

Dated the 27<sup>th</sup> day of December 2006

- (1) **JESSICA PUBLICATIONS LIMITED**
- (2) **SOUTH CHINA STRATEGIC LIMITED**
- (3) **SOUTH CHINA INDUSTRIES LIMITED**

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**TERMINATION AGREEMENT**

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**SIDLEY AUSTIN**  
39<sup>th</sup> Floor, Two International Finance Centre  
8 Finance Street  
Central, Hong Kong  
Tel: (852) 2509 7888  
Fax: (852) 2509 3110

(Our Ref: CHC/DYBOW/PLAM/SLAU)

**THIS AGREEMENT** is made on the 27<sup>th</sup> day of December 2006  
**BETWEEN:-**

- (1) **JESSICA PUBLICATIONS LIMITED**, a company incorporated in the Cayman Islands with limited liability having a registered office at Scotia Centre, 4<sup>th</sup> Floor, P.O. Box 2804, George Town, Grand Cayman, the Cayman Islands and a principal place of business in Hong Kong at Unit C, 3<sup>rd</sup> Floor, Wah Shing Centre, 5 Fung Yip Street, Chai Wan, Hong Kong (the "**Purchaser**");
- (2) **SOUTH CHINA STRATEGIC LIMITED**, a company incorporated in Hong Kong with limited liability having a registered office at 28<sup>th</sup> Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong (the "**Vendor**"); and
- (3) **SOUTH CHINA INDUSTRIES LIMITED**, a company incorporated in the Cayman Islands with limited liability having a registered office at Scotia Centre, 4<sup>th</sup> Floor, P.O. Box 2804, George Town, Grand Cayman, the Cayman Islands and a principal place of business in Hong Kong at 28<sup>th</sup> Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong (the "**Guarantor**").

**WHEREAS:-**

- (A) The Purchaser, the Vendor and the Guarantor entered into a share purchase agreement on 21 December 2006 (the "**Share Purchase Agreement**"), pursuant to which (among other things) the Vendor has agreed to sell the Sale Shares (as defined therein) and the Sale Debts (as defined therein), and the Purchaser has agreed to purchase such Sale Shares and Sale Debts, and the Guarantor has agreed to guarantee the due performance of the Vendor's obligations thereunder, in each case upon and subject to the terms and conditions set out therein.
- (B) After recent discussions, the Vendor, the Purchaser and the Guarantor have agreed to terminate and cancel the Share Purchase Agreement with immediate effect from their execution and delivery of this Agreement upon and subject to the terms and conditions set out in this Agreement.

**IT IS AGREED** as follows:-

1. In consideration of the premises, the parties' covenants contained herein and other valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the parties hereto), the parties hereto hereby agree with each other as follows:-
  - (a) the Share Purchase Agreement shall be terminated and cancelled and have no further effect whatsoever with immediate effect from the execution and delivery by the parties hereto of this Agreement; and
  - (b) each of the parties hereto hereby unconditionally and irrevocably waives any right or claim of any nature whatsoever that it may directly or indirectly have against any of the other parties hereto arising from or in connection with the Share Purchase Agreement; and

(c) in addition to, and without prejudice to, any other provision of this Agreement, each party hereto hereby unconditionally and irrevocably releases and discharges the other parties hereto from any and all present, past and future obligations owed to it directly or indirectly arising from or in connection with the Share Purchase Agreement.

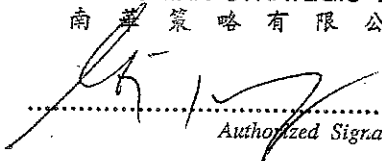
2. Clauses 10, 18, 19(A), 20, 21, 23 and 24 of the Share Purchase Agreement shall mutatis mutandis apply to this Agreement.

**IN WITNESS WHEREOF** the parties hereto have caused this Agreement to be executed the day and year first above written.

Signed by )  
 )  
for and on behalf of )  
**Jessica Publications Limited** )  
in the presence of:- )

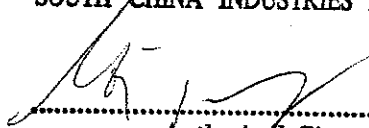
Signed by Cheung Choi Ngor, )  
 )  
Director ----- )  
for and on behalf of )  
**South China Strategic Limited** )  
in the presence of:- )

For and on behalf of  
**SOUTH CHINA STRATEGIC LIMITED**  
南華策略有限公司

  
.....  
Authorized Signature(s)

Signed by Cheung Choi Ngor, )  
 )  
Director ----- )  
for and on behalf of )  
**South China Industries Limited** )  
in the presence of:- )

For and on behalf of  
**SOUTH CHINA INDUSTRIES LIMITED**

  
.....  
Authorized Signature(s)

- (c) in addition to, and without prejudice to, any other provision of this Agreement, each party hereto hereby unconditionally and irrevocably releases and discharges the other parties hereto from any and all present, past and future obligations owed to it directly or indirectly arising from or in connection with the Share Purchase Agreement.
2. Clauses 10, 18, 19(A), 20, 21, 23 and 24 of the Share Purchase Agreement shall mutatis mutandis apply to this Agreement.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed the day and year first above written.

Signed by Louis Pang, )  
 Authorised Signatory )  
 for and on behalf of )  
 Jessica Publications Limited )  
 in the presence of: )

*Louis Pang*

Signed by )  
 )  
 for and on behalf of )  
 South China Strategic Limited )  
 in the presence of: )

Signed by )  
 )  
 for and on behalf of )  
 South China Industries Limited )  
 in the presence of: )