

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company or CMGE.



VODONE LIMITED

第一視頻集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 82)

**DISCLOSEABLE TRANSACTION
DEEMED DISPOSAL OF INTEREST IN CMGE BY THE COMPANY
AND
RESUMPTION OF TRADING**

On 15 November 2013, CMGE, a non wholly-owned subsidiary of the Company whose shares are listed by way of ADSs on the Nasdaq, has entered into (i) the NCSS Fund Agreement with ICBCCS International (acting as the investment manager of NCSS Fund) pursuant to which CMGE agrees to issue, sell and deliver to, and ICBCCS International (acting as the investment manager of NCSS Fund) agrees to purchase 1,035,000 ADSs from CMGE; (ii) the ICBCCS Global China Fund Agreement with ICBCCS Asset Management (acting as the investment manager of ICBCCS Global China Fund) pursuant to which CMGE agrees to issue, sell and deliver to, and ICBCCS Asset Management (acting as investment manager of ICBCCS Global China Fund) agrees to purchase 88,000 ADSs from CMGE; and (iii) the ICBCCS International Agreement with ICBCCS International pursuant to which CMGE agrees to issue, sell and deliver to, and ICBCCS International (acting on its own behalf) agrees to purchase 10,350 ADSs from CMGE, all at the Placing Price of US\$14.50 per ADS. Such Placing Price will be settled by each of the ICBCCS International (acting on its own behalf and as the investment manager of NCSS Fund) and ICBCCS Asset Management (acting as the investment manager of ICBCCS Global China Fund) in cash.

The total gross proceeds to be raised by CMGE from the Placing will amount to approximately US\$16.4 million before deducting related expenses. CMGE plans to use the net proceeds from the Placing for acquisition of third parties game licenses and intellectual properties, product development, R&D enhancement, expanding sale and distribution channels and general corporate purposes.

The Company currently holds 180,821,228 Class B Ordinary Shares and 8,795,864 Class A Ordinary Shares of CMGE. Each Class B Ordinary Share carries a voting right equal to five Class A Ordinary Shares. Upon Closing (assuming there will be no further changes in the issued share capital of CMGE prior to Closing), the interest held by the Company in CMGE will be diluted by approximately 2.05% from 50.54% to 48.49%, as enlarged by the Placing. Such dilution will constitute a deemed disposal by the Company of its interest in CMGE. Upon Closing, the Company will control approximately 81.92% of the voting owner of CMGE, and accordingly CMGE will remain a subsidiary of the Company.

As one of the applicable percentage ratio for the Placing is more than 5% but less than 25%, the Placing constitute discloseable transactions for the Company and the Placing are therefore subject to the reporting and announcement requirements but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

At the request of the Company, trading in the shares of the Company on the Stock Exchange was halted from 9:00 a.m. on 18 November 2013 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the shares of the Company from 9:00 a.m. on 19 November 2013.

THE PURCHASE AGREEMENTS

On 15 November 2013, CMGE entered into (i) the NCSS Fund Agreement with ICBCCS International (acting as the investment manager of NCSS Fund); (ii) the ICBCCS Global China Fund Agreement with ICBCCS Asset Management (acting as the investment manager of ICBCCS Global China Fund); and (iii) the ICBCCS International Agreement with ICBCCS International (acting on its own behalf), respectively. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiry, each of NCSS Fund, ICBCCS Global China Fund, ICBCCS International and ICBCCS Asset Management and their respective ultimate beneficial owners is a third party independent of the Company and any connected person of the Company. All of the NCSS Fund Agreement, ICBCCS Global China Fund Agreement and ICBCCS International Agreement primarily have the same principal terms and a summary of the Purchase Agreements is set out as follows:

1. Number of new ADSs to be issued and subscribed:

NCSS Fund:	1,035,000 ADSs
ICBCCS Global China Fund:	88,000 ADSs
ICBCCS International:	10,350 ADSs

2. Placing Price:

US\$14.50 per new ADS, which was arrived at after arm's length negotiations between CMGE and ICBCCS International (acting on its own behalf and as the investment manager of NCSS Fund) and ICBCCS Asset Management (acting as the investment manager of ICBCCS Global China Fund), respectively. It was determined with reference to the trading prices and trading volume of the ADSs.

3. Payment of consideration:

Each of the purchasers under the Purchase Agreements shall deliver the Placing Price to CMGE by wire transfer in immediately available funds upon Closing.

4. Closing:

On 29 November 2013 or any other date and time that is agreed upon in writing by CMGE and ICBCCS International (acting on its own behalf and as the investment manager of NCSS Fund) and ICBCCS Asset Management (acting as the investment manager of ICBCCS Global China Fund), respectively.

USE OF PROCEEDS

The total gross proceeds to be raised by CMGE from the Placing will amount to approximately US\$16.4 million before deducting related expenses. CMGE plans to use the net proceeds from the Placing for acquisition of third parties game licenses and intellectual properties, product development, R&D enhancement, expanding sale and distribution channels and general corporate purposes.

DEEMED DISPOSAL OF INTEREST IN CMGE, EFFECTS OF THE PLACING AND FINANCIAL IMPLICATIONS

The table below sets out the shareholding structures of CMGE (i) at the date of this announcement, and (ii) upon Closing, assuming there will be no further changes in the issued share capital of CMGE other than the ADSs issued under the Placing:

Name of Shareholder of CMGE	Approximate % of equity interests held as at the date of this announcement	Approximate % of equity interests held upon Closing
The Company	50.54	48.49
NCSS Fund	—	3.71
ICBCCS Global China Fund	—	0.32
ICBCCS International	—	0.04
Other shareholders	49.46	47.44
Total	100	100

REASONS FOR AND BENEFITS OF THE PLACING

The Board considers that it is in the interests of the Group for CMGE to raise additional capital and broaden its strategic shareholder and capital base which is particularly conducive to the long term and continuous growth of CMGE. More importantly, the Directors consider that the Placing to the investors is beneficial to the Group as the investors are well established and reputable funds and fund management companies whose investments into CMGE allow the Group to further strengthen its goodwill and reputation.

The Directors are of the view that the terms of the Placing are fair and reasonable and in the interests of the Company and its shareholders as a whole.

HONG KONG LISTING RULES IMPLICATIONS

The Company currently holds 180,821,228 Class B Ordinary Shares and 8,795,864 Class A Ordinary Shares of CMGE. Each Class B Ordinary Share carries a voting right equal to five Class A Ordinary Shares. Upon Closing (assuming there will be no further changes in the issued share capital of CMGE prior to Closing), the interest held by the Company in CMGE will be diluted by approximately 2.05% from 50.54% to 48.49%, as enlarged by the Placing. Such dilution will constitute a deemed disposal by the Company of its interest in CMGE. Upon Closing, the Company will control approximately 81.92% of the voting owner of CMGE, and accordingly CMGE will remain a subsidiary of the Company.

As one of the applicable percentage ratio for the Placing is more than 5% but less than 25%, the Placing constitute discloseable transactions for the Company and the Placing are therefore subject to the reporting and announcement requirements but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

GENERAL

Information on the Company

The Company is principally engaged in new media services ranging from news production, internet-video production and broadcasting, advertising, mobile game, mobile location-based community to lottery-related business.

Information on CMGE

CMGE is a non wholly-owned subsidiary of the Company whose shares are listed by way of ADSs on the Nasdaq. As at the date of this announcement, it is owned as to approximately 50.54% by the Company. CMGE is principally engaged in the development, operation, sale and distribution of mobile games in China.

Based on the audited financial statements of CMGE prepared under US GAAP for the year ended 31 December 2011, the net profit before income tax and the net profit after income tax of CMGE amounted to approximately RMB127,416,000 and approximately RMB163,343,000, respectively. Based on the audited financial statements of CMGE prepared under US GAAP for the year ended 31 December 2012, the net loss before income tax and the net loss after income tax of CMGE amounted to approximately RMB23,162,000 and approximately RMB14,473,000 respectively. The net asset value of CMGE as at 31 December 2012 was approximately RMB762,348,000.

Information on NCSS Fund

To the best knowledge of the Directors, NCSS Fund was established by the State Council of the PRC. It serves as the social security strategic reserve centralized by the PRC government to meet the social security needs of the future aging population. NCSS Fund is permitted to invest in domestic investments and overseas investments, such as bonds, stocks, funds and derivative instruments.

Information on ICBCCS Global China Fund

To the best knowledge of the Directors, ICBCCS Global China Fund, established and managed by ICBCCS Asset Management, is an open-ended equity fund with a focus on securities that are issued by overseas Chinese enterprises as well as international companies that benefit from China's continuous economic growth.

Information on ICBCCS Asset Management

To the best knowledge of the Directors, ICBCCS Asset Management, founded on 21 June 2005, is the first bank-established and bank-held joint-venture fund management corporation in China. It is qualified as a manager of mutual funds, supplementary pension Fund QDII and special client assets, as well as a National Social Security Fund manager.

Information on ICBCCS International

To the best knowledge of the Directors, ICBCCS International, a wholly-owned subsidiary of ICBCCS Asset Management, is a company incorporated in Hong Kong and is principally engaged in the provision of portfolio investment products and management and advisory services. ICBCCS International and ICBCCS Asset Management are fund managers of NCSS Fund.

RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange was halted from 9:00 a.m. on 18 November 2013 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the shares of the Company from 9:00 a.m. on 19 November 2013.

DEFINITIONS

“ADS(s)”	American depositary shares, each representing 14 Class A Ordinary Shares
“Board”	the board of directors of the Company
“Class A Ordinary Share(s)”	Class A ordinary shares of US\$0.001 each in the share capital of CMGE, holders of which are entitled to one vote per share
“Class B Ordinary Share(s)”	Class B ordinary shares of US\$0.001 each in the share capital of CMGE, holders of which are entitled to five votes per share
“Closing”	closing of the Placing
“CMGE”	China Mobile Games and Entertainment Group Limited, a company incorporated in the Cayman Islands with limited liability and a non-wholly owned subsidiary of the Company, whose shares are listed by way of ADSs on the Nasdaq
“Company”	VODone Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange

“Directors”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“ICBCCS Asset Management”	ICBC Credit Suisse Asset Management Co., Ltd., a company established under the laws of the PRC and the investment manager of ICBCCS Global China Fund
“ICBCCS Global China Fund”	ICBCCS Global China Opportunity Equity Fund, an open-ended equity fund managed by ICBCCS Asset Management
“ICBCCS Global China Fund Agreement”	the purchase agreement dated 15 November 2013 entered into between CMGE and ICBCCS Asset Management (acting as the investment manager of ICBCCS Global China Fund)
“ICBCCS International”	ICBC Credit Suisse Asset Management (International) Company Limited, a company established under the laws of Hong Kong and a wholly owned subsidiary of ICBCCS Asset Management and an investment manager of NCSS Fund
“ICBCCS International Agreement”	the purchase agreement dated 15 November 2013 entered into between CMGE and ICBCCS International (acting on its own behalf)
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“Nasdaq”	the Nasdaq Global Market in the United States of America
“NCSS Fund”	National Council for Social Security Fund, a fund established by the State Council of the PRC serving as the social security strategic reserve centralized by the PRC government to meet the social security needs of the future aging population
“NCSS Fund Agreement”	the purchase agreement dated 15 November 2013 entered into between CMGE and ICBCCS International (acting as the investment manager of NCSS Fund)

“Placing”	the placing of a total of 1,133,350 new ADSs pursuant to the Purchase Agreements at the Placing Price
“Placing Price”	US\$14.50 per ADS
“PRC”	the People’s Republic of China
“Purchase Agreements”	the NCSS Fund Agreement, ICBCCS Global China Fund Agreement and ICBCCS International Agreement
“RMB”	Renminbi, the lawful currency of the People Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollar, the lawful currency of the United States of America
“US GAAP”	the generally accepted accounting principles of United States of America
“%”	per cent.

By Order of the Board
VODone Limited
ZHANG Lijun
Chairman

Hong Kong, 18 November 2013

As at the date of this announcement, the directors of the Company are:–

Executive Directors:

Dr. ZHANG Lijun (*Chairman*)
Ms. WANG Chun

Independent non-executive Directors:

Dr. LOKE Yu (alias LOKE Hoi Lam)
Mr. WANG Zhichen
Mr. WANG Linan