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**Signal Media increases its stake in a
Macau Luxury Residential Development Project from 8.7% to 95%
for a Consideration of Approximately HK\$1.55 Billion
by Issuing a 5-Year Convertible Bond Priced at HK\$0.18 per Share
* * * * ***
and Placing 1.101 billion New Shares at HK\$0.18 per Share

(Hong Kong, 26 Jun, 2007) ----- **Signal Media and Communications Holdings Limited** ("The Company") (HKEX code: 2362.HK) announced that it has agreed to acquire an aggregate of 86.31% of the issued share capital of MacauCo for a consideration of HK\$1,553,580,000 which is to be satisfied by the allotment and issue of 500,000,000 Consideration Shares and 5-year zero coupon Convertible Bonds amounting to HK\$1,463,580,000 at exercise price of HK\$0.18 per share. Upon completion, the Company, through PIL and Pebble Rise, will hold 95% of the issued share capital of MacauCo.

MacauCo owns a 3,449 sq.m prime waterfront residential site on Nam Van Lake located at Lote 9 in Zona A, Baia de Praia Grande, Macau opposite the Macau Tower and within a short walk from the central business district and Wynn, Lisboa and Bank of China. MacauCo has plans to develop a landmark luxury residential tower of over 50 stories and 600,630 sq. ft. developable gross floor area on the site. The building is being designed to the highest international standards to target the top end international clientele and will feature spectacular sea views and a luxury clubhouse.

Mr. Edmund Kwok, Director of Signal Media said, "Macau continues to be one of the highest growth developed cities in the world today, with 16% GDP growth in 2006. We see no reason why the rapid growth should not continue for the foreseeable future taking into account the major casino and leisure projects on the Taipa strip that will come to fruition during the next few years. High growth brings demand for high living standards such that the shortage of top quality residential accommodation will be increasingly severe. MacauCo's project will be an architectural landmark that our customers and shareholders can be proud of."

On 26 June 2007, the Company also entered into a Subscription Agreement for the allotment and issue of a total of 1,101,000,000 new shares at HK\$0.18 per share to 8 institutional investors. The net proceeds from the Placing will be approximately HK\$188 million. Completion of the acquisition and the placing is interconditional and is intended to take place simultaneously.

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Upon completion of the acquisition and placing, the major shareholder Addendis SMC Inc. (formerly known as i-cf International Limited) will hold 17.49% stake in the Company.

About Signal Media and Communications Holdings Limited

Signal Media and Communications Holdings Limited is a public company listed on the main board of Stock Exchange of Hong Kong (SEHK: 2362). It is principally engaged in beauty and cosmetics, property development, media and financial investment.