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TECHNOLOGY VENTURE HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

DISCLOSEABLE TRANSACTION

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Pursuant to the Agreement dated 12 September 2000, the Purchaser has agreed to acquire from the Vendors the Sale Shares in the capital of ChinaCast. As at the date of this announcement, the Purchaser is interested in approximately 19.9 per cent. of the issued share capital of ChinaCast. Completion took place on 12 September 2000, with deferred payment terms.

The consideration payable by the Purchaser for the Acquisition of the Sale Shares is US\$4,548,871.10 (approximately HK\$35,481,195). Upon election of the Purchaser, the consideration may be satisfied by the allotment and issue of the Consideration Shares. The right of election may be exercised by written notice to the relevant Vendors at any time up to and including the business day before 31 December 2000, failing which the consideration shall be payable in cash on 31 December 2000.

The Acquisition constitutes a discloseable transaction on the part of the Company under the Listing Rules.

The SGM will be convened as soon as possible to consider and if thought fit, passing the resolutions to approve the allotment and issue of the Consideration Shares.

A circular containing, among other matters, details of the Agreement and the notice convening the SGM will be despatched to the shareholders of the Company within 21 days of the date of publication of this announcement.

The negotiations as announced by the Company on 6 September 2000 have concluded, resulting in the Agreement.

THE SALE AND PURCHASE AGREEMENT DATED 12 SEPTEMBER 2000 (THE "AGREEMENT")

Parties

- (1) The Purchaser : Technology Venture Investments Limited, a wholly owned subsidiary of the Company
- (2) The Vendors : Bickford Management Limited
Bostwick Consultancy Limited
Chan Ho Man
Glander Assets Limited
Greatrait Limited
Isthoch Assets Limited
Sergio Ventures Limited
Standfield Investments Limited
Super Dynamic Consultancy Limited

Each of the Vendors is an independent third party not connected with the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or any of their respective associates (as defined in the Listing Rules). Mr. Chow Siu Lam, Cliff, a Director, is the sole beneficial owner and director of Kenbell Management Limited which is the only shareholder of ChinaCast which is not a party to the Agreement.

ASSETS ACQUIRED

Pursuant to the Agreement, the Vendors have agreed to sell and the Purchaser has agreed to purchase, the Sale Shares, being approximately 10.8 per cent. of the issued share capital of ChinaCast, resulting in an aggregate holding by the Purchaser of approximately 30.7 per cent. in the issued share capital of ChinaCast upon completion. Immediately after the Acquisition and the ChinaCast Placing (as defined below), the Group's interest in ChinaCast will be restored to the existing approximately 19.9 per cent..

No audited financial statements have been prepared by ChinaCast since its incorporation on 18 June 1999. As at 30 June 2000, the net assets of ChinaCast based on its unaudited consolidated management accounts amounted to approximately HK\$15,249,000. ChinaCast recorded a net loss before taxation and minority interest of approximately HK\$15,911,000 and a net loss after minority interest of approximately HK\$12,413,000 for the period from 18 June 1999 to 30 June 2000.

The consideration payable by the Purchaser for the Acquisition is based on arm's length negotiations between the Purchaser and the Vendors taking into account, among other matters, the valuation of ChinaCast employed in the ChinaCast Placing (as defined below). No independent third-party valuation was conducted on ChinaCast.

ChinaCast is the technology and management partner of ChinaCast Co., Ltd., a PRC company with a VSAT licence granted by the Ministry of Information Industries, which has a contractual arrangement with China Telecommunications Corporation(中國電信集團公司), a PRC company providing fixed-line telecommunications services in the PRC, to launch Turbo 163, the first nationwide satellite-based broadband Internet services in the PRC.

CONSIDERATION

The aggregate consideration for the Acquisition is US\$4,548,871.10 (approximately HK\$35,481,195).

Upon election of the Purchaser, the consideration may be satisfied by the allotment and issue of such number of Consideration Shares calculated by reference to the closing price of the Shares as quoted on the Stock Exchange for the five trading days immediately preceding a date (the "**Election Date**") to be determined in the sole discretion of the Purchaser, but which shall in any event not be later than 31 December 2000. The proportionate shareholdings in the Company as a result of the allotment and issue of the Consideration Shares will be affected by the issue of new Shares under the Placing. The consideration shall be payable in cash on 31 December 2000 if the election is not exercised by the Purchaser.

A SGM will be convened and held as soon as reasonably practicable to approve the allotment and issue of the Consideration Shares to the respective Vendors credited as fully paid.

The Directors, including the independent non-executive Directors, consider that the terms and conditions of the Agreement are based on normal commercial terms and are fair and reasonable so far as the shareholders of the Company are concerned.

COMPLETION

Completion took place on the date of the Agreement with deferred payment terms as set out above.

REASONS FOR THE ACQUISITION

On 12 September 2000, ChinaCast entered into a placing agreement with certain strategic and financial investors under which ChinaCast is to issue new shares in ChinaCast representing approximately 35 per cent. of the issued share capital of ChinaCast as enlarged by the placing for a total consideration of approximately US\$28.6 million (approximately HK\$223 million) (the "**ChinaCast Placing**"). The Group's interest in ChinaCast will be diluted from approximately 19.9 per cent. to approximately 13 per cent. immediately after the ChinaCast Placing.

The Acquisition is made to restore the Group's diluted interest in ChinaCast as a result of the ChinaCast Placing back to the existing level. The Acquisition is expected to further enable the Group to capture the potential capital appreciation of ChinaCast as a long term investment and is also expected to enhance ChinaCast's strategic value to the Group in light of the systems integration and software development contracts the Group is likely to secure from ChinaCast and the possible leverage of ChinaCast's broadband Internet services by certain of the Group's operations

such as software training.

GENERAL

The Company is principally engaged in investment holding with its subsidiaries principally engaged in the provision of systems integration services, software development and the provision of other information technology services.

The SGM will be convened as soon as possible to consider and if thought fit, passing the resolutions to approve the allotment and issue of the Consideration Shares.

A circular containing, among other matters, further details of the Agreement and the notice of the SGM to approve the allotment and issue of the Consideration Shares will be despatched to the shareholders of the Company within 21 days of the date of publication of this announcement.

Application will be made to the Stock Exchange for the listing of and permission to deal in the Consideration Shares.

DEFINITIONS

In this Announcement, unless the context otherwise requires, the following words and expressions shall have the respective meanings set out opposite them:

"Agreement"	an agreement dated 12 September 2000 between the Purchaser and the Vendors
"Acquisition"	the acquisition by the Purchaser of the Sale Shares pursuant to the terms and condition of the Agreement
"ChinaCast"	ChinaCast Technology (BVI) Limited, a company incorporated in the British Virgin Islands
"Company"	Technology Venture Holdings Limited, the Shares of which are listed on the Stock Exchange
"Consideration Shares"	such number of Shares which may be allotted and issued to the Vendors as consideration for the Acquisition
"Director"	a director of the Company
"Group"	the Company together with its subsidiaries
"Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange
"Placing"	Placing of 32,000,000 new Shares, details of which are contained in a separate announcement of the Company of 13 September 2000
"PRC"	The People's Republic of China
"Purchaser"	Technology Venture Investments Limited, a wholly owned subsidiary of the Company
"Sale Shares"	a total of 5,686,090 shares of US\$0.01 each in the capital of ChinaCast
"SGM"	the special general meeting of the Company to be convened to consider the allotment and issue of the Consideration Shares
"Shares"	shares of HK\$0.10 each in the capital of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Vendors"	the companies more particularly named as vendors under the section headed "Parties" above

By order of the board
Technology Venture Holdings Limited
Chan Tze Ngan, Ron
Chairman

Hong Kong, 12 September 2000

Please also refer to the published version of this announcement in South China Morning Post and Hong Kong Economic Times.