



## COMPUTECH HOLDINGS LIMITED

駿科網絡訊息有限公司\*

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

(Stock Code: 8081)

### INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2010

#### CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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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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\* For identification purpose only

## INTERIM RESULTS

The board (the “Board”) of Directors of Computech Holdings Limited (the “Company”) is pleased to announce the condensed consolidated interim financial statements (the “Interim Accounts”) of the Company and its subsidiaries (together the “Group”) for the six months ended 30 June 2010 together with the comparative unaudited consolidated figures for the corresponding period of 2009. The Interim Accounts have not been audited, but have been reviewed by the Company’s audit committee.

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

*For the six months ended 30 June 2010*

		(Unaudited)			
		For the six months ended 30 June		For the three months ended 30 June	
		2010	2009	2010	2009
	Note	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Turnover	3	13,255	18,484	6,365	9,128
Cost of sales		<u>(11,463)</u>	<u>(14,404)</u>	<u>(5,498)</u>	<u>(7,165)</u>
Gross profit		1,792	4,080	867	1,963
Other income		154	209	47	104
Selling and distribution expenses		–	(27)	–	(10)
Administrative expenses		<u>(3,844)</u>	<u>(5,042)</u>	<u>(1,880)</u>	<u>(2,570)</u>
Loss before income tax	4	(1,898)	(780)	(966)	(513)
Income tax expense	5	<u>–</u>	<u>(57)</u>	<u>–</u>	<u>(21)</u>
Loss for the period		<u><u>(1,898)</u></u>	<u><u>(837)</u></u>	<u><u>(966)</u></u>	<u><u>(534)</u></u>
Loss for the Period attributable to equity holders of the company		<u><u>(1,898)</u></u>	<u><u>(837)</u></u>	<u><u>(966)</u></u>	<u><u>(534)</u></u>
Loss per share-Basic (HK cents)	6	<u><u>(0.24)</u></u>	<u><u>(0.11)</u></u>	<u><u>(0.12)</u></u>	<u><u>(0.07)</u></u>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2010

		(Unaudited) At 30 June 2010 HK\$'000	(Audited) At 31 December 2009 HK\$'000
	Note		
NON-CURRENT ASSETS			
Plant and equipment		120	188
Interest in an associate		<u>4</u>	<u>4</u>
		<u>124</u>	<u>192</u>
CURRENT ASSETS			
Inventories		1,193	1,771
Debtors, deposits and prepayments	8	3,217	1,671
Amount due from related companies	9	4,408	4,302
Income tax recoverable		54	54
Cash and bank balances		<u>4,939</u>	<u>8,362</u>
		13,811	16,160
DEDUCT:			
CURRENT LIABILITIES			
Creditors, accruals and deposits received	10	4,417	4,932
Amount due to a related company	9	<u>–</u>	<u>4</u>
		<u>4,417</u>	<u>4,936</u>
NET CURRENT ASSETS		<u>9,394</u>	<u>11,224</u>
NET ASSETS		<u><u>9,518</u></u>	<u><u>11,416</u></u>
CAPITAL AND RESERVES			
SHARE CAPITAL		7,891	7,891
RESERVES		<u>1,627</u>	<u>3,525</u>
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		<u><u>9,518</u></u>	<u><u>11,416</u></u>

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2010

	Attributable to shareholders of the Company					
	Share capital	Share premium	Share Options reserve	Warrants reserve	Accumulated losses	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1/1/2009 (Audited)	5,240	3,465	28	1,025	(934)	8,824
Issue of shares	2,620	4,708	–	–	–	7,328
Loss for the period	–	–	–	–	(837)	(837)
At 30/6/2009 (Unaudited)	<u>7,860</u>	<u>8,173</u>	<u>28</u>	<u>1,025</u>	<u>(1,771)</u>	<u>15,315</u>
At 1/1/2010 (Audited)	<b>7,891</b>	<b>8,380</b>	<b>28</b>	<b>1,025</b>	<b>(5,908)</b>	<b>11,416</b>
Total comprehensive loss for the period	–	–	–	–	(1,898)	(1,898)
At 30/6/2010 (Unaudited)	<u><b>7,891</b></u>	<u><b>8,380</b></u>	<u><b>28</b></u>	<u><b>1,025</b></u>	<u><b>(7,806)</b></u>	<u><b>9,518</b></u>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2010

	<b>(Unaudited)</b>	
	<b>For the six months</b>	
	<b>ended 30 June</b>	
	<b>2010</b>	<b>2009</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Net cash used in operating activities	<b>(1,364)</b>	(1,868)
Net cash used in investing activities	<b>(2,059)</b>	(35)
Net cash from financing activities	<u>–</u>	<u>7,328</u>
Net (decrease)/increase in cash and cash equivalent	<b>(3,423)</b>	5,425
Cash and cash equivalents		
At beginning of the period	<u><b>8,362</b></u>	<u>3,063</u>
Cash and cash equivalents at end of the period	<u><b>4,939</b></u>	<u>8,488</u>
Analysis of cash and cash equivalents		
Cash and bank balances	<u><b>4,939</b></u>	<u>8,488</u>

## NOTES:

### 1. BASIS OF PREPARATION

The unaudited accounts have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with accounting standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). They are prepared under the historical cost convention.

The accounting policies and basis of preparation used in the preparation of the unaudited consolidated results are consistent with those used in the Company’s annual financial statements for the year ended 31 December 2009, except for the adoption of certain new and revised Hong Kong Financial Reporting Standards (“HKFRS”) and Hong Kong Accounting Standards (“HKAS”) as disclosed in note 2 below.

### 2. IMPACT OF NEW HKFRSs AND HKASs

HKICPA has issued a number of new and revised HKFRSs and HKASs which are effective for accounting periods commencing on or after 1 January 2010. The Group has adopted, for the first time for the current year’s financial statements. Except for in certain cases, giving rise to new and revised accounting policies and additional disclosures, the adoption of these new and revised standards and interpretation has had no material effect on these financial statements.

HKFRSs that are effective for the six months ended 30 June 2010.

These HKFRSs are effective for annual periods beginning on or after 1 January 2010:

HKAS 24 (Revised)	Related Party Disclosures
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKFRS 1 (Revised)	First-time Adoption of Hong Kong Financial Reporting Standards
HKFRS 3 (Revised)	Business Combinations
HKFRS 9	Financial Instruments
HK(IFRIC)-Int 17	Distributions of Non-cash Assets to Owners
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments
Amendments to HKAS 32	Classification of Rights Issues
Amendments to HKAS 39	Eligible Hedged Items
Amendments to HKFRS 1	Additional Exemptions for First-time Adopters
Amendments to HKFRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to HK(IFRIC)-Int 14	Prepayments of a Minimum Funding Requirement
Improvements to HKFRSs 2008	Amendments to HKFRS 1 and HKFRS 5
Improvements to HKFRSs 2009	Amendments to HKAS 1, HKAS 7, HKAS 17, HKAS 18, HKAS 36, HKAS 38, HKAS 39, HKFRS 2, HKFRS 5, HKFRS 8, HK(IFRIC)-Int 9 and HK(IFRIC)-Int 16

The Group is required to initially apply these Hong Kong Financial Reporting Standards in its annual financial statements beginning on 1st January, 2010, except that the Group is required to initially apply HKAS 24 (Revised), HK(IFRIC)-Int 19, amendments to HKAS 32 and amendments to HK(IFRIC)-Int 14 in its annual financial statements beginning on 1st January, 2011, and to initially apply HKFRS 9 its annual financial statements beginning on 1st January, 2013.

### 3. TURNOVER

Turnover represents the net invoiced value of goods sold and related computer services rendered. An analysis of the Group's turnover is as follows:

	<b>(Unaudited)</b> <b>For the six months</b> <b>ended 30 June</b>	
	<b>2010</b>	<b>2009</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Provision of IT services	<b><u>13,255</u></b>	<b><u>18,484</u></b>

### 4. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging/(crediting):–

	<b>(Unaudited)</b> <b>For the six months</b> <b>ended 30 June</b>	
	<b>2010</b>	<b>2009</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Cost of inventories expensed	<b>1,208</b>	963
Depreciation	<b>77</b>	152
Directors' remuneration	<b>210</b>	932
Other staff salaries and benefits	<b>8,391</b>	9,586
Retirement scheme contributions	<b>377</b>	462
Minimum lease payments paid under operating leases	<b>706</b>	668
Written back of impairment loss on trade debtors	<b><u>(3)</u></b>	<b><u>–</u></b>

### 5. INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made for the period ended 30 June 2010 as there was no assessable profits for the period (2009: 16.5%).

## 6. LOSS PER SHARE

The calculation of basic loss per share is based on the following data:–

	(Unaudited) For the six months ended 30 June		(Unaudited) For the three months ended 30 June	
	2010	2009	2010	2009
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Loss attributable to shareholders of the Company for the period	<u>(1,898)</u>	<u>(837)</u>	<u>(966)</u>	<u>(534)</u>
		(Restated)		(Restated)
Weighted average number of shares in issue	<u>789,146,990</u>	<u>765,590,401</u>	<u>789,146,990</u>	<u>765,590,401</u>

Diluted earnings per share is not presented for the six months and three months ended 30 June 2010 as the outstanding potential ordinary shares of the Company in respect of outstanding warrants are anti-dilutive (2009: Nil).

## 7. SEGMENT INFORMATION

No operating segment information has been disclosed as the Group's operating segment reported to the chief operating decision-maker as required by HKFRS 8 is a single business segment which is provision of IT services.

## 8. DEBTORS, DEPOSITS AND PREPAYMENTS

	(Unaudited) At 30 June 2010 HK\$'000	(Audited) At 31 December 2009 HK\$'000
Debtors, deposits and prepayments comprise:		
Trade debtors	867	1,358
Other debtors, deposits and prepayments	<u>2,350</u>	<u>313</u>
	<u>3,217</u>	<u>1,671</u>

The credit terms given to the customers vary and are generally based on the financial strengths of individual customers. In order to effectively manage the credit risks associate with trade debtors, credit evaluations of customers are performed periodically. The credit period given to trade debtors ranged from 30 days to 60 days. The following is an aging analysis of trade debtors.



	(Unaudited) At 30 June 2010 HK\$'000	(Audited) At 31 December 2009 HK\$'000
Within 3 months	767	1,195
4 – 6 months	58	–
Over 6 months	42	163
	<u>867</u>	<u>1,358</u>

## 9. AMOUNTS DUE FROM/(TO) RELATED COMPANIES

The amount is trade related which has arisen in the ordinary and usual course of business of the Group and is on normal commercial terms. The Directors consider the carrying amount due from/(to) related companies approximates their fair value.

## 10. CREDITORS, ACCRUALS AND DEPOSITS RECEIVED

	(Unaudited) At 30 June 2010 HK\$'000	(Audited) At 31 December 2009 HK\$'000
Creditors, accruals and deposits received comprise:		
Trade creditors	1,633	1,619
Other creditors and accruals	2,606	3,163
Deferred revenue	174	150
Deposits received	4	–
	<u>4,417</u>	<u>4,932</u>

The following is an aging analysis of trade creditors:–

	(Unaudited) At 30 June 2010 HK\$'000	(Audited) At 31 December 2009 HK\$'000
Within 3 months	1,334	1,619
4 – 6 months	49	–
Over 6 months	250	–
	<u>1,633</u>	<u>1,619</u>

## 11. CONNECTED AND RELATED PARTY TRANSACTIONS

- (a) During the period, the Group had the following transactions with CL International Holdings Limited (“CLIH”) and its subsidiaries. CLIH is the connected associate of the Company.

	<b>(Unaudited)</b>	
	<b>For the six months</b>	
	<b>ended 30 June</b>	
	<b>2010</b>	<b>2009</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Provision of IT services to subsidiaries of CLIH	<b>10,549</b>	14,744
Purchases from subsidiaries of CLIH	<b><u>545</u></b>	<b><u>668</u></b>

The above transactions were entered into with reference to market price of goods sold or services rendered.

- (b) **Key management compensation**

	<b>(Unaudited)</b>	
	<b>For the six months</b>	
	<b>ended 30 June</b>	
	<b>2010</b>	<b>2009</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Directors Fees	<b>210</b>	150
Salaries, allowances and other benefits in kind	<b>927</b>	1,663
Retirement scheme contributions	<b><u>45</u></b>	<b><u>79</u></b>
	<b><u>1,182</u></b>	<b><u>1,892</u></b>

## **INTERIM DIVIDEND**

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2010 (2009: Nil).

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Financial review**

The Group recorded an unaudited consolidated turnover of approximately HK\$13,255,000 (for the six months ended 30 June 2009: HK\$18,484,000) for the six months ended 30 June 2010, representing a decrease of approximately 28% compared with the corresponding period last year. The unaudited net loss attributable to shareholders amounted to approximately HK\$1,898,000 (for the six months ended 30 June 2009: approximately HK\$837,000). The loss per share for the six months ended 30 June 2010 was HK0.24 cents.

### **Prospects**

The Company intended in diversifying to mining business. On 2 June 2010, the Company has signed an Acquisition Agreement (as supplemented by the Supplemental Agreement dated 28 July 2010) on acquiring approximately 86% of equity interest on a mining group. The Company considered that the Acquisition is a valuable investment opportunity for the Company to participate in the mineral business which is in line with its investment and business strategy. The completion of the Acquisition is subject to fulfillment or waiver of certain conditions precedent. Furthermore, the Company shall continue its IT business and exercise stringent cost control.

### **Financial resources and liquidity**

As at 30 June 2010, the total assets of the Group were approximately HK\$13,935,000 (at 31 December 2009: HK\$16,352,000) including cash and bank deposits of approximately HK\$4,939,000 (at 31 December 2009: HK\$8,362,000) and debtors, deposits and prepayments of approximately HK\$3,217,000 (at 31 December 2009: HK\$1,671,000).

The Group's current assets were approximately 3 times (at 31 December 2009: 3 times) over its current liabilities. The Group did not have any borrowings during the period under review.

### **Foreign exchange**

The Group's foreign exchange risk is primarily attributable to its creditors. The Group's purchases were principally denominated in Hong Kong Dollars and Renminbi, with the majority of which denominated in Hong Kong Dollars. As the foreign exchange risk was insignificant to the Group, the Group has not applied any financial instruments for foreign currency hedging purposes during the period under review.

## **Significant investments and acquisitions**

On 2 June 2010, Mr. Lam Fung, Full Harbour International Limited, Monz Investments Limited, Apex Return Sdn Bhd, Debut Supreme Capital Sdn Bhd, Splendid Horizon Sdn Bhd, Fabulous Way Limited and Dragonrider Opportunity Fund L.P. (collectively the “Vendors”) and the Company had entered into the Acquisition Agreement (the “Agreement”) (as supplemented by the Supplemental Agreement dated 28 July 2010) pursuant to which, among other things, (i) the Vendors conditionally agreed to sell and the Company conditionally agreed to purchase the sale shares (“Sale Shares”), representing approximately 86% of the issued share capital of Wiseking Mining Investment Company Limited (the “Target”), and the Sale Loans; (ii) the consideration of the Acquisition is HK\$2,395,601,000 (subject to adjustments), which shall be satisfied by the Company by a combination of cash, issue and allotment of the Consideration CPS and Promissory Notes; and (iii) the Company undertakes in favour of the Vendors that within 30 days after the execution of the Acquisition Agreement, the Company will use its best endeavours, to make a conditional offer to the Remaining Shareholders to acquire the Remaining Shares, representing approximately 14% of the entire issued share capital of the Target, at a total consideration of HK\$282,000,000 by way of cash and/or the Fourth Tranche Promissory Notes. Completion is subject to fulfillment or waiver of certain conditions precedent. Details of the Acquisition refers to announcement dated 28 July 2010.

Save for the Acquisition disclosed above, there was no material acquisition of subsidiaries and affiliated companies of the Group during the period ended 30 June 2010 (at 31 December 2009: Nil)

## **Charge on the Group’s assets**

There was no charge on the Group’s assets as at 30 June 2010 (at 31 December 2009: Nil).

## **Capital commitments**

As at 30 June 2010, save for the Acquisition mentioned above, the Group did not have any future plans for material investment (at 31 December 2009: Nil).

## **Contingent liabilities**

As at 30 June 2010, the Group did not have any material contingent liabilities. (at 31 December 2009: Nil).

## **Employees and remuneration policies**

As at 30 June 2010, the Group had 96 employees (at 31 December 2009: 107). Remuneration is determined by reference to market terms and the performance, qualification and experience of individual employee. Year-end bonus based on individual performance will be paid to employees as recognition of their contributions. Other benefits include contributions to statutory mandatory provident fund scheme and medical scheme to its employees in Hong Kong.

## DIRECTORS' INTERESTS IN SECURITIES

As at 30 June 2010, the interests and short positions of the Directors in the securities of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which are 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 and short positions which they are deemed or taken to have under such provisions of the SFO, or which are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which are required, pursuant to rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors to be notified to the Company and the Stock Exchange were as follows:

### Long positions in shares of the Company

Name of director	Capacity in which such interests were held	Number of shares	Percentage of nominal value of share capital
Mr. Mak Kwong Yiu	Beneficial owner	3,131,990	0.40%
Mr. Fung Pak Chuen, Alphonso (“Mr. Fung”) ( <i>Note</i> )	Interest of controlled corporations	75,186,015	9.53%

#### *Note:*

Win Plus Group Limited (“Win Plus”) holds 84% interest in the issued share capital of Aplus Worldwide Limited (“Aplus”) and is accordingly taken to have an interest in the 73,782,000 shares of the Company in which Aplus is interested under the SFO. Win Plus also holds approximately 53% directly and indirectly in the issued share capital of CL International Holdings Limited (“CLIH”) and is accordingly taken to have an interest in the 1,404,015 shares of the Company in which CLIH is interested under the SFO. Win Plus is accordingly taken to have an interest in the 75,186,015 shares of the Company in total under the SFO.

Mr. Fung is director of Aplus, CLIH and Win Plus.

As 50% of the issued share capital of Win Plus is held by AFS Holdings Limited (“AFS”), AFS is taken to have an interest in the 75,186,015 shares of the Company under the SFO. AFS is wholly-owned by Mr. Fung.

Save as disclosed above, as at 30 June 2010, none of the Directors of the Company has any interests and short positions in the shares, equity derivatives, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which are 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 and short positions which they are deemed or taken to have under such provisions of the SFO, or which are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which are required, pursuant to rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors to be notified to the Company and the Stock Exchange.

## OUTSTANDING SHARE OPTIONS

The share option scheme of the Company has been expired on 2 June 2010. No granted share options of the Company (the “Share Option”) were outstanding under the share option scheme as at 30 June 2010. For the six months ended 30 June 2010, none of the Share Option was exercised, lapsed or cancelled.

## SUBSTANTIAL SHAREHOLDERS

As at 30 June 2010, so far as was known to any Director of the Company, persons who have an interest or a short position in the shares, equity derivatives, underlying shares or debentures of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO or be interested in, directly or indirectly, 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of the Company pursuant to section 336 of the SFO were as follows:

### Long positions in shares and underlying shares of the Company

Name of shareholder	Capacity	Number of ordinary shares held	Number of underlying shares held	Total	Approximate % of shareholding	Note
Mr. Chui Bing Sun	Beneficial owner	–	69,157,143	69,157,143	8.76%	
	Interest of a controlled corporation	78,000,000	–	78,000,000	9.88%	1
				<u>147,157,143</u>	<u>18.64%</u>	
New Brilliant Investments Limited	Beneficial owner	78,000,000	–	78,000,000	9.88%	1
Asia Financing Limited	Beneficial owner	78,000,000	–	78,000,000	9.88%	
Mr. Cheung Siu Wing	Interest of a controlled corporation	78,000,000	–	78,000,000	9.88%	2
CL International Holdings Limited	Beneficial owner	1,404,015	–	1,404,015	0.18%	
Adwin Investments Limited	Interest of a controlled corporation	1,404,015	–	1,404,015	0.18%	3
Aplus Worldwide Limited	Beneficial owner	73,782,000	–	73,782,000	9.35%	
Win Plus Group Limited	Interest of controlled corporations	75,186,015	–	75,186,015	9.53%	4
AFS Holdings Limited	Interest of controlled corporations	75,186,015	–	75,186,015	9.53%	5
Ardian Holdings Limited	Interest of controlled corporations	75,186,015	–	75,186,015	9.53%	5

Name of shareholder	Capacity	Number of ordinary shares held	Number of underlying shares held	Total	Approximate % of shareholding	Note
Mr. Fung Pak Chuen, Alphonso	Interest of controlled corporations	75,186,015	–	75,186,015	9.53%	6
Mr. Richard Lo (“Mr. Lo”)	Interest of controlled corporations	75,186,015	–	75,186,015	9.53%	7
Mrs. Fung, Pui Lan, Angela	Interest of spouse	75,186,015	–	75,186,015	9.53%	8
Mrs. Lo Lilian	Interest of spouse	75,186,015	–	75,186,015	9.53%	9
Legend Wisdom Limited	Beneficial owner	75,000,000	–	75,000,000	9.50%	
Mr. Chan Hon Ping (“Mr. Chan”)	Interest of a controlled corporation	75,000,000	–	75,000,000	9.50%	10
Mrs. Chan Wan So Kuen, Kitty	Interest of spouse	75,000,000	–	75,000,000	9.50%	10
Mr. Kwok Shun Tim	Beneficial owner	–	68,185,714	68,185,714	8.64%	
Mrs. Kwok Yip Nga Wan	Interest of spouse	–	68,185,714	68,185,714	8.64%	11

*Notes:*

1. New Brilliant Investments Limited is wholly-owned by Mr. Chui Bing Sun.
2. Asia Financing Limited is wholly-owned by Mr. Cheung Siu Wing.
3. Adwin Investments Limited holds approximately 67.86% interest in the issued share capital of CLIH and is accordingly taken to have an interest in the 1,404,015 shares of the Company in which CLIH is interested under the SFO.
4. Win Plus holds 84% interest in the issued share capital of Aplus as well as approximately 73.77% interest in the issued share capital of Adwin Investments Limited and is accordingly taken to have an interest in the 75,186,015 shares of the Company in total under the SFO.
5. Win Plus is owned as to 50% by AFS Holdings Limited and 50% by Ardian Holdings Limited. Accordingly, AFS Holdings Limited and Ardian Holdings Limited are each taken to have an interest in the 75,186,015 shares of the Company in which Win Plus is interested under the SFO.
6. Mr. Fung Pak Chuen, Alphonso is the sole beneficial owner of AFS Holdings Limited, so Mr. Fung is deemed to have an interest in the 75,186,015 shares of the Company.
7. Mr. Lo, Richard is the sole beneficial owner of Ardian Holdings Limited, so Mr. Lo is deemed to have an interest in the 75,186,015 shares of the Company.
8. Mrs. Fung, Pui Lan, Angela (“Mrs. Fung”) is spouse of Mr. Fung. Therefore, Mrs. Fung is deemed to have an interest in the 75,186,015 shares of the Company under the SFO.
9. Mrs. Lo, Lilian (“Mrs Lo”) is spouse of Mr. Lo. Mrs Lo is therefore taken to have an interest in the 75,186,015 shares of the Company under the SFO.

10. Legend Wisdom Limited is wholly-owned by Mr. Chan. Mrs. Chan Wan So Kuen, Kitty (“Mrs. Chan”) is spouse of Mr. Chan. Under the SFO, Mr. Chan and Mrs. Chan are each deemed to have an interest in the 75,000,000 shares of the Company.
11. Mrs. Kwok Yip Nga Wan (“Mrs. Kwok”) is spouse of Mr. Kwok Shun Tim. Under the SFO, Mrs. Kwok is deemed to have an interest in the 68,185,714 underlying shares of the Company.

Save as disclosed above, as at 30 June 2010 so far as was known to any Director of the Company, no other persons had an interest or a short position in the shares, equity derivatives, underlying shares or debenture of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and section 336 of the SFO or, who were interested in, directly or indirectly, 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of the Company.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES**

There were no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company’s listed securities during the period ended 30 June 2010.

## **CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS**

During the period ended 30 June 2010, the Company had adopted a code of conduct regarding directors’ securities transactions on terms no less exacting than the required standard of dealings as set out in rules 5.48 to 5.67 of the GEM Listing Rules. The Company had also made specific enquiry of all directors and the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding directors’ securities transactions.

## **CODE ON CORPORATE GOVERNANCE PRACTICES**

The Company has complied with the code provisions set out in Appendix 15 of the GEM Listing Rules (the “Code”) throughout the period ended 30 June 2010, except for the following deviations:

The Code A.2.1 stipulates that the role of Chairman and chief executive officer should be separated and should not be performed by the same individual. The Company does not at present have any office with the title “chief executive officer” and “chairman”. The general manager of each business unit of the Company undertakes the day-to-day management of the Company’s business, whereas the Director is responsible for strategic planning of the Group. The Board believes that the balance of power and authority is adequately ensured under the existing arrangement and the operations of the Board which comprises experienced and high caliber individuals with a substantial number thereof being independent non-executive directors.



Code B.1.1 stipulates that company should establish a remuneration committee with specific written terms of reference which deal clearly with its authority and duties. A majority of the members of the remuneration committee should be independent non-executive directors. The Company does not establish a remuneration committee as required by this Code. The Board is in the opinion that establishment of a remuneration committee does not really benefit to the Group after due consideration of the size of the Group and the associated costs involved. According to the current practice of the Company, remuneration of directors are reviewed and approved at regular Board meetings which have the presence of the independent non-executive directors. In addition, the director will abstain from voting on the relevant board resolution in which he has interest.

## **AUDIT COMMITTEE**

Pursuant to the GEM Listing Rules, the Company has established an Audit Committee with written terms of reference for the purpose of reviewing and providing supervision over the financial reporting process and internal control procedures of the Group.

The Group's unaudited consolidated results for the six months ended 30 June 2010 have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards.

By order of the Board  
**Computech Holdings Limited**  
**Mak Kwong Yiu**  
*Executive Director*

Hong Kong, 3 August 2010

*As at the date of this announcement, the executive Director is Mr. Mak Kwong Yiu. The non-executive Director is Mr. Fung Pak Chuen, Alphonso. The independent non-executive Directors are Mr. Pang Wing Kin, Patrick, Mr. Chung Kong Fei, Stephen and Mr. Ng Chik Sum, Jackson.*

*This announcement will remain on the GEM website on the "Latest Company Announcements" page for 7 days from the date of its posting. This announcement will also be available on the Company's website at [www.computech.com.hk](http://www.computech.com.hk).*