ASIA TELE-NET AND TECHNOLOGY CORPORATION LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 679)

FINAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31ST DECEMBER, 2007

The Board of Directors (the "Board") of Asia Tele-Net and Technology Corporation Ltd (the "Company") is pleased to announce that the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31st December, 2007 together with last year's comparative figures as follows:–

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER, 2007

	NOTES	**2007** *HK$'000*	2006 *HK$'000*
Revenue	*5*	**521,658**	632,501
Direct costs		**(381,263)**	(435,549)
Gross profit		**140,395**	196,952
Bad debts recovered		**127**	240
Other income		**5,047**	4,354
Selling and distribution costs		**(50,047)**	(84,570)
Administrative expenses		**(107,916)**	(107,382)
Other expenses		**(2,032)**	(1,820)
Allowance for bad and doubtful debts		**(5,387)**	(2,185)
Net change in fair value of held-for-trading investments		**31,061**	9,169
Finance costs	*6*	**(2,378)**	(853)
Impairment loss recognised in respect of goodwill	*7*	**(2,488)**	–
Loss on deemed disposal of an associate	*8*	**(2,358)**	(313)
Impairment loss recognised in respect of investment in an associate		**–**	(696)
Share of results of associates		**12,007**	9,016
Profit before taxation		**16,031**	21,912
Taxation	*9*	**(725)**	(2,105)
Profit for the year	*10*	**15,306**	19,807
Attributable to:			
Equity holders of the parent		**15,233**	20,079
Minority interests		**73**	(272)
		15,306	19,807
Earnings per share – Basic	*11*	**HK3.57 cents**	HK4.71 cents

CONSOLIDATED BALANCE SHEET

AT 31ST DECEMBER, 2007

	NOTES	2007 HK$'000	2006 HK$'000
Non-current assets			
Property, plant and equipment		**89,442**	84,705
Prepaid lease payments		**12,646**	12,890
Goodwill		**–**	2,488
Interests in associates		**56,979**	47,375
Available-for-sale investments		**515**	515
Loans receivable		**44**	1,219
		159,626	149,192
Current assets			
Inventories		**57,233**	45,833
Retirement benefit assets		**264**	13
Amounts due from customers for contract work		**23,634**	30,503
Loans receivable		**4,741**	4,554
Debtors, deposits and prepayments	*12*	**206,595**	256,925
Prepaid lease payments		**244**	244
Held-for-trading investments		**44,428**	20,251
Amounts due from associates		**2,844**	4,274
Taxation recoverable		**3,755**	3,314
Pledged bank deposits		**7,000**	7,000
Bank balances and cash		**72,757**	63,144
		423,495	436,055
Current liabilities			
Creditors, bills payable and accrued charges	*13*	**208,011**	238,339
Warranty provision		**12,764**	20,938
Amounts due to customers for contract work		**5,305**	8,480
Amounts due to associates		**20**	37
Taxation payable		**43**	2,061
Borrowings due within one year		**42,134**	37,291
Obligations under finance leases due within one year		**2,272**	8
		270,549	307,154
Net current assets		**152,946**	128,901
		312,572	278,093

	2007	2006
	HK$'000	*HK$'000*
Capital and reserves		
Share capital	**4,265**	4,265
Reserves	**289,330**	263,890
Equity attributable to equity holders of the parent	**293,595**	268,155
Minority interests	**6,747**	6,070
	300,342	274,225
Non-current liabilities		
Warranty provision	**7,175**	–
Obligations under finance leases due after one year	**732**	–
Deferred taxation	**4,323**	3,868
	12,230	3,868
	312,572	278,093

Notes:

1. GENERAL

The Company is incorporated in Bermuda under The Companies Act 1981 of Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of the registered office and principal place of business of the Company are disclosed in the "Corporation Information" section of the annual report.

The consolidated financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

The Company is an investment holding company and its principal subsidiaries are mainly engaged in electroplating equipment business.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRS(s)")

In the current year, the Group has applied, for the first time, the following new standards, amendments and interpretations ("New HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are effective for the Group's financial year beginning 1st January, 2007.

HKAS 1 (Amendment)	Capital disclosures
HKFRS 7	Financial instruments: Disclosures
HK(IFRIC) – INT 7	Applying the restatement approach under HKAS 29 Financial Reporting in Hyperinflationary Economies
HK(IFRIC) – INT 8	Scope of HKFRS 2
HK(IFRIC) – INT 9	Reassessment of embedded derivatives
HK(IFRIC) – INT 10	Interim financial reporting and impairment

The adoption of these New HKFRSs had no material effect on how the results and financial position of the Group for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Group has applied the disclosure requirements under HKAS 1 (Amendment) and HKFRS 7 retrospectively. Certain information presented in prior year under the requirements of HKAS 32 has been removed and the relevant comparative information based on the requirements of HKAS 1 (Amendment) and HKFRS 7 has been presented for the first time in the current year.

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

HKAS 1 (Revised)	Presentation of financial statements [1]
HKAS 23 (Revised)	Borrowing costs [1]
HKAS 27 (Revised)	Consolidated and separate financial statements [2]
HKFRS 2 (Amendment)	Vesting conditions and cancellations [1]
HKFRS 3 (Revised)	Business combinations [2]
HKFRS 8	Operating segments [1]
HK(IFRIC) – INT 11	HKFRS 2: Group and treasury share transactions [3]
HK(IFRIC) – INT 12	Service concession arrangements [4]
HK(IFRIC) – INT 13	Customer loyalty programmes [5]
HK(IFRIC) – INT 14	HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction [4]

[1] *Effective for annual periods beginning on or after 1st January, 2009.*
[2] *Effective for annual periods beginning on or after 1st July, 2009.*
[3] *Effective for annual periods beginning on or after 1st March, 2007.*
[4] *Effective for annual periods beginning on or after 1st January, 2008.*
[5] *Effective for annual periods beginning on or after 1st July, 2008.*

The directors of the Company anticipate that the application of these standards, amendments and interpretations will have no material impact on the results and the financial position of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for buildings and certain financial instruments, which are measured at revalued amounts or fair values, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange and by the Hong Kong Companies Ordinance.

4. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

The Group is mainly engaged in electroplating equipment business which includes the design, manufacturing and sale of custom-built electroplating equipment, sales of spare parts of electroplating machinery and provision of repairs and maintenance services. This business is the basis on which the Group reports its primary segment information.

Segment information about these businesses is presented below.

FOR THE YEAR ENDED 31ST DECEMBER, 2007

	Electroplating equipment *HK$'000*	Other operations *HK$'000*	Elimination *HK$'000*	Consolidated *HK$'000*
REVENUE				
External sales	**520,511**	**1,147**	**–**	**521,658**
RESULTS				
Segment results	**(6,343)**	**(1,143)**	**2,176**	**(5,310)**
Unallocated corporate income				**4,275**
Unallocated corporate expenses				**(21,266)**
Net change in fair value of held-for-trading investments				**31,061**
Loss on deemed disposal of an associate				**(2,358)**
Finance costs				**(2,378)**
Share of results of associates				**12,007**
Profit before taxation				**16,031**
Taxation				**(725)**
Profit for the year				**15,306**

OTHER INFORMATION

FOR THE YEAR ENDED 31ST DECEMBER, 2007

	Electroplating equipment *HK$'000*	Other operations *HK$'000*	Consolidated *HK$'000*
Allowance for bad and doubtful debts			
– segments	**3,277**	**125**	**3,402**
– unallocated			**1,985**
Allowance for slow moving inventories	**962**	**–**	**962**
Bad debts recovered	**127**	**–**	**127**
Capital additions	**8,418**	**665**	**9,083**
Depreciation	**7,538**	**349**	**7,887**
Release of prepaid lease payments	**244**	**–**	**244**

FOR THE YEAR ENDED 31ST DECEMBER, 2006

	Electroplating equipment *HK$'000*	Other operations *HK$'000*	Elimination *HK$'000*	Consolidated *HK$'000*
REVENUE				
External sales	630,970	1,531	–	632,501
RESULTS				
Segment results	19,266	(1,142)	4,678	22,802
Unallocated corporate income				1,957
Unallocated corporate expenses				(19,170)
Net change in fair value of held-for-trading investments				9,169
Loss on deemed disposal of an associate				(313)
Impairment loss recognised in respect of investment in an associate				(696)
Finance costs				(853)
Share of results of associates				9,016
Profit before taxation				21,912
Taxation				(2,105)
Profit for the year				19,807

OTHER INFORMATION

FOR THE YEAR ENDED 31ST DECEMBER, 2006

	Electroplating equipment *HK$'000*	Other operations *HK$'000*	Consolidated *HK$'000*
Allowance for bad and doubtful debts	2,185	–	2,185
Allowance for slow moving inventories	924	–	924
Bad debts recovered	240	–	240
Capital additions	7,665	285	7,950
Depreciation	5,794	220	6,014
Release of prepaid lease payments	244	–	244

Geographical segments

The Group's operations are mainly located in Hong Kong, the People's Republic of China (excluding Hong Kong) ("PRC"), Taiwan, Europe, North America and other Asia countries.

The following table provides an analysis of the Group's revenue by geographical market.

	2007	2006
	HK$'000	*HK$'000*
Hong Kong	**26,006**	67,117
PRC	**200,469**	205,633
Taiwan	**101,215**	197,235
Europe	**47,027**	66,548
North America	**40,307**	15,774
Japan and Korea	**27,861**	39,089
South East Asia (other than Korea)	**77,886**	35,418
Others	**887**	5,687
	521,658	632,501

5. REVENUE

The Group's revenue for the year ended 31st December, 2007 analysed by principal activity is as follows:

	2007	2006
	HK$'000	*HK$'000*
Revenue from electroplating machinery business:		
Construction contracts in respect of design, manufacture and sale of custom-built electroplating machinery and other industrial machinery	**469,921**	581,818
Sale of spare parts of electroplating machinery	**17,463**	28,639
Provision of services – repairs and maintenance	**33,127**	20,513
Rental income from leasing equipment	**640**	960
Interest income from money lending	**507**	571
	521,658	632,501

6. FINANCE COSTS

	2007	2006
	HK$'000	*HK$'000*
Interest on:		
Bank borrowings wholly repayable within five years	**2,159**	846
Finance leases	**219**	7
	2,378	853

7. GOODWILL

	2007	2006
	HK$'000	*HK$'000*
COST		
At 1st January and 31st December	**2,488**	2,488
IMPAIRMENT		
At 1st January	**–**	–
Impairment loss recognised in the year	**2,488**	–
At 31st December	**2,488**	–
CARRYING AMOUNTS		
At 31st December	**–**	2,488

Goodwill has been allocated to the electroplating equipment segment.

During the year ended 31st December 2007, management of the Group determines that there is impairments of its cash generating unit containing goodwill. An impairment loss of HK$2,488,000 was recognised for the year.

8. LOSS ON DEEMED DISPOSAL OF AN ASSOCIATE

During the year, an associate of the Group, Intech Machines Company, Limited ("IML"), issued shares to its employees as performance bonus. In this circumstances, the Group's interest in the associate was diluted by 1.23% (2006: 0.19%) and resulted in a loss of HK$2,358,000 (2006: HK$313,000) due to a reduction in the share of net assets in the associate.

9. TAXATION

The taxation charge comprises:

	2007	2006
	HK$'000	*HK$'000*
Hong Kong Profits Tax		
Under (over) provision in prior years	**332**	(710)
Overseas taxation		
Charge for the year	**893**	2,023
Overprovision in prior years	**(955)**	–
Deferred taxation	**455**	792
Taxation attributable to the Company and its subsidiaries	**725**	2,105

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Group has no assessable profit for the year.

Overseas taxation (including PRC enterprise income tax) is calculated at the rates prevailing in the relevant jurisdiction.

Pursuant to the relevant laws and regulations in the PRC, a PRC subsidiary of the Group is exempted from PRC enterprise income tax for the first two years commencing from its first profit-making year of operation and thereafter, that PRC subsidiary will be entitled to a 50% relief for PRC enterprise income tax for the following three years. The reduced tax rate for the relief period is 7.5%. The charge of PRC enterprise income tax for the years has been provided for after taking these tax incentives into account.

On 16th March, 2007, the PRC promulgated the Law of the People's Republic of China on Enterprise Income Tax (the "New Law") by Order No. 63 of the President of the PRC. On 6th December, 2007, the state Council of the PRC issued Implementation Regulations of the New Law. The New Law and Implementation Regulations changes the PRC Enterprise Income Tax rate to 25% and will affect the PRC subsidiaries of the Group from 1st January, 2008. The directors consider that the effect on the deferred tax balance is insignificant. The New Law will have no effect on the PRC tax exemption obtained by a PRC subsidiary. A PRC subsidiary will continues to have the same PRC tax exemption at the same tax rate as above.

The tax charge for the year can be reconciled to the profit before taxation per the income statement as follows:

	2007	2006
	HK$'000	*HK$'000*
Profit before taxation	**16,031**	21,912
Tax at the income tax rate of 17.5%	**2,805**	3,835
Tax effect of share of results of associates	**(2,101)**	(1,578)
Tax effect of expenses not deductible for tax purpose	**979**	332
Tax effect of income not taxable for tax purpose	**(576)**	(407)
Overprovision in respect of prior years	**(623)**	(710)
Tax effect of tax losses not recognised	**6,964**	2,538
Tax effect of deductible temporary difference not recognised	**168**	544
Utilisation of tax losses previously not recognised	**(5,404)**	(2,669)
Effect of tax exemption grant to a PRC subsidiary	**(2,481)**	–
Effect of different tax rates of subsidiaries operating in other jurisdictions	**974**	234
Others	**20**	(14)
Taxation for the year	**725**	2,105

10. PROFIT FOR THE YEAR

	2007	2006
	HK$'000	*HK$'000*
Profit for the year has been arrived at after charging (crediting):		
Auditor's remuneration	**1,401**	1,406
Depreciation of property, plant and equipment	**7,887**	6,014
Release of prepaid lease payments	**244**	244
Operating lease payments in respect of rented premises	**2,638**	1,989
Net exchange loss	**3,538**	3,856
Staff costs:		
Directors' fee	**180**	180
Directors' salaries and other benefits	**7,200**	8,190
Salaries and allowances	**93,380**	91,933
Retirement benefits schemes expenses	**67**	70
Contributions to retirement contributions schemes	**2,066**	2,142
	102,893	102,515
Allowance for slow moving inventories	**962**	924
Share of tax of an associate (included in share of results of associates)	**1,792**	913
Investment income		
Interest earned on bank deposits	**(1,343)**	(1,325)
Other interest income from overdue trade debtors	**(323)**	(386)
Dividend income from		
– Held-for-trading investments (listed equity securities)	**(236)**	(156)
– Available-for-sale investments (unlisted equity securities)	**(126)**	(83)
	(2,028)	(1,950)
Gain on disposal of property, plant and equipment	**(1,265)**	(7)
Bad debts recovered	**(127)**	(240)

11. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the following data:

	2007	2006
	HK$'000	*HK$'000*
Earnings for the purposes of basic earnings per share (profit for the year attributable to equity holders of the parent)	**15,233**	20,079

	'000	*'000*
Number of ordinary shares for the purpose of basic earnings per share	**426,463**	426,463

12. DEBTORS, DEPOSITS AND PREPAYMENTS

	2007	2006
	HK$'000	*HK$'000*
Trade debtors and bills receivable	**200,208**	246,003
Less: Allowance for bad and doubtful debts	**(21,304)**	(18,639)
	178,904	227,364
Other debtors and prepayments	**27,691**	29,561
	206,595	256,925

The following is an aged analysis of trade debtors and bills receivable net of allowance for bad and doubtful debts as at the balance sheet date:

	2007	2006
	HK$'000	*HK$'000*
Current	**108,238**	188,266
Overdue by:		
1 – 60 days	**49,494**	22,939
61 – 120 days	**4,622**	12,280
121 – 180 days	**6,909**	1,337
Over 180 days	**9,641**	2,542
	178,904	227,364

The Group allows a general credit period of one month to its trade customers except construction contracts where the Group allows stage payments. In general, credit will only be offered to customers in accordance with their financial credit abilities and established payment records.

As at 31st December, 2007, trade debtors of HK$70,666,000 (2006: HK$39,098,000) were past due but not impaired as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balances. The average age of these trade receivables is 40 days and 51 days as at 31st December, 2007 and 2006, respectively.

Aging of trade debtors which are past due but not impaired as at the balance sheet date:

	2007	2006
	HK$'000	*HK$'000*
1 – 60 days	**49,494**	22,939
61 – 120 days	**4,622**	12,280
121 – 180 days	**6,909**	1,337
Over 180 days	**9,641**	2,542
	70,666	39,098

Movement in the allowance for bad and doubtful debts

	2007	2006
	HK$'000	*HK$'000*
Balance at beginning of the year	**18,639**	16,694
Impairment losses recognised on trade debtors	**3,402**	2,185
Bad debts recovered	**(127)**	(240)
Written off as against trade debtors	**(610)**	–
Balance at end of the year	**21,304**	18,639

Included in the allowance for doubtful debts are individually impaired trade debtors, which were in the severe financial difficulties. The Group has provided fully for these.

In determining the recoverability of a trade debtor, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the report date. The trade debtors past due but not impaired for were either subsequently settled as at the date of this report or no historical default of payments by the respective customers. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the directors believe that there is no further credit provision required in excess of the allowance for doubtful debts.

The trade debtors that are denominated in currencies other than the functional currency of the relevant group entities are set out below:

	NTD	**GBP**	**USD**	**EUR**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
As at 31st December, 2007	201	1,370	157,365	24,341
As at 31st December, 2006	1,764	1,003	191,138	37,903

13. CREDITORS, BILLS PAYABLE AND ACCRUED CHARGES

	2007	2006
	HK$'000	*HK$'000*
Trade creditors	**111,613**	108,770
Bills payable	**3,407**	–
Other creditors and accrued charges	**92,991**	129,569
	208,011	238,339

As at balance sheet date, the trade creditors balance included an amount due to an associate of HK$1,309,000 (2006: nil) for trading purpose.

The following is an aged analysis of trade creditors and bills payable as at the balance sheet date in which is based on the invoice dates of the amounts due:

	2007	2006
	HK$'000	*HK$'000*
0 – 60 days	**65,991**	56,436
61 – 120 days	**24,591**	38,875
121 – 180 days	**10,776**	6,086
Over 180 days	**13,662**	7,373
	115,020	108,770

The trade creditors and bills payable that are denominated in currencies other than the functional currency of the relevant group entities are set out below:

	USD	**NTD**	**GBP**	**EUR**	**SEK**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
As at 31st December, 2007	23,166	1,570	303	7,170	954
As at 31st December, 2006	24,711	6,705	582	10,918	252

MANAGEMENT DISCUSSION AND FINANCIAL REVIEW

RESULTS

The turnover of the Group was HK$521,658,000 (2006: HK$632,501,000 representing a decrease of 17.5% as compared with last year. The profit attributable to shareholders was HK$15,233,000 (2006 HK$20,079,000). The basic earnings per share was HK3.57 cents (2006: HK4.71 cents).

DIVIDEND

No interim dividend (2006: nil) was recommended during the year. The Board does not recommend a final dividend for this year (2006: nil).

BUSINESS REVIEW

Business review on electroplating equipment (under the trade name of "PAL")

Electroplating equipment – Printed Circuit Boards ("PCB") sector

As discussed in the latest interim report, after a hectic and booming year of 2006 in which the Company's revenue was 46.7% more than the revenue recorded in 2005, the Company inevitably experienced a slow down in orders in 2007. The revenue for the Period Under Review is approximately HK$522 million which is 17.5% less than the year 2006. 34% of the orders (2006: 50%) were from Taiwan, then Japan and Philippines 18% (2006: 8%) and followed by Hong Kong and China 17% (2006: 25%).

It is noted with interest that firstly there were quite a number of Japanese PCB manufacturers set up production facilities outside Japan and secondly, after several quiet years, the sales in US has increased by more than 252% compared to last year. The growth mainly came from a US customer who makes solar cell panels. As the demand for solar cell panels has increased by at least a double, our customer has to expand quickly its production capacity to meet the market demand. We have also seen a rebound in production requirements from US PCB shops which plate small quantity but high-end PCBs. These PCB shops make profit by providing innovative products with quick turn-around cycle to the market. The machine size they ordered is normally small but with flexibility of different panel sizes.

The gross margin for the Period Under Review was decreased from 31% to 27%. The erosion in profit was caused mainly by the increased material cost. Amongst all major materials, metal parts contributed the most to the profit erosion. It is noted that metal parts such as stainless steel parts and mild steel parts have on average increased by more than 25% since early 2007. Metal parts has accounted for roughly 21% of our total purchases.

As far as currency risk is concerned, the group has used a fairly large volume of plastic sheets to build tanks. The plastic sheets were imported from Europe and were paid in Euro dollars. Nevertheless, the Group has minimized the cost effect of the currency appreciation of Euro by maintaining enough Euro revenue to pay off the Euro cost. This direct hedging has proved to be successful. As the production bases of the Group are in China, even after exercising tight cost control in the factories, the manufacturing overhead was still increased due to the appreciation of RMB. The local sales in China were not high enough to pay off the RMB cost. The appreciation of RMB has driven up both our manufacturing overhead as well as materials purchased locally.

Electroplating equipment – Surface Finishing ("SF") sector

In 2007, sales to SF sector accounts for 17% of gross sales. Despite facing a gradually increasing operating cost as well as tighter government controls over environmental issues, we still sold quite a number of machines to foreign direct investments (the "FDI") who set up new plants in China.

Facing the same problems as in PCB sector, the increased material cost has eroded the gross margin of SF orders. As the chemical used in SF is in general more toxic than PCB, comparatively speaking more metal tanks were used in SF orders than PCB orders. Given the high metal price, the cost of sales has increased fairly substantially during the Period Under Review. Another factor which contributed to the erosion of profit was the freight cost. SF machines tend to be bigger and bulky, the freight cost on average is higher than that of PCB. Due to the high oil price and appreciation of Euro, the freight cost for shipments to USA and Europe has increased by over 50% during 2007.

Electroplating equipment – R&D

While it is an on-going exercise to reduce the cost of sales through engineering and design, it is always our belief that innovative products which provide better technologies than our competitors are the key to our future success. As disclosed in last interim report, we have launched the Desmear/PTH Continuous Vertical Equipment. The first machine was shipped in 2007 and has successfully accepted by the customer. This shall encourages PCB shops who are presently using horizontal equipment to replace it with continuous vertical plater for improved quality and more economic operating cost.

Businesses operated by major associated companies

The contribution of the associated companies towards the operating net profit for the Period Under Review was approximately HK$9.6 million. The contribution mainly came from Intech Machine Company Ltd ("IML") which the Group held 27.2% at year end.

Disposal occurred after year end

On 25 January 2008 the Company entered into a share purchase agreement pursuant to which the Company has conditionally agreed to participate in a tender offer to sell its shareholding in IML at NT$37 per share (equivalent to approximately HK$8.82) at a total consideration of NT$618,952,391 (equivalent to approximately HK$147,510,103) (assuming all its shares in IML will be disposed through the Tender Offer). The purchaser, Manz Automation AG, through its subsidiary has launched a tender offer on 28 January 2008 to acquire at least 35% but not more than 70% shareholding in IML ("Tender Offer"). The Tender Offer was closed on 1st April 2008. As the acceptance under the Tender Offer was over 70%, the Company has only sold 15,944,630 shares on 7th April 2008 and has retained 783,813 shares in IML (represents approximately 1.3% of total number of shares in issue). The net consideration received after payment of local expenses is approximately NT$588.2 million.

The Directors consider that the shares sale represents a good opportunity for the Company to realize its investment at a price which is reasonable. The Tender Offer price NT$37 per share represents 39.1% premium to the closing price of IML shares of NT$26.6 on the last trading date prior to the date of the share purchase agreement. The proceeds received will also enhance the working capital and liquidity of the Group.

Outlook

With the prolongation of the U.S. subprime loan crisis and the rapid rise in crude oil price, the world economy is thus expected, by large, to enter a period of adjustment in coming year(s). This expectation of darkening clouds will more or less drag the incentive of any further investment. Judging from our current orders on hands, it seems that the revenue of 2008 will be more or less the same as the Period Under Review if the world economy will indeed go through an adjustment rather than a recession as some people think may happen. The Company is conservatively confident over the outlook of the first half of 2008 and will keep close eyes over the market movements. The big challenge this year will be on cost control, both direct and indirect costs!

FINANCIAL REVIEW

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

As at 31st December, 2007, the Group had net assets of HK$293,595,000 (2006: HK$268,155,000). The gearing ratio was 48.5% (2006: 53.1%). This gearing ratio is calculated by dividing total liabilities of HK$282,779,000 (2006: HK$311,022,000) over total assets of HK$583,121,000 (2006: HK$585,247,000).

As at 31st December, 2007, the Group had HK$79,757,000 of cash on hand, including both pledged bank deposits and unpledged bank balances (2006: HK$70,144,000), net current assets value being HK$152,946,000 (2006: HK$128,901,000) and short-term bank loan amounted to HK$42,134,000 (2006: HK$37,291,000).

As at 31st December, 2007, the Group has pledged bank deposits of approximately HK$7,000,000 (2006: HK$7,000,000) to secure banking facilities of approximately HK$117,550,000 (2006: HK$96,800,000) to the Group. Out of the secured facilities available, the Group has utilized approximately HK$42,134,000 as at 31st December, 2007.

Most of the bank borrowing is charged at prevailing prime rate in the countries where the Company's subsidiaries are operating in.

Most of the assets and liabilities in the Group were mainly dominated in US dollars and HK dollars. Since HK dollars are pegged to the US dollars, the Group is subject to low risk of foreign exchange exposure. The Group adopts the policy to use Euro dollars receivable from customers to pay off European suppliers. As such, the exchange exposure over Euro dollars is greatly minimized.

CONTINGENT LIABILITIES

As at 31st December, 2007, the Group has guarantee of approximately HK$124,050,000 (2006: HK$90,500,000) to banks in respect of banking facilities granted to a subsidiary of the Company. The amount utilized by the subsidiary was approximately HK$42,134,000 (2006: HK$37,291,000) The Company has also guaranteed approximately HK$8,296,000 to a finance lease company in respect of finance lease granted to a subsidiary of the Company.

EMPLOYEE AND REMUNERATION POLICIES

As at 31st December, 2007, the Group has approximately 970 employees. Remuneration for its employees is based on industry practice and performance of individual employee.

CORPORATE GOVERNANCE

The Company has complied with the Code of Corporate Governance Practices (the "CG Code") as set out in Appendix 14 of the Listing Rules throughout the year ended 31st December 2007, with deviations from code provisions A.2.1, A.4.1 and A.4.2 of the CG Code in respect of the separate roles of chairman and chief executive officer, service term and rotation of directors.

Under the code provision A.2.1, the role of chairman and chief executive officer should be separate and should not be performed by the same individual. Under the code provision A.4.1 and A.4.2 of the CG Code, (a) non-executive directors should be appointed for a specific term and subject to re-election; and (b) all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment, and every director, including those appointed for a specific term, should be subject to retirement by rotation at least every three years.

Code Provision A.2.1

The Company does not at present have any officer with the title of Chief Executive Officer ("CEO") but instead the duties of a CEO are performed by the Managing Director ("MD"). The Company does not have a separate Chairman and MD and Mr. Lam Kwok Hing currently holds both positions. The Board believes that vesting the roles of both Chairman and MD in the same person provides the Group with strong and consistent leadership and allows for more effective planning and execution of long-term business strategies. In addition, through the supervision of the Board which comprised of three independent non-executive directors, representing more than half of the Board, the interests of the shareholders are adequately and fairly represented.

Code Provision A.4.1

None of the existing non-executive directors (including independent non-executive directors) of the Company is appointed for a specific term. This constitutes a deviation from code provision A.4.1 of the CG Code. In accordance with the provisions of the Bye-laws of the Company, any director appointed by the Board during the year shall retire and submit themselves for re-election at the next following annual general meeting immediately following his/her appointment. Further, at each annual general meeting, one-third of the directors for the time being, or if their number is not three or multiple of three, then the number nearest to but not exceeding one-third, shall retire from office. The directors to retire by rotation shall be those who have been longest in office since their last re-election or appointment. At such, all independent non-executive directors are in effect retired once every three years. With the current arrangement under the Bye-laws, the Company considers that sufficient measures have been taken to ensure the Company's corporate governance practices are similar to the CG Code. Nevertheless, the Company is planning to change the appointment of independent non-executive directors with a specific term with effect from 1 January 2008.

Code Provision A.4.2

According to Bye-laws of the Company, the Chairman or MD are not subject to retirement by rotation or taken into account on determining the number of directors to retire. This constitutes a deviation from code provision A.4.2 of the CG Code. As continuation is a key factor to the successful implementation of any long term business plans, the Board believes, together with the reasons for deviation from code provision A.2.1, that the present arrangement is most beneficial to the Company and the shareholders as a whole.

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive directors, Mr. Cheung Kin Wai, Mr. Kwan Wang Wai, Alan and Mr. Ng Chi Kin, David. The Audit Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including the review of the financial statements for the year ended 31st December, 2007.

MODEL CODE FOR SECURITIES TRANSACTION BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") set out in Appendix 10 of the Listing Rules. Upon enquiry by the Company, all directors of the Company have confirmed that they have complied with the required standard set out in the Model Code during the year ended 31st December, 2007.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31st December, 2007.

PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT

This results announcement is published on the websites of The Stock Exchange of Hong Kong Limited (http://www.hkexnews.hk) and the Company (http://www.atnt.biz). The annual report of the Company for the year ended 31st December 2007 will be despatched to shareholders of the Company and available on the above websites in due course.

By Order of the Board
Asia Tele-Net and Technology Corporation Limited
Lam Kwok Hing
Chairman

Hong Kong, 25th April, 2008

As at the date of this announcement, the executive directors of the Company are Messrs. Lam Kwok Hing and Nam Kwok Lun, and the independent non-executive directors are Messrs. Cheung Kin Wai, Kwan Wang Wai, Alan and Ng Chi Kin, David.