This summary aims to give you an overview of the information contained in this prospectus. As this is a summary, it does not contain all the information that may be important to you. You should read the whole prospectus and the relevant application form before you decide to invest in the Offer Shares.

There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in the section headed "Risk factors". You should read that section carefully before deciding to invest in the Offer Shares.

BUSINESS

The Group is principally engaged in the sourcing, manufacture and sale of garments, principally woven wear, knitwear and sweaters for men, to countries in South America, which include mainly Chile and Peru. A wide variety of garment products are sold by the Group, including jogging pants, woven jackets, woven pants, sports wear, sweat shirts and T-shirts. The Group is also engaged in the trading of a variety of premium items including baby items, party items and leather belts to countries in South America (such as Chile, Argentina, Brazil, Paraguay, Peru, Columbia and Ecuador) and Canada.

The following tables show the breakdown of the Group's turnover by products and by geographical areas for each of the three years ended 31st March, 2002:

	Year ended 31st March,					
	2000		**2001**		**2002**	
	$'000	*%*	*$'000*	*%*	*$'000*	*%*
Turnover by products:						
Woven wear	65,005	57	79,200	56	73,628	58
Knitwear	29,233	25	40,872	29	30,246	24
Sweaters	11,982	10	7,041	5	9,612	8
Premium items	9,108	8	14,914	10	13,252	10
Turnover	115,328	100	142,027	100	126,738	100

	Year ended 31st March,					
	2000		**2001**		**2002**	
	$'000	*%*	*$'000*	*%*	*$'000*	*%*
Turnover by geographical areas:						
Chile	104,708	90.8	122,293	86.2	107,409	84.8
Peru	4,634	4.0	10,842	7.6	12,698	10.0
Canada	2,485	2.2	5,149	3.6	3,065	2.4
Argentina	2,799	2.4	3,743	2.6	1,542	1.2
Others *(Note)*	702	0.6	–	–	2,024	1.6
Turnover	115,328	100.0	142,027	100.0	126,738	100.0

Note: Others include Brazil, Paraguay, Columbia and Ecuador

For the two years ended 31st March, 2001, all of the Group's turnover and results were derived from its trading business. For the year ended 31st March, 2002, the Group recorded a turnover of approximately $126 million from its trading business whilst turnover of approximately $699,000 and net losses of approximately $555,000 were derived from sale of knitwear manufactured by the Group.

In view of the low manufacturing costs in the northern part of the PRC and the strong demand of garment products in the South American market, the Group established Rontex (Ningbo), a wholly foreign owned enterprise, in August 2000 to engage in the manufacture and sale of knitwear. Its production facilities are located in Ningbo, Zhejiang province, the PRC. All of the garment products sold by the Group had been sourced from garment vendors before the commencement of the manufacturing process by Rontex (Ningbo) in December 2001. Other than Rontex (Ningbo), the Group has made investments in two other manufacturing entities in the PRC, namely Rontex (Jiayun) and Rontex (Beijing), in 1999 and 2000 respectively in order to gain initial manufacturing experience and to secure stable supply of garments. As the target market of Rontex (Beijing) is Japan, the Directors believe that the Group's relationship with this manufacturing entity provides opportunities for the Group to develop this market. A summary of the Group's investments in these two manufacturing entities are as follows:

Name	Date of establishment	Location of production facilities	Principal type of garment manufactured	Principal market	Equity interests held by the Group
Rontex (Jiayun) *(Note)*	July 1999	Ningbo, Zhejiang province, the PRC	Woven wear including men's shirts	Japan	45%
Rontex (Beijing)	September 2000	Beijing, the PRC	Woven wear including men's suit	Japan	40%

Note: Rontex (Jiayun) is a sino-foreign equity joint venture company established in the PRC on 14th July, 1999 owned as to 45% by the Group through Take Luck and 55% by 奉化市佳雲製衣廠 (Fungfa City Jiayun Garment Factory), a domestic enterprise owned by an Independent PRC citizen, with a total registered capital of US$100,000. It is engaged in the manufacture and sale of men's wear. For the year ended 31st December, 2001, Rontex (Jiayun) recorded a turnover and net profit after tax of approximately RMB17,316,000 (equivalent to approximately $16,183,000) and RMB1,474,000 (equivalent to approximately $1,378,000) respectively. The Group considered this investment as a means to gain initial manufacturing experience and the Directors have confirmed that the Group has never participated in the daily operations, policy making processes or attended any of the board of directors' meetings of Rontex (Jiayun) during the Track Record Period. As a result, the Directors have concluded that the Group has not exercised significant influence in Rontex (Jiayun) during the Track Record Period. The Directors have also concluded that the investment in Rontex (Jiayun) should be treated as investment securities and should not be treated as an associate (as defined in the Listing Rules) of the Group during the Track Record Period. The Directors have confirmed that there was no net profit (or loss) attributable (or incurred) to the shareholders of Rontex (Jiayun) that had been recorded/included in the financial statements of the Group during the Track Record Period. However, the Group recorded dividend income of approximately $335,000, $774,000 and $620,000 as declared and paid by Rontex (Jiayun) to the Group for each of the three years ended 31st March, 2002 respectively.

The principal markets in South America for the Group's export of garments are Chile and Peru. For the year ended 31st March, 2002, the Group's export of garments to Chile and Peru amounted to approximately $100.1 million and $12.7 million respectively, representing approximately 88% and 11% of the Group's turnover derived from the sale of garments. On the other hand, the total import of knitted and woven clothing from the PRC to Chile and Peru in 2001 amounted to US$221 million (equivalent to approximately $1.7 billion) and US$14 million (equivalent to approximately $109 million) respectively. Accordingly, the Directors believe that the Group is one of the largest exporters of PRC-manufactured garments to these two countries.

PRINCIPAL STRENGTHS

The Directors believe that the principal strengths of the Group are as follows:

1. its more than 8 years' experience in the trading of a broad range of quality garments manufactured in the PRC to countries in South America, where most imports are only subject to minimal or free of controls in terms of import quotas, tariff and documentations;

2. its long established business relationship with its major customers in South America and their loyalty towards the Group;

3. its position as one of the major exporters of PRC-manufactured garments to the South American markets;

4. its low foreign exchange risk as all of the Group's sales are settled in US dollars. The Group also did not experience any bad debts for each of the three years ended 31st March, 2002;

5. its upstream integration of the manufacturing process caused by its investments in a number of manufacturing entities in the PRC will provide a more stable supply of garments to satisfy part of the Group's demand and allow the Group to enjoy the benefit of the diversification of export market to other countries such as Japan through the aforesaid manufacturing entities; and

6. its established relationship with its suppliers of garments and premium products.

FUTURE PLANS AND PROSPECTS

The Directors believe that the market demand for garments, in particular the South American market, will continue to grow. As set out in the section headed "Industry overview" of this prospectus, the consumer expenditure on clothing in most of the major South American countries has shown an upward trend despite the recent economic downturn.

The Group has commenced the operation of garment manufacturing in 2001. To enjoy a higher profit margin and to ensure a more stable supply of garments to satisfy the market demand anticipated by the Directors, the Group plans to increase its involvement in garment manufacturing and expand its production facilities by adding two new product lines: (1) the production of cashmere jackets for both men and women; and (2) the production of tailor-made men's suits while at the same time, the Group will expand the production plants. The Directors believe that higher profit margin would be captured by diversifying into the higher end markets of tailor-made men's suits and cashmere jackets for both men and women.

While South America will still be the principal market of the Group's products in the near future, the Group plans to explore business opportunities in other countries in order to enhance the production utilisation of the Group. The Group will recruit a team of 4 marketing personnel to approach garment buyers in other new target markets, such as Japan and European countries, to solicit buying orders. As at the Latest Practicable Date, the Group has already recruited 2 marketing managers for the Japanese and European markets respectively.

By expanding the production facilities of the Group together with the years of experience in sourcing garments from its established network, the Directors believe that the Group is able to fully capture the business opportunity offered by the growth in the garment industry.

Moreover, it is the intention of the Directors that the Group will dispose of its entire equity interests in Rontex (Jiayun) to an Independent third party during the financial year ending 31st March, 2003, as the Group, through Rontex (Ningbo), has already established its wholly-owned garment manufacturing operations in Ningbo, the PRC.

DIVIDEND POLICY

For each of the three years ended 31st March, 2002, the Group declared and paid dividends in the amounts of approximately $9.0 million, $9.0 million and $9.5 million respectively, representing approximately 48%, 41%, and 42% of the profit attributable to shareholders for the respective periods. Special dividends of $10 million were declared and paid by the Group on 31st July, 2002. The payment of these dividends was financed by internal resources of the Group.

Potential investors should note that the above dividend payments should not be used as a reference for the Company's dividend policy. Further details on the dividend policy of the Company are set out in the paragraph headed "Profit forecast, dividends and working capital" under the section headed "Financial information" of this prospectus.

DIRECTORS' REMUNERATION

Each of Mr. Cheung, Mrs. Cheung and Mr. Lau Ka Man, Kevin, being all the executive Directors, has entered into a service contract with the Company for an initial term of three years commencing from 19th October, 2002, which will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other. Each of these executive Directors is entitled to the respective annual basic salary of $1,430,000, $1,170,000 and $520,000 (subject to an annual increment after 1st January, 2004 at the discretion of the board of Directors of not more than 15% of the annual salary immediately prior to such increase) and each of them is also entitled, on completion of every 12 months of service, to a discretionary management bonus. The aggregate amount of the discretionary management bonuses payable to all the executive Directors for any financial year may not exceed 5% of the audited consolidated or combined net profit of the Company (after taxation and minority interests and payment of such bonuses but excluding extraordinary items) in respect of that financial year of the Company.

During the year ended 31st March, 2002, the aggregate emoluments paid by the Group to the executive Directors were approximately $2.73 million. For each of the three years ended 31st March, 2002, no management bonus had been paid by the Group to the executive Directors. Further details of the remuneration of the Directors are set out in the sub-paragraph headed "Directors' remuneration" in the paragraph headed "Further information about the Directors, management and staff" in Appendix 5 to this prospectus.

TRADING RECORD

The following table summarises the Group's combined turnover and results for each of the three years ended 31st March, 2002 which are extracted from the accountants' report, the text of which is set out in Appendix 1 to this prospectus:

	Year ended 31st March,		
	2000	**2001**	**2002**
	$'000	*$'000*	*$'000*
Turnover by products:			
Woven wear	65,005	79,200	73,628
Knitwear	29,233	40,872	30,246
Sweaters	11,982	7,041	9,612
Premium items	9,108	14,914	13,252
Turnover *(Note 1)*	115,328	142,027	126,738
Cost of sales	(74,039)	(94,363)	(84,001)
Gross profit	41,289	47,664	42,737
Other revenue	632	1,316	1,125
Selling and distribution costs	(9,939)	(12,325)	(10,780)
Administrative expenses	(6,052)	(6,724)	(8,014)
Other operating expenses	(5,019)	(4,985)	–
Profit from operating activities	20,911	24,946	25,068
Share of profits and losses of an associate	–	–	718
Finance costs	(2,232)	(2,394)	(1,793)
Profit before tax	18,679	22,552	23,993
Tax	(61)	(479)	(1,355)
Net profit from ordinary activities attributable to shareholders	18,618	22,073	22,638
Dividends *(Note 2)*	9,000	9,000	9,500
Earnings per Share *(Note 3)*	11.4¢	13.5¢	13.8¢

Notes:

1. Turnover represents the net invoiced value of goods sold, after allowances for returns and trade discounts. All significant intra-group transactions have been eliminated on combination.

2. On 31st July, 2002, the Group further declared special dividends of $10 million to its then shareholders. The payment of these dividends was financed by internal resources of the Group.

3. The calculation of earnings per Share for the three years ended 31st March, 2002 is based on the net profit attributable to shareholders for each of the respective periods and on the assumption that 164,000,000 Shares were in issue, comprising the 20,000,000 Shares in issue as at the date of this prospectus and the 144,000,000 Shares to be issued pursuant to the Capitalisation Issue.

Further information about the trading records of the Group are set out in the section headed "Financial information" and Appendix 1 to this prospectus.

The Directors are aware of the requirement of Rule 8.06 of the Listing Rules which states that the latest financial period reported on by the reporting accountants must not have ended more than six months before the date of this prospectus.

The Company has sought and obtained a waiver from strict compliance with such requirement from the Stock Exchange. The Directors confirm that they have performed sufficient due diligence on the Group to ensure that, up to the Latest Practicable Date, there has been no material adverse change in the financial position of the Group since 31st March, 2002, and there is no event which would materially affect the information shown in the accountants' report set out in Appendix 1 to this prospectus.

REASONS FOR THE OFFER AND USE OF PROCEEDS

The Directors consider that the net proceeds from the issue of the New Shares can facilitate the Group's expansion plans as set out in the paragraph headed "Future plans and prospects" above.

The net proceeds from the issue of the New Shares, after deducting estimated listing expenses of approximately $12 million payable as to 60% and 40% by the Company and the Vendor respectively, are estimated to amount to approximately $28.8 million (assuming the Over-allotment Option is not exercised). The Directors presently intend that such net proceeds will be applied as follows:

– as to approximately $8 million to acquire additional machinery and equipment for the expansion of the manufacturing capacity of the Group;

– as to approximately $15 million to expand the production plants of the Group; and

– as to the balance of approximately $5.8 million as additional working capital of the Group.

To the extent that the net proceeds from the issue of the New Shares are not immediately required for the above purposes, it is the present intention of the Directors that they will be placed on short-term deposits with financial institutions and/or licensed banks in Hong Kong. Should the Over-allotment Option be exercised in full, the additional net proceeds of approximately $8.8 million will be available and the Directors intend to use the additional net proceeds as additional working capital of the Group.

OFFERING OF THE SALE SHARES BY THE VENDOR

The Vendor is offering the Sale Shares for sale pursuant to the Placing at the Offer Price. The gross proceeds to be received by the Vendor from the sale of the Sale Shares amount to $24 million.

PROFIT FORECAST FOR THE YEAR ENDING 31ST MARCH, 2003 *(Note 1)*

Forecast combined profit after tax but before extraordinary items *(Note 2)* . . . . not less than $30 million

Forecast earnings per Share
(a) weighted average *(Note 3)* . . . . 16.8¢
(b) pro forma fully diluted *(Note 4)* . . . . 15.0¢

OFFER STATISTICS (based on the Offer Price)

Market capitalisation . . . . $200 million

Forecast price/earnings multiple
(a) weighted average *(Note 5)* . . . . 5.94 times
(b) pro forma fully diluted *(Note 6)* . . . . 6.67 times

Adjusted net tangible asset value per Share *(Note 7)* . . . . 36.4¢

Notes:

1. The New Shares will rank pari passu in all respects with all other Shares in issue and to be issued as mentioned herein and, in particular, will rank in full for all dividends or other distributions declared, made or paid after the date of this prospectus except for the Capitalisation Issue.

2. The bases on which the forecast combined profit after tax but before extraordinary items has been prepared and are set out in Appendix 2 to this prospectus. The Directors are not aware of any extraordinary items which will arise for the year ending 31st March, 2003.

3. The calculation of the forecast earnings per Share on a weighted average basis is based on the forecast combined profit after tax but before extraordinary items of the Group for the year ending 31st March, 2003 and the weighted average number of 178,202,740 Shares expected to be in issue during the year, but takes no account of any Shares which may fall to be allotted and issued pursuant to the exercise of options that may be granted under the Share Option Scheme or which may be allotted and issued or repurchased by the Company pursuant to the general mandates for the allotment and issue or repurchase of Shares referred to in the paragraph headed "Resolutions of all shareholders of the Company passed on 19th October, 2002" in Appendix 5 to this prospectus.

4. The calculation of the forecast earnings per Share on a pro forma fully diluted basis is based on the forecast combined profit after tax but before extraordinary items of the Group for the year ending 31st March, 2003 assuming that the Company had been listed since 1st April, 2002 and a total of 200,000,000 Shares have been in issue during the year, but takes no account of any Shares which may fall to be allotted and issued pursuant to the exercise of options that may be granted under the Share Option Scheme or which may be allotted and issued or repurchased by the Company pursuant to the general mandates for the allotment and issue or repurchase of Shares referred to in the paragraph headed "Resolutions of all shareholders of the Company passed on 19th October, 2002" in Appendix 5 to this prospectus.

5. The forecast price/earnings multiple on a weighted average basis is based on the forecast earnings per Share on a weighted average basis of 16.8¢ for the year ending 31st March, 2003 and on the Offer Price.

6. The forecast price/earnings multiple on a pro forma fully diluted basis is based on the forecast earnings per Share on a pro forma fully diluted basis of 15.0¢ for the year ending 31st March, 2003 and on the Offer Price.

7. The adjusted net tangible asset value per Share has been arrived at after making the adjustments referred to in the paragraph headed "Adjusted net tangible assets" under the section headed "Financial information" of this prospectus and on the basis of a total of 200,000,000 Shares in issue and to be issued as mentioned herein, but takes no account of any Shares which may fall to be allotted and issued pursuant to the exercise of options that may be granted under the Share Option Scheme or which may be allotted and issued or repurchased by the Company pursuant to the general mandates for the allotment and issue or repurchase of Shares referred to in the paragraph headed "Resolutions of all shareholders of the Company passed on 19th October, 2002" in Appendix 5 to this prospectus.

RISK FACTORS

The Directors consider the Group's business is subject to a number of risk factors which can be summarised as follows, details of which are set out in the section headed "Risk factors" of this prospectus:

Risks relating to the Group
- reliance on key management
- reliance on major suppliers
- reliance on major customers
- sustainability of profit margin
- dividend policy
- change in customer base
- limited management resources
- effective tax rate
- investment in listed equity securities

Risk relating to the industry
- competition

Risk relating to Chile and Peru

Risks relating to the PRC
- political and social considerations
- economic and legal considerations
- PRC's admission as a member of the WTO

Risks relating to economic and political status
- uncertain global economic and political outlook