

INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK4 cents (2002: HK4 cents) per ordinary share for the six months ended 30 September 2003 to shareholders whose names appear on the Register of Members of the Company at the close of business on Friday, 2 January 2004. The interim dividend declared will be paid on or about Thursday, 15 January 2004.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Tuesday, 30 December 2003 to Friday, 2 January 2004, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrars in Hong Kong, Tengis Limited, at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 29 December 2003.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Results

The Group recorded satisfactory operating results for the six months ended 30 September 2003. During the reported period and compared with the corresponding period of last year, turnover increased by 6% to HK\$803 million (2002: HK\$758 million), and profit attributable to shareholders increased by 31% to HK\$108 million (2002: HK\$82 million (Restated)). Basic earnings per share has increased by 30% to HK17.6 cents (2002: HK13.5 cents (Restated)). The Board has resolved to declare an interim dividend of HK4 cents per share.

Operating Results and Markets Analysis

Sales in the first quarter of 2003 were strong, with most markets of the Group turned in impressive growth over the same period last year. The outbreak and spread of Severe Acute Respiratory Syndrome ("SARS") in Asia Pacific in the second quarter of the year has jeopardized worldwide health, the impact of which continued until the World Health Organization denounced travel restrictions of the affected cities. This had, however, seriously affected the Group's businesses in Greater China, with the Hong Kong and Taiwan markets recording setbacks in turnover. Although the Mainland China and other overseas markets have recorded positive sales growth, the growth rates were less than expectation. The Group recorded a 6% growth in turnover for the six months ended 30 September 2003.