

Working Capital

Total inventory was at US\$1,025 million as compared to US\$818 million for the same period last year. The number of days inventory was at 83 days as compared to 74 days as at June 30, 2013. When compared to the year end level, inventory at the end of the first half of the year is normally higher in preparation for the peak shipment period in the second half of the year and to ensure the service quality level to customers will not be jeopardized having taken into consideration of our sales momentum. The Group will continue to focus in managing the inventory level and improve inventory turns.

Trade receivables turnover days were at 69 days as compared to 71 days as at June 30, 2013. Excluding the gross up of the receivables factored which is without recourse in nature, receivables turnover days were at 62 days as compared to 64 days as at June 30, 2013. The Group is comfortable with the quality of the receivables and will continue to exercise due care in managing credit exposure.

Trade payables days increased to 84 days as compared to 78 days as at June 30, 2013.

Working capital as a percentage of sales was maintained at 18.4% as compared to the same period last year.

Capital Expenditure

Total capital expenditures for the period amounted to US\$64 million (2013: US\$47 million).

Capital Commitment and Contingent Liability

As at June 30, 2014, total capital commitments amounted to US\$19 million (2013: US\$18 million), and there were no material contingent liabilities or off balance sheet obligations.

Charges

None of the Group's assets are charged or subject to encumbrance.

Human Resources

The Group employed a total of 20,355 employees (19,248 employees as at June 30, 2013) in Hong Kong and overseas. Increase in the number of employees mainly due to the three acquisitions completed during the past twelve months. Excluding the effect from acquisition, employees as at June 30, 2014 total to 19,225, very comparable to last year, with an increase in turnover. Total staff cost for the period under review amounted to US\$336 million as compared to US\$290 million in the same period last year.

The Group regards human capital as vital for the Group's continuous growth and profitability and remains committed to improve the quality, competence and skills of all employees. It provides job related training and leadership development programs throughout the organization. The Group continues to offer competitive remuneration packages, discretionary share options, share awards and bonuses to eligible staff, based on the performance of the Group and the individual employee.

Interim Dividend

The Directors have resolved to declare an interim dividend of HK12.50 cents (approximately US1.61 cents) (2013: HK10.00 cents (approximately US1.29 cents)) per share for the six months period ended June 30, 2014. The interim dividend will be paid to shareholders listed on the register of members of the Company on September 12, 2014. It is expected that the interim dividend will be paid on or about September 26, 2014.

Closure of Register of Members

The register of members of the Company will be closed from September 11, 2014 to September 12, 2014, both days inclusive. In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrars, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on September 10, 2014.