
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Same Time Holdings Limited (the “Company”), you should at once hand this circular accompanying with the form of proxy to the purchaser or transferee, or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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SAME TIME HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 451)

VERY SUBSTANTIAL DISPOSAL AND CONNECTED TRANSACTIONS

**Independent financial adviser to the independent board committee
and the independent shareholders of the Company**



Huntington Asia Limited

A letter from the independent board committee of the Company is set out on page 16 of this circular. A letter from Huntington Asia Limited containing its advice to the independent board committee and the independent shareholders of the Company is set out on pages 17 to 25 of this circular.

A notice convening the special general meeting of the Company to be held at 17th Floor, Phase I, Kingsford Industrial Building, 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong on 14 October 2011 at 12:00 noon is set out on pages 64 to 65 of this circular. Whether or not you are able to attend the meeting in person, please complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company’s Hong Kong branch share registrars, Tricor Abacus Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong as soon as practicable but in any event not less than 48 hours before the time appointed for the holding of the meeting. Completion and return of the accompanying form of proxy will not preclude you from attending and voting at the meeting should you so wish.

23 September 2011

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DEFINITIONS

In this circular, the following expressions have the following meanings, unless the context otherwise requires:

“Agreements”	the Dyford Agreement and the Properties Agreements
“Board”	board of Directors
“Bond”	the HK\$90 million convertible bond issued by the Company to the Subscriber
“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(s)”	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
“Dongguan Red Board”	東莞紅板多層線路板有限公司 (Dongguan Red Board Limited), a wholly-owned foreign enterprise established in the PRC and a wholly-owned subsidiary of the Company
“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
“Huntington Asia”	Huntington Asia Limited, a licensed corporation under the SFO to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, the independent financial adviser to the Independent Board Committee and the Independent Shareholders
“Independent Board Committee”	an independent committee of the Board 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

DEFINITIONS

“Independent Shareholders”	Shareholders other than Mr. Yip, Madam Yu and their respective associates
“Independent Valuer”	Cushman & Wakefield Valuation Advisory Services (HK) Ltd, Chartered Surveyors, a valuer who is independent of the Company and its connected persons
“International Fareastern”	遠東國際租賃有限公司 (International Fareastern Leasing Co., Ltd.), a company established in the PRC
“Jiangxi Red Board”	紅板(江西)有限公司 (Red Board (Jiangxi) Limited), a wholly-owned foreign enterprise established in the PRC and a wholly-owned subsidiary of the Company
“Latest Practicable Date”	21 September 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“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

DEFINITIONS

“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
“Remaining Group”	the Group immediately after Completion
“Sale Properties”	the properties held by Dyford and the Properties
“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
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	a special general meeting to be convened by the Company to consider and, if thought fit, approve the Agreements and the transactions contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“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
“Subscriber”	Union Gold Group Limited, a company incorporated in the British Virgin Islands
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong

DEFINITIONS

“RMB” Renminbi, the lawful currency of the PRC

“sq. ft.” square feet

“%” per cent.

LETTER FROM THE BOARD



SAME TIME HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 451)

Executive Directors:

Mr. Yip Sum Yin (*Chairman*)
Madam Yu Hung Min
Madam Yu Pei Yi
Mr. Chung Chi Shing
Mr. Mao Lu

Registered Office:

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Independent Non-executive Directors:

Mr. Lai Wing Leung, Peter
Mr. Lam Kwok Cheong
Madam Lee Mei Ling

Head Office and Principal

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

23 September 2011

To the Shareholders,

Dear Sir or Madam,

VERY SUBSTANTIAL DISPOSAL AND CONNECTED TRANSACTIONS

On 7 September 2011, the Board announced that 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.

LETTER FROM THE BOARD

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.

The Independent Board Committee has been established by the Company to give recommendations to the Independent Shareholders in respect of the Disposals. Huntington Asia has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

The purpose of this circular is to give you details of the Disposals, recommendations from the Independent Board Committee, a letter from Huntington Asia to the Independent Board Committee and the Independent Shareholders and a notice of the SGM at which the necessary resolutions will be proposed to consider and, if thought fit, approve the Agreements and the transactions contemplated thereunder.

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).

LETTER FROM THE BOARD

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 by 31 October 2011, 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

LETTER FROM THE BOARD

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 by 31 October 2011, 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 by 31 October 2011, 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.

LETTER FROM THE BOARD

INFORMATION ON DYFORD AND THE PROPERTIES

Dyford

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. 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 unaudited financial statements of Dyford for the year ended 31 March 2010, its unaudited 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. As at 31 March 2011, the total assets and the net asset value of Dyford were approximately HK\$57,107,000 and HK\$52,677,000 respectively. 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:

Property	Particulars of occupancy	Gross floor area (sq. ft.)	Market value of the property as at 31 July 2011 as valued by the Independent Valuer
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 ("Property 1")	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 ("Property 2")	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 ("Property 3")	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 ("Property 4")	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
Total			HK\$46,960,000

LETTER FROM THE BOARD

The Properties

Set out below are the details of the Properties:

Property	Particulars of occupancy	Gross floor area (sq. ft.)	Market value of the property as at 31 July 2011 as valued by the Independent Valuer
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	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	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	–	HK\$1,070,000
Total			<hr/> <u>HK\$8,420,000</u>

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

Property 1, Property 2, Property 3 and the Properties are currently occupied by the Group for its operation. 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. The Company will decide whether to lease such properties from the purchasers depending on the then prevailing market conditions upon expiry of the licence period and will comply with all relevant requirements of the Listing Rules.

FINANCIAL EFFECTS OF THE DISPOSALS

Based on (i) the net asset value of Dyford as at 31 July 2011 of approximately HK\$56.92 million; (ii) the aggregate consideration for the Properties which is equal to the book value of the Properties as at 31 July 2011; and (iii) the realisation of the fair value reserve of HK\$36.85 million in respect of Property 1, Property 2, Property 3, Property 4 and the Properties (which will be recognised directly as retained profits upon Completion), the Directors estimate that a loss of around HK\$1.32 million (after estimated expenses of HK\$1.4 million) will arise on the Disposals. It is currently estimated that upon Completion, based on the management account of Dyford for the four months ended 31 July 2011 and after taking into account the estimated expenses of HK\$1.4 million and the settlement of the amount due by the Group to

LETTER FROM THE BOARD

Dyford of HK\$10.44 million in cash and the decrease in cash balance of Dyford of HK\$0.23 million, the cash position of the Company will increase by 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.

Based on the net assets of Dyford and the book value of the Properties of approximately HK\$45.35 million as at 1 April 2010, an estimated gain of approximately HK\$18.67 million would arise from the Disposals if the Disposals were completed on 1 April 2010. Based on the net assets of Dyford and the book value of the Properties of approximately HK\$60.51 million as at 31 March 2011, an estimated gain of approximately HK\$3.51 million would arise from the Disposals if the Disposals were completed on 31 March 2011.

EFFECT OF THE DISPOSALS ON ASSETS AND LIABILITIES AND EARNINGS OF THE REMAINING GROUP

Based on the unaudited pro forma financial information of the Remaining Group as set out in the Appendix III to this circular, (i) the Group's total assets as at 31 March 2011 would increase by approximately 0.18% from approximately HK\$1,605.60 million to HK\$1,608.42 million, and the Group's total liabilities as at 31 March 2011 would decrease by approximately 0.06% from approximately HK\$1,124.26 million to approximately HK\$1,123.56 million assuming the Disposals had been completed on 31 March 2011; and (ii) the Group's profit attributable to Shareholders for the year ended 31 March 2011 would increase to approximately HK\$24.13 million, which is calculated based on the assumption that the Disposals were completed on 1 April 2010.

It should be noted that the aforementioned estimations are for illustrative purpose only and do not purport to represent how the financial position of the Remaining Group will be upon Completion.

REASONS 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, 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 Agreements are on normal commercial terms, and the terms of the 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.

LETTER FROM THE BOARD

Upon Completion, the net proceeds of the Disposals (the gross proceeds of HK\$65.42 million after settlement of the amount due by the Group to Dyford of approximately HK\$10.44 million and the estimated expenses of HK\$1.4 million) amounting to approximately HK\$53.58 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.

MANAGEMENT DISCUSSION AND ANALYSIS OF THE REMAINING GROUP

Liquidity and financial resources

The Remaining Group is mainly financed by interest bearing borrowings, shareholders equity and internally generated cash flow. As at 31 March 2009, 2010 and 2011, shareholders' funds of the Remaining Group amounted to HK\$431,085,602, HK\$386,808,164 and HK\$484,850,948.

As at 31 March 2009, 2010 and 2011, total borrowings of the Remaining Group, including obligations under finance leases, amounted to HK\$352,306,549, HK\$556,545,190 and HK\$471,802,590 respectively which were payable in Hong Kong dollars, United States dollars and Renminbi. The effective interest rates of the bank loans and the obligations under finance leases of the Remaining Group were ranging from 2.40% to 7.83% per annum and 1.09% to 10.01% per annum respectively.

The Remaining Group's gearing ratios as at 31 March 2009, 2010 and 2011, which were calculated as the ratio of total borrowings less pledged bank deposits, and cash at banks and in hand to total equity, were 69%, 107% and 91% respectively.

As at 31 March 2009, 2010 and 2011, bank loans of the Remaining Group amounting to HK\$243,787,482, HK\$482,618,494 and HK\$427,841,836 were secured by legal charges on the Remaining Group's property, plant and equipment with net book amounts of Nil, HK\$509,044,907 and HK\$609,185,818 respectively.

As at 31 March 2009, 2010 and 2011, obligations under finance leases of the Remaining Group amounting to HK\$108,519,067, HK\$73,926,696 and HK\$43,960,754 were secured by legal charges on the Remaining Group's property, plant and equipment with net book amount of HK\$197,181,423, HK\$151,181,265 and HK\$133,581,431 respectively.

As at 31 March 2009, 2010 and 2011, capital commitments of the Remaining Group amounted to HK\$121,051,563, HK\$70,833,247 and HK\$17,286,674 respectively. These commitments mainly related to plant, machinery and leasehold improvements located in the PRC.

LETTER FROM THE BOARD

Segmental information

The Remaining Group had two major business segments during the financial years ended 31 March 2009, 2010 and 2011, namely printed circuit boards segment and electronic products segment. The electronic products segment was discontinued during year ended 31 March 2011. A summary of the revenues and profit or loss of each business segment of the Remaining Group for each of the years ended 31 March 2009, 2010 and 2011 were as follows:

Printed Circuit Board Segment

	2009	2010	2011
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Revenues	1,020,369,862	902,243,858	1,332,336,472
Segment results	<u>62,558,604</u>	<u>34,619,443</u>	<u>34,251,497</u>

Electronic Products Segment

	2009	2010	2011
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Revenues	91,262,087	29,336,065	2,174,200
Segment results	<u>(1,752,544)</u>	<u>(43,628,264)</u>	<u>12,063,586</u>

Contingent liabilities

As at 31 March 2009, 2010 and 2011, the Company had contingent liabilities relating to corporate guarantees given in respect of banking facilities which included trust receipt loans, bills payable and bank loans extended to certain subsidiaries amounting to HK\$415,708,286, HK\$723,451,433 and HK\$472,887,213 respectively.

The Remaining Group did not have any material contingent liabilities outstanding as at 31 March 2009, 2010 and 2011.

Material acquisitions and disposals of subsidiary

During the three years ended 31 March 2009, 2010 and 2011, the Remaining Group did not acquire or dispose of any material subsidiary.

Employees and remuneration policies

As at 31 March 2009, 2010 and 2011, the Remaining Group had 4,016, 3,518 and 4,366 staff members and workers in the PRC and 41, 42 and 40 staff members in Hong Kong and Macao offices.

Remuneration packages are generally structured with reference to the prevailing market practice and individual qualifications. The remuneration policies of the Remaining Group are reviewed on a periodic basis.

LETTER FROM THE BOARD

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 foreign exchange risk during the years ended 31 March 2009, 2010 and 2011 but will closely monitor the change and use financial instruments when necessary.

Other recent financing activities

- (a) 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, places 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.
- (b) On 23 March 2011, the Company entered into a subscription agreement with the Subscriber, pursuant to which the Subscriber agreed to subscribe for 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 used for repayment of bank loans and payables in Hong Kong and the PRC. On 16 June 2011, the issue of the Bond was completed.
- (c) On 28 June 2011, Dongguan Red Board and Jiangxi Red Board entered into certain agreements with, among others, International Fareastern, an independent third party, respectively for the leasing of machines for production and manufacturing of printed circuit boards. Pursuant to these lease arrangements, Jiangxi Red Board and Dongguan Red Board shall lease machines from International Fareastern for a term of 36 months for a total lease payments of RMB47,053,768 (comprising the principal of RMB42,948,480 and interest of RMB4,105,288).

FINANCIAL AND TRADING PROSPECTS OF THE REMAINING GROUP

As mentioned in the annual report of the Company for the year ended 31 March 2011, the management works hard to explore more sales opportunities from the international renowned customers. More machinery is injected into the Group's Jiangxi factory to improve the efficiency of the production lines in Jiangxi in order to achieve economic scale of production. Sales revenue will have potential to grow accordingly.

However, the business environment in the foreseeable future is still difficult and challenging. Possible increase in raw materials and labor costs, appreciation of Renminbi and possible increase in interest rates are the major potential burdens to the Remaining Group. In order to ease the negative impact of the aforesaid factors, the Remaining Group would try with full endeavor to improve its production efficiency, lower the scrap rate, move towards hi-technology and uplift the degree of automation in production.

LETTER FROM THE BOARD

In the long-run, the increasing demand of LED televisions, 3G mobile phones and net books, with the stimulus policy on the domestic economy by the PRC government, is expected to form a solid foundation for the Remaining Group's PCB business development.

As mentioned in the paragraph headed "Reasons for the Disposals and Use of Proceeds" above, the Company will apply the gross proceeds of the Disposals for the Group's working capital pending further investment opportunities. The Directors consider that the Remaining Group's cash resources after Completion will enable it to capture suitable investment opportunities should they arise.

SGM

A notice convening the SGM to be held at 17th Floor, Phase I, Kingsford Industrial Building, 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong on 14 October 2011 at 12:00 noon is set out on pages 64 to 65 of this circular. Whether or not you are able to attend the meeting in person, please complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's Hong Kong branch share registrars, Tricor Abacus Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as practicable but in any event not less than 48 hours before the time appointed for the holding of the meeting. Completion and return of the accompanying form of proxy will not preclude you from attending and voting at the meeting should you so wish.

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 Agreements and the transactions contemplated thereunder at the SGM.

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the Agreements are on normal commercial terms, and the terms of the Agreements are fair and reasonable and the Disposals are in the interests of the Company and the Shareholders as a whole.

Your attention is drawn to the letters from the Independent Board Committee and Huntington Asia which set out their recommendations in respect of the Disposals and the principal factors considered by them in arriving at their recommendations.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information contained in the appendices to this circular.

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

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



SAME TIME HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 451)

23 September 2011

To the Independent Shareholders,

Dear Sir or Madam,

VERY SUBSTANTIAL DISPOSAL AND CONNECTED TRANSACTIONS

We refer to the circular of the Company to the Shareholders dated 23 September 2011 (the “Circular”), in which this letter forms a part. The terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

As independent non-executive Directors who are independent of the parties to the Agreements, we have been appointed to form the Independent Board Committee to advise you as to whether, in our opinion, the terms of the Agreements and the transactions contemplated thereunder are fair and reasonable so far as the Company and Shareholders as a whole are concerned.

Huntington Asia has been appointed as the independent financial advisor to advise this Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of the terms of the Agreements and the transactions contemplated thereunder.

We wish to draw your attention to the letter from the Board, as set out on pages 5 to 15 of the Circular, and the letter of advice from Huntington Asia, as set out on pages 17 to 25 of the Circular, both of which provide details of the Agreements. Having considered the advice rendered by Huntington Asia and the principal factors and reasons taken into consideration by it in arriving at its advice, we are of the opinion that the terms of the Agreements and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole and the terms of the Agreements and the transactions contemplated thereunder are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the SGM to approve the Agreements and transactions contemplated thereunder.

Lai Wing Leung, Peter

Yours faithfully,
Lam Kwok Cheong
Independent Board Committee

Lee Mei Ling

LETTER FROM HUNTINGTON ASIA

The following is the letter of advice from the Independent Financial Adviser, Huntington Asia Limited to the Independent Board Committee and the Independent Shareholders in relation to the Disposals for the purpose of inclusion in this circular.



Room 1905, 19/F
COSCO Tower
Grand Millennium Plaza
183 Queen's Road Central
Hong Kong

23 September 2011

*The Independent Board Committee and the Independent Shareholders
Same Time Holdings Limited*

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

Dear Sirs,

VERY SUBSTANTIAL DISPOSAL AND CONNECTED TRANSACTIONS

INTRODUCTION

We refer to our engagement as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Disposals, details of which are set out in the letter from the Board (the “**Letter from the Board**”) as contained in the circular of the Company dated 23 September 2011 (the “**Circular**”), of which this letter forms part. Capitalized terms used in this letter shall have the same meanings as those defined in the Circular unless the context otherwise requires.

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.

LETTER FROM HUNTINGTON ASIA

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 is 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 established to give recommendation to the Independent Shareholders as to whether (i) the terms of the Disposals and the transactions contemplated thereunder were on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) the Disposals are in the interests of the Company and the Shareholders as a whole.

We have been appointed to advise the Independent Board Committee and the Independent Shareholders in these respects and to give our opinion in relation to the Disposals for the Independent Board Committee's consideration when making their recommendation to the Independent Shareholders.

BASIS OF OUR OPINION

In formulating our opinion, we have relied on the information and facts supplied and the opinions expressed by the Directors and management of the Company. We have assumed that the information and representations contained or referred to in the Circular were true and accurate at all time they were prepared or made and will continue to be so up to the date of the SGM. We have also assumed that all statements of belief, opinion and intention made by the Directors in the Circular were reasonably made after due and careful enquiry and were made based on honestly held opinion.

We have no reason to believe that any information and representation relied on by us in forming the opinion is untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the information provided and the representations made to us as untrue, inaccurate or misleading. We have not, however, conducted any independent investigation into the business position or future prospects of the Group, nor have carried out any independent verification of the information provided by the Directors and management of the Company. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

LETTER FROM HUNTINGTON ASIA

PRINCIPALS AND FACTORS CONSIDERED

In arriving at our recommendation to the Independent Board Committee and the Independent Shareholders, we have considered the following principal factors and reasons:

1. Background and financial information of the Group

The Group is principally engaged in the manufacture and sale of printed circuit boards. Set out below is a summary of the financial performance of the Group extracted from the published financial statements of the Company:

	For the year ended 31 March	
	2011 <i>HK'000</i> (Audited)	2010 <i>HK'000</i> (Audited, restated)
Revenue	1,332,336	902,244
Gross profit	135,846	111,931
Gross profit margin	10.2%	12.4%
Change in fair value of an investment property	2,370	200
Profit from operations	32,790	27,184
Finance costs	32,919	21,074
(Loss)/profit from continuing operation	(4,794)	1,200
Profit/(loss) for the year	6,950	(46,535)
Other comprehensive income – revaluation surplus on leasehold land and buildings	64,934	–
Total comprehensive income attributable to shareholders of the Company	94,530	(44,277)

According to the annual report for the year ended 31 March 2011 (the “2011 Annual Report”), with the recovery of economy, broadening of customer base and enhancement of production capacity in the Jiangxi factory, the revenue for the printed circuit boards (“PCB”) segment increased by 47.7% from HK\$902.2 million for the year ended 31 March 2010 to approximately HK\$1,332.3 million for the year ended 31 March 2011. However, the gross profit margin decreased by 17.7% from 12.4% for the year ended 31 March 2010 to 10.2% for the year ended 31 March 2011 due to the increase in raw material costs and the appreciation of Renminbi.

LETTER FROM HUNTINGTON ASIA

It further states that the electronic product segment of the Group ceased operation and was classified as a discontinued operation. This segment generated a profit of approximately HK\$11.7 million for the year ended 31 March 2011 due to the reversal of impairment loss on property, plant and equipment amounting to approximately HK\$11.2 million, as compared to a loss of approximately HK\$47.7 million for the year ended 31 March 2010 which arises from the impairment loss on property, plant and equipment of approximately HK\$21.0 million and the related expenses accrued for the closure of the factory. The increase of finance costs from approximately HK\$21.1 million for the year ended 31 March 2010 to approximately HK\$32.9 million for the year ended 31 March 2011 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.

For the year ended 31 March 2010, 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 adopting the revaluation model under Hong Kong Accounting Standard ("HKAS") 16 and the fair value model under HKAS 40 would better reflect 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 with effective from 1 April 2010. As a result, the net book value of the total assets was increased by approximately HK\$73.6 million as at 31 March 2011 and the fair value gain on investment property amounting to approximately HK\$2.4 million was recorded in the consolidated statement of financial position of the Group for the year ended 31 March 2011.

For the year ended 31 March 2011, the Group incurred a loss of approximately HK\$4.8 million from continuing operation owing to (i) the increase in raw material costs, production and administrative expenses; (ii) the appreciation of Renminbi; (iii) the increase in depreciation and amortisation expenses amounting to approximately HK\$17.3 million arising mainly from the Jiangxi factory; (iv) the increase in finance costs amounting to approximately HK\$11.8 million arising from the additional loans for financing the construction and operation of the Jiangxi factory.

The Company generated a profit attributable to shareholders of approximately HK\$7.0 million for the year ended 31 March 2011 as compared to a loss attributable to the Shareholders of approximately HK\$46.5 million for the year ended 31 March 2010. The loss attributable to the Shareholders for the year ended 31 March 2010 was mainly due to the loss recorded from discontinued electronic product segment amounting to approximately HK\$47.7 million.

As mentioned in the 2011 Annual Report, the Directors believe that the business environment within which the Group operates is increasingly difficult and challenging due to the continuing increase in raw material costs and labor costs and appreciation of Renminbi. We also note that the Company's profitability has been adversely affected by the increase in depreciation and amortization expenses as well as increase in finance cost. We concur with the Directors' view that the business operating environment of the Group will continue to be difficult. We believe that the Disposals would enable the Company to realize its investment at a gain, reduce finance costs and improve cash position.

LETTER FROM HUNTINGTON ASIA

2. Assets to be disposed of

Pursuant to the Dyford Agreement dated 5 September 2011, 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\$57.0 million. Upon Completion, Dyford will cease to become a subsidiary of the Company and will be de-consolidated from the Group's accounts.

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 Latest Practicable Date, Dyford is wholly owned by STI.

Dyford is principally engaged in property investment. For the two years ended 31 March 2011, the unaudited/restated financial information of Dyford is extracted as follows:

	For the year ended 31 March	
	2011	2010
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited, restated)
Turnover (<i>Note 1</i>)	1,344	1,344
Change in fair value of investment properties	12,830	4,900
Net profit after taxation	13,729	5,404
Investment properties	43,100	30,270
Total assets	57,107	44,289
Borrowings	–	2,720
Net asset value	52,677	38,949

Note 1: Turnover from Dyford is mainly derived from rental income.

The investment properties of Dyford are held under leases of between 10 to 50 years in Hong Kong were revalued at each year end by market approach by Cushman & Wakefield Valuation Advisory Services (HK) Limited, (the "Valuer"). The properties located at Factory A and B on 17th Floor and 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 are currently occupied by the Group.

The details of the Sale Properties are set out in the "Letter from the Board" in this Circular.

LETTER FROM HUNTINGTON ASIA

As mentioned in the financial information of Dyford as set out in the Appendix I to this circular, as at 31 March 2011, the Sale Properties with carrying amount of approximately HK\$43.1 million were pledged as security for the Group to secure bank loans and were utilised by a fellow subsidiary at no charge. The Company represent that as at the Latest Practicable Date, the Sale Properties was used as pledge for banking facilities, there was no draw down from such banking facilities, such pledge and banking facilities will be released upon Completion; and therefore the Disposal would have no effect on the terms of the existing bank borrowings of the Remaining Group.

3. Valuation of the Sale Properties

The details of the terms of the Dyford Agreement and the Properties Agreement are set out in the “Letter from the Board” in this Circular.

The consideration for the Sale Shares to be satisfied in cash represents a premium of approximately 0.14% over the unaudited net asset value of Dyford of approximately HK\$56.9 million as at 31 July 2011. The major assets of Dyford are the investment properties in Hong Kong and are revalued at each financial year end by the Valuer.

The considerations were arrived at after arm’s length negotiations between the Purchasers and the Group and after taking into account of the market value as assessed by the Valuer. The Group engaged the Valuer to assess the valuation of the Sale Properties (the “Valuation”). The estimated market value of the Sale Properties was approximately HK\$55.4 million as at 31 July 2011.

We have discussed with the Valuer for the valuation of the Sale Properties (the “Valuation”). We have reviewed the valuation report and discussed with the Valuer on the basis and methodology adopted in the preparation of the valuation report as set out in Appendix IV to this circular. We understand that the Valuation was made on the assumption that the seller sells the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the values of the property interests.

For the interests in properties owned and occupied by the Group, we understand that the Valuation was prepared under the direct comparison approach assuming sale of the property interests in their existing state with the benefit of immediate vacant possession and by making reference to comparable sale transactions as available in the relevant markets. For the interests in property held for investment, the income approach was adopted by taking into account the net rental income derived from the existing tenancy with due allowance for the reversionary income potential of the tenancy, which is then capitalized into the value at an appropriate capitalisation rate.

We also note that the Valuation has been prepared with The HKIS Valuation Standards on Properties (1st Edition 2005) published by The Hong Kong Institute of Surveyors; the requirement as stated in the Chapter 5 to the Listing Rules and the RICS Valuation Standards (7th Edition) published by The Royal Institution of Chartered Surveyors and effective from May 2011.

We have discussed with the Valuer and noted their expertise and confirmed their independency in relation to this transaction. We have also reviewed with the Valuer their terms of engagement and their scope of work in arriving at the conclusion of the valuation report, which was not adversely impact by any limitations to their work performed.

LETTER FROM HUNTINGTON ASIA

In light of the above and pursuant to Rule 13.80(2) under the Listing Rules, there is no reason to believe that any of the information in the valuation report in respect of the Valuation is not true or omits a material fact, we are of the view that the Valuation has been reasonably prepared and are normal in nature without any unusual assumption and the basis thereof is complete, fair and reasonable.

The properties located at Factory A, Factory B, Factory C and Factory D on 17th Floor and Car Parking Space Nos. 9 and 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. In light of the recent declining property market sentiment in Hong Kong, the Directors consider that there will be no substantial difficulty for the Company to identify appropriate office or enter into tenancy agreement with the Purchaser, Mr. Yip, Madam Yu or Mr. Yip Wing Fung. We understand that the Company will decide upon expiry of one-year rent free period as to whether or not to renew the lease from the Purchasers depending on the then prevailing market rates. Given the one-year free rent and possible renewal option at the then prevailing market rates, we believe that the terms of the Dyford Agreement and the Properties Agreements are in the interests of the Company and the Shareholders as a whole.

4. Reasons of the Disposals

As stated in the Letter from the Board, the Hong Kong government, in an attempt to cool the housing market during 2011, has been expediting its land supply by earmarking more residential sites (some of which will have newly-introduced restrictions on housing unit size or the number of units to be built) for sales, and further tightening the mortgage lending requirements. The property market activities have slowed down. However, the growing domestic economy, inflationary pressure and the rising appetite from affluent mainland Chinese buyers continued to lend strong support to the local property market.

In the second half of 2011, the long-term credit of the United States rating was historically downgraded from the highest AAA to AA+ by Standard & Poor's and the sovereign debt repayment abilities among certain states within the Euro-zone also arose concern. The global financial markets have thus been extremely volatile. There are increasing fears in the market that the world is falling back into recession. All of the above would continue to pose major challenges and risks to the property market in Hong Kong in the near term.

We further note that, in order to curb excessive property speculation and enhance risk management of mortgage lending by local banks, the Hong Kong government launched in 2010 a series of cooling measures such as lowering the mortgage loan-to-value ratio and increasing stamp duty, as well as "nine rules and twelve regulations" which governed the transparency and fairness in pre-sales and show flats. New measures further introduced in late 2010, including the levy of special stamp duty of up to 15% on residential properties resold within two years from purchase as well as the temporary suspension of real estate from the permissible investment asset classes under the Capital Investment Entrant Scheme. However, with strong fundamentals such as the prevailing low mortgage interest rates and the tight near-term housing supply outlook, the confidence of both end-users and investors is still intact with the transaction volume having picked up gradually.

LETTER FROM HUNTINGTON ASIA

The Sale Properties comprise one residential property with a market value of HK\$32.3 million, one office property with a market value of HK\$6.5 million and six industrial properties with an aggregate market value of HK\$16.6 million as at 31 July 2011 as valued by the Valuer. Notwithstanding that the Sale Properties comprise only one residential property, the market value for such residential property constitutes approximately 58.3% of the overall market value of the Sale Properties. The industrial or commercial property sector is likely to be affected by the overall credit tightening policy and the uncertainty over global economy.

Having duly considered the effect of: (i) the Hong Kong government's existing tightening policy and further tightening policy it may launch to suppress the Hong Kong property market; (ii) the uncertain global economy given the recent fluctuation in global capital market; and (iii) the substantial cash inflow on the Disposals, the Directors consider that the Disposals represent a good opportunity for the Company to realise the investment in Dyford and to enhance its cash position. Given the uncertain surrounding in the Hong Kong property market, we consider that the Disposals are in the overall interest of the Company and its Shareholders.

5. Financial effects of the Disposals

Earnings

Upon Completion, the Directors estimate that a one-off loss of approximately HK\$1.3 million for the Disposals (after deducting estimated expenses of HK\$1.4 million).

Net Assets Value

According to the Letter from the Board, the net assets value of Dyford as at 31 July 2011 was HK\$56.9 million and the Disposals would result in a realisation of the fair value reserve of HK\$36.9 million in respect of the Sale Properties upon Completion. The Disposals will have no material net effect on the Group's assets and liabilities.

Gearing Position and Finance Cost

The Remaining Group is mainly financed by interest bearing borrowings, shareholders equity and internal cash flow. As at 31 March 2011, the total borrowings for the Remaining Group of approximately HK\$427.8 million and the obligations under the finance leases of the Remaining Group of approximately HK\$44.0 million were secured by legal charges on the Remaining Group's properties, plant and equipment with a net book value of approximately HK\$742.8 million. We understand from the Company that the Sale Properties are used as pledge for the Group's current banking facilities (with no draw down) as at the Latest Practicable Date and such pledge will be released upon Completion.

LETTER FROM HUNTINGTON ASIA

According to the unaudited pro forma financial information of the Remaining Group set out in the Appendix III of this circular, the gearing ratio (the ratio of total borrowings less pledged bank deposits and cash at banks and on hand to total equity) will be improved from the gearing ratio of 91% for the Group without taking into account the Disposals to 79.7% after taking into account the Disposals.

Working Capital

Based on the 2011 Annual Report, the Group had working capital (i.e. assets less current liabilities) and cash at banks and in hand of approximately HK\$693.1 million and HK\$31.5 million respectively as at 31 March 2011. According to Dyford Agreement and the Properties Agreement, the net proceed from the Disposals of HK\$53.6 million (i.e. gross proceed of HK\$65.4 million after deducting the estimated direct expenses of approximately HK\$1.4 million and settling the amounts due by the Group to Dyford of approximately HK\$10.4 million as at 31 July 2011), will be applied towards the working capital position of the Remaining Group 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.

RECOMMENDATION

Having considered all the above-mentioned principal factors and reasons, we consider that the terms of the Disposals are on normal commercial terms and are fair and reasonable so far as the interests of the Independent Shareholders are concerned. Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the ordinary to be proposed at the SGM to approve the Disposals and the transaction contemplated thereunder and we recommend the Independent Shareholders to vote in favour of the resolution in this regard.

Yours faithfully,
For and on behalf of
Huntington Asia Limited
Helen Zee
Managing Director

Set out below are the unaudited statements of financial position of Dyford as at 31 March 2009, 2010 and 2011 and the unaudited statements of comprehensive income, unaudited statements of changes in equity and unaudited cash flow statements of Dyford for each of the years ended 31 March 2009, 2010 and 2011, which have been reviewed by the Group's auditor, PricewaterhouseCoopers, 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 Hong Kong Institute of Certified Public Accountants. Based on their review, nothing has come to their attention that causes them to believe that the unaudited financial information is not prepared, in all material respects, in accordance with the accounting policies as set out in note 2 to Appendix I of this circular.

UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME

	Year ended 31 March		
	2011 HK\$	2010 HK\$	2009 HK\$
Revenue	1,344,000	1,344,000	408,000
Change in fair value of investment properties	12,830,000	4,900,000	(2,600,000)
Administrative expenses	(125,457)	(678,371)	(834,192)
Operating profit/(loss)	14,048,543	5,565,629	(3,026,192)
Finance costs	(17,964)	(80,534)	(118,880)
Profit/(loss) before income tax	14,030,579	5,485,095	(3,145,072)
Income tax (expenses)/credit	(301,881)	(80,701)	185,399
Profit/(loss) for the year	13,728,698	5,404,394	(2,959,673)
Other comprehensive income	—	—	—
Total comprehensive income	13,728,698	5,404,394	(2,959,673)

UNAUDITED STATEMENTS OF FINANCIAL POSITION

	At 31 March		
	2011	2010	2009
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
ASSETS			
Non-current assets			
Property, plant and equipment	67,742	100,624	582,938
Investment properties	43,100,000	30,270,000	25,370,000
Amount due from a fellow subsidiary	13,591,137	13,591,137	13,591,137
	<u>56,758,879</u>	<u>43,961,761</u>	<u>39,544,075</u>
Current assets			
Deposits and prepayments	189,241	189,241	189,241
Amount due from a fellow subsidiary	–	–	4,595,015
Cash at banks and in hand	159,072	137,843	42,444
	<u>348,313</u>	<u>327,084</u>	<u>4,826,700</u>
Total assets	<u><u>57,107,192</u></u>	<u><u>44,288,845</u></u>	<u><u>44,370,775</u></u>
EQUITY			
Share capital	200,004	200,004	200,004
Retained profits	52,477,467	38,748,769	33,344,375
Total equity	<u>52,677,471</u>	<u>38,948,773</u>	<u>33,544,379</u>
LIABILITIES			
Non-current liabilities			
Amount due to intermediate holding company	1,317,222	1,367,222	1,367,222
Deferred income tax liabilities	562,783	341,589	260,888
	<u>1,880,005</u>	<u>1,708,811</u>	<u>1,628,110</u>
Current liabilities			
Accruals and other payables	246,000	249,319	53,319
Amounts due to fellow subsidiaries	2,223,029	661,985	5,262,354
Borrowings	–	2,719,957	3,882,613
Current income tax liabilities	80,687	–	–
	<u>2,549,716</u>	<u>3,631,261</u>	<u>9,198,286</u>
Total liabilities	<u>4,429,721</u>	<u>5,340,072</u>	<u>10,826,396</u>
Total equity and liabilities	<u><u>57,107,192</u></u>	<u><u>44,288,845</u></u>	<u><u>44,370,775</u></u>
Net current liabilities	<u>2,201,403</u>	<u>3,304,177</u>	<u>4,371,586</u>

UNAUDITED STATEMENTS OF CHANGES IN EQUITY

	Share capital <i>HK\$</i>	Retained profits <i>HK\$</i>	Total <i>HK\$</i>
Balance at 1 April 2008	200,004	36,304,048	36,504,052
Loss for the year	—	(2,959,673)	(2,959,673)
Balance at 31 March 2009	<u>200,004</u>	<u>33,344,375</u>	<u>33,544,379</u>
Balance at 1 April 2009	200,004	33,344,375	33,544,379
Profit for the year	—	5,404,394	5,404,394
Balance at 31 March 2010	<u>200,004</u>	<u>38,748,769</u>	<u>38,948,773</u>
Balance at 1 April 2010	200,004	38,748,769	38,948,773
Profit for the year	—	13,728,698	13,728,698
Balance at 31 March 2011	<u>200,004</u>	<u>52,477,467</u>	<u>52,677,471</u>

UNAUDITED CASH FLOW STATEMENTS

	Year ended 31 March		
	2011 HK\$	2010 HK\$	2009 HK\$
Profit/(loss) before income tax	14,030,579	5,485,095	(3,145,072)
Change in fair value of investment properties	(12,830,000)	(4,900,000)	2,600,000
Depreciation	32,882	529,721	523,400
Interest expenses	17,964	80,534	118,880
Operating profit before working capital changes	1,251,425	1,195,350	97,208
Decrease in amount due from a fellow subsidiary	–	4,595,015	811,883
(Decrease)/increase in accruals and other payables	(3,319)	196,000	3,319
Increase/(decrease) in amounts due to fellow subsidiaries	1,561,044	(4,600,369)	328,290
Decrease in amount due to intermediate holding company	(50,000)	–	–
Cash generated from operations	2,759,150	1,385,996	1,240,700
Interest paid on bank loans	(17,964)	(80,534)	(118,880)
Net cash generated from operating activities	2,741,186	1,305,462	1,121,820
Investing activity			
Purchase of property, plant and equipment	–	(47,407)	–
Net cash used in investing activity	–	(47,407)	–
Financing activities			
Advance from ultimate holding company	–	–	5,000
Repayment of bank loans	(2,719,957)	(1,162,656)	(1,132,528)
Cash used in financing activities	(2,719,957)	(1,162,656)	(1,127,528)
Net increase/(decrease) in cash and cash equivalents	21,229	95,399	(5,708)
Cash and cash equivalents at the beginning of the year	137,843	42,444	48,152
Cash and cash equivalents at the end of the year	159,072	137,843	42,444
Analysis of cash and cash equivalents:			
Cash at banks and in hand	159,072	137,843	42,444

NOTES TO THE FINANCIAL INFORMATION

For the years ended 31 March 2009, 2010 and 2011

1 GENERAL INFORMATION

On 5 September 2011, Same Time International (B.V.I.) Limited (a wholly-owned subsidiary of the Company) and Unique Tower Limited (a company equally owned by Mr. Yip Sum Yin (an executive Director, chairman of the Company and controlling Shareholders) and Madam Yu Hung Min (an executive Director and wife of Mr. Yip Sum Yin) entered into the Agreement, pursuant to which Same Time International (B.V.I.) Limited has conditionally agreed to sell the issued share capital of Dyford to Unique Tower Limited at the consideration of approximately HK\$57 million (subject to adjustments) (the “Transaction”). Immediately after the completion of the Transaction, Dyford will cease to be the subsidiary of the Group.

2 BASIS OF PREPARATION OF THE UNAUDITED FINANCIAL INFORMATION

The unaudited financial information of Dyford has been prepared in accordance with Rule 14.68(2)(a)(i) of the Listing Rules, and solely for the purpose of inclusion in the circular to be issued by the Company in connection with the Transaction. The amounts included in the unaudited financial information for each of the years ended 31 March 2009, 2010 and 2011 have been recognised and measured in accordance with the relevant accounting policies of the Company adopted in the preparation of its consolidated financial statements, and are consistent with those used in the annual consolidated financial statements of the Company for the year ended 31 March 2011, which conform with the Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

Dyford adopted the following revised standards and amendments that are effective for Dyford’s accounting periods beginning on 1 April 2008 and relevant to Dyford’s operation:

HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing costs
HKAS 40 (Amendment)	Investment Property
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008, except for the amendment to HKFRS 5 that is effective for annual periods beginning on or after 1 July 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendment to paragraph 80 of HKAS 39

Dyford has assessed the impact of the adoption of these revised standards and amendments and considered that there were neither significant impact on Dyford’s results and financial position nor any substantial changes in Dyford’s accounting policies and presentation of the financial information for the year ended 31 March 2009, except for the presentation requirement of comprehensive income as required under HKAS 1 (Revised).

The following amendment has been published which is relevant to Dyford’s operation and is mandatory for Dyford’s accounting periods beginning on or after 1 April 2011, but has not yet been adopted by Dyford in this financial information:

HKAS 12 (Amendments) Deferred Tax: Recovery of Underlying Assets (effective from 1 January 2012).

In preparing the unaudited financial information, the Directors have given due and careful consideration to Dyford future liquidity in light of the net current liabilities position of approximately HK\$2.2 million as at 31 March 2011. The directors of Dyford are confident that Dyford will continue to obtain the ongoing support from its bankers and the Company has agreed to provide adequate funds to enable Dyford to meet in full its financial obligations as they fall due for the foreseeable future after the completion of the Transaction, and accordingly, the Directors are of the opinion that it is appropriate to prepare the financial information on a going concern basis.

However, if the Transaction is not completed, the directors of Dyford believe that Dyford will continue to obtain the ongoing support from its bankers and the Company has agreed to provide adequate funds to enable Dyford to meet in full its financial obligations as they fall due for the foreseeable future.

3 FINANCIAL RISK MANAGEMENT AND FAIR VALUE ESTIMATION

(a) Financial risk management

Dyford's activities expose it to a variety of financial risks: cash flow and fair value interest rate risk and liquidity risk.

(i) Cash flow and fair value interest rate risk

Dyford has no significant interest-bearing assets and liabilities (other than bank deposits) and interest income from bank deposits is not significant. As such, the Dyford's income and operating cash flows are substantially independent of changes in market interest rates.

(ii) Liquidity risk

Dyford maintains liquidity by obtaining funding from group companies.

The table below analyses the Dyford's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year	Between 1 and 2 years
At 31 March 2011		
Accruals and other payables	246,000	–
Amounts due to fellow subsidiaries	2,223,029	–
Amount due to intermediate holding company	–	1,317,222
	<u>2,469,029</u>	<u>1,317,222</u>
At 31 March 2010		
Accruals and other payables	249,319	–
Amounts due to fellow subsidiaries	661,985	–
Amount due to intermediate holding company	–	1,367,222
Borrowings	2,796,965	–
	<u>3,708,269</u>	<u>1,367,222</u>
At 31 March 2009		
Accruals and other payables	53,319	–
Amounts due to fellow subsidiaries	5,262,354	–
Amount due to intermediate holding company	–	1,367,222
Borrowings	4,040,155	–
	<u>9,355,828</u>	<u>1,367,222</u>

(b) Capital risk management

The Dyford's objectives when managing capital are to safeguard the Dyford's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Dyford uses equity and funding from group companies to finance its operations.

(c) Fair value estimation

The fair values of long-term borrowings are estimated using the expected future payments discounted at market interest rates.

The carrying amounts less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year, including deposits and prepayments, amounts due from/to group companies, cash at banks and in hand, accruals and other payables and current borrowings approximate to their fair values.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Dyford makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) **Estimated fair value of properties**

The fair values of investment properties are determined at the end of each reporting period by an independent professional valuer. The fair value of investment properties is determined on the basis of capitalisation of the net rental income with due allowance provisions for reversionary income potential at an appropriate capitalisation rate.

(b) **Other receivables and balance due from group company**

Dyford's management determines the provision for impairment of other receivables and balance due from group company based on an assessment of the recoverability of these receivables. The assessment is based on the credit history of other receivables and the current market condition, and requires the use of judgments and estimates. Management reassesses the provision at each balance sheet date.

5 INVESTMENT PROPERTIES

Investment properties are initially measured at cost, including related transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

The investment properties are held under leases of between 10 to 50 years in Hong Kong were revalued at each year end by market approach by Cushman & Wakefield Valuation Advisory Services (HK) Limited, an independent property valuer.

As at 31 March 2011, investment properties with carrying amount of HK\$43,100,000 were pledged as security for the Group secured bank loans and were utilised by a fellow subsidiary at no charge.

6 BORROWINGS

There was no borrowing as at 31 March 2011. The borrowings as at 31 March 2010 and 2009 were as follows:

	2010 HK\$	2009 HK\$
Secured bank loans		
Current		
Bank loans due for repayment within one year	2,719,957	1,162,657
Bank loans due for repayment after one year which contain a repayment on demand clause	–	2,719,956
	<u>2,719,957</u>	<u>3,882,613</u>
Total borrowings	<u>2,719,957</u>	<u>3,882,613</u>

The bank borrowings were secured by the investment properties of Dyford and the effective interest rate of the bank loans of Dyford as at 31 March 2010 was 2.4% (2009: 2.4%) per annum.

1. INDEBTEDNESS

At the close of business on 31 July 2011, being the latest practicable date for ascertaining the information regarding this indebtedness statement prior to the printing of this circular, the Group had outstanding borrowings of approximately HK\$476.2 million, comprising (i) secured bank borrowings of approximately HK\$323.2 million; (ii) unsecured bank borrowings of approximately HK\$96.2 million; and (iii) obligations under finance lease contracts of approximately HK\$56.8 million.

The Group's secured bank borrowings and banking facilities were secured by a legal charge on the Group's leasehold land and buildings, plant and equipment with aggregate net book amounts of approximately HK\$727.4 million as at 31 July 2011. The Group's obligations under finance leases were secured by a legal charge on the Group's property, plant and equipment with aggregate net book amounts of approximately HK\$99.5 million as at 31 July 2011.

Saved as aforesaid, and apart from intra-group liabilities and normal trade payables in the ordinary course of business, the Group did not have any bank loans, bank overdrafts and liabilities under acceptances or other similar indebtedness, debentures or other loan capital, mortgages, charges, finance leases or hire purchase commitments, guarantees or other material contingent liabilities outstanding at the close of business on 31 July 2011.

The Directors have confirmed that there have been no material changes in the indebtedness and contingent liabilities of the Group since 31 July 2011.

For the purpose of the above indebtedness statement, foreign currency amounts have been translated into Hong Kong dollars at the rates of the exchange prevailing at the close of business on 31 July 2011.

2. MATERIAL CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse changes in the financial or trading position of the Group since 31 March 2011, being the date to which the latest published audited financial statements of the Company were made up.

3. WORKING CAPITAL

Taking into account the expected completion of the Disposals and the financial resources available to the Group, including the internally generated funds and the available banking facilities, the Directors are of the opinion that the Group has sufficient working capital for its present requirements for at least the next 12 months from the date of this circular.

**APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION
OF THE REMAINING GROUP**

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

The following is illustrative and unaudited pro forma financial information of the Remaining Group (the “Unaudited Pro Forma Financial Information”), comprising the unaudited pro forma consolidated statement of financial position, the unaudited pro forma consolidated income statement, the unaudited pro forma consolidated statement of comprehensive income and the unaudited pro forma consolidated statement of cash flows of the Remaining Group, which have been prepared to illustrate the effect of the Disposals as if they had taken place on 31 March 2011 for the unaudited pro forma consolidated statement of financial position and on 1 April 2010 for the unaudited pro forma consolidated income statement, the unaudited pro forma consolidated statement of comprehensive income and the unaudited pro forma consolidated statement of cash flows.

The Unaudited Pro Forma Financial Information has been prepared by the Directors for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the financial position, results of operations and cash flows of the Remaining Group had the Transactions been completed as at 31 March 2011 or 1 April 2010 where applicable, or at any future dates. The Unaudited Pro Forma Financial Information should be read in conjunction with the historical information of the Group as set out in the published annual report of for the year ended 31 March 2011 and other financial information included elsewhere in this circular.

**APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION
OF THE REMAINING GROUP**

Unaudited Pro Forma Consolidated Statement of Financial Position

	The Group as at 31 March 2011 (audited) <i>(Note a)</i> HK\$	<i>(Note b)</i> HK\$	Pro forma adjustments <i>(Note c)</i> HK\$	<i>(Note d)</i> HK\$	Pro Forma Remaining Group as at 31 March 2011 (unaudited) HK\$
ASSETS					
Non-current assets					
Property, plant and equipment	1,003,909,641	(67,742)	(45,360,000)	–	958,481,899
Land use rights	21,008,304	–	–	–	21,008,304
Investment property	5,570,000	(43,100,000)	37,530,000	–	–
Non-current deposits	12,010,977	–	–	–	12,010,977
Other non-current assets	350,000	–	–	–	350,000
	<u>1,042,848,922</u>	<u>(43,167,742)</u>	<u>(7,830,000)</u>	<u>–</u>	<u>991,851,180</u>
Current assets					
Inventories	195,980,693	–	–	–	195,980,693
Trade and other receivable	335,305,429	(189,241)	196,000	–	335,312,188
Cash at banks and in hand	31,461,333	(159,072)	–	53,969,114	85,271,375
	<u>562,747,455</u>	<u>(348,313)</u>	<u>196,000</u>	<u>53,969,114</u>	<u>616,564,256</u>
Total assets	<u><u>1,605,596,377</u></u>	<u><u>(43,516,055)</u></u>	<u><u>(7,634,000)</u></u>	<u><u>53,969,114</u></u>	<u><u>1,608,415,436</u></u>
EQUITY					
Capital and reserves					
Share capital	5,691,852	–	–	–	5,691,852
Reserves	475,646,567	–	–	3,512,529	479,159,096
Total equity	<u>481,338,419</u>	<u>–</u>	<u>–</u>	<u>3,512,529</u>	<u>484,850,948</u>
LIABILITIES					
Non-current liabilities					
Borrowings	181,315,405	–	–	–	181,315,405
Deferred income tax liabilities	9,566,546	(562,783)	–	–	9,003,763
Deferred income	20,859,169	–	–	–	20,859,169
	<u>211,741,120</u>	<u>(562,783)</u>	<u>–</u>	<u>–</u>	<u>211,178,337</u>
Current liabilities					
Trade and other payables	580,765,074	(246,000)	196,000	–	580,715,074
Borrowings	290,487,185	–	–	–	290,487,185
Amounts due to Dyford	–	10,050,886	–	(10,050,886)	–
Current income tax liabilities	41,264,579	(80,687)	–	–	41,183,892
	<u>912,516,838</u>	<u>9,724,199</u>	<u>196,000</u>	<u>(10,050,886)</u>	<u>912,386,151</u>
Total liabilities	<u><u>1,124,257,958</u></u>	<u><u>9,161,416</u></u>	<u><u>196,000</u></u>	<u><u>(10,050,886)</u></u>	<u><u>1,123,564,488</u></u>
Total equity and liabilities	<u><u>1,605,596,377</u></u>	<u><u>9,161,416</u></u>	<u><u>196,000</u></u>	<u><u>(6,538,357)</u></u>	<u><u>1,608,415,436</u></u>
Net current liabilities	<u><u>349,769,383</u></u>	<u><u>10,072,512</u></u>	<u><u>–</u></u>	<u><u>(64,020,000)</u></u>	<u><u>295,821,895</u></u>
Total assets less current liabilities	<u><u>693,079,539</u></u>	<u><u>(53,240,254)</u></u>	<u><u>(7,830,000)</u></u>	<u><u>64,020,000</u></u>	<u><u>696,029,285</u></u>

**APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION
OF THE REMAINING GROUP**

Notes:

- a. The amounts are extracted from the audited consolidated statement of financial position of the Company as at 31 March 2011 as set out in the published annual report of the Company for the year ended 31 March 2011.
- b. The adjustment, which is extracted from the unaudited statement of financial position of Dyford as at 31 March 2011 as set out in Appendix I, represents the exclusion of the assets and liabilities of Dyford, assuming that the transaction had been completed on 31 March 2011.
- c. These adjustments represent the disposal of Properties; reversal of Dyford's properties which are classified as property, plant and equipment in the Group's consolidated financial statements from property, plant and equipment to investment property; and recognition of rental deposit paid in advance by the Group to Dyford which is eliminated at the Group's consolidated financial statements, assuming that the transaction had been completed on 31 March 2011.
- d. The adjustment reflects the estimated gain and financial effect arising from the Disposals as if the Disposals had been completed on 31 March 2011:

	<i>HK\$</i>
Total Consideration	65,420,000
Net assets of Dyford and the Properties as at 31 March 2011 attributable to the Group:	(60,507,471)
Estimated direct expenses	<u>(1,400,000)</u>
Net gain on Disposals	<u><u>3,512,529</u></u>

For the purpose of preparing the Unaudited Pro Forma Financial Information, the net consideration for the transaction of approximately HK\$53,969,000 approximates to its fair value, is assumed to be unadjusted, and received in accordance with Agreements after deducting the estimated direct expenses of approximately HK\$1,400,000 in relation to the Disposals and the effect of settlement of amounts due from the Group to Dyford of approximately HK\$10,051,000 in cash. The realisation of the fair value reserve related to Dyford's properties and the Properties as at 31 March 2011 of HK\$32,868,600 will be recognised directly as retained profits.

The financial effect and the actual amount of gain from the transaction are to be determined based on the total consideration, after deducting the estimated direct expenses in relation to the transaction, the carrying amount of the net assets value of Dyford and the Properties and the amounts due to Dyford at the completion date and are therefore subject to change upon completion of the transaction.

- e. Except for the Disposals, no adjustment has been made to reflect any trading result or other transaction of the Group or Dyford entered into subsequent to 31 March 2011.

**APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION
OF THE REMAINING GROUP**

Unaudited Pro Forma Consolidated Income Statement

	The Group for the year ended 31 March 2011 (audited) <i>(Note f)</i> HK\$	<i>(Note g)</i> HK\$	Pro forma adjustments <i>(Note h)</i> HK\$	<i>(Note i)</i> HK\$	Pro Forma Remaining Group for the year ended 31 March 2011 (unaudited) HK\$
Continuing Operation					
Revenue	1,332,336,472	–	–	–	1,332,336,472
Cost of sales	(1,196,490,064)	–	–	–	(1,196,490,064)
Gross profit	135,846,408	–	–	–	135,846,408
Other operating income	13,110,007	(1,344,000)	1,176,000	–	12,942,007
Change in fair value of an investment property	2,370,000	(12,830,000)	10,460,000	–	–
Gain on sale of Dyford	–	–	–	16,383,787	16,383,787
Distribution and marketing costs	(23,259,340)	–	–	–	(23,259,340)
Administrative expenses	(89,283,885)	125,457	631,318	–	(88,527,110)
Other operating expenses	(5,992,891)	–	–	–	(5,992,891)
Operating profit	32,790,299	(14,048,543)	12,267,318	16,383,787	47,392,861
Finance income	1,566,849	–	–	–	1,566,849
Finance costs	(32,919,300)	17,964	–	–	(32,901,336)
Profit before income tax	1,437,848	(14,030,579)	12,267,318	16,383,787	16,058,374
Income tax expenses	(6,232,342)	301,881	(153,567)	–	(6,084,028)
Profit/(loss) from continuing operations	(4,794,494)	(13,728,698)	12,113,751	16,383,787	9,974,346
Discontinued operation					
Profit from discontinued operation	11,744,943	–	119,696	2,290,000	14,154,639
Profit attributable to shareholders of the Company	6,950,449	(13,728,698)	12,233,447	18,673,787	24,128,985

**APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION
OF THE REMAINING GROUP**

Unaudited Pro Forma Consolidated Statement of Comprehensive Income

	The Group for the year ended 31 March 2011 (audited)		Pro forma adjustments		Pro Forma Remaining Group for the year ended 31 March 2011 (unaudited)
	<i>(Note f)</i>	<i>(Note g)</i>	<i>(Note h)</i>	<i>(Note i)</i>	
	HK\$	HK\$	HK\$	HK\$	HK\$
Profit for the year	6,950,449	(13,728,698)	12,233,447	18,673,787	24,128,985
Other comprehensive income					
Currency translation differences	22,646,268	-	-	-	22,646,268
Revaluation surplus on leasehold land and building	64,933,538	-	-	(32,868,600)	32,064,938
Other comprehensive income for the year, net of tax	87,579,806	-	-	(32,868,600)	54,711,206
Total comprehensive income attributable to shareholders of the Company	<u>94,530,255</u>	<u>(13,728,698)</u>	<u>12,233,447</u>	<u>(14,194,813)</u>	<u>78,840,191</u>

Notes:

- f. The amounts are extracted from the audited consolidated income statement and audited consolidated statement of comprehensive income of the Company for the year ended 31 March 2011 as set out in the published annual report of the Company for the year ended 31 March 2011.
- g. The adjustment, which is extracted from the unaudited financial information of Dyford for the year ended 31 March 2011 as set out in Appendix I, represents the exclusion of the income and expenses of Dyford, assuming that the transaction had been completed on 1 April 2010.
- h. These adjustments represent the exclusion of depreciation expenses in relation to the Properties; reversal of fair value gain, exclusion of the depreciation expenses and deferred tax expenses in relation to the change in fair value on Dyford's properties; and exclusion of the intercompany rental expenses recharged by Dyford to the Remaining Group, assuming that the transaction had been completed on 1 April 2010.

**APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION
OF THE REMAINING GROUP**

- i. The adjustment reflects the estimated gain arising from the Disposals as if the Disposals had been completed on 1 April 2010:

	<i>HK\$</i>
Total Consideration	65,420,000
Net assets of Dyford and the Properties as at 1 April 2010 attributable to the Group:	(45,346,213)
Estimated direct expenses	(1,400,000)
 Net gain on Disposals	 18,673,787

For the purpose of preparing the Unaudited Pro Forma Financial Information, the net consideration for the transaction of approximately HK\$53,969,000 approximates to its fair value, is assumed to be unadjusted, and received in accordance with the Agreements after deducting the estimated direct expenses of approximately HK\$1,400,000 in relation to the Disposals and the effect of settlement of amounts due from the Group to Dyford of approximately HK\$10,051,000 in cash.

The financial effect and the actual amount of gain from the transaction are to be determined based on adjustments to the total consideration, estimated direct expenses in relation to the transaction, the carrying amount of the net assets value of Dyford and the Properties and the amounts due to Dyford at the completion date and are therefore subject to change upon completion of the transaction.

- j. Except for the Disposals, no adjustment has been made to reflect any trading result or other transaction of the Group or Dyford entered into subsequent to 31 March 2011.

**APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION
OF THE REMAINING GROUP**

Unaudited Pro Forma Consolidated Statement of Cash Flows

	The Group for the year ended 31 March 2011		Pro forma adjustments		Pro Forma Remaining Group for the year ended 31 March 2011
	(audited)				(unaudited)
	<i>(Note k)</i>	<i>(Note l)</i>	<i>(Note m)</i>	<i>(Note i&n)</i>	
	HK\$	HK\$	HK\$	HK\$	HK\$
Profit before income tax	1,437,848	(14,030,579)	12,267,318	16,383,787	16,058,374
Amortisation of land use rights	480,096	–	–	–	480,096
Amortisation of deferred income on government grants	(391,870)	–	–	–	(391,870)
Bad debts written off	5,289,584	–	–	–	5,289,584
Change in fair value of an investment property	(2,370,000)	12,830,000	(10,460,000)	–	–
Depreciation of property plant and equipment	108,468,656	(32,882)	(631,318)	–	107,804,456
Gain on disposal of property, plant and equipment	(162,045)	–	–	–	(162,045)
Gain on sale of Dyford	–	–	–	(16,383,787)	(16,383,787)
Interest income	(1,566,849)	–	–	–	(1,566,849)
Interest expenses	32,919,300	(17,964)	–	–	32,901,336
Operating profit before working capital changes	144,104,720	(1,251,425)	1,176,000	–	144,029,295
Increase in inventories	(76,501,771)	–	–	–	(76,501,771)
Increase in trade and other receivables	(137,267,020)	–	–	–	(137,267,020)
Increase in trade and other payables	225,297,257	3,319	–	–	225,300,576
Increase in amounts due from Dyford	–	(1,511,044)	–	–	(1,511,044)
Decrease in derivative financial liabilities	(98,747)	–	–	–	(98,747)
Cash generated from continuing operations	155,534,439	(2,759,150)	1,176,000	–	153,951,289
Interest received	1,566,849	–	–	–	1,566,849
Interest paid on bank loans and overdrafts	(29,452,280)	17,964	–	–	(29,434,316)
Interest element of finance leases payments	(3,467,020)	–	–	–	(3,467,020)
Income tax paid	(4,998,556)	–	–	–	(4,998,556)
Net cash generated from operating activities	119,183,432	(2,741,186)	1,176,000	–	117,618,246

**APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION
OF THE REMAINING GROUP**

Notes:

- k. The amounts are extracted from the audited consolidated statement of cash flows of the Company for the year ended 31 March 2011 as set out in the published annual report of the Company for the year ended 31 March 2011.
- l. The adjustment, which is extracted from the unaudited cash flow statement of Dyford for the year ended 31 March 2011 as set out in Appendix I, represents the exclusion of the cash flows of Dyford as if the Disposals had been completed on 1 April 2010.
- m. These adjustments represent the reversal of fair gain of Dyford's properties, exclusion of the depreciation expenses in relation to the change in fair value on Dyford's properties and the Properties and rental saving, assuming that the transaction had been completed on 1 April 2010.
- n. The adjustment represents the net cash inflow arising from the Disposals as if the Disposals had been completed on 1 April 2010:

	<i>HK\$</i>
Total Consideration	
– from disposal of Dyford	57,000,000
– from disposal of the Properties	8,420,000
	65,420,000
Estimated direct expenses	(1,400,000)
Repayment of amount due to Dyford	(10,050,886)
Cash and cash equivalents held by Dyford	(137,843)
	53,831,271

- o. Except for the Disposals, no adjustment has been made to reflect any trading result or other transaction of the Group or Dyford entered into subsequent to 31 March 2011.

**APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION
OF THE REMAINING GROUP**

**ACCOUNTANT'S REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION
OF THE REMAINING GROUP**

The following is the text of a report received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this circular.



羅兵咸永道

**ACCOUNTANT'S REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION TO
THE DIRECTORS OF SAME TIME HOLDINGS LIMITED**

We report on the unaudited pro forma financial information set out on pages 34 to 42 under the heading of “Unaudited Pro Forma Financial Information of the Remaining Group” (the “Unaudited Pro Forma Financial Information”) in Appendix III of the circular dated 23 September 2011 (the “Circular”) of Same Time Holdings Limited (the “Company”), in connection with the proposed disposal of Dyford Industries Limited and properties held by Same Time Electronics Limited (the “Transaction”) by the Company. The Unaudited Pro Forma Financial Information has been prepared by the directors of the Company, for illustrative purposes only, to provide information about how the Transaction might have affected the relevant financial information of the Company and its subsidiaries (hereinafter collectively referred to as the “Group”). The basis of preparation of the Unaudited Pro Forma Financial Information is set out on pages 34 to 42 of the Circular.

Respective Responsibilities of Directors of the Company and the Reporting Accountant

It is the responsibility solely of the directors of the Company to prepare the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

It is our responsibility to form an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

Basis of Opinion

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 “Accountants’ Reports on Pro Forma Financial Information in Investment Circulars” issued by the HKICPA. Our work, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the audited consolidated statement of financial position of the Group as at 31 March 2011, the audited consolidated income statement, the audited consolidated statement of comprehensive income and the audited consolidated statement of cash flows of the Group for the year ended 31 March 2011 as set out in the “Pro Forma Financial Information of the Remaining Group” section of this circular with the audited financial statements of the Company for the year ended 31 March 2011 as set out in the 2011 annual report of the Company, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Financial Information with the directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

The Unaudited Pro Forma Financial Information is for illustrative purposes only, based on the judgements and assumptions of the directors of the Company, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of:

- the financial position of the Group as at 31 March 2011 or any future date, or
- the results and cash flows of the Group for the year ended 31 March 2011 or any future periods.

Opinion

In our opinion:

- a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;
- b) such basis is consistent with the accounting policies of the Group; and
- c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 23 September 2011

The following is the text of a letter, summary of values and valuation certificates, prepared for the purpose of incorporation in this circular received from Cushman & Wakefield Valuation Advisory Services (HK) Limited, an independent valuer, in connection with its valuation as at 31 July 2011 of the Sale Properties.

23 September 2011

Cushman & Wakefield Valuation Advisory Services (HK) Limited

6/F Henley Building
5 Queen's Road Central, Hong Kong
Tel: (852) 2956 3888
Fax:(852) 2956 2323



www.cushmanwakefield.com

The Board of Directors
Same Time Holdings Limited
17th Floor
Phase I
Kingsford Industrial Building
Nos. 26-32 Kwai Hei Street
Kwai Chung
New Territories
Hong Kong

Dear Sirs,

Preliminary

In accordance with your instructions to value the properties in which Same Time Holdings Limited (the “Company”) and its subsidiaries (hereinafter together referred to as the “Group”) have interests and to be disposed in Hong Kong. We confirm that we have carried out physical inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market values of the property interests as at 31 July 2011 (the “date of valuation”).

Basis of Valuation

Our valuations of the property interests represent the “market value” which we would define as intended to mean “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion”.

The valuation has been prepared in accordance with the requirements set out in Chapter 5 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited; the RICS Valuation Standards (7th Edition) published by The Royal Institution of Chartered Surveyors and effective from May 2011; and The HKIS Valuation Standards on Properties (2005, First Edition) published by The Hong Kong Institute of Surveyors effective from 1 January 2005.

Valuation Assumptions	<p>Our valuations have been made on the assumption that the seller sells the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the values of the property interests.</p> <p>As the properties are held under long term leasehold interests, we have assumed that the owner has free and uninterrupted rights to use the properties for the whole of the unexpired term of the leasehold interests.</p> <p>No allowance has been made in our report for any charges, mortgages or amounts owing on any of the property interests valued nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoing of an onerous nature, which could affect their values.</p> <p>We have not carried out detailed site measurements to verify the correctness of the site areas in respect of the properties but have assumed that the site areas shown on the documents and/or official plans handed to us by the Group are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.</p>
Site Inspection	<p>We have inspected the exterior and, where possible, the interior of the properties. However, no structural survey has been made, but in the course of our inspection, we did not note any serious defects. We are not, however, able to report whether the properties are free of rot, infestation or any other structural defects. No tests were carried out on any of the services.</p>
Valuation Methodology	<p>We have valued the property interests in Group I by the direct comparison approach assuming sale of the property interests in their existing state with the benefit of immediate vacant possession and by making reference to comparable sale transactions as available in the relevant markets.</p> <p>In valuing the property interest in Group II which is currently held for investment, as the property is currently subject to a tenancy, we have adopted the income approach by taking into account the net rental income derived from the existing tenancy with due allowance for the reversionary income potential of the tenancy, which is then capitalized into the value at an appropriate capitalisation rate.</p>
Source of Information	<p>We have relied to a very considerable extent on the information given by the Group and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings, identification of the properties and all other relevant matters.</p>

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also sought confirmation from the Group that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

Title Investigations

We have caused searches to be made at the Hong Kong Land Registry in respect of the property interests and have made relevant enquiries. However, we have not searched the original documents to verify the existing titles to the property interests and any material encumbrances that might be attached to the properties or any lease amendments which may not appear on the copies handed to us.

**Currency &
Exchange Rate**

Unless otherwise stated, all monetary sums stated in this report are in Hong Kong Dollars (HKD).

Our valuations are summarised below and the valuation certificates are attached.

Yours faithfully,
for and on behalf of

Cushman & Wakefield Valuation Advisory Services (HK) Limited**Vincent K. C. Cheung**

Registered Professional Surveyor (GP)
BSc(Hons) MBA MRICS MHKIS
National Director

Jason M. K. Leung

Registered Professional Surveyor (GP)
BSc(Hons) MRICS MHKIS
Associate Director

Note: Mr. Vincent K. C. Cheung holds a Master of Business Administration and he is a Registered Professional Surveyor with over 14 years' experience in real estate industry and assets valuations sector. His experience on valuations covers Hong Kong, Macau, Taiwan, South Korea, Mainland China, Vietnam, Cambodia and other overseas countries. Mr. Cheung is a member of The Royal Institution of Chartered Surveyors and a member of the Hong Kong Institute of Surveyors. Mr. Cheung is one of the valuers on the "list of property valuers for undertaking valuation for incorporation or reference in listing particulars and circulars and valuations in connection with takeovers and mergers" as well as a Registered Business Valuer of the Hong Kong Business Valuation Forum.

Mr. Jason M. K. Leung holds a Bachelor Degree of Science in Real Estate and he is a Registered Professional Surveyor with over seven years' experience in real estate industry and assets valuations sector. His experience on valuations covers Hong Kong, Macau, Taiwan, South Korea, Mainland China, Vietnam, Cambodia and other overseas countries. Mr. Leung is a member of The Royal Institution of Chartered Surveyors and a member of the Hong Kong Institute of Surveyors.

SUMMARY OF VALUES

GROUP I – PROPERTY INTERESTS OWNED AND OCCUPIED BY THE GROUP IN HONG KONG

No.	Property	Market Value in existing state as at 31 July 2011 <i>HKD</i>
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	3,530,000
2.	Factory B on 17th Floor & Balcony thereof & Store Room thereto of Kingsford Industrial Building Phase I Nos. 26-32 Kwai Hei Street Kwai Chung New Territories Hong Kong	3,600,000
3.	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	3,640,000
4.	Factory D on 17th Floor & Balcony thereof & Store Room thereto of Kingsford Industrial Building Phase I Nos. 26-32 Kwai Hei Street Kwai Chung New Territories Hong Kong	3,710,000
5.	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	1,070,000
6.	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	1,070,000

No.	Property	Market Value in existing state as at 31 July 2011 HKD
7.	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	32,300,000
Sub-total:		<u>48,920,000</u>

GROUP II – PROPERTY INTEREST HELD FOR INVESTMENT BY THE GROUP IN HONG KONG

No.	Property	Market Value in existing state as at 31 July 2011 HKD
8.	Unit No. 17 on 7th Floor Pacific Trade Centre No. 2 Kai Hing Road Kowloon Bay Kowloon Hong Kong	6,460,000
Sub-total:		<u>6,460,000</u>
Grand-total:		<u><u>55,380,000</u></u>

VALUATION CERTIFICATE

GROUP I – PROPERTY INTERESTS OWNED AND OCCUPIED BY THE GROUP IN HONG KONG

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 July 2011 HKD
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 (29/6,399th parts or shares of and in Kwai Chung Town Lot No. 304)	<p>The property comprises an industrial unit and the balcony thereof on 17th Floor of a 27-storey industrial building which was completed in about 1979.</p> <p>The gross floor area of the property is approximately 4,093 square feet, and the saleable area of the property (including the balcony thereof) is approximately 3,687 square feet.</p> <p>The property is held under New Grant No. 5351 for a term of 99 years commencing on 1 July 1898 and statutorily renewed until 30 June 2047. The government rent is equivalent to an amount equal to 3% of the rateable value for the time being of the property.</p>	The property is currently owner-occupied.	3,530,000

Notes:-

1. The registered owner of the property is Dyford Industries Limited registered vide Memorial No. TW466975 dated 24 August 1987. The consideration of the property was HK\$1,300,000.
2. Dyford Industries Limited is an indirect wholly-owned subsidiary of the Company.
3. The property is subject to the following:
 - a. Occupation Permit of Phase I issued by the Office of the Building Authority to Shui Kwong Company Ltd. registered vide Memorial No. TW179568 dated 20 July 1979;
 - b. Letter of Compliance of Phase I & II registered vide Memorial No. TW185611 dated 20 December 1979;
 - c. Deed of Mutual Covenant registered vide Memorial No. TW187264 dated 24 December 1979; and
 - d. Mortgage in favour of The Hongkong and Shanghai Banking Corporation Limited to secure all moneys in respect of general banking facilities (part) registered vide Memorial No. 10080603170084 dated 22 July 2010.

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 July 2011 HKD	
2.	<p>Factory B on 17th Floor & Balcony thereof & Store Room thereto of Kingsford Industrial Building Phase I, Nos. 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong</p> <p>(30/6,399th parts or shares of and in Kwai Chung Town Lot No. 304)</p>	<p>The property comprises an industrial unit and the balcony thereof and store room thereto on 17th Floor of a 27-storey industrial building which was completed in about 1979.</p> <p>The gross floor area of the property is approximately 4,210 square feet, and the saleable area of the property (including the balcony thereof and store room thereto) is approximately 3,779 square feet.</p> <p>The property is held under New Grant No. 5351 for a term of 99 years commencing on 1 July 1898 and statutorily renewed until 30 June 2047. The government rent is equivalent to an amount equal to 3% of the rateable value for the time being of the property.</p>	The property is currently owner-occupied.	3,600,000

Notes:-

1. The registered owner of the property is Dyford Industries Limited registered vide Memorial No. TW320912 dated 9 April 1984. The consideration of the property was HK\$652,600.
2. Dyford Industries Limited is an indirect wholly-owned subsidiary of the Company.
3. The property is subject to the following:
 - a. Occupation Permit of Phase I issued by the Office of the Building Authority to Shui Kwong Company Ltd. registered vide Memorial No. TW179568 dated 20 July 1979;
 - b. Letter of Compliance of Phase I & II registered vide Memorial No. TW185611 dated 20 December 1979;
 - c. Deed of Mutual Covenant registered vide Memorial No. TW187264 dated 24 December 1979; and
 - d. Mortgage in favour of The Hongkong and Shanghai Banking Corporation Limited to secure all moneys in respect of general banking facilities (part) registered vide Memorial No. 10080603170084 dated 22 July 2010.

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 July 2011 <i>HKD</i>
<p>3. 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</p> <p>(29/6,399th parts or shares of and in Kwai Chung Town Lot No. 304)</p>	<p>The property comprises an industrial unit and the balcony thereof on 17th Floor of a 27-storey industrial building which was completed in about 1979.</p> <p>The gross floor area of the property is approximately 4,093 square feet, and the saleable area of the property (including the balcony thereof) is approximately 3,687 square feet.</p> <p>The property is held under New Grant No. 5351 for a term of 99 years commencing on 1 July 1898 and statutorily renewed until 30 June 2047. The government rent is equivalent to an amount equal to 3% of the rateable value for the time being of the property.</p>	<p>The property is currently owner-occupied.</p>	<p>3,640,000</p>

Notes:-

1. The registered owner of the property is Same Time Electronics Limited registered vide Memorial No. TW820350 dated 4 March 1992. The consideration of the property was HK\$1.
2. Same Time Electronics Limited is an indirect wholly-owned subsidiary of the Company.
3. The property is subject to the following:
 - a. Occupation Permit of Phase I issued by the Office of the Building Authority to Shui Kwong Company Ltd. registered vide Memorial No. TW179568 dated 20 July 1979;
 - b. Letter of Compliance of Phase I & II registered vide Memorial No. TW185611 dated 20 December 1979;
 - c. Deed of Mutual Covenant registered vide Memorial No. TW187264 dated 24 December 1979; and
 - d. Mortgage in favour of The Hongkong and Shanghai Banking Corporation Limited to secure all moneys in respect of general banking facilities (part) registered vide Memorial No. 10080603170084 dated 22 July 2010.

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 July 2011 HKD
4.	<p>Factory D on 17th Floor & Balcony thereof & Store Room thereto of Kingsford Industrial Building Phase I, Nos. 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong</p> <p>(30/6,399th parts or shares of and in Kwai Chung Town Lot No. 304)</p>	<p>The property comprises an industrial unit and the balcony thereof and store room thereto on 17th Floor of a 27-storey industrial building which was completed in about 1979.</p> <p>The gross floor area of the property is approximately 4,210 square feet, and the saleable area of the property (including the balcony thereof and store room thereto) is approximately 3,779 square feet.</p> <p>The property is held under New Grant No. 5351 for a term of 99 years commencing on 1 July 1898 and statutorily renewed until 30 June 2047. The government rent is equivalent to an amount equal to 3% of the rateable value for the time being of the property.</p>	<p>The property is currently owner-occupied.</p> <p style="text-align: right;">3,710,000</p>

Notes:-

1. The registered owner of the property is Same Time Electronics Limited registered vide Memorial No. TW820351 dated 4 March 1992. The consideration of the property was HK\$2,050,000.
2. Same Time Electronics Limited is an indirect wholly-owned subsidiary of the Company.
3. The property is subject to the following:
 - a. Occupation Permit of Phase I issued by the Office of the Building Authority to Shui Kwong Company Ltd. registered vide Memorial No. TW179568 dated 20 July 1979;
 - b. Letter of Compliance of Phase I & II registered vide Memorial No. TW185611 dated 20 December 1979;
 - c. Deed of Mutual Covenant registered vide Memorial No. TW187264 dated 24 December 1979; and
 - d. Mortgage in favour of The Hongkong and Shanghai Banking Corporation Limited to secure all moneys in respect of general banking facilities (part) registered vide Memorial No. 10080603170084 dated 22 July 2010.

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 July 2011 <i>HKD</i>
5. 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 (1/6,399th parts or shares of and in Kwai Chung Town Lot No. 304)	<p>The property comprises a car parking space on Ground Floor of a 27-storey industrial building which was completed in about 1979.</p> <p>The property is held under New Grant No. 5351 for a term of 99 years commencing on 1 July 1898 and statutorily renewed until 30 June 2047. The government rent is equivalent to an amount equal to 3% of the rateable value for the time being of the property.</p>	The property is currently owner-occupied.	1,070,000

Notes:—

1. The registered owner of the property is Dyford Industries Limited registered vide Memorial No. TW829163 dated 22 April 1992. The consideration of the property was HK\$250,000.
2. Dyford Industries Limited is an indirect wholly-owned subsidiary of the Company.
3. The property is subject to the following:
 - a. Occupation Permit of Phase I issued by the Office of the Building Authority to Shui Kwong Company Ltd. registered vide Memorial No. TW179568 dated 20 July 1979;
 - b. Letter of Compliance of Phase I & II registered vide Memorial No. TW185611 dated 20 December 1979;
 - c. Deed of Mutual Covenant registered vide Memorial No. TW187264 dated 24 December 1979; and
 - d. Mortgage in favour of The Hongkong and Shanghai Banking Corporation Limited to secure all moneys in respect of general banking facilities (part) registered vide Memorial No. 10080603170084 dated 22 July 2010.

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 July 2011 HKD
6. 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 (1/6,399th parts or shares of and in Kwai Chung Town Lot No. 304)	<p>The property comprises a car parking space on Ground Floor of a 27-storey industrial building which was completed in about 1979.</p> <p>The property is held under New Grant No. 5351 for a term of 99 years commencing on 1 July 1898 and statutorily renewed until 30 June 2047. The government rent is equivalent to an amount equal to 3% of the rateable value for the time being of the property.</p>	The property is currently owner-occupied.	1,070,000

Notes:—

1. The registered owner of the property is Same Time Electronics Limited registered vide Memorial No. TW829165 dated 22 April 1992. The consideration of the property was HK\$250,000.
2. Same Time Electronics Limited is an indirect wholly-owned subsidiary of the Company.
3. The property is subject to the following:
 - a. Occupation Permit of Phase I issued by the Office of the Building Authority to Shui Kwong Company Ltd. registered vide Memorial No. TW179568 dated 20 July 1979;
 - b. Letter of Compliance of Phase I & II registered vide Memorial No. TW185611 dated 20 December 1979;
 - c. Deed of Mutual Covenant registered vide Memorial No. TW187264 dated 24 December 1979; and
 - d. Mortgage in favour of The Hongkong and Shanghai Banking Corporation Limited to secure all moneys in respect of general banking facilities (part) registered vide Memorial No. 10080603170084 dated 22 July 2010.

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 July 2011 HKD
7.	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 comprises a three-storey detached house which was completed in about 1982.	32,300,000
	(72/5,200th parts or shares of and in Lot No. 758 in D.D. 379)	The gross floor area of the property is approximately 2,722 square feet, and the area of the garden appurtenant to the property is approximately 1,098 square feet.	
		The property is held under New Grant No. 2254 for a term of 99 years commencing on 1 July 1898 and statutorily renewed until 30 June 2047. The government rent is equivalent to an amount equal to 3% of the rateable value for the time being of the property.	

Notes:—

1. The registered owner of the property is Dyford Industries Limited registered vide Memorial No. TM1100694 dated 18 June 2004. The consideration of the property was HK\$12,500,000.
2. Dyford Industries Limited is an indirect wholly-owned subsidiary of the Company.
3. The property is zoned for “Residential (Group B)” uses under the Tuen Mun Outline Zoning Plan, No. S/TW/28 statutorily approved on 3 May 2011.
4. The property is subject to the following:
 - a. Deed of Mutual Covenant registered vide Memorial No. TM216443 dated 26 July 1982;
 - b. Certificate of Compliance registered vide Memorial No. TM251158 dated 29 May 1982;
 - c. Order No. CWP/S1/97106/07/NT by the Building Authority under s.24(1) of the Buildings Ordinance registered vide Memorial No. 07032301720339 dated 2 February 2007; and
 - d. Mortgage in favour of The Hongkong and Shanghai Banking Corporation Limited to secure all moneys in respect of general banking facilities (part) registered vide Memorial No. 10080603170084 dated 22 July 2010.
5. In the course of our valuation, we have disregarded the effect of the Building Order (i.e. per Memorial No. 07032301720339 dated 2 February 2007) to the value of the property and any potential construction, demolition or re-instatement required for the compliance of the Building Order.

VALUATION CERTIFICATE

GROUP II - PROPERTY INTEREST HELD FOR INVESTMENT BY THE GROUP IN HONG KONG

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 July 2011 HKD
8. Unit No. 17 on 7th Floor, Pacific Trade Centre, No. 2 Kai Hing Road, Kowloon Bay, Kowloon, Hong Kong (46/12,041th parts or shares of and in New Kowloon Inland Lot No. 6036)	<p>The property comprises an industrial unit on 7th Floor of a 16-storey industrial building (including a basement) which was completed in about 1990.</p> <p>The gross floor area of the property is approximately 3,111 square feet, and the saleable area of the property is approximately 2,271 square feet.</p> <p>The property is held under Conditional of Sale No. 11936 for a term commencing on 23 March 1987 and expiring on 30 June 2047. The government rent is equivalent to an amount equal to 3% of the rateable value for the time being of the property.</p>	<p>The property is currently subject to a tenancy for a term of two years commencing on 15 June 2011 and expiring on 14 June 2013 at a monthly rent of HK\$20,000 exclusive of Government Rent, Government Rates, Management Fees, Property Tax and other charges.</p>	6,460,000

Notes:-

1. The registered owner of the property is Dyford Industries Limited registered vide Memorial No. UB5853413 dated 21 October 1993. The consideration of the property was HK\$4,950,000.
2. Dyford Industries Limited is an indirect wholly-owned subsidiary of the Company.
3. Pursuant to a tenancy agreement dated 15 July 2011 and entered into between Dyford Industries Limited ("lessor") and Charming Products Limited ("lessee"), the property was leased to the lessee for a term of two years commencing on 15 June 2011 and expiring on 14 June 2013 at a monthly rent of HK\$20,000 exclusive of Government Rent, Government Rates, Management Fees, Property Tax and other charges.
4. The property is subject to the following:
 - a. Occupation Permit No. NK11/90 registered vide Memorial No. UB4331310 dated 5 February 1990;
 - b. Letter (Certificate of Compliance) from District Lands Office/Kowloon East registered vide Memorial No. UB4356904 dated 8 March 1990;
 - c. Letter (Certificate of Compliance) from Registrar General's Department to Messrs. Andrew Lee King Fun & Associates registered vide Memorial No. UB4362644 dated 13 March 1990;
 - d. Deed of Mutual Covenant and Management Agreement registered vide Memorial No. UB4379939 dated 19 March 1990;

- e. Sealed Copy Charging Order in favour of Ng Sai Wong trading as Chu Wong Ornament Manufacturing Co. "The Plaintiff" and Yan Hwa Chien trading as Y & M Co. "The Defendant" registered vide Memorial No. UB5597295 dated 24 March 1993 (Remarks: In H.C. Action No. A6385 of 1992);
 - f. Sealed Copy Charging Order Absolute Imposing Charge on Land in favour of Ng Sai Wong trading as Chu Wong Ornament Manufacturing Co "The Plaintiff" and Yan Hwa Chien Trading As Y & M Co. "The Defendant" registered vide Memorial No. UB5619242 dated 13 April 1993 (Remarks: (H.C. Action No. A6385 of 1992));
 - g. Sealed Copy Amended Charging Order: Notice to Show Cause in favour of Carich Industrial Limited "The Plaintiff" and Yan Hwa Chien trading as Y & M Company "The Defendant" registered vide Memorial No. UB5732738 dated 28 July 1993 (Remarks: In H.C., 1993, No. A2706);
 - h. Sealed Copy Amended Charging Order Absolute in favour of Carich Industrial Limited "The Plaintiff" and Yan Hwa Chien trading as Y & M Company "The Defendant" registered vide Memorial No. UB5796976 dated 13 August 1993 (Remarks: In H.C. No. A2706 of 1993);
 - i. Charging Order on Land: Notice to Show Cause (a sealed copy) in favour of Chan Lai Lai trading as Ching Chi Enterprise Company (a firm) "Plaintiff" and Yan Hwa Chien trading as Y & M Co. (a firm) "Defendant" registered vide Memorial No. UB5823745 dated 11 October 1993 (Remarks: In H.C. Action No. A6877 of 1993);
 - j. Order Absolute Imposing Charge on Land (a sealed copy) in favour of Chan Lai Lai trading as Ching Chi Enterprise Company (a firm) "Plaintiff" and Yan Hwa Chien trading as Y & M Co. (a firm) "Defendant" registered vide Memorial No. UB5839175 dated 2 November 1993 (Remarks: H.C. Action No. A6877 of 1993); and
 - k. Mortgage in favour of The Hongkong and Shanghai Banking Corporation Limited to secure all moneys in respect of general banking facilities (part) registered vide Memorial No. 10080603170084 dated 22 July 2010.
5. In the course of our valuation, we have disregarded the effect of the aforesaid court orders to the value of the property.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable inquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

DISCLOSURE OF INTERESTS**Interests of Directors and chief executive**

As at the Latest Practicable Date, the interests of the Directors and chief executive in the share capital of the Company which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests which they were taken or deemed to have under such provisions of the SFO), or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Name	Number of Shares	Nature of interest	Percentage of shareholding
Mr. Yip	35,293,973 (Note 1)	Settlor and beneficiary of trust	51.68%
Mr. Yip How Yin Maurice	35,293,973 (Note 1)	Settlor and beneficiary of trust	51.68%
Madam Yu	31,695,475 (Note 1)	Beneficiary of a trust	46.41%
Chung Chi Shing ("Mr. Chung")	50,766,000	(Note 2)	74.32%

Notes:

- 31,695,475 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, Madam Yu and their family. 3,598,498 Shares were beneficially owned by 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.
- 766,000 Shares were owned by Mr. Chung personally. The balance of 50,000,000 Shares were corporate interest, being the maximum number of Shares issueable under the Bond held by the Subscriber, in which Mr. Chung has 50% interest.

Save as disclosed above, as at the Latest Practicable Date, 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 corporation (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of the SFO) or which was required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules to be notified to the Company and the Stock Exchange.

Mr. Yip is a director of Sum Tai and the sole director of Aberdare. Madam Yu is a director of Sum Tai.

Mr. Chung is a director of the Subscriber.

Interests of experts in the Group

None of the experts named in the paragraph headed “Qualifications of experts” in this appendix has any shareholding in any company in the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any company in the Group.

Interests in assets

Save for the Agreements, none of the Directors or experts named in the paragraph headed “Qualifications of experts” in this appendix has any direct or indirect interest in any assets acquired or disposed of by or leased to any member of the Group or is proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2011, being the date to which the latest published audited financial statements of the Company were made up.

Interests in contracts or arrangements

None of the Directors has any material interests in any contract or arrangement subsisting at the date of this circular which is significant in relation to the business of the Group taken as a whole.

Service contracts

Each of Mr. Chung and Mr. Mao Lu (both executive Directors) has entered into a service contract with the Company for a term of two years commencing from 4 July 2011 and 2 August 2011 respectively at the monthly salary of HK\$80,000. Under the service contracts, after each completed year of service, their remuneration shall be reviewed or adjusted at the discretion of the Company and they will each be entitled to a discretionary bonus provided that the total amount of bonus payable to all executive Directors for such year shall not exceed 5% of the profit after taxation of the Company for the relevant year.

Each of the independent non-executive Directors has entered into a letter of appointment with the Company for a term of two years commencing from 1 April 2011 and will receive a director’s fee of HK\$100,000 per annum.

Save as disclosed above, there is no existing or proposed service contract between any member of the Group and any Director or proposed Director (excluding contracts expiring or determinable by the Group within one year without payment of compensation (other than statutory compensations)).

Competing business

None of the Directors has any interest in any business which competes or is likely to complete, either directly or indirectly, with the Group's business.

LITIGATION

Neither the Company nor any of its subsidiaries is engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened against the Company or any of its subsidiaries.

QUALIFICATIONS OF EXPERTS

The qualifications of the experts who have given opinions in this circular are as follows:

Name	Qualification
Huntington Asia	A licensed corporation under the SFO to carry out Type 6 (advising on corporate finance) regulated activity under the SFO
PricewaterhouseCoopers	Certified Public Accountants
The Independent Valuer	Chartered Surveyors

CONSENTS

The experts named in the paragraph headed "Qualifications of experts" in this appendix have given and have not withdrawn their respective written consents to the issue of this circular with copies of their reports, valuation or letters (as the case may be) and the references to their names included herein in the form and context in which they are respectively included.

MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of the Group within the two years preceding the date of this circular and are or may be material:

- (a) a lease agreement dated 23 November 2009 between Red Board Limited (as lessee), a wholly owned subsidiary of the Company, and Sumitomo Mitsui Finance and Leasing (Hong Kong) Limited (as lessor) relating to the lease of 20 sets of drilling machines for a total lease payment of HK\$22,236,000;

- (b) a Land Use Right Transfer Agreement dated 2 March 2010 between 江西井岡山經濟技術開發區國土資源局(Jiangxi Jing Gang Shan Economic Development Zone Bureau of Land and Resources) and Jiangxi Red Board, relating to the acquisition of land use right of a plot of land with a total site area of 67,584 square meters located at the North West Corner of the intersection of Jia Hua Road and Xue Yuan West Road, Jing Gang Shan Economic Development Zone, Jiangxi, the PRC (中國江西省井岡山經濟技術開發區嘉華大道與學園西路交叉口西北角地塊) (number: 井開區2009工-012) for a term of 50 years from 10 March 2010 to 9 March 2060 for a total consideration of RMB6,488,064 (about HK\$7,372,800);
- (c) purchase orders dated 25 March 2010 placed by Red Board Limited with Schmoll Maschinen GmbH in respect of the purchase of 34 sets of drilling machines at a total consideration of HK\$33,900,000;
- (d) a purchase order dated 15 June 2010 placed by Red Board Limited with Worldtech Electronics Technology Limited in respect of the purchase of carbon dioxide laser drilling machines at a total consideration of Japanese Yen 210 million (about HK\$17,936,100);
- (e) purchase orders dated 2 November 2010 placed by Red Board Limited with Blue IQ Investments Limited in respect of the purchase of drilling machines and main axis at a total consideration of HK\$21,630,000;
- (f) a placing agreement dated 14 March 2011 between the Company and Placing Agent pursuant to which the Placing Agent agreed to procure, on a best effort basis, places to subscribe up to maximum of 11,380,000 new Shares at a price of HK\$3.27 per Share;
- (g) a subscription agreement dated 23 March 2011 between the Company and the Subscriber in relation to subscription of the Bond at the cash consideration of HK\$90 million;
- (h) lease agreements dated 28 June 2011 among Dongguan Red Board and Jiangxi Red Board (as lessees) and International Fareastern (as lessor) relating to the lease of machines for a total lease payment of RMB47,053,768 (about HK\$56,439,688); and
- (i) the Agreements.

GENERAL

- (a) The secretary of the Company is Madam Shiu Man Ching, an associate member of The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries.
- (b) The registered office of the Company is situated at Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda.
- (c) The Hong Kong branch share registrar and transfer office of the Company is Tricor Abacus Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.

- (d) The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the head office of the Company at 17th Floor, Phase I, Kingsford Industrial Building, 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong during normal business hours up to and including 14 October 2011:

- (a) the Memorandum of Association and the Bye-laws of the Company;
- (b) the annual reports of the Company for the two years ended 31 March 2011;
- (c) the accountant's report on the unaudited pro forma financial information of the Remaining Group, the text of which is set out in Appendix III to this circular;
- (d) the letter, summary of values and valuation certificates relating to the Sale Properties prepared by the Independent Valuer, the texts of which are set out in Appendix IV to this circular;
- (e) the service contracts referred to in the paragraph headed "Disclosure of interests" in this appendix;
- (f) the material contracts referred to in the paragraph headed "Material contracts" in this appendix; and
- (g) the written consents referred to in the paragraph headed "Consents" in this appendix.

NOTICE OF SPECIAL GENERAL MEETING



SAME TIME HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 451)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of Same Time Holdings Limited (the “Company”) will be held at 17th Floor, Phase I, Kingsford Industrial Building, 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong on 14 October 2011 at 12:00 noon for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

1. **“THAT** the agreement dated 5 September 2011 between (i) Same Time International (B.V.I.) Limited (the “Share Vendor”), a wholly owned subsidiary of the Company; and (ii) Unique Tower Limited (the “Share Purchaser”) whereby the Share Vendor agreed to sell to the Share Purchaser the entire issued share capital of Dyford Industries Limited for a total cash consideration of HK\$57,000,000 (a copy of which is tabled at the meeting marked “A” and signed by the Chairman of the meeting for the purpose of identification) be and is hereby approved and the directors of the Company be and are hereby authorised to implement the transactions contemplated by the said agreement (with any amendments to the terms of such agreement as may be approved by the directors of the Company).”
2. **“THAT** the agreement dated 5 September 2011 between (i) Madam Yu Hung Min (“Madam Yu”); and (ii) Same Time Electronics Limited (the “Property Vendor”), a wholly owned subsidiary of the Company, whereby the Property Vendor agreed to sell to Madam Yu the property at Factory C on 17th Floor including balcony, Kingsford Industrial Building Phase I, Nos. 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong at the cash price of HK\$3,640,000 (a copy of which is tabled at the meeting marked “B” and signed by the Chairman of the meeting for the purpose of identification) be and is hereby approved and the directors of the Company be and are hereby authorised to implement the transactions contemplated by the said agreement (with any amendments to the terms of such agreement as may be approved by the directors of the Company).”
3. **“THAT** the agreement dated 5 September 2011 between (i) Mr. Yip Sum Yin (“Mr. Yip”); and (ii) the Property Vendor whereby the Property Vendor agreed to sell to Mr. Yip the property at 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 at the cash price of HK\$3,710,000 (a copy of which is tabled at the meeting marked “C” and signed by the Chairman of the meeting for the purpose of identification) be and is hereby approved and the directors of the Company be and are hereby authorised to implement the transactions contemplated by the said agreement (with any amendments to the terms of such agreement as may be approved by the directors of the Company).”

NOTICE OF SPECIAL GENERAL MEETING

4. “**THAT** the agreement dated 5 September 2011 between (i) Mr. Yip Wing Fung (“Mr. W.F. Yip”); and (ii) the Property Vendor whereby the Property Vendor agreed to sell to Mr. W.F. Yip the property at 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 at the cash price of HK\$1,070,000 (a copy of which is tabled at the meeting marked “D” and signed by the Chairman of the meeting for the purpose of identification) be and is hereby approved and the directors of the Company be and are hereby authorised to implement the transactions contemplated by the said agreement (with any amendments to the terms of such agreement as may be approved by the directors of the Company).”

By Order of the Board
Shiu Man Ching
Company Secretary

Hong Kong, 23 September 2011

Principal Office:

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

Notes:

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, a form of proxy must be deposited at the Company’s Hong Kong branch share registrars, Tricor Abacus Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, together with a power of attorney or other attorney, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, not less than 48 hours before the time for holding the meeting or adjourned meeting.