Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

COMPUTER AND TECHNOLOGIES HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 46)

PROPOSED REDUCTION OF SHARE PREMIUM ACCOUNT

The Directors intend to put forward a proposal to the shareholders of the Company to partially reduce the amount standing to the credit of the Share Premium Account and transfer the credit arising therefrom to the Contributed Surplus Account.

The Proposal is conditional upon, inter alia, (i) the passing of a special resolution of the shareholders at the Annual General Meeting to be held on 25 May 2009 and (ii) compliance with section 46(2) of the Companies Act 1991 of Bermuda.

THE PROPOSAL

The Directors intend to put forward a proposal to the shareholders of the Company to partially reduce the amount standing to the credit of the Share Premium Account (the "Proposal") pursuant to the law of Bermuda and the Company's bye-laws. The amount standing to the credit of the Share Premium Account as at 31 December 2008, based on the audited consolidated financial statement of the Company was HK$237.5 million. It is proposed that an amount of HK$200 million standing to the credit of the Share Premium Account as at the Effective Date be cancelled and that the credit arising therefrom be transferred to the Contributed Surplus Account.

REASONS FOR THE PROPOSAL

The Board considers that it is unnecessary to maintain the Share Premium Account at its current level. The Company is subject to the restrictions under Bermuda law on the use of the funds standing to the credit of the Share Premium Account which, in summary, is limited to application towards crediting as fully paid bonus shares to be issued and paying the costs arising on an issue of shares. The Contributed Surplus Account is a distributable reserve which is available to be applied by the Company in a more general manner as the Board may think fit, including but not limited to, payment of dividends to shareholders and elimination of accumulated losses, if any. The Directors believe that the Proposal is beneficial to the Company and its shareholders as a whole.

EFFECT OF THE PROPOSAL

The implementation of the Proposal does not involve any reduction in the authorised or issued share capital of the Company nor does it involve any reduction in the nominal value of the Shares or the trading arrangements concerning the Shares.

The implementation of the Proposal will not affect the underlying assets, business operations, management or financial position of the Company or the proportionate interests of the shareholders of the Company, other than related expenses incurred which are immaterial. Save as the aforesaid expenses, the Directors consider that the Proposal will not cause any loss in the shareholders' funds of the Company and will not have a material adverse effect on the financial position of the Company.

CONDITIONS OF THE PROPOSAL

The Proposal is conditional upon, inter alia, the passing of a special resolution to approve the Proposal at the Annual General Meeting and compliance with section 46(2) of the Companies Act 1981 of Bermuda, including publication of a notice of the reduction of the Share Premium Account in an appointed newspaper in Bermuda and the Board being satisfied that on the Effective Date, there are no reasonable grounds for believing that the Company is, or after the Effective Date will be, unable to pay its liabilities as they became due. No court sanction is required for the Proposal under section 46 of the Companies Act 1981 of Bermuda.

GENERAL

Further information in relation to the Proposal and the notice convening the Annual General Meeting will be contained in a circular to be dispatched to shareholders together with the Annual Report of the Company for the year ended 31 December 2008 as soon as practicable.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions have the respective meanings set out opposite them:

"Annual General Meeting"	the next annual general meeting of the Company to be held on Monday, 25 May 2009
"Company"	Computer And Technologies Holdings Limited
"Contributed Surplus Account"	the contributed surplus account of the Company
"Director(s)"	the director(s) of the Company

"Effective Date"	the date on which the Proposal shall become effective, which, subject to the fulfillment of the conditions set out above, is the date on which the special resolution proposed to approve the Proposal is passed by members of the Company at the Annual General Meeting
"Share Premium Account"	the share premium account of the Company

By Order of the Board
Computer And Technologies Holdings Limited
Ng Cheung Shing
Chairman

Hong Kong, 22 April 2009

As at the date of this announcement, the Board comprises Mr. Ng Cheung Shing, Mr. Leung King San, Sunny and Mr. Yan King Shun as executive directors, and Mr. Ha Shu Tong, Dr. Lee Kwok On, Matthew, and Mr. Ting Leung Huel, Stephen as independent non-executive directors.