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(Incorporated in Bermuda with limited liability)

(Stock Code: 1060)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30TH JUNE, 2011

The board of directors (the “Board”) of ChinaVision Media Group Limited (the “Company”) announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (the “Group” or “ChinaVision Media Group”) for the six months ended 30th June, 2011 together with the comparative amounts for the corresponding period in 2010. The unaudited condensed consolidated interim financial information for the six months ended 30th June, 2011 has been reviewed by the Company’s Audit Committee. Deloitte Touche Tohmatsu, the Company’s auditor, has conducted its review on the unaudited condensed consolidated interim financial information for the six months ended 30th June, 2011 in accordance with the Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

* *For identification purpose only*

CONDENSED CONSOLIDATED INCOME STATEMENT

		Six months ended 30th June,	
		2011	2010
		HK\$'000	HK\$'000
		(unaudited)	(unaudited)
Notes			
	3	114,032	178,570
Revenue			
Cost of sales		<u>(79,657)</u>	<u>(73,368)</u>
Gross profit		34,375	105,202
Other income		2,821	4,099
Other gains and losses, net	4	(24,167)	(5,025)
Distribution and selling expenses		(21,911)	(10,824)
Administrative expenses			
– share options expense		(8,573)	(15,689)
– other administrative expenses		(49,939)	(38,423)
		(58,512)	(54,112)
Other expenses		(1,670)	(4,903)
Finance costs	5		
– effective interest expense on convertible notes		(13,690)	(5,619)
– other finance costs		(2,058)	(1,366)
		(15,748)	(6,985)
Share of results of an associate	9	<u>(4,168)</u>	<u>–</u>
(Loss) profit before taxation		(88,980)	27,452
Taxation credit (charge)	6	<u>2,932</u>	<u>(6,885)</u>
(Loss) profit for the period	7	<u><u>(86,048)</u></u>	<u><u>20,567</u></u>
(Loss) profit for the period attributable to:			
Owners of the Company		(79,681)	17,155
Non-controlling interests		<u>(6,367)</u>	<u>3,412</u>
		<u><u>(86,048)</u></u>	<u><u>20,567</u></u>
		HK cents	HK cents
(Loss) earnings per share	8		
– Basic and diluted		<u><u>(4.08)</u></u>	<u><u>1.08</u></u>

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30th June,	
	2011	2010
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
(Loss) profit for the period	(86,048)	20,567
Other comprehensive income for the period:		
Exchange difference arising on translation to presentation currency	<u>17,586</u>	<u>1,815</u>
Total comprehensive (expense) income for the period	<u>(68,462)</u>	<u>22,382</u>
Total comprehensive (expense) income for the period attributable to:		
Owners of the Company	(62,897)	18,453
Non-controlling interests	<u>(5,565)</u>	<u>3,929</u>
	<u>(68,462)</u>	<u>22,382</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		At 30th June, 2011 HK\$'000 (unaudited)	At 31st December, 2010 HK\$'000 (audited)
	Notes		
NON-CURRENT ASSETS			
Property, plant and equipment		29,003	29,764
Goodwill		217,749	213,378
Intangible assets		472,527	493,848
Interest in an associate	9	112,558	–
Club debenture		2,747	2,692
Art work		54,092	51,565
Other receivables and prepayments	10	13,061	3,165
Deferred tax assets		8,164	1,818
		<u>909,901</u>	<u>796,230</u>
CURRENT ASSETS			
Inventories		1,010	1,015
Film rights		13,699	16,309
Held for trading investments		20,027	49,959
Loan receivable	11	18,072	–
Trade and other receivables, deposits and prepayments	10	338,434	398,948
Amounts due from non-controlling interests		787	786
Bank balances and cash		101,330	141,342
		<u>493,359</u>	<u>608,359</u>
CURRENT LIABILITIES			
Trade and other payables, bills payables and deposits received	12	95,226	159,170
Amount due to a joint venture partner		12,214	2,082
Amounts due to related companies		50,614	–
Amount due to a non-controlling interest		723	741
Tax liabilities		25,826	31,756
Borrowing due within one year		34,610	32,618
		<u>219,213</u>	<u>226,367</u>
NET CURRENT ASSETS		<u>274,146</u>	<u>381,992</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>1,184,047</u></u>	<u><u>1,178,222</u></u>

		At 30th June, 2011 <i>HK\$'000</i> (unaudited)	At 31st December, 2010 <i>HK\$'000</i> (audited)
	<i>Note</i>		
CAPITAL AND RESERVES			
Share capital		520,648	484,398
Reserves		214,580	242,971
Equity attributable to owners of the Company		735,228	727,369
Non-controlling interests		33,581	38,182
TOTAL EQUITY		768,809	765,551
NON-CURRENT LIABILITIES			
Convertible notes issuable		–	30,000
Convertible notes	13	311,730	280,362
Deferred tax liabilities		103,508	102,309
		415,238	412,671
		1,184,047	1,178,222

Notes:

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Hong Kong Accounting Standard 34 (“HKAS 34”) “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30th June, 2011 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31st December, 2010 except for the following accounting policies which were adopted during the period ended 30th June, 2011.

Interest in an associate

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The result and assets and liabilities of an associate is incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, interest in an associate is initially recognised in the consolidated statement of financial position at cost as adjusted thereafter to recognise the Group’s share of the profit or loss, and other comprehensive income of the associate. When the Group’s share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group’s net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Any excess of the cost of acquisition over the Group’s share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's interest in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 "Impairment of assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

Where a group entity transacts with an associate, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

In the current interim period, the Group has applied, for the first time, the following new or revised standards and interpretations ("new or revised HKFRSs") issued by the HKICPA:

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010
HKAS 24 (as revised in 2009)	Related party disclosures
HKAS 32 (Amendments)	Classification of rights issues
HK (IFRIC) – INT 14 (Amendments)	Prepayments of a minimum funding requirement
HK (IFRIC) – INT 19	Extinguishing financial liabilities with equity instruments

The application of the above new or revised HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

The Group has not early applied the following new or revised standards that have issued but are not yet effective. The following new or revised standards have been issued after the date the consolidated financial statements for the year ended 31st December, 2010 were authorised for issuance and are not yet effective:

HKFRS 10	Consolidated financial statements ¹
HKFRS 11	Joint arrangements ¹
HKFRS 12	Disclosures of interests in other entities ¹
HKFRS 13	Fair value measurement ¹
HKAS 1 (Amendments)	Presentation of items of other comprehensive income ²
HKAS 19 (as revised in 2011)	Employee benefits ¹
HKAS 27 (as revised in 2011)	Separate financial statements ¹
HKAS 28 (as revised in 2011)	Investments in associates and joint ventures ¹

¹ *Effective for annual periods beginning on or after 1st January, 2013.*

² *Effective for annual periods beginning on or after 1st July, 2012.*

The five new or revised standards on consolidation, joint arrangements and disclosures were issued by the HKICPA in June 2011 and are effective for annual periods beginning on or after 1st January, 2013. Early application is permitted provided that all of these five new or revised standards are applied early at the same time. The directors anticipate these new or revised standards will be adopted in the Group's consolidated financial statements for the financial year ending 31st December, 2013 and the potential impact is described below.

HKFRS 11 replaces HKAS 31 "Interest in Joint Ventures". HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. Under HKFRS 11, there are two types of joint arrangements: joint ventures and joint operations. The classification in HKFRS 11 is based on parties' rights and obligations under arrangements. In contrast, under HKAS 31, there are three different types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations.

In addition, joint ventures under HKFRS 11 are required to be accounted for using equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate accounting. The application of HKFRS 11 might result in changes in the classification of the Group's joint arrangements and their accounting treatments. Specifically, the Group's jointly controlled entities that are currently accounted for using proportionate consolidation will have to be accounted for using the equity method of accounting.

Other than disclosed above, the directors of the Company anticipate that the application of other new or revised standards will have no material impact on the results and the financial position of the Group.

3. REVENUE AND SEGMENT INFORMATION

The Group's operating segments, based on information reported to the board of directors of the Company, the chief operation decision maker, for the purposes of resource allocation and performance assessment are as follows:

- | | | |
|---|---|---|
| (i) Production and distribution of film rights | – | production and distribution of film rights over films and television programmes |
| (ii) Mobile game subscription | – | development and distribution of mobile games in the People's Republic of China (the "PRC") |
| (iii) Mobile value-added services | – | provision of personalised information and entertainment services to mobile handset users in the PRC |
| (iv) Mobile TV subscription | – | development and distribution of mobile television in the PRC |
| (v) Advertising agency and newspaper distribution | – | circulation and subscription of newspapers and newspaper advertising income in the PRC |
| (vi) Other agency services | – | acting as advertising intermediary and organising cultural and artistic exchange activities |
| (vii) Securities trading and investments | – | trading of securities in Hong Kong investments |

(viii) Others (Note)

— sales of cement in the PRC, distribution of newspapers and magazines other than Beijing Times, sales of bottled water, TV programmes packaging services income and others in the PRC. None of these segments has even met any of the quantitative thresholds for determining reportable segments

Note: During the period, the management of the Group considered sales of cement in the PRC was no longer significant to the Group. Accordingly, the results and financial information relating to sales of cement in the PRC are not separately reported to the board of directors for performance assessment. It is no longer considered as an operating segment of the Group. Revenue and segment information for the period ended 30th June, 2010 is restated.

The revenue and segment information for the period ended 30th June, 2011 and 2010 is presented below.

	Production and distribution of film rights <i>HK\$'000</i>	Mobile game subscription <i>HK\$'000</i>	Mobile value-added services <i>HK\$'000</i>	Mobile TV subscription <i>HK\$'000</i>	Advertising agency and newspaper distribution <i>HK\$'000</i>	Other agency services <i>HK\$'000</i>	Securities trading and investments <i>HK\$'000</i>	Operating segment total <i>HK\$'000</i>	All other segments <i>HK\$'000</i>	Consolidated <i>HK\$'000</i> (restated)
For the six months ended										
30th June, 2011 (unaudited)										
Segment revenue	<u>1,137</u>	<u>876</u>	<u>440</u>	<u>2,792</u>	<u>103,236</u>	<u>252</u>	<u>—</u>	<u>108,733</u>	<u>5,299</u>	<u>114,032</u>
Segment results	<u>(16,776)</u>	<u>(2,134)</u>	<u>(5,526)</u>	<u>(12,292)</u>	<u>13,906</u>	<u>(1,801)</u>	<u>(32,120)</u>	<u>(56,743)</u>	<u>1,322</u>	<u>(55,421)</u>
Unallocated interest income and other gains										20,021
Corporate administrative expenses and other expenses										(35,722)
Finance costs										(13,690)
Share of results of an associate										(4,168)
Loss before taxation										<u>(88,980)</u>
For the six months ended										
30th June, 2010 (unaudited)										
Segment revenue	<u>109,398</u>	<u>651</u>	<u>3,974</u>	<u>620</u>	<u>38,747</u>	<u>19,158</u>	<u>—</u>	<u>172,548</u>	<u>6,022</u>	<u>178,570</u>
Segment results	<u>39,269</u>	<u>(4,138)</u>	<u>1,045</u>	<u>(1,033)</u>	<u>8,754</u>	<u>17,155</u>	<u>(1,808)</u>	<u>59,244</u>	<u>1,969</u>	<u>61,213</u>
Unallocated interest income and net exchange gains										3,912
Corporate administrative expenses and other expenses										(31,493)
Finance costs										(6,180)
Profit before taxation										<u>27,452</u>

All of the segment revenue reported above is from external customers.

Segment results represent the (loss) profit generated or incurred by each segment without allocation of interest income, net foreign exchange gain, corporate administrative expenses, gain on disposal of art work, share options expense, finance costs on borrowings other than margin loan and share of results of an associate. This is the measure reported to the board of directors for the purpose of resource allocation and performance assessment.

Segment assets

The following is an analysis of the Group's assets by operating segment.

	Production and distribution of film rights <i>HK\$'000</i>	Mobile game subscription <i>HK\$'000</i>	Mobile value-added services <i>HK\$'000</i>	Mobile TV subscription <i>HK\$'000</i>	Advertising agency and newspaper distribution <i>HK\$'000</i>	Other agency services <i>HK\$'000</i>	Securities trading and investments <i>HK\$'000</i>	Operating segment total <i>HK\$'000</i>	All other segments <i>HK\$'000</i>	Consolidated <i>HK\$'000</i> (restated)
At 30th June, 2011 (unaudited)										
Segment assets	277,238	7,858	30,690	40,509	708,577	17,750	20,027	1,102,649	4,236	1,106,885
Property, plant & equipment – corporate										3,838
Art work										54,092
Interest in an associate										112,558
Other receivables, deposits and prepayments										15,606
Amounts due from non-controlling interests										787
Bank balances and cash										101,330
Deferred tax assets										8,164
Consolidated assets										<u><u>1,403,260</u></u>
At 31st December, 2010 (audited)										
Segment assets	347,029	10,691	35,271	67,767	668,229	16,892	49,959	1,195,838	4,516	1,200,354
Property, plant & equipment – corporate										4,311
Art work										51,565
Other receivables, deposits and prepayments										4,413
Amounts due from non-controlling interests										786
Bank balances and cash										141,342
Deferred tax assets										1,818
Consolidated assets										<u><u>1,404,589</u></u>

4. OTHER GAINS AND LOSSES, NET

	Six months ended 30th June,	
	2011	2010
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Loss on disposal of property, plant and equipment	(14)	(21)
Net foreign exchange gain	2,699	2,342
Gain on disposal of art work	16,935	–
Allowance for bad and doubtful debts	(8,985)	(6,285)
Impairment of intangible assets (<i>Note</i>)	(1,452)	–
Impairment of film rights (<i>Note</i>)	(3,234)	–
Change in fair value of held for trading investments	(30,116)	(1,061)
	<u>(24,167)</u>	<u>(5,025)</u>

Note: During the period ended 30th June, 2011, the directors have reassessed the recoverable amounts of film rights and impairment loss of HK\$3,234,000 was recognised.

In addition, the directors have also reassessed the recoverable amounts of goodwill and intangible assets from various cash-generating units (“CGUs”). The recoverable amounts of CGUs have been determined on the basis of value in use calculation. The calculation uses cash flow projects based on financial budgets approved by the management covering a 5-year period, with discount rates from 14.25% to 26.08% and growth rates from 2% to 7%. Certain key assumptions have also been included based on the management’s expectations on the market development and the industry history. Impairment loss of HK\$1,452,000 was recognised in respect of a CGU whereby its carrying amount is less than its recoverable amount. Since that CGU did not contain any goodwill, such impairment was allocated to the intangible asset of that CGU. Other than that, the directors of the Company determined that there was no impairment of goodwill and intangible assets to any of its CGUs. The management believes that any reasonably possible changes in any of the assumptions applied in determination of the recoverable amounts of the CGUs would not cause the aggregate carrying amounts of the CGUs to exceed their aggregate recoverable amounts.

5. FINANCE COSTS

	Six months ended 30th June,	
	2011	2010
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Effective interest expense on convertible notes	13,690	5,619
Interest on borrowings wholly repayable within five years	2,058	1,366
	<u>15,748</u>	<u>6,985</u>

6. TAXATION CREDIT (CHARGE)

	Six months ended 30th June,	
	2011	2010
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
PRC Enterprise Income Tax:		
Current period	(4,237)	(11,656)
Deferred tax:		
Current period	<u>7,169</u>	<u>4,771</u>
	<u>2,932</u>	<u>(6,885)</u>

No provision for Hong Kong Profits Tax has been made as the group companies operating in Hong Kong do not have any assessable profit for both periods.

Enterprise income tax in the PRC is calculated at 25% of estimated assessable profit for both periods.

7. (LOSS) PROFIT FOR THE PERIOD

	Six months ended 30th June,	
	2011	2010
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
(Loss) profit for the period has been arrived at after charging (crediting):		
Amortisation of intangible assets (included in cost of sales)	15,009	(4,416)
Depreciation of property, plant and equipment	5,183	3,131
Film rights recognised as an expense (included in cost of sales)	1,373	45,475
Interest income	<u>(387)</u>	<u>(1,570)</u>

8. (LOSS) EARNINGS PER SHARE

The calculation of the basic and diluted (loss) earnings per share attributable to the owners of the Company is based on the following information:

	Six months ended 30th June,	
	2011	2010
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
(Loss) earnings		
(Loss) profit for the period attributable to the owners of the Company for the purposes of basic and diluted (loss) earnings per share	<u>(79,681)</u>	<u>17,155</u>
Number of shares		
Weighted average number of ordinary shares for the purposes of basic and diluted (loss) earnings per share	<u>1,952,702,514</u>	<u>1,584,486,404</u>

The weighted average number of ordinary shares for the purpose of basic loss per share for the period ended 30th June, 2011 has taken into account the issue of shares on 30th March, 2011 and the placement held on 24th June, 2011.

The weighted average number of ordinary shares for the purpose of basic earnings per share for the period ended 30th June, 2010 has taken into account the issue of shares for the acquisition of subsidiaries on 11th February, 2010 and the placement held on 18th May, 2010.

The computation of diluted (loss) earnings per share does not assume the conversion of the Company's outstanding convertible notes as their assumed conversion would decrease the loss per share and increase the earnings per share for the six months ended 30th June, 2011 and 2010 respectively.

In addition, the computation of diluted (loss) earnings per share does not assume the exercise of share options because the exercise price of these options was higher than the average market price for shares for the six months ended 30th June, 2011 and 2010.

9. INTEREST IN AN ASSOCIATE

Pursuant to a subscription agreement dated 27th January, 2011, the Group subscribed for, and was allotted and issued by, Super Sports Media Inc. (“Super Sports”) preferred shares entitling the Group to convert into ordinary shares of Super Sports representing 30% of the equity interests in Super Sports on an as-converted and fully diluted basis for a consideration of US\$15,000,000 (equivalent to approximately HK\$116,726,000). The acquisition was completed on 30th March, 2011.

	At 30th June, 2011 <i>HK\$'000</i> (unaudited)	At 31st December, 2010 <i>HK\$'000</i> (audited)
Cost of investment in an associate	116,726	—
Share of post-acquisition loss	(4,168)	—
	112,558	—

As at 30th June, 2011, the Group had interest in the following associate:

Name of entity	Place of incorporation	Principal place of operation	Class of shares held	Proportion of nominal value of class of issued capital held by the Group	Proportion of voting power held	Principal activity
Super Sports	Cayman Islands	The PRC	Preferred shares (Note 1)	30% (Note 2)	30% (Note 2)	Distribution of broadcasting rights in the PRC and Macau regions and related advertising

Notes:

- (1) The preferred shares entitled the Group to have the voting right, in the same manner as the holders of ordinary shares in general meeting. Holders of preferred shares are also entitled to receive in priority to a payment of dividend to the holders of the ordinary share dividends declared under the same measurement basis. The holders of preferred shares cannot request redemption of preferred shares except upon liquidation of Super Sports. The Group has appointed one director in the board of Super Sports. There are total five directors in the board of which three of them are representatives of holders of preferred shares. According to the memorandum and articles of association of Super Sports, all the resolutions require approval by simple majority of the board members. All the preferred shares have to be converted into ordinary shares prior to listing of shares of Super Sports to the public.

- (2) As at 30th June, 2011, none of the preferred shares held by the Group were converted into ordinary shares. The proportion of nominal value of class of issued capital held by the Group and the proportion of voting power held represent the equity interests in Super Sports on an as-converted and fully diluted basis.

10. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	At 30th June, 2011 <i>HK\$'000</i> (unaudited)	At 31st December, 2010 <i>HK\$'000</i> (audited)
Trade receivables	159,417	201,720
Other tax recoverable	18,456	16,227
Other receivables and deposits	24,434	19,300
Receivable for disposal of art work	11,222	–
Receivable for disposal of a subsidiary	–	17,420
Amount receivable from a former subsidiary (<i>Note</i>)	47,966	45,538
Receivable for disposal of other financial asset (<i>Note</i>)	7,968	40,142
Prepayment for purchase of inventories	28,012	24,468
Other prepayments	20,731	7,842
Amounts due from joint venture partners	33,289	29,456
	<u>351,495</u>	<u>402,113</u>
Analysed as		
Current	338,434	398,948
Non-current	13,061	3,165
	<u>351,495</u>	<u>402,113</u>

Note: At 30th June, 2011, the receivable from a former subsidiary and receivable for disposal of other financial asset were secured by future revenue to be generated under a profit sharing right of a TV drama held by the purchaser of the former subsidiary and the other financial asset.

Trade receivables

Trade receivables consist of receivables from debtors arising from production and distribution of film rights segments and other business segments analysed as follows:

	At 30th June, 2011 <i>HK\$'000</i> (unaudited)	At 31st December, 2010 <i>HK\$'000</i> (audited)
Production and distribution of film rights	96,186	144,821
Other business segments	63,231	56,899
	<u>159,417</u>	<u>201,720</u>

For the production and distribution of film rights segment, according to certain sales contracts signed with customers who usually pay upfront deposits after obtaining the master copies of films or TV dramas, the remaining balance are generally considered as due for settlement when the relevant films or TV dramas are broadcasted by the customers. In the opinion of the directors, these trade receivables are not considered as past due. However, the directors will assess whether allowance on these receivables is necessary on a regular basis after considering (i) the reputation and historic trading history of these customers (ii) the market situations that lead to delay of broadcasting and (iii) subsequent settlements.

The following is an aged analysis of trade receivables net of allowance for doubtful debts for production and distribution of film rights segment presented based on the delivery date of the master copies of films at the end of the reporting period:

	At 30th June, 2011 <i>HK\$'000</i> (unaudited)	At 31st December, 2010 <i>HK\$'000</i> (audited)
0 – 90 days	386	60,155
91 – 180 days	–	429
181 – 365 days	34,036	53,536
Over 365 days	61,764	30,701
	<u>96,186</u>	<u>144,821</u>

The following is an aged analysis of trade receivables net of allowance for doubtful debts for other business segments presented based on the invoice date at the end of the reporting period:

	At 30th June, 2011 <i>HK\$'000</i> (unaudited)	At 31st December, 2010 <i>HK\$'000</i> (audited)
0 – 90 days	38,563	34,259
91 – 180 days	8,108	19,751
181 – 365 days	16,560	2,889
	63,231	56,899

The Group has policy of making allowance for bad and doubtful debts which is based on the evaluation of collectability and age of accounts and on management's judgement including credit worthiness and past collection history of each customer. The trade receivables where either settled subsequently to the reporting period or the respective customers have good repayment history. Accordingly, the directors of the Company believe that there is no further allowance required at the end of the reporting period.

11. LOAN RECEIVABLE

Loan receivable as at 30th June, 2011 related to a loan of approximately HK\$18,072,000 to a film producer for the production of a particular film. The amount was classified as current asset as it was expected to be recoverable within the next 12 months. The return on the loan was 20% per annum on the loan amount.

12. TRADE AND OTHER PAYABLES, BILLS PAYABLES AND DEPOSITS RECEIVED

	At 30th June, 2011 <i>HK\$'000</i> (unaudited)	At 31st December, 2010 <i>HK\$'000</i> (audited)
Trade and bills payables	30,010	48,450
Advance payments from customers	26,156	30,039
Other tax payable	14,445	17,792
Accrued staff costs	4,418	9,442
Payable for purchase of broadcasting right (<i>Note</i>)	–	16,000
Other payables, deposits received and accrued charges	20,197	34,075
Amounts due to related companies	–	3,372
	<u>95,226</u>	<u>159,170</u>

Note: Due to certain technical problem in launching the real time broadcasting of a particular sport program via mobile, the Group was not able to commence the real time broadcasting service. During the period ended 30th June, 2011, the Group entered into a supplementary agreement with the vendor of the broadcasting right acquired in prior year, pursuant to which the vendor agreed to reduce the consideration of the broadcasting right acquired by the Group by HK\$16,000,000 given that the actual life of the right available for the real time broadcasting is reduced to 2 years, rather than the originally agreed period of 3 years. Accordingly, the payable for purchase of broadcasting right of HK\$16,000,000 was deducted from the carrying amount of the broadcasting right as included in intangible assets.

The average credit period on purchase of goods is normally ranging from 120 days to 210 days.

The following is an aged analysis of trade and bills payables presented based on the invoice date at the end of the reporting period:

	At 30th June, 2011 <i>HK\$'000</i> (unaudited)	At 31st December, 2010 <i>HK\$'000</i> (audited)
0 – 90 days	23,459	41,064
91 – 180 days	2,242	3,164
181 – 365 days	2,755	3,060
Over 365 days	1,554	1,162
	<u>30,010</u>	<u>48,450</u>

13. CONVERTIBLE NOTES

Pursuant to the equity transfer agreements for acquisition of the entire issued share capital of Prefect Strategy International Limited (“Prefect Strategy”) and Main City Limited which have indirect control and an effective interest of 100% in Beida Culture Development Company Limited (“Beida Culture”), the Company issued two zero coupon convertible notes which have an aggregate principal amount of HK\$470,000,000 on 3rd June, 2010. The first convertible note (“CB1”) amounting to HK\$350,000,000 will be matured in 3 years after the date of issue. The second convertible note (“CB2”) amounting to HK\$120,000,000 will be matured in 5 years after the date of issue. In addition, based on the relevant agreement, the Group is required to issue an additional amount of convertible note of the Company amounting to a principal amount of HK\$30,000,000 (the “Additional CB”) to the vendor if the profit after taxation of Beida Culture in the year 2010 exceeds HK\$50,000,000 (the “Condition”). Due to the Condition has been fulfilled as at 31st December, 2010, the obligation of the issuance of the Additional CB was established. The Additional CB, a zero coupon convertible note with principal amount of HK\$30,000,000 was issued on 30th March, 2011 and will be matured in 5 years after the date of issue. The convertible notes are denominated in Hong Kong dollar (HK\$). The convertible notes entitle the note holders to convert them into shares of the Company at any time within 3 years (for CB1) or 5 years (for CB2 and Additional CB) from the date of issue of the convertible notes, at the conversion price per share of HK\$1.2 for CB1 or HK\$1 for CB2 and Additional CB respectively, subject to anti-dilutive clauses. In addition, the note holders shall exercise its conversion rights in relation to all outstanding amount of the convertible notes if (i) the market closing price of the shares on The Stock Exchange of Hong Kong Limited shall for 10 consecutive trading days be more than HK\$1.5 per share; and (ii) the Company shall have given to the note holders within 7 business days written notice of compulsory conversion requiring the note holders to exercise its conversion rights in relation to all outstanding amount of the convertible notes regardless of the 15% issued share capital restriction set out in the convertible notes under any circumstance.

INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the six months ended 30th June, 2011 (2010: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Review of Operations

During the period ended 30th June, 2011, the Group was primarily engaged in two businesses, namely (i) media related businesses; and (ii) securities trading and investments. Media related businesses mainly include the planning, production, publication, investment, distribution and licensing of television drama and film and organizing cultural and artistic exchange activities, mobile value-added services, mobile game business, mobile TV business, sales and distribution of newspapers and magazines, advertising agency businesses and TV programmes packaging services. A majority of these businesses were conducted in the People's Republic of China (the "PRC").

For the six months ended 30th June, 2011, the Group recorded a turnover of HK\$114,032,000 and a net loss attributable to the shareholders of the Company of HK\$79,681,000, as compared to a turnover and a net profit of HK\$178,570,000 and HK\$17,155,000 respectively in the last corresponding period. Excluding amortisation of intangible assets, the non-cash effective interest expense on convertible notes, unrealised loss on change in fair value of held for trading investments and share options expense of HK\$67,388,000 (30th June, 2010: HK\$26,785,000), the net loss attributable to the shareholders of the Company is HK\$12,293,000 (30th June, 2010: profit of HK\$43,940,000). The loss was primarily attributable to (i) increase in certain non-cash expenses, including amortisation of intangible assets, the effective interest expense on convertible notes and unrealised loss on change in fair value of held for trading investments, which arise as a result of accounting treatment under the provisions of the applicable accounting standards; and (ii) decrease in the turnover of the Group.

Loss per share (both basic and diluted) for the period ended 30th June, 2011 is 4.08 HK cents (30th June, 2010: profit per share was 1.08 HK cents) and the net asset value attributable to owners of the Company per share is HK\$0.35 (31st December, 2010: HK\$0.38).

Segmental Review

Media Related Businesses

For the six month ended 30th June, 2011, the film, television programme and television drama series production, distribution and licensing business brought the Group revenue of HK\$1,137,000 (30th June, 2010: HK\$109,398,000) with segment loss of HK\$16,776,000 (30th June, 2010: profit of HK\$39,269,000). The decrease in revenue was mainly due to the fact that certain television drama series were under production in the first half of 2011 and production and distribution would only occur at a later time. Apart from the drop in revenue, the segment loss was resulted from the impairment of film right and the allowance for bad and doubtful debts.

During the period ended 30th June, 2011, the mobile games business brought the Group revenue of HK\$876,000 (30th June, 2010: HK\$651,000) with segment loss of HK\$2,134,000 (30th June, 2010: HK\$4,138,000), which was mainly due to the amortisation of the mobile game intangibles acquired upon acquisition of HK\$1,769,000 (30th June, 2010: HK\$3,000,000) and the impairment loss of a mobile game platform of HK\$1,452,000.

The mobile value-added business mainly refers to the provision of personalised information and entertainment services to mobile handset users in the PRC via the internet and other modern telecom technologies in the form of SMS, MMS, WAP, interactive voice response and the like. For the six month ended 30th June, 2011, this line of business brought the Group net revenues of HK\$440,000 (30th June, 2010: HK\$3,974,000) with segment loss of HK\$5,526,000 (30th June, 2010: profit of HK\$1,045,000), after netting off amortisation of license upon acquisition of HK\$1,784,000 (30th June, 2010: HK\$1,416,000). The decrease in revenue and loss was a result of the policy adjustment by the telecommunication operators which led to suspension in the SMS value-added business since March 2011. After a re-assessment by the telecommunication operators in August 2011, the SMS value-added business is expected to resume in late September 2011.

For the six month ended 30th June, 2011, the net revenue of mobile TV business amounted to HK\$2,792,000 (30th June, 2010: HK\$620,000) (after the 49% share of results) and this segment recorded a loss of HK\$12,292,000 (30th June, 2010: HK\$1,033,000), which was primarily resulted from the amortisation of the broadcasting right of HK\$11,456,000. For details, please refer to the “Mobile New Media Business” under the Prospects Section.

For the period ended 30th June, 2011, the newspaper advertising agency and distribution businesses contributed to the Group revenue and segment profit of HK\$103,236,000 (30th June, 2010: HK\$38,747,000) (after the 50% share of results) and HK\$13,906,000 (30th June, 2010: HK\$8,754,000) respectively. The increase in revenue and segment profit were primarily owing to the fact that only two months’ results of this business were recognised in the first half of 2010. For details, please refer to the “Print Newspaper Business” under the Prospects Section.

During the period, the Group also carried out advertising intermediary and other agency services embodying the organisation of cultural and artistic exchange activities. These businesses contributed to the Group revenue and segment loss of HK\$252,000 (30th June, 2010: HK\$19,158,000) and HK\$1,801,000 (30th June, 2010: profit of HK\$17,155,000) respectively for the period ended 30th June, 2011. The decline in segment revenue was mainly due to the fact that no advertising intermediary activities were held in the first half of the year.

Securities Trading and Investment

For the first half of 2011, the Group’s trading and investment recorded a segment loss of HK\$32,120,000 (30th June, 2010: HK\$1,808,000), mainly due to loss from change in fair value of held for trading investments.

Other Business

Revenues and profit from other segments including distribution of magazines and newspapers other than Beijing Times, sales of bottled water, TV programme packaging services income and others in the PRC amounted to HK\$5,299,000 (30th June, 2010: HK\$6,022,000) and HK\$1,322,000 (30th June, 2010: HK\$1,969,000) respectively during the period ended 30th June, 2011.

On 27th January, 2011, the Group has subscribed for the preferred shares at a consideration of US\$15,000,000 (equivalent to approximately HK\$116,726,000) in Super Sports Media Inc. (“Super Sport”) representing 30% of the equity interests in Super Sports on an enlarged and fully diluted basis. For details of this acquisition, please refer to the “Other Broadcasting Business” under the Prospects Section and the announcement of the Company dated 27th January, 2011. Upon completion of the acquisition on 30th March, 2011, Super Sports became an associate of the Group. The Group shared a loss of HK\$4,168,000 in Super Sports for the period since the completion of the acquisition.

FINANCIAL REVIEW

Liquidity, Financial Resources and Capital Structure

The Group’s capital expenditure, daily operations and investments are mainly funded by cash generated from its operations, loans from principal bankers and financial institutions and equity financing. As at 30th June, 2011, the Group maintained cash reserves of HK\$101,330,000 (31st December, 2010: HK\$141,342,000). As at 30th June, 2011, the equity attributable to equity holders of the Company amounted to HK\$735,228,000 (31st December, 2010: HK\$727,369,000) with borrowing of HK\$34,610,000 (31st December, 2010: HK\$32,618,000).

On 30th March, 2011, the Company issued 20,000,000 shares of the Company to the vendor, an independent third party to settle the remaining consideration for the acquisition of the entire issued share capital of Year Wealth Limited, which indirectly owns 51% equity interests in 西安金鼎影視文化有限公司 (in English, Xian Jinding Film, Television and Culture Company Limited).

On the same day, the Company issued to the vendor, an independent third party convertible note in a principal amount of HK\$30,000,000 with a conversion price of HK\$1 per share of the Company to settle the remaining consideration for the acquisition of the entire issued share capital of Main City Limited, which indirectly owns 30% equity interests of Beida Culture Development Company Limited. None of this convertible note has been converted as the date of this announcement.

The Group conducted a placing during the period under review in order to further strengthen its capital base and to expand the Group's media related business and investment. On 9th June, 2011, the Group announced to place 125,000,000 placing shares to an independent investor at a price of HK\$0.4 per placing share. The net proceeds of HK\$50,000,000 from the placing were used for general working capital of the Group. The placing was completed on 24th June, 2011.

Foreign Exchange Fluctuation

The Group's operations are mainly located in Mainland China and its transactions, related working capital and borrowing are primarily denominated in Renminbi and Hong Kong Dollars. The Group monitors its foreign exchange exposure and will consider hedging significant currency exposure should the need arise.

Charges on Assets

As of 30th June, 2011, held for trading investments with carrying value of HK\$20,027,000 (31st December, 2010: HK\$49,959,000) was pledged to financial institution as collateral mainly to secure short term credit facilities granted to the Group.

EMPLOYEES AND REMUNERATION POLICIES

As at 30th June, 2011, the Group, including its subsidiaries and jointly controlled entities but excluding its associates, employed 1,630 (30th June, 2010: 1,620) employees. The remuneration policies of the Group are based on the prevailing market levels and the performance of the respective group companies and individual employees. These policies are reviewed on a regular basis.

RISK MANAGEMENT

During the period under review, the Group constantly reviewed the risk and credit control systems of its profit centres to improve the overall control system and mitigate the credit risk.

PROSPECTS

After the State Council announced the “Cultural Industry Promotion Plan” (文化產業振興規劃) and the reform of the overall cultural infrastructure in China had been implemented, the cultural market has become a key platform for cultural development and guiding prosperity as well as the development of cultural industry. The cultural industry is to become a pillar industry of China and play an important role in adjusting social structure, expanding domestic consumption, increasing employment and driving the development of the country. According to “The Report on the Development of the Cultural Industry in China 2011”, the macroeconomy has been adjusted to drive the rocketing expansion of the cultural industry. The subsequent adjustment has led an upsurge of cultural demand. This, in turn, is expected to lead to an expansion in the service industry resulting from the change in economic structure and new industry trends derived from revolutionary advances in digital information technology and is driving the growth of the cultural industry. Backed by the guidance of supportive Government policies and the unprecedented demand of the cultural market, the Group expects to rapidly develop its media related businesses.

Print Newspaper Business

On 28th May, 2011, Beijing Times celebrated the 10th anniversary of its founding and this leading brand was highlighted while its profile was enhanced. The newspaper has achieved its all-time advertising revenue record during the week of its anniversary celebration. As the largest morning post in Beijing, Beijing Times has become an essential element in the spiritual and material life of thousands of readers. It has also contributed to the growth of tens of thousands of organisations and enabled its customers to achieve commercial success.

Beijing Times has grown from a single newspaper business to a diversified media group covering the Jinhua books (京華圖書), Jinhua artistic services (京華演藝), Jinhua TV (京華視頻), Jinhua advertising (京華廣告), Jinhua logistics (京華物流), the Jinhua website, e-business (億家網), VNEWS TV (京華VNEWS視頻), and various electronic terminal products under the brand of Jinhua.

In the first half of the year, Beijing Times faced challenges to its advertising revenue mainly due to the decline in automobile advertising which in turn, was caused by restrictions on automobile purchases within Beijing. The classified advertising was also affected by Government policies. Moreover, rising paper costs have boosted cost of sales. To cope with such market conditions, the Group has promptly revised its business strategy in response to changes in the business environment, thereby strongly boosting the placement of and revenue from commercial and industrial advertising and classified advertising. Under the Government’s property market austerity measures, the placement of property advertisements in newspapers has apparently recovered in the first half of the year, with a significant increase when compared to the same period last year. In the changing media environment, Beijing Times has enhanced the effectiveness of corporate advertising by various means in order to maintain customer loyalty. When there were automobile and property exhibitions, as well as during festive holidays, special supplements and reports were issued with a focus on automobiles, property and tourism. Management expects that the newspaper business will grow steadily in the second half of 2011.

Print Magazine Business

The Group and Groupe Le Figaro (費加羅雜誌集團) of France have strategically collaborated to jointly operate a high-end women's magazine 費加羅 FIGARO. Both parties are committed to creating a new era in China for fashionable media. Madame FIGARO is currently the best selling women's magazine with the largest circulation in France. The magazine has nine international editions and the Chinese version is called 費加羅 FIGARO. It is a semimonthly international magazine offering true value for money with content relating to daily life and consumption. 費加羅 FIGARO serves as an important part of the Group's strategy to open a new era in China with trendy and wide-ranging media. With an aim of building an all-round media resource platform around 費加羅 FIGARO, the Group is planning the FIGARO iPad digital version, official website and Weibo (微博). 費加羅 FIGARO also maintains close strategic cooperation with the Group's mobile TV and newspaper businesses, and other media including satellite TV so as to customise all-round media solutions for customers. This initiative has gained wide recognition from advertisers representing major international brands.

To celebrate the publication of the inaugural edition of 費加羅 FIGARO in mid-August, internationally renowned actress Maggie Cheung and super models Ji Lili, Ju Xiaowen and Lela Wang posed for the cover of the magazine. Actress Zhang Jing Chu also shot for inclusion in the magazine. Sales of the first issue of 費加羅 FIGARO have achieved a very satisfactory level. As at the date of this announcement, in the 18 cities which the magazine was published, a sales volume of over 90% of the publication was recorded in Beijing, Shanghai and Guangzhou while sales volume in other major cities such as Hunan as well as Chongqing, Zhejiang and Jiangsu provinces also exceeded 70%.

The rapid economic development of China has driven the growth of the affluent population and led to an improvement in consumption power. Consumption of luxury goods, which are status symbols, have been growing at a rocketing pace. People have changed from worshipping luxury goods from afar to purchasing these products. Nationwide advertisement and promotion of luxury goods mainly rely on high-end magazines. This favourable trend creates bright prospects for the advertising of 費加羅 FIGARO which is positioned as a high-end magazine with sophisticated content to an increasingly affluent audience.

Mobile New Media Business

The mobile internet has a considerable scale of coverage within China. As at April this year, more than 300,000,000 among the 900,000,000 mobile telecom users were mobile internet users. The number of 3G users has also exceeded 67,000,000. The proportion of mobile internet users among all internet users nationwide has been rapidly rising, currently reaching 66.2%. Besides, there are 43,000,000 users who access the internet via mobile phones only, accounting for nearly 10% of the total internet users. It is estimated that the number of mobile internet users may exceed that of PC internet users by 2013. The mobile internet market in China has enormous development potential and is expected to become the largest media market in the country in the next few years.

The Group has been focusing on the development of new media business such as mobile TV, mobile reading and mobile games with an aim to satisfy the wide-ranging entertainment needs in the digital media era. In recent years, mobile TV has been developing rapidly along with the continuous upgrading and optimisation of mobile network functionality and mobile terminals. As at late July 2011, the total pieces of programme reserve of mobile TV were close to 50,000. The Group has also continued to introduce and produce new and unique programmes which have drawn considerable interest, including international news, news on society, the legal system, exclusive live and recorded broadcasting of English Premier League in mobile media as well as television drama and film production. The Group's mobile TV business has already achieved a single month's profit and is fully connected with the mobile TV billing platform of all major telecom operators. Although a loss was recorded in the first half of the year, the Group expects the business to generate profit in the second half.

Due to the policy adjustment of telecom operators, the billing of the mobile SMS business was suspended in March this year. After the recent reassessment by the telecom operators, it is expected billing can resume in late September. Since early 2011, the Group has increased its investment in software business for mobile users and expanded its mobile reading, mobile music and mobile game businesses. Within the mobile reading segment, the Group has also integrated a wide variety of reading content and is formatting it into China Mobile's e-reading base to satisfy the variety of reading preferences of users.

In July and August, the Group launched three major mobile games, namely “玄境OL”, “星彈堂” and “鐵騎”. On top of more content choices, the Group is developing games on a larger scale with better quality. “玄境OL” is a multiplayer online role-playing game that offers users a unique interactive experience via its user-friendly touchscreen application. The game has been popularly received since its official launch into the market. After the debut of these three mobile games, the management expects to record a profit in the second half.

Other Broadcasting Business

In the first half of the year, the Group acquired the preferred shares allotted and issued by Super Sports Media Inc. (“Super Sports”) for a consideration of US\$15,000,000 (approximately HK\$116,726,000). The Group was granted the right to convert the preferred shares into ordinary shares, representing 30% of the equity interest in Super Sports on an as-converted basis. According to the agreement, upon the grant of employee stock options, with no more than 13.04% of the total number of ordinary shares of Super Sports, to the management, the Group will own 26.09% equity interest in Super Sports on an as-converted and fully diluted basis. After the Group completed the acquisition in late March, Super Sports has become an associate of the Group. Super Sports adds value to our media by providing a wide range of sports programmes. Perhaps most notably, it has signed an agreement with the Football Association Premier League Limited in relation to the rights of live broadcast and retransmission of English Premier League (“EPL”) matches in Mainland China and Macau during three full seasons from 2010 to 2013, as well as certain agreements related to technological development. After the Group had secured the exclusive live broadcast, delayed broadcast and recorded broadcast of all EPL matches over mobile media last year, it has, through this acquisition, entered into the sports broadcast market via its integrated media platform covering mobile TV, TV broadcast, satellite TV and internet network. This initiative enables the Group to build a highly efficient integrated audience network. While the Group promotes its business across all media, it will be able to generate income from more sources and advertising income for the Group.

Television and Film Business

The military TV drama “The Invincible Mastermind” (智者無敵) filmed last year was started to broadcast across four satellite TV stations during July this year. The viewing rate continued to increase. On the second day, the Beijing area ranked the third in China and the entire TV drama ranked second in China. The Group has commenced the third round of sales which would be benefited from the favourable viewing rate for the first broadcast. During the first half of 2011, although the Group has focused on the investment and development of new media channels in the first half, it has also made investments in two TV dramas, which were under preparation and preliminary production. Filming and production will be carried out in the second half of the year.

The collaboration between the Group’s film and television drama business and mobile new media business units has generated positive synergies in operations and offerings to customers. Television dramas have been transformed into popular mobile viewing content. Mobile games have been developed based on the story adaptation of the television dramas of the same name. Television drama contents have also become popular broadcast programmes on mobile TV. Actors and actresses in dramas and films can also boost their recognition and reputation along with the rapid development of new media.

Looking ahead to the second half of the year, the Group will enhance the marketing activities and consolidate resources in the mobile new media businesses while leveraging its core competitiveness in cultural content production to reinforce synergies among its television and film, print media and new media businesses. Through the synergies from integrated resources and close collaboration between the teams of each business division, we are set to develop cohesion within the Group while creating economies of scale in a bid to boost the rapid sustained growth of its businesses.

CODE ON CORPORATE GOVERNANCE PRACTICES

During the six months ended 30th June, 2011, the Company has applied the principles of, and complied with, the applicable code provisions of the Code on Corporate Governance Practices (the “CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, except for certain deviations which are summarised below:

Code Provisions B.1.3 and C.3.3

Code provisions B.1.3 and C.3.3 stipulate that the terms of reference of the remuneration committee and audit committee should include, as a minimum, those specific duties as set out in the respective code provisions.

The terms of reference of the remuneration committee (the “Remuneration Committee”) adopted by the Company are in compliance with the code provision B.1.3 except that the Remuneration Committee should review (as opposed to determine under the code provision) and make recommendations to the Board on the remuneration packages of Executive Directors only and not senior management (as opposed to Directors and senior management under the code provision).

The terms of reference of the audit committee (the “Audit Committee”) adopted by the Company are in compliance with the code provision C.3.3 except that the Audit Committee (i) should recommend (as opposed to implement under the code provision) the policy on the engagement of the external auditor to supply non-audit services; (ii) only possesses the effective ability to scrutinise (as opposed to ensure under the code provision) whether management has discharged its duty to have an effective internal control system; and (iii) can promote (as opposed to ensure under the code provision) the coordination between the internal and external auditors, and check (as opposed to ensure under the code provision) whether the internal audit function is adequately resourced.

The reasons for the above deviations are set out in the section “Corporate Governance Report” contained in the Company’s annual report for the financial year ended 31st December, 2010. The Board considers that the Remuneration Committee and the Audit Committee should continue to operate according to the terms of reference adopted by the Company. The Board will review the terms at least annually and make appropriate changes if considered necessary.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's shares during the six months ended 30th June, 2011.

By Order of the Board
ChinaVision Media Group Limited
Dong Ping
Chairman

Hong Kong, 30th August, 2011

As at the date of this announcement, the Board comprises Mr. Dong Ping (Chairman), Mr. Ng Qing Hai (President) and Mr. Zhao Chao, being the Executive Directors; Mr. Kong Muk Yin, being the Non-Executive Director; and Mr. Chen Ching, Mr. Jin Hui Zhi and Mr. Li Chak Hung, being the Independent Non-Executive Directors.