



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 2022

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

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

INDEPENDENT AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor

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 nine months ended 30 April 2022 together with the comparative unaudited figures for the corresponding periods in 2021 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	Three months ended 30 April		Nine months ended 30 April	
		2022 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000	2022 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000
TURNOVER	3	16,760	31,838	162,061	78,861
Cost of sales		(12,365)	(20,084)	(115,513)	(60,597)
Gross profit		4,395	11,754	46,548	18,264
Other income		684	2,013	4,031	8,340
Marketing expenses		(1,768)	(1,110)	(6,890)	(8,578)
Administrative expenses		(29,772)	(27,612)	(89,471)	(85,132)
Other operating gains	4	2,100	2,302	7,023	38,988
Other operating expenses		(5,453)	(2,018)	(8,227)	(3,408)
LOSS FROM OPERATING ACTIVITIES		(29,814)	(14,671)	(46,986)	(31,526)
Finance costs	5	(763)	(144)	(971)	(6,536)
Share of profits and losses of joint ventures		(235)	(187)	(580)	2,155
LOSS BEFORE TAX		(30,812)	(15,002)	(48,537)	(35,907)
Income tax expense	6	(16)	(139)	(1,514)	(496)
LOSS FOR THE PERIOD		(30,828)	(15,141)	(50,051)	(36,403)
Attributable to:					
Owners of the Company		(29,804)	(14,500)	(53,314)	(33,663)
Non-controlling interests		(1,024)	(641)	3,263	(2,740)
		(30,828)	(15,141)	(50,051)	(36,403)
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	7				
Basic and diluted (HK cents)		(1.00)	(0.50)	(1.79)	(2.74)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three months ended 30 April		Nine months ended 30 April	
	2022 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000	2022 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000
LOSS FOR THE PERIOD	(30,828)	(15,141)	(50,051)	(36,403)
OTHER COMPREHENSIVE LOSS THAT MAY BE RECLASSIFIED TO THE INCOME STATEMENT IN SUBSEQUENT PERIODS				
Exchange differences on translation of foreign operations	(1,744)	(156)	(780)	(10,197)
Release of foreign currency translation reserve upon dissolution of a subsidiary/deregistration of subsidiaries	—	—	(176)	(183)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	(1,744)	(156)	(956)	(10,380)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(32,572)	(15,297)	(51,007)	(46,783)
Attributable to:				
Owners of the Company	(31,447)	(14,555)	(54,472)	(44,055)
Non-controlling interests	(1,125)	(742)	3,465	(2,728)
	(32,572)	(15,297)	(51,007)	(46,783)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 April 2022

	Attributable to owners of the Company							
	Issued capital	Share premium account	Contributed surplus	Foreign currency translation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 August 2021 (audited)	294,570	837,756	95,191	(19,088)	(873,426)	335,003	(15,030)	319,973
Profit/(loss) for the period	–	–	–	–	(53,314)	(53,314)	3,263	(50,051)
Other comprehensive income/(loss) for the period:								
Exchange differences on translation of foreign operations	–	–	–	(982)	–	(982)	202	(780)
Release of foreign currency translation reserve upon dissolution of a subsidiary	–	–	–	(176)	–	(176)	–	(176)
Total comprehensive income/(loss) for the period	–	–	–	(1,158)	(53,314)	(54,472)	3,465	(51,007)
Placing of shares	4,061	44,674	–	–	–	48,735	–	48,735
Transaction costs of placing of shares	–	(698)	–	–	–	(698)	–	(698)
At 30 April 2022 (unaudited)	298,631	881,732	95,191	(20,246)	(926,740)	328,568	(11,565)	317,003
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 deregistration 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

NOTES TO CONDENSED CONSOLIDATED THIRD QUARTERLY FINANCIAL STATEMENTS

30 April 2022

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 of the Company, the ultimate holding company of the Company is Lai Sun Garment (International) Limited, 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 2021 and the unaudited condensed consolidated interim financial statements for the six months ended 31 January 2022. These unaudited condensed consolidated results should be read in conjunction with the Company's annual report for the year ended 31 July 2021 and the interim report for the six months ended 31 January 2022.

NOTES TO CONDENSED CONSOLIDATED THIRD QUARTERLY FINANCIAL STATEMENTS

30 April 2022

3. TURNOVER

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

	Three months ended 30 April		Nine months ended 30 April	
	2022 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000	2022 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000
Revenue from contracts with customers				
Entertainment event income	1,800	8,313	9,698	8,802
Album sales, licence income and distribution commission income from music publishing and licensing	7,958	6,484	27,402	22,719
Artiste management fee income	1,473	1,808	6,754	3,700
Distribution commission income, licence income from and sales of film and TV program products and film and TV program rights	5,529	15,233	118,207	43,640
	16,760	31,838	162,061	78,861

4. OTHER OPERATING GAINS

	Nine months ended 30 April	
	2022 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000
Foreign exchange gains, net	—	36,812
Fair value change from film investments	2,002	—
Others	5,021	2,176
	7,023	38,988

NOTES TO CONDENSED CONSOLIDATED THIRD QUARTERLY FINANCIAL STATEMENTS

30 April 2022

5. FINANCE COSTS

An analysis of finance costs is as follows:

	Nine months ended 30 April	
	2022 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000
Interest on:		
– Loans from an intermediate holding company	664	6,032
– Lease liabilities	307	504
	971	6,536

6. 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 during the nine months ended 30 April 2022 (nine months ended 30 April 2021: 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	
	2022 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000
Provision for tax for the period		
Current — Hong Kong		
Overprovision in prior years	—	(19)
Current — Elsewhere		
Charge for the period	1,514	534
Overprovision in prior years	—	(19)
	1,514	496
Total tax expense for the period		

NOTES TO CONDENSED CONSOLIDATED THIRD QUARTERLY FINANCIAL STATEMENTS

30 April 2022

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	
	2022 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000	2022 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000
Loss				
Loss attributable to owners of the Company used in the basic loss per share calculation	(29,804)	(14,500)	(53,314)	(33,663)
	Number of shares Three months ended 30 April		Number of shares Nine months ended 30 April	
	2022 (Unaudited) '000	2021 (Unaudited) '000	2022 (Unaudited) '000	2021 (Unaudited) '000
Shares				
Weighted average number of ordinary shares in issue used in the basic loss per share calculation	2,986,314	2,902,054	2,986,314	1,227,880
Loss per share				
Basic and diluted (HK cents)	(1.00)	(0.50)	(1.79)	(2.74)

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 Group had no potential dilutive ordinary shares in issue during the three months and nine months ended 30 April 2022 (three months and nine months ended 30 April 2021: Nil).

8. INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the nine months ended 30 April 2022 (nine months ended 30 April 2021: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

For the nine months ended 30 April 2022 (the “**Current Period**”), the Group recorded a turnover of approximately HK\$162,061,000, representing an increase of approximately 106% from approximately HK\$78,861,000 for the corresponding nine months in 2021 (the “**Corresponding Period**”), mainly due to the increase in revenue from the Group’s TV program business.

Cost of sales increased to approximately HK\$115,513,000 for the Current Period from approximately HK\$60,597,000 for the Corresponding Period. The increase in cost of sales was due to the release of TV program product during the Current Period. The Group’s marketing expenses decreased to approximately HK\$6,890,000 for the Current Period from approximately HK\$8,578,000 for the Corresponding Period. Administrative expenses increased to approximately HK\$89,471,000 for the Current Period from approximately HK\$85,132,000 for the Corresponding Period. These expenses are under strict control by the Company’s management. Other operating gains decreased to approximately HK\$7,023,000 for the Current Period from approximately HK\$38,988,000 for the Corresponding Period. Other operating gains for the Corresponding Period mainly included exchange gain arising from the appreciation in Renminbi.

Finance costs were approximately HK\$971,000 for the Current Period compared to approximately HK\$6,536,000 for the Corresponding Period. The decrease in interest expenses was mainly due to the capitalisation of loans from an intermediate holding company completed on 18 January 2021.

Loss attributable to owners of the Company for the Current Period increased to approximately HK\$53,314,000 from approximately HK\$33,663,000 for the Corresponding Period. Basic loss per share decreased to approximately HK1.79 cents for the Current Period from approximately HK2.74 cents for the Corresponding Period. The weighted average number of ordinary shares in issue used in the basic loss per share calculation for the Corresponding Period has been adjusted to reflect the effect of share consolidation, which came into effect on 22 December 2020.

BUSINESS REVIEW

Media and Entertainment Segment

Events Management

During the Current Period, the Group organised and invested in 10 (2021: 3) shows by popular local renowned artistes, including Sammi Cheng, C AllStar, Joyce Cheng, Jay Fung and Eman Lam. The total revenue from these concerts and shows amounted to approximately HK\$9,698,000.

Music

During the Current Period, the Group released 8 (2021: 5) albums, including titles by Sammi Cheng, C AllStar, Joyce Cheng, Jay Fung and Ivana Wong. Turnover from music publishing and recording was approximately HK\$27,402,000.

Artiste Management

During the Current Period, the Group recorded a turnover of approximately HK\$6,754,000 from artiste management. The Group currently has 30 artistes under its management.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW *(continued)*

Film and TV Program Segment

Film Production and Distribution

During the Current Period, 2 films produced/invested by the Group were theatrically released, namely “American Girl” and “Fireflies in the Sun”. Turnover from the licence income and distribution commission income of films was approximately HK\$12,790,000.

TV Program Production and Distribution

During the Current Period, turnover from TV program licence fee, distribution commission and sale of TV program products was approximately HK\$105,417,000 recorded by the Group.

PROSPECTS

The entertainment consumption in Hong Kong started to recover amid the novel coronavirus epidemic. However, the recent outbreak of Omicron COVID-19 variant in China posed a challenge to the PRC entertainment market. To rise the challenge, the Group will continue to produce high quality and commercially viable products, and has also been directing its resources towards development of online content for streaming platforms and e-commerce to capture the related market opportunities.

Upcoming release includes “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.

The Group will continue to invest in original production of quality films with Chinese themes. Our current production pipeline include “Twilight of the Warriors: Walled In”, an action film directed by Cheng Poi-Shui, featuring Louis Koo, Sammo Hung, Richie Jen and Raymond Lam and “Tales from the Occult” series, three psychological thriller each made up of three short stories produced by John Chong and Mathew Tang, and directed by Wesley Hoi, Fung Chih Chiang and Fruit Chan (Tales from the Occult I), Frank Hui, Daniel Chan and Doris Wong (Tales from the Occult II), and Li Chi Ngai, Peter Lee and Pater Wong (Tales from the Occult III).

“Dead Ringer”, a 24-episode modern-day TV drama series featuring Bosco Wong and Chrissie Chau, is in post-production stage. The Group is in discussion with various Chinese portals and video websites for new project development in TV drama production.

The distribution licence of our music products with Tencent Music Entertainment (Shenzhen) Co., Ltd and Warner Music continues to provide stable income contribution to the Group. The Group will continue to work with prominent local and Asian artistes for concert promotion and upcoming events include concerts of Joyce Cheng and Jay Fung.

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 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 2022, 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 Stock Exchange and the Company 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 ordinary shares of the Company ("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	67.70%

(2) Interests in the Associated Corporations

(a) Lai Sun Garment (International) Limited ("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	172,112,124 (Note 4)	74,807,359 (Note 5)	1,737,333 (Note 6)	248,656,816	42.22%
Lui Siu Tsuen, Richard	—	93,400 (Note 7)	—	93,400	0.02%

OTHER INFORMATION

DIRECTORS' INTERESTS IN SECURITIES *(continued)*

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

(b) *Lai Sun Development Company Limited (“LSD”)*

Long positions in the ordinary shares of LSD (“LSD Shares”) and underlying LSD Shares

Name of Directors	Number of LSD Shares		Number of underlying LSD Shares	Total	Approximate percentage of total issued LSD Shares <i>(Note 8)</i>
	Corporate interests	Personal interests	Personal interests		
Lam Kin Ngok, Peter	515,389,531 <i>(Note 9)</i>	650,605 <i>(Note 10)</i>	486,452 <i>(Note 11)</i>	516,526,588	53.31%
Lui Siu Tsuen, Richard	—	—	121,232 <i>(Note 12)</i>	121,232	0.01%

(c) *eSun Holdings Limited (“eSun”)*

Long positions in the ordinary shares of eSun (“eSun Shares”) and underlying eSun Shares

Name of Director	Number of eSun Shares		Number of underlying eSun Shares	Total	Approximate percentage of total issued eSun Shares <i>(Note 13)</i>
	Corporate interests	Personal interests	Personal interests		
Lam Kin Ngok, Peter	1,113,260,072 <i>(Note 14)</i>	2,794,443	—	1,116,054,515	74.81%

(d) *Lai Fung Holdings Limited (“Lai Fung”)*

Long positions in the ordinary shares of Lai Fung (“Lai Fung Shares”) and underlying Lai Fung Shares

Name of Director	Number of Lai Fung Shares		Number of underlying Lai Fung Shares	Total	Approximate percentage of total issued Lai Fung Shares <i>(Note 15)</i>
	Corporate interests	Personal interests	Personal interests		
Lam Kin Ngok, Peter	182,318,266 <i>(Note 16)</i>	—	321,918 <i>(Note 17)</i>	182,640,184	55.17%

OTHER INFORMATION

DIRECTORS' INTERESTS IN SECURITIES (continued)

(2) Interests in the Associated Corporations (continued)

(e) Lai Sun MTN Limited (“LSMTN”)

Long positions in the 5% guaranteed medium term notes due 2026

Name of Director	Capacity	Nature of interests	Principal amount
Lam Kin Ngok, Peter	Beneficial owner	Personal	USD10,000,000 (Note 18)

Notes:

1. The total number of issued Shares as at 30 April 2022 (that is, 2,986,314,015 Shares) has been used for the calculation of the approximate percentage.

2. The Shares were owned by Perfect Sky Holdings Limited (“**Perfect Sky**”), a wholly-owned subsidiary of eSun.

As at 30 April 2022, eSun was indirectly owned as to approximately 74.62% by LSD. LSD was approximately 53.19% directly and indirectly owned by LSG. LSG was approximately 12.70% (excluding share option) owned by Dr. Lam Kin Ngok, Peter (“**Dr. Lam**”, the Chairman and an Executive Director) 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 2022 (that is, 588,915,934 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.

Following the completion of the rights issue of LSG on the basis of one LSG rights share (the “**LSG Rights Share**”) for every two existing LSG Shares on 2 August 2021 (the “**LSG Rights Issue**”), 57,370,708 LSG Rights Shares were allotted and issued by LSG, increasing Dr. Lam’s deemed controlling shareholding interests in LSG from 114,741,416 LSG Shares to 172,112,124 LSG Shares.

5. On 2 August 2021, 24,401,453 LSG Rights Shares were allotted and issued by LSG, increasing Dr. Lam’s personal interests in LSG from 49,605,906 LSG Shares to 74,007,359 LSG Shares.

On 4 August 2021, Dr. Lam has completed the purchase of 550,000 LSG Shares, increasing his personal interests in LSG from 74,007,359 LSG Shares to 74,557,359 LSG Shares.

On 12 January 2022, Dr. Lam has completed the purchase of 250,000 LSG Shares, increasing his personal interests in LSG from 74,557,359 LSG Shares to 74,807,359 LSG Shares.

6. 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 underlying LSG Shares at the exercise price of HK\$15 per LSG Share with the exercise period from 19 June 2017 to 18 June 2027.

Following the completion of the LSG Rights Issue, the above share option granted has been adjusted to 425,033 underlying LSG Shares at the exercise price of HK\$11.763 per LSG Share.

On 25 January 2022, Dr. Lam was granted a share option by LSG to subscribe for 1,312,300 underlying LSG Shares at the exercise price of HK\$3.874 per LSG Share with the exercise period from 25 January 2022 to 24 January 2032.

OTHER INFORMATION

DIRECTORS' INTERESTS IN SECURITIES *(continued)*

Notes: *(continued)*

7. On 2 August 2021, 92,800 LSG Rights Shares were allotted and issued by LSG, increasing the personal interests of Mr. Lui Siu Tsuen, Richard ("**Mr. Lui**", an Executive Director) in LSG from 600 LSG Shares to 93,400 LSG Shares.

8. The total number of issued LSD Shares as at 30 April 2022 (that is, 968,885,887 LSD Shares) has been used for the calculation of the approximate percentage.

9. 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.

*Following the completion of the rights issue of LSD on the basis of one LSD rights share (the "**LSD Rights Share**") for every two existing LSD Shares on 6 October 2021 (the "**LSD Rights Issue**"), 171,796,510 LSD Rights Shares were allotted and issued by LSD, increasing Dr. Lam's deemed controlling shareholding interests in LSD from 343,593,021 LSD Shares to 515,389,531 LSD Shares.*

10. On 6 October 2021, 216,868 LSD Rights Shares were allotted and issued by LSD, increasing Dr. Lam's personal interests in LSD from 433,737 LSD Shares to 650,605 LSD Shares.

11. 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 underlying LSD Shares at the exercise price of HK\$16.10 per LSD Share with the exercise period from 18 January 2013 to 17 January 2023.

Following the completion of the LSD Rights Issue, the above share option granted has been adjusted to 486,452 underlying LSD Shares at the exercise price of HK\$13.811 per LSD Share.

12. On 18 January 2013, 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 underlying LSD Shares at the exercise price of HK\$16.10 per LSD Share with the exercise period from 18 January 2013 to 17 January 2023.

Following the completion of the LSD Rights Issue, the above share option granted has been adjusted to 121,232 underlying LSD Shares at the exercise price of HK\$13.811 per LSD Share.

13. The total number of issued eSun Shares as at 30 April 2022 (that is, 1,491,854,598 eSun Shares) has been used for the calculation of the approximate percentage.

14. 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.

15. The total number of issued Lai Fung Shares as at 30 April 2022 (that is, 331,033,443 Lai Fung Shares) has been used for the calculation of the approximate percentage.

16. 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.

17. 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 underlying Lai Fung Shares at the exercise price of HK\$11.40 per Lai Fung Share with the exercise period from 18 January 2013 to 17 January 2023.

18. On 28 October 2021, Dr. Lam purchased a USD10,000,000 LSMTN 5% guaranteed medium term notes due 2026.

OTHER INFORMATION

DIRECTORS' INTERESTS IN SECURITIES *(continued)*

Save as disclosed above, as at 30 April 2022, 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 Stock Exchange and the Company pursuant to Rule 5.46 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at 30 April 2022, the interests and short positions of the persons (other than the Directors)/corporations, 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 <i>(Note 1)</i>
Lai Sun Garment (International) Limited	Interest of controlled corporations	2,021,848,647 <i>(Note 2)</i>	67.70%
Lai Sun Development Company Limited	Interest of controlled corporations	2,021,848,647 <i>(Note 2)</i>	67.70%
eSun Holdings Limited	Interest of controlled corporation	2,021,848,647 <i>(Note 2)</i>	67.70%

Notes:

1. The total number of issued Shares as at 30 April 2022 (that is, 2,986,314,015 Shares) has been used for the calculation of the approximate percentage.
2. 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 2022, no other persons (other than the Directors)/corporations 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, an intermediate holding company of the Company and four Executive Directors, namely, Dr. Lam, 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 its shareholders (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 2022.

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 2022.

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

Hong Kong, 10 June 2022