

 

 **TEXWINCA** holdings limited

INTERIM REPORT

中期報告 2014

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Corporate Information

公司資料

DIRECTORS

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

* *Independent Non-executive Directors*

NOMINATION COMMITTEE

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

REMUNERATION COMMITTEE

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

AUDIT COMMITTEE

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

COMPANY SECRETARY

Chan Chi Hon

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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

董事

潘彬澤(執行主席)
潘機澤(執行副主席)
丁傑忠(行政總裁)
潘浩華
區樂耀*
鄭樹榮*
羅仲年*

* 獨立非執行董事

提名委員會

鄭樹榮(主席)
區樂耀
羅仲年
丁傑忠

薪酬委員會

區樂耀(主席)
鄭樹榮
羅仲年
丁傑忠

審核委員會

羅仲年(主席)
區樂耀
鄭樹榮

公司秘書

陳志漢

註冊辦事處

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

總辦事處及主要營業地點

香港
新界葵涌
興芳路223號
新都會廣場第二座十六樓

Corporate Information

公司資料

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
26 Burnaby Street,
Hamilton HM11,
Bermuda

主要股份登記及過戶處

MUFG Fund Services (Bermuda) Limited
26 Burnaby Street,
Hamilton HM11,
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
Level 22, Hopewell Centre,
183 Queen's Road East,
Hong Kong

香港股份登記及過戶分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心二十二樓

AUDITORS

Ernst & Young
Certified Public Accountants

核數師

安永會計師事務所
執業會計師

LEGAL ADVISORS

Jennifer Cheung & Co.
Wilkinson & Grist

法律顧問

張美霞律師行
高露雲律師行

PRINCIPAL BANKERS

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

主要往來銀行

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

WEBSITES

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

網址

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

Financial Information

財務資料

The board of directors (the “Board”) of Texwinca Holdings Limited (the “Company”) has pleasure in presenting the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 September 2014. The interim results have been reviewed by the Company’s audit committee.

德永佳集團有限公司(「本公司」)之董事會欣然公佈，本公司及其附屬公司(合稱「本集團」)截至二零一四年九月三十日止六個月之未經審核綜合業績。此中期業績已由本公司審核委員會審閱。

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS 簡明綜合損益表

		Six months ended 30 September 截至九月三十日止六個月	
		2014 二零一四年 (Unaudited) (未經審核)	2013 二零一三年 (Unaudited) (未經審核)
		HK\$'000 港幣千元	HK\$'000 港幣千元
		Notes 附註	
REVENUE	收入	4	4,464,318
Cost of sales	銷售成本		(2,944,396)
Gross profit	毛利		1,519,922
Other income and gains	其他收入及收益	5	150,696
Selling and distribution expenses	銷售及分銷費用		(875,175)
Administrative expenses	行政費用		(358,053)
Other operating expenses, net	其他營運費用，淨額		(2,951)
Finance costs	財務費用		(12,182)
Share of profit of an associate, net of tax	應佔聯營公司溢利， 除稅後淨額		19,651
PROFIT BEFORE TAX	除稅前溢利	6	441,908
Income tax expense	稅項	7	(53,717)
PROFIT FOR THE PERIOD	本期溢利		388,191
Attributable to:	歸屬：		
Ordinary equity holders of the Company	本公司普通權益 所有者		392,386
Non-controlling interests	非控股權益		(4,195)
			388,191
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (HK cents)	歸屬本公司普通權益 所有者每股盈利 (港幣仙)		
Basic	基本		28.4
Diluted	攤薄後		n/a
			不適用

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

本期股息詳情披露於財務報表附註8內。

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財務資料

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

簡明綜合全面收入表

		Six months ended 30 September	
		截至九月三十日止六個月	
		2014	2013
		二零一四年	二零一三年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		港幣千元	港幣千元
PROFIT FOR THE PERIOD	本期溢利	388,191	334,416
OTHER COMPREHENSIVE INCOME	其他全面收入		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:	於其後期間可重新分類至損益的其他全面收入：		
Exchange differences on translation of foreign operations	換算海外經營業務產生之匯兌差額	34,089	81,437
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	本期全面收入總額	422,280	415,853
Attributable to:	歸屬：		
Ordinary equity holders of the Company	本公司普通權益所有者	425,475	457,938
Non-controlling interests	非控股權益	(3,195)	(42,085)
		422,280	415,853

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財務資料

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

			30 September 2014 二零一四年 九月三十日 (Unaudited) (未經審核) HK\$'000 港幣千元	31 March 2014 二零一四年 三月三十一日 (Audited) (經審核) HK\$'000 港幣千元
		Notes 附註		
NON-CURRENT ASSETS				
Property, plant and equipment	物業、廠房及設備	10	1,695,442	1,782,302
Investment properties	投資物業		349,525	349,432
Prepaid land lease payments	預付土地租賃款		21,688	21,984
Construction in progress	在建工程		52,849	39,784
Trademarks	商標		33,293	33,293
Investment in an associate	於聯營公司之投資		107,773	78,937
Long term rental deposits	長期租金按金		73,233	84,933
Total non-current assets	總非流動資產		2,333,803	2,390,665
CURRENT ASSETS				
Inventories	存貨		1,868,513	1,898,392
Trade receivables	應收賬款	11	643,116	622,558
Bills receivable	應收票據		177,108	267,654
Prepayments, deposits and other receivables	預付款項、訂金及其他應收賬款		527,939	424,035
Due from an associate	應收聯營公司		—	22,966
Held-to-maturity investments	持至到期的投資		18,125	68,877
Derivative financial assets	衍生金融資產		6,333	7,754
Cash and bank balances	現金及銀行存款		4,345,245	4,024,108
Total current assets	總流動資產		7,586,379	7,336,344
CURRENT LIABILITIES				
Due to an associate	應付聯營公司		39,809	—
Trade payables	應付賬款	12	945,394	892,173
Bills payable	應付票據		36,956	72,105
Other payables and accrued liabilities	其他應付賬款及應計負債		530,425	486,679
Derivative financial liabilities	衍生金融負債		2,846	5,655
Tax payable	應付稅項		68,094	79,946
Interest-bearing bank borrowings	附息銀行貸款		1,294,623	1,502,453
Dividend payable	應付股息		345,424	—
Total current liabilities	總流動負債		3,263,571	3,039,011

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財務資料

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

簡明綜合財務狀況表(續)

		30 September 2014 二零一四年 九月三十日 (Unaudited) (未經審核)	31 March 2014 二零一四年 三月三十一日 (Audited) (經審核)
		HK\$'000 港幣千元	HK\$'000 港幣千元
		Note 附註	
NET CURRENT ASSETS	流動資產淨額	4,322,808	4,297,333
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債	6,656,611	6,687,998
NON-CURRENT LIABILITIES	非流動負債		
Interest-bearing bank borrowings	付息銀行貸款	249,996	366,664
Deferred tax liabilities	遞延稅項負債	142,615	134,190
Total non-current liabilities	總非流動負債	392,611	500,854
Net assets	資產淨額	6,264,000	6,187,144
EQUITY	權益		
Equity attributable to ordinary equity holders of the Company	本公司普通權益 所有者應佔權益		
Issued capital	已發行股本	69,085	69,085
Reserves	儲備	5,608,196	5,541,962
Interim/final dividends	中期/末期股息	359,241	345,424
		6,036,522	5,956,471
Non-controlling interests	非控股權益	227,478	230,673
Total equity	總權益	6,264,000	6,187,144

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

Attributable to ordinary equity holders of the Company 本公司普通股益所有者應佔													
	Issued capital	Share premium account	Share option reserve	Capital redemption reserve	Contributed surplus	Exchange fluctuation reserve	Asset revaluation reserve	Legal reserve	Retained profits	Dividends	Total	Non-controlling interests	Total equity
	已發行股本	股本溢價賬	購股權儲備	股本贖回儲備	實益盈餘	外匯變動儲備	資產重估儲備	法定儲備	保留溢利	股息	總額	非控股權益	總權益
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 April 2014	69,095	703,365	—	1,695	3,986	478,865	37,868	49	4,316,134	345,424	5,956,471	230,673	6,187,144
Exchange realignment	—	—	—	—	—	33,089	—	—	—	—	33,089	1,000	34,089
Profit for the period	—	—	—	—	—	—	—	—	392,366	—	392,366	(4,195)	388,191
Total comprehensive income for the period	—	—	—	—	—	33,089	—	—	392,366	—	425,475	(3,195)	422,280
2013/2014 final dividend	—	—	—	—	—	—	—	—	—	(345,424)	(345,424)	—	(345,424)
2014/2015 interim dividend	—	—	—	—	—	—	—	—	(359,241)	359,241	—	—	—
At 30 September 2014	69,095	703,365	—	1,695	3,986	511,954	37,868	49	4,349,279	359,241	6,036,522	227,478	6,264,000
At 1 April 2013	68,178	600,898	2,130	1,695	3,986	477,829	30,759	49	4,308,588	388,222	5,862,334	308,121	6,170,455
Exchange realignment	—	—	—	—	—	77,830	—	—	—	—	77,830	3,607	81,437
Profit for the period	—	—	—	—	—	—	—	—	380,108	—	380,108	(45,692)	334,416
Total comprehensive income for the period	—	—	—	—	—	77,830	—	—	380,108	—	457,938	(42,085)	415,853
Exercise of share options	43	6,063	(1,290)	—	—	—	—	—	—	—	4,816	—	4,816
2012/2013 final dividend	—	—	—	—	—	—	—	—	—	(368,222)	(368,222)	—	(368,222)
2013/2014 interim dividend	—	—	—	—	—	—	—	—	(313,937)	313,937	—	—	—
At 30 September 2013	68,221	606,961	840	1,695	3,986	555,659	30,759	49	4,374,759	313,937	5,956,866	266,036	6,222,902

Financial Information

財務資料

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

		Six months ended 30 September	
		截至九月三十日止六個月	
		2014	2013
		二零一四年	二零一三年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		港幣千元	港幣千元
NET CASH FLOWS FROM OPERATING ACTIVITIES	經營所得現金流入淨額	527,175	703,645
NET CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES	投資活動現金(流出)/流入淨額	(171,672)	179,525
NET CASH FLOWS USED IN FINANCING ACTIVITIES	融資活動現金流出淨額	(336,679)	(1,514,578)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物之增加/(減少)淨額	18,824	(631,408)
Cash and cash equivalents at beginning of period	期初之現金及現金等價物	1,289,490	1,313,341
Foreign exchange adjustments	外匯調整	15,781	50,082
CASH AND CASH EQUIVALENTS AT END OF PERIOD	於期末之現金及現金等價物	1,324,095	732,015
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析		
Cash and bank balances	現金及銀行存款	356,898	330,646
Non-pledged time and structured deposits with original maturity within three months when acquired	於訂立日三個月內到期之無抵押定期及結購性存款	967,197	401,369
Non-pledged time and structured deposits with original maturity over three months when acquired	於訂立日三個月以上到期之無抵押定期及結購性存款	3,021,150	3,633,539
Cash and bank balances as stated in the condensed consolidated statement of financial position	現金及銀行存款，如載於簡明綜合財務狀況表	4,345,245	4,365,554
Less: Non-pledged time and structured deposits with original maturity over three months when acquired	減：於訂立日三個月以上到期之無抵押定期及結購性存款	(3,021,150)	(3,633,539)
Cash and cash equivalents as stated in the condensed consolidated statement of cash flows	現金及現金等價物，如載於簡明綜合現金流量表	1,324,095	732,015

Financial Information

財務資料

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of Preparation

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

2. Significant Accounting Policies

The accounting policies and basis of preparation adopted in the preparation of the unaudited condensed interim financial statements are the same as those used in the Group’s annual financial statements for the year ended 31 March 2014, except in relation to the following new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by the HKICPA that affect the Group and are adopted for the first time for the current period’s financial statements:

HKFRS 10, HKFRS 12 and HKAS 27 (2011) Amendments	Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011) — <i>Investment Entities</i>
HKAS 32 Amendments	Amendments to HKAS 32 <i>Financial Instruments: Presentation — Offsetting Financial Assets and Financial Liabilities</i>
HKAS 39 Amendments	Amendments to HKAS 39 <i>Financial Instruments: Recognition and Measurement — Novation of Derivatives and Continuation of Hedge Accounting</i>
HK(IFRIC)-Int 21	<i>Levies</i>

財務報表附註

1. 編製基準

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

2. 主要會計政策

在編製此未經審核簡明中期財務報表採納的會計政策和編製基準與本集團截至二零一四年三月三十一日止年度財務報表所採用的一致，除以下影響本集團及在本期財務報表中首次採納的香港會計師公會頒佈之新訂及經修訂香港財務報告準則(包括所有香港財務報告準則、香港會計準則及詮釋)：

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號(2011)(修訂本)	香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號(2011) — 投資實體之修訂
香港會計準則第32號(修訂本)	香港會計準則第32號 金融工具：呈列一抵銷金融資產及金融負債之修訂
香港會計準則第39號(修訂本)	香港會計準則第39號金融工具：確認和計量一衍生工具之更替及對沖會計之延續之修訂
香港(國際財務報告詮釋委員會)一詮釋第21號	徵費

Financial Information

財務資料

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. Significant Accounting Policies (Continued)

The adoption of the new and revised HKFRSs has had no significant financial effect on these interim condensed financial statements. Further information about those HKFRSs that are applicable to the Group is as follows:

Amendments to HKFRS 10 include a definition of an investment entity and provide an exception to the consolidation requirement for entities that meet the definition of an investment entity. Investment entities are required to account for subsidiaries at fair value through profit or loss in accordance with HKFRS 9 rather than consolidate them. Consequential amendments were made to HKFRS 12 and HKAS 27 (2011). The amendments to HKFRS 12 also set out the disclosure requirements for investment entities.

The HKAS 32 Amendments clarify the meaning of “currently has a legally enforceable right to setoff” for offsetting financial assets and financial liabilities. The amendments also clarify the application of the offsetting criteria in HKAS 32 to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous.

HKAS 39 is aimed to be replaced by HKFRS 9 in its entirety. Before this entire replacement, the guidance in HKAS 39 on hedge accounting and impairment of financial assets continues to apply. The Group expects to adopt HKFRS 9 from 1 April 2015. The Group will quantify the effect in conjunction with other phases, when the final standard including all phases is issued.

財務報表附註(續)

2. 主要會計政策(續)

採納新訂及經修訂香港財務報告準則對該等中期簡明財務報表並無重大財務影響。本集團適用的該等香港財務報告準則進一步資料如下：

香港財務報告準則第10號之修訂包括投資實體的定義，並為符合投資實體定義的實體豁免綜合入賬規定。根據香港財務報告準則第9號，投資實體須將附屬公司按公允值計入損益賬，而非將附屬公司綜合入賬。香港財務報告準則第12號及香港會計準則第27號(2011)已作出後續修訂。香港財務報告準則第12號之修訂亦載列投資實體的披露規定。

香港會計準則第32號修訂為釐清抵銷金融資產及金融負債「目前具有合法可行使執行抵銷權利」的釋義。該等修訂亦釐清香港會計準則第32號的抵銷標準可應用於結算系統(例如中央結算所系統)，而該系統乃採用非同步的總額結算機制。

香港財務報告準則第9號旨在全面取代香港會計準則第39號。於全面取代前，香港會計準則第39號於對沖會計及金融資產之減值方面的指引繼續適用。本集團預期自二零一五年四月一日起採納香港財務報告準則第9號。本集團將於涵蓋所有階段的最終準則頒佈時，結合其他階段，量化有關影響。

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

2. Significant Accounting Policies (Continued)

For the following new and revised HKFRSs which have not yet been effective, the Group is in the process of assessing their impact on the Group's results and financial position.

HKFRS 9 (2014)	<i>Financial Instruments</i> ⁴
HKFRS 10 and HKAS 28 Amendments	Amendments to HKFRS 10 and HKAS 28 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ²
HKFRS 11 Amendments	Amendments to HKFRS 11 <i>Accounting for Acquisitions of Interests in Joint Operations</i> ²
HKFRS 14	<i>Regulatory Deferral Accounts</i> ²
HKFRS 15	<i>Revenue from Contracts with Customers</i> ³
HKAS 16 and HKAS 38 Amendments	Amendments to HKAS 16 and HKAS 38 <i>Clarification of Acceptable Methods of Depreciation and Amortisation</i> ²
HKAS 19 Amendments	Amendments to HKAS 19 <i>Employee Benefits — Defined Benefit Plans: Employee Contributions</i> ¹
HKAS 27 Amendments	Amendments to HKAS 27 <i>Equity Method in Separate Financial Statements</i> ²
<i>Annual Improvements 2010–2012 Cycle</i>	Amendments to a number of HKFRSs issued in January 2014 ¹

2. 主要會計政策(續)

關於下列仍未生效之新訂及經修訂香港財務報告準則，本集團現正評估其對本集團業績及財務狀況之影響。

香港財務報告準則第9號(2014)	金融工具 ⁴
香港財務報告準則第10號及香港會計準則第28號(修訂本)	香港財務報告準則第10號及香港會計準則第28號投資者與其聯營公司或合營企業之間的資產出售或投入之修訂 ²
香港財務報告準則第11號(修訂本)	香港財務報告準則第11號收購共同經營權益的會計處理之修訂 ²
香港財務報告準則第14號	監管遞延賬目 ²
香港財務報告準則第15號	來自與客戶訂立的合約的收入 ³
香港會計準則第16號及香港會計準則第38號(修訂本)	香港會計準則第16號及香港會計準則第38號可接受的折舊及攤銷方法的澄清之修訂 ²
香港會計準則第19號(修訂本)	香港會計準則第19號僱員福利—界定福利計劃：僱員供款之修訂 ¹
香港會計準則第27號(修訂本)	香港會計準則第27號獨立財務報表的權益法之修訂 ²
二零一零年至二零一二年周期之年度改進	二零一四年一月頒佈之多項香港財務報告準則之修訂 ¹

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財務資料

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. Significant Accounting Policies (Continued)

Annual Improvements
2011–2013 Cycle

Amendments to a number of HKFRSs
issued in January 2014¹

Annual Improvements
2012–2014 Cycle

Amendments to a number of HKFRSs
issued in October 2014²

¹ Effective for annual periods beginning on or after 1 July 2014

² Effective for annual periods beginning on or after 1 January 2016

³ Effective for annual periods beginning on or after 1 January 2017

⁴ Effective for annual periods beginning on or after 1 January 2018

3. Significant Accounting Judgements and Estimates

The judgements and estimates adopted in the preparation of the unaudited condensed interim financial statements are the same as those used in the Group's annual financial statements for the year ended 31 March 2014.

4. Operating Segment Information

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

- (a) the production, dyeing and sale of knitted fabric and yarn segment;
- (b) the retailing and distribution of casual apparel and accessory segment; and
- (c) the "others" segment principally comprises the provision of repair and maintenance services for motor vehicles, the provision of franchise services and properties investment.

財務報表附註(續)

2. 主要會計政策(續)

二零一一年至
二零一三年周期
之年度改進

二零一四年一月頒佈之
多項香港財務報告準則之
修訂¹

二零一二年至
二零一四年周期
之年度改進

二零一四年十月頒佈之
多項香港財務報告準則之
修訂²

¹ 自二零一四年七月一日或之後開始
之年度期間生效

² 自二零一六年一月一日或以後開始
之年度期間生效

³ 自二零一七年一月一日或以後開始
之年度期間生效

⁴ 自二零一八年一月一日或以後開始
之年度期間生效

3. 主要會計判斷及估計

在編製此未經審核簡明中期財務報表時採納的判斷及估計與本集團截至二零一四年三月三十一日止年度財務報表採用的一致。

4. 營運分類資料

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

- (a) 針織布及棉紗之產銷及整染分類；
- (b) 便服及飾物之零售及分銷分類；及
- (c) 「其他」分類主要包含提供汽車維修及保養服務、提供特許經營服務，及物業投資。

Financial Information

財務資料

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

4. Operating Segment Information (Continued)

Management monitors the results of its operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that gain on disposal of properties, interest income, finance costs and share of profit of an associate, net of tax are excluded from such measurement.

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

The following table presents revenue and profit information of the Group for the six months ended 30 September 2014 and 30 September 2013:

4. 營運分類資料(續)

管理層獨立監察營運分類業績以作出資源分配及表現評估的決定。分類表現乃按經調整除稅前溢利計量的可匯報分類予以評估。經調整除稅前溢利與本集團的除稅前溢利的計量一致，惟出售物業收益、利息收入、財務費用及應佔聯營公司溢利，除稅後淨額均不計入該計量內。

分類間之銷售及轉撥交易之售價乃參照售予第三者之當時市場價格訂定。

下表為本集團截至二零一四年九月三十日及二零一三年九月三十日止六個月之收入及溢利資料：

	Production, dyeing and sale of knitted fabric and yarn 針織布及棉紗之產銷及整染		Retailing and distribution of casual apparel and accessory 便服及飾物之零售及分銷		Others 其他		Eliminations 對銷		Consolidated 綜合	
	2014 二零一四年 (Unaudited) (未經審核) HK\$'000 港幣千元	2013 二零一三年 (Unaudited) (未經審核) HK\$'000 港幣千元	2014 二零一四年 (Unaudited) (未經審核) HK\$'000 港幣千元	2013 二零一三年 (Unaudited) (未經審核) HK\$'000 港幣千元	2014 二零一四年 (Unaudited) (未經審核) HK\$'000 港幣千元	2013 二零一三年 (Unaudited) (未經審核) HK\$'000 港幣千元	2014 二零一四年 (Unaudited) (未經審核) HK\$'000 港幣千元	2013 二零一三年 (Unaudited) (未經審核) HK\$'000 港幣千元	2014 二零一四年 (Unaudited) (未經審核) HK\$'000 港幣千元	2013 二零一三年 (Unaudited) (未經審核) HK\$'000 港幣千元
Segment revenue:	分類收入：									
Sales to external customers	售予外界客戶									
	2,423,993	2,512,584	2,032,972	2,171,529	7,353	8,843	—	—	4,464,318	4,692,956
Intersegment sales	分類間之銷售									
	—	—	—	—	5,043	4,396	(5,043)	(4,396)	—	—
Other revenue	其他收入									
	23,554	57,016	6,621	759	21,894	19,813	(2,399)	(1,822)	49,670	75,766
Total	合計									
	2,447,547	2,569,600	2,039,593	2,172,288	34,290	33,052	(7,442)	(6,218)	4,513,988	4,768,722
Segment results	分類業績									
	332,517	367,291	(20,640)	(150,038)	21,536	20,139	—	—	333,413	237,392
Reconciliation	調節									
Gain on disposal of properties	出售物業收益									
									—	8,658
Interest income	利息收入									
									101,026	89,711
Finance costs	財務費用									
									(12,182)	(19,988)
Share of profit of an associate, net of tax	應佔聯營公司溢利，除稅後淨額									
									19,651	37,871
Profit before tax	除稅前溢利									
									441,908	353,644
Income tax expense	稅項									
									(53,717)	(19,228)
Profit for the period	本期溢利									
									388,191	334,416

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財務資料

NOTES TO THE FINANCIAL STATEMENTS (Continued) 財務報表附註(續)

5. Other Income and Gains

5. 其他收入及收益

		Six months ended 30 September 截至九月三十日止六個月	
		2014 二零一四年 (Unaudited) (未經審核) HK\$'000 港幣千元	2013 二零一三年 (Unaudited) (未經審核) HK\$'000 港幣千元
Interest income	利息收入	101,026	89,711
Net fair value gains on foreign exchange derivative financial instruments	外匯衍生金融工具 公允值收益淨額	12,298	38,062
Gross rental income on investment properties	投資物業租金收入總額	11,309	9,606
Government subsidies	政府補助款	215	8,997
Gain on disposal of items of property, plant and equipment	出售物業、廠房及 設備項目收益	—	7,730
Compensation from suppliers for defective goods	就次貨獲得供應商賠償	6,165	5,447
Sundry income	雜項收入	19,683	14,582
		150,696	174,135

6. Profit Before Tax

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

6. 除稅前溢利

本集團之除稅前溢利已扣除/
(加上):

		Six months ended 30 September 截至九月三十日止六個月	
		2014 二零一四年 (Unaudited) (未經審核) HK\$'000 港幣千元	2013 二零一三年 (Unaudited) (未經審核) HK\$'000 港幣千元
Depreciation	折舊	142,324	171,766
Recognition of prepaid land lease payments	預付土地租賃款之確認	341	342
(Write-back of provision)/provision for slow-moving inventories	呆滯存貨(準備撥回)/準備	(16,194)	22,414
Impairment of trade receivables	應收賬款減值	76	179
Loss/(gain) on disposal of items of property, plant and equipment	出售物業、廠房及設備 項目虧損/(收益)	1,690	(7,730)

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NOTES TO THE FINANCIAL STATEMENTS (Continued) 財務報表附註(續)

7. Income Tax Expense

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 September 2013: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

7. 稅項

香港利得稅已按期內於香港賺取之估計應課稅溢利以稅率16.5% (截至二零一三年九月三十日止六個月：16.5%) 提撥準備。在其他地區的應課利得稅項，乃根據本集團業務經營所在司法權區之現行稅率計算。

		Six months ended 30 September 截至九月三十日止六個月	
		2014 二零一四年 (Unaudited) (未經審核) HK\$'000 港幣千元	2013 二零一三年 (Unaudited) (未經審核) HK\$'000 港幣千元
Hong Kong and mainland China:	香港及中國大陸：		
Current period provision	本期準備	42,598	20,140
Over-provision in prior years	往年度超額準備	(42)	
Deferred tax	遞延稅項	11,003	727
Elsewhere:	其他地區：		
Current period provision	本期準備	158	66
Over-provision in prior years	往年度超額準備	—	(1,705)
Tax charge for the period	本期稅項	53,717	19,228

8. Dividends

8. 股息

		Six months ended 30 September 截至九月三十日止六個月	
		2014 二零一四年 (Unaudited) (未經審核) HK\$'000 港幣千元	2013 二零一三年 (Unaudited) (未經審核) HK\$'000 港幣千元
Interim dividend	中期股息	359,241	313,937
Interim dividend per share (HK cents)	每股中期股息(港幣仙)	26.0	23.0

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財務資料

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

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

(a) Basic earnings per share

The calculation of the basic earnings per share is based on the profit for that period attributable to ordinary equity holders of the Company of HK\$392,386,000 (six months ended 30 September 2013: HK\$380,108,000) and the weighted average number of 1,381,696,104 (six months ended 30 September 2013: 1,363,905,885) ordinary shares in issue during that period.

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the followings:

9. 歸屬本公司普通權益所有者每股盈利

(a) 基本每股盈利

基本每股盈利乃按本公司普通權益所有者應佔該期溢利港幣392,386,000元(截至二零一三年九月三十日止六個月：港幣380,108,000元)及於該期內已發行普通股之加權平均股數1,381,696,104股(截至二零一三年九月三十日止六個月：1,363,905,885股)計算。

(b) 攤薄後每股盈利

攤薄後之每股盈利計算如下：

		Six months ended 30 September 截至九月三十日止六個月	
		2014 二零一四年 (Unaudited) (未經審核) HK\$'000 港幣千元	2013 二零一三年 (Unaudited) (未經審核) HK\$'000 港幣千元
Earnings	盈利		
Profit attributable to ordinary equity holders of the Company, used in the basic earnings per share calculation	本公司普通權益所有者應佔溢利，用作計算基本每股盈利	392,386	380,108

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財務資料

NOTES TO THE FINANCIAL STATEMENTS (Continued) 財務報表附註(續)

9. Earnings Per Share Attributable to Ordinary Equity Holders of the Company (Continued)
(b) Diluted earnings per share (Continued)
9. 歸屬本公司普通權益所有者每股盈利(續)
(b) 攤薄後每股盈利(續)

		Number of shares 股份數目	
		Six months ended 30 September 截至九月三十日止六個月	
		2014 二零一四年 (Unaudited) (未經審核)	2013 二零一三年 (Unaudited) (未經審核)
Shares	股份		
Weighted average number of shares in issue during the period used in the basic earnings per share calculation	用作計算基本每股盈利之期內已發行股份加權平均股數	1,381,696,104	1,363,905,885
Effect of dilution — weighted average number of ordinary shares: Share options	攤薄之影響 — 加權平均普通股股數: 購股權	—	5,008,337
Weighted average number of shares in issue during the period used in the diluted earnings per share calculation	用作計算攤薄後每股盈利之期內已發行股份加權平均股數	1,381,696,104	1,368,914,222

10. Property, Plant and Equipment

During the six months ended 30 September 2014, the Group acquired items of property, plant and equipment with a cost of HK\$48,383,000 (six months ended 30 September 2013: HK\$62,127,000). Items of property, plant and equipment with a net book value of HK\$4,018,000 (six months ended 30 September 2013: HK\$3,873,000) were disposed of during the six months ended 30 September 2014.

10. 物業、廠房及設備

於截至二零一四年九月三十日止六個月內，本集團添置價值為港幣48,383,000元(截至二零一三年九月三十日止六個月:港幣62,127,000元)之物業、廠房及設備項目。於截至二零一四年九月三十日止六個月內，賬面淨值為港幣4,018,000元(截至二零一三年九月三十日止六個月:港幣3,873,000元)之物業、廠房及設備項目被出售。

Financial Information

財務資料

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

11. Trade Receivables

An aged analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of impairment of HK\$9,842,000 (31 March 2014: HK\$9,786,000), is as follows:

		30 September 2014 二零一四年 九月三十日 (Unaudited) (未經審核) HK\$'000 港幣千元	31 March 2014 二零一四年 三月三十一日 (Audited) (經審核) HK\$'000 港幣千元
Within 90 days	90日內	637,587	606,778
Over 90 days	90日以上	5,529	15,780
		643,116	622,558

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

11. 應收賬款

於報告期末，按發票日期及扣除減值港幣9,842,000元(二零一四年三月三十一日：港幣9,786,000元)後之應收賬款賬齡分析如下：

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

Financial Information

財務資料

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

12. Trade Payables

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

		30 September 2014 二零一四年 九月三十日 (Unaudited) (未經審核) HK\$'000 港幣千元	31 March 2014 二零一四年 三月三十一日 (Audited) (經審核) HK\$'000 港幣千元
Within 90 days	90日內	915,518	867,829
Over 90 days	90日以上	29,876	24,344
		945,394	892,173

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

於報告期末，應付賬款為非附息及一般為90天的賬期。

13. Contingent Liabilities

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

		30 September 2014 二零一四年 九月三十日 (Unaudited) (未經審核) HK\$'000 港幣千元	31 March 2014 二零一四年 三月三十一日 (Audited) (經審核) HK\$'000 港幣千元
Bank guarantees given in lieu of property rental deposits	代替租用物業按金之銀行擔保	4,511	3,788
Guarantees of banking facilities granted to an associate	為聯營公司銀行信貸所作之擔保	12,500	12,500

13. 或有負債

(a) 於報告期末，以下或有負債未於財務報表中撥備：

Financial Information

財務資料

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. Contingent Liabilities (Continued)

- (b) The Hong Kong Inland Revenue Department (the “IRD”) initiated a review on the prior years’ tax affairs of certain subsidiaries of the Group.

The protective tax assessments for the years of assessment 2005/2006, 2006/2007 and 2007/2008 issued by the IRD in March 2012, March 2013 and March 2014 are HK\$69,125,000, HK\$189,000,000 and HK\$388,878,340, respectively. The directors of these subsidiaries believe that there are valid grounds to object to the tax claimed. Subsequent to the objections filed, the IRD agreed to hold over the tax claimed completely subject to the purchases of tax reserve certificates. As at 30 September 2014, the Group purchased tax certificates of HK\$4,500,000, HK\$31,500,000 and HK\$34,000,000 for years of assessment 2005/2006, 2006/2007 and 2007/2008, respectively.

In view that the tax review for the years of assessment 2005/2006, 2006/2007 and 2007/2008 is still in progress, the outcome of the case is still uncertain. Up to the date of approval of these financial statements, the directors consider that adequate tax provisions have been made in the financial statements.

財務報表附註(續)

13. 或有負債(續)

- (b) 香港稅務局(「稅局」)向本集團部份附屬公司提出就以往年度稅務事項進行覆核。

稅局於二零一二年三月、二零一三年三月及二零一四年三月就二零零五／二零零六、二零零六／二零零七及二零零七／二零零八課稅年度發出保障性稅務評估分別為港幣69,125,000元、港幣189,000,000元及港幣388,878,340元。該等附屬公司董事相信有充份理據就追討的稅款提出反對。於提出反對後，稅局同意暫緩所徵的全部稅款，惟必須購買儲稅券。於二零一四年九月三十日，本集團就二零零五／二零零六、二零零六／二零零七及二零零七／二零零八課稅年度已分別購買儲稅券金額港幣4,500,000元、港幣31,500,000元及港幣34,000,000元。

由於二零零五／二零零六、二零零六／二零零七及二零零七／二零零八課稅年度稅務覆核仍在進行中，這事件的結果仍然不明朗。截至本財務報表核准日，董事認為財務報表中之稅項撥備已足夠。

Financial Information

財務資料

NOTES TO THE FINANCIAL STATEMENTS (Continued) 財務報表附註(續)

14. Capital Commitments

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

14. 資本性承擔

本集團於報告期末有以下資本性支出承擔：

		30 September 2014 二零一四年 九月三十日 (Unaudited) (未經審核) HK\$'000 港幣千元	31 March 2014 二零一四年 三月三十一日 (Audited) (經審核) HK\$'000 港幣千元
In respect of property, plant and equipment, contracted but not provided for	就物業、廠房及設備，已訂約但未提撥備	13,362	11,013
In respect of property, plant and equipment, authorised but not contracted for	就物業、廠房及設備，已核准但沒有訂約	53,586	78,710
		66,948	89,723

15. Related Party Transactions

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

15. 關連人士交易

(a) 於期內，本集團曾進行以下關連人士交易：

			Six months ended 30 September 截至九月三十日止六個月 2014 二零一四年 (Unaudited) (未經審核) HK\$'000 港幣千元	2013 二零一三年 (Unaudited) (未經審核) HK\$'000 港幣千元
Sales to Megawell	銷售予偉佳	(i)	185,251	245,690
Purchases from Megawell	向偉佳採購	(ii)	136,263	117,748
Rental expenses paid to related companies	向關連公司支付租金費用	(iii)	13,415	12,724

Financial Information

財務資料

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. Related Party Transactions (Continued)

(a) (Continued)

Notes:

- (i) *The sales to Megawell, an associate of the Group, were made according to the prices and conditions offered to the major customers of the Group.*
- (ii) *The directors considered that the purchases from Megawell were made according to the prices and conditions similar to those offered to other customers of Megawell.*
- (iii) *The rental expenses were paid to related companies, of which certain directors of the Company are also the directors and beneficial shareholders, for the provision of directors' quarters, retail outlets and a training centre for certain subsidiaries in Hong Kong and mainland China. The directors considered that the monthly rentals were charged based on the prevailing market rates at the dates of entering into the tenancy agreements.*

In addition, the Company and the Group have provided certain guarantees for banking facilities granted to Megawell, as detailed in note 13(a) to the financial statements.

- (b) As at 30 September 2014, Nice Dyeing Factory Limited, a wholly-owned subsidiary of the Company, has provided advances of HK\$3,691,000 (31 March 2014: HK\$14,511,000) to Baleno Kingdom Limited, a non-wholly-owned subsidiary of the Company, at Hong Kong Interbank Offered Rate ("HIBOR") plus 2.6% (31 March 2014: HIBOR plus 2.6%) per annum. The advances are unsecured and have no fixed terms of repayment.

財務報表附註(續)

15. 關連人士交易(續)

(a) (續)

附註：

- (i) 向偉佳(本集團的聯營公司)之銷售乃根據本集團向主要客戶提供之價格及條件訂立。
- (ii) 董事認為向偉佳採購之價格及條件，與偉佳向其他客戶所提供之價格及條件相若。
- (iii) 租金費用是支付予關連公司作為部份香港及中國大陸之附屬公司的董事宿舍、零售門市及培訓中心，該等公司之董事及實益股東亦為本公司之部份董事。董事認為每月之租金乃根據租賃合同簽訂日之市場價格釐定。

此外，本公司及本集團為偉佳作出若干銀行信貸擔保，詳細資料載於財務報表附註13(a)。

- (b) 於二零一四年九月三十日，本公司之全資擁有附屬公司永佳染廠有限公司向本公司之非全資擁有附屬公司班尼路有限公司提供之貸款為港幣3,691,000元(二零一四年三月三十一日：港幣14,511,000元)，年利率為香港銀行同業拆息加2.6%(二零一三年三月三十一日：香港銀行同業拆息加2.6%)。該貸款並無抵押及無協定還款日期。

Financial Information

財務資料

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. Related Party Transactions (Continued)

(b) (Continued)

As at 30 September 2014, Nice Dyeing Factory (Macao Commercial Offshore) Limited, a wholly-owned subsidiary of the Company, has provided advances of HK\$278,116,000 (31 March 2014: HK\$268,975,000) to Baleno Holdings Limited, a non-wholly-owned subsidiary of the Company, at an interest rate of 2.1% (31 March 2014: 2.8%) per annum. The advances are unsecured and have no fixed terms of repayment.

As at 30 September 2014, Dongguan Texwinca Textile and Garment Limited, a wholly-owned subsidiary of the Company, has provided advances of HK\$150,904,000 (31 March 2014: HK\$255,006,000) to Guangzhou Friendship Baleno Company Limited, a non-wholly-owned subsidiary of the Company, at an interest rate of 5.6% (31 March 2014: 4.5%) per annum. The advances are unsecured and have no fixed terms of repayment.

The principal purpose of the above advances is to finance the operations of Baleno Holdings Limited and its subsidiaries. In the opinion of the directors, the transactions were entered into based on normal commercial terms agreed between the relevant parties.

財務報表附註(續)

15. 關連人士交易(續)

(b) (續)

於二零一四年九月三十日，本公司全資擁有附屬公司永佳染廠(澳門離岸商業服務)有限公司向本公司非全資擁有附屬公司班尼路集團有限公司提供貸款港幣278,116,000元(二零一四年三月三十一日：港幣268,975,000元)，年利率為2.1%(二零一四年三月三十一日：2.8%)。該貸款並無抵押及無協定還款日期。

於二零一四年九月三十日，本公司全資擁有附屬公司東莞德永佳紡織製衣有限公司向本公司非全資擁有附屬公司廣州友誼班尼路服飾有限公司提供貸款港幣150,904,000元(二零一四年三月三十一日：港幣255,006,000元)，年利率為5.6%(二零一四年三月三十一日：4.5%)。該貸款並無抵押及無協訂還款日期。

上述貸款主要用作班尼路集團有限公司及其附屬公司之營運資金。按董事意見，有關人士按已同意的一般商業條款進行該等交易。

Financial Information

財務資料

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. Related Party Transactions (Continued)

- (c) On 1 April 2014, the Group entered into a lease agreement with Mountain Rich Limited (“MRL”), a company controlled and owned by Mr. Poon Bun Chak, an executive director and controlling shareholder of the Company, to lease a property from MRL as a retail outlet for the retail and distribution of apparel and accessory business of the Group for a term of two years commencing from 1 April 2014 at the monthly rents of RMB1,045,000 and RMB1,150,000 for the first year and the second year, respectively. During the period, the Group paid operating lease rentals in respect of the above property of HK\$7,810,000 (six months ended 30 September 2013: HK\$7,492,000).

On 1 April 2014, the Group entered into a lease agreement with Latex (Hong Kong) Limited (“Latex”), a company wholly-owned by Mr. Poon Bun Chak, an executive director and controlling shareholder of the Company, to lease a property from Latex as a director’s quarter of the Group for a term of two years commencing from 1 April 2014 at the monthly rent of HK\$400,000. During the period, the Group paid to Latex operating lease rentals in respect of the above property of HK\$2,400,000 (six months ended 30 September 2013: HK\$2,160,000).

財務報表附註(續)

15. 關連人士交易(續)

- (c) 於二零一四年四月一日，本集團與山富國際有限公司(「山富」)(由本公司的執行董事及控股股東潘彬澤先生全資擁有)簽訂合約，向山富承租一物業，作為本集團便服及飾物之零售及分銷業務的零售門市，由二零一四年四月一日起為期兩年，第一年及第二年的每月租金分別為人民幣1,045,000元及人民幣1,150,000元。於本期內，本集團就上述物業支付予山富的經營租賃租金為港幣7,810,000元(截至二零一三年九月三十日止六個月：港幣7,492,000元)。

於二零一四年四月一日，本集團與立德(香港)有限公司(「立德」)(由本公司執行董事及控股股東潘彬澤先生全資擁有)簽訂合約，向立德承租一物業，作為本集團一董事宿舍之用。由二零一四年四月一日起為期兩年，每月租金為港幣400,000元。於本期內，本集團就上述物業支付予立德的經營租賃租金為港幣2,400,000元(截至二零一三年九月三十日止六個月：港幣2,160,000元)。

Financial Information

財務資料

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. Related Party Transactions (Continued)

(c) (Continued)

On 1 April 2014, the Group entered into a lease agreement with Winson Link Enterprises Limited ("WLEL"), a company wholly-owned by Mr. Poon Bun Chak, an executive director and controlling shareholder of the Company, to lease a property and a parking space from WLEL as a training center of the Group for a term of two years commencing from 1 April 2014 at the monthly rent of HK\$63,200. During the period, the Group paid to WLEL operating lease rentals in respect of the above property of HK\$379,000 (six months ended 30 September 2013: HK\$252,000).

On 1 April 2014, the Group entered into a lease agreement with Grand Treasure Investment Limited ("GTL"), a company wholly-owned by Mr. Poon Kei Chak, an executive director and a shareholder of the Company, and his spouse, to lease a property from GTL as a director's quarter of the Group for a term of one year commencing from 1 April 2014 at the monthly rent of HK\$300,000. During the period, the Group paid to GTL operating lease rentals in respect of the above property of HK\$1,800,000 (six months ended 30 September 2013: HK\$1,800,000).

財務報表附註(續)

15. 關連人士交易(續)

(c) (續)

於二零一四年四月一日，本集團與永信興企業有限公司(「永信興」)(由本公司執行董事及控股股東潘彬澤先生全資擁有)簽訂合約，向永信興承租一物業及一個停車位，作為本集團的培訓中心。由二零一四二年四月一日起，為期兩年，每月租金為港幣63,200元。於本期內，本集團就上述物業支付予永信興的經營租賃租金為港幣379,000元(截至二零一三年九月三十日止六個月：港幣252,000元)。

於二零一四年四月一日，本集團與永興利投資有限公司(「永興利」)(由本公司執行董事及股東潘機澤先生及其配偶全資擁有)簽訂合約，向永興利承租一物業作為本集團一董事宿舍之用。由二零一四年四月一日起為期一年，每月租金為港幣300,000元。於本期內，本集團就上述物業支付予永興利的經營租賃租金為港幣1,800,000元(截至二零一三年九月三十日止六個月：港幣1,800,000元)。

Financial Information

財務資料

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. Related Party Transactions (Continued)

(c) (Continued)

On 1 April 2014, the Group entered into a lease agreement with Essential Guide Limited (“EGL”), a company wholly-owned by Mr. Poon Ho Wa, an executive director of the Company, his spouse and his parents, to lease a property from EGL as a director’s quarter of the Group for a term of one year commencing from 1 April 2014 at the monthly rent of HK\$88,000. During the period, the Group paid to EGL operating lease rentals in respect of the above property of HK\$528,000 (six months ended 30 September 2013: HK\$540,000).

On 1 April 2014, the Group entered into a lease agreement with Sonway Enterprises Limited (“SWL”), a company wholly-owned by Mr. Ting Kit Chung, an executive director and a shareholder of the Company, and his spouse, to lease a property from SWL as a director’s quarter of the Group for a term of one year commencing from 1 April 2014 at the monthly rent of HK\$38,000. During the period, the Group paid to SWL operating lease rentals in respect of the above property of HK\$228,000 (six months ended 30 September 2013: HK\$240,000).

財務報表附註(續)

15. 關連人士交易(續)

(c) (續)

於二零一四年四月一日，本集團與義佳有限公司(「義佳」)(由本公司執行董事潘浩華先生、其配偶及父母全資擁有)簽訂合約，向義佳承租一物業作為本集團一董事宿舍之用。由二零一四年四月一日起為期一年，每月租金為港幣88,000元。於本期內，本集團就上述物業支付予義佳的經營租賃租金為港幣528,000元(截至二零一三年九月三十日止六個月：港幣540,000元)。

於二零一四年四月一日，本集團與順旺企業有限公司(「順旺」)(由本公司執行董事及股東丁傑忠先生及其配偶全資擁有)簽訂合約，向順旺承租一物業作為本集團一董事宿舍之用。由二零一四年四月一日起為期一年，每月租金為港幣38,000元。於本期內，本集團就上述物業支付予順旺的經營租賃租金為港幣228,000元(截至二零一三年九月三十日止六個月：港幣240,000元)。

Financial Information

財務資料

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. Related Party Transactions (Continued)

(d) A non-controlling shareholder of the Group's 64%-owned subsidiary (31 March 2014: 64%) had provided an unconditional guarantee to indemnify the Group from any loss arising from the recoverability of prepayments made to a supplier of the Group of HK\$4,695,000 (31 March 2014: HK\$4,701,000) as included in the balance of the prepayments, deposits and other receivables of the Group as at the end of the reporting period.

(e) Compensation of key management personnel of the Group:

財務報表附註(續)

15. 關連人士交易(續)

(d) 本集團擁有64%(二零一四年三月三十一日: 64%)權益附屬公司之其中一非控股股東就本集團預付一供應商貨款港幣4,695,000元(二零一四年三月三十一日: 港幣4,701,000元)提供無條件擔保以補償任何本集團回收上之損失。於報告期末, 該款已包括於本集團的預付款項、訂金及其他應收賬款結餘中。

(e) 本集團主要管理人員薪酬:

		Six months ended 30 September 截至九月三十日止六個月	
		2014 二零一四年 (Unaudited) (未經審核) HK\$'000 港幣千元	2013 二零一三年 (Unaudited) (未經審核) HK\$'000 港幣千元
Short term employee benefits	短期僱員福利	47,223	41,862
Post-employment benefits	離職後福利	26	29
Total compensation paid to key management personnel	主要管理人員薪酬總額	47,249	41,891

Financial Information

財務資料

NOTES TO THE FINANCIAL STATEMENTS (Continued)

16. Fair Value Hierarchy of Financial Instruments

The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments:

Level 1 : based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 : based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly; and

Level 3 : based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

As at 30 September 2014 and 31 March 2014, the Group had no financial instruments measured at fair value under Level 3.

During the six months ended 30 September 2014 and 30 September 2013, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

財務報表附註(續)

16. 金融工具之公允值等級

本集團採用以下等級釐定及披露金融工具之公允值：

第一級：基於相同資產或負債於活躍市場的報價(未經調整)；

第二級：基於對公允值計量而言屬重大的可觀察(直接或間接)最低層輸入數據的估值方法；及

第三級：基於對公允值計量而言屬重大的不可觀察最低層輸入數據的估值方法。

於二零一四年九月三十日及二零一四年三月三十一日，本集團並無按公允值計量第三級之金融工具。

於截至二零一四年九月三十日及二零一三年九月三十日止六個月內，金融資產及金融負債均無任何公允值計量第一級與第二級之間的轉撥，亦無從第三級轉入或轉出。

Management's Discussion and Analysis

管理層之論述及分析

INTERIM DIVIDEND

The Board has declared an interim dividend of HK26.0 cents (six months ended 30 September 2013: HK23.0 cents) per ordinary share for the six months ended 30 September 2014. The interim dividend will be payable on Wednesday, 7 January 2015 to shareholders registered on the Register of Members of the Company on Friday, 19 December 2014.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Monday, 15 December 2014 to Friday, 19 December 2014 (both days inclusive) for the purpose of determining the entitlement to the interim dividend for the six months ended 30 September 2014. During which period no transfer of shares of the Company will be registered and no shares will be allotted and issued. In order to qualify for entitlement to the interim dividend for the six months ended 30 September 2014, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar and Transfer Office in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on Friday, 12 December 2014.

BUSINESS REVIEW

For the six months ended 30 September 2014, the Group's total revenue decreased by 4.9% to HK\$4,464 million (six months ended 30 September 2013: HK\$4,693 million). Profit for the period attributable to the ordinary equity holders of the Company amounted to HK\$392 million (six months ended 30 September 2013: HK\$380 million), an increase of 3.2%. In the period, the Group's gross profit margin was 34.0%, slightly higher than last year's 33.9%. Income tax expense increased to HK\$54 million (six months ended 30 September 2013: HK\$19 million) mainly due to higher provision for mainland China. Other income and gains declined by HK\$23 million to HK\$151 million (six months ended 30 September 2013: HK\$174 million) mainly due to the decrease in net fair value gains on foreign exchange derivative financial instruments. The Board has recommended an interim dividend of HK26.0 cents per ordinary share, an increase of 13.0% compared to last interim period's HK23.0 cents per ordinary share.

中期股息

董事會宣佈派發截至二零一四年九月三十日止六個月之中期股息每股普通股港幣26.0仙(截至二零一三年九月三十日止六個月:港幣23.0仙)。該中期股息將於二零一五年一月七日星期三,派發予二零一四年十二月十九日星期五名列本公司股東名冊之股東。

暫停辦理過戶登記

本公司將由二零一四年十二月十五日星期一至二零一四年十二月十九日星期五(首尾兩日包括在內)暫停辦理股份過戶登記手續,以便釐定擁有獲派發截至二零一四年九月三十日止六個月之中期股息之權利。期間將不會進行任何本公司股份之過戶登記,及不會分配和發行股份。如欲符合獲派截至二零一四年九月三十日止六個月之中期股息之資格,所有過戶文件連同有關股票,必須於二零一四年十二月十二日星期五下午四時前送達本公司在香港之股份及過戶登記分處卓佳登捷時有限公司,地址為香港皇后大道東183號合和中心二十二樓,辦理股份過戶登記手續。

業務回顧

截至二零一四年九月三十日止六個月,本集團之總營業額下跌4.9%至港幣4,464百萬元(截至二零一三年九月三十日止六個月:港幣4,693百萬元)。本公司普通權益所有者應佔本期溢利為港幣392百萬元(截至二零一三年九月三十日止六個月:港幣380百萬元),增加3.2%。期內,本集團之毛利率為34.0%,較去年之33.9%略高。利得稅支出增至港幣54百萬元(截至二零一三年九月三十日止六個月:港幣19百萬元)主要由於在中國大陸作較高之準備。其他收入及收益下跌港幣23百萬元至港幣151百萬元(截至二零一三年九月三十日止六個月:港幣174百萬元),主要由於外匯衍生金融工具公允價值收益淨額減少。董事會建議派發中期股息每股普通股港幣26.0仙,較去年中期每普通股港幣23仙,增加13.0%。

Management's Discussion and Analysis

管理層之論述及分析

BUSINESS REVIEW (Continued)

Textile business

Revenue of the business decreased by 3.5% to HK\$2,424 million (six months ended 30 September 2013: HK\$2,513 million). The amount was 54.3% (six months ended 30 September 2013: 53.5%) of the Group's total turnover. In this interim period, the global business conditions were still soft and uncertain. Cotton price kept coming down and had weakened the procurement sentiment of the customers. The Group continued to pursue profit margins rather than volumes. The gross profit margin improved to 21.9% from last year's 20.9% and business volume dropped by 5.5%. Despite cotton price decreased substantially, the average selling price increased by 2.1% mainly because the Group focused on high value orders. The performance and the key financial ratios of the business were as below:

業務回顧(續)

紡織業務

此業務之收入下跌3.5%至港幣2,424百萬元(截至二零一三年九月三十日止六個月:港幣2,513百萬元)。此數目為本集團總營業額之54.3%(截至二零一三年九月三十日止六個月:53.5%)。於此中期內,全球業務環境仍較柔弱及不明朗。棉花價格一直下跌因而削弱了顧客之採購意欲。本集團繼續追求利潤率大於銷量。毛利率由去年20.9%上升至21.9%而銷售量下跌5.5%。雖然棉花價格大幅下調,平均產品價格仍上升2.1%主要由於本集團集中於高價值訂單。此業務之表現及主要財務比率列於下:

		Six months ended		Six months ended		
		30 Sep 2014	Year ended 31 Mar 2014	30 Sep 2013	Year ended 31 Mar 2013	Year ended 31 Mar 2012
		截至二零一四年九月三十日止六個月	截至二零一四年三月三十一日止全年	截至二零一三年九月三十日止六個月	截至二零一三年三月三十一日止全年	截至二零一二年三月三十一日止全年
<i>(Amounts expressed in HK\$ million, unless specified)</i> (以港幣百萬元為單位,除特別註明外)						
Net sales	銷售淨額	2,424	5,026	2,513	5,460	6,976
Gross profit margin (%)	毛利率(%)	21.9	20.4	20.9	16.0	14.8
Operating profit (note 1)	營業利潤(附註1)	333	671	367	546	692
EBITDA (note 1)	息、稅、折舊及攤銷前利潤(附註1)	423	871	470	765	916
Return on total assets (%) (annualized) (note 2)	總資產收益率(%) (年度化)(附註2)	9.1	8.4	9.6	6.3	6.4
Return on sales (%) (note 2)	銷售收益率(%) (附註2)	15.5	14.3	16.8	12.4	10.7
Return on equity (%) (annualized)(note 2)	權益收益率(%) (年度化)(附註2)	13.1	12.8	15.2	11.2	13.4
Capital expenditure	資本性支出	32	121	59	45	57

Notes:

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

附註:

- (1) 不包括利息收入及租金收入。
(2) 不包括租金收入。

Management's Discussion and Analysis

管理層之論述及分析

BUSINESS REVIEW (Continued)

Retail and distribution business

Net sales of the business decreased by 6.4% to HK\$2,033 million (six months ended 30 September 2013: HK\$2,172 million). The sum represented 45.5% (six months ended 30 September 2013: 46.3%) of the Group's total turnover. In the period, the consumer market conditions in mainland China remained difficult. The Group continued to eliminate those underperforming stores. Business closure of the Taiwan market has been nearly completed. The gross profit margin was 48.5%, quite similar to last year's 48.8%. With stringent cost controls, the business achieved a significant reduction in operating cost. Generally, the retail business in the period delivered improved performance. The performance and the key financial ratios of this business were as below:

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

	Six months ended 30 Sep 2014	Year ended 31 Mar 2014	Six months ended 30 Sep 2013	Year ended 31 Mar 2013	Year ended 31 Mar 2012
(Amounts expressed in HK\$' million, unless specified) (以港幣百萬元為單位，除特別註明外)	截至 二零一四年 九月三十日 止六個月	截至 二零一四年 三月三十一日 止全年	截至 二零一三年 九月三十日 止六個月	截至 二零一三年 三月三十一日 止全年	截至 二零一二年 三月三十一日 止全年
Net sales	2,033	4,816	2,172	5,768	6,766
Gross profit margin (%)	48.5	46.7	48.8	44.9	44.8
Sales growth of comparable shops (%) (note 1)	5.0	(7.6)	(12.7)	(12.0)	2.9
Operating profit/(loss) (note 2)	(21)	(245)	(150)	(202)	157
EBITDA (note 2)	31	(107)	(82)	(52)	276
Return on total assets (%) (annualized) (note 3)	(2.9)	(13.9)	(12.8)	(7.6)	3.2
Return on sales (%) (note 3)	(1.4)	(5.2)	(6.8)	(3.0)	1.3
Return on equity (%) (annualized) (note 3)	(9.8)	(42.5)	(42.7)	(20.4)	9.0
Capital expenditure	30	43	25	119	192

Notes:

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

附註：

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

業務回顧(續)

零售及分銷業務

此業務銷售淨額減少6.4%至港幣2,033百萬元(截至二零一三年九月三十日止六個月：港幣2,172百萬元)。此數目為本集團之總營業額45.5%(截至二零一三年九月三十日止六個月：46.3%)。於期內，中國市場消費狀況仍然困難。本集團繼續減除表現不佳之店舖。關閉台灣市場業務已幾近完成。毛利率為48.5%，與去年之48.8%相若。在成本嚴控下，此業務大幅減低經營成本。大致而言，期內零售業務表現已有改善。此業務之表現及主要財務比率現列於下：

(a) 業務表現及主要財務比率現列如下：

Management's Discussion and Analysis

管理層之論述及分析

BUSINESS REVIEW (Continued)

業務回顧(續)

Retail and distribution business (Continued)

零售及分銷業務(續)

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

(b) 按主要品牌銷售分析如下：

		Six months ended		Six months ended		
		30 Sep 2014	Year ended 31 Mar 2014	30 Sep 2013	Year ended 31 Mar 2013	Year ended 31 Mar 2012
		截至二零一四年九月三十日止六個月	截至二零一四年三月三十一日止全年	截至二零一三年九月三十日止六個月	截至二零一三年三月三十一日止全年	截至二零一二年三月三十一日止全年
(HK\$'million) (港幣百萬元)						
Baleno	班尼路	1,228	2,754	1,245	3,038	3,653
S&K	S&K	207	552	243	742	940
I.P. Zone	I.P. Zone	164	417	199	555	699
ebase	ebase	153	497	213	609	682
Others	其他	281	596	272	824	792
Total	合計	2,033	4,816	2,172	5,768	6,766

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

(c) 各地市場發展情況如下：

Mainland China

中國大陸

		Six months ended		Six months ended		
		30 Sep 2014	Year ended 31 Mar 2014	30 Sep 2013	Year ended 31 Mar 2013	Year ended 31 Mar 2012
		截至二零一四年九月三十日止六個月	截至二零一四年三月三十一日止全年	截至二零一三年九月三十日止六個月	截至二零一三年三月三十一日止全年	截至二零一二年三月三十一日止全年
Net sales (HK\$'million)	銷售淨額 (港幣百萬元)	1,711	4,098	1,816	4,920	5,811
Increase/(decrease) in net sales (%)	銷售淨額之增加/ (減少)(%)	(6)	(17)	(22)	(15)	17
Retail floor area (sq. ft.) ^{**}	零售樓面面積 (平方呎) ^{**}	1,752,032	2,115,738	2,349,185	2,147,536	2,368,260
Number of sales associates ^{**}	營業員數目 ^{**}	7,010	7,710	8,274	9,168	11,492
Number of outlets ^{*△}	門市數目 ^{*△}	2,885	3,432	3,487	3,820	4,044

Management's Discussion and Analysis

管理層之論述及分析

BUSINESS REVIEW (Continued)

業務回顧(續)

Retail and distribution business (Continued)

零售及分銷業務(續)

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

(c) 各地市場發展情況如下:(續)

Hong Kong

香港

		Six months ended	Year ended	Six months ended	Year ended	Year ended
		30 Sep 2014	31 Mar 2014	30 Sep 2013	31 Mar 2013	31 Mar 2012
		截至	截至	截至	截至	截至
		二零一四年	二零一三年	二零一四年	二零一三年	二零一二年
		九月三十日	三月三十一日	九月三十日	三月三十一日	三月三十一日
		止六個月	止全年	止六個月	止全年	止全年
Net sales (HK\$'million)	銷售淨額 (港幣百萬元)	232	445	185	435	460
Increase/(decrease) in net sales (%)	銷售淨額之增加/ (減少)(%)	25	2	(15)	(5)	(1)
Retail floor area (sq. ft.)**	零售樓面面積 (平方呎)**	65,918	66,184	68,685	63,254	61,722
Number of sales associates **	營業員數目**	363	392	417	425	493
Number of outlets **	門市數目**	64	66	70	68	70

Taiwan

台灣

		Six months ended	Year ended	Six months ended	Year ended	Year ended
		30 Sep 2014	31 Mar 2014	30 Sep 2013	31 Mar 2013	31 Mar 2012
		截至	截至	截至	截至	截至
		二零一四年	二零一四年	二零一三年	二零一三年	二零一二年
		九月三十日	三月三十一日	九月三十日	三月三十一日	三月三十一日
		止六個月	止全年	止六個月	止全年	止全年
Net sales (HK\$'million)	銷售淨額 (港幣百萬元)	90	273	171	413	495
Increase/(decrease) in net sales (%)	銷售淨額之增加/ (減少)(%)	(47)	(34)	(14)	(17)	22
Retail floor area (sq. ft.)**	零售樓面面積 (平方呎)**	9,180	90,689	119,392	142,079	151,218
Number of sales associates **	營業員數目**	22	290	406	488	638
Number of outlets *△	門市數目*△	10	91	134	166	181

* As at the end of the reporting period

For self-managed stores

△ Including self-managed and franchise stores

* 於報告期末

自營店

△ 包括自營店及特許經營店

Management's Discussion and Analysis

管理層之論述及分析

BUSINESS REVIEW (Continued)

Garment manufacturing business

Turnover of this associate declined by 12.9% to HK\$642 million (six months ended 30 September 2013: HK\$737 million). Net profit contribution to the Group was HK\$20 million (six months ended 30 September 2013: HK\$38 million), a decrease of 47.4%. The business conditions were unfavourable mainly due to the decline of cotton price. Procurement from customers was thus delayed. The gross profit margin decreased to 14.3% from last year's 15.3%. In the period, 62.5% (six months ended 30 September 2013: 70.0%) of the fabric consumed was supplied by our textile division and sales to the retail section was 21.2% (six months ended 30 September 2013: 16.0%) of its turnover.

FINANCIAL CONDITION

Liquidity and financial resources

The Group continued to maintain a sound financial position. The current ratio, the total bank borrowings and the gearing ratio as at the period end were 2.3 times, HK\$1,545 million and -0.4 times (31 March 2014: 2.4 times, HK\$1,869 million and -0.3 times) respectively. The gearing ratio refers to the ratio of the total interest-bearing debts, net of cash and bank balances, to the total equity. The net cash inflow from operating activities for the period was HK\$527 million (six months ended 30 September 2013: HK\$704 million).

During the period, the interest cover, the trade and bills receivables to turnover and the inventories to turnover were 37 times, 34 days and 77 days (six month ended 30 September 2013: 19 times, 31 days and 82 days), respectively. The Group mainly satisfied its funding requirements with cash inflow from its operating activities and bank borrowings. At the period end, the cash and bank balances, the equity attributable to ordinary equity holders of the Company and the unutilized banking facilities were HK\$4,345 million, HK\$6,037 million and HK\$5,711 million (31 March 2014: HK\$4,024 million, HK\$5,956 million and HK\$5,191 million), respectively.

業務回顧(續)

製衣業務

此聯營業務銷售額下跌12.9%至港幣642百萬元(截至二零一三年九月三十日止六個月:港幣737百萬元)。對本集團淨溢利貢獻為港幣20百萬元(截至二零一三年九月三十日止六個月:港幣38百萬元),減少47.4%。業務環境並不理想主要由於棉花價格下跌。顧客採購因而延遲。毛利率由去年之15.3%下跌至14.3%。期內,62.5%(截至二零一三年九月三十日止六個月:70.0%)耗用布料由本集團紡織部門供應,而銷售予本集團零售部門則佔其銷售額21.2%(截至二零一三年九月三十日止六個月:16.0%)。

財務狀況

流動資金及財務資源

本集團財務狀況維持良好。於本期末,流動比率、銀行貸款總額及資本負債比率分別為2.3倍、港幣1,545百萬元及-0.4倍(二零一四年三月三十一日:2.4倍、港幣1,869百萬元及-0.3倍)。資本負債比率乃指扣除現金及銀行存款的總付息債務除以總權益。本期經營所得的現金流入淨額為港幣527百萬元(截至二零一三年九月三十日止六個月:港幣704百萬元)。

於本期內,利息保障比率、應收賬款及票據比營業額周轉天數及存貨比營業額周轉天數分別為37倍、34天及77天(截至二零一三年九月三十日止六個月:19倍、31天及82天)。本集團主要以經營所得現金流入及銀行貸款滿足其營運資金的需求。於本期末,現金及銀行存款、本公司普通權益所有者應佔權益及未動用銀行信貸額分別為港幣4,345百萬元、港幣6,037百萬元及港幣5,711百萬元(二零一四年三月三十一日:港幣4,024百萬元、港幣5,956百萬元及港幣5,191百萬元)。

Management's Discussion and Analysis

管理層之論述及分析

FINANCIAL CONDITION (Continued)

Capital expenditure

The capital expenditure incurred by the Group during the period was HK\$62 million (six months ended 30 September 2013: HK\$84 million). As the world economic condition was uncertain, the Group maintains a modest capital expenditure spending for the textile business. The capital expenditure incurred by the textile business for the period was HK\$32 million (six months ended 30 September 2013: HK\$59 million) mainly for the addition of plant and machinery. For the retail and distribution business, the PRC market remained sluggish, the Group continued to maintain a cost control on its capital expenditure. Thus, the capital expenditure incurred for the period mainly for the renovation of retail outlets was HK\$30 million (six months ended 30 September 2013: HK\$25 million).

Pledge of assets

No significant assets were pledged as at 30 September 2014 and 31 March 2014.

Contingent Liabilities

Details of the contingent liabilities as at 30 September 2014 and 31 March 2014 have been set out in note 13 to the financial statements.

Foreign exchange and interest rate risks

The Group continued to adopt a strict and prudent policy in managing its interest rate and currency exchange risks. The major interest-bearing bank borrowings of the Group were HKD, USD and Yen floating rate borrowings with maturity due within three years. At the period end, the cash and bank balances amounted to HK\$4,345 million (31 March 2014: HK\$4,024 million) were mainly denominated in RMB and USD and were placed as fixed deposits with well-established financial institutions at fixed interest rate with maturity due within one year. The Group is monitoring the interest rate movement and will arrange financial instruments to reduce its interest rate risk whenever appropriate.

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

財務狀況 (續)

資本性支出

本期本集團資本性支出為港幣62百萬元(截至二零一三年九月三十日止六個月:港幣84百萬元)。由於世界經濟情況不明朗,本集團紡織業務維持適度的資本性支出。紡織業務本期的資本性支出為港幣32百萬元(截至二零一三年九月三十日止六個月:港幣59百萬元),主要用以增加廠房及機器設備。零售及分銷業務方面,國內市場仍然疲弱,本集團仍對資本性開支實行成本控制。因此,主要作為零售店舖更新的資本性支出為港幣30百萬元(截至二零一三年九月三十日止六個月:港幣25百萬元)。

資產抵押

於二零一四年九月三十日及二零一四年三月三十一日,並無重大資產已作抵押。

或有負債

於二零一四年九月三十日及二零一四年三月三十一日的或有負債明細已載於財務報表附註13內。

匯兌及利率風險

本集團維持嚴格及審慎政策管理其利率與匯率風險。本集團主要付息銀行貸款為浮息的港元、美元及日元貸款,並於三年內到期。於本期末,現金及銀行存款結餘為港幣4,345百萬元(二零一四年三月三十一日:港幣4,024百萬元),主要為人民幣及美元,並在有良好基礎的金融機構作一年內到期的固定息率定期存款。本集團將繼續留意利率的變動,並將於適當時候安排金融工具以減低利率風險。

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

Management's Discussion and Analysis

管理層之論述及分析

HUMAN RESOURCES

As at 30 September 2014, the Group had about 16,000 (31 March 2014: 17,500) employees in the Greater China. The remuneration of the employees was largely based on industry practice and the performance of individual employee.

CORPORATE SOCIAL RESPONSIBILITY

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

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

- (1) World Wide Fund For Nature Hong Kong;
- (2) Agency for Volunteer Service "HSBC Share-to-Care Volunteer Campaign";
- (3) "Little Whale" volunteers in the mainland China;
- (4) Poverty Alleviation Day in Guangdong;
- (5) Ocean Park Conservation Foundation Hong Kong "Speak Up For Our Oceans";
- (6) Flag day for The Hong Kong Catholic Marriage Advisory Council;
- (7) Sowers Action; and
- (8) A & F Challenge 2014.

The Group is awarded as 2013/2014 "Caring Company" by The Hong Kong Council of Social Services to recognize the Group in taking care of community, employees and the environment.

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

人力資源

於二零一四年九月三十日，本集團約有僱員16,000人(二零一四年三月三十一日：17,500人)於大中華。員工薪酬之釐定主要基於行業之情況及員工個人之表現。

企業社會責任

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

於期內，部份本集團曾參與／捐助的活動／團體包括：

- (1) 世界自然〔香港〕基金會；
- (2) 義務工作發展局「滙豐愛心傳城義工大行動」；
- (3) 中國大陸「小鯨魚」義工隊；
- (4) 廣東扶貧濟困日；
- (5) 香港海洋公園保育基金「為海洋發聲」；
- (6) 香港公教婚姻輔導會之賣旗日；
- (7) 苗圃行動；及
- (8) A & F Challenge 2014。

本集團獲香港社會服務聯會頒授2013至2014年度「商界展關懷」企業，以嘉許本集團對社會、員工及環境的關懷。

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

Management's Discussion and Analysis

管理層之論述及分析

OUTLOOK

Looking forward to the second half of this financial year, the operating environment is still uncertain. The Group will closely monitor the market situation to adjust the management strategies.

The U.S. market, which is the Group's major market for the textile business, has shown signs of improvement. The Group is also developing other markets to capture business opportunities. As the China production costs have been going up, the Group will continue to focus on high value orders to sustain reasonable profit margins.

For the retail business, store consolidation will be continued to improve the overall performance. The management will also continue to enhance earning ability and streamline operating expense. The business is expected to have further improvement in the second half of this year.

展望

展望本財政年度之下半年，經營環境仍不明朗。本集團將密切監察市場狀況以便調整管理策略。

美國市場，本集團紡織業務之主要市場，已呈改善跡象。本集團亦正在發展其他市場以爭取業務機會。由於中國生產成本持續上升，本集團將繼續集中於高價值訂單以維持合理利潤。

零售業務方面，店舖整固仍將繼續以改善整體表現。管理層亦繼續致力提高營利能力及改善營運成本。期待此業務於下半年更有改善。

Other Information

其他資料

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 30 September 2014, the interests and short positions of the directors in the shares and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

Long positions in ordinary shares of the Company:

董事於股份及相關股份之權益及淡倉

於二零一四年九月三十日，本公司根據《證券及期貨條例》第352條而備存的登記冊，或根據《上市公司董事進行證券交易的標準守則》（「標準守則」）通知本公司及聯交所，各董事在本公司及其聯繫法團（定義見《證券及期貨條例》第XV部）的股份及相關股份之權益及淡倉如下：

於本公司普通股之好倉：

Name of director		Number of shares held and capacity			Total	Percentage of the Company's issued share capital
		Directly or beneficially owned	Through discretionary trust	Through controlled corporations		
董事姓名		直接或實益擁有	藉全權信託	藉受控制公司	合計	佔本公司已發行股本百分比
Executive directors:	執行董事：					
Poon Bun Chak	潘彬澤	36,888,000	170,700,104 ⁽¹⁾	456,450,000 ⁽²⁾	664,038,104	48.1
Poon Kei Chak	潘機澤	12,977,200	—	31,922,000 ⁽²⁾	44,899,200	3.3
Ting Kit Chung	丁傑忠	6,100,000	—	—	6,100,000	0.4
Poon Ho Wa	潘浩華	200,000	—	—	200,000	0.0
Independent non-executive directors:	獨立非執行董事：					
Au Son Yiu	區燊耀	300,000	—	—	300,000	0.0
Cheng Shu Wing	鄭樹榮	400,000	—	—	400,000	0.0
		56,865,200	170,700,104	488,372,000	715,937,304	51.8

Other Information

其他資料

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Continued)

Notes:

1. The 170,700,104 shares are owned by Farrow Star Limited, which is wholly-owned by Perfection (PTC) Inc as a trustee of The Evergreen Trust, a discretionary trust which was founded by Mr. Poon Bun Chak. Mr. Poon Bun Chak is deemed to be interested in these shares in accordance with the SFO.
2. The 456,450,000 shares are owned by Giant Wizard Corporation in which Farrow Star Limited has a 97.15% equity interest. A 2.85% interest in Giant Wizard Corporation is owned by Mr. Poon Bun Chak.
3. The 31,922,000 shares are held by Treasure Link International Holdings Limited, which is jointly owned by Mr. Poon Kei Chak and his spouse.

Save as disclosed above, as at 30 September 2014, none of the directors had registered an interest or short position in the shares, underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed in the section "Directors' interests and short positions in shares and underlying shares" above, at no time during the period were rights to acquire benefits by means of the acquisition of shares in the Company granted to any directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

董事於股份及相關股份之權益及淡倉(續)

附註：

1. 該170,700,104股股份由Farrow Star Limited持有，而該公司則由Perfection (PTC) Inc以The Evergreen Trust之受託人身份全資擁有，該全權信託由潘彬澤先生成立。根據《證券及期貨條例》，潘彬澤先生被視為擁有該等股份之權益。
2. 該456,450,000股股份由Farrow Star Limited擁有97.15%權益之Giant Wizard Corporation擁有。Giant Wizard Corporation之2.85%權益由潘彬澤先生擁有。
3. 該31,922,000股股份由潘機澤先生及其配偶共同擁有之Treasure Link International Holdings Limited持有。

除上文所披露者外，於二零一四年九月三十日，董事概無於本公司或其任何聯繫法團之股份、相關股份中，擁有須遵照《證券及期貨條例》第352條予以記錄之權益或淡倉，或根據標準守則須知會本公司及聯交所。

董事之購股權利

除於上述「董事於股份及相關股份之權益及淡倉」披露以外，於期內任何時間，概無任何董事或彼等各自的配偶或未成年子女獲授可藉購入本公司的股份而獲益的權利，或彼等概無行使此等權利；或本公司或其任何附屬公司概無參與任何安排，致令董事可於任何其他法人團體獲得此等權利。

Other Information

其他資料

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

At 30 September 2014, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions in ordinary shares of the Company:

主要股東及其他人士於股份及相關股份權益

於二零一四年九月三十日，以下擁有本公司已發行股本5%或以上之權益，已根據《證券及期貨條例》第336條規定記載於本公司須保存的權益登記冊內：

於本公司普通股之好倉：

Name	Capacity	Notes	Number of ordinary shares held	Percentage of the Company's issued share capital
名稱	身份	附註	持有普通股數目	佔本公司已發行股本百分比
Perfection (PTC) Inc	Trustee 受託人	2, 3	627,150,104	45.4
Farrow Star Limited	Through controlled corporation 藉受控制公司	1	456,450,000	33.0
	Directly owned 直接擁有		170,700,104	12.4
		3	627,150,104	45.4
Giant Wizard Corporation	Directly owned 直接擁有	1, 2	456,450,000	33.0
Aberdeen Asset Management Plc and its associates	Investment manager 投資經理		110,604,000	8.0
FMR LLC	Investment manager 投資經理		82,722,000	6.0
Cheah Cheng Hye 謝清海	Founder of a discretionary trust 全權信託成立人	4	82,766,000	6.0
To Hau Yin 杜巧賢	Through spouse 藉配偶	4	82,766,000	6.0

Other Information

其他資料

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

主要股東及其他人士於股份及相關股份權益(續)

Name	Capacity	Notes	Number of ordinary shares held	Percentage of the Company's issued share capital
名稱	身份	附註	持有普通股數目	佔本公司已發行股本百分率
BNP Paribas Jersey Trust Corporation Limited ("BNP Trust")	Trustee 受託人	4	82,766,000	6.0
BNP Paribas Jersey Nominee Corporation Limited ("BNP Nominee")	Nominee 代名人	4	82,766,000	6.0
Cheah Company Limited	Through controlled corporation 藉受控制公司	4	82,766,000	6.0
Cheah Capital Management Limited	Through controlled corporation 藉受控制公司	4	82,766,000	6.0
Value Partners Group Limited 惠理集團有限公司	Through controlled corporation 藉受控制公司	4	82,766,000	6.0
Value Partners Hong Kong Limited 惠理基金管理香港有限公司	Through controlled corporation 藉受控制公司	4	82,766,000	6.0
Value Partners Limited 惠理基金管理公司	Directly owned 直接擁有	4	82,766,000	6.0

Notes:

附註：

- The interests of Giant Wizard Corporation in the Company were duplicated by the indirect interests in the Company held by Farrow Star Limited.
 - The interests of Giant Wizard Corporation in the Company were duplicated by the indirect interests in the Company held by Perfection (PTC) Inc.
 - The interests of Farrow Star Limited in the Company were duplicated by the indirect interests in the Company held by Perfection (PTC) Inc.
- Giant Wizard Corporation 持有本公司之權益與 Farrow Star Limited 間接持有本公司之權益互相重疊。
 - Giant Wizard Corporation 持有本公司之權益與 Perfection (PTC) Inc 間接持有本公司之權益互相重疊。
 - Farrow Star Limited 持有本公司之權益與 Perfection (PTC) Inc 間接持有本公司之權益互相重疊。

Other Information

其他資料

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

4. These Shares are registered in the name of Value Partners Limited which is indirectly wholly-owned by Value Partners Group Limited which in turn is held as to 28.47% by Cheah Capital Management Limited. The entire issued share capital of Cheah Capital Management Limited is held by Cheah Company Limited, whose entire issued share capital is held by BNP Nominee in its capacity as nominee of The C H Cheah Family Trust. Cheah Cheng Hye and BNP Trust is the founder and the trustee of the trust respectively. Under the SFO, Value Partners Hong Kong Limited, Value Partners Group Limited, Cheah Capital Management Limited, Cheah Company Limited, BNP Nominee, BNP Trust, Cheah Cheng Hye and To Hau Yin (as spouse of Cheah Cheng Hye) are all deemed to be interested in the Shares held by Value Partners Limited.

Save as disclosed above, as at 30 September 2014, no person, other than the directors of the Company, whose interests are set out in the section "Directors' interests and short positions in shares and underlying shares" above, had registered an interest and short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

AUDIT COMMITTEE

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

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

主要股東及其他人士於股份及相關股份權益(續)

4. 該等股份以惠理基金管理公司的名義登記，其由為惠理集團有限公司間接全資擁有，而惠理集團有限公司則由Cheah Capital Management Limited持有28.47%。Cheah Capital Management Limited的全部已發行股本由Cheah Company Limited持有，而Cheah Company Limited的全部已發行股本由BNP Nominee以The C H Cheah Family Trust的代名人身份持有。謝清海及BNP Trust分別為該信託的成立人及受託人。根據證券及期貨條例，惠理基金管理香港有限公司、惠理集團有限公司、Cheah Capital Management Limited、Cheah Company Limited、BNP Nominee、BNP Trust、謝清海及杜巧賢(謝清海的配偶)全部被視作於惠理基金管理公司持有的股份中擁有權益。

除上文所披露者外，於二零一四年九月三十日，概無人士(除本公司董事的權益已詳述於「董事於股份及相關股份之權益及淡倉」外)於本公司股份或相關股份中，擁有須遵照《證券及期貨條例》第336條予以記錄之權益及淡倉。

購入、贖回或出售本公司上市證券

於期內，本公司及其任何附屬公司並無購入、贖回或出售本公司任何上市證券。

審核委員會

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

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

Other Information

其他資料

CORPORATE GOVERNANCE

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

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

The chairman of the Board has delegated the duty of attending the annual general meeting to the chief executive officer of the Company. The chairman considers the chief executive officer a suitable person for taking up such duty as the chief executive officer has been serving for similar duties for many years and he has good understanding of each operating segment of the Group.

DIRECTORS’ SECURITIES TRANSACTIONS

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

CHANGES IN INFORMATION OF DIRECTORS

There is no change in the information of directors that is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the publication of the Company’s 2014 Annual Report.

BOARD OF DIRECTORS

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

By Order of the Board
Poon Bun Chak
Executive Chairman

Hong Kong, 21 November 2014

企業管治

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

企業管治守則E.1.2條規定董事會之主席須出席本公司之股東週年大會。

董事會主席將出席股東週年大會之職務委任本公司行政總裁執行。主席認為該行政總裁處理該職務是合適人選，因該行政總裁已有多年執行同類職務的經驗，並對本集團各營運分類也十分瞭解。

董事的證券交易

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

董事資料的變動

自本公司二零一四年年報發佈以來，概無董事資料的變動須根據上市規則第13.51B(1)條之規定而予以披露。

董事會

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

承董事會命
執行主席
潘彬澤

香港，二零一四年十一月二十一日



TEXWINCA
holdings limited

香港新界葵涌興芳路223號新都會廣場第二座十六樓

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

電話 Tel. : (852) 2481 8018 傳真 Fax : (852) 2233 1111

德永佳集團有限公司

Stock Code 股份代號 : 321