

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this notice.

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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “EGM”) of China National Culture Group Limited (the “Company”) will be held at Portion 2, 12/F, The Center, 99 Queen’s Road Central, Central, Hong Kong at 11:00 a.m. on Monday, 20 April 2020 to consider and, if thought fit, pass with or without amendments (as applicable), the following resolutions:

ORDINARY RESOLUTION

1. **“THAT**, subject to and conditional upon the fulfilment of all the conditions set out in the paragraph headed “Conditions of the Share Consolidation” in the circular of the Company dated 27 March 2020 (the “Circular”), a copy of which has been tabled at the EGM marked “A” and initialled by the chairman of the EGM for the purpose of identification, with effect from the second business day (as defined in the articles of association of the Company) immediately following the date on which this resolution is passed or these conditions are fulfilled (whichever is the later):
 - (a) every twenty (20) issued and unissued ordinary shares of par value HK\$0.02 each (the “Existing Shares”) in the share capital of the Company be consolidated into one (1) ordinary share of par value HK\$0.4 each (the “Consolidated Share(s)”) in the share capital of the Company; and every twenty (20) issued and unissued non-voting convertible preference shares of par value HK\$0.07 each in the share capital of the Company be consolidated into one (1) non-voting convertible consolidated preference share of par value HK\$1.40 each (the “Consolidated Preference Share(s)”) in the share capital of the Company (the “Share Consolidation”); and
 - (b) the Directors be and are hereby authorised to do all such acts and things and execute all such documents, which are ancillary to the Share Consolidation on behalf of the Company, including under seal where applicable, as they may consider necessary or expedient to give effect to, implement and complete the Share Consolidation.”

SPECIAL RESOLUTION

2. **“THAT**, subject to and conditional upon (i) the Share Consolidation becoming effective; (ii) approval from the Grand Court of the Cayman Islands (“Court”) of the Capital Reduction (as defined below); (iii) registration by the Registrar of Companies of Cayman Islands of the order of the Court confirming the Capital Reduction and the minute approved by the Court containing the particulars required under the Companies Law of the Cayman Islands in respect of the Capital Reduction (as defined below) and compliance with any conditions the Court may impose; and (iv) the Listing Committee of The Hong Kong Stock Exchange Limited granting approval for the listing of, and permission to deal in, the New Shares (as defined below), with effect from the date on which these conditions are fulfilled (the “Effective Date”):
- (a) the par value of each issued Consolidated Share of par value HK\$0.4 each in the share capital of the Company be reduced to HK\$0.04 each (each a “New Share”) (the “Capital Reduction”) by cancelling the paid up capital to the extent of HK\$0.36 on each of the then issued Consolidated Shares;
 - (b) the credit arising from the Capital Reduction be transferred to a distributable reserve account of the Company which may be utilized by the Directors in accordance with the memorandum and articles of association of the Company and all applicable laws, including, without limitation, eliminating or setting off any accumulated losses of the Company from time to time;
 - (c) immediately following the Capital Reduction, each of the authorised but unissued Consolidated Shares of par value HK\$0.4 each and the authorised but unissued Consolidated Preference Shares of par value HK\$1.40 each be sub-divided into ten (10) New Shares with par value HK\$0.04 each and ten (10) non-voting convertible preference shares of par value HK\$0.14 each (each a “New Preference Share”) respectively (the “Share Sub-division”);
 - (d) each of the New Shares arising from the Capital Reduction and the Share Sub-division shall rank *pari passu* in all respects with each other and each of the New Preference Shares arising from the Share Sub-division shall rank *pari passu* in all respects with each other and each shall have rights and privileges and be subject to the restrictions as contained in the memorandum and the articles of association of the Company; and
 - (e) the Directors be and are hereby authorised to do all such acts and things and execute all such documents, which are ancillary to the Capital Reduction and the Share Sub-division, on behalf of the Company, including under seal where applicable, as they may consider necessary or expedient to give effect to, implement and complete the Capital Reduction and the Share Sub-division.”

By Order of the Board of
China National Culture Group Limited
Sun Wei
Executive Director

Hong Kong, 27 March 2020

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Notes:

1. Any member of the Company entitled to attend and vote at the EGM is entitled to appoint one or, if he is the holder of two or more shares (“Shares”) of the Company, more than one proxy to attend and vote instead of him. A proxy need not be a member of the Company.
2. In the case of joint holders of Shares, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the EGM, personally or by proxy, that one of the said persons so present whose name stands first in the register in respect of such share shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney or person authorised, and must be deposited with the Hong Kong branch share registrar and transfer office (“Registrar”) of the Company, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof) not less than 48 hours before the time fixed for holding of the EGM (i.e. by 11:00 a.m. on 18 April 2020) or any adjournment thereof.
4. For the purpose of determining members who are qualified for attending the EGM, the register of members of the Company will be closed from 15 April 2020 to 20 April 2020, both days inclusive, during which no transfer of Shares will be effected. In order to qualify for attending the EGM, all transfers of Shares, accompanied by the relevant share certificates, must be lodged with the Registrar at the address stated in note 3 above not later than 4:30 p.m. on 14 April 2020 for registration.
5. Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the above EGM or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. According to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, voting on all proposed resolutions set out in this notice will be taken by a poll.
7. If a tropical cyclone warning signal No. 8 or above is hoisted or remains hoisted or “extreme conditions” caused by super typhoons at 9:00 a.m. on 20 April 2020, the EGM will be proposed to be adjourned to a date to be determined. The Company will make a separate announcement on this.
8. All times and dates specified herein refer to Hong Kong local times and dates.
9. As at the date of this notice, the executive Directors are Ms. Sun Wei and Ms. Man Qiaozhen, and the independent non-executive Directors are Mr. Liu Kwong Sang, Ms. Wang Miaojun and Ms. Wang Yujie.