

## INTERIM DIVIDEND

The Board of Directors has declared that an interim dividend of 1.0 HK cent (2002: Nil) per share amounting to HK\$2,600,000 (2002: Nil) be paid to the shareholders of the Company whose names appear on the Register of Members of the Company on 28 November 2003. The interim dividend will be paid on or before 8 December 2003.

## CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from 26 November 2003 to 28 November 2003 (both days inclusive), during which period no share transfers will be effected. In order to qualify for the interim dividend, all share transfers accompanied by the relevant share certificates, must be lodged for registration with the Company's share registrars, Secretaries Limited, at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4:00 p.m. on 25 November 2003.

## BUSINESS REVIEW

The retail industry has gone through a challenging time during the first half of 2003. The outbreak of the Severe Acute Respiratory Syndrome ("SARS") and the Iraqi war led to an adverse impact both on business activities and economic growth, regionally and globally. The persistent high unemployment rate in Hong Kong further depressed market sentiment and affected retail consumption.

Despite the negative impact on the retail industry in Hong Kong and the PRC, the Group managed an increase in both turnover and profit for the six months ended 31 August 2003. During the review period, turnover recorded a growth of 15.8% to HK\$2,085 million when compared with the HK\$1,801 million recorded in the corresponding period in the previous year. Profit attributable to shareholders reached HK\$5.9 million, representing an increase of 21.3%. The encouraging results were mainly attributable to the Group's successful operating strategies which provide value-for-money products at reasonable prices and quality services. The Group's diversified merchandise mix and effective cost measures were additional critical factors contributing to these satisfactory results.