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, 2013

The Board of Directors (the "Board") of Asia Tele-Net and Technology Corporation Ltd (the "Company") announced that the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31st December, 2013 ("Period Under Review") together with last year's comparative figures are as follows:–

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST DECEMBER, 2013

	NOTES	**2013** *HK$'000*	2012 *HK$'000*
Revenue	6	**470,839**	382,774
Cost of sales		**(339,550)**	(278,867)
Gross profit		**131,289**	103,907
Other gains and losses	7	**(3,261)**	(8,561)
Bad debts recovered		**1,873**	343
Other income		**4,180**	4,350
Selling and distribution costs		**(21,971)**	(15,470)
Administrative expenses		**(92,903)**	(100,660)
Allowance for bad and doubtful debts		**(8,895)**	(4,195)
Finance costs	8	**(41)**	(413)
Share of results of associates		**1,429**	747
Profit (loss) before taxation		**11,700**	(19,952)
Taxation	9	**(2,917)**	(1,229)
Profit (loss) for the year		**8,783**	(21,181)

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

FOR THE YEAR ENDED 31ST DECEMBER, 2013

	NOTE	**2013** **HK$'000**	2012 *HK$'000*
Other comprehensive income (expense)			
Items that may be reclassified subsequently to profit or loss:			
Exchange difference arising on translation of foreign operations			
- subsidiaries		**5,794**	4,357
- associate		**(124)**	116
Reclassification of currency transaction reserve upon dissolution of a subsidiary		**-**	370
Other comprehensive income for the year		**5,670**	4,843
Total comprehensive income (expense) for the year		**14,453**	(16,338)
Profit (loss) for the year attributable to:			
Owners of the Company		**8,607**	(21,570)
Non-controlling interests		**176**	389
		8,783	(21,181)
Total comprehensive income (expense) for the year attributable to:			
Owners of the Company		**14,294**	(16,744)
Non-controlling interests		**159**	406
		14,453	(16,338)
Earnings (loss) per share	11		
Basic		**HK2.02 cents**	HK(5.06) cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31ST DECEMBER, 2013

	NOTES	2013 HK$'000	2012 HK$'000
Non-current assets			
Property, plant and equipment		**81,064**	89,841
Prepaid lease payments		**8,237**	8,360
Interests in associates		**3,790**	2,485
Loans receivable		**706**	4,552
		93,797	105,238
Current assets			
Inventories		**41,053**	39,572
Amounts due from customers for contract work		**52,983**	38,952
Loans receivable		**3,042**	2,760
Debtors, bills receivables and prepayments	12	**104,644**	109,350
Prepaid lease payments		**311**	304
Held-for-trading investments		**17,347**	15,107
Amounts due from associates		**1,335**	1,333
Taxation recoverable		**6**	1,081
Pledged bank deposits		**19,002**	1,000
Bank balances and cash		**221,651**	159,698
		461,374	369,157
Current liabilities			
Creditors, bills payables and accrued charges	13	**192,296**	129,820
Deposit received for re-development of the land		**50,880**	49,760
Warranty provision		**16,307**	10,753
Amounts due to customers for contract work		**2,744**	7,335
Amounts due to associates		**26**	26
Bank borrowings		**543**	-
Taxation payable		**1,515**	667
		264,311	198,361
Net current assets		**197,063**	170,796
Total assets less current liabilities		**290,860**	276,034

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

AT 31ST DECEMBER, 2013

	2013 *HK$'000*	2012 *HK$'000*
Capital and reserves		
Share capital	**4,265**	4,265
Reserves	**276,300**	260,800
Equity attributable to owners of the Company	**280,565**	265,065
Non-controlling interests	**1,589**	2,930
Total equity	**282,154**	267,995
Non-current liabilities		
Warranty provision	**4,391**	3,724
Deferred taxation	**4,315**	4,315
	8,706	8,039
	290,860	276,034

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 ("HKFRSs")

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Amendments to HKFRSs	Annual Improvements to HKFRSs 2009-2011 Cycle
Amendments to HKFRS 7	Disclosures - Offsetting financial assets and financial liabilities
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated financial statements, joint arrangements and disclosure of interests in other entities: transition guidance
HKFRS 10	Consolidated financial statements
HKFRS 11	Joint arrangements
HKFRS 12	Disclosure of interests in other entities
HKFRS 13	Fair value measurement
HKAS 19 (as revised in 2011)	Employee benefits
HKAS 27 (as revised in 2011)	Separate financial statements
HKAS 28 (as revised in 2011)	Investments in associates and joint ventures
Amendments to HKAS 1	Presentation of items of other comprehensive income
HK(IFRIC) – INT 20	Stripping costs in the production phase of a surface mine

Except as described below, the application of the new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONTINUED)

Amendments to HKAS 1 *Presentation of items of other comprehensive income*

The Group has applied the amendments to HKAS 1 *Presentation of items of other comprehensive income*. Upon the adoption of the amendments to HKAS 1, the Group's 'statement of comprehensive income' is renamed as the 'statement of profit or loss and other comprehensive income'. Furthermore, 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.

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

In the current year, the Group has applied for the first time the package of five standards on consolidation, joint arrangements, associates and disclosures comprising HKFRS 10 *Consolidated Financial Statements*, HKFRS 11 *Joint Arrangements*, HKFRS 12 *Disclosure of Interests in Other Entities*, HKAS 27 (as revised in 2011) *Separate Financial Statements* and HKAS 28 (as revised in 2011) *Investments in Associates and Joint Ventures*, together with the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 regarding transitional guidance.

HKAS 27 (as revised in 2011) is not applicable to the Group as it deals only with separate financial statements.

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*. HKFRS 10 changes the definition of control such that an investor has control over an investee when a) it has power over the investee, b) it is exposed, or has rights, to variable returns from its involvement with the investee and c) has the ability to use its power to affect its returns. All three of these criteria must be met for an investor to have control over an investee. Previously, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Additional guidance has been included in HKFRS 10 to explain when an investor has control over an investee.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONTINUED)

The directors of the Company reviewed and assessed the Group's investees in accordance with the requirements of HKFRS 10. The directors of the Company concluded that there was no impact to the Group's consolidated financial statements for the adoption of HKFRS 10.

HKFRS 13 *Fair Value Measurement*

The Group has applied HKFRS 13 for the first time in the current year. HKFRS 13 establishes a single source of guidance for, and disclosures about, fair value measurements. The scope of HKFRS 13 is broad: the fair value measurement requirements of HKFRS 13 apply 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 for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are within the scope of HKAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

HKFRS 13 defines the fair value of an asset as the price that would be received to sell an asset (or paid to transfer a liability, in the case of determining the fair value of a liability) in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under HKFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, HKFRS 13 includes extensive disclosure requirements.

HKFRS 13 requires prospective application. In accordance with the transitional provisions of HKFRS 13, the Group has not made any new disclosures required by HKFRS 13 for the 2012 comparative period. Other than the additional disclosures of fair value information, the application of HKFRS 13 has not had any material impact on the amounts recognised in the consolidated financial statements.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONTINUED)

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS	Annual improvements to HKFRSs 2010-2012 Cycle[4]
Amendments to HKFRS	Annual improvements to HKFRSs 2011-2013 Cycle[2]
Amendments to HKFRS 9 and HKFRS 7	Mandatory effective date of HKFRS 9 and transition disclosures[3]
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment entities[1]
HKFRS 9	Financial instruments[3]
Amendments to HKAS 19	Defined benefit plans: Employee contributions[2]
Amendments to HKAS 32	Offsetting financial assets and financial liabilities[1]
Amendments to HKAS 36	Recoverable amount disclosures for non-financial assets[1]
Amendments to HKAS 39	Novation of derivatives and continuation of hedge accounting[1]
HK(IFRIC) - INT 21	Levies[1]

1 Effective for annual periods beginning on or after 1st January, 2014, with earlier application permitted.

2 Effective for annual periods beginning on or after 1st July, 2014, with earlier application permitted.

3 Available for application - the mandatory effective date will be determined when the outstanding phases of HKFRS 9 are finalised.

4 Effective for annual periods beginning on or after 1st July, 2014, with limited exceptions.

The directors of the Company anticipate that the application of these new and revised HKFRSs will have material impact on the Group's financial performance and positions and/or on the disclosures set out in these consolidated statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs 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.

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, at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Allowances for bad and doubtful debts

When there is objective evidence that loans receivable, trade debtors, other debtors and amounts due from associates may be impaired, the Group estimates the future cash flows of those balances. The amount of the impairment loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial assets' original effective interest rate (i.e. the effective interest rate computed on initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31st December, 2013, the carrying amount of loans receivable was approximately HK$3,748,000 (2012: approximately HK$7,312,000) with no allowance for bad and doubtful debts, trade debtors was approximately HK$85,141,000 (2012: approximately HK$97,456,000) (net of allowance for bad and doubtful debts of approximately HK$34,864,000 (2012: approximately HK$31,984,000)), other debtors was approximately HK$10,858,000 (2012: approximately HK$7,350,000) (net of allowance for bad and doubtful debts of approximately HK$5,852,000 (2012: approximately HK$5,852,000)) and amounts due from associates was approximately HK$1,335,000 (2012: approximately HK$1,333,000) (net of allowance for bad and doubtful debts of approximately HK$3,568,000 (2012: approximately HK$3,906,000)).

Provision for warranties

The provision of warranties of the Group is determined based on the management's best estimate of the Group's liabilities under a 1 to 2 years warranty period granted for the electroplating products based on its past experience. The actual settlement may differ from the estimation made by the management. If the amounts are settled for an amount greater than management's estimation, a future charge will be recognised in profit or loss when the amounts are settled. Likewise, if the amounts are settled for an amount that is less than management's estimation, a future credit to profit or loss will be recognised in profit or loss when the amounts are settled. As at 31st December, 2013, the carrying amount of provision of warranties was approximately HK$20,698,000 (2012: approximately HK$14,477,000).

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Allowance for inventories

Management of the Group reviews an aging analysis at the end of the reporting period, and makes allowance for obsolete and slow moving inventory items identified that are not suitable for use in current production. Management estimates the net realisable value for raw materials based primarily on the latest invoice prices and current market conditions. However, given the competitiveness of the industry, these prices may subsequently be affected. The Group carries out an inventory review on an item-by-item basis at the end of the reporting period and makes allowance for these items. As at 31st December, 2013, the carrying amount of inventories was approximately HK41,053,000 (2012: approximately HK$39,572,000). Allowance for slow moving inventories of approximately HK$437,000 was made during the year ended 31st December, 2013 (2012: approximately HK$2,057,000).

Revenue recognition of construction contracts

Revenue from construction contracts in respect of design, manufacturing and sales of custom-built electroplating machinery and other industrial machinery, which is individually built to customer order and unique specifications, is recognised on the percentage of completion method, measured by reference to the proportion of the contract costs incurred for the work performed to date over the estimated total contract costs. Accordingly, any changes to the estimated total contract cost may have material impact on the contract revenue recognised in each accounting period over the contract term.

5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged for both years.

The capital structure of the Group consists of debt, which includes the bank borrowings and equity attributable to owners of the Company, comprising issued share capital and reserves. The directors of the Company review the capital structure on a continuous basis. As part of this review, the directors consider the cost of capital and the risks associates with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends and issuance of new shares as well as the addition of new borrowings.

6. REVENUE AND SEGMENT INFORMATION

Revenue

The Group's revenue from electroplating machinery business for the years ended 31st December, 2013 and 2012 analysed by principal activity is as follows:

	2013	2012
	HK$'000	*HK$'000*
Construction contracts in respect of design, manufacturing and sale of custom-built electroplating machinery and other industrial machinery	**392,491**	323,636
Sale of spare parts of electroplating machinery	**30,033**	20,509
Provision of services – repairs and maintenance	**48,315**	38,629
	470,839	382,774

Segment information

Segment revenue and results

The Group has one operating segment being the electroplating equipment segment which contributes the entire revenue of the Group. Reconciliation of the operating segment profit (loss) to profit (loss) before taxation is as follows:

	Electroplating equipment	
	2013	2012
	HK$'000	*HK$'000*
Segment revenue	**470,839**	382,774
Segment profit (loss)	**17,405**	(3,007)
Intra-group management fee charged to operating segment	**5,189**	5,112
Other income	**3,377**	2,824
Central corporate expenses	**(18,401)**	(17,035)
Bad debts recovered from an associate	**338**	-
Other gain or losses	**2,363**	(8,593)
Share of results of associates	**1,429**	747
Profit (loss) before taxation	**11,700**	(19,952)

6. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment Information (continued)

Segment revenue and results (continued)

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit (loss) represents the gross profit of the electroplating equipment segment and other income and expenses directly attributable to the segment activity (including intra-group management fee) but excluding interest income from loans receivable, unallocated interest income, dividend income and sundry income, central corporate expenses including auditor's remuneration and director's emoluments, bad debts recovered from an associate, net change in fair value of held-for-trading investments, loss on disposal of available-for-sale investments, unallocated net exchange gain or loss, gain on dissolution of a subsidiary and share of results of associates. This is the measure reported to the chief operating decision maker in order to assess segment performance.

Segment assets and liabilities

The following is an analysis of the Group's segment assets and segment liabilities that are regularly reviewed by the chief operating decision maker:

	2013	2012
	HK$'000	*HK$'000*
Segment assets – electroplating equipment segment	**283,122**	278,838
Property, plant and equipment (for corporate)	**1,700**	4,062
Interests in associates	**3,790**	2,485
Loans receivable	**3,748**	7,312
Other debtors, deposits and prepayments (for corporate)	**3,470**	3,479
Held-for-trading investments	**17,347**	15,107
Amounts due from associates	**1,335**	1,333
Taxation recoverable	**6**	1,081
Pledged bank deposits	**19,002**	1,000
Bank balances and cash	**221,651**	159,698
Consolidated total assets	**555,171**	474,395
Segment liabilities – electroplating equipment segment	**213,887**	149,893
Other creditors and accrued charges (for corporate)	**52,731**	51,499
Amounts due to associates	**26**	26
Deferred taxation	**4,315**	4,315
Bank borrowings	**543**	-
Taxation payable	**1,515**	667
Consolidated total liabilities	**273,017**	206,400

6. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment Information (continued)

Segment assets and liabilities (continued)

For the purposes of monitoring segment performances and allocating resources to the electroplating equipment segment:

- All consolidated total assets are allocated to electroplating equipment operating segment other than interests in associates, loans receivable, held-for-trading investments, amounts due from associates, taxation recoverable, pledged bank deposits and bank balances and cash of the Group and corporate assets of the Group.

- All consolidated total liabilities are allocated to electroplating equipment operating segment other than amounts due to associates, deferred taxation, bank borrowings and taxation payable of the Group and corporate liabilities of the Group.

Other segment information

	Electroplating equipment	
	2013	2012
	HK$'000	*HK$'000*
Amounts included in the measure of segment result or segment assets:		
Allowance for bad and doubtful trade debtors	**8,895**	4,195
Allowance for slow moving inventories	**437**	2,057
Bad debts recovered	**1,535**	343
Loss on disposal of property, plant and equipment	**18**	58
Depreciation	**8,164**	9,229
Release of prepaid lease payments	**311**	304
Provision for warranty	**13,058**	13,164
Finance costs	**41**	413
Capital additions	**535**	2,548

	Unallocated	
	2013	2012
	HK$'000	*HK$'000*
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss or segment assets:		
Bad debts recovered from an associate	**338**	-
Capital additions	**110**	6
Loss on disposal of available-for-sale investments	**-**	19
Depreciation	**81**	141
Share of results of associates	**1,429**	747
Interest income	**3,123**	2,717

6. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Geographical information

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

Information about the Group's revenue from external customers is presented based on the location of external customers.

	2013	2012
	HK$'000	*HK$'000*
PRC	**245,723**	130,890
Europe	**9,947**	29,203
Taiwan	**13,087**	28,917
Canada	**11,438**	55,280
Saudi Arabia	**7,543**	-
Hong Kong	**34,059**	23,020
Singapore	**6,670**	13,978
The United States of America	**14,587**	12,023
Australia	**-**	64
Germany	**14,148**	16,392
Korea	**79,159**	39,230
Turkey	**-**	2,420
Russia	**18,807**	9,616
Thailand	**13,024**	17,109
Others	**2,647**	4,632
	470,839	382,774

Information about the Group's non-current assets (excluding financial instruments) is presented based on the geographical location of the assets.

	2013	2012
	HK$'000	*HK$'000*
Hong Kong	**27,758**	32,457
PRC	**61,032**	65,140
Others	**4,301**	3,089
	93,091	100,686

6. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Information about major customers

Revenues from customers under the electroplating equipment segment of the corresponding years contributing over 10% of the total sales of the Group are as follows:

	2013	2012
	HK$'000	*HK$'000*
Customer A	**100,052**	N/A[1]
Customer B	**50,807**	N/A[1]
Customer C	**N/A[1]**	55,280
Customer D	**N/A[1]**	42,654

[1] The corresponding revenue did not contribute over 10% of total sales of the Group.

7. OTHER GAINS AND LOSSES

	2013	2012
	HK$'000	*HK$'000*
Net change in fair value of held-for-trading investments	**2,433**	(6,314)
Loss on disposal of available-for-sale investments	**-**	(19)
Net exchange loss	**(5,544)**	(2,280)
Loss on disposal of property, plant and equipment	**(18)**	(58)
Gain on dissolution of a subsidiary	**-**	227
Other gains and losses	**(132)**	(117)
	(3,261)	(8,561)

8. FINANCE COSTS

	2013	2012
	HK$'000	*HK$'000*
Interest on bank borrowings wholly repayable within five years	**41**	413

9. TAXATION

The taxation charge comprises:

	2013	2012
	HK$'000	*HK$'000*
Overseas taxation		
Charge for the year	**2,917**	1,229

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years. No tax is payable on the profit for both years arising in Hong Kong for certain group entities since the assessable profit is wholly absorbed by tax losses brought forward.

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the remaining group entities subjected to Hong Kong Profits Tax have no assessable profit for both years.

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

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulations of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1st January, 2008 onwards.

The tax charge for the year can be reconciled to the profit (loss) before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

	2013	2012
	HK$'000	*HK$'000*
Profit (loss) before taxation	**11,700**	(19,952)
Taxation at the income tax rate of 16.5%	**1,931**	(3,292)
Tax effect of share of results of associates	**(236)**	(123)
Tax effect of expenses not deductible for tax purpose	**534**	536
Tax effect of income not taxable for tax purpose	**(461)**	(29)
Tax effect of tax losses not recognised	**4,006**	6,032
Tax effect of deductible temporary differences not recognised	**72**	510
Tax effect of utilisation of tax losses previously not recognised	**(3,902)**	(2,564)
Effect of different tax rates of subsidiaries operating in other jurisdictions	**973**	159
Taxation for the year	**2,917**	1,229

10. PROFIT (LOSS) FOR THE YEAR

	2013 HK$'000	2012 HK$'000
Profit (loss) for the year has been arrived at after charging (crediting):		
Auditor's remuneration	**1,312**	1,248
Cost of inventories recognised as expenses (including allowance for slow moving inventories of approximately HK$437,000 (2012: approximately HK$2,057,000))	**221,370**	192,672
Depreciation of property, plant and equipment	**8,245**	9,370
Release of prepaid lease payments	**311**	304
Operating lease payments in respect of rented premises	**2,449**	1,966
Staff costs:		
Directors' fee	**180**	180
Directors' salaries, other benefits and performance related incentive payments	**7,200**	7,200
Salaries and allowances	**96,918**	93,578
Contributions to retirement contributions schemes	**2,518**	2,228
	106,816	103,186
Interest income from loans receivable	**(320)**	(714)
Interest income from an associate	**(154)**	(179)
Investment income		
Interest earned on bank deposits	**(2,830)**	(1,846)
Other interest income from overdue trade debtors	**(115)**	(102)
Dividend income from		
- Held-for-trading investments (listed equity securities)	**-**	(23)
- Available-for-sale investments (unlisted equity securities)	**(115)**	(95)
	(3,060)	(2,066)

11. EARNINGS (LOSS) PER SHARE

The calculation of the basic earnings (loss) per share attributable to owners of the Company is based on the following data:

	2013	2012
	HK$'000	*HK$'000*
The Group's profit (loss) for the year attributable to owners of the Company	**8,607**	(21,570)
Number of ordinary shares	**426,463,400**	426,463,400

No diluted earnings (loss) per share have been presented as there were no potential ordinary shares in issue during both years.

12. DEBTORS, BILLS RECEIVABLES AND PREPAYMENTS

	2013	2012
	HK$'000	*HK$'000*
Trade debtors and bills receivables	**120,005**	129,440
Less: Allowance for bad and doubtful debts	**(34,864)**	(31,984)
	85,141	97,456
Other debtors and prepayments	**19,503**	11,894
	104,644	109,350

As at 31st December, 2013, the trade debtors balance included trade debts due from associates of approximately HK$7,057,000 (2012: approximately HK$8,101,000).

The Group allows a general credit period of one to two months to its trade customers except construction contracts where the Group allows stage payments. Each construction contract will normally involve two to six stage payments, namely deposit payment, shipment payment, arrival payment, installation completion payment, chemical testing payment and acceptance payment. It will take at least one year from the time the electroplating machine is shipped before a construction contract will reach the acceptance stage. In most of the cases, invoice is due on presentation and credit will only be offered to customers in accordance with their financial credit abilities and established payment records.

12. DEBTORS, BILLS RECEIVABLES AND PREPAYMENTS (CONTINUED)

The following is an aged analysis of trade debtors and bills receivables net of allowance for bad and doubtful debts presented based on the invoice date at the end of the reporting period:

	2013	2012
	HK$'000	*HK$'000*
1 – 60 days	**72,795**	90,534
61 – 120 days	**7,651**	2,036
121 – 180 days	**566**	640
Over 180 days	**4,129**	4,246
	85,141	97,456

As at 31st December, 2013, the trade debtors and bills receivables of approximately HK$72,795,000 (2012: approximately HK$90,534,000) were neither past due nor impaired. No significant counterparty default was noted in the past.

As at 31st December, 2013, trade debtors of approximately HK$12,346,000 (2012: approximately HK$6,922,000) 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. Bills receivables of approximately HK$543,000 (2012: nil) were discounted for bank borrowings with full recourse. The average age of these trade receivables is 66 days (2012: 93 days) as at 31st December, 2013.

Aging of trade debtors which are past due but not impaired at the end of the reporting period:

	2013	2012
	HK$'000	*HK$'000*
Past due by:		
1 – 60 days	**7,651**	2,036
61 – 120 days	**566**	640
121 – 180 days	**2,831**	3,353
Over 180 days	**1,298**	893
	12,346	6,922

12. DEBTORS, BILLS RECEIVABLES AND PREPAYMENTS (CONTINUED)

Movement in the allowance for bad and doubtful debts

	2013	2012
	HK$'000	*HK$'000*
Balance at beginning of the year	**31,984**	28,261
Currency realignment	**7**	7
Allowance made on trade debtors	**8,895**	4,195
Bad debts recovered	**(1,535)**	(343)
Written off as against trade debtors	**(4,487)**	(136)
Balance at end of the year	**34,864**	31,984

Included in the allowance for doubtful debts of approximately HK$34,864,000 (2012: approximately HK$31,984,000) are individually impaired trade debtors, which were in severe financial difficulties. The Group has provided fully for these debts.

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 end of the reporting period. The trade debtors that were past due but not impaired were either subsequently settled or with no historical default of payments by the respective customers. Accordingly, the directors believe that there is no further credit provision required in excess of the allowance for doubtful debts.

The Group received approximately HK$115,000 (2012: HK$102,000) as interest from overdue trade debtors.

13. CREDITORS, BILLS PAYABLES AND ACCRUED CHARGES

	2013	2012
	HK$'000	*HK$'000*
Trade creditors	**111,288**	58,494
Bills payables	**6,268**	544
Accrued staff costs	**17,476**	14,990
Commission payables to sales agents	**25,232**	16,837
Other accrued charges	**31,594**	32,098
Advances received from customers for contract work	**370**	6,789
Retirement benefit obligations	**68**	68
	192,296	129,820

The following is an aged analysis of trade creditors and bills payables as at the end of the reporting period which is based on the invoice dates of the amounts due:

	2013	2012
	HK$'000	*HK$'000*
0 – 60 days	**60,672**	16,681
61 – 120 days	**32,792**	21,026
121 – 180 days	**16,081**	12,315
Over 180 days	**8,011**	9,016
	117,556	59,038

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

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSIONS

FINANCIAL RESULTS

During the year ended 31st December, 2013, the Group recorded profit attributable to owners of the Company of approximately HK$8,607,000 compared to the loss attributable to owners of the Company of approximately HK$21,570,000 for the year ended 31st December, 2012 ("the Previous Period"). The Group's profit attributable to owners of the Company during the Period Under Review was primarily due to increase in revenue from approximately HK$382,774,000 in the Previous Period to approximately HK$470,839,000 in the Period Under Review and a net positive change in fair value of HK$2,433,000 arose during the Period Under Review from the held-for trading investments in the listed securities compared to a net negative change of approximately HK$6,314,000 as recorded in the Previous Period. The performance of the Group is further reviewed and elaborated in the following sections.

The basic earnings per share for the Period under Review was HK2.02 cents compared to the basic loss per share of HK5.06 cents for the Previous Period.

BUSINESS REVIEW ON ELECTROPLATING EQUIPMENT (UNDER THE TRADE NAME OF "PAL")

The revenue for the Period Under Review was approximately HK$470,839,000 or 23% more than the Previous Period. Higher revenue reported during the Period Under Review was mainly due to capacity expansion of our customers as a result of soft recovery of general economic environment and the steady increase in the demand of smartphone, telecommunication device and automobile electronics.

As far as business segment is concerned, approximately 76% of the revenue was generated from PCB sector (the Previous Period: approximately 65%), approximately 24% came from surface finishing sector (the Previous Period: approximately 34%) and approximately 0.2% derived from solar cell sector (the Previous Period: approximately 1%). In term of machines geographical installation base, the revenue composition during the Period Under Review was 52% machine values were installed in PRC (34% in the Previous Period), 17% in Korea (10% in the Previous Period), 4% in Russia (2.5% in the Previous Period), 3% in USA (3% in the Previous Period), 3% in Germany (4% in the Previous Period), 2.8% in Taiwan (8% in Previous Period), and 18.2% in rest of the world.

Despite the increase in revenue, we continue to tighten our costs control measures which was why there was no corresponding increase in administrative expenses. During the Period Under Review, the administrative expenses was reduced from approximately HK$100,660,000 as incurred in the Previous Period to approximately HK$92,903,000 this year. The selling and distribution costs was slightly increased from approximately HK$15,470,000 (about 4% of total revenue of the Previous Period) to approximately HK$21,971,000 (about 4.7% of total revenue of the Period Under Review). It was because the revenue generated by our appointed agents was proportionally higher this year. The allowance for bad and doubtful debts was increased from approximately HK$4,195,000 as incurred in the Previous Period to HK$8,895,000 as incurred in the Period Under Review. The Group's gross profit margin remains fairly the same and was within the range of 27% in the Period Under Review.

Electroplating Equipment-Printed Circuit Boards ("PCB") Sector

This sector is traded through our subsidiary Process Automation International Ltd ("PAL").

The PCB business is of cyclical nature. After softer-than-expected activity during 2012, growth has begun picking up in first half of 2013, which by large was driven by the increasing demand seen in smartphones, telecommunication devices and automobile electronics.

Back in August 2013, the time when we issued our 2013 interim report, IDC[1] predicted that shipment of smartphones would grow by 27% to 918 million units for the year 2013. According to the latest IDC Worldwide Quarterly Mobile Phone Tracker, vendors shipped a total of 1,004.2 million smartphones worldwide, up 38.4% from the 725.3 million units in 2012. It was the first time that worldwide smartphone market shipped over one billion units in a single year!

Table 1: Top Five Smartphone Vendors, Shipments, and Market Share, 2013 (Units in Millions)

Vendor	2013 Shipment Volumes	2013 Market Share	2012 Shipment Volumes	2012 Market Share	Year-over-Year Change
Samsung	313.9	31.3%	219.7	30.3%	42.9%
Apple	153.4	15.3%	135.9	18.7%	12.9%
Huawei	48.8	4.9%	29.1	4.0%	67.5%
LG	47.7	4.8%	26.3	3.6%	81.1%
Lenovo	45.5	4.5%	23.7	3.3%	91.7%
Others	394.9	39.3%	290.5	40.1%	35.9%
Total	**1,004.2**	**100.0%**	**725.3**	**100.0%**	**38.4%**

Source: IDC's Worldwide Quarterly Mobile Phone Tracker

"Among the top trends driving smartphone growth are large screen devices and low cost," said Ryan Reith, Program Director with IDC's Worldwide Quarterly Mobile Phone Tracker. "Of the two, I have to say that low cost is the key difference maker. Cheap devices are not the attractive segment that normally grabs headlines, but IDC data shows this is the portion of the market that is driving volume. Markets like China and India are quickly moving toward a point where sub-US$150 smartphones are the majority of shipments."

During the Period Under Review, PAL shipped batches of electroplating machines to PCB makers who produce boards for Samsung and other phone vendors. The increased number of smartphone has also driven network providers to increase their carrying capacity. During the Period Under Review, PAL also shipped batches of machines to PCB makers who are in telecommunication industry.

The growth of automotive PCB is slow but steady. According to a research carried out by N.T. Information Ltd, the average usage of PCB by a car is US$50. Selling machines to PCB makers who produces PCB for automobile industry is also one of the key drivers for the increase of revenue this year.

[1] International Data Corporation (IDC) is a premier global provider of market intelligence, advisory services for the information technology, telecommunications and consumer technology market.

Table 2: Auto Shipments and PCB usage for automotive electronics

Year	2009	2010	2011	2012	2013F	2014F
Auto Shipment (M)	62.30	74.1	79.7	85.7	88.00	92.00
PCB Usage (US$M)	2,800	3,550	3,860	4,053	4,285	4,540

Source: Electronic Outlook Corporation & NT Information Ltd

Despite the disappointing news from Moscow-based Federal Statistic Services reported that the GDP of Russia advanced 1.3% only in 2013, the least since 2009 recession, PAL has indeed shipped seven machines to Russian customers. This was the best year ever for PAL as far as Russian market is concerned.

Electroplating Equipment-Surface Finishing (“SF”) Sector

This sector is traded through our subsidiary PAL Surface Treatment Systems Ltd (“PSTS”).

The revenue of the SF sector remains second largest source of income to the Group. However, it has decreased slightly by 10% from approximately HK$114,340,000 in the Previous Period to approximately HK$102,358,000 for the Period under Review. During the Period Under Review, PSTS continued to supply plating equipment of various size to companies who provide coating services for applications in mint, automotive, aerospace and mechanical engineering. However, the number of enquiries for transplant projects to China or other new emerging markets in Asia has dropped significantly during the Period Under Review. We believe there were two major factors contributing to this. Firstly, the tightening of pollution controls in China. China unveiled the 2011-2015 guideline on fighting water pollution in 2012, setting the goal that 60% of the country's major rivers and lakes should be clean enough to be sources of drinking water supply by the end of 2015. For industry, pollution controls could cause a costly upheaval after three decades of breakneck growth with little official concern about damage to China's air, water and soil. After the closure of the recent National People’s Congress and Chinese Consultative Congress, the pollution controls would seem to tighten further. It shall mean our customers would have to put extra resources and time in getting business license for their plating factories in China. Secondly, the shift of investment focus to non-Asian countries. Global foreign direct investment (“FDI”) increased by 11% in 2013 to an estimated USD1.46 trillion, with the lion's share going to developing countries, according to the UN Conference on Trade and Development (UNCTAD) report. The increase for developing economies was mainly driven by Latin America, the Caribbean and Africa; while for developing economies in Asia, the world's largest recipient region for FDI, saw flows at a level similar to 2012. PSTS has presence covered in Greater China region and developed countries but has yet to have any presence in countries such as Latin America, the Caribbean and Africa.

Electroplating Equipment - Photo Voltaic ("Solar") Sector

This sector is traded through our subsidiary Process Automation International Ltd ("PAL").

During the Period Under Review, the global overcapacity issue in solar panel manufacturing sector still clouded over us. The manufacturers in the industry restrained themselves from any further capacity investments. As a result, the Group reported revenue for the segment was only approximately HK$1,000,000 in the Period Under Review.

Like last year, we decide to continue to invest in this segment as we believe the current over capacity issue is just a short term setback. We see green energy a long term goal which will be pursued by all governments in the long run. Unfortunately, while companies or consumers recognize the importance of environmental issues, but investing in green initiatives shall also represent additional cost. At the moment, green energy has not yet fully achieved a cost equilibrium when comparing to traditional energy and hence not attracting vast consumption in this area yet. Nevertheless, the Group believes that it is important to stay in this sector to be able to ride on the recovering wave which is yet to come.

Net Change in Fair Value of Held-For-Trading Investments

The Group has invested in held-for-trading investments. These investments represent equity securities listed in Hong Kong and are being revalued at market value periodically. Hang Seng Index rose by 3% in year 2013 while the Hang Seng China Enterprises Index dropped by 5%. Despite the strong rallies of US and European markets, the Hong Kong market was underperformed, given worries about Mainland's economic growth and credit conditions. The Group recorded a net positive change in fair value of approximately HK$2,433,000 from held-for-trading investments compared to a net negative change of approximately HK$6,314,000 as recorded in the Previous Period.

Outlook

The global economy is expected to make a hesitant and uneven recovery over the coming two years. Governments must act decisively, using all the tools at their disposal to turn confidence around and boost growth and jobs in their home countries. As an equipment provider, our business will prosperous only if the economic situation in general is healthy. When the world economy is far from being out of the wood, we expect revenue will remain fairly the same in the coming year, the profit margin may be squeezed in the coming year for reasons elaborated below.

The year begins with not so encouraging news from IDC that China smartphone shipments shrink after two years of growth. Shipments of smartphones in China fell 4.3% quarter-on-quarter to 90.8 million from 94.8 million units, the first drop-off since the second quarter of 2011. This could be attributable by the rise of local Chinese mobile vendors such as Coolpad and Xiaomi and hence reducing the need of importation from other foreign brands.

2014 shipment forecast prepared by Gartner for various electronics device is fairly moderate compared to last year. Their view is mobile phones are a must have and will continue to grow but at a slower pace, with opportunities moving away from the top-end premium devices to mid-end basic products.

Table: Worldwide Device Shipments by Segment (Thousands of Units)

Device Type	2012	2013	2014	2015
PC (Desk-Based and Notebook)	341,273	299,342	277,939	268,491
Tablet (Ultramobile)	119,529	179,531	263,450	324,565
Mobile Phone	1,746,117	1,804,334	1,893,425	1,964,788
Other Ultramobiles (Hybrid and Clamshell)	9,344	17,195	39,636	63,835
Total	**2,216,322**	**2,300,402**	**2,474,451**	**2,621,678**

Source: Gartner (December 2013)

The projected moderate increase shall mean any plan for capacity expansion from our customers in the coming year will be conservative. In addition, the selling price of mass produced PCB in China is dropping according to a recent research made by a research house, N.T. Information Ltd. This finding just collides with the prediction that the focus will shift to low cost mid-end basic mobile products. It is therefore foreseeable that PAL will face a more severe price pressure from its customers.

For years, like many players operating in China, we have been enjoying China's low salaries, strong supply base, high investment in port, road and rail infrastructure and solid engineering and technical labor force. The game changes fairly quickly in last few years whereby we face new challenges as the wages and other cost rise quicker in China than in other developing countries. The recent depreciation of renminbi may help a bit on our competitive edge in exporting to other countries. We view our major opportunities and challenges for the coming year as having remained consistently the same. Continuing to innovate and provision of good services remain the crucial factors in winning opportunities while increasing sales, reducing cost and improving productivity consistently appear at the top of our list of challenges.

PROPERTY DEVELOPMENT

PROPERTY RE-DEVELOPMENT PLAN

Reference is made to the Company's announcement issued on 22nd August, 2011 with respect to an agreement and another announcement issued on 25th October, 2013 with respect to a supplemental agreement, both of which are collectively referred to as the "Agreements" and were entered into by a wholly-owned subsidiary of the Company with an independent third party ("Counter Party") in relation to a re-development plan ("Re-development") of two parcels of industrial land located in Bao An District, Shenzhen, the PRC, of the Group ("Land") from industrial land into residential properties for resale. Progress made on the Re-development Plan in accordance with the Agreement is updated below:-

(1) The Project Company was established by the Counter Party in August 2011.

(2) The Group has entered into a re-development contract ("Re-development Contract") and relocation compensation agreement ("Relocation Compensation Agreement") with the Project Company in September 2011.

(3) The Project Company has applied for re-development of the Land since September 2011. As the approval involves several departments, the application is still under processed.

(4) As of 31st December, 2012, the Group has received RMB40 million from the Counter Party as deposit for relocation compensation.

(5) Before 25th October, 2013, the Project Company has obtained the approvals from the Longhua Sub-district Office, the Bao An District Old Town Reconstruction Office and the Longhua New District Management Bureau for the Re-development. Several more approvals are yet to obtain.

(6) On 25th October, 2013, a supplemental agreement was entered into between the parties to extend the completion dates of various tasks associated with the Agreements for another 12 months. Shareholders may refer to the Company's announcement dated 25th October, 2013 for further details.

The Project is currently under review by the Shenzhen Urban Renewal Office. At the moment, the deposit of RMB 40 million was included in the current liabilities.

MATERIAL ACQUISITION(S) AND DISPOSAL(S) DURING THE YEAR

On 11th January, 2013, PAL Properties Investment Ltd, an indirectly wholly owned subsidiary of the Company, has entered into the Agreement with Mr. Nam Kwok Lun ("Mr. Nam") whereby Mr. Nam agrees to acquire the entire issued capital of Golden Rainbow Investments Ltd ("Golden Rainbow"), an indirectly wholly owned subsidiary of the Company, at a consideration of HK$3,600,000 (the "Disposal Agreement").

Mr. Nam is the Deputy Chairman and a Director of the Company and is interested in 201,995,834 Shares, representing approximately 47.37% of the total issued Shares as at the date of the Disposal Agreement. The transactions contemplated under the Disposal Agreement constitute a discloseable but connected transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

Golden Rainbow is an property investment company whose main assets are parcels of non-residential land registered in the Land Registry as Sub-sections 4 to 10 of Section C in Lot No. 18 and Sub-sections 1 to 6 & 8 of Section D in Lot No. 18 all in Demarcation District No. 178, Shatin, New Territories with a total area of approximately 11,778 square feet (the "Properties"). Pursuant to the Disposal Agreement, the consideration is HK$3,600,000 which was determined after arms' length negotiations between PAL Properties Investment Ltd and Mr. Nam and is based on (i) the unaudited net asset value of Golden Rainbow of approximately HK$223,000 as at 31st December, 2012, (ii) consolidated unaudited net book value of the Properties of approximately HK$2,394,000 as at 31st December, 2012, (iii) valuation of the Properties of approximately HK$2,400,000 as at 3rd January, 2013 conducted by an independent professional valuer, C S Surveyors Limited and (iv) the time value of the original investment cost. Full consideration was paid by Mr. Nam to the Company on completion.

Upon completion of the aforementioned transaction, the Group record a gain of approximately HK$1,206,000 which was recognized as a deemed contribution by a shareholder.

BUSINESS STRATEGIES

Asia Tele-Net and Technology Corporation Limited, as our name tells, we are based in Asia to provide advanced technologies to our customers worldwide. We are an investment holding company holding investments in various disciplines with particular strength in electroplating technologies. It is our mission to apply electroplating technologies in different applications or business segments so that the Company would grow segment by segment. This strategy would also help us to smooth out any cyclical effect in one particular segment and hence a more stable turnover and profitability level for the benefits of shareholders.

FINANCIAL REVIEW

Capital Structure, Liquidity and Financial Resources

As at 31st December, 2013, the Group had equity attributable to owners of the Company of approximately HK$280,565,000 (2012: approximately HK$265,065,000). The gearing ratio was 0.2% (2012: nil). The gearing ratio is calculated by dividing the aggregate amount of bank borrowings and other interest-bearing loans over the amount of equity attributable to the equity holders of the Company.

As at 31st December, 2013, the Group had approximately HK$240,653,000 of cash on hand (2012: approximately HK$160,698,000).

As at 31st December, 2013, the Group pledged deposits of approximately HK$19,002,000 (2012: HK$1,000,000) to banks to secure banking facilities of approximately HK$92,210,000 (2012: approximately HK$75,290,000) to the Company. Out of the secured facilities available, the Group has utilized (i) approximately HK$18,002,000 for the issuance of bank's guarantees under which customers retain rights to claim refund of purchase deposits received by the Group; (ii) approximately HK$543,000 for negotiation of export bills and (iii) approximately HK$6,912,000 for the issuance of import bills as at 31st December, 2013. As at 31st December, 2013, the total bank borrowings was approximately HK$543,000 (2012: nil) in relation to discounted export bills negotiated during the relevant period.

Most of the bank borrowing is charged at inter-bank offer rate plus a spread in the countries where the Company's subsidiaries are operating in.

Most of the assets and liabilities in the Group were mainly denominated in US dollars, HK dollars, Renminbi and Euro. However, in view of the anticipated currency depreciation in Renminbi, there will be certain risk associated with the bank balances and assets denominated in Renminbi. However, the Group will be benefited from the drop of material cost and overhead cost for the factories in China.

Contingent Liabilities

As at 31st December, 2013, the Company had guarantees of approximately HK$83,920,000 (2012: approximately HK$77,208,000 to banks in respect of banking facilities of approximately HK$92,210,000 granted to subsidiaries of the Company. The amount utilized by the subsidiaries was approximately HK$25,457,000 (2012: nil).

Employee and Remuneration Policies

As at 31st December, 2013, the Group employs a total of 660 employees. Employees are remunerated based on performance, experience and industry practice. Performance related bonuses are granted on discretionary basis. Other employee benefits included fund, insurance and medical cover.

FINAL DIVIDEND

The Board does not recommend payment of any final dividend for the year ended 31st December, 2013 (2012: nil).

APPRECIATION

On behalf of the Board, I would like to thank all of our customers, shareholders, business associates and bankers for their trust and support to the Group. To all of our employees, I appreciate your hard work, dedication and commitment over the year.

CORPORATE GOVERNANCE

The Company recognizes that good corporate governance is vital to the success of the Group and sustains development of the Group. The Company aims at complying with, where appropriate, all code provisions set out in Appendix 14 Corporate Governance Code (the “CG Code”) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”).

The Company’s corporate governance practices are based on the principles and the code provisions (“Code Provisions”) as set out in the CG Code of the Listing Rules. The Company has, throughout the year ended 31st December, 2013 and up to the date of publication of the annual report, applied and complied with most of the Code Provisions save for certain deviations from the Code Provisions in respect of code provisions A.2.1 and A.4.2, details of which are explained below.

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 was established in 1999 and comprises three Board members, all of whom are Independent Non-executive Directors. The Audit Committee has adopted a revised term of reference which is effective 1 March 2012 and describes the authority and duties of the Committee, as quoted under code provision C.3.3 of the GC Code.

The Audit Committee is primarily responsible for the following duties:

(a) to review the financial statements and reports and consider any significant or unusual items raised by the qualified accountant or external auditor.

(b) to review the relationship with the external auditor by reference to the work performed by the auditor, their fees and terms of engagement, and make recommendation to the Board on the appointments, re-appointment and removal of external auditor.

(c) to review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures.

The Audit Committee will meet at least twice each year. In 2013, the Audit Committee met twice considering the annual results of the Group for the financial year ended 31st December, 2013 and the interim results of the Group for the 6 months ended 30th June, 2013, assessing any changes in accounting policies and practices, major judgmental areas and compliance with applicable legal and accounting requirements and standards, discussing with the auditor of the Company on internal control and the re-appointment of the external auditor.

REMUNERATION COMMITTEE

The remuneration committee of the Company (the "Remuneration Committee") is composed of three Directors, namely Messrs. Nam Kwok Lun, Kwan Wang Wai Alan and Ng Chi Kin David. The principal functions of the Remuneration Committee include determining the policy for the remuneration of executive directors, assessing performance of executive directors and approving the terms of executive directors' service contracts; making recommendations to the Board on the Company's policy and structure for all remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration and to place recommendations before the Board concerning the total remuneration and/or benefits granted to the Directors from time to time.

NOMINATON COMMITTEE

The nomination committee of the Company (the "Nomination Committee") is established on 27 March 2012 and is composed of three Directors, namely Messrs. Lam Kwok Hing, Cheung Kin Wai and Ng Chi Kin David. The principal functions of the Nomination Committee include reviewing the structure, size and composition of the Board, making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, identifying and nominating qualified individuals for appointment as additional directors or to fill Board vacancies as and when they arise.

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, 2013.

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, 2013.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31st December, 2013 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

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, 2013 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, 26th March, 2014

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.