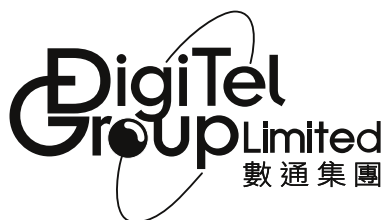


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DIGITEL GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

A WRIT ISSUED AGAINST A SUBSIDIARY AND UPDATES ON WRITS, CLAIMS, POTENTIAL INVESTMENT AND RECENT DEVELOPMENT OF THE COMPANY

A writ was issued on 28 August 2002 and subsequently amended on 17 December 2002 by the Commissioner of Inland Revenue against DigiTel Communication (Asia) Limited. DCAL only received such writ on or about 5 January 2003.

Save and except the above writ, the Company confirms that there are no material changes in respect of the writs, the claims and the status of the potential investment from the independent investors.

The Company also confirms that there are no material changes in respect of its recent operations.

Trading in the shares of the Company was suspended at the request of the Company with effect from 9:30 a.m. on 2 July 2002. The Company has requested that trading in the shares of the Company be suspended continuously until the release of an announcement in relation to a proposed investment into the Company and compliance with the relevant requirements of the GEM Listing Rules.

This announcement is made in accordance with Rule 17.10 of the Rules Governing the Listing of Securities (“GEM Listing Rules”) on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

A writ under action no. DCTC 5363/2002 was issued on 28 August 2002 and subsequently amended on 17 December 2002 by the Commissioner of Inland Revenue (“IRD”) against DigiTel Communication (Asia) Limited (“DCAL”), an indirect wholly-owned subsidiary of DigiTel Group Limited (the “Company”), for failure to pay profits tax for the years of assessment 2000/2001 and 2001/2002 in the sum of HK\$309,829.83 (the “IRD Writ”). DCAL only received the IRD Writ on or about 5 January 2003. A defence was filed by DCAL on 30 January 2003 denying the allegations.

Save and except the above writ, the Company confirms that there are no material changes in respect of the writs and the claims; and there is no progress on the status of the potential investment from the independent investors since the Company published its announcements dated 4 October 2002, 25 November 2002 and 31 December 2002.

The Company and its subsidiaries (the “Group”) confirm that there are no material changes in respect of the Group’s operations including the number of staff and its existing projects on hand since the Company published its announcement dated 31 December 2002. The Group is still working on the existing system integration projects in Hong Kong and is still in negotiation with customers for renewing the maintenance service contracts in the PRC. As at 13 February 2003, the Company has a cash balance of approximately HK\$72,000. The Group is expecting payments from accounting receivables; and cash inflow from sale of stock in the total sum of approximately HK\$500,000 in February and March 2003. The directors of the Company are of the view that the Group has sufficient working capital to maintain its existing operations.

Trading in the shares of the Company was suspended at the request of the Company with effect from 9:30 a.m. on 2 July 2002. The Company has requested that trading in the shares of the Company be suspended continuously until the release of an announcement in relation to a proposed investment into the Company and compliance with the relevant requirements of the GEM Listing Rules.

By order of the Board
DigiTel Group Limited
Lee Chuen Bit
Chairman

Hong Kong 17 February 2003

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website on the “Latest Company Announcements” page for at least 7 days of its posting.