

SHANDA INTERACTIVE ENTERTAINMENT LTD
Form SC TO-C
June 08, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE TO
Tender Offer Statement Under Section 14(d)(1) or 13(e)(1) of
the Securities Exchange Act of 1934

HURRAY! HOLDING CO., LTD.
(Name of Subject Company)

SHANDA MUSIC GROUP LIMITED
SHANDA INTERACTIVE ENTERTAINMENT LIMITED
(Names of Filing Persons – Offeror)

AMERICAN DEPOSITARY SHARES, EACH REPRESENTING 100 ORDINARY
SHARES,
PAR VALUE \$0.00005 PER SHARE
(Title of Class of Securities)

447773102
(Cusip Number of Class of Securities)

GRACE WU
CHIEF FINANCIAL OFFICER
SHANDA INTERACTIVE ENTERTAINMENT LIMITED
NO. 1 OFFICE BUILDING
NO. 690 BIBO ROAD
PUDONG NEW AREA
SHANGHAI 201203
PEOPLE'S REPUBLIC OF CHINA
Telephone: +86 21 5050-4740
(Name, Address and Telephone Number of Person Authorized to Receive Notices
and Communications on Behalf of Filing Persons)

Copies to:
James C. Lin, Esq.
Davis Polk & Wardwell
18th Floor, The Hong Kong Club Building
3A Chater Road
Hong Kong
Telephone: (852) 2533-3368

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

third-party tender offer subject to Rule 14d-1.

issuer tender offer subject to Rule 13e-4.

going-private transaction subject to Rule 13e-3.

amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer.

SHANDA TO PURCHASE MAJORITY STAKE IN HURRAY!

Shanghai, China – June 8, 2009 – Shanda Interactive Entertainment Limited (or Shanda) (NASDAQ: SNDA), a leading interactive entertainment media company in China, and Hurray! Holding Co., Ltd. (or Hurray!) (NASDAQ: HRAY), a leader in artist development, music production and wireless music distribution and other wireless value-added services in China, today announced that they have entered into a definitive agreement under which Shanda, through a wholly-owned subsidiary, will commence a tender offer to acquire 51% of the total outstanding ordinary shares of Hurray! on a fully diluted basis (including shares represented by the American Depositary Shares of Hurray! (“ADSs”)) at a price of US\$0.04 per ordinary share (or US\$4.00 per ADS).

The offer price represents an approximately 25% premium over Hurray!’s closing price on NASDAQ on June 5, 2009. The total transaction value is approximately US\$46.2 million.

Completion of the tender offer will be subject to the condition that at least 51% of Hurray!’s outstanding shares, on a fully diluted basis, are tendered in the offer and other customary conditions. If more than 51% of the outstanding shares of Hurray! are tendered in the offer, then the number of shares Shanda will purchase from each tendering shareholder will be reduced on a pro rata basis. The transaction is not subject to any financing conditions. The Board of Directors of Hurray! has unanimously recommended the offer to Hurray!’s shareholders.

Hurray!, a NASDAQ-listed company, is a leader in artist development, music production and offline distribution and also organizes concerts and other music events in China through its affiliated music companies. Hurray! is also a leading online distributor of music and music-related products such as ringtones, ringbacktones, and truetones and other types of wireless value-added services to mobile phone users in China.

Mr. Tianqiao Chen, Chairman of the Board of Shanda said, “We respect the work by Hurray!’s board and management and their efforts in defining Hurray!’s strategies and direction and believe that Shanda’s user base, resources and platform will facilitate the continued execution of these strategies.”

Mr. Qindai Wang, Chairman of the Board of Hurray! said, “We believe that Hurray! and Shanda share a common vision to be leaders in digital entertainment in which the complementary content, distribution platforms and large user base will present both companies with opportunities to achieve synergies going forward.”

About Shanda Interactive Entertainment Limited

Shanda Interactive Entertainment Limited (Nasdaq: SNDA) is a leading interactive entertainment media company in China. Shanda offers a portfolio of diversified entertainment content including some of the most popular massively multi-player online role-playing games (MMORPGs) and casual online games in China, as well as online chess and board games, network PC games and a variety of cartoons, literature works and music. Shanda’s interactive entertainment platform attracts a large and loyal user base. Each user can interact with thousands of other users and enjoy the interactive entertainment content that Shanda provides. Interaction enriches your life. For more information about Shanda, please visit <http://www.snda.com>. For more information on Shanda, please contact Maggie Yun Zhou, IR manager, Vivian Chen, IR manager, Phone: +86-21-5050-4740 (Shanghai), Email: IR@snda.com. Additional information is available at www.snda.com.

About Hurray! Holding Co., Ltd.

Hurray! Holding Co., Ltd. (Nasdaq: HRAY) is a leader in artist development, music production and offline distribution in China through its record labels Huayi Brothers Music, Freeland Music, New Run

Entertainment, Secular Bird and Seed Music Group. The Company, through Fly Songs, also organizes concerts and other music events in China. Hurray is also a leading online distributor of music and music-related products such as ringtones, ringbacktones, and truetones to mobile users in China through the full range of wireless value-added services platforms over mobile networks and through the internet. Hurray also provides a wide range of other wireless value-added services to mobile users in China, including games, pictures and animation, community, and other media and entertainment services. For more information on Hurray, please contact Christina Low, Investor Relations Officer, Phone: +86-10-8455-5532 (Beijing), Email: IR@hurray.com.cn. Additional information is available at www.hurray.com.cn.

NOTICE TO SHAREHOLDERS:

The tender offer described in this announcement has not yet commenced. This announcement is for informational purposes only and does not constitute an offer to purchase or a solicitation of an offer to sell Hurray!'s shares. The tender offer will be made pursuant to a tender offer statement on Schedule TO (including the offer to purchase, letter of transmittal and other related tender offer materials) that will be filed by Shanda with the Securities and Exchange Commission (SEC). In addition, Hurray! will file a related solicitation/recommendation statement on Schedule 14D-9 with the SEC. These materials (when available), and as amended from time to time, will contain important information, including the terms and conditions of the offer, that should be read carefully before any decision is made with respect to the tender offer. Investors and stockholders can obtain a free copy of these materials (when available) and other documents filed by Shanda and Hurray! with the SEC at the website maintained by the SEC at www.sec.gov.

This announcement contains forward-looking statements. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. Statements in this announcement that are not historical facts, including but not limited to statements regarding the purposes of the tender offer and Shanda's ability to commence and complete the tender offer, and potential synergies which may arise if the tender offer is successfully consummated represent only the current expectations, assumptions, estimates and projections of Shanda and Hurray! and are forward-looking statements. These forward-looking statements involve various risks and uncertainties. Important risks and uncertainties that could cause the actual results to be materially different from expectations include but are not limited to Shanda's and Hurray!'s ability to commence and complete the tender offer and the risks set forth in Shanda's and Hurray!'s filings with the U.S. Securities and Exchange Commission, including Shanda's and Hurray!'s annual reports on Form 20-F. Shanda and Hurray! do not undertake any obligation to update any forward-looking statement, except as required under applicable law.
