

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



TECHWAYSON HOLDINGS LIMITED

德維森控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2330)

DISCLOSURE PURSUANT TO RULE 13.09 OF THE LISTING RULES

Financial Adviser



CENTURION CORPORATE FINANCE LIMITED

The Company had been informed by its wholly-owned subsidiaries, Techwayson Industrial Limited and Hiwayson Technology Limited, that they have been served with writs of summons issued by the Tongling Intermediate People's Court and Shenzhen Intermediate People's Court. Details of the writs of summons and the transactions giving rise to the claims are set out below.

Trading in the shares of the Company on the Stock Exchange was suspended at the request of the Company with effect from 9:30 a.m. on 16 March 2006. The Company is in the process of investigating into the matters regarding, and addressing issues arising from, the circumstances that gave rise to the claims as set out under the heading "Litigation" and the deduction of the monies from the relevant bank account; an application will be made by the Company for resumption of trading in its shares after such issues have been resolved to the satisfaction of the Stock Exchange. The Company will make appropriate announcement(s) in accordance with the Listing Rules, if and when appropriate, there are significant findings from the investigations.

Pursuant to Rule 13.09 of the Listing Rules, the Board hereby discloses details of the writs of summons and the transactions giving rise to the claims set out in the writ of summons. As the then and current Board was not aware of the underlying transactions concerning HWS and TWS, both being wholly-owned subsidiaries of the Company, that were alleged in the writs of summons, a substantial amount of time has been spent to date by the Company investigating the relevant facts so as to enable an announcement with sufficient and relevant particulars to be released. The recent departure of key managerial staff of each of TWS and HWS who were with the respective companies during the relevant time when the aforesaid transactions giving rise to such claims were undertaken also presents considerable challenge to the Company in its current investigation. The Company's investigations are continuing.

LITIGATION

The Board was informed by TWS that it had been served with the following writs of summons:

1. Two CCB Writs were issued through the Tongling Intermediate People's Court (PRC) and the parties to the litigation are as follows:
 - (a) CCB Tongling Branch, as plaintiff;
 - (b) Goldwiz Tongling, as first defendant; and
 - (c) TWS, as second defendant.

As a bank creditor, the plaintiff claims from Goldwiz Tongling the repayment of loans in the amount of, in one action, RMB18,000,000 with interest and, in another action, RMB23,500,000 with interest. TWS is alleged to be liable for such sum as a guarantor, in aggregate an amount of RMB41,500,000 with interest. It is alleged that TWS had given the TWS-CCB Guarantees to CCB Tongling Branch in respect of the obligations and indebtedness of Goldwiz Tongling under the loans made by CCB Tongling Branch to Goldwiz Tongling as follows:

- (i) a guarantee purportedly given on 7 October 2004 for the loans made between 8 October 2004 and 7 October 2005 up to a maximum amount of RMB100,000,000; and
- (ii) a guarantee purportedly given on 5 October 2005 for the loans made between 7 October 2005 and 6 October 2006 up to a maximum amount of RMB100,000,000.

The Board became aware of the TWS-CCB Guarantees through the CCB Writs and the TWS-CCB Guarantees were given without the knowledge of the Board at the relevant time.

2. The ICBC Writ was issued through the Tongling Intermediate People's Court (PRC) and the parties to the litigation are as follows:

- (a) ICBC Tongling Branch, as plaintiff;
- (b) Goldwiz Tongling, as first defendant; and
- (c) TWS, as second defendant.

As a bank creditor, the plaintiff claims from Goldwiz Tongling the repayment of loans in the amount of RMB17,500,000 with interest and the payment in the amount of RMB8,576,250 with interest in respect of issued acceptance bills. TWS is alleged to be liable for the amount of RMB6,000,000 (being the amount drawn down under the loan agreement guaranteed by TWS) and the amount of RMB8,576,250 with interest as guarantor, in the aggregate amount of RMB14,576,250 with interest. It is alleged that TWS had given the TWS-ICBC Guarantee on 8 October 2004 to ICBC Tongling Branch in respect of the obligations and indebtedness of Goldwiz Tongling up to a maximum amount of RMB50,000,000 under the loans made by ICBC Tongling Branch to Goldwiz Tongling between 8 October 2004 and 31 October 2005.

The Board became aware of the TWS-ICBC Guarantee through the ICBC Writ and the TWS-ICBC Guarantee was given without the knowledge of the Board at the relevant time.

3. The Tongling Group Writ was issued through the Tongling Intermediate People's Court (PRC) and the parties to the litigation are as follows:

- (a) Tongling Group, as plaintiff;
- (b) Goldwiz Tongling, as first defendant; and
- (c) TWS, as second defendant.

As a creditor, the plaintiff claims from Goldwiz Tongling the payment in the amount of RMB16,340,000 as payment in advance made by the plaintiff for the first defendant. TWS is alleged to be liable for such sum as guarantor. The Repayment Agreement was purportedly entered into between the parties on 27 September 2005 and it provided for the repayment of the amount made in advance by Tongling Group for Goldwiz Tongling including a sum of US\$1,693,800 (as part of the abovementioned RMB16,340,000) as investment for equipment. The Repayment Agreement also provided that TWS would be liable for the obligations and indebtedness of Goldwiz Tongling under the Repayment Agreement.

The Board became aware of the Repayment Agreement through the Tongling Group Writ and the Repayment Agreement was made without the knowledge of the Board.

4. The BOC (SZ) Writ was issued through the Shenzhen Intermediate People's Court (PRC) and the parties to the litigation are as follows:

- (a) BOC (SZ) Branch, as plaintiff;
- (b) Qi Hai Company, as first defendant;

- (c) TWS, as second defendant;
- (d) Goldwiz Real Estate, as third defendant; and
- (e) Goldwiz Tongling, as fourth defendant.

As a bank creditor, the plaintiff claims from Qi Hai Company the repayment of loans and interest in the aggregate amount of approximately RMB60,692,650. TWS is alleged to be liable for such sum as guarantor. It is alleged that TWS had given the TWS-BOC (SZ) Guarantee on 28 October 2003 to BOC (SZ) Branch in respect of the obligations and indebtedness of Qi Hai Company up to a maximum amount of RMB100,000,000 under the lending facilities provided by BOC (SZ) Branch to Qi Hai Company between 28 October 2003 and 28 August 2004. Each of TWS, Goldwiz Real Estate and Goldwiz Tongling has allegedly given a guarantee up to a maximum of RMB100,000,000. Goldwiz Real Estate, as the third defendant, to the best of the knowledge and belief of the Directors, is owned as to 10% by Goldwiz and as to 90% by a PRC National who is an independent third party of the Company and its connected persons as at the date hereof. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of Qi Hai Company and its shareholders is not a member of the Group, and is a third party independent of the Company and its connected persons (as defined in the Listing Rules), save for the fact that Qi Hai Company was, at the relevant times and remains, a customer of Goldwiz Tongling.

The Board became aware of the TWS-BOC (SZ) Guarantee through the BOC (SZ) Writ and the TWS-BOC (SZ) Guarantee was given without the knowledge of the Board at the relevant time.

The Board was also informed by HWS and TWS that they have been served with the following writ of summons:

5. The BOC-HWS/TWS Writ was issued through the Tongling Intermediate People's Court (PRC) and the parties to the litigation are as follows:
 - (a) BOC Tongling Branch, as plaintiff;
 - (b) Goldwiz Tongling, as first defendant;
 - (c) TWS, as second defendant; and
 - (d) HWS, as third defendant.

As a bank creditor, the plaintiff claims from Goldwiz Tongling the repayment of loans in the amount of RMB9,879,446.26 with interest and the payment of RMB11,719,990 in respect of issued acceptance bills. TWS and HWS are alleged to be liable for such sums as guarantors, in the aggregate amount of RMB21,599,436.26 with interest. It is alleged that each of HWS and TWS had given the HWS-BOC Guarantee and the 2nd TWS-BOC Guarantee, respectively, on 15 July 2005 to BOC Tongling Branch in respect of the obligations and indebtedness of Goldwiz Tongling up to a maximum amount of RMB60,000,000 under loans made by BOC Tongling Branch to Goldwiz Tongling between 15 July 2005 and 15 July 2006.

The Board became aware of the 2nd TWS-BOC Guarantee and the HWS-BOC Guarantee through the BOC-HWS/TWS Writ and the 2nd TWS-BOC Guarantee and the HWS-BOC Guarantee were made without the knowledge of the Board at the relevant time.

Based on the writs of summons set out above, TWS and HWS (as the case may be) are alleged to be liable, as guarantors, for the full amount(s) claimed under each of such writs of summons, amounting to an aggregate of RMB154,708,336.26. Of the aggregate amount of RMB154,708,336.26 claimed under the writs of summons, TWS is alleged to be liable for such full amount whereas HWS is alleged to be liable for the aggregate amount of RMB21,599,436.26 as a co-guarantor under the HWS-BOC Guarantee.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of the plaintiff set out above (and its ultimate beneficial owner(s)) is a third party independent of the Company and its connected persons (as defined in the Listing Rules).

The BOC (SZ) Writ was dated 28 February 2006 and the other writs of summons set out above were all dated 20 January 2006, and according to the respective records of HWS and TWS, TWS received the BOC (SZ) Writ on 6 March 2006 and TWS and HWS received all other writs of summons mentioned in the above on 25 January 2006. On or around 6 February 2006, the Company was informed of all such writs of summons (other than the BOC (SZ) Writ).

Hearings for all the writs of summons mentioned above related to Goldwiz Tongling were held on 10 and 12 April 2006. As advised by the Company's PRC legal counsel, Goldwiz Tongling, as the defendant, and the plaintiffs are in negotiations for an amicable settlement as well as to allow Goldwiz Tongling to resume its operation. As a result, the next hearing date for the writs of summons has been further deferred to June 2006.

Hearing date for the BOC (SZ) Writ is scheduled to be held on 30 June 2006. The Company has appointed the same PRC legal counsel who has been representing the Group in the cases related to Goldwiz Tongling to represent TWS.

Save as disclosed, the Company is not aware of any further claims and/or litigations against the Company and any of its subsidiary up to the date of this announcement.

MONIES IN BANK ACCOUNT DEDUCTED

In addition and unrelated to the Guarantees and Repayment Agreement set out above in the section headed "Litigation" and to the claims set out below in the section "Construction Related Litigation", in the course of the review of the accounts in early March in connection with the preparation of the interim results for the period ended 31 December 2005, it was only revealed to the Board then that, on or about 29 December 2005, BOC (SZ) Branch deducted the amount of RMB2,133,631.93 from a bank account under the name of TWS held with BOC (SZ) Branch. After further enquiries and according to BOC (SZ) Branch, the deduction of the said sum was (i) inadvertently and erroneously consented to by TWS, in response to the confirmation requested by BOC (SZ) Branch; and (ii) for the purposes of settling the outstanding loans of Goldwiz Group that were made by BOC (SZ) Branch, and such amount of money will be transferred back to the bank account of TWS upon the repayment of the loans by the Goldwiz Group.

At the relevant times, the Board was not aware of the arrangements for the payment of the loans or debts of Goldwiz Group and the Board was not aware of any consent on the part of TWS to the deduction of the monies from the bank account. Goldwiz repaid an equivalent amount of RMB2,133,631.93 in Hong Kong dollars directly to the Company on 21 March 2006. Goldwiz agreed to such repayment as it recognised, based on documents provided by BOC (SZ), that the amount of RMB2,133,631.93 was deducted from TWS' bank account with BOC (SZ) Branch for the purpose of settling the interest of the outstanding loans of Goldwiz Group borrowed from BOC (SZ).

So far as the Board is aware, the deduction of the said sum and the arrangements for the payment of the loans or debts of the Goldwiz Group was not related to the Guarantees or the Repayment Agreement.

INFORMATION ON GOLDWIZ TONGLING AND GOLDWIZ HOLDINGS LIMITED

Goldwiz Tongling is a company incorporated in the PRC and the Company holds an 18.52% interest in Goldwiz Tongling. Goldwiz has held the remaining 81.48% interest in Goldwiz Tongling since May 2005. So far as the Board is aware, the operations of the factory of Goldwiz Tongling have been suspended since December 2005 due to liquidity problems.

The Company's interest in Goldwiz Tongling is of an investment nature and, since its acquisition of the interest in Goldwiz Tongling, it did not and does not have any day-to-day management role in Goldwiz Tongling. According to the Company's unaudited balance sheet as at 31 December 2005, the carrying amount of the Company's interest in Goldwiz Tongling was approximately RMB20,357,000. Whilst according to the Group's management accounts as at 31 December 2005, no outstanding amount was due to, or due from, Goldwiz Tongling; TWS and/or HWS would obviously have a claim against Goldwiz Tongling, to the extent that any of such amount(s) being called on under the Guarantees and the Repayment Agreement were found to be legal and were enforced in a court of law in the PRC against either TWS or HWS.

Goldwiz was a substantial shareholder of the Company during the period between the listing of the Company on the Stock Exchange and 24 January 2006, when its entire 27.66% shareholding in the Company was sold to an independent third party.

Save as disclosed, the Board is not aware of any other guarantees provided by the Group to any member of the Goldwiz Group.

THE WRIT OF SUMMONS AND THE VARIOUS GUARANTEES ALLEGEDLY GIVEN BY HWS AND TWS

The Guarantees have allegedly been given by TWS and HWS (as the case may be) without the knowledge of the Board at the relevant times and the Repayment Agreement was allegedly also entered into without the knowledge of the Board at the relevant time. However, at the time the Guarantees were allegedly given and the Repayment Agreement was allegedly entered into, a former member of the Board, whom the current Board has reason to believe may have executed, or may have been involved in executing, some of such Guarantees, was also a director of HWS and TWS. Notwithstanding this, the then Board did not have knowledge of the Guarantees and the Repayment Agreement.

ACTIONS BEING TAKEN

After becoming aware of the deduction of the monies from the bank account, the litigation, the Guarantees and the Repayment Agreement, the Company has taken the following action:

- (i) a full internal investigation into the circumstances in which the Guarantees were allegedly given and the Repayment Agreement was allegedly entered into and for the purposes of ascertaining whether other guarantees have been given without the knowledge of the Board has commenced and is continuing;
- (ii) a review of the previous approval procedures concerning the Company, HWS and TWS and their respective senior management when the Guarantees were allegedly given and the Repayment Agreement was allegedly entered into;
- (iii) the Company is seeking advice from PRC legal counsel as to the legality and enforceability of the Guarantees and the Repayment Agreement and the merits of the various litigation and, whilst preliminary opinions have been received, the Company is continuing to seek clarification from the PRC legal counsel appointed;
- (iv) the Company is seeking legal advice as to the conduct of the various litigation and, apart from the PRC legal counsel appointed in (iii) above, to advise the Company on the legality and enforceability of the Guarantees and the Repayment Agreement, the Company will appoint additional PRC legal counsel shortly to defend the various litigation on behalf of TWS and HWS (as the case may be) in the relevant PRC courts;
- (v) a full investigation into the circumstances in which the arrangements for the payment of the loans or debts of Goldwiz Group including arranging enquiries with BOC (SZ) Branch; and
- (vi) the finance departments at the subsidiary level of the Group have been requested to report all money transfers to the financial controller of the Company effective from 1 March 2006.

Save as disclosed above, the Company is not in a position to elaborate further on the steps or other actions which are or will be taken to ensure the identification of any other guarantees, if any, given by TWS and HWS, on the grounds that (i) investigation by the Company is ongoing; and (ii) the Board is considering a possible referral of this matter to law enforcement agencies in the PRC, pending the advice of the Company's PRC legal counsel. The Company will make timely disclosure should there be any further development in respect of the litigation and/or the findings in respect of the Guarantees and the Repayment Agreement.

The Company has undertaken a review of its internal control measures and, though it has yet to finalise the various changes which might be required to strengthen the existing internal control arrangements, the Company has recently hired an internal auditor who has started work with the Company on 2 May 2006. Furthermore, the Company is also reviewing and amending its internal control procedures with the intention of preventing and detecting the incidents concerning the Group as described in this announcement.

Furthermore, in relation to the Repayment Agreement and the Guarantees, the alleged and then contingent liabilities thereunder have not been reflected or recorded in the audited accounts of TWS and HWS (as the case may be) and has not been reflected or recorded in the past consolidated audited accounts of the Group as at the relevant periods, or otherwise disclosed pursuant to the Listing Rules. The Company is seeking advice on a number of issues regarding the Guarantees and the

Repayment Agreement, including but not limited to the legality and the accounting treatment of the Guarantees and the Repayment Agreement taking into account the commencement of the legal proceedings in the PRC and the underlying claims in respect of them. So far as the Board is aware, the Group has not provided any guarantees to TWS and/or HWS in relation to the Guarantees and the Repayment Agreement.

According to management accounts, the turnover of TWS and HWS for the six months ended 31 December 2005 was approximately RMB11,527,000 and RMB1,625,000 respectively. In comparison, the Group's unaudited turnover was approximately RMB132,469,000 for the six months ended 31 December 2005, of which, RMB13,152,000 or 9.9% was attributable by the abovementioned aggregate turnover of TWS and HWS. Total net assets for HWS and TWS as at 31 December 2005 were, according to their respective management accounts, approximately RMB98,745,000 and a deficit of RMB1,765,000 respectively. In comparison, the Group's unaudited consolidated net assets was RMB158,438,000 as at 31 December 2005.

If the aforesaid legal actions under Repayment Agreement and the Guarantees were to be successful, the financial position of each of TWS and HWS would be materially and adversely affected. Despite such adverse impact, the Company is of the view that, provided it is in the interest of the Group to do so, the normal operations of each of TWS and HWS could be maintained. The Company is not named as a defendant under any of the writs of summons set out above. Subject to the advice on the legality of, and the accounting treatment of, the Guarantees and the Repayment Agreement taking into account the commencement of the legal proceedings in the PRC and the underlying claims in respect of them, the Company is of the view that the current financial position and operations of the Group (save and except for TWS and HWS and the necessary professional fees to be incurred by the Group) would not be affected by the alleged claims under the Guarantees and the Repayment Agreement.

TRUST FUNDS INVESTMENT

As set out in the Group's latest audited balance sheet as at 30 June 2005, funds with interest amounting to RMB150,704,000 has been placed with Kinghing Trust & Investment Co., Ltd. (金信信託投資股份有限公司) ("Kinghing"), an independent third party trust investment company in the PRC. The trust period of the funds will expire in May 2006.

The Company has noted a recent press report in respect of Kinghing's financial difficulties and the Board, based on information currently available and PRC legal advice sought by it, would like to make the following clarification:-

- (i) The appointment of Kinghing was undertaken by the previous management of the Company who was also in charge of the financial matters in the subsidiaries. Funds totaling RMB150,000,000 were placed with Kinghing in May 2005 and reported to the Board in the meeting on 29 September 2005. The amount of deposit placed with Kinghing as at 31 December 2005 was RMB150,000,000 in which RMB60 million and RMB90 million were placed by TWS and HWS respectively;
- (ii) According to records available to the Company, the then management was of the view that, due to "credit contraction" in the PRC, it would be in the interests of the Group to maintain bank credit lines and the liquidity of the Group, by placing the said funds with Kinghing, instead of repaying the Group's bank loans;
- (iii) Kinghing's operations were suspended by the relevant PRC regulatory authority in December 2005, which has also appointed a special committee to oversee the restructuring of Kinghing. Kinghing's assets currently are held in trust with China Construction Bank which is also responsible for the registration of funds entrusted with Kinghing and the collection of loans granted by Kinghing. The Company's funds placed with Kinghing was registered on 7 March 2006;
- (iv) According to a legal opinion obtained by the Company on the subject matter, the Company was advised that under the relevant PRC laws, Kinghing is required to maintain a separate and independent account for the RMB150,000,000 funds invested by the Group and as long as management of Kinghing did not commit any malfeasance in managing such funds held "in trust", the recoverability of such funds placed by the Group would depend on investment risks only, notwithstanding the current suspension of the operations of Kinghing. The opinion is supported by the special committee overseeing the restructuring of Kinghing. As such, the Board is of the view that it is currently not possible to quantify any loss which might be incurred by the Group, insofar as the recoverability of the funds invested is concerned.

As a separate issue, the Company is aware that Kinghing is taking legal actions to recover an alleged loan advance to Goldwiz Tongling amounting to RMB100 million. To the best of knowledge of the Company, Goldwiz Tongling's books did not record such loan advance and both the Company and Goldwiz Tongling are still investigating the matter.

As soon as the legality and enforceability of the Guarantees and the Repayment Agreement have been established, the Company will make further announcement(s) in accordance with the Listing Rules. The Company will also make timely disclosure should it become aware of any material adverse development of the funds placed with Kinghing.

CONSTRUCTION RELATED LITIGATION

The Board was informed by TWS that it had been served with another writ of summons dated 30 March 2006 and as amended on 9 May 2006 to join additional defendants in which TWS had only received on 21 April 2006 and 11 May 2006 respectively. The underlying dispute of this writ of summons is, so far as the Board is aware, not related to the other writs of summons as set out under the heading "Litigation". The underlying dispute of the following litigation relates to a dispute with a building contractor regarding alleged outstanding unpaid fees under a building contract that was entered into by TWS in the normal course of business. The writ of summons was issued through the Shenzhen Intermediate People's Court (PRC) and the parties to the litigation are as follows:

- (a) Shenzhen Construction Company, as plaintiff;
- (b) TWS, as defendant; and
- (c) other parties, as co-defendants.

As a building contractor, the plaintiff claims from TWS the payment of fees in the amount of approximately RMB16,000,000 with interest. Three additional parties were joined as defendants as they are alleged to have a possible interest in the outcome of the proceedings. TWS is alleged to be liable for such sum as unpaid fees and other related costs under a construction contract in respect of the construction of a research and development centre located at High-Tech Industrial Park, Nanshan District, Shenzhen City, Guangdong Province, PRC. TWS is attempting to reach a settlement with the plaintiff.

GENERAL

Trading in the shares of the Company on the Stock Exchange was suspended at the request of the Company with effect from 9:30 a.m. on 16 March 2006. The Company is in the process of investigating into the matters regarding, and addressing issues arising from, the circumstances that gave rise to the claims as set out under the heading "Litigation" and the deduction of the monies from the relevant bank account; an application will be made by the Company for resumption of trading in its shares after such issues have been resolved to the satisfaction of the Stock Exchange. The Company will make appropriate announcement(s) in accordance with the Listing Rules, if and when appropriate, there are significant findings from the investigations.

DEFINITIONS

Capitalised terms used herein, shall have the following meanings:

- "2nd TWS-BOC Guarantee" The guarantees alleged to have been given by TWS to BOC Tongling Branch, details of which are set out in the paragraph numbered 5 under the heading "Litigation";
- "Board" the board of directors of the Company;
- "BOC (SZ) Branch" The Bank of China, Shenzhen Branch, PRC (中國銀行股份有限公司深圳市分行);
- "BOC (SZ) Writ" A Writ of Summons issued through the Shenzhen Intermediate People's Court, PRC (廣東省深圳市中級人民法院) dated 28 February 2006 in which BOC (SZ) Branch is named as a plaintiff and Qi Hai Company, TWS, Goldwiz Real Estate and Goldwiz Tongling are named as defendants;

“BOC-HWS/TWS Writ”	A Writ of Summons issued through the Tongling Intermediate People’s Court, PRC (安徽省銅陵市中級人民法院) dated 20 January 2006 in which BOC Tongling Branch is named as a plaintiff and Goldwiz Tongling, TWS and HWS are named as defendants;
“CCB Tongling Branch”	China Construction Bank Corporation, Tongling Branch, PRC (中國建設銀行股份有限公司銅陵市分行);
“CCB Writs”	the two Writs of Summons issued through the Tongling Intermediate People’s Court, PRC (安徽省銅陵市中級人民法院) both dated 20 January 2006 in which CCB Tongling Branch is named as a plaintiff and Goldwiz Tongling and TWS are named as defendants;
“Company”	Techwayson Holdings Limited, whose shares are listed on the Stock Exchange;
“Director(s)”	director(s) of the Company;
“Goldwiz”	Goldwiz Holdings Limited, whose shares are listed on the Stock Exchange;
“Goldwiz Group”	Goldwiz and its subsidiaries;
“Goldwiz Real Estate”	Goldwiz Real Estate (Shanghai) Co. Ltd. (科維置業(上海)有限公司);
“Goldwiz Tongling”	Goldwiz Huarui (Tongling) Electronic Material Co. Limited (科維華瑞(銅陵)電子材料有限公司);
“Group”	the Company and its subsidiaries and associates;
“Guarantees”	collectively, the TWS-CCB Guarantees, TWS-ICBC Guarantee, TWS-BOC (SZ) Guarantee, HWS-BOC Guarantee and the 2nd TWS-BOC Guarantee;
“HWS”	Hiwayson Technology Limited (海維深科技(深圳)有限公司) (renamed as Techwayson Technology (Shenzhen) Limited (德維森科技(深圳)有限公司) on 10 March 2006;
“HWS-BOC Guarantee”	The guarantees alleged to have been given by HWS to BOC Tongling Branch, details of which are set out in paragraph numbered 5 under the heading “Litigation”;
“ICBC Tongling Branch”	The Industrial and Commercial Bank of China Tongling Branch, PRC (中國工商銀行股份有限公司銅陵分行);
“ICBC Writ”	a Writ of Summons issued through the Tongling Intermediate People’s Court, PRC (安徽省銅陵市中級人民法院) dated 20 January 2006 in which ICBC Tongling Branch is named as a plaintiff and Goldwiz Tongling and TWS are named as defendants;
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China;
“Qi Hai Company”	Shenzhen Qi Hai Industrial Company (深圳市濟海實業有限公司);
“Repayment Agreement”	the repayment agreement dated 27 September 2005 entered into between Tongling Group, Goldwiz Tongling and TWS;
“Shenzhen Construction Company”	Shenzhen Jin Shi Ji Construction Industrial Company Limited (深圳市金世紀工程實業有限公司);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Tongling Group”	Tongling Economic Technical Development Zone (Group) Company (銅陵經濟技術開發區(集團)總公司);

- “Tongling Group Writ” a Writ of Summons issued through the Tongling Intermediate People’s Court, PRC (安徽省銅陵市中級人民法院) dated 20 January 2006 in which Tongling Group is named as a plaintiff and Goldwiz Tongling and TWS are named as defendants;
- “TWS” Techwayson Industrial Limited (德維森實業(深圳)有限公司);
- “TWS-BOC(SZ) Guarantee” the guarantees alleged to have been given by TWS to BOC (SZ) Branch, details of which are set out in paragraph numbered 4 under the heading “Litigation”;
- “TWS-CCB Guarantees” the guarantees alleged to have been given by TWS to CCB Tongling Branch, details of which are set out in paragraph numbered 1 under the heading “Litigation”; and
- “TWS-ICBC Guarantee” the guarantees alleged to have been given by TWS to ICBC Tongling Branch, details of which are set out in paragraph numbered 2 under the heading “Litigation”.

As at the date of this announcement, the Board of Directors of the Company comprises four Executive Directors, namely Dr. SZE Kwan, Mr. SIEK Fui, Ms. CHAN Siu Chu, Debby and Mr. LIU Ping, two Non-executive Directors, namely Mr. LIN Gongshi and Mr. Gerard McMahon and three Independent Non-executive Directors, namely Mr. WEE Soon Chiang, Henny, Mr. WONG Kam Kau, Eddie and Mr. HUI Hung, Stephen.

By order of the Board
Sze Kwan
Executive Director

Hong Kong, 25 May 2006.

* *For identification purposes only*

Please also refer to the published version of this announcement in The Standard.