

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



COMPUTECH HOLDINGS LIMITED

駿科網絡訊息有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8081)

FORMATION OF WHOLLY FOREIGN OWNED ENTERPRISE AND COOPERATION AGREEMENT

The Board is pleased to announce that (a) the Group intends to form a wholly foreign owned enterprise in Shanghai, the PRC whose business shall be engaged in the design and research and development of mobile-online games and identifying and securing intellectual property rights for onward sale or licensing; and (b) on 12 March 2014, the Company entered into the Cooperation Agreement with HK SBT in relation to the appointment of HK SBT as the preference cooperation partner of the Group in relation to the operation, publication and distribution of the Products (i.e. the mobile-online games which will be developed by the Group from time to time).

FORMATION OF WHOLLY FOREIGN OWNED ENTERPRISE

The Board is pleased to announce that the Group intends to form a wholly foreign owned enterprise in Shanghai, the PRC (“**WFOE**”) whose business shall be engaged in the design and research and development of mobile-online games and identifying and securing intellectual property rights for onward sale or licensing. It is also intended that (i) the intellectual property rights to be secured by WFOE will be for onward sale or licensing for development of mobile-online games; (ii) WFOE will engage third party (such as HK SBT and its subsidiaries or companies controlled by it) to operate, publish and distribute the mobile-online games developed by WFOE by authorising such third party to use the

* *For identification purposes only*

intellectual property rights owned or obtained by WOFE; and (iii) the registered capital and the total investment of WOFE will be US\$110,000 and HK\$20,000,000 respectively, which are proposed to be funded by internal resources and/or borrowings of the Group.

THE COOPERATION AGREEMENT

On 12 March 2014, the Company entered into the Cooperation Agreement with HK SBT in relation to the appointment of HK SBT as the preference cooperation partner of the Group in relation to the operation, publication and distribution of the Products.

Major terms of the Cooperation Agreement are set out below.

Date

12 March 2014

Parties

- (i) The Company (acting for itself and on behalf of its subsidiaries); and
- (ii) HK SBT (which may instruct its subsidiaries or companies under its control to perform the obligations of HK SBT under the Cooperation Agreement).

Term

The term of the Cooperation Agreement shall be three years commencing on 12 March 2014. Within one month before the expiry of such term, with the agreement of the parties to the Cooperation Agreement, the Cooperation Agreement may be extended for one year.

Subject Matter

Pursuant to the Cooperation Agreement, the Group shall appoint HK SBT as the preference cooperation partner of the Group in relation to the operation, publication and distribution of the Products, i.e. HK SBT shall, on same terms and conditions, have priority over others to be the exclusive global operator of the Products, who will be authorized to use the relevant intellectual property right owned or obtained by the Group in respect of the Products and granted the right to exclusively and globally operate, publish and distribute the Products.

If HK SBT shall be appointed by the Group to be the exclusive global operator for a particular Product, the Group and HK SBT shall, in accordance with the terms of the Cooperation Agreement, enter into a separate agreement in relation to such Product, and shall carry out the relevant obligations as stipulated under the said separate agreement.

Royalty payable to the Group

Pursuant to the Cooperation Agreement, HK SBT shall pay royalty to the Group in respect of the relevant Product on quarterly basis and such royalty shall be calculated by reference to the Net Income as follows:

- (1) for the first RMB500,000, each of HK SBT and the Company shall be entitled to 50% of the Net Income;
- (2) for the amount exceeding RMB500,000 but less than or equal to RMB2,000,000 (“**First Excess Amount**”), HK SBT and the Company shall be entitled to 60% and 40% of the First Excess Amount respectively; and
- (3) for the amount exceeding RMB2,000,000 (“**Second Excess Amount**”), HK SBT and the Company shall be entitled to 70% and 30% of the Second Excess Amount respectively.

INFORMATION ON THE GROUP

The Group is principally engaged in (i) provision of IT services, including consultancy, technical support, systems integration, development and sales of relevant hardware and software products; (ii) money lending business in Hong Kong; (iii) provision of medical diagnostic and health check services; and (iv) property and securities investments and trading.

INFORMATION ON HK SBT AND ITS SUBSIDIARY

HK SBT is a company incorporated in Hong Kong with limited liability in 2012 and a wholly-owned subsidiary of Mighty Eight Investments Limited. Its principal business activity is development and operation of mobile-online games. It is also responsible for marketing and distribution of games developed by Shanghai Wanjia and Shanghai SBT to the international markets including Japan, Korea, United States, Taiwan, Malaysia, Macau and Singapore. HK SBT holds 100% interest in PrimeVision.

PrimeVision is a limited company established in the PRC in 2013 whose principal business activity is development of mobile-online games and provision of related technical and consulting services. It is a wholly-owned subsidiary of HK SBT. PrimeVision has entered into certain contractual arrangements with Shanghai Wanjia to conduct the mobile-online games business in the PRC, details of the contractual arrangements are set out in the Company's announcement dated 29 January 2014.

Shanghai Wanjia is a limited company established in the PRC in 2012 whose principal business activity is development, distribution and operation of mobile-online games. It holds certain network cultural operation licence(s) issued by the relevant authority of the PRC government in relation to the operation of the Shanghai Wanjia and Shanghai SBT. In March 2014, Shanghai Wanjia launched a new mobile game, namely, Voyagemobile (手機大航海) in various digital distribution platforms for mobile application software, including Google Play. Shanghai Wanjia owns 100% interest in Shanghai SBT.

Shanghai SBT is a limited liability company established in the PRC in 2011 whose principal business activity is design, development and operation of mobile-online games. It is one of the pioneers in the mobile-online game market and is well known for its original SanGuo-themed games, namely, SanGuo-Mobile (手機三國), which is popular in the Greater China and South East Asia regions and ranked high on various digital distribution platforms for mobile application software, including Google Play and App Store.

REASONS FOR AND BENEFITS OF THE COOPERATION AGREEMENT

As set out in the announcement jointly published by the Company and Universe International Holdings Limited, a company incorporated in Bermuda with limited liability whose issued shares are listed on the Main Board of the Stock Exchange (Stock code: 1046) on 5 December 2013, the Company and a wholly-owned subsidiary of Universe International Holdings Limited ("**Universe Subsidiary**"), entered into a joint venture agreement in relation to the establishment of a joint venture company, which will be owned as to 50% by the Company and 50% by the Universe Subsidiary and will be principally engaged in the development and sale of computer and mobile phone games.

As set out in the announcement of the Company dated 29 January 2014, the Group and certain Independent Third Parties entered into the sale and purchase agreement in relation to the acquisition by the Group of the then 5% issued share capital of Mighty Eight Investments Limited, which holds 100% interest in HK SBT.

The Board considers that the formation of WOFE and the entering into of the Cooperation Agreement would enable the Group to engage in mobile-online games business, which is in line with the Group's development strategy to tap into the mobile-online games business. The Board also considers that the terms of the Cooperation Agreement were determined after arm's length negotiations between the parties thereto and the Directors are of the view that the terms of the Cooperation Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Board”	the board of Directors
“Company”	Computech Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Growth Enterprise Market of the Stock Exchange
“Cooperation Agreement”	the agreement dated 12 March 2014 entered into between the Company and HK SBT in relation to the appointment of HK SBT as the preference cooperation partner of the Company in relation to the operation, publication and distribution of the Products
“Director(s)”	the director(s) of the Company
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HK SBT”	Something Big Technology Company Limited, a company incorporated in Hong Kong with limited liability
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	third party independent of the Company and connected of the Company (has the meaning ascribed to it under the GEM Listing Rules)
“Net Income”	in respect of the relevant Product, the total sale revenue for each month as advised by HK SBT’s telecommunication and sale channel service provider, after deducting the services fees charged by such service provider and business tax
“PRC”	the People’s Republic of China excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“PrimeVision”	帝覺(上海)網絡科技有限公司 (unofficial English name being “PrimeVision Tech Company Limited”), a limited company established in the PRC and a wholly-owned subsidiary of HK SBT
“Products”	the mobile-online games which will be developed by the Group from time to time
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai SBT”	上海顛視數碼科技有限公司 (unofficial English name being, “Shanghai Something Big Technology Co., Ltd.”), a limited company established in the PRC and a wholly-owned subsidiary of Shanghai Wanjia
“Shanghai Wanjia”	上海頑迦網絡科技有限公司 (unofficial English name being “Shanghai Wanjia Network Technology Co., Ltd.”), a limited company established in the PRC

“Shareholder(s)”	holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United State dollars, the lawful currency of the United State of America
“%”	per cent.

On behalf of the Board
Computech Holdings Limited
Zhang Xiongfeng
Chairman

Hong Kong, 12 March 2014

As at the date of this announcement, the Board comprises (i) four executive Directors, namely Mr. Zhang Xiongfeng, Mr. Zhang Peiao, Mr. Mak Kwong Yiu and Mr. Hung, Kenneth and (ii) three independent non-executive Directors, namely Mr. Wong Siu Keung, Joe, Mr. Wong Ching Yip and Mr. Luk Chi Shing.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in the 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 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.

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 website of the Company at <http://www.computech.com.hk>.

* *For identification purposes only*