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TIGER TECH

TIGER TECH HOLDINGS LIMITED

老虎科技(控股)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8046)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2008

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors of Tiger Tech Holdings Limited (the “Directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to Tiger Tech Holdings Limited. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: i. the information contained in this announcement is accurate and complete in all material respects and not misleading; ii. there are no other matters the omission of which would make any statement in this announcement misleading; and iii. all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

* For identification purposes only

RESULTS

The board of Directors (the “Board”) is pleased to announce the audited consolidated financial statements of the Company and its subsidiaries (the “Group”) for the year ended 30 June 2008 together with the comparative figures for the corresponding year in 2007 as follows:

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

| | <i>Notes</i> | 2008 HK\$'000 | 2007 <i>HK\$'000</i> |
|---|--------------|--------------------------------|---------------------------|
| Turnover | 2 | 32,821 | 16,101 |
| Other income | | 10,105 | 1,149 |
| Purchase of merchandise | | (32,312) | (11,632) |
| Employee benefits expense | | (3,732) | (379) |
| Depreciation and amortisation | | (476) | (1,156) |
| Other operating expense | | (11,894) | (7,078) |
| Impairment loss on available-for-sale investments | | (10,350) | — |
| Finance costs | | <u>—</u> | <u>—</u> |
| Loss before taxation | 3 | (15,838) | (2,995) |
| Taxation | 4 | <u>—</u> | <u>—</u> |
| Loss for the year and attributable to equity holders | | <u>(15,838)</u> | <u>(2,995)</u> |
| LOSS PER SHARE | 5 | | |
| Basic | | <u>(2.86 cents)</u> | <u>(0.64 cent)</u> |
| Diluted | | <u>N/A</u> | <u>N/A</u> |

CONSOLIDATED BALANCE SHEET
AT 30 JUNE 2008

| | <i>Notes</i> | 2008 <i>HK\$'000</i> | 2007 <i>HK\$'000</i> |
|---|--------------|--------------------------------|-------------------------|
| Non-currents assets | | | |
| Property, plant and equipment | | 1,817 | 478 |
| Available-for-sale investments | 8 | 15,499 | — |
| Deposits for acquisition of subsidiaries | | 20,000 | — |
| | | <u>37,316</u> | <u>478</u> |
| Current assets | | | |
| Trade receivables | 9 | — | 2,286 |
| Prepayments, deposits and other receivables | | 1,885 | 294 |
| Pledged deposits | | 4,394 | — |
| Cash at bank and in hand | | 24,073 | 818 |
| | | <u>30,352</u> | <u>3,398</u> |
| Current liabilities | | | |
| Trade payables | | — | 188 |
| Other payables and accruals | | 955 | 1,736 |
| Bank overdrafts | | 385 | 20 |
| | | <u>1,340</u> | <u>1,944</u> |
| Net current assets | | <u>29,012</u> | <u>1,454</u> |
| NET ASSETS | | <u><u>66,328</u></u> | <u><u>1,932</u></u> |
| CAPITAL AND RESERVE | | | |
| Share capital | | 5,580 | 4,650 |
| Reserves | | 60,748 | (2,718) |
| | | <u>66,328</u> | <u>1,932</u> |

1. Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The consolidated financial statements have been prepared under the historical cost basis except for the financial instruments, which are measured at fair value. The preparation of consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange.

In the current year, the Group has applied, for the first time, a number of new standards, amendments and interpretations (“new HKFRSs”), issued by the HKICPA that are effective for the Group’s financial year beginning 1 July 2007. The adoption of these new HKFRSs do not result in substantial changes to the Group’s accounting policies or financial results except that new and revised disclosures, in particular those in connection with HKFRS 7, “Financial instruments: Disclosures” and amendment to HKAS 1 “Presentation of financial statements – Capital disclosures”, have been made in the financial statements. Certain comparative figures have been reclassified to conform to the current year’s presentation.

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

| | |
|-----------------------------|--|
| HKAS 1 (Revised) | Presentation of Financial Statements ¹ |
| HKAS 23 (Revised) | Borrowing Costs ¹ |
| HKAS 27 (Revised) | Consolidated and Separate Financial Statements ² |
| HKAS 32 & 1 (Amendments) | Puttable financial instruments and obligations arising on obligation ¹ |
| HKFRS 2 (Amendment) | Vesting conditions and cancellation ¹ |
| HKFRS 3 (Revised) | Business Combinations ² |
| HKFRS 8 | Operating Segments ¹ |
| HK(IFRIC) – Int 2 | Service Concession Arrangements ³ |
| HK(IFRIC) – Int 13 | Customer Loyalty Programmes ⁴ |
| HK(IFRIC) – Int 14 | HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction ³ |
| HK(IFRIC) – Int 15 | Agreements for the Construction of Real Estate ¹ |
| HK(IFRIC) – Int 16 | Hedges of a Net Investment in a Foreign Operation ⁵ |

¹ Effective for annual periods beginning on or after 1 January 2009

² Effective for annual periods beginning on or after 1 July 2009

³ Effective for annual periods beginning on or after 1 January 2008

⁴ Effective for annual periods beginning on or after 1 July 2008

⁵ Effective for annual periods beginning on or after 1 October 2008

The Group has already commenced an assessment of the impact of these standard and amendments but is not yet in a position to state whether they would have a significant impact on its results of operations and financial position.

2. Turnover and segment information

Turnover and revenue recognised by category are as follows:

| | 2008 HK\$'000 | 2007 HK\$'000 |
|-----------------|------------------|------------------|
| Turnover | | |
| Sales of goods | 32,821 | 12,001 |
| Service income | — | 4,100 |
| | <u>32,821</u> | <u>16,101</u> |

Segment Information

Segment information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format because this is more relevant to the Group's internal financial reporting.

Business segment

The Group comprises the following main business segments:

| | Trading of computer parts | | Enterprise Thin Client Solutions | | Customised Thin Client Application Solutions | | Investment Holding | | Group | |
|---|---------------------------|------------------|----------------------------------|------------------|--|------------------|--------------------|------------------|------------------|------------------|
| | 2008 HK\$'000 | 2007 HK\$'000 | 2008 HK\$'000 | 2007 HK\$'000 | 2008 HK\$'000 | 2007 HK\$'000 | 2008 HK\$'000 | 2007 HK\$'000 | 2008 HK\$'000 | 2007 HK\$'000 |
| Revenue | | | | | | | | | | |
| Segment turnover from external customers | 32,821 | 11,151 | — | 3,350 | — | 1,600 | — | — | 32,821 | 16,101 |
| Segment results | (452) | 175 | (1,547) | (1,940) | (739) | (926) | (11,999) | — | (14,737) | (2,691) |
| Unallocated income | | | | | | | | | — | 1 |
| Unallocated expenses | | | | | | | | | (1,101) | (305) |
| Loss from operations | | | | | | | | | (15,838) | (2,995) |
| Finance costs | | | | | | | | | — | — |
| Loss before taxation | | | | | | | | | (15,838) | (2,995) |
| Taxation | | | | | | | | | — | — |
| Loss for the year and attributable to equity holders | | | | | | | | | <u>(15,838)</u> | <u>(2,995)</u> |
| Assets | | | | | | | | | | |
| Segment assets | 2,535 | 1,212 | 47 | 2,359 | — | — | 65,060 | — | 67,642 | 3,571 |
| Unallocated assets | | | | | | | | | 26 | 305 |
| Consolidated total assets | | | | | | | | | <u>67,668</u> | <u>3,876</u> |
| Liabilities | | | | | | | | | | |
| Segment liabilities | 63 | 1,037 | — | 25 | — | — | 220 | — | 283 | 1,062 |
| Unallocated liabilities | | | | | | | | | 1,057 | 882 |
| Consolidated total liabilities | | | | | | | | | <u>1,340</u> | <u>1,944</u> |
| Other information | | | | | | | | | | |
| Capital expenditure | 740 | — | — | — | — | — | 1,066 | — | 1,806 | — |
| Unallocated capital expenditure | | | | | | | | | 12 | 454 |
| Total capital expenditure | | | | | | | | | <u>1,818</u> | <u>454</u> |
| Depreciation and amortisation | 232 | — | 9 | — | — | — | 234 | — | 475 | — |
| Unallocated depreciation and amortisation | | | | | | | | | 1 | 1,156 |
| Total depreciation and amortisation | | | | | | | | | <u>476</u> | <u>1,156</u> |

Geographical segment

In presenting information on the basis of geographical segment, segment revenue is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of the assets.

| | Revenue from | | Segment assets | | Capital expenditure incurred | |
|-----------|--------------------|---------------|----------------|--------------|------------------------------|------------|
| | external customers | | | | during the year | |
| | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| Hong Kong | 32,821 | 11,151 | 67,664 | 3,615 | 1,818 | 454 |
| PRC | — | — | 4 | 261 | — | — |
| Macau | — | 4,950 | — | — | — | — |
| | <u>32,821</u> | <u>16,101</u> | <u>67,668</u> | <u>3,876</u> | <u>1,818</u> | <u>454</u> |

3. Loss before taxation

The Group's loss before taxation is arrived at after charging/(crediting):

| | 2008 | 2007 |
|---|-------------------|-------------------|
| | HK\$'000 | HK\$'000 |
| Cost of inventories sold | 32,312 | 11,632 |
| Amortisation (note 7) | — | 1,144 |
| Depreciation | 476 | 12 |
| Auditors' remuneration | 267 | 200 |
| Staff costs (including directors' remuneration) | | |
| — salaries and allowances | 3,638 | 369 |
| — pension scheme contributions | 94 | 10 |
| Impairment loss on trade receivables | 2,286 | — |
| Provision for doubtful debts | — | 2,847 |
| Impairment loss on available-for-sale investments | 10,350 | — |
| Gain on disposal of available-for-sale investments | (8,933) | — |
| Loss on disposal of property, plant and equipment | 1 | 34 |
| Operating lease charges on premises | 1,050 | 141 |
| Reversal of impairment loss on intangible assets (note 7) | — | (1,144) |
| | <u> </u> | <u> </u> |

4. Taxation

Hong Kong Profits Tax has not been provided as the Group incurred a loss for taxation purposes for the year (2007: Nil).

PRC foreign enterprise income tax has not been provided as the PRC subsidiary incurred a loss for taxation purposes for the year (2007: Nil).

5. Loss per share

The calculation of basic loss per share is based on the consolidated loss attributable to the equity holders for the year of HK\$15,838,000 (2007: HK\$2,995,000) and weighted average number of 554,418,000 (2007: 465,000,000) ordinary shares in issue during the year, calculated as follows:

| | 2008 | 2007 |
|--------------------------------|------------------|-------------|
| | Number of | Number of |
| | share | share |
| | '000 | '000 |
| Issued ordinary shares | | |
| at beginning of year | 465,000 | 465,000 |
| Effect of warrants exercised | 89,418 | — |
| | <hr/> | <hr/> |
| Weighted average number of | | |
| ordinary shares at end of year | 554,418 | 465,000 |
| | <hr/> <hr/> | <hr/> <hr/> |

No diluted loss per share has been presented for the year ended 30 June 2008 as the warrants issued during the year have immaterial dilutive effect on the basic loss per share.

No diluted loss per share has been presented for the year ended 30 June 2007 as there were no potential ordinary shares.

6. Dividend

The Board of the Company does not recommend the payment of a final dividend for the year ended 30 June 2008 (2007: Nil).

7. Intangible assets

| | Software |
|--|-----------------|
| | license |
| | rights |
| | HK\$'000 |
| COST | |
| At 1 July 2006 and 30 June 2007 | 6,100 |
| Write off | (6,100) |
| | <hr/> |
| At 30 June 2008 | — |
| | <hr/> |
| ACCUMULATED AMORTISATION | |
| At 1 July 2006 | 6,100 |
| Charge for the year | 1,144 |
| Reversal of impairment during the year | (1,144) |
| | <hr/> |
| At 30 June 2007 | 6,100 |
| Written back on write off | (6,100) |
| | <hr/> |
| At 30 June 2008 | — |
| | <hr/> |
| NET BOOK VALUE | |
| At 30 June 2008 | — |
| | <hr/> <hr/> |
| At 30 June 2007 | — |
| | <hr/> <hr/> |

8. Available-For-Sale Investments

| | 2008 <i>HK\$'000</i> | 2007 <i>HK\$'000</i> |
|---|--------------------------------|-------------------------|
| Equity securities listed in Hong Kong | <u>15,499</u> | <u>—</u> |
| Market value of listed securities | <u>15,499</u> | <u>—</u> |
| Fair value of individually impaired available-for-sale equity securities | <u>12,503</u> | <u>—</u> |

At 30 June 2008, the Group's available-for-sale equity securities were individually determined to be impaired on the basis of a material decline in their fair value below cost and adverse changes in the market in which these investees operated which indicated that the cost of the Group's investment in them may not be recovered.

Impairment losses on these investments were recognised in income statement and changes in fair value of these investments were recognised in equity in accordance with the Group's accounting policy.

9. Trade receivables

The Group's trading terms with its customers are generally due on date of delivery (2007: one to six months).

| | 2008 <i>HK\$'000</i> | 2007 <i>HK\$'000</i> |
|------------------------------------|--------------------------------|-------------------------|
| Trade receivables | — | 6,187 |
| Less: Provision for doubtful debts | <u>—</u> | <u>(3,901)</u> |
| | <u>—</u> | <u>2,286</u> |

The ageing analysis of trade receivables net of allowance for doubtful debts was as follows:

| | 2008 <i>HK\$'000</i> | 2007 <i>HK\$'000</i> |
|---------------|--------------------------------|-------------------------|
| 0 – 30 days | — | — |
| 31 – 90 days | — | — |
| 91 – 180 days | — | 177 |
| Over 180 days | <u>—</u> | <u>2,109</u> |
| | <u>—</u> | <u>2,286</u> |

10. Movement in share capital and reserves

| | Attributable to equity holders of the Company | | | | | | | Total HK\$'000 |
|--|---|------------------------------|--------------------------------|--------------------------------|--|--|-----------------------------------|-------------------|
| | Share capital HK\$'000 | Share premium HK\$'000 | Warrant reserve HK\$'000 | Capital reserve HK\$'000 | Exchange fluctuation reserve HK\$'000 | Investment valuation reserve HK\$'000 | Accumulated losses HK\$'000 | |
| At 1 July 2006 | 4,650 | 36,850 | — | (595) | — | — | (36,023) | 4,882 |
| Exchange realignment | — | — | — | — | 45 | — | — | 45 |
| Net loss for the year | — | — | — | — | — | — | (2,995) | (2,995) |
| At 30 June 2007 | 4,650 | 36,850 | — | (595) | 45 | — | (39,018) | 1,932 |
| Change in fair value of available-for-sale investments | — | — | — | — | — | 5,834 | — | 5,834 |
| Warrants issued | — | — | 7,440 | — | — | — | — | 7,440 |
| Exercise of warrants | 930 | 73,470 | (7,440) | — | — | — | — | 66,960 |
| Net loss for the year | — | — | — | — | — | — | (15,838) | (15,838) |
| At 30 June 2008 | <u>5,580</u> | <u>110,320</u> | <u>—</u> | <u>(595)</u> | <u>45</u> | <u>5,834</u> | <u>(54,856)</u> | <u>66,328</u> |

BUSINESS REVIEW AND FUTURE PROSPECTS

The Group's turnover during the year ended 30 June 2008 was mainly derived from trading of computer parts in Hong Kong. Due to intense competitions among competitors, the gross profit margin of computer parts trading was not satisfactory, and the Group did not record turnover from Enterprise Thin Client Solutions, Cable Network Thin Client Solutions and Customised Thin Client Application Solutions.

The Company entered into a placing agreement with Kingston Securities Limited on 14 June 2007, to place 93,000,000 unlisted warrants on a fully underwritten basis at an issued price of HK\$0.08 each. Subscription price of the warrants was HK\$0.72 per subscription share. The warrants were then issued and placed, and approximately HK\$7.191 million was raised for the general working capital of the Company. For the period from 12 July 2007 to 16 July 2007, the issuing of 93,000,000 unlisted warrants was fully exercised and HK\$66.96 million was raised. This strengthened the financial backing of the Group, making it respond to the investment opportunities promptly.

The acquisitions of the entire equity interests in Star Hub Investments Limited (together with its subsidiaries, the "Star Hub Group") and in Sino Will Limited (together with its subsidiaries, the "Sino Will Group") were completed in September 2008. The business of the Star Hub Group currently includes research, development and manufacturing in/of software products, radio frequency identification (RFID) chips and related systems, coal mine safety monitoring integrated system and coal mine surveillance and disaster alerting systems. The Star Hub Group also engages in developing electronic message security products and designing of integrated circuits. The business of the Sino Will Group includes research on integrated circuit techniques and the design, application, development, manufacturing and sale on integrated circuit solutions and related services.

The management believes that the acquisitions will enhance research and development ability and manufacture arrangement which complement the Group's existing business and expand the trading business of information technology related products, and will increase the Group's exposure to the PRC's enormous market, thereby diversifying the Group's revenue base and generating synergies for the Group in the future.

Since the Group has completed its business transformation, it is well positioned to benefit from new business lines. Looking forward, the Group will continue to exploit every opportunity to generate the greatest returns for its shareholders and reward their support.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

For the year ended 30 June 2008, the Group recorded a consolidated turnover of approximately HK\$32.8 million, representing an increase of approximately 104% as compared to HK\$16.1 million in the last financial year .

Comments on segmental information

- (i) *Enterprise Thin Client Solutions, Cable Network Thin Client Solutions and Customised Thin Client Application Solutions*

The Group recorded no income for enterprise thin client solutions for the year ended 30 June 2008, while the turnover recorded in the last financial year was approximately HK\$3.4 million which was secured in Macau, being a 100% decline compared with the last financial year. The Group recorded no income for the provision of cable network thin client solutions both in financial year 2008 and financial year 2007. The Group recorded no income for the provision of customised thin client application solutions for the year ended 30 June 2008, compared to HK\$1.6 million in the last financial year which was secured in Macau, representing a 100% decline compared with the last financial year.

(ii) *Trading*

In mid 2007, the Group started its trading business of computer parts to further enlarge its income base. The turnover from trading computer parts for the year ended 30 June 2008 was approximately HK\$32.8 million, and the turnover recorded from April 2007 to the year ended 30 June 2007 was approximately HK\$11.1 million. The gross profit from trading computer parts for the financial year ended 30 June 2008 was approximately HK\$0.5 million with a gross profit margin of about 1.55% and was approximately HK\$0.2 million with a gross profit margin of about 1.81% in the last financial year.

Purchase of Merchandise

Purchase of goods increased from approximately HK\$11.6 million last financial year to approximately HK\$32.3 million this financial year which was in line with the increase in turnover.

Employee Benefits Expense

Employee benefits expense including directors' emoluments for the year under review was approximately HK\$3.7 million, while the amount was approximately HK\$0.4 million for the previous year, an increase of approximately 9 times. The increase in employee benefits expense recorded for the year was primarily attributable to (i) increase in staff costs to approximately HK\$1.8 million (2007: approximately HK\$0.1 million) due to an additional number of employees and an increase in average pay to employees ; (ii) increase in Directors' emoluments to approximately HK\$1.8 million (2007: approximately HK\$0.3 million).

Depreciation and Amortisation

Depreciation charge increased by 39 times from HK\$12,000 in the financial year ended 30 June 2007 to HK\$476,000 in the financial year ended 30 June 2008. This increase arose out of acquiring more property, plant and equipment in the financial year of 2008 and some of property, plant and equipment were fully depreciated in the financial year 2007. No amortisation charge in the financial year 2008 when compared to HK\$1,144,000 in the financial year 2007 because the intangible assets was fully amortised in the financial year 2007.

Other Operating Expenses

Other operating expenses were approximately HK\$11.9 million in the financial year of 2008 and were approximately HK\$7.1 million in the financial year of 2007, representing an increase of 68% over of the previous year. The increase was mainly due to an increase in professional and consultancy fees as a result of actively seeking for business opportunities of the Group during the year and the acquisition of Sino Will Group and Star Hub Group carried out during the financial year 2008. Increase in office rental expenses due to the signing of a new tenancy agreement also contributed to higher operating expenses.

There was impairment loss on available-for-sale investments amounted to approximately HK\$10.4 million for the year ended 30 June 2008 (2007: Nil). The increase was mainly due to the fluctuation of the financial market during the financial year of 2008. Impairment loss on available-for-sale investments of approximately HK\$10.4 million were recognised in income statement in the financial year of 2008; and as at 30 June 2008, the changes in fair value of available-for-sales investments increased by HK\$5.8 million which was recognised in the investment valuation reserve.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2008, the Group's cash and bank balances were approximately HK\$28.5 million (2007: approximately HK\$0.8 million). The Group's fixed deposits amounting to HK\$4.4 million were pledged as securities for the operating lease agreement of the Company. The Group had no credit facilities and had no bank borrowing as at 30 June 2008. As at 30 June 2008, the Group had current assets of approximately HK\$30.4 million (2007: approximately HK\$3.4 million), while its current liabilities stood at approximately HK\$1.3 million (2007: approximately HK\$1.9 million). The current ratio (current assets to current liabilities) of the Group was approximately 22.7 (2007: approximately 1.7); and its gearing ratio (total liabilities over total assets) was approximately 0.02 (2007: approximately 0.5).

CAPITAL STRUCTURE

On 14 June 2007, the Company entered into a placing agreement with Kingston Securities Limited, to place 93,000,000 unlisted warrants on a fully underwritten basis at the issued price of HK\$0.08 each. Subscription price of the warrants was HK\$0.72 per subscription share. For the period from 12 July 2007 to 16 July 2007, the issuing of 93,000,000 unlisted warrants were fully exercised. As at 30 June 2008, the Company's outstanding issued shares were 558,000,000 (2007: 465,000,000).

FOREIGN EXCHANGE EXPOSURE

During the year ended 30 June 2008, the majority of the Group's income and expenses were denominated in Hong Kong dollars. Up to 30 June 2008, the management of the Company is of the opinion that the Group has insignificant exposure to foreign exchange risk. As a result, the Group did not use any financial instruments for hedging against fluctuation in foreign exchange for the year ended 30 June 2008. Nevertheless, the management of the Company will closely monitor and from time to time reassess the exchange risk exposures of the Group and enter into non-speculative hedging arrangements if considered necessary.

CHARGES ON GROUP ASSETS

As at 30 June 2008, the Group's fixed deposits amounting to HK\$4,394,000 (2007: Nil) were pledged as securities for the operating lease agreement of the Company.

CONTINGENT LIABILITIES

The Company was named as a co-defendant in a writ of summons on 20 December 2007. The Plaintiff alleged that the Company:

- (i) failed to honour a joint and several guarantee the liability of the Defendants under a forbearance agreement to the extent of HK\$25,000,000; and
- (ii) failed to honour two cheques in the sum of HK\$2,500,000 each, totaling HK\$5,000,000 plus interests and costs.

The Directors have reviewed the claims against the Company and based on the advice from the Group's legal counsel, are of the view that the Company has a valid defence to the claims and, accordingly, have not made provision for any claim arising from the litigation, other than the related legal and other costs.

Apart from the action against the Company disclosed above, there were no other material outstanding writ and litigation against the Group and/or the Company. As at 30 June 2008, the Group had no significant contingent liabilities.

ACQUISITIONS, DISPOSALS AND SIGNIFICANT INVESTMENT

On 19 June 2008, Rich Summit Enterprises Limited (“Rich Summit”), a wholly owned subsidiary of the Company, together with the Company entered into a sale and purchase agreement with Easy Mount Enterprises Limited (the “Jinqiao Vendor”), Lomond Group Limited, Mr. Li Haoping and Mr. Ho Wai Jung (the “Jinqiao Agreement”) pursuant to which Rich Summit has conditionally agreed to acquire the entire equity interest in Star Hub Investments Limited from the Jinqiao Vendor at a consideration of approximately HK\$215.05 million (the “Jinqiao Acquisition”). The business of Star Hub Investments Limited and its subsidiaries currently includes research, development and manufacturing in/of software products, radio frequency identification (RFID) chips and related systems, coal mine safety monitoring integrated systems and coal mine surveillance and disaster alerting systems. The group also engages in developing electronic message security products and designing on integrated circuits.

On the same date, Merit Power Enterprises Limited (“Merit Power”), a wholly owned subsidiary of the Company, together with the Company entered into a sale and purchase agreement with Mind Smart Group Limited (the “Maxium Vendor”), Team Effort Investments Limited, Mr. Choi Chung Lam and Mr. Lu Xing pursuant to which Merit Power has conditionally agreed to acquire the entire equity interest in Sino Will Limited from the Maxium Vendor at a consideration of HK\$334.4 million (the “Maxium Acquisition”). The business of Sino Will Limited and its subsidiaries includes research on integrated circuit techniques and the design, application, development, manufacturing and sale of the integrated circuit solutions and the related service.

The Jinqiao Acquisition and the Maxium Acquisition constitute major transactions for the Company under the GEM Listing Rules and are subject to the approval of the shareholders of the Company. Details of the Jinqiao Acquisition and Maxium Acquisition are set out in the announcement of the Company dated 15 July 2008 and the circular of the Company dated 29 August 2008. The Jinqiao Acquisition and the Maxium Acquisition were approved by the shareholders of the Company on 16 September 2008 and was completed on 23 September 2008.

Save as disclosed above, the Group had no other material acquisitions or disposals of subsidiaries during the year ended 30 June 2008.

EMPLOYEE INFORMATION

As at 30 June 2008, the Group had 15 employees in Hong Kong. (2007: 8). The total employees’ remuneration, including that of the Directors, amounted to approximately HK\$3.7 million (2007: approximately HK\$0.4 million).

The Group continues to provide remuneration packages to employees according to market practices, their experience and performance. Remuneration policy is basically determined with reference to individual performance as well as the financial results of the Group which will be revised from time to time when performances of staff are warranted. Other benefits include contribution of statutory mandatory provident fund for the employees. There has been no major change in staff remuneration policies during the year.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company Bye-Laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

PURCHASES, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as its Code of Conduct for Securities Transactions by Directors throughout the year ended 30 June 2008. Having made specific enquiry of all Directors, the Company was not aware of any non-compliance with the required standard of dealings regarding securities transactions by Directors during the year ended 30 June 2008.

AUDIT COMMITTEE

The Group established an Audit Committee with written terms of reference in compliance with Rules 5.28 to 5.29 of the GEM Listing Rules. The Audit Committee comprises four Independent Non-Executive Directors, namely, Mr. Lum Pak Sum, Mr. Wang Chin Mong, Mr. Chan Wai Dune and Mr. Kwok Chung Yin (with Mr. Lum Pak Sum, as the Chairman thereof).

The principal duties of the audit committee are to review and supervise the financial reporting process and internal control procedures of the Company, and to review the appointment of external auditors on an annual basis as well as to ensure independence of the continuing auditor. The audit committee met four times during the year ended 30 June 2008. During the year ended 30 June 2008, the audit committee discharged its duties by reviewing the financial matters, quarterly, interim and annual financial reports, and financial statements as well as audit matters of the Company. They discussed the above with the Executive Directors, management and the auditors of the Company, and made recommendations to the Board. The audited financial statements for the year ended 30 June 2008 have been reviewed by the audit committee.

COMPETING INTERESTS

None of the Directors or the management shareholders of the Company (as defined in the GEM Listing Rules) had an interest in a business, which competes or may compete with the business of the Group, or has any other conflict of interests with the Group.

By order of the Board
Tiger Tech Holdings Limited
Yu Sau Lai
Executive Director

Hong Kong, 26 September 2008

As at the date of this announcement, the Directors are as follows:

Executive Directors: Ms. Yu Sau Lai, Ms. Yeung Sau Han Agnes, Mr. Li Tao, Mr. Xiao Yan.

Non-Executive Director: Mr. Cheung Siu Chung Cheever

Independent Non-Executive Directors: Mr. Lum Pak Sum, Mr. Kwok Chung Yin, Mr. Wang Chin Mong and Mr. Chan Wai Dune.

This announcement for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website on the “Latest Company Announcement” page for at least 7 days from the date of its posting and on the website of the Company at www.tigertechcorp.com.hk.