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**國際融資控股有限公司\***

**International Capital Network Holdings Limited**

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

## **RESULTS OF ANNUAL GENERAL MEETING**

At the AGM held on 11th January, 2003 all of the resolutions were passed. Certain votes were recorded but disregarded in calculating votes for and against the resolutions. If all disregarded votes were taken into account none of the resolutions would have been passed. All business of the AGM was completed before the meeting was closed by the Chairman.

### **RESULTS**

At the AGM held on 11th January, 2003 all of the resolutions were passed. For the reasons given below certain votes were recorded but disregarded in calculating votes for and against the resolutions. If all disregarded votes were taken into account none of the resolutions would have been passed.

### **CHAIRMAN'S STATEMENT**

At the commencement of the AGM the Chairman told the meeting that ICN's wholly owned subsidiary, International Capital Network Limited is a "registered person" under the Ordinance. Under s.26A of the Ordinance, amongst other things a person shall not become a substantial shareholder of a registered person that is a corporation unless: he has applied to the SFC for its approval to his being a substantial shareholder in the registered person; and the SFC has approved in writing his being a substantial shareholder in the registered person.

"Substantial shareholder" in the context of International Capital Network Limited includes a person who, either alone or with an associate holds shares in ICN which holdings allow him either alone or with an associate and either directly or indirectly to exercise or control the exercise of 35% or more of the

voting power of ICN where ICN is itself entitled, to control the exercise of more than 10% of the voting power of International Capital Network Limited (which it does).

ICN has identified that certain of its registered shareholders (the “Associates”) are or may be “associates” for the purposes of the Ordinance and together a substantial shareholder of International Capital Network Limited, because together they own more than 35% of ICN and International Capital Network Limited is a wholly-owned subsidiary of ICN. ICN understands the Associates have not received approval from the SFC to be such a substantial shareholder under, and thus may be in breach of, s.26A of the Ordinance.

The issue of whether or not the Associates are in breach of s.26A was reported several months ago to the SFC and is before the courts in litigation involving the Company and the Associates. ICN is seeking a finding that the Associates have breached section 26A. However, the hearing dates of the relevant trial have not been fixed yet. The Company will keep the public informed of any further developments in this matter and further announcements will be made if and when appropriate

Under s.26A(12), amongst other things, if a person becomes a substantial shareholder of a registered person that is a corporation without the SFC’s approval, until the SFC approves the transfer of shares concerned is of no effect at law or in equity; and voting rights are not exercisable for the shares.

## **PROCEDURE ON RECOGNITION OF VOTES**

The Chairman told the meeting that the Directors believed it would be wrong of ICN to count votes purportedly cast in respect of shares held in breach of the Ordinance. If the Associates chose to cast their votes for ICN to count the votes (or to refuse to allow them to be voted) may be to preempt a court decision. If the Directors recognised votes cast on all or any of the shares in question, resolutions that would otherwise have failed (or been passed) may be passed (or fail). Shareholders may be aggrieved as a result. On the other hand, if s.26A operates in such a way that votes can lawfully be cast on some or all of the shares held by Associates, if ICN refused to recognise those votes the Associates would have a legitimate complaint and, again, the true voting intention of the meeting may not be ascertained.

The Chairman said that the Company had privately advised the Associates that their votes would not be counted and, unless the Associates did not vote, regardless of how votes were cast by Associates, they would not be taken into account in determining whether the relevant resolution had or has not been passed but a record would be kept of them and made available to the Associates; on declaration of the results of each poll the Chairman would announce votes for, votes against, and (separately) votes for and against that were not taken into account.

Two shareholders present by corporate representatives said that they objected to this procedure because of their stated belief that it was not within the powers of the Directors to adopt such procedure. It was followed nevertheless.

## RESULTS OF POLL

**None of the votes cast by Associates were taken into account, for reasons mentioned above. If they had been taken into account all the resolutions would have failed.** The following table summarises the voting, details of which are set out in full below the table.

The results of the voting were:

*Motions 1, 2 (ii), 3, 4 (ii) and (iii)*

Total No. of Shares Voted	No. of Shares Voted <u>FOR</u> the Resolution	No. of Shares Voted <u>AGAINST</u> the Resolution
163,396,800	126,684,800	36,712,000
100%	77.53%	22.47%

If votes cast by the Associates were taken into account, the results would have been:

Total No. of Shares Voted	No. of Shares Voted <u>FOR</u> the Resolution	No. of Shares Voted <u>AGAINST</u> the Resolution
277,140,000	126,684,800	150,455,200
100%	45.71%	54.29%

Votes cast by the Associates but not taken into account:

FOR	AGAINST	TOTAL
0	113,743,200	113,743,200

*Motions 2 (i) and 4 (i)*

Total No. of Shares Voted	No. of Shares Voted <u>FOR</u> the Resolution	No. of Shares Voted <u>AGAINST</u> the Resolution
163,400,800	126,684,800	36,716,000
100%	77.53%	22.47%

If votes cast by the Associates were taken into account, the results would have been:

Total No. of Shares Voted	No. of Shares Voted <u>FOR</u> the Resolution	No. of Shares Voted <u>AGAINST</u> the Resolution
277,144,000	126,684,800	150,459,200
100%	45.71%	54.29%

Votes cast by the Associates but not taken into account:

FOR	AGAINST	TOTAL
0	113,743,200	113,743,200

## **DETAILED RESULTS**

There were 163,396,800 votes taken into account on motion 1 (to approve the audited financial statements and reports of the Directors and auditors of the Company). Of these votes, 126,684,800 were cast “FOR” and 36,712,000 votes cast “AGAINST”. Since the resolution was approved by more than one-half of the votes cast by the shareholders present in person or by proxy at the meeting, the Chairman declared the motion carried. In relation to this motion there were 113,743,200 votes cast “AGAINST” and no votes cast “FOR” by the Associates.

There were 163,400,800 votes taken into account on motion 2(i) (to re-elect Ms. Tsui Hung Nui as a Director). Of these votes, 126,684,800 were cast “FOR” and 36,716,000 votes cast “AGAINST”. Since the resolution was approved by more than one-half of the votes cast by the shareholders present in person or by proxy at the meeting, the Chairman declared the motion carried. In relation to this motion there were 113,743,200 votes cast “AGAINST” and no votes cast “FOR” by the Associates.

There were 163,396,800 votes taken into account on motion 2(ii) (to authorise the board of Directors to fix the remuneration of the Directors). Of these votes, 126,684,800 were cast “FOR” and 36,712,000 votes cast “AGAINST”. Since the resolution was approved by more than one-half of the votes cast by the shareholders present in person or by proxy at the meeting, the Chairman declared the motion carried. In relation to this motion there were 113,743,200 votes cast “AGAINST” and no votes cast “FOR” by the Associates.

There were 163,396,800 votes taken into account on motion 3 (to appoint KII Associates CPA Limited as auditors of the Company and to authorise the board of Directors to fix their remuneration). Of these votes, 126,684,800 were cast “FOR” and 36,712,000 votes cast “AGAINST”. Since the resolution was approved by more than one-half of the votes cast by the shareholders present in person or by proxy at the meeting, the Chairman declared the motion carried. In relation to this motion there were 113,743,200 votes cast “AGAINST” and no votes cast “FOR” by the Associates.

There were 163,400,800 votes taken into account on motion 4(i) (to grant general mandate to the Directors to allot, issue and deal with shares of the Company). Of these votes, 126,684,800 were cast “FOR” and 36,716,000 votes cast “AGAINST”. Since the resolution was approved by more than one-half of the votes cast by the shareholders present in person or by proxy at the meeting, the Chairman declared the motion carried. In relation to this motion there were 113,743,200 votes cast “AGAINST” and no votes cast “FOR” by the Associates.

There were 163,396,800 votes taken into account on motion 4(ii) (to grant the Directors general mandate to exercise powers of the Company to repurchase its shares). Of these votes, 126,684,800 were cast “FOR” and 36,712,000 votes cast “AGAINST”. Since the resolution was approved by more than one-half of the votes cast by the shareholders present in person or by proxy at the meeting, the Chairman declared the motion carried. In relation to this motion there were 113,743,200 votes cast “AGAINST” and no votes cast “FOR” by the Associates.

There were 163,396,800 votes taken into account on motion 4(iii) (to grant Directors general mandate to exercise powers of the Company to issue its shares to those shares repurchased by the Company pursuant to repurchase mandate). Of these votes, 126,684,800 were cast “FOR” and 36,712,000 votes cast “AGAINST”. Since the resolution was approved by more than one-half of the votes cast by the shareholders present in person or by proxy at the meeting, the Chairman declared the motion carried. In relation to this motion there were 113,743,200 votes cast “AGAINST” and no votes cast “FOR” by the Associates.

Copies of the scrutineers’ certificates were made available at the meeting to shareholders who requested them.

## **DISSOLUTION**

After he declared the results of each poll, all business of the AGM was completed and the Chairman declared the AGM closed.

## **TRADING**

Trading in the shares of the Company was suspended at the request of the Company with effect from 3:02 p.m. on 13th November, 2002. Trading will remain suspended until further notice.

## **INTERPRETATION**

In this announcement:

“AGM” means the annual general meeting of the Company convened and held on 11th January, 2003;

“Company” and “ICN” mean International Capital Network Holdings Limited;

“Director(s)” means the director(s) of the Company;

“Ordinance” means the Securities and Futures Commission Ordinance; and

“SFC” means The Securities and Futures Commission.

By order of the Board  
**International Capital Network Holdings Limited**  
**Hui Chuen Kin, Daniel**  
*Chairman*

Hong Kong, 14th January, 2003

*This announcement will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcement” page for at least 7 days from the day of its posting.*

*\* For identification only.*

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- the information contained in this announcement is accurate and complete in all material respects and not misleading;*
- there are no other matters the omission of which would make any statement in this announcement misleading; and*
- 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.*