SAME TIME HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 451)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2011

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 2011, with comparative figures for the previous year as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2011

	Note	**2011** *HK$*	2010 *HK$* (Restated)
Continuing operations			
Revenue	3	**1,332,336,472**	902,243,858
Cost of sales		**(1,196,490,064)**	(790,312,495)
Gross profit		**135,846,408**	111,931,363
Other operating income	4	**13,110,007**	8,124,836
Change in fair value of an investment property		**2,370,000**	200,000
Distribution and marketing costs		**(23,259,340)**	(15,305,220)
Administrative expenses		**(89,283,885)**	(74,600,881)
Other operating expenses		**(5,992,891)**	(3,166,559)
Operating profit	5	**32,790,299**	27,183,539
Finance income		**1,566,849**	212,227
Finance costs	6	**(32,919,300)**	(21,074,467)
Profit before income tax		**1,437,848**	6,321,299
Income tax expense	7	**(6,232,342)**	(5,121,034)
(Loss)/profit from continuing operations		**(4,794,494)**	1,200,265
Discontinued operation			
Profit/(loss) from discontinued operation	8	**11,744,943**	(47,734,789)
Profit/(loss) attributable to shareholders of the Company		**6,950,449**	(46,534,524)
Basic and diluted earnings/(loss) per share attributable to shareholders of the Company	10		
– from continuing operations		**(8.4 cents)**	2.1 cents
– from discontinued operation		**20.6 cents**	(83.8 cents)
		12.2 cents	(81.7 cents)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2011

	2011	2010
	HK$	*HK$*
		(Restated)
Profit/(loss) for the year	**6,950,449**	(46,534,524)
Other comprehensive income:		
Currency translation differences	**22,646,268**	2,257,086
Revaluation surplus on leasehold land and buildings	**64,933,538**	–
Other comprehensive income for the year, net of tax	**87,579,806**	2,257,086
Total comprehensive income attributable to shareholders of the Company	**94,530,255**	(44,277,438)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2011

		As at 31 March		As at 1 April
		2011	2010	2009
	Note	***HK$***	*HK$*	*HK$*
			(Restated)	(Restated)
ASSETS				
Non-current assets				
Property, plant and equipment		**1,003,909,641**	854,396,875	824,256,442
Land use rights		**21,008,304**	20,664,401	13,543,826
Investment property		**5,570,000**	3,200,000	3,000,000
Non-current deposits		**12,010,977**	6,650,526	14,621,261
Other non-current asset		**350,000**	350,000	350,000
		1,042,848,922	885,261,802	855,771,529
Current assets				
Inventories		**195,980,693**	120,786,880	110,289,841
Trade and other receivables	11	**335,305,429**	210,666,277	144,127,536
Derivative financial assets		**–**	–	1,426,036
Pledged bank deposits		**–**	70,733,013	–
Cash at banks and in hand		**31,461,333**	71,857,684	52,747,732
		562,747,455	474,043,854	308,591,145
Total assets		**1,605,596,377**	1,359,305,656	1,164,362,674
EQUITY				
Capital and reserves				
Share capital		**5,691,852**	5,691,852	5,691,852
Reserves		**475,646,567**	381,116,312	425,393,750
Total equity		**481,338,419**	386,808,164	431,085,602
LIABILITIES				
Non-current liabilities				
Borrowings	13	**181,315,405**	165,368,632	133,663,960
Deferred income tax liabilities		**9,566,546**	6,723,480	7,180,213
Deferred income		**20,859,169**	9,611,980	9,783,367
		211,741,120	181,704,092	150,627,540

	Note	As at 31 March 2011 HK$	2010 HK$ (Restated)	As at 1 April 2009 HK$ (Restated)
Current liabilities				
Trade and other payables	12	**580,765,074**	356,827,792	312,719,436
Derivative financial liabilities		**–**	98,747	823,214
Borrowings	13	**290,487,185**	393,896,515	222,525,203
Current income tax liabilities		**41,264,579**	39,970,346	46,581,679
		912,516,838	790,793,400	582,649,532
Total liabilities		**1,124,257,958**	972,497,492	733,277,072
Total equity and liabilities		**1,605,596,377**	1,359,305,656	1,164,362,674
Net current liabilities		**349,769,383**	316,749,546	274,058,387
Total assets less current liabilities		**693,079,539**	568,512,256	581,713,142

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 ("HKICPA"). They have been prepared under the historical cost convention, as modified by the revaluation of investment property, financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss and revaluation of properties through equity.

As at 31 March 2011, the Group had net current liabilities of approximately HK$350 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 2011 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 2011, the Group breached the financial covenant requirements of certain banking facilities (note 13). The total facilities from these relevant banks were approximately HK$110 million of which approximately HK$82 million was utilised as at 31 March 2011. Up to the date of approval of these consolidated financial statements, a relevant principal bank granted a waiver from strict compliance of the financial covenant requirements relating to its banking facilities amounting to approximately HK$59 million as at 31 March 2011. Such bank loans amounted to approximately HK$59 million as at 31 March 2011.

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 date of approval of these consolidated financial statements, the directors of the Company are not aware of any intention of the principal banks to withdraw their banking facilities or request early repayment of the utilised facilities. Furthermore, the Group obtained additional banking facilities in April 2011 from its principal banks with an aggregate amount of approximately HK$71 million. Alternative plans have also been developed by the Group to respond to any changes in facilities available from its principal banks.

In April 2011, the Group raised net proceeds of approximately HK$36 million through new share placing. In addition, in June 2011, the Group issued a convertible redeemable bond and raised net proceeds of approximately HK$89 million.

Based on the director's review of the Group's cash flow projection, taking into account the reasonably possible changes in trading performance, the ongoing support from the banks and the recent capital market related financing measures, the directors believe that the Group will be able to generate sufficient cash flows 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 financial statements on a going concern basis.

2 Accounting policies

(i) New and amended standards adopted by the Group

The Group has adopted the following new standards, amendments to standards and interpretations which are mandatory for the first time for the financial year beginning on 1 April 2010:

HKAS 17 (Amendment)	Leases
HKAS 27	Consolidated and separate financial statements
HKAS 36 (Amendment)	Impairment of assets
HKFRS 5 (Amendment)	Non-current assets held for sale and discontinued operations
HK-Int 4	Leases – Determination of the length of lease term in respect of Hong Kong land leases
HK-Int 5	Presentation of financial statements – classification by the borrower of a term loan that contains a repayment on demand clause

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 on 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 rights 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) is as follows:

	31 March 2011	31 March 2010	1 April 2009
	HK$	*HK$*	*HK$*
Increase in property, plant and equipment	**9,494,477**	9,779,117	10,063,757
Increase in investment property	**1,012,184**	1,040,300	1,068,416
Decrease in leasehold land	**(10,506,661)**	(10,819,417)	(11,132,173)

HK(Int) 5, "Presentation of Financial Statements – Classification by the Borrower of a Term Loan that contains a Repayment on Demand Clause"

In November 2010, HKICPA issued Hong Kong Interpretation 5 'Presentation of financial statements – classification by the borrower of a term loan that contains a repayment on demand clause' ("HK-Int 5"). HK-Int 5 is effective immediately and is a clarification of an existing standard, HKAS 1, 'Presentation of financial statements' ("HKAS 1"). It sets out the conclusion reached by the HKICPA that a term loan which contains a clause which gives the lender the unconditional right to demand repayment at any time shall be classified as a current liability in accordance with paragraph 69(d) of HKAS 1 irrespective of the probability that the lender will invoke the clause without cause.

In order to comply with the requirements of HK-Int 5, the Group has changed its accounting policy on the classification of term loans that contain a repayment on demand clause. Under the new policy, term loans with clauses which give the lender the unconditional right to call the loan at any time are classified as current liabilities in the consolidated statement of financial position. Previously such term loans were classified in accordance with the agreed repayment schedule unless the Group had breached any of the loan covenants set out in the agreement as of the reporting date or otherwise had reason to believe that the lender would invoke its rights under the immediate repayment clause within the foreseeable future.

The new accounting policy has been applied retrospectively by re-presenting the opening balances at 1 April 2009, with consequential reclassification adjustments to comparatives as at 31 March 2011. The reclassification has no effect on reported profit or loss, total comprehensive income or equity for any period presented.

The Group has retrospectively applied this interpretation and has classified certain bank borrowings where the relevant loan agreements contain repayment on demand clauses as current liabilities. The effect of the adoption of HK-Int 5 is as follows:

	31 March 2011 HK$	31 March 2010 HK$	1 April 2009 HK$
Increase in current portion of borrowings	**3,552,214**	–	2,719,957
Decrease in non-current portion of borrowings	**(3,552,214)**	–	(2,719,957)

(ii) New and amended standards and interpretations mandatory for the first time for the financial year beginning on 1 April 2010 but not currently relevant to the Group:

HKAS 1 (Amendment)	Current/non-current classification of convertible instruments
HKAS 7 (Amendment)	Classification of expenditures on unrecognised assets
HKAS 18 (Amendment)	Determining whether an entity is acting as a principal or as an agent
HKAS 32 (Amendment)	Eligible hedged items
HKAS 36 (Amendment)	Unit of accounting for goodwill impairment test
HKAS 38 (Amendment)	Additional consequential amendments arising from HKFRS 3 (revised) and measuring the fair value of an intangible asset acquired in business combination
HKAS 39 (Amendment)	Eligible hedge items
HKFRS 1 (Revised)	First-time adoption of HKFRSs
HKFRS 1 (Amendment)	Additional exemptions for first-time adopters
HKFRS 2 (Amendment)	Group cash-settled share-based payment transactions
HKFRS 3 (Revised)	Business combinations
HKFRS 5 (Amendment)	Non-current Assets Held for Sale and Discontinued Operations
HKFRS 8 (Amendment)	Disclosure of information about segment assets
HK(IFRIC) – Int 9	Reassessment of embedded derivatives
HK(IFRIC) – Int 16	Hedges of a net investment in a foreign operation
HK(IFRIC) – Int 17	Distribution of non-cash asset of owners
HK(IFRIC) – Int 18	Transfers of assets from customers

In addition, HKICPA also published a number of amendments to existing standards under its annual improvement project. These amendments are also not expected to have a significant financial impact on the results and financial position of the Group.

(iii) New standards, amendments and interpretations to existing standards have been issued but are not yet effective for the financial year beginning on or after 1 April 2010 and have not been early adopted:

HKAS 1 (Amendment)	Presentation of financial statements (effective on or after 1 January 2011)
HKAS 12 (Amendment)	Income Taxes (effective from 1 January 2012)
HKAS 24 (Revised)	Related party disclosures (effective on or after 1 January 2011)
HKAS 27 (Amendment)	Consolidated and separate financial statements (effective on or after July 2010)
HKAS 28 (2011)	Investments in Associates and Joint Ventures (effective on or after 1 January 2013)
HKAS 34 (Amendment)	Interim financial reporting (effective on or after 1 January 2011)
HKFRS 1 (Revised)	Limited exemption from comparative HKFRS 7 disclosures for first time adopters (effective on or after 1 January 2011)
HKFRS 3 (Revised)	Business combinations (effective on or after 1 July 2010)
HKFRS 7 (Revised)	Financial Instruments Disclosures (effective on or after 1 January 2012)
HKFRS 9	Financial Instruments (effective on or after 1 January 2013)
HKFRS 10	Consolidated financial statement (effective on or after 1 January 2013)
HKFRS 11	Joint Arrangements (effective on or after 1 January 2013)
HKFRS 12	Disclosure of interests in other Entities (effective on or after 1 January 2013)
HKFRS 13	Fair value Measurement (effective on or after 1 January 2013)
HK(IFRIC) – Int 13	Fair value of aware credit (effective on or after 1 January 2011)
HK(IFRIC) – Int 14 (Amendment)	Prepayment of a Minimum Funding Requirement (effective on or after 1 January 2011)
HK (IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments (effective on or after 1 July 2010)

The Group has already commenced an assessment of the related impact of adopting the above new standards, amendments and interpretations to existing standards but it is not yet in a position to state whether they will have a significant impact on its results of operations and financial position. The Group plans to adopt these new standards, amendments and interpretations to existing standards when they become effective.

Changes in accounting policies and classifications

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

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

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

The effect of the changes in accounting policies to the consolidated financial statements is as follows:

	31 March 2011	31 March 2010	1 April 2009
	HK$	*HK$*	*HK$*
Increase in property, plant and equipment	**69,331,101**	–	–
Increase in investment property	**4,250,032**	1,842,522	1,605,012
Increase in deferred income tax liabilities	**2,937,447**	74,149	–
Increase in property revaluation reserve	**64,933,537**	–	–
Increase in exchange reserve	**22,855**	–	–
Increase in retained earnings	**5,687,294**	1,768,373	1,605,012

	2011	2010
	HK$	*HK$*
Increase in fair value of investment property	**2,370,000**	200,000
Reversal of impairment loss on property, plant and equipment	**2,170,734**	–
Increase in income tax expense	**(67,627)**	(74,149)
(Increase)/decrease in depreciation and amortisation	**(554,186)**	37,510
Increase in profit for the year	**3,918,921**	163,361
Increase in basic earnings per share	**6.9 cents**	0.3 cents

In addition, the Group has classified deposits paid for purchase of property, plant and equipment as at 31 March 2011 as non-current assets. Management considers that this classification is more appropriate and comparative information has been reclassified to conform to the current year's presentation.

Other reclassifications of comparative figures relate mainly to the discontinued operation (Note 8).

3 REVENUE AND SEGMENT INFORMATION

(a) Application of HKFRS 8 "Operating segments"

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

(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, 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:

	2011		
	Electronic products	**Printed circuit boards**	**Group**
	HK$	*HK$*	*HK$*
Revenue	**2,174,200**	**1,332,336,472**	**1,334,510,672**
Segment results	**12,063,586**	**34,251,497**	**46,315,083**
Unallocated income			**2,538,000**
Unallocated costs			**(3,999,198)**
Operating profit			**44,853,885**
Finance income	**3,119**	**1,566,849**	**1,569,968**
Finance costs	**(321,762)**	**(32,919,300)**	**(33,241,062)**
Profit before income tax			**13,182,791**
Income tax expense	**–**	**(6,232,342)**	**(6,232,342)**
Profit attributable to shareholders of the Company			**6,950,449**
Bad debts written off	**–**	**5,289,584**	**5,289,584**
Depreciation and amortisation	**712,027**	**108,948,752**	**109,660,779**

	2010		
	Electronic products	Printed circuit boards	Group
	HK$	*HK$*	*HK$*
	(Restated)	(Restated)	(Restated)
Revenue	29,336,065	902,243,858	931,579,923
Segment results	(43,628,264)	34,619,943	(9,008,321)
Unallocated income			1,685,757
Unallocated costs			(9,122,161)
Operating loss			(16,444,725)
Finance income	4,042	212,227	216,269
Finance costs	(143,523)	(21,074,467)	(21,217,990)
Loss before income tax			(37,446,446)
Income tax expense	(3,967,044)	(5,121,034)	(9,088,078)
Loss attributable to shareholders of the Company			(46,534,524)
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	5,121,030	91,625,400	96,746,430
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

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

	31 March 2011		
	Electronic products *HK$*	**Printed circuit boards** *HK$*	**Group** *HK$*
Total segment assets	**26,120,158**	**1,535,087,530**	**1,561,207,688**
Investment property			**5,570,000**
Leasehold land and buildings			**37,530,000**
Unallocated corporate assets			**1,288,689**
Total assets			**1,605,596,377**
Total assets include:			
Additions to non-current assets	**–**	**155,630,639**	**155,630,639**
Total segment liabilities	**9,702,084**	**1,061,722,840**	**1,071,424,924**
Current income tax liabilities			**41,264,579**
Deferred income tax liabilities			**9,566,546**
Unallocated corporate liabilities			**2,001,909**
Total liabilities			**1,124,257,958**

	31 March 2010		
	Electronic products	Printed circuit boards	Group
	HK$	*HK$*	*HK$*
	(Restated)	(Restated)	(Restated)
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 corporate assets			1,316,948
Total assets			1,359,305,656
Total assets include:			
Additions to non-current assets	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			6,723,480
Unallocated corporate liabilities			2,006,248
Total liabilities			972,497,492

(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 2011 is HK$806,273,225 (2010: HK$591,963,369), and the total of its revenue from external customers in other countries is HK$528,237,447 (2010: HK$339,616,554).

At 31 March 2011 and 2010, 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 2011, revenues of HK$164,407,543 (2010: HK$100,822,085) are derived from a single external customer. These revenues are attributable to the printed circuit board products.

4 OTHER OPERATING INCOME

	2011	2010
	HK$	*HK$*
		(Restated)
Amortisation of deferred income on government grants	**391,870**	204,313
Claims from customers for cancelled orders	**–**	748,306
Gain on disposal of property, plant and equipment	**162,045**	67,524
Government subsidies	**612,614**	1,666,056
Net gain on derivatives	**98,747**	1,270,501
Rental income	**168,000**	168,000
Sale of manufacturing by-products	**11,562,848**	3,678,593
Sundries	**113,883**	321,543
	13,110,007	8,124,836

5 OPERATING PROFIT

	2011	2010
	HK$	*HK$*
		(Restated)
Operating profit is stated after charging the following:		
Auditor's remuneration		
– Provision for current year	**1,270,000**	1,020,000
– Under-provision for prior years	**100,000**	–
Amortisation of land use rights	**480,096**	303,613
Bad debts written off *(Note)*	**5,289,584**	2,442,226
Cost of inventories sold	**1,196,490,064**	790,312,495
Depreciation		
– Owned property, plant and equipment	**89,714,509**	67,767,137
– Leased property, plant and equipment	**18,754,147**	23,554,650
Impairment loss on slow moving and obsolete inventories	**–**	752,532
Net exchange loss	**19,173,933**	6,103,610
Operating lease rental in respect of properties	**3,372,098**	3,609,186

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

6 FINANCE COSTS

	2011	2010
	HK$	*HK$*
Interest on bank loans and overdrafts wholly repayable within five years	**29,452,280**	15,542,635
Interest element of finance leases	**3,467,020**	5,531,832
	32,919,300	21,074,467

7 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2010: 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.

	2011	2010
	HK$	*HK$*
		(Restated)
Current income tax		
– Hong Kong profits tax		
Provision for current year	**392,719**	5,122,589
Over-provision for prior years	**–**	(3,398,379)
	392,719	1,724,210
– Overseas taxation		
Provision for current year	**7,904,817**	3,853,557
Over-provision for prior years	**(2,112,589)**	–
	6,184,947	5,577,767
Deferred income tax		
– Origination and reversal of temporary differences	**47,395**	(456,733)
	6,232,342	5,121,034

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 provision 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 since then.

8 DISCONTINUED OPERATION

For the year ended 31 March 2011, electronic products segment was classified as discontinued operation as a result of cessation of this business during the year.

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

	2011	2010
	HK$	*HK$*
Revenue	**2,174,200**	29,336,065
Cost of sales	**(2,642,636)**	(27,946,292)
Gross (loss)/profit	**(468,436)**	1,389,773
Other operating income	**477,869**	410,015
Gain on disposal of property, plant and equipment	**3,981,166**	–
Distribution and marketing costs	**(406,270)**	(2,660,241)
Administrative expenses	**(2,506,014)**	(11,580,009)
Other operating expenses	**(187,844)**	(10,181,902)
Reversal of impairment loss/(impairment loss) on property, plant and equipment	**11,173,115**	(21,005,900)
Operating profit/(loss)	**12,063,586**	(43,628,264)
Finance income	**3,119**	4,042
Finance costs	**(321,762)**	(143,523)
Profit/(loss) before income tax	**11,744,943**	(43,767,745)
Income tax expense	**–**	(3,967,044)
Profit/(loss) attributable to shareholders	**11,744,943**	(47,734,789)

(b) An analysis of the cash flows of the discontinued operation is as follows:

	2011	2010
	HK$	*HK$*
Net cash used in operating activities	**(771,493)**	(15,006,461)
Net cash generated from investing activities	**13,679,548**	303,021
Net cash (used in)/generated from financing activities	**(11,388,348)**	11,200,660
Effect of foreign exchange rate changes	**(1,710,867)**	(83,573)
Decrease in cash and cash equivalents	**(191,160)**	(3,586,353)

9 DIVIDEND

The Directors do not recommend the payment of a dividend for the year ended 31 March 2011 (2010: Nil).

10 EARNINGS/(LOSS) PER SHARE

The calculation of basic earnings/(loss) per share is based on the profit attributable to shareholders of the Company and on the weighted average number of ordinary shares in issue during the year.

	2011	2010
	HK$	*HK$*
		(Restated)
Weighted average number of ordinary share issue	**56,918,520**	56,918,520
(Loss)/profit from continuing operations attributable to shareholders of the Company	**(4,794,494)**	1,200,265
Basic (loss)/earnings per share from continuing operations attributable to shareholders of the Company	**(8.4 cents)**	2.1 cents
Profit/(loss) from discontinued operation attributable to shareholders of the Company	**11,744,943**	(47,734,789)
Basic earnings/(loss) per share from discontinued operation attributable to shareholders of the Company	**20.6 cents**	(83.8 cents)

The diluted earnings/(loss) per share for the years ended 31 March 2011 and 2010 were the same as the basic earnings/(loss) per share for the respective years, as there were no potential ordinary shares in issue.

11 TRADE AND OTHER RECEIVABLES

	2011	2010
	HK$	*HK$*
Trade receivables	**254,490,139**	154,895,273
Deposits, prepayments and other receivables	**80,815,290**	55,771,004
	335,305,429	210,666,277

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

	2011	2010
	HK$	*HK$*
0 – 60 days	**191,621,536**	109,502,073
61 – 120 days	**56,859,430**	37,789,178
121 – 180 days	**3,700,715**	6,207,554
181 – 240 days	**967,944**	643,224
Over 240 days	**1,340,514**	753,244
	254,490,139	154,895,273

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

12 TRADE AND OTHER PAYABLES

	2011	2010
	HK$	*HK$*
Trade payables	**396,643,845**	211,725,284
Accruals and other payables	**184,121,229**	145,102,508
	580,765,074	356,827,792

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

	2011	2010
	HK$	*HK$*
0 – 60 days	**177,576,325**	120,859,989
61 – 120 days	**135,629,445**	60,965,798
121 – 180 days	**64,818,056**	20,851,029
181 – 240 days	**15,256,174**	5,214,761
Over 240 days	**3,363,845**	3,833,707
	396,643,845	211,725,284

13 BORROWINGS

	31 March 2011	31 March 2010	1 April 2009
	HK$	*HK$*	*HK$*
			(Restated)
Non-current			
Bank loans	**165,943,628**	142,207,054	79,365,079
Obligations under finance leases	**15,371,777**	23,161,578	54,298,881
	181,315,405	165,368,632	133,663,960
Current			
Bank loans due for repayment within one year	**258,345,994**	343,131,397	165,585,060
Bank loans due for repayment after one year which contain a repayment on demand clause	**3,552,214**	–	2,719,957
Obligations under finance leases	**28,588,977**	50,765,118	54,220,186
	290,487,185	393,896,515	222,525,203
Total borrowings	**471,802,590**	559,265,147	356,189,163

The interest-bearing bank borrowings, including the bank loans repayable on demand, are carried at amortised cost. None of the bank loans due for repayment after one year which contains a repayment on demand clause and that is classified as a current liability is expected to be settled within one year.

During the year, certain of the banking facilities granted to the Group stipulated that (i) the total liabilities over total equity of the Group should not be more than 2.2 and (ii) the assets should not be pledged without permission (2010: (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). At 31 March 2011, the Group breached such covenants. The total banking facilities from these relevant banks were approximately HK$110 million (2010: HK$168 million) of which approximately HK$82 million (2010: HK$117 million) was utilised as at 31 March 2011. Accordingly, the non-current portion of such bank loans amounting to HK$35,559,349 (2010: HK$39,457,206) was reclassified as a current liability in the consolidated statement of financial position as at 31 March 2011. Please also refer to note 1 "Basis of preparation" for further details of changes subsequent to 31 March 2011.

14 BANKING FACILITIES

At 31 March 2011, total facilities granted to the Group amounting to HK$496,593,446 (2010: HK$723,451,433) of which HK$427,841,835(2010: HK$485,338,451) were utilised.

Among the total facilities, banking facilities amounting to HK$371,034,137 (2010: HK$306,948,912) were secured by legal charges on the following assets of the Group:

	2011	2010
	HK$	*HK$*
		(Restated)
Property, plant and equipment	**634,220,700**	436,131,078
Land use rights	**20,325,118**	12,564,181
Investment property	**5,570,000**	–
Pledged bank deposits	**–**	70,733,013
	660,115,818	519,428,272

15 CAPITAL COMMITMENTS

	2011	2010
	HK$	*HK$*
Contracted but not provided for		
Plant, machinery and leasehold improvements	**13,075,178**	64,865,451
Investments in subsidiaries	**4,211,496**	5,967,796
	17,286,674	70,833,247

CHAIRMAN'S STATEMENT

Business Review

For the year ended 31 March 2011, profit before income tax from continuing operations of the Group amounting to HK$1,437,848 (2010: HK$6,321,299) represented a decrease of 77% compared with last year. Profit attributable to shareholders amounting to HK$6,950,449 (2010: loss attributable to shareholders amounting to HK$46,534,524).

Although the revenue for the printed circuit boards ("PCB") segment increased to HK$1,332,336,472 (2010: HK$902,243,858), which was mainly due to economic recovery, the broadening customer base and the enhancement in production capacity in the Jiangxi factory, the segment recorded a loss of HK$4,794,494 (2010: profit of HK$1,200,265) as the results of the following reasons:

(i) the increase in raw material costs

(ii) the increase in both production and administrative expenses due to the appreciation of Renminibi

(iii) the increase in depreciation and amortisation expenses amounting to HK$17,323,352 arising mainly from the new factory in Jiangxi.

(iv) the increase in finance costs amounting to HK$11,844,833 which was mainly caused by the additional loans for financing the construction and operation of the Jiangxi factory.

Electronics products segment was classified as discontinued operation as a result of cessation of this business during the year. This segment incurred a profit of HK$11,744,943 with the reversal of impairment loss on property, plant and equipment amounting to HK$11,173,115. The loss in last year was mainly due to the impairment loss on property, plant and equipment and the related expenses accrued for the closure of the factory.

Our new PCB factory in Jiangxi commenced operation in March 2009. The new PCB factory contributed 46% of the total production output for the year.

Prospect

The management works hard to explore more sales opportunities from the international renowned customers. More machinery is injected into our Jiangxi factory to improve the efficiency of the production lines in Jiangxi in order to reach the economic of scale of production. Sales revenue will have potential to grow accordingly. From April 2011 to May 2011, production output of PCB increased over 20% compared with those of the corresponding period of last year.

However, the forthcoming business environment is still difficult and challenging. Possible increase in raw material costs and labor costs, appreciation of Renminbi and possible increase in interest rates remain the potential burdens to the Group. 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, lower the scrap rate, move towards hi-technology, and uplift the degree of automation in production.

In the long-run, the increasing demand of LED 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 2011, the revenue of the Group amounting to HK$1,334,510,672 (2010: HK$931,579,923) represented an increase of 43% compared with last year whereas the profit attributable to shareholders amounting to HK$6,950,449 (2010: loss attributable to shareholders amounting to HK$46,534,524).

Financial Review

Revenue

The Group principally engages in the manufacturing and selling of printed circuit boards and consumer electronics products. For the year ended 31 March 2011, electronic products segment was classified as a discontinued operation as a result of cessation of this business.

The revenues for 2011 and 2010 were as follows:

	2011 *HK$*	2010 *HK$*	Increase/ (decrease) %
Printed circuit boards	**1,332,336,472**	902,243,858	48
Electronic products	**2,174,200**	29,336,065	(93)
	1,334,510,672	931,579,923	43

In the current year, the revenue from customers in Hong Kong, Macao and Mainland China represented 60% (2010: 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 and it has already been classified as discontinued operation, the following analysis is only applied to the PCB segment.

Cost of Sales

Cost of sales in the current year increased to HK$1,196,490,064 (2010: HK$790,312,495) representing an increase of 51% compared with last year.

The decline in gross profit margin from 12.4% to 10.2% was mainly due to the increase in material costs and the appreciation of Renminbi.

Other operating income

Other operating income mainly included sale of manufacturing by-products amounting to HK$11,562,848 (2010: HK$3,678,593) and government subsidies of Mainland China amounting to HK$612,614 (2010: HK$1,666,056).

Administrative expenses

Administrative expenses increased to HK$89,283,885 (2010: HK$74,600,881) representing an increase of 20% compared with last year. Net exchange loss amounting to HK$19,173,933 (2010: HK$6,103,610) due to the appreciation of Renminbi was included.

Other operating expenses

Other operating expenses increased to HK$5,992,891 (2010: HK$3,166,559) representing an increase of 89% compared with last year.

Other operating expenses mainly included bad debts written off amounting to HK$5,289,584 (2010: HK$2,442,226) which represented 0.4% (2010: 0.3%) of total revenue.

Finance costs

Finance costs amounting to HK$32,919,300 (2010: HK$21,074,467) represented an increase of 56% compared with last year, which was mainly due to the additional loans for financing the construction and operation of the Jiangxi factory and the increase of People's Bank of China benchmark lending rate.

Property revaluation

In previous years, the Group's leasehold 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 year 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 leasehold land and buildings and investment property to follow the revaluation model and fair value model in this year. As a result, the net book value of the total assets was increased by HK$69,331,101 as at 31 March 2011 and the fair value gain of investment property amounting to HK$2,370,000 was recorded in the consolidated income statement. Please refer to note 2 "Accounting policies" for details.

Review of operations

Printed Circuit Boards Segment

Revenue increased to HK$1,332,336,472 (2010: HK$902,243,858) which accounted for more than 99% (2010: 97%) of the Group's total revenue for the current year. Segment result decreased to HK$34,251,497 (2010: HK$34,619,943), which was due to the increase in material costs and the appreciation of Renminbi partially compensated by slight improvement in profit margin of the customers' orders.

Electronic Products Segment

Revenue decreased to HK$2,174,200 (2010: HK$29,336,065) which accounted for less than 1% (2010: 3%) of the Group's total revenue for the current year. Segment result recorded a profit of HK$12,063,586 (2010: loss of HK$43,628,264) which was due to the reversal of impairment loss on property, plant and equipment amounting to HK$11,173,115.

Liquidity and financial resources

At 31 March 2011, total borrowings of the Group, including obligations under finance leases, amounting to HK$471,802,590 (2010: HK$559,265,147) which were payable in Hong Kong dollars, United States dollars and Renminbi. The Group's gearing ratio at 31 March 2011, which was calculated as the ratio of total borrowings less pledged bank deposits, and cash at banks and in hand to total equity, was 91% (2010: 108%).

At 31 March 2011, the Group's total borrowings were repayable as follows:

	2011		2010	
	HK$		*HK$*	
Within one year	**290,487,185**	**62%**	393,896,515	70%
In the second year	**113,693,476**	**24%**	76,167,185	14%
In the third to fifth years	**67,621,929**	**14%**	89,201,447	16%
	471,802,590	**100%**	559,265,147	100%

At 31 March 2011, the Group's total banking facilities were summarised as follows:

	2011	2010
	HK$	*HK$*
Total banking facilities granted	**496,593,446**	723,451,433
Facilities utilised	**(427,841,835)**	(485,338,451)
Available facilities	**68,751,611**	238,112,982

Among the total facilities, banking facilities amounting to HK$371,034,137 (2010: HK$306,948,912) were secured by legal charges on the Group's assets with a net book value of HK$660,115,818 (2010: HK$519,428,272).

During the year, certain of the banking facilities granted to the Group stipulated that (i) the total liabilities over total equity of the Group should not be more than 2.2 and (ii) the assets should not be pledged without permission (2010: (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).. At 31 March 2011, the Group breached such covenants. The total banking facilities from the relevant banks were approximately HK$110 million (2010: HK$168 million) of which approximately HK$82 million (2010: HK$117 million) was utilised as at 31 March 2011. Accordingly, the non-current portion of bank loans amounting to HK$35,559,349 (2010: HK$39,457,206) was reclassified as a current liability in the balance sheet as at 31 March 2011. Up to the date of approval of these financial statements, a relevant principal bank granted a waiver from strict compliance of the financial covenant requirements of its banking facilities amounting to approximately HK$59 million as at 31 March 2011. Such bank loans amounted approximately HK$59 million as at 31 March 2011. Please refer to note 1 "Basis of preparation" for further details of changes subsequent to 31 March 2011.

At 31 March 2011, obligations under finance leases of the Group amounting to HK$43,960,754 (2010: HK$73,926,696) were secured by a legal charges on the Group's property, plant and equipment with a net book amount of HK$133,581,431 (2010: HK$151,181,265).

Other recent financing activities

On 14 March 2011, the Company entered into a placing agreement with Fortune (HK) Securities Limited (the "Placing Agent"), pursuant to which the Placing Agent agreed to procure, on a best effort basis, placees to subscribe up to a maximum of 11,380,000 new shares at a price of HK$3.27 per share. All the 11,380,000 shares under the placing were fully subscribed and the placing was completed on 20 April 2011. The Company intends to use the net proceeds of approximately HK$36 million as working capital of the Group and/or for possible investment in the future when opportunities arise.

On 23 March 2011, the Company entered into a subscription agreement with Union Gold Group Limited (the "Subscriber"), pursuant to which the Subscriber agreed to subscribe for a HK$90 million convertible redeemable bond of the Company (the "Bond") at HK$90 million in cash. The net proceeds from the subscription (after deducting related expenses) are estimated to be approximately HK$89 million. The entire net proceeds will be mainly used for repayment of bank loans and payables in Hong Kong and Mainland China. On 16 June 2011, the issue of the Bond was completed.

Employees and remuneration policies

At 31 March 2011, 4,366 (2010: 3,518) staff members and workers were employed in our Chang An factory, Feng Gang factory and Jiangxi factory in Mainland China and 40 (2010: 42) staff members were employed in the Group's Hong Kong and Macao offices. Staff costs, excluding directors' remuneration, amounted to HK$163,182,307 for the year ended 31 March 2011 (2010: HK$125,485,580). 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. The Group had not used financial instruments extensively to hedge against such risk during the year but will closely monitor the change and use financial instruments when necessary.

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 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 2011.

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 2011.

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 year ended 31 March 2011.

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, 29 June 2011