

*<for immediate release>*

**LINMARK ANNOUNCES RESULTS  
FOR THE NINE MONTHS ENDED 31 JANUARY 2005  
NET PROFIT UP 10.0% TO US\$10.7 MILLION (HK\$83.5 MILLION)**

(Hong Kong – 16 March 2005) **Linmark Group Limited** (“Linmark” or the “Group”) (stock code: 915), a one-stop global sourcing agent, today announced its results for the nine months ended 31 January 2005.

During the period under review, the Group’s shipment volume reached approximately US\$547.9 million (equivalent to HK\$4,273.6 million), an increase of approximately 13.5% as compared to the corresponding period of last year. Turnover surged approximately 60.4% to approximately US\$51.1 million (equivalent to HK\$398.6 million), which was attributable to the addition of new businesses and the expansion of value-added services.

The Group’s profit after taxation increased by approximately 10.0% to approximately US\$10.7 million (equivalent to HK\$83.5 million). Net profit margin as a percentage of shipment volume was approximately 2.0% which is level with that of the last corresponding period. Basic earnings per share increased from approximately 1.5 US cents (equivalent to 11.7 HK cents) to approximately 1.6 US cents (equivalent to 12.5 HK cents). The Board does not recommend the payment of dividend for the three months ended 31 January 2005.

**Mr. Wang Lu-Yen, Chairman of Linmark**, said, “I am pleased to report that Linmark has continued to deliver satisfactory results. During the period under review, Linmark completed the acquisition of the business and assets of Tamarind International Limited (“Tamarind”) on 31 December 2004. The acquisition not only further broadened our customer base in Europe, South Africa and Australia, but also provided us with the opportunity to capture the synergistic benefits of cross selling and resources sharing.”

Headquartered in Hong Kong and with offices in China and the Philippines, Tamarind is an integrated sourcing services provider principally engaged in the design and sourcing of goods ranging from apparel to fashion accessories, toys, homewares, gifts and jewellery. The Tamarind acquisition further widened the Group’s softgoods and hardgoods sourcing spectrum.

After the initial payment of approximately US\$19.4 million (equivalent to HK\$151.1 million) for the Tamarind acquisition, Linmark remains in a strong financial position with cash and cash equivalents of approximately US\$19.6 million (equivalent to HK\$152.9 million) as at 31 January 2005.

Looking ahead, the Group sees continual threats of interest rate hikes, which will have dampening effects on consumer sentiments in the US. The Group's strategy of market and product diversification reduces such impact by expanding the business into Europe, South Africa and other new markets such as Australia. Contributions from these markets are expected to provide a healthy support to both the Group's top and bottom lines.

**Mr. Steven Feniger, CEO of Linmark**, said, "The worldwide outsourcing trend is expected to continue as global companies are looking for more cost efficient sourcing solutions. The official abolishment of global apparel quotas took place in January 2005. Although we see uncertainties with the US imposing safeguard mechanisms on the highly utilised quota categories, China will become one of the most important sourcing hubs in the years to come. To prepare for that, we have been implementing a strong drive to further grow our network and capabilities in China."

During the period under review, Linmark has been deepening the sourcing penetration of the China and forging partnership with Chinese authorities. To name some of its developments in China, Linmark has strengthened its sourcing network by adding three new offices in Dongguan, Guangzhou and Qingdao. The Group has also been working with the China National Textile Industry Council (CNTIC), the national federation of textile related industries in China, and the China Textile Information Center (CTIC) to develop a China Code of Conduct in Social Compliance for the textile industry in China. The Group strives to position itself as the bridge between the foreign apparel market and the textile industry in China and to grasp the business opportunities as more international players start or increase sourcing in China.

"Newly acquired businesses and value-added services will be the Group's major growth drivers. Furthermore, we will continue to seek synergistic acquisition opportunities to further enhance shareholders value. Based on the current assessment, management maintains an overall positive view for the Group's performance for the rest of the financial year," concluded Mr. Feniger.

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#### **About Linmark Group Limited**

Linmark, listed on The Stock Exchange of Hong Kong Limited in May 2002, is a one-stop global sourcing agent. With presence in 37 cities in 25 countries and territories, the Group offers comprehensive and efficient sourcing solutions to its customers, the majority of whom are leading retail chain operators, well-known brands, wholesalers, mail order houses and departments stores in North America, Europe, Asia and the Southern Hemisphere. Linmark is also one of the constituent stocks on the Hang Seng HK SmallCap Index under the Hang Seng Composite Index.

For more information:

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