

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2008**

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This announcement, for which the directors (“Directors”) of Brilliant Arts Multi-Media Holding Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement 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 announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

HIGHLIGHTS

1. Turnover of Group for the six months ended 30 September 2008 was approximately HK\$805,000 representing a decrease of approximately 92% as compared to the corresponding period in 2007.
2. Loss attributable to equity holders of the Company for the six months ended 30 September 2008 was approximately HK\$1.9 million (2007: profit of HK\$20.1 million).
3. Loss per share for the six months ended 30 September 2008 was approximately HK1.47 cents (2007: earnings per share of HK102.02 cents).
4. The Board does not recommend the payment of any dividend for the six months ended 30 September 2008 (2007: Nil).

UNAUDITED INTERIM RESULTS

The board of Directors (the “Board”) of Brilliant Arts Multi-Media Holding Limited (the “Company”) announces the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2008, together with the comparative unaudited figures for 2007 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

	<i>Notes</i>	For the three months ended 30 September		For the six months ended 30 September	
		2008 <i>HK\$'000</i> (Unaudited)	2007 <i>HK\$'000</i> (Unaudited)	2008 <i>HK\$'000</i> (Unaudited)	2007 <i>HK\$'000</i> (Unaudited)
Turnover	2	402	448	805	9,995
Cost of sales		—	(1,309)	—	(8,982)
Gross profit/(loss)		402	(861)	805	1,013
Other revenue and other income	2	466	322	891	28,935
Other operating expenses		(2,022)	(1,878)	(3,466)	(8,821)
(Loss)/profit from operations	4	(1,154)	(2,417)	(1,770)	21,127
Finance costs	5	(36)	(198)	(76)	(1,023)
(Loss)/profit before taxation		(1,190)	(2,615)	(1,846)	20,104
Taxation	6	—	—	—	—
(Loss)/profit for the period		(1,190)	(2,615)	(1,846)	20,104
Dividend		—	—	—	—
		<i>HK cent</i>	<i>HK cents</i>	<i>HK cents</i>	<i>HK cents</i>
(Loss)/earnings per share	7				
– Basic		(0.95)	(10.49)	(1.47)	102.02
– Diluted		N/A	N/A	N/A	N/A

CONDENSED CONSOLIDATED BALANCE SHEET

		At 30 September 2008 <i>HK\$'000</i> (Unaudited)	At 31 March 2008 <i>HK\$000</i> (Audited)
	<i>Notes</i>		
Non-current assets			
Property, plant and equipment		1,191	1,333
Investment properties		54,819	55,506
Goodwill		1,449	1,449
		<u>57,459</u>	<u>58,288</u>
Current assets			
Film in progress		12,423	12,315
Trader debtors	8	180	159
Deposits, prepayments and other debtors		353	213
Bank balances and cash		100,759	101,760
		<u>113,715</u>	<u>114,447</u>
Current liabilities			
Other creditors and accruals		1,057	1,212
Bank loan		384	397
		<u>1,441</u>	<u>1,609</u>
Net current assets		<u>112,274</u>	<u>112,838</u>
Total assets		<u><u>169,733</u></u>	<u><u>171,126</u></u>
Capital and reserves			
Share capital		1,257	125,690
Reserves		161,652	38,279
Total equity		<u>162,909</u>	<u>163,969</u>
Non-current liabilities			
Convertible bonds		668	662
Bank loan		1,967	2,229
Deferred tax liabilities		4,189	4,266
		<u>6,824</u>	<u>7,157</u>
		<u><u>169,733</u></u>	<u><u>171,126</u></u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital HK\$'000 (Unaudited)	Share premium HK\$'000 (Unaudited)	Contributed surplus HK\$'000 (Unaudited)	Share-based compensation reserve HK\$'000 (Unaudited)	Convertible bonds reserve HK\$'000 (Unaudited)	Translation reserve HK\$'000 (Unaudited)	Distributable capital reduction reserve HK\$'000 (Unaudited)	Retained profits/ losses (Accumulated) HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
At 1 April 2007	10,620	18,074	10	1,030	2,369	–	–	(50,247)	(18,144)
Profit for the period	–	–	–	–	–	–	–	20,104	20,104
Issues of convertible bonds	–	–	–	–	6,262	–	–	–	6,262
Conversion into shares from convertible bonds	14,313	23,838	–	–	(8,381)	–	–	–	29,770
Cancellation of share options	–	–	–	(1,030)	–	–	–	1,030	–
At 30 September 2007	<u>24,933</u>	<u>41,912</u>	<u>10</u>	<u>–</u>	<u>250</u>	<u>–</u>	<u>–</u>	<u>(29,113)</u>	<u>37,992</u>
At 1 April 2008	125,690	65,568	10	2,671	250	(292)	–	(29,928)	163,969
Loss for the period	–	–	–	–	–	–	–	(1,846)	(1,846)
Capital reduction (Note 1)	(124,433)	–	–	–	–	–	87,244	37,189	–
Share-based payment expenses (Note 2)	–	–	–	1,148	–	–	–	–	1,148
Exchange difference arising on translation of financial statements of foreign operation	–	–	–	–	–	(362)	–	–	(362)
Cancellation of share options	–	–	–	(403)	–	–	–	403	–
At 30 September 2008	<u>1,257</u>	<u>65,568</u>	<u>10</u>	<u>3,416</u>	<u>250</u>	<u>(654)</u>	<u>87,244</u>	<u>5,818</u>	<u>162,909</u>

Notes:

- Pursuant to the ordinary resolutions passed on 19 March 2008, capital reorganisation took effect by the way of comprising (i) capital reduction (“Capital Reduction”) that the nominal value of all issued and unissued share be reduced from HK\$0.10 each to HK\$0.001 each; (ii) share consolidation that every ten issued shares of HK\$0.001 each be consolidated into one share of HK\$0.01 each (“Consolidated Shares”); and (iii) the increase in authorised share capital of the Company from HK\$3,000,000 to HK\$30,000,000 by the creation of 2,700,000,000 new ordinary shares of HK\$0.01 each. Part of the credit arising from the Capital Reduction applied towards cancelling the accumulated losses of the Company, whilst the balance was transferred to the distributable capital reduction reserve account of the Company. The above capital reorganisation was approved by the Grand Court of the Cayman Islands on 20 June 2008.
- During the three months ended 30 June 2008, the Company granted share options on 28 April 2008 and recorded the share-based payment expense in full in the consolidated income statement amounted to HK\$4,908,000. In accordance with the accounting policy of the Group, share options granted is recognised as an expense in the consolidated income statement on a straight-line basis over the vesting period, with a corresponding increase in share-based compensation reserve. The share-based payment expense amounted to HK\$476,000 for the three months ended 30 June 2008 is restated accordingly with a corresponding decrease in share-based compensation reserve.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	For the Six months ended 30 September 2008 <i>HK\$'000</i> (Unaudited)	For the Six months ended 30 September 2007 <i>HK\$'000</i> (Unaudited)
Net cash used in operating activities	(1,865)	(6,637)
Net cash generated from investing activities	891	19,368
Net cash (used in)/generated from financing activities	(275)	2,906
Net (decrease)/increase in cash and cash equivalents	(1,249)	15,637
Cash and cash equivalent at beginning of period	101,760	23,877
Effect of foreign exchange rate changes	248	—
Cash and cash equivalent at end of period	<u>100,759</u>	<u>39,514</u>
Analysis of the balances of cash and cash equivalent bank balances and cash	<u>100,759</u>	<u>39,514</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 BASIS OF PREPARATION

The Group's unaudited condensed consolidated financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRSs") and Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The unaudited condensed consolidated financial statements comply with the applicable disclosure requirements of the Hong Kong Company Ordinance and the Rules Governing the Listing of Securities on the Growth Enterprises Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules"). The accounting policies adopted in preparing the unaudited condensed consolidated financial statements for the six months ended 30 September 2008 are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2008, except that the Group has changed certain of its accounting policies following its adoption of new/revised standards, amendments and interpretations ("new HKFRSs") issued by the HKICPA that are effective for accounting periods beginning on or after 1 April 2008. The adoption of the new HKFRSs has no material effect on how the results and financial position for the current or prior accounting period as prepared and presented. The condensed consolidated financial statements are unaudited but have been reviewed by the audit committee.

For the period ended 30 September 2008, the Group has not early applied the following new amendments, standards or interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of Financial Statements ¹
HKAS 23 (Revised)	Borrowing Costs ¹
HKAS 27 (Revised)	Consolidated and separate financial statements ²
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation ¹
HKFRS 2 (Amendment)	Vesting conditions and cancellation ¹
HKFRS 3 (Revised)	Business combinations ²
HKFRS 8	Operating segments ¹
HK(IFRIC)-Int 13	Customer Loyalty Programmes ³
HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate ¹
HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation ⁴

Notes:

- 1 Effective for annual periods beginning on or after 1 January 2009.
- 2 Effective for annual periods beginning on or after 1 July 2009.
- 3 Effective for annual periods beginning on or after 1 July 2008.
- 4 Effective for annual periods beginning on or after 1 October 2008.

The directors anticipate that the application of these new amendments, standards or interpretations will have no material impact on the results and the financial position of the Group.

2. TURNOVER AND OTHER REVENUE

The principal activities of the Group are the provision of film production services, production of television movies, investment in film productions and worldwide film distribution and properties investment.

An analysis of the turnover and other revenue of the Group during the reporting periods is as follows:

	For the three months ended 30 September		For the six months ended 30 September	
	2008	2007	2008	2007
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Turnover:				
Film production	—	—	—	7,500
Film distribution	—	448	—	2,495
Gross rentals from investment properties	402	—	805	—
	<u>402</u>	<u>448</u>	<u>805</u>	<u>9,995</u>
Other revenue:				
Interest income	466	321	891	598
Sundry income	—	1	—	14
	<u>466</u>	<u>322</u>	<u>891</u>	<u>612</u>
Other income:				
Excess of interest in fair value of acquiree's identifiable assets and liabilities over the cost of a business combination	—	—	—	28,323
Other revenue and other income	<u>466</u>	<u>322</u>	<u>891</u>	<u>28,935</u>
Total	<u><u>868</u></u>	<u><u>770</u></u>	<u><u>1,696</u></u>	<u><u>38,930</u></u>

3. SEGMENT INFORMATION

Business segment information is chosen as the primary reporting format because this is more relevant to the Group's internal financial reporting.

An analysis of the Group's turnover, results and other information for the six months ended 30 September 2008 by business segment is as follows:

	Film production		Film distribution		Properties investment		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Turnover	<u>–</u>	<u>7,500</u>	<u>–</u>	<u>2,495</u>	<u>805</u>	<u>–</u>	<u>805</u>	<u>9,995</u>
Segment profit/(loss)	–	1,215	–	(976)	323	–	323	239
Other revenue							891	28,935
Unallocated finance costs							(6)	(1,023)
Unallocated other operating expenses							<u>(3,054)</u>	<u>(8,047)</u>
(Loss)/profit from operations							<u>(1,846)</u>	<u>20,104</u>
Other information:								
Addition of property, plant and equipment – unallocated							–	65
Disposal of property, plant and equipment – unallocated							–	6
Unallocated depreciation							(142)	(1,084)
Addition of film rights	–	–	–	1,349	–	–	–	1,349
Amortisation of film rights	<u>–</u>	<u>–</u>	<u>–</u>	<u>983</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>983</u>

An analysis of the Group's turnover for the six months ended 30 September 2008 and 2007 by geographical segments is as follows:

	For the six months ended 30 September	
	2008	2007
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Hong Kong	–	9,754
Overseas	<u>805</u>	<u>241</u>
	<u>805</u>	<u>9,995</u>

4. (LOSS)/ PROFIT FROM OPERATIONS

(Loss)/profit from operations has been arrived at after charging/(crediting):

	For the three months ended 30 September		For the six months ended 30 September	
	2008	2007	2008	2007
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Amortisation of film rights (included in cost of sales)	—	3	—	983
Depreciation of property, plant and equipment	72	57	142	1,084
Gain on disposal of subsidiaries	—	—	—	(28,323)
Net foreign exchange loss	226	—	184	—
Staff costs including directors' emoluments	969	990	2,148	3,868
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

5. FINANCE COSTS

	For the three months ended 30 September		For the six months ended 30 September	
	2008	2007	2008	2007
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Interests on:				
Bank loans not wholly repayable within five years	33	—	70	—
Amount due to related companies	—	195	—	667
Effective interest expenses on convertible bonds wholly repayable within five years	3	3	6	348
Finance charges on obligations under finance leases	—	—	—	8
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	36	198	76	1,023
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

6. TAXATION

- (i) No provision for Hong Kong Profits Tax has been made as the Group has no assessable profits in Hong Kong for the six months ended 30 September 2008 (2007: Nil).
- (ii) No provision for income tax was made as the Company's overseas subsidiaries did not have taxable income for the six months ended 30 September 2008 (2007: Nil).
- (iii) The Group had no significant unprovided taxation arising the six months ended 30 September 2008 (2007: Nil).

7. (LOSS)/EARNINGS PER SHARE

The calculation of the basic loss per share is based on the loss attributable to equity holders of the Company for the three months ended 30 September 2008 of approximately HK\$1.2 million (2007: loss attributable to equity holders of the Company of approximately HK\$2.6 million) and loss attributable to equity holders of the Company for the six months ended 30 September 2008 of approximately HK\$1.9 million (2007: profit attributable to equity holders of the Company of approximately HK\$20.1 million) and the weighted average of 125,689,709 shares in issue during the three months 30 September 2008 (2007: 24,932,727 shares, as adjusted) and 125,689,709 shares in issue during the six months ended 30 September 2008 (2007: 19,705,707 shares, as adjusted). The comparative figure of basic (loss)/earnings per share for the three months and six months ended 30 September 2007 had been re-calculated to reflect the share consolidation taken place on 20 June 2008.

The conversion of all potential ordinary shares arising from share options granted by the Company and convertible bonds would have an anti-dilutive effect on the loss per share for the three months and six months ended 30 September 2008.

No diluted (loss)/earnings per share has been presented for the three months and six months ended 30 September 2007 as the conversion of all potential ordinary shares arising from convertible bonds would have an anti-dilutive effect on the (loss)/earnings per share for the three months and six months ended 30 September 2007. The Company has no outstanding share options as at 30 September 2007.

8. TRADE DEBTORS

Credit periods given to customers or dealers ranged from 30 to 180 days. The aged analysis of the trade debtors is as follows:

	At 30 September 2008 HK\$'000 (Unaudited)	At 31 March 2008 HK\$000 (Audited)
Within 30 days	180	119
31-90 days	—	27
91-180 days	—	13
	180	159

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 September 2008 (2007: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the six months ended 30 September 2008, the Group recorded a turnover of approximately HK\$805,000 (2007: HK\$10 million). The Group did not have revenue generated from the business segment of film production and distribution for the period under review. All the revenue was generated from the leasing of the investment property located at Canada.

FINANCIAL REVIEW

Loss attributable to equity holders for the six months ended 30 September 2008 amounted to approximately HK\$1.9 million (2007: profit attributable to equity holders of approximately HK\$20.1 million). Excluding the share-based payment expenses of approximately HK\$1.2 million, loss after taxation for the period was approximately HK\$700,000.

Other revenue and other income amounted to approximately HK\$891,000, representing a decrease of 96.9% over the same period last year. Such decrease was caused by the one-off gain on disposal of two wholly-owned subsidiaries of approximately HK\$28.3 million recorded in the same period of last year.

Other operating expenses decreased by 60.7% to approximately HK\$3.5 million from HK\$8.8 million in prior year. Excluding the share-based payment expenses of approximately HK\$1.2 million, other operating expenses was approximately HK\$2.3 million, representing a decrease of approximately 73.7% as compared to the corresponding period in 2007. Such decrease was mainly attributed to the combined effect of the disposals of several wholly-owned subsidiaries in last year and the stringent cost control policy adopted by the management.

Finance costs decreased by 92.6% to approximately HK\$76,000 from HK\$1 million in prior year. The decrease of approximately HK\$947,000 was mainly attributed to the decrease in interest on amounts due to related companies and effective interest expenses on convertible bonds.

PROSPECT

The global economy was adversely affected by the financial tsunami and its magnitude is yet to be known. The management expects that the local film market will continue to be difficult in the near future and will continue to adopt a prudence approach in such business segment. On the other hand, the Group will aim to explore new investment opportunities in the area of property investment for business diversification. Meanwhile, it will continue to implement stringent cost control measures.

Liquidity, Financial Resources, Capital Structure and Gearing Ratio

At 30 September 2008, the Group had total assets of approximately HK\$171.2 million (31 March 2008: HK\$172.7 million), including cash and bank balances of approximately HK\$100.8 million (31 March 2008: 101.8 million). During the period under review, the Group financed its operations with internally generated cash flows and the proceeds raised from the capital market in last year.

At 30 September 2008, the Group has pledged its investment property located at Canada to secure a mortgage loan amounted to approximately HK\$2.4 million (31 March 2008: HK\$2.6 million).

At 30 September 2008, save as the mortgage loan, the Group did not any bank borrowings nor any banking facilities. The gearing ratio, expressed as a percentage of total liabilities over total assets, was 4.8% (31 March 2008: 5.1%).

Treasury Policies

The Group has not used any foreign currency derivative instruments to hedge its exposure to foreign exchange risk. However, the management monitors closely the exposures and will consider hedging the exposures should the need rise.

Contingent liabilities

At 30 September 2008, the Group had no contingent liabilities.

Material Acquisition, Disposal and Significant Investments.

During the six months period under review, the Group had no material acquisition, disposal or any significant investments.

Employees and Remuneration Policies

At 30 September 2008, the Group had 5 full time employees (31 March 2008: 6), including executive Directors. The Group remunerated its employees in accordance with their work performance and experience. The Directors had their discretions in granting share options and bonuses to the Group's employees depending upon the work performance of a particular employee and the financial performance of the Group. For the period under review, total staff costs, including Directors' emoluments, amounted to approximately HK\$2.1 million (2007:HK\$3.9 million).

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURE AND ITS ASSOCIATED CORPORATIONS

At 30 September 2008, the interests and short position of the directors and chief executives of the Company and their associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Hong Kong Securities and Futures Ordinance (“SFO”)) which were notified to the Company and the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they have taken or deemed to have taken under such provisions of the SFO); or which are required to be recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Rule 5.46 of the GEM Listing Rules, were as follows:

Long Positions in the ordinary shares of HK\$0.01 each of the Company

Name of director	Personal Interest (Note 1)	Corporate Interest (Note 1)	Interest in underlying shares (Note 1)	Total interest in shares (Note 1)	Percentage of the Company's issued share capital
Mr. Lei Hong Wai	1,053,853 (Note 2)	21,786,000 (Note 2)	1,256,897 (Note 3)	24,096,750	19.17%
Mr. Cheung Kwok Wai, Elton	1,053,853 (Note 4)	—	1,256,897 (Note 4)	2,310,750	1.84%

Notes:

1. The numbers of shares have been adjusted due to the completion of the share consolidation on 20 June 2008.
2. 3,786,000 shares and 18,000,000 shares are held by Mander International Limited and Eagle Mate Limited respectively. Both companies are wholly and beneficially owned by Business Power Holdings Limited. Mr. Lei Hong Wai, an executive Director, who owns 50% interests in Business Power Holdings Limited. Mr. Lei Hong Wai also owns 1,053,853 shares in his personal capacity.
3. Mr. Lei Hong Wai, an executive Director, is deemed to be interested in 1,256,897 shares which would fall to be issued upon exercise of the 1,256,897 share options of the Company.
4. Mr. Cheung Kwok Wai, an executive Director, is deemed to be interested in 1,256,897 shares which would fall to be issued upon exercise of the 1,256,897 share options of the Company. Mr. Cheung Kwok Wai, Elton also owns 1,053,853 shares in his personal capacity.

SHARE OPTION SCHEME

The Company adopted two share option schemes on 2 August 2002, namely, the pre-IPO share option scheme (“Pre-IPO Share Option Scheme”) and the share option scheme (“Share Option Scheme”). The principal terms of the two share option schemes have been set out in the note 39 to the financial statements as included in the annual report of the Company for the year ended 31 March 2008.

Details of the Company’s share options granted under the Share Option Scheme are as follows:

Type of participant	Date of grant	Exercise Price (Note 1)	Exercise Period	Outstanding at 31/3/2008 (Note 1)	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period (Note 1)	Outstanding at 30/9/2008 (Note 1)
Directors	30/10/2007	HK\$1.488	30/10/2007 to 29/10/2017	249,327	–	–	–	(249,327)	–
Employees and consultants	30/10/2007	HK\$1.488	30/10/2007 to 29/10/2008	1,745,089	–	–	–	–	1,745,089
Directors	29/11/2007	HK\$1.180	29/11/2007 to 28/11/2017	174,526	–	–	–	(174,526)	–
Employees and consultants	29/11/2007	HK\$1.180	29/11/2007 to 28/11/2008	3,714,949	–	–	–	–	3,714,949
Directors, employees and consultants	25/2/2008	HK\$1.140	25/2/2008 to 24/2/2011	1,924,685	–	–	–	–	1,924,685
Directors, employees and consultants	28/4/2008	HK\$1.018	28/4/2008 to 27/4/2011	–	12,358,198	–	–	(833,043)	11,525,155
				<u>7,808,576</u>	<u>12,358,198</u>	<u>–</u>	<u>–</u>	<u>(1,256,896)</u>	<u>18,909,878</u>

Note:

1. The exercise prices and numbers of share options have been adjusted due to the completion of the share consolidation on 20 June 2008.

DIRECTORS AND CHIEF EXECUTIVES’ RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at 30 September 2008, neither the Company nor any of its subsidiaries was a party to any arrangements to enable the directors and chief executives of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate, and none of the directors and chief executive of the Company or their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such rights.

SUBSTANTIAL SHAREHOLDERS

At 30 September 2008, the register of substantial shareholders maintained by the Company under Section 336 of the SFO showed that, other than the interests disclosed above in respect of certain directors, the following shareholders had an interest of 5% or more in the issued share capital of the Company:

Long positions in the ordinary shares of HK\$0.01 each of the Company

Name of shareholder	Capacity	Interest in shares (Note 1)	Interest in underlying shares (Note 1)	Total interest in shares (Note 1)	Percentage of the
					Company's issued share capital
Mr. Lei Hong Wai	Personal and interest of controlled corporation (Note 2)	22,839,853	1,256,897	24,096,750	19.17%
Ms. Lok Hoi Yan	Interest of controlled corporation (Note 2)	21,786,000	—	21,786,000	17.33%
Business Power Holdings Limited	Beneficial owner (Note 2)	21,786,000	—	—	17.33%
Mr. Leong Chi Meng	Interest of controlled corporation (Note 3)	17,142,857	—	17,142,857	13.64%
Billion Era Group Limited	Beneficial owner (Note 3)	17,142,857	—	17,142,857	13.64%
Mr. Heung Wah Keung	Interest of controlled corporation (Note 4)	10,909,090	518,134	11,427,224	9.09%
Ms. Chen Ming Yin, Tiffany	Interest of controlled corporation (Note 4)	10,909,090	518,134	11,427,224	9.09%
Porterstone Limited	Interest of controlled corporation (Note 4)	10,909,090	518,134	11,427,224	9.09%
Classical Statue Limited	Beneficial owner (Note 4)	10,909,090	518,134	11,427,224	9.09%

Notes:

(1) The numbers of shares have been adjusted due to completion of share consolidation on 20 June 2008.

- (2) 3,786,000 shares and 18,000,000 shares are held by Mander International Limited and Eagle Mate Limited respectively. Both companies are wholly and beneficially owned by Business Power Holdings Limited which is jointly owned by Mr. Lei Hong Wai, an executive Director, and his spouse, Ms. Lok Hoi Yan. Mr. Lei Hong Wai also owns 1,053,853 shares in his personal capacity and is deemed to be interested in 1,256,897 shares which would fall to be issued upon exercise of the 1,256,897 share options of the Company.
- (3) These shares are beneficially owned by Billion Era Group Limited, which is wholly and beneficially owned by Mr. Leong Chi Meng.
- (4) Classical Statue Limited is interested in 10,909,090 shares and 518,134 underlying shares and is a company wholly-owned by Porterstone Limited, which is wholly and beneficially owned by Ms. Chen Ming Yin, Tiffany. Mr. Heung Wah Keung is the spouse of Ms. Chen Ming Yin, Tiffany, accordingly, he is deemed to be interested in the shares held by Porterstone Limited.

Save as disclosed above, at 30 September 2008, the Company has not been notified of any persons (other than the Directors or chief executive of the Company) who had interests or short positions in the shares and underlying shares of the Company which were to be recorded in the register required to be kept under Section 336 of the SFO and/or who were directly or indirectly interested in 10% or more of the issued share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group.

COMPETING INTERESTS

At 30 September 2008, none of the directors, management shareholders and substantial shareholders, or their respective associates had any interests in any business which competes or may compete with the business of the Group pursuant to Rule 11.04 of the GEM Listing Rules.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The Company has not redeemed any of its listed securities during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities during the six months ended 30 September 2008.

CORPORATE GOVERNANCE

For the six months ended 30 September 2008, the Company complied with provisions set out in Appendix 15 of the Code of Corporate Governance Practices of the GEM Listing Rules.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with Rules 5.28 to 5.29 of the GEM Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control procedures of the Group. The audit committee comprised the three independent non-executive directors namely, Mr. Leung Wai Man, Mr. Man Kong Yui and Mr. Kwok Chuen Hung, Dominic. The audit committee has reviewed the Group's unaudited consolidated financial statements for the six months ended 30 September 2008.

Board of Directors

As at the date of this announcement, the executive Directors are Mr. Lei Hong Wai (Chairman) and Mr. Cheung Kwok Wai, Elton; and the independent non-executive Directors are Mr. Leung Wai Man, Mr. Man Kong Yui and Mr. Kwok Chuen Hung, Dominic.

By Order of the Board
Brilliant Arts Multi-Media Holding Limited
Lei Hong Wai
Chairman

Hong Kong, 11 November 2008

This announcement will remain on the “Latest Company Announcements” page of the GEM website for at least 7 days from the day of its publication.