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COMPUTER AND TECHNOLOGIES HOLDINGS LIMITED
(科聯系統集團有限公司)

(Incorporated in Bermuda with limited liability)

DISCLOSEABLE AND SHARE TRANSACTION

The Directors of the Company are pleased to announce that on 20 June 2001, C&T Investment, a wholly-owned subsidiary of the Company, entered into the Acquisition Agreement with IPL-BVI and the Vendors for the subscription of 3,300 new shares in IPL-BVI ("**Subscription**") and the purchase of a total of 10,000 old shares in IPL-BVI from the Vendors ("**Purchase**"), being the entire issued share capital in IPL-BVI.

The consideration for the Subscription is HK$12,548,250 payable in cash.

The consideration for the Purchase will be determined by reference to (i) the average of the after tax net profits of IPL (a 99% owned subsidiary of IPL-BVI) for the two fiscal years ending on 31 December 2001 and 31 December 2002 respectively; (ii) a price earning multiple ranging from 5.91 (assuming no exercise of the Incentive Option by the Vendors) to 7.8 times (assuming exercise of the Incentive Option by the Vendors) and (iii) 75% equity interest in IPL (assuming exercise of the Incentive Option by the Vendors), subject to the upper limit of HK$60,000,000 (excluding the Incentive Bonus which is itself subject to the upper limit of HK$10,000,000). Further details on determination of such consideration is given in the section "Consideration" below. Such consideration will be paid in four tranches, partly in cash and the balance to be satisfied by the allotment and issue of the Consideration Shares at issue price equal to the average closing price of Shares in the Company as quoted on the Stock Exchange for 30 trading days ending on and including the respective payment dates.

Immediately after Completion of the Acquisition Agreement, C&T Investment will, through IPL-BVI, own 99% of the issued share capital of IPL Holding which will, in turn, own 100% of the issued share capital of IPL. The remaining 1% of the issued share capital of IPL Holding will be retained by the Vendors.

The Acquisition Agreement constitutes a discloseable and share transaction on the part of the Company under the Listing Rules. A circular containing, among other matters, details of the Acquisition Agreement will be dispatched to the shareholders of the Company as soon as practicable.

THE ACQUISITION AGREEMENT

Date
20 June 2001

Parties

Subscriber and Purchaser : Computer And Technologies Investment Limited ("**C&T Investment**"), a wholly-owned subsidiary of the Company incorporated in BVI

Vendors : Mr PONG Wai Chung, Mr LAM Man Wah and Mr WONG Wai Man

Each of the Vendors is an independent third party not connected with the Company, any directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or an associate of any of them. None of the Vendors holds any Share in the Company.

IPL-BVI : Accuasset Investments Limited, a company incorporated in BVI and is 100% owned by the Vendors at present. Following Completion, it will become a wholly-owned subsidiary of the Company.

IPL-BVI is an independent third party not connected with the Company, any directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or an associate of any of them.

Interest to be acquired
Pursuant to the Acquisition Agreement, C&T Investment has conditionally agreed to:

(1) subscribe from IPL-BVI for the Subscription Shares; and

(2) purchase from the respective Vendors the Sale Shares.

Immediately after Completion, C&T Investment will, through IPL-BVI, own 99% of the issued share capital of IPL Holding which will, in turn, own the entire issued share capital of IPL.

The Vendors will collectively retain 1% interest in IPL Holding (a 99% owned subsidiary of IPL-BVI) following Completion and will be granted the Incentive Option which, if exercised, will entitle the Vendors to become 25% shareholder of IPL Holding by the allotment of new shares in IPL Holding.

Consideration
Subscription of the Subscription Shares
The consideration payable by C&T Investment to IPL-BVI for the Subscription Shares is HK$12,548,250 in aggregate payable in cash on Completion. Such consideration will be financed by internal resources of the Group.

The consideration for the Subscription Shares is determined based on the same pricing per Sale Share assuming the projected earnings of IPL at HK$6 million and HK$7 million for the year ended 31 December 2001 and 31 December 2002 respectively.

Purchase of the Sale Shares
The Purchase Price shall be determined by reference to the average of the 2001 Net Profits and 2002 Net Profits and at a price earnings multiple ranging from 5.91 times (assuming no exercise of the Incentive Option by the Vendors) to of 7.8 times (assuming exercise of the Incentive Option by the Vendors) to be calculated on the basis that the Company holds 75% interest in IPL with the remaining 25% held by the Vendors (assuming exercise by the Vendors of the Incentive Option).

The Purchase Price is subject to an upper limit of HK$60 million (excluding the Incentive Bonus) and shall be paid to the Vendors in four tranches. The first two tranches of the Purchase Price will be paid before determination of the amount of 2002 Net Profits. For this reason, in calculating the amount of first two tranches of the Purchase Price, the 2001 Net Profits and 2002 Net Profits will be given the assumed values of HK$6 million and HK$7 million respectively. Further details on computation of each tranches are given below:

Tranche 1
The first tranche ("**Tranche 1**") shall be HK$25,476,750, representing 67% of the Purchase Price, calculated on the assumption that the amount of the 2001 Net Profits and 2002 Net Profits are HK$6 million and HK$7 million respectively.

Tranche 2
The second tranche ("**Tranche 2**") shall represent 16.5% of the Purchase Price and shall be calculated by reference to (i) the actual amount of 2001 Net Profits and the assumed amount of 2002 Net Profits at HK$7 million; and (ii) the difference between the assumed and actual amount of the 2001 Net Profits. Tranche 2 is subject to a limit of HK$6,274,125.

Tranche 2 shall be paid on the date falling 30 days after the date of issue by the auditors of the audited consolidated finance statements of IPL and its subsidiaries for the fiscal year ended on 31 December 2001. Payment of Tranche 2 is subject to the condition that the actual amount of 2001 Net Profits is more than HK$3.431 million. If such condition is not satisfied, C&T Investment may elect for one of the following options:

(a) to require the Vendors to refund to C&T Investment an amount calculated by reference to the shortfall between the actual and assumed amount of the 2001 Net Profits;

(b) to be released from all obligations to make any further payment of the Purchase Price to the Vendors and, if so elected by C&T Investment, to require the Vendors to sell to C&T Investment or the Company all the IPL Holding Shares held directly or indirectly by the Vendors at the price calculated in accordance with the following equation:

A x B x 7.8

where:

A is the amount of the 2001 Net Profits

B is the percentage equity of IPL Holding attributable to the number of shares in IPL Holding falling to be sold to C&T Investment or the Company; or

(c) to exercise the Put Option.

The amount of consideration payable by the Vendors upon exercise by C&T Investment of the Put Option is shown in the section "Put Option" below.

Tranche 3
The third tranche ("**Tranche 3**") is the remaining balance of the Purchase Price calculated by reference to the actual amount of 2001 Net Profits and 2002 Net Profits. Tranche 3 is subject to a limit of HK$28,249,125.

Tranche 3 shall be paid on the date falling 30 days after the date of issue by the auditors of the audited consolidated financial statements of IPL and its subsidiaries for the fiscal year ended on 31 December 2002. Payment of Tranche 3 is subject to the conditions that (i) the actual amount of 2002 Net Profits is more than HK$4,000,000; and (ii) the average of 2001 Net Profits and 2002 Net Profits is more than HK$3,715,500. If such conditions are not fulfilled, C&T Investment may elect for one of the following options:

(a) to be released from all obligations to make any further payment of the Purchase Price to the Vendors and, if so elected by C&T Investment, to require the Vendors to sell to C&T Investment or the Company all the IPL Holding Shares held directly or indirectly by the Vendors at the price calculated in accordance with the following equation:

[(A + B) ÷ 2] x 7.8 x C

where:

A is the amount of the 2001 Net Profits

B is the amount of the 2002 Net Profits

C is the percentage equity of IPL Holding attributable to the remaining issued shares in IPL Holding which the Vendors are to procure to be sold to C&T Investment;

(b) to exercise the Put Option.

Tranche 4
The fourth tranche ("**Tranche 4**") shall be calculated by reference to 70%, being the agreed factor to be applied in the calculation of Tranche 4 if the average of 2001 Net Profits and 2002 Net Profits exceeds HK$6.5 million, of the excess of (i) the aggregate of the actual amount of 2001 Net Profits and 2002 Net Profits over (ii) the aggregate of the assumed amount of 2001 Net Profits and 2002 Net Profits, i.e. HK$13 million.

Tranche 4 shall be paid at the same time as Tranche 3 namely, on the date falling 30 days after the date of issue by the auditors of the audited consolidated financial statements of IPL and its subsidiaries for the fiscal year ended on 31 December 2002. Payment of Tranche 4 is subject to the conditions that (i) the aggregate amount of Tranche 1, Tranche 2 and Tranche 3 already paid is less than HK$60 million; and (ii) the average of 2001 Net Profits and 2002 Net Profits is more than HK$6.5 million.

It is a term of the Acquisition Agreement that the sum total of amounts paid under Tranches 1, 2, 3 and 4 will not exceed HK$60 million.

The consideration was negotiated on an arm's length basis between the Vendors and C&T Investment.

The Directors, including the independent non-executive Directors, consider that the terms of the Acquisition Agreement are based on normal commercial terms and are fair and reasonable so far as the shareholders of the Company are concerned.

Payment of the Purchase Price
Tranche 1 shall be paid on Completion in the following manner:

(1) as to HK$10 million in cash; and

(2) as to the balance in the sum of HK$15,476,750, by the issue and allotment of the Consideration Shares at an issue price equal to the average closing price for Shares in the Company as quoted on the Stock Exchange for 30 trading days ending on and including the Completion Date.

Tranche 2 shall be paid on the date falling 30 days after the date of issue by the auditors of the audited consolidated finance statements of IPL and its subsidiaries for the fiscal year ended on 31 December 2001.

Tranche 3 and Tranche 4 shall be paid on the date falling 30 days after the date of issue by the auditors of the audited consolidated financial statements of IPL and its subsidiaries for the fiscal year ended on 31 December 2002.

C&T Investment may elect to satisfy up to 70% of Tranche 2 and 70% of Tranche 3 by the issue and allotment of the Consideration Shares, the issue price of which shall be the lower of:

(a) the closing price of Shares of the Company as quoted on the Stock Exchange on the relevant payment date (or, if that is not a trading day, the immediately preceding trading day); or

(b) the average closing price of Shares of the Company as quoted on the Stock Exchange for 30 trading days ending on and including the relevant payment date.

The remaining balance of Tranches 2 and 3 not satisfied by allotment of the Consideration Shares and the whole of Tranche 4 shall be paid in cash. The cash portions of Tranches 2, 3 and 4 are intended to be funded by internal resources of the Group.

Put Option
The Vendors will at Completion grant to C&T Investment the Put Option to require the Vendors to purchase all the issued shares in IPL Holding held directly or indirectly by C&T Investment. The Put Option shall become exercisable if any of the conditions for payment of Tranche 2 and Tranche 3 is not fulfilled, namely:

(1) if 2001 Net Profits shall be less than HK$3,431,000; or

(2) if 2002 Net Profits shall be less than HK$4,000,000; or

(3) if the average of the 2001 Net Profits and 2002 Net Profits shall be less than HK$3,715,500.

If 2001 Net Profits shall be less than HK$3,431,000, the Put Option may be exercised at any time between the Completion Date and expiry of 6 months after the date of issue by the auditors of the audited consolidated financial statements of IPL and its subsidiaries for the fiscal year ended on 31 December 2001.

If (i) 2002 Net Profits shall be less than HK$4,000,000 or (ii) the average of the 2001 Net Profits and 2002 Net Profits shall be less than HK$3,715,500, the Put Option may be exercised at any time between the Completion Date and expiry of 6 months after the date of issue by the auditors of the audited consolidated financial statements of IPL and its subsidiaries for the fiscal year ended on 31 December 2002.

The amount of consideration payable by the Vendors to C&T Investment upon exercise of the Put Option will be determined in accordance with the following equation:

A + [B x C]

where:

A is sum total of cash portion of all tranches of the Purchase Price then already paid by C&T Investment to the Vendors

B is the total number of Consideration Shares issued and allotted to the Vendors in the payment or discharge of any part of the Purchase Price

C is in respect of each tranche of the Consideration Shares issued and allotted to the Vendors in the discharge of any tranche of the Purchase Price, the lower of (i) the price at which such tranche of the Consideration Shares were so issued under the Acquisition Agreement and (ii) the average closing price for the 30 days ending on the trading day before the date on which the put option exercise notice is issued by C&T Investment

Upon completion of the Put Option, the consideration shall be paid by the Vendors in cash.

Incentive Option
IPL-BVI has undertaken to procure IPL Holding to grant to each of the Vendors an option ("**Incentive Option**") to subscribe for the IPL Holding Shares subject to, among others, satisfaction of the following conditions:

(a) the 2001 Net Profits are more than HK$3,341,000;

(b) the 2002 Net Profits are more than HK$4,000,000; and

(c) the average of the 2001 Net Profits and 2002 Net Profits is more than HK$3,715,500.

The total number of IPL Holding Shares to be subscribed by the Vendors pursuant to exercise of the Incentive Option shall, together with the IPL Holding Shares held by the Vendors immediately before exercise of the Incentive Option, represent 25% of the entire issued share capital of IPL Holding on a fully diluted basis.

The subscription price payable by the Vendors upon exercise of the Incentive Option for each new IPL Holding Share is the higher of (i) the consolidated net asset value of IPL Holding per issued IPL Holding Share as at 31 December 2002 as shown in the audited financial statements of IPL Holdings and its subsidiaries for the fiscal year ended on 31 December 2002 after payment of the Special Dividend referred to below and (ii) the nominal value of each IPL Holding Share.

The Incentive Option shall become exercisable once the above conditions are satisfied. The Vendors will be deemed to have exercised the Incentive Option unless a notice in writing not to exercise the Incentive Option is given to C&T Investment before the expiry of 30 days after the date of issue by the auditors of the audited consolidated financial statement of IPL for the year ended 31 December 2002.

Special Dividend
It is a term of the Acquisition Agreement that, within 30 days after the date of issue by the auditors of the audited consolidated financial statements of IPL and its subsidiaries for the fiscal year ended on 31 December 2002, IPL and IPL Holding will declare and pay all retained earnings, distributable profits and reserves of the IPL Group as at 31 December 2002 by way of final dividend ("**Special Dividend**") in respect of the fiscal year ended on that date, such dividend to be paid and distributed to holders of the IPL Holding Shares (namely 99% to the Group and 1% to the Vendors) before completion of the exercise of the Incentive Option.

If and to the extent that IPL Holding shall not have sufficient cash resources to pay the Special Dividend, C&T Investment shall, subject to compliance with the requirements of the Listing Rules, lend the shortfall to IPL Holding for the purpose of financing such payment.

Incentive Bonus and Conversion to Shareholders' Loan
Under the Acquisition Agreement, if (i) the pre-conditions to the exercise of the Incentive Option set out above shall have been fulfilled (or waived by C&T Investment); (ii) all Vendors shall have duly elected to and duly completed their exercise of such Incentive Option; and (iii) the Special Dividend shall have been duly declared by IPL Holding, C&T Investment shall pay, on the date of completion of the exercise of the Incentive Option, to the Vendors a sum ("**Incentive Bonus**") equal to 24% of the amount of Special Dividend (subject to a limit of HK$10,000,000) by way of further consideration for the purchase of the Sale Shares. The Incentive Bonus due from C&T Investment will be paid out of its share of Special Dividend received.

Under the Acquisition Agreement, each of the Vendors has undertaken to C&T Investment that they will lend to IPL Holding by way of shareholder's loan sums in aggregate not less than 80% of the amount of Incentive Bonus paid or payable to them by C&T Investment.

The amount of shareholders' loan lent to IPL Holding by the Vendors out of the Incentive Bonus will be matched by C&T Investment in amount equal to three times of the amount lent by the Vendors. Any such amount to be funded by C&T Investment shall be lent to IPL Holding by way of shareholders' loan such that the total amount of shareholders' loan due from IPL Holding to C&T Investment and the Vendors in respect of amounts lent shall be in the proportion of 75% (C&T Investment) to 25% (the Vendors).

The shareholders' loans contributed by the Vendors and C&T Investment shall be made on terms that:

(a) they shall be unsecured and interest-free;

(b) they are repayable only as and when and to the extent that the financial condition and current and projected cash requirements of IPL Holding permit repayment in whole or in part without interference with or prejudice to the current or proposed business or activities of IPL Holding;

(c) they shall only be repaid in such proportions so as to ensure that the total loans remaining due to the Vendors and C&T Investment shall be in proportion to their then shareholding in IPL Holding.

Completion
Completion will take place on the third business day after all the conditions set out in the section headed "Conditions" below have been fulfilled, which is expected to be on or before 20 July 2001 or such later date as the Vendors, C&T Investment and the Company may agree.

At Completion, all the Vendors will resign from their directorship in IPL-BVI and all its subsidiaries.

Conditions
Completion of the Subscription and the Purchase is conditional upon fulfillment of, among others, the following conditions by the Long Stop Date:

(a) granting by the Stock Exchange of a listing of and permission to deal in the Consideration Shares;

(b) consent from the Bermuda Monetary Authority to the allotment and issue of the Consideration Shares (if necessary);

(c) completion of a due diligence review of the business, operations and other affairs of the IPL Group in a manner satisfactory to C&T Investment; and

(d) C&T Investment being satisfied that, as at the close of business on the business day immediately prior to the Completion Date:

(i) the net asset value of IPL and its subsidiaries is not less than HK$4.5 million; and

(ii) the aggregate amount of credit balance in the bank accounts of IPL and its subsidiaries and cash on hand held by IPL and its subsidiaries is not less than HK$2.5 million.

Changes to the shareholdings in the Company immediately following Completion
The following table shows changes on the approximate shareholdings of the Company upon Completion:

	Current Shareholdings		Shareholdings immediately upon Completion	
Chao Lien Technologies Ltd.	41.5%	110,000,000	40.8%	110,000,000
Puttney Investments Ltd.	11.0%	29,148,938	10.8%	29,148,938
Mr Pong Wai Chung	Nil	Nil	0.8%	2,253,573
Mr Lam Man Wah	Nil	Nil	0.6%	1,546,570
Mr Wong Wai Man	Nil	Nil	0.2%	618,629
Public	47.5%	125,983,900	46.8%	125,983,900
Total	100.00%	265,132,838	100.00%	269,551,610

The following table shows changes on the approximate shareholdings of the Company upon payment of Tranche 2 and Tranche 3:

	Shareholdings immediately upon payment of Tranche 2		Shareholdings immediately upon payment of Tranche 3	
Chao Lien Technologies Ltd.	40.6%	110,000,000	39.8%	110,000,000
Puttney Investments Ltd.	10.8%	29,148,938	10.5%	29,148,938
Mr Pong Wai Chung	1.1%	2,893,077	2.1%	5,772,431
Mr Lam Man Wah	0.7%	1,985,445	1.4%	3,961,472
Mr Wong Wai Man	0.3%	794,179	0.6%	1,584,590
Public	46.5%	125,983,900	45.6%	125,983,900
Total	100.00%	270,805,539	100.00%	276,451,331

Note:

Figures in the above tables are calculated on the assumptions that:

(i) the issue price per Consideration Share is HK$3.5025, representing the average closing price of the Shares as quoted on the Stock Exchange for 30 trading days before the release of this announcement;

(ii) the amount of Tranche 2 and Tranche 3 will be HK$6,274,125 and HK$28,249,125 respectively and C&T Investment elects to satisfy 70% of the amount of consideration due by issue and allotment of Consideration Shares; and

(iii) there will be no change to the issued share capital of the Company and interests in Shares from the date of this announcement up to the respective payment dates of Tranches 2 and 3.

Ranking of Shares
The Consideration Shares, when fully paid and issued, will rank pari passu in all respects with the existing Shares in issue.

Issue of Shares
The Consideration Shares for Tranches 1,2 and 3 will be issued under the general mandate of the Company granted by its shareholders on 18 May 2001 allowing the issue of up to 52,733,866 Shares which represents 20% of the issued share capital of 263,669,338 as at 18 April 2001. As at the date of this announcement, no Shares has been issued under the general mandate.

Shareholders Agreement
Upon completion of the Acquisition Agreement, a shareholders agreement will be entered into by the Vendors, IPL-BVI and IPL Holding in relation to IPL Holding. The form of such shareholders' agreement has been agreed by the parties and it will regulate the board composition, business and management of the IPL Group. Pursuant to such shareholders' agreement, IPL-BVI will have the right to appoint 3 out of the 4 directors of IPL Holding and its subsidiaries. The Vendors will collectively have the right to appoint the remaining one director of IPL Holding and its subsidiaries who must not be one of the Vendors and whose appointment shall be subject to approval by IPL-BVI.

REASONS FOR THE ACQUISITION AGREEMENT
Principal activities of the Group
The principal activities of the Group are:

- trading of computers and computer related products;
- provision of e-business related services; and
- provision of computer system software installation, support and training services.

Business of the IPL Group
IPL Group is principally engaged in the business of the provision of computer applications solutions for human resource management. IPL is a well-established total software solution provider with special emphasis on human resources and related information systems. Human Resource Information System ("HRIS"), the flagship product of IPL, is the leading Human Resources Management System (HRMS) solution localized to the Asia environment across multiple industries. Established since 1989, IPL has proven successes in providing software package solutions to more than 200 enterprise customers in Asia Pacific, as well as large-scale application service providers (ASP).

No audited financial statement has been prepared by IPL-BVI since its incorporation.

The net asset value of IPL based on its unaudited accounts made up to 31 March 2001 is HK$3,997,260. Based on the audited and unaudited financial statements of IPL made up to 31 March 2000 and 31 March 2001, the net profits before and after tax attributable to the shareholders of IPL for the two financial years immediately preceding the Acquisition Agreement are as follows:

	Year ended on 31 March 2000	Year ended on 31 March 2001
net profit before tax	HK$3,158,920	HK$4,406,553
net profit after tax	HK$2,658,920	HK$3,677,578

Reasons for the Acquisition
The Directors believe that the Acquisition would enable the Group to 1everage the synergy effects between IPL and the Group.

Firstly, IPL offers a suite of proven HRMS solutions and comprehensive industry specified knowledge for which the Group rapidly applies and deploys to the existing customer base of the Group.

Secondly, the successful record in developing software for ASP operations could also complement the Group's e-Business operations under GO-Business.

The combined strength will position the Group very well to meet the increasing demand from enterprise customers for high quality HRMS solutions.

It will also help the Group to widen its sources of software and services revenue.

GENERAL
The Acquisition Agreement constitutes a discloseable and share transaction on the part of the Company under the Listing Rules. A circular containing, among other matters, further details of the Acquisition Agreement will be despatched to the shareholders of the Company as soon as practicable.

Application will be made to the Stock Exchange for the listing of and permission to deal in the Consideration Shares.

Terms used in this announcement:

"2001 Net Profits"	the audited consolidated after tax net profits attributable to the shareholders of IPL for the financial year of IPL ending on 31 December 2001
"2002 Net Profits"	the audited consolidated after tax net profits attributable to the shareholders of IPL for the financial year of IPL ending on 31 December 2002
"Acquisition"	the acquisition by C&T Investment of 100% equity interest in IPL-BVI through the Subscription and the Purchase
"Acquisition Agreement"	the conditional share subscription and sale agreement dated 20 June 2001 entered into between C&T Investment, the Vendors and IPL-BVI in relation to the Acquisition
"associate"	has the meaning ascribed thereto in Chapter 1 of the Listing Rules
"BVI"	the British Virgin Islands
"C&T Investment"	Computer And Technologies Investment Limited, a wholly-owned subsidiary of the Company incorporated in the BVI
"Company"	Computer And Technologies Holdings Limited
"Completion"	completion of the Acquisition Agreement
"Completion Date"	the date of completion of the Acquisition Agreement
"Consideration"	the aggregate amount of the consideration for the Acquisition
"Consideration Share(s)"	Shares to be allotted and issued to the Vendors as part of the consideration of the Purchase
"Director(s)"	the directors of the Company
"Group"	the Company and its subsidiaries
"Incentive Option"	the option granted by IPL-BVI to the Vendors pursuant to the Acquisition Agreement in respect of the IPL Holding Shares
"IPL"	IPL Research Limited, a company incorporated in Hong Kong and wholly-owned by IPL Holding
"IPL-BVI"	Accuasset Investments Limited, a company incorporated in the BVI which is 100% owned by the Vendors at present and is to be acquired by C&T Investment under the Acquisition
"IPL Group"	IPL Holding and its subsidiaries
"IPL Holding"	Accusmart Enterprises Limited, a company incorporated in the BVI which is 99% owned by IPL-BVI and 1% owned by the Vendors
"IPL Holding Shares"	shares of US$0.01 each in the share capital of IPL Holding
"Listing Rules"	Rules Governing the Listing of Securities on the Stock Exchange
"Long Stop Date"	30 days from the date of the Acquisition Agreement (or such later date as C&T Investment and the Vendors may agree in writing)
"Purchase"	the acquisition by C&T Investment from the respective Vendors of the Sale Shares pursuant to the Acquisition Agreement
"Purchase Price"	the total consideration payable by C&T Investment to the Vendors for the Sale Shares
"Put Option"	the put option granted by the Vendors in favour of the Purchaser to require the Vendors to purchase all the issued IPL Holding Shares held by C&T Investment
"Sale Shares"	a total of 10,000 shares of US$0.01 each in the capital of IPL-BVI, representing the entire issued share capital of IPL-BVI immediately prior to the Subscription
"Share(s)"	shares of HK$0.10 each in the share capital of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription"	the subscription by C&T Investment for the Subscription Shares pursuant to the Acquisition Agreement
"Subscription Shares"	3,300 new shares of US$0.01 each in the capital of IPL-BVI
"Vendors"	Mr PONG Wai Chung, Mr LAM Man Wah and Mr WONG Wai Man

By order of the board
Computer And Technologies Holdings Limited
Ng Cheung Shing
Chairman

Hong Kong, 20 June 2001