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**AID Partners Capital Holdings Limited**  
**(滙友資本控股有限公司)\***

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 8088)**

**PLACING OF NEW SHARES UNDER SPECIFIC MANDATE  
INVOLVING CONNECTED PERSON(S)  
AND  
RESUMPTION OF TRADING**

**Placing Agent**

**UOBKayHian**  
**大華繼顯**

On 5 June 2015 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Placing Agent has conditionally agreed to place up to 4,090,896,000 Offered Shares (comprising up to 2,272,720,000 Placing Shares and up to 1,818,176,000 Optional Shares) on a best effort basis to the Placees at the Placing Price of HK\$0.22 per Offered Share.

As part of the Placing, the Company has granted an Option to the Placing Agent to require the Company to issue and allot up to 1,818,176,000 Optional Shares to the Placees as the Placing Agent shall direct at the Placing Price.

As at the date of this Announcement, AID Cap II, which is indirectly controlled by Mr. Wu, has indicated that it and/or its associate will apply for 454,544,000 Placing Shares. Mr. Wu, being the chief executive officer of the Company and executive Director, is a connected person of the Company and hence AID Cap II being an associate of Mr. Wu, is also a connected person of the Company under Chapter 20 of the GEM Listing Rules.

\* For identification purpose only

The Placing is conditional upon the following conditions being fulfilled:

- (a) the Listing Committee granting approval for the listing of, and permission to deal in, the Offered Shares;
- (b) the Independent Shareholders at the EGM granting approval of the Placing Agreement and the transaction contemplated thereunder, including the Specific Mandate and receipt by the Placing Agent of a certified true copy of the scrutineer's certificate;
- (c) there shall not have occurred any material breach or any event render untrue or inaccurate, any of the representations, warranties or undertakings under the Placing Agreement;
- (d) no relevant government, governmental, quasi-governmental, statutory or regulatory body, court or agency having granted any order or made any decision that would make the Placing void, unenforceable or illegal, or restrict or prohibit the implementation of, or impose any additional material conditions or obligations with respect to the Placing (other than such orders or decisions as would not have a material adverse effect on the legal ability of the Company to proceed with the Placing);
- (e) (if required) the obtaining of approval from HKSCC to admit the Offered Shares as eligible securities into CCASS; and
- (f) the Placing Agreement not being rescinded by the Placing Agent pursuant to the terms of the Placing Agreement.

The maximum gross proceeds from the placing of the Placing Shares and the Optional Shares upon the full exercise of the Option, will be approximately HK\$499,998,000 and HK\$399,999,000, respectively. The net proceeds from the placing of the Placing Shares and the Optional Shares upon the full exercise of the Option will amount to approximately HK\$483,700,000 and HK\$388,000,000, respectively. The net price raised per Offered Share will be approximately HK\$0.213. The Group intends to apply the net proceeds from the Placing (assuming full exercise of the Option thereof) for the continuous expansion of its businesses including, but not limited to, (i) for building the “pan-entertainment platform” and an integrated online to offline ecosystem of music, video, entertainment and lifestyle; (ii) for the investment capital of the strategic investment opportunities to be identified by the Company; and (iii) for the development, investment and expansion of its asset management business and related financial platform.

The Offered Shares to be placed under the Placing Agreement will be issued pursuant to the Specific Mandate to be approved and granted to the Directors by the Independent Shareholders at the EGM.

Completion of the Placing is subject to the satisfaction of the conditions precedent in the Placing Agreement.

**Shareholders and potential investors should note that the Placing (and the Option thereof) is subject to the satisfaction of the conditions precedent under the Placing Agreement. As the Placing may or may not proceed and the Option may or may not be exercised, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

An independent board committee comprising all the independent non-executive Directors will be established by the Company to advise the Independent Shareholders as to whether the terms of the Placing Agreement is, or is not, fair and reasonable and as to the voting. An independent financial adviser will be appointed by the Company to advise the independent board committee and the Independent Shareholders in this regard.

The EGM will be convened and held for the Independent Shareholders to consider and, if thought fit, to approve the Placing Agreement and the transactions contemplated thereunder and the grant of the Specific Mandate. To the best knowledge of the Directors, save for Mr. Wu and his associates, no other Shareholder is required to abstain from voting at the EGM in respect of the resolution(s) relating to the Placing and the Specific Mandate.

A circular containing, among other things, (i) further details of the Placing and the Specific Mandate; (ii) a letter of recommendation from the independent board committee of the Company to the Independent Shareholders in relation to the Placing Agreement; (iii) a letter of advice from the independent financial adviser to the independent board committee of the Company and the Independent Shareholders in relation to the Placing Agreement; and (iv) a notice convening the EGM, will be despatched to the Shareholders on or before 30 June 2015.

## **PROPOSED PLACING**

### **The Placing Agreement**

Date : 5 June 2015 (after trading hours)  
Issuer : The Company  
Placing Agent : UOB Kay Hian (Hong Kong) Limited

### **Placing Agent**

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

### **The Placing**

Pursuant to the Placing Agreement, the Placing Agent has conditionally agreed to place up to 4,090,896,000 Offered Shares (comprising up to 2,272,720,000 Placing Shares and up to 1,818,176,000 Optional Shares) on a best effort basis to the Placees at the Placing Price.

## **The Option**

As part of the Placing, the Company has granted an Option to the Placing Agent to require the Company to issue and allot up to 1,818,176,000 Optional Shares to the Placees as the Placing Agent shall direct at the Placing Price.

The Option shall be exercisable for any Optional Shares against the Company, and will be exercisable during the Option Exercise Period, but, subject thereto, may be exercised in whole or in part from time to time for the sole purpose of covering over-allotments in the subscription of the Placing Shares.

## **Placees**

The Placing Agent has agreed to procure not less than six (6) Placees (who will be professional, institutional and/or individual investors), who include connected person(s) of the Company. As at the date of this Announcement, AID Cap II, which is indirectly controlled by Mr. Wu, has indicated that it and/or its associate will apply for 454,544,000 Placing Shares. Mr. Wu, being the chief executive officer of the Company and executive Director, is a connected person of the Company and hence AID Cap II being an associate of Mr. Wu, is also a connected person of the Company under Chapter 20 of the GEM Listing Rules.

If any of the Placees become a new substantial shareholder (as defined in the GEM Listing Rules) of the Company after Completion of Placing, further announcement(s) will be made by the Company as and when appropriate.

The Placing Agent has represented, warranted and undertaken to the Company that it will procure each Placee to enter into a letter of lock-up undertaking, pursuant to which, each Placee shall undertake to the Company that for the period from the Completion of Placing and ending on the date which is six (6) months from the Completion of Placing, the Placee shall not:

- (a) offer, lend, pledge, issue, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Offered Shares;
- (b) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of such Offered Shares, whether any such transaction described in paragraphs (a) or (b) is to be settled by delivery of Offered Shares or such other securities, in cash or otherwise; or
- (c) announce any intention to enter into or effect any such transaction described in paragraphs (a) or (b) above,

unless with the prior written consent of the Company.

## **Number of Placing Shares and Optional Shares**

The maximum number of 2,272,720,000 Placing Shares under the Placing represents:

- (i) approximately 68.42% of the existing issued share capital of the Company of 3,321,661,916 Shares as at the date this announcement;
- (ii) approximately 40.62% of the then issued share capital of the Company of 5,594,381,916 Shares as enlarged by the Placing (assuming no issue or repurchase of Shares other than the issue of the Placing Shares and assuming the Option has not been exercised); and
- (iii) approximately 30.66% of the then issued share capital of the Company of 7,412,557,916 Shares as enlarged by the Placing and the full exercise of the Option (assuming no issue or repurchase of Shares other than the issue of the Placing Shares and the Optional Shares).

The maximum number of 1,818,176,000 Optional Shares represents:

- (i) approximately 54.74% of the existing issued share capital of the Company of 3,321,661,916 Shares as at the date this announcement;
- (ii) approximately 32.50% of the then issued share capital of the Company of 5,594,381,916 Shares as enlarged by the Placing (assuming no issue or repurchase of Shares other than the issue of the Placing Shares and assuming the Option has not been exercised); and
- (iii) approximately 24.52% of the then issued share capital of the Company of 7,412,557,916 Shares as enlarged by the Placing and the full exercise of the Option (assuming no issue or repurchase of Shares other than the issue of the Placing Shares and the Optional Shares).

## **Ranking of Placing Shares and the Optional Shares**

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

## **Placing Price**

The Placing Price of HK\$0.22 per Offered Share represents:

- (a) a discount of approximately 29.03% to the closing price of HK\$0.31 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (b) a discount of approximately 31.25% to the average closing price of HK\$0.32 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day.

The Placing Price was determined with reference to the prevailing market price of the Share and the recent trading volume of the Share and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Placing are on normal commercial terms, are fair and reasonable based on the current market conditions. Hence, the Board considers that the Placing is in the interest of the Company and the Shareholders as a whole.

### **Placing commission**

In consideration of the services of the Placing Agent in connection with the Placing, the Company shall pay the Placing Agent a placing commission of 3% of the amount equal to the Placing Price multiplied by the number of the Offered Shares which the Placing Agent has successfully procured subscribers for at the end of the Placing Period.

The placing commission payable to the Placing Agent under the Placing Agreement was negotiated on an arm's length basis between the Company and the Placing Agent and determined with reference to, amongst other things, the market rate.

### **Conditions precedent**

The Placing is conditional upon the following conditions being fulfilled:

- (a) the Listing Committee granting approval for the listing of, and permission to deal in, the Offered Shares;
- (b) the Independent Shareholders at the EGM granting approval of the Placing Agreement and the transactions contemplated thereunder, including the Specific Mandate and receipt by the Placing Agent of a certified true copy of the scrutineer's certificate;
- (c) there shall not have occurred any material breach or any event render untrue or inaccurate, any of the representations, warranties or undertakings under the Placing Agreement;
- (d) no relevant government, governmental, quasi-governmental, statutory or regulatory body, court or agency having granted any order or made any decision that would make the Placing void, unenforceable or illegal, or restrict or prohibit the implementation of, or impose any additional material conditions or obligations with respect to the Placing (other than such orders or decisions as would not have a material adverse effect on the legal ability of the Company to proceed with the Placing);
- (e) (if required) the obtaining of approval from HKSCC to admit the Offered Shares as eligible securities into CCASS; and
- (f) the Placing Agreement not being rescinded by the Placing Agent pursuant to the terms of the Placing Agreement.

The conditions precedent under the Placing Agreement as set out above cannot be waived by any party thereto. The Company shall use its reasonable endeavours to procure the satisfaction of the conditions precedent set out above, but if the conditions precedent shall not have been so satisfied at or before 4:00 p.m. on 31 August 2015 (or such later date as

may be agreed between the Placing Agent and the Company), all obligations of the Placing Agent and of the Company thereunder shall cease and determine and none of the parties thereto shall have any claim against the other in relation thereto, except (i) the Company shall remain liable for the payment of all costs and expenses referred to the Placing Agreement already incurred or to be incurred in consequence of such termination, (ii) any antecedent breach of any of the Company's obligations and liabilities hereunder (including liabilities arising prior to such termination under the representations, warranties and undertakings), and (iii) that the provisions in respect of indemnification of and no claim against the Placing Agent or sub-placing agent or any of its associates and any of its directors and employees which shall have been involved in effecting the Placing by the Company shall remain in full force and effect.

### **Lock-up undertaking from the Company**

The Company undertakes to the Placing Agent that, except for (a) the allotment and issue of the Offered Shares in accordance with the provisions hereof, (b) any Shares or other securities or rights issued or granted to the Shareholders by way of bonus or under any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares of the Company in accordance with its articles of association or on the exercise of rights existing at the date of the Placing Agreement, (c) any share options granted or to be granted pursuant to the Share Option Schemes and the exercise of such share options, (d) any RCPS and any 5% Coupon Convertible Bonds and the exercise of conversion rights of the RCPS and the 5% Coupon Convertible Bonds, and (e) any acquisitions undertaken or to be undertaken by any members of the Group that involves issuance of shares as consideration, share exchange, shares swap or conversion of shares, from the date hereof and on or prior to the Lock-Up Expiry Date, if any, it will not and will procure that none of its nominees or companies controlled by it and trusts associated with it (whether individually or together and whether directly or indirectly) will, without the prior written consent of the Placing Agent (whose consent shall not be unreasonably refused, withheld or delayed):

- (a) allot, issue, offer to allot or issue, grant any option, right or warrant to subscribe, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares or any interests therein or any securities convertible or exercisable for or substantially similar to any such Shares or interests; or
- (b) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of such Shares, whether any such transaction described in (a) above or this (b) is to be settled by delivery of Shares or such other securities, in cash or otherwise; or
- (c) announce any intention to enter into or effect any such transaction described in (a) and (b) above.

## **Completion of Placing**

The Completion of Placing shall take place within five (5) Business Days after the Placing Agreement having become unconditional or such other date as the Company and the Placing Agent may agree in writing.

**Shareholders and potential investors should note that the Placing (and the Option thereof) is subject to the satisfaction of the conditions precedent under the Placing Agreement. As the Placing may or may not proceed and the Option may or may not be exercised, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## **Termination**

The Placing Agreement may be terminated by the Placing Agent if at any time at or before 9:00 a.m. on the date of Completion of Placing, there occurs:

- (a) the introduction of any new law or regulation or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company and/or prejudice the success of the Placing; or
- (b) the occurrence of any local, national or international event, development or change (whether or not forming part of a series of events or changes occurring or continuing before and/or after the date of the Placing Agreement) and including an event or change in relation to or a development of an existing state of affairs of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America), regulatory or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local or international securities market or the occurrence of any combination of circumstances which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company or adversely prejudices the success of the Placing of the Offered Shares to potential Placee(s) or otherwise makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Placing; or
- (c) any change in market conditions or combination of circumstances in Hong Kong (including without limitation moratorium, suspension or material restriction on trading in securities) occurs which affect the success of the Placing (such success being the completion of the placing of the Offered Shares to potential Placee(s)) or otherwise in the reasonable opinion of the Placing Agent make it inexpedient or inadvisable or inappropriate for the Company or the Placing Agent to proceed with the Placing; or
- (d) the Company commits any material breach of or omits to observe any of the obligations or undertakings expressed or assumed under the Placing Agreement; or



- (e) the Placing Agent shall become aware of the fact that any of the undertakings, representations or warranties contained in the Placing Agreement was, when given, untrue or inaccurate in any material respect or would in any material respect be untrue or inaccurate, or if repeated the Placing Agent shall determine in its reasonable opinion that any such untrue representation or warranty represents or is likely to represent a material adverse change in the financial or trading position or prospects of the Company or will otherwise likely to have a material prejudicial effect on the Placing; or
- (f) a change or development occurs involving a prospective change of taxation or exchange control (or the implementation of exchange control) in Hong Kong or any other places in the world which would, in the reasonable opinion of the Placing Agent, prejudice the success of the Placing; or
- (g) any litigation or claim of material importance of any third party being instigated against any member of the Group, which has or may have a material adverse effect on the business or financial prospects of the Group and which in the reasonable opinion of the Placing Agent would materially prejudice the success of the Placing; or
- (h) the Placing Agent shall become aware that any statement contained in the Placing Announcement was, when the Placing Announcement was issued, untrue, incorrect or misleading in any material respect; or
- (i) the Placing Agent shall become aware of any material adverse change in the business or in the financial or trading position or prospects of any member of the Group taken as a whole which will have an adverse material impact on the success of the Placing; or
- (j) the Placing Agent shall become aware that any government, governmental, quasi-governmental, statutory or regulatory body, court or agency having granted any order or made any decision that would make the Placing void, unenforceable or illegal, or restrict or prohibit the implementation of, or impose any additional material conditions or obligations with respect to the Placing (other than such orders or decisions as would not have a material adverse effect on the legal ability of the Company to proceed with the Placing).

### **Specific mandate to allot and issue the Offered Shares**

The Offered Shares will be allotted and issued pursuant to the Specific Mandate to be sought at the EGM.

### **Application for listing of the Offered Shares**

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Offered Shares.

## SHAREHOLDING STRUCTURE OF THE COMPANY

For illustrative purposes, set out below is the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after the Completion of Placing, assuming the Option has not been exercised; and (iii) immediately after Completion of Placing and full exercise of the Option.

	As at the date of this announcement		Immediately after Completion of Placing, assuming the Option has not been exercised				Immediately after Completion of Placing and full exercise of the Option			
	No. of Shares	Approximate %	(Note 1)		(Note 2)		(Note 1)		(Note 2)	
			No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
Main Wealth (Note 3)	382,171,326	11.50	382,171,326	6.83	382,171,326	4.74	382,171,326	5.15	382,171,326	3.86
Legend Vantage (Note 4)	347,244,306	10.45	347,244,306	6.20	347,244,306	4.30	347,244,306	4.68	347,244,306	3.51
HMV Asia Limited (Note 5)	165,600,000	4.98	165,600,000	2.96	165,600,000	2.05	165,600,000	2.23	165,600,000	1.67
Mr. Wu (Notes 5 and 13)	14,400,000	0.43	14,400,000	0.25	41,284,000	0.51	14,400,000	0.19	41,284,000	0.41
Mr. Ho (Notes 6 and 13)	264,000	0.01	264,000	0.01	27,606,000	0.34	264,000	0.01	27,606,000	0.27
Mr. Yuen (Note 12)	1,980,000	0.06	1,980,000	0.03	1,980,000	0.02	1,980,000	0.02	1,980,000	0.02
Mr. Chang (Notes 7 and 13)	—	—	—	—	27,342,000	0.33	—	—	27,342,000	0.27
Mr. Wang (Note 8)	—	—	—	—	107,508,000	1.33	—	—	107,508,000	1.08
Mr. Shiu (Note 9)	—	—	—	—	2,937,500	0.03	—	—	2,937,500	0.02
Mr. Shi (Note 10)	—	—	—	—	2,643,750	0.03	—	—	2,643,750	0.02
Mr. Sin (Note 11)	—	—	—	—	2,643,750	0.03	—	—	2,643,750	0.02
Abudant Star (Note 13)	—	—	—	—	769,230,769	9.54	—	—	769,230,769	7.78
Vantage Edge (Note 13)	—	—	—	—	576,923,077	7.15	—	—	576,923,077	5.84
Places										
— AID Cap II and/or its associate (Note 13)	—	—	454,544,000	8.12	454,544,000	5.63	454,544,000	6.13	454,544,000	4.60
— Other Places	—	—	1,818,176,000	32.50	1,818,176,000	22.55	3,636,352,000	49.05	3,636,352,000	36.81
Public shareholders	2,410,002,284	72.57	2,410,002,284	43.10	3,332,498,696	41.42	2,410,002,284	32.54	3,332,498,696	33.82
Total	<u>3,321,661,916</u>	<u>100.00</u>	<u>5,594,381,916</u>	<u>100.00</u>	<u>8,060,333,174</u>	<u>100.00</u>	<u>7,412,557,916</u>	<u>100.00</u>	<u>9,878,509,174</u>	<u>100.00</u>

### Notes:

1. Assuming no exercise of Share Options, or conversion of RCPS or convertible bonds.
2. Assuming all Share Options are fully exercised and all RCPS and convertible bonds are converted in full.
3. Main Wealth Enterprises Limited (“**Main Wealth**”) owns 382,171,326 Shares. Mr. Feng Yuantao is deemed to be interested in these Shares through his 100% interest in Main Wealth.
4. Legend Vantage Limited (“**Legend Vantage**”) owns 347,244,306 Shares. Mr. Li Guangrong is deemed to be interested in these Shares through his 100% interest in Legend Vantage.
5. Mr. Wu, the chief executive officer of the Company and executive Director, owns 14,400,000 Shares. Mr. Wu is also deemed to be interested in 165,600,000 Shares held by HMV Asia Limited through his deemed interest in 62.5% of the equity in HMV Asia Limited due to family holdings. Mr. Wu is interested in 26,884,000 Share Options at an exercise price of HK\$0.16 per Share (subject to adjustments) to subscribe for Shares. Mr. Wu is deemed to have interest in 1,346,153,846 underlying Shares as mentioned in note 13 below. Mr. Wu is also interested in 88,200,000 underlying Shares.

6. Mr. Ho, the chief investment officer of the Company and executive Director, owns 264,000 Shares and is interested in 27,342,000 Share Options at an exercise price of HK\$0.16 per Share (subject to adjustments) to subscribe for Shares. Mr. Ho is also deemed to have interest in 1,346,153,846 underlying Shares as mentioned in note 13 below.
7. Mr. Chang, an executive Director, is interested in 27,342,000 Share Options at an exercise price of HK\$0.16 per Share (subject to adjustments) to subscribe for Shares. Mr. Chang is also deemed to have interest in 1,346,153,846 underlying Shares as mentioned in note 13 below.
8. Mr. Wang, an executive Director, holds 895,900 RCPS. Upon full conversion of 895,900 RCPS at the conversion price of HK\$0.13 per Share (subject to adjustments), 107,508,000 Shares will be allotted and issued.
9. Mr. Shiu, a non-executive Director, is interested in 2,937,500 Share Options at an exercise price of HK\$0.16 per Share (subject to adjustments) to subscribe for Shares.
10. Mr. Shi, an independent non-executive Director, is interested in 2,643,750 Share Options at an exercise price of HK\$0.16 per Share (subject to adjustments) to subscribe for Shares.
11. Mr. Sin, an independent non-executive Director, is interested in 2,643,750 Share Options at an exercise price of HK\$0.16 per Share (subject to adjustments) to subscribe for Shares.
12. Mr. Yuen, an independent non-executive Director, owns 1,980,000 Shares.
13. Abundant Star and Vantage Edge own 769,230,769 and 576,923,077 underlying Shares, which will be allotted and issued upon full conversion of the outstanding convertible bonds for a principal sum of HK\$100,000,000 and HK\$75,000,000, respectively, at the conversion price of HK\$0.13 per Share (subject to adjustments). Mr. Wu, Mr. Ho and Mr. Chang are deemed to have interest in 1,346,153,846 underlying Shares of which Abundant Star and Vantage Edge were deemed to be interested by virtue of the SFO since they indirectly own 56% through Billion Power Management Limited, 23% through Elite Honour Investments Limited and 21% through Genius Link Assets Management Limited, respectively, of the issued share capital in AID Partners GP2, Ltd.. AID Partners GP2, Ltd. is the general partner of AID Cap II. AID Cap II is interested in the entire issued share capital of Leader Fortune International Limited, which is interested in the entire issued share capital of Abundant Star and Vantage Edge.

## **REASONS FOR THE PLACING AND USE OF PROCEEDS**

The Group is principally engaged in the businesses of asset management and strategic investment.

The Company considers that the Placing will facilitate the Company to enhance its capital base to fund the continuous expansion of its businesses. The Group intends to take this opportunity and considers this to be the best timing to further expand its existing businesses and it requires new capital to capture and finance these opportunities and developments. In addition, the Directors consider that the Placing will broaden its shareholders' base, provide additional cash inflow and strengthen the financial position of the Company. It will also put the Company in a better position to take advantage of investment opportunities as and when it arises. Given the prevailing market conditions, the Directors consider that the timing of the Placing is in the best interests of the Company and its Shareholders as whole.

As such, the Directors consider that the terms of the Placing Agreement and the transactions contemplated thereunder to be fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The maximum gross proceeds from the placing of the Placing Shares and the full exercise of the Option, will be approximately HK\$499,998,000 and HK\$399,999,000, respectively. The net proceeds from the placing of the Placing Shares and the full exercise of the Option will amount to approximately HK\$483,700,000 and HK\$388,000,000, respectively. The net price raised per Offered Share will be approximately HK\$0.213 per Offered Share.

The Company intends to use the net proceeds from the Placing (assuming full exercise of the Option thereof) for the continuous expansion of its businesses including, but not limited to, (i) for building the “pan-entertainment platform” and an integrated online to offline ecosystem of music, video, entertainment and lifestyle; (ii) for the investment capital of the strategic investment opportunities to be identified by the Company; and (iii) for the development, investment and expansion of its asset management business and related financial platform.

### **FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS**

<b>Date of announcement</b>	<b>Fund raising activity</b>	<b>Net proceeds</b>	<b>Proposed use of the net proceeds</b>	<b>Actual use of the net proceeds</b>
1 April 2014 and 13 June 2014	Issue of the 5% Coupon Convertible Bonds	HK\$174,400,000	(i) approximately HK\$5 million for the operation of the retail store in Central;	Used as intended
			(ii) approximately HK\$5 million for the renovations to the retail store in Central;	Used as intended
			(iii) approximately HK\$3 million for the anticipated music licence rights fees that will be payable to music records companies in relation to the business that HMV Master Quality Sound Limited (a wholly owned subsidiary of HMV Ideal Limited) will operate;	Not yet utilised

<b>Date of announcement</b>	<b>Fund raising activity</b>	<b>Net proceeds</b>	<b>Proposed use of the net proceeds</b>	<b>Actual use of the net proceeds</b>
			(iv) approximately HK\$3 million for the operation of the online business;	Used as intended
			(v) approximately HK\$3 million for marketing and public relations;	Used as intended
			(vi) approximately HK\$100 million for potential investment opportunities;	HK\$68,000,000
			(vii) the remaining balance for the general working capital of the Group; and	HK\$27,400,000
			(viii) the remaining balance in the bank accounts of the Company.	HK\$63,000,000

### **POSSIBLE ADJUSTMENTS TO SHARE OPTIONS EXERCISE PRICE AND RCPS AND 5% COUPON CONVERTIBLE BONDS CONVERSION PRICE**

Under the relevant terms and conditions of the Share Options, the RCPS and the 5% Coupon Convertible Bonds, the Placing may lead to adjustments to the exercise price and/or conversion price and/or the number of Shares falling to be issued upon the exercise of the Share Options and the conversion rights of the RCPS and/or the 5% Coupon Convertible Bonds. The Company will inform the holders of the Share Options, the RCPS and/or the 5% Coupon Convertible Bonds of such adjustments by announcement, as and when appropriate.

### **GEM LISTING RULES IMPLICATIONS**

As the Placees will include AID Cap II (who is a connected person of the Company under Rule 20.07(4) of the GEM Listing Rules) and/or its associate, the Placing will constitute a connected transaction for the Company, and is subject to the announcement, reporting and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules. The Company will seek the Independent Shareholders' approval for the Placing at the EGM.

## **GENERAL**

An independent board committee comprising all the independent non-executive Directors will be established by the Company to advise the Independent Shareholders as to whether the terms of the Placing Agreement is, or is not, fair and reasonable and as to the voting. An independent financial adviser will be appointed by the Company to advise the independent board committee and the Independent Shareholders in this regard.

The EGM will be convened and held for the Independent Shareholders to consider and, if thought fit, to approve the Placing Agreement and the transactions contemplated thereunder and the grant of the Specific Mandate. To the best knowledge of the Directors, save for Mr. Wu and his associates, no other Shareholder is required to abstain from voting at the EGM in respect of the resolution(s) relating to the Placing and the Specific Mandate.

A circular containing, among other things, (i) further details of the Placing and the Specific Mandate; (ii) a letter of recommendation from the independent board committee of the Company to the Independent Shareholders in relation to the Placing Agreement; (iii) a letter of advice from the independent financial adviser to the independent board committee of the Company and the Independent Shareholders in relation to the Placing Agreement; and (iv) a notice convening the EGM, will be despatched to the Shareholders on or before 30 June 2015.

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange has been halted with effect from 3:08 p.m. on Thursday, 4 June 2015, pending the release of this announcement. The Company has applied to the Stock Exchange for the resumption of trading of the Shares on the Stock Exchange with effect from 9:00 a.m. on Monday, 8 June 2015.

## **DEFINITIONS**

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise.

“Abundant Star”	Abundant Star Ventures Limited, a limited liability company incorporated in Samoa
“AID Cap II”	AID Partners Capital II, L.P., a private equity fund, which is indirectly controlled by Mr. Wu
“associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“Business Day”	any day (excluding Saturdays, Sundays and public holidays) on which banks generally are open for business in Hong Kong

“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	AID Partners Capital Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
“Completion of Placing”	a date within five (5) Business Days after the Placing Agreement has become unconditional or such other date as the Company and the Placing Agent may agree in writing
“connected persons”	has the meaning ascribed thereto under the GEM Listing Rules
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve the Placing Agreement, Specific Mandate and any transactions contemplated thereunder
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	The Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Shareholders”	the Shareholders other than the Placees and their respective associates
“Independent Third Party(ies)”	third parties independent of and not connected (as defined under the GEM Listing Rules) with the Company and connected person(s) of the Company
“Last Trading Day”	Wednesday, 3 June 2015, being the last full trading day for the Shares on the Stock Exchange before the release of this announcement
“Lock-Up Expiry Date”	being the date falling three months after the Completion of Placing
“Mr. Chang”	Mr. Chang Tat Joel, an executive Director
“Mr. Ho”	Mr. Ho Gilbert Chi Hang, the chief investment officer of the Company and an executive Director

“Mr. Shi”	Mr. Shi Jinsheng, an independent non-executive Director
“Mr. Shiu”	Mr. Stephen Shiu Junior, a non-executive Director
“Mr. Sin”	Mr. Sin Hendrick, an independent non-executive Director
“Mr. Wang”	Mr. Wang Dayong, an executive Director
“Mr. Wu”	Mr. Wu King Shiu, Kelvin, the chief executive officer of the Company and an executive Director
“Mr. Yuen”	Mr. Yuen Kwok On, an independent non-executive Director
“Offered Shares”	the Placing Shares and the Optional Shares
“Option”	the option granted by the Company under the Placing Agreement to the Placing Agent to require the Company to issue and allot the Optional Shares for the sole purpose of covering over-allocation in the subscription of the Placing Shares
“Option Exercise Period”	the period commencing from the date of the Placing Agreement and expiring at 5:00 p.m. on the fifth (5th) Business Day from the date of the EGM
“Optional Shares”	up to an aggregate of 1,818,176,000 additional Shares which the Company may be required to issue and allot at the Placing Price pursuant to the Option
“Placees”	institutional, professional and/or individual investor(s) procured by the Placing Agent to subscribe for any of the Offered Shares pursuant to the Placing Agreement
“Placing”	the placing of the Offered Shares by the Placing Agent on the terms and subject to the conditions set out in the Placing Agreement
“Placing Agent”	UOB Kay Hian (Hong Kong) Limited, a corporation licensed to carry on business in type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the placing agreement dated 5 June 2015 entered into between the Company and the Placing Agent in relation to the Placing



“Placing Period”	the period commencing immediately after the date of the EGM and expiring at 5:00 p.m. on the fifth (5th) Business Day from the date of the EGM (or such later time and date as the parties may agree in writing)
“Placing Price”	HK\$0.22 per Offered Share
“Placing Shares”	up to an aggregate of 2,272,720,000 new Shares to be issued and allotted and to be placed by the Placing Agent pursuant to the terms of the Placing Agreement but excluding any Optional Shares
“PRC”	The People’s Republic of China, which for the sole purpose of this announcement excludes Hong Kong, Macau Special Administrative Region and Taiwan
“RCPS”	the redeemable convertible preference shares with the outstanding principal amount of approximately US\$791,569 entitling the holders thereof to convert for a total of 949,882,800 Shares at the conversion price of HK\$0.13 per Share (subject to adjustments)
“Share(s)”	ordinary share(s) of nominal value of US\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Share Option Schemes”	the share option schemes of the Company, approved and adopted by the Company at the general meetings of the Company on 27 March 2002 and 15 April 2014, respectively
“Share Options”	the share options granted pursuant to the Share Option Schemes, pursuant to which a total of 169,914,612 share options are still outstanding as at the date of this announcement
“Specific Mandate”	the specific mandate to be granted by the Independent Shareholders to the Directors at the EGM to allot and issue the Offered Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vantage Edge”	Vantage Edge Limited, a limited liability company incorporated in Samoa
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States of America

“5% Coupon Convertible Bonds”

the five per cent. (5%) coupon convertible bonds with the outstanding principal amount of HK\$175,000,000 entitling the holders thereof to convert into a total of 1,346,153,846 at the conversion price of HK\$0.13 per Share (subject to adjustments)

“%”

per cent.

By order of the Board  
**AID PARTNERS CAPITAL HOLDINGS LIMITED**  
**Wu King Shiu, Kelvin**  
*Executive Director*

Hong Kong, 7 June 2015

*As at the date of this announcement, the Directors are:*

*Executive Directors: Chang Tat Joel, Ho Gilbert Chi Hang, Huang Kenian, Wang Dayong and Wu King Shiu, Kelvin*

*Non-Executive Director: Stephen Shiu Junior*

*Independent Non-Executive Directors: Shi Jinsheng, Sin Hendrick and Yuen Kwok On*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particular given in compliance with the GEM Listing Rules for the purpose of giving information with regards to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (ii) there are no other matters the omission of which would make any statement in this announcement misleading.*

*This announcement will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at [www.aid8088.com](http://www.aid8088.com).*