治理技術進行升級改造，達到：
- 年減少SO<sub>2</sub>排放36.08噸，年減少氮氧化物排放16.09噸，年減少煙塵排放10.19噸。
- 年減少CO<sub>2</sub>排放量4,557噸（上年：減少2,850噸）（註：此數字是按2016年及2017年曆年計算）。

## ENVIRONMENTAL PROTECTION (Cont'd)

Principal measures adopted by Panyu plant in mitigating wastewater emissions are as follows:

1. The completion, commissioning and operation of a sewage treatment project with a capacity of 20,000m<sup>3</sup>/day using the "biochemical+physicochemical+ozonide BAF" advanced treatment technology, which has reached the specific standards steadily. The treated wastewater discharge indices were far below the requirements of national and local environmental standards. In particular, the CODcr index was approximately 20~30mg/L, and the chromaticity was approximately 20 times.
2. The online monitoring, operation enhancement and technological renovation of the sewage treatment system, so that the operating efficiency and automation level of the water treatment system were significantly raised and the manual labour intensity of the operators were lowered.
3. The research and assessment on the odour treatment technology for the biochemical treatment stage of wastewater treatment by commencing the construction of an odour biological treatment project.



Chemical Spill Drill  
化學品洩漏演練



Chemical Spill Drill  
化學品洩漏演練

## 環境保護 (續)

番禺廠在廢水排放減量主要採取措施：

1. 採用「生化+物化+臭氧BAF」深度處理工藝的20,000m<sup>3</sup>/天污水處理項目竣工進入調試運行階段並已穩定達標，經處理後的廢水排放指標遠遠低於國家及地方環保標準的要求，其中指標CODcr約20~30mg/L，色度約20倍。
2. 針對污水處理系統進行在線監測及運行優化技術改造，水處理系統運行效率和自動化水平顯著提高，降低操作人員體力勞動強度。
3. 開展廢水處理生化段臭氣處理技術調研及評估，啟動臭氣生物處理工程建設。

## SUPPLY CHAIN MANAGEMENT

In order to ensure stable supply of yarn, the Group procure its yarn from more than 40 suppliers based in different regions, to minimize geopolitical risks. Pacific Textiles pays great attention to product quality. To become a recognized yarn supplier of Pacific Textiles, each yarn supplier must be able to meet the quality standards required by our factories.

For new suppliers, sample provided to us must pass the quality testing and satisfy the relevant requirements, and thereafter, periodic assessment on new supplier will be made before it is admitted as qualified supplier.

For existing qualified suppliers, quality testing will be conducted and the Company will stop to procure from those suppliers whose yarn quality could no longer meet the required standard of the Company.

## 供應鏈管理

為確保紗的供應穩定，本集團從超過40間位於不同地區的供應商採購紗，藉此將地緣政治風險減至最低。互太格外注重產品品質。若要成為互太的認可紗供應商，每間紗供應商必須符合我們廠房規定的品質標準。

對於新供應商，他們向我們提供的樣板必須通過品質測試，並達到相關要求，隨後亦會對新供應商進行定期評估，方會被納入為合資格供應商。

至於現有的合資格供應商，他們需接受品質測試，倘發現供應商提供的紗品質素不再符合本公司的規定標準，本公司將中止向他們採購。



#### PRODUCT RESPONSIBILITY

The products of Pacific Textiles are manufactured in strict compliance with the relevant international standards. No products of Pacific Textiles were subject to recalls for safety and health reasons during the year under review.

Upon receiving a customer's complaint on product quality, the Company will review the validity and conduct investigation on the reasons. Depending on the nature and cause of complaint, the information will be communicated to supplier if it is proven to be related to raw materials; to factory heads if it is caused by error in manufacturing process; to carrier if it is arising from transportation process.

The products of Pacific Textiles will be verified in accordance with the verification standards as agreed with the relevant customers. Pacific Textiles has established specific arrangements in relation to product recall procedures, if repairs are required, the products will be returned to the relevant department of the factory for repairs and the products will only be redelivered to the relevant customer only after passing necessary quality inspections.

#### MAINTENANCE AND PROTECTION OF INTELLECTUAL PROPERTY RIGHTS, CONSUMER DATA PROTECTION AND PRIVACY POLICIES

Pacific Textiles respects and protects its customers' intellectual property rights, privacy and other trade secrets. After receiving customers' designs, Pacific Textiles will take measures to ensure the safety of their intellectual property rights, privacy and other trade secrets and prevent the unauthorized disclosure of such secrets.

For some products involving to intellectual property rights, Pacific Textiles will enter into confidentiality agreements with the relevant suppliers and customers in relation to the intellectual property rights and trade secrets.

#### ANTI-CORRUPTION

Pacific Textiles has formulated anti-corruption policies, rules and regulations for its employees, contractors and suppliers of Panyu plant and Vietnam plant. Where any contravention to the policies, rules and regulations is identified with solid evidence, the engagement of the contravening parties or the provision of non-compliant services will be terminated immediately.

Relevant policies, rules, regulations and procedures for this area of work will be reviewed from time to time to prevent recurrence of non-compliant cases. We have also set up a compliant mechanism for reporting corrupted acts, if any.

#### 產品責任

互太的產品嚴格按相關國際標準進行生產。於回顧年內，互太並無產品因安全與健康理由而需要回收。

本公司接獲客戶對產品品質的投訴後，將審閱投訴原因並展開調查。視乎投訴性質及成因，如有證據顯示投訴與原材料相關，我們會向供應商傳達相關資訊；如投訴個案因製造流程出錯引致，則會與廠房主管溝通；如因運送流程所致，則與承運方檢討。

互太的產品檢定會按與相關客戶協定的檢驗標準進行檢定。互太已就產品回收程序制定具體安排，如產品需要維修，則該等產品將交還廠房相關部門進行維修。產品只有通過必要品質檢定後，方會再次送交相關客戶。

#### 維護及保障知識產權、消費者資料保護及私隱政策

互太尊重客戶的知識產權、私隱及其他商業機密，並設法保障。收到客戶的設計圖後，互太將採取措施，確保他們的知識產權、私隱及其他商業機密的安全，防止有關機密資料在未經許可情況下洩漏。

對於涉及知識產權的若干產品，互太將與相關供應商及客戶就知識產權及商業機密訂立保密協議。

#### 反貪污

互太就番禺廠及越南廠的僱員、承包商及供應商制定反貪污政策、條例及規定。一經發現違反該等政策、條例及規定，證據確鑿的，違規方或違規服務將會即刻予以終止。

我們將不時審閱相關工作政策、條例、規定及程序，避免再次發生違規事件。我們亦已就舉報貪污行為（如有）設立申訴機制。

## COMMUNITY ENGAGEMENT

Panyu plant has solicited suggestions for policy making to understand and support local community needs by various means. Panyu plant took part in local community activities including elderly care activities, entertainment performance for the local community, paying visits and offering financial assistance to poverty-stricken villagers, providing scholarships for outstanding middle school students, and participated in the local government's fund-raising activities for the impoverished people by making contributions of about RMB112,000 and offering employment opportunities to surplus workforce in the local community.

Pacific Textiles has participated in various kinds of community activities in order to support local community development and cultivate a kind of sense of belongings to local community with each other:

- Take part in environmental protection: planting trees activities in local and support the environmental sanitation fund
- Donation for the poor people: presenting gifts to poor families, and making donations to the Red Cross Association
- Contribute to the welfare of education including the building kindergarten, giving gifts to outstanding students and donating computer to school
- Other social activities including arts and sports activities with local community people

## 社區參與

番禺廠已通過不同方法徵集政策，了解及支持當地社區的需求。番禺廠參與了敬老活動、當地社區娛樂表演、拜訪及資助貧困村民、為優秀中學生提供獎學金等當地的社區活動，並通過捐款及僱傭當地剩餘勞動力等方式參加當地政府組織的救助貧困人士募捐活動（約人民幣112,000元）。

為了支持當地社區的發展，培養對當地社區的相互歸屬感，互太參與各種社區活動：

- 參與環境保護活動：參與當地植樹活動，支持環境衛生基金
- 向窮困戶捐款：向貧困家庭饋贈禮物，向紅十字會捐款
- 教育福利捐獻，包括建設幼稚園，向優秀學生贈送禮物，向學校捐贈電腦
- 其他社會活動，包括為當地社區民眾舉辦的藝術及體育活動



2018 Visit elderly in Tong Xing Village during the New Year, and donation  
2018年春節慰問同興村老人及捐贈



2018 Union members gifts distribution  
2018年工會會員禮品發放

# 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 2018 Financial Year.

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. The Group is principally engaged in the manufacturing and trading of textile products, including high quality cotton and synthetic knitted fabric.

An analysis of the performance of the Group for the 2018 Financial Year by geographical location of business operation is set out in note 5 to the consolidated financial statements.

### BUSINESS REVIEW

A review of the business of the Group during the year and a discussion on the Group's future developments is provided in the section headed "Management Discussion and Analysis" in this annual report.

### PRINCIPAL RISKS AND UNCERTAINTIES

The Group's financial condition, results of operations, business and prospects may be affected by a number of risks and uncertainties. The following are the key risks and uncertainties identified by the Group. There may be other risks and uncertainties in addition to those outlined below which are not known to the Group or which may not be material now but could turn out to be material in the future.

#### Business Risk

Macro economic and political situation, such as, Sino-USA and Sino-Vietnamese relations, the possibilities of trade barriers, may pose uncertainty to the business. Global economic trend, inflation (including raw materials, fuel, labor), fluctuation in forex rate and interest rate are also factors that could affect the financial performance of the Group.

#### Strategic Direction Risk

The success of future business depends on achieving our strategic objectives, including through acquisitions, joint ventures, dispositions and restructurings. The Group faces risk in its application of its assets and capital towards suitable investments and seizure of business and investment opportunities when such opportunities arise.

#### Legal and Compliance Risk

Legal risk is the risk that unenforceable contracts, lawsuits or adverse judgments may disrupt or otherwise negatively affect the operations or financial conditions of the Group. Compliance risk is the risk of legal or regulatory sanctions, financial losses or losses in reputation the Group may suffer as a result of its failure to comply with all applicable laws and regulations.

#### Policy risk

Change of rules, regulations by the governmental bodies where the Group operates its business, such as new environmental protection policies, may result in adjustment of production method, or increased cost in fulfilling new standard.

董事局欣然提呈本公司及本集團2018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。本集團主要從事優質全棉及化纖針織布等紡織產品之製造及貿易。

本集團按商業營運之地區劃分的2018年財政年度之表現分析載於綜合財務報表附註5。

### 業務回顧

本集團年內業務回顧及本集團未來發展之討論載於本年報「管理層討論與分析」一節。

### 主要風險及不明朗因素

本集團的財務狀況、經營業績、業務及前景可能受多項風險及不明朗因素影響。本集團識別到的主要風險及不明朗因素載列如下。除下文所概述者外，亦可能存在本集團並不知悉或目前未必屬重大但日後可能變成重大的其他風險及不明朗因素。

#### 業務風險

中美、中越關係及潛在貿易戰等宏觀經濟及政治局勢可能對業務構成不明朗因素。全球經濟動向、通脹（包括原材料、燃料及勞工），乃至匯率及利率波動等因素，亦可能對本集團財務表現構成影響。

#### 策略方針風險

我們未來業務的成功取決於策略目標的達致，包括經由收購、合營公司、出售及重組。本集團於動用其資產及資金作適合投資以及出現業務及投資機會時把握該等機會時，會面臨風險。

#### 法律及合規風險

法律風險指不可執行合約、訴訟或不利判決可能使本集團之營運或財務狀況出現混亂或負面影響的風險。合規風險指因未有遵守所有適用法例及規則，而可能導致本集團須承受遭法律或監管機構制裁、引致財務損失或信譽損失的風險。

#### 政策風險

本集團業務經營所在地區的政府機構對規則及法規作出的變更（如新訂環境保護政策等），可能需調整生產方式或為符合新標準而導致成本增加。

## SUBSIDIARIES

Details of the principal activities of the Company's subsidiaries at 31 March 2018 are set out in note 8 to the consolidated financial statements.

## RESULTS AND DIVIDENDS

The results of the Group for the 2018 Financial Year are set out in the consolidated statement of profit or loss on page 61 of this annual report.

An interim dividend of HK26.5 cents (2017: HK30 cents) per share was paid on 8 January 2018 to shareholders. The Board has recommended the payment of a final dividend of HK18.5 cents (2017: HK30 cents) per share. Subject to the approval of the shareholders at the forthcoming AGM, the final dividend of HK18.5 cents will be paid on 30 August 2018 to shareholders whose names appear on the Register of Members of the Company on 20 August 2018.

## CLOSURE OF REGISTER OF MEMBERS

The Register of the Members of the Company will be closed from 6 August 2018 to 9 August 2018 (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 3 August 2018. Record date to determine shareholder's voting right is 6 August 2018.

The Register of the Members of the Company will be closed from 16 August 2018 to 20 August 2018 (both days inclusive) for the purpose of determining the identity of members who are entitled to the final dividend for the year ended 31 March 2018, during which period no transfer of shares of the Company will be registered. In order to qualify for the final dividend, all transfers accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 15 August 2018.

## SHARE CAPITAL

Details of the movements in the issued share capital of the Company during the 2018 Financial Year are set out in note 16 to the consolidated financial statements.

## 附屬公司

本公司附屬公司於2018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2018年財政年度業績載於本年報第61頁綜合損益表。

本公司已於2018年1月8日向股東派發中期股息每股港幣26.5仙(2017年：港幣30仙)。董事局已建議派發末期股息每股港幣18.5仙(2017年：港幣30仙)。待股東於應屆股東週年大會上批准後，末期股息港幣18.5仙將於2018年8月30日派付予於2018年8月20日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2018年8月6日至2018年8月9日(首尾兩天包括在內)暫停辦理股份過戶登記手續，以便釐定股東出席股東週年大會的權利並於會上投票之資格，期間將不會辦理本公司股份過戶登記。為符合出席股東週年大會之資格，股東最遲須於2018年8月3日下午4時30分前將所有過戶文件連同有關股票交回本公司股份過戶登記處香港分處之香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。釐定股東投票權的記錄日期為2018年8月6日。

本公司將由2018年8月16日至2018年8月20日(首尾兩天包括在內)暫停辦理股份過戶登記手續，以便釐定股東有權獲派發截至2018年3月31日止年度之末期股息之資格，期間將不會辦理本公司股份過戶登記。為符合獲派發末期股息之資格，股東最遲須於2018年8月15日下午4時30分前將所有過戶文件連同有關股票交回本公司股份過戶登記處香港分處之香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

## 股本

本公司已發行股本於2018年財政年度期間之變動詳情載於綜合財務報表附註16。

#### RESERVES

Details of the movements in the reserves of the Group and of the Company during the 2018 Financial Year are set out in note 17 to the consolidated financial statements.

#### DISTRIBUTABLE RESERVES

As at 31 March 2018, the distributable reserves of the Company amounted to approximately HK\$2,372 million (2017: HK\$2,391 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 2018 Financial Year.

#### DONATIONS

During the 2018 Financial Year, the Group made charitable and other donation totalling approximately HK\$354,000 (2017: HK\$nil).

#### PROPERTY, PLANT AND EQUIPMENT

Expenditure of approximately HK\$170 million (2017: HK\$166 million) was incurred during the 2018 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.

#### CAPITALISED INTERESTS

During the 2018 Financial Year, no interest had been capitalised (2017: Nil).

#### PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's shares during the 2018 Financial Year.

#### 儲備

本集團與本公司儲備於2018年財政年度期間之變動詳情載於綜合財務報表附註17。

#### 可供分派儲備

於2018年3月31日，本公司之可供分派儲備總額約為2,372百萬港元（2017年：2,391百萬港元），包括本公司股份溢價、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，惟於緊隨建議進行任何上述分派當日後，本公司必須仍有能力償還在日常業務中到期支付之欠款。

#### 優先認購權

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

#### 管理合約

本公司於2018年財政年度期間並無就整體業務或任何重要業務之管理及行政工作簽訂或存有任何合約。

#### 捐款

本集團於2018年財政年度期間作出之慈善及其他捐款共約354,000港元（2017年：零港元）。

#### 物業、廠房及設備

於2018年財政年度期間，主要就擴充本集團產能支出約170百萬港元（2017年：166百萬港元）。

本集團物業、廠房及設備的變動詳情載於綜合財務報表附註7。

#### 利息資本化

於2018年財政年度期間並無將利息資本化（2017年：無）。

#### 購買、出售或贖回股份

於2018年財政年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何股份。

## MAJOR CUSTOMERS AND SUPPLIERS

During the 2018 Financial Year, sales to the Group's five largest customers accounted for approximately 68.9 % of the Group's total sales and sales to the Group's largest customer included therein amounted to approximately 40.8%. Purchases from the Group's five largest suppliers accounted for approximately 47.2% of the Group's total purchases and purchase from the Group's largest supplier included therein amounted to approximately 32.8%.

Except as disclosed below, 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:

Toray Industries, Inc., a substantial shareholders of the Company is one of the largest suppliers of the Company, representing 3.2% of the Group's total purchase. The purchase from Toray Industries, Inc., constitutes continuing connected transactions, details of the annual review of the said continuing connected transactions are set out in the Financial Information, on page 148.

## 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 154 of this annual report.

## DIRECTORS

The Directors during the 2018 Financial Year and up to the date of this report were:

### Executive Directors

Mr. WAN Wai Loi (*Chairman and Chief Executive Officer*)  
 Mr. LAU Yiu Tong (*Vice Chairman with effect from 1 July 2017, and re-designated as Executive Director from Non-executive Director from 1 July 2017*)  
 Mr. TOU Kit Vai (*Chief Financial Officer, and appointed as Executive Director with effect from 1 July 2017*)  
 Mr. Toshiya ISHII (*appointed as Executive Director on 1 October 2017*)

### Non-executive Directors

Mr. CHOI Kin Chung  
 Mr. TSANG Kang Po (*Vice Chairman till 1 July 2017, and re-designated as Non-executive Director from 1 July 2017, resigned on 1 July 2018*)  
 Mr. IP Ping Im (*deceased on 27 October 2017*)  
 Mr. LAM Wing Tak (*resigned with effect from 22 May 2017*)

### Independent Non-executive Directors

Dr. 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. Pursuant to article 114 of the Articles of Association of the Company, Mr. Toshiya Ishii will hold office until the next following general meeting of the Company and will then be eligible for re-election at that meeting.

## 主要客戶及供應商

於2018年財政年度期間，向本集團五大客戶作出之銷售約佔本集團銷售總額的68.9%，而當中向本集團最大客戶作出之銷售約佔其中的40.8%。向本集團五大供應商作出之採購約佔本集團採購總額的47.2%，而當中向本集團最大供應商作出之採購約佔其中的32.8%。

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

本公司主要股東Toray Industries, Inc.為本公司最大供應商之一，佔本集團採購總額的3.2%。向Toray Industries, Inc.作出之採購構成持續關連交易，有關持續關連交易之年度審閱詳情載於財務資料第148頁。

## 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154頁。

## 董事

於2018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 (*主席兼行政總裁*)  
 劉耀棠先生 (*自2017年7月1日起為副主席，並於同日起從非執行董事調任為執行董事*)  
 杜結威先生 (*首席財務總監，並於2017年7月1日起獲委任為執行董事*)  
 石井俊哉先生 (*於2017年10月1日獲委任為執行董事*)

### 非執行董事

蔡建中先生  
 曾鏡波先生 (*為副主席至2017年7月1日止並於同日起調任為非執行董事，於2018年7月1日辭任*)  
 葉炳棧先生 (*於2017年10月27日逝世*)  
 林榮德先生 (*於2017年5月22日辭任*)

### 獨立非執行董事

陳裕光博士  
 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。根據本公司組織章程細則第114條，石井俊哉先生的任期將至本公司下屆股東大會為止，並將合資格於會上膺選連任。

## DIRECTORS' REPORT

### 董事局報告

Accordingly, Mr. Choi Kin Chung, Dr. Chan Yue Kwong Michael, Mr. Sze Kwok Wing Nigel and Mr. Toshiya Ishii 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 13 to 15 of this annual report.

## DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors had entered into a service agreement with the Company for an initial term of two years, renewable thereafter until terminated by either party by giving 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.

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 terminable 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 2018 Financial Year is set out in note 34 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 2018 Financial Year or at any time during the 2018 Financial Year.

## COMPETING INTEREST

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.

因此，蔡建中先生、陳裕光博士、施國榮先生及石井俊哉先生將於應屆股東週年大會從董事局輪席告退，惟彼等合資格並願膺選連任。

## 董事之簡介

董事之簡介詳列於本年報第13至15頁。

## 董事之服務合約

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

各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。

全體董事須根據章程細則及上市規則輪值連任。

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本集團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、職責及於本集團業務所投放之時間而審閱與釐定。

各位董事於2018年財政年度之酬金詳情載於綜合財務報表附註34。

## 董事於合約的權益

於2018年財政年度末或於2018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

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于任何其他利益衝突。

## 稅務減免與豁免

董事並不知悉任何本公司之股東因持有股份而可享有任何稅務減免與豁免。

## ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the 2018 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.

## 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2018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' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2018, 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:

## 董事於股份和相關股份之權益及淡倉

於2018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

## 股份之好倉

Name of Directors/ Chief Executives 董事／行政總裁姓名	Number of issued Shares held and nature of interest 持有已發行股份數目及權益性質					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
	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	Other interests 其他權益		
Wan Wai Loi 尹惠來	9,497,000	1,030,000 (Note 1) (附註1)	–	–	–	10,527,000	0.73%
Lau Yiu Tong 劉耀棠	52,501,000	–	–	–	–	52,501,000	3.63%
Tou Kit Vai 杜結威	300,000	–	–	–	–	300,000	0.02%
Tsang Kang Po 曾鏡波	1,988,000	2,501,000	55,000,000 (Note 2) (附註2)	–	–	59,489,000	4.11%
Tsang Sian-Chung Hubert 曾憲中	450,000 (Note 3) (附註3)	–	–	–	–	450,000	0.03%



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

### LONG POSITIONS IN SHARES (Cont'd)

Notes:

1. The Shares are held by Ms. Chui Bo Lan, the spouse of Mr. Wan Wai Loi.
2. 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. Mr. Tsang Kang Po resigned as a non-executive director of the Company with effect from 1 July 2018.
3. Mr. Hubert Tsang is the Chief Information Officer of the Company who was granted share options of the Company. Details of terms of share options are set out on page 35 of this annual report.

Save as disclosed above, as at 31 March 2018, 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 2018 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.

## INTERESTS OF THE SUBSTANTIAL SHAREHOLDERS

As at 31 March 2018 the following persons (not being a Director or chief executive of the Company) had interests or short positions in the Shares or underlying shares of the Company which have been disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

## 董事於股份和相關股份之權益及淡倉(續)

### 股份之好倉(續)

附註：

1. 該等股份由尹惠來先生之配偶趙寶蘭女士持有。
2. 該等股份由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。曾鏡波先生於2018年7月1日起辭任本公司之非執行董事。
3. 曾憲中先生為本公司之資訊總監，並獲授予本公司購股權。購股權條款之詳情載於本年報第35頁。

除上文披露者外，於2018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，又或根據標準守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，擁有任何權益或淡倉。

於2018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可藉購入本公司股份而獲益的權利，或彼等行使任何此等權利；或本公司、其控股公司或其任何附屬公司概無參與任何安排，致令董事可於任何其他法人團體獲得此等權利。

## 主要股東權益

於2018年3月31日，以下人士（並非董事或本公司行政總裁）於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部之條文須向本公司披露，或根據本公司按證券及期貨條例第336條規定存置之登記冊所記錄之權益或淡倉：

POSITIONS IN SHARES

LONG (L), SHORT (S), LENDING POOL (LP)

股份之持倉

好倉(L)，淡倉(S)，可供借出股份(LP)

Name 姓名／名稱	Capacity in which ordinary shares were held 於所持普通股之身份	Number of ordinary shares 普通股數目	Approximate percentage of issued share capital of the Company 於本公司已發行股本之概約百分比
Toray Industries, Inc.	Beneficial Owner 實益擁有人	405,394,000 (L)	28.03%
Schroders Plc	Investment Manager 投資經理	132,592,000 (L)	9.17%
JPMorgan Chase & Co.	Beneficial Owner 實益擁有人	1,713,049 (L) 1,389,378 (S)	0.12% 0.09%
	Investment Manager 投資經理	30,680,000(L)	2.12%
	Approved lending agent 核准借出代理人	40,116,585(LP)	2.77%
Matthews International Capital Management, LLC	Investment Manager 投資經理	74,786,000 (L)	5.17%
Lam Wing Tak 林榮德	Beneficial Owner 實益擁有人	14,566,000 (L)	
	Interest of Spouse 配偶權益	1,087,000 (L)	
	Founder of a discretionary trust 全權信託之創辦人	80,000,000 (L)	
		95,653,000 (Note 4) (附註4)	6.61%

POSITIONS IN SHARES (Cont'd)

LONG (L), SHORT (S), LENDING POOL (LP) (Cont'd)

股份之持倉(續)

好倉(L), 淡倉(S), 可供借出股份(LP) (續)

Name 姓名 / 名稱	Capacity in which ordinary shares were held 於所持普通股之身份	Number of ordinary shares 普通股數目	Approximate percentage of issued share capital of the Company 於本公司已發行股本之概約百分比
Wong Bik Ha 黃碧霞	Beneficial Owner 實益擁有人	1,087,000 (L)	
	Interest of Spouse 配偶權益	14,566,000 (L)	
	Founder of a discretionary trust 全權信託之創辦人	80,000,000 (L)	
		95,653,000 (Note 4) (附註4)	6.61%
HSBC International Trustee Limited	Trustee 信託人	80,520,000 (Note 4) (附註4)	5.57%
BLWT Company Limited	Interest in controlled corporations 受控法團權益	80,000,000 (Note 4) (附註4)	5.53%
Fifth Element Enterprises Limited	Beneficial Owner 實益擁有人	80,000,000 (Note 4) (附註4)	5.53%

Note 4: Mr. Lam Wing Tak is the spouse of Ms. Wong Bik Ha, Ms. Wong Bik Ha is the spouse of Mr. Lam Wing Tak. 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.

附註4：林榮德先生與黃碧霞女士互為配偶。Fifth Element Enterprises Limited由BLWT Company Limited全資擁有。HSBC International Trustee Limited為林榮德先生之家族信託之信託人，全資擁有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。

## 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.

Options enabling the exercise of 22,820,000 shares were granted on 18 July 2007 ("1st Grant") and options enabling the subscription of 10,000,000 shares were granted on 11 October 2013 ("2nd Grant"), which expired on 17 July 2017 and will expire on 10 October 2023 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.

#### 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.

## 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，並受限於其所訂之條款及條件。

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

### A. 購股權計劃概要

#### 1. 目的

購股權計劃之目的為使本公司能靈活地挽留、激勵、回饋、酬報、補償及／或提供利益予合資格人士（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為符合購股權計劃之其他公司或本公司聯營公司。

#### 3. 最高股份數目

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

## SHARE OPTION SCHEME (Cont'd)

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

#### 4. Maximum entitlement of each participant

The total number of Shares issued and to be issued upon exercise of the options granted to each Eligible 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:

- (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, in other words, the Share Option Scheme has terminated as at 17 May 2017.

## 購股權計劃(續)

### A. 購股權計劃概要(續)

#### 4. 每名參與者可獲授權益上限

在任何12個月期間，因合資格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：

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

##### (b) 授出時付款

合資格人士毋須於接納授予彼等之購股權時付款。

#### 7. 購股權計劃尚餘的有效期

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

## SHARE OPTION SCHEME (Cont'd)

## B. OPTIONS GRANTED BY THE COMPANY

As at 31 March 2018, 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 01/04/2017 於2017年 4月1日	Number of share options 購股權數目				As at 31/03/2018 於2018年 3月31日
					Changes during the period 期內變動				
					Granted 授出	Exercised 已行使	Lapsed 失效	Forfeited 沒收	
Eligible Employees 合資格僱員	18/07/2007 (1st Grant) 18/07/2007 (第一次授出) (Note 1) (附註1)	5.04	18/07/2010-17/07/2017	-	-	-	-	-	-
	11/10/2013 (2nd Grant) 11/10/2013 (第二次授出)	9.98	11/10/2016-10/10/2023	9,250,000	-	-	200,000	-	9,050,000

Note 1: Share Options issued under 1st Grant are fully exercised.

附註1：根據第一次授出發行之購股權已悉數行使。

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\$1,696,000 amortised fair value of share options for the 2018 Financial Year was charged to the consolidated income statement (2017: HK\$2,856,000).

根據二項式期權定價模式（「定價模式」），第二次授出之購股權之公允值平均約為每股1.85港元。該定價模式主要基於本公司股份於授出購股權日期之收市價為每股9.98港元、每年約2.09%的無風險利率、約10年的預期購股權有效期、45%的預期引伸波幅及每年9%的股息回報率計算。於2018年財政年度，1,696,000港元購股權之經攤銷公允值已於綜合收益表內入賬（2017年：2,856,000港元）。

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.

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。

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

除下文披露者外，本公司董事、行政總裁或主要股東或彼等各自的聯繫人概無根據購股權計劃獲授購股權：

450,000 options were granted to Mr. Tsang Sian Chung, Hubert an employee who is also an associate of Mr. Tsang Kang Po, a non-executive Director of the Company as at the date of grant of share options.

在購股權授出之日的一名僱員（曾憲中先生，彼亦為本公司非執行董事曾鏡波先生之聯繫人）獲授予450,000份購股權。

## CONTINUING CONNECTED TRANSACTIONS

Certain related party transactions set out in note 32 to the consolidated financial statements also constitute continuing connected transaction under the Listing Rules.

During the 2018 Financial Year, the Group had the following continuing connected transactions not exempted under the Listing Rules 14A.33 respectively:

### (1) SALE OF KNITTED FABRIC TO CRYSTAL GROUP

During the 2018 Financial Year, the Group has conducted business pursuant to an agreement in relation to sale of knitted fabrics manufactured or owned by the Group to Crystal International Group Limited ("Crystal" together with its subsidiaries, referred to as "Crystal Group") dated 26 June 2015, with its term up to 31 March 2018 ("Crystal Group Sale and Purchase of knitted Fabric New Master Agreement"). The annual caps for each of the financial years ending 31 March 2016, 31 March 2017 and 31 March 2018 are HK\$2,000 million for each of the said years. Details of the Crystal Group Sale and Purchase of knitted Fabric New Master Agreement were set out in the Company's announcement dated 26 June 2015.

During the 2018 Financial Year, the total transaction amount between Crystal Group and the Group was approximately HK\$948 million, which was within the relevant annual cap.

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

In accordance with rule 14A.55 of the Listing Rules, the independent non-executive directors of the Company reviewed the continuing connected transactions in the paragraph above and confirmed that the transactions were entered into:

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

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

## 持續關連交易

載於綜合財務報表附註32的若干有關聯人士交易亦構成上市規則下的持續關連交易。

於2018年財政年度期間，本集團分別有下列根據上市規則第14A.33條未獲得豁免的持續關連交易：

### (1) 向晶苑集團銷售針織布

於2018年財政年度，本集團根據日期為2015年6月26日有關本集團向Crystal International Group Limited (「晶苑」，連同其附屬公司統稱為「晶苑集團」) 銷售本集團所製造或擁有的針織布的協議，年期直至2018年3月31日為止 (「晶苑集團銷售與採購針織布新總目協議」)。截至2016年3月31日、2017年3月31日及2018年3月31日止財政年度各年之年度上限分別為2,000百萬港元。晶苑集團銷售與採購針織布新總目協議詳情載列於本公司日期為2015年6月26日的公告。

於2018年財政年度，晶苑集團與本集團之間的交易總額約為948百萬港元，有關金額並無超出相關年度上限。

根據上市規則，因晶苑為本公司間接非全資附屬公司PCGT Limited的股東，晶苑為本公司的主要股東 (定義見上市規則) 及因此為關連人士。晶苑集團亦視做本公司關連人士。

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

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

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

## CONTINUING CONNECTED TRANSACTIONS (Cont'd)

### (2) SALE OF YARNS BY TORAY TO THE GROUP

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

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

During the 2018 Financial Year, the total transaction amount between Toray Group and the Group was approximately HK\$135 million, which was within the annual cap.

In accordance with rule 14A.55 of the Listing Rules, the independent non-executive directors of the Company reviewed the continuing connected transactions in the paragraph above and confirmed that the transactions were entered into:

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

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

### (3) SALE OF PRODUCTS TO HC COMPANIES

During the Financial Year 2018, the Group had sold knitted fabrics to companies in which Mr. Henry Choi has substantial interest (the "HC Companies"). Mr. Henry Choi, is the son of Mr. Choi Kin Chung, a director of the Company and hence he and the HC Companies, are regarded as connected persons of the Company by virtue of Listing Rule 14A.07. Transactions with HC Companies were on normal commercial terms where all percentage ratios on an annual basis were less than 0.1%, and were fully exempted under Listing Rule 14A.76(1).

## 持續關連交易 (續)

### (2) TORAY向本集團銷售紗

於2018年財政年度，本集團已根據日期為2017年7月28日有關Toray Industries, Inc. (「Toray」，連同其附屬公司統稱為「Toray集團」) 向本集團銷售紗之協議，年期截至2020年3月31日為止。截至2018年3月31日、2019年3月31日及2020年3月31日止財政年度各年之年度上限分別為230百萬港元。

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

於2018年財政年度，Toray集團與本集團之間的交易總額約為135百萬港元，有關金額並無超出相關年度上限。

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

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

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

### (3) 向HC公司銷售產品

於2018年財政年度，本集團已向蔡穎剛先生擁有重大權益之公司(「HC公司」)銷售針織布。蔡穎剛先生為本公司董事蔡建中先生之兒子，根據上市規則第14A.07條，蔡穎剛先生及HC公司被視為本公司的關連人士。與HC公司之交易均按一般商務條款進行，而且每項百分比率按年計算均低於0.1%，故根據上市規則第14A.76(1)條獲得全面豁免。



### 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 Dr. Chan Yue Kwong, Michael. Mr. Sze Kwok Wing, Nigel is the chairman of the Audit Committee. The Audit Committee has reviewed the financial statements of the Group for the 2018 Financial Year and discussed with the management and the auditor of the Company on the accounting principles and practices adopted by the Group and internal controls and financial reporting matters.

Pursuant to the recent development of CG Code contained in Appendix 14 to the Listing Rules, updated "Terms of Reference" for Audit Committee was adopted in March 2016.

### CORPORATE GOVERNANCE

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report from pages 41 to 54 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.

### AUDITOR

The consolidated financial statements for the 2018 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, 21 June 2018

### 審核委員會

董事局成立審核委員會（「審核委員會」），其書面職權範圍符合上市規則附錄十四所載的企業管治守則。審核委員會由三名獨立非執行董事組成，即施國榮先生、伍清華先生及陳裕光博士。施國榮先生為審核委員會的主席。審核委員會已審閱本集團2018年財政年度的財務報表，並已與本公司管理層及核數師討論本集團所採納的會計原則及慣例，以及內部監控及財務申報事宜。

依據上市規則附錄十四所載企業管治守則的最新修訂，審核委員會經更新的「職權範圍」於2016年3月獲採納。

### 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41頁至54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。

### 核數師

羅兵咸永道會計師事務所已審核2018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，以取得本公司股東批准續聘羅兵咸永道會計師事務所為本公司核數師。

代表董事局

主席

尹惠來

香港，2018年6月21日

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.

### A. CORPORATE GOVERNANCE PRACTICE OF THE COMPANY

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 2018 Financial Year.

During the year, Mr. Wan Wai Loi, served as chairman and the chief executive officer of the Company, hence the Company does not comply with the code provision A.2.1 of the CG Code which requires that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. While the dual role arrangement have provided strong leadership and facilitates the implementations of the Group's business strategies, the Group will nevertheless review the structure from time to time in light of the prevailing circumstance.

### B. THE BOARD

#### 1. RESPONSIBILITIES OF THE BOARD

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

The Company and the Board requires 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.

Executive Directors are responsible for management of the different aspects or functions of business of the Group. The non-executive Directors provide their opinion on business strategy of the Company and reviewed financial and operation performance of the Group. The INEDs served the Audit Committee, the Remuneration Committee and the Nomination Committee and provide independent review on issues of strategic direction, development, performance and risk management of the Group.

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.

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

### A. 本公司的企業管治常規

本公司於2018年財政年度內一直遵守上市規則附錄十四所載的企業管治守則載列的適用守則條文與若干建議最佳常規，以提高本公司的企業管治標準。

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

### B. 董事局

#### 1. 董事局的責任

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

本公司及董事局要求各董事清楚彼作為本公司董事之職責，以及了解本公司之業務和經營活動及發展。各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。

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

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

## B. THE BOARD (Cont'd)

### 2. DELEGATION OF MANAGEMENT FUNCTION

The Board is responsible for making all major decisions of the Company, including approval and monitoring of all major policies, overall strategies and budget, internal control, risk management framework, significant financial and operational matters as well as nomination of directors. The day-to-day management and operation of the Company are delegated to the management team of the Company, under the supervision of the Executive Directors. 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.

### 3. COMPOSITION OF THE BOARD

The Board currently has 8 members consisting of 4 executive Directors, 1 non-executive Director and 3 INEDs. Profiles of the Directors are set out on pages 13 to 15 of this annual report and are available on the website of the Company. The Board comprises the following Directors:

#### Executive Directors

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

Mr. LAU Yiu Tong (*Vice Chairman with effect from 1 July 2017, and re-designated as Executive Director from Non-executive Director from 1 July 2017*)

Mr. TOU Kit Vai (*Chief Financial Officer, and appointed as Executive Director with effect from 1 July 2017*)

Mr. Toshiya ISHII (*appointed as Executive Director on 1 October 2017*)

#### Non-executive Director

Mr. CHOI Kin Chung

#### Independent Non-executive Directors

Dr. CHAN Yue Kwong, Michael

Mr. NG Ching Wah

Mr. SZE Kwok Wing, Nigel

There is no financial, business, family or other material relationships among Directors. The list of Directors and their role and function are published on the website of the Stock Exchange and the Company.

## B. 董事局 (續)

### 2. 委派管理職能

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

### 3. 董事局之組成

董事局現由8名成員組成，包括4名執行董事、1名非執行董事及3名獨立非執行董事。有關各董事的簡介載於本年報第13頁至第15頁及載於本公司網站。董事局由以下董事組成：

#### 執行董事

尹惠來先生 (*主席兼行政總裁*)

劉耀棠先生 (*自2017年7月1日起為副主席，並於2017年7月1日起從非執行董事調任為執行董事*)

杜結威先生 (*首席財務總監，並於2017年7月1日起獲委任為執行董事*)

石井俊哉先生 (*於2017年10月1日獲委任為執行董事*)

#### 非執行董事

蔡建中先生

#### 獨立非執行董事

陳裕光博士

伍清華先生

施國榮先生

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

## B. THE BOARD (Cont'd)

### 3. COMPOSITION OF THE BOARD (Cont'd)

The composition of the Board is well-balanced with 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.

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

### 4. APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

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

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

Each of the executive Directors was appointed for an initial term of two years and each service agreement are renewable 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.

All Directors are subject to retirement by rotation and are eligible for re-election pursuant to the Articles. Pursuant to the Articles, any Director appointed by the Board either to fill a casual vacancy or as addition to the Board shall retire and be eligible for re-appointment at the next following general meeting after appointment. In addition, at every AGM, one-third of the Directors, including the Chairman, shall be subject to retirement by rotation and re-election by shareholders. 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.

## B. 董事局 (續)

### 3. 董事局之組成 (續)

董事局之均衡組成，有賴董事具備有關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。

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

### 4. 董事委任、重選及罷免

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

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

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

各非執行董事（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。

根據章程細則，全體董事須輪值退任並符合資格膺選連任。根據章程細則，董事局委任之任何董事（不論為填補臨時空缺或屬董事局新增成員）均須於獲委任後下屆股東大會退任並符合資格膺選連任。此外，於每屆股東週年大會上，三分之一之董事（包括主席）均須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。

## B. THE BOARD (Cont'd)

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

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.

## 5. INDUCTION AND CONTINUING DEVELOPMENT FOR DIRECTORS

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.

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 2018 Financial Year is as follows:

## B. 董事局 (續)

## 4. 董事委任、重選及罷免 (續)

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所提供辭任之理由。

## 5. 董事之入職介紹及持續發展

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

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

根據董事所提供的培訓記錄，全體董事於2018年財政年度期間所接受的培訓記錄概要如下：

		Topics on training covered 培訓所涵蓋的主題		
		Corporate governance 企業管治	Listing Rules and regulatory updates 上市規則及法規更新	Risk and financial management 風險及財務管理
<b>Executive Directors</b>	<b>執行董事</b>			
Mr. WAN Wai Loi	尹惠來先生	B	B	B
Mr. LAU Yiu Tong	劉耀棠先生	B	B	B
Mr. TOU Kit Vai	杜結威先生	B	B	B
Mr. Toshiya ISHII	石井俊哉先生	B	B	A, B
<b>Non-executive Directors</b>	<b>非執行董事</b>			
Mr. CHOI Kin Chung	蔡建中先生	B	B	B
Mr. IP Ping Im (deceased on 27 October 2017) (Note 1)	葉炳棧先生 (於2017年10月 27日辭世 (附註1))	-	-	-
Mr. TSANG Kang Po	曾鏡波先生	B	B	B
Mr. LAM Wing Tak (resigned on 22 May 2017)	林榮德先生 (於2017年5月22日辭任)	-	-	-
<b>INEDs</b>	<b>獨立非執行董事</b>			
Dr. CHAN Yue Kwong, Michael	陳裕光博士	B	A, B	A, B
Mr. NG Ching Wah	伍清華先生	B	B	A, B
Mr. SZE Kwok Wing, Nigel	施國榮先生	B	B	A, B
Type of trainings			培訓類別	
A. Attending briefings, seminars, webinar or training courses			A. 參加簡介會、座談會、網絡研討會 或培訓課程	
B. Reading materials			B. 閱讀資料	
Note 1: Information of training records were not available to the Company and obtaining a confirmation on such training is not feasible.			附註1: 本公司無法獲得有關培訓記錄 資料，亦無法取得有關培訓確 認。	

## B. THE BOARD (Cont'd)

### 6. THE BOARD MEETINGS AND GENERAL MEETINGS

#### NUMBER OF MEETINGS

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 on page 46 of this annual report.

During the 2018 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.

The Company held an annual general meeting on 10 August 2017. All proposed Shareholders resolution put forwarded were resolved by poll vote and were duly passed. The vote tally of each resolution was set out in the Company's announcement released on the even date.

#### PRACTICE AND CONDUCT OF MEETINGS

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 relevant senior management members 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.

## B. 董事局 (續)

### 6. 董事局會議及股東大會

#### 會議次數

董事局每年召開會議不少於4次，並於董事局認為需要時增開會議。全年定期會議時間表已通知各董事。董事出席會議記錄載於本年報第46頁。

於2018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公告、中期報告與年報、商討派息政策、討論本公司重要事項及一般運作。

本公司已於2017年8月10日舉行一次股東週年大會。所有獲提呈之建議股東決議案已按投票表決方式議決並獲正式通過。各項決議案之表決結果載於本公司於同日刊發之公告。

#### 會議常規及程序

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

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

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

## B. THE BOARD (Cont'd)

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

## PRACTICE AND CONDUCT OF MEETINGS (Cont'd)

Directors have access to 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 fulfil their duties properly. Directors may seek independent professional advice at the Company's expense, if necessary, with the approval of the Board.

## ATTENDANCE OF MEETINGS

The attendance record of each Director at the meetings of the Board, the Audit Committee, Remuneration Committee, Nomination Committee and AGM during the 2018 Financial Year are set out as follows:

		Meetings attended/Meetings held 出席會議次數 / 舉行會議次數				
		Board 董事局	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	AGM 股東週年大會
<b>Executive Directors</b>		<b>執行董事</b>				
Mr. WAN Wai Loi (Chairman and Chief Executive Officer)	尹惠來先生 (主席兼 行政總裁)	3/4	N/A 不適用	1/2	1/2	1/1
Mr. LAU Yiu Tong (Vice Chairman)	劉耀棠先生 (副主席)	4/4	N/A 不適用	2/2	2/2	1/1
Mr. TOU Kit Vai	杜結威先生	3/3	4/4 (Note 1) (附註1)	N/A 不適用	N/A 不適用	1/1
Mr. Toshiya ISHII	石井俊哉先生	2/2	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
<b>Non-executive Directors</b>		<b>非執行董事</b>				
Mr. CHOI Kin Chung	蔡建中先生	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. IP Ping Im (deceased on 27 October 2017)	葉炳棻先生 (於2017 年10月27日辭世)	2/2	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. TSANG Kang Po (resigned on 1 July 2018)	曾鏡波先生 (於2018年 7月1日辭任)	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. LAM Wing Tak (resigned on 22 May 2017)	林榮德先生 (於2017年 5月22日辭任)	0/0	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
<b>INEDs</b>		<b>獨立非執行董事</b>				
Dr. CHAN Yue Kwong, Michael	陳裕光博士	4/4	4/4	2/2	2/2	1/1
Mr. NG Ching Wah	伍清華先生	4/4	4/4	2/2	2/2	1/1
Mr. SZE Kwok Wing, Nigel	施國榮先生	2/4	4/4	2/2	2/2	0/1

Note 1: attend to all the meetings in capacity as CFO

附註1：以首席財務總監身份出席所有會議

## B. 董事局 (續)

## 6. 董事局會議及股東大會 (續)

## 會議常規及程序 (續)

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

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

## 出席會議情況

各董事於2018年財政年度期間出席董事局、審核委員會、薪酬委員會、提名委員會會議及股東週年大會之記錄載列如下：

## B. THE BOARD (Cont'd)

### 7. INEDS

The Board at all times met the requirements of the Listing Rules relating to the appointment of at least 3 INEDs with at least one INED possessing appropriate professional qualifications, or accounting or related financial management expertise throughout the 2018 Financial Year.

During the period from 1 October 2017 to 27 October 2017, the Board comprises 10 members with four Executive Directors (upon the appointment of Mr. Ishii as Executive Director), three Non-executive Directors and 3 Independent Non-executive Directors. As a result, the number of Independent Non-executive Directors is less than one-third of the Board which is below the minimum requirement prescribed under Rule 3.10A of the Listing Rules. The number of Board members reduced to 9 following the passing away of one of the Board member (Mr. Ip Ping Im) on 27 October 2017, and there is no non-compliance with Rule 3.10A.

## C. CHAIRMAN AND CHIEF EXECUTIVE

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

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

For the previous years, Mr. Wan provides the Company with strong and consistent leadership and facilitates the implementation and execution of the Group's business strategies in an efficient manner. The Group has been consistently reviewing the suitability of the current unified role practice and to split the dual roles as the Group's business and circumstances evolves to fit the dual roles approach.

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. Mr. Lau Yiu Tong is appointed as Vice Chairman effective from 1 July 2017, and re-designated as Executive Director from non-Executive Director. Prior to that, the Vice-Chairman was Mr. Tsang Kang Po (Vice-chairman until 1 July 2017, and re-designated as a non-Executive Director on the even date, resigned on 1 July 2018).

## B. 董事局 (續)

### 7. 獨立非執行董事

董事局於2018年財政年度期間所有時間均符合上市規則之規定，委任最少三名獨立非執行董事，而其中最少一名獨立非執行董事具備適當專業資格，或會計或有關財務管理之專業知識。

於2017年10月1日至2017年10月27日期間，董事局由十名成員組成，包括四名執行董事（於石井俊哉先生獲委任為執行董事後）、三名非執行董事及三名獨立非執行董事。因此，獨立非執行董事人數少於董事局人數之三分之一，低於上市規則第3.10A條規定之最低要求。董事局成員人數於一名董事局成員葉炳樑先生於2017年10月27日辭世後減少至九名，故此就第3.10A條而言，並無不合規情況。

## C. 主席及最高行政人員

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

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

於過往年度，尹先生為本公司提供強大一致的領導，有利於有效實施及執行本集團的業務策略。本集團一直檢討目前由同一人士擔任該兩項職務之適當性及於本集團之業務及情況發展適合採用雙重職務方法時區分雙重職務。

在公司秘書協助下，主席確保於董事局會議上所有董事均適當知悉當前的事項，並適時獲得充足資料。劉耀棠先生自2017年7月1日起獲委任為副主席並從非執行董事調任為執行董事。在此之前，副主席為曾鏡波先生（副主席，直至2017年7月1日，並於同日調任為非執行董事，於2018年7月1日辭任）。



### C. CHAIRMAN AND CHIEF EXECUTIVE (Cont'd)

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.

### D. 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 terms of reference (as revised) setting out the principles, procedures and arrangements of the Audit Committee, the Remuneration Committee and the Nomination Committee have been reviewed by the Board with reference to the CG Code and are published on the 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, risk management and internal control systems.

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

The Audit Committee has reviewed with the management in conjunction with the auditor, the audited annual consolidated financial statements of the Group for the 2018 Financial Year and the accounting principles and practices adopted by the Group. The Annual Report for the 2018 Financial Year has been reviewed by the Audit Committee.

The Audit Committee held 4 meetings during 2018 Financial Year. The major work performed by the Audit Committee in respect of 2018 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 2017; reviewing the audited annual financial information and final results announcement for 2018 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 46 of this annual report.

### C. 主席及最高行政人員(續)

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

### D. 董事局委員會

董事局已成立3個主要董事局委員會，即審核委員會、薪酬委員會及提名委員會，分別由不同獨立非執行董事出任主席，以協助董事局監督本公司事務之各項特定範疇。董事局委員會於董事局會議向董事局匯報其決定和建議。

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

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

#### 審核委員會

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

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

審核委員會已和管理層聯同核數師審閱本集團2018年財政年度之經審核年度綜合財務報表及本集團所採納之會計原則及常規。2018年財政年度之年報已由審核委員會審閱。

審核委員會於2018年財政年度期間舉行了4次會議。審核委員會於2018年財政年度已履行之主要職務包括批准外聘核數師之聘任條款(包括酬金)、審閱截至2017年9月30日止六個月之未經審核中期財務資料及中期業績公告、審閱2018年財政年度經審核全年財務資料及全年業績公告、審閱本集團內部審計部之工作、評估本集團之風險管理系統與內部監控系統之成效及審閱檢舉政策之成效與透過此渠道檢舉之事件。董事出席審核委員會會議記錄載於本年報第46頁之表內。

## D. BOARD COMMITTEES (Cont'd)

### AUDIT COMMITTEE (Cont'd)

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

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

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Audit Services	審核服務	2,836	2,645
Non-audit Services	非審核服務		
– Tax consultation services	– 稅務顧問服務	280	39

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; Dr. Chan Yue Kwong, Michael; Mr. Sze Kwok Wing, Nigel (who are INEDs); Mr. Tsang Kang Po (ceased to be a member since 1 July 2017 and resigned as director on 1 July 2018) and Mr. Wan Wai Loi (who are executive Directors). Mr. Lau Yiu Tong is appointed as a member since 1 July 2017. Mr. Ng Ching Wah is the chairman of the Nomination Committee.

## D. 董事局委員會 (續)

### 審核委員會 (續)

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

於回顧年度（及去年），本公司核數師所提供的審核及非審核服務之費用如下：

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

### 提名委員會

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

提名委員會之成員為伍清華先生、陳裕光博士、施國榮先生（彼等為獨立非執行董事）、曾鏡波先生（自2017年7月1日起不再擔任成員並於2018年7月1日辭任董事職務）及尹惠來先生（彼等為執行董事）。劉耀棠先生自2017年7月1日起獲委任為成員。伍清華先生為提名委員會主席。

## D. BOARD COMMITTEES (Cont'd)

### NOMINATION COMMITTEE (Cont'd)

The Nomination Committee met once during the 2018 Financial Year and reviewed the implementation of the board diversity policy ("the Policy"). The Policy sets out the approach to achieve diversity on the Board. In reviewing and assessing the Board composition, the Nomination Committee will consider a number of factors, including but not limited to educational background, professional qualifications, skills, industry experience, age, gender and ethnic origin, subject to the actual situation of the Company and relevant provisions under the applicable laws. Restrictions like age, gender and ethnic origin will not be set when short-listing of director's candidates. The major work performed by the Nomination Committee in respect of the 2018 Financial Year included assessing independence of the independent non-executive directors and make recommendation in compliance with the Policy on re-election of Directors of the Company to subject to rotation requirements at the forthcoming AGM (including the new director appointed by the Board who is subject to re-election requirement under rule 114 of the Articles). The attendance of the Directors for the Nomination Committee meeting is set out in the table on page 46 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.

The members of the Remuneration Committee are Dr. Chan Yue Kwong, Michael; Mr. Sze Kwok Wing, Nigel and Mr. Ng Ching Wah (who are INEDs) and Mr. Tsang Kang Po (ceased to be a member since 1 July 2017 and resigned as director on 1 July 2018) and Mr. Wan Wai Loi (who are executive Directors). Mr. Lau Yiu Tong is appointed as a member since 1 July 2017. Dr. Chan Yue Kwong, Michael is the chairman of the Remuneration Committee.

The Remuneration Committee met once during the 2018 Financial Year. The major work performed by the Remuneration Committee for the 2018 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 46 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 34 to the consolidated financial statements. Executive Directors remuneration shall from time to time be determined by the Remuneration Committee with reference to the Directors' duties and responsibilities.

## D. 董事局委員會 (續)

### 提名委員會 (續)

提名委員會於2018年財政年度期間舉行了1次會議並檢討了董事局多元性政策(「該政策」)的實施情況。該政策訂定方向以實現董事局多元性。在檢討及評估董事局的組成時，提名委員會將作多方面考慮，包括但不限於教育背景、專業資格、技能、行業經驗、年齡、性別及種族，以及基於本公司之實際情況及根據適用法律之有關條文。篩選董事候選人名單時，將不會設置如年齡、性別和種族的規限。提名委員會於2018年財政年度已履行之主要職務包括評估獨立非執行董事之獨立性，以及於應屆股東週年大會上根據輪值規定重選本公司董事(包括獲董事局委任須遵守章程細則第114條項下之重選規定之新董事)連任之事宜依據該政策作出建議。董事出席提名委員會會議記錄載於本年報第46頁之表內。

### 薪酬委員會

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

薪酬委員會之成員為陳裕光博士、施國榮先生及伍清華先生(彼等為獨立非執行董事)及曾鏡波先生(自2017年7月1日起不再擔任成員並於2018年7月1日辭任董事職務)及尹惠來先生(彼等為執行董事)。劉耀棠先生自2017年7月1日起獲委任為成員。陳裕光博士為薪酬委員會主席。

薪酬委員會於2018年財政年度期間舉行了1次會議。薪酬委員會於2018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46頁之表內。

依照香港公司條例第161條及上市規則附錄十六而披露之董事酬金資料詳列於綜合財務報表附註34。執行董事酬金則由薪酬委員會參照董事之職責及責任釐定。

## E. CORPORATE GOVERNANCE FUNCTIONS

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

- (a) to develop and review the Company's policies and practices on corporate governance and make recommendations;
- (b) to review and monitor 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.

## F. COMPANY SECRETARY

The Company Secretary, Ms. Chan Sau Yee appointed on the 23 November 2017, is a full-time employee of the Company, report directly to the Board. The Directors have access to the advice and services of the Company Secretary to ensure the Board procedure and applicable rules are followed. During the 2018 Financial Year, the Company Secretary has complied with Rule 3.29 of the Listing Rules by taking no less than 15 hours of relevant professional training.

## G. DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the 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 current Directors have confirmed that they had complied with the Model Code throughout the 2018 Financial Year.

## H. DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The Board acknowledges its responsibility for preparing the Company's financial statements for 2018 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.

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 55 to 60 of this annual report.

## E. 企業管治功能

董事局應負責履行如下企業管治職責：

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

## F. 公司秘書

公司秘書陳秀儀女士於2017年11月23日獲委任，為本公司之全職僱員，其直接向董事局匯報。董事可獲取公司秘書之意見及服務以確保遵從董事局程序及適用規則。於2018年財政年度，公司秘書透過參加不少於15小時的有關專業培訓遵守上市規則第3.29條。

## G. 董事的證券交易

本公司已採納上市規則附錄十所載的標準守則，作為其內部有關董事所進行證券交易的行為守則。在向全體董事作出特定查詢後，全體現任董事已確認，彼等於2018年財政年度內已遵守標準守則。

## H. 董事的財務報告責任

董事局知悉其有編製本公司2018年財政年度財務報表的責任且賬目須真實而公平地反映本集團的財政狀況，並根據法定規定與適用會計準則編製。本公司中期報告及年報乃根據上市規則要求按法定規定及香港財務報告準則而適時編製與刊發。董事獲提供適當資料，以便彼等就批准的事項作出財務和其他資料的知情決定。此外，董事每月獲提供本集團的表現之更新資料，以使董事履行其職責。

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55頁至第60頁之獨立核數師報告。

## I. RISK MANAGEMENT AND INTERNAL CONTROL

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

During the year ended 31 March 2018, the Board, assisted by the Audit Committee, assessed the effectiveness of the risk management and internal control system of the Group by reviewing the investigation results of management report and internal audits, and considered that the risk management and internal control system of the Group for the year ended 31 March 2018 was effective and adequate.

The Group has in place the sound and effective internal controls to safeguard shareholders' investment and assets of the Group. The Company has from time to time reviewed effectiveness of internal control systems in order to ensure that they meet with the dynamic and ever changing business environment.

During the 2018 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.

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

## I. 風險管理及內部監控

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

於截至2018年3月31日止年度，董事局在審核委員會的協助下，透過檢討管理層報告及內部審計之調查結果，評估本集團風險管理及內部監控系統之有效性，並認為截至2018年3月31日止年度，本集團風險管理及內部監控系統屬有效及充足。

本集團已設立穩健及有效的內部監控，以保障股東的投資和本集團的資產。本公司不時檢討內部監控系統之有效性，以確保系統能應付瞬息萬變之商業環境。

於2018年財政年度內，董事局透過內部審計部及審核委員會並在國際獨立風險顧問公司的協助下，檢討本集團內部監控系統之有效性，包括財務監控、運作監控及合規監控以及風險管理功能，本公司會計及財務匯報職能方面的資源運用、員工的資歷及經驗，以及培訓課程及有關預算。

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

## J. COMMUNICATION WITH SHAREHOLDERS

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

To promote effective communication, the Company maintains a website, [www.pacific-textiles.com](http://www.pacific-textiles.com). Where information and updates on the Company's business developments and operations, financial information, corporate governance practices and other information are available for public access.

## K. SHAREHOLDERS' RIGHTS

### PROCEDURES FOR CONVENING AN EXTRAORDINARY GENERAL MEETING

Any two or more shareholders, or any one shareholder which is a recognised clearing house (or its nominee(s)), holding not less than one-tenth of the paid-up capital of the Company may, in accordance with requirements and procedures set out in the Articles of 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 requisitioner(s) and deposited at the Company's principal place of business in Hong Kong.

There are no provisions allowing shareholders to put forward new resolutions at general meetings under Cayman Islands law or the Articles of 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.

## J. 與股東溝通

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

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

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

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

## K. 股東權利

### 召開股東特別大會之程序

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

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

## K. SHAREHOLDERS' RIGHTS (Cont'd)

### PROCEDURES FOR CONVENING AN EXTRAORDINARY GENERAL MEETING (Cont'd)

#### NOTICE OF GENERAL MEETINGS

The notice of all general meeting will be sent in accordance with the Articles and requirement of Listing Rules. Notice of AGMs are 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.

#### VOTING BY POLL

At the general meetings, 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.

#### 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](mailto: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 2018 Financial Year, there was no change to the memorandum and articles of association of the Company.

## K. 股東權利 (續)

### 召開股東特別大會之程序 (續)

#### 股東大會通告

所有股東大會之通告將根據章程細則及上市規則之規定寄發。股東週年大會通告在股東週年大會舉行前不少於足20個營業日寄發予所有股東，而所有其他股東大會通告則在不少於足10個營業日寄發。

#### 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及回答股東提問。投票方式表決的結果（如有）於聯交所及本公司網站登載。

#### 提出查詢之程序

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

股東如欲向董事局提出任何查詢，可將書面查詢連同其詳細聯絡資料（如郵寄地址或電郵地址）郵寄至本公司之香港主要營業地點，或電郵至 [ir@pacific-textiles.com](mailto: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2018年財政年度內，本公司的組織章程大綱及章程細則並無任何變動。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### TO THE SHAREHOLDERS OF PACIFIC TEXTILES HOLDINGS LIMITED

(incorporated in Cayman Islands with limited liability)

#### OPINION

##### *What we have audited*

The consolidated financial statements of Pacific Textiles Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 61 to 153, which comprise:

- the consolidated balance sheet as at 31 March 2018;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

##### *Our opinion*

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

#### BASIS FOR OPINION

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

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

##### *Independence*

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

### 致互太紡織控股有限公司股東

(於開曼群島註冊成立之有限公司)

#### 意見

##### *我們已審計的內容*

互太紡織控股有限公司（以下簡稱「貴公司」）及其附屬公司（以下統稱「貴集團」）列載於第61至153頁的綜合財務報表，包括：

- 於2018年3月31日的綜合資產負債表；
- 截至該日止年度的綜合損益表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

##### *我們的意見*

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的香港財務報告準則真實而中肯地反映了貴集團於2018年3月31日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露規定妥為擬備。

#### 意見的基礎

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

我們相信，我們所獲得的審計憑證能充足及適當地為我們的意見提供基礎。

##### *獨立性*

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



## KEY AUDIT MATTERS

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

## 關鍵審計事項

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

## Key Audit Matter

## 關鍵審計事項

## Revenue Recognition

## 收入確認

Refer to note 2.22 for the Group's accounting policies on revenue recognition and note 5 for the analysis of revenue from sales of goods for the year ended 31 March 2018.

有關 貴集團採用的對收入確認的會計政策，請參閱附註 2.22。有關截至2018年3月31日止年度銷售貨品所得收入的分析，請參閱附註5。

Revenue from sales of goods for the year ended 31 March 2018 amounted to HK\$6,098,153,000. The Group has operations in several geographical locations, and derives revenue from sales to multiple customers.

截至2018年3月31日止年度銷售貨品所得收入為6,098,153,000港元。 貴集團於多個地區經營業務，並從多個客戶銷售取得收入。

Revenue from sales of goods is recognised when the amount of revenue can be reliably measured and the risk and reward of the products have been transferred to the customers, which is usually at the time when the products are delivered to the customers.

銷售貨品所得收入於收入之數額能被可靠地計量且產品的風險和報酬轉移予客戶時（通常於將產品交付給客戶時）確認。

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

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

## How our audit addressed the Key Audit Matter

## 我們的審計如何處理關鍵審計事項

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

我們已了解、評估及驗證管理層對 貴集團銷售過程中的關鍵內部監控。

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

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

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

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

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

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

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

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

## OTHER INFORMATION

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

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

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

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

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

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

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

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

## 其他信息

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

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

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

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

## 董事及審核委員會就綜合財務報表須承擔的責任

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

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

審核委員會須負責監督 貴集團的財務報告過程。

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

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

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

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

## 核數師就審計綜合財務報表承擔的責任

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

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

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

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

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

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

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

**核數師就審計綜合財務報表承擔的責任（續）**

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

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

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

## INDEPENDENT AUDITOR'S REPORT

### 獨立核數師報告

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

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

**PricewaterhouseCoopers**  
Certified Public Accountants

Hong Kong, 21 June 2018

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

出具本獨立核數師報告的審計項目合夥人是梁寶華。

**羅兵咸永道會計師事務所**  
執業會計師

香港，2018年6月21日

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 March 2018

## 綜合損益表

截至2018年3月31日止年度

		Note	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
		附註		
Revenue	收入	5	6,098,153	5,993,632
Cost of sales	銷售成本	23	(5,150,991)	(4,877,148)
<b>Gross profit</b>	<b>毛利</b>		<b>947,162</b>	1,116,484
Other income and other gains/(losses) – net	其他收入及其他收益／(虧損) — 淨額	22	116,131	118,200
Distribution and selling expenses	分銷及銷售開支	23	(94,178)	(50,764)
General and administrative expenses	一般及行政開支	23	(142,250)	(126,471)
<b>Operating profit</b>	<b>經營溢利</b>		<b>826,865</b>	1,057,449
Finance income	財務收入	25	8,583	12,004
Finance costs	財務成本	25	(16,921)	(12,407)
Share of profits of associates	分佔聯營公司之溢利	9	34,520	32,375
Reversal of provision for impairment of interest in an associate	於一間聯營公司之權益減值撥備撥回	9	–	46,784
Gain/(loss) on disposal of certain interest in an associate	出售一間聯營公司若干權益之收益／(虧損)	9	396	(393)
<b>Profit before income tax</b>	<b>所得稅前溢利</b>		<b>853,443</b>	1,135,812
Income tax expense	所得稅開支	26	(130,101)	(146,584)
<b>Profit for the year</b>	<b>年度溢利</b>		<b>723,342</b>	989,228
Profit attributable to:	下列人士應佔溢利：			
Equity holders of the Company	本公司權益持有人		744,035	975,573
Non-controlling interests	非控制性權益		(20,693)	13,655
			<b>723,342</b>	989,228
Earnings per share attributable to equity holders of the Company for the year (expressed in HK\$ per share)	年內本公司權益持有人應佔每股盈利 (以每股港元列示)			
– basic	— 基本	27	0.51	0.67
– diluted	— 攤薄	27	0.51	0.67

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

隨附之附註乃此等綜合財務報表不可或缺之部分。

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2018

## 綜合全面收益表

截至2018年3月31日止年度

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
<b>Profit for the year</b>	<b>年度溢利</b>	<b>723,342</b>	989,228
Other comprehensive income:	其他全面收入：		
<i>Items that have been or may be reclassified to profit or loss:</i>	<i>已或可能重新分類至損益的項目：</i>		
Currency translation differences	外幣換算差額	<b>252,605</b>	(151,072)
<b>Total comprehensive income for the year</b>	<b>年度全面收入總額</b>	<b>975,947</b>	838,156
Attributable to:	下列人士應佔：		
Equity holders of the Company	本公司權益持有人	<b>995,943</b>	826,709
Non-controlling interests	非控制性權益	<b>(19,996)</b>	11,447
		<b>975,947</b>	838,156

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

隨附之附註乃此等綜合財務報表不可或缺之部分。

CONSOLIDATED BALANCE SHEET

As at 31 March 2018

綜合資產負債表

於2018年3月31日

		Note	2018	2017
		附註	2018年 HK\$'000 千港元	2017年 HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Land use rights	土地使用權	6	48,323	45,007
Property, plant and equipment	物業、廠房及設備	7	1,562,062	1,447,334
Interests in associates	於聯營公司之權益	9	313,011	295,218
Available-for-sale financial assets	可供出售金融資產	10	853	853
Deferred income tax assets	遞延所得稅資產	19	9,487	–
Prepayments for land use rights and property, plant and equipment	土地使用權和物業、廠房及設備的預付款項	13	112,636	100,789
			<b>2,046,372</b>	1,889,201
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	11	1,068,184	978,440
Trade and bills receivables	應收賬款及票據	12	916,500	943,608
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	13	78,467	84,352
Amounts due from associates	應收聯營公司款項	9	49,092	34,323
Derivative financial instruments	衍生金融工具	14	16,284	–
Current income tax recoverable	可收回即期所得稅		11,110	–
Short-term bank deposits	短期銀行存款	15	43,875	86,306
Cash and cash equivalents	現金及現金等值項目	15	622,826	995,538
			<b>2,806,338</b>	3,122,567
<b>Total assets</b>	<b>資產總值</b>		<b>4,852,710</b>	5,011,768
<b>EQUITY</b>	<b>權益</b>			
<b>Equity attributable to equity holders of the Company</b>	<b>本公司權益持有人應佔權益</b>			
Share capital	股本	16	1,446	1,446
Share premium	股份溢價	16	1,453,188	1,453,188
Reserves	儲備	17	1,902,944	1,722,534
			<b>3,357,578</b>	3,177,168
<b>Non-controlling interests</b>	<b>非控制性權益</b>		<b>(16,716)</b>	3,280
<b>Total equity</b>	<b>權益總額</b>		<b>3,340,862</b>	3,180,448



FINANCIAL INFORMATION

財務資料

CONSOLIDATED BALANCE SHEET (Cont'd)

As at 31 March 2018

綜合資產負債表 (續)

於2018年3月31日

		Note	2018	2017
		附註	2018年	2017年
			HK\$'000	HK\$'000
			千港元	千港元
<b>LIABILITIES</b>	<b>負債</b>			
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Borrowings	借貸	18	146,169	144,772
Deferred income tax liabilities	遞延所得稅負債	19	34,494	26,069
Other non-current payable	其他應付非流動款項	21	20,148	-
			<b>200,811</b>	170,841
<b>Current liabilities</b>	<b>流動負債</b>			
Borrowings	借貸	18	313,264	471,701
Trade and bills payables	應付賬款及票據	20	781,651	930,261
Accruals and other payables	應計項目及其他應付款項	21	199,865	216,311
Amount due to an associate	應付一間聯營公司款項	9	-	1,417
Derivative financial instruments	衍生金融工具	14	924	-
Current income tax liabilities	即期所得稅負債		15,333	40,789
			<b>1,311,037</b>	1,660,479
<b>Total liabilities</b>	<b>負債總額</b>		<b>1,511,848</b>	1,831,320
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>		<b>4,852,710</b>	5,011,768

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

隨附之附註乃此等綜合財務報表不可或缺之部分。

The consolidated financial statements were approved by the Board of Directors on 21 June 2018 and were signed on its behalf:

董事局已於2018年6月21日批准綜合財務報表並代表董事局簽署：

Wan Wai Loi  
尹惠來  
Director  
董事

Tou Kit Vai  
杜結威  
Director  
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2018

綜合權益變動表

截至2018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 HK\$'000 千港元	Total 總額 HK\$'000 千港元
		Share capital 股本 HK\$'000 千港元 (Note 16) (附註16)	Share premium 股份溢價 HK\$'000 千港元 (Note 16) (附註16)	Reserves 儲備 HK\$'000 千港元 (Note 17) (附註17)	Sub-total 小計 HK\$'000 千港元			
<b>Balance at 1 April 2016</b>	於2016年4月1日之結餘	1,446	1,453,188	1,905,465	3,360,099	(8,167)	3,351,932	
<b>Comprehensive income:</b>	全面收入：							
Profit for the year	年度溢利	-	-	975,573	975,573	13,655	989,228	
<b>Other comprehensive income:</b>	其他全面收入：							
Currency translation differences	外幣換算差額	-	-	(148,864)	(148,864)	(2,208)	(151,072)	
Total other comprehensive income, net of tax	其他全面收入總額， 扣除稅項	-	-	(148,864)	(148,864)	(2,208)	(151,072)	
<b>Total comprehensive income</b>	全面收入總額	-	-	826,709	826,709	11,447	838,156	
<b>Transactions with owners:</b>	與擁有人交易：							
Share-based compensation	以股份為基礎之酬金	-	-	2,856	2,856	-	2,856	
Dividends	股息	-	-	(1,012,496)	(1,012,496)	-	(1,012,496)	
<b>Total transactions with owners</b>	與擁有人交易總額	-	-	(1,009,640)	(1,009,640)	-	(1,009,640)	
<b>Balance at 31 March 2017</b>	於2017年3月31日之結餘	1,446	1,453,188	1,722,534	3,177,168	3,280	3,180,448	
<b>Balance at 1 April 2017</b>	於2017年4月1日之結餘	1,446	1,453,188	1,722,534	3,177,168	3,280	3,180,448	
<b>Comprehensive income:</b>	全面收入：							
Profit for the year	年度溢利	-	-	744,035	744,035	(20,693)	723,342	
<b>Other comprehensive income:</b>	其他全面收入：							
Currency translation differences	外幣換算差額	-	-	251,908	251,908	697	252,605	
Total other comprehensive income, net of tax	其他全面收入總額， 扣除稅項	-	-	251,908	251,908	697	252,605	
<b>Total comprehensive income</b>	全面收入總額	-	-	995,943	995,943	(19,996)	975,947	
<b>Transactions with owners:</b>	與擁有人交易：							
Share-based compensation	以股份為基礎之酬金	-	-	1,696	1,696	-	1,696	
Dividends	股息	-	-	(817,229)	(817,229)	-	(817,229)	
<b>Total transactions with owners</b>	與擁有人交易總額	-	-	(815,533)	(815,533)	-	(815,533)	
<b>Balance at 31 March 2018</b>	於2018年3月31日之結餘	1,446	1,453,188	1,902,944	3,357,578	(16,716)	3,340,862	

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

隨附之附註乃此等綜合財務報表不可或缺之部分。

# FINANCIAL INFORMATION

## 財務資料

### CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2018

### 綜合現金流量表

截至2018年3月31日止年度

			2018	2017
		Note	2018年	2017年
		附註	HK\$'000	HK\$'000
			千港元	千港元
<b>Cash flow from operating activities</b>	<b>經營活動所得現金流量</b>			
Cash generated from operations	營運產生之現金	29(a)	742,123	1,255,444
Interest paid	已付利息		(7,346)	(10,833)
Hong Kong profits tax paid	已付香港利得稅		(115,756)	(111,295)
Overseas tax paid	已付海外稅項		(46,826)	(58,125)
PRC dividends withholding tax paid	已付中國預扣稅		(7,410)	(6,898)
			<b>564,785</b>	<b>1,068,293</b>
<b>Cash flow from investing activities</b>	<b>投資活動所得現金流量</b>			
Purchases of property, plant and equipment	購置物業、廠房及設備		(157,820)	(176,542)
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備之所得款項	29(b)	6,848	4,223
Dividends received from associates	收取聯營公司之股息	9(a)	20,435	20,761
Placement of short-term bank deposits	存入短期銀行存款	15	(31,392)	(86,306)
Release of short-term bank deposits	解除短期銀行存款	15	73,823	881,628
Interest income received	已收利息收入		8,234	13,215
			<b>(79,872)</b>	<b>656,979</b>
<b>Cash flow from financing activities</b>	<b>融資活動所得現金流量</b>			
Repayment of bank borrowings	償還銀行借貸		(188,437)	(214,772)
New bank borrowings	新借銀行借貸		30,000	-
Dividends paid	已派付股息		(817,229)	(1,012,496)
			<b>(975,666)</b>	<b>(1,227,268)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>現金及現金等值項目(減少)/增加淨額</b>		<b>(490,753)</b>	<b>498,004</b>
Cash and cash equivalents at 1 April	於4月1日之現金及現金等值項目		995,538	570,855
Currency translation differences	外幣換算差額		118,041	(73,321)
<b>Cash and cash equivalents at 31 March</b>	<b>於3月31日之現金及現金等值項目</b>	15	<b>622,826</b>	<b>995,538</b>

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

隨附之附註乃此等綜合財務報表不可或缺之部分。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1 GENERAL INFORMATION

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

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

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

These consolidated financial statements are presented in Hong Kong Dollars ("HK\$"), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 21 June 2018.

### 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The consolidated financial statements have been prepared under the historical cost 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.

## 綜合財務報表附註

### 1 一般資料

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

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

本公司股份於香港聯合交易所有限公司主板上市。

除另有說明外，此等綜合財務報表以港元（「港元」）呈報。此等綜合財務報表於2018年6月21日經董事局批准刊發。

### 2 編製基準與主要會計政策概要

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

#### 2.1 編製基準

本集團綜合財務報表乃按照香港會計師公會（「香港會計師公會」）頒佈的所有適用香港財務報告準則（「香港財務報告準則」）編製。綜合財務報表乃根據歷史成本法編製，並就重估可供出售金融資產及按公允值計入損益之金融資產與金融負債（包括衍生工具）之確認而予以修訂。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)****2.1 Basis of preparation (Cont'd)**

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

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

The following amendments to standards are mandatory for the accounting period beginning on 1 April 2017 and relevant to the Group. The adoption of these amendments to standards has no material impact on the financial positions and results of the Group for the current and prior periods.

Amendments to HKAS 12	Recognition of deferred income tax assets for unrealised losses
Amendments to HKAS 7	Disclosure initiative
Amendments to HKFRS 12	Disclosure of interest in other entities

**2 編製基準與主要會計政策概要(續)****2.1 編製基準(續)**

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

*(a) 本集團已採納之新訂準則、準則修訂及現行準則之詮釋*

下列為於2017年4月1日開始之會計期間強制執行及與本集團有關之準則修訂。採納該等準則之修訂本對本集團當前及過往期間之財務狀況及業績並無重大影響。

香港會計準則第12號(修訂本)	就未變現虧損確認遞延所得稅資產
香港會計準則第7號(修訂本)	披露計劃
香港財務報告準則第12號(修訂本)	於其他實體權益披露

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

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

2 編製基準與主要會計政策概要(續)

2.1 Basis of preparation (Cont'd)

2.1 編製基準(續)

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

(b) *已頒佈但未生效之新訂準則及準則修訂*

The following new and amended standards and interpretations have been issued but are not effective for the financial year beginning on 1 April 2017 and have not been early adopted by the Group:

下列為已頒佈之新訂及經修訂準則以及詮釋，但並未於2017年4月1日開始之財政年度生效且本集團並未提早採納：

		Effective for annual periods beginning on or after		於以下日期或 之後開始之 年度期間生效
Amendments to Annual Improvements Projects HKFRS 1 and HKAS 28	Annual improvements 2014 – 2016 cycle	1 January 2018	年度改進項目香港財務報告準則第1號及香港會計準則第28號(修訂本)	2014年至2016年週期之年度改進 2018年1月1日
Amendments to HKFRS 1	First time adoption of HKFRS	1 January 2018	香港財務報告準則第1號(修訂本)	首次採納香港財務報告準則 2018年1月1日
Amendments to HKFRS 2	Classification and measurement of share-based payment transactions	1 January 2018	香港財務報告準則第2號(修訂本)	以股份為基礎的支付交易的分類及計量 2018年1月1日
Amendments to HKFRS 4	Applying HKFRS 9 financial instruments with HKFRS 4 insurance contracts	1 January 2018	香港財務報告準則第4號(修訂本)	對香港財務報告準則第4號保險合約應用香港財務報告準則第9號金融工具 2018年1月1日
HKFRS 9	Financial instruments	1 January 2018	香港財務報告準則第9號	金融工具 2018年1月1日
HKFRS 15	Revenue from contracts with customers	1 January 2018	香港財務報告準則第15號	來自客戶合約之收入 2018年1月1日
Amendment to HKFRS 15	Clarification to HKFRS 15	1 January 2018	香港財務報告準則第15號(修訂本)	香港財務報告準則第15號之澄清 2018年1月1日
Amendments to HKAS 28	Investments in associates and joint ventures	1 January 2018	香港會計準則第28號(修訂本)	於聯營公司及合營企業之投資 2018年1月1日
Amendments to HKAS 40	Transfers of investment property	1 January 2018	香港會計準則第40號(修訂本)	轉移投資物業 2018年1月1日
HK(IFRIC) 22	Foreign currency transactions and advance consideration	1 January 2018	香港(國際財務報告詮釋委員會)詮釋 – 第22號	外幣交易及預付代價 2018年1月1日
Amendments to HKFRS 9	Prepayment features with negative compensation	1 January 2019	香港財務報告準則第9號(修訂本)	具負債補償之預付特徵 2019年1月1日
HKFRS 16	Leases	1 January 2019	香港財務報告準則第16號	租賃 2019年1月1日
HK(IFRIC) 23	Uncertainty over income tax treatments	1 January 2019	香港(國際財務報告詮釋委員會)詮釋 – 第23號	有關所得稅處理之不確定性 2019年1月1日
HKFRS 17	Insurance contracts	1 January 2021	香港財務報告準則第17號	保險合約 2021年1月1日
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture	To be determined	香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合營企業之間的資產出售或出繳 待釐定

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

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

## 2 編製基準與主要會計政策概要(續)

## 2.1 Basis of preparation (Cont'd)

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

The Group's assessment of the impact of these new standards and interpretations is set out below:

HKFRS 9, "Financial Instruments"

Nature of change

HKFRS 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

Impact

The Group has reviewed its financial assets and liabilities and is expecting the following impact from the adoption of the new standard on 1 April 2018:

The financial assets currently held by the Group include:

- debt instruments currently classified as loans and receivables which would continue to be measured at amortised cost and hence there will be no change to the accounting for these assets;
- equity instruments currently classified as available-for-sale ("AFS") for which a fair value through other comprehensive income ("FVOCI") election is available;
- equity investments currently measured at fair value through profit or loss ("FVPL") which will continue to be measured on the same basis under HKFRS 9.

## 2.1 編製基準(續)

(b) *已頒佈但未生效之新訂準則及準則修訂(續)*

下列載述本集團評估該等新準則及詮釋的影響：

香港財務報告準則第9號「金融工具」

變動性質

香港財務報告準則第9號闡述金融資產及金融負債的分類、計量及終止確認，引入對沖會計新規則及金融資產的新減值模式。

影響

本集團已檢討其金融資產及負債，預期於2018年4月1日採納新訂準則的影響如下：

本集團目前持有的金融資產包括：

- 目前分類為貸款及應收款項並將繼續按攤銷成本計量的債務工具，因此該等資產之會計處理將並無變動；
- 目前分類為可供出售（「可供出售」）且可選擇按公允值計入其他全面收益（「按公允值計入其他全面收益」）之股權工具；
- 目前按公允值計入損益（「按公允值計入損益」）計量之股本投資，而其將根據香港財務報告準則第9號項下之同一基準繼續計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

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

2 編製基準與主要會計政策概要(續)

2.1 Basis of preparation (Cont'd)

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

HKFRS 9, "Financial Instruments" (Cont'd)

Impact (Cont'd)

Accordingly, the Group does not expect the new guidance to affect the classification and measurement of these financial assets. However, gains or losses realised on the sale of financial assets at FVOCI will no longer be transferred to profit or loss on sale, but instead reclassified below the line from the available-for-sale financial assets fair value reserve to retained earnings. During the year ended 31 March 2018, no gains or losses were recognised in profit or loss in relation to disposal of available-for-sale financial assets.

There will be no impact on the Group's financial liabilities, as the new requirements only affect the account for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities. The derecognition rules have been transferred from HKAS 39 "Financial Instruments: Recognition and Measurement" and have not been changed.

The new impairment model requires the recognition of impairment provisions based on expected credit losses ("ECL") rather than only incurred credit losses as is the case under HKAS 39. It applies to financial assets classified at amortised cost, debt instruments measured at FVOCI, contract assets under HKFRS 15 "Revenue from Contracts with Customers", lease receivables, loan commitments and certain financial guarantee contracts. Based on the assessments undertaken up to date, the Group does not expect the new model to have any material impact on the recognition of the Group's credit losses.

The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Group's disclosures about its financial instruments particularly in the year of the adoption of the new standard.

2.1 編製基準(續)

(b) *已頒佈但未生效之新訂準則及準則修訂(續)*

香港財務報告準則第9號「金融工具」(續)

影響(續)

因此，本集團預期新指引不會對該等金融資產之分類及計量造成影響。然而，出售按公允值計入其他全面收益的金融資產所產生的收益或虧損將不再轉撥至銷售損益中，而是將項下項目由可供出售金融資產公允值儲備重新分類至保留盈利。截至2018年3月31日止年度，並無就出售可供出售金融資產損益確認損益。

新規定僅影響指定按公允值計入損益的金融負債，本集團金融負債的會計處理將不會受影響及本集團並無任何有關負債。終止確認的規則已由香港會計準則第39號「金融工具：確認及計量」轉移且並無變動。

新減值模式要求以預期信用虧損(「預期信用虧損」)，而非香港會計準則第39號下僅以已產生信用虧損確認減值撥備。該規定適用於按攤銷成本分類的金融資產、按公允值計入其他全面收益的債務工具、香港財務報告準則第15號「來自客戶合約的收入」下的合約資產、應收租賃款、貸款承擔及若干財務擔保合約。根據迄今作出的評估，本集團預期新模式對確認本集團的信用虧損並無任何重大影響。

新準則亦引入延伸的披露要求及呈列方式變動。該等變動預期將更改本集團有關其金融工具披露的性質及程度，尤其是於採納新準則的年度。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

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

## 2 編製基準與主要會計政策概要(續)

## 2.1 Basis of preparation (Cont'd)

## 2.1 編製基準(續)

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

(b) *已頒佈但未生效之新訂準則及準則修訂(續)*

HKFRS 9, "Financial Instruments" (Cont'd)

香港財務報告準則第9號「金融工具」(續)

Date of adoption by the Group

本集團的採納日期

HKFRS 9 must be applied for financial years commencing on or after 1 January 2018. The Group will apply the new rules retrospectively from 1 April 2018, with the practical expedients permitted under the standard. Comparative figures for 2017 will not be restated.

香港財務報告準則第9號須於2018年1月1日或之後開始的財政年度採用。本集團自2018年4月1日起將追溯性地應用新規則，連同準則所容許的可行權宜方法。2017年的比較數字將不會重列。

HKFRS 15, "Revenue from Contracts with Customers"

香港財務報告準則第15號「來自客戶合約之收入」

Nature of change

變動性質

The HKICPA has issued a new standard for the recognition of revenue. This will replace HKAS 18 which covers contracts for goods and services and HKAS 11 which covers construction contracts and the related literature.

香港會計師公會已為確認收入頒佈一項新準則。該準則將取代香港會計準則第18號所涵蓋有關貨品及服務合約及香港會計準則第11號所涵蓋有關建造合約及相關文獻的規定。

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer.

新訂準則乃基於貨品或服務的控制權轉移予客戶時確認收入的原則。

The standard permits either a full retrospective or a modified retrospective approach for the adoption.

該準則允許採納完整追溯法或經修訂追溯法。

Impact

影響

Management has assessed the effects of applying the new standard on the Group's consolidated financial statements and has identified the following areas that are likely to be affected:

管理層已評估應用新訂準則對本集團的綜合財務報表的影響，並識別出下列可能受影響的範疇：

- revenue from service – the application of HKFRS 15 may result in the identification of separate performance obligations which could affect the timing of the recognition of revenue;
- accounting for certain costs incurred in fulfilling a contract – certain costs which are currently expensed may need to be recognised as an asset under HKFRS 15; and

- 服務收入 – 應用香港財務報告準則第15號或會導致須識別獨立履約責任，其可能影響確認收入之時間；
- 履行合約產生若干成本之會計處理 – 若干目前支銷之成本或需根據香港財務報告準則第15號確認為資產；及

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

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

2 編製基準與主要會計政策概要(續)

2.1 Basis of preparation (Cont'd)

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

HKFRS 15, "Revenue from Contracts with Customers" (Cont'd)

Impact (Cont'd)

- rights of return – HKFRS 15 requires separate presentation on the balance sheet of the right to recover the goods from the customer and the refund obligation.

Based on the assessments undertaken up to date, the Group does not expect the new standard to have any material impact on the Group's consolidated financial statements.

Date of adoption by Group

HKFRS 15 is mandatory for financial years commencing on or after 1 January 2018. The Group intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption, if any, will be recognised in retained earnings as of 1 April 2018 and that comparatives will not be restated.

HKFRS 16, "Leases"

Nature of change

HKFRS 16 will result in almost all leases being recognised on the consolidated balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not significantly change.

2.1 編製基準(續)

(b) *已頒佈但未生效之新訂準則及準則修訂(續)*

香港財務報告準則第15號「來自客戶合約之收入」(續)

影響(續)

- 退回權利 – 香港財務報告準則第15號規定於資產負債表上獨立呈列自客戶收回貨品的權利及退款責任。

根據迄今作出的評估，本集團預期新訂準則對其綜合財務報表並無任何重大影響。

本集團的採納日期

香港財務報告準則第15號於2018年1月1日或之後開始的財政年度強制採用。本集團擬使用經修訂追溯法採納準則，這表示採納的累積影響(如有)將於截至2018年4月1日的保留盈利中確認，而比較數字將不會重列。

香港財務報告準則第16號「租賃」變動性質

在經營租賃及融資租賃之間的差異遭取消的情況下，香港財務報告準則第16號將導致近乎所有租賃均在綜合資產負債表中確認。根據新準則，以資產(租賃項目的使用權)及金融負債繳納租金均獲確認，惟期限較短及價值較低租賃不在此列。

出租人的會計處理將不會有重大變化。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)****2.1 Basis of preparation (Cont'd)**

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

HKFRS 16, "Leases" (Cont'd)

**Impact**

The standard will affect primarily the accounting for Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of HK\$34,082,000 (Note 31). However, the Group has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

Management is in the process of quantifying the potential effects of this new standard in its consolidated financial statements.

**Date of adoption by Group**

HKFRS 16 is mandatory for financial years commencing on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

There are no other HKFRSs or HK(IFRIC) interpretations that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

**2 編製基準與主要會計政策概要(續)****2.1 編製基準(續)**

(b) *已頒佈但未生效之新訂準則及準則修訂(續)*

香港財務報告準則第16號「租賃」

**影響**

該準則將主要影響本集團經營租賃的會計處理。於報告日期，本集團的不可撤銷經營租賃承擔為34,082,000港元(附註31)。然而，本集團仍未釐定該等承擔將導致資產和負債就未來付款確認的程度，以及將如何影響本集團的利潤和現金流量分類。

管理層仍在量化該新訂準則對其綜合財務報表的潛在影響。

**本集團的採納日期**

香港財務報告準則第16號於2019年1月1日或之後開始的財政年度強制採用。於此階段，本集團擬於生效日前不採納準則。本集團擬應用簡化過渡方法，且於首次採納前年度將不會重列比較金額。

概無其他尚未生效但預期將會對當前或未來申報期間的實體及可見將來交易造成重大影響的香港財務報告準則或香港(國際財務報告詮釋委員會)詮釋。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

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

2 編製基準與主要會計政策概要(續)

2.2 Subsidiaries

2.2 附屬公司

2.2.1 Consolidation

2.2.1 綜合賬目

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

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

(a) Business combinations

(a) 業務合併

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

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)****2 編製基準與主要會計政策概要(續)****2.2 Subsidiaries (Cont'd)****2.2 附屬公司(續)***2.2.1 Consolidation (Cont'd)**2.2.1 綜合賬目(續)*(a) Business combinations (Cont'd)(a) 業務合併(續)

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

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

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

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

(b) Changes in ownership interests in subsidiaries without change in control(b) 不涉及控制權變動之於附屬公司擁有權權益變動

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

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

(c) Disposal of subsidiaries(c) 出售附屬公司

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

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

2 編製基準與主要會計政策概要(續)

2.2 Subsidiaries (Cont'd)

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.

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

2.2 附屬公司(續)

2.2.2 獨立財務報表

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

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

2.3 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之所有實體，通常附帶有20%至50%投票權之股權。於聯營公司權益以權益會計法入賬。根據權益法，投資初始以成本確認，賬面值可予增減，以確認投資公司於收購日期後應佔所投資公司之損益。本集團於聯營公司之權益包括於收購時識別之商譽。在購買一間聯營公司之所有權權益時，購買成本與本集團享有之聯營公司可識別資產和負債之公允值總額之任何差額入賬列作商譽。

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

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)****2.3 Associates (Cont'd)**

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

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

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

**2.4 Segment reporting**

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

**2.5 Foreign currency translation***(a) Functional and presentation currency*

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

**2 編製基準與主要會計政策概要(續)****2.3 聯營公司(續)**

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

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

於聯營公司之股權所產生之攤薄盈虧於綜合損益表確認。

**2.4 分部呈報**

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

**2.5 外幣換算***(a) 功能及呈列貨幣*

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

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

2 編製基準與主要會計政策概要(續)

2.5 Foreign currency translation (Cont'd)

2.5 外幣換算(續)

(b) Transactions and balances

(b) 交易及結餘

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

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

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

借貸、現金及現金等值項目有關之匯兌盈虧在綜合損益表內之「財務收入」或「財務成本」中列報。

All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss within "other income and other gains/(losses) – net".

所有其他匯兌盈虧於綜合損益表「其他收入及其他收益/(虧損) – 淨額」中呈列。

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 or loss, and other changes in carrying amount are recognised in other comprehensive income.

分類為可供出售之外幣列值貨幣證券之公允值變動，分析為證券攤銷成本變動產生之換算差額及證券賬面值之其他變動。攤銷成本變動相關之換算差額乃於損益確認，而賬面值其他變動則於其他全面收入確認。

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.

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



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)****2 編製基準與主要會計政策概要(續)****2.5 Foreign currency translation (Cont'd)****2.5 外幣換算(續)***(c) Group companies**(c) 集團公司*

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:

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

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

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.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

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

2 編製基準與主要會計政策概要(續)

2.6 Leasehold land and land use rights

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

2.6 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損益表支銷，或倘出現減值，則於綜合損益表支銷減值。

2.7 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 depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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

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

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

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 (less estimated residual values, if any) over their estimated useful lives at the annual rates, as follows:

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，以根據年率按其估計可使用年期攤銷成本(減去估計剩餘價值(如有))如下：

Leasehold land classified as finance lease	Over the remaining lease term (2%)
Buildings	4% – 5%
Plant and machinery	10% – 20%
Leasehold improvements	20% – 33% or shorter of the lease terms
Furniture and equipment	20% – 33%
Motor vehicles	20% – 25%
Computer software	10%

分類為融資租賃之租賃土地	剩餘租賃期內(2%)
樓宇	4% – 5%
廠房及機器	10% – 20%
租賃物業裝修	20% – 33%或較短租期
傢具及設備	20% – 33%
汽車	20% – 25%
電腦軟件	10%

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

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。

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.

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。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

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

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

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

**2.8 Impairment of non-financial assets**

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

**2.9 Financial assets***2.9.1 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.

**2 編製基準與主要會計政策概要(續)****2.7 物業、廠房及設備(續)**

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

出售盈虧按比較所得款項與賬面值釐定，並於綜合損益表中確認。

**2.8 非金融資產之減值**

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

**2.9 金融資產***2.9.1 分類*

本集團將其金融資產分類如下：按公允值透過損益記賬之金融資產、貸款及應收款項以及可供出售金融資產。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之金融資產

按公允值透過損益記賬之金融資產指持作買賣之金融資產。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，否則亦分類為持作買賣。倘預期於12個月內結算之資產分類為流動資產；否則，分類為非流動資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

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

2 編製基準與主要會計政策概要(續)

2.9 Financial assets (Cont'd)

2.9 金融資產(續)

2.9.1 Classification (Cont'd)

2.9.1 分類(續)

(b) Loans and receivables

(b) 貸款及應收款項

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 bills receivables, deposits and other receivables, amount due from associates and cash and bank balances in the consolidated balance sheet.

貸款及應收款項為附帶固定或待定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。本集團之貸款及應收款項包括綜合資產負債表所列之應收賬款及應收票據、按金及其他應收款項、應收聯營公司款項以及現金及銀行結餘。

(c) Available-for-sale financial assets

(c) 可供出售金融資產

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.

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。

2.9.2 Recognition and measurement

2.9.2 確認與計量

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 consolidated statement of profit or loss. 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.

常規購買及出售金融資產在交易日確認 – 交易日指本集團承諾購買或出售該資產之日。對於並非按公允值透過損益記賬之所有金融資產，其投資初始按其公允值加交易成本確認。按公允值透過損益記賬之金融資產，初始按公允值確認，而交易成本則在綜合損益表支銷。當從投資收取現金流量之權利已到期或已轉讓，而本集團已實質上將所有權之所有風險和報酬轉讓時，金融資產即終止確認。可供出售金融資產及按公允值透過損益記賬之金融資產其後按公允值列賬。貸款及應收款項其後利用實際利率法按攤銷成本列賬。

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 consolidated statement of profit or loss 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 consolidated statement of profit or loss as part of other income when the Group's right to receive payments is established.

來自「按公允值透過損益記賬之金融資產」類別之公允值變動所產生之收益或虧損，列入產生期間綜合損益表內之「其他收入及其他收益／(虧損) – 淨額」中。來自按公允值透過損益記賬之金融資產之股息收入，當本集團收取有關款項之權利確定時，在綜合損益表內確認為部分其他收益。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)****2.9 Financial assets (Cont'd)***2.9.2 Recognition and measurement (Cont'd)*

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 consolidated statement of profit or loss as "other income and other gains/(losses) – net".

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

**2.10 Offsetting financial instruments**

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

**2.11 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 編製基準與主要會計政策概要(續)****2.9 金融資產(續)***2.9.2 確認與計量(續)*

分類為可供出售之貨幣性及非貨幣性證券之公允價值變動在其他全面收入中確認。

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綜合損益表「其他收入及其他收益／(虧損)－淨額」。

可供出售證券利用實際利率法計算之利息在綜合損益表內確認為部分其他收益。至於可供出售權益工具之股息，當本集團收取有關款項之權利確定時，在綜合損益表內確認為部分其他收益。

**2.10 抵銷金融工具**

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

**2.11 金融資產減值***(a) 以攤銷成本列賬之資產*

本集團於每個結算日評估是否存在客觀證據證明某項金融資產或某個金融資產組別出現減值。只有當存在客觀證據證明於首次確認資產後發生一宗或多宗事件導致出現減值(「虧損事項」)，而該宗虧損事項(或該等虧損事項)對該項或該組金融資產之估計未來現金流量構成之影響可以合理估計，有關金融資產或金融資產組別才算出現減值及產生減值虧損。

減值虧損之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量有可計量之減少，例如與違約有相互關連之拖欠情況或經濟狀況改變。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

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

2 編製基準與主要會計政策概要(續)

2.11 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 consolidated statement of profit or loss. 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 consolidated statement of profit or loss.

(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 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 statement of profit or loss on equity instruments are not reversed through the consolidated statement of profit or loss.

2.12 Derivative financial instruments

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

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

2.11 金融資產減值(續)

(a) *以攤銷成本列賬之資產(續)*

就貸款及應收款項種類而言，損失金額乃根據資產賬面值與按金融資產原實際利率折現而估計未來現金流量(不包括仍未產生之未來信用損失)之現值兩者之差額計量。資產賬面值予以削減，而損失金額則在綜合損益表確認。如貸款投資有浮動利率，計量任何減值虧損之折現率為按合約釐定之當前實際利率。在實際應用中，本集團可利用可觀察之市價，按工具之公允值計量減值。

如在後繼期間，減值虧損之數額減少，而此減少可客觀地聯繫至確認減值後才發生之事件(例如債務人之信用評級有所改善)，則之前已確認之減值虧損可在綜合損益表轉回。

(b) *分類為可供出售資產*

本集團在每個結算日評估是否有客觀證據證明某項金融資產或某個金融資產組別已經減值。

至於分類為可供出售之投資，證券公允值大幅度或長期跌至低於其成本值，亦是資產已經減值之證據。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允值之差額，減該金融資產之前在損益確認之任何減值虧損計量－自權益中剔除並在損益中確認。在損益表確認之權益工具之減值虧損不會透過綜合損益表轉回。

2.12 衍生金融工具

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

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)****2 編製基準與主要會計政策概要(續)****2.13 Inventories**

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

**2.13 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。

**2.14 Trade, bills and other receivables**

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

**2.14 應收賬款、應收票據及其他應收款項**

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

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

應收賬款、應收票據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。

**2.15 Cash and cash equivalents**

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

**2.15 現金及現金等值項目**

在綜合現金流量表中，現金及現金等值項目包括手持現金及活期銀行存款。

**2.16 Share capital**

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

**2.16 股本**

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

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

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

**2.17 Trade, bills and other payables**

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

**2.17 應付賬款、應付票據及其他應付款項**

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

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

2 編製基準與主要會計政策概要(續)

2.17 Trade, bills and other payables (Cont'd)

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

2.17 應付賬款、應付票據及其他應付款項(續)

應付賬款、應付票據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。

2.18 Borrowings

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

2.18 借貸

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

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.

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

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.

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

2.19 Current and deferred income tax

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

2.19 即期及遞延所得稅

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

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.

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

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.

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



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)****2 編製基準與主要會計政策概要(續)****2.19 Current and deferred income tax (Cont'd)**

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.

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 when there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference in the foreseeable future, deferred tax liability in relation to taxable temporary differences arising from the associate's undistributed profits is not recognised.

Deferred income tax assets 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.

**2.20 Employee benefits***(a) Employee leave entitlements*

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

*(b) Retirement benefits*

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

**2.19 即期及遞延所得稅(續)**

遞延所得稅資產僅於可能出現日後應課稅溢利抵銷暫時差額時方會確認。

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

就附屬公司、聯營公司及合營安排中之投資所產生之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項負債抵銷，且遞延所得稅資產和負債涉及由同一稅務機關對有意向以淨額基準結算所得稅結餘之應課稅主體或不同應課稅主體徵收之所得稅時，則可將遞延所得稅資產與負債互相抵銷。

**2.20 僱員福利***(a) 僱員假期福利*

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

*(b) 退休福利*

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

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

2 編製基準與主要會計政策概要(續)

2.20 Employee benefits (Cont'd)

2.20 僱員福利(續)

(b) Retirement benefits (Cont'd)

(b) 退休福利(續)

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.

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

(c) Share-based compensation

(c) 以股份為基礎之酬金

Equity-settled share-based payment transactions

以權益結算以股份為基礎之交易

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:

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

- 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).

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

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

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

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.

於購股權獲行使時，本公司會發行新股。扣除任何直接應佔交易成本所收取之所得款項計入股本(面值)及股份溢價。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

## 2.20 Employee benefits (Cont'd)

## (c) Share-based compensation (Cont'd)

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.

## 2.21 Provisions

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

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

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

## 2.22 Revenue recognition

Revenue comprise the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Group's activities. Revenue are 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.

## 綜合財務報表附註(續)

## 2 編製基準與主要會計政策概要(續)

## 2.20 僱員福利(續)

## (c) 以股份為基礎酬金(續)

集團內以股份為基礎之交易

本公司向本集團附屬公司之職工授予其權益工具之購股權，被視為附屬公司資本投入。收取職工服務之公允值，參考授出日之公允值計量，並在歸屬期內確認，作為對附屬公司投資之增加，並相應對母公司權益賬戶之權益貸記。

## (d) 花紅計劃

倘本集團因僱員提供之服務而產生現有法律或推定責任，而責任金額能可靠估算時，則將花紅計劃之預計成本確認為負債入賬。

## 2.21 撥備

倘本集團須就過去事件承擔現有法律或推定責任，而有可能須產生資源流出以履行該責任，並能可靠估計金額，則會確認撥備。日後營運虧損不予確認撥備。

倘出現多項類似責任，會否導致資源流出以履行責任之可能性乃於整體考慮該責任類別後確定。即使同一責任類別中任何一項可能流出資源之機會不大，仍會確認撥備。

撥備採用反映當時市場對金錢時間價值之評估及該責任之特定風險之稅前貼現率，計算預期須履行責任之開支現值作為計量準則。因時間流逝而產生之撥備增加確認為利息開支。

## 2.22 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、回報、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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

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

2 編製基準與主要會計政策概要(續)

2.22 Revenue recognition (Cont'd)

(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 the services are rendered.

(c) Handling income

Handling income is recognised when the services are rendered.

(d) Rental income

Rental income under operating leases is recognised on a straight-line basis over the lease periods.

2.23 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.

2.24 Dividend income

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

2.25 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of profit or loss on a straight-line basis over the period of the lease.

2.22 收入確認(續)

(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

分包收入於提供服務時確認。

(c) 處理收入

處理收入於提供服務時確認。

(d) 租金收入

經營租約之租金收入乃按租約期間以直線法來確認。

2.23 利息收入

利息收入採用實際利率法確認。倘貸款及應收款項出現減值，本集團會將賬面值減至可收回款額，即估計之未來現金流量按該工具之原實際利率折現值，並繼續解除折現為利息收入。已減值貸款及應收款項之利息收入採用原實際利率確認。

2.24 股息收入

股息收入在收取款項之權利確定時確認。

2.25 租賃

凡擁有權的絕大部分風險及回報由出租人保留的租賃，均列作經營租賃。根據經營租賃(扣除出租人給予的任何優惠)作出的付款，於租期內以直線法於損益表扣除。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)****2 編製基準與主要會計政策概要(續)****2.26 Government grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group has complied with all attached conditions.

Government grants relating to costs are deferred and recognised in the consolidated statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the consolidated statement of profit or loss on a straight-line basis over the expected lives of the related assets.

**2.27 Contingent liabilities**

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

**2.28 Dividend distribution**

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

**2.26 政府補貼**

當能夠合理地保證政府補貼將可收取，且本集團已符合所有附帶條件時，將政府提供之補助按其公允值確認入賬。

與成本有關之政府補貼遞延入賬及確認，並配合按擬補償之成本所需期間計入綜合損益表中。

與購買物業、廠房及設備有關之政府補貼列入非流動負債作為遞延政府補貼，並按有關資產之預計年期以直線法在綜合損益表列賬。

**2.27 或有負債**

或有負債指可能因過往事件而產生之可能責任，而有關責任存在須透過一項或多項並非本集團完全控制範圍內無法肯定之日後事件發生與否方能確定。或有負債亦指因過往事件而產生之現有責任，由於可能不需要流出經濟資源或責任金額無法可靠計量而未有確認。

或有負債不予確認，惟會於綜合財務報表內披露。倘資源流出之可能性有變，以致可能流出資源，則將確認為撥備。

**2.28 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，在本集團之綜合財務報表確認為負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

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 focuses on the unpredictability of financial markets and seeks to minimise 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\$"), Renminbi ("RMB") and Vietnamese Dongs ("VND"). The Group manages its foreign exchange risks by performing regular review and monitoring its foreign exchange exposure. The Group hedges certain of its exposure to reduce the risk involved as appropriate.

As HK\$ is pegged to US\$, management believes that the exchange rate risk for translations between HK\$ and US\$ do not have material impact to the Group.

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

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

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（包括外匯風險、現金流量及公允價值利率風險）、信貸風險及流動資金風險。本集團之整體風險管理專注於金融市場之不可預測性，並尋求將對本集團財務表現之潛在不利影響降至最低。

(a) 市場風險

(i) 外匯風險

本集團涉及多種貨幣之外匯風險，主要為美元（「美元」）、人民幣（「人民幣」）及越南盾（「越南盾」）。本集團透過定期審閱和不斷監察所承受外匯風險以管理其外匯風險。本集團對沖若干外匯風險以減低所涉及之風險（如適用）。

由於港元與美元掛鈎，管理層認為港元與美元換算的匯率風險不會對本集團產生重大影響。

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

本集團採用遠期貨幣合約對沖其部分外匯風險。該等遠期貨幣合約不符合採用對沖會計法入賬，而按公允價值透過損益記賬。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 3 FINANCIAL RISK MANAGEMENT (Cont'd)

## 3.1 Financial risk factors (Cont'd)

## (a) Market risk (Cont'd)

## (i) Foreign exchange risk (Cont'd)

The table below illustrates the sensitivity as at the end of the reporting period to a reasonably possible change in the respectively exchange rates against the functional currency of the respective group entities, with all other variables held constant, to the profit for the year ended 31 March 2018, mainly as a result of net foreign exchange impact on translation of cash and bank balance, trade and bills receivables, deposits and other receivables, trade and bills payables and accruals and other payables denominated in these foreign currencies.

		Change in exchange rate 匯率變動	Impact on post-tax profit 除稅後溢利之影響 HK\$'000 千港元
<b>2018</b>	<b>2018年</b>		
If US\$ strengthens/weakens against RMB	倘美元對人民幣升值/貶值	+1%/-1%	2,807 higher/lower 增加/減少2,807
If US\$ strengthens/weakens against VND	倘美元對越南盾升值/貶值	+1%/-1%	843 lower/higher 減少/增加843
If RMB strengthens/weakens against HK\$	倘人民幣對港元升值/貶值	+1%/-1%	1,468 lower/higher 減少/增加1,468
<b>2017</b>	<b>2017年</b>		
If US\$ strengthens/weakens against RMB	倘美元對人民幣升值/貶值	+1%/-1%	2,291 higher/lower 增加/減少2,291
If US\$ strengthens/weakens against VND	倘美元對越南盾升值/貶值	+1%/-1%	798 lower/higher 減少/增加798
If RMB strengthens/weakens against HK\$	倘人民幣對港元升值/貶值	+1%/-1%	1,593 lower/higher 減少/增加1,593

## (ii) Cash flow and fair value interest rate risk

Except for bank deposits and bank loans, details of which are disclosed in Note 15 and Note 18 respectively, the Group has no other significant interest-bearing assets or liabilities.

The Group's bank deposits and bank loans are subject to variable rates which expose the Group to cash flow interest rate risk. The Group manages its interest rate risk by performing regular reviews and continually monitoring its interest rate exposures. The Group has not used any interest rate swaps to hedge its exposure to interest rate risk.

## 3 財務風險管理(續)

## 3.1 財務風險因素(續)

## (a) 市場風險(續)

## (i) 外匯風險(續)

下表闡釋於報告期末的各集團實體之功能貨幣各匯率的合理可能變動(其他所有變量保持不變)對截至2018年3月31日止年度溢利的敏感度分析, 主要因換算以該等外幣計值的現金及銀行結餘、應收賬款及票據、按金及其他應收款項、應付賬款及票據以及應計項目及其他應付款項的外匯影響淨值而產生。

## (ii) 現金流量及公允值利率風險

除銀行存款及銀行貸款(其詳情分別載列於附註15及附註18)外, 本集團並無其他重大計息資產或負債。

本集團之銀行存款及銀行貸款按浮動利率計息, 此令本集團面對現金流量利率風險。本集團透過定期審閱及不斷監察其利率所承受風險以管理其利率風險。本集團並無利用任何利率掉期交易以對沖其所承受之利率風險。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

**3 FINANCIAL RISK MANAGEMENT (Cont'd)****3.1 Financial risk factors (Cont'd)***(a) Market risk (Cont'd)**(ii) Cash flow and fair value interest rate risk (Cont'd)*

If the market interest rates for cash and bank balance and bank loans had been 50 basis points (2017: 50 basis points) higher/lower with all other variables held constant, the Group's profit for the year ended 31 March 2018 would have been approximately HK\$1,767,000 (2017: HK\$3,048,000) higher/lower.

*(b) Credit risk*

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

Substantially all of the cash and bank balances, as detailed in Note 15, are held in major financial institutions located in Hong Kong, the PRC, Macau and Vietnam; all derivative financial instruments are also entered into with major financial institutions, which management believes are of high credit quality. Management does not expect any losses arising from non-performance by these financial institutions.

The Group 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 customers is assessed based on their financial position, past default history 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.

**3 財務風險管理(續)****3.1 財務風險因素(續)***(a) 市場風險(續)**(ii) 現金流量及公允值利率風險(續)*

倘現金及銀行結餘及銀行貸款之市場利率上升/下降50基點(2017年: 50基點), 而其他可變因素維持不變, 本集團截至2018年3月31日止年度溢利將增加/減少約1,767,000港元(2017年: 3,048,000港元)。

*(b) 信貸風險*

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

誠如附註15所詳列, 幾乎所有現金及銀行結餘存放於香港、中國、澳門及越南之主要金融機構; 所有衍生金融工具均由管理層認為屬高信貸質素之主要金融機構訂立。管理層預期不會出現任何因該等金融機構不履約而產生之虧損。

本集團亦有政策確保銷售予有良好信貸記錄之客戶, 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、過往拖欠記錄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。本集團過往收取之應收賬款及其他應收款項並沒有超出有關記錄撥備, 並且董事認為就不可收回之應收款項已計提足夠準備。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 3 FINANCIAL RISK MANAGEMENT (Cont'd)

## 3.1 Financial risk factors (Cont'd)

## (c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through adequate committed credit facilities.

The Group's primary cash requirements are for additions and upgrades to property, plant and equipment, purchases of land, capital injections into subsidiaries, and payments for purchases and operating expenses. The Group finances its working capital requirements through funds generated from its operations, bank loans and other borrowings.

The Group's policy is to monitor current and expected liquidity requirements regularly to ensure it maintains sufficient cash and cash equivalents and has available funding through adequate amount of committed credit facilities to meet its working capital requirements.

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

## 3 財務風險管理(續)

## 3.1 財務風險因素(續)

## (c) 流動性風險

審慎之流動性風險管理，意味著維持充足之現金並通過充足之信貸額度獲得資金。

本集團之現金需求主要用於添置及更新物業、廠房及設備、土地購買、附屬公司注資以及支付採購費用及營運開支。本集團通過營運產生之資金、銀行貸款及其他借款以撥付營運資金需求。

本集團之政策為定期監察現時及預期流動資金要求，從而確保本集團有足夠之現金及現金等值項目及通過充足之信貸額度獲得資金，以滿足營運資金需求。

下表為按相關到期組別列示本集團於綜合結算日至合約到期日之剩餘期間之財務負債情況之分析。於表中披露之金額為合約性未折算現金流量。

		2018	2018	2018	2018
		2018年	2018年	2018年	2018年
		On demand	Within 1 year	Over 1 year	Total
		按要求	1年內	1年以上	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Bank loans	銀行貸款	283,264	30,256	–	313,520
Loan from a non-controlling interest of a subsidiary	一間附屬公司非控制性權益提供貸款	–	–	146,169	146,169
Trade and bills payables	應付賬款及票據	–	781,651	–	781,651
Derivative financial liabilities	衍生金融負債	–	924	–	924
Accruals and other payables	應計項目及其他應付款項	–	194,686	20,148	214,834
		283,264	1,007,517	166,317	1,457,098

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)

		2017 2017年 On demand 按要求 HK\$'000 千港元	2017 2017年 Within 1 year 1年內 HK\$'000 千港元	2017 2017年 Over 1 year 1年以上 HK\$'000 千港元	2017 2017年 Total 總計 HK\$'000 千港元
Bank loans	銀行貸款	471,701	-	-	471,701
Loan from a non-controlling interest of a subsidiary	一間附屬公司非控制性 權益提供貸款	-	-	144,772	144,772
Trade and bills payables	應付賬款及票據	-	930,261	-	930,261
Accruals and other payables	應計項目及其他應付款項	-	205,374	-	205,374
Amount due to an associate	應付一間聯營公司款項	-	1,417	-	1,417
		471,701	1,137,052	144,772	1,753,525

The table below summarises the maturity analysis of the Group's bank loans with repayable on demand clause based on agreed scheduled repayments set out in the loan agreements. The amounts included interest payments computed using contractual rates. As a result, these amounts were greater than the amounts disclosed in the "on demand" time band in the maturity analysis contained above.

下表概括根據貸款協議所列之既定還款時間表，本集團包含按要求償還條款之銀行貸款之到期分析。該等款項包括以合約利率計算之利息付款。因此，該等款項超過上文所載到期分析中「按要求」時間範圍內所披露之款項。

Taking into account the Group's financial position, the Directors do not consider that it is probable that the banks will exercise their discretions to demand immediate repayment. The Directors believe that such loans will be repaid in accordance with the scheduled repayment date as set out in the loan agreements.

計及本集團之財務狀況，董事並不認為銀行有可能行使其權利以要求即時還款。董事認為該等貸款將根據貸款協議內所列之既定還款時間表還款。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 3 FINANCIAL RISK MANAGEMENT (Cont'd)

## 3.1 Financial risk factors (Cont'd)

## (c) Liquidity risk (Cont'd)

Maturity Analysis – Bank borrowings subject to a repayable on demand clause based on scheduled repayments (including related interest payable):

		On demand 按要求 HK\$'000 千港元	Less than 1 year 1年內 HK\$'000 千港元	Between 1 and 2 years 1至2年 HK\$'000 千港元	Between 2 and 5 years 2至5年 HK\$'000 千港元	Between Over 5 year 5年以上 HK\$'000 千港元	Total 總計 HK\$'000 千港元
31 March 2018	2018年3月31日	-	233,787	89,161	-	-	322,948
31 March 2017	2017年3月31日	-	203,196	173,462	117,181	-	493,839

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.

下表為按相關到期組別列示本集團結算日至合約到期日之剩餘期間之以毛額基準結算之衍生金融工具之分析。於表中披露之金額為合約性未折算現金流量。

		Less than 1 month 少於1個月 HK\$'000 千港元	Between 1 and 3 months 1至3個月 HK\$'000 千港元	Between 3 months and 1 year 3個月至1年 HK\$'000 千港元	Over 1 year 1年以上 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>At 31 March 2018:</b>	<b>於2018年3月31日：</b>					
Forward currency contracts:	遠期貨幣合約：					
Inflow	流入	2,203	4,894	9,187	-	16,284
Outflow	流出	(232)	(692)	-	-	(924)
<b>At 31 March 2017:</b>	<b>於2017年3月31日：</b>					
Forward currency contracts:	遠期貨幣合約：					
Inflow	流入	-	-	-	-	-
Outflow	流出	-	-	-	-	-

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 3 FINANCIAL RISK MANAGEMENT (Cont'd)

## 3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, draw down or repay debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total debt divided by total capital. Total debt includes borrowings and bills payables as shown in the consolidated balance sheet, and total capital is the amount of "equity" as shown in the consolidated balance sheet. The gearing ratios were as follows:

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
Borrowings	借貸	459,433	616,473
Bills payables	應付票據	21,113	16,345
Total debt	債務總額	480,546	632,818
Total capital	資本總額	3,340,862	3,180,448
Gearing ratio	資本負債比	14.4%	19.9%

The gearing ratio decreased as a result of the decrease in bank borrowings and increase in capital in the current year.

由於本年內銀行借款減少與資本增加影響，資本負債比率下降。

## 3 財務風險管理(續)

## 3.2 資金風險管理

本集團之資金管理目標為保障本集團能繼續營運，以為股東提供回報，同時兼顧其他股權持有人的利益，並維持最佳之資本結構以減低資金成本。為了維持或調整資本結構，本集團可能會調整向股東派付之股息金額、向股東發還資金、發行新股、提取或償還債務。

與其他同業相同，本集團以資本負債比率監察資本。此比率按照債務總額除以資本總額計算。債務總額包括綜合資產負債表所列之借貸及應付票據以及資本總額為綜合資產負債表所列之「權益」。資本負債比率如下：

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 3 FINANCIAL RISK MANAGEMENT (Cont'd)

## 3.3 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value as at 31 March 2018, by level of inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at fair value at 31 March 2018.

		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
<b>Assets</b>	<b>資產</b>				
Derivative financial instruments – forward foreign currency contracts (Note 14)	衍生金融工具 – 遠期外匯合約 (附註14)	–	16,284	–	16,284
Available-for-sale financial assets (Note 10) – Club debentures	可供出售金融資產 (附註10) – 會籍債券	853	–	–	853
		853	16,284	–	17,137

		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
<b>Liabilities</b>	<b>負債</b>				
Derivative financial instruments – forward foreign currency contracts (Note 14)	衍生金融工具 – 遠期外匯合約 (附註14)	–	924	–	924
		–	924	–	924

## 3 財務風險管理(續)

## 3.3 公允價值估計

下表載列按計量公允價值所用估值技術輸入值等級分析本集團於2018年3月31日以公允價值列賬之金融工具。輸入值按以下三個公允價值層級分類：

- 相同資產或負債在活躍市場之報價(未經調整)(第1層)。
- 除了第1層所包括之報價外，該資產或負債之可觀察之其他輸入，可為直接(即例如價格)或間接(即源自價格)(第2層)。
- 資產或負債並非依據可觀察市場數據之輸入(即非可觀察輸入)(第3層)。

下表列示本集團於2018年3月31日按公允價值計量之資產及負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

3 FINANCIAL RISK MANAGEMENT (Cont'd)

3 財務風險管理(續)

3.3 Fair value estimation (Cont'd)

3.3 公允價值估計(續)

The following table presents the Group's assets and liabilities that are measured at fair value at 31 March 2017.

下表列示本集團於2017年3月31日按公允價值計量之資產及負債。

		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
<b>Assets</b>	<b>資產</b>				
Available-for-sale financial assets (Note 10)	可供出售金融資產 (附註10)				
– Club debentures	– 會籍債券	853	–	–	853
		853	–	–	853

There were no transfers between levels during the years ended 31 March 2018 and 2017.

截至2018年及2017年3月31日止年度各層級之間並無轉撥。

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.

在活躍市場買賣的金融工具的公允價值根據結算日的市場報價列賬。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。

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.

沒有在活躍市場買賣的金融工具(例如場外衍生工具)的公允價值利用估值技術釐定。估值技術儘量利用可觀察市場數據(如有)，儘量少依賴主體的特定估計。如計算一金融工具的公允價值所需的所有重大輸入為可觀察數據，則該金融工具列入第2層。

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

**3 FINANCIAL RISK MANAGEMENT (Cont'd)****3.3 Fair value estimation (Cont'd)**

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value.

**4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

**(a) Impairment of interests in associates**

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

In determining the recoverable amount of an interest in associates, management has considered both the value in use and fair value less cost to disposal. In determining value-in-use, an entity estimates either: (a) its share of the present value of the estimated future cash flows expected to be generated by the associates and proceeds on disposal, or (b) the present value of estimated future cash flows expected to arise from dividends to be received and proceeds on disposal. Any impairment loss is recognised by writing down the interests in associates. Any reversal of that impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

## 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)**

用以估值金融工具的特定估值技術包括：

- 同類型工具的市場報價或交易商報價。
- 遠期外匯合約的公允價值利用結算日的遠期匯率釐定，而所得價值折算至現值。

**4 重大會計估計及判斷**

估計及判斷會持續評估，並根據過往經驗及其他因素作出，包括於有關情況下被認為屬合理之日後事項預測。

本集團作出有關日後之估計及假設。作出之會計估計顧名思義地甚少與相關實際結果相同。存有重大風險或會導致須對下一個財政年度資產及負債賬面值作出重大調整之估計及假設論述如下。

**(a) 聯營公司之權益減值**

管理層定期檢討本集團於聯營公司之權益的可收回程度，彼等尤其會考慮減值的客觀證據，如於聯營公司之權益之公允價值顯著或長期下降、市場環境之重大不利變動及聯營公司持有的資產的公允價值。當有客觀證據證明資產出現減值時，則於損益表內確認估計不可收回金額之適當減值。

在釐定於聯營公司之權益的可收回金額時，管理層已考慮使用價值與公允價值減出售成本。在釐定使用價值時，實體估計：(a)其應佔聯營公司預期將產生之估計未來現金流量之現值及出售所得款項，或(b)將收取之股息預期將產生之估計未來現金流量之現值及出售所得款項。任何減值虧損將透過撇減於聯營公司之權益予以確認。確認之減值虧損撥回以該項投資其後所增加之可收回金額為限。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

(b) Income taxes, deferred taxes and other taxes

The Group is subject to income taxes in the jurisdictions where its subsidiaries operate. Significant judgement is required in determining provisions for income taxes. There are certain transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

The Group is also exposed to other taxes and duties. Significant judgement is required in determining these provisions. Where the final outcomes of these matters differ from the actual results, such difference will impact the provisions made and the earnings stated in the statement of profit or loss.

(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.

(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.

4 重大會計估計及判斷(續)

(b) 所得稅、遞延稅項及其他稅項

本集團須在其附屬公司營運所在司法權區繳納所得稅。於釐定所得稅撥備時須作出重大判斷。存在若干交易及計算無法確定最終稅款。本集團按是否須繳納額外稅項確認預計稅務審核事宜的負債。倘該等事宜的最終稅務結果有異於最初記錄的數額，有關差額將會影響釐定有關數額期間的即期及遞延所得稅資產及負債。

本集團還須繳納其他稅項與關稅。於釐定該等撥備時須作出重大判斷。倘該等事宜的最終稅務結果有異於實際結果，則有關差額將會影響有關撥備和於損益表上之盈利。

(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週期而作出之行動而大幅變化。管理層於每個結算日重新評估該等估計。

(e) 物業、廠房及設備之可使用年期

本集團管理層釐定物業、廠房及設備之估計可使用年期及相關折舊支出。該等估計乃根據類似性質及功能之物業、廠房及設備之實際可使用年期的過往經驗作出。管理層將於可使用年期少於早前估計時增加折舊支出，並撤銷或撤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。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

## (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 sell or net present value of future cash flows which are estimated based upon the continued use of the assets in the business; and (iii) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management in assessing impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test and as a result affect the Group's reported balance sheet and results of operations. If there is a significant adverse change in the projected performance and resulting future cash flow projections, it may be necessary to take an impairment charge to the statement of profit or loss.

## 5 SEGMENT INFORMATION

The chief operating decision-maker ("CODM") has been identified as the executive directors of the Company collectively, who review the Group's internal reporting in order to assess performance and allocate resources.

As all of the Group's business operations relate to the manufacturing and trading of textile products with similar economic characteristics, the executive directors review the performance of the Group as a single segment, which covers operations conducted by subsidiaries in Hong Kong, Macau, the PRC and Vietnam. The executive directors review resources allocation and assess performance of the Group on a regular basis based on the following financial information:

## 綜合財務報表附註(續)

## 4 重大會計估計及判斷(續)

## (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公允價值減出售成本之較高者釐定。此等計算需要作出判斷及估計。

管理層須就資產減值之情況作出判斷，特別是：(i)評估有否發生可能顯示有關資產價值可能無法收回之事件；(ii)評估資產之可收回金額能否支持其賬面值，可收回金額為公允價值減出售成本，或估計於業務中持續使用該資產可產生之日後現金流量淨現值之較高者；及(iii)評估編製現金流量預測時所用適當主要假設，包括該等現金流量預測是否按適當比率貼現。管理層評估減值時所選用假設(包括現金流量預測所用貼現率或增長率假設)如有任何變化，均可能對減值檢測中所用淨現值造成重大影響，以致對本集團報告資產負債表及營運業績造成重大影響。倘所預測表現及因此作出之日後現金流量預測出現重大負面變動，則或須於損益表作出減值支出。

## 5 分部資料

首席經營決策者已被確認為本公司執行董事，彼審閱本集團之內部呈報，以評估表現並分配資源。

由於本集團所有業務均與製造及買賣具有類似經濟特性的紡織品有關，執行董事按照單一分部(包括於香港、澳門、中國與越南的附屬公司所經營的業務)審閱本集團之表現。執行董事亦基於以下財務資料，定期審閱本集團的資源分配及進行表現評估：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

5 SEGMENT INFORMATION (Cont'd)

5 分部資料(續)

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Revenue	收入	6,098,153	5,993,632
Gross profit	毛利	947,162	1,116,484
Gross profit margin (%)	毛利率(%)	15.5%	18.6%
Operating expenses	經營開支	236,428	177,235
Operating expenses/Revenue (%)	經營開支/收入(%)	3.9%	3.0%
EBITDA (Note (i))	利息、稅項、折舊及攤銷前溢利 (附註(i))	1,023,782	1,283,391
EBITDA/Revenue (%)	利息、稅項、折舊及攤銷前 溢利/收入(%)	16.8%	21.4%
Finance income	財務收入	8,583	12,004
Finance costs	財務成本	16,921	12,407
Depreciation and amortisation (included in cost of sales and operating expenses)	折舊與攤銷(計入銷售成本及經營開支)	162,001	147,176
Share of profits of associates	分佔聯營公司溢利	34,520	32,375
Reversal of provision for impairment loss on interest in an associate	於一間聯營公司之權益減值虧損撥備撥回	-	46,784
Gain/(loss) on disposal of certain interest in an associate	出售一間聯營公司若干權益之 收益/(虧損)	396	(393)
Income tax expense	所得稅開支	130,101	146,584
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	744,035	975,573
Net profit margin (%)	純利率(%)	12.2%	16.3%
Total assets	資產總值	4,852,710	5,011,768
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益	3,357,578	3,177,168
Cash and bank balances	現金與銀行結餘	666,701	1,081,844
Borrowings	借貸	459,433	616,473
Inventories	存貨	1,068,184	978,440
Inventory turnover days (Note (ii))	存貨週轉日數(附註(ii))	73	75
Trade and bills receivables	應收賬款及票據	916,500	943,608
Trade and bills receivables turnover days (Note (iii))	應收賬款及票據週轉日數(附註(iii))	56	57
Trade and bills payables	應付賬款及票據	781,651	930,261
Trade and bills payables turnover days (Note (ii))	應付賬款及票據週轉日數(附註(ii))	61	64

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 5 SEGMENT INFORMATION (Cont'd)

Notes:

- (i) EBITDA is defined as profit for the year before finance income, finance costs, income tax expense, depreciation and amortisation.
- (ii) The turnover days are calculated by the simple average of the beginning of the year and the end of the year balances over cost of sales.
- (iii) The turnover days are calculated by the simple average of the beginning of the year and the end of the year balances over revenue.

A reconciliation of EBITDA to total profit before income tax is provided as follows:

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
EBITDA	利息、稅項、折舊及攤銷前溢利	1,023,782	1,283,391
Depreciation	折舊	(160,625)	(145,855)
Amortisation	攤銷	(1,376)	(1,321)
Finance income	財務收入	8,583	12,004
Finance costs	財務成本	(16,921)	(12,407)
Profit before income tax	所得稅前溢利	853,443	1,135,812

The Group's revenue represents sales of goods. An analysis of revenue by geographical location, as determined by the destination where the products were delivered, is as follows:

本集團的收入指貨品銷售。對按地區(以產品交付之目的為準)劃分之收入的分析如下:

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
PRC	中國	1,204,890	1,075,447
Vietnam	越南	2,627,829	2,548,264
Hong Kong	香港	638,657	745,700
America	美洲	188,553	261,668
Other South East Asia countries (Note (i))	其它東南亞國家(附註(i))	419,608	350,424
Sri Lanka	斯里蘭卡	384,936	404,898
India	印度	67,039	73,651
Haiti	海地	188,254	157,241
Africa	非洲	311,362	280,282
Others	其他	67,025	96,057
		6,098,153	5,993,632

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

5 SEGMENT INFORMATION (Cont'd)

Note:

- (i) Other South East Asia countries mainly include Indonesia, Cambodia and Thailand.

For the year ended 31 March 2018, customer A and customer B accounted for approximately 41% (2017: 46%) and 16% (2017: 11%) of the Group's revenue, respectively. All other customers individually accounted for less than 10% of the Group's revenue for years ended 31 March 2018 and 2017.

The Group's non-current assets (excluding interests in associates and deferred income tax assets) are located in the following geographical areas:

		Group 本集團	
		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
PRC	中國	1,402,127	1,271,094
Hong Kong	香港	12,218	23,688
Vietnam	越南	309,529	297,550
Others	其他	-	1,651
		<b>1,723,874</b>	<b>1,593,983</b>

6 LAND USE RIGHTS

The Group's interests in land use rights represent prepaid operating lease payments in the PRC and their net book values are analysed as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
At 1 April	於4月1日	45,007	49,133
Amortisation	攤銷	(1,376)	(1,321)
Currency translation differences	外幣換算差額	4,692	(2,805)
At 31 March	於3月31日	<b>48,323</b>	45,007
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	<b>48,323</b>	45,007

5 分部資料(續)

附註：

- (i) 其他東南亞國家主要包括印尼、柬埔寨及泰國。

截至2018年3月31日止年度，客戶A及客戶B分別約佔本集團收入的41%（2017年：46%）及16%（2017年：11%）。截至2018年及2017年3月31日止年度，所有其他客戶各自佔本集團收入均低於10%。

本集團之非流動資產（不包括於聯營公司之權益及遞延所得稅資產）位於以下地區：

6 土地使用權

本集團於土地使用權之權益為於中國的預付經營租約款項，其賬面淨值分析如下：

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 7 PROPERTY, PLANT AND EQUIPMENT

## 7 物業、廠房及設備

		Leasehold land	Buildings	Plant and machinery	Leasehold improvements, furniture and equipment 租賃物業 裝修、 傢具及設備	Motor vehicles	Computer software	Construction in progress	Total
		租賃土地 HK\$'000 千港元	樓宇 HK\$'000 千港元	廠房及機器 HK\$'000 千港元	傢具及設備 HK\$'000 千港元	汽車 HK\$'000 千港元	電腦軟件 HK\$'000 千港元	在建工程 HK\$'000 千港元	總計 HK\$'000 千港元
<b>At 1 April 2016</b>	<b>於2016年4月1日</b>								
Cost	成本	4,260	1,172,221	2,323,785	288,178	36,907	78,614	108,898	4,012,863
Accumulated depreciation	累計折舊	(1,242)	(352,887)	(1,944,293)	(176,047)	(23,277)	(3,969)	-	(2,501,715)
Net book amount	賬面淨值	3,018	819,334	379,492	112,131	13,630	74,645	108,898	1,511,148
<b>Year ended 31 March 2017</b>	<b>截至2017年3月31日止年度</b>								
Opening net book amount	年初賬面淨值	3,018	819,334	379,492	112,131	13,630	74,645	108,898	1,511,148
Additions	添置	-	4,007	10,376	10,553	1,433	16,394	123,606	166,369
Disposals and write-off	出售與撇銷	-	(4,018)	(790)	(1,180)	(118)	-	-	(6,106)
Depreciation	折舊	(97)	(52,269)	(50,597)	(29,967)	(4,433)	(8,492)	-	(145,855)
Transfers	轉撥	-	5,702	52,348	23,403	-	-	(81,453)	-
Currency translation differences	外幣換算差額	-	(43,430)	(23,015)	(4,680)	(568)	-	(6,529)	(78,222)
Closing net book amount	年終賬面淨值	2,921	729,326	367,814	110,260	9,944	82,547	144,522	1,447,334
<b>At 31 March 2016</b>	<b>於2017年3月31日</b>								
Cost	成本	4,260	1,109,834	2,219,827	299,801	31,097	95,008	144,522	3,904,349
Accumulated depreciation	累計折舊	(1,339)	(380,508)	(1,852,013)	(189,541)	(21,153)	(12,461)	-	(2,457,015)
Net book amount	賬面淨值	2,921	729,326	367,814	110,260	9,944	82,547	144,522	1,447,334
<b>Year ended 31 March 2018</b>	<b>截至2018年3月31日止年度</b>								
Opening net book amount	年初賬面淨值	2,921	729,326	367,814	110,260	9,944	82,547	144,522	1,447,334
Additions	添置	-	1,063	10,484	30,462	7,546	2,675	117,689	169,919
Disposals and write-off	出售與撇銷	-	(49)	(12,387)	(1,606)	(976)	-	(193)	(15,211)
Depreciation	折舊	(96)	(53,951)	(54,030)	(38,550)	(5,369)	(8,629)	-	(160,625)
Transfers	轉撥	-	5,939	133,655	(2,576)	-	-	(137,018)	-
Currency translation differences	外幣換算差額	-	67,650	20,894	16,831	595	762	13,913	120,645
Closing net book amount	年終賬面淨值	2,825	749,978	466,430	114,821	11,740	77,355	138,913	1,562,062
<b>At 31 March 2018</b>	<b>於2018年3月31日</b>								
Cost	成本	4,260	1,226,279	2,508,043	350,706	35,168	98,660	138,913	4,362,029
Accumulated depreciation	累計折舊	(1,435)	(476,301)	(2,041,613)	(235,885)	(23,428)	(21,305)	-	(2,799,967)
Net book amount	賬面淨值	2,825	749,978	466,430	114,821	11,740	77,355	138,913	1,562,062

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

7 PROPERTY, PLANT AND EQUIPMENT (Cont'd)

As at 31 March 2018, buildings with net book value of HK\$64,880,000 (2017: HK\$66,123,000) located in Vietnam were built on land of which the Group is in the process of applying for land use right certificate from the government authority (See Note 13).

The Group's interests in leasehold land represent prepaid operating lease payments in Hong Kong and their net book values are analysed as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
In the Hong Kong held on:	於香港持有：		
– Leases of between 10 to 50 years	– 租期介乎10至50年	2,825	2,921

Depreciation expense recognised in the consolidated statement of profit or loss is analysed as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Cost of sales	銷售成本	149,054	135,886
General and administrative expenses	一般及行政開支	11,571	9,969
		160,625	145,855

7 物業、廠房及設備(續)

於2018年3月31日，位於越南賬面淨值為64,880,000港元(2017年：66,123,000港元)的樓宇建於本集團正在向政府機關申請土地使用權證書的土地(見附註13)。

本集團於租賃土地之權益為於香港的預付經營租約款項，其賬面淨值分析如下：

於綜合損益表內確認之折舊開支分析如下：

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 8 SUBSIDIARIES

The following is a list of the principal subsidiaries at 31 March 2018 and 2017:

## 8 附屬公司

下表列示於2018年及2017年3月31日之主要附屬公司：

Name of subsidiaries 附屬公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法人實體類型	Particulars of issued share capital 已發行股本詳情	Equity interest attributable to the Group 本集團應佔股本權益		Principal activities 主要業務
			2018 2018年	2017 2017年	
<b>Shares held directly by the Company:</b> 本公司直接持有股份：					
Pacific Textured Jersey Holdings Ltd.	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	HK\$1 1港元	100%	100%	Investment holding 投資控股
Pacific Textiles Overseas Holdings Ltd.	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	HK\$1 1港元	100%	100%	Investment holding 投資控股
Pacific HK & China Holdings Ltd.	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	HK\$1 1港元	100%	100%	Investment holding 投資控股
Pacific SPM Holdings Ltd.	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	HK\$1 1港元	100%	100%	Investment holding 投資控股
Solid Ally International Ltd.	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	HK\$1 1港元	100%	100%	Investment holding 投資控股
Fast Right Group Ltd. 正迅集團有限公司	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	US\$1,000 1,000美元	100%	100%	Investment holding 投資控股
Product Champion Limited	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	US\$1 1美元	100%	100%	Investment holding 投資控股

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

8 SUBSIDIARIES (Cont'd)

The following is a list of the principal subsidiaries at 31 March 2018 and 2017:  
(Cont'd)

8 附屬公司(續)

下表列示於2018年及2017年3月31日之主要附屬公司:(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法人實體類型	Particulars of issued share capital 已發行股本詳情	Equity interest attributable to the Group 本集團應佔股本權益		Principal activities 主要業務
			2018 2018年	2017 2017年	
<b>Shares held indirectly by the Company:</b> 本公司間接持有股份:					
Fast Right Group (HK) Ltd. 正迅集團(香港)有限公司	Hong Kong, limited liability company 香港, 有限責任公司	US\$1 1美元	100%	100%	Investment holding 投資控股
Pacific Textiles Limited 互太紡織有限公司	Hong Kong, limited liability company 香港, 有限責任公司	HK\$103,000,000 103,000,000港元	100%	100%	Investment holding and trading of textile products in Hong Kong 於香港進行投資控股及 紡織品貿易
Pacific SPM Investment Limited 互太汽車紡織投資有限公司	Hong Kong, limited liability company 香港, 有限責任公司	HK\$1 1港元	100%	100%	Investment holding 投資控股
Pacific Overseas Textiles Macao Commercial Offshore Limited 互太海外紡織澳門離岸商業服務 有限公司	Macau, limited liability company 澳門, 有限責任公司	MOP1,030,000 1,030,000澳門幣	100%	100%	Trading of textile products in Macau 於澳門進行紡織品貿易
Pacific (Panyu) Textiles Limited 互太(番禺)紡織印染有限公司	PRC, limited liability company 中國, 有限責任公司	US\$89,700,000 89,700,000美元	100%	100%	Manufacturing and trading of textile products in the PRC 於中國進行紡織品製造 及貿易
Pacific GT Limited	British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	US\$19,025,000 19,025,000美元	95%	95%	Investment holding 投資控股



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 8 SUBSIDIARIES (Cont'd)

The following is a list of the principal subsidiaries at 31 March 2018 and 2017:  
(Cont'd)

## 8 附屬公司(續)

下表列示於2018年及2017年3月31日之主要附屬公司：(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法人實體類型	Particulars of issued share capital 已發行股本詳情	Equity interest attributable to the Group 本集團應佔股本權益		Principal activities 主要業務
			2018 2018年	2017 2017年	
<b>Shares held indirectly by the Company:</b> 本公司間接持有股份：					
PCGT Limited	Hong Kong, limited liability company 香港，有限責任公司	HK\$3,900,000 3,900,000港元	<b>71.25%</b>	71.25%	Investment holding and trading of textile products in Hong Kong 於香港進行投資控股及 紡織品貿易
Pacific Crystal Textiles Limited ("PCTL")	Vietnam, limited liability company 越南，有限責任公司	US\$48,000,000 48,000,000美元	<b>71.25%</b>	71.25%	Manufacturing and trading of textile products in Vietnam 於越南進行紡織品製造 及貿易
South Shining Limited 南昱有限公司	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	US\$1 1美元	<b>95%</b>	95%	Investment holding 投資控股

## (a) Material non-controlling interests

The total non-controlling interest as at 31 March 2018 is HK\$(16,716,000) (2017: HK\$3,280,000), mainly comprised the Group's investment in Vietnam through Pacific GT Limited, PCGT Limited and PCTL. The non-controlling interests in respect of South Shining Limited are not material.

## (a) 重大非控制性權益

於2018年3月31日之非控制性權益總額為(16,716,000)港元(2017年：3,280,000港元)，主要包括本集團透過Pacific GT Limited、PCGT Limited及PCTL於越南進行的投資。南昱有限公司的非控制性權益屬非重大。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

8 SUBSIDIARIES (Cont'd)

(a) Material non-controlling interests (Cont'd)

Summarised financial information on subsidiaries with material non-controlling interests

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group.

8 附屬公司(續)

(a) 重大非控制性權益(續)

擁有重大非控制性權益附屬公司之財務資料概要

以下載列擁有對本集團而言屬重大的非控制性權益之各附屬公司之財務資料概要。

		Pacific GT Limited		PCGT Limited		PCTL	
		2018	2017	2018	2017	2018	2017
		2018年	2017年	2018年	2017年	2018年	2017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
<b>Summarised balance sheet</b>	<b>資產負債表概要</b>						
Non-current assets	非流動資產	2,925	2,925	390,702	390,821	312,201	290,455
Current assets	流動資產	135,960	139,476	150,957	379,735	584,566	651,158
Non-current liabilities	非流動負債	-	-	146,169	578,342	20,031	-
Current liabilities	流動負債	8,829	8,745	421,517	188,713	561,460	584,294
Net assets/(liabilities)	資產/(負債)淨值	130,056	133,656	(26,027)	3,501	315,276	357,319
<b>Summarised statement of profit or loss</b>	<b>損益表概要</b>						
Revenue	收入	-	-	216,787	1,499,618	139,442	801,688
(Loss)/profit for the year	年度(虧損)/溢利	(3,600)	(5,902)	(26,880)	(11,298)	(45,977)	59,824
Other comprehensive (loss)/income for the year	年度其他全面(虧損)/收入	-	-	-	-	1,507	(7,680)
Total comprehensive (loss)/income for the year	年度全面(虧損)/收入總額	(3,600)	(5,902)	(26,880)	(11,298)	(44,470)	52,144
Total comprehensive (loss)/income allocated to non-controlling interests	分配至非控制性權益之全面(虧損)/收入總額	(180)	(295)	(7,728)	(3,247)	(12,785)	14,991
Dividends paid to non-controlling interests	向非控制性權益派付股息	-	-	-	-	-	-
<b>Summarised cash flows</b>	<b>現金流量概要</b>						
Net cash generated from/(used in) operating activities	營運活動所得/(所用)之現金淨額	17	(2)	(33,645)	5,595	17,195	9,836
Net cash used in investing activities	投資活動所用現金淨額	-	-	(39,420)	(16,598)	(7,741)	(47,347)
Net cash used in financing activities	融資活動所用現金淨額	-	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	現金及現金等值項目增加/(減少)淨額	17	(2)	(73,065)	(11,003)	9,454	(37,511)

The information above is the amount before inter-company eliminations.

上述資料為公司間抵銷前金額。

As at 31 March 2018, cash and bank deposits of HK\$19,251,000 (2017: HK\$10,525,000) of PCTL are held in Vietnam and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends.

於2018年3月31日，PCTL於越南持有現金及銀行存款19,251,000港元(2017年：10,525,000港元)，且須受地方外匯管制規定的規限。該等地方外匯管制規定對從國內匯出資本作出限制，惟透過普通股股息匯出則除外。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 9 INTERESTS IN ASSOCIATES AND AMOUNT DUE TO AN ASSOCIATE

## 9 於聯營公司之權益及應付一間聯營公司款項

## (a) Share of net assets and goodwill

## (a) 分佔資產淨值與商譽

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
SPM Automotive Textiles Co., Ltd. ("SPM Automotive")	住江互太(廣州)汽車紡織產品 有限公司(「住江互太」)	39,419	27,932
Teejay Lanka PLC ("PT Sri Lanka")	Teejay Lanka PLC (「PT斯里蘭卡」)	273,592	267,286
		<b>313,011</b>	295,218

Movements in share of net assets of associates are as follows:

分佔聯營公司資產淨值之變動如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
At 1 April	於4月1日	295,218	237,312
Dividends	股息	(20,435)	(20,761)
Share of profits	分佔溢利	34,520	32,375
Release of net assets as a result of disposal	因出售事項解除之資產淨值	396	(393)
Reversal of provision for impairment	減值撥備撥回	-	46,784
Currency translation differences	外幣換算差額	3,312	(99)
At 31 March	於3月31日	<b>313,011</b>	295,218

During the year ended 31 March 2017, management assessed the carrying amount of the Group's interest in PT Sri Lanka, and determined that HK\$46,784,000 of the provision for impairment previously made should be reversed, taking into account the associate's financial performance and expected future market conditions. The recoverable amount of PT Sri Lanka, which exceeded its carrying amount, was determined based on value-in-use, with discount rate of 14% per annum.

截至2017年3月31日止年度，管理層對本集團於PT斯里蘭卡權益之賬面值進行評估，及考慮到該聯營公司之財務表現及預期未來市場狀況，釐定先前作出之減值撥備46,784,000港元應當轉回。PT斯里蘭卡的可收回金額超過其賬面值，乃基於使用價值而釐定，其中使用的折現率為每年14%。

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 (Cont'd)

9 於聯營公司之權益及應付一間聯營公司款項(續)

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

The particulars of the associates at 31 March 2018 and 2017, which were held indirectly by the Company, are as follows:

(a) 分佔資產淨值與商譽(續)

於2018年及2017年3月31日之聯營公司(由本公司間接持有)之詳情如下:

Name of associates 聯營公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法人實體類型	Particulars of issued share capital 已發行股本詳情	Equity interest attributable to the Group 本集團應佔股本權益		Principal activities 主要業務
			2018 2018年	2017 2017年	
SPM Automotive 住江互太	PRC, limited liability company 中國·有限責任公司	US\$7,500,000 7,500,000美元	33%	33%	Manufacturing and trading of vehicles related textile products in the PRC 於中國進行汽車相關紡織品製造及貿易
Teejay Lanka PLC	Sri Lanka, limited liability company 斯里蘭卡·有限責任公司	RS2,749,266,000 2,749,266,000斯里蘭卡盧比	28%	28%	Manufacturing and trading of textile products in Sri Lanka 於斯里蘭卡進行紡織品製造及貿易

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

At 31 March 2018, the quoted market value of the Group's interest in Teejay Limited, which is listed on the Colombo Stock Exchange in Sri Lanka, was approximately HK\$316,053,000 (2017: HK\$370,349,000).

住江互太是一間中國非上市公司，因此其股份並無可用市場報價。

於2018年3月31日，本集團於Teejay Limited(一間於斯里蘭卡科倫坡證券交易所上市的公司)的權益所報市值約為316,053,000港元(2017年: 370,349,000港元)。

## 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 (Cont'd)

## 9 於聯營公司之權益及應付一間聯營公司款項(續)

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

Summarised financial information for associates

Set out below are the summarised financial information for SPM Automotive and PT Sri Lanka, which are accounted for using the equity method.

## (a) 分佔資產淨值與商譽(續)

聯營公司的財務資料概要

以下載列住江互太及PT斯里蘭卡以權益法入賬的財務資料概要。

		SPM Automotive 住江互太		PT Sri Lanka PT斯里蘭卡		Total 總計	
		2018	2017	2018	2017	2018	2017
		2018年	2017年	2018年	2017年	2018年	2017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
<b>Summarised balance sheet</b>	<b>資產負債表概要</b>						
Non-current assets	非流動資產	9,531	9,380	430,745	398,646	440,276	408,026
Current assets	流動資產	212,325	138,190	568,117	456,151	780,442	594,341
Non-current liabilities	非流動負債	-	-	83,338	52,242	83,338	52,242
Current liabilities	流動負債	102,405	62,926	316,614	231,021	419,019	293,947
Net assets	資產淨值	119,451	84,644	598,910	571,534	718,361	656,178
<b>Summarised statement of profit or loss</b>	<b>損益表概要</b>						
Revenue	收入	363,126	244,080	1,271,388	1,166,339	1,634,514	1,410,419
Profit for the year	年度溢利	31,332	10,655	86,254	103,513	117,586	114,168
Other comprehensive income for the year	年度其他全面收入	-	-	-	-	-	-
Total comprehensive income for the year	年度全面收入總額	31,332	10,655	86,254	103,513	117,586	114,168

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

上述聯營公司財務資料概要與本集團於聯營公司權益賬面值的對賬。

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 (Cont'd)

9 於聯營公司之權益及應付一間聯營公司款項(續)

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

Summarised financial information for associates (Cont'd)

(a) 分佔資產淨值與商譽(續)

聯營公司的財務資料概要(續)

		SPM Automotive 住江互太		PT Sri Lanka PT斯里蘭卡		Total 總計	
		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Opening net assets at 1 April	於4月1日年初之 資產淨值	84,644	80,141	571,534	533,914	656,178	614,055
Currency translation differences	外幣換算差額	8,981	(4,988)	1,907	1,414	10,888	(3,574)
Issuance of share	發行股份	-	-	5,922	4,780	5,922	4,780
Profit for the year	年度溢利	31,332	10,655	86,254	103,513	117,586	114,168
Dividends	股息	(5,506)	(1,164)	(66,707)	(72,087)	(72,213)	(73,251)
Closing net assets at 31 March	於3月31日年末之 資產淨值	119,451	84,644	598,910	571,534	718,361	656,178
Net assets attributable to the Group	本集團應佔資產淨值	39,419	27,932	167,156	160,316	206,575	188,248
Goodwill	商譽	-	-	109,315	109,863	109,315	109,863
Less: Unrealised gain on sale of machinery to an associate	減：出售機器予一間 聯營公司之 未變現收益	-	-	(2,879)	(2,893)	(2,879)	(2,893)
Interests in associates	於聯營公司之權益	39,419	27,932	273,592	267,286	313,011	295,218
Dividends received from associates	已收聯營公司股息	1,817	365	18,618	20,396	20,435	20,761

The information above reflects the amounts presented in the financial statements of the associates adjusted for differences in accounting policies between the Group and the associates.

上述資料反映聯營公司財務報表所列金額，並已就本集團與聯營公司之會計政策差異作出調整。

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

本集團於聯營公司的權益並無或有負債。

Cash and bank deposits of HK\$49,371,000 (2017: HK\$41,401,000) which belongs to the Group's associate in the PRC are held in the PRC and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends.

於中國持有歸屬於本集團於中國之聯營公司的現金及銀行存款49,371,000港元(2017年：41,401,000港元)，且須受地方外匯管制規定的規限。該等地方外匯管制規定對從國內匯出資本作出限制，惟透過普通股股息匯出則除外。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

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

## (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\$.

## (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.

## (d) Disposal of certain interests in an associate

During the year ended 31 March 2018, certain employees of PT Sri Lanka exercised their share options. In this connection, a deemed disposal gain of HK\$396,000 (2017: loss of HK\$393,000) was recognised by the Group, being the difference between the Group's share of net assets in PT Sri Lanka immediately before and after the exercises. The Group's interest in PT Sri Lanka remains at approximately 28%.

## 9 於聯營公司之權益及應付一間聯營公司款項(續)

## (b) 應收聯營公司款項

應收聯營公司款項為無抵押、免息及於要求時償還。金額以美元列值。

## (c) 應付一間聯營公司款項

應付一間聯營公司款項為無抵押、免息及於要求時償還。金額以人民幣列值。

## (d) 出售一間聯營公司若干權益

於截至2018年3月31日止年度，PT斯里蘭卡的若干僱員行使其購股權。由此，視作出售收益396,000港元(2017年：虧損393,000港元)(即緊接此行使前與緊隨此行使後本集團於PT斯里蘭卡分佔資產淨值的差額)獲本集團確認。本集團於PT斯里蘭卡之權益保持在約28%。

## 10 AVAILABLE-FOR-SALE FINANCIAL ASSETS

## 10 可供出售金融資產

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Club debentures	會籍債券	853	853
At 1 April	於4月1日	853	1,741
Impairment	減值	-	(888)
At 31 March	於3月31日	853	853

The fair values of club debentures are based on second hand market prices. See Note 3.3 for further information on fair value. Available-for-sale financial assets are denominated in HK\$.

會籍債券之公允值乃根據二手市場價釐定。見附註3.3有關公允值之進一步資料。可供出售金融資產按港元列值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

11 INVENTORIES

11 存貨

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Raw materials	原料	528,928	474,439
Work-in-progress	在製品	290,547	317,005
Finished goods	製成品	248,709	186,996
		<b>1,068,184</b>	978,440

The cost of inventories included in cost of sales during the year amounted to approximately HK\$4,525,040,000 (2017: HK\$4,246,957,000).

年內計入銷售成本之存貨成本約為4,525,040,000港元(2017年: 4,246,957,000港元)。

12 TRADE AND BILLS RECEIVABLES

12 應收賬款及票據

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Trade receivables	應收賬款	887,398	868,220
Bills receivables	應收票據	30,923	77,034
		<b>918,321</b>	945,254
Less: Provision for impairment of trade receivables	減: 應收賬款減值撥備	(1,821)	(1,646)
		<b>916,500</b>	943,608

Majority of the Group's sales are with credit terms of 30 to 60 days. Trade and bills receivables 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載列如下:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
0 – 60 days	0 – 60天	852,022	879,439
61 – 120 days	61 – 120天	65,252	64,378
121 days – 1 year	121天 – 1年	1,047	1,437
		<b>918,321</b>	945,254



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 12 TRADE AND BILLS RECEIVABLES (Cont'd)

Trade and bills receivables were denominated in the following currencies:

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
HK\$	港元	184,253	159,767
US\$	美元	642,930	751,009
RMB	人民幣	91,138	34,478
		<b>918,321</b>	945,254

The top two customers accounted for approximately 41% (2017: 54%) and 17% (2017: 14%), respectively, of the Group's trade and bills receivables; all other customers individually accounted for less than 10% of the Group's trade and bills receivables as at 31 March 2018.

The fair value of trade and bills receivables approximate the net book carrying amounts.

At 31 March 2018, trade and bills receivables of approximately HK\$1,821,000 (2017: HK\$1,646,000) were impaired and fully provided for. The individually impaired receivables relate to sales proceeds receivable from customers, which have remained long overdue and management considered the recoverability is remote.

At 31 March 2018, trade receivables of HK\$26,190,000 (2017: HK\$29,185,000) were past due but not impaired. These relate to a number of customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
Past due by:	已逾期:		
0 – 60 days	0 – 60天	26,190	29,185
61 – 120 days	61 – 120天	–	–
121 days – 1 year	121天 – 1年	–	–
		<b>26,190</b>	29,185

## 12 應收賬款及票據(續)

應收賬款及票據按以下貨幣列值：

首兩大客戶分別約佔本集團應收賬款及票據41% (2017年：54%) 與17% (2017年：14%)；於2018年3月31日，所有其他客戶個別佔本集團應收賬款及票據少於10%。

應收賬款及票據之公允值與賬面淨值相若。

於2018年3月31日，應收賬款及票據約1,821,000港元(2017年：1,646,000港元)已減值及悉數撥備。已個別減值應收賬款與應收客戶之銷售所得款項有關，而該等銷售所得款項已逾期多時，且管理層認為其可收回性極微。

於2018年3月31日，逾期但並未減值之應收賬款為26,190,000港元(2017年：29,185,000港元)。其與若干近期並無拖欠記錄之客戶有關。該等應收賬款之賬齡分析載列如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

12 TRADE AND BILLS RECEIVABLES (Cont'd)

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

12 應收賬款及票據(續)

本集團就應收賬款作出減值撥備之變動如下:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
At 1 April	於4月1日	1,646	5,533
Currency translation differences	外幣換算差額	155	24
Provision/(reversal of provision), net	撥備/(撥回撥備)淨額	782	(3,865)
Written off	撇銷	(762)	(46)
At 31 March	於3月31日	1,821	1,646

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

已減值應收款項撥備的設立及解除已計入綜合損益表之分銷及銷售開支內。計入撥備賬之款項一般在預期無法收回額外現金時撇銷。

The maximum exposure to credit risk at balance sheet date is the net book carrying amounts of the receivables mentioned above. The Group does not hold any collateral as security.

於結算日，最大信貸風險為上述應收款項之賬面淨值。本集團並無持有任何抵押品作擔保。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 13 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

## 13 按金、預付款項及其他應收款項

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
Rental, utility and other deposits	租金、公用服務及其他按金	222	319
Prepayments for purchase of inventories	購買存貨預付款項	33,955	33,083
Prepayments for purchase of machinery	購買機器預付款項	47,228	42,657
Prepayments for acquisition of land use rights	收購土地使用權預付款項	65,408	58,132
Other prepayments	其他預付款項	5,912	6,867
Value-added tax recoverable	可收回增值稅	27,216	24,274
Interest receivable	應收利息	-	349
Others	其他	11,162	19,460
		<b>191,103</b>	185,141
Less non-current portion:			
減非流動部分：			
Prepayments for purchase of machinery	購買機器預付款項	(47,228)	(42,657)
Prepayments for acquisition of land use rights	收購土地使用權預付款項	(65,408)	(58,132)
		<b>(112,636)</b>	(100,789)
Current portion	流動部分	<b>78,467</b>	84,352

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

按金、預付款項及其他應收款項按下列貨幣計值：

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
US\$	美元	30,772	36,531
VND	越南盾	89,788	81,202
RMB	人民幣	69,414	64,312
HK\$	港元	1,107	3,096
MOP	澳門幣	22	-
		<b>191,103</b>	185,141

The book carrying amounts of deposits, prepayments and other receivables approximate their fair values.

按金、預付款項及其他應收款項之賬面值與其公允值相若。

The maximum exposure to credit risk at balance sheet date is the book carrying value of deposits, prepayments and other receivables. The Group does not hold any collateral as security.

於結算日，最大信貸風險為按金、預付款項及其他應收款項之賬面值。本集團並無持有任何抵押品作擔保。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 14 DERIVATIVE FINANCIAL INSTRUMENTS

## 14 衍生金融工具

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
Forward foreign currency contracts	遠期外匯合約		
– Assets	– 資產	16,284	–
– Liabilities	– 負債	(924)	–

At 31 March 2018, the notional principal amount of the Group's outstanding forward foreign currency contracts was HK\$216,294,000 (2017: nil).

於2018年3月31日，本集團之未到期遠期外匯合約之名義本金額為216,294,000港元。(2017年：無)

The maximum exposure to credit risk of the derivative financial assets at the balance sheet date is the book carrying value of the derivative assets. Refer to Note 3.1 for further information.

於結算日，衍生金融資產之最大信貸風險為衍生資產之賬面值。有關進一步資料，請參閱附註3.1。

## 15 CASH AND CASH EQUIVALENTS AND SHORT-TERM BANK DEPOSITS

## 15 現金及現金等值項目以及短期銀行存款

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
Cash and cash equivalents	現金及現金等值項目	622,826	995,538
Short-term bank deposits	短期銀行存款	43,875	86,306
		<b>666,701</b>	1,081,844

The maximum exposure to credit risk at the balance sheet date is the book carrying value of the cash at banks.

於結算日，最大信貸風險為銀行現金之賬面值。

Cash and cash equivalents and short-term bank deposits are denominated in the following currencies:

現金及現金等值項目以及短期銀行存款按以下貨幣列值：

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
US\$	美元	465,150	659,302
HK\$	港元	106,053	252,005
RMB	人民幣	86,192	166,831
VND	越南盾	2,867	3,112
LKR	斯里蘭卡盧比	6,250	37
Others	其他	189	557
		<b>666,701</b>	1,081,844

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

**15 CASH AND CASH EQUIVALENTS AND SHORT-TERM BANK DEPOSITS (Cont'd)**

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

Cash at bank earns interest at floating rates based on daily bank deposit rates ranging from 0.8% to 2.1% per annum at 31 March 2018 (2017: 0.8% to 2.1% per annum).

The effective annual interest rate and maturities of short-term bank deposits at 31 March 2018 and 2017 are as follows:

		2018 2018年	2017 2017年
Effective annual interest rate	實際年利率	0.80%	0.92%
Maturities	到期日	91-365 days 91-365天	91-365 days 91-365天

**16 SHARE CAPITAL AND SHARE PREMIUM****(a) Share capital**

		Number of share (thousands) 股份數目 (千計)	Share capital HK\$'000 股本 千港元
<b>Ordinary shares, issued and fully paid</b>	<b>已發行及繳足普通股</b>		
At 1 April 2016, 31 March 2017 and 31 March 2018	於2016年4月1日、2017年3月31日及 2018年3月31日	1,446,423	1,446

**(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.

**15 現金及現金等值項目以及短期銀行存款(續)**

本集團以人民幣及越南盾列值之現金及銀行結餘乃主要存放於中國及越南之銀行。將該等人民幣及越南盾列值之結餘兌換為外幣以及匯款至中國及越南境外須遵守中國政府及越南政府分別頒佈之外匯管制規則及規定。

銀行現金按銀行每日存款利率以浮息賺取利息，於2018年3月31日息率介乎每年0.8%至2.1%（2017年：每年0.8%至2.1%）。

於2018年及2017年3月31日，短期銀行存款實際年利率與到期日如下：

**16 股本及股份溢價****(a) 股本****(b) 股份溢價**

根據開曼群島公司法第22章，股份溢價可供分派予本公司股東，惟本公司於緊隨建議派發股息當日後，須有能力償還日常業務過程中到期的債項。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

16 SHARE CAPITAL AND SHARE PREMIUM (Cont'd)

16 股本及股份溢價(續)

(c) Share option scheme

The Group's share option scheme was approved and adopted by the Company by means of a shareholders' written resolution on 27 April 2007.

(c) 購股權計劃

本集團購股權計劃已於2007年4月27日通過股東書面決議案之方式獲本公司批准及採納。

On 11 October 2013, the Board of Directors approved the granting of options to eligible employees to subscribe for a total of 10,000,000 shares of the Company at an exercise price of HK\$9.98 per share with vesting period of 3-9 years. These share options are exercisable at any time during the period from 11 October 2016 to 10 October 2023.

於2013年10月11日，董事局批准向合資格僱員授出購股權，以供彼等按行使價每股9.98港元認購合共10,000,000股本公司股份，歸屬期為三至九年。該等購股權可於2016年10月11日至2023年10月10日期間內任何時間行使。

The fair value of the options granted on 11 October 2013, determined using the binomial model, was HK\$18,529,000 at the grant date. The significant inputs to the model were share price of HK\$9.98 at the grant date, exercise price of HK\$9.98, volatility of 45%, expected annual dividend yield of 9%, an expected option life of 10 years, and an annual risk free interest rate of 2.09%. The volatility measured at the grant date was referenced to the historical volatility of the Company.

已於2013年10月11日授出的購股權於授出日期的公允值為18,529,000港元，乃以二項式期權定價模式釐定。該定價模式主要基於在授出日期之股價為9.98港元、行使價為9.98港元、波幅為45%、預期年度股息回報率為9%、預期購股權期限為10年及年度無風險利率為2.09%計算。於授出日期之波動性乃參考本公司之過往波動性而計量。

Movements in share options are as follows:

購股權之變動如下：

		Number of share options 購股權數目	
		2018 2018年	2017 2017年
At beginning of year	於年初	9,250,000	9,900,000
Lapsed/forfeited during the year	年內失效／沒收	(200,000)	(650,000)
At end of year	於年末	9,050,000	9,250,000

The above outstanding share options have the following expiry date and exercise price:

上述尚未行使購股權之到期日及行使價如下：

Expiry date 到期日		Exercise price per share HK\$ 每股行使價 港元	Number of share options 購股權數目	
			2018 2018年	2017 2017年
10 October 2023	2023年10月10日	9.98	9,050,000	9,250,000

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 17 RESERVES

## 17 儲備

		Capital reserve (Note (i))	Statutory reserves (Note (ii))	Foreign currency translation reserve	Share-based compensation reserve 以股份為 基礎之 酬金儲備	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
		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
<b>At 1 April 2016</b>	<b>於2016年4月1日</b>	1,000	320,411	352,818	9,627	-	1,221,609	1,905,465
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	-	-	-	-	-	975,573	975,573
Currency translation differences	外幣換算差額	-	-	(148,864)	-	-	-	(148,864)
<b>Total comprehensive income</b>	<b>全面收入總額</b>	-	-	(148,864)	-	-	975,573	826,709
Transaction with owners:	與擁有人交易：							
Share-based compensation expense (Note 24)	以股份為基礎之酬金支出 (附註24)	-	-	-	2,856	-	-	2,856
Transfer to statutory reserve	轉撥至法定儲備	-	17,613	-	-	-	(17,613)	-
2015/2016 final dividends	2015/2016年末期股息	-	-	-	-	-	(578,569)	(578,569)
2016/2017 interim dividends	2016/2017年中期股息	-	-	-	-	-	(433,927)	(433,927)
<b>Total transaction with owners</b>	<b>與擁有人交易總額</b>	-	17,613	-	2,856	-	(1,030,109)	(1,009,640)
<b>At 31 March 2017</b>	<b>於2017年3月31日</b>	1,000	338,024	203,954	12,483	-	1,167,073	1,722,534

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

17 RESERVES (Cont'd)

17 儲備(續)

		Capital reserve (Note (i))	Statutory reserves (Note (ii))	Foreign currency translation reserve	Share-based compensation reserve 以股份為 基礎之 酬金儲備	Other reserve	Retained earnings	Total
		資本儲備 (附註(i))	法定儲備 (附註(ii))	外幣 換算儲備	酬金儲備	其他儲備	保留溢利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>At 1 April 2017</b>	<b>於2017年4月1日</b>	<b>1,000</b>	<b>338,024</b>	<b>203,954</b>	<b>12,483</b>	<b>-</b>	<b>1,167,073</b>	<b>1,722,534</b>
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	-	-	-	-	-	744,035	744,035
Currency translation differences	外幣換算差額	-	-	251,908	-	-	-	251,908
<b>Total comprehensive income</b>	<b>全面收入總額</b>	<b>-</b>	<b>-</b>	<b>251,908</b>	<b>-</b>	<b>-</b>	<b>744,035</b>	<b>995,943</b>
Transaction with owners:	與擁有人交易:							
Share-based compensation expense (Note 24)	以股份為基礎之酬金支出 (附註24)	-	-	-	1,696	-	-	1,696
Lapse of share options	購股權失效	-	-	-	(1,348)	-	1,348	-
Transfer to statutory reserve	轉撥至法定儲備	-	25,088	-	-	-	(25,088)	-
2016/2017 final dividends	2016/2017年末期股息	-	-	-	-	-	(433,927)	(433,927)
2017/2018 interim dividends	2017/2018年中期股息	-	-	-	-	-	(383,302)	(383,302)
<b>Total transaction with owners</b>	<b>與擁有人交易總額</b>	<b>-</b>	<b>25,088</b>	<b>-</b>	<b>348</b>	<b>-</b>	<b>(840,969)</b>	<b>(815,533)</b>
<b>At 31 March 2018</b>	<b>於2018年3月31日</b>	<b>1,000</b>	<b>363,112</b>	<b>455,862</b>	<b>12,831</b>	<b>-</b>	<b>1,070,139</b>	<b>1,902,944</b>
Representing:	表示:							
Proposed final dividend (Note 28)	建議末期股息(附註28)						267,588	
Others	其他						802,551	
							<b>1,070,139</b>	



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 17 RESERVES (Cont'd)

Notes:

- (i) Capital reserve represents the difference between the nominal value of shares of subsidiaries acquired pursuant to a reorganisation in November 2004 over the nominal value of the share capital of the Company issued in exchange thereof.
- (ii) Statutory reserves represent legal reserve of a subsidiary incorporated in Macau and statutory reserves of a subsidiary incorporated in the PRC.

In accordance with the Macao Commercial Code, the subsidiary incorporated in Macau is required to set aside a minimum of 25% of its after-tax profit to legal reserve until the balance of this reserve reaches a level equivalent to 50% of its capital. The amount of legal reserve of the subsidiary has reached 50% of its capital.

The subsidiary established in the PRC is required to make appropriations to certain statutory reserves from profit for the year after offsetting accumulated losses from prior years before any profit distribution to equity holders. The percentages to be appropriated to different statutory reserves are determined according to the relevant regulations in the PRC or at the discretion of the board of the subsidiary. Such statutory reserves can only be used to offset accumulated losses, to increase capital, or for special bonus or collective welfare of employees.

These statutory reserves cannot be distributed to equity holders of the subsidiary.

No other statutory reserves are required to be made by the Group in other jurisdictions in which the Group operates.

## 綜合財務報表附註(續)

## 17 儲備(續)

附註：

- (i) 資本儲備指根據2004年11月之重組所收購附屬公司股份之面值與本公司就此發行之股本面值之差額。
- (ii) 法定儲備指於澳門註冊成立之一間附屬公司之合法儲備與於中國註冊成立之一間附屬公司之法定儲備。

根據澳門商法典，於澳門註冊成立之附屬公司須將其除稅後溢利最少25%撥入合法儲備，直至該儲備結餘達至相當於其股本50%為止。該附屬公司劃撥至合法儲備之金額已達其股本50%。

於中國成立之附屬公司經抵銷以往年度累計虧損後之年度溢利在向權益持有人作出任何溢利分派之前須提撥若干法定儲備。提撥法定儲備資金比率按相關中國法規或由該附屬公司董事局自行決定。有關法定儲備只可用作抵銷累計虧損、增加資本或派發特別花紅或員工集體福利。

該等法定儲備不能分派予該附屬公司之權益持有人。

本集團無須於本集團經營所在的其他司法權區作出其他法定儲備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

18 BORROWINGS

18 借貸

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
<b>Non-current:</b>	<b>非流動：</b>		
Loan from a non-controlling interest of a subsidiary (Note (i))	一間附屬公司非控制性權益提供貸款(附註(i))	146,169	144,772
<b>Current:</b>	<b>流動：</b>		
Short-term bank loans (Note (ii))	短期銀行貸款(附註(ii))	313,264	471,701

Notes:

- (i) The loan from a non-controlling interest of a subsidiary is denominated in US\$, unsecured, non-interest bearing, and not expected to be repayable within the next 12 months. The fair value of this balance approximates its carrying amount.
- (ii) The bank loans bear interest at floating rates. The fair values of the bank loans approximates their carrying amounts.

附註：

- (i) 一間附屬公司非控制性權益提供貸款以美元列值，為無抵押、免利息及預期無須於未來12個月內償還。該結餘之公允值約等於其賬面值。
- (ii) 銀行貸款按浮動利率計息。銀行貸款之公允值約等於其賬面值。

The Group's borrowings, after taking into account of repayable on demand clause, are repayable as follows:

經計及按要求償還條款，本集團之借貸償還期限如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Within 1 year or on demand	須於1年內或按要求償還	313,264	471,701

The Group's borrowings repayable based on the scheduled repayment dates are as follows:

於計劃還款日期本集團應償還的借貸如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Within 1 year	1年內	196,310	191,143
Between 1 and 2 years	1至2年	116,954	166,310
Between 2 and 5 years	2至5年	-	114,248
		313,264	471,701

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 18 BORROWINGS (Cont'd)

The carrying amounts of the Group's bank borrowings are denominated in the following currencies:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
US\$	美元	283,264	446,868
HK\$	港元	30,000	24,833
		<b>313,264</b>	471,701

As at 31 March 2017, borrowings of certain subsidiaries amounting to HK\$23,833,000 were guaranteed by the Company under certain banking facilities.

於2017年3月31日，若干附屬公司金額為23,833,000港元的借貸由本公司根據若干銀行融資作出擔保。

As at 31 March 2018, such bank borrowings was repaid and no other borrowings were guaranteed by the Company.

於2018年3月31日，有關銀行借貸已獲償還，概無其他借貸由本公司擔保。

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates were as follows:

本集團借貸的利率變化風險及合約重新定價日期載列如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
6 months or less	六個月或以內	313,264	471,701

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

19 DEFERRED TAXATION

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

19 遞延稅項

當有法定可執行權力將即期所得稅資產及即期所得稅負債抵銷，且遞延所得稅資產及負債涉及由同一稅務機關對應課稅實體或不同應課稅實體但有意向以淨額基準結算結餘時，則可將遞延所得稅資產及負債互相抵銷。對銷金額如下：

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
Deferred income tax assets to be recovered after more than 12 months	超過12個月後收回之遞延所得稅資產	9,487	–
Deferred income tax liabilities to be settled after more than 12 months	超過12個月後支付之遞延所得稅負債	(34,494)	(26,069)

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

遞延所得稅項的淨變動如下：

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
At 1 April	於4月1日	(26,069)	(28,955)
Charged to the consolidated statement of profit or loss (Note 26)	於綜合損益表扣除(附註26)	(4,074)	(5,171)
Payment of withholding tax	支付預扣稅	7,410	6,898
Currency translation differences	外幣換算差額	(2,274)	1,159
At 31 March	於3月31日	(25,007)	(26,069)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 19 DEFERRED TAXATION (Continued)

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:

## 19 遞延稅項(續)

遞延所得稅資產及負債變動(未計及同一稅務司法權區抵銷之結餘)如下:

遞延所得稅資產:

		Provisions for doubtful debts, inventory and staff benefits 呆賬、存貨 與員工 福利撥備 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>At 31 March 2016</b>	<b>於2016年3月31日</b>	4,510	-	4,510
Credited to the consolidated statement of profit or loss	於綜合損益表計入	7,194	-	7,194
<b>At 31 March 2017</b>	<b>於2017年3月31日</b>	11,704	-	11,704
Credited to the consolidated statement of profit or loss	於綜合損益表計入	(5,442)	10,622	5,180
<b>At 31 March 2018</b>	<b>於2018年3月31日</b>	<b>6,262</b>	<b>10,622</b>	<b>16,884</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

19 DEFERRED TAXATION (Cont'd)

Deferred income tax liabilities:

19 遞延稅項(續)

遞延所得稅負債：

		Accelerated tax depreciation allowance	Undistributed profits of a subsidiary and associates	Total
		加速稅項 折舊撥備	附屬公司與 聯營公司 未分配溢利	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
<b>At 31 March 2016</b>	<b>於2016年3月31日</b>	9,010	24,455	33,465
Currency translation differences	外幣換算差額	–	(1,159)	(1,159)
Transfer to current tax liabilities	轉撥至即期稅項負債	–	(6,898)	(6,898)
Charged to the consolidated statement of profit or loss	於綜合損益表扣除	3,465	8,900	12,365
<b>At 31 March 2017</b>	<b>於2017年3月31日</b>	12,475	25,298	37,773
Currency translation differences	外幣換算差額	–	2,274	2,274
Transfer to current tax liabilities	轉撥至即期稅項負債	–	(7,410)	(7,410)
Charged to the consolidated statement of profit or loss	於綜合損益表扣除	154	9,100	9,254
<b>At 31 March 2018</b>	<b>於2018年3月31日</b>	<b>12,629</b>	<b>29,262</b>	<b>41,891</b>

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. As at 31 March 2017, the Group did not recognise deferred income tax assets of HK\$1,988,000 in respect of tax losses amounting to HK\$12,051,000 that can be carried forward indefinitely against future taxable income.

遞延所得稅資產乃就結轉的稅項虧損確認，惟以有可能透過日後的應課稅溢利變現相關稅項利益為限。於2017年3月31日，本集團並無就可無限期結轉以抵銷未來應課稅收入的稅項虧損12,051,000港元確認遞延所得稅資產1,988,000港元。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 20 TRADE AND BILLS PAYABLES

## 20 應付賬款及票據

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
Trade payables	應付賬款	760,538	913,916
Bills payables	應付票據	21,113	16,345
		<b>781,651</b>	930,261

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

應付賬款及票據之賬面值與其公允值相若。

Credit period granted by creditors generally ranges from 30 to 90 days. Trade and bills payables were aged as follows:

貸方授予之信貸期一般介乎30至90天。應付賬款及票據之賬齡如下：

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
0 – 60 days	0 – 60天	752,880	800,656
61 – 120 days	61 – 120天	19,107	97,877
121 days – 1 year	121天 – 1年	9,664	31,728
		<b>781,651</b>	930,261

Trade and bills payables were denominated in the following currencies:

應付賬款及票據以下列貨幣計值：

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
US\$	美元	662,796	839,191
HK\$	港元	16,632	19,219
RMB	人民幣	97,008	66,274
VND	越南盾	5,215	5,577
		<b>781,651</b>	930,261

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

21 ACCRUALS AND OTHER PAYABLES

21 應計項目及其他應付款項

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Accrual for operating expenses	營運開支之應計項目	41,455	45,865
Payables for purchase of property, plant and equipment	購買物業、廠房及設備之應付款項	26,654	22,856
Provision for employee benefits expense (including bonus)	僱員福利支出撥備(包括花紅)	86,645	97,558
Provision for customer claims and goods return	客戶索賠及退貨撥備	24,953	14,473
Provision for reinstatement costs	修復成本撥備	20,148	-
Receipts in advance	預收款項	5,179	10,937
Others	其他	14,979	24,622
		<b>220,013</b>	216,311
Less: non-current portion:	減：非流動部分：		
Provision for reinstatement costs	修復成本撥備	(20,148)	-
Current portion	流動部分	<b>199,865</b>	216,311

Accruals and other payables were denominated in the following currencies:

應計項目及其他應付款項以下列貨幣計值：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
HK\$	港元	77,349	60,872
RMB	人民幣	103,071	138,468
US\$	美元	16,457	14,017
Others	其他	23,136	2,954
		<b>220,013</b>	216,311



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 22 OTHER INCOME AND OTHER GAINS/(LOSSES) – NET

## 22 其他收入及其他收益／(虧損)－淨額

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
Other income:	其他收入：		
Sale of residual materials	出售剩餘物料	42,211	39,026
Sub-contracting income	分包收入	3,887	10,084
Handling income	處理收入	3,350	3,481
Rental income	租金收入	5,079	4,940
Government grants	政府補貼	17,770	11,594
Customer compensation for order cancellation	取消訂單之客戶賠償	13,251	14,338
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(8,363)	(1,883)
Sundry income	雜項收入	36,159	32,926
		<b>113,344</b>	114,506
Other gains/(losses) – net:	其他收益／(虧損)－淨額：		
Derivative financial instruments – forward foreign currency contracts	衍生金融工具－遠期外匯合約	15,360	(1,706)
Net foreign exchange (losses)/gains	外匯(虧損)／收益淨值	(12,573)	5,400
		<b>2,787</b>	3,694
		<b>116,131</b>	118,200

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

23 EXPENSES BY NATURE

23 按性質細分的開支

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
Depreciation of property, plant and equipment	物業、廠房及設備折舊	160,625	145,855
Amortisation of land use rights	土地使用權攤銷	1,376	1,321
Cost of raw materials and consumables used	使用原材料與消耗品產生之成本	4,525,040	4,246,957
Provision for/(reversal of provision for) impairment of trade receivables, net	應收賬款減值撥備/(撥備撥回) – 淨額	782	(3,865)
Employee benefits expense (including directors' emoluments) (Note 24)	僱員福利開支(包括董事酬金)(附註24)	598,661	548,005
Operating lease payments in respect of land and buildings	土地及樓宇經營租約款項	3,606	2,973
(Reversal of provision for)/provision for slow-moving and obsolete inventories, net	滯銷及陳舊存貨(撥備撥回)/撥備淨額	(13,062)	29,313
Auditor's remuneration	核數師薪酬		
– Audit services	– 審核服務	2,836	2,645
– Non-audit services	– 非審核服務	280	39
Provision for/(reversal of provision for) claims and claims paid, net	索償及已付索償撥備/(撥備撥回)淨額	19,409	(5,944)
Others	其他	87,866	87,084
Total cost of sales, distribution and selling expenses and general and administrative expenses	銷售成本、分銷及銷售開支總額與一般及行政開支	5,387,419	5,054,383

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 24 EMPLOYEE BENEFITS EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS)

## 24 僱員福利開支(包括董事酬金)

		2018	2017
		2018年	2017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	520,403	473,007
Retirement benefit – defined contribution schemes (Note (a))	退休福利 – 定額供款計劃 (附註(a))	41,124	39,967
Welfare and benefits	福利及利益	35,438	32,175
Share-based compensation expense	以股份為基礎之酬金支出	1,696	2,856
		<b>598,661</b>	548,005

**(a) Retirement benefit – defined contribution schemes**

The Company's subsidiary in the PRC is a member of the state-managed retirement benefits scheme operated by the Government of the PRC. The Group contributes to the scheme at a fixed percentage of the basic salaries of the subsidiary's employees, subject to a cap, and has no further obligations for the actual payment of pensions or post-retirement benefits beyond its contributions. The state-managed retirement plans are responsible for the entire pension obligations payable to retired employees.

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme ("the MPF Scheme"), a defined contribution scheme managed by an independent trustee. Under the MPF Scheme, the Group and its employees make monthly contributions to the scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation. Both the Group's and the employees' contributions are subject to a cap of HK\$1,500 per month and thereafter contributions are voluntary.

The Company's subsidiary in Vietnam contributes to state-sponsored employees' social insurance scheme for its employees in Vietnam. The Group contributes to the scheme at 18% of the basic salaries of the subsidiary's employees, subject to a cap. The state-sponsored social insurance scheme is responsible for the pension obligations payable to retired employees.

**(a) 退休福利 – 定額供款計劃**

本公司於中國之附屬公司為中國政府所推行國家管理退休福利計劃之成員。本集團按附屬公司僱員基本薪金之固定百分比向計劃作出供款(不超過某一上限)，而除其供款外，並無實際支付退休金或離職福利之進一步責任。國家管理之退休計劃負責向退休僱員支付所有退休金。

本集團已安排其香港僱員參加強制性公積金計劃(「強積金計劃」)。該計劃為由獨立受託人管理之定額供款計劃。根據強積金計劃，本集團及其僱員按強制性公積金條例定義之僱員收入之5%每月向計劃作出供款。本集團及僱員供款均以每月1,500港元為上限，其後作出之供款屬自願性質。

本公司於越南之附屬公司為其越南僱員向國家推行之僱員社會保險計劃作出供款。本集團按附屬公司僱員基本薪金之18%(不超過某一上限)向計劃作出供款。國家推行之社會保險計劃負責為退休僱員提供退休金。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

24 EMPLOYEE BENEFITS EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS)  
(Cont'd)

24 僱員福利開支(包括董事酬金)(續)

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year ended 31 March 2018 include 4 directors (2017: 2 directors), whose emoluments are disclosed in Note 34. The aggregate emoluments payable to the remaining individual (2017: 3 individuals) are as follows:

(b) 五名最高薪人士

截至2018年3月31日止年度，本集團之5名最高薪人士包括4名董事(2017年：2名董事)，彼等之酬金於附註34披露。應付餘下人士(2017年：3名人士)之酬金總額如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	1,690	6,548
Discretionary bonuses	酌情花紅	1,000	1,277
Retirement benefit – defined contribution schemes	退休福利 – 定額供款計劃	–	36
		<b>2,690</b>	<b>7,861</b>

The number of non-directors including senior management with emoluments fell within the following bands:

包括高級管理層在內之非董事人士之酬金在下列範圍之人數：

		2018 2018年	2017 2017年
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	–	2
HK\$2,500,001 – HK\$3,000,000	2,500,001港元至3,000,000港元	1	–
HK\$3,000,001 – HK\$3,500,000	3,000,001港元至3,500,000港元	–	1
		<b>1</b>	<b>3</b>

(c) Senior management remuneration by band

The number of senior management with emoluments fell within the following bands:

(c) 高級管理層薪酬範圍

高級管理層人數及酬金範圍如下：

		2018 2018年	2017 2017年
HK\$500,001 – HK\$1,000,000	500,001港元至1,000,000港元	1	–
HK\$1,000,001 – HK\$2,000,000	1,000,001港元至2,000,000港元	5	5
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	2	2
HK\$2,500,001 – HK\$3,000,000	2,500,001港元至3,000,000港元	1	–
HK\$3,000,001 – HK\$3,500,000	3,000,001港元至3,500,000港元	–	1
		<b>9</b>	<b>8</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 25 FINANCE INCOME AND COSTS

## 25 財務收入及成本

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Finance income:	財務收入：		
– Bank interest income	– 銀行利息收入	8,583	10,251
– Net foreign exchange gain	– 外匯收益淨值	–	1,753
		<b>8,583</b>	12,004
Finance costs:	財務成本：		
– Interest expense on bank loans	– 銀行貸款利息開支	(7,346)	(10,833)
– Net foreign exchange loss	– 外匯虧損淨值	(9,575)	(1,574)
		<b>(16,921)</b>	(12,407)
Net finance (costs)/income	財務(成本)/收入淨值	<b>(8,338)</b>	(403)

## 26 INCOME TAX EXPENSE

During the year ended 31 March 2018, the Group was subject to Hong Kong profits tax and PRC enterprise income tax. Hong Kong profits tax has been provided for at the rate of 16.5% (2017: 16.5%) on the estimated assessable profits for the year. PRC enterprise income tax has been provided for at the rate of 25% (2017: 25%) on the estimated assessable profits for the year. Vietnam enterprise income tax has been provided for at the rate of 20% (2017: 20%) on the estimated assessable profits for the year.

The Group's subsidiary in Vietnam is entitled to tax holiday and the profits are fully exempted from Vietnam enterprise income tax for two years starting from its first year of profitable operations after offsetting prior year tax losses, followed by 50% reduction in CIT in next four years. During the year ended 31 March 2017, the Group's subsidiary in Vietnam started generating assessable profits. No profits tax was payable as a result of such tax holiday.

## 26 所得稅開支

於截至2018年3月31日止年度，本集團須繳納香港利得稅與中國企業所得稅。香港利得稅乃就年內估計應課稅溢利按16.5% (2017年：16.5%) 之稅率作出撥備。中國企業所得稅乃就年內估計應課稅溢利按25% (2017年：25%) 之稅率作出撥備。越南企業所得稅乃就年內估計應課稅溢利按20% (2017年：20%) 之稅率作出撥備。

本集團於越南的附屬公司享有免稅期，經抵銷上一年度稅項虧損後，由首個獲利年度起計兩年，利潤完全無須繳納越南企業所得稅，而之後四年享有50%企業所得稅減免。截至2017年3月31日止年度，本集團於越南的附屬公司開始產生應課稅溢利。由於有關免稅期，本集團並無任何應付利得稅。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

26 INCOME TAX EXPENSE (Cont'd)

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

26 所得稅開支(續)

於綜合損益表扣除之所得稅金額為：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Current income tax	即期所得稅		
– Hong Kong profits tax	– 香港利得稅	71,303	93,783
– Oversea corporate income tax	– 海外企業所得稅	52,576	53,792
Deferred tax (Note 19)	遞延稅項(附註19)	4,074	5,171
Under provision/(over-provision) in prior years	過往年度撥備不足/(超額撥備)	2,148	(6,162)
		<b>130,101</b>	146,584

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

就本集團所得稅前溢利之稅項與按適用於綜合實體溢利之加權平均稅率計算之理論金額之差異如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Profit before income tax	所得稅前溢利	853,443	1,135,812
Less:	減：		
Associates results reported net of tax	聯營公司之呈報業績(不含稅)	(34,520)	(32,375)
		<b>818,923</b>	1,103,437
Tax calculated at weighted average domestic tax rate applicable to profits in respective jurisdictions	按適用於相關司法權區之加權平均地方稅率計算之稅項	123,902	155,584
Income not subject to tax	毋須課稅收入	(5,514)	(3,920)
Expenses not deductible for tax purposes	不可扣稅開支	1,528	7,398
Utilisation of unrecognised tax loss	使用未確認的稅項虧損	–	(6,540)
Tax concession	稅收優惠	–	(9,976)
Recognition of previous tax losses	確認過往的稅項虧損	(1,063)	–
Tax losses not recognised	未確認的稅項虧損	–	1,300
Tax on certain undistributed retained profit of a subsidiary and associates	附屬公司及聯營公司若干未分派保留溢利之稅項	9,100	8,900
Under-provision/(over-provision) in prior years	過往年度撥備不足/(超額撥備)	2,148	(6,162)
		<b>130,101</b>	146,584

The weighted average applicable tax rate was 15.1% (2017: 14.1%). The increase in weighted average applicable tax rate is due to a change in the profitability of the Group's subsidiaries in the respective countries.

加權平均適用稅率為15.1%(2017年: 14.1%)。加權平均適用稅率增加乃因本集團附屬公司在各自國家的盈利能力發生變化所致。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 27 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.

		2018 2018年 HK\$'000 千港元	2017 2017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	744,035	975,573
Weighted average number of shares in issue (thousands)	已發行股份加權平均數 (千股)	1,446,423	1,446,423
Basic earnings per share (HK\$ per share)	每股基本盈利(每股港元)	0.51	0.67

## (b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. Shares issuable under the share option schemes (Note 16) are the only dilutive potential ordinary shares. A calculation is made in order to determine the number of shares that could have been acquired at fair value (determined as the average market price of the Company's shares during the year) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

		2018 2018年 HK\$'000 千港元	2017 2017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	744,035	975,573
Weighted average number of shares in issue (thousands)	已發行股份加權平均數 (千股)	1,446,423	1,446,423
Adjustment for share options (thousands)	購股權調整(千份)	-	-
Weighted average number of shares for diluted earnings per share (thousands)	用於計算每股攤薄盈利之 股份加權平均數(千股)	1,446,423	1,446,423
Diluted earnings per share (HK\$ per share)	每股攤薄盈利(每股港元)	0.51	0.67

## 27 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發行在外普通股之加權平均數至假設兌換所有攤薄潛在普通股計算。根據購股權計劃(附註16)可予發行之股份為唯一造成攤薄效應之潛在普通股。計算乃根據隨附於尚未行使購股權之認購權之貨幣價值作出，以釐定按公允值(按年內本公司股份之平均市價釐定)收購之股份數目。以上述方法計算之股份數目將與假設購股權獲行使所發行之股份數目相比較。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

28 DIVIDENDS

28 股息

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Interim dividend paid of HK26.5 cents (2017: HK30 cents) (Note (i))	已派付港幣26.5仙之中期股息 (2017年：港幣30仙)(附註(i))	<b>383,302</b>	433,927
Proposed final dividend of HK18.5 cents (2017: HK30 cents) (Note (ii))	擬派付港幣18.5仙之末期股息 (2017年：港幣30仙)(附註(ii))	<b>267,588</b>	433,927
		<b>650,890</b>	867,854

Notes:

- (i) On 23 November 2017, the Company's Board of Directors declared an interim dividend of HK26.5 cents per share (2017: HK30 cents) for the six-month period ended 30 September 2017. The amount was paid in January 2018.
- (ii) On 21 June 2018, the Company's Board of Directors proposed a final dividend of HK18.5 cents per share for the year ended 31 March 2018. This proposed dividend has not been reflected as dividend payable in the consolidated financial statements as at 31 March 2018.

附註：

- (i) 於2017年11月23日，本公司董事局宣派截至2017年9月30日止六個月期間中期股息每股港幣26.5仙(2017年：港幣30仙)。該等款項已於2018年1月支付。
- (ii) 於2018年6月21日，本公司董事局建議宣派截至2018年3月31日止年度末期股息每股港幣18.5仙。擬派付股息並無於2018年3月31日的綜合財務報表內反映為應付股息。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 29 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

## 29 綜合現金流量表附註

## (a) Cash generated from operations

## (a) 營運產生之現金

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Profit before income tax	所得稅前溢利	853,443	1,135,812
Adjustments for:	以下各項之調整：		
Share of profits of associates	分佔聯營公司之溢利	(34,520)	(32,375)
(Gain)/loss on disposal of certain interest in an associate	出售一間聯營公司若干權益之(收益)/虧損	(396)	393
Reversal of provision for impairment of interests in an associate	於一間聯營公司之權益減值撥備撥回	-	(46,784)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	160,625	145,855
Amortisation of land use rights	土地使用權攤銷	1,376	1,321
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	8,363	1,883
Share-based compensation expense	以股份為基礎之酬金支出	1,696	2,856
Provision for impairment of trade receivables	應收賬款減值撥備	782	-
Impairment loss on available-for-sale financial assets	可供出售金融資產減值虧損	-	888
Net fair value gain on derivative financial instruments	衍生金融工具公允值收益淨值	(15,360)	-
Finance income	財務收入	(8,583)	(12,004)
Finance costs	財務成本	16,921	12,407
Operating profit before working capital changes	營運資金變動前之經營溢利	984,347	1,210,252
(Increase)/decrease in inventories	存貨(增加)/減少	(89,744)	37,665
Decrease/(increase) in trade and bills receivables	應收賬款及票據減少/(增加)	26,326	(8,391)
Decrease in deposits, prepayments and other receivables	按金、預付款項及其他應收款項減少	6,234	12,289
(Increase)/decrease in amounts due from associates	應收聯營公司款項(增加)/減少	(14,769)	8,866
Change in derivative financial instruments	衍生金融工具變動	-	(3,704)
(Decrease)/increase in trade and bills payables	應付賬款及票據(減少)/增加	(148,610)	146,908
Decrease in accruals and other payables	應計項目及其他應付款項減少	(20,244)	(147,379)
Decrease in amount due to an associate	應付一間聯營公司款項減少	(1,417)	(1,062)
Cash generated from operations	營運產生之現金	742,123	1,255,444

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

29 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

29 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：

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
Net book amount	賬面淨值	15,211	6,106
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(8,363)	(1,883)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	6,848	4,223

30 CONTINGENT LIABILITIES

At 31 March 2018, the Group had no material contingent liabilities (2017: Nil).

30 或有負債

於2018年3月31日，本集團並無重大或有負債(2017年：無)。

31 COMMITMENTS

(a) Capital commitments

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

31 承擔

(a) 資本承擔

於結算日已訂約但尚未發生之資本開支如下：

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	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	116,045	93,695
Leasehold land and land use rights	租賃土地及土地使用權	9,766	19,532
Authorized but not contracted for:	已批准但未訂約：		
Property, plant and equipment	物業、廠房及設備	18,050	17,629
		143,861	130,856

At 31 March 2018, the Group had authorised an injection of approximately HK\$249,576,000 (2017: HK\$247,191,000) as capital of a subsidiary in Vietnam.

於2018年3月31日，本集團已批准向越南附屬公司注資約249,576,000港元(2017年：247,191,000港元)。

At 31 March 2018, the Group did not have any significant share of capital commitments of its associates (2017: Nil).

於2018年3月31日，本集團並無任何分佔聯營公司資本承擔(2017年：無)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 31 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 lessees, as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
As lessee:	作為承租人：		
Not later than 1 year	不超過1年	1,575	1,309
Later than 1 year and not later than 5 years	超過1年但不超過5年	3,839	4,178
Over 5 years	超過5年	28,668	29,316
		<b>34,082</b>	34,803

The Group had future aggregate minimum lease receipts under non-cancellable operating leases, as lessors, as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
As lessor:	作為出租人：		
Not later than 1 year	不超過1年	585	2,497
Later than 1 year and not later than 5 years	超過1年但不超過5年	270	403
		<b>855</b>	2,900

## 31 承擔(續)

## (b) 經營租約承擔

本集團(作為承租人)根據土地及樓宇之不可撤銷經營租約支付的未來最低租金款項總額如下：

本集團(作為出租人)根據不可撤銷經營租約收取的未來最低租金款項總額如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

**32 RELATED PARTY TRANSACTIONS**

Related parties are those parties that have the ability to control, jointly control or exert significant influence over the other party in holding power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns. Parties are also considered to be related if they are subject to common control or joint control. Related parties may be individuals or other entities.

The directors are of the view that the following entities were related parties that had transactions or balances with the Group during the year.

**32 有關連人士交易**

有關連人士指有能力控制、聯合控制被投資方或對其他可對被投資方行使權力的人士行使重大影響力的人士；須承擔或享有自其參與被投資方所得可變回報的風險或權利的人士；及可利用其對被投資方的權力影響投資者回報金額的人士。受共同控制或聯合控制的人士亦被視為有關連。有關連人士可為個人或其他實體。

董事認為，下列實體為年內曾與本集團進行交易或擁有結餘之有關連人士。

Name 名稱	Relationship with the Group 與本集團之關係
Toray Industries, Inc 東麗株式會社	A substantial shareholder 主要股東
Teejay Lanka PLC Teejay Lanka PLC	An associate 聯營公司
SPM Automotive Textiles Co. Ltd. 住江互太(廣州)汽車紡織產品有限公司	An associate 聯營公司
Source Smart Asia Ltd 雅高亞洲有限公司	A company controlled by son of a director 董事兒子控制之公司

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 32 RELATED PARTY TRANSACTIONS (Continued)

## 32 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:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
<b>Sales of goods</b>	<b>銷售貨品</b>		
– Source Smart Asia Ltd. (Notes (ii))	– 雅高亞洲有限公司(附註(ii))	–	448
– Teejay Lanka PLC (Note (ii))	– Teejay Lanka PLC (附註(ii))	<b>9,979</b>	42,355
		<b>9,979</b>	42,803
<b>Purchase of materials</b>	<b>購買材料</b>		
– Toray Industries, Inc. (Notes (i) and (v))	– 東麗株式會社(附註(i)及(v))	<b>134,607</b>	N/A不適用
<b>Rental income</b>	<b>租金收入</b>		
– Source Smart Asia Ltd (Note (iii))	– 雅高亞洲有限公司(附註(iii))	<b>697</b>	703
– SPM Automotive Textiles Co. Ltd (Note (iii))	– 住江互太(廣州)汽車紡織產品有限公司(附註(iii))	<b>4,236</b>	3,962
		<b>4,933</b>	4,665
<b>Sub-contracting income</b>	<b>分包收入</b>		
– SPM Automotive Textiles Co. Ltd (Note (ii))	– 住江互太(廣州)汽車紡織產品有限公司(附註(ii))	<b>3,887</b>	2,890
<b>Handling income</b>	<b>處理收入</b>		
– Teejay Lanka PLC (Note (iv))	– Teejay Lanka PLC (附註(iv))	<b>3,351</b>	3,480

Notes:

- (i) Goods are purchased at price mutually agreed by the Group and the substantial shareholder in the ordinary course of business.
- (ii) Goods are sold and sub-contracting income are received at prices mutually agreed by the Group and its related parties in the ordinary course of business.
- (iii) Rental income is determined based on the size of the property and the relevant market rate.
- (iv) Handling fee received from an associate is charged at 2% to 3% of the value of certain purchases made as an agent of the associate, and the rates of the handling fee were mutually agreed by both parties.
- (v) Toray Industries, Inc ("Toray") became a substantial shareholder of the Group on 19 July 2017. Accordingly, the value of related party transactions as mentioned above comprised only transactions with Toray from 19 July 2017 to 31 March 2018.

附註:

- (i) 貨品購買乃在日常業務過程中按本集團與主要股東共同協定之價格進行。
- (ii) 貨品銷售與分包收入乃在日常業務過程中按本集團與有關連人士共同協定之價格進行及收取。
- (iii) 租金收入乃基於物業面積與相關市場價格釐定。
- (iv) 向一間聯營公司收取處理費用是以作為聯營公司代理人進行若干採購的價值按2%至3%收取，而處理費用比率乃經雙方共同協商。
- (v) 東麗株式會社(「東麗」)於2017年7月19日成為本集團主要股東。因此，上述有關連人士交易之價值僅包括與東麗於2017年7月19日至2018年3月31日期間進行之交易。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

32 RELATED PARTY TRANSACTIONS (Cont'd)

32 有關連人士交易(續)

(b) Year-end balances

(b) 年末結餘

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Amount due from SPM Automotive Textiles Co. Ltd for sub-contracting income and rental income	應收住江互太(廣州)汽車紡織產品有限公司分包收入及租金收入	949	707
Trade in nature: Amount due from Teejay Lanka PLC arising from purchase of goods on behalf	貿易性質: 因代為購買貨品產生之應收 Teejay Lanka PLC 款項	48,143	33,616
Amount due to SPM Automotive Textiles Co. Ltd for rental deposit received	應付住江互太(廣州)汽車紡織產品有限公司已收租金按金	-	(1,417)
Trade in nature: Amount due to Toray Industries, Inc arising from purchase of materials	貿易性質: 因購買材料產生之應付東麗株式會社款項	53,728	N/A 不適用

(c) Key management compensation

(c) 主要管理人員酬金

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Salaries, bonus and allowances	薪金、花紅及津貼	50,201	42,890
Retirement benefits – defined contribution schemes	退休福利 – 定額供款計劃	68	72
		50,269	42,962

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 33 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

## 33 本公司資產負債表及儲備之變動

## Balance sheet of the Company

## 本公司資產負債表

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>		
<b>Non-current assets</b>	<b>非流動資產</b>		
Interests in subsidiaries	於附屬公司之權益	1,434,994	1,426,978
<b>Current assets</b>	<b>流動資產</b>		
Amounts due from subsidiaries	應收附屬公司款項	5,440,904	4,643,471
Cash and bank balances	現金及銀行結餘	2,328	2,129
		5,443,232	4,645,600
<b>Total assets</b>	<b>資產總值</b>	6,878,226	6,072,578
<b>EQUITY</b>	<b>權益</b>		
Share capital	股本	1,446	1,446
Share premium	股份溢價	1,453,188	1,453,188
Reserves	儲備	919,132	937,491
		2,373,766	2,392,125
<b>LIABILITIES</b>	<b>負債</b>		
<b>Current liabilities</b>	<b>流動負債</b>		
Borrowings	借貸	283,264	446,867
Accruals and other payables	應計項目及其他應付款項	4,078	4,983
Amounts due to subsidiaries	應付附屬公司款項	4,217,118	3,228,603
		4,504,460	3,680,453
<b>Total liabilities</b>	<b>負債總額</b>	4,504,460	3,680,453
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>	6,878,226	6,072,578

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

33 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Cont'd)

33 本公司資產負債表及儲備之變動(續)

Reserve movement of the Company

本公司儲備之變動

		Share-based compensation reserve 以股份為基礎 之酬金儲備 HK\$'000 千港元	Retained earnings 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>At 1 April 2016</b>	<b>於2016年4月1日</b>	9,627	922,605	932,232
Profit for the year	年度溢利	–	1,014,899	1,014,899
Share-based compensation expense	以股份為基礎之酬金支出	2,856	–	2,856
2015/2016 final dividends	2015/2016年末期股息	–	(578,569)	(578,569)
2016/2017 interim dividends	2016/2017年中期股息	–	(433,927)	(433,927)
<b>At 31 March 2017</b>	<b>於2017年3月31日</b>	12,483	925,008	937,491
<b>At 1 April 2017</b>	<b>於2017年4月1日</b>	<b>12,483</b>	<b>925,008</b>	<b>937,491</b>
Profit for the year	年度溢利	–	797,174	797,174
Share-based compensation expense	以股份為基礎之酬金支出	1,696	–	1,696
Lapse of share options	購股權失效	(1,348)	1,348	–
2016/2017 final dividends	2016/2017年末期股息	–	(433,927)	(433,927)
2017/2018 interim dividends	2017/2018年中期股息	–	(383,302)	(383,302)
<b>At 31 March 2018</b>	<b>於2018年3月31日</b>	<b>12,831</b>	<b>906,301</b>	<b>919,132</b>
Representing:	表示：			
Proposed final dividend (Note 28)	建議末期股息(附註28)		267,588	
Others	其他		638,713	
			<b>906,301</b>	



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

## 綜合財務報表附註(續)

## 34 DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

## Directors' and chief executive's emoluments

The aggregate amounts of emoluments paid/payable to directors of the Company by the Group are as follows:

## 34 董事及行政總裁之酬金

## 董事及行政總裁之酬金

本集團已付／應付本公司董事之酬金總額如下：

	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Fees	4,440	3,130
Salaries, bonus and allowances	30,251	24,932
Retirement benefit – defined contribution schemes	14	–
	<b>34,705</b>	<b>28,062</b>

The emoluments of each director for the year ended 31 March 2018 are as follows:

截至2018年3月31日止年度，各董事之酬金如下：

Name of directors 董事姓名	Fees 袍金 HK\$'000 千港元	Salaries, bonus and allowances 薪金、花紅 及津貼 HK\$'000 千港元	Retirement benefit – defined contribution schemes 退休福利－ 定額供款計劃 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Executive directors</b> Wan Wai Loi (Chief executive officer)				
Lau Yiu Tong (redesignated as executive director on 1 July 2017)	1,500	16,212	–	17,712
Tou Kit Vai (appointed on 1 July 2017)	750	7,733	–	8,483
Toshiya Ishii (appointed on 1 October 2017)	750	2,496	14	3,260
<b>Non-executive directors</b> Choi Kin Chung	500	1,005	–	1,505
Ip Ping Im (ceased on 27 October 2017)	–	–	–	–
Tsang Kang Po (redesignated as non-executive director on 1 July 2017)	–	–	–	–
Lam Wing Tak (resigned on 18 May 2017)	250	2,805	–	3,055
<b>Independent non-executive directors</b> Chan Yue Kwong, Michael	–	–	–	–
Ng Ching Wah	230	–	–	230
Sze Kwok Wing, Nigel	230	–	–	230
	<b>4,440</b>	<b>30,251</b>	<b>14</b>	<b>34,705</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

34 DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Cont'd)

Directors' and chief executive's emoluments (Cont'd)

The emoluments of each director for the year ended 31 March 2017 are as follows:

34 董事及行政總裁之酬金(續)

董事及行政總裁之酬金(續)

截至2017年3月31日止年度，各董事之酬金如下：

Name of directors	Fees	Salaries, bonus and allowances	Retirement benefit – defined contribution schemes	Total	
董事姓名	袍金	薪金、花紅及津貼	退休福利 – 定額供款計劃	總計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	
<b>Executive directors</b>					
	<b>執行董事</b>				
Wan Wai Loi (Chief executive officer)	尹惠來(行政總裁)	1,500	14,259	–	15,759
Tsang Kang Po	曾鏡波	1,000	10,673	–	11,673
<b>Non-executive directors</b>					
	<b>非執行董事</b>				
Choi Kin Chung	蔡建中	–	–	–	–
Ip Ping Im	葉炳樑	–	–	–	–
Lam Wing Tak (resigned on 18 May 2017)	林榮德(於2017年 5月18日辭任)	–	–	–	–
Lau Yiu Tong	劉耀棠	–	–	–	–
<b>Independent non-executive directors</b>					
	<b>獨立非執行董事</b>				
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
		3,130	24,932	–	28,062

# 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				
		2018	2017	2016	2015	2014
		2018年	2017年	2016年	2015年	2014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	<b>6,098,153</b>	5,993,632	6,927,614	6,906,883	7,423,481
Gross profit	毛利	<b>947,162</b>	1,116,484	1,302,504	1,177,906	1,361,371
Profit attributable to: Equity holders of the Company	下列人士應佔溢利： 本公司權益持有人	<b>744,035</b>	975,573	1,125,530	1,074,785	1,116,802
Non-controlling interests	非控制性權益	<b>(20,693)</b>	13,655	(2,835)	(5,119)	(2,411)
		<b>723,342</b>	989,228	1,122,695	1,069,666	1,114,391

### CONSOLIDATED BALANCE SHEET

### 綜合資產負債表

		As at 31 March, 於3月31日				
		2018	2017	2016	2015	2014
		2018年	2017年	2016年	2015年	2014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	<b>2,046,372</b>	1,889,201	1,886,598	1,760,187	1,471,289
Current assets	流動資產	<b>2,806,338</b>	3,122,567	3,544,846	3,966,978	3,882,065
Total assets	資產總值	<b>4,852,710</b>	5,011,768	5,431,444	5,727,165	5,353,354
Current liabilities	流動負債	<b>1,311,037</b>	1,660,479	1,906,148	2,076,169	1,308,765
Total assets less current liabilities	資產總值減流動負債	<b>3,541,673</b>	3,351,289	3,525,296	3,650,996	4,044,589
Non-current liabilities	非流動負債	<b>200,811</b>	170,841	173,364	156,587	105,776
Total equity	權益總額	<b>3,340,862</b>	3,180,448	3,351,932	3,494,409	3,938,813
Net current assets	流動資產淨值	<b>1,495,301</b>	1,462,088	1,638,698	1,890,809	2,573,300
Equity attributable to: Equity holders of the Company	下列人士應佔權益： 本公司權益持有人	<b>3,357,578</b>	3,177,168	3,360,099	3,496,715	3,935,013
Non-controlling interests	非控制性權益	<b>(16,716)</b>	3,280	(8,167)	(2,306)	3,800
		<b>3,340,862</b>	3,180,448	3,351,932	3,494,409	3,938,813

## 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：

"2018 Financial Year"	for the year ended 31 March 2018	「2018年財政年度」	截至2018年3月31日止年度
"AGM"	annual general meeting of the Company	「股東週年大會」	本公司之股東週年大會
"Articles"	the Articles of Association of the Company, as amended from time to time	「章程細則」	本公司不時修訂之組織章程細則
"Board"	The board of Directors of the Company	「董事局」	本公司之董事局
"CG Code" or "Corporate Governance Code"	the Corporate Governance Code, stated in the appendix 14 to the Main Board Listing Rules	「企業管治守則」	主板上市規則附錄十四所載之企業管治守則
"China" or "PRC"	The People's Republic of China	「中國」	中華人民共和國
"Company"	Pacific Textiles Holdings Limited, an exempted company incorporated in Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange	「本公司」	互太紡織控股有限公司，一間於開曼群島註冊成立之獲豁免有限公司，其股份於聯交所上市
"Director(s)"	the director(s) of the Company	「董事」	本公司之董事
"Group"	the Company and its subsidiaries	「本集團」	本公司及其附屬公司
"HKD/\$/HK\$"	Hong Kong dollar	「港元」	港元
"HKSAR" or "Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China	「香港」	中華人民共和國香港特別行政區
"INED(s)"	the independent non-executive Director(s) of the Company	「獨立非執行董事」	本公司之獨立非執行董事
"Listing Rules"	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, Appendix 10 to the Main Board Listing Rules	「標準守則」	主板上市規則附錄十上市發行人董事進行證券交易的標準守則
"RMB"	"Renminbi"	「人民幣」	人民幣
"SFO"	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)	「證券及期貨條例」	證券及期貨條例（香港法例第571章）
"Shares"	Shares of the Company, with a nominal value of HK\$0.001 each	「股份」	本公司每股面值0.001港元之股份

## GLOSSARY

### 專用詞彙

“Shareholder(s)”	the Company's Shareholder(s)	「股東」	本公司之股東
“Share Option Scheme”	the share option scheme adopted by the Company pursuant to the written resolutions of the Shareholders of the Company passed on 27 April 2007	「購股權計劃」	本公司根據本公司股東於2007年4月27日通過之書面決議案採納之購股權計劃
“Stock Exchange”	The Stock Exchange of Hong Kong Limited	「聯交所」	香港聯合交易所有限公司
“Teejay Lanka PLC”	Teejay Lanka PLC (formerly known as Textured Jersey Lanka PLC and Textured Jersey Lanka (Private) Limited), a limited liability company incorporated under the laws of Sri Lanka and whose shares are listed on the Colombo Stock Exchange of Sri Lanka	「Teejay Lanka PLC」	Teejay Lanka PLC (前稱 Textured Jersey Lanka PLC 及 Textured Jersey Lanka (Private) Limited)，一間根據斯里蘭卡法律註冊成立之有限公司，其股份於斯里蘭卡科倫坡交易所上市
“USD/US\$”	United States Dollar	「美元」	美元
“VND”	Vietnamese Dong	「越南盾」	越南盾



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

