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華人策略控股有限公司

Chinese Strategic Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 8089)

VOLUNTARY ANNOUNCEMENT IN RELATION TO THE FRAMEWORK AGREEMENT ON INVESTING IN THE SHOOTING OF A TV SERIES

This is a voluntary announcement made by Chinese Strategic Holdings Limited (the “**Company**”).

BACKGROUND

In order to mark the 40th anniversary of the establishment of the Shenzhen Special Economic Zone, Shenzhen Shiyi Venture Capital Ltd. (“**Shiyi Venture Capital**”) is preparing to shoot a youth inspirational TV series (the “**Series**”). Created by Shiyi Venture Capital with all its efforts, the Series is a TV series combined with modern urban romance and youth inspiration and DJI, a leading drone manufacturer in the world, will cooperate on shooting during the whole process. The honorary producers of the Series are Ma Huateng (馬化騰), Wang Tao (汪滔), Wang Chuanfu (王傳福), Liang Jinhui (梁金輝), Pengbo (彭波) and Zheng Zhuohui (鄭卓輝), the chief director is the Hong Kong director Mr. Yuen Yan Hong (袁仁康), and the general producer is Mr. Zhang Guoli (張國立), a well-known actor, director and producer in the PRC. The Series is expected to be broadcast on 20 provincial-level TV stations and over 200 local stations such as the Guangdong TV Station and Shenzhen TV Station from 2019 to 2020, and will also be broadcast on a number of video websites including Tencent, Sohu and Sina.

Given that the Series has a strong distribution and production team, special historical significance and a nationwide distribution range, Chinese Entertainment (Holdings) Company Limited (華人娛樂(控股)有限公司) (“**Chinese Entertainment**”), a wholly-owned subsidiary of the Company, entered into a framework agreement (the “**Framework Agreement**”) with Shiyi Venture Capital, intending to jointly invest in the shooting and production of the Series (the “**Investment**”).

FRAMEWORK AGREEMENT

On 9 January 2018, Chinese Entertainment, which is principally engaged in the investment and production of television and film and entertainment programmes, and Shiyi Venture Capital entered into the Framework Agreement with a view to investing in the shooting of the Series. Pursuant to the Framework Agreement, the initial agreement in relation to the Investment between Chinese Entertainment and Shiyi Venture Capital is as follows:

Formal agreements

Shiyi Venture Capital, Chinese Entertainment, the Company and other relevant companies or individuals will enter into certain formal agreements, which will include (i) cooperation agreements; (ii) share sale and purchase agreements and/or share subscription agreements; (iii) shareholders agreements; and (iv) the service agreements and consultancy agreements in relation to the shooting and production of the Series entered into with the other relevant parties.

Terms of the Framework Agreement

- (1) Chinese Entertainment and Shiyi Venture Capital will jointly formulate the shooting and production plans of the Series (the “**Plans**”) and enter into formal cooperation agreements in relation to the Investment (the “**Cooperation Agreements**”) within three months upon the signing of the Framework Agreement or such later period as may be agreed in writing between Chinese Entertainment and Shiyi Venture Capital (the “**Period**”).
- (2) The respective investment amount and/or investment proportion of Chinese Entertainment and Shiyi Venture Capital and the profits allocated to them after the completion of the shooting and production of and/or the full distribution of the Series shall be set out in the Cooperation Agreements.
- (3) Chinese Entertainment shall fully assist the honorary producers, producer and/or the professional teams and/or consultants designated by them to review the Plans during the Period, and Chinese Entertainment shall also procure the parties to perfect the Plans as soon as possible on a best effort basis, so as to start the shooting and production of the Series as early as possible.
- (4) The honorary producers, producer and/or the professional teams and/or consultants designated by them is authorized by Chinese Entertainment to conduct due diligence on Chinese Entertainment and the Company in directions and/or scopes as they consider fit during the Period, and the results of which shall be to the reasonable satisfaction of the honorary producers and producer.

Save for the terms in relation to laws and regulations, exclusivity, confidentiality and disclosure, the other terms of the Framework Agreement are non-legally binding.

INFORMATION ABOUT CHINESE ENTERTAINMENT

Chinese Entertainment, a wholly-owned subsidiary of the Company, is principally engaged in the investment and production of television and film and entertainment programmes. In order to facilitate its business development, Chinese Entertainment has engaged Mr. Wang Dequn (王德群) as its chief executive officer. With extensive experience in the industry, Mr. Wang Dequn will be in charge of the negotiation, overall planning, fund raising and other relevant matters of the Plans.

Since the Investment is subject to the entering into of formal agreements, the Investment may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Chinese Strategic Holdings Limited
Lam Kwok Hing Wilfred
Chairman and Executive Director

Hong Kong, 9 January 2018

As at the date hereof, the Company's executive directors are Mr. Lam Kwok Hing Wilfred, J.P. (Chairman), Ms. Chan Shui Sheung Ivy and Mr. Mok Tsan San; and the independent non-executive directors are Ms. Yuen Wai Man, Mr. Chow Fu Kit Edward and Mr. Lam Raymond Shiu Cheung.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and that there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the Growth Enterprise Market website at www.hkgem.com for at least 7 days and the Company website at www.chinesestrategic.com from the date of its publication.