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Techwayson Holdings Limited **德維森控股有限公司***

(incorporated in the Cayman Islands with limited liability)

ANNOUNCEMENT

DISPOSAL OF EXISTING SHARES IN THE MARKET BY CONTROLLING SHAREHOLDER OF THE COMPANY

The directors (the “Directors”) of Techwayson Holdings Limited (the “Company”) were informed today by Otto Link Technology Limited (“Otto Link”) being the controlling shareholder and one of the substantial shareholders of the Company, that Otto Link has reduced on 23 December 2002 its shareholding in the Company by disposal (the “Disposal”) of 6.3 million existing Shares (each a “Share”), representing approximately 1.8% of the total issued share capital of the Company, to 7 individual investors who are independent third parties at an average price of HK\$0.60 per Share (which has a 15% discount to the closing price of the Company of 23 December 2002) in order to increase the public float of the Company to 25% of the existing issued share capital of the Company.

Introduction

The directors (the “Directors”) of Techwayson Holdings Limited (the “Company”) were informed today by Otto Link Technology Limited (“Otto Link”) being the controlling shareholder and one of the substantial shareholders of the Company, that Otto Link has reduced on 23 December 2002 its shareholding in the Company by disposal (the “Disposal”) of 6.3 million existing Shares (each a “Share”), representing approximately 1.8% of the total issued share capital of the Company, to 7 individual investors who are independent third parties, and not connected with any director, chief executive or substantial shareholder of the Company or any of its subsidiaries or an associate of any of them, at an average price of HK\$0.60 per Share (which has a 15% discount to the closing price of the Company’s share of 23 December 2002 of HK\$0.71 per Company’s share) in order to increase the public float of the Company to 25% of the existing issued share capital of the Company.

Otto Link and the Directors confirmed that they have no intention of further dispose of any Share of the Company by any means at the moment other than the aforementioned.

The distribution among the 7 individual investors is as follows: three of the 7 individual investors has each bought 1.2 million Shares (approximately 0.34% of the total issued share capital of the Company), two of 7 individual investors has each bought 650,000 Shares (approximately 0.19% of the total issued share capital of the Company) and the remaining two has each bought 700,000 Shares (approximately 0.20% of the total issued share capital of the Company). The 7 individual investors are not an existing shareholder of the Company before the Disposal and they will not become a substantial shareholder of the Company after the Disposal. The Directors also confirmed that they have no intention to appoint any of the 7 individual investors in the board of the Company.

Before the Disposal, Otto Link held 168,000,000 Shares representing approximately 48% of the entire issued share capital of the Company. After the Disposal, Otto Link now holds 161,700,000 Shares representing approximately 46.2% of the entire issued share capital of the Company.

General

Save for the proposed voluntary withdrawal of the Listing on the GEM and an application for listing on the Main Board of the Stock Exchange, details of which are stated in the announcement of the Company dated 18 September, 2002 and the information contained in this announcement, the Directors confirm that there are no negotiations or agreements relating to intended acquisitions or realizations which are disclosable under paragraph 3 of the Listing Agreement, neither are the Directors aware of any matter disclosable under the general obligation imposed by paragraph 2 of the Listing Agreement, which is or may be of price sensitive nature.

By order of the Board
Sze Kwan
Director

Hong Kong, 23 December 2002

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website at "www.hkgem.com" on the "Latest Company Announcements" page for at least seven days from the day of its posting and on the website of Techwayson Holdings Limited at www.techwayson.com.hk.

* For identification purpose only