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## **DIVIDENDS AND CLOSURE OF REGISTER OF MEMBERS**

The Board has resolved to pay an interim dividend of 8 cents per share plus an interim special dividend of 3 cents per share (2004: an interim dividend of 7 cents per share plus an interim special dividend of 3 cents per share) to the shareholders of the Company whose names appear in the Register of Members of the Company on September 30, 2005.

It is expected that dividend warrants will be sent to the shareholders on or around October 12, 2005.

The Register of Members of the Company will be closed from September 26, 2005 to September 30, 2005, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim and interim special dividends, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch registrars in Hong Kong, Secretaries Limited, at the Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong for registration not later than 4:00 p.m. on Friday, September 23, 2005.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Summary of Results**

For the six months ended June 30, 2005, the Group's turnover and net profit were approximately HK\$1,078,239,000 (2004: HK\$763,736,000) and HK\$141,303,000 (2004: HK\$118,588,000) respectively as a result of overall sales growths in all three of the Group's business segments. Basic earnings per share for the period was 25.22 HK cents (2004: 21.10 HK cents).

### **Dyeing and Finishing Machine Manufacturing**

*Fong's National Engineering Company, Limited, Fong's National Engineering (Shenzhen) Co., Ltd., THEN Maschinen GmbH, XORELLA Hong Kong Limited and XORELLA AG.*