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Golden Harvest

GOLDEN HARVEST ENTERTAINMENT (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1132)

APPLICATION FOR EXTENSION OF WAIVER OF PUBLIC FLOAT REQUIREMENT

Reference is made to the joint announcements of the Company and the Offerors dated 10 July 2008 and 10 October 2008. The Company has been informed by Skyera, one of the Offerors, that it has placed 36,000,000 Shares to Cyber on 19 November 2008. The Placing Shares represent approximately 19.6% of the existing issued share capital of the Company. Cyber is a company controlled by Mr. Wu and is therefore an associate of the Offerors.

On 25 November 2008, Cyber sold 18,000,000 Sale Shares to NEC. The Sale Shares represent approximately 9.8% of the existing issued share capital of the Company.

As at the date of this announcement, the Offerors and their concert parties in aggregate hold 146,423,472 Shares and 36,850,518 Shares are held in the hands of the public, representing approximately 79.9% and 20.1% of the entire issued share capital of the Company respectively. Trading in the Shares remains suspended pending the restoration of the minimum public float of 25%. The Company has applied to the Stock Exchange for an extension of waiver of three months with effect from 13 January 2009 from the strict compliance of Rule 8.08 of the Listing Rules in relation to the maintenance of the public float of 25%.

Reference is made to the joint announcement of the Offerors and the Company dated 10 July 2008 in relation to the close of the mandatory unconditional cash offers for all the issued shares in and outstanding convertible notes and share options of the Company (the "Announcement") and the announcement dated 10 October 2008 issued by the Company in relation to the application for extension of waiver of public float requirement. Unless the context requires otherwise, terms defined in the Announcement shall have the same meanings when used in this announcement.

PLACING OF SHARES BY THE OFFERORS

The Company has been informed by Skyera, one of the Offerors, that it has placed 36,000,000 Shares (the "Placing Shares") to Cyber International Limited ("Cyber") on 19 November 2008 (the "Placing"). The Placing Shares represent approximately 19.6% of the existing issued share capital of the Company. Cyber is a company controlled by Mr. Wu and is therefore an associate of the Offerors.

SHARE SUBSCRIPTION

Pursuant to the agreement between Cyber and NEC Corporation (“NEC”) dated 25 November 2008 (the “Agreement”), Cyber sold 18,000,000 Shares (the “Sale Shares”) to NEC representing approximately 9.8% of the existing issued share capital of the Company on the same day. Under the Agreement, NEC has undertaken not to sell or dispose of the Sale Shares by whatsoever means to any third party before 29 December 2010 or such earlier date as NEC may stipulate by giving at least 15 days notice in writing to Cyber. In addition, the remaining 18,000,000 Shares (“Pledged Shares”) held by Cyber has been pledged to NEC as a collateral for the advance of US\$20.3 million (“Advance”) to Cyber. In the event that Cyber fails to repay the Advance by 29 December 2010 or such earlier date as NEC may stipulate by giving at least 15 days notice in writing to Cyber, NEC may enforce the legal charge on the Pledged Shares including forfeiture and sale of the Pledged Shares on the Stock Exchange.

As at the date of this announcement, the Offerors together with their concert parties and connected persons hold 146,423,472 Shares, representing approximately 79.9% of the issued share capital of the Company.

EFFECT ON THE SHAREHOLDING STRUCTURE

The shareholding structure of the Company immediately before and after the Placing and the Share Subscription are as follow:

Shareholders	Immediately before Placing		Immediately after Placing		Immediately after the Placing and the Share Subscription and as of today	
	No. of Shares	Approximate percentage (%)	No. of Shares	Approximate percentage (%)	No. of Shares	Approximate percentage (%)
CT and concert parties of the Offerors	164,423,472	89.7%	128,423,472	70.1%	128,423,472	70.1%
Cyber (<i>Note</i>)	—	—	36,000,000	19.6%	18,000,000	9.8%
CT, concert parties of the Offerors and its connected parties	164,423,472	89.7%	164,423,472	89.7%	146,423,472	79.9%
<i>Public</i> NEC	—	—	—	—	18,000,000	9.8%
Other public Shareholders	18,850,518	10.3%	18,850,518	10.3%	18,850,518	10.3%
Total public Shareholders	18,850,518	10.3%	18,850,518	10.3%	36,850,518	20.1%
Total:	183,273,990	100%	183,273,990	100%	183,273,990	100%

Note: Cyber is a company controlled by Mr. Wu and is therefore an associate of the Offerors.

INFORMATION ON NEC AND CYBER

Cyber is a telecommunications company incorporated in Hong Kong. Cyber is controlled by Mr. Wu and is therefore an associate of the Offerors.

NEC is a company incorporated in Japan whose shares are listed on the Tokyo Stock Exchange. NEC is one of the world's leading companies engaged in the businesses of IT/network solution, mobile/personal solution and electronic devices. To the best knowledge of the Board and having made all reasonable enquiries, NEC is independent of and not connected or acting in concert with the Offerors and their concert parties, the Company or the Directors, chief executive, or other connected persons of the Company.

NEC is currently working with the Group, for the PRC market in particular, in relation to various digital cinema solutions.

APPLICATION FOR EXTENSION OF WAIVER

As stated in the Announcement, the Company and the Offerors undertake to the Stock Exchange to take or procure appropriate steps to restore the minimum public float requirement of 25% under Rule 8.08 of the Listing Rules. The Company obtained a waiver from strict compliance with Rule 8.08 of the Listing Rules (the "Waiver") for a period of three months which expired on 12 January 2009. As at the date of this announcement, there were 36,850,518 Shares in the hands of the public, representing approximately 20.1% of the issued share capital of the Company. The Offerors are in negotiation with various potential investors in relation to possible selling of its Shares. As such, the Company has applied to the Stock Exchange for an extension of the Waiver for three months with effect from 13 January 2009.

SUSPENSION OF TRADING IN THE SHARES

Trading in the Shares was suspended with effect from 9:30 a.m. on 11 July 2008 pending the restoration of the minimum public float. The Company will issue a further announcement upon its due compliance with Rule 8.08 of the Listing Rules.

On behalf of the Board
Wu Kebo
Chairman

Hong Kong, 13 January 2009

List of all directors of the Company as of the time issuing this announcement :

Chairman and Executive Director :
Mr. Wu Kebo

Non-executive Directors :
Mr. Shen De Min

Executive Directors :
Ms. Winnie Chan Suet Yin
Ms. Fiona Chow Sau Fong
Ms. Wu Keyan
(alternate to Mr. Wu Kebo)

Independent Non-executive Directors :
Mr. Leung Man Kit
Mr. George Huang Shao-Hua