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中藝世紀文化產業投資有限公司
Zhongyi Century Cultural Industry
Investment Co., Ltd.*

(a company incorporated in the People's Republic of China with limited liability)

 **保利文化集團股份有限公司**
POLY CULTURE GROUP CORPORATION LIMITED

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 3636)

JOINT ANNOUNCEMENT

- (1) POLL RESULTS OF THE EXTRAORDINARY GENERAL MEETING AND THE H SHAREHOLDERS' CLASS MEETING IN RELATION TO PROPOSED PRIVATISATION OF THE COMPANY BY THE OFFEROR BY WAY OF MERGER BY ABSORPTION**
- (2) PROPOSED WITHDRAWAL OF LISTING AND LAST DAY OF TRADING AND**
- (3) INFORMATION REGARDING EXERCISE OF RIGHT OF DISSENTING SHAREHOLDERS**

Financial Adviser to the Offeror



Independent Financial Adviser to the Independent Board Committee



Reference is made to (i) the joint announcement dated 27 June 2023 jointly issued by the Offeror and the Company in relation to, among other things, proposed pre-conditional privatisation of the Company by the Offeror by way of merger by absorption; (ii) the joint announcement dated 18 July 2023 jointly issued by the Offeror and the Company in relation to delay in despatch of the Composite Document; (iii) the joint announcement dated 15 August 2023 jointly issued by the Offeror and the Company in relation to further delay in despatch of the Composite Document; (iv) the joint announcement dated 11 September 2023 jointly issued by the Offeror and the Company in relation to

fulfillment of the Pre-Condition; (v) the Composite Document dated 18 September 2023 jointly issued by the Offeror and the Company in relation to, among other things, proposed privatisation of the Company by the Offeror by way of merger by absorption (the “**Composite Document**”); and (vi) the joint announcement dated 18 September 2023 jointly issued by the Offeror and the Company in relation to despatch of the Composite Document. Capitalised terms used herein shall have the same meanings as those defined in the Composite Document unless specified otherwise.

RESULTS OF THE EGM AND THE H SHAREHOLDERS’ CLASS MEETING

The sole director of the Offeror and the Board hereby announce that the proposed resolutions set out in the notice of EGM and the notice of H Shareholders’ Class Meeting were voted by way of poll and all of them were duly passed on 3 November 2023.

The EGM and the H Shareholders’ Class Meeting were held at Meeting Room, 29/F, New Poly Plaza, 1 North Street of Chaoyangmen, Dongcheng District, Beijing, the PRC at 2:30 p.m. on Friday, 3 November 2023. The EGM and the H Shareholders’ Class Meeting were chaired by Mr. Wang Bo, an executive Director and the chairman of the Board.

In compliance with the requirements of the Listing Rules and Rule 2.9 of the Takeovers Code, Computershare Hong Kong Investor Services Limited, the H Share registrar of the Company, acted as the scrutineer for the vote-taking at the EGM and the H Shareholders’ Class Meeting.

The poll results in respect of the EGM and the H Shareholders’ Class Meeting are as follows:

(i) The poll results in respect of the Extraordinary General Meeting

No.	Special Resolutions	Number of votes cast (%)		
		For	Against	Abstained
1.	To consider and, if thought fit, to approve, confirm and ratify the Merger Agreement dated 27 June 2023 entered into between the Company and the Offeror and the Merger and the transactions contemplated under the Merger Agreement.	187,902,300 (99.337686%) <i>(note 1)</i>	790,100 (0.417700%) <i>(note 1)</i>	462,700 (0.244614%) <i>(note 1)</i>

No.	Special Resolutions	Number of votes cast (%)		
		For	Against	Abstained
2.	To consider and, if thought fit, to approve that any Director be authorised to do all such acts and things, to sign and execute all such other documents, deeds and instruments, to make applications to the relevant regulatory authorities and to take such steps as he may consider necessary, appropriate, expedient and in the interest of the Company to give effect to and in connection with any transactions contemplated under the Merger Agreement.	187,902,300 (99.337686%) <i>(note 1)</i>	790,100 (0.417700%) <i>(note 1)</i>	462,700 (0.244614%) <i>(note 1)</i>

Notes:

1. Based on the total number of the votes attaching to all the Shares held by the Shareholders cast in person or by proxy at the EGM.
2. The percentage figures included in the poll results in respect of the EGM above have been subject to rounding adjustments.

As at the date of the EGM, the total number of issued Shares is 246,316,000, comprising 156,868,400 Domestic Shares and 89,447,600 H Shares.

As disclosed in the Composite Document, Shares held by members of the CITICS group acting in the capacity of exempt principal traders must not be voted at the EGM unless the Executive allows such Shares to be so voted. Shares held by members of the CITICS group acting in the capacity of exempt principal traders may, subject to consent of the Executive, be allowed to be voted at the EGM if (i) the relevant connected exempt principal trader holds the Shares as a simple custodian for and on behalf of non-discretionary clients; and (ii) there are contractual arrangements in place between the relevant connected exempt principal trader and its clients that strictly prohibit the relevant connected exempt principal trader from exercising any voting discretion over the relevant Shares, and all voting instructions originate from the client only (if no instructions are given, then no votes shall be cast for the relevant Shares held by the relevant connected exempt principal trader). Accordingly, each member of the CITICS group which is an exempt principal trader did not exercise the voting rights attached to the Shares held in its name (other than those Shares held by such exempt principal trader as a simple custodian for and on behalf of non-discretionary clients who, to the extent it is aware having made reasonable enquiries, are entitled to vote at the EGM and who have given voting instructions, and over which such exempt principal trader has no voting discretion) in the context of the Merger at the EGM.

The number of Shares entitling the holders to attend the EGM and to vote for or against the above resolution at the EGM was 246,316,000. There was no Share entitling the Shareholder to attend and abstain from voting in favour of the resolutions at the EGM as set out in Rule 13.40 of the Listing Rules. No Shareholder was required under the Listing Rules to abstain from voting. No Shareholder had previously stated his/her/its intention in the Composite Document to vote against or to abstain from voting on the resolutions proposed at the EGM.

All Directors attended the EGM in person or by electronic means.

With respect to the special resolutions at the EGM, since more than two-thirds of the votes attaching to the Shares held by the Shareholders present in person or by proxy at the EGM were cast in favour of the resolutions, the special resolutions were passed by way of poll at the EGM in accordance with the requirements of the PRC Laws and the Articles.

(ii) The poll results in respect of the H Shareholders' Class Meeting

No.	Special Resolutions	Number of votes cast (%)		
		For	Against	Abstained
1.	To consider and, if thought fit, to approve, confirm and ratify the Merger Agreement dated 27 June 2023 entered into between the Company and the Offeror and the Merger and the transactions contemplated under the Merger Agreement.	31,442,800	790,000	462,700
		(96.168586%)	(2.416235%)	(1.415179%)
		<i>(note 1)</i>	<i>(note 1)</i>	<i>(note 1)</i>
		(35.402857%)	(0.889496%)	(0.520975%)
2.	To consider and, if thought fit, to approve that any Director be authorised to do all such acts and things, to sign and execute all such other documents, deeds and instruments, to make applications to the relevant regulatory authorities and to take such steps as he may consider necessary, appropriate, expedient and in the interest of the Company to give effect to and in connection with any transactions contemplated under the Merger Agreement.	31,442,800	790,000	462,700
		(96.168586%)	(2.416235%)	(1.415179%)
		<i>(note 1)</i>	<i>(note 1)</i>	<i>(note 1)</i>
		(35.402857%)	(0.889496%)	(0.520975%)
		<i>(note 2)</i>	<i>(note 2)</i>	<i>(note 2)</i>

Notes:

1. Based on the total number of the votes attaching to all the H Shares held by the Independent H Shareholders cast in person or by proxy at the H Shareholders' Class Meeting.
2. Based on the total number of the votes attaching to all the H Shares held by the Independent H Shareholders.

3. The percentage figures included in the poll results in respect of the H Shareholders' Class Meeting above have been subject to rounding adjustments.

The total number of H Shares entitling the Independent H Shareholders to attend and vote for or against the resolution at the H Shareholders' Class Meeting was 88,814,300 H Shares.

As disclosed in the Composite Document, Shares held by members of the CITICS group acting in the capacity of exempt principal traders must not be voted at the H Shareholders' Class Meeting unless the Executive allows such Shares to be so voted. H Shares held by members of the CITICS group acting in the capacity of exempt principal traders may, subject to consent of the Executive, be allowed to be voted at the H Shareholders' Class Meeting if (i) the relevant connected exempt principal trader holds the H Shares as a simple custodian for and on behalf of non-discretionary clients; and (ii) there are contractual arrangements in place between the relevant connected exempt principal trader and its clients that strictly prohibit the relevant connected exempt principal trader from exercising any voting discretion over the relevant H Shares, and all voting instructions originate from the client only (if no instructions are given, then no votes shall be cast for the relevant H Shares held by the relevant connected exempt principal trader). Accordingly, each member of the CITICS group which is an exempt principal trader did not exercise the voting rights attached to the H Shares held in its name (other than those H Shares held by such exempt principal trader as a simple custodian for and on behalf of non-discretionary clients who, to the extent it is aware having made reasonable enquiries, are entitled to vote at the H Shareholders' Class Meeting and who have given voting instructions, and over which such exempt principal trader has no voting discretion) in the context of the Merger at the H Shareholders' Class Meeting.

The Offeror, Poly Group, Poly International and any parties acting in concert with any of them (including Poly Developments and Holdings Group Co., Ltd. and Poly Investment Holdings Co., Ltd.), who held an aggregate of 633,300 H Shares as at the date of the H Shareholders' Class Meeting, were required to, and did, abstain from voting at the H Shareholders' Class Meeting in accordance with the Takeovers Code. There was no H Share entitling the Independent H Shareholders to attend and abstain from voting in favour of the resolutions at the H Shareholders' Class Meeting as set out in Rule 13.40 of the Listing Rules. No Independent H Shareholder was required under the Listing Rules to abstain from voting. No Independent H Shareholder has stated his/her/its intention in the Composite Document to vote against or to abstain from voting on the resolutions proposed at the H Shareholders' Class Meeting.

All Directors attended the H Shareholders' Class Meeting in person or by electronic means.

With respect to the special resolutions at the H Shareholders' Class Meeting, since more than 75% of the votes attaching to the H Shares held by the Independent H Shareholders present in person or by proxy at the H Shareholders' Class Meeting were cast in favour of the resolutions and the number of votes cast against the resolution amounted to not more than 10% of the votes

attaching to all the H Shares held by the Independent H Shareholders, the special resolutions were passed by way of poll at the H Shareholders' Class Meeting in accordance with the requirements of Rule 6.15(2) of the Listing Rules and Rule 2.10 of the Takeovers Code.

FULFILLMENT OF THE CONDITIONS TO EFFECT THE MERGER AGREEMENT

As at the date of this joint announcement, the Conditions to Effectiveness have been fulfilled. Accordingly, the Merger Agreement has become effective.

The Shareholders and investors are reminded that the implementation of the Merger shall be subject to the fulfilment of the Conditions to Implementation (unless waived, as applicable). As at the date of this joint announcement, none of the Conditions to implementation has been satisfied or waived (as applicable).

The Offeror and the Company will jointly issue an announcement stating whether the Conditions to Implementation have been fulfilled or waived (as applicable) on or before Tuesday, 14 November 2023.

PROPOSED WITHDRAWAL OF LISTING OF THE H SHARES OF THE COMPANY AND LAST DAY OF TRADING

The Company has obtained approval from the Stock Exchange for the withdrawal of the listing of the H Shares on the Stock Exchange, which is subject to the Merger becoming effective, in accordance with Rule 6.15(2) of the Listing Rules.

It is currently expected that (i) the last day of dealings in the H Shares on the Stock Exchange will be Monday, 6 November 2023; and (ii) the withdrawal of listing of the H Shares on the Stock Exchange would occur at 4:00 p.m. on Tuesday, 14 November 2023.

On the assumption that the Conditions to Implementation have been fulfilled (or waived, as applicable) on Tuesday, 14 November 2023, the cheques for payment of the Cancellation Price will be despatched to the Shareholders on or before Thursday, 23 November 2023. The H Shareholders will be notified by way of an announcement if there are any additional developments.

EXERCISE OF RIGHT OF DISSENTING SHAREHOLDERS

Reference is made to the paragraph headed "Right of a Dissenting Shareholder" in the section headed "3. PRINCIPAL TERMS OF THE MERGER AGREEMENT" of the "LETTER FROM THE BOARD" in the Composite Document.

As no vote was cast against Special Resolution 1 at the EGM by the Domestic Shareholders, the Domestic Shareholders will not be entitled to exercise the right to request the Company and/or the Consenting Shareholders to acquire its Shares at a "fair price" (the "**Right**"), and only H Shareholders which satisfy the relevant criteria and entitlement conditions will be entitled to exercise the Right.

Any Dissenting Shareholder holding H Shares and wishing to exercise the Right should on or before the expiry date of the Declaration Period (which is expected to be Thursday, 9 November 2023), collect the documents containing information on the procedure and the Required Document (as defined below) for exercising the Right (together as the “**Procedure Documents**”) at the registered address of the Company at 11/F, 1 North Street of Chaoyangmen, Dongcheng District, Beijing, the PRC, Post Code: 100010 or alternatively at the principal place of business in Hong Kong at 31/F, Tower 2, Times Square 1 Matheson Street Causeway Bay, Hong Kong. The multiple documents requested for in the Procedure Documents (the “**Required Documents**”) include, but are not limited to (i) exercise notice(s) with information filled in; and (ii) declaration and proof in respect of satisfaction of criteria and entitlement conditions to exercise such right. The Required Documents must be submitted by hand or by post to the addresses as stated above during the Declaration Period (which is from Friday, 3 November 2023 to Thursday, 9 November 2023).

Pursuant to the Merger Agreement, if any Dissenting Shareholder is to exercise the Right, the Dissenting Shareholder must refund the Cancellation Price (if received) to the Offeror in order to be entitled to exercise the Right, failing which the Dissenting Shareholder will be deemed to have waived, and will no longer be able to exercise the Right. The Offeror (if so elected by the Company and/or the Consenting Shareholders) will make the payment separately upon agreement on matters regarding the Right. For the avoidance of doubt, regardless of when the Dissenting Shareholder exercises the Right, the Dissenting Shareholder will be deemed to have ceased to have any right in respect of the Shares (other than the right to request for consideration pursuant to exercise of the Right) on the Delisting Date.

There is no applicable PRC law or guidance with respect to how the “**fair price**” will be determined from the PRC law perspective nor does the Articles set out any guidance or procedures as to how the “**fair price**” will be determined. No assurance can be given as to any favourable results to the Dissenting Shareholders who have validly exercised its right and costs may be incurred by the Dissenting Shareholders in the process of exercising its right and determining the “**fair price**”. Under the Articles, whenever any disputes or claims arise between: the H Shareholders and the Company; the H Shareholders and the Company’s directors, supervisors, general manager or other senior management personnel; or the H Shareholders and the Domestic Shareholders, in relation to the affairs of the Company arising as a result of any rights or obligations arising from the Articles, the PRC Company Law or other relevant laws and administrative regulations, such disputes or claims shall be referred by the relevant parties to arbitration.

For the avoidance of doubt, if the Merger does not complete, the Dissenting Shareholders will not be entitled to exercise the Right as described above.

GENERAL

Immediately before the commencement of the Offer Period (being 27 June 2023), save that the Offeror’s concert parties held, controlled or directed (i) 156,868,400 Domestic Shares, representing all the Domestic Shares in issue and approximately 63.69% of the total issued Shares; and (ii) 633,300 H Shares, representing in aggregate approximately 0.71% of the H Shares in issue and

approximately 0.26% of the total issued Shares, none of the Offeror and its concert parties held, controlled or directed any Shares or rights over Shares. None of the Offeror and its concert parties had acquired or agreed to acquire any Shares or any convertible securities, warrants, options or derivatives in respect of the Shares during the Offer Period.

As at the date of this joint announcement, neither the Offeror nor its concert parties had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

WARNING

Shareholders and potential investors in the securities of the Company should be aware that completion of the Merger is subject to the Conditions to Implementation set out in the Composite Document being satisfied or waived, as applicable. Neither the Offeror nor the Company provides any assurance that any or all Conditions can be satisfied, and thus the Merger Agreement may or may not be implemented or completed. Shareholders and potential investors in the securities of the Company should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional adviser.

By order of the Board of
**Zhongyi Century Cultural Industry
Investment Co., Ltd.***
Li Jing
Director

By order of the Board
Poly Culture Group Corporation Limited
Wang Bo
Chairman

Beijing, the PRC, 3 November 2023

As of the date of this joint announcement, the executive Directors are Mr. Wang Bo, Mr. Jiang Yingchun, Mr. Guo Wenpeng and Mr. Xu Bei, the non-executive Directors are Ms. Zhang Hong and Mr. Fu Chengrui, and the independent non-executive Directors are Ms. Li Xiaohui, Mr. Sun Hua and Mr. Fung Edwin.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than those relating to the Offeror, Poly Group, Poly International and any parties acting in concert with any of them), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the sole director of the Offeror and the directors of Poly Group and Poly International) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.

As of the date of this joint announcement, the sole director of the Offeror is Ms. Li Jing.

The sole director of the Offeror accepts full responsibility for the accuracy of information contained in this joint announcement (other than any information relating to the Company) and confirms, having made all reasonable enquiries, that to the best of her knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of the Company) having been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As of the date of this joint announcement, the directors of Poly Group are Liu Hualong, Zhang Wanshun, Zhang Hao, Gao Lieyang, Wu Mengfei, Geng Ruguang, Guo Jianxin, Pan Zhengyi and Luo Depi, and the directors of Poly International are Wang Xingye, Huang Geming, Tong Yunxiang, Zhang Jinsong and Zhang Yi.

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

** for identification purposes only*