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)

2013 INTERIM RESULTS ANNOUNCEMENT

The board of directors (the "Board") of World Wide Touch Technology (Holdings) Limited (the "Company") would like to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2013.

The interim consolidated results are unaudited but have been reviewed by the Company's audit committee and the Company's independent auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2013

	Note	Six months ended 30 June 2013 HK$'000 (Unaudited)	2012 HK$'000 (Unaudited)
Revenue	4	**537,502**	604,028
Cost of sales		**(494,338)**	(542,454)
Gross profit		**43,164**	61,574
Other income — net		**119,714**	892
Distribution costs		**(12,222)**	(9,325)
Administrative expenses		**(81,975)**	(80,532)
Operating profit/(loss)	5	**68,681**	(27,391)
Finance (costs)/income — net	6	**(1,437)**	2,091
Share of losses of associates		**(4,105)**	—
Profit/(loss) before income tax		**63,139**	(25,300)
Income tax expense	7	**(1,964)**	(3,190)
Profit/(loss) attributable to equity holders of the Company		**61,175**	(28,490)
Other comprehensive income			
Items that may be reclassified to profit or loss			
Fair value gain/(loss) on available-for-sale financial assets		**29,399**	(100)
Currency translation differences		**—**	22
Other comprehensive income/(loss) for the period		**29,399**	(78)
Total comprehensive income/(loss) for the period attributable to equity holders of the Company		**90,574**	(28,568)
Earnings/(loss) per share for profit/(loss) attributable to equity holders of the Company			
— basic (expressed in Hong Kong cents per share)	8	**2.09**	(0.97)
— diluted (expressed in Hong Kong cents per share)	8	**N/A**	N/A
Dividends	9	**11,708**	—

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2013

	Note	**As at 30 June 2013** *HK$'000* **(Unaudited)**	As at 31 December 2012 *HK$'000* (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**595,191**	615,882
Land use right		**4,864**	4,922
Intangible assets		**87,935**	85,777
Investments in associates		**26,360**	30,465
Available-for-sale financial assets	*10*	**145,529**	94,759
Deferred income tax assets		**12,423**	11,869
Loan receivable		**19,392**	19,379
Prepayments and other receivables		**14,283**	38,628
		905,977	901,681
Current assets			
Inventories		**170,000**	174,698
Trade receivables	*11*	**245,747**	258,836
Prepayments, deposits and other receivables		**30,348**	36,161
Current income tax recoverable		**1,183**	1,183
Financial assets at fair value through profit or loss		**1,276**	1,276
Cash and cash equivalents		**431,105**	365,295
		879,659	837,449
Total assets		**1,785,636**	1,739,130
EQUITY			
Owner's equity attributable to the Company's equity holders			
Share capital	*12*	**292,708**	292,708
Share premium	*12*	**565,489**	565,489
Other reserves and retained earnings		**300,135**	207,337
		1,158,332	1,065,534

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 30 June 2013

	Note	**As at 30 June 2013** *HK$'000* **(Unaudited)**	As at 31 December 2012 *HK$'000* (Audited)
LIABILITIES			
Non-current liabilities			
Bank borrowings		**41,667**	—
Other payables		**8,532**	16,949
Deferred income tax liabilities		**2,303**	2,630
		52,502	19,579
Current liabilities			
Trade and bills payables	*13*	**181,552**	180,207
Accruals and other payables		**97,101**	102,435
Bank borrowings		**281,341**	353,736
Finance lease obligations		**4,590**	8,693
Current income tax liabilities		**10,218**	8,946
		574,802	654,017
Total liabilities		**627,304**	673,596
Total equity and liabilities		**1,785,636**	1,739,130
Net current assets		**304,857**	183,432
Total assets less current liabilities		**1,210,834**	1,085,113

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2013

	Attributable to the equity holders of the Company									
	Share capital	**Share premium**	**Merger reserve**	**Capital reserve**	**Share option reserve**	**Statutory reserve**	**Available-for-sale financial assets**	**Exchange reserve**	**Retained earnings**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
(Unaudited)										
For the six months ended 30 June 2013										
At 1 January 2013	**292,708**	**565,489**	**(215,150)**	**12,411**	**—**	**32,463**	**10,074**	**22**	**367,517**	**1,065,534**
Profit for the period	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**61,175**	**61,175**
Other comprehensive income:										
Fair value gain on available-for-sale financial assets	**—**	**—**	**—**	**—**	**—**	**—**	**29,399**	**—**	**—**	**29,399**
Total other comprehensive income	**—**	**—**	**—**	**—**	**—**	**—**	**29,399**	**—**	**—**	**29,399**
Total comprehensive income	**—**	**—**	**—**	**—**	**—**	**—**	**29,399**	**—**	**61,175**	**90,574**
Share options — value of employees services	**—**	**—**	**—**	**—**	**2,224**	**—**	**—**	**—**	**—**	**2,224**
Transfer to statutory reserve	**—**	**—**	**—**	**—**	**—**	**612**	**—**	**—**	**(612)**	**—**
At 30 June 2013	**292,708**	**565,489**	**(215,150)**	**12,411**	**2,224**	**33,075**	**39,473**	**22**	**428,080**	**1,158,332**
(Unaudited)										
For the six months ended 30 June 2012										
At 1 January 2012	292,708	565,489	(215,150)	12,411	—	30,524	—	—	430,387	1,116,369
Loss for the period	—	—	—	—	—	—	—	—	(28,490)	(28,490)
Other comprehensive income:										
Fair value loss on available-for-sale financial assets	—	—	—	—	—	—	(100)	—	—	(100)
Currency translation differences	—	—	—	—	—	—	—	22	—	22
Total other comprehensive (loss)/income	—	—	—	—	—	—	(100)	22	—	(78)
Total comprehensive (loss)/income	—	—	—	—	—	—	(100)	22	(28,490)	(28,568)
Transfer to statutory reserve	—	—	—	—	—	1,443	—	—	(1,443)	—
Dividends relating to 2011 paid during the period	—	—	—	—	—	—	—	—	(6,323)	(6,323)
At 30 June 2012	292,708	565,489	(215,150)	12,411	—	31,967	(100)	22	394,131	1,081,478

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2013

	Six months ended 30 June	
	2013	2012
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Net cash generated from operating activities	**3,245**	30,408
Net cash generated from/(used in) investing activities	**95,031**	(98,733)
Net cash used in financing activities	**(34,881)**	(43,727)
Net increase/(decrease) in cash and cash equivalents	**63,395**	(112,052)
Cash and cash equivalents at beginning of the period	**365,295**	563,382
Exchange gain/(loss) on cash and cash equivalents	**2,415**	(79)
Cash and cash equivalents at end of the period	**431,105**	451,251

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 GENERAL INFORMATION

World Wide Touch Technology (Holdings) Limited (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 Company and its subsidiaries (collectively the "Group") are principally engaged in the trading and manufacturing of electronic products and trading of automated machines and spare parts.

The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 15 December 2010.

This condensed consolidated interim financial information is presented in thousands of units of Hong Kong dollars, unless otherwise stated. This condensed consolidated interim financial information has been approved for issue on 23 August 2013.

This condensed consolidated interim financial information has been reviewed, not audited.

Key events

In May 2013, the Group disposed on the market an aggregate of 26,348 shares of DDS, Inc, which is listed on Tokyo Stock Exchange Mothers Market and is classified as available-for-sale financial assets, and recognised a gain on disposal of available-for-sale financial assets of HK$31,612,000 in the condensed consolidated statement of comprehensive income.

From March to May 2013, the Group disposed on the market an aggregate of 2,836,119 shares of Fingerprint Cards AB, which is listed on NASDAQ OMX Stockholm and is classified as available-for-sale financial assets and recognised a gain on disposal of available-for-sale financial assets of HK$87,697,000 in the condensed consolidated statement of comprehensive income.

2 BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 June 2013 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting". The condensed consolidated interim financial information should be read in conjunction with the audited financial statements for the year ended 31 December 2012, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS").

3 ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2012, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

There are no other amended standards or interpretations that are effective for the first time for this interim period that could be expected to have a material impact on this Group.

The following new standards, amendments and interpretations to existing standards that have been issued and effective for annual periods beginning on or after 1 January 2013 with no impact on the Group's result of operations and financial positions:

HKAS 1 (Amendment)	Presentation of financial statements
HKAS 16 (Amendment)	Property, plant and equipment
HKAS 19 (Amendment)	Employee benefits
HKAS 27 (revised 2011)	Separate financial statements
HKAS 28 (revised 2011)	Associates and joint ventures
HKAS 32 (Amendment)	Financial instruments: Presentation
HKAS 34 (Amendment)	Interim financial reporting
HKFRS 1 (Amendment)	Government loans
HKFRS 1 (Amendment)	First time adoption of IFRS
HKFRS 7 (Amendment)	Financial instruments: Disclosures — Offsetting financial assets and financial liabilities
HKFRS 10	Consolidated financial statements
HKFRS 11	Joint arrangements
HKFRS 12	Disclosure of interests in other entities
HKFRS 13	Fair value measurements
HK(IFRIC)-Int 20	Stripping costs in the production phase of a surface mine

The following new and amended standards and interpretations to the existing standards that have been issued but are not effective for the financial year beginning 1 January 2013 with no early adoption:

		Effective for annual periods beginning on or after
HKAS 32 (Amendment)	Financial instruments: Presentation — Offsetting financial assets and financial liabilities	1 January 2014
HKAS 36 (Amendment)	Recoverable amount disclosures for non-financial assets	1 January 2014
HKFRS 10, HKFRS 12 and HKAS 27 (revised 2011)	Investment entities	1 January 2014
HKFRS 7 and HKFRS 9 (Amendments)	Mandatory effective date and transition disclosures	1 January 2015
HKFRS 9	Financial Instruments	1 January 2015
HK (IFRIC) Int-21	Levies	1 January 2014

Management is in the process of making an assessment of the impact of these standards, amendments and interpretations to existing standards and is not yet in a position to state whether they will have a significant impact on the Group's result of operations and financial position.

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 Automation, Life Energy, Life Security and Life Touch.

Other segments include the communication and automotive 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".

Sales between segments are carried out at arm's length. The Group's revenue by segment is as follows:

	Six months ended 30 June 2013			Six months ended 30 June 2012		
	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	**176,284**	**(1,063)**	**175,221**	209,667	(23,794)	185,873
Life Energy	**16,176**	**—**	**16,176**	21,482	—	21,482
Life Security	**53,914**	**—**	**53,914**	95,421	—	95,421
Life Touch	**223,894**	**—**	**223,894**	190,069	—	190,069
Other Segments	**68,297**	**—**	**68,297**	111,183	—	111,183
Total	**538,565**	**(1,063)**	**537,502**	627,822	(23,794)	604,028

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

	Six months ended 30 June	
	2013	2012
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Automation	**2,130**	6,000
Life Energy	**163**	455
Life Security	**520**	4,182
Life Touch	**12,007**	26,902
Other Segments	**238**	1,391
Total	**15,058**	38,930
Depreciation shared by various reportable segments and head office	**(8,641)**	(10,407)
Amortisation of land use right	**(58)**	(58)
Other income — net	**119,714**	892
Other distribution costs and administrative expenses	**(57,392)**	(56,748)
Finance (costs)/income — net	**(1,437)**	2,091
Share of losses of associates	**(4,105)**	—
Profit/(loss) before income tax	**63,139**	(25,300)

The revenue from external parties reported to the CEO is measured in a manner consistent with that of the annual financial statements for the year ended 31 December 2012.

The CEO assesses the performance of the operating segments based on a measure of operating profit, which are in a manner consistent with that of the annual financial statements for the year ended 31 December 2012.

Other income — net, partial distribution and administrative expenses are not allocated to segments, as they are inseparable for each product and not attributable to particular reportable segments. Finance income and costs and share of losses of associates are not allocated to segments, as this type of activities are managed by the central finance and accounting function, which manages the working capital of the Group.

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

	As at 30 June 2013	As at 31 December 2012
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Segment assets		
Automation	**225,815**	220,936
Life Energy	**45,577**	73,320
Life Security	**74,613**	89,131
Life Touch	**249,321**	246,746
Other Segments	**132,792**	138,203
Segment assets for reportable and other segments	**728,118**	768,336
Unallocated:		
Property, plant and equipment shared by various reportable segments	**327,213**	330,812
Land use right	**4,864**	4,922
Available-for-sale financial assets	**145,529**	94,759
Investments in associates	**26,360**	30,465
Deferred income tax assets	**12,423**	11,869
Inventories shared by various reportable segments	**113,725**	115,529
Prepayments, deposits and other receivables	**32,415**	53,376
Financial assets at fair value through profit or loss	**1,276**	1,276
Loan receivable	**19,392**	19,379
Cash and cash equivalents	**374,321**	308,407
Total assets	**1,785,636**	1,739,130

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 recoverable, 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-sale financial assets and cash and cash equivalents which are inseparable for each product and are not attributable to particular reportable segments.

5 OPERATING PROFIT/(LOSS)

The following items have been charged to the operating profit/(loss) during the period:

	Six months ended 30 June	
	2013	2012
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Loss on disposal of property, plant and equipment	**1,136**	407
Depreciation of property, plant and equipment	**33,786**	34,127
Amortisation of land use right	**58**	58
Amortisation of intangible assets	**11,800**	12,126
Share-based payments	**2,224**	—
Transaction cost in relation to acquisition of a subsidiary	**—**	1,162

6 FINANCE (COSTS)/INCOME — NET

	Six months ended 30 June	
	2013	2012
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Finance income		
— Interest income on bank deposits	**2,633**	5,496
— Interest income on loan receivable	**365**	—
	2,998	5,496
Finance costs:		
— Bank loans	**(3,006)**	(1,636)
— Finance lease obligations	**(72)**	(172)
— Trust receipt loans	**(912)**	(2,276)
— Notional accretion on deferred revenue	**—**	(268)
— Notional accretion of interest on contingent consideration payable	**(798)**	(680)
	(4,788)	(5,032)
Less amounts capitalised on qualifying assets	**353**	1,627
	(4,435)	(3,405)
Finance (costs)/income — net	**(1,437)**	2,091

7 INCOME TAX EXPENSE

	Six months ended 30 June	
	2013	2012
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Current income tax		
— Hong Kong profits tax	**6**	1,529
— People's Republic of China ("PRC") enterprise income tax	**2,839**	3,097
— Overseas income tax	**—**	26
	2,845	4,652
Deferred income tax	**(881)**	(1,462)
	1,964	3,190

Provision for income tax

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profit for the six months ended 30 June 2013 (For the six months ended 30 June 2012: 16.5%).

The statutory income tax rate applicable to World Fair Electronics Technology (Heshan) Limited, a subsidiary, is 25%. Pursuant to the relevant tax regulations in the PRC, the subsidiary is eligible for an exemption from the PRC 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. The first profit-making year (after offsetting prior year losses) of World Fair Electronics Technology (Heshan) Limited is the year ended 31 December 2008. A 5% withholding income tax is also imposed on dividends related to profits remitted from a Chinese subsidiary.

Overseas income tax has been calculated on the estimated assessable profits for the six months ended 30 June 2013 at rate of taxation prevailing in the country in which the Group operates.

8 EARNINGS/(LOSS) PER SHARE

(a) Basic

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

	Six months ended 30 June	
	2013	2012
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Profit/(loss) attributable to equity holders of the Company	**61,175**	(28,490)
Weighted average number of ordinary shares in issue (thousands)	**2,927,084**	2,927,084
Basic earnings/(loss) per share (Hong Kong cents)	**2.09**	(0.97)

(b) Diluted

The calculation of the diluted earnings/(loss) per share for the period is based on the Group's earnings/(loss) from attributable to the equity holders of the Company and the weighted average number of ordinary shares in issue during the period assuming the exercise of the outstanding share options, the dilutive potential ordinary shares of the Company. A calculation is made to determine the number of ordinary shares that could have been acquired at fair value (determined as the average market share price of the Company's ordinary shares over the period) based on the monetary value of the subscription rights attached to the outstanding share options.

The basic and diluted earnings/(loss) per share for the six months ended 30 June 2013 and 2012 are the same because the effect of the assumed conversion of all dilutive potential ordinary shares outstanding during the periods were anti-dilutive and no computation of diluted earnings per share for the six months ended 30 June 2013 and 2012 is presented.

9 DIVIDENDS

	Six months ended 30 June	
	2013	2012
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Interim dividend paid of HK$0.4 cents (2012: Nil) per share	**11,708**	—

No interim dividend was declared by the board of directors for the six months ended 30 June 2012.

10 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	As at 30 June 2013	As at 31 December 2012
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Listed shares — Japan	**56,176**	32,432
Unlisted shares	**89,353**	62,327
	145,529	94,759
Market value of listed shares	**56,176**	32,432

The fair value for unlisted shares is determined by the information available from recent transactions or using a discounted cash flow approach which is not based on observable inputs.

The fair values of listed shares are determined on the basis of their quoted market prices at the end of reporting period.

At the end of reporting period, the Group's available-for-sale financial assets were individually reviewed for impairment by management. There was no provision for impairment recognised in the condensed consolidated statement of comprehensive income for the six months ended 30 June 2013 and the six months ended 30 June 2012. The Group does not hold any collateral over these balances.

The investment in listed shares of the Group represents investment of 16.67% (31 December 2012: 22.88%) equity interest in DDS, Inc. The investment is classified as available-for-sale financial assets. As at 31 December 2012, although the Group held more than 20% of the equity interests in DDS, Inc, the Group was also classified as available-for-sale financial assets, rather than as an investment in an associate, because the Group did not have the power to exercise any influence over the entity based on the fact that the Group did not have any representation on DDS, Inc's board of directors nor did it have a right to appoint a director.

The investments in unlisted shares of the Group represents investments of equity interests in PowerMat Technologies Limited, Validity Sensors, Inc. and WaveConnex, Inc. These Investments are classified as available-for-sale financial assets as the Group does not have the power to exercise any influence over the entities.

No available-for-sale financial assets were pledged as security for bank borrowings of the Group at the end of the reporting period.

11 TRADE RECEIVABLES

	As at 30 June 2013 *HK$'000* **(Unaudited)**	As at 31 December 2012 *HK$'000* (Audited)
Trade receivables	**246,575**	259,373
Less: Provision for impairment of receivables	**(828)**	(537)
Trade receivables — net	**245,747**	258,836

The Group generally grants a credit period of 30 days 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:

	As at 30 June 2013 *HK$'000* **(Unaudited)**	As at 31 December 2012 *HK$'000* (Audited)
0 to 30 days	**144,747**	176,950
31 to 60 days	**37,536**	32,743
61 to 90 days	**38,246**	28,629
91 to 120 days	**11,061**	1,697
Over 120 days	**14,985**	19,354
	246,575	259,373

Movements on the provision for impairment of trade receivables are as follows:

	As at 30 June 2013 *HK$'000* **(Unaudited)**	As at 31 December 2012 *HK$'000* (Audited)
At 1 January	**537**	486
Acquisition of a subsidiary	**—**	51
Provision for impairment of trade receivables	**291**	—
At 30 June/31 December	**828**	537

12 SHARE CAPITAL AND PREMIUM

	Number of shares *(thousands)*	Nominal value of ordinary shares *HK$'000*	Share premium *HK$'000*	Total *HK$'000*
At 1 January 2012, 30 June 2012, 1 January 2013 and 30 June 2013	2,927,084	292,708	565,489	858,197

13 TRADE AND BILLS PAYABLES

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

	As at 30 June 2013 ***HK$'000*** **(Unaudited)**	As at 31 December 2012 *HK$'000* (Audited)
0 to 30 days	**140,044**	152,595
31 to 60 days	**33,158**	21,442
61 to 90 days	**3,484**	2,390
91 to 120 days	**2,198**	7
Over 120 days	**2,668**	3,773
	181,552	180,207

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Despite a substantial gain recorded from the disposal of certain investments by the Group and a better-than-expected performance of Life Touch products in the first half of 2013, the overall performance for the electronics manufacturing services (the "EMS") market in the reviewing period was sluggish, with no clear trends of reviving. 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 rate in China continued to affect the manufacturing and technology sectors.

During the first half of 2013, the Group continued to diversify its product portfolio, resulting in a more balanced revenue structure. Of the Group's total revenue, Automation products accounted for 32.6% (corresponding period in 2012: 30.8%), Life Energy products accounted for 3.0% (corresponding period in 2012: 3.6%), Life Security products accounted for 10.0% (corresponding period in 2012: 15.8%), Life Touch products accounted for 41.7% (corresponding period in 2012: 31.5%) and Other Segments accounted for 12.7% (corresponding period in 2012: 18.3%).

Automation

Gallant Tech Limited ("Gallant Tech") has continued to contribute stable revenue to the Group since its acquisition by the Group in January 2012. In the first half of 2013, Gallant Tech recorded a revenue of HK$175.2 million, accounting for 32.6% of the Group's total revenue.

Gallant Tech continues to record stable performance due to the strong demand in the mobile manufacturing sector, testing equipments and excellent after-sales services. With the growing awareness of the economic benefits contributed by automation technologies among manufacturers in China, the Group is confident that the automation business will continue to contribute stable revenue to the Group in the long run.

Life Energy

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

During the first half of 2013, the revenue of wireless charging devices recorded a decrease of 25.3% to HK$15.2 million, as compared to the corresponding period in 2012. The Group believes that with the technology development of wireless charging devices becoming more stable and full-fledged in the second half of 2013, the revenue contribution of wireless charging devices to the Group will become more stable and optimistic. The Group believes that our strategic investment in PowerMat Technologies Ltd ("PowerMat") will continue to strengthen and widen our presence in the wireless charging market.

Part of the business of PowerMat comes from its strategic partner and investor — Procter & Gamble ("P&G"). P&G has formed a joint venture company with PowerMat named Duracell PowerMat, which is the leading provider of next generation drop and charge technology and backup batteries for phones and smartphones.

The Group has always been cautious of identifying potential projects that would secure profitability as well as providing strong cash flow. During the reviewing period, plasma lighting source products recorded HK$1.0 million in revenue, representing a 14.6% decrease as compared to the corresponding period in 2012.

Life Security

The Group is continuously working on developing its fingerprint biometric technologies. In the first half of 2013, the revenue for the Group's product segment of fingerprint biometric devices recorded a revenue drop of 43.5% to HK$53.9 million, as compared with the corresponding period in 2012. Such decrease was mainly brought by the weakening demand in notebook computers.

Nevertheless, the Group is very confident that with the increased demand for secure internet communication capabilities, fingerprint biometric technology will quickly become a widely-adopted feature in smart devices, including notebook computers, smartphones and tablet computers for identity identification. With the Group's prescient insight into the future development of this sector, the Group has taken a leading role in the biometric fingerprint internet security industry by developing the Group's own two innovative products, FingerQ and PrivacQ, the software platform and hardware device, respectively, in the last quarter of 2012, which enjoyed a first-mover advantage and secured a leading position in the market.

FingerQ — The World's First Biometric Fingerprint Privacy Protection Platform and Activator

During the first half of 2013, the Group has received 4 patent certificates granted by the State Intellectual Property Office ("SIPO") of the People's Republic of China in relation to an identity authentication device, an instant messaging system, a media communication system and a communication messaging system.

The technologies of the above patents are currently used in FingerQ and PrivacQ. These patented technologies are for biometric applications consisting of encryption and decryption technology for point-to-point and point-to-group information sharing, which can be applied to internet messaging, chat, e-commerce and enterprise applications and are able to take advantage of the Group's security platform.

Furthermore, in May 2013, the Group joined the Fast Identity Online Alliance (the "FIDO Alliance") as a sponsor to contribute its know-how in secure online social networking to help accelerate the use of fingerprint biometric solution on websites and cloud applications for secure and convenient user verification in personal computers, notebooks, tablets and smartphones. The FIDO Alliance is an industry consortium formed in July 2012 to address market needs and requirements for online authentication. Members of the FIDO Alliance will assist in defining market requirements and contribute to the FIDO open protocol. This protocol is the first open industry standard for online and digital authentication that raises security, preserves privacy, and simplifies the user experience and FingerQ will take an active role in driving the industry standards forward.

Together with the collaboration with Singapore Telecommunications Ltd. ("SingTel") on the cloud-based infrastructure, namely PowerON Compute, for the secure social networking platform for FingerQ, the Group believes that the collaboration would help to enlarge its market share and promote the diversification of its product mix. The Group is also confident of bringing customers with the peace of mind in sending or receiving information over social networks going forward.

FingerQ and PrivacQ have gained global recognition in the world's leading technology exhibitions, including 2013 Consumer Electronics Show, 2013 Mobile World Congress and 2013 Mobile Asia Expo. The Group believes that FingerQ and PrivacQ will successfully address the growing demand for internet privacy and data security technologies and accordingly, the Group will focus and develop the lines of products based on these patented technologies in the coming years. FingerQ and PrivacQ have their maiden launch in Hong Kong on 23 July 2013. With Asia as the target market, the Group expects to expand its footprints across the region in the coming future.

The Group believes that through the participation in developing the technical standards and in planning and executing the FIDO Alliance's marketing, certification and deployment programs, the Group will benefit from gaining a thorough understanding of how other authentication technologies are evolving to ensure a secure internet for the future.

Life Touch

The Group's capacitive touch products achieved a favorable performance during the first half of 2013 mainly due to the increased number of projects received. It recorded a revenue of HK$223.9 million, representing a 17.8% increase as compared with the corresponding period in 2012.

Other Segments

The Group's other segments mainly consist of communication and automotive-related products. The sales of communication- and automotive-related products recorded a drop of 77.3% to HK$9.4 million and 24.2% to HK$37.8 million respectively, accounting for 1.7% and 7.0% of the Group's total revenue.

Investments

The venture capital investment business consists of a series of significant investment transactions entered since 2011.

An aggregate of 2,836,119 Fingerprint Cards AB ("FPC") shares and 26,348 shares of DDS Inc. ("DDS") shares were disposed of during the first half of 2013, on the market of NASDAQ OMX Stockholm and the Tokyo Stock Exchange Mothers Market, respectively. These disposals have provided the Group with a good opportunity to realize its investments in FPC and DDS at the prevailing market price, with aggregate net sales proceeds of HK$155.5 million and gain of HK$119.3 million.

Regarding the Group's investment of 43% stake in Advanced Radio Device Technologies, Inc. ("ARDT") in July 2012, a Korean corporation principally engaged in the research and development, sales and marketing of semiconductor for communication and related equipment, ARDT has started operation during the reviewing period but yet to bring in profit to the Group. The Group's eyes are on the technology input from ARDT and its streamlined operation with low operating cost. The Group expects that through the cooperation with ARDT, the market in Radio Frequency ("RF") communications products will be further extended.

As for the Group's investment of 40% stake in Tekmar, Inc. ("Tekmar") in September 2012, a United States corporation mainly engaged in the development, manufacturing and sales of carrier-grade wireless telecommunication systems and components, including RF filters for the 4G LTE FDD and TDD infrastructure, Tekmar is still in the start-up stage during the review period. The Group believes that through the cooperation with Tekmar, the market in RF filters will be further extended.

To tag onto the growth of mobile device wireless charging business driven by the smart device industry's fast growing momentum in the coming future, the Group has made two investments in PowerMat during 2011 and 2012. Though the market of wireless charging for mobile device is still nascent, the Group strongly believes this investment will bring desirable return when the technology gains wider importance not only in US but Asia-Pacific Region.

Validity Sensors, Inc. ("Validity") with offices in the United States and India is a technology company that is principally engaged in the development, manufacturing, and sales of biometric fingerprint sensors for communication and information devices. In November 2012, the Group acquired less than 2% of the enlarged share capital of Validity. In view of the positive industry development and market demand for internet personal identification security devices, the Group believes that the investment value in Validity will become another successful investment of the Group in the fingerprint biometric business.

In February and April 2013, the Group invested in WaveConnex, Inc. ("WaveConnex"), a United States corporation. WaveConnex is a technology company which principally develops wireless technology for data transfer. The Group believes that through the cooperation with WaveConnex, the market in wireless technology for data transfer will be further extended.

Financial Review

Revenue

The revenue for the six months ended 30 June 2013 amounted to HK$537.5 million (corresponding period in 2012: HK$604.0 million), analysed by business segments as follows:

	For the six months ended 30 June				
	2013		2012		
	HK$ million		*HK$ million*		*% change*
Automation	**175.2**	**32.6%**	185.8	30.8%	(5.7)%
Life Energy	**16.2**	**3.0%**	21.5	3.6%	(24.7)%
Life Security	**53.9**	**10.0%**	95.4	15.8%	(43.5)%
Life Touch	**223.9**	**41.7%**	190.1	31.5%	17.8%
Other Segments	**68.3**	**12.7%**	111.2	18.3%	(38.6)%
	537.5	**100.0%**	604.0	100.0%	(11.0)%

During the period under review, the Group's revenue fell by 11.0% to HK$537.5 million as compared with the corresponding period in 2012.

Gross Profit and Margin

As a result of the change in product mix and fall in demand, the gross profit for the six months ended 30 June 2013 amounted to HK$43.2 million, a decrease of HK$18.4 million as compared with the corresponding period in 2012. For the same reason, the gross profit margin for the six months ended 30 June 2013 has decreased from 10.2% to 8.0% as compared with the corresponding period in 2012.

Other Income — net

The net other income increased by HK$118.8 million as compared with the corresponding period in 2012 mainly due to the gain from the few disposals of investment.

Distribution Costs

Distribution costs for the period amounted to HK$12.2 million, amounting to 2.3% of the total revenue. This represents an increase of 31.1% when compared with the corresponding period in 2012. The increase was mainly caused by the promotional activities for FingerQ and PrivacQ.

Administrative Expenses

During the period under review, administrative expenses increased slightly to HK$82.0 million from HK$80.5 million.

Finance Costs — net

The net finance costs increased by HK$3.5 million as compared with the corresponding period in 2012 due to less interest income from deposits.

Income Tax Expense

Income tax expense decreased by 38.4% to HK$2.0 million as compared to the corresponding period in 2012.

Profit for the Period

Profit for the period was HK$61.2 million, as compared to a loss of HK$28.5 million during the corresponding period in 2012.

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 at 30 June 2013, the Group's cash and cash equivalents totalled HK$431.1 million (31 December 2012: HK$365.3 million). Working capital represented by net current assets amounted to HK$304.9 million (31 December 2012: HK$183.4 million). The Group's current ratio was 1.5 (31 December 2012: 1.3).

Bank borrowings are mainly denominated in US Dollars and Hong Kong Dollars and carry LIBOR or HIBOR plus rates, which included trust receipt loans amounting to HK$69.7 million (31 December 2012: HK$120.6 million) and bank loans amounting to HK$253.4 million (31 December 2012: HK$233.1 million). These bank borrowings were secured by corporate guarantees provided by the Company and certain of its subsidiaries. As at 30 June 2013 and 31 December 2012, 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

At 30 June 2013, the Group had contracted but not provided for capital commitments of HK$2.6 million (31 December 2012: HK$3.0 million), and did not have any authorised but not contracted for capital commitments (31 December 2012: Nil).

Currency Exposure and Management

During the period, 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 the PRC, most of the labour costs and manufacturing overheads were denominated in Renminbi. Therefore, the appreciation of Renminbi will adversely affect the Group's profitability. The Group will closely monitor the trend 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 an 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 30 June 2013, the Group had total capital commitments of HK$2.6 million mainly for the purchase of machineries, motor vehicle and construction of additional production facilities.

Employees

As of 30 June 2013, the Group employed approximately 2,300 (31 December 2012: 2,400) full-time staff principally in Hong Kong and the PRC.

The Group remunerates and provides benefits for its employees based on current industry practice. Discretionary bonuses are awarded to staff based on the financial performance of the Group and performance of individual staff.

In addition, share options are granted to eligible employees in accordance with the terms of the Company's share option scheme adopted on 24 November 2010.

Business Outlook

With the global maiden launch of FingerQ and PrivacQ in Hong Kong on 23 July 2013, 2013 will definitely mark a new milestone for the Company. Promising a total privacy solution for personal computing, communications and entertainment devices, FingerQ and PrivacQ offer the highest level of security available using one's own unique fingerprint, and integrate seamlessly into personal daily routines. In addition to the current encryption function, more unique functions including e-banking and online shopping are under development. FingerQ and PrivacQ aim to provide an all-round security service to their users. With their high recognition gained in the world's leading technology exhibitions, in the near future, the Group will devote much resource in promoting this new business. Asia will be the Group's first start and hopefully there will be more footprints around the globe in the coming years. The Group has applied and will continue to apply for patents with the SIPO for technologies used in FingerQ and PrivacQ in order to secure its market status and exclusiveness.

Leveraging our wireless charging technological and production capabilities, in the coming future, the Group will adopt the charging function together with the wireless data transfer to the PrivacQ devices which we think will further solidify FingerQ's market competitiveness.

Since awareness and concerns from corporations and general public over data security have been increasing, the Group believes that the demand for fingerprint biometric devices will sustain and remain an important growth driver of the business in-view of the increasing demand.

For our automation business, as mentioned earlier, Gallant Tech has been contributing stable revenue to the Group. In the second half of 2013, Gallant Tech is planning to expand its sales network from Tianjin, Beijing, Sichuan and Shenzhen to wider China particularly the Western regions such as Chengdu and Chongqing.

Nonetheless, for the second half of 2013, the operating environment is expected to be challenging due to economic uncertainties. The Group will continue to put in great effort in establishing a solid foundation for overcoming challenges ahead. Looking forward, the Group will give its best effort in expanding the consumer product markets and remain a pioneer in innovative products design and development in order to enhance its market presence and profitability.

INTERIM DIVIDEND

The Board recommends the payment of an interim dividend of HK$0.4 cents per ordinary share of the Company for the six months ended 30 June 2013 (2012: Nil). The interim dividend will be paid in cash on or around Tuesday, 15 October 2013 to shareholders whose names appear on the register of members of the Company at the close of business on Sunday, 29 September 2013.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 25 September 2013 to Sunday, 29 September 2013 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for entitlement to the interim dividend for the six months ended 30 June 2013, 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 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 24 September 2013.

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

Neither the Company, nor any of its subsidiaries, purchased, redeemed or sold any of the Company's listed securities during the six months ended 30 June 2013.

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 Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), except that there is no separation of the roles of Chairman and Chief Executive Officer as stipulated in the code provision A.2.1 of the CG Code. Mr. Wong Kwok Fong ("Mr. Wong") currently assumes the roles of both the Chairman and the Chief Executive Officer of the Company. Mr. Wong 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 allows for 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 be maintained.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("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 six months ended 30 June 2013, 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.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

The interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.wwtt.hk). The 2013 Interim 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 give our 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, 23 August 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.