

*The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**APLUS WORLDWIDE LIMITED**

*(Incorporated in the British Virgin Islands with limited liability)*

**Computech Holdings Limited**

**駿科網絡訊息有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**JOINT ANNOUNCEMENT**

**Acquisition of shares in Computech Holdings Limited  
by Aplus Worldwide Limited**

**Possible unconditional cash offer by  
Altus Capital Limited**

**on behalf of Aplus Worldwide Limited**

**for all the issued shares in Computech Holdings Limited**

**(other than those shares already owned and/or agreed to be acquired by  
Aplus Worldwide Limited and parties acting in concert with it)**

*Financial adviser to Aplus Worldwide Limited*

**ALTUS CAPITAL LIMITED**

On 1st November, 2003, the Offeror entered into the S&P Agreement with the Vendor and Mr. Lee, pursuant to which, amongst other things, the Offeror agreed to purchase and the Vendor agreed to sell 55,860,000 Shares for an aggregate consideration of HK\$3,720,276 (equivalent to HK\$0.0666 per Sale Share). The Sale Shares represent approximately 23.28% of the entire issued share capital of the Company as at the date of this announcement.

Completion will take place on the third Business Day after the fulfilment or waiver of the conditions referred to below. Subject to and upon Completion, the Offeror will be required under Rule 26.1 of the Takeovers Code to make an unconditional cash offer for all the issued Shares not already owned or agreed to be acquired by it or parties acting in concert with it at HK\$0.0666 per Share, representing a discount of approximately 69.7% to the closing price of HK\$0.22 per Share quoted by the Stock Exchange on 31st October, 2003, being the last day of trading in the Shares prior to the release of this announcement.

The principal terms of the Offer are set out in the section headed "Possible unconditional cash offer" below. Altus Capital is satisfied that there are sufficient financial resources available to the Offeror to satisfy full acceptance of the Offer.

\* *For identification purpose only*

If the Completion takes place, the Offeror will be required to despatch to the Shareholders, within 21 days after the release of this announcement or such later date as the Executive may approve, the offer document containing the conditions and terms of the Offer. The Company will establish an independent board committee to advise the independent Shareholders in accordance with the Takeovers Code. An independent financial adviser will be appointed by the Company to advise the independent board committee of the Company.

**Warning: The Offer is a possibility only.**

**The Offer will only be made if the S&P Agreement is completed. Completion is conditional upon the fulfilment or waiver of the conditions referred to in the paragraph headed “Conditions” in the section headed “The S&P Agreement”. Shareholders are advised to exercise caution in dealing in the Shares.**

Trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 3rd November, 2003. Application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 14th November, 2003.

## **THE S&P AGREEMENT**

Date: 1st November, 2003

Vendor: Brilliant Time Limited

Purchaser: Aplus Worldwide Limited

Vendor guarantor: Mr. Lee, an executive Director

### **Sale Shares**

The Sale Shares comprise 55,860,000 Shares, representing approximately 23.28% of the entire issued share capital of the Company as at the date of this announcement. The Sale Shares to be acquired by the Offeror will be free from all rights of pre-emption, options, liens, claims, equities, charges, encumbrances or third party rights.

### **Consideration**

The Consideration is HK\$3,720,276 (equivalent to HK\$0.0666 per Sale Share), and was negotiated and determined on arm's length basis. The purchase price of HK\$0.0666 per Sale Share represents: i) a discount of approximately 69.7% to the closing price of HK\$0.22 per Share quoted by the Stock Exchange on 31st October, 2003, being the last day of trading in the Shares prior to the release of this announcement; ii) a discount of approximately 67.4% to the average closing price of approximately HK\$0.204 per Share for the 10 days of trading in the Shares up to and including 31st October, 2003 and iii) a premium of approximately 25.9% to the unaudited net asset value per Share of approximately HK\$0.0529 as at 30th September, 2003 based on the consolidated audited net asset value of the Company as at 31st December, 2002 and adjusted by the unaudited consolidated results of the Company for the nine months ended 30th September, 2003.

## Payment terms

The Consideration is payable by the Offeror to the Vendor or its nominee in the following manner:

- (a) HK\$2,000,000 (the “Deposit”) was paid by the Offeror upon the signing of the S&P Agreement; and
- (b) the balance less the Deposit is payable by the Offeror on Completion.

The above payment terms were agreed upon after commercial arm’s length negotiations between the Offeror and the Vendor.

## Conditions

Completion is conditional upon the following conditions being fulfilled:

- (a) the Shares remaining listed and traded on the Stock Exchange from the date of the S&P Agreement up to and including 14th November, 2003 or such later date as may be agreed by the Offeror in writing (“Long-stop Date”) save for a temporary suspension of dealings otherwise than for the purpose of making an announcement in relation to the sale and purchase of the Sale Shares contemplated by the S&P Agreement, not exceeding five trading days on the Stock Exchange, and no notification being received from the Stock Exchange or the SFC that the listing of the Shares will or may be withdrawn or suspended; and
- (b) the Offeror obtaining an unequivocal written confirmation in form and substance satisfactory to it from the SFC that (i) Lam Soon and Anstalt are not parties acting in concert (as defined in the Takeovers Code) with the Offeror in relation to the Company; and/or (ii) the Offeror shall not be required under the Takeovers Code to increase the purchase price at which a mandatory offer is required under the Takeovers Code to be made by the Offeror as a result of Completion beyond HK\$0.0666 per Share solely by reason of any purchase of Shares (whether directly or indirectly) by Lam Soon and/or parties who in fact act in concert with it.

In the event that the above conditions are not fulfilled or waived by the Offeror on or before the Long-stop Date, the Vendor shall return to the Offeror on demand and in any case within two Business Days from the Long-stop Date the Deposit together with interest thereon at the rate of 2% above the prime rate on Hong Kong dollars as quoted by The Hongkong and Shanghai Banking Corporation from time to time from the date of the S&P Agreement up to the date of full repayment, and save in respect of any antecedent breach or any accrued right or remedies, which shall not be prejudiced or affected, the S&P Agreement shall be of no further effect and the parties to the S&P Agreement shall be released from all obligations under the S&P Agreement without any liability.

The Offeror may at any time waive in writing the above conditions or either of them and such waiver may be made subject to such terms and conditions as are determined by the Offeror. **The Offeror has agreed to waive the above condition (b).**

## **Completion of the S&P Agreement**

Subject to the fulfilment or waiver of the conditions as set out above, Completion will take place on the third Business Day after the fulfilment or waiver of the conditions (or at such other time as may be agreed in writing by the Offeror). It is currently expected that Completion will take place on 17th November, 2003.

**The Offer will only be made if the S&P Agreement is completed. Completion is conditional upon the fulfilment or waiver of the conditions referred to in the paragraph headed “Conditions” in the section headed “The S&P Agreement”. Shareholders are advised to exercise caution in dealing in the Shares.**

## **POSSIBLE UNCONDITIONAL CASH OFFER**

### **Offer**

Under the Takeovers Code, there is a presumption that the Vendor, Hitachi, Ltd., CLSH, CLI, Lam Soon, Anstalt and their respective shareholders, amongst others, are parties acting in concert with the Offeror in respect of the Company. The aggregate number of Shares to be held by the Offeror and parties presumed to be acting in concert with the Offeror, will be 171,720,000 Shares, representing approximately 71.56% of the issued share capital of the Company. Whilst Anstalt, being one of the shareholders interested in 50% of CLSH, and its sole shareholder, Lam Soon, are presumed to be parties acting in concert with the Offeror in respect of the Company. No consultation in relation to the Acquisition has been made with Lam Soon or Anstalt. The Executive, under the Takeovers Code, has expressed the opinion that the presumption has not been rebutted and, based on the view of the SFC, the Completion will result in a change in the make-up or balance between the shareholdings of the members of such presumed concert group. Pursuant to Note 1 to Rule 26.1 of the Takeovers Code, a general offer obligation would thus arise following the Completion. The Offeror has chosen not to take further steps to rebut the presumption for the time being, but reserves the right to do so, and therefore will make an unconditional offer subject to Completion.

As shown in the table under the section below headed “Information on the Company”, CLSH owns 55,860,000 Shares, representing approximately 23.28% of the entire issued share capital of the Company. Mr. Fung and Mr. Lo are deemed to be indirectly interested in 50% of CLSH through CLI and the balance of CLSH is held by Anstalt. Although CLSH is presumed to be a party acting in concert with the Offeror in respect of the Company, the Offeror will also extend the Offer to CLSH since no consultation has been made with Lam Soon and Anstalt in relation to the Acquisition and the possible change in the management of the Company after the Acquisition as further described in the section below headed “Proposed change of board composition of the Company”. In addition, Mr. Fung and Mr. Lo will procure i) CLI not to exercise its vote as a shareholder of CLSH; and ii) the three members nominated by CLI to the board of CLSH not to participate in any decision of CLSH in relation to the acceptance of the Offer if the Offer proceeds. The Offeror is of the view that the extension of the Offer to CLSH will thus provide Lam Soon and Anstalt the same opportunity as other public Shareholders to accept the Offer. Currently, there are 240,000,000 Shares in issue. Accordingly, apart from the aforesaid 115,860,000 Shares, the remaining 124,140,000 Shares, including the 55,860,000 Shares owned by CLSH, will be subject to the Offer.

**Warning: The Offer is a possibility only.**

The Offer will be an unconditional cash offer to be made on the following basis:

for each Share ..... HK\$0.0666 in cash

The offer price of HK\$0.0666 per Share is the same as the price to be paid by the Offeror to the Vendor for each Sale Share under the S&P Agreement. The offer price of HK\$0.0666 per Share represents:

- (a) a discount of approximately 69.7% to the closing price of HK\$0.22 per Share quoted by the Stock Exchange on 31st October, 2003, being the last day of trading in the Shares prior to the release of this announcement;
- (b) a discount of approximately 67.4% to the average closing price of approximately HK\$0.204 per Share for the 10 days of trading in the Shares up to and including 31st October, 2003; and
- (c) a premium of approximately 25.9% to the unaudited net asset value per Share of approximately HK\$0.0529 as at 30th September, 2003 based on the consolidated audited net asset value of the Company as at 31st December, 2002 and adjusted by the unaudited consolidated results of the Company for the nine months ended 30th September, 2003.

During the six months period preceding the date of the S&P Agreement, the highest and lowest closing prices of the Shares on the Stock Exchange were HK\$0.25 per Share on 16th June, 2003 and 17th June, 2003 and HK\$0.2 per Share during the periods from 2nd May, 2003 to 13th May, 2003, 15th May, 2003 to 12th June, 2003 and 10th September, 2003 to 29th October, 2003 respectively.

As at the date of this announcement, there are 240,000,000 Shares in issue. At a price of HK\$0.0666 per Share, the entire issued share capital of the Company is valued at HK\$15,984,000 under the Offer.

**Conditions of the Offer**

The Offer will only be made upon the completion of the S&P Agreement which is conditional on the fulfilment or waiver of the conditions set out in the paragraph headed “Conditions” in the section headed “The S&P Agreement” above.

**Financial resources**

Altus Capital is satisfied that there are sufficient financial resources available to the Offeror to satisfy full acceptance of the Offer.

## **Effect of accepting the Offer**

The Shares acquired under the Offer will be acquired free from all rights of pre-emption, options, claims, equities, third party rights, liens, charges or encumbrances and together with all rights attaching thereto, including, the right to receive all dividends and distributions declared, paid or made after 1st November, 2003, being the date of the S&P Agreement.

## **Stamp duty**

Sellers' ad valorem stamp duty at the rate of HK\$1.00 per every HK\$1,000 or part thereof of the consideration arising on acceptance of the Offer and the transfer of the Shares will be payable by the relevant Shareholders and such amounts will be deducted from the consideration paid to the relevant Shareholders. The Offeror will pay the stamp duty on behalf of the Shareholders in respect of their acceptance of the Offer.

## **INFORMATION ON THE COMPANY**

The Company was listed on GEM in June 2000. The Group is principally engaged in research, development and sales of banking packaged software products, the provision of software related consultancy and technical services and system integration services in the Peoples' Republic of China. Based on the Company's audited financial results for the year ended 31st December, 2002, it recorded a net profit of approximately HK\$4.6 million (approximately 2.28 cents per Share) and a net loss of approximately HK\$20.9 million (approximately 8.78 cents per Share) respectively for the two financial years ended 31st December, 2002. For the nine months ended 30th September, 2003, the Company recorded unaudited loss before tax and minority interests and unaudited net loss after tax and minority interests attributable to shareholders of approximately HK\$14.8 million and HK\$14.8 million (approximately 6.17 cents per Share). The Company has unaudited net assets of approximately HK\$12.7 million (approximately 5.29 cents per Share) as at 30th September, 2003.

Prior to Completion, the Vendor had a shareholding interest of approximately 23.28% in the Company. The following table sets out the shareholding structure of the Company before and immediately after Completion:

	Before Completion		After Completion	
	No. of Shares	%	No. of Shares	%
The Offeror and parties acting in concert with it				
The Offeror ( <i>Note 1</i> )	–	–	55,860,000	23.28
Hitachi, Ltd. ( <i>Note 2</i> )	60,000,000	25.00	60,000,000	25.00
Vendor ( <i>Note 3</i> )	55,860,000	23.28	–	–
CLSH ( <i>Note 1</i> )	55,860,000	23.28	55,860,000	23.28
<b>Subtotal</b>	<b>171,720,000</b>	<b>71.56</b>	<b>171,720,000</b>	<b>71.56</b>
Mr. Yip Tai Chee, Alick, an executive Director	1,000,000	0.42	1,000,000	0.42
Mr. Tang Chi Lap, an executive Director	280,000	0.11	280,000	0.11
Public	67,000,000	27.91	67,000,000	27.91
<b>Total</b>	<b>240,000,000</b>	<b>100.00</b>	<b>240,000,000</b>	<b>100.00</b>

*Note:*

1. Mr. Fung and Mr. Lo, both non-executive Directors, are each interested in 42% of the share capital of the Offeror. Mr. Fung and Mr. Lo are also deemed to be indirectly interested in 50% of CLSH through CLI. Anstalt is interested in the remaining 50% of CLSH. Anstalt is wholly-owned by Lam Soon, the shares of which are listed on the main board of the Stock Exchange.
2. Mr. Hiroyuki Taniguchi is a non-executive Director nominated by Hitachi, Ltd. Hitachi, Ltd. is a company incorporated in Japan whose shares are listed on the Tokyo Stock Exchange.
3. Mr. Lee is an executive Director and the sole shareholder of the Vendor.

The Directors do not have any interests in the Shares other than those set out above. Save as disclosed in this announcement, after the Completion, the Vendor will not own any interests in the Company.

## INFORMATION ON THE OFFEROR

The Offeror is an investment holding company incorporated in the British Virgin Islands on 28th October, 2002 and is owned by Mr. Fung, Mr. Lo and Mr. Yap as to 42%, 42% and 16% respectively. Other than the entering into the S&P Agreement, the Offeror has not conducted any business since its incorporation.

Mr. Fung, aged 53, is a non-executive Director. He is a co-founder and managing director of CLIH Group. Mr. Fung graduated from the University of London, England, with a master's degree in Computer Science. Prior to the establishment of the CLIH Group in 1979, he worked at IBM in Hong Kong and International Computers Limited in the United Kingdom.

Mr. Lo, aged 52, is a non-executive Director. Mr. Lo is also a co-founder and managing director of CLIH Group. Before the establishment of the CLIH Group, Mr. Lo worked in the marketing department of IBM in Hong Kong. Mr. Lo holds a bachelor's degree in Mathematics from Syracuse University, New York, USA and a master's degree in Business Administration from the University of California at Los Angeles, USA.

Mr. Yap, aged 58 is currently the managing director of Johnson Matthey Hong Kong Limited. He is a fellow member of The Institute of Chartered Accountants in England and Wales and of the Hong Kong Society of Accountants. He is a member of the Hong Kong Housing Society.

The Offeror confirms that there have been no dealings in the Shares by the Offeror and parties presumed to be acting in concert with it in the past six months from 2nd May, 2003 to 1st November, 2003 other than the proposed acquisition of the Sales Shares by the Offeror from the Vendor pursuant to the S&P Agreement.

#### **FUTURE INTENTIONS OF THE OFFEROR REGARDING THE GROUP**

It is the intention of the Offeror that the existing principal activities of the Group will remain unchanged immediately after the closing of the Offer. The Offeror has no intention to dispose of or re-deploy the assets of the Group and to inject assets into the Group. The Offeror intends to conduct a review of the Group's existing position with a view to broadening and expanding the scope of business of the Group.

#### **MAINTAINING THE LISTING STATUS OF THE COMPANY**

The Offeror intends that the Company will remain listed on GEM after the closing of the Offer. Each of the Offeror and the Company will undertake to the Stock Exchange to take appropriate steps as soon as practicable following the closing of the Offer to ensure that not less than 20% of the Shares will be held by the public.

**The Stock Exchange has stated that it will closely monitor trading in the Shares following the closing of the Offer. If less than 20% of the issued Shares are in public hands following the completion of the Offer, or if the Stock Exchange believes that a false market exists or may exist in the Shares and that there are insufficient Shares in public hands to maintain an orderly market, then it will consider exercising its discretion to suspend trading in the Shares.**

**The Stock Exchange has also stated that, if the Company remains a company listed on the Stock Exchange, any future acquisitions or disposals of assets by the Company will be subject to the provisions of the Listing Rules. Pursuant to the Listing Rules, the Stock Exchange has discretion to require the Company to issue a circular to its Shareholders irrespective of the size of any proposed transactions, particularly when such proposed transactions represent a departure from the principal activities of the Company. The Stock Exchange also has the power to aggregate a series of transactions of the Company and any such transactions may result in the Company being treated as if it were a new**





“Altus Capital”	Altus Capital Limited, a corporation deemed licensed to carry out types 1, 4, 6 and 9 regulated activities (dealing in securities, advising on securities and corporate finance and asset management) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Anstalt”	Anstalt Pacific Techvest Inc., a company incorporated in the Principality of Liechtenstein and wholly owned by Lam Soon
“Board”	the board of Directors
“Brilliant Time Limited” or “Vendor”	Brilliant Time Limited, a company incorporated in the British Virgin Islands and is wholly-owned by Mr. Lee
“Business Day”	a day (other than a Saturday) on which banks are open for business in Hong Kong
“CLI”	CL Investments Limited, a company incorporated in the British Virgin Islands with limited liability
“CLIH”	CL International Holdings Limited, a company incorporated in the British Virgin Islands with limited liability
“CLIH Group”	CLIH and its subsidiaries
“CLSH”	CLSH, a company incorporated in the British Virgin Islands and holding approximately 23.28% interests in the Company
“Company”	Computech Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
“Completion”	completion of the S&P Agreement in accordance with its terms
“Consideration”	the aggregate of HK\$3,720,276 for the Sale Shares under the S&P Agreement
“Director”	director of the Company
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of his delegates
“Group”	the Company and its subsidiaries
“GEM”	The Growth Enterprise Market of the Stock Exchange

“Lam Soon”	Lam Soon (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
“Mr. Fung”	Mr. Fung Pak Chuen, Alphonso, a non-executive Director and a director and shareholder of the Offeror
“Mr. Lee”	Mr. Lee Man Lung, Vincent, a Director and the sole beneficial owner of the Vendor
“Mr. Lo”	Mr. Richard Lo, a non-executive Director and a director and shareholder of the Offeror
“Mr. Yap”	Mr. Henry Yap Fat Suan, a shareholder of the Offeror
“Offer”	the possible unconditional cash offer for all the issued Shares not already owned or agreed to be acquired by the Offeror or parties acting in concert with it at HK\$0.0666 per Share that will be made after Completion by Altus Capital on behalf of the Offeror in accordance with the Takeovers Code including to extending the Offer to CLSH
“Offeror”	Aplus Worldwide Limited, a company incorporated in the British Virgin Islands and is owned by Mr. Fung, Mr. Lo and Mr. Yap as to 42%, 42% and 16%
“S&P Agreement”	the agreement dated 1st November, 2003 and entered into between the Vendor, the Offeror and Mr. Lee in relation to the sale by the Vendor and the purchase by the Offeror of the Sale Shares
“Sale Shares”	55,860,000 Shares owned by the Vendor
“SFC”	the Securities and Futures Commission of Hong Kong
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers

By order of the board of  
**Aplus Worldwide Limited**  
**Fung Pak Chuen, Alphonso**  
*Director*

By order of the board of  
**Computech Holdings Limited**  
**Lee Man Lung, Vincent**  
*Director*

Hong Kong, 13th November, 2003

*The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement (other than that relating to the Group) the omission of which would make any statement in this announcement misleading.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that in relation to the Offeror) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement (other than that in relation to the Offeror) the omission of which would make any statement in this announcement misleading.*

*This announcement will remain on the GEM website on the “Latest Company Announcements” page for 7 days from the date of its posting and on the website of the Company at [www.computech.com.hk](http://www.computech.com.hk)*