文化中國傳播集團有限公司
CHINAVISION MEDIA GROUP LIMITED

Stock Code: 1060

2011 INTERIM REPORT

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").

CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30TH JUNE, 2011

		Six months ended 30th June,	
		2011	2010
	NOTES	**HK$'000**	HK$'000
		(unaudited)	(unaudited)
Revenue	3	**114,032**	178,570
Cost of sales		**(79,657)**	(73,368)
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	11	**(4,168)**	–
(Loss) profit before taxation		**(88,980)**	27,452
Taxation credit (charge)	6	**2,932**	(6,885)
(Loss) profit for the period	7	**(86,048)**	20,567

	NOTES	Six months ended 30th June, 2011 HK$'000 (unaudited)	2010 HK$'000 (unaudited)
(Loss) profit for the period attributable to:			
Owners of the Company		**(79,681)**	17,155
Non-controlling interests		**(6,367)**	3,412
		(86,048)	20,567
		HK cents	HK cents
(Loss) earnings per share	9		
– Basic and diluted		**(4.08)**	1.08

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30TH JUNE, 2011

	Six months ended 30th June,	
	2011	2010
	HK$'000	HK$'000
	(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	**17,586**	1,815
Total comprehensive (expense) income for the period	**(68,462)**	22,382
Total comprehensive (expense) income for the period attributable to:		
Owners of the Company	**(62,897)**	18,453
Non-controlling interests	**(5,565)**	3,929
	(68,462)	22,382

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30TH JUNE, 2011

	NOTES	At 30th June, 2011 HK$'000 (unaudited)	At 31st December, 2010 HK$'000 (audited)
NON-CURRENT ASSETS			
Property, plant and equipment	10	**29,003**	29,764
Goodwill		**217,749**	213,378
Intangible assets		**472,527**	493,848
Interest in an associate	11	**112,558**	–
Club debenture		**2,747**	2,692
Art work		**54,092**	51,565
Other receivables and prepayments	12	**13,061**	3,165
Deferred tax assets	20	**8,164**	1,818
		909,901	796,230
CURRENT ASSETS			
Inventories		**1,010**	1,015
Film rights		**13,699**	16,309
Held for trading investments		**20,027**	49,959
Loan receivable	13	**18,072**	–
Trade and other receivables, deposits and prepayments	12	**338,434**	398,948
Amounts due from non-controlling interests		**787**	786
Bank balances and cash		**101,330**	141,342
		493,359	608,359
CURRENT LIABILITIES			
Trade and other payables, bills payables and deposits received	14	**95,226**	159,170
Amount due to a joint venture partner		**12,214**	2,082
Amounts due to related companies	15	**50,614**	–
Amount due to a non-controlling interest		**723**	741
Tax liabilities		**25,826**	31,756
Borrowing due within one year	16	**34,610**	32,618
		219,213	226,367
NET CURRENT ASSETS		**274,146**	381,992
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,184,047**	1,178,222

	NOTES	At 30th June, 2011 HK$'000 (unaudited)	At 31st December, 2010 HK$'000 (audited)
CAPITAL AND RESERVES			
Share capital	18	**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	17	**–**	30,000
Convertible notes	19	**311,730**	280,362
Deferred tax liabilities	20	**103,508**	102,309
		415,238	412,671
		1,184,047	1,178,222

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30TH JUNE, 2011

	Attributable to owners of the Company													
	Share capital HK$'000	Share premium HK$'000	Share options reserve HK$'000	Convertible notes equity reserve HK$'000	Capital redemption reserve HK$'000	Contributed surplus HK$'000	Translation reserve HK$'000	Merger reserve HK$'000 (Note a)	Capital reserve HK$'000	Share issuable reserve HK$'000 (Note b)	Accumulated losses HK$'000 (Note c)	Total HK$'000	Non-controlling interests HK$'000	Total HK$'000
At 1st January, 2010 (audited)	370,398	61,334	–	–	918	44,203	9,959	1,799	–	22,500	(151,522)	359,589	45,737	405,326
Profit for the period	–	–	–	–	–	–	–	–	–	–	17,155	17,155	3,412	20,567
Exchange difference arising on translation to presentation currency	–	–	–	–	–	–	1,298	–	–	–	–	1,298	517	1,815
Total comprehensive income for the period	–	–	–	–	–	–	1,298	–	–	–	17,155	18,453	3,929	22,382
Issue of shares for acquisition of subsidiaries	10,000	5,000	–	–	–	–	–	–	–	(15,000)	–	–	–	–
Shares issued for cash	74,000	88,800	–	–	–	–	–	–	–	–	–	162,800	–	162,800
Transaction costs attributable to issue of shares	–	(4,901)	–	–	–	–	–	–	–	–	–	(4,901)	–	(4,901)
Recognition of equity component of convertible notes	–	–	–	69,476	–	–	–	–	–	–	–	69,476	–	69,476
Recognition of equity-settled share-based payments	–	–	15,689	–	–	–	–	–	–	–	–	15,689	–	15,689
At 30th June, 2010 (unaudited)	454,398	150,233	15,689	69,476	918	44,203	11,257	1,799	–	7,500	(134,367)	621,106	49,666	670,772
At 1st January, 2011 (audited)	484,398	223,978	28,266	39,017	918	44,203	40,438	1,799	(5,288)	7,500	(137,860)	727,369	38,182	765,551
Loss for the period	–	–	–	–	–	–	–	–	–	–	(79,681)	(79,681)	(6,367)	(86,048)
Exchange difference arising on translation to presentation currency	–	–	–	–	–	–	16,784	–	–	–	–	16,784	802	17,586
Total comprehensive income for the period	–	–	–	–	–	–	16,784	–	–	–	(79,681)	(62,897)	(5,565)	(68,462)
Issue of shares for acquisition of subsidiaries	5,000	2,500	–	–	–	–	–	–	–	(7,500)	–	–	–	–
Shares issued for cash	31,250	18,750	–	–	–	–	–	–	–	–	–	50,000	–	50,000
Transaction costs attributable to issue of shares	–	(5)	–	–	–	–	–	–	–	–	–	(5)	–	(5)
Capital contribution from non-controlling interests of subsidiaries	–	–	–	–	–	–	–	–	–	–	–	–	964	964
Recognition of equity component of convertible notes	–	–	–	12,188	–	–	–	–	–	–	–	12,188	–	12,188
Recognition of equity-settled share-based payments	–	–	8,573	–	–	–	–	–	–	–	–	8,573	–	8,573
At 30th June, 2011 (unaudited)	**520,648**	**245,223**	**36,839**	**51,205**	**918**	**44,203**	**57,222**	**1,799**	**(5,288)**	**–**	**(217,541)**	**735,228**	**33,581**	**768,809**

Notes:

(a) The merger reserve of the Group represents the difference between the nominal amount of the share capital of the subsidiaries at the date on which they were acquired by the Group and the nominal amount of the share capital issued by the Company as consideration for the acquisition under the reorganisation.

(b) Share issuable reserve represents 40,000,000 ordinary shares of the Company with par value of HK$0.25 each to be issued after the year ended 31st December, 2009 and 20,000,000 ordinary shares of the Company with par value of HK$0.25 each to be issued after the year ended 31st December, 2010. On 11th February, 2010 and 30th March, 2011, the Company issued 40,000,000 and 20,000,000 ordinary shares of the Company with par value of HK$0.25 each respectively. Based on the agreement in connection with the acquisition of subsidiaries in the year 2009, the Group is required to issue 40,000,000 ordinary shares of the Company with par value of HK$0.25 each according to the payment term of the agreement and additional 20,000,000 ordinary shares of the Company with par value of HK$0.25 each to the vendor if profit after tax of 西安金鼎影視文化有限公司 in the year 2010 exceeds RMB26,000,000.

(c) Remittance outside the People's Republic of China (the "PRC") of retained profits of the subsidiaries established in the PRC is subject to approval of the local authorities and the availability of foreign currencies generated and retained by these subsidiaries.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30TH JUNE, 2011

	Six months ended 30th June, 2011 HK$'000 (unaudited)	2010 HK$'000 (unaudited)
NET CASH USED IN OPERATING ACTIVITIES	**(52,910)**	(92,127)
INVESTING ACTIVITIES		
Purchase of art work	**(19,318)**	(12,927)
Addition to intangible assets	**(1,158)**	–
Repayment from a third party	**–**	15,000
Advance to a third party	**(18,072)**	–
Acquisition of subsidiaries, net of cash and cash equivalent acquired	**–**	(86,519)
Deposit paid for acquisition of an associate	**–**	(6,897)
Acquisition of an associate	**(116,726)**	–
Proceeds from disposal of art work	**13,284**	–
Proceeds from disposal of other financial asset	**32,680**	–
Proceeds from disposal of a subsidiary in prior year	**17,607**	–
Other investing cash flows	**(5,016)**	(610)
NET CASH USED IN INVESTING ACTIVITIES	**(96,719)**	(91,953)
FINANCING ACTIVITIES		
New loans raised	**1,992**	122,989
Repayments of loans	**–**	(117,081)
Proceeds from issue of shares	**50,000**	162,800
Expenses on issue of shares	**(5)**	(4,901)
Advance from a joint venture partner	**10,132**	–
Advance from a related company	**60,000**	–
Repayment to a related company	**(12,398)**	–
Other financing cash flows	**(1,094)**	(1,366)
NET CASH GENERATED FROM FINANCING ACTIVITIES	**108,627**	162,441
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(41,002)**	(21,639)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**141,342**	126,671
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	**990**	258
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD, represented by bank balances and cash	**101,330**	105,290

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30TH JUNE, 2011

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 (the "Stock Exchange") 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.

2. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

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.

2. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

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 "Interests 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, 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 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 current period, the management of the Group considered sales of cement in the PRC is 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.

3. REVENUE AND SEGMENT INFORMATION *(Continued)*

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

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

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

3. REVENUE AND SEGMENT INFORMATION *(Continued)*

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 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	Mobile game subscription	Mobile value-added services	Mobile TV subscription	Advertising agency and newspaper distribution	Other agency services	Securities trading and investments	Operating segment total	All other segments	Consolidated
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
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 and 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										**1,403,260**
At 31st December, 2010 (audited and restated)										
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 and 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										1,404,589

4. OTHER GAINS AND LOSSES, NET

	Six months ended 30th June, 2011 HK$'000 (unaudited)	2010 HK$'000 (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 (Note)	**(1,452)**	–
Impairment of film rights (Note)	**(3,234)**	–
Change in fair value of held for trading investments	**(30,116)**	(1,061)
	(24,167)	(5,025)

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 for 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 change 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 HK$'000 (unaudited)	2010 HK$'000 (unaudited)
Effective interest expense on convertible notes	**13,690**	5,619
Interest on borrowings wholly repayable within five years	**2,058**	1,366
	15,748	6,985

6. TAXATION CREDIT (CHARGE)

	Six months ended 30th June, 2011 HK$'000 (unaudited)	2010 HK$'000 (unaudited)
PRC Enterprise Income Tax:		
Current period	**(4,237)**	(11,656)
Deferred tax:		
Current period (Note 20)	**7,169**	4,771
	2,932	(6,885)

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 HK$'000 (unaudited)	2010 HK$'000 (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	**(387)**	(1,570)

8. DIVIDENDS

No dividends were paid, declared or proposed during the reported period. The directors do not recommend the payment of an interim dividend.

9. (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 HK$'000 (unaudited)	2010 HK$'000 (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	**(79,681)**	17,155

	Number of shares	Number of shares
Number of shares		
Weighted average number of ordinary shares for the purposes of basic and diluted (loss) earnings per share	**1,952,702,514**	1,584,486,404

9. (LOSS) EARNINGS PER SHARE *(Continued)*

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 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.

10. MOVEMENT IN PROPERTY, PLANT AND EQUIPMENT

During the period, the Group acquired property, plant and equipment at a cost of approximately HK$4,026,000 (six months ended 30th June, 2010: HK$5,677,000).

11. 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 HK$'000 (unaudited)	At 31st December, 2010 HK$'000 (audited)
Cost of investment in an associate	**116,726**	–
Share of post-acquisition loss	**(4,168)**	–
	112,558	–

11. INTEREST IN AN ASSOCIATE *(Continued)*

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 right 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 a total of 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.

12. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	At 30th June, 2011 HK$'000 (unaudited)	At 31st December, 2010 HK$'000 (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 (Note)	**47,966**	45,538
Receivable for disposal of other financial asset (Note)	**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
	351,495	402,113
Analysed as		
Current	**338,434**	398,948
Non-current	**13,061**	3,165
	351,495	402,113

Note: At 30th June, 2011, the amount receivable from a former subsidiary and receivable for disposal of other financial asset were secured by the 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.

12. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS *(Continued)*

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 HK$'000 (unaudited)	At 31st December, 2010 HK$'000 (audited)
Production and distribution of film rights (Note)	**96,186**	144,821
Other business segments	**63,231**	56,899
	159,417	201,720

Note: At 30th June, 2011, the carrying amount of HK$20,439,000 was secured by all the shares of the non-controlling interests of a subsidiary of the Group.

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 is 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 HK$'000 (unaudited)	At 31st December, 2010 HK$'000 (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
	96,186	144,821

12. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS *(Continued)*

Trade receivables *(Continued)*

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 HK$'000 (unaudited)	At 31st December, 2010 HK$'000 (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 were 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.

13. 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.

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

	At 30th June, 2011 HK$'000 (unaudited)	At 31st December, 2010 HK$'000 (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 (Note)	**–**	16,000
Other payables, deposits received and accrued charges	**20,197**	34,075
Amounts due to related companies	**–**	3,372
	95,226	159,170

Note: Due to certain technical problem in launching the real time broadcasting 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 has 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 broadcasting right available for the real time broadcasting in the PRC and Macau region is reduced to 2 years, rather than the originally agreed period of 3 years. Accordingly, the payable for the purchase of the 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 HK$'000 (unaudited)	At 31st December, 2010 HK$'000 (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
	30,010	48,450

15. AMOUNTS DUE TO RELATED COMPANIES

At 30th June, 2011, the balance of HK$50,614,000 due to related companies is unsecured, non-interesting bearing and repayable on demand. The related company is controlled directly by a member of the key management personnel as well as a substantial shareholder of the Group.

16. BORROWING

During the period, the Group obtained new margin loan of approximately HK$1,992,000 (30th June, 2010: HK$122,989,000). There is no repayment during the period ended 30th June, 2011 (30th June, 2010: repayment of margin loan of approximately HK$117,081,000). The margin loan carries interest at fixed market rates of 12% (30th June, 2010: 12%) and repayable on demand. The margin loan raised is used for securities trading and investment.

17. CONVERTIBLE NOTES ISSUABLE

The balance represented the estimated fair value of contingent consideration for the period ended 30th June, 2010 arising from the acquisition of Main City Limited ("Main City"). Details are set out in the annual report for the year ended 31st December, 2010 issued by the Company.

Based on the relevant agreement, the Group is required to issue an additional amount of convertible notes of the Company amounting to a principal amount of HK$30,000,000 (the "Additional CB") to the vendor if profit after taxation of Beida Culture Development Company Limited ("Beida Culture") in the year 2010 exceeds HK$50,000,000 (the "Condition").

Due to the Condition which has been fulfilled as at 31st December, 2010, the obligation of the issuance of the Additional CB was established. Additional CB was issued in March 2011, details of which are set out in note 19.

18. SHARE CAPITAL

	Number of shares	Share capital HK$'000
Ordinary shares of HK$0.25 each		
Authorised:		
At 1st January, 2010, 31st December, 2010 and **30th June, 2011**	10,000,000,000	2,500,000
Issued and fully paid:		
1st January, 2010	1,481,592,564	370,398
Issued in consideration for the acquisition of the entire share capital of Year Wealth Limited in the year 2009 (Note 1)	40,000,000	10,000
Issued by placing of new shares (Note 2)	296,000,000	74,000
Issued upon conversion of convertible notes (Note 19)	120,000,000	30,000
At 31st December, 2010	1,937,592,564	484,398
Issued in consideration for the acquisition of the entire share capital of Year Wealth Limited in the year 2009 (Note 1)	**20,000,000**	**5,000**
Issued by placing of new shares (Note 3)	**125,000,000**	**31,250**
At 30th June, 2011	**2,082,592,564**	**520,648**

Notes:

(1) The Company issued 40,000,000 and 20,000,000 ordinary shares to the vendor on 11th February, 2010 and 30th March, 2011 respectively, pursuant to the payment term of the agreement in consideration for the acquisition of the entire share capital of Year Wealth Limited in the year 2009. Details are set out in the annual report for the year ended 31st December, 2010 issued by the Company. The issuance of 20,000,000 ordinary shares represents obligation to settle the contingent consideration.

(2) On 18th May, 2010, the Company placed 296,000,000 ordinary shares to independent investors at a price of HK$0.55 per share.

(3) On 24th June, 2011, the Company placed 125,000,000 ordinary shares to independent investors at a price of HK$0.40 per share.

19. 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 which have indirect control and an effective interest of 100% in 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 the Additional CB amounting to a principal amount of HK$30,000,000 to the vendor if the Condition has been satisfied. Due to the Condition which 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 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.

If the convertible notes have not been converted, they will be redeemed at par on 2nd June, 2013 (for CB1), 2nd June, 2015 (for CB2) or 29th March, 2016 (for Additional CB) respectively. The Company is allowed at any time since the date of issue to the maturity date, to redeem the convertible notes at its face value provided that any such redemption shall be made in amount of not less than a whole multiple of HK$1,000,000 as specified in the redemption notice of not less than 7 days (which notice will be irrevocable), if there shall occur before the maturity date any period of 20 consecutive trading days within which the shares shall be trading on the Stock Exchange at the volume of not less than 10,000,000 shares for each of the trading days within the conversion period with the market closing price of the shares being not less than HK$1.5.

Upon issuance of the convertible notes, the HK$ principal amount of the convertible notes shall be equivalent to its Renminbi (RMB) principal amount of the convertible notes translated at the exchange rate at the date of issuance of HK$1.00 = RMB0.91. Any payment in the event of redemption by the Company shall be made in HK$, equivalent to their RMB principal amount translated at the prevailing exchange rate at the date of redemption.

19. CONVERTIBLE NOTES *(Continued)*

The number of shares to be issued on conversion of notes will be determined by dividing the RMB principal amount of the notes to be converted (translated into HK$ at the fixed exchange rate of HK$1.00 = RMB0.91) by the conversion price in effect at the conversion date.

The convertible notes contain two components, liability (together with embedded derivative for early redemption right by the Company which is closely related to the host debt) and equity elements. On initial recognition, the fair value of the liability component of approximately HK$17,812,000 is determined using the prevailing market interest rate of similar non-convertible debts and the fair value of the conversion option for the note holders to convert the notes into equity which is included in equity (convertible notes equity reserve) is determined using the Binomial model.

The fair values of the embedded derivative for conversion right by the Company at the grant date are calculated using the Binomial Model. The inputs into the model were as follows:

	Date of grant of principal amount of HK$30,000,000
Conversion price	HK$1.00
Expected volatility (Note a)	79.76%
Expected life (Note b)	5 years
Risk free rate (Note c)	1.22% per annum

Notes:

(a) Expected volatility for embedded derivative was determined by calculating the historical volatility of the Company's share price based on weekly basis.

(b) Expected life was the expected remaining life of the embedded derivative.

(c) The risk free rate is determined by reference to the Hong Kong Exchange Fund.

The fair value of the conversion right as at the grant date are determined by application of Binomial method and time to maturity equal to the expected remaining life of the option.

The effective interest rate of the liability component is 10.03% for CB1 and 10.99% for CB2 and Additional CB respectively at the date of initial recognition.

Since the date of issue up to the end of the reporting period, none of the CB1 and Additional CB has been converted. On 6th August, 2010, CB2 was fully converted into shares of the Company.

20. DEFERRED TAXATION

The following are the major deferred tax liabilities and assets recognised and movements thereon during the current and prior periods:

	Intangible assets HK$'000	Tax losses HK$'000	Allowance for doubtful debt HK$'000	Others HK$'000	Total HK$'000
At 1st January, 2010 (audited)	2,000	–	–	1,667	3,667
Exchange differences	–	(16)	–	–	(16)
Acquisition of subsidiaries	101,307	–	–	–	101,307
Credit to condensed consolidated income statement for the period	(1,104)	(1,695)	–	(1,972)	(4,771)
At 30th June, 2010 (unaudited)	102,203	(1,711)	–	(305)	100,187
(Credit) charge to consolidated income statement for the period	(2,546)	1,695	–	1,139	288
Exchange difference	–	16	–	–	16
At 31st December, 2010 (audited)	99,657	–	–	834	100,491
Exchange differences	**2,005**	**–**	**–**	**17**	**2,022**
Credit to condensed consolidated income statement for the period	**(4,115)**	**–**	**(2,246)**	**(808)**	**(7,169)**
At 30th June, 2011 (unaudited)	**97,547**	**–**	**(2,246)**	**43**	**95,344**

20. DEFERRED TAXATION *(Continued)*

For the purpose of presentation in the condensed consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

	At 30th June, 2011 HK$'000 (unaudited)	At 31st December, 2010 HK$'000 (audited)
Deferred tax liabilities	**103,508**	102,309
Deferred tax assets	**(8,164)**	(1,818)
	95,344	100,491

Starting from 1st January, 2008, the tax law of the PRC requires payment of withholding tax upon the distribution of profits earned by the PRC subsidiaries and jointly controlled entities to the foreign shareholders. Deferred tax has not been provided for in the condensed consolidated financial statements in respect of the temporary differences attributable to such profits amounting to approximately HK$116,661,000 (31st December, 2010: HK$122,714,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

At 30th June, 2011, the Group has unused tax losses of HK$211,682,000 (31st December, 2010: HK$183,720,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the tax losses due to the unpredictability of future profit streams. The unused tax losses may be carried forward indefinitely.

21. SHARE-BASED PAYMENTS

The Company has a share option scheme for eligible participants of the Group. During the period, no share options granted had been exercised or lapsed. At 30th June, 2011, the Group has 147,910,000 (31st December, 2010: 147,910,000) share options outstanding.

22. OPERATING LEASE COMMITMENTS

The Group had commitments for future minimum lease payments under other non-cancellable operating leases for premises and plant and equipment which fall due as follows:

	At 30th June, 2011 HK$'000 (unaudited)	At 31st December, 2010 HK$'000 (audited)
Not later than one year	**10,251**	13,846
Later than one year and not later than five years	**7,345**	15,545
Later than five years	**482**	649
	18,078	30,040

23. RELATED PARTY TRANSACTIONS

Apart from amount due from a joint venture partner and amounts due to a joint venture partner, related companies and a non-controlling interest as disclosed in page 4 of the condensed consolidated statement of financial position and/or notes 12 and 15, the Group has entered into the following related party transactions:

	Six months ended 30th June,	
	2011 HK$'000 (unaudited)	2010 HK$'000 (unaudited)
Key management compensation		
Short-term employee benefits	**2,983**	1,455
Post-employment benefit	**56**	26
Share-based payments	**1,802**	2,743

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 months 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.

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

Segmental Review *(Continued)*

Media Related Businesses *(Continued)*

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 months 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 months 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.

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

Segmental Review *(Continued)*

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 Sports") 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 at the date of this report.

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.

FINANCIAL REVIEW *(Continued)*

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.

PROSPECTS *(Continued)*

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 Jinghua books（京華圖書）, Jinghua artistic services（京華演藝）, Jinghua TV（京華視頻）, Jinghua advertising（京華廣告）, Jinghua logistics（京華物流）, the Jinghua website, e-business（億家網）, VNEWS TV（京華VNEWS視頻）, and various electronic terminal products under the brand of Jinghua.

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 report, in the 18 cities which the magazine was published, a sales volume of over 90% of the publications 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%.

PROSPECTS *(Continued)*

Print Magazine Business *(Continued)*

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.

PROSPECTS *(Continued)*

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 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 English Premier League 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.

INTERESTS OF DIRECTORS AND CHIEF EXECUTIVES

As at 30th June, 2011, the interests and short positions of the Directors and the chief executives of the Company and their associates in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Hong Kong (the "SFO")) as 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 of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:–

Long positions in the shares and underlying shares of the Company

	Number of ordinary shares/underlying shares held			
Name of Director	**Interests in shares**	**Interests in underlying shares[2]**	**Total interests**	**Approximate percentage of issued shares[1]**
Dong Ping	38,370,000[3]	14,100,000	52,470,000	2.52%
Zhao Chao	331,288,020[4]	8,910,000	340,198,020	16.34%
Kong Muk Yin	500,000[3]	3,000,000	3,500,000	0.17%
Chen Ching	–	1,050,000	1,050,000	0.05%
Jin Hui Zhi	–	1,050,000	1,050,000	0.05%
Li Chak Hung	–	1,050,000	1,050,000	0.05%

Notes:

1. The percentage of shareholding has been complied based on the total number of issued ordinary shares of the Company of 2,082,592,564 as at 30th June, 2011.

2. The relevant interests are share options (the "Share Options") granted pursuant to the Company's share option scheme adopted on 23rd May, 2002 (the "Share Option Scheme"). Upon exercise of the Share Options in accordance with the Share Option Scheme, the shares in the capital of the Company are issuable.

3. This represents the interests held by the relevant Director as beneficial owner.

4. As at 30th June, 2011, Basic Charm Investment Limited ("Basic Charm"), a wholly-owned subsidiary of Rainstone International Limited ("Rainstone"), held 331,288,020 ordinary shares of the Company. Mr. Zhao Chao maintained 100% beneficial interest in Rainstone. Accordingly, Mr. Zhao Chao was deemed to have corporate interest in 331,288,020 ordinary shares of the Company.

Details of the Share Options, duly granted to the Directors pursuant to the Share Option Scheme, which constitute interests in underlying ordinary shares of equity derivatives of the Company under the SFO are set out in the section headed "Share Options" of this report.

Save as disclosed above, as at 30th June, 2011, none of the Directors, the chief executives of the Company nor their respective associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as 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 Model Code.

SHARE OPTIONS

Details of the movement of the Share Options granted by the Company pursuant to the Share Option Scheme during the period are as follows:–

Category		Date of grant	Exercise price per share HK$	Number of Share Options: Outstanding as at 1st January, 2011	Exercised during the period	Outstanding as at 30th June, 2011
1.	**Directors**					
	Dong Ping	04/05/2010	0.560	14,100,000	–	14,100,000
	Zhao Chao	04/05/2010	0.560	8,910,000	–	8,910,000
	Kong Muk Yin	04/05/2010	0.560	3,000,000	–	3,000,000
	Chen Ching	04/05/2010	0.560	1,050,000	–	1,050,000
	Jin Hui Zhi	04/05/2010	0.560	1,050,000	–	1,050,000
	Li Chak Hung	04/05/2010	0.560	1,050,000	–	1,050,000
2.	**Employees**	18/03/2010	0.475	82,250,000	–	82,250,000
		04/05/2010	0.560	7,200,000	–	7,200,000
3.	**Consultants**	18/03/2010	0.475	29,300,000	–	29,300,000
	Total:			147,910,000	–	147,910,000

Notes:

1. The Share Options are exercisable as follows:–

Exercise criteria	**Amount of Share Options that can be exercised**
(i) On completion of the continuous employment/service of the grantee with the Group for 1 year commencing from 23rd April, 2009 or the date of the relevant grantee's commencement of employment/service (whichever is the later)	Up to one-third of the Share Options granted
(ii) On completion of the continuous employment/service of the grantee with the Group for 2 years commencing from 23rd April, 2009 or the date of the relevant grantee's commencement of employment/service (whichever is the later)	Up to two-thirds of the Share Options granted
(iii) On completion of the continuous employment/service of the grantee with the Group for 3 years commencing from 23rd April, 2009 or the date of the relevant grantee's commencement of employment/service (whichever is the later)	Up to all of the Share Options granted

2. The period within which the Share Options must be exercised shall not be more than 10 years from the date of grant.

3. Employees are working under employment contracts that are regarded as "continuous contracts" for the purposes of the Employment Ordinance.

4. During the period, no Share Options were granted, exercised, cancelled or lapsed.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 30th June, 2011, the following parties had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:–

Long positions in the shares and underlying shares of the Company

Name of Shareholder	Capacity in which interests are held	Number of ordinary shares/ underlying shares held	Approximate percentage of issued shares[1]
Zhao Chao	Held by controlled corporation[2] and beneficial owner[3]	340,198,020	16.34%
Rainstone	Held by controlled corporation[2]	331,288,020	15.91%
Basic Charm	Beneficial owner[2]	331,288,020	15.91%
Chen Huiwen	Held by controlled corporation[4]	291,666,666	14.00%
Ideal Growth Investments Limited ("Ideal Growth")	Beneficial owner[4]	291,666,666	14.00%
Liu Yang	Held by controlled corporation[5]	195,000,000	9.36%
Atlantis Investment Management (Hong Kong) Limited ("Atlantis")	Investment Manager[5]	195,000,000	9.36%
Yuen Hoi Po	Held by controlled corporation[6]	153,430,000	7.37%
Time Zone Investments Limited ("Time Zone")	Beneficial owner[6]	153,430,000	7.37%

Notes:

1. The percentage of shareholding has been complied based on the total number of issued ordinary shares of the Company of 2,082,592,564 as at 30th June, 2011.

2. As at 30th June, 2011, Basic Charm, a wholly-owned subsidiary of Rainstone, held 331,288,020 ordinary shares of the Company. Mr. Zhao Chao maintained 100% beneficial interest in Rainstone. Accordingly, Mr. Zhao Chao is deemed to have corporate interest in 331,288,020 ordinary shares of the Company.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS *(Continued)*

Long positions in the shares and underlying shares of the Company *(Continued)*

3. The interest in 8,910,000 Share Options granted to Mr. Zhao Chao pursuant to the Share Option Scheme.

4. The interest in HK$350,000,000 convertible note of the Company held by Ideal Growth giving rise to an interest in 291,666,666 underlying shares of the Company. Ms. Chen Huiwen maintained 100% beneficial interest in Ideal Growth and was therefore deemed to have the same interest held by Ideal Growth.

5. As at 30th June, 2011, Atlantis held 195,000,000 ordinary shares of the Company. Ms. Liu Yang maintained 100% beneficial interest in Atlantis and was therefore deemed to have the same interest held by Atlantis.

6. As at 30th June, 2011, Time Zone held 123,430,000 ordinary shares of the Company and an interest in HK$30,000,000 convertible note of the Company giving rise to an interest in 30,000,000 underlying shares of the Company. Mr. Yuen Hoi Po maintained 100% beneficial interest in Time Zone and was therefore deemed to have the same interest held by Time Zone.

Save as disclosed above, as at 30th June, 2011, there were no other parties who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

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 as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), 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).

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)*

CODE ON CORPORATE GOVERNANCE PRACTICES *(Continued)*

Code Provisions B.1.3 and C.3.3 *(Continued)*

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.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as the Company's code of conduct regarding Director's securities transactions. Having made specific enquiry with all Directors, they have confirmed their compliance with the required standard as set out in the Model Code throughout the six months ended 30th June, 2011.

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B (1) of the Listing Rules, changes in information of Directors of the Company required to be disclosed are set out below:–

Name of Director	Details of Changes
Chen Ching	Total emoluments increased by HK$20,000 to HK$100,000 as from year 2011.
Jin Hui Zhi	Total emoluments increased by HK$20,000 to HK$100,000 as from year 2011.
Li Chak Hung	Total emoluments increased by HK$20,000 to HK$120,000 as from year 2011.

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 report, 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.