

enewmedia

e-NEW MEDIA COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 128)

CHANGE OF AUDITORS

The Board announces that with effect from 18 August 2004, E&Y have been appointed as auditors of the Company to fill the vacancy following the resignation of KPMG on the same day.

The Board of Directors (the "Board") of e-New Media Company Limited (the "Company") announces that Messrs. KPMG ("KPMG") have resigned as auditors of the Company with effect from 18 August 2004 as the Company and KPMG could not reach a consensus on the audit fee for the financial year ending 31 December 2004.

In the notice of resignation, KPMG have confirmed that there are no circumstances connected with their resignation which they consider should be brought to the attention of the members or creditors of the Company. The Board also confirmed that there are no circumstances in respect of the change of auditors which they consider should be brought to the attention of the members or creditors of the Company.

The Board further announces that with effect from 18 August 2004, Messrs. Ernst & Young ("E&Y") have been appointed as auditors of the Company to fill the vacancy following the resignation of KPMG to hold office until the conclusion of the next Annual General Meeting. KPMG issued a professional clearance letter to E&Y on 23 August 2004 in which KPMG confirmed that there are no circumstances surrounding the change of auditors of which KPMG believe E&Y should be aware of.

By order of the Board of
e-New Media Company Limited
James C. NG
Chief Executive Officer

Hong Kong, 27 August 2004

As at the date of this announcement, the Executive Directors of the Company are Mr. Joseph Wing Kong LEUNG (Chairman), Mr. James C. NG (Chief Executive Officer), Mr. Derek Wai Choi LEUNG and Mr. Wing Tung YEUNG and the Independent Non-executive Directors of the Company are Dr. Jen CHEN and Mr. Raymond Wai Pun LAU.