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iRegent Group Limited

(Incorporated in the Cayman Islands with limited liability)

ANNOUNCEMENT

Further to the Company's announcement on 16 May 2002, the Company and the State of Wisconsin Investment Board are seeking to procure changes to the board of directors of KoreaOnline Limited. In this regard, on 11 July 2002 they requisitioned the holding of an extraordinary general meeting of the shareholders of KOL for the purposes of dismissing all the existing directors of KOL and appointing new directors to KOL.

As the Company has not yet received the audited financial information from KOL which it requires in order to prepare its preliminary results in respect of the financial year ended 31 March 2002, the Company is unable to announce its audited 2002 Final Results and despatch its 2002 Annual Report on or prior to 31 July 2002 as required under the Listing Agreement.

Assuming that the current board of directors of KOL properly convenes the extraordinary general meeting within 21 days of the requisition notice being delivered to KOL, the Directors of the Company envisage being in a position to publish the Company's audited 2002 Final Results by **30 September 2002** and to despatch the 2002 Annual Report to shareholders by **15 October 2002**.

The Directors do not consider it appropriate for the Company to publish the Company's unaudited financial results at this time due to the materiality of the investment in KOL to the Company. A separate announcement containing the Company's unaudited 2002 Final Results will be made before the audited 2002 Final Results are published.

The delay in the publication by the Company of its audited 2002 Final Results and despatch of its 2002 Annual Report and the omission of unaudited financial results in this announcement constitute breaches of paragraphs 8(1), 11(1) and 11(3)(i)(c) of the Listing Agreement and the HK Stock Exchange reserves the right to take appropriate actions against the Company or its directors.

In the meantime, shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

In an announcement dated 16 May 2002, the board of directors (the "**Directors**") of iRegent Group Limited (the "**Company**") announced that the Company had entered into a shareholders' agreement on 15 May 2002 with the State of Wisconsin Investment Board ("**SWIB**" and together with the Company, the "**Majority Shareholders**") regarding the shareholdings of the Company and SWIB in KoreaOnline Limited ("**KOL**") (the "**Shareholders' Agreement**"). The Company holds approximately 40 per cent of the issued share capital of KOL and SWIB owns approximately 27 per cent of the issued share capital of KOL. The remaining interests in the issued share capital of KOL are held by independent third parties, either institutional or professional investors, not connected with any director, chief executive or substantial shareholder of the Company or any of its subsidiaries or any of their respective associates.

In accordance with the Shareholders' Agreement and in order further to enhance the value of the issued share capital of KOL, the Majority Shareholders are seeking to procure changes to the board of directors of KOL, and on 11 July 2002 they requisitioned the holding of an extraordinary general meeting of the shareholders of KOL for the purposes of dismissing all the existing directors of KOL and appointing new directors to KOL. The new board of KOL proposed by the Majority Shareholders consists of four directors, of which each of the Company and SWIB shall nominate two directors. The proposed directors are David Paterson, Andrew Fraser, Neil McLoughlin and Antony Butler. None of the new directors is a director, an officer or an employee of either the Company or SWIB (although David Paterson was formerly an independent non-executive director of the Company). As announced on 16 May 2002, the Company and SWIB have agreed in the Shareholders' Agreement to explore ways in which to realise their investments in KOL in the most effective and profitable manner. The proposed changes to the board of KOL will not affect this. If a sale on terms satisfactory to the Directors of the Company is agreed, the disposal of the Company's shares in KOL would be a major transaction and would be conditional on approval by the Company's shareholders. The Directors of the Company intend that the benefit of any such sale, including any distribution of proceeds, will be made available to all shareholders of the Company equally.

As a consequence of differences between the Majority Shareholders and the current board of directors of KOL over the manner of operation of KOL, the Company has not yet received the audited financial information from KOL which it requires in order to prepare its preliminary results in respect of the financial year ended 31 March 2002. The Company is therefore unable to announce its audited final results for the year ended 31 March 2002 ("**2002 Final Results**") and despatch its annual report comprising the Company's audited 2002 Final Results ("**2002 Annual Report**") on or prior to 31 July 2002 in compliance with paragraph 11(1) of Appendix 7b of the Rules Governing the Listing of Securities (the "**Listing Agreement**") on The Stock Exchange of Hong Kong Limited (the "**HK Stock Exchange**").

The delay in the publication by the Company of its audited 2002 Final Results and despatch of its 2002 Annual Report constitutes a breach of paragraphs 8(1) and 11(1) of the Listing Agreement and the HK Stock Exchange reserves the right to take appropriate actions against the Company or its directors.

The Directors of the Company envisage that, following the appointment of the new directors of KOL, the audited financial information of KOL should be made available to the Company within 30 days of their appointment. Assuming that the current board of directors of KOL properly convenes the extraordinary general meeting within 21 days of the requisition notice being delivered to KOL, the Directors of the Company envisage being in a position to publish the Company's audited 2002 Final Results by **30 September 2002** and to despatch the 2002 Annual Report to shareholders by **15 October 2002**.

Paragraphs 11(3) of the Listing Agreement requires that where the issuer is unable to make an announcement of its preliminary results based on its audited financial statements in accordance with paragraphs 11(1) and (2) thereof, it must make an announcement within four months after the end of the financial year containing, inter alia, results for that financial year based on unaudited financial statements, so far as the information is available, which have been reviewed by the issuer's audit committee or its auditors. The issuer will be required to make a preliminary announcement in accordance with paragraph 11(2) as soon as the audited financial results for the financial year are available. Where the audited financial results for the financial year differ materially from unaudited financial results published by the issuer, full particulars of, and reasons for, the difference must be set out in the preliminary announcement of audited results for the financial year. However, the Directors of the Company do not consider it appropriate for the Company to publish the Company's unaudited financial results at this time due to the materiality of the investment in KOL to the Company. Based on draft management accounts received from KOL management, KOL would, if consolidated, represent approximately 86 per cent of the Company's total net assets as at 31 March 2002. Material changes within the audited figures of KOL would have a significant effect on the audited figures of the Company thus potentially making any announcement of unaudited figures materially misleading to shareholders. The Company will make a separate announcement containing the Company's unaudited 2002 Final Results before the audited 2002 Final Results are published.

The omission of unaudited financial results in this announcement constitutes a further breach of paragraph 11(3)(i)(c) of the Listing Agreement and the HK Stock Exchange reserves the right to take appropriate actions against the Company or its directors.

As the 2002 Annual Report is expected to be despatched to shareholders on 15 October 2002 and thus the annual general meeting of the Company for the year 2002 will be held by 15 November 2002, there will be a further breach by the Company of paragraph 8(2) of the Listing Agreement which requires that the issuer shall make up its annual accounts to a date falling not more than six months before the date of its annual general meeting. However, there is no breach of the Company's articles of association which only requires that the Company's audited financial statements be delivered to its shareholders at least 21 days before the date of the annual general meeting.

The Directors have not dealt in the securities of the Company during the month preceding the date of this announcement and they have undertaken not to deal in the securities of the Company until the audited 2002 Final Results have been published.

In the meantime, shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

On Behalf of the Board of
iRegent Group Limited
Jamie Gibson
Director

Hong Kong, 11 July 2002

"Please also refer to the published version of this announcement in The Standard"