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EZCOM HOLDINGS LIMITED

(the "Company")

(Incorporated in Bermuda with limited liability)

(Stock Code: 312)

ANNOUNCEMENT

The Company announces that it entered into a placing agreement with a placing agent on 22 January 2005 to place up to 122,000,000 new shares in the Company through the placing agent to independent professional, institutional and/or individual investors. However, after subsequent lengthy re-negotiations in respect of terms and conditions of the Agreement, the Company and the placing agent mutually agreed to terminate such Agreement on 1 February 2005 in view of the pricing of such new shares and the current market conditions.

Trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on Monday, 24 January 2005 pending release information relating to the Placing. Application has been made by the Company for the resumption of trading in the Shares with effect from 9:30 a.m. on Wednesday, 2 February 2005.

PLACING OF NEW SHARES

The Company announces that it entered into a placing agreement on 22 January 2005 (the "Agreement") to place up to 122,000,000 new shares in the Company through a placing agent to independent professional, institutional and/or individual investors to raise a gross amount of up to approximately HK\$24.4 million as general working capital for the Company (the "Placing"). However, after subsequent lengthy re-negotiations in respect of terms and conditions of the Agreement, the Company and the placing agent mutually agreed to terminate such Agreement on 1 February 2005 in view of the pricing of such new shares and the current market conditions.

The directors of the Company consider that the termination of the Agreement will not have any material impact on the funding requirements of the Company and confirm that the Company has no present intention or plan to carry out other fund raising activities at this moment.

SUSPENSION AND RESUMPTION OF TRADING

Trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on Monday, 24 January 2005 pending release of information relating to the Placing. Application has been made by the Company for the resumption of trading in the Shares with effect from 9:30 a.m. on Wednesday, 2 February 2005.

By order of the Board
Ezcom Holdings Limited
Cheung Kwok Yu
Company Secretary

Hong Kong, 1 February 2005

The board of directors of the Company as at the date of this announcement comprises Mr. Kok Kin Hok, Mr. Lam Bing Sum and Mr. Lian Song Qing, being executive directors, Mr. Li Jianhua, Mr. Wu Tak Lung and Mr. Chu Po Tien being independent non-executive directors.

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