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CULTURE LANDMARK INVESTMENT LIMITED

(incorporated in the Bermuda with limited liability)

(STOCK CODE: 674)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



PLACING OF NEW SHARES

On 28 November 2014 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement whereby the Company has agreed to allot and issue, and the Placing Agent has agreed to procure on a best endeavours basis the Placees to subscribe for, the Placing Shares at the Placing Price of HK\$0.50 per Placing Share. A maximum of 119,752,000 Placing Shares will be allotted and issued under the Placing, which represent approximately 20.00% of the aggregate nominal amount of the issued share capital of the Company as at the date of this announcement.

The Placing Shares will be issued under the General Mandate and therefore the issue of the Placing Shares will not be subject to the approval of the Shareholders.

The maximum net proceeds from the Placing are approximately HK\$57,950,000, which is intended to be used as general working capital of the Group and for development of the existing and future projects of the Group.

Completion of the Placing is subject to the satisfaction of the conditions precedent in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares and securities of the Company.

THE PLACING AGREEMENT

Set out below are the principal terms of the Placing Agreement:

Date: 28 November 2014 (after trading hours)

Issuer: the Company

Placing Agent: CCB International Capital Limited (建銀國際金融有限公司)

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

Pursuant to the Placing Agreement, the Company has agreed to allot and issue, and the Placing Agent has agreed to procure on a best endeavours basis the Placee(s) to subscribe for, the Placing Shares at the Placing Price of HK\$0.50 per Placing Share.

Placing Commission

The Placing Agent will receive a placing commission of HK\$1,500,000 in accordance with the Placing Agreement, which was determined with reference to the range of market norms for commission for this type of transaction after arm's length negotiations between the Company and the Placing Agent.

The Directors (including the independent non-executive Directors) consider that the commission for the Placing is fair and reasonable.

Placee(s)

The Placing Shares shall be offered by the Placing Agent to the Placee(s), who, and its(their) ultimate beneficial owner(s), will be Independent Third Party(ies). It is expected that none of the Placee(s) will become a substantial Shareholder (as defined in the Listing Rules) immediately after completion of the Placing. In the event any of the Placees becomes a substantial Shareholder (as defined in the Listing Rules) after completion of the Placing, further announcement will be made by the Company.

Placing Shares

A maximum of 119,752,000 Placing Shares will be allotted and issued pursuant to the Placing, which represent:

- (a) approximately 20.00% of the existing share capital of the Company as at the date of this announcement; and
- (b) approximately 16.67% of the issued share capital of the Company as enlarged by the issue and allotment of all the Placing Shares.

The Placing Shares, when allotted and issued, will rank *pari passu* in all respects among themselves, and with the existing Shares then in issue.

Application for Listing

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

Placing Price

The Placing Price of HK\$0.50 per Placing Share represents:

- (a) a discount of approximately 19.35% to the closing price of HK\$0.62 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (b) a discount of approximately 12.28% to the average closing price of approximately HK\$0.57 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the Last Trading Day.

The Placing Price was determined after arm's length negotiations between the Company and the Placing Agent, with reference to recent trading prices of the Shares.

Conditions of the Placing

Completion of the Placing is conditional upon the following (unless otherwise waived by the Placing Agent provided that condition (b) below shall not be waived):

- (a) trading in the Shares on the Stock Exchange not having been suspended for any single consecutive period of more than five Business Days during any time prior to completion of the Placing Agreement (save for any temporary suspension for the purpose of publishing this announcement or other announcement(s) in respect of the Placing);
- (b) the Stock Exchange granting the listing of, and permission to deal in, the Placing Shares to be placed pursuant to the Placing Agreement on or before the Long Stop Date (or such other date as the Placing Agent may agree in writing with the Company); and
- (c) there being no material breach of any of the warranties, representations and/or undertakings given by the Company under the Placing Agreement.

If any of the above conditions has not been fulfilled or waived (provided that condition (b) above shall not be waived) on or before the Long Stop Date (or such other date as the Placing Agent may agree in writing with the Company), the obligations of the Placing Agent and the Company under the Placing Agreement shall cease and determine unless otherwise waived by the Placing Agent.

Completion of the Placing

Completion of the Placing will take place on the third Business Day after the fulfilment or if applicable waiver of the above conditions or such other dates as the Company and the Placing Agent may agree in writing.

Further announcement(s) will be made by the Company upon completion of the Placing.

Completion of the Placing is subject to the satisfaction of the conditions precedent in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares and securities of the Company.

Termination of the Placing Agreement

The Placing Agent may by written notice to the Company at any time prior to 9:30 a.m. on the completion date of the Placing, terminate the Placing Agreement if any of the following events occurs:

- (a) there develops, occurs or comes into effect:
 - (i) any event, development or change (whether or not local, national or international or forming part of a series of event, developments or changes occurring or continuing before, on and/or after the date of the Placing Agreement), including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, whether or not sui generis with any of the foregoing (including but not limited to acts of government, lock-outs, fire, acts of war, SARS and H5N1), resulting in a material adverse prospective change in, or which might be expected to result in a material adverse prospective change in, political, economic, fiscal, financial, regulatory or stock market conditions;
 - (ii) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange due to exceptional financial circumstances or otherwise;
 - (iii) any material adverse change in conditions of local, national or international securities markets;
 - (iv) any new law or regulation or development involving prospective change of laws or regulations or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group;
 - (v) a change or development involving a prospective change of taxation or exchange control (or the implementation of exchange control) in Hong Kong or elsewhere;
 - (vi) the instigation of any litigation or claim of material importance by any third party against any member of the Group;
 - (vii) any occurrence of any local, national or international outbreak or escalation of hostilities, insurrection or armed conflict; or
 - (viii) any event, or series of events, beyond the reasonable control of the Placing Agent (including, without limitation, acts of government, strikes, lock outs, fire, explosion, flooding, civil commotion, acts of war, acts of God, acts of terrorism, outbreak of diseases or epidemics (including Severe Acute Respiratory Syndrome, avian influenza A (H5N1) or such related/mutated forms) or interruption or delay in transportation); or

- (b) it comes to the notice of the Placing Agent that any of the representations, warranties or undertakings of the Company contained in the Placing Agreement is untrue or inaccurate, breached or not complied with in any respect; or
- (c) it comes to the notice of the Placing Agent that there has been any change in the business or financial or trading position of the Group,

and which, in sole and absolute opinion of the Placing Agent, is or is likely to be materially adverse to the Company or the Group or would prejudice the success of the Placing or would otherwise make the Placing inadvisable or inexpedient, then the Placing Agent shall have a right exercisable by way of written notice to the Company to terminate the Placing and the Placing Agreement.

Upon such notice being given pursuant to the Placing Agreement, the Placing Agreement shall cease to have any effect and neither the Company nor the Placing Agent shall have any claims against each other (other than those specified terms as set out in the Placing Agreement).

ISSUE OF NEW SHARES UNDER GENERAL MANDATE

The Placing Shares will be issued under the General Mandate. Under the General Mandate, the Directors are authorised to issue 119,753,409 Shares. Assuming 119,752,000 Placing Shares are issued under the General Mandate, there will be remaining 1,409 Shares available to be issued under the General Mandate after the Placing. As the Placing Shares are to be issued under the General Mandate, the Placing is not subject to Shareholders' approval.

REASONS FOR AND BENEFITS IN THE PLACING

The Group is principally engaged in property development and investment, property sub-leasing, the provision of intellectual property enforcement services, exhibition-related business, food and beverages and entertainment businesses.

The Company considers that the Placing represents a good opportunity to raise additional capital and strengthen the cash flow for the Company as well as broadening the shareholder base and capital base of the Company.

The Directors also consider that the Placing Agreement was entered into on normal commercial terms after arm's length negotiations between the Company and the Placing Agent and that the terms of the Placing Agreement (including the Placing Price) are fair and reasonable so far as the interests of the Company and its Shareholders as a whole are concerned.

USE OF PROCEEDS

Assuming all the Placing Shares were allotted and issued, the gross proceeds from the Placing will amount to approximately HK\$59,876,000 and the net proceeds from the Placing after deducting the placing fee and other related expenses payable by the Company will amount to approximately HK\$57,950,000. The net proceeds raised per Placing Share are approximately HK\$0.48.

The maximum net proceeds from the Placing is intended to be used as general working capital of the Group and for development of the existing and future projects of the Group.

SHAREHOLDING STRUCTURE

As at the date of this announcement, the Company has 598,767,047 Shares in issue; and share options to subscribe for 32,333,421 Shares.

For illustration purpose, the table below set out the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after the Placing; and (iii) immediately after the Placing and the allotment and issue of the Shares upon full conversion of all outstanding share options of the Company as at the date of the Placing Agreement:

Shareholders	As at the date of this announcement		Immediately after completion of the Placing assuming all the Placing Shares have been placed out (Note 2)		Immediately after completion of the Placing and upon full conversion of all outstanding share options (Note 2)	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
China Resources (Holdings) Company Limited	66,666,666	11.13	66,666,666	9.28	66,666,666	8.88
Directors						
Cheng Yang (Note 1)	89,349,000	14.92	89,349,000	12.44	95,336,670	12.70
Lei Lei	—	—	—	—	5,388,903	0.72
Li Weipeng	—	—	—	—	2,993,835	0.40
Tong Jingguo	—	—	—	—	299,384	0.04
Yang Rusheng	—	—	—	—	299,384	0.04
So Tat Keung	—	—	—	—	299,384	0.04

Shareholders	As at the date of this announcement		Immediately after completion of the Placing assuming all the Placing Shares have been placed out (Note 2)		Immediately after completion of the Placing and upon full conversion of all outstanding share options (Note 2)	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Public Shareholders						
Placee(s)	—	—	119,752,000	16.67	119,752,000	15.95
Holders of outstanding share options	—	—	—	—	17,064,861	2.27
Other public shareholders	<u>442,751,381</u>	<u>73.95</u>	<u>442,751,381</u>	<u>61.61</u>	<u>442,751,381</u>	<u>58.96</u>
Total	<u>598,767,047</u>	<u>100.00</u>	<u>718,519,047</u>	<u>100.00</u>	<u>750,852,468</u>	<u>100.00</u>

Note 1: 89,300,000 Shares were owned by Mr. Cheng Yang personally and 49,000 Shares were owned by his wife.

Note 2: The shareholding structure of the Company (i) immediately after completion of the Placing assuming all the Placing Shares have been placed out; and (ii) immediately after completion of the Placing and the allotment and issue of the Shares upon full conversion of all outstanding share options of the Company as at the date of the Placing Agreement set out above is for illustrative purpose only (assuming that there is no other change in the issued share capital of the Company from the date of this announcement up to (i) the date of completion of the Placing; or (ii) the date of completion of the Placing and full conversion of the all outstanding share options of the Company as at the date of the Placing Agreement).

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company did not have any fund raising activity on any issue of equity securities in the past twelve months prior to the date of this announcement.

DEFINITIONS

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

“acting in concert”	has the meaning ascribed to it under The Hong Kong Code on Takeovers and Mergers
“AGM”	the annual general meeting of the Company held on 23 September 2014
“Board”	the board of Directors
“Business Day”	a day, excluding Saturdays, on which banks in Hong Kong are generally open for business
“Company”	Culture Landmark Investment Limited, a company incorporated in Bermuda with limited liability whose issued Shares are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted to the Directors by the resolution of the Shareholders passed at the AGM to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the AGM (i.e. 119,753,409 Shares)
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of PRC
“Independent Third Party(ies)”	third party(ies) independent of, not connected or acting in concert with any directors, chief executive and substantial shareholders of the Company or its subsidiaries or their respective associates (as defined in the Listing Rules)

“Last Trading Day”	28 November 2014, being the date of the Placing Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	14 days after the date of the Placing Agreement (or such other date as the Company and the Placing Agent may agree in writing)
“Placee(s)”	any person(s) procured by or on behalf of the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agent’s obligations under the Placing Agreement
“Placing”	the placing of the Placing Shares by or on behalf of the Placing Agent to the Placee(s) pursuant to the Placing Agreement
“Placing Agent”	CCB International Capital Limited (建銀國際金融有限公司), a corporation licensed to carry out type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the SFO in Hong Kong and the placing agent to the Company under the Placing
“Placing Agreement”	the placing agreement dated 28 November 2014 and entered into between the Company and the Placing Agent in respect of the Placing
“Placing Price”	HK\$0.50 per Placing Share
“Placing Shares”	a maximum of 119,752,000 new Shares to be issued by the Company pursuant to the Placing Agreement
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of PRC and Taiwan
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.05 each in the share capital of the Company

“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board
Culture Landmark Investment Limited
Cheng Yang
Chairman

Hong Kong, 28 November 2014

As at the date of this announcement, the executive Directors are Mr. Cheng Yang, Ms. Lei Lei and Mr. Li Weipeng and the independent non-executive Directors are Mr. Yang Rusheng, Mr. Tong Jingguo and Mr. So Tat Keung.