

Listed Company Information

TOPSEARCH INT'L<02323> - Results Announcement

Topsearch International (Holdings) Limited announced on 15/09/2006:
 (stock code: 02323)
 Year end date: 31/12/2006
 Currency: HKD
 Auditors' Report: N/A
 Interim report reviewed by: Both Audit Committee and Auditors

	(Unaudited) Current Period from 01/01/2006 to 30/06/2006 Note ('000)	(Unaudited) Last Corresponding Period from 01/01/2005 to 30/06/2005 ('000)
Turnover	: 865,112	777,063
Profit/(Loss) from Operations	: 49,025	64,753
Finance cost	: (22,510)	(9,983)
Share of Profit/(Loss) of Associates	: N/A	N/A
Share of Profit/(Loss) of Jointly Controlled Entities	: N/A	N/A
Profit/(Loss) after Tax & MI	: 28,297	51,470
% Change over Last Period	: -45 %	
EPS/(LPS)-Basic (in dollars)	: 0.038	0.075
-Diluted (in dollars)	: 0.038	0.074
Extraordinary (ETD) Gain/(Loss)	: N/A	N/A
Profit/(Loss) after ETD Items	: 28,297	51,470
Interim Dividend per Share (Specify if with other options)	: NIL	NIL
	: N/A	N/A
B/C Dates for Interim Dividend	: N/A	
Payable Date	: N/A	
B/C Dates for (-) General Meeting	: N/A	
Other Distribution for Current Period	: N/A	
B/C Dates for Other Distribution	: N/A	

Remarks:

1. Accounting policies

The condensed consolidated interim financial statements for the six months ended 30 June 2006 are prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting". The accounting policies and the basis of preparation adopted in the preparation of the Interim Financial Statements are the same as those used in the preparation of the Group's annual financial statements for the year ended 31 December 2005, except in relation to following new and revised Hong Kong Financial Reporting Standards ("HKFRSs"), which also include HKASs and Interpretations that affect the Group and are adopted the first time for the current period's financial statements:

HKAS 19 Amendment	Actuarial Gains and Losses, Group Plans and Disclosures
HKAS 39 Amendment	Cash Flow Hedge Accounting of Forecast Intragroup Transactions
HKAS 39 Amendment	The Fair Value Option
HKAS 39 & HKFRS 4 Amendment	Financial Guarantee Contracts
HKFRSs 1 & 6 Amendment	First-time Adoption of Hong Kong Financial Reporting Standards and Exploration for and Evaluation of Minerals Resources
HKFRS 6	Exploration for and Evaluation of Minerals Resources
HK(IFRIC)-Int 4	Determining whether an Arrangement contains a Lease
HK(IFRIC)-Int 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
HK(IFRIC)-Int 6	Liabilities arising from Participating in a Special Market - Waste Electrical and Electrical Equipment

The adoption of the above new and revised HKFRSs has no material impact on the accounting policies of the Group and the method of computation in the Group's Interim Financial Statements.

2. Revenue and other income

Revenue represents the net invoiced value of goods sold, after allowances for returns, rebates and trade discounts. The Group's principal activity during the Period was the manufacture and sale of printed circuit boards ("PCBs"), which is the only major business segment of the Group, with production facilities in Guangdong Province, the People's Republic of China (the "PRC"). Accordingly, no further analysis of the Group's revenue by business segment is provided.

The revenue of the Group by geographical area is analysed as follows:

	For the six months ended	
	30 June 2006 (Unaudited) HK\$'000	30 June 2005 (Unaudited) HK\$'000
Asia, excluding the PRC, Hong Kong and Taiwan	355,327	387,103
The PRC and Hong Kong	228,931	153,332
Taiwan	114,413	104,932
North America	70,011	71,426
Europe	96,430	60,270
	<u>865,112</u>	<u>777,063</u>
	=====	=====

Note: The location of the customer is determined by the location of the entity placing the orders for the purchase of the Group's products.

The contribution to profit before tax by geographical area is substantially in line with the overall rate of contribution to revenue and accordingly a geographical analysis of contribution pursuant to the Listing Rules requirements is not presented.

An analysis of other income is as follows:

	For the six months ended	
	30 June 2006 (Unaudited) HK\$'000	30 June 2005 (Unaudited) HK\$'000
Tooling income	4,539	4,595
Bank interest income	913	320
Others	20	77
	<u>5,472</u>	<u>4,992</u>
	=====	=====

3. Profit before tax

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

	For the six months ended	
	30 June 2006 (Unaudited) HK\$'000	30 June 2005 (Unaudited) HK\$'000
Cost of inventories sold	712,847	617,160
Depreciation	83,587	74,473
Amortisation of prepaid land lease payments	318	161
Foreign exchange differences, net	1,978	311
Bank interest income	(913)	(320)

4. Finance costs

	For the six months ended	
	30 June 2006 (Unaudited) HK\$'000	30 June 2005 (Unaudited) HK\$'000
Interest expenses on:		
Bank loans and overdrafts wholly repayable within five years	18,017	8,110
Shareholder's loan	660	303
Finance leases	4,928	1,970
Total interest	<u>23,605</u>	<u>10,383</u>
Less: Interest capitalised	(1,095)	(400)
	<u>22,510</u>	<u>9,983</u>
	=====	=====

5. Tax

	For the six months ended	
	30 June 2006 (Unaudited) HK\$'000	30 June 2005 (Unaudited) HK\$'000
Current-PRC, other than Hong Kong	2,158	5,300
Deferred tax	(3,940)	(2,000)
Total tax charge/(credit) for the Period	<u>(1,782)</u>	<u>3,300</u>

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PRC corporate income tax had been provided on the assessable profits generated by a subsidiary in Shekou, the PRC, at the rate of 15% during the Period. No Hong Kong profits tax has been provided as the Group did not generate any assessable profits arising in Hong Kong in the current period.

6. Earnings per share

The calculation of basic earnings per share is based on the Group's profit attributable to the ordinary equity holders of the parent of HK\$28,297,000 for the Period (2005: HK\$51,470,000) and the weighted average of 752,572,376 (2005: 689,522,099) ordinary shares in issue during the Period.

The calculation of diluted earnings per share is based on the Group's profit attributable to the ordinary equity holders of the parent of HK\$28,297,000 for the Period (2005: HK\$51,470,000). The weighted average number of ordinary shares used in the calculation is 752,572,376 (2005: 689,522,099) the weighted average number of ordinary shares in issue during the Period, as used in the basic earnings per share calculation, and the weighted average of 1,930,659 (2005: 4,276,386) ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

7. Dividends

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2006 (30 June 2005: Nil).

8. Warrants

Pursuant to the ordinary resolution passed on 5 June 2006, the Company issued bonus warrants on the basis of one warrant for every ten existing ordinary shares held by the shareholders on 5 June 2006. The warrant holders are entitled to subscribe for new shares at the initial subscription price of HK\$1.20 during the subscription period from 26 June 2006 to 31 October 2008.

None of the warrants were exercised during the Period.