



BYFORD INTERNATIONAL LIMITED

百富國際有限公司*

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8272

THIRD QUARTERLY REPORT 2009/2010

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (“STOCK EXCHANGE”)

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*This report, for which the directors (“**Directors**”) of Byford International Limited (“**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (“**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this report is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

Condensed Consolidated Financial Statements

The board of Directors (“**Board**”) announces the unaudited consolidated results of the Company and its subsidiaries (together the “**Group**”) for the nine months ended 31 January 2010 together with the comparative unaudited figures for the previous corresponding period as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the nine months ended 31 January 2010

	Notes	Three months ended 31 January		Nine months ended 31 January	
		2010 (Unaudited) HK\$'000	2009 (Unaudited) HK\$'000	2010 (Unaudited) HK\$'000	2009 (Unaudited) HK\$'000
Continuing Operations					
Revenue	3	5,075	621	10,705	2,104
Cost of sales		(3,555)	(560)	(8,219)	(1,856)
Gross profit		1,520	61	2,486	248
Other gains and losses	4	970	4,281	4,167	8,293
Selling and distribution expenses		(536)	(468)	(1,338)	(757)
General and administrative expenses		(15,002)	(4,022)	(34,842)	(11,919)
Equity-settled share-based payments		–	–	(2,816)	–
Gain on disposal of subsidiary		–	10	–	10
Finance costs		–	(33)	–	(98)
Loss before tax		(13,048)	(171)	(32,343)	(4,223)
Income tax expense	5	–	–	–	(3)
Loss for the period from continuing operations		(13,048)	(171)	(32,343)	(4,226)
Discontinued Operations					
Profit (loss) for the period from discontinued operations	6	139	(1,733)	40,067	(1,428)
Profit (loss) for the period attributable to owners of the Company		(12,909)	(1,904)	7,724	(5,654)
Other comprehensive income					
Exchange differences arising on translation of foreign operations		1	(410)	425	(2,512)
Total comprehensive income for the period attributable to owners of the Company		(12,908)	(2,314)	8,149	(8,166)
		HK cent	HK cent	HK cent	HK cent
Earnings (loss) per share	8				
From continuing and discontinued operations					
– Basic		(0.54)	(0.10)	0.33	(0.28)
– Diluted		N/A	N/A	N/A	N/A
From continuing operations					
– Basic		(0.54)	(0.01)	(1.40)	(0.21)
– Diluted		N/A	N/A	N/A	N/A

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 31 January 2010

	Share Capital HK\$'000	Share premium HK\$'000	Share options reserve HK\$'000	Special reserve HK\$'000	Translation reserve HK\$'000	Accumulated losses HK\$'000	Total equity attributable to owners of the Company HK\$'000
At 1 May 2008 (audited)	2,002	20,676	68,088	8,023	3,554	(85,556)	16,787
Loss for the period	–	–	–	–	–	(5,654)	(5,654)
Exchange differences arising on translation of foreign operations	–	–	–	–	(2,512)	–	(2,512)
Total comprehensive income for the period	–	–	–	–	(2,512)	(5,654)	(8,166)
At 31 January 2009 (unaudited)	2,002	20,676	68,088	8,023	1,042	(91,210)	8,621
At 1 May 2009 (audited)	2,002	20,676	68,088	8,023	928	(85,844)	13,873
Profit for the period	–	–	–	–	–	7,724	7,724
Exchange differences arising on translation of foreign operations	–	–	–	–	425	–	425
Total comprehensive income for the period	–	–	–	–	425	7,724	8,149
Recognition of equity-settled share-based payments	–	–	2,816	–	–	–	2,816
Disposal of subsidiaries	–	–	–	(8,023)	(1,353)	–	(9,376)
Issue of ordinary shares	400	79,600	–	–	–	–	80,000
Expenses of issue of ordinary shares	–	(1,993)	–	–	–	–	(1,993)
At 31 January 2010 (unaudited)	2,402	98,283	70,904	–	–	(78,120)	93,469

Notes to the Condensed Consolidated Financial Statements

For the nine months ended 31 January 2010

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 22 January 2003 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised). The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and the address of its principal place of business in Hong Kong is Rooms 1211-20, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong. The shares of the Company have been listed on GEM of the Stock Exchange since 27 June 2003.

The Company is an investment holding company. The condensed consolidated financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost convention except for certain financial instruments, which are measured at fair values. The principal accounting policies applied in the preparation of these condensed consolidated financial information are consistent with those applied in the preparation of the consolidated financial statements of the Company for the year ended 30 April 2009, except for the adoption of the standards and interpretations described below.

In the current period, the Group has applied, the following amendments and interpretations ("**new IFRSs**") issued by the International Accounting Standards Board ("**IASB**") and the International Financial Reporting Interpretations Committee ("**IFRIC**") of the IASB which are or have become effective.

IFRSs (Amendments)	Improvements to IFRSs May 2008
IFRSs (Amendments)	Improvements to IFRSs April 2009
IAS 1 (Revised)	Presentation of Financial Statements
IAS 23 (Revised)	Borrowing Costs
IAS 32 and IAS 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
IFRS 1 and IAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
IFRS 2 (Amendment)	Share-based Payment – Vesting Conditions and Cancellations
IFRS 7 (Amendment)	Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments
IFRS 8	Operating Segments
IFRIC 9 and IAS 39 (Amendments)	Reassessment of Embedded Derivatives
IFRIC 13	Customer Loyalty Programmes
IFRIC 15	Agreements for the Construction of Real Estate
IFRIC 16	Hedges of a Net Investment in a Foreign Operation
IFRIC 18	Transfers of Assets from Customers

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES *(Continued)*

The adoption of the new IFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

IAS 1 (Revised) separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented as a single line. In addition, the standard introduces the statement of comprehensive income: it presents all items of recognised income and expense, either in one single statement, or in two linked statements. The Group has elected to present one statement.

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The application of IFRS 8 has not resulted in a redesignation of the Group's reporting segments as compared with the primary reporting segments determined in accordance with IAS 14 Segment Reporting.

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective.

IFRSs (Amendments)	Improvements to IFRSs May 2008 ¹
IFRSs (Amendments)	Improvements to IFRSs April 2009 ²
IAS 24 (Revised)	Related Party Disclosures ³
IAS 27 (Revised)	Consolidated and Separate Financial Statements ⁴
IAS 32	Financial Instruments: Presentation – Classification of Rights Issues ⁵
IAS 39 (Amendment)	Financial Instruments: Recognition and Measurement – Eligible Hedged Items ⁴
IFRS 1 (Revised)	First-time Adoption of IFRSs ⁴
IFRS 1 (Amendments)	First-time Adoption of IFRSs ⁶
IFRS 2 (Amendments)	Share-based Payment – Group Cash-settled Share-based Payment Transactions ⁶
IFRS 3 (Revised)	Business Combinations ⁴
IFRS 9	Financial Instruments ⁷
IFRIC 17	Distribution of Non-cash Assets to Owners ⁴

¹ Amendments to IFRS 5, effective for annual periods beginning on or after 1 July 2009.

² Effective for annual periods beginning on or after 1 July 2009, 1 January 2010, as appropriate.

³ Effective for annual periods beginning on or after 1 January 2011.

⁴ Effective for annual periods beginning on or after 1 July 2009.

⁵ Effective for annual periods beginning on or after 1 February 2010.

⁶ Effective for annual periods beginning on or after 1 January 2010.

⁷ Effective for annual periods beginning on or after 1 January 2013.

Notes to the Condensed Consolidated Financial Statements

For the nine months ended 31 January 2010

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES *(Continued)*

The adoption of IFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. IAS 27 (Revised) will affect the accounting treatment for the changes in a parent's ownership interest in a subsidiary. The Directors of the Company anticipate the application of the other revised standards, amendments or interpretations will have no material impact on the results and financial position of the Group.

3. REVENUE

During the period under review, the Group's activities are organised into four main operating segments, including sales of apparel products ("**Sales of apparel**"), sales of electronic products ("**Sales of electronic**"), provision of trademarks licensing consultancy service ("**Consultancy service**") and licensing of the Group's trademarks relating to Byford branded men's innerwear, socks and apparel in return for royalty income ("**Licensing**").

The following is an analysis of the Group's revenue by operating segment:

	Three months ended 31 January		Nine months ended 31 January	
	2010 (Unaudited) HK\$'000	2009 (Unaudited) HK\$'000	2010 (Unaudited) HK\$'000	2009 (Unaudited) HK\$'000
Continuing operations				
Sales of apparel	3,800	621	9,005	2,104
Sales of electronic	–	–	–	–
Consultancy service	1,275	–	1,700	–
	5,075	621	10,705	2,104
Discontinued operations				
Licensing	111	2,919	4,312	8,760
Revenue from continuing and discontinued operations	5,186	3,540	15,017	10,864

4. OTHER GAINS AND LOSSES

	Three months ended 31 January		Nine months ended 31 January	
	2010 (Unaudited) HK\$'000	2009 (Unaudited) HK\$'000	2010 (Unaudited) HK\$'000	2009 (Unaudited) HK\$'000
Continuing operations				
Interest income	33	3	55	26
Change in fair value of financial asset classified as held for trading	800	–	1,680	–
Management fee income from discontinued operations	–	4,278	2,217	8,266
Others	137	–	215	1
	970	4,281	4,167	8,293

5. INCOME TAX EXPENSE

	Three months ended 31 January		Nine months ended 31 January	
	2010 (Unaudited) HK\$'000	2009 (Unaudited) HK\$'000	2010 (Unaudited) HK\$'000	2009 (Unaudited) HK\$'000
Continuing operations				
Under provision in prior years – other jurisdictions	–	–	–	3
	–	–	–	3

The Company is an exempted company incorporated in the Cayman Islands, as such it is not liable for taxation in the Cayman Islands on its non-Cayman Islands income.

No Hong Kong Profits Tax was provided as the Group had no assessable profits arising in or deriving from Hong Kong. Taxation arising in other jurisdictions was calculated at the rates prevailing in the relevant jurisdictions.

Notes to the Condensed Consolidated Financial Statements

For the nine months ended 31 January 2010

6. DISPOSAL OF SUBSIDIARIES

On 6 May 2009, the Company entered into a conditional sale and purchase agreement with Million Dragon Limited, an independent third party, to dispose of its entire interest in D Byford Holdings Limited and its subsidiaries ("**D Byford Group**"), which are involved in Licensing business, for a consideration of HK\$45,000,000. It constitutes a very substantial disposal transaction of the Company. On 31 August 2009, the sale and purchase agreement was completed and cash consideration of HK\$45,000,000 was received by the Company.

The net assets of D Byford Group at the date of disposal completion were as follows:

	At 31 August 2009 (Unaudited) HK\$'000
Net assets disposed of:	
Plant and equipment	15,811
Trade receivables	2,370
Prepayments, deposits and other receivables	44
Bank balances and cash	97
Accruals and other payables	(627)
Tax liabilities	(160)
	17,535
Assets and liabilities assigned to the Group	(1,724)
Special reserve realised	(8,023)
Translation reserve realised	(1,353)
Gain on disposal	38,565
	45,000
Total consideration	45,000
Satisfied by:	
Cash	45,000
Net cash inflow arising from disposal:	
Cash consideration	45,000
Bank balances and cash disposed of	(97)
	44,903

6. DISPOSAL OF SUBSIDIARIES *(Continued)*

The profit (loss) for the period from discontinued operations is analysed as follows:

	Three months ended 31 January		Nine months ended 31 January	
	2010 (Unaudited) HK\$'000	2009 (Unaudited) HK\$'000	2010 (Unaudited) HK\$'000	2009 (Unaudited) HK\$'000
Turnover	111	2,919	4,312	8,760
Cost of sales	–	–	–	–
Gross profit	111	2,919	4,312	8,760
Other income	(3)	48	157	66
Selling and distribution costs	–	(120)	(170)	(706)
General and administrative expenses	(16)	(4,559)	(2,584)	(9,483)
Finance costs	–	–	–	–
Profit before tax	92	(1,712)	1,715	(1,363)
Income tax expense	(1)	(21)	(213)	(65)
Profit for the period from licensing operation	91	(1,733)	1,502	(1,428)
Gain on disposal of licensing operation	48	–	38,565	–
	139	(1,733)	40,067	(1,428)

7. DIVIDEND

The Board does not recommend the payment of interim dividend for the nine months ended 31 January 2010 (nine months ended 31 January 2009: Nil).

Notes to the Condensed Consolidated Financial Statements

For the nine months ended 31 January 2010

8. EARNINGS (LOSS) PER SHARE

The calculation of basic and diluted earnings (loss) per share is based on the following:

	Three months ended 31 January		Nine months ended 31 January	
	2010 (Unaudited) HK\$'000	2009 (Unaudited) HK\$'000	2010 (Unaudited) HK\$'000	2009 (Unaudited) HK\$'000
From continuing and discontinued operations				
Profit (loss) for the period attributable to owners of the Company	(12,909)	(1,904)	7,724	(5,654)
From continuing operations				
Loss for the period from continuing operations	(13,048)	(171)	(32,343)	(4,226)
	'000	'000	'000	'000
Weighted average number of ordinary shares in issue	2,402,000	2,002,000	2,316,493	2,002,000

No diluted earnings (loss) per share has been presented for the three months and nine months ended 31 January 2010 and 31 January 2009 as the outstanding share options and warrants during the periods had anti-dilutive effect on the basic earnings (loss) per share.

Management Discussion and Analysis

BUSINESS REVIEW

Revenue

The Group's revenue from continuing operations for the nine months ended 31 January 2010 ("**Reporting Period**") increased by HK\$8,601,000 or 409% to HK\$10,705,000 as compared with HK\$2,104,000 in last corresponding period ("**Prior Period**"). The Group's continuing operations are composed of three operating segments, including Sales of apparel, Sales of electronic and Consultancy service. The increase in Group's revenue was mainly contributed by the increase in revenue from Sales of apparel.

Sales of apparel

Revenue from Sales of apparel during the Reporting Period was HK\$9,005,000, representing an increase of HK\$6,901,000 as compared with HK\$2,104,000 in the Prior Period. The Group continues to act as the sourcing and distribution agent of reputable buying companies and is pleased to observe continuous growth of business during the Reporting Period.

Licensing

Royalty income from Licensing during the Reporting Period was HK\$4,312,000, representing a decrease of HK\$4,448,000 or 51% as compared with HK\$8,760,000 in the Prior Period. The decrease was due to the disposal of the Licensing segment, which ceased to contribute revenue and results to the Group starting from September 2009.

Profit (loss) for the period

Profit (loss) attributable to owners for the Reporting Period was HK\$7,724,000, representing an improvement of HK\$13,378,000 as compared to a loss of HK\$5,654,000 in the Prior Period. The reduction in loss was resulted mainly from the disposal of the Licensing segment, resulting in a gain of HK\$38,565,000 taken up by the Group upon the said disposal.

Memorandum of understanding on the exploration of investment opportunities in energy business

On 19 August 2009, Elite Spring Holdings Limited ("**Proposed Investor**"), an indirect wholly-owned subsidiary of the Company entered into a non-legally binding memorandum of understanding with New Success Asia Limited ("**NSAL**"), an independent third party, pursuant to which the Proposed Investor intends to invest in NSAL with respect to the possible investment in energy and natural resources related business. Details of the memorandum had been set out in the announcement of the Company dated 19 August 2009. The 120-day exclusivity period has ended and no transaction has materialised, the memorandum was lapsed accordingly.

Disposal of Subsidiaries

On 6 May 2009, the Company entered into a conditional sale and purchase agreement with Million Dragon Limited, an independent third party, to dispose of its entire interest in D Byford Group for a cash consideration of HK\$45,000,000. It constituted a very substantial disposal transaction of the Company. Details of the disposal are set out in the announcement of the Company dated 14 May 2009. On 31 August 2009, the sale and purchase agreement was completed and cash consideration of HK\$45,000,000 was received by the Company and a gain of HK\$38,565,000 was taken up by the Group upon the said disposal.

CAPITAL STRUCTURE

There is no change in the Group's capital structure during the three months ended 31 January 2010, major capital transactions during the previous quarters are summarized as follows:

Placing of shares

On 29 June 2009, the Group had successfully placed 400,000,000 new shares at the price of HK\$0.2 per placing share, representing approximately 16.65% of the issued share capital of the Company as enlarged by the placing, net proceeds of HK\$78,007,000 was received.

Unlisted warrants

The 398,000,000 outstanding unlisted warrants at the subscription price of HK\$1.2 per subscription share brought forward from last year were not exercised during the Reporting Period and were fully expired on 12 June 2009, a gain of HK\$33,000 on change in fair value of the unlisted warrants was recognized during the Reporting Period.

Share options

On 11 September 2009 and 14 September 2009, 6,000,000 and 1,000,000 share options at the exercise price of HK\$0.70 per share and HK\$0.708 per share respectively were granted to Directors and employees of the Group, none of the options were exercised.

LIQUIDITY AND FINANCIAL RESOURCES

The Group ended the Reporting Period with net bank balances and cash of HK\$25,843,000 (as at 30 April 2009: HK\$3,403,000), net current asset of HK\$54,027,000 (as at 30 April 2009: net current liability of HK\$2,784,000). The Group has no borrowing at the end of the Reporting Period. Gearing ratio, computed as borrowings and finance lease obligations over total equity, stood at nil at the end of the Reporting Period end and as at 30 April 2009. The increase in bank balances and improvement in liquidity position were mainly due to the completion of the placing of shares in June 2009 and completion of the disposal of the Licensing segment in August 2009.

With a view to generate better return on surplus fund, the Group had utilized approximately HK\$6 million to acquire equity securities listed on the Stock Exchange during the quarter ended 31 January 2010.

HUMAN RESOURCES

At 31 January 2010, the Group employed a total of 37 employees as compared with 40 as at last quarter end. The human resources deployment remains fairly stable during the Reporting Period.

CHARGE ON GROUP ASSETS

There was no charge on the Group's assets during or at the end of the Reporting Period.

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The Group has no future plan for material investment or capital asset nor any material contingent liability at the end of the Reporting Period.

FOREIGN EXCHANGE EXPOSURE

Several subsidiaries of the Company had foreign currency sales and purchases which exposed the Group to foreign currency risk, mainly for the possible exchange fluctuation in United States Dollars. The Group currently does not have a foreign currency hedging policy as the Board considers that the currency risk exposure is immaterial. However, the management will monitor foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

PROSPECTS AND OUTLOOK

In the past year, the global economy began to stabilize following the financial tsunami; the Group will nonetheless continue to maintain a good financial position and is well-prepared for market changes.

The Company is continuing its brand management and acting as the sourcing agent for apparel business and will also continue to explore new business opportunities in energy-related business. We will make use of the resources on hand and seek for new investment opportunities in other areas to diversify the business with a view to obtaining the best return for the shareholders.

Overall, the Directors of the Group are optimistic that the Group will be able to sustain further continuing growth. The Group would like to thank our business partners and shareholders for their continued support and confidence in our company. Our vision is to continue to maintain a pragmatic expansion strategy to gain the best return for our investors.

OTHER DISCLOSURES

Mr. Chiu Kwok Wing Benedict, a former independent non-executive Director, resigned on 4 February 2010. Mr. Chiu also ceased to act as members of the Audit Committee and the Remuneration Committee.

On 5 March 2010, the Company acquired Ocean Well Enterprises Limited, a company incorporated in the British Virgin Islands with limited liability, as one of its direct wholly-owned subsidiary at a consideration of US\$1 for investment holding purpose. On the same date, the Company also acquired Top Capital Shipping Company Limited (formerly known as “Elite Sail Holdings Limited”), a company incorporated in the British Virgin Islands with limited liability, as one of its indirect wholly-owned subsidiary at a consideration of US\$1 for investment holding purpose.

Reference is made to the announcement of the Company dated 17 September 2009 in relation to an advance to an entity and a disclosable transaction. On 17 September 2009, Polarix Limited (“**Polarix**”), an indirect wholly-owned subsidiary of the Company, entered into a loan agreement (“**Loan Agreement**”) with Dragoncom Holdings Limited (“**Dragoncom**”), an investment company incorporated in the British Virgin Islands, each of Dragoncom and its ultimate beneficial owner(s) is independent third party. Pursuant to the Loan Agreement, Polarix advanced the loan of HK\$24 million (“**Loan**”) to Dragoncom. As at the Reporting Period, the amount due from Dragoncom was approximately HK\$23,685,000 which was secured by the creation of a legal charge over Dragoncom’s portfolio of locally-listed shares and/or securities with a collective value of no less than the Loan in favour of Polarix, bore interest at the rate of 8% per annum and the repayment of the Loan has subsequently been extended to 17 September, 2010.

Other Information

INTERESTS AND SHORT POSITIONS OF DIRECTORS' AND CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 January 2010, the interests and short positions of the Directors, chief executive and their associates in the Shares, underlying Shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong ("SFO")) as required to be recorded in the register maintained by the Company pursuant to section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors under the GEM Listing Rules and/or the Code of Conduct for dealings in securities adopted by the Company, were as follows:

Long positions in the ordinary shares of HK\$0.001 each in the capital of the Company ("Shares") and the underlying Shares of equity derivatives

Name of Directors	Nature of interests/ Holding capacity	Number of Shares	underlying Shares (share options)	Total number of Shares and underlying Shares	Approximate percentage of interests in the Company's issued share capital
Ms. Wong Yuet May Jeremy ("Ms. Wong")	Personal interests	–	21,000,000 (Note 1)	21,000,000	0.87%
Ms. Chan Lai Kwan Rainbow ("Ms. Chan")	Personal interests	–	1,000,000 (Note 2)	1,000,000	0.04%
Mr. Chan Fu Kei ("Mr. Chan")	Personal interests	–	1,000,000 (Note 2)	1,000,000	0.04%
Mr. Woo Hing Keung Lawrence ("Mr. Woo")	Personal interests	1,325,000	1,000,000 (Note 2)	2,325,000	0.10%
Mr. Too Shu Wing ("Mr. Too")	Personal interests	–	1,000,000 (Note 2)	1,000,000	0.04%

Other Information

Notes:

1. On 27 October 2007, Ms. Wong was granted share options pursuant to the share option scheme adopted by the Company on 10 June 2003 ("**Share Option Scheme**") to subscribe for a total of 2,000,000 shares of HK\$0.01 each in the capital of the Company at an exercise price of HK\$23.2 per share. The share options would be exercisable during the period from 27 October 2007 to 27 October 2010. As a result of each of the issued and unissued shares of HK\$0.01 subdivided into 10 subdivided shares of HK\$0.001 each which became effective on 30 October 2007, the relevant subscription price was adjusted from HK\$23.20 to HK\$23.32 per Share and the number of Shares falling to be issued under the outstanding share options was adjusted from 2,000,000 shares to 20,000,000 Shares.

On 11 September 2009, Ms. Wong was further granted share options pursuant the Share Option Scheme to subscribe for a total of 1,000,000 Shares at an exercise price of HK\$0.70 per share. The share options would be exercisable during the period from 11 September 2009 to 10 September 2012.

2. On 11 September 2009, each of Ms. Chan, Mr. Chan, Mr. Woo and Mr. Too was granted share options pursuant the Share Option Scheme to subscribe for a total of 1,000,000 Shares at an exercise price of HK\$0.70 per share. The share options would be exercisable during the period from 11 September 2009 to 10 September 2012.

Save as disclosed above, as at 31 January 2010, none of the Directors, the chief executive and their associates had any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporation.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS' IN THE SHARES AND UNDERLYING SHARES

As at 31 January 2009, the interests or short positions of the substantial shareholders in the Shares or underlying Shares as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

Long positions in the Shares

Name of shareholders	Nature of interests/ Holding capacity	Number of Shares	Approximate percentage of interests in the Company's issued share capital
Upper Run Investments Limited (" Upper Run ")	Being a beneficial owner	1,051,099,900 (Notes 1 & 2)	43.76%
Ms. Chan Yuen Fan Winky (" Ms. Winky Chan ")	Having an interest in a controlled corporation	1,051,099,900 (Note 1)	43.76%
Kingston Finance Limited (" Kingston ")	Having a security interest	1,010,000,000 (Notes 3 & 4)	42.04%
Chu Yuet Wah (" Mrs. Chu ")	Having an interest in a controlled corporation	1,010,000,000 (Notes 3, 4 & 5)	42.04%
Ma Siu Fong (" Ms. Ma ")	Having an interest in a controlled corporation	1,010,000,000 (Notes 3, 4 & 5)	42.04%

Notes:

1. These Shares are beneficially owned by and registered in the name of Upper Run, a company incorporated in the British Virgin Islands, whose entire issued share capital is wholly and beneficially owned by Ms. Winky Chan. By virtue of the SFO, Ms. Winky Chan is deemed to be interested in the Shares held by Upper Run.
2. Subsequent to the reporting period, the Company had been notified that Upper Run ceased to have interest in 35,000,000 Shares.

Other Information

3. Out of the 1,051,099,900 Shares held by Upper Run, 1,010,000,000 Shares are charged with Kingston Finance Limited.
4. Kingston Finance Limited has a security interests in the 1,010,000,000 Shares owned by Upper Run, which relates to the same block of Shares held by Upper Run as mentioned in Note 1 above.
5. Mrs. Chu and Ms. Ma are controlling shareholders of Kingston. Each of Mrs. Chu and Ms. Ma is deemed to be interested in the 1,010,000,000 Shares interested by Kingston as mentioned in Note 3 above.

Save as disclosed above and to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, based on public records filed at the website of the Stock Exchange and record kept by the Company, as at 31 January 2010, the Company had not been notified of any other substantial shareholders' interests or short positions as recorded in the register kept by the Company pursuant to section 336 of the SFO.

DIRECTORS' INTEREST IN COMPETING BUSINESS

During the period under review, none of the Directors or the management shareholders (as defined in the GEM Listing Rules) of the Company had an interest in a business which competed or might compete with the business of the Group.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the period under review, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

AUDIT COMMITTEE

The Company has established an Audit Committee with written terms of reference based upon the guidelines recommended by the Hong Kong Institute of Certified Public Accountants and the Code on Corporate Governance Practices contained in Appendix 15 of the GEM Listing Rules. The primary duties of the Audit Committee are to review and supervise of the Company's financial reporting process and internal control system.

The Audit Committee comprises two independent non-executive Directors, namely Mr. Orr Joseph Wai Shing (chairman of the Committee) and Mr. Chan Tak Yan.

The unaudited third quarterly results for the nine months ended 31 January 2010 have been reviewed by the members of the Audit Committee before recommending it to the Board for approval.

BOARD OF DIRECTORS

As at the date of this report, Ms. Chan Lai Kwan Rainbow, Ms. Wong Yuet May Jeremy, Mr. Chan Fu Kei, Mr. Woo Hing Keung Lawrence and Mr. Too Shu Wing are executive Directors; and Mr. Chan Tak Yan and Mr. Orr Joseph Wai Shing are independent non-executive Directors.

By Order of the Board
Byford International Limited
Chan Lai Kwan Rainbow
Chief Executive Officer and Executive Director

Hong Kong, 12 March 2010

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Ms. Chan Lai Kwan Rainbow
(Chief Executive Officer)
Ms. Wong Yuet May Jeremy
Mr. Chan Fu Kei
Mr. Woo Hing Keung Lawrence
Mr. Too Shu Wing

Independent Non-Executive Directors

Mr. Chan Tak Yan
Mr. Orr Joseph Wai Shing

COMPANY SECRETARY

Ms. Man Tsz Sai Lavender *ACIS, ACS*

COMPLIANCE OFFICER

Ms. Chan Lai Kwan Rainbow

AUDIT COMMITTEE

Mr. Orr Joseph Wai Shing
(Chairman of the committee)
Mr. Chan Tak Yan

AUTHORISED REPRESENTATIVES

Ms. Chan Lai Kwan Rainbow
Ms. Man Tsz Sai Lavender

AUDITOR

SHINEWING (HK) CPA Limited

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Rooms 1211-20
12/F, Sun Hung Kai Centre
30 Harbour Road
Wanchai
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

HSBC Trustee (Cayman) Limited
PO Box 484
HSBC House
68 West Bay Road
Grand Cayman
KY1-1106
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited
18/F Fook Lee Commercial Centre
Town Place
33 Lockhart Road
Wanchai
Hong Kong

PRINCIPAL BANKERS

DBS Bank (Hong Kong) Limited
Fubon Bank (Hong Kong) Limited
Standard Chartered Bank (Hong Kong) Limited

WEBSITE ADDRESS

www.donaldbyford.com

STOCK CODE

8272