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, 2008

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, 2008 ("Period Under Review") together with last year's comparative figures are as follows:–

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER, 2008

	NOTES	2008	2007
		HK$'000	*HK$'000*
Revenue	5	**482,091**	521,658
Direct costs		**(379,935)**	(414,063)
Gross profit		**102,156**	107,595
Bad debts recovered		**1,384**	127
Other income		**6,788**	5,047
Selling and distribution costs		**(18,985)**	(17,247)
Administrative expenses		**(111,071)**	(104,378)
Other expenses		**(9,873)**	(5,570)
Allowance for bad and doubtful debts		**(14,486)**	(5,387)
Net change in fair value of held-for-trading investments		**(28,309)**	31,061
Finance costs	6	**(1,620)**	(2,378)
Impairment loss recognised in respect of goodwill		**-**	(2,488)

	NOTES	2008	2007
		HK$'000	*HK$'000*
Gain on disposal of an associate	7	**102,097**	-
Loss on deemed disposal of an associate		**-**	(2,358)
Impairment loss on investments in associates		**(1,013)**	-
Impairment loss on available-for-sale investments		**(2,274)**	-
Gain on disposal of available-for-sale investments		**1,474**	-
Share of results of associates		**(1,825)**	12,007
Profit before taxation		**24,443**	16,031
Taxation	8	**(810)**	(725)
Profit for the year	9	**23,633**	15,306
Attributable to:			
Equity holders of the parent		**22,447**	15,233
Minority interests		**1,186**	73
		23,633	15,306
Earnings per share - Basic	10	**HK 5.26 cents**	HK 3.57 cents

CONSOLIDATED BALANCE SHEET
AT 31ST DECEMBER, 2008

	NOTES	2008 HK$'000	2007 HK$'000
Non-current assets			
Property, plant and equipment		**84,567**	89,442
Prepaid lease payments		**16,508**	12,646
Goodwill		**-**	-
Interests in associates		**541**	56,979
Available-for-sale investments		**2,373**	515
Loans receivable		**307**	44
		104,296	159,626
Current assets			
Inventories		**38,404**	57,233
Retirement benefit assets		**-**	264
Amounts due from customers for contract work		**9,999**	23,634
Loans receivable		**8,032**	4,741
Debtors, deposits and prepayments	11	**185,239**	206,595
Prepaid lease payments		**349**	244
Held-for-trading investments		**13,681**	44,428
Amounts due from associates		**620**	2,844
Taxation recoverable		**3,610**	3,755
Pledged bank deposits		**10,711**	7,000
Bank balances and cash		**150,705**	72,757
		421,350	423,495
Current liabilities			
Creditors, bills payable and accrued charges	12	**156,141**	208,011
Retirement benefit obligations		**711**	-
Warranty provision		**10,842**	12,764
Amounts due to customers for contract work		**15,474**	5,305
Amounts due to associates		**-**	20
Taxation payable		**-**	43
Borrowings due within one year		**-**	42,134
Obligations under finance leases due within one year		**2,251**	2,272
		185,419	270,549
Net current assets		**235,931**	152,946
		340,227	312,572

	2008	2007
	HK$'000	*HK$'000*
Capital and reserves		
Share capital	**4,265**	4,265
Reserves	**320,372**	289,330
Equity attributable to equity holders of the parent	**324,637**	293,595
Minority interests	**7,975**	6,747
	332,612	300,342
Non-current liabilities		
Warranty provision	**3,278**	7,175
Obligations under finance leases due after one year	**20**	732
Deferred taxation	**4,317**	4,323
	7,615	12,230
	340,227	312,572

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 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 ("HKFRSs")

In the current year, the Group has applied the following amendments and interpretations ("New HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") which are or have become effective.

HKAS 39 & HKFRS 7 (Amendments)	Reclassification of financial assets
HK(IFRIC) - INT 11	HKFRS 2 - Group and treasury share transactions
HK(IFRIC) - INT 12	Service concession arrangements
HK(IFRIC) - INT 14	HKAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction

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

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

HKFRSs (Amendments)	Improvements to HKFRSs [1]
HKAS 1 (Revised)	Presentation of financial statements [2]
HKAS 23 (Revised)	Borrowing costs [2]
HKAS 27 (Revised)	Consolidated and separate financial statements [3]
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation [2]
HKAS 39 (Amendment)	Eligible hedged items [3]
HKFRS 1 & HKAS 27 (Amendments)	Cost of an investment in a subsidiary, jointly controlled entity or associate [2]
HKFRS 2 (Amendment)	Vesting conditions and cancellations [2]
HKFRS 3 (Revised)	Business combinations [3]
HKFRS 7 (Amendment)	Improving disclosures about financial instruments [2]
HKFRS 8	Operating segments [2]
HK(IFRIC) - INT 9 & HKAS 39 (Amendments)	Embedded derivatives [4]
HK(IFRIC) - INT 13	Customer loyalty programmes [5]
HK(IFRIC) - INT 15	Agreements for the construction of real estate [2]
HK(IFRIC) - INT 16	Hedges of a net investment in a foreign operation [6]
HK(IFRIC) - INT 17	Distribution of non-cash assets to owners [3]
HK(IFRIC) - INT 18	Transfers of assets from customers [7]

[1] Effective for annual periods beginning on or after 1st January, 2009 except the amendments to HKFRS 5, effective for annual periods beginning on or after 1st July, 2009.
[2] Effective for annual periods beginning on or after 1st January, 2009.
[3] Effective for annual periods beginning on or after 1st July, 2009.
[4] Effective for annual periods ending on or after 30th June, 2009.
[5] Effective for annual periods beginning on or after 1st July, 2008.
[6] Effective for annual periods beginning on or after 1st October, 2008.
[7] Effective for transfers on or after 1st July, 2009.

The adoption of HKFRS 3 (revised) may affect the Group's accounting for business combination for which the acquisition date is on or after 1st January, 2010. HKAS 27 (revised) will affect the Group's accounting treatment for changes in the Group's ownership interest in a subsidiary. The directors of the Company anticipate that the application of the other new or revised standards, amendments or 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 certain buildings and 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. These businesses are 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, 2008

	Electroplating equipment *HK$'000*	Other operations *HK$'000*	Elimination *HK$'000*	Consolidated *HK$'000*
REVENUE				
External sales	**481,497**	**594**	**-**	**482,091**
RESULTS				
Segment results	**(22,634)**	**1,107**	**2,813**	**(18,714)**
Unallocated corporate income				**1,660**
Unallocated corporate expenses				**(27,033)**
Net change in fair value of held-for-trading investments				**(28,309)**
Gain on disposal of an associate				**102,097**
Finance costs				**(1,620)**
Share of results of associates				**(1,825)**
Impairment loss on investment in associates				**(1,013)**
Impariment loss on available-for-sale investments				**(2,274)**
Gain on disposal of available-for-sale investments				**1,474**
Profit before taxation				**24,443**
Taxation				**(810)**
Profit for the year				**23,633**

OTHER INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER, 2008

	Electroplating equipment *HK$'000*	Other operations *HK$'000*	Consolidated *HK$'000*
Allowance for bad and doubtful debts			
- segments	**12,396**	**-**	**12,396**
- unallocated			**2,090**
Allowance for slow moving inventories	**182**	**-**	**182**
Bad debts recovered	**343**	**1,041**	**1,384**
Capital additions	**9,887**	**1,758**	**11,645**
Gain on disposal of property, plant and equipment	**3,188**	**-**	**3,188**
Payment of prepaid lease	**3,412**	**800**	**4,212**
Depreciation	**8,306**	**557**	**8,863**
Release of prepaid lease payments	**303**	**-**	**303**
Provision for warranty	**6,848**	**-**	**6,848**

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
Gain on disposal of property, plant and equipment	1,265	-	1,265
Impairment loss on goodwill	2,488	-	2,488
Depreciation	7,538	349	7,887
Release of prepaid lease payments	244	-	244
Provision for warranty	6,472	-	6,472

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 irrespective of the origin of the goods/services.

	2008	2007
	HK$'000	*HK$'000*
Hong Kong	**49,107**	26,006
PRC	**140,206**	200,469
Taiwan	**121,462**	101,215
Europe	**66,216**	47,027
North America	**14,555**	40,307
Japan	**7,261**	27,528
Korea	**199**	333
Philippines	**60,578**	24,699
Malaysia	**1,015**	18,880
Other South East Asia countries	**12,768**	34,307
Others	**8,724**	887
	482,091	521,658

5. REVENUE

The Group's revenue for the year ended 31st December, 2008 analysed by principal activity is as follows:

	2008	2007
	HK$'000	*HK$'000*
Revenue from electroplating machinery business:		
Construction contracts in respect of design, manufacturing and sale of custom-built electroplating machinery and other industrial machinery	**422,761**	469,921
Sale of spare parts of electroplating machinery	**28,270**	17,463
Provision of services - repairs and maintenance	**30,466**	33,127
Rental income from leasing equipment	**-**	640
Interest income from money lending	**594**	507
	482,091	521,658

6. FINANCE COSTS

	2008	2007
	HK$'000	*HK$'000*
Interest on:		
Bank borrowings wholly repayable within five years	**1,387**	2,159
Finance leases	**233**	219
	1,620	2,378

7. GAIN ON DISPOSAL OF AN ASSOCIATE

Pursuant to an agreement dated 25th January, 2008 entered into between the Company and an independent third party, the Group partially disposed its interests in Intech Machines Company Limited ("IML") at a net cash consideration of approximately NT$588,200,000 (equivalent to approximately HK$150,510,000). The disposal was completed on 7th April, 2008. An aggregate gain of HK$102,097,000 was resulted from the disposal. Immediately after the disposal, the Group's remaining interests in IML (representing approximately 1.27% of the issued share capital of IML) with carrying amount of HK$2,629,000 was reclassified to available-for-sale investments.

8. TAXATION

The taxation charge comprises:

	2008	2007
	HK$'000	*HK$'000*
Hong Kong Profits Tax		
Under provision in prior years	**-**	332
Overseas taxation		
Charge for the year	**816**	893
Overprovision in prior years	**-**	(955)
Deferred taxation	**(6)**	455
Taxation attributable to the Company and its subsidiaries	**810**	725

On 26th June, 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 which reduced corporate profits tax rate from17.5% to 16.5% effective from the year of assessment 2008/2009. 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 charged under preferential tax rate 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 ("Tax preference"). The reduced tax rate for the relief period is 9% (2007: 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.

On 16th December, 2007, the State Council of the PRC issued a circular on the implementation of transitional preferential polices for PRC enterprise income tax. The subsidiary that is currently entitled to preferential tax rate under the old PRC Enterprise Income Tax Law can gradually transit to the new tax rate of 25% within 5 years after the enforcement of the New Law at a tax rate of 18%, 20%, 22%, 24% and 25% in year 2008, 2009, 2010, 2011 and 2012 respectively.

The subsidiary that originally enjoys the Tax preference can continue enjoying the tax preference based on the tax rate stated above until after the expiration of the tax preference. The directors consider that the effect on the deferred tax balance is insignificant.

9. PROFIT FOR THE YEAR

	2008	2007
	HK$'000	*HK$'000*
Profit for the year has been arrived at after charging (crediting):		
Auditor's remuneration:		
- Current year	**1,293**	1,220
- Underprovision in prior years	**275**	181
	1,568	1,401
Cost of inventories recognised as expenses	**303,332**	305,805
Depreciation of property, plant and equipment	**8,863**	7,887
Release of prepaid lease payments	**303**	244
Operating lease payments in respect of rented premises	**2,813**	2,638
Net exchange loss	**8,210**	3,538
Staff costs	**99,198**	102,893
Allowance for slow moving inventories	**182**	962
Investment income		
Interest earned on bank deposits	**(544)**	(1,343)
Other interest income from overdue trade debtors	**(166)**	(323)
Dividend income from		
- Held-for-trading investments (listed equity securities)	**(449)**	(236)
- Available-for-sales investments (unlisted equity securities)	**(325)**	(126)
	(1,484)	(2,028)
Gain on disposal of property, plant and equipment	**(3,188)**	(1,265)

10. EARNINGS PER SHARE

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

	2008	2007
	HK$'000	*HK$'000*
Earnings for the purposes of basic earnings per share (profit for the year attributable to equity holders of the parent)	**22,447**	15,233
	'000	'000
Number of ordinary shares for the purpose of basic earnings per share	**426,463**	426,463

11. DEBTORS, DEPOSITS AND PREPAYMENTS

	2008	2007
	HK$'000	*HK$'000*
Trade debtors and bills receivable	**197,238**	200,208
Less: Allowance for bad and doubtful debts	**(33,357)**	(21,304)
	163,881	178,904
Other debtors and prepayments	**21,358**	27,691
	185,239	206,595

As at 31st December, 2008, the trade debtors balance included trade debts due from associates of HK$2,470,000 (2007: nil).

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:

	2008	2007
	HK$'000	*HK$'000*
Current	**129,063**	108,238
Overdue by:		
1 - 60 days	**19,308**	49,494
61 - 120 days	**7,933**	4,622
121 - 180 days	**2,151**	6,909
Over 180 days	**5,426**	9,641
	163,881	178,904

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.

12. CREDITORS, BILLS PAYABLE AND ACCRUED CHARGES

	2008	2007
	HK$'000	*HK$'000*
Trade creditors	**86,756**	111,613
Bills payable	**222**	3,407
Other creditors and accrued charges	**69,163**	92,991
	156,141	208,011

As at 31st December, 2007, the trade creditors balance included trade payables due to an associate of HK$1,309,000.

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

	2008	2007
	HK$'000	*HK$'000*
0 - 60 days	**36,922**	65,991
61 - 120 days	**19,236**	24,591
121 - 180 days	**17,057**	10,776
Over 180 days	**13,763**	13,662
	86,978	115,020

The average credit period on purchase of goods is 60-120 days.

MANAGEMENT DISCUSSION AND FINANCIAL REVIEW

RESULTS

The Group's audited consolidated turnover for the Period Under Review was approximately HK$482,091,000 representing an drop of 7.6% compared to the year ended 31st December, 2007 ("the Previous Period") which was approximately HK$521,658,000. The operating net profit was approximately HK$22,447,000 for the Period Under Review compared to approximately HK$15,233,000 for the Pervious Period. The decrease in turnover and increase in operating net profit are further explained in following sections.

The basic earnings per share for the Period Under Review was HK5.26 cents (the Previous Period : basic earnings per share HK3.57 cents).

DIVIDEND

No interim dividend (2007 : nil) was recommended during the year. The Board does not recommend a final dividend for this year (2007 : nil).

BUSINESS REVIEW

(A) Business Review on Electroplating equipment (under the trade name of "PAL")

The turnover for the Period Under Review is approximately HK$482 million which is 7.6% less than in the year of 2007. 69.3% turnover came from PCB sector, 17.9% turnover came from surface finishing sector and 12.8% turnover came from solar cell sector. In terms of installation base, 42% machines were installed in PRC, 18% were installed in Taiwan, 13 % were installed in Philippines, 8% were installed in Germany and 19% were in rest of the world. .

The gross margin for the Period Under Review was roughly the same as last year. We did experience a drop in gross margin during the first half but through collective effort, from material price negotiation to the change of engineering design, we have managed to keep the gross margin within an acceptable level. We have re-classed commission expenses from selling expenses to cost of sales starting from this year and the corresponding figures of last year were also adjusted for better comparison.

Electroplating equipment – printed circuit boards ("PCB") sector

The sales to PCB sector for the year was approximately HK$337 million. Most of the PCB factories, whether in Asia , Europe or North America, have operated at around half capacity only from the last quarter of 2008, as the demand for consumer products dropped drastically. To avoid building up huge inventory, the PCB factories have no choice but to shut down some of the production lines. After the Chinese New Year in January 09, some chose to ask staff to go on no-pay leave while others chose to lay off the redundant manpower.

There are some signs showing that the activities are ramping up again. Our customers are increasing their productivity gradually, although still not yet in full production.

As reported in the latest interim report, we will continue to offer advanced technologies which help our customers to increase their electroplating capability but at a reduced cost. We have launched two new products in 2008 - MCP Double Pusher and MCP Desmear/PTH. The MCP Double Pusher offers double output to our customers but is sold at a less proportional price. The MCP Desmear/PTH offers the same functions as in horizontal processing but at much reduced maintenance cost.

Electroplating equipment – Surface Finishing ("SF") sector

Sales to SF sector has increased from HK$74.7 million to HK$84.5 million representing 13% increase for the Period Under Review. Despite the strong Euro, we sold quite a few gigantic machines to our European customers. Our name is now being recognized in the field. In order to further develop this business, we set up a new subsidiary named PAL Surface Treatment Systems Ltd in August 2008.

The management team of the SF sector has adopted a strategy to widen its product range by setting up co-operations with various prestigious companies. Through these co-operations, the team now has products which can plate or paint various form of parts – as small as fasteners, as big as automobile bumpers and as irregular-shaped as water taps. They have recently signed a co-operation whereby we are authorized to use an intelligent software developed by a Belgian company Elsysa to simulate the plating distribution result. By adjusting tank dimensions, jig design, anode positioning etc, major improvements to the distribution can be obtained, resulting in significant metal savings, giving a direct insight to our customer how their investment will pay off.

Electroplating equipment – Photo Voltaic ("Solar") sector

The sales to the photo voltaic sector has increased from HK$30.5 million to HK$60 million. The sales in coming year are expected to be less than the Period Under Review.

(B) Businesses operated by major associated companies and the subsequent disposal

The contributed losses of the associated companies towards the operating net profit for the Period Under Review was approximately HK$1.8 million. The contribution mainly represents the Group's share of results in IML and Process Automation Sea (Pte) Ltd.

On 25th 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. The purchaser, Manz Automation AG, through its subsidiary has launched a tender offer on 28th January, 2008 to acquire at least 35% but not more than 70% shareholding in IML ("Tender Offer"). On 7th April, 2008, the Group has disposed 15,944,630 shares to a German listed company Manz Automation AG and has retained 783,813 shares in IML (represents approximately 1.27% of total number of shares in issue).

The net consideration received after payment of the expenses is approximately HK$150 million. The gain on disposal was approximately HK$102 million.

Further to the disposal, the remaining investment in IML will be recorded as non-current assets "available-for-sale investment". The Group will record further income from IML when they declare dividend in the future.

(C) Outlook

In this coming year, it is very difficult to paint a clear outlook to our shareholders. As an equipment provider, the level of confidence in consumption, electronic products in particulars, affects very much the business level of our customers and hence our potential sales. We believe the outbreak of subprime crisis in US has hampered not just the investment confidence in US, but also in Asian countries as well. The severe drop in export revenue in both Hong Kong and China has made entrepreneur to re-think and be more conservative in investment on capital asset.

On the other hands, we are very happy to see that cell phone manufacturers continue to launch new products. New products mean possible needs for new machinery. As long as technologies continue to develop, our PCB sector will benefit from the process.

Looking forward, the biggest challenge SF face is the shrinkage of automobile industry. We have sold quite a number of quality machines to US and European automobile first tier sub-contractors. They are presently running below normal capacity and hence have less incentive to invest further in new machine in near future. We are actively seeking a new industry sectors which could make use of our plating technologies.

For the photo voltaic sector, we remain optimistic and believe it is the sector less affected by the financial crisis. Appropriate R&D resources are being invested in this sector to keep up with the product development pace of our customers.

We are keeping close contact with our customers as well as keeping close watch on the economic data available in the market. Although both the property market and stock market have shown signs of improvement recently, we believe these are temporary adjustments in the market rather than green shoots of the recovery. We remain cautious in our management – keeping a lower fixed overhead while continuing to invest in R&D. We believe when the economy is indeed recovered and when consumer's confidence is back, any advanced design or technologies we can provide to our customers will put us a leading position in the industry!

FINANCIAL REVIEW

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

As at 31st December, 2008, the Group had net assets of approximately HK$332,612,000 (2007: HK$300,342,000). The gearing ratio was 0.7% (2007: 15.4%). The gearing ratio is calculated by dividing the aggregate amount of bank borrowings and other interest-bearing loans of HK$2,271,000 (2007: HK$45,138,000) over the amount of equity attributable to the equity holders of the Company of HK$324,637,000 (2007: HK$293,595,000).

As at 31st December, 2008, the Group had approximately HK$161,416,000 (2007: HK$79,757,000) of cash on hand, net current assets value being approximately HK$235,931,000 (2007: HK$152,946,000), zero short-term bank borrowings (2007: HK$42,134,000) and obligations under finance leases approximately HK$2,271,000 (2007: HK$3,004,000). The total borrowing was therefore HK$2,271,000, a decrease of HK$42,867,000 from last year of HK$45,138,000.

As at 31st December, 2008, the Group pledged bank deposits of HK$10,711,000 (2007: HK$7,000,000) to banks to secure banking facilities of approximately HK$107,900,000 (2007: HK$117,550,000) to the Company. Out of the secured facilities available, the Group has not drawn any bank borrowing as at 31st December, 2008 (2007: drawn down of borrowings of HK$42,134,000) but has utilised approximately HK$5,239,000 as the issuance of bank's guarantee under which customers retain right to claim refund of purchase deposits received by the Group as at 31st December, 2008 (2007: nil).

Most of the borrowings were 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 denominated in US dollars, HK dollars and Renminbi. However, in view of the anticipated currency appreciation in Renminbi, there will be certain risk associated with the overhead cost for the factories in PRC.

CONTINGENT LIABILITIES

As at 31st December, 2008, the Company had guarantees of approximately HK$133,861,000 (2007: HK$124,050,000) to banks in respect of banking facilities granted to a subsidiary of the Company. The amount utilised by the subsidiary was approximately HK$5,239,000 (2007: HK$42,134,000). 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, 2008, the Group has approximately 920 employees. During the first quarter of 2009, the Group has reduced its headcount by about 20%. Employees are remunerated based on performance, experience and industry practice. Performance related bonus granted on discretionary basis. Other employee benefits included pension fund, insurance and medical cover.

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, 2008, with deviations from code provisions A.2.1 and A.4.2 of the CG Code in respect of the separate roles of chairman and chief executive officer 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.4.2 of the CG Code, 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.4.2

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, 2008.

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, 2008.

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, 2008.

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, 2008 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, 27th April, 2009

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.