

**THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

If you have sold or transferred all your shares in Computech Holdings Limited (“Company”), you should at once hand this prospectus 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 transferee.

A copy of each of the Prospectus Documents, together with the documents specified in the paragraph headed “Documents delivered to the Registrar of Companies” in Appendix III to this prospectus, have been registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the laws of Hong Kong). The Registrar of Companies in Hong Kong and the Securities and Futures Commission of Hong Kong take no responsibility for the contents of any of these documents.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange and HKSCC take no responsibility for the contents of this prospectus, make no representation as to their 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 prospectus.



**COMPUTECH HOLDINGS LIMITED**

**駿科網絡訊息有限公司\***

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

**(Stock code: 8081)**

**PROPOSED RIGHTS ISSUE ON THE BASIS OF  
ONE RIGHTS SHARE  
FOR EVERY TWO SHARES HELD ON THE RECORD DATE**

**Underwriter of the Rights Issue**



Terms used in this cover page have the same meanings as defined in this prospectus.

The Rights Issue is conditional upon the fulfillment of the conditions set out under the paragraph headed “Conditions of the Rights Issue” in the section headed “Letter from the Board” on pages 9 to 26 of this prospectus.

The Underwriting Agreement contains provisions granting the Underwriter, by notice in writing, any time prior to the Latest Time for Termination, the right to terminate the Underwriting Agreement on the occurrence of certain events, including but not limited to force majeure, as more particularly described in the section headed “Termination of the Underwriting Agreement” in this prospectus. **The Rights Issue is therefore subject to the Underwriter not terminating the Underwriting Agreement. Accordingly, the Rights Issue may or may not proceed.**

The Shares have been dealt with on an ex-rights basis from Wednesday, 16 April 2014. Dealings in the Rights Shares in the nil-paid form are expected to take place from Monday, 28 April 2014 to Wednesday, 7 May 2014 (both days inclusive). If the conditions of the Rights Issue are not fulfilled or the Underwriting Agreement is terminated by the Underwriter on or before 4:00 p.m. on Thursday, 15 May 2014 or such later time and/or date as may be agreed between the Company and the Underwriter, the Rights Issue will not proceed. Any Shareholders or other persons dealing or contemplating dealing in the Shares up to the date on which all the conditions of the Rights Issue are fulfilled (and the date on which the Underwriter’s right of termination of the Underwriting Agreement ceases), and any dealings in the nil-paid Rights Shares between Monday, 28 April 2014 to Wednesday, 7 May 2014 (both days inclusive), bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons dealing or contemplating dealing or contemplating dealing in the Shares or nil-paid Rights Shares are recommended to consult their own professional advisers.

The Latest Time for Acceptance of and payment for Rights Shares is 4:00 p.m. on Monday, 12 May 2014. The procedure for acceptance of and payment for or transfer of the Rights Shares are set out on pages 14 to 15 of this prospectus.

\* For identification purpose only

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## CHARACTERISTICS OF GEM

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

## DEFINITIONS

*In this prospectus, unless the context otherwise requires, the following expressions have the following meanings:*

“acting in concert”	has the meaning ascribed thereto in the Takeovers Code
“Announcement”	the announcement of the Company dated 21 March 2014 in relation to, among other things, the Rights Issue
“associate”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday and Sunday and any day on which a tropical cyclone warning no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Computech Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on GEM
“connected person”	has the meaning ascribed thereto under the GEM Listing Rules
“Directors”	the directors of the Company
“EAF(s)”	the form of application for excess Rights Shares to be used in connection with the Rights Issue
“Excluded Shareholders”	the Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary, or expedient not to offer the Rights Shares to such Shareholder(s) on account either of legal restrictions under the laws of relevant place or the requirements of the relevant regulatory body or stock exchange in that place

## DEFINITIONS

“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandate”	the general mandate granted to the Directors at the annual general meeting of the Company held on 15 May 2013 to allot, issue or otherwise deal with additional Shares
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Last Trading Day”	20 March 2014, being the full trading day of the Shares on the Stock Exchange immediately prior to the publication of the Announcement
“Latest Acceptance Date”	Monday, 12 May 2014 or such other date as may be agreed between the Company and the Underwriter, being the last date for acceptance of the offer of the Rights Shares
“Latest Practicable Date”	17 April 2014, being the latest practicable date prior to the printing of this prospectus for ascertaining certain information contained herein
“Latest Time for Acceptance”	4:00 p.m. on Monday, 12 May 2014 or such later time or date as may be agreed between the Company and the Underwriter, being the latest time for acceptance of the offer of Rights Shares and if there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong on such day (i) at anytime before 12:00 noon and no longer in force after 12:00 noon, the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; and (ii) at any time between 12:00 noon and 4:00 p.m., the Latest Time for Acceptance will be extended to the next Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

## DEFINITIONS

“Latest Time for Termination”	4:00 p.m. on Thursday, 15 May 2014, being the third Business Day after the Latest Time for Acceptance, or such later time as may be agreed between the Company and the Underwriter
“Overseas Shareholder(s)”	Shareholder(s) with registered address(es) (as shown in the register of members of the Company on the Record Date) which is/are outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) to be used in connection with the Rights Issue
“PRC”	the People’s Republic of China
“Prospectus Documents”	the Prospectus, PAL and EAF
“Prospectus Posting Date”	Thursday, 24 April 2014 or such other date as may be agreed between the Company and the Underwriter, being the date of despatch of the Prospectus Documents
“Qualifying Shareholder(s)”	Shareholder(s) whose names appear on the register of members of the Company on the Record Date, other than the Excluded Shareholders
“Record Date”	Wednesday, 23 April 2014 or such other date as may be agreed between the Company and the Underwriter in accordance with the relevant regulations or requirements
“Registrar”	Hong Kong Registrars Limited, whose transfer office is at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, the branch share registrar of the Company
“Rights Issue”	the proposed issue of the Rights Shares on the basis of one Rights Share for every two Shares held on the Record Date at the Subscription Price pursuant to the Prospectus Documents and as contemplated under the Underwriting Agreement
“Rights Shares”	the Shares proposed to be offered to the Qualifying Shareholders pursuant to the Rights Issue
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

## DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Specific Mandate”	the specific mandate granted by the Shareholders to the Board at the extraordinary general meeting held on 14 January 2014 for the allotment and issue of up to a maximum number of 190,000,000 Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the issue price of HK\$0.128 per Rights Share at which the Rights Shares are proposed to be offered for subscription
“Takeovers Code”	The Hong Kong Codes on Takeovers and Mergers, as modified, amended and supplemented from time to time
“Underwriter”	Win Fung Securities Limited, a licensed corporation to carry out business in type 1 regulated activity (dealing in securities) and type 4 regulated activity (advising on securities) under the SFO
“Underwriting Agreement”	the underwriting agreement dated 21 March 2014 entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Rights Issue
“Underwritten Shares”	560,428,810 Rights Shares underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement
“%”	per cent.

## EXPECTED TIMETABLE

*Set out below is an indicative timetable for the implementation of the Rights Issue. The expected timetable may be subject to changes and the Company will notify the Shareholders on any changes to the expected timetable as and when appropriate.*

	<b>Date (2014)</b>
Last day of dealings in the Shares on cum-rights basis . . . . .	Tuesday, 15 April
Ex-date (the first day of dealings in the Shares on ex-rights basis) . . . . .	Wednesday, 16 April
Latest time for lodging transfer of Shares to qualify for the Rights Issue . . . . .	4:30 p.m. on Thursday, 17 April
Register of members closes . . . . .	From Tuesday, 22 April to Wednesday, 23 April (both days inclusive)
Record Date . . . . .	Wednesday, 23 April
Despatch of the Prospectus Documents . . . . .	Thursday, 24 April
First day of dealings in nil-paid Rights Shares . . . . .	Monday, 28 April
Latest time for splitting of nil-paid Rights Shares . . . . .	4:30 p.m. on Wednesday, 30 April
Last day of dealings in nil-paid Rights Shares . . . . .	Wednesday, 7 May
Latest time for acceptance and payment of Rights Shares and application for excess Rights Shares . . . . .	4:00 p.m. on Monday, 12 May
Latest time for termination of the Underwriting Agreement . . . . .	4:00 p.m. on Thursday, 15 May
Announcement of allotment results . . . . .	Tuesday, 20 May
Despatch of certificates for fully-paid Rights Shares and refund cheques . . . . .	Wednesday, 21 May
Commencement of dealings in fully-paid Rights Shares . . . . .	Thursday, 22 May



## EXPECTED TIMETABLE

All times and dates specified in this prospectus refer to Hong Kong local times and dates. Dates stated in this prospectus for event mentioned in the timetable are indicative only and may be extended or varied. Any changes to the expected timetable for the Rights Issue will be announced as and when appropriate in accordance with the GEM Listing Rules.

### EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS SHARES

The Latest Time for Acceptance, being the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Share will be postponed if there is:

1. a tropical cyclone warning signal number 8 or above; or
2. a “black” rainstorm warning
  - (a) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the Latest Acceptance Date, instead the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day;
  - (b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the Latest Acceptance Date, instead the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m..

*If the Latest Time for Acceptance does not take place on the Latest Acceptance Date, the dates mentioned in the ‘Expected timetable’ section may be affected. The Company will notify shareholders by way of announcements on any change to the expected timetable as soon as practicable.*

## TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriter may terminate the Underwriting Agreement by notice in writing given to the Company at any time prior to the Latest Time for Termination, if, prior to the Latest Time for Termination:

- (i) in the reasonable opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
  - (a) the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position of the Group as a whole or is materially adverse in the context of the Rights Issue after the signing of the Underwriting Agreement; or
  - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring after the signing of the Underwriting Agreement or continuing after the signing of the Underwriting Agreement), of a political, military, financial, economic or other nature, or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position of the Group as a whole; or
  - (c) any materially adverse change after the signing of the Underwriting Agreement in the business or in the financial or trading position of the Group as a whole; or
  - (d) any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out occurred after the signing of the Underwriting Agreement which would, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position of the Group as a whole;
  - (e) the commencement by any third party of any litigation or claim against any member of the Group after the signing of the Underwriting Agreement which, in the reasonable opinion of the Underwriter, is or might be material to the Group taken as a whole;
  - (f) there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in the Shares generally on the Stock Exchange due to exceptional financial circumstances or otherwise; or

## TERMINATION OF THE UNDERWRITING AGREEMENT

- (ii) there is any material adverse change in market conditions (including, without limitation, a change in fiscal or monetary policy or foreign exchange or currency markets, suspension or restriction of trading in securities, imposition of economic sanctions, on Hong Kong, the PRC or other jurisdiction relevant to the Group or any member of the Group and a change in currency conditions includes a change in the system under which the value of the Hong Kong currency is pegged with that of the currency of the United States of America) occurs which in the reasonable opinion of the Underwriter makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (iii) the Prospectus and all amendments and supplements thereto when published contain information (either as to business prospects or the condition of the Group or as to its compliance with any laws or the GEM Listing Rules or the Takeovers Code or any applicable regulations) which has not prior to the date of the Underwriting Agreement been publicly announced or published by the Company and which may in the reasonable opinion of the Underwriter is material to the Group as a whole and is likely to affect materially and adversely the success of the Rights Issue.

The Underwriter shall be entitled by notice in writing to the Company to rescind the Underwriting Agreement if, prior to the Latest Time for Termination:

- (i) any material breach of any of the warranties or undertakings of the Company contained under the Underwriting Agreement comes to the knowledge of the Underwriter; or
- (ii) any event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which would render any of the warranties contained under the Underwriting Agreement untrue or incorrect in any material respect comes to the knowledge of the Underwriter.



**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. Zhang Xiongfeng (*Chairman*)  
Mr. Zhang Peiao (*Chief Executive Officer*)  
Mr. Mak Kwong Yiu (*Compliance Officer and  
Authorised Representative*)  
Mr. Hung, Kenneth

*Registered office:*

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

*Independent non-executive Directors:*

Mr. Wong Siu Keung, Joe  
Mr. Wong Ching Yip  
Mr. Luk Chi Shing

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

Unit 1801, 18/F  
Jubilee Centre  
46 Gloucester Road  
Wanchai  
Hong Kong

24 April 2014

*To the Qualifying Shareholders*

Dear Sir or Madam

**PROPOSED RIGHTS ISSUE ON THE BASIS OF  
ONE RIGHTS SHARE  
FOR EVERY TWO SHARES HELD ON THE RECORD DATE**

**INTRODUCTION**

Reference is made to the Announcement in relation to the Rights Issue. The Board announced that the Company proposed to raise approximately HK\$71.7 million before expenses by way of Rights Issue, on the basis of one Rights Share for every two existing Shares held on the Record Date at the Subscription Price of HK\$0.128 per Rights Share. Qualifying Shareholders will be entitled to apply for additional Rights Shares in excess of their respective entitlements under the Rights Issue through excess application.

\* *For identification purpose only*

## LETTER FROM THE BOARD

The purpose of this prospectus is to provide you with details regarding the Rights Issue, including information on dealing in, transfer and acceptance of the Rights Shares and other information in respect of the Group.

### TERMS OF THE RIGHTS ISSUE

Details of the Rights Issue are set out as below:

#### Issue statistics

Basis of the Rights Issue	:	One Rights Share for every two existing Shares held on the Record Date
Number of Shares in issue as at the date of the Announcement	:	1,120,857,620 Shares
Number of Rights Shares	:	560,428,810 Rights Shares (assuming no further issue of new Shares or repurchase of Shares on or before the Record Date) ( <i>Note</i> )
Subscription Price	:	HK\$0.128 per Rights Share with nominal value of HK\$0.10 each
Underwriter	:	Win Fung Securities Limited
Enlarged issued share capital of the Company upon completion of the Rights Issue	:	1,681,286,430 Shares
Funds raised before expenses	:	Approximately HK\$71.7 million

*Note:* As at the Latest Practicable Date, the Company had no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares. Assuming no further issue of new Shares or repurchase of Shares on or before the Record Date, the 560,428,810 Rights Shares represent 50% of the Company's issued share capital as at the Latest Practicable Date and approximately 33.33% of the Company's issued share capital as enlarged by the issue of the Rights Shares.

#### Qualifying Shareholders

The Company will send the Prospectus Documents to the Qualifying Shareholders only on Thursday, 24 April 2014. To qualifying for the Rights Issue, a Shareholder must:

1. be a shareholder whose name appears on the register of members of the Company on the Record Date; and
2. not be an Excluded Shareholder.

## LETTER FROM THE BOARD

In order to be registered as members of the Company at the close of business on the Record Date, owners of Shares must lodge any transfer of Shares (together with the relevant share certificates) with the Company's branch share registrar, Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Thursday, 17 April 2014.

### **Closure of register of members**

The register of members of the Company will be closed from Tuesday, 22 April 2014 to Wednesday, 23 April 2014, both days inclusive. No transfer of Shares will be registered during this period.

### **Rights of Overseas Shareholders**

Overseas Shareholders on the Record Date, if any, may not be eligible to take part in the Rights Issue as explained below.

Having made the enquiries, the Board confirmed that none of the Shareholders as record on the register of members of the Company had address outside Hong Kong as at the Latest Practicable Date.

The Company will make enquiries pursuant to Rule 17.41(1) of the GEM Listing Rules regarding the feasibility of extending the Rights Issue to the Overseas Shareholders as at the Record Date (if any). If, based on legal opinions, the Directors consider that it is necessary or expedient not to offer the Rights Shares to the Overseas Shareholders on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, the Rights Issue will not be available to such Overseas Shareholders and no provision allotment of nil-Rights Shares will be made to them. The Company will send copies of the Prospectus to the Excluded Shareholders for their information only, but will not send any PAL and EAF to them. The Prospectus Documents will not be registered under the applicable securities legislation of any jurisdiction other than Hong Kong.

The Company will provisionally allot the Rights Shares, which represent the entitlements of the Excluded Shareholders to a nominee of the Company in nil-paid form and the Company will procure that such nominee will endeavour to sell the rights as soon as practicable after dealings in nil-paid Rights Shares commence and in any event on or before the last day of dealings in nil-paid Rights Shares at a net premium (nil-paid). If and to the extent that such rights can be so sold, the nominee will account to the Company for the net proceeds of sale (after deducting the expenses of sale, if any), on the basis that the net proceeds after deducting the expenses of sale (if any) attributable to the sale of the Rights Shares that would otherwise have been allotted to the Excluded Shareholders shall be distributed pro rata to their shareholdings as at the Record Date (but rounded down to the nearest cent) to the Excluded Shareholders provided that individual amounts of HK\$100 or less shall be retained by the Company for its own benefit. Any of such nil-paid rights which are not sold as aforesaid will be dealt with as Rights Shares not accepted.

## LETTER FROM THE BOARD

**Overseas Shareholders should note that they may or may not be entitled to the Rights Issue. Accordingly, Overseas Shareholders should exercise caution when dealing in the securities of the Company.**

### **Subscription Price**

The Subscription Price for the Rights Shares is HK\$0.128 per Rights Share, payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of Rights Shares and, where applicable, application for excess Rights Shares under the Rights Issue or when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 23.35% to the closing price of HK\$0.167 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 22.52% to the average closing price of approximately HK\$0.1652 per Share for the five consecutive trading days ended on the Last Trading Day;
- (iii) a discount of approximately 26.18% to the average closing price of approximately HK\$0.1734 per Share for the ten consecutive trading days ended on the Last Trading Day;
- (iv) a discount of approximately 16.88% to the theoretical ex-rights price of approximately HK\$0.154 per Share based on the closing price of HK\$0.167 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (v) a discount of approximately 2.29% to the closing price of HK\$0.131 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

Based on the Subscription Price of HK\$0.128 and assuming no change in the shareholding structure of the Company from the Latest Practicable Date to immediately after completion of the Rights Issue, the gross proceeds to be raised by the Company from the Rights Issue will amount to approximately HK\$71.7 million.

The Subscription Price was determined after arm's length negotiation between the Company and the Underwriter with reference to the market price of the Shares and market conditions. The Directors (including the independent non-executive Directors) consider the terms of the Rights Issue, including the Subscription Price, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole. The net price per Rights Share, upon full acceptance of the Rights Shares, will be approximately HK\$0.123.

## LETTER FROM THE BOARD

### **Basis of provisional allotment**

The basis of the provisional allotment will be one Rights Share (in nil-paid form) for every two existing Shares held by Qualifying Shareholders at the close of business on the Record Date. Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for with the Registrar on or before the Latest Acceptance Date.

### **Fractions of the Rights Shares**

The Company will not provisionally allot and accept applications for any fractions of the Rights Shares. All fractions of the Rights Shares will be aggregated and all nil-paid Rights Shares arising from such aggregation will be sold by the Company in the market, and if a premium (net of expenses) can be achieved, the Company will retain the proceeds from such sale(s) for its benefit. Any unsold aggregate fractions of Rights Shares will be made available for excess application by the Qualifying Shareholders. No odd lot matching services will be provided.

### **Status of the Rights Shares**

The Rights Shares, when allotted and fully paid, will rank pari passu in all respects with the then existing Shares in issue on the date of allotment of the Rights Shares in fully-paid form, including the right to receive all dividends and distributions which may be declared, made or paid on or after such date.

### **Application for excess Rights Shares**

The Qualifying Shareholders shall be entitled to apply for, (i) Rights Shares representing the entitlement of the Excluded Shareholders and which cannot be sold at a net premium; (ii) any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders; and (iii) any fractional entitlements of the Qualifying Shareholders. Application may be made by completing the EAF and lodging the same with a separate remittance for the excess Rights Shares being applied for.

The Directors will allocate the excess Rights Shares (if any) at their discretion on a fair and equitable basis, according to the principle that any excess Rights Shares will be allocated to Qualifying Shareholders who apply for them on a pro rata basis by reference to the number of excess Rights Shares applied for. Reference will only be made to the number of excess Rights Shares being applied for but no reference will be made to Rights Shares comprised in applications by PAL or the existing number of Shares held by Qualifying Shareholders. If the aggregate number of Rights Shares not taken up by the Qualifying Shareholders under the PALs is greater than the aggregate number of excess Rights Shares applied for through EAFs, the Directors will allocate to each Qualifying Shareholder who applies for excess Rights Shares in full application. No preference will be given to topping up odd lots to whole board lots.



## LETTER FROM THE BOARD

Investors with their Shares held by a nominee company should note that the Board will regard the nominee company (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Accordingly, Shareholders should note that the aforesaid arrangement in relation to the allocation of excess Rights Shares will not be extended to beneficial owners individually. Investors with their Shares held by a nominee company are advised to consider whether they would like to arrange for the registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

Investors whose Shares are held by their nominee(s) and who would like to have their names registered on the register of members of the Company, must lodge all necessary documents with the Registrar for completion of the relevant registration by 4:30 p.m. on Thursday, 17 April 2014.

### **Share certificates and refund cheques for the Rights Issue**

Subject to the fulfillment or waiver (as applicable) of the conditions of the Rights Issue, certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Wednesday, 21 May 2014. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before Wednesday, 21 May 2014 by ordinary post to the applicant at their own risk.

### **Procedure for acceptance and payment or transfer**

A PAL is enclosed with this prospectus which entitles the Qualifying Shareholders to whom it is addressed to subscribe for the number of the Rights Shares shown therein. If the Qualifying Shareholders wish to accept all the Rights Shares Provisionally allotted to them as specified in the PAL, they must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, by no later than 4:00 p.m. on Monday, 12 May 2014 (or, under bad weather conditions, such later date as mentioned in the section headed "Expected Timetable – Effect of Bad Weather on the Latest Time For Acceptance and Payment for the Rights Shares"). All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by cashier's orders which must be issued by, a licensed bank in Hong Kong and made payable to "**Computech Holdings Limited – Rights Issue Account**" and crossed "**Account Payee Only**". It should be noted that unless the duly completed PAL, together with the appropriate remittance, has been lodged with the Registrar by no later than 4:00 p.m. on Monday, 12 May 2014, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. The Company may, at its sole and absolute discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions.

## LETTER FROM THE BOARD

If the Qualifying Shareholders wish to accept only part of their provision allotment or transfer part of their rights to subscribe for the Rights Share provisionally allotted to them under the PAL or to transfer part of their rights to more than one person, the original PAL must be surrendered and lodged for cancellation by no later than 4:30 p.m. on Wednesday, 30 April 2014 to the Registrar, who will cancel the original PAL and issue new PALs in the denomination required which will be available for collection from the Registrar at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong after 9:00 a.m. on the second Business Day after the surrender of the original PAL. The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders. All cheques or cashier's orders will be presented for payment immediately following receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of the PAL with a cheque or a cashier's order, whether by a Qualifying Shareholder or by any nominated transferee, will constitute a warranty by the applicant that the cheque or the cashier's order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the cheque or cashier's order is dishonoured on first presentation, and in that event, the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled.

### Excess Rights Shares

If the Qualifying Shareholders wish to apply for any Rights Shares in addition to the provisional allotment, the Qualifying Shareholders must complete and sign the EAF as indicated thereon and lodge it, together with a separate remittance for the amount payable on application in respect of the excess Rights Shares applied for, with the Registrar at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by not later than 4:00 p.m. on Monday, 12 May 2014 (or, under bad weather conditions, such later date as mentioned in the section headed "Expected Timetable – Effect of Bad Weather on the Latest Time For Acceptance and Payment for the Rights Shares"). All remittances must be made in Hong Kong dollars. Cheques must be drawn on an account with, and banker's cashier orders must be issued by, a licensed bank in Hong Kong and made payable to "**Computech Holdings Limited – Excess Application Account**" and crossed "**Account Payee Only**". It should be noted that the allotment of excess Rights Shares will be made by the Directors on a fair and equitable basis but Shareholders are not guaranteed to be allotted all or any of the excess Rights Shares applied for.

No action has been taken to permit the offering of the Rights Shares or the distribution of the Prospectus Documents in any territory other than Hong Kong. Accordingly, no person receiving the Prospectus Documents in any territory outside Hong Kong may treat it as an offer or invitation to apply for the Rights Shares, unless in a territory where such an offer or invitation could lawfully be made without compliance with any registration or other legal and regulatory requirements thereof. It is the responsibility of anyone outside Hong Kong wishing to make an application for the Rights Shares to satisfy itself/himself/herself as to the observance of the laws and regulations of all relevant territories, including the obtaining of any governmental or other consents, and to pay any taxes and duties.

## LETTER FROM THE BOARD

If the Underwriter exercises the right to terminate or rescind the Underwriting Agreement or if any of the conditions of the Rights Issue as set out in the paragraph headed "Conditions of the Rights Issue" below is not fulfilled or waived (as applicable) at or before the time and date specified in the Underwriting Agreement, the monies received in respect of acceptances of the Rights Shares will be returned to the Qualifying Shareholders or such other persons to whom the Rights Shares in their nil-paid form have been validly transferred or, in the case of joint acceptances, to the first-named person without interest, by means of cheques despatched by ordinary post at their own risk to their respective registered addresses by the Registrar on or before Wednesday, 21 May 2014.

Dealings in the Rights Shares in both their nil-paid and fully-paid forms, which are registered in the register of members of the Company in Hong Kong, will be subject to the payment of stamp duty and applicable fees and charges in Hong Kong.

### **Application for listing**

The Company has made application to the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbroker or other professional adviser for details of those settlement arrangement and how such arrangements will affect their rights and interest.

Both nil-paid Rights Shares and fully-paid Rights Shares will be traded in board lots of 6,000 Shares.

### **Conditions of the Rights Issue**

The Rights Issue is conditional upon the following conditions being fulfilled or waived (as appropriate):

- (i) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in all the Rights Shares (in their nil-paid and fully-paid forms) by no later than the Prospectus Posting Date;

## LETTER FROM THE BOARD

- (ii) the filing and registration of the Prospectus Documents (together with any other documents required by applicable law or regulation to be annexed thereto) with the Registrar of Companies in Hong Kong by no later than the Prospectus Posting Date;
- (iii) the posting of the Prospectus Documents to Qualifying Shareholders on the Prospectus Posting Date;
- (iv) the Underwriting Agreement not being terminated by the Underwriter pursuant to the terms thereof on or before the Latest Time for Termination;
- (v) there being no event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time of Termination which would render any of the warranties in the Underwriting Agreement untrue or incorrect in any material respect occurred prior to the Latest Time for Termination; and
- (vi) there being no breach of the undertakings and obligations of the Company under the terms of the Underwriting Agreement.

The above conditions set out in paragraph (i) to (iii) are incapable of being waived by the Underwriter and the Company. The Underwriter may waive the conditions set out in paragraph (iv) to (vi) in whole or in part by written notice to the Company.

If the above conditions are not satisfied and/or waived in whole or in part by the Latest Time for Acceptance (or such later date or dates as the Underwriter and the Company may agree in writing), the Underwriting Agreement shall terminate (save in respect of the provisions in relation to indemnity, notices and governing law and any rights or obligations which may accrue under the Underwriting Agreement prior to such termination) and no party will have any claim against any other party for costs, damages, compensation or otherwise, and the Rights Issue will not proceed.

### UNDERWRITING AGREEMENT

The principal terms of the Underwriting Agreement are as follows:

Date : 21 March 2014

Underwriter : Win Fung Securities Limited

To the best of the Directors' knowledge and information after having made all reasonable enquiries, the Underwriter and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons

## LETTER FROM THE BOARD

Total number of Rights Shares being underwritten by the Underwriter : 560,428,810 Underwritten Shares, being all the Rights Shares under the Rights Issue

Commission : The Underwriter will receive a commission in respect of its underwriting of the Rights Issue at 3.5% of the aggregate subscription price in respect of the Underwritten Shares

The Board considers that the terms of the Underwriting Agreement and the amount of commission given to the Underwriter are fair and reasonable as compared to the market practice and commercially reasonable as agreed between the parties of the Underwriting Agreement.

As advised by the Underwriter, it has entered into a sub-underwriting agreement with Trinity Finance Investment Limited, which is a third party independent of, not acting in concert with and not connected with, the substantial shareholders of the Company (within the meaning of the Listing Rules) and their respective associates, to sub-underwrite an aggregate of 287,000,000 Rights Shares, representing 17.07% of the Company's issued share capital as enlarged by the issue of 560,428,810 Rights Shares.

### **Termination of the Underwriting Agreement**

The Underwriter may terminate the Underwriting Agreement by notice in writing given to the Company at any time prior to the Latest Time for Termination, if, prior to the Latest Time for Termination:

- (i) in the reasonable opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
  - (a) the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position of the Group as a whole or is materially adverse in the context of the Rights Issue after the signing of the Underwriting Agreement; or
  - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring after the signing of the Underwriting Agreement or continuing after the signing of the Underwriting Agreement), of a political, military, financial, economic or other nature, or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position of the Group as a whole; or

## LETTER FROM THE BOARD

- (c) any materially adverse change after the signing of the Underwriting Agreement in the business or in the financial or trading position of the Group as a whole; or
  - (d) any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out occurred after the signing of the Underwriting Agreement which would, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position of the Group as a whole;
  - (e) the commencement by any third party of any litigation or claim against any member of the Group after the signing of the Underwriting Agreement which, in the reasonable opinion of the Underwriter, is or might be material to the Group taken as a whole;
  - (f) there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in the Shares generally on the Stock Exchange due to exceptional financial circumstances or otherwise; or
- (ii) there is any material adverse change in market conditions (including, without limitation, a change in fiscal or monetary policy or foreign exchange or currency markets, suspension or restriction of trading in securities, imposition of economic sanctions, on Hong Kong, the PRC or other jurisdiction relevant to the Group or any member of the Group and a change in currency conditions includes a change in the system under which the value of the Hong Kong currency is pegged with that of the currency of the United States of America) occurs which in the reasonable opinion of the Underwriter makes it inexpedient or inadvisable to proceed with the Rights Issue; or
  - (iii) the Prospectus and all amendments and supplements thereto when published contain information (either as to business prospects or the condition of the Group or as to its compliance with any laws or the GEM Listing Rules or the Takeovers Code or any applicable regulations) which has not prior to the date of the Underwriting Agreement been publicly announced or published by the Company and which may in the reasonable opinion of the Underwriter is material to the Group as a whole and is likely to affect materially and adversely the success of the Rights Issue.

## LETTER FROM THE BOARD

The Underwriter shall be entitled by notice in writing to the Company to rescind the Underwriting Agreement if, prior to the Latest Time for Termination:

- (i) any material breach of any of the warranties or undertakings of the Company contained under the Underwriting Agreement comes to the knowledge of the Underwriter; or
- (ii) any event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which would render any of the warranties contained under the Underwriting Agreement untrue or incorrect in any material respect comes to the knowledge of the Underwriter.

### **WARNING OF THE RISKS OF DEALING IN SHARES AND THE RIGHTS SHARES**

The Shares have been dealt with on an ex-rights basis from Wednesday, 16 April 2014. Dealings in the Rights Shares in the nil-paid form are expected to take place from Monday, 28 April 2014 to Wednesday, 7 May 2014 (both days inclusive). If the conditions of the Rights Issue are not fulfilled or the Underwriting Agreement is terminated by the Underwriter on or before 4:00 p.m. on Thursday, 15 May 2014 or such later time and/or date as may be agreed between the Company and the Underwriter, the Rights Issue will not proceed. Any Shareholders or other persons dealing or contemplating dealing in the Shares up to the date on which all the conditions of the Rights Issue are fulfilled (and the date on which the Underwriter's right of termination of the Underwriting Agreement ceases), and any dealings in the nil-paid Rights Shares between Monday, 28 April 2014 to Wednesday, 7 May 2014 (both days inclusive), bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons dealing or contemplating dealing or contemplating dealing in the Shares or nil-paid Rights Shares are recommended to consult their own professional advisers.

### **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Tuesday, 22 April 2014 to Wednesday, 23 April 2014 (both days inclusive) for determining the entitlements to the Rights Issue. No transfer of Shareholders will be registered during this period.

## LETTER FROM THE BOARD

### SHAREHOLDING STRUCTURE OF THE COMPANY

The table below set out the shareholding structure of the Company assuming that there is no change in the shareholding structure of the Company from the Latest Practicable Date to immediately after the completion of the Rights Issue.

Shareholders	As at the Latest Practicable Date		Immediately after completion of the Rights Issue assuming that all the Qualifying Shareholders take up their respective allotments of Rights Shares in full		Immediately after completion of the Rights Issue assuming that no Qualifying Shareholder takes up any of the Rights Shares and the Underwriter takes up all the Rights Shares	
	<i>Number of Shares</i>	%	<i>Number of Shares</i>	%	<i>Number of Shares</i>	%
Underwriter <i>(Notes 1 and 2)</i>	–	–	–	–	560,428,810	33.33
Public Shareholders	<u>1,120,857,620</u>	<u>100</u>	<u>1,681,286,430</u>	<u>100</u>	<u>1,120,857,620</u>	<u>66.67</u>
	<u><u>1,120,857,620</u></u>	<u><u>100</u></u>	<u><u>1,681,286,430</u></u>	<u><u>100</u></u>	<u><u>1,681,286,430</u></u>	<u><u>100</u></u>

*Notes:*

- (1) As advised by the Underwriter, it has entered into a sub-underwriting agreement with Trinity Finance Investment Limited to sub-underwrite an aggregate of 287,000,000 Rights Shares. Assuming the sub-underwriter would duly perform its obligations under the sub-underwriting agreement to take up all 287,000,000 Rights Shares, the Underwriter will only take up 273,428,810 Rights Shares, representing 16.26% of the Company's issued share capital as enlarged by the issue of 560,428,810 Rights Shares.
  
- (2) This table is for illustrative purpose only. Pursuant to the Underwriting Agreement, the Underwriter undertook that, if there is any Underwritten Shares not being taken up by the Latest Time for Acceptance ("**Untaken Shares**"), it will procure that each of the subscribers of the Untaken Shares (including direct and indirect sub-underwriters), will not, together with any party acting in concert with it or its associates, hold 10.0% or more of the voting rights of the Company immediately upon completion of the Rights Issue.



## LETTER FROM THE BOARD

### REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

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; (iii) provision of medical diagnostic and health check services; and (iv) securities and property investments business.

The estimated expenses of approximately HK\$2.9 million in relation to the Rights Issue, including the underwriting fee and the fees for application for listing will be borne by the Company. The estimated net proceeds of the Rights Issue will be approximately HK\$68.8 million (assuming no Shares have been allotted and issued or repurchased on or before the Record Date). The Company intends to apply (i) approximately HK\$2 million (approximately 2.91% of the net proceeds from the Rights Issue) to develop the Group's mobile-online game business, including design and research and development of mobile-online games and identifying and securing intellectual property rights, which are intended for onward sale or licensing for development of mobile-online games; (ii) approximately HK\$61.80 million (approximately 89.82% of the net proceeds from the Rights Issue) to the acquisition of 13% issued share capital of Mighty Eight Investments Limited (details of which are set out in the announcement of the Company dated 2 April 2014); and (iii) approximately HK\$5 million (approximately 7.27% of the net proceeds from the Rights Issue) for general working capital of the Group. As set out in the Company's announcement dated 12 March 2014, 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.

The Directors consider that it is prudent to finance the Group's long term growth by way of the Rights Issue which will strengthen the Group's capital base and enhance its financial position without increasing finance costs. The Rights Issue also enable the Qualifying Shareholders to maintain their respective pro rata shareholding in the Company and participate in the growth of the Group through the Rights Issue. The Board considers that the fund raising through the Rights Issue is in the interests of the Company and the Shareholders as a whole.

## **RISK FACTORS**

### **Risks which are relevant to the Group and its business**

The IT industry is characterized by rapid technological changes, changes in consumer preferences, the frequent development and enhancement of services and products and new emerging industry standards. The introduction of services or products embodying new technologies and the emergence of new industry standards and practices can render existing services or products obsolete and unmarketable. The Company's future success will depend, in part, on its ability to: (i) enhance its existing products and services; (ii) develop new products and services that address the increasingly sophisticated and varied needs of prospective customers; and (iii) respond to technological advances and emerging industry standards and practices on a timely and cost-effective basis. If the Company is unable to develop and introduce new products, or enhance its existing products or services in a timely manner in response to changing market conditions or customer requirements, or if its new products and services do not achieve market acceptance, the Company's business will be harmed. The enhancement of its existing products and the development of new products and services entail significant technological risks. The Company cannot assure that it will succeed in using new technologies effectively, adapting its services and products to emerging industry standards, developing, introducing and marketing service and product enhancements, or introducing new products and services.

The Group's limited experience with offering and operating mobile games makes it difficult to predict whether the Group will succeed in developing and operating games that appeal to mobile game players. The uncertainties the Group faces include, the Group may not be able to anticipate and effectively respond to the interests of players on mobile devices and platforms, or effectively market the Group's mobile games to existing players and attract new players.

The money lending business is exposed to default from the Group's customers, which involves the risk of loss due to the inability or willingness of customers to meet their contractual obligations. If the customers fail to meet their contractual obligations, the Company may incur additional costs to realize the collaterals for the secured loans. The risks of losses will be higher for the unsecured loans are higher in the event of default.

Though the medical and health check services provided by the Group are performed by qualified medical practitioners and laboratory technicians in the health check centres and the laboratories, it is possible that the Group may face liability claims from its customers arising from professional negligence and employee misconduct. The Group has adopted internal control measures and protocol for provision of medical services. However, there is no assurance that such measures can completely eliminate the risk for professional negligence and/or employee misconduct, and failure to defend against any possible claims could adversely affect the business reputation or operation of the Group.

## LETTER FROM THE BOARD

### **Risks which are relevant to the industry and market in which the Group operates**

The Company's success will depend, in part, on its ability to respond to technological advances. The Company may not be successful in responding quickly, cost-effectively and sufficiently to these developments. If the Company is unable, for technical, financial or other reasons, to adapt in a timely manner in response to technological advances, it will not be able to compete effectively and the business of the Group would be adversely affected.

The online game industry is highly competitive with low barrier to entry. The current or potential competitors may have greater operating experience and more financial, marketing and other resources, which may offer them an advantage in developing and operating or acquiring games, conducting marketing and promotional activities. If the Group fails to compete effectively, the Group may lose its customers and the market share may decrease.

The Group may face risks and uncertainties posed by local political, regulatory and religious environments and failure to comply with country-specific regulatory restrictions may expose the Group to fines, penalties and liabilities. There is no assurance that the current government policies, economic and social conditions in the regions where the Group's business operates will not undergo significant changes in future. Any new rules and regulations introduced and implemented in the future which regulates the provision of IT services (including mobile games business), medical and health check services and money lending business, may adversely affect the business, international expansion and growth prospects of the Group.

## LETTER FROM THE BOARD

### FUND RAISING EXERCISE OF THE COMPANY DURING THE PAST 12 MONTHS

Apart from the fund raising activity mentioned below, the Company had not raised any other fund in the past 12 months immediately preceding the Latest Practicable Date:

Date of announcement	Fund raising activity	Intended use of net proceeds	Actual use of net proceeds as at the Latest Practicable Date
12 November 2013 and 29 January 2014	Placing of 110,000,000 new Shares at HK\$0.128 per Share pursuant to the General Mandate	Approximately HK\$13.4 million was intended to be applied to the development of and investment in software products including but not limited to financial-related software, online games as well as their related service offerings (“ <b>Development Plan</b> ”). It is proposed that such proceeds will be used in the acquisition of 5% issued capital of Mighty Eight Investments Limited, details of which are set out in the announcement of the Company dated 29 January 2014.	The entire net proceeds had been used as the deposit paid under the acquisition of 5% issued capital of Mighty Eight Investments Limited, details of which are set out in the announcement of the Company dated 29 January 2014.

<b>LETTER FROM THE BOARD</b>
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Date of announcement	Fund raising activity	Intended use of net proceeds	Actual use of net proceeds as at the Latest Practicable Date
12 November 2013 and 29 January 2014	Placing of 190,000,000 new Shares at HK\$0.128 per Share pursuant to the Specific Mandate	Approximately HK\$23.1 million was intended to be applied to the possible acquisition of a group of companies principally engaging in the development and operation of mobile online games and the Development Plan. It is proposed that such proceeds will be used in the acquisition of 5% issued capital of Mighty Eight Investments Limited, details of which are disclosed in the announcement of the Company dated 29 January 2014.	The entire net proceeds had not been utilised.

**ADDITIONAL INFORMATION**

Your attention is also drawn to the additional information set out in the appendices to this prospectus.

On behalf of the Board  
**Computech Holdings Limited**  
**Zhang Xiongfeng**  
*Chairman*

## 1. FINANCIAL INFORMATION OF THE COMPANY

The audited consolidated financial statements of the Group for the years ended 31 December 2011, 31 December 2012 and 31 December 2013, including the notes thereto, have been published in the annual reports of the Company for the years ended 31 December 2011 (pages 21 to 59), 31 December 2012 (pages 27 to 65) and 31 December 2013 (pages 28 to 91), which are incorporated by reference into this prospectus. The said annual reports of the Company are available on the Company's website at <http://www.computech.com.hk> and the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk).

## 2. STATEMENT OF INDEBTEDNESS

### **Borrowings**

As at the close of business on 14 March 2014, being the latest practicable date for the purpose of this indebtedness statement, the Group had an outstanding borrowing of HK\$24,000,000, which was an unsecured short term borrowing due to an independent third party guaranteed by the Company.

### **Security and guarantees**

As at the close of business on 14 March 2014, being the latest practicable date for the purpose of this indebtedness statement, the Group had not utilised any banking facility.

### **Contingent liabilities**

As at the close of business on 14 March 2014, the Group did not have any significant contingent liabilities.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities and normal trade and others payables in the ordinary course of business, the Group did not have any other loan capital issued or agreed to be issued, bank overdrafts, loans, debt securities issued and outstanding, and authorised or otherwise created but unissued and term loans or other borrowings, indebtedness in the nature of borrowings, liabilities under acceptance (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, finance lease or hire purchase commitments, which are either guaranteed, unguaranteed, secured or unsecured, guarantees or other material contingent liabilities outstanding on 14 March 2014.

The Company does not have exposure to foreign exchange liabilities.

### 3. WORKING CAPITAL

The Directors are of the opinion that, after taking into account the financial resources presently available to the Group, in the absence of unforeseeable circumstance, the Group has sufficient working capital for its present requirements that is for at least the next twelve months following the date of this prospectus.

### 4. MATERIAL ADVERSE CHANGE

As the Latest Practicable Date, save as those disclosed in the Company's announcement dated 11 April 2014 in relation to the financial performance of the Group for the three months ended 31 March 2014, the Directors confirm that there has been no material adverse change in the financial or trading position of the Group since 31 December 2013 (being the date to which the latest published audited financial statements of the Group were made up).

### 5. FINANCIAL AND TRADING PROSPECTS

#### Mobile-online game business

The Group aims to develop as one of the leading players in mobile-online gaming industry. With the increasing penetration of smart mobile devices and advanced technologies, the Group expects that money spent on mobile games by users of smart mobile devices will grow rapidly in the future. Subsequent to the year under review, the Group has tapped into the industry through a series of acquisition, entering into cooperation agreement and license agreement, demonstrating the determination of the Group to implement the new business strategy.

In 29 January 2014, the Group and certain independent third parties agreed to conditionally acquire 5% issued share capital of Mighty Eight Investments Limited at the consideration of HK\$43,600,000 (subject to adjustment) ("**First Acquisition**"). The subsidiaries and companies controlled by Mighty Eight Investments Limited include Something Big Technology Company Limited ("**HK SBT**"), 上海頑迦網絡科技有限公司 (unofficial English name being, "Shanghai Wanjia Network Technology Co., Ltd.") ("**Shanghai Wanjia**") and 上海顛視數碼科技有限公司 (unofficial English name being, "Shanghai Something Big Technology Co., Ltd.") ("**Shanghai SBT**"). HK SBT is principally engaged in 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. Shanghai SBT is well known by its original SanGuo-themed games, namely "手機三國", which are popular in the Greater China and South East Asia and ranked high on various digital distribution platforms for mobile application software, including Google Play and App Store. Shanghai Wanjia recently launched a new mobile games "Voyage-Mobile (手機大航海)" in various digital distribution platforms for mobile application software, including Google Play. The consideration of the First

Acquisition will be funded by (i) the net proceeds received from the placing of shares of approximately HK\$13,400,000 by the Company under the general mandate granted at the annual general meeting of the Company held on 15 May 2013; (ii) the net proceeds received from the placing of shares of approximately HK\$23,100,000 by the Company under the specific mandate granted at the extraordinary general meeting of the Company held on 14 January 2014; and (iii) internal resources of the Group. On 2 April 2014, the Group and the original parties to the First Acquisition entered into another sale and purchase agreement, pursuant to which the Group agreed to conditionally acquire additional 13% issued share capital of Mighty Eight Investments Limited at the consideration of HK\$113,970,000 (subject to adjustment) ("**Second Acquisition**"). The consideration of the Second Acquisition will be funded by the net proceeds from the Rights Issue and borrowings of the Group. Upon the completion of the Second Acquisition, Mighty Eight Investments Limited will become owned as to 18% by the Group.

On 12 March 2014, the Group announced that it intends to form a wholly foreign owned enterprise in Shanghai, the People's Republic of China which will be engaging in design, research and development of mobile-online games and identifying and securing intellectual property rights for onward sale or licensing. In addition, the Group 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 publication, operation and distribution of the mobile-online games to be developed by the Group from time to time.

On 14 March 2014, the Group entered into exclusive license agreement with Jade Dynasty Publications Limited ("**Jade Dynasty**") pursuant to which Jade Dynasty will grant the exclusive licence to the Group for the development of mobile games and other related products based on the contents of designated comics, including but not limited to the character images, storylines, display screen, circumstances and various items (weapons and costumes) of various comics series during the licence period.

### **Securities investment**

In March 2014, the Group acquired 9.91% stake of Universe International Holdings Limited ("**Universe International**"), whose shares are listed on the Main Board of the Stock Exchange (stock code: 1046) from an investment holding company. As a result of the growing synergy between mobile-online games and films, the Directors consider that Universe International has growth potential and prospects upon the formation of the joint venture company with the Group pursuant to the joint venture agreement dated 5 December 2013 entered into between the Group and Ample China Development Limited, a wholly-owned subsidiary of Universe International. The acquisition represents a good opportunity for the Group to expand its investment portfolio and develop the Group's securities and property investments. In order to maximise returns for the shareholders of the Company, the Group will continue to consider to invest in quality listed securities.



APPENDIX II	UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP
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**A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP**

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the equity holders of the Company prepared by the Directors in accordance with paragraph 7.31 of the GEM Listing Rules is set out below to illustrate the effect of the proposed Rights Issue on the consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 31 December 2013 as if the Right Issue had been completed on that date.

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group as at 31 December 2013 or at any future date.

		Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the equity holders of the Company after the completion of the Rights Issue <i>HK\$'000</i>	Audited consolidated net tangible assets per Share attributable to the equity holders of the Company as at 31 December 2013 <i>HK\$</i>	Unaudited pro forma adjusted consolidated net tangible assets per Share attributable to the equity holders of the Company after the completion of the Rights Issue <i>HK\$</i>
Audited consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 31 December 2013 <i>HK\$'000</i> <i>(Note 1)</i>	Estimated net proceeds from the Rights Issue <i>HK\$'000</i> <i>(Note 2)</i>	<i>HK\$'000</i>	<i>HK\$</i> <i>(Note 3)</i>	<i>HK\$</i> <i>(Note 4)</i>
Rights Issue of 560,428,810 Rights Shares to be issued at subscription price of HK\$0.128 per Rights Share		230,711	0.14	0.14
161,911	68,800			

*Notes :*

- (1) The audited consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 31 December 2013 is based on the audited consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 31 December 2013 of HK\$161,911,000, as extracted from the published annual report of the Company for the year ended 31 December 2013.
- (2) The estimated net proceeds from the Rights Issue are based on 560,428,810 Rights Shares to be issued (in the proportion of one Rights Share for every two existing Shares held on the Record Date) at the subscription price of HK\$0.128 per Rights Share and after deduction of the underwriting fees and related expenses of approximately HK\$2,900,000.
- (3) The audited consolidated net tangible assets per Share attributable to the equity holders of the Company as at 31 December 2013 of HK\$0.14 was based on the audited consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 31 December 2013 of HK\$161,911,000 and 1,120,857,620 Shares in issue as at 31 December 2013.
- (4) The unaudited pro forma adjusted consolidated net tangible assets per Share is arrived after aggregating the audited consolidated net tangible assets of the Group of HK\$161,911,000 as at 31 December 2013 (Note 1) and the estimated net proceeds of HK\$68,800,000 from the Rights Issue (Note 2) and on the basis that 1,120,857,620 Shares were in issue as at 31 December 2013 and 560,428,810 Rights Shares were issued under the Rights Issue assuming the Rights Issue has been completed on 31 December 2013, but does not take into account of any Shares which may be issued upon the exercise of options granted under the Share Option Scheme or any Shares which may be granted and issued or repurchased by the Company pursuant to the general mandate and the repurchase mandate.
- (5) No adjustments have been made to the unaudited pro forma adjusted consolidated net tangible assets of the Group to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2013.

**B. REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION**

*The following is the text of a report received from the Company's reporting accountants, PKF, Certified Public Accountants, Hong Kong, in respect of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group for the purpose of incorporation in this Prospectus.*

大信梁學濂(香港)會計師事務所

**PKF**

Accountants &  
business advisers

26/F, Citicorp Centre  
18 Whitfield Road  
Causeway Bay  
Hong Kong

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION  
INCLUDED IN A PROSPECTUS**

To the Directors of Computech Holdings Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Computech Holdings Limited (the "**Company**") and its subsidiaries (collectively the "**Group**") by the directors for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group as at 31 December 2013, and related notes (the "**Unaudited Pro Forma Financial Information**") as set out on pages II-I to II-2 of the Company's Prospectus dated 24 April 2014, in connection with the proposed rights issue of the Company. The applicable criteria on the basis of which the directors have compiled the Unaudited Pro Forma Financial Information are described in pages II-I to II-2.

The Unaudited Pro Forma Financial Information has been compiled by the directors to illustrate the impact of the proposed rights issue on the Group's financial position as at 31 December 2013 as if the proposed rights issue had taken place at 31 December 2013. As part of this process, information about the Group's financial position as at 31 December 2013 has been extracted by the directors from the Group's financial information included in the published annual report of the Company for the year ended 31 December 2013.

**Directors' Responsibility for the Unaudited Pro Forma Financial Information**

The directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 7.31 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

**Reporting Accountants' Responsibilities**

Our responsibility is to express an opinion, as required by paragraph 7.31(7) of the GEM Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus", issued by the HKICPA. This standard requires that the reporting accountants comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 7.31 of the GEM Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of Unaudited Pro Forma Financial Information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the proposed rights issue at 31 December 2013 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Opinion**

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 7.31(1) of the GEM Listing Rules.

### **PKF**

*Certified Public Accountants*

Hong Kong

24 April 2014

## 1. RESPONSIBILITY STATEMENT

This prospectus, 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 regarding the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this prospectus 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 prospectus misleading.

## 2. SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date and immediately following completion of the Rights Issue were/will be as follows:

### (a) As at the Latest Practicable Date

<i>Authorised:</i>		<i>HK\$</i>
<u>2,000,000,000</u>	Shares	<u>200,000,000</u>
<i>Issued and fully paid or credited as fully paid:</i>		<i>HK\$</i>
<u>1,120,857,620</u>	Shares	<u>112,085,762</u>

### (b) Immediately following completion of the Rights Issue

<i>Authorised:</i>		<i>HK\$</i>
<u>2,000,000,000</u>	Shares	<u>200,000,000</u>
<i>Issued and fully paid or credited as fully paid:</i>		<i>HK\$</i>
1,120,857,620	Shares in issue as at the Record Date	112,085,762
<u>560,428,810</u>	Rights Shares to be allotted and issued under the Rights Issue	<u>56,042,881</u>
<u>1,681,286,430</u>	Shares in issue upon completion of the Rights Issue	<u>168,128,643</u>

All the Shares in issue rank pari passu in all respects with each other, including, in particular, as to dividends, voting rights and return of capital. The Rights Shares, when allotted and fully paid, will rank pari passu in all respects with the Shares then in issue, including the right to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment of the Rights Shares.

No part of the share capital or any other securities of the Company has been listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

Save for the Rights Shares, the Company had no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares and rights to subscribe for, convert or exchange into Shares as at the Latest Practicable Date.

As at the Latest Practicable Date, there was no arrangement under which future dividends were waived or agreed to be waived.

### **3. DISCLOSURE OF INTEREST**

#### **(i) Directors' interests and short position in the securities of the Company and its associated corporations**

As at the Latest Practicable Date, 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 (i) 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, (ii) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or (iii) were 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.

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

As at the Latest Practicable Date, so far as was known to any Director, the following persons, other than a director or chief executive of the Company, had 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 expected, directly or indirectly, to be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any other member of the Group:

(a) *interest or short position in the Shares*

Name of shareholder	Nature of interest	Existing shares and underlying existing shares	Approximate percentage of interest
The Underwriter	Beneficial owner	560,428,810 (L) 287,000,000 (S) (Note 2)	33.33% (Note 1)
Cheng Hei Yu	Interest in controlled corporation	560,428,810 (L) 287,000,000 (S) (Note 2)	33.33% (Note 1)
Trinity Finance Investment Limited	Other	287,000,000 (L) (Note 3)	17.07% (Note 1)
Trinity Worldwide Holding Limited	Interest in controlled corporation	287,000,000 (L) (Note 3)	17.07% (Note 1)
Ng Ting Kit	Interest in controlled corporation	287,000,000 (L) (Note 3)	17.07% (Note 1)

*Notes:*

- The percentage shareholding in the Company is calculated by reference to the number of Shares in issue immediately following the completion of the Rights Issue (assuming no Shares (other than the Rights Shares) are allotted and issued on or before the Record Date, that is, 1,681,286,430.
- Based on the notices of disclosure of interests of the Underwriter and Cheng Hei Yu filed with the Stock Exchange and dated 24 March 2014, these interests are held by the Underwriter which is owned as to 99% by Cheng Hei Yu.
- Based on the notices of disclosure of interests of Trinity Finance Investment Limited, Trinity Worldwide Holding Limited and Ng Ting Kit filed with the Stock Exchange and dated 24 March 2014, these interests are held by Trinity Finance Investment Limited which is wholly-owned by Trinity Worldwide Holding Limited, which in turn is wholly-owned by Ng Ting Kit.
- The letter (L) above denotes long position and the letter (S) above denotes short position.



(b) *persons interested in 10% or more of the nominal value of the share capital of other members of the Group*

Name	Name of member of the Group	Number of shares held	Approximate percentage of shareholding
Shing Kwok Kuen	HK Health Check Limited	11	11%
ChinaQFii Company Limited	JunBridge Company Limited	3,000	30%

Save as disclosed in this prospectus, as at the Latest Practicable Date, so far as was known to any Director, there was no other person who had 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 expected, directly or indirectly, to be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any other member of the Group.

#### 4. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors nor their respective associates had any business which competes or may compete with the business of the Group.

As at the Latest Practicable Date, the Company did not have any controlling Shareholders.

#### 5. 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)).

Mr. Zhang Xiongfeng has been appointed for a fixed term commencing from 9 December 2013 and expiring on 31 December 2014; Mr. Zhang Peiao has been appointed for a term of 11 months commencing on 30 January 2014; Mr. Hung Kenneth has been appointed for a fixed term commencing from 18 February 2014 and expiring on 31 December 2014. Mr. Mak Kwong Yiu, Mr. Wong Siu Keung, Joe, Mr. Wong Ching Yip and Mr. Luk Chi Shing did not enter into any appointment letter with the Company and are not appointed for specific terms but subject to retirement by rotation and re-election in according with the articles of association of the Company.

## 6. INTERESTS IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, none of the Directors is materially interested in contract or arrangement subsisting which is significant in relation to the business of the Group, nor has any Director had any direct or indirect interest 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 2013, the date to which the latest published audited consolidated financial statements of the Group were made up.

## 7. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

## 8. MATERIAL CONTRACTS

During the two years immediately preceding the date of this prospectus, the following contracts (not being contracts entered into in the ordinary course of business of the Company) have been entered into by the Group and are or may be material:

- (i) the investment agreement ("**Investment Agreement**") dated 25 April 2012 and entered into between Successful Treasure Investments Limited ("**Successful Treasure**") (a wholly-owned subsidiary of the Company) and Enrich Marine Sdn. Bhd ("**EMSB**"), pursuant to which Successful Treasure agreed to invest up to HK\$15,500,000 in EMSB in relation to the fish breeding business at the fish farm owned and operated by EMSB for a term of 20 calendar months from the date of the making of the investment, further details of which are set out in the announcements of the Company dated 25 April 2012, 30 April 2012 and 2 May 2012;
- (ii) the conditional placing agreement dated 30 April 2012 and entered into between the Company as the issuer and Kingston Securities Limited as the placing agent, pursuant to which the Company conditionally agreed to place, through the placing agent, a maximum of 180,000,000 new Shares under the general mandate granted to the Directors at the annual general meeting of the Company held on 5 May 2011 at the price of HK\$0.084 per placing share to not fewer than six placees, details of which are set out in the announcement of the Company dated 30 April 2012;
- (iii) the underwriting agreement dated 22 August 2012 and entered into between the Company and Kingston Securities Limited in relation to the issue of 418,274,796 Shares by the Company by way of open offer. Further details of the open offer are set out in the announcement, the circular and the prospectus of the Company dated 22 August 2012, 12 October 2012 and 12 November 2012 respectively;

- (iv) the sale and purchase agreement dated 22 March 2013 and entered into between Absolutely Talent Technology Limited (“**Absolutely Talent**”) (a wholly-owned subsidiary of the Company) as the purchaser, and Plenty Cash Investment Limited as the vendor, in relation to the acquisition of 100% interest in Funa Assets Limited at the consideration of HK\$40,000,000, details of which are set out in the announcement of the Company dated 22 March 2013;
- (v) the sale and purchase agreement dated 16 April 2013 (as amended by an addendum dated 19 July 2013) and entered into between Absolutely Talent as the purchaser, the Company as the purchaser’s guarantor, and three vendors (“**Vendors**”), namely Jun Yang Solar Power Investments Limited (formerly known as China Gogreen Assets Investment Limited), Town Health (BVI) Limited and Dr. Fung Yiu Tong, Bennet, in relation to the acquisition of the entire issued share capital of Luck Key Investment Limited (“**Luck Key**”) and the obligations, liabilities and debts owing or incurred by Luck Key and its subsidiaries to the Vendors prior to completion, at the consideration of HK\$85,000,000, further details of which are set out in the announcements of the Company dated 16 April 2013 and 19 July 2013 and the circular of the Company dated 24 August 2013;
- (vi) the deed of novation dated 18 July 2013 and entered into between Successful Treasure (a wholly-owned subsidiary of the Company), Keen Profit Development Limited and EMSB, pursuant to which, among other matters, Successful Treasure novated its rights and obligations in and under the Investment Agreement to Keen Profit Development Limited, further details of which are set out in the announcement of the Company dated 18 July 2013;
- (vii) the joint venture agreement dated 2 October 2013 and entered into between Absolutely Talent (a wholly-owned subsidiary of the Company) and ChinaQFii Company Limited (“**ChinaQFii**”), in relation to the formation of a joint venture company (“**JV Company**”), which would be principally engaged in research, development, operation and management of web-based platform for deal sourcing and matching services and providing information regarding project investment and fund investment. The proposed initial issued capital of the JV Company would be HK\$10,000 which shall be contributed as to 70% by Absolutely Talent and as to 30% by ChinaQFii, and the maximum investment in the JV Company would be HK\$20,000,000, which shall be contributed as to 70% by Absolutely Talent and 30% by ChinaQFii, further details of which are set out in the announcement of the Company dated 2 October 2013;
- (viii) the conditional placing agreement dated 12 November 2013 and entered into between the Company as the issuer and CNI Securities Group Limited (“**CNI**”) as the placing agent, pursuant to which the Company conditionally agreed to place, through the placing agent, up to 110,000,000 new Shares

under the general mandate granted to the Directors at the annual general meeting of the Company held on 15 May 2013 at the price of HK\$0.128 per placing share to not less than six places, further details of which are set out in the announcement of the Company dated 12 November 2013;

- (ix) the conditional placing agreement dated 12 November 2013 and entered into between the Company as the issuer and CNI as the placing agent, pursuant to which the Company conditionally agreed to place, through the placing agent, up to 190,000,000 new Shares under the specific mandate (which was granted to the Directors at the extraordinary general meeting of the Company held on 14 January 2014) at the price of HK\$0.128 per placing share to not less than six places, further details of which are set out in the announcement of the Company dated 12 November 2013 and the circular of the Company dated 27 December 2013;
- (x) the joint venture agreement dated 5 December 2013 and entered into between the Company and Ample China in relation to the establishment of the joint venture company, which would be principally engaged in development and sale and computer and mobile phone games, and the maximum investment in the joint venture company would be HK\$40,000,000, which shall be contributed as to 50% by the Company and 50% by Ample China, further details of which are set out in the announcement of the Company dated 5 December 2013;
- (xi) the sale and purchase agreement dated 29 January 2014 and entered into between Computech International Limited (a direct wholly-owned subsidiary of the Company) as the vendor, and Billion Legend Trading Limited as the purchaser, in relation to the disposal of the entire issued share capital of Computech Online Limited at the consideration of HK\$13 million, further details of which are set out in the announcement of the Company dated 29 January 2014;
- (xii) the sale and purchase agreement dated 29 January 2014 (“**First SP Agreement**”) and entered into among Best Faith Limited (a wholly-owned subsidiary of the Company) as the purchaser, the Company as the purchaser’s guarantor, Century Grand Holdings Limited as the vendor, and the vendor’s guarantors, namely Ms. Chen Ling, Mr. Lu Le, Mr. Mao Yiqing and Mr. Mei Liang, in relation to the acquisition of 5% of the issued share capital of Mighty Eight Investments Limited at the consideration of HK\$43,600,000 (subject to adjustments), further details of which are set out in the announcement of the Company dated 29 January 2014;
- (xiii) the sale and purchase agreement dated 4 March 2014 and entered into between Ever Robust Holdings Limited (a wholly-owned subsidiary of the Company) as the purchaser, and Globalcrest Enterprises Limited as the vendor, in relation to the acquisition (“**Acquisition**”) of 9.91% of the issued share capital of Universe International Holdings Limited (stock code: 1046) at the consideration of HK\$42,160,000, details of which are set out in the

announcement of the Company dated 4 March 2014, and the supplemental agreement dated 14 March 2014 in relation to changing the completion dates for the Acquisition to 14 March 2014, details of which are set out in the announcement of the Company dated 14 March 2014;

- (xiv) the cooperation 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 Group in relation to the operation, publication and distribution of the mobile-online games which will be developed by the Group from time to time, details of which are set out in the announcement of the Company dated 12 March 2014;
- (xv) the licence agreement dated 14 March 2014 and entered into between Absolutely Talent (a wholly-owned subsidiary of the Company) as the grantee and Jade Dynasty Publications Limited as the grantor (“Grantor”), pursuant to which the Grantor granted the exclusive licence to Absolutely Talent to, through itself and/or the operator appointed by the Grantee, develop the smart mobile devices games developed by Absolutely Talent and the derived products from such mobile games in any languages based on the contents of the comic named Solor Load (小魔神) or any of the comics composed by Mr. Wong Chun Loong (alias Mr. Wong Yuk Long) as agreed by the parties to the licence agreement during the period commencing on 14 March 2014 until the expiration of the period of three years commencing on the date of completion of the development of the said mobile games, the details of which are set out in the announcement of the Company dated 14 March 2014;
- (xvi) the Underwriting Agreement; and
- (xvii) the sale and purchase agreement dated 2 April 2014 and entered into among the original parties to the First SP Agreement in relation to the acquisition of additional 13% issued share capital of Mighty Eight Investments Limited at the consideration of HK\$113,970,000 (subject to adjustment), further details of which are set out in the announcement of the Company dated 2 April 2014.

## 9. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinions or advice which are contained in this prospectus:

Name	Qualification
PKF	Certified Public Accountants, Hong Kong

PKF has given, and has not withdrawn, its written consent to the issue of this prospectus with the inclusion of its letter and report and reference to its names, as the case may be, in the form and context in which it appears.

As at the Latest Practicable Date, PKF did not have any direct or indirect shareholding interest in any member of the Group and did not have any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities of any member of the Group.

As at the Latest Practicable Date, PKF did not have any direct or indirect interest in any assets which have been acquired, disposed of or leased to or which are proposed to be acquired, disposed of by or leased to any member of the Group, respectively, since 31 December 2013, being the date to which the latest published audited consolidated financial statements of the Group were made up.

## 10. DIRECTORS OF THE COMPANY

### Particulars of Directors

Name	Correspondence Address
<i>Executive Director</i>	
Mr. Zhang Xiongfeng	Unit 1801, Jubilee Centre, 46 Gloucester Road, Wanchai, Hong Kong
Mr. Zhang Peiao	Unit 1801, Jubilee Centre, 46 Gloucester Road, Wanchai, Hong Kong
Mr. Mak Kwong Yiu	Unit 1801, Jubilee Centre, 46 Gloucester Road, Wanchai, Hong Kong
Mr. Hung Kenneth	Unit 1801, Jubilee Centre, 46 Gloucester Road, Wanchai, Hong Kong
<i>Independent non-executive Director</i>	
Mr. Wong Siu Keung, Joe	Unit 1801, Jubilee Centre, 46 Gloucester Road, Wanchai, Hong Kong
Mr. Wong Ching Yip	Unit 1801, Jubilee Centre, 46 Gloucester Road, Wanchai, Hong Kong
Mr. Luk Chi Shing	Unit 1801, Jubilee Centre, 46 Gloucester Road, Wanchai, Hong Kong

**Biographies of the Directors***Executive Director*

**Mr. Zhang Xiongfeng**, aged 46, was appointed as an executive Director and chairman of the Board on 9 December 2013 and 31 December 2013 respectively. Mr. Zhang Xiongfeng holds a bachelor's of arts degree in German Language awarded by Shanghai International Studies University (上海外國語大學) in July 1990. Mr. Zhang Xiongfeng has extensive experience in the investment banking industry specialising in the area of corporate finance. From December 2004 to September 2010, Mr. Zhang Xiongfeng was employed at Daiwa Capital Markets Hong Kong Limited. From October 2010 to May 2012, Mr. Zhang Xiongfeng was the Joint Head of Corporate Finance of Oriental Patron Asia Limited.

**Mr. ZHANG Peiao**, aged 38, has been appointed as an executive Director and the chief executive officer of the Company since 30 January 2014. Mr. Zhang was graduated from the Shanghai Institute of Tourism\* (上海旅遊高等專科學校), which together with Shanghai Normal School of Tourism\* (上海師範大學旅遊學院) are treated as one educational institution with two different names, in July 1997. From March 2002 to June 2005, Mr. Zhang was the vice general manager (Shanghai district) for the marketing department of Guangzhou Optisp Co., Ltd.\* (廣州光通通信發展有限公司). From June 2005 to December 2013, Mr. Zhang was the senior vice president of KuBao Information Technology (Shanghai) Co., Ltd.\* (酷寶信息技術(上海)有限公司) and was responsible for the operation and management, media relations, government relations and legal affairs of China Online Game Service Network\* (中國網路遊戲服務網) (www.5173.com). Mr. Zhang has more than 7 years experience in the online game industry in the PRC.

Since January 2008, Mr. Zhang has been the standing committee member for Interactive Entertainment Specialty Committee of Shanghai Information Service Industry Association\* (上海市信息服務業行業協會互動娛樂專業委員) ("**Association**") and has participated in the online game management for the Association, including but not limited to, the formulation and drafting of the Shanghai Online Game Service Joint Enterprise Standard\* (上海市網絡遊戲服務聯合企業標準), Shanghai Online Game Service Joint Enterprise Regulation\* (上海市網絡遊戲服務規範) and the preparation and development of Online Game Anti-Pirating Green Union\* (網絡遊戲反盜號綠色聯盟).

Since September 2013, Mr. Zhang has participated in the management, advisory work and consultancy work for the online and mobile game industry of China Cultural Industry Association\* (中國文化產業協會).

**Mr. Mak Kwong Yiu**, aged 39, was appointed as the executive Director on 30 July 2008. Mr. Mak is also a director a number of subsidiaries of the Company. He holds Bachelor and Master degrees in Business Administration from the Hong Kong University of Science and Technology. He earned the Chartered Financial Analyst

\* English translated name is for identification only

designation in 2000. He is a Certified Public Accountant in the United States and Hong Kong respectively. Mr. Mak currently holds directorships in several companies which are engaged in business of financial services, asset management and asset valuation in Hong Kong. Mr. Mak is also an executive director of Convoy Financial Services Holdings Limited (Stock code: 1019), a company whose shares are listed on the Main Board of the Stock Exchange. Mr. Mak is also an independent non-executive director of GR Properties Limited (formerly known as Buildmore International Limited) (Stock code: 108), a company whose shares are listed on the Main Board of the Stock Exchange.

**Mr. Hung Kenneth**, aged 43, joined the Group in 2014 and was appointed as the executive Director on 18 February 2014. Mr. Hung is also a director of a number of subsidiaries of the Company. He holds a degree of bachelor of science awarded by Woodbury University in June 1995. Mr. Hung has extensive experience in the entertainment industry. From March 2008 to September 2010, Mr. Hung was the China business development director for Golden Sun Films Distribution Ltd. From October 2010 to June 2012, Mr. Hung was the chief operation officer for Top Action Culture Development Co. Ltd. From July 2012 to October 2013, Mr. Hung was the business development director for Star Alliance Movies (Beijing) Co., Ltd..

*Independent non-executive Director*

**Mr. Wong Siu Keung, Joe**, aged 49, was appointed as the independent non-executive Director on 15 December 2011. Mr. Wong Siu Keung, Joe holds a Degree of Master of Arts in International Accounting from City University of Hong Kong and a Master of Corporate Governance from The Hong Kong Polytechnic University. He is an associate member of Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Wong Siu Keung, Joe has extensive experience in taxation, accounting, financing, audit field and public listed companies for many years. Mr. Wong is also as the independent non-executive Director of China Water Industry Group Limited (Stock code: 1129), a company whose shares are listed on the Main Board of the Stock Exchange.

**Mr. Wong Ching Yip**, aged 41, was appointed as the independent non-executive Director on 15 December 2011. Mr. Wong Ching Yip holds a Degree of Bachelor of Arts in University of Winnipeg in Canada. He has extensive experience in the field of global sales and marketing covering areas including PRC, the United States of America and Europe. Mr. Wong Ching Yip had been an independent non-executive director of SMI Publishing Group Limited (the "SMI") (Stock code: 8010, currently known as Sing Pao Media Enterprises Limited), for the period from September 2008 to May 2010 and had been re-designated as an executive director of SMI in May 2010 till August 2011, a company whose shares are listed on the GEM of the Stock Exchange.



**Mr. Luk Chi Shing**, aged 44, was appointed as the independent non-executive Director on 20 December 2011. Mr. Luk holds a Bachelors Degree of Business Administration in Accountancy in City University of Hong Kong. Mr. Luk is an associate member of Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Luk has extensive experience in financial management, auditing and public listed companies for over 15 years. Mr. Luk is an executive director of Tai Shing International (Holdings) Limited (Stock code: 8103), a company whose shares are listed on the GEM of the Stock Exchange. Mr. Luk is also an independent non-executive director of Gamma Logistics Corporation (Stock code: 8310), a company whose shares are listed on the GEM of the Stock Exchange.

#### 11. CORPORATE INFORMATION OF THE COMPANY AND PARTIES INVOLVED IN THE RIGHTS ISSUE

<b>Registered office</b>	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
<b>Head office and principal place of business</b>	Unit 1801 18/F., Jubilee Centre 46 Gloucester Road Wanchai Hong Kong
<b>Auditors</b>	PKF <i>Certified Public Accountants</i> 26th Floor Citicorp Centre 18 Whitfield Road Causeway Bay Hong Kong
<b>Principal share registrar and transfer office</b>	Royal Bank of Canada Trust Company (Cayman) Limited 4th Floor, Royal Bank House 24 Shedden Road, George Town Grand Cayman KY1-1110 Cayman Islands

<b>Hong Kong branch share registrar and transfer office</b>	Hong Kong Registrars Limited Shops 1712-1716, 17/F Hopewell Centre 183 Queen's Road East Wanchai Hong Kong
<b>Authorised representative</b>	Mr. Mak Kwong Yiu, CFA, CPA Ms. Lam Ching Yee, CPA
<b>Company secretary</b>	Ms. Lam Ching Yee, CPA
<b>Compliance officer</b>	Mr. Mak Kwong Yiu, CFA, CPA
<b>Underwriter</b>	Win Fung Securities Limited 12/F Overseas Trust Bank Building 259-265 Des Voeux Road Central Hong Kong
<b>Legal adviser to the Company in relation to the Rights Issue</b>	<i>As to Hong Kong law</i> Leung & Lau 3rd Floor Agricultural Bank of China Tower 50 Connaught Road C. Central, Hong Kong
<b>Principal banker</b>	Dah Sing Bank Limited 36th Floor, Dah Sing Financial Centre 108 Gloucester Road Wanchai Hong Kong

## 12. AUDIT COMMITTEE

An audit committee of the Company (“**Audit Committee**”) was established with written terms of reference in compliance with the Rules 5.28 and 5.29 of the GEM Listing Rules and Code Provision C.3.3. The Audit Committee must consist of a minimum of three members, all of whom must be non-executive Directors, at least one of whom must have appropriate professional qualification or accounting or related financial management expertise. There are three members in the Audit Committee comprising the three independent non-executive Directors, namely Mr. Wong Siu Keung, Joe, Mr. Wong Ching Yip and Mr. Luk Chi Shing. Mr. Wong Siu Keung, Joe, is the chairman of the Audit Committee.

The primary duties of the audit committee are mainly to review the financial information and reporting process, internal control procedures and risk management system, audit plan and relationship with external auditors and arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

### **13. BINDING EFFECT**

The Prospectus Documents and all acceptance of any offer or application contained therein are governed by and shall be construed in accordance with the laws of Hong Kong. The Prospectus Documents shall have the effect, if an application is made pursuant hereof, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the laws of Hong Kong) so far as applicable.

### **14. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES**

A copy of each of the Prospectus Documents, having attached thereto the written consent referred to in the paragraph headed "Expert and consent" in this appendix, have been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the laws of Hong Kong).

### **15. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection during normal business hours from 9:00 a.m. to 5:30 p.m. on any Business Day at the office of Messrs. Leung & Lau at 3rd Floor, Agricultural Bank of China Tower, 50 Connaught Road C., Central, Hong Kong from the date of this prospectus up to and including Thursday, 8 May 2014:

- (a) the memorandum and articles of association of the Company;
- (b) the annual reports of the Company for the years ended 31 December 2011, 31 December 2012 and 31 December 2013;
- (c) the report on the unaudited pro forma financial information on the Group as set out in Appendix II to this prospectus;
- (d) the material contracts referred to in the paragraph headed "Material contracts" of this Appendix III;
- (e) the written consent from PKF referred to in the section headed "Expert and consent" of this Appendix III; and
- (f) the Prospectus Documents.