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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)

PROPOSED RIGHTS ISSUE

**ON THE BASIS OF ONE RIGHTS SHARE FOR EVERY ONE EXISTING SHARE
HELD
BY QUALIFYING SHAREHOLDERS**

RESUMPTION OF TRADING

THE RIGHTS ISSUE

The Company proposes to raise approximately HK\$4.8 million before expenses by way of a rights issue of 240,000,000 Rights Shares at a price of HK\$0.02 per Rights Share payable in full on acceptance on the basis of one Rights Share for every one existing Share held on the Record Date. The Company will provisionally allot to the Qualifying Shareholders one Rights Share in nil-paid form for every one existing Share held on the Record Date. The Rights Issue will not be available to the Non-Qualifying Shareholders.

The estimated net proceeds of the Rights Issue will amount to approximately HK\$4.3 million. The Company intends to use the net proceeds from the Rights Issue for general working capital purposes.

The Rights Issue is conditional and is fully underwritten. In particular, the Rights Issue is conditional, among other things, upon the approval by the Independent Shareholders at the EGM, and the obligations of the Underwriter under the Underwriting Agreement becoming unconditional and not being terminated, including as a result of the provisions regarding force majeure referred to below in the section “Termination of the Underwriting Agreement”. Accordingly, the Rights Issue may or may not become unconditional and may or may not proceed. Investors’ attention is drawn to the section headed “Warning of the risks of dealing in Shares and nil-paid Rights Shares” below.

* *For identification purposes only*

As at the date of this announcement, Aplus, which is also the Underwriter, is the beneficial owner of 131,688,000 Shares, representing approximately 54.9% of the Company's existing issued share capital. Aplus has irrevocably undertaken to the Company that the 131,688,000 Shares beneficially owned by it will remain registered in its name or the name of its nominee from the date of the Underwriting Agreement to the close of business on the Record Date. Aplus has also undertaken to subscribe or procure subscribers for its and its nominee's provisional entitlement in full, amounting to 131,688,000 Rights Shares. Aplus, which is also the Underwriter, has further agreed to underwrite the balance of the Rights Issue, amounting to 108,312,000 Rights Shares, subject to fulfilment or waiver of the conditions set out in the Underwriting Agreement.

In the event that the Underwriter is called upon to subscribe in full for the Shares it has agreed to underwrite under the Underwriting Agreement, the holding in the enlarged issued share capital of the Company by the Underwriter and its associates would increase to approximately 77.4%.

The last day of dealing in the Shares on a cum-rights basis is expected to be Monday, 28 February 2005 and it is expected that existing Shares will be dealt with on an ex-rights basis from Tuesday, 1 March 2005. To qualify for the Rights Issue, a Shareholder must be a Qualifying Shareholder. In order to be registered as a member of the Company on the Record Date, any transfer of Shares must be lodged for registration with the Company's branch share registrar in Hong Kong, Hong Kong Registrars Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queens' Road East, Hong Kong by 4:00 p.m. on Wednesday, 2 March 2005. The Rights Shares are expected to be dealt with in their nil-paid form from Friday, 11 March 2005 to Monday, 21 March 2005, both dates inclusive.

The last day for acceptance and payment of the Rights Shares is expected to be on Thursday, 24 March 2005. The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms.

SUSPENSION AND RESUMPTION

Trading in the Shares was suspended on the Stock Exchange from 9:30 a.m. on 21 January 2005 at the request of the Company pending the issue of this announcement and application has been made to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange from 9:30 a.m. on 28 January 2005.

PROPOSED RIGHTS ISSUE

Issue Statistics

Basis of Rights Issue	:	one Rights Share for every one existing Share held by a Qualifying Shareholder on the Record Date
Subscription Price	:	HK\$0.02 per Rights Share
Number of existing Shares in issue	:	240,000,000 Shares
Number of Rights Shares	:	240,000,000 Rights Shares

Number of Rights Shares undertaken to be taken up by Aplus: Aplus, which is also the Underwriter, has undertaken to take up or procure to take up 131,688,000 Rights Shares which will be provisionally allotted to it and its nominee pursuant to the Rights Issue

The Company has no outstanding options or convertible securities as at the date of this announcement.

The Company expects to raise about HK\$4.8 million before expenses through the Rights Issue.

Qualifying Shareholders

The Company will send the Prospectus Documents to Qualifying Shareholders only.

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and must be a Qualifying Shareholder. In order to be registered as a member at the close of business on the Record Date, owners of Shares must lodge any transfers of Shares (together with the relevant share certificates) with the Company's branch share registrar in Hong Kong no later than 4:00 p.m. on Wednesday, 2 March 2005.

The branch share registrar of the Company in Hong Kong is:

Hong Kong Registrars Limited
Shops 1712-1716, 17th Floor, Hopewell Centre
183 Queens' Road East
Hong Kong

Closure of Register of Members

The register of members of the Company will be closed from Thursday, 3 March 2005 to Monday, 7 March 2005, both dates inclusive, for the purpose of determining entitlements to participate in the Rights Issue. No transfers of Shares will be registered during this period.

TERMS OF THE RIGHTS ISSUE

Subscription Price for the Rights Shares

The Subscription Price will be HK\$0.02 per Rights Share, payable in full by the Qualifying Shareholders upon acceptance of the provisional allotment of the Rights Shares under the Rights Issue or on application for excess Rights Shares.

The Subscription Price represents:

1. a discount of approximately 28.6% to the closing price of HK\$0.028 per Share as quoted on the Stock Exchange on the Last Trading Day;
2. a discount of approximately 16.7% to the theoretical ex-rights price of HK\$0.024 per Share based on the closing price of HK\$0.028 per Share as quoted on the Stock Exchange on the Last Trading Day; and

3. a discount of approximately 42.9% to the average closing price of about HK\$0.035 per Share as quoted on the Stock Exchange for the last 10 Trading Days up to and including the Last Trading Day.

The Subscription Price was agreed between the Company and the Underwriter after arm's length negotiations taking into consideration (a) the declining trend of the prices of Shares; (b) the low liquidity of the trading of Shares in the market; (c) pricing of rights issues of other listed issuers; and (d) the weak financial position of the Group. The Directors consider the terms of the Rights Issue and the Subscription Price to be fair and reasonable and are in the interests of the Company and the Shareholders as a whole. The Directors also consider that the discount of the Subscription Price as compared to recent market prices should encourage Shareholders to participate in the Rights Issue.

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully-paid, will rank *pari passu* in all respects with the then existing Shares in issue as to dividends and distributions which are declared, made or paid after the date of allotment and issue of the Rights Shares.

Expected timetable

Last day of dealings in existing SharesMonday, 28 February 2005
on a cum-rights basis

Commencement date of trading onTuesday, 1 March 2005
an ex-rights basis

Latest time for lodging transfers of Shares
in order to qualify for the Rights Issue4:00 p.m. on Wednesday, 2 March 2005

Register of members closesfrom Thursday, 3 March to
Monday, 7 March 2005, (both days inclusive)

Record DateMonday, 7 March 2005

EGMMonday, 7 March 2005

Register of members re-opensTuesday, 8 March 2005

Prospectus Documents despatched on Wednesday, 9 March 2005

First day of dealings in nil-paid Rights Shares Friday, 11 March 2005

Latest time for splitting nil-paid Rights Shares 4:00 p.m. on Wednesday, 16 March 2005

Last day of dealings in nil-paid Rights SharesMonday, 21 March 2005

Latest time for acceptance of, and payment
for Rights Shares and application for
excess Rights Shares 4:00 p.m. on Thursday, 24 March 2005

Rights Issue expected to become unconditional	4:00 p.m. on Thursday, 31 March 2005
Announcement of results of acceptance of Rights Issue on or before	Monday, 4 April 2005
Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares to be despatched on or before	Wednesday, 6 April 2005
Certificates for fully-paid Rights Shares expected to be despatched on or before	Wednesday, 6 April 2005
Dealings in fully-paid Rights Shares on the Stock Exchange to commence on	Friday, 8 April 2005

Dates or deadlines specified in this announcement for events in the timetable for (or otherwise in relation to) the Rights Issue are indicative only and may be varied by agreement between the Company and the Underwriter. Any changes to the expected timetable will be notified to Shareholders.

Shares certificates for Rights Shares and refund cheques

Subject to the fulfilment of the conditions to which the Rights Issue is subject, share certificates for all fully-paid Rights Shares are expected to be posted on or before Wednesday, 6 April 2005 to those who have accepted or where applicable, applied for, and paid for the Rights Shares, by ordinary post at their own risk. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares are also expected to be posted on or before Wednesday, 6 April 2005, by ordinary post to the applicants at their own risk.

Rights of Non-Qualifying Shareholders

The Company has made enquiries regarding the feasibility of extending the Rights Issue to the Non-Qualifying Shareholders. If based on legal opinion provided by the legal adviser, the Directors consider that it is necessary or expedient not to offer the Rights Shares to the Non-Qualifying Shareholders on account either of the legal restrictions under the laws of the place of his registered address or the requirements of the relevant regulatory body or stock exchange in that place, the Rights Issue will not be available to the Non-Qualifying Shareholders. The Company will send copies of the Prospectus to the Non-Qualifying Shareholders for their information only, but the Company will not send any PAL and EAF to the Non-Qualifying Shareholders.

Arrangements will be made for Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, of more than HK\$100 will be paid to the relevant Non-Qualifying Shareholders in Hong Kong dollars. The Company will retain individual amounts of HK\$100 or less for its own benefit.

Applications for excess Rights Shares

Qualifying Shareholders may apply for any unsold nil-paid entitlements of Non-Qualifying Shareholders and any Rights Shares provisionally allotted to but not accepted by Qualifying Shareholders or otherwise subscribed for by transferees of nil-paid Rights Shares. Application can be made by completing the EAF and lodging the same with remittance for the excess Rights Shares. The Directors will allocate the excess Rights Shares at their discretion on a fair and equitable basis and will give preference to topping up odd lots to whole board lots.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares, in both their nil-paid and fully-paid forms.

Dealing in the Rights Shares, in both their nil-paid and fully-paid forms, both in board lot of 30,000 Shares, will be subject to the payment of stamp duty in Hong Kong.

UNDERWRITING ARRANGEMENTS

Underwriting Agreement

Date: 20 January 2005

Parties: the Company and the Underwriter

Number of Rights Shares underwritten: 108,312,000 Rights Shares, being the 240,000,000 Rights Shares to which holders of the existing Shares held on the Record Date are entitled to subscribe pursuant to the Rights Issue less 131,688,000 Rights Shares which Aplus has undertaken to accept or procure acceptance according to its and its nominee's entitlement under the Rights Issue

No commission will be payable to the Underwriter.

Undertaking from Aplus: Aplus, which is also the Underwriter, has undertaken to the Company that the Shares beneficially owned by it will not be disposed of from the date of the Underwriting Agreement to the close of business on the Record Date and it will subscribe or procure subscribers for its and its nominee's entitlement in full, representing 131,688,000 Rights Shares.

CONDITIONS OF THE RIGHTS ISSUE

The Rights Issue is conditional upon, among other things, the following conditions being fulfilled (or waived (where permissible)) on or before 4:00 p.m. on the third Business Day following the Acceptance Time (or such other time as the Underwriter and the Company may agree):

- (i) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms;
- (ii) the registration of the Prospectus Documents with the Registrar of Companies in Hong Kong no later than the Posting Date;
- (iii) the obligations of the Underwriter under the Underwriting Agreement becoming unconditional and the Underwriting Agreement not being terminated; and
- (iv) the passing by the Independent Shareholders at the EGM of an ordinary resolution by way of poll to approve the Rights Issue.

TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriter may terminate the arrangements set out in the Underwriting Agreement by notice in writing to the Company at any time prior to 4:00 p.m. on the third Business Day following the Acceptance Time if the Underwriter becomes aware of the fact that or have reasonable cause to believe that there shall develop, occur, exist or come into effect:-

- (a) any new law or regulation or any change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other place that is the place of incorporation of any member of the Group, or in which any member of the Group conducts or carries on business; or
- (b) any change in, or any event or series of events resulting or likely to result in any change in local, national or international financial, political, legal, military, industrial, economic, currency, stock market or (whether or not sui generis with any of the foregoing) other market conditions; or
- (c) any change in the conditions of local, national or international securities markets (including but without limitation, the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange due to exceptional financial circumstances or otherwise); or
- (d) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
- (e) the imposition of economic sanction or withdrawal of trading privileges, in whatever form, by Hong Kong or any jurisdiction relevant to the Group; or

- (f) a general moratorium on commercial banking activities in Hong Kong declared by the relevant authorities; or
- (g) any change or development involving a prospective change in taxation or exchange control (or implementation of any exchange control) in Hong Kong or other jurisdictions relevant to the Group; or
- (h) any change occurs in the circumstances, business or financial or trading position of the Group which would materially and adversely affect the prospects of the Group as a whole; or
- (i) any other adverse change whether or not ejusdem generic with any of the foregoing,

and in the reasonable opinion of the Underwriter, such change has or would have a material and adverse effect on the business, financial or trading position or prospects of the Company or the Group as a whole or the success of the Rights Issue or the level of Rights Shares taken up or make it inadvisable or inexpedient for the Company to proceed with the Rights Issue.

If, at any time prior to 4:00 p.m. on the third Business Day following the Acceptance Time, the Company commits any material breach of or omits to observe any of the obligations or undertakings expressed to be assumed by it under the Underwriting Agreement which breach or omission will have a material and adverse effect on its business, financial or trading position, the Underwriter shall be entitled (but not bound) by notice in writing to the Company to elect to treat such matter or event as releasing and discharging the Underwriter from its obligations under the Underwriting Agreement.

WARNING OF THE RISKS OF DEALING IN SHARES AND NIL-PAID RIGHTS SHARES

Existing Shares will be dealt with on an ex-rights basis from Tuesday, 1 March 2005. To qualify for the Rights Issue, a Qualifying Shareholder's name must appear on the register of members of the Company on the Record Date, which is currently expected to be Monday 7, March 2005. In order to be registered as members on the Record Date, any transfers of Shares (with the relevant share certificates) must be lodged for registration by 4:00 p.m. on Wednesday, 2 March 2005.

The Rights Shares are expected to be dealt with in their nil-paid form from Friday, 11 March 2005 to Monday, 21 March 2005, both days inclusive. If the Underwriter terminates the Underwriting Agreement, or the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed.

Any dealings in the Shares or Rights Shares in their nil-paid form from now up to the date on which all conditions of the Underwriting Agreement are fulfilled are accordingly at the investors' own risk. Any Shareholder or other person contemplating any dealings in the Shares or Rights Shares in their nil-paid form is recommended to consult his/her own professional advisor.

EFFECTS ON SHAREHOLDING STRUCTURE

The following is the shareholding structure of the Company immediately before and after completion of the Rights Issue:

	Number of Shares and approximate % held before completion of the Rights Issue	Number of Shares and approximate % held immediately after completion of the Rights Issue (assuming all Qualifying Shareholders take up their Rights Shares in full)	Number of Shares and approximate % held immediately after completion of the Rights Issue (assuming no Qualifying Shareholder takes up its Rights Shares, except that, Aplus, which is also the Underwriter, takes up all its entitlement under the Rights Issue)
Aplus, also the Underwriter (<i>Note 1</i>)	131,688,000 (54.9%)	263,376,000 (54.9%)	371,688,000 (77.4%)
Hitachi, Limited (<i>Note 2</i>)	60,000,000 (25.0%)	120,000,000 (25.0%)	60,000,000 (12.5%)
Public	48,312,000 (20.1%)	96,624,000 (20.1%)	48,312,000 (10.1%)
Total	<u>240,000,000 (100%)</u>	<u>480,000,000 (100%)</u>	<u>480,000,000 (100%)</u>

Note:

- (1) Aplus is owned as to 84% of its issued share capital by Win Plus Group Limited (“Win Plus”). Win Plus is wholly-owned by Gumpton Investments Limited (“Gumpton”) which in turn is owned by AFS and Ardian on an equal basis.
- (2) As at the date of this announcement, Hitachi, Limited has not indicated to the Company whether it will subscribe for its provisional entitlement, amounting to 60,000,000 Rights Shares.

It is the intention of Aplus, which is also the Underwriter, to maintain the listing of the Company following completion of the Rights Issue. Accordingly, the Company, the Underwriter and their respective directors have jointly and severally undertaken to the Stock Exchange that the Company and the Underwriter will take appropriate steps, to ensure not less than 20% of the Shares are held by the public at all times in compliance with the minimum public float requirement of the GEM Listing Rules.

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Group is principally engaged in the research, development and sale of banking packaged software products, the provision of software-related consultancy and technical services and system integration service in the People's Republic of China and Hong Kong.

The financial performance of the Group has been weak where it incurred losses in each of the two consecutive years ended 31 December 2003. The Directors therefore believe it is appropriate that the Group strengthens its capital base for general financial health which would improve the Group's positions during discussions with its suppliers and bankers. The Directors have explored various financing alternatives including loan financing and placing of Shares. Nevertheless, given the Group's weak financial position, the Group has not been able to obtain loan financing from banks independently. The Directors consider that placing of Shares would result in a dilution to the shareholding interest of current Shareholders.

Thus, the Directors believe that the Rights Issue is appropriate as it provides a good opportunity for the Group to strengthen its capital base and to enhance its financial position while allowing the Qualifying Shareholders to maintain their respective pro rata shareholdings in the Company. The Directors therefore consider that it is in the interests of the Company and the Shareholders as a whole to raise the capital by way of the Rights Issue.

The Company has not conducted any equity fund raising activities, including rights issue and open offer, during the 12 months immediately preceding this announcement.

The estimated expense of the Rights Issue is about HK\$500,000, which will be borne by the Company. The net proceeds of the Rights Issue will amount to approximately HK\$4.3 million. The Company intends to use the net proceeds from the Rights Issue for general working capital purposes.

GENERAL

The EGM will be held for the Independent Shareholders to consider and, if thought appropriate, approve the Rights Issue.

An independent board committee has been established to consider the terms of the Rights Issue and to advise the Independent Shareholders thereon. An independent financial adviser will be appointed to advise such independent board committee and the Independent Shareholders in this respect.

A circular containing details of the Rights Issue, a letter from the independent board committee of the Company, a letter from the independent financial adviser and a notice convening the EGM will be sent to Shareholders as soon as practicable. Aplus, which is also the Underwriter, and its associates in aggregate hold 131,688,000 Shares, representing approximately 54.9% of the Company's existing issued capital. Aplus and its associates will abstain from voting on the resolution to approve the Rights Issue at the EGM.

Subject to the Rights Issue being approved at the EGM, the Prospectus Documents containing information on the Rights Issue will be despatched to the Qualifying Shareholders as soon as practicable.

Application will be made to the Stock Exchange to grant the listing of, and permission to deal in, the Rights Shares, in both their nil-paid and fully-paid forms.

SUSPENSION AND RESUMPTION OF TRADING

Trading in the Shares was suspended on the Stock Exchange from 9:30 a.m. on 21 January 2005 at the request of the Company pending the issue of this announcement and application has been made to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange from 9:30 a.m. on 28 January 2005.

DEFINITIONS

“Acceptance Time”	4:00 p.m. on Thursday, 24 March 2005 (or such other time and date as the Underwriter may agree in writing with the Company as the latest time for acceptance of, and payment of, Rights Shares)
“AFS”	AFS Holdings Limited is wholly owned by The General Trust Co. Ltd., which is the trustee of AFS Trust, one of the beneficiaries of which is the spouse of Mr. Fung
“Aplus” or “Underwriter”	Aplus Worldwide Limited, a company incorporated in the British Virgin Islands with limited liability and is owned as to 84% by Win Plus Group Limited
“Ardian”	Ardian Holdings Limited is wholly owned by The General Trust Co. Ltd., which is the trustee of Ardian Trust, one of the beneficiaries of which is the spouse of Mr. Lo
“Board”	the board of Directors
“Company”	Computech Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on GEM
“Director(s)”	director(s) of the Company
“EAF(s)”	the form(s) of application for excess Rights Shares to be used in connection with the Rights Issue
“EGM”	the extraordinary general meeting of the Company to be convened to approve, inter alia, the Rights Issue
“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

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Shareholders”	Shareholders other than the Underwriter, its associates as defined in the Listing Rules and the Directors
“Last Trading Day”	20 January 2005, being the last trading day before the suspension of the trading of the Shares on the Stock Exchange pending the release of this announcement
“Mr. Fung”	Mr. Fung Pak Chuen, Alphonso, an executive Director and the Chairman of the Company
“Mr. Lo”	Mr. Lo, Richard, an executive Director of the Company
“Non-Qualifying Shareholder(s)”	the Shareholder(s) whose name(s) appear on the register of members of the Company on the Record Date and whose address is/are in a place(s) outside Hong Kong in respect of whom the Directors consider the exclusion from the Rights Issue to be necessary or expedient 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.
“PAL(s)”	the provision allotment letter(s) to be used in connection with the Rights Issue
“Posting Date”	Wednesday, 9 March 2005 or such other date as the Underwriter may agree in writing with the Company as the date of despatch of the Prospectus Documents
“Prospectus”	the prospectus to be issued by the Company in relation to the Rights Issue
“Prospectus Documents”	the Prospectus, the PAL and the EAF
“Qualifying Shareholder(s)”	Shareholder(s) whose names appear on the register of members of the Company as at the close of business on the Record Date other than the Non-Qualifying Shareholders
“Record Date”	Monday, 7 March 2005
“Rights Issue”	the issue of the Rights Shares on the basis of one Rights Share for every one existing Share held on the Record Date at a price of HK\$0.02 per Rights Share as described in this announcement

“Rights Share(s)”	the 240,000,000 new Shares to be allotted and issued pursuant to the Rights Issue
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$0.02 per Rights Share
“Trading Day(s)”	day(s) on which the Stock Exchange is open for trading
“Underwriter” or “Aplus”	Aplus Worldwide Limited, a company incorporated in the British Virgin Islands with limited liability and is owned as to 84% by Win Plus Group Limited
“Underwriting Agreement”	the agreement dated 20 January 2005 between the Company and the Underwriter relating to the underwriting and other arrangements in respect of the Rights Issue
“%”	per cent.

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

Hong Kong, 27 January 2005

As at the date of this announcement, the executive Directors are Mr. Fung Pak Chuen, Alphonso and Mr. Lo, Richard. The non-executive Director is Mr. Sugii Toshio and 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.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for at least 7 days from the date of its posting.