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*(incorporated in the Cayman Islands with limited liability)
(Stock Code: 1360)*

**INSIDE INFORMATION –
LETTER OF INTENT
LETTER OF INTENT IN RELATION TO
THE POSSIBLE ACQUISITION**

**LETTER OF INTENT IN RELATION TO THE POSSIBLE
ACQUISITION**

The Board is pleased to announce that on 21 January 2016 (after trading hours), the Purchaser (an indirect wholly-owned subsidiary of the Company) entered into the non legally binding Letter of Intent with the Vendor (an Independent Third Party) in respect of the Possible Acquisition. Pursuant to the Letter of Intent, a Refundable Deposit of HK\$20,000,000 shall be payable by the Purchaser upon signing of the Letter of Intent.

GENERAL

The Possible Acquisition, if materialises, may constitute a notifiable transaction for the Company under the Listing Rules. Should the Company enter into the Formal Agreement or decide to terminate the Letter of Intent or if there are any material developments with respect to the Possible Acquisition, the Company will make further announcement(s) in accordance with the Listing Rules as and when appropriate.

The Company wishes to emphasise that the Possible Acquisition is subject to, among other things, the execution of the Formal Agreement, the terms and conditions of which are yet to be definitively agreed. Shareholders and potential investors of the Company should note that the Possible Acquisition may or may not materialise and the final structure and terms of the Possible Acquisition, which are still subject to further negotiations between the parties, have yet to be finalised. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares and other securities of the Company.

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO.

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THE LETTER OF INTENT

The Possible Acquisition is subject to further negotiation and the entering into of the Formal Agreement.

The major terms of the Letter of Intent are as follows:

Date: 21 January 2016 (after trading hours)

Parties:

Vendor Dorian Concept (Group) Limited, an Independent Third Party

Purchaser Integral Wealth Limited, an indirect wholly-owned subsidiary of the Company

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are Independent Third Parties.

Assets to be acquired

Subject to the Formal Agreement being entered into, the Vendor shall sell and the Purchaser shall acquire the Sale Shares, representing 51% of the issued share capital of the Target Company. The Target Company is a company to be established to hold the rights to use the Ultraman Intellectual Properties in Hong Kong and Macau for roadshow, event, exhibition etc.

Consideration

The consideration of the Possible Acquisition shall be HK\$102 million subject to the terms and conditions of the Formal Agreement (if entered into between the parties) and is expected to consist of the followings:

- (i) a refundable deposit in the amount of HK\$20 million in cash by the Purchaser (i.e. the Refundable Deposit), which shall be paid to the Vendor (or its nominee) upon signing of the Letter of Intent; and
- (ii) the balance in cash on Completion.

Exclusivity period

The Vendor agrees that itself, and/or any persons acting in concert with it (as defined in the Takeovers Code), will not negotiate with or solicit offers from any other parties in relation to the Possible Acquisition or disposal of the Sale Shares or investment in the Target Company within the Exclusivity Period of 90 days after the date of the Letter of Intent.

Conditions precedents

Completion of the Possible Acquisition will be conditional upon, inter alia:

- (i) all appropriate governmental and regulatory approvals of the Company, if required, having been obtained in relation to the Possible Acquisition;
- (ii) all consents of the Stock Exchange and other regulatory authorities (where required) having been obtained;

- (iii) the Purchaser being satisfied with the results of the Due Diligence Review exercise on the Target Company;
- (iv) the Target Company having incorporated an indirect wholly-owned subsidiary in the BVI and with such company having incorporated a wholly-owned subsidiary in Hong Kong (“**HK Co**”);
- (v) documentary evidence satisfactory to the Purchaser that HK Co having unconditionally acquired the right to use the Intellectual Properties;
- (vi) the Purchaser obtaining a Hong Kong legal opinion opining on, inter alia, the Target Company, the right of HK Co to the use of the Intellectual Properties and the Purchaser being satisfied with form and substance of such legal opinion in its sole opinion;
- (vii) receipt by the Purchaser of a valuation report from an independent third party valuer showing the fair value of the Target Company being not less than HK\$200,000,000; and
- (viii) a sub-licenced agreement having been entered into by the Vendor and HK Co in respect of roadshow, event, exhibition of Ultraman Intellectual Properties in a form agreed by the Purchaser.

Payment and return of the Refundable Deposit

Pursuant to the Letter of Intent, the Refundable Deposit of HK\$20,000,000 shall be payable by the Purchaser upon signing of the Letter of Intent. In the event the Possible Acquisition is not completed for whatever reason, the Vendor shall immediately return the Refundable Deposit.

Due Diligence Review

During the Exclusivity Period, the Purchaser shall procure its advisers or agents to conduct due diligence review on the Target Company’s assets, liabilities, legal, finance, contractual, operation, Intellectual Properties and other aspects which the Purchaser reasonably considers appropriate (the “**Due Diligence Review**”). The Vendor shall use its best endeavours to provide and procure the Target Company, its officers, employees, agents and advisers to provide assistance to the Purchaser and its advisers or agents in respect of the Due Diligence Review as reasonable requested by the Purchaser and its advisers or agents, so that the Due Diligence Review can be completed within the Exclusivity Period.

Legal effect

The Letter of Intent is non-legally binding save for the provisions relating to, among other things, the payment and return of the Refundable Deposit, Due Diligence Review, exclusivity, confidentiality, costs, governing law and jurisdiction of the Letter of Intent.

Termination

The Letter of Intent shall be terminated and be of no force and effect on the earlier of (i) the date on which the Formal Agreement is executed; (ii) the expiry of the Exclusivity Period; or (iii) any other date as the parties thereto may agree in writing, whereupon the parties thereto shall have no further obligations to the other party save for any antecedent breach.

INFORMATION OF THE PURCHASER

The Purchaser is a company incorporated in the BVI and is an indirect wholly-owned subsidiary of the Company. It is an investment holding company.

The Group is principally engaged in the organization and management of trade exhibitions and exhibitions management services.

INFORMATION OF THE TARGET COMPANY

The Target Company is a company incorporated in the BVI and is an indirect wholly-owned subsidiary of the Vendor. It is an investment holding company to be licenced with the right to the use of the Ultraman Intellectual Properties in Hong Kong and Macau.

INFORMATION OF THE VENDOR

The Vendor is a company incorporated in Hong Kong and is principally engaged in all programme and project of Ultraman Intellectual Properties and other popular anime/cartoon and related characters.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, each of the Vendor and its ultimate beneficial owners is an Independent Third Party.

GENERAL

This announcement is made by the Company pursuant to Part XIVA of the SFO and Rule 13.09 of the Listing Rules. The Possible Acquisition, if materialises, may constitute a notifiable transaction for the Company under the Listing Rules. Should the Company enter into the Formal Agreement or decide to terminate the Letter of Intent or if there are any material developments with respect to the Possible Acquisition, the Company will make further announcement(s) in accordance with the Listing Rules as and when appropriate.

The Company wishes to emphasise that the Possible Acquisition is subject to, among other things, the execution of the Formal Agreement, the terms and conditions of which are yet to be definitively agreed. Shareholders and potential investors of the Company should note that the Possible Acquisition may or may not materialise and the final structure and terms of the Possible Acquisition, which are still subject to further negotiations between the parties, have yet to be finalised. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares and other securities of the Company.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“associates”	has the meaning ascribed to it in the Listing Rules;
“Board”	the board of Directors;
“BVI”	the British Virgin Islands;
“Company”	Mega Expo Holdings Limited (stock code: 1360), a company incorporated in Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange;

“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	director(s) of the Company;
“Due Diligence Review”	shall have the meaning ascribed to it under the paragraph headed “Due Diligence Review” in this announcement;
“Exclusivity Period”	during the 90-day period commencing from the date of the Letter of Intent (or such other dates as agreed by the parties thereto in writing);
“Formal Agreement”	the formal sale and purchase agreement which may be entered into in relation to the Possible Acquisition;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Independent Third Party(ies)”	third party independent of and not connected with the Company and any of its connected persons or their respective associates;
“Intellectual Properties”	all intellectual properties at any time legally licensed to or controlled by the Vendor in relation to “Ultraman” series from TV programs and movies produced from 1996 to 2014 and such other intellectual property rights derived from the aforesaid rights and its related intangible property that is acknowledged general right by the law (including without limitation the logos, concept, technology and operating information associated with “Ultraman”) for the territory of Hong Kong and Macau;

“Letter of Intent”	the letter of intent dated 20 January 2016 and entered into between the Vendor and the Purchaser in relation to the Possible Acquisition;
“Possible Acquisition”	the possible acquisition by the Purchaser of the Sale Shares from the Vendor;
“PRC”	The People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan;
“Purchaser”	Integral Wealth Limited, an indirect wholly-owned subsidiary of the Company, an investment holding company incorporated in the BVI with limited liability;
“Refundable Deposit”	the refundable deposit of HK\$20,000,000 payable by the Purchaser in accordance with the Letter of Intent;
“Sale Shares”	shares in the Target Company represents 51% of the issued share capital of the Target Company;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“Target Company”	Almighty Captain Limited, a company incorporated in the BVI with limited liability;
“Vendor”	Dorian Concept (Group) Limited, an Independent Third Party, an investment holding company incorporated in Hong Kong and the registered holder of the Sale Shares; and
“%”	per cent.

By the order of the Board
Mega Expo Holdings Limited
Yau Yan Ming Raymond
Company Secretary

Hong Kong, 21 January 2016

As at the date of this announcement, the Board comprises Mr. Lam Wa, Mr. Liu Gejiang and Mr. Sun Sizhi as executive directors; Mr. Yeung Chun Yue, David, Mr. Choi Hung Fai and Mr. Yang Bo as independent non-executive directors.