MegaInfo Holdings Limited
萬佳訊控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 8279)

DISCLOSURE PURSUANT TO RULE 17.10 OF THE GEM LISTING RULES (UPDATE ON, AND COMPLETION OF, THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF SYSTEK LTD)

The Board is pleased to announce that the Purchaser (being an indirect wholly-owned subsidiary of the Company) and the Vendor have entered into the unconditional Sale and Purchase Agreement on 1 December 2006, pursuant to which the Purchaser has agreed to acquire, and the Vendor has agreed to sell, the entire issued share capital of SYSTEK for a total cash consideration of HK$10 million. Completion of the Sale and Purchase Agreement has taken place on 1 December 2006 and thereafter SYSTEK has become an indirect wholly-owned subsidiary of the Company.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor is independent of and not connected with the directors, chief executive, management shareholders or substantial shareholders of the Company or its subsidiaries, or any of their respective associates (as defined in the GEM Listing Rules). The Acquisition does not constitute a notifiable transaction on the part of the Company under the GEM Listing Rules. This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules.

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules and reference is made to the announcement of the Company dated 10 October 2006 regarding the letter of intent dated 10 October 2006 entered into between the Purchaser (being an indirect wholly-owned subsidiary of the Company) and the Vendor in respect of the Acquisition.

I. THE ACQUISITION

The Board is pleased to announce that the Purchaser and the Vendor have entered into the unconditional Sale and Purchase Agreement on 1 December 2006, pursuant to which the Purchaser has agreed to acquire, and the Vendor has agreed to sell, the entire issued share capital of SYSTEK for a total cash consideration of HK$10 million. Such consideration has been funded from the proceeds from the placing of new shares of the Company as announced on 17 October 2006 and 8 November 2006. Completion of the Sale and Purchase Agreement has taken place on 1 December 2006 and thereafter SYSTEK has become an indirect wholly-owned subsidiary of the Company.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor is independent of and not connected with the directors, chief executive, management shareholders or substantial shareholders of the Company or its subsidiaries, or any of their respective associates (as defined in the GEM Listing Rules). The Acquisition does not constitute a notifiable transaction on the part of the Company under the GEM Listing Rules.

The terms of the Sale and Purchase Agreement were negotiated on an arm's length basis between the parties involved and the Directors consider that the Acquisition is made on normal commercial terms and in the interests of the shareholders of the Company as a whole.

II. INFORMATION ON THE SYSTEK GROUP

The SYSTEK Group is principally engaged in the research, development and sale of software products and systems (including but not limited to those for applications in online and mobile payment business) and the provision of information technology solutions (including implementation and after-sales services) to clients in the PRC.

III. REASONS FOR THE ACQUISITION

The Group has been looking for suitable investment opportunities in order to broaden its income source. The Directors consider that the Acquisition represents an attractive investment opportunity for the Group to widen the scope of its products and services and to strengthen its business in the PRC market.

IV. DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

"Acquisition"	the acquisition of the entire issued share capital of SYSTEK by the Purchaser from the Vendor;
"Board"	the board of Directors;
"Company"	MegaInfo Holdings Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on GEM;
"Directors"	the directors of the Company;
"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;
"HK$"	Hong Kong Dollars, the lawful currency of Hong Kong;

"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"PRC"	the People's Republic of China;
"Purchaser"	INVEST FORTUNE LTD, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company;
"Sale and Purchase Agreement"	an unconditional agreement dated 1 December 2006 entered into between the Purchaser and the Vendor in relation to the Acquisition;
"Share(s)"	ordinary share(s) of HK$0.002 each in the share capital of the Company;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"SYSTEK"	SYSTEK LTD, a company incorporated in the British Virgin Islands with limited liability;
"SYSTEK Group"	SYSTEK and its subsidiary; and
"Vendor"	the sole shareholder of SYSTEK, who is an individual independent of and not connected with the directors, chief executive, management shareholders or substantial shareholders of the Company or its subsidiaries, or any of their respective associates (as defined in the GEM Listing Rules).

By order of the Board
MegaInfo Holdings Limited
SUN Ho
Chairman

Hong Kong, 1 December 2006

As at the date of this announcement, the Board comprises Mr. Sun Ho and Mr. Kot Wai Ming as executive Directors; Mr. Wang Ronghua, Mr. Hua Fengmao and Mr. Kwok Wing Leung Andy as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in 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: (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 "Latest Company Announcement" page of the internet website operated by the Stock Exchange for the purposes of GEM at www.hkgem.com for at least seven days from the day of its posting.

* *For identification purpose only*