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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)

**(1) COMPLETION OF ISSUANCE OF NEW SHARES UNDER
GENERAL MANDATE;**

AND

(2) APPOINTMENT OF NON-EXECUTIVE DIRECTOR

Reference is made to the announcements of Huanxi Media Group Limited (the “**Company**”) dated 30 August 2020 and 10 September 2020 (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.

**(1) COMPLETION OF ISSUANCE OF NEW SHARES UNDER GENERAL
MANDATE**

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 346,626,954 Subscription Shares to Bilibili Inc. on 21 September 2020 at the Subscription Price of HK\$1.48 per Subscription Share pursuant to the terms of the Subscription Agreement.

Effects on Shareholding Structure of the Company

The 346,626,954 Subscription Shares represent (i) approximately 10.99% of the total number of issued Shares immediately before the Completion of Subscription and (ii) approximately 9.90% of the total number of issued Shares as enlarged by the Subscription.

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 of the Subscription		Immediately after completion of the Subscription	
	<i>No. of shares</i>	<i>Approx.</i>	<i>No. of shares</i>	<i>Approx.</i>
Newwood Investments Limited	461,711,082 (Notes 1 to 3)	14.64%	461,711,082	13.19%
Numerous Joy Limited	92,342,216 (Notes 1 to 3)	2.93%	92,342,216	2.64%
Highrise Castle Limited	800,000 (Notes 1 & 3)	0.03%	800,000	0.02%
Mr. Dong Ping	28,970,000 (Notes 1 & 3)	0.92%	28,970,000	0.83%
Pacific Wits Limited	438,625,528 (Notes 1, 2 & 4)	13.90%	438,625,528	12.53%
Tairong Holdings Limited	438,625,528 (Notes 1, 2 & 5)	13.90%	438,625,528	12.53%
Panfaith Investments Limited	15,060,000 (Note 6)	0.48%	15,060,000	0.43%
Mr. Wang Hong	100,000 (Note 7)	0.00%	100,000	0.00%
Maoyan Entertainment	219,140,000 (Note 8)	6.95%	219,140,000	6.26%
Bilibili	–	0.00%	346,626,954	9.90%
Other public Shareholders	<u>1,459,281,054</u>	<u>46.26%</u>	<u>1,459,281,054</u>	<u>41.68%</u>
Total	<u><u>3,154,655,408</u></u>	<u><u>100.00%</u></u>	<u><u>3,501,282,362</u></u>	<u><u>100.00%</u></u>

Upon completion of the Subscription, Bilibili will not be a substantial shareholder (as that term is defined in the Listing Rules) of the Company.

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

1. 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 28,970,000 Shares directly and 800,000 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).
7. These Shares are jointly held by Mr. Wang Hong (an independent non-executive Director) and his spouse.
8. Based on the information set out in the Disclosure of Interest Form received from Maoyan Entertainment up to the date of this announcement.

Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

(2) APPOINTMENT OF NON-EXECUTIVE DIRECTOR

The Board also announces that Ms. Li Ni (“**Ms. Li**”) has been appointed as a non-executive Director with effect from 21 September 2020. The biographical details of Ms. Li are set out below:

Ms. Li, 34, has served as the chief operating officer of Bilibili Inc. (NASDAQ Trading Symbol: BILI) since November 2014 and vice chairman of the board of directors of Bilibili since January 2015. Ms. Li oversees the platform operations, sales and commercial cooperation, content ecosystem partnership, and strategic planning and investments.

Ms. Li has entered into a letter of appointment with the Company for a term of 2 years with effect from 21 September 2020 and will be entitled to a director’s fee in the sum of HK\$240,000 per annum. Ms. Li will be subject to retirement and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company. The remuneration is determined by the Board and the remuneration committee of the Company with reference to her roles and duties, the Company’s performance and prevailing market conditions.

Save as disclosed above, Ms. Li did not hold any directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years. Ms. Li does not hold any other positions in the Company and its subsidiaries and does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company as at the date of this announcement. In accordance with the meaning of Part XV of the SFO, as at the date of this announcement, Ms. Li does not have any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporation.

Save as disclosed above, there is no other matter relating to the appointment of Ms. Li that needs to be brought to the attention of the Shareholders and there is no other information that needs to be disclosed in connection with Ms. Li’s appointment as a non-executive Director pursuant to the requirements of Rule 13.51(2) of Listing Rules.

The Board would like to welcome Ms. Li to the Board.

By Order of the Board
Huanxi Media Group Limited
Xiang Shaokun, Steven
Executive Director and Chief Executive Officer

Hong Kong, 21 September 2020

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, Mr. Xu Zheng and Ms. Li Ni as non-executive Directors, and Mr. Wong Tak Chuen, Mr. Li Xiaolong and Mr. Wang Hong as independent non-executive Directors.