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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

MHF and the Investor entered into the Facility Agreement and MHF created the Share Charge in favour of the Investor.

The Investor has agreed to make available to MHF an interest-bearing term loan facility of up to HK\$8 million and secured by the Share Charge to finance the regulatory capital requirements and general working capital requirements of MHS.

The assets subject to the Share Charge shall be released if the Investor is satisfied that all the Liabilities have been irrevocably paid in full and that all facilities which might give rise to Liabilities have terminated.

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 and when such documentation is entered into, there is no assurance that the Proposed Transaction will complete.

A proposal dated 30 September 2009 has been submitted by the Company to the Stock Exchange in respect of the Proposed Transaction and resumption of trading of its shares on the Stock Exchange.

At the request of the Company, trading in the shares of the Company on the Stock Exchange 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 announcement of the Company dated 15 July 2009. Terms used in this announcement shall have the same meanings as those defined in the announcement of the Company dated 15 July 2009 unless otherwise defined.

Following the entering into of the Letter, the Liquidators and the Investor have continued to work closely to formulate plans and take steps to finalise the Restructuring Agreement. In the meantime, in order to facilitate the financing of MHS, MHF and the Investor entered into the Facility Agreement and MHF created the Share Charge in favour of the Investor.

FACILITY AGREEMENT

Pursuant to the Facility Agreement, the Investor has agreed to make available to MHF an interest-bearing term loan facility of up to HK\$8 million and secured by the Share Charge to finance the regulatory capital requirements and general working capital requirements of MHS from and including 22 September 2009 to 14 April 2010. MHF shall repay each Loan together with the accrued interest (which is calculated at a rate of five per cent. per annum) on the repayment date as determined in accordance with the Facility Agreement. Interest on an overdue amount on each Loan is payable by MHF at a rate of 12 per cent. per annum.

The Loan will enable MHF to on-lend the funds to MHS for the purposes of satisfying the regulatory and general working capital requirements of MHS, by means of a subordinated loan which is subject to the prior approval of the SFC. MHS will make the relevant application to the SFC. MHF does not intend to draw down on the Loan until the requisite approval is obtained from the SFC.

SHARE CHARGE

Pursuant to the Share Charge, MHF (as legal owner of substantially all the MHS Shares and as beneficial owner of all the MHS Shares and as continuing security for the due and punctual payment and discharge of all Liabilities) charges in favour of the Investor by way of first fixed charge all the MHS Shares and MHS Dividends.

If the Investor is satisfied that all the Liabilities have been irrevocably paid in full and that all facilities which might give rise to Liabilities have terminated, the Investor shall at the request and cost of MHF release, reassign or discharge (as appropriate) the Share Charge.

GENERAL

MHS is a subsidiary of the Company and is principally engaged in securities brokerage and underwriting.

To the best of the 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.

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DEFINITIONS

“Company”	Asia TeleMedia Limited (In Liquidation), a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the main board of the Stock Exchange
“Facility Agreement”	an agreement dated 22 September 2009 entered into between MHF and the Investor pursuant to which the Investor has agreed to provide an interest-bearing term loan facility of up to HK\$8 million to MHF as secured by the Share Charge
“Liabilities”	all present and future moneys, debts and liabilities due, owing or incurred by MHF to the Investor under or in connection with the Facility Agreement, the Share Charge and any security document designated as such by the Investor and MHF
“Loan”	a loan made or to be made pursuant to the Facility Agreement or the principal amount outstanding for the time being of that loan
“MHF”	Mansion House Financial Holdings Limited, a subsidiary of the Company and an immediate holding company of MHS and the beneficial owner of all the MHS Shares
“MHS”	Mansion House Securities (F.E.) Limited, a subsidiary of MHF and an indirect subsidiary of the Company
“MHS Dividends”	dividends and/or distributions of any kind and any other sum received or receivable in respect of the MHS Shares

“MHS Shares” all interests or dividends from an aggregate of 30,000,000 shares in MHS all of which are issued and beneficially owned by MHF as at 22 September 2009 and all warrants, options and other rights to subscribe for, purchase or otherwise acquire any shares in MHS

“Share Charge” the share charge dated 22 September 2009 created by MHF in favour of the Investor in relation to the MHS Shares which MHF beneficially owns, together with the MHS Dividends

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, 7 October 2009

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 three independent non-executive directors, namely Mr Lu Ning, Mr Li Chun and Mr Lau Hak Lap.