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This documents, for which the directors of Milkyway Image Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to Milkyway Image Holdings Limited. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:- (1) the information contained in this document is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this document misleading; and (3) all opinions expressed in this document have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.



Milkyway Image Holdings Limited
銀河映像控股有限公司*

(incorporated in the Cayman Islands with limited liability)

ANNOUNCEMENT

Clarification relating to several newspaper articles

A press announcement made by Team Work on 11 November 2002 which reported that CCT Telecom and Mr. Lau have reached a settlement in respect of litigation proceedings amongst Noble Trend, Mr. Lau and Topman Global, whereby Mr. Lau has purchased, through Ablegate, from subsidiaries of CCT Telecom all of its shareholdings in Team Work and all related litigation proceedings amongst Noble Trend, Mr. Lau and Topman Global have been dismissed. Team Work becomes entirely owned by Mr. Lau.

The Director hereby confirm that certain information disclosed in the Prospectus relating to the foregoing matters are still valid and subsisting.

Team Work has made a press announcement on 11 November 2002 in *The Standard* and *Oriental Daily* which reported that CCT Telecom, through its subsidiaries, Noble Trend and Immediate Impact Limited, and Mr. Lau, through Ablegate, have reached a settlement in respect of litigation proceedings amongst Noble Trend, Mr. Lau and Topman Global, whereby Ablegate has purchased from CCT Telecom all of its shareholdings in Team Work, and all related litigation proceedings amongst Noble Trend, Mr. Lau and Topman Global have been dismissed. As a result, Team Work is entirely owned by Mr. Lau.

Notwithstanding the above matters, the Directors hereby confirm that :

- (1) the master film production agreement entered into between Teamwork MP and Milkyway (HK) on 8 February 2002 as disclosed in the Prospectus is still valid and subsisting; and
- (2) the settlement of litigation proceedings amongst Noble Trend, Mr. Lau and Topman Global would not affect the undertakings given by Mr. Lau and/or his associates to the Company in respect of film investment business and film production business as disclosed in the Prospectus.

DEFINITIONS

“Ablegate”	Ablegate Group Limited, a company incorporated in BVI with limited liability, the shares of which are wholly owned by Mr. Lau
“CCT Telecom”	CCT Telecom Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Main Board
“Company”	Milkyway Image Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
“Directors”	the directors of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“Milkyway (HK)”	Milkyway Image (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability and a wholly owned subsidiary of the Company
“Mr. Lau”	Mr. Lau Tak Wah Andy, a substantial shareholder and an initial management shareholder of the Company
“Noble Trend”	Noble Trend International Inc., a company incorporated in BVI with limited liability and a wholly owned subsidiary of CCT Telecom
“Prospectus”	a prospectus dated 13 August 2002 issued by the Company
“Team Work”	Team Work Corporation Limited, a company incorporated in BVI with limited liability
“Teamwork MP”	Teamwork Motion Pictures Limited, a company incorporated in Hong Kong with limited liability and a wholly owned subsidiary of Team Work

“Topman Global”

Topman Global Limited, a company incorporated in Hong Kong with limited liability and a wholly owned subsidiary of Team Work

For and on behalf of
Milkyway Image Holdings Limited
Ng Hung Keung
Director

Hong Kong, 11 November 2002

The announcement will remain on the “Latest Company Announcement” page of the GEM website for at least 7 days from the date of its posting.

** For identification purpose only*