

**LINMARK FORMS PARTNERSHIP WITH
CHINA TEXTILE INFORMATION CENTRE AND
CHINA TEXTILES DEVELOPMENT CENTRE**

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STRATEGIC STEP FOR PROMOTING BUSINESS IN CHINA

(Hong Kong – 26 May 2004) **Linmark Group Limited** (“Linmark” or the “Group”) (stock code: 915), a one-stop global sourcing agent, today announced the formation of a strategic partnership with China Textile Information Centre (“CTIC”) and China Textiles Development Centre (“CTDC”) to jointly promote China’s textile and apparel industry in the global marketplace.

CTIC and CTDC are both subordinate organizations of the China National Textile Industry Council (“CNTIC”), the national federation of all textile-related industries in China. It was known as the Textile Ministry before the re-structuring in 2001. CTIC and CTDC are commissioned by the Chinese Government to enhance product development and the establishment of information service systems in the China textile industry.

Through the strategic partnership, Linmark will provide four major service categories with the aim of improving the overall product and service standards of the China textile and apparel industry. These include textile testing services, social compliance auditing and accreditation consultancy services, international trade of China textiles and promotion of supply chain management systems and e-commerce services. A Letter of Intent between the three parties was signed today. A joint venture company will also be formed to develop the above businesses.

Mr. Wang Lu-Yen, Chairman of Linmark said at the signing ceremony, “Linmark’s strengths go far beyond traditional sourcing. With our global network and experience, we have emerged as a full service supply chain management services provider. We believe that our capabilities in these areas are crucial in taking business further. Therefore, we are constantly seeking to leverage our strengths in these services to enhance growth. CTIC and CTDC are our ideal partners because of their extensive network in the China textile and apparel industry.”

Mr. Du Yuzhou, President of CNTIC said, “We are in full support behind this partnership. CNTIC is committed to provide services to help with modernization of the China textile and apparel industry. I believe that this partnership will contribute well in achieving the three established industry goals, namely quality and standards, innovation and quick response.”

Mr. Steven Feniger, CEO of Linmark said, “The partnership brings solid benefits to Linmark because it serves as a springboard for introducing our value-added services and supply chain management solutions to the entire textile and apparel industry in China. In addition, I am also glad to see that our strengths in these areas are being recognized.”

The strategic partnership is an important part of a nationwide campaign led by CTIC and CTDC known as “Fabrics China”, which aims to improve the product and service standards of China’s textile and apparel industry. The campaign seeks to raise competitiveness of the industry by improving four major systems. These are the trend forecasting and releasing system, textile development co-operation system, standardization and testing system and trade promotion system.

Mr. Sun Ruizhe, President of CTIC and CTDC said, “Linmark has accumulated many years of experience in global sourcing and has developed a thorough understanding of the supply chain industry particular in Asia. China’s WTO membership and the expected abolishment of the quota system are bringing many challenges and opportunities to the China textile and apparel industry. I am confident that this will be a fruitful partnership.”

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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 36 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 Africa. Examples include Hudson's Bay Company, Brylane, Federated Department Stores, Jockey, J.C. Penney, Mothercare, Calvin Klein® Jeans, Chaps by Ralph Lauren®, Speedo®, Edcon, etc.

About CTIC & CTDC:

China Textile Information Centre and China Textiles Development Centre are both members of China National Textile Industry Council, which is the national federation of all textile-related industries in China. Both CTIC and CTDC are dedicated in products development and the information system services establishment in the China textile industry.

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