SAME TIME HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)
(Stock code: 451)
(the "Company")

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2010

The Board of Directors of Same Time Holdings Limited (the "Company") announces the consolidated results of the Company and its subsidiaries (together, the "Group") for the year ended 31 March 2010, with comparative figures for the previous year as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 March 2010

	Note	**2010** *HK$*	2009 *HK$*
Revenue	3	**931,579,923**	1,111,631,949
Cost of sales		**(818,258,787)**	(945,058,617)
Gross profit		**113,321,136**	166,573,332
Other operating income	4	**8,441,719**	4,412,110
Distribution and marketing costs		**(17,965,461)**	(20,007,998)
Administrative expenses		**(86,192,791)**	(93,791,528)
Other operating expenses		**(13,280,938)**	(5,164,346)
Impairment loss on property, plant and equipment	5	**(21,005,900)**	–
Operating (loss)/profit	6	**(16,682,235)**	52,021,570
Finance income		**216,269**	158,084
Finance costs	7	**(21,217,990)**	(16,288,705)
(Loss)/profit before income tax		**(37,683,956)**	35,890,949
Income tax expense	8	**(9,013,929)**	(12,725,698)
(Loss)/profit attributable to shareholders		**(46,697,885)**	23,165,251
Other comprehensive income for the year, net of tax			
Currency translation differences		**2,257,086**	23,153,584
Total comprehensive income attributable to shareholders		**(44,440,799)**	46,318,835
(Loss)/earnings per share (basic and diluted) for (loss)/profit attributable to shareholders	10	**(82.0 cents)**	40.7 cents

CONSOLIDATED BALANCE SHEET
As at 31 March 2010

	Note	**2010** **HK$**	2009 *HK$*
ASSETS			
Non-current assets			
Property, plant and equipment		**844,617,758**	814,192,685
Leasehold land and land use rights		**31,483,818**	24,675,999
Investment property		**317,178**	326,572
Other non-current asset		**350,000**	350,000
		876,768,754	839,545,256
Current assets			
Inventories		**120,786,880**	110,289,841
Trade and other receivables	11	**217,316,803**	158,748,797
Derivative financial assets		**–**	1,426,036
Pledged bank deposits	14	**70,733,013**	–
Cash at banks and in hand		**71,857,684**	52,747,732
		480,694,380	323,212,406
Total assets		**1,357,463,134**	1,162,757,662
EQUITY			
Capital and reserves			
Share capital		**5,691,852**	5,691,852
Reserves		**379,347,939**	423,788,738
Total equity		**385,039,791**	429,480,590
LIABILITIES			
Non-current liabilities			
Borrowings	13	**165,368,632**	136,383,917
Deferred income tax liabilities		**6,649,331**	7,180,213
Deferred income		**9,611,980**	9,783,367
		181,629,943	153,347,497

	Note	2010 HK$	2009 HK$
Current liabilities			
Trade and other payables	12	**356,827,792**	312,719,436
Derivative financial liabilities		**98,747**	823,214
Borrowings	13	**393,896,515**	219,805,246
Current income tax liabilities		**39,970,346**	46,581,679
		790,793,400	579,929,575
Total liabilities		**972,423,343**	733,277,072
Total equity and liabilities		**1,357,463,134**	1,162,757,662
Net current liabilities		**310,099,020**	256,717,169
Total assets less current liabilities		**566,669,734**	582,828,087

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants. They have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

As at 31 March 2010, the Group had net current liabilities of approximately HK$310 million. Details of the Group's available banking facilities, the utilisation and the net book amount of assets pledged for such facilities as at 31 March 2010 are set out in note 14 below.

The Group meets its day to day working capital requirements, capital expenditure and financing obligations through cash inflow from operating activities and facilities obtained from banks. As at 31 March 2010, the Group breached the financial covenant requirements of certain banking facilities (note 13). The total facilities from these relevant banks were approximately HK$168 million of which approximately HK$117 million was utilised as at 31 March 2010. Subsequent to 31 March 2010, management initiated the repayment of bank loans amounting to approximately HK$13 million from two relevant banks out of the above outstanding bank borrowings of HK$117 million. Besides, management maintains continuous communication with the Group's principal banks on the renewal of existing banking facilities and grant of additional banking facilities. Up to the current date, a relevant principal bank granted a waiver from strict compliance of the financial covenant requirements of its banking facilities amounting to approximately HK$75 million as at 31 March 2010. Furthermore, this bank and another relevant principal bank renewed their banking facilities in July 2010 with an aggregate amount of approximately HK$98.5 million although similar financial covenant requirements are imposed on such banking facilities. In addition, none of these relevant principal banks have initiated withdrawal of the banking facilities or requested early repayment of the utilised facilities. Alternative plans have also been developed to respond to any changes in facilities available from principal banks.

Management also monitors closely the Group's financial performance and liquidity position and executes measures to improve the Group's cash flows. These measures include cessation of business with poor performance and disposal of the related property, plant and equipment, proactive discussion with customers for a better profit margin, development of business from new customers and implementation of other cost control measures.

The directors have reviewed the Group's profit and cash flow projections prepared based on the assumption that the existing banking facilities of the Group will continue to be available or can be replaced by new facilities. The directors consider that, based on the renewed banking facilities up to the date of approval of these financial statements, the ongoing support from principal banks and existing and new customers and baring any unforeseen adverse changes to the operations and financial performance of the Group such as substantial increase in material and labour costs and appreciation of Renminbi, the Group should be able to generate sufficient cash flows to cover its operating costs and to meet its financial obligations as and when they fall due. Accordingly, the directors are of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis.

2. ACCOUNTING POLICIES

Except as described below, the accounting policies adopted are consistent with those adopted and as described in the annual financial statements for the year ended 31 March 2009.

The Group has adopted the following new or revised standards, amendments and interpretation ("new and revised HKFRSs") which are mandatory for the accounting periods beginning on 1 April 2009:

HKAS 1 (Revised)	Presentation of financial statements
HKAS 23 (Revised)	Borrowing costs
HKAS 32 and HKAS 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation
HKFRS 1 and HKAS 27 (Amendments)	Cost of an investment in a subsidiary, jointly controlled entity or associate
HKFRS 2 (Amendment)	Share-based payment – vesting conditions and cancellations
HKFRS 7 (Amendment)	Improving disclosures about financial instruments
HKFRS 8	Operating segments
HK(IFRIC) – Int 9 and HKAS 39 (Amendments)	Embedded derivatives
HK(IFRIC) – Int 13	Customer loyalty programmes
HK(IFRIC) – Int 15	Agreements for the construction of real estate
HK(IFRIC) – Int 16	Hedges at a net investment in a foreign operation
HK(IFRIC) – Int 18	Transfers of assets from customers
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008, except for the amendment to HKFRS 5 that is effective for annual periods beginning on or after 1 July 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendment to paragraph 80 of HKAS 39

The adoption of the above new and revised HKFRSs does not have any significant impacts on the financial statements of the Group for the current or prior accounting periods except for the impact as described below.

HKAS 1 (Revised), "Presentation of financial statements"

HKAS 1 (Revised) has introduced a number of terminology changes, including revised titles for the consolidated financial statements, and has resulted in a number of changes in presentation and disclosure. However, HKAS 1 (Revised) has had no impact on the results reported in the consolidated financial statements of the Group.

HKFRS 7 (Amendment), "Improving disclosures about financial instruments"

HKFRS 7 (Amendment) requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. The consolidated financial statements have been prepared under the revised disclosure requirements.

HKFRS 8, "Operating segments"

HKFRS 8 is a disclosure standard that requires the identification of operating segments to be performed on the same basis as financial information that is reported internally for the purpose of allocating resources between segments and assessing their performance. The predecessor standard, HKAS 14 "Segment reporting", required the identification of two sets of segments (business and geographical) using a risks and returns approach. In the past, the Group's primary reporting format was business segments. The application of HKFRS 8 has not resulted in a redesignation of the Group's reportable segments as compared with the primary reportable segments determined in accordance with HKAS 14 *(note 3)*.

The Group has not applied any new and revised standards, amendments and interpretations to existing standards which are not yet effective for the accounting period on 1 April 2009.

3. REVENUE AND SEGMENT INFORMATION

(a) Application of HKFRS 8 "Operating segments"

The Group has adopted HKFRS 8 "Operating segments" for the current year. HKFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision-maker in order to allocate resources to segments and to assess their performance. In contrast, the predecessor standard, HKAS 14 "Segment reporting", required an entity to identify two sets of segments (business and geographical) using a risks and returns approach, with the entity's "system of internal financial reporting to key management personnel" serving only as the starting point for the identification of such segments.

In the past, the Group's primary reporting format was business segments. The application of HKFRS 8 has not resulted in a redesignation of the Group's reportable segments as compared with the primary reportable segments determined in accordance with HKAS 14, nor has the adoption of HKFRS 8 changed the basis of measurement of segment profit or loss. The Group's reportable segments under HKFRS 8 are therefore identical to the business segments under HKAS 14, namely:

Electronic products	–	manufacturing and selling of consumer electronic products
Printed circuit boards	–	manufacturing and selling of printed circuit boards

(b) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the chief operating decision-maker monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Revenue, which is also the Group's turnover, and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments. All corporate general income and corporate general administrative expenses are allocated to unallocated income and unallocated costs respectively.

Segment assets consist primarily of property, plant and equipment, leasehold land and land use rights, receivables and operating cash and exclude investment property, leasehold land and buildings held at corporate office. Segment liabilities comprise operating liabilities and borrowings and exclude current income tax liabilities and deferred income tax liabilities.

A segment analysis of the revenue and results for the year is as follows:

	2010		
	Electronic products	**Printed circuit boards**	**Group**
	HK$	*HK$*	*HK$*
Revenue	**29,336,065**	**902,243,858**	**931,579,923**
Segment results	**(40,347,559)**	**31,339,238**	**(9,008,321)**
Unallocated income			**1,485,757**
Unallocated costs			**(9,159,671)**
Operating loss			**(16,682,235)**
Finance income	**4,042**	**212,227**	**216,269**
Finance costs	**(143,523)**	**(21,074,467)**	**(21,217,990)**
Loss before income tax			**(37,683,956)**
Income tax expense	**(3,967,044)**	**(5,046,885)**	**(9,013,929)**
Loss attributable to shareholders			**(46,697,885)**
Bad debts written off	**230,522**	**2,442,226**	**2,672,748**
Clawing back of value added tax ("VAT") and customs duties on imported equipment previously waived and inventories upon cessation of electronic products business	**8,555,376**	**–**	**8,555,376**
Depreciation and amortisation	**5,121,029**	**91,662,912**	**96,783,941**
Impairment loss on slow moving and obsolete inventories	**852,052**	**752,352**	**1,604,404**
Impairment loss on property, plant and equipment	**21,005,900**	**–**	**21,005,900**
Net unrealised loss on derivatives, included in net gain on derivatives of HK$1,270,501 *(note 4)*	**–**	**701,569**	**701,569**
Provision for employee redundancy costs	**1,138,682**	**–**	**1,138,682**

	2009		
	Electronic Products	Printed circuit boards	Group
	HK$	*HK$*	*HK$*
Revenue	91,262,087	1,020,369,862	1,111,631,949
Segment results	(1,752,544)	62,558,604	60,806,060
Unallocated income			1,613,315
Unallocated costs			(10,397,805)
Operating profit			52,021,570
Finance income	18,422	139,662	158,084
Finance costs	(245,625)	(16,043,080)	(16,288,705)
Profit before income tax			35,890,949
Income tax expense	(470,962)	(12,254,736)	(12,725,698)
Profit attributable to shareholders			23,165,251
Bad debts written off	61,500	4,190,147	4,251,647
Depreciation and amortisation	4,982,847	63,494,212	68,477,059
Impairment loss on slow moving and obsolete inventories	–	542,611	542,611
Net unrealised gain on derivatives, included in net gain on derivatives of HK$1,164,750 *(note 4)*	–	6,489,011	6,489,011

A segmental analysis of total assets and total liabilities is as follows:

	31 March 2010		
	Electronic products	**Printed circuit boards**	**Group**
	HK$	***HK$***	***HK$***
Total segment assets	**11,468,216**	**1,331,712,836**	**1,343,181,052**
Investment property			**317,178**
Leasehold land and buildings			**12,647,956**
Unallocated corporate assets			**1,316,948**
Total assets			**1,357,463,134**
Total assets include:			
Addition to non-current assets (other than financial instruments)	**525,168**	**152,910,781**	**153,435,949**
Total segment liabilities	**25,239,078**	**898,459,593**	**923,698,671**
Derivative financial liabilities	**–**	**98,747**	**98,747**
Current income tax liabilities			**39,970,346**
Deferred income tax liabilities			**6,649,331**
Unallocated corporate liabilities			**2,006,248**
Total liabilities			**972,423,343**

	31 March 2009		
	Electronic products	Printed circuit boards	Group
	HK$	*HK$*	*HK$*
Total segment assets	56,623,325	1,089,579,138	1,146,202,463
Derivative financial assets	–	1,426,036	1,426,036
Investment property			326,572
Leasehold land and buildings			13,055,735
Unallocated corporate assets			1,746,856
Total assets			1,162,757,662
Total assets include:			
Addition to non-current assets (other than financial instruments)	6,404,935	319,774,099	326,179,034
Total segment liabilities	14,758,250	661,693,961	676,452,211
Derivative financial liabilities	–	823,214	823,214
Current income tax liabilities			46,581,679
Deferred income tax liabilities			7,180,213
Unallocated corporate liabilities			2,239,755
Total liabilities			733,277,072

(c) Geographical information

The Group's operations are principally located in Hong Kong, Macao and Mainland China. The revenue from external customers in Hong Kong, Macao and Mainland China for year ended 31 March 2010 is HK$591,963,369 (2009: HK$745,385,100), and the total of its revenue from external customers in other countries is HK$339,616,554 (2009: HK$366,246,849).

At 31 March 2010 and 2009, all of the non-current assets are located in Hong Kong, Macao and Mainland China.

(d) Information about major customers

For the year ended 31 March 2010, revenues of HK$100,822,085 (2009: HK$127,021,831) are derived from a single external customer. These revenues are attributable to the printed circuit board products.

4. OTHER OPERATING INCOME

	2010	2009
	HK$	*HK$*
Amortisation of deferred income on government grants	**204,313**	419,105
Claims from customers for cancelled orders	**748,306**	–
Gain on disposal of property, plant and equipment	**–**	231,398
Government subsidies	**1,666,056**	–
Net gain on derivatives *(note 3)*	**1,270,501**	1,164,750
Rental income	**168,000**	168,000
Sale of manufacturing by-products	**3,733,530**	1,834,770
Sundries	**651,013**	594,087
	8,441,719	4,412,110

5. IMPAIRMENT LOSS ON PROPERTY, PLANT AND EQUIPMENT

During the year ended 31 March 2010, the management of the Group plans to cease the production of two subsidiaries in Mainland China, included in the electronic products segment, in the coming year. The directors conducted a review of the Group's property, plant and equipment and estimated that a number of those assets were impaired, on the basis that the recoverable amount is below its carrying value, by HK$21,005,900. The recoverable amounts of such property, plant and equipment have been determined based on its fair value less costs to sell. The fair value is determined based on current prices in active markets for similar assets in the same conditions.

6. OPERATING (LOSS)/PROFIT

	2010	2009
	HK$	*HK$*
Operating (loss)/profit is stated after charging the following:		
Auditor's remuneration		
– Provision for current year	**1,150,000**	1,060,000
– Under-provision in prior years	**–**	80,000
Amortisation of leasehold land and land use rights	**616,370**	403,171
Bad debts written off *(Note)*	**2,672,748**	4,251,647
Clawing back of VAT and customs duties on imported equipment previously waived and inventories upon cessation of electronic products business *(Note)*	**8,555,376**	–
Cost of inventories sold	**818,258,787**	945,058,617
Depreciation		
– Owned property, plant and equipment	**72,603,528**	55,472,448
– Leased property, plant and equipment	**23,554,649**	12,592,049
– Investment property	**9,394**	9,391
Impairment loss on property, plant and equipment	**21,005,900**	–
Impairment loss on slow moving and obsolete inventories	**1,604,404**	542,611
Loss on disposal of property, plant and equipment *(Note)*	**110,535**	–
Net exchange loss	**6,078,001**	1,975,390
Operating lease rental in respect of properties	**3,725,763**	4,828,454
Outgoings in respect of investment property	**–**	21,144
Provision for employee redundancy costs *(Note)*	**1,138,682**	–

Note: These expenses have been included in "other operating expenses" in the consolidated statement of comprehensive income.

7. FINANCE COSTS

	2010	2009
	HK$	*HK$*
Interest on bank loans and overdrafts wholly repayable within five years	**15,685,008**	13,991,965
Interest element of finance leases	**5,532,982**	6,610,842
Finance costs	**21,217,990**	20,602,807
Less: amounts capitalised on qualifying assets	**–**	(4,314,102)
Total finance costs	**21,217,990**	16,288,705

8. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2009: 16.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

	2010	2009
	HK$	*HK$*
Current income tax		
– Hong Kong profits tax		
Provision for current year	**5,122,589**	10,477,381
Over-provision for prior years	**(3,398,379)**	(1,167,723)
	1,724,210	9,309,658
– Overseas taxation		
Provision for current year	**3,853,557**	3,670,077
Under-provision for prior years	**3,967,044**	–
	7,820,601	3,670,077
	9,544,811	12,979,735
Deferred income tax		
– Origination and reversal of temporary differences	**(530,882)**	170,777
– Attributable to a change in tax rate	**–**	(424,814)
	(530,882)	(254,037)
	9,013,929	12,725,698

The Income Tax Law of the People's Republic of China for Enterprises with Foreign Investment and Foreign Enterprises ("FEIT Law"), which was annulled on 1 January 2008, allowed a foreign investment enterprise of a production nature scheduled to operate for a period of not less than ten years to be exempted from income tax in the first and second years from its first profit-making year and allowed a 50% reduction in the third to fifth years. According to Guoshuifa [2008] No. 23, with regard to foreign investment enterprises eligible to exemption or reduction preferential tax polices under the FEIT Law regime, if their nature of business or term of operation changes in 2008 or thereafter and as a result, cannot fulfil the conditions for tax exemption or reduction set out in the FEIT Law, such enterprises shall be required to claw back the tax benefits they have enjoyed during the period of tax exemption and reduction in accordance with the FEIT Law. As the management decided to cease the business of two subsidiaries in Mainland China included in the electronic products segment in the coming year and one of which has enjoyed the tax benefits but its operation period is expected to be less than ten years, additional claw back provision for the tax benefits of approximately HK$4.0 million has been recorded in the Group's consolidated financial statements for the year ended 31 March 2010.

The Hong Kong Inland Revenue Department (the "IRD") has questioned the basis of tax reporting for certain transactions adopted by certain subsidiaries of the Group in prior years. The matter has not been resolved with the IRD as at the date of approval of these financial statements. Current income tax of approximately HK$20.5 million have been recorded in the Group's consolidated financial statements for the year ended 31 March 2008 and no further provision has been made during the year ended 31 March 2010.

9. DIVIDEND

The Directors do not recommend the payment of a dividend for the year ended 31 March 2010 (2009: Nil). The 2008 final dividend of HK$0.02 per share totalling HK$1,138,370 was paid to the shareholders of the Company during the year ended 31 March 2009.

10. (LOSS)/EARNINGS PER SHARE

The calculation of basic (loss)/earnings per share is based on loss attributable to shareholders of the Company of HK$46,697,885 (2009: profit of HK$23,165,251) and 56,918,520 (2009: 56,918,520) ordinary shares in issue during the year.

The diluted (loss)/earnings per share for the years ended 31 March 2010 and 2009 was the same as the basic (loss)/earnings per share for the respective years, as there were no potential ordinary shares in issue.

11. TRADE AND OTHER RECEIVABLES

	2010	2009
	HK$	*HK$*
Trade receivables	**154,895,273**	105,821,602
Deposits, prepayments and other receivables	**62,421,530**	52,927,195
	217,316,803	158,748,797

The ageing analysis of trade receivables based on invoice date is as follows:

	2010	2009
	HK$	*HK$*
0 – 2 months	**109,502,073**	66,062,395
3 – 4 months	**37,789,178**	24,422,753
5 – 6 months	**6,207,554**	7,653,159
7 – 8 months	**643,224**	4,439,496
Over 8 months	**753,244**	3,243,799
	154,895,273	105,821,602

Sales are made to customers with credit terms of 30 to 120 days.

12. TRADE AND OTHER PAYABLES

	2010	2009
	HK$	*HK$*
Trade payables	**211,725,284**	184,683,838
Accruals and other payables	**145,102,508**	128,035,598
	356,827,792	312,719,436

The ageing analysis of trade payables based on invoice date is as follows:

	2010	2009
	HK$	*HK$*
0 – 2 months	**120,859,989**	87,193,220
3 – 4 months	**60,965,798**	61,110,740
5 – 6 months	**20,851,029**	32,354,327
7 – 8 months	**5,214,761**	3,667,526
Over 8 months	**3,833,707**	358,025
	211,725,284	184,683,838

13. BORROWINGS

	2010	2009
	HK$	*HK$*
Non-current		
Bank loans	**142,207,054**	82,085,036
Obligations under finance leases	**23,161,578**	54,298,881
	165,368,632	136,383,917
Current		
Bank loans	**343,131,397**	165,585,060
Obligations under finance leases	**50,765,118**	54,220,186
	393,896,515	219,805,246
Total borrowings	**559,265,147**	356,189,163

During the year ended 31 March 2010, certain of the banking facilities granted to the Group stipulated that (i) the gearing ratio of the Group should not be more than 1, (ii) the total liabilities over total equity of the Group should not be more than 2.2 and (iii) the assets should not be pledged without permission (2009: one of the banking facilities granted to the Group stipulated that the current ratio of the Group should not be less than 0.85). At 31 March 2010, the Group breached such covenants. The total banking facilities from these relevant banks were approximately HK$168 million of which approximately HK$117 million was utilised as at 31 March 2010. Accordingly, the non-current portion of such bank loans amounting to HK$39,457,206 (2009: HK$6,000,000) was reclassified as a current liability in the balance sheet as at 31 March 2010. Please also refer to note 1 "Basis of preparation" for further detail of changes subsequent to 31 March 2010.

14. BANKING FACILITIES

At 31 March 2010, total facilities granted to the Group amounting to HK$723,451,433 (2009: HK$415,708,286) of which HK$485,338,451 (2009: HK$247,670,096) were utilised.

Among the total facilities, banking facilities amounting to HK$306,948,912 (2009: HK$3,882,614) are secured by a legal charge on the following assets of the Group:

	2010	2009
	HK$	*HK$*
Property, plant and equipment	**428,149,585**	2,528,287
Leasehold land and land use right	**20,545,674**	8,197,209
Pledged bank deposits	**70,733,013**	–
	519,428,272	10,725,496

15. CAPITAL COMMITMENTS

	2010	2009
	HK$	*HK$*
Contracted but not provided for		
Plant, machinery and leasehold improvements	**64,865,451**	112,233,767
Investments in subsidiaries	**5,967,796**	8,817,796
	70,833,247	121,051,563

CHAIRMAN'S STATEMENT

Business Review

For the year ended 31 March 2010, loss before income tax of the Group amounted to HK$37,683,956 (2009: profit before income tax amounted to HK$35,890,949) representing a decrease of 205% compared with last year. Loss attributable to shareholders amounted to HK$46,697,885 (2009: profit attributable to shareholders amounted to HK$23,165,251) representing a decrease of 302% compared with last year. The decrease was mainly due to:

1. the decrease in sales amounting to HK$180,052,026 resulted from the adverse impact of the global economic downturn;

2. the impairment loss on property, plant and equipment amounting to HK$21,005,900 recognised and the related expenses amounting to HK$9,694,058 accrued for the closure of the assembly factory for consumer electronic products in Dongguan;

3. the increase in depreciation and amortisation expenses amounting to HK$28,306,882 arising mainly from the new factory for printed circuit boards ("PCB") of the Group in Jiangxi which commenced its production in March 2009; and

4. the increase in finance costs amounting to HK$4,929,285 which was mainly caused by the additional loans for financing the construction and operation of the Jiangxi factory.

PCB business remained to be the core business of the Group. Turnover of the segment for the year reduced 12% to HK$902,243,858 (2009: HK$1,020,369,862) as a result of diminution both in selling price and quantities of High Density Interconnect Boards. The PCB segment incurred a profit amounted to HK$31,339,238 (2009: HK$62,558,604) after taking account of the increases in depreciation and amortisation expenses induced from commencement of production in the new PCB factory in Jiangxi.

Our new PCB factory in Jiangxi commenced operation in March 2009. The production output of PCB in the factory was around 40% of the total production output for the year.

For the electronic products business segment, the management decided to cease the operation of the electronic assembly factory in Dongguan because of the continuous shrinkage of sales and operation in consumer electronic products and unclear prospect. This segment incurred a loss amounted to HK$40,347,559 (2009: HK$1,752,544). It was caused by the net operation loss for the year, the impairment loss on property, plant and equipment and the related expenses accrued for the closure of the factory.

Prospect

After ceasing the electronic products business, our management will focus all the effort on development and operation of the PCB business.

Along with the Jiangxi factory commenced operation since March 2009, it had been approved as approved supplier by several international renowned enterprises recently. Customer base is now broadened and hence sales revenue will have potential to grow. From April 2010 to June 2010 (the first quarter), production output of PCB increased over 30% compared with those of the corresponding period of last year.

However, we are still under pressure of cost increasing not only including possible increases in material prices and labor costs but also possible appreciation of Renminbi. In order to ease the negative impact induced from the aforesaid factors, we would try with full endeavor to reach the economic scale of production, to move towards hi-technology, and uplifting the degree of automation in production.

In the long-run, the increasing demand of televisions, 3G mobile phones and net books, with the stimulation policy on the domestic economy by the government of Mainland China, will form a solid foundation to enhancing our Group's PCB business development.

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

For the year ended 31 March 2010, the revenue of the Group amounted to HK$931,579,923 (2009: HK$1,111,631,949) representing a decrease of 16% compared with last year whereas the loss attributable to shareholders amounted to HK$46,697,885 (2009: profit attributable to shareholders amounted to HK$23,165,251) representing a decrease of 302% compared with last year.

Financial Review

Revenue

The Group principally engages in the manufacturing and selling of printed circuit boards and consumer electronic products.

The revenues for 2010 and 2009 were as follows:

	2010	2009	**Decrease**
	HK$	*HK$*	*%*
Printed circuit boards	**902,243,858**	1,020,369,862	12
Electronic products	**29,336,065**	91,262,087	68
	931,579,923	1,111,631,949	16

In the current year, the total revenue from customers in Hong Kong, Macao and Mainland China represented 64% of the Group's total revenue.

Cost of sales

Cost of sales in the current year decreased to HK$818,258,787 (2009: HK$945,058,617) representing a decrease of 13% compared with last year.

The decline in gross profit margin from 15% to 12% was mainly due to the depreciation expense incurred at the new PCB factory in Jiangxi amounted to HK$28,579,376 (2009: HK$2,230,341) as it commenced operation since March 2009.

Other operating income

Other operating income mainly included sales of manufacturing by-products amounted to HK$3,733,530 (2009: HK$1,834,770), government subsidies of Mainland China amounted to HK$1,666,056 (2009: Nil) and a net gain on derivative instruments amounted to HK$1,270,501 (2009: HK$1,164,750).

Administrative expenses

Administrative expenses decreased to HK$86,192,791 (2009: HK$93,791,528) representing a decrease of 8% compared with last year, which was mainly due to better cost control in current year.

Other operating expenses

Other operating expenses increased to HK$13,280,938 (2009: HK$5,164,346) representing an increase of 157% compared with last year.

Other operating expenses included expenses accrued for the closure of the electronic assembly factory amounted to HK$9,694,058 (2009: Nil) and bad debts written off amounted to HK$2,672,748 (2009: HK$4,251,647) which represents 0.3% (2009: 0.4%) of total sales.

Impairment loss on property, plant and equipment

Impairment loss on property, plant and equipment amounted to HK$21,005,900 (2009: Nil) representing the impairment loss on the property, plant and equipment of our electronic assembly factory in Dongguan.

Finance costs

Finance costs amounted to HK$21,217,990 (2009: HK$16,288,705) representing an increase of 30% compared with last year, which was mainly due to the additional loans for financing the construction and operation of the Jiangxi factory.

Review of operations

Printed Circuit Boards Segment

Sales decreased to HK$902,243,858 (2009: HK$1,020,369,862) which accounts for 97% (2009: 92%) of the Group's total revenue for the current year. Segment result decreased to HK$31,339,238 (2009: HK$62,558,604), which was due to the diminution both in selling price and quantities of High Density Interconnect Boards.

Electronic Products Segment

Sales decreased to HK$29,336,065 (2009: HK$91,262,087) which accounts for 3% (2009: 8%) of the Group's total revenue for the current year. Segment result was increased to a loss of HK$40,347,559 (2009: HK$1,752,544) which was mainly due to the impairment loss on property, plant and equipment and the related expenses accrued for the closure of the factory.

Liquidity and financial resources

At 31 March 2010, total borrowings of the Group, including obligations under finance leases, amounted to HK$559,265,147 (2009: HK$356,189,163) which were payable in Hong Kong dollars, United States dollars and Renminbi. The Group's gearing ratio at 31 March 2010, which was calculated as the ratio of total borrowings less pledged bank deposits, and cash at banks and in hand to total equity, was 108% (2009: 71%).

At 31 March 2010, the Group's total borrowings are repayable as follows:

	2010		2009	
	HK$		*HK$*	
Within one year	**393,896,515**	**70%**	219,805,246	62%
In the second year	**76,167,185**	**14%**	76,607,745	21%
In the third to fifth years	**89,201,447**	**16%**	59,776,172	17%
Available facilities	**559,265,147**	**100%**	356,189,163	100%

At 31 March 2010, the Group's total banking facilities are summarised as follows:

	2010	2009
	HK$	*HK$*
Total banking facilities granted	**723,451,433**	415,708,286
Facilities utilised	**(485,338,451)**	(247,670,096)
Available facilities	**238,112,982**	168,038,190

Among the total facilities, banking facilities amounted to HK$306,948,912 (2009: HK$3,882,614) are secured by a legal charge on the Group's assets with a net book value of HK$519,428,272 (2009: HK$10,725,496).

During the year ended 31 March 2010, certain of the banking facilities granted to the Group stipulated that (i) the gearing ratio of the Group should not be more than 1, (ii) the total liabilities over total equity of the Group should not be more than 2.2 and (iii) the assets should not be pledged without permission (2009: one of the banking facilities granted to the Group stipulated that the current ratio of the Group should not be less than 0.85). At 31 March 2010, the Group breached such covenants. The total banking facilities of the relevant banks were approximately HK$168 million of which approximately HK$117 million was utilised as at 31 March 2010. Accordingly, the non-current portion of bank loans amounting to HK$39,457,206 (2009: HK$6,000,000) was reclassified as a current liability in the balance sheet as at 31 March 2010. Please also refer to note 1 "Basis of preparation" above for further detail of changes subsequent to 31 March 2010.

At 31 March 2010, obligations under finance leases of the Group amounting to HK$73,926,696 (2009: HK$108,519,067) are secured by a legal charge on the Group's property, plant and equipment with a net book amount of HK$151,181,265 (2009: HK$197,181,423).

Employees and remuneration policies

At 31 March 2010, 3,518 (2009: 4,016) staff members and workers were employed in our Chang An factory, Feng Gang factory and Jiangxi factory in Mainland China and 42 (2009: 41) staff members were employed in the Group's Hong Kong and Macao Office. Staff costs, excluding directors' remuneration, amounted to HK$125,485,580 for the year ended 31 March 2010 (2009: HK$153,399,977). Remuneration packages are generally structured with reference to the prevailing market practice and individual qualifications. The remuneration policies of the Group are reviewed on a periodic basis.

Exposure to fluctuation in exchange rates and related hedges

The Group's borrowings are primarily denominated in Hong Kong dollars, United States dollars and Renminbi. Management did not anticipate significant fluctuation in exchange rates of United States dollars and Renminbi and had not used financial instruments extensively to hedge against such risk during the year.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company had not redeemed any of its shares and neither the Company nor any of its subsidiaries had purchased or sold any of the shares of the Company during the year.

CORPORATE GOVERNANCE

None of the directors of the Company is aware of any information which would reasonably indicate that the Company is not, or was not in compliance with the Code of Corporate Governance Practices, as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange at any time during the year ended 31 March 2010.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules (the "Model Code") as its code of conduct regarding the directors' securities transactions. The Company has made specific enquiry with all directors of the Company, who have confirmed compliance with the required standard set out in the Model Code during the year ended 31 March 2010.

AUDIT COMMITTEE

The Audit Committee has reviewed, with the management of the Group, the accounting principles and practices adopted by the Group, its internal controls and financial reporting matters including the review of the financial statement for the year ended 31 March 2010.

APPRECIATION

On behalf of the Board, I would like to extend our gratitude and sincere appreciation to all management and staff members for their diligence and dedication, and also to our business partners and the Company's shareholders for their continuing support.

DIRECTORS

As at the date of this announcement, the Board comprises the following directors:

Executive Directors:
Mr Yip Sum Yin
Madam Yu Hung Min
Madam Yu Pei Yi

Independent Non-Executive Directors:
Mr Lai Wing Leung, Peter
Mr Lam Kwok Cheong
Madam Lee Mei Ling

On behalf of the Board
YIP Sum Yin
Chairman

Hong Kong, 26 July 2010