TIME INFRASTRUCTURE HOLDINGS LIMITED
(INCORPORATED IN BERMUDA WITH LIMITED LIABILITY)

太益控股有限公司
(於百慕達註冊之有限公司)

Interim Report 2008

中 期 業 績 報 告

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INTERIM RESULTS

The board of directors (the "Board" or the "Directors") of Gay Giano International Group Limited (to be renamed as Time Infrastructure Holdings Limited) (the "Company") announces the unaudited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 September 2008 together with the comparative figures for the corresponding period in the previous year as follows:

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
For the six months ended 30 September 2008

	Notes	UNAUDITED Six months ended 30 September 2008 HK$'000	2007 HK$'000
TURNOVER	3	51,385	56,606
Cost of sales		(18,631)	(18,680)
GROSS PROFIT		32,754	37,926
Other income		413	453
Distribution costs		(22,820)	(22,908)
Administrative expenses		(24,931)	(20,644)
LOSS FROM OPERATIONS	5	(14,584)	(5,173)
Finance costs		(177)	(207)
LOSS BEFORE TAX		(14,761)	(5,380)
Tax expense	6	—	—
NET LOSS FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		(14,761)	(5,380)
DIVIDEND	7	Nil	Nil
LOSS PER SHARE	8		
— Basic		HK(6.61) cents	HK(2.64) cents
— Diluted		N/A	N/A

CONDENSED CONSOLIDATED BALANCE SHEET
At 30 September 2008

	Notes	UNAUDITED 30 September 2008 HK$'000	AUDITED 31 March 2008 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	9	12,240	13,423
Rental deposits		3,414	4,761
		15,654	18,184
CURRENT ASSETS			
Inventories		28,702	21,794
Trade receivables, deposits and prepayments	10	34,711	35,693
Rental deposits		5,092	4,926
Tax recoverable		194	292
Pledged bank deposits		—	3,500
Bank balances and cash		11,131	6,176
		79,830	72,381
CURRENT LIABILITIES			
Trade payables and accruals	11	5,940	8,440
Amount due to a director		—	1,200
Secured bank borrowings	12	4,621	7,600
Obligation under finance leases		167	59
		10,728	17,299

CONDENSED CONSOLIDATED BALANCE SHEET *(continued)*
At 30 September 2008

	Notes	UNAUDITED 30 September 2008 HK$'000	AUDITED 31 March 2008 HK$'000
NET CURRENT ASSETS		69,102	55,082
TOTAL ASSETS LESS CURRENT LIABILITIES		84,756	73,266
NON-CURRENT LIABILITIES			
Obligation under finance lease		86	—
Provision for long service payments		5,852	3,689
		5,938	3,689
TOTAL NET ASSETS		78,818	69,577
CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY			
Share capital	13	24,884	21,884
Reserves		53,934	47,693
TOTAL EQUITY		78,818	69,577

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six months ended 30 September 2008

	Attributable to equity holders of the Company							
	Share capital *HK$'000*	Share premium *HK$'000*	Call options reserve *HK$'000*	Share options reserve *HK$'000*	Translation reserve *HK$'000*	Property revaluation reserve *HK$'000*	Accumulated profits/ (losses) *HK$'000*	Total *HK$'000*
At 1 April 2007	20,013	26,137	–	–	150	761	3,117	50,178
Surplus on revaluation of leasehold land and buildings	–	–	–	–	–	58	–	58
Total income recognised directly in equity	–	–	–	–	–	58	–	58
Loss for the period	–	–	–	–	–	–	(5,380)	(5,380)
Total recognised in income and expense for the period	20,013	26,137	–	–	150	819	(2,263)	44,856
Issue of shares upon exercise of share options	871	1,331	–	–	–	–	–	2,202
Issue of call options	–	–	11,607	–	–	–	–	11,607
Transactions costs attributable to issue of call options	–	–	(270)	–	–	–	–	(270)
As at 30 September 2007	20,884	27,468	11,337	–	150	819	(2,263)	58,395
Surplus on revaluation of leasehold land and buildings	–	–	–	–	–	656	–	656
Exchange differences arising on translation of foreign operations	–	–	–	–	108	–	–	108
Total income recognised directly in equity	–	–	–	–	108	656	–	764
Loss for the period	–	–	–	–	–	–	(16,264)	(16,264)
Total recognised income and expense for the period	–	–	–	–	108	656	(16,264)	(15,500)
Recognition of equity-settled share-based payment expenses	–	–	–	3,643	–	–	–	3,643
Shares issued	1,000	22,400	–	–	–	–	–	23,400
Transaction costs attributable to issue of shares	–	(361)	–	–	–	–	–	(361)
At 31 March 2008	21,884	49,507	11,337	3,643	258	1,475	(18,527)	69,577

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY *(continued)*
For the six months ended 30 September 2008

	Attributable to equity holders of the Company							
	Share capital *HK$'000*	Share premium *HK$'000*	Call options reserve *HK$'000*	Share options reserve *HK$'000*	Translation reserve *HK$'000*	Property revaluation reserve *HK$'000*	Accumulated profits/ (losses) *HK$'000*	Total *HK$'000*
Exchange differences arising on translation of foreign operations	–	–	–	–	52	–	–	52
Total income recognised directly in equity	–	–	–	–	52	–	–	52
Loss for the period	–	–	–	–	–	–	(14,761)	(14,761)
Total recognised income and expense for the period	–	–	–	–	52	–	(14,761)	(14,709)
Shares issued	3,000	21,000	–	–	–	–	–	24,000
Transaction costs attributable to issue of shares	–	(50)	–	–	–	–	–	(50)
At 30 September 2008	24,884	70,457	11,337	3,643	310	1,475	(33,288)	78,818

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For the six months ended 30 September 2008

	Six months ended 30 September	
	2008	2007
	HK$'000	*HK$'000*
Net cash used in operating activities	(19,491)	(9,429)
Net cash used in investing activities	(219)	(396)
Net cash generated from financing activities	24,665	14,760
Net increase in cash and cash equivalents	4,955	4,935
Cash and cash equivalents at beginning of period	6,176	10,790
Cash and cash equivalents at end of period	11,131	15,725

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
For the six months ended 30 September 2008

1. Basis of preparation

These unaudited consolidated condensed interim financial statements are prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The condensed interim financial statements have been prepared under the historical cost basis except for certain properties and financial instruments, which are measured at revalued amounts or fair values.

These condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2008.

The accounting policies adopted are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2008, except for the adoption of certain new standards, amendments and interpretations issued by the HKICPA which are effective for accounting periods beginning on or after 1 January 2008.

2. Potential impact arising on the new and revised accounting standards not yet effective

The Group has not yet applied the following new and revised Hong Kong Financial Reporting Standards (the "HKFRSs") that have been issued but not yet been effective. The directors of the Company anticipated that the application of these new and revised HKFRSs will have no material impact on the results and financial position of the Group.

HKAS 1 (Revised)	Presentation of financial statements[1]
HKAS 23 (Revised)	Borrowing costs[1]
HKAS 27 (Revised)	Consolidated and separate financial statements[2]
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation[1]
HKFRS 2 (Amendment)	Vesting conditions and cancellations[1]
HKFRS 3 (Revised)	Business combinations[2]
HKFRS 8	Operating segments[2]
HK(IFRIC)* — Int 13	Customer loyalty programmes[3]

[1] Effective for annual periods beginning on or after 1 January 2009.
[2] Effective for annual periods beginning on or after 1 July 2009.
[3] Effective for annual periods beginning on or after 1 July 2008.

* IFRIC represents the International Financial Reporting Interpretations Committee

3. Turnover

Turnover represents the net invoiced value of goods sold, after goods returned and trade discounts, from retail of ladies' and men's fashion apparel and complementary accessories.

4. Segment information

Business segments

No segment analysis for business segment is presented as the Group principally operates in one business segment, which is the retail of fashion apparel.

Geographical segments

The following table presents revenue and results information for the geographical segments of the Group:

	UNAUDITED Six months ended 30 September					
	Hong Kong		People's Republic of China		Consolidated	
	2008	2007	2008	2007	2008	2007
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue						
Sales to external customers	51,385	56,606	—	—	51,385	56,606
Segment results	(12,430)	(4,283)	—	29	(12,430)	(4,254)
Unallocated income					27	156
Unallocated corporate expenses					(2,181)	(1,075)
Finance costs					(177)	(207)
Loss before tax					(14,761)	(5,380)
Income tax expense					—	—
Loss for the year					(14,761)	(5,380)

5. Loss from operations

	UNAUDITED Six months ended 30 September	
	2008	2007
	HK$'000	*HK$'000*
Loss for the year has been arrived at after charging:		
Directors' emoluments	2,181	1,075
Other staff costs	16,325	15,982
Retirement benefit scheme contributions, excluding directors	655	259
Total employee benefit expense	19,161	17,316
Cost of inventories sold	18,631	18,680
Minimum lease payments under operating leases on land and buildings	15,917	16,599
Foreign exchange gain/(losses), net	43	(155)
Depreciation	1,584	802
Gain/(loss) on disposal of property, plant and equipment	104	(362)
Finance cost —		
Interest expense on:		
Bank loans and overdrafts	165	195
Obligation under finance leases	12	12
Other loans not wholly repayable within five years	—	—
and after crediting to other income:		
Interest income	26	155
Royalty fee income	237	237

6. Tax expense

No provision for Hong Kong profits tax (2007: Nil) has been made since the Group did not generate any assessable profits in Hong Kong during the period.

The Company's subsidiary in The People's Republic of China did not generate any taxable profit during the period (2007: Nil).

7. Dividend

The Directors have resolved that no interim dividend be declared in respect of the six months ended 30 September 2008 (2007: Nil).

8. Loss per share

The calculation of basic loss per share is based on the unaudited loss for the six months ended 30 September 2008 of HK$14,761,000 (2007: HK$5,380,000) and the weighted average of 223,430,164 (2007: 203,600,000) ordinary shares in issue during the period.

Diluted loss per share for the period ended 30 September 2008 and 30 September 2007 had not been presented as the potential ordinary shares outstanding during the periods ended 30 September 2008 and 30 September 2007 were anti-dilutive.

9. Property, plant and equipment

During the period, the Group spent approximately HK$53,000 in leasehold improvements for existing retail outlets, approximately HK$109,000 in furniture and fixtures and approximately HK$518,000 in motor vehicles.

10. Trade receivables, deposits and prepayments

Sales to retail customers are settled in cash or using major credit cards while the Group allows an average credit periods of 30 to 60 days for royalty income receivables. The following is an aged analysis of trade receivables at the reporting date:

	UNAUDITED 30 September 2008 *HK$'000*	AUDITED 31 March 2008 *HK$'000*
Trade receivables — not yet due	237	237
Deposits and prepayments	34,474	35,456
	34,711	35,693

As at 30 September 2008, included in deposits and prepayments is a deposit of HK$28,200,000 paid in respect of acquisition of equity interests in two toll roads in the PRC.

As at 31 March 2008, included in deposits and prepayments is a deposit of HK$32,900,000 paid in respect of acquisition of equity interests in three mining companies in the PRC. This deposit was fully refunded to the Group during the period.

11. Trade payables and accruals

The following is an aged analysis of trade payables and accruals at the balance sheet date:

	UNAUDITED 30 September 2008 *HK$'000*	AUDITED 31 March 2008 *HK$'000*
Trade payables		
Not yet due	990	1,392
Overdue up to 60 days	252	263
Overdue more than 60 days	790	118
	2,032	1,773
Accruals	3,908	6,667
	5,940	8,440

12. Secured bank borrowings

Secured bank borrowings represends secured trust receipt loans payable on demand or within one year. The bank loans carry interest at HIBOR over 1.5% to HIBOR over 2% per annum.

13. Share capital

	Number of shares *'000*	Amount *HK$'000*
Ordinary shares of HK$0.10 each		
Authorised:		
At 31 March 2008 and 30 September 2008	1,000,000	100,000
Issued and fully paid:		
At 31 March 2007	200,130	20,013
Issue of shares *(note a)*	10,000	1,000
Issue of shares upon exercise of share options *(note b)*	8,710	871
At 31 March 2008	218,840	21,884
Issue of shares *(note c)*	30,000	3,000
At 30 September 2008	248,840	24,884

13. Share capital *(continued)*

(a) On 15 October 2007, arrangements were made for a private placement of 10,000,000 shares of HK$0.10 each in the Company held by Ti Yu Investments Limited ("Ti Yu") at a price of HK$2.34 per share representing a discount of approximately 3.70% to the closing market price HK$2.43 of the Company's shares on 12 October 2007. Ti Yu is a company incorporated in the British Virgin Islands, the entire issued share capital of which is wholly and beneficially owned by Mr. Wong Pak Lam, Louis, a director of the Company.

Pursuant to a subscription agreement of the same date, Ti Yu subscribed for 10,000,000 new shares of HK$0.10 each in the Company at a price of HK$2.34 per share. Transaction expenses of HK$361,000 were incurred for issue of shares. The net proceeds were used to provide additional working capital for the Company. These new shares were issued under the general mandate granted to the board of directors on 28 September 2007. They rank pari passu with the then existing shares in issue in all respects.

(b) During the year ended 31 March 2008, 8,710,000 shares options were exercised at HK$0.2528 per share, resulting in issue of a total of 8,710,000 ordinary shares of HK$0.10 each in the Company.

(c) On 19 August 2008, the Company has entered into the subscription agreement with the Asian Harvest Enterprises Ltd. ("Asian Harvest") pursuant to which Asian Harvest has conditionally agreed to subscribe and the Company has conditionally agreed to issue 30,000,000 new Shares for a consideration of HK$24,000,000, equivalent to the subscription price of HK$0.8 per subscription share, representing a discount of approximately 6.98% to the closing price of HK$0.86 of the Company's share on 19 August 2008. The subscription of the shares was fulfilled and completed on 3 September 2008. Transaction expenses of HK$50,000 were incurred for issue of shares. The net proceeds were used to provide additional working capital for the Company. These new shares were issued under the general mandate granted to the board of directors on 28 September 2007.

(d) The shares issued during the year/period ranked pari passu with the then existing shares in all respects.

14. Operating lease commitments

At balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases falling due as follows:

	UNAUDITED At 30 September 2008 *HK$'000*	AUDITED At 31 March 2008 *HK$'000*
Within one year	20,649	29,688
In the second to fifth years, inclusive	11,185	24,284
	31,834	53,972

15. Contingent liabilities

At 30 September 2008, the Group had no significant contingent liabilities (31 March 2007: Nil).

At 30 September 2008, the Company had guarantee provided to a bank against facilities utilised by a subsidiary as follow:

	THE COMPANY	
	UNAUDITED	AUDITED
	At	At
	30 September	31 March
	2008	2008
	HK$'000	*HK$'000*
Bank loans (secured)	4,621	7,600

16. Connected transaction

During the period, the Group had the following significant transaction with a related party:

Nature of transaction	2008	2007
	HK$'000	*HK$'000*
Rental expenses paid	—	1,320,000

Note: The rental expenses for certain office premises were paid to Boldsmore International Limited, a company in which Ms. Cheung Yin Sheung, Subraina, a former director of the Company, has beneficial interest.

17. Post balance sheet date events

A special general meeting of the Company was held on 28 November 2008 and has passed the resolutions regarding the acquisition of toll roads as disclosed in note (d) under the heading of "Material acquisition and disposals of subsidiaries and associated companies" in the section of "Management Discussion and Analysis" in this interim report. Also, the English name of the Company to be changed from "Gay Giano International Group Limited" to "Time Infrastructure Holdings Limited" and, subject to the new English name of the Company becoming effective, "太益控股有限公司" be adopted as the Chinese name of the Company for identification purposes.

DIRECTORS INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2008, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Division 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and the chief executives of the Company were deemed or taken to have under such provisions of the SFO), or which were recorded in the register required to be kept pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

Long positions

(a) Ordinary shares of HK$0.10 each in the Company

Name of director	Category	Number of issued ordinary shares held *(note i)*	Percentage of the issued share capital of the Company
Mr. Wong Pak Lam, Louis	Held by controlled corporation *(note ii)*	84,004,000	33.76%

DIRECTORS INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES *(continued)*

Long positions *(continued)*

(b) Directors' interests in the underlying shares of the share options of the Company

Name of director	Number of share options held	Exercisable period	Exercise price per share *HK$*
Mr. Wong Pak Lam, Louis	218,840	21.11.2007 to 20.11.2017	2.334
Mr. Wong Kwong Lung, Terence	2,188,400	21.11.2007 to 20.11.2017	2.334
	2,407,240		

Notes:

i. Shares of HK$0.10 each in the capital of the Company.

ii. These shares are held by Ti Yu Investments Limited which is incorporated in the British Virgin Islands and is wholly-owned by Mr. Wong Pak Lam, Louis beneficially.

Save as disclosed above, none of directors or chief executives or their associates held any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporation as at 30 September 2008 which had to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

DIRECTORS RIGHTS TO ACQUIRE SHARES OR DEBT SECURITIES

Apart from as disclosed under the heading "Directors' interests and short positions in shares, underlying shares and debentures" above and "Share option scheme below, at no time during the period were given rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or chief executive, or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company, its holding company or any of its subsidiaries and fellow subsidiaries, a party to any arrangement to enable the directors, chief executives, their respective spouse or children under 18 years of age to acquire such rights in any other body corporate.

DIRECTORS INTEREST IN COMPETING BUSINESS

During the six months ended 30 September 2008, none of the directors or management shareholders of the Company (as defined in the Listing Rules) has an interest in a business which compete or may corporate with the business of the Group.

SHARE OPTION SCHEME

The operation of the share option scheme adopted by the Company on 14 March 2000 (the "Old Scheme") was terminated upon the adoption of the New Scheme (as defined below). In such event, no further option would be granted under the Old Scheme. However, all options granted prior to such termination and not yet exercised shall continue to be valid and exercisable subject to and in accordance with the Old Scheme.

On 10 September 2002, at the annual general meeting, the Company adopted a new share option scheme (the "New Scheme") under which the Board of Directors may, at their discretion, invite any full time and part time employees, directors, suppliers, customers, consultants, advisors or shareholders of any of the companies which the Group to take up options to subscribe for ordinary shares of the Company at any time during ten years from the date of adoption. By reason of voluntary resignation or by termination of his employment in accordance with the termination provisions of his contract of employment by his employing company, otherwise than on redundancy, or because his employing company ceases to be a member of the Group, all options to the extent not already exercised shall lapse and expiry of the date shall be determined by the directors' discretion.

SHARE OPTION SCHEME *(continued)*

The total number of shares which may be issued upon exercise of all options to be granted under the New Scheme and other schemes of the Group must not in aggregate exceed 10% of the shares in issue upon completion of the share offer and the capitalisation issue of the time dealings in the shares commence on the Stock Exchange unless a fresh approval from the shareholders of the Company has been obtained.

The maximum number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the New Scheme and any other share option schemes of the Company shall not exceed such number of shares as shall represent 30% of the issued share capital of the Company from time to time. The total number of shares issued and may be issued upon exercise of the options granted to each eligible person under the New Scheme and any other share option schemes of the Company (including exercised, cancelled and outstanding options) in twelve-month period must not exceed 1% of the issued share capital of the Company.

Option granted under the New Scheme must be accepted within 28 days from the date of grant. Upon acceptance, the grantee shall pay HK$1.00 to the Company as consideration for the grant. The subscription price for the shares under the New Scheme shall be a price determined by the board of directors of the Company and notified to an eligible participant and shall not be lower than the highest of: (i) the nominal value of a share; (ii) the closing price of one share as stated in the daily quotation sheets issued by the Stock Exchange on the offer date, which shall be a business day; and (iii) the average closing price of the shares as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the offer date.

SHARE OPTION SCHEME *(continued)*

Details of the share options granted under the New Scheme to directors of the Company and certain employees and consultants of the Group under the New Scheme during the period and movement in such holding during the period are as follows:

	Date of grant	Exercisable period	Exercise price per share	Outstanding at 1 April 2008	Lapsed during the period	Outstanding at 30 September 2008
				HK$		
Directors	21.11.2007	21.11.2007 to 20.11.2017	2.334	4,595,640	(2,188,400)	2,407,240
Employees	21.11.2007	21.11.2007 to 20.11.2017	2.334	2,694,000	(1,600,000)	1,094,000
Consultants	21.11.2007	21.11.2007 to 20.11.2017	2.334	1,094,000	–	1,094,000
				8,383,640	(3,788,400)	4,595,240

Upon the cessation of the directorships and employment of the relevant grantees, 3,788,400 options were lapsed during the period.

SUBSTANTIAL SHAREHOLDERS INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

Save as disclosed below, the Directors are not aware of any other person (other than a Director or chief executive of the Company) who, as at 30 September 2008, had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company under section 336 of the SFO.

Long position in shares of the company:

Name	Category	Type of interests	Number of shares held	% of the issued share capital
Ti Yu Investment Limited *(note i)*	Beneficial owner	Corporate	48,004,000	19.29
	Other	Corporate	36,000,000	14.47
Kingston Finance Limited	Person having a security interest in shares	Corporate	36,000,000	14.47
Chu Yuet Wah	Interest of controlled corporation	Personal	36,000,000	14.47
Ma Siu Fong	Interest of controlled corporation	Personal	36,000,000	14.47
Zai Tah Lam, Darwin	Beneficial owner	Personal	42,340,000	17.01
Evolution Capital Management LLC	Investment manager	Corporate	40,324,000	16.20
Evolution Master Fund Ltd. SPC, Segregated Portfolio M	Beneficial owner	Corporate	40,324,000	16.20
Structured Investments Limited	Other	Corporate	40,324,000	16.20

SUBSTANTIAL SHAREHOLDERS INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES *(continued)*

Name	Category	Type of interests	Number of shares held	% of the issued share capital
Evo Captial Management Asia Limited	Investment Manager	Corporate	40,324,000	16.20
Asian Harvest Enterprises Limited	Beneficial owner	Corporate	30,000,000	12.06

Short position in shares of the company:

Name	Category	Type of interests	Number of shares held	% of the issued share capital
Evolution Master Fund Ltd. SPC. Segregated Portfolio M	Beneficial owner	Corporate	36,000,000	14.47
Structured Investments Limited	Other	Corporate	40,324,000	16.20
Evo Capital Management Asia Limited	Investment Manager	Corporate	36,000,000	14.47

Notes:

i. Mr. Wong Pak Lam, Louis holds 100% of the shares in issue of Ti Yu Investment Limited and therefore has a controlling interest in it. By virtue of the SFO, Mr. Wong Pak Lam, Louis is taken to be interested in the shares of the Company held by Ti Yu Investment Limited. Mr. Wong Pak Lam, Louis, is a director of Ti Yu Investment Limited.

Save as disclosed above, as at 30 September 2008, the Company had not been notified by any other person, other than Directors or chief executives of the Company, who had interests or short positions in the Shares and underlying Shares as recorded in the register required to be kept by the Company under section 336 of the SFO.

BUSINESS REVIEW AND PROSPECT

Business Review

The operating environment in Hong Kong is still challenging in the first half of this fiscal year. The result of the Group for the six-month period ended 30 September 2008 recorded a consolidated loss of approximately HK$14.8 million (2007: approximately HK$5.4 million).

The Group continued to focus on the apparel retail market in Hong Kong. The turnover of the Group for the first half of the fiscal year was approximately HK$51.4 million (2007: approximately HK$56.6 million), representing an decrease of 9.2% when compared with the same period in last year. The slightly decrease in turnover was mainly caused by the keen price competition in apparel retail market and the downturn of the economy.

The management team of the group applied various strategic measures to maintain the gross profit margin of the Group at a relatively high level. Although we are still facing the inflationary pressure in both the imported raw material and fashion accessories and the keen price competition in apparel retail market, the gross profit margin of the Group for the period ended 30 September 2008 was slightly decreased by 3% from 67% in last year same period to 64% in this period.

The Group keeps on deploying stringent control on operating costs. The ratio of distribution costs and the administrative expenses to turnover for the period were approximately 44% (2007: 40%) and 49% (2007: 36%) respectively. The increase in operative expenditure is mainly caused by the inflation in retail rental and other operating costs. In addition, certain non-recurring professional fees incurred is also a main reason for the increase in administrative expenses during this period.

Prospect

Year 2008 marked an important year of the transition for the Group. During the period, the Group had brought in new strategic institutional investors. Although the Group still focuses on its core business of fashion apparel, the new management team has identified to expand its future business in infrastructure including toll roads, ports, water plants and sewage plants etc. which is believed to be the best investment geared to the PRC's growth. The new major shareholder and the new management team of the Group have extensive experience in infrastructure and operation of toll roads in the PRC and they consider infrastructure and toll roads business as secure and high quality investments that can deliver sustainable earnings growth for the shareholders. In the future, toll roads will provide stable cashflows, lower cyclicality and potential for asset appreciation. Our strong expertise in toll roads and infrastructure business from the new management team shall add benefits to our shareholders.

BUSINESS REVIEW AND PROSPECT *(continued)*

Prospect *(continued)*

As per the circular dated 31 October 2008, the Company entered into the deed of call option with an independent third party to acquire the equity interest in two of the toll roads in the PRC which constituted a very substantial acquisition for the Company. As a whole, we expect our targeted businesses development areas to include but not limited to infrastructure industry in the PRC. The Company will announce, as appropriate any new businesses in the future. In order to cope with the development of the Company, the shareholders of the Company has passed a special resolution on 28 November 2008 to change the name of the Company from "Gay Giano International Group Limited" to "Time Infrastructure Holdings Limited" and, subject to the new English name of the Company becoming effective, "太益控股有限公司" be adopted as the Chinese name of the Company for identification purpose.

For the apparel retail business, the Group is seeking strategic partners with solid experience in brand building to develop the "Gay Giano" and "Cour Carré" brands in the PRC. The two brands mainly target middle class white-collar employees who wish to project a professional and upbeat image. The banking, insurance, finance, securities, properties and other commercial segments in the PRC will translate into thriving demand for siylish, business-project apparel products like the Group's. Regarding the Hong Kong market, the Group will maintain the distribution retail network.

We see growth prospects for the Group's businesses. In particular, business development in the PRC and Hong Kong will go from strength to strength bolstered by the strong growth momentum of these markets. The new management team aims to put the Group in position to a sustainable growth and prosper, and to maximize returns to shareholders.

MANAGEMENT DISCUSSION AND ANALYSIS

Liquidity and Financial Resources

Turnover

The turnover of the Group for the period was amounted to approximately 51.4 million (2007: HK$56.6 million) and decreased by 9.2% as compared with the same period of last period as a result of the competition in retail market and the downturn of the economy.

Gross profit

The gross profit of the Group for the period ended 30 September 2008 stayed at a relatively high level at approximately 64% (2007: 67%), representing a slight 3% decease compared with last period. The lower of gross profit margin of the Group was due to the higher price of imported fabrics and fashion accessories from European countries and keen competition in retail fashion market.

Distribution costs

The ratio of distribution costs to turnover for the period were maintained at a steady level of 44% (2007: 40%).

Administration expenses

The increase in administrative expenses by HK$4.3 million was mainly due to the increase in provision for auditors remuneration by HK$0.5 million (2008: HK$0.2 million; 2007: HK$0.7 million), increase in office rental and rates by HK$0.4 million (2008: HK$1.8 million; 2007: HK$1.4 million), increase in depreciation of properties, plant and equipment by HK$0.8 million (2008: HK$1.6 million; 2007: HK$0.8 million) as a result of the increase in leasehold improvements, furnitures and fixtures and motor vehicles, increase in directors' and staff costs by HK$1.9 million (2008: HK$19.2 million; 2007: HK$17.3 million), and increase in other legal and professional fees by HK$0.4 million (2008: HK$1.8 million; 2007: HK$1.4 million) for lawyers, financial advisors, consultants and public relationship firm etc regarding financial advisory, consultancy, valuation and public relationships.

MANAGEMENT DISCUSSION AND ANALYSIS *(continued)*

Liquidity and financial resources

As at 30 September 2008, net current assets and current ratio of the Group were approximately HK$79.8 million and 7.4 respectively. The current assets mainly comprised inventories of approximately HK$28.7 million, deposits and prepayments of approximately HK$34.5 million, accounts receivable of approximately HK$0.2 million and bank balances and cash of approximately HK$11.1 million. The Group had total assets of approximately HK$95.5 million, current liabilities of approximately HK$10.7 million, non-current liabilities of approximately HK$5.9 million and shareholders' equity of approximately HK$78.8 million.

The overall gearing ratio for the period was maintained at 6.2% with total borrowings of approximately HK$4.9 million and net worth of approximately HK$78.9 million as at 30 September 2008. Overall gearing ratio is defined as total borrowings over net worth.

The Group recorded a net cash outflow from operating activities of approximately HK$19.5 million, net cash used in investing activities of approximately HK$0.2 million and net cash generated from financing activities of approximately HK$25 million for the period. The net cash generated from financing activities mainly represents proceeds from subscription of shares amounted to HK$24 million during the period.

Treasury policies

The Group generally finances its operations with internally generated cash flows and loan facilities provided by banks and financial institutions in Hong Kong. As at 30 September 2008, the total outstanding short-term borrowings stood at approximately HK$4.6 million. Borrowing methods used by the Group mainly included bank loans and other loans from financial institutions. The interest rates of most of these loans were determined by reference to the Hong Kong dollar prime rate. The Group had no interest rate hedging arrangement during the period. The directors believe that the Group has sufficient financial resources to discharge its debts and to finance its operations and capital expenditures.

Capital expenditure and commitments

Capital expenditures amounted to approximately HK$0.7 million for the period ended 30 September 2008. These expenditures were mainly used in acquisitions of machinery and equipment, motor vehicles and retail network improvement. The Group had no capital commitment as at 30 September 2008.

MANAGEMENT DISCUSSION AND ANALYSIS *(continued)*

Pledge of assets and contingent liabilities

As at 30 September 2008, the Group pledged the leasehold land and buildings in Hong Kong with an aggregate net book value of approximately HK$6.2 million (31 March 2008: HK$6.3 million). As at 30 September 2008, the Group had no significant contingent liabilities (31 March 2008: Nil).

Investment in properties

The net book value of the Group's leasehold land and buildings were approximately HK$6.2 million (31 March 2008: HK$6.3 million) as at 30 September 2008.

Properties leased in Hong Kong: the Group leases 15 retail outlets from independent third parties with a total floor area of 23,550 sq.ft.. The Group also leases certain units at Siu Lek Yuen, Shatin, New Territories as warehouse and office space.

Properties leased in the PRC: the production facilities and dormitories of the Group are located in Shediju, Shenzhen, PRC.

Segment information

Details of segmental information are disclosed in note 4 to the financial statements.

Employees and remuneration policies

As at 30 September 2008, the Group had approximately 180 full-time employees in Hong Kong and approximately 230 full-time employees in the PRC. The total number of full-time employees of the Group was approximately 410. The Group has a share option scheme for the benefit of its directors and eligible employees.

MANAGEMENT DISCUSSION AND ANALYSIS *(continued)*

Foreign exchange exposure

Most of the transactions of the Group are conducted in Hong Kong dollars and Euro. Although Euro had kept appreciated during the period, the Group did not resort to any currency hedging facility for the year ended 30 September 2008. Up to the date of this report, the Board had been of the view that the cost of any hedging facility would be higher than the potential risk of the costs incurred from currency fluctuation. However, the management will monitor the Group's foreign exchange exposure and consider hedging significant foreign currency exposure should the need arises.

Material acquisitions and disposals of subsidiaries and associated companies

During the period, the Group has acquisitions and termination of acquisitions as follows:

(a) On 3 April 2008, a proposed acquisition of a 70% equity interests in three mining companies was terminated due to non-fulfillment of certain conditions precedent as stated in the agreement. As such, the Company is not obligated to issue the convertible bonds which were initially proposed for payment of the acquisition. In addition, a deposit for the acquisition of HK$32.90 million was refunded to the Group on 23 June 2008.

(b) On 27 May 2008, the Company entered into a sale and purchase agreement for the acquisition of 100% shareholding interest of a group of companies which is principally engaged in development and operation of highways and property investment in the PRC. The total consideration for the acquisition is RMB460 million, to be satisfied by RMB50 million in cash and RMB410 million in issuing of convertible bonds, subject to certain conditions including approval by the Company's shareholders in a general meeting. Further details of the transaction are set out in an announcement issued by the Company on 11 June 2008.

(c) On 26 September 2008, the Company entered into a termination agreement with Yield Long Limited (the "Grantee"). Universal Summit Investment Limited ("Universal Summit"), Equity Realty Development Company, Limited ("Equity Realty"), together with Universal Summit (the "Grantors") and Mr. Huang Guo Dong, pursuant to which the sale and purchase agreement dated 27 May 2008 as mentioned in note (b) above has been terminated and no effect thereafter.

MANAGEMENT DISCUSSION AND ANALYSIS *(continued)*

Material acquisitions and disposals of subsidiaries and associated companies *(continued)*

(d) On 26 September 2008, the Company entered into the deed of call option (the "Option Deed") with the Grantee, Universal Summit, Equity Realty, together with the Grantors and Mr. Huang Guo Dong pursuant to which the Grantors have agreed to grant to the Grantee an option (the "Option") to require the Grantors to sell or cause the sale of 75% equity interest in 大益萍洪高速公路發展(江西)有限公司 (Equity Pinghong Highway Development (Jiangxi) Co. Ltd.) and 75% equity interest in 大益隘瑞高速公路發展(江西)有限公司 (Equity Airui Highway Development (Jiangxi) Co. Ltd.) ("Equity Airui") (the "Option Shares") and to assign or cause the assignment of a non interest-bearing related party's loans due from Equity Airui to Universal Summit (the "Option Loan"), details of the Option Deed is more particularly described in the circular of the Company dated 31 October 2008.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

CORPORATE GOVERNANCE

In the opinion of the Directors, the Company has complied with the code provisions (the "Code Provision") set out in the Code on Corporate Governance Practices (the "CG Code contained in Appendix 14 of the Listing Rules during the six months ended 30 September 2008.

DIRECTORS SECURITIES TRANSACTIONS

The Company has adopted a model code as set out in Appendix 10 to the Listing Rules (the "Model Code"). Having made specific enquiry of all directors of the Company, the Company confirmed that all Directors have complied with the required standard set out in the Model Code throughout the six months ended 30 September 2008.

AUDIT COMMITTEE

The Company has established an audit committee on 14 March 2000 with written terms of reference in accordance with the requirements of the CG Code. The audit committee has three members, including the Company's three independent non-executive Directors, namely Mr. Chan Ka Ling Edmond, Mr. Lo Wa Kei Roy and Mr. Ching Kwok Ho Samuel. Mr. Chan Ka Ling Edmond is the chairman of the audit committee. The audit committee acts as an important link between the Board and the Company's auditors in matters within the scope of the group audit. The duties of the audit committee are to review and provide supervision over the financial reporting process of the Group. The financial statements of the Group for the period ended 30 September 2008 have been reviewed by the audit committee.

REMUNERATION COMMITTEE

The Company established a remuneration committee on 28 September 2005 with written terms of reference in compliance with the provisions set out in the CG Code. The principal responsibilities of the remuneration committee include making recommendations to the Board on the Company's policy and structure in relation to the remuneration of directors and senior management by reference to corporate goals and objectives resolved by the Board from time to time. It comprises three members, including the Company's two independent non-executive Directors, namely Mr. Chan Ka Ling Edmond and Mr. Lo Wa Kei Roy and an executive director, Mr. Wong Kwong Lung Terence. Mr. Chan Ka Ling Edmond is the chairman of the remuneration committee.

CHANGE OF COMPANY NAME

On 28 November 2008, the shareholders of the Company has passed a special resolution to change the name of the Company from "Gay Giano International Group Limited" to "Time Infrastructure Holdings Limited" and, subject to the new English name of the Company becoming effective, "太益控股有限公司" be adopted as the Chinese name of the Company for identification purposes.

APPRECIATION

We are proud to have intelligent, creative and dedicated employees, the Group's most valuable asset. The management team would take this opportunity to thank every colleagues of the Group for their hard work, contributions and loyal service during the period.

By order of the Board
Wong Pak Lam, Louis
Chairman

Hong Kong, 12 December 2008

As at the date of this report, the directors of the Company is comprised of seven directors, of which four are executive directors, namely Mr. Wong Pak Lam Louis, Mr. Wong Kwong Lung Terence, Mr. Lam Ho Fai and Ms. Lin Xiayang and three are independent non-executive directors, namely Mr. Chan Ka Ling Edmond, Mr. Lo Wa Kei Roy and Mr. Ching Kwok Ho Samuel.

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中期業績報告