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MILKYWAY IMAGE

MILKYWAY IMAGE HOLDINGS LIMITED

銀河映像控股有限公司 *

(Incorporated in the Cayman Islands with limited liability)

(STOCK CODE: 8130)

ANNOUNCEMENT

The directors (the “Directors”) of Milkyway Image Holdings Limited (the “Company”) have noted today’s increase in price of the shares of the Company (the “Shares”) and wish to state that the Directors are not aware of any reasons for such increase in price of the Shares.

The Directors also confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Chapters 19 and 20 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (“GEM Listing Rules”), neither is the board of the Company (the “Board”) aware of any matter discloseable under the general obligation imposed by Rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board, the Directors of which collectively and individually accept responsibility for the accuracy of this announcement.

By order of the Board of
Milkyway Image Holdings Limited
Law Sau Yiu, Dennis
Chairman

Hong Kong, 26 June 2007

As of the date of this announcement, the Board comprises three executive directors namely, Law Sau Yiu, Dennis, Teng Chia Lin, Chialina and Chan Dao Ho and three independent non-executive directors namely, Lung Hak Kau, Wai Lai Yung and Tsang Kei Ling.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcements” page of the GEM website for at least 7 days from the date of its publication.

** For identification purpose only*