

**CHINA 33 MEDIA GROUP LTD:
A FAST RIDE ON A CHINA TRAIN**

An aspect of the latest company to seek a listing on The Stock Exchange of Hongkong Ltd is that, throughout its 34-month, track-record period, ended October 31, 2010, the Ultimate Holding Company had been lending it very material sums of money, all of which was unsecured, interest-free and with no fixed term of repayment.

China 33 Media Group Ltd () (Code: 8087, The Growth Enterprise Market of The Stock Exchange of Hongkong Ltd), the company that disseminated its Placing Prospectus last Tuesday (February 22, 2011), will, today, make an announcement in respect of the Placing Price for some 162 million, \$US0.001 Shares, of which, 150 million are New Shares and 12 million are those Shares to be sold by existing shareholders, who want to cash out at the time of listing.

At Page 248 of the Placing Prospectus, it is stated that Lizhong Ltd (I), formerly known as Ever Grow Ltd (), a company, domiciled in the Cayman Islands, is the lender of not less than 62 million renminbi per annum for the 2008 Financial Year and the 2009 Financial Year and for the 10 months, ended October 31, 2010, to China 33, Media Group Ltd.

Lizhong Ltd is beneficially owned as to 47.32 percent by Mr Lin Pin Tong (), an Executive Director and one of the Controlling Shareholders of China 33 Media Group Ltd, 47.32 percent by Mr Ruan De Qing (), an Executive Director and one of the Controlling Shareholders of China 33 Media Group Ltd, and 5.36 percent by Mr Han Wen Qian (), an Executive Director of China 33 Media Group Ltd.

The importance of this intelligence is that, since the loans, afforded to China 33 Media Group Ltd by Lizhong Ltd were interest-free, the Company did not have to service any debt, throughout the track-record period.

Thus, the Bottom Lines for the 2 Financial Years, 2008 and 2009, and for the 10-month period, ended October 31, 2010, being the track-record period, is a little distorted by the interest-free loans, thanks to the benevolence of the 3 Executive Directors.

The following detail of the loans is lifted from the Placing Prospectus at Page 248 and is self-explanatory:

'AMOUNTS DUE TO AND DUE FROM DIRECTORS AND ULTIMATE HOLDING COMPANY

'The following table sets forth the particulars of the amount due to and due from directors and ultimate holding company as of 31 December 2008 and 2009 and 31 October 2010:—

	<i><u>As of 31 December 31</u></i>		<i><u>As of</u></i>
	<i><u>2008</u></i>	<i><u>2009</u></i>	<i><u>October</u></i>
	<i><u>RMB'000</u></i>	<i><u>RMB'000</u></i>	<i><u>2010</u></i>
			<i><u>RMB'000</u></i>
<i>Due from:</i>			
<i>Mr. RUAN.....</i>	69	1,014	892
<i>Mr. LIN.....</i>	—	976	873

Mr. HAN Wenqian	<u> — </u>	<u> 15 </u>	<u> — </u>
	<u> 69 </u>	<u> 2,005 </u>	<u> 1,765 </u>
Due to:			
Mr. RUAN	1,563	1,340	940
Mr. LIN	556	544	520
Lizhong	<u> 62,427 </u>	<u> 62,398 </u>	<u> 63,827 </u>
	<u> 64,546 </u>	<u> 64,282 </u>	<u> 65,287 </u>

‘The amount due to Lizhong includes net cash received from Lizhong during the Track Record Period. The above amount is unsecured, interest-free and has no fixed term of repayment. As of the Latest Practicable Date, the balance of net amount due to Directors amounted to approximately RMB0.7 million, which will be fully settled upon Listing and the balance of the amount due to ultimate holding company of approximately RMB52.9 million will be fully settled upon Listing, of which approximately RMB17.1 million shall be settled by way of offsetting against the same amount of outstanding balance due from Lizhong upon Listing, and RMB34.5 million by repayment using part of the proceeds from the Placing payable to us and the remaining approximately RMB1.3 million by repayment using internal resources of our Group upon Listing. Any other outstanding balance between us and our Controlling Shareholder as of the Listing Date, if any, will be settled and repaid upon Listing.

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