LUNG CHEONG INTERNATIONAL HOLDINGS LIMITED
龍昌國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 348)

VERY SUBSTANTIAL DISPOSAL
AND
CONNECTED TRANSACTION
IN RELATION TO
DISPOSAL OF ENTIRE INTEREST OF LUNG CHEONG (BVI) HOLDINGS LIMITED AND THE LOANS

THE DISPOSAL

The Board is pleased to announce that on 28 January 2011, the Disposal Agreement was entered into between the Company, the Purchaser and the Warrantors with regard to the disposal of (i) the Sale Shares; and (ii) the Loans by the Company for a consideration of HK$18 million in cash, subject to adjustments.

IMPLICATION OF THE LISTING RULES

As the applicable percentage ratios as calculated under Rule 14.07 of the Listing Rules exceed 75%, the Disposal constitutes a very substantial disposal for the Company under the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements.

The Purchaser is owned as to 70% by Mr. Leung, Kenneth Yuk Wai and as to 30% by Mr. Leung Chung Ming. Since Mr. Leung, Kenneth Yuk Wai is a son of Mr. Leung Lun, a substantial Shareholder and an executive Director, and Mr. Leung Chung Ming is a substantial Shareholder and an executive Director, the Purchaser is therefore a connected person of the Company. As such, the Disposal also constitutes a connected transaction of the Company under Rule 14A.13(1)(a) of the Listing Rules. Pursuant to the Listing Rules, the transaction as contemplated under the Disposal will be subject to Independent Shareholders' approval at the EGM. The Purchaser and their associates will abstain from voting in respect of the resolution approving the Disposal and the transaction contemplated thereunder.

GENERAL

The Independent Board Committee will be established to advise the Independent Shareholders on the terms of the Disposal as to whether these are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned and whether the Disposal and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole.

The Company will appoint an independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

A circular containing, among other things, (i) details of the Disposal; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders; (iii) the letter from an independent financial adviser to the Independent Board Committee and the Independent Shareholders; and (iv) the notice of the EGM, will be despatched to the Shareholders on or before 22 February 2011.

The Board is pleased to announce that on 28 January 2011, the Disposal Agreement was entered into between the Company, the Purchaser and the Warrantors with regard to the disposal of (i) the Sale Shares; and (ii) the Loans by the Company for an aggregate consideration of HK$18 million in cash, subject to adjustment.

Summarised below are the principal terms of the Disposal Agreement.

THE DISPOSAL AGREEMENT

Date

28 January 2011

Parties

(a) Vendor: the Company

(b) Purchaser: Brisk Mark Holdings Limited

(c) Warrantors: Mr. Leung, Kenneth Yuk Wai and Mr. Leung Chung Ming

Subject of the Disposal

The Sale Shares and the Loans. According to the unaudited combined financial statements of LC(BVI) as at 30 September 2010 and as if the Reorganisation had been completed on 30 September 2010, LC(BVI) and its subsidiaries would be indebted to the Remaining Group of approximately HK$282 million.

Consideration and the payment terms

The Consideration of HK$18 million (subject to adjustments) was arrived at after arm's length negotiations between the Company and the Purchaser with reference to (i) the net liabilities of the Disposal Group of approximately HK$176 million as at 30 September 2010; (ii) the impairment loss of approximately HK$78 million on the leasehold land, land and buildings held by the Disposal Group based on the preliminary valuation by an independent valuer as at 31 December 2010; (iii) the Loans of approximately HK$282 million as at 30

September 2010 to be assigned to the Purchaser; and (iv) the provision of HK$10 million to be made by the Disposal Group in relation to the reorganisation cost to be paid or provided for on or before the Completion as a result of the Reorganisation.

The Consideration shall be payable in cash to the Vendor or its nominee as at Completion in the manner as directed by the Vendor.

Adjustment to the Consideration

(a) If the Adjusted NAV is less than HK$18 million, the Consideration shall be reduced by the amount of shortfall on a dollar-to-dollar basis.

(b) If the Adjusted NAV is equal to or less than zero, the Purchaser shall have the right to rescind the Disposal Agreement by serving a written notice onto the Vendor and neither party shall have any rights or obligations against the other under the Disposal Agreement except for any antecedent breach. However, if the Purchaser does not exercise its right of rescission but complete the transactions under the Disposal Agreement, the Consideration payable by the Purchaser as at Completion shall be zero.

(c) If the Adjusted NAV is more than HK$18 million, the Consideration shall be increased by the amount of excess on a dollar-to-dollar basis.

Conditions precedent

The Disposal Agreement is conditional upon:

i. the Reorganisation having been completed;

ii. the passing of the resolution by the Independent Shareholders at the EGM to approve the entering into of Disposal Agreement and the transactions contemplated thereunder; and

iii. in relation to the transactions contemplated in the Disposal Agreement, all relevant regulatory requirements (including but not limited to those under the Listing Rules and all relevant regulatory requirements in Hong Kong) having been complied with and satisfied.

All the conditions precedent above are not capable of being waived. If the above conditions are not fulfilled within six months after the date of the Disposal Agreement or such later date as agreed between the Vendor and the Purchaser, the Disposal Agreement shall terminate with immediate effect, neither party shall have any rights or obligations against the other under the Disposal Agreement except for any antecedent breach.

Undertakings

Pursuant to the Disposal Agreement,

1. The Purchaser and the Warrantors jointly and severally undertake with the Company that:

   (a) the Purchaser shall procure the corporate guarantees provided by the Company in favour of certain financial institutions for the benefits of the Disposal Group (the "**Corporate Guarantee**") be released or discharged on or before the date on the expiry of six months after the Completion Date (or such other date as the Company and the Purchaser to be agreed); and

   (b) the Purchaser shall provide back-to-back guarantee in respect of the liabilities and obligations under the Corporate Guarantee in favour of the Company from the Completion Date up to the date of release of the Corporate Guarantees.

2. The Purchaser and the Warrantors jointly and severally undertake with the Company that each of them shall not, without the prior written consent of the Company, at any time for a term of three years after the date of the Disposal Agreement engaged or interested, whether directly or indirectly, in any capacity (whether as a director, shareholder, principal, partner, consultant, employee, independent contractor or otherwise) in the business of manufacturing of toys in Indonesia.

3. Mr. Leung Chung Ming undertakes to resign as a Director and director of the Remaining Group upon the Completion.

4. The Vendor undertakes to procure that all directors of the Disposal Group nominated by the Vendor shall resign from directorship of any member of the Disposal Group as at Completion.

Completion

Pursuant to the Disposal Agreement, the Completion shall take place within fourteen Business Days after the conditions precedent having been fulfilled or waived, (as the case may be) or at such other date as the parties may agree in writing.

REASONS FOR AND BENEFITS OF THE DISPOSAL

As mentioned in the interim report of the Company for the six months ended 30 September 2010 (the "**Interim Report**") and the annual report for the year ended 31 March 2010 ("**2010 Annual Report**"), the Group continues to face escalating wages in the area where the Group's PRC factories are located and unstable supply of migrant workers for its manufacturing plants in the PRC. The Group's profitability had been adversely affected by the high production cost which was aggravated by the strong value of RMB and weakness of the US$. On the other hand, due to the under-utilization of certain plant and equipment in the PRC manufacturing plants, impairments of approximately HK$19 million was made for the financial year of 2009/10. For the year ended 31 March 2010, the Group's turnover was approximately HK$402 million with a loss of approximately HK$175 million. The management of the Company considered that the Group's revenue did not match with the relative production and administration costs relating to its investments in the PRC manufacturing plants.

In light of the operating difficulties in the PRC and the economic uncertainties in the Group's major markets, in particular the demand for premium price electronic toys, the Group has invested in the development of lower priced innovative electronic and plastic toys by taking advantage on the plentiful labour supply and competitive labour cost in its manufacturing plants in Indonesia. As mentioned in the Interim Report and the 2010 Annual Report, the Group continues to seek diversified income source and to further reduce the Group's reliance on primary OEM income stream. The Disposal is therefore one of the Company's stated corporate strategies. Whilst the Remaining Group will remain some of the OEM business with the Company's existing customers, it will focus on the design, development, sales and marketing of its own brands of products and gradually position the Remaining Group as an OBM operator.

Given that (i) the Disposal would release the Company from future capital requirement and management resources for the Disposal Group; (ii) the high operating cost for the PRC manufacturing plants as compared to that in Indonesia; and (iii) the net liabilities position of the Disposal Group, notwithstanding that the Company will suffer an expected loss of HK$10 million as a result of the Disposal, the Directors (excluding the independent non-executive Directors who will express their view after considering the advice from the independent financial adviser) are of the view that the terms of the Disposal Agreement, including the Consideration, and transaction contemplated therein are fair and reasonable and the Disposal in the interests of Shareholders as a whole.

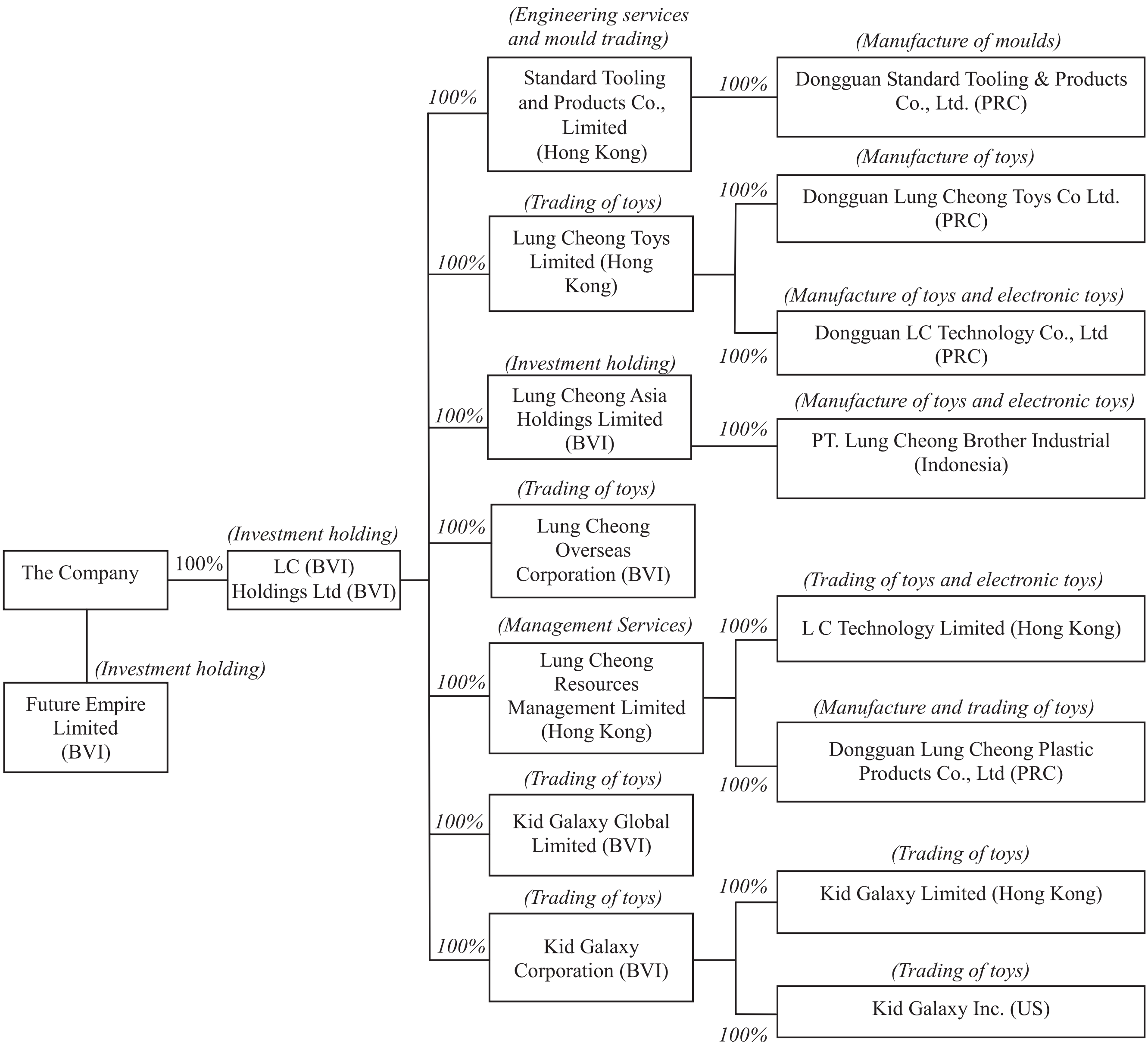
INFORMATION ON THE GROUP

The Group is principally engaged in the development, engineering, manufacture and sale of toys, moulds and materials. Its products include radio control/wireless products, electronic and plastic toys and consumer electronic products. The Group has developed over 20 proprietary brands of toys over the past ten years and the major brands are Elite Fleet, DRV, Morphibians, GoGo Auto, KG Flyer, Steel Force, World of Wheels and My First RC for sales to the North America and the European markets. The Group has also obtained the licence of the Fisher Price brand for the design, development, sales and marketing of pre-school toys mainly in the North American market for a term of two years ending on 31 December 2012. Its production is on OEM and OBM basis. The Group's production facilities are located in its two factories in Dongguan, the PRC and a factory in Indonesia.

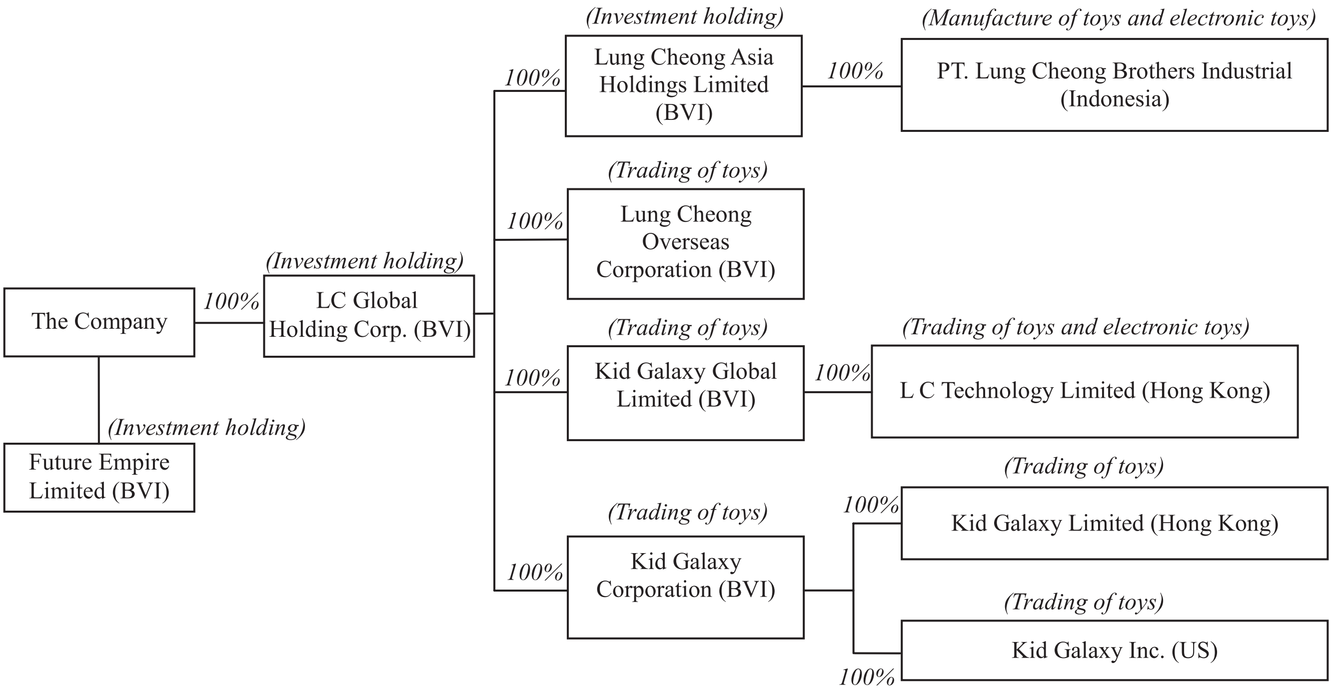
The two PRC factories together have approximately 2,900 workers as at 31 March 2010 with the capacity to produce approximately 23 million units per annum. The Indonesia factory has approximately 900 workers as at 31 March 2010 with the capacity to produce approximately 8 million units per annum. The capacity of these factories was calculated based on the conditions applicable during the financial year of 2009/10. However, due to the Group's sales decline in the financial year of 2009/10, only approximately 69% and 66% of production capacity in the respective factories were utilised.

The Group's structure as of the date this announcement and after the Completion are set out as below for illustrative purpose:

The Group as at the date of this announcement



The Remaining Group upon the Completion



Leveraging on the Group’s strengths on product design and development as well as sales and marketing which are mainly under the operations of Kid Galaxy Limited and Kid Galaxy Inc, the Remaining Group will emphasize on developing more new brands and innovative toys items with higher profit margin and further expansion on the Group’s distribution channels and customer base. As mentioned in the Annual Report 2010 Annual Report, the Group’s success in product design and development, sales and marketing of its own brands was proven by the increase sales of the Group’s own branded products in specialty stores and TV shopping channel as well as various awards obtained on its innovative designs for the year ended 31 March 2010.

The unaudited combined results of Kid Galaxy Limited and Kid Galaxy Inc. for the two years ended 31 March 2010 and the six months ended 30 September 2010 are set out as below.

	For the six months ended 30 September 2010	For the year ended 31 March	
		2010	**2009**
	(Unaudited)	**(Unaudited)**	**(Unaudited)**
	HKS’000	*HKS’000*	*HKS’000*
Revenue	50,956	76,006	80,951
Profit/(loss) before tax	2,245	(890)	(7,231)

The unaudited results of the PT. Lung Cheong Brothers Industrial that operates the Indonesia factory are set out as below:

	For the six months ended 30 September 2010	For the year ended 31 March	
		2010	**2009**
	(Unaudited)	**(Unaudited)**	**(Unaudited)**
	HKS’000	*HKS’000*	*HKS’000*
Revenue	55,249	55,643	27,368
Profit/(loss) before tax	839	3,625	(34,897)

Business model of the Remaining Group

Principal business

The Remaining Group will engage in the development, engineering, manufacture and sale of toys on OBM and OEM basis. The Remaining Group's own branded toys items will be sold in its distribution channels including department stores and specialty shops and to its customers including importers and agents. Upon completion of the Reorganisation, the Remaining Group will own all product brands developed by and licensed to the Group as set out in the paragraph headed "Information on the Group" above.

Manufacturing

The Remaining Group's manufacturing process for OBM business are either carried out by the Indonesia factory or subcontracted to the Disposal Group or other independent third parties depending on factors such as customers' decision, pricing, production capabilities to meet the designs and technical supports required for the products. Own branded products with less complexity will be carried out in the Indonesia factory whereas products with more complicated designs other than simple electronics or plastic nature and require different technical supports will be subcontracted to other factories including those operated by the Dispsoal Group. The Indonesia OEM process is handled by the Indonesia factory which manufactures labour intensive products.

Currently, approximately 10% of the Remaining Group's OBM business is being handled by the Indonesia factory with the balance of approximately 90% by the PRC factories of the Disposal Group. For a very small quantity of products, the Remaining Group has engaged an independent subcontractor for the manufacturing process. Upon Completion, the OBM process being handled by the PRC factories of the Disposal Group will be gradually taken over by the Remaining Group if its customers do not have any preference for PRC production. The major reason for customers to request for PRC production is to match the customers' product management and logistic arrangements. The management of the Company considers that the Indonesia factory, based on its current production capabilities, can handle most of the Remaining Group's OBM business. The Remaining Group will consider the expansion of the production capacity of the Indonesia factory when its existing capacity is fully utilized. In order to reduce its reliance on the Disposal Group on manufacturing requirement, the manufacturing process, which will not be handled by the Indonesia factory, will be subcontracted to independent PRC manufacturers with competitive pricing and production capabilities.

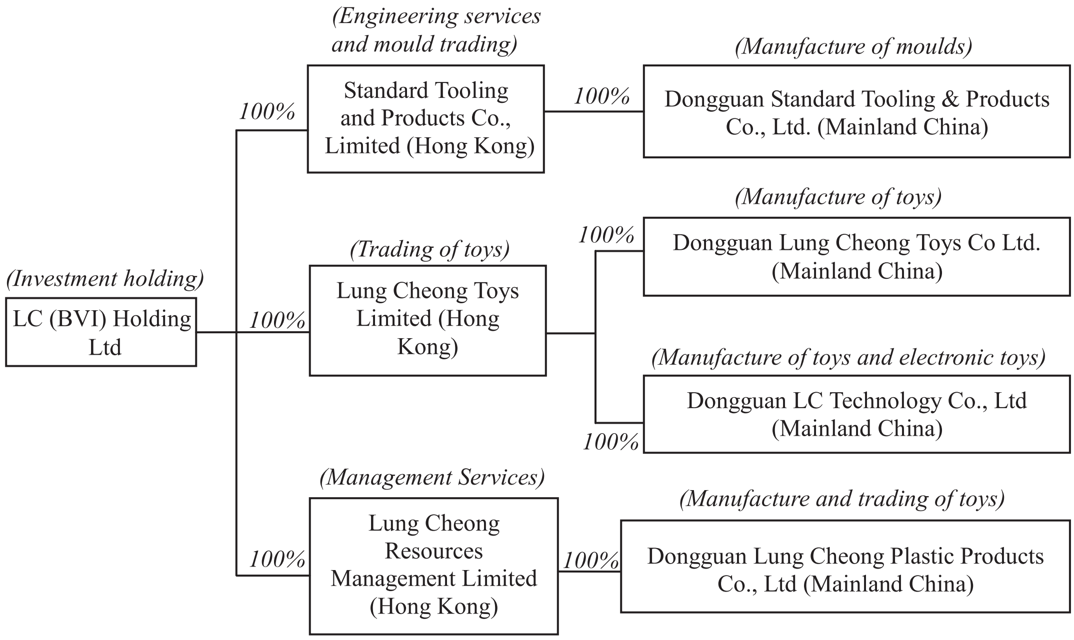
Management and staff

Operations of the Remaining Group will be managed by the existing senior management of the Group including Mr. Leung Lun (chairman of the Company and an executive Director), Mr. Wong, Andy Tze On (an executive Director) and certain senior executives in related divisions. Since the commencement of the OBM business, the Group's sales and marketing team as well as product and brand development team are independent from the Group's OEM business. All staff from the Group's sales and marketing team, the product development team and supporting staff for Indonesia OEM will stay in the Remaining Group.

INFORMATION ON THE DISPOSAL GROUP

Upon completion of the Reorganisation, the Disposal Group will continue to be engaged in the development, engineering, manufacture and sale of toys and moulds, mainly for products require more complex production procedures and require technical supports. The Disposal Group will operate the two factories in Dongguan, the PRC.

The Disposal Group



The financial highlights of the Disposal Group for two years ended 31 March 2010 and for the six months ended 30 September 2010 are set out as follows:

	For the six months ended 30 September 2010 (unaudited) *HK$'000*	For the year ended 31 March 2010 (unaudited) *HK$'000*	2009 (unaudited) *HK$'000*
Revenue	250,178	379,424	587,869
Loss before tax	69,444	82,424	250,761
Loss after tax	69,444	83,602	250,606
Net liabilities	176,386	104,639	29,962

According to the management accounts of the Disposal Group for the two years ended 31 March 2010 and the period ended 30 September 2010, approximately 58%, 95% and 96% are intra-group sales.

COMPETITION WITH AND RELIANCE ON THE DISPOSAL GROUP

Competition with the Disposal Group on OEM business

Norrnally, the Group's customers make decision on whether the production of their orders should be carried out in the Group's PRC factories or the Indonesia factory depending on a number of factors such as the pricing, product and logistic arrangement as well as production capability of these factories. Upon the Completion, the Group's existing OEM customers may place orders with the Remaining Group and request the production to be carried out in the PRC factories under the Disposal Group. The Remaining Group will subcontract the production to the Disposal Group at a price to be determined at arm's length negotiation. On the other hand, the Group's existing OEM customers which request PRC production may directly place orders with the Disposal Group.

The management of Remaining Group intends to attract the Group's existing OEM customers to allocate more OEM business from the Disposal Group to the Indonesia factory by demonstrating to the customers the benefit of plentiful supply of labour which has a lower cost in Indonesia as compared to those in the PRC, proven production capacity and management experience in the Indonesia factory in particular to, labour intensive products with bulk purchase volume. According to the experience of the management of the Company, the labour force in Indonesia can be easily trained to take over most of the labour intensive manufacturing process. Further, pursuant to the Disposal Agreement, the Purchaser and the Warrantors undertakes with the Company not to engage in the business of manufacturing of toys in Indonesia for three years after the date of the Disposal Agreement without the consent of the Company.

As mentioned in the paragraph headed "Reasons and benefit of the Disposal" above, it is the intention of the Company to focus on the design, development, sales and marketing of its own brands of products and gradually position the Remaining Group as an OBM operator. It is the Company's strategy to reduce the reliance on PRC OEM. Given the above, the Directors consider that the possible competition with the Disposal Group on OEM business, which is expected in a minimal extent, will not adversely affect the future business of the Remaining Group.

Reliance on the Disposal Group

Upon the Completion, the Disposal Group will be one of the Remaining Group's subcontractors for orders from customers who request the manufacturing process to be carried out in the Disposal Group's PRC factories. The Remaining Group's reliance on the Disposal Group on manufacturing will be on a reducing trend given (i) the Remaining Group intends to gradually move a major portion of the manufacturing process from the Disposal Group to its Indonesia factory on or before the expiry of one year from the Completion; (ii) the Remaining Group will engage other independent subcontractors for its manufacturing requirements; and (iii) the management and daily operations of the Remaining Group have been completely segregated from that of the Disposal Group.

INFORMATION ON THE PURCHASER

The Purchaser is engaged in investment holding and is owned as to 70% by Mr. Leung, Kenneth Yuk Wai and as to 30% by Mr. Leung Chung Ming. Since Mr. Leung, Kenneth Yuk Wai is a son of Mr. Leung Lun, a substantial Shareholder and an executive Director, and Mr. Leung Chung Ming is a substantial Shareholder and an executive Director, the Purchaser is therefore a connected person of the Company.

USE OF PROCEEDS

The Company intends to use the net proceeds for general working capital of the Company and to finance new projects if appropriate investment opportunity arises.

POSSIBLE FINANCIAL EFFECTS OF THE DISPOSAL

The Directors estimate that the expected loss arising from the Disposal is approximately HK$10 million, which is determined by the Consideration of HK$18 million minus the difference of (i) the Loans of approximately HK$282 million as at 30 September 2010 to be assigned to the Purchaser; and (ii) the sum of the net liabilities of the Disposal Group as at 30 September 2010 of approximately HK$176 million and the impairment loss of approximately HK$78 million on the leasehold land, land and buildings held by the Disposal Group based on the preliminary valuation by an independent valuer as at 31 December 2010. Shareholders should note that the actual loss from the Disposal may be different from the above as the then net liabilities will be different on the Completion Date.

Upon the Completion, members of the Disposal Group will cease to be subsidiaries of the Company.

IMPLICATION OF THE LISTING RULES

As certain applicable percentage ratios as calculated under Rule 14.07 of the Listing Rules exceed 75%, the Disposal constitutes a very substantial disposal for the Company under the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements.

The Purchaser is owned as to 70% by Mr. Leung, Kenneth Yuk Wai and as to 30% by Mr. Leung Chung Ming. Since Mr. Kenneth Leung Yuk Wai is a son of Mr. Leung Lun, a substantial Shareholder and an executive Director, and Mr. Leung Chung Ming is a substantial Shareholder and an executive Director, the Purchaser is therefore a connected person of the Company. As such, the transaction as contemplated under the Disposal also constitutes a connected transaction of the Company under Rule 14A.13(1)(a) of the Listing Rules. Pursuant to the Listing Rules, the Disposal will be subject to Independent Shareholders' approval at the EGM. The Purchaser and its associates will abstain from voting in respect of the resolution approving the Disposal and the transactions contemplated thereunder.

GENERAL

The Independent Board Committee comprising all independent non-executive Directors, will be established to advise the Independent Shareholders on whether the Disposal and the transactions contemplated thereunder are in the interest of the Company and the Shareholders as a whole and the terms of the Disposal are on normal commercial terms and are fair and reasonable so fas as the Independent Shareholders are concerned.

The Company will appoint an independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

A circular containing, among other things, (i) details of the Disposal; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders; (iii) the letter from an independent financial adviser to the Independent Board Committee and the Independent Shareholders; and (iv) the notice of the EGM, will be despatched to the Shareholders on or before 22 February 2011.

DEFINITIONS

In this announcement, unless context otherwise requires, the following terms have the following meanings:

"Adjusted NAV"	the adjusted net asset value (being the amount after the add back of the amount of the Loans to the net liabilities of the Disposal Group) as shown in the Completion Accounts
"Board"	the board of Directors
"Business Day"	a day (other than Saturday, Sunday or Public holidays) on which banks are open for general banking in Hong Kong
"BVI"	the British Virgin Islands
"Company" or the "Vendor"	Lung Cheong International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the main board of the Stock Exchange
"Completion"	completion of the Disposal
"Completion Accounts"	the unaudited pro forma consolidated accounts of the Disposal Group (including the statement of comprehensive income and the balance sheet) for the period from 1 October 2010 to the date falling on the last date of the calendar month immediately before the Completion Date
"Completion Date"	the date of the Completion
"connected person"	has the same meaning as defined in the Listing Rules
"Consideration"	the total consideration of HK$18 million, subject to adjustment, payable in cash by the Purchaser to the Company in respect of the Disposal pursuant to the Disposal Agreement
"Director(s)"	the director(s) of the Company
"Disposal"	the disposal of the Sale Shares and the Loans by the Company to the Purchaser pursuant to the Disposal Agreement
"Disposal Agreement"	the sale and purchase agreement dated 28 January 2011 entered into among the Purchaser, the Company Mr. Leung, Kenneth Yuk Wai and Mr. Leung Chung Ming in respect of the Disposal
"Disposal Group"	LC(BVI) and its subsidiaries (after completion of the Reorganisation)
"EGM"	the extraordinary general meeting of the Company for the purpose of approving, inter alia, the Disposal

“Group”	the Company and its subsidiaries as at the date of this announcement
“Independent Board Committee”	the independent board committee of the Company to be established and will comprise all the independent non-executive Directors for the purpose of advising the Independent Shareholders in relation to the Disposal Agreement and the transactions contemplated thereunder
“Independent Shareholders”	Shareholders other than the Purchaser and its associates
“Indonesia”	the Republic of Indonesia
“Indonesia OEM “	the OEM process being handled by the Group’s factory in Indonesia and will be under the operation of the Remaining Group upon the Completion
“LC(BVI)”	Lung Cheong (BVI) Holdings Limited, being a wholly- owned subsidiary of the Company as at the date of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loans”	any loans owing by LC(BVI) or any other member of the Disposal Group to the Company and/or the Remaining Group as shown in the Completion Accounts
“OBM”	Original Brand Manufacturing
“OEM”	Original Equipment Manufacturing
“PRC”	the People’s Republic of China, excluding Hong Kong, Macau and Taiwan
“PRC OEM”	the OEM process being handled by the Group’s factories in the PRC and will be under the operation of the Disposal Group upon the Completion
“Purchaser”	Brisk Mark Holdings Limited (BVI), a company incorporated in the British Virgin Islands with limited liability and is owned as to 70% by Mr. Leung, Kenneth Yuk Wai and 30% by Mr. Leung Chung Ming
“Remaining Group”	the Group excluding the Disposal Group
“Reorganisation”	the proposed reorganisation of the Group to be undertaken by the Company for the purpose of Completion
“Sale Shares”	comprising 130,660 ordinary shares of US$1.00 par value each in the share capital of LC(BVI) and representing the entire issued share capital of LC(BVI)
“Share(s)”	ordinary share(s) of HK$0.1 each in the issued share capital of the Company

"Shareholder(s)"	holder(s) of Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"US"	United States of America
"Warrantors"	Mr. Leung, Kenneth Yuk Wai and Mr. Leung Chung Ming
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"RMB"	Renminbi, the lawful currency of PRC
"US$"	United State dollars, the lawful currency of the United States of America
"%"	percentage

By order of the Board
Lung Cheong International Holdings Limited
Wong, Andy Tze On
Executive Director

Hong Kong, 28 January 2011

As at the date of this announcement, the executive Directors are Mr. Leung Lun, Mr. Leung Chung Ming, Mr. Wong, Andy Tze On and the independent non-executive Directors are Mr. Ye Tian Liu, Mr. Wong Lam, O.B.E., J.P. and Mr. Lai Yun Hung.