COMPUTIME GROUP LIMITED
金寶通集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 320)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2013

The board of directors (the "Board") of Computime Group Limited (the "Company") is pleased to announce the unaudited interim condensed consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 September 2013 (the "Period") together with the comparative figures for the six months ended 30 September 2012, as follows:

* *For identification purposes only*

CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	For the six months ended 30 September **2013** **(Unaudited)** ***HK$'000***	2012 (Unaudited) *HK$'000*
REVENUE	*3, 4*	**1,306,842**	1,215,329
Cost of sales		**(1,180,785)**	(1,100,620)
GROSS PROFIT		**126,057**	114,709
Other income		**5,714**	10,720
Selling and distribution expenses		**(35,901)**	(26,622)
Administrative expenses		**(80,244)**	(87,629)
Other operating income/(expense), net	*5*	**(40,492)**	1,478
Finance costs	*6*	**(3,056)**	(3,015)
Share of profits/(losses) of associates		**689**	(554)
PROFIT/(LOSS) BEFORE TAX	*7*	**(27,233)**	9,087
Income tax expense	*8*	**(4,862)**	(1,718)
PROFIT/(LOSS) FOR THE PERIOD		**(32,095)**	7,369
ATTRIBUTABLE TO:			
Owners of the Company		**(32,094)**	7,373
Non-controlling interests		**(1)**	(4)
		(32,095)	7,369
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	*10*		
Basic		**(3.87) HK cents**	0.89 HK cent
Diluted		**(3.87) HK cents**	0.89 HK cent

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the six months ended 30 September	
	2013	2012
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
PROFIT/(LOSS) FOR THE PERIOD	**(32,095)**	7,369
OTHER COMPREHENSIVE INCOME/(EXPENSE) FOR THE PERIOD		
Other comprehensive income/(expense) may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**5,098**	(441)
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE PERIOD	**(26,997)**	6,928
ATTRIBUTABLE TO:		
Owners of the Company	**(26,996)**	6,932
Non-controlling interests	**(1)**	(4)
	(26,997)	6,928

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**30 September 2013 (Unaudited)** *HK$'000*	31 March 2013 (Audited) *HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**112,970**	111,962
Goodwill		**36,420**	36,420
Club debenture		**705**	705
Intangible assets		**52,906**	48,918
Interests in associates		**2,500**	1,811
Available-for-sale investment		**7,750**	7,750
Rental deposits		**2,577**	2,577
Total non-current assets		**215,828**	210,143
CURRENT ASSETS			
Inventories		**695,230**	614,368
Trade receivables	*11*	**523,017**	556,677
Prepayments, deposits and other receivables		**42,220**	31,712
Tax recoverable		**500**	3,043
Cash and cash equivalents		**577,409**	516,063
Total current assets		**1,838,376**	1,721,863
CURRENT LIABILITIES			
Trade and bills payables	*12*	**561,179**	426,248
Other payables and accrued liabilities		**152,211**	134,188
Interest-bearing bank borrowings		**299,135**	304,864
Amount due to an associate		**4**	4
Amounts due to non-controlling shareholders		**160**	160
Dividend payable		**14,940**	–
Tax payable		**2,800**	1,221
Total current liabilities		**1,030,429**	866,685
NET CURRENT ASSETS		**807,947**	855,178
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,023,775**	1,065,321
NON-CURRENT LIABILITIES			
Deferred tax liabilities		**6,593**	6,700
Net assets		**1,017,182**	1,058,621
EQUITY			
Equity attributable to owners of the Company			
Issued capital		**83,000**	83,000
Reserves		**933,362**	974,800
		1,016,362	1,057,800
Non-controlling interests		**820**	821
Total equity		**1,017,182**	1,058,621

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 23 June 2006 under the Companies Law, Chapter 22 (Law 3 of 1961 as consolidated and revised) of the Cayman Islands.

The registered address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and the principal place of business is located at 9th Floor, Tower One, Lippo Centre, 89 Queensway, Hong Kong.

The Group is principally engaged in research and development, design, manufacture and trading of electronic control products.

2. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial statements of the Group for the six months ended 30 September 2013 have 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") and with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules").

Save for the adoption of the new and revised Hong Kong Financial Reporting Standards ("HKFRSs"), which include HKASs and Interpretations, during the Period as set out in note 2.1 below, the accounting policies and basis of preparation adopted in the preparation of the interim financial statements are consistent with those used in the annual financial statements for the year ended 31 March 2013.

2.1. Changes in Accounting Policy and Disclosures

The Group has adopted the following new and revised HKFRSs for the first time for the current period's consolidated interim financial statements:

HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of HKFRSs – Government Loans*
HKFRS 7 Amendments	Amendments to HKFRS 7 *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, HKFRS 12 Amendments	Amendments to HKFRS 10, HKFRS 11 and HKFRS 12 *– Transition Guidance*
HKFRS 13	*Fair Value Measurement*
HKAS 1 Amendments	Amendments to HKAS 1 *Presentation of Financial Statements – 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*
HK (IFRIC) – Int 20	*Stripping Costs in the Production Phase of a Surface Mine*
Annual Improvements 2009-2011 Cycle	Amendments to a number of HKFRSs issued in June 2012

The adoption of these new and revised HKFRSs has had no significant financial effect on these condensed consolidated interim financial statements.

3. REVENUE

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts.

4. SEGMENT INFORMATION

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the products and services they provide. Each of the Group's reportable segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other reportable segments. Segment information regarding the Group's revenue, profit and assets is presented below:

	Building and home controls For the six months ended 30 September		**Appliance controls For the six months ended 30 September**		**Commercial and industrial controls For the six months ended 30 September**		**Total For the six months ended 30 September**	
	2013 (unaudited) ***HK$'000***	2012 (unaudited) *HK$'000*	**2013 (unaudited)** ***HK$'000***	2012 (unaudited) *HK$'000*	**2013 (unaudited)** ***HK$'000***	2012 (unaudited) *HK$'000*	**2013 (unaudited)** ***HK$'000***	2012 (unaudited) *HK$'000*
Segment revenue:								
Sales to external customers	**336,336**	336,438	**733,051**	679,203	**237,455**	199,688	**1,306,842**	1,215,329
Segment results	**22,480**	10,945	**(37,072)**	9,870	**6,274**	8,514	**(8,318)**	29,329
Bank interest income							**2,766**	3,366
Other income (excluding bank interest income)							**2,948**	7,354
Corporate and other unallocated expenses							**(22,262)**	(27,393)
Finance costs							**(3,056)**	(3,015)
Share of profits/(losses) of associates	**689**	(554)	**–**	–	**–**	–	**689**	(554)
Profit/(loss) before tax							**(27,233)**	9,087
Income tax expense							**(4,862)**	(1,718)
Profit/(loss) for the period							**(32,095)**	7,369

	Building and home controls		**Appliance controls**		**Commercial and industrial controls**		**Total**	
	30 September 2013 (unaudited) ***HK$'000***	31 March 2013 (audited) *HK$'000*	**30 September 2013 (unaudited)** ***HK$'000***	31 March 2013 (audited) *HK$'000*	**30 September 2013 (unaudited)** ***HK$'000***	31 March 2013 (audited) *HK$'000*	**30 September 2013 (unaudited)** ***HK$'000***	31 March 2013 (audited) *HK$'000*
Segment assets	**380,641**	382,379	**627,385**	587,292	**89,856**	77,867	**1,097,882**	1,047,538
Interests in associates	**2,500**	1,811	**–**	–	**–**	–	**2,500**	1,811
Corporate and other unallocated assets							**953,822**	882,657
Total assets							**2,054,204**	1,932,006

5. OTHER OPERATING INCOME/(EXPENSE), NET

Included in other operating income/(expense), net, is an impairment of trade receivables amounting to HK$48,237,000 which is due from Fagor Electrodomesticos Sociedad Cooperativa, FagorBrandt SAS, and Fagor Mastercook S.A. (collectively, the "Fagor Group").

Fagor Electrodomesticos Sociedad Cooperativa, a company incorporated under the laws of Spain, has submitted, on 13 November 2013, a petition to open formal insolvency proceedings (*concurso*) before the Commercial Court No. 1 of San Sebastian (Spain). The Court has opened the insolvency proceedings on 19 November 2013.

FagorBrandt SAS, a company incorporated under the laws of France, has been subject to reorganisation proceedings (*redressement judiciaire*) before the commercial court of Nanterre, France since 7 November 2013.

Fagor Mastercook S.A., a company incorporated under the laws of Poland, has submitted, on 31 October 2013, a petition to open formal insolvency proceedings (*concurso*) before the Commercial Court No. 1 of San Sebastian (Spain). The Court has opened the insolvency proceedings on 19 November 2013.

Since Fagor Group has undertaken insolvency or reorganisation proceedings and only a portion of these receivables is expected to be recovered, impairment of trade receivables of HK$48,237,000 were made at the end of the reporting period.

6. FINANCE COSTS

	For the six months ended 30 September	
	2013	2012
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interest on:		
Bank loans and overdrafts wholly repayable within five years	**3,056**	3,015

7. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

	For the six months ended 30 September	
	2013	2012
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Cost of inventories sold	**1,176,311**	1,096,271
Depreciation	**17,360**	16,899
Amortisation of intangible assets#	**13,965**	21,848
Impairment for obsolete and slow-moving inventories##	**4,474**	4,349
Bank interest income	**(2,766)**	(3,366)
Impairment of trade receivables###	**48,237**	134

Included in "Administrative expenses" on the face of the condensed consolidated income statement.

Included in "Cost of sales" on the face of the condensed consolidated income statement.

Included in "Other operating income/(expense), net" on the face of the condensed consolidated income statement.

8. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2012: 16.5%) on the estimated assessable profits arising in Hong Kong during the Period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

Under the Corporate Income Tax Law (the "New CIT Tax Law") of the People's Republic of China, which became effective from 1 January 2008, enterprises are subject to corporate income tax at a rate of 25%. Under the New CIT Tax Law, for those enterprises benefiting from lower preferential tax rates, such preferential rates will be gradually phased out by increasing them to 25% over five years.

	For the six months ended 30 September	
	2013	2012
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Current – Hong Kong	**86**	550
Current – Mainland China and other countries	**4,883**	1,568
Deferred	**(107)**	(400)
Total tax charge for the Period	**4,862**	1,718

No share of tax attributable to associates (2012: Nil) is included in "Share of profits and losses of associates" in the condensed consolidated income statement.

9. DIVIDENDS

No payment of interim dividend for the six months ended 30 September 2013 is recommended (2012: Nil).

10. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic earnings/(loss) per share is based on the loss for the Period attributable to owners of the Company of HK$32,094,000 (six months ended 30 September 2012: profit of HK$7,373,000) and 830,000,000 (six months ended 30 September 2012: 830,000,000) ordinary shares in issue during the Period.

The calculation of diluted earnings/(loss) per share amounts is based on the profit/(loss) for the period attributable to owners of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic earnings/(loss) per share calculation, and weighted average number of ordinary shares assumed to have been issued at no consideration as if all the Company's outstanding share options have been considered.

No adjustment has been made to the basic loss per share amount presented for the six months ended 30 September 2013 in respect of a dilution as the exercise price of the share options of the Company has an anti-dilutive effect on the basic loss per share amount presented during the period ended 30 September 2013.

No adjustment has been made to the basic earnings per share amount presented for the six months ended 30 September 2012 in respect of a dilution as the exercise price of the share options of the Company outstanding as at 30 September 2012 was higher than the average market price of the Company's ordinary shares for the period and, accordingly, share options in issue during the six months ended 30 September 2012 has no dilutive effect on the basic earnings per ordinary shares.

11. TRADE RECEIVABLES

The Group's trading terms with its customers are mainly on credit. The credit period granted to customers generally ranges from one to three months.

An aged analysis of the trade receivables as at the end of the reporting period, based on the payment due date and net of provision, is as follows:

	30 September 2013 (Unaudited) ***HK$'000***	31 March 2013 (Audited) *HK$'000*
Within 1 month	**475,657**	511,396
1 to 2 months	**14,295**	21,750
2 to 3 months	**11,385**	8,106
Over 3 months	**21,680**	15,425
	523,017	556,677

Included in the Group's trade receivables as at 30 September 2013 are amounts due from the Group's associate of HK$19,795,000 (31 March 2013: HK$22,052,000), which are repayable on similar credit terms to those offered to the major customers of the Group.

12. TRADE AND BILLS PAYABLE

An aged analysis of the trade and bills payables as at the end of the reporting period, based on the payment due date, is as follows:

	30 September 2013 (Unaudited) ***HK$'000***	31 March 2013 (Audited) *HK$'000*
Within 1 month	**463,198**	391,784
1 to 2 months	**78,442**	12,325
2 to 3 months	**4,512**	1,983
Over 3 months	**15,027**	20,156
	561,179	426,248

The trade payables are non-interest-bearing and generally have payment terms ranging from one to three months.

MANAGEMENT DISCUSSION AND ANALYSIS

Summary of Results

The Group's turnover for the Period amounted to HK$1,306,842,000, rising by approximately 7.5% from the same period in last year. The consolidated net loss attributable to owners of the Company was HK$32,094,000 for the Period, compared to net profit of HK$7,373,000 for the six months ended 30 September 2012. Basic loss per share for the Period amounted to 3.87 HK cents, compared to basic earnings per share of 0.89 HK cent for the same period in last year.

The above results included an impairment of financial assets relating to a key Appliance Controls customer amounting to HK$48,237,000. As announced by the Group on 22 November 2013, the specific impairment was provided for one of the key customers, which had commenced insolvency or reorganisation proceedings.

On an underlying basis, excluding the effect of the impairment charge, consolidated net income and earnings per share rose over the prior year.

Business Review and Financial Highlights

Turnover

Turnover of the Group amounted to HK$1,306,842,000 for the Period, representing an increase of 7.5% over the same period in last year. The increase in turnover was mainly attributed by the Appliance Controls business due to the continuous improvement in European market. Moreover, the Group recorded revenue growth in its Commercial and Industrial Controls business due to expansion into the Asian market.

Profitability and Margin

Gross profit margin increased to 9.6% for the Period, compared to 9.4% for the same period in last year, which was mainly contributed by the increase in sales, labour efficiency and control of fixed costs, which could more than fully offset the price decline and appreciation of Renminbi ("RMB"). The Group recorded other income of HK$5,714,000 for the Period, compared with HK$10,720,000 for the same period in last year mainly due to lack of an one-off income from recovery of the Group's previously share of recognised joint venture cessation costs in this Period. Excluding the impairment of trade receivables of HK$48,237,000, the Group managed to maintain operating expenses at HK$111,456,000 during the Period compared with HK$115,788,000 for the same period in last year due to intensive cost controls.

Included in other operating income/(expense), net, is an impairment of trade receivables amounting to HK$48,237,000 related to amounts due from Fagor Electrodomesticos Sociedad Cooperativa, FagorBrandt SAS, and Fagor Mastercook S.A. (collectively, the "Fagor Group").

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After the HK$48,237,000 for impairment of trade receivables the Group's net trade receivables from the Fagor Group amounted to a net carrying amount of HK$32,862,000.

Consolidated net profit attributable to owners of the Company decreased from profit of HK$7,373,000 to loss of HK$32,094,000 for the Period.

Segment margin decreased to -0.6% for the Period, compared to 2.4% for the same period in last year, which was mainly due to the impairment of trade receivables of HK$48,237,000 in Appliance Controls business. Excluding the impairment of trade receivable, the segment margin of the Group will become 3.1% and the segment margin remained flat for Appliance Controls business. The Group recorded improvement in segment margin for Building and Home Controls business, which was due to the decrease in sales of relatively low margin products and improvement in relatively high margin branded SALUS business. However, the decrease in segment margin of Commercial and Industrial Control business was due to the decrease in sales of relatively high margin products.

Outlook

Economic headwinds have subsided and the Group sees a gradual return to strong growth in energy-saving control solutions. Management believes results are beginning to demonstrate that we are on the right path. While targeting higher profit margin markets, the Group is achieving meaningful success in expanding into European and Asian markets in order to sustain growth in the controls business.

The Group will continue to place emphasis on strengthening its in-house research and development capabilities, specifically on wireless technologies and branded business that are both consistently gaining market acceptance in the overall control business.

Although the operating environment for manufacturing in Mainland China remains challenging with increases in wages, inflation and appreciation of the RMB, the Group anticipates continued improvement in customer demand from key customers. Gradual improvement in the rate of growth in new business worldwide and particularly signs of a strengthening US market are also promising.

The Group will continue its tight cost controls and improvements in operating efficiency and productivity to bring more to the bottom line as the worldwide recovery mover to full throttle. The Group will also continue its efforts to achieve product mix optimisation, as it proceeds with the rollout of higher margin smart energy and wireless innovations to solidify its expansion into attractive new customers markets to drive its business growth.

Liquidity, Financial Resources and Capital Structure

The Group continued to maintain a sound financial and liquidity position in the Period. As at 30 September 2013, the Group maintained a balance of cash and cash equivalents of HK$577,409,000, which were mainly denominated either in United States dollars ("US dollars") or Hong Kong dollars, and HK$192,301,000 were denominated in RMB. Overall, the Group maintained a robust current ratio of 1.78 times.

As at 30 September 2013, total interest-bearing bank borrowings were HK$299,135,000, comprised primarily of bank loans repayable within one year. The majority of these borrowings were denominated either in US dollars, Hong Kong dollars or Euro zone currencies and the interest rates applied were primarily subject to floating rate terms.

As at 30 September 2013, total equity attributable to owners of the Company amounted to HK$1,016,362,000. The Group had a net cash balance of HK$278,274,000, representing total cash and cash equivalents less total interest-bearing bank borrowings such that no gearing ratio applies.

Treasury Policies

The majority of the Group's sales and purchases are denominated in US dollars and Hong Kong dollars with Euro zone currencies comprising a lesser extent. Due to the fact that the Hong Kong dollars is pegged to the US dollars, the Group's exposure to this foreign exchange risk regarding US dollars is relatively low. Certain production and operating overheads of the Group's production facilities in Mainland China are denominated in RMB. As at 30 September 2013, the Group did not have any outstanding financial instruments entered into for hedging purposes. Nevertheless, the Group will closely monitor its overall foreign exchange exposure and interest rate exposure and will adopt a proactive but prudent approach to minimise the relevant exposures when necessary.

Capital Expenditures and Commitments

During the Period, the Group incurred total capital expenditures of approximately HK$35,317,000 for the additions to property, plant and equipment as well as for deferred expenditure for the development of new products.

As at 30 September 2013, the Group had contracted but not provided for capital commitments, mainly for the acquisition of property, plant and equipment of HK$1,601,000.

Contingent Liabilities

As at 30 September 2013, the Group has no contingent liabilities.

Charges on Assets

As at 30 September 2013, no bank deposit and other assets had been pledged to secure the Group's banking facilities.

Employee Information

As at 30 September 2013, the Group had a total of approximately 3,800 full-time employees. Total staff costs for the Period amounted to HK$147,591,000. Salaries and wages are generally reviewed on an annual basis in accordance with individual qualifications and performance, the Group's results and market conditions. The Group provides year-end double pay, discretionary bonus, medical insurance, provident fund, educational subsidy and training to its employees. The Company has also adopted a share option scheme under which the Company can grant options to, inter alia, employees of the Group to subscribe for shares of the Company with a view to rewarding those who have contributed to the Group and encouraging employees to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole. Up to the date of this announcement, 21,206,000 share options remained outstanding under such share option scheme.

Use of Net Proceeds From the Company's Initial Public Offering

The proceeds from the Company's issue of new shares (including shares issued on the exercise of over-allotment option) for listing on the Stock Exchange in October 2006, after deduction of related expenses, amounted to approximately HK$469,419,000. The Group intends to apply the net proceeds for the purposes as set out in the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated 25 September 2006. As at 30 September 2013, approximately HK$114,000,000 were utilised for strategic business combination and acquisitions, approximately HK$20,950,000 for the expansion of the distribution network, approximately HK$44,176,000 for the repayment of bank borrowings and approximately HK$44,176,000 for general corporate purposes, and the remaining balance of the net proceeds was placed in certain financial institutions and licensed banks in Hong Kong as short-term deposits.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2013 (2012: Nil).

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Period.

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance with a view to enhancing the management efficiency of the Company as well as preserving the interests of the shareholders of the Company as a whole. The Board is of the view that the Company has complied with the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Listing Rules throughout the Period, except for the deviation from code provision A.6.7 of the CG Code as an independent non-executive director of the Company was unable to attend the annual general meeting of the Company held on 18 September 2013 due to other commitment.

CODE OF CONDUCT FOR DIRECTORS' AND EMPLOYEES' SECURITIES TRANSACTIONS

The Company has adopted its own code of conduct regarding dealings in the securities of the Company by the directors, senior personnel and certain employees of the Group (who are likely to be in possession of unpublished inside information relating to the Company or its securities) (the "Own Code") on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of the Company's directors, all the directors confirmed that they have complied with the required standards set out in the Model Code and the Own Code throughout the Period.

In addition, no incident of non-compliance of the Own Code by the employees of the Group was noted by the Company throughout the Period.

AUDIT COMMITTEE

The Audit Committee of the Company, which comprises three independent non-executive directors of the Company, namely, Mr. Luk Koon Hoo (Chairman of the Audit Committee), Mr. Patrick Thomas Siewert and Mr. Cheung Ching Leung, David, and two non-executive directors of the Company, namely, Mr. Kam Chi Chiu, Anthony and Mr. Arvind Amratlal Patel, has reviewed with the senior management of the Group the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters, including the review of these interim results.

Messrs. Ernst & Young, the Company's external auditors, have been engaged by the Company to conduct certain procedures on the Group's interim condensed consolidated financial statements for the Period in accordance with the Hong Kong Standard on Related Services 4400 "Engagements to Perform Agreed-Upon Procedures Regarding Financial Information" issued by the HKICPA. The Audit Committee of the Company discussed with Messrs. Ernst & Young the findings of these procedures including consistency of accounting policies adopted by the Group in preparing these financial statements and the relevant disclosures made in accordance with the requirements of HKAS 34 and Appendix 16 to the Listing Rules.

PUBLICATION OF FURTHER INFORMATION

The interim report of the Company for the Period, containing the information required by the Listing Rules, will be despatched to the shareholders of the Company as well as published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.computime.com) in due course.

BOARD MEMBERS

As at the date of this announcement, the Board comprises (i) two executive directors, namely, Mr. Auyang Ho (Chairman) and Dr. Owyang King (Chief Executive Officer); (ii) three non-executive directors, namely, Mr. Kam Chi Chiu, Anthony, Mr. Arvind Amratlal Patel and Mr. Wong Chun Kong; and (iii) three independent non-executive directors, namely, Mr. Luk Koon Hoo, Mr. Patrick Thomas Siewert and Mr. Cheung Ching Leung, David.

APPRECIATION

On behalf of the Board, I would like to express my gratitude to our management and staff for their dedication and contribution to the Group throughout the Period.

By Order of the Board
Computime Group Limited
Auyang Ho
Chairman

Hong Kong, 28 November 2013