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CHAMPION TECHNOLOGY HOLDINGS LIMITED

(an exempted company in Bermuda with limited liability)

(the “Company”)

Stock Code: 92

ISSUE OF US\$8,000,000 1.5 PER CENT. UNLISTED AND UNSECURED CONVERTIBLE BONDS DUE 2005 – ADDITIONAL TRANCHE 1

Reference is made to the Company’s announcements dated 23 May 2002, 26 September 2003 and 28 April 2005 respectively.

Reference is made to the announcements issued by the Company dated 23 May 2002, 26 September 2003 and 28 April 2005 respectively (the “**Announcements**”) in respect of, among others, the issue of the Additional Tranche 1 Bonds. Terms defined in the Announcements shall have the same meanings when used herein unless the context otherwise requires or otherwise defined.

The terms of the Additional Tranche 1 Bonds provide that if at any time during the relevant conversion period, the closing price per Share is, subject to adjustment, less than or equal to the Downside Price on a business day, the Company may redeem the Additional Tranche 1 Bonds presented for conversion on the immediate following date in cash in an amount equal to the Redemption Amount (to be calculated in accordance with the formula set out below) plus all the interest accrued on the Additional Tranche 1 Bonds presented for conversion to the date of redemption.

The formula $P + [8\% \times P \times (D/365)]$ will be applied for the calculation of the Redemption Amount, where “**D**” means, in respect of the Additional Tranche 1 Bonds, the number of days elapsed from (and including) the Additional Tranche 1 Bonds Closing Date to (and including) the date of redemption of the Additional Tranche 1 Bonds; and “**P**” means the principal amount of the Additional Tranche 1 Bonds.

By Order of the Board

Lai Yat Kwong

Director

Hong Kong, 13 May 2005

As at the date of this announcement, the executive directors of the Company are Mr Paul Kan Man Lok, Mr Leo Kan Kin Leung and Mr Lai Yat Kwong; the non-executive director is Ms Shirley Ha Suk Ling; and the independent non-executive directors are Mr Terry John Miller, Mr Francis Gilbert Knight, Professor Liang Xiong Jian, Professor Ye Pei Da and Mr Frank Bleackley.

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