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**OCEAN GRAND HOLDINGS LIMITED**  
**(Provisional Liquidators Appointed)**  
海城集團有限公司\*  
(已委任臨時清盤人)  
*(Incorporated in Bermuda with limited liability)*  
(Stock code: 1220)

#### **CHANGE OF AUDITORS**

Reference is made to the announcement issued by the Company dated 31 July 2008 (the "Announcement"). Terms used herein shall have the same meanings as those defined in the Announcement unless the context requires otherwise.

According to the letter of resignation dated 5 December 2007 from PricewaterhouseCoopers ("PwC"), PwC informed the Company that:

"[PwC's] audit work in connection with the financial statements of the Company and its subsidiaries for the 15 months ended 31 March 2006 has been suspended for over one year as a result of events occurring at the Company which have been well publicised. The Provisional Liquidators [of the Company] have informed [PwC] that they believe the Company is in financial difficulties, and that they consider the addressing of this to be in the Company's best interests. One of the steps [the Provisional Liquidators of the Company] would like to take in this regard is to appoint another firm of certified public accountants to act as the Company's auditors (including the performance and completion of the audit of the Company's and its subsidiaries' financial statements for the 15 months ended 31 March 2006). As a result, [PwC] have been requested to resign as auditors of the Company."

PwC is unable to provide any confirmation to the Company as to whether there are any matters that need to be brought to the attention of holders of the securities of the Company in respect of its resignation. PwC had at no time issued any opinion on the Company's accounts. Due to a lack of necessary further documentation and information from the Company required for the purposes of

completing an audit, PwC had not undertaken and was not able to undertake any further audit work on the same since that which led to PwC's identification of potential issues as set out in the Company's announcement dated 11 July 2006.

**Please note that the trading in the shares of the Company was suspended since 17 July 2006 and will remain suspended until further notice.**

For and on behalf of  
**OCEAN GRAND HOLDINGS LIMITED**  
**(Provisional Liquidators Appointed)**

**Joseph Kin Ching Lo**

*Joint and Several Provisional Liquidator*

*acting as an agent for and on behalf of Ocean Grand Holdings Limited  
without personal liability*

Hong Kong, 15 August 2008

*As at the date of this announcement, the Board of the Company comprises five executive directors, namely Dr. Yip Kim Po (Chairman), Dr. Hui Ho Ming, Herbert, JP (Deputy and Vice Chairman), Mr. Kwan Man Wai, Mr. Li Lee Cheung and Ms. Yip Wan Fung.*