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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)

DISCLOSEABLE TRANSACTION SUBSCRIPTION OF SHARES IN DDS

On 24 September 2012, Cybertouch-Tech, a wholly-owned subsidiary of the Company, and DDS entered into the Subscription Agreement pursuant to which Cybertouch-Tech agreed to subscribe the Subscription Shares at a consideration of YEN160,986,100 (equivalent to approximately HK\$16.07 million). The Subscription Shares represent approximately 16.67% of DDS's issued share capital as enlarged by the issue of the Subscription Shares.

As one of the percentage ratios under Rule 14.07 in respect of the Subscription is over 5%, the Subscription constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirements set out in Chapter 14 of the Listing Rules.

THE SUBSCRIPTION

Date of the Subscription Agreement

24 September 2012

Parties to the Subscription Agreement

- (A) Cybertouch-Tech, a wholly-owned subsidiary of the Company; and
- (B) DDS.

Cybertouch-Tech currently holds an aggregate of 19,348 DDS Shares, representing approximately 7.45% of the issued share capital of DDS as at the date of this announcement. Save for such holding, DDS is independent of and not connected with the Company or its connected persons.

Subscription

Cybertouch-Tech has agreed to subscribe the Subscription Shares, representing approximately 16.67% of DDS's issued share capital as enlarged by the issue of the Subscription Shares.

The subscription price for the Subscription Shares is YEN3,100 (approximately HK\$309.4) per Subscription Share, or an aggregate of YEN160,986,100 (approximately HK\$16.07 million), which was determined after arm's length negotiations based on the closing price of the DDS Shares of YEN3,100 (approximately HK\$309.4) on 21 September 2012 on the Tokyo Stock Exchange.

The subscription price will be funded by both internally generated cashflows and the proceeds from the listing of the shares of the Company on the Stock Exchange, the usage of which is consistent with the disclosure in the prospectus of the Company dated 2 December 2010.

As the Subscription Price was determined based on the prevailing market prices of the DDS Shares, the Directors consider that the subscription price for the Subscription Shares is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Conditions of the Subscription Agreement

Completion of the Subscription is conditional upon the satisfaction of the following conditions:

- (A) the Tokyo Stock Exchange having granted the listing of, and permission to deal in, the Subscription Shares (and such listing and permission not subsequently revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares to Cybertouch-Tech in accordance with the terms of the Subscription Agreement);
- (B) the warranties provided by DDS under the Subscription Agreement not having been breached and remaining true, accurate and correct at the Closing Date;
- (C) there existing as at the Closing Date, no laws or regulations binding on, no legal proceedings brought against and no orders or decrees of any courts of competent jurisdiction served on or directives or orders of any regulatory or administrative agency or body directed at, any of the parties to the Subscription Agreement, invalidating, or restraining, conditioning or suspending or otherwise restricting the performance of, the Subscription Agreement or any of the transactions contemplated thereunder, or likely to do so;
- (D) there having been, from the date of the Subscription Agreement up to (and including) the Closing Date no issue by DDS of any DDS Shares, or any options or warrants to subscribe for, or any other securities which are convertible or exchangeable into DDS Shares, save for the issue of DDS Shares (if any) pursuant to the exercise of the uncanceled stock options under the share option scheme of DDS; and

(E) all authorizations and consents required to be obtained by DDS for, and all regulatory filings required to be made by DDS (including but not limited to the SRS Filing) prior to, the issue of the Subscription Shares whether arising under law or contract, having been obtained or (as the case may be) filed on or prior to Closing Date in accordance with the relevant laws and regulations or contract.

Save for conditions (A), (C) and (E), Cybertouch-Tech may, at its discretion and upon such terms as it thinks fit, waive compliance with the whole or any part of the conditions above. If the conditions set out above are not fulfilled or waived by 31 October 2012, or such later date as may be agreed by the parties, the Subscription Agreement will terminate and cease to be of any effect.

Closing

Subject to satisfaction (or waiver as the case may be) of all the conditions precedent to the Subscription Agreement, closing will take place on the Closing Date or such later date as the parties may mutually agree in writing.

Ranking of the Subscription Shares

The Subscription Shares, when fully paid, will rank *pari passu* in all respects with the DDS Shares in issue upon Completion, including the right to any dividends or distributions after Completion.

Restrictions on disposal

Subject to the terms of the Subscription Agreement, Cybertouch-Tech has agreed not to sell or transfer any title to the Subscription Shares for a period of one year from the Closing Date without the prior written consent of DDS.

INFORMATION ABOUT DDS

DDS is a Japanese corporation the issued and outstanding shares of which are traded on the Tokyo Stock Exchange Mothers Market. DDS designs, develops, manufactures and markets fingerprint verification equipment, as well as the entrusted development of software. DDS operates in three business divisions. The strategic business division deals with the design, development, and OEM manufacture of digital cameras, online karaoke equipment, etc. on a contract basis. The biometric business division pursues the research, development, and sales of information technology-related products such as fingerprint authentication systems for personal computers and cell phones using biometric authentication technology. The development division is engaged in the development of software.

According to the published financial statements of DDS, the unaudited net liability of DDS as at 30 June 2012 was approximately YEN82,380,000 (equivalent to approximately HK\$8.2 million). The financial results of DDS under Japanese accounting standards for the two years ended 31 December 2011 are as follows:

	For the year ended 31 December	
	2011 (audited) <i>YEN/HK\$'000</i>	2010 (audited) <i>YEN/HK\$'000</i>
Net loss before tax	7,533/751.8	253,030/25,252.5
Net loss after tax	8,451/843.4	255,366/25,485.6

Before the Subscription, Cybertouch-Tech was interested in 19,348 DDS Shares, representing approximately 7.45% of the existing issued share capital of DDS. Upon completion of the Subscription, the interest of Cybertouch-Tech will increase to approximately 22.88% of the enlarged issued share capital of DDS.

REASON FOR THE SUBSCRIPTION

The Company is an investment holding company and 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. Since both the Group and DDS are engaged in the development and sales of information technology-related products and in particular fingerprint biometric systems, the Directors believe that the Subscription represents a valuable opportunity to increase its interests in DDS and develop a long-term strategic business cooperation with DDS.

The Directors (including the independent non-executive Directors) consider that the Subscription was conducted under normal commercial terms and is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GENERAL

As one of the percentage ratios under Rule 14.07 of the Listing Rules in respect of the Subscription are over 5%, the Subscription constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirements set out in Chapter 14 of the Listing Rules.

The closing of the Subscription is subject to fulfilment or waiver of the conditions precedent set out above. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

DEFINITIONS

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

“Board”	the board of directors of the Company;
“Company”	World Wide Touch Technology (Holdings) Limited, a company incorporated in the Cayman Islands, the shares of which are listed on the main board of the Stock Exchange;
“Closing Date”	the later of (1) the fifth business day following the first date on which the conditions (A) and (E) as set out in the paragraph “Conditions of the Subscription Agreement” above are satisfied or such other date as DDS and Cybertouch-Tech will agree in writing, and (2) the expiration of 15 days from the date of the SRS Filing;
“Cybertouch-Tech”	Cybertouch-Tech Company Limited, a wholly-owned subsidiary of the Company;
“DDS”	DDS, Inc., a company incorporated in Japan, the shares of which are listed on the Tokyo Stock Exchange Mothers Market;
“DDS Shares”	ordinary shares in the issued share capital of DDS;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Shareholder(s)”	shareholder(s) of the Company;
“SRS Filing”	the filing by DDS of a securities registration statement in relation to the Subscription with the Director-General of the Tokai Local Finance Bureau of the Ministry of Finance Japan;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription”	the subscription of the Subscription Shares by Cybertouch-Tech;

“Subscription Agreement”	the agreement dated 24 September 2012 between Cybertouch-Tech and DDS;
“Subscription Shares”	51,931 DDS Shares to be subscribed by Cybertouch-Tech pursuant to the terms of the Subscription Agreement; and
“YEN”	Japanese Yen, the lawful currency of Japan.

In this announcement, exchange rates of HK\$1.00 to YEN10.02 are used for illustration purpose only.

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

Hong Kong, 24 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.