利 記 控 股 有 限 公 司

LEE KEE HOLDINGS LIMITED

SINCE 1947

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 637)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30TH JUNE 2012

The Board of Directors (the "Board") of Lee Kee Holdings Limited (the "Company") hereby announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively "LEE KEE" or the "Group") for the six months ended 30th June 2012 (the "Interim Period") together with the comparative figures of the corresponding period ended 30th June 2011 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30TH JUNE 2012

		Six months ended 30th June	
	Note	**2012** *HK$'000* **(Unaudited)**	2011 *HK$'000* (Unaudited)
Revenues	*4*	**1,294,840**	1,693,312
Cost of sales		**(1,276,559)**	(1,617,539)
Gross profit		**18,281**	75,773
Other income		**1,926**	1,787
Distribution and selling expenses		**(9,027)**	(9,681)
Administrative expenses		**(37,840)**	(35,538)
Other (losses)/gains, net		**(17,069)**	4,470
Operating (loss)/profit	*5*	**(43,729)**	36,811
Finance costs		**(3,468)**	(4,732)
(Loss)/profit before income tax		**(47,197)**	32,079
Income tax expense	*6*	**(114)**	(5,489)
(Loss)/profit for the period		**(47,311)**	26,590
(Loss)/profit attributable to:			
Equity holders of the Company		**(47,311)**	26,001
Non-controlling interests		**—**	589
		(47,311)	26,590
(Loss)/earnings per share for (loss)/profit attributable to the equity holders of the Company — basic and diluted (Hong Kong cents)	*7*	**(5.71)**	3.14

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30TH JUNE 2012

	Six months ended 30th June	
	2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
(Loss)/profit for the period	**(47,311)**	26,590
Other comprehensive income for the period:		
Exchange translation differences	**(536)**	1,096
Movement of available-for-sale financial assets revaluation reserve	**10,369**	2,180
Other comprehensive income for the period, net of tax	**9,833**	3,276
Total comprehensive (loss)/income for the period	**(37,478)**	29,866
Total comprehensive (loss)/income attributable to:		
Equity holders of the Company	**(37,478)**	29,277
Non-controlling interests	**—**	589
	(37,478)	29,866

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30TH JUNE 2012

	Note	**As at 30th June 2012** ***HK$'000*** **(Unaudited)**	As at 31st December 2011 *HK$'000* (Audited)
Non-current assets			
Leasehold land		**15,861**	16,100
Property, plant and equipment		**47,900**	53,564
Deferred income tax assets		**2,040**	1,950
Available-for-sale financial assets	*9*	**23,926**	26,412
Prepayment for property, plant and equipment		**400**	400
		90,127	98,426
Current assets			
Inventories		**439,839**	829,098
Trade and other receivables	*10*	**204,753**	202,573
Income tax recoverable		**9,948**	9,948
Derivative financial instruments		**504**	1,344
Bank balances and cash		**572,998**	446,579
Total current assets		**1,228,042**	1,489,542
Total assets		**1,318,169**	1,587,968
Capital and reserves attributable to the equity holders of the Company			
Share capital		**82,875**	82,875
Share premium		**495,293**	495,293
Other reserves		**518,008**	555,486
Total equity		**1,096,176**	1,133,654

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30TH JUNE 2012

	Note	**As at 30th June 2012** ***HK$'000*** **(Unaudited)**	As at 31st December 2011 *HK$'000* (Audited)
Non-current liabilities			
Deferred income tax liabilities		**2,164**	2,501
Current liabilities			
Trade and other payables	*11*	**80,152**	111,934
Amount due to a joint venturer of a jointly controlled entity		**63**	128
Bank borrowings		**137,853**	338,194
Income tax payable		**1,554**	1,109
Derivative financial instruments		**207**	448
		219,829	451,813
Total liabilities		**221,993**	454,314
Total equity and liabilities		**1,318,169**	1,587,968
Net current assets		**1,008,213**	1,037,729
Total assets less current liabilities		**1,098,340**	1,136,155

Notes

1 BASIS OF PREPARATION

The unaudited condensed consolidated interim financial information for the six months ended 30th June 2012 has been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The condensed consolidated interim financial information should be read in conjunction with the annual financial statements of the Group for the year ended 31st December 2011, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS").

2 ACCOUNTING POLICIES

The significant accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated interim financial information are consistent with those used in preparing the annual financial statements for the year ended 31st December 2011 except for the adoption of HKFRS 7 (Amendment) "Disclosures — Transfer of Financial Assets" which is relevant and mandatory for the Group's accounting period beginning on 1st January 2012. The adoption of the amendment has had no material effect on the interim financial information of the Group.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

The following relevant new standards and amendments to existing standards have been issued but are not effective for the year ending 31st December 2012 and have not been early adopted:

HKAS 1 (Amendment)	Presentation of Items at Other Comprehensive Income
HKAS 19 (2011)	Employee Benefits
HKAS 28 (2011)	Investment in Associates and Joint Ventures
HKAS 32 (Amendment)	Presentation — Offsetting Financial Assets and Financial Liabilities
HKFRS 7 (Amendment)	Disclosures — Offsetting Financial Assets and Financial Liabilities
HKFRS 9	Financial Instruments
HKFRS 7 and HKFRS 9 (Amendments)	Mandatory Effective Date and Transition Disclosures
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
Annual Improvements 2009–2011 Cycle	Amendments to a Number of HKFRSs Contained in Annual Improvements 2009–2011 Cycle Issued in June 2012

3 ESTIMATES

The preparation of the condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements of the Group as at and for the year ended 31st December 2011.

4 REVENUES AND SEGMENT REPORTING

The Group is principally engaged in the trading of zinc, zinc alloy, nickel, nickel-related products, aluminium, aluminium alloy, stainless steel and other electroplating chemical products. Revenues recognised during the period are as follows:

	Six months ended 30th June	
	2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenues		
Sales of goods	**1,294,840**	1,693,312

(a) Segment information

	Six months ended 30th June 2012		Six months ended 30th June 2011	
	Revenues	**Segment results**	Revenues	Segment results
	HK$'000	***HK$'000***	*HK$'000*	*HK$'000*
	(Unaudited)	**(Unaudited)**	(Unaudited)	(Unaudited)
Hong Kong	**1,013,907**	**(28,095)**	1,395,679	31,057
Mainland China	**280,933**	**(491)**	297,633	(503)
	1,294,840	**(28,586)**	1,693,312	30,554

The chief operating decision-maker has been identified as the Group's most senior executive management, who collectively review the Group's internal reporting in order to assess performance, allocate resources and make strategic decisions.

The chief operating decision-maker reviews the performance of the Group mainly from a geographical perspective. The Group is organised into two operating segments, namely (i) Hong Kong and (ii) Mainland China. Each operating segment trades various types of metal products.

The chief operating decision-maker assesses the performance of the operating segments based on a measure of the results (before income tax expense) of each segment. Other income, other (losses)/gains, net and finance costs are not included in the result for each operating segment that is reviewed by the chief operating decision-maker.

Revenue from external customers is after elimination of inter-segment revenue. Sales between segments are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties. The revenue from external parties reported to the chief operating decision-maker is measured in a manner consistent with that in the condensed consolidated income statement.

Assets of reportable segments exclude leasehold land, property, plant and equipment, deferred income tax assets, available-for-sale financial assets, prepayment for property, plant and equipment and derivative financial instruments. Liabilities of reportable segments exclude deferred income tax liabilities and derivative financial instruments. These are part of the reconciliation to total assets and liabilities.

4 REVENUES AND SEGMENT REPORTING (CONTINUED)

(a) Segment information (Continued)

An analysis of the Group's segment assets and segment liabilities by operating segment is set out below:

	As at 30th June 2012		
	Hong Kong *HK$'000* **(Unaudited)**	**Mainland China** *HK$'000* **(Unaudited)**	**Total** *HK$'000* **(Unaudited)**
Assets			
Segment assets	**1,009,940**	**217,598**	**1,227,538**
Unallocated assets			**90,631**
Total assets			**1,318,169**
Liabilities			
Segment liabilities	**166,433**	**53,189**	**219,622**
Unallocated liabilities			**2,371**
Total liabilities			**221,993**

	As at 31st December 2011		
	Hong Kong *HK$'000* (Audited)	Mainland China *HK$'000* (Audited)	Total *HK$'000* (Audited)
Assets			
Segment assets	1,234,939	253,259	1,488,198
Unallocated assets			99,770
Total assets			1,587,968
Liabilities			
Segment liabilities	258,484	192,881	451,365
Unallocated liabilities			2,949
Total liabilities			454,314

4 REVENUES AND SEGMENT REPORTING (CONTINUED)

(b) Reconciliation of segment results

	Six months ended 30th June	
	2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Total segment results	**(28,586)**	30,554
Other income	**1,926**	1,787
Other (losses)/gains, net	**(17,069)**	4,470
Finance costs	**(3,468)**	(4,732)
(Loss)/profit before income tax	**(47,197)**	32,079

5 OPERATING (LOSS)/PROFIT

The following items have been charged/(credited) to the operating (loss)/profit during the period:

	Six months ended 30th June	
	2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Amortisation of leasehold land	**232**	225
Bank interest income	**(1,196)**	(1,378)
Cost of inventories sold	**1,279,115**	1,608,351
Depreciation of property, plant and equipment	**6,344**	6,617
Loss on disposal of property, plant and equipment	**—**	14
(Reversal of provision)/provision for inventories	**(3,724)**	7,006
Gain on derivative financial instruments	**(2,012)**	(2,149)
Impairment loss of available-for-sale financial assets	**12,856**	—
Net exchange loss/(gain)	**6,225**	(2,335)

6 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2011: 16.5%) on the estimated assessable profit for the period. Income tax on profits arising from operations in Mainland China has been calculated on the estimated assessable profit for the period at the rates of income tax prevailing in part of the Mainland China in which the Group's entities operate.

	Six months ended 30th June	
	2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Current income tax		
— Hong Kong profits tax	**541**	5,257
— Mainland China corporate income tax	**—**	128
Deferred income tax	**(427)**	104
Income tax expense	**114**	5,489

7 (LOSS)/EARNINGS PER SHARE

(a) Basic

Basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to the equity holders of the Company by the number of ordinary shares in issue during the period.

	Six months ended 30th June	
	2012	2011
	(Unaudited)	(Unaudited)
(Loss)/profit attributable to the equity holders of the Company (HK$'000)	**(47,311)**	26,001
Number of ordinary shares in issue ('000)	**828,750**	828,750
Basic (loss)/earnings per share (Hong Kong cents per share)	**(5.71)**	3.14

(b) Diluted

Diluted (loss)/earnings per share is calculated by adjusting the number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of potential ordinary shares which is the share options granted to the directors of the Company and the employees of the Group under the Pre-IPO Share Option Scheme. For the share options, a calculation is made in order to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

Diluted (loss)/earnings per share for the six months ended 30th June 2012 and 2011 are the same as the basic (loss)/earnings per share as the outstanding options for the six months ended 30th June 2012 and 2011 are anti-dilutive.

8 INTERIM DIVIDEND

The directors do not recommend the payment of an interim dividend for the six months ended 30th June 2012.

An interim dividend for the six months ended 30th June 2011 of HK 1 cent per share, amounting to a total dividend of HK$8,287,000 was approved at the board meeting on 19th August 2011. Such interim dividend has been paid and reflected as an appropriation of retained earnings during the year ended 31st December 2011.

9 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	As at 30th June 2012 *HK$'000* **(Unaudited)**	As at 31st December 2011 *HK$'000* (Audited)
Available-for-sale financial assets		
— equity securities, at fair value listed in Hong Kong	**17,141**	22,854
— unlisted limited partnership, at fair value	**6,785**	3,558
	23,926	26,412

The equity securities listed in Hong Kong are denominated in Hong Kong dollars while the investment in an unlisted limited partnership is denominated in United Kingdom Pounds.

10 TRADE AND OTHER RECEIVABLES

	As at 30th June 2012 *HK$'000* **(Unaudited)**	As at 31st December 2011 *HK$'000* (Audited)
Trade receivables, net of provision	**151,257**	150,930
Prepayments to suppliers	**12,543**	6,842
Deposits	**970**	950
Other receivables	**39,983**	43,851
	204,753	202,573

The Group offers credit terms to its customers ranging from 30 to 90 days. Trade receivables, based on invoice date, are aged as follows:

	As at 30th June 2012 *HK$'000* **(Unaudited)**	As at 31st December 2011 *HK$'000* (Audited)
0 to 30 days	**119,746**	106,331
31 to 60 days	**21,320**	26,708
61 to 90 days	**3,450**	6,677
Over 90 days	**6,741**	11,214
	151,257	150,930

11 TRADE AND OTHER PAYABLES

	As at 30th June 2012 *HK$'000* **(Unaudited)**	As at 31st December 2011 *HK$'000* (Audited)
Trade payables	**58,125**	88,516
Prepayments from customers	**14,488**	13,002
Accrued expenses	**7,539**	10,416
	80,152	111,934

Trade payables are aged as follows:

	As at 30th June 2012 *HK$'000* **(Unaudited)**	As at 31st December 2011 *HK$'000* (Audited)
0 to 30 days	**57,707**	81,234
31 to 60 days	**418**	6,996
Over 90 days	**—**	286
	58,125	88,516

MANAGEMENT DISCUSSION AND ANALYSIS

Overall Business Performance

The first half of 2012 saw a deepening of the sovereign debt crisis in Europe after Greece accepted a restructuring of its bonds and Spain requested a 30 billion euro bailout of its banks. Meanwhile, economic recovery in the United States proceeded slowly, with unemployment rates remaining well above 8% during the period.

Both of these factors contributed to a slowdown in global demand for Chinese-made products, with export growth in June falling to 11.3%, down from 15.3% in May. This has led many Chinese manufacturers to cut production, precipitating a fall in China's official manufacturing purchasing index to 50.2 in June, down from 50.4 in May. The prevailing economic climate also saw many SME manufacturers struggle to access credit, further depressing manufacturing activity.

This contributed to weaker prices for most base metals, especially zinc (the main product of the Group), which fell around 20.6% in the second half of 2011, from US$2,365 per metric tonne to US$1,878 per metric tonne, and fluctuated during Interim Period to close at US$1,877 per metric tonne on 29th June 2012 on the London Metal Exchange. Nickel, copper and aluminium prices fell approximately 11%, 1% and 8% respectively over the Interim Period.

This combination of falling metal prices, slowing export demand and the ensuing lower manufacturing activity had a strong impact on the performance of LEE KEE in the Interim Period.

Revenue for the first half of 2012 fell 23.5% to approximately HK$1,295 million, compared to revenue of approximately HK$1,693 million in the same period of last year. Tonnage sold by the Group fell 15.6% to 64,400 metric tonnes, from 76,320 tonnes in the first half of 2011. Gross profit for the Interim Period fell to approximately HK$18.3 million, from approximately HK$75.8 million for the first half of last year. The fall in gross profit is mostly attributable to lower revenue and tonnage sold during the Interim Period; as well as a write-down on the value of the Group's inventory as at 31 December 2011 to reflect the drop in zinc prices.

Distribution and selling expenses during the period fell 6.8% compared to the same period of last year as a result of the lower tonnage sold, while administrative expenses remained fairly stable, rising 6.5%. A depreciation of the Chinese renminbi, which fell 0.9% against the Hong Kong dollar in the first half of the year, resulted in a foreign exchange loss of approximately HK$4 million on the Group's RMB assets in Hong Kong and its intra-group trading accounts. The Group also recorded an impairment loss of approximately HK$12.9 million on its investments in shares listed on The Stock Exchange of Hong Kong Limited.

These losses contributed to a significant fall in profit attributable to the equity holders of the Company, with the Group recording a loss of approximately HK$47.3 million in the first half of the year, down from a profit of approximately HK$26.0 million during the same period of last year.

Business Review

A dominant player in the PRC and regional zinc alloy industry

LEE KEE is a leading metal supply-chain management specialist, supported by professional expertise and decades of experience. It offers unique integrated value added services to its customers, making it a "one-stop shop" for the processing, sourcing and distribution of ferrous and non-ferrous metals, particularly zinc alloy.

Despite the challenging environment in the first half of the year, LEE KEE remains a dominant player in the PRC and regional zinc alloy industry, serving around 1,290 customers in the Greater China Region, as well as Vietnam, Indonesia, Thailand, Singapore and Malaysia. More than 60% of the Group's revenue comes from manufacturers of toys and leisure goods, household products (such as appliances and furniture) and gift/premium products.

Proactively positioned in all major and growing manufacturing centres

LEE KEE has been proactively expanding its geographical reach in the Greater China region to ensure that it is present in all key industrial centres. It has long maintained a network of strategic sales and distribution centres in major manufacturing hubs in Southern and Eastern China (Wuxi, Shenzhen and Guangzhou), while further expanding its reach into China's Western regions (opening an office in Chengdu) in line with the PRC government's "Go West" policy.

Despite weaker demand for the period, each centre continued to expand and strengthen LEE KEE's relationships with customers, ensuring the Group is well positioned to capture future growth opportunities.

During the first six months of the year, LEE KEE's sales and distribution centres in the PRC attributed approximately HK$281 million or 21.7% (first half of 2011: HK$297 million or 17.6%) of the Group's total revenue, while 78.3% (first half of 2011: 82.4%) of revenue was attributed to the Group's principal sales and logistical centre located in Hong Kong, which remains the principal gateway for the import of zinc and other non-ferrous metals into the PRC.

Established relationship with suppliers

LEE KEE maintains strong long-term relationships with a number of non-ferrous metal suppliers around the world in order to safeguard the quality of LEE KEE's products and maintain a stable supplier base, ensuring the Group can maintain its leading market position. All suppliers are subject to stringent requirements regarding management of production, operating processes and quality control which ensure the Group's products meet international standards.

Growing subsidiary businesses increase diversification of revenue

LEE KEE has also engaged heavily in recent years to develop upstream and downstream business to increase margins and expand its sources of revenue.

Promet Metals Testing Laboratory Limited ("Promet") is LEE KEE's wholly-owned materials testing subsidiary which provides in-house technical support and quality assurance, as well as chemical testing and certification. These services have been progressively expanded to clients including raw material producers, product manufacturers, buyers and end customers, in order to help them troubleshoot production defects, minimize production costs and lower the risk of product recalls and litigation. Promet also provides additional revenue stream and higher margins for the Group and is accredited by The Hong Kong Laboratory Accreditation Scheme.

Lee Yip Metal Products Company Limited ("Lee Yip") is the Group's wholly-owned stainless steel processing and distribution subsidiary based at LEE KEE's Tai Po Technology and Logistics Centre in Hong Kong. It provides the Group with an additional revenue stream. With operations in the PRC and Hong Kong, Lee Yip sold approximately 1,830 tonnes of stainless steel in the first half of the year (first half of 2011: 2,590 tonnes) and contributed revenue of approximately HK$38.7 million (first half of 2011: HK$57.9 million).

Genesis Alloys (Ningbo) Limited ("Genesis Ningbo"), is the Group's 50%-owned zinc alloy production joint venture. It was developed to provide an alternative and cheaper source of zinc alloy, supporting the Group's margins. It produced approximately 5,480 tonnes of zinc alloy (first half of 2011: 8,060 tonnes) and contributed revenue of approximately HK$23.5 million (first half of 2011: HK$27.9 million) to the Group during the first half of 2012.

Prospects

Demand for Chinese exports may take a further hit in the second half of the year as Europe's economic malaise worsens. However, recent fiscal and monetary measures taken by the PRC government to support the domestic economy (including recent interest rate cuts by the People's Bank of China) may cushion further falls in metal prices.

Despite these challenges, long-term demand for LEE KEE's products will properly remain strong as populous developing economies, especially China, continue to undergo industrialization and demographic change.

In order to prudently capture these opportunities, LEE KEE will continue to proactively grow and position its business in key areas, such as Eastern and Western China. It will also work to further streamline its operations and strengthen cost control measures in order to adapt to changing market conditions.

Liquidity, Financial Resources and Commodity Price Risk

The Group primarily finances its operation through internal resources, borrowings from banks and capital contributions from its shareholders. As at 30th June 2012, the Group had unrestricted cash and bank balances of approximately HK$573 million (31st December 2011: HK$447 million) and bank borrowings of approximately HK$138 million (31st December 2011: HK$338 million). The borrowings, which are short term in nature, were substantially made in Renminbi and United States dollars with interest chargeable at market rates and the gearing ratio (total borrowings to total equity) as at 30th June 2012 was 12.6% (31st December 2011: 29.8%). The Group has a current ratio (current assets to current liabilities) of 558.6% (31st December 2011: 329.7%).

The Company had issued guarantees to the extent of approximately HK$1,481 million to banks to secure general banking facilities of approximately HK$1,426 million to certain subsidiaries, of which approximately HK$138 million had been utilised as of 30th June 2012.

The Group constantly evaluates and monitors its risk exposure to the metals prices with reference to the market conditions. In order to control the exposure efficiently and to capitalize on price trends, the Group's management will employ appropriate operating strategies throughout the remainder of 2012.

The Group's foreign exchange exposure mainly resulted from the translation between Hong Kong dollars, Renminbi and United States dollars.

DIVIDENDS

The Board does not recommend the payment of an interim dividend (first half of 2011: HK1 cent per share).

EMPLOYEES

As at 30th June 2012, the Group had approximately 170 employees and the Group's 50%-owned joint venture, Genesis Ningbo, had approximately 30 employees. Employees' remuneration, promotion and salary review are assessed on job responsibilities, work performance, professional experience and the prevailing industry practices. The key components of the Group's remuneration package include basic salary, and where appropriate, other allowances, incentive bonus and the Group's contribution to mandatory provident funds (or state-managed retirement benefits scheme). Other benefits include share options granted or to be granted under the share option schemes and training schemes. During the Interim Period, staff costs (including directors' emoluments) were approximately HK$21.0 million (first half of 2011: HK$20.8 million).

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor its subsidiaries has purchased or sold any of the Company's shares during the Interim Period.

CORPORATE GOVERNANCE

To the knowledge and belief of the Directors, the Company has complied with the provisions set out in the Code on Corporate Governance Practices (effective until 31st March 2012) and Corporate Governance Code (effective from 1st April 2012) contained in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange and are not aware of any non-compliance with the aforesaid codes during the Interim Period.

REVIEW OF UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The unaudited condensed consolidated interim financial information for the six months ended 30th June 2012 has been reviewed by the Company's Audit Committee and PricewaterhouseCoopers, the Company's Auditor.

*As at the date of this announcement, the Directors of the Company are Mr. CHAN Pak Chung, Ms. CHAN Yuen Shan, Clara, Ms. MA Siu Tao, Mr. CHUNG Wai Kwok, Jimmy**, *Mr. LEUNG Kwok Keung** *and Mr. HU Wai Kwok**.

By Order of the Board
CHAN Pak Chung
Chairman

Hong Kong, 17th August 2012

* *Independent non-executive Directors*