

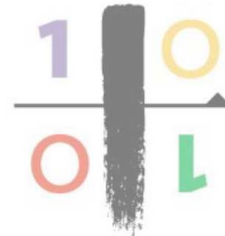
*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance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



**CINDERELLA MEDIA GROUP  
LIMITED**

**先傳媒集團有限公司\***

*(continued in Bermuda with limited liability)*  
(Stock code: 550)



**1010 PRINTING GROUP LIMITED**

**匯星印刷集團有限公司\***

*(Incorporated in Bermuda with limited liability)*  
(Stock code: 1127)

**JOINT ANNOUNCEMENT**

**MAJOR TRANSACTION  
IN RELATION TO  
THE ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF APOL**

The respective boards of directors of Cinderella and 1010 PGL are pleased to announce that on 12 December 2012, the Purchaser, an indirect wholly-owned subsidiary of 1010 PGL, and 1010 PGL entered into the Share Transfer Agreement with the Vendors and APOL, pursuant to which the Purchaser has conditionally agreed to acquire and the Vendors has conditionally agreed to sell the Sale Shares for a consideration not exceeding HK\$160 million. The Sale Shares represent the entire issued share capital of APOL. Upon Completion, APOL will be owned by 1010 PGL as to around 93.33% and upon Subsequent Completion, APOL will become an indirect wholly-owned subsidiary of 1010 PGL.

As at the date of this announcement, City Apex is directly interested in approximately 54.33% of the entire issued share capital of Cinderella, which in turn is indirectly interested in approximately 59.98% of the entire issued share capital of 1010 PGL.

As the applicable percentage ratios in respect of the Acquisition are more than 25% but less than 100%, the Acquisition constitutes a major transaction for each of Cinderella and 1010 PGL under Chapter 14 of the Listing Rules and is thus subject to the announcement, reporting and the approval of Cinderella Shareholders and the approval of 1010 PGL Shareholders respectively.

To the best of knowledge, information and belief of the Cinderella Directors and the 1010 PGL Directors, and having made all reasonable enquiries, none of the Cinderella Shareholders and 1010 PGL Shareholders has a material interest in the Share Transfer Agreement and the Acquisition contemplated thereunder, and if Cinderella or 1010 PGL was to convene a special general meeting for the approval of the Share Transfer

Agreement and the Acquisition contemplated thereunder, none of the Cinderella Shareholders and 1010 PGL Shareholders is required to abstain from voting. Moreover, City Apex is beneficially interested in an aggregate of 177,954,000 Cinderella Shares, representing approximately 54.33% of the entire issued share capital of Cinderella as at the date of this announcement, and has given its written approval for the Share Transfer Agreement and the Acquisition contemplated thereunder pursuant to Rule 14.44 of the Listing Rules. Accordingly, such written approval will be accepted in lieu of convening a special general meeting of Cinderella to approve the Share Transfer Agreement and the Acquisition contemplated thereunder as permitted under Rule 14.44.

Furthermore, Cinderella (through its wholly-owned subsidiary) is interested in an aggregate of 299,894,907 1010 PGL Shares, representing approximately 59.98% of the entire issued share capital of 1010 PGL as at the date of this announcement, and has, pursuant to Rule 14.44 of the Listing Rules, given its written approval to 1010 PGL on 12 December 2012 for the Share Transfer Agreement and the Acquisition contemplated thereunder in lieu of convening a special general meeting of the 1010 PGL Shareholders.

Circulars of each of Cinderella and 1010 PGL containing, amongst others, further information on the Share Transfer Agreement and the Acquisition contemplated thereunder will respectively be despatched to Cinderella Shareholders and 1010 PGL Shareholders in accordance with the requirements of the Listing Rules on or before 7 January 2013.

## **THE ACQUISITION**

The respective boards of directors of Cinderella and 1010 PGL are pleased to announce that on 12 December 2012, the Purchaser, an indirect wholly-owned subsidiary of 1010 PGL, and 1010 PGL entered into the Share Transfer Agreement with the Vendors and APOL pursuant to which the Purchaser has conditionally agreed to acquire and the Vendors has conditionally agreed to sell the Sale Shares for a consideration not exceeding HK\$160 million. The Sale Shares represent the entire issued share capital of APOL. Upon Completion, APOL will be owned by 1010 PGL as to around 93.33% and upon Subsequent Completion, APOL will become an indirect wholly-owned subsidiary of 1010 PGL.

To the best knowledge, information and belief of the Cinderella Directors and 1010 PGL Directors and having made all reasonable enquiry, the Vendors are Independent Third Parties.

## **SHARE TRANSFER AGREEMENT**

**Date:** 12 December 2012

**Parties:**

1. the Purchaser, an indirect wholly-owned subsidiary of 1010 PGL;
2. the Vendors, being all of the existing shareholders of APOL, who are 8 individuals and 1 corporation;
3. APOL; and
4. 1010 PGL, as guarantor.

**Assets to be Acquired:** Sale Shares, representing the entire issued share capital of the APOL. Upon Completion, 1010 PGL will, through its wholly-owned subsidiary, the Purchaser, own around 93.33% of the issued share capital of APOL, and upon Subsequent Completion, APOL will become an indirect wholly-owned subsidiary of 1010 PGL.

**Consideration:** The Consideration shall be HK\$160 million at maximum, subject to a post-completion downward adjustment as illustrated in the paragraph headed "Post Completion Adjustment to Consideration".

The Consideration was determined on an arm's length basis after taking into account the APOL Net Asset Value and the potential prospects of APOL.

The Consideration is funded by the internal resources of the Group, bank loans from commercial banks available to 1010 PGL and a shareholder's loan of not more than HK\$150 million from Cinderella which is provided on normal commercial terms. Initially, 1010 PGL Group will draw approximately HK\$50 million to fund the payment of Consideration.

**Terms of Payment:** Subject to the post-completion downward adjustment, the Consideration shall be paid by way of cash to the Vendors in the following manner:

(a) A refundable deposit of HK\$20 million has been paid on signing of the Share Transfer Agreement;

Such deposit shall be returned to the Purchaser not later than 28 December 2012 (or such other day the Parties may agree) if (i) the Share Transfer Agreement is terminated as mutually agreed by the Parties; or (ii) the conditions precedent as set out in the Share Transfer Agreement are not satisfied by the Completion Date;

(b) HK\$80 million shall be paid on Completion;

(c) The 1st Post Completion Payment of HK\$28 million shall be paid on 28 February 2013; and

(d) The 2nd Post Completion Payment of HK\$32 million shall be paid on the expiry of 24 months after Completion.

**Post Completion Adjustment to Consideration:** The Consideration is subject to the following post completion adjustments:

(a) where the APOL Net Asset Value as shown in the 2012 Accounts is less than HK\$100 million and:

- (i) if the shortfall is less than HK\$28 million, the 1st Post Completion Payment shall be adjusted downwards by the amount of the shortfall; and if the shortfall is greater than HK\$28 million, the Purchaser is not required to pay any of the 1st Post Completion Payment and the 2nd Post Completion Payment shall be adjusted downwards by the amount of the shortfall in excess of HK\$28 million; or
  - (ii) if the shortfall is greater than HK\$60 million, the Purchaser is not required to pay any of the Post Completion Payments but the 1st Vendor (for himself and on behalf of the other eight Vendors) shall pay to the Purchaser such sum which is equivalent to the amount in excess of HK\$60 million within one month from the delivery by the 1st Vendor (for himself and on behalf of the other eight Vendors) to the Purchaser of the 2012 Accounts.
- (b) where any of the accounts receivable as shown in the 2012 Accounts is not recovered by APOL in cash on or before 31 December 2013 and the unrecovered amount is not paid by the 1st Vendor (for himself and on behalf of the other eight Vendors) prior to the date of the 2nd Post Completion Payment:
- (i) the 2nd Post Completion Payment shall be adjusted downwards by such unrecovered amount, after adjustment has been made in accordance of (a)(i) of the same paragraph above; and
  - (ii) if the 2nd Post Completion Payment is insufficient to satisfy the unrecovered amount, the 1st Vendor (for himself and on behalf of the other eight Vendors) shall pay on the payment date of the 2nd Post Completion Payment the balance of such unrecovered amount.

**Conditions  
Precedent:**

The Completion is subject to the following conditions being fulfilled on or before the Completion Date:

(a) Due Diligence

The Purchaser notifying the Vendors' Solicitors in writing that it has completed a due diligence investigation of APOL to its satisfaction and save as otherwise expressed in the Share Transfer Agreement, the sale and purchase of the Sale Shares shall not be subject to any implied warranties;

(b) Transfer of Domain Name

The domain name "**asiapacificoffset.com**" having been transferred from APOI to APOL;

(c) Withdrawal of Trademark Application

Mr. Clarke and his associates having withdrawn the application(s) for registration of certain trademark(s);

(d) Listing Rules Compliance

Cinderella and 1010 PGL having published this joint announcement on their respective websites and the website operated by the Stock Exchange in compliance with the requirements under the Listing Rules and either (i) the Purchaser having produced to the 1st Vendor; or (ii) the Stock Exchange having accepted the issue of, written shareholder's certificates provided by City Apex and Cinderella in lieu of Cinderella and 1010 PGL holding a general meeting for approval of the transactions contemplated under the Share Transfer Agreement;

(e) Change of Control on Completion

The occurrence of the following events:

- (i) two of the current directors named in the Share Transfer Agreement have resigned as directors of the APOL and the four persons named in the Share Transfer Agreement have been appointed as directors of APOL;
- (ii) a resolution of the board of directors of APOL is passed approving the registration of the transfer of the Sale Shares to the Purchaser or their nominee(s) upon due presentation;
- (iii) APOL has revoked or varied the existing authorities in respect of the operation of its bank accounts and replace or supplement them with such mandate(s) as provided in the Share Transfer Agreement or as the Purchaser required.

If the documents required to be delivered on Completion are not forthcoming for any reason or if in the Completion obligations of the Parties and/or the conditions precedents to Completion are not fully complied with or waived, the Purchaser or the Vendors (as the case may be), shall be entitled (in addition to and without prejudice to any other rights or remedies available to it) to (i) elect to rescind the Share Transfer Agreement; or (ii) effect Completion so far as practicable having regard to the defaults which have occurred; or

(iii) fix a new date for Completion (not being more than 28 days after the agreed date for Completion).

If the Share Transfer Agreement is rescinded as mentioned above, the deposit of HK\$20 million shall be returned to the Purchaser within 14 days from the date of a written notice of rescission given by the Purchaser.

**Guarantee:** 1010 PGL, as guarantor of the Purchaser, guarantees to pay all the payments payable by the Purchaser under the Share Transfer Agreement as a primary obligor.

**Completion:** Completion shall take place on the Completion Date which is expected to be on 28 December 2012.

**Subsequent Completion:** Subsequent Completion shall take place on the Subsequent Completion Date which is expected to be on 28 December 2013.

## **INFORMATION ON APOL**

APOL is a print management company incorporated in Hong Kong in 1978 and is wholly owned by the Vendors. It is principally engaged in the business of printing, binding, colour separation and other printed and non-printed books, magazines and other printed material. It is one of the world's largest book print management companies. Through APOI, its exclusive worldwide sales agent with offices in key publishing centres, APOL obtains business from international publishers and appoints printing subcontractors in China to fulfil the orders. APOL is responsible for all finance, procurement and quality control functions related to the orders.

The management team of APOL has substantial experience in the printing service business. Five of the Vendors are senior executives of APOL, four of which will continue to serve APOL after the Completion.

APOL has a large customer base of international book publishers. APOL has appointed APOI, a company controlled by Mr. Clarke, as its agent for the overseas sales and marketing function.

### **Master Agency Agreement and Non Competition Deed**

As at the date of the Share Transfer Agreement, APOL has entered into a new Master Agency Agreement with APOI and Mr. Clarke. Mr. Clarke has over 20 years of experience in book printing management business. APOI shall continue to act as APOL's exclusive marketing agent to solicit orders and promote the business of APOL in the European Union, North America, Central America, South America and Australia. Mr. Clarke has also executed the Non Competition Deed in favour of APOL under which he is bound by a set of non-competition covenants during the term of the Master Agency Agreement. The said covenants shall extend for a period of 12 months after the termination of the Master Agency Agreement under certain circumstances.

The unaudited consolidated net profits of APOL before and after taxation and

extraordinary items for the two financial years immediately preceding the Acquisition are as follows:

For the year ended	Unaudited Consolidated Net Profit of APOL	
	Before taxation and Extraordinary Items (HK\$'000)	After Taxation and Extraordinary Items (HK\$'000)
31 December 2010	25,354	24,326
31 December 2011	48,425	40,463

According to the unaudited and management accounts of APOL prepared under generally accepted accounting principles of Hong Kong, the unaudited consolidated profit before and after taxation for the nine months ended 30 September 2012 were approximately HK\$33.9 million and HK\$28.5 million respectively, and the unaudited net assets of APOL as at 30 September 2012 was approximately HK\$122.5 million.

### **REASONS FOR AND BENEFITS OF THE ACQUISITION**

1010 PGL Group is currently engaged in the provision of printing services to international book publishers, trade, professional and educational publishing conglomerates and print media companies. APOL is currently engaged in the business of printing, binding, colour separation and other printed and non-printed books, magazines and other printed material. Thus the Group is of the view that the Acquisition allows the Group to broaden its customer base and strengthen its purchasing power.

1010 PGL Group's established customer network is mainly in the United States, Australia and the United Kingdom. APOL has a large customer base with the majority of them based in the Europe and the United States which the Group has not previously been able to access. The Group therefore expects the Acquisition would broaden its clientele base.

Further, the Group believes the APOL agency arrangement with APOI is beneficial for the business development of APOL and believes that the orders obtained or solicited by APOI and other sub-agents appointed are of great commercial value.

### **LISTING RULES IMPLICATION**

As at the date of this announcement, City Apex is directly interested in approximately 54.33% of the entire issued share capital of Cinderella, which in turn is indirectly interested in approximately 59.98% of 1010 PGL.

As the applicable percentage ratios in respect of the Acquisition are more than 25% but less than 100%, the Acquisition constitutes a major transaction for each of Cinderella and 1010 PGL under Chapter 14 of the Listing Rules and is thus subject to the announcement, reporting and the approval of Cinderella Shareholders and the approval of 1010 PGL Shareholders respectively.





"1010 PGL Director(s)"	the director(s) of 1010 PGL
"1010 PGL Group"	1010 PGL and its subsidiaries
"1010 PGL Shareholders"	holders of share(s) of 1010 PGL
"1010 PGL Share(s)"	ordinary share(s) of HK\$0.01 each in the share capital of 1010 PGL
"1st Post Completion Payment"	part of the Consideration, in the maximum sum of HK\$28 million subject to post completion downward adjustment
"1st Vendor"	the Vendor who shall receive the payment of Consideration in accordance with the Share Transfer Agreement and subject to adjustment as expressed therein, for himself and on behalf of the other eight (8) Vendors
"2nd Post Completion Payment"	part of the Consideration, in the maximum sum of HK\$32 million subject to post completion downward adjustment
"2012 Accounts"	the audited consolidated balance sheet of APOL made up as at 31 December 2012 and the audited consolidated (if applicable) profit and loss account of APOL for the year ended on 31 December 2012
"Acquisition"	the Acquisition of the Sale Shares by the Purchaser from the Vendor pursuant to the Share Transfer Agreement
"APOI"	Asia Pacific Offset, Inc., a corporation organized under the laws of the District of Columbia, the United States of America
"APOL "	Asia Pacific Offset Limited, a private company incorporated in Hong Kong with limited liability
"APOL Net Asset Value"	the amount of the net tangible assets value of APOL as shown in the 2012 Accounts
"associates"	has the meaning ascribed to it under the Listing Rules
"Cinderella"	Cinderella Media Group Limited, a company continued in the Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code : 550)
"Cinderella Director(s)"	the director(s) of Cinderella
"Cinderella Shareholders"	holders of share(s) of Cinderella

"Cinderella Share(s)"	ordinary share(s) of HK\$0.2 each in the share capital of Cinderella
"City Apex"	City Apex Limited, a company incorporated under the laws of the British Virgin Islands, a controlling shareholder of Cinderella
"Completion"	completion of the sale and purchase of the Initial Sale Shares under the Share Transfer Agreement
"Completion Date"	28 December 2012 or such other date as the Parties may agree in writing
"Consideration"	the amount of consideration for the sale and purchase of Sale Shares
"Group"	Cinderella and its subsidiaries (including 1010 PGL)
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Parties"	a Party and, if applicable, the ultimate beneficial owner of the Party who is not fallen into the definition of connected persons of Cinderella and 1010 PGL under Chapter 14A of the Listing Rules and independent of the connected persons of Cinderella and 1010 PGL and their associates
"Initial Sale Shares"	a total of 140,000 shares in APOL legally and beneficially owned by the Vendors (except the 9th Vendor) representing about 93.33% of the issued share capital in and of APOL
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Mr. Clarke"	Mr. Andrew Warnock Clarke, one of the Vendors who effectively controls APOI
"Master Agency Agreement"	a master agency agreement entered into amongst APOL, Mr. Clarke and APOI on 12 December 2012
"Non Competition Deed"	a non competition deed executed by Mr. Clarke in favour of APOL on 12 December 2012
"Parties"	parties to the Share Transfer Agreement, i.e. the Vendors, the Purchaser and the Guarantor and their respective successors and permitted assigns and APOL and "Party" shall mean any of them

"Post Completion Payments"	the 1st Post Completion Payments and the 2nd Post Completion Payments
"Purchaser"	Investor Vantage Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly owned subsidiary of 1010 PGL
"Sale Shares"	Initial Sale Shares and Subsequent Sale Shares, i.e. 150,000 ordinary shares of HK\$1 each in the share capital of APOL, representing its entire issued share capital
"Share Transfer Agreement"	the share transfer agreement entered into between the Vendors and the Purchaser on 12 December 2012
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subsequent Completion"	completion of the sale and purchase of the Subsequent Sale Shares under the Share Transfer Agreement
"Subsequent Completion Date"	28 December 2013 or such other date as the Parties may agree in writing
"Subsequent Sale Shares"	10,000 ordinary shares of HK\$1 each in the share capital of APOL legally and beneficially owned by Mr. Clarke, representing around 6.67% of issued share capital in and of APOL
"Vendors"	the vendors of the Sale Shares
"%"	per cent.

By order of the Board  
**Cinderella Media Group Limited**  
Lam Mei Lan  
Executive Director

By order of the Board  
**1010 Printing Group Limited**  
Lau Chuk Kin  
Executive Director

Hong Kong, 12 December 2012

*As at the date of this announcement, the board of Cinderella comprises Mr. Lau Chuk Kin and Ms. Lam Mei Lan as executive directors, Mr. Wan Siu Kau, Mr. Lee Ching Ming, Adrian and Mr. Peter Stavros Patapios Christofis as non-executive directors and Mrs. Ling Lee Ching Man, Eleanor, Mr. Cheng Ping Kuen, Franco and Mr. Ho David as independent non-executive directors.*

*As at the date of this announcement, the board of 1010 PGL comprises Mr. Yang Sze Chen, Peter, Mr. Lau Chuk Kin, Ms. Choi Ching Kam, Dora and Mr. Lam Wing Yip as executive directors; Mr. Yeung Ka Sing, Prof. Lee Hau Leung, Mr. Tsui King Chung, David and Dr. Ng Lai Man, Carmen as independent non-executive directors.*

\* For identification purpose only