

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CULTURECOM HOLDINGS LIMITED

文化傳信集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 343)

TERMINATION OF THE CB PLACING AGREEMENT

Reference is made to the announcements of the Company dated 7 June 2005 and 28 June 2005 in relation to, among other things, the placing of, on a best effort basis, up to an aggregate principal amount of HK\$300,000,000 7.75% convertible bonds of the Company due 2010.

The Directors announce that the Company and the Placing Agent have agreed to terminate the CB Placing Agreement with effect from 29 July 2005, whereupon the parties' respective obligations shall forthwith cease and terminate.

Reference is made to the announcements (the "Announcements") of the Company dated 7 June 2005 and 28 June 2005 in relation to, among other things, the placing of, on a best effort basis, up to an aggregate principal amount of HK\$300,000,000 7.75% convertible bonds of the Company due 2010. Unless otherwise defined in this announcement, defined terms shall have the same meanings as respectively given to them in the Announcements.

The Directors announce that the Company and the Placing Agent have agreed to terminate the CB Placing Agreement with effect from 29 July 2005, whereupon the parties' respective obligations shall forthwith cease and terminate.

As set out in the Company's announcement dated 28 June 2005, the Company has successfully financed the balance of the consideration for Acquisition and the Licence Agreement with short term financing and the Company's working capital. The Directors are of the opinion that this short term financing arrangement can be readily converted into longer term financing. The Board therefore perceives no financial stress to the normal operations of the Company as a result and have decided to terminate the CB Placing Agreement by mutual agreement with the Placing Agent.

As of the date of this announcement, the Board comprises Mr. Cheung Wai Tung, Mr. Chu Bong Foo, Mr. Cheung Kam Shing, Terry, Mr. Henry Chang Manayan, Mr. Wan Xiaolin (all being executive Directors); and Mr. Lai Man To, Mr. Wang Tiao Chun and Mr. Joseph Lee Chennault (all being independent non-executive Directors).

By order of the Board of
CULTURECOM HOLDINGS LIMITED
Cheung Wai Tung
Chairman

Hong Kong, 29 July 2005

* *for identification purposes only*

Please also refer to the published version of this announcement in The Standard.