



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 2021

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized 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.

Given that the companies listed on GEM are generally small and mid-sized companies, 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 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

Au Hoi Fung
Ng Chi Ho, Dennis
Poon Kwok Hing, Albert

AUDIT COMMITTEE

Ng Chi Ho, Dennis (*Chairman*)
Au Hoi Fung
Poon Kwok Hing, Albert

NOMINATION COMMITTEE

Poon Kwok Hing, Albert (*Chairman*)
Au Hoi Fung
Lui Siu Tsuen, Richard
Ng Chi Ho, Dennis
Yip Chai Tuck

REMUNERATION COMMITTEE

Ng Chi Ho, Dennis (*Chairman*)
Au Hoi Fung
Lui Siu Tsuen, Richard
Poon Kwok Hing, Albert
Yip Chai Tuck

AUTHORISED REPRESENTATIVES

Lui Siu Tsuen, Richard
Wong Lai Chun

COMPLIANCE OFFICER

Lui Siu Tsuen, Richard

COMPANY SECRETARY

Wong Lai Chun

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

Conyers Corporate Services (Bermuda) 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 AUDITOR

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

GEM of The Stock Exchange of Hong Kong Limited

Stock Code

8075

Board Lot

12,000 shares

WEBSITE

www.mediaasia.com

INVESTOR RELATIONS

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THIRD QUARTERLY RESULTS

The board of directors (the “**Board**”) of Media Asia Group Holdings Limited (the “**Company**”) presents the unaudited condensed consolidated results of the Company and its subsidiaries (the “**Group**”) for the three months and the nine months ended 30 April 2021 together with the comparative unaudited figures for the corresponding periods in 2020 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	Three months ended 30 April		Nine months ended 30 April	
		2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
TURNOVER	3	31,838	21,038	78,861	177,063
Cost of sales		(20,084)	(8,611)	(60,597)	(102,368)
Gross profit		11,754	12,427	18,264	74,695
Other income		2,013	1,297	8,340	5,838
Marketing expenses		(1,110)	(119)	(8,578)	(24,312)
Administrative expenses		(27,612)	(32,798)	(85,132)	(107,135)
Other operating gains	4	2,302	(109)	38,988	1,409
Other operating expenses		(2,018)	(9,522)	(3,408)	(16,567)
LOSS FROM OPERATING ACTIVITIES		(14,671)	(28,824)	(31,526)	(66,072)
Finance costs	5	(144)	(4,660)	(6,536)	(14,024)
Share of profits and losses of joint ventures		(187)	(858)	2,155	(1,367)
Share of profit and loss of an associate		—	—	—	27
LOSS BEFORE TAX		(15,002)	(34,342)	(35,907)	(81,436)
Income tax expense	6	(139)	(131)	(496)	(362)
LOSS FOR THE PERIOD		(15,141)	(34,473)	(36,403)	(81,798)
Attributable to:					
Owners of the Company		(14,500)	(32,225)	(33,663)	(74,073)
Non-controlling interests		(641)	(2,248)	(2,740)	(7,725)
		(15,141)	(34,473)	(36,403)	(81,798)
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	7		(Restated)		(Restated)
Basic and diluted (HK cents)		(0.50)	(15.09)	(2.74)	(34.68)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three months ended 30 April		Nine months ended 30 April	
	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
LOSS FOR THE PERIOD	(15,141)	(34,473)	(36,403)	(81,798)
OTHER COMPREHENSIVE INCOME/(LOSS) THAT MAY BE RECLASSIFIED TO THE INCOME STATEMENT IN SUBSEQUENT PERIODS				
Exchange differences on translation of foreign operations	(156)	1,570	(10,197)	2,226
Release of foreign currency translation reserve upon dissolution of subsidiaries	—	—	(183)	—
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX	(156)	1,570	(10,380)	2,226
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(15,297)	(32,903)	(46,783)	(79,572)
Attributable to:				
Owners of the Company	(14,555)	(30,687)	(44,055)	(71,947)
Non-controlling interests	(742)	(2,216)	(2,728)	(7,625)
	(15,297)	(32,903)	(46,783)	(79,572)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 April 2021

	Attributable to owners of the Company							
	Issued capital	Share premium account	Contributed surplus	Foreign currency		Total	Non-controlling interests	Total equity
				translation reserve	Accumulated losses			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 August 2020 (audited)	21,361	633,661	95,191	(7,975)	(702,001)	40,237	(15,231)	25,006
Loss for the period	–	–	–	–	(33,663)	(33,663)	(2,740)	(36,403)
Other comprehensive income/(loss) for the period:								
Exchange differences on translation of foreign operations	–	–	–	(10,209)	–	(10,209)	12	(10,197)
Release of foreign currency translation reserve upon dissolution of subsidiaries	–	–	–	(183)	–	(183)	–	(183)
Total comprehensive loss for the period	–	–	–	(10,392)	(33,663)	(44,055)	(2,728)	(46,783)
Loan capitalisation	268,750	161,250	–	–	–	430,000	–	430,000
Transaction costs of loan capitalisation	–	(3,734)	–	–	–	(3,734)	–	(3,734)
Issuance of fee shares	187	113	–	–	–	300	–	300
At 30 April 2021 (unaudited)	290,298	791,290	95,191	(18,367)	(735,664)	422,748	(17,959)	404,789
At 1 August 2019 (audited)	21,361	633,661	95,191	(7,591)	(523,832)	218,790	(11,631)	207,159
Loss for the period	–	–	–	–	(74,073)	(74,073)	(7,725)	(81,798)
Other comprehensive income for the period:								
Exchange differences on translation of foreign operations	–	–	–	2,126	–	2,126	100	2,226
Total comprehensive income/(loss) for the period	–	–	–	2,126	(74,073)	(71,947)	(7,625)	(79,572)
Capital contributions from a non-controlling shareholder	–	–	–	–	–	–	5,423	5,423
At 30 April 2020 (unaudited)	21,361	633,661	95,191	(5,465)	(597,905)	146,843	(13,833)	133,010

NOTES TO CONDENSED CONSOLIDATED THIRD QUARTERLY FINANCIAL STATEMENTS

30 April 2021

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 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 consultancy services in planning and management of cultural, entertainment and live performance projects.

In the opinion of the Directors, the ultimate holding company of the Company is Lai Sun Garment (International) Limited ("**LSG**"), which was incorporated in Hong Kong and whose shares are listed and traded on the Main Board of the Stock Exchange.

2. BASIS OF PREPARATION

The condensed consolidated financial statements of the Group have not been audited by the Company's auditor 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 2020 and the unaudited condensed consolidated interim financial statements for the six months ended 31 January 2021. These unaudited condensed consolidated results should be read in conjunction with the Company's annual report for the year ended 31 July 2020 and the interim report for the six months ended 31 January 2021.

NOTES TO CONDENSED CONSOLIDATED THIRD QUARTERLY FINANCIAL STATEMENTS

30 April 2021

3. TURNOVER

An analysis of the Group's turnover is as follows:

	Three months ended 30 April		Nine months ended 30 April	
	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
	Revenue from contracts with customers			
Entertainment event income	8,313	700	8,802	67,086
Album sales, licence income and distribution commission income from music publishing and licensing	6,484	8,326	22,719	23,145
Artiste management fee income	1,808	878	3,700	4,214
Distribution commission income, licence fee income from and sales of film and TV program products and film and TV program rights	15,233	11,134	43,640	82,618
	31,838	21,038	78,861	177,063

4. OTHER OPERATING GAINS

	Nine months ended 30 April	
	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
Foreign exchange gains, net	36,812	—
Others	2,176	1,409
	38,988	1,409

NOTES TO CONDENSED CONSOLIDATED THIRD QUARTERLY FINANCIAL STATEMENTS

30 April 2021

5. FINANCE COSTS

An analysis of finance costs is as follows:

	Nine months ended 30 April	
	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
Interest on:		
– Loans from an intermediate holding company	6,032	4,815
– Loan from a fellow subsidiary	—	8,323
– Lease liabilities	504	886
	6,536	14,024

6. INCOME TAX

No provision for Hong Kong profits tax has been made during the period under review as there were no assessable profits generated during the nine months ended 30 April 2021 (nine months ended 30 April 2020: Nil) in Hong Kong. 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.

	Nine months ended 30 April	
	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
Provision for tax for the period		
Current — Hong Kong		
Charge for the period	—	—
Overprovision in prior years	(19)	(56)
Current — Elsewhere		
Charge for the period	534	418
Overprovision in prior years	(19)	—
Total tax expense for the period	496	362

NOTES TO CONDENSED CONSOLIDATED THIRD QUARTERLY FINANCIAL STATEMENTS

30 April 2021

7. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

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

	Three months ended 30 April		Nine months ended 30 April	
	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
Loss				
Loss attributable to owners of the Company used in the basic loss per share calculation	(14,500)	(32,225)	(33,663)	(74,073)
	Number of shares		Number of shares	
	Three months ended 30 April		Nine months ended 30 April	
	2021 (Unaudited) '000	2020 (Unaudited) '000 (Restated)	2021 (Unaudited) '000	2020 (Unaudited) '000 (Restated)
Shares				
Weighted average number of ordinary shares in issue used in the basic loss per share calculation	2,902,054	213,606	1,227,880	213,606
Loss per share				
— Basic and diluted (HK cents)	(0.50)	(15.09)	(2.74)	(34.68)

The weighted average number of ordinary shares in issue used in the basic and diluted loss per share calculation for the three months and nine months ended 30 April 2021 have been adjusted to reflect the effect of the Share Consolidation as detailed in the Company's circular dated 30 November 2020 (the "Circular"). Comparative figures have also been adjusted on the assumption that the Share Consolidation had been effective in the prior periods.

The Group had no potential dilutive ordinary shares in issue during three months and nine months ended 30 April 2021 (three months and nine months ended 30 April 2020: Nil).

8. INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the nine months ended 30 April 2021 (nine months ended 30 April 2020: Nil).

NOTES TO CONDENSED CONSOLIDATED THIRD QUARTERLY FINANCIAL STATEMENTS

30 April 2021

9. EVENT AFTER THE REPORTING PERIOD

On 4 June 2021, the Company as the issuer and THL G Limited (the “**Subscriber**”, a direct wholly-owned subsidiary of Tencent Holdings Limited, the issued shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 700)) as the subscriber entered into the share subscription agreement, pursuant to which the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for, an aggregate of 83,333,333 new shares of HK\$0.10 each in the share capital of the Company (the “**Subscription Shares**”) at the subscription price of HK\$1.20 per Subscription Share (the “**Subscription**”). The Subscription Shares will be issued in two tranches. Details were disclosed in the joint announcement of the Company and eSun Holdings Limited (“**eSun**”, the controlling shareholder of the Company) dated 4 June 2021 (the “**Joint Announcement**”).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

For the nine months ended 30 April 2021 (the “**Current Period**”), the Group recorded a turnover of approximately HK\$78,861,000, representing a decrease of approximately 55% from approximately HK\$177,063,000 for the corresponding nine months in 2020 (the “**Corresponding Period**”), mainly due to the decrease in revenue from the Group’s film and entertainment event businesses.

Cost of sales decreased to approximately HK\$60,597,000 for the Current Period from approximately HK\$102,368,000 for the Corresponding Period. The Group’s marketing expenses decreased to approximately HK\$8,578,000 for the Current Period from approximately HK\$24,312,000 for the Corresponding Period. The decrease in above-mentioned expenses was due to decrease in the number of large-scale films released and events held during the Current Period. Administrative expenses decreased to approximately HK\$85,132,000 for the Current Period from approximately HK\$107,135,000 for the Corresponding Period. These expenses are under strict control by the Company’s management. Other operating gains increased to approximately HK\$38,988,000 for the Current Period from approximately HK\$1,409,000 for the Corresponding Period. Other operating gains mainly included exchange gain arising from the appreciation in Renminbi.

Finance costs was approximately HK\$6,536,000 for the Current Period compared to approximately HK\$14,024,000 for the Corresponding Period. Finance costs mainly represented the interest expenses arising from the loans from an intermediate holding company.

Loss attributable to owners of the Company for the Current Period decreased to approximately HK\$33,663,000 from approximately HK\$74,073,000 for the Corresponding Period. Basic loss per share decreased to approximately HK2.74 cents from approximately HK34.68 cents for the Corresponding Period as restated, after the Share Consolidation.

BUSINESS REVIEW

Media and Entertainment Segment

Events Management

During the Current Period, the Group organised and invested in 3 (2020: 39) shows. The total revenue from these concerts amounted to approximately HK\$8,802,000.

Music

During the Current Period, the Group released 5 (2020: 7) albums, including titles by Sammi Cheng, Andy Leung, Chan Kin On, Jay Fung and Nowhere Boys. Turnover from music publishing and recording was approximately HK\$22,719,000.

Artiste Management

During the Current Period, the Group recorded a turnover of approximately HK\$3,700,000 from artiste management. The Group currently has 26 artistes under its management.

Film and TV Program Segment

Film Production and Distribution

During the Current Period, 3 films produced/invested by the Group were theatrically released, namely “I’m Livin’ It”, “The Calling Of A Bus Driver” and “All U Need Is Love”. Turnover from the licence fee income and distribution commission income of films was approximately HK\$40,671,000.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW *(continued)*

Film and TV Program Segment (continued)

TV Program Production and Distribution

During the Current Period, the Group recorded a turnover of approximately HK\$2,969,000 from TV program licence fee and distribution commission.

Recapitalisation Proposal and Potential Acquisition

References were made to (i) the joint announcements of the Company, eSun, Lai Sun Development Company Limited (“**LSD**”) and LSG dated 6 November 2020, 12 January 2021 and 18 January 2021, respectively; (ii) the joint announcements of the Company and eSun dated 10 December 2020 and 11 January 2021, respectively; (iii) the announcement of the Company dated 18 December 2020; (iv) the Circular; and (v) the prospectus of the Company and eSun dated 4 January 2021 in relation to, among other things, the Recapitalisation Proposal and the Potential Acquisition and details of which are as follows (capitalised terms used herein shall have the same meanings as those defined in the Circular):

(a) *Share Consolidation, the Change in Board Lot Size and the Increase in Authorised Share Capital*

As all the conditions to the Share Consolidation have been fulfilled, the completion of the Share Consolidation, the Change in Board Lot Size (i.e. from 4,000 shares of HK\$0.01 each to 12,000 shares of HK\$0.10 each) and the Increase in Authorised Share Capital took place on 22 December 2020.

(b) *Potential Acquisition*

On 12 January 2021, the Company terminated negotiations on the Potential Acquisition in accordance with the Acquisition Term Sheet, and neither the Company nor VS Media shall have any liability or further obligation to the other parties. Nevertheless, as the management of the Company remains keen to expand the content production business of the Group and, in particular content related to social media e-commerce, the Company is exploring alternative ways to collaborate with VS Media, including but not limited to a joint venture. The Company will keep its shareholders and investors informed by way of announcement(s) in compliance with the requirements of the GEM Listing Rules as and when appropriate.

(c) *Open Offer*

On 12 January 2021, the Company and Get Nice (as the Underwriter) mutually agreed to terminate the Underwriting Agreement with immediate effect and entered into a deed of termination in that relation, whereupon the respective parties' obligations have ceased and determined and neither party shall have any claim against the other in respect of the Underwriting Agreement (save for any antecedent breaches thereof). Accordingly, the Open Offer and the Irrevocable Undertaking did not proceed.

(d) *Loan Capitalisation, the Clawback Offer and the Placing*

As all the conditions to the Loan Capitalisation Agreement, the Clawback Offer and the Placing Agreement have been fulfilled, the completion of the Loan Capitalisation, the Clawback Offer by eSun and the Placing of Capitalisation Shares took place on 18 January 2021.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW *(continued)*

Recapitalisation Proposal and Potential Acquisition (continued)

(e) Issue of Fee Shares

The Company has agreed to issue 2,500,000 new and fully paid-up Shares to Anglo Chinese Corporate Finance, Limited (“**Anglo Chinese**”, the financial adviser of the Company in relation to the Potential Transactions) in settlement of a portion of the advisory fee (i.e. HK\$400,000) payable to Anglo Chinese at the election of Anglo Chinese.

In view of the termination of the Open Offer and the negotiations on the Potential Acquisition, the Company and Anglo Chinese agreed to revise the payment terms on the advisory fee. On 17 March 2021, the Company allotted and issued 1,875,000 Fee Shares at HK\$0.16 each to Anglo Chinese in settlement of the revised advisory fee of HK\$300,000.

Share Subscription and New General Mandate

Pursuant to the Subscription, the Tranche A Subscription Shares will be allotted and issued under the general mandate which was approved by the Company’s shareholders (the “**Shareholders**”) at the annual general meeting of the Company held on 18 December 2020. The Tranche B Subscription Shares will be allotted and issued under the specific mandate which will be subject to Shareholders’ approval at the forthcoming special general meeting of the Company (the “**SGM**”).

The Company proposed to refresh the general mandate for the Directors to allot and issue new shares of the Company (the “**Shares**”) up to 20% of the total number of issued Shares as at the date of passing of the relevant resolution by the Company’s independent Shareholders at the SGM (the “**New General Mandate**”).

Details of the Subscription and the New General Mandate were disclosed in the Joint Announcement.

MANAGEMENT DISCUSSION AND ANALYSIS

PROSPECTS

The entertainment consumption of the PRC and local markets is still affected by the novel coronavirus epidemic. We have been focusing on producing high quality projects with proven track record as well as commercial viability and tightening the cost control procedure to rise the challenge. As the consumption of online content has substantially increased in areas of streaming platforms and e-commerce as a result of pandemic lockdown measures and social distancing policies, we believe there are opportunities in online e-commerce and influencer market which the Group has been directing its resources towards development of related businesses.

The Group continues to invest in original production of quality films with Chinese themes. Our current production pipeline include “Tales from the Occult”, a psychological thriller made up of three short stories produced by John Chong and Mathew Tang, and directed by Wesley Hoi, Fung Chih Chiang and Fruit Chan, and “Septet: the Story of Hong Kong”, an omnibus film produced by seven Hong Kong film masters including Johnnie To, Tsui Hark, Ann Hui, Patrick Tam, Sammo Hung, Yuen Woo-Ping and the memorable Ringo Lam.

A 30 episode modern-day drama series “Modern Dynasty”, tailor-made for Alibaba’s Youku platforms, is under production. The Group is in discussion with various Chinese portals and video web sites for new project development in TV drama production.

The exclusive distribution licence of our music products with Tencent Music Entertainment (Shenzhen) Co., Ltd and Warner Music continue to provide stable income contribution to the Group. We will keep looking for new talent in Greater China and further cooperation with Asian artistes with an aim to build up a strong artiste roster for the Group.

The recent Eman Lam Concert “The Beginning of Faith Live” has earned good reputation and public praises. The Group will continue to work with prominent local and Asian artistes for concert promotion and upcoming events including concerts of Leon Lai and C AllStar.

Looking forward, we believe that the Group’s integrated media platform comprising movies, TV programs, music, new media, artiste management and live entertainment put us in a strong position to capture the opportunities of China entertainment market by a balanced and synergistic approach and we will continue to explore cooperation and investment opportunities to enrich our portfolio, broaden our income stream and maximise value for our shareholders.

OTHER INFORMATION

DIRECTORS' INTERESTS IN SECURITIES

As at 30 April 2021, the interests and short positions of the Directors in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (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 Director	Long positions in the Shares			Approximate percentage of total issued Shares (Note 1)
	Number of Shares		Total	
	Corporate interests	Personal interests		
Lam Kin Ngok, Peter	2,021,848,647 (Note 2)	—	2,021,848,647	69.65%

(2) Interests in the Associated Corporations

(a) LSG

Name of Directors	Long positions in the ordinary shares of LSG (“LSG Shares”) and underlying LSG Shares				Approximate percentage of total issued LSG Shares (Note 3)
	Number of LSG Shares		Number of underlying LSG Shares		
	Corporate interests	Personal interests	Personal interests	Total	
Lam Kin Ngok, Peter	114,741,416 (Note 4)	48,802,906	333,333 (Note 5)	163,877,655	41.74%
Lui Siu Tsuen, Richard	—	185,600	—	185,600	0.05%

OTHER INFORMATION

DIRECTORS' INTERESTS IN SECURITIES *(continued)*

(2) *Interests in the Associated Corporations (continued)*

(b) *LSD*

Name of Directors	Long positions in the ordinary shares of LSD ("LSD Shares") and underlying LSD Shares				
	Number of LSD Shares		Number of underlying LSD Shares	Total	Approximate percentage of total issued LSD Shares <i>(Note 6)</i>
	Corporate interests	Personal interests	Personal interests		
Lam Kin Ngok, Peter	343,593,021 <i>(Note 7)</i>	433,737	417,308 <i>(Note 8)</i>	344,444,066	56.27%
Lui Siu Tsuen, Richard	—	—	104,000 <i>(Note 9)</i>	104,000	0.02%

(c) *eSun*

Name of Director	Long positions in the ordinary shares of eSun ("eSun Shares") and underlying eSun Shares				
	Number of eSun Shares		Number of underlying eSun Shares	Total	Approximate percentage of total issued eSun Shares <i>(Note 10)</i>
	Corporate interests	Personal interests	Personal interests		
Lam Kin Ngok, Peter	1,113,260,072 <i>(Note 11)</i>	2,794,443	—	1,116,054,515	74.81%

(d) *Lai Fung Holdings Limited ("Lai Fung")*

Name of Director	Long positions in the ordinary shares of Lai Fung ("Lai Fung Shares") and underlying Lai Fung Shares				
	Number of Lai Fung Shares		Number of underlying Lai Fung Shares	Total	Approximate percentage of total issued Lai Fung Shares <i>(Note 12)</i>
	Corporate interests	Personal interests	Personal interests		
Lam Kin Ngok, Peter	182,318,266 <i>(Note 13)</i>	—	321,918 <i>(Note 14)</i>	182,640,184	55.17%

OTHER INFORMATION

DIRECTORS' INTERESTS IN SECURITIES *(continued)*

Notes:

1. The total number of issued Shares as at 30 April 2021 (that is, 2,902,980,682 Shares) has been used for the calculation of the approximate percentage.
2. The Shares were owned by Perfect Sky Holdings Limited ("**Perfect Sky**"), a direct wholly-owned subsidiary of eSun.

As at 30 April 2021, eSun was indirectly owned as to approximately 74.62% by LSD. LSD was approximately 56.13% directly and indirectly owned by LSG. LSG was approximately 12.43% (excluding share option) owned by Dr. Lam Kin Ngok, Peter ("**Dr. Lam**") and approximately 29.23% owned by Wisdoman Limited ("**Wisdoman**") which was in turn 100% beneficially owned by Dr. Lam. Therefore, Dr. Lam was deemed to be interested in the 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. The total number of issued LSG Shares as at 30 April 2021 (that is, 392,610,623 LSG Shares) has been used for the calculation of the approximate percentage.
4. By virtue of his interests in Wisdoman as described in Note 2 above, Dr. Lam was deemed to be interested in such LSG Shares owned directly by Wisdoman.
5. On 19 June 2017, Dr. Lam was granted a share option by LSG to subscribe (after the adjustment for the share consolidation effective on 15 August 2017 of LSG) for 333,333 LSG Shares at the exercise price of HK\$15 per LSG Share with the exercise period from 19 June 2017 to 18 June 2027.
6. The total number of issued LSD Shares as at 30 April 2021 (that is, 612,089,025 LSD Shares) has been used for the calculation of the approximate percentage.
7. By virtue of his deemed controlling shareholding interests in LSG as described in Note 2 above, Dr. Lam was deemed to be interested in such LSD Shares owned directly and indirectly by LSG.
8. On 18 January 2013, Dr. Lam was granted a share option by LSD to subscribe (after the adjustments for the rights issue effective on 17 February 2016 and share consolidation effective on 15 August 2017 of LSD) for 417,308 LSD Shares at the exercise price of HK\$16.1 per LSD Share with the exercise period from 18 January 2013 to 17 January 2023.
9. On 18 January 2013, Mr. Lui Siu Tsuen, Richard ("**Mr. Lui**") was granted a share option by LSD to subscribe (after the adjustments for the rights issue effective on 17 February 2016 and share consolidation effective on 15 August 2017 of LSD) for 104,000 LSD Shares at the exercise price of HK\$16.1 per LSD Share with the exercise period from 18 January 2013 to 17 January 2023.
10. The total number of issued eSun Shares as at 30 April 2021 (that is, 1,491,854,598 eSun Shares) has been used for the calculation of the approximate percentage.
11. By virtue of his deemed controlling shareholding interests in LSD as described in Note 2 above, Dr. Lam was deemed to be interested in such eSun Shares owned indirectly by LSD.
12. The total number of issued Lai Fung Shares as at 30 April 2021 (that is, 331,033,443 Lai Fung Shares) has been used for the calculation of the approximate percentage.

OTHER INFORMATION

DIRECTORS' INTERESTS IN SECURITIES (continued)

Notes: (continued)

- By virtue of his deemed controlling shareholding interests in LSD as described in Note 2 above, Dr. Lam was deemed to be interested in 1,717,510 and 180,600,756 Lai Fung Shares held by Transtrend Holdings Limited and Holy Unicorn Limited (both being wholly-owned subsidiaries of LSD), respectively.
- On 18 January 2013, Dr. Lam was granted a share option by Lai Fung to subscribe (after the adjustment for the share consolidation effective on 15 August 2017 of Lai Fung) for 321,918 Lai Fung Shares at the exercise price of HK\$11.4 per Lai Fung Share with the exercise period from 18 January 2013 to 17 January 2023.

Save as disclosed above, as at 30 April 2021, none of the Directors had, or was deemed to have, 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.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at 30 April 2021, the interests and short positions of the persons, other than the Directors, in the Shares and 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	Approximate percentage of total issued Shares (Note 1)
Lai Sun Garment (International) Limited	Interest of controlled corporations	2,021,848,647 (Note 2)	69.65%
Lai Sun Development Company Limited	Interest of controlled corporations	2,021,848,647 (Note 2)	69.65%
eSun Holdings Limited	Interest of controlled corporation	2,021,848,647 (Note 2)	69.65%

Notes:

- The total number of issued Shares as at 30 April 2021 (that is, 2,902,980,682 Shares) has been used for the calculation of the approximate percentage.
- LSG, LSD and eSun were deemed to be interested in the same 2,021,848,647 Shares held by Perfect Sky. Please refer to Note 2 as shown in the section headed "Directors' Interests in Securities" above for further details.

Save as disclosed above, as at 30 April 2021, 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.

OTHER INFORMATION

INTERESTS IN COMPETING BUSINESSES

During the period under review and up to the date of this report, eSun and four executive Directors, namely, Dr. Lam as well as Mr. Chan Chi Kwong, Mr. Lui and Mr. Yip Chai Tuck (collectively, the “**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.

The Interested Directors held shareholding interests and/or other interests and/or directorships in companies/entities in the group of eSun which engage in the businesses including the development, operation of and investment in media and entertainment, music production and distribution, the investment in and production and distribution of television programs, films and video format products and cinema operation.

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 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 businesses of the Group and has or may have any other conflict of interest with the Group.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed the Company’s listed securities during the nine months ended 30 April 2021.

REVIEW OF QUARTERLY REPORT

The audit committee of the Company (the “**Audit Committee**”) currently comprises three independent non-executive Directors, namely Mr. Ng Chi Ho, Dennis (Chairman), Mr. Au Hoi Fung and Mr. Poon Kwok Hing, Albert. 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 2021.

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

Hong Kong, 10 June 2021