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A8 New Media Group Limited

A8 新媒體集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 800)

DISCLOSEABLE TRANSACTION

PURCHASE OF THE TREASURY BOND ETF

INTRODUCTION

In order to further improve the use efficiency of temporarily idle self-owned funds and increase capital income, on 16 May 2023 and 18 May 2023, the Group purchased Treasury Bond ETF from the open market at the total amount of RMB 41,346,819 with its temporarily idle self-owned funds.

LISTING RULES IMPLICATIONS

Each of the First purchase and the Second purchase (collectively the “**Purchases**”) does not constitute a notifiable transaction as all of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of each of the purchases are below 5%. However, the Purchases, when aggregated pursuant to under Rules 14.22 and 14.23 of the Listing Rules, would constitute a disclosable transaction of the Company under Chapter 14 of the Listing Rules as the highest applicable percentage ratio calculated pursuant to Rule 14.07 of the Listing Rules, is more than 5% but less than 25% and hence are subject to the notification and announcement requirements set out under Rule 14.34 of the Listing Rules.

PURCHASE OF THE TREASURY BOND ETF

In order to further improve the use efficiency of temporarily idle self-owned funds and increase capital income, on 16 May 2023 and 18 May 2023, the Group purchased Treasury Bond ETF from the open market at the total amount of RMB 41,346,819 with its temporarily idle self-owned funds, details of which are as follows:

The shares of the Treasury Bond ETF that the Group acquired are listed for trading on the Nasdaq. According to its prospectus, The Treasury Bond ETF seeks to track the investment results of the ICE[®] U.S. Treasury 20+ Year Bond Index, which measures the performance of public obligations of the U.S. Treasury that have a remaining maturity greater than or equal to twenty years.

As the Purchases of shares of the Treasury Bond ETF was made through the open market, the Company is not aware of the identities of the sellers of the shares of the Treasury Bond ETF. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the sellers of the Treasury Bond ETF and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

Set out below is a summary of certain consolidated financial information of the Treasury Bond ETF as at the dates indicated:

	For the year ended 28 February 2021 (US\$)	For the year ended 28 February 2022 (US\$)	For the six months ended 31 August 2022 (US\$) (Unaudited)
Net investment income (per share)	2.24	2.25	1.37
Net increase/(decrease) in net assets resulting from investment operations (per share)	(9.71)	(1.01)	(26.80)

As at 31 August 2022, the net asset value of the Treasury Bond ETF was approximately US\$25.40 billion according to its published 2022 semi-annual report.

The funds used for the purchase of the Treasury Bond ETF are the temporarily idle self-owned funds of the Group. The source of funds is legal and compliant, and does not involve the use of raised funds.

The Group will strictly control risks in accordance with relevant requirements, conduct strict evaluation and assessment and constantly monitor the investment in the Treasury Bond ETF. The Company will also disclose the corresponding profit or loss of the Treasury Bond ETF during the reporting period in its periodic reports.

REASONS AND BENEFITS FOR THE PURCHASE OF THE TREASURY BOND ETF

The purchase of the Treasury Bond ETF by the Group aims to improve the use efficiency of funds and increase the income of cash assets. The Group's use of temporarily idle self-owned funds to purchase Treasury Bond ETF is conducted on the premise of ensuring the capital requirements for the daily operation of the Group. The Group has fully estimated and measured the risks and returns of the Treasury Bond ETF as well as the future capital requirements, which will not affect the normal operation of the daily operation funds and the development of the principal businesses. The Treasury Bond ETF is of low risks and controllable, which is conducive to enhancing the return of its self-owned funds and will not adversely affect the daily operation of the Group.

The Directors (including the independent non-executive Directors) are of the view that the purchase of the Treasury Bond ETF is on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE COMPANY

The Company is incorporated in the Cayman Islands with limited liability. The Group mainly focuses on the cultural business and property investment.

LISTING RULES IMPLICATIONS

Each of the First purchase and the Second purchase does not constitute a notifiable transaction as all of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of each of the Purchases are below 5%. However, the Purchases, when aggregated pursuant to under Rules 14.22 and 14.23 of the Listing Rules, would constitute a disclosable transaction of the Company under Chapter 14 of the Listing Rules as the highest applicable percentage ratio calculated pursuant to Rule 14.07 of the Listing Rules, is more than 5% but less than 25% and hence are subject to the notification and announcement requirements set out under Rule 14.34 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors of the Company
“Company”	A8 New Media Group Limited (A8 新媒體集團有限公司), a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 800)
“Director(s)”	the director(s) of the Company
“Treasury Bond ETF”	iShares 20+ Year Treasury Bond ETF
“The First Purchase”	the purchase of Treasury Bond ETF in the amount of RMB 20,650,580 on 16 May 2023
“The Second Purchase”	the purchase of Treasury Bond ETF in the amount of RMB 20,696,239 on 18 May 2023
“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
“Nasdaq”	The Nasdaq Stock Market LLC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“RMB”	Renminbi, the lawful currency of the PRC
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

By order of the Board
A8 New Media Group Limited
Liu Xiaosong
Chairman & Executive Director

Hong Kong, 19 May 2023

As at the date of this announcement, the Board of the Company comprises:

- (1) Executive Directors namely Mr. Liu Xiaosong and Mr. Ji Bo; and*
- (2) Independent Non-Executive Directors namely Mr. Chan Yiu Kwong, Ms. Wu Shihong and Mr. Gao Shenglin.*