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ASIA TELEMEDIA LIMITED

亞洲電信媒體有限公司

(Incorporated in Hong Kong with limited liability)

(In Liquidation)

(Stock Code: 376)

ANNOUNCEMENT

The Original Exclusivity Period has expired as stated in the Company's announcement dated 11 May 2010. Under the Second Letter, the Investor has been given an exclusive right to negotiate the detailed terms of the Proposed Transaction with the Company during the Extended Exclusivity Period.

Investors and shareholders of the Company should note that the Company has not entered into any legally-binding documentation for the Proposed Transaction such as the Restructuring Agreement and even if such documentation is entered into, there is no assurance that the Proposed Transaction will complete.

At the request of the Company, trading in the shares of the Company has been suspended since 2:54 p.m. on 18 March 2008 and will remain suspended until further notice.

INTRODUCTION

Reference is made to the announcements of the Company dated 15 July 2009 and 11 May 2010 respectively.

On 14 July 2009, the Letter was jointly issued by the Investor and its controlling shareholder and accepted by the Liquidators (acting as agents for and on behalf of the Company without personal liability) to set out the intention of the Company and the Investor as to the Proposed Transaction, subject to agreement.

Pursuant to the Letter, either the Investor or the Liquidators shall have the right to terminate the Letter if the Restructuring Agreement has not been entered into prior to the expiration of the Original Exclusivity Period. The Original Exclusivity Period expired on 13 April 2010 but the Investor and the Liquidators have continued to negotiate the Proposed Transaction on a non-exclusive basis.

THE SECOND LETTER

The Investor, its controlling shareholder and the Liquidators (acting as agents for and on behalf of the Company without personal liability) have further agreed pursuant to the Second Letter dated 23 July 2010 that up to the date on which (i) the listing of the Company's shares on the Stock Exchange is cancelled, (ii) the signing of the Restructuring Agreement, or (iii) the Investor withdraws from negotiations on the Proposed Transaction, whichever is earlier, the Investor will have an exclusive right to negotiate the Proposed Transaction during the Extended Exclusivity Period.

To the best knowledge, information and belief of the Liquidators, and having made all reasonable enquiries, the Investor and its ultimate beneficial shareholder are third parties independent of the Company and the connected persons of the Company.

Like the Letter, the Second Letter, except for a number of provisions, is not legally-binding and will be terminated if the Restructuring Agreement has not been entered into by 7 January 2011 (or such later date as the parties may agree in writing).

Pursuant to the Second Letter, the Investor has agreed to continue to deposit HK\$3 million with the escrow agent (subject to it being refundable under certain conditions).

It is contemplated that implementation of the Proposed Transaction will be conditional on, among other things, (i) the entering into of the Restructuring Agreement; and (ii) the submission of the Resumption Proposal to the Stock Exchange. The Company shall comply with the relevant requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Code on Takeovers and Mergers regarding the Proposed Transaction as and when required. It is expected that completion of the Restructuring Agreement will be conditional on the obtaining of a number of approvals including sanction of a scheme of arrangement by the High Court of Hong Kong, approval of the Proposed Transaction by shareholders of the Company, and relevant approvals and/or waivers from the Stock Exchange and the SFC. The Company will make further announcements as and when appropriate.

Investors and shareholders of the Company should note that the Company has not entered into any legally-binding documentation for the Proposed Transaction such as the Restructuring Agreement and even if such documentation is entered into, there is no assurance that the Proposed Transaction will complete.

GENERAL

At the request of the Company, trading in the shares of the Company has been suspended since 2.54 p.m. on 18 March 2008 and will remain suspended until further notice.

DEFINITIONS

“Company”	Asia TeleMedia Limited (In Liquidation), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Extended Exclusivity Period”	the date until (i) the listing of the Company’s shares on the Stock Exchange is cancelled, (ii) the signing of the Restructuring Agreement, or (iii) the Investor withdraws from negotiations on the Proposed Transaction, whichever is earlier

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Investor”	Gainhigh Holdings Limited, a company incorporated in the British Virgin Islands with limited liability
“Letter”	a letter of intent dated 14 July 2009 which was jointly issued by the Investor and its controlling shareholder and accepted by the Liquidators (acting as agents for and on behalf of the Company without personal liability) in respect of the Proposed Transaction
“Liquidators”	joint and several liquidators of the Company, namely Messrs Edward Middleton and Patrick Cowley, who were appointed pursuant to the Order of the High Court of Hong Kong dated 14 January 2009
“Original Exclusivity Period”	from 14 July 2009 to 13 April 2010, being the period of nine months from the date of the Letter
“Proposed Transaction”	a possible transaction which may involve, among other things, a capital and debt restructuring and a subscription of new securities of the Company with a view to resuming trading of the shares of the Company on the Stock Exchange as referred to in the Second Letter
“Restructuring Agreement”	an agreement to be entered into by the Company and the Investor for the implementation of the Proposed Transaction
“Resumption Proposal”	a possible proposal which sets out, among other things, details of the Proposed Transaction which will be submitted to the Stock Exchange in connection with an application to be made for the shares of the Company to be allowed to resume trading on the Stock Exchange

“Second Letter” a letter dated 23 July 2010 which was jointly issued by the Investor and its controlling shareholder and accepted by the Liquidators, (acting as agents for and on behalf of the Company without personal liability) in respect of the Proposed Transaction

“SFC” the Securities and Futures Commission

“Stock Exchange” the Stock Exchange of Hong Kong Limited

For and on behalf of
Asia TeleMedia Limited (In Liquidation)
Edward Middleton and Patrick Cowley
Joint and Several Liquidators
Acting as agents for and on behalf of
Asia TeleMedia Limited (In Liquidation)
without personal liability

Hong Kong, 28 July 2010

As at the date of this announcement, the Board of the Company comprises two executive directors, namely Mr Lu Ruifeng and Mr Yiu Hoi Ying, and two independent non-executive directors, namely Mr Lu Ning and Mr Li Chun.