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中昊科技集團有限公司

Sunrise (China) Technology Group Limited

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8226)

DISCLOSEABLE TRANSACTION ACQUISITION OF SHARES IN CMGC

THE ACQUISITION

The Board is pleased to announce that on 17 August 2015 (after trading hours), Honest Smart, an indirect wholly-owned subsidiary of the Company, signed the Placing Letter with the Placing Agent, pursuant to which Honest Smart has agreed to subscribe for the Subject Shares, at the subscription price of HK\$0.10 per CMGC Share for a total consideration of approximately HK\$20.05 million (inclusive of transaction costs).

IMPLICATIONS UNDER THE GEM LISTING RULES

As the relevant applicable percentage ratios (as defined under the GEM Listing Rules) for the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is subject to the notification and announcement requirements under the GEM Listing Rules.

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THE PLACING LETTER

Date: 17 August 2015

Placing Agent: CNI Securities Group Limited

Placee: Honest Smart Investment Limited

Subject Shares:	199,998,000 CMGC Shares
Purchase money:	HK\$19,999,800 (exclusive of transaction costs)
Total consideration:	HK\$20,051,439.48 (inclusive of transaction costs)

The total consideration will be paid in cash which will be funded by the internal resources of the Group.

The Subject Shares represent approximately 6.25% of the issued share capital of CMGC as at the date of this announcement and approximately 3.51% of the issued share capital of CMGC as enlarged by all the placing shares of the CMGC.

The subscription price of HK\$0.10 per CMGC Share represents:

- (i) a discount of 24.24% approximately to the closing price of HK\$0.1320 per CMGC Share as quoted on the Stock Exchange as at the date of this announcement; and
- (ii) a discount of approximately 25.60% to the average closing price of approximately HK\$0.1344 per CMGC Share for the five consecutive trading days up to and including the date of this announcement.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Placing Agent, CMGC and their respective ultimate beneficial owners, are Independent Third Parties.

The Acquisition is subject to various conditions set forth in the circular of CMGC dated and published on 22 July 2015, including, inter alia, the granting by the Stock Exchange of the listing of, and permission to deal in, the CMGC Shares and the passing of the relevant resolution by the shareholders of the CMGC to grant the special mandate to the directors of CMGC to allot and issue the CMGC Shares.

Honest Smart will be called upon to settle the payment of total consideration on the next business day after fulfilment of the conditions mentioned above. Completion of the Acquisition shall take place on the third Business Day following the day on which the above conditions are satisfied (or such other date as may be agreed between the Company and the Placing Agent in writing).

Upon Completion, the 199,998,000 CMGC Shares will be recorded by the Company as investment and be classified as financial assets at fair value through profit or loss in the financial statements of the Company.

INFORMATION ON THE CMGC GROUP

CMGC is a company incorporated under the laws of the Cayman Islands whose shares are listed on GEM. The CMGC Group is principally engaged in (i) mobile-online game business and provision of games related integral marketing services, (ii) provision of IT services, (iii) money lending business, (iv) provision of medical diagnostic and health check services, and (v) securities investments business.

The following information is extracted from the annual reports of CMGC for the two financial years ended 31 December 2013 and 31 December 2014 respectively:

	Year ended 31 December	
	2014	2013
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	236,970	99,557
Net loss before taxation	(25,467)	(9,241)
Net loss after taxation	(24,580)	(9,603)

The unaudited net assets of CMGC as at 30 June 2015 was approximately HK\$480 million.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in (i) manufacturing and sales of straw briquettes, (ii) trading of commodities, (iii) trading of garment accessories, and (iv) manufacturing and trading of LED digital display products.

Given that the subscription price of the Subject Shares is at discount as mentioned above, the Directors are of the view that the Acquisition provides the Group with a good investment opportunity. Having considered the recent performance of CMGC and the subscription price, the Directors also believe that the Acquisition is an attractive investment which will provide satisfactory return.

The Directors are therefore of the view that the terms of the Acquisition are fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE GEM LISTING RULES

As the relevant applicable percentage ratios (as defined under the GEM Listing Rules) for the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is subject to the notification and announcement requirements under the GEM Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall, unless the context requires otherwise, have the following meanings:

“Acquisition”	the acquisition of an aggregate of 199,998,000 CMGC Shares by Honest Smart at an average purchase price of HK\$0.10 per CMGC Share for a total consideration of approximately HK\$20.05 million on 17 August 2015
“CMGC”	China Mobile Games and Cultural Investment Limited (中國手遊文化投資有限公司) (stock code: 8081) a company incorporated in the Cayman Islands with limited liability whose shares are listed on GEM
“CMGC Group”	CMGC together with its subsidiaries
“CMGC Shares”	ordinary shares of HK\$0.01 each in the share capital of CMGC
“Company”	Sunrise (China) Technology Group Limited (中昱科技集團有限公司), a company incorporated in the Cayman Islands with limited liability, whose shares are listed on GEM
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Honest Smart”	Honest Smart Investment Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons in accordance with the GEM Listing Rules

“Placing Agent”	CNI Securities Group Limited, a licensed corporation to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts) and type 4 (advising on securities) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Letter”	a placing letter dated 12 August 2015 issued by the Placing Agent on behalf of CMGC in relation to the Acquisition and accepted by Honest Smart on 17 August 2015
“Share(s)”	ordinary shares of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holders of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subject Shares”	199,998,000 CMGC Shares to be acquired by the Honest Smart pursuant to the Placing Letter
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
Sunrise (China) Technology Group Limited
Ma Arthur On-hing
Executive Director

Hong Kong, 17 August 2015

As at the date of this announcement, the Board comprises eight Directors namely Mr. Ma Arthur On-hing, Mr. Shan Biao, Mr. Mui Wai Sum and Ms. Kwan Kar Ching, being the executive Directors, Mr. Chen Wai Chung Edmund, being the non-executive Director and Mr. Ho Chun Kit Gregory, Mr. Ho Wai Shing and Mr. Hung Cho Sing, being the independent non-executive Directors.

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 herein or this announcement misleading.

This announcement will remain on the GEM website at “www.hkgem.com” on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at “www.sunrisechina-tech.com”.