

## **EMPLOYEES**

During the period under review, the Group employed approximately 180 staff, excluding workers under exclusive sub-contracting arrangements. The directors are actively reviewing staffing levels and remuneration packages with a view to maintaining a more cost-effective management structure.

## **LIQUIDITY AND FINANCIAL RESOURCES**

The Group has previously raised a total amount of about HK\$103.5 million capital by two private placements on 2nd September 1996 and 1st April 1997. The net proceeds derived from the first placement of approximately HK\$48.5 million were originally intended to be used in the expansion of the Company's existing business ventures, whilst the net proceeds derived from the second placement of HK\$55 million were intended to be used as working capital for certain construction and development projects in the PRC. At present, the Group has not utilized the proceeds derived from the above fund-raising exercises as planned, and only part of the proceeds, about HK\$20 million, has been used as a deposit for the Ap Lei Chau IL128 PSPS project. This deposit was subsequently forfeited by the Government and was recorded as part of the operating loss for the year ended March 1998. Another part of the proceeds, about HK\$30 million has been used as working capital for the Group. The remaining balance of the proceeds has been pledged to banks as fixed deposits for the issue of performance bonds for use in construction contracts.

## **PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES**

Neither the Company, nor any of its subsidiaries, purchased, redeemed or sold any of the Company's listed securities during the period.