



## CULTURECOM HOLDINGS LIMITED

文化傳信集團有限公司\*

(incorporated in Bermuda with limited liability)

(Stock Code: 343)

(Warrant Code: 453)

### INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2008

#### INTERIM RESULTS

The Board of Directors (the “Directors”) of Culturecom Holdings Limited (the “Company”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 September 2008 together with comparative figures for the corresponding period of 2007 are as follows:

#### CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2008

		Six months ended 30 September	
	Notes	2008 HK\$'000 (unaudited)	2007 HK\$'000 (unaudited)
Revenue	3	25,914	22,029
Cost of sales		<u>(15,729)</u>	<u>(14,749)</u>
<b>Gross profit</b>		<b>10,185</b>	7,280
Other income		1,493	8,698
Administrative expenses		(25,664)	(45,111)
(Decrease)/Increase in fair value of held-for-trading investments		(46,029)	1,537
Share of loss of associates		(1,494)	(4,663)
Finance costs	4	(174)	(166)
Allowances for amounts due from an associate		<u>–</u>	<u>(20,715)</u>
<b>Loss before income tax</b>	5	<b>(61,683)</b>	(53,140)
Income tax expense	6	<u>1,439</u>	<u>–</u>
<b>Loss for the period attributable to equity holders of the Company</b>		<b><u>(60,244)</u></b>	<b><u>(53,140)</u></b>
<b>Loss per share attributable to equity holders of the Company during the period – basic</b>	7	<b><u>HK0.85 cents</u></b>	<b><u>HK1.08 cents</u></b>
<b>Dividends</b>		<b><u>–</u></b>	<b><u>–</u></b>

**CONDENSED CONSOLIDATED BALANCE SHEET**  
*AS AT 30 SEPTEMBER 2008*

	<i>Notes</i>	<b>30 September 2008 HK\$'000 (unaudited)</b>	31 March 2008 HK\$'000 (audited)
<b>Non-current assets</b>			
Property, plant and equipment		<b>33,219</b>	31,172
Prepaid lease payments		<b>19,029</b>	19,281
Investment properties		<b>130,816</b>	130,816
Interests in associates		<b>29,142</b>	25,758
Intangible assets	8	<b>205,749</b>	211,506
		<hr/> <b>417,955</b> <hr/>	<hr/> 418,533 <hr/>
<b>Current assets</b>			
Inventories		<b>234</b>	223
Trade receivables	9	<b>17,218</b>	11,632
Prepaid lease payments		<b>504</b>	504
Other receivables, deposits and prepayments		<b>50,362</b>	36,913
Amounts due from fellow subsidiaries of an associate		<b>254</b>	236
Amounts due from associates		<b>61</b>	12
Tax recoverable		<b>45</b>	45
Held-for-trading investments		<b>64,482</b>	75,098
Bank balances and deposits with financial institutions		<b>219,020</b>	311,302
		<hr/> <b>352,180</b> <hr/>	<hr/> 435,956 <hr/>
<b>Current liabilities</b>			
Trade payables	10	<b>5,177</b>	4,926
Other payables and accrued charges		<b>30,145</b>	32,430
Other borrowings	11	<b>–</b>	24,966
Amounts due to fellow subsidiaries of an associate		<b>1,233</b>	1,233
Obligations under finance leases			
– due within one year		<b>43</b>	32
Tax payable		<b>250</b>	244
		<hr/> <b>36,848</b> <hr/>	<hr/> 63,831 <hr/>
<b>Net current assets</b>		<hr/> <b>315,332</b> <hr/>	<hr/> 372,125 <hr/>
<b>Total assets less current liabilities</b>		<hr/> <b>733,287</b> <hr/>	<hr/> 790,658 <hr/>

	<b>30 September 2008 HK\$'000 (unaudited)</b>	31 March 2008 HK\$'000 (audited)
<b>EQUITY</b>		
Equity attributable to equity holders of the Company		
Share capital	<b>709,526</b>	709,526
Reserves	<b>(40,789)</b>	15,260
	<hr/>	<hr/>
<b>Total equity</b>	<b>668,737</b>	724,786
	<hr/>	<hr/>
<b>Non-current liabilities</b>		
Obligations under finance leases – due after one year	<b>157</b>	40
Deferred tax liabilities	<b>64,393</b>	65,832
	<hr/>	<hr/>
	<b>64,550</b>	65,872
	<hr/>	<hr/>
	<b>733,287</b>	790,658
	<hr/> <hr/>	<hr/> <hr/>

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

### 1. BASIC OF PREPARATION

These unaudited condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and with the Hong Kong Accounting Standards (“HKAS”) No. 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

### 2. PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial statements are prepared in compliance with the Hong Kong Financial Reporting Standards (“HKFRSs”), which includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations (“HKAS-Int”) issued by the HKICPA and accounting principles generally accepted in Hong Kong.

The unaudited condensed consolidated interim financial statements have been prepared under the historical cost basis except for investment properties, held-for-trading investment and certain financial assets and financial liabilities which are stated at fair value.

The accounting policies adopted in the unaudited condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2008 except for the adoption of new standards, amendments to standards and interpretations which are effective for accounting periods beginning on or after 1 April 2008 as set out below:

#### (a) Impact of new and amended HKFRSs and HKASs

The Group has adopted, for the first time, the following new interpretations which are effective for the Group’s financial year beginning on 1 April 2008.

HK (IFRIC) – Interpretation 12	Service Concession Arrangements
HK (IFRIC) – Interpretation 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The adoption of the above new interpretations have no material impact to the Group’s unaudited condensed consolidated interim financial statements.

**(b) Impact of issued but not yet effective HKFRSs and HKASs**

The Group has not applied the following new and revised HKFRSs and HKASs, that have been issued but not yet effective, in these interim financial statements:

HKAS 1 (Revised)	Presentation of Financial Statements <sup>1</sup>
HKAS 1 (Revised) (Amendment)	Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation <sup>1</sup>
HKAS 27 (Revised)	Consolidated and Separate Financial Statements <sup>3</sup>
HKAS 32 (Amendment)	Financial Instruments: Presentation – Puttable Financial Instruments and Obligations Arising on Liquidation <sup>1</sup>
HKAS 39	Financial Instruments: Recognition and Measurement – Eligible Hedged Items <sup>3</sup>
HKAS 39 (Amendment)	Financial Instruments: Recognition and Measurement – Puttable Financial Instruments and Obligations Arising on Liquidation <sup>1</sup>
HKFRS 1 and HKAS 27 (Amendment)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate <sup>1</sup>
HKFRS 2 (Amendment)	Share-based Payment - Vesting Conditions and Cancellations <sup>1</sup>
HKFRS 3 (Revised)	Business Combination <sup>3</sup>
HKFRS 7 (Amendment)	Financial Instruments: Disclosures – Puttable Financial Instruments and Obligations Arising on Liquidation <sup>1</sup>
HKAS 23 (Revised)	Borrowing Costs <sup>1</sup>
HKFRS 8	Operating Segments <sup>1</sup>
HK (IFRIC) – Interpretation 13	Customer Loyalty Programmes <sup>2</sup>
HK (IFRIC) – Interpretation 15	Agreements for the Construction of Real Estate <sup>1</sup>
HK (IFRIC) – Interpretation 16	Hedges of a Net Investment in a Foreign Operation <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2009

<sup>2</sup> Effective for annual periods beginning on or after 1 July 2008

<sup>3</sup> Effective for annual periods beginning on or after 1 July 2009

<sup>4</sup> Effective for annual periods beginning on or after 1 October 2008

The Group is in the process of making an assessment of what the impact of these new amendments, new standards and new interpretation is expected to be in the period of initial application. So far, it has concluded that the adoption of the above policies may result in new or amended disclosures, they are unlikely to have a significant impact on the Group's result of operations and financial position.

**3. SEGMENT INFORMATION**

**Primary reporting format – Business segments**

The Group is currently organised into four main business segments:

Publishing	– publishing of comics and related business
Chinese information infrastructure	– sales of Chinese operating system, processor, eTextbook and application software
Property Investment	– rental income from investment properties
Crude oil exploration services	– services income from crude oil exploration services

**Income statement for the period ended 30 September 2008**

	Chinese information Publishing <i>HK\$'000</i> (unaudited)	infrastructure <i>HK\$'000</i> (unaudited)	Property investment <i>HK\$'000</i> (unaudited)	Crude oil exploration services <i>HK\$'000</i> (unaudited)	Consolidated <i>HK\$'000</i> (unaudited)
Turnover	<u>18,537</u>	<u>–</u>	<u>3,475</u>	<u>3,902</u>	<u>25,914</u>
Segment results	<u>2,417</u>	<u>(4,092)</u>	<u>398</u>	<u>(4,658)</u>	<u>(5,935)</u>
Unallocated expenses					(54,080)
Share of loss of associates					(1,494)
Finance costs					(174)
Loss before income tax					(61,683)
Income tax expense					1,439
Loss for the period					<u>(60,244)</u>

**Income statement for the period ended 30 September 2007**

	Chinese information Publishing <i>HK\$'000</i> (unaudited)	infrastructure <i>HK\$'000</i> (unaudited)	Property Investment <i>HK\$'000</i> (unaudited)	Consolidated <i>HK\$'000</i> (unaudited)
Turnover	<u>19,237</u>	<u>10</u>	<u>2,782</u>	<u>22,029</u>
Segment results	<u>545</u>	<u>(2,957)</u>	<u>(712)</u>	<u>(3,124)</u>
Unallocated expenses				(24,472)
Share of loss of associates				(4,663)
Allowance for amount due from an associate				(20,715)
Finance costs				(166)
Loss before income tax				(53,140)
Income tax expense				–
Loss for the period				<u>(53,140)</u>

### Secondary reporting format – Geographical segments

The Group's operations are located in Hong Kong, Macau and other regions in the People's Republic of China ("PRC").

The following table provides an analysis of the Group's revenue by location of markets, irrespective of the origin of the goods/services:

	Revenue	
	Six months ended	
	30 September	
	2008	2007
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Hong Kong	22,012	22,019
PRC	3,902	–
Macau	–	10
	<u>25,914</u>	<u>22,029</u>

#### 4. FINANCE COSTS

	Six months ended	
	30 September	
	2008	2007
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Interest charges on:		
Finance leases	3	2
Other borrowings wholly repayable within one year	171	–
Convertible bonds (all issued and converted into share capital during the period)	–	164
	<u>174</u>	<u>166</u>

## 5. LOSS BEFORE INCOME TAX

	Six months ended 30 September	
	2008	2007
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Loss before income tax has been arrived at after charging/(crediting):		
Staff costs, including directors emoluments	7,265	7,839
Recognition of equity-settled share-based payment	–	28,547
Amortisation of prepaid lease payments	252	169
Amortisation of intangible assets	5,757	–
Loss on disposal of property, plant and equipment	31	–
Depreciation of property, plant and equipment	1,765	672
Interest income	(1,095)	(2,259)
	<u><u>          </u></u>	<u><u>          </u></u>

## 6. INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been provided in the financial statements as the Group had no estimated assessable profit for the period (2007: nil). The Group also had no assessable profits in other jurisdiction in both periods.

	Six months ended 30 September	
	2008	2007
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Current tax	–	–
Deferred tax		
Revaluation of intangible assets	(1,439)	–
	<u><u>          </u></u>	<u><u>          </u></u>
	<u><u>(1,439)</u></u>	<u><u>          </u></u>



## 7. LOSS PER SHARE

The calculation of the basic loss per share attributable to the equity holders of the Company is based on the loss for the period of HK\$60,244,000 (2007: HK\$53,140,000) and the weighted average number of 7,095,259,642 (2007: 4,910,613,975) ordinary shares in issue during the period.

No diluted loss per share has been presented for both periods because the exercise of the Company's outstanding share options and warrants would reduce loss per share.

## 8. INTANGIBLES ASSETS

	<b>Club memberships</b>	<b>Exploration and production services rights</b>	<b>Total</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Carrying amount at 1 April 2008 (audited)	1,385	210,121	211,506
Amortisation	–	(5,757)	(5,757)
	<hr/>	<hr/>	<hr/>
Carrying amount at 30 September 2008 (unaudited)	1,385	204,364	205,749
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

## 9. TRADE RECEIVABLES

	<b>30 September 2008</b>	<b>31 March 2008</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<b>(unaudited)</b>	<b>(audited)</b>
Trade receivables	19,990	14,395
Less: Impairment of trade receivables	(2,772)	(2,772)
	<hr/>	<hr/>
	<b>17,218</b>	11,632
	<hr/> <hr/>	<hr/> <hr/>

The following is the ageing analysis (based on invoice date) of trade receivables at the balance sheet date:

	<b>30 September 2008 HK\$'000 (unaudited)</b>	31 March 2008 HK\$'000 (audited)
0 – 60 days	5,959	6,066
61 – 90 days	508	1,003
Over 90 days	10,751	4,554
	<u>17,218</u>	<u>11,623</u>

Credit periods granted to customers of publishing, investment properties and crude oil exploration services are normally 30 to 90 days, 30 days and 180 days to 360 days respectively.

The carrying amounts of trade receivables approximate to their fair values.

#### 10. TRADE PAYABLES

The following is an ageing analysis of trade payables at the balance sheet date:

	<b>30 September 2008 HK\$'000 (unaudited)</b>	31 March 2008 HK\$'000 (audited)
0 – 60 days	3,647	2,290
61 – 90 days	893	908
Over 90 days	637	1,728
	<u>5,177</u>	<u>4,926</u>

The carrying amounts of trade payables approximate to their fair values.

#### 11. OTHER BORROWINGS

	<b>30 September 2008 HK\$'000 (unaudited)</b>	31 March 2008 HK\$'000 (audited)
Unsecured	–	24,966
	<u>–</u>	<u>24,966</u>

Other borrowings were obtained from independent individuals, bear the fixed interest rate at 10% per annum and have been repaid during the period.

## **INTERIM DIVIDEND**

The Board of Directors of the Company has resolved not to declare an interim dividend for the six months ended 30 September 2008 (2007: nil).

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Financial Results**

For the year period 30 September 2008, the Group's overall turnover increased by approximately 17.6% to HK\$25,914,000, of which approximately HK\$18,537,000, nil, HK\$3,475,000, and HK\$3,902,000 (2007: HK\$19,237,000, HK\$10,000, HK\$2,782,000 and nil) were attributable to our business of publication, Chinese information infrastructure, property investment and crude oil exploration services respectively.

The Group's consolidated net loss attributable to the shareholders of the Company changed from HK\$53,140,000, or HK1.08 cents per share in 2007 to approximately HK\$60,244,000, or HK0.85 cents per share in this period and this was primarily due to the fair value decline of HK\$46,029,000 (2007: increase of HK\$1,537,000) in the portfolio of investment as valuation of all asset classes underwent a steep decline globally. Being a prudent investor, the Group invested the excess liquidity carried-forward from prior period in financially sound instruments and specifically avoided many of the toxic financial instruments and derivatives that brought down the global financial market.

Also, as of 30 September 2008, the Group's net asset value was HK\$668,737,000 and net asset value per weighted average number of 7,095,259,642 shares of the Company was approximately HK\$0.09 (31 March 2008: HK\$0.13).

### **Liquidity and Financial Resources**

As at 30 September 2008, the Group had bank and deposits with financial institutions balances in aggregate of approximately HK\$219,020,000 and held-for-trading investments of approximately HK\$64,482,000. The Group has no significant exposure to foreign exchange rate fluctuation.

As of 30 September 2008, the Group had a net current asset of approximately HK\$315,332,000 (31 March 2008: HK\$372,125,000) and a current ratio of 9.56 (31 March 2008: 6.83). The Group's total liabilities as of 30 September 2008 amounted to approximately HK\$101,398,000 and represented approximately 15.16% (31 March 2008: 17.89%) to shareholders' equity.

Upon consideration of the above, the Directors have no doubt that the Group will have sufficient liquidity to finance its daily operations, as reflected by its healthy financial status with a wealth of cash flow and other resources. As always, the Group will continue to follow prudent and disciplined cash management practices on any excess liquidity. Any future net proceeds from the fund raising and exercise of warrants and share options would certainly strengthen the positive outlook of the Group and propel it to an even stronger financial position.

## **Share Consolidation**

At the special general meeting of the Company held on 3 November 2008, the shareholders of the Company approved the share consolidation of every ten shares of HK\$0.10 each into one consolidated share of HK\$1.00 each. The share consolidation became effective on 4 November 2008. Upon the share consolidation, the authorized and issued share capital of the Company were HK\$1,000,000,000 divided into 1,000,000,000 shares of HK\$1.00 each and HK\$709,525,964 divided into 709,525,964 shares of HK\$1.00 each respectively.

## **Employment and Remuneration Policies**

As of 30 September 2008, the Group had a total of 90 employees of which 38 are based in Hong Kong, 28 in Macau and 24 in the PRC. Total staff costs incurred during the period amounted to approximately HK\$7,265,000 (2007: HK\$7,839,000). Remuneration packages are maintained at competitive levels and reviewed by the management on a periodical basis. Discretionary bonuses and incentive share options are awarded to certain directors and employees according to the assessment of individual merit and performance.

## **BUSINESS REVIEW**

The unstable global economy of the present day has affected all of us in one way or another, and this significant impact is something that should not be taken lightly. Although the past records have demonstrated that we are still capable of excelling in our work in times of hardship, our Group's motto has always been "safety is the best policy." We take pride in our prudent undertakings and our Group has always been operating on the most efficient enterprise, as reflected by our success of streamlining our core-business processes, functions, as well as organizational composition. Most recently, our Group has finished shedding the remaining operational units that were unprofitable and re-evaluating our competitiveness in the comics licensing business, while continuing to branch out to businesses with immediate return. We are also happy to report that the early positive signs of our restructuring can already be observed. In general, this is a particularly exciting time for our Group, as the various pieces of the puzzle are finally beginning to take shape one by one to become something truly magnificent.

The current unfavorable economic environment is the reason to much of our hesitation in taking great strides in our existing and future projects. Despite all, our Group's solid and healthy financial status is a true indication that we have made the right decision.

A number of our achievements in the past six months deserve some attention. In our technology-business, our Group has nearly finished unloading unprofitable and non-core businesses and is poised to grow as it seeks suitable cooperative partners to enhance and commercialize the Chinese Character Generating Engine. In the comic business, our Group continues to pursue opportunities in animation and comics licensing within mainland China while developing its brand in other media forms as well as leveraging its brand name to produce new products and develop new markets. One of

the significant ideals of Culturecom has always been about bringing Chinese culture into the mainstream; and in light of this, our Group continues to develop an Asian-flavor animation/comic creation interface using our very own Generating Engine technology. Our huge animation/comic image database along with this Generation Engine will allow general masses to participate in the production process; lowering cost on one hand, while creating appeal to a new generation of artists as well. Besides comics, our Group's venture in the petroleum extraction business has started to take shape and acting with prudence, our Group has devoted much effort on exploration in the first half, leaving much of the oil extraction work in the second half of the year. As a result, the operation's impact to the overall financial results has been minimal but from the geology information gathered so far, our Group is confident that the oil extraction venture in Shengli Oilfield and Chaoshui Basin has the potential to yield promising results in the years to come.

### **Prospects**

Looking ahead, our Group will continue to fortify the relationships with its cooperative partners and business associates. We are always on the lookout for business opportunities with the potential to enhance shareholders' values while minimizing our exposure to risk. In particular, our Group recognizes only a limited number of oil blocks in China is available to foreign enterprises in partnership with the three large state-owned oil companies or their subsidiaries and therefore will continue to leverage off its existing cooperation with Sinopec and its subsidiaries to develop other projects as well as to foster cooperation with other state-owned enterprises that possess natural resources extraction rights.

In addition to venturing in the resource business, our Group believes that the restructuring steps and new initiatives taken so far will continue to come to fruition as they mature over the years. Our Group is particularly excited about the prospect of bringing an animation generating engine on-line that has the potential to allow general masses to become animation creators. This will truly revolutionize the way animation/comic is created. Now and more than ever, our Group is confident of its existing businesses and optimistic of its future direction. We will continue to remain prudent in its investment decisions and explore business opportunities with great potential.

### **REPURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

Neither the Company nor its subsidiaries have purchased, sold or redeemed any of the listed securities in the Company during the six months ended 30 September 2008.

### **AUDIT COMMITTEE**

As at 30 September 2008, the Audit Committee comprises two members, namely Mr. Lai Man To and Mr. Joseph Lee Chennault. The total number of members falls below the minimum number required under Rule 3.21 of the Listing Rules.

Mr. Lai Qiang was appointed as a member of Audit Committee on 8 December 2008. Following the appointment of Mr. Lai, the audit committee includes three members and has complied with the required of Rule 3.21 of the Listing Rules.

The Audit Committee, with written terms of reference in line with the code provisions set out in the Code on Corporate Governance Practices (the “Code”) as stipulated in Appendix 14 to the Listing Rules, currently comprises three independent non-executive Directors, namely Mr. Lai Man To, Mr. Joseph Lee Chennault and Mr. Lai Qiang. The Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the internal control and financial reporting matters including the review of the unaudited interim results for the six months ended 30 September 2008.

## **COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES**

The Company has complied with the Code as set out in Appendix 14 to the Listing Rules during the six months ended 30 September 2008 except for the following deviations:

### **Code Provision A.4.1**

Under the code provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. The current independent non-executive Directors of the Company are not appointed for a specific term. However, all Directors (including executive and non-executive) of the Company are subject to retirement by rotation at the annual general meeting in accordance with Bye-Law 110(A) and 190(v) of the Bye-Laws of the Company. As such, the Company considers that sufficient measures have been taken to ensure that the Company’s corporate governance practices are no less exacting than those in the Code.

### **Code Provision E.1.2**

Under the code provision E.1.2, the chairman of the board should attend the annual general meeting. The Chairman of the Board, Mr. Cheung Wai Tung was unable to attend the annual general meeting of the Company held on 9 September 2008 as he was on business trip for other important business engagement. However, an Executive Director, present at the annual general meeting who then took the chair of that meeting in accordance with the Bye-Laws of the Company.

## **COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS**

The Company has adopted the “Model Code for Securities Transactions by Directors of Listed Issuers” as set out in Appendix 10 to the Listing Rules as its own code for dealing in securities of the Company by the Directors (the “Model Code”). Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard as set out in the Model Code during the six months ended 30 September 2008.

## **PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT**

This interim results announcement is available for viewing on the website of Hong Kong Exchanges and Clearing Limited at [www.hkex.com.hk](http://www.hkex.com.hk) and on the website of the Company at [www.culturecom.com.hk](http://www.culturecom.com.hk). The interim report will be despatched to the shareholders of the Company and will be published on the above websites in due course.

## **APPRECIATION**

I would like to express my sincere gratitude to the Board of Directors, our management and to all our staff for their dedicated efforts during this period; as well as to our customers, suppliers, business partners and shareholders for their continued enthusiastic support of our Group.

By Order of the Board of  
**CULTURECOM HOLDINGS LIMITED**  
**Cheung Wai Tung**  
*Chairman*

Hong Kong, 16 December 2008

*As at the date of this announcement, the Board comprises of Mr. Cheung Wai Tung, Mr. Chu Bong Foo, Mr. Kwan Kin Chung, Mr. Henry Chang Manayan, Mr. Wan Xiaolin, Mr. Tai Cheong Sao, Mr. Chung Billy, Mr. Tang U Fai and Mr. Tang Kwing Chuen Kenneth (all being executive Directors); and Mr. Lai Man To, Mr. Joseph Lee Chennault and Mr. Lai Qiang (all being independent non-executive Directors).*

\* *for identification purpose only*