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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)**

**(1) ISSUE OF NEW SHARES UNDER SPECIFIC MANDATE  
AND CONNECTED TRANSACTION;  
(2) APPLICATION FOR WHITEWASH WAIVER; AND  
(3) RESUMPTION OF TRADING**

**Independent Financial Adviser to the Independent Board Committee  
and Independent Shareholders**



**THE SUBSCRIPTION**

On 14 July 2015, the Company and the Subscriber entered into the Subscription Agreement, pursuant to which the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for, the Subscription Shares at the Subscription Price of HK\$0.570 per Share.

The Subscription Shares represent (i) approximately 39.65% of the issued share capital of the Company as at the date of this announcement; (ii) approximately 28.39% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares; and (iii) approximately 27.04% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and the Placing Shares (assuming that the maximum number of the Placing Shares have been placed under the Placing).

The Subscription Shares will be allotted and issued under the Specific Mandate and is subject to the Independent Shareholders' approval.

## **IMPLICATIONS UNDER THE LISTING RULES**

As the Subscriber is a company whose issued share capital is 100% beneficially owned by a family trust set up by Mr. Liu (the chairman of the Board and an executive Director) for the benefit of his family members, the Subscriber is an associate of Mr. Liu, a connected person of the Company. Therefore, the Subscription shall constitute a connected transaction for the Company under Chapter 14A of the Listing Rules and the transactions contemplated under the Subscription Agreement, including the issue of the Subscription Shares under the Specific Mandate, are subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **TAKEOVERS CODE IMPLICATIONS**

As at the date of this announcement, the Subscriber and parties acting in concert with it (including Mr. Liu, Prime Century and Grand Idea), taken together, directly or indirectly, hold 581,557,398 Shares, representing approximately 33.91% of the existing issued share capital of the Company.

Upon Completion, a total of 680,000,000 Shares will be issued to the Subscriber. The Subscriber and the parties acting in concert with it (including Mr. Liu, Prime Century and Grand Idea) will in aggregate hold 1,261,557,398 Shares, representing (i) approximately 52.67% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares (assuming that there is no other change to the issued share capital of the Company from the date of this announcement and up to the Completion Date); or (ii) approximately 50.16% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares and the Placing Shares (assuming that the maximum number of the Placing Shares have been placed and there is no other change to the issued share capital of the Company from the date of this announcement and up to the Completion Date). Hence, upon Completion, the shareholding of the Subscriber and parties acting in concert with it (including Mr. Liu, Prime Century and Grand Idea) in the Company will increase from approximately 33.91% as at the date of this announcement to (i) approximately 52.67% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares (assuming that there is no other change to the issued share capital of the Company from the date of this announcement and up to the Completion Date) or (ii) approximately 50.16% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares and the Placing Shares (assuming that the maximum number of the Placing Shares have been placed and there is no other change to the issued share capital of the Company from the date of this announcement and up to the Completion Date), whereby triggering a mandatory general offer under Rule 26 of the Takeovers Code. Accordingly, the Subscriber and the parties acting in concert with it (including Mr. Liu, Prime Century and Grand Idea), in the absence of the Whitewash Waiver, would be obliged to make a mandatory general offer under Rule 26 of the Takeovers Code for all the Shares and other securities of the Company not already owned or agreed to be acquired by them. The Subscriber will make an application to the Executive for the Whitewash Waiver. The Whitewash Waiver, if granted, would be subject to, among other things, the approval of the Independent Shareholders at the EGM by way of poll.

A circular containing, amongst other information, (i) details of the Subscription; (ii) details of the application for the Whitewash Waiver; (iii) details of the Specific Mandate; (iv) a letter of advice from the Independent Board Committee to the Independent Shareholders; (v) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (vi) a notice of the EGM, will be despatched to the Shareholders on or before 6 August 2015.

The Company has established the Independent Board Committee to advise the Independent Shareholders on the terms and conditions of the Subscription and the transactions contemplated thereunder, the Specific Mandate and the Whitewash Waiver and to make a recommendation to the Independent Shareholders, taking into account the advice from the Independent Financial Adviser, which has been appointed to make recommendations to the Independent Board Committee and the Independent Shareholders in this regard.

### **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares has been halted with effect from 9:00 a.m. on 14 July 2015 pending the issue of this announcement. Application has been made for the resumption of trading in the Shares with effect from 9:00 a.m. on 17 July 2015 following the publication of this announcement.

**Warning: Shareholders and potential investors should note that the Subscription is subject to the fulfilment of a number of conditions, and accordingly, the transactions contemplated thereunder may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealing in the Shares.**

The Board is pleased to announce that on 14 July 2015, the Company and the Subscriber entered into the Subscription Agreement.

### **THE SUBSCRIPTION**

Major terms of the Subscription Agreement are set out below.

**Date:**

14 July 2015

**Parties:**

- (1) the Subscriber, as subscriber; and
- (2) the Company, as issuer.

## **Subscription Shares**

Pursuant to the Subscription Agreement, the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for, the Subscription Shares at the Subscription Price of HK\$0.570 per Share.

The Subscription Shares, being 680,000,000 new Shares, represent (i) approximately 39.65% of the issued share capital of the Company as at the date of this announcement; (ii) approximately 28.39% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares; and (iii) approximately 27.04% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and the Placing Shares (assuming that the maximum number of the Placing Shares have been placed under the Placing).

## **Subscription Price**

The Subscription Price is HK\$0.570 per Share, representing:

- (i) a discount of approximately 12.31% to the closing price of HK\$0.650 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (ii) a premium of approximately 6.54% over the average closing price of HK\$0.535 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the Last Trading Day.

The Subscription Price is also equal to the placing price for each Placing Share. For details of the Placing, please refer to the announcements of the Company dated 13 July 2015 and 15 July 2015.

The aggregate Subscription Price for the Subscription shall be paid by the Subscriber to the Company in cash upon Completion.

The Subscription Price was arrived at after arm's length negotiations between the Company and the Subscriber with reference to the liquidity and recent trading performance of the Shares, and the financial performance and the business outlook of the Group. The Directors (other than independent non-executive Directors who will give their opinion after considering the advice from the Independent Financial Adviser which has been appointed and approved by the Independent Board Committee) consider that the Subscription Price and the terms of the Subscription Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

## **Conditions precedent to the Subscription**

Completion is conditional on:

- (1) the passing of the ordinary resolution(s) by the Independent Shareholders at the EGM approving the Subscription Agreement and the allotment and issue of the Subscription Shares by the Company (including the Specific Mandate);
- (2) the passing of an ordinary resolution by the Independent Shareholders at the EGM approving the Whitewash Waiver;
- (3) the Executive having granted the Whitewash Waiver and the satisfaction of any condition attached to the Whitewash Waiver granted, and the Whitewash Waiver not being revoked;
- (4) the Stock Exchange having granted the approval for the listing of, and permission to deal in, the Subscription Shares, and such approval not being revoked;
- (5) the compliance with the applicable requirements under the Listing Rules by the Company; and
- (6) all necessary consents, approvals, authorisations, waivers, or grant in accordance with any applicable laws, regulations or the articles of association to be obtained on the part of the Subscriber and its shareholders or on the part of the Company in respect of the Subscription and the transactions contemplated hereunder having been obtained and such consents, approvals, authorisations, waivers, and grant not having been revoked prior to Completion.

None of the above conditions are capable of being waived by any party to the Subscription Agreement.

If any of the above conditions shall not have been satisfied at or before 4:00 p.m. on the Long Stop Date, the Subscription Agreement shall cease and terminate, save and except certain provisions relating to confidentiality, notice, costs and expenses, governing laws and certain miscellaneous matters which provisions shall continue to have full force and effect, and save for any antecedent breach thereof by any party to the Subscription Agreement.

## **Completion**

Completion shall take place on the Completion Date.

## **Ranking of the Subscription Shares**

The Subscription Shares, when allotted and issued, will rank equally in all respects with the Shares in issue on the date of allotment and issue of the Subscription Shares.

## **Mandate to allot and issue the Subscription Shares**

The Subscription Shares will be allotted and issued under the Specific Mandate and is subject to the Independent Shareholders' approval.

## **Application for listing**

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

## **INFORMATION OF THE PARTIES TO THE SUBSCRIPTION AGREEMENT**

The Group is principally engaged in the provision of digital entertainment services, including music-based entertainment services and game related services in the PRC.

The Subscriber is a company incorporated in the BVI with limited liability whose issued share capital is 100% beneficially owned by a family trust set up by Mr. Liu, the chairman of the Board and an executive Director, for the benefit of his family members. The Subscriber is principally engaged in investment holding. As at the date of this announcement, the directors of the Subscriber are Mr. Liu and Ms. Cheung Lo.

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

The gross proceeds and net proceeds from the Subscription will be HK\$387.6 million and approximately HK\$387 million respectively. On such basis, the net price of each Subscription Share is approximately HK\$0.569. It is intended that the net proceeds from the Subscription will be utilised as future investment of the Group as and when opportunities arise, with the focus on mobile game industry chain and online to offline music industry chain consolidation.

The Directors (other than the independent non-executive Directors) considers that the Subscription can strengthen the financial position of the Group and provide working capital to the Group to meet any future development and obligations, which is in the interest of the Company and the Shareholders as a whole.

## FUND RAISING ACTIVITIES OF THE COMPANY IN THE LAST TWELVE MONTHS

Apart from the fund raising exercise mentioned below, the Company has not carried out other fund raising exercises during the 12 months immediately preceding the date of this announcement.

<b>Date of announcement</b>	<b>Fund raising exercise</b>	<b>Net proceeds raised</b>	<b>Proposed use of the net proceeds</b>	<b>Actual use of the net proceeds as at the date of this announcement</b>
16 April 2015 and 27 April 2015	Placing of 285,768,000 new Shares at HK\$0.73 per Share of HK\$0.01 each	Approximately HK\$205.3 million	To be utilised as general working capital and/or future investment of the Group as and when opportunities arise	Approximately HK\$30 million was utilised as general working capital and investment funds. The remaining balance is being deposited in the bank account of the Company and will be used as intended.
13 July 2015 and 15 July 2015	Placing of up to 120,000,000 new Shares at HK\$0.570 per Placing Share	Approximately HK\$67 million (assuming the maximum number of the Placing Shares are placed)	To be utilised as future investment of the Group as and when opportunities arise, with the focus on mobile game industry chain and online to offline music industry chain consolidation	Placing not yet completed



## 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; (ii) immediately upon Completion (assuming there is no other change to the issued share capital of the Company from the date of this announcement and up to the Completion Date); and (iii) immediately upon Completion and completion of the Placing (assuming that the maximum number of the Placing Shares have been placed and there is no other change to the issued share capital of the Company from the date of this announcement and up to the Completion Date):

	As at the date of this announcement		Upon Completion (assuming that there is no other change to the issued share capital of the Company from the date of this announcement and up to the Completion Date)		Upon the Completion and the completion of Placing (assuming that the maximum number of the Placing Shares have been placed and there is no other change to the issued share capital of the Company from the date of this announcement and up to the Completion Date)	
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
The Subscriber and the parties acting in concert with it (note 1)	581,557,398	33.91	1,261,557,398	52.67	1,261,557,398	50.16
Mr. Chan Yiu Kwong (note 2)	105,000	0.01	105,000	0.01	105,000	0.01
Placees (note 3)	–	–	–	–	120,000,000	4.77
Other public Shareholders	1,133,530,230	66.08	1,133,530,230	47.32	1,133,530,230	45.06
	<u>1,715,192,628</u>	<u>100.00</u>	<u>2,395,192,628</u>	<u>100.00</u>	<u>2,515,192,628</u>	<u>100.00</u>

### Notes:

- Mr. Liu, the chairman of the Board and an executive Director, is the founder of a family trust which is owned by HSBC International Trustee Limited as trustee of such discretionary trust. These 581,557,398 Shares (representing approximately 33.91% of the issued share capital of the Company as at the date of this announcement) comprised (i) 510,991,398 Shares (representing approximately 29.79% of the issued share capital of the Company as at the date of this announcement) interested or deemed to be interested by the intermediate companies of such family trust, of which 369,360,303 Shares (representing approximately 21.53% of the issued share capital of the Company as at the date of this announcement) and 141,631,095 Shares (representing approximately 8.26% of the issued share capital of the Company as at the date of this announcement) are directly held by Prime Century and the Subscriber respectively; (ii) 5,766,000 Shares (representing approximately 0.34% of the issued share capital of the Company as at the date of this announcement) directly held by Mr. Liu; and (iii) 64,800,000 Shares (representing approximately 3.78% of the issued share capital of the Company as at the date of this announcement) directly held by Grand Idea which is interested or deemed to be interested by an associate of Mr. Liu. As at the date of this announcement, Mr. Liu has share options to subscribe for an aggregate of 13,004,910 Shares (“**Mr. Liu’s Options**”) granted by the Company under the share option scheme of the Company.



2. Mr. Chan Yiu Kwong is an independent non-executive Director.
3. It is a term of the Placing Agreement that the placing agent will use its reasonable endeavours to ensure that the placees to be procured by it will not, immediately upon completion of the Placing, become a substantial shareholder (within the meaning of the Listing Rules) of the Company and shall be independent of and not connected nor acting in concert with the Company and any of its connected persons or any of their respective associates.

## **IMPLICATIONS UNDER THE LISTING RULES**

As the Subscriber is a company whose issued share capital is 100% beneficially owned by a family trust set up by Mr. Liu (the chairman of the Board and an executive Director) for the benefit of his family members, the Subscriber is an associate of Mr. Liu, a connected person of the Company. Therefore, the Subscription shall constitute a connected transaction for the Company under Chapter 14A of the Listing Rules and the transactions contemplated under the Subscription Agreement, including the issue of the Subscription Shares under the Specific Mandate, are subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **TAKEOVERS CODE IMPLICATIONS**

### **Dealings and interest held in the Company's securities by the Subscriber and its concert parties**

As at the date of this announcement and save as disclosed in this announcement, the Subscriber has confirmed that:

- (i) neither the Subscriber nor the parties acting in concert with it (including Mr. Liu, Prime Century and Grand Idea) has received an irrevocable commitment from anyone to vote for the Subscription and/or the Whitewash Waiver;
- (ii) save for the Subscription and Mr. Liu's Options, neither the Subscriber nor the parties acting in concert with it (including Mr. Liu, Prime Century and Grand Idea) holds any convertible securities, warrants or options of the Company;
- (iii) neither the Subscriber nor the parties acting in concert with it (including Mr. Liu, Prime Century and Grand Idea) has entered into outstanding derivative in respect of securities in the Company;
- (iv) there are no arrangements (whether by way of option, indemnity or otherwise) in relation to the Shares and which might be material to the Subscription and/or the Whitewash Waiver;
- (v) there are no agreements or arrangements to which the Subscriber nor any of the parties acting in concert with it (including Mr. Liu, Prime Century and Grand Idea) is party which relate to the circumstances in which any of them may or may not invoke or seek to invoke a pre-condition or a condition to the Subscription and/or the Whitewash Waiver (save as the conditions precedent to the Subscription); and

- (vi) there are no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Subscriber or the parties acting in concert with it (including Mr. Liu, Prime Century and Grand Idea) has borrowed or lent, save for any borrowed shares which have been either on-lent or sold.

The Subscriber has confirmed that it and the parties acting in concert with it (including Mr. Liu, Prime Century and Grand Idea) have not acquired or disposed of or entered into any agreement or arrangement to acquire or dispose of, voting rights in the Company in the six months prior to and up to and including the date of this announcement.

### **Application for Whitewash Waiver**

As at the date of this announcement, the Subscriber and parties acting in concert with it (including Mr. Liu, Prime Century and Grand Idea), taken together, directly or indirectly, hold 581,557,398 Shares, representing approximately 33.91% of the existing issued share capital of the Company.

Upon Completion, a total of 680,000,000 Shares will be issued to the Subscriber. The Subscriber and the parties acting in concert with it (including Mr. Liu, Prime Century and Grand Idea) will in aggregate hold 1,261,557,398 Shares, representing (i) approximately 52.67% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares (assuming that there is no other change to the issued share capital of the Company from the date of this announcement and up to the Completion Date); or (ii) approximately 50.16% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares and the Placing Shares (assuming that the maximum number of the Placing Shares have been placed and there is no other change to the issued share capital of the Company from the date of this announcement and up to the Completion Date). Hence, upon Completion, the shareholding of the Subscriber and parties acting in concert with it (including Mr. Liu, Prime Century and Grand Idea) in the Company will increase from approximately 33.91% as at the date of this announcement to (i) approximately 52.67% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares (assuming that there is no other change to the issued share capital of the Company from the date of this announcement and up to the Completion Date) or (ii) approximately 50.16% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares and the Placing Shares (assuming that the maximum number of the Placing Shares have been placed and there is no other change to the issued share capital of the Company from the date of this announcement and up to the Completion Date), whereby triggering a mandatory general offer under Rule 26 of the Takeovers Code. Accordingly, the Subscriber and the parties acting in concert with it (including Mr. Liu, Prime Century and Grand Idea), in the absence of the Whitewash Waiver, would be obliged to make a mandatory general offer under Rule 26 of the Takeovers Code for all the Shares and other securities of the Company not already owned or agreed to be acquired by them. The Subscriber will make an application to the Executive for the Whitewash Waiver. The Whitewash Waiver, if granted, would be subject to, among other things, the approval of the Independent Shareholders at the EGM by way of poll.

**If the Whitewash Waiver is approved by the Independent Shareholders, the maximum potential holding of voting rights of the Company held by the Subscriber and parties acting in concert with it resulting from the Subscription will exceed 50% of the voting rights of the Company. The Subscriber and parties acting in concert with it may further increase their holdings of voting rights of the Company without incurring any further obligations under Rule 26 of the Takeovers Code to make a general offer.**

The view and recommendation of the Independent Financial Adviser in respect of the Subscription and the terms thereof and the Whitewash Waiver will be set out in a circular to be issued by the Company to Shareholders as required by the Takeovers Code and the Listing Rules.

## **GENERAL INFORMATION**

### **Independent Board Committee**

The Company has established the Independent Board Committee to advise the Independent Shareholders on the terms and conditions of the Subscription and the transactions contemplated thereunder, the Specific Mandate and the Whitewash Waiver and to make a recommendation to the Independent Shareholders, taking into account the advice from the Independent Financial Adviser, which has been appointed to make recommendations to the Independent Board Committee and the Independent Shareholders in this regard.

### **Circular**

A circular containing, amongst other information, (i) details of the Subscription; (ii) details of the application for the Whitewash Waiver; (iii) details of the Specific Mandate; (iv) a letter of advice from the Independent Board Committee to the Independent Shareholders; (v) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (vi) a notice of the EGM, will be despatched to the Shareholders on or before 6 August 2015.

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares has been halted with effect from 9:00 a.m. on 14 July 2015 pending the issue of this announcement. Application has been made for the resumption of trading in the Shares with effect from 9:00 a.m. on 17 July 2015 following the publication of this announcement.

**Warning: Shareholders and potential investors should note that the Subscription is subject to the fulfilment of a number of conditions, and accordingly, the transactions contemplated thereunder may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealing in the Shares.**

## DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“acting in concert”	has the meaning as ascribed to it under the Takeovers Code
“associate”	has the meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding a Saturday, Sunday or public holiday and any day on which a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“BVI”	the British Virgin Islands
“Company”	A8 New Media Group Limited, 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)
“Completion”	completion of the Subscription
“Completion Date”	the date on which the Completion shall take place, which shall be the fifth Business Day after the last outstanding condition precedent as disclosed in the sub-paragraph headed “Conditions precedent to the Subscription” above (other than those condition(s) precedent which can only be fulfilled upon Completion) shall have been fulfilled (or such other date as may be agreed by the Company and the Subscriber in writing)
“connected person”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company

“EGM”	an extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve, among other matters, the terms of the Subscription Agreement, the allotment and issue of the Subscription Shares by the Company under the Specific Mandate and the Whitewash Waiver
“Executive”	has the meaning as ascribed to it under the Takeovers Code
“General Mandate”	the general mandate granted to the Directors at the annual general meeting of the Company held on 21 May 2015 to allot, issue or deal with up to 343,017,525 Shares
“Grand Idea”	Grand Idea Holdings Limited, a limited liability company incorporated in the BVI whose issued share capital is 100% beneficially owned by a family trust set up by Ms. Xie Yuanbi for the benefits of certain of her family members. Ms. Xie Yuanbi is the mother of Mr. Liu and Mr. Liu is not a beneficiary of such family trust
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent board committee, comprising all the independent non-executive Directors, which has been formed to advise the Independent Shareholders as to whether the terms and conditions of the Subscription, the Whitewash Waiver and the Specific Mandate are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole
“Independent Financial Adviser”	Donvex Capital Limited (富域資本有限公司), a licensed corporation to carry out business in type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), being the independent financial adviser to the independent Board Committee and the Independent Shareholders in respect of the Subscription Agreement and the transactions contemplated thereunder

“Independent Shareholders”	Shareholders other than (i) the Subscriber and parties acting in concert with it (including Mr. Liu, Prime Century and Grand Idea); and (ii) those who are involved in or interested in the Subscription Agreement, the Subscription and/or the Whitewash Waiver, and their respective associates
“Last Trading Day”	13 July 2015, being the last day on which the Shares were traded on the Stock Exchange prior to the release of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 October 2015 (or such later date as the Company and the Subscriber may agree in writing)
“Mr. Liu”	Mr. Liu Xiaosong, the chairman of the Board and an executive Director, who founded a family trust which in turn controls the exercise of 100% of the voting power of the Subscriber
“Placing”	the placing by the Placing Agent, on a best effort basis, of up to 120,000,000 Placing Shares to be allotted and issued to the placees pursuant to the terms and conditions of the Placing Agreement, details of which are disclosed in the announcements of the Company dated 13 July 2015 and 15 July 2015
“Placing Agreement”	the conditional placing agreement entered into between the Company and First Shanghai Securities Limited (第一上海證券有限公司) as placing agent dated 13 July 2015 in relation to the Placing under the General Mandate
“Placing Shares”	a maximum of 120,000,000 new Shares to be placed pursuant to the Placing Agreement
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prime Century”	Prime Century Technology Limited, a company incorporated in the BVI with limited liability and owned as to 80.20% by the Subscriber. The remaining 19.80% of its interest is held by Ms. Wang Gang, who is the cousin of Mr. Liu

“Share(s)”	share(s) of the Company of HK\$0.01 each
“Shareholder(s)”	holder(s) of the Share(s)
“Specific Mandate”	the specific mandate to allot and issue the Subscription Shares to be sought from the Independent Shareholders at the EGM to satisfy the Subscription
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Ever Novel Holdings Limited, a company incorporated in the BVI with limited liability whose issued share capital is 100% beneficially owned by a family trust set up by Mr. Liu for the benefit of his family members
“Subscription”	the subscription for the Subscription Shares by the Subscriber under the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 14 July 2015 entered into between the Company and the Subscriber in relation to the Subscription
“Subscription Price”	a subscription price of HK\$0.570 per Share
“Subscription Shares”	680,000,000 new Shares to be allotted and issued by the Company to the Subscriber at the Subscription Price pursuant to the Subscription Agreement
“Takeovers Code”	the Code on Takeovers and Mergers
“Whitewash Waiver”	waiver as may be granted by the Executive in favour of the Subscriber in respect of the obligations of them to extend a general offer to acquire the issued Shares (excluding the issued Shares which are owned or agreed to be acquired by them) in accordance with the Takeovers Code as a result of the Completion

On behalf of the Board  
**A8 New Media Group Limited**  
*Chairman and Executive Director*  
**Liu Xiaosong**

Hong Kong, 16 July 2015



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

- (1) executive Directors namely Mr. Liu Xiaosong and Mr. Liu Pun Leung; and*
- (2) independent non-executive Directors namely Mr. Chan Yiu Kwong, Ms. Wu Shihong and Mr. Song Ke.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Subscriber and parties acting in concert with it) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Subscriber and parties acting in concert with it) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*The directors of the Subscriber, namely Mr. Liu Xiaosong and Ms. Cheung Lo, jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Company) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Directors and the Company) have been arrived at after due and careful consideration and there are no other facts no contained in this announcement, the omission of which would make any statement in this announcement misleading.*