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TECHNOLOGY VENTURE HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

Proposed investment in an internet content provider and cooperation with a computer training materials provider

Technology Venture Holdings Limited (the Company* which together with its subsidiaries the Group*) has been undergoing negotiations regarding the followings:

1. negotiations with an Internet content provider (ICP*) which engages in Internet related business in both Hong Kong and the Peoples Republic of China markets including the provision of Internet content services and broadband technology and billing system services for a proposed investment of approximately US\$2 million (the Proposed Investment Amount*), equivalent to approximately HK\$15.6 million in the ICP (the Proposed Investment*) (as mentioned under the paragraph headed Internet-related market* in the interim results announcement of the Company dated 24 August 1999); and
2. negotiations with a US based computer training course materials provider (the US Provider*) to cooperate with it in the setting up of a computer training operation in Hong Kong (the Proposed Cooperation* which together with the Proposed Investment, the Proposals*). The board of directors (the Directors*) estimate that the investment amount for the Proposed Cooperation will be approximately HK\$1.2 million.

The Directors wish to state that the Proposed Investment and the Proposed Cooperation are expected, in the absence of unforeseeable circumstances, to be finalised within one week and two weeks respectively. The Proposed Investment Amount is only an estimated amount for the Proposed Investment and will be finalised upon signing of the agreement regarding the Proposed Investment.

The Directors wish to state that they were informed by ICP that it would enter into a service procurement agreement with a US based satellite broadband delivery system company and that at least two other investors (including an A shares listed company) would participate in the investment in ICP.

The Directors wish to state that the Proposals may or may not proceed.

This announcement is made for the purpose of clarifying certain statements made by the Chairman of the Company as contained in certain press reports published on 25 August 1999.

The Directors announce that the Company had been in negotiations with ICP and the US Provider for the Proposals.

The Directors wish to state that the Proposed Investment and the Proposed Cooperation are expected, in the absence of unforeseeable circumstances, to be finalised within one week and two weeks respectively. The Proposed Investment Amount is only an estimated amount for the Proposed Investment and will be finalised upon signing of the agreement regarding the Proposed Investment.

The Directors wish to state further that the Proposals may or may not proceed and, in particular, the terms for the Proposals have not yet been finalised as at the date of this announcement. No binding agreement has been entered into by the Company and the relevant parties. The Proposals may or may not constitute a transaction notifiable under Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the Stock Exchange*). The Company will keep the public informed by making further announcements on the results of the negotiations of the Proposals when appropriate.

The Directors also confirm that the Proposed Investment, if materialised, will not constitute a change in the use of proceeds as disclosed in the prospectus of the Company dated 22 June 1999 as the Proposed Investment Amount of US\$2 million will be from the internal sources of fund of the Group.

The Directors wish to state that they were informed by ICP that it would enter into a service procurement agreement with a US based satellite broadband delivery system company and that at least two other investors (including an A shares listed company) would participate in the investment in ICP.

The Directors also confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under paragraph 3 of the listing agreement made between the Company and the Stock Exchange and apart from the Proposals, the Directors are not aware of any matter which is discloseable under paragraph 2 of the listing agreement.

In the meantime, public investors are urged to exercise extreme caution in dealing in the shares of the Company.

By Order of the Board
Chan Tze Ngon, Ron
Chairman
Hong Kong, 25 August, 1999.

* for identification only