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 2011

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 2011 (the "Interim Period") together with the comparative figures of the corresponding period ended 30th June 2010 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30TH JUNE 2011

		Six months ended 30th June	
		2011	2010
	Note	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)
Revenues	*4*	**1,693,312**	1,858,194
Cost of sales		**(1,617,539)**	(1,803,744)
Gross profit		**75,773**	54,450
Other income		**1,787**	1,271
Distribution and selling expenses		**(9,681)**	(8,045)
Administrative expenses		**(35,538)**	(33,230)
Other gains, net		**4,470**	2,581
Operating profit	*5*	**36,811**	17,027
Finance costs		**(4,732)**	(2,812)
Profit before income tax		**32,079**	14,215
Income tax expense	*6*	**(5,489)**	(1,538)
Profit for the period		**26,590**	12,677
Profit attributable to:			
Equity holders of the Company		**26,001**	10,119
Non-controlling interests		**589**	2,558
		26,590	12,677
Earnings per share for profit attributable to the equity holders of the Company — basic and diluted (Hong Kong cents)	*7*	**3.14**	1.22
Interim dividend	*8*	**8,287**	8,287

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30TH JUNE 2011

	Six months ended 30th June	
	2011	2010
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Profit for the period	**26,590**	12,677
Other comprehensive income for the period:		
Exchange translation differences	**1,096**	336
Movement of available-for-sale financial assets revaluation reserve	**2,180**	(245)
Other comprehensive income for the period, net of tax	**3,276**	91
Total comprehensive income for the period	**29,866**	12,768
Total comprehensive income attributable to:		
Equity holders of the Company	**29,277**	10,113
Non-controlling interests	**589**	2,655
	29,866	12,768

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30TH JUNE 2011

	Note	As at 30th June 2011 HK$'000 (Unaudited)	As at 31st December 2010 HK$'000 (Audited)
Non-current assets			
Leasehold land		**16,314**	16,522
Property, plant and equipment		**60,054**	59,672
Deferred income tax assets		**1,462**	1,225
Available-for-sale financial assets	*9*	**39,235**	37,773
		117,065	115,192
Current assets			
Inventories		**1,017,365**	816,361
Trade and other receivables	*10*	**237,596**	184,861
Prepayment for leasehold land		**3,253**	3,148
Income tax recoverable		**730**	272
Derivative financial instruments		**3,942**	—
Bank balances and cash		**381,339**	602,628
		1,644,225	1,607,270
Assets classified as held for sale		**11,655**	11,279
Total current assets		**1,655,880**	1,618,549
Total assets		**1,772,945**	1,733,741
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		**622,113**	601,123
Proposed dividend		**8,287**	12,431
		1,208,568	1,191,722
Non-controlling interests		**1,889**	1,300
Total equity		**1,210,457**	1,193,022

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30TH JUNE 2011

	Note	**As at 30th June 2011** *HK$'000* **(Unaudited)**	As at 31st December 2010 *HK$'000* (Audited)
Non-current liabilities			
Deferred income tax liabilities		**3,312**	2,971
Current liabilities			
Trade and other payables	*11*	**182,593**	136,563
Amount due to a joint venturer of a jointly controlled entity		**412**	396
Bank borrowings		**367,088**	390,433
Income tax payable		**1,427**	4,656
Derivative financial instruments		**1,956**	—
Amount due to non-controlling interests		**5,700**	5,700
		559,176	537,748
Total liabilities		**562,488**	540,719
Total equity and liabilities		**1,772,945**	1,733,741
Net current assets		**1,096,704**	1,080,801
Total assets less current liabilities		**1,213,769**	1,195,993

Notes

1 BASIS OF PREPARATION

This unaudited condensed consolidated interim financial information for the six months ended 30th June 2011 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"). This condensed consolidated interim financial information should be read in conjunction with the annual financial statements of the Group for the year ended 31st December 2010, 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 this unaudited condensed consolidated interim financial information are consistent with those used in preparing the annual financial statements for the year ended 31st December 2010 except for the adoption of the Improvements to HKFRSs (2010) that are mandatory for the Group's accounting period beginning on 1st January 2011. The adoption of the improvements 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 amendment to existing standard have been issued but are not effective for the year ending 31st December 2011 and have not been early adopted:

HKAS 1 (Amendment)	Presentation of Items of Other Comprehensive Income
HKFRS 9	Financial Instruments
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 13	Fair Value Measurement

3 ESTIMATES

The preparation of this 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 this 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 2010.

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	
	2011	2010
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenues		
Sales of goods	**1,693,312**	1,858,194

(a) Segment information

	Six months ended 30th June 2011		Six months ended 30th June 2010	
	Revenues	**Segment results**	Revenues	Segment results
	HK$'000	***HK$'000***	*HK$'000*	*HK$'000*
	(Unaudited)	**(Unaudited)**	(Unaudited)	(Unaudited)
Hong Kong	**1,395,679**	**31,057**	1,584,295	9,293
China mainland	**297,633**	**(503)**	273,899	3,882
	1,693,312	**30,554**	1,858,194	13,175

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) China mainland. Both operating segments represent trading of different types of metal products.

The chief operating decision-maker assesses the performance of the operating segments based on a measure of operating results (before income tax expense) of each segment, which excludes the effects of other income, other gains, net and finance costs in the result for each operating segment.

Segment assets and segment liabilities comprise current assets (except for prepayment for leasehold land and assets classified as held for sale) and current liabilities respectively.

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 2011		
	Hong Kong *HK$'000* **(Unaudited)**	**China mainland** *HK$'000* **(Unaudited)**	**Total** *HK$'000* **(Unaudited)**
Assets			
Segment assets	**1,462,447**	**178,525**	**1,640,972**
Unallocated assets			**131,973**
Total assets			**1,772,945**
Liabilities			
Segment liabilities	**417,493**	**141,683**	**559,176**
Unallocated liabilities			**3,312**
Total liabilities			**562,488**

	As at 31st December 2010		
	Hong Kong *HK$'000* (Audited)	China mainland *HK$'000* (Audited)	Total *HK$'000* (Audited)
Assets			
Segment assets	1,500,217	103,905	1,604,122
Unallocated assets			129,619
Total assets			1,733,741
Liabilities			
Segment liabilities	494,728	43,020	537,748
Unallocated liabilities			2,971
Total liabilities			540,719

4 REVENUES AND SEGMENT REPORTING (CONTINUED)

(b) Reconciliation of segment results

	Six months ended 30th June	
	2011	2010
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Total segment results	**30,554**	13,175
Other income	**1,787**	1,271
Other gains, net	**4,470**	2,581
Finance costs	**(4,732)**	(2,812)
Profit before income tax	**32,079**	14,215

5 OPERATING PROFIT

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

	Six months ended 30th June	
	2011	2010
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Amortisation of leasehold land	**225**	517
Bank interest income	**(1,378)**	(854)
Cost of inventories sold	**1,608,351**	1,782,388
Depreciation of property, plant and equipment	**6,617**	6,622
Loss/(gain) on disposal of property, plant and equipment	**14**	(900)
Provision for inventories	**7,006**	18,994
Provision for impairment of trade receivables	**—**	13

6 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2010: 16.5%) on the estimated assessable profit for the period. Income tax on profits arising from operations in China mainland has been calculated on the estimated assessable profit for the period at the rates of income tax prevailing in the China mainland in which the Group's entities operate.

	Six months ended 30th June	
	2011	2010
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Current income tax		
— Hong Kong profits tax	**5,257**	1,462
— China mainland corporate income tax	**128**	1,415
Deferred income tax	**104**	(1,339)
Income tax expense	**5,489**	1,538

7 EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the 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	
	2011	2010
	(Unaudited)	(Unaudited)
Profit attributable to the equity holders of the Company (HK$'000)	**26,001**	10,119
Number of ordinary shares in issue ('000)	**828,750**	828,750
Basic earnings per share (Hong Kong cents per share)	**3.14**	1.22

(b) Diluted

Diluted 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 share 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 earnings per share for the six months ended 30th June 2011 and 2010 are the same as the basic earnings per share as the outstanding options for the six months ended 30th June 2011 and 2010 are anti-dilutive.

8 INTERIM DIVIDEND

On 19th August 2011, the board of directors resolved to declare an interim dividend of HK1 cent per share for the six months ended 30th June 2011 (2010: HK1 cent per share) to shareholders of the Company whose name appears on the register of members of the Company on 9th September 2011. The interim dividend will be despatched on or around 16th September 2011. This interim dividend, amounting to HK$8,287,000 (2010: HK$8,287,000) has not been recognised as a liability in this condensed consolidated interim financial information.

9 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	As at 30th June 2011 *HK$'000* **(Unaudited)**	As at 31st December 2010 *HK$'000* (Audited)
Available-for-sale financial assets		
— equity securities, at fair value listed in Hong Kong	**35,567**	33,567
— unlisted limited partnership, at fair value	**3,668**	4,206
	39,235	37,773

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 2011 *HK$'000* **(Unaudited)**	As at 31st December 2010 *HK$'000* (Audited)
Trade receivables, net of provision	**198,015**	162,711
Prepayments to suppliers	**22,084**	5,550
Deposits	**1,499**	2,117
Other receivables	**15,998**	14,483
	237,596	184,861

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

	As at 30th June 2011 *HK$'000* **(Unaudited)**	As at 31st December 2010 *HK$'000* (Audited)
0 to 30 days	**154,244**	126,177
31 to 60 days	**32,144**	28,476
61 to 90 days	**11,267**	5,405
Over 90 days	**360**	2,653
	198,015	162,711

11 TRADE AND OTHER PAYABLES

	As at 30th June 2011 *HK$'000* (Unaudited)	As at 31st December 2010 *HK$'000* (Audited)
Trade payables	**154,150**	86,725
Prepayments from customers	**20,804**	36,704
Accrued expenses	**7,639**	13,134
	182,593	136,563

Trade payables are aged as follows:

	As at 30th June 2011 *HK$'000* (Unaudited)	As at 31st December 2010 *HK$'000* (Audited)
0 to 30 days	**152,266**	86,665
31 to 60 days	**1,742**	60
61 to 90 days	**1**	—
Over 90 days	**141**	—
	154,150	86,725

MANAGEMENT DISCUSSION AND ANALYSIS

OVERALL BUSINESS PERFORMANCE

The global economy continued to show signs of volatility during the period under review, with a political standoff in the United States despite an urgent need to lift the debt ceiling, and its slower than expected recovery causing concern around the world. The crisis felt by the exceptional levels of sovereign debt in several European countries was a continuing issue, but the human and economic tragedy triggered by the Japanese earthquake and tsunami in March were totally unexpected. Japan is China's third largest export partner after the European Economic Union and the United States, and post-earthquake data has shown a decline in consumer demand caused by conservation of energy and moderation of consumption in solidarity with disaster victims. The massive destruction of infrastructure including key ports, and the disruptions to production means that Japan has suffered a severe negative impact on its export-oriented manufacturing sectors.

As a consequence exports from China have been adversely affected, with China's manufacturing purchasing managers' index falling from 53.8 points in March to 50.1 points in June, which reflected the overall downward performance in its automobile industry and manufacturing of consumer products such as watches.

In line with the market trends during the Interim Period, revenue reduced to approximately HK$1,693 million from approximately HK$1,858 million representing an 8.9% year-on-year decrease while volume sold by LEE KEE tumbled to 76,320 metric tonnes from 86,520 metric tonnes for the corresponding period in 2010, representing an 11.8% year-on-year decrease.

Despite such subdued global economic activity and the resultant drop in revenue, LEE KEE managed to raise its gross profit from approximately HK$54.5 million to approximately HK$75.8 million. Profit attributable to the equity holders of the Company substantially improved to approximately HK$26.0 million over the Interim Period from approximately HK$10.1 million of the corresponding period in 2010. The improvement was mainly achieved through its effective inventory management.

During the Interim Period, most base metals experienced a modest downward price trend. The closing price of zinc on the London Metal Exchange fell slightly to USD2,365 per metric tonne on 30th June 2011 from USD2,470 per metric tonne on 4th January, 2011, a drop of approximately 4.3%. Zinc's price trend was much more stable than for the same period in 2010, which reported a 31% drop from USD2,542 on 4th January 2010 to USD1,759 on 30th June 2010. Nickel and copper prices fell approximately 6.9% and 1.6% respectively but the aluminium price increased by approximately 1.9% over the six month period.

The gain made by the Group on entering metal futures contracts over this Interim Period was the reason for the increment on the "Other gains, net" whilst increases on the interest rate and bank borrowings explained the increase in finance costs.

BUSINESS REVIEW

As a leading metal supply-chain management specialist with professional expertise and decades of experience, LEE KEE has established a unique IVAS (integrated value added services) by providing customized services to its customers through the processing, sourcing and distribution of quality metals, as well as serving both the import and domestic markets of non-ferrous and ferrous metals and electroplating chemicals.

Maintaining the leading position in quality metal supply-chain operations spanning processing, sourcing and distribution of quality metals, LEE KEE's zinc alloy sales volume for the period represented approximately 72% of the PRC's total zinc alloy import volume.

With an extensive base of customers and well established suppliers network, LEE KEE serves around 1,200 customers in the Greater China Region, as well as in Vietnam, Indonesia, Thailand, Singapore and Malaysia. The majority are foreign-invested entities in the Pearl River Delta region, primarily focusing on the manufacture of commercial products ranging from bathroom fittings, household hardware, toys and home appliances, to fashion accessories and automobile parts. LEE KEE's strategic sales and distribution centres in Wuxi, Shenzhen and Guangzhou allowed the Company to capture the consumption growth of China, contributing revenue of approximately HK$270 million to the Group, up 95.7% over the same period last year and the proportion of revenue derived in China also increased from around 15% to 18%. During the Interim Period, the Group established another new office in Chengdu, to help solicit new customers in Western China and broaden the revenue sources of the Group. All such sales and distribution centres provided favourable facilities for LEE KEE to extend sales coverage and reap benefit from the PRC's huge potential in terms of future opportunities. The gloomy business situations during the period allowed the Group to better equip itself for business development, focus on improving its performance by leveraging streamlined upstream and downstream sales and distribution business and maintaining its usual strict cost control.

Accredited by The Hong Kong Laboratory Accreditation Scheme ("HOKLAS"), LEE KEE's wholly-owned subsidiary Promet Metals Testing Laboratory Limited ("Promet"), benefits the Group by the provision of technical support, quality assurance of supplying materials as well as monitoring the efficiency of its production plants and original equipment manufacturer ("OEM") subcontractors. In addition to providing in-house testing services for the Group, Promet also provides other value added services including chemical testing and certification for customers. Rising above its competitors, Promet will continue improving the service scope of LEE KEE.

Genesis Alloys (Ningbo) Limited ("Genesis Ningbo"), the Group's 50%-owned zinc alloy production joint venture, produced approximately 8,060 tonnes of zinc alloy (first half of 2010: 7,240 tonnes) and contributed revenue of approximately HK$27.9 million (first half of 2010: HK$43.8 million) to the Group during the first half of 2011.

Domestic demand for zinc and aluminium alloys from the automobile industry was negatively affected by Japan's earthquake. Nevertheless, by fortifying its upstream development of OEM business in 2011, LEE KEE has successfully developed and approved a number of domestic OEM alloy suppliers to secure the supply of highly competitive quality alloys. To warrant the quality of LEE KEE's products, all OEM suppliers must comply with stringent requirements to attain the international standards in respect of production management, operating processes and quality control under the rigorous monitoring of its technical department.

Buoyed by co-location with the Tai Po Technology and Logistic Centre and with operations extended to the PRC, Lee Yip Metal Products Company Limited ("Lee Yip"), LEE KEE's 70%-owned stainless steel processing and distribution operation, continued to reduce operational costs and was able to adopt more market responsive logistic arrangements during the period. Lee Yip sold 2,550 tonnes (first half of 2010: 2,620 tonnes) of stainless steel, contributing revenue of approximately HK$56.9 million (first half of 2010: HK$62.3 million) to the Group.

PROSPECTS

The aftermath of Japan's earthquake and tsunami was severe, with industrial production suspended in many factories. The manufacturing sector in China suffered from falling exports, particularly during the second quarter of the year as a consequence. Nevertheless, exports to Japan will gradually recover due to the one-off nature of the natural disaster, and will be boosted by anticipated strong demand from rebuilding the stricken areas in Japan.

Riding on China's burgeoning economic growth driven by domestic consumption, increasing rate of urbanization, and further infrastructure developments to perfect the railway and highway networks, LEE KEE is geared to capture the forecast strong domestic demand for metal processing products.

Priding itself on expertise in the metal industry, a solid financial bedrock, professional teamwork and sound operational structure, the LEE KEE Group will continue to fortify its future development. In addition to its sales and distribution centres in Wuxi, Shenzhen and Guangzhou, a new branch office in Chengdu, Western China, has been established through which the Group will be able to seize business opportunities presented within the district, while continuing to integrate the competitive edge of Promet in its service offerings. LEE KEE will also keep an eye on Eastern China to explore any opportunities that may arise in the future.

Looking ahead, LEE KEE is poised to rekindle its growth momentum once the global economy shows signs of resurgence, and will do so with the same vigour, devotion and vision with which LEE KEE developed its current unrivalled customer services, market intelligence, technical support, global sourcing ability and diversified group of loyal customers.

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 2011, the Group had unrestricted cash and bank balances of approximately HK$381 million (31st December 2010: HK$603 million) and bank borrowings of approximately HK$367 million (31st December 2010: HK$390 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 2011 was 30.3% (31st December 2010: 32.7%). The Group has a current ratio (current assets to current liabilities) of 296% (31st December 2010: 301%).

The Company had issued guarantees to the extent of approximately HK$1,480 million to banks to secure general banking facilities of approximately HK$1,406 million to certain subsidiaries, of which approximately HK$367 million had been utilised as of 30th June 2011.

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 and set inventory levels accordingly. The inventory level was increased during the Interim Period which was mainly financed through internal resources. Accordingly, the inventories were increased with a similar extent of decrease in bank balances and cash.

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

DIVIDENDS

The Board has resolved to declare an interim dividend of HK1 cent per share (first half of 2010: HK1 cent per share) to shareholders of the Company whose names appeared on the register of members of the Company on 9th September 2011. The dividend will be paid on or around 16th September 2011.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Wednesday, 7th September 2011 to Friday, 9th September 2011, both days inclusive, during which period no transfers of shares will be effected. In order to qualify for the interim dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong Branch Share Registrar and Transfer Office, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 6th September 2011.

EMPLOYEES

As at 30th June 2011, the Group had approximately 160 employees and the Group's 50%-owned joint venture, Genesis Ningbo, had approximately 40 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$20.8 million (first half of 2010: HK$19.6 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 applied the principles of the Code of Corporate Governance Practices (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange and to a certain extent, the recommended best practices thereof, and are not aware of any non-compliance with the code provisions of the CG Code 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 2011 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. William Tasman WISE, 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, 19th August 2011

* *Independent non-executive Directors*