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MEDIA NATION
INC.

MediaNation Inc.

(the “Company”)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8160)

Financial adviser to the Company

ANGLO CHINESE
CORPORATE FINANCE, LIMITED

ANNOUNCEMENT

**RESIGNATION OF THE CHIEF EXECUTIVE OFFICER,
EXECUTIVE DIRECTOR AND COMPLIANCE OFFICER**

OF MEDIANATION INC.

AND

**POSSIBLE MANDATORY CASH OFFER BY
CLSA LIMITED
ON BEHALF OF JCDECAUX PEARL & DEAN LTD
TO ACQUIRE ALL THE ISSUED SHARES IN
MEDIANATION INC. OTHER THAN THOSE ALREADY
AGREED TO BE ACQUIRED
BY THE OFFEROR**

Reference is made to the joint announcement made by the Company and the Offeror on 24 March 2005. The Board of MediaNation has been informed that Mr. Chu Chung Hong, Francis, the Executive Director, Chief Executive Officer and Compliance Officer of the Company tendered his resignation from the Company on 8 April 2005, giving six months notice which will expire on 7 October 2005.

The Offeror was notified of the notice of resignation and having considered its impact, it continued with its due diligence exercise, in accordance with the terms of the Agreement. The period for conducting the due diligence exercise expired on 12 April 2005. Under the Agreement, the Offeror has until 15 April 2005 (or such other date as the parties may agree) to notify the Vendors that the condition relating to due diligence has been fulfilled.

Shareholders and potential investors of the Company should note that the Possible Offer is a possibility only. It will only be made if the Agreement becomes unconditional and the Offeror's acquisition of the Sale Shares is completed in accordance with the Agreement.

Trading in the Shares on the Stock Exchange has been suspended at the request of the Company with effect from 9:38 a.m. on 11 April 2005 pending release of this announcement. Application has been made by the Company for the resumption of trading in the Shares with effect from 9:30 a.m. on 15 April 2005.

INTRODUCTION

Shareholders of the Company are referred to the announcement dated 24 March 2005 of the possible mandatory cash offer on behalf of JCDecaux Pearl & Dean Ltd to acquire all the issued shares of MediaNation Inc. other than those already owned or agreed to be acquired by the Offeror. The Possible Offer will only be made if the Agreement entered into on 23 March 2005 by the Offeror to acquire all the shares held by the Vendors, who together own 79.67% of the issued share capital of the Company, is completed. Completion of

the sale and purchase of the Sale Shares is conditional on the satisfaction (or waiver by the Offeror in its absolute discretion) of the condition that the results of the Offeror's legal, business and financial due diligence review of the Group are, in the absolute discretion of the Offeror, satisfactory in all respects. Pursuant to the Agreement, the Offeror may conduct the due diligence on the Group for a period commencing from 29 March 2005 up to and including 12 April 2005 (or such later date as may be agreed between the parties but in any event such date shall not be extended beyond 15 April 2005).

RESIGNATION OF THE CHIEF EXECUTIVE OFFICER

Mr. Chu Chung Hong, Francis, the Executive Director, Chief Executive Officer and Compliance Officer of the Company tendered his resignation on 8 April 2005.

According to Mr. Sun Qiang, Chang, Chairman of the Company and Mr. Cheung Leung Hong, Cliff, a non-executive director of the Company, the resignation was tendered following a meeting between them and Mr. Chu on 8 April 2005, at which meeting Mr. Chu requested that extraordinary compensation should be made available, 50% of which would be distributed to him and the balance to other unspecified members of staff. The request was declined, immediately following which he tendered his resignation, giving the required six months notice under his executive service agreement. The notice will expire on 7 October 2005. Mr. Chu has expressed his disagreement with Mr. Sun and Mr. Cheung's description of the meeting other than the fact of his resignation.

According to Mr. Chu, the reason for his resignation was that in the open discussion with Mr. Sun and Mr. Cheung at the meeting he felt regret that the Company's management has not taken into account the interest of the staff and the Company. The rest of the Board does not agree with the bases of the reason of Mr. Chu's resignation.

The Offeror was notified of the notice of resignation and having considered its impact, it continued with its due diligence exercise,

in accordance with the terms of the Agreement. The period for conducting the due diligence exercise expired on 12 April 2005. Under the Agreement, the Offeror has until 15 April 2005 (or such other date as the parties may agree) to notify the Vendors that the condition relating to due diligence has been fulfilled. Apart from the above, there are no other matters which need to be brought to the attention of the Shareholders.

SUSPENSION AND RESUMPTION OF TRADING IN SHARES

Trading in the Shares on the Stock Exchange has been suspended at the request of the Company with effect from 9:38 a.m. on 11 April 2005 pending the release of this announcement. Application has been made by the Company for the resumption of trading in the Shares with effect from 9:30 a.m. on 15 April 2005.

DEFINITIONS

“Agreement”	the sale and purchase agreement dated 23 March 2005 entered into between the Vendors and the Offeror relating to the sale and purchase of the Sale Shares
“Board”	The board of directors of the Company
“CLSA Limited”	CLSA Equity Capital Markets Limited, which is a deemed licensed corporation under the SFO, licensed to conduct Types 4, 6 and 9 regulated activities under the SFO, including acting as a securities adviser and corporate finance adviser, being the financial adviser to the Offeror in relation to the Transaction and the Possible Offer
“Code”	The Hong Kong Code on Takeovers and Mergers

“Company”	MediaNation Inc., a company incorporated in the Cayman Islands and the shares of which are listed on the Growth Enterprise Market of the Stock Exchange
“Completion”	completion of the Transaction
“Group”	the Company and its subsidiaries, the “Group Company” shall be construed accordingly
“Offeror”	JCDecaux Pearl & Dean Ltd, a company incorporated in Hong Kong
“Possible Offer”	the possible unconditional cash offer by the CLSA Limited on behalf of the Offeror to acquire all the Offer Shares
“Sale Shares”	718,428,083 Shares and 718,428,083 Shares beneficially owned by SMI Investors (PAPE II) Limited and Warburg Pincus Ventures, L.P. respectively
“Share(s)”	share(s) of HK\$0.10 each of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendors”	SMI Investors (PAPE II) Limited, a company incorporated in the British Virgin Islands, and Warburg Pincus Ventures, L.P., a limited partnership existing under the laws of the State of Delaware in the United States of America

By Order of the Board of Directors of
MediaNation Inc.
Sun Qiang, Chang
Chairman

Hong Kong, 14 April 2005

As at the date of this announcement, the executive director of the Company is Mr. Chu Chung Hong, Francis, the non-executive directors of the Company are Mr. Sun Qiang, Chang, Mr. Cheung Leung Hong, Cliff, Ms. Ho Ming Yee and Mr. Cheng Cheung Lun, Julian and the independent non-executive directors of the Company are Mr. Johannes Schöter, Mr. Barry John Buttifant and Mr. Duck Young Song.

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

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