VISION VALUES HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 862)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 30 JUNE 2013

The directors (the "Directors") of Vision Values Holdings Limited (the "Company") announce the audited consolidated results of the Company and its subsidiaries (the "Group" or "VVH") for the year ended 30 June 2013 (the "Financial Year") together with the comparative figures in the previous year as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2013

		Year ended 30 June	
		2013	2012
	Notes	***HK$'000***	*HK$'000*
Continuing operations:			
Revenue	*3*	**37,284**	35,557
Other income		**480**	374
Changes in inventories of finished goods and work in progress		**(12,692)**	(13,828)
Subcontracting fees for project services		**(13,747)**	(11,262)
Gain on disposal of investment properties		**10,094**	—
Fair value gain on investment properties		**4,018**	1,205
Other gains and losses — net	*4*	**2,275**	(995)
Employee benefit expenses		**(11,017)**	(7,154)
Depreciation		**(326)**	(187)
Other expenses	*5*	**(8,306)**	(4,542)
Profit/(loss) before taxation		**8,063**	(832)
Income tax expense	*6*	**(506)**	(598)
Profit/(loss) for the year from continuing operations		**7,557**	(1,430)
Discontinued operation:			
Loss for the year from discontinued operation		**—**	(614)
Profit/(loss) for the year		**7,557**	(2,044)

	Notes	Year ended 30 June 2013	2012
Earnings/(loss) per share from continuing and discontinued operations attributable to owners of the Company during the year (HK cents)	*7*		
Basic earnings/(loss) per share:			
— From continuing operations		**0.54**	(0.10)
— From discontinued operation		**—**	(0.04)
		0.54	(0.14)
Diluted earnings/(loss) per share:			
— From continuing operations		**0.54**	(0.10)
— From discontinued operation		**—**	(0.04)
		0.54	(0.14)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 30 June	
	2013	2012
	HK$'000	*HK$'000*
Profit/(loss) for the year	**7,557**	(2,044)
Other comprehensive (expense)/income:		
Items that may be subsequently reclassified to profit or loss:		
— Currency translation differences	**536**	527
— Reclassification adjustment of exchange differences on deregistration of subsidiaries	**(1,812)**	1,137
Other comprehensive (expense)/income for the year, net of tax	**(1,276)**	1,664
Total comprehensive income/(expense) for the year	**6,281**	(380)
Total comprehensive income/(expense) attributable to owners of the Company:		
— From continuing operations	**6,281**	234
— From discontinued operation	**—**	(614)
Total comprehensive income/(expense) for the year	**6,281**	(380)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 June 2013 HK$'000	2012 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**770**	661
Investment properties	*8*	**37,586**	21,279
Goodwill		**3,334**	3,334
		41,690	25,274
Current assets			
Inventories		**2,152**	5,022
Trade receivables	*9*	**6,439**	5,571
Prepayments, deposits and other receivables		**804**	4,038
Cash and bank balances		**128,982**	133,090
		138,377	147,721
Total assets		**180,067**	172,995
EQUITY			
Capital and reserves attributable to owners of the Company			
Share capital		**141,038**	141,038
Other reserves		**115,715**	121,247
Accumulated losses		**(91,895)**	(109,607)
Total equity		**164,858**	152,678
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		**1,197**	1,053
Current liabilities			
Trade payables	*10*	**5,380**	8,142
Accrued charges and other payables		**8,632**	11,122
		14,012	19,264
Total liabilities		**15,209**	20,317
Total equity and liabilities		**180,067**	172,995
Net current assets		**124,365**	128,457
Total assets less current liabilities		**166,055**	153,731

NOTES TO THE FINANCIAL STATEMENTS

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 (the "HKICPA"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties which are stated at fair value.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

In the current financial year, the Group has adopted the following relevant new and revised standards, amendments and interpretations (the "new and revised HKFRSs") issued by the HKICPA:

HKAS 1 (As revised in 2011)	Presentation of Items of Other Comprehensive Income
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets

Amendments to HKAS 12 *Deferred Tax: Recovery of Underlying Assets*

The HKICPA has amended HKAS 12, "Income taxes", to introduce an exception to the principle for the measurement of deferred tax assets or liabilities arising on an investment property measured at fair value. HKAS 12 requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. The HKAS 12 (Amendments) introduces a rebuttable presumption that an investment property measured at fair value is recovered entirely by sale. The HKAS 12 (Amendments) is applicable retrospectively to annual periods beginning on or after 1 January 2012.

The Group has adopted this amendment retrospectively for the financial year ended 30 June 2013 and there is no significant effect on the results and financial position of the Group for the current and prior accounting periods.

The Group has not early adopted the following new and revised standards, amendments or interpretations to existing standards that have been issued but are not yet effective to the Group:

HKAS 19 (As revised in 2011)	Employee Benefits[1]
HKAS 27 (As revised in 2011)	Separate Financial Statements[1]
HKAS 28 (As revised in 2011)	Investments in Associates and Joint Ventures[1]
HKAS 32 (Amendments)	Offsetting Financial Assets and Financial Liabilities[2]
HKAS 36 (Amendments)	Recoverable Amount Disclosures for Non-Financial Assets[2]
HKAS 39 (Amendments)	Novation of Derivatives and Continuation of Hedge Accounting[2]
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2009-2011 Cycle[1]
HKFRS 1 (Amendments)	Government Loans[1]
HKFRS 7 (Amendments)	Disclosures — Offsetting Financial Assets and Financial Liabilities[1]
HKFRS 7 and 9 (Amendments)	Mandatory Effective date of HKFRS 9 and Transitional Disclosure[3]
HKFRS 9	Financial Instruments[3]
HKFRS 10	Consolidated Financial Statements[1]
HKFRS 11	Joint Arrangements[1]
HKFRS 12	Disclosures of Interests in Other Entities[1]
HKFRS 13	Fair Value Measurement[1]

HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated Financial Statement, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance[1]
HKFRS 10, HKFRS 12 and HKAS 27 (Amendments)	Investment Entities[2]
HK(IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine[1]
HK(IFRIC)-Int 21	Levies[2]

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

3. SEGMENT INFORMATION

The Group's reportable operating segments are (i) network solutions and project services and (ii) property investment.

The chief operating decision maker has been identified as the Executive Directors. The Executive Directors review the Group's internal reporting in order to assess performance and allocate resources. The Executive Directors determined the operating segments based on these reports. In last year, the Group discontinued its aircraft leasing business after entering into a conditional sale and purchase agreement on disposal of a G200 aircraft to an independent third party. The disposal was completed on 11 January 2012.

The Executive Directors assess the performance of operating segments based on a measure of segment results. This measurement basis is revenue less direct attributable expenses to revenue but excluding depreciation. Other information provided, except as described below, to the Directors is measured in a manner consistent with that in the consolidated financial statements.

Segment assets exclude other assets that are managed on a central basis.

There are no sales or other transactions between business segments.

The segment revenue and results for the year ended 30 June 2013

From continuing operations:

	Network solutions and project services *HK$'000*	Property investment *HK$'000*	Total *HK$'000*
Segment revenue	**35,995**	**1,289**	**37,284**
Segment results	**8,401**	**1,001**	**9,402**
Depreciation of property, plant and equipment	**(69)**	**—**	**(69)**
Unallocated expenses *(Note a)*			**(18,133)**
Interest income from bank deposits			**476**
Gain on disposal of investment properties			**10,094**
Fair value gain on investment properties			**4,018**
Other gains and losses — net *(Note 4)*			**2,275**
Profit from continuing operations before taxation			**8,063**
Other segment information			
Capital expenditure *(Note b)*	**206**	**27,690**	**27,896**
Unallocated capital expenditure			**229**
			28,125

Notes:

(a) Unallocated expenses mainly include unallocated employee benefit expenses.

(b) This relates to capital additions to property, plant and equipment and investment properties.

The segment revenue and results for the year ended 30 June 2012

From continuing operations:

	Network solutions and project services *HK$'000*	Property investment *HK$'000*	Total *HK$'000*
Segment revenue	35,103	454	35,557
Segment results	8,823	189	9,012
Depreciation of property, plant and equipment	(70)	—	(70)
Unallocated expenses *(Note a)*			(10,356)
Interest income from bank deposits			372
Fair value gain on investment properties			1,205
Other gains and losses — net *(Note 4)*			(995)
Loss from continuing operations before taxation			(832)
Other segment information			
Capital expenditure *(Note b)*	30	—	30
Unallocated capital expenditure			494
			524

Notes:

(a) Unallocated expenses mainly include unallocated employee benefit expenses.

(b) This relates to capital additions to property, plant and equipment.

Segment Assets

For the year ended 30 June 2013

	Network solutions and project services *HK$'000*	**Property investment** *HK$'000*	**Total** *HK$'000*
Total segment assets	**8,745**	**37,665**	**46,410**
Unallocated:			
Cash and bank balances			**128,982**
Other unallocated assets			**4,675**
Consolidated total assets			**180,067**

For the year ended 30 June 2012

	Network solutions and project services *HK$'000*	Property investment *HK$'000*	Total *HK$'000*
Total segment assets	14,327	21,484	35,811
Unallocated:			
Cash and bank balances			133,090
Other unallocated assets			4,094
Consolidated total assets			172,995

The Group is domiciled in Hong Kong and is operating in two main geographical areas:

Hong Kong : Network solutions and project services, property investment

Mainland China : Property investment and aircraft leasing (discontinued during the year ended 30 June 2012)

There are neither sales nor other transactions between the geographical areas.

	Non-current assets		**Revenue**	
	2013 *HK$'000*	2012 *HK$'000*	**2013** *HK$'000*	2012 *HK$'000*
Hong Kong	**18,253**	3,993	**36,645**	35,103
Mainland China	**23,437**	21,281	**639**	1,390
	41,690	25,274	**37,284**	36,493

The Group's revenue by geographical location is determined by the places/countries in which the customer is located. The Group's non-current assets by geographical location are determined by the places/countries in which the asset is located.

Revenue of approximately HK$13,019,000 (2012: HK$20,038,000) is derived from three (2012: four) largest customers and each such customer amounted to 10% or more of the revenue. The revenue is attributable to the segment of network solutions and project services in Hong Kong.

4. OTHER GAINS AND LOSSES — NET

	2013	2012
	HK$'000	*HK$'000*
Continuing operations:		
Gains on bargain purchases	**423**	—
Gain on disposal of property, plant and equipment	**40**	142
Gain/(loss) on exchange differences on deregistration of subsidiaries	**1,812**	(1,137)
	2,275	(995)
Discontinued operation:		
Gain on disposal of property, plant and equipment	**—**	904
	2,275	(91)

5. OTHER EXPENSES

	2013	2012
	HK$'000	*HK$'000*
Continuing operations:		
Auditor's remuneration	**900**	830
Direct operating expenses from investment properties that generate rental income	**288**	79
Direct operating expenses from investment properties that does not generate rental income	**94**	105
Exchange loss — net	**82**	6
Operating lease rentals for land and buildings	**684**	410

6. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2012: 16.5%) on the estimated assessable profits for the year. Taxation on overseas profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries in which the Group operates.

	2013	2012
	HK$'000	*HK$'000*
Current tax		
— Hong Kong profits tax	**396**	414
— Over-provision in prior year	**(34)**	—
Deferred tax		
— Origination of temporary differences	**144**	184
Total income tax expense	**506**	598

7. EARNINGS/(LOSS) PER SHARE

The calculations of basic and diluted earnings/(loss) per share are based on the following information:

	2013	2012
	HK$'000	*HK$'000*
Profit/(loss) attributable to owners of the Company, as used in the calculation of basic and diluted earnings/(loss) per share		
Profit/(loss) from continuing operations and discontinued operation	**7,557**	(2,044)
Profit/(loss) from continuing operations	**7,557**	(1,430)
Loss from discontinued operation	**—**	(614)
Number of shares		
	'000	*'000*
Weighted average number of ordinary shares in issue for calculating of basic and diluted earnings/(loss) per share *(Note)*	**1,410,380**	1,410,380

Note: Diluted earnings/(loss) per share is the same as basic earnings/(loss) per share for the years ended 30 June 2012 and 2013 as the share options have no dilutive impact for both years.

8. INVESTMENT PROPERTIES

	2013	2012
	HK$'000	*HK$'000*
At beginning of the year	**21,279**	19,584
Acquisition of subsidiaries	**27,690**	—
Fair value gain on investment properties	**4,018**	1,205
Disposals	**(15,920)**	—
Currency translation differences	**519**	490
At end of the year	**37,586**	21,279

The Group's investment properties were revalued on an open market value basis at 30 June 2013 by Cushman & Wakefield Valuation Advisory Services (HK) Ltd, an independent professionally qualified valuer. The valuation was based on current prices in an active market, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset.

On 28 June 2013, Golden Union Development Limited, an indirect wholly-owned subsidiary of the Company, disposed of three investment properties to an independent third party for a total cash consideration of HK$26,350,000. The Company recognised a disposal gain of approximately HK$10,094,000, net of related disposal costs of HK$336,000.

9. TRADE RECEIVABLES

	2013	2012
	HK$'000	*HK$'000*
Trade receivables	**6,439**	5,571

The Group allows an average credit period of 30 to 60 days to its customers. The ageing analysis of trade receivables by invoice date is as follows:

	2013	2012
	HK$'000	*HK$'000*
1–30 days	**1,282**	3,718
31–60 days	**736**	805
61–90 days	**280**	196
91–180 days	**4,141**	852
	6,439	5,571

As of 30 June 2013, trade receivables of HK$5,163,000 (2012: HK$1,853,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis by due date of these trade receivables is as follows:

	2013	2012
	HK$'000	*HK$'000*
Past due 1–30 days	**663**	509
Past due 31–60 days	**245**	491
Past due 61–90 days	**2,135**	13
Past due 91–180 days	**2,120**	840
	5,163	1,853

None of the trade receivables were impaired as at 30 June 2013 (2012: Nil).

10. TRADE PAYABLES

The ageing analysis of the trade payables by invoice date is as follows:

	2013	2012
	HK$'000	*HK$'000*
0–30 days	**2,857**	6,760
31–60 days	**140**	71
61–90 days	**16**	37
91–180 days	**2,367**	1,274
	5,380	8,142

The carrying amounts of trade payables approximate to their fair values.

11. SUBSEQUENT EVENT

Subsequent to the year ended 30 June 2013, the Company completed a rights issue of 705,190,345 ordinary shares of HK$0.10 each at a subscription price of HK$0.10 per share on 23 July 2013 (the "2013 Rights Issue"). Accordingly, the issued share capital of the Company has been increased from HK$141,038,069 to HK$211,557,104. These new shares rank pari passu in all respect with the existing shares. Details of the 2013 Rights Issue have been published in the announcements of the Company dated 13 June 2013 and 29 July 2013 and prospectus of the Company dated 9 July 2013, respectively. The net proceeds from the 2013 Rights Issue amounted to approximately HK$67.1 million which will be used for potential assets and/or business acquisition purposes.

REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS

The audit committee of the Company (the "Audit Committee") has reviewed the annual results of the Group for the year ended 30 June 2013. The figures in respect of the preliminary announcement of the Group's results for the year ended 30 June 2013 have been agreed by the Group's independent auditor, PricewaterhouseCoopers, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers 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 PricewaterhouseCoopers on the preliminary announcement.

DIVIDEND

The Directors do not recommend the payment of a final dividend for the year ended 30 June 2013 (2012: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

1. *Network Solution and Project Services ("NPS")*

   The overall sales result for the Financial Year was satisfactory. NPS achieved total revenue of HK$36.0 million (2012: HK$35.1 million) with gross profit of HK$8.4 million (2012: HK$8.8 million). The inflation in Hong Kong during the Financial Year caused the increase in overall operating costs that led to a slight dropped in the gross profit.

   Among the achieved revenue, HK$17.8 million was generated from the sales of both telecom and enterprise networking solutions and the rest was generated from project and system engineering services.

   During the Financial Year, the total revenue generated from the sales of telecom solutions was approximately HK$13.4 million which was 24% less than last financial year. The sales performance of enterprise solutions however increased sharply to HK$4.5 million during the Financial Year. It represented a year-on-year growth of 63%.

   In last year, the business of telecom solution was driven by the sales of mobile TV transmitter supplied by Channelot Limited. Unexpectedly, Channelot Limited was closed down during the Financial Year thus we would not be able to offer the mobile TV transmitters to our customer for their mobile TV network expansion in future.

   Two large scale projects, namely iDENT radio installation at the new air cargo terminal and the indoor cellular antenna system installation at the Prince of Wales Hospital were completed during the Financial Year. Accordingly the revenue from the project services recorded a significant increase from the amount of HK$14.0 million in 2012 to HK$16.4 million. In addition, the sales team of system engineering spared more effort to promote the importance of system maintenance. More customers were attracted to join our maintenance program thus boosted the maintenance service income from HK$0.8 million in 2012 to HK$1.7 million.

2. *Property Investment*

   The rental income from property investment grew approximately 160% to HK$1.3 million (2012: HK$0.5 million). The significant increase in rental income was due to the expansion of the properties portfolio during the Financial Year. All the Group's investment properties were fully rented out as at 30 June 2013.

Financial Review

1. *Results Analysis*

   For the Financial Year, the Group's revenue from continuing operations increased 4.9% to HK$37.3 million (2012: HK$35.6 million). Around 96.5% (2012: 98.7%) of the Group's total revenue was generated from the business segment of NPS.

   A one-off gain on disposal of investment properties in the amount of HK$10.1 million (2012: Nil) was recorded. For details, please refer to (6) below.

   The Group's investment properties were revalued at the ended of the Financial Year on an open market value basis by an independent qualified valuer. A revaluation gain of HK$4.0 million (2012: HK$1.2 million) was recorded for the Financial Year.

   During the Financial Year, the Group granted a total of 64,000,000 share options to eligible participants under the Company's share option scheme. Accordingly, a total of HK$3.2 million (2012: Nil) share-based payment relating to directors and employee was included in employee benefit expenses during the Financial Year. For share-based payments of HK$2.7 million (2012: Nil) relating to other eligible participants under the Company's share option scheme was included in other expenses.

   Profit for the Financial Year was approximately HK$7.6 million (2012: Loss of HK$2.0 million).

2. *Liquidity and Financial Resources*

   As at 30 June 2013, the capital and reserves attributable to the shareholders of the Company was HK$164.9 million (2012: 152.7 million)

   As at 30 June 2013, the Group had no other bank or other borrowings (2012: Nil). The Group has sufficient liquidity and financial resources to meet its daily operational requirements.

3. *Gearing*

   The Group had no gearing as at 30 June 2013 (2012: Nil).

4. *Foreign Exchange*

   The key operations of the Group are located in Hong Kong and Mainland China. The Group's assets and liabilities are mainly denominated in Hong Kong dollars, United States dollars and Renminbi. The Group does not establish a foreign currency hedging policy. However, management of the Group continues to monitor foreign exchange exposure and will consider hedging significant currency exposures should the need arises.

5. *Contingent liabilities*

As at 30 June 2013, the Group did not have material contingent liabilities (2012: Nil).

6. *Material Acquisitions and Disposal*

On 21 August 2012, the Company entered into two conditional sale and purchase agreements to acquire 100% equity interest of two property investment groups of companies from an independent third party at cash consideration of HK$15.3 million and HK$13.1 million respectively. One of the property investment groups own three residential units located at Mid-levels, Hong Kong (the "Property Group A"). The other property investment group owns three industrial units and a car park space of an industrial building in Fanling, New Territories. During the Financial Year, the Property Group A was disposed of to another independent third party at a consideration of approximately HK$26.4 million.

Business Outlook and Development

By the end of the Financial Year, the value of work in progress on hand for NPS amounted to approximately HK$7.5 million.

Since all mobile operators have nearly completed their 4G system installation, it is expected that further revenue generated from the 4G base station installation will be minimal. In response to the latest market development, project service department of NPS has already changed its focus on working with other system vendors in respect of wireless system installation projects. In addition, NPS also works with Hong Kong governmental departments for the installation and dismantle of microwave and radio antenna system. Currently, we are approaching another main contractor for a few indoor cellular antenna system installations. Besides, several projects are under discussion with the Hong Kong government and system vendors for certain microwave antenna installation and dismantle works.

For network solutions business, we are currently partnered with Meru Networks, Inc. (a WiFi solution vendor listed on NASDAQ) and Motorola. Meru's WiFi system has her own distinct advantages and is in particular suitable for deployment in small area crowded with a large amount of WiFi users for example exhibitions in convention centre or seminars at conference centre. In addition, Meru's system has excellent performance in voice over WiFi due to minimal delay of voice when user moving from one access point to another. It is very suitable for organisation that wants to deploy voice over WiFi. Therefore, partnering with both Motorola and Meru Networks will enable the Group to offer different solutions to tailor individual customer's needs. In addition, the Group will continue to secure partnership with other WiFi equipment vendors in order to reinforce our Group's positioning and image as a leading wireless solution provider.

In the past year, we sold two wireless intrusion prevention systems ("WIPS") after launching some WIPS advertising campaigns. We joined the "InfoSecurity Summit 2013" to promote the WIPS. We noted that many companies are interested in the WIPS system but it still needs more time to educate them on the benefits of WIPS. Similar to firewall in computer, we foresee WIPS will become an essential tool for organizations deploying WiFi in the coming future. In the coming year, we will actively promote the WIPS by participation in conferences in order to drive the sales volume of WIPS.

Though the volume of sales in telecom solutions was dropped in this Financial Year due to the closure of business by one of our vendors "Channelot", we'll continue to work with other vendors such as SwissQual for the promotion of their bench marking system to mobile operators. Since 4G system already implemented by all licensed operators in Hong Kong, there are practical requirements by mobile operators to deploy bench marking system to bench mark their network quality and performance against other competitors in order to improve their network. In last year we sold a quality check system to one of the mobile operators and we are currently working with this operator to implement one more system.

For NPS, the provision of maintenance support services earns the highest profit margin and generates a stable and recurring stream of revenue. In this regard, we will move toward this direction by encouraging clients to join our maintenance program for systems supplied by us. To ensure we are able to generate more revenue from the maintenance services together with high customer satisfaction, we are going to deploy additional resources in our technical support team to enhance their technique and product knowledge. By adoption of this strategy, we have already seen a double in maintenance service income year-on-year and we will strive to achieve further growth in the coming financial year.

Due to high inflation rate and keen competition in Hong Kong market, the operating environment for NPS in the new fiscal year will be challenging. We are going to diversify the network solutions business with focus on enterprise solution sales in order to achieve a balanced income. In addition, the project service department will also diversify to work with other large system integrators, system vendors and government departments instead of relying on mobile/fix network operators.

For the property investment, we expect the rental income will be stable for the coming financial year since no vacancy in our portfolio of investment properties.

Subsequent to the Financial Year, the Company completed a rights issue of 705,190,345 ordinary shares of HK$0.10 each at a subscription price of HK$0.10 per share on 23 July 2013 and raised net proceeds of approximately HK$67.1 million. As disclosed in the rights issue prospectus dated 9 July 2013, the Group intended to apply the net proceeds from the rights issue for acquisition of assets and/or businesses (including commercial and/or residential property sectors) should suitable opportunities become available. Apart from existing operating segments, the Group will also explore other business segments during the process of identifying and considering new investment opportunities. Up to the date of this announcement, the Group had not identified any specific acquisition target.

HUMAN RESOURCES

As at 30 June 2013, the Group had employed a total of 20 full-time employees (2012: 21) in Hong Kong. Remuneration packages are structured to take into account the level and composition of pay and the general market conditions in the respective geographical locations and businesses in which the

Group operates. The remuneration policies of the Group are reviewed on a periodic basis. Apart from retirement schemes, year-end bonuses and share options are awarded to the employees according to the assessment of individual performance and industry practice. Appropriate training programs are also offered for staff training and development.

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

During the year, the Company has not redeemed and neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities.

CORPORATE GOVERNANCE

The board of Directors (the "Board") recognises the importance of maintaining a high standard of corporate governance to protect and enhance the benefits of shareholders and their responsibilities to maintain the interest of the shareholders and to enhance their values. They also believe a good corporate governance practice can facilitate a company in rapid growth under a healthy governance structure and strengthen the confidence of shareholders and investors.

During the year ended 30 June 2013, the Company applied the principles of code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), except the deviations as mentioned below:

i. In accordance with the code provision A.2.1 stipulates that the roles of chairman and chief executive officer ("CEO") should be separated and should not be performed by the same individual.

   Mr. Lo Lin Shing, Simon ("Mr. Lo") is chairman of the Company and has also carried out the responsibility of CEO. Mr. Lo possesses the essential leadership skills to manage the Board and extensive knowledge in the business of the Group. The Board considers the present structure is more suitable for the Company because it can promote the efficient formulation and implementation of the Company's strategies.

ii. Under the code provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election.

   None of the existing non-executive directors of the Company is appointed for a specific term. This constitutes a deviation from code provision A.4.1 of the CG Code. However, they are subject to the retirement by rotation in accordance with the provisions of the Company's articles of association. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the CG Code.

iii. The code provisions A.5.1 to A.5.4 of the CG Code requires a nomination committee to be set up, chaired by the independent non-executive directors or chairman of the board to review the structure, size and composition of the board at least annually to complement the issuers corporate strategy.

The Company has not set up a nomination committee. The Board considers that it should be the responsibility of the full Board to review these matters and make decisions from time to time. The Board has already set out the criteria for selection of a Director under its internal policy. According to the Company's articles of association, any newly appointed Directors are required to offer themselves for re-election at the next general meetings. Furthermore, the Director re-election process participating by the shareholders in the annual general meetings and the rights of shareholders to nominate a Director both ensure a right candidate to be selected to serve the Board effectively.

iv. The code provision E.1.2 of the CG Code stipulates that the chairman of the board should attend the annual general meeting ("AGM") of the Company.

The chairman of the Board did not attend the 2012 AGM due to another business engagement. An executive Director had chaired the 2012 AGM and answered questions from shareholders. The chairman of the audit and remuneration committees was also available to answer questions at the 2012 AGM.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its own code of conduct regarding securities transactions by the Directors (the "Code") and Guidelines for Securities Transactions by Employees of the Group who are likely to be in possession of unpublished inside information (the "Employees' Guidelines"), which are on terms no less exacting terms than the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 of the Listing Rules (the "Model Code").

During the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to and including the publication date of the annual results, all Directors and relevant employees are restricted to deal in the securities and derivatives of the Company until such results have been published. The Company Secretary will send a reminder prior to the commencement of such period to all Directors and relevant employees.

Upon specific enquiry by the Company, all Directors have confirmed that they have complied with the required standards set out in the Code during the year ended 30 June 2013.

AUDIT COMMITTEE

The Audit Committee has three members, all of whom are independent non-executive Directors. Mr. Lau Wai Piu is appointed as the chairman of the Audit Committee. He has appropriate professional qualifications, accounting and related financial management expertise.

Composition of Audit Committee members:

Mr. Lau Wai Piu *(chairman of Audit Committee)*
Mr. Tsui Hing Chuen, William *JP*
Mr. Lee Kee Wai, Frank

The Audit Committee has reviewed the consolidated financial statements of the Group for the year ended 30 June 2013.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

The results announcement is published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.visionvalues.com.hk) respectively. The annual report of the Company for the year ended 30 June 2013 containing all the information required by the Listing Rules will be dispatched to the Company's shareholders and available on the above websites in due course.

By Order of the Board
Vision Values Holdings Limited
Tang Chi Kei
Company Secretary

Hong Kong, 23 September 2013

As at the date of this announcement, the Board comprises two executive Directors namely Mr. Lo Lin Shing, Simon and Mr. Ho Hau Chong, Norman and three independent non-executive Directors namely Mr. Tsui Hing Chuen, William JP, Mr. Lau Wai Piu and Mr. Lee Kee Wai, Frank.