

For immediate release

TECHNOLOGY VENTURE HOLDINGS LIMITED
Announces Annual Results for 2002
Gear Core IT Strengths to New Niche Markets and Operations

Hong Kong, April 16, 2003 - China-focused IT company Technology Venture Holdings Limited (TVH, SEHK: 61) announces today that in 2002, the Group's turnover decreased 40% year on year to HK\$343,868,000, largely because of a drop in sales of hardware both in the mainframe and computer peripheral units, reflecting the Group's strategic measures to shift its income base from hardware sales to service provision. During the year, the Group re-aligned its focus on higher-margin servicing business and continued to pursue a series of consolidation and rationalization measures, resulting in the achievement of improved gross margins and operating results. Excluding the non-recurring loss on disposal of DMX Technologies and provisions of HK\$122,325,000, the loss attributable to shareholders of the Group for 2002 decreased by approximately 53% to HK\$25,544,000, compared with HK\$54,928,000 in 2001, being attributable loss excluding the provision of HK\$33,880,000. The Company did not declare a final dividend.

Mr Ron Chan Tze-ngon, Chairman of TVH noted: "The new service-driven direction, which came into effect last year, was in line with market demand trends and intended to generate steady and recurrent cash-based revenues in the future. As a committed IT practitioner in China for a decade, we have made significant investments to incubate a team of elite local IT professionals, develop customized software products and establish a nationwide servicing network in the country. With the fast shifting economic and social landscape of the country, we believe that this is the right time for us to move one strategic step forward, to get in pulse with the needs of the Chinese people and assimilate our offerings into their everyday life."

TVH's new business initiative to tap the vast and rapidly growing education and training market of China is one such move in the new business direction. It was a result of its association with ChinaCast, in which the Group holds 19.9% as a long-term strategic investment, the leading provider of satellite-based distance learning services in China.

Mr Chan continued: "TVH already enjoys strong competitive edges in developing this market as we encompass substantial IT expertise and resources as the technological backbone, and established relationships with government and education authorities in China. These are significant entry barriers for warding off competition."

In December 2002, ChinaCast and TVH joined hands with China Northeast Normal University and Beijing Dong Shi Da Co to finance and launch China's first integrated education resources portal teacher.com.cn for teachers and principals of primary and secondary schools in China, under a profit sharing arrangement. ChinaCast operates the satellite link while TVH is the supplier of mainframes, middleware, databases and application software.

More than 10 million teachers at some 570,000 primary and secondary schools in China are required by law to renew their teaching certificates every five years and satellite-based distance learning through teacher.com.cn is recognized by the Ministry of Education as counting towards the certificates. It is estimated that the portal's earnings would exceed HK\$90 million in two years.

TVH currently operates three core IT operations. TopAsia continues to be one of the leading automated teller machines (ATM) systems integrators in China and is geared to becoming a comprehensive solutions provider for the financial services sector. The ISO9001 accredited division has advanced its partnership with EMC, the world's largest independent provider of enterprise intelligence storage systems and software, and was named by EMC as the "Best Logistics Operator 2002". TopAsia has also made a successful entry into the customer relationship management (CRM) market through a cooperation arrangement with NCR Corporation of Japan. It has developed a highly effective CRM system for China Postal Bureau, using NCR's databank system.

Sequent China, the Group's mainframe systems-integration arm for China's banking and finance sector, sustains its privileged market position for Symmetry and Numa-Q mainframe systems and services, and has secured all of the related technical support and maintenance services contracts. As part of its product diversification initiative, Sequent China has developed new niche products such as Solid State Discs (SSD), an enterprise-grade data-center file-caching product and PloyServe. In 2003, Sequent China's business development efforts are geared towards data centers for financial and educational establishments as a new income stream of significant potential. It is envisaged that the business of Sequent China will be assimilated into TopAsia as a consolidated platform for IT service offerings.

Advanced Digital Technology is a 55%-owned subsidiary of the TVH Group. It develops and provides advanced systems-integration and software solutions for the banking and finance sector in China. Jointly with Microsoft China, it has secured a landmark business network catalogue management consultancy contract for the head office of the Industrial and Commercial Bank of China (ICBC), making it the first and only provider of this specific service. ADT plans to market this management consultancy services to other branches of ICBC in 2003.

ADT also opened up a new revenue stream in network maintenance services. In this area, ADT has concluded agreements with seven branches of ICBC and two branches of the Construction Bank of China (CBC). The goal for 2003 is to expand the business scope to 15 branches and to add to its customer base at least one large-scale bank. In 2002, ADT successfully developed and registered 12 new software products targeted at banks in China, including software for information management and foreign exchange trading. Registration application is also in process for two additional software products.

ChinaCast achieved significant progress in the provision of tertiary education and vocational training. In addition to the MBA distance-learning program with Peking University, it has also completed collaborative programs with 14 higher education establishments. In professional training, co-operation arrangements have been entered into with the training centers of the Judiciary, People's Daily and the China Coal Industry Safety Bureau, following its collaboration with the Ministry of Labour and Social Security.

In October 2002, the Group announced the disposal of its entire 61% interests in DMX for HK\$50 million. The disposal decision was made to facilitate the listing of DMX on Singapore Stock Exchange. "Reasons behind the disposal of DMX had led the Group to reevaluate the merits of its development strategy by acquisition under prevailing circumstances. The near-term focus would be to initiate internal growth impetus through leveraging existing expertise and resources to capture niche markets," concluded Mr Chan.

Financial Highlights

	Year ended December 31,	
	2002	2001
	HK\$'000	HK\$'000
Turnover	343,868	576,387
Gross profit	82,435	90,734
Net (loss) attributable to shareholders	(147,869)	(88,808)
Basic (loss) per share	HK(0.33) cents	HK(0.25) cents

About TVH

Technology Venture Holdings Limited (TVH, SEHK: 61) is an information technology enabler focusing its systems-integration and software competencies on the banking, finance and newly emerged education and training sectors. It aspires to be a catalyst to facilitate the development of digital Asia by serving as a value-added bridge of advanced technology from developed economies and e-solutions demands in Asia.

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