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CHINA E-LEARNING GROUP LIMITED
中國網絡教育集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 08055)

**COMPLETION OF PLACING OF NEW SHARES UNDER
GENERAL MANDATE**

Placing Agent



The Board is pleased to announce that all the conditions of the Placing have been fulfilled and the completion of the Placing took place on 21 November 2014.

465,000,000 Placing Shares have been successfully placed to not less than six Placees at the Placing Price of HK\$0.539 per Placing Share pursuant to the terms and conditions of the Placing Agreement.

Reference is made to the announcement of China E-Learning Group Limited (the “Company”) dated 7 November 2014 in relation to the Placing (the “Announcement”). Capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement unless otherwise stated.

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

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To the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, the Placees and their respective ultimate beneficial owners are Independent Third Parties. None of the Placees and their ultimate beneficial owners have become a substantial Shareholder immediately upon completion of the Placing.

The net proceeds from the Placing, after the deduction of the placing commission and other related expenses, of approximately HK\$247 million, are intended to be used for general working capital of the Group and for any possible acquisition and other investment opportunities in the future.

SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structures of the Company (i) immediately before completion of the Placing; (ii) immediately after completion of the Placing; and (iii) immediately after completion of the Placing and immediately after the allotment and issue of the conversion shares upon exercise of the conversion rights attaching to the Convertible Notes in full are as follows:

	Shareholding immediately before completion of the Placing		Shareholding immediately after completion of the Placing		Shareholding immediately after completion of the Placing and immediately after the allotment and issue of the conversion shares upon exercise of the conversion rights attaching to the Convertible Notes in full (Note 1)	
	Number of Shares	% (Approximately)	Number of Shares	% (Approximately)	Number of Shares	% (Approximately)
Connected Persons						
Li Xiangjun (Note 2)	313,590	0.013	313,590	0.011	313,590	0.010
Yang Dong Jun	272,106,896	11.18	272,106,896	9.39	272,106,896	8.67
Public Shareholders						
holders of EICN	0	0	0	0	66,388,445	2.11
holder of CN2016A	0	0	0	0	175,139,860	5.58
Placees	0	0	465,000,000	16.04	465,000,000	14.81
Other public Shareholders	2,160,893,833	88.80	2,160,893,833	74.56	2,160,893,833	68.82
Total	2,433,314,319	100.00	2,898,314,319	100.00	3,139,842,624	100.00

Notes:

- Assuming (i) the conversion price of the Convertible Notes is not adjusted as a result of any dilutive event and (ii) there is no redemption of the Convertible Notes pursuant to the terms and conditions of the Convertible Notes.
- Li Xiangjun is an non-executive Director.

By order of the Board
China E-learning Group Limited
Yuan Wei
Executive Director

Hong Kong, 21 November 2014

As at the date of this announcement, the Board comprises two executive directors, namely Mr. Yuan Wei and Mr. Yang Jilin; one non-executive director, Mr. Li Xiangjun; and three independent non-executive directors, namely Dr. Huang Chung Hsing, Mr. Li Qunsheng and Ms. Li Ya Ru Nancy. 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 in this announcement misleading.

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