

經營業績及財政狀況

截至二零零一年三月三十一日止，集團本年度錄得營業額約345,014,000港元（二零零零年：304,640,000港元）較去年同期上升13.3%。至於該期間之股東應佔溢利則約為40,699,000港元（二零零零年：48,708,000港元），較去年同期微調約16.4%。

業務回顧

由於去年世界經濟開始放緩，加上科技網絡股泡沫爆破，致本集團的最主要兩大市場香港及台灣都遭受影響。在經濟通縮持續影響下，消費市場疲弱，消費者信心下降，部份消費力流向南中國，下半年同業為爭奪市場而發動減價戰，所以縱使集團於是年度在營業額上微有增長，但純利則出現輕微倒退。另外原因是集團為佈置未來整個亞太區發展策略，於是年度積極擴充香港總公司辦公室，台灣分公司辦公室，新加坡分公司辦公室，全面加強各部門資源及配備以配合整個亞太區各分公司的需求和支援，致支出增加是因素之一，所以整體經營溢利率有輕微下調至12.5%（二零零零年：17.2%）

本集團為進一步提升競爭力，加強控制成本及配合集團一貫快速回應的市場策略，於是年度內，集團成功開設針織生產線，自行生產針織成衣，另外，在中國汕頭開設另一間成衣製造廠，相信以上的策略性部署會對集團於成本控制上及業務競爭力上有進一步優勢。

OPERATING RESULTS & FINANCIAL OVERVIEW

As at 31 March 2001, the Group recorded a turnover of approximately HK\$345,014,000 for the year (2000: HK\$304,640,000), representing a 13.3% increase over the corresponding period of the previous year. Profits attributable to shareholders for the same period of this year amounted to approximately HK\$40,699,000 (2000: HK\$48,708,000), representing a decrease of 16.4% over the corresponding period of the previous year.

BUSINESS OVERVIEW

Owing to the global economic slowdown last year in addition to the technological and internet bubbles bursting, it dealt a severe blow to the Group's most principal markets of Hong Kong and Taiwan. Consequent on the sustained economic stagnation, the consumption market was in the doldrums while the consumer confidence run out of steam; meanwhile, some of the purchasing power was streaming towards the southern part of the PRC and, in the second half of the year, the industry staged a price competition in a bid to grab a market. As a result, here saw a slight decrease in net profits despite of a small growth in the Group's turnover for the year. Moreover, to implement its future development strategy in the Asia-Pacific region, for the year the Group made aggressive expansions in the offices of its Hong Kong headquarter as well as its Taiwan and Singapore branch offices, so as to generally reinforce various departmental resources and facilities in coping with the requirement and assistance of the branch offices in the Asia-Pacific region; therefore, expenditure increased and overall operating profit margin left 12.5% (2000: 17.2%)



香港最新設計之Wanko店舖
The New Design of Wanko shop in Hong Kong

In order to further enhance our competitiveness, the Group tightened costs and continued implementing our marketing strategy which aims at responding demand of the market swiftly. For the year under review, the Group had successfully set up knitting production lines for producing knitwear. Further, it established another garment manufacturing plant in Shantou, PRC. We believe that the above-mentioned strategies may deliver a competitive edge to the Group's cost control and business operations.

香港及澳門

香港及澳門零售仍然是集團的最主要收入來源，佔集團整體營業額76.5%（二零零零年：88.8%），香港整體經濟仍未有起色，在通縮壓力下，消費力疲弱，使香港及澳門市場的營業額下跌2.5%，經營溢利則下跌21.9%至35,790,000港元。截至二零零一年三月三十一日止分店數目共55間。

台灣

台灣亦承受經濟不景氣及金融不穩定的衝擊，生意反覆波動。然而集團在穩健拓展下，取得可觀的增長。台灣市場之營業額增至74,716,000港元，增加142.2%，於年結日分店數目已增至38間。台灣是年度佔集團整體營業額21.7%（二零零零年：10.1%），相信未來發展的方向，台灣市場的佔有率將會提高。

新加坡

集團於二零零零年九月底開始打開新加坡市場，至今建立共8間分店，初步反應達預期目標，其營業額僅佔集團總營業額1.7%左右，預算來年會進一步加強拓展，擴大本集團在新加坡市場的佔有率。

HONG KONG AND MACAU

Retailing in Hong Kong and Macau was still the Group's most principal source of revenue, representing 76.5% of the Group's total turnover (2000: 88.8%). With the overall economy of Hong Kong yet to recover under deflation looming and purchasing power running out of steam, the turnover from the Hong Kong and Macau markets dropped by 2.5% and the operating profits dropped by 21.9% to HK\$35,790,000. The number of outlets was 55 as at 31st March, 2001.

TAIWAN

Taiwan also sustained crash of economic recession and financial insecurity, leading to our business volatility. Nevertheless, the Group's thorough expansion turned into respectful growth in business in the Taiwan market. Turnover in the Taiwan market increased by 142.2% to HK\$74,716,000. On the balance sheet date, the number of shops increased to 38. Revenue from Taiwan represented 21.7% of the Group's total turnover for the year (2000: 10.1%). In our future development plan, we believe that our market share in Taiwan will go up.



台灣Veeko店舖 The Veeko shop in Taiwan

SINGAPORE

Since the late of September 2000 when the Group entered the Singapore market, up to now we have opened a total of 8 outlets with initial response coming within our expectation. Turnover represented approximately 1.7% of the Group's total turnover. Looking forward, we will further expand the Group's market share in Singapore.

展望

鑑於香港零售市道萎縮，管理層關注到日益劇烈的競爭，本集團將繼續採取措施精簡成本結構，務求維持經營效率。另外，從近年中國即將加入世界貿易組織（WTO），內地經濟增長穩步上揚，市場潛力優厚，零售市場極有發展空間，本集團會穩健地將Wanko及Veeko品牌進軍中國市場，除開發自營店之外亦將開辦特許經營計劃以加強發展。本集團亦積極計劃推出一系列推廣計劃，邀請亞太區著名紅星為本集團品牌代言人及模特兒，致力建立明星風采讓明星成為Wanko向喜好打扮的消費者互動的流行示範者。相信對Wanko品牌的知名度起很大的作用。另外，集團以現有之優勢，將產品多元化，發展多一個以年青少女便服為主的品牌i-MIIX。相信以集團多年來的技術設計及潮流方面之經驗及訊息，會帶來良好潛力的商機。最後，管理層明瞭為長遠增長奠定基礎之重要性，因此會繼續爭取或發展所需人力資源、科技、物流管理及其他基建。

PROSPECT

Considering the contraction of Hong Kong retail market, the management is aware of the extent of increasing competition. The Group will continually make endeavors of rationalization in a bid to maintain operating efficiency. Meanwhile, considering the PRC's imminent accession into World Trade Organisation (WTO) and persistent growth of the mainland economy that bring about greater market potentiality and room to expand the retail market, the Group will introduce the brand names of Wanko and Veeko into the PRC market step-by-step. In addition to the outlets operated by the Group itself, we shall establish a franchise business model for further expansion. Also, the Group has actively planned to introduce a series of promotion activities whereby we shall invite a popular artist of the Asia-Pacific region to act as the speaker and model for the Group's brands in an endeavour to build starring charm and to make this artist become Wanko's trend setter for the faddy consumers. We believe that such strategy will favorably increase the popularity of Wanko brand. Moreover, with our current competitive edge, the Group will proceed in product diversification by developing another brand name i-MIIX which targets casual wear for young ladies. We believe that the Group's yearly experience and knowledge in the aspects of technical design and fashion trend will bring about favorable and potential opportunity. Finally, the management does embrace the importance of laying foundation for the long-term growth; therefore, we will continually develop or strive for the requisite resources of human, technology, logistic management as well as other infrastructure.



最新品牌i-MIIX店舖 Our new brand i-MIIX shop

流動資金及借款

由於香港及台灣市場春／夏兩季比預期提早換季及拓展新加坡業務關係，於年結日，本集團存貨增至58,210,000港元（二零零零年：27,225,000港元）。

於年結日，本集團之股東資金達147,782,000港元，較去年增加30,753,000港元。

於年結日，本集團之現金及銀行結存為33,042,000港元（二零零零年：51,800,000港元），未償還銀行借貸及透支為28,753,000港元（二零零零年：1,070,000港元），同時借款總額為29,284,000港元（二零零零年：2,205,000港元）。

於本年度內，本集團之負債比率「借款總額與股東資金之比例」為0.198（二零零零年：0.019）。負債比率之變動主要為新做銀行貸款作購置物業之用。年內，集團以總代價32,674,000港元購入若干物業。儘管負債比率增加，惟本集團仍能保持著穩健之財政狀況。

員工及薪酬政策

是年度，本集團僱有2,656名員工，本集團主要根據業內慣例釐定員工薪酬，包括保險及醫療福利。本集團亦已根據每年業績表現採納一套獎勵計劃予員工。

承董事會命
主席兼董事總經理
鄭鐘文

香港，二零零一年七月二十四日

LIQUIDITY & BORROWING

As we anticipate an early arrival of spring-summer season in the Hong Kong and Taiwan markets and plan to develop Singapore operation, as at the balance sheet date the Group's inventories increased to HK\$58,210,000 (2000: HK\$27,225,000).

As at the balance sheet date, the Group's shareholders' fund amounted to HK\$147,782,000, show an increase of HK\$30,753,000 which compare with the previous year.

As at the balance sheet date, the Group's cash and bank balances amounted of HK\$33,042,000 (2000: HK\$51,800,000) and the outstanding bank borrowings and overdraft amounted to HK\$28,753,000 (2000: HK\$1,070,000) whereas the total borrowings was HK\$29,284,000 (2000: HK\$2,205,000).

For the year under review, the gearing ratio, "the ratio of total borrowings to shareholders' funds" of the Group is 0.198 (2000: 0.019). The change in the gearing ratio was mainly as the result of new bank loans raised for the purpose of financing the purchase of properties. During the year, the Group acquired certain properties for an aggregate consideration of HK\$32,674,000. Even though the gearing ratio increased, the Group managed to maintain a healthy financial position.

STAFF & REMUNERATION POLICIES

For the year under review, the Group had 2,656 employees. The Group mainly determines staff remuneration (including insurance and medical benefits) in accordance with the industry's practices. Subject to performance of annual results, the Group has also adopted a set of incentive plan for its employees.

By Order of the Board
Cheng Chung Man, Johnny
Chairman and Managing Director

Hong Kong, 24th July, 2001