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*This announcement, for which the directors ("***Directors***") of China Technology Solar Power Holdings Limited ("***Company***", together with its subsidiaries, the "***Group***"), collectively and individually accept full responsibility, includes particulars given in compliance with the Rules ("***GEM Listing Rules***") Governing the Listing of Securities on the Growth Enterprise Market ("***GEM***") of the Stock Exchange 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 the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading*

CTSP
中科光電

CHINA TECHNOLOGY SOLAR POWER HOLDINGS LIMITED
中科光電控股有限公司*

(Incorporated in the Cayman Islands with limited liability)
(stock code: 8111)

THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 31 DECEMBER 2012

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED ("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.

* *For identification purpose only*

QUARTERLY RESULTS HIGHLIGHTS

The loss attributable to equity holders of the Company for the nine months ended 31 December 2012 was approximately HK$2.8 million (the loss attributable to equity holders of the Company for the nine months ended 31 December 2011 was approximately HK$46.5 million).

The revenue of the Group from continuing operations for the nine months ended 31 December 2012 was approximately HK$39.6 million, representing an increase of approximately 37.0 per cent. as compared to the nine months ended 31 December 2011.

Gross profit margin of the Group was approximately 23.2 per cent. in the nine months ended 31 December 2012, as compared to approximately 23.8 per cent. in the nine months ended 31 December 2011.

Basic loss per share from continuing and discontinued operations for the nine months ended 31 December 2012 was approximately HK0.30 cents (basic loss per share from continuing and discontinued operations for the nine months ended 31 December 2011 was approximately HK5.45 cents).

The Directors do not recommend the payment of a quarterly dividend for the nine months ended 31 December 2012 (nine months ended 31 December 2011: Nil).

The Board announces the unaudited consolidated results of the Group for the nine months ended 31 December 2012.

BUSINESS REVIEW

The Group is principally engaged in (i) sales of self-service automatic teller machine ("**ATM**") systems and printing systems, (ii) provision of hardware and software technical support services, (iii) solar energy generation, and (iv) power system integration business in the People's Republic of China ("**PRC**" or "**China**") during the nine months ended 31 December 2012.

The Group's revenue from continuing operations amounted to approximately HK$39.6 million for the nine months ended 31 December 2012, representing an increase of approximately 37.0 per cent., as compared with approximately HK$28.9 million recorded for the nine months ended 31 December 2011.

The Group's gross profit margin was approximately 23.2 per cent. in the nine months ended 31 December 2012, as compared to approximately 23.8 per cent. in the nine months ended 31 December 2011. The decrease in the gross profit margin was mainly as a result of the fierce competition in the PRC market.

Selling expenses from continuing operations incurred by the Group for the nine months ended 31 December 2012 amounted to approximately HK$2.5 million (nine months ended 31 December 2011: approximately HK$5.0 million), representing a decrease of approximately 49.4 per cent. as a result of the Group's policy on cost control.

Administrative expenses from continuing operations incurred by the Group for the nine months ended 31 December 2012 amounted to approximately HK$15.0 million (nine months ended 31 December 2011: HK$27.9 million), representing a decrease of approximately 46.4 per cent. as a result of the non-recurrent one-off professional expenses arising from the acquisition of China Technology Solar Power Holdings Limited ("**CTSP (BVI)**"), a company incorporated in the British Virgin Islands with limited liability, of approximately HK$4.8 million and the exploration of new business opportunities of approximately HK$9.4 million in the same period last year and the Group's policy on cost control.

The Group recorded a loss attributable to equity holders of the Company amounting to approximately HK$2.8 million for the nine months ended 31 December 2012 (nine months ended 31 December 2011: loss attributable to equity holders of the Company of approximately HK$46.5 million).

Basic loss per share from continuing and discontinued operations was approximately HK0.30 cents for the nine months ended 31 December 2012, as compared with the basic loss per share from continuing and discontinued operations of approximately HK5.45 cents for the nine months ended 31 December 2011.

IMPLEMENTATION OF SELF-SERVICE ATM SYSTEMS AND PRINTING SYSTEMS

During the nine months ended 31 December 2012, implementation of self-service ATM systems and printing systems (including the provision of technical consultancy and support services) remained the Group's core business and accounted for approximately 100.0 per cent. (nine months ended 31 December 2011: 100.0 per cent.) of the Group's total revenue from the sales of goods and rendering of services from continuing operations.

The revenue generated from the implementation of self-service ATM systems and printing systems (including the provision of technical consultancy and support services) remained steady and recorded approximately HK$39.6 million in the nine months ended 31 December 2012, representing an increase of approximately 37.0 per cent., as compared with the nine months ended 31 December 2011.

PROVISION OF TECHNICAL CONSULTANCY AND SUPPORT SERVICES

The provision of technical consultancy and support services, which were already included in the implementation of self-service ATM systems and printing systems, contributed to a stable and recurrent source of income for the Group and accounted for approximately 15.6 per cent. (nine months ended 31 December 2011: approximately 24.5 per cent.) of the total revenue from the sales of goods and rendering of services from continuing operations for the nine months ended 31 December 2012. Income derived from the provision of technical consultancy and support services during the nine months ended 31 December 2012 decreased by approximately 12.5 per cent., as compared with the same period last year, mainly as a result of the fierce competition in the PRC market.

As an authorised value-added reseller of self-service ATM systems of NCR (Beijing) Financial Equipment System Co., Ltd ("**NCR**") and marketing agent of Fuji Xerox for its printing systems in China, the Group has fully committed itself as a reliable and reputable vendor and a total solution provider for self-service ATM systems and printing systems.

By having ATM service centers established in major cities in China including Shaoxing, Taicang, Taiyuan, Shanghai, Beijing, Wenzhou, Yiwu, Chongqing, Wuxi, Changshu, Jinhua, Yingkou, Funing, Jingzhou, Datong, Yangzhou, Xuzhou, Huzhou, Lvliang, Quzhou and Huaian, the Group has ATM service centers covering a total of 21 strategic cities and locations currently.

Leveraging on its sales network and existing clientele, the Group aims to secure higher renewal rates upon the expiry of the existing contracts.

SOLAR ENERGY GENERATION AND POWER SYSTEM INTEGRATION OPERATION

The Group completed the acquisition of CTSP (BVI) on 1 June 2011. CTSP (BVI) and its subsidiaries ("**Solar Business Sub-Group**") is principally engaged in (i) solar energy generation and (ii) related power system integration business in the PRC. The acquisition is an opportunity for the Company to diversify its scope of business and to enter into the new energy industry, so as to maximize the shareholders' value.

Solar energy generation

During the nine months ended 31 December 2012, income generated from solar energy generation amounted to approximately HK$13.7 million (nine months ended 31 December 2011: Nil).

On 28 December 2011, Qinghai Baike Solar Power Co., Ltd* (青海百科光電有限責任公司) ("**Qinghai Baike**"), a company established in the PRC with limited liability and a wholly-owned subsidiary of CTSP (BVI), has completed the construction of a 10MW solar photovoltaic power station in 青海省格爾木東出口光伏園區 (unofficial English translation being Geermu East Exit Solar Power District, Qinghai province) ("**10MW Geermu Power Station**") and passed the grid integration inspection tests with the consent of 青海省電力公司 (unofficial English translation being Qinghai Province Electric Company). On 30 December 2011, Qinghai Baike has received the notification from 青海省發展和改革委員會 (unofficial English translation being Qinghai Province Development and Reform Committee) ("**Committee**") that the 10MW Geermu Power Station has passed the inspection test of the Committee, and has conformed with the normal operation requirements for, and has officially commenced, grid integrated power generation. Pursuant to the relevant regulations of the PRC, from the date of commercial operation of the 10MW Geermu Power Station, the unit selling price of electricity shall be set at RMB1.15/kWh (inclusive of tax). Up to 20 November 2012, the total grid electricity generation volume of the 10MW Geermu Power Station has reached 11,354,669 kWh.

On 6 September 2012, CTSP (BVI) and 青海省綠色發電集團有限公司 (unofficial English translation being Qinghai Green Power Generation Group Ltd.) ("**Purchaser**") entered into the disposal agreement ("**Disposal Agreement**") pursuant to which CTSP (BVI) has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the entire equity interest in Qinghai Baike at a total consideration of RMB46,800,000 (subject to deduction as provided for in the Disposal Agreement) ("**Disposal**"). All conditions set out in the Disposal Agreement have been fulfilled (or, where applicable, waived) and the completion took place on 20 November 2012. Upon completion, the Company ceased to hold any interest in Qinghai Baike and Qinghai Baike ceased to be a subsidiary of the Company.

Therefore, the results of operation of the solar energy generation business of Qinghai Baike in relation to the 10MW Geermu Power Station and the project to construct solar photovoltaic power station with the capacity of 20MW in Delingha ("**20MW Delingha Project**") (which has not yet been commenced) in Qinghai Baike are presented as a discontinued operation in the unaudited consolidated results of the Group for the nine months ended 31 December 2012.

However, the Group will continue its investment in solar energy generation projects of smaller capacity and less capital expenditure requirement.

Power system integration business

System integration refers to the optimization of technologies in the civil engineering system, electrical system and other ancillary system, database technologies, surveillance and software management. The Group shall source equipment and products from different vendors based on the scale and capacity of the respective power stations and subsequently carry out integration of the separated equipment, functions and information into a connected, unified and coordinated system. System integration enables the utilization of resources at their best to enhance optimization of performance of the entire system and achieve centralized, high efficiency, balanced performance, substitutable and available for maintenance, as well as low cost management. The Group also offers subsequent system management services to the power stations.

As mentioned in the circular dated 16 May 2011, the Group has secured and signed two agreements for the provision of one-off service on system integration services for biomass energy, thermal power and solar energy generation companies and projects. As the contracting parties to the two agreements are still in the process of obtaining the necessary licenses from the respective government authorities during the nine months ended 31 December 2012, the Group had not commenced such system integration services and did not have income generated from the power system integration business during the nine months ended 31 December 2012 (nine months ended 31 December 2011: Nil).

LIQUIDITY, FINANCIAL RESOURCES AND TREASURY POLICIES

As at 31 December 2012 the Group had cash and bank balances amounting to a total of approximately HK$12.0 million (31 March 2012: approximately HK$3.8 million). The Group has no outstanding bank overdraft as at 31 December 2012 (31 March 2012: HK$Nil).

The Group financed its operations by internally generated cash flow, net proceeds from the Disposal of Qinghai Baike, and proceeds from placing of shares of the Company. Please refer to the annual report of the Company for the year ended 31 March 2012 for details of such placing of shares.

QUARTERLY DIVIDEND

The Directors do not recommend the payment of a quarterly dividend for the period under review (nine months ended 31 December 2011: Nil).

SIGNIFICANT INVESTMENTS HELD AND MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

Acquisition of the Entire Issued Share Capital of CTSP (BVI)

On 13 December 2010, City Max International Limited ("**City Max**") (a wholly-owned subsidiary of the Company), the Company, Good Million Investments Limited ("**Good Million**"), Mr. Chiu Tung Ping and Ms. Yuen Hing Lan ("**Guarantors**") entered into an agreement for the acquisition of 2 ordinary shares of US$1.00 each in the share capital of CTSP (BVI) by City Max at the consideration of HK$292,000,000 (subject to adjustment) ("**Agreement**").

The ordinary resolution for the approval of the Agreement and the transactions contemplated thereunder respectively was duly passed by the independent shareholders by way of poll at the extraordinary general meeting held on 31 May 2011.

On 1 June 2011, the Group has completed the acquisition of CTSP (BVI).

The Supplemental Agreements

As the contracting parties in the two agreements for the provision of one-off service on system integration for biomass energy, thermal power and solar energy generation companies and projects are still in the process of obtaining the necessary licenses from the respective government authorities, the Solar Business Sub-Group has not yet commenced such system integration services. As such, on 30 January 2012, City Max, Mr. Chiu Tung Ping, Ms. Yuen Hing Lan, Good Million and the Company entered into the supplemental agreement ("**Supplemental Agreement**") to amend the amount of the target profit of CTSP (BVI), the financial period for calculating the target profit ("**Target Profit Period**") and the consideration adjustment mechanism.

Please refer to the circular of the Company dated 22 February 2012 for further details.

The ordinary resolution for the approval of the Supplemental Agreement and the transactions contemplated thereunder respectively was duly passed by the independent shareholders by way of poll at the extraordinary general meeting held on 12 March 2012.

On 2 September 2012, City Max, the Company, Good Million, Mr. Chiu Tung Ping and Ms. Yuen Hing Lan entered into the second supplemental agreement ("**Second Supplemental Agreement**") to amend certain terms of the Agreement (as supplemented and amended by the Supplemental Agreement). Under the Second Supplemental Agreement, it was proposed that the Target Profit Period would be deferred to cover the period of 12 months ending on 31 March 2013. The Second Supplemental Agreement was terminated by the parties by a termination agreement dated 24 September 2012, details of which were set out in the announcement of the Company dated 24 September 2012.

Based on the audited consolidated financial statements of CTSP (BVI) and its subsidiaries ("**Target Group**") for the 12 months ended 30 September 2012, the Target Group recorded a loss of HK$77,094. On such basis, the amended target profit of HK$40,000,000 under the Agreement (as supplemented by the Supplemental Agreement) was not achieved and the principal amount of the Tranche II CB in the principal amount of HK$50,000,000 was adjusted to HK$0.

Disposal of 100% Equity Interest in Qinghai Baike

On 6 September 2012, CTSP (BVI) and the Purchaser entered into the Disposal Agreement pursuant to which CTSP (BVI) has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the entire equity interest in Qinghai Baike at a total consideration of RMB46,800,000 (subject to deduction as provided for in the Disposal Agreement). All conditions set out in the Disposal Agreement have been fulfilled (or, where applicable, waived) and the completion took place on 20 November 2012. Upon completion, the Company ceased to hold any interest in Qinghai Baike and Qinghai Baike ceased to be a subsidiary of the Company.

Please refer to the circular of the Company dated 5 October 2012 for further details.

BUSINESS PROSPECTS

The Group is recognized as a professional ATM software, hardware and service company in the ATM sector, and is an authorized value-added reseller of self-service ATM systems of NCR and a marketing agent for Fuji Xerox for its printing systems in China. The Group will fully commit itself to being one of the leading ATM total solution providers in the banking sector in the PRC and offer a full range of banking and financial system solutions for the banking and financial sectors.

In respect of the solar energy generation business, following the Disposal of Qinghai Baike, the Group will continue its investment in solar energy generation projects of smaller capacity and less capital expenditure requirement.

In respect of the power system integration operation, the Group will expand its system integration services and technology consultancy services through securing more contracts for provision of such services to more solar photovoltaic power generation projects in the PRC.

Leveraging on our prudent and experienced management and our strong and determined workforce, the Group will strive to maintain and expand its operations further, thus bringing greater return to our shareholders.

QUARTERLY RESULTS (UNAUDITED)

The board of Directors announces the unaudited consolidated results of the Group for the three months and nine months ended 31 December 2012 together with the comparative unaudited consolidated results of the Group for the corresponding periods in 2011 as follows:

	Notes	**From 1 October 2012 to 31 December 2012**	**From 1 April 2012 to 31 December 2012**	From 1 October 2011 to 31 December 2011 (Restated)	From 1 April 2011 to 31 December 2011 (Restated)
		HK$'000	***HK$'000***	*HK$'000*	*HK$'000*
Revenue	*2*	**15,859**	**39,644**	9,738	28,931
Cost of sales		**(12,051)**	**(30,439)**	(7,820)	(22,038)
Gross profit		**3,808**	**9,205**	1,918	6,893
Other revenue	*2*	**17,189**	**17,698**	–	567
Selling expenses		**(489)**	**(2,548)**	(2,837)	(5,034)
Change in fair value of financial assets at fair value through profit or loss	*3*	**(359)**	**(2,954)**	(3,062)	(13,472)
Administrative expenses		**(7,407)**	**(14,970)**	(5,648)	(27,946)
Finance costs	*4*	**(2,006)**	**(6,145)**	(1,911)	(5,054)
Profit/(Loss) before taxation	*3*	**10,736**	**286**	(11,540)	(44,046)
Income tax expenses	*5*	**–**	**–**	–	(11)
Profit/(Loss) for the period from continuing operations		**10,736**	**286**	(11,540)	(44,057)
Discontinued operation					
Loss for the period from discontinued operation	*6*	**(8,732)**	**(3,064)**	(1,502)	(2,475)
Profit/(Loss) for the period		**2,004**	**(2,778)**	(13,042)	(46,532)
Other comprehensive income					
Exchange differences on translation of financial statements of overseas subsidiaries		**706**	**(288)**	410	2,354
Total comprehensive income for the period		**2,710**	**(3,066)**	(12,632)	(44,178)
Profit/(Loss) for the period attributable to:					
Equity holders of the Company		**2,004**	**(2,778)**	(13,042)	(46,532)
Total comprehensive income attributable to:					
Equity holders of the Company		**2,710**	**(3,066)**	(12,632)	(44,178)
Dividend		**–**	**–**	–	–
		HK cent	***HK cent***	*HK cent*	*HK cent*
Earnings/(Loss) per share					
From continuing and discontinued operations					
– Basic	*8*	**0.22 cents**	**(0.30 cents)**	(1.45 cents)	(5.45 cents)
– Diluted	*8*	**N/A**	**(0.74 cents)**	(1.80 cents)	(6.45 cents)
From continuing operations					
– Basic	*8*	**1.16 cents**	**0.03 cents**	(1.28 cents)	(5.16 cents)
– Diluted	8	**N/A**	**N/A**	(1.59 cents)	(6.11 cents)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Equity attributable to equity holders of the Company								
	Share capital	Share premium	Warrant reserve	Reserve arising from reorganization	Exchange reserve	Convertible bonds reserve	Retained profits/ (Deficit)	Discontinued operation	Total
	HK$'000	*HK$'000*	*HK$'000* *(note a)*	*HK$'000* *(note b)*	*HK$'000* *(note c)*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 April 2011	73,719	85,600	9,680	(24,317)	8,464	2,387	(56,989)	–	98,544
Issue of shares for acquisition of subsidiaries	13,300	41,230	–	–	–	–	–	–	54,530
Equity component of convertible bonds	–	–	–	–	–	119,919	–	–	119,919
Deferred tax liabilities arising from the issuance of convertible bonds	–	–	–	–	–	(19,272)	–	–	(19,272)
Issue of shares on exercise of Tranche I CB	2,400	9,600	–	–	–	(8,880)	–	–	3,120
Issue of shares under placement and subscription agreement	3,240	6,480	–	–	–	–	–	–	9,720
Transaction cost on issue of shares	–	(820)	–	–	–	–	–	–	(820)
Redemption of convertible bonds *(note d)*	–	–	–	–	–	(2,387)	2,387	–	–
Transferred to discontinued operation	–	–	–	–	(563)	–	–	563	–
Total comprehensive income for the period	–	–	–	–	2,354	–	(46,532)	–	(44,178)
At 31 December 2011 (Restated)	92,659	142,090	9,680	(24,317)	10,255	91,767	(101,134)	563	221,563
At 1 April 2012	**92,659**	**142,148**	**9,680**	**(24,317)**	**10,214**	**91,767**	**(104,293)**	**576**	**218,434**
Release of convertible bonds reserve *(note e)*	**-**	**-**	**-**	**-**	**-**	**(36,762)**	**36,762**	**-**	**-**
Deferred tax liabilities adjusted on adjustment of convertible bonds	**-**	**-**	**-**	**-**	**-**	**6,066**	**-**	**-**	**6,066**
Transferred to discontinued operation	**-**	**-**	**-**	**-**	**18**	**-**	**-**	**(18)**	**-**
Release on disposal of a subsidiary	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(558)**	**(558)**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**(288)**	**-**	**(2,778)**	**-**	**(3,066)**
At 31 December 2012	**92,659**	**142,148**	**9,680**	**(24,317)**	**9,944**	**61,071**	**(70,309)**	**-**	**220,876**

Notes:

(a) During the year ended 31 March 2010, the Company issued 100,000,000 warrant at HK$0.10 each for cash. Net proceeds from the issuance of warrant of approximately HK$9,680,000 was recognized as warrant reserve.

(b) The reserve arising from reorganization of approximately HK$24,317,000 represents the difference between the nominal value of the share capital of subsidiaries acquired and the cost of investments in these subsidiaries incurred by the Company in exchange thereof, and has been debited to the reserve of the Group.

(c) The exchange reserve comprises:

(i) The foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries and associates whose functional currencies are different from the functional currency of the Company.

(ii) The exchange differences on monetary items which form part of the Group's net investment in the foreign subsidiaries.

(d) On 5 November 2010, the Company issued convertible bonds with a principal amount of HK$26,000,000. Equity component of the convertible bonds of approximately HK$2,387,000 was recognized in the convertible bonds reserve account. On 4 November 2011, the Company had settled such convertible bonds, and therefore the convertible bonds reserve of approximately HK$2,387,000 was released to retained profits/(deficit).

(e) On 1 June 2011, the Company issued convertible bonds with a principal amount of HK$163,100,000 ("**2011 CB**") pursuant to the Agreement entered into between (i) City Max; (ii) the Company; (iii) Good Million and (iv) the Guarantors. The 2011 CB was divided into Tranche I Convertible bonds ("**Tranche I CB**") and Tranche II Convertible bonds ("**Tranche II CB**") of HK$113,000,000 and HK$50,000,000 respectively. For Tranche I CB, the CB holders are not subject to any restriction for exercising the conversion of Tranche I CB into share. For Tranche II CB, the amount should be subject to change with reference to a profit guarantee made by the vendor to the Company. Equity component of the convertible bonds of approximately HK$119,919,000 was recognized in the convertible bonds reserve account.

Based on the audited consolidated financial statements of CTSP (BVI) and its subsidiaries ("**Target Group**") for the 12 months ended 30 September 2012, the Target Group recorded a loss of HK$77,094. On such basis, the amended target profit of HK$40,000,000 under the Agreement (as supplemented by the Supplemental Agreement) was not achieved and the principal amount of the Tranche II CB in the principal amount of HK$50,000,000 was adjusted to HK$0.

On 6 November 2012, the aggregate outstanding principal amount of the 2011 CB is HK$101,100,000, and therefore the convertible bonds reserve of approximately HK$36,762,000 was released to retained profits/(deficit).

NOTES TO THE UNAUDITED CONSOLIDATED RESULTS:–

1. BASIS OF PREPARATION

The unaudited consolidated results have been prepared in accordance with the Hong Kong Financial Reporting Standards ("**HKFRSs**") and Hong Kong Accounting Standards ("**HKAS**") issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the GEM Listing Rules.

The unaudited consolidated results have been prepared under the historical cost convention except for certain financial instruments, which are measured at fair values.

The accounting policies used in preparing the unaudited consolidated results are consistent with those used in the Group's annual financial statements for the year ended 31 March 2012, except for adoption of new and revised HKFRSs and HKAS issued by the Hong Kong Institute of Certified Public Accountants which are effective to the Group for accounting periods beginning on or after 1 January 2012. The adoption of the new HKFRSs and HKAS has no material impact on the Group's results and financial position for the current or prior periods.

The consolidated results of the Group for the nine months ended 31 December 2012 are unaudited but have been reviewed by the audit committee of the Company ("**Audit Committee**").

2. REVENUE

The Group is principally engaged in (i) sales of self-service automatic teller machine ("**ATM**") systems and printing systems; (ii) provision of hardware and software technical support services; (iii) solar energy generation; and (iv) power system integration business in the People's Republic of China ("**PRC**" or "**China**").

Revenues recognised during the period are as follows: –

Continuing Operations

	From 1 October 2012 to 31 December 2012 (unaudited)	**From 1 April 2012 to 31 December 2012 (unaudited)**	From 1 October 2011 to 31 December 2011 (unaudited)	From 1 April 2011 to 31 December 2011 (unaudited)
	HK$'000	***HK$'000***	*HK$'000*	*HK$'000*
Revenue				
Sales of goods	**13,229**	**33,445**	7,619	21,849
Rendering of services	**2,630**	**6,199**	2,119	7,082
	15,859	**39,644**	9,738	28,931
Other revenue				
Gain on adjustment of convertible bonds *(note)*	**17,168**	**17,168**	–	–
Government subsidies for business development	**–**	**79**	–	144
Bank interest income	**21**	**30**	–	297
Gain on trading in financial instrument	**–**	**121**	–	–
Gain on disposal of interest in a subsidiary *(note 7(b))*	**–**	**300**	–	–
Others	**–**	**–**	–	126
	17,189	**17,698**	–	567
Total revenue	**33,048**	**57,342**	9,738	29,498

Note:

Pursuant to the Agreement entered into between (i) City Max; (ii) the Company; (iii) Good Million; and (iv) the Guarantors (as supplemented by the Supplemental Agreement) in relation to the sale and purchase of the entire issued share capital of CTSP (BVI), the Company has issued 2011 CB in the aggregate principal amount of HK$163,100,000 to Good Million on 1 June 2011. Details of the acquisition is contained in the circular of the Company dated 16 May 2011 and the circular of the Company dated 22 February 2012.

Based on the audited consolidated financial statements of the Target Group for the 12 months ended 30 September 2012, the Target Group recorded a loss of HK$77,094. On such basis, the amended target profit of HK$40,000,000 under the Agreement (as supplemented by the Supplemental Agreement) was not achieved and the principal amount of the Tranche II CB in the principal amount of HK$50,000,000 was adjusted to HK$0.

On 6 November 2012, the aggregate outstanding principal amount of the 2011 CB is HK$101,100,000.

Discontinued Operation

	From 1 October 2012 to 31 December 2012 (unaudited) ***HK$'000***	**From 1 April 2012 to 31 December 2012 (unaudited)** ***HK$'000***	From 1 October 2011 to 31 December 2011 (unaudited) *HK$'000*	From 1 April 2011 to 31 December 2011 (unaudited) *HK$'000*
Revenue				
Solar energy generation	**2,022**	**13,699**	–	–

3. PROFIT/(LOSS) BEFORE TAXATION

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

Nine months ended 31 December 2012

	Continuing operations		**Discontinued operation**		**Consolidated**	
	From 1 October 2012 to 31 December 2012 (unaudited) ***HK$'000***	**From 1 April 2012 to 31 December 2012 (unaudited)** ***HK$'000***	**From 1 October 2012 to 31 December 2012 (unaudited)** ***HK$'000***	**From 1 April 2012 to 31 December 2012 (unaudited)** ***HK$'000***	**From 1 October 2012 to 31 December 2012 (unaudited)** ***HK$'000***	**From 1 April 2012 to 31 December 2012 (unaudited)** ***HK$'000***
Cost of inventories sold	**10,733**	**25,872**	**–**	**–**	**10,733**	**25,872**
Depreciation	**10**	**394**	**1,210**	**4,005**	**1,220**	**4,399**
Change in fair value of financial assets at fair value through profit or loss	**359**	**2,954**	**–**	**–**	**359**	**2,954**

Nine months ended 31 December 2011

	Continuing operations		Discontinued operation		Consolidated	
	From 1 October 2011 to 31 December 2011 (unaudited) *HK$'000*	From 1 April 2011 to 31 December 2011 (unaudited) *HK$'000*	From 1 October 2011 to 31 December 2011 (unaudited) *HK$'000*	From 1 April 2011 to 31 December 2011 (unaudited) *HK$'000*	From 1 October 2011 to 31 December 2011 (unaudited) *HK$'000*	From 1 April 2011 to 31 December 2011 (unaudited) *HK$'000*
Cost of inventories sold	6,596	18,175	–	–	6,596	18,175
Depreciation	95	696	–	–	95	696
Change in fair value of financial assets at fair value through profit or loss	3,062	13,472	–	–	3,062	13,472

4. FINANCE COSTS

Nine months ended 31 December 2012

	Continuing operations		**Discontinued operation**		**Consolidated**	
	From 1 October 2012 to 31 December 2012 (unaudited) ***HK$'000***	**From 1 April 2012 to 31 December 2012 (unaudited)** ***HK$'000***	**From 1 October 2012 to 31 December 2012 (unaudited)** ***HK$'000***	**From 1 April 2012 to 31 December 2012 (unaudited)** ***HK$'000***	**From 1 October 2012 to 31 December 2012 (unaudited)** ***HK$'000***	**From 1 April 2012 to 31 December 2012 (unaudited)** ***HK$'000***
Imputed finance costs on convertible bonds	**1,294**	**4,370**	**–**	**–**	**1,294**	**4,370**
Interests on other loans	**712**	**1,775**	**2,453**	**3,736**	**3,165**	**5,511**
	2,006	**6,145**	**2,453**	**3,736**	**4,459**	**9,881**

Nine months ended 31 December 2011

	Continuing operations		Discontinued operation		Consolidated	
	From 1 October 2011 to 31 December 2011 (unaudited) *HK$'000*	From 1 April 2011 to 31 December 2011 (unaudited) *HK$'000*	From 1 October 2011 to 31 December 2011 (unaudited) *HK$'000*	From 1 April 2011 to 31 December 2011 (unaudited) *HK$'000*	From 1 October 2011 to 31 December 2011 (unaudited) *HK$'000*	From 1 April 2011 to 31 December 2011 (unaudited) *HK$'000*
Imputed finance costs on convertible bonds	1,661	4,781	–	–	1,661	4,781
Interests on other loans	250	273	23	23	273	296
	1,911	5,054	23	23	1,934	5,077

5. INCOME TAX EXPENSES

There was no provision for Hong Kong profits tax as the Group has no assessable profit for the nine months ended 31 December 2012 (nine months ended 31 December 2011: Nil).

Income tax expenses on overseas profits has been calculated on the estimated assessable profit at the rates of income tax prevailing in the PRC in which the subsidiaries of the Group operate. During the nine months ended 31 December 2012, no profits taxes have been provided as these subsidiaries have not generated any assessable profits in the PRC (nine months ended 31 December 2011: HK$11,000).

6. DISCONTINUED OPERATION

On 6 September 2012, CTSP (BVI) and the Purchaser entered into the Disposal Agreement pursuant to which CTSP (BVI) has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the entire equity interest in Qinghai Baike at a total consideration of RMB46,800,000 (subject to deduction as provided for in the Disposal Agreement). The Disposal was completed on 20 November 2012 ("**Date of Disposal**"). Accordingly, the solar energy generation business in relation to the 10MW Geermu Power Station and the 20MW Delingha Project in Qinghai Baike is classified as a discontinued operation during the nine months ended 31 December 2012. For the purpose of presenting this discontinued operation, the comparative unaudited consolidated results and the related notes have been re-presented as if the solar energy generation business in relation to the 10MW Geermu Power Station and 20MW Delingha Project in Qinghai Baike had been discontinued in the same period last year.

In this regard, the results of the discontinued operation (solar energy generation in relation to the 10MW Geermu Power Station and 20MW Delingha Project in Qinghai Baike) included in the unaudited consolidated results are set out below:

	From 1 October 2012 to Date of Disposal (unaudited)	**From 1 April 2012 to Date of Disposal (unaudited)**	From 1 October 2011 to 31 December 2011 (unaudited) (Restated)	From 1 April 2011 to 31 December 2011 (unaudited) (Restated)
	HK$'000	***HK$'000***	*HK$'000*	*HK$'000*
Loss for the period from discontinued operation				
Revenue	**2,022**	**13,699**	–	–
Cost of sales	**(727)**	**(3,678)**	–	–
Gross profit	**1,295**	**10,021**	–	–
Other revenue	**–**	**283**	–	–
Loss on disposal of interest in Qinghai Baike *(note 7(a))*	**(6,966)**	**(6,966)**	–	–
Expenses	**(3,061)**	**(6,402)**	(1,502)	(2,475)
Loss before taxation	**(8,732)**	**(3,064)**	(1,502)	(2,475)
Income tax expenses	**–**	**–**	–	–
Loss for the period from discontinued operation	**(8,732)**	**(3,064)**	(1,502)	(2,475)

7. DISPOSAL OF INTEREST IN SUBSIDIARIES

(a) Disposal of 100% Equity Interest in Qinghai Baike

On 6 September 2012, CTSP (BVI) and the Purchaser entered into the Disposal Agreement pursuant to which CTSP (BVI) has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the entire equity interest in Qinghai Baike at a total consideration of RMB36,100,000 (equivalent to approximately HK$44,743,000) from the Disposal after deducting (i) the difference of approximately RMB5,880,000 between the audited total liabilities of Qinghai Baike as at 31 August 2012 and the maximum borne liabilities to be borne by the Purchaser and (ii) the audited loss of RMB4,820,000. The Disposal was completed on 20 November 2012.

Assets and liabilities at the Date of Disposal are as follows:

	HK$'000
Non-current assets	
Property, plant and equipment	124,568
Construction in progress	2,904
Goodwill	24,000
	151,472
Current assets	
Trade and other receivables	48,128
Bills receivable	8,550
Bank balances and cash	1,403
	58,081
Current liabilities	
Trade and other payables	130,167
Other loan	29,316
	159,483
Net asset value	50,070

	HK$'000
Total consideration (before deduction as provided for in the Disposal Agreement)	58,005
Less: The difference between the audited total liabilities of Qinghai Baike as at 31 August 2012 and the maximum borne liabilities to be borne by the Purchaser	(7,288)
The audited accumulated loss of Qinghai Baike since its establishment up to 31 August 2012	(5,974)
Total consideration (after deduction as provided for in the Disposal Agreement)	44,743
Net asset value of Qinghai Baike	(50,070)
Professional expenses incurred	(1,028)
PRC taxation paid	(1,169)
Exchange reserve released	558
Loss on disposal of interest in Qinghai Baike	(6,966)

(b) Disposal of 100% Equity Interest in Oceania City Investment Company Limited

On 1 August 2012, the Company and Mr. Xue Bao Kang ("**Mr. Xue**") (an independent third party) entered into a disposal agreement pursuant to which the Company has agreed to sell, and Mr. Xue has agreed to acquire, the entire equity interest in Oceania City Investment Company Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company, at a total consideration of HK$300,000. The disposal was completed on 1 August 2012.

Assets and liabilities at the date of disposal are as follows:

	HK$'000
Non-current assets	–
Current assets	–
Current liabilities	–
Net asset value	–

	HK$'000
Disposal of a subsidiary, net of cash sold	300
Gain on disposal of interest in a subsidiary	300

8. EARNINGS/(LOSS) PER SHARE

From Continuing and Discontinued Operations

The calculation of the basic and diluted earnings/(loss) per share from continuing and discontinued operations attributable to the ordinary equity holders of the Company is based on the following data:

	From 1 October 2012 to 31 December 2012 (unaudited) ***HK$'000***	**From 1 April 2012 to 31 December 2012 (unaudited)** ***HK$'000***	From 1 October 2011 to 31 December 2011 (unaudited) *HK$'000*	From 1 April 2011 to 31 December 2011 (unaudited) *HK$'000*
Profit/(Loss)				
Profit/(Loss) for the purpose of basic and diluted earnings/(loss) per share	**2,004**	**(2,778)**	(13,042)	(46,532)

	From 1 October 2012 to 31 December 2012	**From 1 April 2012 to 31 December 2012**	From 1 October 2011 to 31 December 2011	From 1 April 2011 to 31 December 2011
Number of shares				
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share	**926,592,072**	**926,592,072**	899,826,855	853,135,345
Effect of dilutive potential ordinary shares:				
Warrants issued by the Company	**(620,000,000)**	**(551,701,665)**	(176,243,094)	(132,078,391)
Weighted average number of ordinary shares for the purpose of diluted earnings/(loss) per share	**306,592,072**	**374,890,407**	723,583,761	721,056,954

From Continuing Operations

The calculation of the basic and diluted earnings/(loss) per share from continuing operations attributable to the ordinary equity holders of the Company is based on the following data:

	From 1 October 2012 to 31 December 2012 (unaudited) ***HK$'000***	**From 1 April 2012 to 31 December 2012 (unaudited)** ***HK$'000***	From 1 October 2011 to 31 December 2011 (unaudited) *HK$'000*	From 1 April 2011 to 31 December 2011 (unaudited) *HK$'000*
Profit/(Loss) for the period attributable to the equity holders of the Company	**2,004**	**(2,778)**	(13,042)	(46,532)
Less: Loss for the period attributable to the equity holder of the Company from discontinued operation	**(8,732)**	**(3,064)**	(1,502)	(2,475)
Profit/(Loss) for the purpose of basic and diluted earnings/(loss) per share from continuing operations	**10,736**	**286**	(11,540)	(44,057)

There was no diluted earnings per share from continuing operations for the nine months ended 31 December 2012, as the exercise of the outstanding warrants of the Company will have an anti-dilutive effect (nine months ended 31 December 2011: Diluted loss per share is HK6.11 cents, based on the loss for the nine months ended 31 December 2011 of approximately HK$44,057,000 and the denominators detailed above for diluted earnings/(loss) per share).

From Discontinued Operation

Basic loss per share from discontinued operation is HK0.33 cents per share, based on the loss for the nine months ended 31 December 2012 from the discontinued operation of approximately HK$3,064,000 (nine months ended 31 December 2011: Basic loss per share is HK0.29 cents based on the loss for the nine months ended 31 December 2011 from the discontinued operation of approximately HK$2,475,000) and the denominators detailed above for basic loss per share.

Diluted loss per share from discontinued operation for the nine months ended 31 December 2012 is HK0.82 cents (nine months ended 31 December 2011: Diluted loss per share is HK0.34 cents based on the loss for the nine months ended 31 December 2011 of approximately HK$2,475,000) and the denominators detailed above for diluted loss per share.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2012, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("**SFO**") as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

(A) DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN THE SHARES OF THE COMPANY

Name of Directors	**Capacity**	**Number and class of securities** *(Note 1)*	**Percentage shareholding in the same class of securities** *(Note 2)*
Mr. Chiu Tung Ping *(Executive Director)*	Interests of controlled corporation *(Note 3)*	217,766,038 ordinary shares (L)	23.50%
Ms. Yuen Hing Lan *(Executive Director)*	Interests of spouse *(Note 3)*	217,766,038 ordinary shares (L)	23.50%
Mr. Hou Hsiao Bing *(Executive Director)*	Beneficial owner	131,150,000 ordinary shares (L)	14.15%
Mr. Hou Hsiao Wen *(Executive Director)*	Beneficial owner	25,370,000 ordinary shares (L)	2.74%

Notes:

1. The letter "L" represents the Directors' interests in the shares and underlying shares of the Company.

2. As at 31 December 2012, the entire issued share capital of the Company is 926,592,072 shares of HK$0.1 each.

3. Mr. Chiu Tung Ping and Ms. Yuen Hing Lan held 70% and 30% interest in the entire issued share capital of Good Million Investments Limited. Ms. Yuen Hing Lan is the spouse of Mr. Chiu Tung Ping, and hence both Mr. Chiu Tung Ping and Ms. Yuen Hing Lan were deemed to be interested in the shares of the Company held by Good Million Investments Limited.

(B) DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS/SHORT POSITIONS IN THE SHARE CAPITAL OF THE COMPANY'S ASSOCIATED CORPORATIONS

Name of Director	Name of associated corporations	Number of shares interested	Nature of interest	Approximate percentage holding of the non-voting deferred shares
Mr. Hou Hsiao Bing *(Executive Director)*	Truth Honour Electronic Limited	3,000,000 non-voting deferred shares	Beneficial owner	100% of the non-voting deferred shares
Mr. Hou Hsiao Bing *(Executive Director)*	Soluteck Investments Limited	500,000 non-voting deferred shares	Beneficial owner	100% of the non-voting deferred shares

Truth Honour Electronic Limited and Soluteck Investments Limited are subsidiaries of the Company and are thus associated corporations of the Company.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2012, the following persons or entities, other than a Director or chief executive of the Company, had an interest or a short position in the shares and underlying shares in the Company as recorded in the register required to be kept under section 336 of the SFO:

Name of shareholders	**Number of ordinary shares interested** *(Note 1)*	**Capacity**	**Approximate percentage of the Company's issued share capital as at 31 December 2012** *(Note 2)*
Good Million Investments Limited	217,766,038 (L)	Beneficial owner *(Note 3)*	23.50%
Mr. Qin Zhongde	88,000,000 (L)	Beneficial owner *(Note 4)*	9.50%
China Technology Development Group Corporation	57,313,962 (L)	Beneficial owner *(Note 5)*	6.19%

Notes:

1. The letter "L" represents the long position in the shares and underlying shares of the Company.

2. As at 31 December 2012, the entire issued share capital of the Company is 926,592,072 shares of HK$0.1 each.

3. Mr. Chiu Tung Ping and Ms. Yuen Hing Lan, both being executive Directors, held 70% and 30% interest in the entire issued share capital of Good Million Investments Limited.

4. Ms. Huang Xiulan is the spouse of Mr. Qin Zhongde. Accordingly, Ms. Huang Xiulan is deemed, by virtue of SFO, to be interested in all the shares in which Mr. Qin Zhongde is interested.

5. BHL Solar Technology Company Limited is wholly-owned by China Technology Development Group Corporation.

Save as disclosed above, as at 31 December 2012, no person or entity other than a Director or chief executive of the Company, had an interest or a short position in the shares and underlying shares in the Company as recorded in the register required to be kept under section 336 of the SFO.

AUDIT COMMITTEE

The audit committee of the Company ("**Audit Committee**") was formed on 13 December 2000. The written terms of reference which describe the authority and duties of the Audit Committee were prepared and adopted with reference to "A Guide for The Formation of An Audit Committee" published by the Hong Kong Institute of Certified Public Accountants.

The Audit Committee provides an important link between the Board and the Company's auditors in matters coming within the scope of the Audit Committee's terms of reference. It also reviews the effectiveness of both the external and internal audit and of internal controls and risk evaluation. As at 31 December 2012, the Audit Committee comprised three independent non-executive Directors, namely Mr. Tam Kam Biu, William, Mr. Meng Xianglin and Mr. Dong Guangwu. The unaudited consolidated results of the Group for the nine months ended 31 December 2012 have been reviewed and approved by the Audit Committee.

DIRECTORS' INTEREST IN COMPETING BUSINESS

Mr. Tam Kam Biu, William, an independent non-executive Director, is an executive director of China Bio Cassava Holdings Limited (Stock Code: 8129), a company incorporated in the Cayman Islands whose securities are listed on GEM. As China Bio Cassava Holdings Limited is also a company which is engaged in business related to research and development of information technology, China Bio Cassava Holdings Limited may be in competition with the Group.

Save as disclosed above, none of the Directors (as defined in the GEM Listing Rules) has an interest in a business which compete or may compete with the business of the Group.

PURCHASE, SALE OR REDEMPTION BY THE COMPANY OR ANY OF ITS SUBSIDIARIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company during the nine months ended 31 December 2012.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company has also made specific enquiry of all Directors and the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by Directors during the period under review.

On behalf of the Board
Chiu Tung Ping
Chairman and executive Director

Hong Kong, 4 February 2013

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:
Chiu Tung Ping (Chairman)
Yuen Hing Lan
Hou Hsiao Bing
Hou Hsiao Wen
Hu Xin

Independent non-executive Directors:
Tam Kam Biu, William
Meng Xianglin
Dong Guangwu

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