TOPSEARCH INTERNATIONAL (HOLDINGS) LIMITED
至卓國際(控股)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 2323)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2008

The board of directors (the "Board" or "Directors") of Topsearch International (Holdings) Limited (the "Company") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2008 together with comparative figures for the corresponding period of last year. The interim financial statements have been reviewed by the Company's audit committee.

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

		Six months ended 30 June	
		2008	2007
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	*HK$'000*
REVENUE	*4*	**748,314**	760,743
Cost of sales		**(706,674)**	(697,626)
Gross profit		**41,640**	63,117
Other income and gains	*4*	**7,909**	69,871
Selling and distribution costs		**(55,405)**	(59,320)
Administrative expenses		**(38,131)**	(37,756)
Other expenses		**(297)**	(8,188)
Finance costs	*6*	**(10,996)**	(21,069)
PROFIT/(LOSS) BEFORE TAX	*5*	**(55,280)**	6,655
Tax	*7*	**2,400**	2,071
PROFIT/(LOSS) FOR THE PERIOD		**(52,880)**	8,726
Attributable to equity holders of the parent		**(52,880)**	8,726
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
— Basic	*8*	**(5.29) cents**	1.02 cents
— Diluted		**N/A**	N/A
DIVIDEND	*9*	**Nil**	Nil

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

	Notes	30 June 2008 (Unaudited) HK$'000	31 December 2007 (Audited) HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**1,500,042**	1,472,657
Prepaid land lease payments		**39,606**	37,443
Interest in an associate		**636**	641
Rental and utility deposits		**669**	1,966
Prepaid rental, long term portion		**1,038**	1,069
Available-for-sale financial assets		**2,482**	2,051
Deposits paid for items of property, plant and equipment		**41,078**	35,926
Deposit paid for land lease		**59,971**	56,060
Total non-current assets		**1,645,522**	1,607,813
CURRENT ASSETS			
Inventories		**272,442**	276,044
Trade receivables	*10*	**317,596**	423,608
Prepayments, deposits and other receivables		**41,214**	58,133
Pledged deposits		**1,188**	943
Cash and cash equivalents		**39,855**	86,988
Total current assets		**672,295**	845,716
CURRENT LIABILITIES			
Trade payables	*11*	**395,745**	426,491
Other payables and accruals		**100,031**	87,906
Interest-bearing bank loans		**317,130**	322,342
Finance lease payables		**66,115**	68,967
Tax payable		**8,154**	8,763
Total current liabilities		**887,175**	914,469
NET CURRENT LIABILITIES		**(214,880)**	(68,753)
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,430,642**	1,539,060
NON-CURRENT LIABILITIES			
Other payable		**29,070**	27,175
Interest-bearing bank loans		**—**	141,139
Shareholder's loan		**43,000**	—
Finance lease payables		**44,656**	77,449
Deferred tax liabilities		**22,280**	24,680
Total non-current liabilities		**139,006**	270,443
Net assets		**1,291,636**	1,268,617
EQUITY			
Equity attributable to equity holders of the parent			
Issued capital	*12*	**100,000**	100,000
Reserves		**1,191,636**	1,168,617
Total equity		**1,291,636**	1,268,617

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2008

1. Basis of presentation

Despite the fact that the Group had net assets of HK$1,291,636,000 as at 30 June 2008, the Group has consolidated net current liabilities of approximately HK$214,880,000 at that date and a loss before tax of HK$55,280,000 for the period then ended compared with a profit before tax of approximately HK$6,655,000 in the prior period.

To improve the Group's financial position, immediate liquidity and cash flow, the directors of the Company have taken the following measures:

a. subsequent to the balance sheet dates on 28 July 2008 and 25 August 2008, the Group has been granted banking facilities ("the Facility") of RMB270 million (approximately HK$307 million) from two banks in the PRC. The banking facilities are secured by certain land and buildings of the Group. The Group intends to use the Facility for refinancing the outstanding balances of two syndicated loan facilities totalling HK$176 million and for other general working capital requirements;

b. subsequent to the balance sheet date on 11 September 2008, the Group received from two principal banks a draft term sheet for a HK$200 million factoring facility ("the Factoring Facility"). The Factoring Facility will require a security of a floating charge over the Group's trade receivables. The Group intends to use the Factoring Facility to refinance the remaining outstanding loans and finance lease obligations with these two banks;

c. a controlling shareholder of the Company advanced HK$43 million to the Company for general working capital requirements as at the balance sheet date and a further Renminbi 4 million (approximately HK$4.6 million) was advanced to the Company subsequent to the balance sheet date;

d. the directors of the Company have been taking various cost control measures to tighten the costs of operations and various general and administrative expenses; and

e. the Group has been implementing various strategies to enhance the Group's revenue.

The directors of the Company consider that the Group will have sufficient working capital to finance its operations and financial obligations as and when they fall due, and accordingly, are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

2. Accounting policies and basis of preparation

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2008 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 2007, except for the adoption of the following new and revised Hong Kong Financial Reporting Standards ("HKFRSs"), which are adopted the first time for the current period's financial statements:

HK(IFRIC)-Int 11	HKFRS 2 — Group and Treasury Share Transactions
HK(IFRIC)-Int 12	Service Concession Arrangements
HK(IFRIC)-Int 14	HKAS 19 — The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The adoption of the above new and revised HKFRSs has had no material impact on the accounting policies of the Group and the methods of computation in the Group's interim financial statements.

The Group has not applied the following new and revised HKFRSs, which have been issued but are not yet effective, in these condensed consolidated interim financial statements:

HKFRS 2 Amendment	Share-based Payment - Vesting Conditions and Cancellations
HKFRS 3 (Revised)	Business Combinations
HKFRS 8	Operating Segments
HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 32 & HKAS 1 Amendments	Amendments to HKAS 32 Financial Instruments: Presentation and HKAS 1 Presentation of Financial Statements - Puttable Financial Instruments and Obligations Arising on Liquidation
HK(IFRIC)-Int 13	Customer Loyalty Programmes

3. Segment information

Segment information of the Group is presented by business segment and geographical segment. The business segment reporting basis is chosen as the primary segment reporting format as this is more relevant to the Group's internal financial reporting.

(a) Business segments

No further business segment information is presented as the manufacture and sale of printed circuit boards is the only major business segment of the Group.

(b) Geographical segments

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

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

	For the six months ended	
	30 June 2008	30 June 2007
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Asia, excluding the People's Republic of China (the "PRC"), Hong Kong and Taiwan	**379,910**	316,905
PRC, including Hong Kong	**145,523**	198,648
Taiwan	**89,452**	55,976
North America	**67,149**	77,285
Europe	**66,280**	111,929
	748,314	760,743

As the Group's production facilities are all located in the Guangdong Province, the PRC, no further geographical segment information on assets and capital expenditure is provided.

4. Revenue, other income and gains

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

An analysis of revenue, other income and gains is as follows:

	For the six months ended	
	30 June 2008	30 June 2007
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Revenue		
Sale of goods	**748,314**	760,743
Other income		
Insurance compensation for business interruption	**—**	66,273
Tooling income	**2,162**	2,147
Bank interest income	**354**	1,432
Others	**1,109**	19
	3,625	69,871
Gains		
Foreign exchanges differences, net	**4,284**	—
	7,909	69,871

5. Profit/(loss) before tax

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

	For the six months ended	
	30 June 2008	30 June 2007
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Cost of inventories sold	**706,674**	697,626
Depreciation	**83,110**	82,475
Recognition of prepaid land lease payments	**433**	350
Foreign exchange differences, net	**(4,284)**	1,758
Bank interest income	**(354)**	(1,432)

6. Finance costs

	For the six months ended	
	30 June 2008	30 June 2007
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interest expenses on:		
Bank loans and overdrafts wholly repayable within five years	**7,453**	15,805
Shareholder's loan	**—**	55
Finance leases	**3,543**	5,209
Total interest expense on financial liabilities not at fair value through profit or loss	**10,996**	21,069

7. Tax

	For the six months ended	
	30 June 2008	30 June 2007
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Current — the PRC, other than Hong Kong	**—**	929
Deferred tax	**(2,400)**	(3,000)
Total tax credit for the period	**(2,400)**	(2,071)

In the prior period, PRC corporate income tax had been provided on the assessable profits generated by certain subsidiaries of the Group at the rate of 15%. No Hong Kong profits tax has been provided as the Group did not generate any assessable profits arising in Hong Kong during the period.

8. Earnings/(Loss) per share

The calculation of basic earnings/(loss) per share is based on the Group's loss attributable to the ordinary equity holders of the parent of HK$52,880,000 for the period (2007: profit of HK$8,726,000) and the weighted average of 1,000,000,000 (2007: 857,600,000) ordinary shares in issue during the period.

9. Dividend

The directors do not recommend the payment of any interim dividend for the six months ended 30 June 2008 (2007: Nil).

10. Trade receivables

Credit is offered to customers following a financial assessment by the Group. Periodic reviews of credit limits are performed with regard to the customers' established payment records. The Group's credit period varies and depends on individual trade customers, ranging from 30 to 120 days. The Group closely monitors its outstanding trade receivables. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

An aged analysis of the trade receivables as at the balance sheet date, based on the payment due date, is as follows:

	30 June 2008	31 December 2007
	(Unaudited)	(Audited)
	HK$'000	*HK$'000*
Current — 30 days	**292,450**	388,533
31 — 60 days	**19,498**	24,218
61 — 90 days	**4,248**	4,446
Over 90 days	**1,400**	6,411
	317,596	423,608

11. Trade payables

An aged analysis of the trade payables as at the balance sheet date, based on the date of the receipt of the respective goods and services, is as follows:

	30 June 2008 (Unaudited) *HK$'000*	31 December 2007 (Audited) *HK$'000*
Current — 30 days	**231,488**	252,610
31 — 60 days	**44,093**	79,119
61 — 90 days	**44,983**	58,617
Over 90 days	**75,181**	36,145
	395,745	426,491

Included in the trade payables are trade payable of HK$383,000 (31 December 2007: HK$383,000) due to related companies which are repayable within 60 days, which represents similar credit terms to those offered by the related companies to their major customers.

The trade payables are non-interest bearing and are normally settled on terms of 30 days to 120 days.

12. Share capital

	30 June 2008 (Unaudited) *HK$'000*	31 December 2007 (Audited) *HK$'000*
Authorised:		
2,000,000,000 ordinary shares of HK$0.1 each	**200,000**	200,000
Issued and fully paid:		
1,000,000,000 ordinary shares of HK$0.1 each	**100,000**	100,000

BUSINESS REVIEW

As disclosed in the annual report of the Company for the year ended 31 December 2007, the economy recession in the U.S.A. at the beginning of 2008 has resulted in a rather sudden down-turn of order bookings, especially for demands of printed circuits boards ("PCBs") in the hard disk drive industry. The resulting business slow-down led to price erosion of low-layer count PCBs and production under-capacity.

As a result, the revenue of the Group had not been picked up from the corresponding period of 2007 that was negatively impacted by the business interruption caused by the fire incidence occurred in December 2006 in the Shekou plant. Revenue dropped 1.6% from HK$761 million in the corresponding period of 2007 to HK$748 million during the period under review. Together with the appreciation of Renminbi ("RMB"), continuing increase of raw materials prices and production under-capacity led to increase in average production overheads and expenses. Gross profit of HK$42 million had decreased 34% over that of same period in 2007. Gross profit margin decreased from 8.3% in the corresponding period of 2007 to 5.6% during the period under review.

Despite the Group recorded a net loss of HK$53 million for the six months ended 30 June 2008, the Group's net cash inflow from operating activities was HK$163 million, as compared to HK$108 million in the same period in 2007. In view of the increase in cash outflow from financing activities, a controlling shareholder of the Company advanced HK$43 million to the Company for general working capital requirements during the period and a further RMB4 million (approximately HK$4.6 million) was advanced to the Company subsequent to the balance sheet date. To improve immediate liquidity of the Group, subsequent to the balance sheet date, the Group has arranged additional banking facilities to enable the Group to meet its financial obligations as and when they fall due.

As disclosed in the annual report of the Company for the year ended 31 December 2007, most of the production capacity in the Shekou plant has been re-established and relocation of the Group's production capacity from the Shekou plant to the Shaoguan plant was carried out fairly successfully by the end of 2007. To cope with high production overheads and expenses in the Shekou plant, the Shekou plant will continue to be downsized. The Group will further relocate machineries from the existing plant in Shekou to the Shaoguan plant. When the relocation is completed, it is expected that the production capacity of the Shaoguan plant will be increased up to 1.8 million square feet per month by the end of second quarter of 2009. Management of the Group is of the opinion that when the relocation is completed and both plants are running smoothly, the performance of the Group will be improved tremendously.

As disclosed in the annual report of the Company for the year ended 31 December 2007, the construction of the Tongliao plant was substantially completed. Once the relocation of production capacity from the Shekou plant to the Shaoguan plant is substantially completed, the Group will adopt a prudent approach to schedule the mass-production of the Tongliao plant. Such prudent approach will allow the Group to focus on the operations of the Shekou plant and the Shaoguan plant so as to improve the financial performance of the Group. While there is no solid plan as to when the mass production of PCBs in the Tongliao plant will commence, the Group will start trial run of production and maintain a small scale of operation of the Tongliao plant. With the relatively small scale of production of this new plant, it is not expected that significant profit contribution and working capital requirement will be made by the Group to the Tongliao plant in the year of 2008.

The Group shall continue to allocate resources to upgrade its technical capabilities and enhance its marketing efforts to expand market coverage and further improve product mix.

PROSPECTS

The business environment surrounding most of the low-end products customers of the Group was poor in the first six months of 2008 and the management of the Group was disappointed to see such soft demand as a result of the poor business environment. Although earlier in April 2008, a lot of these customers were expecting a strong come back starting from the second half of the year, such strong come back does happen but only mildly, when compared to the same peak seasons of the industry in previous years. Because of the mild increase in demand, any price increase, especially in the low-end products, is unlikely to be successful despite both raw materials price and overheads are still very much on the high side.

The continued appreciation of RMB, though slowed down temporarily in the recent weeks, together with the enforcement of new labour laws in PRC starting from January 2008 and much more stringent enforcement of environmental controls, have already brought tremendous burden to all manufacturing and export industries in China. And the PCB industry has not been fortunate to escape such impacts.

Although the Group has also suffered from the continuous appreciation of RMB throughout the last two years, and this has been cited as one of the major reasons for the disappointing performance of the Group lately, our interim balance sheet has registered a gain in our total equity in the amount of HK$23 million despite the operating loss reported, primarily because of the unrealised translation gain resulted in all of our fixed assets booked in RMB. Partial amount of such gain would be realised once we are able to relocate our production base in Shekou thereby making certain properties available for disposal.

While the management of the Group is not highly optimistic about the near term future business environment, they are still seeing a silver lining in the clouds once all the productions and operations can be re-located to Shaoguan where the operating conditions would be much more favourable as compared to Shekou, Shenzhen. The difficulties in completing this in the ensuing 12 to 18 months would be the transfer of high-end products such as 10 layers up, HDI, or boards with blind buried vias etc., which the Group will definitely want to retain such business as their margins are profitable, and the continuous growth of such business will eventually bring a re-birth of the Group from its current unsatisfactory performance. Management of the Group is working diligently every day trying to shorten such transition period and is confident this can be completed within targets.

FINANCIAL REVIEW

Liquidity and financial resources

The Group generally finances operations through a combination of internally generated cash flows, shareholders' equity and borrowings from banks.

As at 30 June 2008, the Group had total assets of HK$2,318 million (31 December 2007: HK$2,454 million) and interest-bearing borrowings of HK$471 million (31 December 2007: HK$610 million), representing a gearing ratio, defined as interest-bearing borrowings over total assets, of 20% (31 December 2007: 25%).

The Group's net current liabilities of HK$215 million (31 December 2007: HK$69 million) consisted of current assets of HK$672 million (31 December 2007: HK$846 million) and current liabilities of HK$887 million (31 December 2007: HK$914 million), representing a current ratio of 0.76 (31 December 2007: 0.92).

As at 30 June 2008, the Group's current assets consisted of HK$41 million (31 December 2007: HK$87 million) held as cash and cash equivalents, of which 9% was in Hong Kong dollars ("HKD"), 48% was in United States dollars ("USD"), 40% was in RMB and 3% in other currencies.

Interest-bearing borrowings

Of the total interest-bearing borrowings, HKD denominated loans accounted for 82% (31 December 2007: 83.5%) and the remaining 18% (31 December 2007: 16.5%) balance were USD denominated loans as at 30 June 2008. Almost all of interest-bearing borrowings are charged with floating rates. The Board does not recognize a significant seasonality of borrowing requirements.

Certain banking facilities granted to the Group have stipulated various covenants including current ratio of not less than 0.9, interest cover ratio of not less than 4 and negative pledge undertakings of the Group not to create or permit to subsist any security over its assets. As at the balance sheet date, certain of the financial covenants were breached by the Group and long term outstanding loans of HK$83 million under these banking facilities have been reclassified as current liabilities.

Subsequent to the balance sheet dates on 28 July 2008 and 25 August 2008, the Group has been granted banking facilities ("the Facility") of RMB270 million (approximately HK$307 million) from two banks in the PRC. The banking facilities are secured by certain land and buildings of the Group. The Group intends to use the Facility for refinancing the outstanding balances of two syndicated loan facilities totalling HK$176 million and for other general working capital requirements.

On 11 September 2008, the Group received from two principal banks a draft term sheet for a HK$200 million factoring facility ("the Factoring Facility"). The Factoring Facility will require a security of a floating charge over the Group's trade receivables. The Group intends to use the Factoring Facility to refinance the remaining outstanding loans and finance lease obligations due to these two banks.

Material acquisitions or disposals

The Group neither held any significant non-consolidated investments nor underwent any material acquisitions or disposals of subsidiaries and associates during the first half of 2008.

Foreign Exchange Exposure

Sales of the Group's products are principally denominated in USD and the purchases of materials and payments of operational expenses are mainly denominated in USD, HKD and RMB. Approximately 49% of the Groups purchases and 79% of the Group's expenses are denominated in RMB. As the Group imported a substantial portion of its critical raw materials and machines from overseas which were non-RMB denominated, this would help to mitigate the full effects arising from RMB appreciation.

Currently, the Group has not entered into any financial instrument for hedging purpose. Nevertheless, the Board will continue to monitor foreign exchange exposure in the future and will consider hedging such exposure to minimize exchange risk should the need arise.

Number and remuneration of employees

As at 30 June 2008, excluding the associate, the Group had approximately 6,935 employees (31 December 2007: 7,244). For the six months ended 30 June 2008, total staff costs amounted to HK$106 million (30 June 2007: HK$101 million). Under the Group's remuneration policy, employees are rewarded in line with market rate and in compliance with statutory requirements of all jurisdictions where it operates.

Contingent liabilities

As disclosed in the annual report of the Company for the year ended 31 December 2007, on 1 March 2006, a former customer has filed a claim against one of the subsidiaries of the Company seeking incidental and consequential damages associated with the alleged failures of the products sold by the subsidiary and claimed the subsidiary for damages amounting to about US$8 million. Subsequent to the balance sheet, the subsidiary settled the claim with the former customer and the case was dismissed by the order of the court on 25 August 2008. No material under/over provision was noted as at balance sheet date.

Capital commitments

As at 30 June 2008, the Group's capital commitments contracted but not provided for amounted to HK$46 million (31 December 2007: HK$48 million). All of these capital commitments were related to construction of factory buildings or acquisition of land and plant and machinery.

Post balance sheet event

(a) Subsequent to the balance sheet dates on 28 July 2008 and 25 August 2008, the Group has been granted banking facilities ("the Facility") of RMB270 million (approximately HK$307 million) from two banks in the PRC. The banking facilities are secured by certain land and buildings of the Group. The Group intends to use the Facility for refinancing the outstanding balances of two syndicated loan facilities totalling HK$176 million and for other general working capital requirements.

(b) On 11 September 2008, the Group received from two principal banks a draft term sheet for a HK$200 million factoring facility ("the Factoring Facility"). The Factoring Facility will require a security of a floating charge over the Group's trade receivables. The Group intends to use the Factoring Facility to refinance the remaining outstanding loans and finance lease obligations due to these two banks.

(c) Subsequent to the balance sheet date, a controlling shareholder of the Company advanced RMB4 million (approximately HK$4.6 million) to the Company for general working capital requirements.

Material changes

Except for disclosed in the post balance sheet events, there have been no material change in respect of such matters since the publication of the latest 2007 annual report of the Company.

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

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

CODE ON CORPORATE GOVERNANCE PRACTICES

The Board and the senior management of the Company are of the opinion that during the first half year of 2008, the Company has complied with the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") except for the deviation as stated in the section headed "Compliance with CG Code" below.

The Board is committed to the principles of transparency, accountability and independence highlighted by the CG Code to better enhance shareholders' value and proper management of corporate assets in the following ways:

1. ensuring the decision-making process, risk management process, internal audit and controls, disclosure of information and the communication with stakeholders are carried out in accordance with good management practices and compliance with the respective regulatory standards;

2. cultivating a culture of integrity, transparency and accountability for the Company, its staff and Directors and emphasizing the importance of their roles in such an environment; and

3. adopting quality standards widely recognised to foster quality management in every aspect of daily operations to enhance the performance and value of the Company as a whole.

COMPLIANCE WITH CG CODE

The Directors confirm that, for the six months ended 30 June 2008, the Company has complied with the CG Code save for the deviation mentioned below.

Mr. Cheok Ho Fung is the Chairman as well as the Chief Executive Officer of the Company. This arrangement deviates from code provision A.2.1 of the CG Code, which provides that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing.

The Directors are of the opinion that the current arrangement will provide stronger leadership for managing the Group and will enable effective business planning. The Directors believe that it does not have a material adverse impact on the corporate governance of the Company.

The Board will carry out a review in the following year and propose any amendment, if necessary, to ensure compliance with the CG Code provisions as set out in the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS (THE "MODEL CODE")

The Company has adopted a code of conduct (the "Own Code") regarding securities transactions by Directors on terms no less exacting than the required standard of the Model Code set out in Appendix 10 to the Listing Rules.

After having made specific enquiry with all Directors by the Company, all Directors have confirmed that they have complied with the Model Code and the Own Code throughout the six months ended 30 June 2008. Members of the senior management, who, due to their position in the Company, are likely to be in possession of unpublished price sensitive information, have also confirmed that they have complied with the provisions of the Model Code and the Own Code.

THE BOARD OF DIRECTORS

As at the date of this announcement, the Board consists of nine Directors (one Director has resigned during the period under review) with a variety and a balance of skills and experience in accounting, manufacturing, marketing, finance, investment and legal professions. Their brief biographical particulars are set out in the annual report of the Company for the year ended 31 December 2007. The detailed composition of the Board in the period under review and as at the date of this announcement is as follows:

Name of Directors		Position
Executive Directors		
Mr. Cheok Ho Fung		Chairman and Chief Executive Officer
Mr. Liu Wai On		Director and Executive Committee Member
Mr. Kwok Chi Kwong, Danny		Director and Executive Committee Member
Mr. Tong Nelson Chi Wing	(Resigned on 30 April 2008)	Director and Executive Committee Member
Non-Executive Directors		
Mr. Tang Yok Lam, Andy		Member of remuneration committee and nomination committee
Mr. Ng Kwok Ying, Alvin		Member of audit committee
Independent Non-Executive Directors		
Mr. Leung Shu Kin, Alfred		Chairman of remuneration committee, member of audit committee and nomination committee
Mr. Wong Wing Kee		Chairman of nomination committee and Member of audit committee
Mr. Ng Kee Sin		Chairman of audit committee
Mr. Xiang Dong		Member of audit committee, nomination committee and remuneration committee

PUBLICATION OF INTERIM REPORT ON THE WEBSITE OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

The 2008 Interim Report of the Company containing all the information required by the Listing Rules will be published on the websites of the Company (www.topsearch.com.hk) and the Stock Exchange (www.hkex.com.hk) in due course.

Appreciation

On behalf of the Board, I would like to extend my gratitude and sincere appreciation to all management and staff members for their diligence and dedication, and also to our business partners and the Company's shareholders for their continuing support.

On behalf of the Board
Topsearch International (Holdings) Limited
Cheok Ho Fung
Chairman and Chief Executive Officer

Hong Kong, 19 September 2008

As at the date of this announcement, the Board comprises Mr. Cheok Ho Fung, Mr. Liu Wai On and Mr. Kwok Chi Kwong, Danny being executive Directors, Mr. Tang Yok Lam, Andy and Mr. Ng Kwok Ying, Alvin being non-executive Directors, and Mr. Leung Shu Kin, Alfred, Mr. Wong Wing Kee, Mr. Ng Kee Sin and Mr. Xiang Dong as independent non-executive Directors.

* *for identification purposes only*