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MEDIA RELEASE

SGX-listed Karin Tech's subsidiary, Compucon, named Top Contributor in Software Distribution by IBM Hong Kong

Singapore, 28 January 2011 – Singapore Exchange (“**SGX**”) Mainboard-listed Karin Technology Holdings Limited (“**Karin**” or together with its subsidiaries, the “**Group**”), a leading electronic and industrial components and IT solutions distributor and outsourcing service provider based in Hong Kong, announced today that its wholly owned subsidiary, Hong Kong-based Compucon Computers Limited (“**CCL**”), was presented the Top Contributor Award – Software Distribution by IBM China/Hong Kong Limited (NYSE: IBM) (“**IBM**”).

The award was presented at the IBM Hong Kong BPO Kickoff Meeting on 18 January 2011 at the Langham Place Hotel in Hong Kong, in recognition of CCL's outstanding sales achievement during the fiscal year 2010.

CCL was first appointed as an IBM distributor in Hong Kong and Macau in 2008, beginning with the distribution of IBM Tivoli management software product. Within a year, the distributorship was extended to full suite IBM software products in May 2009. This quick expansion was owed to CCL's success in promoting the Tivoli solutions to small and medium businesses (“**SMEs**”) in Hong Kong and Macau.

Commenting on CCL's award, Executive Chairman of Karin, Mr Philip Ng said, “We are very pleased to be recognised by IBM for our sales achievement. We are proud that, as a newcomer, we were able to outperform distributors who have been distributing IBM software products in Hong Kong and Macau much longer than we have.

“This achievement within three short years is only possible because of CCL's strong focus on customers' needs and firm commitment to adopting dynamic channel strategies to strengthen a quality reseller network for IBM in Hong Kong and Macau.”

CCL employs innovative yet customer-centric marketing programmes which proved to be flexible and comprehensive enough to deliver a high level of service to all its customers. CCL makes the full series of IBM software solutions available to cover the demands of companies of all sizes through just-in-time logistics, integrated marketing, quality pre-sales technical support, and account management to its channel partners.

Mr Ng added, "I want to take this opportunity to thank all parties who made it possible for us to achieve this award. We owe our success to the support and collaboration of our channel business partners and to the dedication of our staff.

"We will keep the momentum going and aim for another year of outstanding sales results for IBM software products in 2011."

For the full year ended 30 June 2010, Karin achieved a 4.5% year-on-year increase in net profit to HK\$33.8 million on the back of HK\$1,562.2 million in revenue.

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About Karin Technology Holdings Limited

Listed on the Mainboard of the Singapore Exchange since 2005, Karin is a leading electronic and industrial components and IT solutions distributor and services provider in Hong Kong and the People's Republic of China ("PRC"). Established in 1977, Karin has been principally engaged in the electronic and industrial components and computer distribution business for various segments of the electronics industry, including the communications, computer, electrical appliances and utility segments. Karin expanded its business to include the provision of outsourcing services such as IC application design solutions and data storage management solutions, riding on the increasing demand for IC software application solutions in the 1990s.

In 2007, Karin acquired IMI Kabel Pte Ltd, a Singapore based distributor of a full range of cable products, including data control cables, connectors, power voltage cables, connectively cable products, accessories and equipment for various applications for a variety of industries ranging from industrial automation to port and shipyard, offshore oilfields and petrochemical facilities.

For more information, please visit: <http://www.karingroup.com/eng/global/home.php>

About IBM

For more information about IBM Hong Kong, please visit www.ibm.com.hk.

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