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华夏动漫集团

China Animation Characters Company Limited

華夏動漫形象有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 01566)

COMPLETION OF PLACING OF 15,000,000 EXISTING SHARES

Sole Placing Agent for the Placing



COMPLETION OF PLACING OF 15,000,000 EXISTING SHARES

Reference is made to the Previous Announcements.

The Board is pleased to announce that the Sole Placing Agent has successfully placed 15,000,000 Placing Shares, representing (i) approximately 1.75% of the existing number of Shares in issue as of the date of this announcement; and (ii) approximately 1.72% of the enlarged number of Shares in issue as enlarged by the issue of 15,000,000 Top-up Subscription Shares (assuming that there will be no change in the issued share capital of the Company from the date of this announcement to the completion of the Top-up Subscription other than the issue of the Top-up Subscription Shares) at the Placing Price of HK\$3.60 per Placing Share to not less than six Placees who and whose ultimate beneficial owners are independent of and not connected with the Company or any of its connected persons. Completion of the Placing of the 15,000,000 Placing Shares took place on 1 September 2016. Bright Rise has received gross proceeds of HK\$54 million from the Placing of the 15,000,000 Placing Shares which will be used for subscription of the Top-up Subscription Shares entirely.

TOP-UP SUBSCRIPTION

The Board further announces that all conditions of the Top-up Subscription Agreement have been fulfilled today. It is expected that completion of the Top-up Subscription will take place on 3 September 2016, being the second Business Day after all conditions under the Top-up Subscription Agreement have been fulfilled.

Reference is made to the announcement of the Company dated 24 August 2016 in relation to the entering into of the Placing Agreement and the Top-up Subscription Agreement and the announcement of the Company dated 30 August 2016 in relation to the extension of completion date of the Placing Agreement (the “**Previous Announcements**”). Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Previous Announcements.

COMPLETION OF THE PLACING OF 15,000,000 EXISTING SHARES

The Board is pleased to announce that the Sole Placing Agent has successfully placed 15,000,000 Placing Shares, representing (i) approximately 1.75% of the existing number of Shares in issue as of the date of this announcement; and (ii) approximately 1.72% of the enlarged number of Shares in issue as enlarged by the issue of 15,000,000 Top-up Subscription Shares (assuming that there will be no change in the issued share capital of the Company from the date of this announcement to the completion of the Top-up Subscription other than the issue of the Top-up Subscription Shares) at the Placing Price of HK\$3.60 per Placing Share to not less than six Placees who and whose ultimate beneficial owners are independent of and not connected with the Company or any of its connected persons. Completion of the Placing of the 15,000,000 Placing Shares took place on 1 September 2016. Bright Rise has received gross proceeds of HK\$54 million from the Placing of the 15,000,000 Placing Shares which will be used for subscription of the Top-up Subscription Shares entirely.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table illustrates the shareholding structure of the Company (i) as at the date of the Previous Announcements; (ii) as at the date of this announcement; and (iii) immediately after completion of the Top-up Subscription, on the assumptions that there will be no other change to the share capital of the Company from the date of this announcement until the completion of the Top-up Subscription save for the issue of the new Top-up Subscription Shares:

| Name of Shareholders | Approximate shareholding as of the date of the Previous Announcements | | Approximate shareholding as at the date of this announcement | | Approximate shareholding immediately after completion of the Top-up Subscription | |
|---|---|--------------|--|--------------|--|--------------|
| | Number of Shares | % | Number of Shares | % | Number of Shares | % |
| Bright Rise (Note 1) | 359,166,000 | 41.85 | 344,166,000 | 40.10 | 359,166,000 | 41.13 |
| Dragon Year Group Limited | 50,280,000 | 5.86 | 50,280,000 | 5.86 | 50,280,000 | 5.76 |
| Fortress Strength Limited (Note 2) | 16,092,000 | 1.88 | 16,092,000 | 1.88 | 16,092,000 | 1.84 |
| Bonville Glory Limited (Note 3) | 12,900,000 | 1.50 | 12,900,000 | 1.50 | 12,900,000 | 1.48 |
| Shinichiro IKEDA (Note 4) | 12,000,000 | 1.40 | 12,000,000 | 1.40 | 12,000,000 | 1.37 |
| East Jumbo Development Limited | 29,658,000 | 3.46 | 29,658,000 | 3.46 | 29,658,000 | 3.40 |
| Parties acting in concert (Note 5) | 480,096,000 | 55.95 | 465,096,000 | 54.20 | 480,096,000 | 54.98 |
| Public Shareholders | 378,120,000 | 44.05 | 378,120,000 | 44.05 | 378,120,000 | 43.30 |
| The Placees | – | – | 15,000,000 | 1.75 | 15,000,000 | 1.72 |
| Total | 858,216,000 | 100 | 858,216,000 | 100 | 873,216,000 | 100 |

Notes:

- All the issued share capital of Bright Rise is held by Newgate (PTC) Limited. Newgate (PTC) Limited is the trustee of The Fortune Trust, a trust created in the Cayman Islands by Mr. ZHUANG, of which beneficiaries include Mr. ZHUANG and his family members. Mr. ZHUANG is an executive Director.
- Fortress Strength Limited is wholly owned by the spouse of Mr. ZHUANG.
- Bonville Glory Limited is wholly owned by Mr. TING Ka Fai Jeffrey, an executive Director.
- Mr. Shinichiro IKEDA is the honourable chairman of the Group.
- Bright Rise, Dragon Year Group Limited, Fortress Strength Limited, Bonville Glory Limited, Shinichiro IKEDA and East Jumbo Development Limited are parties acting in concert (as defined in the Takeovers Code) by virtue of a concert party agreement dated 25 November 2014 entered into among them. All of them are Controlling Shareholders.

TOP-UP SUBSCRIPTION

The Board further announces that all conditions of the Top-up Subscription Agreement have been fulfilled today. It is expected that completion of the Top-up Subscription will take place on 3 September 2016, being the second Business Day after all conditions under the Top-up Subscription Agreement have been fulfilled.

By order of the Board
China Animation Characters Company Limited
ZHUANG Xiangsong
Executive Director and Chief Executive Officer

Hong Kong, 1 September 2016

As of the date of this announcement, the executive Directors are Mr. ZHUANG Xiangsong, Mr. TING Ka Fai Jeffrey and Ms. LIU Moxiang, and the independent non-executive Directors are Mr. NI Zhenliang, Mr. TSANG Wah Kwong and Mr. HUNG Muk Ming.