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## **MediaNation Inc.**

*(Incorporated in the Cayman Islands with limited liability)*

### **Major and connected transaction**

**Proposed open offer of  
1,202,325,990 new shares of HK\$0.10 each  
on the basis of  
two new shares for every existing share held  
at a subscription price of HK\$0.10 per share  
payable in full on application**

### **General mandates to issue and repurchase shares**

### **Financial adviser to MediaNation Inc.**

**ANGLO CHINESE**  
CORPORATE FINANCE, LIMITED

## Summary

A circular dated 24 June, 2003 containing, among other things, details of the open offer, will be despatched to the shareholders of MediaNation Inc. on 24 June, 2003.

The circular contains certain information which has not been previously released to the public. Such information is reproduced in this announcement.

Shareholders should read the circular carefully before taking any action in respect of the open offer. In case of any doubt, shareholders should consult their stockbrokers, bank managers, solicitors, professional accountants or other professional advisers.

## INTRODUCTION

Reference is made to MediaNation Inc.'s announcement dated 3 June, 2003 relating to the fund raising proposal to raise approximately HK\$120.2 million, before expenses, by way of an issue of new shares through an open offer.

A circular (the "circular") dated 24 June, 2003 containing, among other things, details of the open offer, will be despatched to the shareholders of MediaNation Inc. on 24 June, 2003. Unless otherwise stated, terms used herein shall have the same meaning as those defined in the circular.

## EXPECTED TIMETABLE

2003

Despatch of the circular containing information on the open offer together with notice convening the extraordinary general meeting .....	Tuesday, 24 June
Last day of dealings in shares in MediaNation Inc. on a cum-entitlement basis .....	Friday, 4 July
First day of dealings in shares in MediaNation Inc. on an ex-entitlement basis .....	Monday, 7 July
Latest time for lodging transfers of shares in MediaNation Inc. in order to qualify for the open offer .....	4:00 p.m. on Tuesday, 8 July

Register of members closed .....	Wednesday, 9 July to Thursday, 10 July
Extraordinary general meeting .....	10:00 a.m. on Thursday, 10 July
Record date for the open offer .....	Thursday, 10 July
Despatch of the prospectus and application forms in respect of assured entitlement and excess open offer shares under the open offer .....	Thursday, 10 July
Open offer commences .....	Thursday, 10 July
Register of members re-opens .....	Friday, 11 July
Open offer closes .....	4:00 p.m. on Thursday, 24 July
Latest time for payment and acceptance of the open offer shares (including application for excess open offer shares) under the open offer .....	4:00 p.m. on Thursday, 24 July
Open offer expected to become unconditional .....	Monday, 4 August
Announcement of results of the open offer .....	Tuesday, 5 August
Shares certificates for the open offer shares expected to be posted by mail on or before .....	Tuesday, 5 August
Posting by mail of refund cheques in respect of wholly or partly unsuccessful excess applications .....	Tuesday, 5 August
Dealings in fully paid open offer shares expected to commence on .....	Thursday, 7 August

*Note: Any reference to time in this announcement is in respect of Hong Kong time.*

In the event that there is any change to the expected timetable, further announcement will be made.

## FINANCIAL INFORMATION OF THE GROUP

The circular contains certain financial information of the group which has not been previously released to the public. Such information is reproduced in this announcement below:

### Statement of pro forma unaudited adjusted consolidated net assets value

The following unaudited pro forma statement of adjusted consolidated net assets value of the group is based on the audited consolidated balance sheet of the group as at 31 December, 2002, the unaudited results for the three months ended 31 March, 2003, the effect of the transactions thereafter and adjustment to reflect the effect of the open offer:

	<i>HK\$'000</i>
Audited consolidated net assets of the group as at 31 December, 2002	465,367
Less: Unaudited loss attributable to the shareholders for the three months ended 31 March, 2003	(46,154)
Less: Unaudited movements in translation reserve of the group for the three months ended 31 March, 2003	(57)
Add: Estimated net proceeds from the open offer	<u>116,000</u>
Unaudited proforma adjusted consolidated net asset value immediately following completion of the open offer	<u>535,156</u>
Unaudited pro forma adjusted consolidated net asset value per share immediately prior to the open offer based on 601,162,995 shares in issue as at the latest practicable date	<u>HK69.7 cents</u>
Unaudited pro forma adjusted consolidated net asset value per share immediately following the open offer based on 1,803,488,985 shares in issue as enlarged by the issue of the open offer shares	<u>HK29.7 cents</u>

By order of the board  
**Sun Qiang, Chang**  
Chairman

Hong Kong, 23 June, 2003

*This announcement will remain on the GEM website on the “Latest Company Announcements” page for at least 7 days from the date of its posting.*

*This announcement, for which the directors of MediaNation Inc. collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to MediaNation Inc. The directors of MediaNation Inc., having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:- (1) the information contained in this announcement is accurate and complete in all material aspects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*