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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)

DISCLOSEABLE TRANSACTION: ACQUISITION OF 100% INTEREST IN THE TARGET

ACQUISITION

The Board is pleased to announce that after trading hours on 22 March 2013, the Purchaser (a wholly-owned subsidiary of the Company) and the Vendor entered into the SP Agreement pursuant to which the Purchaser has agreed to acquire, and the Vendor has agreed to sell, the Sale Shares free from all encumbrances, and together with all rights and benefits attaching thereto at the Consideration of HK\$40,000,000.

IMPLICATIONS UNDER THE LISTING RULES

As the relevant percentage ratios (as defined under the GEM Listing Rules) in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under the GEM Listing Rules and is subject to the notification and announcement requirements set out in rule 19.34 of the GEM Listing Rules.

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* *For identification purpose only*

THE SP AGREEMENT

Major terms of the SP Agreement are set out below.

Date:

22 March 2013

Parties:

- (1) the Purchaser, Absolutely Talent, a company incorporated in BVI with limited liability and a wholly-owned subsidiary of the Company; and
- (2) the Vendor, Plenty Cash Investment Limited, a company incorporated in BVI with limited liability, principally engaged in investment holding.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Vendor and its ultimate beneficial owner are Independent Third Parties. As at the date of this announcement, China Gogreen, being the holding company of the Vendor, is the holder of the zero coupon convertible note due 2015 issued by the Company in the principal amount of HK\$50 million, convertible into up to 263,157,894 Shares at an adjusted conversion price of HK\$0.19 per Share (subject to further adjustment).

Assets to be acquired

The Purchaser has agreed to acquire, and the Vendor has agreed to sell the Sale Shares, representing 100% equity interest in the Target, free from all encumbrances, and together with all rights and benefits attaching thereto.

Consideration

The Consideration payable by the Purchaser to the Vendor is HK\$40,000,000 which shall be settled by the Purchaser in cash on the Completion Date.

The Consideration will be settled by proceeds originally allocated for property development raised from the open offer of 418,274,796 offer shares completed on 4 December 2012. Reference is made to the announcement of the Company published on 18 March 2013 in relation to the change of use of proceeds of the said open offer.

Basis of consideration

The Consideration was arrived at after arm's length negotiations between the Vendor and the Purchaser and was determined on normal commercial terms with reference to the market value of properties of similar size and location. No formal valuation has been conducted in respect of the Property at the time of entering into the SP Agreement.

Completion

Completion of the SP Agreement shall take place on 27 March 2013 (or such other date agreed by the Purchaser and the Vendor in writing).

Immediately after Completion, the Company will own 100% equity interest in the Target through the Purchaser, and the financial results of the Target will be consolidated with the results of the Group.

INFORMATION ABOUT THE TARGET

The Target is a company incorporated in BVI with limited liability and is principally engaged in property holding. The principal asset of the Target is the Property, which is currently leased to an Independent Third Party at a monthly rental (exclusive of rates, management fees and all other outgoings and expenses, but inclusive of government rent) of HK\$93,000. The existing tenancy agreement will expire on 31 July 2013 and the Target has already renewed the tenancy agreement with the existing tenant that during the two years commencing from 1 August 2013 to 31 July 2015 (both days inclusive), the monthly rental will be HK\$120,900 (exclusive of management fee and rates, but inclusive of government rent).

The Property is currently mortgaged to a commercial bank to secure banking facilities granted to the holding company of the Vendor. The Vendor has undertaken that (i) such mortgage will be released in full within three months after the Completion Date; and (ii) the related banking facilities have not been utilised as at the date of the SP Agreement and shall remain unutilised until the release of the said mortgage.

Set out below is a summary of the net profit of the Target for the two years ended 31 December 2011 and 31 December 2012:

	For the year ended 31 December 2011 HK\$ (audited)	For the year ended 31 December 2012 HK\$ (unaudited)
Net profit (before taxation and extraordinary items)	3,194,754	6,801,290
Net profit (after taxation and extraordinary items)	3,162,754	6,709,440

The unaudited net asset value of the Target as at 28 February 2013 was approximately HK\$38,905,000.

INFORMATION ABOUT THE GROUP

The Group is principally engaged in (i) the provision of IT services, including consultancy, technical support, systems integration, development and sales of relevant hardware and software products in Hong Kong; and (ii) money lending business in Hong Kong.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS UNDER THE SP AGREEMENT

After Completion, the Group can continue to lease the Property out under the existing tenancy agreement and the renewed tenancy to receive stable rental income and the Acquisition would therefore generate stable revenue to the Group.

The Directors (including the independent non-executive Directors) are of the view that the terms of the SP Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the relevant percentage ratios (as defined under the GEM Listing Rules) in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under the GEM Listing Rules and is subject to the notification and announcement requirements set out in rule 19.34 of the GEM Listing Rules.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Absolutely Talent” or “Purchaser”	Absolutely Talent Technology Limited, a company incorporated in BVI with limited liability and a wholly-owned subsidiary of the Company, being the purchaser named in the SP Agreement
“Acquisition”	the acquisition of the Sale Shares
“BVI”	the British Virgin Islands
“Board”	the board of Directors
“China Gogreen”	China Gogreen Assets Investment Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 397)
“Company”	Computech Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued securities of which are listed on the GEM
“Completion”	completion of the sale and purchase of the Sale Shares
“Completion Date”	27 March 2013 or such other date agreed by the Vendor and the Purchaser in writing, being the date on which Completion takes place
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Consideration”	the sum of HK\$40,000,000, being the consideration for the sale and purchase of the Sale Shares
“Director(s)”	the director(s) of the Company

“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM of the Stock Exchange
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	third party independent of the Company and connected persons of the Company
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Property”	the property located at Shops Nos. 12A, 12B and 12C, Ground Floor, Hip Wo House (Ground Floor of Nos. 167A, 167B and 167C Hip Wo Street), Kowloon, Hong Kong
“Sale Shares”	two ordinary shares of the Target of US\$1.00 each, representing 100% of the entire issued share capital of the Target
“Share(s)”	share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“SP Agreement”	the agreement dated 22 March 2013 entered into between the Purchaser and the Vendor in relation to the Acquisition
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Target” Funa Assets Limited, a company incorporated in BVI with limited liability

“Vendor” Plenty Cash Investment Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of China Gogreen

On behalf of the Board
Computech Holdings Limited
Yang Yue Zhou
Chairman

Hong Kong, 22 March 2013

As at the date of this announcement, the Board comprises (i) four executive Directors, namely Mr. Yang Yue Zhou, Mr. Mak Kwong Yiu, Mr. Jiang Tan Shan and Mr. Kwok Shun Tim 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>.