

CHAIRMAN'S STATEMENT



FINANCIAL RESULTS

For the year ended 31st March, 2005, the Group achieved a turnover of HK\$182.7 million, representing an increase of 14.3% when compared with previous corresponding year.

Profit before taxation for the year ended 31st March, 2005 amounted to HK\$12.3 million (2004: HK\$20.4 million). Such decrease in profit before taxation was mainly resulted from that an investment property disposal gain of HK\$6.3 million as recorded last year which was not recurrent in this year.

With the accounting for additional tax provision in prior years of HK\$2.8 million, net profit for the year ended 31st March, 2005 amounted to HK\$6.6 million, which was decreased by 65.3% over HK\$18.9 million as recorded last year. Earnings per share was HK1.5 cents (2004: HK4.5 cents).

FINAL DIVIDEND

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The Directors proposed the payment of a final dividend of HK1 cent per ordinary share (2004: HK1 cent) for the year ended 31st March, 2005. Subject to the approval of the shareholders at the annual general meeting to be held on 25th August, 2005, the final dividend will be paid on 9th September, 2005.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 23rd August, 2005 to 25th August, 2005 (both days inclusive), during which period no transfer of shares in the Company will be effected. In order to qualify for the proposed final dividend, all transfers, accompanied by the relevant share certificates, had to be lodged with the Company's registrar, Secretaries Limited, at Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, not later than 4:00 p.m., on 22nd August, 2005.

BUSINESS REVIEW

For the financial year under review, the Group's core activity of sale of bags and pouches for photographic and multimedia equipment had experienced challenging time. Fierce market competition and pressure on margin continued to be the order of the day. There were also higher raw materials, labor and other operating costs in PRC production factories. The management had been exercising continual efforts to cope with all these adverse impacts. These additional various measures included that to broaden our market, to implement tighter purchase control and to streamline our production flow with the aims to improve both operating and cost efficiencies.

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OUTLOOK

Despite the challenges facing ahead, the Group is confident to maintain its leading position in the photographic industry. Moreover, the Group has also successfully improved its market position in the multimedia industry during the year. Through the additional various measures implemented during the year to improve both operating and cost efficiencies, the management believes that these measures should contribute positively to the overall results of the Group for the coming year. Reacted by the management's working in a down-to-earth manner, striving proactively and providing the best services and products to customers, the management is cautiously optimistic about business prospects for the coming year.

APPRECIATION

We wish to thank our shareholders, customers, suppliers and staffs for on-going support and for sharing the Company's confidence and commitment.