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China Star Cultural Media Group Limited
中國星文化產業集團有限公司*

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8172)

**(1) COMPLETION OF SUBSCRIPTION OF NEW ORDINARY
SHARES AND NEW PREFERRED SHARES;**

AND

(2) APPOINTMENT OF DIRECTORS

COMPLETION OF THE SUBSCRIPTION

The Board is pleased to announce that all conditions precedent in respect of the Subscription had been fulfilled and Completion has taken place on 19 March 2015.

APPOINTMENT OF DIRECTORS

The appointments of Ms. Wu Li as an executive Director, Mr. Zou Xiao Chun as a non-executive Director, and Mr. Ng Wai Hung and Mr. Lam Cheung Shing Richard as independent non-executive Directors were approved by the Shareholders at the SGM held on 16 March 2015 and their appointments have become effective on 19 March 2015.

Reference is made to the announcements of the Company dated 18 December 2014, 16 February 2015, 27 February 2015 and 16 March 2015 and the circular of the Company dated 18 February 2015 (the “Circular”). Capitalised terms used herein shall have the same meanings as defined in the Circular unless the context requires otherwise.

* For identification only

COMPLETION OF THE SUBSCRIPTION

The Board is pleased to announce that all conditions precedent in respect of the Subscription set out under the section headed “Conditions of the Subscription” in the Circular had been fulfilled and Completion has taken place on 19 March 2015. Pursuant to the Subscription Agreement, 1,379,804,865 new Ordinary Shares have been duly allotted and issued as fully paid to the Subscribers and 1,379,804,862 new Preferred Shares have been duly allotted and issued as partly paid to the Subscribers. Accordingly, immediately after Completion, there were 2,299,674,774 Ordinary Shares and 1,379,804,862 Preferred Shares in issue.

The following table shows the shareholding structure of the Company as at the date of this announcement immediately after Completion and, for illustrative purposes, the shareholding structures of the Company immediately upon (i) conversion in full of the Tranche A Preferred Shares; and (ii) conversion in full of the Tranche A Preferred Shares and the Tranche B Preferred Shares, assuming no other Ordinary Shares will be allotted and issued between the date of this announcement and the date until all Tranche A Preferred Shares and Tranche B Preferred Shares have been fully converted:

| | As at the date of this announcement | | Immediately after Completion of the Subscription and conversion in full of the Tranche A Preferred Shares <i>(Note)</i> | | Immediately after Completion of the Subscription and the conversion in full of the Tranche A Preferred Shares and the Tranche B Preferred Shares <i>(Note)</i> | |
|------------------------------|--|-----------------------|---|-----------------------|--|-----------------------|
| | <i>Number of Ordinary Shares</i> | <i>%</i> | <i>Number of Ordinary Shares</i> | <i>%</i> | <i>Number of Ordinary Shares</i> | <i>%</i> |
| The Subscribers | | | | | | |
| Jiaxuan | 965,863,405 | 42.00 | 1,448,795,107 | 48.46 | 1,931,726,809 | 52.50 |
| Vision Path | 206,970,730 | 9.00 | 310,456,095 | 10.38 | 413,941,459 | 11.25 |
| First Charm | 151,778,535 | 6.60 | 227,667,803 | 7.62 | 303,557,070 | 8.25 |
| REORIENT Global | 55,192,195 | 2.40 | 82,788,292 | 2.77 | 110,384,389 | 3.00 |
| <i>Subtotal</i> | <u>1,379,804,865</u> | <u>60.00</u> | <u>2,069,707,297</u> | <u>69.23</u> | <u>2,759,609,727</u> | <u>75.00</u> |
| Existing public Shareholders | <u>919,869,909</u> | <u>40.00</u> | <u>919,869,909</u> | <u>30.77</u> | <u>919,869,909</u> | <u>25.00</u> |
| Total | <u>2,299,674,774</u> | <u>100.00%</u> | <u>2,989,577,206</u> | <u>100.00%</u> | <u>3,679,479,636</u> | <u>100.00%</u> |

Note:

These columns are set out for illustration purpose only. The allotment and issue of the Conversion Shares are subject to the Tranche A Preferred Shares or the Tranche B Preferred Shares (as the case may be) having been fully paid up and the public float requirements under the GEM Listing Rules.

APPOINTMENT OF DIRECTORS

As set out under the paragraph headed “Proposed appointment of Directors” in the “Letter from the Board” section of the Circular, the Board has proposed four persons (as recommended by the Subscribers), namely Ms. Wu Li to be appointed as an executive Director, Mr. Zou Xiao Chun to be appointed as a non-executive Director, and Mr. Ng Wai Hung and Mr. Lam Cheung Shing Richard to be appointed as independent non-executive Directors (together, the “Incoming Directors”). The aforesaid appointments were approved by the Shareholders at the SGM held on 16 March 2015 and have become effective on 19 March 2015. The biographical details of the Incoming Directors are as follows:

Ms. Wu Li

Ms. Wu Li, aged 36, graduated from the University of Electronic Science and Technology of China ((中國)電子科技大學)) with a Bachelor degree in English for Science and Technology and has completed the Post Graduate Courses in Integrated Marketing Communications (IMC) in the Institute for China Business of The University of Hong Kong School of Professional and Continuing Education. Ms. Wu has over 14 years of experience in cultural and media sector and has extensive marketing experience. She was a senior officer in Jingwen Records Co., Ltd. responsible for the production, promotion and copyrights management of audio and video products from 2000 to 2006. She joined Beijing Hwellso Pharmaceutical Co., Ltd. (北京華素製藥股份有限公司) in 2006 and was the Brand Director and an assistant to the chairman of the company when she left the company in 2013. Currently she is a director and vice president of the Cultural Entertainment Division of an entertainment-related company controlled by Mr. Wong Kwong Yu.

Mr. Zou Xiao Chun

Mr. Zou Xiao Chun, aged 45, graduated from the Department of Law of Nanchang University (formerly known as Jiangxi University) (南昌大學(原江西大學)法律專業專科) in June 1990 and was granted the Chinese Lawyers Qualification Certificate (中國律師資格證書) in July 1991. Mr. Zou was also granted the Chinese Tax Advisers Qualification Certificate (中國稅務師資格證書) in September 1995 and the Pass Certificate for the National Notary Public Qualification Examination (國家公證員資格考試合格證書) in December 1995. Furthermore, Mr. Zou was qualified as an industrial economist (工業經濟師) in October 1996. Mr. Zou has been a practising lawyer for 20 years and has practised in legal areas relating to capital markets in the PRC for 10 years. In June 2006, Mr. Zou founded Beijing John & Law Firm (北京市中逸律師事務所) and he still serves as a founding partner of this firm. Between 2001 and 2011, Mr. Zou has been acting as the retainer legal adviser for Beijing Eagle Investment Co. Ltd (北京鵬潤投資有限公司) and Beijing Gome Electrical Appliance Co., Ltd (北京國美電器有限公司), both of which are owned or controlled by Mr. Wong Kwong Yu. Between December 2008 and March 2011, Mr. Zou was a director and vice chairman of Beijing Centergate Technologies (Holding) Co., Limited (北京中關村科技發展(控股)股份有限公司) (a company listed on the Shenzhen Stock Exchange) and since May 2012, has been re-appointed as a director of such company. Since 2011, Mr. Zou has been appointed as a member of the Executive Committee of GOME Holding Group Company Limited (國美控股集團有限公司),

a company owned or controlled by Mr. Wong Kwong Yu. Between June 2011 and June 2014, Mr. Zou was a director and vice chairman of Sanlian Commercial Co., Limited (三聯商社股份有限公司) (a company listed on the Shanghai Stock Exchange). Since December 2010, Mr. Zou has been an executive director of GOME Electrical Appliances Holdings Ltd. (together with its subsidiaries, the “GOME Group”), a company listed on the main board of the Stock Exchange and controlled by Mr. Wong Kwong Yu. From December 2010 to December 2013, Mr. Zou also served as the Vice President and then the Senior Vice President of the GOME Group.

Mr. Ng Wai Hung

Mr. Ng Wai Hung, aged 51, is a practising solicitor and a partner in Iu, Lai & Li, a Hong Kong firm of solicitors and notaries. Mr. Ng has been admitted as a Hong Kong solicitor since 1992. Mr. Ng has been an independent non-executive director of Fortune Sun (China) Holdings Limited since June 2006, Tech Pro Technology Development Limited since April 2011, GOME Electrical Appliances Holding Limited since June 2011, Trigiant Group Limited since August 2011, Sustainable Forest Holdings Limited since February 2013 and On Time Logistics Holdings Limited since June 2014, all being companies listed on the Stock Exchange. Mr. Ng was also an independent non-executive director of HyComm Wireless Limited (currently known as Qingdao Holdings International Limited) from January 2008 to September 2014. Yun Sky Chemical (International) Holdings Limited (currently known as King Stone Energy Group Limited) from September 2008 to February 2010, KTP Holdings Limited (currently known as Ares Asia Limited) from November 1999 to February 2011, Tomorrow International Holdings Limited (currently known as Talent Property Group Limited) from March 2000 to January 2012 and Perception Digital Holdings Limited from January 2013 to August 2014, all being companies listed on the Stock Exchange.

Mr. Lam Cheung Shing Richard

Mr. Lam Cheung Shing Richard, aged 56, is a fellow member of both Hong Kong Institute of Certified Public Accountants and Association of Chartered Certified Accountants. Mr. Lam was admitted to the Master Degree of Business Administration in the Chinese University of Hong Kong in 2006. Mr. Lam spent over ten years in PriceWaterhouseCoopers, an international accounting firm and was promoted to be a senior audit manager, and is equipped with extensive experience in accountancy, taxation and corporate finance. Mr. Lam is the deputy chairman and chief executive officer of Everchina Int'l. Holdings Company Limited (“Everchina”), a company listed on the Stock Exchange, since June 2009. Prior to joining Everchina, Mr. Lam held senior positions in a number of listed companies in Hong Kong, including Sun Hung Kai & Co., Limited, Kingsway SW Asset Management Limited and U-Cyber Technology Holdings Limited. Mr. Lam was also an independent non-executive director of Eagle Legend Asia Limited from May 2013 to December 2014, an executive director of Kai Yuan Holdings Limited from December 2001 to July 2008 and re-designated as a non-executive director from July 2008 to November 2008, and an executive director of China Pipe Group Limited from June 2007 to February 2009, all being companies listed on the Stock Exchange.

All of the Incoming Directors have not entered into any service contract with the Company and are subject to retirement by rotation and re-election in accordance with the Bye-laws. The remuneration of each of the Incoming Directors will be determined by the Board with reference to their respective experience, duties, responsibilities within the Group and prevailing market conditions. As at the date of this announcement, save as disclosed in their biographies above, the Incoming Directors have no interest in the Ordinary Shares within the meaning of Part XV of the SFO, have not held any other directorships in any public listed companies in the past three years, are not connected with any Directors, senior management or substantial or controlling shareholders of the Company (as defined in the GEM Listing Rules) and there is no other information to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there are no matters that need to be brought to the attention of the Shareholders.

The Board would like to take this opportunity to welcome the Incoming Directors for joining the Board.

By order of the Board
China Star Cultural Media Group Limited
Leung Wai Man
Executive Director

Hong Kong, 19 March 2015

As at the date of this announcement, the executive Directors are Mr. Leung Wai Man, Ms. Li Yee Mei and Ms. Wu Li, the non-executive Director is Mr. Zou Xiao Chun, and the independent non-executive Directors are Mr. Yip Tai Him, Mr. Law Yiu Sang, Jacky, Mr. Fung Wai Ching, Mr. Ng Wai Hung and Mr. Lam Cheung Shing Richard.

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 this announcement misleading.

This announcement will be published on the GEM website on the “Latest Company Announcement” page for at least 7 days from the date of publication and on the Company’s website at www.chinastarcmg.com.hk.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement 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.