

董事會同寅茲向全體股東提呈本公司及本集團截至一九九九年十二月三十一日止年度之報告書及已審核賬目。

主要業務

本公司為一投資控股公司。本集團之主要業務為經營零售及分銷「佐丹奴」、「GIORDANO LADIES」、「GIORDANO JUNIOR」及「BLUESTAR EXCHANGE」等品牌物有所值便服及配襯用品。本集團亦同時經營成衣製造業務，供應集團零售業務需求，並向本集團以外之人士供應製成品。

按照業務範圍劃分，本集團之營業額及營業溢利（扣除融資成本）之貢獻分析如下：

The directors have pleasure in submitting their report together with the audited accounts of the Company and the Group for the year ended December 31, 1999.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal business of the Group is the retailing and distribution of value for money casual apparel and accessories under the “GIORDANO”, “GIORDANO LADIES”, “GIORDANO JUNIOR” and “BLUESTAR EXCHANGE” brands. The Group also carries on apparel manufacturing operations which support the Group’s retailing business and supply products to third parties.

An analysis of the Group’s turnover and contribution to operating profit (after finance costs) by activities is as follows:

		1999		1998	
		營業溢利 之貢獻 Contribution		營業溢利 之貢獻 Contribution	
		營業額 Turnover	to operating profit	營業額 Turnover	to operating profit
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
零售及分銷	Retail and Distribution	2,891,450	317,000	2,296,395	56,168
製衣	Manufacturing	200,721	30,838	312,853	10,684
		3,092,171	347,838	2,609,248	66,852

按照地區劃分，本集團之營業額分析如下：

The geographical analysis of the Group's turnover is as follows:

		1999 千港元 HK\$'000	1998 千港元 HK\$'000
台灣	Taiwan	953,141	710,125
香港	Hong Kong	771,045	652,594
中國大陸	Mainland China	545,760	517,806
新加坡	Singapore	349,224	233,521
韓國	Korea	154,241	92,597
日本	Japan	82,838	150,835
馬來西亞	Malaysia	77,845	39,682
中東	Middle East	54,337	43,537
菲律賓	Philippines	35,838	70,615
泰國	Thailand	21,028	13,137
美國	United States of America	11,103	47,460
其他地區	Other territories	35,771	37,339
		<u>3,092,171</u>	<u>2,609,248</u>

財務資料

本集團截至一九九九年十二月三十一日止年度之業績、現金流動及本公司與本集團於該日之財政狀況俱載於第47至85頁之賬目內。

五年財務摘要

本集團過去五個財政年度之業績、資產及負債摘要載於第86頁。

FINANCIAL INFORMATION

The results and cash flow of the Group for the year ended December 31, 1999, and the state of affairs of the Company and of the Group as at that date, are set out in the accounts on pages 47 to 85.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on page 86.

主要供應商及客戶

本年度內，本集團首五大供應商合佔本集團之總採購額約31.3%，而最大供應商佔本集團之總採購額約9.3%。本集團首五大客戶合佔本集團之營業額則低於30%。

據董事所知，概無董事及彼等之聯繫人士（按香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）之涵義）或任何股東（根據董事所知持有5%或以上本公司之股份）於截至一九九九年十二月三十一日止年度在本集團之五大供應商擁有權益。

股息

中期股息每股6.5港仙（一九九八年：1.0港仙）已於一九九九年八月二十五日派發。

截至一九九九年十二月三十一日止之財政年度，董事會向股東建議派發末期股息每股11.0港仙（一九九八年：3.5港仙）及特別股息每股17.0港仙（一九九八年：無），並均予股東權利可選擇以新股份代替現金方式收取。

股本及購股權

本公司之股本及本公司已授出之購股權於年內變動詳情載於第71至76頁之賬目附註19。

MAJOR SUPPLIERS AND CUSTOMERS

During the year, the five largest suppliers of the Group accounted for approximately 31.3% of the Group's aggregate purchases and the largest supplier accounted for approximately 9.3% of the Group's aggregate purchases. The aggregate percentage of the Group's turnover attributable to the Group's five largest customers are less than 30%.

As far as the directors are aware, none of the directors and their associates within the meaning of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Stock Exchange") ("Listing Rules"), or any shareholder (who to the knowledge of the directors owned more than 5% of the Company's share capital) had any interest in the five largest suppliers of the Group for the year ended December 31, 1999.

DIVIDENDS

An interim dividend of 6.5 HK cents (1998: 1.0 HK cent) per share was paid on August 25, 1999.

The directors recommend to shareholders the payment of a final dividend of 11.0 HK cents (1998: 3.5 HK cents) per share and a special dividend of 17.0 HK cents (1998: Nil) per share, both with an option to elect to receive new shares in lieu of cash, for the financial year ended December 31, 1999.

SHARE CAPITAL AND SHARE OPTIONS

Details of the movements in share capital of the Company and share options granted by the Company during the year are shown in note 19 to the accounts on pages 71 to 76.

購回、售出或贖回本公司上市股份

本公司於本年度內在聯交所購回共1,622,000股本公司每股面值0.10港元之股份，所有購回之股份已被本公司註銷。董事會認為購回股份可提高本公司之每股盈利及價值。有關在本年度內購回股份之詳情載於第72及73頁之賬目附註19。

除上述披露外，在本年度內本公司或其任何附屬公司概無購買、出售或贖回任何本公司之股份。

股份優先購買權

本公司之細則中並無股份優先購買權之規定，而百慕達法例則無限制此等權利。

儲備金

本年度儲備金之變動情況載於第77至79頁之賬目附註20。

固定資產

本年度內，集團共添置約119,000,000港元之固定資產。本年度固定資產之變動情況載於第66及67頁之賬目附註13。

附屬公司

本公司於一九九九年十二月三十一日之主要附屬公司之詳情載於第83至85頁之賬目附註28。

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

During the year, the Company repurchased a total of 1,622,000 of its own shares of HK\$0.10 each on the Stock Exchange, all of which were cancelled. The directors consider the share repurchases will lead to an enhancement of the Company's earnings per share and the value of its shares. Details on the shares repurchased during the year are set out in note 19 to the accounts on pages 72 and 73.

Save as disclosed above, neither the Company nor any of its subsidiaries, otherwise purchased, sold or redeemed any of the Company's shares during the year.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-Laws although there are no restrictions against such rights under the laws of Bermuda.

RESERVES

Movements in reserves during the year are set out in note 20 to the accounts on pages 77 to 79.

FIXED ASSETS

During the year, the Group acquired fixed assets of approximately HK\$119 million. Movements in fixed assets during the year are set out in note 13 to the accounts on pages 66 and 67.

SUBSIDIARIES

Details of the Company's principal subsidiaries at December 31, 1999 are set out in note 28 to the accounts on pages 83 to 85.

慈善捐款

本集團在本年度內之慈善捐款為901,000港元（一九九八年：234,304港元）。

董事會

本年度內及截至本報告日為止之董事為：

劉國權先生

William Garrett BENNETT 先生

畢滌凡先生

陳鉅添先生

馮永昌先生

李鵬飛先生，JP（於一九九九年九月十日獲委任）

馬灼安先生（於一九九九年六月十四日獲委任）

吳士元先生

黃百全先生（於一九九九年六月十四日獲委任）

張國良先生（於一九九九年十二月二十日辭任）

吳卓明先生（於一九九九年十月一日辭任）

根據本公司細則第98及101(B)條，William Garrett Bennett先生、李鵬飛先生，JP、馬灼安先生及黃百全先生於即將舉行之股東週年大會上輪值告退，備選再任。

截至本報告日，本公司董事及本集團高級管理人員之履歷載於第6至9頁。

CHARITABLE DONATIONS

Donations made for charitable purposes by the Group during the year amounted to HK\$901,000 (1998: HK\$234,304).

DIRECTORS

The directors who held office during the year and up to the date of this report were:

Mr. LAU Kwok Kuen, Peter

Mr. William Garrett BENNETT

Mr. Barry John BUTTIFANT

Mr. CHAN Kui Tim, Jimmy

Mr. FUNG Wing Cheong, Charles

Mr. LEE Peng Fei, Allen, JP (appointed on September 10, 1999)

Mr. MAH Chuck On, Bernard (appointed on June 14, 1999)

Mr. NG Sze Yuen, Terry

Mr. WONG Pak Chuen, Paul (appointed on June 14, 1999)

Mr. CHEUNG Kwok Leung, Peter (resigned on December 20, 1999)

Mr. Edward James WU (resigned on October 1, 1999)

Messrs. William Garrett Bennett, Lee Peng Fei, Allen, JP, Mah Chuck On, Bernard and Wong Pak Chuen, Paul will retire at the forthcoming Annual General Meeting in accordance with Bye-Laws 98 and 101(B) of the Company's Bye-Laws and, being eligible, offer themselves for re-election.

Biographical details of the directors of the Company and senior management of the Group as at the date of this report are set out on pages 6 to 9.

董事享有權益之合約

本公司或其任何附屬公司概無參與訂立於年終或年內任何時間使本公司任何董事擁有不論直接或間接之重大權益之合約。

董事於股份之權益

於一九九九年十二月三十一日，董事實益擁有本公司的股份如下：

董事	Director	持有股份數目及權益性質 Number of shares held and nature of interest			總額 Total	已授出而尚未行使 之購股權可認購 股份之數目 Number of shares over which options have been granted which remained outstanding
		個人 Personal	家屬 Family	法團 Corporate		
劉國權	Lau Kwok Kuen, Peter	3,220,000	-	-	3,220,000	15,000,000
陳鉅添	Chan Kui Tim, Jimmy	1,500,000	-	-	1,500,000	11,000,000
馮永昌	Fung Wing Cheong, Charles	-	-	-	-	700,000
馬灼安	Mah Chuck On, Bernard	-	-	-	-	704,000
吳士元	Ng Sze Yuen, Terry	196,000	-	-	196,000	-
黃百全	Wong Pak Chuen, Paul	170,000	-	-	170,000	922,000

除上述披露外，各董事及彼等之聯繫人士概無於本公司或其任何相聯法團（按證券（披露權益）條例（「該條例」）之涵義）之股本權益中擁有任何須遵照該條例第28條知會本公司及聯交所之權益（包括根據該條例第31條或附件第I部被視為或假定擁有之權益）或須遵照該條例第29條列入所述之登記名冊內之權益。

DIRECTORS' INTERESTS IN CONTRACTS

None of the directors had a material interest, whether directly or indirectly, in any contract of significance subsisting during or at the end of the year to which the Company or any of its subsidiaries was a party.

DIRECTORS' INTERESTS IN SHARE CAPITAL

At December 31, 1999, the interests of the directors in the share capital of the Company were as follows:

Director	持有股份數目及權益性質 Number of shares held and nature of interest			Total	已授出而尚未行使 之購股權可認購 股份之數目 Number of shares over which options have been granted which remained outstanding
	Personal	Family	Corporate		
Lau Kwok Kuen, Peter	3,220,000	-	-	3,220,000	15,000,000
Chan Kui Tim, Jimmy	1,500,000	-	-	1,500,000	11,000,000
Fung Wing Cheong, Charles	-	-	-	-	700,000
Mah Chuck On, Bernard	-	-	-	-	704,000
Ng Sze Yuen, Terry	196,000	-	-	196,000	-
Wong Pak Chuen, Paul	170,000	-	-	170,000	922,000

Save as disclosed above, none of the directors and their associates had any interests in the share capital of the Company or its associated corporations (within the meaning of the Securities (Disclosure of Interests) Ordinance ("Ordinance")) which have to be notified to the Company and the Stock Exchange pursuant to section 28 of the Ordinance (including interests which they are deemed or taken to have under section 31 of, or Part I of the Schedule to, the Ordinance) or which are required, pursuant to section 29 of the Ordinance, to be entered in the register referred to therein.

董事購入股份或債券之權利

本年度內，本公司沒有向本公司之董事授予任何可認購本公司股份之購股權。此外，沒有任何董事於年內行使在以往年度授予之購股權。

除上述者外，本公司或其任何附屬公司年內概無訂立任何安排，致使本公司董事可藉購入本公司或其他法團之股份或債券而獲益。

主要股東權益

就董事所知，於一九九九年十二月三十一日，本公司根據該條例第16條規定存置之登記冊內之記錄，並無任何人士直接或間接擁有本公司已發行股本10%或以上之權益。

服務合約

在即將召開之股東週年大會上應選連任之董事，概無與本公司或其附屬公司訂立本集團不可於一年內無須賠償（法定補償除外）而終止之服務合約。

DIRECTORS' BENEFITS FROM RIGHTS TO ACQUIRE SHARES OR DEBENTURES

During the year, none of the directors of the Company was granted options to subscribe for shares of the Company. In addition, none of the options granted to the directors previously was exercised by the directors during the year.

Apart from the above, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

So far as the directors are aware, no parties were, directly or indirectly, interested in 10% or more of the issued share capital of the Company as at December 31, 1999 as recorded in the register required to be kept by the Company under section 16 of the Ordinance.

SERVICE CONTRACTS

The directors being proposed for re-election at the forthcoming annual general meeting do not have any service contract with the Company or its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

銀行貸款、透支及其他借款

於一九九九年十二月三十一日，除其他借款須於以下期間償還外，本公司並無銀行貸款及透支：

即付或一年內
一年至兩年內
兩年至五年內
五年以上

BANK LOANS, OVERDRAFTS AND OTHER BORROWINGS

At December 31, 1999, the Company did not have any bank loans and overdrafts except other borrowings which were repayable over the following periods:

	融資租賃債務 Obligations under finance leases 千港元 HK\$'000
On demand or within one year	4,258
Between one and two years	4,258
Between two and five years	12,772
Over five years	710
	<hr/>
	21,998
	<hr/> <hr/>

遵守最佳應用守則

董事會認為，本公司於本年度內一直遵守上市規則附錄14所載之最佳應用守則（除指引7：本公司之非執行董事乃根據本公司細則獲委任至輪值告退為止；及指引11：根據公司政策，董事酬金是由本公司董事會委任之補償委員會（由兩位執行董事、兩位獨立非執行董事及一位獨立管理顧問組成）處理）。

COMPLIANCE WITH CODE OF BEST PRACTICE

In the opinion of the directors, the Company has complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules throughout the year, except in relation to guideline 7: as non-executive directors of the Company are appointed for a term expiring upon their retirement by rotation as required by the Company's Bye-Laws; and guideline 11: as a matter of Company policy, remuneration of directors is dealt with by a compensation committee appointed by the board of directors of the Company which comprises two executive directors, two independent non-executive directors and an independent management consultant.

應付公元二零零零年電腦問題

本集團注意到當公元二零零零年來臨時，部分電腦程式及硬件可能不可以正常運作。董事會已委任由十位成員組成之項目小組，以確保本集團所用之全部系統均符合公元二零零零年規格。

繼本集團於一九九九年中期報告作出有關披露後，本集團欣然宣布有關符合公元二零零零年規格項目已於一九九九年第三季完成，項目工程包括對電腦系統作出全面檢討、提升及更換、測試及應用。本集團之電腦系統已順利地從一九九九年十二月三十一日過渡至二零零零年一月一日，並且一切運作無礙。迄今，過渡公元二零零零年對本集團之運作並無任何不利影響。

為符合公元二零零零年規格項目而提升電腦硬件及改良電腦軟件動用之費用約為4,000,000港元。本集團對有關符合公元二零零零年規格項目並無其他承擔數額。

核數師

羅兵咸永道會計師事務所願膺選連任，而續聘彼等之有關決議案將於股東週年大會上提呈。

承董事會命

劉國權
主席

香港，二零零零年三月二日

YEAR 2000 COMPLIANCE

The Group is well aware that certain computer programs and hardwares in use might not function effectively in year 2000. The board of directors has appointed a project team comprising ten members to ensure all systems in use by the Group are Year 2000 compliant.

Further to the Group's latest disclosure made in the 1999 Interim Report, the Group is pleased to announce that the Year 2000 compliance program, including reviews, modification and replacement work, testing and implementation, was completed in the third quarter of 1999. The Group's computer systems functioned smoothly during the transition from December 31, 1999 to January 1, 2000. To date, the turn of the millennium has not caused any adverse effect on the Group's operations.

The costs provided for and incurred for the Year 2000 compliance project for upgrading the hardware and modifying the software were approximately HK\$4,000,000. The Group has no further commitments in respect of the Year 2000 compliance project.

AUDITORS

PricewaterhouseCoopers, being eligible, offer themselves for re-appointment, and a resolution to this effect will be proposed at the forthcoming Annual General Meeting.

On behalf of the board

LAU KWOK KUEN, PETER
Chairman

Hong Kong, March 2, 2000