TECHNOLOGY VENTURE HOLDINGS LIMITED
（宏昌科技集團有限公司）*

(incorporated in Bermuda with limited liability)
(Stock Code: 61)

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2003

The directors (the "Directors") of Technology Venture Holdings Limited (the "Company") announce the audited results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2003 together with comparative figures for the corresponding period in 2002 as follows:

CONSOLIDATED PROFIT AND LOSS ACCOUNT
Year ended 31 December 2003

	Notes	**2003** **HK$'000**	2002 HK$'000
TURNOVER	2		
Continuing operations		**261,692**	188,784
Discontinued operations		**–**	155,084
		261,692	343,868
Cost of sales		**(225,408)**	(261,433)
Gross profit		**36,284**	82,435
Other income		**1,789**	3,159
Selling and distribution expenses		**(9,693)**	(31,631)
Administrative expenses		**(34,827)**	(56,584)
Loss on disposal of subsidiaries relating to discontinued operations		**–**	(119,309)
Other operating expenses		**(8,562)**	(11,956)

	Notes		
LOSS FROM OPERATING ACTIVITIES		**(15,009)**	(133,886)
Finance costs		**(725)**	(1,294)
LOSS BEFORE TAX			
Continuing operations		**(15,734)**	(35,317)
Discontinued operations		**–**	(99,863)
		(15,734)	(135,180)
Tax	*3*		
Continuing operations		**1,974**	(10)
Discontinued operations		**–**	(4,055)
		1,974	(4,065)
LOSS BEFORE MINORITY INTERESTS		**(13,760)**	(139,245)
Minority interests		**(1,622)**	(8,624)
NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS		**(15,382)**	(147,869)
LOSS PER SHARE	*4*		
Basic		**HK$(0.03)**	HK$(0.33)
Diluted		**N/A**	N/A

Notes:

1. Accounting policies

With the introduction of SSAP 12 (revised) "Income taxes", provision for deferred taxation is made for all taxable temporary differences as previously adopted. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time.

2. Turnover and income

Turnover represents the net invoiced value of goods sold, after allowances for returns and trade discounts, and the value of services rendered. All significant intra-Group transactions have been eliminated on consolidation.

3. Taxation

	Group	
	2003	2002
	HK$'000	*HK$'000*
Current:		
Hong Kong	**–**	5,061
Elsewhere	**1,764**	1,530
Overprovision in prior year	**(3,738)**	(2,526)
	(1,974)	4,065
Deferred tax	**–**	–
Tax (credit)/charge for the year	**(1,974)**	4,065

No Hong Kong profits tax has been provided (2002: provided at the rate of 16%) as the Group has no assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

4. Loss per share

The calculation of basic loss per share is based on the net loss from ordinary activities attributable to shareholders for the year of HK$15,382,000 (2002: net loss of HK$147,869,000) and the weighted average of 501,209,644 (2002: 445,291,710) ordinary shares in issue during the year.

Diluted loss per share amount for the years ended 31 December 2003 and 2002 have not been disclosed as the share options outstanding during these years had an anti-dilutive effect on the basic loss per share for these years.

The effects of the Company's shares issuable for settlement of additional consideration for the acquisitions of certain subsidiaries have not been included in the computation of diluted loss per share as the shares to be so issued would be fairly priced and are assumed to be neither dilutive nor anti-dilutive.

5. Segment information

(a) Business segments

The following tables present revenue, profit/(loss) and expenditure information for the Group's business segments.

2003

	Continuing operations		Discontinued operations		
	Banking and finance systems integration services	**Software solution for banks and public sector**	**Broadband Internet equipment, network security software and business software systems**	**Eliminations**	**Consolidated**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue:					
Sales to external customers	**111,412**	**150,280**	**–**	**–**	**261,692**
Intersegment sales	**–**	**960**	**–**	**(960)**	**–**
Interest income	**521**	**35**	**–**	**–**	**556**
Other income	**440**	**7**	**–**	**–**	**447**
Total	**112,373**	**151,282**	**–**	**(960)**	**262,695**
Segment results	**(4,513)**	**3,427**	**–**	**–**	**(1,086)**
Unallocated interest income					**704**
Unallocated gains					**82**
Unallocated expenses					**(14,709)**
Loss on disposal of discontinued operations					**–**
Loss from operating activities					**(15,009)**
Finance costs					**(725)**
Loss before tax					**(15,734)**
Tax					**1,974**
Loss before minority interests					**(13,760)**
Minority interests					**(1,622)**
Net loss from ordinary activities attributable to shareholders					**(15,382)**

2002

	Continuing operations		Discontinued operations		
	Banking and finance systems integration services *HK$'000*	Software solution for banks and public sector *HK$'000*	Broadband Internet equipment, network security software and business software systems *HK$'000*	Eliminations *HK$'000*	Consolidated *HK$'000*
Segment revenue:					
Sales to external customers	84,269	104,515	155,084	–	343,868
Intersegment sales	–	1,095	–	(1,095)	–
Interest income	796	449	422	–	1,667
Other income	261	–	205	–	466
Total	85,326	106,059	155,711	(1,095)	346,001
Segment results	(11,266)	(2,259)	19,446	–	5,921
Unallocated interest income					443
Unallocated gains					583
Unallocated expenses					(21,524)
Loss on disposal of discontinued operations			(119,309)		(119,309)
Loss from operating activities					(133,886)
Finance costs					(1,294)
Loss before tax					(135,180)
Tax					(4,065)
Loss before minority interests					(139,245)
Minority interests					(8,624)
Net loss from ordinary activities attributable to shareholders					**(147,869)**

(b) Geographical segments

2003

	Hong Kong *HK$'000*	**Elsewhere in the PRC** *HK$'000*	**Asia Pacific other than the PRC** *HK$'000*	**Eliminations** *HK$'000*	**Consolidated** *HK$'000*
Segment revenue:					
Sales to external customers	**237**	**261,455**	**–**	**–**	**261,692**

2002

	Hong Kong *HK$'000*	Elsewhere in the PRC *HK$'000*	Asia Pacific other than the PRC *HK$'000*	Eliminations *HK$'000*	Consolidated *HK$'000*
Segment revenue:					
Sales to external customers	12,838	307,094	23,936	–	343,868

6. Loss from operating activities

The Group's loss from operating activities is arrived at after charging:

	2003 ***HK$'000***	2002 *HK$'000*
Cost of inventories sold and services provided	**225,408**	261,433
Depreciation	**3,678**	7,120
Amortisation of goodwill	**–**	6,174
Provision for doubtful debts	**8,192**	3,016
Amortisation of deferred development costs	**370**	2,766
Loss on disposal of subsidiaries	**–**	119,363

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Performance

The Group's financial performance in 2003, excluding all contributions from disposed subsidiary, DMX Technologies (DMX), was encouraging.

Turnover for the Group grew by 39% from HK$188,784,000 in 2002 (excluding DMX) to HK$261,692,000 in 2003. Despite difficult economic environment experienced in the earlier part of the year, the focus and directions undertaken have started to yield results. This was reflected in the improved sales performance from all business segments.

Gross profit margin fell from 20% in 2002 (excluding DMX) to 14% in 2003. The decrease in gross profit margin was due to fierce competition especially in the maintenance services market. Gross profit decreased slightly from HK$37,267,000 in 2002 (excluding DMX) to HK$36,284,000 in 2003 as a result of higher turnover achieved during the year.

Loss attributable to shareholders reduced significantly from HK$147,869,000 to HK$15,382,000. Excluding the extraordinary loss for DMX and provision of HK$122,325,000 in 2002, and the provision of HK$8,192,000 made in 2003, the Group's loss also narrowed by 72% from HK$25,544,000 in 2002 to HK$7,190,000 in 2003.

The Directors do not recommend the payment of any dividend in respect of the year ended 31 December 2003 (2002: Nil).

Core Business

IT solutions and system integration

The integration of the Group's core competencies in hardware and software solutions has borne well for both TopAsia and Sequent China. The combined operation continued to target at the banking and finance sector of China.

2003 was a year of progressive development and positive results for TopAsia. Despite a soft start of the year with the outbreak of the Severe Acute Respiratory Syndrome (SARS), TopAsia succeeded to achieve all the designated targets in product sales, cost control, productivity enhancement and business integration.

Self-service banking products and services, including automatic teller machines (ATM), continued to be a significant growth driver. By aligning sales strategy closer with market demands, TopAsia regained its top-three NCR distributor status. In addition, TopAsia was qualified by the Bank of Shanghai as a designated supplier and also awarded a contract by the Postal Bureau of the Tibet Autonomous Region.

Maintenance services continued to be fiercely competitive with unit fee on downward spiral. Nevertheless, TopAsia's comprehensive point-of-service network, prompt response and quality services have helped it widen its service scope for Bank of Communications, adding to its maintenance service portfolio new branches in Taiyuan, Xian, Nanjing, Nantong, Changzhou, Changsha, Hefei and Ningbo, etc. This made TopAsia the fastest growing system service provider of Bank of Communications.

In respect of China Merchants Bank (CMB), TopAsia retained its leading service provider status for self-service banking products, primarily ATMs, automatic deposit machines and automatic enquiry machines. The biggest thrill came from the opening of maintenance service for self-service banking products by Bank of China (BOC) to non-manufacturers. TopAsia seized the opportunity and engineered a spectacular win for the service tenders for branches in Chongqing, Zhejiang and Henan.

Storage and networking business picked up tremendous growth momentum in 2003. Through cooperating with EMC, the world's largest storage equipment supplier, TopAsia strengthened its market presence in Eastern China with two equipment tender wins from the Shanghai Securities Central Clearing and Registration Corporation, and also contracts with China Unicom, Zhejiang Branch, Anhui Mobile Communication and the Postal Bureau of Shanghai, etc.

The successful alliance with NCR to develop data storage business has encouraged TopAsia to partner with Ascential, a world-renowned manufacturer of software management products, to market its core Datastage software. The result was remarkable with contracts already signed for the head office of the Shanghai Pudong Development Bank, Shanghai General Motors Company Limited and Nanyang Brothers Tobacco (Hong Kong) in which TopAsia also served as the project manager.

In respect of networking products, sales growth remained steady and encouraging. Apart from fostering closer business relationships with existing clients such as Shanghai Foreign Exchange Centre and the People's Insurance Company of China Shanghai Branch Office, TopAsia also started to supply to a renowned mainland IT stalwart UTStarcom peripheral products such as CPU, hard disks, networking monitors, etc. Contracts valued at more than RMB 5 million were already sealed.

TopAsia's Integration with Sequent

For mainframe systems, TopAsia retained all the service contracts for former Sequent China clients, primarily Bank of China (BOC), China Construction Bank (CCB), City Commercial Bank, Postal Savings and Remittance Bureau and Commercial Department. New service contracts for STK and HDS products were also successfully concluded with Hangzhou City Commercial Bank and the Jiangxi Branch of the CCB.

On the system integration front, TopAsia helped implement an information system development project for Hangzhou City Commercial Bank and made a breakthrough with the government sector. The division participated in the implementation of the border control monitoring system for the Public Security Department and successfully completed the first pilot at the Beijing Capital International Airport.

In line with TVH's focus on developing online education services, TopAsia has formed a taskforce to empower the software capabilities of Teacher.com.cn, China's official continuous education portal for primary and secondary school teachers. This software solution which specializes in education, website enhancement and training systems will serve as the core foundation for TopAsia to undertake solutions of much larger scale.

TopAsia will continue its two-pronged focus on self-service products and services, and data business in 2004. In respect of the former, TopAsia will retain its multi-brand strategy and refine its client development focus to coastal regions, especially eastern and central China, for greater cost efficiency. Sales and service capacity will be expanded by adding four more points of service to the existing network of 26.

Data business has proved to be an area of tremendous potential. TopAsia will continue to work with EMC to expand sales of networking and storage hardware products by promoting large capacity storage and back-up systems to enterprises in the telecommunications, financial and manufacturing sectors. The division will also tighten cooperation with Ascential to market Datastage products in Shanghai and peripheral areas with the clinching of eight to ten new contracts as the 2004 target.

On mainframe systems and system integration, TopAsia will improve upon the existing platform for more efficient business development and expansion.

Internally, TopAsia further streamlined manpower, enhanced technology capacity and effectively controlled overheads within budget. Cash flow situation was also improved with more efficient funds management, close follow-up on account receivables and successful opening of credit channels. TopAsia also met the review criteria and retained its ISO9000 management quality accreditation.

Software

The Group's software vehicle, 55%-owned Advanced Digital Technology (ADT), has strategized its product and services offerings into three major lines: software development and productization, network systems and mainframe systems.

Named one of China's top 100 software companies for 2003, ADT's well recognized expertise further facilitated its business development activities. It has become one of the five service providers for network development and safety of Industrial and Commercial Bank of China (ICBC). On the other hand, CCB has also authorized ADT a supplier B qualification for SI services and ADT is now one of CCB's six service providers for integrated data networks, representing a breakthrough development for the division.

The year also saw the successful product development of starring3.0 platform for enterprise application, further strengthening the division's technological competitiveness in the financial sector. The introduction of commercial bank teller monitoring system has also made ADT a pioneer in the field.

ADT expects the authorized service provider status with ICBC and CCB to generate a steady stream of new business for the division. Software development and introduction will be stepped up and aligned with the demands of mainland banks.

In April 2004, ADT won the CCB tender for the implementation of a data archive management system in all of its 39 branches throughout China over the next two years. The successful win reflects CCB's recognition of ADT's capabilities to provide advanced professional solutions to digitalize financial data.

Online education through ChinaCast

In 2003, ChinaCast continued to be the Group's strategic platform to develop the education and training service business in China, with the technological support of other TVH units. University distance learning programs became a significant revenue growth contributor during the period, primarily because more partner universities had started to recruit distance-learning students and there was also an increase in the number of student enrolment by existing partner universities. Altogether, 11 of ChinaCast's partner universities had enrolled distance-learning students in 2003.

As China's leading distance learning services provider with a nationwide satellite delivery network, ChinaCast has been responsive to applying its resources to good deeds. It launched on 30 April 2003 the K-12 Video Classroom, a free Internet distance learning service for primary and high school students, to address the educational needs during the period of SARS quarantine.

Since then, collaboration arrangements were also entered into with the China Children Foundation for the An Kang project, pursuant to which, ChinaCast will disseminate educational materials to children all over the country through distance-learning channels.

2003 also saw launches of new online programs on ChinaCast's interactive education platform, the Great West Distance Learning Program to provide vocational training content to eight remote provinces, and the enrichment of distance learning content.

ChinaCast will be actively developing the enterprise communication market in 2004 in addition to the public sector and government authorities. In 2003, ChinaCast has already committed to the purchase of a new 2-way platform to target at the enterprise market. There were discussions with several potential customers in 2003 for the commencement of enterprise communication services in 2004.

OUTLOOK

According to market analyst CCW Research, IT spending in China will post an annual composite growth rate of 18.5% from 2005 to 2009. For 2004 IT sales in China, services are expected to record the largest growth of 27%. The IT industry landscape in China is shifting progressively towards service offerings, an area that is anticipated by industry practitioners to record fastest growth. The re-positioning of TVH over the past years has been perfectly timed and placed to capitalize on this trend.

TopAsia will continue to further develop self-service products and services, and data business in 2004. TopAsia believes that the worse is over for the industry as a whole, and the division is heading towards healthy business development and steady growth. Higher contribution and returns are expected for the TVH Group.

ADT's latest win of the CCB tender for the implementation of a data archive management system in all of its 39 branches throughout China will be a stable income for the division for the next two years. It is expected that this esteemed recognition of ADT's industry expertise will facilitate business expansion in software, network and mainframe systems.

Already a silver partner to CISCO, ADT is working towards a gold partnership in 2004.

Meanwhile, TVH's management remains confident in the overall online education and enterprise communication markets in China and will continue to explore possible ventures or collaboration with ChinaCast in this area. ChinaCast's planned listing in Singapore represents an encouraging validation of TVH's ongoing policy to build individual business segments into fully-fledged independent entities, to the benefits of the Group and shareholders.

LIQUIDITY AND FINANCIAL RESOURCES

Net assets

As at 31 December 2003, the Group recorded total assets of approximately HK$371,276,000 which were financed by liabilities of approximately HK$206,572,000 and equity of approximately HK$157,173,000. The Group's net asset value as at 31 December 2003 decreased by 9% to approximately HK$157,173,000 as compared to approximately HK$172,542,000 as at 31 December 2002.

Liquidity

The Group had total cash and bank balances of approximately HK$108,303,000 as at 31 December 2003 (2002: approximately HK$90,655,000). After deducting bank loans and overdrafts of approximately HK$39,339,000 (2002: approximately HK$12,993,000), the Group recorded a net cash balance of approximately HK$68,964,000 as compared to that of approximately HK$77,662,000 as at 31 December 2002. As at 31 December 2003, the current ratio was 1.37 (2002: 1.84) and the gearing ratio was 0.26 (2002: 0.08) which was defined as the Group's interest-bearing and secured bank loans and finance lease payables over its total equity.

Charges on assets

At 31 December 2003, fixed deposits of approximately HK$16,000,000 (2002: HK$30,425,000) were pledged to banks to secure banking facilities granted.

Treasury policies

The Group generally finances its operations with internally generated resources and credit facilities provided by banks in Hong Kong. Subsidiaries in PRC use short-term borrowings in PRC to finance working capital, which amounted to HK$39,000,000 as at 31 December 2003. Borrowing methods used by the Group mainly include trust receipt loans, overdrafts and term loans. The interest rates of most of these are fixed by reference to the Hong Kong Dollar Prime Rate. Both bank deposits and borrowings are mainly in Hong Kong dollars and United States dollars ("US dollars").

Contingent liabilities

At 31 December 2003, the Company had contingent liabilities in relation to guarantees given to banks in connection with facilities granted to certain subsidiaries amounting to approximately HK$20 million.

As at 31 December 2003, the banking facilities granted to the subsidiaries were utilized to the extent of approximately HK$4,528,000.

The Group has contingent liability in respect of possible future long service payments to employees under the Hong Kong Employment Ordinance as some of current employees have achieved the required number of years of service to the Group in order to be eligible for long service payments under the Employment Ordinance if their employment is terminated under certain circumstances. A provision has not been recognised in respect of such possible payments, as it is not considered probable that the situation will result in a material future outflow of resources from the Group.

Foreign exchange exposure

The Group mainly earns revenue and incurs costs in US dollars and Hong Kong dollars. Foreign exchange exposure of the Group is minimal as long as the policy of the Government of HKSAR to link the Hong Kong dollars to the US dollars remains in effect.

Employee and remuneration policies

As at 31 December 2003, the Group employed approximately 320 full time staff in the Mainland China and Hong Kong. The Group remunerates its employees based on their performance, work experience and the prevailing market price. Performance related bonuses are granted on a discretionary basis. Other employee benefits include mandatory provident fund, insurance and medical coverage, training programs and share option scheme.

POST BALANCE SHEET EVENT

Subsequent to the balance sheet date, in January 2004, the Group further advanced to its investee companies of an aggregate amount of RMB25,500,000 (equivalent to HK$24,057,000) for their working capital purpose before its proposed listing on SGX. The balances bore interests at the then prevailing bank borrowing rates in the PRC and were financed by the Group’s bank loans drawn down in January 2004, which were secured by a pledged bank deposit of the investee companies amounting to US$3,300,000 (equivalent to HK$25,740,000).

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company’s listed securities during the year.

CODE OF BEST PRACTICE

None of the Directors is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the year ended 31 December 2003 in compliance with the Code of Best Practice as set out in Appendix 14 of the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), except that the independent non-executive Directors do not have specific terms of appointment during the period between 1 January 2003 and 3 July 2003 but are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's bye-laws. In the opinion of the Directors, this meets the same objective as the Code of Best Practice.

To comply with the Code of Best Practice, as set out in Appendix 14 of the Listing Rules, the Company set up an audit committee (the "Committee") on 12 June 1999 with written terms of reference for the purpose of reviewing and providing supervision on the financial report process and internal control of the Group. The Committee comprises the two independent non-executive Directors of the Company.

PUBLICATION OF ANNUAL RESULTS ON THE INTERNET WEBSITE OF THE STOCK EXCHANGE

A results announcement containing the information required by paragraphs 45(1) to 45(3) of Appendix 16 to the Listing Rules will be published on the website of the Stock Exchange in due course.

By order of the Board
Chan Tze Ngon
Chairman

Hong Kong, 28 April 2004

* *for identification purpose only*

As at the date of this announcement, Mr. Chan Tze Ngon, Mr. Emmy Wu, Mr. Tang Kin Hung and Mr. Chow Siu Lam, Cliff are the Executive Directors of the Company. Dr. Lo Siew Kiong, John and Mr. Fu Yan Yan are the Independent Non-executive Directors of the Company.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Technology Venture Holdings Limited (the "**Company**") will be held at the Board Room of 8th Floor, Tianjin Building, 167 Connaught Road West, Hong Kong on 21 May 2004 at 11 a.m. to transact the following ordinary business:

1. to receive and consider the audited consolidated financial statements and reports of the directors and auditors for the year ended 31 December 2003;

2. to re-elect directors and to authorise the board of directors to fix their remuneration;

3. to re-appoint auditors and to authorise the board of directors to fix their remuneration;

and, as special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolutions:

4. "**THAT**:

   (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with unissued shares ("**Share**" and each a "**Share**") of HK$0.10 each in the capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

   (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

   (c) the aggregate nominal amount of share capital allotted issued and dealt with or agreed conditionally or unconditionally to be allotted issued and dealt with (whether pursuant to options or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under any share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:

      (aa) 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this Resolution; and (bb) (if the directors of the Company are so authorised by a separate ordinary Resolution of the shareholders of the Company) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this Resolution),

and the authority pursuant to paragraph (a) of this Resolution shall be limited accordingly; and

(d) for the purposes of this Resolution:

"**Relevant Period**" means the period from the date of the passing of this Resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company, the Companies Act 1981 of Bermuda (the "Companies Act") or any other applicable law of Bermuda to be held; and

(iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this Resolution;

"**Rights Issue**" means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the directors of the Company to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong)."

5. "**THAT**:

(a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period of all powers of the Company to purchase the Shares of the Company and warrants of the Company, subject to and in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Act and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;

(b) the aggregate nominal amount of Shares and warrants which may be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company or 10% of the aggregate amount of outstanding warrants of the Company (as the case may be) as at the date of the passing of this Resolution and the authority pursuant to paragraph (a) of this Resolution shall be limited accordingly; and

(c) for the purposes of this resolution, "Relevant Period" means the period from the date of the passing of this Resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company, the Companies Act or any other applicable law of Bermuda to be held; and

(iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this Resolution."

6. "**THAT** conditional upon the passing of Resolutions 4 and 5 as set out in the notice convening this meeting, the aggregate nominal amount of the number of Shares that shall have purchased by the Company after the date thereof pursuant to and in accordance with Resolution 5 shall be added to the aggregate nominal amount of Shares that may be issued and allotted or agreed conditionally or unconditionally to be issued and allotted by the directors of the Company pursuant to the general mandate to issue and allot granted to the directors of the Company by Resolution 4."

and, as special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as Special Resolutions:

7. "**THAT** "宏昌科技集團有限公司" be and is hereby adopted as the Chinese name of the Company and THAT such Chinese name be filed and/or registered with the Registrar of Companies in Hong Kong under Part XI of the Companies Ordinance (Cap. 32) of the Laws of Hong Kong and the directors of the Company be and are hereby authorized to do all such acts, deeds and things as they may, in their absolute discretion, deem fit, to effect and implement such adoption of Chinese name of the Company."

8. "**THAT** the Bye-laws of the Company be amended as follows:–"

(1) By substituting the existing definition of "associate" with the following new definition in Bye-law 1:

"associate" shall have the meaning attributed to it in the Exchange Listing Rules;

(2) By adding the following new definition of "Exchange Listing Rules" in Bye-law 1:

""Exchange Listing Rules" shall mean the Rule Governing the Listing of Securities on the Stock Exchange, as amended from time to time;"

(3) By re-numbering the existing Bye-law 81 as Bye-law 81(a);

(4) By inserting the following paragraph as new Bye-law 81(b):

"(b) Where the Company has knowledge that any shareholder is, under the Exchange Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted."

(5) By deleting the existing Bye-law 110(H), Bye-law 110(I) and Bye-law 110(J) in its entirety and replacing therewith the following new Bye-law 110(H), Bye-law 110(I) and Bye-law 110(J):

"(H) A Director shall not vote (nor be counted in the quorum) on any resolution of the Directors approving any contract or arrangement or proposal in which he or any of his associates is materially interested, and if he shall do so his vote shall not be counted (nor is he counted in the quorum for that resolution), but this prohibition shall not apply to any of the following matters namely:

(i) any contract or arrangement for the giving by the Company of any security or indemnity to the Director or any of his associate(s) in respect of money lent or obligation undertaken by him or any of them for the benefit of the Company or any of its subsidiaries;

(ii) any contract or arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves guaranteed or secured in whole or in part;

(iii) any contract or arrangement by the Director or his associate(s) to subscribe for shares or debentures or other securities of the Company to be issued pursuant to any offer or invitation to the shareholders or debenture or securities holders of the Company or to the public which does not provide the Director or his associate(s) any privilege not generally accorded to any other shareholders or debenture or securities holders of the Company or to the public;

(iv) any contract or arrangement concerning an offer of the shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer and/or for the purposes of making any representations, the giving of any covenants, undertakings or warranties or assuming any other obligations in connection with such offer;

(v) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his interest in shares or debentures or other securities of the Company and/or his/their being the offeror or one of the offerors or is/are interested in one of the offerors for the purchase or effective acquisition of such shares, debentures or other securities;

(vi) any contract or arrangement concerning any other company in which the Director or his associate(s) is/are interested directly or indirectly whether as an officer, a director and/or an employee and/or a shareholder or in which the Director and any of his associates are not in aggregate beneficially interested in 5% or more of the issued shares of any class of the voting equity share capital of such company or of the voting rights of any class of shares of such company (or of third company through which his interest or that of any of his associates is derived);

(vii) any proposal or arrangement for the benefit of employees of the Company or its subsidiaries including the adoption, modification or operation of a pension fund or retirement, death or disability benefit scheme or personal pension plan under which a Director or his associate(s) may benefit and which has been approved by or is subject to and conditional on approval by the relevant taxing authorities for taxation purposes or relates both to Directors, his associate(s) and employees of the Company or of any of its subsidiaries and does not give the Director or his associate(s) any privilege not generally accorded to the class of persons to whom such scheme or fund relates;

(viii) any proposal concerning the adoption, modification or operation of any employees' share scheme involving the issue or grant of options over shares or other securities by the Company to, or for the benefit of the employees of the Company or its subsidiaries under which the Director or his associate (s) may benefit; and

(ix) any contract, agreement, transaction or proposal concerning the purchase and/or maintenance of any insurance policy for the benefit of any Director, his associate(s), officer or employee pursuant to the Bye-laws."

"(I) A company shall be deemed to be a company in which a Director and/or his associate(s) owns 5% or more if and so long as (but only if and so long as) he and/or his associates, (either directly or indirectly) are the holders of or beneficially interested in 5% or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his interest or that of any of his associates is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder.

(J) Where a company in which a Director and/or his associate(s) holds 5% or more is materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction."

(6) By deleting the words "at least seven clear days before the date of the general meeting" in the last sentence of Bye-law 116 and replacing therewith the following proviso:

"provided that the minimum length of the period, during which such notice(s) are given, should be at least 7 days and that the period for lodgment of such notice shall commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such meeting."

(7) By deleting the words "Special Resolution" in the first line of the existing Bye-law 117 and inserting in its place the words "Ordinary Resolution" and by deleting the margin note of the existing Bye-law 117 in its entirety and inserting in its place a new margin note "Power to remove Director by Ordinary Resolution".

By order of the board of directors
Technology Venture Holdings Limited
Chan Tze Ngon
Chairman

Hong Kong, 28 April 2004

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head office and Principal place of business in Hong Kong:
8th Floor, Tianjin Building
167 Connaught Road West
Hong Kong

Notes:

1. A shareholder entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, subject to the provisions of the bye-laws of the Company, vote in his stead. A proxy need not be a shareholder of the Company.

2. A form of proxy for use at the annual general meeting is enclosed. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, at the offices of the Company's Hong Kong branch registrars, Tengis Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 48 hours before the time of the meeting or adjourned meeting and in default the proxy shall not be valid. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the above meeting or any adjournment thereof, should he so wish.

3 In relation to proposed Resolution no. 2 above, Mr Chow Siu Lam, Cliff and Mr Tang Kin Hung, will retire from their respective offices of directors at the above meeting pursuant to bye-law 111 of the bye-laws of the Company and, being eligible, offer themselves for re-election.

4. In relation to proposed Resolutions nos. 4 and 6 above, approval is being sought from the shareholders for the grant to the directors of a general mandate to authorise the allotment and issue of Shares under the Listing Rules. The directors have no immediate plans to issue any new Shares other than Shares which may fall to be issued under the share option scheme of the Company or any scrip dividend scheme which may be approved by the shareholders.

5. In relation to proposed Resolution no. 5 above, the directors wish to state that they will exercise the powers conferred thereby to purchase Shares or warrants in circumstances which they deem appropriate for the benefit of the shareholders. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed Resolution as required by the Listing Rules is set out in another set of documents enclosed in the annual report for the year ended 31 December 2003 sent to shareholders.

6. In relation to proposed Resolutions nos. 7 and 8 above, approval is being sought from the shareholders for the adoption of Chinese name and the amendment of the Bye-laws of the Company.

* *for identification purpose only*