



福田實業(集團)有限公司

Fountain Set (Holdings) Limited

世界優質圓筒針織，始於1969 0420.HK

# 1H2020 Post-results Investor Presentation

## 1H2020业绩發佈後

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編織創意，活出新意 Knit Different. Live Different.

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A woman is shown from the chest up, holding a large teddy bear. The entire image is overlaid with a semi-transparent green filter. The woman's hair is dark and appears to be blowing in the wind. The teddy bear is light-colored and has a soft, fuzzy texture.

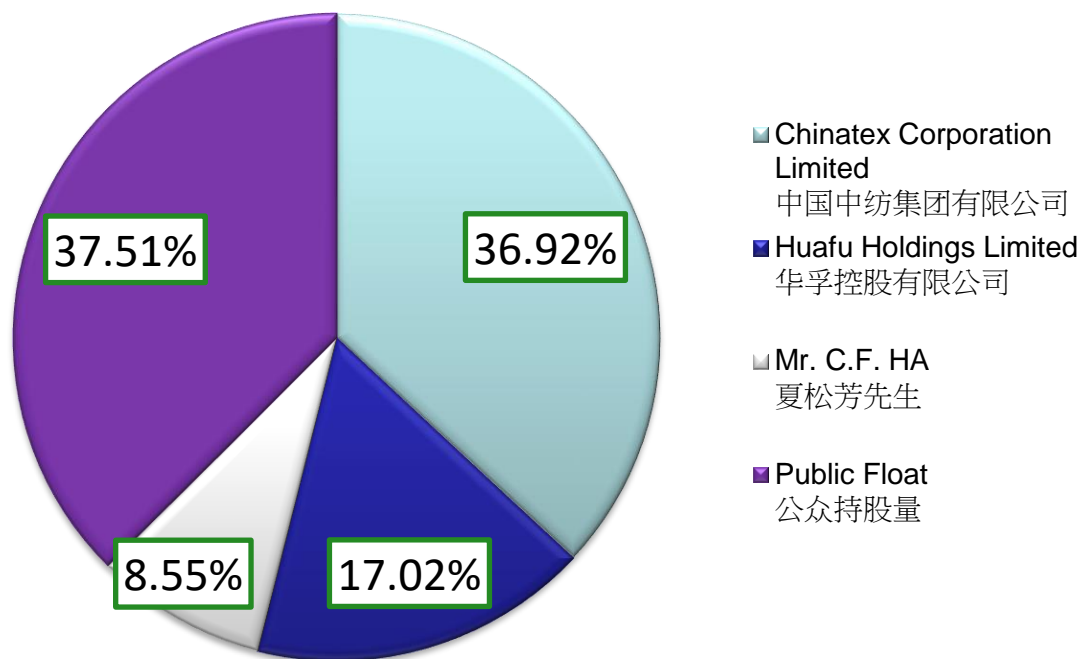
# 1H2020 Financial Information 财务信息

TEDDY FLEECE

soft. warm. lightweight.

# Shareholding Structure of FSHL 福田实业集团股權結構

## Shareholding Structure of FSHL 福田实业集团股權結構



	Shareholding (Note 1) 持股量(附注1)
Chinatex Corporation Limited 中国中纺集团有限公司	452,252,000
Huafu Holdings Limited 华孚控股有限公司	208,516,000
Mr. C.F. HA 夏松芳先生	104,770,581
Public Float 公众持股量	459,488,379
<b>Total issued shares 已发行股份</b>	<b>1,225,026,960</b>

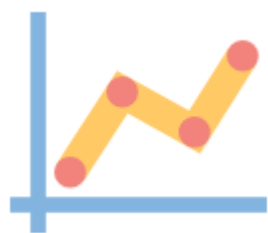
Note 1: Data updated as at 30 June 2020.

附注 1: 截至2020年6月30数据。



# 1H2020 – Key Financials 财务概要

(HK\$ Mil) (百万港元)



Revenue  
营业额

2,099.7

▼ 38.0%



Loss before  
Income Tax  
Expense  
除所得税支出  
前亏损

-9.2

▼ 108.0%



EBITDA  
息税折旧及  
摊销前利润

101.7

▼ 57.1%



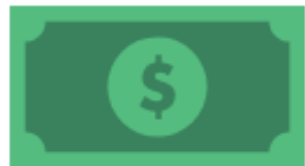
Loss Attributable to  
Owners of the Company  
本公司拥有人应占亏损

-15.2

▼ 118.3%

# 1H2020 – Key Financials 财务概要

(HK\$ Mil) (百万港元)



LPS– Basic  
(HK cents)  
每股基本  
亏损(港仙)

**-1.2**

▼ 8 cents 港仙



EBITDA Margin (%)  
息税折旧及  
摊销前利润率 (%)

**4.8**

▼ 2.2pp



Loss for the  
period  
是期间亏损

**-16.4**

▼ 118.1%

# 1H2020 – Key Financials 财务概要

(HK\$ Mil) (百万港元)	1H20	1H19	Changes 变动
Revenue 营业额	2,099.7	3,388.4	▼ 38.0%
Gross Profit 毛利	213.6	416.9	▼ 48.8%
GP Margin (%) 毛利率	10.2%	12.3%	▼ 2.1pp
EBITDA 息税折旧及摊销前利润	101.7	236.8	▼ 57.1%
EBITDA Margin (%) 息税折旧及摊销前利润率	4.8%	7.0%	▼ 2.2pp
(Loss) Profit for the period 是期间(亏损)盈利	(16.4)	90.6	▼ 118.1%
(Loss) Profit attributable to owners of the Company 本公司拥有人应佔(亏损)盈利	(15.2)	82.7	▼ 118.3%
LPS– Basic (HK cents) 每股基本亏损(港仙)	(1.2)	6.8	▼ 8 cents 港仙



# 1H2020 Results – Key Financials 财务概要

(HK\$ Mil) (百万港元)	At 30 Jun, 2020 于2020年6月30日	At 31 Dec, 2019 于2019年12月31日	Changes 变动
Non-Current Assets 非流动资产	1,777.0	1,835.8	▼ 3.2%
Current Assets 流动资产	3,262.2	3,461.1	▼ 5.7%
Current Liabilities 流动负债	1,297.7	1,331.6	▼ 2.6%
Net Current Assets 流动资产净值	1,964.5	2,129.4	▼ 7.7%
Non-Current Liabilities 非流动负债	309.0	380.2	▼ 18.7%
Net Assets 资产净值	3,432.5	3,585.1	▼ 4.3%
NAV / share (HK\$) 每股资产净值 (港元)	2.8	2.9	▼ 0.1 HK\$ 港元
Equity attributable to owners of the Company 本公司拥有人应占权益	3,270.3	3,419.5	▼ 4.4%
Bank Balances & Cash (bank deposits inclusive; excluded restricted bank deposits) 银行结余及现金 (包括银行存款;不包括受限制银行存款)	1,122.2	937.4	▲ 19.7%
Capital Expenditure 资本开支	48.3	43.3 (1H19)	▲ 11.5%

# Financial Information 财务信息

(HK\$ Mil) (百万港元)

01

## Financial Ratios 财务比率



Current Ratio  
流动比率

2.5

▼ 0.1



Net Debt/ EBITDA  
Ratio (annualised)  
净债务/息税折旧及摊  
销前利润率(年化)

-2.6

▼ 1.0



Net Debt to  
Equity Ratio  
净债务权益比率

-16.2%

▲ 4.9pp



Bank Balances & Cash  
(bank deposits inclusive;  
excluded restricted bank  
deposits)

银行结余及现金  
(包括银行存款;  
不包括受限制银行存款)

1,122.2

▲ 19.7%

# Financial Information 财务信息

02

Turnover Period  
周转期



94

▲ 5 days (日)

Inventory (days)  
存货 (日)

91

▲ 22 days (日)

Trade and Bills Receivable (days)  
營業及票據应收款項 (日)



# Financial Information 财务信息

	At 30 Jun, 2020 于2020年6月30日	At 31 Dec, 2019 于2019年12月31日	Changes 变动
<b>Bank Borrowings 银行借贷 (HK\$ Mil) (百万港元)</b>			
Total Bank Borrowings 总银行借贷	603.5	222.4	▲ 71.4%
Net Debt 净债务	(528.2)	(723.0)	▲ 73.1%
<b>Financial Ratios 财务比率</b>			
Net Debt/ EBITDA Ratio (annualised) 净债务/ 息税折旧及摊销前利润率 (年化)	(2.6)	(1.6)	▼ 1.0
Current Ratio 流动比率	2.5	2.6	▼ 0.1
Total liabilities/Equity attributable to owners of the Company 负债总值 / 本公司拥有人应占权益	0.5	0.5	N/A
<b>Turnover Period 周转期</b>			
Inventory (days) 存货 (日)	94	89 (1H19)	▲ 5 days 日
Trade and Bills Receivable (days) 營業及票據应收款項 (日)	91	69 (1H19)	▲ 22 days 日

# Cost Analysis (Y-o-Y) 成本分析

(HK\$ Mil) (百万港元)



Distribution &  
Selling Expenses  
分销及销售费用

**52.9**

2.5% of Revenue  
佔营业额2.5%

▼ 27.0%



Admin. Expenses  
行政费用

**173.0**

8.2% of Revenue  
佔营业额8.2%

▼ 20.5%



Finance Costs  
融資成本

**10.8**

0.5% of Revenue  
佔营业额0.5%

▼ 44.5%

# Cost Analysis (Y-o-Y) 成本分析

For the period ended 截至下列日期止期间

	1H20		1H19		Changes 变动	
	HK\$ Mil 百万港元	% of Revenue 占营业额比率	HK\$ Mil 百万港元	% of Revenue 占营业额比率	%	PP
Revenue 营业额	2,099.7	100%	3,388.4	100%	▼ 38.0	NA
Gross Profit 毛利	213.6	10.2%	416.9	12.3%	▼ 48.8	▼ 2.1
Distribution & Selling Expenses 分销及销售费用	52.9	2.5%	72.5	2.1%	▼ 27.0	▲ 0.4
Admin. Expenses 行政费用	173.0	8.2%	217.7	6.4%	▼ 20.5	▲ 1.8
Finance Costs 融资成本	10.8	0.5%	19.5	0.6%	▼ 44.5	▼ 0.1
EBITDA 息税折旧及摊销前利润	101.7	4.8%	236.8	7.0%	▼ 57.1	▼ 2.2



# Revenue by Business Segments

## 营业额 – 按业务分类

(HK\$ Mil) (百万港元)

Production & Sales of  
Garments 制造及销售成衣

11.8%  
(12.6%) ▼



248.1

▼ 41.7%

Production & Sales of  
Garments  
制造及销售成衣



88.2%  
(87.4%) ▲

Production & Sales of  
Dyed Fabrics & Yarns  
制造及销售色布及纱



1,851.6

▼ 37.5%

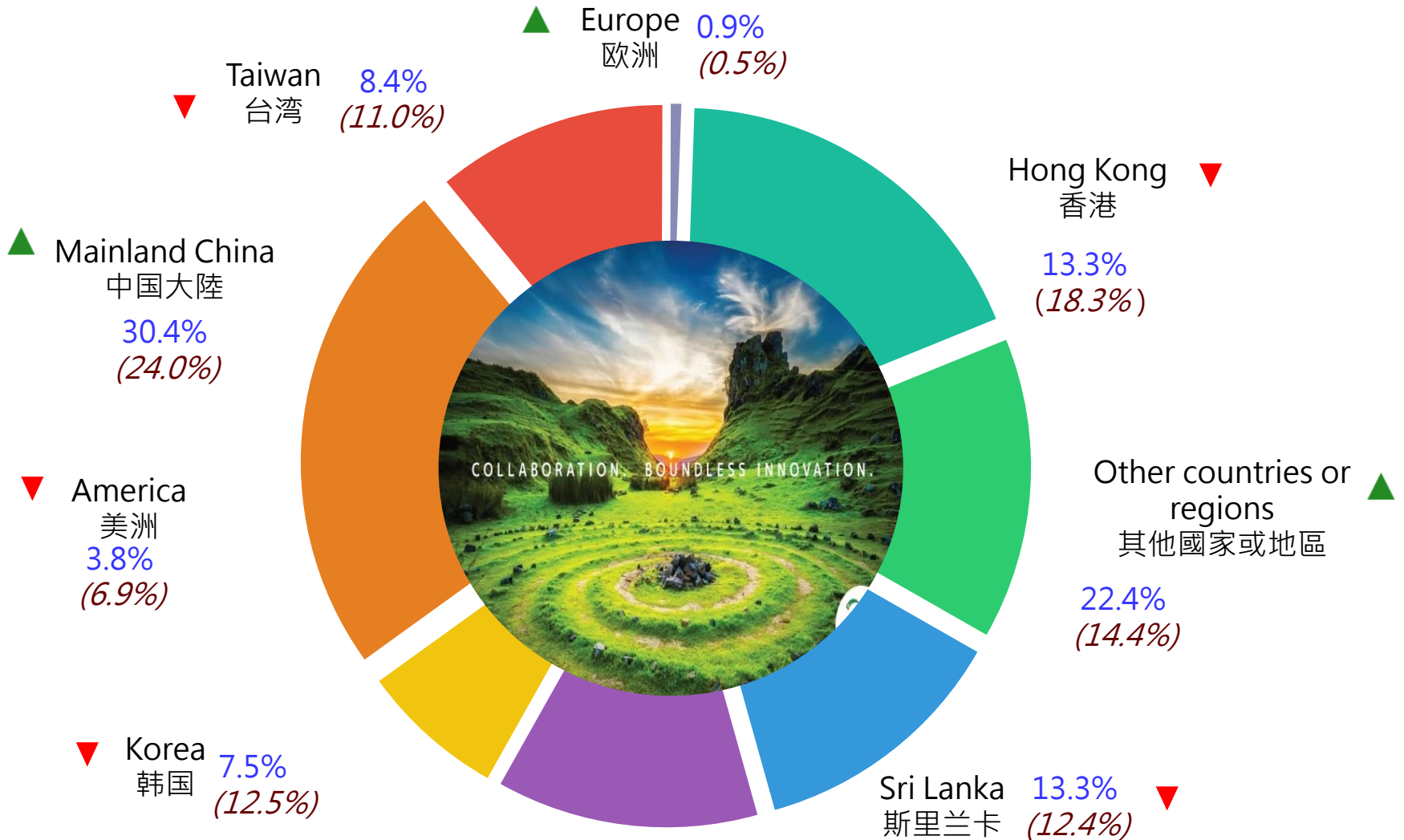
Production & Sales of  
Dyed Fabrics & Yarns  
制造及销售色布及纱

GREEN =1H2020 figure (PURPLE) =1H2019 figure

# Revenue by Geographical Segments

(Billing addresses of customers)

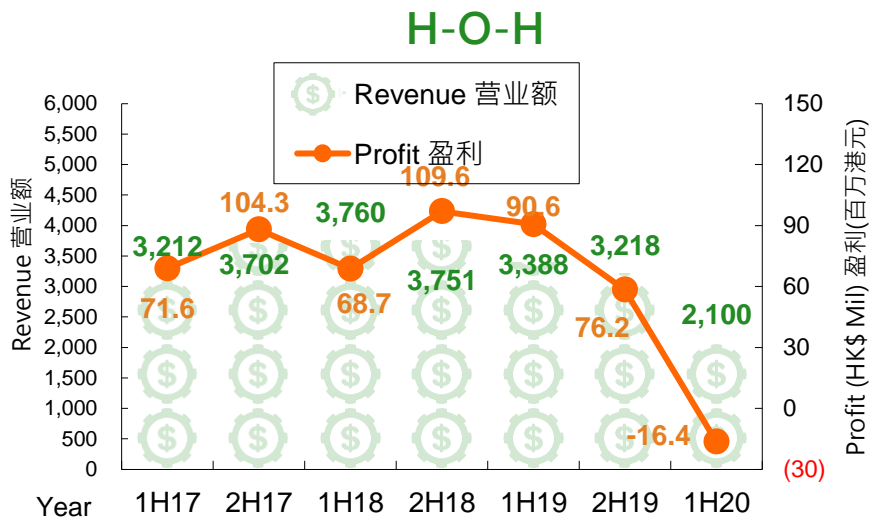
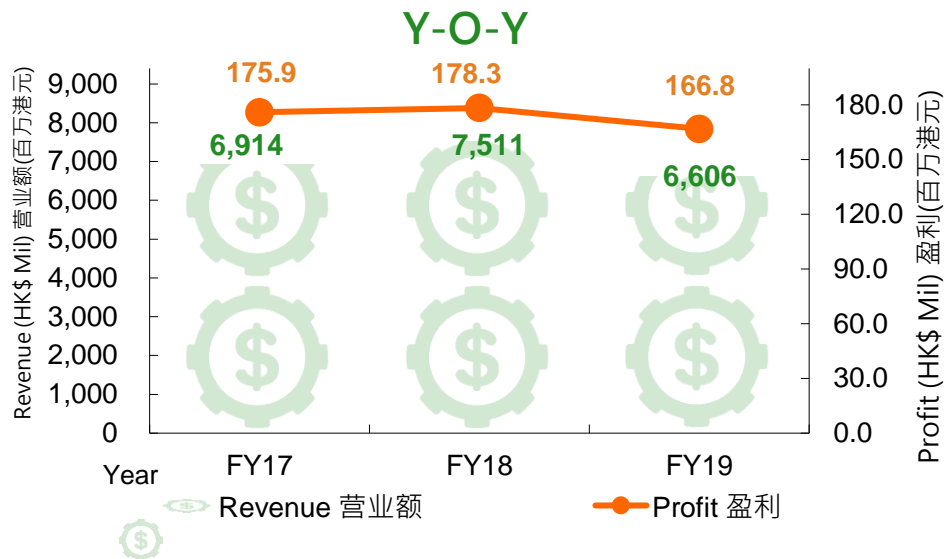
营业额 – 按地域分类 (按客户账单地址)



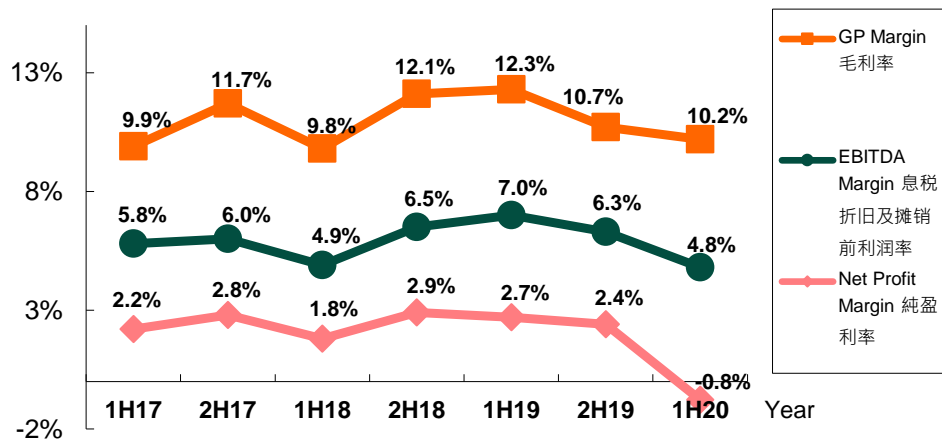
BLUE = 1H2020 figure (BROWN) = 1H2019 figure

# Revenue & Profit Margins

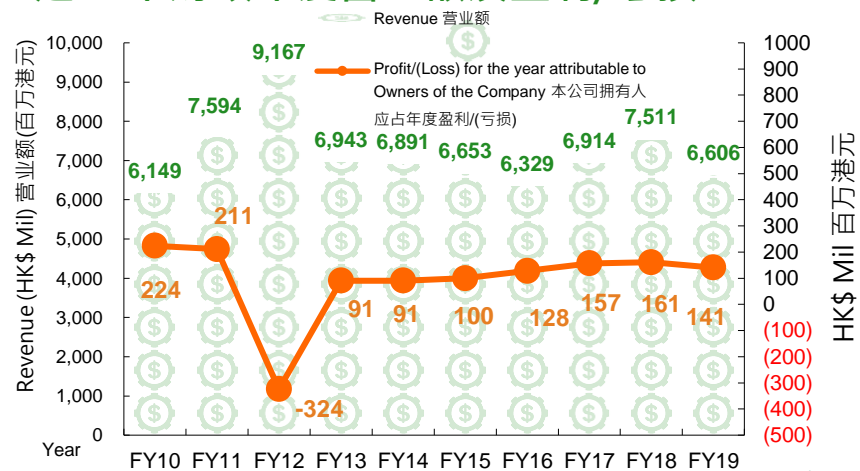
## 营业额及盈利



Margin Overview – GP Margin, EBITDA Margin and Net Profit Margin (H-o-H)  
比率概览 – 毛利率、息税折旧及摊销前利润率及纯盈利率 (按每半年比较)

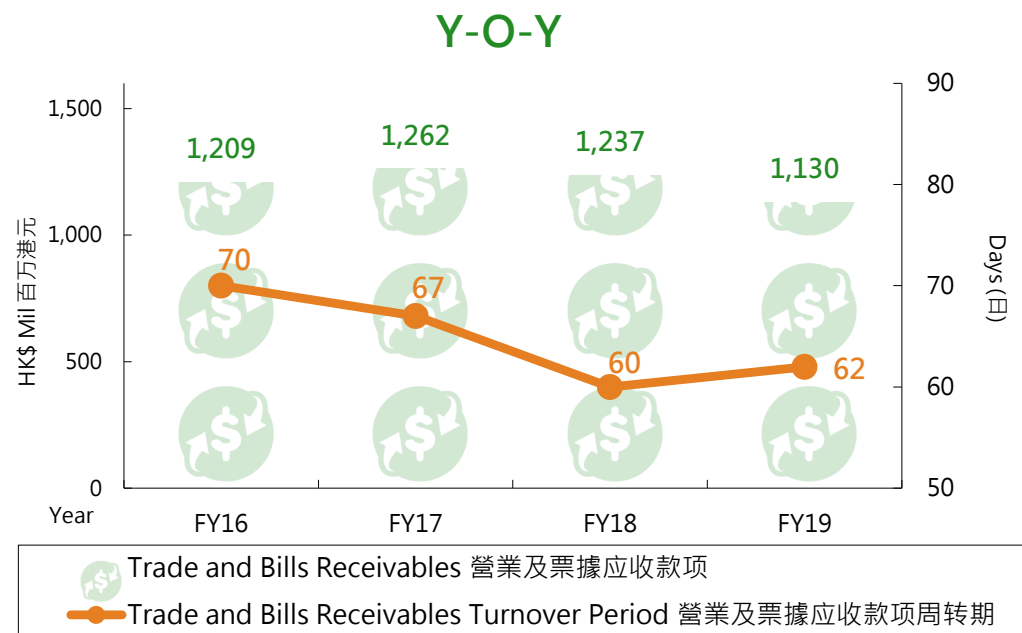


10 Years FY Revenue and Profit/Loss  
近10个财政年度营业额及盈利/亏损



# Trade & Bills Receivables & Trade & Bills Receivables Turnover Period

## 營業及票據應收款項及營業及票據應收款項周轉期 (按年比較)



### Trade & Bills Receivables

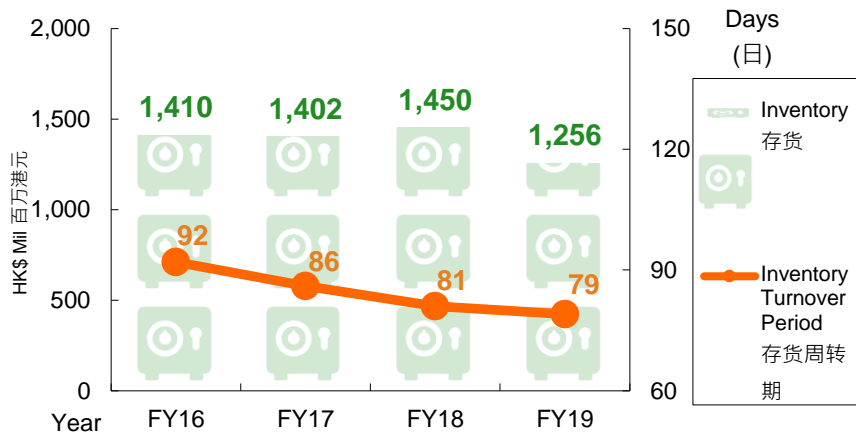
#### 營業及票據應收款項

		At 30 June 2020 於6月30日 2020 HK\$' 000 千港元	At 31 December 2019 於12月31日 2019 HK\$' 000 千港元	Changes 改變
Within 1 months	一個月內	522,192	667,466	▼ 21.8%
1 to 2 months	一至兩個月	276,518	322,236	▼ 14.2%
2 to 3 months	兩至三個月	137,513	93,737	▲ 46.7%
Over 3 months	超過三個月	135,862	61,093	▲ 122.4%

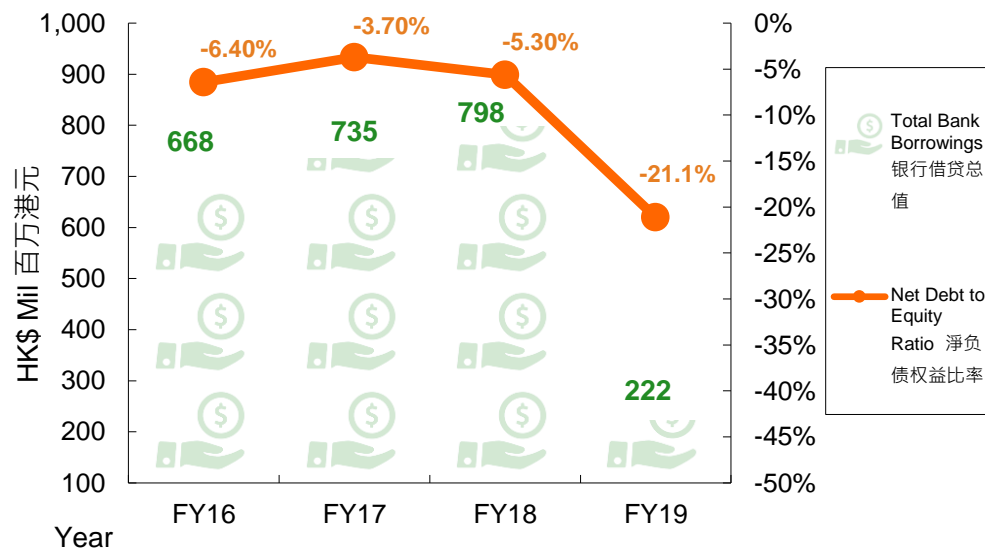
# Inventory and Inventory Turnover Period (Y-o-Y) & Total Bank Borrowings and Net Debt to Equity Ratio (Y-o-Y)

存货及存货周转期 (按年比较) 及银行借贷总值及淨负债权益比率 (按年比较)

## Inventory and Inventory Turnover Period (Y-o-Y) 存货及存货周转期 (按年比较)



## Total Bank Borrowings and Net Debt to Equity Ratio (Y-o-Y) 银行借贷总值及淨负债权益比率 (按年比较)



# Business Review 业务回顾

Factors affecting 1H2020 Results 影响2020上半年财政年度因素



COVID-19 Pandemic  
新型冠状病毒疫情



Lock down cities led to  
tempory suspension of our  
production sites 封锁城市导致生  
产厂房暂时停工



New markets in Europe  
and Japan  
欧洲及日本新市场



Cotton/ yarn price  
stablized  
棉花/纱线价格穩定



Continuous tighten credit  
control and inventory  
control 繼續收緊信貸风控及  
庫存管理



Lock down & closure of  
businesses led to delay in AR  
封锁及关闭业务导致年报延迟



# Business Review 业务回顾

What we have done and will continue to do 已开始并将继续实施

Integration of  
production, supply  
and sales  
「产供销一体化」

“Sophistication,  
quality, uniqueness”  
fabric mills strategic  
positioning  
「精、優、特」面料廠  
房策略性定位

Technology  
automation and  
Machinery upgrade  
技术自动化及机械升  
级

Fountain Set  
College and R&D  
福田学院及研究發展

Cost reduction and  
control  
降低成本和控制

TPM (Total  
Production  
Management)  
全员生产保全活动

# Business Review 业务回顾



# Business Review 业务回顾

## Business Outlook 业务前景

Strongly committed to maintaining sales with existing quality customers (mainly top 20) as well as growing new customers  
积极致力藉优质客户（主要为20大客户）以及不断增长的新客户维持销量

Enhance product R&D  
增加产品研发

IT-driven smart production upgrade  
资讯化智慧化生产转型升级

Maintain a prudent and pragmatic approach  
保持务实审慎的态度

# OVERVIEW OF PRODUCTION CAPACITIES 生产能力概述

	2018	2019	2020
<b>Fabric Dyeing</b> (million lbs./month) 染布(百万磅 / 月)	27.5	27.5	27.5
<b>Yarn Dyeing</b> (million lbs./month) 染纱(百万磅 / 月)	3	3	3
<b>Fabric Printing</b> (million lbs./month) 印花布(百万磅 / 月)	4	4	3.6

# OVERVIEW OF PRODUCTION CAPABILITIES 生产能力概述



Jiangyin Fuhui  
江陰福匯



Shatin Lake Side  
沙田麗海



Yancheng Fuhui  
鹽城福匯



Ocean Lanka  
海洋蘭卡

Total  
million  
lbs./month  
总计  
百万磅 / 月

	Jiangyin Fuhui	Shatin Lake Side	Yancheng Fuhui	Ocean Lanka	Total
Knitting 织	6.0	4.5	0.9	1.8	13.2
Dyeing 染	13.0	7.5	4.5	2.5	27.5
Finishing 后整	22.0	16.0	9.5	3.3	50.8
Printing 印花	-	3.0	-	0.6	3.6



# Market Distribution

## 市场分布

Geographic Locations of End-buyers 最终买家所在国家或地区		Category 销售类型	% of Sales in 2019 2019年主营业务 收入占比	Major End Buyers 主要最终买家
1.	U.S.A. 美国	Export 外销	63%	Walmart Polo Ralph Lauren Kohl's Abercrombie & Fitch
2.	Europe 欧洲	Export 外销	2%	Marks & Spencer (英国) George (英国) Fred Perry (德国)
3.	Japan 日本	Export 外销	10%	UNIQLO
4.	Mainland China 中国大陆	Domestic 内销	25%	特步、乔丹、李宁
总计			100%	-



# Our Global Presence 全球网络



# SUPPLY CHAIN INTEGRATION

## 供应链整合

**YARN-DYEING**  
Dyes raw yarn into specified color  
染纱  
将色纱染成指定颜色

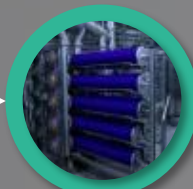


**YARN-DYED FABRICS**  
色纱布



**PIECE-DYED FABRICS & PRINTED FABRICS**  
色布及印花布

**KNITTING**  
Knits raw yarn into greige fabrics  
针织  
将生线织成胚布作进一步处理



**KNITTING**  
Knits yarn into striped fabrics for further treatment  
针织  
将色纱染织成后续工序所需之胚布



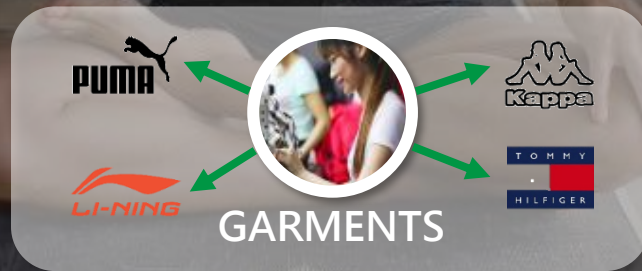
**FINISHED FABRICS**



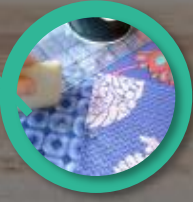
**PIECE-DYING**  
Dyes greige fabrics into specified color  
染布  
将胚布染成指定颜色



**FINISHING**  
Final treatment  
后整  
将横间布进行终端处理



**PRINTING**  
Prints patterns on dyed fabrics  
印花  
于色布上印上图案



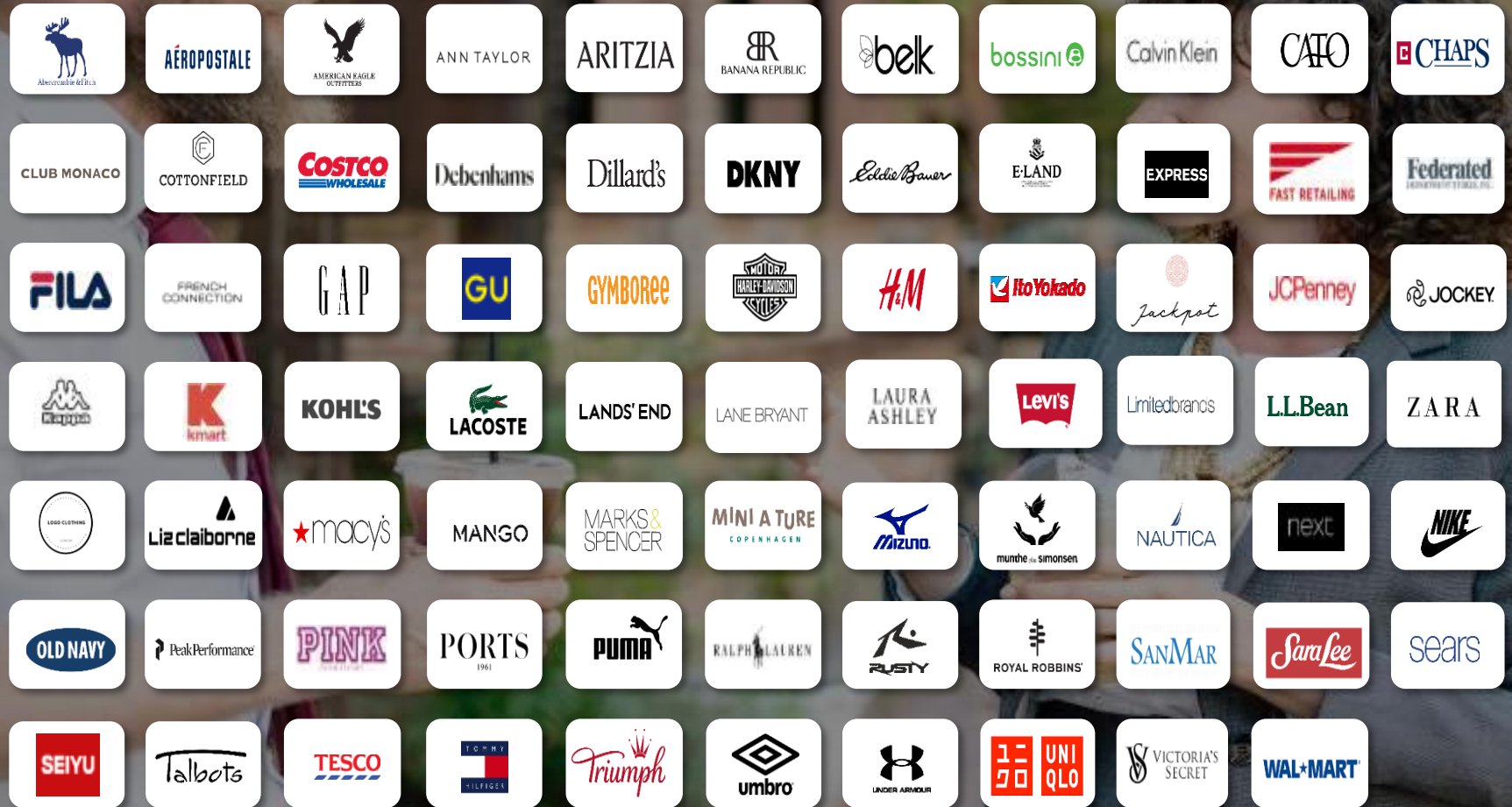
# Established Customer Relationships & Diversified Global Brand Relationships

## 已建立的客户关系网络和多元化的全球性品牌关系

- Strong business relationships with a broad range of internationally renowned brands
- 与众多国际知名品牌建立了稳固的业务关系
- The aggregate revenue attributable to the Group's five largest customers was less than 30% of the total revenue in FY2019
- 本集团于2019年之5大客户共占营业总额少于 30%
- Aggregate purchase attribute to the Group's five largest suppliers was less than 30% of total purchase in FY2019
- 本集团于2019年之5大供货商共占采购总额少于 30%

# OVERSEAS CLIENTS

## 海外客户





# CHINA CLIENTS

## 中国客户

361°



Five Plus



Kappa

MAXWIN  
马威



MLB

ochirly



Semir



TRENDIANO

凡客 vancl



YISHION

# Textiles & Apparel Industry Updates

## 纺织与服装行业动态

Teddy Fleece  
soft. warm. lightweight.



# Textiles & Apparel Industry Outlook

## - Cotton and Cotton Yarn

纺织及服装行业展望 – 棉花及棉纱

### World Balance Sheet

million 480 lb. bales	2019/20	2020/21	
		Jul	Aug
Beg. Stocks	80.2	100.9	100.6
Production	123.0	116.2	117.5
Mill-Use	102.4	114.3	113.1
Ending Stocks	100.6	102.8	104.9
Stocks/Use	98.2%	89.9%	92.8%

# Textiles & Apparel Industry Outlook

## - Cotton (CT, NYBOT)

纺织及服装行业展望 - 棉花 (CT, NYBOT)

### One Year of Daily A Index and NY Nearby Prices



(Source: Cotton Incorporated – Monthly Economic Letter (Aug 2020))

# Textiles & Apparel Industry Outlook

## - World Cotton Balance Sheet

纺织及服装行业展望 – 世界棉花供需情况

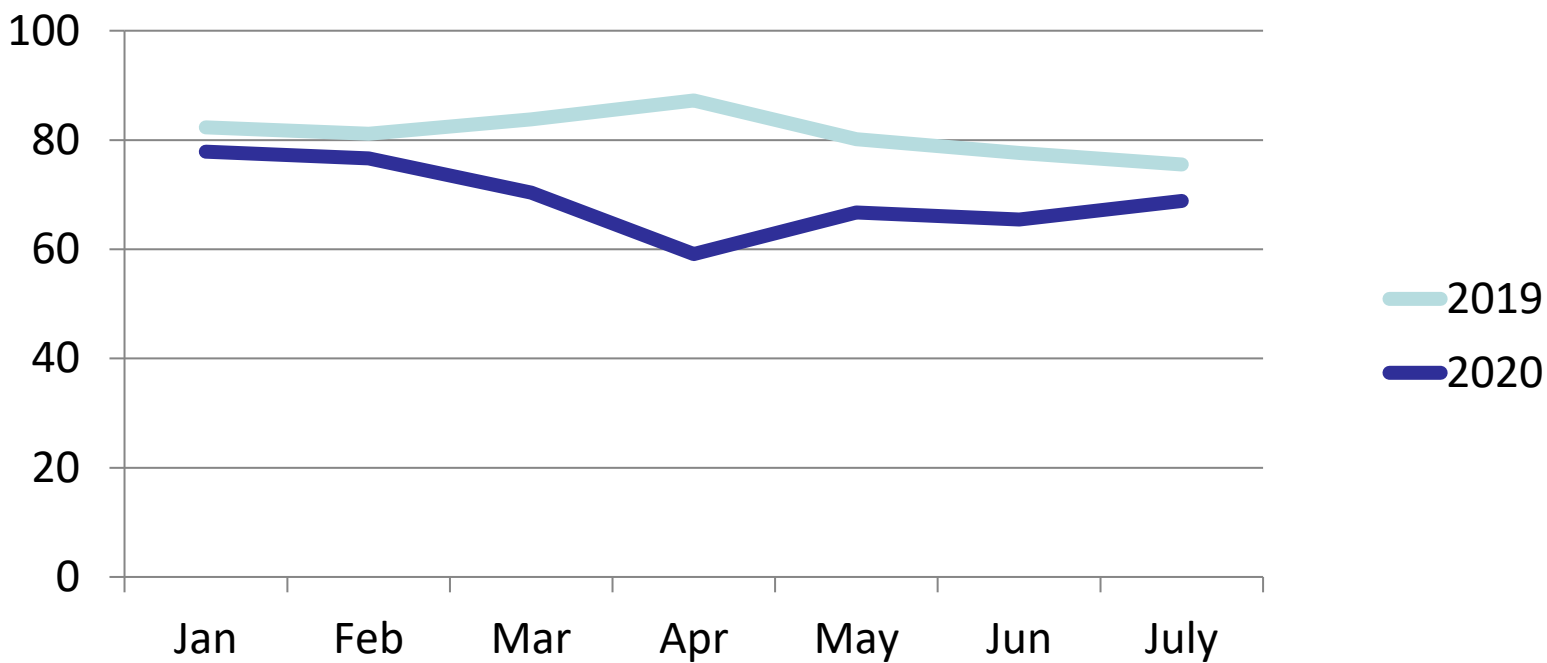
### World Balance Sheet

million 480 lb. bales	2016/17	2017/18	2018/19	2019/20	2020/21 July	2020/21 August
Beginning Stocks	90.2	80.2	80.9	80.2	100.9	100.6
Production	106.7	124.0	118.7	123.0	116.2	117.5
Supply	196.8	204.2	199.6	203.2	217.2	218.1
Mill-Use	116.2	122.7	120.2	102.4	114.3	113.1
Ending Stocks	80.2	80.9	80.2	100.6	102.8	104.9
Stocks/Use Ratio	69.1%	65.9%	66.8%	98.2%	89.9%	92.8%

(Source: Cotton Incorporated – Monthly Economic Letter (Aug 2020))

# Cotlook A Index of cotton prices

## Cotlook A 棉花格價指數



Year	Jan	Feb	Mar	Apr	May	Jun	Jul
2019	82.35	81.15	83.81	87.25	80.14	77.65	75.54
2020	77.85	76.65	70.4	59.15	66.75	65.45	68.85

(Source: National Cotton Council of America - Monthly Prices)



A vibrant landscape at sunset. The sun is low on the horizon, casting a warm orange and yellow glow across the sky and the valley. The sky is a deep blue with wispy white clouds. The foreground is a lush green field with a circular stone fire pit in the center. The background features rolling green hills and a prominent rocky peak on the right. The overall scene is peaceful and scenic.

COLLABORATION. BOUNDLESS INNOVATION.





**Thank you**

*soft. warm. lightweight.*

— TEDDY FLEECE —