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Neo Telemedia Limited
中國新電信集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8167)

LETTERS OF INTENT
RELATING TO POSSIBLE ACQUISITIONS

This announcement is made by the Company pursuant to Rule 17.10 of the GEM Listing Rules.

LETTER OF INTENT (A)

The Board is pleased to announce that on 20 November 2012 (after trading hours), the Company entered into a LOI (A) with the Vendor (A) pursuant to which the Company intended to acquire and the Vendor (A) intended to sell the interests in the Target Companies (A). The LOI (A) is non-legally binding except for the exclusive right of the Company to negotiate with the Vendor (A) on the Possible Acquisition (A) within the Exclusivity Period (A).

LETTER OF INTENT (B)

The Board is pleased to announce that on 20 November 2012 (after trading hours), the Company entered into a LOI (B) with the Vendor (B) pursuant to which the Company intended to acquire and the Vendor (B) intended to sell the entire equity interest in CUH. The LOI (B) is non-legally binding except for the exclusive right of the Company to negotiate with the Vendor (B) on the Possible Acquisition (B) within the Exclusivity Period (B).

As the Possible Acquisition (A) and Possible Acquisition (B) may or may not proceed, shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Neo Telemedia Limited (the “**Company**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).

LETTER OF INTENT (A)

The board of directors (the “**Board**”) of the Company is pleased to announce that on 20 November 2012 (after trading hours), the Company entered into a letter of intent (the “**LOI (A)**”) with HCH Investments Limited, a company incorporated in the British Virgin Islands (the “**Vendor (A)**”), pursuant to which the Company intended to acquire and the Vendor (A) intended to sell the equity interest in China Orient Space Communications Limited (“**CSCL**”) and the entire equity interest in Hughes China Holdings Company Limited (“**HCH**” which together with CSCL be referred as the “**Target Companies (A)**”) (the “**Possible Acquisition (A)**”). The Target Companies (A) and its associates are exclusively authorized to operate satellite communication business in the People’s Republic of China, including the Hong Kong Special Administrative Region and the Macau Special Administrative Region, and Taiwan (collectively referred to as the “**Greater China Region**”) and provide broadband satellite communication services to enterprises, telecommunication carriers and civil government customers.

The LOI (A) is non-legally binding except for the exclusive right of the Company to negotiate with the Vendor (A) on the Possible Acquisition (A) within an exclusivity period of 90 days from the date of the LOI (A) (the “**Exclusivity Period (A)**”). The parties will negotiate in good faith the terms of a definitive agreement for the Possible Acquisition (A) (the “**Definitive Agreement (A)**”) within the Exclusivity Period (A). During the Exclusivity Period (A), the Company shall have the sole and exclusive right to negotiate with the Vendor (A) with a view to agreeing and executing the Definitive Agreement (A).

Pursuant to the LOI (A), the Company shall be granted an exclusive right for due diligence investigations on the Target Companies (A) and their associates, if any, within 60 days from the date of the LOI (A).

To the best knowledge, information and belief of the directors of the Company having made all reasonable enquiries, the Vendor (A) and its beneficial owners are third parties independent of the Company and its connected persons (as defined under the GEM Listing Rules).

LETTER OF INTENT (B)

The Board is pleased to announce that on 20 November 2012 (after trading hours), the Company entered into a letter of intent (the “**LOI (B)**”) with Next-Generation Satellite Communications Limited, a company listed on the Singapore Exchange (the “**Vendor (B)**”), pursuant to which the Company intended to acquire and the Vendor (B) intended to sell the entire equity interest in China UnifiedNET Holding Limited (“**CUH**”) (the “**Possible Acquisition (B)**”). CUH and its associates are exclusively authorized to operate satellite communication business in the Greater China Region and provide broadband satellite communication services to enterprises, telecommunication carriers and civil government customers.

The LOI (B) is non-legally binding except for the exclusive right of the Company to negotiate with the Vendor (B) on the Possible Acquisition (B) within an exclusivity period of 90 days from the date of the LOI(B) (the “**Exclusivity Period (B)**”). The parties will negotiate in good faith the terms of a definitive agreement for the Possible Acquisition (B) (the “**Definitive Agreement (B)**”) within the Exclusivity Period (B). During the Exclusivity Period (B), the Company shall have the sole and exclusive right to negotiate with the Vendor (B) with a view to agreeing and executing the Definitive Agreement (B).

Pursuant to the LOI (B), the Company shall be granted an exclusive right for due diligence investigations on CUH and its associates, if any, within 60 days from the date of the LOI (B).

To the best knowledge, information and belief of the directors of the Company having made all reasonable enquiries, the Vendor (B) and its beneficial owners are third parties independent of the Company and its connected persons (as defined under the GEM Listing Rules).

The Possible Acquisition (A) is subject to the entering into of the Definitive Agreement (A). The Possible Acquisition (B) is subject to the entering into of the Definitive Agreement (B).

As the Possible Acquisition (A) and Possible Acquisition (B) may or may not proceed, shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Neo Telemedia Limited
LI Hongrong
Chairman

Hong Kong, 20 November 2012

As at the date hereof, the Board comprises four executive directors namely LI Hongrong (Chairman), Theo EDE, HU Yangjun and ZHANG Xinyu (Chief Executive Officer); and three independent non-executive directors, namely LAM Kin Kau, Mark, Professor SONG Junde and Professor CHEN Lujun.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the Growth Enterprise Market website at www.hkgem.com for at least seven days from the date of its posting and on the website of the Company at www.neo-telemedia.com.