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**STH** **SAME TIME HOLDINGS LIMITED**  
*(Incorporated in Bermuda with limited liability)*  
 (Stock Code: 451)

**ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR  
 ENDED 31 MARCH 2012**

The Board of Directors of Same Time Holdings Limited (the “Company”) announces the consolidated results of the Company and its subsidiaries (together, the “Group”) for the year ended 31 March 2012, with comparative figures for the previous year as follows:

**CONSOLIDATED INCOME STATEMENT**

*For the year ended 31 March 2012*

	<i>Note</i>	<b>2012</b> <i>HK\$</i>	2011 <i>HK\$</i>
<b>Continuing operations</b>			
Revenue	3	<b>1,528,179,678</b>	1,332,336,472
Cost of sales		<b>(1,416,101,692)</b>	(1,196,490,064)
Gross profit		<b>112,077,986</b>	135,846,408
Other operating income	4	<b>50,570,713</b>	13,110,007
Change in fair value of an investment property		<b>890,000</b>	2,370,000
Distribution and marketing costs		<b>(23,992,923)</b>	(23,259,340)
Administrative expenses		<b>(103,798,099)</b>	(89,283,885)
Other operating expenses		<b>(11,537,911)</b>	(5,992,891)
Operating profit	5	<b>24,209,766</b>	32,790,299
Finance income		<b>215,070</b>	1,566,849
Finance costs	6	<b>(40,898,703)</b>	(32,919,300)
(Loss)/profit before income tax		<b>(16,473,867)</b>	1,437,848
Income tax expense	7	<b>(22,503,635)</b>	(6,232,342)
Loss from continuing operations		<b>(38,977,502)</b>	(4,794,494)
<b>Discontinued operation</b>			
Profit from discontinued operation	8	–	11,744,943
(Loss)/profit attributable to owners of the Company		<b>(38,977,502)</b>	6,950,449
Basic and diluted (loss)/earnings per share attributable to owners of the Company			
	10		
– from continuing operations		<b>(57.6 cents)</b>	(8.4 cents)
– from discontinued operation		–	20.6 cents
		<b>(57.6 cents)</b>	12.2 cents

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

*For the year ended 31 March 2012*

	<b>2012</b> <i>HK\$</i>	2011 <i>HK\$</i>
(Loss)/profit for the year	<b>(38,977,502)</b>	6,950,449
Other comprehensive income:		
Currency translation differences	<b>21,515,845</b>	22,646,268
Revaluation surplus on leasehold land and buildings, net of deferred tax	<b>5,264,631</b>	64,933,538
Other comprehensive income for the year, net of tax	<b>26,780,476</b>	87,579,806
Total comprehensive (expenses)/income attributable to owners of the Company for the year	<b>(12,197,026)</b>	94,530,255

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 31 March 2012*

	<i>Note</i>	<b>2012</b> <i>HK\$</i>	2011 <i>HK\$</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		<b>968,237,517</b>	1,003,909,641
Land use rights		<b>21,309,965</b>	21,008,304
Investment property		–	5,570,000
Non-current deposits		<b>6,887,029</b>	12,010,977
Other non-current asset		<b>350,000</b>	350,000
		<hr/> <b>996,784,511</b> <hr/>	<hr/> 1,042,848,922 <hr/>
<b>Current assets</b>			
Inventories		<b>203,197,893</b>	195,980,693
Trade and other receivables	11	<b>316,735,282</b>	335,305,429
Pledged bank deposits		<b>2,646,121</b>	–
Cash at banks and in hand		<b>29,637,112</b>	31,461,333
		<hr/> <b>552,216,408</b> <hr/>	<hr/> 562,747,455 <hr/>
<b>Total assets</b>		<b><u>1,549,000,919</u></b>	<b><u>1,605,596,377</u></b>
<b>EQUITY</b>			
<b>Capital and reserves</b>			
Share capital		<b>6,829,852</b>	5,691,852
Reserves		<b>498,596,803</b>	475,646,567
		<hr/> <b>505,426,655</b> <hr/>	<hr/> 481,338,419 <hr/>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	13	<b>169,094,507</b>	181,315,405
Convertible redeemable bond	14	<b>66,881,610</b>	–
Deferred income tax liabilities		<b>12,381,700</b>	9,566,546
Deferred income		<b>21,203,782</b>	20,859,169
		<hr/> <b>269,561,599</b> <hr/>	<hr/> 211,741,120 <hr/>

	<i>Note</i>	<b>2012</b> <b>HK\$</b>	2011 <i>HK\$</i>
<b>Current liabilities</b>			
Trade and other payables	12	<b>438,180,276</b>	580,765,074
Borrowings	13	<b>274,488,210</b>	290,487,185
Current income tax liabilities		<b>61,344,179</b>	41,264,579
		<u><b>774,012,665</b></u>	<u>912,516,838</u>
<b>Total liabilities</b>		<u><b>1,043,574,264</b></u>	<u>1,124,257,958</u>
<b>Total equity and liabilities</b>		<u><b>1,549,000,919</b></u>	<u>1,605,596,377</u>
<b>Net current liabilities</b>		<u><b>221,796,257</b></u>	<u>349,769,383</u>
<b>Total assets less current liabilities</b>		<u><b>774,988,254</b></u>	<u>693,079,539</u>

## **1. BASIS OF PREPARATION**

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

As at 31 March 2012, the Group’s current liabilities exceeded its current assets by approximately HK\$222 million and the Group recorded a loss of approximately HK\$39 million and a net operating cash outflow of approximately HK\$18 million for the year ended 31 March 2012. In addition, as at 31 March 2012, the Group breached the covenant requirement of a banking facility (note 13). The facility from the bank was approximately HK\$62 million of which approximately HK\$37 million had been utilised as at 31 March 2012. In May 2012, the bank granted a waiver from strict compliance with the covenant requirement of the banking facility.

The Group meets its day to day working capital requirements, capital expenditure and other financing obligations through cash inflow from operating activities, facilities obtained from banks and other fund raising activities in the capital market.

Details of the Group’s available banking facilities, the utilisation and the net book amount of assets pledged for such facilities as at 31 March 2012 are set out in note 15 below. The Group obtained additional unsecured bank loans during April to June 2012 from its principal banks with an aggregate amount of approximately HK\$43 million. Management maintains continuous communication with the Group’s principal banks on the renewal of existing banking facilities and grant of additional banking facilities. The directors of the Company have reviewed the Group’s bank loans and banking facilities available to the Group and are of the opinion that the bank loans and banking facilities will be renewed when their current terms expire. The directors of the Company have evaluated all the relevant facts available to them and are of the opinion that there are good track records or relationship with the relevant banks which enhance the Group’s ability to renew the current bank loans upon expiry. Up to the date of approval of these financial statements, the directors of the Company are not aware of any intention of the Group’s principal banks to withdraw their banking facilities granted or request early repayment of the utilised facilities within the next twelve months from the date of balance sheet.

Meanwhile, the Company is proactive to raise new capital by carrying out fund raising activities through different means when the directors foresee the business needs. In June 2012, the Group raised net proceeds of approximately HK\$41.7 million through a new share placing. Please refer to note 17 for further details.

Based on the Group’s cash flow projection and taking into account the reasonably possible changes in trading performance, the ongoing support from the Group’s principal banks and the recent capital market related financing measures, the directors believe that the Group will be able to generate sufficient cash flows to meet its financial obligations as and when they fall due within the next twelve months from the date of balance sheet. Accordingly, the directors are of the opinion that it is appropriate to prepare the financial statements on a going concern basis.

## 2. ACCOUNTING POLICIES

### (i) New and amended standards adopted by the Group

The Group has adopted the following new standards, amendments to standards and interpretations which are mandatory for the first time for the Group's financial year beginning on or after 1 April 2011:

HKAS 24 (Revised)	Related party disclosures
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010
HK(IFRIC) – Int 14 (Amendment)	Prepayment of a minimum funding requirement
HK (IFRIC) – Int 19	Extinguish financial liabilities with equity instruments

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

### (ii) New standards, amendments and interpretations to existing standards have been issued but are not yet effective for the Group's financial year beginning on or after 1 April 2011 and have not been early adopted:

HKAS 1 (Amendment)	Presentation of items of other comprehensive income (effective from 1 July 2012)
HKAS 12 (Amendment)	Deferred tax: recovery of underlying assets (effective from 1 January 2012)
HKAS 19 (2011)	Employee benefits (effective on or after 1 January 2013)
HKAS 27 (2011)	Separate financial statements (effective on or after 1 January 2013)
HKAS 28 (2011)	Investments in associates and joint ventures (effective on or after 1 January 2013)
HKAS 32 (Amendment)	Financial instruments: Presentation – offsetting financial assets and financial liabilities (effective on or after 1 January 2014)
HKFRS 7 (Amendment)	Financial instruments: Disclosures – offsetting financial assets and financial liabilities (effective on or after 1 January 2013)
HKFRS 7 (Amendment)	Financial instruments: Disclosures – transfer of financial assets (effective on or after 1 July 2011)
HKFRS 9	Financial instruments (effective on or after 1 January 2013)
HKFRS 10	Consolidated financial statements (effective on or after 1 January 2013)
HKFRS 11	Joint arrangements (effective on or after 1 January 2013)
HKFRS 12	Disclosure of interests in other entities (effective on or after 1 January 2013)
HKFRS 13	Fair value measurement (effective on or after 1 January 2013)
HK (IFRIC) – Int 20	Stripping costs in the production phase of a surface mine (effective on or after 1 January 2013)

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

### **3. REVENUE AND SEGMENT INFORMATION**

#### **(a) Application of HKFRS 8 “Operating segments”**

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

As almost all of the Group’s business operations relate to the manufacturing and selling of printed circuit boards, the chief operating decision-maker makes decisions about resources allocation and performance assessment based on the entity-wide financial information. Therefore, there is only one reportable segment for the Group in this year.

In the past, the Group’s reportable segments were identical to the business segments namely:

Electronic products (discontinued operation):	manufacturing and selling of consumer electronic products
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Printed circuit boards:	manufacturing and selling of printed circuit boards
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During the year ended 31 March 2012, the electronic products segment did not qualify as a reportable segment and was presented as discontinued operation. For the results of the discontinued operation, please refer to note 8.

No financial information of the electronic products segment for the last year is presented as the chief operating decision-maker considers the segment data of the electronic products segment for the last year is insignificant to the Group.

#### **(b) Geographical information**

The Group’s operations are principally located in Hong Kong, Macao and Mainland China. The revenue from external customers in Hong Kong, Macao and Mainland China for year ended 31 March 2012 is HK\$1,002,232,962 (2011: HK\$806,273,225), and the total of its revenue from external customers in other countries is HK\$525,946,716 (2011: HK\$528,237,447).

At 31 March 2012 and 2011, all of the non-current assets are located in Hong Kong, Macao and Mainland China.

#### **(c) Information about major customers**

For the year ended 31 March 2012, revenues of HK\$146,544,865 (2011: HK\$164,407,543) are derived from a single external customer. These revenues are attributable to the printed circuit board products.

#### 4. OTHER OPERATING INCOME

	2012	2011
	<i>HK\$</i>	<i>HK\$</i>
Amortisation of deferred income on government grants	449,361	391,870
Gain from change in fair value of embedded derivatives ( <i>note 14</i> )	1,872,390	–
Gain on disposal of property, plant and equipment	–	162,045
Government rewards ( <i>Note</i> )	10,131,712	612,614
Net gain on derivatives	342,527	98,747
Rental income	120,000	168,000
Sale of manufacturing by-products	37,630,787	11,562,848
Sundries	23,936	113,883
	<u>50,570,713</u>	<u>13,110,007</u>

*Note:* Government rewards represent cash received from the local municipal government in the PRC during years ended the 31 March 2012 and 2011 as incentives to encourage export sales and capital investment in the PRC, the conditions attached thereto had been fully complied with.

#### 5. OPERATING PROFIT

	2012	2011
	<i>HK\$</i>	<i>HK\$</i>
Operating profit is stated after charging the following:		
Auditor's remuneration		
– Provision for current year	1,580,000	1,270,000
– Under-provision for prior years	–	100,000
Amortisation of land use rights	471,839	480,096
Bad debts written off ( <i>Note</i> )	7,194,926	5,289,584
Cost of inventories sold	925,637,223	790,082,507
Depreciation		
– Owned property, plant and equipment	104,698,442	89,714,509
– Leased property, plant and equipment	16,815,809	18,754,147
Loss on disposal of a subsidiary ( <i>Note</i> )	240,322	–
Loss on disposal of property, plant and equipment ( <i>Note</i> )	2,571,504	–
Net exchange loss	18,096,670	19,173,933
Operating lease rental in respect of properties	5,676,980	3,372,098
Staff costs (including directors' emoluments)	201,463,335	169,052,137
	<u>201,463,335</u>	<u>169,052,137</u>

*Note:* These expenses have been included in “other operating expenses” in the consolidated income statement.



## 6. FINANCE COSTS

	<b>2012</b>	2011
	<i>HK\$</i>	<i>HK\$</i>
Interest on bank loans wholly repayable within five years	<b>32,756,529</b>	29,452,280
Interest element of finance leases	<b>3,730,428</b>	3,467,020
Interest on convertible redeemable bond	<b>3,196,746</b>	–
Redemption cost of convertible redeemable bond	<b>1,215,000</b>	–
	<u><b>40,898,703</b></u>	<u>32,919,300</u>

## 7. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2011: 16.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

	<b>2012</b>	2011
	<i>HK\$</i>	<i>HK\$</i>
Current income tax		
– Hong Kong profits tax		
Provision for current year	<b>122,780</b>	392,719
Under-provision for prior years	<b>14,635</b>	–
	<u><b>137,415</b></u>	<u>392,719</u>
– Overseas taxation		
Provision for current year	<b>21,080,440</b>	7,904,817
Under/(over)-provision for prior years	<b>30,531</b>	(2,112,589)
	<u><b>21,110,971</b></u>	<u>5,792,228</u>
Total current income tax	<b>21,248,386</b>	6,184,947
Deferred income tax		
– Origination of temporary differences	<b>1,255,249</b>	47,395
	<u><b>22,503,635</b></u>	<u>6,232,342</u>

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

## 8. DISCONTINUED OPERATION

For the year ended 31 March 2011, electronic products segment ceased operation and was classified as a discontinued operation.

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

	<b>2012</b>	2011
	<b>HK\$</b>	<b>HK\$</b>
Revenue	–	2,174,200
Cost of sales	–	(2,642,636)
	<hr/>	<hr/>
Gross loss	–	(468,436)
Other operating income	–	477,869
Reversal of impairment loss on property, plant and equipment	–	11,173,115
Gain on disposal of property, plant and equipment	–	3,981,166
Distribution and marketing costs	–	(406,270)
Administrative expenses	–	(2,506,014)
Other operating expenses	–	(187,844)
	<hr/>	<hr/>
Operating profit	–	12,063,586
Finance income	–	3,119
Finance costs	–	(321,762)
	<hr/>	<hr/>
Profit before income tax	–	11,744,943
Income tax expense	–	–
	<hr/>	<hr/>
Profit attributable to owners	–	11,744,943
	<hr/> <hr/>	<hr/> <hr/>

## 9. DIVIDEND

The Directors do not recommend the payment of a dividend for the year ended 31 March 2012 (2011: Nil).

## 10. (LOSS)/EARNINGS PER SHARE

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

	<b>2012</b> <i>HK\$</i>	2011 <i>HK\$</i>
Weighted average number of ordinary shares in issue	<b>67,707,755</b>	56,918,520
Loss from continuing operations attributable to owners of the Company	<b>(38,977,502)</b>	(4,794,494)
Basic loss per share from continuing operations attributable to owners of the Company	<b><u>(57.6 cents)</u></b>	<u>(8.4 cents)</u>
Profit from discontinued operation attributable to owners of the Company	–	11,744,943
Basic earnings per share from discontinued operation attributable to owners of the Company	<b><u>–</u></b>	<u>20.6 cents</u>

For the year ended 31 March 2012, the diluted loss per share was the same as the basic loss per share, as the convertible redeemable bond had an anti-dilutive effect on the loss per share.

For the year ended 31 March 2011, the diluted loss per share was the same as the basic loss per share, as there was no potential ordinary share in issue.

## 11. TRADE AND OTHER RECEIVABLES

	<b>2012</b> <i>HK\$</i>	2011 <i>HK\$</i>
Trade receivables	<b>233,193,163</b>	254,490,139
Deposits, prepayments and other receivables	<b>83,542,119</b>	80,815,290
	<b><u>316,735,282</u></b>	<u>335,305,429</u>

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

	<b>2012</b>	2011
	<b><i>HK\$</i></b>	<i>HK\$</i>
0 – 60 days	<b>174,499,369</b>	191,621,536
61 – 120 days	<b>52,486,730</b>	56,859,430
121 – 180 days	<b>3,964,079</b>	3,700,715
181 – 240 days	<b>1,124,214</b>	967,944
Over 240 days	<b>1,118,771</b>	1,340,514
	<b><u>233,193,163</u></b>	<u>254,490,139</u>

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

## 12. TRADE AND OTHER PAYABLES

	<b>2012</b>	2011
	<b><i>HK\$</i></b>	<i>HK\$</i>
Trade payables	<b>325,870,022</b>	396,643,845
Accruals and other payables	<b>112,310,254</b>	184,121,229
	<b><u>438,180,276</u></b>	<u>580,765,074</u>

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

	<b>2012</b>	2011
	<b><i>HK\$</i></b>	<i>HK\$</i>
0 – 60 days	<b>151,738,843</b>	177,576,325
61 – 120 days	<b>91,596,790</b>	135,629,445
121 – 180 days	<b>56,877,691</b>	64,818,056
181 – 240 days	<b>18,760,371</b>	15,256,174
Over 240 days	<b>6,896,327</b>	3,363,845
	<b><u>325,870,022</u></b>	<u>396,643,845</u>

### 13. BORROWINGS

	2012 <i>HK\$</i>	2011 <i>HK\$</i>
Non-current		
Bank loans	147,690,490	165,943,628
Obligations under finance leases	<u>21,404,017</u>	<u>15,371,777</u>
	----- 169,094,507	----- 181,315,405
Current		
Bank loans due for repayment within one year	248,117,008	258,345,994
Bank loans due for repayment after one year which contain a repayment on demand clause	-	3,552,214
Obligations under finance leases	<u>26,371,202</u>	<u>28,588,977</u>
	----- 274,488,210	----- 290,487,185
Total borrowings	<u><u>443,582,717</u></u>	<u><u>471,802,590</u></u>

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

During the year, one of the banking facilities granted to the Group stipulated that the assets should not be pledged without permission. (2011: (i) the total liabilities over total equity of the Group should not be more than 2.2 and (ii) the assets should not be pledged without permission). At 31 March 2012, the Group breached such covenant. The banking facility from the bank was approximately HK\$62 million (2011: HK\$110 million) of which approximately HK\$37 million (2011: HK\$82 million) was utilised as at 31 March 2012. Accordingly, the non-current portion of such bank loans amounted to HK\$12,307,541 (2011: HK\$35,559,349) was reclassified as a current liability in the consolidated statement of financial position as at 31 March 2012. In May 2012, the bank granted a waiver from strict compliance with the covenant requirement of the banking facility.

### 14. CONVERTIBLE REDEEMABLE BOND

	2012 <i>HK\$</i>	2011 <i>HK\$</i>
Liability components	57,591,570	-
Fair value of the embedded derivative	<u>9,290,040</u>	-
	----- <u><u>66,881,610</u></u>	----- <u><u>-</u></u>

The Group entered into a subscription agreement to issue a three-year 1.0% convertible redeemable bond at a total nominal value of HK\$90 million. A resolution was duly passed and approved by the shareholders on 13 May 2011, and the bond certificates were issued to the subscriber on 16 June 2011. The bond matures three years from the date of issuance at their nominal value of HK\$90 million or can be converted into ordinary shares of the Company at HK\$1.8 per share after six months from the date of issuance.

The major terms and conditions of convertible redeemable bond are as follows:

**(a) Interest rate**

The Company shall pay an interest on the convertible redeemable bond at 1.0% per annum.

**(b) Conversion price**

The convertible redeemable bond can be converted into shares at the initial conversion price of HK\$1.8 per share, subject to adjustments. The conversion price will be subject to adjustment for, amongst others, consolidation, subdivision or reclassification of shares, capitalisation of profits or reserves, capital distribution, rights issues of shares or options over shares, rights issues of other securities, issues at a certain discount to current market price, change of control and other usual adjustment events. The conversion price may not be reduced so that the conversion shares may fall to be issued at a discount to their par value.

**(c) Maturity**

The maturity date of the convertible redeemable bond is 15 June 2015.

**(d) Redemption at the option of the Company**

The Company may upon giving not less than 14 days' notice to the bond holder, at any time after 16 June 2011 redeem all or part of the outstanding bond at a redemption price at 105% to its relevant principal amount, together with accrued interest accrued to and excluding the date of redemption.

**(e) Redemption at the option of the holder**

At any time and from time to time after 16 June 2013 until the maturity date, the bond holder may, having given not less than 90 days' written notice to the Company (which notice shall be irrevocable), redeem all or part of the bond at 103% of relevant principal amount, together with accrued interest accrued to and excluding the date of redemption.

**(f) Redemption for delisting or change of control**

Following the occurrence of suspension or delisting of the Company, the holder will have the right to require the Company to redeem the entire bond at a principal amount outstanding together with any accrued interest accrued up to and including the date of repayment.

The fair value of the convertible redeemable bond was determined by an independent qualified valuer based on the Binomial Lattice Model. The fair value of the liability component on initial recognition was valued as the proceeds of the convertible redeemable bond (net of transaction cost) minus the fair value of the embedded derivative. The fair value of the embedded derivative was valued by estimating the value of the whole bond with and without the conversion feature. The difference in value reflects the value of the embedded derivative.

The Company redeemed HK\$24.3 million of the principal amount of the convertible redeemable bond on 17 January 2012 at 105% of the relevant principal amount.

The movement of liability component is as follows:

	<i>HK\$</i>
Liability component as at 16 June 2011	74,708,570
Interest expense for the year	3,196,746
Less: interest payment during the year	(142,746)
Partial redemption	<u>(20,171,000)</u>
Liability component as at 31 March 2012	<u><u>57,591,570</u></u>

The fair value of the liability component of the convertible redeemable bond at 31 March 2012 amounted to HK\$60,214,230. The fair value is calculated by using discounted cash flow method using discount rates ranged from 4.31% to 5.50%.

The movement of fair value of the embedded derivative is as follows:

	<i>HK\$</i>
Fair value of the embedded derivative as at 16 June 2011	15,291,430
Partial redemption	(4,129,000)
Gain from change in fair value of the embedded derivative	<u>(1,872,390)</u>
Fair value of the embedded derivative as at 31 March 2012	<u><u>9,290,040</u></u>

The fair value change in the embedded derivative for the year ended 31 March 2012 is HK\$1,872,390, which is recognised in the consolidated income statement and disclosed separately. The related interest expense of the liability component of the convertible redeemable bond for the year ended 31 March 2012 amounted to HK\$3,196,746, which is calculated using the effective interest method with an effective interest rates of 7.29% and 6.65% before and after the redemption respectively.

## 15. BANKING FACILITIES

At 31 March 2012, total facilities granted to the Group amounted to HK\$455,185,290 (2011: HK\$496,593,446) of which HK\$395,807,498 (2011: HK\$427,841,836) were utilised.

Among the total facilities, banking facilities amounting to HK\$337,841,996 (2011: HK\$371,034,137) were secured by legal charges on the following assets of the Group:

	<b>2012</b>	2011
	<b>HK\$</b>	<b>HK\$</b>
Property, plant and equipment	<b>666,807,998</b>	634,220,700
Land use rights	<b>20,649,257</b>	20,325,118
Investment property	–	5,570,000
Pledged bank deposits	<b>2,646,121</b>	–
	<b><u>690,103,376</u></b>	<b><u>660,115,818</u></b>

## 16. CAPITAL COMMITMENTS

	<b>2012</b>	2011
	<b>HK\$</b>	<b>HK\$</b>
Contracted but not provided for		
Plant, machinery and leasehold improvements	<b>3,740,784</b>	13,075,178
Investments in subsidiaries	<b>4,211,496</b>	4,211,496
	<b><u>7,952,280</u></b>	<b><u>17,286,674</u></b>

## 17. EVENTS AFTER THE REPORTING PERIOD

On 23 April 2012, 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, independent placees to subscribe up to a maximum of 13,650,000 new shares of HK\$0.1 each of the Company at a price of HK\$3.13 per share. 13,650,000 shares of the Company were finally subscribed for and the placing was completed on 25 June 2012. The Company intends to use the net proceeds of approximately HK\$41.7 million as working capital of the Group and/or for possible investment in the future when opportunities arise. As a result of the issue of the placing shares, the conversion price under the convertible redeemable bond (note 14) shall be adjusted from HK\$1.8 to HK\$1.75 per share with effect on 25 June 2012, being the date of issue of the placing shares.



## **CHAIRMAN'S STATEMENT**

### **Business Review**

For the year ended 31 March 2012, loss before income tax from continuing operations of the Group amounted to HK\$16,473,867 (2011: profit before income tax from continuing operations of the Group amounted to HK\$1,437,848). Loss attributable to owners amounted to HK\$38,977,502 (2011: profit attributable to owners amounted to HK\$6,950,449).

Although the revenue for the printed circuit boards ("PCB") segment increased to HK\$1,528,179,678 (2011: HK\$1,332,336,472), which was mainly due to economic recovery, the broadening customer base and the enhancement in production capacity in the Jiangxi factory, it recorded a loss of HK\$38,977,502 (2011: HK\$4,794,494) as the results of the following reasons:

- (i) the increase in raw material costs;
- (ii) the increase in both production and administrative expenses due to the appreciation of Renminbi; and
- (iii) the increase in finance costs due to the borrowing costs on issuing of convertible redeemable bond and the increase on loan interest rates.

### **Prospect**

The forthcoming business environment is still difficult and challenging due to the global economic instability and uncertainties in Europe. Moreover, possible increase in raw material prices, labor costs and appreciation of Renminbi are the potential cost burden to the Group. In order to ease the negative impact caused by these factors, the Group would not only adopt more cost control measures to lower the costs, but also put more effort to develop advanced products with higher gross profit margin and expand the local sales in the China market.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Overview**

For the year ended 31 March 2012, the revenue of the Group amounting to HK\$1,528,179,678 (2011: HK\$1,334,510,672) represented an increase of 15% compared with last year whereas the loss attributable to owners amounted to HK\$38,977,502 (2011: profit attributable to owners amounted to HK\$6,950,449).

### **Financial Review**

#### **Revenue**

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

The revenue for 2012 and 2011 are as follows:

	<b>2012</b> <i>HK\$</i>	2011 <i>HK\$</i>	<b>Increase/ (decrease)</b> %
Printed circuit boards	<b>1,528,179,678</b>	1,332,336,472	15
Electronic products (discontinued operation)	—	2,174,200	(100)
	<u><b>1,528,179,678</b></u>	<u>1,334,510,672</u>	15

In the current year, the revenue from customers in Hong Kong, Macao and Mainland China represented 66% (2011: 60%) of the Group's total revenue.

As electronic products segment did not record any revenue during the year and it has already been classified as a discontinued operation, the following analysis is mainly applied to the PCB segment.

#### **Cost of sales**

Cost of sales in the current year increased to HK\$1,416,101,692 (2011: HK\$1,196,490,064) representing an increase of 18% compared with last year.

The decline in gross profit margin from 10.2% to 7.3% was mainly due to the increase in raw material costs and the appreciation of Renminbi.

#### **Other operating income**

Other operating income mainly included sale of manufacturing by-products amounting to HK\$37,630,787 (2011: HK\$11,562,848) and government rewards on Jiangxi factory amounting to HK\$10,131,712 (2011: HK\$612,614). Government rewards represent cash received from the local municipal governmental in the PRC as incentives to encourage export sales and capital investment in the PRC, the conditions attached thereto had been fully complied with.

#### **Administrative expenses**

Administrative expenses increased to HK\$103,798,099 (2011: HK\$89,283,885) representing an increase of 16% compared with last year which was mainly due to the appreciation of Renminbi and the increase in legal and professional fee on placing of shares, issuance of convertible redeemable bond and disposal of assets during the year.

### Other operating expenses

Other operating expenses increased to HK\$11,537,911 (2011: HK\$5,992,891) representing an increase of 93% compared with last year.

Other operating expenses mainly included loss on disposal of property, plant and equipment amounting to HK\$2,571,504 (2011: Nil) and bad debts written off amounting to HK\$7,194,926 (2011: HK\$5,289,584) which represented 0.5% (2011: 0.4%) of total revenue.

### Finance costs

Finance costs amounting to HK\$40,898,703 (2011: HK\$32,919,300) represented an increase of 24% compared with last year, which was mainly due to the following reasons:

- (i) increase in finance leases for financing the additions of machineries in PRC factories;
- (ii) increase of People's Bank of China benchmark lending rate; and
- (iii) interest expenses and redemption cost on the HK\$90 million convertible redeemable bond issued in current year.

### Liquidity and financial resources

At 31 March 2012, total borrowings of the Group, including bank loans, obligations under finance leases and convertible redeemable bond, amounted to HK\$510,464,327 (2011: HK\$471,802,590) which were mainly payable in Hong Kong dollars and Renminbi. The Group's gearing ratio at 31 March 2012, which was calculated as the ratio of total borrowings less pledged bank deposits, and cash at banks and in hand to total equity, was 95% (2011: 91%).

At 31 March 2012, the Group's total borrowings were repayable as follows:

	<b>2012</b>		<b>2011</b>	
	<b>HK\$</b>		<b>HK\$</b>	
Within one year	<b>274,488,210</b>	<b>54%</b>	290,487,185	62%
In the second year	<b>84,901,613</b>	<b>17%</b>	113,693,476	24%
In the third to fifth years	<b>151,074,504</b>	<b>29%</b>	67,621,929	14%
	<b><u>510,464,327</u></b>	<b>100%</b>	<b><u>471,802,590</u></b>	100%

At 31 March 2012, the Group's total banking facilities were summarised as follows:

	<b>2012</b>	2011
	<b>HK\$</b>	HK\$
Total banking facilities granted	<b>455,185,290</b>	496,593,446
Facilities utilised	<b>(395,807,498)</b>	(427,841,836)
Available facilities	<b><u>59,377,792</u></b>	<b><u>68,751,610</u></b>

Among the total facilities, banking facilities amounting to HK\$337,841,996 (2011: HK\$371,034,137) were secured by legal charges on the Group's assets with a net book value of HK\$690,103,376 (2011: HK\$660,115,818).

During the year, one of the banking facilities granted to the Group has stipulated that the assets should not be pledged without permission (2011: (i) the total liabilities over total equity of the Group should not be more than 2.2 and (ii) the assets should not be pledged without permission). At 31 March 2012, the Group breached such covenant. The banking facility from the bank was approximately HK\$62 million (2011: HK\$110 million) of which approximately HK\$37 million (2011: HK\$82 million) was utilised as at 31 March 2012. Accordingly, the non-current portion of bank loans amounting to HK\$12,307,541 (2011: HK\$35,559,349) was reclassified as a current liability in the consolidated statement of financial position as at 31 March 2012. In May 2012, the bank granted a waiver from strict compliance of the covenant requirement of its banking facility.

At 31 March 2012, obligations under finance leases of the Group amounting to HK\$47,775,219 (2011: HK\$43,960,754) were secured by legal charges on the Group's property, plant and equipment with a net book amount of HK\$86,953,901 (2011: HK\$133,581,431).

At 31 March 2012, the convertible redeemable bond of the Group amounted to HK\$66,881,610 (2011: Nil).

#### **Purchase, sale or redemption of shares**

The Company redeemed HK\$24,300,000 of the principal amount of the convertible redeemable bond of the Company on 17 January 2012. Save as aforesaid, neither the Company nor any of its subsidiaries had redeemed, purchased or sold any of the redeemable securities or listed securities of the Company during the year.

### **Corporate governance**

None of the directors of the Company is aware of any information which would reasonably indicate that the Company is not, or was not in compliance with the Code of Corporate Governance Practices, as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange at any time during the year ended 31 March 2012.

### **Model code for securities transactions by directors**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules (the “Model Code”) as its code of conduct regarding the directors’ securities transactions. The Company has made specific enquiry with all directors of the Company, who have confirmed compliance with the required standard set out in the Model Code during the year ended 31 March 2012.

### **Audit committee**

The Audit Committee has reviewed, with the management of the Group, the accounting principles and practices adopted by the Group, its internal controls and financial reporting matters including the review of the annual report for the year ended 31 March 2012.

### **Publication of annual results announcement and annual report**

The results announcement is published on the website of The Stock Exchange of Hong Kong Limited at [www.hkex.com.hk](http://www.hkex.com.hk) and is available on the Company’s website at [www.sametimeholdings.com](http://www.sametimeholdings.com). An annual report for the year ended 31 March 2012 will be dispatched to the Company’s shareholders and available on the said websites in due course.

### **Appreciation**

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

## **Directors**

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

### *Executive Directors:*

Mr Yip Sum Yin  
Madam Yu Hung Min  
Mr CHUNG Chi Shing  
Mr MAO Lu  
Mr YIP Wing Fung

### *Independent Non-Executive Directors:*

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

On behalf of the Board  
**YIP Sum Yin**  
*Chairman*

Hong Kong, 28 June 2012