

## INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of 1.8 HK cents (2002: 1.5 HK cents) per share for the six months ended 30th September, 2003. The interim dividend will be payable on Monday, 16th February, 2004 to shareholders whose names appear on the register of members of the Company on Wednesday, 7th January, 2004, with a scrip alternative to offer the right to shareholders to elect to receive such interim dividend wholly or partly by allotment of new shares credited as fully paid in lieu of cash. A-ONE INVESTMENTS LIMITED, Mr. Chau Cham Wong, Patrick and United Success Enterprises Limited, altogether holding approximately 50.4% of the issued share capital of the Company, have indicated to the Board that they intend to take up their dividend entitlements wholly in shares.

A circular containing details of the scrip dividend scheme together with an election form will be sent to the shareholders of the Company as soon as practicable. The scrip dividend scheme is subject to the following conditions: (a) the issue price of a new share to be issued pursuant thereto being not less than the nominal value of a share of the Company; and (b) the granting by the Listing Committee of The Stock Exchange of Hong Kong Limited of the listing of and permission to deal in the new shares to be issued pursuant thereto.

## CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 5th January, 2004 to Wednesday, 7th January, 2004, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend, all share transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrars in Hong Kong, Secretaries Limited of Ground Floor, Bank of East Asia Harbour View Center, 56 Gloucester Road, Wanchai, Hong Kong, for registration not later than 4:00 p.m. on Friday, 2nd January, 2004. The dividend warrants and certificates for the new shares to be issued pursuant to the scrip dividend scheme will be distributed on or about Monday, 16th February, 2004.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Financial Performance

The Group's performance for the first half of the financial year was encouraging. Turnover for the six months ended 30th September, 2003 was HK\$613,226,000, representing an increase of 22.0% compared to the same period in 2002. The increase in turnover was mainly attributable to contribution from the organic growth of its core manufacturing business and the contribution from its US distribution arm namely Omni Watch & Clock Co., LLC.