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華夏文化科技集團  
CA CULTURAL TECHNOLOGY GROUP

## CA CULTURAL TECHNOLOGY GROUP LIMITED

華夏文化科技集團有限公司

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

**(Stock Code: 01566)**

### **VOLUNTARY ANNOUNCEMENT – MEMORANDUM OF UNDERSTANDING FOR STRATEGIC BUSINESS COOPERATION WITH CHIA TAI CRYSTAL WEALTH (SHANGHAI) MANAGEMENT COMPANY LIMITED**

#### **INTRODUCTION**

This announcement is made by CA Cultural Technology Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis. The purpose of this announcement is to keep the shareholders and potential investors of the Company informed of the latest business development of the Group.

#### **STRATEGIC BUSINESS COOPERATION**

The board (the “**Board**”) of directors of the Company (the “**Directors**”) is pleased to announce that on 9 March 2021 (after trading hours), the Company, entered into a non-legally binding memorandum of understanding (the “**Cooperation MOU**”) for strategic business cooperation (the “**Cooperation**”), with Chia Tai Crystal Wealth (Shanghai) Management Company Limited (“**CTC**”), a company incorporated in the People’s Republic of China with limited liability and a subsidiary of Charoen Pokphand Group Company Limited, a limited liability company incorporated in Thailand, and which, together with its subsidiaries and associates, form a Thai conglomerate based in Bangkok (the “**CPG Group**”); and ACCP Global Limited (“**ACCP**”) as the project consultant.

With a view to further promote the Group's business with respect to the brands and development of the Group on entertainment featuring animation and theme parks, and also to promote the CPG Group's businesses in connection to its shopping malls, the parties to the Cooperation MOU (the "**Parties**") agreed to utilise their respective resources, expertise and experience to explore various possible in-depth cooperation with each other, and it is intended that the Cooperation, subject to the terms and conditions of a formal agreement to be entered into, to consist of the following:

- (i) the Group to introduce and build amusement facilities under "Joypolis Light", a brand of indoor amusement facilities owned by CA Sega Joypolis Limited (a subsidiary of the Group) ("**CA Sega Joypolis**"), in shopping malls located in Thailand and other countries, owned and/or operated by the CPG Group and/or its business partners (the "**Shopping Malls**") to enhance the customer flow and broaden the customer base in those malls, thus promoting the brands of the Parties;
- (ii) the introduction of the brand of "Joypolis Light" into the Shopping Malls, and the Group's products connected to their respective relevant intellectual property rights to be put on sale in the Shopping Malls, which may also in turn act as a marketing and retail sales channel for the Group's products; and
- (iii) the Parties to also establish business cooperation on promotion and marketing of each other's brand, including but not limited to connecting the Shopping Malls' membership programme to an eCommerce platform established by the Group, to allow customers of those Shopping Malls in gaining access to products of the Group featuring all its animation, entertainment, gaming applications, toys and products in connection to the Group's intellectual property rights.

### **Exclusivity**

The Company undertakes to CTC that it shall not, for an exclusive period of twelve (12) months (or any other further extended period agreed by the parties) (the "**Exclusivity Period**") from the date of the Cooperation MOU to (i) solicit, initiate or encourage inquiries or offers from, or (ii) enter into any agreement or statement of intent or understanding with, any person or entity other than CTC with respect to the Cooperation for shopping malls in Thailand, without first having obtained the prior written consent of CTC. In the event that the Parties fail to execute further legally binding agreement(s) with respect to the Cooperation within the Exclusivity Period, the Cooperation MOU shall (subject to extension in the Exclusivity Period with the Parties' agreement in writing) be terminated and the Company will not be bound by the provision connected to the Exclusivity Period after its expiry. For the avoidance of doubt, the Cooperation MOU may be terminated by mutual written consent of the Parties before the expiry of the Exclusivity Period.

### **Non-disclosure Agreement**

In connection to the Cooperation, a legally binding non-disclosure agreement was entered into on 5 March 2021 between the Company and CTC for a term of two (2) years, which set forth the obligations of confidentiality of the Company and CTC.

## **Legal Effect**

Save for the provision in relation to the Exclusivity Period, the provision permitting signing in any number of counterparts, and the provisions relating to confidentiality, fee and notification, the Cooperation MOU shall create no legal and binding obligations on the Parties.

## **Details of Cooperation**

As at the date of this announcement, no definite terms on the actual scope of cooperation have been concluded among the Company, CTC and ACCP. If the Parties identify a more detailed scope for cooperation, a formal agreement will be entered into. Further announcement(s) will be made by the Company as and when appropriate in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

## **INFORMATION OF CTC AND ACCP**

CTC is a company incorporated in the People’s Republic of China with limited liability and is principally engaged in investment holding. It is also a subsidiary of the Charoen Pokphand Group Company Limited, which, together with its subsidiaries and associates, form the CPG Group.

The CPG Group is a Thai conglomerate based in Bangkok, it is also one of the biggest conglomerate in the world with operations in various industries ranging from industrial to service sectors, including but not limited to the agricultural industry, food industry and operations of shopping malls.

ACCP is a company incorporated in Hong Kong with limited liability, and it has maintained business cooperation relationship with the CPG Group.

CTC, ACCP and their respective ultimate beneficial owners are, to the best of the Directors’ knowledge, information and belief, and having made all reasonable enquiries, third parties independent of the Company and its connected person (as defined in the Listing Rules).

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

The Board considers that the Cooperation pursuant to the Cooperation MOU paves the way for the Group’s development in South East Asia, especially with reference to the earlier acquisition of equity interests in Sega Live Creation Inc., which was renamed to CA Sega Joypolis, the Cooperation may serve the purpose to strengthen the Group’s animation cultural resources and research and development capabilities. With the Cooperation with CTC in relation to the development of theme park facilities, the Company anticipates that it may bring business growth opportunities, enhance its brand awareness and strengthen its brand image, thereby resulting in potential revenue and profitability growth.

The Board further considers that the Cooperation contemplated under the Cooperation MOU is in the usual course of business of the Company and the terms of the Cooperation MOU are based on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

The Cooperation MOU provides a framework within which the Company and CTC shall cooperate with each other, and the Company and CTC may enter into definitive agreements to provide in detail the scope of cooperation and specific cooperation plans between the Company and CTC when the need arises.

## **GENERAL**

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board  
**CA Cultural Technology Group Limited**  
**Chong Heung Chung Jason**  
*Chairman and Executive Director*

Hong Kong, 11 March 2021

*As of the date of this announcement, the executive Directors are Mr. Chong Heung Chung Jason, Mr. Ting Ka Fai Jeffrey and Ms. Liu Moxiang, and the independent non-executive Directors are Mr. Ni Zhenliang, Mr. Tsang Wah Kwong and Mr. Hung Muk Ming.*