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Neo Telemedia Limited
中國新電信集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8167)

VOLUNTARY ANNOUNCEMENT
RELATING TO THE PROVISION OF THE LOAN TO THE COMPANY

The Board announced that on 11 May 2015, the Company entered into the Loan Agreement with Mr. Lie, pursuant to which Mr. Lie has agreed to lend to the Company a loan of HK\$100,000,000 for a period of one year commencing from the drawdown date of the Loan at an interest rate of 5% per annum.

Mr. Lie, being a substantial shareholder of the Company, is a connected person of the Company and therefore the Loan Agreement constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules. As the Loan Agreement was made for the benefit of the Group on normal commercial terms where no security over the assets of the Company is granted in respect of the Loan, the Loan Agreement and the transactions contemplated thereunder fall within Rule 20.88 of the GEM Listing Rules and thus shall be exempted from reporting, announcement and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

THE LOAN AGREEMENT

Date : 11 May 2015

Lender : Mr. Lie, a substantial shareholder of the Company

Borrower : The Company

Principal terms of the Loan Agreement

Amount of the Loan : HK\$100,000,000

Term : One year from the drawdown date of the Loan

- Purpose** : The Loan shall be used as general working capital of the Group
- Interest** : 5% per annum
- Repayment** : The Loan and interest thereon shall be repaid on the date falling on the expiry of one (1) year from the drawdown date of the Loan or the early repayment date specified therein (as the case maybe)
- Security for the Loan** : Unsecured
- Early repayment** : The Company shall have the right to repay the Loan at any time after the date of the Loan Agreement and prior to the expiry date of the Loan

The terms of the Loan Agreement were arrived at after arm's length negotiations between the parties to the Loan Agreement and the interest rate in respect of the Loan was determined with reference to the current best lending rate of the banks in Hong Kong.

Information on the Group

The principal activity of the Company is investment holding and the principal activities of its operating subsidiaries are the sale and distribution of telecommunication products, provision of cable and wireless broadband services, value-added telecommunication services and transmedia advertising services, and the operation of peer to peer (P2P) lending platform business.

Information on the Lender

Mr. Lie is beneficial interested in approximately 26.54% of the entire issued share capital of the Company as at the date of this announcement and a substantial shareholder of the Company.

Reasons and benefits for the Loan

The Directors consider that the Loan will provide additional working capital to the Group and is beneficial to the Company and the Shareholders as a whole. The Directors consider that the transaction contemplated under the Loan Agreement is on normal commercial terms and the terms of the Loan Agreement are fair and reasonable and are in the interests of the Company and its Shareholders as a whole having considered the prevailing market borrowing rates quoted by commercial banks in Hong Kong.

Mr. Lie, being a substantial shareholder of the Company, is a connected person of the Company and therefore the Loan Agreement constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules. As the Loan Agreement was made for the benefit of the Group on normal commercial terms where no security over the assets of the Company is granted in respect of the Loan, the Loan Agreement and the transactions contemplated thereunder fall within Rule 20.88 of the GEM Listing Rules and thus shall be exempted from reporting, announcement and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Board”	the board of Directors
“Company”	Neo Telemedia Limited, a company incorporated in the Cayman Islands 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)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of the Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Loan”	the loan in the principal amount of HK\$100,000,000 made pursuant to the Loan Agreement
“Loan Agreement”	the loan agreement dated 11 May 2015 entered into between the Company and Mr. Lie relating to the provision of the Loan
“Mr. Lie”	Mr. Lie Hai Quan, a Shareholder who is beneficially interested in approximately 26.54% of the entire issued shares of the Company as at the date hereof
“Share(s)”	ordinary shares of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it under the GEM Listing Rules
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By order of the Board
Neo Telemedia Limited
CHEUNG Sing Tai
Chairman

Hong Kong, 11 May 2015

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. CHEUNG Sing Tai (Chairman and Chief Executive Officer), Mr. ZHANG Xinyu and Mr. LIAN Xin, and three independent non-executive Directors, namely Mr. LEUNG Ka Wo, Mr. CHOU Jianzhong and Ms. XI Lina.

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.

This announcement will remain on the “Latest Company Announcements” page of the Growth Enterprise Market website at www.hkgem.com for at least seven days from the date of its posting and on the website of the Company at www.neo-telemedia.com.