

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.



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: 1566)

COMPLETION OF SUBSCRIPTION

Reference is made to the announcements of China Animation Characters Company Limited (the “**Company**”) dated 7 January 2017 (the “**Announcement**”) in respect of the subscription of the new Shares. Unless otherwise stated, terms used in this announcement shall have the same meanings as those defined in the Announcement.

COMPLETION OF SUBSCRIPTION

The Board is pleased to announce that the completion (the “**Completion**”) of subscription for an aggregate of 16,076,000 Shares took place on 24 January 2017 at the subscription price of HK\$3.25 per Share, pursuant to the terms of the subscription agreements entered into between the Company and the Subscribers dated 6 January 2017 in respect of the Subscriptions. The aggregate gross proceeds of the Subscriptions amounted to HK\$52.25 million. The aggregate net proceeds of the Subscriptions, after the deduction of the related expenses, amounted to HK\$52.10 million.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) immediately before Completion; and (ii) upon Completion are summarized as follows:

	Immediately before Completion		Upon Completion	
	No. of Shares	Shareholding percentage	No. of Shares	Shareholding percentage
Shareholders				
Bright Rise Enterprises Limited (<i>Note 1</i>)	369,982,000	40.93%	369,982,000	40.21%
Dragon Year Group Limited	50,280,000	5.56%	50,280,000	5.46%
Fortress Strength Limited (<i>Note 2</i>)	16,092,000	1.78%	16,092,000	1.75%
Bonville Glory Limited (<i>Note 3</i>)	12,900,000	1.43%	12,900,000	1.40%
Shinichiro IKEDA (<i>Note 4</i>)	12,000,000	1.33%	12,000,000	1.30%
East Jumbo Development Limited	29,658,000	3.28%	29,658,000	3.22%
Parties acting in concert (<i>Note 5</i>)	490,912,000	54.31%	490,912,000	53.34%
Other public Shareholders	413,074,000	45.69%	413,074,000	44.90%
Mr. ZHU	–	0.00%	1,538,000	0.17%
Mr. ZHANG	–	0.00%	1,538,000	0.17%
Ms. ZHAO	–	0.00%	13,000,000	1.42%
Total	903,986,000	100.00%	920,062,000	100.00%

Notes:

1. All the issued share capital of Bright Rise Enterprises Limited 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 Xiangsong, of which beneficiaries include Mr. ZHUANG Xiangsong and his family members. Mr. ZHUANG Xiangsong is an executive Director.
2. Fortress Strength Limited is wholly owned by the spouse of Mr. ZHUANG Xiangsong.
3. Bonville Glory Limited is wholly owned by Mr. TING Ka Fai Jeffrey, an executive Director.
4. Mr. Shinichiro IKEDA is the honorable chairman of the Group.
5. Bright Rise Enterprises Limited, 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 (as defined in the Listing Rules) of the Company.

By order of the Board
CHINA ANIMATION CHARACTERS COMPANY LIMITED
ZHUANG Xiangsong
Chief Executive Officer and Executive Director

Hong Kong, 24 January 2017

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