ADUGENA

MAINSTREAM. MANIFEST. M



MAINSTAY. AINLY.

"Every age has its pleasures, its style of wit, and its own ways." Nicolas Boileau-Despreaux, poet

A Synonym for Watches in Germany. A Symbol of Quality Abroad.

Dugena belongs to the few brands with an almost universal brand-awareness in the German market and a high appreciation for value and quality "at home" and abroad. The brand has begun a product offensive in order to add new perspectives to its established mainstream appeal, thus expanding into image-building and profitable segments of the market with technology-driven lines that emphasize its traditional core values as well as its modern philosophy.

According to the maxim "Technical Exquisiteness with Tradition", the mechanical watch range was expanded by retro-style specialties. Among the highlights: a pocket-watch-like execution with a special handwinding movement in the size of a pocket and small second as well as a multi-functional watch with an automatic movement and a separate day and night display were presented.

The prestigious Sea-Tech series was also updated successfully, tapping into an increasingly sports-oriented market segment that demands not only professional looks but authenticity in a product's capabilities as well. With water-resistance up to 200 m, sporting dials in signal colors and an outstandingly dynamic overall design, the masculine Sea-Tech chronographs are selling very well – and not only with divers.

As a marketing highlight for the business year 2004/2005, an attractive contest was staged. Complementing Dugena's strong advertising campaign, consumers were asked for their personal "unforgettable moments" – the lucky winner was then able to add further ones to those described in an essay by enjoying a special trip on one of Germany's most popular cruise-ships, the "AIDAblu".

The "unforgettable moments" and achievements in the long history of Dugena continue to be at the core of its communication campaign, sharpening the profile of a brand that, while everybody believes to know it by heart, has many exciting surprises to offer. An homage to the "Successful Ones" will see the revival of legendary watch names like "Monza" or "Nautica" with new styles. These product-centered initiatives will be further aided by an optimization of the broad distribution infrastructure: Shop-in-shop concepts are gradually being implemented, special merchandising teams are ensuring a proper and ever better presentation of the brand's variety of aspects and product ranges.

Some very unforgettable Dugena moments are in the making right now... $\label{eq:control}$

The Well-known Brand. The Universal The Value.



Appeal. Adugena

The Mexximal Effect. The Brand of Emotions.

A brand like Mexx Time is about design, emotions and fashion but also needs visibility and a critical mass of presence in order to sustain its international image and its grand appeal.

The business year 2004/2005 saw a substantial expansion of the worldwide distribution network, adding key markets in the Middle East as well as in Europe and Asia. The launch in Canada in August 2005 will also add the Americas to the regions enjoying the "mexximum fashion effect" of the brand.

The restructuring of the brand commenced in April 2004 was finalized in June 2005 when the Hong-Kong-based organization of the Group officially took over handling and responsibility for product development, sales and marketing.

The renewal process naturally brought some changes of design direction and positioning and also took its toll on the results throughout 2004. The first official relaunch-collection for spring/summer 2005 (launched in March) took off with retailers and has delivered some very promising first sell-through figures. But the full overall effect of the repositioning has yet to make itself felt throughout the market.

Reinvigorated marketing efforts including promotion activities, POS decoration and advertising are beginning to take hold and, together with the new look and original design of the updated and streamlined product range, should enable Mexx Time's growth in the very near future.

In the business year 2005/2006, the ongoing expansion of the distribution network will focus on Europe, where markets in the east (Russia and Poland, among others), north (Norway and Sweden) and south (e.g. France and Spain) will open up new perspectives for the watch collection as it follows the successful parent brand into new territories.

The implementation of an additional design team providing fashion and trend input will secure for Mexx Time highest lifestyle compatibility, and the watch should profit especially from a major strategic initiative of the fashion brand Mexx aiming to upgrade the design and quality standards across the portfolio of apparel and non-apparel products.

Fashion Changes. Ro Trends Ar Time Flies