



Computime Acquires Electra HK Technologies Limited

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Accelerates Expansion into European and Asian Markets To Claim Leadership in Electronic Control Market

We are pleased to announce that Computime Group Limited has entered into an agreement with Airwell Air Conditioning B.V. ("Airwell") for the acquisition of the entire issued share capital in Electra HK Technologies Limited ("EHK") at a consideration of US\$5,500,000 (approximately HK\$42.9 million) in cash. Airwell is principally engaged in the manufacture and sale of residential and commercial air conditioning products. When the acquisition is completed, EHK will become a wholly-owned subsidiary of Computime.

EHK, principally designs, manufactures and markets electronic controls for air conditioners, major appliances and industrial and spa and pool products. The company has operated an engineering facility and production plant in Dongguang, the PRC and has established an extensive customer network spanning Europe, Asia, Israel and Australia.

The acquisition of EHK reinforces the strategic growth into the exciting markets of Europe, Asia, Israel and Australia. This is consistent with our balanced growth plan in expanding markets outside of North America. The acquisition of EHK will also expand our technology and product offering from the interface and thermostatic controls into power controls, remote access controls and indoor air quality controls in the air-conditioning market. Moreover, EHK's presence in the spa and pool industry will further strengthen our growth in this strategic market, covering the new segment of pool cleaning.

With our effective control in material cost and labor productivity, we will be able to achieve better economies of scale and productivity improvement in the enlarged group. We are confident that the synergy with EHK will enable us to continue our rapid growth in Europe and Asia, strengthening our global position as one of the leading electronic control companies.

On completion of the acquisition, EHK will sign a sourcing agreement with the affiliates of Airwell for the period from 2007 to 2009 at a total purchase price of not less than an aggregate of US\$30.0 million (approximately HK\$234.0 million) to design and produce control for air conditioners.

For more details, please refer to our [official announcement](#).

Bernard Auyang
CEO