

INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK5 cents (2003: HK4 cents) per ordinary share for the six months ended 30 September 2004 to shareholders whose names appear on the Register of Members of the Company at the close of business on Friday, 31 December 2004. The interim dividend declared will be paid on or about Wednesday, 12 January 2005.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Wednesday, 29 December 2004 to Friday, 31 December 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 Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 28 December 2004.

MANAGEMENT'S DISCUSSION AND ANALYSIS

RESULTS

The Group recorded satisfactory turnover and profitability growth for the six months ended 30 September 2004. During the reported period and compared with the corresponding period of last year, turnover increased by 25% to HK\$1,004 million (2003: HK\$803 million), and profit attributable to shareholders increased by 48% to HK\$160 million (2003: HK\$108 million). Basic earnings per share had increased by 47% to HK25.9 cents (2003: HK17.6 cents). The Board of Directors had resolved to declare an interim dividend of HK5 cents per share.

OPERATING RESULTS AND MARKETS ANALYSIS

The Group experienced high turnover growth during the first quarter of the financial year as a result of robust market conditions. However, external pressures started to mount during the second quarter, including the austerity measures announced by the Chinese Government, power shortages in China, interest rate increases in Europe and the U.S., and high level of oil, steel and iron prices, etc..