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Computech Holdings Limited
駿科網絡訊息有限公司*

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8081

**TOP-UP PLACING OF EXISTING SHARES
AND
SUBSCRIPTION OF NEW SHARES
UNDER GENERAL MANDATE**

TOP-UP PLACING AND SUBSCRIPTION

On 10 April 2006, being the date where the price and terms of the Top-Up Placing and Subscription are fixed, the Vendor entered into the Top-Up Placing Agreement and the Subscription Agreement with the Placing Agent and the Company respectively. Pursuant to the Top-Up Placing Agreement, the Vendor has agreed to place, through the Placing Agent on a best effort basis, not more than 48,000,000 existing Shares, being the Top-Up Placing Shares, to the Placees at a price of HK\$0.05 per Share. Pursuant to the Subscription Agreement, the Vendor has conditionally agreed to subscribe for not more than 48,000,000 new Shares, being the Subscription Shares at a price of HK\$0.05 per Share. The number of Subscription Shares to be subscribed for will be the same as the number of Top-Up Placing Shares placed. A separate announcement will be made as soon as practicable on the final number of Top-Up Placing Shares placed and the Subscription Shares subscribed for.

Assuming the Top-Up Placing Shares are fully placed and the Subscription Shares are fully subscribed for, the Top-Up Placing Shares or the Subscription Shares represent: (i) 10.0% of the existing issued share capital of the Company of 480,000,000 Shares; and (ii) about 9.1 % of the issued share capital of the Company of 528,000,000 Shares as enlarged by the Subscription.

The Top-Up Placing Price or the Subscription Price of HK\$0.05 represents: (i) a discount of about 10.7% to the closing price of HK\$0.056 per Share as quoted on the Stock Exchange on the Last Trading Day; (ii) a premium of about 2.0% to the average of the closing price per Share of HK\$0.049 as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Day; and (iii) same as the average of the closing price per Share of HK\$0.05 as quoted on the Stock Exchange for the last 10 trading days up to and including the Last Trading Day.

* For identification purpose only

The Subscription is conditional upon: (i) the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares; and (ii) the completion of the Top-Up Placing. Assuming the Top-Up Placing Shares are fully placed and the Subscription Shares are fully subscribed for, the net proceeds from the Subscription of about HK\$2.2 million will be used for general working capital of the Group and/or any future possible acquisition which has yet to be identified. The Company does not have any concrete plan as to the deployment of the net proceeds as at the date hereof.

THE TOP-UP PLACING AGREEMENT

On 10 April 2006, being the date where the price and terms of the Top-Up Placing are fixed, the Vendor entered into the Top-Up Placing Agreement with the Placing Agent pursuant to which, the Vendor has agreed to place, through the Placing Agent on a best effort basis, not more than 48,000,000 existing Shares, being the Top-Up Placing Shares, to the Placees at a price of HK\$0.05 per Share.

Date

10 April 2006

Parties involved

The Placing Agent and the Vendor

Placing Agent

Sun Hung Kai Investment Services Limited is the Placing Agent and it will receive a placing commission from the Company of 1.5% on the gross proceeds of the Top-Up Placing. This was arrived at after arm's length negotiations between the Company and the Placing Agent. The Placing Agent is an Independent Third Party.

Placees

The Top-Up Placing Shares will be placed to not less than six independent Placees.

The Directors expect that no new substantial Shareholders and no new single largest Shareholder will be introduced to the Company as a result of the Top-Up Placing.

Top-Up Placing Price

The Top-Up Placing Price, which is the same as the Subscription Price, of HK\$0.05 represents: (i) a discount of about 10.7% to the closing price of HK\$0.056 per Share as quoted on the Stock Exchange on the Last Trading Day; (ii) a premium of about 2.0% to the average of the closing price

per Share of HK\$0.049 as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Day; and (iii) same as the average of the closing price per Share of HK\$0.05 as quoted on the Stock Exchange for the last 10 trading days up to and including the Last Trading Day.

The Top-Up Placing Price was negotiated on an arm's length basis between the Company and the Placing Agent.

The Top-Up Placing Shares

Assuming the Top-Up Placing Shares are fully placed, the number of Top-Up Placing Shares represents: (i) 10.0% of the existing issued share capital of the Company of 480,000,000 Shares; and (ii) about 9.1% of the issued share capital of the Company of 528,000,000 Shares as enlarged by the Subscription.

Condition and completion of the Top-Up Placing

The Top-Up Placing is unconditional and is expected to be completed on 13 April 2006 or on such other date as may be agreed between the Vendor and the Placing Agent in writing provided such date shall not be later than 22 April 2006.

THE SUBSCRIPTION AGREEMENT

On 10 April 2006, being the date where the price and terms of the Subscription are fixed, the Vendor entered into the Subscription Agreement with the Company pursuant to which, the Vendor conditionally agreed to subscribe for not more than 48,000,000 new Shares, being the Subscription Shares at a price of HK\$0.05 per Share.

Date

10 April 2006

Parties involved

The Company and the Vendor

The Subscription Price

The Subscription Price of HK\$0.05 per Share, which is the same as the Top-Up Placing Price, was determined after arm's length negotiation between the Company and the Vendor with reference to the Top-Up Placing Price. The Directors consider the terms of the Top-Up Placing and the Subscription (including the Top-Up Placing Price and the Subscription Price) to be fair and reasonable based on current market conditions and are in the interests of the Company and the Shareholders as a whole.

Number of Subscription Shares

The number of Subscription Shares to be subscribed for will be the same as the number of Top-Up Placing Shares placed.

Assuming the Top-Up Placing Shares are fully placed, the number of the Subscription Shares, which is the same as the number of Top-Up Placing Shares, represents: (i) 10.0% of the existing issued share capital of the Company of 480,000,000 Shares; and (ii) about 9.1% of the issued share capital of the Company of 528,000,000 Shares as enlarged by the Subscription. A separate announcement will be made as soon as practicable on the final number of Top-Up Placing Shares placed and the Subscription Shares subscribed for.

The Subscription Shares, when issued and fully paid, will rank pari passu among themselves and with the Shares in issue at the time of issue and allotment of the Subscription Shares.

Conditions and completion of the Subscription

The Subscription is conditional upon:

- (a) the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares; and
- (b) completion of the Top-Up Placing.

The Subscription Agreement does not provide either party the rights to waive the above conditions. The above conditions must be satisfied within 14 days from the date of the Subscription Agreement. If any of the above conditions are not being satisfied, all rights, obligations and liabilities of the parties in relation thereto will cease and determine. Completion of the Subscription is expected to take place on or before 24 April 2006.

An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

GENERAL MANDATE

The Subscription Shares will be issued under the general mandate to allot, issue and deal with the Shares (“**General Mandate**”) granted to the Directors by a resolution of the Shareholders passed at the annual general meeting of the Company held on 29 April 2005 (“**AGM**”). The General Mandate is subject to the limit of up to 20% of the issued share capital of the Company as at the date of passing the resolution at the AGM, being 48,000,000 Shares. As at the date of this announcement, no new Shares have been issued under the General Mandate.

EFFECTS ON SHAREHOLDING STRUCTURE

Assuming no new Shares other than the Subscription Shares would be issued between the date of this announcement and the completion of the Top-Up Placing and the Subscription and assuming the Top-Up Placing Shares are fully placed and the Subscription Shares are fully subscribed for, the shareholding structures of the Company immediately before and after the Top-Up Placing and Subscription are set out as follows:

	Existing		Immediately upon completion of the Top-Up Placing but before the Subscription		Immediately upon completion of the Top-Up Placing and the Subscription	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
CLIH ^{1, 3}	188,436,011	39.3%	188,436,011	39.3%	188,436,011	35.7%
Aplus ^{2, 3}	191,688,000	39.9%	143,688,000	29.9%	191,688,000	36.3%
Sub-total	380,124,011	79.2%	332,124,011	69.2%	380,124,011	72.0%
<i>Public:</i>						
– Places for the Top-Up Placing Shares	–	–	48,000,000	10.0%	48,000,000	9.1%
– Others	99,875,989	20.8%	99,875,989	20.8%	99,875,989	18.9%
Total	<u>480,000,000</u>	<u>100.0%</u>	<u>480,000,000</u>	<u>100.0%</u>	<u>528,000,000</u>	<u>100.0%</u>

Notes:

1. CLIH is owned as to approximately 62.6% indirectly by Mr. Fung, Mr. Lo and Mr. Yap. The remaining interest of approximately 37.4% is owned by 38 shareholders, principally the existing management and staff of CLIH, who are not connected with Mr. Fung, Mr. Lo and Mr. Yap as defined under the GEM Listing Rules.
2. Aplus is owned as to 16.0% by Mr. Yap and as to 84.0% indirectly by Mr. Fung and Mr. Lo via Win Plus Group Limited, which is in turn wholly-owned by Gumpton Investments Limited (“Gumpton”). Gumpton is an investment holding company and is beneficially held by the family trusts of Mr. Fung and Mr. Lo on an equal (50:50) basis.
3. Both CLIH and Aplus are majority controlled by Mr. Fung, Mr. Lo and Mr. Yap, who are acting in concert with each other.

REASONS FOR THE TOP-UP PLACING AND THE SUBSCRIPTION

The Directors believe that the terms of the Top-Up Placing and the Subscription, which have been negotiated on an arm’s length basis in accordance with normal commercial terms, are fair and reasonable. Having considered other methods of fund raising such as bank loans and credit facilities, the rising trend of interest rates, the financial condition of the Group and the availability of other security instruments for companies with relative small market capitalization, the Directors consider that the Top-Up Placing and the Subscription are more prudent and desirable for raising further capital for the Group, with a view to strengthen its financial position and capital base and broaden its shareholder base.

USE OF PROCEEDS

Assuming the Top-Up Placing Shares are fully placed and the Subscription Shares are fully subscribed for, the gross proceeds from the Subscription will be approximately HK\$2.4 million. The Company will incur expenses and costs of approximately HK\$0.2 million in relation to the Top-Up Placing and the Subscription. The net proceeds from the Subscription of about HK\$2.2 million will be used for general working capital of the Group and/or any future possible acquisition which has yet to be identified. The net proceeds raised upon completion of the Subscription will be approximately HK\$0.046 per Subscription Share. The Company does not have any concrete plan as to the deployment of the net proceeds as at the date hereof.

FUND RAISING EXERCISE OF THE GROUP IN THE PAST 12 MONTHS

Date of announcement	Date of completion	Nature of transaction	Number of Shares issued	Amount of fund raised (net of expenses)	Intended use of proceeds	Actual use of proceeds
27 January 2005	3 May 2005	Rights issue of 240,000,000 rights shares on the basis of one rights share for every existing share held, at a subscription price of HK\$0.02 per rights share	240,000,000	HK\$4.3 million	General working capital	Has been deployed for general working capital purpose

Save for the above, the Company has not conducted any other fund raising exercises in the 12 months preceding the date of this announcement.

EXCEPTIONAL PRICE MOVEMENTS

This is made at the request of the Stock Exchange.

The Board has noted the increase in price of the Shares today and wishes to state that it is not aware of any other reasons for such increase.

Save for the Top-Up Placing and Subscription as disclosed herein, the Company also confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Chapters 19 to 20 of the GEM Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board, the Directors of which collectively and individually accept responsibility for the accuracy of this announcement.

GENERAL

The Company is principally engaged in the provision of information technology services and supply chain solutions, which include consultancy, technical support, system integration, development and sale of relevant software products in Hong Kong and in the PRC.

Pursuant to Rule 17.76 of the GEM Listing Rules, where the market price of the securities approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the issuer either to change the trading method or to proceed with a consolidation or splitting of its securities. As the recent closing prices of Shares quoted on the Stock Exchange in the period from 3 January 2006 to the Last Trading Day have been within a range from the highest of HK\$0.055 per Share to the lowest of HK\$0.040, which is close to the extremity of HK\$0.01 per Share, the

Company will therefore be conducting a share consolidation exercise and further announcement in this regard will be made as soon as practicable.

TERMS AND DEFINITION

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“Aplus” or “Vendor”	Aplus Worldwide Limited, the controlling Shareholder, beneficially owns 191,688,000 Shares or approximately 39.9% shareholding interest in the Company
“associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“CLIH”	CL International Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and the controlling Shareholder, which beneficially owns 188,436,011 Shares or 39.3% shareholding interest in the Company
“Company”	Computech Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Directors”	directors of the Company (including the independent non-executive directors of the Company)
“GEM”	Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	independent third party(ies) not connected with the directors, chief executives or substantial shareholders of the Company or any of its subsidiaries or their respective associates and is/are not connected person(s) of the Company

“Last Trading Day”	10 April 2006, being the last trading day of the Shares prior to the publish of this announcement
“Mr. Fung”	Mr. Fung Pak Chuen, Alphonso, an executive Director
“Mr. Lo”	Mr. Lo, Richard, an executive Director
“Mr. Yap”	Mr. Yap Fat Suan, Henry
“Placees”	not less than six professional, institutional and other investor(s) to be procured by the Placing Agent, who together with their ultimate beneficial owner(s), if any, are Independent Third Parties
“Placing Agent”	Sun Hung Kai Investment Services Limited, the placing agent of the Top-Up Placing and a licensed corporation to carry on type 1 (dealing in securities) and type 4 (advising on securities) of the regulated activities as defined in the SFO
“PRC”	the People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary shares of HK\$0.01 each in the existing share capital of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription for the Subscription Shares pursuant to the Subscription Agreement
“Subscription Agreement”	the conditional subscription agreement entered into between the Company and the Vendor in relation to the Subscription Shares dated 10 April 2006
“Subscription Price”	HK\$0.05 per Subscription Share
“Subscription Shares”	not more than 48,000,000 new Shares to be subscribed for by the Vendor pursuant to the terms of the Subscription Agreement
“Top-Up Placing”	the placing of the Top-Up Placing Shares pursuant to the terms of the Top-Up Placing Agreement

“Top-Up Placing Agreement”	the placing agreement entered into between the Vendor and the Placing Agent in relation to the Top-Up Placing dated 10 April 2006
“Top-Up Placing Price”	HK\$0.05 per Top-Up Placing Share
“Top-Up Placing Shares”	not more than 48,000,000 existing Shares beneficially owned by the Vendor and to be placed pursuant to the Top-Up Placing Agreement
“Vendor” or “Aplus”	Aplus Worldwide Limited, the controlling Shareholder, beneficially owns 191,688,000 Shares or approximately 39.9% shareholding interest in the Company
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong

By order of the Board
Computech Holdings Limited
Fung Pak Chuen, Alphonso
Chairman

Hong Kong, 10 April 2006

As at the date of this announcement, the executive Directors are Mr. Fung Pak Chuen, Alphonso and Mr. Lo, Richard. The independent non-executive Directors are Mr. Lee Sai Yeung, Mr. Chung Kong Fei, Stephen and Mr. Ng Chik Sum, Jackson.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited 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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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