Management Discussion and Analysis

FINANCIAL OVERVIEW

The consolidated revenue of the Group for 2006 was HK$6,056 million (2005: HK$5,249 million), an increase of 15.4% as compared with last year. All the Group's six business sectors, namely water distribution, electric power generation, toll roads and bridges, property investment and development, department stores, and hotel operations and management, achieved satisfactory growth.

The consolidated net profit attributable to shareholders of the Group for 2006 amounted to HK$1,507 million (2005: HK$1,303 million), an increase of HK$204 million or 15.6%. The water distribution business remains the major source of our profit. Even though because of the new arrangements under the Hong Kong Water Supply Agreement there has been a slight drop in the revenue from the supply of water to Hong Kong, this was more than offset by the further increase in the water tariffs for water supplied to the Shenzhen and Dongguan areas. Our water distribution business has therefore continued to provide stable profit contribution to the Group. The increase in profit was also attributable to increases in the revenue from respectively our electric power generation business of HK$411 million (an increase of 101.7%), our hotel operations and management business of HK$50 million (an increase of 19.6%) and our department stores business of HK$222 million (an increase of 21.3%). As far as finance costs are concerned, even though interest rates have been in an upward trend in recent years, interest rate swap arrangements have already been made for a major portion of the Group's floating rate loans. Accordingly, the impact of the rising interest rates on the Group's financials is but only minor. Moreover, benefiting from not only the interest margin reduction arrangements made in November 2005, but also the continuing repayment of outstanding borrowings, the Group's finance costs for the year has decreased by HK$101 million.

An increase in the fair value of investment properties for HK$86.25 million (2005: HK$67.31 million) and an impairment of items of property, plant and equipment for HK$31.97 million (2005: HK$0.3 million) were recorded in the consolidated income statement for the year. In addition, there was a write-back of the Group's impairment of a contractual joint venture for HK$54.75 million in 2005.

The earnings before interest, tax, depreciation and amortisation ("EBITDA") of the Group for 2006 increased by 6.9% to HK$3,666 million (2005: HK$3,431 million).

The basic earnings per share were 25.00 HK cents (2005: 22.69 HK cents), representing an increase of 10.2% as compared with 2005.

BUSINESS OVERVIEW

A summary of the performance of the Group's major businesses during the year under review is as follows:

Water Distribution

Profit contribution from the Dongshen Water Supply Project remained significant to the Group. The Group's effective interest in the Dongshen Water Supply Project has increased slightly by 1.28% to 87.62% during the year. The planned annual capacity of water supply is 2.423 billion cubic meters.

The total water sales to Hong Kong, Shenzhen and Dongguan during the year amounted to HK$3,225,939,000 (2005: HK$3,192,988,000), an increase of 1.0% over last year in terms of revenue, and 1.86 billion cubic meters (2005: 2.05 billion cubic meters), a decrease of 9.3% in terms of volume.

BUSINESS OVERVIEW (continued)

Water Distribution (continued)

In April 2006, the Government of Hong Kong Special Administrative Region and the Guangdong Provincial Government concluded the Hong Kong Water Supply Agreement for 2006 to 2008. According to the new agreement, the total annual fixed amount for the water sales to Hong Kong is HK$2,494,800,000. As compared with the total annual revenue for the Hong Kong water sales for respectively 2004 and 2005, there is a slight decrease of HK$34,900,000 annually. The Guangdong Provincial Government has already undertaken that the revenue to the Group from its Hong Kong water sales will not fall below the 2004 level as a result of any adverse impact of the new agreement. The Guangdong Provincial Government will therefore provide financial subsidies to the Group and the annual amount of such subsidies will definitely be no less than the annual shortfall as aforesaid. The details for the implementation of the subsidy arrangements are still being worked out with the Guangdong Provincial Government.

Under the new Hong Kong Water Supply Agreement, the total revenue for the year is a fixed amount of HK$2,494,800,000 (2005: HK$2,529,700,000). Accordingly, without taking into account the financial subsidies to be received from the Guangdong Provincial Government, there has been a decrease in the Hong Kong water sales revenue of HK$34,900,000. The water sales volume to Hong Kong for the year was 617 million cubic meters (2005: 820 million cubic meters), a decrease of 24.8%. However, given that the water sales revenue each year is now a fixed amount, it is not affected by the fluctuation in the water sales volume from year to year.

Benefiting from the further increase in water tariffs for the Shenzhen and Dongguan areas in 2006, the water sales revenue to these two regions during the year increased by 10.2% to HK$731,139,000 (2005: HK$663,288,000). Even though as a result of the unusual heavy rainfall during the year, the Shenzhen and Dongguan areas relied less on the Dongshen Water Supply Project for its water supply, the water sales volume to those areas have still increased by 1.5% to 1,243 million cubic meters during the year (2005: 1,225 million cubic meters).

The profit contribution to the Group from the water distribution business for the year under review (excluding the unrealised loss of HK$2,123,000 (2005: unrealised gain of HK$96,396,000) on interest rate swap agreements that did not qualify as hedging transactions for accounting purposes ("Non-qualified IRS")) was HK$887,978,000 (2005: HK$718,846,000), 23.5% higher than last year. Excluding the related costs arising from the Non-qualified IRS and the exchange differences, the EBITDA of the water distribution business during the year amounted to HK$2,689,915,000 (2005: HK$2,661,634,000), an increase of 1.1%.

As a result of the reduction of the interest margin per annum from respectively HIBOR+1.339% and HIBOR+1% to HIBOR+0.6% for certain bank loans of the Group in November 2005, together with the continuing repayment of the outstanding borrowings, the amount of interest savings during the year amounted to approximately HK$115 million.

On 11 December 2006, the Group signed an agreement with Industrial and Commercial Bank of China (Asia) Limited and Industrial and Commercial Bank of China Limited, Shenzhen Branch in relation to certain credit facility arrangement. Under the credit facility arrangement, a four year term loan facility of HK$1,274 million was made available to the Group at an interest rate of HIBOR+0.4% per annum. On 22 December 2006, the Group used the loan to prepay all its outstanding Tranche B Credits of approximately HK$1,231 million in their entirety. Upon completion of the refinancing of the Tranche B Credits, interest rate for the borrowing dropped from 8% per annum to HIBOR+0.4% per annum. The refinancing is also a reflection of the banking industry's recognition of and confidence in the continual improvement in both the credit-worthiness and prospects of the Group.

The refinancing took effect in December 2006. Based on the average 3-month HIBOR at that time, the refinancing is expected to result in a reduction of the Group's finance costs by approximately HK$120 million for the term of the refinanced loan.

BUSINESS OVERVIEW (continued)

Electric Power Generation

Shaoguan Power Plant D ("Shaoguan PPD")

The Group's effective interest in Shaoguan PPD is 45.9% (a 51% owned subsidiary of the Company holding a 90% interest in the project joint venture company). Shaoguan PPD has 1 power unit with an installed capacity of 200 MW. In 2006, extensive efforts have been made by management to increase the sales of electricity generated by the plant. As a result, the sales of electricity for the year reached 1,281 million kwh (2005: 1,127 million kwh), an increase of 13.7%. This together with an increase in the tariff raised sales revenue for the year to HK$520,491,000 (2005: HK$403,526,000), an increase of 29.0%. Even taking into account of an impairment of property, plant and equipment of HK$31,970,000 (2005: HK$289,000), the profit before tax for the year was HK$70,587,000 (2005: loss before tax HK$43,794,000). The Group's share of the profit before tax was HK$32,399,000 (2005: loss before tax HK$20,101,000).

Zhongshan Power Plant

In 1993, the Group through Zhongshan Power (Hong Kong) Limited, a 95% owned subsidiary of the Company, participated in a contractual joint venture, 中山火力發電有限公司 ("Zhongshan Power Plant"), with a tenure of 20 years. Agreement was reached with the joint venture partner to completely overhaul the terms of the joint venture agreement and the supplemental joint venture agreement was formally signed in January 2006. Zhongshan Power Plant has since become a subsidiary of the Company.

The Group's effective interest in Zhongshan Power Plant is 59.85% (a 95% owned subsidiary of the Company holding a 63% interest in the project joint venture company). Zhongshan Power Plant has 2 power units with a total installed capacity of 110 MW. Sales of electricity for the year reached 669 million kwh (2005: 557 million kwh), an increase of 20.1%. Because of the increase in sales volume and the tariff, sales revenue for the year reached HK$293,592,000 (2005: HK$232,199,000), an increase of 26.4%. The profit before tax for the year was HK$66,898,000 (2005: HK$34,577,000). The Group's share of the profit before tax for the year was HK$40,038,000, while there had been a write-back of impairment of the contractual joint venture of HK$54,752,000 in 2005.

廣東省韶關粵江發電有限責任公司 (Guangdong Shaoguan Yue Jiang Power Supply Limited) ("Yue Jiang Power Plant")

Yue Jiang Power Plant is a 25% associate held by Shaoguan PPD. Yue Jiang Power Plant currently has 2 power units with a total installed capacity of 600 MW. Sales of electricity for the year reached 3,649 million kwh (2005: 2,804 million kwh), an increase of 30.1%. Sales revenue for the year reached HK$1,394,031,000 (2005: HK$1,039,241,000), an increase of 34.1%. The increase in revenue was mainly due to a new power unit with an installed capacity of 300 MW coming into operation in July 2005 and the increase in the tariff. The Group's share of the profit before tax from this associate was HK$15,690,000 (2005: HK$5,494,000), an increase of 185.6%.

BUSINESS OVERVIEW (continued)

Electric Power Generation (continued)

Meixian Power Plant

The Group's effective interest in Meixian Power Plant is 12.25% (a 49% associate of the company, Guangdong Power Investment Limited ("GD Power Investment"), holding a 25% interest in the project joint venture company).

Meixian Power Plant has 3 power units with a total installed capacity of 385 MW. Sales of electricity for the year reached 2,994 million kwh (2005: 2,531 million kwh), an increase of 18.3%. Sales revenue for the year reached HK$1,116,027,000 (2005: HK$898,699,000), an increase of 24.2%. The profit before tax for the year was HK$134,634,000 (2005: HK$77,059,000), an increase of 74.7%. During the year, GD Power Investment received dividend income of HK$15,863,000 (2005: HK$28,504,000) from this investment.

In addition, another new power unit with installed capacity of 135 MW has been commissioned. Construction has already been completed. However, full commercial operation will only be able to commence when all the new approval requirements that have since come into force are also met.

Toll Roads and Bridges

"1 Road and 2 Bridges"

In 2006, the profit before tax generated by the Group's 51% jointly-controlled entity (the "JCE") which holds interests in the "1 Road and 2 Bridges" projects amounted to HK$147,409,000 in aggregate (2005: HK$150,094,000). While the Humen Bridge and Shantou Haiwan Bridge recorded growth in traffic flow and performed well during the year, the Guangzhou-Shantou Highway (Huizhou Section) suffered a drop in traffic flow. The decrease in profit was mainly due to an impairment of HK$47,815,000 of investment in Guangzhou-Shantou Highway (Huizhou Section) made during the year, with the Group's share of such impairment amounting to HK$24,386,000. Excluding the financial effect of the impairment, the aggregate profit before tax of the JCE was HK$195,224,000, an increase of 30.1%.

(i) Humen Bridge

The JCE holds a 30% interest in this project. The Humen Bridge recorded a growth of 18.2% in traffic flow. The average daily traffic for 2006 increased to 50,612 vehicle trips (2005: 42,820 vehicle trips). Revenue for the year reached HK$805,586,000 (2005: HK$633,224,000), an increase of 27.2%. This was mainly because the reduction of scheduled ferry service due to bad weather made it necessary for more vehicles to use the bridge. With private cars becoming a popular means of transport in the developing city of Humen, the traffic flow of light vehicles has increased. Also, during the year, it has become no longer necessary to continue offering tariff concession to medium size vehicles. With the repayment of shareholders' loans, finance costs decreased by HK$48,454,000 as compared with that of the last year. Accordingly, the profit before tax for the year increased by 64.9% to HK$517,157,000 (2005: HK$313,647,000).

BUSINESS OVERVIEW (continued)

Toll Roads and Bridges (continued)

"1 Road and 2 Bridges" (continued)

(ii) Shantou Haiwan Bridge

The JCE holds a 30% interest in this project. The Shantou Haiwan Bridge recorded an 8.3% increase in traffic flow. The average daily traffic for 2006 was 11,130 vehicle trips (2005: 10,273 vehicle trips). The revenue for the year was HK$139,610,000 (2005: HK$121,559,000), an increase of 14.8%. This was mainly because the road repair and maintenance works carried out at the nearby Shenzhen-Shantou Expressway (Eastern Section) during the year have made it necessary for more vehicles to use the bridge. The profit before tax for the year was HK$97,623,000 (2005: HK$81,990,000), an increase of 19.1%.

(iii) Guangzhou-Shantou Highway (Huizhou Section)

The JCE holds a 51% interest in this project. Mainly as a result of the competition from the nearby Guangzhou-Huizhou Expressway, the Guangzhou-Shantou Highway (Huizhou Section) suffered 3.7% drop in traffic flow in 2006. The average daily traffic for 2006 was 17,216 vehicle trips (2005: 17,885 vehicle trips). Revenue for the year was HK$62,254,000 (2005: HK$65,464,000), a decrease of 4.9%. Two new highways, namely 粵贛高速公路 and 河梅高速公路 came into operation in the vicinity and have diverted part of the traffic flow of the No. 205 Expressway which fed to the Guangzhou-Shantou Highway (Huizhou Section). With the increase in depreciation of HK$3,249,000 and finance cost of HK$2,712,000 as a result of increased interest rate, a loss before tax for the year of HK$1,665,000 was recorded (2005: profit before tax of HK$7,797,000).

Yingkeng Highway

The Group's effective interest in this project is 70%. The average daily traffic flow for 2006 of Yingkeng Highway was 5,138 vehicle trips (2005: 4,670 vehicle trips), a 10.0% increase as compared with the year before. As there were more heavy vehicles that paid a higher tariff using the road, revenue increased markedly by 25.2% to HK$15,313,000 (2005: HK$12,234,000). The profit before tax for the year was HK$1,687,000 (2005: HK$2,637,000), a decrease of 36.0%. This was mainly attributable to the increase in repair and maintenance of HK$3,806,000 as compared with last year.

Panyu Bridge

The Panyu Bridge is a 20% associate of the Group. Traffic flow of the Panyu Bridge has decreased by 1% in 2006. The average daily traffic for the year was 68,439 vehicle trips (2005: 69,116 vehicle trips). This was mainly because the traffic flow of the Panyu Bridge has been diluted by the launching of 新光快速路 which came into operation on a trial basis during the year. In addition, there were now more light vehicles that paid a lower tariff using the road. As a result, revenue for the year has decreased by 5.9% to HK$162,200,000 (2005: HK$172,425,000). The profit before tax for the year was HK$74,616,000 (2005: HK$85,001,000), a decrease of 12.2%. The profit attributable to the Group for the year amounted to HK$14,923,000 (2005: HK$17,000,000).

Two Pak Kong Bridges

The Group's effective interest in this project used to be 24.5%. Such interest was sold to 清遠市交通建設開發公司 for a total consideration of RMB59,980,000. The disposal was completed during the year, resulting in a gain of HK$39,619,000.

BUSINESS OVERVIEW (continued)

Property Investment

Mainland China

Teemall

The Teemall, one of the most popular shopping malls in the premier area of Guangzhou, has a total gross floor area and lettable area of approximately 160,000 square meters and 96,543 square meters respectively. The plaza continued to enjoy high average occupancy rate of approximately 99% during the year (2005: 99%). Revenue of the plaza during the year reached HK$327,005,000 (2005: HK$309,636,000), an increase of 5.6%. The profit before tax for the year increased by HK$32,562,000 to HK$326,539,000 (2005: HK$293,977,000). The ability of the plaza to attract brand-name tenants and the success of the new shopping sections remained the key reasons for such increase.

Building upon the success of the shopping mall operations, the Group is proceeding with the development of two new tower blocks on the site.

The East Tower, also known as the Teem Tower (粵海天河城大廈) is a 45-storey A-class office tower, with a total gross floor area and lettable area of approximately 102,000 square meters and 90,000 square meters respectively. Colliers International, a prestigious international property agent, has been engaged to market and promote the leasing of all the Teem Tower units. The responses to the pre-leasing are encouraging. The estimated total cost of the Teem Tower development (inclusive of also the historic land and infrastructure costs now attributed to the Teem Tower) is about HK$840 million of which approximately HK$655 million has been invested as at the balance sheet date.

The West Tower, which is expected to be completed in 2008, will be a 5-star hotel with approximately 450 hotel rooms. In February 2006, Sheraton Overseas Management Corporation, a renowned international hotel management company, has been engaged to operate, manage and promote the hotel under the name of Sheraton Guangzhou Hotel (粵海喜來登酒店) for an initial 10 years term. The estimated total cost of the West Tower development (inclusive of also the historic land and infrastructure costs now attributed to the West Tower) is about HK$780 million of which approximately HK$155 million has been invested as at the balance sheet date.

At the balance sheet date, the Group holds an effective equity interest of 75.73% in the development made up of the shopping mall and the two tower blocks.

Hong Kong

Guangdong Investment Tower

The average occupancy rate at the Guangdong Investment Tower for 2006 was 89.29% (2005: 96.27%), 6.98% lower than last year, which was mainly because of the renovation and improvement works that have been carried out during the first half year to prepare the ground floor shop units for lease to a major bank (which lease has commenced since August 2006). The total rental income for the year was HK$19,612,000 (2005: HK$19,359,000), an increase of 1.3%, which was due to increase in average rent rate upon either the grant of new lease, or renewal of existing ones.

Department Stores

At the balance sheet date, the Group holds an effective equity interest of 84.95% in 廣東天河城百貨有限公司 (Guangdong Teemall Department Stores Ltd.) ("GDTDS") for the operation of department stores.

BUSINESS OVERVIEW (continued)

Department Stores (continued)

GDTDS operates with a total leased area of approximately 40,066 square meters (2005: 34,510 square meters) selling a wide range of products and is ranked, in terms of sales, as one of the major department stores in Guangzhou. During the year, GDTDS continued to enjoy record high revenue of HK$1,267,903,000 (2005: HK$1,036,525,000), an increase of 22.3%. The increase in revenue was attributable to the successful mix of large varieties of goods sold and the increase in customer flow as a result of the holding of different trade fairs and promotion activities (including also the celebration of GDTDS's tenth anniversary) throughout the year. The profit before tax for the year was HK$96,689,000 (2005: HK$84,574,000), an increase of 14.3%.

At the balance sheet date, the Group's effective interest in 廣東吉之島天貿百貨有限公司 (Guangdong Jusco Teem Stores Co., Ltd.) ("JUSCO Teem") is 26.51%, which is a 35% associate of the Group's 75.73%-owned subsidiary 廣東天河城(集團)股份有限公司 (Guangdong Teem (Holdings) Limited). JUSCO Teem has been jointly managed by Guangdong Teem (Holdings) Limited and JUSCO Japan. It has achieved satisfactory growth in its business since its establishment in 1996.

Hotel Operations and Management

As at 31 December 2006, our hotel management team managed a total of 25 hotels (as at 31 December 2005: 19 hotels), of which 2 were in Hong Kong, 1 in Macau and 22 in Mainland China. Of these 25 hotels, 8 were owned by the Group (2 in Hong Kong, 4 in Shenzhen, 1 in Zhuhai and 1 in Changzhou).

During the year under review, our hotel management business has maintained its healthy growth and there has been a very encouraging increase in not only the number of hotels under our management and also the synergy within such hotel networks. Excluding the limited service hotels as more particularly set out below which only went into operation since the second half of the last year, the average occupancy rate of the other 4 of our hotels in Hong Kong, Zhuhai and Shenzhen has decreased by 2.1% to 83.7% (2005: 85.8%). However, as a result of the success of the effort of management and the marketing team in attracting a more upmarket clientele, the average room rate of those 4 hotels has increased by 15.0% to HK$544 (2005: HK$473). For our hotel management business and the aforesaid 4 hotels, the turnover for the year increased by 13.3% to HK$282,660,000 (2005: HK$249,468,000), and their profit before tax increased by 39.1% to HK$60,372,000 (2005: HK$43,401,000).

To meet the strong demands of a growing number of budget conscious travellers in Mainland China, the Group is in the course of setting up a chain of limited service hotels under the "粵海之星商務快捷連鎖酒店" brand name to provide a basic, but quality, bed-and-breakfast type service. The first three of such hotels has commenced operation in Shenzhen since the second half of last year, and another one has commenced operation in Changzhou during the year. The number of rooms in each of such hotels ranges from 57 to 220 and the total capital expenditure required for each of them is in the range of RMB5 to 17 million. Their aggregate turnover for the year amounted to HK$21,646,000 (2005: HK$4,998,000), an increase of 333.1%. Profit before tax was HK$432,000 (2005: loss before tax of HK$3,472,000).

LIQUIDITY, GEARING AND FINANCIAL RESOURCES

As at 31 December 2006, the cash and bank balances of the Group increased by HK$114 million to HK$2,254 million (31 December 2005: HK$2,140 million), of which 16% in Hong Kong dollars, 61% in Renminbi and 23% in US dollars.

As at 31 December 2006, the level of the Group's financial borrowing decreased by HK$1,694 million. The decrease was mainly due to the repayment of certain interest-bearing debts during the year.

As at 31 December 2006, the Group had financial borrowings amounting to HK$13,472 million (31 December 2005: HK$15,166 million), including non-interest bearing Hong Kong government loan of HK$1,891 million (31 December 2005: HK$2,009 million). Of the Group's total financial borrowings, HK$324 million was repayable within one year while the remaining balance of HK$3,598 million and HK$9,550 million are repayable within two to five years and beyond five years from the balance sheet date, respectively.

LIQUIDITY, GEARING AND FINANCIAL RESOURCES (continued)

Save for the bank debts mainly incurred in our water distribution business, the Group maintained credit facilities of RMB50 million as at 31 December 2006 (31 December 2005: RMB50 million).

The gearing for the Group as at 31 December 2006 was 0.92 times (31 December 2005: 1.17 times). The improvement mostly reflected the reduction in the level of the Group's financial borrowings, together with an increase in net asset value of the Group. The Group is in a healthy debt servicing position as the EBITDA/finance cost is 5.61 times (31 December 2005: 4.55 times).

The existing cash resources and available credit facilities of the Group, together with steady cash flows generated from the Group's operations, are sufficient to meet the Group's payment obligation and business requirements.

PLEDGE OF ASSETS

As at 31 December 2006, none of the Group's property, plant and equipment, investment properties and bank deposits were pledged to secure general banking facilities granted to the Group (31 December 2005: Nil).

CAPITAL EXPENDITURE

The Group's capital expenditure in 2006 amounted to HK$329 million principally related to the construction in progress of the Teem Tower at Teemall, the additions of plant and machinery for the power plant and renovation works for our existing hotels and new limited service hotels.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE AND INTEREST RATES AND RELATED HEDGES

As at 31 December 2006, total Renminbi borrowings amounted to HK$1,295 million (31 December 2005: HK$1,360 million).

As at 31 December 2006, the Group's total floating rate borrowings amounted to HK$11,548 million (31 December 2005: HK$11,925 million). For the purpose of interest rate risk management, the group entered certain fixed or re-indexing interest rate swap agreements, contract amounted to HK$7,400 million (31 December 2005: HK$9,900 million), with an average remaining life ranging from 1 – 6 years.

EMPLOYEE AND REMUNERATION POLICY

As at 31 December 2006, the Group had a total of 3,880 employees. Among the employees, 3,641 were employed by subsidiaries in Mainland China and 239 were employed by the head office and subsidiaries in Hong Kong. Of that total number, 748 were managerial employees of the head office and its subsidiaries. Total remuneration paid for the year under review was approximately HK$274,528,000 (2005: HK$260,647,000).

To continue to enhance the quality and competence of our employees, especially our management team, is essential to ensuring the long term stability and healthy development of the Group. In 2006, the Group stepped up its efforts to build up and strengthen its human resources. Adhering to the "Credibility, Integrity and Profitability" core values of our corporate culture, we conduct all our staff recruitment and promotion processes in a fair, just and open manner. We have in place the mechanism for regular performance appraisals of our senior management staff to ensure their integrity and high performance. Our remuneration and incentive packages for our employees are driven mainly by the operating results of their respective companies. In order to effectively motivate our staff to actively create added value in their work, the incentive bonuses we pay to our management, key staff in their respective fields and staff with outstanding performance are determined not only by reference to the operating net cash flow and profits after tax of their respective companies, but also by applying a progressive scale on the operating results of their companies and further taking into account of the individual performance of the staff concerned. Moreover, the Group has adopted a share option scheme to attract, retain and motivate outstanding staff to contribute to the continuing success of the Group in the long run. In terms of staff training and development, the Group encourages its staff to actively participate in relevant professional development and training programs. The Group has also continued to offer on an on-going basis its various functional skill-based and general corporate culture internal training to upgrade the overall quality of all our staff and thereby laying a solid foundation for the continual growth and development of the Group in years to come.