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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)

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

Reference is made to the announcements of Huanxi Media Group Limited (the “**Company**”) dated 12 March 2019 and 13 March 2019 (the “**Announcements**”) in relation to, among other things, the Subscription. Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless the context requires otherwise.

COMPLETION OF SUBSCRIPTION

The Board is pleased to announce that as of the date of this announcement, all the conditions under the Subscription Agreement have been satisfied, and Completion has occurred. The Company allotted and issued 236,600,000 Subscription Shares to Maoyan Entertainment on 19 March 2019 at the Subscription Price of HK\$1.6507 per Subscription Share pursuant to the terms of the Subscription Agreement.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The 236,600,000 Subscription Shares represent (i) approximately 8.11% of the total number of issued Shares immediately before the Completion of Subscription and (ii) approximately 7.50% of the total number of issued Shares as enlarged by the Subscription.

* *for identification purpose only*

Set out below are the shareholding structures of the Company immediately before and after the completion of the Subscription:

Names of Shareholders	Immediately before Completion		Immediately after Completion	
	No. of shares	Approx.	No. of shares	Approx.
Newwood Investments Limited	461,711,082 (Notes 1 to 3)	15.82%	461,711,082	14.64%
Numerous Joy Limited	92,342,216 (Notes 1 to 3)	3.16%	92,342,216	2.93%
Highrise Castle Limited	500,000 (Notes 1 & 3)	0.02%	500,000	0.02%
Mr. Dong Ping	16,610,000 (Notes 1 & 3)	0.57%	16,610,000	0.53%
Pacific Wits Limited	438,625,528 (Notes 1, 2 & 4)	15.03%	438,625,528	13.90%
Tairong Holdings Limited	438,625,528 (Notes 1, 2 & 5)	15.03%	438,625,528	13.90%
Panfaith Investments Limited	15,060,000 (Note 6)	0.52%	15,060,000	0.48%
Unique Swift Limited	150,000,000	5.14%	150,000,000	4.75%
Maoyan Entertainment	–	0.00%	236,600,000	7.50%
Other public Shareholders	<u>1,304,581,054</u>	<u>44.71%</u>	<u>1,304,581,054</u>	<u>41.35%</u>
Total	<u>2,918,055,408</u>	<u>100.00%</u>	<u>3,154,655,408</u>	<u>100.00%</u>

Notes (defined terms contained in these notes shall apply only to these notes):

- On 14 April 2015, the Company and nine subscribers, namely Newwood Investments Limited (“**Newwood**”), Numerous Joy Limited (“**Numerous Joy**”), Pacific Wits Limited (“**Pacific Wits**”), Tairong Holdings Limited (“**Tairong**”), Wise Dragon International Limited, Gold Shine Investment Company Limited, Dayunmony Investment Corporation, Concept Best Limited and Reorient Global Limited (collectively, the “**Subscribers**”) entered into a subscription agreement (the “**Subscription Agreement**”), pursuant to which the Company has conditionally agreed to allot and issue, and the Subscribers have conditionally agreed to subscribe for a total of 1,701,416,556 Shares (the “**Subscription Shares**”) at an issue price of HK\$0.4 per Share (the “**Subscription**”). Details of the Subscription were set out in the Company’s circular dated 5 August 2015. The Subscription was approved by the independent shareholders of the Company at the Company’s special general meeting held on 28 August 2015 and the Subscription Shares were allotted to the Subscribers on 2 September 2015.

2. On 14 April 2015, Mr. Dong Ping (the Chairman and an executive Director of the Company, “**Mr. Dong**”), Newwood, Pacific Wits, Mr. Ning Hao (a non-executive Director, “**Mr. Ning**”), Tairong and Mr. Xu Zheng (a non-executive Director, “**Mr. Xu**”) entered into a shareholders agreement (the “**Shareholders Agreement**”), which sets forth certain rights and obligations of each of the parties in respect of the governance of the Company following completion of the Subscription. Newwood is therefore deemed to be interested in all the Shares in which Mr. Dong, Pacific Wits and Tairong are interested by virtue of section 317 of the SFO.
3. Newwood and Numerous Joy are wholly owned by Mr. Dong. Pursuant to the Subscription Agreement, Newwood and Numerous Joy subscribed for 461,711,082 and 92,342,216 Shares respectively upon completion of the Subscription. Mr. Dong also holds 16,610,000 Shares directly and 500,000 Shares through Highrise Castle Limited. Mr. Dong is also a party to the Shareholders Agreement, is therefore deemed to be interested in all the Shares in which Newwood, Pacific Wits and Tairong are interested by virtue of section 317 of the SFO.
4. Pacific Wits is wholly owned by Mr. Ning. Pursuant to the Subscription Agreement, Pacific Wits subscribed for 438,625,528 Shares upon completion of the Subscription. Mr. Ning and Pacific Wits are also the parties to the Shareholders Agreement, are therefore deemed to be interested in all the Shares in which Mr. Dong, Newwood and Tairong are interested by virtue of section 317 of the SFO.
5. Tairong is wholly owned by Mr. Xu. Pursuant to the Subscription Agreement, Tairong subscribed for 438,625,528 Shares upon completion of the Subscription. Mr. Xu and Tairong are also the parties to the Shareholder Agreement, are therefore deemed to be interested in all the Shares in which Mr. Dong, Newwood and Pacific Wits are interested by virtue of section 317 of the SFO.
6. Panfaith Investments Limited is ultimately wholly owned by Mr. Li Xiaolong (an independent non-executive Director)

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, 19 March 2019

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 and Mr. Xu Zheng as non-executive directors, and Mr. Wong Tak Chuen, Mr. Su Tuong Sing, David and Mr. Li Xiaolong as independent non-executive directors.