

The Stock Exchange of Hong Kong Limited 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.

ANGELS

ANGELS TECHNOLOGY COMPANY LIMITED

英君技術有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8112)

**ANNOUNCEMENT
PURSUANT TO RULE 17.10 OF THE GEM LISTING RULES
RELATING TO THE
LOAN AGREEMENT ENTERED INTO BY THE COMPANY**

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules with respect to the Loan Agreement entered into by the Company and Pacific Foundation Assets Management Limited, which contains specific performance obligations on Mr. Mak.

This announcement is made pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (“**GEM Listing Rules**”) with respect to the loan agreement dated 5 January 2006 (the “**Loan Agreement**”) entered into between Angels Technology Company Limited (the “**Company**”) (as borrower) and Pacific Foundation Assets Management Limited (the “**Lender**”) (as lender). Based on the confirmation by Lucky Team International Limited, the Lender is also the financier of Lucky Team International Limited, the offeror with respect to the mandatory conditional general offers as set out in the announcement dated 16 December 2005 made by the Company.

The Loan Agreement contains specific performance obligations on Mr. Mak Shiu Chung Godfrey (“**Mr. Mak**”). Mr. Mak is the beneficial owner of the entire issued share capital of Lucky Team International Limited, which is in turn a substantial shareholder of the Company, holding approximately 27.9% of the issued share capital of the Company. In particular, the Loan Agreement requires (so long as there remains any monies outstanding under the Loan Agreement) that Mr. Mak, by himself or together with Lucky Team and/or other entities under his control, owns shares representing 20% or more of the total issued share capital of the Company.

A breach of any of the above specific performance obligations would constitute a default under the Loan Agreement. Such default would permit the Lender to accelerate the maturity of the indebtedness under the Loan Agreement.

The Loan Agreement provides for a straight unsecured loan of HK\$4,500,000 which attracts interest at the rate of 12% per annum. The proceeds under the Loan Agreement will be used principally to finance the repayment of the indebtedness of the Company under the 4% HK\$4,000,000 convertible note issued by the Company in favour of VC Finance Limited due 6 January 2006. Based on confirmation by VC Finance Limited, neither VC Finance Limited nor its associates is a shareholder of the Company.

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules.

By Order of the Board of
ANGELS TECHNOLOGY COMPANY LIMITED
Daniel X. D. Yan
Chairman

Hong Kong, 5 January 2006

As at the date of this announcement, the executive Directors are Mr. Yan, Daniel X.D. and Mr. Lau, Andrew Kim; and the independent non-executive Directors are Mr. Yang Xiaoping, Mr. Zhao Ming and Ms. Wu Xin.

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, their opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any of their statements in this announcement misleading.

This announcement will remain on the “Latest Company Announcement” page of the GEM website for at least 7 days from its date of publication.