World Wide Touch Technology (Holdings) Limited
世達科技（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1282)

VERY SUBSTANTIAL ACQUISITION AND RESUMPTION OF TRADING

On 31 August 2012, the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with, among others, the Vendor, pursuant to which the Purchaser has conditionally agreed to purchase the Sale Shares, representing approximately 73.33% of the equity interest in the Target, from the Vendor for US$39.8 million (equivalent to approximately HK$310.4 million and subject to adjustments).

The Target holds the entire issued share capital of Baos HK, which in turns holds the entire equity interest in Baos China. The Target Group is a global manufacturer of light guide plates and diffuser plates for the liquid crystal display and light emitting diode flat panel display markets based in the Republic of Korea. Upon Completion, the Target, Baos HK and Baos China will be accounted for as subsidiaries of the Group.

As two of the relevant percentage ratios in respect of the Acquisition represent more than 100% of the applicable ratios under Chapter 14 of the Listing Rules, the Acquisition constitutes a very substantial acquisition for the Company under the Listing Rules and is therefore subject to the announcement, circular and shareholders' approval requirements under the Listing Rules.

A circular containing, among other things, further details of the Acquisition and a notice of the Extraordinary General Meeting will be despatched to the Shareholders on or before 26 September 2012.

Trading in the Shares was suspended at the request of the Company with effect from 9:00 a.m. on 3 September 2012 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for trading in the Shares to resume from 9:00 a.m. on 6 September 2012.

Shareholders and potential investors should note that the Acquisition, which is subject to a number of conditions precedent, may or may not be completed. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

Reference is made to the announcement of the Company dated 4 July 2012 in relation to the letter of intent entered into by the Group and the Vendor on the possible acquisition of a 73.33% interest in the Target. The Board is pleased to announce that on 31 August 2012, the Purchaser, an indirect wholly-owned subsidiary of the Company, and, among others, the Vendor, entered into the Sale and Purchase Agreement for the Acquisition.

THE SALE AND PURCHASE AGREEMENT

Date: 31 August 2012

Parties:

(1)	Purchaser	:	Great Earnings Limited, an indirect wholly-owned subsidiary of the Company;
(2)	Vendor	:	Baos Holdings Co., Ltd., a company incorporated in the Republic of Korea and is engaged in investment holding; and
(3)	Guarantor	:	Mr. Dong Wang Lee, who ultimately owns 90.9% of the Vendor.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, the Vendor and its beneficial owners are independent of and not connected with the Company or any of its connected persons.

Subject matter of sale and purchase:

The Sale Shares, representing approximately 73.33% of the issued share capital of the Target.

Purchase Consideration:

The consideration for the Acquisition is US$39.8 million (equivalent to approximately HK$310.4 million and subject to adjustments), payable in cash in one lump sum by the Purchaser to the Vendor and the Vendor's creditors (in designated amounts to satisfy the outstanding indebtedness) on the Completion Date.

As at the date of this announcement, the expected amount of debt which the Vendor is required to settle with its creditors is approximately US$45.6 million (equivalent to approximately HK$355.7 million), of which approximately US$6.2 million (equivalent to approximately HK$48.3 million) is due to the Target. Such debt due from the Vendor to the Target will be settled with the Vendor paying the Target out of the Purchase Consideration. The total indebtedness due to the Target represents a series of loans made by the Target to the Vendor for the period from August 2011 to July 2012 for the repayment of the principal and interest of a bank loan due to Solomon Bank. Such indebtedness was incurred by the Vendor to buy out the Target in October 2009. The entire sum of US$6.2 million was utilized for the repayment of the principal or interest of the bank loan due to Soloman Bank by the Vendor. All of the Vendor's creditors are parties independent of the Company and its connected persons.

The Purchase Consideration has been determined after extensive arm's length negotiations taking into consideration the business prospects of the Target Group as a result of the synergies created between the Group and the Target Group through the Acquisition, the net book value attributable to the Sale Shares, the historical financial performance of the Target and the benefits of the Acquisition.

The Group currently does not have any business in Korea and has no access to the major Korean consumer electronics companies. The Group will be able to expand its product offerings, extend its geographical reach to Korea and enjoys economies of scale through the Acquisition.

Before the Acquisition, the Group does not manufacture LGPs and diffuser plates for the LCD or the LED flat panel display markets. Through the Acquisition, the Group would gain access to such products which will enable the Group to increase its product offerings as well as gaining direct access to the Target Group's clients, which include the major Korean consumer electronics companies. Further, the Group will be able to leverage on the Target Group's existing distribution channels and network in Korea for the sale of the Group's existing and new products. Lastly, the Group will enjoy economies of scale in production by sharing its existing manufacturing plants in Suzhou with the Target Group, thus lowering its overall average production costs, as well as having a manufacturing plan outside China to diversify political risk.

The Directors (including the independent non-executive Directors) consider that the Sale and Purchase Agreement was entered into after arm's-length negotiations and on normal commercial terms, the terms of the Sale and Purchase Agreement are fair and reasonable so far as the Company and the Shareholders as a whole are concerned.

Performance Targets:

(A) The NBV Target

Pursuant to the Sale and Purchase Agreement, if the actual NBV on the Completion Date (the "**Actual NBV**") based on the NBV Certificate is less than the NBV Target (the "**NBV Shortfall**"), the Vendor covenants to pay the Purchaser an amount equivalent to 1.6 times of the NBV Shortfall and such payment shall be treated as an adjustment to the Purchase Consideration.

The NBV Target is a goal that the management of the Company hopes to attain after discussion with the Target. It was determined by the parties after arm's length negotiations and is a target that the management of the Company hopes to attain with reference to the historical financial position of the Target. The 1.6 times of the NBV Shortfall is a figure agreed by the Vendor and the Purchaser through arm's length negotiations and after the Directors have considered the historical financial position of the Target.

The Actual NBV will be subject to the review of the Target Group's financial position, as at the Completion Date, to be conducted by the Target's external auditors for the time being or other firm of accountants acceptable by the Purchaser. An external accountant will be appointed to ascertain the Actual NBV by reviewing the accounts of the Group if the Completion Date does not fall on the last day of the Group's financial year-end.

(B) The NPAT Target

If the Total Actual NPAT based on the NPAT Certificate is less than the NPAT Target, the Purchase Consideration shall be adjusted as follows and in accordance with the terms of the Sale and Purchase Agreement:

(1) if the shortfall of the Total Actual NPAT from the NPAT Target (the "**NPAT Shortfall**") is 50% or more of the NPAT Target, the Purchaser shall be entitled to terminate the transaction contemplated under the Sale and Purchase Agreement and require the Vendor to refund (i) the Purchase Consideration, and (ii) pay an annual interest of 20% on the total Purchase Consideration to the Purchaser from the Completion Date, and, against such payment, the Purchaser shall at the costs and expenses of the Vendor re-transfer the Sale Shares to the Vendor; or

(2) if the NPAT Shortfall is greater than 0% but less than 50% of the NPAT Target, the NPAT Shortfall shall be satisfied by:

(i) the Vendor paying the Purchaser a cash compensation in US$ representing 50% of the NPAT Shortfall;

(ii) the balance 50% of the NPAT Shortfall shall be satisfied by:

(a) the Vendor transferring an additional number of shares of the Target (the "**Total Adjustment Shares**") to the Purchaser based on the formula set out below (subject to a maximum of 10% of the total number of shares of the Target then in issue (the "**10% Cap**")):

$$Y = \frac{A}{B} \times C$$

where

A	=	50% × the NPAT Shortfall
B	=	the Total Actual NPAT
C	=	the total number of issued shares of the Target
Y	=	the Total Adjustment Shares

and

(b) in respect of the number of additional shares of the Target in excess of the 10% Cap (the "**Excess Shares**"), the Vendor shall instead pay the Purchaser the sum as determined by the following formula in lieu of the issue of the Excess Shares:

$$Z = \frac{(Y - D)}{Y} \times A$$

where

A = 50% of the NPAT Shortfall

D = the number of shares of the Target equal to 10% of the issued share capital of the Target

Y = the Total Adjustment Shares

Z = the sum payable by the Vendor to the Purchaser in lieu of the issue of the Excess Shares

(iii) an annual interest of 10% on the NPAT Shortfall from the Completion Date payable in cash.

(3) If the Total Actual NPAT is greater than the NPAT Target, the Purchaser shall pay the Vendor an additional amount representing 30% of the excess of the Total Actual NPAT as an adjustment to the Purchase Consideration.

The Vendor shall use its reasonable endeavours to ensure that the NPAT attributable to the three months ending on 31 December 2012 will not be less than US$2.0 million (equivalent to approximately HK$15.6 million). For the avoidance of doubt and without prejudice to the above performance targets, there shall be no adjustment to the Purchase Consideration on the basis that the NPAT attributable to the three months ending 31 December 2012 is less than US$2.0 million (equivalent to approximately HK$15.6 million).

The Company will publish announcements on whether the performance targets are met and whether there are any adjustments to the Purchase Consideration. Such information will also be published in the annual reports of the Company.

The NPAT Target is a goal that the management of the Company hopes to attain after discussion with the Target. It was determined by the parties after arm's length negotiations and is a target that the management of the Company hopes to attain with reference to the historical financial information of the Target as well as considering the result of the stronger brand name, the synergies generated through the Acquisition and the enhanced technology that the Acquisition could bring to the parties. The NPAT Target was not determined based on a projection of profits, earnings or cash flows or valuation of the business that was based on discounted cash flows.

The Directors are of the view that the dollar-to-dollar basis for compensating the NPAT Shortfall is fair and reasonable as it is a fair way to compensate for the failure to meet the performance target.

In setting the 10% Cap, the Purchaser intended to allow the Vendor to retain an interest in the Target and continue to manage and operate the Target Group. As such, the Directors are of the view that the 10% Cap is required to maintain the Vendor's involvement in the Target in the event the NPAT is not met and the compensation for the NPAT Shortfall is triggered.

As a party to the Sale and Purchase Agreement, the Purchaser can enforce the terms under the Sale and Purchase Agreement governing the re-transfer and the interest payment from the Vendor. In the event that the Vendor fails to perform as required under the Sale and Purchase Agreement, the Purchaser is entitled to claim against the Vendor for a breach of contract and resort to the dispute resolution mechanism set out in the Sale and Purchase Agreement.

The transfer of the Sale Shares based on the post-completion results of the Target Group serves as a penalty on the Vendor if the NPAT Target is not met. The Directors consider such arrangement to be in the interest of the Company and the Shareholders as a whole.

Conditions precedent:

Completion is subject to the fulfillment of, among others, the following conditions:

1. the approval of the Shareholders in respect of the Acquisition having been obtained as required under the Listing Rules and the applicable laws;

2. all consents, registration, filings, confirmations, clearances, rulings and decisions by the authorities or the bankers or creditors of members of the Target Group, or any other third party that are necessary or appropriate for or in connection with the transactions contemplated under the Sale and Purchase Agreement (including without limitation, the clearances from (1) the Fair Trade Commission of Korea with respect to the preliminary filings under the anti-trust law of Korea, and (2) the Bank of Korea with respect to the filings as required under the Foreign Exchange Transactions Act of Korea and the Investment Promotion Act of Korea, and all such other necessary consents as required under Korean law) having been duly made or obtained on an unconditional basis or subject to conditions or restrictions on terms acceptable to the Purchaser;

3. the Purchaser being satisfied with the results of its due diligence investigations with respect to the Target Group (including the patents owned by the Target Group) in connection with the Acquisition, and with respect to the Guarantor in connection with his creditworthiness and financial position;

4. the Purchaser being satisfied that the Acquisition and the future operations of the Target Group following Completion will not contravene any applicable law, including anti-trust and competition laws;

5. the legal opinions, on terms satisfactory to the Purchaser dated the Completion Date, having been issued by each of the Vendor's counsel as to Korean law, Hong Kong law, and PRC law, acceptable to the Purchaser and addressed to the Purchaser;

6. the Purchaser having received a copy of the service agreement (containing provisions regarding non-disclosure obligations and non-compete undertakings), on terms satisfactory to the Purchaser, duly signed by each of the key persons identified by the Purchaser for this purpose;

7. the warranties remaining true and accurate in all respects and not misleading in any respect on the Completion Date;

8. there being no material breach by the Vendor of its obligations under the Sale and Purchase Agreement;

9. the Vendor confirming to the Purchaser in writing that no Material Adverse Effect (or Change) has occurred or is likely to occur since the date of the Sale and Purchase Agreement;

10. no notice, order, judgment, action or proceeding of any authority having been served, issued or made which restrains, prohibits or makes unlawful any transaction contemplated by the Sale and Purchase Agreement or which is reasonably likely to materially and adversely affect the right of the Purchaser to own the legal and beneficial title to the Sale Shares, free from encumbrances;

11. the Purchaser having received a copy of the Target Group's financial and strategic business plans for the period from 15 August 2012 to 31 December 2015, in form and substance satisfactory to the Purchaser;

12. the Purchaser having received evidence satisfactory to it that each of the creditors having benefit of the Existing Pledge would discharge the Existing Pledge on or prior to Completion taking place;

13. the Purchaser having received evidence showing that the Warrants have been fully and completely disposed of by the Target without recourse to the Target and on terms satisfactory to the Purchaser;

14. Baos China having entered into a contract with KMHTECH defining the respective rights and obligations of each party in relation to the leasing of part of a certain plant located at Suzhou Industrial Park, on terms satisfactory to the Purchaser;

15. the Purchaser having received the Payment Letter from the Vendor; and

16. appointment of the Escrow Agent on terms agreed by the Purchaser and the Vendor.

The Purchaser may at any time waive any of the conditions precedent by notice in writing to the Vendor. If the conditions in (1), (2), (3), (4), (6), (11), (12), (13), (14), (15) and (16) above are not satisfied or waived on or before the Long-Stop Date or the conditions in (5), (7), (8), (9) and (10) are not satisfied or waived as at the Completion Date, the Purchaser shall have the right to terminate this Agreement. In compliance with the Listing Rules, the Purchaser will not waive condition (1).

Completion

Completion will take place on the fifth business day after all the conditions precedent have either been fulfilled or waived. If any of the conditions precedent to Completion has not been fulfilled (or waived by the relevant parties) by the Long-Stop Date (or such later date as the parties to the Sale and Purchase Agreement may agree in writing), the Sale and Purchase Agreement will lapse and all obligations and liabilities of all parties will cease except for antecedent breaches.

Background of the Existing Pledge and the Warrants

(a) The Existing Pledge

Part of the Existing Pledge was created on 10 February 2011 by the Vendor in favour of Solomon Savings Bank over 8,400,000 shares of the Target (representing 70% of the issued share capital of the Target) to secure loans in the aggregate principal amount of approximately KRW27.4 billion (equivalent to approximately HK$187.7 million) and the redemption amount of KRW2 billion (equivalent to approximately HK$13.7 million) for the redeemable preferred shares of the Vendor purchased by Solomon Savings Bank. The Vendor is currently in discussions with Solomon Savings Bank to reduce the Vendor's liabilities.

Another part of the Existing Pledge was created on 29 October 2010 by the Vendor in favour of Handeul Holdings Co., Ltd., Jin Gi Son, Bong Ho Choi and Hyeon Seok Son (the "**Vendor's Minority Shareholders**") over an aggregate of 3,600,000 shares of the Target (representing 30% of the issued share capital of the Target) in connection with the liability of Thomas Holdings Co., Ltd. for the unpaid share purchase in the amount of approximately KRW23.8 billion (equivalent to approximately HK$163.0 million), resulting from the purchase of shares in the Vendor by Thomas Holdings Co., Ltd. from the Vendor's Minority Shareholders. Such liability of Thomas Holdings Co., Ltd. was subsequently assigned to the Vendor upon its absorption-merger with Thomas Holdings Co., Ltd. in Korea. The Vendor and the Vendor's Minority Shareholders are currently in discussions to reduce the liabilities.

When the Vendor's Minority Shareholders (who are no longer shareholders of the Vendor now) sold their shares in the Vendor to Thomas Holdings, the parties agreed that title to the shares would vest in Thomas Holdings upon its payment of a certain portion of the purchase price and that the remaining purchase price in the amount of KRW 23.8 billion (equivalent to approximately HK$163.0 million) would be secured by a pledge over the shares being transferred ("**Original Pledge**"). Moreover, the parties contemplated that Thomas Holdings may merge into the Vendor prior to paying off the remaining purchase price, in which case the Vendor would assume such liability. Thus, the parties further agreed that upon such merger, the Original Pledge would be replaced by the Vendor's pledge over 3,600,000 shares of the Target in favour of the Vendor's Minority Shareholders. The Vendor plans to pay off the liability with part of the Purchase Consideration in return for the Vendor's Minority Shareholders' release of the pledge.

(b) The Warrants

On 25 October 2011, the Target acquired unsecured bonds with warrants in the aggregate principal amount of KRW1 billion (equivalent to approximately HK$6.8 million) from Interbio. A coupon of 1% per annum is attached to the bonds with warrants. The Target acquired the bonds with warrants from Interbio for the sole purpose of entering the biomass business. The Target plans to segregate the warrants from the bonds and then dispose of the warrants at nominal value before Completion.

Background of the leasing arrangement between Baos China and KMHTECH

Pursuant to (i) a contract dated 18 October 2011 entered into between Baos HK and Loufeng Dongfang Economy Development Co., Ltd. of SIP (the "**Landlord**") in relation to the leasing of certain plants, and (ii) a supplementary agreement dated 18 March 2012 entered into by Baos China and KMHTECH (together with (i), the "**Lease Contracts**"), Baos China leased part of a plant with a gross floor area of approximately 15,182 square meters for a term of three years at a rent of RMB212,548 per month (equivalent to approximately HK$259,309 per month). The leased plant is located at No. 20, Huayun Road, Lou Wei Dong Fang Industrial Park of SIP (the "**Leased Property**"). The Leased Property is used by Baos China for purpose of research, production and office use.

According to the Lease Contracts, KMHTECH leased from the Landlord a part of the plant with a gross floor area of approximately 808 square meters. The Lease Contracts provide that Baos China is responsible for supervising KMHTECH's performance of its obligations under the Lease Contracts, and if KMHTECH fails to perform such obligations, Baos China shall be held liable towards the Landlord.

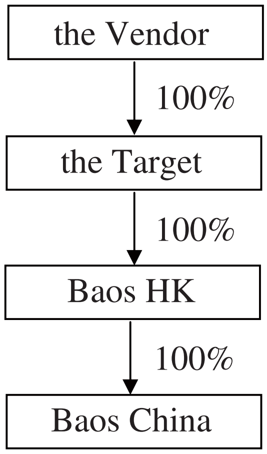
KMHTECH makes plate components that are supplied for the manufacturing process of the Target Group. As the manufacturing process requires the services of KMHTECH, it would reduce the costs for both KMHTECH and the Target Group if they share the same facilities. As such, KMHTECH and Baos China share the Leased Property by occupying 808 square meters and 15,180 square meters, respectively. As such, their lease payments are RMB11,312 per month (equivalent to approximately HK$13,801) and RMB212,548 per month (equivalent to approximately HK$259,309 per month), respectively. In addition, at normal operating capacity, Baos China will pay to KMHTECH a monthly service fee of RMB300,000 (equivalent to approximately HK$366,000) for the services rendered by KMHTECH. In light of the above and considering the small operation scale of KMHTECH, the management of the Target Group believes that the cost of guaranteeing KMHTECH's monthly lease payments of RMB11,312 (equivalent to approximately HK$13,801) is negligible compared to the benefits and revenues of KMHTECH derived by Baos China as it ensures the stability of the plate components to be supplied for the manufacturing process of the Target Group.

To the best of the knowledge and belief of the Directors, KMHTECH is independent of and not connected to the Vendor, the Company and the Company's connected persons.

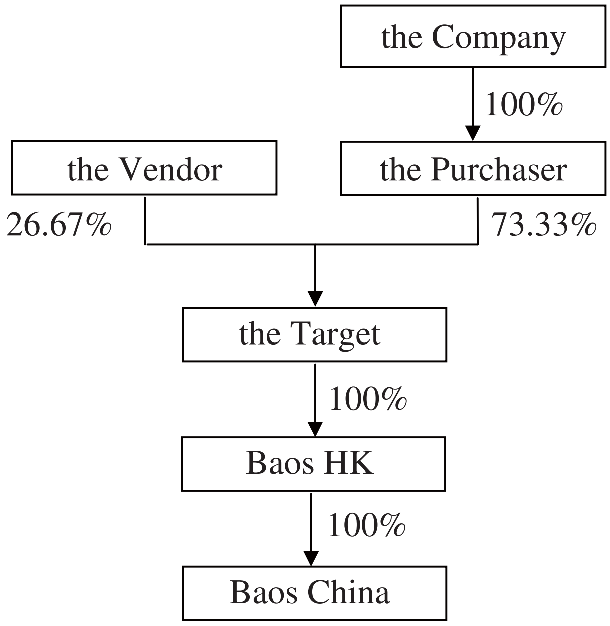
SHAREHOLDING STRUCTURE BEFORE AND AFTER COMPLETION

As at the date of this announcement, the Target is beneficially owned as to 100% by the Vendor.

The following chart shows the simplified shareholding structure of the Target Group as at the date of this announcement:



The following chart shows the simplified holding structure of the Target Group immediately following Completion:



INFORMATION ON THE TARGET GROUP

The Target holds the entire issued share capital of Baos HK, which in turn holds the entire equity interest in Baos China. The Target Group is a global manufacturer of light guide plates and diffuser plates for the liquid crystal display and light emitting diode flat panel display markets based in the Republic of Korea.

The principal business activities of Baos China are research, development and production of light guide sheets and light diffusion sheets, sale of self-manufactured products, and provision of relevant services.

The principal business activity of Baos HK is investment holding.

(a) Background and market positioning

Headquartered in Pyungtack, Korea, the Target Group was established in 1974 through its predecessor, Busan Acrylic Corporation. Currently, the Target Group is a global manufacturer of LGPs and diffuser plates for LCD and the LED flat panel display markets. The Target Group custom designs, develops and fabricates its LGPs and diffuser plates for LED TVs, LCD TVs, LCD monitors, laptops and LED plane light.

Over the last two years, the Target Group has shifted its focus to primarily serving the LED market. As the largest manufacturer of LGPs, the Target Group enjoys economies of scale and has the capacity to fabricate more than 30 million LGPs per year.

The research and development centre of the Target Group is located in Korea and the production plants of the Target Group are located in Korea and Suzhou, the PRC.

(b) Product types and production capacity

Set out below are the types of products manufactured by the Target Group and the production capacity for each product type:

Products	Capacity (unit/month)
LGP for LED TVs	1,000,000
diffuser plate for LED and LCD TVs	500,000
LGP for LED and LCD monitors	500,000
LGP for laptop computers	500,000
plate lighting devices	500,000

The Target Group plans to launch LED lighting LGPs for flight LED lighting manufacturers and UV laminating for touch-screen module manufacturers.

(c) Customer base

The Target Group's customer base includes leading Korean and Japanese manufacturers of LCD and LED TVs, most of which have relied on the Target Group's engineering support to assist them in developing the LGPs for larger and higher quality TV models.

Based on the unaudited accounts of the Target Group, Baos China and Baos HK prepared according to HKFRS, the net asset value of the Target Group, Baos China (before intragroup elimination) and Baos HK (before intragroup elimination) as at 30 June 2012 were approximately HK$263,938,658, HK$63,096,877 and HK$13,751,421, respectively, and the profits before and after tax of the Target Group, Baos China and Baos HK for the two years ended 31 December 2010 and 2011 were as follows, the following figures are translated based on the exchange rate of HK$1: RMB0.82 and HK$1: KRW146.

The Target Group:

	For the year ended 31 December 2010 *(Unaudited)* *HK$*	**For the year ended 31 December 2011** *(Unaudited)* *HK$*
Profits before tax	122,694,075	90,006,027
Profits after tax	100,814,301	70,122,267

The decrease in profits before and after tax of the Target Group from 2010 to 2011 is primarily attributable to the decrease in revenue of the Target Group from HK$1,878 million in 2010 to HK$1,460 million in 2011. The decrease in revenue is due to the following factors:

(i) 2010 was an exceptionally good year for global sales of LCD and LED TVs due to the World Cup; and

(ii) the earthquake in Japan in March 2011 has adversely affected most of the Target Group's Japanese customers and its customers from other regions in Asia. Purchase orders dropped and deliveries for orders were delayed significantly in the quarter following the earthquake.

Baos China and Baos HK were incorporated in 2011.

Baos China:

	From date of incorporation to 31 December 2011 *(Unaudited)* *HK$*
Losses before tax *(Note)*	890,654
Losses after tax *(Note)*	890,654

Baos HK:

	From date of incorporation to 31 December 2011
	(Unaudited)
	HK$
Losses before tax *(Note)*	446,988
Losses after tax *(Note)*	446,988

Note: Amounts represent losses before/after tax before intragroup elimination

Baos China was in the course of setting up the manufacturing facilities in China during 2011. The loss in 2011 since incorporation is attributable to the legal and professional fees incurred for the incorporation of Baos China and the administrative expenses incurred for the planning and building of manufacturing facilities.

Baos HK is an investment holding company established to hold the interest in Baos China. It does not have any other business activities since incorporation. The loss in 2011 since incorporation is attributable to the legal and professional fees incurred for the incorporation of Baos HK and the interest expense in connection with the loan from the Target.

Upon completion, the Target, Baos HK and Baos China will become indirect non-wholly owned subsidiaries of the Company and their financial results will be consolidated into the accounts of the Group.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in the manufacturing of capacitive touch pads mainly used in notebook computers. Since 2007, the Group has been actively diversifying its products to include capacitive touch screen controllers and modules, fingerprint biometric devices, wireless charging devices and plasma lighting source products.

The Directors consider that the Acquisition provides a good opportunity for the Group to enter into the Korean market and to diversify its product offerings. Furthermore, the Directors believe that through the enlarged customer base following Completion will provide synergy to the Group's existing business and products. The enlarged customer base will benefit the Group's existing products including capacitive touch products, fingerprint biometric devices and wireless charging devices as the Target Group's current customers are the potential customers for products in such segment. Entering into the transactions contemplated under the Sale and Purchase Agreement by the Group allows the Group an opportunity to pursue an attractive investment in Korea.

There will be no substantial change to the future business plan and business model of the Target and the existing Group after the Acquisition. The Target Group will continue to custom design, develop and fabricate its LGPs and diffuser plates for LED TVs, LCD TVs, LCD monitors, laptops and LED plane light, while the existing Group will continue to be engaged in the manufacturing of capacitive touch pads mainly used in notebook computers. With the vision of being a provider of "life technologies" to facilitate and improve the daily life of the users, the Group will continue to strive to employ cutting-edge technologies in its products and implement strategic development plans in an effort to enlarge its market share and promote the diversification of its product mix. The Acquisition marks a step towards realizing this vision.

The Directors (including the independent non-executive Directors) consider that entering into the Sale and Purchase Agreement by the Group is in the interests of the Company and the Shareholders as a whole.

Further disclosure on the financial impacts to the Group as a result of the Acquisition will be made in the circular to be dispatched to the Shareholders.

GENERAL

As two of the relevant percentage ratios in respect of the Acquisition represent more than 100% of the applicable ratios under Chapter 14 of the Listing Rules, the Acquisition constitutes a very substantial acquisition for the Company under the Listing Rules and is therefore subject to the announcement, circular and shareholders' approval requirements under the Listing Rules.

A circular containing, among other things, further details of the Acquisition and a notice of the Extraordinary General Meeting will be despatched to the Shareholders on or before 26 September 2012.

Shareholders and potential investors should note that the Acquisition, which is subject to a number of conditions precedent, may or may not be completed. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

RESUMPTION OF TRADING

Trading in the Shares was suspended at the request of the Company with effect from 9:00 a.m. on 3 September 2012 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for trading in the Shares to resume from 9:00 a.m. on 6 September 2012.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

"Acquisition"	the acquisition by the Purchaser of the Sale Shares;

"Agreed Exchange Rate"	(i) in relation to the determination of the NPAT, the average of all the month-end KRW to US$ closing exchange rates on the last Business Day in each month as published by the Bank of Korea (or such other major bank acceptable to the Purchaser) for the 15-month period commencing on the Completion Date, and (ii) in relation to the determination of the NBV, the KRW to US$ closing exchange rate on the last Business Day in each month as published by the Bank of Korea (or such other major bank acceptable by the Purchaser) as at the Completion Date;
"associate"	has the meaning given that term in the Listing Rules;
"Baos HK"	Baos Hongkong Limited, a company incorporated in Hong Kong with limited liability, a direct wholly-owned subsidiary of the Target;
"Baos China"	Suzhou Baos Display Co., Ltd., a company established in the PRC with limited liability, a direct wholly-owned subsidiary of the Baos HK;
"Board"	the board of Directors;
"Company"	World Wide Touch Technology (Holdings) Limited, a company incorporated in Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange;
"Completion"	completion of the sale and purchase of the Sale Shares in accordance with the Sale and Purchase Agreement;
"Completion Date"	the date falling on the fifth Business Day after fulfillment of all the conditions precedent of the Sale and Purchase Agreement (other than those which are to be satisfied before at Completion) unless waived by the Purchaser, or such other date as the Vendor and the Purchaser may agree in writing;
"connected person"	has the meaning given that term in the Listing Rules;
"Director(s)"	the director(s) of the Company;
"Escrow Agent"	the escrow agent to be appointed jointly by the Vendor and the Purchaser before Completion to whom the Purchaser shall pay the Purchase Consideration at Completion;

"Existing Pledge"	the security interests created by the Vendor in favour of Solomon Savings Bank over 8,400,000 shares of the Target (representing 70% of the issued share capital of the Target), and in favour of Handeul Holdings Co., Ltd., Jin Gi Son, Bong Ho Choi and Hyeon Seok Son over in aggregate 3,600,000 shares of the Target (representing 30% of the issued share capital of the Target);
"Extraordinary General Meeting"	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Acquisition;
"Group"	the Company and its subsidiaries;
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong;
"HKFRS"	Hong Kong Financial Reporting Standards;
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"IFRS"	International Financial Reporting Standards;
"Interbio"	Interbio Co., Ltd., a company incorporated in the Republic of Korea engaged in the biomass business (i.e. the business of converting organisms into energy), and a party independent from the Target and the Company;
"KMHTECH"	Suzhou KMHTECH Co., Ltd., a company established under the laws of the PRC, and a party independent from the Vendor, the Company and its connected persons;
"KRW"	Korean won, the lawful currency of the Republic of Korea;
"LCD"	liquid crystal display;
"LED"	light-emitting diodes;
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
"LGPs"	light guide plates;

"Long-Stop Date"	unless the Vendor and the Purchaser agree otherwise, (i) 30 September 2012 or (ii) such later date as the Purchaser may notify the Vendor being a date on or before 31 December 2012;
"Material Adverse Effect (or Change)"	(1) any event, circumstance, occurrence, fact, condition, change or effect that is materially adverse to (a) the business, operations, financial condition, management, properties, assets or liabilities of any member of the Target Group; or (b) the ability of the Vendor and the Guarantor to perform any of its obligations under the Sale and Purchase Agreement or to consummate the transactions contemplated in the Sale and Purchase Agreement or (2) the state of affairs and financial and trading positions of the Target Group being substantially different from those as shown in the unaudited accounts of the Target Group for the period from 1 January 2012 up to and including 30 June 2012;
"NBV"	the consolidated net book value of the Target Group based on the accounts of the Target Group prepared under or reviewed in accordance with IFRS and in US$ (based on the Agreed Exchange Rate);
"NBV Certificate"	a certificate stating the Actual NBV which will be delivered by the Vendor to the Purchaser and the Company;
"NBV Target"	the sum of US$33 million (equivalent to approximately HK$257.4 million);
"NPAT"	the audited consolidated after-tax net profit of the Target Group (before any costs and expenses chargeable by the Company or any of its subsidiaries to the Target Group, and excluding income outside its ordinary course of business) based on the audited accounts of the Target Group prepared under IFRS and in US$ (based on the Agreed Exchange Rate);
"NPAT Certificate"	a certificate stating the Total Actual NPAT which will be delivered by the Vendor to the Purchaser and the Company;
"NPAT Target"	the sum of US$10 million (equivalent to approximately HK$78 million);

"Payment Letter"	the letter from the Vendor addressed to the Purchaser containing the names of the Target's creditors, the respective outstanding amounts to be paid by the Target to each creditor and the bank account details for settlement of the outstanding amounts in form acceptable to the Purchaser, and is expected to cover the indebtedness of the Target Group up to the Completion Date;
"Purchaser"	Great Earnings Limited (潤上有限公司), an indirect wholly-owned subsidiary of the Company incorporated in Hong Kong with limited liability;
"PRC"	the People's Republic of China (for the purposes of this announcement, exclude Hong Kong, the Macau Special Administrative Region and Taiwan);
"Purchase Consideration"	the sum of US$39.8 million (equivalent to approximately HK$310.4 million and subject to the adjustment mechanism based on certain performance targets of the Target Group) for the Acquisition under the Sale and Purchase Agreement;
"RMB"	Renminbi, the lawful currency of the PRC;
"Sale and Purchase Agreement"	the agreement dated 31 August 2012 entered into between the Vendor, the Guarantor and the Purchaser in respect of the Acquisition;
"Sale Shares"	8,799,600 shares in Target, representing approximately 73.33% in the issued share capital of the Target at Completion;
"Shareholder(s)"	holder(s) of the Shares;
"Share(s)"	ordinary shares of HK$0.10 each in the share capital of the Company;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"subsidiary"	has the meaning given that term in the Listing Rules;
"Target"	Baos Co., Ltd., a company incorporated in the Republic of Korea with limited liability, whose entire equity interest is owned by the Vendor;
"Target Group"	the Target and its subsidiaries;

"Total Actual NPAT"	the actual aggregate NPAT for the 15-month period commencing on the Completion Date;
"Vendor"	Baos Holdings Co., Ltd., a company incorporated in the Republic of Korea with limited liability, the sole beneficial owner of the entire equity interest of the Target;
"Warrants"	the warrants, which are associated with the bonds in the principal amount of KRW1 billion (equivalent to approximately HK$6.8 million) at the coupon rate of 1% per annum issued by Interbio Co., Ltd. to the Target on 25 October 2011;
"US$"	United States dollar, the lawful currency of the United States of America; and
"%"	per cent.

By Order of the Board
World Wide Touch Technology (Holdings) Limited
Wong Kwok Fong
Chairman and Chief Executive Officer

Hong Kong, 5 September 2012

As at the date of this announcement, the executive Directors are Mr. Wong Kwok Fong, Ms. Ching Pui Yi and Mr. Tan Hui Kiat and the independent non-executive Directors are Mr. Wong Chun Bong, Professor Lee Kwok On, Matthew and Mr. Chan Wai.