

Tsit Wing International Holdings Limited

(Incorporated in Bermuda with limited liabilities)

Full Year Financial Statements and Dividend Announcement for the year ended December 31, 2006

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) Income statement for the Group, together with a comparative statement for the corresponding period of the immediately preceding financial year

	<u>Group</u>			<u>Group</u>		
	12 months ended	12 months ended	<u>Inc / (dec)</u>	3 months ended	3 months ended	<u>Inc / (dec)</u>
	<u>31/12/2006</u>	<u>31/12/2005</u>		<u>31/12/2006</u>	<u>31/12/2005</u>	
	HK\$'000	HK\$'000		HK\$'000	HK\$'000	
Revenue	321,703	320,065	0.5 %	87,293	85,499	2.1 %
Cost of sales	(184,134)	(175,488)	4.9 %	(50,605)	(47,055)	7.5 %
Gross profit	137,569	144,577	(4.8) %	36,688	38,444	(4.6) %
Other operating income	2,363	3,132	(24.6) %	849	844	0.6 %
Distribution costs	(54,432)	(50,765)	7.2 %	(15,322)	(14,187)	8.0 %
Administrative expenses	(42,600)	(46,437)	(8.3) %	(11,279)	(10,842)	4.0 %
Other operating expenses (Note)	(1,026)	(945)	8.6 %	(1,026)	(258)	297.7 %
Finance cost	(382)	(473)	(19.2) %	(93)	(151)	(38.4) %
Profit before income tax	41,492	49,089	(15.5) %	9,817	13,850	(29.1) %
Income tax expense	(7,123)	(9,115)	(21.9) %	(1,673)	(2,405)	(30.4) %
Profit for the period	34,369	39,974	(14.0) %	8,144	11,445	(28.8) %
Attributable to:						
Equity holders of the parent	34,308	40,040	(14.3) %	8,144	11,456	(28.9) %
Minority Interest	61	(66)	192.4 %	-	(11)	N/A
	<u>34,369</u>	<u>39,974</u>	<u>(14.0) %</u>	<u>8,144</u>	<u>11,445</u>	<u>(28.8) %</u>

Note:

Other operating expenses:

	12 months ended	12 months ended
	<u>31/12/2006</u>	<u>31/12/2005</u>
Impairment loss on property, plant and equipment	(1,026)	(687)
Shop closure expenses	-	(258)
	<u>(1,026)</u>	<u>(945)</u>

1(a)(ii) Profit from ordinary activities before taxation has been arrived at after charging / (crediting):

	<u>Group</u> 12 months ended <u>31/12/2006</u> HK\$'000	<u>Group</u> 12 months ended <u>31/12/2005</u> HK\$'000	<u>Group</u> 3 months ended <u>31/12/2006</u> HK\$'000	<u>Group</u> 3 months ended <u>31/12/2005</u> HK\$'000
Interest income from non-related companies	(2,363)	(3,132)	(850)	(844)
Interest expense to non-related companies	382	473	93	151
Foreign exchange gain	(850)	(178)	(227)	(85)
Cost of share-based payment	52	370	-	29
Loss (Gain) on disposal of property, plant and equipment	84	376	245	(34)
Written back of over-provided coupon liabilities	(1,035)	(2,577)	(1,035)	(2,577)
Impairment loss on property, plant and equipment	1,026	687	1,026	-
Depreciation expense	12,113	9,800	3,192	2,660
Allowance for doubtful trade receivables	1,082	1,855	702	920
(Write back) Allowance for inventories	(56)	189	(58)	190

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	<u>Group</u>		<u>Company</u>	
	<u>31/12/2006</u> HK\$'000	<u>31/12/2005</u> HK\$'000	<u>31/12/2006</u> HK\$'000	<u>31/12/2005</u> HK\$'000
<u>ASSETS</u>				
Current assets:				
Cash and cash equivalents	30,986	23,599	360	6,208
Pledged bank balances	-	6,583	-	-
Loans receivables (note a)	20,380	20,560	-	-
Trade receivables	44,984	44,414	-	-
Other receivables and prepayments	6,569	6,729	1,389	2,142
Amount due from subsidiaries	-	-	82,607	65,158
Inventories	54,679	49,706	-	-
Total current assets	<u>157,598</u>	<u>151,591</u>	<u>84,356</u>	<u>73,508</u>
Non-current assets:				
Subsidiaries	-	-	78,563	78,653
Property, plant & equipment	67,744	61,608	-	-
Goodwill	1,621	-	-	-
Deposits paid for acquisition of property, plant and equipment	741	858	-	-
Loans receivables (note a)	36,660	49,240	-	-
Deferred tax assets	243	115	-	-
Total non-current assets	<u>107,009</u>	<u>111,821</u>	<u>78,563</u>	<u>78,653</u>
Total assets	<u>264,607</u>	<u>263,412</u>	<u>162,919</u>	<u>152,161</u>

Note (a): Loan receivables represent certificate of deposits, notes and other deposits placed with licensed banks and other financial institutions, of which HK\$7.8 millions have been pledged to a bank to secure credit facilities granted to a subsidiary. These receivables, which the Group intends to hold to maturity, are principal-guaranteed, interest bearing and mature between 1 to 3 years.

	<u>Group</u>		<u>Company</u>	
	<u>31/12/2006</u>	<u>31/12/2005</u>	<u>31/12/2006</u>	<u>31/12/2005</u>
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<u>LIABILITIES AND EQUITY</u>				
Current liabilities:				
Trust receipts and other loans	2,680	8,248	-	-
Trade payables	16,394	18,785	-	-
Other payables	10,233	11,348	2,020	2,154
Income tax payable	686	-	-	-
Total current liabilities	<u>29,993</u>	<u>38,381</u>	<u>2,020</u>	<u>2,154</u>
Non-current liabilities:				
Deferred income tax	<u>4,785</u>	<u>4,205</u>	<u>-</u>	<u>-</u>
Capital, reserves and minority interests:				
Share capital	48,236	48,108	48,236	48,108
Share premium	20,977	20,504	20,977	20,504
Contributed surplus	48,563	48,563	48,563	48,563
Translation reserve	1,112	262	-	-
Employee share option reserve	422	370	422	370
Retained earnings	110,519	97,407	42,701	32,462
Equity attributable to equity holders of the parent	<u>229,829</u>	<u>215,214</u>	<u>160,899</u>	<u>150,007</u>
Minority interests	-	5,612	-	-
Total equity	<u>229,829</u>	<u>220,826</u>	<u>160,899</u>	<u>150,007</u>
Total liabilities and equity	<u>264,607</u>	<u>263,412</u>	<u>162,919</u>	<u>152,161</u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31 December 2006		As at 31 December 2005	
Secured	Unsecured	Secured	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
2,000	680	4,808	3,440

Amount repayable after one year

As at 31 December 2006		As at 31 December 2005	
Secured	Unsecured	Secured	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
-	-	-	-

Details of any collateral

Certain of the Group's bank deposits have been pledged to a bank to secure credit facilities granted to a subsidiary.

1(c) Cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	<u>Group</u>		<u>Group</u>	
	12 months ended	12 months ended	3 months ended	3 months ended
	<u>31/12/2006</u>	<u>31/12/2005</u>	<u>31/12/2006</u>	<u>31/12/2005</u>
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Operating activities:				
Profit before income tax	41,492	49,089	9,817	13,850
Adjustments for:				
Depreciation expense	12,113	9,800	3,192	2,660
Impairment loss on property, plant and equipment	1,026	687	1,026	-
Interest expense	382	473	93	151
(Write back) Allowance for inventories	(56)	189	(58)	190
Allowance for doubtful trade receivables	1,082	1,855	702	920
Cost of share-based payment	52	370	-	29
Loss (gain) on disposal of plant and equipment	84	376	245	(34)
Write back of coupon liabilities	(1,035)	(2,577)	(1,035)	(2,577)
Interest income	(2,363)	(3,132)	(850)	(844)
Operating cash flows before movements in working capital	<u>52,777</u>	<u>57,130</u>	<u>13,132</u>	<u>14,345</u>
Trade receivables	(1,652)	(8,713)	(6,452)	(8,114)
Other receivables and prepayments	(528)	1,134	1,785	(186)
Inventories	(4,917)	(2,892)	3,692	(7,756)
Trade payables	(2,391)	(1,225)	(1,244)	703
Other payables	(80)	3,220	3,141	5,265
Cash generated from operations	43,209	48,654	14,054	4,257
Dividend paid	(21,196)	(21,168)	-	-
Interest paid	(382)	(473)	(93)	(151)
Interest received	2,363	3,132	850	844
Income tax paid	(5,297)	(9,857)	(5,091)	(7,198)
Net cash from (used in) operating activities	<u>18,697</u>	<u>20,288</u>	<u>9,720</u>	<u>(2,248)</u>
Investing activities:				
Purchase of property, plant and equipment	(19,463)	(32,385)	(4,766)	(7,037)
Acquisition of additional shares from minority shareholders	(7,294)	-	-	-
Goodwill on acquisition	-	-	-	-
Deposits paid for acquisition of property, plant and equipment	117	(374)	(71)	588
Proceeds from disposal of property, plant and equipment	443	646	204	449
Loans receivables	12,760	13,664	(6,240)	(4,560)
Net cash used in investing activities	<u>(13,437)</u>	<u>(18,449)</u>	<u>(10,873)</u>	<u>(10,560)</u>
Financing activities:				
Proceeds from short term loans	(2,808)	3,899	(2,808)	-
Proceed from new share issue	601	143	268	-
Proceeds from trust receipts and other loans	17,878	17,289	2,818	3,180
Repayment of trust receipts and other loans	(20,638)	(19,848)	(2,844)	(4,482)
Pledged bank balance	6,583	61	7,800	21
Net cash (used in) from financing activities	<u>1,616</u>	<u>1,544</u>	<u>5,234</u>	<u>(1,281)</u>
Net increase (decrease) in cash and cash equivalents	6,876	3,383	4,081	(14,089)
Cash and cash equivalents at beginning of the period	23,599	19,784	26,449	36,543
Effect of foreign exchange rate changes	511	432	456	1,145
Cash and cash equivalents at end of the period	<u><u>30,986</u></u>	<u><u>23,599</u></u>	<u><u>30,986</u></u>	<u><u>23,599</u></u>

1(d)(i) Statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Share Capital	Share Premium	Contributed Surplus	Translation Reserve	Employee Share Option Reserve	Retained Earnings	Total	Minority Interest	Total Equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Group									
Balance at 1 January 2005	48,069	20,400	48,563	(707)	-	78,535	194,860	5,678	200,538
Currency translation differences	-	-	-	969	-	-	969	-	969
Share options exercised	39	104	-	-	-	-	143	-	143
Cost of share-based payment	-	-	-	-	370	-	370	-	370
Net profit for the period	-	-	-	-	-	40,040	40,040	(66)	39,974
Dividend paid	-	-	-	-	-	(21,168)	(21,168)	-	(21,168)
Balance at 31 December 2005	48,108	20,504	48,563	262	370	97,407	215,214	5,612	220,826
Balance at 1 January 2006	48,108	20,504	48,563	262	370	97,407	215,214	5,612	220,826
Currency translation differences	-	-	-	850	-	-	850	-	850
Share options exercised	128	473	-	-	-	-	601	-	601
Cost of share-based payment	-	-	-	-	52	-	52	-	52
Acquisition of additional interest in subsidiary	-	-	-	-	-	-	-	(5,673)	(5,673)
Net profit for the period	-	-	-	-	-	34,308	34,308	61	34,369
Dividend paid	-	-	-	-	-	(21,196)	(21,196)	-	(21,196)
Balance at 31 December 2006	48,236	20,977	48,563	1,112	422	110,519	229,829	-	229,829
Company									
Balance at 1 January 2005	48,069	20,400	48,563	-	40,787	157,819	-	-	-
Share options exercised	39	104	-	-	-	143	-	-	-
Cost of share-based payment	-	-	-	370	-	370	-	-	-
Net profit for the period	-	-	-	-	12,843	12,843	-	-	-
Dividend paid	-	-	-	-	(21,168)	(21,168)	-	-	-
Balance at 31 December 2005	48,108	20,504	48,563	370	32,462	150,007	-	-	-
Balance at 1 January 2006	48,108	20,504	48,563	370	32,462	150,007	-	-	-
Share options exercised	128	473	-	-	-	601	-	-	-
Cost of share-based payment	-	-	-	52	-	52	-	-	-
Net profit for the period	-	-	-	-	31,435	31,435	-	-	-
Dividend paid	-	-	-	-	(21,196)	(21,196)	-	-	-
Balance at 31 December 2006	48,236	20,977	48,563	422	42,701	160,899	-	-	-

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

During the fourth quarter of 2006, no share option was granted (2005: Nil) and 200,000 ordinary shares (2005: Nil) were issued as a result of an exercise of share options. During the financial year of 2006, 512,000 options were exercised and 200,000 lapsed. As at December 31, 2006, the number of share options outstanding was 680,000 (As at December 31, 2005: 1,392,000).

- 2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice**

The figures have not been audited or reviewed by our auditors.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)**

Not applicable.

- 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as those applied in the audited financial statements for the year ended December 31, 2005.

- 5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

The Group has adopted all the new and revised Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS and amendments to FRS effective for accounting periods beginning January 1, 2006 and they are assessed to have no significant impact on the Group's financial positions and results of the Group.

- 6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

	12 months ended 31/12/2006	12 months ended 31/12/2005	3 months ended 31/12/2006	3 months ended 31/12/2005
Based on the weighted average number of ordinary shares in issue	17.80 HK cents	20.81 HK cents	4.22 HK cents	5.95 HK cents
Based on a fully diluted basis	17.78 HK cents	20.76 HK cents	4.22 HK cents	5.94 HK cents

Notes:

The basic earnings per share is calculated based on the Group's profit attributable to shareholders divided by the weighted average number of ordinary shares in issue during those periods. The weighted average number of ordinary shares in issue for the financial year ended 31 December 2006 and during the fourth quarter of financial year 2006 were 192,723,999 (2005: 192,431,999) and 192,943,999 (2005: 192,431,999) respectively.

The fully diluted earnings per share for the financial year ended December 31, 2006 and during the fourth quarter of financial year 2006 were based on the profit attributable to shareholders divided by the adjusted number of ordinary shares in issue of 192,943,999 (2005: 192,850,999) and 192,870,999 (2005: 192,530,999) respectively.

- 7 **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the: -**
(a) current financial period reported on; and
(b) immediately preceding financial year

	Group		Company	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Net asset backing per ordinary share based on issued share capital at the end of the period reported on	119.1 HK cents	111.8 HK cents	83.4 HK cents	78.0 HK cents

Notes:

The net asset backing per ordinary share as at December 31, 2006 and December 31, 2005 were calculated based on the number of ordinary shares of 192,943,999 and 192,431,999 respectively in issue as at that date.

- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

- (a) Our Group's turnover for financial year 2006 amounted to HK\$321.7 million, which was about the same as that of last year. The catering business, accounted for 94% of the Group's total turnover, continue to be our major revenue contributor whilst the remaining mainly came from FMCG business. Sales of coffee and tea contributed a total turnover of HK\$ 209 million, represented 65% of the total turnover while grocery sales contributed 29%. The Group's gross profit for the year decreased by 4.8% to HK\$137.6 million.

The costs of coffee beans and tea were persistently high during the year with the market prices of coffee and tea gone up by 20% and 30% respectively. Short supply of quality tea from the producers last year led to price fluctuations. The volatile coffee prices, on the other hand, were largely due to speculation in the commodity market which we expect to continue in 2007. While the intense market competition made it difficult for us to pass on the increased costs to our customers, our procurement team had strived to build up our raw material inventory to mitigate adverse impact on our costs and profit margin.

We have continued to exercise stringent cost control in 2006 and managed to contain the total operating expenses. The Group's administrative expenses and finance cost decreased by 8.3% and 19.2% against last year respectively. However, distribution costs increased by 7.2%. As a result, profit before income tax dropped by 15.5% to HK\$41.5 million.

- (b) The Group's financial position remained strong. Our liquidity position is healthy as a result of the net cash inflow generated from The Group's operations. The current ratio of the Group as at 31 December 2006 was 5.2 times.

- 9 **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

Not applicable.

10

A Commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The year 2006 presented a number of challenges to Tsit Wing, in term of the volatile commodity market, fierce competition in the local food & beverage catering business as well as rising business operating costs.

CATERING

Volatile commodity prices will continue to pose pressure on our profit margin, and the general increase in business costs will likely to adversely affect our business as well as that of our customers. We will continue to launch new products and adopt aggressive trade incentive programmes to maintain our leadership position.

FAST MOVING CONSUMERS GOODS ("FMCG")

Leveraging on the FMCG business to reinforce Tsit Wing's brand name, we have re-vamped the packaging design of our FMCG products in late 2006 to modernize our brand image and to reiterate our coffee expertise by highlighting specialty coffee flavors.

CHINA MARKET

Diversification into China is one of our key drivers for future business growth. With new hotels opening during the year in anticipation of the two upcoming world events, Olympic Games and World Expo, our China management team will rigorously focus to supply to hotels. Additionally, we will endeavour to capture sales to major international hypermarkets in China.

11

Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per share (in cents)	7.5 HK cents per ordinary share (tax not applicable)
Optional: - Dividend Rate (in %)	30% per ordinary share
Par value of shares	HK\$0.25
Tax Rate	N/A

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per share (in cents)	7.5 HK cents per ordinary share (tax not applicable)
Optional: - Dividend Rate (in %)	30% per ordinary share
Par value of shares	HK\$0.25
Tax Rate	N/A

(c) Date payable

If approved by shareholders at the Annual General Meeting to be held on April 27, 2007, the dividend will be paid on May 18, 2007.

(d) *Books closure date*

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on May 8, 2007 on which day no share transfer will be effected. Duly completed transfers received by the Company's Share Transfer Agent, Lim Associates (Pte) Ltd. of 3 Church Street, #08-01 Samsung Hub, Singapore 049483 up to the close of business at 5:00 p.m. on May 7, 2007 will be registered to determine shareholders' entitlements to the proposed dividend.

12 **If no dividend has been declared / recommended, a statement to that effect**

Not Applicable

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13 **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

Geographical segments

For management purposes, the geographical location of the Group's customers is organized in accordance with their group of companies' country of origin, which principally comprises Hong Kong, other parts including The People's Republic of China and Canada. This forms the basis on which the Group reports its primary segment information on geographic location of its customers and details as at December 31, 2006 and December 31, 2005 and for the financial years then ended are presented below:

Profit and loss statement

For the financial year ended December 31, 2006

	<u>Hong Kong</u> HK\$'000	<u>PRC</u> HK\$'000	<u>Canada</u> HK\$'000	<u>Total</u> HK\$'000
Revenue				
- Sales of goods	286,292	27,840	4,045	318,177
- Operations of café shops and restaurant	3,018	508	-	3,526
	<u>289,310</u>	<u>28,348</u>	<u>4,045</u>	<u>321,703</u>
Profit (loss) from operations	41,846	(1,024)	1,052	41,874
Finance cost				(382)
Profit (loss) before income tax				<u>41,492</u>
Income tax				<u>(7,123)</u>
Profit (loss) after income tax				<u>34,369</u>
Minority interests				<u>(61)</u>
Profit (loss) attributable to shareholders of the Group				<u>34,308</u>
	<u>Hong Kong</u> HK\$'000	<u>PRC</u> HK\$'000	<u>Canada</u> HK\$'000	<u>Total</u> HK\$'000
Other information				
Capital additions	13,473	5,989	1	19,463
Depreciation	9,168	2,875	70	12,113
Impairment loss on property, plant & equipment	104	922	-	1,026
	<u>220,173</u>	<u>40,966</u>	<u>3,468</u>	<u>264,607</u>
Balance sheet				
Segment assets	220,173	40,966	3,468	264,607
Segment liabilities	(9,618)	44,060	336	34,778

Profit and loss statement

For the financial year ended December 31, 2005

	<u>Hong Kong</u> HK\$'000	<u>PRC</u> HK\$'000	<u>Canada</u> HK\$'000	<u>Total</u> HK\$'000
Revenue				
- Sales of goods	287,906	24,449	4,236	316,591
- Operations of café shops and restaurant	3,081	393	-	3,474
	<u>290,987</u>	<u>24,842</u>	<u>4,236</u>	<u>320,065</u>
Profit (loss) from operations	53,748	(5,277)	1,091	49,562
Finance cost				(473)
Profit (loss) before income tax				49,089
Income tax				(9,115)
Profit (loss) after income tax				39,974
Minority interests				66
Profit (loss) attributable to the shareholders of the Group				<u>40,040</u>
Other information				
Capital additions	29,635	2,750	-	32,385
Depreciation	7,230	2,490	80	9,800
Impairment loss on property, plant & equipment	79	608	-	687
Balance sheet				
Segment assets	229,634	31,030	2,748	263,412
Segment liabilities	8,602	33,688	296	42,586

Industry Segments

The Group principally engages in the processing of coffee beans, distribution of coffee, tea, grocery products and the operation of café shops and restaurant and most of the assets of the Group are deployed in these operations. Accordingly, the revenue and profit of the Group are derived substantially from this industry segment.

- 14 **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Not applicable.

- 15 **A breakdown of sales**

	Group		
	2006	2005	Increase/ (Decrease)
	HK\$'000	HK\$'000	%
(a) Sales reported for the first half year	156,720	155,865	0.5%
(b) Operating profit after tax before adjusting minority interests reported for the first half year	17,724	19,324	(8.3%)
(c) Sales reported for the second half year	164,983	164,200	0.5%
(d) Operating profit after tax before adjusting minority interests reported for the second half year	16,645	20,650	(19.4%)

- 16 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

	Latest Full Year (HK\$'000)	Previous Full Year (HK\$'000)
Ordinary	21,196	21,168
Preference	-	-
Total	21,196	21,168

On behalf of the Board of Directors
Tsit Wing International Holdings Limited

Wong Tat Tong
Chairman and Chief Executive Officer

Hong Kong, February 27, 2007