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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 SHARE CONSOLIDATION  
CHANGE IN BOARD LOT SIZE  
AND  
AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

**SHARE CONSOLIDATION**

The Board proposes to implement the Share Consolidation whereby every five Shares of par value HK\$0.01 each will be consolidated into one Consolidated Share of par value HK\$0.05 each. The board lot size for trading of the Shares is also proposed to change from 30,000 Shares to 10,000 Consolidated Shares upon the Share Consolidation becoming effective.

The Share Consolidation is conditional upon, inter alia, the approval of the Shareholders at the EGM.

**CHANGE IN BOARD LOT SIZE**

The Board proposes the change in board lot size from existing 30,000 Shares per board lot to 10,000 Consolidated Shares per board lot in order to make the value per board lot more affordable to Shareholders and investors of the Company. The change in board lot size of Consolidated Shares will not result in any change in the relative rights of the Shareholders. The Directors are of the opinion that the change in board lot size is in the best interests of the Company and its Shareholders as a whole.

## **AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

In order to bring the Articles of Association in line with certain code provisions set out in the Code on Corporate Governance Practices under Appendix 15 of the GEM Listing Rules, which took effect on 1 January 2005, a special resolution to amend certain articles of the Articles of Association will be proposed at the EGM. Details in respect of the proposed amendments will be set out in the circular to be despatched to the Shareholders as soon as practicable.

A circular in connection with the Share Consolidation, change in board lot size and the proposed amendments to the Articles of Association, together with the notice of EGM to approve the relevant resolutions, will be despatched to the Shareholders as soon as practicable in accordance with the GEM Listing Rules.

## **SHARE CONSOLIDATION**

### **Background**

The Board proposes to implement the Share Consolidation whereby every five Shares of par value HK\$0.01 each will be consolidated into one Consolidated Share of par value HK\$0.05 each. Fractional Consolidated Shares will not be issued to the Shareholders but will be aggregated and, if possible, sold for the benefits of the Company.

As at the date of this announcement, the authorised share capital of the Company is HK\$10,000,000 comprising 1,000,000,000 Shares of par value of HK\$0.01 each, of which 480,000,000 Shares have been allotted and issued as fully paid or credited as fully paid (before taking into account of not more than 48,000,000 new Shares to be issued and subscribed for under the Top-Up Placing and Subscription respectively). Assuming the maximum number of 48,000,000 existing Shares under the Top-Up Placing and the maximum number of 48,000,000 new Shares under the Subscription are fully placed and subscribed for respectively, the total number of Shares in issue shall be increased to 528,000,000 Shares. Upon the Share Consolidation taking effect and on the basis that the Company does not allot and issue any new Shares prior thereto except for the new Shares to be issued under the Subscription, the authorised share capital of the Company shall be HK\$10,000,000 comprising 200,000,000 Consolidated Shares, of which 105,600,000 Consolidated Shares will be in issue.

Shareholders should note that the number of Consolidated Shares will be in issue upon the Share Consolidation taking effect is subject to, among other things, the final number of existing Shares placed under the Top-Up Placing Shares and new Shares to be subscribed for under the Subscription. Shareholders will be informed, by way of separate announcement, of such information as soon as practicable after completion of the Subscription, which is expected to be on or before 22 April 2006.

As at the date of this announcement, there are no outstanding warrants, options or securities convertible into Shares.

The Consolidated Shares will rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions contained in the Articles of Association.

### **Reasons and effects of the Share Consolidation**

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 date of this announcement have been within a range from the highest of HK\$0.11 per Share to the lowest of HK\$0.04 per Share, which is close to the extremity of HK\$0.01 per Share, the Company therefore proposes the Share Consolidation in compliance with the GEM Listing Rules.

Other than the relevant expenses of approximately HK\$150,000 to be incurred under the Share Consolidation, the implementation of the Share Consolidation will have no effect on the consolidated net asset value of the Group, nor will it alter the underlying assets, business, operations, management or financial position of the Company or the interests of the Shareholders as a whole.

The Company will apply to the GEM Listing Committee of the Stock Exchange for the listing of and permission to deal in, the Consolidated Shares to be in issue after the Share Consolidation has become effective.

In order to alleviate the difficulties arising from the existence of odd lots from the Share Consolidation, the Company will procure a broker to provide matching services for the sales and purchases of odd lots of Consolidated Shares on a best effort basis.

Subject to the Share Consolidation becoming unconditional, Shareholders may submit existing share certificates for the Shares to the Registrar in exchange, at the expense of the Company, for new share certificates for the Consolidated Shares (on the basis of five Shares for one Consolidated Share).

Upon the Share Consolidation becoming effective, all existing share certificates for the Shares will be replaced by new certificates for the Consolidated Shares for the purposes of trading on the Stock Exchange.

Fractional Consolidated Shares will not be issued to the Shareholders but will be aggregated and, if possible, sold for the benefit of the Company.

Further details of the arrangement regarding the parallel trading arrangement for the existing Shares and Consolidated Shares (including odd lot trading arrangements and matching service, if any), the colour of the new Consolidated Share certificates and the free exchange of Consolidated Share certificates will be included in the circular to be despatched to the Shareholders in accordance with the GEM Listing Rules.

### **Conditions of the Share Consolidation**

- (i) the passing by the Shareholders of the ordinary resolution to approve the Share Consolidation; and
- (ii) the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares.

### **PROPOSED CHANGE OF BOARD LOT SIZE**

Based on the closing price of Shares as at the date of this announcement of HK\$0.069 per Share and if the existing board lot of 30,000 Shares remain unchanged, the value per board lot before and after the Share Consolidation is HK\$2,070 and HK\$10,350 respectively. The Directors are of the view that the value per board lot after the Share Consolidation is relatively high. The Board is therefore proposes the change in board lot size for trading in the Shares on the Stock Exchange from the existing 30,000 Shares per board lot to 10,000 Consolidated Shares per board lot so as to make it more affordable to Shareholders and investors of the Company to trade in the Consolidated Shares.

The Directors are of the view that the change in board lot size is beneficial to the Company and Shareholders as a whole in terms of transaction cost per dollar value of each board lot. The change in board lot size of Consolidated Shares will not result in any change in the relative rights of the Shareholders.

## EXPECTED TIMETABLE

The expected timetable for the Share Consolidation is set out below:

2006

Latest time for return of proxy form of EGM (not less than 48 hours) .....	9:00 a.m., Tuesday, 30 May
Expected date of EGM .....	9:00 a.m., Thursday, 1 June
Effective date for the Share Consolidation .....	after 4:00 p.m., Thursday, 1 June
Commencement of dealings in Consolidated Shares .....	Friday, 2 June
Original counter for trading in Shares (in board lots of 30,000 Shares) closes .....	9:30 a.m., Friday, 2 June
Temporary counter for trading in Consolidated Shares in board lots of 6,000 Consolidated Shares (in form of existing share certificates) opens .....	9:30 a.m., Friday, 2 June
Free exchange of existing share certificates for new share certificates commences .....	Friday, 2 June
Original counter for trading in Consolidated Shares (in board lots of 10,000 Consolidated Shares) re-opens .....	9:30 a.m., Friday, 16 June
Parallel trading in Consolidated Shares (in form of new and existing certificates) begins .....	9:30 a.m., Friday, 16 June
Designated broker starts to stand in the market to provide matching services .....	Friday, 16 June
Temporary counter for trading in Consolidated Shares in board lots of 6,000 Consolidated Shares (in form of existing share certificates) closes .....	4:00 p.m., Friday, 7 July
Parallel trading in Consolidated Shares (in form of new and existing certificates) ends .....	4:00 p.m., Friday, 7 July
Designated broker ceases to stand in the market to provide matching services .....	4:00 p.m., Friday, 7 July
Free exchange of existing share certificates for new share certificates ends .....	Wednesday, 12 July

*Note:* All times and dates refer to Hong Kong local times and dates in this announcement.

## **PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

The GEM Listing Rules have been amended relating to the corporate governance practices which took effect on 1 January 2005.

In order to bring the Articles of Association in line with certain code provisions set out in the Code on Corporate Governance Practices under Appendix 15 of the GEM Listing Rules, a special resolution to amend certain articles of the Articles of Association will be proposed at the EGM. Details in respect of the proposed amendments will be set out in the circular to be despatched to the Shareholders as soon as practicable.

### **GENERAL**

A circular in connection with the Share Consolidation, change in board lot size and the proposed amendments to the Articles of Association, together with the notice of EGM to approve the relevant resolutions, will be despatched to the Shareholders as soon as practicable in accordance with the GEM Listing Rules.

### **TERMS AND DEFINITION**

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

“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Company”	Computech Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Consolidated Share(s)”	ordinary share(s) of HK\$0.05 each in the share capital of the Company after the Share Consolidation becoming effective
“Directors”	directors of the Company (including the independent non-executive directors of the Company)
“EGM”	the extraordinary general meeting of the Company expected to be held on Thursday, 1 June 2006, at which relevant resolutions will be proposed to consider and, if thought fit, approve the Share Consolidation and the amendments to the Articles of Association

“GEM”	the 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
“Registrar”	Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong
“Share(s)”	ordinary shares of HK\$0.01 each in the existing share capital of the Company
“Share Consolidation”	the consolidation of every five Shares into one Consolidated Share
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription for not more than 48,000,000 new Shares by Aplus Worldwide Limited, the controlling Shareholder, pursuant to the subscription agreement dated 10 April 2006 entered into between the Company and Aplus Worldwide Limited, details of which are set out in the announcement of the Company dated 10 April 2006
“Top-Up Placing”	the placing of not more than 48,000,000 existing Shares beneficially owned by Aplus Worldwide Limited, the controlling Shareholder, pursuant to the placing agreement dated 10 April 2006 entered into between Aplus Worldwide Limited and the placing agent, details of which are set out in the announcement of the Company dated 10 April 2006
“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, 19 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.*

*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.*

*\* For identification purpose only*