GLOBAL TECH (HOLDINGS) LIMITED

耀科國際（控股）有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 143)

ANNUAL RESULTS
FOR THE YEAR ENDED 30 SEPTEMBER 2013

The board of directors (the "Board") of Global Tech (Holdings) Limited (the "Company") announces the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 30 September 2013, together with the comparative figures, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 September 2013	Notes	**2013**	2012
		HK$'000	HK$'000
Turnover	4	**110,548**	100,583
Cost of sales		**(77,537)**	(75,031)
Gross profit		**33,011**	25,552
Other revenue	5	**166**	437
Other income	6	**270**	1,779
Selling and distribution expenses		**(1,292)**	(2,495)
Administrative expenses		**(50,106)**	(46,298)
Other operating expenses		**(22,154)**	(118)
Loss from operations	7	**(40,105)**	(21,143)
Cumulative gain reclassified from equity to profit or loss upon disposal of available-for-sale financial assets		**-**	517
Loss before taxation		**(40,105)**	(20,626)
Taxation	8	**52,993**	-
Profit/(loss) for the year		**12,888**	(20,626)
Other comprehensive income/(loss)			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		**196**	(1,647)
Release of exchange reserves upon deregistration of subsidiaries		**-**	108
Gain on fair value change of available-for-sale financial assets		**-**	767
Reclassification adjustments relating to available-for-sale financial assets disposed of during the year		**-**	(517)
Other comprehensive income/(loss) for the year, net of tax		**196**	(1,289)

** For identification purpose only*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the year ended 30 September 2013	Notes	**2013**	2012
		HK$'000	HK$'000
Total comprehensive income/(loss) for the year		**13,084**	(21,915)
Profit/(loss) for the year attributable to owners of the Company		**12,888**	(20,626)
Total comprehensive income/(loss) for the year attributable to owners of the Company		**13,084**	(21,915)
Earnings/(loss) per share attributable to owners of the Company			
Basic and diluted	10	**HK$0.002**	HK$(0.004)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2013	Notes	**2013**	2012
		HK$'000	HK$'000
Non-current assets			
Property, plant and equipment		**3,904**	4,510
Available-for-sale financial assets		**5,950**	5,950
		9,854	10,460
Current assets			
Inventories		**6,353**	9,122
Trade receivables	11	**4,722**	28,036
Prepayments, deposits and other receivables		**8,510**	10,591
Cash and bank balances		**37,929**	48,429
		57,514	96,178
Current liabilities			
Trade payables	12	**1,697**	2,005
Accrued charges and other payables		**10,809**	9,862
Tax payables		**-**	52,993
		12,506	64,860
Net current assets		**45,008**	31,318
Total assets less current liabilities		**54,862**	41,778
Net assets		**54,862**	41,778
Equity			
Capital and reserves attributable to owners of the Company			
Share capital		**51,659**	51,659
Reserves		**3,203**	(9,881)
Total equity		**54,862**	41,778

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations ("Ints") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements include applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") and the disclosure requirements of the Hong Kong Companies Ordinance.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost convention, as modified for the revaluation of certain available-for-sale financial assets which are stated at their fair values. The preparation of the consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the application of the Group's accounting policies.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied, for the first time, the following new standards, amendments and interpretations ("new and revised HKFRSs") issued by the HKICPA, which are effective for the Group's financial year beginning 1 October 2012.

HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets

Amendments to HKAS 1 Presentation of Items of Other Comprehensive Income

The Group has applied the amendments to HKAS 1. The amendments introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, the "statement of comprehensive income" is renamed as the "statement of profit or loss and other comprehensive income" and the "income statement" is renamed as the "statement of profit or loss". The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to HKAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

Save as described above, the application of the new and revised HKFRSs in the current year has had no material effect on the amounts reported in these consolidated financial statements and/or disclosures set out in these consolidated financial statements.

New and revised standards, amendments and interpretations in issue but not yet effective

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective.

HKAS 19 (As revised in 2011)	Employee Benefits[1]
HKAS 27 (As revised in 2011)	Separate Financial Statements[1]
HKAS 28 (As revised in 2011)	Investments in Associates and Joint Ventures[1]
HKAS 32 (Amendments)	Presentation – Offsetting Financial Assets and Financial Liabilities[2]
HKAS 36 (Amendments)	Recoverable Amount Disclosures for Non-Financial Assets[2]
HKAS 39 (Amendments)	Novation of Derivatives and Continuation of Hedge Accounting[2]
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2009-2011 Cycle[1]
HKFRS 1 (Amendments)	Government Loan[1]
HKFRS 7 (Amendments)	Disclosures – Offsetting Financial Assets and Financial Liabilities[1]
HKFRS 7 and HKFRS 9 (Amendments)	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[3]
HKFRS 9	Financial Instruments[3]
HKFRS 10	Consolidated Financial Statements[1]
HKFRS 11	Joint Arrangements[1]
HKFRS 12	Disclosure of Interests in Other Entities[1]
HKFRS 13	Fair Value Measurement[1]
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance[1]
HKFRS 10, HKFRS 12 and HKAS 27 (Amendments)	Investment Entities[2]
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine[1]
HK(IFRIC) – Int 21	Levies[2]

1 Effective for annual periods beginning on or after 1 January 2013.
2 Effective for annual periods beginning on or after 1 January 2014.
3 Effective for annual periods beginning on or after 1 January 2015.

HKFRS 9 Financial Instruments

HKFRS 9 (as issued in November 2009) introduces new requirements for the classification and measurement of financial assets. HKFRS 9 (as revised in November 2010) includes the requirements for classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described as follows:–

HKFRS 9 requires all recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent reporting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

The most significant effect of HKFRS 9 regarding the classification and measurement of financial liabilities related to the presentation of changes in the fair value of a financial liability (designated as at fair value through profit or loss) attributable to changes in the credit risk of that liability. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2015, with earlier application permitted.

New and revised Standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

Key requirements of these five standards are described below.

HKFRS 10 replaces the parts of HKAS 27 Consolidated and Separate Financial Statements that deal with consolidated financial statements and HK (SIC) – Int 12 Consolidation – Special Purpose Entities will be withdrawn upon the effective date of HKFRS 10. Under HKFRS 10, there is only one basis for consolidation, that is, control. In addition, HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 11 replaces HKAS 31 Interests in Joint Ventures and HK (SIC) – Int 13 Jointly Controlled Entities – Non-Monetary Contributions by Venturers. HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. Under HKFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements.

In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations.

In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate consolidation.

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

In July 2012, the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 were issued to clarify certain transitional guidance on the application of these five HKFRSs for the first time.

These five standards, together with the amendments relating to the transitional guidance, are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted provided that all of these five standards are applied early at the same time.

HKFRS 13 Fair Value Measurement

HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The Standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of HKFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in HKFRS 13 are more extensive than those in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under HKFRS 7 Financial Instruments: Disclosures will be extended by HKFRS 13 to cover all assets and liabilities within its scope.

HKFRS 13 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

Amendments to HKAS 19 Employee Benefits

The amendments to HKAS 19 change the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in the fair value of plan assets when they occur, and hence eliminate the 'corridor approach' permitted under the previous version of HKAS 19 and accelerate the recognition of past service costs. The amendments require all actuarial gains and losses to be recognised immediately through other comprehensive income in order for the net pension asset or liability recognised in the consolidated statement of financial position to reflect the full value of the plan deficit or surplus. Furthermore, the interest cost and expected return on plan assets used in the previous version of HKAS 19 are replaced with a 'net-interest' amount, which is calculated by applying the discount rate to the net defined benefit liability or asset.

The amendments to HKAS 19 are effective for annual periods beginning on or after 1 January 2013 and require retrospective application with certain exceptions.

Amendments to HKAS 32 – Presentation – Offsetting Financial Assets and Financial Liabilities

The amendments to HKAS 32 address inconsistencies in current practice when applying the offsetting criteria and clarify:

- the meaning of 'currently has a legally enforceable right of set-off'; and

- that some gross settlement systems may be considered equivalent to net settlement.

The amendments are effective for annual periods beginning on or after 1 January 2014 and are required to be applied retrospectively.

The Group is in the process of assessing the potential impact of the above new and revised HKFRSs upon initial application but is not yet in a position to state whether the above new and revised HKFRSs will have a significant impact on the Group's results of operations and financial position.

3. SEGMENT INFORMATION

The Group's operating segments based on information reported to the chief operating decision maker (the "CODM") for the purpose of resource allocation and performance assessment are as follows:

(i) Trading of telecommunications products

(ii) Provision of repair services

(iii) Investments in financial assets

Information regarding the Group's reportable segments for the years ended 30 September 2013 and 2012 is presented as follows:

(a) Segment revenue and results

	2013			
	Trading of telecommunications products HK$'000	**Provision of repair services HK$'000**	**Investments in financial assets HK$'000**	**Consolidated HK$'000**
Turnover	**19,213**	**91,335**	**-**	**110,548**
Segment results	**(24,251)**	**5,262**	**3**	**(18,986)**
Interest income				**4**
Unallocated income				**304**
Unallocated expenses				**(21,427)**
Loss before taxation				**(40,105)**
Taxation				**52,993**
Profit for the year				**12,888**

	2012			
	Trading of telecommunications products HK$'000	Provision of repair services HK$'000	Investments in financial assets HK$'000	Consolidated HK$'000
Turnover	26,990	74,916	(1,323)	100,583
Segment results	(6,216)	1,097	(803)	(5,922)
Interest income				162
Unallocated income				97
Unallocated expenses				(14,963)
Loss before taxation				(20,626)
Taxation				-
Loss for the year				(20,626)

Turnover reported above represents turnover generated from external customers. There are no intersegment sales for the year ended 30 September 2013 (2012: HK$ Nil).

Segment result represents the result generated from each segment without allocation of central administrative costs including directors' salaries, staff costs, legal and professional fees and taxation. This is the measure reported to the CODM for the purpose of resource allocation and assessment of segment performance.

(b) Geographical segments

During the year ended 30 September 2013, more than 92% (2012: more than 94%) of the Group's turnover and total assets were derived from and located in Hong Kong. Therefore, no geographical segment for the respective years is presented.

4. TURNOVER

	2013	2012
	HK$'000	HK$'000
Sales of goods	**19,213**	26,990
Provision of repair services	**91,335**	74,916
Fair value losses on financial assets at fair value through profit or loss, net	**-**	(1,323)
	110,548	100,583

5. OTHER REVENUE

	2013	2012
	HK$'000	HK$'000
Interest income	**7**	162
Sundry income	**159**	275
	166	437

6. OTHER INCOME

	2013	2012
	HK$'000	HK$'000
Exchange gains, net	**-**	1,779
Others	**270**	-
	270	1,779

7. LOSS FROM OPERATIONS

Loss from operations has been arrived at after charging/(crediting):

	2013	2012
	HK$'000	HK$'000
Auditors' remuneration:		
Auditors of the Company	**1,250**	1,250
Other auditors	**42**	41
Cost of trading inventories sold	**12,314**	20,451
Employee benefit expenses	**27,041**	25,920
Retirement benefit costs	**959**	1,108
Depreciation	**1,764**	1,852
Bad debts written off*	**95**	-
Impairment loss recognised in respect of trade receivables*	**19,892**	-
Loss on written off of property, plant and equipment*	**1,614**	10
Losses on deregistration of subsidiaries*	**-**	108
Allowance for inventories	**899**	482
Reversal of allowance for inventories	**(63)**	(39)
Written off of inventories	**64**	16
Operating lease rental in respect of rental premises	**5,780**	5,724
Exchange losses/(gains), net	**244**	(1,779)

* Items included in other operating expenses.

8. TAXATION

	2013	2012
	HK$'000	HK$'000
Current tax:		
Hong Kong Profits Tax:		
Current year	**-**	-
Overseas taxation:		
Over-provision in prior year	**(52,993)**	-
	(52,993)	-

9. DIVIDENDS

The Board does not recommend the payment of any dividend for the year ended 30 September 2013 (2012: HK$ Nil).

10. EARNINGS/(LOSS) PER SHARE

The calculation of the basic earnings/(loss) per share is based on the profit attributable to owners of the Company of approximately HK$12,888,000 (2012: loss attributable to owners of the Company of HK$20,626,000) and on 5,165,973,933 (2012: 5,165,973,933) ordinary shares in issue during the year.

The diluted earnings/(loss) per share for the years ended 30 September 2013 and 2012 was the same as basic earnings/(loss) per share as there were no potential outstanding shares for the years.

11. TRADE RECEIVABLES

At the end of the reporting periods, the aging analysis of the trade receivables is as follows:

	2013	2012
	HK$'000	HK$'000
Current	**4,045**	8,112
One to three months overdue	**272**	805
More than three months, but less than twelve months overdue	**1,254**	127
Over twelve months overdue	**138,873**	138,855
	144,444	147,899
Less: Impairment loss recognised	**(139,722)**	(119,863)
	4,722	28,036

12. TRADE PAYABLES

At the end of the reporting periods, the aging analysis of the trade payables is as follows:

	2013	2012
	HK$'000	HK$'000
Current and within one month	**1,503**	1,804
One to three months overdue	**29**	26
Overdue over three months	**165**	175
	1,697	2,005

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Highlights

In the year ended 30 September 2013 the Group delivered a turnover of approximately HK$110.5 million (2012: HK$100.6 million), up 9.8% year on year contributed by the increase in revenue from the provision of repair services on the back of an expanding product portfolio.

Revenue from the provision of repair services during the year rose 21.9% year on year to approximately HK$91.3 million (2012: HK$74.9 million), as a result of increased demand for services in upgrading smartphones. While complementing the trading business, the services provision segment has also developed into a growing source of recurrent income for the Group.

A loss from operations of approximately HK$40.1 million (loss in 2012: HK$21.1 million) was incurred, with loss for the year standing at approximately HK$40.1 million (loss in 2012: HK$20.6 million). The loss incurred widened as there is a significant increase in other operating expenses.

The Group recorded a net profit of approximately HK$12.9 million for the year ended 30 September 2013 as compared to a net loss for the corresponding year ended 30 September 2012, which is mainly attributable to the one-off written back of provision for taxation previously made by the Group during the year.

Uncertainty continued to surround global economic prospects during the year. The Hong Kong economy expanded moderately, albeit at a slower pace, while major advanced economies remained generally sluggish. The Group has taken further steps to tighten controls on business and financial management, and will remain on high alert for economic headwinds ahead.

The Hong Kong Market

With five mobile network operators in the market, competition in public mobile services in Hong Kong remains keen. According to information from the Office of the Communications Authority, the number of mobile service subscribers was boosted to 16.71 million in June 2013, representing one of the highest penetration rates in the world at about 233%. Among these 16.71 million subscribers, 10.9 million were third-generation (3G) or fourth-generation (4G) service consumers.

Other than basic voice services, local mobile data usage recorded a remarkable surge to 9,422 Terabytes, or an average of 843 Mbytes per 2.5G/3G/4G mobile user as at the end of June 2013. This represents a growth of 1.62 times in mobile data usage over the same period last year.

In addition to 3G services, all five mobile network operators have deployed 4G services utilising Long Term Evolution (LTE) technology. This has enabled mobile service subscribers to enjoy data downlink speeds of up to 150 Mbps. With a wide range of high-speed mobile data services available in the market, subscribers are able to enjoy faster and better quality video streaming and Web browsing on mobile devices.

In November 2013, the Hong Kong SAR Government announced plans to auction off a third of the 3G spectrum when current operators' licences expire in 2016. The move has aroused grave concerns from existing operators over possible higher prices and degradation in service quality. The plan is expected to substantially increase the costs for the carriers and compel them to revamp operations.

As the Hong Kong telecommunications sector is headed for a shake-up, the carriers claimed that the high spectrum fees would eventually impact consumers in the form of a new 'tax'.

A report released by BMI in July 2013 indicated a slowdown of growth in spending on consumer electronics devices in Hong Kong during 2012 and 2013, caused by a combination of a weaker economic environment, price erosion and high penetration of devices in key markets. Total spending in 2013 was forecast to increase by almost 6% to US$4.45 billion. Among the key product categories driving this growth are high-definition television (HDTV) sets, tablets, and 4G smartphones. Hybrids and Ultrabooks also demonstrate potential to contribute to growth over the medium term.

The value of handset sales in Hong Kong was US$605 million in 2013, up 9% year on year, with sales growth mainly driven by upgrades and replacement of smartphones. Smartphones have been the most important sub-segment of the handset market in the past few years, with penetration rising from 35% in 2011 to 63% in 2013. BMI expects smartphones to remain the fastest-growing sub-segment of the overall handset market over the coming few years.

In addition to replacements for existing users, who have grown accustomed to short replacement cycles for their handsets, smartphone sales will also be driven by upgrades. Although the overall market is healthy, price pressures are expected to narrow margins for vendors as Apple launches its cheaper iPhone 5C amid intensified competition from mainland China vendors such as Xiaomi, Lenovo and Huawei.

This growth scenario faces a potential downside risk in the form of the negative wealth effect arising from further cooling in property prices, which could erode consumer confidence. A Nielsen survey found a modest downward movement in Hong Kong's confidence level in the third quarter of 2013 as a result of economic uncertainty caused by the monetary policy of the United States (US) and the flat local property market. The index dropped slightly from the second quarter. The survey also reported a drop in Hong Kong consumers' optimism in relation to job prospects and personal finance.

Liquidity, Financial and Working Capital Resources

The Group's total non-current assets decreased slightly to approximately HK$9.9 million (2012: HK$10.5 million) at 30 September 2013.

The Group maintained its conservative low-inventory policy during the year. As a result, inventories remained at a relatively low level of approximately HK$6.4 million (2012: HK$9.1 million) at 30 September 2013.

At 30 September 2013, the Group had net trade receivables of approximately HK$4.7 million (2012: HK$28.0 million).

The Group had no bank borrowings at 30 September 2013 (2012: HK$ Nil). Its gearing ratio, expressed as a percentage of total borrowings over total assets, was nil (2012: Nil). No fixed deposit was pledged for obtaining any banking facility during the year (2012: HK$ Nil). The current ratio was approximately 4.60 (2012: 1.48) while the liquid ratio stood at approximately 4.09 (2012: 1.34).

The objective of the Group's cash management policy is to optimise liquidity to gain a better return for shareholders in a risk-averse manner. At 30 September 2013, there was no investment in financial assets at fair value through profit or loss (2012: HK$ Nil).

With increasing financial volatility around the world, the Group is committed to maintaining a conservative cash management policy.

Currencies

The Group conducts its core business transactions mainly in Hong Kong dollars, New Taiwan dollars and United States dollars. The majority of the Group's cash and bank balances are also denominated in these three currencies. During the year ended 30 September 2013, the Group did not experience significant exposure to exchange rate and interest rate fluctuations. As a result, the Group did not enter into any material foreign exchange contracts, currency swaps or other financial derivatives.

Contingent Liability

The Group did not have any significant contingent liability at 30 September 2013.

Material Acquisition or Disposal of Subsidiaries

There was no material acquisition or disposal of subsidiaries during the year ended 30 September 2013. No (2012: Two) subsidiaries of the Group were deregistered during the year.

Prospects and Strategic Outlook

On examining the ongoing world economic outlook, the International Monetary Fund (IMF) described global growth as in low gear, with the drivers of activity changing, and these dynamics will raise new policy challenges.

Held back by an uneven recovery in the US and the still weak eurozone economy, growth in major advanced markets will continue to be subdued. Emerging market economies also face the dual challenges of slowing growth and tighter global financial conditions. The IMF therefore revised downward its forecasts for growth in both 2013 and 2014 to 2.9% and 3.6% respectively.

The US economy remains at the centre of events, although private demand growth has been hobbled by excessive fiscal consolidation. Politics is creating uncertainty in fiscal adjustment, and conflicts around increasing the debt ceiling could lead to another bout of destabilising uncertainty and lower growth. IMF forecasts therefore show US growth in 2013 and 2014 down from its previous estimates. Future challenges will include the country's eventual exit from ultra-low interest rates and quantitative easing.

The eurozone continues to see a divergence in terms of economic strength and disinflation among its member countries. The periphery has a much weaker growth profile, and bank deleveraging is progressing at a much faster pace than at the core. Highlighting fiscal austerity, the eurozone's monetary policy aimed at fighting fires is not necessarily pro-growth.

Growth in major emerging markets is expected to be weaker than indicated by the IMF's previous forecast, owing partly to a natural cooling in growth following the stimulus-driven surge in activity after the financial crisis in 2008. The slowdown in many emerging markets has been exacerbated by structural bottlenecks in infrastructure, labour markets, and investment. The IMF warned that this transition is leading to tensions.

The new challenges and risks arising from these growth transitions are intensified by the approaching turning point in US monetary policy. A less accommodating US monetary policy coupled with domestic vulnerabilities in emerging economies could lead to further global market adjustment, bringing risks of asset price overshooting or even balance of payments disruptions.

Moreover, old risks remain. They include unfinished financial sector reforms in the eurozone and corporate debt overhang in some eurozone economies, and high government debt and related fiscal and financial risks in many other advanced economies. In its world economic outlook, the IMF highlights the risk of the global economy remaining stuck in low gear for a prolonged period.

In the telecommunications sector, operators will remain torn between the pressures of stagnating revenues and the need to invest in innovation on one hand, against a backdrop of slowing economies, market uncertainty, cost pressures, strict regulations and squeezed margins on the other.

On the upside, Deloitte expects consumers to begin to derive more value from the features, functionality and applications on their devices. With the rollout of 4G technology and other technologies to enhance broadband access, together with new devices and services to benefit from this, data usage will continue to expand exponentially, with the overall value equation for consumers moving in the same direction.

Higher speeds and widespread adoption of mobile applications are also expected to benefit vertical markets, especially in banking and mobile payments. These incremental services will not only offer new opportunities, but will drive ever higher data needs.

The key near-term challenges for the sector will be spectrum availability and the continued heavy capital requirements for building and upgrading networks. The technological advances of 4G will be overtaken by the projected increase in data usage, leading towards a potential spectrum shortage within a year or two. Deloitte therefore predicts continued consolidation in the marketplace, driven primarily by the need for scale, spectrum positioning and vertical market development.

Overall, the mobile ecosystem is generating more economic activity and value to companies in the system. However, as the industry focuses on marketplace growth and innovation in strategic areas in order to provide a broader array of value-adding data services, the Group anticipates continued tight control of expenditures on after-sales services by vendors, thereby imposing further pressures on the Group's profit margins.

To stay resilient in the face of change, the Group will align sustainability principles with its business strategy. It will also derive positive momentum through an expanding, market-relevant product portfolio and by building innovation into its services and business processes. Furthermore, a defensive strategy is in place to guard against more economic headwinds. The Group is well prepared for future ‘creative destructions’ in the industry and changes in the operating environment. The Group remains focused on creating long-term value for shareholders.

Employee Information

At 30 September 2013, the Group employed a work force of 107 (2012: 121). Staff costs, including salaries, bonuses and allowances, were approximately HK$28.0 million (2012: HK$27.0 million).

The Group maintains a competitive remuneration policy to motivate, retain and attract talent. The remuneration packages mainly comprise salary payments, group medical insurance plans and discretionary bonuses awarded on a performance basis. The Group provides pension schemes for employees as part of the staff benefits.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the year ended 30 September 2013.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

Throughout the year ended 30 September 2013, the Company has complied with the code provisions (“Code Provisions”) set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules, except for the following deviations:-

1. Code Provision A.2.1

Code Provision A.2.1 provides that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

The positions of Chairman of the Board and Chief Executive Officer (“CEO”) of the Company are both currently carried on by the same person. The Board considers that this structure does not undermine the balance of power and authority between the Board and the management. The Board members have considerable experience and qualities which they bring to the Company and the Board believes that it is able to ensure that the balance of power between the Board and the management is not impaired. The Board believes that having the same person performing the roles of both Chairman and CEO does provide the Group with strong and consistent leadership and that, operating in this manner allows for more effective and efficient overall strategic planning of the Group.

2. **Code Provision A.4.2**

Code Provision A.4.2 provides that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

According to Article 116 of the articles of association of the Company, all directors of the Company (except the CEO) shall retire by rotation at the annual general meeting of the Company at least once every three years. In the opinion of the Board, stability and continuation are key factors to the successful implementation of business plans. The Board believes that it is beneficial to the Group that there is continuity in the role of the CEO and, therefore, the Board is of the view that the CEO should be exempt from this arrangement at the present time.

REVIEW OF ANNUAL RESULTS BY AUDIT COMMITTEE

The audited annual results of the Group for the year ended 30 September 2013 have been reviewed by the Audit Committee of the Company.

On behalf of the Board
SY Ethan, Timothy
Chairman

Hong Kong, 16 December 2013

As at the date of this announcement, the Board comprises 6 directors, of which 2 are executive directors, namely Mr. SY Ethan, Timothy and Mr. SUNG Yee Keung, Ricky, 1 is a non-executive director, namely Mr. KO Wai Lun, Warren and 3 are independent non-executive directors, namely Mr. Andrew David ROSS, Mr. Geoffrey William FAWCETT and Mr. Charles Robert LAWSON.