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CHINA AGE INVESTMENTS LIMITED

(Incorporated in the British Virgin Islands with limited liability)

**POSSIBLE CONDITIONAL MANDATORY CASH OFFER BY
TAI FOOK SECURITIES COMPANY LIMITED
ON BEHALF OF CAI TO ACQUIRE ALL THE ISSUED SHARES IN
INTERNATIONAL CAPITAL NETWORK HOLDINGS LIMITED
(PROVISIONAL LIQUIDATORS APPOINTED)
(OTHER THAN THOSE ALREADY CONDITIONALLY AGREED TO BE
ACQUIRED BY CAI OR HELD BY CAI OR PARTIES ACTING IN CONCERT WITH IT)**

Financial adviser to CAI



CAI is pleased to announce that, pursuant to the Sale and Purchase Agreement dated 11th April, 2003 entered into between CAI, the Vendor, DNG and Mr. Daniel Hui, CAI has conditionally agreed to purchase and the Vendor has conditionally agreed to sell 126,256,800 Shares for an aggregate consideration of HK\$1,262,568 (equivalent to HK\$0.01 per Share). The Sale Shares represent approximately 39.46% of the voting rights in ICN as at the date of the Sale and Purchase Agreement.

Completion of the Sale and Purchase Agreement is to take place on the fourth business day after the fulfilment or waiver (as the case may be) of the Conditions. CAI will, on and subject to Completion, own 126,256,800 Shares, representing approximately 39.46% of the voting rights of ICN. CAI will then be required to make a conditional mandatory cash offer for all the issued Shares not already owned by the CAI Group in accordance with the Takeovers Code, representing approximately 60.54% of the voting rights of ICN not then already held by the CAI Group.

On 11th April, 2003, CAI has informed the joint and several provisional liquidators of ICN, namely Messrs. Alan Chung Wah Tang and Wong Kwok Man (i) the entering into of the Sale and Purchase Agreement among CAI, the Vendor, DNG and Mr. Daniel Hui; and (ii) the Offer.

If the Offer is made, an Offer document containing, among others, the terms of the Offer, together with forms of acceptance and transfer, will be despatched to the shareholders of ICN in accordance with the requirements of the Takeovers Code.

THE SALE AND PURCHASE AGREEMENT IS SUBJECT TO CONDITIONS WHICH MAY NOT BE SATISFIED OR WAIVED. THE SALE AND PURCHASE AGREEMENT MAY NOT BECOME UNCONDITIONAL AND THE ACQUISITION OF THE SALE SHARES BY CAI MAY NOT PROCEED, IN WHICH EVENT NO OFFER WILL BE MADE. INVESTORS SHOULD EXERCISE EXTREME CAUTION WHEN DEALING IN THE SHARES.

THE SALE AND PURCHASE AGREEMENT

Date: 11th April, 2003

Parties:

Vendor: International Capital Network Investor Limited, the entire issued share capital of which is beneficially and wholly owned by Mr. Daniel Hui.

Purchaser: CAI, an independent third party not connected and not acting in concert with ICN, its directors, chief executive and substantial shareholders or any of their respective associates (as defined under the GEM Listing Rules).

Guarantor: DNG warrants and represents to CAI the truth and correctness of certain warranties as set out in the Sale and Purchase Agreement.

Mr. Daniel Hui: Mr. Daniel Hui warrants and represents to CAI the truth and correctness of certain warranties as set out in the Sale and Purchase Agreement.

Sale Shares

The Sale Shares comprise 126,256,800 Shares, representing approximately 39.46% of the voting rights in ICN as at the date of the Sale and Purchase Agreement.

The CAI Group did not hold any Shares as at the date of this announcement. Immediately after Completion, the CAI Group will hold 126,256,800 Shares. At present, the Vendor hold 126,256,800 Shares which will be disposed of to CAI upon Completion.

Consideration

HK\$1,262,568 (equivalent to HK\$0.01 per Share), which was negotiated and determined on an arm's length basis after taking into account, among others, the fact that 1) the trading in the Shares has been suspended for over five months since 13th November, 2002; and 2) a number of outstanding litigation threatened against or by the ICN Group (details of which are set out in the section headed "Outstanding litigation of ICN" below). At present, there is no other agreements between the Vendor and CAI in relation to the sale and purchase of the Sale Shares other than the Sale and Purchase Agreement.

The purchase price of HK\$0.01 per Share represents (i) a discount of approximately 92.31% to the closing price of HK\$0.13 per Share as quoted on the Stock Exchange prior to the suspension of trading in the Shares on 13th November, 2002; (ii) a discount of approximately 91.15% to the average of the closing prices as quoted on the Stock Exchange for the 10 consecutive trading days up to and including 13th November, 2002 of approximately HK\$0.113 per Share; and (iii) a discount of approximately 87.18% to the unaudited consolidated net tangible assets value of the ICN Group as at 31st January, 2003 of approximately HK\$0.078 per Share as calculated based on the interim results of ICN.

Conditions

Completion is conditional upon:

- (a) CAI notifying the Vendor in writing that it is satisfied with the results of the due diligence review entitled to be carried out by CAI as set out in the Sale and Purchase Agreement. Such due diligence review refers to the review and investigation by CAI on the ICN Group including without limitation to its assets, liabilities, contracts, commitments and business and financial and legal and taxation aspects to the satisfaction of CAI;
- (b) the withdrawal/discontinuance of the outstanding litigation threatened against or by the ICN Group (details of which are set out in the section headed "Outstanding litigation of ICN" below) and the removal of the joint and several provisional liquidators of ICN appointed by the High Court of Hong Kong on 25th March, 2003;
- (c) if required, the granting of the written approval or consent by the Stock Exchange and the SFC for the change of control in ICN from the Vendor to CAI or its nominee(s) and of the transactions contemplated under the Sale and Purchase Agreement;
- (d) the Shares remaining listed and are capable of traded on the Stock Exchange (i.e. the lifting of the suspension, and the resumption, of the trading in the Shares on the Stock Exchange) at all times prior to and on Completion and the current listing of the Shares not having been withdrawn and no indication being received on or before the date of Completion from the Stock Exchange or the SFC to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to as a result of Completion or in connection with the terms of the Sale and Purchase Agreement or for any other reason other than an inadequate percentage of the issued share capital of ICN being in public hands following the close of the Offer; and
- (e) if required, all necessary approvals or consents from all third parties, the relevant governmental or regulatory authorities in Hong Kong and the Cayman Islands required by the parties to the Sale and Purchase Agreement or any of them for the consummation of the transactions contemplated in the Sale and Purchase Agreement having been obtained under the applicable laws and regulations and the GEM Listing Rules.

CAI may, at its absolute discretion, waive all or any of the Conditions, other than the above conditions (b), (c) and (e), at any time by notice in writing to the Vendor.

An application has been made to the SFC for the granting of the approval by the SFC for the change of the substantial shareholder of ICN from the Vendor to CAI or its nominee(s).

In the event that any of the Conditions are not fulfilled (or waived) and remain unfulfilled by 5:00 p.m. (Hong Kong time) on 31st May, 2003 (or such later date as may be agreed by the parties to the Sale and Purchase Agreement in writing), the Sale and Purchase Agreement shall lapse.

According to the terms of the Sale and Purchase Agreement, each of the parties to the Sale and Purchase Agreement will use his/its reasonable endeavours to procure the fulfillment of the Conditions on or before 31st May, 2003. Under the Sale and Purchase Agreement, if the Conditions cannot be fulfilled on or before 31st May, 2003 due to any unanticipated events, the parties to the Sale and Purchase Agreement may agree to another long-stop date. It is one of the Conditions that the joint and several provisional liquidators of ICN shall be removed once the winding-up petition is withdrawn. It is intended that the withdrawal of the winding-up petition will be effected before attempt to settle other outstanding litigation threatened against or by the ICN Group.

Completion

Completion will take place on the fourth business day after the fulfilment or waiver (as the case may be) of all the Conditions.

OUTSTANDING LITIGATION OF ICN

The outstanding litigation threatened against or by the ICN Group are set out as follows:

- (a) HCCW 898 of 2002 in relation to the petition for the winding up of ICN, the latest development of which is set out in ICN's announcement dated 25th March, 2003 in which it was stated that the joint and several provisional liquidators of ICN, namely Messrs. Alan Chung Wah Tang and Wong Kwok Man, were appointed;
- (b) High Court Action No. 2066 of 2002 under which ICN is the 1st defendant, the latest development of which is set out in ICN's announcement dated 17th September, 2002 in which it was stated that the Honourable Yuen J.A and Honourable Woo J.A ordered, inter alia, that the appeal by the requisitionists against the decision of Deputy Judge Carlson to discharge the order preventing ICN from issuing Shares be dismissed with costs of the appeal be awarded to ICN;
- (c) High Court Action No. 1842 of 2002 under which ICN is the plaintiff, the latest development of which is set out in ICN's announcement dated 17th October, 2002 in which it was stated that the hearing of appeal in relation to the holding of extraordinary general meeting by Capital Ace Holdings Limited and Wise Express Assets Limited was fixed on 21st March, 2003; and
- (d) High Court Action No. 318 of 2003 under which ICN is the defendant, the latest development of which is set out in ICN's announcement 6th March, 2003 in which it was stated that the 1st plaintiff, Capital Ace Holdings Limited, and the 2nd plaintiff, Wise Express Assets Limited, had obtained an injunction prohibiting ICN from, inter alia, carrying out and/or giving effect to certain resolutions passed at an annual general meeting of ICN held on 11th January, 2003.

POSSIBLE CONDITIONAL MANDATORY CASH OFFER

Subject to and conditional upon Completion, Tai Fook Securities Company Limited will, on behalf of CAI, make a conditional mandatory cash offer in compliance with Rule 26 of the Takeovers Code to all the shareholders of ICN (other than the CAI Group) on the following basis:

for each Share HK\$0.01 payable in cash

The consideration under the Offer, if made, will represent (i) a discount of approximately 92.31% to the closing price of HK\$0.13 per Share as quoted on the Stock Exchange prior to the suspension of trading in the Shares on 13th November, 2002; (ii) a discount of approximately 91.15% to the average of the closing prices as quoted on the Stock Exchange for the 10 consecutive trading days up to and including 13th November, 2002 of approximately HK\$0.113 per Share; and (iii) and a discount of approximately 87.18% to the unaudited consolidated net tangible assets value of the ICN Group as at 31st January, 2003 of approximately HK\$0.078 per Share as calculated based on the interim results of ICN.

The highest and lowest closing prices of the Shares as quoted by the Stock Exchange during the six-month period preceding the date of this announcement were HK\$0.13 per Share and HK\$0.10 per Share respectively. On the basis of the price of HK\$0.01 per Share under the Offer, the entire issued share capital of ICN is valued at HK\$3,200,000 and the value of the Offer is approximately HK\$1,937,432.

Based on the annual report of ICN dated 19th December, 2002, ICN did not have any outstanding convertibles securities, warrants, options and derivatives in respect of the Shares.

Tai Fook Capital Limited, the financial adviser to CAI, is satisfied that sufficient financial resources are available to CAI to satisfy full acceptance of the Offer. CAI has obtained a facility from an independent licensed corporation under the Securities and Futures Ordinance for the purposes of financing the Completion and the Offer.

CAI and Tai Fook Capital Limited (based on the confirmation from CAI) confirm that there have been no dealings in the Shares by the CAI Group during the six-month period prior to the date of this announcement other than the dealing constituted by the entering into of the Sale and Purchase Agreement relating to the Sale Shares. Neither Tai Fook Capital Limited nor Tai Fook Securities Company Limited and any of their respective group members had dealt for value in any Shares during the six-month period prior to the date of this announcement.

Maintaining the listing status of ICN

The Stock Exchange has stated that in the event that less than 25% of the Shares are in public hands following the closing of the Offer, it will closely monitor trading in the Shares. If the Stock Exchange believes that a false market exists or may exist in the Shares and that there are insufficient Shares in public hands to maintain an orderly market, that it will give consideration to exercising its discretion to suspend dealings in the Shares.

The Stock Exchange has also stated that, if ICN remains as a listed company, any future injections into or disposals by ICN will be subject to the provisions of the GEM Listing Rules. Pursuant to the GEM Listing Rules, the Stock Exchange has a discretion to require ICN to issue a circular to its shareholders where any acquisition or disposal by ICN is proposed, irrespective of the size of such acquisition or disposal and in particular where such acquisition or disposal represents a departure from the principal activities of ICN. The Stock Exchange also has the power pursuant to the GEM Listing Rules, to aggregate a series of acquisitions or disposals by ICN and any such acquisitions or disposals may, in any event, result in ICN being treated as a new applicant for listing and subject to the requirements for new listing applicants as set out in the GEM Listing Rules.

Information on CAI

CAI is a company incorporated in the British Virgin Islands on 15th April, 2002 and is beneficially and wholly owned by Mr. Tse. It has carried on no business since its incorporation other than the entering into of the Sale and Purchase Agreement.

Mr. Tse, aged 48, holds a diploma in accounting from the Hong Kong Baptist University. Mr. Tse has over 20 years of experience in accounting and finance, construction, property development and investment, and trading business. He is currently the chairman and an executive director of Cheung Tai Hong Holdings Limited, the shares of which are listed on the Main Board of the Stock Exchange. Mr. Tse is experienced in business development and corporate and financial management since he has been a director of a number of listed and unlisted companies, responsible for, among others, strategic planning, business development and financial management. Mr. Tse is not a licensed representative engaging in corporate finance activities under the Securities and Futures Ordinances (the "Licensed Representative"). However, it is intended that the ICN Group will appoint a Licensed Representative as stated below.

Intention of CAI

It is the intention of CAI to continue the existing business of the ICN Group. CAI does not intend to make any material changes to the business of the ICN Group. With a view to maintaining a sufficient level of operations of the ICN Group and subject to the review of the operations and financial position of the ICN Group, CAI intends to adopt the following strategies and implementation plans following Completion:

1. Set up a team of competent management and staff

- In accordance with the Sale and Purchase Agreement, all existing directors of ICN will resign with effect from the closing of the Offer or the earliest date(s) as permitted under the Takeovers Code;
- CAI intends to nominate at least two new executive directors, who have extensive experience in business development and/or corporate advisory services, to the board of directors of ICN following the despatch of the Offer document as permitted under the Takeovers Code. These new executive directors will be primarily responsible for exploring new customers and alliances. Mr. Tse will be nominated as one of the new executive directors. Through Mr. Tse's business network, it is expected that he will be able to bring in new business to the ICN Group. In particular, through Mr. Tse's extensive business connections in Hong Kong and the PRC and more than 20 years' experience in accounting and finance, construction, property development and investment, and trading business, it is expected that Mr. Tse will offer the ICN Group an opportunity to access a wide network of potential customers. In addition, as Mr. Tse has extensive experience in business development and corporate and financial management, it is expected that he can apply such experience in the provision of advisory services to clients in relation to the formulation of business development strategies, performance improvement and corporate reorganisations. CAI is also discussing with another potential candidate, who is a qualified accountant with more than 10 years of experiences in audit, financial and general management, in relation to the nomination of him as an executive director of ICN;
- CAI intends to recruit three staff responsible for the provision of business development and corporate advisory services of the ICN Group, at least one of which will be a Licensed Representative, within four months following Completion;
- CAI intends to recruit four staff responsible for the general administration, accounting and finance functions within four months following Completion. In addition, one of the above mentioned executive directors and staff to be recruited will be appointed as the qualified accountant of the ICN Group; and
- By setting up a team of quality and competent management and staff as mentioned above, the new management of the ICN Group can focus on the development and operations of the ICN Group.

2. *Appoint a Licensed Representative*

- It is intended that the ICN Group will recruit at least one Licensed Representative for the purpose of carrying on corporate finance activities as a licensed corporation in accordance with the Securities and Futures Ordinance. At present, CAI is discussing with a potential candidate in relation to the recruitment of him as a Licensed Representative of the ICN Group within four months following Completion. The potential candidate is a Licensed Representative and a qualified accountant and has over 8 years of experience in business development and corporate advisory services. The candidate is currently a chief executive officer of an unlisted investment management company in Hong Kong;
- Before the recruitment of at least one Licensed Representative, it is envisaged that the ICN Group will continue the provision of business development and corporate advisory services for unlisted companies in accordance with the applicable laws and regulations and the GEM Listing Rules and in line with the existing business of the ICN Group, including (i) advising customers on the formulation of business development strategies, performance improvement and corporate reorganisation; (ii) assisting customers on the evaluation of market opportunities and on their business expansion; and (iii) advising on pre-IPO corporate management. Such businesses will enable the ICN Group to maintain a sufficient level of operations before the recruitment of a Licensed Representative; and
- After the recruitment of at least one Licensed Representative and subject to other regulatory requirements, the ICN Group intends to provide additional services on corporate management and corporate finance advisory work for companies listed on the Stock Exchange. Subject to the requirements of the Rules Governing the Listing of Securities on the Stock Exchange and the GEM Listing Rules, the ICN Group may also participate in the sponsorship for companies intended to be listed on the Stock Exchange. CAI has not identified any listed or unlisted companies as the potential clients of the ICN Group.

3. *Obtain new source of funding*

- Mr. Tse intends to provide a shareholder's loan of approximately HK\$5 million, in aggregate, by stages to the ICN Group after Completion as part of the funding for the ongoing operations and development of the ICN Group for the 15 months ending 31st July, 2004 (the "Relevant Period"). CAI considers that such shareholder's loan will provide sufficient working capital for the ICN Group for the nine months ended 31st January, 2004.

4. *Continue part of the business objectives of the ICN Group as set out in the prospectus of ICN dated 20th November, 2001 (the "Prospectus") for the Relevant Period*

Reference is made to the business objectives of the ICN Group for the Relevant Period as set out in the Prospectus. It is intended that ICN Group will only continue part of such business objectives, details of which are set out below:

In respect of business development:

- After Completion, CAI will procure the ICN Group to set up a team of competent management and staff for its business development and operations;

- Subject to the review of the status of the ICN Group's four offices in Beijing, Shanghai, Dalian and Shenzhen of the PRC after Completion, it is intended that the ICN Group will continue to utilise these offices for the purposes of collecting local market and business information, promoting business connections and expanding the ICN Group's customer base. In particular, it is intended that the ICN Group will use its PRC offices to seek small-to-medium sized enterprises and potential listing applicants in the PRC as its customers. However, it is intended that the ICN Group will not set up new offices and business information centres in the PRC and other overseas countries during the Relevant Period for the purpose of reducing costs;
- After Completion, it is intended that the ICN Group will continue to explore suitable business opportunities which are complementary and incidental to the ICN Group's existing business of providing business development and corporate advisory services including money lending and margin financing to the ICN Group's customers and participating in direct investment; and
- It is envisaged that the ICN Group will incur approximately HK\$3.4 million for business development during the nine months ending 31st January, 2004 and approximately another HK\$3.4 million during the six months ending 31st July, 2004.

In respect of expansion of alliance network:

- After Completion, it is intended that the ICN Group will continue to form alliances with accounting firms and business consulting firms in Hong Kong and the PRC through its offices in the PRC and Hong Kong. Through co-operation with such alliances, the ICN Group will be able to strengthen its networking in providing business development and corporate advisory services and will be capable of offering or assisting its clients in attaining comprehensive business development and corporate advisory services. However, the ICN Group will not form any alliances in Singapore as stated in the Prospectus as CAI intends that the business focus of the ICN Group should be in Hong Kong and the PRC; and
- It is envisaged that the ICN Group will incur approximately HK\$0.2 million for expansion of alliance network during the nine months ending 31st January, 2004 and approximately another HK\$0.2 million during the six months ending 31st July, 2004.

In respect of enhancement of www.hkicn.com:

- Rather than making any enhancement on www.hkicn.com, it is intended that the ICN Group will only maintain the existing functions, features and contents of www.hkicn.com as a marketing channel of the ICN Group after Completion; and
- It is envisaged that the ICN Group will incur approximately HK\$0.1 million for maintenance of www.hkicn.com during the nine months ending 31st January, 2004 and approximately another HK\$0.1 million during the six months ending 31st July, 2004.

In respect of improvement of public awareness:

- After Completion, it is intended that the ICN Group will participate in seminars/conferences in relation to the ICN Group's core business in order to improve public awareness of the ICN Group; and

- It is envisaged that the ICN Group will incur approximately HK\$0.2 million for the improvement of public awareness during the nine months ending 31st January, 2004 and approximately another HK\$0.2 million during the six months ending 31st July, 2004.

The aggregate funding required for the aforementioned activities amounts to approximately HK\$7.8 million for the 15 months ending 31st July, 2004.

Any of the aforementioned plans, if conducted by the ICN Group, will be subject to regulatory and shareholders' approval where so required by the applicable laws and regulations and will be in full compliance with the GEM Listing Rules.

Information on ICN

Based on the Prospectus of ICN, the ICN Group is principally engaged in the provision of business development and corporate advisory services in Hong Kong to companies focusing on the small to medium size enterprises with significant growth potential. The ICN Group advises its clients on the formulation of business development strategies, performance improvement, corporate reorganisations, pre-IPO corporate management and other corporate finance advisory works and issues. The ICN Group also assists its clients in the evaluation of possible market opportunities and their business expansion. During September 2002 and October 2002, the ICN Group entered into certain contracts with certain independent third parties for the establishment of five offices in the PRC and as part of its lending business, as a result of which the ICN Group had made cash payment of approximately HK\$31.5 million to such independent third parties (details of which were set out in the announcement of ICN dated 19th November, 2002.) Since the appointment of Messrs. Alan Chung Wah Tang and Wong Kwok Man as the joint and several provisional liquidators of ICN on 25th March, 2003, ICN has not made any public announcements regarding the any change of its business or operations.

Trading in the Shares on the Stock Exchange was suspended with effect from 3:02 p.m. on 13th November, 2002 and is remained suspended. The Stock Exchange is reviewing whether the ICN Group satisfies Rule 17.26 of the GEM Listing Rules to warrant a continued listing of the Shares.

The Offer is conditional

The Offer, if made, will be conditional only upon CAI having received acceptances in respect of the Shares which, together with the Shares acquired or agreed to be acquired before or during the offer period, will result in the CAI Group holding more than 50% of the voting rights of ICN.

Effect of accepting the Offer, if made

If the Offer is made, the Shares will be acquired free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching to them, including the right to receive in full all dividends and other distributions, if any, declared, made or paid on or after the date of Completion.

Stamp duty

Seller's ad valorem stamp duty arising in connection with acceptance of the Offer will be payable by CAI on behalf of each accepting shareholder of ICN at a rate of HK\$1.00 for every HK\$1,000 (or part thereof) of the consideration for acceptance of the Offer and will be deducted from the cash amount payable to the shareholders of ICN who accept the Offer, if made.

Settlement of consideration

The Offer, if made, is conditional and the consideration due to the accepting shareholders of ICN (less the relevant seller's ad valorem stamp duty as stated above) will be paid within 10 days of the later of the date on which the Offer becomes, or is declared unconditional and the date of receipt of duly completed valid acceptances.

Withdrawal of acceptances

If the Offer has not become unconditional on the first closing date of the Offer, the accepting shareholders of ICN shall be entitled to withdraw his/her/its acceptance at any time after 21 days from the first closing date of the Offer by notice in writing signed by the accepting shareholders of ICN or his/her/its agent duly appointed in writing. Such entitlement to withdraw shall be exercisable only until such time as the Offer becomes unconditional. In addition, if CAI is unable to comply with any of the requirements of announcing the results of the Offer pursuant to the Takeovers Code, the Executive may require that the accepting shareholders of ICN be granted a right of withdrawal, on terms acceptable to the Executive, until such requirements can be met. Save as aforesaid, acceptances shall be irrevocable.

Compulsory acquisition

CAI does not intend to avail itself of the provisions of section 88 of the Companies Law to acquire compulsorily any Shares outstanding after the close of the Offer but reserves the right to do so.

Offer document

Subject to and conditional upon Completion, it is expected that an Offer document containing, among others, the terms of the Offer, together with form of acceptance and transfer, will be despatched to the shareholders of ICN. Pursuant to Rule 8.2 of the Takeovers Code, the Offer document should normally be posted by or on behalf of CAI within 21 days of the date of this announcement. Pursuant to Note 2 to Rule 8.2 of the Takeovers Code, the Executive's consent is required if the making of the Offer is subject to the prior fulfillment of conditions precedent which cannot be fulfilled within the time periods contemplated by Rule 8.2. As it is envisaged that the Conditions cannot be fulfilled within the time periods contemplated by Rule 8.2, an application will be made by CAI to the Executive for consent under Rule 8.2 of the Takeovers Code to extend the deadline for the despatch of the offer document time limit to within 7 days of fulfillment of the Conditions but in any event no later than 7th June, 2003 (provided that the long-stop date for Completion i.e. 31st May, 2003 has not been deferred by the parties to the Sale and Purchase Agreement in writing).

THE SALE AND PURCHASE AGREEMENT IS SUBJECT TO CONDITIONS WHICH MAY NOT BE SATISFIED OR WAIVED. THE SALE AND PURCHASE AGREEMENT MAY NOT BECOME UNCONDITIONAL AND THE ACQUISITION OF THE SALE SHARES BY CAI MAY NOT PROCEED, IN WHICH EVENT NO OFFER WILL BE MADE. INVESTORS SHOULD EXERCISE EXTREME CAUTION WHEN DEALING IN THE SHARES.

Tax consideration

The making of the Offer in, or to the shareholders of ICN in, any jurisdictions outside Hong Kong may be affected by the laws of the relevant jurisdictions. The shareholders of ICN who are citizens, residents or nationals of jurisdictions outside Hong Kong should keep themselves informed about and observe any applicable legal requirements. It will be the responsibility of any such shareholders, who wishes to accept the Offer (if and when made) to satisfy himself/herself as to the full observance of the laws of any relevant jurisdiction in connection therewith, including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due in respect of such jurisdiction.

Definitions

Unless otherwise defined, the following terms have the following meanings in this announcement:

“associate(s)”	has the meaning ascribed to it under the GEM Listing Rules
“CAI”	China Age Investments Limited, a limited liability company incorporated in the British Virgin Islands which is beneficially and wholly owned by Mr. Tse
“CAI Group”	CAI and parties acting in concert with it
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Completion”	completion of the Sale and Purchase Agreement in accordance with its terms
“Conditions”	the conditions precedent to the Sale and Purchase Agreement, the details of which are set out in the section headed “Conditions” in this announcement
“DNG”	Dynasty Nation Group Ltd., a company incorporated in the British Virgin Islands, which is beneficially and wholly owned by Mr. Daniel Hui
“Executive”	the Executive Director of the Corporate Finance Division of the SFC from time to time and any delegate of such Executive Director
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“ICN”	International Capital Network Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on GEM
“ICN Group”	ICN and its subsidiaries

“IPO”	initial public offering
“Mr. Daniel Hui”	Mr. Hui Chuen Kin, Daniel, the ultimate beneficial owner of the issued share capital of the Vendor and the Chairman of ICN
“Mr. Tse”	Mr. Tse Cho Tseung, the sole beneficial owner of CAI
“Offer”	the conditional mandatory cash offer which will be made subject to and conditional upon Completion by Tai Fook Securities Company Limited on behalf of CAI for all the issued Shares other than those already conditionally agreed to be acquired by CAI or owned by the CAI Group
“Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 11th April, 2003, as supplemented by an agreement dated 7th May, 2003, entered into between CAI, the Vendor, DNG and Mr. Daniel Hui
“Sale Shares”	126,256,800 Shares, representing approximately 39.46% of the issued share capital of ICN as at the date of the Sale and Purchase Agreement
“SFC”	the Securities and Futures Commission
“Shares”	the ordinary shares of HK\$0.01 each in the issued share capital of ICN
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Vendor”	International Capital Network Investor Limited, a limited liability company incorporated in the British Virgin Islands and the beneficial owner of the Sale Shares, the entire issued share capital of which is beneficially and wholly owned by Mr. Daniel Hui, the chairman of ICN
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

For and on behalf of
China Age Investments Limited
Mr. Tse Cho Tseung
Sole Director

Hong Kong, 7th May, 2003

The sole shareholder and sole director of CAI accepts full responsibility for the accuracy of the information contained in this announcement (other than those relating to ICN which has been extracted from public sources) and confirms, having made all reasonable inquiries, that to the best of his knowledge and belief, 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 (other than those relating to ICN which has been extracted from public sources) the omission of which would make any statement in this announcement misleading.

The information relating to ICN in this announcement has been extracted by CAI from the published prospectus, annual report and interim report of ICN dated 20th November, 2001, 19th December, 2002 and 13th March, 2003 respectively as well as the announcements of ICN dated 25th March, 2003, 6th March, 2003, 19th November, 2002, and 17th October, 2002 and 17th September, 2002. The sole director of CAI takes full responsibility for the accurate extraction of the information extracted and confirms that such extraction is not misleading.

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