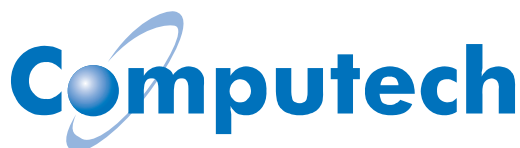

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Computech Holdings Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or to the transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, 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 circular.



Computech Holdings Limited

駿科網絡訊息有限公司*

(Incorporated in the Cayman Islands with limited liability)

(stock code: 8081)

**CONTINUING CONNECTED TRANSACTIONS
AND
REFRESHMENT OF GENERAL MANDATE TO ALLOT AND ISSUE SHARES**

**Independent Financial Adviser to the
Independent Board Committee
and the CCT Independent Shareholders**

**Independent Financial Adviser to the
Independent Board Committee
and the General Mandate Independent
Shareholders**



大華證券(香港)有限公司
GRAND CATHAY SECURITIES (HONG KONG) LIMITED



Grand Vinco Capital Limited

A wholly owned subsidiary of Vinco Financial Group Limited

A letter from the Independent Board Committee is set out on page 18 of this circular. A letter from Grand Cathay Securities (Hong Kong) Limited, the independent financial adviser to the Independent Board Committee and the CCT Independent Shareholders, is set out on pages 20 to 26 of this circular. A letter from Grand Vinco Capital Limited, the independent financial adviser to the Independent Board Committee and the General Mandate Independent Shareholders, is set out on pages 27 to 32 of this circular.

A notice convening the EGM of the Company to be held at 10:00 a.m. on Wednesday, 24 December 2008 at 10/F., Westlands Centre, 20 Westlands Road, Quarry Bay, Hong Kong is set out on pages 40 to 43 of this circular. A form of proxy for use at the EGM is also enclosed with this circular.

Whether or not you are able to attend the EGM, you are advised to read the notice and to complete and return the enclosed form of proxy, in accordance with the instructions printed thereon, to the Hong Kong branch share registrar and transfer office of the Company, Hong Kong Registrars Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjourned meeting. Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the extraordinary general meeting if you so wish.

8 December 2008

CHARACTERISTIC OF GEM

GEM has been positioned as a market designed to accommodate companies to which a high 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.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

| | |
|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “AGM” | the annual general meeting of the Company held on 25 April 2008 in which the Shareholders had approved, among other matters, the Current General Mandate |
| “Aplus” | Aplus Worldwide Limited, a substantial Shareholder and is interested as to approximately 18.93% of the issued share capital of the Company |
| “Articles of Association” | the articles of association of the Company |
| “associates” | have the same meaning as ascribed in the GEM Listing Rules |
| “Board” | the board of Directors, including all independent non-executive Directors |
| “CCT Independent Shareholders” | Shareholders other than CLIH and Aplus and their respective associates |
| “CLIH” | CL International Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and a substantial Shareholder and is interested as to approximately 23.08% of the issued share capital of the Company |
| “CLIH Group” | CLIH and its subsidiaries |
| “Company” | Computech Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares are listed on GEM |
| “connected persons” | has the meaning ascribed to it in the GEM Listing Rules |
| “Continuing Connected Transactions” | the Provision of IT Services and the Purchase Transactions |
| “Current General Mandate” | the general mandate approved at the AGM to grant to the Directors to allot and issue Shares of up to 20% of the share capital of the Company in issue on the date of the passing of the relevant ordinary resolution, which was 25 April 2008 |
| “Director(s)” | director(s) of the Company |

DEFINITIONS

| | |
|--------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “EGM” | the extraordinary general meeting of the Company to be held at 10:00 a.m. on Wednesday, 24 December 2008 at 10/F., Westlands Centre, 20 Westlands Road, Quarry Bay, Hong Kong to consider and, if appropriate, to approve the ordinary resolutions contained in the notice of the meeting which are set out on pages 40 to 43 of this circular |
| “First Purchase and Service Agreement” | the agreement entered into between the Company and CLIH dated 28 July 2004 in respect of the Continuing Connected Transactions for the period from 28 July 2004 to 31 December 2005 |
| “GEM” | the Growth Enterprises Market of the Stock Exchange |
| “General Mandate Independent Shareholders” | any Shareholder other than the controlling Shareholders and their associates, or, where there are no controlling Shareholders, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates to approve the proposed grant of New General Mandate |
| “Grand Cathay” | Grand Cathay Securities (Hong Kong) Limited, a licensed corporation to carry out types 1, 6 and 9 regulated activities as defined under the SFO, being the independent financial adviser to the Independent Board Committee and the CCT Independent Shareholders |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities on GEM |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Independent Board Committee” | an independent committee of the Board, comprising all the independent non-executive Directors, to advise the CCT Independent Shareholders in relation to the Continuing Connected Transactions and the General Mandate Independent Shareholders as to the fairness and reasonableness of the grant of the New General Mandate |

DEFINITIONS

| | |
|-----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Independent Third Parties” | third parties independent of the Company and its connected persons and are not connected persons of the Company |
| “Inventories” | inventories comprising principally computer parts and components, peripherals and equipment to be acquired by the Group from CLIH pursuant to the New Agreement or the First Purchase and Service Agreement or the Second Purchase and Service Agreement (as the case may be) |
| “Latest Practicable Date” | 5 December 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular |
| “New Agreement” | the conditional agreement dated 14 November 2008 entered into between the Company and CLIH in respect of the Continuing Connected Transactions for a term of three years from the date after the expiry of the Second Purchase and Service Agreement |
| “New General Mandate” | the general mandate proposed to be granted to the Directors at the EGM to allot, issue and otherwise deal with additional Shares not exceeding 20% of the share capital of the Company in issue on the date of the passing of the relevant ordinary resolution |
| “PRC” | the People’s Republic of China |
| “Provision of IT Services” | provision of information technology related services including, but not limited to, system maintenance, technical support, system integration and operation support, by the Group to customers of the CLIH Group in Hong Kong and the PRC |
| “Purchase Transactions” | purchases of Inventories from CLIH by the Group for use in the Group’s ordinary and usual course of business including the Provision of IT Services |
| “Second Purchase and Service Agreement” | the agreement entered into between the Company and CLIH dated 15 November 2005 in respect of the Continuing Connected Transactions for the period from 1 January 2006 to 31 December 2008 |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | ordinary share(s) of nominal value of HK\$0.05 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of Share(s) |

DEFINITIONS

| | |
|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Vinco Capital” | Grand Vinco Capital Limited, a wholly owned subsidiary of Vinco Financial Group Limited, a licensed corporation to carry out types 1 and 6 regulated activities as defined under the SFO, being independent financial adviser to the Independent Board Committee and the General Mandate Independent Shareholders |
| “HK\$” | Hong Kong dollars, the lawfully currency of Hong Kong |
| “%” | per cent |

LETTER FROM THE BOARD



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

(Incorporated in the Cayman Islands with limited liability)

(stock code: 8081)

Executive Directors:

Mr. Fung Pak Chuen, Alphonso

Mr. Mak Kwong Yiu

Independent non-executive Directors:

Mr. Lee Sai Yeung

Mr. Chung Kong Fei, Stephen

Mr. Ng Chik Sum, Jackson

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Head office and principal place
of business in Hong Kong:*

10/F.

Westlands Centre

20 Westlands Road

Quarry Bay

Hong Kong

8 December 2008

To the Shareholders

Dear Sir or Madam,

**CONTINUING CONNECTED TRANSACTIONS
AND
REFRESHMENT OF GENERAL MANDATE TO ALLOT AND ISSUE SHARES**

INTRODUCTION

Reference is made to the announcement of the Company dated 18 November 2008 in which the Board announced that on 14 November 2008, the Company entered into the New Agreement with CLIH in relation to the Continuing Connected Transactions.

* For identification purposes only

LETTER FROM THE BOARD

As at the date hereof, CLIH is interested as to approximately 23.08% of the issued share capital of the Company. CLIH is a substantial Shareholder and a connected person of the Company under the GEM Listing Rules. The New Agreement and the transactions contemplated thereunder constitute continuing connected transactions for the Company and are subject to the approval by the CCT Independent Shareholders.

The purpose of this circular is to provide you with the information relating to (i) the New Agreement and the transactions contemplated thereunder; (ii) the proposed grant of the New General Mandate, and to give you notice of the EGM.

BACKGROUND

Reference is made to the circulars of the Company dated 18 August 2004 and 5 December 2005 respectively in relation to the First Purchase and Service Agreement and the Second Purchase and Service Agreement, pursuant to which the Group would provide information technology-related services to certain customers of the CLIH Group in Hong Kong and the PRC and purchase Inventories from the CLIH Group on a recurring basis.

The term of services under the First Purchase and Service Agreement expired on 31 December 2005 and was extended by the Second Purchase and Service Agreement for another three years commencing from 1 January 2006. The Second Purchase and Service Agreement will expire on 31 December 2008. The Company now proposes to further continue with the Continuing Connected Transactions with the CLIH Group by entering into the New Agreement to renew the terms under the Second Purchase and Service Agreement for another three years commencing from 1 January 2009, being the day immediately after the expiry of the Second Purchase and Service Agreement, up to and including 31 December 2011. The Directors consider that there is no material change to the terms of the New Agreement as compared with the Second Purchase and Service Agreement.

RENEWAL OF THE CONTINUING CONNECTED TRANSACTION

The New Agreement

Date: 14 November 2008

Parties: (i) The Company
(ii) CLIH

Subject: (i) Provision of IT Services; and
(ii) Purchase Transactions.

Period: From 1 January 2009 to 31 December 2011

LETTER FROM THE BOARD

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

The CLIH Group is principally engaged in the research, development and provision of I.T. solutions and related services in Hong Kong, the PRC and South-East Asia.

Provision of IT Services

(i) Nature of transaction

The Second Purchase and Service Agreement governing, inter alia, the Provision of IT Services will expire on 31 December 2008. Under the New Agreement, the Group will continue to act as an outsourcing partner of the CLIH Group. The Group will render information technology-related services including, but not limited to, system maintenance, technical support, system integration and operation support, to existing non-banking sector customers of the CLIH Group in Hong Kong and the PRC during the term of the New Agreement. As an outsourcing partner, these services will be provided by the Group in accordance with the terms of the contracts entered into between the CLIH Group and their respective customers, who are not connected persons of the Company.

Under the New Agreement, upon expiration of the contracts between CLIH Group and its customers in relation to the Provision of IT Services, the Company may negotiate and enter into new contracts directly with those customers. While there is no guarantee that the Company will be able to secure contracts with those customers, if it is able to do so, the contracts to be entered into between these customers and the Company will be negotiated on an arm's length basis.

The Provision of IT Services is in line with the Company's principal business activities. The Directors are of the view that the outsourcing arrangement with CLIH Group relating to the Provision of IT Services will enable: (i) the Group to continue expanding its customer base in the non-banking sector and diversifying its income source; and (ii) both the Group and the CLIH Group to focus on their respective core competencies. On this basis, the Directors are of the view that the Provision of IT Services will provide positive contribution, and is beneficial, to the Group.

(ii) Pricing basis

The Provision of IT Services will be carried out in the ordinary course of business of the Group and conducted on normal commercial terms. The Group will furnish CLIH with monthly service activity reports detailing the services rendered to the relevant customers and the amount of time incurred by the Group. Fees for services rendered will be (i) charged to CLIH on a project/contract basis which is calculated based on, for example, units or value of products sold, amount of time required for services performed or number of calls serviced; and (ii) payable by CLIH to the Group. Such payments from CLIH to the Group may be on monthly/quarterly/semi-annual or annual basis, mirroring the terms of payment between CLIH and its customers. CLIH Group is obligated to pay the Group regardless of whether CLIH itself has received payments from its customers. The Directors confirm that such

LETTER FROM THE BOARD

payment arrangements are in line with normal commercial practices. The Directors are of the view that the payment arrangement and the pricing are fair and reasonable so far as the Company and the Shareholders are concerned.

The Directors consider the fees to be received from the Provision of IT Services, which are expected to cover the cost of inventory used, labour costs and other relevant costs to be incurred in carrying out such services and to generate a reasonable margin for the Group, to be fair and reasonable so far as the Shareholders are concerned.

Purchase Transactions

(i) Nature of transaction

In the course of carrying out its engagement under the outsourcing arrangements in respect of the Provision of IT Services, the Group will need to utilise items such as computer parts and components, including the Inventories. Save for purchasing Inventories from CLIH for the Provision of IT Services, the Group will also purchase Inventories, in particular certain equipment, from CLIH for the Group's own customers of other businesses.

The Second Purchase and Service Agreement governing, inter alia, the Purchase Transactions will expire on 31 December 2008. Under the New Agreement, the Company may from time to time purchase Inventories from CLIH on an order-by-order basis for its own use in the ordinary and usual course of business including the Provision of IT Services. No minimum amount of purchase is stipulated and the purchases may be made by the Company at its discretion. The Directors are of the view that the Purchase Transaction will minimise the need for the Group to carry excess Inventories which are not immediately used. It may also allow the Group to enjoy bulk purchase discounts as the Group's purchase requirements are aggregated with CLIH Group's own purchases. The Group, however, will purchase inventories and equipment of the same or similar nature and/or function of the Inventories from other suppliers if better prices or discounts are offered.

(ii) Pricing basis

The purchase prices of the Inventories will be on normal commercial terms and determined on arm's length basis. They will be settled by internal resources of or banking facilities obtained by the Group. The prices of the Inventories shall not exceed the prevailing market prices at which these products are available to the Group from Independent Third Parties. The payment terms for such purchases, including any credit terms available to the Group, will depend on and mirror the terms between CLIH and the relevant suppliers.

Basis of proposed caps amounts

The Company and CLIH Group commenced the Continuing Connected Transaction since the fourth quarter of the year 2004.

LETTER FROM THE BOARD

The table below sets out the actual total contract sums which were received and paid by the Group in respect of the Continuing Connected Transactions in the past and the proposed caps for the Continuing Connected Transactions for the three years ending 31 December 2011:

| | Actual total contract sum | | | Proposed caps | | |
|--------------------------|---------------------------|-------------|------------|--------------------|----------|--------|
| | For the year | | For the | For the year | | |
| | ended 31 December | | six months | ending 31 December | | |
| | 2006 | 2007 | ended | 2009 | 2010 | 2011 |
| (audited) | (audited) | 30 June | | | | |
| HK\$'000 | HK\$'000 | 2008 | HK\$'000 | HK\$'000 | HK\$'000 | |
| | | (unaudited) | | | | |
| | | HK\$'000 | | | | |
| Provision of IT Services | 34,358 | 29,738 | 15,997 | 49,000 | 58,000 | 66,000 |
| Purchase Transactions | 19,103 | 13,779 | 6,079 | 8,000 | 8,000 | 8,000 |

Provision of IT Services

The historical caps for the two years ended 31 December 2006 and 2007 were HK\$43 million and HK\$62 million respectively and for the year ending 31 December 2008 is HK\$79 million.

For the years ended 31 December 2006 and 2007 and the six months ended 30 June 2008, the total contract sum which were received by the Group in respect of the Provision of IT Services under the Second Purchase and Service Agreement were approximately HK\$34 million, HK\$30 million and HK\$16 million respectively. On an annualized basis, the contract sum for the year ending 31 December 2008 would be approximately HK\$32 million. As the Company considers that there will be new businesses and revenue growth under the Provision of I.T. Services in 2009, the proposed new caps for 2009 will increase as comparing to the contract sum for the year ending 31 December 2008. The proposed new cap for the Provision of IT Services for each of the three years ending 31 December 2011 are approximately HK\$49 million, HK\$58 million and HK\$66 million respectively.

The annual cap for each of the three years ending 31 December 2011 are estimated by the Directors after taking into account (i) the historical figures for the Continuing Connected Transactions; (ii) CLIH Group's current customer contracts on hand; and (iii) business projections provided by the management of CLIH, which are based on contracts under negotiation between CLIH Group and its customers.

Purchase Transactions

The historical caps for the two years ended 31 December 2006 and 2007 were HK\$23 million and HK\$24 million respectively and for the year ending 31 December 2008 is HK\$26 million.

For the years ended 31 December 2006 and 2007 and the six months ended 30 June 2008, the total contract sum which were received by the Group in respect of the Purchase Transactions under the Second Purchase and Service Agreement were approximately HK\$19 million, HK\$14 million and HK\$6 million respectively. On an annualized basis, the contract sum for the year ending 31 December

LETTER FROM THE BOARD

2008 would be approximately HK\$12 million. The proposed new cap for the Purchase Transactions for each of the three years ending 31 December 2011 are approximately HK\$8 million, HK\$8 million and HK\$8 million respectively.

The annual cap for each of the three years ending 31 December 2011 are estimated by the Directors after taking into account (i) the historical figures for the Continuing Connected Transactions; (ii) CLIH Group's current customer contracts on hand; (iii) business projections provided by the management of CLIH, which are based on contracts under negotiation between CLIH Group and its customers; (iv) estimated parts and components usage based on projected service calls volume under the Provision of IT Services; and (v) estimated purchase of equipment by the Company for its other customers.

REASONS FOR ENTERING INTO THE CONTINUING CONNECTED TRANSACTIONS

Outsourcing of information technology services has been adopted by many commercial enterprises and government institutions over the years. The Directors are of the view that such trend will continue as it allows these organisations to focus on their core competencies while relying on partners who have the scale and capabilities to handle such non-core areas, often in a more economical and efficient manner.

The Group started the Provision of IT Services in the fourth quarter of 2004 and principally undertakes outsourcing jobs for non-banking sector customers of the CLIH Group. The Directors advised that the Provision of IT Services has expanded the client base of the Group and became one of the major income sources of the Group.

In view of the growing trend of outsourcing of information technology services among large commercial institutions, the Directors are of the view that the Provision of IT Services will continue to contribute positively, and is beneficial, to the Group.

With regard to the Purchase Transactions, the CLIH Group has arrangements with suppliers that provide better prices or discounts for purchases of the Inventories. The Purchase Transactions will therefore continue to allow the Group to purchase the Inventories from the CLIH Group at prices lower than if it purchases directly from suppliers. Such arrangements also minimise the need to carry excess Inventories when they are not immediately used. Nevertheless, the Directors advise that the Group will purchase equipment and inventories directly from third parties if the terms of such purchases are more favourable than those offered by the CLIH Group.

The Directors consider that the Continuing Connected Transactions as contemplated under the New Agreement are on normal commercial terms and in the ordinary and usual course of business of the Group and that the terms thereof and the proposed new caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole. They are also of the view that the Continuing Connected Transactions will complement the Group's operations and enable it to diversify its sources of revenue.

LETTER FROM THE BOARD

CURRENT GENERAL MANDATE

At the AGM, the Shareholders approved, among other things, an ordinary resolution to grant to the Directors the Current General Mandate to issue not more than 20,960,400 Shares, being 20% of the aggregate nominal amount of the issued share capital of the Company of 104,802,000 Shares as at the date of passing of the resolution.

During the period from the grant of the Current General Mandate to the Latest Practicable Date, the Current General Mandate had been utilised as to 20,900,000 Shares upon the issue of 20,900,000 non-listed warrants by the Company, being approximately 99.71% of the aggregate number of Shares which may be allotted and issued under the Current General Mandate. Please refer to the Company's announcement dated 11 September 2008 for further details regarding the above matter.

PROPOSED GRANT OF NEW GENERAL MANDATE

At the EGM, ordinary resolutions will be proposed to the General Mandate Independent Shareholders that:

- (i) the Directors be granted the New General Mandate to allot and issue Shares not exceeding 20% of the share capital of the Company in issue as at the date of passing the relevant ordinary resolution; and
- (ii) the New General Mandate be extended to Shares repurchased by the Company pursuant to the repurchase mandate granted to the Directors at the AGM.

The Company has not refreshed the Current General Mandate since the AGM.

As at the Latest Practicable Date, the Company had an aggregate of 104,802,000 Shares in issue. Subject to the passing of the ordinary resolutions for the approval of the New General Mandate and on the basis that no further Shares are issued and/or repurchased by the Company between the Latest Practicable Date and the date of the EGM, the Company would be allowed under the New General Mandate to allot and issue up to 20,960,400 Shares, being 20% of the total number of Shares in issue as at the Latest Practicable Date.

REASONS FOR THE NEW GENERAL MANDATE

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

As explained in the paragraph headed "Current General Mandate" above, the Current General Mandate had been utilised as to 20,900,000 Shares, being approximately 99.71% of the aggregate number of Shares which may be allotted and issued under the Current General Mandate.

LETTER FROM THE BOARD

The Board believes that grant of the New General Mandate is in the best interests of the Company and the Shareholders as a whole by maintaining the financial flexibility necessary for the Group's future business development. The Board considers equity financing to be an important avenue of resources to the Group since it does not create any interest paying obligations on the Group. In appropriate circumstances, the Group will also consider other financing methods such as debt financing or internal cash resources to fund its future business development. While the Board considers that there is no immediate funding need for the Group's current operations and that there is currently no concrete proposal presented by potential investors for investment in the Shares, the Board is now proposing to seek the approval of General Mandate Independent Shareholders at the EGM of the New General Mandate such that should future funding needs arise or attractive terms for investment in the Shares become available from potential investors, the Board will be able to respond to the market and such investment opportunities promptly because fund raising exercise pursuant to a general mandate provides the Company a more simple and less lead time process than other types of fund raising exercises and to avoid the uncertainties in such circumstances that specific mandate may not be obtained in a timely manner.

The following table summaries the use of the Current General Mandate since the AGM:

| Date of announcement | Event | Net proceeds | Intended use of proceeds | Actual use of proceeds as at the Latest Practicable Date |
|-----------------------------|------------------------------------------------------|---------------------------------|---------------------------------|-----------------------------------------------------------------|
| 11 September 2008 | Grant of an aggregate 20,900,000 non-listed warrants | Not applicable <i>(Note)</i> | Not applicable <i>(Note)</i> | Not applicable <i>(Note)</i> |

Note: Reference is made to the announcement of the Company dated 11 September 2008 in relation to the grant of warrants by the Company to Mr. Chui Bing Sun ("Mr Chui") in consideration of the performance of the service to be rendered by Mr. Chui under the service agreement dated 6 September 2008 entered into between the Company and Mr. Chui.

In view of the above, the Directors consider the grant of the New General Mandate, which may or may not be utilised, is in the best interests of the Company and the Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As at the date hereof, CLIH is interested as to approximately 23.08% of the issued share capital of the Company. CLIH is a substantial Shareholder and a connected person to the Company under the GEM Listing Rules. The New Agreement and the transactions contemplated thereunder constitute continuing connected transactions for the Company and are subject to the approval by the CCT Independent Shareholders.

LETTER FROM THE BOARD

The issued share capital of CLIH is owned as to approximately 67.86% by Adwin Investment Limited, approximately 29.06% by third parties independent of the Company and approximately 3.08% by Win Plus Group Limited. Adwin Investment Limited is owned as to approximately 73.77% by Win Plus Group Limited. Aplus, a substantial Shareholder interested as to approximately 18.93% of the issued share capital of the Company, is owned as to approximately 84% by Win Plus Group Limited. Accordingly, Aplus is an associate of CLIH. CLIH, Aplus and their respective associates, if any, will abstain from voting on the resolutions to be proposed in relation to the New Agreement at the EGM. The vote will be taken by poll.

There is (i) no voting trust or other agreement or arrangement or understanding entered into by or binding upon CLIH, its ultimate beneficial owners and their respective associates; and (ii) no obligation or entitlement of each of CLIH, its ultimate beneficial owners and their respective associates as at the Latest Practicable Date, whereby its has or may have temporarily or permanently passed control over the exercise of the voting right in respect of its Shares to a third party, either generally or on a case-by-case basis.

Pursuant to Rule 17.42A(1) of the GEM Listing Rules, the New General Mandate requires the approval of the General Mandate Independent Shareholders at the EGM at which any of the controlling Shareholders and their associates or, where there are no controlling Shareholders, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the relevant resolutions. As the Company has no controlling Shareholders, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the relevant resolutions.

As at the Latest Practicable Date, Mr. Fung Pak Chuen, Alphonso, an executive Director, is indirectly interested in (i) approximately 42% of the issued share capital of Aplus, which is interested in 19,837,600 Shares, representing approximately 18.93% of the entire issued share capital of the Company; and (ii) approximately 26.57% of the issued share capital CLIH, which is interested in 24,187,202 Shares, representing approximately 23.08% of the entire issued share capital of the Company. Mr. Fung Pak Chuen, Alphonso, Aplus and CLIH and their respective associates will abstain from voting in favour of the relevant resolutions in relation to the New General Mandate at the EGM. In such an event, the Board was advised by Mr Fung Pak Chuen, Alphonso, Aplus and CLIH and their respective associates that they have no intention to vote against the relevant resolutions.

As at the Latest Practicable Date, Mr. Mak Kwong Yiu, an executive Director, is interested in 500,000 share options of the Company, representing approximately 0.48% of the issued share capital of the Company. Mr. Mak Kwong Yiu will abstain from voting in favour of the relevant resolutions at the EGM to approve the grant of the New General Mandate upon exercise of any of the share options of the Company prior to the EGM. In such an event, the Board was advised by Mr. Mak Kwong Yiu that he has no intention to vote against the relevant resolutions.

Further, pursuant to Rule 17.47(4)(b) of the GEM Listing Rules, any vote of the General Mandate Independent Shareholders at the EGM will be taken by poll for resolutions in relation to the New General Mandate.

LETTER FROM THE BOARD

EXTRAORDINARY GENERAL MEETING

The notice convening the EGM is set out on pages 40 to 43 of this circular. A form of proxy for use at the EGM is also enclosed with this circular. To be valid, the enclosed form of proxy, together with any power of attorney or other authority under which it is signed must be completed in accordance with the instructions printed thereon and delivered to the Hong Kong branch share registrar and transfer office of the Company, Hong Kong Registrars Limited, at Room 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjourned meeting. The completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjourned meeting in person if you so wish.

SHAREHOLDING STRUCTURE

The following table sets out the shareholding structure of the Company as at (i) the Latest Practicable Date and (ii) the date upon the full utilisation of the New General Mandate:

| | As at the date of the Latest Practicable Date | | Upon full utilisation of the New General Mandate | |
|--------------------------------------------------------|--------------------------------------------------|---------------|-----------------------------------------------------|---------------|
| | (No. of Shares) | % | (No. of Shares) | % |
| Aplus Worldwide Limited (<i>Note 1</i>) | 19,837,600 | 18.93 | 19,837,600 | 15.77 |
| CL International Holdings Limited (<i>Note 2</i>) | 24,187,202 | 23.08 | 24,187,202 | 19.23 |
| Existing Public Shareholders | 60,777,198 | 57.99 | 60,777,198 | 48.33 |
| Shares issued under the New General Mandate | – | – | 20,960,400 | 16.67 |
| Total | <u>104,802,000</u> | <u>100.00</u> | <u>125,762,400</u> | <u>100.00</u> |

Notes:

- (1) Aplus Worldwide Limited is beneficially owned as to approximately 42% by Mr. Fung Pak Chuen, Alphonso, an executive Director and chairman of the Company.
- (2) CL International Holdings Limited is beneficially owned as to approximately 26.57% by Mr. Fung Pak Chuen, Alphonso, an executive Director and chairman of the Company.

LETTER FROM THE BOARD

Assuming that (i) the refreshment of the Current General Mandate is approved at the EGM; (ii) no Shares will be repurchased and no new Shares will be issued from the Latest Practicable Date up to the date of the EGM (both dates inclusive); and (iii) upon full utilisation of the New General Mandate, 20,960,400 Shares are to be issued, which represents 20% and approximately 16.67% of the existing issued share capital as at the Latest Practicable Date and the enlarged issued share capital of the Company respectively, the aggregate shareholding of the existing public Shareholders will be diluted from approximately 57.99% to approximately 48.33% upon full utilisation of the New General Mandate.

PROCEDURES FOR DEMANDING A POLL AT GENERAL MEETING

The following sets out the procedures by which the Shareholders may demand a poll at the EGM.

Pursuant to Article 66 of the Articles of Association, a resolution put to the vote of the meeting shall be decided on a show of hands unless voting by way of a poll is required by the rules of the Designated Stock Exchange or (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (a) by the chairman of such meeting; or
- (b) by at least three Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or
- (d) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right; or
- (e) if required by the rules of the Designated Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent. (5%) or more of the total voting rights at such meeting.

INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprises Mr. Lee Sai Yeung, Mr. Chung Kong Fei, Stephen and Mr. Ng Chik Sum, Jackson, all being independent non-executive Directors, has been established to advise the CCT Independent Shareholders in respect of the Continuing Connected Transactions and the General Mandate Independent Shareholders in respect of the New General Mandate.

LETTER FROM THE BOARD

Grand Cathay Securities (Hong Kong) Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the CCT Independent Shareholders in respect of the Continuing Connected Transactions.

Grand Vinco Capital Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the General Mandate Independent Shareholders in respect of the New General Mandate.

The Independent Board Committee and the Directors, having taken into account the advice of the Independent Financial Adviser, consider that (i) the Continuing Connected Transactions and the proposed new caps are fair and reasonable so far as the CCT Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole; and (ii) the New General Mandate are fair and reasonable so far as the General Mandate Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole and accordingly recommends the CCT Independent Shareholders to vote in favour of the ordinary resolution which will be proposed at the EGM for approving the Continuing Connected Transactions and the proposed new caps and the General Mandate Independent Shareholders to vote in favour of the ordinary resolutions which will be proposed at the EGM for approving the New General Mandate.

The text of the letter from the Independent Board Committee is set out on page 18 of this circular, the text of the letter from Grand Cathay containing its advice is set out on page 20 of this circular and the text of the letter from Vinco Capital containing its advice is set out on page 27 of this circular.

RECOMMENDATIONS

The Board considers that the terms of Continuing Connected Transactions as contemplated under the New Agreement are on normal commercial terms and in the ordinary and usual course of business of the Group and that the terms thereof and the proposed new caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the CCT Independent Shareholders to vote in favour of the ordinary resolution as set out in the notice of the EGM.

Further, the Board considers that the refreshment of the New General Mandate is in the interest of the Company and the Shareholders as a whole and accordingly recommends the General Mandate Independent Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

LETTER FROM THE BOARD

GENERAL INFORMATION

Your attention is drawn to (i) the letter from the Independent Board Committee set out on page 18 and 19 of this circular which contains its views in relation to the Continuing Connected Transactions, the proposed new caps and the New General Mandate; (ii) the letter from Vinco Capital, which contains its advice to the Independent Board Committee and the CCT Independent Shareholders in relation to the Continuing Connected Transactions and the proposed new caps and the principal factors and reasons considered by it in arriving at its opinions, and (iii) the letter from Vinco Capital, which contains its advice to the Independent Board Committee and the General Mandate Independent Shareholders in relation to the New General Mandate and the principal factors and reasons considered by it in arriving at its opinions. The text of the letter from Grand Cathay containing its advice is set out on page 20 of this circular and the text of the letter from Vinco Capital containing its advice is set out on page 27 of this circular.

Your attention is also drawn to the additional information set out in the Appendix to this circular.

Yours faithfully
For and on behalf of the Board
Computech Holdings Limited
Fung Pak Chuen, Alphonso
Chairman



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

(Incorporated in the Cayman Islands with limited liability)

(stock code: 8081)

8 December 2008

To the CCT Independent Shareholders and General Mandate Independent Shareholders

Dear Sir or Madam,

**CONTINUING CONNECTED TRANSACTIONS
AND
REFRESHMENT OF GENERAL MANDATE TO ALLOT AND ISSUE SHARES**

We refer to the circular of the Company dated 8 December 2008 (the “**Circular**”) of which this letter forms part. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as defined in the Circular.

We have been appointed by the Board as members to form the Independent Board Committee and to advise you as to whether the terms of the Continuing Connected Transactions, the proposed new caps and the New General Mandate are fair and reasonable so far as the CCT Independent Shareholders and the General Mandate Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole. Grand Cathay Securities (Hong Kong) Limited has been appointed to advise the Independent Board Committee and the CCT Independent Shareholders in relation to the Continuing Connected Transactions and the proposed new caps and Grand Vinco Capital Limited has been appointed to advise the Independent Board Committee and the General Mandate Independent Shareholders in relation to the New General Mandate. Details of their advice, together with the principal factors taken into consideration in arriving at such advice, is set out on pages 20 to 32 of the Circular.

Your attention is also drawn to the letter from the Board set out on pages 5 to 17 to the Circular and the additional information set out in the appendix of the Circular.

Having considered the terms of the Continuing Connected Transactions, the principal reasons and factors considered by, and the advice of Grand Cathay Securities (Hong Kong) Limited and Grand Vinco Capital Limited, we are of the opinion that the Continuing Connected Transactions are on normal commercial terms and the terms of the Continuing Connected Transactions, the proposed new caps and the New General Mandate are fair and reasonable so far as the Company, the CCT

* *For identification purposes only*

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Independent Shareholders and the General Mandate Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the CCT Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Continuing Connected Transactions and the proposed new caps and the General Mandate Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM to approve the New General Mandate.

Independent Board Committee

Lee Sai Yeung

Chung Kong Fei, Stephen

Ng Chik Sum, Jackson

Independent non-executive Directors

LETTER FROM GRAND CATHAY

The following is the text of a letter of advice from Grand Cathay Securities (Hong Kong) Limited to the Independent Board Committee and CCT Independent shareholders in connection with the Continuing Connected Transactions, which has been prepared for the purpose of incorporation in this circular.



大華證券(香港)

GRAND CATHAY SECURITIES (HONG KONG) LIMITED

香港中環花園道3號中國工商銀行大廈7樓705至706室

Room 705-706, 7/F., ICBC Tower, Citibank Plaza, 3 Garden Road, Central, Hong Kong

Tel: 852-2521-2982 Fax: 852-2521-0085 www.gcsc.com.tw

8 December 2008

*To the Independent Board Committee and
the CCT Independent Shareholders of
CompuTech Holdings Limited*

Dear Sirs,

CONTINUING CONNECTED TRANSACTIONS

INTRODUCTION

We refer to our appointment to advise the Independent Board Committee and the CCT Independent Shareholders with regard to the terms of the Continuing Connected Transactions as contemplated under the New Agreement and the proposed new cap (the “**Annual Cap**”), details of which are set out in the section headed “Letter from the Board” (the “**Letter**”) in the Company’s circular dated 8 December 2008 (the “**Circular**”) to the Shareholders, of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 18 November 2008, the Board announced that the Company entered into the New Agreement on 14 November 2008 with CLIH in relation to the Continuing Connected Transactions.

As at the Latest Practicable Date, CLIH is interested as to approximately 23.08% of the issued share capital of the Company. CLIH is a substantial Shareholder and a connected person to the Company under the GEM Listing Rules. As the applicable percentage ratios calculated (as defined in the GEM Listing Rules) with reference to the Annual Cap exceeds 2.5% and HK\$10 million, the New Agreement and the Annual Cap will be subject to the reporting, announcement requirements and the independent shareholders’ approval requirement set out in Chapter 20 of the GEM Listing Rules.

The issued share capital of CLIH is owned as to approximately 67.86% by Adwin Investment Limited, approximately 29.06% by third parties independent of the Company and approximately 3.08% by Win Plus Group Limited. Adwin Investment Limited is owned as to approximately 73.77% by Win Plus Group Limited. Aplus, a substantial Shareholder interested as to approximately 18.93% of the issued share capital of the Company, is owned as to approximately 84% by Win Plus Group Limited. Accordingly, Aplus is an associate of CLIH. Therefore, CLIH, Aplus and their respective associates, if any, will abstain from voting on the resolutions to be proposed in relation to the New Agreement and the Annual Cap at the EGM. The vote will be taken by poll.

LETTER FROM GRAND CATHAY

Mr. Lee Sai Yeung, Mr. Chung Kong Fei, Stephen and Mr. Ng Chik Sum, Jackson, being all the independent non-executive Directors, have been appointed by the Board to form the Independent Board Committee to advise and make recommendation to the CCT Independent Shareholders as to how to vote at the EGM on the ordinary resolution to be proposed regarding the New Agreement and the Annual Cap.

Our role as the independent financial adviser is to give our independent opinion to the Independent Board Committee and CCT Independent Shareholders as to whether the New Agreement is on normal commercial terms and in the ordinary and usual course of business, and whether the New Agreement and Annual Cap are fair and reasonable and in the interests of the Company and the Shareholders as a whole and whether the CCT Independent Shareholders should vote in favour of the New Agreement and the Annual Cap.

BASIS OF OUR OPINION

In formulating our opinion, we have relied on the information, opinion and representations contained or referred to in the Circular and the information, opinion and representations provided to us by the management of the Company and the Directors. We have assumed that all information, opinion and representations contained or referred to in the Circular and all information, opinion and representations which have been provided by the management of the Company and the Directors, for which they are solely and wholly responsible, were true, accurate and complete at the time when they were made and continue to be so at the date hereof.

Accordingly, we have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information, opinion and representations contained in the Circular, or the reasonableness of the opinions expressed by the management of the Company and the Directors. The Directors collectively and individually accept full responsibility for the accuracy of the information in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other facts the omission of which would make any statement in the Circular misleading. Furthermore, we consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have performed all applicable steps as required under Rule 17.92 of the GEM Listing Rules including the notes thereto. We have relied on such information, opinions and representations but have not, however, conducted any independent in-depth investigation into the business, financial conditions and affairs or the future prospects of the Group or the market in which it operates.

LETTER FROM GRAND CATHAY

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our recommendation to the Independent Board Committee and the CCT Independent Shareholders in respect of the terms of the New Agreement and the Annual Cap, we have considered the following principal factors and reasons:

(1) Background of and reasons for entering into the New Agreement

The Group is principally engaged in the provision of information technology services including consultancy, technical support and system integration services in Hong Kong and in the PRC. The CLIH Group is principally engaged in the research, development and sale of banking terminal automation and mailing solution services in Hong Kong, the PRC and South-East Asia.

Reference is made to the circulars of the Company dated 18 August 2004 and 5 December 2005 respectively in relation to the First Purchase and Service Agreement and the Second Purchase and Service Agreement, pursuant to which the Group would provide information technology-related services to certain non-banking sector customers of the CLIH Group in Hong Kong and the PRC and purchase Inventories from the CLIH Group on a recurring basis.

The term of services under the First Purchase and Service Agreement expired on 31 December 2005 and was extended by the Second Purchase and Service Agreement for another three years commencing from 1 January 2006. The Second Purchase and Service Agreement will expire on 31 December 2008. The Company now proposes to further continue with the Continuing Connected Transactions with the CLIH Group by entering into the New Agreement to renew the terms under the Second Purchase and Service Agreement for another three years commencing from 1 January 2009, being the day immediately after the expiry of the Second Purchase and Service Agreement, up to and including 31 December 2011.

The Directors consider that there is no material change to the terms of the New Agreement as compared with the Second Purchase and Service Agreement.

Under the New Agreement, the Company will continue to act as an outsourcing partner of the CLIH Group. The Group will render information technology-related services including, but not limited to, system maintenance, technical support, system integration and operation support, to existing non-banking sector customers of the CLIH group in Hong Kong and the PRC during the term of the New Agreement. The Provision of IT Services is in line with the Company's principal business activities.

The Directors are of the view that the outsourcing arrangement with CLIH Group relating to Provision of IT Services will enable: (i) the Group to continue expanding its customer base in the non-banking sector and diversifying its income sources; and (ii) both the Group and the CLIH Group to focus on their respective core competencies. On this basis, the Directors are of the view that the Provision of IT Services will provide positive contribution, and is beneficial, to the Group.

LETTER FROM GRAND CATHAY

Under the New Agreement, the Company may from time to time purchase Inventories from CLIH on an order-by-order basis for its own use in the ordinary and usual course of business including the Provision of IT Services. The Directors are of the view that the Purchase Transactions will minimize the need for the Group to carry excess Inventories which are not immediately used. It may also allow the Group to enjoy bulk purchase discounts as the Group's purchase requirements are aggregated with CLIH Group's owned purchase. Nevertheless, the Directors advised us that the Group will purchase equipment and inventories directly from third parties if the terms of such purchases are more favourable than those offered by the CLIH Group.

Based on the above, we consider that the Continuing Connected Transactions are in the ordinary and usual course of business of the Group.

(2) Key terms of the New Agreement

Pricing basis for the Provision of IT Services

As an outsourcing partner, the Provision of IT Services will be provided by the Group in accordance with the terms of the contracts entered into between the CLIH Group and their respective customers, who are not connected persons of the Company. The Provision of IT Services will be carried out in the ordinary course of business of the Group and conducted on normal commercial terms. The Group will furnish CLIH with monthly service activity reports detailing the services rendered to the relevant customers and the amount of time incurred by the Group. Fees for services rendered will be (i) charged to CLIH on a project/contract basis which is calculated based on, for example, units or value of products sold, amount of time required for services performed or number of calls serviced; and (ii) payable by CLIH to the Group. Such payments from CLIH to the Group may be on monthly/quarterly/semi-annual or annual basis, mirroring the terms of payment between CLIH and its customers. CLIH Group is obligated to pay the Group regardless of whether CLIH itself has received payments from its customers. The Directors confirm that such payment arrangements are in line with normal commercial practices. The Directors are of the view that the payment arrangement and the pricing are fair and reasonable so far as the Company and the Shareholders are concerned.

The Directors consider the fees to be received from the Provision of IT Services, which are expected to cover the cost of inventory used, labour costs and other relevant costs to be incurred in carrying out such services and to generate a reasonable margin for the Group, to be fair and reasonable so far as the Shareholders are concerned.

Under the New Agreement, upon expiration of the contracts between CLIH Group and its customers in relation to the Provision of IT Services, the Company may negotiate and enter into new contracts directly with those customers. While there is no guarantee that the Company will be able to secure contracts with those customers, if it is able to do so, the contracts to be entered into between these customers and the Company will be negotiated on an arm's length basis.

In order to find out the fairness of the terms of the Provision of IT Services, we compared the pricing basis, the profit margin and the payment arrangement of the contracts of the Company's own customers who are Independent Third Parties with that of the Provision of IT Services under the Second Purchase and Service Agreement with similar services provided, and find out that the pricing basis, the profit margin and the payment arrangement under the Provision of IT Services is not less favourable to the Group than those available from the Group's own customers.

LETTER FROM GRAND CATHAY

Based on the above, we consider and concur with the Directors' view that the terms of the New Agreement in relation to the Provision of IT Services, including the pricing basis and the payment arrangement are on normal commercial terms and fair and reasonable so far as the Company and the CCT Independent Shareholders are concerned.

Pricing basis of the Purchase Transactions

The purchase prices of the Inventories will be on normal commercial terms and determined on arm's length basis. They will be settled by internal resources of or banking facilities obtained by the Group. The prices of the Inventories shall not exceed the prevailing market prices at which these products are available to the Group from Independent Third Parties. The payment terms for such purchases, including any credit terms available to the Group, will depend on and mirror the terms between CLIH and the relevant suppliers.

No minimum amount of purchase is stipulated and the purchases may be made by the Company at its discretion.

As advised by the Directors, there is a practice of the Group to compare the quotations of the Purchase Transactions from, CLIH with that of the other suppliers who are Independent Third Parties before the Company places purchase orders to CLIH and this practice would continue under the New Agreement. We have also obtained and reviewed samples of the quotation of Inventories provided by the Company from CLIH and the Group's other suppliers who supply similar quality of inventory and found that the quotation of Inventories of CLIH are not higher than those of the Group's other suppliers. Therefore, we are of the view that the terms of the New Agreement in relation to the Purchase Transactions are on normal commercial terms and fair and reasonable so far as the Company and the CCT Independent Shareholders are concerned.

Other terms of the New Agreement

We have reviewed and compared the Second Purchase and Service Agreement and the New Agreement and consider that their respective terms have no material difference and no abnormal terms were noted. As such, we conclude that the terms of the New Agreement are on normal commercial terms.

LETTER FROM GRAND CATHAY

(3) Annual Cap

The table below sets out the actual total contract sums which were received and paid by the Group in respect of the Continuing Connected Transactions in the past and the proposed caps for the Continuing Connected Transactions for the three years ending 31 December 2011:

| | Actual total contract sum | | | Annual Cap | | |
|-----------------|---------------------------|-------------|-----------------|---------------------|-----------------|--------|
| | For the year ended | | For the | For the year ending | | |
| | 31 December | | six months | 31 December | | |
| | 2006 | 2007 | ended | 2009 | 2010 | 2011 |
| (audited) | (audited) | 30 June | | | | |
| <i>HK\$'000</i> | <i>HK\$'000</i> | 2008 | <i>HK\$'000</i> | <i>HK\$'000</i> | <i>HK\$'000</i> | |
| | | (unaudited) | <i>HK\$'000</i> | <i>HK\$'000</i> | <i>HK\$'000</i> | |
| Provision of | | | | | | |
| IT Services | 34,358 | 29,738 | 15,997 | 49,000 | 58,000 | 66,000 |
| Purchase | | | | | | |
| Transactions | 19,103 | 13,779 | 6,079 | 8,000 | 8,000 | 8,000 |

The Annual Cap for each of the three years ending 31 December 2011 are estimated by the Directors after taking into account (i) the historical figures for the Continuing Connected Transactions; (ii) CLIH Group's current customer contracts on hand; (iii) business projections provided by the management of CLIH, which are based on contracts under negotiation between CLIH Group and its customers; (iv) estimated parts and components usage based on projected service calls volume under the Provision of IT Services; and (v) estimated purchase of equipment by the Company for its other customers.

For the years ended 31 December 2006 and 2007 and the six months ended 30 June 2008, the total contract sum which were received by the Group in respect of the Provision of IT Services under the Second Purchase and Service Agreement were approximately HK\$34 million, HK\$30 million and HK\$16 million respectively. On an annualized basis, the contract sum for the year ending 31 December 2008 would be approximately HK\$32 million. As noted from the above table, the Annual Cap for the Provision of IT Services, however, is significantly higher than the actual contract sum for each of the three years ended 31 December 2008.

We have reviewed and discussed with the Directors regarding the business projection for the Provision of IT Services (including its underlying assumptions) and noted that such projection is prepared based on the CLIH Group's current contracts on hand and the contracts under negotiation. As advised by the Directors, the contract period of the new potential contracts normally last from 1 to 3 years, subject to extension. Based on the business projection provided by the Company, the contract sum for the existing contracts on hand for the period from 2009 to 2011 amounts to approximately HK\$41 million, HK\$46 million and HK\$52 million, respectively. As advised by the management of the Company, the contracts under negotiation mainly cover four areas, which are multi-vendors maintenance services, call center & help desk services, sub-contracting and outsourcing services and tailor-made technical support projects. According to the management of the Company, these contracts are still in the negotiation and/or tender stage and therefore the contract sum may be varied as the

LETTER FROM GRAND CATHAY

scope of work of the Group has not yet been determined. However, based on the current understanding of the Directors to the scope of the work of the Group to these new contracts, the aggregate sum will be approximately HK\$8 million, HK\$11 million and HK\$13 million for the coming three years.

Although the actual contract sum in respect of the Provision of IT Services for the each of three years ended 31 December 2008 was comparably lower than the Annual Cap, the Directors consider that the Annual Cap is fair and reasonable as (i) the contract amount of the existing contracts on hand accounts for the majority portion of the Annual Cap for the Provision of IT Services; (ii) the entering into of the new potential contracts is probable and profitable; and (iii) the Company may lose such new business contracts referred by CLIH if the Annual Cap is not sufficient to cover the contract sums of the new contracts under negotiation. We concur with the Directors' view in this regard. As discussed in the previous paragraph, the Directors advised us that the fees to be received from the Provision of IT Services are expected to cover the cost of inventory used, labour costs and other relevant costs to be incurred in carrying out such services and to generate a reasonable margin for the Group. As the Provision of IT Services is the main revenue stream of the Company and will provide a reasonable profit margin to the Group, we are of the view that it is reasonable for the Company to set the Annual Cap in the amounts higher than the historical figures for the Provision of IT Services and the contract sum of the existing contracts for the coming three years.

Regarding the Annual Cap for the Purchase Transaction, we note that it is set at HK\$8 million for each of the financial years ending 31 December 2011. Reference is made to the Company's announcements dated 11 April 2008 and 2 May 2008 and the Company's circular dated 29 May 2008. The Group disposed of its supply chain solution business segments to the CLIH Group in the current year. As advised by the Directors, the Group used to purchase the certain specific and unique computer parts and components from the CLIH Group in carrying its supply chain solution services. After the disposal of this business segment, the demand of the Group for such computer parts and components will decline. The Annual Cap for the Purchase Transaction is estimated by the consumption of the other business segments of the Group for the existing contracts on hand and the new potential contracts under negotiation.

Based on the above, we concur with the Directors' view that the Annual Cap for the Provision of IT Services and the Purchase Transaction is justifiable.

RECOMMENDATION

Taking into account the factors and reasons as mentioned above, we are of the opinion that the New Agreement is in the ordinary and usual course of business of the Group and on normal commercial terms, and the New Agreement and Annual Cap are fair and reasonable so far as the Company and the CCT Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the CCT Independent Shareholders and advise the Independent Board Committee to recommend to the CCT Independent Shareholders to vote in favour of the resolution to approve the New Agreement and the Annual Cap to be proposed at the EGM.

Yours faithfully,
For and on behalf of

Grand Cathay Securities (Hong Kong) Limited

Kim Chan
Director

Kevin Chan
Director

LETTER FROM VINCO CAPITAL

The following is the text of a letter of advice from Grand Vinco Capital Limited to the Independent Board Committee and the General Mandate Independent Shareholders in connection with the proposed New General Mandate to issue and allot Shares, which has been prepared for the purpose of incorporation in this circular:



Grand Vinco Capital Limited
Units 4909-4910, 49/F., The Center
99 Queen's Road Central, Hong Kong

8 December 2008

*To the Independent Board Committee and the General Mandate Independent Shareholders of
Computech Holdings Limited*

Dear Sirs,

REFRESHMENT OF GENERAL MANDATE TO ALLOT AND ISSUE SHARES

INTRODUCTION

We refer to our engagement as the independent financial adviser to advise the Independent Board Committee and the General Mandate Independent Shareholders in connection with the proposed New General Mandate, details of which are set out in the section headed "Letter from the Board" in the circular (the "Circular") issued by the Company to the Shareholders dated 8 December 2008 of which this letter forms part. Capitalized terms used in this letter shall have the same meanings ascribed to them in the Circular unless the context otherwise requires.

In accordance with Rule 17.42A of the GEM Listing Rules, the proposed New General Mandate requires the approval of the General Mandate Independent Shareholders. Since there is no controlling Shareholder as at the Latest Practicable Date, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the relevant resolutions. As at the Latest Practicable Date, Mr. Fung Pak Chuen, Alphonso, an executive Director and chairman of the Company, is indirectly interested in (i) approximately 42% of the issued share capital of Aplus, which is interested in 19,837,600 Shares, representing approximately 18.93% of the entire issued share capital of the Company; and (ii) approximately 26.57% of the issued share capital of CLIH, which is interested in 24,187,202 Shares, representing approximately 23.08% of the entire issued share capital of the Company. Mr. Mak Kwong Yiu, being an executive Director is interested in 500,000 share options of the Company, representing approximately 0.48% of the issued share capital of the Company. Accordingly, Mr. Fung Pak Chuen, Alphonso, Aplus, CLIH and Mr. Mak Kwong Yiu and their respective associates are required to abstain from voting in favour of the relevant resolutions in the EGM. Voting of the General Mandate Independent Shareholders at the EGM shall be taken by poll according to Rule 17.47 (4)(b) of the GEM Listing Rules.

LETTER FROM VINCO CAPITAL

The proposed New General Mandate will, if granted, remain effective until the earliest of: (i) the conclusion of next annual general meeting of the Company; (ii) the expiration of the period within the next annual general meeting of the Company is required by the memorandum and articles of association of the Company or any other applicable laws to be held and (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors under the proposed New General Mandate.

The Independent Board Committee, comprising Mr. Lee Sai Yeung, Mr. Chung Kong Fei, Stephen and Mr. Ng Chik Sum, Jackson, all being the independent non-executive Directors, has been formed to advise the General Mandate Independent Shareholders as to whether the terms of the proposed New General Mandate are fair and reasonable so far as the General Mandate Independent Shareholders are concerned and whether the proposed New General Mandate is in the interests of the Company and the Shareholders as a whole.

BASIS OF OUR OPINION AND RECOMMENDATION

In forming our opinion and recommendation, we have relied on the information, facts and representations contained or referred to in the Circular and the information, facts and representations provided by, and the opinions expressed by the Directors, management of the Company and its subsidiaries. We have assumed that all information, facts, opinions and representations made or referred to in the Circular were true, accurate and complete at the time they were made and continued to be true, accurate and complete as at the date of the Circular and that all expectations and intentions of the Directors, management of the Company and its subsidiaries, will be met or carried out as the case may be. We have no reason to doubt the truth, accuracy and completeness of the information, facts, opinions and representations provided to us by the Directors, management of the Company and its subsidiaries. The Directors have confirmed to us that no material facts have been omitted from the information supplied and opinions expressed. We have no reason to doubt that any relevant material facts have been withheld or omitted from the information provided and referred to in the Circular or the reasonableness of the opinions and representations provided to us by the Directors, management of the Company and its subsidiaries.

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

We have relied on such information and opinions and have not, however, conducted any independent verification of the information provided, nor have we carried out any independent investigation into the business, financial conditions and affairs of the Group or its future prospect.

Based on the foregoing, we confirm that we have taken all reasonable steps, which are applicable to the proposed New General Mandate, as referred to in Rule 17.92 of the GEM Listing Rules (including the notes thereto).

LETTER FROM VINCO CAPITAL

This letter is issued for the information for the Independent Board Committee and the General Mandate Independent Shareholders solely in connection with their consideration of the proposed New General Mandate and, except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation to the Independent Board Committee and the General Mandate Independent Shareholders in relation to the proposed New General Mandate, we have considered the following principal factors and reasons:

Background of and reasons for the proposed New General Mandate

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

The Current General Mandate was granted to the Directors to allot and issue up to a maximum of 20,960,400 Shares (equivalent to 20% of the aggregate nominal amount of the issued share capital of the Company of 104,802,000 Shares) at the AGM held on 25 April 2008. As announced on 11 September 2008, the Current General Mandate had been utilised as to 20,900,000 Shares upon the issue of 20,900,000 non-listed warrants by the Company, representing approximately 99.71% of the aggregate number of Shares which may be allotted and issued under the Current General Mandate. Given that the Current General Mandate may be substantially utilised upon the issue of 20,900,000 non-listed warrants, the New General Mandate is proposed for any further potential issuance of Shares by the Company.

In this regard, the Board proposed to pass an ordinary resolution at the EGM to approve the proposed New General Mandate in accordance with Rule 17.42A of the GEM Listing Rules to allow flexibility to issue any additional new Shares so that the Directors would be granted to allot and issue not exceeding 20% of the entire issued share capital of the Company as at the date of the EGM. The proposed New General Mandate will be in force when it is approved by the General Mandate Independent Shareholders at the EGM.

Fund raising activities in the past 12 months

According to the information provided by the Directors, the following table summarizes the information relating to the Company's fund raising activities in the past 12 months:

| Date of announcement | Transaction | Net proceed raised (approximately) | Intended use of proceeds | Actual use of proceeds as at the Latest Practicable Date |
|----------------------|------------------------------------------------------|------------------------------------|--------------------------|----------------------------------------------------------|
| 11 September 2008 | Grant of an aggregate 20,900,000 non-listed warrants | Not applicable | Not applicable | Not applicable |

LETTER FROM VINCO CAPITAL

As stated in the 2008 interim report of the Group, we noted that the Group had unaudited cash and bank balances of approximately HK\$4,795,000 and recorded total liabilities of HK\$4,553,000 (of which all were current liabilities) as at 30 June 2008.

As announced on 11 September 2008, the Company has granted warrants to Mr. Chui Bing Sun (“Mr. Chui”) in consideration of the performance of the service to be rendered by Mr. Chui under the service agreement dated 6 September 2008 that entered into between the Company and Mr. Chui. However, no net proceed are raised for this transaction. Save as disclosed above, the Company has not conducted any fund-raising activities in the past 12 months.

The Directors confirmed that the existing cash resources of the Group are sufficient for it to conduct its daily operations and the Group has sufficient working capital to meet its present requirements. However, in the event the Company identifies a suitable investment opportunity but does not have sufficient financial resources on hand, or is unable to obtain loan financing on acceptable terms, or cannot find other alternatives to finance the acquisition of such investment opportunity in a timely manner, the Company may lose its bid in an otherwise favourable investment and also a favorable opportunity to expand its business portfolio.

In light of the above, we are of the view that the proposed New General Mandate could provide the Company the financial flexibility necessary for its future business development as and when it arises, and thus we consider that the New General Mandate is fair and reasonable to the Company and is in the interests of the Company and the General Mandate Independent Shareholders as a whole.

Financial flexibility

The Directors believed that the granting of the proposed New General Mandate will provide the Company with additional flexibility in deciding the source of finance for any business development that may arise in the future and for the purpose of raising general working capital of the Group. As at the Latest Practicable Date, the Directors confirmed that there is no proposal for any investment or acquisition of the Group, we noted that the Directors cannot perceive whether or not there will be any issue of Shares as at the Latest Practicable Date and the amount thereof and the application of such proceeds.

We consider that the proposed New General Mandate could enhance the financing flexibility of the Company to raise capital and to strengthen the capital base of the Group, if and when required, by way of issue of new Shares or other convertible instruments for further development of the Group. In addition, the Directors consider that if investment or acquisition opportunities arise, decisions may have to be made within a limited period of time. The proposed New General Mandate would provide the Group with the maximum flexibility as allowed under the Listing Rules to allot and issue new Shares or other convertible instruments to raise capital through placing of Shares as consideration for funding such potential investments and/or acquisitions in the future as and when such opportunities arise. The increased amount of capital which may be raised under the proposed New General Mandate provides more options of financing to the Group when assessing and negotiating potential acquisitions in a timely manner.

LETTER FROM VINCO CAPITAL

Other financing alternatives

Other than raising funds by way of issuing equity capital, the Directors confirmed that they will consider other financing methods such as bank financing, debt financing and funding through internal resources in order to meet its financing requirements arising from future development of the Group, depending on the then financial position, capital structure and cost of funding of the Group and the then market condition. As confirmed by the Directors, the proposed New General Mandate provides another alternative to the Directors to finance the Group's businesses and the Directors will use the method which serves the best interest of the Group. We consider that it is a sensible consideration to make reference to the then financial position of the Group in order to decide on a financing method for the future development of the Group.

Potential dilution to shareholding of the General Mandate Independent Shareholders

| | As at the Latest Practicable Date | | Upon full utilisation of the New General Mandate | |
|------------------------------------------------|--------------------------------------|---------------|-----------------------------------------------------|---------------|
| | <i>Number of Shares</i> | % | <i>Number of Shares</i> | % |
| Aplus (<i>Note 1</i>) | 19,837,600 | 18.93 | 19,837,600 | 15.77 |
| CLIH (<i>Note 2</i>) | 24,187,202 | 23.08 | 24,187,202 | 19.23 |
| Public Shareholders | | | | |
| Shares issued under the New General Mandate | – | – | 20,960,400 | 16.67 |
| Other Public Shareholders | 60,777,198 | 57.99 | 60,777,198 | 48.33 |
| Total | <u>104,802,000</u> | <u>100.00</u> | <u>125,762,400</u> | <u>100.00</u> |

Notes:

- (1) Aplus is beneficially owned as to 42% by Mr. Fung Pak Chuen, Alphonso, an executive Director and chairman of the Company.
- (2) CLIH is beneficially owned as to 26.57% by Mr. Fung Pak Chuen, Alphonso, an executive Director and chairman of the Company.

For illustrative purpose, assuming there is no change in the issued share capital of the Company until the date of the EGM and the proposed New General Mandate is fully utilised, 20,960,400 new Shares will be issued, representing 20% of the entire issued share capital of the Company, and approximately 16.67% of the then entire issued share capital of the Company as enlarged by the Shares issued under the proposed New General Mandate respectively.

LETTER FROM VINCO CAPITAL

The aggregate shareholding of the other public Shareholders will decrease from approximately 57.99% to approximately 48.33% upon full utilisation of the New General Mandate, a potential maximum dilution of approximately 9.66%. Taking into account that the proposed New General Mandate (i) will provide an alternative to increase the amount of capital which may be raised under the proposed New General Mandate; (ii) provides more options of financing to the Group for further development of its business as well as in potential investment and/or acquisitions when such opportunities arise and; (iii) the fact that the shareholding of all the Shareholders will be diluted proportionally to their respective shareholdings upon any utilisation of the proposed New General Mandate, we consider such potential maximum dilution to shareholdings of the General Mandate Independent Shareholders to be justifiable.

CONCLUSION

Having taken into consideration the above principal factors and reasons, we are of the view that the proposed New General Mandate is fair and reasonable so far as the General Mandate Independent Shareholders are concerned and that the proposed New General Mandate is in the interests of the Company and the General Mandate Independent Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend the General Mandate Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the proposed New General Mandate.

Yours faithfully,
For and on behalf of
Grand Vinco Capital Limited
Alister Chung
Managing Director

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:

1. the information contained in this circular is accurate and complete in all material respects and not misleading;
2. there are no other matters the omission of which would make any statement in this document misleading; and
3. all opinions expressed in this document have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

2. DISCLOSURE OF INTERESTS

(a) Director's interests and short positions in the securities of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange, were as follows:

(i) Shares:

| Name of Director | Number or attributable number of Shares held or short positions | Nature of interests | Approximate percentage or attributable percentage of shareholding (%) |
|-------------------------------------------------------|-----------------------------------------------------------------|--------------------------------------|-----------------------------------------------------------------------|
| Fung Pak Chuen, Alphonso (“ Mr. Fung ”) (Note) | 44,024,802 (L) | Interest of a controlled corporation | 42.01 |

L: Long Position

Note: Win Plus Group Limited (“**Win Plus**”) holds approximately 84% interest in the issued share capital of Aplus and is deemed to be interested in the 19,837,600 Shares held by Aplus. Win Plus also holds approximately 73.77% interest in the issued share capital of Adwin Investment Limited (“**Adwin**”) and Adwin holds approximately 67.86% in the issued share capital of CLIH; Win Plus is therefore deemed to be interested in the 24,187,202 Shares held by CLIH. Accordingly, Win Plus is deemed to be interested in a total of 44,024,802 Share under the SFOs. As 50% of the issued share capital of Win Plus is held by AFS Holdings Limited (“**AFS**”), AFS is deemed to be interested in 44,024,802 Shares held by Aplus and CLIH. AFS is wholly-owned by Mr. Fung. Accordingly, Mr. Fung is deemed to be interested in 44,024,802 Shares of which AFS is interested in. Mr. Fung is the director of each of Aplus, CLIH and Win Plus.

(ii) *Share options:*

| Name of Director | Number of options held | Date of grant | Exercise period | Exercise price per share (HK\$) | Nature of Interest | Approximate percentage of the issued share capital of the Company (%) |
|------------------|------------------------|------------------|-------------------------------------|---------------------------------|--------------------|-----------------------------------------------------------------------|
| Mak Kwong Yiu | 500,000 | 5 September 2008 | 5 September 2008 – 4 September 2011 | 0.56 | Beneficial owner | 0.48 |

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange.

(b) Persons who have an interest or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO

So far as is known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, the following persons (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were expected, directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Substantial shareholders of the Company:

| Name of Shareholder | Number or attributable number of Shares or underlying Shares held or short positions | Nature of interests | Approximate percentage or attributable percentage of shareholding (%) |
|---------------------------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------------|-----------------------------------------------------------------------|
| Aplus | 19,837,600 (L) | Beneficial owner | 18.93 |
| CLIH | 24,187,202 (L) | Beneficial owner | 23.08 |
| Adwin (<i>Note 1</i>) | 24,187,202 (L) | Interest of a controlled corporation | 23.08 |
| Win Plus (<i>Note 2</i>) | 44,024,802 (L) | Interest of a controlled corporation | 42.01 |
| AFS (<i>Note 3</i>) | 44,024,802 (L) | Interest of a controlled corporation | 42.01 |
| Ardian Holdings Limited (“ Ardian ”) (<i>Note 3</i>) | 44,024,802 (L) | Interest of a controlled corporation | 42.01 |
| Mrs. Fung, Pui Lan, Angela (<i>Note 4</i>) | 44,024,802 (L) | Interest of spouse | 42.01 |
| Mr. Lo Richard (“ Mr. Lo ”) (<i>Note 5</i>) | 44,024,802 (L) | Interest of a controlled corporation | 42.01 |

| Name of Shareholder | Number or attributable number of Shares or underlying Shares held or short positions | Nature of interests | Approximate percentage or attributable percentage of shareholding (%) |
|-------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------------|-----------------------------------------------------------------------|
| Mrs. Lo, Lilian (<i>Note 6</i>) | 44,024,802 (L) | Interest of spouse | 42.01 |
| Mr. Chui Bing Sun (<i>Note 7</i>) | 20,900,000 (L) | Beneficial owner | 19.94 |
| Merryway Limited (<i>Note 8</i>) | 10,400,000 (L) | Beneficial owner | 9.92 |
| Mr. Lam Tsan Fai Fergus (<i>Note 8</i>) | 10,400,000 (L) | Interest of a controlled corporation | 9.92 |
| Asia Financing Limited (<i>Note 9</i>) | 10,400,000 (L) | Beneficial owner | 9.92 |
| Mr. Cheung Siu Wing (<i>Note 9</i>) | 10,400,000 (L) | Interest of a controlled corporation | 9.92 |

L: Long Position

Notes:

- Adwin holds approximately 67.86% interest in the share capital of CLIH and is deemed to be interested in the 24,187,202 Shares held by CLIH.
- Win Plus holds approximately 84% interest in the issued share capital of Aplus as well as approximately 73.77% interest in the issued share capital of Adwin and is accordingly deemed to be interested in a total of 44,024,802 Shares held by Aplus and CLIH.
- Win Plus is owned as to 50% by AFS and 50% by Ardian Holdings Limited (“**Ardian**”). Accordingly, AFS and Ardian are each deemed to be interested in 44,024,802 Shares of which Win Plus is interested in.
- AFS is wholly-owned by Mr. Fung. Mrs. Fung, Pui Lan, Angela, being the spouse of Mr. Fung, is therefore taken to have an interest in 44,024,802 Shares.
- As 50% of the issued share capital of Win Plus is held by Ardian, Ardian is deemed to be interested in 44,024,802 Shares held by Aplus and CLIH. Ardian is wholly-owned by Mr. Lo. Accordingly, Mr. Lo is deemed to be interested in 44,024,802 Shares of which Ardian is interested in.

6. Aridan is wholly-owned by Mr. Lo. Mrs. Lo Lilian, being the spouse of Mr. Lo, is therefore taken to have an interest in 44,024,802 Shares.
7. This includes the 20,900,000 warrants granted by the Company to Mr. Chui Bing Sun on 30 September 2008, which if fully converted at an exercise price of HK\$0.46 per warrant share, resulting in 20,900,000 warrant shares.
8. Merryway Limited is wholly-owned by Mr. Lam Tsan Tai Fergus.
9. Asia Financing Limited is wholly-owned by Mr. Cheung Siu Wing.

(c) Substantial shareholders of other members of the Group

Save as disclosed above, as at the Latest Practicable Date, the Directors and the chief executive of the Company were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the Shares or underlying Shares, which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

4. LITIGATION

So far as the Directors are aware, no member of the Group is engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to the Directors to be pending or threatened against any member of the Group as at the Latest Practicable Date.

5. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or substantial Shareholder or any of their respective associates has any interest in business which competes with or may compete with the business of the Group or has any other conflict of interests which any person has or may have with the Group.

6. MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial position or trading position of the Group since 31 December 2007, being the date to which the latest published audited financial statements of the Group was made up.

7. INTERESTS IN CONTRACTS AND ASSETS

Save as the Second Purchase and Service Agreement and the New Agreement under which Mr. Fung is interested in by virtue of his interest in CLIH, there is no contract or arrangement entered into by any member of the Group subsisting at the date of this circular in which any Director is materially interested and which is significant to the business of the Group.

As at the Latest Practicable Date, save as the Second Purchase and Service Agreement and the New Agreement under which Mr. Fung is interested in by virtue of his interest in CLIH, none of the Directors had any direct or indirect interest in any assets which had been acquired, disposed of by or leased to, or which were proposed to be acquired, disposed of by or leased to, any member of the Group since 31 December 2007, the date to which the latest published audited consolidated financial statements of the Group were made up.

8. EXPERT

The following is the qualifications of the expert who have given an opinion or advice contained in this circular:

| Name | Qualification |
|---------------|-------------------------------------------------------------------------------------|
| Grand Cathay | Licensed corporation under the SFO to conduct types 1, 6 and 9 regulated activities |
| Vinco Capital | Licensed corporation under the SFO to conduct types 1 and 6 regulated activities |

As at the Latest Practicable Date, Grand Cathay and Vinco Capital did not have any interests, either direct or indirect, in any assets which have been acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2007, the date to which the latest published audited consolidated financial statements of the Group were made up.

As at the Latest Practicable Date, Grand Cathay and Vinco Capital was not interested beneficially or non-beneficially in any Shares in the Company or any of its subsidiaries or any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

Grand Cathay and Vinco Capital has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its respective letter and/or report and/or reference to its name in the form and context in which it respectively appears.

9. MISCELLANEOUS

- (a) The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and the head office and principal place of business in Hong Kong is at 10/F., Westlands Centre, 20 Westlands Road, Quarry Bay, Hong Kong.
- (b) The branch share registrar and transfer office of the Company in Hong Kong is Hong Kong Registrars Limited at Room 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (c) The company secretary and the qualified accountant of the Company is Miss. Chan Wai Kuen, Karen. Miss. Chan Wai Kuen, Karen is a member of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants.

10. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business of the Company in Hong Kong at 10/F., Westlands Centre, 20 Westlands Road, Quarry Bay, Hong Kong during normal business hours on any Business Day from the date of this circular up to and including the date of the EGM:

- (a) the memorandum and articles of association of the Company;
- (b) the New Agreement;
- (c) the Second Purchase and Service Agreement;
- (d) the First Purchase and Service Agreement;
- (e) the written consent from the expert referred to under the paragraph headed "Expert" in this appendix;
- (f) the letter from the Independent Board Committee, the text of which is set out on pages 18 to 19 in this circular;
- (g) the letter of advise from Grand Cathay to the Independent Board Committee and the CCT Independent Shareholders, the text of which is set out on pages 20 to 26 in this circular; and
- (h) the letter of advise from Vinco Capital to the Independent Board Committee and the General Mandate Independent Shareholders, the text of which is set out on pages 27 to 32 in this circular.

NOTICE OF EGM



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

(Incorporated in the Cayman Islands with limited liability)

(stock code: 8081)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Computech Holdings Limited (the “**Company**” together with its subsidiaries, the “**Group**”) will be held at 10/F., Westlands Centre, 20 Westlands Road, Quarry Bay, Hong Kong on Wednesday, 24 December 2008 at 10:00 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT**

- (a) the conditional agreement (the “**New Agreement**”) dated 14 November 2008 and entered into between the Company and CL International Holdings Limited (“**CLIH**”) for:
- (i) the provision of information technology related services including, but not limited to, system maintenance, technical support, system integration and operation support, by the Group to the customers of CLIH and its subsidiaries from time to time (the “**Provision of IT Services**”), and
 - (ii) the purchase of inventories, comprising principally computer parts and components, peripherals and equipment, by the Group from CLIH from time to time for use in the Group’s ordinary and usual course of business including the Provision of IT Services (the “**Purchase Transactions**”),

(a copy of the New Agreement has been produced to this meeting marked “**A**” and signed by the Chairman of the meeting for the purpose of identification) be and are hereby approved, confirmed and ratified;

- (b) the annual caps (the “**New Agreement Annual Caps**”) of HK\$49,000,000, HK\$58,000,000 and HK\$66,000,000 payable in relation to the Provision of IT Services under the New Agreement for each of the three years ending 31 December 2011 respectively and HK\$8,000,000, HK\$8,000,000 and HK\$8,000,000 payable in relation to the Purchase Transactions under the New Agreement for each of the three years ending 31 December 2011 respectively be and are hereby approved, and

* For identification purposes only

NOTICE OF EGM

- (c) any one of more of the directors (the “**Directors**”) of the Company be and is/are hereby authorised to do all other acts and things and execute all documents which they consider necessary or expedient for the implementation of and the giving effect to the New Agreement and the transactions contemplated thereunder.”
2. “**THAT**, to the extent not already exercised, the mandate to allot and issue shares of the Company given to the Directors at the annual general meeting (the “**AGM**”) of the Company held on 25 April 2008 be and is hereby revoked and replaced by the mandate **THAT**:
- (a) subject to paragraph (c) below, pursuant to the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on the Growth Enterprise Market (“**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with unissued shares (each a “**Share**”) of HK\$0.05 each in the share capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period (as defined below) to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise), issued or dealt with by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association (the “**Articles**”) of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
- (i) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and
- (ii) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of such resolution),

NOTICE OF EGM

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

(d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated or revised) of the Cayman Islands or any other applicable laws of the Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

3. “**THAT** conditional upon the passing of resolution no. 2 above, the mandate granted to the Directors at the AGM to extend the general mandate to allot and issue Shares to Shares repurchased by the Company be and is hereby revoked and replaced by the mandate **THAT** the Directors be and they are hereby authorised to exercise the authority referred to in paragraph (a) of resolution no. 2 above in respect of the share capital of the Company referred to in sub-paragraph (ii) of paragraph (c) of such resolution.”

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

Hong Kong, 8 December 2008

NOTICE OF EGM

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head office and principal place
of business in Hong Kong:*

10/F.
Westlands Centre
20 Westlands Road
Quarry Bay
Hong Kong

Notes:

1. Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, in the event of a poll, vote in his/her stead. A proxy needs not be a member of the Company.
2. In order to be valid, the form of proxy must be duly lodged at the Company's branch registrar in Hong Kong, Hong Kong Registrars Limited at Room 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Hong Kong together with a power of attorney or other authority, if any, under which it is duly signed or a notarially certified copy of that power of attorney or authority, not less than 48 hours before the time for holding the meeting or any adjourned meeting.
3. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the above meeting or any adjournment thereof, should he so wish, and in such event, the form of proxy shall be deemed to be revoked.