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STHL **SAME TIME HOLDINGS LIMITED**
(incorporated in Bermuda with limited liability)
 (Stock code: 451)

**ANNOUNCEMENT OF INTERIM RESULTS
 FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2013**

The board of directors (the “Directors”) of Same Time Holdings Limited (the “Company”) announced the unaudited condensed consolidated interim financial information (“Interim Financial Information”) of the Company and its subsidiaries (together, the “Group”) for the six months ended 30 September 2013.

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
 FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2013**

		Six months ended	
		30 September	
	<i>Note</i>	2013	2012
		HK\$	HK\$
Revenue	3	839,217,170	744,199,513
Cost of sales		(760,468,591)	(719,964,898)
Gross profit		78,748,579	24,234,615
Other income	4	43,959,858	52,420,581
Distribution and marketing costs		(13,328,837)	(9,177,007)
Administrative expenses		(57,382,071)	(36,958,544)
Other expenses		(1,434,353)	(3,072,323)
Operating profit	5	50,563,176	27,447,322
Realised loss on embedded derivatives upon conversion of convertible redeemable bond	12	–	(19,346,000)
Change in fair value of embedded derivatives	12	(38,160,000)	(145,696,960)
Finance income		159,796	101,830
Finance costs		(15,080,225)	(19,458,585)
Loss before income tax		(2,517,253)	(156,952,393)
Income tax (expense)/credit	6	(7,663,090)	17,252,494
Loss attributable to owners of the Company		<u>(10,180,343)</u>	<u>(139,699,899)</u>
Basic and diluted loss per share attributable to the owners of the Company	8	<u>(11.8 cents)</u>	<u>(183.8 cents)</u>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME**

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2013

	Six months ended	
	30 September	
	2013	2012
	<i>HK\$</i>	<i>HK\$</i>
Loss for the period	(10,180,343)	(139,699,899)
Other comprehensive income:		
<i>Items that may be reclassified subsequently to profit or loss</i>		
– Currency translation differences	12,795,974	(1,476,502)
<i>Item that will not be reclassified subsequently to profit or loss</i>		
– Revaluation surplus on leasehold land and buildings, net of deferred tax	5,491,077	20,870,470
Other comprehensive income for the period, net of tax	18,287,051	19,393,968
Total comprehensive income/(expenses) attributable to owners of the Company for the period	8,106,708	(120,305,931)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2013

	30 September	31 March
	2013	2013
<i>Note</i>	<i>HK\$</i>	<i>HK\$</i>
ASSETS		
Non-current assets		
Property, plant and equipment	970,316,244	958,011,210
Land use rights	21,015,950	20,901,985
Non-current deposits	10,906,620	12,037,691
Other non-current asset	350,000	350,000
	1,002,588,814	991,300,886
Current assets		
Inventories	187,438,524	193,118,019
Trade and other receivables	363,267,031	346,003,766
Pledged bank deposits	5,655,540	10,929,704
Cash at banks and in hand	63,777,833	47,115,302
	620,138,928	597,166,791
Total assets	1,622,727,742	1,588,467,677
EQUITY		
Capital and reserves		
Share capital	8,594,852	8,594,852
Reserves	426,725,507	418,618,799
Total equity	435,320,359	427,213,651

		30 September	31 March
		2013	2013
	<i>Note</i>	HK\$	HK\$
LIABILITIES			
Non-current liabilities			
Borrowings	11	50,510,642	101,787,267
Convertible redeemable bond	12	–	218,852,570
Deferred income tax liabilities		14,251,264	15,073,161
Deferred income		20,955,212	20,820,189
		<u>85,717,118</u>	<u>356,533,187</u>
Current liabilities			
Trade and other payables	10	500,574,830	459,656,464
Borrowings	11	303,778,560	300,875,677
Convertible redeemable bond	12	258,264,570	–
Current income tax liabilities		39,072,305	44,188,698
		<u>1,101,690,265</u>	<u>804,720,839</u>
Total liabilities		<u>1,187,407,383</u>	<u>1,161,254,026</u>
Total equity and liabilities		<u>1,622,727,742</u>	<u>1,588,467,677</u>
Net current liabilities		<u>(481,551,337)</u>	<u>(207,554,048)</u>
Total assets less current liabilities		<u>521,037,477</u>	<u>783,746,838</u>

1 BASIS OF PREPARATION

This Interim Financial Information for the six months ended 30 September 2013 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34, “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

This Interim Financial Information should be read in conjunction with the annual financial statements for the year ended 31 March 2013, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

As at 30 September 2013, (i) the Group’s current liabilities exceeded its current assets by approximately HK\$481,551,000; (ii) the total borrowings of the Group excluding the fair value of the embedded derivatives of the convertible redeemable bond (which will not be settled in cash upon its conversion) amounted to HK\$410,718,000, of which approximately HK\$360,207,000 will be due for repayment in the coming twelve months.

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.

The Group successfully renewed banking facilities that were due during the six months ended 30 September 2013. In addition, management maintains continuous communication with the Group’s principal banks on the renewal of existing banking facilities and the grant of additional banking facilities. The Directors 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 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 the Interim Financial Information, the Directors 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 end of the reporting period.

Based on the Group’s cash flow projection and taking into account the reasonably possible changes in trading performance and the ongoing support from the Group’s principal banks, 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 end of the reporting period. Accordingly, the Directors are of the opinion that it is appropriate to prepare the financial information on a going concern basis.

2 ACCOUNTING POLICIES

Except as described below, the accounting policies adopted are consistent with those adopted and as described in the annual financial statements for the year ended 31 March 2013.

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

In the current period, the Group has adopted, for the first time, the following new or revised standards, amendments and interpretations (“new and revised HKFRSs”) which are mandatory for the Group’s accounting periods beginning on 1 April 2013:

HKAS 1 (Amendment)	Presentation of items of other comprehensive income
HKAS 19 (2011)	Employee benefits
HKAS 27 (2011)	Separate financial statements
HKAS 28 (2011)	Investments in associates and joint ventures
HKFRS 1 (Amendment)	Government Loans
HKFRS 7 (Amendment)	Financial instruments: Disclosures – offsetting financial assets and financial liabilities
HKFRS 10	Consolidated financial statements
HKFRS 11	Joint arrangements
HKFRS 12	Disclosure of interests in other entities
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements Disclosure of Interests in Other Entities: Transition Guidance
HKFRS 13	Fair value measurement
HK (IFRIC) – Int 20	Stripping costs in the production phase of a surface mine
Annual improvements	Amendment to a number of HKFRSs issued in June 2012

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.

The Group has not early adopted the following new and revised HKFRSs that have been issued but are not yet effective for the Group's accounting periods beginning on 1 April 2013:

		Effective for annual periods beginning on or after
HKAS 32 (Amendment)	Financial instruments: Presentation – offsetting financial assets and financial liabilities	1 January 2014
HKAS 36 (Amendment)	Recoverable amount disclosures for non-financial assets	1 January 2014
HKAS 39 (Amendment)	Novation of derivatives and continuation of hedge accounting	1 January 2014
HKFRS 7 and HKFRS 9 (Amendments)	Mandatory effective date of HKFRS 9 and transition disclosures	1 January 2015
HKFRS 9	Financial instruments	1 January 2015
Additions to HKFRS 9	Financial instruments: financial liabilities	1 January 2015
HKFRS 10, HKFRS 12 and HKAS 27 (2011) (Amendments)	Investment Entities	1 January 2014
HK (IFRIC) – Int 21	Levies	1 January 2014

The Directors are in the process of reviewing the impact on the Group's financial statements in respect of the adoption of these new and revised HKFRSs.

3 REVENUE AND SEGMENT INFORMATION

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

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 period.

The Group's operations are principally located in Hong Kong and Mainland China. The revenue from external customers in Hong Kong and Mainland China for the six months ended 30 September 2013 is HK\$569,032,047 (2012: HK\$479,859,310), and the revenue from external customers in other countries is HK\$270,185,123 (2012: HK\$264,340,203).

At 30 September 2013 and 31 March 2013, all of the non-current assets are located in Hong Kong and Mainland China.

For the six months ended 30 September 2013, revenues of HK\$113,867,523 (2012: HK\$93,430,117) were derived from a single external customer. These revenues were attributable to the printed circuit boards.

4 OTHER INCOME

	Six months ended	
	30 September	
	2013	2012
	HK\$	HK\$
Amortisation of deferred income on government grants	231,460	227,171
Gain on disposal of property, plant and equipment	–	381,468
Government subsidies (<i>Note</i>)	7,669,179	10,824,608
Sales of manufacturing by-products	35,276,815	40,783,389
Sundries	782,404	203,945
	<u>43,959,858</u>	<u>52,420,581</u>

Note: Government subsidies represent cash received from the local municipal government in the PRC during the six months ended 30 September 2013 and 2012 as incentives to encourage export sales in the PRC, the conditions attached thereto had been fully complied with.

5 OPERATING PROFIT

	Six months ended	
	30 September	
	2013	2012
	HK\$	HK\$
Operating profit is stated after charging the following:		
Amortisation of land use rights	242,697	238,409
Bad debts written off	2,393,209	769,185
Reversal of write-off of other receivables	(3,140,391)	–
Cost of inventories sold	449,202,268	452,043,339
Depreciation:		
– Owned property, plant and equipment	59,367,686	55,707,375
– Leased property, plant and equipment	8,412,254	6,669,647
Net exchange loss/(gain)	14,271,538	(1,655,602)
Operating lease rental in respect of properties	3,203,043	2,861,649
Staff costs (including directors' and chief executive's emoluments)	133,895,308	106,594,217
	<u>133,895,308</u>	<u>106,594,217</u>

6 INCOME TAX EXPENSE/(CREDIT)

Hong Kong profits tax has been provided at the rate of 16.5% (2012: 16.5%) on the estimated assessable profit for the period. Taxation on overseas profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates.

	Six months ended	
	30 September	
	2013	2012
	HK\$	HK\$
Current income tax		
Hong Kong profits tax reversed (<i>Note</i>)	–	(13,678,668)
Overseas taxation charged	9,841,151	5,544,991
	9,841,151	(8,133,677)
Deferred income tax		
Hong Kong profits tax reversed	–	(6,794,729)
Overseas taxation reversed	(2,178,061)	(2,324,088)
	(2,178,061)	(9,118,817)
	7,663,090	(17,252,494)

Note: The Hong Kong Inland Revenue Department (the “IRD”) questioned the basis of tax reporting for certain transactions adopted by certain subsidiaries of the Group in prior years. Hong Kong profits tax of approximately HK\$20,500,000 was recorded in the Group’s consolidated financial statements for the year ended 31 March 2008. During the six months ended 30 September 2012, the case has been resolved with the IRD, a reversal of current income tax of approximately HK\$13,679,000 and write-back of deferred tax liabilities of approximately HK\$6,795,000 were booked in the Group’s consolidated income statement for the six months ended 30 September 2012.

7 DIVIDEND

The Directors do not recommend the payment of an interim dividend in respect of the six months ended 30 September 2013 (2012: Nil).

8 LOSS PER SHARE

The calculation of basic loss per share is based on the loss attributable to owners of the Company and on the weighted average number of ordinary shares in issue during the period.

Basic

	Six months ended 30 September	
	2013	2012
<u>Number of shares</u>		
Weighted average number of ordinary shares in issue	<u>85,948,520</u>	<u>76,001,799</u>
	<i>HK\$</i>	<i>HK\$</i>
Loss attributable to owners of the Company	(10,180,343)	(139,699,899)
Basic loss per share attributable to owners of the Company	<u>(11.8 cents)</u>	<u>(183.8 cents)</u>

Diluted

For both the six months ended 30 September 2013 and 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.

9 TRADE AND OTHER RECEIVABLES

Included in trade and other receivables are trade receivables of HK\$320,774,370 (31 March 2013: HK\$282,169,290). The ageing analysis of trade receivables, net of provision, is as follows:

	30 September 2013 <i>HK\$</i>	31 March 2013 <i>HK\$</i>
0 – 60 days	247,068,640	191,729,961
61 – 120 days	64,048,483	76,822,361
121 – 180 days	6,060,698	10,139,572
181 – 240 days	2,779,655	2,773,952
Over 240 days	816,894	703,444
	<u>320,774,370</u>	<u>282,169,290</u>

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

10 TRADE AND OTHER PAYABLES

Included in trade and other payables are trade payables of HK\$353,629,247 (31 March 2013: HK\$343,781,612). The ageing analysis of trade payables is as follows:

	30 September	31 March
	2013	2013
	<i>HK\$</i>	<i>HK\$</i>
0 – 60 days	136,619,481	128,823,585
61 – 120 days	138,428,693	125,712,885
121 – 180 days	64,928,334	61,532,981
181 – 240 days	10,755,021	16,838,521
Over 240 days	2,897,718	10,873,640
	<hr/> 353,629,247 <hr/>	<hr/> 343,781,612 <hr/>

11 BORROWINGS

	30 September	31 March
	2013	2013
	<i>HK\$</i>	<i>HK\$</i>
Non-current		
Bank loans	37,703,600	80,274,663
Obligations under finance leases	12,807,042	21,512,604
	<hr/> 50,510,642 <hr/>	<hr/> 101,787,267 <hr/>
Current		
Bank loans due for repayment within one year	262,033,694	272,619,301
Obligations under finance leases	21,744,866	28,256,376
Shareholder's loan	20,000,000	–
	<hr/> 303,778,560 <hr/>	<hr/> 300,875,677 <hr/>
Total	<hr/> 354,289,202 <hr/>	<hr/> 402,662,944 <hr/>

Movements in borrowings are analysed as follows:

	Six months ended	
	30 September	
	2013	2012
	<i>HK\$</i>	<i>HK\$</i>
At the beginning of the period	402,662,944	443,582,717
Exchange differences	6,617,990	(2,300,861)
New bank loans	92,690,261	119,206,083
Shareholder's loan	20,000,000	–
Repayments of borrowings	(167,681,993)	(147,231,784)
	354,289,202	413,256,155

The shareholder's loan is unsecured, interest-free and fully repayable in July 2014.

12 CONVERTIBLE REDEEMABLE BOND

	30 September	31 March
	2013	2013
	<i>HK\$</i>	<i>HK\$</i>
Liability components	56,428,570	55,176,570
Fair value of the embedded derivatives	201,836,000	163,676,000
	258,264,570	218,852,570

On 16 June 2011, the Company issued a three-year 1.0% convertible redeemable bond at a total nominal value of HK\$90,000,000 due on 16 June 2014.

The bond matures three years from the date of issuance at their nominal value of HK\$90,000,000 or can be converted into ordinary shares of the Company at an original conversion price of HK\$1.80 per share, subject to adjustments, after six months from the date of issuance. The conversion price was adjusted to HK\$1.75 per share in accordance with the terms on conversion price adjustment after the Company issued 13,650,000 new shares on 25 June 2012.

The conversion price will be subject to adjustments for, amongst others, consolidation, subdivision or reclassification of shares, capitalisation of profits or reserve, capital distribution, rights issues of shares or options over shares, 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. The conversion feature fails the fixed-for-fixed requirement for equity classification as one of the conversion ratio adjustments does not preserve the relative interest between the bondholder and ordinary shareholders. The option is therefore regarded as derivatives with changes in fair value through profit or loss in accordance with HKAS 39, "Financial instruments: recognition and measurement".

The major terms and conditions of the convertible redeemable bond are the same as those described in the annual financial statements for the year ended 31 March 2013. According to the relevant accounting standards and the terms of the convertible redeemable bond, the liability components and the embedded derivatives of the convertible redeemable bond should be separately accounted for. The embedded derivatives concerned referred to conversion right and redemption rights of the convertible redeemable bond exercisable by the bond holders and the Company respectively.

On 17 January 2012, the Company redeemed HK\$24,300,000 of the principal amount of the convertible redeemable bond at 105% of the relevant principal amount.

On 13 September 2012, convertible redeemable bond with a principal amount of HK\$7,000,000 was converted into 4,000,000 ordinary shares of the Company at the price of HK\$1.75 per share. As a result, the Group recognised a loss on embedded derivatives amounting to HK\$19,346,000 upon such conversion. As at 30 September 2013, the nominal value of the outstanding convertible redeemable bond is HK\$58,700,000.

During the six months ended 30 September 2013, the Group further recognised a fair value loss on embedded derivatives of the convertible redeemable bond amounting to HK\$38,160,000 (2012: HK\$145,696,960), which is primarily a result of the changes of certain parameters during the period used to determine the fair value of the embedded derivatives including but not limited to the Company's share price and its volatility, interest rates and the likelihood of the exercise of the conversion right and redemption rights of the convertible redeemable bond by the bond holders and the Company respectively.

13 CAPITAL COMMITMENTS

	30 September	31 March
	2013	2013
	<i>HK\$</i>	<i>HK\$</i>
Contracted but not provided for:		
Plant, machinery and leasehold improvements	<u>1,256,108</u>	<u>19,486,929</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

For the six months ended 30 September 2013, the revenue of the Group amounting to HK\$839,217,170 (2012: HK\$744,199,513) representing an increase of 12.8% compared with last corresponding period whereas the loss attributable to owners amounted to HK\$10,180,343 (2012: loss attributable to owners amounted to HK\$139,699,899). The change in fair value of embedded derivatives of the convertible redeemable bond outstanding as at 30 September 2013 amounting to HK\$38,160,000 significantly impacted the results of the Group. Excluding this loss, the Group made an after tax profit of HK\$27,979,657 (2012: HK\$25,343,061).

Financial review

The Group is principally engaged in the manufacturing and selling of printed circuit boards.

Revenue

The revenue for the six months ended 30 September 2013 and 2012 are as follows:

	Six months ended 30 September		Increase %
	2013 HK\$	2012 HK\$	
Printed circuit boards	<u>839,217,170</u>	<u>744,199,513</u>	12.8

In the current period, the revenue from customers in Hong Kong and Mainland China represented 68% (2012: 64%) of the Group's total revenue.

Cost of sales

Cost of sales in the current period increased to HK\$760,468,591 (2012: HK\$719,964,898) representing an increase of 5.6% comparing to last corresponding period.

The increase in gross profit margin from 3.3% to 9.4% was mainly due to the decrease in raw material costs.

Other income

Other income included sales of manufacturing by-products amounting to HK\$35,276,815 (2012: HK\$40,783,389) and government subsidies of Jiangxi factory amounting to HK\$7,669,179 (2012: HK\$10,824,608). Government subsidies represent cash received from the local municipal government in the PRC as incentives to encourage export sales, the conditions attached thereto had been fully complied with.

Distribution and marketing expenses

Distribution and marketing expenses increased to HK\$13,328,837 (2012: HK\$9,177,007) representing an increase of 45.2% compared with last corresponding period. The increase was mainly due to increase in sales commission, freights and delivery expenses during the period.

Administrative expenses

Administrative expenses increased to HK\$57,382,071 (2012: HK\$36,958,544) representing an increase of 55.3% compared with last corresponding period. Net exchange loss amounting to HK\$14,271,538 (2012: net exchange gain amounting to HK\$1,655,602) due to the appreciation of Renminbi was included.

Finance costs

Finance costs amounting to HK\$15,080,225 (2012: HK\$19,458,585) represented a decrease of 22.5% compared with last period, which was mainly due to the reduced borrowing level.

Loss relating to the convertible redeemable bond

According to the relevant accounting standards and the terms of the convertible redeemable bond, the liability components and the embedded derivatives of the convertible redeemable bond should be separately accounted for. The embedded derivatives concerned referred to conversion right and redemption rights of the convertible redeemable bond exercisable by the bond holders and the Company respectively.

During the period under review, the Group recognised a fair value loss on embedded derivatives of the convertible redeemable bond amounting to HK\$38,160,000, which is primarily a result of the changes of certain parameters during the period used to determine the fair value of the embedded derivatives including but not limited to the Company's share price and its volatility, interest rates and the likelihood of the exercise of the conversion right and redemption rights of the convertible redeemable bond by the bond holders and the Company respectively.

Liquidity and financial resources

At 30 September 2013, the liability component and the fair value of the embedded derivatives of convertible redeemable bond amounted to HK\$56,428,570 (31 March 2013: HK\$55,176,570) and HK\$201,836,000 (31 March 2013: HK\$163,676,000) respectively.

On the basis that the convertible redeemable bond will be settled on a cash basis, the total borrowings of the Group at 30 September 2013, excluding the fair value of the embedded derivatives of the convertible redeemable bond (which will not be settled in cash upon its conversion), amounted to HK\$410,717,772 (31 March 2013: HK\$457,839,514) which were mainly payable in Hong Kong dollars and Renminbi. The Group's gearing ratio at 30 September 2013, which was calculated as the ratio of total borrowings less pledged bank deposits and cash at banks and in hand to total equity, was 78% (31 March 2013: 94%).

At 30 September 2013, the Group's total borrowings were repayable as follows:

	30 September		31 March	
	2013		2013	
	<i>HK\$</i>		<i>HK\$</i>	
Within one year	360,207,130	73%	300,875,677	66%
In the second year	46,929,807	26%	112,094,868	24%
In the third to fifth years	3,580,835	1%	44,868,969	10%
	<u>410,717,772</u>	100%	<u>457,839,514</u>	100%

At 30 September 2013, the Group's banking facilities were summarised as follows:

	30 September	31 March
	2013	2013
	<i>HK\$</i>	<i>HK\$</i>
Total banking facilities granted	389,603,861	456,948,081
Facilities utilised	(299,737,294)	(352,893,964)
Available facilities	<u>89,866,567</u>	<u>104,054,117</u>

Among the total facilities, banking facilities amounted to HK\$339,332,395 (31 March 2013: HK\$370,498,444) were secured by a legal charge on the Group's assets with a net book value of HK\$357,842,684 (31 March 2013: HK\$362,366,031).

At 30 September 2013, obligations under finance leases of the Group amounted to HK\$34,551,908 (31 March 2013: HK\$49,798,980) were secured by a legal charge on the Group's property, plant and equipment with a net book amount of HK\$63,280,112 (31 March 2013: HK\$93,271,914).

Prospect

We got improvement on our business and operation in the past six months. However, we still face possible increase in the operation costs such as increase in labour costs and appreciation of Renminbi. In order to get further improvement, the Group would not only adopt more cost control measures, but also strengthen our marketing team in overseas market.

Purchase, sale or redemption of Company's listed securities

The Company has not redeemed any of its shares and neither the Company nor any of its subsidiaries have purchased or sold any of the shares of the Company during the six months ended 30 September 2013 period.

Corporate governance

The Company has adopted the Corporate Governance Code and Corporate Governance Report (the "CG Code") as set out in Appendix 14 to the Listing Rules.

During the six months ended 30 September 2013, the Company was in compliance with the code provisions set out in the CG Code except for the deviation from the code provisions A.5.1, A.6.7 and D.1.4, which are explained below.

Code provision A.5.1 of the CG Code requires that issuers should establish a nomination committee. The Company had not set up a Nomination Committee. Pursuant to the Company's Bye-laws, any director appointed by the Board either to fill a casual vacancy or as an addition to the Board shall retire and be eligible for re-election at the next following general meeting after appointment. Executive directors identify potential new directors and recommend to the Board for decision. In considering the nomination of a new director, the Board will take into account the qualification, ability, working experience, leadership and professional ethics of the candidates. In determining the independence of independent non-executive directors, the Board follows the requirements set out in the Listing Rules.

Code provision A.6.7 of the CG Code requires that independent non-executive directors and other non-executive directors shall attend general meetings and develop a balanced understanding of the views of shareholders. Three independent non-executive directors, Mr LAI Wing Leung, Peter, Mr LAM Kwok Cheong and Madam LEE Mei Ling, did not attend the annual general meeting of the Company held on 19 July 2013 by the reason of their another business engagement.

Code provision D.1.4 of the CG Code requires that issuers should have formal letters of appointment for directors setting out the key terms and conditions of their appointment. The Company had formal letters of appointment for Directors except two executive directors, Mr YIP Sum Yin and Madam YU Hung Min. However, the Directors shall be subject to retirement in accordance with the Articles. In addition, the Directors are required to refer to the guidelines set out in “A Guide on Directors’ Duties” issued by the Companies Registry and “Guidelines for Directors” published by the Hong Kong Institute of Directors in performing their duties and responsibilities as Directors of the Company. Besides, the Directors are required to comply with the requirements under statute and common law, the Listing Rules, legal and other regulatory requirements and the Company’s business and governance policies.

Save as the aforesaid, 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 provisions of the CG Code at any time during the six months ended 30 September 2013.

Model Code

The Company has adopted the Model Code as its code of conduct regarding the directors’ securities transactions. The Company had made specific enquiry with all directors of the Company, who have confirmed compliance with the required standard set out in the Model Code during the six months ended 30 September 2013.

Audit committee

The Audit Committee has reviewed, with the management of the Group, the accounting principles and practices adopted by the Group, its internal controls and financial reporting matters including the review of the interim report for the six months ended 30 September 2013.

Auditor

The Group’s external auditor, PricewaterhouseCoopers, has conducted a review of the Interim Financial Information of the Group for the six months ended 30 September 2013 in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA.

Publication of interim results announcement and interim report

The results announcement is published on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and is available on the Company’s website at www.sametimeholdings.com. The interim report for the six months ended 30 September 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 express our thanks to our shareholders, customers, banks, and suppliers for their continuous support to the Group. I would also extend my appreciation to all our management and staffs for their contribution during the period.

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, 29 November 2013