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Stock code: 8075

**ANNOUNCEMENT
DISTRIBUTION OF SPECIAL DIVIDEND
FROM SHARE PREMIUM ACCOUNT
RESUMPTION OF TRADING**

In the meeting of the Board on 19 April 2007, the Board proposed to declare and distribute to the Shareholders a special dividend of HK\$0.118 per Share equivalent to approximately HK\$227,281,000 in aggregate, such amount to be paid from the Share Premium Account.

The payment of the Special Dividend out of the Share Premium Account is conditional and effective upon the passing by the Independent Shareholders of a special resolution to such effect at the EGM and satisfaction of the requirements of the Company Law of the Cayman Islands by the Company at such time.

A circular containing, amongst other things, details of the Proposal, the timetable for the distribution of the Special Dividend, the record date for the purpose of determining the entitlements of the Shareholders to the Special Dividend and a notice of the EGM to consider and if thought fit to approve the Proposal will be despatched to the Shareholders as soon as practicable.

Fandango, being a connected person of the Company, and its associates will abstain from voting at the EGM.

Shareholders and potential investors should note that the Proposal is conditional. The release of this announcement does not in any way indicate that the Proposal will be successfully completed. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company.

At the request of the Company, trading in the shares of the Company on the GEM was suspended with effect from 9:30 a.m. on 20 April 2007. Application has been made by the Company to resume the trading of the shares of the Company with effect from 9:30 a.m. on 23 April 2007.

SPECIAL DIVIDEND FROM SHARE PREMIUM ACCOUNT

As at the date of this announcement, the issued share capital of the Company is HK\$192,611,440.30 divided into 1,926,114,403 Shares of HK\$0.10 each.

In the meeting of the Board on 19 April 2007, the Board proposed to declare and distribute to the Shareholders a special dividend of HK\$0.118 per Share equivalent to approximately HK\$227,281,000 in aggregate, such amount to be paid from the Share Premium Account.

As at 31 March 2007, the entire amount standing to the credit of the Share Premium Account was approximately HK\$227,283,000 based on the unaudited balance sheet of the Company as at that date. The Board proposed to use an amount of approximately HK\$227,281,000 standing to the credit of the Share Premium Account for the payment of the Special Dividend. Following such payment there will be a remaining balance of approximately HK\$2,000 left standing to the credit of the Share Premium Account.

The payment of the Special Dividend out of the Share Premium Account is conditional and effective upon the passing by the Independent Shareholders of a special resolution to such effect at the EGM and satisfaction of the requirements of the Company Law of the Cayman Islands by the Company at such time.

The payment of the Special Dividend out of the Share Premium Account does not involve any reduction in the authorised or issued share capital of the Company nor does it involve any reduction in the nominal value of the Shares or any change in the trading arrangements in respect of the Shares.

The Company has confirmed its intention to utilise HK\$50 million of the proceeds from the Disposal for the proposed digital distribution business as set out in the Disposal Circular. As a result of the amount of the Special Dividend as recommended by the Board, the amount of the proceeds from the Disposal allocated for the Group's general working capital would be reduced from the estimated amount of HK\$44.1 million (as set out in the Disposal Circular) to approximately HK\$9.4 million.

REASONS FOR SPECIAL DIVIDEND FROM SHARE PREMIUM ACCOUNT

References are made to the Disposal Circular and, in particular, the section headed "Use of Proceeds from Disposal".

The sale of the Sale Shares was completed on 31 March 2007. As at 31 March 2007, the Company had received the consideration of Japanese Yen 2,743,000,000 (equivalent to approximately HK\$181.4 million) for the sale of the Sale Shares. As at the date of this announcement, the Company has not yet received the consideration for the Assignment. As set out in the Disposal Circular, the parties to the Sale and Purchase Agreement agreed that the consideration for the Assignment would be paid to the Company within two months after the date of completion of the sale of the Sale Shares.

As a result of the gain arising from the sale of the Sale Shares, it is expected that the unaudited accumulated losses of the Company would be reduced to approximately HK\$59 million as at 31 March 2007. On such basis, the Company has no distributable profits to fund the payment of the Special Dividend.

As at 31 March 2007, the entire amount standing to the credit of the Share Premium Account is approximately HK\$227,283,000 based on the unaudited balance sheet of the Company as at that date. As the Company wishes to pay the Special Dividend to the Shareholders but does not have sufficient distributable profits to fund such payment, the Directors consider that the payment of the Special Dividend out of the Share Premium Account is in the interests of the Shareholders as a whole.

GENERAL

A circular containing, amongst other things, details of the Proposal, the timetable for the distribution of the Special Dividend, the record date for the purpose of determining the entitlements of the Shareholders to the Special Dividend and a notice of the EGM to consider and if thought fit to approve the Proposal will be despatched to the Shareholders as soon as practicable.

Fandango, being a connected person of the Company, and its associates will abstain from voting at the EGM.

Shareholders and potential investors should note that the Proposal is conditional. The release of this announcement does not in any way indicate that the Proposal will be successfully completed. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company.

RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company on the GEM was suspended with effect from 9:30 a.m. on 20 April 2007. Application has been made by the Company to resume the trading of the shares of the Company with effect from 9:30 a.m. on 23 April 2007.

DEFINITIONS

“Assignment”	the assignment by the Company to Fandango of (a) certain amounts due to the Company under an intercompany loan agreement dated 26 May 2006 and (b) certain accounts payable to the Company, details of which were set out in the Disposal Circular
“Board”	the board of Directors
“Company”	Rojam Entertainment Holdings Limited
“Directors”	the directors of the Company
“Disposal”	the sale and purchase of certain shares and the Assignment pursuant to the Sale and Purchase Agreement, as disclosed in the Disposal Announcement and Disposal Circular, approved by the Independent Shareholders at the Company’s extraordinary general meeting of 31 March 2007

“Disposal Announcement”	the Company’s announcement dated 13 February 2007 in relation to the Disposal
“Disposal Circular”	the Company’s circular to the Shareholders dated 15 March 2007 in relation to the Disposal
“EGM”	the extraordinary general meeting of the Company to be held to consider, and if thought fit, approve the Proposal
“Fandango”	Fandango, Inc., a company incorporated in Japan whose shares are listed on Hercules Nippon New Market of the Osaka Securities Exchange Co., Ltd. and a controlling shareholder of the Company
“GEM”	The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM made by the Stock Exchange from time to time
“Group”	the Company and its Subsidiaries
“HK\$” or “Hong Kong dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Independent Shareholders”	Shareholders other than Fandango and its associates and those who are required by the Stock Exchange to abstain from voting at the EGM
“PRC”	The People’s Republic of China, which, for the purposes of this announcement, does not include Hong Kong, Macau and Taiwan
“Proposal”	payment of the Special Dividend out of the Share Premium Account
“Sale and Purchase Agreement”	the sale and purchase agreement dated 30 January 2007 entered into between the Company and Fandango
“Sale Shares”	the shares sold by the Company to Fandango under the Sale and Purchase Agreement
“Shareholders”	holders of the Share(s)
“Share(s)”	Ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
“Share Premium Account”	the share premium account of the Company, the amount standing to the credit of which was approximately HK\$227,283,000 as at 31 March 2007 based on the unaudited balance sheet of the Company as at that date

“Special Dividend”	the proposed special dividend of HK\$0.118 per Share equivalent to approximately HK\$227,281,000 in aggregate to be paid from the Share Premium Account
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiaries”	has the meaning ascribed to it in the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)

For the purpose of illustration only, amount denominated in Japanese Yen has been translated into Hong Kong dollars using the conversion rate of one Japanese Yen to 0.0661 Hong Kong dollar.

By Order of the Board
Rojam Entertainment Holdings Limited
Takeyasu Hashizume
President

Hong Kong, 20 April 2007

As at the date of this announcement, the Board comprises six executive Directors, namely Mr. Takeyasu Hashizume, Mr. Tetsuo Mori, Mr. Osamu Nagashima, Mr. Mitsuo Sakauchi, Mr. Yukitsugu Shimizu and Mr. Hiroshi Osaki; and three independent non-executive Directors, namely Mr. Seiichi Nakaoda, Mr. Kwong Pui Kei and Mr. Law Kar Ping.

This announcement, for which the Directors 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, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) 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 GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at www.rojam.com.