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## **CULTURECOM HOLDINGS LIMITED**

文化傳信集團有限公司\*

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 343)**

**DISCLOSEABLE TRANSACTION:  
PROPOSED ACQUISITION INVOLVING THE  
ISSUE OF CONSIDERATION SHARES FOR  
THE PRC MEDIA DESIGN AND ADVERTISING BUSINESS  
AND  
RESUMPTION OF TRADING**

The Board is pleased to announce that the Purchaser, a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor on 19 March 2007, which consists of two tranches. Pursuant to the Sale and Purchase Agreement (i) the Purchaser had conditionally agreed to acquire from the Vendor the Sale Share; and (ii) the WOFE will carry out reorganization of the PRC Co. The Consideration of HK\$55,450,000 comprises (i) the Tranche 1 Consideration and (ii) where the Tranche 2 Completion take places, the Tranche 2 Consideration. The Tranche 1 Consideration of HK\$12,000,000 is to be paid by the Purchaser in cash on the Tranche 1 Completion, while the Tranche 2 Consideration is to be satisfied by the Purchaser on the Tranche 2 Completion (i) as to HK\$8,000,000 in cash; and (ii) as to HK\$35,450,000 by the issue of the Consideration Shares. Mr. Ho, the sole beneficial owner of the Vendor, has agreed to guarantee the due performance by the Vendor of its obligations under the Sale and Purchase Agreement.

The Transaction constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules.

An application will be made to the listing committee of the Stock Exchange for the listing of and permission to deal in the Consideration Shares.

A circular containing (i) further details of the Transaction; and (ii) information regarding the Sale Group will be despatched to the Shareholders as soon as practicable.

At the request of the Company, trading in the securities of the Company on the Stock Exchange was suspended with effect from 9:30 a.m. on 20 March 2007. The trading in the securities of the Company on the Stock Exchange remained suspended pending the publication of this announcement. An application has been made to the Stock Exchange for resumption of trading in the securities of the Company with effect from 9:30 a.m. on 26 March, 2007.

## SALE AND PURCHASE AGREEMENT

Date: 19 March 2007

Parties: (1) Purchaser : the Purchaser, a wholly-owned subsidiary of the Company  
(2) Vendor : the Vendor, an investment holding company, the entire issued share capital of which is beneficially owned by Mr. Ho  
(3) Guarantor : Mr. Ho, (to guarantee the Vendor's performance of its obligations under the Sale and Purchase Agreement)

As Mr. Ho is the sole beneficial owner of the Vendor, he is willing to give the warranties regarding the Sale Group in favour of the Purchaser.

To the best knowledge of the Directors and having made all reasonable enquiries, the Vendor and its ultimate beneficial owner Mr. Ho, are third parties independent of the Group and connected persons of the Group as defined under the Listing Rules.

### Acquired Assets:

Pursuant to the Sale and Purchase Agreement, (i) the Purchaser will purchase from the Vendor the Sale Share representing the entire issued share capital of Accel Wealth ("Tranche 1 Acquisition"); and (ii) the WOFE will carry out reorganization of the PRC Co ("Tranche 2 Reorganisation"). With regard to the Tranche 2 Reorganisation, the WOFE will acquire from the family members of Mr. Ho their aggregate 100% equity interest in the PRC Co at the cash consideration of RMB500,000 which is made with reference to the amount of registered capital of the PRC Co of RMB500,000. After the Tranche 1 Completion, Accel Wealth will become a wholly-owned subsidiary of the Group and will be consolidated into the Group's account. After the Tranche 2 Completion, the PRC Co will become a wholly-owned subsidiary of the WOFE. The accounts of the PRC Co will also be consolidated into the Group's account.

### Consideration

The Consideration shall be HK\$55,450,000 which was agreed between the parties to the Sale and Purchase Agreement based on arm's length negotiation and with reference to the fair values of the WOFE and the PRC Co of RMB12,000,000 and RMB43,450,000 as at 28 February 2007 respectively confirmed by the Independent Valuer in the valuation report prepared by it. The valuation of the WOFE and the PRC Co was based on market approach and the respective current management accounts of the WOFE and the PRC Co provided and presented to the Independent Valuer by the management of the WOFE and the PRC Co.

While there are three generally acceptable valuation methods which can be used to determine the fair values of the WOFE and the PRC Co, the facts pertaining to these two companies show that certain valuation methods such as income approach and cost approach methods are inappropriate.

The Independent Valuer adopted the comparable company method in its valuation since this method has examined the relevant information concerning transactions and the P/E ratios of comparable media designing and/or advertising companies listed in Hong Kong.

The Independent Valuer has accepted the comparable company method as the most appropriate valuation method and adopted in the valuation, and considered the implications in value from the other valuation methods before arriving at its opinion on such valuation.

In the valuation of the fair values of the WOFE and the PRC Co, the Independent Valuer has made an analysis of consideration paid by investors or buyers in the private deals, or most often due to the availability of information, the public markets for shares of other companies in the same or similar lines of business.

The P/E ratio of 33.8 applied in the valuation of the WOFE (where based on the management accounts of the WOFE for the period from March 2006 to January 2007, the WOFE has recorded a profit of approximately RMB530,000 for that period) and the PRC Co was based on average P/E ratio of comparable media and advertising companies listed in Hong Kong, as at 28 February 2006, being the valuation date for the values of the WOFE and the PRC Co. Having taken into consideration of valuing private entity structure of the WOFE and the PRC Co, the Independent Valuer has applied a marketability discount of 30% to the values derived by the P/E ratio, under the comparative company method.

Further, the Independent Valuer has adopted the major assumptions which mainly include (i) there will be no material changes in the existing political conditions, legal conditions, economic conditions in which the WOFE and the PRC Co carry on or intend to carry on business; (ii) there will be no material changes in interest rate or foreign currency exchange rate from those currently prevailing; and (iii) there will be a sufficient supply of talented labours with artistic skills and experience in the job market in which the WOFE and the PRC Co operate.

Upon the Tranche 1 Completion, the Tranche 1 Consideration of HK\$12 million shall be paid by the Purchaser to the Vendor in cash. Upon the Tranche 2 Completion, the Tranche 2 Consideration of HK\$43,450,000 shall be paid by the Purchaser as to HK\$8 million which shall be paid in cash and the remaining balance of HK\$35,450,000 satisfied by the issue and allotment of the Consideration Shares to the Vendor at an issue price of HK\$0.1368 per Consideration Share. The Consideration Shares will be issued pursuant to the general mandate granted by the Shareholders to the Directors at the annual general meeting held on 24 August 2006.

The issue price of HK\$0.1368 per Consideration Share represents:

- (a) a discount of approximately 5.66% to the closing price of HK\$0.145 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 5% to the 5-day average closing price of approximately HK\$0.144 per Share as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Day; and
- (c) a premium of approximately 0.15% to the 10-day average closing price of approximately HK\$0.1366 per Share as quoted on the Stock Exchange for the last ten trading days up to and including the Last Trading Day.

Based on the closing price of HK\$0.145 per Share as quoted on the Stock Exchange on the Last Trading Day, the value of the Consideration Shares would amount to approximately HK\$37,574,926.92. The Consideration Shares represent approximately 6.36% and 5.98% of the Company's existing share capital and enlarged share capital immediately following the Tranche 2 Completion respectively.

An application will be made to the listing committee of the Stock Exchange for the listing of and permission to deal in the Consideration Shares which will rank *pari passu* with the existing Shares.

### **Conditions precedent**

The Tranche 1 Completion shall be conditional upon fulfillment of the following conditions:

- (a) the representations, warranties and undertakings given by the Vendor and Mr. Ho under the Sale and Purchase Agreement remaining true and accurate and not misleading in all material aspect as at the Tranche 1 Completion; and
- (b) the Purchaser having satisfied, at its absolute discretion, with the results of legal and financial due diligence exercise on the WOFE Group to be conducted by the Purchaser.

The Vendor and the Purchaser shall use their respective best endeavours to procure that the above conditions shall be fulfilled and/or satisfied by 31 May 2007 (the “Tranche 1 Long Stop Date”) (or such other date as the parties may agree in writing). However, if the conditions are not satisfied on or before the Tranche 1 Long Stop Date, the Sale and Purchase Agreement shall be deemed terminated absolutely in which event the parties shall be released from all their respective obligations and liabilities under the Sale and Purchase Agreement, other than any liabilities arising from any antecedent breach of the Sale and Purchase Agreement, and any rights or remedies which shall have accrued shall not be prejudiced or affected.

The Tranche 2 Completion shall be conditional upon fulfillment of the following conditions:

- (i) the Tranche 1 Completion having taken place;
- (ii) the Purchaser, having satisfied, at its absolute discretion, with the results of the legal and financial due diligence exercise to be conducted by the Purchaser on the PRC Co;
- (iii) the Stock Exchange granting the listing of, and permission to deal in, the Consideration Shares; and
- (iv) the legal opinion to be issued by a firm of the PRC lawyers in respect of the validity and legality of the Tranche 2 Reorganisation in such form and substance to the satisfaction of the Purchaser having been obtained.

The Vendor and the Purchaser shall use their respective best endeavours to procure that the above conditions shall be fulfilled and/or satisfied on or before 29 September 2007 (the “Tranche 2 Long Stop Date”) (or such other date as the parties may agree in writing). However, if the conditions are not satisfied on or before the Tranche 2 Long Stop Date, the Sale and Purchase Agreement shall be deemed terminated absolutely in which event the parties shall be released from all their respective obligations and liabilities under the Sale and Purchase Agreement, other than any liabilities arising from any antecedent breach of the Sale and Purchase Agreement, and any rights or remedies which shall have accrued shall not be prejudiced or affected.

## **Completion**

Although the Tranche 2 Completion is conditional upon the Tranche 1 Completion having taken place, the Tranche 1 Completion will be proceeded without having the Tranche 2 Completion taken place. Therefore, even if the Tranche 2 Completion does not take place, Accel Wealth will still become a wholly-owned subsidiary of the Company following the Tranche 1 Completion.

Subject to the satisfaction of the conditions, each of the Tranche 1 Completion and the Tranche 2 Completion shall take place on the third Business Day immediately after the date on which all the conditions precedent are fulfilled.

After the Tranche 1 Completion, Accel Wealth will become a wholly-owned subsidiary of the Company while after the Tranche 2 Completion, the PRC Co will become a wholly-owned subsidiary of WOFE and it will then become an indirect wholly-owned subsidiary of the Company.

The funding of the Consideration shall be made out of the Company’s internal resources. The Board considers that the cost of the Transaction should not create any material adverse strain on the Company’s financial resources, and therefore, should not affect its normal business operations.

## SHAREHOLDING STRUCTURE OF THE COMPANY BEFORE AND AFTER THE TRANCHE 1 COMPLETION AND THE TRANCHE 2 COMPLETION

Assuming no further Shares are issued, the shareholding structure of the Company as at the date of this announcement and immediately after the Tranche 1 Completion and the Tranche 2 Completion is as follows:

	As at the date of this announcement	Approximate percentage (%)	Immediately after the Tranche 1 Completion and the Tranche 2 Completion	Approximate percentage (%)
Chu Bong Foo	295,052,000	7.24	295,052,000	6.81
The Vendor ( <i>Note 1</i> )	—	—	259,137,427	5.98
Public shareholders	<u>3,778,927,642</u>	<u>92.76</u>	<u>3,778,927,642</u>	<u>87.21</u>
<b>TOTAL</b>	<u><u>4,073,979,642</u></u>	<u><u>100.00</u></u>	<u><u>4,333,117,069</u></u>	<u><u>100.00</u></u>

*Note:*

- The entire issued share capital of the Vendor is wholly owned by Mr. Ho.

## INFORMATION OF THE PARTIES

### General Information of the Parties

To the best knowledge of the Directors and having made all reasonable enquiries, the information of the parties to the Transaction are as follows:

**Accel Wealth** A company incorporated in the British Virgin Islands on 2 February 2007 which is an investment holding company wholly owned by the Vendor. As at the date of this announcement, Accel Wealth does not have any material assets or liabilities except Accel Wealth's paid up capital of US\$1 (HK\$7.8) (equivalent to the aggregate par value of the entire issued share of Accel Wealth) and its interest in 500,000 shares of HK\$1.00 each in Top Genius and 1,000 shares of HK\$1.00 each in Leafhopper. The said shares in Top Genius and Leafhopper represent their respective entire issued share capital.

Accel Wealth has not commenced any operations other than the investment in the WOFE through its two wholly-owned subsidiaries in Hong Kong, namely, Top Genius and Leafhopper.

**Top Genius** A private company incorporated in Hong Kong with limited liability on 2 April 1997 and has not commenced any significant business operation. It is a wholly-owned subsidiary of Accel Wealth.

**Leafhopper** A private company incorporated in Hong Kong with limited liability on 5 January 1993 and has not commenced any significant business operation. It is a wholly-owned subsidiary of Accel Wealth.



WOFE A wholly foreign owned enterprise established in Shanghai of the PRC on 4 September, 1997, 15% and 85% shareholdings of which are owned by Top Genius and Leafhopper respectively. It is an indirect wholly owned subsidiary of Accel Wealth. WOFE is principally engaged in the media design business which includes the production of indoor and outdoor signs, design and production of printed media in the PRC. As at 31 December 2006, the major assets held by the WOFE comprises cash of approximately RMB665,000, receivables of approximately RMB2.78 million and equipments of approximately RMB119,000.

The WOFE has been engaged in design and production of building signs and ATM signs for Bank of China in Shanghai. It has also edited and designed the quarterly magazines and posters for Shanghai Airlines.

PRC Co A limited liability company incorporated in the PRC on 20 September 2004, the entire equity interests of which were originally owned by the family members of Mr. Ho. After the Tranche 2 Completion, the entire equity interests of the PRC Co will be wholly owned by WOFE. The PRC Co is principally engaged in the advertising business which includes design, media production and advertising agency services in the PRC. As at 31 December 2006, the major assets held by the PRC Co comprises cash of approximately RMB1 million, receivables of approximately RMB3.3 million and equipments of approximately RMB14,000.

The PRC Co has marketed advertising space of news letter “News from Greatwall Card” for Bank of China in Shanghai and has marketed advertising airtime of Shanghai Airlines channels.

Based on the information provided by the Vendor, the Vendor and its ultimate beneficial owner, Mr. Ho, are independent of and not connected with any of the Directors, chief executives or substantial shareholders of the Company or any of its subsidiaries or any of their respective associates.

The WOFE Group comprises Accel Wealth and all its subsidiaries, namely, Top Genius, Leafhopper and the WOFE while the Sale Group comprises the WOFE Group and the PRC Co.

### **Financial Information of the WOFE**

The accounts of the WOFE are prepared under the PRC GAAP. As at 31 December 2006, the net asset value of the WOFE amounted to approximately HK\$1,676,770, while the valuation of the WOFE made by Independent Valuer as at 28 February 2007 is RMB12,000,000. For the financial year of 2005, no audited accounts have been prepared for the WOFE. According to the unaudited accounts of the WOFE for the year ended 31 December 2005, the unaudited net loss of the WOFE before and after taxation for the year ended 31 December 2005 is approximately RMB260,310. However, for the financial year 2006, there has been audited accounts prepared for the WOFE. According to the audited accounts of the WOFE for the year ended 31 December 2006, the audited net loss of the WOFE before and after taxation for the year ended 31 December 2006 is approximately RMB335,480 with no tax paid for such losses for the financial years of 2005 and 2006.

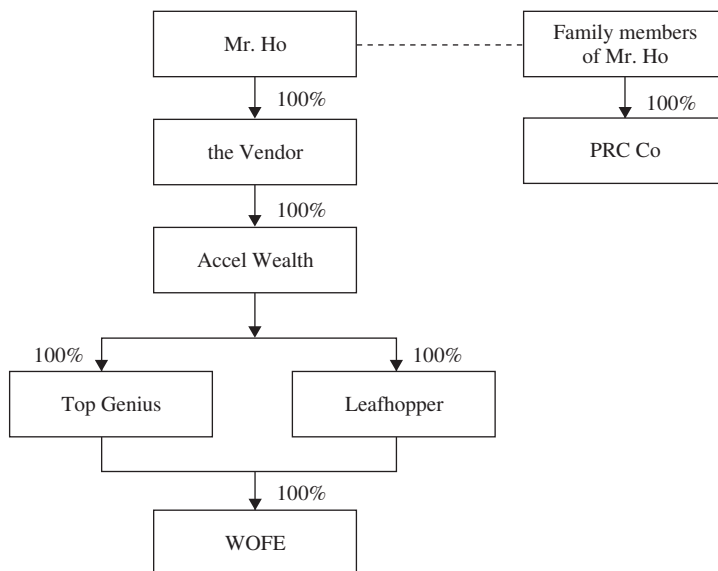
### **Financial Information of the PRC Co**

The accounts of the PRC Co are prepared under the PRC GAAP. As at 31 December 2006, the net asset value of the PRC Co is approximately RMB2,523,137, while the valuation of the PRC Co made by the Independent Valuer as at 28 February 2007 is RMB43,450,000. For the financial year of 2005, no audited accounts had been prepared for the PRC Co. Based on the unaudited accounts of the PRC Co for the year ended 31 December 2005, the net profit of the PRC Co before and after taxation for the year ended 31 December 2005 are approximately RMB659,402 and RMB579,977 respectively. However, for the financial

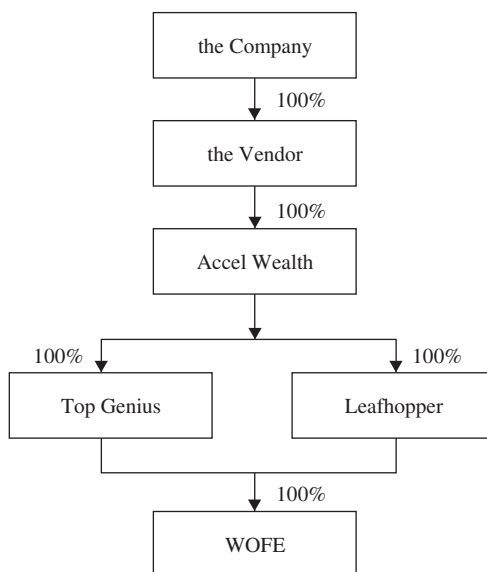
year of 2006, there have been audited accounts prepared for the PRC Co. Based on the audited accounts of the PRC Co for the year ended 31 December 2006, the net profit of the PRC Co before and after taxation for the year ended 31 December 2006 are approximately RMB2,226,642 and RMB2,023,137 respectively.

**Shareholding structure of the Sale Group as at the date of this announcement, and immediately upon the Tranche 1 Completion and the Tranche 2 Completion**

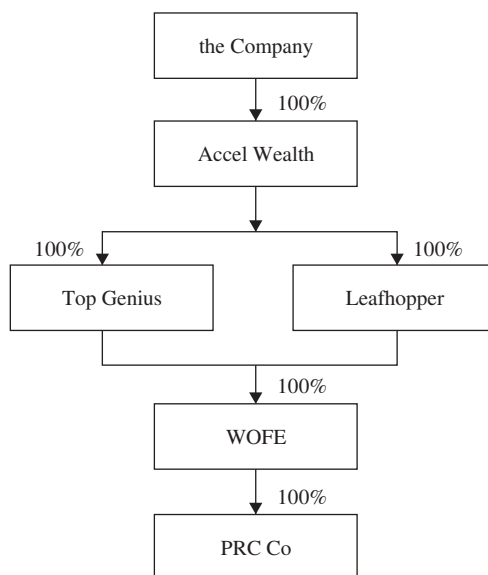
1. As at the date of this announcement



2. Immediately upon the Tranche 1 Completion



### 3. Immediately upon the Tranche 1 Completion and the Tranche 2 Completion



#### **INFORMATION OF THE COMPANY**

The Company acts as an investment holding company.

#### **INFORMATION OF THE GROUP**

The Group is principally engaged in investment holdings, publication and distribution of comic books in Hong Kong and the PRC.

#### **REASONS FOR AND BENEFITS OF THE TRANSACTION**

Since the Sale Group is principally engaged in the media design and advertising business in the PRC, its business operation will be in synergy with the Group's business development. The Directors are of the view that the Transaction will enable the Company to capture the business opportunities in Shanghai. Even if the Tranche 2 Completion does not take place, the Group can still enjoy the synergy effect as the WOFE is mainly engaged in media design business in the PRC.

The advertising and media industry in the PRC is a unique industry where new players have faced a very high barrier to enter into the advertising and media market in the PRC without experience, reputation and job reference. Moreover, by simply starting a new company in the PRC with high investment in production equipments (high asset value or high net asset value), there is no profitable operation which could be guaranteed. However, the WOFE and the PRC Co have passed their start-up stage and have already had certain reputable clients and job references such as Bank of China and Shanghai Airlines, although the WOFE and the PRC Co have maintained low net asset value and the losses (in the case of the WOFE) in the previous two financial years.

The Directors are of the view that the transactions contemplated under the Sale and Purchase Agreement are entered into on normal commercial terms and are in the ordinary course of business of the Group and the terms of the Sale and Purchase Agreement were negotiated on an arm's length basis, which the Directors consider to be fair and reasonable and in the interests of the Group and Shareholders as a whole.

#### **FUND RAISING FOR THE PAST 12 MONTHS**

The Company has not conducted any fund raising activities in the 12 months period prior to the date of this announcement.



## LISTING RULES IMPLICATIONS

The Transaction constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules.

The Company will make an application to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares.

## GENERAL

A circular containing (i) further details of the Transaction; and (ii) information regarding the Sale Group will be despatched to the Shareholders as soon as practicable.

## SUSPENSION

At the request of the Company, trading in the securities of the Company on the Stock Exchange was suspended with effect from 9:30 a.m. on 20 March 2007. The trading in the securities of the Company on the Stock Exchange remained suspended pending the publication of this announcement.

An application has been made to the Stock Exchange for resumption of trading in the securities of the Company with effect from 9:30 a.m. on 26 March, 2007.

## DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Accel Wealth”	Accel Wealth Limited, a company incorporated in the British Virgin Islands with limited liability and has an authorized capital of US\$50,000 divided into 50,000 shares of US\$1.00 each
“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors, including independent non-executive Directors
“Business Day(s)”	any day (excluding a Saturday) on which banks generally are open for business in Hong Kong
“Company”	Culturecom Holdings Limited, a limited liability company incorporated in Bermuda, the securities of which are listed on the Main Board of the Stock Exchange (stock code 343)
“connected person”	has the meaning ascribed to it under the Listing Rules
“Consideration”	collectively the Tranche 1 Consideration and the Tranche 2 Consideration
“Consideration Share(s)”	259,137,427 Shares to be issued and allotted by the Company to the Vendor as part payment of the Tranche 2 Consideration on the Tranche 2 Completion
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Valuer”	Greater China Appraisal Limited, the independent valuer engaged by the Company for the purpose of preparing a valuation report on the fair values of the WOFE Group and the PRC Co
“Last Trading Day”	19 March 2007, being the last trading day prior to the suspension of trading in the securities of the Company
“Leafhopper”	Leafhopper Company Limited (力厚股份有限公司), a private company incorporated in Hong Kong with limited liability on 5 January 1993
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Ho”	Mr. Ho Ping, the ultimate beneficial owner of the Vendor, who is also the guarantor to the Sale and Purchase Agreement
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“PRC Co”	上海創運廣告有限公司 (Shanghai Chuanyun Advertising Company Limited), a limited liability company incorporated in the PRC on 20 September 2004, the entire equity interests of which will be wholly owned by the WOFE immediately after the Tranche 2 Completion
“PRC Companies”	collectively the WOFE and the PRC Co
“PRC GAAP”	the generally accepted accounting principles of the PRC
“Purchaser”	Greenspan Management Limited, a company incorporated in the British Virgin Islands with limited liability, which is a wholly owned subsidiary of the Company
“RMB”	Renmenbi, the lawful currency of the PRC
“Sale and Purchase Agreement”	the conditional agreement dated 19 March 2007 entered into between the Purchaser, Mr. Ho and the Vendor for the sale and purchase of the Sale Share
“Sale Group”	collectively the WOFE Group and the PRC Co
“Sale Share”	one share of US\$1.00 each in the share capital of Accel Wealth representing the entire issued share capital of Accel Wealth as at the date of the Sale and Purchase Agreement
“Shareholders”	holders of Shares
“Shares”	ordinary shares of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Top Genius”	Top Genius Development Limited (統健發展有限公司), a private company incorporated in Hong Kong with limited liability on 2 April 1997
“Tranche 1 Acquisition”	the proposed acquisition by the Purchaser of the Sale Share from the Vendor pursuant to the Sale and Purchase Agreement

“Tranche 1 Completion”	completion of the Tranche 1 Acquisition
“Tranche 1 Consideration”	the amount of HK\$12,000,000, being part of the Consideration, which shall be paid by the Purchaser for the purchase of the Sale Share from the Vendor
“Tranche 2 Completion”	completion of the Tranche 2 Reorganisation
“Tranche 2 Consideration”	the amount of HK\$43,450,000, being part of the Consideration, which shall be satisfied by the Purchaser upon the Tranche 2 Completion paid by the Purchaser as to HK\$8,000,000 which will be paid in cash and the remaining balance of HK\$35,450,000 which shall be satisfied by the issue and allotment of the Consideration Shares
“Tranche 2 Reorganisation”	the reorganization under which (i) WOFE acquires from the family members of Mr. Ho their aggregate 100% equity interests in the PRC Co and (ii) all the necessary approvals from all the PRC government authorities for such shareholding transfer are obtained.
“Transaction”	collectively the Tranche 1 Acquisition and Tranche 2 Reorganisation
“US\$”	United States dollars, the lawful currency of the United States of America
“Vendor”	Goodbonus Investment Limited, a company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is beneficially owned by Mr. Ho
“WOFE”	標實企劃製作 (上海) 有限公司 (Pushow Design Production (Shanghai) Co., Ltd.), a wholly foreign owned enterprise established in the PRC on 4 September 1997, 15% and 85% shareholdings of which are owned by Top Genius and Leafhopper respectively
“WOFE Group”	Accel Wealth, Top Genius, Leafhopper and the WOFE
“%”	per cent.

*As at the date hereof, the Board comprises Mr. Cheung Wai Tung, Mr. Chu Bong Foo, Mr. Henry Chang Manayan and Mr. Wan Xiaolin (all being executive Directors); Mr. Shao Ruiqing and Ms. Zhang Ruiping (all being non-executive Directors); and Mr. Lai Man To, Mr. Wang Tiao Chun, Mr. Joseph Lee Chennault and Mr. Hon Chun Bon (all being independent non-executive Directors).*

By Order of the Board  
**Culturecom Holdings Limited**  
**Cheung Wai Tung**  
*Chairman*

Hong Kong, 23 March 2007

\* *For identification purposes only*

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