

The Group's current ratio at 31 December 2006 was 1.73, as compared with 2.43 at 30 June 2006. Quick ratio was 1.38, as compared with 1.91 at 30 June 2006.

HUMAN RESOURCES

At 31 December 2006, the Group had 2,171 employees of which 2,163 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 2006 had the following interests in the shares in 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:

Long positions in shares in the Company

	Number of ordinary shares of HK\$0.01 each (note)	Percentage of total issued shares at 31 December 2006
Tan Sim Chew	275,265,226	19.68%
Fu Zi Cong	13,874,000	0.99%
Lo King Fat, Lawrence	13,300,000	0.95%

Note : These shares are held by the respective directors personally as beneficial owners.

Save as disclosed above, as at 31 December 2006, none of the directors or chief executive of the Company had any interests or short positions in the shares, underlying shares in or debentures of the Company or any associated corporation which have been recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or any interests which are required to be notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code.

SHARE OPTION SCHEME

The existing share option scheme for employees of the Company was approved on 16 December 2005 ("Share Option Scheme"). The Directors may, at their discretion, invite any participant to take up options to subscribe for shares in the Company. The Share Option Scheme remains in force for a period of 10 years from 16 December 2005.

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Movement of share options during the six months ended 31 December 2006 was as follows:-

	No. of options outstanding as at 1 July 2006	No. of options exercised	No. of options outstanding as at 31 December 2006	% of issued share capital at 31 December 2006
Directors				
Tan Sim Chew	13,300,000	13,300,000	—	—
Fu Zi Cong	13,300,000	13,300,000	—	—
Lo King Fat, Lawrence	13,300,000	13,300,000	—	—
Aggregate of employees	26,600,000	26,600,000	—	—

The weighted average closing price of the shares immediately before the date on which the above options were exercised was HK\$0.053. During the six months ended 31 December 2006, no share option was granted, cancelled or lapsed. There was no outstanding option as at 31 December 2006.