浙江浙大網新蘭德科技股份有限公司

ZHEDA LANDE SCITECH LIMITED*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 8106)

(I) PROPOSED ACQUISITION INVOLVING A MAJOR AND CONNECTED TRANSACTION AND (II) PROPOSED CONTINUING CONNECTED TRANSACTIONS

Financial adviser to the Company

光大證券

EBS INTERNATIONAL

China Everbright Capital Limited

(I) PROPOSED ACQUISITION INVOLVING A MAJOR AND CONNECTED TRANSACTION

The Board is pleased to announce that on 14 November 2013, the Company (as purchaser) entered into the Equity Transfer Agreement with Shanghai Aifusheng (as vendor), pursuant to which the Company conditionally agreed to purchase, and Shanghai Aifusheng conditionally agreed to sell, the Target Equity, being 75% of the registered capital in Hangzhou Saijing and all rights and obligations attached thereto, for the consideration of the lower of RMB45,000,000 (equivalent to approximately HK$57,150,000) or 75% of the appraised value of Hangzhou Saijing to be set out in the Valuation Report (subject to adjustment).

As at the date of this announcement, the Company does not own any interest in Hangzhou Saijing. Immediately after the Completion, the Company will own 75% equity interests in Hangzhou Saijing.

Shanghai Aifusheng is owned by Mr. Chen Ping, the chairman of the Company, an executive Director and a substantial Shareholder, and an associate of Mr. Chen Ping as to 90% and 10%, respectively, and thus an associate of Mr. Chen Ping and a connected person of the Company. As such, the Equity Transfer Agreement and the transactions contemplated thereunder constitute a connected transaction of the Company under Chapter 20 of the GEM Listing Rules. As one or more of the applicable percentage ratios as defined in the GEM Listing Rules exceed(s) 25% but less than 100%, the Equity Transfer Agreement and the transactions contemplated thereunder also constitute a major transaction of the Company under Chapter 19 of the GEM Listing Rules. The Equity Transfer Agreement and the transactions contemplated thereunder are subject to reporting, announcement and Independent Shareholders' approval requirements under the GEM Listing Rules.

(II) PROPOSED CONTINUING CONNECTED TRANSACTIONS

Shanghai Trasin is a wholly-owned subsidiary of Shanghai Aifusheng, which is in turn owned by Mr. Chen Ping, the chairman of the Company, an executive Director and a substantial Shareholder, and an associate of Mr. Chen Ping as to 90% and 10% respectively. Therefore it is an associate of Mr. Chen Ping and a connected person of the Company. Immediately following the Completion, Hangzhou Saijing will become a 75% owned subsidiary of the Company. Certain existing continuing and recurring transactions between Hangzhou Saijing and Shanghai Trasin will constitute continuing connected transactions of the Company under the GEM Listing Rules. Particulars of such Continuing Connected Transactions (including the transactions as contemplated under the Supplemental Telecom Products Cooperation Agreement and the Supplemental Musical Products Cooperation Agreement) are set out in the section headed "Proposed Continuing Connected Transactions" in this announcement.

Since the Supplemental Telecom Products Cooperation Agreement and the Supplemental Musical Products Cooperation Agreement involve transactions of similar nature and the parties to each of the two agreements are the same, the transactions as contemplated under the Supplemental Telecom Products Cooperation Agreement and the Supplemental Musical Products Cooperation Agreement are aggregated pursuant to Rule 20.25 of the GEM Listing Rules. As the relevant applicable percentage ratio(s) calculated pursuant to Rule 19.07 of the GEM Listing Rules in respect of the proposed annual caps under the Supplemental Telecom Products Cooperation Agreement and the Supplemental Musical Products Cooperation Agreement on an aggregated basis exceed(s) 5%, the respective transactions under the Supplemental Telecom Products Cooperation Agreement and the Supplemental Musical Products Cooperation Agreement are subject to reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

(III) GENERAL

(A) EGM

The Company will convene the EGM in accordance with the PRC law, the Articles of Association and the GEM Listing Rules for the purposes of, among other things, seeking the Independent Shareholders' approval on the Equity Transfer Agreement, the transactions contemplated thereunder and the Continuing Connected Transactions (together with the proposed annual caps under each of the Supplemental Telecom Products Cooperation Agreement and the Supplemental Musical Products Cooperation Agreement).

Since Mr. Chen Ping is a connected person of the Company and has material interests in the Equity Transfer Agreement, the transactions contemplated thereunder and the Continuing Connected Transactions, he and his associates are required to abstain from voting on the relevant resolutions at the EGM.

(B) Independent Board Committee and Independent Financial Adviser

The Independent Board Committee comprising all independent non-executive Directors has been formed to advise the Independent Shareholders on the resolutions to approve the Equity Transfer Agreement, the transactions contemplated thereunder and the Continuing Connected Transactions in accordance with the GEM Listing Rules.

An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of the Equity Transfer Agreement, the transactions contemplated thereunder and the Continuing Connected Transactions.

(C) Despatch of Circular

A circular containing, among other things, further details of the Equity Transfer Agreement, the transactions contemplated thereunder and the Continuing Connected Transactions, a letter of recommendation from the Independent Board Committee to the Independent Shareholders, a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders and other information as required under the GEM Listing Rules will be despatched to the Shareholders on or before 5 December 2013.

Completion of the Equity Transfer Agreement is conditional upon fulfillment of certain conditions precedent and the Completion may or may not proceed. Shareholders and potential investors of the Company are therefore advised to exercise caution when dealing in the securities of the Company.

(I) PROPOSED ACQUISITION INVOLVING A MAJOR AND CONNECTED TRANSACTION

The Board is pleased to announce that on 14 November 2013, the Company (as purchaser) entered into the Equity Transfer Agreement with Shanghai Aifusheng (as vendor), pursuant to which the Company conditionally agreed to purchase, and Shanghai Aifusheng conditionally agreed to sell, the Target Equity, being 75% of the registered capital in Hangzhou Saijing and all rights and obligations attached thereto, for the consideration of the lower of RMB45,000,000 (equivalent to approximately HK$57,150,000) or 75% of the appraised value of Hangzhou Saijing to be set out in the Valuation Report (subject to adjustment).

As at the date of this announcement, the Company does not own any interest in Hangzhou Saijing. Immediately after the Completion, the Group will own 75% equity interests in Hangzhou Saijing.

(A) The Equity Transfer Agreement

Date: 14 November 2013

Parties:

(1) The Company (as purchaser); and

(2) Shanghai Aifusheng (as vendor)

As at the date of this announcement, Shanghai Aifusheng is owned by Mr. Chen Ping, the chairman of the Company, an executive Director and a substantial Shareholder, and an associate of Mr. Chen Ping as to 90% and 10%, respectively. Therefore, it is an associate of Mr. Chen Ping and a connected person of the Company.

Assets to be acquired: The Target Equity, being 75% of the registered capital in Hangzhou Saijing and all rights and obligations attached thereto.

Consideration: The consideration for the acquisition of the Target Equity is the lower of RMB45,000,000 (equivalent to approximately HK$57,150,000) or 75% of the appraised value of Hangzhou Saijing to be set out in the Valuation Report (subject to adjustment), which was determined after arm's length negotiations between the Company and Shanghai Aifusheng after taking into account of (i) the past and existing financial performance of the business operations in relation to the Telecom Products (as defined below) and Musical Products (as defined below) conducted by Shanghai Trasin; (ii) the expected revenue to be generated by Hangzhou Saijing under the Supplemental Telecom Products Cooperation Agreement and the Supplemental Musical Products Cooperation Agreement; and (iii) the 2014 Guaranteed Profit. The final consideration is subject to downward adjustment depending on the 2014 Actual Profit, details of which are set out in the item "Profit guarantee" below.

Payment:	The consideration for the acquisition of the Target Equity payable by the Company to Shanghai Aifusheng will be funded by internal resources and shall be paid in two cash instalments as follows: (i) 75% of the consideration shall be paid by the Company to a designated bank account of Shanghai Aifusheng within five (5) Business Days from the registration date of the transfer of the Target Equity at the competent PRC administration for industry and commerce (provided that the Valuation Report shall have been issued); and (ii) the remaining balance of the consideration (subject to adjustment as detailed in the item "Profit guarantee" below) shall be paid by the Company to the designated account of Shanghai Aifusheng within five (5) Business Days from the issuance date of the 2014 Annual Accounts.
Profit guarantee:	Shanghai Aifusheng has undertaken to the Company that: if the 2014 Actual Profit is less than the 2014 Guaranteed Profit, the consideration shall be adjusted downward and the final consideration shall be calculated as follows: Consideration for the acquisition of the Target Equity x (2014 Actual Profit/2014 Guaranteed Profit). If the final consideration is less than the first instalment of the consideration, the Company shall not be required to pay the second instalment of the consideration and at the same time, Shanghai Aifusheng shall be required to pay to a designed account of the Company with an amount equivalent to the difference between the first instalment and the final consideration within five (5) Business Days from the issuance date of the 2014 Annual Accounts.
Conditions precedent:	The effectiveness of the Equity Transfer Agreement is conditional upon the fulfillment of the following Conditions Precedent: (i) the Independent Shareholders having passed the relevant resolutions at the EGM approving the Equity Transfer Agreement and all transactions contemplated thereunder;

(ii) all requisite filings or registrations having been made with, and all requisite authorisations, approvals, consents and permission have been obtained from all applicable governmental authorities in the PRC or other third parties (including but not limited to the Stock Exchange and the SFC) in connection with the execution and performance of the Equity Transfer Agreement and any transaction contemplated thereunder (including but not limited to the acquisition of the Target Equity); and

(iii) the respective agreements supplemental to the cooperation agreements in respect of the Telecom Products (as defined below) and the Musical Products (as defined below) entered into between Hangzhou Saijing and Shanghai Trasin were duly signed and become effective.

Neither party shall have any claim against the other if any of the above Conditions Precedent cannot be fulfilled and thus the Equity Transfer Agreement does not become effective not owing to the fault of either parties.

The Completion is conditional upon the fulfillment of the following Conditions Precedent:

(iv) the Equity Transfer Agreement having become effective;

(v) the completion of the due diligence review carried out by the Company on the assets, business operations, financial situation, prospects and other matters of Hangzhou Saijing, and the results of which are satisfactory to the Company;

(vi) each of the warranties given by Shanghai Aifusheng in the Equity Transfer Agreement being true, accurate and complete in every respect as at the Completion Date; and

(vii) no matter or event which, if occurred, would have material adverse effect on the business, prospects, operational standing, financial situation and other matters of Hangzhou Saijing.

The Company may at any time waive any of the Conditions Precedent (except Condition Precedent (iv) above). Currently, the Company has no intention to waive any of the Conditions Precedent.

If any of Conditions Precedent (iv) to (vii) is not fulfilled or waived on or before 30 June 2014, save for the clauses in relation to breaches, force majeure and dispute resolution, the Equity Transfer Agreement shall terminate automatically, and the parties shall be released from all obligations under the Equity Transfer Agreement and neither party shall have any claim against the other for any costs or losses save in respect of any antecedent breaches of the Equity Transfer Agreement.

Completion: Completion shall take place on the fifth (5th) Business Day after the fulfilment or waiver (as the case maybe) of all Conditions Precedent, or such other day as the parties to the Equity Transfer Agreement may agree.

Immediately following the Completion, Hangzhou Saijing will become a 75% subsidiary of the Company and its financial results will be consolidated into the financial statements of the Group.

(B) Information on Hangzhou Saijing, Shanghai Trasin, Shanghai Aifusheng and the Company

(i) Hangzhou Saijing

Hangzhou Saijing is a limited liability company incorporated in the PRC in September 2013. As at the date of this announcement, Hangzhou Saijing has a registered capital of RMB6,000,000. It is a wholly-owned subsidiary of Shanghai Aifusheng which is in turn owned as to 90% by Mr. Chen Ping, the chairman of the Company, an executive Director and a substantial Shareholder, and owned as to 10% by an associate of Mr. Chen Ping. Immediately following the Completion, Hangzhou Saijing will become a 75% subsidiary of the Company.

Hangzhou Saijing is principally engaged in webpage design and production; technology development, technical service, technology consultation and transfer of achievements in relation to computer software and hardware, telecommunication facilities, telecommunication products and electronic products; computer system integration; and retail and whole sale of computer software and hardware, telecommunication facilities, telecommunication products and electronic products.

On 30 September 2013, Hangzhou Saijing and Shanghai Trasin entered into two cooperation agreements whereby the parties agreed to cooperate in operating business in relation to Telecom Products (as defined below) and Musical Products (as defined below), respectively. As at the date of this announcement, no transaction has been carried out under the said two cooperation agreements.

The unaudited total assets and net assets of Hangzhou Saijing as at 30 September 2013 amount to approximately RMB6,000,000 and RMB6,000,000, respectively.

(ii) Shanghai Trasin

Shanghai Trasin is a limited liability company incorporated in the PRC. Shanghai Trasin is a wholly-owned subsidiary of Shanghai Aifusheng, which is in turn owned as to 90% by Mr. Chen Ping, the chairman of the Company, an executive Director and a substantial Shareholder, and owned as to 10% by an associate of Mr. Chen Ping. It is principally engaged in technology development, technical service, technology consultation, transfer of technology in relation to the specialized areas of computer software and network technology; retail and whole sale of computer and related accessories, telecommunication facilities, telecommunication products and electronic products; call-centre business (a kind of value-added telecommunication service); information service business (exclusive of fixed network telephone information service and internet information service); and musical and entertainment products, animation and comics products business via information network.

(iii) Shanghai Aifusheng

Shanghai Aifusheng is a limited liability company incorporated in the PRC and is principally engaged in computer technology service; development of computer network technology; technology consultation and service; sales of computer and relevant accessories, telecommunication facilities and related products, electronic products; and commercial information consultation service (exclusive of broker service).

As at the date of this announcement, Shanghai Aifusheng is owned by Mr. Chen Ping, the chairman of the Company, an executive Director and a substantial Shareholder, and an associate of Mr. Chen Ping as to 90% and 10%, respectively.

(iv) The Company

The Company is a joint stock limited liability company incorporated in the PRC, whose H Shares are listed on the GEM. The Company is principally engaged in the provision of telecommunication solutions, trading of hardware and computer software, provision of telecommunication value-added services and investment holding.

(C) Implications under the GEM Listing Rules

Shanghai Aifusheng is owned by Mr. Chen Ping, the chairman of the Company, an executive Director and a substantial Shareholder, and an associate of Mr. Chen Ping as to 90% and 10%, respectively. Therefore, it is an associate of Mr. Chen Ping and a connected person of the Company for the purposes of the GEM Listing Rules. As such, the Equity Transfer Agreement and the transactions contemplated thereunder constitute a connected transaction of the Company under Chapter 20 of the GEM Listing Rules. Since one or more of the applicable percentage ratios as defined in the GEM Listing Rules exceed(s) 25% but less than 100%, the Equity Transfer Agreement and the transactions contemplated thereunder also constitute a major transaction of the Company under Chapter 19 of the GEM Listing Rules. The Equity Transfer Agreement and the transactions contemplated thereunder are subject to reporting, announcement and Independent Shareholders' approval requirements under the GEM Listing Rules.

The Company will convene the EGM to approve the Equity Transfer Agreement and the transactions contemplated thereunder and will despatch a circular containing, among other things, further details of the Equity Transfer Agreement and the transactions contemplated thereunder, to the Shareholders in accordance with the requirements of the GEM Listing Rules. For further details, please refer to the sections headed "(III) General Information – (A) EGM" and "(III) General Information – (C) Despatch of Circular" below.

(D) Reasons for and Benefits of the Equity Transfer Agreement

Based on the Company's development and transformation plan in the mobile internet industry and the operators' application services industry, the Company intends to acquire Hangzhou Saijing to boarden its source of revenue. Though Hangzhou Saijing was only established in September 2013, it has a relatively mature business operation with its experienced personnel from Shanghai Aifusheng and secured long-term business cooperation with Shanghai Trasin through two business cooperation agreements. Further, with the considerable market size of Hangzhou Saijing, the Company may materialize its development plan through the acquisition of the Target Equity. The Directors believe that the technical strength and management experience of Hangzhou Saijing will help the Company in business integration and enable penetration into the market with reduced risk and associated costs. Furthermore, pursuant to the respective provisions in the Supplemental Telecom Products Cooperation Agreement and the Supplemental Musical Products Cooperation Agreement entered into between Hangzhou Saijing and Shanghai Trasin, Shanghai Trasin has no right to terminate either of the agreements unilaterally. Under the said two agreements, the Company may share the commercial advantages enjoyed by Shanghai Trasin through its licenses for engaging in value-added telecommunication business regarding the Telecom Products (as defined below) and the Musical Products (as defined below) and further increase its revenue. Therefore, with such commercial advantages, the Company considers that the Equity Transfer Agreement and the transactions contemplated thereunder are beneficial and in the interests of the Company and the Shareholders as a whole.

(II) PROPOSED CONTINUING CONNECTED TRANSACTIONS

On 30 September 2013, Hangzhou Saijing and Shanghai Trasin, a wholly-owned subsidiary of Shanghai Aifusheng, entered into two cooperation agreements whereby the parties agreed to cooperate in operating business in relation to Telecom Products (as defined below) and Musical Products (as defined below), respectively. As at the date of this announcement, no transaction has been carried out under the said two cooperation agreements.

As Shanghai Trasin is a wholly-owned subsidiary of Shanghai Aifusheng, which is in turn owned as to 90% by Mr. Chen Ping, the chairman of the Company, an executive Director and a substantial Shareholder, and owned as to 10% by an associate of Mr. Chen Ping, it is an associate of Mr. Chen Ping and a connected person of the Company. Immediately following the Completion, Hangzhou Saijing will become a 75% owned subsidiary of the Company. Therefore, any continuing and recurring transactions between Hangzhou Saijing and Shanghai Trasin will constitute continuing connected transactions of the Company under the GEM Listing Rules.

In view of the aforesaid and in order to comply with the relevant requirements under Chapter 20 of the GEM Listing Rules, Hangzhou Saijing and Shanghai Trasin entered into the Supplemental Telecom Products Cooperation Agreement and the Supplemental Musical Products Cooperation Agreement, details of which are set out as follows:

(A) The Supplemental Telecom Products Cooperation Agreement

Date: 14 November 2013

Parties:
(1) Hangzhou Saijing; and

(2) Shanghai Trasin

Term: The initial term of the Supplemental Telecom Products Cooperation Agreement is three (3) years from the effective date of the Supplemental Telecom Products Cooperation Agreement, unless terminated earlier in accordance with the terms of the Supplemental Telecom Products Cooperation Agreement.

Upon expiry of the initial term or subsequent renewal term, the Supplemental Telecom Products Cooperation Agreement will be automatically renewed for a successive period of three (3) years subject to the following conditions:

(i) the parties having agreed on the then proposed annual caps of the Supplemental Telecom Products Cooperation Agreement;

(ii) the Company's compliance with the relevant requirements of the GEM Listing Rules, the Articles of Association and any applicable laws and regulations, which include the obtaining of the Independent Shareholders' approval of such renewal and the then proposed annual caps in the general meeting/class meeting (if necessary); and

(iii) implementations or fulfillments of procedures, requirements or conditions under any other applicable laws, rules or regulations (including but not limited to the GEM Listing Rules).

Cooperation regions: Anhui, Beijing, Gansu, Henan, Hebei, Shaanxi, Liaoning, Heilongjiang, Jiangsu, Inner Mongolia and other PRC regions which the operation of the Telecom Products (as defined below) may expand to (the "**Cooperation Regions (Telecom Products)**").

Particulars of cooperation: Hangzhou Saijing and Shanghai Trasin agreed to cooperate in operating the value-added business, internet and mobile internet services of the communications assistance products and services (the "**Telecom Products**") to be provided to operators under China Telecom among the Cooperation Regions (Telecom Products).

Pursuant to the Supplemental Telecom Products Cooperation Agreement, Hangzhou Saijing shall be responsible for:

(i) the overall market research of the Telecom Products, which covers the collection and analysis of the habits of the late-stage user of the Telecom Products, the differentiated demands from the operators in various provinces, any proposal on the design or improvement of the Telecom Products;

(ii) carrying out research and development works on the Telecom Products, ensuring their proper functioning and providing technical support for subsequent improvement works;

(iii) providing assistance in relation to the queries and statistical works from the back office of the Telecom Products; and

(iv) providing customer service on the Telecom Products on twenty four by seven per week basis.

On the other hand, Shanghai Trasin shall be responsible for:

(i) integrating the onsite channels and resources for the Telecom Products within the Cooperation Regions (Telecom Products), ensuring local access and normal operation of the Telecom Products;

(ii) collecting differentiated informational demands of the Telecom Products from local customers, intermediaries and users, organizing such demands and pass to Hangzhou Saijing to provide a sound basis for the improvement of the Telecom Products; and

(iii) assisting in handling and responding complaints from local users.

Apart from the above, the parties agreed that the Telecom Products and the intellectual property rights of such Telecom Products shall belong to Hangzhou Saijing. Hangzhou Saijing has the rights to conduct onsite operation in other PRC provinces or cities via channels other than those belong to Shanghai Trasin.

The parties also agreed that Hangzhou Saijing does not have relevant qualifications in engaging any value-added telecommunication business regarding the Telecom Products, and any of the said business which requires relevant qualifications shall be operated by Shanghai Trasin.

Shanghai Trasin also agreed that Hangzhou Saijing shall be its exclusive partner, and it will not open its channels or provide any resources regarding any products similar to the Telecom Products to any parties other than Hangzhou Saijing.

Service fees: The total income in respect of the Telecom Products payable by China Telecom (the "**Telecom Products Income**") shall be collected by Shanghai Trasin.

15% of the Telecom Products Income shall be deducted for Shanghai Trasin as its revenue whilst the remaining 85% shall be apportioned as the service fees of Hangzhou Saijing.

Payment terms: Unless otherwise instructed by Hangzhou Saijing, upon receipt of the Telecom Products Income from China Telecom, Shanghai Trasin shall notify Hangzhou Saijing of such receipt within three (3) Business Days. Hangzhou Saijing shall then issue an invoice of its service fees to Shanghai Trasin within three (3) Business Days upon the notification. Thereafter Shanghai Trasin shall transfer the service fees to the bank account designated by Hangzhou Saijing.

Termination: Hangzhou Saijing may terminate the Supplemental Telecom Products Cooperation Agreement by serving a written notice to Shanghai Trasin one month in advance.

On the other hand, Shanghai Trasin has no right to terminate the Supplemental Telecom Products Cooperation Agreement unilaterally, otherwise it will be liable for all relevant losses suffered by Hangzhou Saijing.

Proposed Annual Caps for the Supplemental Telecom Products Cooperation Agreement

Pursuant to the Supplemental Telecom Products Cooperation Agreement, the parties agreed that the service fees attributable to Hangzhou Saijing for each of the three years ending 31 December 2016 shall not exceed the proposed annual caps set out as follows:

	Proposed Annual Caps *(RMB '000)*
For the year ending 31 December 2014	27,000
For the year ending 31 December 2015	32,000
For the year ending 31 December 2016	38,000

Basis of the Proposed Annual Caps for the Supplemental Telecom Products Cooperation Agreement

In determining the proposed annual caps for the Supplemental Telecom Products Cooperation Agreement, the Directors have considered a number of factors including: (i) the trend of the expanding Telecom Products business of Hangzhou Saijing; (ii) the expanded business of the Group after the acquisition of the Target Equity; (iii) historical transaction figures; and (iv) possible changes in the operating channel and methods of the Telecom Products.

(B) The Supplemental Musical Products Cooperation Agreement

Date: 14 November 2013

Parties:

(1) Hangzhou Saijing; and

(2) Shanghai Trasin

Term: The initial term of the Supplemental Musical Products Cooperation Agreement is three (3) years from the effective date of the Supplemental Musical Products Cooperation Agreement, unless terminated earlier in accordance with the terms of the Supplemental Musical Products Cooperation Agreement.

Upon expiry of the initial term or subsequent renewal term, the Supplemental Musical Products Cooperation Agreement will be automatically renewed for a successive period of three (3) years subject to the following conditions:

(i) the parties having agreed on the then proposed annual caps of the Supplemental Musical Products Cooperation Agreement;

(ii) the Company's compliance with the relevant requirements of the GEM Listing Rules, Articles of Association and any applicable laws and regulations, which include the obtaining of the Independent Shareholders' approval of such renewal and the then proposed annual caps in the general meeting/class meeting (if necessary); and

(iii) implementations or fulfillments of procedures, requirements or conditions under any other applicable laws, rules or regulations (including but not limited to the GEM Listing Rules).

Cooperation regions: Anhui, Beijing, Gansu, Henan, Hebei, Shaanxi, Liaoning, Heilongjiang, Jiangsu, Inner Mongolia and other PRC regions which the operation of the Musical Products (as defined below) may expand to (the "**Cooperation Regions (Musical Products)**")

Particulars of cooperation: Hangzhou Saijing and Shanghai Trasin agreed to cooperate in operating the value-added business, internet and mobile-internet products and services of the musical products and services (the "**Musical Products**") to be provided to operators under China Telecom and China Unicom among the Cooperation Regions (Musical Products).

Pursuant to the Supplemental Musical Products Cooperation Agreement, Hangzhou Saijing shall be responsible for:

(i) the overall market research of the Musical Products, which covers the collection and analysis of the habits of the late-stage user of the Musical Products, the differentiated demands from the operators in various provinces, any proposal on the design or improvement of the Musical Products;

(ii) carrying out research and development works on the Musical Products, ensuring their proper functioning and providing technical support for subsequent improvement works;

(iii) providing assistance in relation to the queries and statistical works from the back office of the Musical Products; and

(iv) providing customer service on the Musical Products on twenty four by seven per week basis.

On the other hand, Shanghai Trasin shall be responsible for:

(i) integrating the onsite channels and resources for the Musical Products within the Cooperation Regions (Musical Products), ensuring the local access and normal operation of the Musical Products, conducting the overall planning, improvement, functional adjustment, artistic and graphical perfection works, ensuring local access and normal operation of the Musical Products;

(ii) collecting differentiated informational demands of the Musical Products from local customers, intermediaries and users, organizing such demands and pass to Hangzhou Saijing to provide a sound basis for the improvement of the Musical Products; and

(iii) assisting in handling and responding complaints from local users.

Apart from the above, the parties agreed that the Musical Products and the intellectual property rights of such Musical Products shall belong to Hangzhou Saijing. Hangzhou Saijing has the rights to conduct onsite operation in other PRC provinces or cities via channels other than those belong to Shanghai Trasin.

The parties also agreed that Hangzhou Saijing does not have relevant qualifications in engaging any value-added telecommunication business regarding the Musical Products, and any of the said business which requires relevant qualifications shall be operated by Shanghai Trasin.

Shanghai Trasin also agreed that Hangzhou Saijing shall be its exclusive partner, and it will not open its channels or provide any resources regarding any products similar to the Musical Products to any parties other than Hangzhou Saijing.

Service fees: The total income in respect of the Musical Products payable by China Telecom and China Unicom (the "**Musical Products Income**") shall be collected by Shanghai Trasin.

10% of the Musical Products Income shall be deducted for Shanghai Trasin as its revenue whilst the remaining 90% shall be apportioned as the service fees of Hangzhou Saijing.

Payment terms:	Unless otherwise instructed by Hangzhou Saijing, upon receipt of the Musical Products Income from China Telecom and China Unicom, Shanghai Trasin shall notify Hangzhou Saijing of such receipt within three (3) Business Days. Hangzhou Saijing shall then issue an invoice of its service fees to Shanghai Trasin within three (3) Business Days upon the notification. Thereafter Shanghai Trasin shall transfer the service fees to the bank account designated by Hangzhou Saijing.
Termination:	Hangzhou Saijing may terminate the Supplemental Musical Products Cooperation Agreement by serving a written notice to Shanghai Trasin one month in advance. On the other hand, Shanghai Trasin has no right to terminate the Supplemental Musical Products Cooperation Agreement unilaterally, otherwise it will be liable for all relevant losses suffered by Hangzhou Saijing.

Proposed Annual Caps for the Supplemental Musical Products Cooperation Agreement

Pursuant to the Supplemental Musical Products Cooperation Agreement, the parties agreed that the service fees attributable to Hangzhou Saijing for each of the three years ending 31 December 2016 shall not exceed the proposed annual caps set out as follows:

	Proposed Annual Caps *(RMB '000)*
For the year ending 31 December 2014	11,000
For the year ending 31 December 2015	14,000
For the year ending 31 December 2016	17,000

Basis of the Proposed Annual Caps for the Supplemental Musical Products Cooperation Agreement

In determining the proposed annual caps, the Directors have considered a number of factors including: (i) the trend of the expanding Musical Products business of Hangzhou Saijing; (ii) the expansion of the Group's marketing channels and ability after the acquisition of the Target Equity; (iii) historical financial performance of the operation of the Musical Products conducted by Shanghai Trasin; and (iv) enhancement of the design and functions of the Musical Products in the future.

(C) Implications under the GEM Listing Rules

Shanghai Trasin is a wholly-owned subsidiary of Shanghai Aifusheng, which is in turn owned as to 90% by Mr. Chen Ping, the chairman of the Company, an executive Director and a substantial Shareholder, and owned as to 10% by an associate of Mr. Chen Ping. Therefore, it is an associate of Mr. Chen Ping and a connected person of the Company. Immediately following the Completion, Hangzhou Saijing will become a 75% owned subsidiary of the Company. The transactions as contemplated under each of the Supplemental Telecom Products Cooperation Agreement and the Supplemental Musical Products Cooperation Agreement between Hangzhou Saijing and Shanghai Trasin will become continuing connected transactions of the Company.

Since the Supplemental Telecom Products Cooperation Agreement and the Supplemental Musical Products Cooperation Agreement involve transactions of similar nature and the parties to each of the two agreements are the same, the transactions as contemplated under the Supplemental Telecom Products Cooperation Agreement and the Supplemental Musical Products Cooperation Agreement are aggregated pursuant to Rule 20.25 of the GEM Listing Rules.

As one or more of the applicable percentage ratio(s) calculated pursuant to Rule 19.07 of the GEM Listing Rules in respect of the proposed annual caps under the Supplemental Telecom Products Cooperation Agreement and the Supplemental Musical Products Cooperation Agreement on an aggregated basis exceed(s) 5%, the respective transactions under the Supplemental Telecom Products Cooperation Agreement and the Supplemental Musical Products Cooperation Agreement are subject to reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

The Company will convene the EGM to approve the Continued Connected Transactions and will despatch a circular containing, among other things, further details of the Continued Connected Transactions, to the Shareholders in accordance with the requirements of the GEM Listing Rules. For further details, please refer to the sections headed "(III) General Information – (A) EGM" and "(III) General Information – (C) Despatch of Circular" below.

(D) Reasons for and Benefits of the Continuing Connected Transactions

Prior to the acquisition of the Target Equity, Hangzhou Saijing and Shanghai Trasin have been engaging in certain continuing and recurring transactions in their ordinary and usual course of business and based on arm's length commercial terms. Immediately after the acquisition of the Target Equity, Hangzhou Saijing will become a subsidiary of the Company and such transactions between Hangzhou Saijing and Shanghai Trasin will become continuing connected transactions between the Enlarged Group and Shanghai Trasin. The Continuing Connected Transactions will enable the Enlarged Group to maintain and expand the business relationship with Shanghai Trasin.

Through the cooperation between Hangzhou Saijing and Shanghai Trasin, Hangzhou Saijing can integrate its marketing channels and technical advantages with Shanghai Trasin's operation experiences and market expanding power, thus laying a solid foundation for its future business development. As Hangzhou Saijing and Shanghai Trasin are in connection with their common shareholder, the reliability of the Supplemental Telecom Products Cooperation Agreement and the Supplemental Musical Products Cooperation Agreement is strengthened. This further guarantees the continuing operation of Hangzhou Saijing after the Completion.

In light of the above, the Directors (excluding the independent non-executive Directors who will express their views after considering the advice from the independent financial adviser) believe that the entering into of the Continuing Connected Transactions is in the ordinary and usual course of business of the Enlarged Group, and consider that the terms of each of the Supplemental Telecom Products Cooperation Agreement and the Supplemental Musical Products Cooperation Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

(III) GENERAL INFORMATION

(A) EGM

The Company will convene the EGM in accordance with the PRC law, the Articles of Association and the GEM Listing Rules for the purposes of, among other things, seeking the Independent Shareholders' approval on the Equity Transfer Agreement, the transactions contemplated thereunder and the Continuing Connected Transactions (together with the proposed annual caps under each of the Supplemental Telecom Products Cooperation Agreement and the Supplemental Musical Products Cooperation Agreement).

Since Mr. Chen Ping is a connected person of the Company and has material interests in the Equity Transfer Agreement, the transactions contemplated thereunder and the Continuing Connected Transactions, he and his associates are required to abstain from voting on the relevant resolutions at the EGM.

(B) Independent Board Committee and Independent Financial Adviser

The Independent Board Committee comprising all independent non-executive Directors has been formed to advise the Independent Shareholders on the resolutions to approve the Equity Transfer Agreement, the transactions contemplated thereunder and the Continuing Connected Transactions in accordance with the GEM Listing Rules.

An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of the Equity Transfer Agreement, the transactions contemplated thereunder and the Continuing Connected Transactions.

(C) Despatch of Circular

A circular containing, among other things, further details of the Equity Transfer Agreement, the transactions contemplated thereunder and the Continuing Connected Transactions, a letter of recommendation from the Independent Board Committee to the Independent Shareholders, a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders and other information as required under the GEM Listing Rules will be despatched to the Shareholders on or before 5 December 2013.

Completion of the Equity Transfer Agreement is conditional upon fulfillment of certain conditions precedent and the Completion may or may not proceed. Shareholders and potential investors of the Company are therefore advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

"2014 Actual Profit"	the audited actual net profit of Hangzhou Saijing prepared in accordance with PRC GAAP for the year ending 31 December 2014
"2014 Annual Accounts"	the audited annual accounts of Hangzhou Saijing prepared in accordance with PRC GAAP for the year ending 31 December 2014
"2014 Guaranteed Profit"	the audited net profit of Hangzhou Saijing prepared in accordance with PRC GAAP in the amount of RMB9,400,000 for the year ending 31 December 2014 as undertaken by Shanghai Aifusheng in the Equity Transfer Agreement
"Articles of Association"	the articles of association of the Company, as amended from time to time
"associate(s)"	has the meaning ascribed to it under the GEM Listing Rules
"Board"	the board of Directors
"Business Day"	a day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong are open for business
"China Telecom"	China Telecom Corporation Limited
"China Unicom"	China United Network Communications Group Co., Ltd.

"Company"	Zheda Lande Scitech Limited* (浙江浙大網新蘭德科技股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the H Shares of which are listed on the GEM (Stock code: 8106)
"Completion"	the completion of the Equity Transfer Agreement
"Completion Date"	the date on which the Completion takes place
"Conditions Precedent"	the respective conditions precedent to the effectiveness and the Completion of the Equity Transfer Agreement as set out in the Equity Transfer Agreement
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Continuing Connected Transactions"	the continuing connected transactions between Hangzhou Saijing and Shanghai Trasin as contemplated under the Supplemental Telecom Products Cooperation Agreement and the Supplemental Musical Products Cooperation Agreement
"Director(s)"	the director(s) of the Company
"Domestic Share(s)"	domestic share(s) of nominal value of RMB0.10 each in the share capital of the Company which are subscribed for or credited as paid up in RMB
"EGM"	an extraordinary general meeting to be convened by the Company for the Shareholders to consider and approve, amongst other things, the Equity Transfer Agreement, the transactions contemplated thereunder and the Continuing Connected Transactions
"Enlarged Group"	the Group as enlarged by, or taking into account the impact of, acquisition of the Target Equity in Hangzhou Saijing pursuant to the Equity Transfer Agreement
"Equity Transfer Agreement"	the equity transfer agreement dated 14 November 2013 entered into between the Company and Shanghai Aifusheng in relation to the acquisition of the Target Equity
"GEM"	the Growth Enterprise Market operated by the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on the GEM

"Group"	the Company and its subsidiaries
"H Share(s)"	the overseas listed foreign invested share(s) of nominal value of RMB0.10 each in the share capital of the Company, which are subscribed for and traded in HK$ and are listed on the GEM
"Hangzhou Saijing"	Hanghzou Saijing Technology Co., Ltd.* (杭州賽景科技有限公司), a wholly-owned subsidiary of Shanghai Aifusheng as at the date of this announcement
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	an independent committee of the Board comprising all independent non-executive Directors, namely Mr. Zhang De Xin, Mr. Cai Xiao Fu and Mr. Gu Yu Lin, established for the purpose of advising the Independent Shareholders on the Equity Transfer Agreement, the transactions contemplated thereunder and the Continuing Connected Transactions
"Independent Shareholders"	Shareholders other than (i) Mr. Chen Ping and his associates and (ii) others who are interested or involved in the transactions as contemplated under the Equity Transfer Agreement, the Supplemental Telecom Products Cooperation Agreement and/or the Supplemental Musical Products Cooperation Agreement, and accordingly, not required to abstain from voting at the EGM to be convened to approve, among others, the such transactions
"Independent Third Party(ies)"	third party(ies) who are independent from the Company and its connected persons
"PRC"	the People's Republic of China which, for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan
"PRC GAAP"	the generally accepted accounting principles of the PRC
"RMB"	Renminbi, the lawful currency of the PRC
"SFC"	the Securities and Futures Commission of Hong Kong
"Shanghai Aifusheng"	Shanghai Aifusheng Information Technology Co., Ltd.* (上海艾孚生信息科技有限公司), a limited liability company incorporated in the PRC which is owned by Mr. Chen Ping and an associate of Mr. Chen Ping as to 90% and 10%, respectively

"Shanghai Trasin"	Shanghai Trasin Information Technology Co., Ltd.* (上海洲信信息技術有限公司), a limited liability company incorporated in the PRC
"Shares"	the Domestic Shares and H shares
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
"Supplemental Musical Products Cooperation Agreement"	the agreement supplemental to the musical products cooperation agreement dated 14 November 2013 entered into between Hangzhou Saijing and Shanghai Trasin, pursuant to which the parties agreed to cooperate in the operation of the Musical Products and apportion the revenue generated therefrom
"Supplemental Telecom Products Cooperation Agreement"	the agreement supplemental to the telecom products cooperation agreement dated 14 November 2013 entered into between Hangzhou Saijing and Shanghai Trasin, pursuant to which the parties agreed to cooperate in the operation of the Telecom Products and apportion the revenue generated therefrom
"Target Equity"	75% of the registered capital in Hangzhou Saijing and all rights and obligations attached thereto
"Valuation Report"	the valuation report on Hangzhou Saijing as of 30 September 2013 to be prepared by a qualified valuer which is an Independent Third Party to the Company and Shanghai Aifusheng
"%"	per cent.

For the purpose of this announcement, unless otherwise indicated, the conversion of RMB into HK$ is based on the exchange rate of RMB1.00 = HK$1.27. Such rate is for the purpose of illustration only and does not constitute a representation that any amount in question in RMB or HK$ has been or could have been or may be converted at such or another rate or at all.

The English translation of the Chinese names is included for information purposes only and should not be regarded as their official English translation.

By order of the Board
Zheda Lande Scitech Limited*
Chen Ping
Chairman

Hangzhou, the PRC, 14 November 2013

* *For identification purposes only*

As at the date of this announcement, the Board comprises six executive Directors, being Mr. Chen Ping, Mr. Chao Hong Bo, Mr. Xia Zhen Hai, Mr. Xie Fei, Mr. Wang Linhua and Mr. Wang Yong Gui and three independent non-executive Directors, being Mr. Zhang De Xin, Mr. Cai Xiao Fu and Mr. Gu Yu Lin.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (ii) there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page on the GEM website at www.hkgem.com for at least 7 days from the day of its posting and on the website of the Company at www.landpage.com.cn.