



***Same Time Holdings Limited***

*(Incorporated in Bermuda with limited liability)*

Stock Code: 451

Interim Report

2007

## CORPORATE INFORMATION

**Directors***Executive Directors*Mr YIP Sum Yin (*Chairman*)

Madam YU Hung Min

Madam YU Pei Yi

*Independent Non-Executive Directors*

Mr LAI Wing Leung, Peter

Mr LAM Kwok Cheong

Madam LEE Mei Ling

**Chief Executive**

Mr YIP How Yin, Maurice

**Company Secretary**

Madam FONG Pui Kwan\*

Madam HO Heung Ming\*\*

**Qualified Accountant**

Madam FONG Pui Kwan

**Registered Office**

Canon's Court

22 Victoria Street

Hamilton HM 12

Bermuda

**Principal Office**

17th Floor, Phase I

Kingsford Industrial Building

26-32 Kwai Hei Street

Kwai Chung

New Territories

Hong Kong

**Auditors***PricewaterhouseCoopers**Certified Public Accountants***Principal Bankers**

Hang Seng Bank Limited

Standard Chartered Bank (HK) Limited

Citibank (HK) Limited

Bank of China (HK) Limited

DBS Bank (Hong Kong) Limited

The Hongkong and Shanghai Banking

Corporation Limited

China Construction Bank (Asia) Limited

Dah Sing Bank, Limited

Wing Hang Bank, Limited

Industrial and Commercial Bank

of China (Asia) Limited

**Hong Kong Legal Adviser**

Jennifer Cheung &amp; Co.

**Bermuda Legal Adviser**

Appleby Hunter Bailhache

**Principal Registrar and Transfer Office**

The Bank of Bermuda Limited

6 Front Street

Hamilton HM 11

Bermuda

**Hong Kong Branch Registrar and Transfer Office**

Tricor Abacus Limited

26/F Tesbury Centre

28 Queen's Road East

Wanchai

Hong Kong

\* Appointed on 13th August 2007

\*\* Resigned on 13th August 2007

The Board of Directors of Same Time Holdings Limited (the "Company") are pleased to present the Group's Interim Report and Interim Financial Information for the six months ended 30 September 2007. The consolidated results, consolidated cash flow statement and consolidated statement of changes in equity for the Group for the six months ended 30 September 2007, and the consolidated balance sheet as at 30 September 2007 of the Group, all of which are unaudited and condensed, along with selected explanatory notes, are set out on pages 2 to 14 of this report.

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2007**

		<b>Six months ended 30 September</b>	
	Note	<b>2007 HK\$</b>	2006 HK\$
Revenue/turnover	9	<b>572,374,233</b>	409,715,928
Cost of sales		<b>(458,710,199)</b>	(334,215,063)
Gross profit		<b>113,664,034</b>	75,500,865
Other operating income		<b>1,811,333</b>	5,905,898
Distribution and marketing costs		<b>(9,624,925)</b>	(9,917,491)
Administrative expenses		<b>(47,913,450)</b>	(38,442,042)
Other operating expenses		<b>(206,270)</b>	(2,957,472)
Operating profit	10	<b>57,730,722</b>	30,089,758
Finance costs		<b>(8,950,594)</b>	(8,498,752)
Profit before income tax		<b>48,780,128</b>	21,591,006
Income tax expense	11	<b>(6,028,585)</b>	(1,417,661)
Profit attributable to shareholders		<b>42,751,543</b>	20,173,345
Earnings per share – basic and diluted (expressed in HK cents)	13	<b>83</b>	43

**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET  
AS AT 30 SEPTEMBER 2007**

	Note	30 September 2007 HK\$	31 March 2007 HK\$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	425,244,450	374,383,704
Leasehold land and land use rights	4	24,278,240	24,421,371
Investment property	4	340,763	345,563
Other non-current asset		350,000	350,000
		<u>450,213,453</u>	<u>399,500,638</u>
<b>Current assets</b>			
Inventories		104,947,849	102,279,449
Trade and other receivables	5	314,976,148	295,325,314
Cash at banks and in hand		55,748,273	64,627,161
		<u>475,672,270</u>	<u>462,231,924</u>
<b>Total assets</b>		<u><b>925,885,723</b></u>	<u><b>861,732,562</b></u>
<b>EQUITY</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>			
Share capital	8	5,691,852	4,743,852
Reserves		379,872,641	312,749,228
<b>Total equity</b>		<u><b>385,564,493</b></u>	<u><b>317,493,080</b></u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long-term liabilities	7	54,185,485	49,479,371
Deferred tax liabilities		14,009,503	15,748,998
Deferred income		8,247,423	8,080,808
		<u>76,442,411</u>	<u>73,309,177</u>
<b>Current liabilities</b>			
Trade and other payables	6	244,291,285	236,460,494
Current portion of long-term liabilities	7	53,607,064	64,825,435
Short-term bank loans and bank overdrafts		144,942,190	155,962,999
Tax payable		21,038,280	13,681,377
		<u>463,878,819</u>	<u>470,930,305</u>
<b>Total liabilities</b>		<u><b>540,321,230</b></u>	<u><b>544,239,482</b></u>
<b>Total equity and liabilities</b>		<u><b>925,885,723</b></u>	<u><b>861,732,562</b></u>
<b>Net current assets/(liabilities)</b>		<u><b>11,793,451</b></u>	<u><b>(8,698,381)</b></u>
<b>Total assets less current liabilities</b>		<u><b>462,006,904</b></u>	<u><b>390,802,257</b></u>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF  
CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2007**

	<b>Six months ended 30 September</b>	
	<b>2007 HK\$</b>	2006 HK\$
Total equity at the beginning of the period	<b>317,493,080</b>	235,527,838
Issue of shares	<b>20,064,595</b>	–
Currency translation differences recognised directly in equity	<b>5,255,275</b>	2,331,007
Profit for the period	<b>42,751,543</b>	20,173,345
Total equity at the end of the period	<b><u>385,564,493</u></b>	<u>258,032,190</u>

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW  
STATEMENT  
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2007**

	<b>Six months ended 30 September</b>	
	<b>2007 HK\$</b>	2006 HK\$
Net cash generated from operating activities	<b>64,039,227</b>	34,976,630
Net cash used in investing activities	<b>(68,103,360)</b>	(16,574,279)
Net cash used in financing activities	<b>(4,745,218)</b>	(28,216,135)
Decrease in cash and cash equivalents	<b>(8,809,351)</b>	(9,813,784)
Cash and cash equivalents at the beginning of the period	<b>64,511,715</b>	19,992,801
Effect of foreign exchange rate changes	<b>(1,034,950)</b>	88,761
Cash and cash equivalents at the end of the period	<b>54,667,414</b>	10,267,778
Analysis of cash and cash equivalents:		
Cash at banks and in hand	<b>55,748,273</b>	12,385,059
Bank overdrafts	<b>(1,080,859)</b>	(2,117,281)
	<b>54,667,414</b>	10,267,778

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 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 office in Hong Kong 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 engaged in the manufacturing and selling of consumer electronic products and printed circuit boards.

This condensed consolidated interim financial information ("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 28 December 2007.

### 2. Basis of preparation

This Interim Financial Information for the six months ended 30 September 2007 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.

This Interim Financial Information should be read in conjunction with the annual financial statements for the year ended 31 March 2007.

### 3. Accounting policies

The accounting policies and methods of computation used in the preparation of this Interim Financial Information are consistent with those used in the annual financial statements for the year ended 31 March 2007.

The following new standard, amendment to standard and interpretation, which are relevant to the Group's operations, are mandatory for the financial year ending 31 March 2008:

HKAS 1 Amendment	Presentation of Financial Statements: Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC)-Int 10	Interim Financial Reporting and Impairment

The above standard, amendment and interpretation had no impact on the Group's Interim Financial Information.

The adoption of HKAS 1 Amendment and HKFRS 7 will result in additional disclosures (relating to various financial risk exposures and management thereof, the level of an entity's capital and how it manages capital) in the Group's financial statements for the year ending 31 March 2008.





**5. Trade and other receivables**

Included in trade and other receivables are trade receivables of HK\$257,950,089 (31 March 2007: HK\$217,858,440). The ageing analysis of trade receivables is as follows:

	<b>30 September 2007 HK\$</b>	31 March 2007 HK\$
0-4 months	<b>224,875,314</b>	206,320,961
5-8 months	<b>21,112,768</b>	8,310,602
Over 8 months	<b>11,962,007</b>	3,226,877
	<b><u>257,950,089</u></b>	<b><u>217,858,440</u></b>

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

**6. Trade and other payables**

Included in trade and other payables are trade payables of HK\$170,547,589 (31 March 2007: HK\$169,926,234). The ageing analysis of trade payables is as follows:

	<b>30 September 2007 HK\$</b>	31 March 2007 HK\$
0-4 months	<b>157,358,066</b>	143,371,873
5-8 months	<b>9,841,124</b>	23,513,957
Over 8 months	<b>3,348,399</b>	3,040,404
	<b><u>170,547,589</u></b>	<b><u>169,926,234</u></b>

## 7. Long-term liabilities

	<b>30 September 2007 HK\$</b>	31 March 2007 HK\$
Bank loans		
– secured	<b>5,553,000</b>	6,062,177
– unsecured	<b>30,000,000</b>	16,409,100
	<b>35,553,000</b>	22,471,277
Obligations under finance leases		
– wholly repayable within five years	<b>72,239,549</b>	91,833,529
	<b>107,792,549</b>	114,304,806
Current portion of long-term liabilities	<b>(53,607,064)</b>	(64,825,435)
	<b>54,185,485</b>	49,479,371

At 30 September 2007, the Group's bank loans were repayable as follows:

	<b>30 September 2007 HK\$</b>	31 March 2007 HK\$
Within one year	<b>7,064,595</b>	14,443,039
In the second year	<b>13,117,741</b>	4,086,100
In the third to fifth years	<b>15,370,664</b>	3,615,917
After the fifth year	–	326,221
	<b>35,553,000</b>	22,471,277

At 30 September 2007, the Group's finance lease liabilities were repayable as follows:

	<b>30 September 2007 HK\$</b>	31 March 2007 HK\$
Within one year	<b>50,042,096</b>	55,304,455
In the second year	<b>23,216,921</b>	34,470,508
In the third to fifth years	<b>3,500,983</b>	8,937,167
	<b>76,760,000</b>	98,712,130
Future finance charge	<b>(4,520,451)</b>	(6,878,601)
Present value of finance lease liabilities	<b>72,239,549</b>	91,833,529

**7. Long-term liabilities (Continued)**

The present value of finance lease liabilities is as follows:

	<b>30 September 2007 HK\$</b>	31 March 2007 HK\$
Within one year	<b>46,542,469</b>	50,382,396
In the second year	<b>22,277,130</b>	32,720,202
In the third to fifth years	<b>3,419,950</b>	8,730,931
	<b><u>72,239,549</u></b>	<u>91,833,529</u>

**8. Share capital**

	<b>Ordinary shares of HK\$0.10 each</b>	
	<b>Number of shares</b>	<b>Amount HK\$</b>
Authorised:		
At 1 April 2006, 31 March 2007 and 30 September 2007	<u>700,000,000</u>	<u>70,000,000</u>
Issued and fully paid:		
At 1 April 2006 and 31 March 2007	47,438,520	4,743,852
Issue of shares	<u>9,480,000</u>	<u>948,000</u>
At 30 September 2007	<u>56,918,520</u>	<u>5,691,852</u>

On 18 June 2007, the Company entered into a placing agreement for a private placement of a total of 9,480,000 new shares of the Company at a placing price of HK\$2.18 per share (the "Share Placing"). The Share Placing was completed on 6 July 2007. The Share Placing raised net proceeds of approximately HK\$20.0 million (net of expenses of HK\$0.6 million as incurred).

## 9. Revenues and segment information

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

An analysis of the Group's revenue and results for the period by business segments and geographical segments is as follows:

(a) *Primary reporting format – business segments:*

	<b>Six months ended</b>		<b>Group</b>
	<b>30 September 2007</b>		
	<b>Electronic</b>	<b>Printed circuit</b>	
	<b>products</b>	<b>boards</b>	<b>HK\$</b>
	<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>
Revenue	<b>70,768,654</b>	<b>501,605,579</b>	<b>572,374,233</b>
Segment results	<b>3,958,959</b>	<b>57,451,476</b>	<b>61,410,435</b>
Unallocated income			<b>84,000</b>
Unallocated costs			<b>(3,763,713)</b>
Operating profit			<b>57,730,722</b>
Finance costs			<b>(8,950,594)</b>
Profit before income tax			<b>48,780,128</b>
Income tax expense			<b>(6,028,585)</b>
Profit attributable to shareholders			<b>42,751,543</b>
Depreciation	<b>2,445,082</b>	<b>26,179,826</b>	<b>28,624,908</b>
Amortisation of leasehold land and land use rights	<b>249,332</b>	<b>132,286</b>	<b>381,618</b>

9. Revenues and segment information (Continued)

(a) Primary reporting format – business segments: (Continued)

	Six months ended 30 September 2006		Group HK\$
	Electronic products HK\$	Printed circuit boards HK\$	
Revenue	61,310,440	348,405,488	409,715,928
Segment results	5,051,752	25,433,907	30,485,659
Unallocated costs			(395,901)
Operating profit			30,089,758
Finance costs			(8,498,752)
Profit before income tax			21,591,006
Income tax expense			(1,417,661)
Profit attributable to shareholders			20,173,345
Depreciation	1,935,183	23,844,478	25,779,661
Amortisation of leasehold land and land use rights	249,332	125,966	375,298

(b) Secondary reporting format – geographical segments:

	Revenue Six months ended 30 September		Segment results Six months ended 30 September	
	2007 HK\$	2006 HK\$	2007 HK\$	2006 HK\$
Hong Kong and Mainland China	295,982,659	179,718,748	31,890,283	13,372,301
America	56,565,218	59,980,973	6,041,479	4,462,993
South East Asia	146,464,607	132,997,582	15,643,232	9,895,927
Europe	73,361,749	37,018,625	7,835,441	2,754,438
	572,374,233	409,715,928	61,410,435	30,485,659

**10. Operating profit**

	<b>Six months ended 30 September</b>	
	<b>2007 HK\$</b>	2006 HK\$
Operating profit is stated after crediting and charging the following:		
<b>Crediting:</b>		
Gain on disposal of property, plant and equipment	<b>122,807</b>	3,389,136
Write back of provision for doubtful debts	<b>–</b>	1,280,983
<b>Charging:</b>		
Amortisation of leasehold land and land use rights	<b>381,618</b>	375,298
Cost of inventories sold	<b>458,710,199</b>	334,215,063
Depreciation:		
Owned property, plant and equipment	<b>20,274,759</b>	15,847,098
Leased property, plant and equipment	<b>8,345,349</b>	9,927,763
Investment property	<b>4,800</b>	4,800
Provision for slow moving and obsolete inventories	<b>490,396</b>	–

**11. Income tax expense**

Hong Kong profits tax has been provided at the rate of 17.5% (2006: 17.5%) on the estimated assessable profit for the period.

	<b>Six months ended 30 September</b>	
	<b>2007 HK\$</b>	2006 HK\$
Current tax		
Hong Kong profits tax	<b>7,351,257</b>	2,650,987
Underprovision in prior years	<b>416,823</b>	30,525
Deferred taxation	<b>7,768,080</b> <b>(1,739,495)</b>	2,681,512 (1,263,851)
	<b>6,028,585</b>	1,417,661

**12. Dividend**

The directors do not recommend the payment of an interim dividend in respect of the six months ended 30 September 2007 (2006: Nil).

**13. Earnings per share**

The calculation of basic earnings per share is based on profit attributable to shareholders of the Company of HK\$42,751,543 (2006: HK\$20,173,345) and the weighted average number of ordinary shares in issue during the period of 51,789,995 shares (2006: 47,438,520 shares).

As there are no potential ordinary shares in issue, there is no diluted earnings per share for both periods.

**14. Capital commitments**

	<b>30 September 2007 HK\$</b>	31 March 2007 HK\$
Contracted but not provided for		
Plant, machinery and leasehold improvements	<b>196,469,527</b>	77,355,498
Investments in subsidiaries	<b>13,943,142</b>	83,893,584
	<b>210,412,669</b>	161,249,082
Authorised but not contracted for		
Investments in subsidiaries	<b>149,000,000</b>	400,000,000

**15. Related party transactions**

**Key management compensation**

The remuneration of Directors and other members of key management during the period was as follows:

	<b>Six months ended 30 September</b>	
	<b>2007 HK\$</b>	2006 HK\$
Salaries and other short-term employee benefits	<b>3,052,323</b>	4,749,981
Pension costs	<b>49,350</b>	66,150
	<b>3,101,673</b>	4,816,131

## MANAGEMENT DISCUSSION AND ANALYSIS

### Overview

For the six months ended 30 September 2007, the revenue of the Group amounted to HK\$572,374,233 (2006: HK\$409,715,928) representing an increase of 40% comparing with last corresponding period whereas profit before income tax amounted to HK\$48,780,128 (2006: HK\$21,591,006) representing an increase of 126% compared with last corresponding period.

### Financial review

#### *Revenue*

The increase of revenue was mainly due to the sharp increase of sales of HDI board.

#### *Gross profit*

Gross profit recorded an increase of 51% comparing to last period. The improvement was mainly resulted from the more contribution of HDI board which had a higher gross profit margin.

#### *Administrative expenses*

Administrative expenses increased by 25% comparing to last period. The increment was the result of significant increase in staff costs in the PRC including the rate, number of staff and appreciation of RMB.

### Operation review

#### *Printed Circuit Boards Segment*

Sales increased to HK\$501,605,579 (2006: HK\$348,405,488) which accounts for 88% (2006: 85%) of the Group's total revenue for the period. The improvement was due to increase in sales of HDI boards.

#### *Electronic Products Segment*

Sales increased to HK\$70,768,654 (2006: HK\$61,310,440) which accounts for 12% (2006: 15%) of the Group's total revenue for the period. The results for the period recorded a minor improvement.



### **Liquidity and financial resources**

At 30 September 2007, the total borrowings of the Group, including obligations under finance lease, amounted to HK\$252,734,739 (31 March 2007: HK\$270,267,805) which were payable in Hong Kong dollars and Renminbi. The Group's gearing ratio at 30 September 2007, which was calculated as the ratio of all bank borrowings and long term liabilities to shareholders' funds, was 66% (31 March 2007: 85%).

Of the Group's total borrowings, HK\$198,549,254 (79%) is due within one year, HK\$35,394,871 (14%) is due in more than one year but not exceeding two years, and HK\$18,790,614 (7%) is due in more than two years but not exceeding five years.

At 30 September 2007, the total banking facilities granted to the Group amounted to HK\$287,572,366 (31 March 2007: HK\$209,572,377) of which HK\$180,495,190 (31 March 2007: HK\$178,434,276) were utilised.

Among the total facilities, banking facilities utilised amounting to HK\$5,553,000 (31 March 2007: HK\$6,062,177) are secured by a legal charge on the Group's leasehold land and buildings with a net book value of HK\$11,153,125 (31 March 2007: HK\$11,412,500).

### **Employment, remuneration policies**

At 30 September 2007, approximately 4,761 (31 March 2007: 3,835) staff and workers were employed in our Chang An Factory, Feng Gang Factory and 42 (31 March 2007: 42) staff were employed in the Group's Hong Kong Office. Employees' costs, excluding directors' remuneration, amounted to HK\$61,634,801 for the six months ended 30 September 2007 (2006: HK\$39,525,161). Remuneration packages are generally structured with reference to the prevailing market practice and individual qualifications. The remuneration policies of the Group are reviewed on a periodic basis.

### **Exposure to fluctuation in exchange rates and related hedges**

The Group's borrowings are primarily denominated in Hong Kong dollars and Renminbi. The Group has no significant exposure to foreign exchange fluctuations.

### **Prospects**

The new plant for PCB in Jiangxi is still in the renovation stage. Machinery and equipment for production will be installed in the early next year. Production is expected to be commenced in the second quarter of 2008.

The new plant is mainly planned to produce high value PCBs. We will continue to put more efforts in developing advanced technology and more value-added products to enhance our profit margin.

### Share option scheme

On 23 February 2005, the Company adopted a share option scheme under which the directors may grant options to eligible persons, including employees and directors of the Group, to subscribe for shares of the Company.

The Company has not granted any option under the share option scheme since its adoption.

### Directors' and chief executive's interests in equity or debt securities

As at 30 September 2007, the interests of the directors and chief executives in the share capital of the Company as recorded in the register required to be kept under section 352 of the Securities and Futures Ordinance ("SFO") or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") were as follows:

<b>Name</b>	<b>Number of shares</b>	<b>Nature of interest</b>	<b>Percentage of shareholding</b>
Yip Sum Yin	14,178,973 (Note)	Settlor and beneficiary of trust	24.91%
Yip How Yin, Maurice	14,178,973 (Note)	Settlor and beneficiary of trust	24.91%
Yu Hung Min	10,580,475 (Note)	Beneficiary of a trust	18.59%

Note:

10,580,475 shares of HK\$0.10 each of the Company ("Share(s)") were beneficially owned by Sum Tai Holdings Limited, which is wholly owned by Aberdare Assets Limited ("Aberdare"). Aberdare is wholly owned by Mr Yip How Yin, Maurice as trustee of a discretionary trust established for the benefit of Mr Yip Sum Yin, Madam Yu Hung Min and their family. 3,598,498 Shares were beneficially owned by Maroc Ventures Inc. ("Maroc") which is wholly owned by Mr Yip Sum Yin as trustee of a discretionary trust established for the benefit of Mr Yip How Yin, Maurice and his family.

Save as disclosed above and the non-beneficial interest in certain subsidiaries of the Company of a director in his capacity of a nominee shareholder, as at 30 September 2007, none of the Directors or any chief executive of the Company had an interest or short position in any shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save for the Company's share option scheme, at no time during the period was the Company or its subsidiaries a party to any arrangement to enable the directors or chief executives of the Company to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

### **Substantial shareholders**

As at 30 September 2007, so far as is known to the Directors, the following persons (other than a Director or Chief executive of the Company) had interest in the share capital of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

<b>Name</b>	<b>Number of shares</b>	<b>Nature of interest</b>	<b>Percentage of shareholding</b>
Aberdare	10,580,475 (Note 1)	Corporate interest	18.59%
Maroc (Note 2)	3,598,498	Beneficial owner	6.32%
Rich Winner Investments Limited	3,199,500 (Note 3)	Beneficial owner	5.62%
Chan Foo Wing	3,199,500 (Note 3)	Corporate interest	5.62%
Lu Wing Yee, Wayne	2,876,000	Beneficial owner	5.05%
Yuen Tsui Ying	2,876,000	Family interest	5.05%
Poon Suet Mui	3,837,250	Beneficial owner	6.74%

Notes:

1. These Shares were beneficially owned by Sum Tai Holdings Limited, which is wholly owned by Aberdare. Aberdare is wholly owned by Mr Yip How Yin, Maurice as trustee of a discretionary trust established for the benefit of Mr Yip Sum Yin, Madam Yu Hung Min and their family.
2. Maroc is wholly owned by Mr Yip Sum Yin as trustee of a discretionary trust established for the benefit of Mr Yip How Yin, Maurice and his family.
3. These Shares were beneficially owned by Rich Winner Investments Limited. It is a controlled corporation of Mr Chan Foo Wing.

Save as disclosed above, as at 30 September 2007, according to the register of interests required to be kept by the Company under section 336 of the SFO, there was no person who had any interest or short position in the shares or underlying shares of the Company.

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

The Company has adopted the Model Code for Securities Transactions by Directors as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the directors of the Company (the "Code"). The Company had made specific enquiry of the directors of the Company. All the directors confirmed that they had complied with the required standards as set out in the Code during the six months ended 30 September 2007.

#### **Purchase, sale or redemption of the Company's listed securities**

During the six months ended 30 September 2007, there was no purchase, sale or redemption by the Company or any of its subsidiaries of the Company's listed securities on the Stock Exchange.

#### **Review by audit committee**

The Audit Committee has reviewed with the management of the Group the accounting principles and practices adopted by the Group, its internal controls and financial reporting matters and the interim report for the six months ended 30 September 2007.

**Compliance with code on corporate governance practice**

None of the directors of the Company is aware of any information which would reasonably indicate that the Company is not, or was not in compliance with the Code of Corporate Governance Practices, as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange at any time during the six months ended 30 September 2007.

**Appreciation**

On behalf of the Board, I would like to express our thanks to our shareholders, customers, banks, and suppliers for their continuous support to the Group. I would also extend my appreciation to all our management and staff for their contribution during the period.

On behalf of the Board

**YIP Sum Yin**

*Chairman*

Hong Kong, 28 December 2007