TIGER TECH

Tiger Tech Holdings Limited

老虎科技（控股）有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 8046)

ANNOUNCEMENT
BUSINESS AND FINANCIAL UPDATES
AND
RESUMPTION OF TRADING

SUMMARY

This announcement is made pursuant to Rule 17.10 of the Rules Governing the Listing of the Securities on the Growth Enterprise Market of the Stock Exchange (the "GEM Listing Rules").

Reference is made to the announcements of Tiger Tech Holdings Limited (the "Company") dated 14 June 2004, 29 June 2004, 4 August 2004, 31 August 2004, 26 November 2004, 31 December 2004 and 6 June 2005.

At the request of the Company, trading in the shares of the Company was suspended on the Stock Exchange from 10:06 a.m. on 10 June 2004 pending for the release of the result of the judgement of the Court in regards to an alleged breach of verbal contract by Mr. Tony Hoo, the executive director and the substantial shareholder of the Company, to dispose of his interest in the Company and the issue of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the shares of the Company on the Stock Exchange from 9:30 a.m. on 24 October 2005.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

* *For identification purposes only*

Reference is made to the announcements of the Company dated 14 June 2004, 29 June 2004, 4 August 2004, 31 August 2004, 26 November 2004, 31 December 2004 and 6 June 2005 regarding an allegation by Fortuna Investments Limited ("Fortuna") of breach of an oral agreement by Mr. Tony Hoo ("Mr. Hoo"), an executive director and a substantial shareholder of the Company, to dispose 237,150,000 shares in the Company, representing 51% of the total issued shares of the Company (the "Allegation").

The Company has requested to suspend the trading in the shares of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") from 10:06 a.m. on 10 June 2004 pending for the release of the result of the Allegation. The application made by Fortuna to the Court for an injunction preventing Mr. Hoo from disposing of his interest in the Company to any third party was rejected by the Court according to the ruling dated 4 February 2005. Mr. Hoo has informed to the Company that the plaintiff so far has not pursued any further action. As a defendant, he is passive and therefore he is unable to provide any further information other than the above-mentioned status. Mr. Hoo undertakes to update the Company on any new development and the Company will publish announcement immediately whenever Mr. Hoo provides any updated information in regards to this case.

As disclosed in the previous announcement dated 6 June 2005, the trading in the shares of the Company will remain suspended until the release of this announcement. The Directors of the Company wish to provide the following updated information to enable the public to appraise the operation and financial position of the Company and its subsidiaries (together, the "Group").

OPERATION OF THE GROUP

The Company is an investment holding company. The Group is principally engaged in the provision of Enterprise Thin Client Solutions, Customized Thin Client Application Solutions and Cable Network Thin Client Solutions. There is no change of principal activities of the Group since its incorporation.

The Group has achieved approximately HK$7.7 million turnover for the year ended 30 June 2005. The suspension of trading in the shares of the Company and the lawsuit filed by Fortuna has affected the brand equity of the Group and caused the turnover of the Group dropped by more than 74% as compared to the last corresponding year ended 30 June 2004 (more information are disclosed in the "Financial Information of the Group" section). However, the Group determines to aggressively drive sales after its resumption of trading and restoration of the Group's brand equity, such as employing more personnel to expand sales level and conducts more exhibitions and advertisements and liaison with existing and potential clients. In fact, the Group has received more sales orders after the court judgement which included sales of hardware and software products and provision of services to the local and the PRC customers which generate internal resources for the Group's operation.

The Board of Directors (including the Independent Non-Executive Directors) are of the view that the Allegation had a direct impact on the Group's operation and its financial results because the Group was suffering from the worsening of brand equity which resulted in the loss of business opportunities. Also, due to the suspension of trading of the Company's shares, the Company diverted more management time and resources in handling enquiries from different parties. However, after the favourable court judgement delivered in February 2005, the Group has gradually recovered its brand equity, which was reflected in the increase in sales enquiries and sales orders. The Group only recorded HK$4 million turnover for the nine months ended 31 March 2005, but turnover reached to HK$7.7 million for the year ended 30 June 2005. Sales of goods included Customer Relationship Management ("CRM'), voice over IP "VOIP", smart card, optical fiber amplifier, switch, etc. Services provided to customers included design, development and implementation of system structure, communication protocol, database engine, hardware driver integration, network management monitoring, software installation, server setup and configuration and testing, etc. Customers base included IT enterprises, property management company, investment company, broadband service provider, etc in Hong Kong, Macau and the PRC. The Group also receives royalty income from two customers for the total amount of HK$62,500 a month.

The Board of Directors is confident on the Group's future roadmap given the growing market for cable business in the PRC and the Company has successfully set up a subsidiary in the PRC to capture the market share. Of the HK$7.7 million turnover recorded by the Group for the year ended 30 June 2005, more than 30% income were attributable by this PRC subsidiary, including sales of cable hardware and the provision of customised service to the customers. As the PRC subsidiary was just set up in August 2004 and had generated revenue to the Group, it is expected the sales level of this PRC subsidiary will grow in future.

The Allegation mainly affected the Hong Kong business. After the release of the favourable result of court judgement in February 2005, the Group has gradually recovered its brand equity and reflected in the improvement in Hong Kong business since then. Of the HK$7.7 million turnover recorded by the Group for the year ended 30 June 2005, more than HK$4.6 million were contributed by the Group's wholly-owned subsidiary in Hong Kong in relation to the provision of thin client solutions, as comparing to only HK$1.8 million revenue recorded by this wholly-owned subsidiary in Hong Kong for the nine months ended 31 March 2005.

The Group has additionally secured a RMB$3 million contract in July 2005 in setting up a thin client point of sale ("POS") system for a PRC natural gas stations enterprise, including provision of hardware, software and consultancy services. Work is expected to be completed in stages and will be finished in November 2005 in which revenue will be recorded in the interim results for the period ending 31 December 2005. In addition to the above-mentioned project, the Group currently has more than HK$5 million projects on hand from various industrial sectors in Hong Kong and the PRC in which revenue is expected to be recorded in the interim results for the period ending 31 December 2005. The sales team of the Group (including the Executive Directors) will continue to drive sales by making contact with the existing customers or through their referral and finding new customers by making cold call or through marketing campaign.

At the meantime, the Group is negotiating a project with the prominent telecommunication and IT companies and other licensed operators to jointly provide broadband wireless commercial services to thin client appliances users, which are targeted for government entities, enterprises, SME and eventually the general public. The initial dialogue started in March 2005. The working team is currently working on the technical issue including the equipment selection and specification, which affects the costing of the project and in turns effect the pricing strategy and marketing strategy. Since the project is still in negotiation stage, no legal binding document is signed. The Company will publish an announcement to disclose more information when the terms are finalised and a joint venture agreement is signed.

BUSINESS OBJECTIVES OF THE GROUP

The Group's future business plan will continue to concentrate on thin client solutions via broadband wireless access which will be applied in the following areas:

Development and enhancement of thin client solutions:

– Explore specified solutions with wireless thin client for the potential clients;

– Focus on the development of wireless commercial services to the end users;

Development of Cable Network Thin Client Solutions and Customised Thin Client Application:

– Implement existing cable network thin client solutions which can be compatible with both of the wireless and cable network system;

– Further expand customised thin client application in other regions;

Distribution and marketing strategies:

– Continue efforts in brand building through comprehensive marketing campaigns;

– Strategic alliances with business solution partners to joint marketing the thin client wireless business.

The Company has prepared a profit forecast and cash flow forecast for the period from 1 July 2005 to 30 June 2007 (the "Forecasts") to ensure sufficiency of working capital to run its business. The forecasts were reviewed by the independent non-executive directors of the Company. Based on the information provided by the Company and the discussion with the executive directors of the Company in relation to the business of the Group, including, but not limit to, the current applicable accounting standards, current market sentiment, current status of negotiations with the business partners, fundamental background of the business partners and the composition of the existing management team, the independent non-executive directors of the Company are of the view that the forecasts prepared by the Company are reasonable and attainable and that the Company has sufficient working capital for its operations. After taking into consideration of relevant information provided by the Company, including the improving financial results recorded in this financial year (i.e. loss attributable to shareholders was decreased from HK$20.9 million for the year ended 30 June 2004 to HK$7.2 million for the year ended 30 June 2005, which narrowed by HK$13.7 million when compared between two financial years), the current sales orders, invoices and discussion with the management, they considered that the Group has the capacity to attain better sales and financial results in future and the Group should have sufficiency of working capital to run its business continuously.

FINANCIAL INFORMATION OF THE GROUP

The unqualified audited results for the year ended 30 June 2005 (being the latest information date) with the last corresponding unqualified audited results for the year ended 30 June 2004 which were published within 3 months after each of the two years ended 30 June 2005 pursuant to Rule 18.03 and Rule 18.49 of the GEM Listing Rules were as follows (also refer to the 2004/05 annual report released on 30 September 2005 for more information):

Income Statement

	2005	2004	
	HK$'000	*HK$'000*	*Note*
Turnover	**7,659**	29,600	(1)
Other income	**41**	1,159	
Cost of merchandises	**(3,092)**	(22,643)	
Employee benefits expenses	**(3,612)**	(3,371)	
Depreciation and amortisation	**(1,103)**	(2,481)	
Other operating expenses	**(7,060)**	(14,014)	
Impairment losses	**–**	(7,918)	(2)
Share issuing expenses	**–**	(749)	
Share of results of jointly controlled entities	**–**	(3)	
Finance costs	**–**	(529)	
Loss before tax	**(7,167)**	(20,949)	
Taxation	**–**	–	
Loss for the year	**(7,167)**	(20,949)	

Note:

(1) The following table shows the breakdown of turnover and the gross profit analysis for sales of goods (i.e. thin client computer products, including both hardware and software):

	2005	2004	
	HK$'000	*HK$'000*	*Note*
Turnover			
Service income	**2,365**	68	
Software license fee	**–**	2,865	(3)
Royalty income	**750**	406	
Sales of goods	**4,544**	26,261	(a)
	7,659	29,600	
Cost of sales	**(3,092)**	(22,643)	(b)
Income from sales of goods less cost of sales	**1,452**	3,618	(a) – (b)
Gross profit ratio	**32%**	14%	(4)

(2) Impairment losses were made in respect of investment securities (HK$2.6 million), goodwill (HK$0.9 million), intangible assets (HK$4.2 million) and interests in jointly controlled entities (HK$0.2 million), which were made mainly because the fair value of those assets were less than the investment costs. No further impairment loss was made in this financial year as full amount of impairment losses were made in last financial year.

(3) No income was recorded in this financial year as no customer was found in respect of this type of turnover.

(4) Gross profit ratio for sales of goods was increased by 18% as some of the products such as CRM and VOIP sold in this financial year were developed in last financial year, in which the cost was already booked as R & D cost in the accounts in last financial year ended 30 June 2004. These developed products were already completed and thus no further cost incurred in this financial year, which drove increase in gross profit ratio.

According to the audited financial statements, the Group recorded a turnover of approximately HK$7.7 million for the year ended 30 June 2005, as compared to HK$29.6 million recorded in last financial year ended 30 June 2004, mainly because of the court case which affected the Group's brand equity. As a result, more suppliers required the Group to make payment before the delivery of goods while the Group normally allows one to six months repayment period to its customers. Hence, the Group had to be more conservative and only accepted smaller size sales orders in respect of both enterprise thin client solutions and cable network thin client solutions in order to avoid future cash flow problems, as the Group at any time has to ensure the Group has enough cash on hand to maintain its operations for at least twelve months period even though the customer cannot settle the accounts receivable when it falls due. Also, as the Group has set a credit limit to each customer, when the accounts receivable balances of the customers were over limit, the Group had to stop trading with the customers until settlement was made by the customers. Therefore, sales of goods are decreased in terms of both quantity and unit price. Income derived from the sales of goods and the related costs of purchase were also decreased.

However, the Group considered that the court case was a one-off event and should not have any prolonged impact on the Group's brand and business, as the court ruling delivered in February 2005 was in favour of Mr. Hoo and the Company has gradually regained its trust from its business partners. For instance, for the wireless project mentioned above in the "Operation of the Group" section, the telecommunications operators only started the dialogue with Mr. Hoo in March 2005, after knowing that the court ruling was in favour of Mr. Hoo. Some of the suppliers also start granting the credit period to the Group again.

The following table shows the audited turnover of the Group for the past few years.

	FY 2005	**FY 2004**	**FY 2003**	**FY 2002**
Turnover	*HK$'000*	*HK$'000*	*HK$'000*	*K$'000*
Service income	2,365	68	5,200	12,048
Software license fee	–	2,865	4,633	3,975
Royalty income	750	406	–	–
Sales of goods	4,544	26,261	2,314	7,353
	7,659	29,600	12,147	23,376

Turnover of the Group fluctuated from year to year mainly due to an unexpected isolated event. For instance, sales recorded in Financial Year (FY) 2003 was affected by SARS and sales recorded in FY 2005 was affected by the court case, while sales recorded in FY 2002 and FY 2004 were maintained at over HK$20 million level. Therefore, it is anticipated that the sales level in FY 2006 will be recovered back to its previous level once its shares resume trading and recovery of brand equity. The Group will have more marketing campaign in Hong Kong and the PRC to improve its brand presence. Exhibitions will be held in major computer shopping malls. Advertising on magazines and newspapers will be posted for existing and new products.

Loss after tax for the year ended 30 June 2005 was approximately HK$7.2 million, as compared to HK$21 million in last corresponding year. Although the Group's turnover dropped significantly, the Group has made a great effort on cost saving, such as reduction in marketing and R & D activities, which reduced the costs from HK$7.3 million to HK$2.8 million; other administrative and entertainment expenses were reduced by HK$1 million. As a result, other operating expenses were decreased from HK$14 million to HK$7 million.

The current operations of each business segment are as follows:

For the income derived from service income and sales of goods, the income is mainly derived from the provision of enterprise thin client solutions and cable network thin client solutions. The trading pattern and the customer base are already disclosed in the "Operation of the Group" section. The Group expects to expand its customer base once the wireless business matures.

For the software license fee, the income derived in FY2002, FY2003 and FY2004 was mainly referred to the software license fees received from two financial data providers on monthly basis. The contracts were expired in March 2004. No income was recorded by the Group since then for two reasons. Firstly, in order to secure the contract, some of our competitors offer more attractive package to the customers than us. However, the Group will not aggressively buying market share by sacrificing the profit margin. Therefore, the Group will need to form alliance with other companies to build up synergy before entering into this competitive market again. Currently, the Group is negotiating with two software development companies to enhance product mix and sales penetration. However, the Group has not entered into any formal agreement with them yet. Secondly, given the advancement in technology and market cost competitiveness, the Group's sales in software development are currently more on the one-off total enterprise solutions basis rather than charged as software license fee on monthly basis. Therefore, for the FY2005, the income was recorded in the "Enterprise Thin Client Solutions" business segment.

For the royalty income, the Group receives royalty income from two customers located in Singapore and USA, in respective of granting "Tiger" brand name for their use in their products. The two contracts will be expired at the end of this year and will not be renewed continually. However, the royalty income only contributed less than 10% of total revenue of the Group. Therefore, the termination of the contract will not have significant effect to the financial results of the Group.

Balance Sheet

	2005	2004	
	HK$'000	*HK$'000*	*Note*
Assets and Liabilities			
Non-Current Assets			
Property, plant and equipment	**881**	2,167	
Interest in jointly controlled entities	**–**	34	
	881	2,201	
Current Assets			
Inventories	**331**	443	
Trade receivables	**4,880**	2,696	(1)
Other receivables	**348**	1,529	
Tax prepaid	**–**	1,322	(2)
Bank balances and cash	**4,269**	8,239	
	9,828	14,229	
Current Liabilities			
Trade payables	**(1,063)**	–	
Accrued charges and other creditors	**(2,282)**	(1,899)	(3)
	(3,345)	(1,899)	
Net Current Assets	**6,483**	12,330	
Net Assets	**7,364**	14,531	
Capital and Reserves			
Issued capital	**4,650**	4,650	
Reserves	**2,714**	9,881	
	7,364	14,531	

Note:

(1) As at 30 June 2005, the aging analysis of trade receivables is as follows:

	HK$'000
0-30 days	2,213
31-90 days	1,303
91-180 days	1,364
	4,880

Each of the individual debtor's balance is less than 8% of total assets value of the Group or market capitalization of the Company.

The Group normally allows one to six months repayment period to its customers. The repayment period is determined by considering the trading history, payment history of the customers and subject to management's knowledge, including financial background, about customers. The Directors will follow up with overdue balances by making frequent contact with debtors and setting payment schedules and from time to time re-assess the credit limit granted to each customer. According to the Group's internal control policy, 50% provision is made when the outstanding balance of each invoice is overdue for more than 180 days.

All of the trade receivable balances were settled as at the date of this announcement.

(2) The amount was fully settled in June 2005 after the Inland Revenue Department refunded the full amount of prepaid tax to the Group.

(3) The Group normally settles the bills within one month after receiving the invoices. The accrued charges of the Group mainly comprised of the directors' fees and provision for audit fee.

WORKING CAPITAL AND POSSIBLE FUND RAISING EXERCISE

As at 30 June 2005, the bank balances was approximately HK$4.3 million. The bank balance is free of charges, pledges or encumbrances.

As at the date of this announcement, the Group does not have any credit facilities, bank borrowing, other borrowing or debt. There is no charge on any of the Group's assets and the Group does not have any contingent liabilities. Although the Group currently has negative cash flow from its operation, the cash was used for the Group's future development in accordance with the business objectives set out in the prospectus. Those expenses were mainly used for R & D and marketing activities in order to generate future income. Since the listing of the Company, the number of customers was increased and the Group has successfully stepped into the PRC market as originally planned and drives sales after setting up the PRC subsidiary. Based on the current bank balances and the forecasts submitted to the Audit Committee members and the Directors for their internal review, they considered that the

Group currently encounters no problem of the working capital for daily operations mainly because of the following reasons:

(1) The sales level was increased after the court order released in February 2005;

(2) The development of the thin client products were completed which reduced the future R & D costs significantly as further enhancement of those products were only involved some additional costs as compared to the significant start-up costs incurred previously;

(3) The monthly operating expenses were approximately HK$300,000 only when excluding the marketing and R & D costs. The Group will continue to carry out the marketing and R & D activities but the cash allocated for those activities will be less than before to ensure the Group has no future cash flow problem;

(4) The accrued charged mainly comprised of Director fees which are not demand in payment.

The Board of Directors foresees no financial difficulties of the Group even though the Group incurred losses in this financial year because of the expansion of the sales level and the cost control adopted by the Group.

However, as disclosed in point (3) above, the Group may require additional working capital for up to HK$5 million to expand its business operation in future, which will mainly use for advertising campaign to drive sales and purchasing of inventory after receiving orders. The Group will also continue to explore potential investment opportunity for further business development. As for business development, since the Group has focused its resources on thin client solutions via broadband wireless access, business development shall focus on the geographical expansion of the aforementioned, such as Macau, Zuhai, Shenzhen etc. Collaboration with solutions partners for the deployment of value added services such as VOIP, application service providing and anti-virus/security enhancements will seems the most cost effective.

In case there are any additional working capital required or any potential investments being identified, source of funding may include right issue, placing or subscription of new shares of the Company, issuance of convertible bonds, borrowings from the financial institutions or internal financing from the substantial shareholders. However, there is no negotiation with any party in respect of fund raising exercise or any acquisition of companies as at the date of this announcement. In case the Company cannot raise funding externally from the market, the Group will concentrate on service contracts with minimum hardware and software purchases and continue to maintain for smaller size projects, so that the Group can sustain its business by internal generated funds.

Shareholders or potential investor should note that the fund raising exercise may or not may not proceed. In the event that the Group is not able to generate adequate revenues or raise further funds for the operations of the Group, the business and operations of the Group may be adversely affected.

However, Mr. Hoo will financially support the Company when necessary.

SHAREHOLDING STRUCTURE OF THE COMPANY

The following table shows the shareholding structure of the Company as at the date of this announcement:

Shareholders	Number of shares	Percentage shareholding	*Note*
Bestmind Associates Limited	42,832,000	9.20%	(1)
Precision Assets Limited	100,000,000	21.51%	(1)
Timepiece Associates Limited	100,000,000	21.51%	(1)
Mr. Hoo	4,000,000	0.86%	(2)
Mr. Tang Tsz Hoo, Anthony	2,000,000	0.43%	(2)
Mr. Chow Kwok Keung	2,000,000	0.43%	(2)
Public	214,168,000	46.06%	
	465,000,000	100%	

Note:

(1) Wholly-owned by Mr. Hoo. Mr. Hoo has 246,832,000 shares in total, representing 53.08% beneficial interest in the Company. Mr. Hoo has confirmed to the Company that as at the date of this announcement, he has not pledged any of the Company's shares to any party. The shares are in his possession and within his beneficial ownership. The shares are not charged and he remains free to deal with those shares, including disposal or transferring of his shares. He also does not have any intention or is not in any negotiation with any potential investor regarding disposal of his shares in the Company and at no material times has he disposed of or encumbered any of the shares he held in the Company.

(2) Director of the Company

MANPOWER OF THE GROUP

The Group currently has 13 employees in Hong Kong and the PRC (14 employees when the Company listed on GEM on 16 April 2003), who are responsible for business development, management, accounting matters and daily operations. The breakdown of its workforce by business function is as follows:

	As at the date of this announcement	As at 16 April 2003
Executive Directors	4	3
Independent Non-Executive Directors	3	2
Professional Services and Technical Support	1	2
Research and Development	0	2
Sales and Marketing	3	3
Administration and Accounting	2	2
	13	14

Although the senior management of the R & D department and the technical department resigned in 2004 for personal reasons, the Directors are of the view that the reduction in number of employees has no material effect on the business operation of the Group because of the following reasons:

(1) The Group out-sourced major part of its research and development works while maintaining an overall supervision as the management considered that out-sourcing is more cost-effective than maintaining a full time employee to perform the R & D function;

(2) The Group is able to keep the manpower to a minimum level as the four executive directors have extensive experience in the business environment and strong business connections and they are all IT experts who are able to perform the R & D and technical functions as well;

(3) There is no director being resigned from the Company since the listing of the Company on GEM and they are all very familiar with the business of the Group;

(4) The responsibilities of the Executive Directors of the Group are as follows:

Name of Executive Directors	**Roles**
Mr. Lee Hai Chu	Mainly responsible for introducing potential customers to the Group, particularly related to cable business
Mr. Hoo	Founder of the Group and substantial shareholder of the Company. He is responsible for the Group's daily operations and currently focuses on enterprise thin client solutions business, particularly on the wireless project. He is the overall decision maker and is one of the major persons to deal with the business partners, sign for the contract and is the only authorised person of the subsidiary in the PRC. However, since the court case started from June 2004 between Mr. Hoo and Fortuna, Mr. Hoo has spent more time on his personal matter and gradually passed most of his works to others. For example, the daily works, such as R & D and documentation works were passed to another director and other staff. The daily operations of the PRC subsidiary were delegated to the staff in the PRC. The lawsuit has definitely affected Mr. Hoo's contribution to the Company from June 2004. However, subsequently to the release of the interlocutory judgement in February 2005, of which was in favour of Mr. Hoo, Mr. Hoo has now focusing on the development of wireless business and roadmap. He will continue to perform his duties and remains as a full time management

Mr. Chow Kwok Keung	Mainly responsible for cable business and customised thin client solution business; daily works include R & D, marketing, sales and overall co-ordinator
Mr. Anthony Tang Tsz Hoo	Mainly responsible for business development of the Group, particularly related to enterprise thin client business

As disclosed in the above table, the Allegation only affected Mr. Hoo, but not any other Directors or senior management, as none of them are involved in the Allegation. They are still in charge of the Groups' business and they are all performing their duties and the Group remains in its usual operation.

INTERNAL CONTROL AND CORPORATE GOVERNANCE

The Board of Directors (including the Independent Non-Executive Directors) is of the view that the Group maintains a reliable internal control procedures system and the existing internal control system is sufficient to ensure the Group is in compliance with the relevant rules and regulations. The Audit Committee members will also take a lead to address the corporate governance issues and provide comments thereon to ensure the Company maintains a sufficient internal control system.

LITIGATION

As at the date of this announcement, other than the litigation against one of the Directors, Mr. Hoo (reference is made to the previous announcements dated 14 June 2004, 29 June 2004, 4 August 2004, 31 August 2004, 26 November 2004, 31 December 2004 and 6 June 2005), there are no litigations and/or legal proceedings against the Company, its subsidiaries or any of its Directors.

As disclosed in the announcement dated 6 June 2005, the application made by Fortuna to the Court for an injunction preventing Mr. Hoo from disposing of his interest in the Company to any third party was rejected by the Court according to the ruling dated 4 February 2005. In this case, as the interim injunction application has been dismissed, Fortuna's underlying claim for damages for alleged breach of contract or specific performance may proceed to trail in the usual way, unless both parties manage to reach an out of court settlement. Up to now Fortuna did not take any further action. As Mr. Hoo has provided all the evidence to his representative lawyer and his lawyer can follow up the case for him when necessary, Mr. Hoo can now focus on the Group's business.

RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the shares of the Company was suspended on the Stock Exchange from 10:06 a.m. on 10 June 2004. Application has been made by the Company to the Stock Exchange for the resumption of trading in the shares of the Company on the Stock Exchange from 9:30 a.m. on 24 October 2005.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By the order of the Board
Tiger Tech Holdings Limited
Chow Kwok Keung
Executive Director

Hong Kong, 21 October 2005

As at the date of this announcement, the Directors of the Company are as follows:

Executive Directors: Mr. Lee Hai Chu (Chairman), Mr. Tony Hoo, Mr. Tang Tsz Hoo, Anthony and Mr. Chow Kwok Keung,

Independent Non-Executive Directors: Mr. Kwok Ming Fai, Mr. Lam Din Kan and Mr. Chai Chi Keung.

This announcement for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 on the "Latest Company Announcement" page for at least 7 days from the date of its posting.