

致列位股東：

於二零零零年度，本公司之經營邊際溢利為12.4%（一九九九年：11.4%）；邊際純利為12.1%（一九九九年：11.6%）；及平均股值回報率為31.4%（一九九九年：30.5%），均與一九九九年相若，反映本公司於管理盈利質素方面維持一貫穩健。營業額為3,430,000,000港元，較一九九九年增加11.0%，此等成績亦算合理，原因為：(1) 一九九九年之業績較一九九八年大幅反彈；(2) 多個市場之當地貨幣兌港元均持續疲弱；及(3) 區內經濟復甦仍然乏力。

本公司之股東應佔溢利為416,000,000港元，董事會建議派付末期股息每股6.0港仙（一九九九年：經股份拆細調整後為5.5港仙）及特別股息每股5.0港仙（一九九九年：經股份拆細調整後為8.5港仙）。

經過以往數年的考驗，佐丹奴已發展為一間成熟且適應能力強之公司。相信現在是適當時候，向列位股東重申本公司之長遠發展目標及有關策略。

公司業務全球化是大勢所趨，必須付諸實行的一項長遠計劃，為本公司奠定未來長遠發展動向。一如人不能離群獨處，本地市場亦不能隔絕外來競爭。因此我們不應固步自封，將眼界局限於本地之競爭。佐丹奴必須從世界眾多零售商中脫穎而出。對佐丹奴來說，市場並非僅指香港，而是全世界。

Dear Shareholders,

In the year 2000, operating margin at 12.4% (1999: 11.4%); net profit margin at 12.1% (1999: 11.6%); and return on average equity at 31.4% (1999: 30.5%) are all comparable to those of 1999, reflecting integrity in your Company's management of quality earnings. Turnover of HK\$3.43 billion, representing a 11.0% increase from 1999 was a reasonable achievement considering (1) the spectacular rebound in 1999 from 1998; (2) continued weakening of local currencies in many markets against the Hong Kong Dollar; and (3) a fragile economic recovery in the region.

On a profit attributable to shareholders of HK\$416 million, the Board has recommended a final dividend of 6.0 HK cents (1999: 5.5 HK cents, after adjusting for the share split) per share, plus a special dividend of 5.0 HK cents (1999: 8.5 HK cents, after adjusting for the share split) per share.

Giordano has emerged from the past few years to become a more mature and resilient company. It is perhaps now appropriate to reiterate to our shareholders the Company's long term vision and related strategies.

Globalization of our business is not an option. It is a vision that must be adopted to secure the Company a chance for long-term survival. Not only is it true that no man is an island, it is also true that no home market can be insulated from competition from abroad. It is no longer acceptable, therefore, to be better than domestic competition. Giordano must be a better retailer than most of the retailers in the world. For Giordano, the market is not here. It is the world.

本公司的業務策略精簡而縝密。我們抱著的最終信念是：要成功開拓任何市場，必須將當地專才與佐丹奴之獨特優勢相互融合，才能事半功倍。這說來簡單。在實際推行時，我們必須對合作夥伴之抱負和興趣保持敏銳的觸覺，利用日益擴展全球市場之優勢，進一步鞏固公司品牌，這需要靈巧地解決統一性與本地化兩者看似矛盾之問題。建立一個糅合不同文化背景成員之骨幹隊伍，需要具備極大能耐和極高靈活度。此外，作為一間沒有控股權股東之公司，更需要發揮超凡才能，平衡各方的不同利益。

本公司深信，經營零售業亦為個人承擔社會責任的一種途徑。衣服除用以保護身體外，亦有助表達情緒。佐丹奴員工在這方面表現出色，從而獲得極大滿足感。

最後，若一九九九年是佐丹奴擺脫經濟衰退，並取得理想表現之一年，則二零零零年便是真正踏上光明之道。在這一年內，佐丹奴從錯誤中汲取教訓，成為一間更富經驗之企業；在世界市場建立重要的新據點；並在新管理架構的推動下，迎接新時代新挑戰。

本人謹代表佐丹奴管理層及各員工，再次感謝列位股東在過去一年之熱切鼓勵和長期以來的支持。

劉國權

主席

二零零一年三月八日

Our strategies are both simple and intricate. The overriding belief we hold is that we must marry local expertise with Giordano's unique strengths to be successful in any market. This is simple. In the implementation, we must be sensitive to our partners' aspirations and interest. Leveraging our increasing presence worldwide to further strengthen our brand requires skills in resolving the apparent contradiction of consistency and localization. Building a core team which is a cultural mosaic requires a great deal of tolerance and flexibility. On top of these, being a company with no controlling shareholder demands a unique balancing act.

Your Company is also unique in our belief that retailing is a way by which we fulfill our responsibilities, as individuals, to society. Clothing, we believe, serves to protect our bodies from the elements and to help express our moods. Staff of Giordano finds great satisfaction doing this well.

Finally, if 1999 was a year of relief for Giordano as we came out of a bad recession performing better than most, the year 2000 was truly a year of enlightenment. It was a year in which Giordano learnt to become a wiser organization from its mistakes; set up important new bridgeheads in the world market; and began a new management structure to meet new challenges in the fresh decade.

On behalf of Giordano's management and staff, I must again thank you for your encouragement and long term support in the past year.

PETER LAU

Chairman

March 8, 2001