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*(Provisional Liquidators Appointed)
(For Restructuring Purposes)*

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

(Stock Code: 8228)



CONVOY GLOBAL HOLDINGS LIMITED

康宏環球控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1019)

**PROPOSED PARTIAL SHARE EXCHANGE OFFER
AND
RESUMPTION OF TRADING IN THE SHARES OF
NATIONAL ARTS ENTERTAINMENT AND
CULTURE GROUP LIMITED**

**JOINT MONTHLY UPDATE ANNOUNCEMENT
PURSUANT TO RULE 3.7 OF THE TAKEOVERS CODE**

This announcement is made jointly by National Arts Entertainment and Culture Group Limited (“**National Arts**”) and Convoy Global Holdings Limited (“**Convoy**”) pursuant to Rule 3.7 of the Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”).

Reference is made to the announcements jointly issued by National Arts and Convoy dated 29 July 2020, 28 August 2020, 28 September 2020, 28 October 2020 and 27 November 2020 (the “**Rule 3.7 Announcements**”), the announcements issued by National Arts dated 30 July 2020, 17 August 2020, 21 August 2020, 3 September 2020, 30 October 2020 and 2 December 2020, and the announcements issued by Convoy dated 17 August 2020 and 24 August 2020 in relation to the possible conditional voluntary share exchange offer by National Arts to acquire shares in Convoy. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Rule 3.7 Announcements.

PROGRESS OF THE POSSIBLE OFFER

On 23 November 2020, the GEM Listing Committee upheld the Decision of the Listing Division, which considered the Possible Offer a reverse takeover of National Arts under Rule 19.06B of the GEM Listing Rules and accordingly would treat National Arts as a new listing applicant under Rule 19.54 of the GEM Listing Rules if the Possible Offer were to proceed.

National Arts does not agree with the GEM Listing Committee Decision, and has submitted a formal request on 2 December 2020 for a review of the GEM Listing Committee Decision by the GEM Listing Review Committee.

Nonetheless, given the GEM Listing Committee Decision and foreseeable obstacles, on 24 November 2020, National Arts approached the Convoy Board about a pre-conditional voluntary partial share exchange offer (the “**Proposed Partial Share Exchange Offer**”). Completion of the Proposed Partial Share Exchange Offer is subject to fulfilment or waiver of certain conditions.

Following the approach, the National Arts Board is now discussing with the Convoy Board further details of the Proposed Partial Share Exchange Offer, including how and when it can be made, bearing in mind the financial and other information which would be required to be included in documentation to be sent to shareholders of National Arts and Convoy in relation to the Proposed Partial Share Exchange Offer.

As certain applicable percentage ratios (as defined under the GEM Listing Rules) for National Arts in respect of the transactions in connection with the Proposed Partial Share Exchange Offer exceed 25% but all of the percentage ratios are less than 100%, the Proposed Partial Share Exchange Offer, if it were to proceed, would constitute a major transaction for National Arts under the GEM Listing Rules, and the Proposed Partial Share Exchange Offer together with the allotment and issue of new National Arts Shares by way of specific mandate are therefore conditional upon, among other things, the approval of National Arts Shareholders at a special general meeting.

Warning: Since the making of the Proposed Partial Share Exchange Offer is subject to consent from the SFC and the satisfaction of certain pre-conditions, the Proposed Partial Share Exchange Offer is a possibility only and may or may not be made. Completion of the Proposed Partial Share Exchange Offer is also subject to the conditions of the Proposed Partial Share Exchange Offer being fulfilled or waived, as applicable. Accordingly, the issue of this joint announcement does not in any way imply that the Proposed Partial Share Exchange Offer will be made, or if made, be completed. Therefore, National Arts Shareholders, Convoy Shareholders and investors generally should exercise caution when dealing in the National Arts Shares and the Convoy Shares.

MONTHLY UPDATES

In compliance with Rule 3.7 of the Takeovers Code, monthly announcement(s) setting out the progress of the Possible Offer will be made until the announcement of a firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with an offer is made. Each of National Arts and Convoy will publish further announcements regarding the Possible Offer in compliance with the GEM Listing Rules, the Main Board Listing Rules and the Takeovers Code as and when appropriate.

CONTINUED SUSPENSION OF TRADING IN CONVOY SHARES

At the request of Convoy, trading in Convoy Shares on the Stock Exchange was halted from 11:04 a.m. on 7 December 2017 (automatically converted to “being suspended” thereafter), and will remain suspended until further notice. Shareholders and potential investors of Convoy should exercise caution when dealing in the Convoy Shares.

RESUMPTION OF TRADING

Trading in the shares of National Arts on the Stock Exchange was suspended from 9:00 a.m. on 24 November 2020 at the request of National Arts pending the release of this announcement and an application has been made to the Stock Exchange for resumption of trading in the shares of National Arts with effect from 9:00 a.m. on 28 December 2020.

Warning: there is no assurance that the Proposed Partial Share Exchange Offer will materialise and the Proposed Partial Share Exchange Offer may or may not proceed. Shareholders and potential investors of National Arts and Convoy are advised to exercise caution when dealing in the securities of National Arts and Convoy.

By order of the National Arts Board NATIONAL ARTS ENTERTAINMENT AND CULTURE GROUP LIMITED <i>(Provisional Liquidators Appointed)</i> <i>(For Restructuring Purposes)</i> Chow Kai Weng <i>Associate Chairman, Executive Director and Chief Executive Officer</i>	By order of the Convoy Board CONVOY GLOBAL HOLDINGS LIMITED Johnny Chen <i>Chairman and Executive Director</i>
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Hong Kong, 24 December 2020

As at the date of this announcement, the National Arts Board comprises four executive directors, namely Mr. Sin Kwok Lam, Mr. Chow Kai Weng, Mr. Cheng Wang Chun and Mr. Ho Leung Ting; one non-executive director namely Dr. Lam Lee George and three independent non-executive directors, namely Mr. Chui Chi Yun Robert, Mr. Li Kit Chee and Mr. Lam Kwok Hing Wilfred.

As of the date of this Announcement, the board of directors of Convoy comprises five executive directors, namely Mr. Johnny Chen (Chairman), Mr. Ng Wing Fai, Mr. Yap E Hock, Mr. Shin Kin Man and Mr. Lee Jin Yi; one non-executive director, Mr. Chen Shih-pin; and five independent non-executive directors, namely Mr. Pun Tit Shan, Mrs. Fu Kwong Wing Ting, Francine, Mr. Pak Wai Keung, Martin, Mr. Yan Tat Wah and Mr. Lam Kwok Cheong. Other executive directors are namely Mr. Wong Lee Man and Ms. Chan Lai Yee, whose duties have been suspended since 8 December 2017.

The directors of National Arts jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, other than those relating to Convoy, and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the directors of Convoy) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

The directors of Convoy (other than Mr. Wong Lee Man and Ms. Chan Lai Yee for the reasons set out in the Rule 3.7 Announcement dated 29 July 2020) jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, other than those relating to National Arts and parties acting in concert with it, and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the directors of National Arts and parties acting in concert with National Arts) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.