



CONTROL TECHNOLOGY & CONNECTED SOLUTIONS

Connectivity & Convergence
- Connected Living -



Smart Home Heating &
Energy Management



Technology & Design
Product Engineering
Manufacturing
Quality Assurance



Contract
Manufacturing



COMPUTIME GROUP LIMITED 金寶通集團有限公司*

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 320)

* For identification purposes only

CONTENTS

	Page
Corporate Information	2
Condensed Consolidated Statement of Profit or Loss	3
Condensed Consolidated Statement of Comprehensive Income	4
Condensed Consolidated Statement of Financial Position	5
Condensed Consolidated Statement of Changes in Equity	7
Condensed Consolidated Statement of Cash Flows	8
Notes to Interim Condensed Consolidated Financial Statements	9
Management Discussion and Analysis	23
Other Information	28

CORPORATE INFORMATION

EXECUTIVE DIRECTORS

Mr. Auyang Ho (*Chairman*)
Dr. Owyang King (*Chief Executive Officer*)
Mr. Au Hing Lun, Dennis
(*Deputy Chief Executive Officer*)

NON-EXECUTIVE DIRECTORS

Mr. Kam Chi Chiu, Anthony
Mr. Arvind Amratlal Patel
Mr. Wong Chun Kong

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Luk Koon Hoo
Mr. Patrick Thomas Siewert
Mr. Cheung Ching Leung, David

AUTHORISED REPRESENTATIVES UNDER THE LISTING RULES

Mr. Auyang Ho
Dr. Owyang King

EXECUTIVE COMMITTEE

Mr. Auyang Ho (*Chairman*)
Dr. Owyang King
Mr. Au Hing Lun, Dennis

AUDIT COMMITTEE

Mr. Luk Koon Hoo (*Chairman*)
Mr. Patrick Thomas Siewert
Mr. Kam Chi Chiu, Anthony
Mr. Arvind Amratlal Patel
Mr. Cheung Ching Leung, David

REMUNERATION COMMITTEE

Mr. Patrick Thomas Siewert (*Chairman*)
Mr. Auyang Ho
Mr. Luk Koon Hoo
Mr. Cheung Ching Leung, David

NOMINATION COMMITTEE

Mr. Auyang Ho (*Chairman*)
Mr. Luk Koon Hoo
Mr. Patrick Thomas Siewert

COMPANY SECRETARY

Ms. So Ka Man

INVESTOR RELATIONS

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Email: ir@computime.com

REGISTERED OFFICE

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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor
Services Limited
Shops 1712-1716, 17th Floor,
Hopewell Centre,
183 Queen's Road East,
Wanchai, Hong Kong

AUDITOR

Ernst & Young

LEGAL ADVISOR

Kirkland & Ellis

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
BNP Paribas Hong Kong Branch
DBS Bank (Hong Kong) Limited
Hang Seng Bank Limited
The Bank of Tokyo-Mitsubishi UFJ, Ltd.
The Hongkong and Shanghai Banking
Corporation Limited

STOCK CODE

320

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Six months ended 30 September 2017

The board of directors (the "Board") of Computime Group Limited (the "Company" or "Computime") is pleased to present the unaudited interim condensed consolidated financial statements of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 September 2017 ("1H FY2018" or the "Period") together with the comparative figures for the six months ended 30 September 2016.

	Notes	For the six months ended 30 September	
		2017 (Unaudited) HK\$'000	2016 (Unaudited) HK\$'000
REVENUE	3, 4	1,911,786	1,707,600
Cost of sales		(1,631,758)	(1,473,874)
Gross profit		280,028	233,726
Other income		2,894	14,136
Selling and distribution expenses		(64,091)	(47,599)
Administrative expenses		(144,081)	(130,163)
Other operating income/(expenses), net		386	(10,368)
Finance costs	5	(8,274)	(4,835)
Share of profit of an associate		329	830
PROFIT BEFORE TAX	6	67,191	55,727
Income tax expense	7	(13,570)	(13,657)
PROFIT FOR THE PERIOD		53,621	42,070
ATTRIBUTABLE TO:			
Owners of the Company		53,622	42,073
Non-controlling interests		(1)	(3)
		53,621	42,070
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	9		
Basic		6.41 HK cents	5.04 HK cents
Diluted		6.34 HK cents	5.00 HK cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Six months ended 30 September 2017

	For the six months ended 30 September	
	2017 (Unaudited) HK\$'000	2016 (Unaudited) HK\$'000
PROFIT FOR THE PERIOD	53,621	42,070
OTHER COMPREHENSIVE INCOME/(EXPENSE)		
Other comprehensive income/(expense) to be reclassified to profit or loss in subsequent periods:		
Cash flow hedges:		
Effective portion of changes in fair value of hedging instruments arising during the period	(10,778)	7,414
Reclassification adjustments for losses/(gains) included in the condensed consolidated statement of profit or loss	18,333	(2,370)
	7,555	5,044
Exchange differences on translation of foreign operations	14,129	(20,890)
OTHER COMPREHENSIVE INCOME/(EXPENSE) FOR THE PERIOD, NET OF TAX	21,684	(15,846)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	75,305	26,224
Attributable to:		
Owners of the Company	75,306	26,227
Non-controlling interests	(1)	(3)
	75,305	26,224

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 September 2017

	Notes	30 September 2017 (Unaudited) HK\$'000	31 March 2017 (Audited) HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment	10	206,305	170,966
Goodwill		36,420	36,420
Club debenture		705	705
Intangible assets		113,796	106,801
Interest in an associate		6,343	6,277
Available-for-sale investment		–	–
Prepayments and deposits		3,272	3,338
Total non-current assets		366,841	324,507
CURRENT ASSETS			
Inventories		859,139	627,068
Trade receivables	11	551,467	602,636
Prepayments, deposits and other receivables		46,872	51,294
Tax recoverable		5,041	5,041
Derivative financial instruments		12,018	19,154
Cash and cash equivalents		754,402	771,920
Total current assets		2,228,939	2,077,113
CURRENT LIABILITIES			
Trade and bills payables	12	773,098	729,580
Other payables and accrued liabilities		98,687	115,004
Interest-bearing bank borrowings		333,559	264,877
Amounts due to non-controlling shareholders		160	160
Dividend payable		62,981	–
Derivative financial instruments		18,025	–
Tax payable		27,564	26,854
Total current liabilities		1,314,074	1,136,475
NET CURRENT ASSETS		914,865	940,638
TOTAL ASSETS LESS CURRENT LIABILITIES (to be continued)		1,281,706	1,265,145

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

30 September 2017

	30 September 2017 (Unaudited) HK\$'000	31 March 2017 (Audited) HK\$'000
TOTAL ASSETS LESS CURRENT LIABILITIES (continued)	1,281,706	1,265,145
NON-CURRENT LIABILITIES		
Deferred tax liabilities	14,389	13,189
Net assets	1,267,317	1,251,956
EQUITY		
Equity attributable to owners of the Company		
Issued capital	83,974	83,642
Reserves	1,182,569	1,167,539
	1,266,543	1,251,181
Non-controlling interests	774	775
Total equity	1,267,317	1,251,956

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Six months ended 30 September 2017

	Attributable to owners of the Company									Total equity HK\$'000
	Issued capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Share option reserve HK\$'000	Hedging reserve HK\$'000	Exchange fluctuation reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	
For the six months ended 30 September 2017 (unaudited)										
At 1 April 2017 (audited)	83,642	391,947	1,879	11,400	1,720	11,541	749,052	1,251,181	775	1,251,956
Profit for the period	-	-	-	-	-	-	53,622	53,622	(1)	53,621
Other comprehensive income for the period:										
Cash flow hedges, net of tax	-	-	-	-	7,555	-	-	7,555	-	7,555
Exchange differences on translation of foreign operations	-	-	-	-	-	14,129	-	14,129	-	14,129
Total comprehensive income for the period	-	-	-	-	7,555	14,129	53,622	75,306	(1)	75,305
Issue of shares upon exercise of share options	332	2,987	-	(1,062)	-	-	-	2,257	-	2,257
Equity-settled share option arrangements	-	-	-	780	-	-	-	780	-	780
Transfer of share option reserve upon the forfeiture of share options	-	-	-	(376)	-	-	376	-	-	-
Final 2017 dividend declared	-	-	-	-	-	-	(62,981)	(62,981)	-	(62,981)
At 30 September 2017 (unaudited)	83,974	394,934	1,879	10,742	9,275	25,670	740,069	1,266,543	774	1,267,317
For the six months ended 30 September 2016 (unaudited)										
At 1 April 2016 (audited)	83,393	389,711	1,879	9,426	3,389	26,906	671,115	1,185,819	790	1,186,609
Profit for the period	-	-	-	-	-	-	42,073	42,073	(3)	42,070
Other comprehensive income/(expense) for the period:										
Cash flow hedges, net of tax	-	-	-	-	5,044	-	-	5,044	-	5,044
Exchange differences on translation of foreign operations	-	-	-	-	-	(20,890)	-	(20,890)	-	(20,890)
Total comprehensive income for the period	-	-	-	-	5,044	(20,890)	42,073	26,227	(3)	26,224
Issue of shares upon exercise of share options	249	2,236	-	(792)	-	-	-	1,693	-	1,693
Equity-settled share option arrangements	-	-	-	300	-	-	-	300	-	300
Final 2016 dividend declared	-	-	-	-	-	-	(48,512)	(48,512)	-	(48,512)
At 30 September 2016 (unaudited)	83,642	391,947	1,879	8,934	8,433	6,016	664,676	1,165,527	787	1,166,314

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Six months ended 30 September 2017

	For the six months ended 30 September	
	2017 (Unaudited) HK\$'000	2016 (Unaudited) HK\$'000
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	(3,597)	41,809
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(84,847)	(52,916)
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES	62,667	(8,036)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(25,777)	(19,143)
Cash and cash equivalents at beginning of period	771,920	544,427
Effect of foreign exchange rate changes, net	8,259	(8,371)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	754,402	516,913
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	690,994	395,803
Time deposits with original maturity of less than three months when acquired	63,408	121,110
	754,402	516,913

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2017

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 the research and development, design, manufacture and trading of electronic control products.

2.1 BASIS OF PREPARATION

The unaudited interim condensed consolidated financial statements of the Group for the six months ended 30 September 2017 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 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 revised Hong Kong Financial Reporting Standards ("HKFRSs"), which include HKASs, during the Period as set out in note 2.2 below, the accounting policies and basis of preparation adopted in the preparation of the interim financial statements are consistent with those used in the Group's annual financial statements for the year ended 31 March 2017.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

In the current period, the Group has applied, for the first time, the following revised HKFRSs issued by HKICPA which are effective for the Group's financial year beginning on 1 April 2017.

Amendments to HKAS 7	<i>Disclosure Initiative</i>
Amendments to HKAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i>
<i>Annual Improvements</i> <i>2014-2016 Cycle</i>	Amendments to a number of HKFRSs

The adoption of the revised HKFRSs had no material effect on the results and financial position for the current or prior accounting periods which have been prepared and presented.

3. REVENUE

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts.

30 September 2017

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services. Management monitors the results of its operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax.

	Building and home controls		Appliance controls		Commercial and industrial controls		Total	
	For the six months ended 30 September		For the six months ended 30 September		For the six months ended 30 September		For the six months ended 30 September	
	2017 (Unaudited) HK\$'000	2016 (Unaudited) HK\$'000	2017 (Unaudited) HK\$'000	2016 (Unaudited) HK\$'000	2017 (Unaudited) HK\$'000	2016 (Unaudited) HK\$'000	2017 (Unaudited) HK\$'000	2016 (Unaudited) HK\$'000
Segment revenue:								
Sales to external customers	779,137	621,507	749,332	822,312	383,317	263,781	1,911,786	1,707,600
Segment results	90,492	82,587	15,689	16,055	19,920	11,557	126,101	110,199
Bank interest income							1,228	1,718
Other income (excluding bank interest income)							1,666	12,418
Corporate and other unallocated expenses							(53,859)	(64,603)
Finance costs							(8,274)	(4,835)
Share of profit of an associate	329	830	-	-	-	-	329	830
Profit before tax							67,191	55,727
Income tax expense							(13,570)	(13,657)
Profit for the period							53,621	42,070

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

30 September 2017

4. OPERATING SEGMENT INFORMATION (continued)

	Building and home controls		Appliance controls		Commercial and industrial controls		Total	
	30 September 2017	31 March 2017	30 September 2017	31 March 2017	30 September 2017	31 March 2017	30 September 2017	31 March 2017
	(Unaudited) HK\$'000	(Audited) HK\$'000	(Unaudited) HK\$'000	(Audited) HK\$'000	(Unaudited) HK\$'000	(Audited) HK\$'000	(Unaudited) HK\$'000	(Audited) HK\$'000
Segment assets	662,823	625,741	592,741	513,032	268,508	200,481	1,524,072	1,339,254
Interest in an associate	6,343	6,277	-	-	-	-	6,343	6,277
Corporate and other unallocated assets							1,065,365	1,056,089
Total assets							2,595,780	2,401,620

5. FINANCE COSTS

	For the six months ended 30 September	
	2017 (Unaudited) HK\$'000	2016 (Unaudited) HK\$'000
Interest on bank loans	8,274	4,835

30 September 2017

6. PROFIT BEFORE TAX

Profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 September	
	2017 (Unaudited) HK\$'000	2016 (Unaudited) HK\$'000
Cost of inventories sold	1,626,341	1,457,480
Depreciation	21,819	18,505
Amortisation of intangible assets [#]	24,852	25,942
Write-down of inventories to net realisable value ^{##}	5,417	16,394
Bank interest income	(1,228)	(1,718)
Foreign exchange differences, net ^{###}	(2,878)	4,652
Impairment of trade receivables ^{###}	1,850	5,483

[#] The amortisation of intangible assets for the Period is included in "Administrative expenses" on the face of the condensed consolidated statement of profit or loss.

^{##} Write-down of inventories to net realisable value is included in "Cost of sales" on the face of the condensed consolidated statement of profit or loss.

^{###} Foreign exchange differences, net and impairment of trade receivables are included in "Other operating income/(expenses), net" on the face of the condensed consolidated statement of profit or loss.

Included in other operating expenses, net for the Period is the impairment of trade receivables of HK\$1,000,000 (2016: HK\$3,300,000) relating to the trade receivables from Fagor Electrodomesticos Sociedad Cooperativa, FagorBrandt SAS, and Fagor Mastercook S.A. Details are disclosed in the Company's annual report for the year ended 31 March 2017 (note 19 to the financial statements).

30 September 2017

7. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2016: 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 entities operate.

	For the six months ended 30 September	
	2017 (Unaudited) HK\$'000	2016 (Unaudited) HK\$'000
Current – Hong Kong	3,826	7,880
Current – Mainland China and other countries	8,544	5,662
Deferred	1,200	115
Total tax charge for the period	13,570	13,657

No share of tax attributable to associate (2016: Nil) is included in "Share of profit of an associate" in the condensed consolidated statement of profit or loss.

8. DIVIDENDS

No payment of interim dividend for the six months ended 30 September 2017 is recommended (2016: Nil).

30 September 2017

9. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic earnings per share is based on the profit for the Period attributable to owners of the Company of HK\$53,622,000 (six months ended 30 September 2016: HK\$42,073,000) and the weighted average number of ordinary shares of 836,620,000 (six months ended 30 September 2016: 834,515,000) in issue during the Period.

The calculation of diluted earnings per share is based on the profit for the Period attributable to owners of the Company of HK\$53,622,000 (six months ended 30 September 2016: HK\$42,073,000). The weighted average number of ordinary shares used in the calculation of 845,171,000 (six months ended 30 September 2016: 840,830,000) is the number of ordinary shares in issue during the Period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at nil consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

A reconciliation between the weighted average number of shares used in calculating the basic and diluted earnings per share is as follows:

	For the six months ended 30 September	
	2017 (Unaudited)	2016 (Unaudited)
Weighted average number of ordinary shares used in calculating the basic earnings per share	836,620,000	834,515,000
Weighted average number of ordinary shares assumed to have been issued at nil consideration on deemed exercise of all dilutive options in issue during the period	8,551,000	6,315,000
Weighted average number of ordinary shares used in calculating the diluted earnings per share	845,171,000	840,830,000

10. MAJOR ADDITIONS OF PROPERTY, PLANT AND EQUIPMENT

During the Period, the Group purchased property, plant and equipment amounting to approximately HK\$54,575,000 (six months ended 30 September 2016: HK\$24,560,000).

30 September 2017

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. The Group maintains strict credit control over its customers and outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. At the end of the reporting period, 15.5% (31 March 2017: 12.8%) and 48.0% (31 March 2017: 51.2%) of the total trade receivables were due from the Group's largest customer and the five largest customers respectively. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

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

	30 September 2017 (Unaudited) HK\$'000	31 March 2017 (Audited) HK\$'000
Current and due within 1 month	511,971	551,522
1 to 2 months	9,928	14,746
2 to 3 months	7,511	11,119
Over 3 months	22,057	25,249
	551,467	602,636

Included in trade receivables is an amount due from an associate of HK\$23,154,000 (31 March 2017: HK\$17,370,000) which is repayable on credit terms similar to those offered to the major customers of the Group.

30 September 2017

12. TRADE AND BILLS PAYABLES

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

	30 September 2017 (Unaudited) HK\$'000	31 March 2017 (Audited) HK\$'000
Current and due within 1 month	640,521	604,173
1 to 2 months	88,197	110,709
2 to 3 months	16,460	4,132
Over 3 months	27,920	10,566
	773,098	729,580

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

13. SHARE OPTION SCHEMES

The purpose of the share option schemes of the Company is to provide incentives and rewards to eligible participants who contribute to the success of the Group's operation. Eligible participants of the share option schemes of the Company include directors (including executive, non-executive and independent non-executive directors) and employees of the Group, any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters or service providers of any member of the Group.

The share option scheme adopted by the Company on 15 September 2006 (the "2006 Scheme") was expired on 15 September 2016. Unless otherwise cancelled or lapsed in accordance with the 2006 Scheme, the outstanding share options granted under the 2006 Scheme would remain exercisable. On 14 September 2016, the Company adopted a new share option scheme (the "2016 Scheme") which, unless otherwise cancelled or terminated, would remain in force for 10 years from that date.

30 September 2017

13. SHARE OPTION SCHEMES (continued)

Details and movements of the share options of the Company granted under the 2006 Scheme during the six months ended 30 September 2017 are as follows:

Category of participants	As at 1 April 2017	Exercised during the period	Lapsed during the period	As at 30 September 2017	Date of grant of share options	Exercise period of share options	Date of share option vested/to be vested	Exercise price per share HK\$	The price of the Company's shares at the grant date HK\$
Senior management and other employees in aggregate	202,000	-	(202,000)	-	27 September 2007	From 31 August 2008 to 30 August 2017	31 August 2008	1.75	1.75
	202,000	-	(202,000)	-	27 September 2007	From 31 August 2009 to 30 August 2017	31 August 2009	1.75	1.75
	202,000	-	(202,000)	-	27 September 2007	From 31 August 2010 to 30 August 2017	31 August 2010	1.75	1.75
	240,000	-	-	240,000	22 October 2015	From 22 October 2016 to 21 October 2025	22 October 2016	1.24	1.24
	240,000	-	-	240,000	22 October 2015	From 22 October 2017 to 21 October 2025	22 October 2017	1.24	1.24
	320,000	-	-	320,000	22 October 2015	From 22 October 2018 to 21 October 2025	22 October 2018	1.24	1.24
	240,000	-	-	240,000	28 April 2016	From 28 April 2017 to 27 April 2026	28 April 2017	1.174	1.13
	360,000	-	-	360,000	28 April 2016	From 28 April 2018 to 27 April 2026	28 April 2018	1.174	1.13
	440,000	-	-	440,000	28 April 2016	From 28 April 2019 to 27 April 2026	28 April 2019	1.174	1.13
	160,000	-	-	160,000	28 April 2016	From 28 April 2020 to 27 April 2026	28 April 2020	1.174	1.13
	2,606,000	-	(606,000)	2,000,000					

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

30 September 2017

13. SHARE OPTION SCHEMES (continued)

Details and movements of the share options of the Company granted under the 2006 Scheme during the six months ended 30 September 2017 are as follows (continued):

Category of participants	As at 1 April 2017	Exercised during the period	Lapsed during the period	As at 30 September 2017	Date of grant of share options	Exercise period of share options	Date of share option vested/to be vested	Exercise price per share HK\$	The price of the Company's shares at the grant date HK\$
Director									
Dr. Ouyang King	2,400,000	-	-	2,400,000	30 April 2010	From 30 April 2011 to 29 April 2020	30 April 2011	1.05	1.05
	2,400,000	-	-	2,400,000	30 April 2010	From 30 April 2012 to 29 April 2020	30 April 2012	1.05	1.05
	3,200,000	-	-	3,200,000	30 April 2010	From 30 April 2013 to 29 April 2020	30 April 2013	1.05	1.05
	2,400,000	-	-	2,400,000	28 June 2011	From 28 June 2012 to 27 June 2021	28 June 2012	0.79	0.79
	2,400,000	-	-	2,400,000	28 June 2011	From 28 June 2013 to 27 June 2021	28 June 2013	0.79	0.79
	3,200,000	-	-	3,200,000	28 June 2011	From 28 June 2014 to 27 June 2021	28 June 2014	0.79	0.79
	1,200,000	-	-	1,200,000	6 August 2012	From 6 August 2014 to 5 August 2022	6 August 2014	0.375	0.375
	1,600,000	-	-	1,600,000	6 August 2012	From 6 August 2015 to 5 August 2022	6 August 2015	0.375	0.375
	1,600,000	-	-	1,600,000	28 April 2016	From 28 April 2017 to 27 April 2026	28 April 2017	1.174	1.13
	1,600,000	-	-	1,600,000	28 April 2016	From 28 April 2018 to 27 April 2026	28 April 2018	1.174	1.13
	1,600,000	-	-	1,600,000	28 April 2016	From 28 April 2019 to 27 April 2026	28 April 2019	1.174	1.13
	1,600,000	-	-	1,600,000	28 April 2016	From 28 April 2020 to 27 April 2026	28 April 2020	1.174	1.13
	1,600,000	-	-	1,600,000	28 April 2016	From 28 April 2021 to 27 April 2026	28 April 2021	1.174	1.13
	<u>26,800,000</u>	-	-	<u>26,800,000</u>					

30 September 2017

13. SHARE OPTION SCHEMES *(continued)*

Details and movements of the share options of the Company granted under the 2006 Scheme during the six months ended 30 September 2017 are as follows *(continued)*:

Category of participants	As at 1 April 2017	Exercised during the period	Lapsed during the period	As at 30 September 2017	Date of grant of share options	Exercise period of share options	Date of share option vested/to be vested	Exercise price per share HK\$	The price of the Company's shares at the grant date HK\$
Director (continued)									
Mr. Au Hing Lun, Dennis	3,320,000	(3,320,000)	-	-	4 July 2014	From 4 July 2017 to 3 July 2024	4 July 2017	0.68	0.68
	3,320,000	(3,320,000)	-	-					
Sub-total of director category	30,120,000	(3,320,000)	-	26,800,000					
Total	32,726,000	(3,320,000)	(606,000)	28,800,000					

Notes:

- 3,320,000 share options granted under the 2006 Scheme were exercised by a director on 19 September 2017. The weighted average closing price of the Company's shares immediately before the exercise date of the share options was HK\$1.25 per share as at 18 September 2017.
- No share options granted under the 2006 Scheme have been cancelled during the six months ended 30 September 2017.
- The vesting period of the share options granted under the 2006 Scheme is from the date of grant until the commencement of the exercise period.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

30 September 2017

13. SHARE OPTION SCHEMES (continued)

Details and movements of the share options of the Company granted under the 2016 Scheme during the six months ended 30 September 2017 are as follows:

Category of participants	As at 1 April 2017	Granted during the 30 September 2017 period	As at 30 September 2017	Date of grant of share options	Exercise period of share options	Date of share option vested/to be vested	Exercise price per share HK\$	The price of the Company's shares at the grant date HK\$
Director								
Dr. Owyang King	-	200,000	200,000	28 April 2017	From 28 April 2020 to 27 April 2027	28 April 2020	1.04	1.04
	-	200,000	200,000	28 April 2017	From 28 April 2021 to 27 April 2027	28 April 2021	1.04	1.04
	-	1,600,000	1,600,000	28 April 2017	From 28 April 2022 to 27 April 2027	28 April 2022	1.04	1.04
	-	2,000,000	2,000,000					
Mr. Au Hing Lun, Dennis	-	1,245,000	1,245,000	22 August 2017	From 22 August 2018 to 21 August 2027	22 August 2018	1.65	1.65
	-	1,245,000	1,245,000	22 August 2017	From 22 August 2019 to 21 August 2027	22 August 2019	1.65	1.65
	-	1,660,000	1,660,000	22 August 2017	From 22 August 2020 to 21 August 2027	22 August 2020	1.65	1.65
	-	4,150,000	4,150,000					
Total	-	6,150,000	6,150,000					

Notes:

- 6,150,000 share options were granted to two directors under the 2016 Scheme on 28 April 2017 and 22 August 2017. The closing prices of the Company's shares immediately before these dates of grant were HK\$1.03 and HK\$1.67 per share respectively. The fair value of share options granted to the directors during the six months ended 30 September 2017 was HK\$4,041,000. The Group recognised a share option expense of HK\$780,000 (six months ended 30 September 2016: HK\$300,000) during the six months ended 30 September 2017.
- No share options granted under the 2016 Scheme have been exercised, cancelled or lapsed during the six months ended 30 September 2017.
- The vesting period of the share options granted under the 2016 Scheme is from the date of grant until the commencement of the exercise period.

30 September 2017

13. SHARE OPTION SCHEMES (continued)

The fair value of the equity-settled share options granted under the 2016 Scheme during the six months ended 30 September 2017 was estimated as at the dates of grant, using a trinomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

	Granted on 28 April 2017	Granted on 22 August 2017
Exercise price (HK\$)	1.04	1.65
Share price at the date of grant (HK\$)	1.04	1.65
Dividend yield (%)	5.58	4.55
Expected volatility (%)	60.23	59.81
Risk-free interest rate (%)	2.160	2.000
Expected life of options (number of years)	10	10

The expected life of the options is based on the contractual life and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

14. COMMITMENTS

As at 30 September 2017, the Group had contracted but not provided for capital commitments, mainly for the acquisition of plant and machinery of HK\$4,782,000 (31 March 2017: HK\$3,206,000).

30 September 2017

15. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances set out elsewhere in these interim condensed consolidated financial statements, the Group had the following significant related party transactions during the Period.

(a) The Group had the following material transactions with a related party during the Period:

	For the six months ended 30 September	
	2017 (Unaudited) HK\$'000	2016 (Unaudited) HK\$'000
Sale of finished goods to an associate	33,729	35,097

(b) Compensation of key management personnel of the Group

	For the six months ended 30 September	
	2017 (Unaudited) HK\$'000	2016 (Unaudited) HK\$'000
Short term employee benefits	23,778	20,562
Post-employment benefits	75	81
Equity-settled share option expenses	780	300
	24,633	20,943

16. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements were approved and authorised for issue by the Board on 23 November 2017.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE

For the first six months of our fiscal year from 1 April 2017 to 30 September 2017, Computime continued to record strong growth momentum, as revenue rose 12.0% from HK\$1,707.6 million in the six months ended 30 September 2016 ("1H FY2017") to HK\$1,911.8 million in 1H FY2018, while net profit increased 27.5% from HK\$42.1 million in 1H FY2017 to HK\$53.6 million in 1H FY2018. The Company continues to maintain a healthy cash and cash equivalents balance at the amount of HK\$754.4 million as at the end of 1H FY2018.

During the Period, Computime continued to successfully record growth in its higher margin businesses, with both the Commercial and Industrial Controls ("CIC") and Building and Home Controls ("BHC") segments recording year-on-year revenue growth of 45.3% and 25.4% respectively, rising to HK\$383.3 million and HK\$779.1 million respectively. Revenue recorded by the lower margin Appliance Controls ("APC") segment dropped 8.9% when compared to 1H FY2017, to HK\$749.3 million in the Period.

Gross profit margin improved to 14.6% in 1H FY2018 compared to 13.7% in 1H FY2017. Gross profit for the Period was HK\$280.0 million, representing an increase of 19.8% compared to HK\$233.7 million in 1H FY2017. This improvement in gross profit margin is primarily driven by a better mix of higher margin businesses, alongside continuing strict cost control measures and operational efficiency improvements, including further adoption of factory automation.

Total operating expenses (aggregate of selling and distribution expenses and administrative expenses) increased by 17.1% from HK\$177.8 million in 1H FY2017 to HK\$208.2 million in the Period. This was primarily driven by costs increase related to the Company's continued buildup of sales and marketing capabilities in the European Union and North American markets, including advertising and promotional costs and staff personnel costs, as well as increased spending in research and development, transportation and customs duties.

Inventory increased by 37.0% to HK\$859.1 million in 1H FY2018, primarily driven by the severely constrained supply of certain critical electronics components during the Period. To combat this situation, the Company has accumulated a higher than usual amount of raw materials to create flexibility to promptly finish production of certain products and fulfill customer orders when some of these critical components do become available. The Company's own branded SALUS products also contributed to the inventory increase, which follows the seasonal pattern of stocking for heating products as the peak selling season begins in earnest in the winter months.

Cash flow remained strong despite the significant investment in inventory during the Period, which was partially offset by the continued improvements in accelerating accounts receivable collections via successful factoring with some of our largest customers. Net working capital cycle improved from 69 days in 1H FY2017 to 60 days in the Period.

BUSINESS REVIEW

The Company continued to record strong growth in the higher margin CIC and BHC segments during the Period. These two segments accounted for more than 60% of the total company revenue in the Period, compared to approximately 52% in 1H FY2017. This better mix of higher margin products is one of the key drivers in the continuing improvement in our profitability.

The CIC segment revenue grew by 45.3% to HK\$383.3 million in the Period when compared to 1H FY2017, while segment margin increased from 4.4% to 5.2%. During the Period, we successfully completed delivery of a brand new electronics product to a new Electronics Manufacturing Services ("EMS") customer in the tech-entertainment industry. Additionally, as a result of our focus on strategic partnerships with large key customers, we also recorded significantly higher shipments to an existing key customer compared to 1H FY2017. The Company believes that the CIC segment will be a key growth driver in the future as more customers launch more innovative products that require sophisticated electronics and advanced wireless technologies, greatly complementing Computime's strong capabilities in both areas.

When compared to 1H FY2017, the BHC segment grew another 25.4% to HK\$779.1 million in the Period, continuing the trend of robust growth recorded in this segment in the last few years. Revenue recorded in 1H FY2018 from several key EMS customers in the Heating, Ventilation, and Air Conditioning (HVAC) sector was significantly higher than that of 1H FY2017 as products such as smart thermostats continue to gain momentum in the market. Shipments to one customer in particular more than doubled in the Period when compared to 1H FY2017 as the customer aggressively stocked up in anticipation of its own product launches and territorial expansions. Segment margin in the BHC business also remained steady when normalised for the impact of the HK\$9.7 million one-time fee income recorded last year from a vendor who executed an early termination of the distribution right in our brand distribution business, which was reflected in the BHC segment.

The SALUS business, which includes our own branded heating control products and our new Internet of Things ("IoT") suite of smart devices, also recorded healthy growth during the Period when compared to 1H FY2017 in all European territories with the exception of the United Kingdom ("UK"). Mired by the uncertainty of Brexit, the UK's construction sector output shrunk by 1.1% in the third calendar quarter of 2017, representing the worst quarter in four years according to UK government official statistics. This affected our sales as wholesalers and distributors in the UK became more cautious in their buying decisions. Despite this setback, the SALUS business as a whole still managed to match last year's sales in local currency terms, and we expect that sales in this fiscal year will increase on a year-on-year basis with new product launches, new market initiatives in the UK, and sales ramp up in North America in the second half of the fiscal year.

The lower margin APC business recorded a sales decrease of 8.9% to HK\$749.3 million in the Period when compared to 1H FY2017 as the Company continued to be selective in taking on low margin opportunities in order to focus on driving better profits and margins in this segment. Despite the sales decrease, the Company still managed to slightly improve the segment margin from 2.0% to 2.1%, driven by the strong focus on cost and labour efficiency.

INDUSTRY ANALYSIS

The Company believes that there continues to be prime growth opportunities in the markets of EMS and connected devices. According to New Venture Research, the EMS industry was worth US\$430 billion in 2015, and expected to grow to approximately US\$560 billion in 2020, recording a compound annual growth rate (CAGR) of 5.4%. In addition, there is rising demand for Original Design Manufacturing (“ODM”) services, as companies look for manufacturers that are able to not just fulfill orders, but also offer technological value-added feedback and suggestions on improvements and optimisations. The Company is confident that it will be able to capture more opportunities in the growing ODM business moving forward.

The market for connected devices is also expected to grow very rapidly in the coming years, as the current market trend is shifting towards IoT, whereby electronic controls are embedded into everyday devices, generating a wide network of interconnectivity. The concept of a ‘smart home’ is now widely acknowledged as the next generation of home controls, as more and more platforms are being introduced to link up and interface smart devices across the entire spectrum of home appliances, including thermostats, sensors, and alarms. With its proprietary line of smart home devices, Computime will look to seize a larger share of this rapidly growing market through its SALUS products, as it continues to expand product sales channels throughout Europe and North America.

OUTLOOK

Computime expects the demand for its products and services to remain strong, driven by orders from both existing and new customers. In the second half of our fiscal year 2018 (“2H FY2018”), we expect to commence shipments to a new EMS customer in the consumer products space, as well as progressively increasing orders from an existing customer in the mobile point-of-sale (mPOS) sector. We also anticipate SALUS to accelerate its growth compared to last year, driven by new products and the ramp up of sales in North America. Our industry-leading Auto Balancing Actuator (“ABA”) was recently launched and will begin volume shipment during 2H FY2018. The ABA provides an innovative solution to long standing difficulties faced by under-floor heating manufacturers and installers, and it is expected to be well-received by these key stakeholders.

This strong demand for our products could be somewhat tempered by the shortages of certain critical electronic components the Company is currently experiencing in the market. Some of these critical components are on allocation from suppliers, and their availability has become quite unpredictable. The Company is working hard and executing multiple strategies to combat this market-wide problem, but the issue may have an impact on our full fiscal year revenue performance. Additionally, the Company also anticipates the stocking patterns of a few key EMS customers to balance out the full year growth rates of those businesses as 2H FY2018 growth moderates after very strong shipments in 1H FY2018.

Computime will continue to implement its strategy of driving higher margin businesses by focusing on the growth of the CIC and BHC segments, while looking to improve the profitability of the APC segment. As part of this strategic directive, the Company will look to grow its ODM business across all three segment, as Computime continues on its transition from a traditional EMS manufacturer into a technology-driven solutions provider. Concurrently, Computime will further push growth in the SALUS business in 2H FY2018, in which the Company believes SALUS will enjoy the benefits brought by the peak season for heating products during the winter months as well as the investments made in North America to expand distribution channels for SALUS.

OUTLOOK *(continued)*

Computime's strong manufacturing foundation, coupled with robust engineering capabilities and a customer service focus, make it a unique, market-leading EMS provider. At the same time, the SALUS division is expected to remain on track for strong growth due to the fast growing connected device market and our experience and technology leadership in the heating control market over the years. By leveraging the Group's core capabilities in electronic controls and wireless technologies, alongside its proven track record, long heritage of successful products and a trusted brand name, Computime is confident that it can seize various opportunities arising from all our markets to continue introducing high value products and services to our partners and customers worldwide.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group continued to maintain a sound financial and liquidity position in the Period. As at 30 September 2017, the Group maintained a balance of cash and cash equivalents of HK\$754,402,000, which included cash and bank balance of HK\$131,820,000 denominated in RMB. The remaining balance was mainly denominated in United States dollars ("US dollars") or Hong Kong dollars. Overall, the Group maintained a robust current ratio of 1.70 times.

As at 30 September 2017, total interest-bearing bank borrowings were HK\$333,559,000, comprising primarily bank import 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 2017, total equity attributable to owners of the Company amounted to HK\$1,266,543,000. The Group had a net cash balance of HK\$420,843,000, representing total cash and cash equivalents less total interest-bearing bank borrowings.

TREASURY POLICIES

The Group is exposed to foreign exchange risk through sales and purchase that are dominated in currencies other than the functional currency of the operations to which they relate. The currencies involved are primarily Euro, GBP and RMB. As at 30 September 2017, the Group had outstanding foreign currency forward contracts to sell Euro 28.8 million buy US dollars, sell GBP 4.5 million buy US dollars, and sell US dollars 38.4 million buy RMB. These forward contracts were entered into for hedging purposes. The Group closely monitors its overall foreign exchange exposure from time to time and will adopt a proactive but prudent approach to minimise the relevant exposures.

CAPITAL EXPENDITURES AND COMMITMENTS

During the Period, the Group incurred total capital expenditures of approximately HK\$86,422,000 for additions to property, plant and equipment as well as for deferred expenditures associated with the development of new products.

As at 30 September 2017, the Group had capital commitments contracted but not provided for the amount of HK\$4,782,000, mainly for the acquisition of property, plant and equipment.

CONTINGENT LIABILITIES

As at 30 September 2017, the Group did not have any significant contingent liabilities.

CHARGES ON ASSETS

As at 30 September 2017, no bank deposits and other assets have been pledged to secure the Group's banking facilities.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group had no material acquisition or disposal of subsidiaries, associated companies or joint ventures during the Period.

EMPLOYEE INFORMATION

As at 30 September 2017, the Group had a total of approximately 6,000 full-time employees. Total staff costs for the Period amounted to HK\$318,493,000. 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 currently has a share option scheme (which was adopted on 14 September 2016 due to the expiry of the old share option scheme on 15 September 2016) 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 report, 34,950,000 share options remained outstanding under the share option schemes.

OTHER INFORMATION

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2017 (2016: 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 contained in Appendix 14 to the Listing Rules throughout the Period.

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 auditor, has been engaged by the Company to conduct certain procedures on the Group's interim condensed consolidated financial statements for the Period in accordance with 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 this interim financial information and the relevant disclosures made in accordance with the requirements of HKAS 34 and Appendix 16 to the Listing Rules.

SHARE OPTION SCHEMES

Details of the share option schemes of the Company are disclosed in note 13 to the interim condensed consolidated financial statements.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 September 2017, the interests of the directors of the Company in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 352 of the Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

(1) Long position in the shares of the Company

Name of director	Capacity	Number of ordinary shares interested	*Approximate percentage of the Company's issued share capital
Mr. Auyang Ho	Interest of a controlled corporation	352,500,000 <i>(Note)</i>	41.98%
	Beneficial owner	10,716,000	1.27%
		363,216,000	43.25%
Dr. Owyang King	Beneficial owner	3,644,000	0.43%
Mr. Au Hing Lun, Dennis	Beneficial owner	8,820,000	1.05%

Note: These shares were held by Solar Power Group Limited ("SPGL"). SPGL is a company incorporated in the British Virgin Islands with limited liability and wholly owned by Mr. Auyang Ho.

* The percentage represents the number of ordinary shares interested divided by the number of the Company's issued shares as at 30 September 2017.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

(continued)

(2) Long position in the underlying shares of the Company – physically settled unlisted equity derivatives

Name of director	Capacity	Number of underlying shares in respect of the share options granted	*Approximate percentage of the Company's issued share capital
Dr. Owyang King	Beneficial owner	28,800,000	3.43%
Mr. Au Hing Lun, Dennis	Beneficial owner	4,150,000	0.49%

Details of the above share options as required to be disclosed by the Listing Rules are disclosed in note 13 to the interim condensed consolidated financial statements.

* *The percentage represents the number of underlying shares interested divided by the number of the Company's issued shares as at 30 September 2017.*

Save as disclosed above, as at 30 September 2017, none of the directors or chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

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

As at 30 September 2017, the following persons (other than the directors and chief executives of the Company) had interests of 5% or more in the shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO:

Long position in the shares of the Company

Name of substantial shareholder	Capacity	Number of ordinary shares interested	*Approximate percentage of the Company's issued share capital
SPGL	Beneficial owner	352,500,000 <i>(Note 1)</i>	41.98%
Ms. Tse Shuk Ming	Interest of spouse	363,216,000 <i>(Note 2)</i>	43.25%
Crystalplaza Limited	Beneficial owner	133,500,000 <i>(Note 3)</i>	15.90%
Little Venice Limited	Beneficial owner	81,690,000 <i>(Note 3)</i>	9.73%
Ms. Leung Yee Li, Lana	Interest of controlled corporations	215,190,000 <i>(Note 3)</i>	25.63%
Mr. Heung Lap Chi, Eugene	Interest of spouse	215,190,000 <i>(Note 4)</i>	25.63%

Notes:

1. *The interest of SPGL was also disclosed as the interest of Mr. Auyang Ho in the above section headed "Directors' and Chief Executives' Interests and Short Positions in Shares and Underlying Shares of the Company and its Associated Corporations".*
 2. *Ms. Tse Shuk Ming was deemed to be interested in 363,216,000 shares of the Company through the interest of her spouse, Mr. Auyang Ho.*
 3. *These shares were owned by Crystalplaza Limited (as to 133,500,000 shares) and Little Venice Limited (as to 81,690,000 shares), both companies were wholly-owned by Ms. Leung Yee Li, Lana.*
 4. *Mr. Heung Lap Chi, Eugene was deemed to be interested in 215,190,000 shares of the Company through the interest of his spouse, Ms. Leung Yee Li, Lana.*
- * *The percentage represents the number of ordinary shares interested divided by the number of the Company's issued shares as at 30 September 2017.*

OTHER INFORMATION (continued)

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (continued)

Save as disclosed above, as at 30 September 2017, no person, other than the directors of the Company whose interests are set out in the section headed "Directors' and Chief Executives' Interests and Short Positions in Shares and Underlying Shares of the Company and its Associated Corporations" above, had an interest or a short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

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, 23 November 2017