

	2004 HK\$'000	2003 HK\$'000	Changes
Operating results			
Turnover	905,248	1,021,076	-11.3%
Gross profit	91,076	148,907	-38.8%
Net loss	<u>(40,908)</u>	<u>(23,520)</u>	<u>—</u>
Financial position at year end			
Fixed assets	168,371	147,795	13.9%
Bank balances and cash	76,877	84,003	-8.5%
Net current assets	83,352	117,745	-29.2%
Total assets	489,468	547,061	-10.5%
Bank loans	104,225	109,123	-4.5%
Total liabilities	284,257	279,017	1.9%
Shareholders' funds	<u>205,211</u>	<u>268,044</u>	<u>-23.4%</u>
Per share information			
Net loss per share (Hong Kong cents)	(11.4)	(6.5)	—
Dividend per share (Hong Kong cents)	—	3.5	—
Net asset value per share (Hong Kong cents)	<u>57.0</u>	<u>74.4</u>	<u>-23.4%</u>
Ratio analysis			
Profitability			
Gross profit margin	10.1%	14.6%	-4.5%
Net profit margin	-4.5%	-2.3%	—
Return on shareholders' funds	-19.9%	-8.8%	—
Liquidity			
Current ratio	1.4	1.4	—
Gearing ratio	50.8%	40.7%	10.1%
Operating efficiency			
Inventory turnover period (days)	65	56	16.1%
Trade receivable turnover period (days)	29	54	-46.3%
Trade payable turnover period (days)	<u>46</u>	<u>41</u>	<u>12.2%</u>

FORMULA

Return on shareholders' funds	=	Net loss/Shareholders' funds
Current ratio	=	Current assets/Current liabilities
Gearing ratio	=	Total bank loans/Shareholders' funds
Inventory turnover period	=	365 x Inventories/Cost of sales
Trade receivable turnover period	=	365 x Trade receivable/Turnover
Trade payable turnover period	=	365 x Trade payable/Cost of sales

FIVE YEAR FINANCIAL SUMMARY

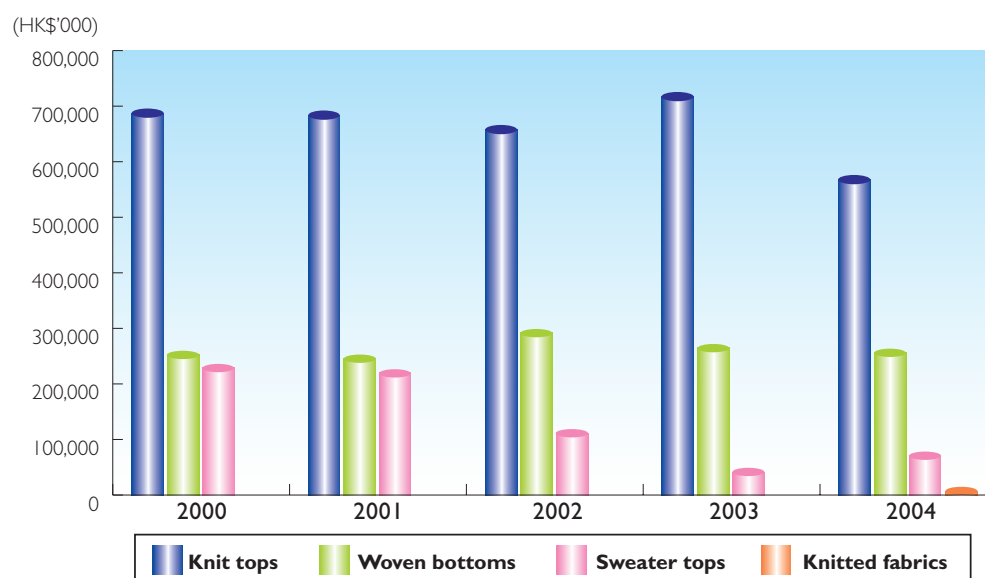
Results

	Year ended 31st December				
	2004 HK\$'000	2003 HK\$'000	2002 HK\$'000	2001 HK\$'000	2000 HK\$'000
Turnover	905,248	1,021,076	1,060,437	1,146,426	1,166,804
(Loss)/profit before taxation	(46,347)	(21,905)	(95,406)	106,834	139,492
Taxation	3,890	(7,120)	(3,168)	(13,613)	(19,285)
(Loss)/profit after taxation	(42,457)	(29,025)	(98,574)	93,221	120,207
Minority interests	1,549	5,505	(337)	1,813	(133)
(Loss)/profit attributable to shareholders	(40,908)	(23,520)	(98,911)	95,034	120,074

Assets and liabilities

	As at 31st December				
	2004 HK\$'000	2003 HK\$'000	2002 HK\$'000	2001 HK\$'000	2000 HK\$'000
Total assets	489,468	547,061	510,456	521,579	514,716
Total liabilities	(284,257)	(279,017)	(201,860)	(191,746)	(197,680)
Shareholders' funds	205,211	268,044	308,596	329,833	317,036

Turnover by product categories



	2000 HK\$'000	2001 HK\$'000	2002 HK\$'000	2003 HK\$'000	2004 HK\$'000
Knit tops	686,889	682,451	658,030	716,927	566,829
Woven bottoms	251,559	244,634	291,067	263,344	259,659
Sweater tops	228,356	219,341	111,340	40,805	70,375
Knitted fabrics	-	-	-	-	8,385
Total	1,166,804	1,146,426	1,060,437	1,021,076	905,248

Turnover by production bases for 2004



- Indonesia 50.9%
- El Salvador 16.7%
- Lesotho 11.9%
- Vietnam 10.1%
- Mainland China 3.7%
- Others 6.7%

Turnover by production bases for 2003



- Indonesia 59.6%
- El Salvador 11.2%
- Lesotho 12.5%
- Vietnam 11.0%
- Mainland China 1.1%
- Others 4.6%