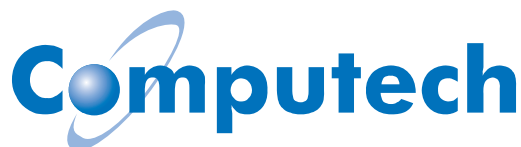


*The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents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



**Computech Holdings Limited**  
**駿科網絡訊息有限公司\***

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

(stock code: 8081)

**GRANT OF WARRANTS  
AND RESUMPTION OF TRADING**

**SERVICE AGREEMENT**

On 6 September 2008, the Company entered into the Service Agreement with the Agent pursuant to which the Agent is appointed for providing the Services for the business of the Group.

Subject to fulfillment of the Condition, the Company shall grant to the Agent the Warrants, which is exercisable at the Warrants Period, to subscribe for 20,900,000 Shares at the Exercise Price of HK\$0.46 per Share. The Warrants will not be listed on the Stock Exchange.

**RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares was suspended with effect from 9:30 a.m. on 8 September 2008 pending the issue of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 12 September 2008.

**INTRODUCTION**

Reference is made to the announcement of the Company dated 5 September 2008 in which the Board announced a possible appointment of an agent to provide business development, fund raising and other ancillary services to the Company in return for an equity issue by the Company.

The Board announces that on 6 September 2008, the Company entered into the Service Agreement with the Agent pursuant to which the Agent is appointed for providing business development advisory services for the business of the Group. The services provided by the Agent to the Company comprise the provision of (i) introducing new investment opportunities to the Company in areas of interest which the Group has indicated to the Agent, which may or may not be in the principal business line of the Group, (ii) assisting the Company to seek funding for existing business and future business expansion, and (iii) assisting in diversifying the Company's current business.

## **SERVICE AGREEMENT**

Date: 6 September 2008

Parties: (1) The Company  
(2) The Agent

To the best knowledge, information and belief of the Directors, having made all reasonable enquiry, the Agent and its associates are third parties independent of the Company and its connected person and not a connected person of the Company within the meaning of the GEM Listing Rules.

The Agent was introduced by Mr. Mak Kwong Yiu, an executive Director, to the Company. Mr. Mak Kwong Yiu did not have any prior relationship and/or role and/or position with the Agent.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiry, the Agent has no prior relationship with the Group and its connected persons and the Agent has no relationship with the change in the substantial Shareholders as disclosed in the announcement of the Company dated 27 August 2008.

### **Duties of the Agent**

It is a term in the Service Agreement that the Agent will use its best endeavours to promote the Services. The Agent will promptly notify the Company and keep the Company informed of all enquiries and complaints concerning the Services which it receives from customers and prospective customers. In relation to the Services, the Agent will not hold itself out as being authorised to bind the Group in any way, and will not do any act which may reasonably create the impression that it is so authorised.

### **Duties of the Company**

It is a term in the Service Agreement that the Company will be entitled, at its own absolute discretion, to accept or reject the referral of customers from the Agent. In addition, the Company will at its own expenses supply the Agent with promotional materials and information as the Agent may from time to time reasonably require for the purpose of complying with its obligations under the Service Agreement.

## **Termination**

The Service Agreement will continue for a period of five years unless terminated by either party pursuant to the terms of the Service Agreement.

The Company will be entitled to terminate the Service Agreement by notice in writing if:

- (a) the Agent commits any continuing or material breach of the Service Agreement provided however that in the case of a breach capable of remedy, the right of termination shall not be exercised until the Company have given to the Agent notice in writing specifying the same and requiring it to be rectified within a reasonable time (not being more than one month) and the Agent shall have failed to comply with such notice within the time specified in the notice; or
- (b) the Agent ceases, or threatens to cease, to carry on all or a substantial part of its business.

The Agent will be entitled to terminate the Service Agreement by giving not less than one month written notice to the other party if, in performing its Service under this Agreement, (i) the Agent raises or procures new funding for the Company of not less than US\$10,000,000; or (ii) the Agent generates not less than HK\$20,000,000 audited net profit of the Business for the Company. The Warrants granted to the Agent pursuant to the Service Agreement will continue to have effect.

On termination of the Service Agreement for any reason, neither party shall have further obligation under the Service Agreement to the other subject to the accrued rights of either party in respect of any antecedent breaches of the Service Agreement by the other party.

## **Consideration**

In consideration of the performance of the Services to be rendered by the Agent, under the Service Agreement, the Company shall grant the Agent the Warrants, which is exercisable at any time during the period of three years commencing from the date of fulfillment of the Condition, to subscribe for 20,900,000 Shares at the Exercise Price of HK\$0.46 per Share.

## **Number of Warrants**

20,900,000 Warrants.

The number of Warrant Shares represent: (i) approximately 19.94% of the existing issued share capital of the Company; and (ii) approximately 16.63% of the issued share capital of the Company as enlarged by the issue of the Warrant Shares.

The Warrants will not be listed on the Stock Exchange. The Warrant Shares, when allotted and issued, will be listed on the Stock Exchange.

## **Exercise Price**

HK\$0.46 per Warrant Share.

The Exercise Price of HK\$0.46 per Share represents:

- (i) a discount of approximately 4.17% over the closing price of HK\$0.48 per Share as quoted on the Stock Exchange on 5 September 2008, being the day preceding the date of the Service Agreement; and
- (ii) a discount of approximately 18.73% over the average closing price of HK\$0.566 per Share as quoted on the Stock Exchange over the last five trading days up to and including 5 September 2008.

## **Condition**

The grant of the Warrants is conditional upon the fulfillment of the condition that the GEM Listing Committee of the Stock Exchange granting (either unconditionally or subject to conditions to which the Company shall not reasonably object) the listing of, and permission to deal in, the Warrant Shares which fall to be allotted and issued upon the exercise of the subscription rights attached to the Warrants.

The Company undertakes to the Agent to use its reasonable endeavours to ensure that the Condition are fulfilled as early as practicable and in any event not later than 30 September 2008 or such later date as may be agreed between the Company and the Agent. If any of such condition shall not be so satisfied, the Warrants shall lapse and be of no effect.

Subject to the fulfillment of the Condition, the Company shall issue the Warrants Certificate to the Agent on the date of fulfillment of the Condition and to register the Agent as the holder of the Warrants.

## **Ranking of the Warrant Shares**

The Warrant Shares, when issued, will rank *pari passu* in all respects with all other Shares in issue at the date of issue and be entitled to all dividends and other distributions the record date of which falls on a date on or after the date of issue.

## **Mandate**

The General Mandate was granted to the Directors pursuant to an ordinary resolution of the Company passed at its annual general meeting on 25 April 2008 to allot and issue up to 20% of the aggregate nominal amount of the share capital of the Company in issue on that date, being HK\$1,048,020 and divided into 20,960,400 Shares.

The Warrant Shares to be issued upon the exercise of the subscription rights attaching to the Warrants will be allotted and issued under the General Mandate. The 20,900,000 Warrant Shares to be allotted and issued upon full exercise of the subscription rights attaching to the Warrants utilises approximately 99.71% of the General Mandate. The General Mandate has not been previously utilised prior to the Service Agreement.

### **Transferability**

The Warrants are transferable in integral multiples of 10,000 Warrants. In the event of a transfer of Warrants to a connected person of the Company (as defined under the GEM Listing Rules), prior approval from the Stock Exchange and the Company will be obtained. The Company undertakes to comply with the relevant GEM Listing Rules and to make necessary announcement(s), where appropriate, if and when the Agent makes any transfer of the Warrants to other parties requiring disclosure.

### **Application for listing**

The Company will apply to the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Warrant Shares.

### **REASONS FOR THE GRANT OF THE WARRANTS**

The Group is principally engaged in the provision of IT services including consultancy, technical support and systems integration in the PRC and Hong Kong.

The grant of Warrant is part of the incentive offered by the Company to the Agent to promote the business of the Group. The issue of the Warrant Shares as an incentive will have no impact on the cashflow of the Group while the shareholder base of the Company will be enlarged. In view of the Services being provided by the Agent, the Directors are of the view that the grant of the Warrants will provide the Agent with the opportunity to participate in the future growth of the Group and at the same time to strengthen the Group's working capital position and enhance its capital base. In addition, in the event the Agent fully exercises his subscription rights attaching to the Warrants, funds received may cater for future needs for the Company's operation and development. The Company intends to apply such funds towards the general working capital of the Group or for such other purposes as the Directors deem necessary, taking into consideration the requirements of the Company prevailing at the relevant time. The Company did not raise any other funds by issue of equity securities during the past 12 months. The Directors (including independent non-executive Directors) believe that the terms of the Service Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As at the date of this announcement, save for the Warrants and the share options granted under the share option scheme of the Company adopted on 2 June 2000, the Company does not have any outstanding share options, convertible bonds or any other securities convertible into Shares.

## SHAREHOLDING STRUCTURE OF THE COMPANY

The following table illustrates (i) the existing shareholding structure of the Company; and (ii) the shareholding structure of the Company immediately following the exercise of the Warrants in full (assuming the Condition is fulfilled):

Shareholder	As at the date of this announcement		Immediately following the exercise of the Warrants in full	
	No. of Shares	%	No. of Shares	%
Aplus Worldwide Limited ( <i>Note 1</i> )	19,837,600	18.93	19,837,600	15.78
CL International Holdings Limited ( <i>Note 2</i> )	24,187,202	23.08	24,187,202	19.24
The Agent	–	–	20,900,000	16.63
<b>Public Shareholders</b>				
Merryway Limited	10,400,000	9.92	10,400,000	8.27
Asia Financing Limited	10,400,000	9.92	10,400,000	8.27
Other public Shareholders	39,977,198	38.15	39,977,198	31.81
<b>Total:</b>	<u>104,802,000</u>	<u>100</u>	<u>125,702,000</u>	<u>100</u>

### Notes:

1. The issued share capital of Aplus Worldwide Limited is owned as to approximately 84% by Win Plus Group Limited (“**Win Plus**”). Win Plus is owned as to 50% by AFS Holdings Limited and 50% by Ardian Holdings Limited. AFS Holdings Limited is wholly-owned by Mr Fung Pak Chuen, Alphonso, the chairman and an executive Director of the Company. Ardian Holdings Limited is wholly-owned by Mr Lo Richard. The ultimate beneficial owner of the remaining 16% interests in Aplus Worldwide Limited is Yap Fat Suan, Henry, who to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiry, has no role and/or position with the Group. Save for being interested in the Shares, an ex-Director and directors of subsidiaries of the Company, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiry, Mr. Lo Richard has no other role and/or position with the Group.
2. The issued share capital of CL International Holdings Limited is owned as to approximately 67.86% by Adwin Investment Limited. Win Plus holds approximately 73.77% interest in the issued share capital of Adwin Investment Limited. The ultimate beneficial owners of the remaining 32.14% interests in CL International Holdings Limited are third parties independent of the Company.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiry, the Agent is not considered to be parties acting in concert (as defined under the Takeovers Code) with each of Aplus Worldwide Limited, CL International Holdings Limited, Merryway Limited and Asia Financing Limited and their respective beneficial owners and/or associates. The Directors are not aware of any implication on the Takeovers Code as a consequence of the grant of the Warrants under the Service Agreement.

## **RESPONSIBILITY STATEMENT**

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

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares was suspended with effect from 9:30 a.m. on 8 September 2008 pending the issue of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 12 September 2008.

## **DEFINITIONS**

Unless the context requires otherwise, the following words and phrases used in this announcement have the following meanings:

“Agent”	Mr Chui Bing Sun
“Board”	the board of Directors
“Business”	all businesses, transactions or arrangements of the Company directly procured by the Agent in performing the Services
“Company”	Computech Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM
“Condition”	the condition precedent for the grant of the Warrants, details of which are set out in the paragraph headed “Condition” in this announcement
“Directors”	directors of the Company
“Exercise Price”	HK\$0.46 per Warrant Share, to be allotted and issued upon exercise of the subscription rights attaching to the Warrants
“GEM”	the Growth Enterprise Market of the Stock Exchange



“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandate”	the general mandate granted to the Directors by the Shareholders pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 25 April 2008
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“PRC”	People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“Services”	the services provided by the Agent to the Company which comprise the provision of (i) introducing new investment opportunities to the Company in areas of interest which the Group has indicated to the Agent, which may or may not be in the principal business line of the Group, (ii) assisting the Company to seek funding for existing business and future business expansion, and (iii) assisting in diversifying the Company’s current business
“Service Agreement”	the service agreement entered into between the Group and the Agent dated 6 September 2008
“Share(s)”	the ordinary share(s) of HK\$0.05 each in the capital of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Warrants”	the 20,900,000 warrants to be granted by the Company to the Agent upon fulfillment of the Condition attaching with it the right to subscribe for the Warrant Shares at the Exercise Price, which are exercisable in whole or in part by the Agent at any time during the Warrants Period
“Warrants Certificate”	the certificate to be issued in respect of the Warrants
“Warrants Period”	the period of three years commencing from the date of fulfillment of the Condition



“Warrant Shares”	20,900,000 Shares to be issued upon the exercise of the subscription rights attaching to the Warrants which Shares shall rank pari passu in all respects with the Shares in issue at the date of allotment of the Warrant Shares
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States of America dollars
“%”	per cent.

By Order of the Board  
**Computech Holdings Limited**  
**Fung Pak Chuen, Alphonso**  
*Chairman*

Hong Kong, 11 September 2008

\* *For identification purposes only*

*As at the date of this announcement, the executive Directors are Mr Fung Pak Chuen, Alphonso and Mr Mak Kwong Yiu. The independent non-executive Directors are Mr Lee Sai Yeung, Chung Kong Fei, Stephen and Mr Ng Chik Sum, Jackson.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least seven days from the date of its publication.*