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This announcement, for which the directors (the “Directors”) of MegaInfo Holdings Limited (the “Company”) 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 (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.



MegaInfo Holdings Limited

萬佳訊控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 8279)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 31 DECEMBER 2006

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** For identification purpose only*

HIGHLIGHTS

- Turnover for the Six-Month Period amounted to approximately HK\$13.1 million, representing a decrease of approximately 68.4% over the corresponding period in 2005.
- Loss attributable to shareholders for the Three-Month Period and the Six-Month Period amounted to approximately HK\$3.5 million and approximately HK\$11.2 million respectively.
- The Board does not recommend the payment of an interim dividend for the Six-Month Period.

INTERIM RESULTS

The board of directors (“Board”) of MegaInfo Holdings Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the three months ended 31 December 2006 (the “Three-Month Period”) and the six months ended 31 December 2006 (the “Six-Month Period”) together with the comparative unaudited figures of the corresponding periods in 2005 as follows:

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT (UNAUDITED)

For the three and six months ended 31 December 2006

		Three months ended 31 December		Six months ended 31 December	
		2006	2005	2006	2005
	Notes	HK\$	HK\$	HK\$	HK\$
Turnover	2	7,264,697	36,287,936	13,110,905	41,458,051
Cost of sales		(5,379,299)	(30,204,260)	(9,716,525)	(34,483,987)
Gross profit		1,885,398	6,083,676	3,394,380	6,974,064
Other revenue		104,683	–	191,829	–
Bank interest income		218,073	13,993	201,011	48,550
Selling and administrative expenses		(5,737,987)	(3,776,018)	(14,990,002)	(7,012,938)
Profit (Loss) attributable to shareholders	4	<u>(3,529,833)</u>	<u>2,321,651</u>	<u>(11,202,782)</u>	<u>9,676</u>
Basic earnings (loss) per share	7	<u>(0.121) cent</u>	<u>0.434 cent</u>	<u>(0.398) cent</u>	<u>0.002 cent</u>

CONDENSED CONSOLIDATED BALANCE SHEET

At 31 December 2006

		As at 31 December 2006 (unaudited) HK\$	As at 30 June 2006 (audited) HK\$
	<i>Notes</i>		
Non-current assets			
Property, plant and equipment		3,939,628	1,040,534
Goodwill		6,454,716	—
		<u>10,394,344</u>	<u>1,040,534</u>
Current assets			
Inventories		1,415,009	1,466,967
Trade receivables	8	1,482,379	1,709,969
Amount due from customers for contract work		7,117,256	5,513,552
Other receivables, deposits and prepayments		6,195,885	1,940,370
Bank balances and cash		47,669,375	7,037,538
		<u>63,879,904</u>	<u>17,668,396</u>
Current liabilities			
Trade payables	9	6,720,740	8,176,498
Other payables, accruals and deposits received		5,988,021	4,703,008
Amount due to a customer for contract work		—	659,373
Deferred revenue		—	18,675
Tax payable		152,000	152,000
		<u>12,860,761</u>	<u>13,709,554</u>
Net current assets		<u>51,019,143</u>	<u>3,958,842</u>
		<u>61,413,487</u>	<u>4,999,376</u>
Capital and reserves			
Share capital	10	6,003,590	5,350,000
Reserves	10	55,409,897	(350,624)
		<u>61,413,487</u>	<u>4,999,376</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)*For the Six-Month Period*

	Six months ended 31 December	
	2006	2005
	HK\$	HK\$
Total equity at the beginning of the period	4,999,376	7,750,972
Profit (Loss) for the period	(11,202,782)	9,676
Exchange differences arising on translation of the financial statements of foreign subsidiaries not recognised in profit and loss account	(342,994)	50,566
Placing of shares and exercising of share options	67,959,887	—
Total equity at the end of the period	<u>61,413,487</u>	<u>7,811,214</u>

CONDENSED CONSOLIDATED CASHFLOW STATEMENT (UNAUDITED)*For the Six-Month Period*

	Six months ended 31 December	
	2006	2005
	HK\$	HK\$
Net cash used in operating activities	(7,730,919)	(2,079,180)
Net cash used in investing activities	(13,496,046)	(14,043)
Net cash from financing activities	61,906,017	—
Net increase (decrease) in cash and cash equivalents	40,679,052	(2,093,223)
Cash and cash equivalents at beginning of the period	7,037,538	8,958,423
Effect of foreign exchange rate changes	(47,215)	50,566
Cash and cash equivalents at end of the period	<u>47,669,375</u>	<u>6,915,766</u>
Analysis of balances of cash and cash equivalents		
Bank balances and cash	<u>47,669,375</u>	<u>6,915,766</u>

Notes:

(1) Basis of preparation of the accounts

The unaudited condensed consolidated accounts have been prepared in accordance with the requirements of the GEM Listing Rules, including compliance with the Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The same accounting policies and methods of computations have been followed by the Group as compared to the audited financial statements of the Group for the year ended 30 June 2006.

The condensed consolidated accounts have not been audited by the Company’s auditors, but have been reviewed by the Company’s audit committee.

The HKICPA has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards (hereinafter collectively referred to as “HKFRSs”). The Group has not early applied the following new standard, amendment or interpretations that have been issued but are not yet effective. The Directors of the Company anticipate that the application of these standard, amendment or interpretations will have no material impact on the results and the financial position of the Group.

HKAS 1 (Amendment)	Capital disclosure ¹
HKFRS 7	Financial instruments: Disclosures ¹
HK(IFRIC) - Int 10	Interim Financial Reporting and Impairment ²
HK(IFRIC) - Int 11	HKFRS 2: Group and Treasury Share Transactions ³

¹ Effective for accounting periods beginning on or after 1 January 2007.

² Effective for accounting periods beginning on or after 1 November 2006.

³ Effective for accounting periods beginning on or after 1 March 2007.

(2) Turnover

Turnover represents the net amounts received and receivable from sales of computer software products and provision of maintenance services by the Group to outside customers during the periods, and is analysed as follows:

	Three months ended 31 December		Six months ended 31 December	
	2006	2005	2006	2005
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
	HK\$	HK\$	HK\$	HK\$
Provision of digital image processing management solutions for “one-stop” project under construction contracts	–	265,651	–	265,651
Sale of computer software products and related services	7,264,697	36,022,285	13,110,905	41,192,400
	7,264,697	36,287,936	13,110,905	41,458,051

(3) Segment information

The Group is principally engaged in the sale of computer software products and the provision of maintenance services to outside customers in the People's Republic of China (the "PRC") (excluding the Hong Kong Special Administrative Region of the PRC ("Hong Kong"), the Macao Special Administrative Region of the PRC ("Macao") and Taiwan) and Macao.

There are no sales between the geographical segment.

	Six months ended 31 December	
	2006 (unaudited) HK\$	2005 (unaudited) HK\$
Turnover		
PRC	540,721	2,408,576
Macao	12,570,184	39,049,475
Total turnover	<u>13,110,905</u>	<u>41,458,051</u>
Segment results		
PRC	(1,123,773)	(324,161)
Macao	(201,114)	1,716,772
Unallocated costs	<u>(1,324,887)</u> <u>(9,877,895)</u>	<u>1,392,611</u> <u>(1,382,935)</u>
Operating profit (loss)	<u>(11,202,782)</u>	<u>9,676</u>
Segment assets		
PRC	10,917,329	1,575,629
Macao	15,103,811	26,155,663
Investment in an associate	–	14,272
Unallocated assets	48,253,108	716,823
Total assets	<u>74,274,248</u>	<u>28,462,387</u>
Segment liabilities		
PRC	606,812	575,168
Macao	11,246,372	19,894,005
Unallocated liabilities	1,007,577	182,000
Total liabilities	<u>12,860,761</u>	<u>20,651,173</u>
Capital expenditures		
PRC	1,763,111	–
Macao	–	5,243
Unallocated capital expenditures	1,453,483	–
Total capital expenditures	<u>3,216,594</u>	<u>5,243</u>
Depreciation		
PRC	25,997	20,797
Macao	297,121	303,199
Unallocated depreciation	95,787	–
Total depreciation	<u>418,905</u>	<u>323,996</u>

(4) Profit (Loss) from operations

Profit (Loss) from operations has been arrived at after crediting (charging):

	Three months ended		Six months ended	
	31 December		31 December	
	2006	2005	2006	2005
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
	HK\$	HK\$	HK\$	HK\$
Cost of inventories recognised as expenses	5,379,299	30,204,260	9,716,525	34,483,987
Depreciation of property, plant and equipment	253,149	160,489	418,905	323,996
Staff cost (including directors' remunerations)	2,521,843	2,354,246	4,346,068	4,357,103

(5) Taxation

No provision for profits tax has been made in the financial statements as the Group either incurred tax losses for the periods or its estimated assessable profit was wholly absorbed by the estimated tax losses brought forward in the jurisdiction in which the Group operates.

(6) Dividend

The Board does not recommend the payment of an interim dividend for the Six-Month Period (2005: Nil).

(7) Earnings (Loss) per share

The calculation of basic loss per share for the Three-Month Period and the Six-Month Period is based on the unaudited net loss of HK\$3,529,833 and HK\$11,202,782 respectively for the periods (three months and six months ended 31 December 2005: net profit of HK\$2,321,651 and HK\$9,676 respectively), and the weighted average number of 2,909,276,467 ordinary shares and 2,818,279,810 ordinary shares respectively in issue during the Three-Month Period and the Six-Month Period (three months and six months ended 31 December 2005: 535,000,000 ordinary shares in issue).

(8) Trade receivables

At 31 December 2006, the aged analysis of the Group's trade receivables is as follows:

	31 December 2006	30 June 2006
	(unaudited)	(audited)
	HK\$	HK\$
Less than 30 days	199,230	1,471,057
31 to 60 days	810,600	171,646
61 to 90 days	126,759	4,591
91 to 120 days	170,293	—
121 to 365 days	138,411	26,170
Over 365 days	37,086	36,505
	1,482,379	1,709,969

(9) Trade payables

At 31 December 2006, the aged analysis of the Group's trade payables is as follows:

	31 December 2006 (unaudited) HK\$	30 June 2006 (audited) HK\$
Less than 30 days	184,239	586,557
31 to 60 days	339,703	3,162,735
61 to 90 days	1,399,039	1,953,821
91 to 120 days	367,584	1,625,915
121 to 365 days	4,420,430	847,470
Over 365 days	9,745	–
	6,720,740	8,176,498

(10) Share capital and reserves

	Share capital <i>HK\$</i>	Share premium <i>HK\$</i>	Share option reserve <i>HK\$</i>	Statutory reserve <i>HK\$</i>	Exchange reserve <i>HK\$</i>	Contributed surplus <i>HK\$</i>	Accumulated losses <i>HK\$</i>	Total <i>HK\$</i>
At 1 July 2006	5,350,000	20,576,560	–	292,038	(22,887)	11,108,399	(32,304,734)	4,999,376
Recognition of Share-based payment	–	–	96,937	–	–	–	–	96,937
Issue of share capital upon exercise of share option and placing of shares	653,590	67,209,360	–	–	–	–	–	67,862,950
Exchange differences on translation of the financial statements of foreign subsidiaries not recognised in the profit and loss account	–	–	–	–	(342,994)	–	–	(342,994)
Loss for the period	–	–	–	–	–	–	(11,202,782)	(11,202,782)
At 31 December 2006	<u>6,003,590</u>	<u>87,785,920</u>	<u>96,937</u>	<u>292,038</u>	<u>(365,881)</u>	<u>11,108,399</u>	<u>(43,507,516)</u>	<u>61,413,487</u>
At 1 July 2005	5,350,000	20,576,560	–	–	(73,454)	11,108,399	(29,210,533)	7,750,972
Exchange differences on translation of the financial statements of foreign subsidiaries not recognised in the profit and loss account	–	–	–	–	50,566	–	–	50,566
Profit for the period	–	–	–	–	–	–	9,676	9,676
At 31 December 2005	<u>5,350,000</u>	<u>20,576,560</u>	<u>–</u>	<u>–</u>	<u>(22,888)</u>	<u>11,108,399</u>	<u>(29,200,857)</u>	<u>7,811,214</u>

(11) Related party transaction

Significant related party transactions, which were carried out in the normal course of the Group's business are as follows:

	Six months ended 31 December 2006 (unaudited) HK\$	2005 (unaudited) HK\$
Purchases from Maga Datatech Limited ("MDL") (<i>Note a</i>)	2,240,000	528,919
Purchase from Vodatel Holdings Limited ("VHL") (<i>Note b</i>)	583,063	74,688
Rental expenses payable to Mr. José Manuel dos Santos (<i>Note c</i>)	90,000	180,000

Notes:

- (a) As at 14 November 2006, the Group purchased goods from MDL, a wholly-owned subsidiary of Vodatel Networks Holdings Limited ("VNHL") in which Mr. José Manuel dos Santos has a beneficial interest.
- (b) As at 14 November 2006, the Group purchased goods from VHL, a wholly-owned subsidiary of VNHL in which Mr. José Manuel dos Santos has a beneficial interest.
- (c) For the Six-Month Period from July to September 2006, the Company leased an office premise in Hong Kong from Mr. José Manuel dos Santos for a monthly rental of HK\$30,000.

MANAGEMENT DISCUSSION AND ANALYSIS

Business review

During the Three-Month Period, the Group completed the implementation and installation work for the various projects in Macao disclosed in the First Quarterly Report of the Group for the three months ended 30 September 2006, including the installation of a structured cabling solution for one of the gaming operators in Macao, the implementation of an e-government application to enhance the automatic queuing system of the one-stop e-government system, as well as the installation and implementation of the surveillance system for the Judiciary Police of Macao.

In the PRC, the software development teams in Zhuhai and Guangzhou continued to assist in the provision of maintenance and support services for the e-government project in Macao.

Capital resources and liquidity

Net cash and bank balances as at 31 December 2006 were approximately HK\$47.7 million. The total assets of the Group as at 31 December 2006 were approximately HK\$74.3 million. There was no charge on the Group's assets as at 31 December 2006.

During the Six-Month Period, the Group maintained a debt-free capital structure. The Group financed its operations primarily with internally generated cashflows and the proceeds from placing of Shares and exercising of share options granted under the share option scheme adopted by the Company on 18 November 2004.

Foreign exchange exposure

As at 31 December 2006, the Group held cash and bank deposits denominated in Hong Kong Dollars, Renminbi, and Macao Patacas. Since all of its revenue-generating operations, monetary assets and liabilities of the Group are conducted or transacted substantially in Hong Kong Dollars and Renminbi, which is not freely convertible into foreign currencies, and Macao Patacas, which is considered as a stable currency under the control of the Government of Macao, the Group faced minimal exchange rate risk during the period.

Employees' information

As at 31 December 2006, the Group had 51 employees (31 December 2005: 48) in Hong Kong, Macao and PRC. Total staff costs (excluding directors' emoluments) for the Six-Month Period amounted to approximately HK\$4 million.

The Group's remuneration policies are formulated on the basis of performance and experience of individual employees and are in line with local market practices. In addition to salary, the Group also offers to its employees other fringe benefits including year-end bonus, share option scheme, contributory provident fund, medical benefits and training.

Principal corporate exercises completed during the Three-Month Period

1. Share subdivision

With effect from 24 October 2006, each of the issued and unissued shares of HK\$0.01 each in the share capital of the Company has been subdivided into five shares of HK\$0.002 each (the "Shares"). The authorised share capital of the Company amounts to HK\$10,000,000, divided into 5,000,000,000 Shares of HK\$0.002 each.

2. Placing of new Shares

On 17 October 2006, the Company announced a placing on a best effort basis of a maximum of 210,520,000 new Shares through an independent placing agent to independent placees (namely, the General Electric Pension Trust and the Raytheon Pension Trust of GE Asset Management Incorporated, and WF Asian Reconnaissance Fund Limited of Ward Ferry Management Limited) for up to an aggregate cash consideration of HK\$54,735,200, equivalent to a placing price of HK\$0.26 per Share. Completion of the placing took place on 14 November 2006 and a total of 210,520,000 new Shares were allotted and issued to the aforesaid placees. Net proceeds from the placing amounted to approximately HK\$54.1 million.

Business outlook

As an enterprise driven by innovative technologies, the success of our Group lies with our ability to continuously introduce new products and expand our value-added services to our customers. To this end, the Group has taken initiatives to expand its business into the following new product lines (and related services) while, at the same time, strengthening its business in the PRC:

1. *Fixed odds betting products for proposed adoption in the PRC sports lottery market*

On 23 January 2007, the Company announced that Ladbroke Group, Maxprofit Investment Holdings Limited (“MIH”, being an indirect wholly-owned subsidiary of the Company), Asia Gaming Technologies Limited (the “JV Company”), Ladbrokes plc and the Company had entered into a joint venture shareholders’ agreement dated 19 January 2007 (the “JV Agreement”) to establish the JV Company. The JV Company will be principally engaged in (i) the management and development of specific fixed odds betting products (which are games for proposed adoption in the PRC sports lottery market)(the “Products”), (ii) the sale and distribution of the Products to customer(s) which is(are) licensed or authorised by the relevant regulatory authority(ies) in the PRC to operate a business which sells and distributes the Products to consumers in the PRC, (iii) the provision of maintenance, after-sales, training and consultancy services relating to the Products, and (iv) the management, development, sale and distribution of such other additional Products and the provision of such other additional services as the parties to the JV Agreement may agree from time to time in writing. Upon completion of the JV Agreement, the JV Company will be owned as to 51% by MIH and as to 49% by Ladbroke Group. The total capital contribution from MIH and Ladbroke Group will be HK\$5,100,000 and HK\$4,900,000 respectively. *(Note: As of the date hereof, fixed odds betting products are a new kind of betting products not yet approved or accessible to the general public in the PRC, and no entity is licensed or authorised to sell fixed odds betting products in the PRC at this moment. The JV Company is a venture between MIH and Ladbroke Group set up to explore the opportunity to introduce certain fixed odds betting products of Ladbroke Group and its group companies to the sports lottery market of the PRC).*

In addition, pursuant to the JV Agreement, on the date of completion of the JV Agreement, Ladbroke Group will subscribe at a nominal consideration of HK\$1 for an option of the Company which, if exercised during the exercise period commencing from the date of completion of the JV Agreement and ending on the first anniversary of such date, will entitle Ladbroke Group to subscribe for up to an aggregate of 157,990,000 new Shares in the Company (representing approximately 5.26% of the issued share capital of the Company as at the date hereof and approximately 5.00% of the enlarged issued share capital of the Company if the option is exercised in full by Ladbroke Group) at an exercise price of HK\$2.0033 per Share (subject to adjustment). The maximum total consideration payable by Ladbroke Group to the Company upon exercise in full of the Option shall amount to HK\$316,501,367. The formation of the JV Company and the grant of the aforesaid option by the Company to Ladbroke Group under the JV Agreement constitute discloseable transactions for the Company under the GEM Listing Rules.

2. *Payment-related products*

As announced by the Company on 1 December 2006, the Group completed the acquisition of the entire issued share capital of SYSTEK LTD on the same date for a total cash consideration of HK\$10 million for net asset value of HK\$3,545,284, goodwill recognised being HK\$6,454,716. SYSTEK LTD and its wholly-owned subsidiary, 北京思德泰科技發展有限公司 (Beijing Systek Science & Technology Development Co., Ltd.) (“Beijing Systek”), are principally engaged in the research, development and sale of software products and systems (including but not limited to those for applications in payment business) and the provision of information technology solutions (including implementation and after-sales services) to clients in the PRC. For the Six-Month Period, loss of Beijing Systek was HK\$307,566.

On 29 January 2007, the Company announced that Beijing Systek (being an indirect wholly-owned subsidiary of the Company) had entered into a memorandum of understanding (the “MOU”) with 上海卡友信息服務有限公司 (Shanghai Cardinfo Co., Ltd.) (“Shanghai Cardinfo”) in relation to a possible subscription (the “Subscription”) by Beijing Systek for the new shares of Shanghai Cardinfo (which shall represent approximately 20.69% equity interest in Shanghai Cardinfo upon completion of the formal subscription agreement). A formal subscription agreement has yet to be entered into by, among other parties, Beijing Systek and Shanghai Cardinfo as the detailed terms have not been finalised at this stage. If a formal subscription agreement is entered into by Beijing Systek or any member of the Group, it may constitute a notifiable transaction for the Company under the GEM Listing Rules. Further announcement will be made by the Company either as and when the formal subscription agreement is entered into, or as and when the MOU is lapsed.

As at the date hereof, Shanghai Cardinfo is a subsidiary of 中國銀聯股份有限公司 (“China UnionPay”) and is principally engaged in (i) the provision of electronic payment services through its fixed-line telephone-based payment system, “信付通”, and (ii) the publication of magazines for targeted readers including China UnionPay, banks, credit card and other bank customers in the PRC. China UnionPay was jointly established by a consortium of financial institutions in the PRC with the approval of the People’s Bank of China, and operates an unified nationwide inter-bank bankcard information exchange network in the PRC. China UnionPay is also engaged in the provision of advanced electronic payment technologies and specialised services relating to the inter-bank bankcard information exchange network, the development of innovative bankcard technologies, and the management and operation of the China UnionPay brand. The Directors consider that, if the Subscription materialises, it will provide the Group with a springboard to enter the vast payment market in the PRC on the back of the strong business network and support of Shanghai Cardinfo and the China UnionPay group entities.

Financial performance review

During the Three-Month Period, the turnover of the Group amounted to approximately HK\$7.3 million, representing an increase of approximately 24.3% over the Three-Month Period ended 30 September 2006 and a decrease of approximately 80.0% over the corresponding period in 2005. Turnover of the Group for the Six-Month Period amounted to approximately HK\$13.1 million, representing a decrease of approximately 68.4% over the corresponding period in 2005. The decreases in the turnover of the Group during the Three-Month Period and the Six-Month Period were mainly attributable to the fact that a high level of turnover of approximately HK\$19.7 million was brought about by the East Asian Games project for the six-month period ended 31 December 2005 while no projects of that scale were undertaken by the Group during the Six-Month Period, coupled with the fact that there were increases in legal and professional fees as well as staff costs as a result of the above-mentioned corporate exercises and business expansion of the Group, and recruitment of additional personnel to strengthen the management team following the change in control of the Company in June 2006. Notwithstanding the aforesaid decrease in turnover, the Group managed to secure projects with higher margins during the Three-Month Period and the gross profit percentage for the Three-Month Period stood at approximately 26.0%, an improvement over the gross profit percentage of the corresponding period in 2005 of approximately 16.8%.

During the Three-Month Period, the net loss of the Group amounted to approximately HK\$3.5 million, whereas a net profit of approximately HK\$2.3 million was recorded by the Group for the corresponding period during 2005. Net loss of the Group for the Six-Month Period amounted to approximately HK\$11.2 million, whereas a net profit of HK\$9,676 was recorded by the Group for the corresponding period during 2005. The loss-making position of the Group during the Three-Month Period and the Six-Month Period as compared to the profit-making position of the Group during the corresponding periods in 2005 was primarily attributable to (i) the increase in administrative expenses (totalling approximately HK\$6.5 million for the Six-Month Period) as a result of the adoption of Hong Kong Financial Reporting Standard (“HKFRS”) 2 “Share-based Payment” for share options of the Company granted to Directors and employees of the Group during the Six-Month Period, (ii) the aforesaid lack of large projects undertaken by the Group during the Three-Month Period and the Six-Month Period, and (iii) the aforesaid increases in legal and professional fees as well as staff costs of the Group during the Three-Month Period and the Six-Month Period.

Proposals for change of Company name, share premium reduction, share option scheme limit refreshment and change of board lot size

As stated in the announcement and circular of the Company dated 24 January 2007 and 2 February 2007 respectively, the Board proposed that:

- the name of the Company be changed to “AGTech Holdings Limited” (and “亞博科技控股有限公司” be adopted as its new Chinese name for identification purpose) in order to better reflect the future business development of the Group which currently plans to expand its range of products into the fixed odds betting products and systems;
- the entire amount standing to the credit of the share premium account of the Company on the Effective Date (being the date of the special general meeting of the Company at which the relevant special resolution approving the reduction of the share premium account of the Company is passed by its shareholders) be reduced, with part of the credit arising therefrom being applied to offset against the accumulated losses of the Company as at the Effective Date in full and the remaining balance of the credit being credited to the contributed surplus account of the Company; and
- the 10% limit on the grant of options under the share option scheme adopted by the Company on 18 November 2004 (the “Share Option Scheme”) be refreshed.

In addition, on 2 February 2007, the Company announced that the board lot size for trading in the Shares will be changed from 20,000 Shares to 4,000 Shares with effect from 9:30 a.m. on Monday, 26 February 2007.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES OF HK\$0.002 EACH IN THE CAPITAL OF THE COMPANY ("SHARES"), UNDERLYING SHARES AND DEBENTURES

As at 31 December 2006, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors, to be notified to the Company and the Stock Exchange, were as follows:

(i) Interests in ordinary Shares

Directors	Number of Shares of the Company			Approximate percentage held
	Personal interest	Corporate interest	Total	
Mr. Sun Ho	26,750,000 (Note 2)	2,006,250,000 (Note 1)	2,033,000,000	67.73%
Mr. Kot Wai Ming	26,750,000 (Note 2)	—	26,750,000	0.89%
Mr. Wang Ronghua	2,675,000 (Note 2)	—	2,675,000	0.09%
Mr. Hua Fengmao	2,675,000 (Note 2)	—	2,675,000	0.09%
Mr. Kwok Wing Leung Andy	2,675,000 (Note 2)	—	2,675,000	0.09%

Notes:

- These 2,006,250,000 Shares were held in the name of MAXPROFIT GLOBAL INC. As MAXPROFIT GLOBAL INC is beneficially and wholly-owned by Mr. Sun Ho, an executive director and chairman of the Company, Mr. Sun was deemed to be interested in such Shares.
- Each of the two executive Directors, Mr. Sun Ho and Mr. Kot Wai Ming, holds 26,750,000 Shares and each of the three independent non-executive Directors, Mr. Kwok Wing Leung Andy, Mr. Wang Ronghua and Mr. Hua Fengmao, holds 2,675,000 Shares following their exercise in full of the respective options granted to them on 14 August 2006 by the Company pursuant to the share option scheme of the Company adopted on 18 November 2004 (the "Share Option Scheme").

(ii) Long positions in the underlying Shares in respect of the share options of the Company (which were regarded as unlisted physically settled equity derivatives)

Name of Directors	Date of grant	Exercise price per Share (HK\$)	Exercisable period	Number of underlying Shares entitled (in respect of share options of the Company)		
				Granted	Exercised	As at 31 December 2006
Mr. Sun Ho	14-8-2006	0.056	14-8-2006 – 13-8-2009	26,750,000	26,750,000	0
Mr. Kot Wai Ming	14-8-2006	0.056	14-8-2006 – 13-8-2009	26,750,000	26,750,000	0
Mr. Wang Ronghua	14-8-2006	0.056	14-8-2006 – 13-8-2009	2,675,000	2,675,000	0
Mr. Hua Fengmao	14-8-2006	0.056	14-8-2006 – 13-8-2009	2,675,000	2,675,000	0
Mr. Kwok Wing Leung Andy	14-8-2006	0.056	14-8-2006 – 13-8-2009	2,675,000	2,675,000	0

Save as disclosed above, as at 31 December 2006, none of the Directors and chief executive of the Company had any interests or short positions in the Shares, underlying Shares (in respect of share options of the Company which were regarded as unlisted physically settled equity derivatives) and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2006, so far as was known to the Directors or chief executive of the Company, the following persons (not being Directors or chief executives of the Company) had, or were deemed to have, interests and long positions in the Shares and underlying Shares of the Company which were discloseable under Divisions 2 and 3 of Part XV of the SFO and recorded in the register kept by the Company pursuant to section 336 of the SFO:

Interests in the ordinary Shares:

Name of Shareholder	Capacity	Number of Shares held	Approximate percentage of issued share capital of the Company
MAXPROFIT GLOBAL INC	Beneficial owner (<i>Note 1</i>)	2,006,250,000	66.84%
GE Asset Management Incorporated	Investment Manager	150,520,000	5.01%

Note:

1. As disclosed above, Mr. Sun Ho was deemed to be interested in those 2,006,250,000 Shares by virtue of his interest in MAXPROFIT GLOBAL INC.

Save as disclosed above, as at 31 December 2006, the Directors or chief executive of the Company were not aware of any other substantial Shareholder (not being a Director or chief executive of the Company) who had, or was deemed to have, interests or short positions in the Shares, underlying Shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO; or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or held any option in respect of such capital.

INTERESTS OF OTHER PERSONS

As at 31 December 2006, apart from the interests in the Shares, underlying Shares and debentures of the Company and its associated corporations held by the Directors, chief executive and substantial Shareholders of the Company stated above, there were no other persons with interests recorded in the register of the Company required to be kept under section 336 of the SFO.

REQUIRED STANDARD OF DEALINGS REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings regarding securities transactions by directors set out in Rules 5.48 to 5.67 of the GEM Listing Rules as its code of conduct for dealings in securities of the Company by the Directors (the "Code of Conduct"). Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard of dealings set out in the Code of Conduct during the Six-Month Period.

MANAGEMENT SHAREHOLDERS

So far as the Directors are aware, other than Mr. Sun Ho as disclosed above, there was no other person during the Six-Month Period who was directly or indirectly interested in 5% or more of the Shares then in issue and who was able, as a practical matter, to direct or influence the management of the Company.

INTERESTS IN COMPETING BUSINESS

During the period under review, none of the Directors or any person who is (or group of persons who together are) entitled to exercise or control the exercise of 5% or more of the voting power at general meetings of the Company and who is (or are) able, as a practical matter, to direct or influence the management of the Company had an interest in a business, which competes or may compete with the business of the Group.

AUDIT COMMITTEE

The audit committee of the Company comprises three independent non-executive Directors, namely, Mr. Kwok Wing Leung Andy, Mr. Wang Ronghua and Mr. Hua Fengmao. The unaudited consolidated interim results of the Group for the Six-Month Period have been reviewed and commented on by the audit committee.

CORPORATE GOVERNANCE

The Board is committed to maintaining high standards of corporate governance in order to uphold the transparency of the Group and safeguard interests of the shareholders of the Company.

During the period under review, the Company has adopted the code provisions and certain recommended best practices in the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 15 of the GEM Listing Rules, except that under the code provision A.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The roles of chairman and chief executive officer of the Company were performed by the same individual, Mr. Sun Ho, during the period under review. The Company considered that the combination of the roles of chairman and chief executive officer could effectively formulate and implement the strategies of the Company. The Company considered that there was no imminent need to change the arrangement.

SHARE OPTION SCHEME

As at 31 December 2006, there were options for 120,025,000 ordinary Shares granted by the Company pursuant the Share Option Scheme. During the Six-Month Period, there were options for 116,275,000 Shares exercised and options for 3,750,000 Shares outstanding. No options were cancelled and lapsed during the Six-Month Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Six-Month Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company.

By order of the Board
MegaInfo Holdings Limited
Sun Ho
Chairman

Hong Kong, 9 February 2007

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

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.