WONSON INTERNATIONAL HOLDINGS LIMITED
（和成國際集團有限公司）*

(Incorporated in Bermuda with limited liability)

(Stock Code: 651)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 DECEMBER 2006

The Board of Directors of Wonson International Holdings Limited (the "Company") announces the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2006 as follows:—

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2006

	NOTES	**2006**	2005
		HK$'000	HK$'000
Revenue	3	**8,354**	10,612
Cost of sales		**(5,385)**	(9,534)
		2,969	1,078
Other income	4	**2,778**	1,367
Administrative expenses	5	**(21,229)**	(36,092)
Fair value changes on investments held for trading		**(21,184)**	(16,500)
Impairment loss on available-for-sale investment		**(13,489)**	—
Impairment loss on loan to an investee company		**(18,569)**	—
Gain on disposal of subsidiaries		**6,998**	—
Share of losses of jointly controlled entities		**(57)**	(221)
Finance costs	6	**(6)**	(1,338)
Loss before tax		**(61,789)**	(51,706)
Income tax expense	7	**—**	—
Loss for the year	8	**(61,789)**	(51,706)
Loss per share - basic	9	**(HK$ 11.62) cents**	(HK$17.72) cents

CONSOLIDATED BALANCE SHEET
AT 31 DECEMBER 2006

	2006	2005
	HK$'000	HK$'000
Non-current assets		
Property, plant and equipment	**148**	184
Available-for-sale investment	**—**	13,489
Loan to an investee company	**—**	17,234
Interest in an associate	**—**	—
Interests in jointly controlled entities	**—**	6,010
	148	36,917
Current assets		
Inventories	**846**	1,691
Other receivables	**997**	2,164
Investments held for trading	**136,432**	86,658
Bank balances and cash	**10,200**	84,061
	148,475	174,574
Current liabilities		
Other payables	**2,960**	4,034
Net current assets	**145,515**	170,540
	145,663	207,457
Capital and reserves		
Share capital	**5,316**	26,582
Reserves	**140,347**	180,875
	145,663	207,457

NOTES

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared under the historical cost basis except for certain financial instruments which are measured at fair values.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied, for the first time, a number of new standard, amendments and interpretations ("new HKFRSs") issued by the HKICPA, which are either effective for accounting periods beginning on or after 1 December 2005 or 1 January 2006. The adoption of the new HKFRSs had no material effect on how the results and the financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Group has not early applied the following new standards, amendment or interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the application of these standards, amendment or interpretations will have no material impact on the results and the financial position of the Group.

HKAS 1 (Amendment)	Capital Disclosures[1]
HKFRS 7	Financial instruments: Disclosures[1]
HKFRS 8	Operating Segments[2]
HK(IFRIC) - INT 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies[3]
HK(IFRIC) - INT 8	Scope of HKFRS 2[4]
HK(IFRIC) - INT 9	Reassessment of Embedded Derivatives[5]
HK(IFRIC) - INT 10	Interim Financial Reporting and Impairment[6]
HK(IFRIC) - INT 11	HKFRS 2: Group and Treasury Share Transactions[7]
HK(IFRIC) - INT 12	Service Concession Arrangements[8]

1 Effective for annual periods beginning on or after 1 January 2007.
2 Effective for annual periods beginning on or after 1 January 2009.
3 Effective for annual periods beginning on or after 1 March 2006.
4 Effective for annual periods beginning on or after 1 May 2006.
5 Effective for annual periods beginning on or after 1 June 2006.
6 Effective for annual periods beginning on or after 1 November 2006.
7 Effective for annual periods beginning on or after 1 March 2007.
8 Effective for annual periods beginning on or after 1 January 2008.

3. BUSINESS AND GEOGRAPHICAL SEGMENTS

(a) Business segments

For management purposes, the Group is currently organised into three operating divisions - metals trading, sales of communication products and investments in securities. These divisions are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

Metals trading - Trading of metals products.

Sales of communication products - Trading of communication products. During the year, this division did not make any contribution to the results of the Group for the year.

Investments in securities - Investment in securities held for trading to generate dividends and capital appreciation.

Segment information about these businesses is presented below:

Income statement

	2006		
	Metals trading HK$'000	**Investments in securities HK$'000**	**Total HK$'000**
Revenue	**5,880**	**2,474**	**8,354**
Segment result	**409**	**(20,450)**	**(20,041)**
Interest income	**—**	**—**	**2,778**
Unallocated corporate expenses	**—**	**—**	**(19,403)**
			(36,666)
Impairment loss on available-for-sale investment	**—**	**—**	**(13,489)**
Impairment loss on loan to an investee company	**—**	**—**	**(18,569)**
Gain on disposal of subsidiaries	**—**	**—**	**6,998**
Share of losses of jointly controlled entities	**—**	**—**	**(57)**
Finance costs	**—**	**—**	**(6)**
Loss for the year			**(61,789)**

	2005			
	Metals trading HK$'000	Sales of communication products HK$'000	Investments in securities HK$'000	Total HK$'000
Revenue	9,764	5	843	10,612
Segment result	65	1	(16,014)	(15,948)
Interest income	—	—	—	1,217
Unallocated corporate income	—	—	—	150
Unallocated corporate expenses	—	—	—	(35,566)
				(50,147)
Share of losses of jointly controlled entities	—	(221)	—	(221)
Finance costs	—	—	—	(1,338)
Loss for the year				(51,706)

(b) Geographical segments

No geographical segment information is presented as the Group operates in Hong Kong only.

4. OTHER INCOME

	2006 HK$'000	2005 HK$'000
Interest on bank deposits	**1,443**	494
Interest on loan to an investee company	**1,335**	723
Gain on disposal of property, plant and equipment	**—**	150
	2,778	1,367

5. ADMINISTRATIVE EXPENSES

An amount of HK$13,441,000, representing the estimated fair value of share options granted in February 2005 under the Share Option Scheme of the Company, was charged to the last year's consolidated income statement with a corresponding credit to the equity.

6. FINANCE COSTS

Included in finance costs is interest on convertible note payable of HK$Nil (2005: HK$1,338,000).

7. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made since the Group had no assessable profits for both years.

8. LOSS FOR THE YEAR

	2006 HK$'000	2005 HK$'000
Loss for the year has been arrived at after charging:		
Auditors' remuneration	**945**	850
Depreciation	**47**	342
Directors' emoluments	**6,812**	6,477
Contributions to retirement benefits scheme	**145**	146
Other staff costs	**5,093**	18,560
Total staff costs	**12,050**	25,183
Cost of inventories recognised	**5,385**	9,534
Minimum lease payments under operating leases in respect of rented premises	**2,776**	1,529

9. **LOSS PER SHARE**

The calculation of basic loss per share is based on the loss for the year of approximately HK$61,789,000 (2005: HK$51,706,000) and on the weighted average number of 531,645,319 (2005: 291,743,468) ordinary shares in issue after adjusting for the effect of share consolidation which became effective on 6 March 2006.

No diluted loss per share was presented in 2006 as there were no dilutive potential ordinary shares in existence for the year.

No diluted loss per share had been presented in 2005 as the effect of the potential ordinary shares outstanding in respect of the convertible note payable was anti-dilutive.

10. The Board does not recommond the payment of any dividend.

Management Discussion and Analysis

The Group's revenue for the year 2006 decreased by approximately 21% to approximately HK$8.35 million. The Group's metal trading business has been tough and it accounted for about HK$5.88 million of revenue. Investments in securities yielded about HK$2.47 million dividend income but fair value changes on investments held for trading recorded a loss of about HK$21.18 million as the market has been quite volatile. Other income increased by approximately HK$1.41 million mainly because of the increase in interest income from bank deposits and loan to an investee company. Administrative expenses has dramatically decreased since no share options have been granted during the year 2006 as opposed to the year 2005. In view of the recurring losses incurred by Found Macau Investments International Limited ("Found Macau"), the Group reviewed the carrying amounts of available-for-sale investment and the loan to Found Macau based on the expected recoverable amount and had made full impairment losses on them. During the year 2006, the Group has also disposed subsidiaries of which investments mainly include the Group's jointly controlled entities and recorded a total gain of about HK$7 million. Finance costs decreased as there was no expense related to convertible notes as opposed to the year 2005. Overall, net loss for the year 2006 increased by approximately HK$10.08 million to approximately HK$61.79 million.

Looking forward, although the interest rate has stopped rising for the moment, we are still uncertain on its trend and there also have risks that the economy may experience correction in future, thus the market for the year 2007 may continue to be challenging. The Group tends to remain cautious on the performance of its securities investment operation and also its trading business.

As at 31 December 2006, the Group had cash and bank balances of approximately HK$10.20 million and investments held for trading at market value of approximately HK$136.43 million. As at 31 December 2006, the Group had no loans or borrowings outstanding. The Group employed about twenty staff as at the year end. Staff remuneration packages are normally reviewed annually. The Group operates a Mandatory Provident Fund Scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance. In addition, the Group provides other staff benefits which include double pay, share option scheme, insurance and medical benefits. Total staff costs for the year 2006 was around HK$12.05 million. No share options have been granted during the year, and as at 31 December 2006 no share options granted were outstanding. During the year, the unused net proceeds from the rights issue in 2005 has been utilized for general working capital purposes for the Group including, among other things, securities trading operations.

On 19 January 2006, the Company announced the proposed reorganization of share capital of which included consolidation of shares of the Company on the basis of consolidating 5 shares into 1 consolidated share. Details of which have been disclosed in the Company announcement dated 19 January 2006 and circular dated 7 February 2006. The proposed reorganization of the share capital was approved by shareholders on 3 March 2006 and became effective on 6 March 2006.

Subsequent to 31 December 2006, the Company entered into an underwriting agreement with a placing agent on 15 March 2007 for the placement of 100,000,000 new shares of the Company at HK$0.16 per share. On the same date, the Company also entered into placing agreements with the same placing agent on a best-efforts basis for placement of up to a maximum of 500,000,000 new shares of the Company at HK$0.16 per share and convertible notes with principal amount of not more than HK$150,000,000. Details of these placings have been disclosed in the Company's announcement dated 22 March 2007 and circular dated 11 April 2007.

Corporate Governance

The Company has, during the year ended 31 December 2006 met the code provisions set out in the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") except for the following deviations :

(a) Code provision A.2.1

The Chairman and chief executive officer of the Company is Mr. Chiu Kong. This deviates from Code Provision A.2.1 which stipulates that the roles of the Chairman and chief executive officer should be separate and should not be performed by the same individual.

Mr. Chiu Kong is primarily responsible for the leadership of the Board and overall management of the Company. The Company considers that currently vesting the roles of both Chairman and chief executive officer in the same person provides the Group with strong and consistent leadership and allows for more effective planning and execution of business strategies.

(b) Code provision A.4.1

Although non-executive directors are subject to retirement by rotation at the Company's annual general meeting as specified by the Company's bye-laws, they are not appointed for a specific term. Thus the Company has deviated from Code Provision A.4.1. The Company is currently re-considering the requirement of setting and determining the term of appointment for each non-executive director.

(c) Code provision A.4.2

Code Provision A.4.2 requires every director should be subject to retirement by rotation at least once every three years. The Company had amended the bye-laws of the Company to comply with this Code Provision at the annual general meeting of the Company on 30 June 2006.

(d) Code provision B.1.1

Code Provision B.1.1 requires setting up of the remuneration committee. The Company has deviated from the requirement and the remuneration committee has not been set up yet. The Company is still in the process of establishing a remuneration committee as more time is needed before all details including the composition and terms of reference are determined.

(e) Code provision E.1.2

Code provision E.1.2 requires the chairman of the board to attend the annual general meeting of the Company. Mr. Chiu Kong did not attend the 2006 annual general meeting as he was not in Hong Kong on that day.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its code of conduct regarding director's securities transactions. Having made specific enquiry of all directors, all directors confirmed that they had complied with the required standard set out in the Model Code during the year ended 31 December 2006.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

REVIEW BY AUDIT COMMITTEE

The 2006 annual results has been reviewed by audit committee.

By Order of the Board
WONSON INTERNATIONAL HOLDINGS LIMITED
Hui Richard Rui
Director

Hong Kong, 25 April, 2007

As at the date of this announcement, the Board comprises (i) Mr. Chiu Kong, Ms. Cheung Sze Man, Mr. Hui Richard Rui, Mr. Tang Chi Ming, and Mr. Tsui Ching Hung as executive directors; (ii) Ms. Chan Ling, Eva, Mr. Chan Sek Nin Jackey and Mr. Sin Chi Fai as independent non-executive directors.

* *For identification purpose only*