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)

2012 ANNUAL RESULTS ANNOUNCEMENT

The board of directors (the "Board") of World Wide Touch Technology (Holdings) Limited (the "Company") would like to announce the audited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2012 together with the comparative figures for 2011.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2012

	Note	**2012**	2011
		HK$'000	*HK$'000*
Revenue	*4*	**1,200,435**	1,164,122
Cost of sales	*5*	**(1,074,600)**	(950,492)
Gross profit		**125,835**	213,630
Other income — net		**9,639**	513
Distribution costs	*5*	**(20,178)**	(8,682)
Administrative expenses	*5*	**(164,235)**	(121,995)
Operating (loss)/profit		**(48,939)**	83,466
Finance income/(costs) — net	*6*	**22**	(2,197)
Share of loss of associates		**(2,127)**	—
(Loss)/profit before income tax		**(51,044)**	81,269
Income tax expense	*7*	**(3,564)**	(10,167)
(Loss)/profit for the year		**(54,608)**	71,102
Other comprehensive income:			
Fair value gain on available-for-sale financial assets		**10,074**	—
Currency translation differences		**22**	—
Other comprehensive income for the year		**10,096**	—
Total comprehensive (loss)/income for the year attributable to equity holders of the Company		**(44,512)**	71,102
(Loss)/earnings per share for (loss)/profit attributable to equity holders of the Company			
— basic (expressed in Hong Kong cents per share)	*8*	**(1.87)**	2.43
— diluted (expressed in Hong Kong cents per share)	*8*	**N/A**	N/A
Dividends	*9*	**—**	21,309

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of 31 December 2012

	Note	**2012**	2011
		HK$'000	*HK$'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**615,882**	557,750
Land use right		**4,922**	5,038
Intangible assets		**85,777**	33,696
Investments in associates		**30,465**	—
Available-for-sale financial assets		**94,759**	39,007
Deferred income tax assets		**11,869**	2,192
Loan receivables		**19,379**	—
Prepayments and other receivables		**38,628**	54,581
		901,681	692,264
Current assets			
Inventories		**174,698**	176,296
Trade receivables	*10*	**258,836**	149,089
Prepayments, deposits and other receivables		**36,161**	40,922
Current income tax recoverables		**1,183**	—
Financial assets at fair value through profit or loss		**1,276**	926
Cash and cash equivalents		**365,295**	563,382
		837,449	930,615
Total assets		**1,739,130**	1,622,879
EQUITY			
Owner's equity attributable to the Company's equity holders			
Share capital		**292,708**	292,708
Share premium		**565,489**	565,489
Other reserves and retained earnings		**207,337**	258,172
		1,065,534	1,116,369

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As of 31 December 2012

	Note	**2012**	2011
		HK$'000	*HK$'000*
LIABILITIES			
Non-current liabilities			
Bank borrowings		**—**	13,759
Other payables		**16,949**	—
Deferred income tax liabilities		**2,630**	320
		19,579	14,079
Current liabilities			
Trade and bills payables	*11*	**180,207**	135,412
Accruals and other payables		**102,435**	61,078
Bank borrowings		**353,736**	262,751
Finance lease obligations		**8,693**	17,446
Current income tax liabilities		**8,946**	15,744
		654,017	492,431
Total liabilities		**673,596**	506,510
Total equity and liabilities		**1,739,130**	1,622,879
Net current assets		**183,432**	438,184
Total assets less current liabilities		**1,085,113**	1,130,448

NOTES

1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 17 July 2009 as an exempted company with limited liability under Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company. The Group is principally engaged in the trading and manufacturing of electronic products and trading of automated machines and spare parts.

The Company's shares have been listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 15 December 2010.

The consolidated financial statements are presented in thousands of units of Hong Kong dollars, unless otherwise stated.

2 BASIS OF PREPARATION

The consolidated financial statements has been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by Hong Kong Institute of Certified Public Accountants ("HKICPA"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss, available-for-sale financial assets and contingent consideration payable in relation to acquisition of a subsidiary, which are carried at fair values.

The preparation of the consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

3 ACCOUNTING POLICIES

(a) Amended standards and interpretation adopted by the Group

The following amendments to standards are mandatory for accounting periods beginning on or after 1 January 2012 but are not relevant to the Group's operations:

HKAS 1 (Amendment)	Presentation of financial statements
HKAS 12 (Amendment)	Deferred tax: Recovery of underlying assets

(b) New standards and amendments to standards have been issued but were not effective for the financial year beginning on 1 January 2012 and have not been adopted early by the Group for the year ended 31 December 2012:

		Effective for annual periods beginning on or after
HKAS 1 (Amendment)	Presentation of financial statements	1 July 2012
HKAS 19 (Amendment)	Employee benefits	1 January 2013
HKAS 27 (Revised 2011)	Separate financial statements	1 January 2013
HKAS 28 (Revised 2011)	Associates and joint ventures	1 January 2013
HKAS 32 (Amendment)	Financial instruments: Presentation on asset and liability offsetting	1 January 2014
HKFRS 1 (Amendment)	First time adoption on government loans	1 January 2013
HKFRS 7 and HKFRS 9 (Amendment)	Mandatory effective date and transition disclosures	1 January 2015
HKFRS 7 (Amendment)	Financial instruments: Disclosures on asset and liability offsetting	1 January 2013

		Effective for annual periods beginning on or after
HKFRS 9	Financial instruments	1 January 2015
HKFRS 10	Consolidated financial statements	1 January 2013
HKFRS 11	Joint arrangements	1 January 2013
HKFRS 12	Disclosure of interests in other entities	1 January 2013
HKFRS 13	Fair value measurements	1 January 2013
HK(IFRIC) — Int 20	Stripping costs in the production phase of a surface mine	1 January 2013

4 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief executive officer of the Company (the "CEO") that are used to make strategic decisions.

The CEO considered the business from a perspective of different product categories. The reportable operating segments were classified as capacitive touch products, fingerprint biometric devices, lighting source products and wireless charging devices prior to 2012. Starting from 2012, due to the change in its internal organisation, management has reassessed the Group's operating segment composition and considered a reclassification being more appropriate for business performance review. As such, the Group has restated the corresponding items of segment information for prior period.

Following the change in the composition of its reportable segments, the Group's current reportable segments comprise Automation, Life Energy, Life Security and Life Touch.

Other products include mainly the communication- and automotives-related products. These are not qualified as reportable segment as these segments do not meet the quantitative threshold required by HKFRS 8 and, accordingly, the segment information of these operations are included in "Other segments".

The CEO assessed the performance of the operating segments based on a measure of operating profit.

Sales between segments were carried out on an arm's-length basis. The Group's revenue by segment is as follows:

	2012			2011		
	Total segment revenue	**Inter segment revenue**	**Revenue from external customers**	Total segment revenue	Inter segment revenue	Revenue from external customers
	HK$'000	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
Automation	**393,257**	**(24,319)**	**368,938**	—	—	—
Life energy	**93,275**	**—**	**93,275**	102,213	—	102,213
Life security	**175,908**	**—**	**175,908**	246,803	—	246,803
Life touch	**374,321**	**—**	**374,321**	602,578	—	602,578
Other segments	**187,993**	**—**	**187,993**	212,528	—	212,528
Total	**1,224,754**	**(24,319)**	**1,200,435**	1,164,122	—	1,164,122

Reportable segment information is reconciled to (loss)/profit before income tax as follows:

	2012	2011
	HK$'000	*HK$'000*
Operating profit		
Automation	**8,030**	—
Life energy	**5,346**	18,791
Life security	**7,753**	23,243
Life touch	**45,001**	131,091
Other segments	**2,938**	40,505
Total	**69,068**	213,630
Unallocated:		
Depreciation shared by various reportable segments and head office	**(17,773)**	(15,418)
Amortisation of land use right	**(116)**	(116)
Other income — net	**9,639**	513
Other distribution costs and administrative expenses	**(109,757)**	(115,143)
Finance income/(costs) — net	**22**	(2,197)
Share of loss of associates	**(2,127)**	—
(Loss)/profit before income tax	**(51,044)**	81,269

	2012	2011
	HK$'000	*HK$'000*
Other segment items – depreciation and amortisation		
Automation	**(3,839)**	—
Life energy	**(7,026)**	(6,957)
Life security	**(25,139)**	(22,703)
Life touch	**(28,813)**	(24,162)
Other segments	**(7,689)**	(4,735)
Total	**(72,506)**	(58,557)

The assets attributable to different reportable segments are reconciled to total assets as follows:

	2012	2011
	HK$'000	*HK$'000*
Segment assets		
Automation	**220,936**	—
Life energy	**73,320**	86,346
Life security	**89,131**	121,656
Life touch	**246,746**	135,706
Other segments	**138,203**	174,875
Segment assets for reportable and other segments	**768,336**	518,583
Unallocated:		
Property, plant and equipment shared by various reportable segments	**330,812**	306,026
Land use right	**4,922**	5,038
Available-for-sale financial assets	**94,759**	39,007
Investments in associates	**30,465**	—
Deferred income tax assets	**11,869**	2,192
Inventories shared by various reportable segments	**115,529**	99,993
Prepayments, deposits and other receivables	**53,376**	87,732
Financial assets at fair value through profit or loss	**1,276**	926
Loan receivables	**19,379**	—
Cash and cash equivalents	**308,407**	563,382
Total assets	**1,739,130**	1,622,879

The amounts provided to the CEO with respect to total assets are measured in a manner consistent with that of the consolidated financial statements. Segment assets represented property, plant and equipment attributable to various reportable segments, trade receivables, prepayments, deposits and other receivables, current income tax recoverables, inventories and intangible assets attributable to various reportable segments.

Unallocated segment assets comprise property, plant and equipment and inventories shared by various reportable segments, land use right, deferred income tax assets, loan receivables, investments in associates, prepayments, deposits and other receivables, financial assets at fair value through profit or loss, available-for-sales financial assets and cash and cash equivalents which are inseparable for each product and are not attributable to particular reportable segments.

Reportable segments liabilities are reconciled to total liabilities as follows:

	2012	2011
	HK$'000	*HK$'000*
Segment liabilities		
Automation	**131,686**	—
Life energy	**16,952**	11,890
Life security	**31,970**	28,708
Life touch	**68,031**	70,093
Other segments	**34,167**	24,721
Segment liabilities for reportable and other segments	**282,806**	135,412
Unallocated:		
Accruals and other payables	**77,665**	61,078
Bank borrowings	**295,997**	276,510
Finance leases obligations	**8,693**	17,446
Current income tax liabilities	**8,435**	15,744
Deferred income tax liabilities	**—**	320
Total liabilities	**673,596**	506,510

The amounts provided to the CEO with respect to total liabilities are measured in a manner consistent with that of the consolidated financial statements. Segment liabilities represented trade payables which are allocated based on the operations of the segment, accruals and other payables, deferred income tax liabilities, current income tax liabilities and interest-bearing liabilities attributable to various reportable segments.

Unallocated segment liabilities comprise accruals and other payables, interest-bearing liabilities, current income tax liabilities and deferred income tax liabilities, which are inseparable for each product and not attributable to particular reportable segments.

Revenue from externals customers are derived from the sales of goods net of returns and rebates.

Members of the Group are mainly domiciled in Hong Kong and China while its major customers are mainly located in China and the United States of America.

The Group's revenue derived from external customers located in China and the United States of America is HK$541,097,000 (2011: HK$313,415,000) and HK$488,903,000 (2011: HK$639,215,000) respectively, while the remaining revenue is derived from customers located in other countries.

The total of non-current assets other than deferred income tax assets located in China is HK$630,568,000, (2011: HK$624,283,000), and the total of these non-current assets located in other countries is HK$259,244,000 (2011: HK$65,789,000).

For the year ended 31 December 2012, the revenue of approximately HK$381,051,000 (2011: HK$595,183,000) is derived from a customer in the life touch segment.

5 EXPENSES BY NATURE

	2012	2011
	HK$'000	*HK$'000*
Employee benefit expenses	**156,879**	162,398
Cost of inventories	**910,860**	766,475
Auditor's remuneration	**2,523**	2,000
Depreciation of property, plant and equipment	**66,046**	57,000
Operating lease rentals — office premises, factory and warehouse	**8,673**	7,861
Amortisation of land use right	**116**	116
Consumables and factory supplies	**1,947**	5,333
Electricity, water and utilities expenses	**16,909**	17,315
Freight and transportation	**5,423**	7,216
Bank charges	**3,365**	4,650
Other tax levies	**6,772**	4,880
Research and development expenses		
— Employee benefit expenses	**3,937**	4,052
— Amortisation of intangible assets	**24,233**	16,975
Commission expenses	**12,919**	130
Others	**38,411**	24,768
Total cost of sales, distribution costs and administrative expenses	**1,259,013**	1,081,169

6 FINANCE INCOME AND COSTS

	2012 HK$'000	2011 HK$'000
Finance income:		
— Interest income on bank deposits	**8,529**	9,241
— Interest income on loan receivables	**95**	—
	8,624	9,241
Finance costs:		
— Bank loans	**(5,008)**	(6,614)
— Finance lease obligations	**(295)**	(904)
— Trust receipt loans	**(3,511)**	(3,920)
— Notional accretion on deferred revenue	**(268)**	—
— Notional accretion of interest on contingent consideration payable	**(1,426)**	—
	(10,508)	(11,438)
Less amounts capitalised on qualifying assets	**1,906**	—
	(8,602)	(11,438)
Net finance income/(costs)	**22**	(2,197)

7 INCOME TAX EXPENSE

	2012 HK$'000	2011 HK$'000
Current income tax		
— Hong Kong profits tax	**2,425**	9,255
— China enterprise income tax	**3,875**	8,291
— Overseas income tax	**26**	110
	6,326	17,656
Under/(over)-provision in prior years	**8,060**	(1,945)
	14,386	15,711
Deferred income tax	**(10,822)**	(5,544)
	3,564	10,167

Hong Kong profits tax has been provided at the rate of 16.5% (2011: 16.5%) on the estimated assessable profit for the year.

The statutory income tax rate applicable to Heshan World Fair Electronics Technology Limited, a subsidiary, is 25% (2011: 25%). Pursuant to the relevant tax regulations in China, the subsidiary is eligible for an exemption from the China enterprise income tax for two years starting with the first profit-making year, after offsetting prior year losses, followed by a 50% reduction for three immediately subsequent years. A 5% withholding income tax is also imposed on dividends relating to profits remitted from the Chinese subsidiary.

The first profit-making year (after offsetting prior year losses) of Heshan World Fair Electronics Technology Limited is the year ended 31 December 2008.

Overseas income tax has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the country in which the Group operates.

8 (LOSS)/EARNINGS PER SHARE

(a) Basic

The basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue.

	2012	2011
(Loss)/profit attributable to equity holders of the Company *(HK$'000)*	**(54,608)**	71,102
Weighted average number of ordinary shares in issue *(thousands)*	**2,927,084**	2,926,547
Basic (loss)/earnings per share *(expressed in HK cents per share)*	**(1.87)**	2.43

(b) Diluted

As the Company had no dilutive ordinary shares for the year (2011: Nil), diluted earnings per share for the year is not presented.

9 DIVIDENDS

	2012	2011
	HK$'000	*HK$'000*
Interim dividend paid — Nil (2011: HK0.512 cents) per share	**—**	14,987
Proposed final dividend — Nil (2011: HK0.216 cents) per share	**—**	6,322
	—	21,309

10 TRADE RECEIVABLES

	2012	2011
	HK$'000	*HK$'000*
Trade receivables	**259,373**	149,575
Less: Provision for impairment of receivables	**(537)**	(486)
Trade receivables — net	**258,836**	149,089

The Group generally grants a credit period of 30 to 90 days to its customers. For customers of automation products, a credit period ranging from 30 days to 60 days after acceptance is granted. The ageing analysis of trade receivables based on invoice date is as follows:

	2012	2011
	HK$'000	*HK$'000*
0 to 30 days	**176,950**	63,964
31 to 60 days	**32,743**	50,182
61 to 90 days	**28,629**	28,480
91 to 120 days	**1,697**	6,368
Over 120 days	**19,354**	581
	259,373	149,575

11 TRADE AND BILLS PAYABLES

	2012	2011
	HK$'000	*HK$'000*
Trade payables	**178,515**	134,445
Bills payables	**1,692**	967
	180,207	135,412

The ageing analysis of the trade and bills payables is as follows:

	2012	2011
	HK$'000	*HK$'000*
0 to 30 days	**152,595**	78,326
31 to 60 days	**21,442**	39,162
61 to 90 days	**2,390**	14,111
91 to 120 days	**7**	839
Over 120 days	**3,773**	2,974
	180,207	135,412

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

The year of 2012 saw the ongoing challenge of operating in a volatile macroeconomic and business environment. A number of economic factors including the Eurozone debt crisis, continued fiscal woes in the United States, as well as increasing production costs, the appreciation of the Renminbi and high inflation rates in China continued to affect the manufacturing and technology sectors. These factors, combined with a change in product mix, a drop in market demand, the acquisition of Gallant Tech Limited ("Gallant Tech") and a few investments, led to an increase in the Group's total revenue by 3.1% to HK$1,200.4 million and a net loss for the year at HK$54.6 million.

During 2012, the Group continued to actively diversify its product portfolio, resulting in a more balanced revenue structure. Of the Group's total revenue, Automation products accounted for 30.7% (0% in 2011), Life Energy products accounted for 7.8% (8.8% in 2011), Life Security products accounted for 14.7% (21.2% in 2011), Life Touch products accounted for 31.2% (51.8% in 2011) and Other segments accounted for 15.6% (18.2% in 2011).

Business Overview

Automation

WWTT tapped into the automation industry with the acquisition of the entire issued share capital of Gallant Tech in January 2012; subsequently, it recorded a revenue of HK$368.9 million for the year of 2012, accounting for 30.7% of the Group's total revenue.

The year of 2012 was a record year for Gallant Tech, due to positive market response to its new product mix and excellent after-sales services. With the anticipation that the application of automation in the manufacturing process will continue to be crucial to manufacturing enterprises in China, the Group believes that its automation business will continue to be a key growth driver for its revenue.

Life Energy

The Group's Life Energy product segment consists of wireless charging devices and plasma lighting source products.

In 2012, wireless charging devices proved to be a key growth driver in our Life Energy product segment, which recorded a significant revenue increase of 187.9% to HK$90.8 million, as compared to the corresponding period in 2011. The strong performance of these products was driven by consumer demand for the products developed by PowerMat Technologies Ltd. ("PowerMat"), a key strategic partner of the Group. Aside from the Group's first subscription of 958 preferred A2 shares of PowerMat in May 2011, we have since further subscribed for 19,157 preferred B shares of PowerMat at a consideration of US$999,995.40 in April 2012.

The increase in sales for the products developed by PowerMat was mainly driven by its strong strategic relationship with Procter & Gamble ("P&G"). P&G formed a joint-venture company with PowerMat named Duracell PowerMat, which is the leading provider of next generation drop-and-charge technologies and backup batteries for phones and smartphones. As a major supplier and investor in PowerMat, the demand from Duracell PowerMat for wireless charging products derived substantial subsequent demand for our other wireless charging products. The Group believes that our strategic investment in PowerMat will further strengthen and widen our presence in the wireless charging market for years to come.

The Group's plasma lighting source products were another source of our Life Energy product segment's revenues and the Group adopted a cautious approach in identifying potential projects that would secure profitability for plasma lighting source products; in 2012, the Group actively engaged in a series of exhibition events, including the 2012 Guangzhou International Lighting Exhibition, the Hong Kong International Lighting Exhibition, the Guangzhou International Lighting Exhibition and the Hong Kong International Lighting Fair (Spring Edition). In view of its energy-efficient nature, the Group believes that its plasma lighting source products will continue to enjoy promising revenue prospects in the long-run.

Life Security

The Group is currently in the process of developing its fingerprint biometric technologies. In 2012, the revenue for the Group's product segment of fingerprint biometric devices experienced a decrease of 28.7% as compared to the corresponding period in 2011. Such decrease was mainly due to the drop in demand for notebook computers. The Group believes that fingerprint biometric technology will continue to draw great attention in the marketplace, not only in the notebook computer sector, but also in the smartphones and tablet computers, which will translate into huge revenue potential for data security, identity recognition and secure internet payment system technologies. In response to the predicted increased demand of such technologies, the Group developed a new FingerQ software platform and PrivacQ device in the last quarter of 2012; the Group believes that these products will successfully address the growing demand for privacy and data security technologies.

In order to strengthen the Group's capabilities in fingerprint biometric technology, the Group invested in three advanced technology companies in early 2013 and 2012, each of these entities is principally engaged in the development, production and marketing of the biometric technologies. Through its wholly-owned subsidiary, Cyber Medics Company Limited, in January 2013, the Group acquired approximately 5.9% of the issued share capital of Fingerprint Cards AB ("FPC"), a Swedish corporation listed on the NASDAQ and OMX Stockholm.

Additionally, throughout 2012 and in January 2013, through its wholly-owned subsidiary, Cybertouch-Tech Company Limited, the Group made a few acquisitions in an aggregate amount which represented approximately 25.12% of the total issued share capital of DDS, Inc. ("DDS"), a Japanese corporation listed on the Tokyo Stock Exchange Mothers Market.

Furthermore, in November 2012, through its wholly-owned subsidiary, Gain Glory Holdings Limited, the Group acquired just less than 2% of the enlarged issued share capital of Validity Sensors, Inc. ("Validity"), a United States corporation, has offices in the United States, Taiwan and India.

The Group believes that such investments of shares represent a valuable opportunity to foster a long-term strategic business position with FPC, DDS and Validity. These strategic partnerships will empower the Group's ability to develop cutting-edge fingerprint biometric technology, information technology and communication-related products in the long-run.

Life Touch

The Group's capacitive touch products experienced a significant revenue decrease of 37.9%, as compared with the corresponding period in 2011, mainly due to a drop in demand for traditional electronics products, including notebook computers.

Other Segments

The Group's other segments mainly consist of communication- and automotive-related products.

The sales of communication- and automotive-related products declined slightly by 4.7% to HK$59.8 million and 2.5% to HK$95.0 million respectively, both of which accounting for 12.9% of the Group's total revenue.

The market for communication products used in wireless base stations is expected to continue to grow on the massive consumer usage of wireless data technologies. Accordingly, the Group made two strategic investments in 2012, each of which involved investments in entities principally engaged in the research and development, manufacturing, sales and marketing of communication and related products. In July 2012, through its wholly-owned subsidiary, Cyber Communications Company Limited, the Group acquired approximately 43% of the issued share capital of Advanced Radio Device Technologies, Inc, a Korean corporation.

Furthermore, in September 2012, through its wholly-owned subsidiary, Majestic Fortune Limited, the Group acquired approximately 40% of the issued share capital of Tekmar, Inc., a United States corporation.

Meanwhile, the demand for automotive GPS and security systems is also expected to grow as the global automotive industry recovers. Overall, communication- and automotive-related products are expected to drive healthy revenue and profit growth for the Group in the future.

Financial Review

Revenue

The revenue for the year ended 31 December 2012 amounted to HK$1,200.4 million (2011: HK$1,164.1 million), analysed by the following segments:

	2012		2011		
	HK$ million		*HK$ million*		*% change*
Automation	**368.9**	**30.7%**	—	—%	+100.0%
Life energy	**93.3**	**7.8%**	102.2	8.8%	-8.7%
Life security	**175.9**	**14.7%**	246.8	21.2%	-28.7%
Life touch	**374.3**	**31.2%**	602.6	51.8%	-37.9%
Other segments	**188.0**	**15.6%**	212.5	18.2%	-11.5%
	1,200.4	**100.0%**	1,164.1	100.0%	+3.1%

During the year under review, the Group's revenue grew by 3.1% to HK$1,200.4 million as compared with last year. Such growth was mainly attributable to the automation segment which was acquired in January 2012 offsetting the drop in revenue for the other segments.

Gross Profit and Margin

As a result of the change in product mix, the gross profit for the year ended 31 December 2012 amounted to HK$125.8 million, a decrease of HK$87.8 million as compared with the corresponding period in 2011. For the same reason, the gross profit margin for the year ended 31 December 2012 has decreased from 18.4% to 10.5% as compared with the corresponding period in 2011.

Distribution Costs

Distribution cost for the period amounted to HK$20.2 million, amounting to 1.7% of the total revenue. This represents an increase of 132.4% when compared to the corresponding period in 2011 mainly due to the inclusion of the automation segment which was acquired in January 2012.

Administrative Expenses

During the period under review, administrative expenses increased to HK$164.2 million from HK$122.0 million, mainly due to the inclusion of the automation segment which was acquired in January 2012.

Finance Income — net

Net finance income was HK$0.02 million, as compared to net finance costs of HK$2.2 million during the corresponding period in 2011. The change was primarily resulted from a decrease in finance income and finance costs.

Income Tax Expense

Income tax expense decreased by 64.9% to HK$3.6 million as compared to a income tax expense of HK$10.2 million during the corresponding period in 2011. The change was resulted from the decline in the profit for the year offsetting the under-provision of tax of HK$7.8 million which was indemnified by Mr. Wong Kwok Fong and Ms. Ching Pui Yi, the controlling shareholders of the Company.

Loss for the Period

Loss for the period was HK$54.6 million, as compared to a profit of HK$71.1 million during the corresponding period in 2011.

Financial Resources Review

Liquidity, Financial Resources and Debt Structure

Adhering to a conservative financial management system, the Group continued to maintain a healthy and solid liquidity position. As of 31 December 2012, the Group's cash and cash equivalents totalled HK$365.3 million (2011: HK$563.4 million). Working capital represented by net current assets amounted to HK$183.4 million (2011: HK$438.2 million). The Group's current ratio was 1.3 (2011: 1.9).

Bank borrowings included trust receipt loans amounting to HK$120.6 million (2011: HK$216.1 million) and bank loans amounting to HK$233.1 million (2011: HK$60.4 million) and were secured by corporate guarantees provided by the Company and certain of its subsidiaries. As of 31 December 2012 and 2011, the Group was in a net cash position, representing the bank balances and cash exceeded total debts at the end of each reporting period.

Capital Commitments

As of 31 December 2012, the Group had contracted but not provided for capital commitments of HK$3.0 million (2011: HK$59.3 million), and did not have any authorised but not contracted for capital commitments (2011: Nil).

Subsequent Events

(a) On 27 December 2012, the Group entered into a stock purchase agreement for the acquisition of a 2.24% of the equity interest of DDS, a company incorporated in Japan, the shares of which are listed on the Tokyo Stock Exchange Mothers Market, at a consideration of approximately HK$2,594,000. DDS is principally engaged in the design, development, manufacture and marketing of fingerprint verification equipment, as well as entrusted development of software. The acquisition was completed in January 2013.

(b) On 12 December 2012, the Group subscribed certain shares representing 5.9% of the equity interest of FPC, a company incorporated in Sweden, the shares of which are listed on NASDAQ and OMX Stockholm at a consideration of approximately HK$28,293,000. FPC is principally engaged in the development, production and marketing of products which adopt biometric technology by means of analysing and matching an individual's unique fingerprint. The acquisition was completed in January 2013.

(c) On 5 February 2013, the Group joined as one of the purchasers in the stock purchase agreement with WaveConnex, Inc. ("WaveConnex") to purchase certain shares in the series C preferred stock in WaveConnex, a company incorporated in the United States of America, at a consideration of approximately US$1.6 million (equivalent to approximately HK$12.5 million). WaveConnex is principally engaged in the development of wireless technology for data transfer. The acquisition was completed in February 2013.

Currency Exposure and Management

During the year, the Group's receipts were mainly denominated in US dollars and Hong Kong dollars. The Group's payments were mainly made in US dollars, Hong Kong dollars and Renminbi.

In respect of the Renminbi, as the Group's production plant is located in China, most of the labor costs and manufacturing overheads are denominated in Renminbi. Therefore, the appreciation of Renminbi adversely has affected the Group's profitability. The Group will closely monitor the development of Renminbi and, if necessary, consider entering into foreign exchange forward contracts with reputable financial institutions to reduce potential exposure to currency fluctuations.

Future plans for capital investments and expected source of funding

Currently, the Group's operating and capital expenditures are mainly financed by its internal resources such as operating cash flow and shareholders' equity, and, to a certain extent, by bank loans. The Group has sufficient resources of funding and unutilised banking facilities to meet future capital expenditure and working capital requirement. As of 31 December 2012, the Group had total capital commitments of HK$3.0 million mainly for the purchase of machineries.

Employees

As of 31 December 2012, the Group had approximately 2,400 (2011: 2,335) full-time employees mainly in Hong Kong and China. The Group recognises the importance of human resources to its success. Qualified and experienced personnel are recruited with remuneration maintained at competitive levels.

Use of Proceeds from Initial Public Offering

The Company was listed on the main board of the Stock Exchange on 15 December 2010 and the proceeds raised by the placing and public offering, net of listing expenses, were approximately HK$642 million. During the period from the listing date to 31 December 2012, the net proceeds were utilised as follows:

		HK$' million
1	Purchase of equipment for the production of capacitive touch screen products and upgrading production capacity	147.0
2	Research and development costs on company products	55.1
3	Acquisitions of new technology or cooperation	58.8
4	Acquisitions for vertical integration	57.8
5	Construction of additional production plants	57.8
6	General working capital purpose	64.2
Total net proceeds utilised		440.7

The balance of the net proceeds was deposited with banks in China and Hong Kong and will be used for the intended uses as set out in the prospectus of the Company dated 2 December 2010.

Business Outlook

Despite the ongoing macroeconomic challenges with the persistent Eurozone debt crisis and continued fiscal woes in the United States, the Group has taken measures to minimize potential negative macroeconomic effects, explore relevant new business opportunities and taken advantage of the fast-growing demand for smartphone and mobile Internet technologies. The Group will continue with its existing expansion strategy of potential acquisitions and investments that could offer high-technology capabilities and increased profits to the Group.

Adhering to our motto, "From design, build-to-ship, and beyond", the Group will continue to seek growth through investment in companies that are characterized as valuable assets with low operating costs, little labor-intensive operations and high-technology capabilities.

Riding on the strong demand for smartphone and wireless communication technologies and the subsequent increased demand for secure network communication systems, the Group is now focusing on developing its fingerprint biometric technologies. It has successfully developed a new FingerQ software platform and a PrivacQ device for data protection. These products received a positive response at the Consumer Electronics Show in the United States in January 2013, drawing significant media attention for its unique product features. The Group will continue to promote this new technology to the public in order to solidify its reputation in the marketplace, and is considering lining up with social media platform providers as potential media partners in the future.

As for the automation business, the Group has established a strong supplier base in the United States, Japan and Korea. Furthermore, together with offices in most major cities in China, the Group is able to provide superior after-sales services to its customers. Following a successful year in the automation business in 2012, the Group will continue to build relationships with and source new suppliers in order to expand its product mix and to expand its sales network in the Western regions of China, including Chengdu and Chongqing.

Looking ahead, the economic and business environment is expected to continue to challenge the industry with ongoing volatility, uncertainty and fiscal tightening, but the Group has effectively established a solid foundation to overcome the challenges that lie ahead. It will continue to focus on providing life-technologies that are designed to improve the quality and experience of our daily lives. In addition, the Group will continue to evaluate possible investment and acquisition opportunities relating to potential new businesses in the coming fiscal year. We remain confident and will continue to strive to achieve the very best for our shareholders.

FINAL DIVIDEND

The Board does not recommend the payment of final dividend for the year ended 31 December 2012 (2011: HK0.216 cents per share).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 8 May 2013 to Friday, 10 May 2013 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the forthcoming annual general meeting of the Company, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 7 May 2013.

PURCHASE, SALE OR REDEMPTION 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 year ended 31 December 2012.

CORPORATE GOVERNANCE

The Company is maintaining a high standard of corporate governance with a view to enhancing the management of the Company as well preserving the interests of the shareholders as a whole. The Board is of the view that the Company has complied with the code provisions set out in the Corporate Governance Code (the "CG Code") in Appendix 14 to the Listing Rules, except that there is no separation of the roles of chairman and CEO, as stipulated in the code provision A2.1. Mr. Wong Kwok Fong ("Mr. Wong") currently assumes the roles of both the chairman and the CEO of the Company. He is one of the founders of the Group and has extensive experience in manufacturing, supply chain and marketing functions in electronics and technologies. The Board believes that by holding both roles, Mr. Wong will be able to provide the Group with strong and consistent leadership and more effective and efficient business planning and decisions as well as execution of long-term business strategies of the Group. As such, the structure is beneficial to the business prospects of the Group. Furthermore, the Company's present management structure comprises sufficient number of independent non-executive directors, and thus the Board believes that a balance of power and authority have been and will continue to be maintained.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as the code of conduct of the Group regarding securities transactions of the directors of the Company. All directors of the Company have confirmed that throughout the year ended 31 December 2012, they have complied with the provisions of the Model Code.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference set out in the CG Code. The principal duties of the audit committee includes the review and supervision of the Group's financial reporting matters and internal control procedures. The audit committee comprises three independent non-executive directors of the Company, namely Mr. Wong Chun Bong, Professor Lee Kwok On, Matthew and Mr. Chan Wai. The audit committee has reviewed the audited financial statements of the Group for the year ended 31 December 2012.

REVIEW OF PRELIMINARY ANNOUNCEMENT

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2012 have been agreed by the Group's auditor, PricewaterhouseCoopers ("PwC HK"), to the amounts set out in the Group's audited consolidated financial statements. The work performed by PwC HK in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PwC HK on the preliminary announcement.

UPDATES ON THE RESPONSIBILITIES OF A DIRECTOR

With effect from 5 February 2013, Mr. Tan Hui Kiat, an executive director, has been appointed as our corporate affairs officer with the responsibilities of overseeing the Group's corporate communications affairs. In this regard, his title has been changed from senior operations director to corporate affairs officer.

ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held on 10 May 2013 at 11:00 a.m. at Taishan Room, Level 5, Island Shangri-la Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong. Notice of the annual general meeting will be published and issued to shareholders in due course.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

The annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.wwtt.hk). The 2012 Annual Report will be dispatched to the shareholders of the Company and available on the same websites in due course.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express our appreciation to the management team and staff of the Group for their contribution during the period and also to extend my sincere gratitude to all our shareholders and business partners for their continuous support.

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

Hong Kong, 15 March 2013

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