WO KEE HONG (HOLDINGS) LIMITED
和記行（集團）有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 720)

INTERIM RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2012

The directors of Wo Kee Hong (Holdings) Limited (the "Company") (the "Directors") are pleased to announce that the unaudited condensed consolidated results of the Company and its subsidiaries (together the "Group") for the six months ended June 30, 2012 were as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended June 30

	Notes	2012 *HK$'000* (Unaudited)	2011 *HK$'000* (Unaudited)
Turnover	*3*	**1,111,240**	847,857
Cost of sales		**(950,468)**	(701,123)
Gross profit		**160,772**	146,734
Other operating income		**19,202**	6,070
Distribution costs		**(82,037)**	(68,485)
Administrative expenses		**(76,261)**	(71,800)
Profit from operations	*4*	**21,676**	12,519
Finance costs		**(10,187)**	(6,781)
Share of result of a jointly controlled entity		**–**	885
Profit before tax		**11,489**	6,623
Income tax expenses	*5*	**(5,126)**	(1,622)
Profit for the period		**6,363**	5,001
Profit for the period attributable to:			
Owners of the Company		**4,147**	323
Non-controlling interests		**2,216**	4,678
		6,363	5,001
Earnings per share attributable to the owners of the Company during the period			
– Basic	*6*	**0.17 cents**	0.01 cents
– Diluted	*6*	**0.17 cents**	0.01 cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended June 30

	2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Profit for the period	**6,363**	5,001
Exchange differences on translation of foreign operations	**242**	1,405
Total comprehensive income for the period	**6,605**	6,406
Total comprehensive income attributable to:		
Owners of the Company	**4,434**	1,633
Non-controlling interests	**2,171**	4,773
	6,605	6,406

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**June 30, 2012** **HK$'000** **(Unaudited)**	December 31, 2011 HK$'000 (Audited)
Non-current assets			
Investment properties		**4,000**	4,000
Property, plant and equipment		**81,157**	129,178
Goodwill		**30,111**	30,111
Intangible assets		**5,400**	5,400
Available-for-sale financial assets		**9,552**	9,552
Deferred tax assets		**117**	118
		130,337	178,359
Current assets			
Inventories		**349,712**	300,995
Properties held for sale, at net realisable value		**30,070**	30,070
Trade and other receivables	*7*	**266,748**	223,671
Amounts due from associates		**69,214**	66,311
Cash and cash equivalents		**190,717**	205,754
		906,461	826,801
Current liabilities			
Trade and other payables	*8*	**343,472**	375,496
Bills payables		**26,008**	25,545
Tax payables		**3,613**	52
Amount due to a related company		**441**	441
Obligations under finance leases		**299**	148
Borrowings	*9*	**371,611**	309,758
		745,444	711,440
Net current assets		**161,017**	115,361
Total assets less current liabilities		**291,354**	293,720

	Note	June 30, 2012 HK$'000 (Unaudited)	December 31, 2011 HK$'000 (Audited)
Non-current liabilities			
Obligations under finance leases		**804**	423
Borrowings	*9*	**12,377**	23,251
Deferred tax liabilities		**13**	13
		13,194	23,687
Net assets		**278,160**	270,033
Capital and reserves			
Share capital		**49,353**	49,178
Reserves		**206,056**	200,275
Equity attributable to owners of the Company		**255,409**	249,453
Non-controlling interests		**22,751**	20,580
Total equity		**278,160**	270,033

Notes:

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The unaudited condensed consolidated financial statements ("Interim Financial Statements") have been prepared in accordance with the Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting", other relevant Hong Kong Accounting Standards ("HKASs"), Interpretations and the Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules").

2. APPLICATION OF NEW AND REVISED HKFRSs

The interim financial information has been prepared under the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values.

The accounting policies used in the interim financial information is consistent with those followed in the preparation of the Group's annual financial statements for the year ended December 31, 2011.

In the current interim period, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations ("new and revised HKFRSs") issued by the HKICPA, which are effective for the Group's financial year beginning on January 1, 2012.

HKAS 12 (Amendment)	Deferred Tax – Recovery of Underlying Assets
HKFRS 1 (Amendments)	Severe Hyperinflation and Removal of Fixed Date for first-time Adopters
HKFRS 7 (Amendments)	Disclosures – Transfer of Financial Assets

The adoption of these new and revised HKFRSs had no significant financial effect on these Interim Financial Statements.

Standards and interpretations in issued but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income[1]
HKAS 19 (Revised in 2011)	Employee Benefits[2]
HKAS 27 (Revised in 2011)	Separate Financial Statements[3]
HKAS 28 (Revised in 2011)	Investments in Associates and Joint Ventures[2]
HKAS 32 (Amendments)	Offsetting Financial Assets and Financial Liabilities[3]
HKFRS (Amendments)	Annual Improvements 2009 – 2011 Cycle[2]
HKFRS 1 (Amendments)	Government Loan[2]
HKFRS 7 (Amendments)	Disclosures – Offsetting Financial Assets and Financial Liabilities[2]
HKFRS 9 and HKFRS 7 (Amendments)	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[4]
HKFRS 9	Financial Instruments[4]
HKFRS 10	Consolidated Financial Statements[2]
HKFRS 11	Joint Arrangements[2]
HKFRS 12	Disclosure of Interests in Other Entities[2]
HKFRS 13	Fair Value Measurement[2]
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine[2]

1 Effective for annual periods beginning on or after July 1, 2012
2 Effective for annual periods beginning on or after January 1, 2013
3 Effective for annual periods beginning on or after July 1, 2014
4 Effective for annual periods beginning on or after January 1, 2015

The directors of the Company are in process to assess the impact on the Group's Interim Financial Statements in relation to the application of these new and revised HKFRSs.

3. SEGMENT INFORMATION

In current period, the Group has reporting segments into three operating divisions: cars, electrical appliances and fashion apparels and accessories. These divisions are the basis on which the Group reports its segment information.

Segment information about these businesses is presented below.

Segment revenue and results

For the six months ended June 30, 2012
(Unaudited)

	Cars *HK$'000*	Electrical appliances *HK$'000*	Fashion apparels and accessories *HK$'000*	Others *HK$'000*	Eliminations *HK$'000*	Consolidated *HK$'000*
Turnover						
External sales	967,966	114,991	28,283	–	–	1,111,240
Inter-segment sales	46	92	11	–	(149)	–
Total turnover	968,012	115,083	28,294	–	(149)	1,111,240
Inter-segment sales are charged at arm's length						
Results						
Segment results	20,842	1,633	(1,534)	(1,249)	–	19,692
Interest income						663
Unallocated other operating income						8,567
Unallocated corporate expenses						(7,246)
Profit from operations						21,676
Finance costs						(10,187)
Profit before tax						11,489
Income tax expenses						(5,126)
Profit for the period						6,363

Segment assets and liabilities

At June 30, 2012
(Unaudited)

	Cars	Electrical appliances	Fashion apparels and accessories	Others	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Consolidated statement of financial position					
Assets					
Segment assets	**635,396**	**106,009**	**74,510**	**35,634**	**851,549**
Unallocated corporate assets					**185,249**
Consolidated total assets					**1,036,798**
Liabilities					
Segment liabilities	**304,493**	**49,172**	**8,936**	**501**	**363,102**
Unallocated corporate liabilities					**395,536**
Consolidated total liabilities					**758,638**

Segment revenue and results

For the six months ended June 30, 2011
(Unaudited)

	Cars *HK$'000*	Electrical appliances *HK$'000*	Fashion apparels and accessories *HK$'000*	Others *HK$'000*	Eliminations *HK$'000*	Consolidated *HK$'000*
Turnover						
External sales	700,370	130,138	17,222	127	–	847,857
Inter-segment sales	24	725	–	–	(749)	–
Total turnover	700,394	130,863	17,222	127	(749)	847,857
Inter-segment sales are charged at arm's length						
Results						
Segment results	23,088	5,471	(1,470)	(3,637)	–	23,452
Interest income						852
Unallocated other operating income						592
Unallocated corporate expenses						(12,377)
Profit from operations						12,519
Finance costs						(6,781)
Share of result of a jointly-controlled entity	–	–	885	–	–	885
Profit before tax						6,623
Income tax expenses						(1,622)
Profit for the period						5,001

Segment assets and liabilities

At December 31, 2011
(Audited)

	Cars	Electrical appliances	Fashion apparels and accessories	Others	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Consolidated statement of financial position					
Assets					
Segment assets	549,497	105,842	86,837	47,819	789,995
Unallocated corporate assets					215,165
Consolidated total assets					1,005,160
Liabilities					
Segment liabilities	308,359	51,612	28,635	785	389,391
Unallocated corporate liabilities					345,736
Consolidated total liabilities					735,127

4. PROFIT FROM OPERATIONS

	Six months ended June 30	
	2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Profit from operations has been arrived at after charging:		
Cost of inventories recognised as expenses (included in cost of sales)	**950,468**	701,123
Amortisation of prepaid lease payments	**–**	19
Depreciation of:		
Owned assets	**11,905**	10,115
Assets held under finance leases	**109**	144
Staff costs, including Directors' emoluments	**58,596**	55,320
and crediting:		
Interest income	**663**	852
Dividend income	**4,421**	592
Gain on disposal of property, plant and equipment	**8,584**	719
Exchange gain, net	**180**	684

5. INCOME TAX EXPENSES

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit arising in Hong Kong for the period.

Outside Hong Kong taxation is calculated at the rates prevailing in the respective jurisdictions.

	Six months ended June 30	
	2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Current tax:		
Hong Kong	**2,063**	1,138
Outside Hong Kong	**3,063**	525
	5,126	1,663
Deferred tax:		
Outside Hong Kong	**–**	(41)
Income tax expenses attributable to the Company and its subsidiaries	**5,126**	1,622

6. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	Six months ended June 30	
	2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Earnings		
Earnings for the purpose of basic and diluted earnings per share	**4,147**	323

	Six months ended June 30	
	2012	2011
	Number of shares	*Number of shares*
	(Unaudited)	(Unaudited)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**2,459,155,363**	2,297,078,550
Effect of dilutive potential ordinary shares:		
Share options granted by the Company	**42,332**	26,602,109
	2,459,197,695	2,323,680,659

7. TRADE AND OTHER RECEIVABLES

The Group generally allows an average credit period of 7 to 90 days to its trade customers. The aged analysis of the Group's trade receivables at the end of the reporting period is as follows:

	June 30, 2012 *HK$'000* (Unaudited)	December 31, 2011 *HK$'000* (Audited)
Within 30 days	**106,911**	63,869
31 to 60 days	**19,515**	25,332
61 to 90 days	**5,283**	3,163
91 days to 1 year	**10,732**	2,556
Over 1 year	**3,719**	3,736
Total trade receivables, net of allowance for doubtful debts	**146,160**	98,656
Deposits, prepayments and other receivables	**126,826**	131,253
Less: impairment loss recognised	**(6,238)**	(6,238)
	266,748	223,671

There is no concentration of credit risk with respect to trade receivables, as the Group has a large number of customers, internationally dispersed.

8. TRADE AND OTHER PAYABLES

The following is an aged analysis of the Group's trade payables at the end of the reporting period:

	June 30, 2012 *HK$'000* (Unaudited)	December 31, 2011 *HK$'000* (Audited)
Within 30 days	**56,913**	33,745
31 to 60 days	**10,619**	20,159
61 to 90 days	**4,679**	12,391
91 days to 1 year	**6,172**	1,229
Over 1 year	**892**	586
Total trade payables	**79,275**	68,110
Customers' deposits, accruals and other payables	**264,197**	307,386
	343,472	375,496

9. BORROWINGS

	June 30, 2012 *HK$'000* (Unaudited)	December 31, 2011 *HK$'000* (Audited)
Bank overdrafts	**12,036**	31,816
Bank loans	**356,789**	281,430
Other loans	**15,163**	19,763
	383,988	333,009
Secured	**361,591**	302,105
Unsecured	**22,397**	30,904
	383,988	333,009
Carrying amount repayable:		
Within one year	**371,611**	309,199
More than one year, but not exceeding two years	**1,605**	3,011
More than two years, but not exceeding five years	**5,007**	7,654
More than five years	**5,765**	13,145
	383,988	333,009
Carrying amount of bank loans that are not repayable within one year from the end of the reporting period but contain a repayment on demand clause (shown under current liabilities)	**–**	(559)
	383,988	332,450
Less: Amounts due within one year (shown under current liabilities)	**(371,611)**	(309,199)
Amounts due after one year (shown under non-current liabilities)	**12,377**	23,251

INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the six months ended June 30, 2012 (2011: nil).

MANAGEMENT DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

FINANCIAL REVIEW

Results of Operations

For the first half of 2012, the economic environment in Mainland China was sluggish and below expectation. Despite this adverse situation, we managed to report a 31.1% increase in turnover, from HK$847.9 million up to HK$1,111.2 million. In order to counteract on this critical retail market situation in Mainland China, our entities there had to launch many extra promotional activities coupled with attractive offers to our customers which in turn led to a drop in gross profit margin from 17.3% to 14.5%.

Other operating income was mainly derived from the disposal of our property used as CEO office in Bank of America Tower (HK$10.3 million) and dividend received from our investment (HK$4.4 million).

For the period under review, distribution costs increased from HK$68.5 million to HK$82.0 million, representing 7.4% of turnover (2011: 8.1%). This increase of HK$13.5 million was mainly related to our car business: 1. increased sales commission by HK$4.2 million as a result of enlarged sales; 2. increased costs of rental by HK$4.2 million due to the opening of our Repulse Bay Showroom in the first quarter of 2012; 3. increased marketing expenses by HK$6.6 million in line with our marketing plans. We considered our distribution costs were under control as in terms of percentage to turnover they have dropped from 8.1% to 7.4% .

Administrative expenses were up by only HK$4.5 million to HK$76.3 million for the period (2011: HK$71.8 million), representing in substance a drop in percentage of turnover by 1.6% from 8.5% down to 6.9% . We will continue to explore effective cost saving programs for cost control purpose.

Finance costs of HK$10.2 million were recorded in the first half of 2012 (2011: HK$6.8 million). This cost was increased mainly as a result of augmented purchase during the period.

The board is pleased to announce that the consolidated profit for the first half of 2012 amounted to HK$6.4 million (2011: HK$5.0 million).

Financial Condition and Capital Structure

The Group was financed by a combination of its equity capital base, cash flow generated from operations and bank borrowings. As usual, bank and other liabilities were being met upon their maturities in the normal course of business.

Cash and cash equivalents at June 30, 2012 were HK$190.7 million (December 31, 2011: HK$205.8 million). A net cash inflow of HK$4.5 million (2011: net cash outflow of HK$33.1 million) was recorded, representing in aggregate funds generated from operating, investing and financing activities in the period.

The Group had total borrowings at June 30, 2012 amounting to HK$384.0 million (December 31, 2011: HK$333.1 million). The Group's long term gearing ratio stood at 5.2% (December 31, 2011: 9.5%), based on long term liabilities (excluding deferred tax) of HK$13.2 million (December 31, 2011: HK$23.7 million) and shareholders' equity of HK$255.4 million (December 31, 2011: HK$249.5 million). The current ratio was 1.2 (December 31, 2011: 1.2), based on current assets of HK$906.5 million (December 31, 2011: HK$826.8 million) and current liabilities of HK$745.4 million (December 31, 2011: HK$711.4 million).

The Group had trading facilities at June 30, 2012 amounting to HK$552.9 million (December 31, 2011: HK$494.1 million) of which HK$456.9 million (December 31, 2011: HK$402.5 million) was utilized.

Foreign Exchange Exposure

The Group's purchases are mainly conducted in HK Dollar, Renminbi and US Dollar whilst sales are mainly conducted in HK Dollar and Renminbi. During the period, the Group had entered into several forward exchange contracts with bankers to hedge foreign currency transactions with the objective to stabilize the cost. At June 30, 2012, the outstanding foreign exchange contracts purchased with banks amounted to HK$5.2 million (December 31, 2011: nil).

Pledge of Assets

Certain of the Group's properties, inventories, cash deposits and all assets of certain subsidiaries were pledged at June 30, 2012 in an aggregate amount of HK$403.6 million (December 31, 2011: HK$384.3 million) to secure loans and facilities granted.

Capital Commitments and Contingent Liabilities

The Group had capital commitments of HK$0.2 million at June 30, 2012 (December 31, 2011: HK$5.4 million). The Group had no material contingent liabilities at June 30, 2012 and December 31, 2011.

BUSINESS REVIEW

Cars

The business consists mainly of the import, distribution and after-sales service of Italian "Ferrari" and "Maserati" cars and spare parts in Hong Kong and Macau. In Mainland China, we operate "Ferrari" and "Maserati" car dealerships in Dalian and Nanjing. During the period, turnover rose by 38.2% to HK$968.0 million (2011: HK$700.4 million).

In Hong Kong, Ferrari sales in 2012 have started reasonably well. A record number of new Ferraris were delivered to customers in the first six months including deliveries of the first examples of the new 458 Spider (convertible) in May.

In March, Ferrari announced the successor to the 599 series, the F12 Berlinetta. This model was well received by customers after its world launch in Geneva, as evidenced by the orders taken in the period. First deliveries to customers are scheduled from early 2013.

Demand for Maserati's two-door range of coupes remained relatively high given the condition of the local car market and the aggressive sales approach of many competitors. Despite the fact that the Quattroporte (Maserati's four-door saloon) would be run-out, a significant number of new Maserati coupes and saloons were delivered to customers in the first six months of the year.

Workshop service turnover for the half year grew by more than 16% compared to the same period in 2011. This was primarily due to a continuing increase in service activity and the introduction of new working practices.

Turnover of our dealerships in Dalian and Nanjing increased by over 20% but gross profit margins have dropped in these regions due to the need to make more attractive offers in order to boost sales. Due to the fact that the different geographical locations of our car businesses resulted in a differentiated performance of our car dealerships in Mainland China, we are in the course of restructuring these dealerships which may lead to changes of locations of our car business in these regions in the foreseeable future.

Electrical Appliances

The business consists of distribution of consumer and commercial air-conditioning and home appliances products, namely "MHI" (Mitsubishi Heavy Industries of Japan), "Bodysonic" and "GREE", audio-visual products of "Rogers" and "Alpine" car electronics.

Turnover in this segment recorded a decline of 11.6%, from HK$130.1 million in the last period down to HK$115.0 million.

In Hong Kong, the demand for and sales of air-conditioning products and audio-visual products remained good in general but continuous rainy weather in the second quarter has affected the demand for air-conditioners.

While our business in Singapore was in line with budget, Malaysia has recorded a slight setback and its financial performance was behind budget. Nevertheless, the management has confidence that both Singapore and Malaysia would achieve their targets in the second half of the year.

Fashion Apparels and Accessories

The business consists of the distribution of our men's wear brand 'V-one" and fashionable watches, namely "D&G", "Moschino", "Vivienne Westwood", "Jorg Gray" and "Braun".

The critical retail market situation in Mainland China has led to the poor performance of our men's wear brand "V-one". Sluggish local consumption placed our apparel business under great pressure. Accordingly, we decided to slow down our plans of opening new shops but reduce our operating cost instead.

Our watch business was also adversely affected, to a certain extent, by the fragile market in Mainland China although the business in Hong Kong remained steady.

Other Business

A loss of HK$1.2 million was recorded for the period and was mainly derived from our yacht business. The performance of our yacht business was unsatisfactory with no sales recorded for the period under review and we decided to close our showroom in Aberdeen in order to minimize the operating costs of this business segment.

HUMAN RESOURCES

During the period, the total number of employees of the Group, excluding associates, was 430 (2011: 462).

The management is committed to staff motivation, training and development to ensure that the standard of our employees remains competitive in the marketplace. Leadership training seminars for our managerial and supervisory staff were conducted during the period to enhance their skills and spirits of co-operation. We are confident that our employees will continue to grow with the business and contribute their best to the Group.

EVENTS AFTER THE REPORTING PERIOD

(A) On July 4, 2012, the Company entered into a placing agreement (the "Placing Agreement") with Get Nice Securities Limited (the "Placing Agent") whereby the Company conditionally agreed to place, through the Placing Agent on a fully underwritten basis, 491,783,710 new shares of the Company (the "Placing Share(s)") to placees, who were independent from and not connected with the Company and its connected persons (the "Independent Placees"), at a price of HK$0.15 per Placing Share. On July 20, 2012, the placing was completed in accordance with terms and conditions of the Placing Agreement in which the 491,783,710 Placing Shares were successfully placed to not less than six Independent Placees at the placing price of HK$0.15 per Placing Share. For more details, please refer to the announcements of the Company dated July 4, 2012 and July 20, 2012.

(B) On July 4, 2012, the Board announced the proposed change of the English name of the Company from "WO KEE HONG (HOLDINGS) LIMITED" to "AUTO ITALIA HOLDINGS LIMITED" and on July 20, 2012, the Board further announced the proposed change of the Chinese name of the Company from "和記行（集團）有限公司" to "意達利控股有限公司", for identification purposes only, upon the proposed change of English Company name becoming effective (the "Proposed Change of Company Name"). A special resolution has been proposed to the shareholders of the Company to approve the Proposed Change of Company Name at a special general meeting to be convened on August 30, 2012. For more details, please refer to the announcements of the Company dated July 4, 2012 and July 20, 2012 and the circular together with the notice of special general meeting dated August 8, 2012 in relation to, among others, the Proposed Change of Company Name.

PROSPECTS

The Group will focus on the premium car distribution business in Greater China and Hong Kong. More resources will be utilized to support this expanding business, though we may need to restructure the locations of our car business in Mainland China.

In Hong Kong, as our car business continues to grow and the cost of rental remains relatively high, we plan to redeploy our workshops, showrooms and offices to achieve cost optimization as well as to cater for future need of operating capability.

Our order portfolio for "Ferrari" continues to grow healthily with a lead time of up to two years, whilst the profile of "Maserati" will continue to broaden in the second half of 2012. Both brands are expected to introduce exciting new models in the coming years to further expand their market share and reach for new clients.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the six months ended June 30, 2012, the Company and its subsidiaries had not repurchased, sold or redeemed any of the Company's securities.

CORPORATE GOVERNANCE

Maintaining an effective corporate governance framework is one of the priorities of the Company. In the opinion of the Directors, the Company has complied with all the code provisions of the Corporate Governance Code (the "CG Code") (known as Code on Corporate Governance Practices until March 31, 2012) as set out in Appendix 14 to the Listing Rules during the six months ended June 30, 2012, except in relation to the separation of the roles of chairman and chief executive officer under Code Provision A.2.1 of the CG Code.

Code Provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Dr. Richard Man Fai LEE is the Executive Chairman and Chief Executive Officer of the Company. Dr. LEE has extensive experience in marketing consumer products and is responsible for the overall strategic planning and business development of the Group. The Board considers that vesting the roles of Chairman and Chief Executive Officer simultaneously by Dr. LEE is beneficial to the business prospects and management of the Group. The Board also considers that this structure will not impair the balance of power and authority between the Board and the management. This is because the Board has adopted clear guidelines as to the power and authority of the Board and the management. There are guidelines as to the power and duties of Chief Executive Officer. The details were set out fully in the corporate governance report in the Company's 2005 annual report.

In addition, the Board which comprises experienced and high caliber individuals meets regularly to discuss issues and operation of the Group. The Board believes that this structure is conducive to strengthen and maintain consistent leadership, enabling the Group to make and implement decisions promptly and efficiently.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS (THE "MODEL CODE")

The Company has adopted a code of conduct for transactions in the Company's securities by the Directors that complies with the Model Code as set out in Appendix 10 to the Listing Rules. Followed specific enquiries by the Company, all Directors have confirmed that they have complied with the required standards as set out in the Model Code throughout the six months ended June 30, 2012.

AUDIT COMMITTEE REVIEW

The audit committee of the Company has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended June 30, 2012 and was content that the accounting policies of the Group were in accordance with the current best practice in Hong Kong.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

The results announcement is published on the Stock Exchange's website (www.hkexnews.hk) and the Company's website (www.wokeehong.com.hk). The interim report will be despatched to the shareholders of the Company and available on the above websites in due course.

By order of the Board
WO KEE HONG (HOLDINGS) LIMITED
Dr. Richard Man Fai LEE
Executive Chairman & CEO

Hong Kong, August 28, 2012

As at the date of this announcement, the Board comprises Dr. Richard Man Fai LEE (Executive Chairman and Chief Executive Officer), Mr. Jeff Man Bun LEE, Mr. Tik Tung WONG and Mr. William Keith JACOBSEN, all of whom are executive Directors, Ms. Kam Har YUE, who is a non-executive Director, Mr. Boon Seng TAN, Mr. Ying Kwan CHEUNG and Mr. Peter Pi Tak YIN, all of whom are independent non-executive Directors.

* *for identification purposes only*