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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Tiger Tech Holdings Limited**, you should at once hand this circular to the purchaser(s) or the transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

This circular is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of Tiger Tech Holdings Limited.



TIGER TECH

Tiger Tech Holdings Limited

老虎科技(控股)有限公司*

(Incorporated in Bermuda with limited liability)

**DISCLOSEABLE TRANSACTION
IN RESPECT OF
PLACING OF NEW SHARES**

This circular will remain on the GEM website at www.hkgem.com on the "Latest Company Announcement" page for at least 7 days from the date of its posting.

* For identification purposes only

4th February 2004

CHARACTERISTICS OF GEM

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the Internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to GEM website at www.hkgem.com in order to obtain up-to-date information on GEM-listed issuers.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following words and expressions have the following meanings:

“Additional Placing Shares”	up to 20,000,000 New Shares which the Company may be required to issue at the Placing Price pursuant to the Option granted to the Placing Agent
“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“Company”	Tiger Tech Holdings Limited, the shares of which are listed on the GEM Board of the Stock Exchange
“Director(s)”	director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Committee”	the listing sub-committee of the board of the Stock Exchange with responsibility for GEM
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its Subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“New Shares”	20,000,000 new shares to be issued at the Placing Price under the Placing and where relevant up to 20,000,000 new shares to be issued pursuant to the exercise of the Option
“Latest Practicable Date”	2nd February 2004, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Option”	the option granted by the Company to the Placing Agent to require the Company to allot and issue up to an aggregate of 20,000,000 additional News Shares
“Placee(s)”	any person or entity whom the Placing Agent or its agent(s) has procured to subscribe any of the Placing Shares
“Placing”	Placing of the Placing Shares pursuant to the Placing Agreement
“Placing Agent”	Sinomax Securities Limited

DEFINITIONS

“Placing Agreement”	Placing agreement between the Company and the Placing Agent dated 15th January 2004
“Placing Price”	HK\$0.40 per Placing Share
“Placing Shares”	20,000,000 new Shares to be placed by the Company pursuant to the Placing Agreement
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	has the same meaning as in Section 2 of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

LETTER FROM THE BOARD



TIGER TECH

Tiger Tech Holdings Limited

老虎科技(控股)有限公司*

(Incorporated in Bermuda with limited liability)

Executive Directors:

Mr. Lee Hai Chu (*Chairman*)

Mr. Tony Hoo

Mr. Tang Tsz Hoo, Anthony

Mr. Chow Kwok Keung

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Independent Non-Executive Directors:

Mr. Kwok Ming Fai

Mr. Lam Din Kan

Head office and principal

place of business:

Units 2007-2011, 20/F

MLC Millennia Plaza

663 King's Road

North Point

Hong Kong

4th February 2004

To the Shareholders

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION IN RESPECT OF PLACING OF NEW SHARES

1. INTRODUCTION

On 15th January 2004, the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Placing Agent agreed to place, on an underwritten basis, 20,000,000 new Shares, at the Placing Price to not less than 6 professional, institutional and/or individual investors who are independent of and not connected with the Directors, chief executive, substantial shareholders or management shareholders of the Company or any of their respective associates.

* For identification purpose only

LETTER FROM THE BOARD

The Placing constitutes a discloseable transaction of the Company under the GEM Listing Rules. The purpose of this circular is to provide you with information on the Placing in compliance with the GEM Listing Rules.

2. PLACING AGREEMENT DATED 15TH JANUARY 2004

Placing Agent:

Sinomax Securities Limited, a dealer registered under the Securities Ordinance (Chapter 333 of the Laws of Hong Kong), is an independent third party not connected with any of the directors, chief executive, substantial shareholders or management shareholders of the Company or any of its subsidiaries or their respective associates (as defined in the GEM Listing Rules).

Issuer:

The Company

Placees:

The Placing Shares will be placed to not less than 6 placees who are independent third parties not connected with any of the directors, chief executive, substantial shareholders or management shareholders of the Company or any of its subsidiaries or their respective associates (as defined in the GEM Listing Rules). It is expected that the placees will be (i) professional and institutional investors generally include brokers, dealers and companies (including fund managers), involves dealing in securities and other investment tools; (ii) corporate entities which regularly invest in securities; and (iii) individual investors.

Placing Shares:

20,000,000 new Shares to be placed, representing 4.94% of the existing issued share capital of the Company and approximately 4.71% of the issued share capital of the Company as enlarged by the Placing.

Placing Price:

The Placing Price is HK\$0.4 per Placing Share.

This price was agreed after arm's length negotiations and represents:

- (i) a discount of approximately 13.97% to the closing price of HK\$0.465 per Share as quoted on the Stock Exchange on 14th January 2004, being the immediate trading day prior to the date of the Placing Agreement;
- (ii) a discount of approximately 17.86% to the average closing price of approximately HK\$0.487 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including 14th January 2004; and

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- (iii) a discount of 20% to the closing price of HK\$0.5 per share as quoted on the Stock Exchange as at the Latest Practicable Date.

Basis of Placing:

The Placing Agent will place the Placing Shares on a fully underwritten basis.

Mandate to issue the Placing Shares:

The Placing Shares are to be issued under the general mandate granted to the Directors pursuant to the resolution of the shareholders of the Company passed on 28th November 2003.

Ranking of the Placing Shares:

The Placing Shares, when fully paid, will rank pari passu in all respects with the Shares in issue, including the right to receive all rights, dividends and distribution declared, paid or made in respect thereof on or after the date of completion of the Placing.

Conditions of the Placing:

The Placing is conditional upon the listing of and permission to deal in the Placing Shares being granted by the GEM Listing Committee of the Stock Exchange.

Completion of the Placing:

On 30th January 2004, the Company obtained the approval from the GEM Listing Committee for the listing of, and permission to deal in, the Placing Shares and accordingly the aforesaid condition of the Placing has been fulfilled. The Placing was completed on 2nd February 2004 in accordance with the Placing Agreement.

3. RESULTS OF THE PLACING

The Placing Agent placed the Placing Shares to 7 placees who are independent of and not connected with the Directors, chief executive, substantial shareholders or management shareholders of the Company or any of their respective associates. An announcement in relation to the results of the Placing and completion of the Placing was made by the Company on 30th January 2004.

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4. REASONS FOR THE PLACING, PLACING EXPENSES AND USE OF PROCEEDS

Reasons for the Placing

The Directors consider the timing of the Placing represents a good opportunity for the Company to raise capital whilst broadening the shareholders base and the capital base of the Company. The Directors consider that the terms of the transaction are fair and reasonable and is in the interests of the Company and its shareholders as a whole.

Placing expenses

The Company will bear all the costs and expenses of approximately HK\$0.9 million incurred in relation to the Placing.

Use of proceeds of the Placing

The Company intends to use the net proceeds of approximately HK\$7.1 million from the Placing as follows:

- approximately HK\$4 million will be held by the Group for potential acquisitions of and investments in businesses which may enhance the operational and financial performance of the Group's existing and future business activities;
- approximately HK\$1 million for purchase of inventory; and
- the balance of approximately HK\$2.1 million as general working capital of the Company.

The Company has not identified any specific acquisition/investment for the use of the placing proceeds at this stage and will disclose information regarding any such specific acquisition/investment in accordance with the GEM Listing Rules.

LETTER FROM THE BOARD

5. FINANCIAL EFFECT OF THE PLACING TO THE GROUP

Set out below is a statement of the pro forma unaudited adjusted consolidated net tangible asset value of the Group upon completion of the Placing, which is prepared based on the audited consolidated net tangible asset value of the Group as at 30th June 2003 and adjusted as follows:

	<i>HK\$'000</i>
Audited consolidated net tangible asset value of the Group as at 30th June 2003 (as per annual report)	18,861
Unaudited consolidated loss after taxation of the Group for the three months ended 30th September 2003 (as per first quarterly report)	(973)
Adjusted for the amortisation for the intangible asset for the three month ended 30th September 2003	381
Estimated net proceeds of the Placing	<u>7,100</u>
Pro forma unaudited adjusted net tangible asset value of the Group	<u><u>25,369</u></u>

The Placing has no immediate material effect on the (loss) earnings per share of the Group.

6. DILUTION EFFECTS PURSUANT TO THE PLACING

Upon completion of the Placing, the dilution effects on the shareholding of the Company shall be as follows:

Shareholders	Existing number of Shares	%	Number of Shares upon completion of Placing	%
Bestmind Associates Limited (<i>Note</i>)	100,000,000	24.69	100,000,000	23.53
Precision Assets Limited (<i>Note</i>)	100,000,000	24.69	100,000,000	23.53
Timepiece Associates Limited (<i>Note</i>)	<u>100,000,000</u>	<u>24.69</u>	<u>100,000,000</u>	<u>23.53</u>
Subtotal	300,000,000	74.07	300,000,000	70.59
The Placees	–	–	20,000,000	4.71
Other Public Shareholders	<u>105,000,000</u>	<u>25.93</u>	<u>105,000,000</u>	<u>24.70</u>
Subtotal	<u>105,000,000</u>	<u>25.93</u>	<u>125,000,000</u>	<u>29.41</u>
Total	<u><u>405,000,000</u></u>	<u><u>100</u></u>	<u><u>425,000,000</u></u>	<u><u>100</u></u>

Note: The entire issued share capital of these companies are directly wholly owned by Mr. Tony Hoo, the initial management shareholder and executive director of the Company.

There will not be any change of control upon completion of the Placing.

LETTER FROM THE BOARD

7. OPTION GRANTED TO THE PLACING AGENT

Pursuant to the Placing Agreement, the Placing Agent has been granted an Option to require the Company to allot and issue up to an additional 20,000,000 New Shares at the Placing Price of HK\$0.4 per Placing Share within 6 months started from the signing of the Placing Agreement. The allotment and issuance of up to an additional 20,000,000 New Shares are pursuant to the general mandate granted to the Directors at the annual general meeting of the Company held on 28th November 2003. If the Option is exercised in full, the aggregate of Placing Shares will represent approximately 9.88% of the existing issued share capital of the Company and approximately 8.99% of the issued share capital of the Company as enlarged by the Placing. The possible transaction in relation to the issue of 20,000,000 New shares will constitute a major transaction under the GEM Listing Rules and approval by the shareholders will be required. The Company will comply with all requirements applicable under the GEM Listing Rules.

8. BUSINESS OF THE GROUP

The Group is principally engaged in the research, development, sales and implementation of Enterprise Thin Client Solutions, Customised Thin Client Application Solutions and Cable Network Thin Client Solutions.

9. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendix to this circular.

By Order of the Board
Tiger Tech Holdings Limited
Tony Hoo
Executive director

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief:

- (a) the information contained in this circular is accurate and complete in all material respects and not misleading;
- (b) there are no other matters the omission of which would make any statement in this circular misleading; and
- (c) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

2. SHARE CAPITAL OF THE COMPANY

(a) Authorised and issued share capital

As at the Latest Practicable Date, the authorised and issued share capital of the Company are as follows:

<i>Authorised:</i>		<i>HK\$</i>
10,000,000,000	Shares	100,000,000
<i>Issued and to be issued as fully paid Shares:</i>		
405,000,000	Issued Shares	4,050,000
<u>20,000,000</u>	Shares to be issued pursuant to the Placing	<u>200,000</u>
<u>425,000,000</u>	Total number of issued Shares after completion of the Placing	<u>4,250,000</u>

All Shares currently in issue and to be issued rank pari passu in all respects with each other, including, in particular, as to dividends, voting rights and capital.

(b) Share option scheme

The Company adopted the Pre-IPO share option scheme on 13th March 2003 (“Pre-IPO Share Option Scheme”). As at the Latest Practicable Date, there were 40,000,000 outstanding options granted by the Company to three Directors and one employee of the Company at the exercise price of HK\$0.01 per Share.

Save as disclosed above, the Company has no securities which are convertible or exercisable into Shares in the Company.

3. DISCLOSURE OF INTERESTS OF DIRECTORS

As at the Latest Practical Date, the interests of the Director or chief executives of the Company or their respective associates in shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which are required, pursuant to Rules 5.40 to 5.58 of the GEM Listing Rules relating to securities transactions by directors, to be notified to the Company and the Stock Exchange were as follows:

(i) Long position in shares of the Company:

Name of Director	Nature of interest	Capacity	Number of shares	Shareholding percentage
Mr. Tony Hoo	Corporate	Beneficial owner	300,000,000	70.59%
		(Note)		

Note: These shares were held as to 100,000,000 shares by Bestmind Associates Limited, a company incorporated in the British Virgin Islands, as to 100,000,000 shares by Precision Assets Limited, a company incorporated in the British Virgin Islands, and as to 100,000,000 shares by Timepiece Associates Limited, a company incorporated in the British Virgin Islands. The entire issued share capital of each of Bestmind Associates Limited, Precision Assets Limited and Timepiece Associates Limited is directly wholly owned by Mr. Tony Hoo, who is also the sole director of each of the companies.

(ii) Long position in underlying shares of equity derivatives of the Company:

Name of Director	Nature of interest	Capacity	Number and description of equity derivatives	Number of underlying shares
Mr. Tony Hoo	Personal	Beneficial owner	Share options to subscribe for 34,000,000 shares (Note 1)	34,000,000
Mr. Tang Tsz Hoo, Anthony	Personal	Beneficial owner	Share option to subscribe for 2,000,000 shares (Note 1)	2,000,000
Mr. Chow Kwok Keung	Personal	Beneficial owner	Share option to subscribe for 2,000,000 shares (Note 1)	2,000,000

Note 1: The share options were granted under the pre-IPO share option scheme of the Company adopted on 13th March 2003. All of the above share options are physically settled equity derivatives

Save as disclosed above, as at the Latest Practical Date, none of the directors or chief executives or their respective associates had any personal, family, corporate or other interests or short position in the shares, underlying shares and debentures of the Company or any of its associated corporation as defined in Part XV of the SFO or which, pursuant to Rules 5.40 to 5.58 of the GEM Listing Rules, are required to be notified to the Company and the Stock Exchange.

4. DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from as disclosed under the heading "Disclosure of Interest of Directors" above, at no time during the period since the incorporation of the Company were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate granted to any director or their respective spouse or children under 18 years of age, or were any such rights exercised by them, or was the Company or any of its subsidiaries a party to any arrangement to enable the directors, their spouse or children under 18 years of age to acquire such rights in any other body corporate.

5. DISCLOSURE OF INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as was known to any directors or chief executives, the following interests of which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or who were deemed to be directly or indirectly interested in 5% or more of the issued share capital of the Company, or which were recorded in register of interests required to be kept under Section 336 of the SFO or have otherwise notified to the Company were as follows:

Long position in shares of the Company:

Name	Capacity	Number of shares	Shareholding percentage
Bestmind Associates Limited (<i>Note</i>)	Beneficial owner	100,000,000	23.53%
Precision Assets Limited (<i>Note</i>)	Beneficial owner	100,000,000	23.53%
Timepiece Associates Limited (<i>Note</i>)	Beneficial owner	100,000,000	23.53%

Note: Bestmind Associates Limited, Precision Assets Limited and Timepiece Associates Limited are companies incorporated in the British Virgin Islands with limited liability. The entire issued share capital of each of Bestmind Associates Limited, Precision Assets Limited and Timepiece Associates Limited is directly wholly owned by Mr. Tony Hoo, who is also the sole director of each of the companies.

Saved as disclosed above, no person, other than the directors of the Company and chief executive of the Group, whose interests are set out in the section “Disclosure of Interest of Directors” above, had registered an interest or short position in the share capital, underlying shares and debentures of the Company that was required to be recorded pursuant to Section 336 of the SFO.

6. SPONSOR’S INTERESTS

Pursuant to a sponsor’s agreement dated 31st March 2003 entered into between the Company and CSC Asia Limited, CSC Asia Limited will receive a fee for acting as the Group’s sponsor for the period from 16th April 2003 to 30th June 2005.

As at the Latest Practicable Date, none of CSC Asia Limited, its directors, employees or associates have any interest in the shares of the Company, or any right to subscribe for or to nominate persons to subscribe for any share of the Company.

7. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and there was no litigation, arbitration or claim of material important known by the Directors to be pending or threatened against any member of the Group.

8. SERVICE CONTRACTS

Each of Mr. Tony Hoo, Mr. Tang Tsz Hoo, Anthony and Mr. Chow Kwok Keung has entered into a director's service agreement dated 13th March 2003 with the Company under which they have been appointed to act as executive Directors for an initial term of three years commencing on 13th March 2003. Mr. Lee Hai Chu was subsequently appointed as the executive director and chairman of the Company effective from 31st December 2003 and a service agreement was signed for an initial term of one year commencing on 31st December 2003. The remunerations and discretionary bonuses received by the executive directors are subject to annual increment at such rate as the Board in its absolute discretion provided that a director shall abstain from voting and not be counted in the quorum in respect of the resolution regarding the increase of his own salary or benefit.

Each of the independent non-executive directors has entered into an agreement with the Company on 13th March 2003, and for an initial term of one year commencing on 13th March 2003 and will continue thereafter unless and until terminated by either the Company or the relevant non-executive director and such appointment is subject at all times to the Bye-Laws of the Company.

Save as disclosed above, as at the Latest Practicable Date, none of the directors has entered into any service contract with any member of the Group.

9. COMPETING INTEREST

As at the Latest Practicable Date, so far as the Directors are aware of, none of themselves or the management shareholders of the Company (as defined in the GEM Listing Rules) or their respective associates had any interest in a business which competes or may compete with the business of the Group.

10. GENERAL

- (a) The head office and principal place of business of the Company is at Units 2007-2011, 20/F, MLC Millennium Plaza 663 King's Road, North Point, Hong Kong. The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The Hong Kong branch share registrar and transfer office of the Company is Tengis Limited, at G/F Bank of East Asia, Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong.
- (b) The compliance officer of the Company appointed under Rule 5.14 of the GEM Listing Rules is Mr. Chow Kwok Keung, an executive director of the Company.
- (c) Miss Wong Fei Tat, AHKSA, ACS, ACIS is the company secretary and qualified accountant of the Company.
- (d) The Company has established an audit committee with written terms of reference in compliance with Rules 5.23 to 5.25 of the GEM Listing Rules. The audit committee comprises two independent non-executive directors, namely Mr. Kwok Ming Fai and Mr. Lam Din Kan and one executive director, Mr. Tony Hoo. The duties of the audit committee include reviewing the Group's annual reports and accounts, half-year reports and quarterly reports and providing

advice and comments thereon to the board of directors. The audit committee is also responsible for reviewing and supervising the financial reporting process and internal control system of the Group. The profiles of the audit committee members are set out in the annual report 2003 of the Company dated 14th October 2003.

- (e) Dealing in the Shares may be settled through the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited and that shareholders of the Company/investors should seek the advice of their stockbroker or other professional adviser for details of those settlement arrangement and how such arrangements will affect their rights and interests.