CNCG

CHINA NATIONAL CULTURE GROUP LIMITED
中國國家文化產業集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 745)

PROFIT WARNING

This announcement is made by China National Culture Group Limited (the "**Company**" and, together with its subsidiaries, collectively the "**Group**") pursuant to the Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09 of the Listing Rules.

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the preliminary assessment of the Group's latest unaudited management accounts and the information currently available, the Group is expected to record a net loss for the six months ended 30 September 2016. The net loss was mainly attributable to the significant decline in net unrealised gains on financial assets held for trading from approximately HK$622 million for the six months ended 30 June 2015 to approximately HK$25 million for the six months ended 30 June 2016.

The Company is in the process of finalising the interim results of the Group for the six months ended 30 September 2016. The information contained in this announcement is only based on the preliminary review by the Company's management on the unaudited management accounts of the Group for the six months ended 30 September 2016, which has not been reviewed by the audit committee nor the auditors of the Company. Shareholders and potential investors are advised to refer to the details of the Group's financial results for the six months ended 30 September 2016, which is expected to be published before the end of November 2016.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
China National Culture Group Limited
Sun Wei
Director

5 October 2016

As at the date of this announcement, the Board comprises Ms. SUN Wei and Mr. YAN Zhilei as Executive Directors and Mr. LIU Kwong Sang, Ms. WANG Miaojun and Ms. WANG Yujie as Independent Non-Executive Directors.