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**CMGE Technology Group Limited**

**中手游科技集团有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 0302)**

**VOLUNTARY ANNOUNCEMENT**  
**STRATEGIC COOPERATION WITH GUANGZHOU CHAOJING**  
**INVESTMENT CO., LTD.**

This announcement is made by CMGE Technology Group Limited (the “**Company**”, together with its subsidiaries and consolidated operating entities in the People’s Republic of China, the “**Group**”) on a voluntary basis for keeping the shareholders of the Company and potential investors informed of the latest business development of the Group.

**STRATEGIC COOPERATION FRAMEWORK AGREEMENT**

The board of directors of the Company (the “**Board**”) is pleased to announce that, on 26 April 2024 (after trading hours), China Mobile Games and Entertainment Group Limited Shenzhen (“**Shenzhen Zhongshouyou**”, a subsidiary of the Company) and Guangzhou Chaojing Investment Co., Ltd. (“**Chaojing Group**”) entered into a strategic cooperation framework agreement (the “**Strategic Cooperation Agreement**”), pursuant to which, both parties agreed to cooperate in multiple aspects including game product research and development, game operation and promotion, eSports, and IP commercialization, through full integration of markets and resources. There is naturally a favourable opportunity for cooperation, given that Chaojing Group has EDG eSports club, several MCN organizations and long-term cooperative media resources (mainly covering games, eSports hosts, eSports players and live streaming associations on Douyin, Bilibili, Huya, Kuaishou, Xiaohongshu and other platforms), while the Group has a proprietary IP (*Legend of Sword and Fairy* (仙劍奇俠傳)) and various game projects launched and to be launched.

Pursuant to the Strategic Cooperation Agreement, the Group and Chaojing Group intend to commence cooperation in the following aspects (the “**Strategic Cooperation**”):

(i) jointly integrating eSports fans traffic, expanding the mini-game business on WeChat and Douyin, and creating a new model for the commercialization of the eSports industry by combining IP resources and promotional channels such as EDG eSports club under Chaojing Group and animation, as well as the Group’s capabilities in game research and development and publishing; (ii) promoting the Group’s games by leveraging on MCN organizations under Chaojing Group and its long-term cooperative media resources, and jointly fostering and building an exclusive KOL and KOC social media matrix for the Group’s IP games to further improve game promotion and launch monetization; (iii) cooperating with Chaojing Group and its strategic partner Hopson Commercial Group (合生商業集團) in IP derivatives and offline business to maximize the influence of *Legend of Sword and Fairy* (仙劍奇俠傳) IP and explore its commercial value; (iv) extending domestic IP to the US\$10 billion global market for physical battle cards by using the diversified channels connecting between the business segments of Chaojing Group and young people and the strategic cooperation in the development of international physical battle cards based on the *Legend of Sword and Fairy* (仙劍奇俠傳) IP; (v) jointly building an eSports ecosystem with EDG eSports club under Chaojing Group and developing global eSports game products jointly while promoting the game; (vi) establishing a game experience research lab with the EDG club under Chaojing Group, which shall provide professional advice on the game under development to the Group through the joint participation and collaboration of celebrity eSports players and game streamers; and (vii) strengthening the cooperation between both parties, taking into account the intention of Chaojing Group or its related parties to subscribe or purchase the shares of the Company and the intention of the Group to seek equity cooperation with the EDG eSports club and MCN organizations under Chaojing Group.

## **REASONS FOR AND BENEFITS OF THE STRATEGIC COOPERATION**

Chaojing Group is a Chinese company committed to leading the future cultural creativity industry globally. Its business focuses are revolving around new cultural creativity businesses, such as eSports complex center, eSports operation, eSports education, animation, film and series, and IP incubation. It operates the world known EDG eSports club, which has won dozens of domestic and foreign championships and has a good influence on large groups of young people. The Group is a leading global IP based game operator. Building on the Group’s IP rights, the Group has been providing high-quality IP-based games to global players through in-house development and joint research and development. Leveraging on its advantages and

accumulated experience in the field of game publishing and research and development, and by integrating its own advantageous IP resources, the Group has been dedicated to the core competitive IP game ecosystem of “IP resources - self-development and joint development - global publishing - proprietary IP operation - Chinese-style metaverse platform (IP資源－自主研發與聯合研發－全球發行－自有IP運營－國風元宇宙平台)”.

This Strategic Cooperation will further utilise the respective professional strengths and resource advantages of both parties. On the one hand, the Group can make use of Chaojing Group’s resources and experience in eSports, media communication, fans management and other businesses to further improve the Group’s efficiency in respect of game research and development and launch, enriching its own IP monetization paths such as *Legend of Sword and Fairy* (仙劍奇俠傳), and enhancing the Group’s business competitiveness; on the other hand, Chaojing Group also benefits from the Group’s industry resources and extensive experience in game research and development, publishing, IP operations and other business segments, which will help its business expansion in the gaming industry.

## **INFORMATION ON THE PARTIES**

The Company is a company incorporated under the laws of the Cayman Islands with limited liability. It is principally engaged in the development, publishing, operation and related investment business of game products. Shenzhen Zhongshouyou is a company incorporated under the laws of the People’s Republic of China (the “**PRC**”) and is one of the PRC operating entities controlled by the Group through contractual arrangements (details of which are disclosed in the section headed “Contractual Arrangements” in the directors’ report in the 2023 annual report of the Company), and thus is regarded as a subsidiary of the Company.

Chaojing Group is a limited liability company incorporated under the laws of the PRC. It is principally engaged in new cultural creativity businesses as well as related venture capital investment and equity investment. The major shareholder of Chaojing Group is Mr. Zhu Yihang.

To the best knowledge, information and belief of the directors of the Company, having made all reasonable enquiries, Chaojing Group and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)).

## GENERAL

The Board wishes to emphasise that the implementation of the Strategic Cooperation contemplated under the Strategic Cooperation Agreement is subject to the execution of definitive agreement(s). As at the date of this announcement, no definitive agreement in relation to any specific project under the Strategic Cooperation has been entered into by the parties. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company. The Company and Chaojing Group will promote the implementation of Strategic Cooperation in accordance with the Strategic Cooperation Agreement. In the event that any specific project under the Strategic Cooperation materialises, the Company will comply with the relevant requirements under the Listing Rules and make further disclosure in accordance with all the applicable requirements as and when appropriate.

By order of the Board  
**CMGE Technology Group Limited**  
**XIAO Jian**  
*Chairman*

Hong Kong, 28 April 2024

*As at the date of this announcement, the Board comprises Mr. XIAO Jian, Mr. SIN Hendrick M.H. and Mr. FAN Yingjie as executive Directors; Mr. ZHANG Shengyan and Mr. JIANG Yukai as non-executive Directors; and Ms. NG Yi Kum, Mr. TANG Liang and Mr. HO Orlando Yaukai as independent non-executive Directors.*