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

**(Stock Code: 8087)**

## **SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE**

On 10 April 2015 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber whereby the Subscriber agreed to subscribe, a maximum of 120,000,000 Subscription Shares at a price of HK\$0.22 per Subscription Share. The Subscription Shares represent 20% of the Company's existing issued share capital of the Company of 600,000,000 Shares as at the date of this announcement and approximately 16.67% of its issued share capital as enlarged by the Subscription. The aggregate nominal value of the Subscription Shares under the Subscription will be US\$120,000.

The Subscription Price of HK\$0.22 per Subscription Share represents (i) a discount of approximately 17% closing price of HK\$0.265 per Share as quoted on the Stock Exchange on 10 April 2015, being the date of the Subscription Agreement; and (ii) a discount of approximately 17.30% to the average closing price of approximately HK\$0.266 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including 9 April 2015, being the last trading day prior to the date of the Subscription Agreement.

The maximum gross proceeds from the Subscription will be approximately HK\$26.40 million. The Company plans to use the proceeds of approximately HK\$26.40 million from the Subscription to fund the general working capital of the Group and finance any attractive investment opportunities if arise.

The Subscription is conditional upon the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Subscription Shares.

**Completion of the Subscription is subject to the satisfaction of the conditions precedent in the Subscription Agreement.**

**As the Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## **THE SUBSCRIPTION AGREEMENT**

### **Date**

10 April 2015

### **Issuer**

The Company

### **The Subscriber**

The Subscriber New Express Investment Limited, wholly owned subsidiary of China Investment and Finance Group Limited has agreed to subscribe a maximum of 120,000,000 Subscription Shares. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Subscriber and its ultimate beneficial owner(s) are not Connected Persons of the Company and are independent from and not connected with the Company and/or its Connected Persons.

### **Number of Subscription Shares**

A maximum of 120,000,000 Subscription Shares represent 20% of the Company's existing issued share capital of the Company of 600,000,000 Shares as at the date of this announcement and approximately 16.67% of its issued share capital as enlarged by the Subscription. The aggregate nominal value of the Subscription Shares under the Subscription will be US\$120,000.

### **Subscription Price**

The Subscription Price of HK\$0.22 per Subscription Share represents (i) a discount of approximately 17% to the closing price of HK\$0.265 per Share as quoted on the Stock Exchange on 10 April 2015, being the date of the Subscription Agreement; and (ii) a discount of 17.3% to the average closing price of HK\$ 0.266 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including 9 April 2015, being the last trading day prior to the date of the Subscription Agreement.

The maximum net Subscription Price under the Subscription is approximately HK\$0.22 per Subscription Share.

The Directors consider that the Subscription Price, which was agreed after arm's length negotiations between the Company and the Subscriber with reference to current market price of the Shares, is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

### **Ranking of Subscription Shares**

The Subscription Shares, when issued and fully paid, will rank pari passu in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Subscription Shares.

## **General Mandate**

The Subscription Shares will be allotted and issued under the general mandate granted to the Directors by a resolution of the Shareholders passed at the annual general meeting of the Company held on 15 May 2014 pursuant to which the Directors are allowed to allot and issue up to 120,000,000 Shares.

As at the date of this announcement, no Shares have been issued and allotted pursuant to such general mandate.

## **Conditions of the Subscription**

The Subscription, which is not subject to the approval of the Shareholders, is conditional upon:

- (i) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Subscription Shares; and
- (ii) the obligations of the Subscription under the Subscription Agreement not being terminated in accordance with the terms thereof.

The conditions must be fulfilled on or before 30 April 2015 (or such other date as agreed by the Company and the Subscriber), failing which the Subscription Agreement shall terminate and none of the parties to the Subscription Agreement shall have any claim against the other for any costs or losses (save for any prior breaches of the Subscription Agreement).

## **Completion of the Subscription**

Completion of the Subscription shall take subscribe not later than the second Business Day after the Subscription Agreement has become unconditional (or such later date as may be agreed between the Company and the Subscriber).

## **REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS**

The maximum gross proceeds from the Subscription will be HK\$26.4 million. The Company plans to use the proceeds of approximately HK\$26.4 million from the Subscription to fund the general working capital of the Group.

The Directors are of the view that the Subscription will enlarge the Shareholder base and the capital base of the Company. In addition, the net proceeds of the Subscription will strengthen the Group's financial position for future development of the Group.

Accordingly, the Directors (including the independent non-executive Directors) consider the terms of the Subscription are in the interests of the Company and the Shareholders as a whole.

## **FUND RAISING EXERCISES DURING THE PAST 12 MONTHS**

There are no fund raising exercises during the past 12 months

## SHAREHOLDING STRUCTURE

### EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) as at the date of this announcement; and (ii) assuming the Completion of the Placing;

Substantial Shareholders	As at the date of this announcement		Immediately after completion of the Subscription	
	<i>Number of Shares</i>	<i>Approx %</i>	<i>Number of Shares</i>	<i>Approx %</i>
Lizhong Limited	192,000,300	32	192,000,300	26.67
Subscriber	—	—	120,000,000	16.67
Other public shareholders	<u>407,999,700</u>	<u>68</u>	<u>407,999,700</u>	<u>56.67</u>
<b>Total</b>	<u>600,000,000</u>	<u>100</u>	<u>720,000,000</u>	<u>100</u>

## GENERAL

Pursuant to the termination provision in the Subscription Agreement, the Subscriber has the right in certain circumstances, to terminate the Subscription Agreement prior to the date of completion of the Subscription Agreement. Completion of the Subscription is subject to the satisfaction of the conditions precedent in the Subscription Agreement.

**As the Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of approval for the listing of, and permission to deal in, the Subscription Shares.

## DEFINITIONS

The following terms have the following meanings in this announcement unless the context otherwise requires:

“Board”	the board of Directors
“Business Day”	any day (other than a Saturday, Sunday or public holiday) on which banks are generally open for business in Hong Kong
“Company”	China 33 Media Group Limited, a company incorporated in Cayman Islands with limited liability and whose securities are listed on the Stock Exchange
“Connected Person(s)”	has the meaning ascribed thereto in the Listing Rules

“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“Subscriber”	New Express Investment Limited, wholly owned subsidiary of China Investment and Finance Group Limited
“Subscription Agreement”	a conditional subscription agreement dated 10 April 2015 entered into between the Company and the Subscriber in relation to the Subscription
“Subscription Price”	HK\$0.22 per Subscription Share
“Subscription Shares”	a maximum of 120,000,000 new Shares to be subscribed under the Subscription
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of Share(s)
“Share(s)”	ordinary share(s) of US\$0.001 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

By order of the Board  
**China 33 Media Group Limited**  
**Ruan DeQing**  
*Chairman*

Hong Kong, 10 April 2015

*As at the date of this announcement, the executive Directors are Mr. Ruan Deqing (Chairman), Mr. Lin Pintong, Ms. Yang Kan and Mr. Peng Lichun; the non-executive Director is Mr. Wang Fuqing; and the independent non-executive Directors are Ms. Tay Sheve Li, Mr. Teng Tai and Ms. Yu Shun Yan Verda.*

*This announcement, for which the Directors 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 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 herein or this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least seven days from the date of its posting and the Company’s website at [www.china33media.com](http://www.china33media.com).*