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

(Incorporated in Hong Kong with limited liability) (Stock Code: 420)

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

The board of directors of Fountain Set (Holdings) Limited (the “Company” and the “Directors”, respectively) announces that the audited consolidated results of the Company and its subsidiaries (collectively, the “Group” or the “Fountain Set Group”) for the year ended 31 December 2021 are as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 綜合損益及其他全面收益表 FOR THE YEAR ENDED 31 DECEMBER 2021 截至2021年12月31日止年度

			2021	2020
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Revenue	營業額	3	6,751,277	4,943,230
Cost of sales	銷售成本		(5,871,738)	(4,332,098)
Gross profit	毛利		879,539	611,132
Other revenue	其他收入		86,483	69,688
Other gains and losses	其他收益及虧損		(14,406)	(27,313)
Distribution and selling expenses	分銷及銷售費用		(141,310)	(107,256)
Administrative expenses	行政費用		(458,436)	(406,800)
Finance costs	融資成本	4	(15,225)	(19,562)
Share of profit of an associate	應佔一間聯營公司之盈利		805	2,256
Profit before income tax expense	除所得稅支出前盈利		337,450	122,145
Income tax expense	所得稅支出	5	(67,192)	(20,554)
Profit for the year	是年度盈利	6	270,258	101,591
Profit for the year attributable to:	應佔是年度盈利：			
Owners of the Company	本公司擁有人		241,334	85,706
Non-controlling interests	非控股權益		28,924	15,885
			270,258	101,591
			<i>HK cents 港仙</i>	<i>HK cents 港仙</i>
Earnings per share	每股盈利			
– Basic	– 基本	8	19.7	7.0
– Diluted	– 攤薄	8	19.7	7.0

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 綜合損益及其他全面收益表

FOR THE YEAR ENDED 31 DECEMBER 2021 截至2021年12月31日止年度

		Note 附註	2021 HK\$'000 千港元	2020 HK\$'000 千港元
Profit for the year	是年度盈利	6	270,258	101,591
Other comprehensive income, net of tax	其他全面收益 (經扣除稅項)			
Item that may be reclassified subsequently to profit or loss:	其後可能重新分類 至損益之項目：			
Exchange differences arising on translation of foreign operations	換算海外業務產生之 匯兌差額		13,456	21,035
Other comprehensive income for the year	是年度其他全面收益		13,456	21,035
Total comprehensive income for the year	是年度全面收益總值		283,714	122,626
Total comprehensive income for the year attributable to:	應佔是年度全面收益總值：			
Owners of the Company	本公司擁有人		251,418	103,004
Non-controlling interests	非控股權益		32,296	19,622
			283,714	122,626

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

AS AT 31 DECEMBER 2021 於2021年12月31日

			At 31 December 於12月31日 2021 HK\$'000 千港元	At 31 December 於12月31日 2020 HK\$'000 千港元
		Notes 附註		
Non-current assets	非流動資產			
Investment properties	投資物業		83,195	72,524
Property, plant and equipment	物業、機器及設備		1,336,105	1,341,494
Right-of-use assets	使用權資產		196,861	217,398
Other intangible assets	其他無形資產		6,030	9,045
Deposit paid for purchase of plant and equipment	購買機器及設備的已付按金		16,808	12,506
Interest in an associate	於一間聯營公司之權益		23,598	22,793
Deferred tax assets	遞延稅項資產		65,914	71,062
			1,728,511	1,746,822
Current assets	流動資產			
Inventories	存貨	9	1,717,220	1,218,169
Trade and bills receivables	營業及票據應收款項	10	1,270,335	1,027,493
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		195,848	166,967
Tax recoverable	可收回稅項		7,300	3,342
Restricted bank deposits	受限制銀行存款		4,197	7,351
Short-term bank deposits	短期銀行存款		57,846	229,313
Bank balances and cash	銀行結餘及現金		767,133	1,026,254
			4,019,879	3,678,889
Current liabilities	流動負債			
Trade and bills payables	營業及票據應付款項	11	956,450	964,731
Other payables and accruals	其他應付款項及應計費用		322,984	280,312
Contract liabilities	合約負債		32,701	22,014
Lease liabilities – current portion	租賃負債—流動部分		24,641	31,399
Amounts due to non-controlling shareholders	欠非控股股東款項		62,834	64,525
Amount due to an associate	欠一間聯營公司款項		6,443	5,861
Deferred income – current portion	遞延收入—流動部分		5,457	3,701
Tax payable	應付稅項		32,247	17,487
Bank borrowings – due within one year	銀行借貸—一年內到期		327,342	229,606
			1,771,099	1,619,636
Net current assets	流動資產淨值		2,248,780	2,059,253
Total assets less current liabilities	資產總值減流動負債		3,977,291	3,806,075

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

AS AT 31 DECEMBER 2021 於2021年12月31日

		At 31 December 於12月31日 2021	At 31 December 於12月31日 2020
	Note 附註	HK\$'000 千港元	HK\$'000 千港元
Non-current liabilities	非流動負債		
Deferred income – non-current portion	遞延收入 – 非流動部分	83,147	66,311
Bank borrowings – due after one year	銀行借貸 – 一年後到期	–	7,142
Lease liabilities – non-current portion	租賃負債 – 非流動部分	130,330	146,037
Deferred tax liabilities	遞延稅項負債	4,716	6,796
		218,193	226,286
Net assets	資產淨值	3,759,098	3,579,789
Capital and reserves	資本及儲備		
Share capital	股本	889,810	889,810
Reserves	儲備	2,670,428	2,504,762
Equity attributable to owners of the Company	本公司擁有人應佔權益	3,560,238	3,394,572
Non-controlling interests	非控股權益	198,860	185,217
Total equity	權益總值	3,759,098	3,579,789

NOTES 附註

1. GENERAL INFORMATION

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

The financial information relating to the years ended 31 December 2021 and 31 December 2020 included in this final results announcement does not constitute the Company’s statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the “Companies Ordinance”) is as follows:

The Company has delivered the financial statements of the Group for the year ended 31 December 2020 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance and will deliver the financial statements of the Group for the year ended 31 December 2021 in due course.

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(a) Adoption of new or amended HKFRSs

Amendments to HKAS 39, HKFRS 7, HKFRS 9 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2 ¹
Amendments to HKFRS 16	COVID-19-Related Rent Concessions ¹
2021 Amendments to HKFRS 16	COVID-19-Related Rent Concessions beyond 30 June 2021 ²

¹ Effective for annual periods beginning on or after 1 January 2021.

² Effective for annual periods beginning on or after 1 April 2021.

None of these new or amended HKFRSs has a material impact on the Group’s results and financial position for the current or prior period. The Group has not early applied any new or amended HKFRSs that is not yet effective for the current accounting period except for the 2021 amendments to HKFRS 16. Impact on the application of this amended HKFRS is summarised below.

1. 一般資料

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

本末期業績公告所載有關截至2021年12月31日及2020年12月31日止年度之財務資料，並不構成本公司於該等年度之法定年度綜合財務報表，但摘錄自該等財務報表。根據香港法例第622章公司條例（「公司條例」）第436條須予披露有關該等法定財務報表之進一步資料如下：

本公司已根據公司條例第662(3)條及附表6第3部規定向公司註冊處處長呈交本集團截至2020年12月31日止年度之財務報表，並將會在適當時間遞交本集團截至2021年12月31日止年度之財務報表。

本公司獨立核數師已就本集團該兩個年度之財務報表作出報告。獨立核數師報告並無保留意見；並無載有獨立核數師在不對其報告作出保留意見之情況下，以強調的方式提請使用者注意的任何事項；及並無載有根據公司條例第406(2)條、第407(2)或(3)條作出的陳述。

2. 採納香港財務報告準則（「香港財務報告準則」）

(a) 採納新訂或經修訂之香港財務報告準則

香港會計準則第39號、 香港財務報告準則第7號、 香港財務報告準則第9號及 香港財務報告準則第16號 之修訂本	利率基準改革— 第二階段 ¹
香港財務報告準則第16號之 修訂本	COVID-19相關租 金減免 ¹
2021年之香港財務報告準則 第16號之修訂本	2021年6月30日之 後的COVID-19 相關租金減免 ²

¹ 於2021年1月1日或之後開始之年度期間生效。

² 於2021年4月1日或之後開始之年度期間生效。

以上新訂或經修訂香港財務報告準則對本集團當前或過往期間的業績及財務狀況並無重大影響。於本會計期間，本集團並無提前應用任何尚未生效之新訂或經修訂香港財務報告準則，惟2021年之香港財務報告準則第16號之修訂本除外。應用該經修訂香港財務報告準則的影響概述如下。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

(a) Adoption of new or amended HKFRSs (continued)

Amendment to HKFRS 16, COVID-19-Related Rent Concessions

HKFRS 16 was amended to provide a practical expedient to lessees in accounting for rent concessions arising as a result of the COVID-19 pandemic, by including an additional practical expedient in HKFRS 16 that permits entities to elect not to account for rent concessions as modifications. The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 pandemic and only if all of the following criteria are satisfied:

- (a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- (b) the reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- (c) there is no substantive change to other terms and conditions of the lease.

Rent concessions that satisfy these criteria may be accounted for in accordance with this practical expedient, which means the lessee does not need to assess whether the rent concession meets the definition of lease modification. Lessees shall apply other requirements of HKFRS 16 in accounting for the rent concession.

Accounting for rent concessions as lease modifications would have resulted in the Group remeasuring the lease liability to reflect the revised consideration using a revised discount rate, with the effect of the change in the lease liability recorded against the right-of-use asset. By applying the practical expedient, the Group is not required to determine a revised discount rate and the effect of the change in the lease liability is reflected in profit or loss in the period in which the event or condition that triggers the rent concession occurs.

2021 Amendments to HKFRS 16, COVID-19-Related Rent Concessions beyond 30 June 2021

The amendment extends the practical expedient available to lessees in accounting for COVID-19 related rent concessions by one year. The reduction in lease payments could only affect payments originally due on or before 30 June 2021 is extended to 30 June 2022. The amendment is effective for annual reporting periods beginning on or after 1 April 2021, with earlier application permitted.

The Group has elected to early adopt the above amendments and apply the practical expedient for all rent concessions that meet the criteria. In accordance with the transitional provisions, the Group has applied the amendment retrospectively, and has not restated prior period figure. As the rent concessions arose during the year ended 31 December 2020, there is no retrospective adjustment to opening balance of retained earnings at 1 January 2021 on initial application of the amendment.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂或經修訂之香港財務報告準則（續）

香港財務報告準則第16號之修訂本， COVID-19相關租金減免

修訂香港財務報告準則第16號乃就COVID-19疫情產生的租金減免為承租人提供可行權宜方法進行會計處理，透過在香港財務報告準則第16號中增加額外可行權宜方法，允許享有選擇不列賬租金減免（作為修訂）的權利。可行權宜方法僅在滿足以下所有標準的情況下，方可應用於由於COVID-19疫情的直接後果而產生的租金減免：

- (a) 租賃付款變動導致租賃代價有所修改，而經修改代價與緊接變動前租賃代價大致相同，或少於緊接變動前租賃代價；
- (b) 租賃付款的減幅僅影響原到期日為2021年6月30日或之前的付款；及
- (c) 租賃的其他條款及條件並無實質性變動。

符合該等標準的租金減免可根據可行權宜方法進行會計處理，意味著承租人不必評估租金減免是否符合租賃修改的定義。承租人應用香港財務報告準則第16號中的其他規定對該租金減免進行會計處理。

將租金減免作為租賃修訂進行會計處理，將會導致本集團採用經修訂貼現率對租賃負債進行重新計量，以反映經修訂代價，並將租賃負債變動的影響入賬列為使用權資產。通過應用可行權宜方法，本集團毋須釐定經修訂貼現率，而租賃負債變動的影響則於引起租金減免的事項或狀況發生期間於損益內反映。

2021年之香港財務報告準則第16號之修訂本，2021年6月30日之後的COVID-19相關租金減免

修訂本將可供承租人作COVID-19相關租金減免入賬的可行權宜方法期限延長一年。租賃付款減少僅可能影響原於2021年6月30日或之前到期的付款期限延長至2022年6月30日。修訂本於2021年4月1日或之後開始的年度申報期間生效，並獲准提早應用。

本集團已選擇提早採納上述修訂本及對所有符合標準的租金減免應用可行權宜方法。根據過渡條例，本集團已追溯應用該修訂，及並未重列過往期間數據。由於租金減免於截至2020年12月31日止年度期間產生，於首次應用該修訂時並無對於2021年1月1日滾存盈利的年初結餘作出追溯性調整。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

(b) New or amended HKFRSs that have been issued but are not yet effective

The following amendments to HKFRSs, potentially relevant to the Group’s financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group’s current intention is to apply these changes on the date they become effective.

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and Hong Kong Interpretation 5 (2020), Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ³
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosures of Accounting Policies ³
Amendments to HKAS 8	Definition of Accounting Estimates ³
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction ³
Amendments to HKAS 16	Proceeds before Intended Use ¹
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract ¹
Amendments to HKFRS 3	Reference to the Conceptual Framework ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Annual Improvements to HKFRSs 2018-2020 Cycle	Amendment to HKFRS, First-time Adoption of HKFRSs ¹
Annual Improvements to HKFRSs 2018-2020 Cycle	Amendment to HKFRS 9, Financial Instruments ¹
Annual Improvements to HKFRSs 2018-2020 Cycle	Amendment to illustrative examples accompanying HKFRS 16, Leases ¹

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

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(b) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則

下列可能與本集團財務報表有關之香港財務報告準則之修訂本已經頒佈，惟尚未生效，且未經本集團提早採納。本集團目前擬於該等變動生效日期應用該等變動。

香港會計準則第1號之修訂本	流動或非流動負債分類及香港詮釋第5號(2020)，財務報表的呈報 – 借款人對載有按要求償還條款的定期貸款的分類 ³
香港會計準則第1號及香港財務報告準則作業準則第2號之修訂本	會計政策披露 ³
香港會計準則第8號之修訂本	會計估計的定義 ³
香港會計準則第12號之修訂本	有關單獨交易產生的資產及負債的遞延稅項 ³
香港會計準則第16號之修訂本	用作擬定用途前的所得款項 ¹
香港會計準則第37號之修訂本	虧損合約 – 履行合約的成本 ¹
香港財務報告準則第3號之修訂本	概念框架的引用 ²
香港財務報告準則第10號及香港會計準則第28號之修訂本	投資者與其聯營公司或合營公司之間的資產出售或投入 ⁴
香港財務報告準則2018年至2020年週期之年度改進	香港財務報告準則第1號之修訂本，首次採用香港財務報告準則 ¹
香港財務報告準則2018年至2020年週期之年度改進	香港財務報告準則第9號之修訂本，金融工具 ¹
香港財務報告準則2018年至2020年週期之年度改進	香港財務報告準則第16號隨附的闡釋範例之修訂本，租賃 ¹

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

(b) New or amended HKFRSs that have been issued but are not yet effective (continued)

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

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability and explain that rights are in existence if covenants are complied with at the end of the reporting period. The amendments also introduce a definition of ‘settlement’ to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

Hong Kong Interpretation 5 (2020) was revised as a consequence of the Amendments to HKAS 1 issued in August 2020. The revision to Hong Kong Interpretation 5 (2020) updates the wordings in the interpretation to align with the Amendments to HKAS 1 with no change in conclusion and does not change the existing requirements.

The directors of the Company do not anticipate that the application of the amendments and revision in the future will have an impact on the consolidated financial statements.

Amendments to HKAS 1 and HKFRS Practice Statement 2, Disclosures of Accounting Policies

The amendments to HKAS 1 require companies to disclose their material accounting policy information rather than their significant accounting policies. The amendments to HKFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to accounting policy disclosures.

The directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the consolidated financial statements.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則（續）

香港會計準則第1號之修訂本，流動或非流動負債分類及香港詮釋第5號(2020)，財務報表的呈報－借款人對載有按要求償還條款的定期貸款的分類

該等修訂本澄清，負債應基於報告期末存在之權利分類為流動或非流動負債，明確規定，分類不受有關實體是否會行使其延遲清償債務權利之預期所影響，並闡述於報告期末倘已遵守契約，則存在該權利。該等修訂本亦引入「結算」的定義，以明確表示結算乃指將現金、股權工具、其他資產或服務轉移至交易對手方。

香港詮釋第5號(2020)因應於2020年8月頒佈香港會計準則第1號之修訂本而予以修訂。香港詮釋第5號(2020)之修訂更新詮釋之措辭以與香港會計準則第1號之修訂本一致，結論並無變動及並無更改現有規定。

本公司董事預期日後應用該等修訂本及修訂將不會對綜合財務報表產生影響。

香港會計準則第1號及香港財務報告準則作業準則第2號之修訂本，會計政策披露

香港會計準則第1號之修訂本要求公司披露其主要會計政策資料，而非其重大會計政策。香港財務報告準則作業準則第2號之修訂本就重要性概念應用於會計政策披露之方式提供指引。

本公司董事預期日後應用該等修訂本將不會對綜合財務報表產生影響。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

(b) New or amended HKFRSs that have been issued but are not yet effective (continued)

Amendments to HKAS 8, Definition of Accounting Estimates

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

The directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the consolidated financial statements.

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

The amendments clarify whether the initial recognition exemption applies to certain transactions that often result in both an asset and a liability being recognised simultaneously. Such instances might include the initial recognition of leases from the perspective of a lessee or asset retirement obligations (AROs)/decommissioning liabilities.

The directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the consolidated financial statements.

Amendments to HKAS 16, Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, the proceeds from selling such items, and the cost of producing those items, are recognised in profit or loss.

The directors of the Company are currently assessing the impact that the application of the amendments will have on the Group’s consolidated financial statements. The directors of the Company anticipate that the application of the amendments will likely have an impact on the Group’s accounting policies in respect of the construction of assets, as certain proceeds of selling items produced whilst bringing assets under construction are currently deducted from the cost of the asset.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則（續）

香港會計準則第8號之修訂本，會計估計的定義

該等修訂本闡明公司應對會計政策變動與會計估計變動加以區分。該區分屬重要之舉，乃因會計估計變動僅能預期應用於未來交易及其他未來事件，而會計政策變動一般亦追溯應用於過往交易及其他過往事件。

本公司董事預期日後應用該等修訂本將不會對綜合財務報表產生影響。

香港會計準則第12號之修訂本，有關單獨交易產生的資產及負債的遞延稅項

該等修訂本釐清初步確認豁免是否適用於通常導致同時確認資產及負債的若干交易。有關情況可能包括從承租人或資產報廢責任(AROs)/棄置責任的角度對租賃進行初步確認。

本公司董事預期日後應用該等修訂本將不會對綜合財務報表產生影響。

香港會計準則第16號之修訂本，用作擬定用途前的所得款項

該等修訂本禁止從物業、機器及設備項目的成本中扣除資產達到能夠按照管理層擬定的方式開展經營所必要的位置及條件而產生的任何出售項目所得款項。反之，將出售有關項目的所得款項及生產該等項目的成本於損益內確認。

本公司董事當前正評估應用該等修訂本對本集團綜合財務報表的影響。本公司董事預期，應用該等修訂本將可能對本集團有關在建資產的會計政策有所影響，因於在建資產之已生產銷售項目之若干所得款項當前是從資產成本中扣除。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

(b) New or amended HKFRSs that have been issued but are not yet effective (continued)

Amendments to HKAS 37, Onerous Contracts – Cost of Fulfilling a Contract

The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (e.g. direct labour and materials) or an allocation of other costs that relate directly to fulfilling contracts (e.g. the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The directors of the Company are currently assessing the impact that the application of the amendments will have on the Group’s consolidated financial statements. The directors of the Company anticipate that the application of the amendments will likely have an impact on the Group’s accounting policies in respect of the determination of when contracts are onerous, and the measurement of provision for onerous contracts recognised.

Amendments to HKFRS 3, Reference to the Conceptual Framework

The amendments update HKFRS 3 so that it refers to the revised Conceptual Framework for Financial Reporting 2018 instead of the version issued in 2010. The amendments add to HKFRS 3 a requirement that, for obligations within the scope of HKAS 37, an acquirer applies HKAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of HK(IFRIC) Interpretation 21, Levies, the acquirer applies HK(IFRIC) Interpretation 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. The amendments also add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the consolidated financial statements.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則（續）

香港會計準則第37號之修訂本，虧損合約—履行合約的成本

該等修訂本訂明「履行合約的成本包括與合約直接相關的成本」。與合約直接相關的成本既可為履行合約的增量成本（如直接勞工及材料），亦可為與履行合約直接相關的其他成本分配（如用於履行合約的物業、機器及設備項目的折舊支出分配）。

本公司董事當前正評估應用該等修訂本對本集團綜合財務報表的影響。本公司董事預期，應用該等修訂本將可能對本集團有關確定合約產生虧損時間以及確認虧損合約撥備計量的會計政策有所影響。

香港財務報告準則第3號之修訂本，概念框架的引用

該等修訂本更新香港財務報告準則第3號，令其指經修訂2018年財務報告概念框架，而非於2010年頒佈的版本。該等修訂本為香港財務報告準則第3號增加一項要求，即對香港會計準則第37號範圍內的義務而言，收購方應於收購日期應用香港會計準則第37號確定是否因過往事件而存在當前義務。就屬於香港（國際財務報告詮釋委員會）詮釋第21號，徵費，範圍內的徵費而言，收購方應用香港（國際財務報告詮釋委員會）詮釋第21號釐定導致支付徵費責任的義務事件是否已於收購日期前發生。該等修訂本亦增加明確聲明，即收購方不確認於業務合併收購的或有資產。

本公司董事預期日後應用該等修訂本將不會對綜合財務報表產生影響。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

(b) New or amended HKFRSs that have been issued but are not yet effective (continued)

Amendments to HKFRS 10 and HKAS 28, Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments clarify with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. When the transaction with an associate or joint venture that is accounted for using the equity method, any gains or losses resulting from the loss of control of a subsidiary that does not contain a business are recognised in the profit or loss only to the extent of the unrelated investors’ interests in that associate or joint venture. Similarly, any gains or losses resulting from the remeasurement of retained interest in any former subsidiary (that has become an associate or a joint venture) to fair value are recognised in the profit or loss only to the extent of the unrelated investors’ interests in the new associate or joint venture.

The directors of the Company anticipate that the application of these amendments may have an impact on the consolidated financial statements in future periods should such transaction arise.

Annual Improvements to HKFRSs 2018-2020 Cycle, Amendment to HKFRS 1, First-time Adoption of HKFRSs

The annual improvements permit a subsidiary that applies paragraph D16(a) of HKFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent’s date of transition to HKFRSs.

The directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the consolidated financial statements.

Annual Improvements to HKFRSs 2018-2020 Cycle, Amendment to HKFRS 9, Financial Instruments

The annual improvements amend a number of standards, including HKFRS 9, Financial Instruments, which clarify the fees included in the ‘10 per cent’ test in paragraph B3.3.6 of HKFRS 9 in assessing whether to derecognise a financial liability, explaining that only fees paid or received between the entity and the lender, including fees paid or received by either the entity or the lender on other’s behalf are included.

The directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the consolidated financial statements.

Annual Improvements to HKFRSs 2018-2020 Cycle, Amendment to illustrative examples accompanying HKFRS 16, Leases

The annual improvements amend a number of standards, including HKFRS 16, Leases, which amend Illustrative Example 13 to remove the illustration of reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.

The directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the consolidated financial statements.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則（續）

香港財務報告準則第10號及香港會計準則第28號之修訂本，投資者與其聯營公司或合營公司之間的資產出售或投入

有關修訂澄清投資者與其聯營公司或合營公司之間存在資產出售或投入的情況。當與聯營公司或合營公司的交易採用權益法入賬時，因失去對不包含業務的附屬公司的控制權而產生的任何收益或虧損於損益確認，惟僅以非關聯投資者於該聯營公司或合營公司的權益為限。同樣，將任何已成為聯營公司或合營公司的前附屬公司的保留權益按公允價值重新計量而產生的任何收益或虧損於損益確認，惟僅以非關聯投資者於新聯營公司或合營公司的權益為限。

本公司董事預期應用該等修訂本可能對未來期間之綜合財務報表產生影響（倘發生有關交易）。

香港財務報告準則2018年至2020年週期之年度改進，香港財務報告準則第1號之修訂本，首次採用香港財務報告準則

年度改進允許應用香港財務報告準則第1號第D16(a)段的附屬公司可按母公司過渡至香港財務報告準則的日期，使用母公司呈報的金額以計量累計換算差額。

本公司董事預期日後應用該等修訂本將不會對綜合財務報表產生影響。

香港財務報告準則2018年至2020年週期之年度改進，香港財務報告準則第9號之修訂本，金融工具

年度改進修訂多個準則（包括香港財務報告準則第9號，金融工具），其釐清於評估是否終止確認金融負債時計入香港財務報告準則第9號第B3.3.6段中「百分之十」測試之費用，解釋僅計入實體與貸款人之間支付或收取之費用（包括實體或貸款人代表另一方支付或收取之費用）。

本公司董事預期日後應用該等修訂本將不會對綜合財務報表產生影響。

香港財務報告準則2018年至2020年週期之年度改進，香港財務報告準則第16號隨附的闡釋範例之修訂本，租賃

年度改進修訂多個準則（包括香港財務報告準則第16號，租賃），其修訂用作說明之例子13，以刪除出租人償還租賃物業裝修之說明，以解決因該例子中如何說明租賃獎勵措施而可能出現與處理租賃獎勵有關之任何潛在混淆情況。

本公司董事預期日後應用該等修訂本將不會對綜合財務報表產生影響。

3. REVENUE AND SEGMENT INFORMATION

The board of directors of the Company (the “Board”), i.e. the chief operating decision maker, regularly reviews the operating results and financial information based on distinct geographical areas of location of customers, including Hong Kong (place of domicile of the Group), the People’s Republic of China (the “PRC”), Taiwan, Korea, Sri Lanka, America, Europe and Others, i.e. representing other geographical locations mainly Bangladesh, Vietnam, Singapore and Macau. All of these geographical areas are operating segments except “Others” which is an aggregation of operating segments.

The following is an analysis of the Group’s revenue and profit from the production and sales of dyed fabrics, yarns and garments and results by reportable segments for the year.

2021	2021年	Hong Kong 香港 HK\$'000 千港元	The PRC 中國 HK\$'000 千港元	Taiwan 台灣 HK\$'000 千港元	Korea 韓國 HK\$'000 千港元	Sri Lanka 斯里蘭卡 HK\$'000 千港元	America 美洲 HK\$'000 千港元	Europe 歐洲 HK\$'000 千港元	Others 其他地區 HK\$'000 千港元	Segment total 分類總值 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Revenue	營業額											
External sales	對外銷售	798,421	2,146,338	391,790	396,295	1,077,315	536,395	64,156	1,340,567	6,751,277	-	6,751,277
Inter-segment sales (note)	分類間銷售(附註)	3,548,512	1,897,481	-	-	349,085	-	-	154,940	5,950,018	(5,950,018)	-
Total segment revenue	分類營業額總值	4,346,933	4,043,819	391,790	396,295	1,426,400	536,395	64,156	1,495,507	12,701,295	(5,950,018)	6,751,277
Results	業績											
Segment profit	分類盈利	84,571	214,139	42,201	42,484	82,555	53,448	6,894	140,739			667,031
Interest income	利息收入											7,790
Unallocated income	未分配收入											4,091
Depreciation, amortisation and impairment loss	折舊、攤銷及減值損失											(173,481)
Other unallocated expenses	其他未分配支出											(153,561)
Finance costs	融資成本											(15,225)
Share of profit of an associate	應佔一間聯營公司之盈利											805
Profit before income tax expense	除所得稅支出前盈利											337,450

3. 營業額及分類資料

本公司董事會(「董事會」)(即主要營運決策者)根據客戶所在地區不同的地域位置定期審閱經營業績及財務資料,包括香港(本集團所屬地)、中華人民共和國(「中國」)、台灣、韓國、斯里蘭卡、美洲、歐洲及其他地區(即指其他地域位置,主要為孟加拉國、越南、新加坡及澳門)。所有該等地域位置為營運分類,而「其他地區」則為綜合之營運分類。

以下為本集團於是年度源自製造及銷售色布、紗及成衣按可申報分類劃分之營業額及盈利以及業績所作之分析。

3. REVENUE AND SEGMENT INFORMATION (continued)

3. 營業額及分類資料 (續)

2020	2020年	Hong Kong 香港 HK\$'000 千港元	The PRC 中國 HK\$'000 千港元	Taiwan 台灣 HK\$'000 千港元	Korea 韓國 HK\$'000 千港元	Sri Lanka 斯里蘭卡 HK\$'000 千港元	America 美洲 HK\$'000 千港元	Europe 歐洲 HK\$'000 千港元	Others 其他地區 HK\$'000 千港元	Segment total 分類總值 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Revenue	營業額											
External sales	對外銷售	608,561	1,602,187	352,448	398,678	737,851	205,977	57,174	980,354	4,943,230	-	4,943,230
Inter-segment sales (note)	分類間銷售(附註)	2,581,795	1,216,163	-	-	200,970	-	-	57,461	4,056,389	(4,056,389)	-
Total segment revenue	分類營業額總值	3,190,356	2,818,350	352,448	398,678	938,821	205,977	57,174	1,037,815	8,999,619	(4,056,389)	4,943,230
Results	業績											
Segment profit	分類盈利	58,644	175,986	37,969	42,891	65,244	7,870	6,163	103,929			498,696
Interest income	利息收入											7,574
Unallocated income	未分配收入											1,635
Depreciation, amortisation and impairment loss	折舊、攤銷及減值損失											(211,477)
Other unallocated expenses	其他未分配支出											(156,977)
Finance costs	融資成本											(19,562)
Share of profit of an associate	應佔一間聯營公司之盈利											2,256
Profit before income tax expense	除所得稅支出前盈利											122,145

Note: Inter-segment sales are charged at price by reference to the prevailing market rates.

附註：分類間銷售之價格乃參照當時之市場價格而釐定。

Segment profit represents the profit earned by each segment without allocation of central administration costs and other expenses (including non-production related employee benefits expenses, directors' emoluments, bank charges, etc.), depreciation and amortisation of investment properties, property, plant and equipment and other intangible assets, interest income, impairment loss and loss on disposal/written-off of property, plant and equipment, finance costs, share of profit of an associate, etc. This is the measure reported to the Board for the purposes of resource allocation and performance assessment. No analysis on segment assets and liabilities is disclosed as it is not presented to the Board.

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

3. REVENUE AND SEGMENT INFORMATION (continued)

Disaggregation of revenue

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

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Revenue from contracts with customers within the scope of HKFRS 15:	香港財務報告準則第15號範圍內的客戶合同收入：		
Production and sales of dyed fabrics and yarns	製造及銷售色布及紗	5,917,779	4,322,991
Production and sales of garments	製造及銷售成衣	833,498	620,239
		6,751,277	4,943,230

Timing of revenue recognition:

確認收入的時間：

At a point in time	在某時間點	6,751,277	4,943,230
Transferred over time	隨時間轉移	-	-
		6,751,277	4,943,230

The following table provides information about trade and bills receivables and contract liabilities from contracts with customers.

下表提供有關營業及票據應收款項以及來自客戶合同的合約負債資料。

		At 31 December 於12月31日 2021 HK\$'000 千港元	At 31 December 於12月31日 2020 HK\$'000 千港元
Trade and bills receivables (note 10)	營業及票據應收款項 (附註10)	1,270,335	1,027,493
Contract liabilities	合約負債	32,701	22,014

Information about major customers

No revenue from individual customer contributed over 10% of the total revenue of the Group for the years ended 31 December 2021 and 31 December 2020.

有關主要客戶之資料

截至2021年12月31日及2020年12月31日止年度，來自個別客戶之收入佔本集團營業總額均無超過10%。

4. FINANCE COSTS

4. 融資成本

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Finance costs on:	融資成本：		
Bank borrowings	銀行借貸	6,670	10,632
Lease liabilities	租賃負債	8,555	8,930
		15,225	19,562

5. INCOME TAX EXPENSE

5. 所得稅支出

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Current tax:	是年度稅項：		
Hong Kong	香港	23,534	9,969
The PRC	中國	28,324	22,203
Other jurisdictions	其他司法地區	13,202	8,806
		65,060	40,978
(Over)/under provision in prior years:	過往年度(超額撥備) / 撥備不足：		
Hong Kong	香港	358	(34)
The PRC	中國	(812)	(384)
Other jurisdictions	其他司法地區	(558)	1,601
		(1,012)	1,183
		64,048	42,161
Deferred tax:	遞延稅項：		
Hong Kong	香港	(2,006)	(3,117)
The PRC	中國	8,123	(15,711)
Other jurisdictions	其他司法地區	(2,973)	(2,779)
		3,144	(21,607)
		67,192	20,554

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

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

5. INCOME TAX EXPENSE (continued)

Under the law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

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

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

6. PROFIT FOR THE YEAR

5. 所得稅支出 (續)

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例,中國附屬公司之稅率為25%。

根據斯里蘭卡有關之法律及法規,斯里蘭卡附屬公司之稅率為14%。

其他司法地區之稅項是以有關各自司法地區當時之稅率計算。

6. 是年度盈利

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Profit for the year has been arrived at after charging/(crediting):	是年度盈利已扣減/(計入):		
Amortisation of deferred income (note i) ¹	遞延收入之攤銷 (附註i) ¹	(3,105)	(1,643)
Amortisation of other intangible assets ³	其他無形資產之攤銷 ³	3,015	3,015
Auditors' remuneration	核數師之薪酬		
– BDO Limited	– 香港立信德豪會計師事務所有限公司	2,961	2,913
– Other auditors	– 其他核數師	51	47
Cost of sales (note ii)	銷售成本 (附註ii)	5,871,738	4,332,098
Depreciation of investment properties	投資物業之折舊	4,991	3,735
Depreciation and impairment of property, plant and equipment	物業、機器及設備之折舊及減值	165,475	204,727
Depreciation of right-of-use assets	使用權資產之折舊	28,881	30,527
Employee costs (including directors' emoluments)	僱員成本 (包括董事酬金)	982,519	813,296
Government grants (note iii) ¹	政府補貼 (附註iii) ¹	(7,077)	(18,417)
Interest income ¹	利息收入 ¹	(7,790)	(7,574)
Loss on disposal/written-off of property, plant and equipment ²	出售/撇銷物業、機器及設備之虧損 ²	61	11,286
Net exchange (gains)/losses ²	匯兌 (收益) / 虧損淨值 ²	(3,113)	2,218
Net rental income from investment properties ¹	投資物業之租金收入淨值 ¹	(13,574)	(11,772)
Provision for impairment loss recognised on trade and bills receivables, net ²	營業及票據應收款項之減值損失撥備確認淨值 ²	11,343	13,966
Provision for impairment loss recognised on other receivables, net ²	其他應收款項之減值損失撥備確認淨值 ²	6,115	–
COVID-19-related rent concessions ¹	COVID-19相關租金減免 ¹	–	(2,082)
Research and development costs	研發成本	54,219	35,197

- ¹ Included in other revenue
² Included in other gains and losses
³ Included in administrative expenses

Notes:

- (i) Amortisation of deferred income mainly represents grants received from the PRC local government authority as subsidies to the Group for acquiring property, plant and equipment for business development and energy saving scheme implemented by the PRC local government.

- ¹ 包括在其他收入內
² 包括在其他收益及虧損內
³ 包括在行政費用內

附註:

- (i) 遞延收入之攤銷主要指收取來自中國當地政府機構授予本集團用作購入物業、機器及設備之補貼,該等補貼乃用於業務發展及中國當地政府執行的節能計劃。

6. PROFIT FOR THE YEAR (continued)

Notes: (continued)

- (ii) Cost of sales includes HK\$1,672,851,000 (2020: HK\$1,377,761,000) of staff costs, depreciation and impairment of property, plant and equipment, depreciation of right-of-use assets, subcontracting fee, recognition/(reversal) of write-down of inventories and other manufacturing overheads. Staff costs, depreciation and impairment of property, plant and equipment and depreciation of right-of-use assets are also included in the respective total amounts disclosed above for each of these types of expenses.
- (iii) For the year ended 31 December 2021, government grants included grants of HK\$7,077,000 (2020: HK\$9,064,000) received from the PRC local government authority as subsidies to the Group for incentive of foreign trade and steady growth of business and there were no restrictions with the use of such government grants.

For the year ended 31 December 2020, the Group applied for government support programs introduced in response to the COVID-19 pandemic. Included in profit or loss was HK\$9,353,000 of government grants obtained relating to supporting the payroll of the Group's employees from the Hong Kong Government and the Macau Government. The Group elected to present this government grant separately, rather than reducing the related expense. The Group had to commit to spending the assistance on payroll expenses, and not to reduce employee head count below prescribed levels for a specified period of time. The Group did not have any unfulfilled obligations relating to this program. No such government grants were obtained for the year ended 31 December 2021.

7. DIVIDENDS

Dividend recognised as distribution during the year:	是年度已確認為分派之股息：
2020 final dividend of HK7.00 cents (2019: HK9.28 cents) per share	2020年末期股息每股7.00港仙 (2019年：每股9.28港仙)
2020 nil special dividend (2019 special dividend: HK1.16 cents) per share	2020年無特別股息 (2019年特別股息：每股1.16港仙)

No interim dividend was paid or proposed for both years.

The final dividend of HK16.00 cents in respect of the year ended 31 December 2021 (2020: HK7.00 cents) per share, amounting to approximately HK\$196,004,000 (2020: HK\$85,752,000) has been recommended by the Board and will be subject to the approval of the shareholders at the forthcoming annual general meeting of the Company.

6. 是年度盈利 (續)

附註：(續)

- (ii) 銷售成本包括1,672,851,000港元(2020年：1,377,761,000港元)之員工成本、物業、機器及設備折舊及減值、使用權資產折舊、加工費用、撇銷存貨確認／(回撥)及其他製造費用。員工成本、物業、機器及設備折舊及減值以及使用權資產折舊亦已包括在上文所披露各類開支之相關總額內。
- (iii) 截至2021年12月31日止年度，政府補貼包括收取來自中國當地政府機構授出作為本集團鼓勵外貿及業務穩定增長之補貼7,077,000港元(2020年：9,064,000港元)，而該等政府補貼的使用並無限制。

截至2020年12月31日止年度，本集團申請應對COVID-19疫情而引入之政府支持計劃。就支持本集團支付僱員之工資而取得香港政府及澳門政府之政府補貼9,353,000港元計入損益。本集團選擇單獨呈列該政府補貼，而非扣減相關開支。本集團須承諾將補貼用於支付工資開支，且於特定期間內不可將員工人數減少至低於所規定的水平。本集團就該計劃並無任何尚未履行之責任。截至2021年12月31日止年度，概無獲取該政府補貼。

7. 股息

	2021 HK\$'000 千港元	2020 HK\$'000 千港元
Dividend recognised as distribution during the year:		
2020 final dividend of HK7.00 cents (2019: HK9.28 cents) per share	85,752	113,683
2020 nil special dividend (2019 special dividend: HK1.16 cents) per share	-	14,210
	85,752	127,893

於兩個年度並無已付或擬派中期股息。

董事會建議派付截至2021年12月31日止年度之末期股息每股16.00港仙(2020年：7.00港仙)，合共約196,004,000港元(2020年：85,752,000港元)，並將須待股東於本公司應屆股東週年大會上批准。

8. EARNINGS PER SHARE

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

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Earnings	盈利		
Profit for the year attributable to ordinary equity shareholders of the Company for the purpose of computation of basic earnings and diluted earnings per share	就計算每股基本盈利及攤薄盈利所用之本公司普通股股權持有人應佔是年度盈利	241,334	85,706

		2021	2020
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of computation of basic earnings and diluted earnings per share	就計算每股基本盈利及攤薄盈利所用之普通股加權平均數目	1,225,026,960	1,225,026,960

(a) Basic earnings per share

The computation of basic earnings per share for the year ended 31 December 2021 is based on the profit attributable to ordinary equity shareholders of the Company of HK\$241,334,000 (2020: HK\$85,706,000) and the weighted average of 1,225,026,960 ordinary shares (2020: 1,225,026,960 ordinary shares) during the year.

(b) Diluted earnings per share

The Company had no potentially dilutive ordinary shares outstanding for the years ended 31 December 2021 and 31 December 2020.

8. 每股盈利

本公司擁有人應佔每股基本盈利及攤薄盈利乃根據下列數據計算：

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Earnings	盈利		
Profit for the year attributable to ordinary equity shareholders of the Company for the purpose of computation of basic earnings and diluted earnings per share	就計算每股基本盈利及攤薄盈利所用之本公司普通股股權持有人應佔是年度盈利	241,334	85,706

		2021	2020
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of computation of basic earnings and diluted earnings per share	就計算每股基本盈利及攤薄盈利所用之普通股加權平均數目	1,225,026,960	1,225,026,960

(a) 每股基本盈利

截至2021年12月31日止年度之每股基本盈利乃按年內本公司普通股股權持有人應佔盈利241,334,000港元（2020年：85,706,000港元）及加權平均數目1,225,026,960股普通股（2020年：1,225,026,960股普通股）計算。

(b) 每股攤薄盈利

截至2021年12月31日及2020年12月31日止年度，本公司並無發行在外之具潛在攤薄影響之普通股。

9. INVENTORIES

		At 31 December 於12月31日 2021 HK\$'000 千港元	At 31 December 於12月31日 2020 HK\$'000 千港元
Spare parts	備件	28,039	26,165
Raw materials	原料	526,525	437,988
Work-in-progress	半製品	580,700	380,750
Finished goods	製成品	581,956	373,266
		1,717,220	1,218,169

10. TRADE AND BILLS RECEIVABLES

		At 31 December 於12月31日 2021 HK\$'000 千港元	At 31 December 於12月31日 2020 HK\$'000 千港元
Trade receivables	營業應收款項	1,037,003	857,558
Bills receivables	票據應收款項	270,164	194,991
Less: loss allowance	減：虧損撥備	(36,832)	(25,056)
		1,270,335	1,027,493

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

本集團提供介乎30天至60天信貸期予其營業客戶。營業及票據應收款項根據發票日期於報告期終的賬齡分析如下：

		At 31 December 於12月31日 2021 HK\$'000 千港元	At 31 December 於12月31日 2020 HK\$'000 千港元
Within 1 month	1個月內	753,219	586,759
1 to 2 months	1至2個月	331,739	278,901
2 to 3 months	2至3個月	128,921	116,324
Over 3 months	3個月以上	93,288	70,565
		1,307,167	1,052,549
Less: loss allowance	減：虧損撥備	(36,832)	(25,056)
		1,270,335	1,027,493

11. TRADE AND BILLS PAYABLES

		At 31 December 於12月31日 2021 HK\$'000 千港元	At 31 December 於12月31日 2020 HK\$'000 千港元
Trade payables	營業應付款項	727,898	631,840
Bills payables	票據應付款項	228,552	332,891
		956,450	964,731

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

營業及票據應付款項按發票日期於報告期終的賬齡分析如下：

		At 31 December 於12月31日 2021 HK\$'000 千港元	At 31 December 於12月31日 2020 HK\$'000 千港元
Within 1 month	1個月內	608,512	726,372
1 to 2 months	1至2個月	226,591	146,890
2 to 3 months	2至3個月	44,258	49,141
Over 3 months	3個月以上	77,089	42,328
		956,450	964,731

All the bills payables of the Group were not yet due at the end of the reporting period.

於報告期終，本集團之所有票據應付款項均未到期。

As at 31 December 2021, bills payables of HK\$13,038,000 (31 December 2020: HK\$28,991,000) were secured by the Group's restricted bank deposits of HK\$2,608,000 (31 December 2020: HK\$5,798,000).

於2021年12月31日，票據應付款項13,038,000港元（2020年12月31日：28,991,000港元）乃由本集團之受限制銀行存款2,608,000港元（2020年12月31日：5,798,000港元）作為抵押。

The credit period on purchase of goods ranges from 30 days to 120 days.

購貨的信貸期介乎30天至120天。

12. SHARE CAPITAL

12. 股本

		At 31 December 於12月31日 2021		At 31 December 於12月31日 2020	
		No. of shares 股份數目	HK\$'000 千港元	No. of shares 股份數目	HK\$'000 千港元
Ordinary shares, issued and fully paid	普通股，已發行及繳足				
At beginning and at end of the year	於年初及於年終	1,225,026,960	889,810	1,225,026,960	889,810

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

根據香港公司條例（第622章）第135條，本公司的普通股並無票面價值。

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

2021 was one of the most successful years in the Fountain Set Group's recent business history in terms of gross profit margin and profit attributable to owners of the Company. Although the Group was bombarded by the 2019 disease coronavirus novel (the "COVID-19") pandemic (the "Pandemic") domestically and globally since early 2020, with our strong resilience and determination to turn things around, the Group has recorded a solid financial results in 2021. Thanks to everyone in the Group who made tremendous efforts and persistence, the Group managed to ride on the increased demand on circular-knitted textile and garment products and services globally to achieve the highest gross profit margin since 2011 and the best profit attributable to owners of the Company in 15 years since 2006.

As the COVID-19 vaccination helps to suppress the Pandemic and the increasing vaccination coverage has led to more and more countries adopting an increasingly co-existent approach to dealing with the virus, relaxing the restrictions on social distancing, allowing a somewhat normal domestic life and consumer behaviors around the globe. We saw higher demand on our textile and garment products from our major customers as global apparel brands regained confidence in placing orders for apparel products. In 2021 when compared to a low base in 2020, resulting in a significant increase by 36.6% on the revenue of the Group for the year ended 31 December 2021 to HK\$6,751,277,000 (2020: HK\$4,943,230,000). During the year under review, the Group's fabric year-on-year volume increment was approximately 22.7% whereas the average selling price increased by 11.8% year-on-year.

Benefited from the efficient and effective control of the Pandemic in mainland China, our production mills were in full operation during 2021. As a result, the general sales condition in 2021 was much better than that of 2020 for the Group. In addition, the Group was able to achieve the best collaboration on a global scale with our operation and management system of "production, supply and sales integration", to respond well to operating crises and market risks and managed to maintain reasonable control on our cost of goods sold to sales ratio amid the historical high on raw material prices in the market during 2021.

Reviewed the same period in 2020, 2020 was affected noticeably due to the beginning outbreak of the Pandemic around the world, which led to the temporary closure of our production facilities in mainland China and the sharp reduction in demand on textile and apparel products due to the city lock-down and social distancing policies in place in 2020. During the second half of 2020, production has actively resumed in China, the Pandemic has gradually subsided and the economy continued to recover, resulting in an abnormal year of 2020 for the Group in terms of revenue and profit.

Prices of cotton yarn, being the major raw materials of the Group, surged to a record high in recent decade. Under such circumstances, costs were inevitably shifted to our customers. With our continuous stringent control on cost of goods sold and further market consolidation, the gross profit margin of the Group in 2021 was higher than the corresponding period last year by 0.6 percentage point to 13.0% (2020: 12.4%).

管理層討論及分析

業務回顧

2021年是福田集團近年經營業績中，毛利率及本公司擁有人應佔盈利取得最佳成績的其中一年。儘管自2020年年初以來，本集團受到國內外2019冠狀病毒病（「COVID-19」）疫情（「疫情」）夾擊，我們憑藉強勁韌性和堅定決心扭轉局面，2021年錄得喜人的財務業績。本集團搭上全球圓筒針織布料及成衣產品與服務需求增長之快車，實現自2011年以來的最高毛利率及錄得自2006年以來15年內最高的本公司擁有人應佔盈利，均歸功於本集團全體員工的巨大奉獻及堅毅不懈。

由於COVID-19疫苗能控制疫情且隨著疫苗接種率提高，越來越多的國家採取與病毒共存的方式應對疫情，放寬保持社交距離之防控政策，各國允許一定範圍的正常居民生活及消費行為。於2021年，鑑於全球服裝品牌重新增強了下達服裝產品訂單的信心，我們主要客戶對我們的紡織品及成衣產品的需求較2020年的較低基準有所增加，令本集團截至2021年12月31日止年度之收益大幅增長36.6%至6,751,277,000港元（2020年：4,943,230,000港元）。於回顧年度，集團面料出貨量按年增長約22.7%，而平均售價則按年增加11.8%。

得益於中國內地疫情的有效控制，於2021年我們的廠房全部投入運作。因此，2021年的一般銷售條件較2020年對本集團更為有利。此外，於2021年，憑藉「產供銷一體化」經營管理體系，本集團已能夠實現全球範圍內的統籌協作，而令本集團有效應對經營危機及市場風險，本集團亦已能夠在原材料市價達致歷史最高位時，維持對我們銷售成本佔銷售額比率的合理控制。

回顧2020年同期，2020年本集團經營明顯受到疫情影響。於2020年由於全球疫情剛開始爆發，導致本集團於中國內地的生產廠房臨時停工及所採取的城市封鎖及保持社交距離政策導致紡織服裝產品需求銳減。至2020年下半年，中國已積極復工復產及疫情逐步減輕，經濟持續回暖，令本集團於2020年的營業額及盈利表現異於往年年份。

本集團的主要原材料棉紗價格飆升至近十年來的新高位，在此情況下，成本不可避免地轉移至我們的客戶。經過我們持續嚴格控制銷售成本和進一步的市場整合，本集團2021年的毛利率高於去年同期0.6個百分點至13.0%（2020年：12.4%）。

Thanks to the tightened control in the distribution and selling expenses, administrative expenses as well as finance costs in 2021, the earnings before interest, tax, depreciation and amortisation margin was 7.8% in 2021 (2020: 6.4%), the highest for the past eight financial years which demonstrated our enhanced operating efficiency. Profit for the year in 2021 demonstrated a significant jump from HK\$101,591,000 in 2020 to HK\$270,258,000 in 2021, representing an impressive increment of 166%. Profit attributable to owners of the Company in 2021 was HK\$241,334,000, also a strong come-back from HK\$85,706,000 in 2020. The profit margin substantially increased by 1.9 percentage points to 4.0% in 2021 (2020: 2.1%). Basic earnings per share in 2021 was HK19.7 cents (2020: HK7.0 cents), a remarkable increment of HK12.7 cents.

Under the strong leadership of the Board as well as the management of the Group, all staff of the Fountain Set Group are determined to forge ahead and work tenaciously and achieved annual operating performance exceeding all operating results indicators in the past five years.

(1) Forging ahead with determination to hit a new record high in the annual operating results

Since entering the year of 2021, the textile and apparel market demand has resumed growth, whilst the market growth of different regions varies. The product demand structure and procurement model were undergoing profound changes, the market situation was fluctuating, and the business environment of enterprises was changing. The management team of the Fountain Set Group actively responded to changes in the complex market operating environment by strictly controlling risks and improving efficiency.

(i) The market situation was complex and the business environment was changing

With the recovery of textile and apparel market demand, product demand structure and procurement model were also undergoing profound changes. Reflected in market sales, the demand for traditional varieties recovered rapidly, while the demand for new varieties and high-value varieties grew slowly. In the meantime, affected by high level of inventory, major buyers tended to be more cautious in their forecasts on future demand in terms of varieties and quantities, as a result of which, the proportion of orders for small-batch, multi-variety, and short-delivery has increased.

(ii) The fluctuation of raw material prices

Since the second quarter of 2021, the price of raw materials has been at a high level for a prolonged period of time. Although the demand for low-value traditional products has recovered rapidly, the purchasing power of demand recovered slowly, so that the market selling price was suppressed.

The cotton problem had not been resolved yet, affected by which, the quality of raw materials generally declined and production losses increased, which pushed up the cost of raw materials consumption. In addition, the supply had tightened and the procurement costs had increased, which increased the cost of raw materials for the production of enterprise products, costs were unavoidably passed to clients.

得益於2021年對分銷及銷售費用、行政費用以及融資成本的嚴格控制，2021年的息稅折舊及攤銷前利潤率為7.8%（2020年：6.4%），為過去八個財政年度的最高水平，表明我們經營效益的提高。是年度盈利由2020年的101,591,000港元大幅上升至2021年的270,258,000港元，增長達166%，振奮人心。於2021年，本公司擁有人應佔盈利為241,334,000港元，較2020年85,706,000港元強勢回歸。2021年盈利率大幅提高1.9個百分點至4.0%（2020年：2.1%）。2021年每股基本盈利為19.7港仙（2020年：7.0港仙），每股基本盈利顯著增長12.7港仙。

在董事會以及本集團管理層的精明領導下，福田集團全體員工銳意進取、頑強奮鬥，於過往五年均實現年度經營表現超過各年的經營業績指標。

(1) 銳意進取，年度經營業績再創歷史新高

進入2021年以來，紡織服裝市場需求恢復增長，但各區域市場需求增長呈現不同表現。產品需求結構和採購模式深刻改變，市場形勢波動起伏，企業經營環境變化多端。福田集團經營管理團隊，積極應對複雜的市場經營環境變化，嚴控風險，提升效益。

(i) 市場形勢複雜，經營環境變化多端

隨著紡織服裝市場需求恢復增長，產品需求結構和採購模式也深刻改變。反映在市場銷售方面，傳統品種的需求恢復增長較快，新品種和高價值品種需求增長緩慢。同時，受高庫存影響，主要買家對未來需求品種和數量的預測趨於謹慎，小批量、多品種、短交期訂單比例增大。

(ii) 原材料價格不穩

自第二季度以來，原材料價格較長時間處於高位水平。雖然低價值傳統產品需求恢復較快，但需求購買能力恢復緩慢，市場銷售價格受到壓制。

棉花問題並未解決，受此影響，原材料品質普遍下降，生產損耗上升，推高了原材料的消耗，加上供應量趨緊，採購成本增加，使企業產品生產原材料成本增加，非不得以需要轉嫁成本予客戶。

Since the middle of the third quarter of 2021, driven by the combined influence of various unfavorable factors, the prices of raw material, energy and dyestuff and chemical had skyrocketed, resulted in a sharp rise in the production costs of production companies. Also, due to the continuous impact of factors such as power and production restrictions in various regions of mainland China, as well as RMB exchange fluctuations and labor shortages, the manufacturing costs of production enterprises had risen.

(iii) Giving full play to the advantages of overall marketing to expand market sales

With the opportunity of resumption of market growth, the Fountain Set Group gave full play to the advantages of overall marketing, maintained aggressive marketing policies, and actively followed up the demand growth of major customers and major buyers, thus striving to expand market sales. At the same time, we actively developed order demand of small and medium customers, expanded market share, and explored potential demand of customers for high-value varieties.

The Fountain Set Group accelerated product research and development and trial production, and developed 1,300 product samples, covering more than 400 special varieties in ten categories. That has enhanced the market competitiveness of high-value products of the Group, and significantly increased order value, thereby creating conditions for a substantial increase in annual profitability.

Taking advantage of the favorable conditions for early recovery of growth during the Pandemic, the Fountain Set Group actively carried out market development to establish a mechanism for mutual assistance and cooperation with major customers and major buyers. With market-oriented and customer demand-targeted, the Fountain Set Group integrated its production, supply and sales capabilities to carry out overall marketing campaign, and actively expanded product sales in the domestic market.

(iv) Promoting lean manufacturing to increase competitiveness and reduce manufacturing costs

The Fountain Set Group propelled the process technologies innovation that significantly improved production efficiency and process technology standard. On one hand, through equipment transformation and upgrading, the Group improved its manufacturing capacity significantly. The production efficiency increased significantly while the production costs decreased substantially. On the other hand, by continuously promoting the application of process technology for improvement in production efficiency, our standard of production technology and product quality had been comprehensively improved.

自第三季度中期以來，受各種不利因素疊加影響的推動，原料、能源、染化料價格暴漲，各生產企業產品生產成本大幅上升，加上中國內地各地區限電、限產，以及人民幣匯率波動和勞動力短缺等因素的持續影響，生產企業生產製造成本上升。

(iii) 發揮整體行銷優勢，擴大市場銷售

福田集團抓住市場恢復增長的機遇，發揮整體行銷的優勢，保持積極進取的行銷政策，積極跟進大客戶和主要買家的需求增長，努力擴大市場銷售。同時積極開發中小客戶的訂單需求，擴大市場佔有率，發掘客戶高價值品種的潛在需求。

福田集團加快了產品研發和試製，研製開發產品樣版1,300項，涵蓋十類特殊品種400餘項，提升了本集團高價值產品的市場競爭力，訂單價值顯著提升，為全年盈利水準的大幅度提高創造了條件。

福田集團利用在疫情期間先期進入恢復性增長的有利條件，積極開展與主要客戶和主力買家建立互助合作機制的市場開拓工作，以市場為導向，以客戶需求為目標，整合集團產供銷的綜合能力開展整體行銷，積極擴大內銷市場產品銷售。

(iv) 推進精益製造，增加競爭能力，降低製造成本

福田集團推進工藝技術創新，生產效率和工藝技術水準顯著提升。一方面，本集團通過裝備改造升級，製造能力提升效果顯著，生產效率大幅提高的同時生產製造成本也大幅降低。另一方面，通過不斷推進提升生產效率工藝技術的應用，我們的生產工藝技術水準和產品品質標準得以全面提升。

Since entering the year of 2021, the Fountain Set Group has achieved fruitful results in the process technology improvement. Following the application of a batch of new processes and new technologies to production practices, plus the introduction and utilisation of equipment with advanced technological characteristics for the purpose of production, the production process had been optimised, with production efficiency and product quality significantly improved, and production losses and production costs also decreased substantially. The lean manufacturing had been extensively promoted, which effectively improved the competitiveness of the Fountain Set Group in the industry.

In 2021, a total of ten major categories of new products were successfully trial-produced, which represented the further improvement in product diversity and technological advancement of the Fountain Set Group, and provided effective support for the expansion of sales market and a substantial increase in profits of the Fountain Set Group.

(2) Out-performed the three-year operating responsibility target through overcoming various difficulties

(i) Realising significant improvement in production efficiency and process standard by propelling upgrade of equipment and process technology

Through equipment upgrade and transformation and introduction of equipment with advanced technology into production, we improved our manufacturing capacity significantly. The production facilities of the Fountain Set Group successively introduced a series of equipment with advanced technology into production, which significantly improved our production efficiency and manufacturing capacity.

By continuously promoting application of process technology improvement results in production, the level of production technology was comprehensively improved. The Fountain Set Group achieved fruitful results in advancing process technology improvement. Following the application of a batch of new processes and new technologies to production, the production process had been optimised, with production efficiency and product quality significantly improved and production losses and production costs significantly decreased.

(ii) Achieving a number of results in product development and performance improvement with R&D capabilities significantly enhanced

After years of continuous research work on product development and improvement, the Fountain Set Group achieved merit performance in terms of product development and variety improvement. By utilising new materials and new technologies, we achieved results in nearly 1,000 varieties of four major series, namely product upgrades, new material applications, functional series and environmental protection products. Some of these achievements won awards for invention and innovation, and were recognised and acclaimed by the market.

進入2021年以來，福田集團工藝技術改進取得了豐富成果，隨著一批新工藝、新技術的研發成果先後應用於生產實踐，配合陸續引進及使用具有先進工藝特點的設備用於生產，生產工藝流程得以不斷優化，生產效率和產品品質大幅提升，生產損耗和生產成本也大幅降低，精益製造得到了廣泛地推進，使福田集團的行業競爭力得到有效提升。

2021年共有十個大類新產品試製成功，代表了福田集團產品的多樣性和工藝先進性進一步提升，為福田集團銷售市場擴大，盈利大幅增加，提供了有效的支援。

(2) 攻堅克難，三年經營責任目標超額完成

(i) 推進裝備和工藝技術升級，生產效率和工藝水準顯著提升

通過裝備升級改造，引進具有先進工藝特徵的生產設備投入生產，我們的製造能力提升效果顯著，福田集團下屬生產企業一批具有先進工藝特色的設備陸續引進投入生產，我們的生產效率和製造能力得以顯著提升。

通過不斷推進工藝技術改進成果的生產運用，生產工藝技術水準全面提升。福田集團推進工藝技術改進取得了豐碩成果，隨著一批新工藝、新技術的研發成果陸續應用於生產實踐，優化了生產工藝流程，生產效率和產品品質大幅提升，生產損耗和生產成本也明顯降低。

(ii) 產品開發和性能改進取得多項成果，研發能力大幅增強

經過幾年來不斷進行產品開發和改進的研究工作，福田集團產品開發和品種改進取得了良好的成果。我們利用新材料、新技術，在產品升級、新材料應用、功能系列和環保產品四大系列近1,000多個品種取得成果，其中部分成果獲得了發明專項和創新獎項，得到了市場認可和好評。

The application of new fibers and new materials continued to deepen and a number of achievements had been transformed into new products and launched into the market. The successful development of DuPont Sorona®Plus elastic cool fiber knitted fabric enhanced the development of new materials functional fabrics of the Fountain Set Group to a new level and it had been put into mass production to supply the market. On this basis, cotton-covered silk plain weave products and cotton-covered cotton plain weave products had been put into production. In addition, a batch of products characterised by high wearability, strong texture, energy saving and environmental protection, such as atmospheric tangible cationic polyester staple fiber products, expanded acrylic mixed fiber products, and polyester filament products, hit the market one after another, effectively facilitated the diversification and refinement of the product portfolio of the Fountain Set Group.

The development and improvement of multi-layer composite structure fabrics also achieved new results. Through continuous research and tests in recent years, our development of three-layer composite fabrics was extended to five-layer composite fabrics without altering the existing equipment. The variety and features of such products were further enhanced and broadened. At present, multi-layer composite sports and casual apparel fabrics became one of the main products of the Fountain Set Group.

On this basis, the features of multi-layer composite fabrics have been further enhanced and improved by improving weaving equipment and process with the selection of different fiber composition. Currently, the quality test results of the three-layer composite fabrics produced by the Fountain Set Group are up to more than 4 levels.

(iii) Promoting the technological transformation of intelligent information systems to transform outdated production methods

The technological transformation project of the Fountain Set Group's intelligent information system has been developed since 2019. Its development delayed as disruptions has been occurred due to the development of Pandemic, and now it's implemented to work with existing MENU system. The project aims to replace the existing MENU system and build a manufacturing execution (MES+) system based on the Internet of Things. Through the use of information technology and MES+ system, the standardisation of process technology can be realised to improve the predictability and accuracy of the implementation of production plan, and lean manufacturing and flexible manufacturing can be achieved from the past obsolete push-production approach to comprehensively improve the production efficiency and factory management standard, which constitutes the basic information platform of the Fountain Set Group's "production, supply and sales integration" management system.

新纖維、新材料的應用不斷深化，一批成果已經轉化為新型產品投入市場。杜邦Sorona®Plus彈性涼感纖維針織面料的開發成功，使福田集團新材料功能性面料開發提升到了新的水準，並已大量投入生產供應市場。在此基礎上，棉蓋絲平紋產品、棉蓋棉平紋產品已經投入生產。另外，常壓易染陽離子聚酯短纖產品、膨脹腈綸混合纖維產品和滌綸長絲產品等一批具有服用性高、質地感強、節能環保型的產品正在陸續投放市場，為福田集團品種多樣化和精品化發展起到了有效的促進作用。

多層複合結構布種的開發和改進也取得了新的成果。通過近年來的不斷研究、試驗，在不改變現有設備的情況下，從三層複合織物的開發已經向五層複合織物延伸，該類產品的品種和性能進一步提升和拓寬。目前，多層複合運動休閒服裝類面料，成為福田集團的主要產品之一。

在此基礎上，利用織造設備和工藝的改進，配合不同纖維材料的選用配比，多層複合織物面料性能已經有了進一步的提升和改進，目前福田集團生產的三層複合織物面料的品質測試均達4級以上。

(iii) 推進智慧化資訊系統技術改造，轉變落後生產方式

福田公司智慧化資訊系統技術改造專案，於2019年開始建造，期間數次受疫情影響而有所延誤，現正實施跟原MENU系統並行上綫工作。該專案以替換現有MENU系統為目的，並以物聯網為基礎，構建生產製造執行(MES+)系統。通過資訊化手段與MES+系統，可實現工藝技術標準化，提升生產計畫執行的可預知性與準確性，從落後的推動式生產實現精益製造與柔性製造，全面提升生產效率和工廠管理水準，是福田集團「產供銷一體化」管理體系的資訊化基礎平台。

According to the Fountain Set Group's overall work requirement of "overall planning and step-by-step implementation", the technological transformation project of intelligent information system will cover the entire production process from raw material storage, weaving, dyeing, finishing, semi-finished/finished product storage and finished product shipment, as well as the entire order business cycle from business forecast order to official order, production work order, purchase order, storage and shipment through the construction of the system platform. Through the information interconnection of existing systems (SAP, central control system, etc.) and production equipment, we can achieve order scheduling optimization and restructuring, raw material procurement tracking, warehousing logistics/production logistics control, manufacturing execution, product development and other business model reengineering, data collection, big data processing, analysis and application to explore new business growth points, improve comprehensive decision-making capabilities in terms of production, operation, management, cost, investment and other aspects, so that the entire production process is transparent, intelligent and paperless and effective management of the five elements of human, machine, material, method and environment can be realised.

(iv) Continuously improving management control and operational efficiency by leveraging the advantages of the "production, supply and sales integration" management system

The Fountain Set Group has been able to seize the opportunities of market growth and effectively enhance its competitiveness and profitability in the course of its operation and management, thanks to the key role of the "production, supply and sales integration" management system in supporting the Group's operation control. The fact that Fountain Set Group has been able to achieve record-high operating results over the past three years also proves the key role of the operation and management system under the "production, supply and sales integration" management model in the stable operations and sustainable growth of the Fountain Set Group.

With the advantages of the "production, supply and sales integration" management system, the Fountain Set Group has been able to improve its refinement management capabilities and has also formed a team of managers who are skilled in using the management system and have operational control capabilities. During the crisis caused by the impact of the Pandemic in 2020, the Fountain Set Group's management team withstood the test and successfully led the Group back to growth ahead of companies in the same industry, and the team's business management skills were improved. In 2021, the Fountain Set Group seized the opportunity to expand its market, carried out effective operation and realised productive management performance in terms of risks prevention, revenue enhancement, cost reduction and other aspects, achieving key indicators to measure corporate value and exceeding the three-year management responsibility target, which once again demonstrated the strength of the Fountain Set Group's management model and management team.

(3) Events after the Reporting Period

The Group did not have any significant events after the end of the reporting period (i.e. 31 December 2021) and up to the date of this announcement.

根據福田集團「整體規劃，分步實施」的總體工作要求，智慧化資訊系統技術改造專案，通過系統平台的搭建，並覆蓋至原料入倉、織造、染色、整理、半成品／成品入倉、成品出貨的整個生產過程以及從營業預測訂單到正式訂單、生產工單、採購訂單、入庫、發貨的整個訂單業務週期；通過對現有系統（SAP、中控系統等）、生產設備進行資訊互聯，實現訂單排產優化重組、原料採購跟蹤、倉儲物流／生產物流管控、製造執行、產品開發等業務模型再造、資料獲取、大資料處理分析和應用來挖掘企業新的業務增長點，提高生產、經營、管理、成本、投資等方面的綜合性決策能力，使生產全過程透明化、智慧化、無紙化；實現人、機、料、法、環五要素的有效管理。

(iv) 發揮「產供銷一體化」經營管理體系優勢，經營管控和運營效率不斷改善

福田集團在經營管理過程中，能夠抓住市場增長的機遇，有效提升競爭能力和盈利水準，得益於「產供銷一體化」經營管理體系對集團營運管控的關鍵支撐作用。三年來福田集團能夠不斷取得創歷史新高的經營成果，也證明了「產供銷一體化」經營管理模式對福田集團經營穩定、持續增長的關鍵作用。

福田集團憑藉「產供銷一體化」經營管理體系的優勢，精細化管理能力不斷提高，也形成了熟練運用管理體系和具有運營管控能力的經理人團隊。2020年疫情衝擊造成的危機中，福田集團經理人團隊經受住了考驗，成功帶領集團先於同行業企業恢復增長，團隊的經營管理能力也得到了提高。進入2021年，福田集團抓住機遇，擴大市場，有效經營，防範風險，增加收益，降低成本等多方面富有成效的管理表現，達成了衡量企業價值的關鍵指標，超額完成三年經營責任指標，再次表現出福田集團經營管理模式和經理人團隊的優勢。

(3) 報告期後事項

本集團自報告期末（即2021年12月31日）後至本公告日期止，並沒有任何重大事項發生。

FINANCIAL REVIEW

The key operating and financial indicators of the Group for the year ended 31 December 2021 are set out below:

財務回顧

本集團截至2021年12月31日止年度之主要經營及財務指標呈列如下：

		2021	2020
Statement of Profit or Loss Items	損益表項目		
(All amounts in HK\$ thousands unless otherwise stated)	(除特別註明外所有金額均以千港元列示)		
Revenue	營業額	6,751,277	4,943,230
Gross profit	毛利	879,539	611,132
EBITDA*	息稅折舊及攤銷前利潤	526,113	316,486
Profit for the year	是年度盈利	270,258	101,591
Profit attributable to owners of the Company	本公司擁有人應佔盈利	241,334	85,706
Basic earnings per share (HK cents)	每股基本盈利 (港仙)	19.7	7.0
Key Financial Ratios	主要財務比率		
Profitability ratios	盈利能力比率		
Gross profit margin (%)	毛利率(%)	13.0%	12.4%
EBITDA* margin (%)	息稅折舊及攤銷前利潤率(%)	7.8%	6.4%
Expenses as a % of revenue	開支佔營業額比率		
Distribution and selling expenses	分銷及銷售費用	2.1%	2.2%
Administrative expenses	行政費用	6.8%	8.2%
Finance costs	融資成本	0.2%	0.4%
Asset efficiency	資產效率		
Inventory turnover period (days)	存貨周轉期 (日)	107	103
Trade and bills receivables turnover period (days)	營業及票據應收款項周轉期 (日)	69	76
Trade and bills payables turnover period (days)	營業及票據應付款項周轉期 (日)	59	82

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

* EBITDA解釋為息稅折舊及攤銷前利潤。

		At 31 December 於12月31日 2021	At 31 December 於12月31日 2020
Asset ratios	資產比率		
Current ratio [#]	流動比率 [#]	2.3	2.3
Net debt/EBITDA ratio	淨債務／息稅折舊及攤銷前利潤率	(1.0)	(3.2)
Gearing ratio	資本負債比率		
Total liabilities/Equity attributable to owners of the Company	負債總額／本公司擁有人應佔權益	0.6	0.5

[#] Current ratio is calculated by dividing current assets by current liabilities.

[#] 流動比率的計算方法是將流動資產除以流動負債。

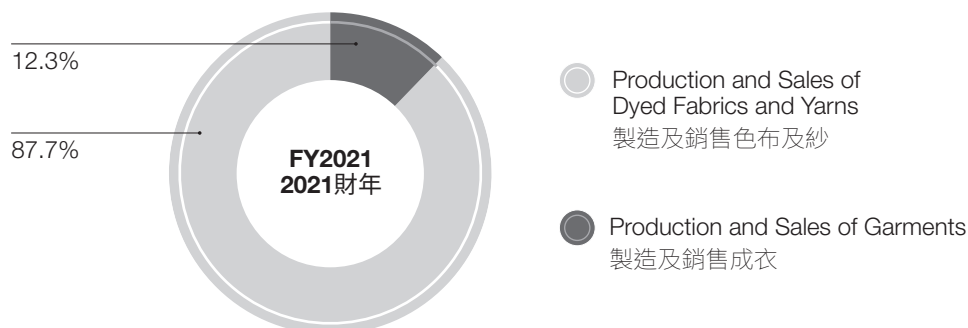
Revenue

The Group's revenue for the year ended 31 December 2021 amounted to approximately HK\$6,751,277,000 (2020: HK\$4,943,230,000).

營業額

集團截至2021年12月31日止年度的營業額約為6,751,277,000港元（2020年：4,943,230,000港元）。

Revenue by business segments



For the year under review, the Group's core business, production and sales of dyed fabrics and yarns, generated revenue of approximately HK\$5,917,779,000 (2020: HK\$4,322,991,000), which accounted for 87.7% (2020: 87.5%) of the Group's total revenue. Revenue from production and sales of garments was approximately HK\$833,498,000 (2020: HK\$620,239,000), which accounted for 12.3% (2020: 12.5%) of the Group's total revenue.

於回顧年度，集團核心業務—製造及銷售色布及紗的營業額約為5,917,779,000港元（2020年：4,322,991,000港元），佔集團營業額總值的87.7%（2020年：87.5%）。製造及銷售成衣的營業額約為833,498,000港元（2020年：620,239,000港元），佔集團營業額總值的12.3%（2020年：12.5%）。

Cost of Sales and Gross Profit

For the year ended 31 December 2021, overall cost of sales of the Group amounted to approximately HK\$5,871,738,000 (2020: HK\$4,332,098,000) and overall gross profit margin was 13.0% (2020: 12.4%).

During the year under review, the Group's revenue increased by 36.6% compared with the last year, which was mainly due to the increase in sales volume of fabric by approximately 22.7%. Compared with the same period last year, the increase in percentage of revenue was larger than the increase in percentage of production cost, which led to the increase in gross profit margin.

Distribution and Selling Expenses

For the year ended 31 December 2021, the Group's overall distribution and selling expenses amounted to approximately HK\$141,310,000 (2020: HK\$107,256,000), which accounted for 2.1% (2020: 2.2%) of the Group's total revenue.

Administrative Expenses

For the year ended 31 December 2021, the Group's overall administrative expenses amounted to approximately HK\$458,436,000 (2020: HK\$406,800,000), which accounted for 6.8% (2020: 8.2%) of the Group's total revenue.

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

For the year ended 31 December 2021, the Group's EBITDA amounted to approximately HK\$526,113,000 (2020: HK\$316,486,000) and the EBITDA margin was 7.8% (2020: 6.4%).

Finance Costs

For the year ended 31 December 2021, the Group's finance costs amounted to approximately HK\$15,225,000 (2020: HK\$19,562,000), representing 0.2% (2020: 0.4%) of the Group's total revenue.

Capital Expenditure

During the year under review, the Group invested approximately HK\$170,676,000 (2020: HK\$135,777,000) in additions of property, plant and equipment and investment properties. The Group's capital commitments primarily related to the acquisition of property, plant and equipment. As at 31 December 2021, the Group had contracted capital commitments of approximately HK\$116,978,000 (31 December 2020: HK\$105,938,000) in relation to the acquisition of property, plant and equipment.

銷售成本及毛利

集團截至2021年12月31日止年度之整體銷售成本約為5,871,738,000港元(2020年: 4,332,098,000港元), 整體毛利率為13.0%(2020年: 12.4%)。

於回顧年內, 本集團的營業額上升36.6%, 主要是由於面料銷售量增加約22.7%。與去年同期相比, 營業額的上升幅度大於生產成本的上升幅度, 引致毛利率上升。

分銷及銷售費用

集團截至2021年12月31日止年度之整體分銷及銷售費用約為141,310,000港元(2020年: 107,256,000港元), 佔集團營業額總值的2.1%(2020年: 2.2%)。

行政費用

集團截至2021年12月31日止年度之整體行政費用約為458,436,000港元(2020年: 406,800,000港元), 佔集團營業額總值的6.8%(2020年: 8.2%)。

息稅折舊及攤銷前利潤(EBITDA)

集團截至2021年12月31日止年度之息稅折舊及攤銷前利潤約為526,113,000港元(2020年: 316,486,000港元), 息稅折舊及攤銷前利潤率為7.8%(2020年: 6.4%)。

融資成本

集團截至2021年12月31日止年度之融資成本約為15,225,000港元(2020年: 19,562,000港元), 佔集團營業額總值的0.2%(2020年: 0.4%)。

資本開支

於回顧年內, 集團已投資約170,676,000港元(2020年: 135,777,000港元)以增加物業、機器及設備及投資物業。集團的資本承擔主要涉及購買物業、機器及設備。於2021年12月31日, 集團有關購買物業、機器及備的已簽約資本承擔約為116,978,000港元(2020年12月31日: 105,938,000港元)。

Income Tax Expense

For the year ended 31 December 2021, income tax expense of the Group amounted to approximately HK\$67,192,000 (2020: HK\$20,554,000).

Profit Attributable to Owners of the Company

For the year ended 31 December 2021, profit attributable to owners of the Company was approximately HK\$241,334,000 (2020: HK\$85,706,000) and the corresponding profit margin was 3.6% (2020: 1.7%).

Inventories

As at 31 December 2021, the Group's inventories amounted to approximately HK\$1,717,220,000 (31 December 2020: HK\$1,218,169,000). The inventory turnover period was 107 days, an increase of 4 days compared with 103 days in 2020.

Trade and Bills Receivables

As at 31 December 2021, the Group's trade and bills receivables amounted to approximately HK\$1,270,335,000 (31 December 2020: HK\$1,027,493,000). Trade and bills receivables turnover period was 69 days, a decrease of 7 days compared with 76 days in 2020.

Trade and Bills Payables

As at 31 December 2021, the Group's trade and bills payables amounted to approximately HK\$956,450,000 (31 December 2020: HK\$964,731,000). Trade and bills payables turnover period was 59 days, a decrease of 23 days compared with 82 days in 2020.

As at 31 December 2021, bills payables of HK\$13,038,000 (31 December 2020: HK\$28,991,000) were secured by the Group's restricted bank deposits of HK\$2,608,000 (31 December 2020: HK\$5,798,000).

所得稅支出

集團截至2021年12月31日止年度之所得稅支出約為67,192,000港元(2020年: 20,554,000港元)。

本公司擁有人應佔盈利

集團截至2021年12月31日止年度之本公司擁有人應佔盈利約為241,334,000港元(2020年: 85,706,000港元)，其相關盈利率為3.6%(2020年: 1.7%)。

存貨

集團於2021年12月31日之存貨約為1,717,220,000港元(2020年12月31日: 1,218,169,000港元)。存貨周轉期為107天，與2020年103天相比增加4天。

營業及票據應收款項

集團於2021年12月31日之營業及票據應收款項約為1,270,335,000港元(2020年12月31日: 1,027,493,000港元)。營業及票據應收款項周轉期為69天，與2020年76天相比減少7天。

營業及票據應付款項

集團於2021年12月31日之營業及票據應付款項約為956,450,000港元(2020年12月31日: 964,731,000港元)。營業及票據應付款項周轉期為59天，與2020年82天相比減少23天。

於2021年12月31日，票據應付款項13,038,000港元(2020年12月31日: 28,991,000港元)乃由本集團之受限制銀行存款2,608,000港元(2020年12月31日: 5,798,000港元)作為抵押。

Liquidity and Financial Resources

As at 31 December 2021, the Group's net assets amounted to approximately HK\$3,759,098,000 (31 December 2020: HK\$3,579,789,000). The key figures of the Group's financial position were as follows:

資金流動性及財政資源

於2021年12月31日，集團資產淨值約為3,759,098,000港元（2020年12月31日：3,579,789,000港元）。集團財務狀況的主要資料如下：

		At 31 December 於12月31日 2021 HK\$'000千港元	At 31 December 於12月31日 2020 HK\$'000千港元
Non-current assets	非流動資產	1,728,511	1,746,822
Current assets	流動資產	4,019,879	3,678,889
Total assets	資產總值	5,748,390	5,425,711
Current liabilities	流動負債	1,771,099	1,619,636
Non-current liabilities	非流動負債	218,193	226,286
Total liabilities	負債總值	1,989,292	1,845,922
Net assets	資產淨值	3,759,098	3,579,789

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

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

As at 31 December 2021, the principal financial covenant figures/ratios (according to the definitions of the Group's principal banks) were as follows:

於2021年12月31日，主要的財務契約數據／比率（根據本集團主要往來銀行的定義）如下：

		At 31 December 於12月31日 2021	At 31 December 於12月31日 2020
Consolidated tangible net worth	綜合淨有形資產	HK\$3,255,116,000港元	HK\$3,195,548,000港元
Consolidated total bank debt to consolidated tangible net worth	綜合總銀行負債對綜合淨有形資產比例	0.1	0.1
Consolidated EBITDA to consolidated interest expenses	綜合息稅折舊及攤銷前利潤對綜合利息支出比例	34.6	16.2
Consolidated current assets to consolidated current liabilities	綜合流動資產對綜合流動負債比例	2.3	2.3
Consolidated capital expenditure	綜合資本開支	HK\$170,676,000港元	HK\$135,777,000港元

During the years ended 31 December 2021 and 2020, the Group had complied with all covenant ratios and undertakings.

於截至2021年2020年12月31日止年度內，本集團已遵守所有契約比率及承諾。

Risk Management

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

風險管理

集團會依據嚴格及審慎的風險管理政策應對外匯及利率風險。

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

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

In addition, bank borrowings of the Group were denominated in HKD and USD and interests were mainly charged on a floating rate basis. The average effective interest rate of bank borrowings of the Group was 1.44% per annum (2020: 2.46% per annum) per annum for the year ended 31 December 2021 and the bank borrowings were repayable within one year. All bank borrowings were unsecured for the years ended 31 December 2021 and 31 December 2020. The Group will continue to monitor the interest rates fluctuation in the market and will adopt appropriate measures to minimise the interest rate risk.

此外，集團的銀行借貸以港元和美元為單位，利息主要以浮動利率計算。本集團銀行借貸之平均實際年利率1.44%（2020年：2.46%），及銀行借貸須於一年內償還。截至2021年12月31日及2020年12月31日止年度，所有銀行借貸均為無抵押。本集團將繼續留意市場的利率波動，並安排合適的措施以減低利率風險。

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2021, the Group had approximately 7,900 (31 December 2020: 7,600) full-time employees. The Group will continue to implement streamlined production so as to further minimise its labour cost. The Group's emolument policies are formulated based on the performance of individual employee and the salary trends in various regions, which are reviewed regularly. Subject to the Group's profitability, the Group may also distribute a discretionary bonus to its employees as an incentive for their contribution to the Group.

The Company also provides regular training courses and subsidies for continuing education so as to improve the skills of its employees with respect to production, selling and management.

OUTLOOK

The recovery of the end consumer apparel market continues to support strong customer order demand of textile and apparel products heading into 2022. Our order visibility is solid and strong and the sales momentum of 2021 has been seen in the first quarter of 2022, showing continuous encouraging business and financial results. However, rising raw material costs, the potential outbreak of Omicron variant near our production facilities and the strained shipment situation will inevitably lead to inflation of consumer prices as well as clouding the stability of the production of the overall supply chain.

The rising consumer awareness of health due to the Pandemic, has led to increasing demands for different types of exercises including hiking, running, yoga, gym work-out etc. At the same time, as work-from-home become a new common around the globe, these factors are changing consumer preference towards casual wear, sportswear and athleisure products. We believe that these trends should provide strong support for the further growth in casual wear and sportswear apparel demand.

Striving to achieving the strategic development goals for the China's 14th Five-Year Plan (the "14th FYP") period with continued efforts

The current global economy is undergoing significant changes, and economic globalisation is facing challenges. Under the impact of many uncertain factors, the global textile industry layout is constantly changing, and a new global textile industry and textile trade layout are taking shape. The Fountain Set Group is also facing unprecedented challenges, and it needs to accelerate adjusting its development strategy to facilitate transformation and upgrading.

Facing severe situation and challenges, the Fountain Set Group comprehensively analyses the changes in macroeconomic situation and accurately grasps global economic and industrial development trends to promote high-quality development under the guidance of innovative development and in line with the requirements of China's textile industry development.

Promoting quality and innovative remain as the top priority for the future development of the Fountain Set Group

In general, there is still a considerable gap between the current level of technological development of China's textile industry and the goal of being a textile powerhouse. Therefore, the textile enterprises in China should adhere to the strategic direction of promoting high-quality development with innovation and new drivers transforming from technologies for a long period of time in future.

僱員及酬金政策

集團於2021年12月31日之全職僱員人數約為7,900人(2020年12月31日:7,600人)。本集團將繼續實施精簡生產,以盡量減少勞動力成本。集團的酬金政策是根據個別僱員的工作表現及各地區薪酬趨勢而制定並定期作出檢討。集團亦會因應集團之盈利情況,酌情發放花紅予僱員以鼓勵他們對集團之貢獻。

本公司亦會提供定期培訓課程及資助進修計劃,以提高僱員之生產、銷售及管理技能。

前景

踏入2022年,終端成衣消費市場的復甦將繼續支持客戶紡織及成衣製品強勁的訂單需求。我們的訂單能見度實在及明確,2022第一季可以見到2021年的銷售勢頭,與去年同期相比所顯示的業務及財務業績令人鼓舞。但另一方面,原材料成本上漲、我們的生產設施附近潛在爆發奧密克戎變種疫情以及貨運緊張狀況將不可避免的導致消費價格上漲,令整個供應鏈的生產穩定性蒙上陰影。

由於疫情原因,消費者的健康意識日益提升令爬山、跑步、瑜伽、健身房健身等鍛煉身體的需求增加。同時,居家辦公成為全球新常态,該等因素正在改變消費者變得更加偏好休閒服、運動服及運動休閒的產品。我們相信,該等趨勢將為休閒服及運動服需求的進一步增長提供強力支撐。

繼續奮鬥,努力實現「十四五」戰略發展目標

當前全球經濟正經歷重大變革,經濟全球化正面臨挑戰,在諸多不確定性因素的影響下,全球紡織產業格局不斷變化。新的全球紡織產業和紡織品貿易格局正在形成,福田集團也面臨前所未有的挑戰,必須加快調整發展戰略促進轉型升級。

面對嚴峻的形勢和挑戰,福田集團全面分析宏觀經濟形勢的變化,準確把握全球經濟產業發展的趨勢,結合中國紡織工業發展的要求,以創新發展為指導思想,推進企業高品質發展。

以創新為引領,轉換動能,推動高品質發展,仍是未來福田集團發展的首要任務

從整體上看,中國紡織產業科技發展的現時水準與紡織強國的目標還有相當大的差距。因此,中國紡織製造企業在未來相當長一段時期內需要堅持以創新為引領,以科技轉換發展動能,推動高品質發展的戰略方向。

The reshaping of the global textile industry layout and the complicated evolution of textile production and trade environment determine the instability of the textile industry layout and its development in future. The rise of emerging economies, the advancement of technologies and brands in developed countries in Europe and USA and the return of manufacturing industries made Chinese textile enterprises facing a passive situation. The Fountain Set Group can maintain its ability to compete in the market only if we could improve our capabilities in four sectors: technological innovation, product upgrade, production capacity coordination and market cultivation.

During the 14th FYP period, the Fountain Set Group will lead the transformation and upgrading innovatively to facilitate high-quality development and achieve sustainable green development through technological innovation and management innovation, so as to become an industry leader in the manufacture and management of high-quality knitted fabrics.

Intelligent manufacturing is of important significance for textile enterprises in improving production efficiency, changing traditional production models, enhancing international competitiveness and achieving high-quality development. In the future, the Fountain Set Group should adhere to promoting intelligent manufacturing step by step according to the development path of three basic paradigms of digitalisation, networking and intelligence based on the results of existing informatisation construction.

Intensifying the cultivation of domestic market to achieve complementary and coordinated development between domestic and international markets

The Group will accelerate the development of the domestic textile market and expand the proportion of domestic product sales to form a new situation of coordinated development that complements the external international markets and the internally domestic market. The Group will enter the industrial textile market through developing industrial textiles as a new growth segment for the domestic market and taking medical textiles as the entry point, with constant deepening and expansion, making it a new source of growth in future.

Continuous investment in Research and Development

The Group will put more efforts in product research and development. By taking functional fabrics, multi-fiber composite fabrics and fabrics for green environmental clothing as the main direction, we will increase product varieties, expand the industries and fields in which our products apply, and transform from a subcontracting enterprise to a manufacturing enterprise to improve the quality of development.

全球紡織產業格局重塑和紡織品生產、貿易環境的複雜演變，決定了未來紡織產業格局和發展的不穩定性，新興經濟體的崛起、歐美發達國家技術和品牌的領先和製造業回歸，使中國紡織製造企業面臨被動局面，福田集團唯有提高科技創新、產品升級、產能協同、市場培育等四個方面的能力，才能保持市場競爭的能力。

「十四五」期間，福田集團要以創新引領轉型升級推動高品質發展，通過技術創新和管理創新，實現可持續綠色發展，成為具有行業領先地位的優質針織面料的製造管理者。

智慧製造對於紡織製造企業提升生產效率、改變傳統生產模式、提高國際競爭力、實現高品質發展，具有重要意義。福田集團未來應堅持在現有資訊化建設成果的基礎上，按照數位化、網路化、智慧化三種基本範式的發展路徑，分步推進智慧製造。

加快發展國內市場，形成與國際市場內外互補協調發展

加快發展國內紡織品市場，擴大產品內銷比例，形成與國際市場內外互補的協調發展新局面，以發展產業用紡織品為新的內銷市場增長領域，以醫用紡織品為切入點，進入產業用紡織品市場領域並不斷深化拓展，使其成為未來新的增長來源。

持續投資研發

加大產品研發，以功能性面料、多纖維複合織物、綠色環保服用面料等為主要方向，增加產品品種，擴大產品應用的行業領域，由加工型企業向產品製造型企業轉變，提高發展質量。

Deepening international collaboration

The Group will establish an industrial collaborative manufacturing mode that share standards, information and benefits to improve its capacities in operation and resource integration in overseas markets, with a view to accumulating experience and cultivating talent to cope with the changes of industry landscape and implement the strategy of “going global”.

We believe that all of our staff members will work towards the Board’s direction and objectives as well as implement the work plans set by the Board, and will further map out our long-term development strategy. With our spirit of “diligence, frugality, sincerity and integrity” and our general direction to “stabilise operation and to enhance development”, we shall keep on enhancing our efficiency and exploring the market with persistent efforts for bringing the Group to a new level. We look forward to completing our annual operating tasks and targets with excellent performances, and creating brilliant returns and results for our shareholders. We are prepared to turn challenges into opportunities and will forge ahead against all odds.

CORPORATE GOVERNANCE CODE

Throughout the year from 1 January 2021 to 31 December 2021 (the “Year”), the Company has consistently adopted and complied with all the applicable code provisions of the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules” and the “CG Code”, respectively), except for the deviation disclosed below, as guidelines to reinforce our corporate governance principles.

Code provision C.2.1 under the CG Code states that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. ZHAO Yao, the chairman of the Board and an executive Director, had also been the chief executive officer of the Company (the “CEO”) before 1 November 2021. Following the appointment of CEO, the Company has complied with this requirement. For details, please refer to the announcements of the Company dated 14 September 2021 and 12 November 2021.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “Model Code”) as its own code of conduct regarding Directors’ securities transactions. In response to the specific enquiries made by the Company on all Directors, they have confirmed that they had complied with the required standard set out in the Model Code throughout the Year.

ANNUAL GENERAL MEETING

It is proposed that the annual general meeting of the Company (the “AGM”) will be held on Friday, 6 May 2022. The notice of the AGM will be dispatched to the Shareholders and available on the respective websites of the Company and the Stock Exchange in due course in the manner as required by the Listing Rules.

深化國際合作，強化海外紡織供應鏈的協同能力

建立標準共用、資訊共用、利益共用的產業協同製造模式，增強海外經營能力和資源整合能力，為應對產業格局變化「走出去」積累經驗，儲備人才。

我們相信在全體員工依從董事會制定的方向和目標，精誠團結，全面貫徹董事會的工作部署，繼續研討集團長期發展戰略規劃，秉承集團「勤、儉、誠、信」的精神，按照「穩經營、促發展」既定方針，營運效率定能不斷提高，並拓展市場，為福田實業集團再上新臺階而努力奮鬥，冀能以優異的業績完成年度各項經營任務及指標，為股東創造美好回報和業績。我們必定作好準備，把挑戰轉化為機遇，堅定前行。

企業管治守則

由2021年1月1日起至2021年12月31日止年度（「本年度」），本公司一貫地採納及遵守聯交所證券上市規則附錄14所載之企業管治守則之全部適用守則條文（分別為「上市規則」及「企管守則」），惟下文所披露的偏離情況除外，作為強化本公司企業管治原則之方針。

企業管治守則守則條文第C.2.1條訂明主席與行政總裁的職責應有區分及不應由同一人士擔任。董事會主席兼執行董事趙耀先生於2021年11月1日前亦擔任本公司行政總裁（「行政總裁」）。本公司於委任行政總裁後已遵守該規定。詳情請參閱本公司日期為2021年9月14日及2021年11月12日的公告。

董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載上市公司董事進行證券交易的標準守則（「標準守則」）為其有關董事進行證券交易之守則。就本公司向所有董事作出具體查詢後，彼等已確認於本年度內均已遵守標準守則所要求的標準。

股東週年大會

本公司之股東週年大會（「股東週年大會」）擬於2022年5月6日（星期五）舉行。股東週年大會之通告將於適當時候寄發予股東，並且按上市規則要求的形式分別刊載於本公司及聯交所網站。

FINAL DIVIDEND

The Board has resolved to recommend the payment of a final dividend (the “Final Dividend”) to the Shareholders whose names will appear on the register of members of the Company (the “Register of Members”) on Thursday, 19 May 2022. Subject to the approval of the Shareholders at the forthcoming AGM, the proposed Final Dividend will be payable on or about Tuesday, 31 May 2022.

CLOSURE OF REGISTER OF MEMBERS

In relation to the AGM

The Register of Members will be closed from Tuesday, 3 May 2022 to Friday, 6 May 2022, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for attending and voting at the AGM, the non-registered Shareholders must lodge all transfer documents accompanied by the relevant share certificates with the Company’s share registrar, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong for registration, not later than 4:30 p.m. on Friday, 29 April 2022.

In relation to the proposed Final Dividend

Conditional on the passing of the resolution approving the payment of the Final Dividend in respect of the Year by the Shareholders at the AGM, the Register of Members will be closed from Tuesday, 17 May 2022 to Thursday, 19 May 2022, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed Final Dividend, the non-registered Shareholders must lodge all transfer documents accompanied by the relevant share certificates with the Company’s share registrar, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong for registration, not later than 4:30 p.m. on Monday, 16 May 2022.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

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

AUDIT COMMITTEE’S REVIEW

The Company has established an audit committee of the Board (the “Audit Committee”) for the purposes of reviewing and providing supervision over the Company’s financial reporting process, internal controls and risk management. The Audit Committee presently comprises three independent non-executive Directors (the “INEDs”), and one of the INEDs acts as the chairman of the Audit Committee. The Audit Committee has reviewed the audited consolidated final results as well as the systems of internal control and risk management of the Group for the year ended 31 December 2021.

末期股息

董事會建議派發末期股息（「末期股息」）予在2022年5月19日（星期四）名列在股東名冊（「股東名冊」）之股東。待在即將舉行的股東週年大會上獲股東批准後，末期股息預期於2022年5月31日（星期二）或之前派付。

暫停辦理股份過戶登記

就股東週年大會而言

本公司於2022年5月3日（星期二）至2021年5月6日（星期五）（首尾兩天包括在內），暫停辦理股份過戶登記手續。股東如欲出席股東週年大會並於會上投票，非登記股東須於2022年4月29日（星期五）下午4時30分前，將所有過戶文件連同相關股票，一併送交本公司的股份過戶登記處寶德隆證券登記有限公司，地址為香港北角電氣道148號21樓2103B室，辦妥過戶登記手續。

就擬派末期股息而言

待股東於股東週年大會上通過批准宣派本年度之末期股息之決議案後，本公司將於2022年5月17日（星期二）至2022年5月19日（星期四）（首尾兩天包括在內），暫停辦理股份過戶登記手續。股東如欲收取建議派發之末期股息，非登記股東須於2022年5月16日（星期一）下午4時30分前，將所有過戶文件連同相關股票，一併送交本公司的股份過戶登記處寶德隆證券登記有限公司，地址為香港北角電氣道148號21樓2103B室，辦妥過戶登記手續。

購回、出售或贖回本公司之上市證券

本年度內，本公司並未有贖回其上市證券，本公司及其附屬公司亦無購買或出售該等證券。

審核委員會審閱

本公司已成立董事會審核委員會（「審核委員會」），藉以檢討及監察本公司之財務申報程序、內部監控及風險管理制度。審核委員會現由3名獨立非執行董事（「獨立非執行董事」）組成，並由其中1名獨立非執行董事擔任審核委員會主席。審核委員會已審閱本集團截至2021年12月31日止年度之經審核綜合末期業績以及內部監控及風險管理制度。

PUBLICATION OF 2021 FINAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement is published on the respective websites of the Company (www.fshl.com) and the Stock Exchange (www.hkexnews.hk). The 2021 annual report of the Company containing all the information required by the Listing Rules will be dispatched to the Shareholders and available on the respective websites of the Company and the Stock Exchange in due course in the manner as required by the Listing Rules.

By Order of the Board

Fountain Set (Holdings) Limited

ZHAO Yao

Chairman

Hong Kong, 18 March 2022

As at the date of this announcement, the Board comprises 5 executive Directors, namely Mr. ZHAO Yao (Chairman), Mr. SUN Fuji (Chief Executive Officer), Mr. TAO Yongming, Mr. YAU Hang Tat Andrew and Mr. ZHANG Zheng; 2 non-executive Directors, namely Dr. YEN Gordon (Non-executive Vice Chairman) and Mr. LIU Xianfu; and 4 INEDs, namely Mr. NG Kwok Tung, Mr. YING Wei, Mr. William LAM and Mr. WONG Kwong Chi.

刊發2021年末期業績公告及 年報

本業績公告將分別於本公司網站(www.fshl.com)及聯交所網站(www.hkexnews.hk)刊登。載有上市規則規定的所有資料之本公司之2021年年報將會於適當時候寄發予股東，並且按上市規則要求的形式分別刊載於本公司及聯交所網站。