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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Star Cultural Media Group Limited (the "Company"), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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) GENERAL MANDATES TO ISSUE AND  
REPURCHASE SHARES;**  
**(2) RE-ELECTION OF DIRECTORS;**  
**(3) REFRESHMENT OF SHARE OPTION SCHEME LIMIT;**  
**(4) PROPOSED CHANGE OF COMPANY NAME;**  
**AND**  
**(5) NOTICE OF AGM**
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A notice convening the annual general meeting of the Company to be held at Unit 3903B, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong on Friday, 12 June 2015 at 10:00 a.m. is set out on pages 20 to 25 of this circular. A form of proxy for use at the annual general meeting is enclosed with this circular.

Whether or not you are able to attend the annual general meeting, you are requested to complete the accompanying form of proxy, in accordance with the instructions printed thereon and deposit the same at the Hong Kong branch share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.

This circular will remain on the GEM website at <http://www.hkgem.com> on the "Latest Company Announcements" page for seven (7) days from the date of its publication and on the website of the Company at [www.chinastarcmg.com.hk](http://www.chinastarcmg.com.hk).

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## CHARACTERISTICS OF GEM

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GEM has been positioned as a market designed to accommodate companies to which a high investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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## CONTENTS

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	<i>Pages</i>
<b>Characteristics of GEM</b> .....	i
<b>Definitions</b> .....	1
<b>Letter from the Board</b> .....	4
<b>Appendix I — Explanatory statement for the Repurchase Mandate</b> .....	13
<b>Appendix II — Particulars of Directors for re-election</b> .....	17
<b>Notice of AGM</b> .....	20

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“AGM”	the annual general meeting of the Company to be convened and held at Unit 3903B, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong on Friday, 12 June 2015 at 10:00 a.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the AGM which are set out on pages 20 to 25 of this circular
“associates”	have the same meaning as ascribed in the GEM Listing Rules
“Board”	the board of Directors, including all independent non-executive Directors
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities
“Bye-laws”	the bye-laws of the Company
“Company”	China Star Cultural Media Group Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and the Shares of which are listed on GEM
“Directors”	the directors of the Company from time to time
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandate”	the general mandate proposed to be granted to the Directors at the AGM to allot, issue and otherwise deal with additional Shares not exceeding 20% of the share capital of the Company in issue on the date of the passing of the relevant resolution
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

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## DEFINITIONS

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“Latest Practicable Date”	11 May 2015, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Option(s)”	option(s) granted or to be granted to Participant(s) to subscribe for Share(s) under the Share Option Scheme
“Participant(s)”	full time or part time employees of the Group (including any directors, whether executive or non-executive and whether independent or not, of the Company or any subsidiary) and any supplier, consultants, agents and advisers or any person who, in the sole discretion of the Board, has contributed or may contribute to the Group eligible for Option(s) under the Share Option Scheme
“Proposed Change of Company Name”	the proposed change of the English name of the Company from “China Star Cultural Media Group Limited” to “Lajin Entertainment Network Group Limited” and the Chinese name of the Company “拉近網娛集團有限公司” will be adopted to replace “中國星文化產業集團有限公司” for identification purpose only
“Repurchase Mandate”	the repurchase mandate proposed to be granted to the Directors at the AGM to exercise the power of the Company to repurchase up to a maximum of 10% of the issued share capital of the Company as at the date of passing of the relevant resolution granting of such repurchase mandate by the Shareholders
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s) from time to time
“Share Option Scheme”	the share option scheme of the Company currently in force and adopted by the Company on 10 June 2014

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## DEFINITIONS

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“Share Option Scheme Limit”	the maximum number of Shares which may be issued upon the exercise of all share options granted or to be granted under the Share Option Scheme being 10% of the Company’s issued share capital as at the date of the approval of the Share Option Scheme or of the refreshment of such limit
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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## LETTER FROM THE BOARD

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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)**

*Executive Directors:*

Mr. Leung Wai Man  
Ms. Wu Li

*Non-executive Directors:*

Mr. Zou Xiao Chun  
Mr. Zhou Ya Fei

*Independent non-executive Directors:*

Mr. Fung Wai Ching  
Mr. Ng Wai Hung  
Mr. Lam Cheung Shing Richard

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Head office and principal place of  
business in Hong Kong:*

Unit 3903B Far East Finance Centre,  
16 Harcourt Road,  
Admiralty,  
Hong Kong

13 May 2015

*To the Shareholders*

Dear Sir or Madam,

**(1) GENERAL MANDATES TO ISSUE AND  
REPURCHASE SHARES;  
(2) RE-ELECTION OF DIRECTORS;  
(3) REFRESHMENT OF SHARE OPTION SCHEME LIMIT;  
(4) PROPOSED CHANGE OF COMPANY NAME;  
AND  
(5) NOTICE OF AGM**

### INTRODUCTION

At the forthcoming AGM, resolutions will be proposed to seek the Shareholders' approval for, among other things, (i) the granting of the General Mandate (including the extended General Mandate) and the Repurchase Mandate to the Directors; (ii) the re-election of Directors; (iii) the refreshment of Share Option Scheme Limit; and (iv) the Proposed Change of Company Name.

\* *for identification purpose only*

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## LETTER FROM THE BOARD

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The purpose of this circular is to provide you with information relating to the resolutions to be proposed at the AGM for (i) the granting of the General Mandate (including the extended General Mandate) and the Repurchase Mandate to the Directors; (ii) the re-election of Directors; (iii) the refreshment of Share Option Scheme Limit; (iv) the Proposed Change of Company Name; and (v) the notice of the AGM.

### **GENERAL MANDATE AND REPURCHASE MANDATE**

At the AGM, the Directors propose to seek the approval of the Shareholders to grant to the Directors the General Mandate (including the extended General Mandate) and the Repurchase Mandate.

#### **General Mandate**

At the AGM, an ordinary resolution will be proposed such that the Directors be given a general mandate (i.e. the General Mandate) to allot, issue and deal with unissued Shares or underlying shares of the Company (other than by way of rights or pursuant to a share option scheme for employees of the Company or Directors and/or any of its subsidiaries or pursuant to any scrip dividend scheme or similar arrangements providing for the allotment and issue of Shares in lieu of whole or part of the dividend on Shares in accordance with the Bye-laws) or make or grant offers, agreements, options and warrants which might require the exercise of such power, of an aggregate amount of up to 20% of the issued Shares as at the date of granting of the General Mandate.

In addition, a separate ordinary resolution will be proposed to extend the General Mandate for the Directors to allot, issue and deal with Shares to the extent of the Shares repurchased pursuant to the Repurchase Mandate. Details on the Repurchase Mandate are further elaborated below.

As at the Latest Practicable Date, the Company has an aggregate of 2,299,674,774 Ordinary Shares and 1,379,804,862 convertible Preferred Shares in issue. Subject to the passing of the resolutions for the approval of the General Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the General Mandate to allot, issue and deal with a maximum of 459,934,954 Shares.



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## LETTER FROM THE BOARD

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### Repurchase Mandate

At the AGM, an ordinary resolution will be proposed such that the Directors be given a general mandate to repurchase Shares (i.e. the Repurchase Mandate) on the Stock Exchange of an aggregate amount of up to 10% of the issued Shares as at the date of granting of the Repurchase Mandate.

Subject to the passing of the resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 229,967,477 Shares.

The General Mandate (including the extended General Mandate) and the Repurchase Mandate shall continue to be in force during the period from the date of passing of the resolutions for the approval of the General Mandate (including the extended General Mandate) and the Repurchase Mandate up to (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws, the Companies Act or any applicable laws of Bermuda to be held; or (iii) the revocation or variation of the General Mandate (including the extended General Mandate) or the Repurchase Mandate (as the case may be) by ordinary resolution of the Shareholders in general meeting, whichever occurs first (the “**Relevant Period**”).

An explanatory statement in connection with the Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all the requisite information required under the GEM Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against the resolution approving the Repurchase Mandate.

### RE-ELECTION OF DIRECTORS

According to Bye-law 86(2), the Directors shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, subject to authorisation by the Shareholders in general meeting, as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Shareholders in general meeting.

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## LETTER FROM THE BOARD

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Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of the Shareholders after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election.

According to Bye-law 87(1), at each annual general meeting one-third of the Directors for the time being, (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years

In accordance with Bye-law 86(2), Mr. Zhou Ya Fei shall retire from office at the AGM; whereas in accordance with Bye-law 87(1), Mr. Leung Wai Man and Mr. Fung Wai Ching shall retire from office by rotation at the AGM. Being eligible, each of Mr. Zhou Ya Fei, Mr. Leung Wai Man and Mr. Fung Wai Ching will offer himself for re-election as Directors.

At the AGM, ordinary resolutions will be proposed to re-elect each of Mr. Zhou Ya Fei, Mr. Leung Wai Man and Mr. Fung Wai Ching as non-executive, executive or independent non-executive Director as the case may be.

Details of the retiring Directors who are proposed to be re-elected at the AGM are set out in Appendix II to this circular.

### **REFRESHMENT OF SHARE OPTION SCHEME LIMIT**

At the 2014 AGM, an ordinary resolution was passed by the Shareholders to approve the adoption of the Share Option Scheme. Apart from the Share Option Scheme, the Company has no other share option scheme currently in force. Under the Share Option Scheme, the maximum number of shares which may be issued upon the exercise of all share options was 60,564,972 Shares, representing approximately 10% of the share capital of the Company as at the date of the passing of the resolution approving the adoption of the Share Option Scheme. Since then, the Company did not refresh the Share Option Scheme Limit.

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## LETTER FROM THE BOARD

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The Share Option Scheme Limit may be refreshed by obtaining approval of the Shareholders in general meeting provided that:

- (a) the refreshed Share Option Scheme Limit shall not exceed 10% of the Shares in issue as at the date of approval of such limit;
- (b) options previously granted under the Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with the relevant scheme or exercised options) shall not be counted for the purpose of calculating the refreshed Share Option Scheme Limit; and
- (c) the maximum number of Share which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the Shares in issue from time to time.

In light of that the issued share capital of the Company has been increased substantially since 10 June 2014 as a result of subscription of shares and subscription of convertible preferred shares, in which reference can be made to the circular of the Company dated 18 February 2015. The Refreshment will enable the Company to grant further options to eligible persons. Unless the Share Option Scheme Limit is refreshed, Options carrying right to subscribe for up to only 60,564,972 Shares can be granted, representing 2.63% of the share capital of the Company as at the Latest Practicable Date.

As at the Latest Practicable Date, there were no outstanding share options granted pursuant to the Share Option Scheme since its adoption, and nil share options had been exercised or cancelled. Assuming the refreshment of the Share Option Scheme Limit is approved and no further shares are issued prior to the AGM, the number of Shares that may be issued under the Share Option Scheme will be 229,967,477 Shares, representing 10% of the Shares in issue as at the Latest Practicable Date, which is within the overall limit of 30% as prescribed under Rule 23.03(3) of the GEM Listing Rules.

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## LETTER FROM THE BOARD

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The purpose of the Share Option Scheme is to provide incentives or rewards to the eligible persons for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Company. In order to achieve the intended purpose of the Share Option Scheme for the benefits of the Group and the Shareholders, the Directors propose the passing of an ordinary resolution at the AGM for “Refreshing” the Share Option Scheme Limit.

The refreshment of the Share Option Scheme Limit is conditional upon:

### **Conditions**

- (a) the passing of an ordinary resolution to approve the refreshment of the Share Option Scheme Limit by the Shareholders at the AGM; and
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares (representing a maximum of 10% of the Shares in issue as at the date of the AGM approving the refreshment of the Share Option Scheme Limit) which may fall to be issued pursuant to the exercise of share options under the Share Option Scheme and any other share options schemes of the Company.

Application will be made to the Listing Committee of the Stock Exchange for granting the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of share options to be granted under the Share Option Scheme Limit.

### **PROPOSED CHANGE OF COMPANY NAME**

The Board announced on 16 April 2015 that it proposed to change the English name of the Company from “China Star Cultural Media Group Limited” to “Lajin Entertainment Network Group Limited” and to adopt the Chinese name of the Company “拉近網娛集團有限公司” to replace “中國星文化產業集團有限公司” for identification purpose only, subject to the conditions set out below being fulfilled.

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## LETTER FROM THE BOARD

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### **Conditions**

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

1. the passing of a special resolution by the Shareholders at the AGM to approve the Proposed Change of Company Name; and
2. the Registrar of Companies in the Bermuda approving the use of the new English name by the Company.

Subject to the satisfaction of the conditions set out above, the Proposed Change of Company Name will take effect from the date of entry of the new English name of the Company on the register maintained by the Bermuda Registrar of Companies. The Company will then carry out all necessary filing procedures with the Companies Registry in Hong Kong.

### **Reasons for the Proposed Change of Company Name**

The Board considers that the Proposed Change of Company Name is part of the corporate strategy to reflect more accurately of and emphasise on the future business focus of the Company and its subsidiaries in the entertainment industry. The Proposed Change of Company Name will better reflect the Company's business and direction and will, therefore, provide the Company a better identification and image, which is in the best interests of the Company and the Shareholders as a whole.

### **Effects of the Proposed Change of Company Name**

The Proposed Change of Company Name will not affect any rights of the holders of securities of the Company or the Company's daily business operation and its financial position.

All existing share certificates in issue bearing the present name of the Company shall, after the Proposed Change of Company Name becoming effective, continue to be evidence of title to such shares and the existing share certificates will continue to be valid for trading, settlement, registration and delivery purposes. There will not be any arrangement for exchange of the existing share certificates for new share certificates bearing the new English name of the Company.

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## LETTER FROM THE BOARD

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### AGM

A notice convening the AGM to be held at Unit 3903B, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong on Friday, 12 June 2015 at 10:00 a.m. is set out on pages 20 to 25 of this circular. Ordinary resolutions will be proposed at the AGM to approve, among other things, (i) General Mandate (including the extended General Mandate) and the Repurchase Mandate of the Directors; (ii) the re-election of Directors; and (iii) the refreshment of Share Option Scheme Limit. A special resolution will be proposed at the AGM to approve the Proposed Change of Company Name.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Hong Kong branch share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

All the resolutions proposed to be approved at the AGM will be taken by poll and an announcement will be made by the Company after the AGM on the results of the AGM.

### RESPONSIBILITY STATEMENT

This circular, 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 circular 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 circular misleading.

### RECOMMENDATION

The Directors considers (i) the granting of the General Mandate (including the extended General Mandate) and the Repurchase Mandate to the Directors (ii) the re-election of Directors and (iii) the refreshment of Share Option Scheme Limit; and (iv) the Proposed Change of Company Name are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

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## LETTER FROM THE BOARD

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### GENERAL

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the AGM.

### MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully

By order of the Board of

**China Star Cultural Media Group Limited**

**Chan Kam Kwan Jason**

*Company Secretary*

*This Appendix I serves as an explanatory statement given to all Shareholders relating to a resolution to be proposed at the AGM authorising the proposed Repurchase Mandate.*

*This explanatory statement contains all information pursuant to Rule 13.08 and other relevant provisions of the GEM Listing Rules which is set out as follows:*

**1. NUMBER OF SHARES WHICH MAY BE REPURCHASED**

Exercise in full of the Repurchase Mandate, on the basis of 2,299,674,774 Shares in issue as at the Latest Practicable Date, would result in 229,967,477 Shares (representing approximately 10% of the issued share capital of the Company as at the date of passing of the resolution), being repurchased by the Company during the period prior to the next annual general meeting of the Company following the passing of the resolution approving the Repurchase Mandate.

**2. REASONS FOR PROPOSED REPURCHASE OF SHARES**

The Directors believe that it is in the interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares on GEM. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets of the Company and/or its earnings per Share.

The Repurchase Mandate will only be exercised when the Directors believe that such purchases will benefit the Company and the Shareholders as a whole. The Directors have no present intention to repurchase any Shares.

**3. SOURCE OF FUNDS**

In repurchasing Shares, the Company will only apply funds legally available for such purpose in accordance with its Bye-laws, the laws of Bermuda and the GEM Listing Rules. The laws of Bermuda provide that the amount of capital paid in connection with a repurchase of Shares may only be paid out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purposes of the repurchase or out of capital subject to and in accordance with the laws of Bermuda. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Shares are repurchased in the manner provided for in the laws of Bermuda. The Company will not purchase the Shares on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.



**4. EFFECT OF EXERCISING THE REPURCHASE MANDATE**

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the year ended 31 December 2014) in the event that the Repurchase Mandate is exercised in full at any time during the Relevant Period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on the gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

**5. DISCLOSURE OF INTERESTS**

None of the Directors nor, to the best of their knowledge having made all reasonable enquires, any of their respective associates (as defined in the GEM Listing Rules), has any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate if such is approved by the Shareholders at the AGM.

**6. DIRECTORS' UNDERTAKING**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Bye-laws, the GEM Listing Rules and the applicable laws of Bermuda.

**7. THE HONG KONG CODE ON TAKEOVERS AND MERGERS**

If, as a result of a repurchase of Shares, pursuant to the Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code.

As a result, a Shareholder, or a group of Shareholders acting in concert (within that term's meaning under the Takeovers Code), depending on the level of increase in the Shareholders' interests, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 or 32 of the Takeovers Code.

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**APPENDIX I EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE**

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As at the Latest Practicable Date, to the best knowledge of the Company, the following Shareholder(s) is/are interested in more than 10% of the Shares then in issue. In the event that the Directors should exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Mandate, the total interests of such Shareholder(s) in the Shares would be increased to approximately the percentage set out in the last column as follows:

<b>Name of Shareholder(s)</b>	<b>Number of Shares</b>	<b>Approximate percentage of shareholding</b>	<b>Approximate percentage of shareholding if the Repurchase Mandate is exercised in full</b>
Jiaxuan Group Company Limited ( <i>Note</i> )	965,863,405	42%	46.7%
Eagle King International Limited	965,863,405	42%	46.7%
Mr. Wong Kwong Yu	965,863,405	42%	46.7%
Great Majestic Global Holdings Limited	965,863,405	42%	46.7%
Ms. Ma Qing	965,863,405	42%	46.7%

*Note:*

Jiaxuan Group Company Limited, Eagle King International Limited, Mr. Wong Kwong Yu, Great Majestic Global Holdings Limited and Ms. Ma Qing were interested in the same parcel of these 965,863,405 Shares, representing approximately 42% of the existing total issued 2,299,674,774 Shares. In addition, these parties were also interested in the same parcel of these 965,863,404 partly paid convertible preferred shares of the Company.

On the basis that the issued share capital of the Company remains unchanged up to date of the AGM, in the event that the Repurchase Mandate is exercised in full, the attributable shareholding of Jiaxuan Group Company Limited, Eagle King International Limited, Mr. Wong Kwong Yu, Great Majestic Global Holdings Limited and Ms. Ma Qing would be increased to approximately 46.7% of the issued share capital of the Company. Such increase would give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

However, as at the Latest Practicable Date, the Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in a requirement of any of the above Shareholder(s) or any other persons to make a general offer under the Takeovers Code or the number of Shares in the hands of the public falling below the prescribed minimum percentage of 25%.

The Directors are not aware of any consequences which could arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate in full.

#### **8. NO PURCHASES OF SHARES BY THE COMPANY**

The Company has not purchased any of its Shares (whether on the Stock Exchange or otherwise) in the previous six months preceding the Latest Practicable Date.

#### **9. CONNECTED PERSON**

No connected persons (as defined in the GEM Listing Rules) has notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so in the event that the Repurchase Mandate is approved by the Shareholders at the AGM.

#### **10. SHARE PRICES**

The highest and lowest prices at which the Shares were traded on GEM during each of the previous twelve months were as follows:

	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2014</b>		
May	0.340	0.280
June	0.360	0.300
July	0.400	0.330
August	0.370	0.320
September	0.410	0.290
October	0.630	0.370
November	0.750	0.415
December	1.650	0.980
<b>2015</b>		
January	1.550	0.830
February	1.260	1.010
March	1.550	1.160
April	1.670	1.260
May (up to the Latest Practicable Date)	1.470	1.380

*Detail of the Directors who will retire from office at the AGM and being eligible, will offer themselves for re-election at the AGM, are set out below:*

**MR. ZHOU YA FEI (“MR. ZHOU”)**

Mr. Zhou, aged 47, graduated from the Beijing Institute of Technology with a master degree. Prior to joining the Group, he was the Chief Financial Officer of GOME Electrical Appliances Holding Limited (Stock Code: 493) from 2000 to 2008. Mr. Zhou has over 20 years of experience in PRC accounting, finance and tax consulting. He is a registered accountant (non-practising) and a registered tax agent (non-practising) in the PRC.

Mr. Zhou will enter into a service contract with the Company. Mr. Zhou is appointed for a term of 3 years and he shall hold office until the next annual general meeting of the Company and thereafter shall be subject to retirement by rotation and re-election at the Company’s annual general meetings in accordance with the bye-laws of the Company and the Listing Rules.

Mr. Zhou does not receive any fixed remuneration for his duties performed as a non-executive director of the Company. To the best knowledge of the directors of the Company, Mr. Zhou is an employee of a company controlled by Mr. Wong Kwong Yu, a controlling shareholder of the Company. As at the date of this announcement, save as disclosed herein, Mr Zhou does not have any interest in the Shares of the Company within the meaning of Part XV of the SFO, and has 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.

**MR. LEUNG WAI MAN (“MR. LEUNG”)**

Mr. Leung, aged 45, is an executive director and chief financial officer of the Company. He has over 15 years of experience in company secretarial, accounting and financial management. He is a member of the Association of Chartered Certified Accountants in the United Kingdom and Hong Kong Institute of Certified Public Accountants.

Mr. Leung was previously an executive director and a company secretary of Dore Holdings Limited (Stock Code: 628) during the period from March 2009 to March 2010. From July 2007 to December 2011, he was also an independent non-executive director of Zhi Cheng Holdings Limited (Stock Code: 8130). Save as disclosed, Mr. Leung does not hold any other position in the Company or any subsidiaries of the Company nor any other directorship in listed public companies in the last three years.

Mr. Leung has not entered into a service contract with the Company. Mr. Leung has not been appointed for a specific term. In accordance with the Bye-laws of the Company, Mr. Leung is subject to retirement by rotation and re-election at the Company’s general meetings. Mr. Leung will receive a Director’s fee of HK\$120,000 per annum which is determined with reference to his duties and responsibilities with the Company, the Company’s performance and the prevailing market situation. The director’s fee for Mr. Leung will be reviewed annually by the Board with reference to his duties and responsibilities with the Company, the Company’s performance and the prevailing market situation.

Mr. Leung does not have, and is not deemed to have any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

Mr. Leung does not have any relationship with any existing directors, senior management of the Company, substantial shareholders or controlling shareholders of the Company (as defined in the GEM Listing Rules).

Save as disclosed above, there is no information which is discloseable nor is/was Mr. Leung involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under rules 17.50(h) to (v) of the GEM Listing Rules.

Save as disclosed, there is no other matter relating to Mr. Leung that needs to be brought to the attention of the Shareholders and the Stock Exchange.

**MR. FUNG WAI CHING (“MR. FUNG”)**

Mr. Fung, aged 45, is an independent non-executive director of the Company. He is presently an owner of a printing company in Hong Kong. He has over 16 years’ experience in managing paper, packaging and printing industries in both China and Hong Kong markets.

Mr. Fung does not hold any other position in the Company or any subsidiaries of the Company nor any other directorship in listed public companies in the last three years.

Mr. Fung has not entered into a service contract with the Company. Mr. Fung has not been appointed for a specific term. In accordance with the Bye-laws of the Company, Mr. Fung is subject to retirement by rotation and re-election at the Company’s general meetings. Mr. Fung will receive a Director’s fee of HK\$120,000 per annum which is determined with reference to his duties and responsibilities with the Company, the Company’s performance and the prevailing market situation. The Director’s fee for Mr. Fung will be reviewed annually by the Board with reference to his duties and responsibilities with the Company, the Company’s performance and the prevailing market situation.

Mr. Fung does not have, and is not deemed to have any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

Mr. Fung does not have any relationship with any existing directors, senior management of the Company, substantial shareholders or controlling shareholders of the Company (as defined in the GEM Listing Rules).

Save as disclosed above, there is no information which is discloseable nor is/was Mr. Fung involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under rules 17.50(h) to (v) of the GEM Listing Rules.

Save as disclosed, there is no other matter relating to Mr. Fung that needs to be brought to the attention of the Shareholders and the Stock Exchange.

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## NOTICE OF AGM

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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)**

**NOTICE IS HEREBY GIVEN** that an annual general meeting of China Star Cultural Media Group Limited (the “Company”) will be held at Unit 3903B, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong on Friday, 12 June 2015 at 10:00 a.m. for the purposes of considering and, if thought fit, passing the following ordinary business with or without amendments as ordinary resolutions of the Company:

1. To receive and consider the audited consolidated financial statements and the reports of the directors (the “Directors”) and auditors of the Company for the year ended 31 December 2014;
2.
  - (a) To re-elect Mr. Zhou Ya Fei as a non-executive Director;
  - (b) To re-elect Mr. Leung Wai Man as an executive Director;
  - (c) To re-elect Mr. Fung Wai Ching as an independent non-executive Director;  
and
  - (d) To authorise the board of Directors to fix the Directors’ remuneration;
3. To re-appoint HLB Hodgson Impey Cheng Limited as the auditors of the Company and to authorise the board of Directors to fix their remuneration;

To, as special business, consider and, if thought fit, pass the following resolutions as ordinary resolutions and a special resolution respectively:

\* *for identification purpose only*

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## NOTICE OF AGM

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### ORDINARY RESOLUTIONS

4. **“THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “GEM Listing Rules”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with unissued shares of the Company (the “Shares”) and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the previous share option scheme (the “Previous Share Option Scheme”) of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws (the “Bye-laws”) of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
  - (aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and



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## NOTICE OF AGM

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(bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of resolution no. 5),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

(d) for the purposes of this resolution:

“Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company, the Companies Act 1981 of Bermuda (as amended) (the “Companies Act”) or any other applicable laws of Bermuda to be held; and

(iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

“Rights Issue” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”;

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## NOTICE OF AGM

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5. **“THAT:**
- (a) the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Act and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
  - (b) the aggregate nominal amount of Shares which may be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
  - (c) for the purposes of this resolution, “Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:
    - (i) the conclusion of the next annual general meeting of the Company;
    - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws, the Companies Act or any other applicable laws of Bermuda to be held; and
    - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”
6. **“THAT** the Directors be and they are hereby authorised to exercise the authority referred to in paragraph (a) of resolution no. 4 above in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph (c) of such resolution.”

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## NOTICE OF AGM

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7. “**THAT** the conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting the listing of, and permission to deal in, the shares of HK\$0.01 each in the share capital of the Company to be issued pursuant to the exercise of options which may be granted under the Share Option Scheme Limit, the refreshment of the Share Option Scheme Limit of the Company’s Share Option Scheme adopted on 10 June 2014, up to 10% of the number of Shares in issue as at the date of passing this resolution (the “Share Option Scheme Limit”) be and is hereby approved and any director of the Company be and is hereby authorised to do such act and execute such document to effect the Share Option Scheme Limit.”

### SPECIAL RESOLUTION

8. “**THAT** subject to and conditional upon the approval of the Registrar of Companies in Bermuda to change the English name of the Company from “China Star Cultural Media Group Limited” to “Lajin Entertainment Network Group Limited” and to adopt the Chinese name of the Company “拉近網娛集團有限公司” to replace “中國星文化產業集團有限公司” for identification purpose only (the “Proposed Change of Company Name”), with effect from the date of entry of the English name of the Company on the register maintained by the Bermuda Registrar of Companies, and the Directors be and are hereby authorised to do all such acts, deeds and things and execute all documents they consider necessary or expedient to give effect to the Proposed Change of the Company Name.”

Yours faithfully  
By order of the Board of  
**China Star Cultural Media Group Limited**  
**Chan Kam Kwan Jason**  
*Company Secretary*

Hong Kong, 13 May 2015

*Registered office:*  
Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Head office and principal place of  
business in Hong Kong:*  
Unit 3903B,  
Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong

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## NOTICE OF AGM

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*Notes:*

1. A member entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint one or, if he is a holder of more than one share, more proxies to attend and, subject to the provisions of the bye-laws of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the annual general meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. A form of proxy for use at the annual general meeting is enclosed. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, at the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the annual general meeting or any adjournment thereof, should he so wish and in such event, the proxy shall be deemed to be revoked.
3. In the case of joint holders of shares, any one of such holders may vote at the annual general meeting, either personally or by proxy, in respect of such share as if he was solely entitled thereto, but if more than one of such joint holders are present at the annual general meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.