

The Group recorded a new high turnover of HK\$7,749 million in this fiscal year. Net profit from ordinary activities attributable to shareholders was HK\$480 million, an increase of 4%.

The overall business environment had slight improvement in the period. Raw material prices were stable and trade disputes on textile products were resolved. However, profit margins were under pressure in view of high energy costs, wage increment, the surge of interest rates and the appreciation of Renminbi.

The textile business had a stable performance in the year. The industry has been under consolidation as a result of China's stricter pollution rules. The Group is equipped with excellent environmental facilities and will continue its capacity expansion to capture further market shares. The garment business achieved a remarkable growth both in revenue and profitability and is expected to have continuous improvement in the coming year. After last two years' aggressive expansion, the retail operation will slow down its store growth but to focus on store performance.

本集團本財政年度之營業額再創新高達港幣7,749百萬元。股東應佔經常業務溢利為港幣480百萬元，增長4%。

期內整體業務環境略有改善。原料價格平穩而紡織產品貿易之爭議亦得到解決。然而，邊際利潤卻因能源成本高企、工資上揚、利率上升及人民幣升值帶來壓力。

紡織業務於期內表現平穩。此行業因受中國環保條例日嚴而逐漸整固。本集團擁有最優良之環保設施，將會持續擴展生產力以加強市場佔有率。製衣業務於營業額及利潤均取得良好之增長而來年相信更有進一步之表現。零售業務經過過去兩年之具野心擴展，將會減慢開店之速度而專注於店舖業績之表現。

The Group will continue its stringent cost control measures and will place strong effort to raise its business competitiveness. The Management remains an optimistic view on the Group's results in the coming year. On behalf of the board, I would like to take this opportunity to thank our business partners and shareholders for their ongoing support and our colleagues for their hard work and loyalty.

Poon Bun Chak

Chairman

Hong Kong, 17 July 2006

本集團將繼續採取嚴控成本之措施及努力提高本集團之業務競爭能力。管理層對來年之業績仍表樂觀。本人藉此代表董事會多謝各業務夥伴及股東之不斷支持，亦向各同事之勤勞及忠誠致謝。

主席

潘彬澤

香港，二零零六年七月十七日