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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)

### **LAPSE OF THE DISCLOSEABLE TRANSACTION RELATING TO THE PROPOSED ISSUE OF SHARES IN CULTURE.COM TECHNOLOGY LIMITED**

As the parties were unable to appoint a suitable professional consultant to prepare the valuation report, the Valuation Value has not yet been determined and the valuation report has not yet been issued, the conditions to the Subscription Agreement therefore could not be fulfilled or waived on or before the extended Long Stop Date of 15 February 2006. The parties do not intend to further extend the Long Stop Date beyond 15 February 2006. As such, pursuant to the Subscription Agreement, the parties have no further obligations to complete the Subscription and the Subscription Agreement shall lapse and cease to have any further effect from 16 February 2006.

Reference is made to the Company's announcement dated 2 September 2005 (the "**Announcement**"), the circular dated 26 September 2005 and the announcements dated 29 November 2005 and 3 January 2006. Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as defined in the Announcement.

#### **LAPSE OF THE SUBSCRIPTION AGREEMENT**

As the parties were unable to appoint a suitable professional consultant to prepare the valuation report, the Valuation Value has not yet been determined and the valuation report has not yet been issued, the conditions to the Subscription Agreement therefore could not be fulfilled or waived on or before the extended Long Stop Date of 15 February 2006. The parties do not intend to further extend the Long Stop Date beyond 15 February 2006. As such, pursuant to the Subscription Agreement, the parties have no further obligations to complete the Subscription and the Subscription Agreement shall lapse and cease to have any further effect from 16 February 2006.

The Board estimates that approximately HK\$0.5 million would have been incurred by the Group in relation to the whole transaction. Further details will be published in the Group's next financial report. Notwithstanding the above, the Board considers that the lapse of the Subscription Agreement will not have any material effect to the business operation and financial position of the Group.

**GENERAL**

As of the date of this announcement, the Board comprises Mr. Cheung Wai Tung, Mr. Chu Bong Foo, 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, 15 February 2006

*\* for identification purpose only*

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