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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)

VOLUNTARY ANNOUNCEMENT IN RELATION TO THE STRATEGIC COOPERATION WITH GUOWEN

This is a voluntary announcement made by China National Culture Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to provide shareholders and potential investors with business updates on the development of the Group’s film, web series and TV series business.

The board (the “**Board**”) of the Company announced that, on 2 November 2021, 北京常富文化有限公司 (Beijing Changfu Culture Limited*) (“**Changfu Culture**”), an indirectly wholly-owned subsidiary of the Group, and 浙江東陽國文影業有限公司 (Zhejiang Dongyang Guowen Film Co., Ltd.*) (“**Guowen**”, together with Changfu Culture, the “**Parties**”) has entered into a strategic cooperation agreement (the “**Agreement**”) in relation to the strategic cooperation between the Parties relating to, among other things, investment in and distribution of film, web series and TV series contents (the “**Strategic Cooperation**”).

ABOUT GUOWEN

Guowen, a limited liability company incorporated on 24 December 2015 under the laws of the People’s Republic of China (the “**PRC**”), which is principally engaged in production, reproduction, distribution of features, columns, variety shows, cartoons, radio dramas, TV dramas and other relevant activities in the PRC. To the best of the Directors’ knowledge, information and belief, and having made all reasonable enquiries, its ultimate beneficial owners are Mr. Yin Muqiang* (殷幕強) and Ms. Guan Qianqian* (關倩倩).

To the best of the Directors’ knowledge, information and belief, and having made all reasonable enquiries, each of Guowen and its ultimate beneficial owner is independent of, and not connected with, the Company and any of its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited).

* For identification purposes only

THE STRATEGIC COOPERATION

Purpose of cooperation

The Strategic Cooperation aims to leverage on the Parties' respective strengths, including their business network, brand advantage, financial capital and human resources. The Parties will recognize each other as key partner in their respective development plans.

Major terms of cooperation

The Agreement shall be valid for a period of 2 years, from 2 November 2021 to 1 November 2023. Pursuant to the Agreement, the Parties have the priority to the investment in the other party's own film, TV series and related project(s).

The Agreement serves as a framework for, and sets out the principles of, the Strategic Cooperation between the Parties may enter into definitive cooperation and/or formal agreement(s), if any, to set out the details for the specific cooperation project(s).

BENEFITS OF THE STRATEGIC COOPERATION

The Board considers that the Strategic Cooperation with Guowen will facilitate and accelerate the development of the Group's movie segment including but not limited to the investment in, purchase of and distribution of film, web series and TV series contents.

The Board wishes to emphasise that the implementation of the Strategic Cooperation and transactions contemplated under the Agreement (if any) are subject to the definitive agreement(s) to be entered into between the Parties, and such cooperation and transaction may not necessarily be implemented as contemplated or at all. Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By order of the Board
China National Culture Group Limited
SHI Junfeng
Chairman and Executive Director

Hong Kong, 2 November 2021

As at the date of this announcement, the Board comprises Mr. SHI Junfeng (Chairman), Ms. SUN Wei and Ms. MAN Qiaozhen as Executive Directors, and Mr. LIU Kwong Sang, Ms. WANG Miaojun and Ms. WANG Yujie as Independent Non-Executive Directors.