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MEDIA RELEASE

KARIN'S SUBSIDIARY SIGNS BUSINESS PARTNER AGREEMENT WITH IBM

SINGAPORE, 29 September 2008 – Singapore Exchange (“SGX”) Mainboard-listed KARIN Technology Holdings Limited (“KARIN” or the “Group”) (嘉灵控股集团有限公司), a leading IT and Components Solutions and Services Provider in Hong Kong and the PRC, is pleased to announce that Compucon Computers Limited (a wholly owned subsidiary of KARIN) (“Compucon”) had signed a Business Partner Agreement with IBM Singapore Pte Ltd (“IBM”).

Compucon will work with IBM as one of its Distributors on selling and promoting one of the most powerful enterprise-class IBM Software under its product family of **IBM TIVOLI SOFTWARE**.

This latest move would expand the range of solutions and services offered under the IT infrastructure segment. The target customers would mostly be corporate clients belonging to the Financial Services Industry, SMB market and so. A subsidiary of Karin in the PRC has a long established relationship with IBM and has been marketing and distributing hardware solutions primarily in the areas of storage and database management.

Commenting on the latest agreement with IBM, Mr. Philip Ng, Executive Chairman of KARIN said, ***“We are honoured and excited about this latest development in our partnership with IBM. This is indeed a testimony to the growing confidence of IBM in us and our partnership with IBM has indeed grown from strength to strength. The high quality and proven***

track record of IBM's product range combined with KARIN's strong outreach in the corporate sector, we can look forward to extending our coverage beyond our current stronghold in the financial services industry sector."

Horizontal and Vertical Expansion Strategy

The latest move is in line with KARIN's strategy to continually expanding horizontally into new product range with its partners such as IBM and enhancing their vertical service offerings, in tandem with the expanded range of products.

"The agreement with IBM signals our relevance to our principals and vendors. We are able to stay relevant and deepen our relationship with principals and vendors because of service excellence to our customers. This ensures our principals and vendors are successful whenever they partner with us." Mr Philip Ng reiterated.

About IBM TIVOLI

IBM Tivoli®¹ software provides intelligent infrastructure management solutions that help customers understand and proactively manage the business value of their IT systems in an on demand world. Tivoli software goes beyond the individual components of customer systems to provide integrated views for managing and optimizing critical IT systems with policy-based resource allocation, security, storage and systems management solutions.

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**Issued on behalf of KARIN Technology Holdings Limited by
Cogent Communications Pte Ltd**

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About KARIN Technology Holdings Limited

Listed on the Mainboard of Singapore Exchange (SGX) in March 2005, KARIN is a leading IT & Components Solutions and Services Provider in Hong Kong and the People's Republic of China with a strong track record of more than 30 years.

Since 1977, they have been primarily engaged in the electronic components and computer distribution business for various segments of the electronics industry including the communications, computer, electrical appliances and utility segments. In 1990s, they expanded their business to include outsourcing services such as IC application design solutions and data storage management solutions.

Since its listing on the SGX's Main Board, KARIN has carved out a growing presence in two core segments - Components Distribution and IT Infrastructure Solutions and Services – in the PRC, Hong Kong and Macau markets.

With these focused segments under its stable, KARIN has witnessed compounded annual growth rates (CAGR) in excess of 30% on its Group revenue performance since 2005. In 2007, KARIN acquired I M I Kabel Pte Ltd, a Singapore-based distributor of data control cables for a variety of industries ranging from industrial automation to port and shipyard, offshore oilfields and petrochemical facilities.

¹ Source: <http://www.ibm.com/developerworks/tivoli/newto/>