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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)

COMPLETION OF PLACING OF NEW SHARES UNDER THE GENERAL MANDATE

Placing Agent

Suncorp
Securities Limited

The Board is pleased to announce that all conditions to the Placing Agreement have been fulfilled and completion of the Placing took place on 19 August 2020. A total of 98,144,100 Placing Shares have been successfully placed by the Placing Agent to not less than six Placees at Placing Price of HK\$0.065 per Placing Share pursuant to the terms and conditions of the Placing Agreement.

References are made to the announcement of China National Culture Group Limited (the “**Company**”) dated 4 August 2020 in relation to the placing of new shares under general mandate (the “**Announcement**”). Unless otherwise stated, capitalised terms used herein shall bear the same meanings as defined in the Announcement.

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

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To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placees and their respective ultimate beneficial owners (if any) are professional, institutional, or other investors who are third parties independent of the Company and its connected persons, the net proceeds (after deducting the placing commission and other related expenses and professional fees) from the Placing amounted to approximately HK\$6.3 million. The Company intends to use such net proceeds for the general working capital of the Group and improve the cash position of the Group which then can help establishing and strengthening the existing and future business of the Group.

SHAREHOLDING STRUCTURE OF THE COMPANY IMMEDIATELY BEFORE AND UPON COMPLETION OF THE PLACING

The shareholding structure of the Company immediately before and upon completion of the Placing is as follows:

Name of Shareholders	(i) Immediate before completion of the Placing		(ii) Immediate upon completion of the Placing	
	<i>Number of Shares held</i>	<i>Approximate % of total Shares in issue</i>	<i>Number of Shares held</i>	<i>Approximate % of total Shares in issue</i>
Public Shareholders:				
The Placees	–	–	98,144,100	16.67
Other public Shareholders	490,720,500	100.00	490,720,500	83.33
Total	<u>490,720,500</u>	<u>100.00</u>	<u>588,864,600</u>	<u>100.00</u>

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

Hong Kong, 19 August 2020

As at the date of this announcement, the Board comprises 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.