


Best Pacific International Holdings Limited 超盈國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 2111



**BUILT ON
INNOVATION &
TECHNOLOGY**

Annual Report 年報 **2021**

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超盈國際控股有限公司 • 二零二一年年報

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Lu Yuguang (*Chairman*)
Mr. Zhang Haitao (*Chief Executive Officer*)
Mr. Wu Shaolun
Ms. Zheng Tingting (*Chief Operating Officer*)
Mr. Chan Yiu Sing
(*Chief Financial Officer and Company Secretary*)
Mr. Lu Libin (*Chief Strategy Officer*)

Independent non-executive Directors

Mr. Cheung Yat Ming
Mr. Ding Baoshan
Mr. Kuo Dah Chih, Stanford

AUDIT COMMITTEE

Mr. Cheung Yat Ming (*Chairman*)
Mr. Ding Baoshan
Mr. Kuo Dah Chih, Stanford

REMUNERATION COMMITTEE

Mr. Ding Baoshan (*Chairman*)
Mr. Zhang Haitao
Mr. Cheung Yat Ming

NOMINATION COMMITTEE

Mr. Lu Yuguang (*Chairman*)
Mr. Cheung Yat Ming
Mr. Ding Baoshan

AUTHORISED REPRESENTATIVES

Mr. Zhang Haitao
Mr. Chan Yiu Sing

COMPANY SECRETARY

Mr. Chan Yiu Sing

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditors
35/F, One Pacific Place
88 Queensway
Hong Kong

董事會

執行董事

盧煜光先生 (*主席*)
張海濤先生 (*行政總裁*)
吳少倫先生
鄭婷婷女士 (*首席運營官*)
陳耀星先生
(*首席財務官兼公司秘書*)
盧立彬先生 (*首席戰略官*)

獨立非執行董事

張一鳴先生
丁寶山先生
郭大熾先生

審核委員會

張一鳴先生 (*主席*)
丁寶山先生
郭大熾先生

薪酬委員會

丁寶山先生 (*主席*)
張海濤先生
張一鳴先生

提名委員會

盧煜光先生 (*主席*)
張一鳴先生
丁寶山先生

授權代表

張海濤先生
陳耀星先生

公司秘書

陳耀星先生

核數師

德勤•關黃陳方會計師行
執業會計師
註冊公眾利益實體核數師
香港
金鐘道88號
太古廣場一座35樓

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

PRINCIPAL BANKS

Bank of China (Hong Kong) Limited
Bank of Communications Co., Ltd., Hong Kong Branch
CTBC Bank Co., Ltd.
Fubon Bank (Hong Kong) Limited
Hang Seng Bank Limited
Taishin International Bank Co., Ltd., Hong Kong Branch
The Bank of East Asia, Limited
The Hong Kong and Shanghai Banking Corporation Limited
United Overseas Bank Limited, Hong Kong Branch

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Xinsha Port Industrial Park
Machong Town
Dongguan City
The PRC

香港股份過戶登記分處

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

開曼群島股份過戶登記總處

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

主要往來銀行

中國銀行(香港)有限公司
交通銀行股份有限公司香港分行
中國信託商業銀行股份有限公司
富邦銀行(香港)有限公司
恒生銀行有限公司
台新國際商業銀行股份有限公司香港分行
東亞銀行有限公司
香港上海滙豐銀行有限公司
大華銀行有限公司香港分行

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

總部及中國主要營業地點

中國
東莞市
麻涌鎮
新沙港工業園



CORPORATE INFORMATION

公司資料

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

38th Floor
No. 9 Wing Hong Street
Lai Chi Kok
Kowloon
Hong Kong

COMPANY'S WEBSITE

www.bestpacific.com

STOCK CODE

2111

香港主要營業地點

香港
九龍
荔枝角
永康街9號
38樓

公司網站

www.bestpacific.com

股份代號

2111

CHAIRMAN'S STATEMENT

主席報告

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Best Pacific International Holdings Limited (the “**Company**” or “**Best Pacific**”, together with its subsidiaries, collectively, the “**Group**” or “**we**”), I am pleased to present the annual results for the year ended 31 December 2021.

Two years into the 2019 novel coronavirus disease (“**COVID-19**”) pandemic (the “**Pandemic**”), we have been through a year full of challenges and opportunities in 2021. The implementation of disease control measures in different countries at different times throughout 2021 has resulted in inimical impacts on the respective economies and manufacturing was certainly one of the most affected sectors. Nevertheless, people have also tried to acclimate to the new normal in the late-pandemic era. The continuous efforts by the governments around the world to contain the Pandemic including wider vaccination among the global population and initiatives to restore their economies and market confidence to the pre-pandemic level have resulted in economic normalcy to some extent. The global gross domestic product (“**GDP**”) was estimated by the International Monetary Fund (the “**IMF**”) to increase by 5.9% in 2021, in contrast to a decrease of 3.1% in 2020. We have observed a strong rebound in market demands for consumer goods in general, and the growing health consciousness of the general public has resulted in higher consumption demands for sportswear and healthcare products, which in turn has laid the path to the continuous growth in our sportswear and apparel fabric business segment.

本人謹代表超盈國際控股有限公司（「本公司」或「超盈」，連同其附屬公司統稱「本集團」或「我們」）董事（「董事」）會（「董事會」）欣然提呈截至二零二一年十二月三十一日止年度之全年業績。

隨著二零一九年新型冠狀病毒疾病（「**COVID-19**」）疫情（「**疫情**」）已經延續了兩年，於二零二一年，我們度過了充滿挑戰和機遇的一年。於二零二一年期間，不同國家於不同時期所實施的疾病控制措施已對其各自的經濟產生不利影響，而製造業無疑為最受影響的產業之一。儘管如此，人們亦試圖適應後疫情時代的新常態。世界各國政府持續竭力控制疫情，包括在全球推廣疫苗接種，以及推出重振經濟和市場信心至疫情前水平的措施，在一定程度上實現經濟正常化。國際貨幣基金組織（「**IMF**」）估計，全球國內生產總值（「**GDP**」）將於二零二一年增長5.9%，二零二零年的GDP則下滑3.1%。我們察覺消費商品的市場需求普遍地現強勁反彈，而隨著公眾健康意識的提升，運動服裝及保健產品的消費需求存在增加，這為我們運動服裝及服裝面料業務分部的持續增長奠定了基礎。



CHAIRMAN'S STATEMENT

主席報告

While we continue to maintain our competitive edge of being a one-stop solutions provider of a comprehensive range of lingerie materials and reinforce our leading position in the global lingerie material industry, we have successfully grown our sportswear and apparel fabric business segment over the years. Such segment has again shown an encouraging sales growth of approximately 43.8% in 2021. Given the myriad potentials in the sportswear and apparel fabric markets, we believe our sportswear and apparel fabric business segment will continue to be our growth driver in the near future.

Giving credits to our international manufacturing footprint, Best Pacific has been helpful to our customers to reduce supply chain disruptions, which is commonly seen during the Pandemic time. The agility and resilience of our business model has certainly won the applause from our eminent customers.

在我們繼續保持作為全方位女性內衣物料一站式解決方案提供商的競爭優勢，以及在全球女性內衣物料行業維持著領先地位之際，我們這些年來亦成功發展了我們的運動服裝及服裝面料業務分部。該分部於二零二一年再次錄得令人欣喜的表現，銷售增長達到約43.8%。鑒於運動服裝及服裝面料市場的巨大潛力，我們相信我們的運動服裝及服裝面料業務分部將可望繼續成為我們的增長動力。

憑藉我們遍佈國際的生產足跡，超盈國際不斷協助我們的客戶減少於疫情期間常見的供應鏈中斷問題。我們業務模式的靈活性和彈性無疑已獲得我們知名客戶的讚賞。

CHAIRMAN'S STATEMENT

主席報告

With the uncertainties in the Pandemic situation and the overall economic activities around the world, market conditions are expected to be highly fluid in 2022. Best Pacific will remain steadfastly focused on bringing forward strategies and actions to attain its long term success. We will continue to work with our customers and business partners, striving to deliver a promising return to our shareholders in the long run. None of the achievements in 2021 would have been possible without the hard work and commitments from our staff and colleagues, I would like to take this opportunity to thank the Board of Directors and all our dedicated employees across the globe for their continued loyalty, diligence, professionalism and contributions to the Group.

Lu Yuguang

Chairman

Hong Kong, 28 March 2022

鑒於疫情形勢及全球整體經濟活動的不確定性，預計二零二二年的市場條件將極充滿變數。超盈國際將繼續堅定專注於提出具前瞻性的戰略及行動，以達致長期成功。我們將繼續與客戶及業務夥伴合作，致力為股東帶來長遠的可觀回報。二零二一年的所有成就與我們員工和同仁的苦心戮力密不可分，我想藉此機會感謝董事會和我們全球所有敬業員工一直以來的忠誠、勤奮、專業精神和對集團的貢獻。

盧煜光

主席

香港，二零二二年三月二十八日



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

With the implementation of mobility restrictions or social distancing policies from time to time in different countries and regions to curb waves of the Pandemic, it was undisputable that the operating environment around the world had been severely harmed at different times throughout 2021. Nevertheless, cautious optimism towards the COVID-19 also started to emerge in 2021 as people got to accustom themselves to the new norm during this Pandemic battle. An improved economic outlook buoyed sentiments and drove optimism in the global consumption demands, which further solidified the overall rebound of the manufacturing sectors. According to the IMF, the GDP of the advanced economies was estimated to increase by 5.0% and the GDP of the emerging market and developing economies was estimated to increase by 6.5% in 2021. The world's two largest economies, namely the United States of America (the "U.S.") and the People's Republic of China (the "PRC"), experienced GDP growth of 5.7% and 8.1% in 2021, respectively, according to the U.S. Bureau of Economic Analysis and the National Bureau of Statistics of China.

業務回顧

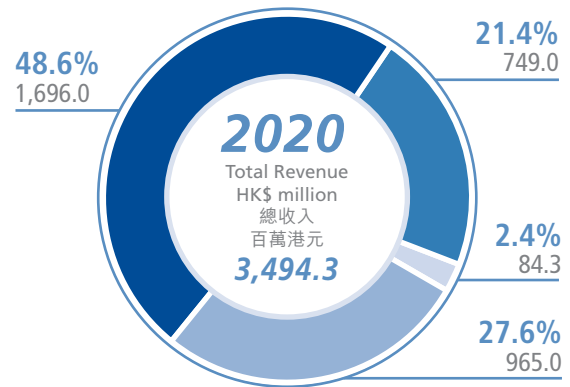
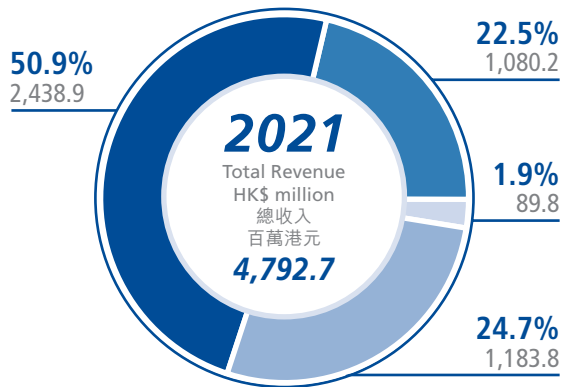
由於各個國家和地區不時實施若干出行限制或社交距離政策以遏制疫情傳播，世界各地的經營環境於二零二一年的不同時點均毋庸置疑地遭受了嚴重損害。然而，隨著人們於此疫戰期間漸適應後疫情時代的新常態，於二零二一年期間大家對COVID-19開始持有審慎樂觀的態度。有所改善的經濟前景帶動了市場氛圍並促進了樂觀的全球消費需求，更進一步鞏固了製造業的整體回升。根據IMF的數據，於二零二一年，發達經濟體的GDP估計將增長5.0%，而新興市場和發展中經濟體的GDP估計將增長6.5%。根據美國經濟分析局(U.S. Bureau of Economic Analysis)及中國國家統計局的數據，全球兩大經濟體美利堅合眾國(「美國」)和中華人民共和國(「中國」)於二零二一年的GDP增長率分別為5.7%及8.1%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Benefitting from the recovery of the global economies and the pick up of market demands, the overall Group's revenue had increased by approximately 37.2% and hit a historical high in 2021. Coupled with the higher health awareness of the general public, our continuous investment in sportswear and apparel products continued to pay off. The sales revenue of sportswear and apparel fabric materials segment had increased to approximately HK\$2,438.9 million, representing a year-on-year growth of approximately 43.8%. Notably, our sales revenue of elastic webbing segment also recorded a year-on-year growth of approximately 44.2% in 2021.

受益於全球經濟復甦和市場需求回升，於二零二一年，本集團的整體收入增長約37.2%，創下了歷史新高。加上公眾健康意識的提升，我們對運動服裝及服裝產品的持續投資繼續收穫回報。運動服裝及服裝面料物料分部的銷售收入增長至約2,438.9百萬港元，同比增長約43.8%。值得注意的是，於二零二一年，彈性織帶分部的銷售收入亦紀錄同比增長約44.2%。



Elastic Webbing
彈性織帶

Elastic Fabric
(Sportswear and apparel)
彈性織物面料
(運動服裝及服裝)

Elastic Fabric
(Lingerie)
彈性織物面料
(女性內衣)

Lace
蕾絲



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Building on our competitive edges, we continued to further develop our businesses by deploying our set strategies: (i) leveraging on our international manufacturing footprint to provide sustainable supply chain solutions to cater for the best interests of our customers, which encompassed reduction in production lead time, catering for other trade and tariff considerations as well as reducing supply chain disturbances as a result of the intermittent anti-pandemic measures; (ii) continuing to provide a simplified and centralized sourcing solution to our customers as a one-stop solutions provider of a comprehensive range of lingerie materials, which could help our customers to optimize their inventory levels as well as to shorten their manufacturing lead time; and (iii) further investment in our research and development capabilities to bring about product innovations to keep abreast of changing market trends.

以我們的競爭優勢為基礎，通過實施我們制定的策略，進一步發展我們的業務：(i)利用我們的國際生產佈局提供可持續的供應鏈解決方案，以照顧我們客戶的最大利益，其中包括縮短生產交付期，迎合其他貿易和關稅方面的考量，以及減少因不時的防疫措施所引起的供應鏈中斷問題；(ii)作為全方位女性內衣物料一站式解決方案提供商，持續為我們的客戶提供簡化且集中的採購解決方案，從而協助我們的客戶優化庫存水平並縮短生產交付期；及(iii)進一步投資於我們的研發能力，並致力於產品創新，以緊跟不斷變化的市場趨勢。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Our international operations

Our international manufacturing footprint not only forms a vital part of our agile business model, the improved performance from our overseas operations also contributed to a better overall financial performance of the Group in 2021.

Although the Pandemic had seriously affected the Socialist Republic of Vietnam (“**Vietnam**”) in 2021, in particular the southern regions in the third quarter of 2021, Vietnam was still able to achieve a GDP growth of 2.6%, according to the General Statistics Office of Vietnam as compared to 2020. The operation of our manufacturing site located at Hai Duong in Vietnam was relatively less affected by the Pandemic and achieved a year-on-year revenue growth of approximately 26.9% in 2021.

According to the IMF’s latest projection, the Democratic Socialist Republic of Sri Lanka (“**Sri Lanka**”) was expected to achieve a GDP growth of 3.6% in 2021, as compared to a negative GDP growth of 3.6% in 2020. Sri Lanka’s economy was also picking up from the Pandemic and we observed an uptake in business momentum in 2021. Considerable management efforts had been spent on capacity utilization in our operations in Sri Lanka and improvement in the relevant profitabilities was observed as a result of the overall higher efficiencies and economies of scale during the year ended 31 December 2021. A year-on-year revenue growth of approximately 98.5% was observed in our operations in Sri Lanka in 2021.

我們的國際業務

我們的國際製造足跡不僅是組成我們靈活業務模式的重要一環，我們海外業務表現的持續改善，亦為本集團二零二一年更佳的整體財務表現作出貢獻。

儘管疫情於二零二一年嚴重影響了越南社會主義共和國（「**越南**」），尤其於二零二一年第三季度對南部地區影響甚鉅，但根據越南統計總局的數據，相較於二零二零年，越南仍可實現2.6%的GDP增長。我們位於越南海陽的生產基地的業務受疫情影響相對較小，二零二一年收入同比增長約26.9%。

根據IMF的最新預測，斯里蘭卡民主社會主義共和國（「**斯里蘭卡**」）預計將於二零二一年實現3.6%的GDP增長，而二零二零年的GDP則為負增長3.6%。於二零二一年，斯里蘭卡的經濟也從疫情中恢復元氣，市場氣氛持續改善。我們投入大量管理精力專注提高斯里蘭卡業務的產能使用率，其盈利能力因整體效率提高及規模經濟而於截至二零二一年十二月三十一日止年度有所提升。於二零二一年，我們觀察到斯里蘭卡業務的收入同比增長約98.5%。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Although the Pandemic had a relatively less influence on us due to the nature of our business model, we faced various costs pressure in 2021 which undermined our profitability to a certain extent. With the fossil fuel almost doubling its price in 2021, the market prices of many oil by-products and chemical raw materials had increased considerably, which inevitably resulted in an increased cost of our major raw materials. The inflation and rising staff costs across our different manufacturing locations also added weight to our overall production costs. Nevertheless, we strived our best to digest these costs pressure through a combination of measures, which included but not limited to further optimization of our production efficiency, more stringent wastage control and the exploration with our customers and partnering brands on the possibilities of product price adjustments.

儘管由於我們業務模式的性質，疫情對我們的影響相對較小，我們仍於二零二一年內面臨各種成本壓力，以至於一定程度上削弱了我們的盈利能力。於二零二一年，化石燃料價格幾乎翻倍，多項石油副產品及化學原材料的價格大幅上漲，導致我們主要原材料的成本無可避免地上升。通貨膨脹以及我們不同製造地點的員工成本上升，亦導致我們的整體生產成本增加。然而，我們致力於通過結合各種措施化解相關成本壓力，包括但不限於進一步提升我們的生產效率、採取更嚴格的損耗管控，以及與我們的客戶及合作品牌討論研究調整我們產品價格的可能性。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Revenue

The Group's revenue is primarily derived from the sales of its major products, which include elastic fabric, elastic webbing and lace.

For the year ended 31 December 2021, revenue amounted to approximately HK\$4,792.7 million, representing an increase of approximately HK\$1,298.4 million, or approximately 37.2%, from approximately HK\$3,494.3 million for the year ended 31 December 2020. The increase in overall revenue during the year was mainly attributable to the increase in the sales volume of our products, as a result of the rebounded sales orders from our lingerie customers and the continued growth in the sales orders from our sportswear and apparel clients.

A comparison of the Group's revenue for the years ended 31 December 2021 and 2020 by product categories is as follows:

財務回顧

收入

本集團的收入主要源自銷售其主要產品，包括彈性織物面料、彈性織帶及蕾絲。

截至二零二一年十二月三十一日止年度，收入為約4,792.7百萬港元，較截至二零二零年十二月三十一日止年度的收入約3,494.3百萬港元增加約1,298.4百萬港元或約37.2%。於年內，整體收入增加主要由於女性內衣客戶的銷售訂單回升及運動服裝及服裝客戶的銷售訂單持續增長，導致我們的產品銷量增加所致。

本集團截至二零二一年及二零二零年十二月三十一日止年度之收入按產品類別劃分的比較如下：

		For the year ended 31 December 截至十二月三十一日止年度					
		2021 二零二一年		2020 二零二零年		Change 變動	
		Revenue (HK\$'000) 收入 (千港元)	% of Revenue 佔收入的 百分比	Revenue (HK\$'000) 收入 (千港元)	% of Revenue 佔收入的 百分比	(HK\$'000) (千港元)	% 百分比
Elastic fabric	彈性織物面料	3,622,677	75.6	2,660,926	76.2	961,751	36.1
- Sportswear and apparel	- 運動服裝及服裝	2,438,897	50.9	1,696,016	48.6	742,881	43.8
- Lingerie	- 內衣	1,183,780	24.7	964,910	27.6	218,870	22.7
Elastic webbing	彈性織帶	1,080,200	22.5	749,025	21.4	331,175	44.2
Lace	蕾絲	89,784	1.9	84,323	2.4	5,461	6.5
Total	總計	4,792,661	100.0	3,494,274	100.0	1,298,387	37.2



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

For the year ended 31 December 2021, revenue from sales of elastic fabric amounted to approximately HK\$3,622.7 million, representing an increase of approximately HK\$961.8 million, or approximately 36.1%, as compared to the year ended 31 December 2020. Leveraging on the Group's multi-regional production strategy, high product quality, strong innovation and research and development capabilities, the Group had successfully entered into certain core programmes with new partnering brands in the sportswear and apparel business segment. The Group had maintained a high growth in the segment and our sales revenue of sportswear and apparel segment increased from approximately HK\$1,696.0 million for the year ended 31 December 2020 to approximately HK\$2,438.9 million for the year ended 31 December 2021, hitting another new high and also representing a year-on-year increase of approximately 43.8%, which had made our sportswear and apparel segment the dominating revenue contributor of the Group.

As a result of the rebounded sales orders from our lingerie customers, especially in the U.S. and European markets, our sales revenue of lingerie fabric materials increased from approximately HK\$965.0 million for the year ended 31 December 2020 to approximately HK\$1,183.8 million for the year ended 31 December 2021, representing a year-on-year increase of approximately 22.7%.

The decent recovery of the lingerie market in 2021 had also resulted in an increase in the volume of our elastic webbing and lace products sold. Revenue from sales of elastic webbing amounted to approximately HK\$1,080.2 million for the year ended 31 December 2021, representing an increase of approximately HK\$331.2 million, or approximately 44.2%, as compared to the year ended 31 December 2020.

Cost of sales

The Group's cost of sales mainly comprises costs of raw materials, manufacturing overheads, and direct labour costs.

截至二零二一年十二月三十一日止年度，銷售彈性織物面料的收入為約3,622.7百萬港元，較截至二零二零年十二月三十一日止年度增加約961.8百萬港元或約36.1%。憑藉本集團的跨區域生產策略、出色的產品質量及卓越的創新研發能力，本集團已成功打入運動服裝及服裝業務分部的新合作品牌之若干核心計劃。本集團在此分部維持快速增長，而我們運動服裝及服裝分部的銷售收入由截至二零二零年十二月三十一日止年度的約1,696.0百萬港元增加至截至二零二一年十二月三十一日止年度的約2,438.9百萬港元，同比增長約43.8%並創下又一新高，使我們的運動服裝及服裝分部成為本集團最大的收入來源。

由於女性內衣客戶的銷售訂單回升，特別是在美國及歐洲市場，女性內衣面料物料的銷售收入由截至二零二零年十二月三十一日止年度的約965.0百萬港元增加至截至二零二一年十二月三十一日止年度的約1,183.8百萬港元，同比增長約22.7%。

二零二一年內女性內衣市場的復甦亦導致我們彈性織帶及蕾絲產品的銷量增加。截至二零二一年十二月三十一日止年度，銷售彈性織帶的收入為約1,080.2百萬港元，較截至二零二零年十二月三十一日止年度增加約331.2百萬港元或約44.2%。

銷售成本

本集團的銷售成本主要包括原材料成本、生產開支及直接人工成本。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Cost of sales – by nature of expense

銷售成本 – 按開支性質劃分

For the year ended 31 December

截至十二月三十一日止年度

		2021		2020		Change	
		二零二一年		二零二零年		變動	
		Cost of sales	% of cost of sales	Cost of sales	% of cost of sales	Change	%
		(HK\$'000)	of sales	(HK\$'000)	of sales	(HK\$'000)	%
		銷售成本	佔銷售成本	銷售成本	佔銷售成本	(千港元)	百分比
		(千港元)	百分比	(千港元)	百分比	(千港元)	百分比
Raw materials	原材料	1,841,445	50.0	1,289,819	48.7	551,626	42.8
Manufacturing overheads	生產開支	1,403,762	38.1	1,036,207	39.1	367,555	35.5
Direct labour	直接人工	414,603	11.3	306,146	11.5	108,457	35.4
Others	其他	21,019	0.6	18,742	0.7	2,277	12.1
Total	總計	3,680,829	100.0	2,650,914	100.0	1,029,915	38.9

The Group's cost of sales for the year ended 31 December 2021 amounted to approximately HK\$3,680.8 million, representing an increase of approximately HK\$1,029.9 million, or approximately 38.9%, as compared to the year ended 31 December 2020. The increase in cost of sales was primarily due to the increase in overall sales volume. In 2021, prices of most commodities including our main raw materials were on the increase. The higher unit prices have resulted in a relatively larger increase in our raw material costs as compared to the overall increase in the Group's turnover. At the same time, we also observed the cost inflation in most other manufacturing costs, including utilities costs, outsourcing costs as well as employee benefits. The Group was able to partly digest these increased costs through better economies of scale and cooperative discussion with our customers on certain product price adjustments.

本集團截至二零二一年十二月三十一日止年度之銷售成本為約3,680.8百萬港元，較截至二零二零年十二月三十一日止年度增加約1,029.9百萬港元或約38.9%。銷售成本增加主要是由於整體銷售量增加。於二零二一年，大部分商品（包括我們的主要原材料）的價格均有所上漲。與本集團營業額的整體增長相比，上述上揚的單位價格已導致我們的原材料成本增加相對較大。同時，我們亦觀察到大多數其他製造成本的上漲，包括水電費、外包成本以及僱員福利。本集團能夠通過更良好的規模經濟以及與客戶友好協商若干產品的價格調整，以部分消化該等成本的上漲壓力。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Cost of sales – by product category

銷售成本 – 按產品類別劃分

For the year ended 31 December

截至十二月三十一日止年度

		2021		2020		Change	
		二零二一年		二零二零年		變動	
		Cost of sales		Cost of sales			
		(HK\$'000)	% of cost of sales	(HK\$'000)	% of cost of sales	(HK\$'000)	%
		銷售成本	佔銷售成本	銷售成本	佔銷售成本	(千港元)	百分比
		(千港元)	百分比	(千港元)	百分比	(千港元)	百分比
Elastic fabric	彈性織物面料	2,895,140	78.6	2,090,444	78.9	804,696	38.5
Elastic webbing	彈性織帶	732,111	19.9	510,291	19.2	221,820	43.5
Lace	蕾絲	53,578	1.5	50,179	1.9	3,399	6.8
Total	總計	3,680,829	100.0	2,650,914	100.0	1,029,915	38.9

The increase in cost of sales of various business segments during the year ended 31 December 2021 was generally in line with the increase in revenue of the corresponding business segments.

截至二零二一年十二月三十一日止年度，各業務分部的銷售成本增長與相應業務分部的收入增長基本一致。

Gross profit, gross profit margin and net profit margin

毛利、毛利率及淨利潤率

For the year ended 31 December

截至十二月三十一日止年度

		2021		2020	
		二零二一年		二零二零年	
		Gross profit		Gross profit	
		Gross profit	margin	Gross profit	margin
		毛利	毛利率	毛利	毛利率
		(HK\$'000)	(%)	(HK\$'000)	(%)
		(千港元)	(百分比)	(千港元)	(百分比)
Elastic fabric	彈性織物面料	727,537	20.1	570,482	21.4
Elastic webbing	彈性織帶	348,089	32.2	238,734	31.9
Lace	蕾絲	36,206	40.3	34,144	40.5
Total	總計	1,111,832	23.2	843,360	24.1

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Albeit a slight decrease in gross profit margin of the elastic fabric segment, which was mainly due to the change in the relevant product mix, as well as increased raw materials costs, the Group had maintained a relatively stable overall gross profit margin. The Group's overall gross profit increased from approximately HK\$843.4 million for the year ended 31 December 2020 to approximately HK\$1,111.8 million for the year ended 31 December 2021.

Net profit of the Group for the year ended 31 December 2021 amounted to approximately HK\$401.3 million, representing an increase of approximately 61.0%, as compared to approximately HK\$249.2 million for the year ended 31 December 2020. The Group recorded a net profit margin of approximately 8.4% for the year ended 31 December 2021, representing an increase of approximately 1.3 percentage points, as compared to the year ended 31 December 2020. The increase in net profit margin for the year ended 31 December 2021 was mainly attributable to (i) the overall increase in the volume of products sold and (ii) the positive impacts from better economies of scale attained in 2021.

雖然彈性織物面料分部的毛利率微幅降低，其主要是由於相關產品組合的變動以及原材料成本上揚所致，本集團仍維持相對穩定的整體毛利率。本集團的整體毛利由截至二零二零年十二月三十一日止年度約843.4百萬港元增加至截至二零二一年十二月三十一日止年度約1,111.8百萬港元。

本集團截至二零二一年十二月三十一日止年度的淨利潤為約401.3百萬港元，較截至二零二零年十二月三十一日止年度約249.2百萬港元增加約61.0%。截至二零二一年十二月三十一日止年度，本集團錄得淨利潤率約8.4%，較截至二零二零年十二月三十一日止年度增加約1.3個百分點。截至二零二一年十二月三十一日止年度的淨利潤率增長主要是由於(i)產品銷售量整體上升；及(ii)二零二一年實現更佳的規模經濟所帶來的正面影響。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Other income

The Group's other income mainly consisted of bank interest income, government grants, net proceeds from sales of scrap materials, gain from bargain purchase from acquisition of a business, compensation income from customers and others. The following table sets forth the breakdown of the Group's other income for the years indicated:

其他收入

本集團的其他收入主要包括銀行利息收入、政府補助金、銷售廢料所得款項淨額、收購一項業務的議價收購收益、來自客戶的賠償收入及其他。下表載列本集團於所示年度的其他收入明細：

For the year ended 31 December 截至十二月三十一日止年度

		2021 二零二一年 (HK\$'000) (千港元)	2020 二零二零年 (HK\$'000) (千港元)
Bank interest income	銀行利息收入	21,850	8,238
Government grants	政府補助金	12,250	13,036
Net proceeds from sales of scrap materials	銷售廢料所得款項淨額	4,404	5,547
Gain from bargain purchase from acquisition of a business	收購一項業務的議價收購收益	3,900	—
Compensation income from customers	來自客戶的賠償收入	1,284	11,584
Others	其他	7,006	5,401
Total	總計	50,694	43,806

The increase in other income by approximately 15.7%, from approximately HK\$43.8 million for the year ended 31 December 2020 to approximately HK\$50.7 million for the year ended 31 December 2021, was mainly due to the increase in bank interest income received, as a result of the improved liquidity position of the Group throughout the year, and the gain from bargain purchase from acquisition of a business. Details of the acquisition are set out in the section headed "CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS" in the Report of the Directors and Note 33 to the consolidated financial statements.

其他收入由截至二零二零年十二月三十一日止年度的約43.8百萬港元增加約15.7%至截至二零二一年十二月三十一日止年度的約50.7百萬港元，主要是由於本集團於本年度的流動資金狀況改善，銀行利息收入增加以及收購一項業務的議價收購收益所致。收購詳情載於董事會報告中「關連交易及持續關連交易」一節及綜合財務報表附註33。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Other gains and losses

Other gains and losses mainly consisted of net foreign exchange gain (loss), gain from change in fair value of a derivative financial instrument, (loss) gain on disposal of property, plant and equipment and others. The following table sets forth the breakdown of the Group's other gains and losses for the years indicated:

其他收益及虧損

其他收益及虧損主要包括外匯收益（虧損）淨額、衍生金融工具公平值變動收益、出售物業、廠房及設備（虧損）收益及其他。下表載列本集團於所示年度的其他收益及虧損明細：

		For the year ended 31 December	
		截至十二月三十一日止年度	
		2021	2020
		二零二一年	二零二零年
		(HK\$'000)	(HK\$'000)
		(千港元)	(千港元)
Net foreign exchange gain (loss)	匯兌收益（虧損）淨額	1,731	(26,327)
Gain from change in fair value of a derivative financial instrument	衍生金融工具公平值變動收益	310	1
(Loss) gain on disposal of property, plant and equipment	出售物業、廠房及設備（虧損）收益	(135)	72
Others	其他	-	537
Total	總計	1,906	(25,717)

The net foreign exchange loss in the year ended 31 December 2020 turned into a net foreign exchange gain of approximately HK\$1.7 million in the year ended 31 December 2021. This was the result of (i) the net foreign exchange gain attained in our overseas operations due to appreciation of U.S. Dollars (“US\$”) against Vietnam Dong (“VND”) and Sri Lanka Rupee (“LKR”) in 2021 and (ii) reduced foreign exchange loss in our PRC operations due to softer Renminbi (“RMB”) appreciation as compared to the year ended 31 December 2020.

截至二零二零年十二月三十一日止年內的匯兌虧損淨額轉化為截至二零二一年十二月三十一日止年內的匯兌收益淨額約1.7百萬港元。此乃由於(i)於二零二一年，美元（「美元」）兌越南盾（「越南盾」）及斯里蘭卡盧比（「斯里蘭卡比」）升值，令我們的海外業務取得匯兌收益淨額及(ii)與截至二零二零年十二月三十一日止年度相比，由於人民幣（「人民幣」）升值幅度較低，故我們中國業務的匯兌虧損有所減少。

Impairment losses under expected credit loss model, net of reversal

Impairment losses under expected credit loss model, net of reversal, represented the result of impairment assessment under expected credit loss model on trade receivables. For the year ended 31 December 2021, the impairment losses under expected credit loss model, net of reversal, amounted to approximately HK\$12.0 million, representing an increase of approximately HK\$5.7 million from approximately HK\$6.3 million for the year ended 31 December 2020. The increase in impairment losses was mainly attributable to the overall increase in trade receivables balance, as well as the provision made against few specific customers.

預期信貸虧損模式項下減值虧損（扣除撥回）

預期信貸虧損模式項下減值虧損（扣除撥回）乃指貿易應收款項預期信貸虧損模式項下的減值評估結果。截至二零二一年十二月三十一日止年度，預期信貸虧損模式項下減值虧損（扣除撥回）約為12.0百萬港元，較截至二零二零年十二月三十一日止年度的約6.3百萬港元增加約5.7百萬港元。減值虧損的增加主要歸因於貿易應收款項結餘的整體上升及對若干特定客戶作出的撥備所致。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Selling and distribution expenses

Selling and distribution expenses primarily consisted of employee benefit expenses, transportation, marketing and promotional expenses and other selling and distribution expenses. For the years ended 31 December 2020 and 2021, the Group's selling and distribution expenses represented approximately 4.5% and 4.2% of its total revenue, respectively. The year-on-year decrease in the ratio of selling and distribution expenses against total revenue was mainly due to the economies of scale achieved in the year ended 31 December 2021.

Administrative expenses

Administrative expenses primarily consisted of employee benefit expenses, depreciation, motor vehicle expenses, bank charges and other administrative expenses. For the years ended 31 December 2020 and 2021, the Group's administrative expenses represented approximately 7.3% and 7.0% of its total revenue, respectively. The year-on-year decrease in the ratio of administrative expenses against total revenue was mainly due to the economies of scale achieved in the year ended 31 December 2021.

Research and development costs

The Group is dedicated to catering the changing market preferences by introducing innovative lingerie, sportswear and apparel materials. For the years ended 31 December 2020 and 2021, the Group's research and development costs represented approximately 2.3% and 2.1% of its total revenue, respectively.

銷售及分銷開支

銷售及分銷開支主要包括僱員福利開支、運輸、市場推廣及宣傳開支以及其他銷售及分銷開支。截至二零二零年及二零二一年十二月三十一日止年度，本集團的銷售及分銷開支分別佔總收入的約4.5%及4.2%。銷售及分銷開支佔總收入的比例同比下降，主要是由於截至二零二一年十二月三十一日止年度實現規模經濟所致。

行政開支

行政開支主要包括僱員福利開支、折舊、汽車開支、銀行費用及其他行政開支。本集團於截至二零二零年及二零二一年十二月三十一日止年度的行政開支分別佔總收入的約7.3%及7.0%。行政開支佔總收入的比例同比下降，主要是由於截至二零二一年十二月三十一日止年度實現規模經濟所致。

研發費用

本集團致力於引入創新的女性內衣、運動服裝及服裝物料，藉以迎合不斷變化的市場喜好。截至二零二零年及二零二一年十二月三十一日止年度，本集團的研發費用分別佔總收入約2.3%及2.1%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Finance costs

The Group's finance costs mainly represented interest expenses for bank borrowings and lease liabilities. The finance costs decreased by approximately 18.5% from approximately HK\$75.7 million for the year ended 31 December 2020 to approximately HK\$61.7 million for the year ended 31 December 2021. The decrease in finance costs was primarily due to the overall decrease in average borrowings balance of the Group as well as the general decrease in market interest rates during the year ended 31 December 2021.

Income tax expense

Under the two-tiered profits tax rates regime of the Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

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 companies is 25% for both years ended 31 December 2020 and 2021, unless there is any applicable preferential tax treatment.

The Company's subsidiaries, Dongguan Best Pacific Textile Company Limited ("**Dongguan BPT**") and Dongguan New Horizon Elastic Fabric Company Limited ("**Dongguan NHE**"), had obtained the qualification as high and new technology enterprises since 2010 and 2016, respectively, which were renewed for an additional three years from the year ended 31 December 2019. Hence, Dongguan BPT and Dongguan NHE had been subject to the preferential tax treatment and the applicable tax rate for the years ended 31 December 2020 and 2021 was 15%.

融資成本

本集團的融資成本主要指銀行借款及租賃負債的利息開支。融資成本由截至二零二零年十二月三十一日止年度約75.7百萬港元減少約18.5%至截至二零二一年十二月三十一日止年度約61.7百萬港元。融資成本的減少乃主要由於截至二零二一年十二月三十一日止年度的本集團平均借款結餘整體減少及市場利率普遍下降所致。

所得稅開支

根據香港利得稅的利得稅兩級制，合資格集團實體的首2百萬港元溢利將按8.25%的稅率徵稅，而超過2百萬港元的溢利將按16.5%的稅率徵稅。不符合該利得稅兩級制資格的集團實體之溢利將繼續按16.5%之劃一稅率徵稅。因此，合資格集團實體之香港利得稅已按首2百萬港元之估計應課稅溢利的8.25%及超過2百萬港元之估計應課稅溢利的16.5%計算。

根據中國企業所得稅法及企業所得稅法的實施細則，除非有任何其他適用優惠稅率待遇，否則中國公司於截至二零二零年及二零二一年十二月三十一日止兩個年度的稅率為25%。

本公司的附屬公司東莞超盈紡織有限公司（「**東莞超盈**」）及東莞潤信彈性織物有限公司（「**東莞潤信**」）分別自二零一零年及二零一六年起獲得高新技術企業資格，有效期已自截至二零一九年十二月三十一日止年度額外延長三年。因此，東莞超盈及東莞潤信享有優惠稅率待遇，於截至二零二零年及二零二一年十二月三十一日止年度的適用稅率為15%。



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Withholding tax on dividends was calculated at 5% of the estimated dividends to be received from the subsidiaries in the PRC during the year.

Pursuant to the relevant Vietnam Enterprises Income Tax rules and regulations, the applicable tax rate for the subsidiary operating in Vietnam is 20%. The subsidiary in Vietnam is eligible for a tax holiday for two financial years since the first financial year of taxable profits and a tax concession at a tax rate of 10% for the following four financial years. With the new incentive in place during the year ended 31 December 2018 and by fulfilling certain stated requirements as set by the Ministry of Industry and Trade, the subsidiary in Vietnam had been eligible for a tax holiday for four financial years since 2018, a tax concession at a tax rate of 5% for the following nine financial years and a tax concession at a tax rate of 10% for the next following two financial years.

Pursuant to the Inland Revenue (Amendment) Act, No. 10 of 2021 in Sri Lanka, the applicable tax rate for the subsidiaries operating in Sri Lanka is 24% for both years ended 31 December 2020 and 2021. By fulfilling certain export requirements as set by the Board of Investment of Sri Lanka, the subsidiaries of the Group in Sri Lanka had enjoyed a preferential tax rate of 14% for the years ended 31 December 2020 and 2021. In addition, one of these subsidiaries is currently eligible for a tax holiday till the year ending 31 December 2024.

Taxation arising in any other jurisdiction is calculated at the rate prevailing in the relevant jurisdiction.

The effective tax rate was approximately 12.1% for the year ended 31 December 2021 (for the year ended 31 December 2020: approximately 14.1%). The decrease in the effective tax rate for the year ended 31 December 2021 was mainly due to the overall increasing profit contributions from overseas subsidiaries located in jurisdictions with better tax incentives.

股息的預扣稅乃按年內預計將會自中國附屬公司收取之股息的5%計算。

根據相關越南企業所得稅規則及規例，於越南營運之附屬公司的適用稅率為20%。越南附屬公司於首個錄得應課稅溢利的財政年度起合資格享有兩個財政年度的稅項豁免，及於其後四個財政年度享有稅率10%的稅務優惠。於截至二零一八年十二月三十一日止年度獲授新的優惠並滿足若干自工貿部的規定要求後，越南附屬公司自二零一八年起合資格享有四個財政年度的稅項豁免，及於其後九個財政年度享有稅率5%的稅務優惠，以及於接下來的兩個財政年度享有稅率10%的稅務優惠。

根據斯里蘭卡國內稅收法（修訂本）（二零二一年第10號），於斯里蘭卡營運之附屬公司於截至二零二零年及二零二一年十二月三十一日止兩個年度的適用稅率為24%。本集團於斯里蘭卡的附屬公司藉由滿足斯里蘭卡投資局制定的若干出口要求而於截至二零二零年及二零二一年十二月三十一日止年度享有14%的優惠稅率。此外，其中一間附屬公司現享有稅項豁免直至截至二零二四年十二月三十一日止年度為止。

其他司法權區之稅項乃按有關司法權區當時之稅率計算。

截至二零二一年十二月三十一日止年度的實際稅率約為12.1%（截至二零二零年十二月三十一日止年度：約14.1%）。截至二零二一年十二月三十一日止年度，實際稅率減少主要是由於在享有更佳稅項優惠之司法權區的海外附屬公司整體溢利貢獻增加所致。

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Liquidity, financial resources and bank borrowings

As at 31 December 2021, net working capital (calculated as current assets less current liabilities) was approximately HK\$815.2 million, representing an increase of approximately HK\$20.9 million as compared with 31 December 2020. The current ratio (calculated as current assets/current liabilities) is at 1.3 times as at 31 December 2021, which was similar with the 1.4 times as at 31 December 2020.

For the year ended 31 December 2021, net cash generated from operating activities decreased from approximately HK\$754.2 million for the year ended 31 December 2020 to approximately HK\$522.7 million for the year ended 31 December 2021, which was mainly due to (i) the general increase in the unit prices of our main raw materials and (ii) the purchase of more raw materials to cope with the increasing market demands for the Group's products during the year ended 31 December 2021.

Net cash used in investing activities amounted to approximately HK\$414.3 million for the year ended 31 December 2021, as compared to approximately HK\$212.7 million for the year ended 31 December 2020. The increase in net cash used in investing activities during the year ended 31 December 2021 was mainly due to the increase in placements of pledged bank deposits and short term bank deposits in the year ended 31 December 2021.

During the year ended 31 December 2021, net cash used in financing activities amounted to approximately HK\$363.9 million, as compared to approximately HK\$47.8 million for the year ended 31 December 2020. The increase in net cash used in financing activities for the year ended 31 December 2021 was mainly due to the net repayment of borrowings as well as the payment of dividends in larger amounts, as compared to the year ended 31 December 2020. The Group had attained a better financial performance and overall stronger cash positions throughout the year ended 31 December 2021.

流動資金、財務資源及銀行借款

於二零二一年十二月三十一日，營運資金淨額（按流動資產減流動負債計算）為約815.2百萬港元，較二零二零年十二月三十一日增加約20.9百萬港元。流動比率（按流動資產除流動負債計算）於二零二一年十二月三十一日為1.3倍，與二零二零年十二月三十一日的1.4倍相近。

截至二零二一年十二月三十一日止年度，經營活動所得現金淨額由截至二零二零年十二月三十一日止年度約754.2百萬港元減少至截至二零二一年十二月三十一日止年度約522.7百萬港元，乃主要由於(i)我們主要原材料的單價整體上漲及(ii)於截至二零二一年十二月三十一日止年度採購更多原材料以應對本集團產品日益增長的市場需求所致。

截至二零二一年十二月三十一日止年度，投資活動所用現金淨額為約414.3百萬港元，而截至二零二零年十二月三十一日止年度的投資活動所用現金淨額為約212.7百萬港元。截至二零二一年十二月三十一日止年度的投資活動所用現金淨額增加乃主要由於截至二零二一年十二月三十一日止年度存入的已抵押銀行存款及短期銀行存款增加所致。

截至二零二一年十二月三十一日止年度，融資活動所用現金淨額為約363.9百萬港元，而截至二零二零年十二月三十一日止年度的融資活動所用現金淨額為約47.8百萬港元。截至二零二一年十二月三十一日止年度的融資活動所用現金淨額增加乃主要由於相較於截至二零二零年十二月三十一日止年度錄得償還借款淨額及較高的股息派付所致。於截至二零二一年十二月三十一日止年度期間，本集團獲得更佳的財務表現及較強健的整體現金狀況。



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As at 31 December 2021, the Group's net gearing ratio was 28.9% (as at 31 December 2020: 36.7%), which was calculated on the basis of the amount of net debt position (sum of bank deposits and bank balances and cash, less total bank and other borrowings) as a percentage of total equity. Details of bank borrowings are set out in Note 27 to the consolidated financial statements. The Group was in a net debt position of approximately HK\$976.1 million as at 31 December 2021, as compared to a net debt position of approximately HK\$1,107.4 million as at 31 December 2020.

於二零二一年十二月三十一日，本集團的淨資產負債比率為28.9%（於二零二零年十二月三十一日：36.7%），其乃按債務淨額（銀行存款以及銀行結餘及現金的總和減銀行及其他借款總額）佔權益總額的百分比基準計算。銀行借款的詳情載於綜合財務報表附註27。於二零二一年十二月三十一日，本集團債務淨額為約976.1百萬港元，而於二零二零年十二月三十一日的債務淨額則為約1,107.4百萬港元。

Working capital management

營運資金管理

For the year ended 31 December 截至十二月三十一日止年度

		2021 二零二一年	2020 二零二零年	Change 變動	
				(days) (天數)	(%) (百分比)
Trade and bills receivables turnover days	貿易應收款項及 應收票據週轉天數	63.1	81.8	(18.7)	(22.9)
Trade and bills payables turnover days	貿易應付款項及 應付票據週轉天數	68.4	82.8	(14.4)	(17.4)
Inventory turnover days	存貨週轉天數	118.0	137.2	(19.2)	(14.0)

The year-on-year decrease in trade and bills receivables turnover days for the year ended 31 December 2021 by approximately 18.7 days was primarily due to better management on receivables in general.

截至二零二一年十二月三十一日止年度，貿易應收款項及應收票據週轉天數同比減少約18.7天，主要是由於總體而言對應收款項的管理有所改善所致。

The year-on-year decrease in trade and bills payables turnover days for the year ended 31 December 2021 by approximately 14.4 days was primarily due to the increase in use of cash to settle transactions for the benefit of better prices.

截至二零二一年十二月三十一日止年度，貿易應付款項及應付票據週轉天數同比減少約14.4天，主要是由於增加使用現金結算交易以享有較優惠價格所致。

The year-on-year decrease in inventory turnover days for the year ended 31 December 2021 by approximately 19.2 days was primarily due to better inventory control by the Group.

截至二零二一年十二月三十一日止年度的存貨週轉天數同比減少約19.2天，主要是由於本集團更好地控制存貨所致。

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Capital expenditure

The capital expenditure in 2021 primarily represented payments for expansion in order to cope with the Group's overall business expansion. The Group's total addition to property, plant and equipment decreased from approximately HK\$290.9 million for the year ended 31 December 2020 to approximately HK\$230.6 million for the year ended 31 December 2021.

Besides, payment was made for the acquisition of business from Textprint Lanka (Private) Limited (“Textprint”) by Trischel Fabric (Private) Limited (“Trischel”) in January 2021. The assets acquired included computer and office equipment as well as machineries amounted to approximately HK\$23.7 million. Details of the acquisition are set out in the section headed “CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS” in the Report of the Directors and Note 33 to the consolidated financial statements.

Pledge of assets

As at 31 December 2021, the Group pledged certain bank deposits, amounting to approximately HK\$121.6 million (as at 31 December 2020: approximately HK\$77.9 million), to secure the bills payables issued by the Group.

Contingent liabilities

As at 31 December 2021, the Group did not have any significant contingent liabilities.

Events after the reporting period

The Group has no significant events after the reporting period and up to the date of this annual report.

Foreign exchange risk

A substantial portion of the Group's revenue is denominated in US\$ and HK\$ and a portion of its purchases and expenses are denominated in RMB, VND and LKR. The Group manages its foreign exchange risk by performing regular reviews and monitoring on its foreign exchange exposure. Our finance department monitors our foreign

資本開支

二零二一年的資本開支主要指因應本集團整體業務擴張的擴張支出。本集團物業、廠房及設備添置總額由截至二零二零年十二月三十一日止年度的約290.9百萬港元減少至截至二零二一年十二月三十一日止年度的約230.6百萬港元。

此外，已於二零二一年一月就Trischel Fabric (Private) Limited (「Trischel」) 收購Textprint Lanka (Private) Limited (「Textprint」) 的業務支付款項。已收購資產包括電腦及辦公室設備以及機器，總額約23.7百萬港元。收購詳情載於董事會報告中「關連交易及持續關連交易」一節及綜合財務報表附註33。

資產抵押

於二零二一年十二月三十一日，本集團已為本集團所開出的應付票據抵押若干銀行存款約121.6百萬港元（於二零二零年十二月三十一日：約77.9百萬港元）。

或然負債

於二零二一年十二月三十一日，本集團並無任何重大或然負債。

報告期後事項

於報告期後直至本年報日期，本集團並無重大事項。

外匯風險

本集團的收入大部分以美元及港元計值，而我們的一部分採購及開支則以人民幣、越南盾及斯里蘭卡盧比計值。本集團通過定期檢討及監察其外匯風險以管理其外匯風險。我們的財務部門通過分析我們手上來自國內及海外的銷售訂單，以及預期國內及海外客戶



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exchange risk on a continuous basis by analysing our domestic and overseas sales orders on hand, expected domestic and overseas orders from customers and estimated foreign currency payments for our purchases and expenses. We intend to manage our foreign exchange risks by (i) managing our sales, purchases and expenses denominated in HK\$ and RMB through our subsidiaries in Hong Kong and the PRC, respectively, managing our sales, purchases and expenses denominated in US\$ through our subsidiaries in Hong Kong, Vietnam and Sri Lanka, and managing our purchases and expenses denominated in VND and LKR through our subsidiaries in Vietnam and Sri Lanka, respectively; and (ii) holding cash and bank deposits denominated in HK\$ primarily by the Company and its subsidiaries in Hong Kong, holding cash and bank deposits denominated in US\$ primarily by the Company and its subsidiaries in Hong Kong, Vietnam and Sri Lanka, and holding cash and bank deposits denominated in RMB, VND and LKR primarily by our subsidiaries in the PRC, Vietnam and Sri Lanka, respectively.

Employees and remuneration policies

As at 31 December 2021, the Group employed a total of 8,957 full-time employees (as at 31 December 2020: 7,825). The increase in the number of employees was mainly due to the overseas expansion during the year.

The Group remunerates its staff according to their performance, qualifications, experience and industry practices, and conducts regular reviews of its remuneration policy. The remuneration committee of the Company (the “**Remuneration Committee**”) was set up primarily for reviewing the Group’s remuneration policy and structure for all remuneration of the Directors and senior management of the Group, having regard to factors including but not limited to salaries paid by comparable companies, time commitment and responsibilities of the Directors/employees, employment conditions elsewhere in the Group, and whether the remuneration is commensurate with the performance.

的訂單及預期需要以外幣支付的採購及開支款項，持續地監控我們的外匯風險。我們擬通過以下方式管理外匯風險(i)分別透過我們的香港及中國附屬公司管理我們以港元及人民幣計值的銷售、採購及開支，透過我們的香港、越南及斯里蘭卡附屬公司管理我們以美元計值的銷售、採購及開支，及分別透過我們的越南及斯里蘭卡附屬公司管理我們以越南盾及斯里蘭卡盧比計值的採購及開支；及(ii)以港元計值的現金及銀行存款主要由本公司及其香港附屬公司持有，以美元計值的現金及銀行存款主要由本公司及其香港、越南及斯里蘭卡附屬公司持有，及以人民幣、越南盾及斯里蘭卡盧比計值的現金及銀行存款主要分別由我們的中國、越南及斯里蘭卡附屬公司持有。

僱員及薪酬政策

於二零二一年十二月三十一日，本集團總共僱用8,957名全職僱員（於二零二零年十二月三十一日：7,825名）。僱員人數增加主要由於年內海外擴張所致。

本集團按僱員的表現、資格、經驗以及行業慣例釐定其薪酬，並定期審核其薪酬政策。本公司薪酬委員會（「**薪酬委員會**」）的設立主要旨在審核本集團全體董事及高級管理層之薪酬政策及薪酬架構，其中考慮（包括但不限於）同類公司支付的薪酬、董事／僱員須付出的時間及職責、本集團內其他職位的僱傭條件及是否應按表現釐定薪酬等因素。

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There has been no significant change in the Group's remuneration policy, and the Group will continue to provide regular training and competitive remuneration packages to its staff. The Group's remuneration packages include salary, bonuses, allowances and retirement benefits based on employee's performance, skills and knowledge. The Group also provides additional benefits to its employees that include subsidised accommodation, meals, accident and medical insurance and share options granted to eligible employees under the share option scheme of the Company from time to time.

Dividend policy

The Board intends to maintain a long term, stable dividend payout ratio of not less than 20% of the Group's distributable profit for the year, providing shareholders with an equitable return.

The Board has resolved to declare a final dividend of HK11.8 cents per ordinary share in respect of the year ended 31 December 2021 (the "**Final Dividend**") (for the year ended 31 December 2020: HK7.4 cents). The Final Dividend is expected to be paid on 15 August 2022 to shareholders whose names appear on the register of members of the Company on 8 July 2022, subject to the approval by the shareholders at the forthcoming annual general meeting of the Company on 28 June 2022 (the "**AGM**").

An interim dividend of HK7.5 cents per share was paid by the Company on 30 November 2021 (2020: nil).

本集團薪酬政策並無重大變動，而本集團將繼續向其僱員提供定期培訓及具競爭力的薪酬待遇。本集團的薪酬待遇包括薪資、花紅、津貼及退休福利，乃以僱員的表現、技能及知識為基礎。本集團亦不時向其僱員提供額外福利，包括住宿、膳食、意外事故及醫療保險等補貼及根據本公司購股權計劃向合資格僱員授出的購股權。

股息政策

董事會旨在維持長期、穩定的派息率，即不少於本集團年度可供分派溢利20%，為股東提供合理回報。

董事會已議決宣派截至二零二一年十二月三十一日止年度的末期股息（「**末期股息**」）每股普通股11.8港仙（截至二零二零年十二月三十一日止年度：7.4港仙）。預期末期股息將於二零二二年八月十五日向於二零二二年七月八日名列本公司股東名冊的股東派付，惟須待股東於二零二二年六月二十八日舉行之本公司應屆股東週年大會（「**股東週年大會**」）上批准後，方可作實。

於二零二一年十一月三十日已向股東派付中期股息每股7.5港仙（二零二零年：無）。



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FUTURE STRATEGIES AND PROSPECTS

In light of certain negative market factors arising since the fourth quarter of 2021, it is clear that recovery cannot be taken for granted. The IMF released a revised world economic outlook update in January 2022, reducing the projected global GDP growth in 2022 by 0.5 percentage point to a moderate GDP growth of 4.4%, as compared to the estimated GDP growth of 5.9% in 2021. The new Omicron COVID-19 variant, which appears to be more transmissible than the Delta COVID-19 variant, began to spread across the globe and most of the affected countries have reacted by reimposing certain mobility restrictions. The economists have built their forecast by assuming that adverse health outcomes arising from the Pandemic will be brought to low levels in most countries by the end of 2022. This, however, will rely on the successfulness of achieving such condition, which in turn will be dependent on worldwide access of adequate and effective vaccinations and treatments. Undoubtedly, the global growth can be hindered again if the adverse impacts of the Pandemic drag on.

Problems of elevated inflation, more notably in the U.S. and many emerging markets and developing countries, as a result of ongoing supply chain disruptions, energy prices volatility, and localized wage pressure, have been piled on the desks of policymakers. It is expected that the U.S. and some developed economies will further tighten their monetary policy, posing further risks to the financial stability. In China, Pandemic-induced disruptions related to the zero-tolerance COVID-19 policy, interruptions to industrial production from power outage and declining real estate investment, had slowed down its economic growth in the second half of 2021. A lower private consumption is anticipated and its projected GDP growth is reduced to 5.5% in 2022, as compared to a GDP growth of 8.1% in 2021. All these dooming factors may pose uncertainties and threats to the path of recovery and growth of the global economies.

未來策略及展望

考量自二零二一年第四季度以來出現的若干負面市場因素，經濟復甦不可被視為理所當然。IMF於二零二二年一月發佈了經修訂的世界經濟展望更新，將二零二二年的預計全球GDP增長下修0.5個百分點至4.4%的溫和GDP增長幅度，而二零二一年的GDP增長則估計為5.9%。因應傳染性似乎遠甚於Delta COVID-19變種病毒的新型Omicron COVID-19變種病毒開始在全球蔓延，大部分受影響國家已重新實施若干出行限制。普遍學者現有經濟預測均假設疫情引起的嚴重不良健康影響將在二零二二年較後時間於多數國家降至較低水平。然而，能否成功實現此一目標，將取決於充足且有效的疫苗接種及治療是否能在全球普及。毫無疑問的是，倘疫情的不利影響持續，全球增長將會受到影響。

因持續供應鏈中斷、能源價格波動以及當地工資壓力導致的通貨膨脹加劇問題在美國和諸多新興市場和發展中國家尤為明顯，成為政策制定者極需解決的問題。預計美國及部分已發展經濟體將進一步採取收緊貨幣政策，對金融市場穩定構成一定程度影響。在中國，COVID-19零容忍政策下疫情導致的干擾、限電導致工業生產中斷以及房地產投資降溫，已導致二零二一年下半年的經濟增長有所減緩，預計私人消費將有所下降，二零二二年的GDP增長預計將從二零二一年的GDP增長8.1%放緩至5.5%。該等不利因素可能對全球經濟復甦和增長之路形成不確定性。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group is also aware of the changing market landscape as brought by the geopolitical tensions among the superpowers and the COVID-19. We believe that risk management is vital for our business success and we must remain agile and vigilant and to respond swiftly to the changing market environments. We will continue our efforts in capturing market shares from the overseas market while on the other hand, we will devote resources to seize the vast potentials in the PRC market, especially the sportswear and apparel sector. Despite the unforeseeable challenges of the macroeconomic environment ahead, Best Pacific is confident in maintaining its leading position in the lingerie material market space and we will also keep abreast of the athleisure market and further penetrate the sportswear and apparel business segment.

As at 31 December 2021, the overall annual designed production capacities of elastic fabric, elastic webbing and lace of the Group were approximately 226.2 million meters, 1,873.1 million meters and 45.0 million meters, respectively. Despite the global economy growth being projected to be moderate in 2022 as compared to a faster rebound in 2021, it is overall a positive projection. In order to cope with our growing customers' demands, the Group is prepared to take a more proactive approach in exploring the feasibility of capacity expansion, both domestically and in overseas, keeping a close eye on various factors affecting our profitability and will implement relevant measures as and when appropriate. We strongly believe that, through our continual expansion, it will underpin Best Pacific's long term sustainability and ensure its ability to deliver value for its shareholders in the long run.

本集團亦意識到，超級大國之間的地緣政治緊張局勢及COVID-19導致了市場版圖的變化。我們相信風險管理是成功營運的必要條件，我們必須保持敏捷及機警的態勢，對不斷變化的市場環境迅速做出回應。我們將竭力持續爭取更多的海外市場份額，同時將繼續投放資源，以發展擁有巨大潛力的中國市場（尤其是運動服裝及服裝分部）。儘管宏觀經濟環境未來仍面臨不可預測的挑戰，超盈國際仍有自信維持其女性內衣物料的領先優勢，我們亦將緊貼運動休閒市場並進一步滲透運動服裝及服裝業務版塊。

於二零二一年十二月三十一日，本集團彈性織物面料、彈性織帶及蕾絲的整體年設計產能分別為約226.2百萬米、1,873.1百萬米及45.0百萬米。儘管二零二二年全球經濟增長預計相較於二零二一年的迅速反彈屬於溫和增長，總體而言仍呈現樂觀預測。為因應客戶日益增長的需求，本集團準備更積極地在國內外探索產能擴張的可行性、密切關注影響盈利能力的各項因素，並將適時採取相關措施。我們堅信，通過我們的不斷擴張，其將鞏固超盈國際的長遠持續發展，並確保能長期為股東創造價值。



REPORT OF THE DIRECTORS

董事會報告

The Directors are pleased to present their report together with the audited consolidated financial statements of the Group for the year ended 31 December 2021.

PRINCIPAL ACTIVITIES

The Group is principally engaged in the manufacture and trading of elastic fabric, elastic webbing and lace. Details of the Group's principal subsidiaries as at 31 December 2021 are set out in Note 41 to the consolidated financial statements.

The Group's turnover and results by operating segment are set out in Notes 5 and 6 to the consolidated financial statements and Management Discussion and Analysis of this annual report.

There is no change in the principal activities of the Group during the year ended 31 December 2021.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2021 are set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income on page 106.

The Board recommends the payment of the Final Dividend of HK11.8 cents per ordinary share for the year ended 31 December 2021 (for the year ended 31 December 2020: HK7.4 cents). Subject to approval by shareholders of the Company at the forthcoming AGM, the Final Dividend will be distributed on 15 August 2022 to shareholders whose names appear on the register of members of the Company on 8 July 2022.

An interim dividend of HK7.5 cents per share was paid to shareholders on 30 November 2021 (for the year ended 31 December 2020: nil).

董事欣然提呈其報告連同本集團截至二零二一年十二月三十一日止年度的經審核綜合財務報表。

主要活動

本集團主要從事製造及買賣彈性織物面料、彈性織帶及蕾絲。本集團於二零二一年十二月三十一日的主要附屬公司詳情載於綜合財務報表附註41。

本集團的營業額及經營分部業績載於綜合財務報表附註5及附註6及本年報的管理層討論及分析。

截至二零二一年十二月三十一日止年度本集團的主要活動並無變動。

業績及股息

本集團截至二零二一年十二月三十一日止年度的業績載於第106頁的綜合損益及其他全面收益表。

董事會建議派付截至二零二一年十二月三十一日止年度的末期股息每股普通股11.8港仙（截至二零二零年十二月三十一日止年度：7.4港仙）。經本公司股東於應屆股東週年大會上批准後，將於二零二二年八月十五日向於二零二二年七月八日名列本公司股東名冊的股東分派末期股息。

於二零二一年十一月三十日已向股東派付中期股息每股7.5港仙（截至二零二零年十二月三十一日止年度：無）。

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 23 June 2022 to 28 June 2022, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to determine the identity of shareholders who are entitled to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged not later than 4:30 p.m. on 22 June 2022 with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

Subject to the approval of shareholders at the forthcoming AGM, the proposed Final Dividend will be payable to shareholders whose names appear on the register of members of the Company on 8 July 2022 and the register of members of the Company will be closed from 6 July 2022 to 8 July 2022, both days inclusive, during which no transfer of shares of the Company will be registered. In order to qualify for the proposed Final Dividend, all share transfer documents accompanied by the relevant share certificates shall be lodged not later than 4:30 p.m. on 5 July 2022 with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

BUSINESS REVIEW AND FUTURE DEVELOPMENT

A review of the business of the Group during the year, a discussion on the Group's future business development as well as the Group's relationships with its key stakeholders are set out in the Chairman's Statement as well as the Management Discussion and Analysis on pages 5 to 7 and pages 8 to 29 of this annual report. An analysis of the Group's performance during the year using financial key performance indicators is set out in the Group's Five-year Financial Information Summary on pages 275 to 276 of this annual report. Saved as disclosed in this annual report, the Group has no other significant events after the end of the financial year ended 31 December 2021 and up to the date of this annual report.

暫停辦理股份過戶登記

本公司將於二零二二年六月二十三日至二零二二年六月二十八日（首尾兩天包括在內）暫停辦理股份過戶登記手續。為了確定可出席股東週年大會並於會上投票的股東身份，所有股份過戶文件連同相關股票須於二零二二年六月二十二日下午四時三十分前交至本公司的香港股份過戶登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712至1716號舖。

經股東於應屆股東週年大會上批准後，擬派末期股息將向於二零二二年七月八日名列本公司股東名冊的股東派付及本公司將於二零二二年七月六日至二零二二年七月八日（首尾兩天包括在內）暫停辦理股份過戶登記手續，於該期間不會辦理股份過戶登記手續。為了享有擬派末期股息之資格，所有股份過戶文件連同相關股票須於二零二二年七月五日下午四時三十分前交回本公司的香港股份過戶登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712至1716號舖。

業務回顧及未來業務發展

本集團於年內之業務回顧、有關本集團未來業務發展之討論以及本集團與其重要利益相關者之關係載於本年報第5頁至第7頁及第8頁至第29頁之主席報告及管理層討論及分析。使用財務關鍵績效指標分析的本集團於年內的表現載於本年報第275頁至第276頁之本集團五年財務資料摘要。除本年報中所披露者外，截至二零二一年十二月三十一日止財政年度結束後直至本年報日期，本集團並無其他重大事件。



REPORT OF THE DIRECTORS

董事會報告

PRINCIPAL RISKS AND UNCERTAINTIES

A description of possible risks and uncertainties that the Group may be facing are set out in the Chairman's Statement as well as the Management Discussion and Analysis on pages 5 to 7 and pages 8 to 29 of this annual report. The financial risk management objectives and policies of the Group are set out in Note 38 to the consolidated financial statements.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group has been committed to operating in compliance with applicable environmental laws and regulations and has taken steps to ensure that any waste and by-products produced as a result of its operations are properly treated and discharged so as to minimise the adverse effects to the environment. With the relevant ISO certification issued by renown notified body on the main manufacturing sites, we are regarded to have exercised quality environmental and energy management throughout the manufacturing process. At present, the Group has its on-site sewage treatment plants that treat sewage generated from its production process, in particular, dyeing and printing processes, by chemical and biological treatments. Processed sewage is required to meet certain chemical standards prescribed by the environmental protection department before it is discharged to the municipal sewage treatment network. The environmental protection department has also set up monitoring equipment at the Group's sewage treatment plants to ensure the processed sewage meets the prescribed standard before discharge. As the operating scale of the Group has expanded, the use of resources, the levels of gas emissions and waste disposal increased proportionally but all were under control during the year under review. We will continue to closely monitor the resources consumed and the levels of gas emissions and waste disposal and will take appropriate measures with a view to minimising the impact of the Group's operations on the environment.

Further details on the Group's environmental policies and performance (including the relevant key performance indicators) will be disclosed in the Group's Environmental, Social and Governance Report 2021 to be separately published by the Company in due course.

主要風險及不明朗因素

本集團可能面臨的潛在風險及不明朗因素的描述載於本年報第5頁至第7頁及第8頁至第29頁的主席報告以及管理層討論及分析內。本集團的財務風險管理目標及政策載於綜合財務報表附註38。

環境政策及執行情況

本集團致力於使營運符合適用環境法律及法規，並已採取措施確保其營運所產生的任何廢料及副產品均得以妥善處理及棄置，以盡量減少對環境造成的不利影響。憑藉由知名的認證機構對主要生產地點頒發的相關ISO認證，我們於整個製造流程中推行高效的環境及能源管理。目前，本集團擁有廠內廢水處理廠，以化學及生物處理方式處理生產工序（尤其是印染工序）產生的污水。經處理的污水須符合環境保護部門指定的若干化學標準，方可排放至市級污水處理網絡。環保部門亦已於本集團的污水處理廠設置監察設備，以確保經處理污水於排放前符合指定標準。於回顧年內，隨著本集團運營規模擴張，資源利用、氣體排放水平及廢物處理呈等比例上升，但均在控制內。我們將繼續密切監測資源消耗、氣體排放水平及廢物處理，並將採取適當措施，以盡量降低本集團營運對環境的影響。

有關本集團環境政策及執行情況（包括相關關鍵績效指標）的進一步詳情將披露於本公司將於適當時候另行刊發的本集團二零二一年環境、社會及管治報告。

COMPLIANCE WITH LAWS AND REGULATIONS

The Company was incorporated in the Cayman Islands whose shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Group’s operations are mainly carried out by the Company’s subsidiaries in the PRC, Hong Kong, Vietnam, Sri Lanka and the U.S.. The Group has compliance procedures in place to ensure adherence to applicable laws and regulations which have a significant impact on the Group. For the year ended 31 December 2021, to the best knowledge and belief of the Board, the Group has complied in material respects with the relevant laws and regulations in the Cayman Islands, the PRC, Hong Kong, Vietnam, Sri Lanka and the U.S..

RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

Employees are regarded as one of the most important and valuable assets of the Group. The Group strives to reward and recognise performing employees by providing a competitive remuneration package and implementing a sound performance appraisal system with appropriate incentives, and to promote career development and progression by appropriate training and providing opportunities within the Group for career advancement.

The Group maintains stable and cooperative relationships with its customers. To ensure that our products remain competitive, the Group closely monitors market trends, attentively listens to the customers’ demand and produces products that accommodate their needs. The Group also manages its relationship with suppliers to ensure reliability, stability and quality of different materials supplied to the Group.

遵守法律法規

本公司於開曼群島註冊成立，其股份於香港聯合交易所有限公司（「**聯交所**」）上市。本集團之業務主要由本公司於中國、香港、越南、斯里蘭卡及美國的附屬公司進行。本集團設有合規程序，以確保遵守對本集團有重大影響之適用法律及法規。截至二零二一年十二月三十一日止年度，就董事會所深知及確信，本集團已於重大方面遵守開曼群島、中國、香港、越南、斯里蘭卡及美國之相關法律及法規。

與僱員、客戶及供應商的關係

本集團視僱員為最重要及最寶貴的資產之一。本集團致力透過提供具競爭力的薪酬待遇及實施設有適當獎勵的良好表現評估制度獎勵僱員及對僱員表現加以肯定，並透過適當培訓及提供本集團內部晉升機會推動僱員的職業發展及進步。

本集團與客戶維持穩定合作關係。為確保我們的產品維持具競爭力，本集團密切監控市場趨勢、積極了解客戶要求並製造符合客戶需求的產品。本集團亦管理與供應商的關係，以確保本集團獲供應的不同材料的可靠及穩定程度以及質量。



REPORT OF THE DIRECTORS

董事會報告

SUBSIDIARIES

Particulars of the Group's subsidiaries are set out in Note 41 to the consolidated financial statements.

SHARE CAPITAL

Details of the movement in issued share capital of the Company during the year ended 31 December 2021 are set out in Note 31 to the consolidated financial statements.

RESERVES

Details of the movements in the reserves of the Group during the year ended 31 December 2021 are set out in the "Consolidated Statement of Changes in Equity" on pages 109 and 110.

DISTRIBUTABLE RESERVES

As at 31 December 2021, the distributable reserves of the Company amounted to approximately HK\$713.7 million, of which approximately HK\$122.7 million has been proposed as the Final Dividend for the year ended 31 December 2021.

附屬公司

本集團附屬公司的詳情載於綜合財務報表附註41。

股本

本公司已發行股本截至二零二一年十二月三十一日止年度的變動詳情載於綜合財務報表附註31。

儲備

截至二零二一年十二月三十一日止年度本集團儲備的變動詳情載於第109頁及第110頁「綜合權益變動表」。

可供分派儲備

於二零二一年十二月三十一日，本公司可供分派儲備達約713.7百萬港元，其中擬派發的截至二零二一年十二月三十一日止年度末期股息約為122.7百萬港元。

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the amended and restated articles of association of the Company (the “**Articles**”) or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

DONATIONS

Charitable and other donations made by the Group during the year ended 31 December 2021 amounted to approximately HK\$2,762,000.

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2021, sales to the Group’s five largest customers accounted for approximately 40.1% of the Group’s total sales for the year (of which sales to the Group’s largest customer accounted for approximately 14.0%). Purchases from the Group’s five largest suppliers accounted for approximately 30.6% of the Group’s total purchases for the year (of which purchases attributable to the largest supplier accounted for approximately 9.0%).

None of the Directors or any of their close associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company’s issued share capital) had any beneficial interest in the Group’s five largest customers and suppliers.

BORROWINGS

Details of bank and other borrowings of the Group as at 31 December 2021 are set out in Note 27 to the consolidated financial statements.

FIXED ASSETS

Details of the movements in property, plant and equipment of the Group are set out in Note 16 to the consolidated financial statements.

優先購買權

本公司經修訂及重列組織章程細則（「**細則**」）或開曼群島法律並無有關本公司須按比例基準向現有股東發售新股份的優先購買權條文。

捐款

本集團於截至二零二一年十二月三十一日止年度的慈善及其他捐款約為2,762,000港元。

主要客戶及供應商

截至二零二一年十二月三十一日止年度，向本集團五大客戶的銷售額佔本集團本年度總銷售額約40.1%（其中對本集團最大客戶的銷售額約佔14.0%）。自本集團五大供應商的採購額佔本集團本年度總採購額約30.6%（其中最大供應商應佔採購額約佔9.0%）。

概無董事或任何彼等緊密聯繫人或任何股東（就董事所深知，擁有本公司已發行股本逾5%）於本集團五大客戶及供應商中擁有任何實益權益。

借款

於二零二一年十二月三十一日，本集團銀行及其他借款的詳情載於綜合財務報表附註27。

固定資產

本集團的物業、廠房及設備的變動詳情載於綜合財務報表附註16。



REPORT OF THE DIRECTORS

董事會報告

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company, nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities for the year ended 31 December 2021.

DIRECTORS

The Directors who held office during the year and up to the date of this annual report are:

Executive Directors

Mr. Lu Yuguang
Mr. Zhang Haitao
Mr. Wu Shaolun
Ms. Zheng Tingting
Mr. Chan Yiu Sing (*appointed on 10 February 2021*)
Mr. Lu Libin (*appointed on 10 February 2021*)

Independent non-executive Directors

Mr. Cheung Yat Ming
Mr. Ding Baoshan
Mr. Sai Chun Yu (*retired on 28 May 2021*)
Mr. Kuo Dah Chih, Stanford (*appointed on 28 May 2021*)

According to Article 83(3) of the Articles, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of shareholders after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Besides, Article 84(1) of the Articles stipulates that at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

購買、出售或贖回證券

截至二零二一年十二月三十一日止年度，概無本公司或其任何附屬公司購買、出售或贖回本公司任何上市證券。

董事

於年內及截至本年報日期任職的董事為：

執行董事

盧煜光先生
張海濤先生
吳少倫先生
鄭婷婷女士
陳耀星先生 (*於二零二一年二月十日獲委任*)
盧立彬先生 (*於二零二一年二月十日獲委任*)

獨立非執行董事

張一鳴先生
丁寶山先生
余振宇先生 (*於二零二一年五月二十八日退任*)
郭大熾先生 (*於二零二一年五月二十八日獲委任*)

根據細則第83(3)條，董事有權不時及隨時委任任何人士為董事，以填補董事會之臨時空缺，或作為現有董事會之新增成員。獲董事會委任以填補臨時空缺之任何董事之任期至其獲委任後的首個股東大會為止，並有資格於該大會上重選連任；至於獲董事會委任以增加現有董事會成員之任何董事之任期，僅至本公司下屆股東週年大會為止，屆時有資格重選連任。此外，細則第84(1)條規定，於每屆股東週年大會上，三分之一當時董事（或倘數目並非三(3)的倍數，則為最接近但不少於三分之一之數目）須輪值退任，惟至少每三年每名董事須於股東週年大會上輪值退任。

Pursuant to the aforesaid provisions in the Articles, Mr. Lu Yuguang (“**Mr. Lu**”), Mr. Wu Shaolun (“**Mr. Wu**”) and Mr. Cheung Yat Ming will retire by rotation at the forthcoming AGM. All the above Directors, being eligible, will offer themselves for re-election at the AGM.

PROFILES OF DIRECTORS

Profiles of the Directors are set out on pages 73 to 81 of this annual report.

DIRECTORS’ SERVICE CONTRACTS

Each of the executive Directors (except for Ms. Zheng Tingting (“**Ms. Zheng**”), Mr. Chan Yiu Sing (“**Mr. Chan**”) and Mr. Lu Libin) had entered into a service agreement with the Company for an extended term of three years commencing on 23 May 2020. Each of Mr. Chan and Mr. Lu Libin had entered into a service agreement with the Company for a term of three years commencing on 10 February 2021. Ms. Zheng had entered into a service agreement with the Company for an extended term of three years commencing on 23 November 2021. Each service agreement will continue thereafter until terminated by either party by giving to the other party at least three months’ prior notice in writing. Each of the independent non-executive Directors (except for Mr. Kuo Dah Chih, Stanford (“**Mr. Kuo**”)) had been appointed for an extended term of three years with effect from 23 May 2020. Mr. Kuo had been appointed for a term of three years with effect from 28 May 2021.

In view of the addition of Directors to the Board on 10 February 2021, each of the executive Directors (except for Mr. Chan and Mr. Lu Libin) had entered into a supplemental service agreement with the Company. Pursuant to such agreement, the term that the total amount of bonus together with the total salary and benefits to be paid to all the executive Directors of the Company in each year ending December 31 shall be less than 10% of the audited consolidated net profit after taxation but before extraordinary items of the Group for the relevant financial year (and before deducting such discretionary bonus, salary and benefits) was repealed. On the other hand, the Group has introduced additional performance based incentive schemes with salary payment not exceeding 10% of the basic salaries to be paid monthly to employees if the Group accomplishes the monthly key performance indicators. Such incentive schemes also apply to all executive Directors and the relevant service agreements have been revised accordingly.

根據前述細則條文，盧煜光先生（「**盧先生**」）、吳少倫先生（「**吳先生**」）及張一鳴先生將於應屆股東週年大會輪值退任。所有上述董事均合資格並願意於股東週年大會上膺選連任。

董事履歷

董事履歷載於本年報第73頁至第81頁。

董事服務合約

各執行董事（鄭婷婷女士（「**鄭女士**」）、陳耀星先生（「**陳先生**」）及盧立彬先生除外）已與本公司訂立服務協議，自二零二零年五月二十三日起計延續任期三年。陳先生及盧立彬先生已與本公司訂立服務協議，自二零二一年二月十日起計任期三年。鄭女士已與本公司訂立服務協議，自二零二一年十一月二十三日起計延續任期三年。各服務協議之後將繼續有效，直至其中一方提前至少三個月向另一方發出事先書面通知予以終止。各獨立非執行董事（除郭大熾先生（「**郭先生**」））已獲委任，自二零二零年五月二十三日起計延續任期三年。郭先生自二零二一年五月二十八日起計任期三年。

鑒於二零二一年二月十日之新增董事，各執行董事（陳先生及盧立彬先生除外）均與本公司訂立補充服務協議。根據該協議，有關截至十二月三十一日止各年度應付本公司全體執行董事的花紅總額連同薪金及福利總額不得超過本集團於相關財政年度除稅後但未扣除非經常性項目的經審核綜合淨利潤（及於扣除有關酌情花紅、薪金及福利前）的10%之條款已予廢止。另一方面，本集團已實施額外的表現激勵計劃，如果本集團完成了每月設定的關鍵績效指標，則每月向僱員支付不超過基本薪金的10%之獎金。該激勵計劃也適用於所有執行董事，其相關的服務協議亦已作出相應修訂。



REPORT OF THE DIRECTORS

董事會報告

All Directors are subject to retirement by rotation in accordance with the Articles and Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange (the “**Listing Rules**”). None of the Directors proposed for re-election at the forthcoming AGM have a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

DIRECTORS’ FEES AND EMOLUMENTS

The Directors’ fees are subject to shareholders’ approval at general meetings. Other emoluments are determined by the Board with reference to Directors’ duties, responsibilities and performance and the results of the Group.

Details of the emoluments of every Director for the year ended 31 December 2021 are set out in Note 10 to the consolidated financial statements.

DIRECTORS’ INTERESTS IN CONTRACTS

Save as disclosed under the sections headed “CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS” below and “RELATED PARTY TRANSACTIONS” in Note 40 to the consolidated financial statements, no Director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, or any of its holding companies, subsidiaries or fellow subsidiaries was a party during the year ended 31 December 2021.

DIRECTORS’ INTERESTS IN COMPETING BUSINESS

During the year ended 31 December 2021, none of the Directors of the Company had any interest in any competing business with the Company or any of its subsidiaries.

根據細則及聯交所證券上市規則附錄十四（「**上市規則**」），全體董事須輪值退任。擬於應屆股東週年大會上膺選連任的董事概無與本公司或其任何附屬公司訂立不可由本集團於一年內終止而毋須支付賠償（法定賠償除外）的服務合約。

董事袍金及報酬

董事的袍金須經股東於股東大會上批准。其他報酬乃由董事會參考董事的職責、責任及表現以及本集團的業績釐定。

各董事於截至二零二一年十二月三十一日止年度的報酬詳情載於綜合財務報表附註10。

董事於合約之權益

除了下文「**關連交易及持續關連交易**」，及綜合財務報表附註40「**關聯方交易**」所披露者外，概無董事於截至二零二一年十二月三十一日止年度於對本集團業務而言屬重要且本公司或其任何控股公司、附屬公司或同系附屬公司屬訂約方的任何合約中擁有重大權益（不論直接或間接）。

董事於競爭業務之權益

截至二零二一年十二月三十一日止年度，本公司董事概無於與本公司或其任何附屬公司有競爭的業務中擁有任何權益。

REPORT OF THE DIRECTORS

董事會報告

Mr. Lu and Grandview Capital Investment Limited (“**Grandview**”), being the controlling shareholders of the Company (the “**Controlling Shareholders**”), have each provided a written confirmation to the Company confirming that he/it has complied with the terms of the Deed of Non-competition for the year ended 31 December 2021. The independent non-executive Directors of the Company have also reviewed the status of compliance by each of the Controlling Shareholders and confirmed that, as far as they can ascertain, each of the Controlling Shareholders has complied with the terms of the Deed of Non-competition.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2021.

DISCLOSURE OF INTERESTS – DIRECTORS’ AND CHIEF EXECUTIVE’S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND/OR DEBENTURES

As at 31 December 2021, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and/or debentures (as the case may be) of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “**SFO**”)) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which were required to be entered into the register required to be kept by the Company under Section 352 of the SFO or which were otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix 10 to the Listing Rules, were set out below:

本公司控股股東（「**控股股東**」）盧先生及 Grandview Capital Investment Limited（「**Grandview**」）各自已向本公司提供一份書面確認，確認彼已於截至二零二一年十二月三十一日止年度遵守不競爭契據之條款。本公司之獨立非執行董事亦已審閱各控股股東的合規情況並確認（就彼等所能查證）各控股股東已遵守不競爭契據之條款。

管理合約

截至二零二一年十二月三十一日止年度概無訂立或存在有關本公司全部或任何重大部分業務管理及行政的合約。

權益披露 – 董事及主要行政人員於股份、相關股份及／或債券的權益及淡倉

於二零二一年十二月三十一日，本公司董事及主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「**證券及期貨條例**」）第XV部）的股份、相關股份及／或債券（視情況而定）中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例的該等條文而計入或視作彼等擁有的權益及淡倉），或根據證券及期貨條例第352條須登記於本公司存置的登記冊內的權益及淡倉，或根據上市規則附錄十所載的上市發行人董事進行證券交易的標準守則（「**標準守則**」）須另行知會本公司及聯交所的權益及淡倉如下：



REPORT OF THE DIRECTORS

董事會報告

(I) The Company

(II) 本公司

Name of Director	Long/short position	Capacity	Number of shares/ underlying shares	Notes	Approximate percentage of shareholding (%) 持股概約百分比 (%)
董事姓名	好/淡倉	身份	股份/相關 股份數目	附註	
Mr. Lu Yuguang 盧煜光先生	Long position 好倉	Beneficial owner 實益擁有人	3,000,000	1	
	Long position 好倉	Interest held by his controlled corporation 其受控法團持有的權益	637,500,000	2	
			640,500,000		61.59
Mr. Zhang Haitao 張海濤先生	Long position 好倉	Interest held by his spouse 其配偶持有的權益	78,094,000	3	7.51
Ms. Zheng Tingting 鄭婷婷女士	Long position 好倉	Beneficial owner 實益擁有人	3,094,000	4	
	Long position 好倉	Interest held by her controlled corporation 其受控法團持有的權益	75,000,000	5	
			78,094,000		7.51
Mr. Wu Shaolun 吳少倫先生	Long position 好倉	Beneficial owner 實益擁有人	3,000,000	6	
	Long position 好倉	Interest held by his controlled corporation 其受控法團持有的權益	37,500,000	7	
			40,500,000		3.89

REPORT OF THE DIRECTORS

董事會報告

Notes:

1. These 3,000,000 ordinary shares were issued by the Company to Mr. Lu, the Chairman and an executive Director of the Company, upon exercise of his share options granted under the Company's pre-IPO share option scheme (the "**Pre-IPO Share Option Scheme**") which has already been terminated.
2. These 637,500,000 ordinary shares were held by Grandview, which was wholly owned by Mr. Lu. Under the SFO, Mr. Lu was deemed to be interested in such shares held by Grandview.
3. These 78,094,000 ordinary shares were held by Ms. Zheng, the Chief Operating Officer and an executive Director of the Company and her controlled corporation (details in Notes 4 and 5 below). Ms. Zheng is the spouse of Mr. Zhang Haitao ("**Mr. Zhang**"), the Chief Executive Officer and an executive Director of the Company. Under the SFO, Mr. Zhang was deemed to be interested in such shares held by Ms. Zheng and her controlled corporation.
4. Among these 3,094,000 ordinary shares, 2,000,000 shares were held by Ms. Zheng upon exercise of her share options granted under the Pre-IPO Share Option Scheme, and 1,094,000 shares were acquired from the market.
5. These 75,000,000 ordinary shares were held by Mega Brilliant Enterprises Limited ("**Mega Brilliant**"), which was wholly owned by Ms. Zheng. Under the SFO, Ms. Zheng was deemed to be interested in such shares held by Mega Brilliant.
6. These 3,000,000 ordinary shares were issued by the Company to Mr. Wu, an executive Director of the Company, upon exercise of his share options granted under the Pre-IPO Share Option Scheme.
7. These 37,500,000 ordinary shares were held by Lakefront Capital Investment Limited ("**Lakefront**"), which was wholly owned by Mr. Wu. Under the SFO, Mr. Wu was deemed to be interested in such shares held by Lakefront.

附註：

1. 該3,000,000股普通股乃本公司主席兼執行董事盧先生行使根據本公司首次公開發售前購股權計劃（「**首次公開發售前購股權計劃**」）項下授出的購股權（該計劃現已終止）。
2. 該637,500,000股普通股由Grandview持有，而該公司由盧先生全資擁有。根據證券及期貨條例，盧先生被視為於Grandview所持有的該等股份中擁有權益。
3. 該78,094,000股普通股由鄭女士（本公司首席運營官兼執行董事）及其受控法團（詳情載於下文附註4及5）。鄭女士是本公司行政總裁兼執行董事張海濤先生（「**張先生**」）的配偶。根據證券及期貨條例，張先生被視為於鄭女士及其受控法團所持有的該等股份中擁有權益。
4. 於3,094,000股普通股中，2,000,000股普通股於鄭女士行使其根據首次公開發售前購股權計劃獲授的購股權後持有，及1,094,000股股份自市場購買。
5. 該75,000,000股普通股由Mega Brilliant Enterprises Limited（「**Mega Brilliant**」）持有，而該公司由鄭女士全資擁有。根據證券及期貨條例，鄭女士被視為於Mega Brilliant所持有的該等股份中擁有權益。
6. 該3,000,000股普通股乃由本公司向本公司的執行董事吳先生於行使其根據首次公開發售前購股權計劃獲授購股權時配發。
7. 該37,500,000股普通股由Lakefront Capital Investment Limited（「**Lakefront**」）持有，而該公司由吳先生全資擁有。根據證券及期貨條例，吳先生被視為於Lakefront所持有的該等股份中擁有權益。



REPORT OF THE DIRECTORS

董事會報告

(II) Associated Corporation (within the meaning of the SFO)

Grandview Capital Investment Limited

Name of Director	Long/short position	Capacity	Number of shares	Approximate percentage of shareholding (%) 持股概約百分比 (%)
董事姓名	好 / 淡倉	身份	股份數目	
Mr. Lu Yuguang 盧煜光先生	Long position 好倉	Beneficial owner 實益擁有人	10,001	100

(II) 相聯法團 (定義見證券及期貨條例)

Grandview Capital Investment Limited

Save as disclosed above, as at 31 December 2021, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於二零二一年十二月三十一日，本公司董事或主要行政人員概無於本公司及其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部的規定須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例的該等條文而計入或視作彼等擁有的權益或淡倉），或根據證券及期貨條例第352條須登記於該條所述本公司存置的登記冊內的權益或淡倉，或根據標準守則而須另行知會本公司及聯交所的權益或淡倉。

**DISCLOSURE OF INTERESTS –
SUBSTANTIAL SHAREHOLDERS’ INTERESTS
AND SHORT POSITIONS IN SHARES AND
UNDERLYING SHARES OF THE COMPANY**

As at 31 December 2021, so far as was known to the Directors of the Company, the following persons/entities (other than the Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

**權益披露 – 主要股東於本公司股份
及相關股份的權益及淡倉**

於二零二一年十二月三十一日，就本公司董事所知，以下人士／實體（董事或本公司主要行政人員除外）於本公司股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司及聯交所披露的權益或淡倉，或根據證券及期貨條例第336條須記入本公司所存置登記冊的權益或淡倉：

Name of substantial shareholder	Long/short position	Capacity	Number of shares/ underlying shares	Notes	Approximate percentage of shareholding (%) 持股概約百分比 (%)
主要股東姓名／名稱	好／淡倉	身份	股份／相關股份數目	附註	
Grandview Capital Investment Limited	Long position 好倉	Beneficial owner 實益擁有人	637,500,000	1	61.30
FMR LLC	Long position 好倉	Interest held by its controlled corporations 其受控法團持有的權益	95,250,835	2	9.16
Pandanus Associates Inc.	Long position 好倉	Interest held by its controlled corporations 其受控法團持有的權益	81,940,000	3	7.88
Pandanus Partners L.P.	Long position 好倉	Interest held by its controlled corporations 其受控法團持有的權益	81,940,000	3	7.88
FIL Limited	Long position 好倉	Interest held by its controlled corporations 其受控法團持有的權益	81,940,000	3	7.88
Mega Brilliant Enterprises Limited	Long position 好倉	Beneficial owner 實益擁有人	75,000,000	4	7.21
FIDELITY PURITAN TRUST	Long position 好倉	Beneficial owner 實益擁有人	55,310,000	5	5.32



REPORT OF THE DIRECTORS

董事會報告

Notes:

1. Grandview was wholly owned by Mr. Lu, the Chairman and an executive Director of the Company and Mr. Lu was deemed to be interested in the 637,500,000 ordinary shares of the Company held by Grandview pursuant to the SFO. Mr. Lu's interests in shares are disclosed in this annual report in the section headed "DISCLOSURE OF INTERESTS – DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND/OR DEBENTURES".
2. FMR LLC was deemed to be interested in the 95,250,835 ordinary shares of the Company through its 100% controlled corporations and 483A Bay Street Holdings LP, which was owned or controlled as to 18% by Bay Street Holdings LLC.
3. Pandanus Associates Inc. is a general partner of and has 100% control over Pandanus Partners L.P., which owned or controlled 37.01% of the voting rights in FIL Limited. FIL Limited then indirectly owned or controlled 82% of the voting rights in 483A Bay Street Holdings LP. By virtue of Part XV of the SFO, each of Pandanus Associates Inc., Pandanus Partners L.P. and FIL Limited was deemed to be interested in the 81,940,000 ordinary shares of the Company via 483A Bay Street Holdings LP and its 100% controlled corporations.
4. Mega Brilliant was wholly owned by Ms. Zheng, the Chief Operating Officer and an executive Director of the Company, and Ms. Zheng was deemed to be interested in the 75,000,000 ordinary shares of the Company held by Mega Brilliant pursuant to the SFO. Mr. Zhang, the Chief Executive Officer and an executive Director of the Company, is the spouse of Ms. Zheng and was accordingly deemed to be interested in the 75,000,000 ordinary shares which Ms. Zheng was deemed to be interested in for the purposes of the SFO. Ms. Zheng's and Mr. Zhang's interests in shares are disclosed in this annual report in the section headed "DISCLOSURE OF INTERESTS – DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND/OR DEBENTURES".
5. FIDELITY PURITAN TRUST held the 55,310,000 ordinary shares of the Company directly.

附註：

1. Grandview由本公司主席兼執行董事盧先生全資擁有，及根據證券及期貨條例，盧先生被視為於Grandview所持本公司637,500,000股普通股中擁有權益。盧先生於股份的權益乃於本年報「權益披露 – 董事及主要行政人員於股份、相關股份及／或債券的權益及淡倉」一節披露。
2. FMR LLC通過其100%受控法團及483A Bay Street Holdings LP（由Bay Street Holdings LLC擁有或控制18%股權）而被視為於本公司95,250,835股普通股中擁有權益。
3. Pandanus Associates Inc.為Pandanus Partners L.P.之普通合夥人並控制100%股權，其擁有或控制於FIL Limited的37.01%投票權。而FIL Limited間接擁有或控制於483A Bay Street Holdings LP的82%投票權。根據證券及期貨條例第XV部，Pandanus Associates Inc.、Pandanus Partners L.P.及FIL Limited均被視為通過483A Bay Street Holdings LP及其100%受控法團於本公司81,940,000股普通股中擁有權益。
4. Mega Brilliant由本公司首席運營官兼執行董事鄭女士全資擁有，而根據證券及期貨條例，鄭女士被視為於Mega Brilliant所持有本公司75,000,000股普通股中擁有權益。本公司行政總裁兼執行董事張先生為鄭女士的配偶，因而根據證券及期貨條例被視為於鄭女士被視為擁有權益的75,000,000股普通股中擁有權益。鄭女士及張先生各自於股份的權益乃於本年報「權益披露 – 董事及主要行政人員於股份、相關股份及／或債券的權益及淡倉」一節披露。
5. FIDELITY PURITAN TRUST直接持有本公司55,310,000股普通股。

Save as disclosed above, as at 31 December 2021, the Directors were not aware of any other persons/entities (other than the Directors and chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

SHARE OPTION SCHEME

On 8 May 2014, the Company has adopted the share option scheme (the “**Share Option Scheme**”) which is governed by Chapter 17 of the Listing Rules.

The principal terms of the Share Option Scheme, which shall be valid and effective for 10 years from its adoption date, are summarised below:

Purpose

The purpose of the Share Option Scheme is to reward the eligible participants who have contributed to the Group and to encourage them to work towards enhancing the value of the Company and its shareholders.

Eligible participants

The Board may at its discretion make offers inviting the Directors and employees of the Group and any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters or service providers of any member of the Group who the Board considers, in its absolute discretion, have contributed or will contribute to the Group, to take up options to subscribe for shares of the Company, subject to such conditions as the Board may think fit.

除上文所披露者外，於二零二一年十二月三十一日，董事知悉概無任何其他人士／實體（董事及本公司主要行政人員除外）於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司及聯交所披露的權益或淡倉，或根據證券及期貨條例第336條須記入本公司所存置登記冊的權益或淡倉。

購股權計劃

於二零一四年五月八日，本公司已採納購股權計劃（「**購股權計劃**」），由上市規則第17章規管。

購股權計劃自其採納日期起10年有效，其主要條款概述如下：

目的

購股權計劃的目的在於獎勵曾對本集團作出貢獻的合資格參與者及鼓勵彼等致力於提升本公司及其股東的價值。

合資格參與者

董事會可酌情要約邀請本集團董事及僱員以及董事會按其絕對酌情權認為曾經或將向本集團作出貢獻的任何顧問、專家顧問、分銷商、承包商、供應商、代理人、客戶、業務夥伴、合營企業合夥人、發起人或本集團任何成員公司的服務供應商認購可認購本公司股份的購股權，惟須達成董事會認為適當的有關條件方可作實。



REPORT OF THE DIRECTORS

董事會報告

Total number of shares available for issue under the Share Option Scheme

(a) 10% limit

Subject to the following paragraph, the maximum number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 10% of the number of shares of the Company in issue on the listing date (i.e. 23 May 2014) (not taking into account any shares which may be allotted and issued pursuant to the over-allotment option under the IPO) (the “**Scheme Mandate Limit**”). Options lapsed in accordance with the terms of the Share Option Scheme and (as the case may be) such other share option schemes of the Company will not be counted for the purpose of calculating the Scheme Mandate Limit.

The Company may, from time to time, refresh the Scheme Mandate Limit by obtaining the approval of the shareholders in general meeting, provided that the total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company under the limit as refreshed must not exceed 10% of the shares of the Company in issue as at the date of the shareholders’ approval of the refreshed limit.

The Company may also seek separate approval of the shareholders in general meeting for granting options beyond the Scheme Mandate Limit or the refreshed limit, provided that the options in excess of such limit are granted only to eligible participants specifically identified by the Company before such approval is sought.

根據購股權計劃可供發行的股份總數

(a) 10%限額

在不違反下述段落所載情況下，因行使根據購股權計劃及本公司任何其他購股權計劃所授出全部購股權而可能發行的股份數目上限，合共不得超過於上市日期（即二零一四年五月二十三日）本公司已發行股份數目的10%（未計及根據首次公開發售的超額配股權可能配發及發行的任何股份）（「**計劃授權限額**」）。計算計劃授權限額時，根據購股權計劃及（視乎情況而定）本公司其他購股權計劃的條款已告失效的購股權不計算在內。

獲股東於股東大會批准後，本公司可不時更新計劃授權限額，惟基於已更新限額而行使根據購股權計劃及本公司任何其他購股權計劃所授出全部購股權而可能發行的股份總數，不得超過股東批准已更新限額當日的本公司已發行股份的10%。

本公司亦可在股東大會取得股東另行批准授出超過計劃授權限額或經更新限額的購股權，惟超出有關限額的購股權僅可授予本公司徵求有關股東批准前特別物色的合資格參與者。

(b) 30% limit

The overall limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 30% of the shares of the Company in issue from time to time.

Maximum entitlement of each participant

The total number of shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the shares of the Company in issue from time to time. Where any further grant of options to a grantee would result in the shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant exceeding 1% of the shares of the Company in issue, such further grant must be separately approved by the shareholders in general meeting with such grantee and his associates abstaining from voting.

Performance target

The Share Option Scheme allows the Board, when offering the grant of any option, to impose any condition including any performance target, which must be met before the option shall vest and become exercisable.

(b) 30%限額

因行使根據購股權計劃及本公司任何其他購股權計劃已授出但尚未行使的全部購股權而可能發行的股份數目整體上限，合共不得超過本公司不時已發行股份的30%。

各參與者的最高權利

任何12個月期間因行使各參與者所獲授購股權（包括已行使及尚未行使的購股權）而已發行及將發行的股份總數不得超過本公司不時已發行股份的1%。凡向承授人額外授出任何購股權會導致因行使截至額外授出購股權日期為止（包括當日）的12個月內已授予或將授予該人士的所有購股權（包括已行使、已註銷及尚未行使的購股權）而已發行及將發行的股份超過本公司已發行股份的1%，則須於股東大會上經股東另行批准，而有關承授人及其聯繫人不得就此投票。

表現目標

購股權計劃允許董事會在要約授出任何購股權時施加任何條件，包括在購股權歸屬及可行使前須達成任何表現目標。



REPORT OF THE DIRECTORS

董事會報告

Minimum period for which an option must be held

The Board may at its discretion, when offering the grant of any option, impose any minimum period for which an option must be held before it can be exercised.

Exercise price

The exercise price shall be determined by the Board in its absolute discretion but in any event shall be not less than the highest of:

- (a) the closing price of the shares of the Company as stated in the daily quotations sheet of the Stock Exchange on the date of grant;
- (b) the average closing price of the shares of the Company as stated in the daily quotations sheets of the Stock Exchange for the 5 business days immediately preceding the date of grant; and
- (c) the nominal value of the shares of the Company.

Amount payable upon acceptance of option

HK\$1.00 is payable by each eligible participant to the Company on acceptance of an offer of option.

The Company has not granted any share options under the Share Option Scheme since its adoption on 8 May 2014.

The total number of shares available for issue upon exercise of all share options which are not yet granted under the Share Option Scheme is 73,530,000 shares, representing approximately 7.07% of the issued share capital of the Company as at the date of this annual report (i.e. 1,039,808,000 shares).

購股權須持有的最低期限

董事會可於要約授出任何購股權時酌情施加在任何購股權可行使前須持有的最低期限。

行使價

行使價由董事會全權酌情釐定但無論如何不得低於以下之最高者：

- (a) 於授出日期聯交所每日報價表所列本公司股份的收市價；
- (b) 緊接授出日期前5個營業日聯交所每日報價表所列本公司股份的平均收市價；及
- (c) 本公司股份面值。

接納購股權時應付數額

各合資格參與者在接納購股權要約時須向本公司支付1.00港元。

本公司自二零一四年五月八日採納購股權計劃以來並無授出任何購股權。

於所有尚未授出的購股權獲行使後可供發行的股份總數為73,530,000股股份，相當於本年報日期本公司已發行股本（即1,039,808,000股股份）約7.07%。

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

Certain related party transactions as disclosed in Note 40 to the consolidated financial statements also constitute connected transactions or continuing connected transactions under the Listing Rules, which are required to be disclosed in accordance with Chapter 14A of the Listing Rules. The following transactions between certain connected persons (as defined in the Listing Rules) and the Group have been entered into and/or are ongoing for which relevant disclosure had been made by the Company by way of announcement in compliance with the disclosure requirements under Chapter 14A of the Listing Rules.

a. Acquisition of assets and business from Textprint Lanka (Private) Limited and sub-lease agreements with MAS Fabric Park (Private) Limited

On 29 January 2021, Trischel (a non-wholly owned subsidiary of the Company) as buyer and transferee entered into an assets sale and purchase agreement with Textprint as seller and transferor in relation to the sale and purchase of (i) fixed assets which mainly included printing machines, washing machines, boilers, steamers, fabric inspection machines, dryers and other equipment for printing synthetic fabrics and the associated finishing processes, as well as (ii) inventory of Textprint for printing business as recorded in the management accounts of Textprint as at 31 January 2021 (the “**Assets**”). Pursuant to the assets sale and purchase agreement, Textprint shall also transfer up to 252 of its employees to Trischel who have been employed by Trischel with effect from the date of completion. The cash consideration for the transaction was US\$3,538,197 and was determined based on the total net book value of the Assets as at 31 January 2021, after deducting the gratuity accrued up to 31 January 2021 for the employees employed by Textprint to be transferred to Trischel and any inter-company balances between Trischel and Textprint as at 31 January 2021. Completion of this acquisition took place on 1 February 2021.

關連交易及持續關連交易

綜合財務報表附註40中披露的若干關聯方交易亦構成上市規則項下的關連交易或持續關連交易，須根據上市規則第14A章予以披露。若干關連人士（定義見上市規則）與本集團之間已訂立及／或正在進行以下交易，本公司已遵照上市規則第14A章的披露要求中對其作出相關披露或透過公告予以披露。

a. 自Textprint Lanka (Private) Limited收購資產及業務並與MAS Fabric Park (Private) Limited訂立分租協議

於二零二一年一月二十九日，Trischel（本公司非全資附屬公司），作為買方及受讓方，與Textprint，作為賣方及轉讓方）訂立資產買賣協議，內容有關買賣(i)固定資產，主要包括印花機、洗滌機、鍋爐、蒸汽機、織物檢驗機、烘乾機及其他設備，用以合成纖維織物的印花及相關後加工工藝，以及(ii)如Textprint於二零二一年一月三十一日的管理賬目所紀錄用於印花業務的Textprint存貨（「**該等資產**」）。根據資產買賣協議，Textprint將同時轉移最多252位僱員至Trischel（Trischel僱用Trischel事宜自完成日期起生效）。交易的現金代價為3,538,197美元並根據該等資產於二零二一年一月三十一日的總賬面淨值（經扣除直至二零二一年一月三十一日將轉調至Trischel的Textprint僱員的應計退職金及於二零二一年一月三十一日Trischel與Textprint的任何公司間結餘後）釐定。該收購事項已於二零二一年二月一日完成。



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On 29 January 2021, Trischel (as lessee) entered into two sub-lease agreements with MAS Fabric Park (Private) Limited (“**MAS Fabric Park**”) (as lessor) for the lease of (i) premises situated at MAS industrial park in Mattegama Village in the District of Kurunegala, North-Western Province, Sri Lanka with an area of approximately 144,493 square feet (the “**Giriulla Sub-Lease**”); and (ii) premises situated at MAS industrial park in Nangalla and Thulhiriya Villages in the District of Kegalle, Sabaragamuwa Province, Sri Lanka with an area of approximately 89,963.48 square feet (the “**Lot-39 Sub-Lease**”) for the period from 1 February 2021 to 31 December 2022. The premises under the Giriulla Sub-Lease will be used by Trischel for production and as a warehouse and the premises under the Lot-39 Sub-Lease will be used by Trischel for production.

Pursuant to the Giriulla Sub-Lease, Trischel shall pay the following rentals and premium to MAS Fabric Park: (i) total ground rental of US\$40,013.87 calculated on the basis of US\$4,660 per acre per annum, payable in the first instalment of US\$3,479.47 on 1 February 2021 and seven instalments of US\$5,219.2 each on the first day of January, April, July and October each year during the remaining term; (ii) total building rental of US\$415,417.38 calculated on the basis of US\$1.50 per square feet per annum, payable in the first instalment of US\$36,123.22 on 1 February 2021 and seven instalments of US\$54,184.88 each on the first day of January, April, July and October each year during the remaining term; and (iii) up-front premium of US\$8,586.67 calculated on the basis of US\$1,916.67 per acre, payable on the date of the agreement.

於二零二一年一月二十九日，Trischel（作為承租人）與MAS Fabric Park (Private) Limited（「**MAS Fabric Park**」）（作為出租人）訂立兩份分租協議，以租賃(i)位於斯里蘭卡西北省Kurunegala區Mattegama村MAS工業園面積約144,493平方英尺的物業（「**Giriulla分租協議**」）；及(ii)位於斯里蘭卡Sabaragamuwa省Kegalle區Nangalla及Thulhiriya村MAS工業園面積約89,963.48平方英尺的物業（「**Lot-39分租協議**」），期限自二零二一年二月一日起至二零二二年十二月三十一日。Giriulla分租協議項下的物業將由Trischel用作生產及倉庫用途，而Lot-39分租協議項下的物業將由Trischel用作生產用途。

根據Giriulla分租協議，Trischel將向MAS Fabric Park支付以下租金及出讓金：(i)基於每年每英畝4,660美元計算的總地租40,013.87美元，須於二零二一年二月一日支付第一期3,479.47美元，及於剩餘租賃期內分七期，按每期5,219.2美元各於每年一月、四月、七月及十月的首日支付；(ii)基於每年每平方英尺1.50美元計算的總樓宇租金415,417.38美元，須於二零二一年二月一日支付第一期36,123.22美元，並於剩餘租賃期內分七期，按每期54,184.88美元各於每年一月、四月、七月及十月的首日支付；及(iii)基於每英畝1,916.67美元計算的預付出讓金8,586.67美元，須於協議日期支付。

REPORT OF THE DIRECTORS

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Pursuant to the Lot-39 Sub-Lease, Trischel shall pay the following rentals and premium to MAS Fabric Park: (i) total ground rental of US\$45,051.29 calculated on the basis of US\$5,130 per acre per annum, payable in the first instalment of US\$3,917.54 on 1 February 2021 and seven instalments of US\$5,876.25 each on the first day of January, April, July and October each year during the remaining term; (ii) total building rental of US\$396,589.01 calculated on the basis of US\$2.30 per square feet per annum, payable in the first instalment of US\$34,486.01 on 1 February 2021 and seven instalments of US\$51,729 each on the first day of January, April, July and October each year during the remaining term; and (iii) up-front premium of US\$10,538.31 calculated on the basis of US\$2,300 per acre, payable on the date of the agreement.

On 29 January 2021, Trischel (as lessee) entered into two supplemental agreements with MAS Fabric Park (as lessor) in relation to the extension of the term of the two sub-lease agreements dated 1 August 2019 in respect of (i) the premises situated at MAS industrial park in Nangalla and Thulhiriya Villages in the District of Kegalle, Sabaragamuwa Province in Sri Lanka with an area of approximately 70,458 square feet (the “**Logiwiz Sub-Lease**”); and (ii) the premises situated at MAS industrial park in Nangalla and Thulhiriya Villages in the District of Kegalle, Sabaragamuwa Province in Sri Lanka with an area of approximately 44,435 square feet (the “**Weft Sub-Lease**”). Pursuant to the supplemental agreements entered into on 29 January 2021, the term of each of the Logiwiz Sub-Lease and the Weft Sub-Lease was extended from 1 August 2022 to 31 December 2022.

根據Lot-39分租協議，Trischel將向MAS Fabric Park支付以下租金及出讓金：(i)基於每年每英畝5,130美元計算的總地租45,051.29美元，須於二零二一年二月一日支付第一期3,917.54美元，並於剩餘租期內分七期按每期5,876.25美元各於每年一月、四月、七月及十月的首日支付；(ii)基於每年每平方英尺2.30美元計算的總樓宇租金396,589.01美元，須於二零二一年二月一日支付第一期34,486.01美元，並於剩餘租期內分七期按每期51,729美元各於每年一月、四月、七月及十月的首日支付；及(iii)基於每英畝2,300美元計算的預付出讓金10,538.31美元，須於協議日期支付。

於二零二一年一月二十九日，Trischel（作為承租人）與MAS Fabric Park（作為出租人）訂立兩份補充協議，內容有關延長日期為二零一九年八月一日之兩份分租協議的期限，關於(i)位於斯里蘭卡Sabaragamuwa省Kegalle區Nangalla及Thulhiriya村MAS工業園面積約70,458平方英尺之物業（「**Logiwiz分租協議**」）；及(ii)位於斯里蘭卡Sabaragamuwa省Kegalle區Nangalla及Thulhiriya村MAS工業園面積約44,435平方英尺之物業（「**Weft分租協議**」）。根據於二零二一年一月二十九日各自訂立之補充協議，Logiwiz分租協議及Weft分租協議之期限自二零二二年八月一日延長至二零二二年十二月三十一日。



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Pursuant to the sub-lease agreement and the supplemental agreement for the Logiwiz Sub-Lease, Trischel shall pay the following rentals and premium to MAS Fabric Park: (A) during the original lease term from 1 August 2019 to 31 July 2022; (i) total ground rental of US\$38,475 calculated on the basis of US\$5,130 per acre per annum, payable in 12 instalments on the first day of August, November, February and May each calendar year; (ii) total building rental of US\$486,160.20 calculated on the basis of US\$2.30 per square feet per annum, payable in 12 instalments on the first day of August, November, February and May each calendar year; and (iii) up-front premium of US\$9,000 calculated on the basis of US\$3,600 per acre, payable on the date of the agreement; and (B) during the extended lease term from 1 August 2022 to 31 December 2022: (i) total ground rental of US\$5,343.75 calculated on the basis of US\$5,130 per acre per annum, payable in two instalments of US\$2,671.88 each on the first day of August and November 2022; and (ii) total building rental of US\$67,522.25 calculated on the basis of US\$2.30 per square feet per annum, payable in two instalments of US\$33,761.13 each on the first day of August and November 2022.

根據分租協議及就Logiwiz分租協議訂立之補充協議，Trischel將向MAS Fabric Park支付以下租金及出讓金：(A)於原租期自二零一九年八月一日至二零二二年七月三十一日內：(i)基於每年每英畝5,130美元計算的總地租38,475美元，租期內分十二期須於各曆年八月、十一月、二月及五月的首日支付；(ii)基於每年每平方米2.30美元計算的總樓宇租金486,160.20美元，租期內分十二期須於各曆年八月、十一月、二月及五月的首日支付；及(iii)基於每英畝3,600美元計算的預付出讓金9,000美元，須於協議日期支付；及(B)於經延長租期自二零二二年八月一日至二零二二年十二月三十一日內：(i)基於每年每英畝5,130美元計算的總地租5,343.75美元，須分兩期按每期2,671.88美元各於二零二二年八月及十一月首日支付；及(ii)基於每年每平方英尺2.30美元計算的總樓宇租金67,522.25美元，須分兩期按每期33,761.13美元各於二零二二年八月及十一月首日支付。

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Pursuant to the sub-lease agreement and the supplemental agreement for the Weft Sub-Lease, Trischel shall pay the following rentals and premium to MAS Fabric Park: (A) during the original lease term from 1 August 2019 to 31 July 2022: (i) total ground rental of US\$22,119.93 calculated on the basis of US\$5,130 per acre per annum, payable in 12 instalments on the first day of August, November, February and May each calendar year; (ii) total building rental of US\$306,601.50 calculated on the basis of US\$2.30 per square feet per annum, payable in 12 instalments on the first day of August, November, February and May each calendar; and (iii) up-front premium of US\$5,174.25 calculated on the basis of US\$3,600 per acre, payable on the date of the agreement; and (B) during the extended lease term from 1 August 2022 to 31 December 2022: (i) total ground rental of US\$3,072.21 calculated on the basis of US\$5,130 per acre per annum, payable in two instalments of US\$1,536.11 each on the first day of August and November 2022; and (ii) total building rental of US\$42,583.54 calculated on the basis of US\$2.30 per square feet per annum, payable in two instalments of US\$21,291.77 each on the first day of August and November 2022.

As at 29 January 2021 and the date of this annual report, Textprint and MAS Fabric Park are indirect wholly-owned subsidiaries of MAS Holdings (Private) Limited (“**MAS**”), which indirectly holds 49% of the issued share capital of Trischel. Accordingly, Textprint and MAS Fabric Park are connected persons of the Company at the subsidiary level under Rule 14A.06(9) of the Listing Rules, and the transaction contemplated under each of the assets sale and purchase agreement and the sub-lease agreements mentioned above constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. Further details of the transactions were disclosed in the Company’s announcement dated 29 January 2021.

根據分租協議及就Weft分租協議訂立之補充協議，Trischel將向MAS Fabric Park支付以下租金及出讓金：(A)於原租期自二零一九年八月一日至二零二二年七月三十一日內：(i)基於每年每英畝5,130美元計算的總地租22,119.93美元，租期內分十二期須於各曆年八月、十一月、二月及五月的首日支付；(ii)基於每年每平方英尺2.30美元計算的總樓宇租金306,601.50美元，租期內分十二期須於各曆年八月、十一月、二月及五月的首日支付；及(iii)基於每英畝3,600美元計算的預付出讓金5,174.25美元，須於協議日期支付；及(B)於經延長租期自二零二二年八月一日至二零二二年十二月三十一日內：(i)基於每年每英畝5,130美元計算的總地租3,072.21美元，須分兩期按每期1,536.11美元各於二零二二年八月及十一月首日支付；及(ii)基於每年每平方英尺2.30美元計算的總樓宇租金42,583.54美元，須分兩期按每期21,291.77美元各於二零二二年八月及十一月首日支付。

於二零二一年一月二十九日及本年度報告日期，Textprint及MAS Fabric Park為MAS Holdings (Private) Limited (“**MAS**”)之間接全資附屬公司，而MAS間接持有Trischel已發行股本的49%。因此，根據上市規則第14A.06(9)條，Textprint及MAS Fabric Park為本公司附屬公司層面的關連人士，而根據上市規則第14A章，上述各資產買賣協議及分租協議項下擬進行的交易構成本公司的關連交易。該等交易的進一步詳情已於本公司日期為二零二一年一月二十九日之公告中披露。



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b. Lease of certain properties in Machong Town

On 28 September 2018, Dongguan BPT, an indirect wholly-owned subsidiary of the Company, as lessee, and Dongguan Premium Fashion Company Limited (“**Dongguan PF**”) as lessor entered into a lease agreement in relation to the lease of a property with a total leasing area of approximately 21,868 square meters at Zhang Peng Village, Machong Town, Dongguan City, the PRC (the “**Property A**”) for the Group’s daily production and operational use for a term of three years commencing on 1 October 2018 to 30 September 2021 (the “**Previous Zhang Peng Lease Agreement**”).

Pursuant to the Previous Zhang Peng Lease Agreement, the maximum rent payable by Dongguan BPT for the financial year ended 31 December 2021 shall not exceed RMB5,715,420 and Dongguan BPT shall be responsible for all charges for the utility services to be used in respect of the Property A. The annual cap for the transaction amounts payable by Dongguan BPT under the Previous Zhang Peng Lease Agreement for the financial year ended 31 December 2021 was RMB6,087,000.

On 30 September 2021, in contemplation of the expiry of the Previous Zhang Peng Lease Agreement and the need of additional production area to cope with the business growth of the Group, Dongguan BPT (as lessee) entered into a lease agreement with Dongguan PF (as lessor), pursuant to which Dongguan PF has agreed to lease to Dongguan BPT the Property A for a term of three years commencing on 1 October 2021 to 30 September 2024 and a property located at Zhang Peng Village, Machong Town, Dongguan City, the PRC, with a total leasing area of approximately 61,725 square meters (the “**Property B**”) for a term of thirty months commencing on 1 April 2022 to 30 September 2024 (the “**Zhang Peng Lease Agreement**”). The Property A and the Property B will be used for daily production and operational use.

b. 於麻涌鎮租賃若干物業

於二零一八年九月二十八日，本公司的間接全資附屬公司東莞超盈（作為承租人）與東莞市質品服飾有限公司（「東莞質品」，作為出租人）訂立一項租賃協議，該協議乃關於租賃中國東莞市麻涌鎮漳澎村總租賃面積約為21,868平方米的物業，用於本集團的日常生產及經營用途，租約自二零一八年十月一日至二零二一年九月三十日止（「前漳澎租賃協議」）。

根據前漳澎租賃協議，截至二零二一年十二月三十一日止財政年度，東莞超盈最高應付月租金不得超過人民幣5,715,420元，而東莞超盈須就物業A使用的公用服務承擔所有相關支出。截至二零二一年十二月三十一日止財政年度，東莞超盈根據前漳澎租賃協議應付的交易金額年度上限為人民幣6,087,000元。

於二零二一年九月三十日，鑒於前漳澎租賃協議屆滿及為因應本集團業務發展而需要額外生產區域，東莞超盈（作為承租人）與東莞質品（作為出租人）訂立租賃協議，據此，東莞質品同意向東莞超盈出租物業A，自二零二一年十月一日開始至二零二四年九月三十日止為期三年，及出租位於中國東莞市麻涌鎮漳澎村的總租賃面積約為61,725平方米的物業（「物業B」），自二零二二年四月一日開始至二零二四年九月三十日止為期三十個月（「漳澎租賃協議」）。物業A及物業B將用於日常生產及經營用途。

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Under the Zhang Peng Lease Agreement, the monthly rent shall be RMB546,700 for the Property A and RMB1,604,850 for the Property B. Pursuant to the Zhang Peng Lease Agreement, from 1 October 2022 onwards, the parties may renegotiate on the amount of rent with reference to the prevailing market rents for similar premises in the same or nearby areas or similar locations in the PRC, provided that the monthly rent for the period from 1 October 2022 to 30 September 2023 and the period from 1 October 2023 to 30 September 2024 in respect of the Property A and the Property B shall not exceed RMB2,366,705 and RMB2,603,375.5 respectively and the terms shall be on normal commercial terms and no less favourable to the Group than those available from independent third parties.

On 30 September 2021, Dongguan NHE, an indirect wholly-owned subsidiary of the Company, and Dongguan BPT (as lessees) entered into three lease agreements with Chin Lee Steel Industry Company Limited (“**Chin Lee**”) (as lessor) respectively, pursuant to which Chin Lee has agreed to lease (i) a property located at Xinsha Port Industrial Park, Machong Town, Dongguan City, the PRC, with a total leasing area of approximately 2,534 square meters (the “**Property C**”) to Dongguan NHE; (ii) a property located at Xinsha Port Industrial Park, Machong Town, Dongguan City, the PRC, with a total leasing area of approximately 458 square meters (the “**Property D**”) and the building located at Xinsha Port Industrial Park, Machong Town, Dongguan City, the PRC, with a total leasing area of approximately 4,704 square meters (the “**Property E**”) to Dongguan BPT for a term of three years commencing on 1 October 2021 to 30 September 2024 (the “**Xinsha Lease Agreement(s)**”). The Property C, the Property D and the Property E will be used as showroom, administrative offices and/or warehouse.

根據漳澎租賃協議，物業A之月租金為人民幣546,700元，而物業B之月租金為人民幣1,604,850元。根據漳澎租賃協議，自二零二二年十月一日起，訂約方可經參考中國相同或鄰近地區或類似地點類似物業的現行市場租金重新協商租金數額，惟物業A及物業B自二零二二年十月一日至二零二三年九月三十日期間的月租金及自二零二三年十月一日至二零二四年九月三十日期間的月租金分別不得超過人民幣2,366,705元及人民幣2,603,375.5元及條款須符合一般商業條款且對本集團而言不遜於自獨立第三方獲得者。

於二零二一年九月三十日，東莞潤信（本公司獨立全資附屬公司）及東莞超盈（作為承租人）與群力鋼鐵企業股份有限公司（「群力」，作為出租人）分別訂立三份租賃協議，據此，群力同意 (i) 向東莞潤信出租位於中國東莞市麻涌鎮新沙港工業園的總租賃面積約為2,534平方米的物業（「物業C」）；(ii) 向東莞超盈出租位於中國東莞市麻涌鎮新沙港工業園的總租賃面積約為458平方米的物業（「物業D」）以及位於中國東莞市麻涌鎮新沙港工業園的總租賃面積約為4,704平方米的樓宇（「物業E」），自二零二一年十月一日開始至二零二四年九月三十日止為期三年（「新沙租賃協議」）。物業C、物業D及物業E將用作陳列室、行政辦公室及／或倉庫。



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Under the relevant Xinsha Lease Agreement, the monthly rent for Property C during the financial year ended 31 December 2021 shall be RMB76,020. The parties may re-negotiate on the amount of the rent for the financial year(s) ending 31 December 2022, 2023 and/or 2024 with reference to the prevailing market rents for similar premises in the same or nearby areas or similar locations in the PRC, provided that the monthly rent payable during the financial years ending 31 December 2022, 2023 and 2024 shall not exceed RMB83,622, RMB91,984.2 and RMB101,106.6 respectively, and the terms shall be on normal commercial terms and no less favourable to the Group than those available from independent third parties.

Under the relevant Xinsha Lease Agreement, the monthly rent for Property D during the financial year ended 31 December 2021 shall be RMB13,740. The parties may re-negotiate on the amount of the rent for the financial year(s) ending 31 December 2022, 2023 and/or 2024 with reference to the prevailing market rents for similar premises in the same or nearby areas or similar locations in the PRC, provided that the monthly rent payable during the financial years ending 31 December 2022, 2023 and 2024 shall not exceed RMB15,114, RMB16,625.4 and RMB18,274.2 respectively, and the terms shall be on normal commercial terms and no less favourable to the Group than those available from independent third parties.

Under the relevant Xinsha Lease Agreement, the monthly rent for Property E during the financial year ended 31 December 2021 shall be RMB164,640. The parties may re-negotiate on the amount of the rent for the financial year(s) ending 31 December 2022, 2023 and/or 2024 with reference to the prevailing market rents for similar premises in the same or nearby areas or similar locations in the PRC, provided that the monthly rent payable during the financial years ending 31 December 2022, 2023 and 2024 shall not exceed RMB181,104, RMB199,214.4 and RMB219,135.8 respectively, and the terms shall be on normal commercial terms and no less favourable to the Group than those available from independent third parties.

根據相關新沙租賃協議，截至二零二一年十二月三十一日止財政年度，物業C之月租金將為人民幣76,020元。訂約方可參考中國相同或鄰近地區或類似地點類似物業的現行市場租金重新協商截至二零二二年、二零二三年及／或二零二四年十二月三十一日止財政年度的租金數額，惟截至二零二二年、二零二三年及二零二四年十二月三十一日止財政年度應付的月租分別不應超過人民幣83,622元、人民幣91,984.2元及人民幣101,106.6元，且條款應符合正常商業條款且對本集團而言不遜於自獨立第三方獲得者。

根據相關新沙租賃協議，截至二零二一年十二月三十一日止財政年度，物業D的月租金將為人民幣13,740元。訂約方可參考中國相同或鄰近地區或類似地點類似物業的現行市場租金而重新協商截至二零二二年、二零二三年及／或二零二四年十二月三十一日止財政年度的租金數額，惟截至二零二二年、二零二三年及二零二四年十二月三十一日止財政年度應付的月租分別不應超過人民幣15,114元、人民幣16,625.4元及人民幣18,274.2元，且條款符合正常商業條款且對本集團而言不遜於自獨立第三方獲得者。

根據相關新沙租賃協議，截至二零二一年十二月三十一日止財政年度物業E的月租將為人民幣164,640元。訂約方可參考中國相同或鄰近地區或類似地點類似物業的現行市場租金截至二零二二年、二零二三年及／或二零二四年十二月三十一日止財政年度的租金數額，惟截至二零二二年、二零二三年及二零二四年十二月三十一日止財政年度應付的月租分別不應超過人民幣181,104元、人民幣199,214.4元及人民幣219,135.8元，且條款符合正常商業條款且對本集團而言不遜於自獨立第三方獲得者。

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As at 28 September 2018 when the Previous Zhang Peng Lease Agreement was entered into, Dongguan PF was originally owned as to 50% by Ms. Wu Wanxiong (the spouse of Mr. Lu, the Chairman and an executive Director of the Company, the sister of Mr. Wu, an executive Director of the Company and the mother of Mr. Lu Libin, the Chief Strategy Officer and an executive Director of the Company), 30% by Ms. Zheng (the Chief Operating Officer and an executive Director of the Company and the spouse of Mr. Zhang, the Chief Executive Officer and an executive Director of the Company), 10% by Mr. Wu Junjie (the son of Mr. Wu) and 10% by Mr. Lu Canping (the nephew of Mr. Lu). As at 30 September 2021 and the date of this annual report, Dongguan PF was owned as to 40% by Ms. Wu Wanxiong (the spouse of Mr. Lu, the Chairman and an executive Director of the Company, the sister of Mr. Wu, an executive Director of the Company and the mother of Mr. Lu Libin, the Chief Strategy Officer and an executive Director of the Company), 40% by Ms. Zheng (the Chief Operating Officer and an executive Director of the Company and the spouse of Mr. Zhang, the Chief Executive Officer and an executive Director of the Company), 10% by Mr. Wu Junjie (the son of Mr. Wu) and 10% by Mr. Lu Canping (the nephew of Mr. Lu). On the other hand, Chin Lee is wholly-owned by Mr. Lu. Accordingly, Dongguan PF and Chin Lee are connected persons of the Company pursuant to Rule 14A.07 of the Listing Rules, and the transaction contemplated under the Previous Zhang Peng Lease Agreement constitutes a continuing connected transaction for the Company, and the transaction under each of the Zhang Peng Lease Agreement and the Xinsha Lease Agreements constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. Further details of the transactions were disclosed in the Company's announcement dated 30 September 2021.

於二零一八年九月二十八日簽訂前漳澎租賃協議的東莞質品原本由吳婉雄女士（本公司主席兼執行董事盧先生的配偶、本公司執行董事吳先生的妹妹及本公司首席戰略官兼執行董事盧立彬先生的母親）、鄭女士（本公司首席運營官兼執行董事且為本公司行政總裁兼執行董事張先生的配偶）、吳俊傑先生（吳先生的兒子）及盧燦平先生（盧先生的侄兒）分別擁有50%、30%、10%及10%之股權。於二零二一年九月三十日及本年度報告日期，東莞質品原本由吳婉雄女士（本公司主席兼執行董事盧先生的配偶、本公司執行董事吳先生的妹妹及本公司首席戰略官兼執行董事盧立彬先生的母親）、鄭女士（本公司首席運營官兼執行董事且為本公司行政總裁兼執行董事張先生的配偶）、吳俊傑先生（吳先生的兒子）及盧燦平先生（盧先生的侄兒）分別擁有40%、40%、10%及10%之股權。另一方面，群力由盧先生全資擁有。因此，根據上市規則第14A.07條，東莞質品及群力為本公司的關連人士，而根據上市規則第14A章，前漳澎租賃協議項下擬進行的交易構成本公司的持續關連交易，及漳澎租賃協議及新沙租賃協議各自項下擬進行的交易構成本公司的關連交易。有關該等交易的進一步詳情於本公司日期為二零二一年九月三十日的公告中披露。



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During the year ended 31 December 2021, rental and charges for the utility services paid to Dongguan PF by the Group under the Previous Zhang Peng Lease Agreement amounted to approximately RMB5,956,582.

c. Sales of elastic fabric and elastic webbing to Dongguan PF

On 3 May 2019, Dongguan BPT and Dongguan NHE (as suppliers) entered into a sales agreement (the “**Sales Agreement**”) with Dongguan PF (as purchaser) in relation to the sale of elastic fabric, elastic webbing, lace, printing and embroidery for a term of three years commencing on 4 May 2019 to 3 May 2022. Pursuant to the Sales Agreement, the selling price for elastic fabric shall be between the price range of RMB5 to RMB200 per meter (tax inclusive); the selling price for lace shall be between the price range of RMB0.5 to RMB80 per meter (tax inclusive); the selling price for printing and embroidery shall be between the price range of RMB5 to RMB40 per meter (tax inclusive) or the price range of RMB0.5 to RMB15 per piece (tax inclusive); and the selling price for elastic webbing shall be between the price range of RMB0.5 to RMB2 per meter (tax inclusive). The selling price ranges for the goods under the Sales Agreement were determined after arm’s length negotiation between the parties thereto and with reference to (i) the historical and prevailing market price of the same and similar goods in the area, (ii) the historical and prevailing selling prices of Dongguan BPT and Dongguan NHE for the goods, and (iii) the credit worthiness and potential business growth of Dongguan PF. The annual caps for the transaction amount under the Sales Agreement for the financial year ended 31 December 2021 was RMB60 million and that for the financial year ending 31 December 2022 shall be RMB30 million. Further details of the Sales Agreement were disclosed in the Company’s announcement dated 3 May 2019.

截至二零二一年十二月三十一日止年度，本集團根據前漳澎租賃協議向東莞質品支付的租金及公用服務相關支出為約人民幣5,956,582元。

c. 銷售彈性織物面料及彈性織帶予東莞質品

於二零一九年五月三日，東莞超盈及東莞潤信（作為供應商）與東莞質品（作為買方）訂立銷售協議（「**銷售協議**」），內容有關銷售彈性織物面料、彈性織帶、蕾絲、印花及繡花，銷售年期自二零一九年五月四日至二零二二年五月三日止為期三年。根據銷售協議，彈性織物面料的銷售價範圍介乎於每米人民幣5元至人民幣200元（含稅）；蕾絲的銷售價範圍介乎於每米人民幣0.5元至人民幣80元（含稅）；印花及繡花的銷售價範圍介乎於每米人民幣5元至人民幣40元（含稅）或價格範圍介乎於每件人民幣0.5元至人民幣15元（含稅）；而彈性織帶的銷售價範圍介乎於每米人民幣0.5元至人民幣2元（含稅）。銷售協議項下貨品之銷售價範圍乃經銷售協議項下訂約方公平磋商並參照(i)於相關區域等同及相若貨品之過往及現行市價；(ii)東莞超盈及東莞潤信就貨品提出之過往及現行銷售價；及(iii)東莞質品之信貸狀況及潛在業務增長後釐定。銷售協議項下交易額的年度上限於截至二零二一年十二月三十一日止財政年度為人民幣60百萬元，而於截至二零二二年十二月三十一日止財政年度則為人民幣30百萬元。銷售協議的進一步詳情於本公司日期為二零一九年五月三日的公告中披露。

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On 30 June 2021, in view of the more-than-expected sales of the products by Dongguan BPT and Dongguan NHE to Dongguan PF and to allow greater flexibility to cater for the parties' business needs, Dongguan BPT, Dongguan NHE, and Dongguan PF entered into a supplemental agreement to the Sales Agreement, pursuant to which (i) Dongguan PF may designate it and its associates from time to time to purchase elastic fabric, lace, printing and embroidery from Dongguan BPT (or any company of the Group designated by Dongguan BPT) and elastic webbing from Dongguan NHE (or any company of the Group designated by Dongguan NHE) and (ii) the annual caps for the transaction amount under the Sales Agreement for the financial year ended 31 December 2021 was increased to RMB110 million and that for the financial year ending 31 December 2022 shall be RMB50 million. Further details of the supplemental agreement were disclosed in the Company's announcement dated 30 June 2021.

During the year ended 31 December 2021, sales to Dongguan PF and its associates by Dongguan BPT and Dongguan NHE under the Sales Agreement amounted to approximately RMB97,338,512.

於二零二一年六月三十日，鑒於東莞超盈及東莞潤信向東莞質品銷售產品之銷售額超出預期，且為了可更靈活地滿足訂約方之業務需要，東莞超盈、東莞潤信與東莞質品訂立銷售協議的補充協議，據此，(i)東莞質品可不時指定其本身及其聯繫人向東莞超盈（或東莞超盈指定的本集團任何公司）購買彈性織物面料、蕾絲、印花及繡花，以及向東莞潤信（或東莞潤信指定的本集團任何公司）購買彈性織帶；及(ii)銷售協議項下交易額的年度上限於截至二零二一年十二月三十一日止財政年度增加至人民幣110百萬元，而於截至二零二二年十二月三十一日止財政年度則為人民幣50百萬元。有關補充協議的進一步詳情已於本公司日期為二零二一年六月三十日之公告中披露。

截至二零二一年十二月三十一日止年度，根據銷售協議，東莞超盈及東莞潤信向東莞質品及其聯繫人的銷售為約人民幣97,338,512元。



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As at 3 May 2019 when the Sales Agreement was entered into, Dongguan PF was originally owned as to 50% by Ms. Wu Wanxiong (the spouse of Mr. Lu, the Chairman and an executive Director of the Company, the sister of Mr. Wu, an executive Director of the Company and the mother of Mr. Lu Libin, the Chief Strategy Officer and an executive Director of the Company), 30% by Ms. Zheng (the Chief Operating Officer and an executive Director of the Company and the spouse of Mr. Zhang, the Chief Executive Officer and an executive Director of the Company), 10% by Mr. Wu Junjie (the son of Mr. Wu) and 10% by Mr. Lu Canping (the nephew of Mr. Lu). As at 30 June 2021 and the date of this annual report, Dongguan PF was owned as to 40% by Ms. Wu Wanxiong, 40% by Ms. Zheng, 10% by Mr. Wu Junjie and 10% by Mr. Lu Canping. Accordingly, Dongguan PF is a connected person of the Company pursuant to Rule 14A.07 of the Listing Rules, and the transactions contemplated under the Sales Agreement and the supplemental agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

於二零一九年五月三日簽訂銷售協議的東莞質品原本由吳婉雄女士（本公司主席兼執行董事盧先生的配偶、本公司執行董事吳先生的妹妹及本公司首席戰略官兼執行董事盧立彬先生的母親）、鄭女士（本公司首席運營官兼執行董事且為本公司行政總裁兼執行董事張先生的配偶）、吳俊傑先生（吳先生的兒子）及盧燦平先生（盧先生的侄兒）分別擁有50%、30%、10%及10%之股權。於二零二一年六月三十日及本年報日期，東莞質品由吳婉雄女士、鄭女士、吳俊傑先生及盧燦平先生分別擁有40%、40%、10%及10%股權。因此，根據上市規則第14A.07條，東莞質品為本公司之關連人士，且根據上市規則第14A條銷售協議及補充協議項下擬進行的交易構成本公司的持續關連交易。

d. Sales of synthetic fabric and webbing to the Brandix Group

On 6 November 2020, Best Pacific Textile Holdings Limited (“**BPTHL**”), an indirect wholly-owned subsidiary of the Company (for itself and on behalf of its affiliates (collectively, “**BPTHL Group**”), as seller) and Brandix Lanka Limited (“**Brandix**”) (for itself and on behalf of its affiliates (collectively, “**Brandix Group**”), as purchaser) entered into a sales framework agreement (the “**Brandix Framework Agreement**”) for a term of three years commencing on 6 November 2020 to 5 November 2023 in relation to the sale and purchase of synthetic fabric and webbing and any other products as may be agreed between the parties from time to time on normal commercial terms and subject to and upon the terms and conditions to be agreed between the relevant members of BPTHL Group and Brandix Group, setting out, among other things, the products to be supplied, specifications, quantity, price, delivery method and payment arrangement.

The annual caps for the transaction amounts under the Brandix Framework Agreement for the financial year ended 31 December 2021 and for the financial years ending 31 December 2022 and 2023 shall be US\$43 million, US\$63 million and US\$64 million respectively. During the financial year ended 31 December 2021, the sales to Brandix Group by BPTHL Group under the Brandix Framework Agreement amounted to approximately US\$18,435,275. Further details of the Brandix Framework Agreement were disclosed in the Company’s announcement dated 6 November 2020.

d. 銷售合成織物面料及織帶予Brandix集團

於二零二零年十一月六日，為本公司非獨立全資附屬企業的超盈紡織控股有限公司（「**超盈控股**」）（為其本身及代表其聯屬公司，統稱「**超盈紡織控股集團**」）（作為賣方）與Brandix Lanka Limited（「**Brandix**」）（為其本身及代表其聯屬公司，統稱「**Brandix集團**」）（作為買方）訂立一份銷售框架協議（「**Brandix框架協議**」），自二零二零年十一月六日至二零二三年十一月五日止為期三年，該協議按正常商業條款不時進行有關合成織物面料及織帶（及雙方之間可能商定的任何產品）之買賣，且該協議須遵守將由超盈紡織控股集團及Brandix集團之相關成員同意之條款及條件，其中包括將供應之產品、規格、數量、價格、運輸方法及付款安排。

Brandix框架協議項下於截至二零二一年十二月三十一日止財政年度以及截至二零二二年及二零二三年十二月三十一日止財政年度之交易金額年度上限分別為43百萬美元、63百萬美元及64百萬美元。截至二零二一年十二月三十一日止財政年度，超盈紡織控股集團根據Brandix框架協議售予Brandix集團的銷售總額為約18,435,275美元。有關Brandix框架協議的進一步詳情已於本公司日期為二零二零年十一月六日之公告中披露。



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As at 6 November 2020 and the date of this annual report, Best Pacific Textiles Lanka (Pvt) Ltd is owned as to 75% by the Company, via Best Pacific International Sri Lanka (Pannala) Limited, and 25% by Brandix. Accordingly, members of Brandix Group (including Brandix) are connected persons of the Company at the subsidiary level under Rule 14A.06(9) of the Listing Rules and the transaction contemplated under the Brandix Framework Agreement constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

e. Sub-lease of a land for the use of production plant by MAS Fabric Park

On 22 December 2006, Trischel, a non-wholly owned subsidiary of the Company since completion of the acquisition on 1 August 2018, entered into an agreement (the “**Sub-Lease Agreement**”) with MAS Fabric Park, an indirect wholly-owned subsidiary of MAS and a substantial shareholder of Trischel, for sub-leasing a piece of land, situated in Nangalla and Thulhiriya Villages in the District of Kegalle, Sabaragamuwa Province, Sri Lanka, with an approximate area of 3.37818 hectares, to Trischel for a term of 98 years and 7 months commencing on 22 December 2006 and ending on 29 July 2105.

Pursuant to the Sub-Lease Agreement, the initial ground rent was US\$29,218 per annum as at signing of the Sub-Lease Agreement, which shall be adjusted annually in line with the ground rent charged or chargeable at other industrial zones as published by Board of Investment of Sri Lanka (“**BOI**”), a governmental authority in Sri Lanka, and shall be paid on or before 22 December each year.

於二零二零年十一月六日及本年報日期，Best Pacific Textiles Lanka (Pvt) Ltd (透過 Best Pacific International Sri Lanka (Pannala) Limited) 及 Brandix 分別擁有 75% 及 25% 股權。因此，根據上市規則第 14A.06(9) 條，Brandix 集團的成員 (包括 Brandix) 為本公司在附屬公司層級之關連人士，且根據上市規則第 14A 條 Brandix 框架協議項下擬進行的交易構成本公司的持續關連交易。

e. 分租作為 MAS Fabric Park 生產廠房的土地

於二零零六年十二月二十二日，自收購事項於二零一八年八月一日完成後即成為本公司非全資附屬公司的 Trischel 與 MAS Fabric Park (MAS 之間接全資附屬公司及 Trischel 主要股東) 訂立協議 (「**分租協議**」)，以向 Trischel 分租一塊位於斯里蘭卡 Sabaragamuwa 省 Kegalle 區 Nangalla 及 Thulhiriya 村面積為約 3.37818 公頃之土地，為期 98 年又 7 個月，自二零零六年十二月二十二日起至二二零五年七月二十九日止。

根據分租協議，於簽訂分租協議時之最初地租為每年 29,218 美元，可每年按斯里蘭卡投資局 (「**投資局**」，一個於斯里蘭卡的政府機關) 所公佈在其他工業區內收取或應收的地租水平予以調整，並應於每年十二月二十二日或之前支付。

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The annual cap for the transaction amount under the Sub-Lease Agreement for the financial year ended 31 December 2021 was US\$81,000 and that for the financial year ending 31 December 2022 shall be US\$97,000. During the year ended 31 December 2021, the ground rent paid to MAS Fabric Park by Trischel under the Sub-Lease Agreement amounted to approximately US\$42,825. Further details of the Sub-Lease Agreement were disclosed in the Company's announcement dated 4 December 2017.

Since completion of the acquisition on 1 August 2018, Trischel has become a non-wholly owned subsidiary of the Company in which 51% is indirectly owned by the Company, via Best Pacific International Sri Lanka (Thulhiriya) Limited, and 49% is owned by MAS Capital (Private) Limited (“**MAS Capital**”), which is a wholly-owned subsidiary of MAS. Accordingly, MAS Fabric Park, as an indirect wholly-owned subsidiary of MAS, has become a connected person of the Company at the subsidiary level under Rule 14A.06(9) of the Listing Rules.

f. Utilities services provided by MAS Fabric Park

On 22 December 2006, Trischel also entered into a services agreement (the “**Services Agreement**”) with MAS Fabric Park, pursuant to which MAS Fabric Park shall provide Trischel with electricity, steam, water, effluent discharge and fire hydrant water supply. The Services Agreement shall come into force and will be valid so long as the Sub-Lease Agreement remains valid and effective.

The initial monthly base service charge payable by Trischel to MAS Fabric Park was US\$5,000 as at signing of the Services Agreement which shall be adjusted annually with reference to the London Interbank Offered Rate (“**LIBOR**”). In addition to the monthly base service charge, Trischel shall also pay to MAS Fabric Park the utilities fees in amounts calculated with reference to the actual number of units or volume of use.

分租協議項下截至二零二一年十二月三十一日止財政年度及截至二零二二年十二月三十一日止財政年度的交易金額年度上限分別81,000美元及97,000美元。截至二零二一年十二月三十一日止年度，Trischel根據分租協議向MAS Fabric Park支付的地租為約42,825美元。有關分租協議的進一步詳情已於本公司日期為二零一七年十二月四日之公告中披露。

自收購事項於二零一八年八月一日完成後，Trischel已成為本公司非全資附屬公司，由本公司通過Best Pacific International Sri Lanka (Thulhiriya) Limited間接擁有51%股權及由MAS全資附屬公司MAS Capital (Private) Limited（「**MAS Capital**」）擁有49%股權。因此，根據上市規則第14A.06(9)條，MAS間接全資附屬公司MAS Fabric Park已成為本公司在附屬公司層級之關連人士。

f. MAS Fabric Park提供公用設施服務

於二零零六年十二月二十二日，Trischel亦與MAS Fabric Park訂立服務協議（「**服務協議**」），據此，MAS Fabric Park須向Trischel提供電力、蒸汽、用水、污水排放及消防栓供水系統。凡分租協議仍屬有效及具效力，服務協議將生效及有效。

於簽訂服務協議時，Trischel應付MAS Fabric Park之最初每月基本服務費為5,000美元，並應每年參考倫敦銀行同業拆息（「**倫敦銀行同業拆息**」）予以調整。除每月基本服務費外，Trischel亦應向MAS Fabric Park支付根據使用的實際單位數目或用量計算金額之公用設施費用。



The annual cap for the transaction amounts under the Services Agreement for the financial year ended 31 December 2021 was US\$8,093,000 and that for the financial year ending 31 December 2022 shall be US\$9,462,000. During the year ended 31 December 2021, the total service charge paid to MAS Fabric Park by Trischel under the Services Agreement amounted to approximately US\$4,579,119. Further details of the Services Agreement were disclosed in the Company's announcement dated 4 December 2017.

g. Installation, maintenance and operation services in relation to a biomass thermic oil heater provided by MAS Fabric Park

On 15 July 2016, Trischel entered into a memorandum of understanding (the "MOU") with MAS Fabric Park in relation to provision by MAS Fabric Park to Trischel of installation, maintenance and operation services in relation to a biomass thermic oil heater for a term of 10 years commencing on 15 July 2016 and ending on 14 July 2026. MAS Fabric Park shall bear the total cost of investment on purchasing and installation of the said heater pursuant to the MOU.

MAS Fabric Park shall charge Trischel at a rate determined according to the MOU for the energy consumed subject to review (and agreement between the parties to the MOU) annually in line with the percentage change in firewood prices and costs of labour, maintenance and electricity relating to the operation of the oil heater. MAS Fabric Park shall in addition to the above costs, charge a minimal administrative charge.

The annual cap for the transaction amounts under the MOU for the financial year ended 31 December 2021 was US\$2,321,000 and that for the financial year ending 31 December 2022 shall be US\$2,715,000. During the year ended 31 December 2021, the total service charge paid to MAS Fabric Park by Trischel under the MOU amounted to approximately US\$573,670. Further details of the MOU were disclosed in the Company's announcement dated 4 December 2017.

服務協議項下截至二零二一年及二零二二年十二月三十一日止財政年度的交易金額年度上限分別為8,093,000美元及9,462,000美元。截至二零二一年十二月三十一日止年度，Trischel根據服務協議向MAS Fabric Park支付的服務費總額為約4,579,119美元。有關服務協議的進一步詳情已於本公司日期為二零一七年十二月四日之公告中披露。

g. MAS Fabric Park提供有關生物質導熱油加熱器之安裝、維護及營運服務

於二零一六年七月十五日，Trischel與MAS Fabric Park訂立諒解備忘錄（「MOU」），內容有關MAS Fabric Park向Trischel提供生物質導熱油加熱器之安裝、維護及營運相關服務，為期10年，自二零一六年七月十五日起至二零二六年七月十四日止。根據諒解備忘錄，MAS Fabric Park應承擔購買及安裝上述加熱器之總投資成本。

MAS Fabric Park將按根據諒解備忘錄所載的收費率，就所耗用的能源向Trischel收取費用，並可每年參照木柴價格及勞工、有關營運導熱油加熱器之維護及電力的成本之變動百分比率作檢討（及由諒解備忘錄訂約方之間協商）。除上述費用外，MAS Fabric Park將收取最小的行政費用。

諒解備忘錄項下截至二零二一年及二零二二年十二月三十一日止財政年度的交易金額年度上限分別為2,321,000美元及2,715,000美元。截至二零二一年十二月三十一日止年度，Trischel根據諒解備忘錄向MAS Fabric Park支付的服務費總額為約573,670美元。有關諒解備忘錄的進一步詳情已於本公司日期為二零一七年十二月四日之公告中披露。

h. Sales of synthetic textiles and textile related products to MAS Group

On 4 December 2017, BPTHL, a wholly-owned subsidiary of the Company, entered into a framework agreement (the “**MAS Framework Agreement**”) with MAS Capital for a term of three years commencing on the date on which the completion of the acquisition takes place, i.e. 1 August 2018.

On 31 December 2019, BPTHL and MAS Capital entered into a supplemental agreement (the “**MAS Supplemental Agreement**”) to revise the annual cap to US\$84 million for the financial year ended 31 December 2020 and US\$55 million for the period from 1 January 2021 to 31 July 2021. Save for the annual caps as amended and decided under the MAS Supplemental Agreement as abovementioned, all other terms of the MAS Framework Agreement remain unchanged.

Pursuant to the MAS Framework Agreement (as amended by the MAS Supplemental Agreement), BPTHL Group (as seller) has agreed to sell synthetic textiles and textile related products including synthetic fabrics to MAS Capital and its affiliates (collectively, “**MAS Group**”) (as purchaser) from time to time on normal commercial terms and subject to and upon the terms and conditions contained in the purchase orders to be agreed between the relevant members of BPTHL Group and MAS Group, setting out, among other things, the products to be supplied, specifications, quantity, price, delivery method and payment arrangement. Further details of the MAS Framework Agreement and the MAS Supplemental Agreement were disclosed in the Company’s announcements dated 4 December 2017 and 31 December 2019 respectively.

h. 銷售合成紡織品及紡織相關產品予MAS集團

於二零一七年十二月四日，本公司之全資附屬公司超盈紡織控股與MAS Capital訂立框架協議（「**MAS框架協議**」），自收購事項完成日期（即二零一八年八月一日）起計為期三年。

於二零一九年十二月三十一日，超盈紡織控股與MAS Capital訂立補充協議（「**MAS補充協議**」），將截至二零二零年十二月三十一日止財政年度的年度上限修訂為84百萬美元並將自二零二一年一月一日至二零二一年七月三十一日期間的年度上限修訂為55百萬美元。除上述根據MAS補充協議修訂及釐定的年度上限外，MAS框架協議之所有其他條款保持不變。

根據MAS框架協議（經MAS補充協議修訂），超盈紡織控股集團（作為賣方）同意按正常商業條款不時銷售合成紡織品及紡織相關產品（包括合成纖維）予MAS Capital及其聯屬公司（統稱「**MAS集團**」）（作為買方），且該等交易須遵守購買訂單所載之將由超盈紡織控股集團及MAS集團之相關成員公司同意之條款及條件，其中包括將供應之產品、規格、數量、價格、運輸方法及付款安排。有關MAS框架協議及MAS補充協議的進一步詳情已分別於本公司日期為二零一七年十二月四日及二零一九年十二月三十一日之公告中披露。



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From 1 January 2021 to 31 July 2021, sales to MAS Group under the MAS Framework Agreement (as amended by the MAS Supplemental Agreement) amounted to approximately US\$47,467,310.

In contemplation of the expiry of the MAS Framework Agreement (as amended by the MAS Supplemental Agreement) on 31 July 2021 and to ensure the continuous supply of the products by BPTHL Group to MAS Group, BPTHL and MAS Capital entered into an agreement on 30 June 2021 to renew the MAS Framework Agreement (the “**Renewed MAS Framework Agreement**”), in relation to the sale of synthetic textiles and textile related products including synthetic fabrics by BPTHL Group to MAS Group for a term from 1 August 2021 to 31 December 2022. The terms under the Renewed MAS Framework Agreement are substantially the same as those under the MAS Framework Agreement (as amended by the MAS Supplemental Agreement), save that the annual caps for the transaction amounts under the Renewed MAS Framework Agreement for the period from 1 August 2021 to 31 December 2021 and for the year ending 31 December 2022 shall be US\$50 million and US\$115 million respectively. Further details of the Renewed MAS Framework Agreement were disclosed in the Company’s announcement dated 30 June 2021.

From 1 August 2021 to 31 December 2021, sales to MAS Group under the Renewed MAS Framework Agreement amounted to approximately US\$42,695,162.

Since completion of the acquisition on 1 August 2018, Trischel has become a non-wholly owned subsidiary of the Company in which 51% is indirectly owned by the Company and 49% is owned by MAS Capital. Accordingly, MAS Capital, as a substantial shareholder of Trischel, has become a connected person of the Company at the subsidiary level under Rule 14A.06(9) of the Listing Rules.

自二零二一年一月一日至二零二一年七月三十一日，根據MAS框架協議（經MAS補充協議修訂）售予MAS集團的銷售額約為47,467,310美元。

考慮到MAS框架協議（按MAS補充協議修訂）將於二零二一年七月三十一日到期，且為了確保超盈紡織控股集團向MAS集團持續供應產品，超盈紡織控股集團與MAS Capital於二零二一年六月三十日訂立協議以重續MAS框架協議（「**經續訂MAS框架協議**」），內容有關超盈紡織控股集團向MAS集團銷售包括合成纖維的合成紡織品及紡織相關產品，年期自二零二一年八月一日至二零二二年十二月三十一日止。經續訂MAS框架協議下的條款與MAS框架協議（經MAS補充協議修訂）的條款大致相同，惟經續訂MAS框架協議項下之交易金額於二零二一年八月一日至二零二一年十二月三十一日期間及截至二零二二年十二月三十一日止年度的年度上限分別應為50百萬美元及115百萬美元。有關經續訂MAS框架協議的進一步詳情已於本公司日期為二零二一年六月三十日之公告中披露。

自二零二一年八月一日至二零二一年十二月三十一日，根據經續訂MAS框架協議售予MAS集團的銷售額約為42,695,162美元。

自收購事項於二零一八年八月一日完成後，Trischel已成為本公司非全資附屬公司，由本公司間接擁有51%股權及由MAS Capital擁有49%股權。因此，根據上市規則第14A.06(9)條，作為Trischel主要股東的MAS Capital已成為本公司在附屬公司層級之關連人士。

i. Shared services from MAS Capital

On 1 August 2018, Trischel, a non-wholly owned subsidiary of the Company, entered into a framework agreement (the “**MAS Capital Framework Agreement**”) with MAS Capital for a term of three years commencing on 1 August 2018 to 31 July 2021.

Pursuant to the MAS Capital Framework Agreement, MAS Capital shall provide centralised group services in relation to the operation of Trischel and its subsidiaries (collectively, “**Trischel Group**”) in various areas, including legal, corporate finance, treasury, business strategy, risk and control, human resources, sustainability, corporate social responsibility, consultancy services and information technology, etc. as requested by Trischel from time to time. The service fees to be charged by MAS Capital in respect of the services under the MAS Capital Framework Agreement shall be determined either at the standard charging rate of MAS Capital (if any), or if no such rate, at a service fee to be determined with reference to the costs incurred by MAS Capital plus a percentage mark-up, which shall be negotiated between the parties at arm’s length basis.

The annual caps for the transaction amounts under the MAS Capital Framework Agreement for the year ended 31 December 2021 was US\$441,000. During the year ended 31 December 2021, the total service fee paid by Trischel to MAS Capital under the MAS Capital Framework Agreement amounted to approximately US\$410,223.

Further details of the MAS Capital Framework Agreement were disclosed in the Company’s announcement dated 1 August 2018.

i. 由MAS Capital提供的共享服務

於二零一八年八月一日，本公司非全資附屬公司的Trischel與MAS Capital訂立框架協議（「**MAS Capital框架協議**」），自二零一八年八月一日起至二零二一年七月三十一日止為期三年。

根據MAS Capital框架協議，MAS Capital將就Trischel及其附屬公司（統稱「**Trischel集團**」）的營運提供多個領域的集中式集團服務，包括Trischel不時要求的法律、企業財務、庫務、業務策略、風險及監控、人力資源、可持續性、企業社會責任、諮詢服務及資訊科技等。MAS Capital將就MAS Capital框架協議項下服務收取的服務費應按MAS Capital之收費標準（如有）釐定，或倘無該等費率，則按經參考MAS Capital所產生的成本加提價百分比的服務費釐定，其將由訂約方按公平基準磋商。

MAS Capital框架協議項下於二零二一年十二月三十一日止年度之交易金額年度上限為441,000美元。截至二零二一年十二月三十一日止年度，Trischel根據MAS Capital框架協議向MAS Capital支付的服務費總額為約410,223美元。

有關MAS Capital框架協議的進一步詳情已於本公司日期為二零一八年八月一日之公告中披露。



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j. Shared services from MAS Legato

On 1 August 2018, Trischel, a non-wholly owned subsidiary of the Company, also entered into a framework agreement (the “**MAS Legato Framework Agreement**”) with MAS Legato (Pvt) Ltd (“**MAS Legato**”) for a term of three years commencing on 1 August 2018 to 31 July 2021.

Pursuant to the MAS Legato Framework Agreement, MAS Legato shall provide the centralised group services to Trischel group in relation to general ledger, account payables and account receivables processes, etc. as requested by Trischel from time to time. The service fees to be charged by MAS Legato in respect of the services under the MAS Legato Framework Agreement shall be determined either at the standard charging rate of MAS Legato (if any), or if no such rate, at a service fee to be determined with reference to the costs incurred by MAS Legato plus a percentage mark-up, which shall be negotiated between the parties at arm's length basis.

The annual cap for the transaction amounts under the MAS Legato Framework Agreement for the year ended 31 December 2021 was US\$45,000. During the year ended 31 December 2021, the total service fee paid by Trischel to MAS Legato under the MAS Legato Framework Agreement amounted to approximately US\$20,978.

Since completion of the acquisition on 1 August 2018, Trischel has become a non-wholly owned subsidiary of the Company in which 51% is indirectly owned by the Company and 49% is owned by MAS Capital, which is a wholly-owned subsidiary of MAS. Accordingly, MAS Legato, as an indirect wholly-owned subsidiary of MAS, has become a connected person of the Company at the subsidiary level under Rule 14A.06(9) of the Listing Rules.

Further details of the MAS Legato Framework Agreement were disclosed in the Company's announcement dated 1 August 2018.

j. 由MAS Legato提供的共享服務

於二零一八年八月一日，本公司非全資附屬公司的Trischel亦與MAS Legato (Pvt) Ltd (「**MAS Legato**」) 訂立框架協議 (「**MAS Legato**框架協議」)，自二零一八年八月一日起至二零二一年七月三十一日止為期三年。

根據MAS Legato框架協議，MAS Legato須就Trischel不時要求的總賬、應付賬款及貿易應收賬款流程等向Trischel集團提供集中式集團服務。MAS Legato將就MAS Legato框架協議項下服務收取的服務費應按MAS Legato之收費標準(如有)釐定，或倘無該等費率，則按經參考MAS Legato所產生的成本加提價百分比的服務費釐定，其將由訂約方按公平基準磋商。

MAS Legato框架協議項下於二零二一年十二月三十一日止年度之交易金額年度上限為45,000美元。截至二零二一年十二月三十一日止年度，Trischel根據MAS Legato框架協議向MAS Legato支付的服務費總額為約20,978美元。

自收購事項於二零一八年八月一日完成後，Trischel已成為本公司非全資附屬公司，由本公司間接擁有51%股權及由MAS全資附屬公司MAS Capital擁有49%股權。因此，根據上市規則第14A.06(9)條，作為MAS間接全資附屬公司的MAS Legato已成為本公司在附屬公司層級之關連人士。

有關MAS Legato框架協議的進一步詳情已於本公司日期為二零一八年八月一日之公告中披露。

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Independent non-executive Directors' confirmation

The independent non-executive Directors have reviewed the above continuing connected transactions conducted during the year ended 31 December 2021 and confirmed that such transactions have been entered into:

- (a) in the ordinary and usual course of business of the Group;
- (b) either on normal commercial terms or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties; and
- (c) in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Review by the Company's auditor

Pursuant to Rule 14A.56 of the Listing Rules, the Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 (Revised) "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. Our auditor has issued its unmodified independent assurance report on continuing connected transactions of the Group for the year ended 31 December 2021 on pages 54 to 68 of this annual report in accordance with Rule 14A.56 of the Listing Rules. A copy of the independent assurance report has been provided by the Company to the Stock Exchange.

獨立非執行董事的確認

獨立非執行董事已審閱上述於截至二零二一年十二月三十一日止年度開展的持續關連交易並確認有關交易已在以下情況下訂立：

- (a) 在本集團的日常及一般業務過程中；
- (b) 按正常商業條款，或如果並無足夠的可資比較交易以判斷是否按正常商業條款，則按不遜色於本集團向獨立第三方提供或從獨立第三方享有（若適用）的條款；及
- (c) 依據按公平合理且符合本公司股東整體利益的條款訂立的規管各方的相關協議。

本公司核數師進行的審閱

根據上市規則第14A.56條，本公司委聘核數師根據香港會計師公會所頒佈之香港保證工作準則第3000號（經修訂）「審核或審閱過往財務資料以外之保證工作」及參考實務說明第740號（經修訂）「關於香港上市規則所述持續關連交易的核數師函件」就本集團持續關連交易作出報告。核數師已根據上市規則第14A.56條出具其無修正獨立保證報告，報告有關本集團在本年報第54頁至第68頁的截至二零二一年十二月三十一日止年度的持續關連交易。本公司已向聯交所提供獨立保證報告副本。



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AUDIT COMMITTEE

An audit committee (the “**Audit Committee**”) was established by the Board with written terms of reference in compliance with the Corporate Governance Code (the “**CG Code**”) contained in Appendix 14 to the Listing Rules. The Audit Committee comprises three independent non-executive Directors, namely Mr. Cheung Yat Ming, Mr. Ding Baoshan (“**Mr. Ding**”) and Mr. Kuo Dah Chih, Stanford (“**Mr. Kuo**”). Mr. Cheung Yat Ming is the chairman of the Audit Committee.

CORPORATE GOVERNANCE

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report from pages 82 to 98 of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company’s total issued share capital was held by the public as at the latest practicable date prior to the issue of this report.

DISCLOSURE PURSUANT TO RULE 13.21 OF THE LISTING RULES

As disclosed in the Company’s announcement dated 15 June 2020, the Company (as guarantor) and its six wholly-owned subsidiaries (as borrowers) entered into a facility agreement (the “**Facility Agreement**”) with certain banks in Hong Kong for a syndicated loan comprising HK\$1.8 billion equivalent multicurrency term loan and revolving credit facilities, with a maturity of 42 months from the date of first drawdown of the term loan facility. The Facility Agreement contains specific performance obligations on Mr. Lu, the controlling shareholder of the Company, requiring that he shall at all times:

- (i) maintain, directly or indirectly, at least 30% of the issued share capital of the Company and that such issued share capital shall remain unencumbered;

審核委員會

董事會設立了審核委員會（「**審核委員會**」），其書面職權範圍符合上市規則附錄十四中所載的企業管治守則（「**企業管治守則**」）。審核委員會包括三位獨立非執行董事，即張一鳴先生、丁寶山先生（「**丁先生**」）及郭大熾先生（「**郭先生**」）。張一鳴先生為審核委員會的主席。

企業管治

本公司採納的主要企業管治慣例載列於本年報第82頁至第98頁的企業管治報告。

公眾持股量的充足性

基於本公司可從公開途徑獲得的資料及據董事所知，於本年報刊發前的最後實際可行日期，本公司總發行股本中至少有25%由公眾持有。

根據上市規則第13.21條進行的披露

誠如本公司日期為二零二零年六月十五日的公告所披露，本公司（作為擔保人）及其六間全資附屬公司（作為借方）與香港的若干銀行就銀團貸款（包括18億港元等值多元幣值的定期貸款及循環信貸融資，於定期貸款融資首次提取日期起計42個月到期）訂立一項融資協議（「**融資協議**」）。融資協議載有關於本公司控股股東盧先生的特定履約責任，要求其始終：

- (i) 直接或間接持有本公司已發行股本至少30%且該等已發行股本應始終為無抵押；

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- (ii) be the single largest shareholder of the Company;
- (iii) be the Chairman of the Board of the Company; and
- (iv) maintain control over the management and business of the borrowers, the Company and the material subsidiaries.

As of the date of this annual report, Mr. Lu is an executive Director and the Chairman of the Board as well as the controlling shareholder of the Company, holding direct and indirect interests in 640,500,000 shares of the Company, representing approximately 61.59% of the issued share capital of the Company as at the date of this report, and is treated as the single largest shareholder of the Company.

Pursuant to the Facility Agreement, if Mr. Lu breaches any of his specific performance covenants as mentioned above, the borrowers shall prepay the syndicated loan together with the interests and all other amounts accrued in connection therewith in full within 21 days (or such longer period as the borrowers and the agent of the syndicated loan may agree) from the date of the notice delivered by the agent to the borrowers.

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles, every Director shall be entitled to be indemnified out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which he/she may incur or sustain in or about the execution of the duties of his/her office or otherwise in relation thereto.

The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group throughout the year.

- (ii) 作為本公司的單一最大股東；
- (iii) 擔任本公司董事會主席；及
- (iv) 維持對借方、本公司及重要附屬公司的管理及業務的控制權。

截至本年報日期，盧先生為本公司執行董事兼董事會主席以及控股股東，於640,500,000股本公司股份中持有直接及間接權益，約佔於本報告日期本公司已發行股本的約61.59%，被視為本公司的單一最大股東。

根據融資協議，如盧先生違反其任何上述特定履約契諾，借方需於代理向借方發出通告日期起計21日內（或借方與銀團貸款的代理可能協定的有關較長期限）悉數提前歸還銀團貸款及與之有關的累計利息及所有其他金額。

允許的彌償條款

根據細則，各董事有權就其於執行其職務的職責時或與之有關或另行相關而可能產生或承擔的所有行動、成本、費用、虧損、損害賠償及開支而自本公司的資產及溢利中獲得彌償。

於整個年度期間內，本公司已為本集團的董事及高級職員安排適當的董事及高級職員責任險。



REPORT OF THE DIRECTORS

董事會報告

EVENTS AFTER THE REPORTING PERIOD

Saved as disclosed in this annual report, the Group had no other significant events after 31 December 2021 and up to the date of this annual report.

AUDITOR

The consolidated financial statements of the Company for the year ended 31 December 2021 have been audited by Messrs. Deloitte Touche Tohmatsu. A resolution will be submitted at the forthcoming AGM to re-appoint Messrs. Deloitte Touche Tohmatsu as independent auditor of the Company.

By order of the Board

Lu Yuguang

Chairman

Hong Kong, 28 March 2022

報告期後事項

除本年報中所披露者外，二零二一年十二月三十一日之後直至本年報日期，本集團並無其他重大事項。

核數師

本公司於截至二零二一年十二月三十一日止年度的綜合財務報表已經德勤•關黃陳方會計師行審核。重新委任德勤•關黃陳方會計師行為本公司的獨立核數師的決議案將在應屆股東週年大會上提呈。

承董事會命

盧煜光

主席

香港，二零二二年三月二十八日

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層簡介

Below is the biographical details of Directors and senior management of the Group as at 31 December 2021:

EXECUTIVE DIRECTORS

Mr. LU Yuguang (盧煜光), aged 56, is the Chairman of the Company. He was appointed as a Director on 14 June 2013 and re-designated as an executive Director of the Company on 21 January 2014. Mr. Lu is also the chairman of the nomination committee of the Company (the “**Nomination Committee**”). Mr. Lu has approximately twenty-seven years of experience in the textile industry and he formulates overall management plans and oversees the strategic business development of the Group. He is currently the legal representative and the chairman of Dongguan NHE, the chairman of the board of directors of Dongguan BPT and a director of certain subsidiaries of the Group. Mr. Lu first started to engage in the textile industry in August 1994 when he was a chairman of Dongguan Runda Elastic Weaving Company Limited (“**Dongguan Runda**”), a company engaged in the manufacturing, production and sale of elastic webbing. Throughout the years, Mr. Lu has been an active entrepreneur in Dongguan City and Guangdong Province. Mr. Lu has been a member of the Dongguan High-Tech Industry Association (東莞市高新技術產業協會) since July 2009 and had been a committee member of the Chinese People’s Political Consultative Conference of the Dongguan Municipal (東莞市政協委員會) from December 2011 to December 2021. Since July 2017 and April 2017, Mr. Lu has been appointed as the president of Dongguan City MaChong Association of Enterprises with Foreign Investment (東莞市外商投資企業協會麻涌分會) and an executive director of World Dongguan Entrepreneurs (世界莞商聯合會) respectively. From January 2018 to December 2021, Mr. Lu had been the vice president of the Dongguan City Association of Enterprises with Foreign Investment (東莞市外商投資企業協會). In March 2019, Mr. Lu was appointed as the vice president of the Dongguan Trademark Brand Development Promotion Association (東莞市商標品牌發展保護促進會). In July 2009, Mr. Lu was awarded with the “Chinese Enterprise Management Innovation Achievement Award” (中國企業管理創新成就獎) by the China Academy of Management Science (中國管理科學研究院). Mr. Lu is the brother-in-law of Mr. Wu and the father of Mr. Lu Libin. As at 31 December 2021, Mr. Lu was the controlling shareholder of the Company. Details of Mr. Lu’s interests in the share capital of the Company are set out in the section headed “DISCLOSURE OF INTERESTS – DIRECTORS’ AND CHIEF EXECUTIVE’S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND/OR DEBENTURES” in this annual report.

以下為本集團於二零二一年十二月三十一日的董事及高級管理層簡介：

執行董事

盧煜光先生，56歲，本公司主席。彼於二零一三年六月十四日獲委任為董事，並於二零一四年一月二十一日獲調任為本公司執行董事。盧先生亦為本公司提名委員會（「**提名委員會**」）主席。盧先生在紡織業約有二十七年經驗，負責制訂本集團的整體管理計劃及監督本集團的策略性業務發展。彼目前為東莞潤信的法人代表兼主席，亦為東莞超盈董事會主席以及本集團若干附屬公司董事。盧先生於一九九四年八月開始從事紡織業，當時為東莞潤達彈性織造有限公司（「**東莞潤達**」，一間從事製造、生產及銷售彈性織帶的公司）的主席。多年來，盧先生一直為活躍於東莞市及廣東省的企業家。盧先生自二零零九年七月起一直為東莞市高新技術產業協會會員，及於二零一一年十二月至二零二一年十二月期間為東莞市政協委員會委員。自二零一七年七月及四月，盧先生分別擔任東莞市外商投資企業協會麻涌分會會長和世界莞商聯合會常務理事。於二零一八年一月至二零二一年十二月期間，盧先生擔任東莞市外商投資企業協會理事會副會長。於二零一九年三月，盧先生獲委任為東莞市商標品牌發展保護促進會常務副會長。二零零九年七月，盧先生獲中國管理科學研究院頒授「中國企業管理創新成就獎」。盧先生為吳先生的妹夫及盧立彬先生之父親。於二零二一年十二月三十一日，盧先生為本公司的控股股東。盧先生於本公司股本中的權益的詳情載列於本年報「權益披露 – 董事及主要行政人員於股份、相關股份及／或債券的權益及淡倉」一節。



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層簡介

Mr. ZHANG Haitao (張海濤), who was formerly named as Mr. ZHANG Dahai (張大海), aged 51, is the Chief Executive Officer of the Group. He was appointed as a Director on 14 June 2013 and re-designated as an executive Director of the Company on 21 January 2014. He was also appointed as a member of the Remuneration Committee on 20 March 2018. He is currently a director and the general manager of Dongguan BPT and Dongguan NHE and a director of certain subsidiaries of the Group. Mr. Zhang formulates and executes overall corporate directions and business strategies of the Group. He has approximately twenty-seven years of experience in the textile industry. Mr. Zhang has worked in the Group since February 2003 and held the position of general manager at Dongguan BPT. Prior to working in the Group, Mr. Zhang worked for Pioneer Elastic Fabric (China) Company Limited (明新彈性織物(中國)有限公司) as the business manager between March 1995 and March 1998. Between January 1998 and April 1999, and later from July 2001 to May 2010, Mr. Zhang was the general manager of Dongguan Runda. Mr. Zhang has been a director of the Guangdong Textiles Association (廣東省紡織協會) since November 2009 and an individual life member of the Hong Kong General Chamber of Textiles Limited (香港紡織商會) since September 2013. Since December 2019, Mr. Zhang has been the Vice Chairman of The Hong Kong Intimate Apparel Industries' Association Ltd. Mr. Zhang completed a fashion technology course at Beijing Institute of Fashion Technology (北京服裝學院) in July 1992 and further obtained a master degree in software systems at the University of St. Thomas in the U.S. in May 2001. Mr. Zhang is the spouse of Ms. Zheng, the Chief Operating Officer and an executive Director of the Company. As at 31 December 2021, Mr. Zhang was interested in the shares of the Company, details of which are set out in the section headed "DISCLOSURE OF INTERESTS – DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND/OR DEBENTURES" in this annual report.

張海濤先生 (前名為張大海先生), 51歲, 本集團行政總裁。彼於二零一三年六月十四日獲委任為董事, 並於二零一四年一月二十一日獲調任為本公司執行董事。彼亦於二零一八年三月二十日獲委任為薪酬委員會成員。彼目前為東莞超盈及東莞潤信的董事兼總經理以及本集團若干附屬公司董事。張先生負責制訂並執行本集團之整體企業方針及業務策略。彼於紡織業約有二十七年經驗。張先生自二零零三年二月開始於本集團工作並一直擔任東莞超盈的總經理。張先生於本集團工作前於一九九五年三月至一九九八年三月期間擔任明新彈性織物(中國)有限公司營業經理。張先生其後於一九九八年一月至一九九九年四月期間及二零零一年七月至二零一零年五月期間擔任東莞潤達總經理。張先生自二零零九年十一月起一直為廣東省紡織協會理事, 並自二零一三年九月起一直為香港紡織商會永久個人會員。自二零一九年十二月起, 張先生一直為香港內衣業聯會副主席。張先生於一九九二年七月於北京服裝學院修畢一項服裝工程課程, 其後於二零零一年五月取得美國聖托馬斯大學軟件系統碩士學位。張先生為本公司首席運營官兼執行董事鄭女士的配偶。於二零二一年十二月三十一日, 張先生於本公司的股份中擁有權益, 詳情載列於本年報「權益披露 – 董事及主要行政人員於股份、相關股份及/或債券的權益及淡倉」一節。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層簡介

Mr. WU Shaolun (吳少倫), aged 57, is an executive Director of the Company. He was appointed as a Director on 14 June 2013 and re-designated as an executive Director of the Company on 21 January 2014. He is currently a director and the deputy general manager of Dongguan BPT and Dongguan NHE, and a director of certain subsidiaries of the Group. Mr. Wu is principally responsible for the Group's infrastructure and the general management of Dongguan BPT and Dongguan NHE. He has over twenty-six years of experience in the textile industry. Prior to joining the Group, Mr. Wu worked in Dongguan Runda as the deputy general manager from April 1995 to May 2010. Since February 2003, Mr. Wu has been the deputy general manager of Dongguan BPT. In addition, he has been the deputy general manager of Dongguan NHE since 2010. Mr. Wu has been a member of the Dongguan High-tech Industry Association (東莞市高新技術產業協會) since July 2009 and a director of the Dongguan City Association of Enterprises with Foreign Investment (東莞市外商投資企業協會) since November 2013. Mr. Wu is the brother-in-law of Mr. Lu and the uncle of Mr. Lu Libin. As at 31 December 2021, Mr. Wu was interested in the shares of the Company, details of which are set out in the section headed "DISCLOSURE OF INTERESTS – DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND/OR DEBENTURES" in this annual report.

吳少倫先生，57歲，本公司執行董事。彼於二零一三年六月十四日獲委任為董事及於二零一四年一月二十一日獲調任為本公司執行董事。彼目前為東莞超盈及東莞潤信的董事兼副總經理以及本集團若干附屬公司董事。吳先生主要負責本集團之基建及東莞超盈及東莞潤信的整體業務管理。彼於紡織業擁有逾二十六年經驗。吳先生於加盟本集團前，於一九九五年四月至二零一零年五月期間擔任東莞潤達的副總經理。吳先生自二零零三年二月起一直為東莞超盈的副總經理。此外，彼自二零一零年起一直擔任東莞潤信的副總經理。吳先生自二零零九年七月起一直為東莞市高新技術產業協會會員，並自二零一三年十一月起一直為東莞市外商投資企業協會理事。吳先生為盧先生的內兄及盧立彬先生的舅父。於二零二一年十二月三十一日，吳先生於本公司的股份中擁有權益，詳情載列於本年報「權益披露 – 董事及主要行政人員於股份、相關股份及／或債券的權益及淡倉」一節。



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層簡介

Ms. ZHENG Tingting (鄭婷婷), aged 46, is an executive Director of the Company, the Chief Operating Officer and vice-president (marketing) of the Group and a director of certain subsidiaries of the Group. She is responsible for the overall operations, manufacturing and developing and implementing the sales and marketing strategies of the Group. Prior to joining the Group in December 2006, Ms. Zheng joined the Guangzhou office of Parker Pen (Shanghai) Limited as a sourcing specialist in January 2004. In December 2006, Ms. Zheng joined Dongguan Runda and worked as the vice-president when she left in May 2010. Since May 2010, she has joined Dongguan NHE in the same capacity. Also, starting from December 2006, Ms. Zheng worked as a sales manager in Dongguan BPT. In December 2008, she was promoted as the vice-president (marketing) of the Group. Ms. Zheng was promoted as the chief operating officer of the Group since 1 September 2014. Ms. Zheng graduated from the English department of Xi'an Translation College (西安翻譯培訓學院) in the PRC in June 1996. Subsequently in January 2017, she graduated from the Northwestern University and The Hong Kong University of Science and Technology with a master degree in business administration. Ms. Zheng is the spouse of Mr. Zhang, the Chief Executive Officer and an executive Director of the Company. As at 31 December 2021, Ms. Zheng was interested in the shares of the Company, details of which are set out in the section headed "DISCLOSURE OF INTERESTS – DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND/OR DEBENTURES" in this annual report.

鄭婷婷女士，46歲，本公司執行董事、本集團首席運營官及營業副總裁以及本集團若干附屬公司董事。彼負責本集團整體運作、生產及制訂與實施銷售及營業策略等事宜。鄭女士於二零零六年十二月加盟本集團之前，於二零零四年一月加盟上海派克筆有限公司廣州辦事處擔任採購專員。鄭女士於二零零六年十二月加盟東莞潤達擔任副總裁至二零一零年五月離職為止。自二零一零年十月起，彼加盟東莞潤信，同樣擔任副總裁的職位。此外，自二零零六年十二月起，鄭女士於東莞超盈擔任銷售經理一職。彼於二零零八年十二月晉升為本集團營業副總裁。鄭女士亦於二零一四年九月一日起獲晉升為本集團首席運營官。鄭女士於一九九六年六月於中國西安翻譯培訓學院英文系畢業。其後於二零一七年一月，彼於美國西北大學及香港科技大學畢業，取得工商管理碩士學位。鄭女士為本公司行政總裁兼執行董事張先生的配偶。於二零二一年十二月三十一日，鄭女士於本公司的股份中擁有權益，詳情載列於本年報「權益披露 – 董事及主要行政人員於股份、相關股份及／或債券的權益及淡倉」一節。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層簡介

Mr. CHAN Yiu Sing (陳耀星), aged 42, is an executive Director of the Company, the Chief Financial Officer and Company Secretary of the Group and a director of certain subsidiaries of the Group. Mr. Chan is responsible for overseeing the Group's financial reporting, budgeting control, financing and fund management, as well as ensuring and maintaining the standards of corporate governance of the Group. Mr. Chan has over fifteen years of experience in audit, investment, accounting and finance. He joined an international audit firm in February 2006 and was a manager of such audit firm until May 2012 prior to joining the Group in February 2013. Mr. Chan graduated from the University of New South Wales in Australia with a master's degree in commerce in June 2005 and a bachelor's degree in accounting and finance in October 2003. He is a fellow member of the Hong Kong Institute of Certified Public Accountants.

Mr. LU Libin (盧立彬), aged 28, is an executive Director of the Company and has been the Chief Strategy Officer of the Group since June 2019. Mr. Lu Libin is primarily responsible for assisting the Board in formulating future development strategies and directions for the Group. Mr. Lu Libin joined the Group as the sales manager in June 2017, and was responsible for coordinating various departments and operations across different countries. Since August 2021, Mr. Lu Libin has been the vice president of Dongguan Dongcheng Young Entrepreneurs Association (東莞市東城青年企業家協會). Since October 2021, Mr. Lu Libin has been the vice president of Dongguan Houjie Town Chamber of Commerce (東莞市厚街鎮商會). Since December 2021, Mr. Lu Libin has been a committee member of the Chinese People's Political Consultative Conference of the Dongguan Municipal (東莞市政協委員會). Prior to joining the Group, Mr. Lu Libin worked as an associate in the investment banking division at BOCOM International (Asia) Limited from January 2016 to May 2017. Mr. Lu Libin obtained his bachelor's degree in finance from the University of Connecticut in the United States of America in January 2016. Mr. Lu Libin is the son of Mr. Lu, the Chairman and an executive Director of the Company, and the nephew of Mr. Wu, an executive Director of the Company.

陳耀星先生，42歲，本公司執行董事、本集團首席財務官及公司秘書兼本集團若干附屬公司董事。陳先生負責監督本集團的財務匯報、預算控制、融資及資金管理、以及確保並維持本集團企業管治水準。陳先生在審計、投資、會計及財務方面擁有逾十五年經驗。彼於二零零六年二月加盟一間國際審計事務所，在該審計事務所擔任經理至二零一二年五月為止，其後於二零一三年二月加盟本集團。陳先生畢業於澳洲新南威爾士大學，分別於二零零五年六月及二零零三年十月獲該校頒授商科碩士學位及會計及財務學士學位，並為香港會計師公會資深會員。

盧立彬先生，28歲，本公司執行董事並自二零一九年六月起一直擔任本集團首席戰略官。盧立彬先生主要負責協助董事會制定本集團的未來發展戰略及方向。盧立彬先生於二零一七年六月加入本集團擔任銷售經理，負責協調各部門及不同國家的業務。自二零二一年八月，盧立彬先生擔任東莞市東城青年企業家協會副會長。自二零二一年十月，盧立彬先生擔任東莞市厚街鎮商會副會長。自二零二一年十二月，盧立彬先生擔任東莞市政協委員會委員。於加入本集團前，盧立彬先生於二零一六年一月至二零一七年五月在交銀國際（亞洲）有限公司投資銀行部擔任經理。盧立彬先生於二零一六年一月獲得美國康涅迪格大學金融學士學位。盧立彬先生為本公司董事會主席兼執行董事盧先生的兒子及本公司執行董事吳先生的外甥。



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層簡介

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. CHEUNG Yat Ming (張一鳴), who was formerly named as Mr. CHEUNG Yiu Tai (張耀泰), aged 53, was appointed as an independent non-executive Director of the Company on 8 May 2014. He is also the chairman of the Audit Committee, and a member of both the Remuneration Committee and the Nomination Committee of the Company. He has extensive experience in the fields of investment, real estate and property market research, corporate finance and auditing. Prior to joining the Group, he was a staff accountant and semi-senior accountant at Arthur Andersen & Co. in Hong Kong and China from August 1991. In August 1994, he joined Citicorp Commercial Finance (HK) Limited as an administration and accounting manager and was promoted with Citibank's corporate title of assistant vice-president in September 1996. In October 1997, he joined Salomon Brothers Hong Kong Limited as an equity research associate. He joined Donaldson, Lufkin & Jenrette as a research associate in its equity department in May 1999. In November 2000, he joined HSBC Markets (Asia) Limited as its head of Hong Kong and China property research. In 2005, he joined Cohen & Steers Asia Limited as an executive director and a vice-president in its investment research department and was promoted in January 2007 as a senior vice-president and Asia Pacific chief investment officer. In June 2009, he joined DBS Vickers (Hong Kong) Limited as its head of research. From August 2011 to June 2013, he worked as the chief investment officer of Neutron Greater China Equity Long/Short Fund as managed by Neutron INV Partners Limited. From June 2013 to February 2020, he worked as the executive director, chief executive officer and responsible officer of New Century Asset Management Limited, which is the manager of New Century Real Estate Investment Trust, a REIT previously listed on the Stock Exchange (Stock Code: 1275). From March 2014 to March 2020, he served as an independent non-executive director of Springland International Holdings Limited, a company previously listed on the Stock Exchange (Stock Code: 1700). From February 2020 to March 2020, he served as

獨立非執行董事

張一鳴先生(前名為張耀泰先生), 53歲, 於二零一四年五月八日獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會主席、及分別為薪酬委員會及提名委員會之成員。彼在投資、房地產及物業市場研究、企業融資及審計方面經驗豐富。彼於加盟本集團前, 於一九九一年八月起在香港及中國安達信公司擔任會計員及中級會計師。於一九九四年八月, 彼加盟花旗工商財務(香港)有限公司擔任行政及會計經理, 並於一九九六年九月晉升為花旗銀行之助理副總裁。彼於一九九七年十月加盟所羅門兄弟香港有限公司擔任證券研究助理。於一九九九年五月, 彼於Donaldson, Lufkin & Jenrette之投資部擔任證券研究分析員。彼於二零零零年十一月加盟HSBC Markets (Asia) Limited擔任香港及中國物業分析主管。於二零零五年, 彼加盟Cohen & Steers Asia Limited擔任執行董事兼投資研究部副總裁, 並於二零零七年一月晉升為高級副總裁兼亞太區投資總監。彼於二零零九年六月加盟星展唯高達香港有限公司擔任研究主管。於二零一一年八月至二零一三年六月期間, 彼擔任由Neutron INV Partners Limited管理之Neutron Greater China Equity Long/Short Fund的投資總監。於二零一三年六月至二零二零年二月期間, 彼擔任開元資產管理有限公司的執行董事、行政總裁兼負責人員, 該公司為開元產業投資信託基金(曾於聯交所上市的產業投資基金, 股份代號: 1275)的經理。於二零一四年三月至二零二零年三月期間, 彼擔任華地國際控股有限公司的獨立非執行董事(曾於聯交所上市的公司, 股份代號: 1700)。自二零二零年二月至二零二零年三月, 彼擔任FEC Hospitality REIT Pte. Ltd.的首席執行官。自二零二零年三月十七日起, 彼成為Neutron Pacific Limited的首席執行官。自二零二一年八月二十日, 彼成為永富資產集團有限公司的負責人。彼於一九九五年一月成為香港會計師公會的執業會計師、於一九九九年九月成為特許公認會計

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層簡介

the chief executive officer of FEC Hospitality REIT Pte. Ltd. Since 17 March 2020, he has been the chief executive officer of Neutron Pacific Limited. Since 20 August 2021, he has been the responsible officer of Win Full Investment Management Group Limited. He became a certified public accountant of the Hong Kong Institute of Certified Public Accountants in January 1995, a fellow of the Association of Chartered Certified Accountants in September 1999 and a fellow member of the Institute of Chartered Accountants in England and Wales in September 2017. In June 2010, he received the Outstanding Chinese Business Leader Award (中華傑出商業領袖獎) from the HongQi (紅旗畫刊) and China Report (中國報道). He graduated from the Hong Kong Polytechnic University with a bachelor degree in accountancy in November 1991.

Mr. Cheung Yat Ming was appointed as a director of Neutron Greater China Equity Long/Short Fund, an exempted limited company incorporated in the Cayman Islands on 11 June 2010 to conduct securities investment business. The company had ceased to trade and was not in operation, had no assets, nor liabilities to creditors, shareholders or any other third party at the time when he was one of the directors of the company, and the shareholders of the company believed that it was for the best interests of the company to be struck off from the register of companies in the Cayman Islands. The company was subsequently struck off from the register on 31 December 2013. He was also a director of Neutron Capital Management Ltd., an exempted limited company incorporated in the Cayman Islands on 11 June 2010 to conduct securities investment business. The company had ceased to trade and was not in operation, it also had no assets, nor liabilities to creditors, shareholders or any other third party at the time when he was one of the directors of the company, and the shareholders of the company believed that it was for the best interests of the company to be struck off from the register of companies in the Cayman Islands. The company was subsequently struck off from the register on 31 December 2013.

師公會的資深會員以及於二零一七年九月成為英格蘭及韋爾斯特許會計師公會的資深會員。於二零一零年六月，彼獲《紅旗畫刊》及《中國報道》授予中華傑出商業領袖獎。彼於一九九一年十一月於香港理工大學畢業，取得會計學學士學位。

張一鳴先生獲委任為Neutron Greater China Equity Long/Short Fund (一間於二零一零年六月十一日在開曼群島註冊成立之獲豁免有限公司，從事證券投資業務)的董事。該公司已停止交易及營運，彼為該公司其中一名董事時，該公司並無債權人、股東或任何其他第三方的資產或負債，而該公司的股東認為將該公司從開曼群島的公司登記冊中剔除對該公司最為有利。該公司隨後於二零一三年十二月三十一日自登記冊中剔除。彼亦為Neutron Capital Management Ltd. (一間於二零一零年六月十一日在開曼群島註冊成立之獲豁免有限公司，從事證券投資業務)的董事。該公司已停止交易及營運，彼為該公司其中一名董事時，該公司並無債權人、股東或任何其他第三方的資產或負債，而該公司的股東認為將該公司從開曼群島的公司登記冊中剔除對該公司最為有利。該公司隨後於二零一三年十二月三十一日自登記冊中剔除。



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層簡介

Mr. DING Baoshan (丁寶山), aged 58, was appointed as an independent non-executive Director of the Company on 8 May 2014. He is also the chairman of the Remuneration Committee and a member of both the Audit Committee and the Nomination Committee of the Company. Prior to joining the Group, Mr. Ding was an executive director of Denway Motors Limited from 2000 to 2007, which was initially listed on the Stock Exchange but was delisted in 2010 upon its privatisation. Starting from July 2000, Mr. Ding also worked as the chief economist and the deputy general manager of Guangzhou Automobile Industry Group Company Limited (廣州汽車工業集團有限公司), managing various departments until October 2007. Starting from 2008, he was the general manager of Beijing Shengshi Huaxuan Investment Company Limited (北京盛世華軒投資有限公司) until June 2015. From May 2011 to November 2017, he was an independent director of Qinghai Huading Industrial Company Limited (青海華鼎實業有限公司), a company listed on the Shanghai Stock Exchange (Stock Code: 600243). Mr. Ding has also taken up the position as the chairman and an executive director of Pizu Group Holdings Limited, a company listed on the Stock Exchange (Stock Code: 8053) since December 2012, and subsequently resigned as the chairman on 15 November 2016, and later resigned as the executive director on 9 January 2019. From March 2015 to April 2021, Mr. Ding had been an independent director of Shanxi Guoxin Energy Corporation Limited (山西省國新能源股份有限公司), a company listed on the Shanghai Stock Exchange (Stock code: 600617). Since June 2021, Mr. Ding has been an independent director of Shanxi Blue Flame Holding Company Limited (山西藍焰控股股份有限公司), a company listed on the Shenzhen Stock Exchange (Stock Code: 000968). Mr. Ding graduated from the Beijing Iron and Steel Institute (北京鋼鐵學院) with a bachelor degree in mining machinery in July 1985. In June 1988, Mr. Ding completed a master degree in engineering at Beijing University of Science and Technology (北京科技大學) in the PRC. Mr. Ding graduated from China Social Science Institute (中國社會科學院) with a doctorate degree in economics in July 1991.

丁寶山先生，58歲，於二零一四年五月八日獲委任為本公司獨立非執行董事。彼亦為本公司薪酬委員會主席、審核委員會及提名委員會成員。丁先生於加盟本集團前，於二零零零年至二零零七年期間出任駿威汽車有限公司（駿威汽車有限公司最初於聯交所上市，但在該公司私有化後於二零一零年除牌）執行董事。自二零零零年七月起，丁先生亦於廣州汽車工業集團有限公司擔任總經濟師兼副總經理，管理不同部門，直至二零零七年十月為止。自二零零八年起，彼於北京盛世華軒投資有限公司擔任總經理直至二零一五年六月為止。自二零一一年五月至二零一七年十一月，彼於青海華鼎實業有限公司（上海證券交易所上市公司，股份代號：600243）出任獨立董事。自二零一二年十二月起，丁先生出任比優集團控股有限公司（聯交所上市公司，股份代號：8053）主席兼執行董事，並其後於二零一六年十一月十五日辭任主席一職以及其後於二零一九年一月九日辭任執行董事一職。於二零一五年三月至二零二一年四月，丁先生為山西省國新能源股份有限公司（上海證券交易所上市公司，股份代號：600617）的獨立董事。自二零二一年六月起，丁先生為山西藍焰控股股份有限公司（深圳證券交易所上市公司，股份代號：000968）的獨立董事。丁先生於一九八五年七月於北京鋼鐵學院畢業，取得礦山機械學士學位。丁先生於一九八八年六月完成中國北京科技大學的工學碩士學位。丁先生於一九九一年七月於中國社會科學院畢業，取得經濟學博士學位。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層簡介

Mr. KUO Dah Chih Stanford (郭大熾), aged 61, was appointed as an independent non-executive Director of the Company on 28 May 2021. He is also a member of the Audit Committee of the Company. Mr. Kuo has extensive experience in the textile and apparel industry. Since 1982, Mr. Kuo has served as a managing director of Gunzetal Limited, which is a leading worldwide supplier of high quality thread products to the apparel and non-apparel industry. By engaging in product development with retailers, Gunzetal Limited is a vertically integrated thread producer which provides spinning, dyeing, finishing, and direct distribution to the end sewing users. Since 1982, he has also served as a managing director of Woodard Textile Manufacturing Co., Ltd. which is a leading worldwide supplier of high quality yarn and thread products to the apparel and non-apparel industry. In 2010, he was appointed as a member of the Executive Committee of Sustainable Fashion Business Consortium. In 2012, Mr. Kuo was appointed as a member of the Board of Trustees at Deerfield Academy (USA). In 2015, he was appointed as the vice-chairman of Federation of HK Jiangsu Community Organizations and had been serving the General Committee of the Federation of Hong Kong Industries and as the chairman of Group 17 (Spinning). In 2016, Mr. Kuo was appointed as the chairman of The Hong Kong Cotton Spinners Association and a member of the School Committee of Diocesan Boys' School. In 2017, Mr. Kuo was appointed as a member of the General Committee of Textile Council of Hong Kong. In 2019, he was elected as the vice-chairman of the Hong Kong Intimate Apparel Industries' Association and a member of the Vocational Training Council Fashion and Textile Training Board. In 2020, he was appointed as a member of the Board of Directors (Class B) of The Hong Kong Research Institute of Textiles and Apparel Limited and a director of the Diocesan Boys' School Foundation Limited and the convenor of Endowment & Administration Sub-Committee. Mr. Kuo obtained both of his bachelor's degree in management and his bachelor's degree in electrical engineering from Massachusetts Institute of Technology in the United States of America in 1982.

郭大熾先生，61歲，於二零二一年五月二十八日獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會成員。郭先生於紡織和服裝行業擁有豐富的經驗。自一九八二年以來，郭先生一直擔任金泰線廠有限公司的董事總經理，該公司是全球領先的為服裝和非服裝工業服務的高品質縫紉線供應商。通過與零售商合作進行產品開發，金泰線廠有限公司為一家垂直一體化縫紉線生產商並提供紡紗、印染、精加工及直接分銷至最終縫製用戶。自一九八二年以來，彼亦一直擔任華達紗廠有限公司的董事總經理，該公司是全球領先的為服裝和非服裝工業服務的高品質紗線及縫紉線供應商。於二零一零年，彼獲委任為時裝企業持續發展聯盟理事會成員。於二零一二年，郭先生獲委任為美國迪爾菲爾德學校董會成員。於二零一五年，彼獲委任為香港江蘇社團總會副會長及任職於香港工業總會理事會及第十七分組（紡紗）的主席。於二零一六年，郭先生獲委任為香港棉紡業同業公會主席及拔萃男書院校委會成員。於二零一七年，郭先生獲委任為香港紡織業聯會理事委員會成員。於二零一九年，彼獲委任為香港內衣業聯會的副主席及職業訓練局時裝及紡織業訓練委員會的成員。於二零二零年，彼獲委任為香港紡織及成衣研發中心董事會（B組）成員及拔萃男書院基金有限公司的董事及捐贈與行政小組委員會的召集人。郭先生於一九八二年獲得美國麻省理工學院管理學學士學位及電子工程學學士學位。



CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standard of corporate governance which is essential to the sustainable development and growth of the Company. The Board is of the view that the Company has met all the applicable code provisions in force set out in the CG Code throughout the year ended 31 December 2021 (the “Reporting Period”).

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules.

Specific enquiry has been made to all the Directors of the Company and the Directors have confirmed that they have complied with the Model Code throughout the Reporting Period.

The Company has also established a code no less exacting than the Model Code for securities transactions by senior management who are likely to be in possession of unpublished price-sensitive or inside information of the Company.

BOARD OF DIRECTORS

As at the end of the Reporting Period, the Board comprises nine members, consisting of six executive Directors, namely Mr. Lu (Chairman of the Board), Mr. Zhang (Chief Executive Officer), Mr. Wu, Ms. Zheng (Chief Operating Officer), Mr. Chan (Chief Financial Officer and Company Secretary) and Mr. Lu Libin (Chief Strategy Officer), and three independent non-executive Directors, namely Mr. Cheung Yat Ming, Mr. Ding and Mr. Kuo.

The biographical information of the Directors as well as the relationships between the members of the Board are set out on pages 73 to 81 of this annual report.

企業管治常規

本公司致力維持高水平的企業管治，此對本公司之可持續發展及增長尤為重要。董事會認為，本公司已於截至二零二一年十二月三十一日止年度整個期間（「報告期間」）符合於年內生效的企業管治守則所載的所有適用守則條文。

進行證券交易的標準守則

本公司已採用上市規則附錄十中載列的標準守則。

經向本公司全體董事作出具體查詢，董事已確認彼等於報告期間一直遵守標準守則。

本公司亦制訂不遜於標準守則的守則，以為可能擁有本公司未公開的股價敏感資料或內幕消息的高級管理層進行證券交易的守則。

董事會

於報告期間結束時，董事會由九名成員組成，包括六名執行董事（即盧先生（董事會主席）、張先生（行政總裁）、吳先生、鄭女士（首席運營官）、陳先生（首席財務官及公司秘書）及盧立彬先生（首席戰略官），以及三名獨立非執行董事（即張一鳴先生、丁先生及郭先生）。

董事的履歷資料以及董事會成員之間的關係載列於本年報第73頁至第81頁。

Chairman and Chief Executive Officer

The positions of Chairman and Chief Executive Officer are held by Mr. Lu and Mr. Zhang respectively. The Chairman provides leadership and is responsible for the effective functioning and leadership of the Board. The Chief Executive Officer focuses on the Company's business development and daily management and operations generally. Their respective responsibilities are clearly defined and set out in writing.

Independent non-executive Directors

During the Reporting Period, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing more than one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received written confirmation from each of the independent non-executive Directors in respect of his independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors are independent.

Directors' Appointment, Re-election and Retirement

A person may be appointed as a member of the Board at any time either by the shareholders in general meeting or by the Board upon recommendation by the Nomination Committee.

According to the Articles, the Board has the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of shareholders after his/her appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Besides, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

主席及行政總裁

主席及行政總裁的職位分別由盧先生及張先生擔任。主席專責領導並負責董事會的有效運作。行政總裁專責本公司的業務發展、日常管理及運營。彼等各自的責任以書面形式清楚界定。

獨立非執行董事

於報告期間內，董事會一直符合上市規則有關委任至少三名獨立非執行董事（佔董事會超過三分之一），且其中至少一名獨立非執行董事須具有適當的專業資格或會計或相關財務管理專業知識的規定。

根據上市規則第3.13條載列的獨立性指引規定，本公司已接獲各獨立非執行董事關於其獨立性的書面確認。本公司認為，所有獨立非執行董事均屬獨立人士。

董事委任、重選及退任

經提名委員會推薦後，任何人士均可隨時由股東於股東大會上或由董事會委任為董事會成員。

根據細則，董事會有權不時及於任何時候委任任何人士擔任董事以填補董事會臨時空缺或增加現有董事會的成員。董事會為填補臨時空缺而委任的任何董事須擔任其職務直至其獲委任後的首次股東週年大會召開為止，並可於有關大會上獲重選；董事會為增加現有董事會成員而委任的任何董事僅須擔任其職務至本公司下一屆股東週年大會為止，屆時有資格獲重選。此外，於各屆股東週年大會上，當時三分之一的董事（或倘其數目並非三的倍數，則為最接近但不少於三分之一的數目）須輪席退任，惟各董事至少須每三年於股東週年大會上退任一次。



CORPORATE GOVERNANCE REPORT

企業管治報告

Each of the executive Directors has entered into a service contract with the Company, and each of the independent non-executive Directors has signed a letter of appointment with the Company. All Directors are appointed for a specific term of three years, subject to retirement by rotation and re-election in accordance with the Articles.

Pursuant to the aforesaid provisions in the Articles, Mr. Lu, Mr. Wu and Mr. Cheung Yat Ming will retire by rotation at the forthcoming AGM. All the above Directors, being eligible, will offer themselves for re-election at the AGM.

Responsibilities, Accountabilities and Contributions of the Board and Management

The Board is responsible for leadership and control of the Company and oversees the Group's businesses, strategic decisions and performance and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. Directors of the Board take decisions objectively in the interests of the Company.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

All Directors have full and timely access to all the information of the Company as well as the services and advice from the company secretary and senior management. The Directors may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them and the Board regularly reviews the contribution required from each Director to perform his responsibilities to the Company.

各執行董事已與本公司訂立服務合約，且各獨立非執行董事已與本公司簽訂委任書。所有董事獲委任為期三年的特定年限，須依據細則輪席退任及重選。

根據前述細則條文，盧先生、吳先生及張一鳴先生將於應屆股東週年大會輪席退任。所有上述董事均合資格並願意於股東週年大會上膺選連任。

董事會及管理層的責任、問責及貢獻

董事會負責領導及監控本公司，監督本集團的業務、戰略決策及表現，並共同負責管理及監管其事務以帶領本公司邁向成功。董事會成員就本公司的利益作出客觀決定。

全體董事（包括獨立非執行董事）為董事會提供廣泛而寶貴的業務經驗、知識及專業質素，使其可迅速及有效運作。

全體董事可全面、及時地取得本公司的所有資料以及公司秘書及高級管理層的服務及建議。於適當情況下，董事於履行彼等於本公司的職務時可要求尋求獨立專業意見，費用由本公司承擔。

董事須向本公司披露其擔任的其他職務詳情，董事會定期檢討各董事履行其對本公司的責任所需做出的貢獻。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and co-ordinating the daily operation and management of the Company are delegated to the management.

Continuous Professional Development of Directors

Pursuant to the code provision A.6.5 of the then CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. The Company should be responsible for arranging and funding suitable training, placing an appropriate emphasis on the roles, functions and duties of a listed company director. The Company updates Directors on the latest development regarding the Listing Rules and other applicable regulatory requirements from time to time, in order to ensure compliance and enhance their awareness of good corporate governance practices. The Company also arranges suitable professional development seminars and courses for the Directors. For instance, every newly appointed Director will receive induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Directors' responsibilities and obligations under the Listing Rules and relevant statutory requirements.

The Directors informed the Company that they had received sufficient and relevant training and continuous professional development during the Reporting Period.

董事會保留其對有關以下各方面的所有重大事項的決策：政策事項、策略及預算、內部控制及風險管理、重大交易（尤其是可能涉及利益衝突的重大交易）、財務資料、董事委任及本公司的其他重大營運事項。有關實施董事會決策、指導及統籌本公司日常營運管理的責任則由管理層承擔。

董事的持續專業發展

根據當時企業管治守則的守則條文A.6.5條，全體董事均應參與持續專業發展以發展及更新其知識及技能，以確保其繼續在知情情況下對董事會作出切合所需的貢獻。本公司應負責安排合適的培訓並提供有關經費，以及適當注重上市公司董事的角色、職能及職責。本公司不時告知董事有關上市規則及其他適用監管要求的最新發展，以便確保合規並增強其在良好企業管治常規方面的意識。本公司亦為董事安排適當的專業發展研討會及課程。例如，每名新委任董事將於其首次委任接受入職培訓，以確保其充分了解本公司的業務及經營及全面知悉董事於上市規則及相關法定要求項下的責任及職責。

董事告知本公司，其於報告期間內獲得充分相關的培訓以及持續專業發展。



CORPORATE GOVERNANCE REPORT

企業管治報告

Records of training by the Directors are maintained by the company secretary. Training records of Directors in 2021 are as follows:

董事接受的培訓記錄由公司秘書保存。董事於二零二一年的培訓記錄如下：

Directors 董事		Type of trainings 培訓種類
Executive Directors 執行董事		
Mr. Lu Yuguang	盧煜光先生	A & B
Mr. Zhang Haitao	張海濤先生	A & B
Mr. Wu Shaolun	吳少倫先生	A & B
Ms. Zheng Tingting	鄭婷婷女士	A & B
Mr. Chan Yiu Sing	陳耀星先生	A, B & C
Mr. Lu Libin	盧立彬先生	A & B
Independent non-executive Directors 獨立非執行董事		
Mr. Cheung Yat Ming	張一鳴先生	A, B & C
Mr. Ding Baoshan	丁寶山先生	A, B & C
Mr. Kuo Dah Chih, Stanford	郭大熾先生	A, B & C

A: reading materials relating to the Group, general business, latest development of the Listing Rules and other applicable legal and regulatory requirements

A: 閱讀有關本集團、一般業務、上市規則的最新發展及其他適用法律及監管規定的材料

B: attending a training session on directors' duties and latest development of the Listing Rules conducted by legal advisers of the Company

B: 參加本公司法律顧問舉辦的有關董事職責及上市規則最新發展的培訓研討會

C: attending briefings, seminars, webinar or training courses

C: 參加簡報、研討會、網絡會議或培訓課程

BOARD AND BOARD COMMITTEES

Under code provision A.1.1 of the then CG Code, the Board should meet regularly and Board meetings should be held at least four times a year at approximately quarterly intervals and under code provision A.2.7 of the then CG Code, the chairman of the Board should at least annually hold meeting with the independent non-executive Directors without the presence of other Directors.

董事會及董事委員會

根據當時企業管治守則的守則條文A.1.1條，董事會應定期召開會議且每年應至少舉行四次（大約每季度一次）；根據當時企業管治守則的守則條文A.2.7條，董事會主席應至少每年與獨立非執行董事舉行一次沒有其他董事出席的會議。

During the Reporting Period, ten Board meetings were held. In addition, the Chairman held a meeting with the independent non-executive Directors without the presence of other Directors.

於報告期間內，本公司已舉行十次董事會會議。另外，主席與獨立非執行董事舉行一次沒有其他董事出席的會議。

CORPORATE GOVERNANCE REPORT

企業管治報告

A tentative schedule for regular Board meetings will be provided to the Directors at the beginning of the year. At least 14 days' notice for all regular Board meetings will be given to all Directors and all Directors must be given the opportunity to include items or businesses for discussion in the agenda. For all other Board meetings, reasonable notice will be given. Relevant agenda and accompanying Board papers will be sent to all Directors at least three working days in advance of every regular Board meeting.

The Board has established three committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference. The terms of reference of the Board committees are posted on the Company's website and the Stock Exchange's website and are available to shareholders upon request.

The majority of the members of each Board committee are independent non-executive Directors and the list of the chairman and members of each Board committee is set out under "Corporate Information" on page 2 of this annual report.

Audit Committee

The Company established the Audit Committee on 8 May 2014 in compliance with Rules 3.21 and 3.22 of the Listing Rules and code provision C.3.3 of the then CG Code. The Audit Committee has three members, namely, Mr. Cheung Yat Ming, Mr. Ding and Mr. Kuo and is chaired by Mr. Cheung Yat Ming.

The main duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting process, risk management and internal control systems and procedures, audit plan and relationship with external auditors, and arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

定期董事會會議的暫定時間表將於年初向董事提供。所有定期董事會會議的通知將至少提前十四天向全體董事發出，且必須給予全體董事機會將商討議題或事項列入議程中。至於召開所有其他董事會會議，本公司將發出合理的通知。相關的議程及隨附的董事會文件至少將於每次定期董事會會議之前三個工作日發送給全體董事。

為監督本公司特定方面的事務，董事會已成立三個委員會，即審核委員會、薪酬委員會及提名委員會。本公司所有董事委員會均有書面訂明的具體職權範圍。董事委員會的職權範圍於本公司網站及聯交所網站均有公佈，並可應要求供股東查閱。

各董事會下轄委員會的大部分成員均為獨立非執行董事。各董事會下轄委員會主席及成員的名單載列於本年報第2頁的「公司資料」項下。

審核委員會

於二零一四年五月八日，本公司遵照上市規則第3.21條及第3.22條以及當時企業管治守則的守則條文C.3.3條的規定成立審核委員會。審核委員會有三名成員，即張一鳴先生、丁先生及郭先生，並由張一鳴先生擔任主席。

審核委員會的主要職責為協助董事會審核財務資料及報告流程、風險管理及內部控制系統及程序、審核計劃及與外聘核數師的關係，以及安排本公司員工能夠以保密的方式就有關本公司財務報告、內部控制或其他事項方面潛在的不當事宜提出關注。



CORPORATE GOVERNANCE REPORT

企業管治報告

The full terms of reference of the Audit Committee are available on the Stock Exchange's website and the Company's website.

During the Reporting Period, the Audit Committee held three meetings for the purpose of, among other matters, to review annual results of the Group for the year ended 31 December 2020, the interim results of the Group for the six months ended 30 June 2021 and significant issues on the financial reporting and compliance procedures, risk management and internal control systems, effectiveness of the Company's internal audit function, and arrangements for employees to raise concerns about possible improprieties.

The external auditors attended all the above meetings to discuss with the Audit Committee on issues arising from the audit and financial reporting matters.

Remuneration Committee

The Company established the Remuneration Committee on 8 May 2014 in compliance with Rules 3.25 and 3.26 of the Listing Rules and code provision B.1.2 of the then CG Code. The Remuneration Committee has three members, namely Mr. Ding, Mr. Zhang and Mr. Cheung Yat Ming and is chaired by Mr. Ding.

The primary functions of the Remuneration Committee include reviewing and making recommendations to the Board on the remuneration packages of individual executive Directors and senior management, the remuneration policy and structure for all Directors and senior management, and establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his associates will participate in deciding his own remuneration.

The full terms of reference of the Remuneration Committee are available on the Stock Exchange's website and the Company's website.

審核委員會的職權範圍全文可於聯交所網站及本公司網站上查閱。

於報告期間內，審核委員會舉行三次會議，以（其中包括）審閱本集團截至二零二零年十二月三十一日止年度的年度業績、本集團截至二零二一年六月三十日止六個月的中期業績以及與下述各項有關的重大問題：財務報告及合規程序、風險管理及內部控制系統、本公司內部審核功能的有效性以及讓員工可對潛在的不當事宜提出關注的安排。

外聘核數師出席前述全部會議，與審核委員會就審核及財務報告事項所產生的問題進行磋商。

薪酬委員會

於二零一四年五月八日，本公司遵照上市規則第3.25條及第3.26條以及當時企業管治守則的守則條文B.1.2條的規定成立薪酬委員會。薪酬委員會有三名成員，即丁先生、張先生及張一鳴先生，並由丁先生擔任主席。

薪酬委員會的主要職能包括檢討個別執行董事及高級管理層的薪酬待遇、全體董事及高級管理層的薪酬政策及架構並向董事會提出建議；及建立制訂有關薪酬政策及架構的透明程序以確保並無董事或其任何聯繫人參與決定其自身的薪酬。

薪酬委員會的職權範圍全文可於聯交所網站及本公司網站上查閱。

CORPORATE GOVERNANCE REPORT

企業管治報告

During the Reporting Period, the Remuneration Committee met two times for the purpose of, among other matters, reviewing and making recommendations to the Board on the remuneration policy and structure of the Company, and the remuneration packages of the executive Directors and senior management and other related matters.

The details of the remuneration paid to the Directors for the year ended 31 December 2021 are set out in Note 10 to the consolidated financial statements.

Details of the emoluments of every executive Director, who are the Company's senior management, which are required to be disclosed pursuant to code provision B.1.5 of the then CG Code are set out in Note 10 to the consolidated financial statements.

Nomination Committee

The Company established the Nomination Committee on 8 May 2014 in compliance with code provisions A.5.1 and A.5.2 of the then CG Code. The Nomination Committee has three members, namely Mr. Lu, Mr. Cheung Yat Ming and Mr. Ding and is chaired by Mr. Lu.

The principal duties of the Nomination Committee include reviewing the Board composition, developing and formulating relevant procedures for the nomination and appointment of Directors, making recommendations to the Board on the appointment and succession planning of Directors, and assessing the independence of independent non-executive Directors.

於報告期間內，薪酬委員會舉行兩次會議，以（其中包括）檢討本公司的薪酬政策及架構以及執行董事及高級管理層的薪酬待遇及其他相關事項，並向董事會提出建議。

截至二零二一年十二月三十一日止年度已付董事薪酬的詳情乃載於綜合財務報表附註10。

根據當時企業管治守則的守則條文B.1.5條須予披露之全體執行董事（彼等為本公司高級管理層）的薪酬詳情載於綜合財務報表附註10。

提名委員會

於二零一四年五月八日，本公司遵照當時企業管治守則的守則條文A.5.1條及A.5.2條的規定成立提名委員會。提名委員會有三名成員，即盧先生、張一鳴先生及丁先生，並由盧先生擔任主席。

提名委員會的主要職責包括檢討董事會組成、制定提名及委任董事的相關程序、就董事的委任及繼任規劃向董事會提出建議以及評估獨立非執行董事的獨立性。



CORPORATE GOVERNANCE REPORT

企業管治報告

The procedures and criteria for the Nomination Committee to select and recommend candidates for being appointed as Directors are summarised below:

- (a) diversity in all aspects, including but not limited to skills, knowledge, gender, age, ethnicity, cultural and educational background, professional experience and other personal qualities of the candidate;
- (b) ability to exercise sound business judgment and possess proven achievement and experience in directorship including effective oversight of and guidance to management;
- (c) commitment of the candidate to devote sufficient time for the proper discharge of the duties of a Director;
- (d) potential/actual conflicts of interest that may arise if the candidate is selected;
- (e) independence of the independent non-executive director candidates as required under the Listing Rules;
- (f) in the case of a proposed re-appointment of an independent non-executive Director, the number of years he/she has already served; and
- (g) identifying any persons who may be suitable and qualified to become members of the Board and select, or make recommendations to the Board on the selection of, any persons nominated for directorships.

提名委員會遴選及建議委任董事之候選人的程序及標準概述如下：

- (a) 於所有方面的多元化，包括但不限於候選人的技能、知識、性別、年齡、種族、文化及教育背景、專業經驗及其他個人特質；
- (b) 作出可靠商業判斷的能力及擔任董事的公認成就及經驗（包括有效監督及指導管理層）；
- (c) 候選人承諾投入充足時間妥為履行董事職責；
- (d) 倘候選人獲選可能產生之潛在／實際利益衝突；
- (e) 上市規則所規定之獨立非執行董事的獨立性；
- (f) 如擬重新委任獨立非執行董事，彼之服務年期；及
- (g) 尋找可能適合及合資格成為董事會成員的任何人士，並就甄選提名人士為董事向董事會作出甄選或提出推薦建議。

CORPORATE GOVERNANCE REPORT

企業管治報告

In assessing the Board composition, the Nomination Committee would take into account various aspects set out in the Board diversity policy, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of services. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board. A summary of the Company's board diversity policy is set out on pages 94 to 95 of this annual report.

The full terms of reference of the Nomination Committee are available on the Stock Exchange's website and the Company's website.

During the Reporting Period, the Nomination Committee met two times for the purpose of, among other matters, reviewing the structure, size and composition of the Board. The Nomination Committee considered the diversity of the Board is appropriate.

Corporate Governance

The Board is responsible for performing the functions set out in the code provision D.3.1 of the then CG Code.

The Company has formulated a comprehensive corporate governance manual containing various policies and procedures governing the functioning of the Board and its committees, appraisal and remuneration, risk management, financial reporting, conflict of interest, connected transactions, shareholders' communication and other aspects of corporate governance and management of the Company.

The Board reviewed the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

評估董事會組成時，提名委員會將考慮董事會成員多元化政策中載列的多項因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年限。董事會的所有委任均以用人唯才為原則，參照客觀標準對候選人予以考慮，並充分顧及董事會成員多元化的裨益。本公司董事會成員多元化政策之概要載列於本年報第94至95頁。

提名委員會的職權範圍全文可於聯交所網站及本公司網站上查閱。

於報告期間內，提名委員會舉行兩次會議，以（其中包括）檢討董事會的架構、人數及組成。提名委員會認為董事會在多元化方面為適當。

企業管治

董事會負責履行當時企業管治守則的守則條文D.3.1條中載列的職能。

本公司已制定規管董事會及其委員會運行的全面企業管治措施（包括各種政策及程序）、評估及薪酬、風險管理、財務申報、利益衝突、關連交易、股東通訊及本公司企業管治及管理的其他方面。

董事會對以下各項進行了檢討：本公司的企業管治政策及實務、董事及高級管理層的培訓及持續專業發展、本公司遵守法律法規的政策及實務、標準守則的遵守情況及本公司遵守企業管治守則的情況以及本企業管治報告中的資料披露。



CORPORATE GOVERNANCE REPORT

企業管治報告

ATTENDANCE RECORD OF DIRECTORS AND COMMITTEE MEMBERS

The attendance record of each Director at the Board and Board committee meetings and general meeting of the Company held during the Reporting Period is as follows:

董事及委員會成員會議出席記錄

各董事出席於報告期間內召開的本公司董事會及董事委員會會議及股東大會的記錄如下：

Name of Directors 董事姓名	Notes 附註	Meetings attended/Meetings held 出席會議次數／會議舉行次數				
		Annual general meeting 股東週年大會	Board 董事會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Audit Committee 審核委員會
LU Yuguang 盧煜光		1/1	10/10	2/2	N/A 不適用	N/A 不適用
ZHANG Haitao 張海濤		1/1	10/10	N/A 不適用	2/2	N/A 不適用
WU Shaolun 吳少倫		1/1	10/10	N/A 不適用	N/A 不適用	N/A 不適用
ZHENG Tingting 鄭婷婷		1/1	10/10	N/A 不適用	N/A 不適用	N/A 不適用
CHAN Yiu Sing 陳耀星	1	1/1	8/8	N/A 不適用	N/A 不適用	N/A 不適用
Lu Libin 盧立彬	2	1/1	8/8	N/A 不適用	N/A 不適用	N/A 不適用
CHEUNG Yat Ming 張一鳴		1/1	10/10	2/2	2/2	3/3
DING Baoshan 丁寶山		1/1	10/10	2/2	2/2	3/3
Kuo Dah Chih, Stanford 郭大熾	3	N/A 不適用	6/6	N/A 不適用	N/A 不適用	2/2
SAI Chun Yu 余振宇	4	1/1	4/4	N/A 不適用	N/A 不適用	1/1

Notes:

- Mr. Chan was appointed as an executive Director of the Company on 10 February 2021.
- Mr. Lu Libin was appointed as an executive Director of the Company on 10 February 2021.
- Mr. Kuo was appointed as an independent non-executive Director of the Company on 28 May 2021.
- Mr. Sai retired as an independent non-executive Director of the Company on 28 May 2021.

附註：

- 陳先生於2021年2月10日獲委任為本公司執行董事。
- 盧立彬先生於2021年2月10日獲委任為本公司執行董事。
- 郭先生於2021年5月28日獲委任為本公司獨立非執行董事。
- 余先生於2021年5月28日退任本公司獨立非執行董事。

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2021.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the independent auditor of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 99 to 105 of this annual report.

AUDITOR'S REMUNERATION

The remuneration paid to the external auditors of the Company in respect of audit services and non-audit services (mainly for review of the condensed consolidated financial statements of the Group for the six months ended 30 June 2021 and tax compliance services) for the year ended 31 December 2021 amounted to approximately HK\$2.2 million and approximately HK\$0.7 million respectively.

RISK MANAGEMENT AND INTERNAL CONTROL

The Group has in place the sound and effective risk management and internal control systems to safeguard shareholders' investment and assets of the Group. The Board acknowledges its responsibility for the risk management and internal control systems of the Group. From time to time and at least once a year, the Board reviews the effectiveness of the risk management and internal control systems of the Group in order to ensure that they meet with the dynamic and ever changing business environment as well as the requirements under the Listing Rules. To enhance the objectiveness and creditability of the review, an independent audit firm has been engaged to conduct the appraisal of the adequacy and effectiveness of the Group's risk management and internal control systems.

董事對財務報表的責任

董事明白，編製本公司截至二零二一年十二月三十一日止年度的財務報表乃其責任。

董事並不知悉任何可能導致對本公司的持續經營能力產生重大懷疑的事項或狀況的重大不確定因素。

本公司獨立核數師關於其對財務報表的報告責任的聲明載列於本年報第99頁至第105頁的獨立核數師報告中。

核數師薪酬

就截至二零二一年十二月三十一日止年度的審核服務及非審核服務（主要為審閱本集團截至二零二一年六月三十日止六個月的簡明綜合財務報表及稅收合規服務）而向外聘核數師支付的薪酬分別為約2.2百萬港元及約0.7百萬港元。

風險管理及內部控制

本集團已制訂穩健及有效的風險管理及內部控制系統，以保障股東之投資及本集團之資產。董事會明白，本集團的風險管理及內部控制系統乃其責任。董事會不時且至少每年一次檢討本集團的風險管理及內部控制系統的有效性，以確保其適應高效且不斷變化的商業環境，並符合上市規則規定。為提高檢討的客觀性及可信度，本集團已委聘一間獨立審計事務所，就本集團風險管理及內部控制系統的客觀性及有效性進行評估。



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During the year ended 31 December 2021, the Audit Committee, with reference to and based on the internal audit report issued by the independent audit firm, conducted a review on the effectiveness of the Group's risk management and internal control systems, including financial, operational and compliance controls and risk management functions, adequacy of resources, qualifications and experience of staff of the Company's accounting, internal control and financial reporting functions, and training programmes and budget. The Board has considered and discussed the internal audit report issued by the independent audit firm, the work conducted by the independent audit firm, the Audit Committee's view on the Group's risk management and internal control systems and their effectiveness. The Board and the Audit Committee are satisfied with the adequacy and effectiveness of the risk management and internal control of the Group.

BOARD DIVERSITY POLICY

The Board adopted a board diversity policy (the “**Diversity Policy**”) on 23 May 2014. A summary of this Diversity Policy, together with the measurable objectives set for implementing this policy, and the progress made towards achieving those objectives are disclosed as below.

Summary of the Board Diversity Policy

In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Measurable Objectives

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

截至二零二一年十二月三十一日止年度，經參考且根據獨立審計事務所發佈的內部審計報告，審核委員會對本集團風險管理及內部控制系統的成效進行審閱，審閱內容包括財務、營運及合規控制及風險管理活動、資源的充足性、本公司會計、內部監督及財務申報方面的員工資格及經驗以及培訓課程及預算。董事會已審議及討論獨立審計事務所發佈的內部審計報告、獨立審計事務所開展的工作、審核委員會就本集團的風險管理及內部控制系統以及其有效性發佈的觀點。董事會及審核委員會信納本集團風險管理及內部控制的客觀性及有效性。

董事會成員多元化政策

董事會於二零一四年五月二十三日採納董事會成員多元化政策（「**多元化政策**」）。多元化政策的摘要及為執行該政策而制定的可計量目標，以及達標進度載列如下。

董事會成員多元化政策摘要

本公司在設定董事會成員組合時，會從多個方面考慮董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會成員多元化的裨益。

可計量目標

甄選人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。最終將按人選的長處及可為董事會作出的貢獻而作決定。

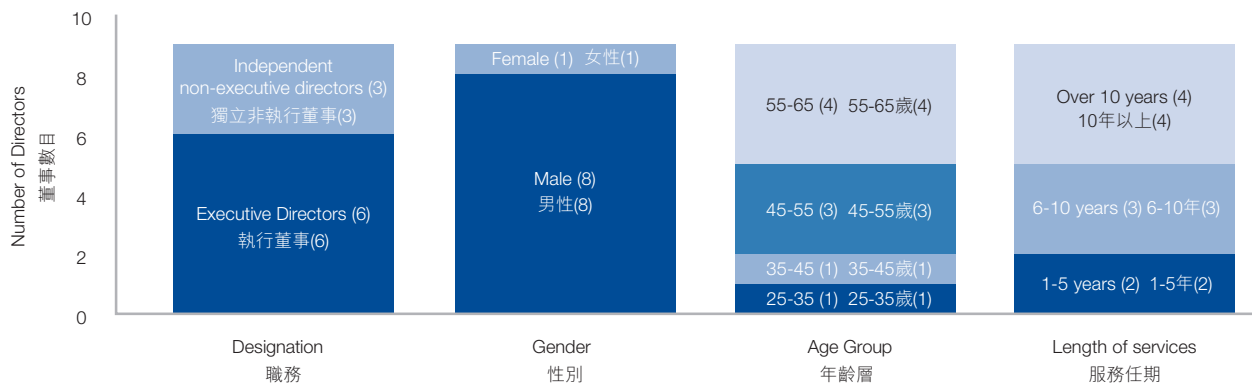
CORPORATE GOVERNANCE REPORT

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Monitoring and Reporting

The Nomination Committee will report annually, in the corporate governance report, on the Board's composition under diversified perspectives, and monitor the implementation of the Diversity Policy.

As at 31 December 2021, the Board's diversified composition was summarized as follows:



As at the date of this annual report, the Board comprises nine Directors. Three of them are independent non-executive Directors, thereby promoting critical review and control of the management process. The Board is also characterised by significant diversity, whether considered in terms of gender, age, experience, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

COMPANY SECRETARY

Mr. Chan Yiu Sing, the Company Secretary appointed by the Board, is a full-time employee of the Company; and in the opinion of the Board, possesses the necessary qualifications and experience, and is capable of performing the functions of a company secretary. During the Reporting Period, Mr. Chan has taken not less than 15 hours of professional training. The Company will continue to provide funds for Mr. Chan to take not less than 15 hours of appropriate professional training in each financial year as required under Rule 3.29 of the Listing Rules.

監察及匯報

提名委員會將每年在企業管治報告內匯報董事會在多元化層面的組成，並監察多元化政策的執行。

於二零二一年十二月三十一日，董事會的多元化組成概述如下：

於本年報日期，董事會由九名董事組成。三名為獨立非執行董事，這有助嚴格檢討及監控管理程序。以性別、年齡、經驗、文化及教育背景、種族、專業經驗、技能、知識及服務任期等因素而言，董事會成員十分多元化。

公司秘書

由董事會委任的公司秘書陳耀星先生為本公司的全職僱員；董事會認為，彼擁有必要的資格及經驗且能夠履行公司秘書的職能。於報告期間內，陳先生已接受不少於15小時的專業培訓。按照上市規則第3.29條的要求，本公司將繼續為陳先生於每個財務年度接受不少於15小時的適當專業培訓提供經費。



CORPORATE GOVERNANCE REPORT

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COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Company believes that effective communication with shareholders is essential for enhancing investor relations and investors' understanding of the Group's business performance and strategies. The Company also recognises the importance of transparency and timely disclosure of its corporate information, which enables shareholders and investors to make the best investment decision.

The Company maintains a website at www.bestpacific.com as a communication platform with shareholders and investors, where information and updates on the Group's business developments and operations and other information are available for public access.

Enquiries and suggestions from shareholders or investors to the Board are welcomed by mail to the Company's principal place of business in Hong Kong at 38th Floor, No. 9 Wing Hong Street, Lai Chi Kok, Kowloon, Hong Kong or via email to ir@bestpacific.com for the attention of the Investor Relations Department. Inquiries are dealt with in an informative and timely manner.

Besides, shareholders' meetings provide an opportunity for communication between the Board and the shareholders. It is the Company's general practice that the Chairman of the Board as well as chairmen of the Audit Committee, the Nomination Committee and the Remuneration Committee, or in their absence, their duly appointed delegates, who are members of the relevant committees, will be available to answer questions at the general meetings of the Company. In addition, the Company will invite representatives of the auditor to attend its annual general meeting to answer shareholders' questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies and the independence of the auditor.

與股東及投資者的溝通

本公司認為，與股東的有效溝通對加強投資者關係及促進投資者對本集團業務表現及策略的了解至關重要。本公司亦深明公司資料的透明度以及及時披露的重要性，其有助股東及投資者作出最佳的投資決定。

本公司設有(www.bestpacific.com)網站作為與股東及投資者溝通的平台，可供公眾人士瀏覽有關本集團的業務發展及營運的資料及最新情況以及其他資料。

歡迎股東或投資者向董事會進行查詢及提出建議，可致函至本公司在香港的主要營業地點（香港九龍荔枝角永康街9號38樓）或發送電郵至 ir@bestpacific.com，收件人為投資者關係部。本公司會適時處理有關查詢及提供相關資訊。

此外，股東大會為董事會與股東之間提供了交流的機會。依據本公司慣例，董事會主席以及審核委員會、提名委員會及薪酬委員會的主席（或在彼等未能出席的情況下，其正式委任的代表（相關委員會的成員））將出席本公司的股東大會回答問題。此外，本公司將邀請核數師的代表出席其股東週年大會，以便回答股東提出的有關審核行為、核數師報告的編製及內容、會計政策及核數師獨立性的問題。

SHAREHOLDERS' RIGHTS

To safeguard shareholders' interests and rights, separate resolutions are proposed at shareholders' meetings on each substantial issue, including the election of individual Director, for shareholders' consideration and voting. The Company's shareholders may convene an extraordinary general meeting (the "EGM") or put forward proposals at shareholders' meetings as follows:

- (1) Shareholder(s) holding at the date of deposit of the requisition not less than one-tenth of the paid-up capital of the Company may request the Board to convene an EGM pursuant to Article 58 of the Articles by sending a written requisition to the Board or the Company Secretary at the Company's principal place of business in Hong Kong. The purpose of requiring such general meeting must be stated in the written requisition.
- (2) If a shareholder wishes to propose a person other than a retiring Director for election as a Director of the Company at a general meeting, pursuant to Article 85 of the Articles, the shareholder (other than the person to be proposed) duly qualified to attend and vote at the general meeting shall send a written notice, duly signed by the shareholder, of his/her intention to propose such person for election and also a notice signed by the person to be proposed of his/her willingness to be elected. These notices should be lodged at the Company's principal place of business in Hong Kong, or the office of the Company's branch share registrar. The period for lodgement of such notices shall commence on the day after the despatch of the notice of such general meeting and end no later than 7 days prior to the date of such general meeting.

股東權利

為保障股東的權益及權利，本公司於股東大會上就各項重要問題（包括個別董事的選舉）提出單獨的決議案供股東考慮及投票表決。本公司股東可召開股東特別大會（「股東特別大會」）或於股東大會上提出如下提案：

- (1) 根據細則第58條的規定，於遞呈要求日期持有不少於本公司實繳股本十分之一的股東可透過向董事會或公司秘書（地址為本公司在香港的主要營業地點）發出書面要求，要求董事會召開股東特別大會。書面要求中須指明要求召開股東大會的目的。
- (2) 根據細則第85條的規定，倘股東擬於股東大會上提名即將退任董事以外的人士參選本公司董事，則正式合資格出席股東大會並於會上表決的股東（並非擬提名參選的人士）須發出經其正式簽署的書面通知，當中表明建議提名該人士參選的意向，並附上所提名人士簽署表示願意參選的通知。此等通知應提交至本公司在香港的主要營業地點或本公司股份過戶登記分處的辦事處。該等通知之提交期間於寄發有關股東大會召開通告後翌日開始，不得遲於有關股東大會舉行日期前七日結束。



CORPORATE GOVERNANCE REPORT

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For the avoidance of doubt, shareholder(s) must provide their full name(s), contact details and identification, in the originally signed written requisition, notice or statement (as the case may be), in order to give effect thereto. Information of shareholder(s) may be disclosed as required by law. Shareholders may refer to the Articles for further details of the rights of shareholders.

All resolutions put forward at shareholders' meetings of the Company shall be voted by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands pursuant to the Listing Rules and the Articles. The poll results shall be posted on the websites of the Stock Exchange and the Company after each shareholders' meeting.

CONSTITUTIONAL DOCUMENTS

During the Reporting Period, there was no significant change in the Articles of the Company.

The latest version of the Articles of the Company is available on the websites of the Stock Exchange and the Company.

為免生疑義，股東必須於最初簽署之書面申請書、通知或聲明（視乎情況而定）中提供其全名、聯繫方式及身份證明，以便使之生效，股東的資料可按照法律規定予以披露。有關股東權利的進一步詳情，股東可參閱細則。

根據上市規則及細則的規定，除主席決定容許有關程序或行政事宜的決議案以舉手方式表決外，本公司股東大會上提出的所有決議案均須進行投票表決。每次股東大會結束後，投票結果須於聯交所及本公司網站上公佈。

章程文件

於報告期間內，本公司細則並無任何重大變動。

本公司最新版本的細則可於聯交所及本公司網站上查閱。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Deloitte.

德勤

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BEST PACIFIC INTERNATIONAL HOLDINGS LIMITED *(incorporated in Cayman Islands with limited liability)*

獨立核數師報告 致超盈國際控股有限公司股東

(於開曼群島註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of Best Pacific International Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 106 to 274, which comprise the consolidated statement of financial position as at 31 December 2021, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the “**Code**”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

意見

本核數師（以下簡稱「**我們**」）已審計列載於第106至274頁的超盈國際控股有限公司（以下簡稱「**貴公司**」）及其附屬公司（以下統稱「**貴集團**」）的綜合財務報表，此財務報表包括於二零二一年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據由香港會計師公會（「**香港會計師公會**」）頒佈的香港財務報告準則（「**香港財務報告準則**」）真實而中肯地反映了 貴集團於二零二一年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港公司條例披露規定妥為編製。

意見的基礎

我們已根據香港會計師公會頒佈的香港審計準則（「**香港審計準則**」）進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的專業會計師道德守則（「**守則**」），我們獨立於 貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment assessment of trade receivables

Key audit matter

We identified impairment assessment of trade receivables as a key audit matter due to the significance of trade receivables to the Group's consolidated financial position and the involvement of subjective judgement and management estimates in evaluating the expected credit losses ("ECL") of the Group's trade receivables at the end of the reporting period.

As at 31 December 2021, the Group's net trade receivables amounting to approximately HK\$821.2 million and out of these trade receivables of approximately HK\$58.7 million were past due.

As disclosed in Note 4 to the consolidated financial statements, the management of the Group identifies trade receivables that are credit-impaired under HKFRS 9 and assesses their ECL individually. The management of the Group estimates the amount of lifetime ECL of the remaining trade receivables based on provision matrix through grouping of various debtors that have similar loss pattern, after considering internal credit ratings of trade debtors and/or past due status of respective trade receivables. The credit loss allowance amount is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows. The assessment of credit risk of trade receivables involves high degree of estimation uncertainty.

As disclosed in Note 38 to the consolidated financial statements, the Group's lifetime ECL on trade receivables as at 31 December 2021 amounting to approximately HK\$24.6 million.

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

貿易應收款項之減值評估

關鍵審計事項

我們將貿易應收款項之減值評估列為關鍵審計事項，乃由於貿易應收款項對貴集團的綜合財務狀況實屬重大，且於評估報告期間結束時，貴集團貿易應收款項的預期信貸虧損（「**預期信貸虧損**」）時涉及主觀判斷及管理層估計。

於二零二一年十二月三十一日，貴集團的貿易應收款項淨額為約821.2百萬港元，於該等貿易應收款項中，約58.7百萬港元已逾期。

誠如綜合財務報表附註4所披露，貴集團管理層識別根據香港財務報告準則第9號發生信貸減值之貿易應收款項並個別評估其預期信貸虧損。貴集團管理層經考慮貿易應收賬款之內部信貸評級及／或個別貿易應收款項的逾期狀態後，根據具有類似虧損模式的多個債務人組別的撥備矩陣估計餘下貿易應收款項之全期預期信貸虧損金額。信貸虧損撥備金額按資產賬面值及估計現金流量現值之間的差額計量。評估貿易應收款項的信貸風險涉及高度估計不確定性。

誠如綜合財務報表附註38所披露，貴集團於二零二一年十二月三十一日的貿易應收款項全期預期信貸虧損為約24.6百萬港元。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS *(Continued)*

Impairment assessment of trade receivables *(Continued)*

How our audit address the key audit matter

Our procedures in relation to impairment assessment of trade receivables included:

- Understanding key controls on how the management of the Group estimates the credit loss allowance for trade receivables;
- Testing the accuracy of information used by the management of the Group to develop the provision matrix, including past due trade receivables as at 31 December 2021, on a sample basis, by comparing individual items in the analysis with the relevant sales invoices and monthly statement for sales;
- Challenging management's basis and judgement in determining credit loss allowance on trade receivables as at 31 December 2021, including their identification of credit-impaired trade receivables which are assessed for ECL individually, the reasonableness of management's grouping of the remaining trade debtors into different categories in the provision matrix by internal credit ratings of trade debtors and/or past due status of respective trade receivables, and the basis of estimated loss rates applied in each category in the provision matrix; and
- Testing subsequent settlements of trade receivables, on a sample basis, by inspecting supporting documents in relation to cash receipt from trade debtors subsequent to the end of the current reporting period.

關鍵審計事項 (續)

貿易應收款項之減值評估 (續)

我們的審計如何對關鍵審計事項進行處理

我們有關貿易應收款項之減值評估的程序，包括：

- 了解 貴集團管理層在估計貿易應收款項之信貸虧損撥備時的主要控制措施；
- 透過將分析中的獨立項目與相關銷售發票及銷售月結單比較，對 貴集團管理層建立撥備矩陣所使用的資料，包括於二零二一年十二月三十一日之逾期貿易應收款項的準確性進行抽樣測試；
- 查詢管理層在釐定於二零二一年十二月三十一日之貿易應收款項信貸虧損撥備時所採用的基準及判斷，包括其對發生信貸減值及就預期信貸虧損進行個別評估之貿易應收款項的識別、管理層於撥備矩陣中按貿易應收賬款之內部信貸評級及／或個別貿易應收款項的逾期狀態將餘下貿易應收賬款分組至不同類別的合理性，以及應用於撥備矩陣各類別的預期虧損率基準；及
- 透過檢查於本報告期間結束後有關來自貿易應收賬款之現金收款的證明文件，對貿易應收款項的後續結算進行抽樣測試。



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他信息

貴公司董事需對其他信息負責。其他信息包括刊載於年報內的信息，但不包括綜合財務報表及我們的核數師報告。

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及管理層就綜合財務報表須承擔的責任

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

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

管理層須負責監督貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

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

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

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並按照我們協定之聘用條款僅向全體成員出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。我們並不就本報告之內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

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



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

核數師就審計綜合財務報表承擔的責任 (續)

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

The engagement partner on the audit resulting in the independent auditor's report is Lee Wing Cheong, Wilfred.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
28 March 2022

核數師就審計綜合財務報表承擔的責任 (續)

我們與管理層溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向管理層提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，為消除威脅而採取的行動或相關的防範措施。

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

出具本獨立核數師報告的審計項目合夥人是李永鏘。

德勤•關黃陳方會計師行
執業會計師
香港
二零二二年三月二十八日



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 截至二零二一年十二月三十一日止年度

		Notes 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Revenue	收入	5	4,792,661	3,494,274
Cost of sales	銷售成本		(3,680,829)	(2,650,914)
Gross profit	毛利		1,111,832	843,360
Other income	其他收入	7	50,694	43,806
Other gains and losses	其他收益及虧損	8	1,906	(25,717)
Impairment losses under expected credit loss model, net of reversal	預期信貸虧損模式項下減值虧損(扣除撥回)	38	(11,967)	(6,282)
Selling and distribution expenses	銷售及分銷開支		(202,647)	(156,484)
Administrative expenses	行政開支		(336,170)	(253,866)
Research and development costs	研發費用		(99,205)	(81,134)
Share of result of a joint venture	分佔合營企業業績		3,906	1,983
Finance costs	融資成本	9	(61,732)	(75,700)
Profit before taxation	除稅前溢利	12	456,617	289,966
Income tax expense	所得稅開支	13	(55,271)	(40,773)
Profit for the year	年度溢利		401,346	249,193
Other comprehensive income (expense):	其他全面收益(開支):			
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益的項目:			
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額		98,201	204,146
Share of translation reserve of a joint venture	分佔合營企業的換算儲備		918	1,360
Items that will not be reclassified to profit or loss:	其後不會重新分類至損益的項目:			
Remeasurement of retirement benefit obligations, net of tax	退休福利責任的重新計量(經扣除稅項)		1,887	(842)
Other comprehensive income for the year	年內其他全面收益		101,006	204,664
Total comprehensive income for the year	年內全面收益總額		502,352	453,857
Profit (loss) for the year attributable to	年內應佔溢利(虧損)			
– Owners of the Company	– 本公司擁有人		401,794	257,769
– Non-controlling interests	– 非控股權益		(448)	(8,576)
			401,346	249,193
Total comprehensive income (expense) for the year attributable to	年內應佔全面收益(開支)總額			
– Owners of the Company	– 本公司擁有人		502,086	462,717
– Non-controlling interests	– 非控股權益		266	(8,860)
			502,352	453,857
Earnings per share	每股盈利	15		
– Basic (HK cents)	– 基本(港仙)		38.64	24.79

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2021 於二零二一年十二月三十一日

			2021	2020
		Notes	二零二一年	二零二零年
		附註	HK\$'000	HK\$'000
			千港元	千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	2,925,355	2,970,302
Right-of-use assets	使用權資產	17	350,376	272,109
Interest in a joint venture	於合營企業的權益	18	38,669	34,751
Deposits	按金	21	58,349	25,668
Deferred tax assets	遞延稅項資產	30	5,576	5,387
			3,378,325	3,308,217
Current assets	流動資產			
Inventories	存貨	19	1,456,797	922,301
Trade and bills receivables	貿易應收款項及應收票據	20	849,430	807,898
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	21	128,194	98,521
Tax recoverables	可收回稅項		4,783	10,773
Pledged bank deposits	已抵押銀行存款	22	121,607	77,944
Short term bank deposits	短期銀行存款	22	163,814	8,338
Bank balances and cash	銀行結餘及現金	22	898,868	1,092,855
			3,623,493	3,018,630
Current liabilities	流動負債			
Trade payables	貿易應付款項	23	370,193	243,050
Bills payables	應付票據	24	444,038	323,248
Other payables and accrued charges	其他應付款項及應計費用	25	357,062	280,981
Contract liabilities	合約負債	26	34,855	33,267
Bank borrowings	銀行借款	27	1,511,615	1,313,569
Lease liabilities	租賃負債	28	42,743	13,485
Tax payables	應繳稅項		46,745	15,351
Derivative financial instrument	衍生金融工具	29	1,092	1,402
			2,808,343	2,224,353
Net current assets	流動資產淨值		815,150	794,277
Total assets less current liabilities	總資產減流動負債		4,193,475	4,102,494



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2021 於二零二一年十二月三十一日

			2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Non-current liabilities	非流動負債			
Bank and other borrowings	銀行及其他借款	27	648,789	972,952
Lease liabilities	租賃負債	28	128,972	76,647
Deferred income	遞延收入		15,390	16,340
Deferred tax liabilities	遞延稅項負債	30	9,698	5,758
Retirement benefit obligations	退休福利責任	32	9,789	9,060
Other liabilities	其他負債		7,591	3,556
			820,229	1,084,313
Net assets	資產淨值		3,373,246	3,018,181
Capital and reserves	資本及儲備			
Share capital	股本	31	10,398	10,398
Reserves	儲備		3,271,060	2,923,905
Equity attributable to owners of the Company	本公司擁有人應佔權益		3,281,458	2,934,303
Non-controlling interests	非控股權益		91,788	83,878
Total equity	權益總額		3,373,246	3,018,181

The consolidated financial statements on pages 106 to 274 were approved by the Board of Directors on 28 March 2022 and are signed on its behalf by:

第106頁至274頁的綜合財務報表獲董事會於二零二二年三月二十八日批准及獲以下代表簽署：

Lu Yuguang
盧煜光
Chairman
主席

Zhang Haitao
張海濤
Executive Director
執行董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔										
		Share Capital	Share premium	Other reserve	Retirement benefit reserve	Special reserve	PRC statutory reserve	Translation reserve	Retained profits	Total	Non-controlling interests	Total equity
		股本	股份溢價	其他儲備	退休福利儲備	特別儲備	中國法定儲備	換算儲備	保留溢利	總計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(Note a) (附註 a)		(Note b) (附註 b)	(Note c) (附註 c)					
At 31 December 2019	於二零一九年十二月三十一日	10,398	593,250	106,715	1,134	(13,070)	182,393	(222,428)	1,873,503	2,531,895	83,183	2,615,078
Profit (loss) for the year	年度溢利(虧損)	-	-	-	-	-	-	-	257,769	257,769	(8,576)	249,193
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	-	-	204,146	-	204,146	-	204,146
Share of translation reserve of a joint venture	分佔合營企業換算儲備	-	-	-	-	-	-	1,360	-	1,360	-	1,360
Remeasurement of retirement benefit obligations, net of tax	退休福利責任的重新計量(經扣除稅項)	-	-	-	(558)	-	-	-	-	(558)	(284)	(842)
Other comprehensive (expense) income for the year	年內其他全面(開支)收益	-	-	-	(558)	-	-	205,506	-	204,948	(284)	204,664
Total comprehensive (expense) income for the year	年內全面(開支)收益總額	-	-	-	(558)	-	-	205,506	257,769	462,717	(8,860)	453,857
Capital injection from non-controlling shareholder of a subsidiary	一間附屬公司非控股股東注資	-	-	-	-	-	-	-	-	-	9,555	9,555
Transfer from retained profits to the PRC statutory reserve	自保留溢利轉至中國法定儲備	-	-	-	-	-	16,686	-	(16,686)	-	-	-
Dividends recognised as distribution (Note 14)	確認分派的股息(附註14)	-	-	-	-	-	-	-	(60,309)	(60,309)	-	(60,309)
At 31 December 2020	於二零二零年十二月三十一日	10,398	593,250	106,715	576	(13,070)	199,079	(16,922)	2,054,277	2,934,303	83,878	3,018,181
Profit (loss) for the year	年度溢利(虧損)	-	-	-	-	-	-	-	401,794	401,794	(448)	401,346
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	-	-	98,201	-	98,201	-	98,201
Share of translation reserve of a joint venture	分佔合營企業換算儲備	-	-	-	-	-	-	918	-	918	-	918
Remeasurement of retirement benefit obligations, net of tax	退休福利責任的重新計量(經扣除稅項)	-	-	-	1,173	-	-	-	-	1,173	714	1,887
Other comprehensive income for the year	年內其他全面收益	-	-	-	1,173	-	-	99,119	-	100,292	714	101,006
Total comprehensive income for the year	年內全面收益總額	-	-	-	1,173	-	-	99,119	401,794	502,086	266	502,352
Capital injection from non-controlling shareholder of a subsidiary	一間附屬公司非控股股東注資	-	-	-	-	-	-	-	-	-	7,644	7,644
Transfer from retained profits to the PRC statutory reserve	自保留溢利轉至中國法定儲備	-	-	-	-	-	18,518	-	(18,518)	-	-	-
Dividends recognised as distribution (Note 14)	確認分派的股息(附註14)	-	-	-	-	-	-	-	(154,931)	(154,931)	-	(154,931)
At 31 December 2021	於二零二一年十二月三十一日	10,398	593,250	106,715	1,749	(13,070)	217,597	82,197	2,282,622	3,281,458	91,788	3,373,246



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

Notes:

- (a) Other reserve of the Group amounting to approximately HK\$106,715,000 represents the difference between the nominal value of the shares issued by the Company and the carrying value of the non-controlling interests held by Sunbrilliant Capital Investment Limited and Lakefront Capital Investment Limited and the share capital of Best Pacific Textile Holdings Limited (“**BPT Holdings**”) prior to the completion of a group reorganisation on 16 January 2014.
- (b) Several subsidiaries of the Company provided financial guarantees to its related companies and the fair value of the financial guarantees was recognised as deemed distribution to the shareholders at initial recognition. These financial guarantees were released in previous years.
- (c) The People’s Republic of China (the “**PRC**”) statutory reserve is non-distributable until the end of the operation periods of respective PRC subsidiaries. The transfer to this reserve is determined according to the relevant laws in the PRC and by the board of directors of the PRC subsidiaries in accordance with the Articles of Association of the subsidiaries. It can be used to make up for previous year’s losses or convert into additional capital of the PRC subsidiaries of the Company upon approval from the relevant authority in the PRC.

附註：

- (a) 本集團的其他儲備約106,715,000港元，指本公司發行之股份面值與Sunbrilliant Capital Investment Limited及Lakefront Capital Investment Limited持有的非控股權益賬面值及超盈紡織控股有限公司（「**超盈控股**」）於完成二零一四年一月十六日的集團重組前的股本之差額。
- (b) 本公司若干附屬公司為其關聯公司提供財務擔保，財務擔保的公平值於首次確認時確認為視作向股東分派。該等財務擔保已於過往年度解除。
- (c) 中華人民共和國（「**中國**」）法定儲備直至各中國附屬公司營運期末為不可分派。對該儲備的轉撥由中國附屬公司的董事會根據附屬公司的組織章程細則按中國有關法律釐定。經中國有關機關批准後，該儲備可用作彌補本公司中國附屬公司的去年虧損或轉換為額外資本。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Operating activities	經營活動		
Profit before taxation	除稅前溢利	456,617	289,966
Adjustments for:	為下列各項作出調整：		
Interest income	利息收入	(21,850)	(8,238)
Finance costs	融資成本	61,732	75,700
Share of result of a joint venture	分佔合營企業業績	(3,906)	(1,983)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	333,972	308,728
Depreciation of right-of-use assets	使用權資產折舊	30,689	23,288
Change in fair value of a derivative financial instrument	衍生金融工具的 公平值變動	(310)	(1)
Gain from bargain purchase from acquisition of a business	收購一項業務的議價收購收益	(3,900)	-
Loss (gain) on disposal of property, plant and equipment	出售物業、廠房及 設備虧損(收益)	135	(72)
Impairment losses under expected credit loss model, net of reversal	預期信貸虧損模式項下減值 虧損(扣除撥回)	11,967	6,282
Amortisation of deferred income	攤銷遞延收入	(2,883)	(1,789)
Allowance for slow-moving inventories	滯銷存貨撥備	35,151	24,288
Unrealised exchange (gain) loss arising on translation of current accounts within group entities	換算集團實體間往來賬戶 產生的未變現匯兌(收益)虧損	(17,173)	26,051
Operating cash flows before movements in working capital	營運資金變動前的 經營現金流量	880,241	742,220
(Increase) decrease in inventories	存貨(增加)減少	(533,084)	159,222
Increase in trade and bills receivables	貿易應收款項及應收票據增加	(45,788)	(46,049)
Increase in other receivables, deposits and prepayments	其他應收款項、按金及 預付款項增加	(49,036)	(8,000)
Increase (decrease) in trade payables	貿易應付款項增加(減少)	123,576	(9,177)
Increase (decrease) in bills payable	應付票據增加(減少)	111,146	(83,136)
Increase in other payables and accrued charges	其他應付款項及應計費用 增加	48,434	49,784
Increase (decrease) in contract liabilities	合約負債增加(減少)	1,360	(8,134)
Increase in retirement benefit obligations	退休福利責任增加	1,041	1,651
Cash generated from operations	經營業務所得現金	537,890	798,381
Income tax paid	已付所得稅	(15,217)	(44,158)
Net cash from operating activities	經營活動所得現金淨額	522,673	754,223



CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

	Notes 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Investing activities	投資活動		
Placement of pledged bank deposits		(233,410)	(132,595)
Withdrawal of pledged bank deposits		191,050	136,401
Interest received		20,509	8,261
Payment for right-of-use assets		–	(7,368)
Addition of property, plant and equipment		(224,599)	(239,225)
Cash outflow on acquisition of business	33	(27,598)	–
Government grants received		1,473	13,370
Proceeds from disposal of property, plant and equipment		7,254	4,570
Placement of short term bank deposits with original maturity over 3 months		(161,645)	(141,164)
Withdrawal of short term bank deposits with original maturity over 3 months		8,536	145,066
Dividend income received from interest on a joint venture		906	–
Repayment from related companies		385	–
Advance to related companies		(26)	–
Advance from related companies		2,890	–
Net cash used in investing activities	投資活動所用現金淨額	(414,275)	(212,684)
Financing activities	融資活動		
Interests paid		(66,221)	(81,014)
Dividends paid		(154,931)	(60,309)
Capital injection from a non-controlling shareholder of a subsidiary		7,644	9,555
New bank borrowings raised		2,652,182	534,223
New syndicated loan raised		873,656	2,532,359
New other borrowing raised		25,116	25,408
Repayment of lease liabilities		(20,745)	(14,903)
Repayment of bank borrowings		(2,560,939)	(562,380)
Repayment of syndicated loan		(1,148,781)	(2,430,779)
Drawdown of bank overdrafts		29,111	–
Net cash used in financing activities	融資活動所用現金淨額	(363,908)	(47,840)
Net (decrease) increase in cash and cash equivalents	現金及現金等價物 (減少) 增加淨額	(255,510)	493,699
Cash and cash equivalents at beginning of the year	年初的現金及現金等價物	1,092,855	544,548
Effect of foreign exchange rate changes	匯率變動的影響	61,523	54,608
Cash and cash equivalents at end of the year, represented by	年終的現金及現金等價物，以下列項目代表	898,868	1,092,855
Bank balances and cash	銀行結餘及現金	898,868	1,092,855

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

1. GENERAL INFORMATION

Best Pacific International Holdings Limited (the “**Company**”) is a public company incorporated as an exempted company and registered in the Cayman Islands with limited liability under the Companies Law Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 14 June 2013. Its immediate and ultimate holding company is Grandview Capital Investment Limited, which is incorporated in the British Virgin Islands (“**BVI**”) and is wholly owned by Mr. Lu Yuguang (“**Mr. Lu**”), who is the Chairman and executive director of the Company. The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 23 May 2014. The address of the Company’s registered office and principal place of business are disclosed in the corporate information section to the annual report.

The principal activities of the Company and its subsidiaries (the “**Group**”) are manufacturing and trading of elastic fabric, lace and elastic webbing. Details of the principal activities of the subsidiaries are set out in Note 41.

The functional currency of the Company is Hong Kong dollar (“**HK\$**”), which is the same as the presentation currency of the consolidated financial statements.

1. 一般資料

超盈國際控股有限公司（「**本公司**」）為一間於二零一三年六月十四日根據開曼群島法例第22章公司法（一九六一年第三號法案，經綜合及修訂）在開曼群島註冊成立為獲豁免有限公司的公眾公司。其直接及最終控股公司 Grandview Capital Investment Limited 為於英屬處女群島（「**英屬處女群島**」）註冊成立並由本公司主席兼執行董事盧煜光先生（「**盧先生**」）全資擁有的公司。本公司股份已自二零一四年五月二十三日起在香港聯合交易所有限公司（「**聯交所**」）主板上市。本公司註冊辦事處及主要營業地點的地址披露於本年報公司資料一節。

本公司及其附屬公司（「**本集團**」）的主要活動為製造及買賣彈性織物面料、蕾絲及彈性織帶。附屬公司的主要活動詳情載於附註41。

本公司的功能貨幣為港元（「**港元**」），亦為綜合財務報表的呈列貨幣。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

2.1 Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2021 for the preparation of the consolidated financial statements:

Amendment to HKFRS 16	Covid-19-Related Rent Concessions
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2

2. 應用香港財務報告準則（「香港財務報告準則」）（修訂本）

2.1 本年度已強制生效的香港財務報告準則（修訂本）

於本年度，本集團已首次應用以下由香港會計師公會（「香港會計師公會」）頒佈於始於二零二一年一月一日或之後的年度期間強制生效的香港財務報告準則（修訂本），以編製綜合財務報表：

香港財務報告準則第16號（修訂本）	與Covid-19相關的租金優惠
香港財務報告準則第9號、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4號及香港財務報告準則第16號（修訂本）	利率基準改革 – 第2階段

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.1 Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

In addition, the Group applied the agenda decision of the IFRS Interpretations Committee of the International Accounting Standards Board (“**Agenda Decision**”) issued in June 2021 which clarified the costs an entity should include as “estimated costs necessary to make the sale” when determining the net realisable value of inventories.

The application of the amendments to HKFRSs and Agenda Decision in the current year has had no material impact on the financial position or performance of the Group for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. 應用香港財務報告準則（「香港財務報告準則」）（修訂本）（續）

2.1 本年度已強制生效的香港財務報告準則（修訂本）（續）

此外，本集團應用由國際會計準則理事會之國際財務報告準則詮釋委員會於二零二一年六月頒佈的議程決議（「**議程決議**」），該決議闡明，當釐定存貨可變現淨值時，實體須計入為「估計作出銷售所需的成本」的成本。

本年度應用香港財務報告準則（修訂本）及議程決議並未對本集團本年度及過往年度的財務表現及狀況及／或該等綜合財務報表所載之披露有重大影響。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.1 Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

Impacts on application of Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 Interest Rate Benchmark Reform – Phase 2

The Group has applied the amendments for the first time in the current year. The amendments relate to changes in the basis for determining the contractual cash flows of financial assets and financial liabilities as a result of interest rate benchmark reform, specific hedge accounting requirements and the related disclosure requirements applying HKFRS 7 *Financial Instruments: Disclosures* (“HKFRS 7”).

As at 1 January 2021, the Group has several bank and other borrowings, the interests of which are indexed to benchmark rates that will or may be subject to interest rate benchmark reform. The following table shows the total amounts of these outstanding contracts. The amounts of bank and other borrowings are shown at their carrying amounts.

2. 應用香港財務報告準則（「香港財務報告準則」）（修訂本）（續）

2.1 本年度已強制生效的香港財務報告準則（修訂本）（續）

應用香港財務報告準則第9號、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4號及香港財務報告準則第16號（修訂本）利率基準改革 – 第2階段之影響

本集團本年度首次應用該等修訂。該等修訂涉及因利率基準改革、特定對沖會計要求及應用香港財務報告準則第7號 *金融工具：披露*（「香港財務報告準則第7號」）的相關披露規定而導致釐定金融資產及金融負債之合約現金流量之基準變動。

於二零二一年一月一日，本集團有數項銀行及其他借款，其利率與將會或可能會受利率基準改革影響的基準利率掛鈎。下表顯示該等未償還合約的總金額。銀行及其他借款的金額以其賬面金額列示。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.1 Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

Impacts on application of Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 *Interest Rate Benchmark Reform – Phase 2* (Continued)

Financial liabilities

Bank and other borrowings

金融負債

銀行及其他借款

1,427,178

859,343

The amendments have had no impact on the consolidated financial statements as none of the relevant contracts has been transitioned to the relevant replacement rates during the year. The Group will apply the practical expedient in relation to the changes in contractual cash flows resulting from the interest rate benchmark reform for bank and other borrowings measured at amortised cost. Additional disclosures as required by HKFRS 7 are set out in Note 38.

由於年內概無相關合約過渡至相關替代利率，因此修訂本對綜合財務報表概無任何影響。本集團將就按攤銷成本計量的銀行及其他銀行借款因利率基準改革而導致的合約現金流量變動應用實際可行權宜方法。香港財務報告準則第7號規定的額外披露載於附錄38。

2. 應用香港財務報告準則（「香港財務報告準則」）（修訂本）（續）

2.1 本年度已強制生效的香港財務報告準則（修訂本）（續）

應用香港財務報告準則第9號、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4號及香港財務報告準則第16號（修訂本）*利率基準改革 – 第2階段之影響*（續）

HK\$	US\$
Hong Kong Interbank Offered Rate (“HIBOR”)	London Interbank Offered Rate (“LIBOR”)
港元	美元
香港銀行同業拆息（「香港銀行同業拆息」）	倫敦銀行同業拆息（「倫敦銀行同業拆息」）
HK\$'000	HK\$'000
千港元	千港元



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2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 17	Insurance Contracts and the related Amendments ³
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
Amendment to HKFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021 ¹
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ³
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure 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	Property, Plant and Equipment – Proceeds before Intended Use ²
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract ²
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018-2020 ²

2. 應用香港財務報告準則（「香港財務報告準則」）（修訂本）（續）

2.2 已頒佈但尚未生效的新訂香港財務報告準則及其修訂本

本集團並無提早應用以下已頒佈但尚未生效的新訂香港財務報告準則及其修訂本：

香港財務報告準則 第17號	保險合約及有關修訂本 ³
香港財務報告準則 第3號（修訂本）	概念框架的提述 ²
香港財務報告準則 第10號及香港會計準則第28號（修訂本）	投資者及其聯營公司或合營企業出售或注入資產 ⁴
香港財務報告準則 第16號（修訂本）	二零二一年六月三十日之後與Covid-19相關的租金優惠 ¹
香港會計準則第1號（修訂本）	將負債分類為流動或非流動及香港詮釋第5號（二零二零年）相關修訂 ³
香港會計準則第1號及香港財務報告準則實務報告第2號（修訂本）	會計政策之披露 ³
香港會計準則第8號（修訂本）	會計估計之定義 ³
香港會計準則第12號（修訂本）	與單一交易產生之資產及負債有關之遞延稅項 ³
香港會計準則第16號（修訂本）	物業、廠房及設備－擬定用途前的所得款項 ²
香港會計準則第37號（修訂本）	有償合約－履行合約的成本 ²
香港財務報告準則（修訂本）	香港財務報告準則二零一八年至二零二零年的年度改進 ²

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2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and amendments to HKFRSs in issue but not yet effective (Continued)

- 1 Effective for annual periods beginning on or after 1 April 2021.
- 2 Effective for annual periods beginning on or after 1 January 2022.
- 3 Effective for annual periods beginning on or after 1 January 2023.
- 4 Effective for annual periods beginning on or after a date to be determined.

The directors of the Company anticipate that the application of these new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

2. 應用香港財務報告準則（「香港財務報告準則」）（修訂本）（續）

2.2 已頒佈但尚未生效的新訂香港財務報告準則及其修訂本（續）

- 1 於二零二一年四月一日或之後開始之年度期間生效。
- 2 於二零二二年一月一日或之後開始之年度期間生效。
- 3 於二零二三年一月一日或之後開始之年度期間生效。
- 4 於待釐定之日期或之後開始之年度期間生效。

本公司董事預期，應用此等新訂香港財務報告準則及其修訂本於可見將來不會對綜合財務報告造成重大影響。



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2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and amendments to HKFRSs in issue but not yet effective (Continued)

Amendments to HKFRS 3 *Reference to the Conceptual Framework*

The amendments:

- update a reference in HKFRS 3 *Business Combinations* (“**HKFRS 3**”) so that it refers to the *Conceptual Framework for Financial Reporting 2018* issued in June 2018 (the “**Conceptual Framework**”) instead of *Framework for the Preparation and Presentation of Financial Statements* (replaced by the *Conceptual Framework for Financial Reporting 2010* issued in October 2010);
- add a requirement that, for transactions and other events within the scope of HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* (“**HKAS 37**”) or HK(IFRIC)-Int 21 *Levies* (“**HK(IFRIC)-Int 21**”), an acquirer applies HKAS 37 or HK(IFRIC)-Int 21 instead of the Conceptual Framework to identify the liabilities it has assumed in a business combination; and

2. 應用香港財務報告準則（「香港財務報告準則」）（修訂本）（續）

2.2 已頒佈但尚未生效的新訂香港財務報告準則及其修訂本（續）

香港財務報告準則第3號（修訂本）*概念框架的提述*

修訂內容：

- 於香港財務報告準則第3號*業務合併*（「**香港財務報告準則第3號**」）中更新一項提述，使其提述於二零一八年六月頒佈的二零一八年財務報告概念框架（「**概念框架**」）而非編製及呈列財務報表框架（由二零一零年十月頒佈的二零一零年財務報告概念框架所取代）；
- 增添一項規定，即就香港會計準則第37號*撥備、或然負債及或然資產*（「**香港會計準則第37號**」）或香港（國際財務報告詮釋委員會）—詮釋第21號*徵費*（「**香港（國際財務報告詮釋委員會）—詮釋第21號**」）範圍內的交易及其他活動而言，收購方應用香港會計準則第37號或香港（國際財務報告詮釋委員會）—詮釋第21號而非概念框架以識別其於業務合併中承擔之負債；及

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2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and amendments to HKFRSs in issue but not yet effective (Continued)

Amendments to HKFRS 3 *Reference to the Conceptual Framework* (Continued)

- add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

Amendments to HKAS 1 *Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2021)*

The amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which:

2. 應用香港財務報告準則（「香港財務報告準則」）（修訂本）（續）

2.2 已頒佈但尚未生效的新訂香港財務報告準則及其修訂本（續）

香港財務報告準則第3號（修訂本）*概念框架的提述*（續）

- 增添一項明確聲明，即收購方不會確認在業務合併中所收購的或然資產。

預期應用該等修訂本不會對本集團的財務狀況及表現造成重大影響。

香港會計準則第1號（修訂本）*將負債分類為流動或非流動及香港詮釋第5號（二零二一年）相關修訂*

該等修訂本就評估自報告日期起至少十二個月的延遲結付權利提供澄清及額外指引，以將負債分類為流動或非流動，當中包括：



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2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and amendments to HKFRSs in issue but not yet effective (Continued)

Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2021) (Continued)

- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the amendments clarify that:
 - (i) the classification should not be affected by management intentions or expectations to settle the liability within 12 months; and
 - (ii) if the right is conditional on the compliance with covenants, the right exists if the conditions are met at the end of the reporting period, even if the lender does not test compliance until a later date; and

2. 應用香港財務報告準則（「香港財務報告準則」）（修訂本）（續）

2.2 已頒佈但尚未生效的新訂香港財務報告準則及其修訂本（續）

香港會計準則第1號（修訂本）將負債分類為流動或非流動及香港詮釋第5號（二零二一年）相關修訂（續）

- 規定負債分類為流動或非流動應基於報告期末所存在的權利。具體而言，該等修訂本闡明：
 - (i) 分類不應受到管理意圖或期望在12個月內清償負債的影響；及
 - (ii) 倘該權利以遵守契約為條件，則即使貸方於較後日期才測試遵守情況，倘於報告期末滿足條件，該權利亦存在；及

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2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and amendments to HKFRSs in issue but not yet effective (Continued)

Amendments to HKAS 1 *Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2021)* (Continued)

- clarify that if a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 *Financial Instruments: Presentation*.

In addition, Hong Kong Interpretation 5 was revised as a consequence of the Amendments to HKAS 1 to align the corresponding wordings with no change in conclusion.

Based on the Group's outstanding liabilities as at 31 December 2021, the application of the amendments will not result in reclassification of the Group's liabilities.

2. 應用香港財務報告準則（「香港財務報告準則」）（修訂本）（續）

2.2 已頒佈但尚未生效的新訂香港財務報告準則及其修訂本（續）

香港會計準則第1號（修訂本）將負債分類為流動或非流動及香港詮釋第5號（二零二一年）相關修訂（續）

- 闡明倘負債的條款訂明在對手方選擇時可導致透過轉讓實體本身的權益工具進行結算，則僅當實體應用香港會計準則第32號 *金融工具：呈列*。將該選擇權單獨確認為權益工具時，該等條款方不會影響其分類為流動或非流動負債。

此外，香港詮釋第5號乃由於香港會計準則第1號（修訂本）而予以修訂，以使相應措詞保持一致而結論保持不變。

根據本集團於二零二一年十二月三十一日之未償還債務，採用該等修訂本不會導致本集團之負債重新分類。



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2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and amendments to HKFRSs in issue but not yet effective (Continued)

Amendments to HKAS 1 and HKFRS Practice Statement 2 *Disclosure of Accounting Policies*

HKAS 1 is amended to replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

2. 應用香港財務報告準則（「香港財務報告準則」）（修訂本）（續）

2.2 已頒佈但尚未生效的新訂香港財務報告準則及其修訂本（續）

香港會計準則第1號及香港財務報告準則實務報告第2號（修訂本）會計政策之披露

香港會計準則第1號修訂本以「重大會計政策資料」取代「主要會計政策」一詞的所有情況。倘連同實體財務報表內其他資料一併考慮，會計政策資料可以合理預期會影響通用財務報表的主要使用者根據該等財務報表所作出的決定，則該會計政策資料屬重大。

該等修訂本亦澄清，即使涉及款項並不重大，但基於相關交易性質、其他事件或情況，會計政策資料仍可屬重大。然而，並非所有與重大交易、其他事件或情況有關的會計政策資料本身即屬重大。倘一間實體選擇披露非重大會計政策資料，有關資料不得掩蓋重大會計政策資料。

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2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and amendments to HKFRSs in issue but not yet effective (Continued)

Amendments to HKAS 1 and HKFRS Practice Statement 2 *Disclosure of Accounting Policies* (Continued)

HKFRS Practice Statement 2 *Making Materiality Judgements* (the “**Practice Statement**”) is also amended to illustrate how an entity applies the “four-step materiality process” to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments is not expected to have significant impact on the financial position or performance of the Group but may affect the disclosures of the Group’s significant accounting policies.

2. 應用香港財務報告準則（「香港財務報告準則」）（修訂本）（續）

2.2 已頒佈但尚未生效的新訂香港財務報告準則及其修訂本（續）

香港會計準則第1號及香港財務報告準則實務報告第2號（修訂本）*會計政策之披露*（續）

香港財務報告準則實務報告第2號作出重大性判斷（「**實務報告**」）亦經修訂，以說明一間實體如何將「四步法評估重大性流程」應用於會計政策披露及判斷有關一項會計政策的資料對其財務報表是否屬重大。實務報告已增添指引及實例。

應用該等修訂本預期不會對本集團財務狀況或表現產生重大影響，但可能影響本集團主要會計政策之披露。



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2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and amendments to HKFRSs in issue but not yet effective (Continued)

Amendments to HKAS 8 Definition of Accounting Estimates

The amendments define accounting estimates as “monetary amounts in financial statements that are subject to measurement uncertainty”. An accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty – that is, the accounting policy may require such items to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, an entity develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available, reliable information.

In addition, the concept of changes in accounting estimates in HKAS 8 is retained with additional clarifications.

The application of the amendments is not expected to have significant impact on the Group’s consolidated financial statements.

2. 應用香港財務報告準則（「香港財務報告準則」）（修訂本）（續）

2.2 已頒佈但尚未生效的新訂香港財務報告準則及其修訂本（續）

香港會計準則第8號（修訂本）會計估計的定義

該修訂本定義會計估計為「存在計量不明朗因素的財務報表之貨幣金額」。會計政策可能規定對計量不明朗因素的財務報表的項目進行計量 – 即會計政策可能規定將按貨幣金額計量的有關項目不可直接觀察而須予以估計。於此情況下，一間實體應編製會計估計，旨在達到會計政策載列的目標。編製會計估計包括根據最新可得可靠的資料作出的判斷或假設用途。

此外，香港會計準則第8號的會計估計變更的概念予以保留，惟有進一步澄清。

應用該等修訂本預期不會對本集團的綜合財務報表造成重大影響。

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decision made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

3. 綜合財務報表編製基準及主要會計政策

3.1 綜合財務報表的編製基準

該等綜合財務報表已根據香港會計師公會頒佈的香港財務報告準則編製。就編製綜合財務報表而言，倘有關資料合理預期會影響主要用戶作出之決定，則有關資料被視為重大。此外，該等綜合財務報表包括香港聯合交易所有限公司證券上市規則及香港公司條例所規定的適用披露。

誠如下文所載會計政策所述，除按各報告期間結束時的公平值計量的若干金融工具外，綜合財務報表已根據歷史成本基準編製。

歷史成本一般以為交換貨品及服務所作代價的公平值為準。



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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.1 Basis of preparation of consolidated financial statements (Continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment* (“**HKFRS 2**”), leasing transactions that are accounted for in accordance with HKFRS 16 *Leases* (“**HKFRS 16**”), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets* (“**HKAS 36**”).

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.1 綜合財務報表的編製基準 (續)

公平值乃於計量日市場參與者於有序交易中出售資產所收取或轉讓負債所支付價格，而不論可否使用其他估值方法直接可觀察或估計該價格。於估計資產或負債的公平值時，本集團會考慮市場參與者於計量日對資產或負債定價時所考慮資產或負債特性。該等綜合財務報表中作計量及／或披露用途的公平值乃按此基準釐定，惟香港財務報告準則第2號以股份為基礎的付款（「香港財務報告準則第2號」）範圍內的以股份為基礎的付款交易、根據香港財務報告準則第16號租賃（「香港財務報告準則第16號」）入賬的租賃交易及與公平值類似但並非公平值的計量（如香港會計準則第2號存貨的可變現淨值或香港會計準則第36號資產減值（「香港會計準則第36號」）的使用價值）除外。

非金融資產之公平值計量考慮了市場參與者可透過按該資產的最高及最佳用途使用該資產，或將該資產售予另一可按該資產的最高及最佳用途使用該資產的市場參與者，從而產生經濟利益的能力。

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.1 Basis of preparation of consolidated financial statements (Continued)

For financial instruments which are transacted at fair value and a valuation technique that unobservable inputs is to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.1 綜合財務報表的編製基準 (續)

就按公平值進行交易之金融工具以及於隨後期間將使用不可觀察輸入數據計量公平值的估值方法而言，估值方法會予以校準，以使於初步確認時估值方法的結果與交易價格相等。

此外，就財務報告而言，公平值計量根據公平值計量之輸入數據可觀察程度及公平值計量之輸入數據對其整體重要性分類為第一級、第二級或第三級，詳情如下：

- 第一級輸入數據為實體於計量日可取得的相同資產或負債於活躍市場之報價（未經調整）；
- 第二級輸入數據是就資產或負債直接或間接地可觀察之輸入數據（第一級內的報價除外）；及
- 第三級輸入數據是資產或負債的不可觀察輸入數據。



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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策

綜合基準

綜合財務報表併入本公司及本公司控制的實體及其附屬公司的財務報表。倘屬以下情況，則本公司取得控制權：

- 對被投資公司擁有權力；
- 因藉參與被投資公司的業務而可或有權獲得可變回報；及
- 有能力行使其權力而影響其回報。

倘有事實及情況顯示上述三項控制因素中有一項或多項出現變化，本集團將重新評估其是否對被投資公司擁有控制權。

合併一間附屬公司於本集團取得該附屬公司的控制權時開始，並於本集團失去該附屬公司的控制權時終止。具體而言，於年內收購或出售之附屬公司的收入及開支會於本集團取得控制權當日起計入綜合損益及其他全面收益表，直至本集團對該附屬公司之控制權終止當日為止。

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Basis of consolidation (Continued)

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

綜合基準 (續)

損益及其他全面收益之各項目乃歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

如有需要，將對附屬公司的財務報表作出調整，致使彼等的會計政策與本集團的會計政策一致。

與本集團成員公司交易有關的所有集團內公司間資產及負債、權益、收入、開支及現金流量，將於綜合賬目時悉數撇銷。

於附屬公司的非控股權益與本報告內之本集團權益分開呈列，指賦予持有人權利於清盤時按比例分佔相關附屬公司之資產淨值的現有所有權權益。



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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* (“**HKAS 12**”) and HKAS 19 *Employee Benefits* (“**HKAS 19**”) respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 at the acquisition date (see the accounting policy below);

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

業務合併

收購業務以收購法入賬。於業務合併中轉讓之代價以公平值計量，即計算本集團所轉讓資產、本集團所產生對被收購方前擁有人之負債以及本集團為換取被收購方之控制權而發行之股權於收購日期之公平值的總和。收購相關成本一般於產生時於損益確認。

於收購日期，所收購之可識別資產及所承擔之負債以其公平值確認，除外者為：

- 遞延稅項資產或負債，及僱員福利安排相關的資產或負債分別按香港會計準則第12號 *所得稅* (「**香港會計準則第12號**」) 及香港會計準則第19號 *僱員福利* (「**香港會計準則第19號**」) 確認及計量；
- 涉及被收購方以股份為基礎的付款安排或為取代被收購方以股份為基礎的付款安排而訂立之本集團以股份為基礎的付款安排的負債或股本工具，於收購日期按香港財務報告準則第2號計量 (見下文會計政策)；

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Business combinations (Continued)

- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard; and
- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in HKFRS 16) as if the acquired leases were new leases at the acquisition date. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

業務合併 (續)

- 按香港財務報告準則第5號持作出售非流動資產及已終止經營業務分類為持作出售資產（或出售組別）根據該準則計量；及
- 租賃負債按剩餘租賃付款（定義見香港財務報告準則第16號）的現值確認及計量，猶如收購的租賃於收購日期為新租賃。使用權資產按與相關租賃負債相同的金額確認及計量，並經調整以反映與市場條款相比時租賃的有利或不利條款。



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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Business combinations (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value. The choice of measurement basis is made on a transaction-by-transaction basis.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

業務合併 (續)

商譽乃按已轉讓代價、於被收購方之任何非控股權益金額及收購方先前於被收購方持有之股權之公平值(如有)之總和超逾於收購日期所收購可識別資產及所承擔負債之淨額的差額計量。倘經重新評估後，所收購可識別資產及所承擔負債之淨額超逾已轉讓代價、於被收購方之任何非控股權益金額及收購方先前於被收購方持有之權益之公平值(如有)之總和，則超出部分隨即於損益確認為議價收購收益。

屬現有所有權權益且賦予持有人權利於清盤時按比例分佔相關附屬公司之資產淨值之非控股權益，可初步按非控股權益應佔被收購方可識別之資產淨值之已確認金額之比例或公平值計量。計量基準視乎每項交易而作出選擇。

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Interests in joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture. Changes in net assets of the joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of joint venture exceeds the Group's interest in that joint venture (which includes any long term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

於合營企業的權益

合營企業為聯合安排，據此對安排有聯合控制權的各方擁有對聯合安排淨資產的權利。聯合控制為透過合同約定共享安排的控制權，僅當與相關活動有關的決定需要共享控制權的各方一致同意時存在。

合營企業的業績以及資產及負債乃採用權益會計法併入該等綜合財務報表。用於權益會計用途的合營企業的財務報表乃採用本集團在類似情況下用於類似交易及事件的統一會計政策編製。根據權益法，於合營企業的投資初步按成本確認於綜合財務狀況表，其後進行調整以確認本集團分佔合營企業的損益及其他全面收益。合營企業於損益及其他全面收益以外的淨資產變動並未列賬，除非該等變動導致本集團所持所有權權益有所變動。倘本集團分佔合營企業的虧損超過本集團於合營企業的權益（包括實質上構成本集團於合營企業的淨投資的一部分的任何長期權益），則本集團會停止確認其分佔的進一步虧損。額外虧損的確認僅限於以下情況：本集團已代表合營企業產生法定或推定義務或作出付款。



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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Interests in joint ventures (Continued)

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture or acquisition of additional interest in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

於合營企業的權益 (續)

於合營企業的投資自被投資公司成為合營企業之日起採用權益法列賬。收購於合營企業的投資或收購於一間合營企業之額外權益後，投資成本超出本集團分佔被投資公司可識別資產及負債淨公平值的任何部分確認為商譽，而商譽計入投資的賬面值。重新評估後，本集團分佔可識別資產及負債淨公平值超出投資成本的任何部分立即確認於收購投資期間的損益中。

本集團評估是否有客觀證據顯示於合營企業的權益可能出現減值。倘存在任何客觀證據，則透過對其可收回金額（以使用價值及公平值減出售成本中之較高者為準）與其賬面值進行比較，作為單一資產根據香港會計準則第36號對投資的全部賬面值（包括商譽）進行減值測試。已確認的任何減值虧損並不會分配至構成投資賬面值一部分的任何資產（包括商譽）。減值虧損的任何撥回乃根據香港會計準則第36號予以確認，惟限於投資的可收回金額隨後有所增加的情況。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

3.2 Significant accounting policies *(Continued)*

Interests in joint ventures *(Continued)*

When a group entity transacts with a joint venture of the Group (such as a sale or purchase), profits and losses resulting from the transactions with the joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the joint venture that are not related to the Group.

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

3. 綜合財務報表編製基準及主要會計政策 *(續)*

3.2 主要會計政策 *(續)*

於合營企業的權益 *(續)*

當集團實體與本集團的合營企業進行交易(比如買賣)時,與合營企業的交易所產生的損益確認於本集團的綜合財務報表,惟僅限於與本集團並無關連的於合營企業的權益。

來自客戶合約之收入

本集團於完成履約責任時確認收入,即於與特定履約責任相關之貨品或服務之「控制權」轉讓予客戶時。

履約責任指一項明確的貨品或服務(或一批貨品或服務)或一系列大致相同且明確的貨品或服務。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Revenue from contracts with customers (Continued)

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

The Group's revenue from sales of goods is recognised at a point in time when goods are delivered and control has been passed to customers.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

來自客戶合約之收入 (續)

控制權隨時間轉移，而倘符合其中一項以下標準，則收入乃參照完成相關履約責任的進度按時間確認：

- 客戶於本集團履約時同時取得並耗用本集團履約所提供的利益；
- 本集團的履約創建或增強客戶於本集團履約時控制的資產；或
- 本集團的履約並未產生對本集團有替代用途的資產，且本集團有強制執行權以收取迄今已履約部分的款項。

否則，收入於客戶獲得明確的貨品或服務的控制權時確認。

本集團來自銷售貨品的收入於交付貨品且控制權轉讓予客戶的時點確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Revenue from contracts with customers (Continued)

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic basis over the useful lives of the related assets.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss (as other income) in the period in which they become receivable.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

來自客戶合約之收入 (續)

合約負債指本集團因已自客戶收取代價(或代價金額到期)而須向客戶轉讓貨品或服務的責任。

政府補助金

政府補助金於可合理確定本集團將符合有關附帶條件及將會收取有關補助金時方予確認。

政府補助金乃就本集團將有關成本確認為開支(預期補助金可用作補償)的期間按系統化的基準於損益中確認。具體而言,對於首要條件為本集團須採購、建造或以其他方式獲取非流動性資產的政府補助金,將會按系統化的基準於綜合財務狀況表確認為遞延收入,並按相關資產的可使用年期轉撥至損益。

倘應收與收入有關的政府補助金乃用作補償開支或已產生的虧損或為向本集團提供並無日後相關成本的即時財務支援,則在應收期間於損益中(作為其他收入)確認。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

研發開支

研究活動的開支於產生期間確認為開支。

開發活動或內部計劃發展階段產生的內部產生無形資產，僅在顯示以下所有條件時方予確認：

- 完成無形資產的技術可行性，從而可以使用或銷售；
- 有意去完成該無形資產從而使之可以使用或銷售；
- 使用或銷售無形資產的能力；
- 無形資產將如何產生可能的日後經濟效益；
- 可使用適當技術、財務和其他資源來完成其發展，並使用或銷售此無形資產；及
- 能夠準確衡量用於開發無形資產的支出。

就內部產生無形資產首次確認的款額為該等無形資產首次符合上述確認標準當日起產生的開支總額。倘並無內部產生無形資產可予確認，則開發支出將於產生期間在損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Property, plant and equipment

Property, plant and equipment, other than properties in the course of construction for production, supply or administrative purposes, are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

物業、廠房及設備

除用作生產、供應或行政用途的在建物業以外，物業、廠房及設備按成本減後期累計折舊及後期累計減值虧損（如有）於綜合財務狀況表列賬。

用作生產、供應或行政用途的在建物業按成本減已確認減值虧損列賬。成本包括使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直接產生的任何成本及（就合資格資產而言）根據本集團會計政策資本化的借款成本。該等物業於完工後並達至擬定用途時劃分為物業、廠房及設備的合適類別。與其他物業資產的基準相同，該等資產於達至擬定用途時開始折舊。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Property, plant and equipment (Continued)

Depreciation is recognised so as to write off the cost of assets (other than the construction in progress) less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Ownership interests in leasehold land and building

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “right-of-use assets” in the consolidated statement of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

物業、廠房及設備 (續)

資產(在建工程除外)之折舊乃以直線法按估計可使用年期撇銷其成本減剩餘價值計算。估計可使用年期、剩餘價值及折舊方法於各報告期間結束時進行審閱，而任何估計變動的影響按預先基準入賬。

物業、廠房及設備項目乃於出售或預期持續使用該資產不會產生未來經濟利益時取消確認。出售或棄用一項物業、廠房及設備項目產生的任何收益或虧損釐定為資產銷售所得款項與賬面值的差額，並於損益內確認。

於租賃土地及樓宇的擁有權權益

當本集團就物業擁有權權益進行付款(包括租賃土地及樓宇成分)，全部代價於租賃土地及樓宇成分之間按首次確認時的相對公平值的比例分配。倘相關付款能夠可靠分配，則以經營租賃入賬的租賃土地權益於綜合財務狀況表中呈列為「使用權資產」。倘代價無法於相關租賃土地的非租賃樓宇成分及未分割權益間可靠分配，則整項物業會歸類為物業、廠房及設備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Leases

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application or arising from business combinations, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as lessee

Short term leases

The Group applies the short term lease recognition exemption to leases of staff quarters, warehouses, office premises, motor vehicles and machinery and equipment that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short term leases is recognised as expense on a straight-line basis over the lease term.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

租賃

租賃之定義

倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則合約為或包含租賃。

對於在首次應用日期或之後訂立或修訂或業務合併所產生的合約，本集團於開始或修訂日期根據香港財務報告準則第16號的定義評估合約是否包含租賃。除非合約的條款及條件其後發生變更，否則有關合約將不予重新評估。

本集團作為承租人

短期租賃

本集團將短期租賃確認豁免應用於租期為自開始日期起計12個月或更短且不包含購買選擇權的員工宿舍、倉庫、辦公室物業、汽車和機器及設備租賃。短期租賃的租賃付款於租期內按直線法確認為開支。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Leases (Continued)

The Group as lessee (Continued)

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

租賃 (續)

本集團作為承租人 (續)

使用權資產

使用權資產的成本包括：

- 租賃負債的初始計量金額；
- 於開始日期或之前作出的任何租賃付款減任何已收租賃優惠；
- 本集團產生的任何初始直接費用；及
- 本集團拆除及移除相關資產、恢復相關資產所在場地或將相關資產恢復至租賃條款及條件所規定狀態將產生的估計成本。

使用權資產按成本減任何累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Leases (Continued)

The Group as lessee (Continued)

Right-of-use assets (Continued)

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 *Financial Instruments* (“**HKFRS 9**”) and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

租賃 (續)

本集團作為承租人 (續)

使用權資產 (續)

對於本集團合理確定將於租期結束時獲得相關租賃資產所有權的使用權資產，自開始日期起至可使用年期結束期間折舊。在其他情況下，使用權資產按估計可使用年期及租期的較短者以直線法折舊。

本集團於綜合財務狀況表中將使用權資產作為單獨項目呈列。

可退回租金按金

已付可退回租金按金按香港財務報告準則第9號**金融工具**（「**香港財務報告準則第9號**」）入賬，並初步按公平值計量。於首次確認時對公平值作出的調整被視為額外租賃付款並計入使用權資產成本。

租賃負債

於租賃開始日期，本集團按當日未付之租賃付款現值確認及計量租賃負債。於計算租賃付款現值時，倘租賃中隱含的利率不易確定，則本集團使用於租賃開始日期的增量借款利率。



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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Leases (Continued)

The Group as lessee (Continued)

Lease liabilities (Continued)

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

租賃 (續)

本集團作為承租人 (續)

租賃負債 (續)

租賃付款包括：

- 固定付款 (包括實質固定付款) 減任何應收租賃優惠；
- 取決於指數或利率的可變租賃付款，使用於開始日期的指數或利率初步計量；
- 預期將根據剩餘價值擔保由本集團支付的金額；
- 購買選擇權的行使價 (倘合理確定本集團將行使選擇權)；及
- 支付終止租賃的罰款 (倘租期反映本集團行使終止租賃的選擇權)。

於開始日期後，租賃負債按利息增值及租賃付款進行調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Leases (Continued)

The Group as lessee (Continued)

Lease liabilities (Continued)

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

租賃 (續)

本集團作為承租人 (續)

租賃負債 (續)

於出現下列情況時，本集團重新計量租賃負債（及對相關使用權資產作出相應調整）：

- 租期發生變動或對行使購買選擇權的評估發生變動，在此情況下，相關租賃負債於重新評估之日通過使用修訂後的貼現率貼現修訂後的租賃付款的方式來重新計量。
- 租賃付款發生變動，原因為市場租金率於進行市場租金檢討後出現變動，在此情況下，相關租賃負債通過使用初始貼現率貼現修訂後的租賃付款的方式來重新計量。

租賃修訂

倘有以下情況，本集團將租賃修訂作為單獨租賃入賬：

- 該修訂通過增加一項或多項相關資產的使用權擴大了租賃範圍；及
- 租賃代價增加的金額相當於範圍擴大對應的單獨價格，加上按照特定合約情況對單獨價格進行的任何適當調整。



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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

3.2 Significant accounting policies *(Continued)*

Leases *(Continued)*

The Group as lessee (Continued)

Lease modifications *(Continued)*

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

3. 綜合財務報表編製基準及主要會計政策 *(續)*

3.2 主要會計政策 *(續)*

租賃 *(續)*

本集團作為承租人 *(續)*

租賃修訂 *(續)*

對於並未作為單獨租賃入賬的租賃修訂，本集團根據經修訂租賃的租期，在修訂生效之日通過使用修訂後的貼現率貼現修訂後的租賃付款的方式來重新計量租賃負債。

本集團通過對相關使用權資產進行相應調整，以將租賃負債的重新計量入賬。當經修訂合約包含租賃部分以及一個或多個額外租賃或非租賃部分時，本集團根據租賃部分的相對單獨價格及非租賃部分的合計單獨價格，將經修訂合約中的代價分配至各租賃成分。

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Impairment on property, plant and equipment and right-of-use assets

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment and right-of-use assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of property, plant and equipment and right-of-use assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In addition, the Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, corporate assets are also allocated to individual cash-generating units, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

物業、廠房及設備以及使用權資產減值

於報告期間結束時，本集團會審閱其物業、廠房及設備以及使用權資產的賬面值以釐定有否跡象顯示有關資產出現減值虧損。倘出現此情況，本集團將估計相關資產的可收回金額，以釐定減值虧損數額（如有）。

本集團個別估計物業、廠房及設備以及使用權資產的可回收金額。倘若不可能個別估計可收回金額，則本集團估計資產所屬現金產生單位的可收回金額。

此外，本集團評估是否有跡象顯示公司資產可能出現減值。倘出現此情況，則於合理及貫徹的分配基準可識別時，公司資產亦被分配至個別現金產生單位，或於其他情況下彼等被分配至現金產生單位的最小組別，而該現金產生單位的合理及貫徹分配基準可識別。

可收回金額為公平值減去出售成本及使用價值兩者中之較高者。於評估使用價值時，估計未來現金流量乃以稅前貼現率貼現至現值，該貼現率能反映當前市場所評估的貨幣時間值及資產特定風險，就此而言，未來現金流量估計尚未作出調整。



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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Impairment on property, plant and equipment and right-of-use assets (Continued)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

物業、廠房及設備以及使用權資產減值 (續)

倘資產(或一個現金產生單位)的可收回金額估計將少於其賬面值,該資產(或一個現金產生單位)的賬面值乃調低至其可收回金額。對於未能按合理一致的基準分配至現金產生單位的公司資產或部分公司資產,本集團會比較一個組別的現金產生單位賬面值(包括已分配至該組現金產生單位的公司資產或部分公司資產的賬面值)與該組別現金產生單位的可收回金額。於分配減值虧損時,將首先用以撇減任何商譽的賬面值(如適用),接著按該單位或一組現金產生單位各項資產的賬面值所佔比例分配至其他資產。資產賬面值不得減少至低於其公平值減出售成本(如可計量)、其使用價值(如可釐定)及零之中的最高值。已另行分配至資產的減值虧損金額按比例分配至該單位或一組現金產生單位的其他資產。減值虧損乃即時於損益確認。

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綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

3.2 Significant accounting policies *(Continued)*

Impairment on property, plant and equipment and right-of-use assets *(Continued)*

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. 綜合財務報表編製基準及主要會計政策 *(續)*

3.2 主要會計政策 *(續)*

物業、廠房及設備以及使用權資產減值 *(續)*

倘減值虧損其後撥回，資產（或現金產生單位或現金產生單位組別）的賬面值乃調高至經修訂的估計可收回金額，惟調高後的賬面值不得高於倘過往年度並無確認資產（或現金產生單位或現金產生單位組別）減值虧損的賬面值。減值虧損撥回乃即時於損益確認。



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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

外幣

於編製各個別集團實體的財務報表時，以該實體功能貨幣以外的貨幣（外幣）進行的交易均按交易日期的當期匯率確認。於報告期間結束時，以外幣計值的貨幣項目均按該日的當期匯率重新換算。以外幣歷史成本計量的非貨幣項目毋須重新換算。

於結算及重新換算貨幣項目時產生的匯兌差額均於彼等產生期間內於損益中確認。

就呈列綜合財務報表而言，本集團海外業務的資產及負債乃按於報告期間結束時的當期匯率換算為本集團的列賬貨幣（即港元），而其收入及支出乃按該年度的平均匯率進行換算，除非匯率於該期間內大幅波動則作別論，於此情況下，則採用交易當日的當期匯率。所產生的匯兌差額（如有）乃於其他全面收益內確認，並於權益中在匯兌儲備項下累計（於適當時撥作非控股權益）。

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Employee benefits

Retirement benefit costs

Payments to defined contribution retirement benefit plans (such as state-managed retirement benefit schemes, the Mandatory Provident Fund Scheme and the State Social Insurance Fund) are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the consolidated statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained profits and will not be reclassified to profit or loss.

Past service cost is recognised in profit or loss in the period of a plan amendment or curtailment and a gain or loss on settlement is recognised when settlement occurs. When determining past service cost, or a gain or loss on settlement, an entity shall remeasure the net defined benefit liability or asset using the current fair value of plan assets and current actuarial assumptions, reflecting the benefits offered under the plan and the plan assets before and after the plan amendment, curtailment or settlement, without considering the effect of asset ceiling (i.e. the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan).

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

僱員福利

退休福利成本

向界定供款退休福利計劃(例如國家管理退休福利計劃、強制性公積金計劃及國家社會保險基金)支付的款項,均於僱員已提供服務以有權獲取供款時確認為開支。

就界定福利退休福利計劃而言,提供福利的成本乃採用預計單位給付成本法於各年度報告期間結束時進行精算評估予以釐定。包括精算收益及虧損、資產上限變動之影響(如適用)及計劃資產(不包括利息)之回報的重新計量於其產生期間立即於綜合財務狀況表反映,並於其他全面收益內確認扣除或計入。於其他全面收益內確認之重新計量即時反映於保留溢利,且將不會重新分類至損益。

過往服務成本於計劃修訂或削減期間在損益確認,而結算之收益或虧損乃於結算發生時確認。於釐定過往服務成本,或結算之收益或虧損時,實體須使用計劃資產當前的公平值及精算假設重新計量界定福利負債或資產淨額,反映於計劃修訂、削減或結清前後根據計劃及計劃資產所提供的福利,且不考慮資產上限之影響(即可以自計劃退款或計劃的未來供款減額形式取得的任何經濟利益的現值)。



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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Employee benefits (Continued)

Retirement benefit costs (Continued)

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. However, if the Group remeasures the net defined benefit liability or asset before plan amendment, curtailment or settlement, the Group determines net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the benefits offered under the plan and the plan assets after the plan amendment, curtailment or settlement and the discount rate used to remeasure such net defined benefit liability or asset, taking into account any changes in the net defined benefit liability or asset during the period resulting from contributions or benefit payments.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement.

The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

僱員福利 (續)

退休福利成本 (續)

利息淨額透過對界定福利負債或資產淨額採用期初貼現率計算。然而，倘本集團於計劃修訂、縮減或結清前重新計量界定福利負債或資產淨額，本集團使用於計劃修訂、削減或結清後根據計劃及計劃資產所提供的福利以及用於重新計量該等界定福利負債或資產淨額的貼現率，釐定計劃修訂、削減或結清後年度報告期間餘下時間的利息淨額，並計入於因供款或福利付款於期內產生的界定福利負債或資產淨額之任何變動。

界定福利成本分類如下：

- 服務成本（包括現時服務成本、過往服務成本以及削減及結算之收益及虧損）；
- 利息開支或收入淨額；及
- 重新計量。

於綜合財務狀況表確認的退休福利責任指本集團界定福利計劃的實際虧絀或盈餘。該計算方法導致的任何盈餘不超過任何以計劃退款或縮減未來計劃供款的形式出現的經濟利益的現值。

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Employee benefits (Continued)

Retirement benefit costs (Continued)

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (for example contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability or asset.
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the entity reduces service cost by attributing the contributions to periods of service using the attribution method required by HKAS 19 paragraph 70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the entity reduces service cost in the period in which the related service is rendered.

Termination benefits

A liability for a termination benefit is recognised at the earlier of when the Group entity can no longer withdraw the offer of the termination benefit and when it recognises any related restructuring costs.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

僱員福利 (續)

退休福利成本 (續)

僱員或第三方作出的酌情供款於向計劃支付供款時減少服務成本。

倘計劃的正式條款訂明僱員或第三方將作出供款，則會計處理取決於供款是否與服務有關，如下所示：

- 倘供款與服務無關（例如供款被要求減少源自計劃資產虧損或實際虧損的虧絀），則供款於界定福利負債或資產的重新計量中反映。
- 倘供款與服務有關，則供款減少服務成本。就與服務年期有關的供款而言，實體可根據香港會計準則第19號第70段規定的歸屬法就總福利將供款歸屬於服務期間，從而減少服務成本。倘供款與服務年期無關，則實體於提供相關服務的期間減少服務成本。

辭退福利

辭退福利產生的負債於本集團實體不能撤回所提供的辭退福利及其確認任何相關重組成本（以較早者為準）時確認。



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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Employee benefits (Continued)

Short term and other long term employee benefits

Short term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries and annual leave) after deducting any amount already paid.

Liabilities recognised in respect of other long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Any changes in the liabilities' carrying amounts resulting from service cost, interest and remeasurements are recognised in profit or loss except to the extent that another HKFRS requires or permits their inclusion in the cost of an asset.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

僱員福利 (續)

短期及其他長期僱員福利

短期僱員福利於僱員提供服務時就預期將支付福利的未貼現金額確認。所有短期僱員福利確認為開支，除非香港財務報告準則另有要求或允許將福利計入資產成本。

給予僱員的福利（如工資及薪金以及年假）扣除任何已支付金額後確認為負債。

就其他長期僱員福利確認的負債按本集團預計在截至報告日期就僱員所提供服務的估計未來現金流出現值計量。因服務成本、利息及重新計量而導致的負債賬面值的任何變動均在損益中確認，除非另一項香港財務報告準則要求或允許將其計入資產成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Any specific borrowing that remain outstanding after the related asset is ready for its intended use or sale is included in the general borrowing pool for calculation of capitalisation rate on general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

借款成本

購買、興建或製造合資格資產 (即需較長時間預備以用於擬定用途或銷售的資產) 直接應佔的借款成本乃計入該等資產的成本內，直至當資產可大致上用作擬定用途或出售。

在相關資產可用於擬定用途或銷售後，任何尚未償還之特定借款將計入一般借款組合，以計算一般借款的資本化比率。暫時投資特定借款以待用於合資格資產所賺取的投資收入自符合資本化資格的借款成本中扣除。

所有其他借款成本於產生期間於損益內確認。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from “profit before taxation” as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and interest in joint venture, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

稅項

所得稅開支乃指本期應付稅項加上遞延稅項的總額。

本期應付稅項乃按本年度應課稅溢利計算。應課稅溢利因其他年度的應課稅或可扣稅收支及毋須課稅或不獲扣稅項，故有別於綜合損益及其他全面收益表所列示的「除稅前溢利」。本集團本期稅項負債乃按報告期間結束時已頒佈或實質頒佈的稅率計算。

遞延稅項乃按綜合財務報表所載資產及負債賬面值與計算應課稅溢利所採用的相應稅基的臨時差額確認。所有應課稅臨時差額一般確認為遞延稅項負債。倘應課稅溢利可能足以抵銷該等可扣稅的臨時差額，則一般就所有可扣稅的臨時差額確認為遞延稅項資產。

遞延稅項負債按與於附屬公司的投資及於合營企業的權益相關之應課稅臨時差額確認，惟本集團能夠控制臨時差額之撥回及臨時差額有可能於可見將來不會撥回除外。與該等投資及權益相關之可扣稅臨時差額所產生之遞延稅項資產僅於可能有足夠應課稅溢利可以使用臨時差額之利益且預計於可見將來可以撥回時確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Taxation (Continued)

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

稅項 (續)

遞延稅項資產的賬面值會於報告期間結束時審核，並調低至應課稅溢利並未足以收回全部或部分資產。

遞延稅項資產及負債是根據報告期間結束前已制定或實際制定的稅率（及稅法）按預期於償還負債或變現資產期間使用的稅率計算。

遞延稅項負債及資產的計量反映了符合本集團預期在報告期間結束時收回或結算資產及負債的賬面值的稅項結果。

為就本集團確認使用權資產及相關租賃負債的租賃交易計量遞延稅項，本集團首先確定稅項減免是否源自使用權資產或租賃負債。

就稅項減免源自租賃負債的租賃交易而言，本集團分別就使用權資產及租賃負債應用香港會計準則第12號規定。由於應用首次確認豁免，與使用權資產及租賃負債相關的暫時性差額不會於首次確認時及於租期內確認。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Taxation (Continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Inventories

Inventories mainly consist of textile products and are stated at the lower of cost and net realisable value. Cost of inventories is calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

稅項 (續)

當有法定可執行權利將當期稅項資產抵銷當期稅項負債時，以及當它們與同一稅務機關對同一應課稅實體徵收的所得稅有關時，遞延所得稅資產和負債均予以抵銷。

即期及遞延稅項於損益內確認，除非當與其他全面收益或直接在權益中確認的項目相關，在此情況下，即期及遞延稅項亦分別在其他全面收益或直接在權益中確認。

存貨

存貨主要包括紡織產品，並以成本及可變現淨值的較低者列賬。存貨成本乃採用加權平均方法計算。可變現淨值指估計存貨售價減所有估計完成成本及作出銷售的所需成本。估計作出銷售所需的成本包括直接源自銷售的增量成本及本集團為作出銷售須產生的非增量成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 *Revenue from Contracts with Customers* (“**HKFRS 15**”). Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss (“**FVTPL**”)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具

當集團實體成為工具合約條文的訂約方時，金融資產及金融負債於綜合財務狀況表確認。所有以正常方式購買或出售的金融資產乃按交易日基準確認及取消確認。以正常方式購買或出售乃購買或出售要求於市場上按規則或慣例設定的時間框架內付運的金融資產。

除根據香港財務報告準則第15號「來自客戶合約之收入」(「**香港財務報告準則第15號**」)初步計量的來自客戶合約之貿易應收款項外，金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債(透過損益按公平值(「**透過損益按公平值**」)計量的金融資產及金融負債除外)而直接應佔的交易成本乃於首次確認時加入金融資產或金融負債的公平值或自金融資產或金融負債的公平值扣除(如適用)。收購透過損益按公平值計量的金融資產或金融負債而直接應佔的交易成本即時於損益確認。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

實際利息法為計算金融資產或金融負債攤銷成本及相關期間利息收入及利息開支分配的方法。實際利率乃實際貼現按金融資產或金融負債預計年期或(如適當)較短期間的估計日後現金收款及付款(包括構成整體實際利率不可或缺部分之一切已付或已收利率差價費用、交易成本及其他溢價或折讓)至其首次確認時的賬面淨值的利率。

金融資產

金融資產的分類及後續計量

符合以下條件的金融資產其後按攤銷成本計量：

- 金融資產於目的為收取合約現金流量之業務模式下持有；及
- 合約條款於指定日期產生之現金流量純粹為支付本金及未償還本金之利息。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

All other financial assets are subsequently measured at FVTPL, except that at the date of initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 applies.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產的分類及後續計量 (續)

所有其他金融資產其後透過損益按公平值計量，惟在首次確認金融資產之日，倘股本投資並非持作買賣，亦非收購方在香港財務報告準則第3號所適用的業務合併中確認的或然代價，本集團可不可撤銷地選擇於其他全面收益呈列股本投資的其後公平值變動。



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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產的分類及後續計量 (續)

攤銷成本及利息收入

對其後按攤銷成本計量的金融資產而言，利息收入乃使用實際利息法確認。利息收入乃對金融資產之賬面總額應用實際利率計算，惟其後出現信貸減值的金融資產除外（見下文）。對於其後出現信貸減值的金融資產，利息收入乃自下一個報告期間對金融資產之攤銷成本應用實際利率確認。倘發生信貸減值的金融工具的信貸風險好轉，使金融資產不再信貸減值，利息收入則自釐定該資產不再出現信貸減值後的報告期間開始後對金融資產賬面總額應用實際利率確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets (including trade and bills receivables, other receivables and deposits, pledged bank deposits, short term bank deposits, bank balances) which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables. Trade receivables that are credit-impaired are assessed for ECL individually. The ECL on the remaining trade receivables are assessed collectively using a provision matrix with appropriate groupings.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值

本集團根據預期信貸虧損(「預期信貸虧損」)模式就根據香港財務報告準則第9號須予減值評估的金融資產(包括貿易應收款項及應收票據、其他應收款項及按金、已抵押銀行存款、短期銀行存款、銀行結餘)進行減值評估。預期信貸虧損金額於各報告日期更新，以反映自首次確認以來信貸風險的變化。

全期預期信貸虧損指相關工具的預計年期內所有可能的違約事件將產生的預期信貸虧損。相反地，12個月預期信貸虧損(「12個月預期信貸虧損」)指預期於報告日期後12個月內可能發生的違約事件導致的部分全期預期信貸虧損。評估乃根據本集團過往信貸虧損經驗進行，並就債務人特有的因素、一般經濟狀況以及對報告日期的當前狀況及未來狀況預測的評估作出調整。

本集團始終就貿易應收款項確認全期預期信貸虧損。發生信貸減值之貿易應收款項就預期信貸虧損進行個別評估。餘下貿易應收款項的預期信貸虧損乃採用具合適組別的撥備矩陣進行整體評估。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

For all other financial assets at amortised cost, the Group measures the credit loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

對於所有其他按攤銷成本列賬的金融資產，本集團計量等於12個月預期信貸虧損的信貸虧損撥備，除非自首次確認以來信貸風險大幅增加，在此情況下，則本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損乃基於自首次確認以來發生違約的可能性或風險是否大幅增加。

(i) 信貸風險大幅增加

於評估自首次確認以來信貸風險是否大幅增加時，本集團將金融工具於報告日期發生違約的風險與該金融工具於首次確認日期發生違約的風險進行比較。進行此評估時，本集團會考慮合理有據的定量及定性資料，包括過往經驗及無需付出不必要的成本或努力而可獲得的前瞻性資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(i) Significant increase in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

(i) 信貸風險大幅增加 (續)

特別是，在評估信貸風險是否大幅增加時會考慮以下資料：

- 金融工具的外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 外部市場信貸風險指標顯著惡化，例如信貸息差及債務人的信貸違約掉期價格大幅增加；



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

- (i) Significant increase in credit risk (Continued)
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
 - an actual or expected significant deterioration in the operating results of the debtor; and
 - an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

- (i) 信貸風險大幅增加 (續)
- 預計將導致債務人履行其債務責任的能力大幅下降的業務、財務或經濟狀況的現有或預測的不利變化；
 - 債務人經營業績的實際或預期顯著惡化；及
 - 導致債務人履行其債務責任的能力大幅下降的債務人監管、經濟或技術環境的實際或預期的重大不利變化。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

- (i) Significant increase in credit risk (Continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers bank balances and cash and other receivables to have low credit risk when it has an internal or external credit rating of “investment grade” as per globally understood definitions.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

- (i) 信貸風險大幅增加 (續)

不論上述評估的結果如何，本集團認為，倘合約付款逾期超過30日，則信貸風險自首次確認以來已大幅增加，除非本集團有合理有據的資料另作說明，則作別論。

儘管存在上述情況，倘債務工具於報告日期釐定為具有低信貸風險，本集團假設該債務工具的信貸風險自首次確認起並無顯著增加。倘(i)其違約風險偏低，(ii)借方有強大能力於短期履行其合約現金流量責任，及(iii)較長期的經濟及業務狀況存在不利變動，可能但未必將削弱借方履行其合約現金流量責任的能力，則債務工具的信貸風險會被釐定為偏低。根據全球理解的定義，當債務工具的內部或外部信貸評級為「投資級別」，則本集團會視銀行結餘及現金以及其他應收款項的信貸風險為偏低。



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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(i) Significant increase in credit risk (Continued)

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

(i) 信貸風險大幅增加 (續)

本集團定期監察用以識別信貸風險是否顯著增加的標準的有效性，並於適當時候做出修訂以確保該標準能夠在款項逾期前識別信貸風險的顯著增加。

(ii) 違約之定義

就內部信貸風險管理而言，本集團認為，倘內部生成或自外部來源獲得之資料顯示債務人不太可能向其債權人（包括本集團）全額還款（不考慮本集團持有之任何抵押品），則發生違約事件。

無論上述情形如何，本集團認為，倘金融資產逾期超過90日，則發生違約事件，除非本集團有合理有據資料能說明更寬鬆的違約標準更為合適，則作別論。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

(iii) 信貸減值金融資產

當發生一項或多項對金融資產估計未來現金流量有不利影響之違約事件時，金融資產出現信貸減值。金融資產信貸減值之證據包括以下可觀察事件：

- (a) 發行人或借方陷入重大財務困難；
- (b) 違反合約，如違約或逾期事件；



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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(iii) Credit-impaired financial assets (Continued)

- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or

- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

(iii) 信貸減值金融資產 (續)

- (c) 借方之貸方因與借方出現財務困難有關之經濟或合約理由而給予借方在一般情況下貸方不予考慮之優惠條件；或

- (d) 借方有可能破產或進行其他財務重組。

(iv) 撇銷政策

倘有資料顯示對手方陷入嚴重財務困難且無實際收回可能，例如對手方遭清盤或已進入破產程序時，或就貿易應收款項而言，有關金額已逾期超過兩年（以較早發生者為準），則本集團會撇銷金融資產。在考慮法律意見（如適當）後，已撇銷金融資產仍可根據本集團之收回程序實施強制執行。撇銷構成取消確認事件。任何其後收回於損益內確認。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Lifetime ECL for certain trade receivables are considered on a collective basis taking into consideration past due information and relevant credit information such as forward-looking macroeconomic information. For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

(v) 預期信貸虧損之計量及確認

預期信貸虧損之計量為違約概率、違約損失率(即倘發生違約的損失程度)及違約風險之函數。違約概率及違約損失率之評估乃基於經前瞻性資料調整之歷史數據作出。預期信貸虧損的估計反映以發生相關違約的風險作為加權數值而釐定的無偏概率加權平均金額。

一般而言，預期信貸虧損乃根據合約應付本集團之所有合約現金流量與本集團預期收取之現金流量之間的差額，並按首次確認時釐定之實際利率貼現。

若干貿易應收款項的全期預期信貸虧損乃經考慮逾期資料及相關信貸資料(如前瞻性宏觀經濟資料)後按集體基礎考慮。本集團為集體評估制定組別時，將考慮以下特點：



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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

- (v) Measurement and recognition of ECL (Continued)
- Past-due status;
 - Nature, size and industry of debtors; and
 - External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a credit loss allowance account.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

- (v) 預期信貸虧損之計量及確認 (續)
- 逾期狀況；
 - 債務人的性質、規模及行業；及
 - 外部信貸評級 (倘可獲得)。

管理層定期檢討分組，以確保各組的組成部分繼續擁有類似信貸風險特徵。

利息收入乃根據金融資產之賬面總額計算，除非金融資產發生信貸減值，在此情況下，利息收入則根據金融資產之攤銷成本計算。

本集團通過調整所有金融工具之賬面值於損益中確認該等金融工具之減值收益或虧損，惟貿易應收款項透過信貸虧損撥備賬確認相應調整。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the assets to another entity.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a liability and on equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

取消確認金融資產

本集團僅於從資產收取現金流量的合約權利屆滿，或本集團將金融資產及有關資產所有權的絕大部分風險及回報轉讓予另一實體時取消確認金融資產。

當一項按攤銷成本計量的金融資產被取消確認，資產賬面值與已收取及應收代價總和的差額於損益中確認。

金融負債及股本

分類為債務或股本

債務及股本工具乃根據合約安排內容及就負債及股本工具之定義分類為金融負債或股本。

金融負債

所有金融負債其後採用實際利息法按攤銷成本或透過損益按公平值計量。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration that may be paid by an acquirer as part of a business combination to which HKFRS 3 applies, (ii) held for trading, or (iii) it is designated as at FVTPL.

A financial liability is held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term;
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

For financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained profits upon derecognition of the financial liability.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融負債及股本 (續)

透過損益按公平值計量的金融負債

當金融負債為(i)收購方可能支付的或然代價(作為香港財務報告準則第3號適用之業務合併的一部分)，(ii)持作買賣，或(iii)其獲指定為透過損益按公平值處理時，金融負債分類為透過損益按公平值計量。

倘出現下列情況，金融負債持作買賣：

- 收購主要為於短期內將其購回；
- 於首次確認時，其構成本集團共同管理之已識別金融工具組合之一部分及具有最近實際短期獲利模式；或
- 其為未被指定及可有效作為對沖工具之衍生工具。

就透過損益按公平值計量的金融負債而言，因金融負債的信貸風險變動所導致之該負債公平值變動金額，乃於其他全面收益中確認，除非於其他全面收益中確認該負債之信貸風險變動的影響會導致或擴大於損益的會計錯配，則作別論。於其他全面收益中確認之因金融負債的信貸風險變動所導致之公平值變動其後不會重新分類至損益；相反地，當一項金融負債被取消確認時，其將被轉撥至保留溢利。

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Financial liabilities at amortised cost

Financial liabilities, including trade payables, bills payables, other payables and accrued charges and bank and other borrowings, are subsequently measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融負債及股本 (續)

按攤銷成本計量的金融負債

金融負債(包括貿易應付款項、應付票據、其他應付款項及應計費用以及銀行及其他借款)其後以實際利息法按攤銷成本計量。

股本工具

股本工具是證明任何在扣除本集團的所有負債後其資產剩餘權益的合約。本公司發行的股本工具乃按已收所得款項扣除直接發行成本入賬。

取消確認金融負債

金融負債則於及僅於本集團的責任獲履行、取消或屆滿時被本集團取消確認。取消確認的金融負債賬面值與已付及應付代價的差額於損益確認。



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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Changes in the basis for determining the contractual cash flows as a result of interest rate benchmark reform

For changes in the basis for determining the contractual cash flows of a financial asset or financial liability to which the amortised cost measurement applies as a result of interest rate benchmark reform, the Group applies the practical expedient to account for these changes by updating the effective interest rate, such change in effective interest rate normally has no significant effect on the carrying amount of the relevant financial asset or financial liability.

A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if and only if, both these conditions are met:

- the change is necessary as a direct consequence of interest rate benchmark reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis (ie the basis immediately preceding the change).

Derivative financial instruments

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair values at the end of the reporting period. The resulting gain or loss is recognised in profit or loss.

3. 綜合財務報表編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

因利率基準改革導致釐定合約現金流量的基準變動

就因利率基準改革導致釐定應用攤銷成本計量的金融資產或金融負債的合約現金流量的基準變動而言，本集團應用可行權宜方法，透過更新實際利率將該等變動入賬，而該等實際利率的變動一般對有關金融資產或金融負債的賬面值並無重大影響。

僅在同時符合以下兩個條件時，方須根據利率基準改革的規定釐定合約現金流量的基準變動：

- 因利率基準改革的直接後果而導致必須變動；及
- 釐定合約現金流量的新基準在經濟上等同於過往基準（即緊接變動前的基準）。

衍生金融工具

衍生工具首次以訂立衍生工具合約當日的公平值計量，其後則以其於報告期間結束時的公平值重新計量。因此而導致的收益或虧損於損益內確認。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the management of the Group is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The followings are the key sources of estimation uncertainty at the end of the reporting period, that has a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year.

4. 主要不確定估計來源

於應用本集團的會計政策（其於附註3內闡述）時，本集團管理層須作出未能從其他來源輕易獲得的有關資產及負債賬面值的判斷、估計及假設。估計及相關假設乃基於過往經驗及被認為相關的其他因素。實際業績可能與該等估計有所差異。

估計及相關假設乃按持續經營基準予以檢討。倘會計估計的修訂僅影響估計獲修訂的期間，則會計估計的修訂於該期間予以確認，或倘修訂影響現時及未來期間，則會計估計的修訂於修訂及未來期間內予以確認。

下文為於報告期間結束時估計不確定因素的主要來源，而該等估計不確定因素或會造成須對下一個財政年度的資產賬面值作出重大調整的重大風險。



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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Impairment assessment of trade receivables

The management of the Group identifies trade receivables that are credit-impaired and assesses their ECL individually. The management of the Group estimates the amount of lifetime ECL of the remaining trade receivables based on provision matrix through grouping of various debtors that have similar loss pattern, after considering internal credit ratings of trade debtors and/or past due status of respective trade receivables. The credit loss allowance amount is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows. The assessment of credit risk of trade receivables involves high degree of estimation uncertainty. When the actual future cash flows are less than expected or more than expected, a material impairment loss or a material reversal of impairment loss may arise accordingly in future periods.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade receivables are disclosed in Notes 20 and 38.

There is impairment loss under ECL model, net of reversal of HK\$11,967,000 (2020: HK\$6,282,000) charged to profit or loss during the year ended 31 December 2021. The carrying amount of trade receivables is HK\$821,163,000 (2020: HK\$793,497,000) (net of allowance of HK\$24,636,000 (2020: HK\$12,669,000)) as at 31 December 2021.

4. 主要不確定估計來源 (續)

貿易應收款項減值評估

本集團管理層識別發生信貸減值之貿易應收款項並個別評估其預期信貸虧損。本集團管理層經考慮貿易應收賬款之內部信貸評級及／或個別貿易應收款項的逾期狀態後，根據具有類似虧損模式的多個賬款組別的撥備矩陣估計餘下貿易應收款項之全期預期信貸虧損金額。信貸虧損撥備金額按資產賬面值及估計現金流量現值之間的差額計量。評估貿易應收款項的信貸風險涉及高度估計不確定性。若實際未來現金流量低於預期或高於預期，可能會因此於未來期間產生重大減值虧損或重大減值虧損撥回。

預期信貸虧損之撥備對估計變動尤為敏感。有關預期信貸虧損及本集團貿易應收款項的資料於附註20及38披露。

於截至二零二一年十二月三十一日止年度，預期信貸虧損模式項下減值虧損（扣除撥回）為11,967,000港元（二零二零年：6,282,000港元）。於二零二一年十二月三十一日，貿易應收款項的賬面值為821,163,000港元（二零二零年：793,497,000港元）（已扣除撥備24,636,000港元（二零二零年：12,669,000港元））。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Allowance for inventories

Management of the Group reviews the inventory ageing analysis at the end of the reporting period and identifies the slow-moving or obsolete inventory items that are no longer suitable for use in production or sales. Management estimates the net realisable value for such inventories based primarily on the latest invoice prices, estimated costs of completion and current market conditions. In addition, the Group carries out regular inventory review with reference to inventory ageing analysis, management experience and judgement on the expected future saleability of goods and provides necessary allowance if the net realisable value is estimated to be below the cost.

There is allowance for slow-moving inventories of HK\$35,151,000 (2020: HK\$24,288,000) charged to profit or loss during the year ended 31 December 2021. The carrying amount of inventories is HK\$1,456,797,000 (2020: HK\$922,301,000) as at 31 December 2021.

4. 主要不確定估計來源 (續)

存貨撥備

本集團管理層於報告期間結束時審閱存貨賬齡分析，識別不再適合用作生產或銷售的滯銷或陳舊存貨項目。管理層主要根據最近發票價格、估計完成成本及當前市場狀況估計該等存貨的可變現淨值。此外，本集團會參考存貨賬齡分析、管理層經驗及對貨品預期未來適銷性的判斷定期審閱存貨，並於估計可變現淨值將低於成本值時計提必要撥備。

截至二零二一年十二月三十一日止年度，我們就從損益扣除的滯銷存貨35,151,000港元(二零二零年：24,288,000港元)作出撥備。於二零二一年十二月三十一日，存貨賬面值為1,456,797,000港元(二零二零年：922,301,000港元)。



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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

5. REVENUE

The Group's revenue is derived from manufacturing and trading of elastic fabric, lace and elastic webbing in the PRC, Hong Kong, the Socialist Republic of Vietnam ("Vietnam") and the Democratic Socialist Republic of Sri Lanka ("Sri Lanka"), net of discounts and sales related taxes.

(i) Disaggregation of revenue from contracts with customers

Revenue from manufacturing and trading of elastic fabric, lace and elastic webbing are recognised at a point in time.

For the year ended 31 December 2021

Types of goods	貨品類別	Manufacturing and trading of elastic fabric and lace 製造及買賣 彈性織物面料 及蕾絲 HK\$'000 千港元	Manufacturing and trading of elastic webbing 製造及買賣 彈性織帶 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Sales of products	產品銷售			
Elastic Fabric	彈性織物面料			
– Sportswear and apparel	– 運動服裝及服裝	2,438,897	–	2,438,897
– Lingerie	– 女性內衣	1,183,780	–	1,183,780
		3,622,677	–	3,622,677
Lace	蕾絲	89,784	–	89,784
Elastic webbing	彈性織帶	–	1,080,200	1,080,200
		3,712,461	1,080,200	4,792,661

5. 收入

本集團收入來自於中國、香港、越南社會主義共和國（「越南」）及斯里蘭卡民主社會主義共和國（「斯里蘭卡」）製造及買賣彈性織物面料、蕾絲及彈性織帶，扣除折扣及銷售相關稅項。

(i) 來自客戶合約之收入細分

來自製造及買賣彈性織物面料、蕾絲及彈性織帶的收入於即時確認。

截至二零二一年十二月三十一日止年度

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

5. REVENUE (Continued)

(i) Disaggregation of revenue from contracts with customers (Continued)

For the year ended 31 December 2020

5. 收入 (續)

(i) 來自客戶合約之收入細分 (續)

截至二零二零年十二月三十一日止年度

Types of goods	貨品類別	Manufacturing and trading of elastic fabric and lace	Manufacturing and trading of elastic webbing	Total
		製造及買賣彈性織物面料及蕾絲	製造及買賣彈性織帶	
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Sales of products	產品銷售			
Elastic Fabric	彈性織物面料			
– Sportswear and apparel	– 運動服裝及服裝	1,696,016	–	1,696,016
– Lingerie	– 女性內衣	964,910	–	964,910
		2,660,926	–	2,660,926
Lace	蕾絲	84,323	–	84,323
Elastic webbing	彈性織帶	–	749,025	749,025
		2,745,249	749,025	3,494,274



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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

5. REVENUE (Continued)

(ii) Performance obligations for contracts with customers

The Group manufactures and trades the elastic fabric, lace and elastic webbing to the wholesale market.

For manufacturing and trading of elastic fabric, lace and elastic webbing, revenue is recognised when control of the goods has been transferred, being the point in time when the goods have been shipped to the customer's specific location (delivery).

Following the delivery, the customer has full discretion over further processing, the manner of distribution and sales price of the goods and has the primary responsibility when selling the goods and bears the risks of obsolescence and loss in relation to the goods. The normal credit term is 30 to 90 days from the date of issuance of a monthly statement for sale delivered in that month.

The Group applies the practical expedient of HKFRS 15 which allows the Group not to disclose the information of the transaction price allocated to the remaining performance obligation for contract with customers, as the original expected duration of the performance obligation arising from the manufacturing and trading of elastic fabric, lace and elastic webbing are all within one year.

5. 收入 (續)

(ii) 客戶合約之履約責任

本集團製造及於批發市場買賣彈性織物面料、蕾絲及彈性織帶。

就製造及買賣彈性織物面料、蕾絲及彈性織帶而言，收入於貨品控制權轉移，即貨品送達客戶指定地點（交付）的時點確認。

於交付完成後，客戶可全權酌情決定進一步的處理、分銷方式及貨品售價，並承擔銷售貨品之主要責任及貨品報廢及損失之風險。正常信貸期為自出具銷售月份的月結單發出日期起計30日至90日。

本集團應用香港財務報告準則第15號的可行權宜方法，其容許本集團不披露與分配至客戶合約餘下履約責任的交易價有關的資料，原因為源自製造及買賣彈性織物面料、蕾絲及彈性織帶之履約責任的原預期持續期間均在一年內。

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

6. SEGMENT INFORMATION

The financial information reported to executive directors of the Company, being the chief operating decision makers (“**CODM**”), for the purpose of assessment of segment performance and resources allocation focuses on types of goods delivered.

The Group’s operating and reportable segments under HKFRS 8 *Operating Segments* are as follows:

- Manufacturing and trading of elastic fabric and lace

This segment derives its revenue from manufacturing and trading of elastic fabric and lace made from synthetic fibres that are commonly used in high-end knitted lingerie, sportswear and apparel products.

- Manufacturing and trading of elastic webbing

This segment derives its revenue from manufacturing and trading of elastic webbing made from synthetic fibres that are commonly used as shoulder straps, lingerie trims and waistbands.

6. 分部資料

向本公司執行董事（即主要經營決策者（「**主要經營決策者**」））呈報以評估分部表現及資源分配的財務資料專注於交付貨品的類別。

本集團根據香港財務報告準則第8號經營分部的經營及可報告分部如下：

- 製造及買賣彈性織物面料及蕾絲

此分部收入來自製造及買賣合成纖維製造的彈性織物面料及蕾絲，一般用於高級針織女性內衣、運動服裝及服裝產品。

- 製造及買賣彈性織帶

此分部收入來自製造及買賣合成纖維製造的彈性織帶，一般用於肩帶、女性內衣襯邊及腰帶。



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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

6. SEGMENT INFORMATION (Continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segments:

For the year ended 31 December 2021

6. 分部資料 (續)

分部收入及業績

以下為本集團按經營及可報告分部劃分的收入及業績分析：

截至二零二一年十二月三十一日止年度

		Manufacturing and trading of elastic fabric and lace 製造及買賣 彈性織物 面料及蕾絲 HK\$'000 千港元	Manufacturing and trading of elastic webbing 製造及買賣 彈性織帶 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue from external customers	來自外界客戶的分部收入	3,712,461	1,080,200	4,792,661
Segment gross profit	分部毛利	763,743	348,089	1,111,832
Segment profit	分部溢利	327,072	207,991	535,063
Unallocated other income	未分配其他收入			27,542
Unallocated other gains and losses	未分配其他收益及虧損			2,041
Unallocated corporate expenses	未分配企業開支			(50,203)
Share of result of a joint venture	分佔合營企業業績			3,906
Finance costs	融資成本			(61,732)
Profit before taxation	除稅前溢利			456,617

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

6. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

For the year ended 31 December 2020

6. 分部資料 (續)

分部收入及業績 (續)

截至二零二零年十二月三十一日止年度

		Manufacturing and trading of elastic fabric and lace 製造及買賣 彈性織物 面料及蕾絲 HK\$'000 千港元	Manufacturing and trading of elastic webbing 製造及買賣 彈性織帶 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue from external customers	來自外界客戶的 分部收入	2,745,249	749,025	3,494,274
Segment gross profit	分部毛利	604,626	238,734	843,360
Segment profit	分部溢利	257,878	144,798	402,676
Unallocated other income	未分配其他收入			13,576
Unallocated other gains and losses	未分配其他收益及虧損			(25,642)
Unallocated corporate expenses	未分配企業開支			(26,927)
Share of result of a joint venture	分佔合營企業業績			1,983
Finance costs	融資成本			(75,700)
Profit before taxation	除稅前溢利			289,966

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies. Segment profit represents the results of each segment without allocation of corporate items including mainly bank interest income, change in fair value of a derivative financial instrument, net foreign exchange gain (loss), corporate expenses, share of result of a joint venture and finance costs. Corporate expenses include directors' remuneration paid or payable by the Group and certain administrative expenses for corporate function. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

經營及可報告分部的會計政策與本集團會計政策相同。分部溢利指各分部的業績，當中並未分配企業項目，其主要包括銀行利息收入、衍生金融工具公平值變動、外匯收益（虧損）淨額、企業開支、分佔合營企業業績及融資成本。企業開支包括本集團已付或應付董事酬金及用作企業用途的若干行政開支。此乃向主要經營決策者匯報分配資源及評估表現的計量方法。



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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

6. SEGMENT INFORMATION (Continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segment:

As at 31 December 2021

6. 分部資料 (續)

分部資產及負債

以下為本集團按經營及可報告分部劃分的資產及負債分析：

於二零二一年十二月三十一日

		Manufacturing and trading of elastic fabric and lace 製造及買賣 彈性織物 面料及蕾絲 HK\$'000 千港元	Manufacturing and trading of elastic webbing 製造及買賣 彈性織帶 HK\$'000 千港元	Total 總計 HK\$'000 千港元
ASSETS	資產			
Segment assets	分部資產	4,926,126	787,685	5,713,811
Property, plant and equipment	物業、廠房及設備			6,054
Right-of-use assets	使用權資產			18,595
Interest in a joint venture	於合營企業的權益			38,669
Deferred tax assets	遞延稅項資產			5,576
Other receivables, deposits and prepayments	其他應收款項、 按金及預付款項			30,041
Tax recoverables	可收回稅項			4,783
Pledged bank deposits	已抵押銀行存款			121,607
Short term bank deposits	短期銀行存款			163,814
Bank balances and cash	銀行結餘及現金			898,868
Total assets	資產總值			7,001,818
LIABILITIES	負債			
Segment liabilities	分部負債	1,062,375	281,469	1,343,844
Other payables and accrued charges	其他應付款項及 應計費用			46,581
Bank and other borrowings	銀行及其他借款			2,160,404
Lease liabilities	租賃負債			20,208
Tax payables	應繳稅項			46,745
Deferred tax liabilities	遞延稅項負債			9,698
Derivative financial instrument	衍生金融工具			1,092
Total liabilities	負債總額			3,628,572

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6. SEGMENT INFORMATION (Continued)

Segment assets and liabilities (Continued)

As at 31 December 2020

6. 分部資料 (續)

分部資產及負債 (續)

於二零二零年十二月三十一日

		Manufacturing and trading of elastic fabric and lace 製造及買賣 彈性織物 面料及蕾絲 HK\$'000 千港元	Manufacturing and trading of elastic webbing 製造及買賣 彈性織帶 HK\$'000 千港元	Total 總計 HK\$'000 千港元
ASSETS	資產			
Segment assets	分部資產	4,372,162	678,550	5,050,712
Property, plant and equipment	物業、廠房及設備			2,127
Right-of-use assets	使用權資產			13,982
Interest in a joint venture	於合營企業的權益			34,751
Deferred tax assets	遞延稅項資產			5,387
Other receivables, deposits and prepayments	其他應收款項、 按金及預付款項			29,978
Tax recoverables	可收回稅項			10,773
Pledged bank deposits	已抵押銀行存款			77,944
Short term bank deposits	短期銀行存款			8,338
Bank balances and cash	銀行結餘及現金			1,092,855
Total assets	資產總值			6,326,847
LIABILITIES	負債			
Segment liabilities	分部負債	756,218	203,552	959,770
Other payables and accrued charges	其他應付款項及 應計費用			25,713
Bank and other borrowings	銀行及其他借款			2,286,521
Lease liabilities	租賃負債			14,151
Tax payables	應繳稅項			15,351
Deferred tax liabilities	遞延稅項負債			5,758
Derivative financial instrument	衍生金融工具			1,402
Total liabilities	負債總額			3,308,666



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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

6. SEGMENT INFORMATION (Continued)

Segment assets and liabilities (Continued)

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating and reportable segments, other than certain property, plant and equipment and right-of-use assets for corporate use, interest in a joint venture, deferred tax assets, tax recoverables, pledged bank deposits, short term bank deposits, bank balances and cash and certain corporate assets.
- all liabilities are allocated to operating and reportable segments, other than bank and other borrowings, lease liabilities for corporate use, tax payables, deferred tax liabilities, derivative financial instrument and certain corporate liabilities.

6. 分部資料 (續)

分部資產及負債 (續)

為監察分部間的分部表現及資源分配：

- 所有資產均分配至經營及可報告分部，惟用作企業用途的若干物業、廠房及設備及使用權資產、於合營企業的權益、遞延稅項資產、可收回稅項、已抵押銀行存款、短期銀行存款、銀行結餘及現金以及若干公司資產除外。
- 所有負債均分配至經營及可報告分部，惟銀行及其他借款、用作企業用途的租賃負債、應繳稅項、遞延稅項負債、衍生金融工具及若干企業負債除外。

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6. SEGMENT INFORMATION (Continued)

Other segment information

For the year ended 31 December 2021

6. 分部資料 (續)

其他分部資料

截至二零二一年十二月三十一日止年度

		Manufacturing and trading of elastic fabric and lace 製造及買賣 彈性織物 面料及蕾絲 HK\$'000 千港元	Manufacturing and trading of elastic webbing 製造及買賣 彈性織帶 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Amounts included in the measure of segment profit or segment assets:	計量分部溢利或分部資產時計入的金額：				
Additions of property, plant and equipment	添置物業、廠房及設備	191,828	33,151	5,650	230,629
Additions of right-of-use assets	添置使用權資產	93,229	4,324	8,924	106,477
Depreciation of property, plant and equipment	物業、廠房及設備折舊	267,666	64,583	1,723	333,972
Depreciation of right-of-use assets	使用權資產折舊	19,741	6,637	4,311	30,689
Impairment losses under ECL model, net of reversal	預期信貸虧損模式項下減值虧損(扣除撥回)	11,204	763	-	11,967
Allowance for slow-moving inventories	滯銷存貨撥備	33,940	1,211	-	35,151



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6. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

For the year ended 31 December 2020

6. 分部資料 (續)

其他分部資料 (續)

截至二零二零年十二月三十一日止年度

		Manufacturing and trading of elastic fabric and lace 製造及買賣 彈性織物 面料及蕾絲 HK\$'000 千港元	Manufacturing and trading of elastic webbing 製造及買賣 彈性織帶 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Amounts included in the measure of segment profit or segment assets:	計量分部溢利或分部資產時計入的金額：				
Additions of property, plant and equipment	添置物業、廠房及設備	253,320	34,697	2,876	290,893
Additions of right-of-use assets	添置使用權資產	10,240	18,300	15,131	43,671
Depreciation of property, plant and equipment	物業、廠房及設備折舊	243,484	64,943	301	308,728
Depreciation of right-of-use assets	使用權資產折舊	15,125	5,842	2,321	23,288
Impairment losses under ECL model, net of reversal	預期信貸虧損模式項下減值虧損(扣除撥回)	4,114	2,168	-	6,282
Allowance for slow-moving inventories	滯銷存貨撥備	22,284	2,004	-	24,288

Other than the segment information disclosed above, there was no other information reviewed by the CODM for both years.

除上文披露的分部資料外，主要經營決策者概無審閱兩個年度的其他資料。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

6. SEGMENT INFORMATION (Continued)

Geographical information

The Group's operations are located in Mainland China, Hong Kong, Vietnam, Sri Lanka and the United States of America. The Group's revenue from external customers based on the location of the customers are detailed below:

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Hong Kong	香港	989,605	774,633
Mainland China	中國內地	961,213	754,424
Sri Lanka	斯里蘭卡	909,576	542,144
Vietnam	越南	423,498	332,264
South Korea	南韓	328,232	177,954
Taiwan	台灣	322,406	246,466
Indonesia	印尼	157,547	84,267
Macau	澳門	136,328	86,184
Bangladesh	孟加拉	113,473	69,670
Others	其他	450,783	426,268
		4,792,661	3,494,274

Non-current assets (excluding financial assets and deferred tax assets) by geographical location of assets are detailed below:

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Mainland China	中國內地	1,822,655	1,759,666
Vietnam	越南	883,533	925,058
Sri Lanka	斯里蘭卡	606,209	592,042
Hong Kong	香港	35,208	23,088
		3,347,605	3,299,854

6. 分部資料 (續)

地區資料

本集團業務位於中國內地、香港、越南、斯里蘭卡及美國。本集團來自外界客戶的收入乃根據客戶所在地區劃分，詳情如下：

按資產所在地區劃分的非流動資產（不包括金融資產及遞延稅項資產）詳情如下：



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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

6. SEGMENT INFORMATION (Continued)

Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group for the years ended 31 December 2021 and 2020 are as follows:

6. 分部資料 (續)

有關主要客戶的資料

於截至二零二一年及二零二零年十二月三十一日止年度，貢獻本集團總收入逾10%的客戶收入如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Revenue from manufacturing and trading of elastic fabric and lace	來自製造及買賣彈性織物面料及蕾絲的收入		
– customer A	– 客戶甲	441,546	396,363
– customer B	– 客戶乙	616,527	400,151
Revenue from manufacturing and trading of elastic webbing	來自製造及買賣彈性織帶的收入		
– customer A	– 客戶甲	112,103	79,779
– customer B	– 客戶乙	54,479	25,560

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

7. OTHER INCOME

7. 其他收入

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Government grants (Note)	政府補助金 (附註)	12,250	13,036
Compensation income from customers	來自客戶的賠償收入	1,284	11,584
Bank interest income	銀行利息收入	21,850	8,238
Net proceeds from sales of scrap materials	銷售廢料所得款項淨額	4,404	5,547
Gain from bargain purchase from acquisition of a business (Note 33)	收購一項業務的議價收購收益 (附註33)	3,900	-
Others	其他	7,006	5,401
		50,694	43,806

Note:

The amount includes HK\$9,367,000 (2020: HK\$11,247,000) unconditional government grants received during the year ended 31 December 2021. During the year ended 31 December 2021, the Group also received government grants of HK\$1,473,000 (2020: HK\$13,370,000) in relation to purchase of equipment.

Government grants in relation to purchase of equipment received in current and prior years of similar nature are deferred and are released to other income over the useful lives of the related equipment. Amounts of HK\$2,883,000 (2020: HK\$1,789,000) were recognised in profit or loss during the year ended 31 December 2021. As at 31 December 2021, amounts of HK\$15,390,000 (2020: HK\$16,340,000) remained to be released and are included in deferred income in the consolidated statement of financial position.

附註：

有關金額包括截至二零二一年十二月三十一日止年度的已收無條件政府補助金9,367,000港元(二零二零年：11,247,000港元)。於截至二零二一年十二月三十一日止年度，本集團亦就購買設備收取政府補助金1,473,000港元(二零二零年：13,370,000港元)。

於本年度及過往年度收到的有關設備採購之具有類似性質的政府補助金均屬遞延，按有關設備的可使用年期轉撥至其他收入。截至二零二一年十二月三十一日止年度，已於損益確認金額2,883,000港元(二零二零年：1,789,000港元)。於二零二一年十二月三十一日，15,390,000港元(二零二零年：16,340,000港元)仍有待解除，並於綜合財務狀況表計入遞延收入。



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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

8. OTHER GAINS AND LOSSES

8. 其他收益及虧損

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
(Loss) gain on disposal of property, plant and equipment	出售物業、廠房及設備(虧損)收益	(135)	72
Change in fair value of derivative financial instrument (Note 29)	衍生金融工具公平值變動(附註29)	310	1
Net foreign exchange gain (loss)	外匯收益(虧損)淨額	1,731	(26,327)
Others	其他	-	537
		1,906	(25,717)

9. FINANCE COSTS

9. 融資成本

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Interests on:	下列各項的利息：		
Bank borrowings	銀行借款	58,936	74,313
Other borrowing	其他借款	1,002	759
Lease liabilities	租賃負債	6,283	5,131
		66,221	80,203
Less: amounts capitalised in the cost of qualifying assets	減：合資格資產成本之資本化金額	(4,489)	(4,503)
		61,732	75,700

Borrowing costs capitalised during the year ended 31 December 2021 arose on the general borrowing pool and are calculated by applying a capitalisation rate of 2.05% (2020: 2.20%) per annum to expenditure on qualifying assets.

截至二零二一年十二月三十一日止年度，來自一般借款組合的資本化借款成本乃就合資格資產的支出按資本化年率2.05%（二零二零年：2.20%）計算。

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10. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

The remuneration paid or payable to the directors and chief executive officer ("CEO") of the Company was as follows:

10. 董事及主要行政人員酬金

已付或應付本公司董事及行政總裁（「行政總裁」）的酬金如下：

		Executive Directors 執行董事					Independent non-executive Directors 獨立非執行董事					Total
		Mr. Lu 盧先生	Mr. Zhang Haitao (CEO) 張海濤先生	Mr. Wu Shaolun 吳少倫先生	Ms. Zheng Tingting 鄭婷婷女士	Mr. Chan Yiu Sing 陳耀星先生*	Mr. Lu Libin 盧立彬先生*	Mr. Cheung Yat Ming 張一鳴先生	Mr. Ding Baoshan 丁寶山先生	Mr. Sai Chun Yu 余振宇先生	Mr. Kuo Dah Chih 郭大熾先生	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
For the year ended	截至二零二一年											
31 December	十二月三十一日											
2021	止年度											
Fee	袍金	-	-	-	-	-	300	200	83	148	731	
Salaries and allowances	薪金及津貼	3,623	4,916	3,136	2,351	2,281	1,493	-	-	-	-	17,800
Discretionary performance bonus [#]	酌情表現花紅 [#]	6,000	-	3,500	4,000	3,000	2,000	-	-	-	-	18,500
Contributions to retirement benefits schemes	退休福利計劃供款	60	27	60	18	18	29	-	-	-	-	212
		9,683	4,943	6,696	6,369	5,299	3,522	300	200	83	148	37,243
For the year ended	截至二零二零年											
31 December	十二月三十一日											
2020	止年度											
Fee	袍金	-	-	-	-	N/A 不適用	N/A 不適用	300	200	200	N/A 不適用	700
Salaries and allowances	薪金及津貼	2,949	3,561	2,550	1,903	N/A 不適用	N/A 不適用	-	-	-	N/A 不適用	10,963
Discretionary performance bonus [#]	酌情表現花紅 [#]	5,000	-	3,000	3,500	N/A 不適用	N/A 不適用	-	-	-	N/A 不適用	11,500
Contributions to retirement benefits schemes	退休福利計劃供款	50	23	50	18	N/A 不適用	N/A 不適用	-	-	-	N/A 不適用	141
		7,999	3,584	5,600	5,421	N/A 不適用	N/A 不適用	300	200	200	N/A 不適用	23,304

[#] Executive directors of the Company are entitled to discretionary performance bonus which are determined by the remuneration committee of the Company with reference to market conditions and financial performance of the Group.

^{*} Mr. Chan Yiu Sing and Mr. Lu Libin were appointed as the executive directors of the Company on 10 February 2021. Mr. Kuo Dah Chih was appointed as the independent non-executive director of the Company on 28 May 2021.

[#] 本公司執行董事有權收取酌情表現花紅，其乃由本公司薪酬委員會經參考市場條件及本集團的財務表現釐定。

^{*} 陳耀星先生及盧立彬先生於二零二一年二月十日獲委任為本公司執行董事。郭大熾先生於二零二一年五月二十八日獲委任為獨立非執行董事。

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10. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

(Continued)

The executive directors' remuneration shown above were mainly for their services in connection with the management of the affairs of the Company and the Group.

The independent non-executive directors' remuneration shown above were mainly for their services as directors of the Company.

During the years ended 31 December 2021 and 2020, no remuneration was paid by the Group to the directors or chief executive of the Company as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors or chief executive of the Company has waived any remuneration during both years.

10. 董事及主要行政人員酬金 (續)

上表所示執行董事酬金主要涉及彼等有關本公司及本集團事務管理的服務。

上表所示獨立非執行董事酬金主要涉及彼等擔任本公司董事所提供的服務。

於截至二零二一年及二零二零年十二月三十一日止年度，本集團概無向本公司董事或主要行政人員支付任何酬金，作為招攬加盟或於加盟本集團時的獎勵或作為離職補償。於兩個年度期間，概無本公司董事或主要行政人員放棄任何酬金。

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11. EMPLOYEES' REMUNERATION

During the years ended 31 December 2021 and 2020, the five individuals with the highest remuneration in the Group include five (2020: four) directors of the Company. The remuneration of the remaining is individual, which was individually within the range of HK\$3,000,001 to HK\$3,500,000 in 2020, was as follows:

		2020 二零二零年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	1,882
Discretionary performance bonus [#]	酌情表現花紅 [#]	1,250
Contributions to retirement benefits schemes	退休福利計劃供款	18
		<hr/> 3,150

[#] The discretionary performance bonus is determined by the board of directors of the Company with reference to market conditions and financial performance of the Group.

During the years ended 31 December 2021 and 2020, no remuneration was paid by the Group to the five highest paid individual as an inducement to join or upon joining the Group or as compensation for loss of office.

11. 僱員薪酬

於截至二零二一年及二零二零年十二月三十一日止年度，本集團五名最高薪酬人士包括本公司五名（二零二零年：四名）董事。餘下人士於二零二零年的薪酬個別介乎3,000,001港元至3,500,000港元，載列如下：

	2020 二零二零年 HK\$'000 千港元
Salaries and allowances	1,882
Discretionary performance bonus [#]	1,250
Contributions to retirement benefits schemes	18
	<hr/> 3,150

[#] 酌情表現花紅乃由本公司董事會參考市場狀況及本集團財務表現釐定。

於截至二零二一年及二零二零年十二月三十一日止年度，本集團概無向五名最高薪酬人士支付任何薪酬，作為招攬加盟或於加盟本集團時的獎勵或作為離職補償。



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12. PROFIT BEFORE TAXATION

12. 除稅前溢利

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Profit before taxation has been arrived at after charging (crediting):	除稅前溢利已扣除(計入)下列各項:		
Auditors' remuneration	核數師酬金	2,510	2,437
Staff costs	員工成本		
Directors' remuneration	董事酬金	37,243	23,304
Other staff costs	其他員工成本		
– salaries and other benefits	– 薪金及其他福利	820,997	605,392
– contributions to retirement benefits schemes	– 退休福利計劃供款	60,464	32,347
		918,704	661,043
Depreciation of property, plant and equipment	物業、廠房及設備折舊	333,972	308,728
Depreciation of right-of-use assets	使用權資產折舊	30,689	23,288
Depreciation capitalised in inventories	於存貨的資本化折舊	(288,210)	(269,337)
		76,451	62,679
Cost of inventories recognised as an expense (Note)	確認為開支的存貨成本(附註)	3,680,829	2,650,914

Note: The amount includes allowance for slow-moving inventories of HK\$35,151,000 (2020: 24,288,000) for the year ended 31 December 2021.

附註：該金額包括截至二零二一年十二月三十一日止年度滯銷存貨撥備35,151,000港元(2020：24,288,000港元)。

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13. INCOME TAX EXPENSE

13. 所得稅開支

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Current tax:	即期稅項：		
Hong Kong Profits Tax	香港利得稅	34,724	6,814
The PRC Enterprise Income Tax ("EIT")	中國企業所得稅 (「企業所得稅」)	13,965	24,551
Withholding tax on dividends from subsidiaries	附屬公司股息之 預扣稅	943	8,147
Income tax in other jurisdictions	其他司法權區所得稅	193	60
Under provision in prior years:	過往年度撥備不足：		
Hong Kong Profits Tax	香港利得稅	1,783	3,021
The PRC EIT	中國企業所得稅	784	533
		52,392	43,126
Deferred taxation (Note 30)	遞延稅項 (附註30)	2,879	(2,353)
		55,271	40,773

Under the two-tiered profits tax rates regime of the Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

根據香港利得稅的利得稅兩級制，合資格集團實體的首2百萬港元溢利將按8.25%的稅率徵稅，而超過2百萬港元的溢利將按16.5%的稅率徵稅。不符合該利得稅兩級制資格的集團實體之溢利將繼續按16.5%之劃一稅率徵稅。因此，合資格集團實體首2百萬港元的估計應課稅溢利按8.25%及超過2百萬港元的估計應課稅溢利按16.5%計算香港利得稅。



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13. 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 companies is 25% for both years ended 31 December 2021 and 2020, unless there is any applicable preferential tax treatment.

The Company's subsidiaries, Dongguan Best Pacific Textile Company Limited (“Dongguan BPT”) and Dongguan New Horizon Elastic Fabric Company Limited (“Dongguan NHE”), had obtained the qualification as high and new technology enterprises since 2010 and 2016, respectively, which were renewed for an additional three years from the year ended 31 December 2019. Hence, Dongguan BPT and Dongguan NHE had been subject to the preferential tax treatment and the applicable tax rate for the years ended 31 December 2021 and 2020 was 15%.

Withholding tax on dividends was calculated at 5% of the estimated dividends to be received from the subsidiaries in the PRC during the year.

13. 所得稅開支 (續)

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法的實施細則，除非有任何其他適用優惠稅率待遇，否則中國公司於截至二零二一年及二零二零年十二月三十一日止兩個年度的稅率為25%。

本公司的附屬公司東莞超盈紡織有限公司(「東莞超盈」)及東莞潤信彈性織物有限公司(「東莞潤信」)分別自二零一零年及二零一六年起獲得高新技術企業資格，有效期已自截至二零一九年十二月三十一日止年度額外延長三年。因此，東莞超盈及東莞潤信享有優惠稅率待遇，於截至二零二一年及二零二零年十二月三十一日止年度的適用稅率為15%。

股息的預扣稅乃按年內將自中國附屬公司收取之估計股息的5%計算。

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13. INCOME TAX EXPENSE (Continued)

Pursuant to the relevant Vietnam Enterprises Income Tax rules and regulations, the applicable tax rate for the subsidiary operating in Vietnam is 20%. The subsidiary in Vietnam is eligible for a tax holiday for two financial years since the first financial year of taxable profits and a tax concession at a tax rate of 10% for the following four financial years. With the new incentive in place during the year ended 31 December 2018 and by fulfilling certain stated requirements as set by the Ministry of Industry and Trade, the subsidiary in Vietnam had been eligible for a tax holiday for four financial years since 2018, a tax concession at a tax rate of 5% for the following nine financial years and a tax concession at a tax rate of 10% for the next following two financial years.

Pursuant to the Inland Revenue (Amendment) Act, No. 10 of 2021 in Sri Lanka, the applicable tax rate for the subsidiaries operating in Sri Lanka is 24% for both years ended 31 December 2021 and 2020. By fulfilling certain export requirements as set by the Board of Investment of Sri Lanka, the subsidiaries of the Group in Sri Lanka had enjoyed a preferential tax rate of 14% for the years ended 31 December 2021 and 2020. In addition, one of these subsidiaries is currently eligible for a tax holiday till the year ending 31 December 2024.

Taxation arising in any other jurisdiction is calculated at the rate prevailing in the relevant jurisdiction.

13. 所得稅開支 (續)

根據相關越南企業所得稅規則及規例，於越南營運之附屬公司的適用稅率為20%。越南附屬公司於首個錄得應課稅溢利的財政年度起合資格享有兩個財政年度的稅項豁免，及於其後四個財政年度享有稅率10%的稅務優惠。於截至二零一八年十二月三十一日止年度獲授新的優惠並滿足若干工貿部制定的要求後，越南附屬公司自二零一八年起合資格享有四個財政年度的稅項豁免，及於其後九個財政年度享有稅率5%的稅務優惠，以及於接下來的兩個財政年度享有稅率10%的稅務優惠。

根據斯里蘭卡國內稅收(經修訂)法(二零二一年第10號)，於斯里蘭卡營運之附屬公司於截至二零二一年及二零二零年十二月三十一日止兩個年度的適用稅率為24%。本集團於斯里蘭卡的附屬公司藉由滿足斯里蘭卡投資局制定的若干出口要求而於截至二零二一年及二零二零年十二月三十一日止年度享有14%的優惠稅率。此外，其中一間附屬公司現享有稅項豁免直至截至二零二四年十二月三十一日止年度為止。

其他司法權區之稅項乃按有關司法權區當時之稅率計算。



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13. INCOME TAX EXPENSE (Continued)

Income tax expense (credit) for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

13. 所得稅開支 (續)

本年度所得稅開支(抵免)可與綜合損益及其他全面收益表的除稅前溢利對賬，載列如下：

		Hong Kong		The PRC		Others		Total	
		香港		中國		其他		總計	
		2021	2020	2021	2020	2021	2020	2021	2020
		二零二一年	二零二零年	二零二一年	二零二零年	二零二一年	二零二零年	二零二一年	二零二零年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Profit before taxation	除稅前溢利	225,453	66,855	137,560	168,308	93,604	54,803	456,617	289,966
Taxation at the domestic income tax rate	按國內所得稅率計算的稅項	37,200	11,031	34,390	42,077	19,632	13,013	91,222	66,121
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	1,872	2,409	5,616	3,145	6,620	2,168	14,108	7,722
Tax effect of income not taxable for tax purpose	毋須課稅收入的稅務影響	(3,205)	(1,734)	-	-	(3,431)	(60)	(6,636)	(1,794)
Tax effect of share of result of a joint venture	分佔合營企業業績的稅務影響	(645)	(327)	-	-	-	-	(645)	(327)
Tax effect of estimated tax losses not recognised	未確認估計稅項虧損的稅務影響	31	3,873	371	-	6,050	5,140	6,452	9,013
Utilisation of tax losses previously not recognised	動用先前未確認的稅項虧損	(9)	-	(131)	-	(11,167)	-	(11,307)	-
Tax effect on deferred tax liabilities resulting from withholding tax on undistributed profits of subsidiaries	附屬公司未分派溢利之預扣稅對遞延稅項負債的稅務影響	-	-	1,908	(5,640)	273	465	2,181	(5,175)
Withholding tax on dividends from subsidiaries	附屬公司股息之預扣稅	-	-	943	8,147	-	-	943	8,147
Under provision in prior years	過往年度撥備不足	1,783	3,021	784	533	-	-	2,567	3,554
Effect of tax concession	稅務優惠的影響	(165)	(165)	(28,814)	(24,959)	(14,635)	(21,364)	(43,614)	(46,488)
Income tax expense (credit) for the year	本年度所得稅開支(抵免)	36,862	18,108	15,067	23,303	3,342	(638)	55,271	40,773

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14. DIVIDENDS

14. 股息

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Dividends for ordinary shareholders of the Company recognised as distribution during the year:	年內確認分派的本公司普通股股東之股息：		
2021 Interim dividend – HK7.5 cents (2020: nil) per share	二零二一年中期股息 – 每股7.5港仙 (二零二零年：無)	77,985	–
2020 Final dividend – HK7.4 cents (2020: 2019 Final dividend HK5.8 cents) per share	二零二零年末期股息 – 每股7.4港仙 (二零二零年：二零一九年末期股息每股5.8港仙)	76,946	60,309
		154,931	60,309

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2021 of HK11.8 cents per ordinary share (approximately HK\$122.7 million in aggregate) has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting.

於報告期間結束後，本公司董事已建議截至二零二一年十二月三十一日止年度之末期股息為每股普通股11.8港仙（合共約122.7百萬港元），惟須於應屆股東大會上取得股東批准。

15. EARNINGS PER SHARE

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

15. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃根據以下數據計算：

		2021 二零二一年	2020 二零二零年
Earnings	盈利		
Earnings for the purposes of the basic earnings per share (profit for the year attributable to owners of the Company) (HK\$'000)	就每股基本盈利而言的盈利 (本公司擁有人應佔年度溢利) (千港元)	401,794	257,769
Number of shares	股份數目		
Number of ordinary shares for the purpose of basic earnings per share	就每股基本盈利而言的普通股數目	1,039,808,000	1,039,808,000

No diluted earnings per share for both years ended 31 December 2021 and 2020 were presented as there was no potential ordinary shares in issue for both years.

於截至二零二一年及二零二零年十二月三十一日止兩個年度，並無呈列每股攤薄盈利，由於兩個年度並無發行潛在普通股。



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16. PROPERTY, PLANT AND EQUIPMENT 16. 物業、廠房及設備

		Buildings	Computer and office equipment 電腦及辦公室設備	Motor vehicles 汽車	Machinery 機器	Construction in progress 在建工程	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
COST	成本						
At 31 December 2019	於二零一九年十二月三十一日	1,122,374	106,053	72,214	2,533,332	307,647	4,141,620
Exchange adjustments	匯兌調整	47,843	3,541	3,865	113,131	9,925	178,305
Additions	添置	14,064	13,121	2,051	160,665	100,992	290,893
Transfer upon completion	完成時轉撥	51,564	882	-	267,215	(319,661)	-
Disposals	出售	-	(1,053)	(305)	(4,671)	-	(6,029)
At 31 December 2020	於二零二零年十二月三十一日	1,235,845	122,544	77,825	3,069,672	98,903	4,604,789
Exchange adjustments	匯兌調整	23,146	1,565	1,864	52,185	3,430	82,190
Additions	添置	8,204	14,286	639	67,887	139,613	230,629
Acquisition of business (Note 33)	收購業務 (附註33)	-	3,471	-	20,248	-	23,719
Transfer upon completion	完成時轉撥	184,559	-	-	-	(184,559)	-
Disposals	出售	-	(3,950)	(1,854)	(17,299)	-	(23,103)
At 31 December 2021	於二零二一年十二月三十一日	1,451,754	137,916	78,474	3,192,693	57,387	4,918,224
ACCUMULATED DEPRECIATION	累計折舊						
At 31 December 2019	於二零一九年十二月三十一日	191,706	40,748	39,764	975,500	-	1,247,718
Exchange adjustments	匯兌調整	12,902	2,207	2,284	62,179	-	79,572
Provided for the year	年度撥備	53,358	17,918	5,048	232,404	-	308,728
Eliminated on disposals	出售時對銷	-	(1,023)	(199)	(309)	-	(1,531)
At 31 December 2020	於二零二零年十二月三十一日	257,966	59,850	46,897	1,269,774	-	1,634,487
Exchange adjustments	匯兌調整	6,772	1,090	1,186	31,076	-	40,124
Provided for the year	年度撥備	66,954	19,236	6,290	241,492	-	333,972
Eliminated on disposals	出售時對銷	-	(3,531)	(1,589)	(10,594)	-	(15,714)
At 31 December 2021	於二零二一年十二月三十一日	331,692	76,645	52,784	1,531,748	-	1,992,869
CARRYING AMOUNTS	賬面值						
At 31 December 2020	於二零二零年十二月三十一日	977,879	62,694	30,928	1,799,898	98,903	2,970,302
At 31 December 2021	於二零二一年十二月三十一日	1,120,062	61,271	25,690	1,660,945	57,387	2,925,355

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16. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment, except for construction in progress, are depreciated on its cost less their residual values on a straight-line basis at the following useful life or rates per annum:

Buildings	Over the shorter of the term of the lease or 20 to 25 years
Computer and office equipment	20%-50%
Motor vehicles	10%-20%
Machinery	6%-20%

17. RIGHT-OF-USE ASSETS

16. 物業、廠房及設備 (續)

上述物業、廠房及設備項目(在建工程除外)乃按其成本減餘值採用直線法按以下可使用年期或年率折舊:

樓宇	租期或20至25年 (以較短者為準)
電腦及辦公室設備	20%-50%
汽車	10%-20%
機器	6%-20%

17. 使用權資產

		Leasehold land 租賃土地 HK\$'000 千港元	Leased properties 租賃物業 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2021	於二零二一年十二月三十一日			
Carrying amount	賬面值	185,468	164,908	350,376
At 31 December 2020	於二零二零年十二月三十一日			
Carrying amount	賬面值	185,598	86,511	272,109
For the year ended 31 December 2021	截至二零二一年十二月三十一日止年度			
Depreciation charge	折舊費用	6,471	24,218	30,689
For the year ended 31 December 2020	截至二零二零年十二月三十一日止年度			
Depreciation charge	折舊費用	6,093	17,195	23,288
			2021	2020
			二零二一年	二零二零年
			HK\$'000	HK\$'000
			千港元	千港元
Expense relating to short term leases	與短期租賃有關的開支		7,207	8,929
Total cash outflow for leases	租賃現金流出總額		25,093	36,331
Additions to right-of-use assets	添置使用權資產		106,477	43,671



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17. RIGHT-OF-USE ASSETS (Continued)

For both years, the Group leased various offices premises, staff quarters, warehouses and leasehold land for its operations. The lease terms of leasehold land used for factories ranged from 40 to 99 years. A lease for a piece of land used for warehouse was negotiated for a term of 40 years. The lease terms of factory premises were negotiated for terms of 3 years. Lease for office premises, warehouse and staff quarters were entered into for fixed term of 2 to 6 years (2020: 2 to 5 years). Lease terms were negotiated on an individual basis and contained a wide range of different terms and condition. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

In addition to the leases mentioned above, the Group regularly entered into short term leases for staff quarters, warehouses, office premises, motor vehicles and machinery and equipment. As at 31 December 2021 and 2020, the portfolio of short term leases is similar to the portfolio of short term leases to which the short term leases expense disclosed above.

17. 使用權資產 (續)

於該兩個年度，本集團為其營運租賃多項辦公室物業、員工宿舍、倉庫及租賃土地。作廠房用途之租賃土地的租賃期介乎40至99年。一塊作倉庫用途之土地的租約租期協定為40年。廠房物業的租約租期協定為3年。辦公室物業、倉庫及員工宿舍的租約訂立固定租期2至6年（二零二零年：2至5年）。租賃期乃按個別基準協定，且包含多種不同條款及條件。於釐定租期及評估不可撤回期間的長度時，本集團應用合約的定義並釐定合約可強制執行的期間。

除了上述的租賃，本集團定期就員工宿舍、倉庫及辦公室物業、汽車和機器及設備訂立短期租賃。於二零二一年及二零二零年十二月三十一日，短期租賃組合與上文披露的短期租賃開支之短期租賃組合相似。

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18. INTEREST IN A JOINT VENTURE

Details of the Group's interest in a joint venture are as follows:

		2021	2020
		二零二一年	二零二零年
		HK\$'000	HK\$'000
		千港元	千港元
Cost of interest in a joint venture	於合營企業的權益之成本		
Unlisted	非上市	15,434	15,434
Share of post-acquisition profits and other comprehensive income, net of dividends received	分佔收購後溢利及其他全面收益 (經扣除已收取股息)	23,235	19,317
		38,669	34,751

18. 於合營企業的權益

本集團於合營企業的權益詳情如下：

Details of the Group's joint venture at the end of the reporting period are as follows:

於報告期間結束時，本集團合營企業之詳情如下：

Name of entity	Form of entity	Place of incorporation/ registration	Principal place of operation	Proportion of ownership class of shares held	Proportion of interest held by the Group (Note)		Voting rights held by the Group (Note)		Principal activity
					二零二一年	二零二零年	二零二一年	二零二零年	
實體名稱	實體類型	註冊成立/ 註冊地點	主要營業地點	所持股份類別 所有權比例	本集團持有之權益比例 (附註)	本集團持有之投票權 (附註)	本集團持有之投票權 (附註)	主要業務	
Charming Elastic Fabric Company Limited ("Charming Elastic")	Limited Liability Company 有限公司	Hong Kong 香港	Hong Kong 香港	Ordinary 普通股	51%	51%	60%	60%	Trading of elastic webbing and investment holding 買賣彈性織帶及投資控股
綉麗橡根帶織品有限公司 〔綉麗橡根帶〕									



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18. INTEREST IN A JOINT VENTURE

(Continued)

Note: On 4 November 2015, the Group acquired 40% equity interest in Charming Elastic from an independent third party at a cash consideration of HK\$10,000,000. Charming Elastic also owns 100% equity interest in Jiangxi Charming Elastic Mfg. Co. Ltd, which is engaged in manufacturing of elastic webbing in the PRC.

Pursuant to the shareholders' agreement entered into among a wholly owned subsidiary of the Company, the other shareholder of Charming Elastic who by then held 60% equity interest in Charming Elastic and Charming Elastic on the same date (the "**Charming Elastic Shareholders' Agreement**"), the shareholder who holds more than 50% equity interest in Charming Elastic (the "**Majority Shareholder**") and the Group were entitled to appoint or remove three and two directors out of the five directors at the board of directors of Charming Elastic respectively.

The shareholders of Charming Elastic (the Majority Shareholder and the Group) had also contractually agreed sharing control over Charming Elastic, as certain decisions about the relevant activities, including but not limited to business, financial and operational matters of Charming Elastic, require unanimous consents from at least two directors appointed by the Majority Shareholder and one director appointed by the Group. Accordingly, the Group has joint control over Charming Elastic and the investment in equity interest in Charming Elastic is accounted for as an interest in a joint venture.

The Charming Elastic Shareholders' Agreement also involves terms that granted rights to the Group to purchase additional equity interest in Charming Elastic and rights to the other shareholder of Charming Elastic to exercise to sell equity interest of Charming Elastic to the Group, accordingly, the Group recognised derivative financial assets and liabilities since the date of acquisition of Charming Elastic at the consolidated statement of financial position (details as set out in Note 29).

18. 於合營企業的權益 (續)

附註：於二零一五年十一月四日，本集團以現金代價10,000,000港元自獨立第三方收購綉麗橡根帶的40%股權。綉麗橡根帶亦擁有Jiangxi Charming Elastic Mfg. Co. Ltd (其於中國從事製造彈性織帶) 100%的股權。

根據本公司之全資附屬公司、綉麗橡根帶的另一位股東(彼當時持有綉麗橡根帶60%的股權)以及綉麗橡根帶於同日訂立的股東協議(「**綉麗橡根帶股東協議**」)，持有綉麗橡根帶股權50%以上的股東(「**主要股東**」)及本集團分別有權委任或罷免綉麗橡根帶董事會五位董事中的三位及兩位董事。

綉麗橡根帶的股東(主要股東及本集團)亦已訂約同意共享綉麗橡根帶的控制權，因為有關活動(包括但不限於綉麗橡根帶的業務、財務或營運事宜)的若干決定須經由主要股東委任的至少兩位董事及由本集團委任的一位董事一致同意。因此，本集團對綉麗橡根帶擁有共同控制權及於綉麗橡根帶股權的投資入賬列為於合營企業的權益。

綉麗橡根帶股東協議亦涉及授予本集團權利增購綉麗橡根帶股權及授予綉麗橡根帶另一位股東權利以向本集團出售綉麗橡根帶股權的條款，因此，本集團自收購綉麗橡根帶日期起於綜合財務狀況表確認衍生金融資產及負債(詳情載於附註29)。

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18. INTEREST IN A JOINT VENTURE

(Continued)

Summarised financial information of Charming Elastic, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

18. 於合營企業的權益 (續)

綉麗橡根帶之財務資料概要(已就會計政策之任何差異做出調整)與綜合財務報表內之賬面值對賬披露如下:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
At 31 December	於十二月三十一日		
Current assets	流動資產	55,336	39,554
Non-current assets	非流動資產	15,506	17,132
Current liabilities	流動負債	(15,930)	(7,734)
Equity	權益	(54,912)	(48,952)
For the year ended 31 December	截至十二月三十一日止年度		
Revenue	收入	80,671	49,639
Profit for the year	年度溢利	7,659	3,889
Other comprehensive income	其他全面收益	1,801	2,666
Total comprehensive income	全面收益總額	9,460	6,555
Dividend received from the joint venture during the year	年內已收合營企業股息	906	-
Reconciliation of the above summarised financial information to the carrying amount of the Group's interest in the joint venture recognised in the consolidated financial statements:	上述財務資料概要與於綜合財務報表中確認的本集團於合營企業的權益之賬面值對賬載列如下:		
Net assets of Charming Elastic Group's effective interest	綉麗橡根帶之資產淨值 本集團之實際權益	54,912 51%	48,952 51%
Group's share of Charming Elastic's net assets	本集團所佔綉麗橡根帶之資產淨值	28,005	24,965
Other adjustment	其他調整	878	-
Goodwill	商譽	9,786	9,786
Carrying amount of the Group's interest in Charming Elastic	本集團所佔綉麗橡根帶權益之賬面值	38,669	34,751



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19. INVENTORIES

19. 存貨

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Raw materials	原材料	542,365	317,102
Work in progress	在製品	570,960	344,730
Finished goods	製成品	343,472	260,469
		1,456,797	922,301

20. TRADE AND BILLS RECEIVABLES

20. 貿易應收款項及應收票據

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Trade receivables	貿易應收款項	845,799	806,166
Less: Allowance for credit losses	減：信貸虧損撥備	(24,636)	(12,669)
Total trade receivables	貿易應收款項總額	821,163	793,497
Bills receivables	應收票據	28,267	14,401
Total trade and bills receivables	貿易應收款項及 應收票據總額	849,430	807,898

As at 1 January 2020, trade receivables from contracts with customers amounted to HK\$720,048,000.

Trade receivables from third parties mainly represent receivables from customers in relation to the sales of elastic fabric, lace and elastic webbing. The credit period granted to the customers ranges from 30 to 90 days from the date of issuance of a monthly statement with respect to sales delivered in the particular month.

於二零二零年一月一日，來自客戶合約的貿易應收款項為720,048,000港元。

應收第三方貿易款項主要是與出售彈性織物面料、蕾絲及彈性織帶有關的應收客戶款項。授予客戶的信貸期為自出具特定銷售月份的月結單發出日期起計30至90日。

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20. TRADE AND BILLS RECEIVABLES

(Continued)

The following ageing analysis of trade receivables, net of credit loss allowance, is presented based on the date of issuance of monthly statements at the end of each reporting period and the ageing analysis of bills receivables is presented based on the date of issuance of the bills at the end of each reporting period.

20. 貿易應收款項及應收票據 (續)

以下為於各報告期結束時貿易應收款項扣除信貸虧損撥備按月結單發出日期呈列的賬齡分析及於各報告期結束時應收票據按發單日期呈列的賬齡分析。

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Trade receivables	貿易應收款項		
0 – 90 days	0 – 90 日	765,207	740,517
91 – 180 days	91 – 180 日	49,914	42,756
Over 180 days	超過180 日	6,042	10,224
		821,163	793,497
Bills receivables	應收票據		
0 – 90 days	0 – 90 日	26,002	14,401
91 – 180 days	91 – 180 日	1,746	–
Over 180 days	超過180 日	519	–
		849,430	807,898

Trade receivables balances with related parties included in the Group's trade receivables balance are listed below:

計入本集團貿易應收款項結餘的與關聯方的貿易應收款項結餘載列如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Related parties	關聯方		
Related companies*	關聯公司*	54,401	28,599
Other related companies#	其他關聯公司#	112,399	84,529
		166,800	113,128

* Related companies controlled by close family members of certain directors of the Company (these directors are key management personnel of the Company).

* 由本公司若干董事的近親家族成員控制的關聯公司(該等董事為本公司的主要管理人員)。

The related companies are fellow subsidiaries of the non-controlling shareholders of subsidiaries who have significant influence over certain subsidiaries of the Group.

該等關聯公司為對本集團若干附屬公司具有重大影響之附屬公司非控股股東的同系附屬公司。



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20. TRADE AND BILLS RECEIVABLES

(Continued)

The above trade receivables balances with related parties are unsecured, interest-free and with a credit term of 30 to 90 days from the date of issuance of a monthly statement for sales delivered in that month. The following is an ageing analysis of trade receivables balances with related parties presented based on the date of issuance of monthly statements at the end of each reporting period.

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
0 – 90 days	0 – 90日	155,974	105,273
91 – 180 days	91 – 180日	10,826	7,806
Over 180 days	超過180日	–	49
		166,800	113,128

All bills received are held by the Group for future settlement of trade receivables and are with a maturity period of less than one year. The Group continues to recognise their full carrying amounts at the end of the reporting period.

20. 貿易應收款項及應收票據 (續)

以上與關聯方的貿易應收款項結餘為無抵押、免息，信貸期為自出具銷售月份的月結單發出日期起計30日至90日。以下為與關聯方的貿易應收款項結餘於各報告期間結束時按月結單發出日期呈列的賬齡分析。

本集團為未來結算貿易應收款項所持有的所有已收票據的到期期限均少於一年。本集團於報告期間結束時持續確認其全額賬面值。

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20. TRADE AND BILLS RECEIVABLES

(Continued)

The Group's trade receivables that are denominated in currencies which are not the functional currencies of the relevant group entities are set out below:

		United States Dollar ("US\$") 美元 (「美元」) HK\$'000 千港元	Vietnam Dong ("VND") 越南盾 (「越南盾」) HK\$'000 千港元	Renminbi ("RMB") 人民幣 (「人民幣」) HK\$'000 千港元
At 31 December 2021	於二零二一年十二月三十一日	260,332	12,640	1,156
At 31 December 2020	於二零二零年十二月三十一日	264,891	6,448	2,360

As at 31 December 2021, included in the Group's trade receivables balance are debtors with aggregate carrying amount of HK\$58,715,000 (2020: HK\$72,163,000) which are past due as at the reporting date. Out of the past due balances, HK\$2,465,000 (2020: HK\$18,042,000) has been past due 90 days or more and is not considered as in default as these balances are either from debtors with long term business relationship or are individually insignificant. Other than bills receivables with aggregate carrying amount of HK\$28,267,000 (2020: HK\$14,401,000), the Group does not hold any collateral over these balances.

Details of impairment assessment of trade receivables and bill receivables are set out in Note 38.

20. 貿易應收款項及應收票據 (續)

以非相關集團實體功能貨幣的貨幣計值的本集團貿易應收款項載列如下：

於二零二一年十二月三十一日，本集團貿易應收款項結餘包括賬面總值58,715,000港元(二零二零年：72,163,000港元)的賬款，該等款項於報告日期已逾期。逾期結餘中，2,465,000港元(二零二零年：18,042,000港元)的款項已逾期90日或超過90日且未被視作違約，因該等結餘來自具長期業務關係的債務人或單項金額並不重大。除賬面總值28,267,000港元(二零二零年：14,401,000港元)的已收票據外，本集團概無就該等結餘持有任何抵押物。

有關貿易應收款項及應收票據減值評估的詳情載於附註38。



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21. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

21. 其他應收款項、按金及預付款項

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Deposit paid	已付按金	31,884	8,087
Deposit paid for acquisition of property plant and equipment	收購物業、廠房及設備的 已付按金	30,811	20,935
Prepayments	預付款項	45,443	21,197
Interest receivables	應收利息	1,384	43
Other tax recoverables	其他可收回稅項	48,808	35,472
Other receivables	其他應收款項	28,213	38,455
		186,543	124,189
Analysed as:	分析為：		
Current assets	流動資產	128,194	98,521
Non-current assets	非流動資產	58,349	25,668
		186,543	124,189

Non-current deposits stated on the consolidated statement of financial position include certain rental deposits and deposits paid for acquisition of property, plant and equipment.

綜合財務狀況表所載的非流動按金包括若干租金按金及收購物業、廠房及設備的已付按金。

Details of impairment assessment of other receivables and deposits are set out in Note 38.

有關其他應收款項及按金之減值評估的詳情載於附註38。

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21. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

Other receivables balance with related parties included in the Group's other receivables are listed below:

Amounts due from related companies

Related parties	關聯方
A related company*	一間關聯公司*
Other related company#	其他關聯公司#

* A related company controlled by close family members of certain directors of the Company (these directors are key management personnel of the Company). The amount is non trade nature, unsecured, interest-free and repayable on demand. The maximum outstanding amount such other receivables with the related company during the year ended 31 December 2021 is HK\$872,000 (2020: HK\$1,913,000).

The related company is a fellow subsidiary of the non-controlling shareholder of subsidiary who has significant influence over subsidiary of the Group. The amount in non trade nature, unsecured, interest-free and repayable on demand. The maximum outstanding amount such other receivables with the related company during the year ended 31 December 2021 is HK\$2,681,000 (2020: HK\$3,484,000).

21. 其他應收款項、按金及預付款項 (續)

計入本集團其他應收款項的與關聯方的其他應收款項結餘載列如下：

應收關聯公司款項

2021	2020
二零二一年	二零二零年
HK\$'000	HK\$'000
千港元	千港元

872	846
2,296	2,681
3,168	3,527

* 由本公司若干董事的近親家族成員控制的關聯公司(該等董事為本公司的主要管理人員)。該金額屬非貿易性質，為無抵押、免息及須按要求償還。於截至二零二一年十二月三十一日止年度，與關聯公司的其他應收款項之最大尚未收回金額為872,000港元(二零二零年：1,913,000港元)。

該關聯公司為對本集團附屬公司具有重大影響之附屬公司非控股股東的同系附屬公司。該金額屬非貿易性質，為無抵押、免息及須按要求償還。於截至二零二一年十二月三十一日止年度，與關聯公司的其他應收款項之最大尚未收回金額為2,681,000港元(二零二零年：3,484,000港元)。



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22. PLEDGED BANK DEPOSITS, SHORT TERM BANK DEPOSITS AND BANK BALANCES AND CASH

As at 31 December 2021, pledged bank deposits represent deposits pledged to banks to secure the bills payables issued by the Group, carried at fixed interest rate ranged from 0.30% to 1.65% (2020: 0.30% to 1.65%) per annum.

As at 31 December 2021, short term bank deposits comprise bank deposits of fixed interest rates ranging from 1.3% to 2.3% (2020: 1.30% to 2.03%) per annum with an original maturity between three months and twelve months.

Bank balances and cash comprise cash held by the Group and bank deposits carry at variable interest rates with an original maturity of three months or less. As at 31 December 2021, the variable interest rates ranged from 0.001% to 1.73% (2020: 0.001% to 1.73%) per annum.

The Group's pledged bank deposits, short term deposits and bank balances and cash that are denominated in currencies which are not the functional currencies of the relevant group entities are set out below:

		HK\$	US\$	Euro ("EUR") 歐元	RMB	VND	Sri Lankan Rupees ("LKR") 斯里蘭卡盧比
		港元	美元	(「歐元」)	人民幣	越南盾 (「斯里蘭卡盧比」)	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 31 December 2021	於二零二一年 十二月三十一日	379	66,428	78	5,844	1,797	954
At 31 December 2020	於二零二零年 十二月三十一日	121	119,067	93	3,496	853	908

Details of impairment assessment of pledged bank deposits, short term bank deposits and bank balances are set out in Note 38.

22. 已抵押銀行存款、短期銀行存款及銀行結餘及現金

於二零二一年十二月三十一日，已抵押銀行存款指抵押予銀行作為本集團發出的應付票據擔保的存款，固定年利率介乎0.30%至1.65%（二零二零年：0.30%至1.65%）。

於二零二一年十二月三十一日，短期銀行存款包括原定到期日為三個月至十二個月的固定年利率介乎1.3%至2.3%（二零二零年：1.30%至2.03%）的銀行存款。

銀行結餘及現金包括本集團持有的現金及原定到期日為三個月或以下的浮息銀行存款。於二零二一年十二月三十一日，浮息年利率介乎0.001%至1.73%（二零二零年：0.001%至1.73%）。

以非相關集團實體功能貨幣的貨幣計值的本集團已抵押銀行存款、短期存款及銀行結餘及現金載列如下：

有關已抵押銀行存款、短期銀行存款及銀行結餘之減值評估的詳情載於附註38。

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23. TRADE PAYABLES

The credit period granted by the Group's creditors ranges from approximately 30 to 90 days. The following is an ageing analysis of trade payables presented based on the invoice date at the end of each reporting period:

		2021	2020
		二零二一年	二零二零年
		HK\$'000	HK\$'000
		千港元	千港元
0 – 90 days	0 – 90 日	359,387	229,551
Over 90 days	超過90 日	10,806	13,499
		370,193	243,050

As at 31 December 2021, included in the Group's trade payables balance is an amount due to a joint venture of HK\$26,328,000 (2020: HK\$19,299,000). Such balance due to a joint venture is unsecured, interest-free and with a credit term of 30 days from the date of issuance of a monthly statement for purchases delivered in that month. These balances are aged within 90 days at the end of the reporting period.

The Group's trade payables that are denominated in currencies which are not the functional currencies of the relevant group entities are set out below:

		US\$	EUR	VND	HK\$
		美元	歐元	越南盾	港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 31 December 2021	於二零二一年 十二月三十一日	47,760	35	19,711	125
At 31 December 2020	於二零二零年 十二月三十一日	14,063	–	17,895	7

23. 貿易應付款項

本集團債權人給予的信貸期介乎約30至90日。以下為貿易應付款項於各報告期結束時按發票日期呈列的賬齡分析：

於二零二一年十二月三十一日，計入本集團貿易應付款項結餘的26,328,000港元（二零二零年：19,299,000港元）乃應付合營企業款項。該等應付合營企業結餘為無抵押及免息，信貸期為自出具購買月份的月結單發出日期起計30日。於報告期間結束時，該等結餘的賬齡在90日內。

以非相關集團實體功能貨幣的貨幣計值的本集團貿易應付款項載列如下：



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24. BILLS PAYABLES

The bills payables are secured by pledged bank deposits as set out in Note 22. The following is an ageing analysis of bills payables presented based on the date of issuance of the bills at the end of each reporting period:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
0 – 90 days	0 – 90日	282,431	222,684
91 – 180 days	91 – 180日	161,607	100,564
		444,038	323,248

The Group's bills payables that are denominated in currencies which are not functional currencies of the relevant group entities are set out below:

24. 應付票據

應付票據乃以附註22所載的已抵押銀行存款作擔保。以下為應付票據於各報告期結束時按票據發出日期呈列的賬齡分析：

以非相關集團實體功能貨幣的貨幣計值的本集團應付票據載列如下：

		US\$ 美元 HK\$'000 千港元	EUR 歐元 HK\$'000 千港元	VND 越南盾 HK\$'000 千港元
At 31 December 2021	於二零二一年 十二月三十一日	29,800	4,466	965
At 31 December 2020	於二零二零年 十二月三十一日	26,335	8,918	367

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25. OTHER PAYABLES AND ACCRUED CHARGES

25. 其他應付款項及應計費用

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Accrued staff costs	應付職工薪酬	168,669	97,364
Other accruals	其他應計費用	36,410	36,173
Payables on acquisition of property, plant and equipment	收購物業、廠房及設備的應付款項	50,092	38,676
Other payables	其他應付款項	101,891	108,768
Total	總計	357,062	280,981

As at 31 December 2021, included in the Group's other payables balance is an aggregate amount due to related companies of HK\$9,240,000 (2020: HK\$6,350,000).

These related companies are fellow subsidiaries of the non-controlling shareholders of subsidiaries who have significant influence over certain subsidiaries of the Group. Such balances due to these related companies are unsecured, interest-free and repayable on demand.

於二零二一年十二月三十一日，計入本集團其他應付款項結餘的9,240,000港元（二零二零年：6,350,000港元）乃應付關聯公司總額。

該等關聯公司為對本集團若干附屬公司具有重大影響之附屬公司非控股股東的同系附屬公司。該等應付關聯公司結餘為無抵押、免息及須按要求償還。

26. CONTRACT LIABILITIES

26. 合約負債

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Deposits received in advance for:	就下列項目預收按金：		
Manufacturing and trading of elastic fabric and lace	製造及買賣彈性織物面料及蕾絲	29,815	29,853
Manufacturing and trading of elastic webbing	製造及買賣彈性織帶	5,040	3,414
		34,855	33,267

As at 1 January 2020, contract liabilities amounted to HK\$40,964,000.

於二零二零年一月一日，合約負債為40,964,000港元。



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26. CONTRACT LIABILITIES (Continued)

As at 31 December 2021, included in the Group's contract liabilities balance is an aggregate amount of HK\$115,000 (2020: HK\$4,000) received from related companies. These related companies are fellow subsidiaries of non-controlling shareholders of subsidiaries who have significant influence over certain subsidiaries of the Group.

The following table shows how much of the revenue recognised relates to carried-forward contract liabilities.

26. 合約負債 (續)

於二零二一年十二月三十一日，計入本集團合約負債結餘的115,000港元（二零二零年：4,000港元）乃自其他關聯公司收取的總額。該等關聯公司為對本集團若干附屬公司具有重大影響之附屬公司非控股股東的同系附屬公司。

下表列示已確認收入與結轉合約負債的關聯程度。

		Manufacturing and trading of elastic fabric and lace 製造及買賣彈性織物面料及蕾絲 HK\$'000 千港元	Manufacturing and trading of elastic webbing 製造及買賣彈性織帶 HK\$'000 千港元
Revenue recognised during the year ended 31 December 2021 that was included in the contract liabilities balance at the beginning of the year on 1 January 2021	於二零二一年一月一日年初計入合約負債結餘的截至二零二一年十二月三十一日止年度已確認收入	29,853	3,414
Revenue recognised during the year ended 31 December 2020 that was included in the contract liabilities balance at the beginning of the year on 1 January 2020	於二零二零年一月一日年初計入合約負債結餘的截至二零二零年十二月三十一日止年度已確認收入	36,736	4,228

Typical payment terms which impact on the amount of contract liabilities recognised are as follows:

When the Group receives a deposit from customer before the production activity commences, this will give rise to contract liabilities at the start of a contract (i.e. upon receipt of manufacturing order from customer), until the revenue recognised on the relevant contract. Other than customers with long term business relationship with the Group and/or satisfying historical settlement record, the Group typically receives 30% to 100% deposit on acceptance of manufacturing orders from customers.

影響已確認合約負債金額的典型付款條款如下：

倘本集團於生產活動開始前向客戶收取按金，這將於合約開始時（即接到來自客戶的製造訂單時）產生合約負債，直至就相關合約確認收入為止。除與本集團有長期的業務關係及／或具有良好歷史結算紀錄的客戶以外，本集團通常於接受製造訂單時向客戶收取30%至100%按金。

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27. BANK AND OTHER BORROWINGS

27. 銀行及其他借款

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Bank overdrafts	銀行透支	29,111	-
Unsecured syndicated loan	無抵押銀團貸款	793,883	1,006,673
Unsecured bank borrowings	無抵押銀行借款	1,267,386	1,234,940
Unsecured other borrowings (Note)	無抵押其他借款(附註)	70,024	44,908
		2,160,404	2,286,521
Carrying amount repayable*:	應償還款項賬面值*:		
Within one year	一年內	1,364,879	1,091,540
More than one year, but not exceeding two years	超過一年但不超過兩年	202,464	269,868
More than two years, but not exceeding five years	超過兩年但不超過五年	593,061	925,113
		2,160,404	2,286,521
Less: Amounts due within one year or contain a repayment on demand clause shown under current liabilities	減：流動負債所示須於一年內償還或包含按要求的償還條款的款項	(1,511,615)	(1,313,569)
Amounts shown under non-current liabilities	非流動負債所示款項	648,789	972,952
Carrying amount of bank borrowings that are repayable within one year and contain a repayment on demand clause	須於一年內償還及包含按要求的償還條款的銀行借款的賬面值	1,149,761	1,012,911
Carrying amount of bank borrowings that are repayable more than one year but contain a repayment on demand clause	超過一年後償還但包含按要求的償還條款的銀行借款的賬面值	146,736	222,029
		1,296,497	1,234,940

* The amounts due are based on scheduled repayment dates set out in the loan agreements and include the unamortised portion of the prepaid transaction cost in relation to the unsecured syndicated loan.

Note: Other borrowings represent loans from non-controlling shareholders of subsidiaries which are unsecured, carry interests at LIBOR plus 2.15% to 4.35% (2020: LIBOR plus 2.40%) per annum and repayable from the year ending 31 December 2023 to the year ending 31 December 2025 (2020: repayable in the year ending 31 December 2023). Such other borrowings are denominated in US\$.

* 到期款項乃根據貸款協議所載的計劃償還日期釐定，並包括有關無抵押銀團貸款預付交易成本之未攤銷部分。

附註：其他借款指來自附屬公司非控股股東的貸款，為無抵押、按倫敦銀行同業拆息加年利率2.15%至4.35%（二零二零年：倫敦銀行同業拆息加年利率2.40%）計息及須於截至二零二三年十二月三十一日止年度至截至二零二五年十二月三十一日止年度償還（二零二零年：須於二零二三年十二月三十一日止年度償還）。該等其他借款以美元計值。



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27. BANK AND OTHER BORROWINGS

(Continued)

During the year ended 31 December 2020, the Group entered into a new facility agreement for an unsecured syndicated loan (“**2020 Syndicated Loan**”), which would be repayable by installments, from the year ended 31 December 2021 to the year ending 31 December 2023 and with an interest rate at HIBOR plus 2.2% per annum for HK\$ loan tranche and LIBOR plus 2.2% per annum for US\$ loan tranche. The 2020 Syndicated Loan was guaranteed by the Company.

The unsecured bank borrowings and bank overdrafts were guaranteed by the Company and/or certain of its subsidiaries as at 31 December 2021 and 2020.

The Group has floating-rate borrowings which carry interests at HIBOR plus 1.00% to 2.20% or LIBOR plus 1.00% to 2.75% (2020: HIBOR plus 1.40% to 2.20% or LIBOR plus 1.40% to 2.75%) per annum.

27. 銀行及其他借款 (續)

截至二零二零年十二月三十一日止年度，本集團就無抵押銀團貸款（「**二零二零年銀團貸款**」）訂立新融資協議，貸款將自截至二零二一年十二月三十一日止年度至截至二零二三年十二月三十一日止年度分批償還，港元貸款按香港銀行同業拆息加年利率2.2%計息，而美元貸款按倫敦銀行同業拆息加年利率2.2%計息。二零二零年銀團貸款乃由本公司提供擔保。

於二零二一年及二零二零年十二月三十一日，無抵押銀行借款及銀行透支乃由本公司及／或其若干附屬公司提供擔保。

本集團有浮息借款，按香港銀行同業拆息加年利率1.00%至2.20%或倫敦銀行同業拆息加年利率1.00%至2.75%（二零二零年：香港銀行同業拆息加年利率1.40%至2.20%或倫敦銀行同業拆息加年利率1.40%至2.75%）計息。

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27. BANK AND OTHER BORROWINGS

(Continued)

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's bank and other borrowings are as follows:

27. 銀行及其他借款 (續)

本集團銀行及其他借款的實際利率 (亦相當於訂約利率) 範圍如下：

		2021 二零二一年	2020 二零二零年
Effective interest rate (per annum):	實際(年)利率：		
Floating-rate borrowings	浮息借款	1.12%-3.00%	1.74%-2.52%

The Group's bank and other borrowings that are denominated in currencies which are not the functional currencies of the relevant group entities are set out below:

以非相關集團實體功能貨幣的貨幣計值的本集團銀行及其他借款載列如下：

		VND 越南盾 HK\$'000 千港元	US\$ 美元 HK\$'000 千港元
At 31 December 2021	於二零二一年 十二月三十一日	915	204,049
At 31 December 2020	於二零二零年 十二月三十一日	53,504	323,250



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28. LEASE LIABILITIES

28. 租賃負債

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Lease liabilities payable:	應付租賃負債：		
Within one year	一年內	42,743	13,485
More than one year but not exceeding two years	超過一年但不超過兩年	38,005	10,759
More than two years but not exceeding five years	超過兩年但不超過五年	37,776	11,455
More than five years	超過五年	53,191	54,433
		171,715	90,132
Less: Amount due for settlement within 12 months shown under current liabilities	減：流動負債所示於12個月內 到期償還之款項	(42,743)	(13,485)
Amount due for settlement after 12 months shown under non-current liabilities	非流動負債所示於12個月後 到期償還之款項	128,972	76,647

The weighted average incremental borrowing rates applied to lease liabilities range from 2.89% to 5.50%. (2020: from 2.89% to 5.50%.)

所應用於租賃負債的加權平均增量借款利率為2.89%至5.50%。(二零二零年：2.89%至5.50%。)

Lease obligations that are denominated in currencies other than the functional currencies of the relevant group entities are set out below

以相關集團實體功能貨幣除外的貨幣計值之租賃負債載列如下

		LKR 斯里蘭卡盧比 HK\$'000 千港元
As at 31 December 2021	於二零二一年十二月三十一日	1,329
As at 31 December 2020	於二零二零年十二月三十一日	919

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29. DERIVATIVE FINANCIAL INSTRUMENT

29. 衍生金融工具

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Financial liabilities	金融負債		
Put option	認沽期權	1,092	1,402

Put option of Charming Elastic

Pursuant to the Charming Elastic Shareholders' Agreement, subject to and conditional upon the Group becoming the Majority Shareholder of Charming Elastic, the other shareholder of Charming Elastic is entitled the right to exercise its option to require the Group to buy out all or part of the issued shares of Charming Elastic held by the other shareholder at any time during the period of two years from 1 July 2020 to 30 June 2022 at a price set out in the Charming Elastic Shareholders' Agreement. The put option is recognised as a derivative financial instrument at FVTPL by the Group. The gain on fair value change of such put option of HK\$310,000 (2020: HK\$1,000) for the year ended 31 December 2021 was recognised in profit or loss as other gains and losses as set out in Note 8. Details of the fair value measurement of the put option are disclosed in Note 38.

綉麗橡根帶的認沽期權

根據綉麗橡根帶股東協議，受限於及有待本集團成為綉麗橡根帶的主要股東後，綉麗橡根帶的另一位股東有權行使其期權要求本集團按綉麗橡根帶股東協議所載價格收購自二零二零年七月一日起至二零二二年六月三十日兩年期內任何時間由另一位股東持有的綉麗橡根帶的全部或部分已發行股份。認沽期權由本集團確認為透過損益按公平值計量的衍生金融工具。於截至二零二一年十二月三十一日止年度，有關認沽期權公平值變動的收益310,000港元（二零二零年：1,000港元）於損益確認為其他收益及虧損，如附註8所載。認沽期權公平值計量的詳情披露於附註38。



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30. DEFERRED TAXATION

The following is the major deferred tax assets (liabilities) recognised and movements during the current and prior years.

30. 遞延稅項

以下為於本年度及過往年度的主要已確認遞延稅項資產（負債）及變動。

		Deferred government grants	Capitalised finance costs	Allowance for inventories	Accelerated ECL provision	Retirement benefit obligations	Undistributed profits of/ unsettled interest income from subsidiaries	Tax losses	Right-of-use assets	Lease liabilities	Total	
		遞延政府補助金	已資本化融資成本	存貨撥備	預期信貸虧損撥備	加速稅項折舊	退休福利責任	來自附屬公司的未分派溢利/未結算利息收入	稅項虧損	使用權資產	租賃負債	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2020	於二零二零年一月一日	936	(2,212)	1,458	4,002	(8,298)	984	(7,262)	8,106	(2,011)	1,698	(2,599)
Credited (charged) to profit or loss (Note 13)	從損益計入 (扣除) (附註13)	1,446	167	2,574	(2,265)	1,008	680	5,175	(6,451)	315	(296)	2,353
Credited to other comprehensive income	從其他全面收益計入	-	-	-	-	-	71	-	-	-	-	71
Exchange adjustments	匯兌調整	70	(133)	(133)	2	(2)	-	-	-	-	-	(196)
At 31 December 2020	於二零二零年十二月三十一日	2,452	(2,178)	3,899	1,739	(7,292)	1,735	(2,087)	1,655	(1,696)	1,402	(371)
(Charged) credited to profit or loss (Note 13)	從損益 (扣除) 計入 (附註13)	(212)	179	1,488	1,570	(13,950)	(56)	(3,125)	11,167	(193)	253	(2,879)
Charged to other comprehensive income	從其他全面收益扣除	-	-	-	-	-	(307)	-	-	-	-	(307)
Exchange adjustments	匯兌調整	69	(61)	(467)	-	-	-	(106)	-	-	-	(565)
At 31 December 2021	於二零二一年十二月三十一日	2,309	(2,060)	4,920	3,309	(21,242)	1,372	(5,318)	12,822	(1,889)	1,655	(4,122)

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

30. DEFERRED TAXATION (Continued)

The above deferred tax assets and liabilities within the same tax jurisdiction have been offset for presentation purpose in the consolidated statement of financial position. The following is the analysis of the deferred taxation:

Deferred tax assets	遞延稅項資產
Deferred tax liabilities	遞延稅項負債

30. 遞延稅項 (續)

就呈報而言，上述屬於同一稅務司法權區的遞延稅項資產及負債已於綜合財務狀況表抵銷。以下為遞延稅項的分析：

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		5,576	5,387
		(9,698)	(5,758)
		(4,122)	(371)

Withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Under the EIT Law, deferred tax liabilities have not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to HK\$1,497,657,000 as at 31 December 2021 (2020: HK\$1,444,838,000), as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

The Group had unused tax losses of HK\$438,863,000 as at 31 December 2021 (2020: HK\$394,556,000). A deferred tax asset had been recognised in respect of HK\$91,589,000 (2020: HK\$11,828,000) of such losses. No deferred tax assets have been recognised in respect of the remaining HK\$347,274,000 (2020: HK\$382,728,000) due to the unpredictability of future profit streams of respective group entities. Included in unused tax losses are losses of approximately HK\$371,389,000 (2020: HK\$327,215,000) with expiry dates as disclosed in the following table. Other losses may be carried forward indefinitely.

自二零零八年一月一日起，中國附屬公司就所賺取溢利宣派股息時須繳納預扣稅。根據企業所得稅法，由於本集團可控制撥回臨時差額的時間，而有關臨時差額於可見將來可能不會撥回，故並無於綜合財務報表就中國附屬公司於二零二一年十二月三十一日的累計溢利應佔的臨時差額1,497,657,000港元(二零二零年：1,444,838,000港元)作出遞延稅項負債撥備。

於二零二一年十二月三十一日，本集團的未動用稅項虧損為438,863,000港元(二零二零年：394,556,000港元)。有關該等虧損91,589,000港元(二零二零年：11,828,000港元)的遞延稅項資產已獲確認。由於各集團實體的未來溢利流的不可預測性，故並無確認有關餘下347,274,000港元(二零二零年：382,728,000港元)的遞延稅項資產。未動用稅項虧損包括虧損約371,389,000港元(二零二零年：327,215,000港元)，其到期日如下表所披露。其他虧損可無限期結轉。



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30. DEFERRED TAXATION (Continued)

Year of expiry	到期年份	31 December 十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
2024	二零二四年	10,992	12,432
2025	二零二五年	45,394	45,850
2026	二零二六年	59,282	57,864
2027	二零二七年	44,652	–
2029	二零二九年	211,069	211,069
		371,389	327,215

30. 遞延稅項 (續)

31. SHARE CAPITAL

The detailed movements of the Company's share capital are set out below.

31. 股本

本公司股本的變動詳情載列如下。

		Number of shares 股份數目	Amount 金額	
			HK\$ 港元	HK\$'000 千港元
Ordinary shares of HK\$0.01 each	每股面值0.01 港元之普通股			
Authorised:	法定：			
At 1 January 2020 and 31 December 2020 and 2021	於二零二零年一月一日及 二零二零年及二零二一年 十二月三十一日	50,000,000,000	500,000,000	500,000
Issued and fully paid:	已發行及繳足：			
At 1 January 2020 and 31 December 2020 and 2021	於二零二零年一月一日及 二零二零年及二零二一年 十二月三十一日	1,039,808,000	10,398,080	10,398

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32. RETIREMENT BENEFITS PLANS

Defined contribution plans

The Group operates a Mandatory Provident Fund Scheme (“**MPF Scheme**”) under the rules and regulations of the Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. Contributions are made based on a percentage of the employees’ salaries with a cap of HK\$1,500 per month per employee and are charged to the consolidated statement of profit or loss and other comprehensive income as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. No forfeited contribution is available to reduce the contribution payable in the future years as at 31 December 2021 and 2020.

The Company’s PRC subsidiaries are required to make contributions to the state-managed retirement schemes operated by the local governments based on certain percentage of the monthly salaries of their current employees to fund the benefits.

Eligible employees in Vietnam currently participate in State Social Insurance Fund, which is a defined contribution pension scheme operated by the local municipal government. The calculation of contributions is based on certain percentage of employee’s payroll.

The only obligations of the Group with respect to the above defined contribution retirement benefits schemes are to make the required contributions under the respective schemes.

During the year ended 31 December 2021, the total costs charged to profit or loss are HK\$59,321,000 (2020: HK\$31,532,000), representing contributions paid/payable to the above defined contribution retirement benefits schemes.

32. 退休福利計劃

界定供款計劃

本集團根據強制性公積金計劃條例的規則及規例，為其所有香港合資格僱員參與強制性公積金計劃（「**強積金計劃**」）。供款乃按僱員薪酬的若干百分比釐定，上限為每名僱員每月1,500港元。當有關供款根據強積金計劃規則成為應付款項時，將自綜合損益及其他全面收益表扣除。強積金計劃資產與本集團資產分開持有，由獨立受託人管理基金保管。於二零二一年及二零二零年十二月三十一日，並無被沒收供款可用以減少未來年度的應付供款。

本公司的中國附屬公司須按其現有僱員月薪的若干百分比向地方政府管理的國家管理退休計劃作出供款，作為福利資金。

越南合資格僱員目前參與國家社會保險基金，此乃一項由地方政府管理的界定供款退任計劃。供款乃根據僱員薪酬的若干百分比計算。

本集團就上述界定供款退任福利計劃的唯一責任為根據各計劃作出所須供款。

截至二零二一年十二月三十一日止年度，從損益扣除的成本總額為59,321,000港元（二零二零年：31,532,000港元），即上述界定供款退任福利計劃的已付／應付供款。



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32. RETIREMENT BENEFITS PLANS

(Continued)

Defined benefits plans

Under the Payment of Gratuity Act, the Company's Sri Lanka subsidiaries are required to operate defined benefits plans by paying gratuity to eligible employees who have served continuously for five years and more under one employer. The calculation of gratuity is based on certain percentage of employee's salaries and their number of years of service. The details of the defined benefits plans operated by the subsidiaries in Sri Lanka are as follows:

Retirement benefit obligations

32. 退休福利計劃 (續)

界定福利計劃

根據恩恤金支付法，本公司的斯里蘭卡附屬公司須設立界定福利計劃，向為一名僱主連續服務五年及以上的合資格僱員支付恩恤金。恩恤金乃根據僱員薪金的若干百分比及彼等之服務年期計算。由斯里蘭卡附屬公司設立的界定福利計劃詳情如下：

退休福利責任

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
At the beginning of the year	於年初	9,060	6,922
Current service cost	現時服務成本	1,355	956
Interest cost	利息成本	809	582
Actuarial (gain) loss	精算(收益)虧損	(2,195)	892
Acquisition of a business*	收購一項業務*	1,882	—
Contributions paid	付予計劃的供款	(1,241)	(785)
Exchange gain	匯兌收益	(510)	(373)
Others	其他	629	866
At the end of the year	於年末	9,789	9,060

* Being the addition due to the transfer in of employees to a subsidiary upon the completion of the acquisition of a business on 1 February 2021 as disclosed in Note 33.

* 為因於二零二一年二月一日完成收購一項業務後僱員轉入一間附屬公司之額外費用(如附註33所披露)。

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32. RETIREMENT BENEFITS PLANS

(Continued)

Defined benefits plans (Continued)

Retirement benefit obligations (Continued)

The amounts recognised in the consolidated statement of profit or loss and other comprehensive income are as follows:

32. 退休福利計劃 (續)

界定福利計劃 (續)

退休福利責任 (續)

於綜合損益及其他全面收益表確認的金額如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Current service cost	現時服務成本	1,355	956
Interest cost	利息成本	809	582
Acquisition of a business	收購一項業務	1,882	-
Recognised in profit or loss	於損益確認	4,046	1,538
Actuarial (gain) loss breakdown is as follows:	精算(收益)虧損明細如下：		
(Gain) loss from change in financial assumptions	財務假設變動的(收益)虧損	(2,407)	1,084
Experience adjustments	經驗調整	212	(192)
Recognised in other comprehensive expense	於其他全面開支確認	(2,195)	892



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32. RETIREMENT BENEFITS PLANS

(Continued)

Defined benefits plans (Continued)

Retirement benefit obligations (Continued)

This obligation, which is not externally funded, is based on an actuarial valuation of the defined benefit plan based on the projected unit credit method, which is the benchmark method specified in HKAS 19 carried out by a professional actuaries as of 31 December 2021. The gratuity liability of the subsidiaries in Sri Lanka is based on an actuarial valuation carried out by Messrs' Willis Towers Watson Actuaries, whose principal place of business is located at 2nd Floor, Tower B, Unitech Business Park, South City-1, Gurgaon-122001, Haryana, India. The principal assumptions used for this purpose are as follows:

32. 退休福利計劃 (續)

界定福利計劃 (續)

退休福利責任 (續)

此項由內部資金撥款的責任乃以專業精算師截至二零二一年十二月三十一日按預計單位給付成本法(此為香港會計準則第19號指定的基準法)對界定福利計劃進行的精算評估為基礎。斯里蘭卡附屬公司的恩恤金負債乃以由Messrs' Willis Towers Watson Actuaries(其主要營業地點位於2nd Floor, Tower B, Unitech Business Park, South City-1, Gurgaon-122001, Haryana, India)進行的精算評估為基礎。用於此一目的的主要假設如下:

		2021 二零二一年	2020 二零二零年
Discount rate per annum	年貼現率	11%	7%
Annual salary increment rate	年薪金增長率	9%	9%
Retirement age	退休年齡	60	55
Withdrawal rate	僱員流失率	15%	15%

As the amount of retirement benefit obligations is insignificant, no sensitivity analysis on assumptions used in the actuarial valuation is presented.

由於退休福利責任之金額並不重大，概無就用於精算評估之假設進行敏感性分析。

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33. ACQUISITION OF A BUSINESS

On 29 January 2021, the Group entered into an assets sale and purchase agreement (“**Assets Sale and Purchase Agreement**”) with Textprint Lanka (Private) Limited (“**Textprint**”) (an indirect wholly owned subsidiary of MAS Holdings (Private) Limited, being the non-controlling shareholder of Trischel Fabric (Private) Limited (“**Trischel**”), a non-wholly owned subsidiary of the Company) in relation to the purchase of assets and liabilities with a cash consideration of US\$3,538,197 (equivalent to approximately HK\$27,598,000) consisting of (i) property, plant and equipment which mainly included printing machines, washing machines, boilers, steamers, fabric inspection machines, dryers and other equipment for printing synthetic fabrics and the associated finishing processes currently used at the manufacturing plant of Textprint, (ii) inventories of Textprint; (iii) retirement benefit obligations; and (iv) amount due to Trischel as at 31 January 2021. Pursuant to the Assets Sale and Purchase Agreement, Textprint shall transfer up to 252 of its employees to Trischel. Completion of this acquisition had taken place on 1 February 2021.

The acquisition has been accounted for as acquisition of business using the acquisition method.

33. 收購一項業務

於二零二一年一月二十九日，本集團與Textprint Lanka (Private) Limited (「**Textprint**」) (MAS Holdings (Private) Limited的間接全資附屬公司，而MAS Holdings (Private) Limited為本公司非全資附屬公司Trischel Fabric (Private) Limited (「**Trischel**」)的非控股股東)訂立資產買賣協議(「**資產買賣協議**」)，內容有關以現金代價3,538,197美元(相等於約27,598,000港元)購買資產及負債，其中包括(i)物業、廠房及設備，主要包括現於Textprint製造廠房使用的印花機、洗滌機、鍋爐、蒸汽機、織物檢驗機、烘乾機及其他設備，用以合成纖維織物的印花及相關後加工工藝，(ii)Textprint的存貨；(iii)退休福利責任及(iv)於二零二一年一月三十一日應付Trischel的款項。根據資產買賣協議，Textprint須向Trischel轉調其最多252名僱員。該收購事項已於2021年2月1日完成。

該收購事項已以收購法入賬為收購業務。



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33. ACQUISITION OF A BUSINESS

(Continued)

Assets acquired and liabilities recognised at the date of acquisition

33. 收購一項業務 (續)

於收購日期收購的資產及負債

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	23,719
Inventories	存貨	16,815
Retirement benefit obligations	退休福利責任	(1,882)
Amount due to Trischel	應付Trischel的款項	(7,154)
		31,498
Analysis of cash outflow in respect of acquisition of a business:	收購一項業務的 現金流出分析：	
Cash consideration	現金代價	27,598

Bargain purchase gain amounting to HK\$3,900,000 on acquisition of a business from Textprint is recognised in profit or loss within the other income (Note 7) in the consolidated statement of profit or loss and other comprehensive income. The bargain purchase gain is resulted from the revaluation of machinery acquired from Textprint as performed by an independent valuer in Sri Lanka.

自Textprint收購一項業務的議價收購收益3,900,000港元乃於綜合損益及其他全面收益表中於其他收入內於損益確認(附註7)。議價收購收益來自於對自Textprint收購的機械進行重新估價，其乃由斯里蘭卡的獨立估值師進行。

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34. CAPITAL AND OTHER COMMITMENTS

34. 資本及其他承擔

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Capital expenditure in respect of the addition of property, plant and equipment contracted but not provided for	有關添置物業、廠房及設備的已訂約但未撥備的資本開支	130,167	218,172

Note: As disclosed in the Company's announcement dated 22 December 2016, Dongguan BPT and seven independent third parties entered into an agreement in relation to the formation of a company to be established in the PRC ("the Investee") to engage in insurance business and related financial activities in the PRC. Pursuant to such agreement, Dongguan BPT has agreed to make a capital contribution of RMB140,500,000 (equivalent to approximately HK\$ HK\$158,765,000) in return for approximately 7.022% equity interest in the Investee. As at the date of these consolidated financial statements are authorised for issue, formation of the Investee is subject to the approval from China Insurance Regulatory Commission and no contribution was made by the Group to the Investee.

附註：誠如本公司日期為二零一六年十二月二十二日的公告所披露，東莞超盈與七名獨立第三方訂立一份協議，內容有關在中國組建公司（「被投資公司」），以在中國從事保險業務及相關財務活動。根據該協議，東莞超盈已同意注資人民幣140,500,000元（相當於約158,765,000港元），以持有被投資公司約7.022%的股權。於該等綜合財務報表獲授權發佈日期，成立被投資公司須經中國保險監督管理委員會批准，且本集團並無向被投資公司作出供款。



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35. PLEDGE OF ASSETS

At the end of the reporting period, the Group has pledged bank deposits amounted to HK\$121,607,000 (2020: HK\$77,944,000) to secure the bills payables issued by the Group.

36. CONTINGENT LIABILITIES

The Group does not have any contingent liability so far as the management of the Group is aware that is pending or threatened by or against the Group.

37. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debts, which mainly include bank and other borrowings as disclosed in Note 27 and equity attributable to owners of the Company, comprising share capital disclosed in Note 31 and reserves.

The management of the Group reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Group will balance its overall capital structure through the payment of dividends, new shares issue as well as the issue of new debt or the redemption of existing debts.

35. 抵押資產

於報告期間結束時，本集團已抵押銀行存款121,607,000港元（二零二零年：77,944,000港元）作為本集團發出的應付票據的抵押。

36. 或然負債

本集團概無據本集團管理層所知悉本集團待決或對其構成威脅的任何或然負債。

37. 資本風險管理

本集團管理其資本以確保其將能夠繼續持續經營，同時透過優化債務與股權結餘為股東帶來最大回報。本集團的整體策略與上一年度相比維持不變。

本集團資本架構包括債務（包括於附註27所披露的銀行及其他借款）以及本公司擁有人應佔權益（包括附註31所披露的股本及儲備）。

本集團管理層經考慮資金成本及與各類資本相關的風險檢討資本架構。有鑒於此，本集團將透過派付股息、發行新股以及發行新債務或贖回現有債務以平衡其整體資本架構。

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38. FINANCIAL INSTRUMENTS

Categories of financial instruments

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Financial assets	金融資產		
Financial assets measured at amortised cost	按攤銷成本計量的金融資產	2,095,200	2,033,620
Financial liabilities	金融負債		
Financial liabilities measured at amortised cost	按攤銷成本計量的金融負債	3,331,697	3,133,800
Financial liabilities at FVTPL	透過損益按公平值計量的金融負債		
– derivative financial instrument	– 衍生金融工具	1,092	1,402

Financial risk management objectives and policies

The Group's major financial instruments include derivative financial instrument, trade and bills receivables, other receivables and deposits, pledged bank deposits, short term bank deposits, bank balances and cash, trade payables, bills payables, other payables and accrued charges and bank and other borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

38. 金融工具

金融工具種類

財務風險管理目標及政策

本集團的主要金融工具包括衍生金融工具、貿易應收款項及應收票據、其他應收款項及按金、已抵押銀行存款、短期銀行存款、銀行結餘及現金、貿易應付款項、應付票據、其他應付款項及應計費用以及銀行及其他借款。該等金融工具的詳情於相關附註披露。下文載列與該等金融工具有關的風險及如何降低該等風險的政策。本集團管理層管理及監控該等風險，以確保及時有效地採取適當措施。



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38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk

Interest rate risk

The Group is mainly exposed to cash flow interest rate risk in relation to variable-rate bank and other borrowings and bank balances, and fair value interest rate risk in relation to fixed-rate pledged bank deposits, short term bank deposits and lease liabilities.

The Group currently does not have interest rate hedging policy. However, management closely monitors its exposure to future cash flow risk as a result of change on market interest rate and will consider hedging changes in market interest rates should the need arise.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk section of this note. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of HIBOR or LIBOR arising from the Group's variable-rate bank and other borrowings.

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates ("IBORs") with alternative nearly risk-free rates. Details of the impacts on the Group's risk management strategy arising from the interest rate benchmark reform and the progress towards implementation of alternative benchmark interest rates are set out under "interest rate benchmark reform" in this note.

38. 金融工具 (續)

財務風險管理目標及政策 (續)

市場風險

利率風險

本集團主要面對與浮息銀行及其他借款以及銀行結餘有關的現金流量利率風險，以及與定息已抵押銀行存款、短期銀行存款及租賃負債有關的公平值利率風險。

本集團目前並無利率對沖政策。然而，管理層密切監控其因市場利率變動而面對的未來現金流量風險，並將於需要時考慮對沖市場利率的變動。

本集團就金融負債面臨利率風險的詳情載於本附註流動資金風險一節。本集團的現金流量利率風險主要集中於來自本集團浮息銀行及其他借款之香港銀行同業拆息或倫敦銀行同業拆息的波幅。

目前全球正在對主要利率基準進行根本性改革，包括將若干銀行同業拆息（「銀行同業拆息」）替換為其他近乎無風險的利率。有關利率基準改革對本集團風險管理策略的影響及替代基準利率實施進度的詳情披露於本附註「利率基準改革」。

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38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

Interest rate risk (Continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rate risk on bank and other borrowings. The sensitivity analysis is prepared assuming the bank and other borrowings outstanding at the end of the reporting period were outstanding for the whole year. No sensitivity analysis is presented on bank balances as the management of the Group considers that the interest rate fluctuation on bank balances is minimal.

A 50 basis point increase or decrease is used in the sensitivity analysis, which represents management's assessment of the reasonably possible change in interest rates. If the interest rate had been 50 basis point higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 December 2021 would decrease/increase by HK\$9,047,000 (2020: HK\$9,559,000).

38. 金融工具 (續)

財務風險管理目標及政策 (續)

市場風險 (續)

利率風險 (續)

敏感性分析

以下敏感性分析乃根據就銀行及其他借款面臨的利率風險而釐定。敏感性分析乃假設於報告期間結束時尚未償還的銀行及其他借款於整個年度未獲償還而編製。由於本集團管理層認為銀行結餘的利率波動極微，故概無就銀行結餘呈列敏感性分析。

敏感性分析中選用上升或下降50個基點，代表管理層評估為合理可能的利率變動。倘利率上升／下降50個基點而所有其他變數維持不變，本集團於截至二零二一年十二月三十一日止年度的除稅後溢利將減少／增加9,047,000港元（二零二零年：9,559,000港元）。



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38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

Currency risk

Certain trade and bills receivables, trade payables, bills payables, bank balances and cash, and bank borrowings are denominated in foreign currencies other than the functional currency of the relevant group entities, which expose the Group to foreign currency risk. The Group does not have a foreign currency hedging policy. However, the management of the Group monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the end of the reporting periods are as follows:

38. 金融工具 (續)

財務風險管理目標及政策 (續)

市場風險 (續)

貨幣風險

若干貿易應收款項及應收票據、貿易應付款項、應付票據、銀行結餘及現金以及銀行借款均以相關集團實體的功能貨幣以外的外幣計值，導致本集團面臨外幣風險。本集團管理層並無外幣對沖政策。然而，管理層監控外匯風險，並將於需要時考慮對沖重大外幣風險。

本集團以外幣計值的貨幣資產及負債於報告期間結束時的賬面值如下：

		Assets 資產	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
EUR against HK\$	歐元兌港元	94	108
RMB against HK\$	人民幣兌港元	7,204	6,053
US\$ against HK\$	美元兌港元	334,860	392,545
VND against US\$	越南盾兌美元	29,262	8,827
HK\$ against US\$	港元兌美元	379	190
RMB against US\$	人民幣兌美元	44	806
LKR against US\$	斯里蘭卡盧比兌美元	954	908
US\$ against RMB	美元兌人民幣	994	193

		Liabilities 負債	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
EUR against HK\$	歐元兌港元	4,466	8,403
RMB against HK\$	人民幣兌港元	143	-
US\$ against HK\$	美元兌港元	281,613	363,649
VND against US\$	越南盾兌美元	29,813	78,112
HK\$ against US\$	港元兌美元	402	815
EUR against US\$	歐元兌美元	36	515

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38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

Currency risk (Continued)

The carrying amounts of foreign currency denominated intra-group balances which have been eliminated in the consolidated financial statements of certain subsidiaries of which the functional currency are RMB, HK\$ and US\$ at the end of the reporting period are as follows:

HK\$ against RMB	港元兌人民幣
US\$ against RMB	美元兌人民幣

Sensitivity analysis

Since the exchange rate of HK\$ is pegged with US\$, the Group does not expect any significant movements in the US\$/HK\$ exchange rates. Therefore, the following sensitivity analysis does not include the effect between US\$ and HK\$.

38. 金融工具 (續)

財務風險管理目標及政策 (續)

市場風險 (續)

貨幣風險 (續)

於報告期間結束時，以外幣計值的集團內公司間結餘的賬面值載列如下，有關結餘已於功能貨幣為人民幣、港元及美元的若干附屬公司的綜合財務報表內撇銷：

Amount due from (to) group entities 應收(應付)集團實體款項	
2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
585,407	435,910
28,383	17,791

敏感性分析

由於港元與美元掛鈎，本集團預期美元／港元匯率並無任何重大變動。因此，下列敏感性分析並無包括美元與港元間的影響。



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綜合財務報表附註

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38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

Currency risk (Continued)

Sensitivity analysis (Continued)

The following table details the Group's sensitivity to a 10% increase and decrease in the functional currency of the respective group entity against relevant foreign currencies and all other variables were held constant. 10% is the sensitivity rate used by management in the assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currencies denominated monetary items and intragroup foreign currency balances and adjusts its translation at the period end for a 10% change in foreign currencies rates. A positive number below indicates an increase in post-tax profit for the year where foreign currencies strengthen 10% against functional currency (HK\$ or RMB or US\$) of the respective group entity. For a 10% weakening of foreign currencies against functional currency (HK\$ or RMB or US\$) of the respective group entity there would be an equal and opposite impact on the result for the year.

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Increase (decrease) in post-tax profit for the year	本年度除稅後溢利增加(減少)		
Foreign currency against HK\$	外幣兌港元	236	(184)
Foreign currency against RMB	外幣兌人民幣	52,257	38,581
Foreign currency against US\$	外幣兌美元	(19,238)	(5,500)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent currency risk as the exposure at the end of the reporting period does not reflect the exposure during the year.

38. 金融工具 (續)

財務風險管理目標及政策 (續)

市場風險 (續)

貨幣風險 (續)

敏感性分析 (續)

下表詳述本集團對各集團實體功能貨幣兌相關外幣升跌10%的敏感性，而所有其他變數維持不變。10%為管理層評估匯率可能合理變動的敏感性比率。敏感性分析僅包括尚未到期之以外幣列值的貨幣項目及集團內公司間外幣結餘，並於期末按10%的匯率變動調整其換算。下列正數顯示外幣兌各集團實體功能貨幣(港元或人民幣或美元)升值10%時本年度除稅後溢利的增加。外幣兌各集團實體功能貨幣(港元或人民幣或美元)貶值10%會對本年度業績產生相同及相反的影響。

管理層認為，由於報告期間結束時的風險並不反映年內的風險，故敏感性分析並不能代表內在貨幣風險。

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38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

Other price risk

The sensitivity analysis of the derivative financial instrument is disclosed in the section “fair value measurements of financial instruments” below.

Credit risk and impairment assessment

As at 31 December 2021 and 2020, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge obligations by the counterparties as at the end of reporting period are arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

Trade receivables arising from contracts with customers

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group identifies trade receivables that are credit-impaired and assesses their ECL individually, and performs impairment assessment under ECL model on the remaining trade balances based on provision matrix. The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information (for example, the current and forecasted default rates in Asia-Pacific, North America and Europe as published by international credit agency, which reflect the general credit risk of the major debtors and the geographical market that they operate) that is available without undue cost or effort. Such forward-looking information is used by the management of the Group to assess both the current as well as the forecast direction of conditions at the reporting date. The grouping is regularly reviewed by the management of the Group to ensure relevant information about specific debtors is updated. In this regard, the management of the Group considers that the Group's credit risk is significantly reduced.

38. 金融工具 (續)

財務風險管理目標及政策 (續)

市場風險 (續)

其他價格風險

衍生金融工具的敏感性分析於下文「金融工具之公平值計量」一節披露。

信貸風險及減值評估

於二零二一年及二零二零年十二月三十一日，本集團就對手方未能於報告期間結束時履行責任導致財務虧損所承擔的最高信貸風險，乃來自綜合財務狀況表所呈列各已確認金融資產的賬面值。

來自客戶合約之貿易應收款項

為盡量降低信貸風險，本集團管理層已委派團隊負責釐定信用額度、進行信用審批，並執行其他監控程序以確保採取跟進措施收回逾期債項。此外，本集團識別發生信貸減值之貿易應收款項並個別評估其預期信貸虧損，及根據撥備矩陣按預期信貸虧損模式對餘下貿易結餘進行減值評估。預期虧損率乃按賬款預期年期的歷史觀察所得違約率估計，並根據無需付出不必要的成本或努力而可獲得的前瞻性資料（例如由國際信貸機構刊發並反映主要債務人經營所在地域市場整體信貸風險的亞太區、北美及歐洲的當前及預測違約率）作出調整。本集團管理層使用該等前瞻性資料評估報告日期的現狀及預測變動。本集團管理層定期檢討有關分組，以確保特定賬款的相關資料已獲更新。就此而言，本集團管理層認為本集團的信貸風險已大幅減少。



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38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The Group had concentration of credit risk on trade receivables as 15.1% (2020: 15.0%) of the total trade receivables were due from the Group's largest debtor based in Hong Kong and 43.7% (2020: 38.0%) of the total trade receivables were due from the Group's largest five debtors, which were mainly based in Hong Kong and Sri Lanka as at 31 December 2021.

Bills receivables, pledged bank deposits, short term bank deposits and bank balances

The credit risks for bills receivables, pledged bank deposits, short term bank deposits and bank balances are limited because such amounts are placed in banks with high credit ratings assigned by international credit-rating agencies or state-owned banks.

The Group has concentration of credit risk on liquid funds which are deposited with several reputable banks.

38. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

本集團就貿易應收款項有集中信貸風險，乃因於二零二一年十二月三十一日，貿易應收款項總額的15.1%（二零二零年：15.0%）來自應收本集團最大債務人（位於香港）的款項，而貿易應收款項總額的43.7%（二零二零年：38.0%）來自應收本集團五大債務人（主要位於香港及斯里蘭卡）的款項。

應收票據、已抵押銀行存款、短期銀行存款及銀行結餘

由於應收票據、已抵押銀行存款、短期銀行存款及銀行結餘乃存放於獲國際信貸評級機構給予高信貸評級的銀行或國有銀行，故有關款項的信貸風險有限。

本集團就存放於若干信譽良好銀行的流動資金有集中信貸風險。

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38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The Group's internal credit risk grading assessment comprises the following categories:

38. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

本集團的內部信貸風險分級評估包括下列類別：

Internal credit rating	Description	Trade receivables	Other financial assets at amortised cost 按攤銷成本列賬的其他金融資產
內部信貸評級	描述	貿易應收款項	
Low risk	The counterparty has a low risk of default and does not have any past-due amounts or the past-due amounts are insignificant	Lifetime ECL – not credit-impaired	12m ECL
低風險	對手方的違約風險偏低，且並無任何逾期款項或逾期款項並不重大	全期預期信貸虧損 – 未發生信貸減值	12個月預期信貸虧損
Watch list	Debtor frequently repays after due dates but usually settle after due date	Lifetime ECL – not credit-impaired	12m ECL
觀察名單	債務人經常於到期日後償還但通常於到期日後償還	全期預期信貸虧損 – 未發生信貸減值	12個月預期信貸虧損
Doubtful	There have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
存疑	透過內部或外部資源形成的資料可知信貸風險自首次確認以來顯著增加	全期預期信貸虧損 – 未發生信貸減值	全期預期信貸虧損 – 未發生信貸減值
Loss	There is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired	Lifetime ECL – credit-impaired
虧損	有證據顯示該資產發生信貸減值	全期預期信貸虧損 – 發生信貸減值	全期預期信貸虧損 – 發生信貸減值
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	Amount is written off
撇銷	有證據顯示債務人陷入嚴重財務困難且本集團認為無實際收回可能	撇銷該金額	撇銷該金額



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38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The tables below detail the credit risk exposures of the Group's financial assets at amortised cost which are subject to ECL assessment:

38. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

下表詳述須進行預期信貸虧損評估的本集團按攤銷成本列賬的金融資產面臨的信貸風險：

	Notes	External credit rating	Internal credit rating	12m or lifetime ECL 12個月或 全期預期信貸虧損	2021 Gross carrying amount 二零二一年 賬面總額 HK\$'000 千港元	2020 Gross carrying amount 二零二零年 賬面總額 HK\$'000 千港元
Financial assets at amortised cost 按攤銷成本列賬的金融資產						
Trade receivables 貿易應收款項	20	N/A 不適用	Note (a) 附註(a)	Lifetime ECL (provision matrix) 全期預期信貸虧損 (撥備矩陣)	827,775	806,166
	20	N/A 不適用	Note (a) 附註(a)	Credit-impaired 發生信貸減值	18,024	-
					845,799	806,166
Bills receivables 應收票據	20	N/A 不適用	N/A 不適用	12m ECL 12個月預期信貸虧損	28,267	14,401
Other receivables and deposits 其他應收款項及按金	21	N/A 不適用	Note (b) 附註(b)	12m ECL 12個月預期信貸虧損	61,481	46,585
Pledged bank deposits 已抵押銀行存款	22	Note (c) 附註(c)	N/A 不適用	12m ECL 12個月預期信貸虧損	121,607	77,944
Short term bank deposits 短期銀行存款	22	Note (c) 附註(c)	N/A 不適用	12m ECL 12個月預期信貸虧損	163,814	8,338
Bank balances 銀行結餘	22	Note (c) 附註(c)	N/A 不適用	12m ECL 12個月預期信貸虧損	898,387	1,092,396

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38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Notes:

- (a) For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the credit loss allowance at lifetime ECL. Except for debtors with significant outstanding balances that are credit-impaired, the Group determines the ECL on these items by using a provision matrix, grouped by internal credit rating.
- (b) For the purposes of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition. All of these balances are either not past due or have no fixed repayment term at 31 December 2021 and 2020.
- (c) The Group's exposure to credit risk arising from pledged bank deposits, short term bank deposits and bank balances is limited because most of such balances are placed in banks with high credit ratings assigned by international credit-rating agencies or state-owned banks, for which the Group considers to have low credit risk.

Provision matrix – internal credit rating

As part of the Group's credit risk management, the Group applies internal credit rating for its customers in relation to its manufacturing and trading of elastic fabric, lace and webbing operation. The following table provides information about the exposure to credit risk for trade receivables which are assessed on a collective basis within lifetime ECL (not credit-impaired). Credit-impaired customers with gross carrying amount of HK\$18,024,000 (2020: nil) as at 31 December 2021 were assessed individually.

38. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

附註：

- (a) 就貿易應收款項而言，本集團已應用香港財務報告準則第9號的簡化法計量全期預期信貸虧損的信貸虧損撥備。除具有重大未償還結餘或發生信貸減值的賬款外，本集團使用撥備矩陣釐定該等項目的預期信貸虧損，並按內部信貸評級分組。
- (b) 就內部信貸風險管理而言，本集團使用逾期資料評估信貸風險自首次確認以來是否顯著增加。所有該等結餘於二零二一年及二零二零年十二月三十一日未逾期或無固定償還期限。
- (c) 本集團所承擔之來自自己抵押銀行存款、短期銀行存款及銀行結餘的信貸風險有限，因該等結餘大多存放於獲國際信貸評級機構給予高信貸評級的銀行或國有銀行，其被本集團視為信貸風險較低。

撥備矩陣 – 內部信貸評級

作為本集團信貸風險管理的一部分，本集團就製造及買賣彈性織物面料、蕾絲及織帶業務對其客戶進行內部信貸評級。下表提供有關於全期預期信貸虧損（未發生信貸減值）內按集體基準評估的貿易應收款項信貸風險之資料。於二零二一年十二月三十一日，賬面總額為18,024,000港元（二零二零年：無）的信貸減值客戶乃經個別評估。



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38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Gross carrying amount

Internal credit rating	內部信貸評級
Grades 1-2: Low risk	1-2級：低風險
Grade 3: Watch list	3級：觀察名單
Grade 4: Doubtful	4級：存疑

During the year ended 31 December 2021, lifetime ECL (not credit-impaired) on trade receivables was provided based on the provision matrix.

As at 31 December 2021, the weighted average loss rate applied in determining the lifetime ECL (not credit-impaired) was 0.8% (2020: 1.6%).

38. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

賬面總額

2021 Trade receivables 二零二一年 貿易應收款項 HK\$'000 千港元	2020 Trade receivables 二零二零年 貿易應收款項 HK\$'000 千港元
718,689	687,372
106,725	91,323
2,361	27,471
827,775	806,166

截至二零二一年十二月三十一日止年度，貿易應收款項之全期預期信貸虧損（未發生信貸減值）乃根據撥備矩陣計提。

於二零二一年十二月三十一日，應用於釐定全期預期信貸虧損（未發生信貸減值）的加權平均虧損率為0.8%（二零二零年：1.6%）。

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38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach.

38. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

下表顯示已按簡化法就貿易應收款項確認的全期預期信貸虧損變動。

		Lifetime ECL (not credit- impaired) 全期預期 信貸虧損 (未發生 信貸減值) HK\$'000 千港元	Lifetime ECL (credit- impaired) 全期預期 信貸虧損 (發生 信貸減值) HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2020	於二零二零年一月一日	7,969	18,933	26,902
Changes due to trade receivables recognised:	已確認貿易應收款項所致變動：			
– impairment losses recognised on financial assets carried forward from 1 January 2020	– 自二零二零年一月一日結轉的金融資產已確認減值虧損	–	1,800	1,800
– impairment losses recognised on new financial assets originated	– 就產生的新金融資產已確認減值虧損	12,451	–	12,451
– impairment losses reversed	– 已撥回減值虧損	(7,969)	–	(7,969)
– write-offs	– 撇銷	–	(20,920)	(20,920)
Exchange adjustments	匯兌調整	218	187	405
At 31 December 2020	於二零二零年十二月三十一日	12,669	–	12,669
Changes due to trade receivables recognised:	已確認貿易應收款項所致變動：			
– impairment losses recognised on financial assets carried forward from 1 January 2021	– 自二零二一年一月一日結轉的金融資產已確認減值虧損	–	13,615	13,615
– transfer to credit-impaired	– 轉撥至信貸減值	(4,409)	4,409	–
– impairment losses recognised on new financial assets originated	– 就產生的新金融資產已確認減值虧損	6,612	–	6,612
– impairment losses reversed	– 已撥回減值虧損	(8,260)	–	(8,260)
At 31 December 2021	於二零二一年十二月三十一日	6,612	18,024	24,636



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38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

During the year, there were impairment losses reversed due to the settlement of trade receivables carried forward from prior year. As a result, a reversal of provision of HK\$8,260,000 (2020: HK\$7,969,000) has been recognised in the current year.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier.

Liquidity risk

In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Group to finance the operations and mitigate the effects of fluctuations in cash flows. The Group relies on bank and other borrowings as a significant source of liquidity. As at 31 December 2021, the Group has unutilised banking facilities of HK\$3,901,847,000 (2020: HK\$2,620,485,000). The management of the Group monitors the utilisation of borrowings and ensures compliance with loan covenants.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities and lease liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities and lease liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank borrowings with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks or financial institutions choosing to exercise their rights. The table includes both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from the interest rate at the end of the reporting period.

38. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

於本年度錄得已撥回減值虧損，原因為上一年度結算結轉貿易應收款項所致。因此，本年度確認撥備撥回8,260,000港元(二零二零年：7,969,000港元)。

倘有資料顯示債務人陷入嚴重財務困難且無實際收回可能，例如債務人遭清盤或已進入破產程序，或貿易應收款項已逾期超過兩年(以較早者為準)，則本集團會撇銷貿易應收款項。

流動資金風險

就管理流動資金風險而言，本集團監控及維持本集團管理層視為足夠的現金及現金等價物水平，以撥付營運所需資金及減輕現金流量波動的影響。本集團依賴銀行及其他借款以作為流動資金主要來源。於二零二一年十二月三十一日，本集團有未動用銀行融資3,901,847,000港元(二零二零年：2,620,485,000港元)。本集團管理層監控借款的使用情況，並確保其遵守貸款契約。

下表詳列本集團就其非衍生金融負債及租賃負債的剩餘合約到期情況。下表乃根據本集團須付款的最早日期，按金融負債及租賃負債的未貼現現金流量編製。特別是，包含按要求償還條款的銀行借款包括於最早組別，不論銀行或金融機構可能選擇行使其權利的可能性。該表包括利息及主要現金流量。

因利息流量為浮動利率，未貼現金額以報告期間結束時的利率計算。

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38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity tables

38. 金融工具 (續)

財務風險管理目標及政策 (續)

流動資金風險 (續)

流動資金表

		Weighted average effective interest rate	Repayable on demand or within 3 months 按要求或 三個月內 償還	Between 3 months to 1 year 三個月至 一年	Between 1 year to 5 years 一年至五年	More than 5 years 超過五年	Total undiscounted cash flows 未貼現現金 流量總額	Carrying amount at the end of the reporting date 於報告日期 結束時的 賬面值
			HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 31 December 2021	於二零二一年十二月三十一日							
Non-derivative financial liabilities	非衍生金融負債							
Trade payables	貿易應付款項	N/A 不適用	370,193	-	-	-	370,193	370,193
Bills payables	應付票據	N/A 不適用	282,431	161,607	-	-	444,038	444,038
Other payables and accrued charges	其他應付款項及應計費用	N/A 不適用	357,062	-	-	-	357,062	357,062
Bank borrowings – variable rate	銀行借款 – 浮動利率	2.05%	1,318,999	196,306	606,248	-	2,121,553	2,090,380
Other borrowing – variable rate	其他借款 – 浮動利率	2.78%	10,796	32,387	28,593	-	71,776	70,024
			2,339,481	390,300	634,841	-	3,364,622	3,331,697
Lease liabilities	租賃負債	5.29%	13,453	38,984	94,421	122,496	269,354	171,715
At 31 December 2020	於二零二零年十二月三十一日							
Non-derivative financial liabilities	非衍生金融負債							
Trade payables	貿易應付款項	N/A 不適用	243,050	-	-	-	243,050	243,050
Bills payables	應付票據	N/A 不適用	182,510	140,738	-	-	323,248	323,248
Other payables and accrued charges	其他應付款項及應計費用	N/A 不適用	280,981	-	-	-	280,981	280,981
Bank borrowings – variable rate	銀行借款 – 浮動利率	2.21%	1,237,542	98,097	986,908	-	2,322,547	2,241,613
Other borrowing – variable rate	其他借款 – 浮動利率	4.75%	533	1,600	49,175	-	51,308	44,908
			1,944,616	240,435	1,036,083	-	3,221,134	3,133,800
Lease liabilities	租賃負債	5.19%	4,116	14,268	36,008	126,581	180,973	90,132



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38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity tables (Continued)

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

As at 31 December 2021, the aggregate undiscounted principal amount of bank borrowings with repayment on demand clause amounting to HK\$1,296,497,000 (2020: HK\$1,234,940,000) are included in “Repayment on demand or within 3 months” time band in the above maturity analysis. Taking into account the Group’s financial position, the management of the Group does not believe that it is probable that the banks or financial institutions will exercise their discretionary rights to demand immediate repayment. The management of the Group believes that such bank borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

38. 金融工具 (續)

財務風險管理目標及政策 (續)

流動資金風險 (續)

流動資金表 (續)

倘浮動利率的變動有別於報告期間結束時的估計利率，上文所載列非衍生金融負債的浮動利率工具的金額亦會變動。

於二零二一年十二月三十一日，包含按要求償還條款的銀行借款的未貼現本金總額1,296,497,000港元（二零二零年：1,234,940,000港元）乃計入上文到期日分析「按要求或三個月內償還」的時間組別。計及本集團的財務狀況，本集團管理層相信，銀行或金融機構不大可能行使彼等的酌情權要求即時償還。本集團管理層相信，該等銀行借款將依照貸款協議所載計劃償還日期償還。

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38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity tables (Continued)

For the purpose of managing liquidity risk, the management of the Group reviews the expected cash flow information of the Group's bank borrowings based on the scheduled repayment dates set out in the agreement as set out in the table below:

38. 金融工具 (續)

財務風險管理目標及政策 (續)

流動資金風險 (續)

流動資金表 (續)

就管理流動資金風險而言，本集團管理層根據協議所載計劃償還日期（如下表所載）審閱本集團銀行借款的估計現金流量資料：

		Weighted average interest rate	Within 3 months	Between 3 months to 1 year	Between 1 year to 5 years	Total undiscounted cash flows	Carrying amount at the end of the reporting period
		加權平均 利率 %	三個月內 HK\$'000 千港元	三個月至 一年 HK\$'000 千港元	一年至五年 HK\$'000 千港元	未貼現 現金流量 總額 HK\$'000 千港元	於報告期間 結束時的 賬面值 HK\$'000 千港元
Bank borrowings	銀行借款						
At 31 December 2021	於二零二一年十二月三十一日	1.81	1,000,560	129,358	154,629	1,284,547	1,296,497
At 31 December 2020	於二零二零年十二月三十一日	1.97	864,419	157,019	240,086	1,261,524	1,234,940



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38. FINANCIAL INSTRUMENTS (Continued)

Disclosure of risks arising from the interest rate benchmark reform

As listed in Note 2, several of the Group's LIBOR bank loans will be subject to the interest rate benchmark reform. The Group is closely monitoring the market and managing the transition to new benchmark interest rates, including announcements made by the relevant IBOR regulators.

LIBOR

The Financial Conduct Authority has confirmed all LIBOR settings will either cease to be provided by any administrator or no longer be representative:

- immediately after 31 December 2021, in the case of all sterling, euro, Swiss franc and Japanese yen settings, and the 1-week and 2-month US dollar settings; and
- immediately after 30 June 2023, in the case of the remaining US dollar settings.

HIBOR

While the Hong Kong Dollar Overnight Index Average ("HONIA") has been identified as an alternative to HIBOR, there is no plan to discontinue HIBOR. The multi-rate approach has been adopted in Hong Kong, whereby HIBOR and HONIA will co-exist.

38. 金融工具 (續)

利率基準改革產生的風險披露

誠如附註2所述，本集團若干按倫敦銀行同業拆息計息之銀行借貸將受限於利率基準改革。本集團正密切關注市場並管理新利率基準之過渡程序，其中包括相關銀行同業拆息監管機構作出的公告。

倫敦銀行同業拆息

金融行為監管局已確認，所有銀行同業拆息設置將不再由任何執行機構提供，或不再具有代表性：

- 就所有英鎊、歐元、瑞士法郎及日圓設置，以及1週及2個月美元設置，日期為緊隨二零二一年十二月三十一日後；及
- 就其餘美元設置，日期為緊隨二零二三年六月三十日後。

香港銀行同業拆息

儘管港元隔夜平均指數（「港元隔夜平均指數」）已被確定為香港銀行同業拆息之替代品，但並無計劃終止香港銀行同業拆息。香港已採用多利率方法，即港元隔夜平均指數與香港銀行同業拆息將同時存在。

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38. FINANCIAL INSTRUMENTS (Continued)

HIBOR (Continued)

Progress towards implementation of alternative benchmark interest rates

As part of the Group's risk management for transition, new contracts entered into by the Group are linked to the relevant alternative benchmark rates or interest rates which are not subject to reform to the extent feasible.

The Group is planning to transition the LIBOR-linked contract through introduction of, or amendments to, fallback clauses into the contracts which will change the basis for determining the interest cash flows from LIBOR to alternative reference rate at an agreed point in time.

The following table shows the total amounts of outstanding contracts and the progress in completing the transition to alternative benchmark rates as at 31 December 2021. The amounts of financial liabilities are shown at their carrying amounts.

Financial instruments prior to transition 過渡前的金融工具	Maturing in 到期年限	HK\$'000 千港元	Transition progress for financial instruments 金融工具的過渡進展
Non-derivative financial liabilities 非衍生金融負債			
Bank and other borrowings linked to US\$ LIBOR 與美元倫敦銀行同業拆息掛鈎的銀行及其他借貸	2022-2024 二零二二至二零二四年	750,462 (2020: 859,343)	Expected to transit in latest by 2023 預期最晚於二零二三年過渡
Bank borrowings linked to HIBOR 與香港銀行同業拆息掛鈎的銀行借貸	2022-2024 二零二二至二零二四年	1,409,942 (2020: 1,427,178)	HIBOR will continue till maturity 香港銀行同業拆息將持續直至到期

38. 金融工具 (續)

香港銀行同業拆息 (續)

替代基準利率的實施進展

作為本集團過渡風險管理的一部分，本集團簽訂的新合約與相關替代基準利率或於可行範圍內不受改革的利率掛鈎。

本集團正在計劃透過在合約中引入或修訂後備條款，過渡與倫敦銀行同業拆息掛鈎的合約，並將於約定的時間點將釐定利息現金流量的基礎自倫敦銀行同業拆息變更為替代參考利率。

下表顯示於二零二一年十二月三十一日的未償還合約總額及完成過渡至替代基準利率的進展。金融負債金額以其賬面金額列示。

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38. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments

Fair value of the financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Level 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the assets.

38. 金融工具 (續)

金融工具之公平值計量

以經常性基準按公平值計量的金融負債的公平值

本集團部分金融負債乃於各報告期間結束時按公平值計量。下表載列有關該等金融負債之公平值釐定方法的資料(尤其是所使用的估值技術及輸入數據),以及基於公平值計量輸入數據的可觀察程度而劃分的公平值計量層級(第一至三級)。

- 第一級輸入數據為實體可於計量日期評估的完全相同的資產於活躍市場的報價(未調整);
- 第二級輸入數據為不包括第一級報價的資產的可直接或間接觀察的輸入數據;及
- 第三級輸入數據為資產的不可觀察輸入數據。

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38. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Fair value of the financial liabilities that are measured at fair value on a recurring basis (Continued)

		Fair value as at 31 December 於十二月三十一日的公平值		Fair value hierarchy 公平值層級	Valuation techniques and key inputs 估值技術及主要輸入數據	Sensitivity 敏感度
2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元					
(1) Derivative financial liability (see Note 29)	Put option – 1,092	Put option – 1,402	Level 3	Fair value derived by valuation model, Monte Carlo Simulation Model. The key unobservable inputs used by the Group mainly included expected volatility of comparable companies, Weighted Average Cost of Capital ("WACC") and discount for lack of marketability.	The fair value of the derivative financial liability as a whole is negatively correlated with the WACC and positively correlated with the discount for lack of marketability and the expected volatility of comparable companies. As at 31 December 2021, it is estimated that with all other variables held constant, an increase/decrease in: – WACC by 3% would have decreased/increased the fair value of the derivative financial liability by HK\$299,000/HK\$335,000 (2020: HK\$357,000/HK\$404,000); – Discount for lack of marketability by 5% would have increased/decreased the fair value of the derivative financial liability by HK\$121,000/HK\$109,000 (2020: HK\$155,000/HK\$148,000); – Expected volatility of comparable companies by 10% would have increased/decreased the fair value of the derivative financial liability by HK\$252,000/HK\$236,000 (2020: HK\$344,000/HK\$305,000).	
(1) 衍生金融負債 (見附註29)	認沽期權 – 1,092	認沽期權 – 1,402	第三級	按估值模型蒙特卡羅模擬模型得出的公平值。本集團所用的主要不可觀察輸入數據主要包括可資比較公司的預期波幅、加權平均資本成本(「加權平均資本成本」)及缺少適銷性的折讓。	衍生金融負債的公平值整體與加權平均資本成本成反比，與缺少適銷性的折讓及可資比較公司的預期波幅成正比。 於二零二一年十二月三十一日，估計在所有其他變數維持不變的情況下，倘： – 加權平均資本成本增加/減少3%，將導致衍生金融負債的公平值減少/增加299,000港元/335,000港元(二零二零年：357,000港元/404,000港元)； – 缺乏適銷性的折讓增加/減少5%，將導致衍生金融負債的公平值增加/減少121,000港元/109,000港元(二零二零年：155,000港元/148,000港元)； – 可資比較公司的預期波幅增加/減少10%，將導致衍生金融負債的公平值增加/減少252,000港元/236,000港元(二零二零年：344,000港元/305,000港元)。	

There is no transfers among Level 1, Level 2 and Level 3 during both years.

38. 金融工具 (續)

金融工具之公平值計量 (續)

以經常性基準按公平值計量的金融負債的公平值 (續)

於兩個年度內，第一級、第二級及第三級間概無任何轉移。

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38. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Fair value of the financial liabilities that are not measured at fair value on a recurring basis

The management of the Group estimates the fair value of its financial assets and financial liabilities measured at amortised cost using the discounted cash flows analysis.

The management of the Group considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

Valuation process

The financial controller of the Group is responsible to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data or information provided by counterparty financial institutions to the extent it is available. Where Level 1 inputs are not available or counterparty (investee or fund manager) cannot provide sufficient information in relation to fair value, the management of the Group engages third party qualified valuers to perform the valuation. The financial controller reports to management of the Group semi-annually to explain the cause of fluctuations in the fair value of the assets.

Information about the valuation techniques and inputs used in determining the fair value of various financial instruments are disclosed above.

38. 金融工具 (續)

金融工具之公平值計量 (續)

並非按經常性基準以公平值計量的金融負債的公平值

本集團管理層使用貼現現金流量分析估計按攤銷成本計量的金融資產及金融負債的公平值。

本集團管理層認為綜合財務報表中按攤銷成本入賬的金融資產及金融負債賬面值與彼等的公平值相若。

估值程序

本集團財務總監負責釐定合適的公平值計量估值技術及輸入數據。

於估計資產或負債的公平值時，本集團在可得情況下均採用市場可觀察數據或對手方金融機構提供的資料。倘並無第一級輸入數據或對手方（被投資公司或基金經理）未能提供有關公平值的足夠資料，本集團管理層委聘第三方合資格估值師進行估值。財務總監每半年向本集團管理層匯報，以解釋資產公平值波動的原因。

有關釐定多項金融工具公平值時所採用的估值技術及輸入數據的資料於上文披露。

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38. FINANCIAL INSTRUMENTS (Continued)

Reconciliation of Level 3 fair value measurement

		Derivative financial liability 衍生金融負債 HK\$'000 千港元
At 1 January 2020	於二零二零年一月一日	(1,403)
Total gains:	總收益：	
– in profit or loss	– 計入損益	1
At 31 December 2020	於二零二零年十二月三十一日	(1,402)
Total gain:	總收益：	
– in profit or loss	– 計入損益	310
At 31 December 2021	於二零二一年十二月三十一日	(1,092)

39. SHARE-BASED PAYMENTS

The Company's Pre-IPO share option scheme (the "Pre-IPO Share Option Scheme") and share option scheme (the "Share Option Scheme") were adopted pursuant to a resolution passed on 8 May 2014 for the primary purpose of providing incentives to directors and eligible employees, and will expire at the end of five years and ten years from the date of grant of respective share options for Pre-IPO Share Options Scheme and the Share Option Scheme, respectively.

For the Share Option Scheme, no share option was granted since its adoption.

At 31 December 2021 and 2020, there is no granted share options remained outstanding under the Pre-IPO Share Options Scheme.

Details of the principal terms of the Pre-IPO Share Option Scheme and Share Option Scheme are disclosed in the "Report of the Directors" included in the Annual Report 2021 of the Company.

38. 金融工具 (續)

第三級公平值計量的對賬

39. 以股份為基礎的付款

本公司根據於二零一四年五月八日通過的決議案採納首次公開發售前購股權計劃（「首次公開發售前購股權計劃」）及購股權計劃（「購股權計劃」），主要為董事及合資格僱員提供激勵，並分別將於首次公開發售前購股權計劃及購股權計劃授出各購股權日期起五年及十年未到期。

就購股權計劃而言，自其採納起並無授出購股權。

於二零二一年及二零二零年十二月三十一日，概無根據首次公開發售前購股權計劃已授出尚未行使的購股權。

首次公開發售前購股權計劃及購股權計劃之主要條款的詳情於本公司二零二一年年報所載「董事會報告」披露。



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40. RELATED PARTY TRANSACTIONS

Other than disclosed elsewhere in the consolidated financial statements, the Group had the following related party transactions during the year:

(a)		2021	2020
		二零二一年	二零二零年
Nature of transaction		HK\$'000	HK\$'000
交易性質		千港元	千港元
Sales of goods to a joint venture	向合營企業銷售貨物	1,969	1,846
Purchase of goods from a joint venture	自合營企業購買貨物	80,671	49,639
Sales of goods to a related company*	向一間關聯公司銷售貨物*	117,536	48,293
Sales of goods to other related companies [#]	向其他關聯公司銷售貨物 [#]	847,062	528,299
Interest expense on other borrowing from one of the other related companies [#]	自其中一間其他關聯公司的其他借款利息開支 [#]	1,002	759
Operating expenses to other related companies [#]	向其他關聯公司支付經營開支 [#]	70,150	36,125

* A related company controlled by close family members of certain directors of the Company.

[#] The other related companies are fellow subsidiaries of the non-controlling shareholders of subsidiaries who have significant influence over subsidiaries of the Group.

(b) Compensation to key management personnel of the Group which represents directors of the Company is set out in Note 10.

40. 關聯方交易

除綜合財務報表其他部分所披露者外，本集團於年內有下列關聯方交易：

* 由本公司若干董事的近親家族成員控制的關聯公司。

[#] 該等其他關聯公司為對本集團附屬公司具有重大影響之附屬公司非控股股東的同系附屬公司。

(b) 本集團主要管理人員（即本公司董事）的酬金載於附註10。

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40. RELATED PARTY TRANSACTIONS

(Continued)

- (c) The Group also has the following related party transactions and balances regarding to the lease agreements entered into by the Group as a lessee.

Nature of transaction/balances		2021	2020
交易 / 結餘性質		二零二一年	二零二零年
		HK\$'000	HK\$'000
		千港元	千港元
Interest expense on lease liability to a related company*	向一間關聯公司支付租賃負債利息開支*	567	476
Lease liability to a related company*	向一間關聯公司償還租賃負債*	19,104	3,694
Interest expense in respect of rental premises to Mr. Lu	向盧先生支付的租賃物業利息開支	1,039	820
Lease liability in respect of rental premises to Mr. Lu	向盧先生償還租賃物業租賃負債	10,677	13,275
Interest expense to one of the other related companies [#]	向其中一間其他關聯公司支付利息開支 [#]	776	573
Lease liability to one of the other related companies [#]	向其中一間其他關聯公司償還租賃負債 [#]	11,739	10,332

* A related company controlled by close family members of certain directors of the Company.

[#] The other related companies are fellow subsidiary of the non-controlling shareholder who have significant influence over subsidiaries of the Group.

- (d) Details of the other balances with related parties at the end of reporting period are disclosed in the consolidated statement of financial position and Notes 20, 21, 23, 25, 26 and 27.
- (e) Details of the acquisition of a business from a non-controlling shareholder of a non-wholly owned subsidiary are disclosed in Note 33.

40. 關聯方交易 (續)

- (c) 本集團亦就本集團作為承租人訂立的該等租賃協議有下列關聯方交易及結餘。

* 由本公司若干董事的近親家族成員控制的關聯公司。

[#] 該等其他關聯公司為對本集團附屬公司具有重大影響之非控股股東的同系附屬公司。

- (d) 有關於報告期間結束時於關聯方之其他結餘的詳情於綜合財務狀況表以及附註20、21、23、25、26及27中披露。
- (e) 有關自非全資附屬公司之一名非控股股東收購業務的詳情於附註33中披露。



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41. DETAILS OF SUBSIDIARIES

As at 31 December 2021 and 2020, the Company has the following subsidiaries:

41. 附屬公司之詳情

於二零二一年及二零二零年十二月三十一日，本公司有以下附屬公司：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Place of operation 經營地點	Charter capital/ Paid up share capital/ registered capital 章程資本/ 繳足股本/註冊資本	Proportion of ownership interest held by the Company as at 31 December 本公司 於十二月三十一日 所持擁有權權益比例		Principal activities 主要業務
				2021 二零二一年 %	2020 二零二零年 %	
BPT Holdings 超盈紡織控股	BVI 英屬處女群島	Hong Kong 香港	Ordinary US\$20,000 普通股20,000美元	100	100	Investment holding 投資控股
Best Pacific Textile International Limited 超盈紡織國際有限公司	BVI 英屬處女群島	Hong Kong 香港	Ordinary US\$100 普通股100美元	100	100	Investment holding 投資控股
Best Pacific Textile Limited 超盈紡織有限公司	Hong Kong 香港	Hong Kong 香港	Ordinary HK\$10,000 普通股 10,000 港元	100	100	Investment holding and trading of elastic fabric and lace 投資控股及買賣彈性 織物面料及蕾絲
Best Pacific Investment (Hong Kong) Limited 超盈投資(香港)有限公司	Hong Kong 香港	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	100	100	Investment holding and provision of agency services to group companies 投資控股及向集團 公司提供代理服務
Best Pacific Management Services Limited (Formerly known as Best Pacific Textile (Hong Kong) Limited) 超盈管理服務有限公司 (前稱超盈紡織(香港) 有限公司)	Hong Kong 香港	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	100	100	Provision of management services to group companies 向集團公司提供 管理服務
New Horizon Investment (Hong Kong) Limited 潤達投資(香港)有限公司	Hong Kong 香港	Hong Kong 香港	Ordinary HK\$10,000 普通股 10,000 港元	100	100	Investment holding and trading of elastic webbing 投資控股及買賣彈性 織帶

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41. DETAILS OF SUBSIDIARIES (Continued)

41. 附屬公司之詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Place of operation 經營地點	Charter capital/ Paid up share capital/ registered capital 章程資本/ 繳足股本/註冊資本	Proportion of ownership interest held by the Company as at 31 December 本公司 於十二月三十一日 所持擁有權權益比例		Principal activities 主要業務
				2021 二零二一年 %	2020 二零二零年 %	
Best Pacific International Investment Limited. 超盈國際投資有限公司 (Formerly known as New Horizon Elastic Fabric (Hong Kong) Limited) (前稱潤達彈性織物(香港)有限公司)	Hong Kong 香港	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	100	100	Investment holding 投資控股
Dongguan BPT 東莞超盈 (Note ii) (附註ii)	The PRC 中國	The PRC 中國	Paid-up registered capital HK\$1,394,272,942 繳足註冊資本 1,394,272,942 港元	100	100	Manufacturing and trading of elastic fabric and lace 製造及買賣彈性織物 面料及蕾絲
Dongguan NHE 東莞潤信 (Note ii) (附註ii)	The PRC 中國	The PRC 中國	Paid-up registered capital HK\$367,250,000 繳足註冊資本 367,250,000 港元	100	100	Manufacturing and trading of elastic webbing 製造及買賣彈性織帶
Dongguan Best Pacific International Trading Company Limited 東莞超盈國際貿易有限公司 (Note ii) (附註ii)	The PRC 中國	The PRC 中國	Paid-up registered capital RMB1,000,000 繳足註冊資本 人民幣1,000,000元	100	100	Purchase of machineries, parts and raw materials 採購機器、零件 及原材料
New Horizon International Investments Limited 潤達國際投資有限公司	BVI 英屬處女群島	Hong Kong 香港	Ordinary US\$100 普通股 100 美元	100	100	Investment holding 投資控股
Best Pacific International (Vietnam) Company Limited 超盈國際(越南)有限公司	BVI 英屬處女群島	Hong Kong 香港	Ordinary US\$100 普通股 100 美元	100	100	Investment holding 投資控股
Best Pacific (Vietnam) Company Limited 超盈(越南)有限公司	Hong Kong 香港	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	100	100	Investment holding 投資控股



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41. DETAILS OF SUBSIDIARIES (Continued)

41. 附屬公司之詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Place of operation 經營地點	Charter capital/ Paid up share capital/ registered capital 章程資本/ 繳足股本/註冊資本	Proportion of ownership interest held by the Company as at 31 December 本公司 於十二月三十一日 所持擁有權益比例		Principal activities 主要業務
				2021 二零二一年 %	2020 二零二零年 %	
Best Pacific Vietnam Company Limited 超盈越南有限公司	Vietnam 越南	Vietnam 越南	Charter capital VND1,881,200,000,000 章程資本 1,881,200,000,000 越南盾	100	100	Manufacturing and trading of elastic fabric and elastic webbing 製造及買賣彈性織物面料及彈性織帶
Best Pacific International Sri Lanka (Pannala) Limited	BVI 英屬處女群島	Hong Kong 香港	Ordinary US\$100 普通股 100 美元	100	100	Investment holding 投資控股
Best Pacific Textiles Lanka (Pvt) Limited ("BPTL")	Sri Lanka 斯里蘭卡	Sri Lanka 斯里蘭卡	Ordinary Sri Lankan rupee 4,715,125,600 普通股 4,715,125,600 斯里蘭卡盧比	75	75	Manufacturing and trading of elastic fabric and elastic webbing 製造及買賣彈性織物面料及彈性織帶
Best Pacific International Sri Lanka (Thulhiriya) Limited	BVI 英屬處女群島	Hong Kong 香港	Ordinary US\$100 普通股 100 美元	100	100	Investment holding 投資控股
Trischel	Sri Lanka 斯里蘭卡	Sri Lanka 斯里蘭卡	Ordinary US\$68,695,779 普通股 68,695,779 美元	51	51	Manufacturing and trading of elastic fabric 製造及買賣彈性織物面料
NexTex Innovations International Company Limited	BVI 英屬處女群島	Hong Kong 香港	Ordinary US\$100 普通股 100 美元	100	100	Investment holding 投資控股
NexTex Innovations Incorporation Limited 超盈啟創科技有限公司	Hong Kong 香港	Hong Kong 香港	Ordinary HK\$1,000 普通股 1,000 港元	100	100	Investment holding and marketing 投資控股及營銷

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41. DETAILS OF SUBSIDIARIES (Continued)

41. 附屬公司之詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Place of operation 經營地點	Charter capital/ Paid up share capital/ registered capital 章程資本/ 繳足股本/註冊資本	Proportion of ownership interest held by the Company as at 31 December 本公司 於十二月三十一日 所持擁有權權益比例		Principal activities 主要業務
				2021 二零二一年 %	2020 二零二零年 %	
NexTex Innovations Inc.	The United States of America 美國	The United States of America 美國	Ordinary US\$0.02 普通股0.02美元	100	100	Marketing 營銷
Best Pacific International (Singapore) Limited 超盈國際(新加坡)有限公司	BVI 英屬處女群島	Hong Kong 香港	Ordinary US\$100 普通股100美元	100 (Note iii) (附註iii)	N/A 不適用	Inactive 暫無營業
Bravo Great Development Limited 博偉發展有限公司	BVI 英屬處女群島	Hong Kong 香港	Ordinary US\$100 普通股100美元	100 (Note iii) (附註iii)	N/A 不適用	Inactive 暫無營業
Guizhou Best Pacific Textile Technology Holdings Company Limited 貴州超盈紡織科技控股 有限公司 (Note ii) (附註ii)	The PRC 中國	The PRC 中國	Registered capital HK\$10,000,000 註冊資本10,000,000港元	100 (Note iii) (附註iii)	N/A 不適用	Investment holding 投資控股



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41. DETAILS OF SUBSIDIARIES (Continued)

41. 附屬公司之詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Place of operation 經營地點	Charter capital/ Paid up share capital/ registered capital 章程資本/ 繳足股本/註冊資本	Proportion of ownership interest held by the Company as at 31 December 本公司 於十二月三十一日 所持擁有權權益比例		Principal activities 主要業務
				2021 二零二一年 %	2020 二零二零年 %	
Guizhou Best Pacific Textile Technology Limited 貴州星盈紡織科技有限公司 (Note ii) (附註ii)	The PRC 中國	The PRC 中國	Registered capital RMB\$10,000,000 註冊資本 人民幣10,000,000元	100 (Note iii) (附註iii)	N/A 不適用	Inactive 暫無營業
Guizhou New Horizon Elastic Fabric Company Limited 貴州星潤彈性織物有限公司 (Note ii) (附註ii)	The PRC 中國	The PRC 中國	Registered capital RMB\$10,000,000 註冊資本 人民幣10,000,000元	100 (Note iii) (附註iii)	N/A 不適用	Manufacturing and trading of elastic webbing 製造及買賣彈性織帶

Notes:

- (i) As at 31 December 2021 and 2020, other than BPT Holdings which is a directly wholly owned subsidiary of the Company, all of the above subsidiaries are indirectly held by the Company.
- (ii) The companies are wholly foreign owned enterprises established in the PRC.
- (iii) The companies were established/incorporated by the Group during the year ended 31 December 2021.

None of the Company's subsidiaries had issued any debt securities at the end of the reporting period.

附註：

- (i) 於二零二一年及二零二零年十二月三十一日，除超盈紡織控股為本公司直接全資附屬公司外，所有以上附屬公司乃由本公司間接持有。
- (ii) 該等公司為在中國成立的外商獨資企業。
- (iii) 該等公司由本集團於截至二零二一年十二月三十一日止年度成立。

本公司的附屬公司於報告期間結束時並無發行任何債務證券。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

41. DETAILS OF SUBSIDIARIES (Continued)

Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shares details of non-wholly-owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary 附屬公司名稱	Place of incorporation and principal place of business 註冊成立地點及 主要營業地點	Proportion of ownership and voting rights held by non-controlling interests 非控股權益持有之 所有權及投票權比例		(Loss) profit allocated to non-controlling interests 分配至非控股權益(虧損)溢利		Accumulated non-controlling interests 累計非控股權益	
		As at 31 December 於十二月三十一日		Year ended 31 December 截至十二月三十一日止年度		As at 31 December 於十二月三十一日	
		2021 二零二一年	2020 二零二零年	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
BPTL	Sri Lanka 斯里蘭卡	25%	25%	(7,682)	(9,168)	30,224	37,688
Trischel	Sri Lanka 斯里蘭卡	49%	49%	7,234	592	61,564	46,190
				(448)	(8,576)	91,788	83,878

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

有關擁有重大非控股權益的本集團各附屬公司的財務資料概述載列如下。以下財務資料概述指集團內部抵銷前的金額。

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
BPTL			
Current assets	流動資產	135,483	67,558
Non-current assets	非流動資產	396,097	411,997
Current liabilities	流動負債	(357,756)	(290,446)
Non-current liabilities	非流動負債	(52,919)	(38,354)
Equity attributable to owners of the Company	本公司擁有人應佔權益	90,681	113,067
Non-controlling interests of BPTL	BPTL非控股權益	30,224	37,688

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

41. DETAILS OF SUBSIDIARIES (Continued)

Details of non-wholly owned subsidiaries that have material non-controlling interests (Continued)

41. 附屬公司之詳情 (續)

擁有重大非控股權益之非全資附屬公司詳情 (續)

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
BPTL (Continued) (續)			
Revenue	收入	180,135	84,963
Loss for the year	年度虧損	(30,724)	(36,673)
Loss attributable to owners of the Company	本公司擁有人應佔虧損	(23,042)	(27,505)
Loss attributable to the non-controlling interests of BPTL	BPTL非控股權益應佔虧損	(7,682)	(9,168)
Loss for the year	年度虧損	(30,724)	(36,673)
Other comprehensive income (expense) attributable to owners of the Company	本公司擁有人應佔其他全面收益 (開支)	656	(400)
Other comprehensive income (expense) attributable to non-controlling interests of BPTL	BPTL非控股權益應佔其他全面收益 (開支)	218	(135)
Other comprehensive income (expense) for the year	年度其他全面收益 (開支)	874	(535)
Total comprehensive expense attributable to owners of the Company	本公司擁有人應佔全面開支總額	(22,386)	(27,905)
Total comprehensive expense attributable to non-controlling interests of BPTL	BPTL非控股權益應佔全面開支總額	(7,464)	(9,303)
Total comprehensive expense for the year	年度全面開支總額	(29,850)	(37,208)

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

41. DETAILS OF SUBSIDIARIES (Continued)

Details of non-wholly owned subsidiaries that have material non-controlling interests (Continued)

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Trischel			
Current assets	流動資產	312,214	193,460
Non-current assets	非流動資產	206,698	179,104
Current liabilities	流動負債	(318,017)	(251,509)
Non-current liabilities	非流動負債	(75,257)	(26,791)
Equity attributable to owners of the Company	本公司擁有人應佔權益	64,074	48,074
Non-controlling interests of Trischel	Trischel非控股權益	61,564	46,190

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Revenue	收入	521,599	259,798
Profit for the year	年度溢利	14,761	1,209
Profit attributable to owners of the Company	本公司擁有人應佔溢利	7,527	617
Profit attributable to the non-controlling interests of Trischel	Trischel非控股權益應佔溢利	7,234	592
Profit for the year	年度溢利	14,761	1,209
Other comprehensive income (expense) attributable to owners of the Company	本公司擁有人應佔其他全面收益(開支)	517	(157)
Other comprehensive income (expense) attributable to non-controlling interests of Trischel	Trischel非控股權益應佔其他全面收益(開支)	496	(149)
Other comprehensive income (expense) for the year	年度其他全面收益(開支)	1,013	(306)
Total comprehensive income attributable to owners of the Company	本公司擁有人應佔全面收益總額	8,044	460
Total comprehensive income attributable to non-controlling interests of Trischel	Trischel非控股權益應佔全面收益總額	7,730	443
Total comprehensive income for the year	年內全面收益總額	15,774	903

41. 附屬公司之詳情 (續)

擁有重大非控股權益之非全資附屬公司詳情 (續)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

42. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

42. 融資活動產生之負債的對賬

下表為本集團融資活動產生之負債變動詳情，包括現金及非現金變動。融資活動產生之負債乃為現金流量已於或未來現金流量將於本集團綜合現金流量表分類為融資活動現金流量之負債。

		Dividends payable	Bank and other borrowings [#]	Lease liabilities	Total
		應付股息	銀行及其他借款 [#]	租賃負債	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 January 2020	於二零二零年一月一日	-	2,187,095	73,400	2,260,495
Financing cash flows	融資現金流量	(60,309)	22,948	(20,034)	(57,395)
Dividends declared (Note 14)	已宣派股息(附註14)	60,309	-	-	60,309
Finance costs (Note 9)	融資成本(附註9)	-	75,072	5,131	80,203
New leases entered/lease modified	訂立新租賃/租賃修訂	-	-	31,635	31,635
Decrease in accrued interest	應計利息減少	-	(811)	-	(811)
Exchange adjustments	匯兌調整	-	2,217	-	2,217
At 31 December 2020	於二零二零年十二月三十一日	-	2,286,521	90,132	2,376,653
Financing cash flows	融資現金流量	(154,931)	(189,593)	(27,028)	(371,552)
Dividends declared (Note 14)	已宣派股息(附註14)	154,931	-	-	154,931
Finance costs (Note 9)	融資成本(附註9)	-	59,938	6,283	66,221
New leases entered/lease modified	訂立新租賃/租賃修訂	-	-	102,442	102,442
Exchange adjustments	匯兌調整	-	3,538	(114)	3,424
At 31 December 2021	於二零二一年十二月三十一日	-	2,160,404	171,715	2,332,119

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

43. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

43. 有關本公司財務狀況表資料

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Non-current assets	非流動資產		
Unlisted investments in subsidiaries	於附屬公司非上市投資	111,010	105,883
Amounts due from subsidiaries	應收附屬公司款項	612,728	555,696
		723,738	661,579
Current assets	流動資產		
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	249	240
Bank balances and cash	銀行結餘及現金	101	94
		350	334
Current liability	流動負債		
Other payables	其他應付款項	7	6
Net current assets	流動資產淨值	343	328
Net assets	資產淨值	724,081	661,907
Capital and reserves	資本及儲備		
Share capital (Note 31)	股本(附註31)	10,398	10,398
Reserves	儲備	713,683	651,509
		724,081	661,907

Composition of reserves

儲備組成

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Share premium	股份溢價	593,250	593,250
Retained profits	保留溢利	120,433	58,259
		713,683	651,509



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

43. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

(Continued)

Movement in retained profits of the Company

		本公司保留溢利變動	
		2021	2020
		二零二一年	二零二零年
		HK\$'000	HK\$'000
		千港元	千港元
At 1 January	於一月一日	58,259	13,368
Profit and total comprehensive income for the year	本年度溢利及全面收益總額	217,105	105,200
Dividends recognised as distribution (Note 14)	確認分派的股息(附註14)	(154,931)	(60,309)
At 31 December	於十二月三十一日	120,433	58,259

The movement of share premium is set out in the consolidated statement of equity.

股份溢價的變動載於綜合權益表。

FIVE-YEAR FINANCIAL INFORMATION SUMMARY

五年財務資料摘要

A summary of the published results, assets and liabilities of the Group for the last five financial years, prepared on the basis as set out herein, is set out below:

本集團過去五個財政年度按本報告所載基準編製的已刊發業績、資產及負債摘要如下：

		For the year ended 31 December 截至十二月三十一日止年度				
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元 (Note i) (附註i)	2018 二零一八年 HK\$'000 千港元 (Note ii) (附註ii)	2017 二零一七年 HK\$'000 千港元
Results	業績					
Revenue	收入	4,792,661	3,494,274	3,637,762	3,212,625	2,794,811
Profit for the year	年度溢利	401,346	249,193	299,079	280,232	303,635
Earnings per share	每股盈利					
– Basic (HK cents)	– 基本 (港仙)	38.64	24.79	28.92	27.34	29.45
– Diluted (HK cents)	– 攤薄 (港仙)	N/A 不適用	N/A 不適用	28.92	27.29	29.29
		At 31 December 於十二月三十一日				
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元 (Note i) (附註i)	2018 二零一八年 HK\$'000 千港元 (Note ii) (附註ii)	2017 二零一七年 HK\$'000 千港元
Assets and liabilities	資產及負債					
Current assets	流動資產	3,623,493	3,018,630	2,596,408	2,227,922	1,669,337
Non-current assets	非流動資產	3,378,325	3,308,217	3,268,819	2,960,513	2,545,561
Total assets	資產總值	7,001,818	6,326,847	5,865,227	5,188,435	4,214,898
Current liabilities	流動負債	2,808,343	2,224,353	2,589,414	1,707,791	924,990
Non-current liabilities	非流動負債	820,229	1,084,313	660,735	1,023,224	989,246
Total liabilities	負債總額	3,628,572	3,308,666	3,250,149	2,731,015	1,914,236
Equity attributable to owners of the Company	本公司擁有人應佔權益	3,281,458	2,934,303	2,531,895	2,372,657	2,301,246
Non-controlling interests	非控股權益	91,788	83,878	83,183	84,763	(584)
Total equity	權益總額	3,373,246	3,018,181	2,615,078	2,457,420	2,300,662



FIVE-YEAR FINANCIAL INFORMATION SUMMARY

五年財務資料摘要

Notes:

- (i) During the year ended 31 December 2019, the Group has applied HKFRS 16. Accordingly, certain comparative financial information for the year ended 31 December 2017 and 2018 may not be comparable as such comparative information was prepared under HKAS 17 *Leases*.

- (ii) During the year ended 31 December 2018, the Group had applied HKFRS 9. Accordingly, certain comparative financial information for the years ended 31 December 2017 may not be comparable as such comparative information was prepared under HKAS 39 *Financial instruments – Recognition and Measurement*.

附註：

- (i) 截至二零一九年十二月三十一日止年度，本集團已應用香港財務報告準則第16號。因此，截至二零一七年及二零一八年十二月三十一日止年度之若干比較財務資料可能無法用作比較，該等比較資料乃根據香港會計準則第17號*租賃*編製。

- (ii) 截至二零一八年十二月三十一日止年度，本集團已應用香港財務報告準則第9號。因此，由於截至二零一七年十二月三十一日止年度之若干比較財務資料乃根據香港會計準則第39號*金融工具 – 確認及計量*編製，該等比較資料可能無法用作比較。

Best Pacific International Holdings Limited
超盈國際控股有限公司