

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



COMPUTECH HOLDINGS LIMITED

駿科網絡訊息有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8081)

INSIDE INFORMATION – NON LEGALLY BINDING MEMORANDUM IN RELATION TO THE POSSIBLE INVESTMENT BY A POTENTIAL INVESTOR IN THE TARGET

This announcement is made by the Company pursuant to Rule 17.10 of the GEM Listing Rules and the Inside Information Provisions (as defined in the GEM Listing Rules).

The Board wishes to announce that after trading hours on 26 May 2014 the Company entered into the Memorandum with the Potential Investor in relation to the Possible Transaction. It is expected that the Consideration of an indicative and non-binding amount of not less than HK\$50,000,000 will be settled in cash.

The Possible Transaction, if materialised, may constitute a notifiable transaction of the Company under Chapter 19 of the GEM Listing Rules. Further announcement(s) in relation to the Possible Transaction will be made by the Company as and when appropriate in compliance with the GEM Listing Rules.

The Board would like to emphasise that no legally binding agreement in relation to the Possible Transaction has been entered into by the Company with any party as at the date of this announcement (save for the provisions in the Memorandum relating to the exclusivity right on the negotiation for the Possible Transaction during the Exclusivity Period, confidentiality, and governing law and jurisdiction). As the Possible Transaction may or may not materialise, the shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

* *For identification purposes only*

This announcement is made by Computech Holdings Limited (“**Company**”, together with its subsidiaries, “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (“**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (“**SFO**”) (Chapter 571, the Laws of Hong Kong).

THE MEMORANDUM

The board (“**Board**”) of directors (each, a “**Director**”) of the Company wishes to announce that after trading hours on 26 May 2014, the Company entered into a memorandum of understanding (“**Memorandum**”) with Town Health International Medical Group Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 3886) (“**Potential Investor**”) in relation to the possible investment by the Potential Investor (“**Possible Transaction**”) in Luck Key Investment Limited (“**Target**”, together with its subsidiaries “**Target Group**”), a company incorporated in the British Virgin Islands with limited liability and is a wholly-owned subsidiary of the Group.

Subject to fulfilment or waiver of all the conditions precedent as set out in the definitive agreement to be entered into by the Company and the Potential Investor (“**Definitive Agreement**”), (i) the Company, as the ultimate beneficial owner of the Target, will procure the sale of, and the Potential Investor, will purchase, the shares of US\$1.0 each of the Target (“**Target Shares**”); or (ii) the Company will procure the Target to allot and issue, and the Potential Investor will subscribe for, new Target Shares, at a price per Share (“**Purchase Price**”) to be calculated as follow:

$$\text{Purchase Price} = 5 \times \frac{\text{Earnings before interest, taxes, depreciation and amortization of the Target Group as reflected in the latest unaudited consolidated financial statements of the Target for the twelve months (ending on the last day of a calendar month) prior to the signing of the Definitive Agreement}}{\text{Total number of issued Target Shares}}$$

The total number of Target Shares to be sold by the Company or to be allotted and issued by the Target (as the case may be) to the Potential Investor under the Possible Transaction will be equal to the quotient obtained by dividing the aggregate consideration payable by the Potential Investor for the Possible Transaction (“**Consideration**”) by the Purchase Price (or the nearest whole number as rounded up if such quotient is not a whole number).

Subject to agreement by the parties to the Memorandum and to be set out in the Definitive Agreement, the aggregate Consideration shall not be less than HK\$50,000,000. It is expected that the Consideration will be settled in cash.

The Memorandum, save for the provisions relating to the exclusivity right on the negotiation for the Possible Transaction during the Exclusivity Period, confidentiality, and governing law and jurisdiction, is non-legally binding in nature.

Under the Memorandum, the Potential Investor has been granted with the right to assess and review the records and affairs of the Target Group for the purpose of due diligence exercise.

Completion of the Possible Transaction (i) shall be conditional upon, among other matters, the Potential Investor being satisfied with the results of the due diligence review and compliance with all applicable legal and regulatory requirements by the parties to the Memorandum; and (ii) subject to the fulfilment or waiver of all conditions to be set out in the Definitive Agreement, which shall be negotiated and agreed upon by the parties to the Memorandum in good faith after the date of the Memorandum.

In addition, the parties to the Memorandum have agreed upon an exclusivity period of twelve (12) months from the date of the Memorandum (or such longer period as the parties thereto may agree in writing) (“**Exclusivity Period**”), during which (i) the Company shall not, among other things, discuss, negotiate or enter into any contract or agreement with or give any undertaking in favour of any third party for the purpose of frustrating or impeding the furtherance of the transaction contemplated under this Memorandum; and (ii) the parties to the Memorandum shall negotiate, in good faith, for the terms of the Definitive Agreement.

The Memorandum will automatically terminate upon the earlier of (i) the expiry of the Exclusivity Period or (ii) the Definitive Agreement having been entered into between the Company and the Potential Investor.

The Possible Transaction, if materialised, may constitute a notifiable transaction of the Company under Chapter 19 of the GEM Listing Rules. Further announcement(s) in relation to the Possible Transaction will be made by the Company as and when appropriate in compliance with the GEM Listing Rules.

INFORMATION ON THE TARGET GROUP

The Target is a company incorporated in the British Virgin Islands with limited liability and is a wholly owned subsidiary of the Group. The Target Group is principally engaged in the provision of medical diagnostic and health check services. Currently, the Target Group is operating an aggregate of 9 health check centres and 2 laboratories in Hong Kong providing one-stop comprehensive and quality medical diagnostic services with advanced imaging technology and full range laboratory services.

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.

As disclosed in the annual report of the Company, the Group aims to develop as one of the leading players in mobile-online gaming industry. It is expected that the Transaction, if materialised, will enable the Group to allocate more of its internal resources to the development of mobile-online gaming business.

The Board would like to emphasise that no legally binding agreement in relation to the Possible Transaction has been entered into by the Company with any party as at the date of this announcement (save for the provisions in the Memorandum relating to the exclusivity right on the negotiation for the Possible Transaction during the Exclusivity Period confidentiality, and governing law and jurisdiction). As the Possible Transaction may or may not materialise, shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

On behalf of the Board
Computech Holdings Limited
Zhang Xiongfeng
Chairman

Hong Kong, 26 May 2014

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

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in the compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

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