

INTERIM DIVIDEND AND SCRIP DIVIDEND SCHEME

The directors have resolved to pay an interim dividend of HK1.7 cents per share for the six months ended 31 December 2004 (2003: HK1.6 cents per share) to shareholders whose names appear on the register of members of the Company on 7 April 2005. Such interim dividend will be satisfied by allotment of new shares of the Company, credited as fully paid, by way of scrip dividend, with an option to the shareholders to receive such dividend (or part thereof) in cash in lieu of such allotment (the “Scrip Dividend Scheme”).

The Scrip Dividend Scheme is subject to the granting by the Listing Committee of The Stock Exchange of Hong Kong Limited of a listing of and permission to deal in the shares to be issued pursuant thereto. A circular setting out the details of the Scrip Dividend Scheme together with the form of election will be sent to the shareholders of the Company as soon as practicable.

The relevant certificates for the new shares and dividend warrants will be dispatched to those entitled on or before 8 June 2005.

CLOSURE OF REGISTER OF MEMBERS

In order to determine entitlement to the interim dividend and the Scrip Dividend Scheme, the register of members of the Company will be closed from 31 March 2005 to 7 April 2005, both days inclusive, during which period no transfer of shares of the Company will be effected. All transfers, accompanied by the relevant share certificates, and in the case of warrant holders, all duly completed subscription forms accompanied by the relevant warrant certificates and the appropriate subscription monies, must be lodged with the Company’s branch share registrars in Hong Kong, Secretaries Limited, at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong by no later than 4:00 p.m. on 30 March 2005.

MANAGEMENT DISCUSSION AND ANALYSIS

Amidst an improved operating environment and a more conducive investment environment, the Group had enjoyed steady progress in its major business activities during the period under review.

Financial Results

The Group achieved a turnover of HK\$1,154 million for the six months ended 31 December 2004 (the “Period”), an increase of 19 percent as compared with HK\$974 million for the six months ended 31 December 2003 (the “Previous Period”). Net profit for the Period was HK\$231 million, an increase of 56 per cent as compared with HK\$148 million for the Previous Period. Basic earnings per share for the Period was HK\$19.3 cents. (2003: HK\$20.2 cents).

The overall improved performance during the Period reflected strong recurrent demand for the Group’s customised solutions in wireless communications, where ongoing investments in our systems and networks have allowed us to significantly improve customer-focused offerings while driving industry-leading productivity. The Group continued to maintain a clear competitive edge in providing customised communications solutions for niche markets.