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歡喜傳媒集團有限公司*
HUANXI MEDIA GROUP LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 1003)

ISSUANCES OF NEW SHARES UNDER GENERAL MANDATE AND ACCOUNTING IMPLICATIONS OF THE ISSUANCES

This announcement is made by Huanxi Media Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 6 December 2016 (the “**Announcement**”) in relation to the issue of new Shares under the General Mandate pursuant to two agreements entered into between the Company and one of its subsidiaries and Mr. Gu Changwei (“**Mr. Gu**”) and, separately, with Mr. Zhang Xiaoling (also known as Zhang Yibai) (“**Mr. Zhang**”) (together, the “**Agreements**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless the context requires otherwise.

The Board is pleased to announce that all the conditions to the issuances of the New Shares (as defined below) as set forth in each of the Agreements have been fulfilled, and on 14 December 2016 (the “**Date of Issuances**”) the Company allotted and issued 75,000,000 Shares to Mr. Gu and 140,000,000 Shares to Mr. Zhang (collectively, the “**Issuances**” and the Shares issued pursuant to the Issuances, the “**New Shares**”) pursuant to the Agreements and that the New Shares have been vested accordingly. The Issuances would be recognised as share-based payment expenses which would be charged to the Group’s statement of profit or loss for the year ending 31 December 2016. Based on the closing price of the Shares on the Date of Issuances of HK\$2.69 per Share, the fair value of the issue of New Shares pursuant to the Issuances is HK\$578,350,000 which would be recognised as an expense for the year ending 31 December 2016.

The Board wishes to point out that such expense is of a non-cash nature.

Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

By order of the Board
Huanxi Media Group Limited
Xiang Shaokun, Steven
Executive Director and Chief Executive Officer

Hong Kong, 14 December 2016

As at the date of this announcement, the Board comprises Mr. Dong Ping (Chairman) and Mr. Xiang Shaokun Steven (Chief Executive Officer) as executive directors, Mr. Ning Hao, Mr. Xu Zheng and Mr. Gao Zhikai as non-executive directors, and Mr. Su Tuong Sing, David, Mr. Li Xiaolong and Mr. Wong Tak Chuen as independent non-executive directors.

* *For identification purpose only*