

The Group's total available credit facilities at 30 September 2005 amounted to HK\$4,973 million, of which HK\$2,958 million were in trade lines, HK\$1,605 million were in short-term and revolving money market facilities and HK\$410 million were in transferable loan facility. At 30 September 2005, the facility drawn down was HK\$2,197 million in trade lines, HK\$171 million in short-term and revolving money market facilities and HK\$410 million in transferable loan facility.

Under the normal course of business, the Group has issued performance bonds to some customers for potential claims of non-performance in order to satisfy the specific requirements of these customers. As no material claims had been made by the customers under such performance bonds in the past, the management considers that the possibility of realisation of any actual material liabilities arising from such performance bonds is remote.

Human Resources

At 30 September 2005, the Group had approximately 4,800 (30 September 2004: approximately 4,300) full-time employees. The majority of these employees work in the PRC. The Group offers remuneration packages in line with industry practice. Employees' remuneration includes basic salaries and bonuses. With the increase in the total number of staff to cope with its business requirements, the Group has recorded a 14.46% increase in staff costs to approximately HK\$227 million for the six months ended 30 September 2005 as compared with an approximate sum of HK\$198 million (as restated) for the same period of last financial year. In order to attract and retain a high caliber of capable and motivated workforce, the Company offers share options to staff based on the individual performance and the achievements of Company's targets. The Group is committed to providing its staff with various in-house and external training and development programs.

Audit Committee

The Company has established an audit committee comprising members of the three independent non-executive directors of the Company, namely Mr. LEUNG Pak To, Francis (chairman of the audit committee), Professor WU Jinglian and Mr. HU Zhao Guang. The audit committee is responsible for reviewing with the management the accounting principles and practices adopted by the Group and discussing auditing, internal control and financial reporting matters, including the review of the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 September 2005.