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CHINA CHIEF CABLE TV GROUP LIMITED

中國3C集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8153)

PLACING OF NEW SHARES

Placing agent

Cheong Lee Securities Limited

On 15 May 2009 after trading hours, the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Placing Agent has agreed to place, on a best effort basis, to not less than six independent Placees for up to 16,500,000 new Shares at a price of HK\$0.32 per Placing Share, for and on behalf of the Company.

The Placing is conditional upon (i) the Listing Division of the Stock Exchange granting or agreeing to grant the listing of and permission to deal in the Placing Shares; and (ii) (if required) the Bermuda Monetary Authority granting permission to allot and issue the Placing Shares. If such conditions are not fulfilled, the Placing will not proceed.

The maximum number of 16,500,000 Placing Shares represents approximately 0.94% of the entire issued share capital of the Company of 1,759,298,244 Shares as at the date of this announcement and approximately 0.93% of the Company's entire issued share capital as enlarged by the Placing. The net proceeds from the Placing of approximately HK\$5.2 million (assuming the Placing Shares are fully placed and after all relevant expenses) will be used for general working capital of the Group.

* *For identification purpose only*

THE PLACING AGREEMENT

Date: 15 May 2009.

Placing Agent: Cheong Lee Securities Limited. The ultimate beneficial owner of the Placing Agent, Ms. Au Suet Ming Clarea, is an associate of a substantial shareholder of the Company, namely Mr. Lee Yuk Lun, and is therefore a connected person of the Company. However as the relevant percentage ratios calculated according to Rule 19.07 of the GEM Listing Rules is less than 2.5% and the total consideration is less than HK\$1 million, the transaction is exempted from all reporting, announcement and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Placees: The Placing Shares will be placed to not less than six Placees (who will be independent individual, corporate and/or institutional investors) and their ultimate beneficial owners will be Independent Third Parties. It is expected that no Placees will become a substantial Shareholder (as such term is defined in the GEM Listing Rules) immediately following completion of the Placing.

Number of Placing Shares: Up to 16,500,000 new Shares, to be placed by the Placing Agent on a best effort basis. Assuming the Placing Shares are fully placed, the Placing Shares represents approximately 0.94% of the entire issued share capital of the Company of 1,759,298,244 Shares as at the date of this announcement and approximately 0.93% of the Company's entire issued share capital as enlarged by the Placing. The nominal value of the Placing Shares is HK\$165,000.00.

Placing Price: HK\$0.32 per Placing Share. The Placing Price was agreed after arm's length negotiations between the Company and the Placing Agent, with reference to, among other things, the recent trading price of the Shares on GEM. The Placing Price represents:

- (a) a discount of approximately 18.99% to the closing price of HK\$0.395 per Share as quoted on the GEM on 15 May 2009, being the date of the Placing Agreement;
- (b) a discount of approximately 7.51% to the average closing price of approximately HK\$0.346 per Share as quoted on the GEM for the last 5 full trading days of the Shares immediately before 15 May 2009 being the date of the Placing Agreement; and

- (c) a discount of approximately 5.60% to the average closing price of approximately HK\$0.339 per Share as quoted on the GEM for the last 10 full trading days of the Shares immediately before 15 May 2009 being the date of the Placing Agreement.

The Company will bear the costs and expenses in connection with the Placing and the net proceeds from the Placing is estimated to be approximately HK\$80,000 (assuming the Placing Shares are fully placed). As a result, the net price per Placing Share will be approximately HK\$0.315.

Placing Commission: The Placing Agent will receive a placing commission of 1% on the gross proceeds of the Placing.

General Mandate: The Placing Shares will be issued pursuant to the general mandate to allot, issue and deal with Shares granted to the Directors by resolution of the Shareholders passed at the Company's special general meeting held on 2 February 2009 up to 271,334,648 Shares. Assuming that the 50,000,000 new Shares were allotted under the Top-up Placing, as at the date of this Announcement, 62,000,000 Shares would have been issued pursuant to the general mandate.

Ranking of Subscription Shares: The Placing Shares, when issued and fully paid, will rank pari passu among themselves and with Shares in issue at the time of issue and allotment of the Placing Shares.

Conditions to the Placing: The Placing is conditional upon the following conditions:

- (a) the listing of and permission to deal in all the Placing Shares being granted by the Listing Division of the Stock Exchange;
- (b) (if required) the Bermuda Monetary Authority granting permission to allot and issue the Placing Shares.

Application will be made to the Stock Exchange for approval for the listing of and permission to deal in the Placing Shares.

Completion of the Placing: Subject to the satisfaction of all the conditions set out above, the Placing is expected to be completed on or before 25 May 2009 or such later time and/or such other date as the Placing Agent and the Company may agree.

EFFECT OF THE PLACING ON SHAREHOLDING

The shareholdings in the Company immediately before the completion of the Placing, immediately after completion of the Placing and immediately after completion of the Placing and the Top-up Placing are and will be as follows:

Shareholders	As at the date hereof		Immediately after completion of Placing		Immediately after completion of Placing and Top-up Placing	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Lee Yuk Lun	169,298,244	9.62	169,298,244	9.53	219,298,244	12.01
Au Yeung Kai Wah	290,625,000	16.52	290,625,000	16.37	290,625,000	15.92
Law Kwok Keung (note 1)	104,520,000	5.94	104,520,000	5.89	104,520,000	5.72
Feng Xiao Ping (note 2)	41,718,750	2.37	41,718,750	2.34	41,718,750	2.29
Public Shareholders	1,153,136,250	65.55	1,153,136,250	64.94	1,153,136,250	63.16
Placees	<u>0</u>	<u>0.00</u>	<u>16,500,000</u>	<u>0.93</u>	<u>16,500,000</u>	<u>0.90</u>
Total	<u><u>1,759,298,244</u></u>	<u><u>100.00</u></u>	<u><u>1,775,798,244</u></u>	<u><u>100.00</u></u>	<u><u>1,825,798,244</u></u>	<u><u>100.0</u></u>

Notes:

1. the shares are held by Keenway Holdings Limited, a company controlled by Mr. Law Kwok Keung.
2. 31,718,750 shares are held by Sino Unicorn Technology Limited, a company Mr. Feng Xiao Ping has an indirect interest of 51% therein. In addition, 10,000,000 shares are held by Sky Dragon Digital Television and Movies Holdings Limited, a company which is 99% indirectly-owned by Mr. Feng Xiao Ping.

REASONS FOR AND BENEFITS OF THE PLACING AND USE OF THE PROCEEDS

The Group is principally engaged in provision of pre-mastering and other media services, audiovisual playout services, development of digital television system platform and program database, sales and rental of set-top boxes, design and manufacture of digital TV equipment and facilities, direct TV sales and cordyceps related business. In view of the current market conditions, the Directors consider that the Placing and the Subscription represent a good opportunity to broaden the shareholders base and capital base of the Company and to raise capital for the Company for its future business developments. The Directors consider the terms of the Placing Agreement and the Subscription Agreement to be fair and reasonable and in the interest of the Group and the Shareholders as a whole.

The Company will bear all costs and expenses of approximately HK\$80,000 in connection with the Placing. The net proceeds of approximately HK\$5.2 million from the Placing will be used for general working capital of the Group.

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The following table summaries the capital raising activities of the Group for the 12 months immediately before the date of this announcement:

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the date of this announcement
20 January 2009	Top-up placing of 50,000,000 shares	Approximately HK\$6.1 million	General working capital	Used as intended
16 March 2009	Placing of 12,000,000 new shares	Approximately HK\$1.49 million	General working capital	Used as intended
11 May 2009	Top-up placing of 50,000,000 shares	Approximately HK\$13.7 million	General working capital	Not yet completed

DEFINITIONS:

Unless the context otherwise requires, the following terms shall have the meanings set out below:

“associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	board of Directors
“Business Day”	a day (excluding Saturday and other general holidays in Hong Kong and any day on which a tropical cyclone warning number 8 or above is issued or remains issued between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon or on which a “black” rainstorm warning is issued or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business
“Company”	China Chief Cable TV Group Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on GEM
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules

“Director(s)”	director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	an independent third party, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, who is not connected with the Company and its connected persons (as defined under the GEM Listing Rules)
“Placee”	any individual, institutional or other professional investor procured by the Placing Agent to purchase any of the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing of the Placing Shares by the Company, through the Placing Agent, pursuant to the Placing Agreement
“Placing Agent”	Cheong Lee Securities Limited
“Placing Agreement”	the placing agreement entered into between the Company and the Placing Agent dated 15 May 2009 in relation to the Placing
“Placing Price”	HK\$0.32 per Placing Share
“Placing Shares”	a maximum of 16,500,000 new Shares to be placed pursuant to the Placing Agreement
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Top-up Placing”	The Top-up Placing of 50,000,000 Shares at HK\$0.28 as disclosed in the Company’s announcement dated 11 May 2009

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“%” per cent.

By Order of the Board of
CHINA CHIEF CABLE TV GROUP LIMITED
Wong Man Hung Patrick
Chairman

Hong Kong, 15 May 2009.

As at the date hereof, the executive Directors are Mr. Wong Man Hung Patrick, Mr. Law Kwok Leung, Mr. Feng Xiao Ping and Mr. Stephen William Frostick and the independent non-executive Directors are Mr. Sousa Richard Alvaro, Mr. Chang Carl and Mr. Lee Chi Hwa Joshua.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for 7 days from the date of its posting and on the website of the Company.

This announcement, for which the directors of China Chief Cable TV Group Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to China Chief Cable TV Group Limited. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:— (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.