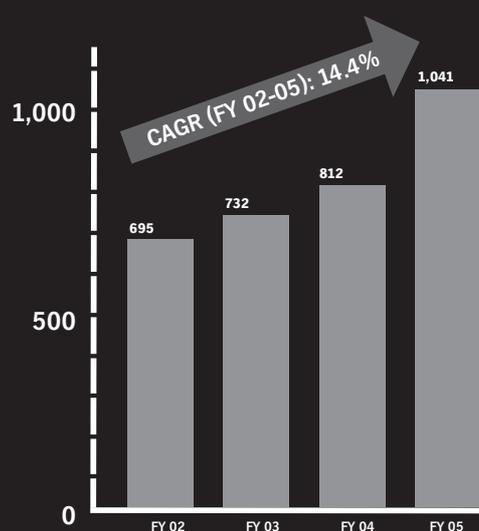


## FINANCIAL HIGHLIGHTS

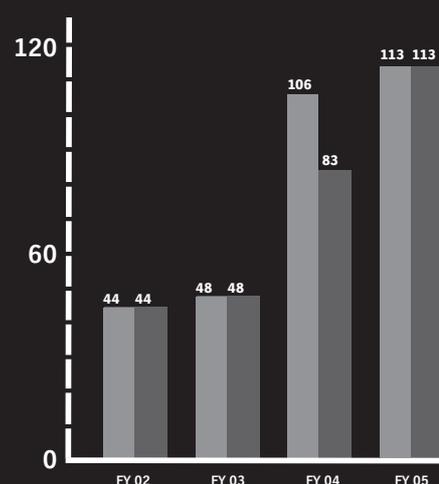
The Group's turnover reached HK\$1,041.0 million with net profit at HK\$112.7 million for the year ended 28 February 2005. As a result of the improvement in Hong Kong's economy, the Group added approximately 79,000 sq.ft. sales footage in fiscal year 2005 for both existing brands and newly introduced brands. The increase in the sales footage allowed the Group to capture additional market shares and to reach more potential customers in Hong Kong. Furthermore, the newly introduced international designer's labels enabled the Group to expand its brand portfolio and to uphold I.T.'s fashion icon status.

- Turnover reached HK\$1,041.0 million, up 28.2%
- Gross margin improved to 60.9%
- Net profit attributable to shareholders recorded HK\$112.7 million, up 6.8%
- Net profit attributable to shareholders (excluding certain items as stated in note 1) grew from HK\$83.3 million in fiscal year 2004 to HK\$112.7 million in fiscal year 2005, up 35.3%
- Sales of apparel from international brands increased by 23.9%, accounting for 41.8% of turnover
- Sales of apparel from in-house/licensed brands increased by 33.6%, accounting for 54.0% of turnover
- Net sales footage (fcuk stores included) increased 79,000 sq.ft. from 178,000 sq.ft. in fiscal year 2004 to 257,000 sq.ft. in fiscal year 2005, up 44.4%
- Earnings per share was HK\$0.16
- Return on equity was 28.5%
- Net cash position reached almost HK\$400 million
- Proposed final dividend: HK4.3 cents per share

TURNOVER TREND FY 02-05 (HK\$ MILLION)



NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS (HK\$ MILLION)



- Net Profit Attributable to Shareholders
- Net Profit Excluding Certain Items

Note: Certain items comprised a HK\$13.3 million write-back on provision of inventory and a gain of HK\$9 million on disposal of subsidiaries in fiscal year 2004.

<b>Operating Results (In HK\$'000)</b>	<b>FY05</b>	<b>FY04</b>	<b>Change(%)</b>
Turnover	1,041,017	812, 168	+28.2
Profit Attributable to Shareholders	112,733	105, 590	+6.8
Profit Excluding Certain Items (1)	112,733	83,297	+35.3

<b>Financial Position (In HK\$'000)</b>	<b>FY05</b>	<b>FY04</b>	<b>Change(%)</b>
Net Cash Inflow from Operating Activities	140,201	46,661	+200.5
Net Cash (2)	397,632	1,518	+26,094.5
Net Current Assets	483,983	75,397	+541.9
Shareholders' Equity	599,111	191,528	+212.8

<b>Per Share Data</b>	<b>FY05</b>	<b>FY04</b>	<b>Change(%)</b>
EPS - Basic (HK\$)	0.16	0.16	—
EPS - Diluted (HK\$)	0.15	0.15	—
Dividend Per Share (HK cents)	4.3	N/A	N/A
Book Value Per Share (HK\$) (3)	0.60	N/A	N/A

<b>Key Statistics</b>	<b>FY05</b>	<b>FY04</b>	<b>Change</b>
Inventory Turnover (Days) (4)	75	67	+ 8 days
Capital Expenditure (5)	68.5	37.1	+ 84.6%
Gross Margin (%) (6)	60.9	58.2	+ 2.7%
Net Profit Margin (%) (7)	10.8	10.3	+ 0.5%
Current Ratio (8)	3.1	1.9	+ 63.2%
Return on Equity (%) (9)	28.5	71.0	- 42.5%

Notes:

1. Fiscal year 2004 profit presented does not take into account of a HK\$13.3 million write-back on provision of inventory and a gain of HK\$9 million on disposal of subsidiaries in fiscal year 2004.
2. Cash and bank deposits and pledged bank deposits less bank borrowings/loans and convertible note.
3. Book value refers to shareholders' equity.
4. Average of the inventory of the beginning of the year and the end of the year divided by cost of sales times number of days during the year.
5. Additions of fixed assets and additional investment in a jointly controlled entity during the year.
6. Fiscal year 2004 gross margin is calculated based on adjusted gross profit (excluding the HK\$13.3 million write-back on provision of inventory) divided by turnover during the year.
7. Fiscal year 2004 net profit margin is calculated based on adjusted net profit (excluding the HK\$13.3 million write-back on provision of inventory and the gain of HK\$9 million on disposal of subsidiaries) divided by turnover during the year.
8. Current assets divided by current liabilities.
9. Net profit during the year divided by average of the shareholders' equity of the beginning of the year and the end of the year.

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**shaping the fashion scene in Greater China**