Same Time Holdings Limited

(Incorporated in Bermuda with limited liability)

Stock Code: 451

Interim Report

2010

CORPORATE INFORMATION

Directors

Executive Directors

Mr YIP Sum Yin *(Chairman)*
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

Chief Executive Officer

Mr YIP How Yin, Maurice

Company Secretary

Madam SHIU Man Ching

Registered Office

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Principal Office

17th Floor, Phase I
Kingsford Industrial Building
26-32 Kwai Hei Street
Kwai Chung
New Territories
Hong Kong

Auditor

PricewaterhouseCoopers
Certified Public Accountants

Principal Bankers

Bank of China Limited
China Construction Bank Corporation
The Hongkong and Shanghai Banking Corporation Limited
Hang Seng Bank Limited

Hong Kong Legal Adviser

Jennifer Cheung & Co.

Bermuda Legal Adviser

Appleby

Principal Registrar and Transfer Office

The Bank of Bermuda Limited
6 Front Street
Hamilton HM 11
Bermuda

Hong Kong Branch Registrar and Transfer Office

Tricor Abacus Limited
26th Floor, Tesbury Centre
28 Queen's Road East
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INTERIM RESULTS

The Board of Directors (the "Directors") of Same Time Holdings Limited (the "Company") is pleased to present the unaudited condensed consolidated interim financial information ("Interim Financial Information") of the Company and its subsidiaries (together, the "Group") for the six months ended 30 September 2010.

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2010

		Six months ended 30 September	
	Note	**2010** **HK$**	2009 HK$ (Restated)
Revenue	4	**663,961,839**	447,087,233
Cost of sales		**(565,488,215)**	(381,269,717)
Gross profit		**98,473,624**	65,817,516
Other operating income	5	**3,409,236**	4,621,625
Change in fair value of an investment property		**700,000**	200,000
Distribution and marketing costs		**(11,876,435)**	(6,950,553)
Administrative expenses		**(37,898,389)**	(40,496,427)
Other operating expenses		**(5,648,172)**	(1,147,673)
Operating profit	6	**47,159,864**	22,044,488
Finance income		**844,633**	26,320
Finance costs		**(15,149,014)**	(10,496,340)
Profit before income tax		**32,855,483**	11,574,468
Income tax expense	7	**(6,869,575)**	(3,917,201)
Profit from continuing operations		**25,985,908**	7,657,267
Discontinued operation			
Profit/(loss) for the period from discontinued operation	8	**9,788,848**	(5,122,795)
Profit attributable to shareholders		**35,774,756**	2,534,472
Basic and diluted earnings/(loss) per share attributable to the equity holders of the Company	10		
– From continuing operations		**46 cents**	13 cents
– From discontinued operation		**17 cents**	(9) cents
		63 cents	4 cents

The notes on pages 8 to 24 form an integral part of this Interim Financial Information.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2010

	Six months ended 30 September	
	2010	2009
	HK$	*HK$*
		(Restated)
Profit for the period	**35,774,756**	2,534,472
Other comprehensive income for the period, net of tax		
Currency translation differences	**2,980,683**	749,965
Gain on revaluation of land and buildings	**28,569,139**	–
	31,549,822	749,965
Total comprehensive income attributable to shareholders	**67,324,578**	3,284,437

The notes on pages 8 to 24 form an integral part of this Interim Financial Information.

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2010

	Note	30 September 2010 HK$	31 March 2010 HK$ (Restated)
ASSETS			
Non-current assets			
Property, plant and equipment	11	**919,856,890**	854,396,875
Land use rights	11	**20,518,012**	20,664,401
Investment property	11	**3,900,000**	3,200,000
Other non-current asset		**350,000**	350,000
		944,624,902	878,611,276
Current assets			
Inventories		**155,814,564**	120,786,880
Trade and other receivables	12	**307,392,046**	217,316,803
Assets held for sale	8	**11,327,563**	–
Pledged bank deposit		**70,996,322**	70,733,013
Cash at banks and in hand		**93,834,145**	71,857,684
		639,364,640	480,694,380
Total assets		**1,583,989,542**	1,359,305,656
EQUITY			
Capital and reserves			
Share capital	15	**5,691,852**	5,691,852
Reserves		**448,053,988**	380,729,410
Total equity		**453,745,840**	386,421,262

	Note	30 September 2010 HK$	31 March 2010 HK$ (Restated)
LIABILITIES			
Non-current liabilities			
Borrowings	14	**231,665,344**	165,368,632
Deferred income tax liabilities		**12,150,566**	7,110,382
Deferred income		**20,306,172**	9,611,980
		264,122,082	182,090,994
Current liabilities			
Trade and other payables	13	**484,304,206**	356,827,792
Derivative financial liabilities		**1,189,380**	98,747
Borrowings	14	**335,614,522**	393,896,515
Current income tax liabilities		**45,013,512**	39,970,346
		866,121,620	790,793,400
Total liabilities		**1,130,243,702**	972,884,394
Total equity and liabilities		**1,583,989,542**	1,359,305,656
Net current liabilities		**226,756,980**	310,099,020
Total assets less current liabilities		**717,867,922**	568,512,256

The notes on pages 8 to 24 form an integral part of this Interim Financial Information.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2010

	Share capital HK$	Share premium HK$	Contributed surplus HK$	Property revaluation reserve HK$	Legal reserve HK$	Exchange reserve HK$	Retained profits HK$	Total HK$
At 1 April 2010 (as previously reported)	**5,691,852**	**151,921,671**	**14,802,582**	**-**	**48,544**	**54,604,272**	**157,970,870**	**385,039,791**
Effect of changes in accounting policies (note 3)	**-**	**-**	**-**	**-**	**-**	**-**	**1,381,471**	**1,381,471**
At 1 April 2010 (restated)	**5,691,852**	**151,921,671**	**14,802,582**	**-**	**48,544**	**54,604,272**	**159,352,341**	**386,421,262**
Total comprehensive income for the period	**-**	**-**	**-**	**28,569,139**	**-**	**2,980,683**	**35,774,756**	**67,324,578**
At 30 September 2010	**5,691,852**	**151,921,671**	**14,802,582**	**28,569,139**	**48,544**	**57,584,955**	**195,127,097**	**453,745,840**
At 1 April 2009 (as previously reported)	5,691,852	151,921,671	14,802,582	–	48,544	52,347,186	204,668,755	429,480,590
Effect of changes in accounting policies (*note 3*)	–	–	–	–	–	–	1,205,493	1,205,493
At 1 April 2009 (restated)	5,691,852	151,921,671	14,802,582	–	48,544	52,347,186	205,874,248	430,686,083
Total comprehensive income for the period	–	–	–	–	–	749,965	2,534,472	3,284,437
At 30 September 2009 (restated)	5,691,852	151,921,671	14,802,582	–	48,544	53,097,151	208,408,720	433,970,520

The notes on pages 8 to 24 form an integral part of this Interim Financial Information.

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2010

	Note	Six months ended 30 September 2010 HK$	2009 HK$
Continuing operations			
Net cash generated from operating activities		**76,378,360**	77,351,790
Net cash used in investing activities		**(60,401,972)**	(94,119,718)
Net cash generated from/(used in) financing activities		**5,245,450**	(14,654,890)
Increase/(decrease) in cash and cash equivalents		**21,221,838**	(31,422,818)
Discontinued operation			
Decrease in cash and cash equivalents from discontinued operation	8	**(76,786)**	(1,735,806)
Cash and cash equivalents at the beginning of the period		**71,857,684**	52,747,732
Effect of foreign exchange rate changes		**831,409**	125,489
Cash and cash equivalents at the end of the period		**93,834,145**	19,714,597
Analysis of cash and cash equivalents:			
Cash at banks and in hand		**93,834,145**	19,714,597

The notes on pages 8 to 24 form an integral part of this Interim Financial Information.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 General information

The Company is a limited liability company incorporated in Bermuda and listed on the Main Board of The Stock Exchange of Hong Kong Limited. The address of its registered office is Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda. The address of its principal office is 17th Floor, Phase I, Kingsford Industrial Building, 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong.

The Group is principally engaged in the manufacturing and selling of printed circuit boards and consumer electronic products. During the period, electronic products segment was classified as the discontinued operation because of the termination of electronic business operation.

This Interim Financial Information is presented in Hong Kong dollars, unless otherwise stated. This Interim Financial Information has been approved for issue by the Board of Directors on 29 November 2010.

This Interim Financial Information has not been audited.

2 Basis of preparation

This Interim Financial Information for the six months ended 30 September 2010 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34, "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

This Interim Financial Information should be read in conjunction with the annual financial statements for the year ended 31 March 2010, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS").

As at 30 September 2010, the Group had net current liabilities of HK$226,756,980 (31 March 2010: HK$310,099,020). Total banking facilities granted to the Group amounted to HK$594,841,349 (31 March 2010: HK$723,451,433) of which HK$512,968,216 (31 March 2010: HK$485,338,451) were utilised.

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 30 September 2010, the Group breached a loan covenant of a bank. Up to the date of approval of this Interim Financial Information, waiver from compliance of the financial covenant requirements of the banking facilities was not obtained. The total facilities from the bank were HK$45,675,657 which was fully utilised as at 30 September 2010. Management considers that the facilities available from the bank are not material compared to the overall financial resources and banking facilities available to the Group for its operations nor will it have material effect to the Group's cash flow projection.

2 Basis of preparation (Continued)

The Directors believe that the Group will have sufficient financial resources to finance its operations and be able to continue as a going concern in the foreseeable future. Besides, management maintains continuous communication with the Group's principal banks on the renewal of existing banking facilities. In addition, none of the relevant principal banks have initiated withdrawal of the banking facilities or requested early repayment of the utilised facilities.

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 improved turnover and operating results, 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 Interim Financial Information on a going concern basis.

3 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 2010.

Taxes on income in the interim periods are accrued using the tax rates that will be applicable to the expected total annual earnings.

In the current period, the Group has adopted, for the first time, the following new or revised standards, amendments and interpretations ("new and revised HKFRSs") which are mandatory for the accounting periods beginning on or after 1 April 2010:

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of improvements to HKFRSs issued in 2008
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009
HKAS 27 (Revised)	Consolidated and separate financial statements

3 Accounting policies (Continued)

HKAS 32 (Amendment)	Classification of rights issues
HKAS 39 (Amendment)	Eligible hedged Items
HKFRS 1 (Revised)	First-time adoption of HKFRS
HKFRS 2 (Amendment)	Group cash-settled share-based payment transactions
HKFRS 3 (Revised)	Business combinations
HK – Int 4	Leases – Determination of the length of lease term in respect of Hong Kong land leases
HK(IFRIC) – Int 17	Distributions of non cash-assets to owners

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 17 (Amendment), "Leases"

HKAS 17 (Amendment) deletes specific guidance regarding classification of leases of land, so as to eliminate inconsistency with the general guidance on lease classification. As a result, leases of land should be classified as either finance or operating lease using the general principles of HKAS 17, i.e. whether the lease transfers substantially all the risks and rewards incidental to ownership of an asset to the lessee. Prior to the amendment, a land interest where title is not expected to pass to the Group by the end of the lease term was classified as an operating lease under "leasehold land and land use rights", and amortised over the lease term.

HKAS 17(Amendment) has been applied retrospectively for annual periods beginning 1 April 2010 in accordance with the effective date and transitional provisions of the amendment. The Group has reassessed the classification of unexpired leasehold land and land use right as at 1 April 2010 on the basis of information existing at the inception of those leases, and recognised the leasehold land in Hong Kong as finance leases retrospectively. As a result of the reassessment, the Group has reclassified certain leasehold land from operating leases to finance leases. The effect of the adoption of HKAS 17(Amendment) to the Interim Financial Information for the six months ended 30 September 2010 is as follows:

	30 September 2010 ***HK$***	31 March 2010 *HK$*
Increase in property, plant and equipment	**9,636,797**	9,779,117
Increase in investment property	**1,026,242**	1,040,300
Decrease in land use rights	**(10,663,039)**	(10,819,417)

3 Accounting policies (Continued)

In November 2010, the HKICPA approved HK Interpretation 5 "Presentation of Financial Statements – Classification by the Borrower of a Term Loan that contains a Repayment on Demand Clause" which is effective for annual periods ending on or after 31 December 2010. The Interpretation requires that the amounts repayable under a loan agreement which includes a clause that gives the lender the unconditional right to call the loan at any time shall be classified by the borrower as current in its balance sheet, as the borrower under such an agreement does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Similarly, in the contractual maturity analysis disclosed by the borrower in accordance with HKFRS 7 "Financial Instruments: Disclosures", amounts repayable under such loan agreement shall be classified in the earliest time bracket. The Group has applied this interpretation in this Interim Financial Information for the six months ended 30 September 2010 and has classified certain bank borrowings where the relevant loan agreements contain repayment on demand clauses as current liabilities.

The Group has not early adopted the following new or revised standards, amendments or interpretations that have been issued but are not yet effective for the accounting period beginning on or after 1 April 2010:

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010
HKAS 24 (Revised)	Related party disclosures
HKAS 34 (Amendments)	Interim financial reporting
HKFRS 1 (Amendments)	First-time adoption of HKFRS
HKFRS 7	Financial instruments: disclosures – transfer of financial assets
HKFRS 9	Financial instruments
HK(IFRIC) – Int 19	Extinguishing financial liabilities with equity instruments

The directors are in the process of reviewing the impact on the Group's financial statements in respect of the adoption of these new or revised HKFRS.

3 Accounting policies (Continued)

Changes in accounting policies

In previous years, the Group's land and buildings and an investment property were carried in the consolidated balance sheet at historical cost less accumulated depreciation and impairment losses. The Directors reassessed the appropriateness of this accounting policy during the period and concluded that using the revaluation model under HKAS 16 and the fair value model under HKAS 40 would result in the consolidated accounts providing more appropriate and relevant information about the Group's results and financial position.

Consequently, the Group changed its accounting policies on land and buildings and an investment property to follow the revaluation model and fair value model under HKAS 16 and HKAS 40 respectively with effect from 1 April 2010.

The change in accounting policy of the investment property has been accounted for retrospectively and the comparative figures for the corresponding comparative prior periods have been restated. The change from a cost model to a revaluation model of land and buildings has been accounted for prospectively.

The effect of the changes in accounting policies to the Interim Financial Information for the six months ended 30 September 2010 are as follows:

	30 September 2010 ***HK$***	31 March 2010 *HK$*
Increase in property, plant and equipment	**33,489,015**	–
Increase in investment property	**2,561,277**	1,842,522
Increase in deferred income tax liabilities	**5,506,650**	461,051
Increase in property revaluation reserve	**28,569,139**	–
Increase in retained earnings	**1,974,503**	1,381,471

	Unaudited Six months ended 30 September	
	2010 ***HK$***	2009 *HK$*
Increase in fair value of investment property	**700,000**	200,000
Increase in income tax expense	**125,723**	46,936
Increase in basic earnings per share (Cents per share)	**1 cent**	0 cent

4 Revenue and segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors that makes strategic decision.

The Group's reportable segments are therefore identical to the business segments namely:

Electronic products (Discontinued operation)	–	manufacturing and selling of consumer electronic products
Printed circuit boards	–	manufacturing and selling of printed circuit boards

A segmental analysis of revenue and results for the period was as follows:

	Six months ended 30 September 2010		
	Electronic products (Discontinued operation) *HK$*	**Printed circuit boards** *HK$*	**Group** *HK$*
Revenue	**2,179,987**	**663,961,839**	**666,141,826**
Segment results	**10,081,996**	**49,883,281**	**59,965,277**
Unallocated income			**784,000**
Unallocated costs			**(3,507,417)**
Operating profit			**57,241,860**
Finance income	**540**	**844,633**	**845,173**
Finance costs	**(293,688)**	**(15,149,014)**	**(15,442,702)**
Profit before income tax			**42,644,331**
Income tax expense			**(6,869,575)**
Profit attributable to shareholders			**35,774,756**
Amortisation of land use rights	**–**	**220,574**	**220,574**
Bad debts written off	**–**	**4,039,732**	**4,039,732**
Depreciation	**293,891**	**52,117,436**	**52,411,327**
Unrealised loss on derivatives ***(note 6)***	**–**	**1,090,633**	**1,090,633**

4 Revenue and segment information (Continued)

	(Restated) Six months ended 30 September 2009 Electronic products (Discontinued operation) HK$	Printed circuit boards HK$	Group HK$
Revenue	23,783,384	447,087,233	470,870,617
Segment results	(5,123,866)	22,559,373	17,435,507
Unallocated income			1,375,810
Unallocated costs			(1,890,695)
Operating profit			16,920,622
Finance income	2,221	26,320	28,541
Finance costs	(1,150)	(10,496,340)	(10,497,490)
Profit before income tax			6,451,673
Income tax expense			(3,917,201)
Profit attributable to shareholders			2,534,472
Amortisation of land use rights	–	145,670	145,670
Bad debts written off	230,522	798,791	1,029,313
Depreciation	2,739,223	45,151,193	47,890,416
Net unrealised loss on derivatives, including in net gain on derivatives of HK$1,044,554 *(note 5)*	–	552,117	552,117
Provision for slow moving and obsolete inventories	302,005	–	302,005

4 Revenue and segment information (Continued)

A segmental analysis of total assets was as follows:

	30 September 2010		
	Electronic products (Discontinued operation) *HK$*	**Printed circuit boards** *HK$*	**Group** *HK$*
Total segment assets	**30,565,585**	**1,515,646,275**	**1,546,211,860**
Investment property			**3,900,000**
Leasehold land and buildings			**32,700,000**
Unallocated assets			**1,177,682**
Total assets			**1,583,989,542**
Total assets include:			
Addition to non-current assets (other than financial instruments)	**–**	**82,187,784**	**82,187,784**

	(Restated) 31 March 2010		
	Electronic products (Discontinued operation) *HK$*	Printed circuit boards *HK$*	Group *HK$*
Total segment assets	11,468,216	1,331,712,836	1,343,181,052
Investment property			3,200,000
Leasehold land and buildings			11,607,656
Unallocated assets			1,316,948
Total assets			1,359,305,656
Total assets include:			
Addition to non-current assets (other than financial instruments)	525,168	152,910,781	153,435,949

4 Revenue and segment information (Continued)

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 the six months ended 30 September 2010 is HK$389,397,850 (2009: HK$300,627,913), and the total of its revenue from external customers in other countries is HK$276,743,976 (2009: HK$170,242,704).

At 30 September 2010 and 31 March 2010, all of the non-current assets are located in Hong Kong, Macao and Mainland China.

For the six months ended 30 September 2010, revenues of HK$84,362,045 (2009: HK$44,913,578) were derived from a single external customer. These revenues are attributable to the printed circuit boards.

5 Other operating income

	Six months ended 30 September	
	2010	2009
	HK$	*HK$*
Amortisation of deferred income on government grants	**175,928**	102,157
Gain on disposal of property, plant and equipment	**14,197**	–
Net gain on derivatives *(note 4)*	**–**	1,044,554
Rental income	**84,000**	84,000
Sales of manufacturing by-products	**2,615,490**	3,152,928
Sundries	**519,621**	237,986
	3,409,236	4,621,625

6 Operating profit

	Six months ended 30 September	
	2010	2009
	HK$	*HK$*
		(Restated)
Operating profit is stated after charging the following:		
Amortisation of land use rights	**220,574**	145,670
Bad debts written off	**4,039,732**	798,791
Cost of inventories sold	**565,488,215**	381,269,717
Depreciation:		
– Owned property, plant and equipment	**43,805,234**	29,993,552
– Leased property, plant and equipment	**8,312,202**	15,157,641
Loss on derivatives *(note 4)*	**1,090,633**	–

7 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 period. Taxation on overseas profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates.

	Six months ended 30 September	
	2010	2009
	HK$	*HK$*
		(Restated)
Current income tax		
Hong Kong profits tax	**3,194,052**	4,345,687
Overseas taxation	**3,555,215**	–
	6,749,267	4,345,687
Deferred income tax		
Hong Kong profits tax	**120,308**	(428,486)
	6,869,575	3,917,201

7 Income tax expense (Continued)

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 this Interim Financial Information. Current income tax of approximately HK$20.5 million has 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 six months ended 30 September 2010.

8 Discontinued operation

During the period, electronic products segment was classified as the discontinued operation because of the termination of electronic business operation.

(a) Results of the electronic products segment have been included in the unaudited condensed consolidated income statement as follows:

	Six months ended 30 September	
	2010	2009
	HK$	*HK$*
Revenue	**2,179,987**	23,783,384
Cost of sales	**(2,575,992)**	(19,968,970)
Gross (loss)/profit	**(396,005)**	3,814,414
Other operating income	**2,286,291**	146,290
Distribution and marketing costs	**(390,586)**	(1,790,185)
Administrative expenses	**(2,520,987)**	(7,045,702)
Other operating expenses	**(224,280)**	(248,683)
Reversal of impairment loss on property, plant and equipment	**11,327,563**	–
Operating profit/(loss)	**10,081,996**	(5,123,866)
Finance income	**540**	2,221
Finance costs	**(293,688)**	(1,150)
Profit/(loss) before income tax	**9,788,848**	(5,122,795)
Income tax expense	**–**	–
Profit/(loss) attributable to shareholders	**9,788,848**	(5,122,795)

8 Discontinued operation (Continued)

(b) The assets held for sale were remeasured at the fair value less cost to sell as at 30 September 2010 and amounting to HK$11,327,563. Those assets were fully impaired as at 31 March 2010.

(c) An analysis of the cash flows of the discontinued operation is as follow:

	Six months ended 30 September	
	2010	2009
	HK$	*HK$*
Net cash generated from/(used in) operating activities	**6,212,965**	(975,543)
Net cash used in investing activities	**–**	(572,575)
Net cash used in financing activities	**(6,289,751)**	(187,688)
Decrease in cash and cash equivalents	**(76,786)**	(1,735,806)

9 Dividend

The Directors do not recommend the payment of an interim dividend in respect of the six months ended 30 September 2010 (2009: Nil).

10 Earnings per share

The calculation of basic earnings per share is based on profit from continuing operations attributable to shareholders of the Company and on the ordinary shares in issue during the period.

The profit from continuing operations attributable to shareholders of the Company of HK$25,985,908 (2009: HK$7,657,267) is derived from the profit attributable to the shareholders of the Company of HK$35,774,756 (2009: HK$2,534,472) as adjusted by the profit from discontinued operation of HK$9,788,848 (2009: loss of HK$5,122,795) attributable to shareholders of the Company (note 8).

The diluted earnings per share was the same as the basic earnings per share for the respective periods, as there were no potential ordinary shares in issue.

11 Capital expenditure

	Property, plant and equipment HK$	Land use rights HK$	Investment property HK$	Total HK$
Six months ended 30 September 2010				
Net book amount at 1 April 2010				
– as previously reported	**844,617,758**	**31,483,818**	**317,178**	**876,418,754**
– effect of changes in accounting policies	**9,779,117**	**(10,819,417)**	**2,882,822**	**1,842,522**
Net book amount at 1 April 2010 (restated)	**854,396,875**	**20,664,401**	**3,200,000**	**878,261,276**
Exchange differences	**2,880,121**	**74,185**	**–**	**2,954,306**
Additions	**82,187,784**	**–**	**–**	**82,187,784**
Change in fair value	**–**	**–**	**700,000**	**700,000**
Revaluation surplus	**33,489,015**	**–**	**–**	**33,489,015**
Disposals	**(685,578)**	**–**	**–**	**(685,578)**
Amortisation/depreciation	**(52,411,327)**	**(220,574)**	**–**	**(52,631,901)**
Net book amount at 30 September 2010	**919,856,890**	**20,518,012**	**3,900,000**	**944,274,902**
Six months ended 30 September 2009				
Net book amount at 1 April 2009				
– as previously reported	814,192,685	24,675,999	326,572	839,195,256
– effect of changes in accounting policies	10,063,757	(11,132,173)	2,673,428	1,605,012
Net book amount at 1 April 2009 (restated)	824,256,442	13,543,826	3,000,000	840,800,268
Exchange differences	817,374	14,517	–	831,891
Additions	98,790,365	–	–	98,790,365
Change in fair value	–	–	200,000	200,000
Amortisation/depreciation	(47,890,416)	(145,670)	–	(48,036,086)
Net book amount at 30 September 2009 (restated)	875,973,765	13,412,673	3,200,000	892,586,438

11 Capital expenditure (Continued)

(a) At 30 September 2010, the net book amount of property, plant and equipment (including leasehold land and buildings) pledged as securities for the bank loans of the Group amounting to HK$537,677,263 (31 March 2010: HK$448,695,259).

(b) At 30 September 2010, the net book amount of property, plant and equipment held by the Group under finance leases amounting to HK$143,418,428 (31 March 2010: HK$151,181,265).

12 Trade and other receivables

Included in trade and other receivables are trade receivables of HK$238,078,819 (31 March 2010: HK$154,895,273). The ageing analysis of trade receivables was as follows:

	30 September 2010 *HK$*	31 March 2010 *HK$*
0 – 60 days	**173,512,945**	109,502,073
61 – 120 days	**52,850,172**	37,789,178
121 – 180 days	**9,112,069**	6,207,554
181 – 240 days	**1,706,934**	643,224
Over 240 days	**896,699**	753,244
	238,078,819	154,895,273

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

13 Trade and other payables

Included in trade and other payables are trade payables of HK$336,782,054 (31 March 2010: HK$211,725,284). The ageing analysis of trade payables was as follows:

	30 September 2010 *HK$*	31 March 2010 *HK$*
0 – 60 days	**138,845,034**	120,859,989
61 – 120 days	**116,659,152**	60,965,798
121 – 180 days	**72,620,672**	20,851,029
181 – 240 days	**6,634,336**	5,214,761
Over 240 days	**2,022,860**	3,833,707
	336,782,054	211,725,284

14 Borrowings

	30 September 2010 *HK$*	31 March 2010 *HK$*
Non-current		
Bank loans	**216,959,372**	142,207,054
Obligations under finance leases	**14,705,972**	23,161,578
	231,665,344	165,368,632
Current		
Bank loans	**296,008,844**	343,131,397
Obligations under finance leases	**39,605,678**	50,765,118
	335,614,522	393,896,515
Total	**567,279,866**	559,265,147

14 Borrowings (Continued)

Movements in borrowings are analysed as follows:

	Six months ended 30 September	
	2010	2009
	HK$	*HK$*
At the beginning of the period	**559,265,147**	356,189,163
Exchange differences	**1,075,457**	196,309
New bank loans	**100,106,237**	24,252,694
Inception of finance leases	**7,983,563**	4,098,072
Repayments of borrowings	**(101,150,538)**	(39,095,272)
At the end of the period	**567,279,866**	345,640,966

One of the banking facilities granted to the Group has stipulated that the assets should not be pledged without the lending bank's permission. At 30 September 2010, the Group breached such covenant. The total facilities from the bank were HK$45,675,657, which was fully utilised as at 30 September 2010. Accordingly, the non-current portion of bank loan amounting to HK$22,837,828 was reclassified as a current liability in the balance sheet as at 30 September 2010.

15 Share capital

	Number of shares	**Amount** ***HK$***
Authorised:		
Ordinary shares of HK$0.10 each		
At 1 April 2009, 31 March 2010 and 30 September 2010	700,000,000	70,000,000
Issued and fully paid:		
Ordinary shares of HK$0.10 each		
At 1 April 2009, 31 March 2010 and 30 September 2010	56,918,520	5,691,852

16 Capital Commitments

	30 September 2010 HK$	31 March 2010 HK$
Contracted but not provided for plant, machinery and leasehold improvements	**30,961,593**	64,865,451

17 Related party transactions

Key management compensation

The remuneration of directors and other members of key management during the period was as follows:

	Six months ended 30 September	
	2010 HK$	2009 HK$
Salaries and other short-term employee benefits	**3,708,881**	3,904,368
Pension costs	**45,930**	73,800
	3,754,811	3,978,168

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

For the six months ended 30 September 2010, the revenue of the Group amounted to HK$666,141,826 (2009: HK$470,870,617) representing an increase of 41% compared with last corresponding period whereas the profit attributable to shareholders amounted to HK$35,774,756 (2009: HK$2,534,472) representing an increase of 1,312% compared with last corresponding period.

Financial review

The Group is principally engaged in the manufacturing and selling of printed circuit boards ("PCB") and consumer electronic products. During the period, electronic products segment was classified as the discontinued operation because of the termination of electronic business operation.

The revenue for the six months ended 30 September 2010 and 2009 were as follows:

	Six months ended 30 September		Increase/
	2010	2009	(decrease)
	HK$	*HK$*	%
Printed circuit boards	**663,961,839**	447,087,233	49
Electronic products (discontinued operation)	**2,179,987**	23,783,384	(91)
	666,141,826	470,870,617	41

In the current period, the total revenue from customers in Hong Kong, Macao and Mainland China represented 58% (2009: 64%) of the Group's total revenue.

As the revenue of electronic products segment only represents lower than 1% of the Group's total revenue, the following analysis is only applied to the PCB segment.

Cost of sales

Cost of sales in the current period increased to HK$565,488,215 (2009: HK$381,269,717) representing an increase of 48% comparing to last corresponding period. The increase was in line with the increase in revenue.

Gross profit ratio

Gross profit ratio increased from 14.7% to 14.8% which had no material change when compared with last corresponding period.

Other operating income

Other operating income decreased to HK$3,409,236 (2009: HK$4,621,625). The decrease was mainly due to the sale of manufacturing by-products amounting to HK$2,615,490 (2009: HK$3,152,928) and no gain on derivatives was recorded in current period (2009:HK$1,044,554).

Other operating expenses

Other operating expenses mainly included bad debts written off amounting to HK$4,039,732 (2009: HK$798,791) which represents 0.6% (2009: 0.2%) of total revenue.

Finance costs

Finance costs increased to HK$15,149,014 (2009: HK$10,496,340). The increase was mainly due to additional financing for the construction and operation of the Jiangxi factory. The total borrowing amount as at 30 September 2010 was increased to HK$567,279,866 (30 September 2009: HK$345,640,966).

Property revaluation

In previous years, the Group's land and buildings and investment property were carried at historical cost less accumulated depreciation and impairment losses. The Directors reassessed the appropriateness of this accounting policy during the period and concluded that using the revaluation model under HKAS 16 and the fair value model under HKAS 40 would provide more appropriate and relevant information about the Group's results and financial position.

Consequently, the Group changed its accounting policies on land and buildings and an investment property to follow the revaluation model and fair value model in this period. As a result, the net book value of the total assets was increased by HK$36,050,292 as at 30 September 2010 and the fair value gain of investment property amounting to HK$700,000 was recorded in the income statement for the six months ended 30 September 2010. Please refer to the heading "Note 3 – Accounting policies" under the note to the unaudited condensed consolidated Interim Financial Information for detail.

Review of operations

Printed Circuit Boards Segment

Revenue increased to HK$663,961,839 (2009: HK$447,087,233) which accounts for more than 99% (2009: 95%) of the Group's total revenue for the current period and the segment result was recorded a profit of HK$49,883,281 (2009: HK$22,559,373). The increase was mainly due to the gradual recovery of the global economy, the broadening in customer base and the enhancement in production capacity of the Group after commencement of production in the factory in Jiangxi.

Electronic Products Segment (Discontinued Operation)

Revenue decreased to HK$2,179,987 (2009: HK$23,783,384) which accounts for less than 1% (2009: 5%) of the Group's total revenue for the current period. Segment result was recorded a profit of HK$10,081,996 (2009: loss of HK$5,123,866) which was due to the reversal of impairment loss on property, plant and equipment amounting to HK$11,327,563 (2009: Nil).

Liquidity and financial resources

At 30 September 2010, the total borrowings of the Group, including obligations under finance leases, amounted to HK$567,279,866 (31 March 2010: HK$559,265,147) which were payable in Hong Kong dollars, United States dollars and Renminbi. The Group's gearing ratio at 30 September 2010, which was calculated as the ratio of all bank borrowings and long term loans less bank balances and cash to shareholders' funds, was 89% (31 March 2010: 108%).

At 30 September 2010, the Group's total borrowings were repayable as follows:

	30 September 2010 *HK$*		31 March 2010 *HK$*	
Within one year	**335,614,522**	**59%**	393,896,515	70%
In the second year	**68,654,115**	**12%**	76,167,185	14%
In the third to fifth years	**163,011,229**	**29%**	89,201,447	16%
	567,279,866	**100%**	559,265,147	100%

At 30 September 2010, the Group's banking facilities were summarised as follows:

	30 September 2010	31 March 2010
	HK$	*HK$*
Total banking facilities granted	**594,841,349**	723,451,433
Facilities utilised	**(512,968,216)**	(485,338,451)
Available facilities	**81,873,133**	238,112,982

Among the total facilities, banking facilities amounted to HK$443,199,425 (31 March 2010: HK$306,948,912) are secured by a legal charge on the Group's assets with a net book value of HK$608,673,585 (31 March 2010: HK$519,428,272).

One of the banking facilities granted to the Group has stipulated that the assets should not be pledged without the lending bank's permission. At 30 September 2010, the Group breached such covenant. The total facilities from the bank were HK$45,675,657 which was fully utilised. Accordingly, the non-current portion of bank loans amounting to HK$22,837,828 was reclassified as a current liability in the balance sheet as at 30 September 2010. The directors of the Company have reviewed the Group's cash flows projection which is prepared based on the assumption that the Group's existing banking facilities will continue to be available or can be replaced by new facilities. The directors believe that the Group will have sufficient financial resources to finance its operations and be able to continue as a going concern in the foreseeable future.

At 30 September 2010, obligations under finance leases of the Group amounting to HK$54,311,650 (31 March 2010: HK$73,926,696) are secured by a legal charge on the Group's property, plant and equipment with a net book amount of HK$143,418,428 (31 March 2010: HK$151,181,265).

Employees, remuneration policies

At 30 September 2010, approximately 3,985 (30 September 2009: 3,866) staff members and workers were employed in our Chang An Plant, Feng Gang Plant and Jiangxi Plant in Mainland China and 40 (30 September 2009: 44) staff members were employed in the Group's Hong Kong and Macao offices. Staff costs, excluding directors' remuneration, amounted to HK$78,429,410 for the six months ended 30 September 2010 (2009: HK$62,186,519). 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 period.

Prospects

Although the revenue and the results of the Group for the period under review were encouraging, the business environment forthcoming is still so challenging. Possible increase in raw material prices and labour costs, appreciation of Renminbi, and possible increase in interest rates are the potential cost burdens to the Group. In order to alleviate the impact of these factors and maintain the competitiveness, the Group will continue to implement cost saving measures, try with full endeavor to reach the economic scale of production, move towards hi-technology and uplift the degree of automation in production.

In the long-run, the increasing demand of LED televisions, 3G mobiles 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.

Share option scheme

On 23 February 2005, the Company adopted a share option scheme under which the directors may grant options to eligible persons, including employees and directors of the Group, to subscribe for shares of the Company.

The Company has not granted any option under the share option scheme since its adoption.

Interests of directors and chief executive in equity or debt securities

As at 30 September 2010, the interests of the directors and chief executive in the share capital of the Company as recorded in the register required to be kept under section 352 of the Securities and Futures Ordinance ("SFO") or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") were as follows:

Name	Number of shares	Nature of interest	Percentage of shareholding
Yip Sum Yin	34,669,973 *(Note)*	Settlor and beneficiary of trust	60.91%
Yip How Yin, Maurice	34,669,973 *(Note)*	Settlor and beneficiary of trust	60.91%
Yu Hung Min	31,071,475 *(Note)*	Beneficiary of a trust	54.58%

Note:

31,071,475 shares of HK$0.10 each of the Company ("Shares") were beneficially owned by Sum Tai Holdings Limited ("Sum Tai"), which is wholly owned by Aberdare Assets Limited ("Aberdare"). Aberdare is wholly owned by Mr Yip How Yin, Maurice as trustee of a discretionary trust established for the benefit of Mr Yip Sum Yin, Madam Yu Hung Min and their family. 3,598,498 Shares were beneficially owned by Maroc Ventures Inc. ("Maroc"), which is wholly owned by Mr Yip Sum Yin as trustee of a discretionary trust established for the benefit of Mr Yip How Yin, Maurice and his family.

Save as disclosed above and the non-beneficial interest in certain subsidiaries of the Company of a director in his capacity of a nominee shareholder, as at 30 September 2010, none of the directors or any chief executive of the Company had an interest or short position in any shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save for the Company's share option scheme, at no time during the period was the Company, its subsidiaries or its holding company a party to any arrangement to enable the directors or chief executive of the Company to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

Substantial shareholders and other person's interest and short positions in shares and underlying shares.

As at 30 September 2010, so far as is known to the Directors, the following persons (other than a Director or Chief executive of the Company) had interest in the share capital of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

Name	Number of shares	Nature of interest	Percentage of shareholding
Sum Tai	31,071,475 *(Note1)*	Corporate interest	54.58%
Aberdare	31,071,475 *(Note1)*	Corporate interest	54.58%
Maroc *(Note 2)*	3,598,498	Beneficial owner	6.32%

Notes:

1. These Shares were beneficially owned by Sum Tai. Please refer to the note to the section headed "Interests of directors and chief executive in equity or debt securities" above.

2. Maroc is wholly owned by Mr Yip Sum Yin as trustee of a discretionary trust established for the benefit of Mr Yip How Yin, Maurice and his family.

Save as disclosed above, as at 30 September 2010, according to the register of interests required to be kept by the Company under section 336 of the SFO, there was no person who had any interest or short position in the shares or underlying shares of the Company.

Purchase, sale or redemption of Company's listed securities

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 period.

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 six months ended 30 September 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 had 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 six months ended 30 September 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 interim report for the six months ended 30 September 2010.

Auditor

The Group's external auditor, PricewaterhouseCoopers, has conducted a review of the Interim Financial Information of the Group for the six months ended 30 September 2010 in accordance with the Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA.

Appreciation

On behalf of the Board, I would like to express our thanks to our shareholders, customers, banks, and suppliers for their continuous support to the Group. I would also extend my appreciation to all our management and staff for their contribution during the period.

On behalf of the Board
YIP Sum Yin
Chairman

Hong Kong, 29 November 2010