



# Media Asia Group Holdings Limited

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

(Stock Code: 8075)

---

## **THIRD QUARTERLY REPORT**

---

For the nine months ended 30 April 2016

## **CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.**

*This report, for which the directors of Media Asia Group Holdings Limited (the “**Directors**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM (the “**GEM Listing Rules**”) for the purpose of giving information with regard to Media Asia Group Holdings Limited. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

# CORPORATE INFORMATION

## PLACE OF INCORPORATION

Incorporated in the Cayman Islands and continued in Bermuda

## BOARD OF DIRECTORS

### *Executive Directors*

Lam Kin Ngok, Peter (*Chairman*)  
Chan Chi Kwong  
Lui Siu Tsuen, Richard  
Yip Chai Tuck

### *Independent Non-executive Directors*

Chan Chi Yuen  
Ng Chi Ho, Dennis  
Zhang Xi

## AUDIT COMMITTEE

Chan Chi Yuen (*Chairman*)  
Ng Chi Ho, Dennis  
Zhang Xi

## NOMINATION COMMITTEE

Zhang Xi (*Chairman*)  
Chan Chi Yuen  
Lui Siu Tsuen, Richard  
Ng Chi Ho, Dennis  
Yip Chai Tuck

## REMUNERATION COMMITTEE

Chan Chi Yuen (*Chairman*)  
Lui Siu Tsuen, Richard  
Ng Chi Ho, Dennis  
Yip Chai Tuck  
Zhang Xi

## AUTHORISED REPRESENTATIVES

Lui Siu Tsuen, Richard  
Lau Siu Mui

## COMPLIANCE OFFICER

Lui Siu Tsuen, Richard

## COMPANY SECRETARY

Lau Siu Mui

## REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

## PRINCIPAL PLACE OF BUSINESS

11th Floor  
Lai Sun Commercial Centre  
680 Cheung Sha Wan Road  
Kowloon, Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Codan Services Limited  
Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

## BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

## INDEPENDENT AUDITORS

Ernst & Young  
*Certified Public Accountants*

## PRINCIPAL BANKERS

DBS Bank (Hong Kong) Limited  
Hang Seng Bank Limited  
The Hongkong and Shanghai Banking Corporation Limited

## LISTING INFORMATION

### *Place of Listing*

The Growth Enterprise Market of  
The Stock Exchange of Hong Kong Limited

### *Stock Code*

8075

### *Board Lot*

4,000 shares

## WEBSITE

[www.mediaasia.com](http://www.mediaasia.com)

## INVESTOR RELATIONS

Tel: (852) 3184 0990  
Fax: (852) 3184 9999  
E-mail: [info@mediaasia.com](mailto:info@mediaasia.com)

# THIRD QUARTERLY RESULTS

The board of directors (the “**Board**”) of Media Asia Group Holdings Limited (the “**Company**”) presents the unaudited consolidated results of the Company and its subsidiaries (the “**Group**”) for the three months and the nine months ended 30 April 2016 together with the comparative unaudited figures for the corresponding periods in 2015 as follows:

## CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	Three months ended 30 April		Nine months ended 30 April	
		2016 (Unaudited) HK\$'000	2015 (Unaudited) HK\$'000	2016 (Unaudited) HK\$'000	2015 (Unaudited) HK\$'000
<b>TURNOVER</b>	3	<b>189,007</b>	147,239	<b>384,091</b>	530,694
Cost of sales		<b>(136,381)</b>	(77,327)	<b>(271,361)</b>	(324,679)
<b>Gross profit</b>		<b>52,626</b>	69,912	<b>112,730</b>	206,015
Other income		<b>665</b>	573	<b>4,638</b>	3,909
Marketing expenses		<b>(37,600)</b>	(31,923)	<b>(47,756)</b>	(83,134)
Administrative expenses		<b>(33,905)</b>	(28,638)	<b>(98,836)</b>	(96,161)
Other operating gains		<b>1,560</b>	2,050	<b>4,579</b>	2,771
Other operating expenses		<b>(8,462)</b>	504	<b>(15,386)</b>	(2,216)
<b>PROFIT/(LOSS) FROM OPERATING ACTIVITIES</b>		<b>(25,116)</b>	12,478	<b>(40,031)</b>	31,184
Finance costs	4	<b>(5,381)</b>	(3,965)	<b>(16,451)</b>	(12,163)
Share of profits and losses of joint ventures		<b>76</b>	460	<b>7,056</b>	894
Share of profits and losses of an associate		<b>3</b>	—	<b>1</b>	(3)
<b>PROFIT/(LOSS) BEFORE TAX</b>		<b>(30,418)</b>	8,973	<b>(49,425)</b>	19,912
Income tax expense	5	<b>(190)</b>	—	<b>(1,674)</b>	(419)
<b>PROFIT/(LOSS) FOR THE PERIOD</b>		<b>(30,608)</b>	8,973	<b>(51,099)</b>	19,493
<b>Attributable to:</b>					
Owners of the Company		<b>(29,405)</b>	9,976	<b>(47,703)</b>	21,634
Non-controlling interests		<b>(1,203)</b>	(1,003)	<b>(3,396)</b>	(2,141)
		<b>(30,608)</b>	8,973	<b>(51,099)</b>	19,493
<b>EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	6				
Basic and diluted (HK cents)		<b>(1.38)</b>	0.74	<b>(2.24)</b>	1.61

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three months ended 30 April		Nine months ended 30 April	
	<b>2016</b> <b>(Unaudited)</b> <b>HK\$'000</b>	2015 (Unaudited) HK\$'000	<b>2016</b> <b>(Unaudited)</b> <b>HK\$'000</b>	2015 (Unaudited) HK\$'000
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>(30,608)</b>	8,973	<b>(51,099)</b>	19,493
<b>OTHER COMPREHENSIVE INCOME/ (LOSS) TO BE RECLASSIFIED TO INCOME STATEMENT IN SUBSEQUENT PERIODS</b>				
Exchange differences on translation of foreign operations	<b>13,026</b>	285	<b>(7,310)</b>	1,529
Release of foreign currency translation reserve upon disposal of subsidiaries	<b>91</b>	—	<b>91</b>	(106)
<b>OTHER COMPREHENSIVE INCOME/ (LOSS) TO BE RECLASSIFIED TO INCOME STATEMENT IN SUBSEQUENT PERIODS, NET OF TAX</b>	<b>13,117</b>	285	<b>(7,219)</b>	1,423
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD</b>	<b>(17,491)</b>	9,258	<b>(58,318)</b>	20,916
<b>Attributable to:</b>				
Owners of the Company	<b>(16,320)</b>	10,248	<b>(54,858)</b>	23,042
Non-controlling interests	<b>(1,171)</b>	(990)	<b>(3,460)</b>	(2,126)
	<b>(17,491)</b>	9,258	<b>(58,318)</b>	20,916

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 April 2016

	Attributable to owners of the Company								
	Issued capital HK\$'000	Share premium account HK\$'000	Contributed surplus HK\$'000	Capital reserve HK\$'000	Foreign currency translation reserve HK\$'000	Retained profits/ losses HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
At 1 August 2015 (audited)	20,924	614,032	95,191	76,296	1,137	90,774	898,354	(3,538)	894,816
Loss for the period	–	–	–	–	–	(47,703)	(47,703)	(3,396)	(51,099)
Other comprehensive income/(loss) for the period:									
Exchange differences on translation of foreign operations	–	–	–	–	(7,246)	–	(7,246)	(64)	(7,310)
Release of foreign currency translation reserve upon disposal of a subsidiary	–	–	–	–	91	–	91	–	91
Total comprehensive loss for the period	–	–	–	–	(7,155)	(47,703)	(54,858)	(3,460)	(58,318)
Partial conversion of the Specific Mandate Convertible Notes	437	19,629	–	(4,842)	–	–	15,224	–	15,224
Deemed acquisition of a subsidiary	–	–	–	–	–	–	–	3,746	3,746
Capital contribution from a non-controlling shareholder	–	–	–	–	–	–	–	2,999	2,999
<b>At 30 April 2016 (unaudited)</b>	<b>21,361</b>	<b>633,661</b>	<b>95,191</b>	<b>71,454</b>	<b>(6,018)</b>	<b>43,071</b>	<b>858,720</b>	<b>(253)</b>	<b>858,467</b>
At 1 August 2014 (audited)	13,399	343,460	95,191	181,821	(2)	(77,318)	556,551	(2,048)	554,503
Profit/(loss) for the period	–	–	–	–	–	21,634	21,634	(2,141)	19,493
Other comprehensive income/(loss) for the period:									
Exchange differences on translation of foreign operations	–	–	–	–	1,514	–	1,514	15	1,529
Release of foreign currency translation reserve upon disposal of subsidiaries	–	–	–	–	(106)	–	(106)	–	(106)
Total comprehensive income/(loss) for the period	–	–	–	–	1,408	21,634	23,042	(2,126)	20,916
At 30 April 2015 (unaudited)	13,399	343,460	95,191	181,821	1,406	(55,684)	579,593	(4,174)	575,419

# NOTES TO CONDENSED CONSOLIDATED THIRD QUARTERLY FINANCIAL STATEMENTS

30 April 2016

## 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 29 February 2000 as an exempted company with limited liability under the Companies Law (Revised) of the Cayman Islands. The Company's domicile was changed to Bermuda by way of de-registration in the Cayman Islands and continuation as an exempted company under the laws of Bermuda on 3 December 2009. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The Company's issued ordinary shares of HK\$0.01 each have been listed and traded on the GEM of the Stock Exchange since 31 May 2001.

The principal activity of the Company is investment holding. The Group's principal activities include film production and distribution; organisation, management and production of concerts and live performances; artiste management; production and distribution of television programs; music production and publishing; licensing of media contents; provision of advertising services and consultancy services in planning and management of cultural, entertainment and live performance projects.

## 2. BASIS OF PREPARATION

The condensed consolidated financial statements of the Group have not been audited by the Company's auditors but have been reviewed by the Company's audit committee.

The unaudited condensed consolidated financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants, and applicable disclosure requirements of the GEM Listing Rules and the Hong Kong Companies Ordinance. The accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated financial statements are consistent with those used in the audited consolidated financial statements of the Group for the year ended 31 July 2015. These unaudited condensed consolidated results should be read in conjunction with the Company's annual report for the year ended 31 July 2015.

# NOTES TO CONDENSED CONSOLIDATED THIRD QUARTERLY FINANCIAL STATEMENTS

30 April 2016

## 3. TURNOVER

An analysis of the Group's turnover during the three months and nine months ended 30 April 2016 is as follows:

	Three months ended 30 April		Nine months ended 30 April	
	2016 (Unaudited) HK\$'000	2015 (Unaudited) HK\$'000	2016 (Unaudited) HK\$'000	2015 (Unaudited) HK\$'000
	Turnover			
Entertainment event income	57,897	52,884	168,677	257,770
Album sales, licence income and distribution commission income from music publishing and licensing	8,319	10,935	33,423	23,755
Artiste management fee income	3,701	2,465	14,190	12,107
Advertising income	—	4,338	—	15,246
Distribution commission income and licence fee income from film and TV program products and film rights	119,090	76,617	167,801	221,816
	<b>189,007</b>	147,239	<b>384,091</b>	530,694

## 4. FINANCE COSTS

An analysis of finance costs is as follows:

	Nine months ended 30 April	
	2016 (Unaudited) HK\$'000	2015 (Unaudited) HK\$'000
Interest on:		
– Second Completion Convertible Notes	—	12,163
– TFN Convertible Notes	7,063	—
– Specific Mandate Convertible Notes	9,388	—
	<b>16,451</b>	12,163



# NOTES TO CONDENSED CONSOLIDATED THIRD QUARTERLY FINANCIAL STATEMENTS

30 April 2016

## 5. INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made during the period under review as there were no assessable profits generated in Hong Kong during the nine months ended 30 April 2016 (nine months ended 30 April 2015: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	<b>Nine months ended 30 April</b>	
	<b>2016 (Unaudited) HK\$'000</b>	2015 (Unaudited) HK\$'000
Provision for tax for the period		
Current - Hong Kong		
Charge for the period	—	—
Current - Elsewhere		
Charge for the period	<b>1,674</b>	419
Total tax expense for the period	<b>1,674</b>	419

## 6. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic and diluted earnings/(loss) per share attributable to owners of the Company is based on the following data:

	<b>Three months ended 30 April</b>		<b>Nine months ended 30 April</b>	
	<b>2016 (Unaudited) HK\$'000</b>	2015 (Unaudited) HK\$'000	<b>2016 (Unaudited) HK\$'000</b>	2015 (Unaudited) HK\$'000
<b>Earnings/(Loss)</b>				
Profit/(loss) attributable to owners of the Company used in the basic earnings/(loss) per share calculation	<b>(29,405)</b>	9,976	<b>(47,703)</b>	21,634

# NOTES TO CONDENSED CONSOLIDATED THIRD QUARTERLY FINANCIAL STATEMENTS

30 April 2016

## 6. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY *(continued)*

	Number of shares			
	Three months ended 30 April		Nine months ended 30 April	
	2016 (Unaudited) '000	2015 (Unaudited) '000	2016 (Unaudited) '000	2015 (Unaudited) '000
<b>Shares</b>				
Weighted average number of ordinary shares in issue used in the basic earnings/(loss) per share calculation	<b>2,136,056</b>	1,339,865	<b>2,132,869</b>	1,339,865
<b>Earnings/(loss) per share:</b>				
– Basic and diluted (HK cents)	<b>(1.38)</b>	0.74	<b>(2.24)</b>	1.61

No adjustment has been made to the basic earnings per share amounts presented for three months and nine months ended 30 April 2015 in respect of a dilution as the impact of the Second Completion Convertible Notes outstanding during the periods had an anti-dilutive effect on the basic earnings per share amounts presented.

No adjustment has been made to the basic loss per share amounts presented for three months and nine months ended 30 April 2016 in respect of a dilution as the impact of the TFN Convertible Notes and Specific Mandate Convertible Notes outstanding during the periods had an anti-dilutive effect on the basic loss per share amounts presented.

## 7. INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the nine months ended 30 April 2016 (nine months ended 30 April 2015: Nil).

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW

For the nine months ended 30 April 2016 (the “**Current Period**”), the Group recorded a turnover of approximately HK\$384,091,000, representing a decrease of approximately 28% from approximately HK\$530,694,000 for the corresponding nine months in 2015 (the “**Corresponding Period**”). The decrease in revenue was due to the decrease in the number of large-scale films released and events held during the Current Period.

Cost of sales decreased to approximately HK\$271,361,000 for the Current Period from approximately HK\$324,679,000 for the Corresponding Period. The Group’s marketing expenses decreased to approximately HK\$47,756,000 for the Current Period from approximately HK\$83,134,000 for the Corresponding Period. The decrease in the abovementioned expenses was due to the decrease in the number of large-scale films released and events held during the Current Period. Administrative expenses increased to approximately HK\$98,836,000 for the Current Period from approximately HK\$96,161,000 for the Corresponding Period. These expenses are under strict control by the Company’s management. Other operating gains mainly included the share of net income from entertainment events organised by co-investors. Other operating expenses increased to approximately HK\$15,386,000 for the Current Period from approximately HK\$2,216,000 for the Corresponding Period. Other operating expenses for the Current Period mainly included exchange loss arising from the depreciation in Renminbi.

Finance costs increased to approximately HK\$16,451,000 for the Current Period from approximately HK\$12,163,000 for the Corresponding Period. The increase in finance costs was mainly due to the issuance of the TFN Convertible Notes and Specific Mandate Convertible Notes on 13 May 2015 and 3 July 2015 respectively.

Loss attributable to owners of the Company for the Current Period was approximately HK\$47,703,000 compared to profit attributable to owners of the Company of approximately HK\$21,634,000 for the Corresponding Period. Basic loss per share was approximately HK cents 2.24 compared to basic earnings per share of approximately HK cents 1.61 for the Corresponding Period.

## BUSINESS REVIEW

### *Media and Entertainment Segment*

#### *Events Management*

During the Current Period, the Group organised and invested in 76 (2015: 44) shows by popular local, Asian and internationally renowned artistes, including Sammi Cheng, Miriam Yeung, Ivana Wong, EXO, Infinite, SHINee, Super Junior, a group of Ekin Cheng, Jordan Chan, Michael Tse, Jerry Lamb and Chin Ka Lok, Kelly Chen, George Lam, Rene Liu and Jolin Tsai. The total revenue from these concerts amounted to approximately HK\$168,677,000.

#### *Music*

During the Current Period, the Group released 9 (2015: 17) albums, including titles by Miriam Yeung, C AllStar, Grasshopper, a group of Richie Jen, William So, Edmond Leung and Steve Wong, Justin Lo, Sean Pang and RubberBand. Turnover from music publishing and recording was approximately HK\$33,423,000.

#### *Artiste Management*

During the Current Period, the Group recorded a turnover of approximately HK\$14,190,000 from artiste management. The Group currently has more than 25 artistes under its management.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW *(continued)*

### *Film and TV Program Segment*

#### *Film Production and Distribution*

During the Current Period, a total of 6 films produced/invested by the Group was theatrically released, namely “The Assassin”, “All You Need Is Love”, “Office”, “She Remembers, He Forgets”, “From Vegas to Macau III” and “Trivisa”. Turnover from the licence fee income and distribution commission income of films was approximately HK\$163,555,000.

#### *TV Program Production and Distribution*

During the Current Period, the Group recorded a turnover of approximately HK\$4,246,000 from TV program licence fee and distribution commission. The Group has made investments in production of 7 television drama series in the PRC which are expected to generate return to the Group in the coming financial years.

## PROSPECTS

The China entertainment consumption continues to grow and the Group has lined up its products to capture the market opportunities.

“Three”, a Johnnie To production featuring Zhao Wei, Louis Koo Tin Lok and Wallace Chung Hon Leung, will be released soon. Director John Woo’s new production “Manhunt” featuring Zhang Han Yu and Fukuyama Masaharu is under production. A number of other projects are also in development according to the Group’s strategy to increase original production of films with Chinese themes.

During the Hong Kong Filmart in March 2016 the Group has announced its strategic alliance with iQiyi. The co-operation includes an output deal of film product internet right licensing as well as film/TV drama co-production and investment. A 36 episode drama series based on the legend movie “Infernal Affairs” tailor made for iQiyi platform has started production.

The TV drama “Don’t Go Breaking My Heart” has started broadcasting nationwide in May by a leading satellite TV channel in the PRC and achieved satisfactory rating. A 200 episodes sitcom “The Taste of Love” has also been broadcasting since February 2016 in more than 25 terrestrial TV stations across the country.

The Group remains highly active on the live entertainment front. During the period under review, the Group has produced and promoted numerous major concerts in China and Hong Kong by prominent local and Asian artistes. The Group continues to work with leading international companies such as Korea’s CJ E&M Corp. (“**CJ**”) and has successfully co-produced the Mnet Asian Music Awards (MAMA) with CJ for the third year. Besides pop music event the Group has also extended its production to Cantonese Opera to promote traditional Chinese culture. A famous title 「牡丹亭驚夢」 featuring Ms. Chan Po Chu and Ms. Mui Suet See has just finished its first run while the re-run is scheduled in coming August.

On top of its current artiste portfolio the Group is actively looking for new talent in Greater China and further co-operation with Asian artiste. We have entered into management agreement with a number of fresh talents in Hong Kong as well as Taiwan, and are finalising management contract with some Korean artiste through a subsidiary newly set up in Korea.

In summary, we believe that the Group is in a strong position to capture the growth of China entertainment market by a most balanced and synergistic approach with our upcoming quality movies, dramas, popular music products and live entertainment events.

## OTHER INFORMATION

### DIRECTORS' INTERESTS IN SECURITIES

As at 30 April 2016, the interests and short positions of the Directors in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules, were as follows:

#### (1) Interests in the Company

Name of Directors	Long positions in the shares and underlying shares of the Company					Approximate percentage of issued shares (Note 1)
	Number of shares		Number of underlying shares	Corporate interests	Total	
	Corporate interests	Personal interests				
Lam Kin Ngok, Peter	1,369,192,837 (Note 2(a))	—	218,340,611 (Note 2(a))	1,587,533,448 (Note 2(b))	74.32%	
Chan Chi Yuen	—	172,500	—	172,500	0.01%	

#### (2) Interests in Associated Corporations

##### (a) eSun Holdings Limited ("eSun")

Name of Directors	Long positions in shares and underlying shares of eSun					Approximate percentage of issued shares
	Number of shares		Share options	Total	Personal interests	
	Corporate interests	Personal interests				
Lam Kin Ngok, Peter	521,204,186 (Note 3)	2,794,443	1,243,212 (Note 4)	525,241,841	42.25%	
Chan Chi Kwong	—	—	1,500,000 (Note 5)	1,500,000	0.12%	
Lui Siu Tsuen, Richard	—	—	3,729,636 (Note 6)	3,729,636	0.30%	

## OTHER INFORMATION

### DIRECTORS' INTERESTS IN SECURITIES (continued)

#### (2) Interests in Associated Corporations (continued)

##### (b) Lai Fung Holdings Limited ("**Lai Fung**")

Name of Director	Long positions in shares and underlying shares of Lai Fung				Approximate percentage of issued shares
	Number of shares		Share options	Total	
	Corporate interests	Personal interests	Personal interests		
Lam Kin Ngok, Peter	8,274,270,422 (Note 7)	—	16,095,912 (Note 8)	8,290,366,334	51.18%

Notes:

- (1) The number of issued shares of the Company (the "**Shares**") as at 30 April 2016 (that is, 2,136,056,825 Shares) has been used for the calculation of the approximate percentage.
- (2) (a) The Shares were owned by Perfect Sky Holdings Limited ("**Perfect Sky**"), a wholly-owned subsidiary of eSun. The underlying Shares comprised the conversion shares to be allotted and issued upon conversion of the convertible notes issued by the Company to Perfect Sky pursuant to a subscription agreement dated 17 April 2015.
  - (b) eSun was the Company's ultimate holding company. As at 30 April 2016, eSun was indirectly owned as to approximately 41.92% by Lai Sun Development Company Limited ("**LSD**"). LSD was approximately 61.93% directly and indirectly owned by Lai Sun Garment (International) Limited ("**LSG**"). LSG was approximately 12.53% (excluding share option) owned by Dr. Lam Kin Ngok, Peter ("**Dr. Lam**") and approximately 29.70% owned by Wisdoman Limited which was in turn 100% beneficially owned by Dr. Lam. Therefore, Dr. Lam was deemed to be interested in the Shares and underlying Shares owned indirectly by eSun as shown in the section headed "Substantial Shareholders' Interests in Securities" below pursuant to Part XV of the SFO.
- (3) By virtue of his deemed controlling shareholding interests in LSD as described in Note (2)(b) above, Dr. Lam was deemed to be interested in such eSun shares owned indirectly by LSD.
- (4) On 18 January 2013, Dr. Lam was granted an option by eSun to subscribe for 1,243,212 eSun shares at a subscription price of HK\$1.612 per share during the period from 18 January 2013 to 17 January 2023.
- (5) On 18 January 2013, Mr. Chan Chi Kwong was granted an option by eSun to subscribe for 1,500,000 eSun shares at a subscription price of HK\$1.612 per share during the period from 18 January 2013 to 17 January 2023.
- (6) On 18 January 2013, Mr. Lui Siu Tsuen, Richard was granted an option by eSun to subscribe for 3,729,636 eSun shares at a subscription price of HK\$1.612 per share during the period from 18 January 2013 to 17 January 2023.
- (7) By virtue of his deemed controlling shareholding interests in eSun as described in Note (2)(b) above, Dr. Lam was deemed to be interested in such Lai Fung shares owned indirectly by eSun.
- (8) On 18 January 2013, Dr. Lam was granted an option by Lai Fung to subscribe for 16,095,912 Lai Fung shares at a subscription price of HK\$0.228 per share during the period from 18 January 2013 to 17 January 2023.

Save as disclosed above, as at 30 April 2016, none of the Directors had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules.

## OTHER INFORMATION

### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at 30 April 2016, the interests and short positions of the persons, other than Directors, in the Shares or underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

#### Long Position in the Shares

Name of shareholders	Capacity in which interests are held	Number of Shares	Number of underlying Shares	Total	Approximate percentage of issued Shares
					(Note 1)
Lai Sun Garment (International) Limited	Interest of controlled corporations	1,369,192,837	218,340,611	1,587,533,448 (Note 2)	74.32%
Lai Sun Development Company Limited	Interest of controlled corporations	1,369,192,837	218,340,611	1,587,533,448 (Note 2)	74.32%
eSun Holdings Limited	Interest of controlled corporation	1,369,192,837	218,340,611	1,587,533,448 (Note 2)	74.32%
Taiwan Mobile Co., Ltd.	Interest of controlled corporations	43,668,122	267,973,164 (Note 3(a))	311,641,286 (Note 3(b))	14.59%
Wealth Media Technology Co., Ltd.	Interest of controlled corporations	43,668,122	267,973,164 (Note 3(a))	311,641,286 (Note 3(b))	14.59%
TFN Media Co., Ltd.	Beneficial owner	—	267,973,164 (Note 3(a))	267,973,164	12.55%
Fubon Financial Holding Co., Ltd.	Interest of controlled corporation	99,187,500	72,969,432 (Note 4(a))	172,156,932 (Note 4(b))	8.06%
Fubon Financial Holding Venture Capital Corp.	Beneficial owner	99,187,500	72,969,432 (Note 4(a))	172,156,932	8.06%
Ming Tone Co., Ltd.	Interest of controlled corporations	99,187,500	72,969,432 (Note 5(a))	172,156,932 (Note 5(b))	8.06%
Wealth Media Co., Ltd.	Interest of controlled corporations	99,187,500	72,969,432 (Note 5(a))	172,156,932 (Note 5(b))	8.06%
Cheng Ting Co., Ltd.	Interest of controlled corporations	99,187,500	72,969,432 (Note 5(a))	172,156,932 (Note 5(b))	8.06%

## OTHER INFORMATION

### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES *(continued)*

#### Long Position in the Shares *(continued)*

Name of shareholders	Capacity in which interests are held	Number of Shares	Number of underlying Shares	Total	Approximate percentage of issued Shares
					<i>(Note 1)</i>
Cheng Hao Co., Ltd.	Interest of controlled corporations	99,187,500	72,969,432 <i>(Note 5(a))</i>	172,156,932 <i>(Note 5(b))</i>	8.06%
Kbro Co., Ltd.	Interest of controlled corporation	99,187,500	72,969,432 <i>(Note 5(a))</i>	172,156,932 <i>(Note 5(b))</i>	8.06%
Kbro Media Co., Ltd.	Beneficial owner	99,187,500	72,969,432 <i>(Note 5(a))</i>	172,156,932	8.06%

#### Notes:

- (1) The number of issued Shares as at 30 April 2016 (that is, 2,136,056,825 Shares) has been used for the calculation of the approximate percentage.
- (2) LSG, LSD and eSun were deemed to be interested in the same 1,587,533,448 Shares and underlying Shares held by Perfect Sky. Please refer to Note (2) as shown in the section headed "Directors' Interests in Securities" above for further details.
- (3) (a) The underlying Shares comprised the conversion shares to be allotted and issued upon conversion of the convertible notes issued by the Company to TFN Media Co., Ltd. ("**TFN Media**") pursuant to a subscription agreement dated 17 April 2015.
- (b) MOMO.COM Inc. ("**MOMO.COM**", interested in 43,668,122 Shares as at 30 April 2016) and TFN Media were owned as to approximately 44.38% and 100% by Wealth Media Technology Co., Ltd. ("**WMT**"), respectively. WMT was wholly-owned by Taiwan Mobile Co., Ltd. ("**TMC**"). Therefore, WMT and TMC were deemed to be interested in 43,668,122 Shares owned by MOMO.COM and 267,973,164 underlying Shares owned by TFN Media pursuant to Part XV of the SFO.
- (4) (a) The underlying Shares comprised the conversion shares to be allotted and issued upon conversion of the convertible notes issued by the Company to Fubon Financial Holding Venture Capital Corp. ("**Fubon Financial**") pursuant to a subscription agreement dated 17 April 2015.
- (b) Fubon Financial was a subsidiary of Fubon Financial Holding Co., Ltd. which was, therefore, deemed to be interested in the same 172,156,932 Shares and underlying Shares owned by Fubon Financial pursuant to Part XV of the SFO.



## OTHER INFORMATION

### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES *(continued)*

#### *Long Position in the Shares (continued)*

Notes: *(continued)*

- (5) (a) *The underlying Shares comprised the conversion shares to be allotted and issued upon conversion of the convertible notes issued by the Company to Kbro Media Co., Ltd. (“Kbro Media”) pursuant to a subscription agreement dated 17 April 2015.*
- (b) *Kbro Media was owned as to approximately 53% by Kbro Co., Ltd. (“Kbro Co”). Kbro Co was wholly-owned by Cheng Hao Co., Ltd. (“Cheng Hao”) and Cheng Hao was wholly-owned by Cheng Ting Co., Ltd. (“Cheng Ting”). Cheng Ting was approximately 80% owned by Wealth Media Co., Ltd. (“Wealth Media”) which was in turn approximately 35.7% owned by Ming Tone Co., Ltd. (“Ming Tone”). Therefore, Kbro Co, Cheng Hao, Cheng Ting, Wealth Media and Ming Tone were deemed to be interested in the same 172,156,932 Shares and underlying Shares owned by Kbro Media pursuant to Part XV of the SFO.*

Save as disclosed above, as at 30 April 2016, no other persons (other than the Directors) had any interests or short positions in the Shares and underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO.

### INTERESTS IN COMPETING BUSINESSES

During the period under review and up to the date of this report, eSun and the following Directors (together, “Interested Directors”) are considered to have interests in businesses which compete or may compete with the businesses of the Group pursuant to the GEM Listing Rules.

Four executive Directors, namely, Dr. Lam Kin Ngok, Peter, Mr. Chan Chi Kwong, Mr. Lui Siu Tsuen, Richard and Mr. Yip Chai Tuck, held shareholding interests and/or other interests and/or directorships in companies/entities in the group of eSun which engage in the businesses including development, operation of and investment in media and entertainment, music production and distribution, the investment in and production and distribution of television programmes, films and video format products and cinema operation. Mr. Yu Feng, a former executive Director who resigned on 30 September 2015, held shareholding interests and/or directorships in companies engaged in entertainment business in Mainland China.

However, the Board is independent from the boards of directors/governing committees of the aforesaid companies/entities and none of the Interested Directors can personally control the Board. Further, each of the Interested Directors is fully aware of, and has been discharging, his fiduciary duty to the Company and has acted and will continue to act in the best interest of the Company and the shareholders of the Company (the “Shareholders”) as a whole. Therefore, the Group is capable of carrying on its businesses independently of, and at arm’s length from, the businesses of such companies/entities.

Save as disclosed above, none of the Directors, the controlling Shareholder and their respective close associates competes or may compete with the business of the Group and has or may have any other conflict of interest with the Group.

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the nine months ended 30 April 2016.

## OTHER INFORMATION

### REVIEW OF QUARTERLY REPORT

The audit committee of the Company comprises three independent non-executive Directors, namely Mr. Chan Chi Yuen, Mr. Ng Chi Ho, Dennis and Mr. Zhang Xi. The audit committee has reviewed the third quarterly report (containing the unaudited condensed consolidated financial statements) of the Company for the nine months ended 30 April 2016.

By Order of the Board  
**Media Asia Group Holdings Limited**  
**Lui Siu Tsuen, Richard**  
*Executive Director*

Hong Kong, 8 June 2016