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eSun Holdings Limited

(Incorporated in Bermuda with limited liability)
(Stock Code: 571)



Media Asia Group Holdings Limited

*(Incorporated in the Cayman Islands and continued
in Bermuda with limited liability)*
(Stock Code: 8075)

**JOINT ANNOUNCEMENT
SUPPLEMENTAL STANDING CONVERSION NOTICE AND
WAIVER FROM STRICT COMPLIANCE WITH DIRECTORS' DEALING
RESTRICTION UNDER RULE 5.56(a) OF THE GEM LISTING RULES**

On 28 June 2013, Perfect Sky, a wholly-owned subsidiary of eSun, issued to the Company a Supplemental Standing Conversion Notice which was accepted by the Company to automatically convert the outstanding Convertible Notes issued to Perfect Sky upon and subject to the terms and conditions set out therein.

eSun has applied to the Stock Exchange for and on behalf of Dr. Lam for, and the Stock Exchange has granted, a waiver from strict compliance with the directors' dealing restriction under Rule 5.56(a) of the GEM Listing Rules with respect to any automatic conversion of the Convertible Notes by Perfect Sky under the Supplemental Standing Conversion Notice during any future Restricted Period and up to the Second Completion CN Maturity Date in the event that the beneficial interest of Perfect Sky in the total issued share capital of the Company (after dilution) will be less than 50.94% as a result of the occurrence of any of the Events.

This joint announcement is issued by eSun at the request of the Stock Exchange and by the Company as a voluntary announcement.

BACKGROUND

Reference is made (i) to the announcements dated 31 March 2011, 11 April 2011 and 9 June 2011 respectively and jointly issued by Perfect Sky, eSun and Media Asia Group Holdings Limited ("**Company**"); (ii) the announcements dated 8 September 2011 and 11 June 2012, both issued jointly by eSun and the Company (collectively "**Announcements**"); and (iii) the circular of the Company dated 21 April 2011 ("**Circular**") relating to, among others, the issue of the First Completion Convertible Notes and the Second Completion Convertible Notes to, among others, Perfect Sky pursuant to the Subscription Agreement. Unless the context requires otherwise, terms used herein shall bear the same meanings as those defined in the Announcements and the Circular.

SUPPLEMENTAL STANDING CONVERSION NOTICE

On 28 June 2013, Perfect Sky, a wholly-owned subsidiary of eSun, issued to the Company (in which Perfect Sky beneficially owns approximately 51.09% of the issued Shares as at the date of the Supplemental Standing Conversion Notice (as defined below)) a supplemental standing conversion notice which amends and supplements the letter of undertaking dated 27 August 2011 and issued by Perfect Sky to the Company (“**1st Conversion Notice**”) so as to extend the 1st Conversion Notice to cover the Second Completion Convertible Notes issued to Perfect Sky and additional circumstances that will trigger automatic conversion by Perfect Sky pursuant to the Convertible Notes (“**Supplemental Standing Conversion Notice**”). The Supplemental Standing Conversion Notice was accepted by the Company on the same date.

Major Terms of the Supplemental Standing Conversion Notice

(a) **Standing instructions on automatic conversion**

In order to ensure that the shareholding interest beneficially owned by Perfect Sky in the total issued share capital of the Company will not be less than 50.94% (“**Minimum Percentage**”) at all times from the date of the Supplemental Standing Conversion Notice until the earlier of (1) all the Convertible Notes issued to Perfect Sky being fully converted; and (2) 8 June 2015 (“**Second Completion CN Maturity Date**”)(being the Maturity Date of the Second Completion Convertible Notes)(“**Relevant Period**”), subject to other terms described under the sub-sections headed “Renouncement Rights” in (b) and “Priority” in (c) below, Perfect Sky has given standing instructions to the Company set forth in the Supplemental Standing Conversion Notice that, as and when any of the Events (as described below) occurs such that the beneficial interest of Perfect Sky in the total issued share capital of the Company (after dilution) will be less than the Minimum Percentage, Perfect Sky has elected to automatically convert Perfect Sky’s outstanding Convertible Notes such that the beneficial shareholding interest of Perfect Sky in the Company shall be the Minimum Percentage or its nearest higher percentage of the total enlarged issued share capital of the Company (“**Relevant Majority Percentage**”) at any time during the Relevant Period.

The “**Events**” for the purpose of the Supplemental Standing Conversion Notice are:

- (i) as and when any of the other holders of the Convertible Notes converts any part of the Convertible Notes issued to it during the Relevant Period;
- (ii) if and when any of the option holders exercises his, her or its share options granted or to be granted under the Company’s share option scheme adopted on 18 December 2012; and
- (iii) if and when (1) new Shares or share capital are/is issued by the Company other than on a pro rata basis, or (2) new Shares or share capital are/is issued pursuant to the instruments or derivatives which are issued by the Company exercisable, convertible or exchangeable into Shares other than on a pro rata basis, under any general mandate granted/refreshed or to be granted/refreshed by the Shareholders.

(b) Renouncement Rights

At any time during the Relevant Period, but save for the Restricted Period (as defined below), Perfect Sky is entitled to renounce, by way of written notice to be served on the Company in accordance with the Supplemental Standing Conversion Notice, the instructions to convert its Convertible Notes (“**Renouncement Rights**”).

For the purpose of the Supplemental Standing Conversion Notice, “**Restricted Period**” is any period at which a Director must not deal in the securities of the Company during any Black-out Period (as defined below) or at any time when Perfect Sky or Dr. Lam Kin Ngok, Peter (“**Dr. Lam**”) is in possession of any unpublished price-sensitive information in relation to the Company or its securities.

(c) Priority

At any time during the Relevant Period, but save for the Restricted Period, Perfect Sky may elect to convert, in any priority as it may elect in respect of any of the First Completion Convertible Notes and the Second Completion Convertible Notes issued to it by way of written notice to be served on the Company in accordance with the Supplemental Standing Conversion Notice.

At any time during the Restricted Period if the standing conversion instruction is triggered, all outstanding First Completion Convertible Notes must be converted prior to the conversion of the Second Completion Convertible Notes.

(d) Issue of Conversion Shares pursuant to the Supplemental Standing Conversion Notice

The Company has agreed to allot and issue such number of Conversion Shares to Perfect Sky in accordance with the terms set out in the Supplemental Standing Conversion Notice simultaneously upon the allotment and issue of any Shares or share capital pursuant to any of the Events so that Perfect Sky’s beneficial shareholding interest in the Company remains at not less than the Relevant Majority Percentage from time to time during the Relevant Period.

THE WAIVER

Details of the Waiver

eSun has applied to the Stock Exchange on behalf of Dr. Lam for, and the Stock Exchange has granted, a waiver from strict compliance with the directors’ dealing restriction under Rule 5.56(a) of the GEM Listing Rules with respect to any automatic conversion of the Convertible Notes by Perfect Sky under and in accordance with the Supplemental Standing Conversion Notice during any future Restricted Period and up to the Second Completion CN Maturity Date in the event that the beneficial interest of Perfect Sky in the total issued share capital of the Company (after dilution) will be less than the Minimum Percentage as a result of any of the Events, subject to the restrictions on the Renouncement Rights and on the right to elect over priority of conversion of the First Completion Convertible Notes or the Second Completion Convertible Notes during the Restricted Period up to the Second Completion CN Maturity Date (“**Waiver**”).

Reasons for Application for the Waiver

A Director must not deal in any securities of the Company, among others, as specified in Rule 5.56(a) of the GEM Listing Rules, namely, on any day on which the Company's financial results are published and (i) during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and (ii) during the period of 30 days immediately preceding the publication date of the quarterly results and half-year results, or if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results ("**Black-out Period**").

Dr. Lam is a director of both eSun and the Company. Since eSun and Perfect Sky are "controlled corporations" of Dr. Lam for the purpose of Part XV of the SFO, any dealing in securities by Perfect Sky in the Company will be regarded as a dealing by Dr. Lam under Rule 5.59 of the GEM Listing Rules.

If any of the Events occurs during a Black-out Period, which will result in a dilution of Perfect Sky's beneficial shareholding interest in the Company to below the Minimum Percentage, the automatic conversion of Perfect Sky's Convertible Notes under the Supplemental Standing Conversion Notice will be triggered. In the absence of the Waiver, Dr. Lam may be in breach of the directors' dealing restrictions under Rule 5.56(a) of the GEM Listing Rules. If, however, Perfect Sky is prohibited from converting its Convertible Notes during the Black-out Period under Rule 5.56(a) of the GEM Listing Rules upon occurrence of any of the Events resulting in dilution of its beneficial shareholding interest in the Company to below 50.01%, such dilution will constitute a deemed disposal transaction of eSun under the Listing Rules and would trigger compliance obligations of eSun.

In order to avoid Dr. Lam from potentially breaching Rule 5.56(a) of the GEM Listing Rules by any automatic conversion by Perfect Sky of any of its Convertible Notes pursuant to the Supplemental Standing Conversion Notice, eSun has applied to the Stock Exchange on behalf of Dr. Lam for, and the Stock Exchange has granted, the Waiver.

By order of the board of directors of
eSun Holdings Limited
Chung Yim Hung Eliza
Company Secretary

By order of the board of directors of
Media Asia Group Holdings Limited
Etsuko Hoshiyama
Company Secretary

Hong Kong, 28 June 2013

As at the date of this joint announcement, the executive directors of the Company are Dr. Lam Kin Ngok, Peter (Chairman), Mr. Yu Feng, Mr. Choi Chiu Fai, Stanley, Mr. Jeffrey Soong, Mr. Lui Siu Tsuen, Richard and Mr. Chan Chi Kwong; and the independent non-executive directors are Mr. Chan Chi Yuen, Mr. Zhang Xi and Mr. Ng Chi Ho, Dennis.

As at the date of this joint announcement, the executive directors of eSun are Dr. Lam Kin Ngok, Peter and Messrs. Lui Siu Tsuen, Richard (Chief Executive Officer), Chew Fook Aun and Lam Hau Yin, Lester; the non-executive directors are Madam U Po Chu and Mr. Andrew Y. Yan; and the independent non-executive directors are Messrs. Low Chee Keong (Chairman), Alfred Donald Yap and Lo Kwok Kwei, David and Dr. Ng Lai Man, Carmen.

This joint 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, the information contained in this joint announcement 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 joint announcement misleading.

This joint announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its publication and on the website of the Company at <http://www.mediaasia.com> as well as the website of eSun at <http://www.esun.com>.