

Principal Subsidiaries and Associated Companies

Note	Principal subsidiaries	Place of incorporation and operation	Issued and fully paid share capital	Percentage of equity held by the Company	Principal activities
	Held directly				
(1)	Li & Fung (B.V.I.) Limited	British Virgin Islands	Ordinary US\$400,010	100	Marketing services and investment holding
(2)	Li & Fung Trading (Shanghai) Limited	The People's Republic of China	RMB50,000,000	100 foreign-owned enterprise	Export trading
	Held indirectly				
	Albinina Limited	Hong Kong	Ordinary HK\$20	100	Property investment
(2)	Appleton Holdings Ltd.	British Virgin Islands	Ordinary US\$1	100	Investment holding
	Basic & More Fashion Limited	Hong Kong	Ordinary HK\$1,000,000	100	Export trading
(2)	Black Cat Fireworks Limited	England	Ordinary GBP1,200,000	100	Wholesaling
	BMB Apparel (Hong Kong) Limited	Hong Kong	Ordinary HK\$1	100	Export trading
(2)	BMB Apparel Limited	England	Ordinary GBP1	100	Export trading
(2)	Briefly Stated Holdings, Inc.	U.S.A.	Common stock US\$1,000	100	Investment holding
(2)	Briefly Stated Inc.	U.S.A.	Common stock US\$3,000	100	Wholesaling
	Brilliant Textile Far East Limited	Hong Kong	Ordinary HK\$1	100	Export trading
	BS Direct Limited (Formerly: Lloyd Manufacturing Limited)	Hong Kong	Ordinary HK\$2	100	Export trading
	Camberley Enterprises Limited	Hong Kong	Ordinary HK\$250,000	100	Apparel exporting
(2)	Camberley Tekstil ve Dis Ticaret Limited Sirketi (Formerly: Colby Tekstil ve Dis Ticaret Limited Sirketi)	Turkey	YTL50,000	100	Export trading
	Character Direct Limited	Hong Kong	Ordinary HK\$2	100	Design and marketing
	Civati Limited	Hong Kong	Ordinary US\$450,000	100	Export trading
	Clear Lake Group Limited	Hong Kong	Ordinary HK\$2	100	Property investment
(2)	Colby Group Holdings Limited	British Virgin Islands	Ordinary US\$45,000	100	Investment holding
(2)	Colby Property Holdings Limited	British Virgin Islands	Ordinary US\$1	100	Investment holding
(2)	Comet Feuerwerk GmbH	Germany	Euro 1,000,000	100	Fireworks wholesaling
	Costume Limited	Hong Kong	Ordinary HK\$2	100	Export trading
	Craftworks Limited	Hong Kong	Ordinary HK\$1	100	Export trading
	Dodwell (Mauritius) Limited	Hong Kong	Ordinary "A" HK\$300,000 Ordinary "B" HK\$200,000	60	Export trading
	Eaglefame Investments Limited	Hong Kong	Ordinary HK\$1	100	Property Investment
(2)	Eclat Properties Inc.	British Virgin Islands	Ordinary US\$100	100	Property investment
(2)	Empire Knight Group Limited	British Virgin Islands	Ordinary US\$1	100	Property investment
	Eurosports Trading Limited	Hong Kong	Ordinary HK\$2	100	Export trading

Principal Subsidiaries and Associated Companies (continued)

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	Forrestgrove Limited	Hong Kong	Ordinary HK\$20	100	Export trading
(2)	Golden Gate Fireworks Inc.	U.S.A.	Common stock US\$600,000	100	Commission agent and investment holding
(2)	Golden Horn (III) L. P.	Cayman Islands	Capital contribution US\$100	66	Investment holding
	Golden Horn N.V.	Netherlands Antilles	US\$6,100	100	Investment holding
(2)	GB Apparel Limited	England	Ordinary GBP1,000	100	Investment holding
	GSCM (HK) Limited	Hong Kong	Ordinary HK\$140,000	100	Export trading
	Hillung Enterprises Limited	Hong Kong	Ordinary HK\$300,000	100	Export trading
	Homeworks Asia Limited	Hong Kong	Ordinary HK\$2	100	Export trading
(2)	Homeworks (Europe) B.V.	The Netherlands	Ordinary Euro 18,000	100	Export trading
	Interfocus Holdings Limited	British Virgin Islands	Ordinary US\$1	100	Property investment
(2)	International Sources, Inc.	U.S.A.	Common Stock US\$1	100	Trading of apparel
	International Sources Trading Limited	Hong Kong	Ordinary HK\$2	100	Export trading
	Kariya Industries Limited	Hong Kong	Ordinary HK\$1,000,000	100	Manufacturing and trading
	Kingsbury International Limited	Hong Kong	Ordinary HK\$2	100	Export trading
	Kwok Yue Limited	Hong Kong	Ordinary HK\$10,000	100	Export trading
	La Villa Development Limited	Hong Kong	Ordinary HK\$1	100	Export trading
(2)	LDL (Korea) Limited	Korea	Common stock Won 50,000,000	100	Export trading
(2)	LF Capital (II) Limited	British Virgin Islands	Class "A" US\$185 Class "B" US\$115	75	Investment holding
(2)	LF Capital Management Limited	British Virgin Islands	Ordinary US\$1	100	Investment management
(2)	LF Corporate Capital (I) Limited	British Virgin Islands	Ordinary US\$1	100	Investment holding
(2)	LF Europe Investment Services Limited (formerly: LF Europe Limited)	British Virgin Islands	Ordinary US\$1	100	Investment management
(2)	LF European Capital Limited	British Virgin Islands	Ordinary US\$1	75	Investment holding
(2)	LF International Inc.	U.S.A.	Common stock US\$30,002	100	Investment management
(2)	LFCF Investment I (Europe) Limited	British Virgin Islands	Ordinary US\$1	100	Investment management
(2)	LFCF Investment I (USA) Limited	British Virgin Islands	Ordinary US\$1	100	Investment management
(2)	Li & Fung Agencia de Compras em Portugal, Limitada	Portugal	Euro 99,760	100	Export trading
	Li & Fung Development Limited	Hong Kong	Ordinary HK\$20	100	Property investment

Principal Subsidiaries and Associated Companies (continued)

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(2)	Li & Fung Enterprise Development (Shenzhen) Company Limited	The People's Republic of China	HK\$10,000,000	100 foreign-owned enterprise	Provision of inspection services
	Li & Fung (Europe) Holding Limited	England	Ordinary GBP 100	100	Investment holding
	Li & Fung (Exports) Limited	Hong Kong	Ordinary HK\$10,000 Non-voting deferred HK\$8,600,000	100	Export trading
	Li & Fung (Fashion Accessories) Limited	Hong Kong	Ordinary "A" HK\$300,000 Ordinary "B" HK\$300,000	100	Export trading
(2)	Li & Fung (Guatemala) S.A.	Guatemala	Common shares Q5,000	100	Export trading
(2)	Li & Fung (Honduras) Limited	Honduras	Nominative common shares Lps25,000	100	Export trading
(2)	Li & Fung (India) Private Limited	India	Equity shares Rupee 64,000,200	100	Export trading
(2)	Li & Fung (Korea) Limited	Korea	Common stock Won 200,000,000	100	Export trading
(2)	Li & Fung (Mauritius) Limited	Mauritius	"A" Shares Rupees 750,000 "B" Shares Rupees 500,000	60	Export trading
(2)	Li & Fung Mumessillik Pazarlama Limited Sirketi	Turkey	YTL745,000	100	Export trading
(2)	Li & Fung (Nicaragua), Sociedad Anonima	Nicaragua	Nominative shares C\$50,000	100	Export trading
(2)	Li & Fung (Philippines) Inc.	The Philippines	Peso 500,000	100	Export trading
(2)	Li & Fung (Portugal) Limited	England	Ordinary GBP 100	100	Investment holding
	Li & Fung (Properties) Limited	Hong Kong	Ordinary HK\$1,000,000	100	Property investment
(2)	Li & Fung (Singapore) Pte Limited	Singapore	Ordinary S\$25,000	100	Export trading
(2)	Li & Fung South Africa (Proprietary) Limited	South Africa	Ordinary Rand 100	100	Export trading
(2)	Li & Fung Taiwan Holdings Limited	Taiwan	NT\$287,996,000	100	Investment holding
	Li & Fung Taiwan Investments Limited	British Virgin Islands	Ordinary US\$4,912,180	100	Investment holding
(2)	Li & Fung (Taiwan) Limited	Taiwan	NT\$63,000,000	100	Export trading
(2)	Li & Fung (Thailand) Limited	Thailand	Baht 8,000,000	100	Export trading
	Li & Fung (Trading) Limited	Hong Kong	Ordinary HK\$200 Non-voting deferred HK\$10,000,000	100	Export trading and investment holding
(2)	Li & Fung Trading Consulting (Shanghai) Company Limited	The People's Republic of China	US\$6,000,000	100 foreign-owned enterprise	Export trading

Principal Subsidiaries and Associated Companies (continued)

Note	Principal subsidiaries	Place of incorporation and operation	Issued and fully paid share capital	Percentage of equity held by the Company	Principal activities
(2)	Li & Fung (Zhanjiang) Limited	The People's Republic of China	US\$1,999,055	100 foreign-owned enterprise	Packaging
	Lifung DistriCenters Trading Limited	Hong Kong	Ordinary HK\$1,000,000	100	Property investment
	Lifung Express Limited	Hong Kong	Ordinary "A" HK\$10 Ordinary "B" HK\$10	100	Export trading
(2)	Livring Limited	Mauritius	Ordinary Rs250,000	60	Export trading
	Lloyd Textile Trading Limited	Hong Kong	Ordinary HK\$1,000,000	100	Export trading
	Luma Trading Limited	Hong Kong	Ordinary HK\$100	60	Export trading
	Lux Plush Enterprises Limited	Hong Kong	Ordinary HK\$250,000	100	Export trading
	Maclaine Limited	Hong Kong	Ordinary HK\$5,570,150	100	Export trading
(2)	Mercury (BVI) Holdings Limited	British Virgin Islands	Ordinary US\$1	100	Investment holding
(2)	Mighty Hurricane Holdings Inc.	U.S.A.	Common shares of US\$100	100	Importer
(2)	Momentum Clothing (HK) Limited	Hong Kong	Ordinary HK\$2	100	Export trading
(2)	Momentum Clothing Limited	England	Ordinary GBP100	100	Export trading
	Ocean Choice Properties Limited	British Virgin Islands	Ordinary US\$1	100	Property investment
	Paco Trading (International) Limited	Hong Kong	Ordinary HK\$2	100	Export trading
(2)	Perfect Trading Inc.	Egypt	LE 2,480,000	60	Export trading
(2)	Prodimpor SAS	France	Euro 3,030,303	100	Wholesaling
	Product Development Partners Limited	Hong Kong	Ordinary HK\$2	100	Export trading
(2)	PromOcean GmbH	Germany	Euro 25,570	100	Wholesaling
(2)	PromOcean No 1 Limited	England	Ordinary GBP1	100	Investment holding
(2)	PromOcean Polska SP. Z O.O.	Poland	50,000 zl	100	Wholesaling
(2)	PromOcean Spain SL	Spain	Euro 3,005.06	100	Wholesaling
(2)	PromOcean The Netherlands B.V.	The Netherlands	Ordinary Euro 39,379.5	100	Wholesaling
(2)	PromOcean UK Limited	England	Ordinary GBP1	100	Wholesaling
(2)	PromOcean Werbeartikel GmbH	Austria	Euro 70,000	100	Wholesaling
(2)	P.T. Lifung Indonesia	Indonesia	US\$250,000	100	Export trading
(2)	Ralsey Group Limited	U.S.A.	Common stock US\$100	100	Importer
(2)	Ratners Enterprises Limited	British Virgin Islands	Ordinary US\$1	100	Investment holding
	Shiu Fung Fireworks Company Limited	Hong Kong	Ordinary "A" HK\$1,100,000 Ordinary "B" HK\$1,100,000	100	Export trading
	Sky Million International Limited	Hong Kong	Ordinary HK\$2	100	Property investment
	South China International Industries Limited	Hong Kong	Ordinary HK\$1	100	Export trading
(2)	Tantallon Enterprises Limited	British Virgin Islands	Ordinary US\$1	100	Investment holding

Principal Subsidiaries and Associated Companies (continued)

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(2)	Texnorte II-Industrias Texteis, Limitada	Portugal	Quotas Euro 5,000	100	Export trading
	Texnorte Industrial Limited	Hong Kong	Ordinary HK\$2	100	Export trading
(2)	The Millwork Trading Co., Ltd	U.S.A.	Common stock US\$1,331,000 9.5% Preferred Stock US\$0.17	100	Distribution and wholesaling
	Toy Island Manufacturing Company Limited	Hong Kong	Ordinary HK\$62,000,000	100	Design and marketing
(2)	Toy Island (U.S.A.) Inc.	U.S.A.	Common stock US\$100	100	Marketing
	Ultimate Quest Limited	Hong Kong	Ordinary HK\$2	100	Property Investment
	Verity Enterprises Limited	Hong Kong	Ordinary HK\$2,000,000	100	Export trading
	W S Trading Limited	Hong Kong	Ordinary HK\$1,000,000	100	Export trading
<i>Notes:</i>					
(1)	Li & Fung (B.V.I.) Limited provides the subsidiaries with promotional and marketing services outside Hong Kong.				
(2)	Subsidiaries not audited by PricewaterhouseCoopers, Hong Kong. The aggregate net assets of subsidiaries not audited by PricewaterhouseCoopers, Hong Kong amounted to approximately 5% of the Group's total net assets.				

The above table lists out the principal subsidiaries of the Company as at 31 December 2005 which, in the opinion of the directors, principally affected the results for the year or form a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Principal Subsidiaries and Associated Companies (continued)

	Place of incorporation and operation	Issued and fully paid share capital	Percentage of equity indirectly held by the Company	Principal activities
Principal associated companies				
# Asia Direct Corporation	U.S.A.	Common stock US\$1,000,000	40	Distribution and wholesaling
Asia Direct Trading Limited	Hong Kong	Ordinary HK\$1,000	40	Export trading
# Asia Directo Limited	British Virgin Islands	Ordinary US\$50,000	40	Investment holding
Blue Work Trading Company Limited	Hong Kong	Ordinary HK\$4,000,000	50	Export trading
# Fireworks Management, Inc.	U.S.A.	Common stock US\$60,000	25	Investment holding
# Gulf Coast Fireworks Sales, L.L.C.	U.S.A.	Capital contribution US\$2,325,262	30	Fireworks distribution
# Kosiuko International Limited	British Virgin Islands	Ordinary US\$50,000	30	Investment holding
# LF Basic Europe S.r.l.	Italy	Euro 10,329	50	Export trading
LF Basic Limited	Hong Kong	Ordinary HK\$1,560,000	50	Export trading
# MBC Enterprises, Inc.	U.S.A.	Common stock US\$1,500	25	Retailing
# Winco Fireworks International, L.L.C.	U.S.A.	Capital contribution US\$4,727,536	30	Wholesaling
# The associated companies are not audited by PricewaterhouseCoopers, Hong Kong.				

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