

AUDIT COMMITTEE

The Company's Audit Committee was established with reference to "A Guide for the Formation of an Audit Committee" issued by the Hong Kong Society of Accountants and in accordance with the requirements of the Code of Best Practice, and comprised two independent non-executive directors during the period under review.

The Board noted with regret the passing away of one of the Company's independent non-executive directors on 19 March 2001. As announced by the Company on 30 March 2001, the Board resolved that, in light of there was only one independent non-executive director in the Audit Committee, the Group's unaudited interim financial statements be reviewed by an external auditors for the purpose of complying with paragraph 39 of Appendix 16 of the Listing Rules. Ms. Huang Kai Chiun Dorothy was appointed an independent non-executive director of the Company on 7 April 2001.

At the request of the Board, an external auditors, HLB Hodgson Impey Cheng, have carried out a review of the unaudited interim financial statements in accordance with the Statement of Auditing Standards 700 issued by the Hong Kong Society of Accountants.

By Order of the Board
eCyberChina Holdings Limited
Thomson Lee
Director

Hong Kong, 17 April 2001