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**Lajin Entertainment Network Group Limited**  
**拉近網娛集團有限公司\***

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

**(Stock Code: 8172)**

**DISCLOSEABLE TRANSACTION**  
**IN RELATION TO**  
**THE ACQUISITION OF PROPERTIES IN THE PRC**

The Board is pleased to announce that after the Stock Exchange trading hours on 17 December 2015, the Purchaser (a wholly-owned subsidiary of the Company) and the Vendor entered into the Agreements, pursuant to which the Purchaser agreed to purchase, and the Vendor agreed to sell, the entire interest in the Properties at a cash Consideration of RMB68,323,440 (equivalent to approximately HK\$82 million). Details of the Agreements are set out below.

**THE AGREEMENTS**

**Date**

17 December 2015

**Parties**

- (i) (北京拉近互動傳媒科技有限公司), a wholly-owned subsidiary of the Company, as the Purchaser;
- (ii) (北京東尚泰和科技有限公司), as the Vendor

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owner(s) are third parties independent of the Company and the connected persons of the Company.

\* *for identification purpose only*

## **Assets to be acquired**

Pursuant to the Agreements, the Purchaser agreed to purchase, and the Vendor agreed to sell, the entire interest in the Properties. Details of the Properties are disclosed in the section headed “Information of the Properties” below.

## **Consideration**

The Consideration under the Agreements is RMB68,323,440 (equivalent to approximately HK\$82 million), which shall be satisfied by the Purchaser to the Vendor in the following manner:

- (i) First Payment: RMB32,795,251 (equivalent to approximately HK\$39.4 million) shall be paid by the Purchaser to the Vendor within five business days upon the latest of (a) execution of the Agreements; (b) provision of the written consent from the existing mortgagee in respect of the Acquisition by the Vendor to the Purchaser; and (c) delivery of the Properties by the Vendor to the Purchaser (which is expected to be on or before 17 December 2015); and
- (ii) Final Payment: RMB35,528,189 (equivalent to approximately HK\$42.6 million), shall be paid by the Purchaser to the Vendor upon completion of the property ownership registration procedures in respect of the transfer of the ownership of the Properties.

The Consideration was arrived at after arm’s length negotiations between the Purchaser and the Vendor having taken into account, among other things, the market price of the similar properties in the nearby area. The Purchaser also makes reference to an independent valuation of the Properties. The Consideration will be funded by internal resources of the Group.

## **Completion**

As set out in the Agreements, the Vendor agreed to deliver the Properties to the Purchaser on or before 17 December 2015 (the “Delivery Date”) and after delivery of the Properties, the Vendor shall file the application for the registration of the ownership transfer of the Properties from the Vendor to the Purchaser. The Vendor also undertakes to procure that all the existing mortgage in respect of the Properties will be released on or before 1 March 2016.

In the event that approval from relevant PRC governmental authority on the registration of the ownership transfer of the Properties has not been obtained within two years from the Delivery Date, the parties to the Agreements agreed that the First Payment paid by the Purchaser shall be applied as the rental payment for a 10-year term commenced from the date of the Agreements. The rental payment, equal to RMB1.6/square metre per day (in aggregate approximately RMB273,294 (HK\$328,000) per month) was arrived at after arm’s length negotiations between the Purchaser and the Vendor based on the recent market rate.

## **INFORMATION OF THE PROPERTIES**

The address of the Properties is blocks 4 and 7, No.5 Jing Hai Six Road, Beijing Economic-Technological Development Area\* (北京經濟技術開發區), the PRC, comprising two buildings (the “Buildings”) erected on the Land with a construction area of approximately 2,847 square metres for each building. The completion of the construction of the Properties took place at 2014 and the expiry date of the land use right is 12 March 2059. The Purchaser has been leasing this Properties from the Vendor since 20 May 2015.

## **REASONS FOR AND BENEFIT OF THE TRANSACTIONS**

The Group is principally engaged in provision of artists management services and film production and distribution. The Group intends to develop more kinds of entertainment businesses including films, dramas, concerts, sports events, and shows, etc and to establish an online media platform for different media contents.

In view of the fact that the Group has practical needs to continue the occupancy for its operational needs in the foreseeable future, the Board believes that it is advisable for the Purchaser to take ownership of the Properties rather than continue to lease the Properties. The Board considers that the purchase of the Properties held by the Vendor is beneficial to the Group as it allows the Group to save rental costs from a long-term perspective.

The Group intends to use the Properties as production workshop and studio; (ii) online platform operation centre; (iii) training centre for artists; and (iv) other functions as necessarily required for our media businesses.

In view of the above, the Directors (including the independent non-executive Directors) consider that the terms of the Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **RULES IMPLICATIONS**

The Acquisition constitutes a discloseable transaction under the GEM Listing Rules and is subject to the reporting and announcement requirements.

None of the Directors have any interest in the Agreements and accordingly, they were not required to and did not abstain from voting on the board resolution approving the terms of the Agreements and the transactions contemplated thereunder.

## **DEFINITIONS**

“Acquisition” the proposed acquisition by the Purchaser of the entire interest in the Properties from the Vendor pursuant to the terms of the Agreements

“Agreements”	the two sale and purchase agreements both dated 17 December 2015 and entered into between the Purchaser and the Vendor in relation to the Acquisition
“Board”	the board of Directors
“Company”	Lajin Entertainment Network Group Limited (stock code: 8172), a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and the Ordinary Shares of which are listed on GEM
“Consideration”	consideration for the Acquisition
“Delivery Date”	the date when the Vendor deliver the Properties to the Purchaser which is expected to be on or before 17 December 2015
“Director(s)”	the 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
“Land”	a parcel of land with located at 北京經濟技術開發區路東區E17號街區E17F1地塊
“PRC”	the People’s Republic of China
“Properties”	two buildings erected on the Land which are situated at blocks 4 and 7, No.5 Jing Hai Six Road, Beijing Economic-Technological Development Area* (北京經濟技術開發區), the PRC, and the respective land use rights
“Purchaser”	北京拉近互動傳媒科技有限公司, the purchaser to the Agreements, a wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“Vendor”

(北京東尚泰和科技有限公司), the vendor to the Agreements

*The translation of RMB into HK\$ is based on the exchange rate of RMB1.00 to HK\$1.20, and are provided for information purposes only.*

By order of the Board  
**Lajin Entertainment Network Group Limited**  
**Chan Kam Kwan Jason**  
Company Secretary

Hong Kong, 17 December 2015

*As at the date of this announcement, the executive directors are Ms. Wu Li and Mr. Chan Kam Kwan, Jason; the non-executive directors are Mr. Zou Xiao Chun, Mr. Zhou Ya Fei and Mr. Luo Ning and the independent non-executive directors are Mr. Ng Wai Hung, Mr. Lam Cheung Shing Richard and Mr. Wang Ju.*

*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.*

\* *For identification purposes only*