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## **iRegent Group Limited**

*(Incorporated in the Cayman Islands with limited liability)*

### **ANNOUNCEMENT**

The Selling Shareholders are in discussions with an independent third party not connected with any director, the chief executive or substantial shareholder of the Company and their respective associates (as defined in the Listing Rules) as to the potential sale of part of their shareholding in the Company. The Selling Shareholders are collectively interested in approximately 40.2 per cent of the total voting rights in the share capital of the Company (on a fully diluted basis). The shares to be sold by the Selling Shareholders are intended to represent less than 35 per cent of the total voting rights in the existing issued share capital of the Company. These discussions are ongoing and may or may not result in an agreement for the sale of the shares.

At the request of the Company, trading in the shares and warrants of the Company has been suspended on the Stock Exchange since Monday, 8 October 2001 pending release of this announcement. It is expected that trading in the Company's securities will resume at 10:00 am on **Tuesday, 16 October 2001**.

**Shareholders and investors should exercise extreme caution in dealing with the shares and warrants of the Company in current circumstances.**

This statement is made at the request of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

We have noted the recent increases in the price and trading volume of the shares of iRegent Group Limited (the "Company"). We have been informed by James Mellon, a director and substantial shareholder of the Company, that he has been approached by and is in discussions with an independent third party not connected with any director, the chief executive or substantial shareholder of the Company and their respective associates (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules")) as to the potential sale of his shareholding in the Company. The discussions have since been extended to certain other directors (namely, Dominic Bokor-Ingram, Daniel Chan, Peter Everington, Julian Mayo, David McMahon, Karin Schulte, Jayne Sutcliffe and Anderson Whamond), employees and former employees of the Company (James Mellon and such other persons are collectively referred to below as the "Selling Shareholders") as to the potential sale of part of their shareholding in the Company.

The Selling Shareholders are collectively interested in 100 per cent of the 86,728,147 non-voting convertible deferred shares in the capital of the Company (which are convertible into approximately 7.3 per cent of the total voting rights in the share capital of the Company on a fully diluted basis, assuming there is no other change to the existing issued share capital of the Company except such conversion of the deferred shares into ordinary shares at any time on a one for one basis) and approximately 391,000,000 ordinary shares (representing approximately 35.5 per cent of the total voting rights in the existing issued share capital of the Company or approximately 32.9 per cent of the total voting rights in the share capital of the Company on that fully diluted basis). The Selling Shareholders are therefore collectively interested in approximately 40.2 per cent of the total voting rights in the share capital of the Company (on that fully diluted basis).

The shares to be sold by the Selling Shareholders are intended to represent less than 35 per cent of the total voting rights in the existing issued share capital of the Company. James Mellon has informed the Company that these discussions are ongoing and may or may not result in an agreement for the sale of the shares. The terms of the possible sale have not yet been finalised.

James Mellon has also informed the Company that if an agreement can be reached for the sale of shares in the Company, it is his understanding that the potential purchaser would not proceed with the acquisition if any such sale of shares would lead to a mandatory offer being made for the remaining shares of the Company.

The directors of the Company (other than James Mellon, Jayne Sutcliffe and Anderson Whamond) wish to inform shareholders that they have had no contact with the potential purchaser and have no means of ascertaining its intentions including what role it would seek to play if it were to become a substantial shareholder of the Company. Whilst the Company is not a party to the discussions, the Company understands that the potential purchaser and the Selling Shareholders will consider the implications of the Hong Kong Code on Takeovers and Mergers on their transaction.

James Mellon has also informed the Company that if an agreement is reached for the sale of shares in the Company, it is his understanding that he and certain of the Selling Shareholders shall remain with the Company for the foreseeable future.

At the request of the Company, trading in the shares and warrants of the Company has been suspended on the Stock Exchange since Monday, 8 October 2001 pending release of this announcement. It is expected that trading in the Company's securities will resume at 10:00 am on **Tuesday, 16 October 2001**. **Shareholders and investors should exercise extreme caution in dealing with the shares and warrants of the Company in current circumstances.**

We also confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under paragraph 3 of the Listing Agreement, neither is the board of directors (the "Board") of the Company aware of any matter, other than as referred to above, discloseable under the general obligation imposed by paragraph 2 of the Listing Agreement, which is or may be of a price-sensitive nature.

Made by the order of the Board, the directors of which individually and jointly accept responsibility for the accuracy of this statement.

On behalf of the Board of  
**iRegent Group Limited**

**Daniel Chan**  
Director

Hong Kong, 15 October 2001

*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,*