

**Jade Dynasty Announced
Acquisition of the Remaining 49% Interest in Each of
Dragon Animation Holdings Limited and
Dragon Animation Limited**

**Animations featuring world-famous action movie star Jackie Chan to
spearhead opening of international market**

(Hong Kong, 23 July, 2008)—Jade Dynasty Group Limited ("Jade Dynasty"/ "the Group") (HKSE code: 970), the largest listed comics publisher and animations producer in Hong Kong, announced that on 22 July 2008, its wholly-owned subsidiary, Jade Dynasty Multi-Media Limited ("JD Multi-media") entered into an agreement with the vendor, Upbig Limited ("Upbig") and the vendor's guarantor, Mr. Cheng Hon Yee, to acquire the remaining 49% interest in each of Dragon Animation Holdings Limited ("DAHL") and Dragon Animation Limited ("DAL") at an aggregate cash consideration of HK\$4.9 million. DAL was authorized to produce Chinese animated series using the figure of world-famous movie star Mr. Jackie Chan.

The acquisition is a significant milestone for the global development of the animations business of Jade Dynasty. Together with the 51% acquired in November 2006, DAHL and DAL are wholly owned subsidiaries of the Group. By taking complete control over the two, the Group could streamline their operations in order to facilitate future development of animated series.

The production of the first 26 episodes of the animation series "Jackie Chan's Fantasia" commenced in 2008 and it is anticipated that it would be completed in or about early 2009.

Mr. Ivan Tong, Chairman of the Group said, "Purchasing the remaining 49% interest in DAHL and DAL enabled our Group to capture the maximum return once "Jackie Chan's Fantasia" is launched. With the success of the Group's signature animations "Shen Bing Kids" in the PRC and the popularity of big action movie star Mr. Jackie Chan around the globe, we envisage "Jackie Chan's Fantasia" not only could sweep the PRC market but also take the Group's animations business to international track. Besides, with the licensed derivative products coming along with this animations series, we are confident of this landmark project to bring satisfactory return to the Group."

~Page 1 of 2~

About Jade Dynasty Group Limited (HKSE Code: 970)

Jade Dynasty Group Limited is principally engaged in (i) the publication of comic books and multimedia development and (ii) the dealerships of luxury vehicles in the PRC.

The Group is an emerging leading animations studio in the PRC. In March 2006, the Group and CCTV entered into the "Joint Investment Production Agreement of Animated TV Series" for the animated TV series titled "Shen Bing Kids". It is a 52-episode animated TV series co-adapted from the Group's home-grown comics "The Weapon" and co-created and co-produced by CCTV and Jade Dynasty. The entire series of "Shen Bing Kids" was fully broadcasted on CCTV children channel in February 2008 and successively on various national channels with excellent audience rating and high popularity in the PRC. Its local market share in terms of sales of Chinese home-grown comics and Japanese translated comics in Hong Kong is over 50%.

To tap into the huge luxury goods market in the PRC, the Group acquired two motor trading companies in Beijing in June 2008 to engage in the dealerships of three luxury car and sports car brands—Bentley, Lamborghini and Rolls-Royce in the PRC. In the first half of 2008, sales volume of Bentley, Lamborghini and Rolls-Royce increased by 125%, 40% and 170% respectively when compared with the same period in 2007.

~End~