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Ruicheng (China) Media Group Limited

瑞誠(中國)傳媒集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1640)

PLACING OF CONVERTIBLE BONDS UNDER SPECIFIC MANDATE AND PROPOSED CHANGE OF COMPANY NAME

Placing Agent



路華證券有限公司

ROOFER SECURITIES LIMITED

On 4 November 2024 (after trading hours of the Stock Exchange), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Company proposed to offer for subscription, and the Placing Agent agreed to procure subscriptions for the Convertible Bonds on a best effort basis on the terms and subject to the conditions set out in the Placing Agreement. The Placing Agent shall procure not less than six (6) Placees to subscribe for the Convertible Bonds in the aggregate principal amount of up to HK\$300,001,000.

The Convertible Bonds carry the right to be converted into the Conversion Shares at the initial Conversion Price of HK\$2.60 per Share (subject to adjustment). Assuming (i) the Convertible Bonds are fully placed and subscribed; (ii) the Conversion Rights are exercised in full at the Conversion Price without adjustment; and (iii) there is no other change in the issued share capital of the Company between the date of this announcement and the full conversion of the Convertible Bonds, upon full conversion of the Convertible Bonds, a maximum of 115,385,000 Conversion Shares will be allotted and issued to the Placees, representing approximately 20.60% of the existing issued share capital of the Company as at the date of this announcement and approximately 17.08% of the Company's issued share capital as enlarged by the allotment and issue of the Conversion Shares.

Assuming the Convertible Bonds are fully placed by the Placing Agent, the gross proceeds and the net proceeds from the Placing (after deducting the placing commission payable to the Placing Agent and other expenses incurred in the Placing) are estimated to be HK\$300,001,000 and approximately HK\$299,661,000, respectively. The net Conversion Price, after deduction of relevant expenses, is approximately HK\$2.597 per Conversion Share.

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares that may be allotted and issued upon conversion of the Convertible Bonds. No application will be made for listing of, or permission to deal in, the Convertible Bonds on the Stock Exchange or any other stock exchange.

Completion of the Placing is subject to the satisfaction (or waiver, as the case may be) of the conditions precedent as set out in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

PROPOSED CHANGE OF COMPANY NAME

The Board proposes to change the English name of the Company from "Ruicheng (China) Media Group Limited" to "Qian Xun Technology Limited" and the dual foreign name in Chinese of the Company from "瑞誠(中國)傳媒集團有限公司" to "千循科技有限公司" at the forthcoming EGM.

1. PLACING OF CONVERTIBLE BONDS

On 4 November 2024 (after trading hours of the Stock Exchange), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Company proposed to offer for subscription, and the Placing Agent agreed to procure subscriptions for the Convertible Bonds on a best effort basis on the terms and subject to the conditions set out in the Placing Agreement. The Placing Agent shall procure not less than six (6) Placees to subscribe for the Convertible Bonds in the aggregate principal amount of up to HK\$300,001,000.

THE PLACING AGREEMENT

The key terms of the Placing Agreement are as follows:

Date: 4 November 2024 (after trading hours)

Issuer: The Company

Placing Agent: Roofer Securities Limited

The Placing Agent is a company incorporated in Hong Kong with limited liability and it is a corporation licensed to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

Subject Matter

Pursuant to the terms and conditions of the Placing Agreement, the Placing Agent has conditionally agreed to procure no less than six (6) Placees to subscribe for the Convertible Bonds in the aggregate principal amount of up to HK\$300,001,000 at the initial Conversion Price of HK\$2.60 (subject to adjustment) on a best-effort basis.

Placees

Pursuant to the Placing Agreement, the Placing Agent shall ensure that each of the Placees and/or their respective ultimate beneficial owner(s) shall be Independent Third Parties, and not parties acting in concert with any other Placee(s) and/or Shareholders to the effect that any Placing to such Placee(s) shall not trigger any mandatory offer obligation under Rule 26.1 of the Takeovers Codes. Furthermore, it is expected that, and the Placing Agent shall as well ensure that, none of the Placees will become a substantial Shareholder (as defined under the Listing Rules) upon the full conversion of the Convertible Bonds.

Conditions precedent

Completion is subject to and conditional upon:

- (a) the passing by the Shareholders who are entitled to vote and not required to abstain from voting under the Listing Rules and other applicable regulations of resolutions to approve the Placing Agreement and the transactions contemplated thereunder, including the issue of the Convertible Bonds and the grant of the Specific Mandate for the allotment and issue of the Conversion Shares at the EGM by way of poll;
- (b) the Listing Committee having granted approval for the listing of, and permission to deal in, the Conversion Shares allotted and issued with respect to the exercise of the Conversion Rights on the Stock Exchange and the approval not having been subsequently revoked or cancelled;
- (c) all necessary consents and approvals having been obtained on the part of each of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated thereunder;
- (d) the Company's representations, warranties and undertakings made pursuant to the Placing Agreement being true and accurate and not misleading as of the date of the Placing Agreement and the date of Completion; and
- (e) there has been no material adverse change has taken place regarding the conditions of the Group (financials or others), which is material with respect to the Placing, on or prior to the Completion.

Other than condition precedent (d) above that can be waived by the Placing Agent, all other conditions precedent above cannot be waived. The parties to the Placing Agreement shall use their best endeavours to procure the fulfillment of the abovementioned conditions precedent (except such condition(s) precedent having been waived, as the case may be).

If any of the conditions is not fulfilled (or waived, as the case may be) on or before 31 December 2024 (i.e. the Long Stop Date), or such later date as the parties of the Placing Agreement may agree in writing, the Placing Agreement shall be terminated, all rights, obligations and liabilities of the Company and the Placing Agent in relation to the Placing shall cease and determine and that they shall both be released from all their respective obligations pursuant to the Placing Agreement and neither party shall have any claim against one another for costs, damages, compensation or otherwise arising under the Placing Agreement, save and except for any antecedent breaches of the Placing Agreement.

Placing period

The placing period for the Placing shall commence on the date of the Placing Agreement and expire at 5:00 p.m. on 30 December 2024 (or such other time and date as may be agreed between the parties to the Placing Agreement in writing).

Completion

The Completion shall take place on a date falling on the third Business Day after the fulfillment (or as the case may be, waiver) of the conditions precedent set out above (or such later date as may be agreed between the parties to the Placing Agreement in writing).

Placing commission

Provided that the Completion occurs in accordance with the terms and conditions of the Placing Agreement, a commission, in Hong Kong dollars, of 1% of the amount equal to the principal amount of the Convertible Bonds for which the Placing Agent has successfully procured subscribers for the Convertible Bonds.

Specific Mandate

The Conversion Shares will be allotted and issued pursuant to the Specific Mandate proposed to be sought from the Shareholders at the EGM, therefore the Placing Agreement and the transactions contemplated thereunder will be subject to the Shareholders' approval at the EGM.

Termination

The Placing Agent may, in its reasonable opinion, after consultation with the Company, terminate the Placing Agreement by notice in writing to the Company given at any time up to 8:00 a.m. on the date of the Completion if:

- (a) there is any change in national, international, financial, exchange control, political, economic conditions in Hong Kong which in the reasonable opinion of the Placing Agent would be materially adverse in the consummation of the Placing;
- (b) there is any breach of the warranties, representations and undertakings given by the Company in the Placing Agreement and such breach is considered by the Placing Agent on reasonable grounds to be material in the context of the Placing;
- (c) there is any material change (whether or not forming part of a series of changes) in market conditions which in the reasonable opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed;
- (d) there is any suspension of dealings in the Shares on the Stock Exchange for more than five (5) consecutive Business Days (other than as a result of or in connection with the Placing); or

- (e) any event of force majeure (being an event beyond the control of the parties and which is unforeseeable or unavoidable), including but without limiting the generality hereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out, occurs which prevents the performance of the contractual obligations of the parties under the Placing Agreement.

The Directors are not aware of the occurrence of any of such events as at the date of this announcement.

PRINCIPAL TERMS OF THE CONVERTIBLE BONDS

Set out below are the principal terms of the Convertible Bonds:

Issuer: The Company

Principal amount: Up to HK\$300,001,000

Maturity Date: the date falling 364 days from the Issue Date

Interest: The Convertible Bonds will bear interest at a rate of 5% per annum, payable in arrears on the Maturity Date.

Status: The Convertible Bonds constitute general, unsecured and unsubordinated obligations of the Company and shall rank *pari passu* among themselves.

Upon the exercise of the Conversion Rights pursuant to the terms and conditions of the Convertible Bonds, the Conversion Shares will rank, upon issue, *pari passu* in all respects with the Shares in issue on the date of the allotment and issue of the Conversion Shares.

Conversion Price: The initial Conversion Price shall be HK\$2.60 per Conversion Share, subject to adjustment(s) upon occurrence of certain events as summarised in the paragraph headed “Adjustments of Conversion Price” below. The initial Conversion Price of HK\$2.60 per Conversion Share represents:

- (a) a premium of approximately 1.56% over the closing price of HK\$2.56 per Share as quoted on the Stock Exchange on 4 November 2024, being the date of the Placing Agreement;
- (b) a premium of approximately 0.70% over the average closing price of HK\$2.582 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement; and

- (c) a premium of approximately 1.68% over the average closing price of HK\$2.557 per Share as quoted on the Stock Exchange for the last ten consecutive trading days immediately prior to the date of the Placing Agreement.

The aggregate nominal value of the number of Conversion Shares to be allotted and issued will be HK\$3,000,010.00.

The Conversion Price was determined and negotiated on an arm's length basis between the Company and the Placing Agent and with reference to the market conditions, the Group's existing financial position and the prevailing market price of the Shares. The Directors (including the independent non-executive Directors) consider that the Conversion Price is fair and reasonable and the Placing is in the interest of the Company and the Shareholders as a whole.

**Adjustments of
Conversion Price:**

The initial Conversion Price shall be adjusted if any of the following events arises:

- (a) any alteration to the nominal value of the Shares as a result of consolidation or subdivision or reclassification;
- (b) if the Company issues any Shares credited as fully paid to any Shareholder by way of capitalisation of profits or reserves other than Shares issued in lieu of the whole or a part of a cash dividend or capital distribution;
- (c) issue of Shares by way of a scrip dividend where the market price of such Shares exceeds the amount of the relevant cash dividend or the relevant part thereof and which would not have constituted a capital distribution;
- (d) the payment or making of any capital distribution to the Shareholders;
- (e) the issue of Shares to Shareholders by the Company by way of rights, or issue or grant to Shareholders, by way of rights, options or warrants to subscribe for new Shares, at less than 90% of the Current Market Price per Share;
- (f) the issue of any securities (other than Shares or options or warrants to subscribe for new Shares) by the Company to Shareholders by way of rights;

- (g) the issue by the Company wholly for cash of any Shares or the issue or grant by the Company of any options or warrants to subscribe for new Shares in each case at a price per Share which is less than 90% of the Current Market Price per Share;
- (h) the issue wholly for cash by the Company of any securities (other than the Convertible Bond) which by their terms of issue carry rights of conversion into, or exchange or subscription for, Shares or securities which by their terms might be redesignated as Shares to be issued by the Company upon conversion, exchange, subscription or redesignation at a consideration per Share which is less than 90% of the Current Market Price per Share; and
- (i) any modification of the rights of conversion, exchange, subscription or redesignation attaching to any such securities as mentioned in (h) above (other than the Convertible Bond and any adjustment to the Conversion Price in accordance with the terms applicable to such securities) so that following such modification the consideration per Share is less than 90% of the Current Market Price.

Conversion Shares: Assuming (i) the Convertible Bonds are fully placed and subscribed; (ii) the the Conversion Rights are exercised in full at the Conversion Price without adjustment; and (iii) there is no other change in the issued share capital of the Company between the date of this announcement and the full conversion of the Convertible Bonds, upon full conversion of the Convertible Bonds, a maximum of 115,385,000 Conversion Shares will be allotted and issued to the Placees, which represents:

- (1) approximately 20.60% of the existing issued share capital of the Company as at the date of this announcement; and
- (2) approximately 17.08% of the Company's issued share capital as enlarged by the allotment and issue of the Conversion Shares.

The allotment and issue of the Conversion Shares are subject to the granting of the Specific Mandate by the Shareholders at the EGM.

Conversion Period: The Conversion Rights may be exercised at any time from the date falling 300 days from the Issue Date and ending on the Maturity Date (both days inclusive).

Conversion Rights & Conversion Restriction:	<p>For the avoidance of doubt, subject to the schedule of conversion throughout the Conversion Period contemplated above and the terms and conditions of the Bond Instruments, the Convertible Bonds shall only be converted in full (the “Full Conversion”) and the Conversion Rights cannot be exercised partially. In the event that the Full Conversion breaches any of the terms and conditions of the Bond Instruments, the Bondholder(s) may convert partially with respect to the outstanding principal amount of the Convertible Bonds (in the amount of HK\$1,000,000 or integral multiples thereof) at any time during the Conversion Period in accordance with the terms and conditions of the Bond Instruments.</p> <p>No Bondholder shall exercise such Conversion Rights with respect to his/her/ its Convertible Bonds and the Company shall not issue any Conversion Share in the event that the exercise of such Conversion Rights by the Bondholder will cause: (1) the Bondholder(s) and/or parties acting in concert (as defined in the Takeovers Codes) with it being required to make a mandatory general offer to other Shareholders in accordance with Rule 26 of the Takeovers Codes; and/or (2) the public float of the Company being less than 25% of its issued share capital.</p>
Redemption on maturity:	<p>The Company shall not redeem any Convertible Bonds prior to Maturity Date.</p> <p>By the Maturity Date, all Convertible Bonds not yet converted shall be redeemed by the Company in full in the sum of (i) 100% of the outstanding principal amount of the Convertible Bonds; (ii) any outstanding interests accrued thereupon; and (iii) any other outstanding amount due and payable under the Convertible Bonds (if any), within thirty (30) Business Days after the Maturity Date.</p>
Redemption on default:	<p>If any of the events of default specified in the Bond Instrument occurs, the Company shall forthwith give notice to the Bondholder and each Bondholder may (without prejudice to any other rights and remedies available to the Bondholder), opt to issue a notice of redemption to the Company in respect of all or part of the principal amount of the Convertible Bonds held by it, whereupon the Convertible Bonds shall immediately become due and payable at a redemption amount equal to the aggregate of 100% of the principal amount of the outstanding Convertible Bonds and such outstanding interests accrued thereupon.</p>
Transferability:	<p>The Convertible Bonds cannot be transferred.</p>
Voting rights:	<p>The Convertible Bonds do not confer its holders with the right to vote at any meetings of the Company.</p>

APPLICATION FOR LISTING OF THE CONVERSION SHARES

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares that may be allotted and issued upon conversion of the Convertible Bonds. No application will be made for listing of, or permission to deal in, the Convertible Bonds on the Stock Exchange or any other stock exchange.

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

Date of announcements	Fund raising activity	Net proceeds	Intended use of net proceeds	Actual use of net proceeds
24 May 2024, 7 June 2024	Placing of new Shares under general mandate	HK\$39,400,000	(1) approximately HK\$23.60 million of the net proceeds from the Placing are intended to be applied for the repayment of bank borrowings; and (2) the remaining balance of such net proceeds is intended to be utilised towards general working capital of the Group, including staff cost, rental expenses and other office overhead of the Group.	Fully utilized in accordance with the intended use

Save as disclosed above, the Company has not conducted any other equity fund raising activities in the past 12 months prior to the date of this announcement.

REASONS FOR AND BENEFITS OF THE PLACING AND USE OF PROCEEDS

The Company is an investment holding company and its subsidiaries are principally engaged in (i) the provision of advertising services in the PRC; and (ii) trading of second-hand computer, communication and consumer electronic products and gadgets (“**3C Products**”) in the PRC.

In August 2024, the Company completed the acquisition of Charm Linkage Holdings Limited (創領集團有限公司), through its indirectly wholly-owned subsidiary, 深圳市分毫科技有限公司 (Shenzhen Fenhao Technology Company Limited*), which is engaged in the operation of a mobile e-commerce platform for the transactions of 3C Products.

Attributable to stimulation of domestic demand through a new round of trade-in policies in the PRC which could help release consumption potential, as well as the green and intelligent trend in the household appliances and digital industries in the PRC, the Group is optimistic of the outlook of this new business segment and is dedicated to its development.

Assuming the Convertible Bonds are fully placed by the Placing Agent, the gross proceeds and the net proceeds from the Placing (after deducting the placing commission payable to the Placing Agent and other expenses incurred in the Placing) are estimated to be HK\$300,001,000 and approximately HK\$299,661,000, respectively. The net Conversion Price, after deduction of relevant expenses, is approximately HK\$2.597 per Conversion Share.

With respect to the net proceeds from the Placing, (i) approximately HK\$210 million are intended to be applied for the development of the 3C Products trading business, of which (a) HK\$150 million shall be allocated for overseas expansion; and (b) HK\$60 million shall be allocated for existing operation in the PRC; (ii) approximately HK\$60 million of the net proceeds from the Placing are intended to be applied for the repayment of bank borrowings; and (iii) the remaining balance of such net proceeds of approximately HK\$29.66 million are intended to be utilised towards general working capital of the Group, including staff cost, rental expenses and other office overhead of the Group.

The Board (including the independent non-executive Directors) is of the view that the Placing provides the Group with higher liquidity such that it may strengthen its financial position by reducing the amount in bank borrowings and its corresponding finance costs, and in turn, lowering the gearing ratio of the Group, moreover, the increase availability of funds permits the Group to expand and develop its trading business of the 3C Products, which, as the Group's businesses become diversified, will become one of the Group's focus in development. The Board is also of the view that the Placing offers flexibility to the Group's in its capital management, as the issue of the Convertible Bonds will not have an immediate dilution effect on the shareholding of the existing Shareholders and if the Conversion Rights are exercised, to the Company will be provided an opportunity broaden and diversify its Shareholders base by the introduction of new investors.

The Directors (including the independent non-executive Directors) consider that the terms of the Placing Agreement (including the terms and conditions of the Convertible Bonds and the Conversion Price) are on normal commercial terms and the Placing and the proposed issue of the Convertible Bonds are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

EFFECTS OF COMPLETION ON SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Company has 560,000,000 Shares.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, set out below is the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the allotment and issue of the Conversion Shares upon the exercise of the Conversion Rights in full (assuming that (a) the Convertible Bonds are fully placed and subscribed; and (b) there is no further issue or repurchase of Shares, or otherwise any other change in the issued share capital of the Company between the date of this announcement and the full conversion of the Convertible Bonds):

Shareholders	As at the date of this announcement		Immediately after full conversion of the Convertible Bonds (Note 1)	
	No. of Shares	Approximate %	No. of Shares	Approximate %
Mr. Sang Kangqiao	140,000,000	25.00	140,000,000	20.73
Ms. Li Ye	64,000,000	11.43	64,000,000	9.48
Public Shareholders	356,000,000	63.57	356,000,000	52.71
Placees	–	–	115,385,000	17.08
Total (Note 1)	<u>560,000,000</u>	<u>100.00</u>	<u>675,385,000</u>	<u>100.00</u>

Note:

- (1) The percentages are subject to rounding difference, if any. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

Completion of the Placing is subject to the satisfaction (or waiver, as the case may be) of the conditions precedent as set out in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

2. PROPOSED CHANGE OF COMPANY NAME

The Board proposes to change the English name of the Company from “Ruicheng (China) Media Group Limited” to “Qian Xun Technology Limited” and the dual foreign name in Chinese of the Company from “瑞誠(中國)傳媒集團有限公司” to “千循科技有限公司” at the forthcoming EGM.

Conditions for the Proposed Change of Company Name

The Proposed Change of Company Name is subject to the following conditions:

- (i) the passing of a special resolution by the Shareholders to approve the Proposed Change of Company Name at the EGM; and
- (ii) the Registrar of Companies in the Cayman Islands having approved the Proposed Change of Company Name.

Subject to the satisfaction of the above conditions, the Proposed Change of Company Name will take effect from the date on which the certificate of incorporation on change of name is issued by the Registrar of Companies in the Cayman Islands to the Company. Upon the Proposed Change of Company Name becoming effective, the Company will carry out all necessary filing procedures with the Companies Registry in Hong Kong pursuant to Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

Effects of the Change of Company Name

The Proposed Change of Company Name will not affect any of the rights of the Shareholders or the Company's daily business operation and its financial position. All existing share certificates in issue bearing the Company's existing name shall continue to be evidence of the title and valid for trading, settlement, registration and delivery for the same number of shares in the new name of the Company. There will not be any arrangements for free exchange of existing share certificates for new share certificates under the new name of the Company. Once the Change of Company Name becomes effective, share certificates of the Company will be issued in the new names of the Company and the Shares will be traded on the Stock Exchange under the new names of the Company. Additionally, subject to confirmation by the Stock Exchange, the English and Chinese stock short names of the Company for trading in the securities on the Stock Exchange will also be changed upon the Proposed Change of Company Name becoming effective.

REASONS FOR THE PROPOSED CHANGE OF COMPANY NAME

Upon completion of the acquisition of Charm Linkage Holdings Limited, the Group's principal business has broadened from provision of advertising services in the PRC to advertising and brand management, operation of e-commerce platform for 3C Products. In light of the diversification of the Group's business sectors, the Board considers that the Proposed Change of Company Name will better reflect the nature of the Group's business profile and future development of the Group's business as a whole. The Board also considers that the proposed new English name and the dual foreign name in Chinese of the Company will provide the Group with a new corporate image and enhance the Company's brand identity for its future business development. Therefore, the Board considers that the Proposed Change of Company Name is in the best interests of the Company and the Shareholders as a whole.

3. GENERAL

The EGM will be convened for the purpose of considering and, if thought fit, approving, among other things, (i) the Placing Agreement and the transactions contemplated thereunder, including the granting of the Specific Mandate; and (ii) the Proposed Change of Company Name. To the best of the knowledge, information and belief of the Directors, and having made all reasonable enquiries, no Shareholder has any material interest in the transactions contemplated under the Placing Agreement and will be required to abstain from voting on the resolution(s) to approve the Placing Agreement and the transactions contemplated thereunder at the EGM. Furthermore, there are also no Shareholder who will be required to abstain from voting on the resolution to approve the Proposed Change of Company Name.

A circular containing, among other things, (i) further details of the Convertible Bonds, the Placing Agreement and the transactions contemplated thereunder (including the granting of the Specific Mandate); (ii) further details of the Proposed Change of Company Name; and (iii) a notice convening the EGM, will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules.

The Company will make further announcement(s) to inform the Shareholders of the results of the EGM, the effective date of the Proposed Change of Company Name and the new stock short names of the Company for trading of its shares on the Stock Exchange and other relevant information as and when appropriate.

DEFINITIONS

The following words and phrases used in this announcement shall have the following meanings, unless the context otherwise requires:

“Board”	the board of Directors
“Bond Instrument”	the instrument to be executed by the Company constituting the Convertible Bonds
“Bondholder(s)”	holder(s) of the Convertible Bond(s) from time to time
“Business Day”	means a day (other than Saturday, Sunday and days on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks are open in Hong Kong for general banking business
“Company”	Ruicheng (China) Media Group Limited (stock code: 1640), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the Placing in accordance with the terms and conditions set out in the Placing Agreement
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Conversion Period”	any time from the date falling 300 days from the Issue Date and ending on the Maturity Date (both days inclusive), during which the Convertible Bondholders may exercise the Conversion Rights

“Conversion Price”	the initial conversion price of HK\$2.60 per Conversion Share (subject to adjustment)
“Conversion Rights”	the rights pursuant to the terms and conditions of the Bond Instruments attached to the Convertible Bonds, to convert the principal amount or a part thereof into Shares
“Conversion Shares”	the Share(s) to be allotted and issued by the Company upon the exercise of the Conversion Rights
“Convertible Bonds”	the 5% per annum coupon interest rate convertible bonds in the aggregate principal amount of up to HK\$300,001,000 proposed to be issued by the Company and to be placed by the Placing Agent pursuant to the terms and conditions of the Placing Agreement
“Current Market Price”	in respect of a Share at a particular date, the average of the price published in the Stock Exchange’s daily quotation sheets for one Share for the five consecutive dealing days ending on the dealing day immediately preceding such date
“Director(s)”	the director(s) of the Company, from time to time
“EGM”	the extraordinary general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve, among other things, (i) the Placing Agreement and the transactions contemplated thereunder, including the granting of the Specific Mandate; and (ii) the Proposed Change of Company Name
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons and is not acting in concert (as defined in the Takeovers Codes) with any of the connected persons of the Company or any of their respective associates (as defined under the Listing Rules)
“Issue Date”	date of issue for the Convertible Bonds on the date of Completion
“Listing Committee”	the listing committee of the Stock Exchange

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 December 2024 (or such later date as may be agreed between the Company and the Placing Agent in writing);
“Placee(s)”	any professional, institutional and/or other private investor(s) to whom the Placing Agent or its agents shall procure or, as the case may be, shall have procured to subscribe for the Convertible Bonds pursuant to the Placing Agreement
“Placing”	the placing of the Convertible Bonds in the aggregate principal amount of up to HK\$300,001,000 to the Placees, on a best effort basis, procured by the Placing Agent on the terms and subject to the condition set out in the Placing Agreement
“Placing Agent”	Roofer Securities Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO
“Placing Agreement”	the conditional placing agreement entered into between the Company and the Placing Agent dated 4 November 2024 in relation to the Placing
“PRC”	the People’s Republic of China
“Proposed Change of Company Name”	the proposed change of the English name of the Company from “Ruicheng (China) Media Group Limited” to “Qian Xun Technology Limited” and the dual foreign name of the Company to replace the existing Chinese name from “瑞誠(中國)傳媒集團有限公司” to “千循科技有限公司”
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	the holder(s) of the issued Share(s)
“Specific Mandate”	the specific mandate to be sought from the Shareholders at the EGM for the granting to the Board to allot, issue and deal with the Conversion Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong
“trading day”	a day on which the Stock Exchange is open for the trading of securities
“%”	per cent.

By Order of the Board of
Ruicheng (China) Media Group Limited
Sun Changpeng
Executive Director

Hong Kong, 4 November 2024

As at the date of this announcement, the executive directors are Ms. Wang Xin, Mr. Leng Xuejun and Mr. Sun Changpeng, and the independent non-executive directors are Ms. Lam Hoi Yan Karen, Mr. Wong Sincere and Mr. Niu Zhongjie.