



COMPUTECH HOLDINGS LIMITED

駿科網絡訊息有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8081)

THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012

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

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 and no assurance is given that there will be a liquid market in the securities traded on GEM.

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

* For identification purpose only

THIRD QUARTERLY RESULTS

The board of Directors (the “**Board**”) of the Company announces the unaudited condensed consolidated results of the Company and its subsidiaries (together the “**Group**”) for the nine months and three months ended 30 September 2012, together with the unaudited comparative figures for the corresponding period of 2011 as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the nine months and three months ended 30 September 2012

		Nine months ended 30 September		Three months ended 30 September	
		2012	2011	2012	2011
	Notes	Unaudited HK\$'000	Unaudited HK\$'000	Unaudited HK\$'000	Unaudited HK\$'000
Turnover	2	48,928	19,531	28,811	6,949
Cost of sales		(44,106)	(14,783)	(26,735)	(4,873)
Gross profit		4,822	4,748	2,076	2,076
Other income		236	2	22	1
Selling and distribution expenses		–	(29)	–	–
Administrative expenses		(16,750)	(19,497)	(6,098)	(5,786)
Finance costs	6	(2,358)	(151)	(1,038)	(136)
Loss before income tax		(14,050)	(14,927)	(5,038)	(3,845)
Income tax expenses	3	–	–	–	–
Loss for the period		(14,050)	(14,927)	(5,038)	(3,845)
Other comprehensive loss		–	–	–	–
Total comprehensive loss for the period		(14,050)	(14,927)	(5,038)	(3,845)
Attributable to:					
Owners of the Company		(14,050)	(14,927)	(5,038)	(3,845)
Basic loss per share (HK cents)	5	(1.08)	(1.62)	(0.36)	(0.42)

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED STATEMENTS:

1. BASIS OF PREPARATION

The unaudited consolidated financial statements are prepared in accordance with Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKFRSs**”) and the disclosure requirements of the GEM Listing Rules.

The unaudited consolidated financial statements have been prepared under the historical cost basis, except for certain financial instruments which are measured at fair value. The principal accounting policies used in the preparation of these unaudited financial statements are consistent with those applied in the Company’s annual financial statements for the year ended 31 December 2011, except for the adoption of new and revised HKFRSs which are effective for the Group’s financial year beginning on 1 January 2012. The adoption of these new standards, amendments or interpretations has no material effect on these financial statements.

The Group has not early adopted the new and revised HKFRSs that have been issued but are not yet effective.

2. TURNOVER

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

	Nine months ended 30 September		Three months ended 30 September	
	2012 Unaudited HK\$’000	2011 Unaudited HK\$’000	2012 Unaudited HK\$’000	2011 Unaudited HK\$’000
Services income	1,169	19,486	405	6,904
Sales	44,330	–	26,946	–
Loans interest and related income	3,429	45	1,460	45
	<u>48,928</u>	<u>19,531</u>	<u>28,811</u>	<u>6,949</u>

3. INCOME TAX EXPENSES

No provision for Hong Kong profits tax has been made for the period ended 30 September 2012 as there was no estimated assessable profits for the period (2011: Nil).

4. INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the nine months ended 30 September 2012 (2011: Nil).

5. BASIC LOSS PER SHARE

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Nine months ended 30 September 2012		Three months ended 30 September 2012	
	Unaudited HK\$'000	2011 Unaudited HK\$'000	Unaudited HK\$'000	2011 Unaudited HK\$'000
Loss attributable to owners of the Company	<u>14,050</u>	14,927	<u>5,038</u>	<u>3,845</u>
	Number of shares			
Weighted average number of ordinary shares in issue	<u>1,305,563,195</u>	920,740,284	<u>1,394,249,326</u>	<u>923,580,832</u>

Diluted loss per share is not presented for the nine months and three months ended 30 September 2012 as the potential ordinary shares of the Company in respect of outstanding convertible notes are anti-dilutive (2011: Nil).

6. CONVERTIBLE NOTES

On 6 March 2012, the Company issued the zero coupon Convertible Notes (the "Notes") in the principal amount of HK\$50 million due 2015 and the maturity date of 5 March 2015. The holders of the Notes can be able to convert the outstanding principal amount of Notes into ordinary share of the Company at initial conversion price of HK\$0.05 per share (subject to adjustment) at any time from one year after the date of issue of the Notes.

The fair value of the liability component and equity component are determined at the issuance of the Notes. The fair value of the liability component is included in the non-current liabilities. The effective interest rate of the liability component is 11.38% and the interest expenses will be charged to income statement over the Notes periods. The fair value of equity component is included in the owner's equity and denoted as convertible notes reserve.

The movement of the principal amount, liability component and equity component of the Notes are as follows:

	<i>HK\$'000</i>
Principal amount of the Notes	50,000
Equity component	(13,809)
Liability component	36,191
Finance costs	2,358
	<u>38,549</u>
At 30 September 2012	<u>38,549</u>

7. MOVEMENT OF RESERVES

	Attributable to owners of the Company					Total Unaudited HK\$'000
	Share premium Unaudited HK\$'000	Share options reserve Unaudited HK\$'000	Warrants reserve Unaudited HK\$'000	Convertible Notes reserve Unaudited HK\$'000	Accumulated losses Unaudited HK\$'000	
At 1/1/2011	29,634	–	843	–	(20,261)	10,216
Recognition of equity components of convertible bonds issued	–	–	–	5,556	–	5,556
Exercise of warrants	2,954	–	(327)	–	–	2,627
Share-based payments	–	513	–	–	–	513
Total comprehensive loss for the period	–	–	–	–	(14,927)	(14,927)
At 30/9/2011	<u>32,588</u>	<u>513</u>	<u>516</u>	<u>5,556</u>	<u>(35,188)</u>	<u>3,985</u>
At 1/1/2012	58,180	855	–	–	(46,358)	12,677
Issue of shares	12,836	–	–	–	–	12,836
Share-based payments	–	684	–	–	–	684
Lapse of share options	–	(1,539)	–	–	1,539	–
Recognition of equity components of convertible notes issued	–	–	–	13,809	–	13,809
Total comprehensive loss for the period	–	–	–	–	(14,050)	(14,050)
At 30/9/2012	<u>71,016</u>	<u>–</u>	<u>–</u>	<u>13,809</u>	<u>(58,869)</u>	<u>25,956</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Business review

The Group is principally engaged three business segments (i) IT business which provides consultancy, technical support, system integration, development and sales of relevant hardware and software products in Hong Kong; (ii) Money lending business in Hong Kong and (iii) property development business in Hong Kong. During the nine months ended 30 September 2012 under review, the Group recorded a turnover of approximately HK\$48,928,000 (2011: HK\$19,531,000), representing an increase of 150.5% as compared with the corresponding period in 2011.

IT business

The turnover of IT business for the nine months period was approximately HK\$45,499,000 (2011: HK\$19,486,000), which accounted for approximately 93% of the Group's total turnover. During the period under review, the IT business expanded the sales of hardware products resulting in an increase in turnover of 133.5% compared with the corresponding period in 2011. The Group expects that year 2012 will still be a challenging year for its IT operations as the competitions remain keen and the termination of the service agreement with one of our major customer in 2011 is still affecting the segment adversely. Nevertheless, the Directors believe that the Group has developed expertise through its long time involvement in the industry. The Group will continue to attempt to broaden the customer base and maintain the IT business.

Money lending business

The Group commenced the money lending business in the third quarter of 2011. During the period under review, the loan portfolios comprised of secured and unsecured loans and the revenue from loan interests and related income was approximately HK\$3,429,000, which accounted for approximately 7% of the Group's total turnover. The average interest rate charged by the Group was 33.72% per annum and the credit terms of the outstanding loan granted by the Group to the customers ranged from less than a month to seven years. The average size of the outstanding loan granted by the Group was approximately HK\$2.24 million. In view of significant demand in the market, the Company intends to expand the loan portfolio by applying part of the net proceeds from the Open Offer. The Company's main focus area will be secondary mortgage and personal loan for customers with good credit record in Hong Kong. The Company is targeting on terms loan shorter than two years as the Board considers such loan portfolio will enhance liquidity and flexibility as well as generate a healthy cash flow as a whole.

Property development business

In August 2012, Enrich Fortune Development Limited, an indirect wholly-owned subsidiary of the Company, has entered into an agreement with vendors, who are independent third parties of the Company, to acquire the entire issued capital of Feng Tai Shun Cultural Travel Limited (“**FTS**”), a limited liability company incorporated in Hong Kong, and a vendor’s loan to FTS, for an aggregate consideration of HK\$3.5 million. FTS holds 100% of the equity interest in Meizhou City Hang Fung Tai Cultural Travel Development Company Limited* (梅州市恆豐泰旅遊文化開發有限公司) (“**HFT**”), a wholly foreign-owned enterprise in the PRC which is licensed for property related activities in PRC. HFT has entered into an agreement with Dabu County Land and Resources Bureau (大埔縣國土資源局) of Guangdong Province, PRC, which involves property development in the region.

The Directors intends to develop low density luxury villas for residential use, the overall development plan is subject to the approval of relevant regulators and authorities as well as the negotiation between the relevant parties. As at date of this announcement, the matters that are still subject to negotiation/approval include but not limited to the overall design and planning of the development project, environmental protection measures, land costs and terms of payment for consideration.

The Group is devoted to explore and broaden the existing businesses in order to strengthen its competitiveness and provide business growth potential. In the past few years, the central government has implemented various macro controls in the PRC real estate industry including credit tightening measures and purchase restrictions. It is expected that the PRC real estate industry will be further consolidated and the market will become more stable and sustainable. With the management’s experience and expertise in the PRC real estate industry, the Board considers that it is an opportunity for the Company to enter into PRC property development market. The Company will deal with the property activities in a prudent manner.

Investment in fish breeding business

As disclosed in the Company’s announcement dated 25 April 2012, the Group entered into an investment agreement in relation to a fish breeding business. The Group has invested HK\$15,500,000 in the fish breeding business for a term of 20 calendar months with guaranteed return on profit and investment amount. The investment amount has been applied to purchase fish fry and fish feed for the sole purpose of fish breeding at the fish farm in Sabah, Malaysia. The Directors expect that it will take another twelve months of breeding before the fish becomes marketable. The Company intends to maintain the investment till the end of investing period. The Directors are not aware of any circumstances which may lead to a failure in meeting the profit guarantee or investment return.

Held-for-trading investments

During the nine months period, the held-for-trading investments recorded a fair value loss of approximately HK\$1,150,000. The Company has no plan for further investment.

The administrative expenses of the Group for the nine months period were approximately HK\$16,750,000 (2011: HK\$19,497,000), which mainly comprised staff costs, operating lease rentals, professional fee, share-based payments and fair value loss of held-for-trading investments. During the period, the Group recorded an increase in finance costs of approximately HK\$2,358,000 (2011: HK\$151,000) for the imputed interest expenses on the Notes in the principal amount of HK\$50 million.

The loss for the nine months period ended 30 September 2012 attributable to owners of the Company amounted to approximately HK\$14,050,000, compared with approximately HK\$14,927,000 in the corresponding period in 2011. The loss per share was HK\$1.08 cents (2011: HK\$1.62 cents).

Capital structure

Placing of convertible notes

On 6 March 2012, the Company issued the Notes in the principal amount of HK\$50 million due 2015 and the maturity date of 5 March 2015. The holders of the Notes can be able to convert the outstanding principal amount of Notes into ordinary share of the Company at initial conversion price of HK\$0.05 per share (subject to adjustment) at any time from one year after the date of issue of the Notes. Details of information were set out in the Company's circular dated 2 February 2012 and announcement dated 6 March 2012.

Placing of new shares under general mandate

On 30 April 2012, the Company and Kingston Securities Limited (the "**Placing Agent**") entered into the placing agreement, pursuant to which the Company had conditionally agreed to place, through the Placing Agent on a best effort basis, a maximum of 180,000,000 new shares at HK\$0.084 per placing share. The net proceeds of approximately HK\$14,661,000 from the Placing were intended to be used as to approximately HK\$10 million for the general working capital and/or future investments for the IT business as and when opportunities arise, and as to approximately HK\$5 million for possible investments in properties. The Placing was completed on 15 May 2012. Details of Placing were set out in the Company's announcements dated 30 April 2012 and 15 May 2012 respectively.

Share Consolidation and Open Offer

On 22 August 2012 and 23 August 2012, the Company announced the proposed (i) Share Consolidation on the basis that every ten (10) issued and unissued Existing Shares of HK\$0.01 each will be consolidated into one (1) Consolidated Share of HK\$0.10 each and (ii) raise approximately HK\$83.7 million, before expenses, by way of the Open Offer of 418,274,796 Offer Shares at the Subscription Price of HK\$0.20 per Offer Share on the basis of three (3) Offer Shares for every one (1) Consolidated Share held by the Qualifying Shareholders on the Record Date and payable in full on application subject to the Share Consolidation becoming effective.

The Company and Kingston Securities Limited (the “**Underwriter**”) have entered into the underwriting agreement pursuant to which 337,738,851 Underwritten Shares will be fully underwritten by the Underwriter and 80,535,945 Offer Shares to be provisionally entitled to Mr. Yang Yue Zhou under the Open Offer. The details of information were set out in the Company’s circular dated 12 October 2012.

The gross proceeds from the Open Offer will be approximately HK\$83.7 million and the net proceeds from the Open Offer will be approximately HK\$80.5 million. The Board intends to use the net proceeds from the Open Offer of approximately HK\$30 million and approximately HK\$50 million for general working capital for the money lending business and the property development project as mentioned respectively. Should the property development project do not become materialized, the Board intends to retain the relevant proceeds for other property related activities when suitable opportunities arise.

The Board considers that the Open Offer will enable the Group to enhance the capital strength and strengthen its financial position. The Group will continue to look for possible diversifications and grasp the chance when opportunities arise in order to enhance the wealth of the Shareholders as a whole.

Event after the end of reporting period

On 31 October 2012, the resolutions for approving the Share Consolidation and the Open Offer were duly passed by the Shareholders. The Share Consolidation was effective on 1 November 2012 and the dealings in the Shares have been dealt in on an ex-entitlement basis commencing from 2 November 2012 and that dealing in Shares are expected to take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled. The prospectus documents in relation to the Open Offer will be despatched to the shareholders of the Company on 12 November 2012. Details of information were set out in the Company’s announcement dated 31 October 2012.

Foreign exchange

The Group’s foreign exchange risk is primarily attributable to its creditors. The Group’s purchase principally denominated in Hong Kong Dollars, United States Dollars and Renminbi and considers that the impact of foreign exchange exposure of the Group is minimal.

Charge on the Group’s assets

As at 30 September 2012, there was no charge on the Group’s assets (31 December 2011: Nil).

Capital commitments

As at 30 September 2012, the Group did not have undertaken any material capital commitments (31 December 2011: Nil).

Contingent liabilities

As at 30 September 2012, the Group did not have any material contingent liabilities (31 December 2011: Nil).

Employees and remuneration policies

As at 30 September 2012, the Group had 14 employees (31 December 2011: 16). 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 and reward for their contributions. Other benefits include contributions to statutory mandatory provident fund scheme and medical scheme to our employees.

Prospects

The Group is devoted to explore and broaden the existing businesses in order to strengthen our competitiveness and provide business growth potential. The Company is seeking opportunities to engage in the property activities and will continue to explore other investment opportunities for diversifying its business portfolios with the aim of enhancing shareholders' wealth.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

As at 30 September 2012, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) 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 and short positions which they were deemed or taken to have under such provisions of the SFO, or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or 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:

Long positions in shares of the Company

Name of Director	Capacity	Number of shares held	Approximate % to the issued share capital
Mr. Yang Yue Zhou	Beneficial owner	268,453,158	19.25%

Save as disclosed above, as at 30 September 2012, none of the Directors or chief executives of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) 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 and short positions which they were deemed or taken to have under such provisions of the SFO, or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or 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.

SHARE OPTIONS SCHEME

Under the terms of a share option scheme (the “**Scheme**”) adopted by the Company on 12 November 2010, the Board may, at its absolute discretion, grant options to eligible participants including any employee, contracted celebrity, advisor, consultant, service provider, agent, customer, partner or joint-venture partner of the Group (including any Director, whether executive or non-executive and whether independent or not, of the Group) who is in full-time or part-time employment with the Group at the time when an option is granted to such employee, or any person who, in the sole discretion of the Board, have contributed or may contribute to the Group.

The purpose of the Scheme is to provide incentives and help the Group in retaining its existing employees and recruiting additional employees and to provide them with a direct economics interest in attaining the long term business objectives of the Company.

The details of the share options granted by the Company for the period and the outstanding of share option granted as at 30 September 2012 were as follows:

Category	Date of grant	Exercise price (HK\$)	Exercise period	Outstanding as at 1 January 2012	Granted during the period	Lapsed during the period	Outstanding as at 30 September 2012
Consultants	17 May 2011	\$0.144	17 May 2011 to 16 May 2014	36,400,000	-	36,400,000	-

Under the period of review, there were no outstanding share options as at 30 September 2012.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTEREST

As at 30 September 2012, so far as was known to any Director of the Company, persons who have an interest or a short position in the shares, 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 shareholders	Capacity	Number of shares held	Number of underlying shares held	Total	Approximate % to the issued share capital
Mr. Yang Yue Zhou	Beneficial owner	268,453,158	–	268,453,158	19.25%
Mr. Tam Siu Ki ("Mr. Tam")	Beneficial owner	236,310,000	880,000,000 (Note 1)	1,116,310,000	80.07%
Ms. Hui Kwai Fong Simmi ("Ms. Hui")	Beneficial owner and interest of spouse	59,680,000	20,000,000 (Note 2)	79,680,000	5.71%
Mr. Lo Hung ("Mr. Lo")	Beneficial owner and interest of spouse	59,680,000	20,000,000 (Note 2)	79,680,000	5.71%

Notes:

- These underlying shares represent the new shares to be issued upon conversion of the Notes due 2015 by Mr. Tam in the principal amount of HK\$440,000,000 at the initial conversion price of HK\$0.05 per share (subject to adjustment).
- Ms. Hui is spouse of Mr. Lo. These underlying shares represent the new shares to be issued upon conversion of the Notes due 2015 by Mr. Lo in the principal amount of HK\$1,000,000 at the initial conversion price of HK\$0.05 per share (subject to adjustment).

Position in the Offer Shares

Name of Shareholders	Capacity	Number of Consolidated Shares held	Approximate % of the Company's issued share capital (as enlarged by the issue of the Offer Shares)
The Underwriter	Beneficial owner	337,738,851	60.56%
Mrs. Chu Yuet Wah ("Mrs. Chu") (Note)	Interest of a controlled corporation	337,738,851	60.56%

Note: The 337,738,851 Consolidated Shares are the maximum number of the Offer Shares which the Underwriter has undertaken to underwrite in respect of the Open Offer. The Underwriter is wholly owned by Galaxy Sky Investments Limited, which in turn is wholly owned by Kingston Capital Asia Limited. The latter is wholly owned by Kingston Financial Group Limited, which is in turn owned as to 40.24% by Active Dynamic Limited, which is in turn wholly owned by Mrs. Chu. Mrs. Chu is therefore deemed to be interested in the 337,738,851 Consolidated Shares held by the Underwriter under the SFO.

Save as disclosed above, as at 30 September 2012 so far as was known to the Directors, no other persons had an interest or a short position in the shares, 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 September 2012.

COMPETING INTERESTS

As at 30 September 2012, the Directors are not aware of any business or interest of the Directors, the initial management shareholders of the Company and their respective associates (as defined in the GEM Listing Rules), that compete or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

SECURITIES TRANSACTIONS BY DIRECTORS

During the period ended 30 September 2012, 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.

CORPORATE GOVERNANCE CODE COMPLIANCE

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 September 2012, except for the following deviations:

The Code A.2.1 stipulates that the role of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company does not have any offices with title of “chief executive officer”. The executive Directors undertake the day-to-day management of the Company’s business, whereas the chairman is responsible for management of the Board and 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 calibre individuals with a substantial number thereof being non-executive Directors.

The Code A.4.1 stipulates that non-executive Directors should be appointed for a specific term, subject to re-election. All independent non-executive Directors (“**INEDs**”) do not have specified length of service period and will be continuous to hold offices unless terminated by either party giving to the other not less than one month notice in writing. All INEDs are subject to the provisions of retirement by rotation at annual general meeting under the articles of association accomplishing the same objective as a specific term of appointment.

AUDIT COMMITTEE

The audit committee comprises three INEDs, namely Mr. Wong Siu Keung, Joe, being the chairman of the audit committee, Mr. Wong Ching Yip and Mr. Luk Chi Shing. The primary duties of the audit committee are reviewing and providing supervision over the financial reporting process and internal control procedures of the Group.

The Group’s unaudited consolidated results for the nine months ended 30 September 2012 have been reviewed by the audit committee, which is of the opinion that the preparation of such financial statements complied with the applicable accounting standards, the GEM Listing Rules and that adequate disclosure have been made.

By order of the Board
Computech Holdings Limited
Yang Yue Zhou
Chairman

Hong Kong, 9 November 2012

As at the date of this announcement, the Board comprises (i) three executive Directors, namely Mr. Yang Yue Zhou, Mr. Mak Kwong Yiu and Mr. Jiang Tan Shan and (ii) three independent non-executive Directors, namely Mr. Wong Siu Keung, Joe, Mr. Wong Ching Yip and Mr. Luk Chi Shing.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for a minimum period of seven days from the date of its publication and on the Company’s website at <http://www.computech.com.hk>.