

EXTRACT FROM OFEX NEW APPLICATIONS ANNOUNCEMENT
PEACH BLOSSOM APPLICATION ANNOUNCEMENT

The Directors of Peach Blossom Media Limited ("PBM" or "the Company") are pleased to announce that the Company has applied for an introduction to the Ofex market, under the sector classification Media and Entertainment. The expected date of first trading is 5 December 2005.

BUSINESS ACTIVITIES

PBM is a Jersey incorporated entity and the holding company of Peach Blossom Media Pte Ltd (a wholly owned subsidiary) incorporated in Singapore. PBM is a world-class original content producer, engaged in the creation, production, marketing and distribution of animated children's programs for television and 'Direct to Video' markets as well as the exploitation of ancillary rights through licensing and merchandising.

With S\$11.3m in past and current show funding from Singapore's Economic Development Board and Media Development Agency, PBM is working on 8 new shows in co-production with Sunwoo Entertainment, GDH, Artland Studio, Mediacorp TV and other top US, Australian and Chinese producers.

Through PBM's US, European, Japanese, Korean, Chinese and soon to be UK sales channels, PBM is well positioned to reap the benefits of growing recurring revenue from a range of 15 top quality shows to be licensed and re-licensed to leading broadcasters in these markets, as well as to syndicate other shows. The Company is also working towards becoming a leading Asian service provider in flash animation, a new and popular form of digital animation that is significantly more competitive, in terms of quality versus cost, than traditional 2D animation for US and Europe-based studios.

Market presence and brand name

In a short space of time, supported by top creative talent and strong international market and business development, PBM has achieved many firsts for an Asian producer. These include:

- ◆ Nomination for Best Lifestyle Series and Best Direction for Canada's Leo Award 2004;
- ◆ Licensing of two animation series to Nickelodeon Asia, France, Belgium, Luxemburg, Middle East, Korea and Hong Kong;
- ◆ Distribution rights to a high definition format series to be broadcasted on China primetime TV;
- ◆ Sale of two series show rights and pilots to Disney USA; and
- ◆ Production of commissioned shows for National Geographic, Discovery, Mediacorp TV and MTV Asia.

With opportunities for many more new series, show concepts, pilots and demos, and its strong US, European and Asian sales channels, PBM has carefully developed its upstream show pipeline and is confident of securing additional creative commissions and rights, as well as broadcast license sales for the full production of several multi-episode animation series. Each series is estimated to add more than US\$1m to it's the Company's sales, commencing in 2006.

DIRECTORS

LINGUN SUNG, Chief Executive Officer

Lingun is PBM's founder and CEO. Lingun has directed and produced award-winning television programs in Indonesia and Singapore and won the Star Award for Best Sitcom of the Year for the show "School Days". His recent credits include "Tomato Twins", "Quiet Mind" (which was nominated for Best Lifestyle Series & Best Direction at Canada Leo Award 2004), "Taoshu", "Shin Shin" and "Bruise Black", which are sold to Disney USA, Nickelodeon, CCTV and Hong Kong TV in 26 territories. Lingun is also involved in many current and new co-productions with internationally renowned producers and directors.

Lingun has been invited to speak at numerous conferences such as the Asian Television Forum, Animation Asia and Media Convergence CEO Roundtable. Lingun was identified as one of the "Key Movers" of 2005 by Business Times. Lingun holds a Fine Arts degree from the University of Washington.

ANDY SER-KHOON QUAK, Director

Andy is Managing Director of ACE Investment Management and Deputy Chairman of W3 Infocomm Group, an investment company with a portfolio of 8 investee companies. Andy has acquired, built and led several infocomm and media investments since 2000, three of which were later invested in by Singtel Group; ST Electronics Group; and Gemplus and EDB.

As Regional Vice President of Mitsui Oil Asia Pte Ltd, a US\$9 billion oil trader, from 1995 to 1999, Andy also sat on its four-member Tokyo Investment Committee for downstream oil and gas. He headed the investment and planning department reporting to the CEO of the listed Singapore Petroleum Company from 1992 to 1995. Andy held key positions as a Director and board secretary of the Construction Industry Development Board, Singapore from 1988 to 1992. From 1990 to 1992 Andy was Deputy Chairman of the Building Construction Industry Practice Committee, which supervised 17 national code committees; and a member of the JTC R&D Advisory Committee from 1991 to 1993, a Singapore government authority responsible for industrial property development and sales. He was a Council Member of the Institution of Engineers Singapore (IES) from 1991 to 1995, its Assistant Honorary Secretary, and later became a Fellow of IES in 1997.

Andy graduated with First Class Honours in Engineering Science from Oxford University, England in 1980 and is a Registered Professional Engineer. He holds a MSc and MBA from the National University of Singapore and wrote a book, "Marketing Abroad", which is currently being used for the MSc Programme at the Nanyang Technological University, Singapore.

SIMON LITTLEWOOD, Non-Executive Director

Simon is Chief Executive of London Asia Capital plc, the AiM listed China focused merchant banking group. After qualifying as a Chartered Accountant with Coopers & Lybrand London (now PriceWaterhouse Coopers), specialising in high growth companies, he joined the structured and corporate finance division of the HSBC Group in London. Following a spell in BDO Stoy Hayward's corporate finance team, advising on AiM flotations, mergers and acquisitions and fund raisings, he left to set up the Temima Group, an Asian focused investment and corporate finance business, before founding London Asia in May 2002. He has experience of working on quoted company transactions and fund raisings in the UK, Germany, US, Israel and Singapore. He is a director of a number of companies in the UK and overseas, including UK AiM listed Europasia Education plc and Ofex listed China Eastsea Business Software Ltd.