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**EZCOM**  
BRING TECHNOLOGY TO LIFE  
**EZCOM HOLDINGS LIMITED**  
*(Incorporated in Bermuda with limited liability)*

The Company's SGM on 9 July 2003 was adjourned until further notice by the Company. The reason for the adjournment was that the Company discovered that the profits after tax for Ezcom Tech for the seven months ended 31 October 2002 (unaudited) figure of "HK\$67.7 million" as stated at line 8 of paragraph 2 of the June Announcement and at line 15 of paragraph 2 on page 9 of the Circular was incorrectly stated.

The Company had commissioned an independent firm of accountants to investigate into the cause of this error and will make further announcement when necessary.

Trading in the Shares on the Stock Exchange was suspended at the request of the Company with effect from 9:30 a.m. on 10 July 2003 pending its investigation into the aforesaid misstatement of the unaudited profit figure of Ezcom Tech and will remain suspended until further notice.

Reference is made to the Company's special general meeting (the "SGM") on 9 July 2003, the Company's announcement (the "June Announcement") and circular (the "Circular"), which are dated 20 June 2003 and 23 June 2003 respectively. Terms defined in the Circular have the same meanings used in this announcement unless otherwise defined.

The SGM was adjourned on 9 July 2003 until further notice by the Company. No Shareholders or proxies to Shareholders present at the SGM raised any objections to the adjournment.

The reason for the adjournment was that the Company discovered that the profits after tax for Ezcom Tech for the seven months ended 31 October 2002 (unaudited) figure of "HK\$67.7 million" as stated at line 8 of paragraph 2 of the June Announcement and at line 15 of paragraph 2 on page 9 of the Circular was incorrectly stated.

In light of this error, the Company had on 22 July 2003 commissioned an independent firm of accountants to conduct a high-level diagnostic review of the potential issues or reasons that might have contributed to the misstatement. Further, on 14 August 2003, the Company commissioned the same firm of accountants to conduct a wider review, which is expected to be completed on or before 25 August 2003.

The Board also refers to a cancellation of debts on 23 April 2003 whereby a debt payable by Lamex China Limited to the Company was effectively "set off" against the debt owed by the Company to Mr. Kok Kin Hok and Mr. Li Tung Wai under their Convertible Notes. The Stock Exchange has indicated to the Company that they are of the view such arrangement should have been a connected transaction requiring independent shareholders approval and issue of circular at that time. However, the Company does not agree and will make further submission to the Stock Exchange in this regard. Further announcement will be made when appropriate.

## **General**

Trading in the Shares on the Stock Exchange was suspended at the request of the Company with effect from 9:30 a.m. on 10 July 2003 pending its investigation into the aforesaid misstatement of the unaudited profit figure of Ezcom Tech and will remain suspended until further notice.

By order of the board of  
**Ezcom Holdings Limited**  
**Kok Kin Hok**  
*Chairman*

Hong Kong, 18 August 2003

“Please also refer to the published version of this announcement in China Daily”.