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SKYNET (INTERNATIONAL GROUP) HOLDINGS LIMITED

天網(國際集團)有限公司*

(incorporated in Bermuda with limited liability)
(Stock Code: 577)



PAUL Y. - ITC CONSTRUCTION HOLDINGS LIMITED

保華德祥建築集團有限公司*

(incorporated in Bermuda with limited liability)
(Stock Code: 498)



ITC CORPORATION LIMITED

德祥企業集團有限公司*

(incorporated in Bermuda with limited liability)
(Stock Code: 372)

FURTHER DELAY IN DESPATCH OF CIRCULARS

Skynet has applied to the Stock Exchange and the Executive for a further extension of deadline for despatch of the circular in relation to, among other things, the Restructuring Proposal and the application for Whitewash Waiver from 10th September, 2004 to 30th September, 2004.

Paul Y and ITC have applied to the Stock Exchange for a further extension of deadline for despatch of the circular in relation to, among other things, the disposal of Paul Y Construction, the provision of the Facility, the Underwriting Agreement, the Hidden Agreement (which together lead to an acquisition of an interest in Skynet) and the Paul Y Hidden Agreement from 10th September, 2004 to 24th September, 2004.

Reference is made to the joint announcements made by Skynet, Paul Y and ITC dated 4th June, 2004 (“Announcement”), 25th June, 2004, 13th August, 2004 and 3rd September, 2004 in relation to, among other things, the Restructuring Proposal and the application for Whitewash Waiver (together, the “Proposal”). Capitalised terms used herein have the meanings ascribed thereto in the Announcement.

FURTHER DELAY IN DESPATCH OF CIRCULARS

Under Rule 14.13(2) of the Listing Rules in force before 31st March, 2004 and Rule 8.2 of the Takeovers Code, the circular of Skynet in relation to the Proposal should be sent to the Shareholders within 21 days of the date of the Announcement, and in this case on or before 25th June, 2004. Skynet has applied for waivers from the strict compliance with Rule 14.13(2) of the Listing Rules in force before 31st March, 2004 and Rule 8.2 of the Takeovers Code by extending the despatch date of the circular of Skynet to no later than 10th September, 2004.

Under Rule 14.13(2) of the Listing Rules in force before 31st March, 2004, the circular of Paul Y and ITC in relation to, among other things, the disposal of Paul Y Construction, the provision of the Facility, the Underwriting Agreement, the Hidden Agreement (which together lead to an acquisition of an interest in Skynet) and the Paul Y Hidden Agreement, should be sent to their respective shareholders within 21 days of the date of the Announcement, and in this case on or before 25th June, 2004. Paul Y and ITC has each applied for waivers from the strict compliance with Rule 14.13(2) of the Listing Rules in force before 31st March, 2004 by extending the despatch date of the circulars of Paul Y and ITC to no later than 10th September, 2004.

However, additional time is required to finalise the information for inclusion in the respective circular of Skynet, Paul Y and ITC, including, where relevant, the accountants’ reports of Paul Y Construction and Hidden, the letter of advice from the independent financial adviser to the independent board committee of Skynet and other financial information. Accordingly, application (further to the applications for waivers made on 25th June, 2004 and 13th August, 2004 as mentioned above) has been made by each of Skynet, Paul Y and ITC to the Stock Exchange and the Executive (where relevant) for consent to further extend the time for despatch of the relevant circular from 10th September, 2004 to (i) in the case of Skynet, 30th September, 2004; (ii) in the case of Paul Y and ITC, 24th September, 2004.

GENERAL

The board of directors of Skynet comprises six directors, of which (i) three are executive directors, namely, Mr. Choi Wing Kin, Mr. Wu Wing Kin and Mr. To Chi; (ii) Mr. Lo Chi Ho, William is a non-executive director; and (iii) Mr. Cheung Hon Kit and Mr. Ng Wai Hung are independent non-executive directors.

The board of directors of Paul Y comprises ten directors, of which (i) eight are executive directors, namely, Dr. Chan Kwok Keung, Charles, Mr. Lau Ko Yuen, Tom, Mr. Chan Fut Yan, Mr. Wong Wing Hoo, Billy, Ms. Chau Mei Wah, Rosanna, Mr. Cheung Hon Kit, Mr. Law Man Wah, Conrad and Mr. Lee Hon Chiu; and (ii) two are independent non-executive directors, namely, Mr. Cheung Ting Kau, Vincent and Mr. Kwok Shiu Keung, Ernest.

The board of directors of ITC comprises eight directors, of which (i) six are executive directors, namely, Dr. Chan Kwok Keung, Charles, Mr. Lau Ko Yuen, Tom, Ms. Chau Mei Wah, Rosanna, Mr. Chan Kwok Hung, Mr. Chan Fut Yan and Mr. Cheung Hon Kit; and (ii) two are independent non-executive directors, namely, Mr. Chuck, Winston Calptor and Mr. Lee Kit Wah.

By Order of the board of
**Skynet (International Group)
Holdings Limited**
To Chi
Executive Director

By Order of the board of
**Paul Y. - ITC Construction
Holdings Limited**
Mui Ching Hung, Joanna
Company Secretary

By Order of the board of
**ITC Corporation
Limited**
Law Hon Wa, William
Company Secretary

Hong Kong, 9th September, 2004

The directors of Skynet jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than those relating to the Paul Y Group and ITC Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those relating to the Paul Y Group and ITC Group) have been arrived at after due and careful consideration and there are no other facts (other than those relating to the Paul Y Group and ITC Group) not contained in this announcement the omission of which would make any statements (other than those relating to the Paul Y Group and ITC Group) in this announcement misleading.

The directors of Paul Y jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than those relating to the Group and ITC Group excluding the Paul Y Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those relating to the Group and ITC Group excluding the Paul Y Group) have been arrived at after due and careful consideration and there are no other facts (other than those relating to the Group and ITC Group excluding the Paul Y Group) not contained in this announcement the omission of which would make any statements (other than those relating to the Group and ITC Group excluding the Paul Y Group) in this announcement misleading.

The directors of ITC jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than those relating to the Group and the Paul Y Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those relating to the Group and the Paul Y Group) have been arrived at after due and careful consideration and there are no other facts (other than those relating to the Group and the Paul Y Group) not contained in this announcement the omission of which would make any statements (other than those relating to the Group and the Paul Y Group) in this announcement misleading.

** for identification only*

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