

INTERIM DIVIDEND

The Directors has resolved to declare an interim dividend of HK2.4 cents (2004: HK2 cents) per ordinary share for the six months ended 30th September, 2005. The interim dividend will be paid on or about 18th January, 2006 to members, whose names appear on the register of members of the Company at the close of business on 10th January, 2006.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

For the six months ended 30th September, 2005, the Group's turnover reached approximately HK\$129 million, representing an increase of approximately 35% over the same period of last year. The increase in turnover was mainly attributable to the increase in OEM/ODM sales to Japan and Europe and the revenue contributed by the Group's new retailing business during the reporting period. The gross profit margin of the period was approximately 33% which was slightly higher than 32% of the corresponding period of last year.

Selling and distribution expenses of the Group for the six months ended 30th September, 2005 increased to approximately HK\$7 million due to the additional expenses incurred for the Group's new retail operations. Administrative and other operating expenses increased by approximately 56%, to approximately HK\$12 million which was mainly due to the increase in number of staff and staff salaries and special bonus paid to the executive directors of the Company.

Accompanied by the promising turnover growth, the net profit for the period rose by approximately 18% to approximately HK\$23 million. Basic earnings per share were approximately HK\$7.2 cents as compared to approximately HK6.1 cents of the corresponding period in 2004.