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## **CHINA DIGITAL CULTURE (GROUP) LIMITED**

**中國數碼文化(集團)有限公司**

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock Code: 8175)**

### **UPDATES IN RESPECT OF A WRIT OF SUMMONS**

**AND**

### **UPDATES ON FURTHER DELAY IN PUBLICATION OF AUDITED RESULTS ANNOUNCEMENT AND DESPATCH OF ANNUAL REPORT**

This announcement is made by China Digital Culture (Group) Limited (the “**Company**”) pursuant to 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of the Hong Kong).

### **UPDATES IN RESPECT OF A WRIT OF SUMMONS RECEIVED BY THE COMPANY**

Reference is made to the announcement of the Company dated 22 April 2020 and the first quarterly report of the Company for the three months ended 31 March 2020 (the “**First Quarterly Report**”) in relation to a writ of summons with statement of claim against the Company. As stated in the First Quarterly Report, on 7 May 2020, the Company received a writ of summons with statement of claim dated 21 April 2020 (the “**Claim Documents**”) issued in the Court of First Instance of the High Court of Hong Kong on 7 May 2020 by the solicitors acting for Hangzhou Liaison Interactive Information Technology Co., Ltd as the plaintiff (the “**Plaintiff**”) against the Company as defendant. Based on the Claim Documents, the Plaintiff is seeking various reliefs against the Company in relation to the early redemption of convertible bonds. As at the date of this announcement, the Company’s auditors is still assessing the financial impacts of the Company and its subsidiaries (the “**Group**”). The board (the “**Board**”) of directors of the Company, after consulting the legal counsel, is not aware of any circumstances that the reliefs against the Company as stated in the Claim Documents would have material impact on the Group’s financial performance and position for the year ended 31 December 2019.

On 21 May 2020, the Company filed an acknowledgement of service of writ of summons indicating that the Company intends to contest the proceedings. The Company has been seeking legal advice and is now preparing and will file a defence to defend the claims.

## **UPDATES ON FURTHER DELAY IN PUBLICATION OF AUDITED RESULTS ANNOUNCEMENT AND DESPATCH OF ANNUAL REPORT**

Reference is also made to the announcement of the Company dated 30 March 2020 in relation to the delay in publication of the announcement for audited consolidated annual results (the “**2019 Audited Results**”) of the Group for the year ended 31 December 2019 and the despatch of annual report (the “**Annual Report**”) of the Group for the year ended 31 December 2019; the unaudited annual results announcement of the Group for the year ended 31 December 2019 dated 31 March 2020 (the “**Preliminary Unaudited Results Announcement**”); and the announcement of the Company dated 13 May 2020 (the “**Further Delay Announcement**”) in relation to the further delay in publication of the 2019 Audited Results and despatch of the Annual Report.

The Board wishes to provide the shareholders of the Company updates on the timetable of the publication of 2019 Audited Results. As of the date of this announcement, the outstanding audit works mainly include the valuation of Dream World Holdings Limited and its subsidiaries (collectively, the “**Dream World Group**”) resulting from delay in completion of construction of its theme parks and complications arising from the outbreak of COVID-19. Since the film-based cultural theme park operating by the Dream World Group is located in Shanghai, the PRC, the valuers need additional time to conduct the valuation on the Dream World Group. The Board expects that it would require approximately two to three weeks to complete the audit procedures.

Based on the latest discussion between the Company and its auditors, it is expected the announcement for the 2019 Audited Results and the Annual Report will be published on or before 22 June 2020. Application has been made to the Stock Exchange for the approval for the delay in publication of the announcement for the 2019 Audited Results and despatch of the Annual Report.

Further announcement(s) will be published in relation to the update(s) on (i) the proceedings regarding the Claim Documents and/or (ii) the timetable of the announcement for the 2019 Audited Results and the Annual Report as soon as practicable to keep the shareholders and potential investors informed.

**Shareholders and potential investors of the Company should exercise caution when they deal or contemplate dealing in the Company’s shares or other securities of the Company.**

By order of the Board  
**China Digital Culture (Group) Limited**  
**Hsu Tung Chi**  
*Chairman*

Hong Kong, 5 June 2020

*As at the date of this announcement, the executive Directors are Mr. Hsu Tung Chi and Ms. Zhang Jing. The independent non-executive Directors are Mr. Kwok Chi Sun, Vincent, Mr. Wong Tak Shing and Mr. Gou Yanlin.*

*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 enquiries, 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 in this announcement misleading.*

*This announcement will remain on GEM website on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and on the website of the Company at <http://www.cdculture.com>.*