

The debt equity ratio at 31 December 2005 was zero, compared with 0.09 at 30 June 2005.

The Group's current ratio at 31 December 2005 was further improved to 2.08, as compared with 1.68 at 30 June 2005. Quick ratio was also improved to 1.51, as compared with 1.23 at 30 June 2005.

HUMAN RESOURCES

At 31 December 2005, the Group had 2,437 employees of which 2,430 were employed in the PRC for the Group's retailing and manufacturing business.

The Group offers competitive remuneration packages to its employees, such as staff insurance, retirement scheme, discretionary bonus and option scheme, and provides both in-house and external relevant training programs to strengthen the Group's human resources and keep high quality personnel at all levels.

DIRECTORS' INTERESTS IN SHARES

The Directors and chief executive of the Company who held office at 31 December 2005 had the following interests in the shares of the Company, subsidiaries and other associated corporations (within the meaning of Part XV of the Securities and Future Ordinance ("SFO")) at that date as recorded in the register of Directors' and chief executive's interests and short positions required to be kept under section 352 of the SFO: