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Codebank Limited

數碼庫有限公司

(incorporated in Hong Kong with limited liability)

CHANGE OF AUDITOR

The Board of directors (the “Board”) of Codebank Limited (the “Company”) hereby announces that Messrs. PricewaterhouseCoopers (“PwC”) resigned as auditors of the Company and its subsidiaries with effect from 27 June 2003 and the Board has accepted their resignation.

The following is included in the resignation letter of PwC dated 27 June 2003 in respect of circumstances connected with their resignation that they believe should be brought to the attention of members and creditors of the Company pursuant to Section 140A(2)(a) of the Companies Ordinance: “On 24 March 2003, we [PwC] wrote to you [the Company] explaining that we were unable to commence our audit of the financial statements of the Company for the year ended 31 December 2003 as financial statements had still not been prepared by the Company. Since that time, we have had various discussions with the directors of the Company relevant to our ongoing role as auditors. To date we have still be unable to commence our audit work in respect of the financial statements for the year ended 31 December 2002.” In the circumstances, PwC have concluded that they cannot continue to act as the Company’s auditors.

The Board hereby further announces that the Company will use its best endeavour to solicit a new auditor and the further announcement will be made in due course.

The Board also announces that the financial statements for the year ended 31 December 2002 of the Company is almost completed and is now awaiting the resource to appoint a suitable accounting personnel for the completion. Also, since the financial statements of the Company are almost completed, the Board believes the quarterly financial reports for the period from 1 January 2002 to 30 September 2002 could be released shortly upon a qualified accountant appointed, further announcement will be made in due course.

Trading in the shares of the Company was suspended on May 14 2002 and will remain suspended pending completion of the Investigation as stated in the announcement of the Company dated May 28 2002 and the release of the results of the Company and its subsidiaries respectively for the three months ended March 31 2002, the six months ended June 30 2002, the nine months ended September 30 2002, the twelve months ended December 31 2002 and the three months ended March 31 2003.

By order of the Board
Codebank Limited
Cheng Yu Hong
Director

Hong Kong, July 2, 2003

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to Codebank Limited. 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 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 “Latest Company Announcements” page on the GEM website for at least seven days from its date of publication.