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Coolpad 酷派

COOLPAD GROUP LIMITED

酷派集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2369)

PROPOSED BONUS ISSUE OF SHARES

PROPOSED BONUS ISSUE

The Board recommended a bonus issue of one Bonus Share for every one Share for approval by the Shareholders at the AGM. An amount standing to the credit of the share premium account of the Company will be capitalised and applied in making payment in full, at par value, for the Bonus Shares. Such Bonus Shares will rank pari passu in all respect with the Shares.

To qualify for the Bonus Issue, any transfer of Shares must be lodged for registration by 4:30 p.m. on 28 May 2014. The register of members will be closed from 29 May 2014 to 3 June 2014, both days inclusive, during which period no transfers of Shares will be effected.

GENERAL INFORMATION

A circular containing, amongst other things, further information on the Bonus Issue, the enquiry and, where applicable, explanation for the exclusion of Overseas Shareholders, together with the notice of the AGM, will be dispatched to the Shareholders as soon as practicable.

PROPOSED BONUS ISSUE

The Board is pleased to announce that the Directors recommended the Bonus Issue to the Shareholders on the basis of one Bonus Share for every one Share held on the Record Date. The Bonus Shares will be credited as fully paid by way of capitalisation of an amount of about HK\$21,276,370 in the share premium account of the Company. Assuming that no further Shares will be issued or repurchased before the Record Date, 2,127,637,000 Bonus Shares will be issued pursuant to the Bonus Issue. The Bonus Shares will rank pari passu in all respects with the Shares and the Company will not allot any fractions of Bonus Shares.

Conditions of the Bonus Issue

The Bonus Issue is conditional, amongst other things, upon:

- (i) the passing of an ordinary resolution by the Shareholders at the AGM for approving the Bonus Issue; and
- (ii) the Listing Committee granting the listing of, and permission to deal in, the Bonus Shares. Subject to fulfillment of the above conditions, certificates for the Bonus Shares are expected to be dispatched to the Shareholders by ordinary post at their own risk on or before 13 June 2014.

Reason for the Bonus Issue

The Board believes that the Bonus Issue is a return to the support of the Shareholders. The Bonus Issue will also allow the Shareholders to participate in the business growth of the Company by way of capitalisation of a portion of the share premium account.

Closure of register of members

The register of members of the Company will be closed from 29 May 2014 to 3 June 2014, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for the Bonus Issue, all transfers of Shares must be duly completed, accompanied by the relevant share certificates and lodged with the share registrar of the Company no later than 4:30 p.m. on 28 May 2014.

Expected timetable

Task description	Time	Date (2014)
Circular relating to the Bonus Issue to be dispatched on or before		Tuesday 15 April
Latest time for lodging forms of proxy for the AGM	4:30 p.m.	Tuesday 20 May
AGM	3:00 p.m.	Friday 23 May
Last day of trading in Shares cum entitlements to the Bonus Issue		Monday 26 May
First day of trading in Shares ex entitlements to the Bonus Issue		Tuesday 27 May
Latest time for lodging transfer forms of Shares to qualify for Entitlements to the Bonus Issue	4:30 p.m.	Wednesday 28 May
Closure of register of members (both days inclusive)		
From		Thursday 29 May
To		Tuesday 3 June
Record date for determination of entitlements to the Bonus Issue		Tuesday 3 June
Register of members re-opens	9:30 a.m.	Wednesday 4 June
Dispatch of share certificates for Bonus Shares		Friday 13 June
First day of trading in Bonus Shares on the Stock Exchange		Monday 16 June

Note: All references to dates and times are Hong Kong dates and times.

The expected timetable may be subject to change by the Company and is subject to fulfillment of all conditions. The Company will make further announcements if such changes are made.

Overseas Shareholders

Directors will seek advice from overseas counsel(s) on the applicable procedural requirements for extending the Bonus Issue to Overseas Shareholders.

Overseas Shareholders will not be allotted the Bonus Shares if the law of jurisdiction at which their registered address is located prohibit the Company from allotting Bonus Shares to them, or require the Company to comply with any requirements (such as the filing of any registration statement or prospectus or other special formalities) which the Directors consider to be impracticable. Instead, the Bonus Shares otherwise falling to be allotted to them will be sold in the market as soon as practicable after dealings in the Bonus Shares commence and the net proceeds of sale will be paid to the Shareholders affected. Where, however, the amount of the net proceeds payable to any particular Shareholder is less than HK\$100, the net proceeds will be paid to the Company instead for its own benefit and will not be paid to the Shareholder affected.

GENERAL

An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Bonus Shares.

A circular containing, amongst other things, further information on the Bonus Issue, the enquiry and, where applicable, explanation for the exclusion of Overseas Shareholders, together with a notice convening the AGM, will be dispatched to the Shareholders as soon as practicable. No Shareholder is required to abstain from voting on the ordinary resolution to approve the Bonus Issue at the AGM.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the meanings as set out below:

“AGM”	the annual general meeting of the Company to be held at 3:00 p.m. on Friday, 23 May 2014
“Board”	board of Directors
“Bonus Issue”	issue of one Bonus Shares for every one Share to the Shareholders whose names appear on the register of members of the Company on the Record Date
“Bonus Share(s)”	new Share(s) to be issued by way of Bonus Issue by the Company as described herein
“Company”	Coolpad Group Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Stock Exchange
“Director(s)”	directors of the Company

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Committee”	the Listing Committee of the Stock Exchange
“Overseas Shareholder(s)”	Shareholder(s) whose address(es) as shown on the register of members of the Company on the Record Date is/are outside Hong Kong
“Record Date”	3 June 2014, being the date for determining the entitlement to the Bonus Issue
“Share(s)”	existing ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of issued share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong Dollars, the lawful currency in Hong Kong

By order of the Board
COOLPAD GROUP LIMITED
GUO DEYING
Chairman

Hong Kong, 20 March 2014

As at the date of this announcement, the executive Directors are Mr. Guo Deying, Mr. Jiang Chao, Mr. Li Bin and Mr. Li Wang and the independent non-executive Directors are Dr. Huang Dazhan, Mr. Xie Weixin and Mr. Chan King Chung.