



FUNG CHOI MEDIA GROUP LIMITED
(JOINT PROVISIONAL LIQUIDATORS APPOINTED)
(“COMPANY”)
(Incorporated in Bermuda)

UPDATE ON WORK UNDERTAKEN BY THE JPLS

The Company refers to the announcements made on 15 April 2015, 19 August 2015 and 20 November 2015. Capitalised terms defined in these announcements have the same meaning in this announcement.

Books and Records

The JPLs have not yet been able to contact and locate the Executive Directors of the Company.

The JPLs also have not yet been able to locate and secure the books and records of the PRC Subsidiaries including their company chops and business licenses.

The JPLs will continue their investigation in order to establish the financial position of the Group. The JPLs' investigation to date indicates that the only material realisable assets of the Company are its 40.8% interest in the share capital of Rising UAD and its listing status in the SGX.

Rising UAD

Information and documents in relation to Rising UAD available to the JPLs have been very limited. Since their appointment, the JPLs have been in communications with the directors of Rising UAD and the other 2 shareholders of Rising UAD in relation to the JPLs' requests including the following:

1. information and documents in relation to Rising UAD; and
2. the appointment of the JPLs' representative as a director of Rising UAD.

Rising UAD provided the JPLs with certain information and documents after the JPLs signed a confidentiality agreement. However, the directors of Rising UAD and the other 2 shareholders did not agree to appoint the JPLs' representative as a director of Rising UAD. Notwithstanding that, Yorklink International Investment Limited (“**Yorklink**”) advised that they intended to resolve the matter including acquiring the Company's interest in Rising UAD.

After almost 5 months of negotiation between the JPLs and Yorklink, a Sale and Purchase Agreement (“**SPA**”) was entered into by Best Luck International Holdings Limited (“**Best Luck**”), a wholly owned subsidiary of the Company, and Yorklink on 1 March 2016 in relation to the sale of Best Luck’s 40.8% interest in the share capital of Rising UAD to Yorklink at a consideration of HKD13,300,000.

The SPA was entered into on the basis of the consideration of the following factors:

1. the limited options available to the Company in respect of Rising UAD;
2. the lack of asset realisations of the Company and the limited resources available to the JPLs;
3. the lack of business activities of Rising UAD;
4. the Company’s lack of control or representative in the board of directors of Rising UAD;
5. the financial position of Rising UAD;
6. the uncertainty associated with Rising UAD’s future prospect and any dividend distribution available to Best Luck in the future; and
7. the lack of liquidity and marketability of Best Luck’s 40.8% interest in the share capital of Rising UAD as a private company.

The SPA is expected to be completed in April 2016 and the consideration of HKD13,300,000 is to be received by that time.

Listing Status

Since the announcement made on 19 August 2015, the JPLs have received some enquiries in respect of the Company’s listing status. The JPLs have not yet been able to secure any offer. The JPLs are continuing with their work to seek expression of interest for the Company’s listing status and to secure an offer.

Winding-up Petition of the Company

The appointment of the JPLs was resulted from the Petition filed by the Bondholder with the Supreme Court of Bermuda on 20 March 2015 to wind up the Company in relation to an outstanding debt of USD43,939,101 due by the Company to the Bondholder.

There is not any negotiation between the Company and the Bondholder in respect of the outstanding debt.

Hearing of the Petition has been adjourned to 27 May 2015.

The Bondholder awaits any restructuring proposal that the JPLs can identify.

Time Extension for Result Announcements

The JPLs have not yet been able to comply with the SGX-ST Requirements because:

1. the JPLs have not been able to obtain the necessary financial records and supporting documentation in order to ascertain and establish the financial position of the Group and prepare the accounts of the Group; and
2. the Company has not yet obtained the necessary financial resources to comply with the SGX-ST Requirements.

In light of the above, the Company made applications to SGX-ST on 30 January 2016, 15 February 2016 and 16 February 2016 for an extension of time until 31 July 2016:

1. to comply with Rule 705(1) to release its FY2015 financial statements;
2. to comply with Rule 705(2) to release its 1Q2015, 2Q2015, 3Q2015, 1Q2016 and 2Q2016 financial results; and
3. to comply with Rule 707(1) to hold its AGM for FY2015.

The JPLs seek this extension of time until 31 July 2016 in order for the JPLs to:

1. secure an offer for the listing status of the Company and obtain the necessary financial resources;
2. ascertain and establish the financial position of the Group; and
3. comply with the SGX-ST Requirements.

Resignation of Company Secretaries and Singapore Share Transfer Agent

The Company hereby announces the following:

1. the resignation of Lin Moi Heyang and Lee Bee Fong as Company Secretaries of the Company with effect from 31 December 2015; and
2. the resignation of Tricor Barbinder Share Registration Services as Singapore Share Transfer Agent of the Company with effect from 31 December 2015.

The Company will make further announcements to keep its shareholders updated on any material developments on a timely basis.

Submitted by the Joint Provisional Liquidators
For and On Behalf of the Company

Michael Chan
Joint Provisional Liquidator

11 March 2016