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## **China Gem Holdings Limited**

**中國中石控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1191)**

### **VOLUNTARY ANNOUNCEMENT — UPDATE ON COOPERATION FRAMEWORK AGREEMENT**

This announcement is voluntarily made by China Gem Holdings Limited (the “Company”).

#### **COOPERATION FRAMEWORK AGREEMENT**

Reference is made to the announcement of the Company dated 13 November 2019 (the “Announcement”) regarding the entering into of a cooperation framework agreement (the “Framework Agreement”) with Guangzhou Zhifeng Technology Co., Ltd.\* (廣州智峰科技有限公司) (“Guangzhou Zhifeng”, a company incorporated in the PRC with limited liability). Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as in the Announcement.

The current progress of the Proposal is as follow:

1. China Gem Berna has entered into the Framework Agreement with Guangzhou Zhifeng. Currently, it is in the process of orderly promoting the specific matters in respect of the assessment, auditing of Guangzhou Zhifeng, equity transfer and equity investment, and the legal drafting and approval of the relevant formal agreement has been implemented.
2. The current operation status of Guangzhou Zhifeng: Guangzhou Zhifeng is investing in TikTok and short video companies, such as multi-channel network (MCN) companies. The Company is now self-operating five accounts, of which, the account of “Zhifeng Calligraphy (智峰書法)” in TikTok has over 200,000 fans and users. The Company plans to attract more than one million fans and users within three months and has started to operate the remaining accounts in parallel. The Company also plans to operate over 50 TikTok accounts focusing on excellent traditional cultures in half a year and then to realize cash and platform output.

3. Guangzhou Zhifeng develops in the short video industry on the one hand and seeks to partner with a renowned company in Hong Kong. This company it intends to be cooperated with is a platform with more than 800,000 users. Both parties' platforms can connect with each other seamlessly and integrate their users together. It is hopeful that it will become a large platform with one million users by the end of March 2021.
4. Guangzhou Zhifeng has established the strategic partnership with Guangzhou Calligraphy Association (廣州市書法協會), Guangdong Provincial Sinology Education Promotion Association (廣東省國學教育促進會) and Guangdong Shengxian Education Group (廣東省聖賢教育集團) in respond to the initiatives and call of the State, thus contributing efforts to the export of the Chinese excellent traditional culture. The Company is committed to the project- and curricula-based sinology education in respond to, among others, the national initiative of “introducing the traditional culture to classes, campuses, school textbooks and communities”.

## **GENERAL**

The specific terms and conditions of the formal agreement need to be reviewed and approved by the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) after the due diligence has been completed by the Company. If the Proposal proceed and constitute notifiable transactions of the Company under Chapter 14 of the Listing Rules, the Company will make further announcement(s) as and when necessary in accordance with the Listing Rules.

**The Proposal may or may not proceed. The final terms of the Proposal are subject to further negotiations between the parties and have yet to be finalized. Shareholders and potential investors of the Company should exercise caution when dealing in the shares and other securities of the Company.**

By order of the Board  
**China Gem Holdings Limited**  
**Zhong Ling**  
*Executive Director*

Hong Kong, 8 March 2021

*As at the date of this announcement, the Board comprises Mr. Zhong Ling and Mr. Yan Ping being executive Directors; Mr. Kan Chi Ming being non-executive Director; and Mr. Warren Lee Primhak being independent non-executive Director.*

*\* For identification purpose only*