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## **SAME TIME HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

(Stock code: 451)

### **VERY SUBSTANTIAL DISPOSAL AND CONNECTED TRANSACTIONS AND RESUMPTION OF TRADING**

#### **THE DYFORD AGREEMENT AND THE PROPERTIES AGREEMENTS**

On 5 September 2011 (after trading hours),

- (i) STI (a wholly-owned subsidiary of the Company) as vendor and the Purchaser (a company equally owned by Mr. Yip (an executive Director and the chairman and controlling shareholder of the Company) and Madam Yu (an executive Director and the wife of Mr. Yip)) entered into the Dyford Agreement, pursuant to which STI has agreed to sell and the Purchaser has agreed to purchase all the issued shares in Dyford (an indirect wholly-owned subsidiary of the Company) for a cash consideration of HK\$57,000,000; and
- (ii) STE (an indirect wholly-owned subsidiary of the Company) entered into:
  - (a) the Property A Agreement with Madam Yu, pursuant to which STE has agreed to sell and Madam Yu has agreed to purchase Property A for a cash consideration of HK\$3,640,000;
  - (b) the Property B Agreement with Mr. Yip, pursuant to which STE has agreed to sell and Mr. Yip has agreed to purchase Property B for a cash consideration of HK\$3,710,000; and
  - (c) the Property C Agreement with Mr. Yip Wing Fung (a son of Mr. Yip and Madam Yu), pursuant to which STE has agreed to sell and Mr. Yip Wing Fung has agreed to purchase Property C for a cash consideration of HK\$1,070,000.

## **IMPLICATIONS UNDER THE LISTING RULES**

As certain applicable percentage ratio for the Disposals under the Listing Rules is more than 75%, the Disposals together constitute a very substantial disposal transaction for the Company under Rule 14.08 of the Listing Rules. As the Purchaser, Mr. Yip, Madam Yu and Mr. Yip Wing Fung are connected persons of the Company, the Disposals constitute connected transactions for the Company subject to announcement, reporting and Independent Shareholders' approval requirements under the Listing Rules.

Mr. Yip, Madam Yu and Mr. Yip Wing Fung, together with their associates, being (i) Aberdare Assets Limited, which is wholly owned by Mr Yip How Yin, Maurice as trustee of a discretionary trust established for the benefit of Mr. Yip, Madam Yu and their family and interested in 31,695,475 Shares, representing approximately 46.40% of the issued share capital of the Company, and (ii) Maroc Ventures Inc., which is wholly owned by Mr. Yip as trustee of a discretionary trust established for the benefit of Mr Yip How Yin, Maurice and his family and interested in 3,598,498 Shares, representing approximately 5.26% of the issued share capital of the Company, will abstain from voting on the resolutions to approve the Dyford Agreement, the Properties Agreements and the transactions contemplated thereunder at the SGM.

The Independent Board Committee, comprising all the independent non-executive Directors, has been formed to give recommendation to the Independent Shareholders in respect of the Disposals. An independent financial adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing further details of the Disposals, recommendations from the Independent Board Committee, a letter from an independent financial adviser to the Independent Board Committee and the Independent Shareholders and a notice of the SGM will be despatched by the Company to the Shareholders as soon as possible, but not later than 23 September 2011.

## **GENERAL**

At the request of the Company, trading in the Shares was suspended with effect from 9:00 a.m. on 6 September 2011 pending the publication of this announcement. Application has been made to the Stock Exchange for resumption of trading in the Shares with effect from 9:00 a.m. on 8 September 2011.

## **THE DYFORD AGREEMENT DATED 5 SEPTEMBER 2011**

### **Parties**

*Vendor:* STI (a wholly-owned subsidiary of the Company)

*Purchaser:* the Purchaser (an investment holding company equally owned by Mr. Yip and Madam Yu)

### **Assets to be disposed**

Sale Shares: 200,000 non-voting deferred shares of HK\$1 each and 4 ordinary shares of HK\$1 each of Dyford, being all the issued shares in Dyford

### **The consideration for the Sale Shares**

The consideration for the Sale Shares is HK\$57,000,000, which will be paid in cash upon Completion. The consideration for the Sale Shares was arrived at after arm's length negotiations between STI and the Purchaser and represents a premium of approximately 0.14% over the unaudited net asset value of Dyford of approximately HK\$56,922,000 as at 31 July 2011.

### **Condition and Completion**

Completion of the Dyford Agreement shall be conditional upon the passing at the SGM of a resolution by the Independent Shareholders to approve the Dyford Agreement.

If the aforesaid condition has not been fulfilled by 31 October 2011 (or such other date as may be agreed between the parties thereto), the Dyford Agreement shall lapse and no party hereto shall have any claim against the other party except in respect of any antecedent breach. Completion shall take place on or before the 60th day after the aforesaid condition has been fulfilled (or such other date as may be agreed between the parties thereto).

## **THE PROPERTIES AGREEMENTS ALL DATED 5 SEPTEMBER 2011**

### **The Property A Agreement**

#### **Parties**

*Vendor:* STE (an indirect wholly-owned subsidiary of the Company)

*Purchaser:* Madam Yu (an executive Director and the wife of Mr. Yip)

#### **Assets to be disposed**

Factory C on 17th Floor including balcony thereof of Kingsford Industrial Building Phase I, Nos. 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong

### **Consideration and payment**

The consideration for Property A is HK\$3,640,000, which shall be paid in cash upon Completion. The consideration for Property A was arrived at after arm's length negotiations between STE and Madam Yu and is equal to the market value of Property A of HK\$3,640,000 as at 31 July 2011 valued by the Independent Valuer.

### **Conditions and Completion**

It is a condition precedent that the Property A Agreement shall have been approved by the Independent Shareholders at the SGM. If the Property A Agreement is not approved, it shall become null and void and the parties thereto shall at their own costs and expenses enter into a cancellation agreement whereupon neither party shall have any claim against the other. The registration fee for the cancellation agreement shall be borne by STE.

### **The Property B Agreement**

#### **Parties**

*Vendor:* STE (an indirect wholly-owned subsidiary of the Company)

*Purchaser:* Mr. Yip (an executive Director and the chairman and controlling shareholder of the Company)

#### **Assets to be disposed**

Factory D on 17th Floor including balcony and store room thereof of Kingsford Industrial Building Phase I, Nos. 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong

### **Consideration and payment**

The consideration for Property B is HK\$3,710,000, which shall be paid in cash upon Completion. The consideration for Property B was arrived at after arm's length negotiations between STE and Mr. Yip and is equal to the market value of Property B of HK\$3,710,000 as at 31 July 2011 valued by the Independent Valuer.

### **Conditions and Completion**

It is a condition precedent that the Property B Agreement shall have been approved by the Independent Shareholders at the SGM. If the Property B Agreement is not approved, it shall become null and void and the parties thereto shall at their own costs and expenses enter into a cancellation agreement whereupon neither party shall have any claim against the other. The registration fee for the cancellation agreement shall be borne by STE.

## **The Property C Agreement**

### **Parties**

*Vendor:* STE (an indirect wholly-owned subsidiary of the Company)

*Purchaser:* Mr. Yip Wing Fung (a son of Mr. Yip and Madam Yu)

### **Assets to be disposed**

Car Parking Space No. 10 on Ground Floor, Kingsford Industrial Building Phase I, Nos. 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong

### **Consideration and payment**

The consideration for Property C is HK\$1,070,000, which shall be paid in cash upon Completion. The consideration for Property C was arrived at after arm's length negotiations between STE and Mr. Yip Wing Fung and is equal to the market value of Property C of HK\$1,070,000 as at 31 July 2011 valued by the Independent Valuer.

### **Conditions and Completion**

It is a condition precedent that the Property C Agreement shall have been approved by the Independent Shareholders at the SGM. If the Property C Agreement is not approved, it shall become null and void and the parties thereto shall at their own costs and expenses enter into a cancellation agreement whereupon neither party shall have any claim against the other. The registration fee for the cancellation agreement shall be borne by STE.

### **Information on Dyford and the Properties**

Dyford is a company incorporated in Hong Kong on 19 July 1983 with authorised and issued share capital of HK\$200,004, divided into 200,000 non-voting deferred shares of HK\$1 each and 4 ordinary shares of HK\$1 each. As at the date of this announcement, Dyford is wholly owned by STI.

Dyford is principally engaged in property investment. Based on the unaudited financial statements of Dyford for the year ended 31 March 2011, its unaudited profit before and after taxation and extraordinary items for the year ended 31 March 2011 were approximately HK\$14,031,000 and HK\$13,729,000 respectively. Based on the restated financial statements of Dyford for the year ended 31 March 2010, its restated profit before and after taxation and extraordinary items for the year ended 31 March 2010 were approximately HK\$5,485,000 and HK\$5,404,000 respectively. Upon Completion, Dyford will cease to be a subsidiary of the Company. As at 31 July 2011, the total assets and the net asset value of Dyford were approximately HK\$61,023,000 and HK\$56,922,000 respectively. Currently, Dyford owns the following properties:

	<b>Property</b>	<b>Particulars of occupancy</b>	<b>Gross floor area (sq. ft.)</b>	<b>Market value of the property as at 31 July 2011 as valued by the Independent Valuer</b>
1	Factory A on 17th Floor including balcony, Kingsford Industrial Building Phase I, Nos. 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong	The property is currently occupied by the Group	4,093	HK\$3,530,000
2	Factory B on 17th Floor including balcony and store room, Kingsford Industrial Building Phase I, Nos. 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong	The property is currently occupied by the Group	4,210	HK\$3,600,000
3	Car Parking Space No. 9 on Ground Floor, Kingsford Industrial Building Phase I, Nos. 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong	The property is currently occupied by the Group	–	HK\$1,070,000
4	House 40 also known as House A18 includes a Garden & a Garage, Beaulieu Peninsula, No. 2 Yu Chui Street, Tai Lam, Tuen Mun, New Territories, Hong Kong	The property is currently provided by the Group to Mr. Yip and Madam Yu as directors' quarter	2,722	HK\$32,300,000
5	Unit No. 17 on 7th Floor, Pacific Trade Centre, No. 2 Kai Hing Road, Kowloon Bay, Kowloon, Hong Kong	The property is leased to a third party	3,111	HK\$6,460,000
	<b>Total</b>			<b>HK\$46,960,000</b>

## The Properties

Set out below are the details of the Properties:-

	<b>Property</b>	<b>Particulars of occupancy</b>	<b>Gross floor area (sq. ft.)</b>	<b>Market value of the property as at 31 July 2011 as valued by the Independent Valuer</b>
A	Factory C on 17th Floor including balcony, Kingsford Industrial Building Phase I, Nos. 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong	The property is currently occupied by the Group	4,093	HK\$3,640,000
B	Factory D on 17th Floor including balcony and store room, Kingsford Industrial Building Phase I, Nos. 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong	The property is currently occupied by the Group	4,210	HK\$3,710,000
C	Car Parking Space No. 10 on Ground Floor, Kingsford Industrial Building Phase I, Nos. 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong	The property is currently occupied by the Group	–	HK\$1,070,000
	Total			HK\$8,420,000

As the Properties have been occupied by the Group for its own use since 1992, no income attributable to the Properties were recorded.

The properties located at Factory A, B, C and D on 17th Floor and Car Parking Spaces No. 9 and No. 10 on Ground Floor, Kingsford Industrial Building Phase I, Nos. 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong are currently occupied by the Group. Upon Completion, each of Dyford, Madam Yu, Mr. Yip and Mr. Yip Wing Fung will enter into license agreements with Red Board Limited (an indirect wholly-owned subsidiary of the Company) to allow the Group to use such properties for a term of one year free of charge.

## **FINANCIAL EFFECTS OF THE DISPOSALS**

Based on the net asset value of Dyford as at 31 July 2011 of approximately HK\$56.92 million and the realization of the fair value reserve of HK\$36.85 million in respect of the properties located at Factory A, B, C and D on 17th Floor and Car Parking Spaces No. 9 and No. 10 on Ground Floor, Kingsford Industrial Building Phase I, Nos. 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong and House 40 also known as House A18 includes a Garden & a Garage, Beaulieu Peninsula, No. 2 Yu Chui Street, Tai Lam, Tuen Mun, New Territories, Hong Kong upon Completion, the Directors estimate that a gain of around HK\$35.53 million (after estimated expenses of HK\$1.4 million) will arise on the Disposals. It is currently estimated that upon Completion, after taking into account the estimated expenses of HK\$1.4 million and the settlement of the amount due from the Group to Dyford of HK\$10.44 million in cash and the decrease in cash balance of Dyford of HK\$0.23 million, the cash positions of the Company will be improved by an increase of approximately HK\$53.35 million. As Dyford will cease to be a subsidiary of the Company after the Disposals, its profit and loss and assets and liabilities will no longer be consolidated in the Group's consolidated financial statements.

## **REASON FOR THE DISPOSALS AND USE OF PROCEEDS**

The Group is principally engaged in the manufacture and sale of printed circuit boards and electronics products.

Since the mid 2010, the Hong Kong government has implemented a series of tightening policy aiming to stabilise the Hong Kong property market. Further, the recent renewed concerns on the banking and sovereign debt problems in Western Europe cause severe fluctuations in the global capital markets. As a result, sales volume and value of Hong Kong properties have declined and banks have tightened credit.

Having duly considered the effect of the Hong Kong government's existing tightening policy and further tightening policy it may launch to suppress the Hong Kong property market; the uncertain global economy given the recent fluctuation in the global capital markets and the substantial gain on the Disposals, the Directors consider that the Disposals represent a good opportunity for the Company to realise the investment in Dyford and the Properties to strengthen its cash position. The Directors (including the independent non-executive Directors) consider that the Dyford Agreement and the Properties Agreements are on normal commercial terms, and the terms of the Dyford Agreement and the Properties Agreements are fair and reasonable and the Disposals are in the interests of the Company and the Shareholders as a whole. Mr. Yip and Madam Yu (who are interested in the Disposals) have abstained from voting on the board resolutions approving the Disposals.

Upon completion of the Disposals, the gross proceeds amounting to approximately HK\$53.35 million will be applied towards the Group's working capital pending further investment opportunities. The Directors consider that the Group's cash resources after Completion will enable it to capture suitable investment opportunities should they arise.



## **IMPLICATIONS UNDER THE LISTING RULES**

As certain applicable percentage ratio for the Disposals under the Listing Rules is more than 75%, the Disposals together constitute a very substantial disposal transaction for the Company under Rule 14.08 of the Listing Rules. As the Purchaser, Mr. Yip, Madam Yu and Mr. Yip Wing Fung are connected persons of the Company, the Disposals constitute connected transactions for the Company subject to the announcement, reporting and Independent Shareholders' approval requirements under the Listing Rules.

Mr. Yip, Madam Yu and Mr. Yip Wing Fung, together with their associates, being (i) Aberdare Assets Limited, which is wholly owned by Mr Yip How Yin, Maurice as trustee of a discretionary trust established for the benefit of Mr. Yip, Madam Yu and their family and interested in 31,695,475 Shares, representing approximately 46.40% of the issued share capital of the Company, and (ii) Maroc Ventures Inc., which is wholly owned by Mr. Yip as trustee of a discretionary trust established for the benefit of Mr Yip How Yin, Maurice and his family and interested in 3,598,498 Shares, representing approximately 5.26% of the issued share capital of the Company, will abstain from voting on the resolutions to approve the Dyford Agreement and the Properties Agreements and the transactions contemplated thereunder at the SGM.

The Independent Board Committee, comprising all the independent non-executive Directors, has been formed to give recommendation to the Independent Shareholders in respect of the Disposals. An independent financial adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing further details of the Disposals, recommendations from the Independent Board Committee, a letter from an independent financial adviser to the Independent Board Committee and the Independent Shareholders and a notice of the SGM will be despatched by the Company to the Shareholders as soon as possible, but not later than 23 September 2011.

## **GENERAL**

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## **DEFINITIONS**

“Board”	board of Directors
“Company”	Same Time Holdings Limited, a company incorporated in Bermuda with limited liability, whose Shares are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Disposals

“connected person”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	director(s) of the Company
“Disposals”	the disposals of (i) the entire issued share capital of Dyford as stipulated in the Dyford Agreement; and (ii) the Properties as stipulated in the Properties Agreements
“Dyford”	Dyford Industries Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of STI
“Dyford Agreement”	the conditional sale and purchase agreement dated 5 September 2011 between STI and the Purchaser in relation to the sale and purchase of all the issued shares of Dyford
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent board committee comprising Mr. Lai Wing Leung, Peter, Mr. Lam Kwok Cheong and Ms. Lee Mei Ling, all independent non-executive Directors, formed to advise the Independent Shareholders on the Disposals
“Independent Shareholders”	Shareholders other than Mr. Yip, Madam Yu and their respective associates
“Independent Valuer”	Cushman & Wake field Valuation Advisory Services (HK) Ltd, Chartered Surveyors, a valuer who is independent of the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Madam Yu”	Madam Yu Hung Min, an executive Director and the wife of Mr. Yip
“Mr. Yip”	Mr. Yip Sum Yin, an executive Director and the chairman and controlling shareholder of the Company

“PRC”	the People’s Republic of China, excluding Hong Kong, Taiwan and Macau Special Administrative Region of the PRC
“Properties”	Property A, Property B and Property C
“Properties Agreements”	the Property A Agreement, the Property B Agreement and the Property C Agreement
“Property A”	Factory C on 17th Floor including balcony, Kingsford Industrial Building Phase I, Nos. 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong
“Property A Agreement”	the conditional sale and purchase agreement dated 5 September 2011 between STE and Madam Yu in relation to the sale and purchase of Property A
“Property B”	Factory D on 17th Floor including balcony and store room, Kingsford Industrial Building Phase I, Nos. 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong
“Property B Agreement”	the conditional sale and purchase agreement dated 5 September 2011 between STE and Mr. Yip in relation to the sale and purchase of Property B
“Property C”	Car Parking Space No. 10 on Ground Floor, Kingsford Industrial Building Phase I, Nos. 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong
“Property C Agreement”	the conditional sale and purchase agreement dated 5 September 2011 between STE and Mr. Yip Wing Fung in relation to the sale and purchase of Property C
“Purchaser”	Unique Tower Limited, a company incorporated in Hong Kong with limited liability and is equally owned by Mr. Yip and Madam Yu
“Sale Shares”	200,000 non-voting deferred shares of HK\$1 each and 4 ordinary shares of HK\$1 each of Dyford, being all the issued shares in Dyford

“SGM”	a special general meeting to be convened by the Company to consider and approve the Dyford Agreement, the Properties Agreements and the transactions contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“STE”	Same Time Electronics Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“STI”	Same Time International (B.V.I.) Limited, a company incorporated in British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“sq. ft.”	square feet
“%”	per cent.

By order of the Board  
**Same Time Holdings Limited**  
**Yip Sum Yin**  
*Chairman*

Hong Kong, 7 September 2011

*As at the date of this announcement, the executive Directors are Mr. Yip Sum Yin, Madam Yu Hung Min, Madam Yu Pei Yi, Mr. Chung Chi Shing and Mr. Mao Lu, and the independent non-executive Directors are Mr. Lam Kwok Cheong, Mr. Lai Wing Leung, Peter and Madam Lee Mei Ling.*