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 or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in SAME TIME HOLDINGS LIMITED, you should at once hand this circular and the accompanying proxy form to the purchaser(s) or transferee(s) or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

This document appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of SAME TIME HOLDINGS LIMITED.

SAME TIME HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 451)

(1) PROPOSED ISSUE OF SUBSCRIPTION SHARES
(2) WHITEWASH WAIVER
(3) SPECIFIC MANDATE FOR THE ISSUE OF SUBSCRIPTION SHARES
(4) PLACING OF COMPANY NEW PLACING SHARES UNDER PLACING SPECIFIC MANDATE
(5) RESIGNATION OF COMPANY DIRECTORS AND PROPOSED APPOINTMENT OF COMPANY DIRECTORS
(6) CHANGE OF COMPANY NAME
AND
(7) NOTICE OF COMPANY SGM

Financial adviser to
SAME TIME HOLDINGS LIMITED

八方金融有限公司
OCTAL Capital Limited

Company Independent Financial Adviser to the Company Independent Board Committee and the Company Independent Shareholders

PLATINUM Securities

A letter from the Company Board is set out on pages 12 to 50 of this circular. A letter from the Subscriber is set out on pages 51 to 55 of this circular. A letter from the Company Independent Board Committee is set out on page 56 of this circular. A letter from the Company Independent Financial Adviser containing their advice to the Company Independent Board Committee and the Company Independent Shareholders is set out on pages 57 to 83 of this circular.

Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" of this circular.

A notice of the Company SGM to be held at 17th Floor, Phase I, Kingsford Industrial Building, 26–32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong on 23 April 2014, at 12:00 noon is set out on pages 177 to 181 of this circular. Whether or not you are able to attend the Company SGM, please complete and return the accompanying proxy form in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time fixed for the holding of the Company SGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the Company SGM or any adjournment thereof should you so wish.

31 March 2014

CONTENTS

"acting in concert"	has the meaning ascribed thereto in the Takeovers Code
"Affiliates"	in relation to any party, any Subsidiary or Parent Company of that party and any Subsidiary of any such Parent Company, in each case from time to time
"Amended and Restated Placing Agreement"	the Company Original Placing Agreement as amended and restated pursuant to the Amendment Deed which was entered into between the Company and the Placing Agent on 28 February 2014 immediately after the entering into of the Amendment Deed
"Amendment Deed"	the deed executed by the Company and the Placing Agent on 28 February 2014 which contains the entire agreement between the Company and the Placing Agent relating to the amendments made to the Company Original Placing Agreement and supersedes all previous understanding, arrangements and agreements between the parties or any of them in relation to the Company Original Placing Agreement
"Announcement"	the announcement dated 13 February 2014 jointly issued by the Company and the Subscriber in relation to among other things, the Share Subscription and the Whitewash Waiver
"Associate(s)"	has the meaning ascribed thereto in the Listing Rules
"Business Day"	any day (other than a Saturday, Sunday, public holiday in Hong Kong or any day on which a tropical cyclone warning no. 8 or above or a "black" rain warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks are generally open for business in Hong Kong throughout their normal business hours
"CB Holder"	Union Gold Group Limited, a company incorporated in the British Virgin Islands, in which Mr. Chung, an executive Company Director as at the Latest Practicable Date, has an 50% indirect interest and the remaining 50% of Union Gold Group Limited is owned by Global Hill Limited which is wholly-owned by Mr. Chen Geng. To the best of the Company Directors' knowledge, information and belief and after having made all reasonable enquiries, Global Hill Limited and Mr. Chen Geng are independent of the Company (other than their indirect interests in the Company Shares) and the Subscriber

"Change of Company Name"	the proposal for the Company to change its name from "SAME TIME HOLDINGS LIMITED" to "GCL New Energy Holdings Limited" and to adopt "協鑫新能源控股有限公司" as the secondary name of the Company
"Change of Company Name Conditions"	the conditions precedent to the Change of Company Name as set out in the section headed "Conditions for the Change of Company Name" in the "Letter from the Company Board" of this circular
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong as amended and supplemented from time to time)
"Company"	SAME TIME HOLDINGS LIMITED, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange with stock code 451
"Company 2013 Management Accounts"	the unaudited management accounts for the Company Group on a consolidated basis for the three-month period commencing from 1 October 2013 and ended on 31 December 2013
"Company 2014 Budget Plan"	the budget plan of the Company for the year commencing on 1 April 2014 and ending on 31 March 2015 in relation to the proposed financing arrangement and the proposed budget for the development of its business plan
"Company Bank Loans"	the loan arrangements, borrowings, indebtedness, overdraft, loan facilities or finance leases that have been entered into by any Company Group Members (other than the Company) as at the date of the Subscription Agreement including, without limitation, any loan arrangement, borrowing, indebtedness, overdraft, loan facility or finance lease for the purpose of working capital, trade financing, fixed assets, factoring, leasing, whether or not such loan arrangement, borrowing, indebtedness, overdraft, loan facility or finance lease has been guaranteed by the Company, as set out in the Subscription Agreement provided that the amount outstanding under such loan arrangements, borrowings, indebtedness, overdraft, loan facilities or finance leases together with the Company Future Bank Loans shall not exceed the Financial Debt Limit
"Company Board"	the board of directors of the Company
"Company Directors"	members of the Company Board from time to time

"Company Future Accounts"	any published audited consolidated statement of financial position of the Company as at each of the Company Future Accounts Date and a consolidated statement of comprehensive income in respect of the financial year ended each of the Company Future Accounts Date, together with any notes, reports, statements or documents included in or annexed or attached to them
"Company Future Accounts Date"	31 March of each calendar year following the date of the Subscription Agreement
"Company Future Bank Loans"	any loan arrangements, borrowings, indebtedness, overdraft, loan facilities or finance leases to be entered into, from time to time, by any Company Group Member (other than the Company and any subsidiary of the Company formed, established, incorporated or acquired at the direction or with the approval of the Subscriber or its Affiliates) including, without limitation, any loan arrangement, borrowing, indebtedness, overdraft, loan facility or finance lease for the purpose of working capital, trade financing, fixed assets financing, factoring, leasing, whether or not such loan arrangement, borrowing, indebtedness, overdraft, loan facility or finance lease will be guaranteed by the Company provided that the amount outstanding under such loan arrangements, borrowings, indebtedness, overdraft, loan facilities or finance leases together with the Company Bank Loans shall not exceed the Financial Debt Limit
"Company Future Interim Accounts"	any published consolidated statement of financial position of the Company as at each of the Company Future Interim Accounts Date and a consolidated statement of comprehensive income in respect of the six months ended each of the Company Future Interim Accounts Date, together with any notes, reports, statements or documents included in or annexed or attached to them
"Company Future Interim Accounts Date"	30 September of each calendar year following the date of the Subscription Agreement
"Company Group"	the Company and its Subsidiaries, and "Company Group Members" means all or any of them or any combination thereof
"Company Group's Bank Facilities"	the Company Bank Loans and the Company Future Bank Loans

"Company Independent Board Committee"	an independent board committee, comprising all the independent non-executive Company Directors, namely Mr. Lai Wing Leung, Peter, Mr. Lam Kwok Cheong and Madam Lee Mei Ling, has been formed to advise and give recommendation to the Company Independent Shareholders as to the fairness and reasonableness of the terms of the Subscription Agreement, the Specific Mandate and the Whitewash Waiver
"Company Independent Financial Adviser"	Platinum Securities Company Limited, a licensed corporation under the SFO for carrying out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO, the independent financial adviser appointed to advise and recommend to the Company Independent Board Committee and the Company Independent Shareholders in respect of the Share Subscription, the Specific Mandate and the Whitewash Waiver
"Company Independent Shareholders"	Company Shareholders other than the Subscriber, its Associates and the parties acting in concert with it and other Company Shareholders who are interested or involved in the Share Subscription and/or the Whitewash Waiver
"Company Monthly Management Accounts"	the unaudited monthly management accounts for each calendar month end other than the calendar months ending on 31 March and 30 September
"Company New Placing Agreement"	as at the date of the Subscription Agreement, means the placing agreement to be entered into between the Company and the Placing Agent to place the Company New Placing Shares to independent third parties

"Company New Placing Shares"	as at the date of the Subscription Agreement, means 50,000,000 new Company Shares to be placed to independent third parties pursuant to the Company New Placing Agreement or the Company Supplemental Placing Agreement (as applicable) and as a result of the execution of the Amendment Deed and the Amended and Restated Placing Agreement, means 50,000,000 new Company Shares to be allotted and issued by the Company to Independent Third Parties pursuant to the terms and conditions of the Amendment Deed and the Amended and Restated Placing Agreement which shall rank *pari passu* in all respects with the then existing Company Shares in issue at the date of allotment of the Company New Placing Shares
"Company Original Placing Agreement"	the placing agreement between the Company and the Placing Agent dated 30 October 2013 to place up to 20,000,000 Company Shares and convertible redeemable bonds which are convertible into 60,000,000 Company Shares to independent third parties
"Company Relevant Agreements"	any agreement of which the Company is a party (other than the Company Service Agreement and the relevant agreements entered into by the Company in relation to the Company Bank Loans and such agreements to be specifically excluded in the Subscription Agreement)
"Company Service Agreement"	the service agreement to be entered into between Mr. Yip and the Company setting out the employment terms and conditions in relation to the service of Mr. Yip as a Company Director
"Company SGM"	the special general meeting to be convened by the Company to approve the Specific Mandate, the Share Subscription, the Whitewash Waiver and all matters contemplated thereunder, the appointment of the proposed directors to the Company Board and the Change of Company Name; and the Amendment Deed, the Amended and Restated Placing Agreement and the transactions contemplated thereunder, the Placing Specific Mandate and the Placing
"Company Share(s)"	ordinary share(s) of par value HK$0.10 each in the share capital of the Company
"Company Shareholder(s)"	holder(s) of the Company Share(s)

"Company Shareholder's Loan"	the loan agreement dated 5 June 2013 entered into between the Company and Mr. Chung in relation to a shareholder's loan provided to the Company for the amount of HK$20,000,000
"Company Subsidiary"	a subsidiary of the Company as at date of the Subscription Agreement and any Subsidiary incorporated or owned directly or indirectly by Same Time International subsequent to the date of the Subscription Agreement. Any subsidiary of the Company formed, established, incorporated or acquired at the direction or with the approval of the Subscriber/Indemnified Party subsequent to the Completion Date will not be regarded as a Subsidiary for the purpose of this definition
"Company Supplemental Placing Agreement"	as at the date of the Subscription Agreement, means the supplemental placing agreement to the Company Original Placing Agreement to be entered into between the Company and the Placing Agent to amend the terms of the Company Original Placing Agreement by placing 50,000,000 new Company Shares to Independent Third Parties and terminating the placing tranche of any convertible redeemable bonds under the Company Original Placing Agreement
"Completion"	completion of the Share Subscription in accordance with the terms and conditions of the Subscription Agreement
"Completion Date"	the fifth (5th) Business Day from and excluding the date on which the last of the conditions of the Share Subscription have been fulfilled or waived pursuant to the Subscription Agreement (as the case may be) (or such other date as the parties to the Subscription Agreement may agree in writing)
"Conditions"	the conditions to Completion set out in the Subscription Agreement
"connected person(s)"	has the meaning ascribed to this term under the Listing Rules
"Conversion Shares"	33,542,857 Company Shares pursuant to the full conversion of the Convertible Bond
"Convertible Bond"	the existing outstanding convertible redeemable bond issued by the Company to the CB Holder (subject to adjustment)
"Deed of Indemnity"	the deed of indemnity to be provided by Mr. Yip to the Subscriber substantially in the same form as set out in the Subscription Agreement

"Executive"	the Executive Director of the Corporate Finance Division of the SFC from time to time and any delegate of such Executive Director
"Financial Debt Limit"	HK$560,000,000
"Governmental Entity"	any supranational, national, state, municipal or local government (including any subdivision, court, administrative agency or commission or other authority thereof) or any quasi-governmental or private body exercising any regulatory, taxing, importing or other governmental or quasi-governmental authority
"GW"	gigawatts
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Independent Third Party(ies)"	person(s) who is(are) third party(ies) (i) independent of the Company, its Subsidiaries, connected persons of the Company and their respective Associates; and (ii) independent of and not parties acting in concert with the Subscriber or its parties acting in concert or associates (as defined in the Takeovers Code), any persons, other Placee(s) or Company Shareholders to the effect that any Placing to such party shall not trigger any mandatory offer obligation under Rule 26.1 of the Takeovers Code
"Indemnified Matters"	any and all monetary claims, losses, liabilities, costs, damages, expenses, fines or penalties incurred or suffered by the Indemnified Party (on an after-Tax basis) as a result of or in connection with (directly or indirectly) the occurrence of any of the circumstances specified in the Deed of Indemnity
"Indemnified Party"	the Subscriber
"Last Trading Date"	12 February 2014, being the last trading date before the suspension of trading in the Company Shares pending the release of the Announcement
"Latest Practicable Date"	28 March 2014, being the latest practicable date for the purpose of ascertaining certain information contained in this circular

"Listing Committee"	the listing committee appointed by the Stock Exchange for considering applications for listing and the granting of listing of securities on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Longstop Date"	30 April 2014
"Material Adverse Event"	any event or circumstance or any combination of them, which may require or result or will require or result in any change in the financial obligations, financial liabilities, other obligations or liabilities of the Subscriber from the agreed terms or structure for the transactions contemplated under the Subscription Agreement and all transactions contemplated thereunder
"MOU"	a non-legally binding memorandum of understanding dated 29 October 2013 entered into between the Company and the Subscriber
"Mr. Chung"	Mr. Chung Chi Shing, an executive Company Director and Company Shareholder
"Mr. Yip"	Mr. Yip Sum Yin, an executive Company Director and Company Shareholder
"MT"	metric tonnes
"MW"	megawatts
"Parent Company"	any company which holds a majority of the voting rights in another company, or which is a shareholder of another company and has the right to appoint or remove a majority of its board of directors, or which is a shareholder of another company and controls a majority of the voting rights in it under an agreement with other shareholders, in each case whether directly or indirectly through one or more companies
"Party"	any of Same Time International, the Subscriber or the Company, and "Parties" means all of them
"Placee(s)"	any person or entity whom the Placing Agent shall procure to subscribe for the Company New Placing Shares pursuant to the terms of the Amended and Restated Placing Agreement

"Placing"	the proposed placing of the Company New Placing Shares on the terms and subject to the conditions set out in the Amended and Restated Placing Agreement
"Placing Agent"	Fortune (HK) Securities Limited, a licensed corporation to carry out type 1 regulated activities under the SFO
"Placing Closing Date"	the 5th Business Day after fulfilment of the conditions precedent of the Amended and Restated Placing Agreement or such other date as the Company and the Placing Agent may agree in writing but in any event such date shall not be later than the Completion Date
"Placing Last Trading Date"	30 October 2013, being the last day on which the Company Shares were traded on the Stock Exchange prior to the issue of the announcement issued by the Company in relation to among other things, the Company Original Placing Agreement;
"Placing Specific Mandate"	the specific mandate to be granted by the Company Shareholders at the Company SGM to the Company Directors to allot and issue the Company New Placing Shares
"PRC"	the People's Republic of China
"PV"	photovoltaic
"Same Time International"	Same Time International (B.V.I) Limited, a wholly-owned Subsidiary of the Company which is incorporated in the British Virgin Islands whose registered address is at Akara Building, 24 De Castro Street, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong as amended and supplemented from time to time)
"Share Subscription"	the proposed subscription for the Subscription Shares by the Subscriber and the proposed allotment and issue of the Subscription Shares by the Company upon the terms and subject to the conditions set out in the Subscription Agreement

"Specific Mandate"	the specific mandate to be granted by the Company Independent Shareholders at the Company SGM to the Company Directors to allot and issue the Subscription Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscriber"	GCL-Poly Energy Holdings Limited, a company incorporated in the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange with stock code 3800
"Subscriber Directors"	members of the board of the Subscriber from time to time
"Subscriber MOU Announcement"	announcement released by the Subscriber on 29 October 2013 on the Stock Exchange website in relation to the MOU
"Subscriber Shareholders"	holder(s) of the Subscriber Share(s)
"Subscriber Shares"	ordinary share(s) of HK$0.10 each in the share capital of the Subscriber
"Subscription Agreement"	the subscription agreement dated 13 February 2014 and entered into between Same Time International, the Subscriber and the Company in relation to the Share Subscription
"Subscription Price"	HK$4.00 per Subscription Share, being the consideration for each Subscription Share
"Subscription Shares"	360,000,000 new Company Shares to be allotted and issued by the Company pursuant to the terms and conditions of the Subscription Agreement and which will rank *pari passu* in all respects with the Company Shares in issue at the date of allotment of the Subscription Shares, and each a "Subscription Share"
"Subsidiaries"	has the meaning ascribed thereto in the Listing Rules, and each a "Subsidiary"
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers (as amended and supplemented from time to time)

"Tax" or "Taxation'	(i) taxes on income, profits and gains; and (ii) all other taxes, levies, duties, imposts, charges and withholdings of any fiscal nature, including any excise, property, value added, sales, use, occupation, transfer, franchise, payroll taxes, any social security or social fund contributions and rate imposed, levied, collected, withheld, assessed or enforced pursuant to applicable law by any local, municipal, regional, urban, governmental, state, federal or other body or authority in Hong Kong, the PRC, Macau, the British Virgin Islands or Bermuda, in all cases being in the nature of taxation, and any penalties, charges, interest or fine relating to any of the foregoing or to any late or incorrect return in respect of any of them
"United States", "US" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"Whitewash Waiver"	the whitewash waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code in respect of any obligation of the Subscriber to make a mandatory general offer (for all the issued Company Shares and other securities of the Company not already owned or agreed to be acquired by the Subscriber and any parties acting in concert with it) as a result of the Subscriber subscribing for the Share Subscription under the Subscription Agreement
"ZGS Group"	Mr. Zhu Gongshan and his family (including Mr. Zhu Yufeng, an executive director of the Subscriber and the son of Mr. Zhu Gongshan)

In this circular, if there is any inconsistency between the Chinese names of entities or enterprises established in the PRC or Chinese government authorities or departments and their English translations, the Chinese names shall prevail.

SAME TIME HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 451)

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

Registered office:
Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Principal place of business in Hong Kong:
17th Floor, Phase I
Kingsford Industrial Building
26–32 Kwai Hei Street
Kwai Chung
New Territories
Hong Kong

31 March 2014

To the Company Shareholders,
and for information only, to the CB Holder

Dear Sir or Madam,

(1) PROPOSED ISSUE OF SUBSCRIPTION SHARES
(2) WHITEWASH WAIVER
(3) SPECIFIC MANDATE FOR THE ISSUE OF SUBSCRIPTION SHARES
(4) PLACING OF COMPANY NEW PLACING SHARES UNDER PLACING SPECIFIC MANDATE
(5) RESIGNATION OF COMPANY DIRECTORS AND PROPOSED APPOINTMENT OF COMPANY DIRECTORS
(6) CHANGE OF COMPANY NAME
AND
(7) NOTICE OF COMPANY SGM

INTRODUCTION

On 13 February 2014, the Company and the Subscriber jointly announced that they have entered into the conditional Subscription Agreement in relation to the subscription of 360,000,000 new Company Shares at a Subscription Price of HK$4.00 per Subscription Share. The aggregate cash consideration of HK$1,440,000,000 shall be payable by the Subscriber upon Completion. The Subscription Shares represent approximately 418.86% of the issued share capital of the Company and approximately 80.73% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares respectively as at the Latest Practicable Date, and it is proposed that the Company Directors be given a Specific Mandate to allot and issue the Subscription Shares pursuant to the Subscription Agreement.

On 30 October 2013, the Company and the Placing Agent entered into the Company Original Placing Agreement pursuant to which the Company appointed the Placing Agent as its placing agent to procure not less than six Placee(s) who are independent third parties to subscribe up to an aggregate of 20,000,000 new Company Shares each at a price of HK$4.00 per Company Share and the convertible redeemable bonds which are convertible into 60,000,000 Company Shares on a best efforts basis on the terms and subject to the conditions of the Company Original Placing Agreement.

Having considered the entering into of the Subscription Agreement by the Company and the Subscriber in relation to the Share Subscription by the Subscriber and the Conditions required to be fulfilled by the Company in relation to the full placement of 50,000,000 new Company Shares to Independent Third Parties, the Company and the Placing Agent further discussed on the terms of the Company Original Placing Agreement and on 28 February 2014 (after trading hours on the Stock Exchange), the Company and the Placing Agent entered into the Amendment Deed whereby the parties have agreed to amend the terms and conditions of the Company Original Placing Agreement.

The purposes of this circular are to provide you with, among other things details of the Share Subscription, the Specific Mandate, the Whitewash Waiver, the Placing, the Placing Specific Mandate, the appointment of the proposed directors to the Company Board and the Change of Company Name together with the recommendation of the Company Independent Board Committee to the Company Independent Shareholders, and the letter of advice from the Company Independent Financial Adviser to the Company Independent Board Committee and the Company Independent Shareholders in relation to the Share Subscription, the Specific Mandate and the Whitewash Waiver and the notice of Company SGM.

THE SUBSCRIPTION AGREEMENT

Date

13 February 2014

Parties

1. The Company

2. Same Time International

3. The Subscriber

To the best knowledge, information and belief of the Company Directors, the Subscriber and parties acting with it, are third parties independent of the Company, Same Time International and their respective connected persons (as defined under the Listing Rules). As set out in the "Letter from the Subscriber" of this circular, prior to the entering into of the Subscription Agreement, neither the Subscriber nor parties acting in concert with it had any interest in or, except as disclosed in the Subscriber MOU Announcement, business dealings with the Company Group.

As set out in the "Letter from the Subscriber" of this circular, neither the Subscriber nor the parties acting in concert with it has acquired or disposed of or entered into any definitive agreement to acquire or dispose of any voting rights in the Company during the six (6) months period prior to the date of the Announcement, and neither of them is interested in any shares, convertible securities, warrants, options or derivatives of the Company as at the Latest Practicable Date.

The Share Subscription

Pursuant to the Subscription Agreement, the Company has conditionally agreed to allot and issue to the Subscriber, and the Subscriber has conditionally agreed to subscribe for a total of 360,000,000 new Company Shares at the Subscription Price of HK$4.00 per Subscription Share. The aggregate cash consideration for the Subscription is HK$1,440,000,000 and shall be payable by the Subscriber at Completion.

As at the Latest Practicable Date, there were 85,948,520 Company Shares in issue. The Subscription Shares represent approximately 418.86% of the issued share capital of the Company as at the Latest Practicable Date and approximately 67.99% of the issued share capital of the Company as enlarged by the allotment and issue of (i) the Subscription Shares; (ii) the Conversion Shares; and (iii) the Company New Placing Shares (assuming that there is no change in the issued share capital of the Company other than (i) the issue of the Subscription Shares; (ii) the full conversion of the Convertible Bond; and (iii) the placing of the Company New Placing Shares).

The Subscription Price

The Subscription Price of HK$4.00 represents:

(a) a discount of approximately 47.1% to the closing price of HK$7.56 per Company Share as quoted on the Stock Exchange on 29 October 2013, being the last trading date before the Subscriber MOU Announcement;

(b) a discount of 70.4% to the closing price of HK$13.5 per Company Share as quoted on the Stock Exchange on the Last Trading Date;

(c) a discount of approximately 69.5% to the closing price of HK$13.10 per Company Share as quoted on the Stock Exchange on 28 March 2014, being the Latest Practicable Date;

(d) a discount of approximately 68.1% to the average of the closing prices of approximately HK$12.55 per Company Share as quoted on the Stock Exchange for the last five (5) trading days up to and including the Last Trading Date;

(e) a discount of approximately 65.4% to the average of the closing prices of approximately HK$11.55 per Company Share as quoted on the Stock Exchange for the last ten (10) trading days up to and including the Last Trading Date;

(f) a discount of approximately 60.6% over the average of the closing prices of approximately HK$10.14 per Company Share as quoted on the Stock Exchange for the last 30 trading days up to and including the Last Trading Date;

(g) a discount of approximately 21.0% to the unaudited consolidated net asset value attributable to the Company Shareholders per Company Share of approximately HK$5.06 per Company Share as at 30 September 2013, being the date of the latest interim results, without taking into account the Share Subscription; and

(h) a discount of approximately 19.5% to the consolidated net asset value attributable to the Company Shareholders per Company Share of approximately HK$4.97 per Company Share as at 31 March 2013, being the date of the latest annual results, without taking into account the Share Subscription.

The Subscription Price is the subscription price per subscription share proposed in the MOU and was arrived at after arm's length negotiations between the Company and the Subscriber with reference to the liquidity, the recent trading performance of the Company Shares, in particular, prior to the date of the MOU, the financial performance of the Company and its future business outlook and the strategic benefits of introducing the Subscriber as a Company Shareholder.

Although the Subscription Price represents a substantial discount to the recent trading price of the Company Shares and the net assets of the Company Group, the Company Directors expect that, after completion of the Share Subscription and introduction of the Subscriber as the controlling shareholder (has the meaning ascribed to it under the Listing Rules), the business mix, business network, growth prospects, capital structure, financing capability, branding and business profile of the Company will be significantly enhanced in view of the solid background and strong expertise of the Subscriber in the solar industry. In particular:

(i) the Subscriber is one of the constituents of Hang Seng Composite Index, Hang Seng Composite Industry Index-Industrials, Hang Seng Composite Midcap Index and Hang Seng Mainland 100 Index, respectively;

(ii) the Subscriber has been in the green and renewable energy business since 1998 and currently operates 34 environmentally friendly or renewable energy power plants with an installed capacity of over 1.81GW;

(iii) the Subscriber is a major supplier of solar photovoltaic materials in the world with an annual polysilicon production capacity of 65,000MT and an annual wafer production capacity of 8GW;

(iv) the Subscriber was selected as the co-chairman of China Photovoltaic Industry Alliance in 2010;

(v) the Subscriber's financing capability has been well accepted by institutional investors as indicated by previous successful regular fund raising exercises of significant amounts of capital from institutional investors in the past few years;

(vi) the Subscriber intends to utilize the Company as a separate platform to focus on renewable energy section, particularly solar plants, solar projects and solar energy assets;

(vii) the Subscriber will nominate new executive Company Directors, who are experienced in the solar energy industry, to the Company Board;

(viii) the multiples represented by the Subscription Price is comparable to those comparable companies within the printed circuit board industry; and

(ix) the Company will become a subsidiary of the Subscriber upon Completion.

Hence, the Company Directors (excluding Mr. Yip, Mr. Chung, Mr. Yip Wing Fung and Madam Yu Hung Min but including the independent non-executive Company Directors after considering the advice of the Company Independent Financial Adviser) consider that the level of the Share Subscription to be reasonable and in the interests of the Company and the Share Subscription is fair and reasonable and on normal commercial terms and the entering into of the Subscription Agreement is in the interests of the Company Shareholders as a whole.

Conditions of the Share Subscription

Completion of the Share Subscription is conditional upon the fulfilment (or otherwise waived by the Company or the Subscriber (as the case may be) in writing, to the extent such conditions precedent may be waived) of the following conditions:

(a) the Executive having granted to the Subscriber the Whitewash Waiver, and such grant not having been revoked or withdrawn and fulfilment of any necessary conditions prior to Completion, if any, attached to it;

(b) the passing by the Company Independent Shareholders in the Company SGM of resolutions which are necessary to give effect to the transactions contemplated under the Subscription Agreement and comply with the Listing Rules and the Takeovers Code, including among other things, approving (i) the execution, delivery and performance of the Subscription Agreement; (ii) the allotment and issue of the Subscription Shares in accordance with the Subscription Agreement; (iii) the grant of the Whitewash Waiver and (iv) the election of the Subscriber's nominees to the Company Board, effective upon Completion;

(c) to the extent not waived or consented to by or the requisite approval or ruling not obtained from the relevant regulatory or governmental authorities, compliance by each Party of all applicable laws and regulations, including but not limited to those under the Listing Rules, (if applicable) the Takeovers Code, the Companies Ordinance, any required approval or deemed approval of the Ministry of Commerce of the PRC pursuant to the Anti-Monopoly Law of the PRC and the laws and regulations of each Party's jurisdiction of incorporation;

(d) the granting of the approval for the listing of, and permission to deal in the Subscription Shares, the Company New Placing Shares and the Conversion Shares by the Listing Committee of the Stock Exchange and the Stock Exchange not having withdrawn or revoked such approval;

(e) the Company having maintained the minimum prescribed percentage of public float as required under the Listing Rules upon Completion;

(f) all license, permit, consent, authorisation, permission, clearance, warrant, confirmation, certificate or approval of any competent governmental, administrative, supervisory, regulatory, judicial, determinative, disciplinary, enforcement or tax raising body, authority, agency, board, department, court or tribunal of any jurisdiction (including the Stock Exchange, SFC or any relevant securities exchange) and whether supranational, national, regional or local or any other person which are required for the Share Subscription and all matters contemplated thereunder having been obtained or made, if any;

(g) i. the representations and warranties of the Company in the Subscription Agreement being true, accurate and correct in all material respects and not misleading on and as of the date that the Conditions set out in the Subscription Agreement are fulfilled or waived (except for the Condition set out in this paragraph (g));

ii. the Company having performed all of its obligations and undertakings under the Subscription Agreement required to be performed on or before such date, including but not limited to its undertakings as provided in the Subscription Agreement; and

iii. the representations and warranties of the Subscriber in the Subscription Agreement being true, accurate and correct in all material respects and not misleading on and as of the date that the Conditions are fulfilled or waived (except for the Condition set out in this paragraph (g)); and

(h) no material adverse change (as defined under the Subscription Agreement) having occurred in respect of the business, assets, financial position, performance, operations, properties or conditions (financial or otherwise) of the Company Group;

(i) no event has occurred which may, in the reasonable opinion of the Subscriber, constitute or has constituted a Material Adverse Event;

(j) the process for the conversion of the Convertible Bond issued to the CB Holder to have commenced following the Company SGM, such that the CB Holder and Mr. Chung in aggregate hold 34,968,857 Company Shares following such conversion on the Completion Date;

(k) the Company shall provide the Subscriber with a copy of the Company 2014 Budget Plan;

(l) the Company shall forthwith provide the Subscriber with a copy of the Company 2013 Management Accounts and a copy of the Company Monthly Management Accounts for each Company Subsidiary covering the period up to the second last calendar month end immediately prior to the Completion Date and if such second last calendar month end immediately prior to the Completion Date shall end on 31 March or 30 September (as the case may be), the Company shall provide the Company Monthly Management Accounts for each Company Subsidiary covering the period up to the third last calendar month;

(m) the Company, Same Time International and the relevant parties under the Company Relevant Agreements shall have entered into a form of novation agreement for each of the Company Relevant Agreements which has the effect of releasing and discharging the Company of all of its liabilities and obligations under each of the Company Relevant Agreements and substituting Same Time International as a party to each of the Company Relevant Agreements in place of the Company;

(n) the Company shall have entered into either a termination agreement with the Placing Agent terminating the Company Original Placing Agreement in its entirety with immediate effect commencing on and from the date of such termination agreement or the Company Supplemental Placing Agreement (as determined by the Company);

(o) Mr. Yip and the Company shall have entered into the Company Service Agreement;

(p) the Company shall have entered into the Company New Placing Agreement (if the Company Supplemental Placing Agreement mentioned in sub-paragraph (n) above shall not be entered into by the Company), the allotment and issue of the Company New Placing Shares shall be passed by the Company Shareholders and all of the transactions contemplated thereunder shall be completed on or before the Completion Date, including fully placing 50,000,000 Company Shares to any other independent third party (other than the issue of the Subscription Shares to the Subscriber (or an Affiliate of the Subscriber as nominated by the Subscriber));

(q) the Company shall have performed all of its obligations expressed under the Subscription Agreement to be performed before or with effect from Completion including, without limitation, the appointment, prior to or conditional on Completion, of each of the directors nominated by the Subscriber;

(r) the existing Company Directors, namely Madam Yu Hung Min, Mr. Chung, Mr. Mao Lu, Mr. Yip Wing Fung, Mr. Lai Wing Leung, Peter, Mr. Lam Kwok Cheong and Madam Lee Mei Ling (other than those nominated to continue as Company Directors from the Completion Date pursuant to the Subscription Agreement) having resigned as Company Directors, effective on the Completion Date; and

(s) in respect of any amount due from Same Time International to the Company as at 31 December 2013 (the "**Relevant Amount**"), the Relevant Amount in the book of Same Time International shall be treated as capital contribution from the Company to Same Time International. Such Relevant Amount in the book of Same Time International shall be transferred to the reserve account and the Relevant Amount in the books of the Company shall be treated as interests in subsidiaries. In respect of any amount incurred or expensed by and billed to the Company on or after 1 January 2014 to the Completion Date, such amount will be reimbursed by Same Time International and/or the relevant Company Subsidiaries for the same amount in the form of management fees.

Any reference to "**Company Group**", "**Company Group Member**" or "**member of the Company Group**" above means the Company and/or any or all of the Company Subsidiaries.

The Conditions set out in paragraphs (g) through (s) above may be waived by the Subscriber (in whole or in part). The remaining Conditions cannot be waived. If any of the Conditions set out above has not been fulfilled or waived (as the case may be) pursuant to the Subscription Agreement on or prior to the Longstop Date, or such other date as the Parties may agree in writing, all obligations of the Company and the Subscriber shall cease and determine immediately on the Longstop Date, or such other date as the Parties may agree in writing, and none of the Company or the Subscriber (nor any of their respective Affiliates) shall have any claim against the other (or any of their respective Affiliates) except in respect of any rights and liabilities which have accrued prior to termination.

As at the Latest Practicable Date, the above Conditions (n) and (p) (in respect of the execution of the Amendment Deed and the Amended and Restated Placing Agreement) have been satisfied and the remaining Conditions (including Condition (f) which the Company will have to obtain the consents from the relevant bank(s) and the landlord) to the completion of the Subscription Agreement were yet to be satisfied and/or waived (as the case may be).

Company Shareholders should note that, in the event the Placing as required under Condition (p) above could not be completed or the number of Company Shares placed under the Placing would be less than the Company New Placing Shares upon completion of the Placing, the Condition (e) above would not be fulfilled as the Company would not be able to maintain the minimum prescribed percentage of public float as required under the Listing Rules. Thus, the Share Subscription could not be completed.

UNDERTAKINGS

Pursuant to the Subscription Agreement, the Company shall, to the extent permissible under applicable law and the Listing Rules and except as may be approved by the prior written consent of the Subscriber procure that:

(a) prior to the Completion Date, no alteration is made or agreed to be made to the memorandum and/or bye-laws or other constitutional documents of any Company Group Member;

(b) prior to the Completion Date, the affairs of the Company Group are conducted only in the ordinary and usual course of business and all reasonable steps are taken to preserve and protect the assets of each Company Group Member;

(c) prior to the Completion Date and subject to the provisions relating to publication of announcements and confidentiality in the Subscription Agreement, the Subscriber's representatives shall be allowed such access as is reasonably requested, upon reasonable notice and during working hours to:

   i. the books and records of each Company Group Member (including all statutory books, minute books, leases, contracts), with the right to take copies; and

   ii. the premises used by, and management of, the Company Group Member and their businesses;

(d) no Company Group Member does, allows or procures any act or omission which would constitute or give rise to a breach of any Company's warranties if the Company's warranties were repeated at any time before Completion by reference to the facts and circumstances then existing as if references in the Company's warranties to the date of the Subscription Agreement were references to the relevant date;

(e) the Company shall maintain its listing on the Stock Exchange;

(f) the Company shall pay any stamp, issue, registration, documentary or other taxes and duties, including interest and penalties in Bermuda, Hong Kong, the PRC and all other relevant jurisdictions payable on or in connection with the creation and issue of the Subscription Shares or the execution or delivery of the Subscription Agreement; and any value added, turnover or similar tax payable in respect thereof (and references in the Subscription Agreement to such amount shall be deemed to include any such taxes so payable in addition to it);

(g) the Company will forthwith notify the Subscriber of any change affecting any of its representations, warranties, agreements and indemnities in the Subscription Agreement at any time prior to payment being made to the Company on the Completion Date and take such steps as may reasonably be requested by the Subscriber to remedy and/or publicise the same;

(h) prior to the Completion Date, the Company shall not enter into any new arrangement or modify any existing arrangement to increase any borrowing or indebtedness, including in relation to the Company Group's Bank Facilities;

(i) prior to the Completion Date, the Company shall not form, establish, incorporate or acquire any other companies or other legal entities such that the current structure of the Company Group shall not be modified or differ in any way;

(j) prior to the Completion Date, neither Same Time International nor any of the Company Subsidiaries shall enter, direct, procure, arrange, organize or initiate Same Time International and/or the Company Subsidiaries to enter into, incur or allow to remain outstanding, any agreement or arrangement to increase the Company Group's Bank Facilities by in aggregate more than HK$200,000,000 (on no less favourable terms than the existing Company Bank Loans and on normal commercial terms), provided that at no time shall the outstanding Company Group's Bank Facilities of Same Time International and the Company Subsidiaries (in aggregate) be more than the Financial Debt Limit; and

(k) other than the provision of the indemnity by the Company to the Subscriber as set out in the paragraph headed "Indemnity" below, prior to the Completion Date, no Company Group Member shall enter into any new arrangement or modify any existing arrangement in relation to the giving of any guarantee, indemnity or other agreement to secure an obligation of a third party.

Pursuant to the Subscription Agreement, Same Time International shall, to the extent permissible under applicable law and the Listing Rules and except as may be approved by the prior written consent of the Subscriber procure that:

(a) following the Completion Date, Same Time International shall forthwith provide the Subscriber with a copy of the Company Monthly Management Accounts for each calendar month for each Company Subsidiary no later than by the twenty-fifth (25th) Business Day after the end of each calendar month;

(b) following the Completion Date, Same Time International shall, within 40 Business Days from the Company Future Accounts Date and within 30 Business Days from the Company Future Interim Accounts Date, provide the Subscriber with correct, up-to-date and accurate information of each of the Company Subsidiaries for the preparation of the Company Future Accounts and Company Future Interim Accounts (as the case may be) by the Company as the Subscriber may reasonably request;

(c) Same Time International and the Company Subsidiaries shall use their best efforts to have the Company discharged and released of all of its liabilities and obligations under the relevant guarantees entered into relating to the Company Bank Loans within 24 months of the date of the Subscription Agreement;

(d) following the Completion Date, Same Time International and the Company Subsidiaries shall inform each lender under the Company Future Bank Loans to be entered into on or after the Completion Date of the terms and conditions contained in the Subscription Agreement and shall use their best efforts to obtain consent and authorization from each lender under the Company Future Bank Loans to be entered into on or after the Completion Date in relation to all matters contemplated under the Subscription Agreement;

(e) other than as contemplated under the Subscription Agreement, no Company Subsidiary shall enter into any new contracts or arrangements using the Company as a party and/or any arrangements whereby the Company is subject to any obligations or liabilities by in aggregate more than HK$3,000,000; and

(f) following the Completion Date, neither Same Time International nor any of the Company Subsidiaries shall enter, direct, procure, arrange, organize or initiate Same Time International and/or the Company Subsidiaries to enter into, incur or allow to remain outstanding, any agreement or arrangement to increase the Company Group's Bank Facilities by in aggregate more than HK$200,000,000 (on no less favourable terms than the existing Company Bank Loans and on normal commercial terms), provided that at no time shall the outstanding Company Group's Bank Facilities of Same Time International and the Company Subsidiaries (in aggregate) be more than the Financial Debt Limit.

Any reference to "**Company Group**", "**Company Group Member**" or "**member of the Company Group**" above means the Company and/or any or all of the Company Subsidiaries.

Indemnity

Pursuant to the Subscription Agreement, the Company shall indemnify and keep indemnified (without set-off or counterclaim) the Indemnified Party against any and all monetary claims, losses, liabilities, costs, damages, expenses, fines or penalties incurred or suffered by the Indemnified Party (on an after-Tax basis) as a result of or in connection with (directly or indirectly) the occurrence of any of the following indemnified matters, including but are not limited to:

(a) any breach of the terms of the Subscription Agreement;

(b) any breach of the terms of the Company Original Placing Agreement, the Company New Placing Agreement or the Company Supplemental Placing Agreement (as the case may be) (i.e. as at the Latest Practicable Date, the Amended and Restated Placing Agreement) and any arrangements arising out of or in relation to the transactions contemplated in each of the Company Original Placing Agreement and the Company New Placing Agreement or the Company Supplemental Placing Agreement (as the case may be) (i.e. as at the Latest Practicable Date, the Amended and Restated Placing Agreement);

(c) from time to time, any breach of the terms of the Company Group's Bank Facilities (including, without limitation any default of the Company Group's Bank Facilities and claims in relation to the relevant guarantees entered into in relation to the Company Group's Bank Facilities (if any)) which requires the provision of assistance (financial or otherwise) by the Company to any other Company Group Member or direct payment by the Company to the lender under any of the Company Group's Bank Facilities;

(d) the provision of assistance (financial or otherwise) by the Company to any Company Group Member in relation to any contract, obligation or arrangement entered into by any Company Group Member (other than the Company Service Agreement and the relevant agreements entered into by the Company in relation to the Company Group's Bank Facilities);

(e) the provision of assistance (financial or otherwise) by the Company to any Company Group Member arising out of or relating to any failure to comply in any manner with any taxation requirements in Hong Kong, Macau or elsewhere as well as related penalties and non-payment of such tax liability of the Company or any Company Group Member;

(f) the provision of assistance (financial or otherwise) by the Company to any Company Group Member arising out of or relating to the following matters:

i. any event or circumstance or any combination of them, which results in any material adverse effect on the operation of any plant operated by any Company Subsidiary;

ii. any failure to obtain requisite approvals, permits or other consents required by any Company Subsidiary for the purpose of carrying on its business from the relevant Governmental Entity;

iii. any failure to comply with regulatory development requirement with respect to any plot of land held by a Company Subsidiary;

iv. subsequent payment of taxes for which exemptions or preferential treatments had been obtained or granted to a Company Subsidiary as well as related penalties and non-payment of any tax liability of a Company Subsidiary, and

v. any failure to comply in any manner with any legal or regulatory requirement with respect to labour issues arising out of or in connection with any Company Group Member.

Any reference to "**Company Group**", "**Company Group Member**" or "**member of the Company Group**" above means the Company and/or any or all of the Company Subsidiaries.

All claims under the above indemnity shall be made during a period commencing from the Completion Date and ending on the date which:

(a) Mr. Yip shall be removed as a Company Director by the Company (provided that, removal of Mr. Yip as a Company Director as a result of being disqualified from acting as a Company Director for any failure to comply with the applicable legal and/or regulatory requirements of a director of a listed company on the Stock Exchange or self-induced termination of office as a Company Director by Mr. Yip shall not be treated as a removal of the directorship by the Company);

(b) Mr. Yip not being re-elected as a Company Director upon his retirement from office by rotation at annual general meeting of the Company, provided that the sole reason for Mr. Yip not being re-elected as a Company Director is that the Subscriber voted against Mr. Yip's re-election;

(c) Mr. Yip and his family (namely Mr. Yip Wing Fung, Madam Yu Hung Min and Mr. Yip How Yin, Maurice) shall cease to control the board of directors of any Company Subsidiary as a result of Mr. Yip and his family being removed from the board of any Company Subsidiary by the Company (provided that removal of any of Mr. Yip and his family as a director of any Company Subsidiary as a result of being disqualified from acting as a director for any failure to comply with the applicable legal and/or regulatory requirements or self-induced termination of office as a director shall not be treated as a removal of the directorship by the Company); or

(d) the expiry of 30 months from the Completion Date (on the basis of 30 calendar days per month),

whichever is earlier. The liabilities in relation to any claims made within the above period of time continue to subsist following the end of the period.

Termination

At any time prior to payment of the total Subscription Price to the Company:

(a) if there shall have come to the notice of the Subscriber any breach of, or any event rendering untrue or incorrect in any respect, any of the warranties, representations and undertakings contained in the Subscription Agreement or any failure to perform any of the Company's undertakings or agreements in the Subscription Agreement;

(b) if any of the Conditions has not been satisfied, or waived by the Subscriber (to the extent waivable), on or prior to the Completion Date;

(c) if, in the reasonable opinion of the Subscriber, there shall have occurred any of the following events:

i. a suspension or a material limitation in trading in securities generally on the Stock Exchange and/or any other stock exchange on which the Company's securities are traded;

ii. a suspension or a material limitation in trading in the Company's securities on the Stock Exchange and/or any other stock exchange on which the Company's securities are traded (other than a suspension as a result of the announcement in respect of the Share Subscription);

iii. a general moratorium on commercial banking activities in the United States, Hong Kong and/or the PRC declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States, Hong Kong or the PRC; or

iv. a change or development involving a prospective change in taxation affecting the Company, the Company Shares, or the transfer thereof which is likely to prejudice materially the success of the issue and distribution of the Subscription Shares or dealings in the Subscription Shares in the secondary market;

(d) if, in the reasonable opinion of the Subscriber, there shall have occurred any event or series of events (including the occurrence of any local, national or international outbreak or escalation of disaster, hostility, insurrection, armed conflict, act of terrorism, act of God or epidemic) as would in its view be likely to prejudice materially the success of the issue of the Subscription Shares,

then the Subscriber shall be entitled (but not bound) by written notice to the Company to elect to treat such event, breach or failure as terminating the Subscription Agreement notwithstanding any other provisions of the Subscription Agreement.

Completion

Completion shall take place on the fifth (5th) Business Day from and excluding the date on which the last of the Conditions of the Share Subscription mentioned above has been fulfilled or waived (as the case may be) (or such other date as the parties to the Subscription Agreement may agree in writing).

Ranking of the Subscription Shares

The Subscription Shares, when issued and fully-paid, will rank *pari passu* in all respects among themselves and with the Company Shares in issue as at the date of allotment and issue of the Subscription Shares, including the right to receive all future dividends and distributions which may be declared, made or paid by the Company on or after the date of allotment and issue of the Subscription Shares.

Specific Mandate

The issue of the Subscription Shares is subject to approval by the Company Independent Shareholders. An ordinary resolution will be proposed at the Company SGM to seek, among other things, the Specific Mandate to issue the Subscription Shares pursuant to the Subscription Agreement.

Information on the Company

The Company is an exempted company incorporated in Bermuda with limited liability and the Company Shares are listed on the Main Board of the Stock Exchange. The Company and its Subsidiaries are principally engaged in the manufacturing and selling of printed circuit boards.

Information on Same Time International

Same Time International is incorporated in the British Virgin Islands and is wholly-owned by the Company. Same Time International is an investment holding company.

Effect of the Share Subscription on the shareholding structure of the Company

The following table illustrates the shareholding structure of the Company as at the Latest Practicable Date and immediately following Completion (assuming that there is no change in the issued share capital of the Company other than the issue of (i) the Subscription Shares; (ii) the Conversion Shares; and (iii) the Company New Placing Shares).

	Existing shareholding		**Immediately after Completion**	
	Number of Company Shares	*%*	*Number of Company Shares*	*%*
Subscriber and parties acting in concert with it	—	—	360,000,000	67.99
Sum Tai Holdings Limited *(Note 1)*	31,695,475	36.88	31,695,475	5.99
Maroc Ventures Inc *(Note 1)*	3,598,498	4.19	3,598,498	0.68
Mr. Chung *(Note 2)*	1,426,000	1.66	34,968,857	6.60
Placees *(Note 3)*	—	—	50,000,000	9.44
Public Shareholders	49,228,547	57.27	49,228,547	9.30
Total	85,948,520	100	529,491,377	100

Notes:

1. As at the Latest Practicable Date, 31,695,475 Company Shares were beneficially owned by Sum Tai Holdings Limited, which is wholly-owned by Aberdare Assets Limited. Aberdare Assets Limited is wholly-owned by Mr. Yip How Yin, Maurice, the brother of Mr. Yip, as trustee of a discretionary trust established for the benefit of Mr. Yip, an executive Company Director and the chairman of the Company, Madam Yu Hung Min, an executive Company Director, and their family (including Mr. Yip Wing Fung, an executive Company Director). 3,598,498 Company 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.

2. As at the Latest Practicable Date, Mr. Chung, an executive Company Director, personally owns 876,000 Company Shares. The balance of 34,092,857 Company Shares/securities comprise corporate interest of 550,000 Company Shares and a maximum number of 33,542,857 Company Shares issuable under the full exercise of the Convertible Bond held by the CB Holder. The CB Holder is owned as to 50% by Standard Smart Limited (wholly-owned by Mr. Chung) and 50% by Global Hill Limited (wholly-owned by Chen Geng). As a Condition to Completion, the Convertible Bond will be converted into 33,542,857 Company Shares following the Company SGM but before Completion.

3. The Placees upon completion of the Amended and Restated Placing Agreement (assuming that the conditions of the Amended and Restated Placing Agreement will be fulfilled and Completion will take place).

At the Latest Practicable Date, the Company has outstanding Convertible Bond in the principal amount of HK$58,700,000 which confers the right on the CB Holder to fully convert into 33,542,857 Company Shares at the conversion price of HK$1.75 per Company Share (subject to adjustments). Save as disclosed above, the Company has no other outstanding warrants, options or securities convertible into Company Shares as at the Latest Practicable Date.

Deed of Indemnity

In connection with the Subscription Agreement, Mr. Yip will upon Completion execute a deed of indemnity in favour of the Subscriber pursuant to which Mr. Yip shall undertake to indemnify and keep indemnified (without set-off or counterclaim) the Indemnified Party against any and all monetary claims, losses, liabilities, costs, damages, expenses, fines or penalties incurred or suffered by the Indemnified Party (on an after-Tax basis) as a result of or in connection with (directly or indirectly) the occurrence of any of the Indemnified Matters. The Indemnified Matters include, but are not limited to:

(a) any breach of the terms of the Subscription Agreement;

(b) from time to time, any breach of the terms of the Company Group's Bank Facilities (including, without limitation any default of the Company Group's Bank Facilities and claims in relation to the relevant guarantees entered into in relation to the Company Group's Bank Facilities (if any)) which requires the provision of assistance (financial or otherwise) by the Company to any other Company Group Member or direct payment by the Company to the lender under any of the Company Group's Bank Facilities;

(c) the provision of assistance (financial or otherwise) by the Company to any Company Group Member in relation to any contract, obligation or arrangement entered into by any Company Group Member (other than the Company Service Agreement and the relevant agreements entered into by the Company in relation to the Company Group's Bank Facilities);

(d) the provision of assistance (financial or otherwise) by the Company to any Company Group Member arising out of or relating to any failure to comply in any manner with any taxation requirements in Hong Kong, Macau or elsewhere as well as related penalties and non-payment of such tax liability of the Company or any Company Group Member;

(e) the provision of assistance (financial or otherwise) by the Company to any Company Group Member arising out of or relating to the following matters:

  i. any event or circumstance or any combination of them, which results in any material adverse effect on the operation of any plant operated by any Company Subsidiary;

  ii. any failure to obtain requisite approvals, permits or other consents required by any Company Subsidiary for the purpose of carrying on its business from the relevant Governmental Entity;

  iii. any failure to comply with regulatory development requirement with respect to any plot of land held by a Company Subsidiary;

  iv. subsequent payment of taxes for which exemptions or preferential treatments had been obtained or granted to a Company Subsidiary as well as related penalties and non-payment of any tax liability of a Company Subsidiary, and

  v. any failure to comply in any manner with any legal or regulatory requirement with respect to labour issues arising out of or in connection with any Company Group Member.

All claims under the above indemnity shall be made during a period commencing from the Completion Date and ending on the date which:

(a) Mr. Yip shall be removed as a Company Director by the Company (provided that, removal of Mr. Yip as a Company Director as a result of being disqualified from acting as a Company Director for any failure to comply with the applicable legal and/or regulatory requirements of a director of a listed company on the Stock Exchange or self-induced termination of office as a Company Director by Mr. Yip shall not be treated as a removal of the directorship by the Company);

(b) Mr. Yip not being re-elected as a Company Director upon his retirement from office by rotation at annual general meeting of the Company, provided that the sole reason for Mr. Yip not being re-elected as a Company Director is that the Subscriber voted against Mr. Yip's re-election;

(c) Mr. Yip and his family (namely Mr. Yip Wing Fung, Madam Yu Hung Min and Mr. Yip How Yin, Maurice) shall cease to control the board of directors of any Company Subsidiary as a result of Mr. Yip and his family being removed from the board of any Company Subsidiary by the Company (provided that removal of any of Mr. Yip's family as a director of any Company Subsidiary as a result of being disqualified from acting as a director for any failure to comply with the applicable legal and/or regulatory requirements or self-induced termination of office as a director shall not be treated as a removal of the directorship by the Company); or

(d) the expiry of 30 months from the Completion Date (on the basis of 30 calendar days per month),

whichever is earlier. The liabilities in relation to any claims made within the above period of time continue to subsist following the end of the period.

Mr. Yip's liability to indemnify the Indemnified Party under the Deed of Indemnity is a continuing obligation which will continue to apply following any variation, or extension to the Subscription Agreement (however fundamental and of whatsoever nature and however or not more onerous) provided that any such variation, or extension to the Subscription Agreement shall be made prior to the Completion Date.

Mr. Yip's and Mr. Chung's Non-disposal Undertaking

On 24 March 2014, Mr. Chung and Mr. Yip have signed their respective letters of undertaking to the Company ("**Non-disposal Undertaking Letters**") pursuant to which, among other things, each of them has undertaken to the Company that, for a period of six months following Completion, not to dispose of any of the Company Shares directly or indirectly owned by them other than the obligations required to be fulfilled by Mr. Chung and the CB Holder with respect to an outstanding loan due to VC Finance Limited. To the best of the Company Directors' knowledge, information and belief and after having made all reasonable enquiries, VC Finance Limited is independent of the Company and the Subscriber.

As at the Latest Practicable Date, Mr. Chung's personal interest and corporate interests of an aggregate of 1,426,000 Company Shares are subject to the Non-Disposal Undertaking Letter of Mr. Chung and the CB Holder has charged the Convertible Bond in the aggregate amount of HK$18,000,000 to VC Finance Limited. Upon full conversion of the Convertible Bond, the CB Holder shall charge such number of the Company Shares as converted under the Convertible Bond in respect of the amount of HK$18,000,000 to VC Finance Limited in accordance with the terms of the loan agreements with VC Finance Limited, and such converted Company Shares shall not be subject to the Non-disposal Undertaking Letter signed by Mr. Chung to the Company.

Given that Mr. Yip and Mr. Chung, together with their respective associates, currently represent the top two largest Company Shareholders as at the Latest Practicable Date, Mr. Yip and Mr. Chung have signed their respective Non-disposal Undertaking Letters to the Company so as to demonstrate their belief in the prospects of the Company after Completion. In addition, Mr. Yip and Mr. Chung would like to show their willingness to continue their support of the Company Shares for a reasonable period following Completion.

PLACING OF COMPANY NEW PLACING SHARES UNDER THE PLACING SPECIFIC MANDATE

On 30 October 2013, the Company and the Placing Agent entered into the Company Original Placing Agreement pursuant to which the Company appointed the Placing Agent as its placing agent to procure not less than six Placee(s) who are independent third parties to subscribe up to an aggregate of 20,000,000 Company Shares each at a price of HK$4.00 per Company Share and convertible redeemable bonds which are convertible into 60,000,000 Company Shares (on a best efforts basis) on the terms and subject to the conditions of the Company Original Placing Agreement.

Having considered the entering into of the Subscription Agreement by the Company and the Subscriber in relation to the Share Subscription by the Subscriber and the Conditions required to be fulfilled by the Company in relation to the full placement of 50,000,000 new Company Shares to Independent Third Parties, the Company and the Placing Agent further discussed on the terms of the Company Original Placing Agreement and on 28 February 2014 (after trading hours on the Stock Exchange), the Company and the Placing Agent entered into the Amendment Deed whereby the parties have agreed to amend the terms and conditions of the Company Original Placing Agreement.

Pursuant to the Amendment Deed, the parties have agreed to amend the terms and conditions of the Company Original Placing Agreement as provided in the Amended and Restated Placing Agreement and the Company and the Placing Agent have agreed to adopt the Amended and Restated Placing Agreement which was executed by the parties immediately after the execution of the Amendment Deed. Pursuant to the Amendment Deed, the Company and the Placing Agent have agreed to increase the number of new Company Shares to be placed from 20,000,000 Company Shares pursuant to the Company Original Placing Agreement to 50,000,000 new Company Shares (on a best effort basis) at a price of HK$4.00 per Company New Placing Share (being the placing price as agreed by the parties pursuant to the Company Original Placing Agreement) and there will be no convertible redeemable bonds tranche under the Placing. The latest date of fulfilling the conditions precedent is also extended from 28 February 2014 to 23 April 2014. The Amendment Deed contains the entire agreement between the Company and the Placing Agent relating to the Placing (as amended) and supersedes all previous understanding, arrangements and agreements between the parties or any of them in relation to the Company Original Placing Agreement.

Date

The Amendment Deed was entered into on 28 February 2014 (after trading hours on the Stock Exchange) and the Amended and Restated Placing Agreement was entered into on 28 February 2014 (immediately after the entering into of the Amendment Deed).

Parties

Issuer:	the Company
Placing Agent:	Fortune (HK) Securities Limited

To the best of the Company Directors' knowledge, information and belief and after having made all reasonable enquiries, each of the Placing Agent and their respective ultimate beneficial owners are independent of the Company, its Subsidiaries, connected persons and their respective Associates.

Principal terms

Pursuant to the Amended and Restated Placing Agreement, the Placing Agent has agreed to procure subscriptions for the Company New Placing Shares on a best effort basis.

Details of the Company New Placing Shares

Company New Placing Shares: 50,000,000 new Company Shares to be allotted and issued by the Company, representing (i) approximately 58.17% of the issued share capital of the Company as at the date of the Amended and Restated Placing Agreement; and (ii) approximately 36.78% of the issued share capital of the Company as enlarged by the allotment and issue of the Company New Placing Shares.

Placing Price: HK$4.00 per Company New Placing Share (being the placing price as agreed by the parties pursuant to the Company Original Placing Agreement), representing:

(i) a discount of approximately 55.6% to the closing price of HK$9.00 per Company Share as quoted on the Stock Exchange on 30 October 2013, being the Placing Last Trading Date;

(ii) a discount of approximately 69.5% to the closing price of HK$13.10 per Company Share as quoted on the Stock Exchange on 28 March 2014, being the Latest Practicable Date;

(iii) a discount of approximately 47.6% to the average closing price of approximately HK$7.63 per Company Share as quoted on the Stock Exchange for the last five (5) trading days of the Company Shares up to and including the Placing Last Trading Date;

(iv) a discount of approximately 43.9% to the average of the closing price of approximately HK$7.13 per Company Share as quoted on the Stock Exchange for the last ten (10) trading days up to and including the Placing Last Trading Date;

(v) a discount of approximately 21.0% to the unaudited consolidated net asset value attributable to the Company Shareholders per Company Share of approximately HK$5.06 per Company Share as at 30 September 2013, being the date of the latest interim results; and

(vi) a discount of approximately 19.5% to the consolidated net asset value attributable to the Company Shareholders per Company Share of approximately HK$4.97 per Company Share as at 31 March 2013, being the date of the latest annual results.

The placing price for the Placing was arrived at after arm's length negotiations between the Company and the Placing Agent with reference to the liquidity, the trading performance of the Company Shares, the financial performance of the Company and the Subscription Price of the Subscription Shares.

Placees: no fewer than six investors who are either professional or institutional investors or other investors selected by the Placing Agent as contemplated by the Amended and Restated Placing Agreement who are independent of

(i) the Company (and its Subsidiaries);

(ii) its connected person(s) and their respective Associate(s);

(iii) parties acting in concert with the Subscriber or its parties acting in concert or associates (as defined in the Takeovers Code); and

(iv) any persons, other Placee(s) or Company Shareholders,

provided that any Placing to any such investor shall not trigger any mandatory offer obligation under Rule 26.1 of the Takeovers Code.

Placing Period:	the period commencing immediately after the date on which the Amended and Restated Placing Agreement was entered into by the parties and expiring at 5:00 p.m. on the Business Day falling five (5) Business Days prior to the Placing Closing Date (both dates inclusive).
Ranking of the Company New Placing Shares:	The Company New Placing Shares, when issued and fully paid up, will rank *pari passu* in all respects with the Company Shares in issue at the time of allotment and issue of the Company New Placing Shares.

The commission to be received by the Placing Agent will be 2% of the aggregate amount raised from the Placing which is the same as in the Company Original Placing Agreement.

Conditions

Completion of the Placing is conditional upon:

(a) the passing of ordinary resolutions by the Company Shareholders to approve the Amendment Deed, the Amended and Restated Placing Agreement and the transactions contemplated thereunder, the Placing Specific Mandate and the Placing at the Company SGM; and

(b) the Listing Committee granting approval for the listing of, and permission to deal in, the Company New Placing Shares on the Stock Exchange and the approval not having been subsequently revoked or cancelled.

The conditions above cannot be waived by any party. Each of the Company and the Placing Agent shall use their respective best efforts to procure the satisfaction of the conditions set out in the abovementioned conditions, but if the conditions shall not have been so satisfied by 23 April 2014 (or such later date as may be agreed by the parties) or any of the force majeure event as stated in the Amended and Restated Placing Agreement shall have occurred, subject to certain conditions therein, all obligations of the Placing Agent and of the Company under the Amended and Restated Placing Agreement shall cease and determine and none of the parties shall have any claim against the other in relation thereto save for any antecedent breach of any obligations under the Amended and Restated Placing Agreement and without prejudice to the accrued rights and liabilities of the parties.

Completion of the Placing

Completion of the Placing will take place on the Placing Closing Date.

Proceeds from the Placing

On the assumption that all the Company New Placing Shares are placed in full, the gross proceeds and the net proceeds of the Placing are approximately HK$200,000,000 and HK$195,000,000, respectively. The estimated amount of the expenses payable by the Company for the Placing is expected to be approximately HK$5,000,000. The aggregate nominal value of the Company New Placing Shares under the Placing will be HK$5,000,000.

Effect of the Placing on shareholding structure of the Company

The effect on the shareholding structure of the Company before and after completion of the Placing (taking into account of the completion of the Share Subscription) is set out in the paragraph headed "Effect of the Share Subscription on the shareholding structure of the Company" of the section "The Subscription Agreement" in this circular.

REASONS FOR THE SHARE SUBSCRIPTION AND THE PLACING

The Company Group is principally engaged in the manufacturing and sale of printed circuit boards. The Company Directors consider that the Placing offers good opportunities to raise further capital and broaden the shareholders base of the Company thereby increasing the liquidity of the Company Shares as well as to strengthen the financial position of the Company Group to prepare itself for future diversification of its business into renewable energy sector and/or for future development of the Company Group as and when investment opportunities arise. The Company Directors consider that the terms of Company Original Placing Agreement, as amended and superseded by the Amendment Deed and the Amended and Restated Placing Agreement, are fair and reasonable and the Placing is in the interests of the Company and the Company Shareholders as a whole.

The Company Directors consider that the business environment of the existing business of the Company Group remains challenging although the global economy has shown signs of gradual recovery. The Company Directors note the reviving operating performance of the business of the Company Group but the Company Directors are skeptical about the sustainability of a continued improvement in a longer term. Meanwhile, the Company Directors also note the increasing trend in minimum wage of the PRC in recent years and the increased mobility of workforce and consider that it may continue to have significant impact on the financial performance of the Company Group as the existing business of the Company Group has been labour intensive. Therefore, the Company Directors are of the view that it is necessary for the Company to seek other suitable business opportunities in order to diversify the existing business of the Company Group with a view to achieving significant growth potential and maximizing the returns to the Company Shareholders. Based on the information available to the Company Directors, including, *inter alia*:

(i) the growing demand for energy in the PRC;

(ii) increasing number of policies favoring renewable energy sectors in the PRC;

(iii) historic growth rate in the solar industry on the PRC and future outlook;

(iv) advancement in the technology of photovoltaic products has enabled the reduction of manufacturing cost and also led to lower investments per generated Watt of energy and that solar farms are currently close to grid parity where solar farm operators can compete with traditional power plants more effectively;

(v) the Share Subscription and the intended use of proceeds;

(vi) the background of the Subscriber; and

(vii) the management to be nominated to the Company Board to determine, supervise and implement appropriate strategy to expand the business of the Company into renewable energy sector,

the Company Directors envisage that the Company would be able to leverage on the experience and business connection of the Subscriber to identify and invest in solar projects and/or solar energy assets with potentially good return.

In addition, the Company Directors are of the view that the Share Subscription represents a valuable opportunity for the Company Group to bring in a solid strategic corporate investor which has extensive experience, strong expertise and a wide business network in the solar industry and would greatly assist the business mix, business network, growth prospects, capital structure, financing capability, branding and business profile of the Company. The Company Directors consider that the entering into of the Subscription Agreement represents a good opportunity to:

(a) raise a substantial amount of additional funds for the Company as well as to enhance the shareholder base of the Company;

(b) improve the financial and liquidity position of the Company Group; and

(c) provide the Company with the financial flexibility necessary for the Company Group's future business development and the capability to capture any prospective investment opportunity as and when it arises.

The Company Directors (excluding Mr. Yip, Mr. Chung, Mr. Yip Wing Fung and Madam Yu Hung Min but including the independent non-executive Company Directors), having considered the advice of the Company Independent Financial Adviser, believe that the Share Subscription is in the interests of the Company and the Company Shareholders as a whole.

As stated in the section headed "Reasons for the Share Subscription" of the "Letter from the Subscriber" in this circular, the Subscriber Directors consider that the Share Subscription represents a good opportunity for the Subscriber as it has the intention to leverage on a separate listing platform to focus on the renewable energy sector and in particular, solar plants, solar projects and solar energy assets. By doing so, the Subscriber's businesses will become more focused and organized. The Subscriber Directors are of the view that the terms of the Subscription Agreement are fair and reasonable and the entering into of the Subscription Agreement is in the interest of the Subscriber and Subscriber Shareholders as a whole.

It is one of the Conditions required to be fulfilled pursuant to the Subscription Agreement that the Company should fully place 50,000,000 new Company Shares to Independent Third Parties and in order to maintain the public float requirement under the Listing Rules, the Company and the Placing Agent entered into the Company Original Placing Agreement as amended and superseded by the Amendment Deed and the Amended and Restated Placing Agreement.

The Company intends to use the funds raised from the Share Subscription (after deducting for the costs and expenses that the Company and Same Time International are responsible for pursuant to the Subscription Agreement) and the net proceeds from the Placing to diversify its business and to leverage on the experience and expertise of the Subscriber to expand into the renewable energy sector, which will include developing, acquiring or investing into greenfield or existing solar plants, solar projects, solar energy assets or through other similar opportunities. Up to the Latest Practicable Date, in view of the proposed substantial change to the Company Board, the Company has not yet entered into any formal negotiations nor any legally binding agreements in relation to any potential acquisitions and investments by the Company. The Company will comply with the Listing Rules in relation to any future acquisition or investment where applicable.

As stated in the section headed "Further Intention of the Subscriber regarding the Company Group" of the "Letter from the Subscriber" in this circular, it is anticipated that following Completion, the Company will enter into agreements to provide operation and management services to solar power plants owned by the Subscriber. It is also anticipated that the solar power plants under development by the Subscriber will be operated and managed by the Company under this arrangement following their completion.

As stated in the section headed "Further Intention of the Subscriber regarding the Company Group" of the "Letter from the Subscriber" in this circular, it is anticipated that as a potential developer of greenfield projects, the Company may have to source certain raw materials such as wafers and modules from a range of suppliers, including independent third parties and potentially, the Subscriber. The Subscriber, as a wafer and modules supplier, may enter into an agreement to supply wafers and modules to the Company after Completion.

As the Subscriber will be a controlling shareholder (as defined in the Listing Rules) upon Completion and hence a connected person of the Company, such operation and management services agreements and supply agreements will constitute connected transactions of the Company and the Subscriber. The Company and the Subscriber will comply with the relevant disclosure and shareholders' approval requirements under the Listing Rules in relation to connected transactions as and when appropriate.

RESIGNATION OF COMPANY DIRECTORS

Pursuant to the Subscription Agreement, each of Madam Yu Hung Min, Mr. Chung, Mr. Mao Lu, Mr. Yip Wing Fung, Mr. Lai Wing Leung, Peter, Mr. Lam Kwok Cheong and Madam Lee Mei Ling shall resign as a Company Director upon Completion.

APPOINTMENT OF COMPANY DIRECTORS

The Company Board has proposed the following persons, namely, Mr. Zhu Gongshan, Mr. Tang Cheng, Mr. Gu Xin, Ms. Hu Xiaoyan, Ms. Sun Wei, Mr. Yu Baodong, Mr. Wang Bohua, Mr. Xu Songda, Mr. Han Qing-hua and Mr. Lee Conway Kong Wai as the candidates for election as the Company Directors at the Company SGM. If the above candidates are approved by the Company Shareholders at the Company SGM, their appointment as Company Directors will take effect from Completion.

The biographical details of the above candidates are set out below:

Executive Directors

Mr. ZHU Gongshan (朱共山), aged 56, is the founder of the Subscriber. He has been an executive director of the Subscriber since July 2006 and is the chairman, chief executive officer and a member of the Strategic Planning Committee of the Subscriber. He is currently:

- a member of the 12th National Committee of the Chinese People's Political Consultative Conference;
- the co-chairman of Asian Photovoltaic Industry Association;
- the deputy chairman of China Fortune Foundation Limited;
- the co-chairman of China Photovoltaic Industry Alliance as a representative of the Subscriber;
- the vice chairman of the Cogeneration Professional Committee of the Chinese Society for Electrical Engineering (中國電機工程學會熱電專業委員會);
- the vice chairman of China Overseas Chinese Entrepreneurs Association;
- the vice chairman of China Industrial Overseas Development & Planning Association;
- the honorary chairman of the board of directors of Nanjing University;
- the honorary president of Hong Kong Baptist University Foundation as a representative of the Subscriber;
- the director of the Economic Affairs Committee (經濟專務委員會) of Jiangsu Chinese Overseas Friendship Association (江蘇省海外聯誼會);

- the vice director-general of Jiangsu Foundation for the Wellbeing of the Youth;
- the honorary chairman of Jiangsu Residents Association in Hong Kong;
- the honorary chairman of Jiangsu Yancheng Residents Association in Hong Kong;
- the chairman of Hong Kong Yancheng Chamber of Commerce Limited;
- the honorary chairman of Xuzhou Chamber of Commerce in Shenzhen (深圳市徐州商會);
- the vice president of Chinese Renewable Energy Industries Association;
- a member of China Renewable Energy Entrepreneur Club;
- a fellow of the Hong Kong Institute of Directors; and
- the honorary chairman of Africa Food Fund (非洲糧食基金).

Mr. Zhu has been awarded the China Securities Golden Bauhinia — Most Influential Leader Award. Mr. Zhu graduated from Nanjing Power College (南京電力專科學校) in July 1981 and obtained a diploma in electrical automation. In October 2005, he further obtained a degree of Doctor of Philosophy in Business Administration from the Bulacan State University of the Republic of the Philippines.

As at the Latest Practicable Date, Mr. Zhu has not entered into any service contract with the Company and he is subject to retirement by rotation and re-election in accordance with the bye-laws of the Company. The director's fee of Mr. Zhu as an executive director is to be determined by the Company Board with reference to his experience and prevailing market levels for director's fees for executive directors. As at the Latest Practicable Date, Mr. Zhu has no interest in the Company Shares within the meaning of the SFO. Save as disclosed above, Mr. Zhu has not held any other directorships in any public listed companies in the past three years and, is not connected with any Company Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company. Mr. Zhu confirmed that there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there are no matters that need to be brought to the attention of the Company Shareholders.

Mr. TANG Cheng (唐成), aged 51. He joined Golden Concord Holdings Limited as a president in June 2010 and concurrently served as the chairman of GCL New Energy Holdings Limited (協鑫新能源控股有限公司) since January 2014. Mr. Tang has extensive experience in the management and operation of power plants. He was the general manager of China Resources (Xuzhou) Electric Power Co., Ltd. from July 2001 to October 2002 and the general manager of China Resources (Changshu) Electric Power Co., Ltd. from November 2002 to March 2006. From August 2003 to April 2010, he served as an executive director and executive vice president of

China Resources Power Holdings Company Limited (Stock Code: 836). Mr. Tang obtained a Master of Business Administration degree from China Europe International Business School in March 2002.

As at the Latest Practicable Date, Mr. Tang has not entered into any service contract with the Company and he is subject to retirement by rotation and re-election in accordance with the bye-laws of the Company. The director's fee of Mr. Tang as an executive director is to be determined by the Company Board with reference to his experience and prevailing market levels for director's fees for executive directors. As at the Latest Practicable Date, Mr. Tang has no interest in the Company Shares within the meaning of the SFO. Save as disclosed above, Mr. Tang has not held any other directorships in any public listed companies in the past three years and, is not connected with any Company Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company. Mr. Tang confirmed that there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there are no matters that need to be brought to the attention of the Company Shareholders.

Mr. GU Xin (顧新), aged 62, has been the president of GCL New Energy Holdings Limited (協鑫新能源控股有限公司) since November 2012. Mr. Gu worked at Jiangsu branch of China Power Investment Corporation (中國電力投資集團江蘇分公司) from June 2009 to September 2012, he served as the general manager from June 2010 to September 2012 and the representative director from June 2009 to June 2010. He was the deputy general manager of the Jiangsu Electricity and Power Supplies Limited Company (江蘇電力物資有限公司) from November 2006 to June 2009. Prior to that, Mr. Gu worked at the Suyuan Group under the Jiangsu Provincial Power Company (江蘇省電力公司蘇源集團) from January 1992 to November 2006 serving as the deputy general manager of Suyuan Group and concurrently as the general manager of Suyuan Power Company (蘇源發電有限公司). In January 1978, Mr. Gu obtained a diploma in Electronic Machinery and Measurement Technology from the department of radio engineering of Nanjing Institute of Technology, PRC (now Southeast University). Mr. Gu is currently the president of Suzhou GCL-Poly Solar Energy Investment Ltd.

As at the Latest Practicable Date, Mr. Gu has not entered into any service contract with the Company and he is subject to retirement by rotation and re-election in accordance with the bye-laws of the Company. The director's fee of Mr. Gu as an executive director is to be determined by the Company Board with reference to his experience and prevailing market levels for director's fees for executive directors. As at the Latest Practicable Date, Mr. Gu has no interest in the Company Shares within the meaning of the SFO. Save as disclosed above, Mr. Gu has not held any other directorships in any public listed companies in the past three years and, is not connected with any Company Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company. Mr. Gu confirmed that there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there are no matters that need to be brought to the attention of the Company Shareholders.

Ms. Hu Xiaoyan (胡曉艷), aged 42. Ms. Hu joined the Subscriber in September 2007 and is currently serving as the vice president of the Subscriber, responsible for strategic investment, operation management and asset management. Ms. Hu has extensive experience in corporate finance, internal audit, internal control, risk management, strategic investment and corporate governance. Ms. Hu passed the examination for the qualification to engage in PRC certified public accountants securities-related business (註冊會計師證券相關業務資格考試) on 15 July 1997. On 1 April 1999, Ms. Hu was awarded the qualification certificate as a registered tax agent issued jointly by the PRC Ministry of Personnel and the State Administration of Taxation. Ms. Hu obtained a Master of Business Administration degree from the China Europe International Business School in September 2008.

As at the Latest Practicable Date, Ms. Hu has not entered into any service contract with the Company and she is subject to retirement by rotation and re-election in accordance with the bye-laws of the Company. The director's fee of Ms. Hu as an executive director is to be determined by the Company Board with reference to his experience and prevailing market levels for director's fees for executive directors. As at the Latest Practicable Date, Ms. Hu has no interest in the Company Shares within the meaning of the SFO. Save as disclosed above, Ms. Hu has not held any other directorships in any public listed companies in the past three years and, is not connected with any Company Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company. Ms. Hu confirmed that there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there are no matters that need to be brought to the attention of the Company Shareholders.

Non-Executive Directors

Ms. SUN Wei (孫瑋), aged 42, has been an executive director of the Subscriber since October 2007. She is also a member of the Remuneration Committee and Strategic Planning Committee of the Subscriber. Ms. Sun is responsible for the financial management of the Subscriber's group, including participation in the budget planning process of the Subscriber's group. She is currently the vice director of China Hong Kong Economic Trading International Association. She has over 15 years of experience in power plant investment and management. Ms. Sun obtained a degree of Doctor of Philosophy in Business Administration from the Bulacan State University of the Republic of the Philippines in October 2005. Ms. Sun is currently a non-executive director of Asia Energy Logistics Group Limited (Stock Code: 351).

As at the Latest Practicable Date, Ms. Sun has not entered into any service contract with the Company and she is subject to retirement by rotation and re-election in accordance with the bye-laws of the Company. The director's fee of Ms. Sun as a non-executive director is to be determined by the Company Board with reference to his experience and prevailing market levels for director's fees for non-executive directors. As at the Latest Practicable Date, Ms. Sun has no interest in the Company Shares within the meaning of the SFO. Save as disclosed above, Ms. Sun has not held any other directorships in any public listed companies in the past three years and, is not connected with any Company Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company. Ms. Sun confirmed that there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there are no matters that need to be brought to the attention of the Company Shareholders.

Mr. YU Baodong (于寶東), aged 50, has been an executive director of the Subscriber since November 2006. He is a member of the Connected Transaction Committee, Corporate Governance Committee and Nomination Committee of the Subscriber. Mr. Yu is responsible for the overall development strategy and project implementation for the Subscriber's group. He has over 15 years of experience in project investment and corporate management. Mr. Yu graduated from the Wuhan University in the PRC in June 2005 and obtained a Doctorate degree in Economics. Mr. Yu is also the chairman and a non-executive director of Asia Energy Logistics Group Limited (Stock Code: 351).

As at the Latest Practicable Date, Mr. Yu has not entered into any service contract with the Company and he is subject to retirement by rotation and re-election in accordance with the bye-laws of the Company. The director's fee of Mr. Yu as a non-executive director is to be determined by the Company Board with reference to his experience and prevailing market levels for director's fees for non-executive directors. As at the Latest Practicable Date, Mr. Yu has no interest in the Company Shares within the meaning of the SFO. Save as disclosed above, Mr. Yu has not held any other directorships in any public listed companies in the past three years and, is not connected with any Company Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company. Mr. Yu confirmed that there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there are no matters that need to be brought to the attention of the Company Shareholders.

Independent non-executive Directors

Mr. Wang Bohua (王勃華), age 61. Mr. Wang currently serves as an independent director of Shengyi Technology Co., Ltd., a company listed on the Shanghai Stock Exchange (Stock code: 600183). Mr. Wang served as the deputy inspector of the Department of Electronics and Information Products Administration of the PRC Ministry of Information Industry (中華人民共和國信息產業部電子信息產品管理司) (now the PRC Ministry of Industry and Information Technology (中華人民共和國工業和信息化部)) from July 2007 to July 2012. Mr. Wang served as a member of the Professional Appraisal Group for the Science and Technology Progress Award of the PRC Ministry of Electronics Industry (中華人民共和國電子工業部科技進步獎) in December 1995. He was an expert for the review and appraisal of the 2002 National Key New Products (2002年度國家重點新產品) administered by the Department of Technological Progress and Equipment of the State Economic and Trade Commission (國家經濟貿易委員會技術進步與裝備司) in May 2002. Mr. Wang was elected as the vice president of the Fifth Council of China Electronic Production Equipment Industry Association (中國電子專用設備工業協會) in October 2004. In November 2004, he further served as a member and deputy director of the Eighth Committee of the CIE Electronic Components Society (中國電子學會元件分會) and the member of the Sixth Council of the Chinese Vacuum Society (中國真空學會). He was awarded qualification as a senior engineer by the PRC Ministry of Electronics Industry in September 1997.

As at the Latest Practicable Date, Mr. Wang has not entered into any service contract with the Company and he is subject to retirement by rotation and re-election in accordance with the bye-laws of the Company. The director's fee of Mr. Wang as an independent non-executive director is to be determined by the Company Board with reference to his experience and prevailing market levels for director's fees for independent non-executive directors. As at the Latest Practicable Date, Mr. Wang has no interest in the Company Shares within the meaning of the SFO. Save as disclosed above, Mr. Wang has not held any other directorships in any public listed companies in the past three years and, is not connected with any Company Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company. Mr. Wang confirmed that there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there are no matters that need to be brought to the attention of the Company Shareholders.

Mr. XU Songda (徐松達), aged 70. From August 1969 to 1983, Mr. Xu worked at Nanjing Power Plant (南京熱電廠), serving successively as its youth league secretary, deputy director and director. He then successively held the positions of the deputy director of Electric Power Industry Bureau of Jiangsu Province (江蘇省電力工業局), the deputy general manager, the deputy party secretary and other positions at Jiangsu Provincial Power Company (江蘇省電力公司) during 1983 to 2004. Mr. Xu graduated from the East China Institute of Water Conservancy (華東水利學院) (now Hehai University) in August 1969, obtained a Bachelor's degree in agricultural water conservation. He was granted the qualification of a senior engineer by the jury of senior positions in engineering at Electric Power Industry Bureau of Jiangsu Province (江蘇省電力工業局工程系列高級職務評審委員會) in December 1996. Mr. Xu was also granted the qualification of a senior engineer (professor level) by East China Power Group Corporation on 31 December 1997.

As at the Latest Practicable Date, Mr. Xu has not entered into any service contract with the Company and he is subject to retirement by rotation and re-election in accordance with the bye-laws of the Company. The director's fee of Mr. Xu as an independent non-executive director is to be determined by the Company Board with reference to his experience and prevailing market levels for director's fees for independent non-executive directors. As at the Latest Practicable Date, Mr. Xu has no interest in the Company Shares within the meaning of the SFO. Save as disclosed above, Mr. Xu has not held any other directorships in any public listed companies in the past three years and, is not connected with any Company Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company. Mr. Xu confirmed that there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there are no matters that need to be brought to the attention of the Company Shareholders.

Mr. Han Qing-hua (韓慶華), aged 64. Mr. Han served as the general manager of Building Materials Industry Corporation of Jiangsu Province (江蘇省建築材料工業總公司) and concurrently as the director of Jiangsu Provincial Building Materials Industry Management Office (江蘇省建材工業管理辦公室) from November 1998 to May 2000. He was promoted to the deputy secretary-in-general of Jiangsu Provincial Government in May 2000. Mr. Han graduated from Nanjing Forestry University in June 2007 and obtained a Ph.D degree of science in Ecology.

As at the Latest Practicable Date, Mr. Han has not entered into any service contract with the Company and he is subject to retirement by rotation and re-election in accordance with the bye-laws of the Company. The director's fee of Mr. Han as an independent non-executive director is to be determined by the Company Board with reference to his experience and prevailing market levels for director's fees for independent non-executive directors. As at the Latest Practicable Date, Mr. Han has no interest in the Company Shares within the meaning of the SFO. Save as disclosed above, Mr. Han has not held any other directorships in any public listed companies in the past three years and, is not connected with any Company Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company. Mr. Han confirmed that there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there are no matters that need to be brought to the attention of the Company Shareholders.

Mr. Lee Conway Kong Wai (李港衛), aged 59. Mr. Lee served as a partner of Ernst & Young. Mr. Lee has been a member of the Chinese People's Political Consultative Conference of Hunan Province in the PRC since 2007. Mr. Lee currently also serves as an independent non-executive director of Chaowei Power Holdings Limited (Stock Code: 951), Yashili International Holdings Ltd (Stock Code: 1230), West China Cement Limited (Stock Code: 2233), China Modern Dairy Holdings Ltd. (Stock Code: 1117), GOME Electrical Appliances Holding Limited (Stock Code: 493), Tibet 5100 Water Resources Holdings Ltd. (Stock Code: 1115), CITIC Securities Company Limited (Stock Code: 6030) and NVC Lighting Holding Limited (Stock Code: 2222), all being companies listed on the Main Board of the Stock Exchange, since June 2010, November 2013, July 2010, October 2010, March 2011, March 2011, November 2011 and November 2012, respectively. Mr. Lee also served as an independent non-executive director of Sino Vanadium Inc. (a company previously listed on the TSX Venture Exchange in Canada) (Stock Code: SVX) and China Taiping Insurance Holdings Company Limited (a company listed on the Main Board of the Stock Exchange) (Stock Code: 966) from September 2009 to December 2011 and from October 2009 to August 2013 respectively. Mr. Lee received a Bachelor's degree in arts from the Kingston University (formerly known as the Kingston Polytechnic) in London, the United Kingdom in July 1980 and obtained his postgraduate diploma in business from the Curtin University of Technology in Australia in February 1988. Mr. Lee became a member of the Institute of Chartered Accountants in England and Wales in October 2007, the Institute of Chartered Accountants in Australia in December 1996, the Association of Chartered Certified Accountants in September 1983, the Hong Kong Institute of Certified Public Accountants in March 1984 and the Macau Society of Registered Accountants in July 1995.

As at the Latest Practicable Date, Mr. Lee has not entered into any service contract with the Company and he is subject to retirement by rotation and re-election in accordance with the bye-laws of the Company. The director's fee of Mr. Lee as an independent non-executive director is to be determined by the Company Board with reference to his experience and prevailing market levels for director's fees for independent non-executive directors. As at the Latest Practicable Date, Mr. Lee has no interest in the Company Shares within the meaning of the SFO. Save as disclosed above, Mr. Lee has not held any other directorships in any public listed companies in the past three years and, is not connected with any Company Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company. Mr. Lee confirmed that there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there are no matters that need to be brought to the attention of the Company Shareholders.

ANNOUNCEMENT IN RELATION TO THE RESIGNATION OF THE COMPANY DIRECTORS AND THE APPOINTMENT OF THE PROPOSED COMPANY DIRECTORS

The Company will issue an announcement immediately following the resignation of the Company Directors and the appointment of the proposed Company Directors in compliance with the relevant disclosure requirements (including but not limited to the proposed Company Directors' emoluments) under the Listing Rules as and when appropriate. It is proposed that each of the proposed Company Directors will enter into a service agreement for a term of three years with the Company subject to retirement by rotation and re-election in accordance with the bye-laws of the Company.

PROPOSED RESIGNATION OF THE COMPANY SECRETARY AND SENIOR MANAGEMENT

The Company Board has proposed that the following senior management of the Company will resign with effect from the Completion Date, namely, Madam Shiu Man Ching, being the company secretary of the Company; Madam Ho Heung Ming, being the financial controller of the Company; and Mr. Li Ka Kit, being the qualified accountant of the Company.

The Company will issue an announcement immediately following the effective date of resignation of the company secretary of the Company and the appointment of the new company secretary in compliance with the relevant disclosure requirements under the Listing Rules as and when appropriate.

CHANGE OF COMPANY NAME

Reasons for the Change of Company Name

In order to reflect the diversification and expansion into the renewable energy sector, the Company proposes that, following Completion, to change its name from "SAME TIME HOLDINGS LIMITED" to "GCL New Energy Holdings Limited" and to adopt "協鑫新能源控股有限公司" as the secondary name of the Company.

The Company Board believes that the new name of the Company and the adoption of the secondary name of the Company will provide the Company with a fresh corporate image and identity and also better reflect the relationship between the Company and the Subscriber. The Company Board is of the opinion that the Change of Company Name is in the interests of the Company and the Company Shareholders as a whole.

Conditions for the Change of Company Name

The Change of Company Name is conditional upon the following Change of Company Name Conditions having been satisfied:

(a) the passing of a special resolution by the Company Shareholders at the Company SGM approving the Change of Company Name;

(b) the granting of the approval for the Change of Company Name by the Registrar of Companies in Bermuda; and

(c) the Completion.

The Change of Company Name will not take place unless all of the Change of Company Name Conditions have been satisfied. The Change of Company Name Conditions cannot be waived.

The relevant filings with the Registrar of Companies in Bermuda will be made after passing of the special resolution at the Company SGM.

The Change of Company Name will take effect from the date of entry of the new name and secondary name of the Company on the register maintained by the Registrar of Companies in Bermuda. The Company will then carry out all necessary filing procedures with the Companies Registry in Hong Kong.

Effect of Change of Company Name

The Change of Company Name will not affect any of the rights of the Company Shareholders. All existing share certificates of the Company in issue bearing the present name of the Company will, after the Change of Company Name becoming effective, continue to be effective as evidence of legal title and be valid for trading, settlement, registration and delivery purposes. Accordingly, there will not be any arrangement for the exchange of the existing share certificates of the Company for new share certificates bearing the new name of the Company.

Once the Change of Company Name has become effective, share certificates of the Company will be issued in the new name of the Company. Following approval from the Stock Exchange, the Company Shares will be traded on the Stock Exchange in the new stock short name of the Company.

Further announcement(s) will be made by the Company to inform the Company Shareholders of the effective date of the Change of Company Name, the new website address of the Company and the new stock short names of the Company under which the Company Shares will be traded on the Stock Exchange.

NO FUND RAISING EXERCISE FOR THE PAST 12 MONTHS

Save for the Share Subscription, the MOU as set out in the Company's announcement dated 29 October 2013 (although no definitive agreement had been entered into pursuant to the MOU), the Company Original Placing Agreement as set out in the Company's announcement dated 30 October 2013 as amended and superseded by the Amendment Deed and the Amended and Restated Placing Agreement, the Company did not undertake nor enter into any agreement to undertake any equity fund raising exercise in the past 12 months immediately before the Latest Practicable Date.

IMPLICATIONS UNDER THE TAKEOVERS CODE AND APPLICATION FOR WHITEWASH WAIVER

To the best knowledge, information and belief of the Company Directors, immediately after Completion, the Subscriber and parties acting in concert with it will in aggregate be interested in 360,000,000 new Company Shares, representing approximately 418.86% of the issued share capital of the Company as at the Latest Practicable Date and approximately 67.99% of the enlarged issued share capital of the Company as enlarged by the allotment and issue of (i) the Subscription Shares; (ii) the Conversion Shares; and (iii) the Company New Placing Shares (assuming that there is no change in the issued share capital of the Company other than (i) the issue of the Subscription Shares; (ii) the full conversion of the Convertible Bond; and (iii) the placing of the Company New Placing Shares) since the date of the Subscription Agreement and up to Completion.

Under Rule 26.1 of the Takeovers Code, the Subscriber would be obliged to make a mandatory general offer to the Company Shareholders for all the issued Company Shares and other securities of the Company not already owned or agreed to be acquired by it and any parties acting in concert with it, unless the Whitewash Waiver is obtained from the Executive. In this regard, the Subscriber has made an application to the Executive for the Whitewash Waiver in respect of the issue of the Subscription Shares. The Whitewash Waiver, if granted by the Executive, is subject to, among other things, approval by the Company Independent Shareholders at the Company SGM by way of poll. The Executive has indicated that it will grant the Whitewash Waiver subject to the approval of the Company Independent Shareholders on a vote by way of poll at the Company SGM.

If the Whitewash Waiver is approved by the Company Independent Shareholders, the aggregate shareholding of the Subscriber and parties acting in concert with it in the Company will exceed 50%. The Subscriber and parties acting in concert with it may further increase their shareholdings in the Company without incurring any further obligations under Rule 26 of the Takeovers Code to make a general offer.

Dealing and interest of the Subscriber in the securities of the Company

The details of the dealing and interest of the Subscriber in the securities of the Company are set out in the section headed "Dealing and interest of the Subscriber in the securities of the Company" of the "Letter from the Subscriber" of this circular.

GENERAL

The Company Independent Board Committee has been formed to advise the Company Independent Shareholders in relation to the Share Subscription, the Specific Mandate and the Whitewash Waiver.

Platinum Securities Company Limited, has been appointed as the Company Independent Financial Adviser to advise and make recommendation to the Company Independent Board Committee and the Company Independent Shareholders in this regard and an announcement was made on 19 February 2014 to announce its appointment.

The Company SGM will be held to consider and, if thought fit, pass the resolutions to approve, among other things: (i) the execution, delivery and performance of the Subscription Agreement and the transactions contemplated thereunder; (ii) the grant of the Specific Mandate for the allotment and issue of the Subscription Shares to the Subscriber in accordance with the terms of Subscription Agreement; (iii) the Whitewash Waiver; (iv) the Amendment Deed, the Amended and Restated Placing Agreement and the transactions contemplated thereunder, the Placing Specific Mandate and the Placing; (v) the appointment of the proposed directors to the Company Board; and (vi) the Change of Company Name.

The voting in relation to the Share Subscription, the grant of the Specific Mandate, the Whitewash Waiver, the Placing, the Placing Specific Mandate, the appointment of the proposed directors to the Company Board and the Change of Company Name at the Company SGM will be conducted by way of a poll whereby the Company Shareholders who are interested or involved in the Share Subscription, the grant of the Specific Mandate and the Whitewash Waiver and their respective Associates and parties acting in concert with any of them shall abstain from voting on the relevant ordinary resolutions to be proposed at the Company SGM to approve the Share Subscription, the grant of the Specific Mandate and the Whitewash Waiver. To the best knowledge, information and belief of the Company Directors, the Subscriber and parties acting in concert and its Associates with it do not currently hold any Company Shares and accordingly will not vote on any of the resolutions at the Company SGM. Based on the shareholding of the Company as at the Latest Practicable Date, other than Mr. Yip and Mr. Chung and their respective Associates and parties acting in concert with any of them, no Company Shareholder is required to abstain from voting for the Share Subscription, the Specific Mandate and the Whitewash Waiver at the Company SGM.

Application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the Subscription Shares.

Upon completion of the Placing, an aggregate of 50,000,000 new Company Shares shall be allotted and issued under the Placing Specific Mandate. The Placing is conditional upon, among other things, the passing of the necessary resolutions by the Company Shareholders to approve the Amendment Deed, the Amended and Restated Placing Agreement and the transactions contemplated thereunder, the Placing Specific Mandate and the Placing at the Company SGM.

To the best knowledge, information and belief of the Company Directors and after having made all reasonable enquiries, as at the Latest Practicable Date, no Company Shareholder has any interest in the Amendment Deed and the Amended and Restated Placing Agreement that is materially different from the other Company Shareholders. Therefore, no Company Shareholder is required to abstain from voting on the resolutions to be proposed at the Company SGM to approve the Amendment Deed, the Amended and Restated Placing Agreement and the transactions contemplated thereunder, the Placing Specific Mandate and the Placing at the Company SGM.

Application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the Company New Placing Shares.

SPECIAL GENERAL MEETING

Set out on pages 177 and 181 of this circular is a notice convening the Company SGM to be held at 17th Floor, Phase I, Kingsford Industrial Building, 26–32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong, on 23 April 2014 at 12:00 noon at which the resolutions will be proposed to consider and, if thought fit, approve the Share Subscription, the Specific Mandate, the Whitewash Waiver, the Placing, the Placing Specific Mandate, the appointment of the proposed directors to the Company Board and the Change of Company Name.

A form of proxy for use at the Company SGM is enclosed. Whether or not you are able to attend the Company SGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar, Tricor Abacus Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the Company SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Company SGM or any adjourned meeting (as the case may be) should you so wish.

In accordance with the Listing Rules, the vote of the Company Independent Shareholders (in respect of (i), (ii) and (iii) below) and the Company Shareholders (in respect of (iv), (v), (vi) and (vii) below) taken at the Company SGM to approve (i) the Share Subscription; (ii) the Specific Mandate; (iii) the Whitewash Waiver; (iv) the Placing; (v) the Placing Specific Mandate; (vi) the appointment of the proposed directors to the Company Board; and (vii) the Change of Company Name, will be taken by poll. The voting results will be announced after the Company SGM.

Based on the shareholding of the Company as at the Latest Practicable Date, other than Mr. Yip and Mr. Chung and their respective Associates and parties acting in concert with any of them, no Company Shareholder is required to abstain from voting for the Share Subscription, the Specific Mandate and the Whitewash Waiver. No Company Shareholder is required to abstain from voting for the Placing, the Placing Specific Mandate, the appointment of the proposed directors to the Company Board and the Change of Company Name.

RECOMMENDATION

The Company has established the Company Independent Board Committee, comprising of all of the independent non-executive Company Directors, namely Mr. Lai Wing Leung, Peter, Mr. Lam Kwok Cheong and Madam Lee Mei Ling, to advise the Company Independent Shareholders as to whether the terms and conditions of the Share Subscription, the Specific Mandate to allot and issue the Subscription Shares and the Whitewash Waiver are fair and reasonable and in the interest of the Company and the Company Independent Shareholders as a whole, and to advise the Company Independent Shareholders on how to vote, taking into account the recommendations of the Company Independent Financial Adviser.

With the approval of the Company Independent Board Committee, the Company has appointed Platinum Securities Company Limited as the Company Independent Financial Adviser to make recommendations to the Company Independent Board Committee and the Company Independent Shareholders as to whether the terms and conditions of the Share Subscription, the Specific Mandate, the Whitewash Waiver are fair and reasonable and in the interests of the Company and the Company Independent Shareholders as a whole, and to advise the Company Independent Shareholders on how to vote. Your attention is drawn to the advice of the Company Independent Financial Adviser to the Company Independent Board Committee and the Company Independent Shareholders set out in its letter on pages 57 to 83 of this circular.

The Company Independent Board Committee, having considered the advice of the Company Independent Financial Adviser, is of the opinion that (i) the terms and conditions of the Subscription Agreement are on normal commercial terms, and fair and reasonable; (ii) the Share Subscription, the Specific Mandate to allot and issue the Subscription Shares and the Whitewash Waiver are in the interests of the Company and the Company Independent Shareholders as a whole and therefore the Company Independent Board Committee recommends the Company Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the Company SGM to approve the terms and conditions of the Share Subscription, the Specific Mandate and the Whitewash Waiver.

The Company Directors (excluding Mr. Yip, Mr. Chung, Mr. Yip Wing Fung and Madam Yu Hung Min but including the independent non-executive Company Directors after considering the advice of the Company Independent Financial Adviser) consider that (i) the terms and conditions of the Subscription Agreement are on normal commercial terms, and fair and reasonable; (ii) the Share Subscription, the Specific Mandate to allot and issue the Subscription Shares and the Whitewash Waiver are in the interests of the Company and the Company Independent Shareholders as a whole and therefore the Company Directors (excluding Mr. Yip, Mr. Chung, Mr. Yip Wing Fung and Madam Yu Hung Min but including the independent non-executive Company Directors) recommend the Company Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the Company SGM to approve the terms of the Subscription Agreement, the Specific Mandate and the Whitewash Waiver.

Having considered the reasons stated under the section headed "Reasons for the Share Subscription and the Placing" of the "Letter from the Company Board" and the "Letter from the Subscriber" on the Share Subscription of this circular, the Company Board (including the independent non-executive Company Directors) considers that the Placing, the terms and conditions of the Company Original Placing Agreement as amended and superseded by the Amendment Deed and the Amended and Restated Placing Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Company Shareholders as a whole. Accordingly, the Company Board recommends the Company Shareholders to vote in favour of the relevant resolutions to approve the Amendment Deed, the Amended and Restated Placing Agreement and the transactions contemplated thereunder, the Placing Specific Mandate and the Placing at the Company SGM.

You are advised to read carefully the letters from the Company Independent Board Committee and the Company Independent Financial Adviser as set out on page 56 and pages 57 to 83 respectively in this circular before deciding whether or not to vote in favour of the ordinary resolutions approving the Share Subscription, the Specific Mandate, the Whitewash Waiver. You are advised to read carefully the section headed "Placing of Company New Placing Shares under the Placing Specific Mandate" as set out on pages 30 to 34 and the "Reasons for the Share Subscription and the Placing" as set out on pages 34 to 36 in this circular before deciding whether or not to vote in favour of the ordinary resolutions approving the Amendment Deed, the Amended and Restated Placing Agreement and the transactions contemplated thereunder, the Placing Specific Mandate and the Placing at the Company SGM. You are advised to read carefully the section headed "Appointment of Company Directors" and "Change of Company Name" of the "Letter from the Company Board" as set out in pages 37 to 44 and pages 44 to 45 respectively in this circular before deciding whether or not to vote in favour of the ordinary resolutions approving the appointment of the proposed directors to the Company Board and the special resolution approving the Change of Company Name at the Company SGM.

ADDITIONAL INFORMATION

Company Independent Shareholders are strongly advised to consider the "Letter from Company Independent Financial Adviser" before deciding to vote in favour of or against the resolutions in relation to the Share Subscription, the Specific Mandate and the Whitewash Waiver to be proposed at the Company SGM. Your attention is also drawn to "Letter from the Subscriber", "Letter from the Company Independent Board Committee", notice of the Company SGM and additional information set out in the appendices to this circular.

By Order of the Board
SAME TIME HOLDINGS LIMITED
Yip Sum Yin
Chairman

GCL-POLY ENERGY HOLDINGS LIMITED

保 利 協 鑫 能 源 控 股 有 限 公 司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 3800)

Executive Directors:
Mr. Zhu Gongshan
Mr. Shu Hua
Mr. Ji Jun
Mr. Yu Baodong
Ms. Sun Wei
Mr. Zhu Yufeng

Independent non-executive Directors:
Ir. Dr. Ho Chung Tai Raymond
Mr. Xue Zhongsu
Mr. Yip Tai Him

Registered office:
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Principal place of business in Hong Kong:
Unit 1703B–1706, Level 17
International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

31 March 2014

To the Company Shareholders,
and for information only, to the CB Holder

Dear Sir or Madam,

(1) PROPOSED ISSUE OF SUBSCRIPTION SHARES
(2) WHITEWASH WAIVER
(3) SPECIFIC MANDATE FOR THE ISSUE OF SUBSCRIPTION SHARES
(4) PLACING OF COMPANY NEW PLACING SHARES UNDER PLACING SPECIFIC MANDATE
(5) RESIGNATION OF COMPANY DIRECTORS AND PROPOSED APPOINTMENT OF COMPANY DIRECTORS
(6) CHANGE OF COMPANY NAME
AND
(7) NOTICE OF COMPANY SGM

INTRODUCTION

On 13 February 2014, the Company and the Subscriber jointly announced that they have entered into the conditional Subscription Agreement in relation to the subscription of 360,000,000 new Company Shares at a Subscription Price of HK$4.00 per Subscription Share. The aggregate cash consideration of HK$1,440,000,000 and shall be payable by the Subscriber upon Completion. The Subscription Shares represent approximately 418.86% of the issued share capital of the Company and approximately 80.73% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares respectively as at the Latest Practicable Date, and it is proposed that the Company Directors be given a Specific Mandate to allot and issue the Subscription Shares pursuant to the Subscription Agreement.

THE SUBSCRIPTION AGREEMENT

The details of the Subscription Agreement are set out in the section headed "The Subscription Agreement" of the "Letter from the Company Board" of this circular.

To the best knowledge, information and belief of the Subscriber Directors, the Company, Same Time International and its respective ultimate beneficial owner, are third parties independent of the Subscriber and its connected persons (as defined under the Listing Rules). Prior to the entering into of the Subscription Agreement, neither the Subscriber nor parties acting in concert with it had any interest in or, except as disclosed in the Subscriber MOU Announcement, business dealings with the Company Group.

Neither the Subscriber nor the parties acting in concert with it has acquired or disposed of or entered into any definitive agreement to acquire or dispose of any voting rights in the Company during the six (6) months period prior to the date of the Announcement, and neither of them is interested in any shares, convertible securities, warrants, options or derivatives of the Company as at the Latest Practicable Date.

FURTHER INFORMATION ON THE COMPANY

The financial information extracted from the audited accounts of the Company and its Subsidiaries as at and for the two financial years ended 31 March 2012 and 31 March 2013 are set out below:

	Year ended 31 March 2012	**Year ended 31 March 2013**
	(audited)	(audited)
	HK$	*HK$*
Net loss before taxation	(16,473,867)	(187,155,334)
Net loss after taxation	(38,977,502)	(175,393,042)

	As at 31 March 2012	**As at 31 March 2013**
	(audited)	(audited)
	HK$	*HK$*
Net assets	505,426,655	427,213,651

INFORMATION ON THE SUBSCRIBER

The Subscriber is a company incorporated in the Cayman Islands on 12 July 2006, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 3800). As at the Latest Practicable Date, the ZGS Group is interested in 5,018,843,327 Subscriber Shares (representing a shareholding of approximately 32.41% in the Subscriber), which are collectively held by Highexcel Investments Limited and Happy Genius Holdings Limited, both of which are wholly-owned by Golden Concord Group Limited, which is in turn wholly owned by Asia Pacific Energy Fund Limited, which is in turn ultimately held under a discretionary trust by Credit Suisse Trust Limited for the ZGS Group.

The Subscriber and its Subsidiaries are principally engaged in the manufacturing of polysilicon and wafers for the solar industry as well as the development, management and operation of environmentally friendly power plants. As at the Latest Practicable Date, the market capitalization of the Subscriber is around HK$42.3 billion.

The Subscriber has been in the green and renewable energy business since 1998. It currently operates 34 environmentally friendly or renewable energy power plants with an installed capacity of over 1.81GW, of which there are 8 solar farms in the PRC and 4 solar farms in the United States, with a total installed capacity of 321.3MW; and also has over 1GW of solar plant projects in the United States and Puerto Rico which are currently in the planning stage. In the past, the Subscriber has also constructed the once largest solar farm in the PRC with a PV installed capacity of 20MW.

In the solar material business, according to the Q4 2013 PV Market Outlook issued by Bloomberg New Energy Finance on 3 December 2013, the Subscriber is the largest polysilicon and wafer manufacturer in the world with an annual polysilicon production capacity of 65,000MT and annual wafer production capacity of 8GW.

The financial adviser to the Subscriber in connection with the Share Subscription and the Whitewash Waiver is CMB International Capital Limited, whose address is at Room 1803-4, 18/F, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong.

REASONS FOR THE SHARE SUBSCRIPTION

The Subscriber Directors consider that the Share Subscription represents a good opportunity for the Subscriber as it has the intention to leverage on a separate listing platform to focus on the renewable energy sector and in particular, solar plants, solar projects and solar energy assets. By doing so, the Subscriber's businesses will become more focused and organized. The Subscriber Directors are of the view that the terms of the Subscription Agreement are fair and reasonable and the entering into of the Subscription Agreement is in the interest of the Subscriber and Subscriber Shareholders as a whole.

FURTHER INTENTION OF THE SUBSCRIBER REGARDING THE COMPANY GROUP

The Subscriber intends to continue the existing business of the Company Group. The Subscriber has no current intention to introduce any major changes to the existing business, or any redeployment of fixed assets of the Company Group other than in its ordinary course of business. It is anticipated that following Completion, the Company will enter into agreements to provide operation and management services to solar power plants owned by the Subscriber. It is also anticipated that the solar power plants under development by the Subscriber will be operated and managed by the Company under this arrangement following their completion.

It is anticipated that as a potential developer of greenfield projects, the Company may have to source certain raw materials such as wafers and modules from a range of suppliers, including independent third parties and potentially, the Subscriber. The Subscriber, as a wafer and modules supplier, may enter into an agreement to supply wafers and modules to the Company after Completion.

As the Subscriber will be a controlling shareholder (as defined in the Listing Rules) upon Completion and hence a connected person of the Company, such operation and management services agreements and supply agreements will constitute connected transactions of the Company and the Subscriber. The Company and the Subscriber will comply with the relevant disclosure and shareholders' approval requirements under the Listing Rules in relation to connected transactions as and when appropriate.

The Subscriber is considering transferring staff to the Company in order to diversify the existing business of the Company into renewable energy sector. As at the Latest Practicable Date, save as disclosed above and in the section headed "Proposed Resignation of the Company Secretary and Senior Management" of the "Letter from the Company Board" in this circular, the Subscriber has no current intention to make any changes to the employment of the current employees of the Company Group. The appropriate announcement will be published in accordance with the Listing Rules if there is any further development in this regard.

DEALING AND INTEREST OF THE SUBSCRIBER IN THE SECURITIES OF THE COMPANY

As at the Latest Practicable Date, save for the Share Subscription:

(a) the Subscriber and parties acting in concert with it have not dealt in the Company Shares, outstanding options, derivatives, warrants or other securities that are convertible into Company Shares in the six months period prior to 13 February 2014, being the date of the Announcement, up to and including the Latest Practicable Date;

(b) the Subscriber and parties acting in concert with it do not hold, control or have direction over any outstanding options, warrants, or any securities that are convertible into Company Shares or any derivatives in respect of securities in the Company;

(c) the Subscriber and parties acting in concert with it did not borrow or lend any shares, convertible securities, warrants, options or derivatives of the Company;

(d) no person had any arrangement referred to in Note 8 to Rule 22 of the Takeovers Code (whether by way of option, indemnity or otherwise) with the Subscriber or any person acting in concert with it;

(e) there is no agreement or arrangement to which the Subscriber or any of its parties acting in concert is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Share Subscription and/or the Whitewash Waiver; and

(f) none of the Subscriber or parties acting in concert with it has received any irrevocable commitment to vote for or against the Share Subscription or the Whitewash Waiver.

GENERAL INFORMATION

Your attention is drawn to ''Letter from the Company Board'', ''Letter from the Company Independent Financial Adviser'', ''Letter from the Company Independent Board Committee'' and the additional information as set out in the appendices to this circular.

By Order of the Board
GCL-Poly Energy Holdings Limited
Yu Baodong
Executive Director

SAME TIME HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 451)

31 March 2014

To the Company Independent Shareholders,
and for information only, to the CB Holder

Dear Sir or Madam,

(1) PROPOSED ISSUE OF SUBSCRIPTION SHARES
(2) WHITEWASH WAIVER
AND
(3) SPECIFIC MANDATE FOR THE ISSUE OF SUBSCRIPTION SHARES

We refer to the circular of the Company dated 31 March 2014 (the "**Circular**"), of which this letter forms part. Unless specified otherwise, capitalised terms used herein shall have the same meanings as defined in the Circular.

We have been appointed as the Company Independent Board Committee to advise you as to whether, in our opinion, (i) the term and conditions of the Subscription Agreement; (ii) the Specific Mandate to allot and issue the Subscription Shares; and (iii) the Whitewash Waiver are fair and reasonable and are in the interest of the Company and the Company Independent Shareholders as a whole, and to advise the Company Independent Shareholders on how to vote at the Company SGM. Platinum Securities Company Limited has been appointed as the Company Independent Financial Adviser to advise the Independent Board Committee and the Company Independent Shareholders in this regard. Details of their independent advice, together with the principal factors and reasons why they have taken in to consideration, are set out on pages 57 to 83 of the Circular.

Having considered the terms and conditions of the Subscription Agreement, and the advice of the Company Independent Financial Adviser, we are of the opinion that (i) the terms and conditions of the Subscription Agreement are on normal commercial terms, and fair and reasonable; (ii) the Share Subscription, the Specific Mandate to allot and issue the Subscription Shares and the Whitewash Waiver are in the interests of the Company and the Company Independent Shareholders as a whole. We therefore recommend the Company Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the Company SGM to approve the terms and conditions of the Share Subscription, the Specific Mandate and the Whitewash Waiver.

By Order of the Company Independent Board Committee
SAME TIME HOLDINGS LIMITED
Lai Wing Leung, Peter
Lam Kwok Cheong
Lee Mei Ling
Independent non-executive Company Directors

The following is the text of the letter of advice from the Company Independent Financial Adviser to the Company Independent Board Committee and the Company Independent Shareholders in respect of the Share Subscription, Specific Mandate and the Whitewash Waiver for the purpose of incorporation into this circular.

PLATINUM Securities Company Limited

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31 March 2014

To the Company Independent Board Committee and the Company Independent Shareholders
Dear Sir or Madam,

(1) PROPOSED ISSUE OF SUBSCRIPTION SHARES
(2) WHITEWASH WAIVER
AND
(3) SPECIFIC MANDATE FOR THE ISSUE OF SUBSCRIPTION SHARES

INTRODUCTION

We refer to our appointment as the Company Independent Financial Adviser to advise the Company Independent Board Committee and the Company Independent Shareholders in respect of the Share Subscription, Specific Mandate and the Whitewash Waiver (collectively, the "**Transaction**") contemplated under the Subscription Agreement. Details of the Transaction are contained in the "Letter from the Company Board" as set out in the circular of the Company dated 31 March 2014 (the "**Circular**"). Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

The Company Board announced that on 13 February 2014, the Company, Same Time International and the Subscriber entered into the Subscription Agreement pursuant to which the Company has conditionally agreed to allot and issue to the Subscriber and the Subscriber has conditionally agreed to subscribe in cash for 360,000,000 new Company Shares at the Subscription Price of HK$4.00 per Subscription Share. The allotment and issue of the Subscription Shares will be subject to a Specific Mandate to be approved by the Company Independent Shareholders at the Company SGM by ordinary resolution. We refer to the announcements of the Company and the Subscriber, both dated 29 October 2013, in which the Company and the Subscriber announced the MOU. No definitive agreement had been entered into pursuant to the MOU and the Company and the Subscriber did not pursue the transactions as contemplated in the MOU. Neither the Subscriber nor any parties acting in concert with it has acquired or disposed of or entered into any definitive agreement to acquire or dispose of any voting rights in the Company during the six months prior to the date of the Announcement, and none of them is interested in any issued Company Shares or any shares, convertible securities, warrants, options or derivatives of the Company as at the Latest Practicable Date.

Immediately after Completion, the Subscriber (together with parties acting in concert with it) will in aggregate be interested in the 360,000,000 new Company Shares representing approximately 418.86% of the issued share capital of the Company as at the Latest Practicable Date and approximately 67.99% of the issued share capital of the Company as enlarged by the allotment and issue of (i) the Subscription Shares; (ii) the Conversion Shares; and (iii) the Company New Placing Shares (assuming that there is no change in the issued share capital of the Company other than (i) the issue of the Subscription Shares; (ii) the full conversion of the Convertible Bond; and (iii) the placing of the Company New Placing Shares). Under Rule 26.1 of the Takeovers Code, the Subscriber would be obliged to make a mandatory general offer to the Company Shareholders for all the issued Company Shares and other securities of the Company not already owned or agreed to be acquired by it and parties acting in concert with it unless the Whitewash Waiver is obtained from the Executive. In this regard, the Subscriber has made an application to the Executive for the Whitewash Waiver in respect of the allotment and issue of the Subscription Shares. The Whitewash Waiver, if granted by the Executive, will be subject to, among other things, approval by the Company Independent Shareholders at the Company SGM by way of a poll.

Pursuant to the Subscription Agreement, each of Madam Yu Hung Min, Mr. Chung, Mr. Mao Lu, Mr. Yip Wing Fung, Mr. Lai Wing Leung, Peter, Mr. Lam Kwok Cheong and Madam Lee Mei Ling shall resign as a Company Director upon Completion. The Subscriber intends to nominate new directors to the Company Board with effect from Completion.

BASIS OF OUR OPINION

In our capacity as the Company Independent Financial Adviser, our role is to advise the Company Independent Board Committee and the Company Independent Shareholders as to whether the Transaction is in the ordinary and usual course of business of the Company, the terms of the Transaction were agreed on normal commercial terms and are fair and reasonable, and in the interests of the Company and the Company Independent Shareholders as a whole; and to give independent advice to the Company Independent Board Committee.

In formulating our opinion, we have relied on the information and facts supplied to us by the Company Directors and/or management of the Company. We have reviewed, among other things: (i) the Subscription Agreement; (ii) the audited annual report of the Company Group for the financial year ended 31 March 2012 (the "**2012 Annual Report**"); (iii) the audited annual report of the Company Group for the financial year ended 31 March 2013 (the "**2013 Annual Report**"); and (iv) the unaudited interim report of the Company Group for the most current six months ended 30 September 2013 (the "**2013 Interim Report**").

We have assumed that all information, facts, opinions and representations contained in the Circular and all information, statements and representations provided to us by the Company Directors and/or the management of the Company, which we have relied on the same, are true, complete and accurate in all material respects as of the date hereof and we have relied on the same and the Company Independent Shareholders will be notified of any material changes as soon as practicable. The Company Directors have confirmed that they take full responsibility for the contents of the Circular and have made all reasonable inquiries that no material facts have been omitted from the information supplied to us.

All the Company Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular (other than that relating to the Subscriber) and confirm, having made all reasonable enquiries, which to the best of their knowledge, opinions (other than those expressed by the Subscriber) expressed in the Circular have been arrived at after due and careful consideration and there are no other facts not contained in the Circular, other than those relating to the Subscriber, the omission of which would make any statement in the Circular misleading.

The Circular, for which the Company Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Takeovers Code and the Listing Rules for the purpose of giving information with regard to the Company Group. The Company Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in the Circular (other than relating to the Subscriber) 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 in the Circular or the Circular misleading.

We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy or completeness of the information of all facts as set out in the Circular and of the information and representations provided to us by the Company Directors and/or management of the Company. Furthermore, we have no reason to suspect the reasonableness of the opinions and representations expressed by the Company Directors and/or management of the Company, which have been provided to us. In line with normal practice, we have not, however, conducted a verification process of the information supplied to us, nor have we conducted any independent in-depth investigation into the business and affairs of the Company Group. We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion, and 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.

We are independent from, and are not associated with the Company or any other party to the Transaction, or their respective substantial shareholder(s) or connected person(s), as defined under the Listing Rules and accordingly, are considered eligible to give independent advice on the Transaction. As at the Latest Practicable Date, our discretionary clients hold under the brokerage arm of our group 161,000 shares of the Subscriber, which represents approximately 0.001% of the Subscriber's total issued share capital. Such holding for and on behalf of clients does not undermine our independence under Rule 2.6 of the Takeover Code, and we consider that we are eligible to give independent advice on the Transaction. We will receive a fee from the Company for our role as the Company Independent Financial Adviser to the Company Independent Board Committee and the Company Independent Shareholders in relation to the Transaction. Apart from this normal professional fee payable to us in connection with this appointment, no arrangements exist whereby we will receive any fees or benefits from the Company or any other party to the Transaction or their respective substantial shareholder(s) or connected person(s), as defined under the Listing Rules.

The Company Independent Board Committee, comprising all independent non-executive directors of the Company namely Mr. Lai Wing Leung, Peter, Mr. Lam Kwok Cheong and Madam Lee Mei Ling, has been established to advise the Company Independent Shareholders as to whether the Transaction was entered into in the ordinary and usual course of business of the Company, the terms of the Transaction was agreed on normal commercial terms and are fair and reasonable so far as the Company Independent Shareholders are concerned and that the entering into the Transaction is in the best interests of the Company and the Company Independent Shareholders as a whole.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating and giving our independent financial advice to the Company Independent Board Committee and the Company Independent Shareholders, we have taken into account the following principal factors:

A. The Subscription Agreement

1. *Background of and reasons for the Subscription Agreement*

Information on the Company

The Company is an exempted company incorporated in Bermuda with limited liability and the Company Shares are listed on the Main Board of the Stock Exchange. The Company and its Subsidiaries are principally engaged in the manufacturing and selling of printed circuit boards. Tabularised below is a summary of the financial performance of the Company Group as extracted from the 2013 Interim Report and the 2013 Annual Report.

Consolidated Income Statement	**For the most current six months ended 30 September 2013** *(HK$'000)* (unaudited)	**For the financial year ended 31 March 2013** *(HK$'000)* (audited)	**For the financial year ended 31 March 2012** *(HK$'000)* (audited)
Revenue	839,217	1,424,017	1,528,180
Gross profit	78,749	57,738	112,078
Loss for the period/year	(10,180)	(175,393)	(38,978)

From the above table, we noted that the Company Group's revenue decreased by approximately 6.82% from HK$1.53 billion for the financial year ended 31 March 2012 to HK$1.42 billion for the financial year ended 31 March 2013. According to the 2013 Annual Report, such decrease was mainly caused by the diminishing sales in HDI board. An accounting loss of HK$10.18 million was recorded for the most current six months ended 30 September 2013. In fact, the Company Group has been recording accounting losses since the financial year ended 31 March 2012 (after taking into account the change in fair value of embedded derivatives) and did not pay any dividends to the Company Shareholders during the time. We also noted that, on 19 March 2014, the Company issued a profit warning announcement, and the Company Board believes that the Company will continue to record a net loss for the financial year ending 31 March 2014.

Information on Same Time International

Same Time International is incorporated in the British Virgin Islands and is wholly-owned by the Company. Same Time International is an investment holding company.

Information on the Subscriber

The Subscriber is a company incorporated in the Cayman Islands on 12 July 2006, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 3800). As at the Latest Practicable Date, the ZGS Group is interested in 5,018,843,327 Subscriber Shares (representing a shareholding of approximately 32.41% in the Subscriber), which are collectively held by Highexcel Investments Limited and Happy Genius Holdings Limited, both of which are wholly-owned by Golden Concord Group Limited, which is in turn wholly owned by Asia Pacific Energy Fund Limited, which is in turn ultimately held under a discretionary trust by Credit Suisse Trust Limited for the ZGS Group.

The Subscriber and its Subsidiaries are principally engaged in the manufacturing of polysilicon and wafers for the solar industry as well as the development, management and operation of environmentally friendly power plants. As at the Latest Practicable Date, the market capitalisation of the Subscriber is around HK$42.3 billion.

The Subscriber has been in the green and renewable energy business since 1998. It currently operates 34 environmentally friendly or renewable energy power plants with an installed capacity of over 1.81GW, of which there are 8 solar farms in the PRC and 4 solar farms in the United States, with a total installed capacity of 321.3MW; and also has over 1GW of solar plant projects in the United States and Puerto Rico which are currently in the planning stage. In the past, the Subscriber has also constructed the once largest solar farm in the PRC with a PV installed capacity of 20MW.

In the solar material business, according to the Q4 2013 PV Market Outlook issued by Bloomberg New Energy Finance on 3 December 2013, the Subscriber is the largest polysilicon and wafer manufacturer in the world with an annual polysilicon production capacity of 65,000MT and annual wafer production capacity of 8GW.

Future intentions of the Subscriber regarding the Company Group

As stated in the section headed "Further Intention of the Subscriber regarding the Company Group" of the "Letter from the Subscriber" on page 54 of the Circular, the Subscriber intends to continue the existing business of the Company Group. The Subscriber has no current intention to introduce any major changes to the existing business, or any redeployment of fixed assets of the Company Group other than its ordinary course of business. It is anticipated that following Completion, the Company will enter into agreements to provide operation and management services to solar power plants owned by the Subscriber. It is also anticipated that the solar power plants under development by the Subscriber will be operated and managed by the Company under this arrangement following their completion.

It is anticipated that as a potential developer of greenfield projects, the Company may have to source certain raw materials such as wafers and modules from a range of suppliers, including independent third parties and potentially, the Subscriber. The Subscriber, as a wafer and modules supplier, may enter into an agreement to supply wafers and modules to the Company after Completion.

As the Subscriber will be a controlling shareholder (as defined in the Listing Rules) upon Completion and hence a connected person of the Company, such operation and management services agreements and supply agreements will constitute connected transactions of the Company and the Subscriber. The Company and the Subscriber will comply with the relevant disclosure and shareholders' approval requirements under the Listing Rules in relation to connected transactions as and when appropriate.

The Subscriber is considering transferring staff to the Company in order to diversify the existing business of the Company into renewable energy sector. As at the Latest Practicable Date, save as disclosed above and in the section headed "Proposed Resignation of the Company Secretary and Senior Management" of the "Letter from the Company Board" of the Circular, the Subscriber has no current intention to make any changes to the employment of the current employees of the Company Group.

Other fund raising methods available to the Company

With regard to other fund raising methods available to the Company, we have enquired the Company Directors and were advised that they have considered a number of financing options besides the Transaction, in particular, debt and equity financing. For debt financing, in light of the current economic environment and the government policies in curbing monetary supply, it was considered not plausible for the Company to apply/arrange for bank loans of the amount equivalent to the net proceeds receivable from the issue of the Subscription Shares. In addition, even if the additional bank loans were made available, it was considered that the financial position of the Company would be adversely affected by the additional finance charges, particularly in the situation of an increase in interest rates during the tenure of the bank loans.

As for equity financing, other than the placing of 50,000,000 Company New Placing Shares under the Amended and Restated Placing Agreement, the management advised us that they have also considered fundraising methods such as procuring underwriters to carry out rights issues or open offers. However, in view of the recent financial and operational performance of the Company (i.e. (i) the Company Group had been loss making from the financial year ended 31 March 2012 to the most current six months ended 30 September 2013; (ii) the Company Group has not been paying dividends to the Company Shareholders in the latest three financial years we reviewed), it is uncertain as to whether the Company will be able to procure such underwriter(s) to underwrite a significant amount at a low cost and (iii) the liquidity and trading volume of the Company Shares were generally low in the past 3 years.

Use of proceeds and reasons for the entering into of the Subscription Agreement

The Company Group is principally engaged in the manufacturing and sale of printed circuit boards. The Company Directors consider that the business environment of the existing business of the Company Group remains challenging although the global economy has shown signs of gradual recovery. The Company Directors note the reviving operating performance of the business of the Company Group but the Company Directors are skeptical about the sustainability of a continued improvement in the longer term. Meanwhile, the Company Directors also note the increasing trend in minimum wages in the PRC in recent years and the increased mobility of the workforce and consider that it may continue to have a significant impact on the financial performance of the Company Group as the existing business of the Company Group has been labour intensive. Therefore, the Company Directors are of the view that it is necessary for the Company to seek other suitable business opportunities in order to diversify the existing business of the Company Group with a view to achieving significant growth potential and maximizing the returns to the Company Shareholders. Based on the information available to the Company Directors, including, *inter alia*:

(i) the growing demand for energy in the PRC;

(ii) increasing number of policies favoring renewable energy sectors in the PRC;

(iii) historic growth rate in the solar industry on the PRC and future outlook;

(iv) advancement in the technology of photovoltaic products has enabled the reduction of manufacturing cost and also led to lower investments per generated Watt of energy and that solar farms are currently close to grid parity where solar farm operators can compete with traditional power plants more effectively;

(v) the Share Subscription and the intended use of proceeds;

(vi) the background of the Subscriber; and

(vii) the management to be nominated to the Company Board to determine, supervise and implement appropriate strategy to expand the business of the Company into renewable energy sector,

the Company Directors envisage that the Company would be able to leverage on the experience and business connection of the Subscriber to identify and invest in solar projects and/or solar energy assets with potentially good return.

In addition, the Company Directors are of the view that the Share Subscription represents a valuable opportunity for the Company Group to bring in a solid strategic corporate investor which has extensive experience, strong expertise and a wide business network in the solar industry and would greatly assist the business mix, business network, growth prospects, capital structure, financing capability, branding and business profile of the Company. The Company Directors consider that the entering into of the Subscription Agreement represents a good opportunity to:

(i) raise a substantial amount of additional funds for the Company as well as to enhance the shareholder base of the Company;

(ii) improve the financial and liquidity position of the Company Group; and

(iii) provide the Company with the financial flexibility necessary for the Company Group's future business development and the capability to capture any prospective investment opportunity as and when it arises.

Solar projects are extremely capital intensive, and an enormous amount of funds would be required for the initial investments on such projects. We have reviewed the relevant historical data of capital expenditure figures of solar energy companies and note that solar projects require a large amount of capital investment. In general, the capital expenditure of solar energy companies mainly includes:

— Acquisition of solar plant, machinery and factory premises

— Construction of factory premises and solar production bases

— Acquisition of land use rights

Set out in the table below is the historical capital expenditure of the Solar Energy Comparable Companies defined in section 2 of this letter (Note 1):

Company name	**Ticker**	**FY11**	**FY12**	**HY13**
		HK$'million	*HK$'million*	*HK$'million*
United Photovoltaics Group Ltd.	686 HK	324.80	220.24	33.16
China Singyes Solar Technologies Holdings Ltd.*(Note 2)*	750 HK	1,361.77	423.81	550.36

Source: Annual Reports and Interim Reports of respective companies

Notes:

(1) Only two of the Solar Energy Comparable Companies are included in the table above as the capital expenditure amounts are not specified in the annual reports and interim reports of Hanergy Solar Group Limited and Beijing Jingyuntong Technology Co., Ltd.

(2) The original presentation currency in the company's annual report is RMB. We have adopted the PBOC exchange rate as at the Latest Practicable Date for calculating the HK$ equivalent amount.

We also noted in United Photovoltaics Group Ltd.'s interim report for the period ended 30 June 2013 that it acquired 92.17% equity interest in China Solar Power Group by issuance of shares and convertible notes. As a result of the acquisition, United Photovoltaics Group Ltd. expects to incur capital expenditures of HK$5.20 billion for its solar energy initiatives in the next twelve months from 30 June 2013. This is likely the reason why United Photovoltaics Group Ltd.'s own capital expenditure had been decreasing in recent years. As the Company had no previous capital investment in solar energy projects, the initial capital investment amount required would be substantial. As shown in the table above, the Company's proceeds of HK$1.44 billion from the Share Subscription is in line with China Singyes Solar Technologies Holdings Ltd.'s capital expenditure in the financial year ended 31 December 2011. As such, we are of the view that a sizeable amount of funds would be required for the Company's future investments in solar projects.

As discussed above, other suitable fund raising methods do not seem to be available to the Company. In consideration of the substantial amount of additional funds required for the potential solar projects, entering into of the Subscription Agreement with the Subscriber would not only facilitate the Company to raise a sufficient amount of funds for investment in solar projects, but the Company can also fully utilise the Subscriber's experience, expertise and network in the solar industry, thus funds raised can be properly employed towards these new solar projects. In addition, given the current small shareholder base of the Company, the Share Subscription would enhance the shareholder base of the Company.

The Company Group has been loss making since the financial year ended 31 March 2012. It indicates that the financial position of the Company Group has been weakened. This may especially be the case given the Company Directors' concerns on the increasing trend in minimum wages in the PRC in recent years and the increased mobility of the workforce, which may continue to have a significant impact on the financial performance of the Company Group as the existing business of the Company Group has been labour intensive. Moreover, in the financial years that we reviewed, from the financial year ended 31 March 2012 to the most current six months ended 30 September 2013, the Company Group had current liabilities in excess of current assets as at these dates. This may indicate that the Company Group would not be able to fulfill its short term obligations, and such liquidity position could be a concern for the Company Group if it does not improve going forward. Therefore, we are of the view that the Share Subscription would improve the financial position of the Company Group with potentials to increase in earnings through its entering into the solar industry, as well as the liquidity position with the imminent and significant amount of cash flowing into the Company Group.

As mentioned above, the Company Group is not in a strong financial and liquidity position, and it does not seem to have the financial flexibility necessary for the Company Group's future business development and the capability to capture prospective investment opportunity when it arises. Since the Company Directors are of the view that it is necessary for the Company to seek other suitable business opportunities in order to diversify the existing business of the Company Group and create greater value for the Company Shareholders, additional funding from the Share Subscription would be crucial for the Company to achieve its strategic goals and capture suitable investment opportunity.

In view of the above, we are of the view that the reasons for the entering into of the Subscription Agreement provided by the Company Directors (excluding Mr. Yip, Mr. Chung, Mr. Yip Wing Fung and Madam Yu Hung Min but including the independent non-executive Company Directors who have not expressed their opinion as to the fairness and reasonableness of the terms of the Share Subscription and the Whitewash Waiver and will express their opinion after considering our recommendation) are fair and reasonable and in the interests of the Company and the Company Independent Shareholders as a whole.

The Company intends to use the funds raised from the Share Subscription (after deducting for the costs and expenses that the Company and Same Time International are responsible for pursuant to the Subscription Agreement) to diversify its business and to leverage on the experience and expertise of the Subscriber to expand into the renewable energy sector, which will include developing, acquiring or investing into greenfield or existing solar plants, solar projects, solar energy assets or through other similar opportunities.

As stated in the section headed "Further Intention of the Subscriber regarding the Company Group" of the "Letter from the Subscriber" of the Circular, it is anticipated that following Completion, the Company will enter into agreements to provide operation and management services to solar power plants owned by the Subscriber. It is also anticipated that the solar power plants under development by the Subscriber will be operated and managed by the Company under this arrangement following their completion.

As stated in the section headed "Further Intention of the Subscriber regarding the Company Group" of the "Letter from the Subscriber" of the Circular, it is anticipated that as a potential developer of greenfield projects, the Company may have to source certain raw materials such as wafers and modules from a range of suppliers, including independent third parties and potentially, the Subscriber. The Subscriber, as a wafer and modules supplier, may enter into an agreement to supply wafers and modules to the Company after Completion.

Specifically, we have discussed with the Company Directors and the Subscriber Directors and put forth the following reasons for and the possible benefits of entering into of the Subscription Agreement:

(i) the Subscriber is abundantly resourceful and is currently a market leader in producing polysilicon for the solar industry;

(ii) the Subscriber has a sound and experienced team. By transferring staff to the Company, it would facilitate the Company as a platform in developing solar energy; and

(iii) the prospects of the solar industry, which is developing rapidly in China.

To further elaborate, we have looked into the Subscriber's position in the market, the biographical details of the proposed Company Director candidates and the overall development of the solar industry in China.

The Subscriber is rich in resource and well-positioned in the market

The Subscriber is one of the world's largest solar PV enterprises. After years of expansion and development, the Subscriber has become the world's leading supplier of PV materials. It owns a number of solar farms worldwide with extensive experiences in development, construction and operation of solar farms. Being the world's leading polysilicon producer, the Subscriber has continuously made improvement on its product quality. According to the Subscriber's annual report for the financial year ended 31 December 2012, the product quality of the Subscriber's polysilicon has reached electronic grade level since 2010, and it has ramped up the production capacity to 65,000 MT since the end of 2011.

According to the Subscriber's interim report for the 6 months ended 30 June 2013, the Subscriber owns and invests in a total of 19 cogeneration power plants, two incineration power plants, one wind power plant and one rooftop solar project. Most of these plants are located in Jiangsu and Zhejiang provinces in China with strong economic growth and robust demand for electricity and steam. Regarding the solar farm business, in addition to the 18 MW solar projects in operation in the United States, the Subscriber owns 23 MW solar farms in Jiangsu province, a 10 MW solar farm in Sangri County, the Tibet Autonomous Region and a 20 MW solar farm in Shanxi province. Having not only abundant resources and networks in the polysilicon products, but also extensive investments in power plants, the Subscriber is well-positioned in the market and would facilitate the Company as a platform in developing solar energy.

The Subscriber's experienced management team would facilitate the Company in developing solar energy business

The Company Board has proposed the following persons, namely, Mr. Zhu Gongshan, Mr. Tang Cheng, Mr. Gu Xin, Ms. Hu Xiaoyan, Ms. Sun Wei, Mr. Yu Baodong, Mr. Wang Bohua, Mr. Xu Songda, Mr. Han Qing-hua and Mr. Lee Conway Kong Wai as the candidates for election as the Company Directors at the Company SGM. If the above candidates are approved by the Company Shareholders at the Company SGM, their appointment as Company Directors will take effect from Completion.

We have looked into the biographical details of the above candidates and are of the view that these candidates have excellent track record and experience in the solar industry, which would facilitate the Company in developing solar energy business if they are elected in the Company SGM. For example, Mr. Zhu Gongshan, the founder of the Subscriber, is also the co-chairman of the Asian Photovoltaic Industry Association. Mr. Tang Cheng, with extensive experience in the management and operation of power plants, was the general manager of China Resources (Xuzhou) Electric Power Co., Ltd. from July 2001 to October 2002 and the general manager of China Resources (Changshu) Electric Power Co., Ltd. from November 2002 to March 2006. Mr. Gu Xin, the president of GCL New Energy Holdings Limited (協鑫新能源控股有限公司) since November 2012, was the general manager of the Jiangsu branch of China Power Investment Corporation (中國電力投資集團江蘇分公司) from June 2010 to September 2012. These candidates will transfer their managerial experiences in the solar industry and power plants into the strategic planning and daily operations of the Company after Completion and help facilitate the Company in developing solar energy business.

We noted that, as one of the Conditions of the Transaction, the existing Company Directors, namely Madam Yu Hung Min, Mr. Chung, Mr. Mao Lu, Mr. Yip Wing Fung, Mr. Lai Wing Leung, Peter, Mr. Lam Kwok Cheong and Madam Lee Mei Ling (other than those nominated to continue as Company Directors from the Completion Date pursuant to the Subscription Agreement) will resign as Company Directors, effective on the Completion Date. Although the resignation of these existing Company Directors will change the composition of the Company Board, Mr. Yip, the chairman and co-founder of the Company Group, will remain in the Company Board. Since the Company will become a platform in developing solar energy business, we are of the view that changing composition of the Company Board will not affect the Company in implementing its new strategies and the Company Group will also be able to maintain its existing business given (i) Mr. Yip will remain in the Company Board, and (ii) the expertise and experience of the proposed directors in the solar industry.

Solar energy is developing rapidly in China

The solar industry in China has been growing rapidly since 2009. In 2011, the China National Development and Reform Commission issued a Feed-In-Tariff incentive policy for PV grid-tied application to speed up the ever-growing China domestic solar energy market. The total annual installation of PV for 2013 is estimated to approach 9.5 GW, a 58 times increase as compared to the level in 2009, and China has become the one of the top 3 solar energy markets in the world.

With extensive research and development, Chinese solar companies, in particular, the Subscriber, have mastered the key production technologies of silicon-based wafer, and the conversion rate of the cell using the Subscriber's mono-crystalline and multi-crystalline wafer had approached 19.2% and 18.5%, respectively. On the other hand, the production cost is continuously reducing. For the first half of 2013, the production cost of wafer from the Subscriber was US$0.19/watt.

According to the China national 12th Five-Year-Plan, the total installed solar power capacity would reach the level of 21 GW by 2015, and further to beyond 50 GW by 2020, and the China National Energy Administration announced in January 2014 that such target capacity by 2015 has been revised and increased to 35 GW. A primary goal of the Chinese Government is environmental protection, and using renewable energy is considered one of the most effective methods in doing so. As such, the Chinese Government targets to raise the share of renewable energy in total primary energy consumption from 9.9% in 2009 to 15% by 2020. With wind power and hydropower approaching their growth limits, and the slowing down of the development of nuclear power due to the failure of Fukushima No. 1 Nuclear Power Plant, solar power would be expected to be the primary renewable energy in China going forward. Given the rapid development in solar industry and the growing trend in using renewable energy in China, we are of the view that the Company would benefit from the policies of the Chinese Government in developing its potential projects.

In view of the above, as well as having taken into consideration of (i) the loss making position of the Company Group from the financial year ended 31 March 2012 to the most current six months ended 30 September 2013; (ii) the weaknesses of other fund raising methods available to the Company in comparison with the Transaction which would enable the Company to raise a significant amount of capital at a low cost; and (iii) reasons for and possible benefits of the entering into of the Subscription Agreement as presented by the Company Directors, we consider that the entering into of the Subscription Agreement is in the interests of the Company and the Company Independent Shareholders as a whole.

2. *Principal terms of the Subscription Agreement*

The Subscription Agreement

Date	:	13 February 2014
Parties	:	(a) The Company (b) Same Time International (c) The Subscriber

To the best knowledge, information and belief of the Company Directors, the Subscriber and parties acting with it, are third parties independent of the Company, Same Time International and their respective connected persons (as defined under the Listing Rules). As stated in the "Letter from the Subscriber" on pages 51 to 55 of the Circular, prior to the entering into of the Subscription Agreement, neither the Subscriber nor parties acting in concert with it had any interest in or, except as disclosed in the Subscriber MOU Announcement, business dealings with the Company Group.

As stated in the "Letter from the Subscriber" on pages 51 to 55 of the Circular, neither the Subscriber nor the parties acting in concert with it has acquired or disposed of or entered into any definitive agreement to acquire or dispose of any voting rights in the Company during the six (6) months period prior to the date of the Announcement, and neither of them is interested in any shares, convertible securities, warrants, options or derivatives of the Company as at the Latest Practicable Date.

The Share Subscription

Pursuant to the Subscription Agreement, the Company has conditionally agreed to allot and issue to the Subscriber, and the Subscriber has conditionally agreed to subscribe for a total of 360,000,000 new Company Shares at the Subscription Price of HK$4.00 per Subscription Share. The aggregate cash consideration for the Subscription is HK$1,440,000,000 and shall be payable by the Subscriber at Completion.

As at the Latest Practicable Date, there were 85,948,520 Company Shares in issue. The Subscription Shares represent approximately 418.86% of the issued share capital of the Company as at the Latest Practicable Date and approximately 67.99% of the issued share capital of the Company as enlarged by the allotment and issue of (i) the Subscription Shares; (ii) the Conversion Shares and (iii) the Company New Placing Shares (assuming that there is no change in the issued share capital of the Company other than (i) the issue of the Subscription Shares; (ii) the full conversion of the Convertible Bond; and (iii) the placing of the Company New Placing Shares).

The Subscription Price

The Subscription Price of HK$4.00 represents:

(a) a discount of approximately 47.1% to the closing price of HK$7.56 per Company Share as quoted on the Stock Exchange on 29 October 2013, being the last trading date before the Subscriber MOU Announcement;

(b) a discount of approximately 70.4% to the closing price of HK$13.50 per Company Share as quoted on the Stock Exchange on the Last Trading Date;

(c) a discount of approximately 69.5% to the closing price of HK$13.10 per Company Share as quoted on the Stock Exchange on 28 March 2014, being the Latest Practicable Date;

(d) a discount of approximately 68.1% to the average of the closing prices of approximately HK$12.55 per Company Share as quoted on the Stock Exchange for the last five (5) trading days up to and including the Last Trading Date;

(e) a discount of approximately 65.4% to the average of the closing prices of approximately HK$11.55 per Company Share as quoted on the Stock Exchange for the last ten (10) trading days up to and including the Last Trading Date;

(f) a discount of approximately 60.6% over the average of the closing prices of approximately HK$10.14 per Company Share as quoted on the Stock Exchange for the last 30 trading days up to and including the Last Trading Date;

(g) a discount of approximately 21.0% to the unaudited consolidated net asset value attributable to the Company Shareholders per Company Share of approximately HK$5.06 per Company Share as at 30 September 2013, being the date of the latest interim results, without taking into account the Share Subscription; and

(h) a discount of approximately 19.5% to the consolidated net asset value attributable to the Company Shareholders per Company Share of approximately HK$4.97 per Company Share as at 31 March 2013, being the date of the latest annual results, without taking into account the Share Subscription.

The Subscription Price is the subscription price per subscription share proposed in the MOU and was arrived at after arm's length negotiations between the Company and the Subscriber with reference to the liquidity, the recent trading performance of the

Company Shares, in particular, prior to the date of the MOU, the financial performance of the Company and its future business outlook and the strategic benefits of introducing the Subscriber as a Company Shareholder.

Although the Subscription Price represents a substantial discount to the recent trading price of the Company Shares and the net assets of the Company Group, the Company Directors expect that, after completion of the Share Subscription and introduction of the Subscriber as the controlling shareholder (has the meaning ascribed to it under the Listing Rules), the business mix, business network, growth prospects, capital structure, financing capability, branding and business profile of the Company will be significantly enhanced in view of the solid background and strong expertise of the Subscriber in the solar industry. In particular:

(i) the Subscriber is one of the constituents of Hang Seng Composite Index, Hang Seng Composite Industry Index-Industrials, Hang Seng Composite Midcap Index and Hang Seng Mainland 100 Index, respectively;

(ii) the Subscriber has been in the green and renewable energy business since 1998 and currently operates 34 environmentally friendly or renewable energy power plants with an installed capacity of over 1.81GW;

(iii) the Subscriber is a major supplier of solar photovoltaic materials in the world with an annual polysilicon production capacity of 65,000MT and an annual wafer production capacity of 8GW;

(iv) the Subscriber was selected as the co-chairman of China Photovoltaic Industry Alliance in 2010;

(v) the Subscriber's financing capability has been well accepted by institutional investors as indicated by previous successful regular fund raising exercises of significant amounts of capital from institutional investors in the past few years;

(vi) the Subscriber intends to utilise the Company as a separate platform to focus on renewable energy section, particularly solar plants, solar projects and solar energy assets;

(vii) the Subscriber will nominate new executive Company Directors, who are experienced in the solar energy industry, to the Company Board;

(viii) the multiples represented by the Subscription Price is comparable to those comparable companies within the printed circuit board industry; and

(ix) the Company will become a subsidiary of the Subscriber upon Completion.

Hence, the Company Directors (excluding Mr. Yip, Mr. Chung, Mr. Yip Wing Fung and Madam Yu Hung Min but including the independent non-executive Company Directors who have not expressed their opinion as to the fairness and reasonableness of the terms of the Share Subscription and the Whitewash Waiver and will express their opinion after considering our recommendation) as of the date of the Announcement, consider that the level of the Share Subscription to be reasonable and in the interests of the Company and the Share Subscription is fair and reasonable and on normal commercial terms and the entering into of the Subscription Agreement is in the interests of the Company Shareholders as a whole.

Review on historical price of the Company Shares

The following table sets out the highest and lowest closing prices and the average daily closing price of the Company Shares throughout the last 12 months as quoted on the Stock Exchange in each month during the period commencing from 1 March 2013 up to 28 February 2014:

Month	**Highest closing price** *(HK$)*	**Lowest closing price** *(HK$)*	**Average daily closing price** *(HK$)*	**No. of trading days in each month**
2013				
Before 29 October 2013 *(Note (1))*				
March	6.99	5.80	6.31	20
April	7.36	5.16	5.69	20
May	7.50	5.26	6.36	21
June	6.79	6.15	6.37	19
July	6.27	6.15	6.19	22
August	6.69	6.13	6.51	21
September	7.74	6.68	7.19	20
October (2 October to 29 October)	8.20	6.49	7.20	19
After 29 October 2013 *(Note (1))*				
October (30 October to 31 October)	9.71	9.00	9.36	2
November	14.20	9.83	12.33	21
December	12.36	10.60	11.54	20
2014				
January	10.96	7.69	9.37	21
February	13.50	10.10	11.14	19

Source: the Stock Exchange web-site (www.hkex.com.hk)

Note:

(1) On 29 October 2013, an announcement of the MOU in respect of a possible subscription of new Company Shares was made.

As indicated in the above table, the daily closing price of the Company Share ranged from HK$5.16 to HK$8.20 during the period between 1 March 2013 and 29 October 2013. Therefore, the Subscription Price of HK$4.00 was an approximately 22.5% and 51.2% discount to the minimum and maximum price during this period, respectively. During this period, the daily closing price of the Company Share was generally volatile and the average daily closing price was approximately HK$6.48. By comparing the maximum price of HK$8.20 and the minimum price of HK$5.16 during such period, it represents a variance of 58.9% and the fluctuation might be due to the leakage of information and speculation of the prospects of the Company.

On 29 October 2013 (after trading hours), the Company announced the MOU in respect of a possible subscription of new Company Shares (the "**Company MOU Announcement**"). We noted that the closing price of the Company Share increased sharply on the following two trading days, from HK$7.56 on 29 October 2013 to HK$9.00 on 30 October 2013, and further to HK$9.71 on 31 October 2013. Subsequent to this Company MOU Announcement, the price of the Company Shares continued surging and remained at a high level during the period from November 2013 to February 2014. As at 13 February 2014, the date of the Announcement, the closing price of the Company Share reached HK$13.50, which increased by 78.6% as compared to its closing share price of HK$7.56 on 29 October 2013. During the same period, the Hang Sang Index plummeted in general from 22,846.54 points to 22,165.53 points. Currently, the closing price of the Company Share retreated to HK$13.10 as of the Latest Practicable Date, which might reflect the previous surge in price of the Company Shares is purely a speculation on the Announcement. Such price surge after the release of the Company MOU Announcement represents, in our opinion, a positive response from the market to the potential subscription of Subscription Shares and reflects the market perception on the potential benefits of the subscription of the Subscription Shares.

We noted that the Subscription Price represents (i) a discount to the net assets value (the "**NAV**") per Company Share of the Company Group; and (ii) a discount to the closing prices of the Company Shares throughout the last 12 months. Nevertheless, judging from the relatively substantial fluctuations of the prices of the Company Shares during the past 12 months, we are of the view that the historical share price fluctuations of the Company are more speculative in nature rather than reflecting changes in the Company's value. As compared to the aforesaid uncertainty on the causes of the share price performance of the Company, we noted that from the financial year ended 31 March 2012 up to the most current six months ended 30 September 2013, the Company Group remained loss making and its total NAV had shrunk from HK$505.43 million as at 31 March 2012 to HK$435.32 million as at 30 September 2013.

Industry Comparables

a. Selection Criteria and basis of assessment for Printed Circuit Board Comparable Companies

Since every company has its unique characteristics and business strategies, it is improbable to find a comparable company that has the exact same business as the Company. The Company currently engages in the manufacturing and selling of printed circuit board business. We have selected several printed circuit board comparable companies (the "**Printed Circuit Board Comparable Companies**") based on the criteria of (i) derive more than 50% of total revenue from printed circuit board; (ii) have their principal businesses based in the PRC; (iii) market capitalisation in the range of HK$150 million to HK$1.5 billion; and (iv) listed on the Main Board of the Hong Kong Stock Exchange or Shanghai Stock Exchange for at least one year.

The Printed Circuit Board Comparable Companies have been selected exhaustively based on the above criteria, which have been identified, to the best of our endeavours, in our research through public information.

In our assessment, we have considered the price-to-earnings ratio ("**P/E**"), the price-to-book value ("**P/B**") and the price-to-sales ratio ("**P/S**"), which are commonly used to assess the financial valuation of a company engaged in printed circuit board business. Nevertheless, given the Company recorded a net loss for the most current six months ended 30 September 2013, we considered the P/E of the Company is not representative, and hence, should not be evaluated against the P/E of the Printed Circuit Board Comparable Companies.

b. Selection Criteria and basis of assessment for Solar Energy Comparable Companies

The purpose of the Subscription Agreement and the injection of funds to the Company by the Subscriber is to facilitate the Company as a platform in developing solar energy business. As such, we consider the recent increase of share price of the Company Shares might be influenced by its prospect of becoming a solar energy company, and we have therefore selected several solar energy comparable companies (the "**Solar Energy Comparable Companies**") based on the criteria of (i) derive more than 50% of total revenue from solar energy business; (ii) have their principal businesses based in the PRC; (iii) market capitalisation of over HK$4 billion; and (iv) listed on the Main Board of the Stock Exchange or the Shanghai Stock Exchange for at least one year.

The Solar Energy Comparable Companies have been selected exhaustively based on the above criteria, which have been identified, to the best of our endeavours, in our research through public information.

Similar to our basis of assessment for Printed Circuit Board Comparable Companies, we have considered P/B and P/E, which are commonly used to assess the financial valuation of a solar energy company. As explained above, P/E is not representative for the Company given its record of a net loss for the most current unaudited six months period ended 30 September 2013. In our consideration of using P/S in our analysis for Solar Energy Comparable Companies, we consider P/S also to be not representative for solar companies given their high asset-based and low revenue generating nature. As such, we have done a P/B analysis for both Printed Circuit Board and Solar Energy Comparable Companies, as well as a P/S analysis specifically for Printed Circuit Board Comparable Companies.

The P/B analysis on the Printed Circuit Board Comparable Companies and Solar Energy Comparable Companies is shown in Table 1 and 2 below, respectively:

Table 1 — Printed Circuit Board Comparable Companies Analysis on P/B

Company name	**Ticker**	**P/B (x)** *(Note 1)*
Fittec International Group	2662 HK	0.58
Topsearch International Holdings Ltd	2323 HK	0.46
Daisho Microline Holdings	567 HK	0.52
TC Orient Lighting Holdings	515 HK	0.32
	Maximum	0.58
	Minimum	0.32
	Average	0.47
The Company		2.59
Subscription Price *(Note 2)*		0.79

Table 2 — Solar Energy Comparable Companies Analysis on P/B

Company name	**Ticker**	**P/B (x)** *(Note 1)*
Hanergy Solar Group Limited	566 HK	2.21
United Photovoltaics Group Ltd.	686 HK	2.44
China Singyes Solar Technologies Holdings Ltd.	750 HK	2.94
Beijing Jingyuntong Technology Co., Ltd.	601908 CH	1.85
	Maximum	2.94
	Minimum	1.85
	Average	2.36
The Company		2.59
Subscription Price *(Note 2)*		0.79

Source: Bloomberg, Annual Reports, Interim Reports and latest Results Announcements of respective companies

Notes:

(1) The P/Bs of the comparable companies and the Company are calculated by dividing their respective share prices as at the Latest Practicable Date by their NAV per share according to their latest interim or annual results available.

(2) The implied P/B of the Subscription Price is calculated by dividing the Subscription Price of HK$4.00 by the Company's NAV per share of HK$5.06 according to the 2013 Interim Report.

As shown in Table 1 above, the P/Bs of Printed Circuit Board Comparable Companies ranged from 0.32x to 0.58x (the "**P/B Range I**") with an average of 0.47x (the "**Average P/B I**"). In comparison, the P/Bs of Solar Energy Comparable Companies ranged from 1.85x to 2.94x (the "**P/B Range II**") with an average of 2.36x (the "**Average P/B II**"), as indicated in Table 2.

The P/B of the Company is 2.59x, which is out of range of P/B Range I and significantly higher than the Average P/B I. When looking at the Solar Energy Comparable Companies, these companies have generally a higher P/B. While the P/B of the Company is close to Average P/B II, it could be justified that the recent high share price of the Company is purely speculative, in which the public expects that the Company will enter into the solar industry given the strong financial and technological support from the Subscriber. As the current market price of the Company Shares does not reflect the underlying existing business of the Company, we consider the current market price of the Company Shares may not serve as an appropriate reference for our analysis of the Subscription Price. Therefore, we consider the Subscription Price is determined based on the Company's nature as a printed circuit board company, and we have focused our P/B and P/S analysis on the Printed Circuit Board Comparable Companies in order to assess the fairness and reasonableness of the Subscription Price.

Without the prospects of the Company entering into the solar industry, the Company is strictly a printed circuit board company. Therefore, we consider the current high P/B of the Company is due to a positive response from the market to the potential subscription of Subscription Shares and reflects the market perception on the potential benefits of the subscription of the Subscription Shares. As such, we have calculated the implied share prices of the Company by using P/B Range I as indicated above, assuming such P/B range to be a reliable indicator for printed circuit board companies. According to the Company's 2013 Interim Report, the Company Group's NAV per Company Share is HK$5.06. Therefore, the implied share prices of the Company would range from HK$1.62 to HK$2.93 per Company Share under P/B Range I. Since the Subscription Price represents a P/B of 0.79x, it is above P/B Range I.

To support our P/B analysis, we have also done a P/S analysis specifically for the Printed Circuit Board Comparable Companies in assessing the fairness and reasonableness of the Subscription Price. For the four Printed Circuit Board Comparable Companies as listed above, based on their share prices as at the Latest Practicable Date and the last available twelve months revenue per share according to their latest interim or annual results available, apart from Daisho Microline Holdings which has a P/S of 0.70x, the other three companies have a P/S ranged from 0.30x to 0.36x. Since the Subscription Price has a P/S of 0.23x, the Subscription Price's P/S is close to the P/S range of the Printed Circuit Board Comparable Companies.

In view of the P/B of the Subscription Price is above the range of the Printed Circuit Board Comparable Companies, while its P/S is close to the Printed Circuit Board Comparable Companies, by assuming the Company as purely a printed circuit board company, we consider the Subscription Price of HK$4.00 to be fair and reasonable.

In light of the above, we are of the view that the Subscription Price is fair and reasonable so far as the Company Independent Shareholders are concerned and in the interests of the Company and the Company Independent Shareholders as a whole.

Mr. Yip's and Mr. Chung's Non-disposal Undertaking

We understand that, on 24 March 2014, Mr. Chung and Mr. Yip have signed their respective letters of undertaking to the Company ("**Non-disposal Undertaking Letters**") pursuant to which, among other things, each of them has undertaken to the Company that, for a period of six months following Completion, not to dispose of any of the Company Shares directly or indirectly owned by them other than the obligations required to be fulfilled by Mr. Chung and the CB Holder with respect to an outstanding loan due to VC Finance Limited.

Given that Mr. Yip and Mr. Chung, together with their respective associates, currently represent the top two largest Company Shareholders as at the Latest Practicable Date, we consider that their Non-disposal Undertaking demonstrates their belief in the prospects of the Company after Completion. In addition, it also demonstrates their willingness to continue their support of the Company Shares for a reasonable period following Completion. As such, we are of the view that Mr. Yip's and Mr. Chung's Non-disposal Undertaking is fair and reasonable so far as the Company Independent Shareholders are concerned and in the interests of the Company and the Company Independent Shareholders as a whole.

3. ***Dilution effect on the shareholding interests of the existing public Company Shareholders***

The following table illustrates the shareholding structure of the Company as at the Latest Practicable Date and immediately following Completion (assuming that there is no change in the issued share capital of the Company other than the issue of (i) the Subscription Shares; (ii) the Conversion Shares; and (iii) the Company New Placing Shares):

	Existing shareholding		**Immediately after Completion**	
	Number of Company Shares	*%*	*Number of Company Shares*	*%*
Subscriber and parties acting in concert with it	—	—	360,000,000	67.99
Sum Tai Holdings Limited *(Note (1))*	31,695,475	36.88	31,695,475	5.99
Maroc Ventures Inc *(Note (1))*	3,598,498	4.19	3,598,498	0.68
Mr. Chung *(Note (2))*	1,426,000	1.66	34,968,857	6.60
Placees *(Note (3))*	—	—	50,000,000	9.44
Public Company Shareholders	49,228,547	57.27	49,228,547	9.30
Total	85,948,520	100	529,491,377	100

Notes:

(1) As at the Latest Practicable Date, 31,695,475 Company Shares were beneficially owned by Sum Tai Holdings Limited, which is wholly-owned by Aberdare Assets Limited. Aberdare Assets Limited is wholly-owned by Mr. Yip How Yin, Maurice, the brother of Mr. Yip, as trustee of a discretionary trust established for the benefit of Mr. Yip, an executive Company Director and the chairman of the Company, Madam Yu Hung Min, an executive Company Director, and their family (including Mr. Yip Wing Fung, an executive Company Director). 3,598,498 Company 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.

(2) As at the Latest Practicable Date, Mr. Chung, an executive Company Director, personally owns 876,000 Company Shares. The balance of 34,092,857 Company Shares Shares/securities comprise corporate interest of 550,000 Company Shares and a maximum number of 33,542,857 Company Shares issuable under the full exercise of the Convertible Bond held by the CB Holder. The CB Holder is owned as to 50% by Standard Smart Limited (wholly-owned by Mr. Chung) and 50% by Global Hill Limited (wholly-owned by Chen Geng). As a Condition to Completion, the Convertible Bond will be converted into 33,542,857 Company Shares following the Company SGM but before Completion.

(3) The Placees upon completion of the Amended and Restated Placing Agreement (assuming that the conditions of the Amended and Restated Placing Agreement will be fulfilled and completion will take place).

We noted that the shareholding interest of the existing public Company Shareholders is subject to dilution of the aforementioned extents as a result of the Share Subscription. However, with considerations of (i) the loss making position of the Company Group from the financial year ended 31 March 2012 to the most current six months ended 30 September 2013 and that the Company Group has not been paying dividends to the Company Shareholders in the latest three financial years we reviewed; (ii) given the abundant resources of the Subscriber, it would facilitate the Company as a platform in developing renewable energy projects; (iii) the Transaction would enable the Company to raise a significant amount of capital at a relatively low cost (in the context of the absence of the underwriting commission charge under rights issue/open offer); (iv) the share price increased right after the Announcement under the relatively stagnant general stock market condition, which may indicate a positive response from the market to the Subscription Agreement; and (v) the terms of the Share Subscription being fair and reasonable so far as the Company Independent Shareholders are concerned, we consider the possible dilution effect on the shareholding interests of the existing public Company Shareholders to be justifiable.

4. *Financial effects of the Transaction*

Effect on NAV

As disclosed in the 2013 Interim Report, the unaudited NAV attributable to Company Shareholders as at 30 September 2013 was approximately HK$435.32 million. Upon Completion, the Share Subscription would enlarge the asset base with the additional cash of HK$1.44 billion while there would not be any movement in total liabilities. As such, we consider that the Share Subscription will have a positive impact on the NAV.

As for the NAV per Company Share, prior to the Transaction, there are currently about 85.9 million Company Shares outstanding, which would give a NAV of HK$5.06 per Company Share. As the Share Subscription would increase the total cash level by HK$1.44 billion, while the total Company Shares outstanding would also increase as a result of the new Company Shares issued, we estimate that the NAV per Company Share would decrease after Completion.

Effect on earnings

As disclosed in the 2013 Interim Report, loss for the most current six months ended 30 September 2013 was HK$10.18 million. Except for the expenses relating to the Share Subscription, it is expected that the completion of the Share Subscription will not have any immediate material impact on the earnings of the Company, and given the large amount of cash flowing into the Company Group, additional interest income should be resulted before utilising the fund raised from the Share Subscription for future investments or business development. In addition, in view of that the Transaction may strengthen the Company's strategic capability for executing its business strategy, the Company Directors are optimistic on the overall future earnings of the Company Group upon Completion. As such, we consider that the Share Subscription will have a positive impact on earnings of the Company Group.

Effect on gearing

The gearing level of the Company Group (calculated by dividing total liabilities by total assets) was approximately 73.2% as at 30 September 2013. Upon Completion, the Share Subscription would enlarge the asset base with the additional cash of HK$1.44 billion while there would not be any movement in total liabilities. As such, we consider that the Share Subscription would reduce the Company Group's gearing level.

Effect on cash/working capital

As disclosed in the 2013 Interim Report, the Company Group had current assets of HK$620.14 million including bank balances and cash of HK$69.43 million and current liabilities of HK$1.10 billion. The Company Directors confirmed that the net proceeds from the Share Subscription would increase the Company Group's cash and cash equivalents before the Company utilises them for its future investments or business opportunities. As such, we are of the view that the Share Subscription will have a positive impact on the cash position and the working capital of the Company Group.

B. The Whitewash Waiver

Immediately after Completion, the Subscriber and parties acting in concert with it will in aggregate be interested in 360,000,000 new Company Shares, representing approximately 418.86% of the issued share capital of the Company as at the Latest Practicable Date and approximately 67.99% of the issued share capital of the Company as enlarged by the allotment and issue of (i) the Subscription Shares; (ii) the Conversion Shares; and (iii) the Company New Placing Shares (assuming that there is no change in the issued share capital of the Company other than (i) the issue of the Subscription Shares; (ii) the full conversion of the Convertible Bond; and (iii) the placing of the Company New Placing Shares) since the date of Subscription Agreement and up to Completion.

Under Rule 26.1 of the Takeovers Code, the Subscriber would be obliged to make a mandatory general offer to the Company Shareholders for all the issued Company Shares and other securities of the Company not already owned or agreed to be acquired by it and any parties acting in concert with it, unless the Whitewash Waiver is obtained from the Executive. In this regard, the Subscriber has made an application to the Executive for the Whitewash Waiver in respect of the issue of the Subscription Shares. The Whitewash Waiver, if granted by the Executive, is subject to, among other things, approval by the Company Independent Shareholders at the Company SGM by way of a poll. The Executive has indicated that it will grant the Whitewash Waiver subject to the approval of the Company Independent Shareholders on a vote by way of poll at the Company SGM.

Given the possible benefits of the Subscription Agreement and the transactions contemplated thereunder to the Company mentioned in section A of our letter and the terms of the Subscription Agreement being fair and reasonable so far as the Company Independent Shareholders are concerned, we are of the opinion that the approval of the Whitewash Waiver, which is a prerequisite for Completion, is in the interests of the Company and the Company Independent Shareholders as a whole and is fair and reasonable for the purpose of proceeding with the Subscription Agreement and the transactions contemplated thereunder.

Company Independent Shareholders should note that upon completion of the Share Subscription, the Subscriber and parties acting in concert with any of them will hold more than 50% of the enlarged issued share capital of the Company. In the event that the Subscriber and its respective concert parties' shareholding interests in the Company exceed 50% upon completion of the Share Subscription, and the Whitewash Waiver is granted, the Subscriber and parties acting in concert with any of them may increase their shareholdings in the Company without incurring any further obligations under Rule 26 of the Takeovers Code to make a general offer.

RECOMMENDATION

Having taken into account the above principal factors and reasons, in particular,

(i) the loss making position of the Company Group since the financial year ended 31 March 2012;

(ii) lack of alternative fund raising method available to the Company;

(iii) the Subscriber is rich in resource and well-positioned in the market and would facilitate the Company as a platform in developing solar energy;

(iv) the Subscriber's experienced management team would facilitate the Company in developing and managing the solar energy business;

(v) promising prospects and rapid developments of the solar industry;

(vi) historical price fluctuations of the Company Shares are more speculative in nature;

(vii) the P/B of the Subscription Price is above the P/B range of the Printed Circuit Board Comparable Companies and the P/S of the Subscription Price is close to the Printed Circuit Board Comparable Companies;

(viii) the Transaction will have an overall positive financial effect on the Company Group and is in the interests of the Company and the Company Independent Shareholders as a whole; and

(ix) the Whitewash Waiver is a prerequisite for Completion,

We are of the view that the Transaction, the terms of the respective agreements for the Transaction and the Whitewash Waiver are entered into on normal commercial terms, fair and reasonable and in the interests of the Company and the Company Independent Shareholders as a whole.

Accordingly, we advise the Company Independent Board Committee to recommend, and we ourselves recommend the Company Independent Shareholders to vote in favour of the resolutions in relation to the Transaction to be proposed at the Company SGM.

Yours faithfully,
For and on behalf of
Platinum Securities Company Limited

Liu Chee Ming	**Lenny Li**
Managing Director	*Director*

1. FINANCIAL SUMMARY

The following is a summary of the financial results of the Company Group for each of the three years ended 31 March 2013 and six months ended 30 September 2013. The information is extracted from the latest published financial statements of the Company Group prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRS**") issued by the Hong Kong Institute of Certified Public Accountants. The auditors' report by PricewaterhouseCoopers in respect of the Company Group's audited accounts for the three years ended 31 March 2013 and the unaudited financial information for the six months ended 30 September 2013 did not contain any qualification. There were no items which are exceptional because of size, nature or incidence in the financial statements of the Company Group according to HKFRS for the three years ended 31 March 2013 and the six months ended 30 September 2013 but attention should be drawn to the material charges to the consolidated income statements of the Company Group arising from the change in fair value of the embedded derivatives relating to the convertible redeemable bond which was separately disclosed in the consolidated income statements of the Company Group. In addition, the Company Group did not have any minority interests for the three years ended 31 March 2013 and the six months ended 30 September 2013.

	Year ended 31 March			Six months ended 30 September
	2011	**2012**	**2013**	**2013**
	HK$	*HK$*	*HK$*	*HK$*
Revenue	1,332,336,472	1,528,179,678	1,424,016,507	839,217,170
Realised loss on embedded derivatives upon conversion of convertible redeemable bond	—	—	(19,346,000)	—
Change in fair value of embedded derivatives	—	1,872,390	(154,385,960)	(38,160,000)
Profit/(loss) before income tax from continuing operation	1,437,848	(16,473,867)	(187,155,334)	(2,517,253)
Income tax credit/(expense)	(6,232,342)	(22,503,635)	11,762,292	(7,663,090)
Loss from continuing operation	(4,794,494)	(38,977,502)	(175,393,042)	(10,180,343)
Profit from discontinued operation	11,744,943	—	—	—
Profit/(loss) for the year/period	6,950,449	(38,977,502)	(175,393,042)	(10,180,343)
Earnings/(loss) per Share — basic and diluted (HK$ cents)				
— for loss from continuing operations	(8.4)	(57.6)	(216.6)	(11.8)
— for profit/(loss) for the year/period	12.2	(57.6)	(216.6)	(11.8)
Dividends	—	—	—	—
Dividends per Share (HK$)	—	—	—	—

2. FINANCIAL INFORMATION OF THE COMPANY FOR THE YEAR ENDED 31 MARCH 2013

The following is the full text of the unqualified audited financial statements of the Company Group for the year ended 31 March 2013 as extracted from the annual report of the Company for the year ended 31 March 2013:

Consolidated Income Statement

For the year ended 31 March 2013

		2013	**2012**
	Note	*HK$*	*HK$*
Revenue	*5*	1,424,016,507	1,528,179,678
Cost of sales		(1,366,278,365)	(1,416,101,692)
Gross profit		57,738,142	112,077,986
Other operating income			
Change in fair value of an investment property	*6*	88,149,772	48,698,323
		—	890,000
Distribution and marketing costs		(21,537,667)	(23,992,923)
Administrative expenses		(92,929,667)	(103,798,099)
Other operating expenses		(8,298,410)	(11,537,911)
Operating profit	*7*	23,122,170	22,337,376
Realised loss on embedded derivatives upon conversion of convertible redeemable bond	*30*	(19,346,000)	—
Change in fair value of embedded derivatives	*30*	(154,385,960)	1,872,390
Finance income	*11*	255,408	215,070
Finance costs	*12*	(36,800,952)	(40,898,703)
Loss before income tax		(187,155,334)	(16,473,867)
Income tax credit/(expense)	*13*	11,762,292	(22,503,635)
Loss attributable to owners of the Company	*14*	(175,393,042)	(38,977,502)
Basic and diluted loss per share attributable to owners of the Company	*16*	(216.6 cents)	(57.6 cents)

Consolidated Statement of Comprehensive Income
For the year ended 31 March 2013

	2013	**2012**
	HK$	*HK$*
Loss for the year	(175,393,042)	(38,977,502)
Other comprehensive income:		
Currency translation differences	5,232,489	21,515,845
Revaluation surplus on leasehold land and buildings, net of deferred tax	24,614,743	5,264,631
Other comprehensive income for the year, net of tax	29,847,232	26,780,476
Total comprehensive expenses attributable to owners of the Company for the year	(145,545,810)	(12,197,026)

Consolidated Statement of Financial Position
As at 31 March 2013

	Note	2013 HK$	2012 HK$
ASSETS			
Non-current assets			
Property, plant and equipment	17	958,011,210	968,237,517
Land use rights	18	20,901,985	21,309,965
Non-current deposits	20	12,037,691	6,887,029
Other non-current asset	21	350,000	350,000
		991,300,886	996,784,511
Current assets			
Inventories	22	193,118,019	203,197,893
Trade and other receivables	23	346,003,766	316,735,282
Pledged bank deposits	24	10,929,704	2,646,121
Cash at banks and in hand	24	47,115,302	29,637,112
		597,166,791	552,216,408
Total assets		1,588,467,677	1,549,000,919
EQUITY			
Capital and reserves			
Share capital	25	8,594,852	6,829,852
Reserves	26	418,618,799	498,596,803
Total equity		427,213,651	505,426,655
LIABILITIES			
Non-current liabilities			
Borrowings	29	101,787,267	169,094,507
Convertible redeemable bond	30	218,852,570	66,881,610
Deferred income tax liabilities	31	15,073,161	12,381,700
Deferred income	32	20,820,189	21,203,782
		356,533,187	269,561,599

	Note	2013 HK$	2012 HK$
Current liabilities			
Trade and other payables	28	459,656,464	438,180,276
Borrowings	29	300,875,677	274,488,210
Current income tax liabilities		44,188,698	61,344,179
		804,720,839	774,012,665
Total liabilities		1,161,254,026	1,043,574,264
Total equity and liabilities		1,588,467,677	1,549,000,919
Net current liabilities		(207,554,048)	(221,796,257)
Total assets less current liabilities		783,746,838	774,988,254

Statement of Financial Position
As at 31 March 2013

	Note	**2013** *HK$*	**2012** *HK$*
ASSETS			
Non-current assets			
Interests in subsidiaries	*19*	366,607,762	325,842,046
Current assets			
Other receivables	*23*	240,332	233,165
Cash at banks and in hand	*24*	237,459	204,096
		477,791	437,261
Total assets		367,085,553	326,279,307
EQUITY			
Capital and reserves			
Share capital	*25*	8,594,852	6,829,852
Reserves	*26*	116,548,000	229,821,585
Total equity		125,142,852	236,651,437
LIABILITIES			
Non-current liabilities			
Convertible redeemable bond	*30*	218,852,570	66,881,610
Current liabilities			
Amounts due to subsidiaries	*27*	22,227,223	22,390,762
Other payables	*28*	862,908	355,498
		23,090,131	22,746,260
Total liabilities		241,942,701	89,627,870
Total equity and liabilities		367,085,553	326,279,307
Net current liabilities		(22,612,340)	(22,308,999)
Total assets less current liabilities		343,995,422	303,533,047

Consolidated Statement of Changes in Equity

For the year ended 31 March 2013

		Reserves						
	Share capital	Share premium	Contributed surplus *(note 26(c))*	Legal reserve *(note 26(c))*	Revaluation reserve	Exchange reserve	Retained profits/ (accumulated losses)	Total equity
	HK$	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*
At 1 April 2011	5,691,852	151,921,671	14,802,582	48,544	64,933,538	77,250,540	166,689,692	481,338,419
Comprehensive income:								
Loss for the year	—	—	—	—	—	—	(38,977,502)	(38,977,502)
Other comprehensive income:								
Currency translation differences	—	—	—	—	—	21,515,845	—	21,515,845
Revaluation surplus on leasehold land and buildings	—	—	—	—	7,332,505	—	—	7,332,505
Deferred tax on revaluation surplus on leasehold land and buildings	—	—	—	—	(2,067,874)	—	—	(2,067,874)
Revaluation reserve realised upon disposal of a subsidiary	—	—	—	—	(29,775,465)	—	29,775,465	—
Disposal of properties	—	—	—	—	(7,493,168)	—	7,493,168	—
Total other comprehensive income, net of tax	—	—	—	—	(32,004,002)	21,515,845	37,268,633	26,780,476
Total comprehensive (expenses)/income for the year	—	—	—	—	(32,004,002)	21,515,845	(1,708,869)	(12,197,026)
Transactions with owners:								
Issuance of shares	1,138,000	35,147,262	—	—	—	—	—	36,285,262
Transfer to legal reserve	—	—	—	10,359,994	—	—	(10,359,994)	—
Total transactions with owners	1,138,000	35,147,262	—	10,359,994	—	—	(10,359,994)	36,285,262
At 31 March 2012	6,829,852	187,068,933	14,802,582	10,408,538	32,929,536	98,766,385	154,620,829	505,426,655

		Reserves						
	Share capital	Share premium	Contributed surplus *(note 26(c))*	Legal reserve *(note 26(c))*	Revaluation reserve	Exchange reserve	Retained profits/ (accumulated losses)	Total equity
	HK$	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*
At 1 April 2012	6,829,852	187,068,933	14,802,582	10,408,538	32,929,536	98,766,385	154,620,829	505,426,655
Comprehensive income:								
Loss for the year	—	—	—	—	—	—	(175,393,042)	(175,393,042)
Other comprehensive income:								
Currency translation differences	—	—	—	—	—	5,232,489	—	5,232,489
Revaluation surplus on leasehold land and buildings	—	—	—	—	32,394,944	—	—	32,394,944
Deferred tax on revaluation surplus on leasehold land and buildings	—	—	—	—	(7,780,201)	—	—	(7,780,201)
Total other comprehensive income, net of tax	—	—	—	—	24,614,743	5,232,489	—	29,847,232
Total comprehensive (expenses)/income for the year	—	—	—	—	24,614,743	5,232,489	(175,393,042)	(145,545,810)
Transactions with owners:								
Issuance of shares	1,365,000	40,294,806	—	—	—	—	—	41,659,806
Shares issued upon conversion of convertible redeemable bond	400,000	25,273,000	—	—	—	—	—	25,673,000
Transfer to legal reserve	—	—	—	8,271,678	—	—	(8,271,678)	—
Total transactions with owners	1,765,000	65,567,806	—	8,271,678	—	—	(8,271,678)	67,332,806
At 31 March 2013	8,594,852	252,636,739	14,802,582	18,680,216	57,544,279	103,998,874	(29,043,891)	427,213,651

Consolidated Cash Flow Statement
For the year ended 31 March 2013

	Note	2013 HK$	2012 HK$
Cash flows from operating activities			
Cash generated from operations	33(a)	152,446,046	19,490,787
Interest received		255,408	215,070
Interest paid on bank loans		(29,674,061)	(32,756,529)
Interest element of finance leases		(2,557,891)	(3,730,428)
Interest paid on convertible redeemable bond		(657,000)	(142,746)
Income tax paid		(9,927,516)	(1,307,316)
Net cash generated from/(used in) operating activities		109,884,986	(18,231,162)
Cash flows from investing activities			
Increase in pledged bank deposits		(8,283,583)	(2,646,121)
Net cash inflow in respect of disposal of a subsidiary		—	46,147,275
Purchase of property, plant and equipment		(71,950,138)	(84,388,365)
Proceeds from disposal of property, plant and equipment		1,279,768	8,600,382
Net cash used in investing activities		(78,953,953)	(32,286,829)
Cash flows from financing activities			
Net proceeds from issuance of ordinary shares		41,659,806	36,285,262
Proceeds from bank loans		239,432,124	154,516,354
Repayment of bank loans		(283,525,409)	(202,101,761)
Proceeds from issuance of convertible redeemable bond		—	90,000,000
Payment for partial redemption of convertible redeemable bond		—	(25,515,000)
Proceeds from inception of finance leases		11,793,600	26,027,474
Principal element of finance leases		(25,749,456)	(35,478,453)
Net cash (used in)/generated from financing activities		(16,389,335)	43,733,876

	Note	2013 HK$	2012 HK$
Net increase/(decrease) in cash and cash equivalents		14,541,698	(6,784,115)
Cash and cash equivalents at the beginning of the year		29,637,112	31,461,333
Effect of foreign exchange rate changes		2,936,492	4,959,894
Cash and cash equivalents at the end of the year		47,115,302	29,637,112
Analysis of cash and cash equivalents:			
Cash at banks and in hand	*24*	47,115,302	29,637,112

Notes to the Financial Statements

1 GENERAL INFORMATION

SAME TIME HOLDINGS LIMITED (the "Company") is a limited liability company incorporated in Bermuda and listed on the Main Board of The Stock Exchange of Hong Kong Limited. The address of its registered office is Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda. The address of its principal office is 17th Floor, Phase I, Kingsford Industrial Building, 26–32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong.

The Company and its subsidiaries (together the "Group") are principally engaged in the manufacturing and selling of printed circuit boards.

These consolidated financial statements are presented in Hong Kong dollars, unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 10 June 2013.

2 PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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, except for certain properties, derivative financial instruments and financial assets and liabilities at fair value through profit or loss, which had been measured at fair value.

The preparation of consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

(a) Basis of preparation

As at 31 March 2013, (i) the Group's current liabilities exceeded its current assets by approximately HK$208,000,000; and (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$458,000,000, of which HK$301,000,000 will be due for repayment in the coming twelve months. In addition, the Group breached the covenant requirement of a banking facility during the year and as at 31 March 2013 (note 29). The facility from the bank was approximately HK$12,000,000 and had been fully utilised as at 31 March 2013. In May 2013, 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.

During the year, the Group completed a placing of new shares with net proceeds of approximately HK$42,000,000 raised. Subsequent to the reporting period, the Group obtained additional bank loans in April and May 2013 from its principal banks with an aggregate amount of approximately HK$33,000,000. Moreover, in June 2013, the Group obtained a shareholder loan of HK$20,000,000 which is non-interest bearing and will be repayable in July 2014. The Group also successfully renewed banking facilities that were due during the year ended 31 March 2013. In addition, management maintains continuous communication with the Group's principal banks on the renewal of existing banking facilities that will fall due in the coming twelve months 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 these financial statements, 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 consolidated financial statements on a going concern basis.

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

In the current year, the Group has adopted, for the first time, the following new or revised standards, amendments and interpretations to existing standards ("new and revised HKFRSs") which are mandatory for the accounting periods beginning on or after 1 April 2012:

HKAS 12 (Amendment)	Deferred tax: Recovery of underlying assets
HKFRS 7 (Amendment)	Financial instruments: Disclosures — transfer of financial assets

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) *The Group has not early adopted the following new and revised HKFRSs that have been issued but are not yet effective for the accounting period beginning on or after 1 April 2012:*

		Effective for annual periods beginning on or after
HKAS 1 (Amendment)	Presentation of items of other comprehensive income	1 July 2012
HKAS 19 (2011)	Employee benefits	1 January 2013
HKAS 27 (2011)	Separate financial statements	1 January 2013
HKAS 28 (2011)	Investments in associates and joint ventures	1 January 2013
HKAS 32 (Amendment)	Financial instruments: Presentation — offsetting financial assets and financial liabilities	1 January 2014
HKFRS 1 (Amendment)	Government Loans	1 January 2013
HKFRS 7 (Amendment)	Financial instruments: Disclosures — offsetting financial assets and financial liabilities	1 January 2013
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
HKFRS 10	Consolidated financial statements	1 January 2013
HKFRS 11	Joint arrangements	1 January 2013
HKFRS 12	Disclosure of interests in other entities	1 January 2013
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements Disclosure of Interests in Other Entities: Transition Guidance	1 January 2013
HKFRS 10, HKFRS 12 and HKAS 27 (2011) (Amendments)	Investment Entities	1 January 2014
HKFRS 13	Fair value measurement	1 January 2013
HK (IFRIC)-Int 20	Stripping costs in the production phase of a surface mine	1 January 2013
Annual improvements	Amendment to a number of HKFRSs issued in June 2012	1 January 2013

The Group has assessed that the adoption of HKFRS 10 in the coming year ending 31 March 2014 does not have any financial impact on the Group as all subsidiaries within the Group satisfy the requirements for the control under HKFRS 10 and there are no new subsidiaries identified under the new guidance.

The Group has not early adopted these new and revised HKFRSs in the financial statements for the year ended 31 March 2013. The Group anticipates that the application of the above new and revised HKFRSs have no material impact on the results and the financial position of the Group.

(b) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 March.

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. The Company also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

In the Company's statement of financial position, the investments in subsidiaries are stated at cost less provision for impairment losses (note 2(h)). The results of subsidiaries are accounted for by the Company on the basis of dividend and receivable.

(c) Segment reporting

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 decisions.

(d) Translation of foreign currencies

(i) *Functional and presentation currency*

Items included in the financial statements of each of the entities of the Group are measured using the currency of the primary economic environment in which the entity operates (''the functional currency''). The consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and the Group's presentation currency.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated income statement within "finance income or cost". All other foreign exchange gains and losses are presented in the consolidated income statement within "administrative expenses".

(iii) *Group companies*

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

— assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

— income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates prevailing on the dates of the transactions); and

— all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold, such exchange differences are recognised in the consolidated income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(e) Property, plant and equipment

Leasehold land and buildings comprise mainly factories and offices are stated at revalued amount. All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of the asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the consolidated income statement during the financial period in which they are incurred.

Leasehold land interests classified as finance leases commence amortisation from the time when the land interest becomes available for its intended use. Amortisation on leasehold land interests classified as finance leases and depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Leasehold land interests classified as finance leases	Remaining lease term
Buildings	2–4% per annum
Plant and machinery	10–25% per annum
Leasehold improvements	20–25% per annum
Furniture, fixtures and equipment	20–25% per annum
Motor vehicles	25–30% per annum

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2(h)).

The gain or loss arising from the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the consolidated income statement.

(f) Land use rights

All land in Mainland China is state-owned or collectively-owned and no individual land ownership right exists. The Group has acquired the right to use certain pieces of land in Mainland China. The premiums paid for land use rights are treated as prepayments for operating leases, recorded as land use rights, and are amortised over the land use right periods using the straight-line method.

(g) Leases

(i) *Operating lease (as the lessee to operating leases)*

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases net of any incentives received from the lessor are expensed in the consolidated income statement on a straight-line basis over the period of the lease.

(ii) *Finance lease*

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance lease are capitalised at the lease's commencement at the lower of fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance lease balance outstanding. The corresponding rental obligations, net of finance charges, are including in borrowings. The interest element of the finance lease is recognised in the consolidated income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under financial leases are depreciated over the shorter of the useful life of the assets and the lease term.

(iii) *Sale and leaseback transactions — where the Group is the lessee*

A sale and leaseback transaction involves the sale of an asset by the Group and the leasing of the same asset back to the Group. The lease payments and the sale price are usually interdependent as they are negotiated as a package. The accounting treatment of a sale and leaseback transaction depends upon the type of lease involved and the economic and commercial substance of the whole arrangement.

Sale and leaseback arrangements that result in the Group retaining the majority of the risks and rewards of ownership of assets are accounted for as finance leases. Any excess/(deficit) of sales proceeds over the carrying amount is deferred and amortised over the lease term.

(h) Impairment of investments in subsidiaries and non- financial assets

Assets that have an indefinite useful life or have not yet been available for use are not subject to amortisation and are tested annually for impairment. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

(i) Inventories

Inventories comprise finished goods, work in progress and raw materials and are stated at the lower of cost and net realisable value. Cost calculated on the weighted average basis comprises materials, direct labour and an appropriate proportion of all production overhead expenditure. Net realisable value is determined on the basis of anticipated sales proceeds less estimated selling expenses.

(j) Derivative financial instruments

The Group has entered into certain foreign currency forward contracts which are not qualified for hedge accounting. These derivative instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Changes in the fair value of these derivative instruments are recognised in the consolidated income statement within "other operating income" or "other operating expenses".

(k) Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(l) Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(m) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(n) Convertible redeemable bond

Convertible redeemable bond issued by the Company that contains both a liability and embedded derivative is classified separately into these respective items on initial recognition. Conversion right that will be settled other than by the exchange of a fixed amount of cash or other financial assets for a fixed number of the Company's shares is conversion right derivative. Redemption right at the option of holders which is not closely related to the host contract is also embedded derivative and is accounted together with conversion right as a single derivative (collectively referred to the "embedded derivative"). At the date of issue of the convertible redeemable bond, the embedded derivative is recognised at fair value, the host liability is recognised at the residual amount after deducting the fair value of embedded derivative from the fair value of the convertible redeemable bond as a whole.

In subsequent periods, the liability component of the convertible redeemable bond is carried at amortised cost using the effective interest method. The embedded derivative is measured at fair value with changes in fair value recognised in the consolidated income statement.

If the bond is converted, the respective conversion right derivative in the convertible redeemable bond, together with the carrying value of the liability component at the time of conversion, are transferred to share capital and share premium as consideration for the shares issued.

(o) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

(p) Current and deferred income tax

The income tax expense for the year comprises current and deferred income tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(i) *Current income tax*

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) *Deferred income tax*

Inside basis differences

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Outside basis differences

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

(iii) *Offsetting*

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(q) Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non- current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(r) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

(s) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns and discounts and after eliminating sales within the Group.

Revenue from the manufacturing and sales of products and by-products is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and title has passed.

Interest income is recognised on a time-proportion basis using the effective interest method.

Rental income from letting of investment properties is recognised on a straight-line basis over the lease term.

(t) Employee benefits

(i) *Employee leave entitlements*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) *Bonus plans*

The expected cost of bonus payments is recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

Liabilities for bonus plans are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

(iii) *Retirement benefit obligations*

The Group operates a number of defined contribution retirement schemes in Hong Kong and Mainland China. The contributions of the Group to the defined contribution retirement schemes are recognised in the period to which they relate and are reduced by contributions forfeited by those employees who leave the schemes before vesting fully in the contributions. The contributions of the Group to the mandatory provident fund scheme ("MPF Scheme") and other defined contribution retirement schemes are recognised in the period to which they relate. The assets of these schemes are held separately from those of the Group in independently administered funds.

(iv) *Termination benefits*

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(u) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of these assets. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Capitalisation of borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as expenses in the year in which they are incurred.

(v) Dividend distribution

Dividend distribution to the shareholders of the Company is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the shareholders in the case of final dividends and by directors of the Company for other dividends.

(w) Government grants and subsidies

Government grants and subsidies are financial assistance by local municipal government in Mainland China in the form of transfer of resources to an enterprise to encourage business development in the local municipality and are recognised at their fair value where there are reasonable assurance that the grants and subsidies will be received and the Group will comply with all attached conditions.

Grants relating to the construction of plant are included in non-current liabilities as deferred income and are credited to the consolidated income statement on a straight-line basis over the expected useful lives of the related assets.

(x) Financial guarantee

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. The Company and the Group account for the financial guarantee contracts under HKFRS 4 "Insurance Contracts" and do not recognise liabilities for financial guarantees at inception, but performs a liability adequacy test at the end of each reporting period by comparing its net liability regarding the financial guarantee with the amount that would be required if the financial guarantee would result in a present legal or constructive obligation. If the respective liability is less than its present legal or constructive obligation amount, the entire difference is recognised in the income statement immediately.

(y) Comparatives

Where necessary, comparative figures would be reclassified to conform with changes in presentation in current year.

3 FINANCIAL RISK MANAGEMENT

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk.

(i) *Market risk (foreign exchange risk, cash flow and fair value interest rate risk)*

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect Renminbi ("RMB"). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk.

At 31 March 2013, if Hong Kong dollars had weakened/strengthened by 3% (2012: 2%) against RMB with all other variables held constant, the post- tax loss (2012: post-tax loss) for the year would have been approximately HK$27,505,000 (2012: HK$15,288,000) lower/higher (2012: lower/higher), mainly as a result of foreign exchange gains/losses on translation of RMB-denominated net assets.

Cash flow and fair value interest rate risk

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

The Group's interest rate risk arises from borrowings. The Group's borrowings are issued at variable rates which expose the Group to cash flow interest rate risk. The Group currently does not have a hedging policy on interest rate exposure. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arises.

If interest rates on borrowings had been 50 basis points higher/lower with all other variables held constant, the post-tax loss (2012: post-tax loss) for the year would have been approximately HK$1,454,000 (2012: HK$1,992,000) higher/lower (2012: higher/lower) mainly as a result of higher/lower interest expenses on floating rate borrowings.

(ii) *Credit risk*

The Group has some concentration of credit risk in respect of sales of products with 33% (2012: 29%) of total sales for the year being attributable to its top five customers. The Group has policies in place to ensure that sales of products are made to customers with an appropriate credit history. In addition, collection of receivables is monitored on an ongoing basis.

The credit risk for bank deposits and bank balances is minimal as such amounts are placed with banks with good credit ratings.

(iii) *Liquidity risk*

The Group's objective when managing liquidity is to maintain a balance between cash resources on hand and the flexibility through the use of bank loans and finance leases. It 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. It maintains liquidity by keeping sufficient cash resources and committed credit lines available from principal banks.

As at 31 March 2013, the Group breached the covenant requirement of a banking facility (note 29). The facility available from the bank was approximately HK$12,000,000 (2012: HK$62,000,000) and had been fully utilised as at 31 March 2013 (2012: HK$37,000,000). In May 2013, the bank granted a waiver from strict compliance of the covenant requirement of the banking facility.

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 2013 are set out in note 34 below. Subsequent to the reporting period, the Group obtained additional bank loans in April and May 2013 from its principal banks with an aggregate amount of approximately HK$33,000,000. Moreover, in June 2013, the Group obtained a shareholder loan of HK$20,000,000 which is non-interest bearing, and will be repayable in July 2014. The Group also successfully renewed banking facilities that were due during the year ended 31 March 2013. In addition, 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 end of the reporting period.

In addition, the holder of the convertible redeemable bond confirmed that the redemption option of the convertible redeemable bond would not be exercised prior to its maturity date on 16 June 2014.

Management monitors rolling forecasts of the Group's liquidity reserve, which comprises undrawn borrowing facility and cash and cash equivalents, based on the expected operating cash flows and on the assumption that the existing banking facilities of the Group will continue to be available or can be replaced by new facilities. Management also monitors closely the changes in sales orders, material and labour costs by comparing them to the forecasts, and keep alert of any material changes resulted from the uncertainty of the global economic recovery from the financial crisis which may have impacts to the Group's liquidity position.

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.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows:

		Group	
	Less than 1 year	**Between 1 and 2 years**	**Between 2 and 5 years**
	HK$	*HK$*	*HK$*
At 31 March 2013			
Trade and other payables	459,656,464	—	—
Bank loans	287,218,258	46,613,644	38,235,439
Obligations under finance leases	29,211,706	14,981,321	9,088,114
Convertible redeemable bond	587,000	59,287,000	—
Total	776,673,428	120,881,965	47,323,553
At 31 March 2012			
Trade and other payables	438,180,276	—	—
Bank loans	269,780,272	76,306,017	81,725,763
Obligations under finance leases	27,365,332	19,196,396	4,951,997
Convertible redeemable bond	657,000	67,014,000	—
Total	735,982,880	162,516,413	86,677,760

	Company		
	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
	HK$	*HK$*	*HK$*
At 31 March 2013			
Other payables	862,908	—	—
Amounts due to subsidiaries	22,227,223	—	—
Convertible redeemable bond	587,000	59,287,000	—
Total	23,677,131	59,287,000	—
At 31 March 2012			
Other payables	355,498	—	—
Amounts due to subsidiaries	22,390,762	—	—
Convertible redeemable bond	657,000	67,014,000	—
Total	23,403,260	67,014,000	—

(b) Capital risk management

The Group's objectives when managing capital are to safeguard the Group'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.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Except for the compliance of certain bank covenant requirements for maintaining the Group's banking facilities, the Group is not subject to any externally imposed capital requirements.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net borrowings divided by total equity. Net borrowings are calculated as total borrowings (including current and non-current borrowings as shown in the consolidated statement of financial position) and liability component of convertible redeemable bond less pledged bank deposits and cash at banks and in hand. Total equity represents as "equity", as shown in the consolidated statement of financial position.

The gearing ratios at 31 March 2013 and 2012 were as follows:

	2013	2012
	HK$	*HK$*
Total borrowings	402,662,944	443,582,717
Liability component of convertible redeemable bond	55,176,570	57,591,570
	457,839,514	501,174,287
Less: Pledged bank deposits	(10,929,704)	(2,646,121)
Cash at banks and in hand	(47,115,302)	(29,637,112)
Net borrowings	399,794,508	468,891,054
Total equity	427,213,651	505,426,655
Gearing ratio	94%	93%

(c) Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Group's liabilities that are measured at fair value at 31 March 2013 and 2012.

	Level 1	**Level 2**	**Level 3**	**Total**
	HK$	*HK$*	*HK$*	*HK$*
At 31 March 2013				
Liability				
Embedded derivatives	—	—	163,676,000	163,676,000
At 31 March 2012				
Liability				
Embedded derivatives	—	—	9,290,040	9,290,040

During the year, there were no significant transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments, no reclassifications of financial assets and no significant changes in the business or economic circumstances that affect the fair values of the Group's financial assets and financial liabilities.

The carrying amounts less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year, including trade and other receivables, cash and cash equivalents, trade and other payables and current borrowings approximate their fair values. The fair value of long-term borrowings equals their carrying amount as the discounting impact is not significant.

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. The Group 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) Fund availability

In order to fund the daily operation and the future expansion of the business of the Group, significant amounts of capital in the form of borrowing or equity, or a combination of both, is considered to be necessary in future. Management considers such funding for the future operation and expansion will be available as and when required. The basis of preparing these consolidated financial statements under the going concern assumption has been discussed in note 2.

(b) Impairment of investments in subsidiaries

Investments in subsidiaries are reviewed for impairment in accordance with the accounting policy set out in note 2(h) whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. The recoverable amounts have been determined based on value-in-use calculations or fair value less costs to sell. These calculations require the use of judgments and estimates.

(c) Estimated fair value of properties

The fair values of leasehold land and buildings are determined at the end of each reporting period by an independent professional valuer. The fair value of leasehold land and buildings is determined on an open market value basis by reference to comparable market transactions. The fair values of buildings located in Mainland China are determined on depreciated replacement cost basis. These methodologies are based upon estimates of future results and a set of assumptions as to income and expenses of the property and future economic conditions.

(d) Useful lives and residual values of property, plant and equipment

The Group's management determines the estimated useful lives, and related depreciation expense for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. Management will increase the depreciation expense where useful lives are less than previously estimated lives. It will write-off or write-down technically obsolete or non- strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives. Periodic review could result in a change in depreciable lives and therefore depreciation expense in future periods.

(e) Impairment of property, plant and equipment

The Group has made substantial investments in property, plant and equipment for the manufacturing of printed circuit boards. Changes in technology on machinery or products to be manufactured may cause a change in the estimated useful lives or value of these assets.

The Group evaluates whether there is any event or change in circumstances which indicates that the carrying amounts of property, plant and equipment may not be recoverable. Whenever such events or changes in circumstances occur, these assets are reviewed for impairment in accordance with the accounting policy set out in note 2(h).

(f) Income taxes

The Group is subject to income taxes in several jurisdictions. There are certain transactions and calculations for which the ultimate tax determination may be uncertain. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax provisions in the financial period in which such determination is made.

Recognition of deferred income tax asset, which principally relates to tax losses of certain subsidiaries, depends on the management's expectation of future taxable profit that will be available against which the tax losses can be utilised. The outcome of their actual utilisation may be different.

(g) Trade and other receivables

The Group's management determines the provision for impairment of trade and other receivables based on an assessment of the recoverability of the receivables. The assessment is based on the credit history of its customers and other debtors and the current market condition and requires the use of judgements and estimates. Management reassesses the provision at the end of each reporting period.

(h) Estimated provision for inventories

Inventories are written down to net realisable value based on an assessment of the realisability of inventories. Write-downs on inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

(i) Estimated fair value of embedded derivative

The fair value of the embedded derivative is determined based on the directors' estimation in light of the latest information obtained relating to the convertible redeemable bond and with reference to independent valuer's assessment. Any new development in the convertible redeemable bond or the market conditions and changes in assumptions and estimation selected by management and independent valuer in assessing the fair value of the embedded derivative, 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 holder and the Company, could affect the fair value of such embedded derivative and as a result affect the Group's financial position and results of operations.

5 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.

(b) Geographical information

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 year ended 31 March 2013 is HK$948,000,135 (2012: HK$1,002,232,962), and the total of its revenue from external customers in other countries is HK$476,016,372 (2012: HK$525,946,716).

At 31 March 2013 and 2012, most of the non-current assets are located in Hong Kong and Mainland China.

(c) Information about major customers

For the year ended 31 March 2013, revenues of HK$172,003,660 (2012: HK$146,544,865) are derived from a single external customer. These revenues are attributable to the sales of printed circuit board products.

6 OTHER OPERATING INCOME

	2013	2012
	HK$	*HK$*
Amortisation of deferred income on government grants	454,755	449,361
Bad debts recovered	925,110	—
Gain on disposal of property, plant and equipment	350,687	—
Government subsidies *(Note)*	11,156,364	10,131,712
Net gain on derivatives	—	342,527
Rental income	—	120,000
Sale of manufacturing by-products	72,855,260	37,630,787
Sundries	468,310	23,936
Write-off of other payables	1,939,286	—
	88,149,772	48,698,323

Note: Government subsidies mainly represent cash received from the local municipal government in the PRC for the years ended 31 March 2013 and 2012 as incentives to encourage export sales in the PRC, the conditions attached thereto had been fully complied with.

7 OPERATING PROFIT

	2013	2012
	HK$	*HK$*
Operating profit is stated after charging the following:		
Auditor' s remuneration	2,233,000	1,580,000
Amortisation of land use rights	477,233	471,839
Bad debts written off *(Note)*	2,928,248	7,194,926
Impairment loss on other receivables *(Note)*	3,085,007	—
Cost of inventories sold	840,667,006	925,637,223
Depreciation		
— Owned property, plant and equipment	114,399,372	104,698,442
— Leased property, plant and equipment	11,917,129	16,815,809
Loss on disposal of a subsidiary*(Note and note 33(c))*	—	240,322
Loss on disposal of property, plant and equipment *(Note)*	—	2,571,504
Net exchange loss	7,738,177	18,096,670
Operating lease rental in respect of properties	5,710,302	5,676,980
Staff costs (including directors' and chief executive' s emoluments)	218,448,097	201,463,335

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

8 STAFF COSTS (EXCLUDING DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS)

	2013	2012
	HK$	*HK$*
Wages, salaries, bonus and other allowances	193,097,539	181,701,071
Pension costs — defined contribution plans	16,688,312	11,808,868
	209,785,851	193,509,939

9 DEFINED CONTRIBUTION PENSION SCHEMES

For the MPF Scheme, the contributions of the Group are at 5% of the employees' relevant income as defined in the Mandatory Provident Fund Schemes Ordinance up to a maximum of HK$1,000 per employee per month (for the period before 31 May 2012) and HK$1,250 per employee per month (for the period after 1 June 2012). The employees contribute a corresponding amount to the MPF Scheme if their relevant income is more than HK$6,500 per month. The MPF contributions are fully and immediately vested in the employees as accrued benefits once they are paid.

The Group also operates a defined contribution pension scheme, which is an exempted scheme ("the Exempted Scheme") under the Mandatory Provident Fund Schemes Ordinance and provides retirement benefits to its employees in Hong Kong who joined the Group prior to 1 December 2000. These employees can elect to join the MPF Scheme or to remain as a member of the Exempted Scheme. The assets of the Exempted Scheme are held under provident funds managed by an independent administrator. Under the Exempted Scheme, both the employers and employees are required to contribute 5% of the employees' basic salaries on a monthly basis. Where there are employees who leave the Exempted Scheme prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions. There were no forfeited contributions utilised by the Group to reduce existing level of contributions for each of the years ended 31 March 2013 and 2012.

The Group also contributes to retirement plans for its employees in Mainland China at a percentage of their salaries in compliance with the requirements of the respective municipal governments in Mainland China. The municipal governments undertake to assume the retirement benefit obligations of all existing and future retired employees of the Group in Mainland China.

10 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' and chief executive's emoluments

Name of director/ chief executive	**Fees**	**Salaries**	**Other benefits**#	**Employer's contributions to pension schemes**	**Total**
	HK$	*HK$*	*HK$*	*HK$*	*HK$*
For the year ended 31 March 2013:					
Executive Directors					
Mr. YIP Sum Yin	—	2,160,000	566,858	14,500	2,741,358
Madam YU Hung Min	—	1,806,196	286,359	14,500	2,107,055
Mr. CHUNG Chi Shing	—	960,000	—	14,500	974,500
Mr. MAO Lu	—	960,000	—	14,500	974,500
Mr. YIP Wing Fung	—	960,000	—	14,500	974,500
Independent Non-executive Directors					
Mr. LAI Wing Leung, Peter	100,000	—	—	—	100,000
Mr. LAM Kwok Cheong	100,000	—	—	—	100,000
Madam LEE Mei Ling	100,000	—	—	—	100,000
Chief Executive Officer					
Mr. YIP How Yin, Maurice	—	590,333	—	—	590,333
Total	300,000	7,436,529	853,217	72,500	8,662,246

Name of director/ chief executive	Fees	Salaries	Other benefits#	Employer's contributions to pension schemes	Total
	HK$	*HK$*	*HK$*	*HK$*	*HK$*
For the year ended 31 March 2012:					
Executive Directors					
Mr. YIP Sum Yin	—	2,160,000	771,206	12,000	2,943,206
Madam YU Hung Min	—	1,869,103	322,967	12,000	2,204,070
Madam YU Pei Yi	—	198,364	—	—	198,364
Mr. CHUNG Chi Shing	—	712,258	—	9,000	721,258
Mr. MAO Lu	—	637,419	—	8,000	645,419
Mr. YIP Wing Fung	—	353,748	—	4,000	357,748
Independent Non-executive Directors					
Mr. LAI Wing Leung, Peter	100,000	—	—	—	100,000
Mr. LAM Kwok Cheong	100,000	—	—	—	100,000
Madam LEE Mei Ling	100,000	—	—	—	100,000
Chief Executive Officer					
Mr. YIP How Yin, Maurice	—	583,331	—	—	583,331
Total	300,000	6,514,223	1,094,173	45,000	7,953,396

Other benefits include insurance premium and motor vehicle expenses.

(b) Senior management's emoluments

The emoluments paid or payable to members of senior management (excluding the Directors and chief executive) are within the following bands:

	Number of individuals 2013	2012
Emolument bands		
HK$ Nil–HK$1,000,000	2	2

(c) Five highest paid individuals

The emoluments of the five highest paid individuals of the Group for the year are as follows:

	2013	2012
	HK$	*HK$*
Basic salaries, housing allowances, other allowances and benefits in kind	7,891,913	7,344,113

The emoluments fell within the following bands:

	Number of individuals 2013	2012
Emolument bands		
HK$ Nil – HK$1,000,000	2	3
HK$1,000,001 – HK$1,500,000	1	—
HK$2,000,001 – HK$2,500,000	1	1
HK$2,500,001 – HK$3,000,000	1	1

The five highest paid individuals include four (2012: three) directors whose emoluments amounting to HK$6,797,413 (2012: HK$5,868,534) are included in directors' emoluments.

During the year, the Group did not pay to the directors or the five highest paid individuals any inducement to join or upon joining the Group, or a compensation for loss of office (2012: Nil). No directors waived or agreed to waive any emoluments during the year (2012: Nil).

11 FINANCE INCOME

	2013 *HK$*	2012 *HK$*
Bank interest income	255,408	215,070

12 FINANCE COSTS

	2013 *HK$*	2012 *HK$*
Interest on bank loans wholly repayable within five years	29,674,061	32,756,529
Interest element of finance leases	2,557,891	3,730,428
Interest on convertible redeemable bond	4,569,000	3,196,746
Redemption cost of convertible redeemable bond	—	1,215,000
	36,800,952	40,898,703

13 INCOME TAX (CREDIT)/EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2012: 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.

	2013	**2012**
	HK$	*HK$*
Current income tax		
— Hong Kong profits tax		
Provision for current year	—	122,780
(Over)/under-provision for prior years	(15,861,224)	14,635
	(15,861,224)	137,415
— Overseas taxation		
Provision for current year	9,236,571	21,080,440
Under-provision for prior years	—	30,531
	9,236,571	21,110,971
Total current income tax (credit)/expense	(6,624,653)	21,248,386
Deferred income tax *(note 31)*	(5,137,639)	1,255,249
	(11,762,292)	22,503,635

The tax on profit of the Group differs from the theoretical amount that would arise using the tax rate of Hong Kong, where the Group performs its principal activities, as follows:

	2013	**2012**
	HK$	*HK$*
Loss before income tax	(187,155,334)	(16,473,867)
Calculated at a tax rate of 16.5% (2012: 16.5%)	(30,880,630)	(2,718,188)
Income not subject to tax	(465,125)	(2,768,373)
Expenses not deductible for tax purposes	27,507,840	11,867,640
Temporary differences not recognised	(379,399)	(382,305)
Tax losses not recognised	8,627,333	23,857,874
(Over)/under-provision for prior years *(note a)*	(22,655,953)	45,166
Tax effect of tax holiday *(note b)*	(5,260,449)	(17,031,321)
Effect of different tax rates of subsidiaries operating in other jurisdiction	11,744,091	9,633,142
Income tax (credit)/expense	(11,762,292)	22,503,635

Notes:

(a) 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. Current income 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 year, the case was resolved with the IRD, a reversal of current income tax of approximately HK$15,800,000 and write back of related deferred tax liabilities of approximately HK$6,800,000 were booked in the Group's consolidated income statement for the year ended 31 March 2013.

(b) Pursuant to relevant laws and regulations in the PRC, certain subsidiaries of the Company in the PRC are exempted from PRC Enterprise Income Tax for two years starting from the first profit- making year in which profits exceed any carried forward tax losses followed by a 50% reduction in the income tax rate in the following three years ("Tax Holiday"). The Tax Holiday enjoyed by these subsidiaries expired on 31 December 2012.

14 LOSS ATTRIBUTABLE TO OWNERS

Loss attributable to owners included a loss of HK$178,841,391 (2012: HK$4,471,113) which is dealt with in the financial statements of the Company.

15 DIVIDEND

The Directors do not recommend the payment of a dividend for the year ended 31 March 2013 (2012: Nil).

16 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 year.

	2013	**2012**
	HK$	*HK$*
Weighted average number of ordinary shares in issue	80,961,533	67,707,755
Loss attributable to owners of the Company	(175,393,042)	(38,977,502)
Basic loss per share attributable to owners of the Company	(216.6 cents)	(57.6 cents)

For the years ended 31 March 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.

17 PROPERTY, PLANT AND EQUIPMENT — GROUP

	Leasehold land and buildings	Plant and machinery	Leasehold improvements, furniture, fixtures and equipment	Motor vehicles	Total
	HK$	*HK$*	*HK$*	*HK$*	*HK$*
At 1 April 2011					
Cost or valuation	297,440,218	1,196,182,936	139,315,415	11,951,707	1,644,890,276
Accumulated depreciation and impairment losses	—	(520,387,640)	(110,671,518)	(9,921,477)	(640,980,635)
Net book amount	297,440,218	675,795,296	28,643,897	2,030,230	1,003,909,641
Year ended 31 March 2012					
Opening net book amount	297,440,218	675,795,296	28,643,897	2,030,230	1,003,909,641
Exchange differences	8,105,807	24,901,685	641,784	62,764	33,712,040
Additions	—	82,996,953	11,653,048	1,865,288	96,515,289
Disposals	(8,420,000)	(2,751,886)	—	—	(11,171,886)
Disposal of a subsidiary *(note 33(c))*	(40,500,000)	—	(45,821)	—	(40,545,821)
Revaluation surplus	7,332,505	—	—	—	7,332,505
Depreciation	(7,223,232)	(104,788,345)	(8,378,851)	(1,123,823)	(121,514,251)
Closing net book amount	256,735,298	676,153,703	32,514,057	2,834,459	968,237,517
At 31 March 2012					
Cost or valuation	256,735,298	1,296,763,421	124,045,880	10,700,773	1,688,245,372
Accumulated depreciation and impairment losses	—	(620,609,718)	(91,531,823)	(7,866,314)	(720,007,855)
Net book amount	256,735,298	676,153,703	32,514,057	2,834,459	968,237,517
Analysis of cost or valuation					
At cost	—	676,153,703	32,514,057	2,834,459	711,502,219
At 2012 valuation	256,735,298	—	—	—	256,735,298
	256,735,298	676,153,703	32,514,057	2,834,459	968,237,517

	Leasehold land and buildings *HK$*	Plant and machinery *HK$*	Leasehold improvements, furniture, fixtures and equipment *HK$*	Motor vehicles *HK$*	Total *HK$*
Year ended 31 March 2013					
Opening net book amount	256,735,298	676,153,703	32,514,057	2,834,459	968,237,517
Exchange differences	985,685	2,178,033	46,652	2,491	3,212,861
Additions	—	78,194,663	2,721,134	495,673	81,411,470
Disposals	—	—	(8,882)	(920,199)	(929,081)
Revaluation surplus	32,394,944	—	—	—	32,394,944
Depreciation	(6,808,120)	(109,640,940)	(8,866,196)	(1,001,245)	(126,316,501)
Closing net book amount	283,307,807	646,885,459	26,406,765	1,411,179	958,011,210
At 31 March 2013					
Cost or valuation	283,307,807	1,378,747,793	126,814,089	7,990,779	1,796,860,468
Accumulated depreciation and impairment losses	—	(731,862,334)	(100,407,324)	(6,579,600)	(838,849,258)
Net book amount	283,307,807	646,885,459	26,406,765	1,411,179	958,011,210
Analysis of cost or valuation					
At cost	—	646,885,459	26,406,765	1,411,179	674,703,403
At 2013 valuation	283,307,807	—	—	—	283,307,807
	283,307,807	646,885,459	26,406,765	1,411,179	958,011,210

(a) The Group's leasehold land and buildings were revalued individually on 31 March 2013 by Cushman & Wakefield Valuation Advisory Services (HK) Limited, an independent professional qualified valuer, at an aggregate open market value of HK$283,307,807 (2012: HK$256,735,298). A revaluation surplus totalling HK$32,394,944 (2012: HK$7,332,505), resulting from the above valuations, has been credited to revaluation reserve. Had these leasehold land and buildings been carried at historical cost less accumulated depreciation and impairment losses, their net book amount would have been HK$216,558,943 (2012: HK$220,763,280).

(b) As at 31 March 2013, the net book amount of property, plant and equipment pledged to banks to secure bank loans of the Group amounted to HK$331,172,573 (2012: HK$666,807,998) (note 34).

(c) As at 31 March 2013, the net book amount of property, plant and equipment held by the Group under finance leases amounted to HK$93,271,914 (2012: HK$86,953,901).

(d) As at 31 March 2013 and 2012, all leasehold land and buildings are held under leases of 10 to 50 years in Mainland China.

(e) Depreciation expense of HK$114,972,245 (2012: HK$109,726,775) and HK$11,344,256 (2012: HK$11,787,476) has been charged in cost of sales and in administrative expenses respectively.

(f) At 31 March 2013, the Group was in the process of obtaining the property ownership certificates in respect of property interests held under medium term land use rights in the PRC with carrying amount of approximately HK$2,617,545 (2012: HK$18,910,446). In the opinion of the directors, the absence of the property ownership certificates to these property interests does not impair their carrying value to the Group as the Group paid the full purchase consideration of these property interests and the probability of being evicted on the ground of an absence of property ownership certificates is remote.

18 LAND USE RIGHTS

	Group 2013	Group 2012
	HK$	*HK$*
At the beginning of the year	21,309,965	21,008,304
Exchange differences	69,253	773,500
Amortisation	(477,233)	(471,839)
At the end of the year	20,901,985	21,309,965

The lease terms of all land use rights situated in Mainland China ranged from 10 to 50 years.

As at 31 March 2013, the net book amount of land use rights pledged to banks to secure bank loans of the Group amounted to HK$20,263,754 (2012: HK$20,649,257) (note 34).

19 INTERESTS IN SUBSIDIARIES

	Company 2013	Company 2012
	HK$	*HK$*
Unlisted share investments, at cost	57,165,073	57,165,073
Amounts due from subsidiaries *(note a)*	309,442,689	268,676,973
	366,607,762	325,842,046

The following is a list of the principal subsidiaries as at 31 March 2013:

Name	Place of incorporation/ operation	Principal activities	Particulars of issued share capital/registered capital	Interest held 2013 %	Interest held 2012 %
Shares held directly:					
Same Time International (B.V.I.) Limited	British Virgin Islands	Investment holding	50,000 ordinary shares of US$1 each	100	100
Shares held indirectly:					
Dongguan Red Board Limited[1, 2]	Mainland China	Manufacture and sale of printed circuit boards	Registered capital of HK$250,000,000	100	100
Dongguan Same Time Electronics Limited[1, 2]	Mainland China	Dormant	Registered capital of HK$35,000,000	100	100

Name	Place of incorporation/ operation	Principal activities	Particulars of issued share capital/registered capital	Interest held 2013 %	Interest held 2012 %
Red Board (Jiangxi) Limited[1, 2]	Mainland China	Manufacture and sale of printed circuit boards	Registered capital of HK$373,969,000	100	100
Red Board Limited	Hong Kong	Sale of printed circuit boards	4 ordinary shares of HK$1 each and 5,000,000 non-voting deferred shares of HK$1 each	100	100
Same Time Electronics (B.V.I.) Limited	British Virgin Islands/ Mainland China	Property holding	1 ordinary share of US$1	100	100

1 These companies have no English names and the above names are translation of Chinese names

2 Wholly owned foreign enterprise

(a) The amounts due from subsidiaries are unsecured, interest free and are regarded as equity in nature by the Company. Accordingly, the amounts are classified as equity instruments, which are carried at cost and not subsequently remeasured.

(b) All subsidiaries established in Mainland China have financial accounting year end dated 31 December in accordance with the local statutory requirements, which is not coterminous with that of the Group. The consolidated financial statements of the Group were prepared based on the management accounts of these subsidiaries prepared under HKFRS for the twelve months ended 31 March 2013.

20 NON-CURRENT DEPOSITS

Non-current deposits represent deposits paid for the acquisition of property, plant and equipment, and deposits paid for the guarantees of the finance leases. The deposits will not be realised within twelve months from the end of the reporting period. Accordingly, the amounts were included in the non- current assets.

21 OTHER NON-CURRENT ASSET

This represents an unlisted club debenture which is used by management of the Group. The unlisted club debenture is stated at cost less impairment loss with indefinite useful life.

22 INVENTORIES

	Group	
	2013	**2012**
	HK$	*HK$*
Raw materials	74,423,355	93,194,957
Work in progress	50,527,534	51,822,138
Finished goods	68,167,130	58,180,798
	193,118,019	203,197,893

The cost of inventories recognised as expense and included in "cost of sales" amounted to HK$840,667,006 (2012: HK$925,637,223).

23 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2013	**2012**	**2013**	**2012**
	HK$	*HK$*	*HK$*	*HK$*
Trade receivables *(note b)*	282,169,290	233,193,163	—	—
Deposits, prepayments and other receivables *(note c)*	63,834,476	83,542,119	240,332	233,165
	346,003,766	316,735,282	240,332	233,165

(a) The carrying amounts of trade and other receivables, which approximate their fair values, are denominated in the following currencies:

	Group	
	2013	**2012**
	HK$	*HK$*
United States dollar	195,344,129	188,504,316
RMB	129,272,686	97,910,373
Hong Kong dollar	20,056,399	29,125,501
EURO	1,330,552	1,170,434
Others	—	24,658
	346,003,766	316,735,282

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

	Group	
	2013	**2012**
	HK$	*HK$*
0–60 days	191,729,961	174,499,369
61–120 days	76,822,361	52,486,730
121–180 days	10,139,572	3,964,079
181–240 days	2,773,952	1,124,214
Over 240 days	703,444	1,118,771
	282,169,290	233,193,163

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

At 31 March 2013, trade receivables of HK$86,981,725 (2012: HK$69,156,463) were past due but not impaired. These trade receivables relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables by due date is as follows:

	Group	
	2013	**2012**
	HK$	*HK$*
1–60 days	69,629,578	58,979,450
61–120 days	10,216,804	7,674,622
121–180 days	4,573,625	1,305,323
181–240 days	2,206,603	189,388
Over 240 days	355,115	1,007,680
	86,981,725	69,156,463

No provision for impairment of trade receivables was made for the year (2012: Nil). Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

During the year, bad debts of HK$2,928,248 (2012: HK$7,194,926) were directly written off. The amount was charged to other operating expenses in the consolidated income statement.

(c) At 31 March 2013, included in deposits, prepayments and other receivables was an amount of HK$34,426,926 (2012: HK$37,564,963) which represents refundable value-added tax.

Other receivables and deposits do not contain past due or impaired assets.

(d) The Group and the Company do not hold any collateral as security.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above.

24 CASH AT BANKS AND IN HAND/PLEDGED BANK DEPOSITS

The Group's pledged bank deposits amounting to HK$10,929,704 (2012: HK$2,646,121) as at 31 March 2013 represented deposits pledged to banks to secure banking facilities granted to the Group as set out in note 34. The pledged bank deposits will be released upon maturity. The deposits are in RMB and at fixed interest rate of 2.85% and 3.05% (2012: 3.30%) per annum.

Cash at banks and in hand are denominated in the following currencies:

	Group		Company	
	2013	**2012**	**2013**	**2012**
	HK$	*HK$*	*HK$*	*HK$*
United States dollar	9,449,253	9,939,226	—	—
RMB	32,265,175	14,918,779	—	—
Hong Kong dollar	5,383,433	4,703,629	237,459	204,096
Others	17,441	75,478	—	—
	47,115,302	29,637,112	237,459	204,096

At 31 March 2013, included in the pledged bank deposits and the cash at banks and in hand of an aggregate amount of approximately HK$43,200,000 (2012: HK$17,900,000) were deposited in Mainland China. The remittance of funds out of Mainland China is subject to rules and regulations of foreign exchange control promulgated by Mainland China government.

The carrying amount represents the maximum exposure to credit risk.

25 SHARE CAPITAL

	Number of Shares	Amount
		HK$
Authorised:		
Ordinary shares of HK$0.10 each		
At 1 April 2011, 31 March 2012 and 31 March 2013	700,000,000	70,000,000
Issued and fully paid:		
Ordinary shares of HK$0.10 each		
At 1 April 2011	56,918,520	5,691,852
Issuance of shares *(Note a)*	11,380,000	1,138,000
At 31 March 2012	68,298,520	6,829,852
Issuance of shares *(Note b)*	13,650,000	1,365,000
Shares issued upon conversion of convertible redeemable bond *(Note c)*	4,000,000	400,000
At 31 March 2013	85,948,520	8,594,852

Note:

(a) On 14 March 2011, the Company entered into a placing agreement with third parties for a private placement of a total of 11,380,000 new shares of the Company at a placing price of HK$3.27 per share. The private placement was completed on 20 April 2011. The private placement raised a total of HK$36,285,262 net of expenses for the Company.

(b) 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$0.10 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 placement raised a total of HK$41,659,806 net of expenses for the Company.

(c) On 13 September 2012, convertible redeemable bond with a principal amount of HK$7,000,000 was converted into ordinary shares of the Company at the price of HK$1.75 per share. Accordingly, 4,000,000 ordinary shares of HK$0.10 each of the Company were issued upon such conversion.

26 RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein are presented in the consolidated statement of changes in equity.

(b) Company

	Share premium *HK$*	Contributed surplus *HK$*	Accumulated losses *HK$*	Total *HK$*
At 1 April 2011	151,921,671	51,917,647	(4,693,882)	199,145,436
Issuance of shares	35,147,262	—	—	35,147,262
Loss for the year	—	—	(4,471,113)	(4,471,113)
At 31 March 2012	187,068,933	51,917,647	(9,164,995)	229,821,585
At 1 April 2012	187,068,933	51,917,647	(9,164,995)	229,821,585
Issuance of shares	40,294,806	—	—	40,294,806
Shares issued upon conversion of convertible redeemable bond	25,273,000	—	—	25,273,000
Loss for the year	—	—	(178,841,391)	(178,841,391)
At 31 March 2013	252,636,739	51,917,647	(188,006,386)	116,548,000

(c) Nature and purpose of reserves

(i) The contributed surplus of the Company represents:

— the difference in value at 4 March 1992 between the nominal value of the Company's shares issued in exchange for all the issued ordinary shares of Same Time International (B.V.I.) Limited and the value of net assets of the underlying subsidiaries acquired on that date amounted to HK$37,115,065;

— the amount of HK$15,940,952 credited to the contributed surplus as a result of the capital reduction and consolidation of shares of the Company on 16 September 2003; and

— the Company make a distribution in respect of 2008 final dividend amounting to HK$1,138,370 out of contributed surplus during the year ended 31 March 2009.

(ii) The contributed surplus of the Company is distributable under the Companies Act 1981 of Bermuda. However, the Company shall not declare or pay a dividend, or make a distribution out of contributed surplus, if:

— the Company is, or would after the payment be, unable to pay its liabilities as they become due; or

— the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

(iii) The legal reserve represents the amount set aside from the retained profits by certain subsidiaries incorporated in Macao and the PRC and is not distributable as dividend.

The Macao Commercial Code #377 requires that a company set aside a minimum of 25% of the company's profit after tax to the legal reserve until the balance of the reserve reaches a level equivalent to 50% of the company's capital.

In accordance with the relevant regulations and their articles of association, the Company's subsidiaries incorporated in the PRC are required to allocate at least 10% of their after-tax profit according to the PRC accounting standards and regulations to legal reserve until such reserve has reached 50% of registered capital. This reserve can only be used for specific purposes and it is not distributable or transferable to the loans, advances, cash dividends. Appropriation to the legal reserve for the year ended 31 March 2013 amounted to HK$8,271,678 (2012: HK$10,359,994).

27 AMOUNTS DUE TO SUBSIDIARIES

The amounts due to subsidiaries are unsecured, interest free and repayable on demand.

28 TRADE AND OTHER PAYABLES

	Group		Company	
	2013	2012	2013	2012
	HK$	*HK$*	*HK$*	*HK$*
Trade payables	343,781,612	325,870,022	—	—
Other payables for the purchase of plant and machinery	50,569,885	53,300,891	—	—
Other payables	20,015,699	12,785,810	862,908	355,498
Receipts in advance	14,451,289	17,752,162	—	—
Accrued expenses				
— Staff costs	20,950,844	17,465,005	—	—
— Utilities	5,489,875	4,530,757	—	—
— Others	4,397,260	6,475,629	—	—
	459,656,464	438,180,276	862,908	355,498

The carrying amounts of the trade and other payables, which approximate their fair value, are denominated in the following currencies:

	Group	
	2013	2012
	HK$	*HK$*
RMB	420,799,665	395,784,992
Hong Kong dollar	19,342,237	33,474,939
United States dollar	12,581,592	8,719,094
Others	6,932,970	201,251
	459,656,464	438,180,276

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

	Group	
	2013	2012
	HK$	*HK$*
0–60 days	128,823,585	151,738,843
61–120 days	125,712,885	91,596,790
121–180 days	61,532,981	56,877,691
181–240 days	16,838,521	18,760,371
Over 240 days	10,873,640	6,896,327
	343,781,612	325,870,022

29 BORROWINGS

	Group 2013 HK$	Group 2012 HK$
Non-current		
Bank loans	80,274,663	147,690,490
Obligations under finance leases	21,512,604	21,404,017
	101,787,267	169,094,507
Current		
Bank loans	272,619,301	248,117,008
Obligations under finance leases	28,256,376	26,371,202
	300,875,677	274,488,210
Total borrowings	402,662,944	443,582,717

The interest-bearing bank borrowings are carried at amortised cost.

The maturities of the bank loans of the Group as at 31 March 2013 are as follows:

	Group 2013 HK$	Group 2012 HK$
Within one year	272,619,301	248,117,008
In the second year	43,224,819	67,691,475
In the third to fifth years	37,049,844	79,999,015
	352,893,964	395,807,498

Details of assets pledged to banks to secure bank loans are set out in note 34.

At 31 March 2013, the finance lease liabilities of the Group are repayable as follows:

	Group 2013 HK$	Group 2012 HK$
Within one year	29,211,706	27,365,332
In the second year	14,981,321	19,196,396
In the third to fifth years	9,088,114	4,951,997
	53,281,141	51,513,725
Future finance charges on finance lease liabilities	(3,512,161)	(3,738,506)
Present value of finance lease liabilities	49,768,980	47,775,219

The present value of finance lease liabilities is as follows:

	Group	
	2013	**2012**
	HK$	*HK$*
Within one year	28,256,376	26,371,202
In the second year	13,693,479	17,210,138
In the third to fifth years	7,819,125	4,193,879
	49,768,980	47,775,219

The carrying amounts of the borrowings are denominated in the following currencies:

	Group	
	2013	**2012**
	HK$	*HK$*
RMB	384,401,249	431,138,572
Hong Kong dollar	18,261,695	12,444,145
	402,662,944	443,582,717

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at the end of the reporting period are as follows:

	Group	
	2013	**2012**
	HK$	*HK$*
6 months or less	170,747,148	234,217,919
6–12 months	213,654,101	196,920,653
1–5 years	18,261,695	12,444,145
	402,662,944	443,582,717

The effective interest rates of the bank loans and the obligations under finance leases of the Group at 31 March 2013 were ranging from 2.20% to 7.22% per annum and 5.25% to 8.00% per annum respectively (2012: ranging from 6.31% to 7.05% per annum and from 5.25% to 8.00% per annum respectively). The carrying amounts of the balances approximate their fair values.

During the year, one of the banking facilities granted to the Group stipulated that the assets should not be pledged without permission (2012: the assets should not be pledged without permission). At 31 March 2013, the Group breached such covenant. The banking facility from the bank was approximately HK$12,000,000 (2012: HK$62,000,000) and had been fully utilised as at 31 March 2013 (2012: HK$37,000,000). In May 2013, the bank granted a waiver from strict compliance with the covenant requirement of the banking facility.

30 CONVERTIBLE REDEEMABLE BOND

	2013	2012
	HK$	*HK$*
Liability component	55,176,570	57,591,570
Fair value of the embedded derivative	163,676,000	9,290,040
	218,852,570	66,881,610

The Group entered into a subscription agreement to issue a three-year 1.0% convertible redeemable bond at a total nominal value of HK$90,000,000. 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$90,000,000 or can be converted into ordinary shares of the Company at HK$1.80 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$1.80 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 16 June 2014.

(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 bond 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 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 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".

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 25 June 2012, the Company issued 13,650,000 new shares of HK$0.10 each of the Company at a price of HK$3.13 per share through a share placing arrangement (note 25(b)). The conversion price of the convertible redeemable bond was adjusted from HK$1.80 to HK$1.75 per share in accordance with the terms on conversion price adjustment.

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.

During the year, the Group recognised a further fair value loss on embedded derivatives of the convertible redeemable bond amounting to HK$154,385,960, which is primarily a result of the changes of certain parameters during the year 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 conversion right and redemption rights of the convertible redeemable bond by the bond holder and the Company respectively.

As at 31 March 2013, the holder of the convertible redeemable bond confirmed that the redemption option of the convertible redeemable bond would not be exercised prior to its maturity date on 16 June 2014. Accordingly, the convertible redeemable bond was classified as a non-current liability as at 31 March 2013.

The movement of liability component is as follows:

	HK$
Liability component as at 16 June 2011	74,708,570
Interest expense for the year *(note 12)*	3,196,746
Less: interest payment during the year	(142,746)
Partial redemption	(20,171,000)
Liability component as at 31 March 2012	57,591,570
Interest expense for the year *(note 12)*	4,569,000
Less: interest payment during the year	(657,000)
Conversion to ordinary shares	(6,327,000)
Liability component as at 31 March 2013	55,176,570

The fair value of the liability component of the convertible redeemable bond as at 31 March 2013 amounted to HK$56,044,000 (2012: HK$60,214,230). The fair value is calculated by using discounted cash flow method using discount rates ranged from 4.90% to 5.66% (2012: 4.31% to 5.50%).

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

	HK$
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	(1,872,390)
Fair value of the embedded derivative as at 31 March 2012	9,290,040
Loss from change in fair value	173,731,960
Conversion to ordinary shares	(19,346,000)
Fair value of the embedded derivative as at 31 March 2013	163,676,000

Loss from change in fair value of the embedded derivative for the year ended 31 March 2013 is HK$173,731,960 (2012: Gain from change in fair value of 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 2013 amounted to HK$4,569,000 (2012: HK$3,196,746), which is calculated using the effective interest method with effective interest rates of 6.65% and 6.61% before and after the conversion respectively (2012: effective interest rates of 7.29% and 6.65% before and after the redemption respectively).

31 DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The movements in the net deferred income tax liabilities are as follows:

	Group	
	2013	**2012**
	HK$	*HK$*
At the beginning of the year	12,381,700	9,566,546
(Credit)/charged to consolidated income statement *(note 13)*	(5,137,639)	1,255,249
Charged to consolidated statement of comprehensive income	7,780,201	2,067,874
Disposal of a subsidiary *(note 33(c))*	—	(611,998)
Exchange differences	48,899	104,029
At the end of the year	15,073,161	12,381,700

The movements in deferred income tax liabilities and assets (prior to offsetting of balances within the same taxation jurisdiction) during the year are as follows:

Deferred income tax liabilities

	Group			
	Revaluation of properties	**Accelerated tax depreciation**	**Others**	**Total**
	HK$	*HK$*	*HK$*	*HK$*
As at 1 April 2011	2,979,452	7,743,302	—	10,722,754
Charged to the consolidated income statement	—	2,089,495	2,375,545	4,465,040
Charged to consolidated statement of comprehensive income	2,067,874	—	—	2,067,874
Disposal of a subsidiary	(640,728)	28,730	—	(611,998)
Exchange differences	91,040	23,616	30,260	144,916
As at 31 March 2012	4,497,638	9,885,143	2,405,805	16,788,586
As at 1 April 2012	4,497,638	9,885,143	2,405,805	16,788,586
(Credit)/charged to the consolidated income statement	—	(7,692,890)	81,995	(7,610,895)
Charged to consolidated statement of comprehensive income	7,780,201	—	—	7,780,201
Exchange differences	43,312	2,831	8,622	54,765
As at 31 March 2013	12,321,151	2,195,084	2,496,422	17,012,657

Deferred income tax assets

	Group		
	Tax losses	**Others**	**Total**
	HK$	*HK$*	*HK$*
As at 1 April 2011	(1,156,208)	—	(1,156,208)
Credited to consolidated income statement	—	(3,209,791)	(3,209,791)
Exchange differences	—	(40,887)	(40,887)
As at 31 March 2012	(1,156,208)	(3,250,678)	(4,406,886)
As at 1 April 2012	(1,156,208)	(3,250,678)	(4,406,886)
Charged to consolidated income statement	1,156,208	1,317,048	2,473,256
Exchange differences	—	(5,866)	(5,866)
As at 31 March 2013	—	(1,939,496)	(1,939,496)

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	Group	
	2013	**2012**
	HK$	*HK$*
Deferred tax assets:		
Deferred tax asset to be recovered after more than 12 months	(622,448)	(2,467,390)
Deferred tax asset to be recovered within 12 months	(1,317,048)	(1,939,496)
	(1,939,496)	(4,406,886)
Deferred tax liabilities:		
Deferred tax liability to be settled after more than 12 months	2,285,700	7,692,890
Deferred tax liability to be settled within 12 months	14,726,957	9,095,696
	17,012,657	16,788,586

Pursuant to the PRC Corporate Income Tax Law, a 10% Withholding Income Tax ("WIT") is levied on dividends declared to foreign investors from the foreign investment enterprises established in the Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower WIT rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. 5% WIT rate may be applicable to the Group if the immediate holding company of foreign investment enterprises established in the Mainland China has sufficient commercial substance and the approval for enjoying treaty benefit on dividend issued by local in-charge tax authority is obtained. As at 31 March 2013, the undistributed profits of the relevant subsidiaries of the Group in PRC is HK$185,454,883 (2012: HK$132,955,037). The corresponding deferred tax liabilities have not been recognised as the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Group has unrecognised tax losses of approximately HK$254,800,000 (2012: HK$226,300,000) to carry forward against future taxable income. Unrecognised tax losses of approximately HK$143,200,000 (2012: HK$128,700,000) will expire from 2014 to 2018 (2012: from 2014 to 2017). Other tax losses have no expiry date.

32 DEFERRED INCOME

The deferred income represents government grants received for the construction of a plant in Jiangxi in Mainland China, which is amortised over the expected useful life of the plant upon the commencement of the operation.

33 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(a) Reconciliation of loss before income tax to cash generated from operations:

	Group	
	2013	**2012**
	HK$	*HK$*
Loss before income tax	(187,155,334)	(16,473,867)
Amortisation of land use rights	477,233	471,839
Amortisation of deferred income on government grants	(454,755)	(449,361)
Bad debts written off	2,928,248	7,194,926
Bad debts recovered	(925,110)	—
Write-off of other payables	(1,939,286)	—
Change in fair value of an investment property	—	(890,000)
Depreciation of property, plant and equipment	126,316,501	121,514,251
Loss on disposal of a subsidiary	—	240,322
(Gain)/loss on disposal of property, plant and equipment	(350,687)	2,571,504
Interest income	(255,408)	(215,070)
Finance costs	36,800,952	40,898,703
Impairment loss on other receivables	3,085,007	—
Realised loss on embedded derivatives upon conversion of convertible redeemable bond	19,346,000	—
Loss/(gain) from change in fair value of embedded derivatives	154,385,960	(1,872,390)
Operating profit before working capital changes	152,259,321	152,990,857
Decrease/(increase) in inventories	10,079,874	(7,217,200)
(Increase)/decrease in trade and other receivables	(36,039,629)	16,065,928
Increase/(decrease) in trade and other payables	26,146,480	(142,348,798)
Cash generated from operations	152,446,046	19,490,787

(b) Major non-cash transactions

(i) For the year ended 31 March 2013, the Group entered into finance lease arrangements amounted to HK$15,660,000 (2012: HK$12,126,924) for the purchase of property, plant and machinery.

(ii) 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.

(c) Disposal of a subsidiary

	2012
	HK$
Cash consideration	57,000,000
Less: Net assets relating to a subsidiary disposal of	
Property, plant and equipment *(note 17)*	40,545,821
Investment property	6,460,000
Other receivables	189,241
Amounts due from group companies	244,000
Cash at banks and in hand	10,852,725
Other payables	(236,000)
Tax payable	(203,467)
Deferred tax liabilities *(note 31)*	(611,998)
	57,240,322
Loss on disposal of a subsidiary	(240,322)

Analysis of net cash inflow in respect of disposal of a subsidiary:

	2012
	HK$
Cash consideration received	57,000,000
Cash at banks and in hand disposed of	(10,852,725)
Net cash inflow in respect of disposal of a subsidiary	46,147,275

34 BANKING FACILITIES

At 31 March 2013, total facilities granted to the Group amounted to HK$456,948,081 (2012: HK$455,185,290) of which HK$352,893,964 (2012: HK$395,807,498) were utilised.

Among the total facilities, banking facilities amounting to HK$370,498,444 (2012: HK$337,841,996) were secured by legal charges on the following assets of the Group:

	Group	
	2013	**2012**
	HK$	*HK$*
Property, plant and equipment *(note 17(b))*	331,172,573	666,807,998
Land use rights *(note 18)*	20,263,754	20,649,257
Pledged bank deposits *(note 24)*	10,929,704	2,646,121
	362,366,031	690,103,376

35 CORPORATE GUARANTEES

As at 31 March 2013, the Company provided financial guarantees to the extent of HK$351,710,294 (2012: HK$350,286,142) in respect of banking facilities and finance lease obligations granted to its subsidiaries of which HK$285,729,063 (2012: HK$328,252,574) were utilised.

36 COMMITMENTS

(a) Capital commitments

	Group 2013	Group 2012
	HK$	*HK$*
Contracted but not provided for		
Plant, machinery and leasehold improvements	19,486,929	3,740,784

The Company had no capital commitments as at 31 March 2013 (2012: Nil).

(b) Commitments under operating leases

(i) The future aggregate minimum lease payments under non-cancellable operating leases in respect of properties are as follows:

	Group 2013	Group 2012
	HK$	*HK$*
Not later than one year	3,554,809	4,793,669
Later than one year and not later than five years	1,916,776	1,878,000
	5,471,585	6,671,669

(ii) The Company had no operating lease commitments as at 31 March 2013 (2012: Nil).

37 RELATED PARTY TRANSACTIONS

As at 31 March 2013, Mr. Yip Sum Yin ("Mr. Yip") had a 36.88% (2012: 46.4%) beneficial interest in the Company as the single largest shareholder.

The directors of the Company are of the view that the following company were related party that had transactions or balances with the Group during the year.

Name	**Relationship with the Group**
Dyford Industries Limited ("Dyford")	An entity controlled by Mr. Yip Sum Yin and Madam Yu Hung Min

(a) Key management compensation

	Group	
	2013	**2012**
	HK$	*HK$*
Salaries and other short-term employee benefits	9,870,368	9,790,542
Pension costs	131,420	115,715
	10,001,788	9,906,257

Key management includes directors, chief executive officer, financial controllers, general managers and company secretary of the Company.

(b) Leases of factories

	Group	
	2013	**2012**
	HK$	*HK$*
Mr. Yip Sum Yin	42,000	—
Madam Yu Hung Min and Mr. Yip Wing Fung	41,000	—
Dyford	83,000	—
	166,000	—

Leases of factories from the directors and Dyford are based on terms mutually agreed between the Group and the respective related parties.

(c) Year-end balances arising from lease of factories:

	Group	
	2013	**2012**
	HK$	*HK$*
Mr. Yip Sum Yin	42,000	—
Madam Yu Hung Min and Mr. Yip Wing Fung	41,000	—
Dyford	83,000	—
	166,000	—

The payables to related parties arise from lease of factories and are interest free, unsecured, repayable on demand and approximately their fair value.

38 EVENTS AFTER THE REPORTING PERIOD

On 2 April 2013, the Company entered into a non-legally binding memorandum of understanding (the "MOU") with Sinopro Enterprises Limited (the "Vendor") pursuant to which the Company intends to acquire and the Vendor intends to sell the entire issued share capital of each of Protime Investments Limited ("Protime") and Jumbo Clear Investments Limited ("Jumbo Clear", together with Protime, the "Target Companies") (the "Proposed Transaction") which are beneficially interested in three power plants in the PRC.

The consideration for the Proposed Transaction (the "Consideration") shall be subject to the valuation of the business of the Target Companies and their respective subsidiaries and associate companies (altogether the "Target Group") by an independent valuer, but in any event shall not be less than HK$5,000,000,000. The Consideration shall be settled by way of issue of new shares (the "Consideration Shares") by the Company and cash, and the cash portion of the Consideration shall be subject to mutual agreement between the parties to the MOU and reflected in the formal sales and purchase agreement. The issue price of the Consideration Shares were agreed to be the lower of HK$5 per share and a price that is equivalent to a 20% discount to the average closing prices of the shares of the Company for the last 30 trading days prior to the signing of the MOU. No payment is required to be made upon the signing of the MOU.

Up to the date of the approval of these financial statements: (i) the Company and the Vendor are carrying out their respective due diligence in respect of the Proposed Transaction and it has still not yet been completed; (ii) the discussion and negotiation of the terms of the Proposed Transaction is ongoing; and (iii) no legally binding agreement has been entered into between the Company and the Vendor in respect of the Proposed Transaction.

39 COMPARATIVE FIGURES

During the year, loss from change in fair value of the embedded derivative of the convertible redeemable bond for the year ended 31 March 2013 is HK$173,731,960 (2012: Gain from change in fair value of HK$1,872,390), which is recognised in the consolidated income statement and disclosed separately. Comparative figure for the fair value change of the embedded derivative of the convertible redeemable bond has been reclassified to conform to the current year's presentation. This reclassification should give a clearer picture of the operations of the Group and has no impact on the Group's total equity as at both 31 March 2013 and 2012, or on the Group's loss for the years ended 31 March 2013 and 2012.

3. FINANCIAL INFORMATION OF THE COMPANY FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2013

The following financial information is extracted from the full text of the unaudited interim report of the Company Group for the six months ended 30 September 2013. The Company has no exceptional or extraordinary items during the period.

Unaudited Condensed Consolidated Income Statement
For the six months ended 30 September 2013

		Six months ended 30 September	
		2013	**2012**
	Note	*HK$*	*HK$*
Revenue	6	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	7	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	8	50,563,176	27,447,322
Realised loss on embedded derivatives upon conversion of convertible redeemable bond	17	—	(19,346,000)
Change in fair value of embedded derivatives	17	(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	9	(7,663,090)	17,252,494
Loss attributable to owners of the Company		(10,180,343)	(139,699,899)
Basic and diluted loss per share attributable to the owners of the Company	11	(11.8 cents)	(183.8 cents)

Unaudited Condensed Consolidated Statement Of Comprehensive Income

For the six months ended 30 September 2013

	Six months ended 30 September	
	2013	**2012**
	HK$	*HK$*
Loss for the period	(10,180,343)	(139,699,899)
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss		
— Currency translation differences	12,795,974	(1,476,502)
Item that will not be reclassified subsequently to profit or loss		
— Revaluation surplus on 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

	Note	30 September 2013 HK$	31 March 2013 HK$
ASSETS			
Non-current assets			
Property, plant and equipment	12	970,316,244	958,011,210
Land use rights	12	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	13	187,438,524	193,118,019
Trade and other receivables	14	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	19	8,594,852	8,594,852
Reserves		426,725,507	418,618,799
Total equity		435,320,359	427,213,651

	Note	30 September 2013 HK$	31 March 2013 HK$
LIABILITIES			
Non-current liabilities			
Borrowings	16	50,510,642	101,787,267
Convertible redeemable bond	17	—	218,852,570
Deferred income tax liabilities		14,251,264	15,073,161
Deferred income	18	20,955,212	20,820,189
		85,717,118	356,533,187
Current liabilities			
Trade and other payables	15	500,574,830	459,656,464
Borrowings	16	303,778,560	300,875,677
Convertible redeemable bond	17	258,264,570	—
Current income tax liabilities		39,072,305	44,188,698
		1,101,690,265	804,720,839
Total liabilities		1,187,407,383	1,161,254,026
Total equity and liabilities		1,622,727,742	1,588,467,677
Net current liabilities		(481,551,337)	(207,554,048)
Total assets less current liabilities		521,037,477	783,746,838

Unaudited Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2013

	Share capital	Share premium	Contributed surplus	Revaluation reserve	Legal reserve	Exchange reserve	Retained profits/ (accumulated losses)	Total
	HK$	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*
At 1 April 2013	8,594,852	252,636,739	14,802,582	57,544,279	18,680,216	103,998,874	(29,043,891)	427,213,651
Transfer to legal reserve	—	—	—	—	2,317,060	—	(2,317,060)	—
Total comprehensive income for the period	—	—	—	5,491,077	—	12,795,974	(10,180,343)	8,106,708
Legal reserve realised upon liquidation of a subsidiary	—	—	—	—	(48,544)	—	48,544	—
At 30 September 2013	8,594,852	252,636,739	14,802,582	63,035,356	20,948,732	116,794,848	(41,492,750)	435,320,359
At 1 April 2012	6,829,852	187,068,933	14,802,582	32,929,536	10,408,538	98,766,385	154,620,829	505,426,655
Issuance of shares	1,365,000	40,294,806	—	—	—	—	—	41,659,806
Shares issued upon conversion of convertible redeemable bond	400,000	25,273,000	—	—	—	—	—	25,673,000
Transfer to legal reserve	—	—	—	—	1,613,846	—	(1,613,846)	—
Total comprehensive expenses for the period	—	—	—	20,870,470	—	(1,476,502)	(139,699,899)	(120,305,931)
At 30 September 2012	8,594,852	252,636,739	14,802,582	53,800,006	12,022,384	97,289,883	13,307,084	452,453,530

Unaudited Condensed Consolidated Cash Flow Statement
For the six months ended 30 September 2013

	Six months ended 30 September 2013	2012
	HK$	*HK$*
Net cash generated from operating activities	119,241,548	40,440,435
Net cash used in investing activities	(51,686,206)	(38,015,921)
Net cash (used in)/generated from financing activities	(54,884,263)	13,634,105
Increase in cash and cash equivalents	12,671,079	16,058,619
Cash and cash equivalents at the beginning of the period	47,115,302	29,637,112
Effect of foreign exchange rate changes	3,991,452	1,672,521
Cash and cash equivalents at the end of the period	63,777,833	47,368,252
Analysis of cash and cash equivalents:		
Cash at banks and in hand	63,777,833	47,368,252

Notes to the Unaudited Condensed Consolidated Interim Financial Information

1. GENERAL INFORMATION

The Company is a limited liability company incorporated in Bermuda and listed on the Main Board of The Stock Exchange of Hong Kong Limited. The address of its registered office is Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda. The address of its principal office is 17th Floor, Phase I, Kingsford Industrial Building, 26–32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong.

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

This Interim Financial Information is presented in Hong Kong dollars, unless otherwise stated. This Interim Financial Information has been approved for issue by the Board of Directors on 29 November 2013.

This Interim Financial Information has not been audited.

2. 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.

3. 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 and 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 disclosure	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.

4. ESTIMATES

The preparation of Interim Financial Information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this Interim Financial Information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 March 2013.

5. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk.

This Interim Financial Information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 March 2013.

There have been no changes in the risk management policies of the Group since the year ended 31 March 2013.

(i) *Liquidity risk*

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the end of the Reporting period to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows:

	Less than 1 year *HK$*	**Between 1 and 2 years** *HK$*	**Between 2 and 5 years** *HK$*
At 30 September 2013			
Trade and other payables	500,574,830	—	—
Shareholder's loan	20,000,000	—	—
Bank loans	271,950,419	40,096,521	—
Obligations under finance leases	21,744,866	9,226,207	3,580,836
Convertible redeemable bond	59,287,000	—	—
Total	873,557,115	49,322,728	3,580,836
At 31 March 2013			
Trade and other payables	459,656,464	—	—
Bank loans	287,218,258	46,613,644	38,235,439
Obligations under finance leases	29,211,706	14,981,321	9,088,114
convertible redeemable bond	587,000	59,287,000	—
Total	776,673,428	120,881,965	47,323,553

(ii) *Fair value estimation*

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at fair value at 30 September 2013 and 31 March 2013.

	Level 1	**Level 2**	**Level 3**	**Total**
	HK$	*HK$*	*HK$*	*HK$*
At 30 September 2013				
Asset				
Buildings	—	—	290,493,663	290,493,663
Liability				
Embedded derivatives	—	—	201,836,000	201,836,000
At 31 March 2013				
Asset				
Buildings	—	—	283,307,807	283,307,807
Liability				
Embedded derivatives	—	—	163,676,000	163,676,000

During the six months ended 30 September 2013, there were no significant transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments, no reclassifications of financial assets and no significant changes in the business or economic circumstances that affect the fair values of the Group's financial assets and financial liabilities.

The carrying amounts less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year, including trade and other receivables, cash and cash equivalents, trade and other payables and current borrowings approximate their fair values. The fair value of long-term borrowings equals their carrying amount as the discounting impact is not significant.

6. 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.

7. 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 *(Note)*	7,669,179	10,824,608
Sales of manufacturing by-products	35,276,815	40,783,389
Sundries	782,404	203,945
	43,959,858	52,420,581

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.

8. 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

9. 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 *(Note)*	—	(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.

10. DIVIDEND

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

11. 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
Number of shares		
Weighted average number of ordinary shares in issue	85,948,520	76,001,799
	HK$	*HK$*
Loss attributable to owners of the Company	(10,180,343)	(139,699,899)
Basic loss per share attributable to owners of the Company	(11.8 cents)	(183.8 cents)

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.

12. CAPITAL EXPENDITURE

	Property, plant and equipment *HK$*	Land use rights *HK$*	Total *HK$*
Six months ended 30 September 2013			
Net book amount at 1 April 2013	958,011,210	20,901,985	978,913,195
Exchange differences	15,817,352	356,662	16,174,014
Additions	57,916,682	—	57,916,682
Disposals	(274,635)	—	(274,635)
Revaluation surplus	6,625,575	—	6,625,575
Amortisation/depreciation	(67,779,940)	(242,697)	(68,022,637)
Net book amount at 30 September 2013	970,316,244	21,015,950	991,332,194
Six months ended 30 September 2012			
Net book amount at 1 April 2012	968,237,517	21,309,965	989,547,482
Exchange differences	(5,474,726)	(127,012)	(5,601,738)
Additions	32,639,973	—	32,639,973
Disposals	(986,710)	—	(986,710)
Revaluation surplus	27,886,093	—	27,886,093
Amortisation/depreciation	(62,377,022)	(238,409)	(62,615,431)
Net book amount at 30 September 2012	959,925,125	20,944,544	980,869,669

(a) At 30 September 2013, the net book amount of property, plant and equipment and land use rights pledged as securities for the bank loans of the Group amounted to HK$352,187,144 (31 March 2013: HK$351,436,327).

(b) At 30 September 2013, the net book amount of property, plant and equipment held by the Group under finance leases amounted to HK$63,280,112 (31 March 2013: HK$93,271,914).

(c) The Group's buildings were revalued individually on 30 September 2013 by Cushman & Wakefield Valuation Advisory Services (HK) Limited, an independent professional qualified valuer, at an aggregate open market value of HK$290,493,663 (31 March 2013: HK$283,307,807). During the six months ended 30 September 2013, a revaluation surplus totalling HK$6,625,575 (2012: HK$27,886,093), resulting from the above valuations, has been credited to revaluation reserve. As at 30 September 2013, had these buildings been carried at historical cost less accumulated depreciation and impairment losses, their net book amount would have been HK$ 217,575,359 (31 March 2013: HK$216,558,943).

The revalued amounts of buildings are determined on depreciated replacement cost basis. The methodology is based on estimates of the fair value for the existing use of buildings, plus the current cost of replacing the improvements less deduction for physical deterioration and all relevant forms of obsolescence and optimization. Significant judgements were used in determining the revalued amounts of buildings.

13. INVENTORIES

	30 September 2013 *HK$*	**31 March 2013** *HK$*
Raw materials	69,124,754	74,423,355
Work in progress	40,705,689	50,527,534
Finished goods	77,608,081	68,167,130
	187,438,524	193,118,019

The cost of inventories recognised as expense and included in "cost of sales" amounted to HK$449,202,268 (2012: HK$452,043,339).

14. 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 *HK$*	**31 March 2013** *HK$*
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
	320,774,370	282,169,290

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

15. 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 2013 *HK$*	31 March 2013 *HK$*
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
	353,629,247	343,781,612

16. BORROWINGS

	30 September 2013 *HK$*	31 March 2013 *HK$*
Non-current		
Bank loans	37,703,600	80,274,663
Obligations under finance leases	12,807,042	21,512,604
	50,510,642	101,787,267
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	—
	303,778,560	300,875,677
Total	354,289,202	402,662,944

Movements in borrowings are analysed as follows:

	Six months ended 30 September	
	2013 *HK$*	2012 *HK$*
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)
At the end of the period	354,289,202	413,256,155

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

17. CONVERTIBLE REDEEMABLE BOND

	30 September 2013 *HK$*	31 March 2013 *HK$*
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.

18. DEFERRED INCOME

The deferred income represents government grants received for the construction of a plant in Jiangxi in Mainland China, which is amortised over the expected useful life of the plant upon the commencement of the operation.

19. SHARE CAPITAL

	Number of shares	Amount
		HK$
Authorised:		
Ordinary shares of HK$0.10 each		
At 1 April 2012, 31 March 2013 and 30 September 2013	700,000,000	70,000,000
Issued and fully paid:		
Ordinary shares of HK$0.10 each		
At 1 April 2012	68,298,520	6,829,852
Issuance of shares *(Note a)*	13,650,000	1,365,000
Shares issued upon conversion of convertible redeemable bond *(Note b)*	4,000,000	400,000
At 31 March 2013 and 30 September 2013	85,948,520	8,594,852

Notes:

(a) 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$0.10 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 placement raised a total of approximately HK$41,700,000 net of expenses for the Company.

(b) On 13 September 2012, convertible redeemable bond with a principal amount of HK$7,000,000 was converted into ordinary shares of the Company at the price of HK$1.75 per share. Accordingly, 4,000,000 ordinary shares of the Company were issued.

20. CAPITAL COMMITMENTS

	30 September 2013	31 March 2013
	HK$	*HK$*
Contracted but not provided for:		
Plant, machinery and leasehold improvements	1,256,108	19,486,929

21. RELATED PARTY TRANSACTIONS

(a) Key management compensation

The remuneration of directors and other members of key management during the period are as follows:

	Six months ended 30 September	
	2013	**2012**
	HK$	*HK$*
Salaries and other short-term employee benefits	4,884,222	4,496,803
Pension costs	74,835	64,460
	4,959,057	4,561,263

(b) Leases of factories

	Six months ended 30 September	
	2013	**2012**
	HK$	*HK$*
Mr. Yip Sum Yin	126,000	—
Madam Yu Hung Min and Mr. Yip Wing Fung	123,000	—
Dyford	249,000	—
	498,000	—

Leases of factories from the directors and Dyford Industries Limited ("Dyford") are based on terms mutually agreed between the Group and the respective related parties. Dyford is a company owned by Mr. Yip Sum Yin and Madam Yu Hung Min.

22. EVENTS AFTER THE REPORTING PERIOD

(a) On 17 October 2013, the Company announced that the non-legally binding memorandum of understanding dated 2 April 2013 between the Company and Sinopro Enterprises Limited was terminated as the parties failed to finalise a formal agreement.

(b) On 29 October 2013, the Company entered into a non-legally binding memorandum of understanding (the "MOU") with GCL-Poly Energy Holdings Limited (the "Subscriber"), pursuant to which (i) the Company agreed to allot and issue certain number of shares to the Subscriber at a cash price of HK$4.00 per share; and (ii) the Company shall issue and the Subscriber shall subscribe for a 5-year zero coupon unsecured redeemable convertible bond to be issued by the Company with a conversion price of HK$4.00 per share, the another terms of the redeemable convertible bond are to be finalised. The aggregate proceeds to be received by the Company from the Subscriber shall be HK$1,800,000,000.

(c) On 30 October 2013, 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 an aggregate of 20,000,000 shares to be issued by the Company at a price of HK$4.00 per share and a 5-year zero coupon unsecured redeemable convertible bonds up to the aggregate principal amount of HK$240,000,000 with a conversion price of HK$4.00 per share, the other terms of the redeemable convertible bond are to be finalised.

4. INDEBTEDNESS

At the close of business on 31 December 2013, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Company Group had outstanding borrowings of approximately HK$359,971,000, comprising (i) secured non-current bank borrowings of approximately HK$50,565,000; (ii) secured current bank borrowings of approximately HK$247,777,000; (iii) obligations under finance lease contracts of approximately HK$41,629,000; and (iv) unsecured shareholder's loan of approximately HK$20,000,000.

The Company Group's secured bank borrowings were secured by a legal charge on (i) the Company Group's property, plant and equipment with aggregate net book amounts of approximately HK$329,972,000; (ii) the Company Group's land use rights situated in the PRC ranged from 10 to 50 years with aggregate net book amounts of approximately HK$20,391,000; and (iii) pledged bank deposits of approximately HK$4,045,000 as at 31 December 2013. The Company Group's obligations under finance leases were secured by a legal charge on the Company Group's plant and equipment with aggregate net book amounts of approximately HK$69,759,000 as at 31 December 2013.

Save as aforesaid and apart from intra-Company Group liabilities and normal trade payables in the ordinary course of business, as at the close of business on 31 December 2013, the Company Group did not have any outstanding debt securities issued and outstanding or authorised or otherwise created but unissued, term loans, other borrowings or indebtedness in the nature of borrowing including bank overdrafts, loans, liabilities under acceptances (other than normal trade bills), acceptance credits, hire purchase commitments, mortgages and charges, material contingent liabilities or guarantees outstanding.

5. MATERIAL CHANGE

The Company Directors confirm that, save and except for the following, there has been no material change in the financial or trading position or outlook of the Company Group since 31 March 2013, being the date which the latest published audited consolidated financial statements of the Company Group were made up, to and including the Latest Practicable Date:

(i) the Company Group's unaudited interim result for the six months ended 30 September 2013 published on 29 November 2013 where it was disclosed that, among other things, the Company Group recorded a net loss attributable to the Company Shareholders of approximately HK$10,180,343 as compared with the net loss attributable to the Company Shareholders of approximately HK$139,699,899 for the corresponding period in 2012; and

(ii) the Company published the profit warning announcement on 19 March 2014 where it was disclosed that based on the information currently available to the Company Group, the Company Group is expected to record a net loss for the financial year ending 31 March 2014 primarily due to the change in fair value of the derivative relating to the Convertible Bond issued by the Company, notwithstanding that the operating profit of the Company Group for the financial year ending 31 March 2014 is expected to increase as compared to the corresponding amount for the financial year ended 31 March 2013.

6. THE MARCH 2014 PROFIT WARNING

The Company published an announcement on 19 March 2014 in relation to its profit warning statement for the year ending 31 March 2014 (the "**Profit Warning**"). The Profit Warning is regarded as a profit forecast under Rule 10 of the Takeovers Code and the Profit Warning has been compiled in accordance with the bases and assumptions made by the Company Directors as detailed in the paragraph headed "Bases and assumptions in preparing the forecast of the consolidated profit attributable to the equity holders of the Company Group for the year ending 31 March 2014" below.

Bases and assumptions in preparing the forecast of the consolidated profit attributable to the equity holders of the Company Group for the year ending 31 March 2014

The Company Directors have prepared the forecast of the consolidated profit attributable to the equity holders of the Company Group based on the unaudited consolidated results of the Company Group based on management accounts for the nine months ended 31 December 2013 and a forecast of the consolidated results of the Company Group for the remaining three months ending 31 March 2014. The profit forecast has been prepared on a basis consistent in all material respects with the accounting policies presently adopted by the Company Group as set out in the audited consolidated financial statements of the Company Group for the year ended 31 March 2013 and the new/revised accounting standards introduced that were effective for the accounting period beginning on 1 April 2013, where applicable, as set out in the unaudited interim financial statements of the Company Group for the six months ended 30 September 2013, and on the following principal bases and key assumptions:

- There will be no material changes in the political, legal, fiscal, market or economic conditions in the territories in which the Company Group currently operates;

- There will be no changes in legislation, regulations or rules in the territories in which the Company Group currently operates or any other territories with which the Company Group has arrangements or agreements, which may materially adversely affect the Company Group's businesses or operations;

- There will be no material changes in inflation rates, interest rates or exchange rates from those currently prevailing in the context of the Company Group's operations;

- There will be no material changes in the applicable tax rates, surcharges or other government levies in the territories in which the Company Group operates;

- There will be no material adverse incidences occurred during the forecast period which is outside the control of the directors of the Company Group;

- There will be no wars, military incidents, pandemic diseases, or natural disasters that will have a material impact on the Company Group's businesses and operating activities;

- The Company Group's operations will not be adversely affected by the occurrence of labour shortages and disputes, change of key management or staff, or any other factors outside the control of the directors of the Company Group. In addition, the Company Group will be able to recruit enough employees to meet its operating requirements during the forecast period; and

- the Company Group will continue to record a loss for the year ending 31 March 2014 and such position is not expected to change taking into account the fair value change of the embedded derivative relating to the outstanding Convertible Bond for the same year based on the recent trend on the trading price of the shares of the Company, and the preliminary assessment of operating information currently available to the Company Directors.

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

pwc 羅兵咸永道

31 March 2014

The Directors
SAME TIME HOLDINGS LIMITED

Dear Sirs,

We have reviewed the calculations of and accounting policies adopted in arriving at the forecast of the consolidated profit attributable to equity holders of SAME TIME HOLDINGS LIMITED (the "Company") and its subsidiaries (together the "Group") for the year ending 31 March 2014 (the "Profit Forecast") in connection with the profit warning statement (the "Statement") made by the Company in its announcement dated 19 March 2014.

Respective responsibilities of directors and ourselves

The directors of the Company are solely responsible for preparing the Profit Forecast.

The Profit Forecast has been prepared by the directors based on the unaudited consolidated results of the Group based on management accounts for the nine months ended 31 December 2013 and a forecast of the consolidated results of the Group for the remaining three months ending 31 March 2014 based on the bases and assumptions made by the directors of the Company.

It is our responsibility to report, as required by Rule 10 of the Codes on Takeovers and Mergers and Share Buy-backs, on whether the Profit Forecast, so far as the calculations and accounting policies are concerned, has been properly compiled in accordance with the bases and assumptions made by the directors of the Company and is presented on a basis consistent in all material respects with the accounting policies adopted by the Group as set out in the audited consolidated financial statements of the Group for the year ended 31 March 2013 and the new/ revised accounting standards introduced that were effective for the accounting period beginning on 1 April 2013, where applicable, as set out in the unaudited interim financial statements of the

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Group for the six months ended 30 September 2013. We report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this letter.

Basis of conclusion

We conducted our work in accordance with Auditing Guideline 3.341 on "Accountants' report on profit forecasts" issued by the Hong Kong Institute of Certified Public Accountants.

Conclusion

In our opinion, the Profit Forecast, so far as the calculations and accounting policies are concerned, has been properly compiled in accordance with the bases and assumptions made by the directors of the Company and is presented on a basis consistent in all material respects with the accounting policies adopted by the Group as set out in the audited consolidated financial statements of the Group for the year ended 31 March 2013 and the new/revised accounting standards introduced that were effective for the accounting period beginning on 1 April 2013, where applicable, as set out in the unaudited interim financial statements of the Group for the six months ended 30 September 2013.

We draw your attention to certain key assumptions adopted by the directors of the Company in preparing the Profit Forecast. The directors of the Company forecast that the Group will continue to record a net loss for the financial year ending 31 March 2014 based on (i) the net loss of the Group for the nine months ended 31 December 2013, primarily due to the change in fair value of the derivative relating to the outstanding convertible redeemable bond issued by the Company (the "CB") as a result of the change in the trading price of the shares of the Company (the "Shares") after the financial year ended 31 March 2013 and up to and including 31 December 2013, (ii) the recent trend on the trading price of the Shares and (iii) the preliminary assessment of operating information currently available to them. The closing price of the Shares as at 31 March 2014 is one of the key parameters used to determine the fair value of the embedded derivative relating to the outstanding CB and any change in its fair value will be recognised in the Company's consolidated income statement for the year ending 31 March 2014. The fair value of the embedded derivative relating to the CB as at 31 March 2014 may differ materially from the present estimate as it depends primarily on the closing price of the Shares as at 31 March 2014 which is beyond the control of the directors of the Company. Should the closing price of the Shares as at 31 March 2014 be materially lower than that as at 31 December 2013, the fair value loss of the embedded derivative relating to the CB would decrease substantially, and such decrease would have a significant impact on the forecast net loss for the year ending 31 March 2014 currently estimated by the directors of the Company that the net loss may become a net profit. Our opinion is not qualified in respect of this matter.

Yours faithfully,
PricewaterhouseCoopers
Certified Public Accountants

Hong Kong

The following is the text of a report on the Statement prepared for the sole purpose of inclusion in this Circular, received from the financial adviser of the Company, Octal Capital Limited.

八方金融有限公司
OCTAL Capital Limited

31 March 2014

Board of Company Directors
17th Floor, Phase I
Kingsford Industrial Building
26–32 Kwai Hei Street
Kwai Chung
New Territories
Hong Kong

Dear Sirs/Madame,

Terms used in this letter have the same meanings as defined in the circular of SAME TIME HOLDINGS LIMITED dated 31 March 2014, of which this letter forms part, unless the context requires otherwise. We refer to the profit warning statement made by the Company in its announcement dated 19 March 2014 in respect of the Company Group's financial results for the year ending 31 March 2014 (the "**Statement**").

We have reviewed the Statement and other relevant information and documents which you as the Company Directors are solely responsible for and discussed with you and the senior management of the Company the bases and assumptions upon which the Statement has been made. In addition, we have considered, and relied upon, the report addressed to the Company Board from PricewaterhouseCoopers regarding the accounting policies and the arithmetical accuracy of the calculations upon which the Statement has been made.

We draw your attention to one of the key assumptions adopted by the Company Directors in preparing the Statement where the Company Directors assume that the Company Group will continue to record a loss for the year ending 31 March 2014 and such position is not expected to change taking into account the fair value change of the embedded derivative relating to the outstanding Convertible Bond for the same year based on the recent trend on the trading price of the shares of the Company (the "**Shares**"), and the preliminary assessment of operating information currently available to the Company Directors. Having considered that: (i) the increasing trend of the trading price of the Shares since the signing of the memorandum of understanding in respect of a possible subscription of shares and convertible bonds in the Company on 29 October 2013 (the "**MOU**"); (ii) there is one trading day remaining since the Latest Practicable Date; and (iii) the recent market sentiment in the stock market in Hong Kong, and notwithstanding (i) the operating profit of the Company Group for the financial year ending 31 March 2014 is expected to increase as compared to the corresponding amount for the financial year ended 31 March 2013; and (ii) the volatility of the trading price of the Shares since the signing of the MOU, we are of the view that the likelihood that the closing price of the Shares on 31 March 2014 will drop substantially is low, thereby the fair value loss of the embedded derivative relating to the outstanding Convertible Bond up to 31 March 2014 would remain material so that the Company Group will continue to record a net loss for the year ending 31 March 2014 and, on balance, we consider such assumption adopted by the Company Directors is realistic and relevant.

On the basis of the foregoing, we are of the opinion that the Statement, for which the Company Directors are solely responsible, has been made with due care and consideration.

Yours faithfully,
For and on behalf of
Octal Capital Limited

Alan Fung
Managing Director

Louis Chan
Director

1. RESPONSIBILITY STATEMENT

This circular, for which the Company Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules and the Takeovers Code for the purpose of giving information with regard to the Company Group, the Subscriber, the Share Subscription, the Subscription Agreement, the Whitewash Waiver, the Specific Mandate, the Placing, the Placing Specific Mandate, the appointment of proposed directors to the Company Board and the Change of Company Name.

The Company Directors jointly and severally accept full responsibility for the accuracy of the information contained in this circular (other than that relating to the Subscriber) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this circular (other than those expressed by the Subscriber) have been arrived at after due and careful consideration and there are no other facts not contained in this circular the omission of which would make any statement in this circular misleading.

The Subscriber Directors jointly and severally accept full responsibility for the accuracy of the information (other than that relating to the Company Group) contained in this circular, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this circular (other than those expressed by the Company Group) have been arrived at after due and careful consideration and there are no other facts not contained in this circular the omission of which would make any statement contained in this circular misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company are as follows:

Authorised ordinary share capital:

700,000,000	Company Shares as at the Latest Practicable Date	HK$70,000,000

Issued and fully paid up or credited as fully paid up:

85,948,520	Company Shares as at the Latest Practicable Date	HK$8,594,852

All the issued Company Shares are fully paid and rank *pari passu* in all respects including the rights as to voting, dividends and return on capital.

Since 31 March 2013, the end of the last financial year of the Company, and up to the Latest Practicable Date, the Company has not issued any Company Shares.

On 23 February 2005, the Company adopted a share option scheme pursuant to which the Company Directors may grant options to eligible persons including employees and directors of the Company Group, to subscribe for Company Shares. No option has been granted and there are no outstanding options as at the Latest Practicable Date.

As at the Latest Practicable Date, the Company has outstanding Convertible Bond in the principal amount of HK$58,700,000 which confers the right on the CB Holder to convert into 33,542,857 Company Shares at the conversion price of HK$1.75 per Company Share (subject to adjustments). Save as disclosed in this circular, the Company has no other outstanding warrants, options or securities convertible into Company Shares as at the Latest Practicable Date.

3. DISCLOSURE OF INTERESTS

Interests of Company Directors

As at the Latest Practicable Date, the following Company Directors has an interest or short position in the share capital of the Company or its associated corporations (within the meaning in Part XV of the SFO) which are (i) 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 and short positions which he is taken or deemed to have under such provisions of SFO); (ii) required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as set out in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange:

Long positions in the ordinary shares of the Company

Name of Company Director	Nature of interest	Number of Company Shares or securities interested	Percentage of the Company's issued share capital (approximately) *(Note)*
Mr. Yip	Trustee and Beneficiary of a trust	35,293,973 *(Note 1)*	41.06%
Yip Wing Fung	Beneficiary of a trust	31,695,475 *(Note 1)*	36.88%
Yu Hung Min	Beneficiary of a trust	31,695,475 *(Note 1)*	36.88%
Mr. Chung	Beneficial owner and Interest of controlled corporation	24,968,857 *(Note 2)*	29.05%

Short positions in the ordinary shares of the Company

Name of Company Director	Nature of interest	Number of Company Shares or securities interested	Percentage of the Company's issued share capital (approximately)
Mr. Chung	Interest of controlled corporation	10,000,000 *(Note 2)*	11.63%

Note: The percentage is based on the total issued share capital of the Company of 85,948,520 Company Shares as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Company Directors or the chief executives of the Company had any interests or short positions in the share capital of the Company or its associated corporations (within the meaning in Part XV of the SFO) which are (i) 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 and short positions which he is taken or deemed to have under such provisions of SFO); (ii) required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as set out in Appendix 10 to the Listing Rules to be notified to the Company and the Stock Exchange.

Interests of substantial shareholders

So far as is known to any Company Director, as at the Latest Practicable Date, the following persons (other than a Company Director or chief executive of the Company) had an interest or short position in the Company Shares or the underlying Company Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or are, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Company Group:

Name	Capacity and nature of interests	Number of Company Shares or security interested		Percentage of the Company's issued share capital (approximately) *(Note 4)*
		Long position	Short position	
Sum Tai Holdings Limited	Beneficial owner	31,695,475 *(Note 1)*	—	36.88%
Aberdare Assets Limited	Interest of controlled corporation	31,695,475 *(Note 1)*	—	36.88%
Sunny Trust	Interest of controlled corporation	31,695,475 *(Note 1)*	—	36.88%
Maroc Ventures Inc.	Beneficial owner	3,598,498 *(Note 1)*	—	4.19%
Maurice Trust	Corporate interest	3,598,498 *(Note 1)*	—	4.19%
Standard Smart Limited	Interest of controlled corporation	24,092,857 *(Note 2)*	10,000,000 *(Note 3)*	39.67%
CB Holder	Beneficial owner	24,092,857 *(Note 2)*	10,000,000 *(Note 3)*	39.67%
Global Hill Limited	Interest of controlled corporation	24,092,857 *(Note 2)*	10,000,000 *(Note 3)*	39.67%
Chen Geng	Interest of controlled corporation	24,092,857 *(Note 2)*	10,000,000 *(Note 3)*	39.67%

Name	Capacity and nature of interests	Number of Company Shares or security interested Long position	Short position	Percentage of the Company's issued share capital (approximately) *(Note 4)*
Value Convergence Holdings Limited	Interest of controlled corporation	10,000,000 *(Note 3)*	—	11.63%
VC Finance Limited	Security interest in shares	10,000,000 *(Note 3)*	—	11.63%
VC Financial Group Limited	Interest of controlled corporation	10,000,000 *(Note 3)*	—	11.63%
Chen Shenghong	Interest of controlled corporation	6,700,000	—	7.80%
China Champion Investment Limited	Security interest in shares	6,700,000	—	7.80%
Yu Yapeng	Interest of controlled corporation	6,700,000	—	7.80%
Zhong Ke Bright Trinity Enterprises Limited	Security interest in shares	6,700,000	—	7.80%
China Investment Fund Company Limited	Interest of controlled corporation	5,034,000	—	5.86%
Eternity Sky Limited	Interest of controlled corporation	5,034,000	—	5.86%
Time Magic Limited	Beneficial owner	5,034,000	—	5.86%
The Subscriber	Beneficial owner	360,000,000	—	418.86%

Notes:

1. As at the Latest Practicable Date, 31,695,475 Company Shares were beneficially owned by Sum Tai Holdings Limited, which is wholly-owned by Aberdare Assets Limited. Aberdare Assets Limited is wholly-owned by Mr. Yip How Yin, Maurice, the brother of Mr. Yip, as trustee of a discretionary trust established for the benefit of Mr. Yip, an executive Company Director and the chairman of the Company, Madam Yu Hung Min, an executive Company Director, and their family (including Mr. Yip Wing Fung, an executive Company Director). 3,598,498 Company 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.

2. As at the Latest Practicable Date, Mr. Chung, an executive Company Director, personally owns 876,000 Company Shares. The balance of 34,092,857 Company Shares or securities comprises corporate interest of 550,000 Company Shares and a maximum number of 33,542,857 Company Shares issuable under the full exercise of the Convertible Bond held by CB Holder. The CB Holder is owned as to 50% by Standard Smart Limited (wholly-owned by Mr. Chung) and 50% by Global Hill Limited (wholly-owned by Chen Geng). As a Condition to Completion, the Convertible Bond will be converted into 33,542,857 Company Shares following the Company SGM but before Completion.

3. As at the Latest Practicable Date, the CB Holder has assigned part of the Convertible Bond to VC Finance Limited as security for repayment of an outstanding loan. The 10,000,000 Company Shares were the number of Company Shares issuable (subject to adjustment) if the relevant part of the Convertible Bond assigned to VC Finance Limited is converted. VC Finance Limited is 100% owned by VC Financial Group Limited which in turn is 100% owned by Value Convergence Holdings Limited.

4. The percentage is based on the total issued share capital of the Company of 85,948,520 Company Shares as at the Latest Practicable Date.

Save as disclosed above and so far as is known to any Company Director, as at the Latest Practicable Date, no person had an interest or short position in the Company Shares and underlying Company Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or is, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Company Group.

4. MARKET PRICE

The highest and lowest closing prices of the Company Shares as quoted on the Stock Exchange during the six-month period preceding 13 February 2014, being the date of the Announcement, and up to the Latest Practicable Date are HK$14.20 per Company Share on 18 November 2013 and HK$6.49 per Company Share on 21 August 2013, 15 October 2013 and 21 October 2013 respectively.

The table below shows the closing prices of the Company Shares as quoted on the Stock Exchange on (i) at the end of each of the calendar months during the period commencing 6 months preceding 13 February 2014, being the date of Announcement and ending on the Latest Practicable Date; (ii) the Last Trading Day; and (iii) on the Latest Practicable Date:

Date	**Closing price per Company Share** *(HK$)*
30 August 2013	6.69
30 September 2013	7.72
31 October 2013	9.71
29 November 2013	12.64
31 December 2013	12.00
30 January 2014	10.36
12 February 2014	13.50
28 February 2014	10.30
28 March 2014	13.10

5. SERVICE AGREEMENTS

Save as disclosed below, as at the Latest Practicable Date, none of the Company Directors had entered or proposed to enter, into a service contract with any Company Group Members which is not expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation), nor has any of the Company Directors entered into any service contract with any Company Group Members or associated companies of the Company in force (i) which (including both continuous and fixed term contracts) have been entered into or amended within six months from the date of the Announcement; (ii) which are continuous contracts with a notice period of 12 months or more; or (iii) which are fixed term contracts with more than 12 months to run irrespective of the notice period of the Company.

Company Director	Commencement date of the term under service agreement/ appointment letter	Service agreement/ appointment letter expiry date	Amount of annual fixed remuneration under the service agreement/ appointment letter	Amount of annual variable remuneration under the service agreement/ appointment letter	Aggregate annual fixed remuneration
Mr. Chung	4 July 2013	3 July 2015	HK$960,000	discretionary	HK$960,000
Mao Lu	2 August 2013	1 August 2014	HK$960,000	discretionary	HK$960,000
Yip Wing Fung	6 December 2013	5 December 2015	HK$960,000	discretionary	HK$960,000
Lai Wing Leung, Peter	1 April 2013	31 March 2015	HK$110,000	—	HK$110,000
Lam Kwok Cheong	1 April 2013	31 March 2015	HK$110,000	—	HK$110,000
Lee Mei Ling	1 April 2013	31 March 2015	HK$110,000	—	HK$110,000
Mr. Yip (Note)	From the Completion Date	3 years from the Completion Date	HK$2,160,000	discretionary	HK$2,160,000

Note: As at the Latest Practicable Date, Mr. Yip has not entered into any service agreement with the Company. Mr. Yip will enter into the Company Service Agreement with the Company as a Condition required to be fulfilled on or prior to Completion.

6. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Company Group) were entered into by the Company Group within the two years immediately preceding the date of the Announcement and up to and including the Latest Practicable Date and are or may be material:

(a) the agreement dated 23 April 2012 entered into between the Company and the Placing Agent in respect of the placing of 13,650,000 placing shares pursuant to the general mandate granted by Company Shareholders to the Company Directors at the annual general meeting of the Company held on 31 August 2011 at the placing price of HK$3.13 per placing share;

(b) the Company Original Placing Agreement;

(c) the Subscription Agreement;

(d) the Amendment Deed;

(e) the Amended and Restated Placing Agreement;

(f) Undertaking letter from Mr. Yip to the Company dated 24 March 2014 in relation to non-disposal of the Company Shares directly or indirectly owned by him; and

(g) Undertaking letter from Mr. Chung to the Company dated 24 March 2014 in relation to non-disposal of the Company Shares directly or indirectly owned by him other than the obligations required to be fulfilled by Mr. Chung and the CB Holder with respect to an outstanding loan due to VC Finance Limited (please refer to the section headed "Mr. Yip's and Mr. Chung's Non-disposal Undertaking" of the "Letter from the Company Board" of this circular for further information).

Save as disclosed above and the Subscription Agreement pursuant to which the deed of indemnity is to be executed by Mr. Yip in favour of the Subscriber as set out in the section headed "Deed of Indemnity" of the "Letter from the Company Board" in this circular and the exercise of the Convertible Bond by the CB Holder which Mr. Chung has an indirect interest as set out in Condition (j) of the section headed "Conditions of the Share Subscription" of the "Letter from the Company Board" in this circular, none of the Company Directors is materially interested in any contract or arrangements subsisting at the Latest Practicable Date which is significant in relation to the business of the Company Group.

7. LITIGATION

As at the Latest Practicable Date, neither the Company nor any Company Group Member was engaged in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance was known to the Company Directors to be pending or threatened by or against the Company Group, that would have a material adverse effect on its business, results of operations or financial condition.

8. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Company Directors or their respective associates (as defined in the Listing Rules) was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Company Group.

9. OTHER INTERESTS

As at the Latest Practicable Date:

(a) save as the continuing connected transactions (within the meaning of the Listing Rules) relating the three tenancy agreements between Red Board Limited (an indirect wholly-owned Subsidiary of the Company) and (i) Dyford Industries (indirectly owned by Mr. Yip and Madam Yu Hung Min); (ii) Madam Yu Hung Min and Mr. Yip Wing Fung; and (iii) Mr. Yip, respectively, details of which are set out in the section headed "Connected transactions" in the "Report of the Directors" of the 2013 Annual Report of the Company, none of the Company Directors had any interest or indirect interest in any assets which have, since 31 March 2013, being the date of the latest published audited accounts of the Company Group, been acquired or disposed of by, or leased to, or are proposed to be acquired or disposed of by, or leased to, any Company Group Member;

(b) save as the continuing connected transactions (within the meaning of the Listing Rules) relating the three tenancy agreements between Red Board Limited (an indirect wholly-owned Subsidiary of the Company) and (i) Dyford Industries (indirectly owned by Mr. Yip and Madam Yu Hung Min); (ii) Madam Yu Hung Min and Mr. Yip Wing Fung; and (iii) Mr. Yip, respectively, details of which are set out in the section headed "Connected transactions" in the "Report of the Directors" of the 2013 Annual Report of the Company, none of the Company Directors was materially interested in any contract or arrangement entered into by any Company Group Member which contract or arrangement is subsisting as at the Latest Practicable Date and which is significant in relation to the business of the Company Group taken as a whole; and

(c) other than the Subscription Agreement pursuant to which the deed of indemnity is to be executed by Mr. Yip in favour of the Subscriber as set out in the section headed "Deed of Indemnity" of the "Letter from the Company Board" in this circular, the exercise of the Convertible Bond by the CB Holder which Mr. Chung has an indirect interest as set out in Condition (j) of the section headed "Conditions of the Share Subscription" of the "Letter from the Company Board" in this circular, and the undertaking letters dated 24 March 2014 to the Company from Mr. Yip and Mr. Chung, respectively as set out in the section headed "Mr. Yip's and Mr. Chung's Non-disposal Undertaking" of the "Letter from the Company Board" in this circular, there is no material contract entered into by the Subscriber in which any Company Director has a material personal interest.

10. QUALIFICATIONS AND CONSENT OF EXPERTS

The following are the qualifications of the experts who have given opinion or advice which are contained in this circular:

Name	Address	Qualification
Platinum Securities Company Limited	21/F LHT Tower, 31 Queen's Road Central, Hong Kong	A licensed corporation under the SFO for carrying out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO
PricewaterhouseCoopers	22/F, Prince's Building, Central, Hong Kong	Certified Public Accountants

Octal Capital Limited	801–805, 8/F, Nan Fung Tower, 173 Des Voeux Road Central, Hong Kong	Licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO

As at the Latest Practicable Date, each of the above experts was not beneficially interested in the share capital of any Company Group Member nor had it have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any Company Group Member nor did it have any interest, either direct or indirect, in any assets which had been, since the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any Company Group Member.

As at the Latest Practicable Date, each of the above experts has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its opinion and letter and/or references to its name, opinion or letter in the form and context in which they respectively appear.

11. ARRANGEMENTS IN CONNECTION WITH THE SHARE SUBSCRIPTION

As at the Latest Practicable Date, save for the Share Subscription:

(a) there was no agreement, arrangement or understanding (including any compensation arrangement) between the Subscriber or any person acting in concert with it and any Company Director, recent Company Director, Company Shareholder or recent Company Shareholder which had any connection with or dependence upon the Share Subscription and/or the Whitewash Waiver;

(b) there was no agreement or arrangement for any benefit to be given to any Company Director as compensation for loss of office or otherwise in connection with the Share Subscription or the Whitewash Waiver;

(c) there was no agreement or arrangement between any Company Director and any other person which is conditional on or dependent upon the outcome of the Share Subscription or the Whitewash Waiver or otherwise connected with the Share Subscription or the Whitewash Waiver;

(d) none of the Company Directors or Company Independent Shareholders had irrevocably committed himself or herself to vote for or against the resolutions to be proposed at the Company SGM for (i) the Share Subscription; (ii) the grant of the Specific Mandate to allot and issue the Subscription Shares; (iii) the Whitewash Waiver; and (iv) the appointment of the proposed directors to the Company Board; and

(e) no person had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with (i) the Subscriber or any person acting in concert with it; or (ii) the Company or any person who was an associate of the Company by virtue of class (1), (2), (3) or (4) of the definition of "associate" as defined under the Takeovers Code.

12. ADDITIONAL DISCLOSURE OF SHAREHOLDING AND DEALINGS PURSUANT TO THE TAKEOVERS CODE

As at the Latest Practicable Date, save for the Share Subscription:

(a) the Company had no shares, convertible securities, warrants, options or derivatives in the Subscriber;

(b) save as set out in the paragraphs headed "Disclosure of Interests" in this appendix, none of the Company Directors had any shareholdings (as defined under Note 1 to paragraph 4, Schedule I of the Takeovers Code) in the Subscriber or the Company;

(c) neither the Subscriber nor parties acting in concert with it owned or controlled any shares, convertible securities, warrants, options or derivatives in the Company;

(d) none of the Subscriber Directors had any shares, convertible securities, warrants, options or derivatives in the Company;

(e) no shares, convertible securities, warrants, options or derivatives in the Company was owned or controlled by any Subsidiary of the Company or by a pension fund of any member of the Company Group or by professional advisers named under the section headed "Qualifications and Consent of Experts" in this appendix or advisers to the Company as specified in class (2) of the definition of associates under the Takeovers Code;

(f) there was no agreement, arrangement or understanding existing whereby any Company Shares to be acquired by the Subscriber or parties acting in concert with it in pursuance of the Share Subscription will be transferred, charged or pledged to any other persons;

(g) no shares, convertible securities, warrants, options or derivatives in the Company was managed on a discretionary basis by fund managers connected with the Company; and

(h) none of the Company Directors had any registered or beneficial shareholdings (as defined under Note 1 to paragraph 4, Schedule I of the Takeovers Code) in the Company Shares or convertible securities, warrants, options and derivations in the Company which would entitle them to vote in respect of the ordinary resolutions for the Share Subscription, the grant of the Specific Mandate to allot and issue the Subscription Shares and the Whitewash Waiver other than Mr. Yip and Mr. Chung and their respective Associates and parties acting in concert with any of them who shall abstain from voting on the relevant ordinary resolutions to be proposed at the Company SGM to approve the Share Subscription, the grant of the Specific Mandate and the Whitewash Waiver.

During the period beginning six months prior to 13 February 2014, being the date of the Announcement and up to the Latest Practicable Date, save for the Share Subscription:

(a) the Company had not dealt for value in any shares, convertible securities, warrants, options or derivatives of the Subscriber;

(b) none of the Company Directors had dealt for value in any shares, convertible securities, warrants, options or derivatives of the Company or the Subscriber;

(c) the Subscriber or parties acting in concert with it had not dealt for value in any shares, convertible securities, warrants, options or derivatives of the Company;

(d) none of the Subscriber Directors had dealt for value in any shares, convertible securities, warrants, options or derivatives of the Company;

(e) none of the Company's subsidiaries, pension fund of any member of the Company Group, professional advisers named under the section headed "Qualifications and Consent of Experts" in this appendix or advisers to the Company as specified in class (2) of the definition of associates under the Takeovers Code had any interest in or had dealt for value in the shares, convertible securities, warrants, options and derivatives of the Company;

(f) no fund managers who managed funds on a discretionary basis connected with the Company had dealt for value in any shares, convertible securities, warrants, options or derivatives of the Company;

(g) there was no shares, convertible securities, warrants, options or derivatives in the Company which the Company or the Company Directors has/have borrowed or lent other than part of the Convertible Bond that have been assigned by the CB Holder to VC Finance Limited as security for repayment of an outstanding loan, details of which are disclosed in the paragraph headed "Interests of substantial shareholders" of the section headed "Disclosure of Interests" in this appendix; and

(h) there was no shares, convertible securities, warrants, options or derivatives in the Company which the Subscriber or parties acting in concert with it has borrowed or lent.

13. GENERAL

(a) The registered office of the Company is situated at Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda.

(b) The principal place of business of the Company is situated at 17th Floor, Phase I, Kingsford Industrial Building, 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong.

(c) The branch share registrar and transfer office of the Company is Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.

(d) The qualified accountant of the Company is Mr. Li Ka Kit. The company secretary of the Company is Madam Shiu Man Ching. Madam Shiu is an associate member of The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries.

(e) The English text of this circular and form of proxy shall prevail over their Chinese text in case of inconsistencies.

(f) Application will be made by the Company to the Listing Committee for the listing of and permission to deal in, the Subscription Shares and the Company New Placing Shares.

14. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the 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 from the date of this circular up to and including the date of the Company SGM:

(a) the memorandum of association and bye-laws of the Company;

(b) the memorandum and articles of association of the Subscriber;

(c) the letter from the Company Board, the text of which is set out in the section headed "Letter from the Company Board" of this circular;

(d) the letter from the Subscriber, the text of which is set out in the section headed "Letter from the Subscriber" of this circular;

(e) the letter from the Company Independent Board Committee to the Company Independent Shareholders, the text of which is set out in the section headed "Letter from the Company Independent Board Committee" of this circular;

(f) the letter of advice from the Company Independent Financial Adviser to the Company Independent Board Committee and the Company Independent Shareholders, the text of which is set out in the section headed "Letter from the Company Independent Financial Adviser" of this circular;

(g) the letter from PricewaterhouseCoopers, the text of which is set out in the section headed "Report from PricewaterhouseCoopers on the March 2014 profit warning" of this circular;

(h) the letter from Octal Capital Limited, the text of which is set out in the section headed "Report from Octal Capital on the March 2014 profit warning" of this circular;

(i) the letter of consent from each of the experts referred to in paragraph headed "General Information — Qualifications and Consent of Experts" in this appendix;

(j) the material contracts set out in the section headed "General Information — Material Contracts" in this appendix;

(k) the annual reports of the Company containing the auditor's reports for each of the two financial years ended 31 March 2012 and 31 March 2013;

(l) the interim report of the Company for the six-month period ended 30 September 2013;

(m) copies of the service agreements referred to in the paragraph headed "General Information — Service Agreements" in this appendix; and

(n) this circular.

The above documents will be available at the website of the SFC at *www.sfc.hk* and the Company's website at *www.sametimeholdings.com* from the date of this circular up to (and including) the date of the Company SGM in accordance with Note 1 to Rule 8 of the Takeovers Code.

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 (the "**Company SGM**") 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 23 April 2014 at 12:00 noon for the purposes of considering and, if thought fit, passing the following resolutions of the Company, with or without amendments. Capitalised terms defined in the circular of the Company dated 31 March 2014 (the "**Circular**") shall have the same meanings when used in this notice of the Company SGM unless otherwise specified.

ORDINARY RESOLUTIONS

1. "**THAT**, subject to and conditional upon the fulfilment of the conditions in the subscription agreement (the "**Subscription Agreement**") dated 13 February 2014 entered into between the Company, Same Time International (B.V.I) Limited and GCL-Poly Energy Holdings Limited (the "**Subscriber**") in relation to the subscription of 360,000,000 new shares with a par value of HK$0.10 each in the share capital of the Company at the issue price of HK$4.00 per share in cash (the "**Subscription Shares**"), details of which are set out in the Circular, a copy of each of the Subscription Agreement and the Circular having been tabled at the Company SGM and initialed by the chairman of the Company SGM for the purpose of identification and respectively marked "**A**" and "**B**":

   (a) the Subscription Agreement and the transactions contemplated therein as contained in the Circular be and are hereby approved, confirmed and ratified; and

   (b) any one of the Company Directors be and is hereby authorised, for and on behalf of the Company, to execute such other documents, instruments and agreements and to do all such acts or things which he or she considers necessary, desirable or expedient in connection with the implementation and completion of Share Subscription and all the transactions contemplated in this resolution and the Circular."

2. "**THAT**, conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Subscription Shares, and the passing of the ordinary resolution no.1 as set out in this notice of the Company SGM, the unconditional specific mandate granted to the Company Directors to exercise the powers of the Company to allot, issue and deal with the Subscription Shares pursuant to the Subscription Agreement be and is hereby confirmed and approved."

3. "**THAT**, subject to and conditional on the passing of resolutions no. 1 and no. 2 as set out in this notice of the Company SGM, the Whitewash Waiver (as defined below) granted or to be granted by the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong (or any of his delegates) pursuant to Note 1 on dispensations from Rule 26 of the Hong Kong Code on Takeovers and Mergers (the "**Whitewash Waiver**") in respect of the obligation of the Subscriber and parties acting in concert with it to make a mandatory general offer to the shareholders of the Company for all issued shares and other securities of the Company not already owned or agreed to be acquired by them as a result of the issue and allotment of the Subscription Shares to the Subscriber, be and is hereby approved, confirmed and ratified and that any Company Director be and is hereby authorized, for and on behalf of the Company, to execute such other documents, instruments and agreements and to do all such acts or things which he or she considers desirable or expedient to implement and/or give effect to any matters relating to or in connection with the Whitewash Waiver and all transactions contemplated under this resolution."

4. "**THAT**, the Company Original Placing Agreement dated 30 October 2013 entered into between the Company as issuer and Fortune (HK) Securities Limited (the "**Placing Agent**") as placing agent as amended and superseded by the Amendment Deed dated 28 February 2014 and the adoption of the Amended and Restated Placing Agreement dated 28 February 2014 entered into between the Company and the Placing Agent in relation to the placing of 50,000,000 new Company Shares, on a best effort basis, at a placing price of HK$4.00 per Company Share (a copy of each of the Company Original Placing Agreement, the Amendment Deed and the Amended and Restated Placing Agreement having been tabled at the Company SGM and initialed by the chairman of the Company SGM for the purpose of identification and respectively marked "**C**", "**D**" and "**E**"), subject to and conditional upon the fulfilment of the conditions in the Amended and Restated Placing Agreement:

   (a) the Company Original Placing Agreement as amended and superseded by the Amendment Deed and the transactions contemplated therein and as contained in the Circular be and are hereby approved, confirmed and ratified;

   (b) the Amended and Restated Placing Agreement and the transactions contemplated therein and as contained in the Circular be and are hereby approved, confirmed and ratified; and

   (c) any one of the Company Directors or in the case of execution under the common seal of the Company, any two of the Company Directors or any one of the Company Directors and the company secretary in accordance with the bye-laws of the Company, be and is/are hereby authorised, for and on behalf of the Company, to execute such other documents, instruments and agreements and if required, to affix the common seal of the Company and to do all such acts or things which he or she considers necessary, desirable or expedient in connection with the implementation and completion of the Placing and all the transactions contemplated in this resolution and in the Circular."

5. "**THAT**, conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Company New Placing Shares, and the passing of the ordinary resolution no. 4 as set out in this notice of the Company SGM, the unconditional specific mandate granted to the Company Directors to exercise the powers of the Company to allot, issue and deal with the Company New Placing Shares pursuant to the Amended and Restated Placing Agreement be and is hereby confirmed and approved."

6. "**THAT** subject to and conditional on the passing of the ordinary resolutions nos. 1, 2 and 3, the appointment of Mr. Zhu Gongshan to serve as a Company Director be and is hereby approved."

7. "**THAT** subject to and conditional on the passing of the ordinary resolutions nos. 1, 2 and 3, the appointment of Mr. Tang Cheng to serve as a Company Director be and is hereby approved."

8. "**THAT** subject to and conditional on the passing of the ordinary resolutions nos. 1, 2 and 3, the appointment of Mr. Gu Xin to serve as a Company Director be and is hereby approved."

9. "**THAT** subject to and conditional on the passing of the ordinary resolutions nos. 1, 2 and 3, the appointment of Ms. Hu Xiaoyan to serve as a Company Director be and is hereby approved."

10. "**THAT** subject to and conditional on the passing of the ordinary resolutions nos. 1, 2 and 3, the appointment of Ms. Sun Wei to serve as a Company Director be and is hereby approved."

11. "**THAT** subject to and conditional on the passing of the ordinary resolutions nos. 1, 2 and 3, the appointment of Mr. Yu Baodong to serve as a Company Director be and is hereby approved."

12. "**THAT** subject to and conditional on the passing of the ordinary resolutions nos. 1, 2 and 3, the appointment of Mr. Wang Bohua to serve as a Company Director be and is hereby approved."

13. "**THAT** subject to and conditional on the passing of the ordinary resolutions nos. 1, 2 and 3, the appointment of Mr. Xu Songda to serve as a Company Director be and is hereby approved."

14. "**THAT** subject to and conditional on the passing of the ordinary resolutions nos. 1, 2 and 3, the appointment of Mr. Han Qing-hua to serve as a Company Director be and is hereby approved."

15. "**THAT** subject to and conditional on the passing of the ordinary resolutions nos. 1, 2 and 3, the appointment of Mr. Lee Conway Kong Wai to serve as a Company Director be and is hereby approved."

SPECIAL RESOLUTION

1. "**THAT** subject to and conditional upon the passing of all of the ordinary resolutions of the Company set out in this notice of the Company SGM of which this resolution forms part, the completion of the Share Subscription, the granting of the approval on the proposed change of name as set out in paragraph (a) below by the Registrar of Companies in Bermuda:

   (a) the name of the Company be and is hereby changed from "SAME TIME HOLDINGS LIMITED" to "GCL New Energy Holdings Limited", and "協鑫新能源控股有限公司" be adopted as the secondary name of the Company, with effect from the date of entry of the new name and secondary name of the Company on the register maintained by the Registrar of Companies in Bermuda and that such documents in connection with the change of name of the Company be filed and registered with the Registrar of Companies in Hong Kong under Part 16 of the Companies Ordinance and the Registrar of Companies in Bermuda pursuant to the Companies Act 1981 of Bermuda (as amended and supplemented from time to time); and

   (b) any one of the Company Directors be and is hereby authorised to sign, execute and deliver all such documents and take all such actions and steps and do such acts, matters and things as he or she considers necessary, appropriate, desirable or expedient to give full effect to this resolution, and for the purpose of or in connection with the implementation of the change of name of the Company."

By Order of the Board
SAME TIME HOLDINGS LIMITED
Yip Sum Yin
Chairman

Hong Kong, 31 March 2014

Registered office:
Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Principal place of business in Hong Kong:
17th Floor, Phase I
Kingsford Industrial Building
26–32 Kwai Hei Street
Kwai Chung
New Territories
Hong Kong

Notes:

(a) Any member entitled to attend and vote at the Company SGM is entitled to appoint another person as his/her proxy to attend and vote on his/her behalf. A member who is the holder of two or more Company Shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a member of the Company.

(b) In order to be valid, proxy forms in prescribed form together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority should be deposited to the Company's branch share registrar, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as practicable, but in any event not less than 48 hours before the time fixed for holding the Company SGM or any adjournment thereof.

(c) Completion and delivery of the form proxy will not preclude members from attending and voting in person at the Company SGM or any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.

(d) In the case of joint holders of Company Shares, any one of such joint holders may vote, either in person or by proxy, in respect of such Company Share as if he/she/it were solely entitled thereto, but if more than one of such joint holders are present at the Company SGM, personally or by proxy, that one of the said persons so present whose name stands first in the register in respect of such Company Shares shall alone be entitled to vote in respect thereof.

(e) The above resolutions will be put to vote at the above meeting by way of poll.