

For this year, the Group's turnover and net profit from ordinary activities attributable to shareholders both hit record highs at HK\$4,309 million and HK\$464 million respectively. Compared to HK\$3,093 million and HK\$302 million of last year, the increases were 39% and 54%. The Board has recommended a final dividend of HK9.0 cents (last year : HK6.0 cents) per share. Including interim dividend, total dividend per share will be HK15.0 cents, an increase of 67% over last year's HK9.0 cents.

All sections of the Group had performed satisfactorily this year. Knitted fabric sales and retail sales rose 28% and 63% respectively. Profit contributed by the garment manufacturing business, an associated company, also surged by 88%.

As one of the largest manufacturers of knitted fabric in the world, we supply to more than 150 internationally known fashion brandnames. The global clothing market is huge, hence we still see ample room for our business to grow. Due to the diversity of our markets and our broad customer base, we are able to adjust our sales policy flexibly to cope with different economic conditions in our markets. The tightening of environmental protection regulations and the substantial capital required to operate this business have gradually crowded out many of our competitors. Fashion brandnames' strict requirements in choosing suppliers also put us at an advantage to gain market space. Very optimistic about the prospect of this business, the management had recently leased 1.8 million sq.ft. of land adjoining to our existing production site in Dongguan, China for future development.

本集團本年度之營業額及股東應佔經常業務溢利淨額均再創新高，分別為43億9百萬港元及4億6千4百萬港元，比較去年之30億9千3百萬港元及3億2百萬港元，分別上升39%及54%。董事會建議派發末期股息每股港幣9.0仙（去年：港幣6.0仙）。連同中期股息，每股股息總額為港幣15.0仙，較去年之港幣9.0仙增加67%。

各項業務於本年度均有理想之增長。針織布及零售之銷售額分別上升28%及63%。聯營製衣業務之溢利項獻亦增長88%。

本集團為全球最大針織布生產商之一，現向超過150個國際著名服裝品牌提供產品。全球服裝市場龐大，此業務仍有遼闊之拓展空間。由於擁有眾多客戶及市場分散，銷貨可靈活調整以面對各地之經濟情況。此行業已淘汰不少競爭者，主要由於環保條例日嚴及資本需求龐大。加上零售名牌對供應商挑選嚴格，均有利本業務繼續爭取市場空間。管理層對此項業務前景樂觀，最近在東莞廠房再增加租用一百八十萬平方呎土地，作未來發展用途。

After 5 years of rapid growth, the retail business now has an extensive sales network and its brandnames are well recognised. With the support of the Group's fabric and garment manufacturing divisions, 'great value for your money' will continue to be the selling point of our retail products. Several surveys had named 'Baleno' T-shirts as the best selling T-shirts in the Mainland China, our major market. At the end of this year, we had 637 retail shops there. Different brandnames have been launched for the Mainland China market to cater for different types of customers. For the coming year Taiwan will be our next important market, we expect our retail outlets to increase from 96 to 135. Besides the Greater China, we have franchised shops in South Korea, Kuwait, Jordan, Iran, Macau and Malaysia. The coming year will also see about 10 self-owned shops opening in Singapore.

Productivity of our garment manufacturing business had increased 50% during the year to meet the demand of our customers which were mainly famous Asian brandnames. At the year end, there were in total about 12,600 workers in our factories in China and Vietnam. This business uses mainly the Group's knitted fabric for production and also supplies quality garment products to our retail business. Thus, it plays an important role in the Group's strategy of vertical integration.

The Group's knitted fabric, retail and garment manufacturing businesses are run separately by professionals, and the development plan for each business is made independently. They also co-ordinate to achieve optimal benefits for all. For next year, aggressive development plans have been made for all sections, and the management is confident that record high results will be announced again.

零售業務經過5年之迅速發展，現已擁有良好之品牌知名度及龐大之銷售網絡。在本集團布及製衣業務配合下，零售產品將繼續以「物超所值」作為賣點。根據統計資料，Baleno(班尼路)在中國(本集團之主要市場)多次成為T恤項目銷售冠軍。本年度完結時，在此市場共擁有637個銷售店。在中國市場亦採用多個品牌以迎合不同消費類型之顧客。來年台灣則為第二重點市場，預料銷售點將由96個增至約135個。除大中華外，在南韓、科威特、約旦、伊朗、澳門及馬來西亞均設有特許經營店。來年星加坡亦將設約10間自營店。

聯營制衣業務於本年度增加生產力約50%，以應付以亞洲著名零售品牌為主之顧客需求。於本年底，在中國及越南之廠房共僱用員工約12,600人。此業務主要採用本集團之針織布，亦為本集團零售業務提供優良之產品。因而，在本集團之垂直合縱策略下扮演一個重要之角色。

本集團針織布、零售及製衣各有專業人員管理，以獨立情況訂定發展空間。三種業務亦互相配合，以達互惠利益。來年各項業務均有具野心之擴展計劃，管理層對業績能再創新高充滿信心。

Without the hard work of our colleagues, and the support of our business partners and shareholders, the Group would not be able to grow and flourish, on behalf of the board, I would like to thank them all again.

沒有各同事之努力貢獻，各業務夥伴及股東們之鼎力支持，本集團斷不能成長壯大。本人謹再次代表董事會致衷心感謝。

Poon Bun Chak

Chairman

Hong Kong, 18 July 2001

主席

潘彬澤

香港，二零零一年七月十八日