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## **ING BEIJING INVESTMENT COMPANY LIMITED** **ING 北京投資有限公司**

*(Incorporated in Hong Kong with limited liability)*

### **Possible Discloseable and Share Transactions**

ING Beijing Investment Company Limited has entered into a memorandum of understanding with Companion Dynamic (Holdings) Limited and Skynet Limited, whereby the ING Beijing Investment Company Limited will, subject to the conditions set out below, acquire five per cent new shares in Skynet Limited for a total amount of USD13,000,000 (equivalent to approximately HKD101,140,000) to be made up of cash amounting to USD5,000,000 (equivalent to approximately HKD38,900,000), and the remainder by way of issue of new shares of the Company of nominal value of HKD0.10 each at a fixed price of HKD0.80 per share.

**The Transactions mentioned in the MOU may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the shares of the Company.** If the Transactions, including the Option, proceed, it will constitute discloseable and share transactions of the Company under the Listing Rules and an announcement will be made by that time.

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

Under the general obligation imposed by paragraph 2 of the Listing Agreement, the board of directors (the "Board") of ING Beijing Investment Company Limited (the "Company") wishes to inform that a memorandum of understanding ("MOU") has been signed today between Companion Dynamic (Holdings) Limited ("Companion Dynamic"), Skynet Limited ("Skynet") and the Company. Companion Dynamic is a company listed on the Stock Exchange and holds a 45 per cent equity interest in Skynet. Each of Companion Dynamic and Skynet is an independent third party not connected with the directors and substantial shareholders of the Company or any of its subsidiaries or an associate of any of them (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules")). Under the MOU, the Company or its nominee will acquire five per cent new shares in the capital of Skynet at a total consideration of USD13,000,000 (equivalent to approximately HKD101,140,000) to be made up of cash amounting to USD5,000,000 (equivalent to approximately HKD38,900,000) payable to Skynet, and the remainder by way of issue of new shares of the Company of nominal value of HKD0.10 each ("ING Shares") to Skynet at a fixed price of HKD0.80 per ING Share (representing a premium of 107.5 per cent against the last 10-day average closing price of HKD0.3855 and a premium of 90.5 per cent against today's closing price of HKD0.42). The number of ING Shares to be issued to Skynet will be approximately 77,800,000 representing approximately 15.56 per cent of the existing issued share capital of the Company or approximately 13.46 per cent of the issued share capital of the Company as enlarged by the aforesaid issue of new ING Shares to Skynet. The aforesaid issue of new ING Shares will be made pursuant to the general mandate unconditionally given to the Directors of the Company under the Ordinary Resolution passed on 21st June 1999. The Company shall have an option to swap its equity interest in Skynet to equity interest in Companion Dynamic at a price to be agreed (the "Option"), which will be based on an independent professional appraised fair value of Skynet as it bears to the fair market asset value of Companion Dynamic.

The MOU shall remain valid for a period of two months whereby the parties concerned shall make their best endeavours towards completing the contract of sale and purchase. The agreements by the Company contained in the MOU are subject to and contingent upon approval by the Board. **The transactions mentioned in the MOU (the "Transactions") may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the shares of the Company.** If the Transactions, including the Option, proceed, it will constitute discloseable and share transactions of the Company under the Listing Rules and an announcement will be made by that time.

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

By Order of the Board  
**Lawrence H. Wood**  
*Director*

Hong Kong, 25th January, 2000