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China Ecotourism Group Limited

中國生態旅遊集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1371)

**THE COMPANY ENTRUSTED WITH FULL AUTHORITY TO
MANAGE TWO NATIONAL 4A TOURIST ATTRACTIONS:
WANGWU SHAN SCENIC AREA AND WULONGKOU SCENIC AREA**

The board of directors (the “Board”) of China Ecotourism Group Limited (the “Company”, together with its subsidiaries collectively referred to as the “Group”) is pleased to announce that the Company has signed a discretionary management contract (the “Contract”) with Jiyuan City Cultural Tourism Investment Group Limited (“Jiyuan City Cultural Tourism Investment Group”) for the operation of two national 4A tourist attractions - Wangwu Shan Scenic Area and Wulongkou Scenic Area. Pursuant to it, Jiyuan City Cultural Tourism Investment Group will commission the Company to carry out daily operations of the aforementioned two national tourist attractions with full authority. The period of cooperation between both parties will commence on 1 June 2022 and end on 31 December 2025.

According to the Contract, the Company will receive the management fees arising from the operation rights for both national 4A tourist attractions and share the revenues gained from their entrance fees.

Wangwu Shan Scenic Area covers a total area of 265 square kilometers. Being one of the nine famous mountains of ancient China, it ranks the top among the ten great grotto-heavens in Taoism and is the holy land of the Quanzhen School, a main sect of Taoism. Besides, it is said that the famous Chinese fable called “the Foolish Old Man Removes the Mountains” happened there. Tiantan Shan, the highest peak in this area, was the place where Huangdi, the Chinese people’s common ancestor, held the heavenly rituals. It has been commonly known as the “Major Ridge of Taihang Mountain” and the “Optimus Prime Pillar”. The total forest coverage rate of the scenic area exceeds 98%. With more than 2,000 years of history, the Ginkgo found there is the most precious specimen and is therefore called the “living plant fossil in the world”. Wangwu Shan Scenic Area is divided into seven tourist areas with 125 scenic spots. Equipped with comprehensive facilities, it becomes a vacation and healthcare paradise.

Wulongkou Scenic Area consists of five tourist areas, including hotspring, Pangu and the Qin River. It boasts 68 natural and cultural landscapes, including precious cultural heritages such as the water conservation project in Qin Dynasty, Pangu Temple and the ancient plank road in the Wei State during the Three Kingdoms Period. Moreover, the national macaque nature reserve there is the home for more than 3,000 macaques living in 12 groups. Local hotspring possesses good mineral geothermal resources as the temperature of its spring water is the highest among China’s inland hotsprings and the quality of the spring water is fairly good, making it an ideal place for healthcare.

Wangwu Shan Scenic Area and Wulongkou Scenic Area are in the vicinity of various provinces including Henan, Shaanxi, Shanxi, Shandong, Hubei and Anhui. They cover a population of more than 500 million. Both scenic areas are easily accessible, and their future development is promising.

Both parties will work together to promote the market-oriented operation of Wangwu Shan Scenic Area and Wulongkou Scenic Area, enhance their brand images and optimize their product mix, thereby unleashing their economic and social benefits, and achieving the management target of driving high-quality development, internationalization and sustainable growth of the scenic areas.

While China's tourism industry is undergoing consolidation, this business cooperation helps the Group to create a new business model through the acceptance of entrustment to manage high-quality tourist resources. There is plenty of room for the related business to grow and its growth potential is enormous. It lays a solid foundation for the Group's sustainable development in the long run.

By Order of the Board
China Ecotourism Group Limited
CHAN Tan Na, Donna
Chairperson of the Board

Hong Kong, 26 May 2022

As at the date of this announcement, the Board comprises Ms. CHAN Tan Na, Donna, Mr. WU Jingwei, Mr. DI Ling and Mr. QIU Peiyuan as Executive Directors; and Mr. HUANG Shenglan, Mr. CHAN Ming Fai and Dr. MENG Zhijun as Independent Non-executive Directors.