

The Stock Exchange of Hong Kong Limited (the "Stock Exchange") 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.



科維控股有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 0586)

DISCLOSEABLE TRANSACTION

The Board of the Company announces that the Company has disposed of its investment in an associate, Techwayson Holdings Limited, to an independent third party at a consideration of HK\$21.3 million, part of which was used to settle the indebtedness owed to a financial institution. Upon completion of the Disposal, Techwayson Holdings Limited ceased to be an associate of the Company.

The Disposal constitutes a discloseable transaction for the Company under the Listing Rules. A circular containing, among other things, details of the Disposal will be dispatched to the Company's shareholders as soon as practicable.

Trading in the shares of the Company on the Stock Exchange was suspended at the request of the Company with effect from 9:36 a.m. on 3 January 2006 pending an announcement in relation to price sensitive information and will remain suspended until the publication of further announcement on the latest development including, among others, the production and liquidity position of the Group as and when appropriate.

The board of directors (the "Board") of Goldwiz Holdings Limited (the "Company") announces that the Company has disposed of its investment in an associate, Techwayson Holdings Limited ("TWS"), to an independent third party at a consideration of approximately HK\$21.3 million (the "Disposal"). The net proceeds from the Disposal was used to settle the outstanding indebtedness of HK\$19.6 million (including fee and expenses involved) due to a financial institution (the "Financial Institution") and with the balance to retain as working capital.

Reference is made to the Company's announcement dated 5 January 2006, the Company has received immediate demand of repayment of indebtedness by the Financial Institution due to the occurrence of events of default as defined under the relevant loan agreement. Subsequently, the Company has repaid HK\$2.5 million to the Financial Institution.

Upon completion of the Disposal, TWS ceased to be an associate of the Company.

TRANSACTION

Goldwiz reached a verbal agreement with the Purchaser on 16 January 2006. In view of the accelerating finance cost mounting daily, the Company asked the Purchaser to pay the partial consideration of HK\$19.6 million prior to the completion date in order for the Company to settle the indebtedness owing to the Financial Institution. As the Purchaser was out of Hong Kong subsequently, the transfer documents could only be signed after his return on 23 January 2006 later afternoon and stamped on 24 January 2006.

Completion of the transaction took place on 24 January 2006 upon stamping of the transfer documents on the Disposed Shares with the Inland Revenue Department.

Parties

1. Goldwiz Technology Limited ("Goldwiz"), a wholly-owned subsidiary of the Company, being the Vendor. Goldwiz is an investment holding company incorporated in the British Virgin Islands.
2. Mr. CHAK, Joaquim Emilio Kin Man being the Purchaser. Mr. Chak is a merchant and the owner of Chak's Company Limited which is principally engaged in the trading of antique.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiry, the Purchaser is third party independent of the Company and its connected persons.

Assets disposed of

The 96,824,000 shares of HK\$0.1 each in TWS representing 27.66% equity interest in TWS (the "Disposed Shares"). TWS is a company listed on the Main Board of the Stock Exchange. TWS is an investment holding company and its subsidiaries are principally engaged in the design, supply and integration of automation and control systems. The net profit and loss attributable to the Disposed Shares for the two financial years ended 30 Jun 2005 of TWS immediately preceding the Disposal were as follows:

Exchange rate: HK\$1: RMB1.06	1 Jul 2003 to 30 June 2004*		1 Jul 2004 to 30 June 2005	
	RMB'000	HK\$'000 (equivalent to)	RMB'000	HK\$'000 (equivalent to)
Net profit/(loss) before taxation and extraordinary items	4,095	3,849	(4,428)	(4,162)
Net profit/(loss) after taxation and extraordinary items	3,021	2,840	(5,284)	(4,967)

* TWS became an associate of the Company since 1 March 2004.

After Completion, TWS ceased to be an associate of the Company.

Consideration

The total consideration for the Disposed Shares is HK\$21,301,280 satisfied in cash. The sale price of HK\$0.22 per TWS's share represents a (i) a discount of approximately 37% to the closing price of HK\$0.35 per TWS's share on 13 January 2006; and (ii) a discount of approximately 40% to the average closing price of HK\$0.366 per TWS's share for the last five trading days up to 13 January 2006. The total consideration of HK\$21.3 million represents a discount of approximately 56% to the carrying value of approximately HK\$48.4 million (based on the closing market price of TWS's shares as at 30 September 2005) of the Company's investment in TWS as stated in the Company's interim report for the six months ended 30 September 2005.

Such consideration has been arrived after arm's length negotiation based on normal commercial terms. It is expected that the Company will accrue a loss of approximately HK\$27 million as a result of the Disposal. The calculation is based on the comparison between the Consideration received by the Company and the Company's latest published carrying value of the Disposed Shares at 30 September 2005. The loss to be recognized in the income statement of the Company for the financial year ending 31 March 2006 may be different from the aforementioned amount as the Company will calculate it by reference to the carrying value of the Disposed Shares at the date of the Disposal.

In view of the (i) low liquidity of the securities of TWS, (ii) the unsatisfactory business performance of TWS for its financial year ended 30 June 2005, (iii) the urgency of the Company to seek finance in order to settle the secured indebtedness with the Financial Institution and (iv) the need to minimize the ongoing finance cost at default interest rate payable to the Financial Institution, the Directors are of the view that the terms of the Disposal are fair and reasonable and the Disposal is in the best interest of the Company's shareholders and the Company as a whole.

The net proceeds arising from the Disposal is approximately HK\$21.3 million and the Company applied the proceeds to settle the outstanding secured indebtedness and other relevant expenses of approximately HK\$19.6 million (after a repayment of HK\$2.5 million by the Company through its major shareholder prior to 18 January 2006) owing to the Financial Institution and the balance of approximately HK\$1.7 million is retained as general working capital.

REASONS FOR THE DISPOSAL

The Group has been primarily engaged in the operation of Harbour Plaza Kunming in the PRC, the manufacturing and distribution of electronic products related materials and strategic investment in automation and control system as well as in PRC properties. As the Company is short of working capital and it is in urgency of a need to dispose of the Company's assets, the Directors believed that through the Disposal, the Company would be able to settle the indebtedness with the Financial Institution and to obtain some working capital.

GENERAL

The Disposal constitutes a discloseable transaction for the Company under Rule 14.06 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). A circular containing, among other things, details of the Disposal will be dispatched to the Company's shareholders as soon as practicable in accordance with the requirement of the Listing Rules.

Trading in the shares of the Company on the Stock Exchange was suspended at the request of the Company with effect from 9:36 a.m. on 3 January 2006 pending an announcement in relation to price sensitive information and will remain suspended until the publication of further announcement on the latest development including, among others, the production and liquidity position of the Group as and when appropriate.

By order of the board of
Goldwiz Holdings Limited
LIU Xue Lin
Director

Hong Kong, 27 January 2006

As at the date of this announcement, the Company's executive directors are Mr. LIU Xue Lin and Mr. PENG Sheng Bo whilst the Company's independent non-executive directors are Mr. Alvan LIU Kwok Fai, Mr. CHOW Siu Tong and Mr. LAI Ka Chu.

** For identification purposes only*

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