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VOLUNTARY ANNOUNCEMENT
UPDATED INFORMATION RELATING TO THE PETITION
POSSIBLE DERIVATIVE ACTION
ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE

This announcement is issued by the board (the “**Board**”) of directors of (the “**Directors**”) of CNT Group Limited (the “**Company**”) on a voluntary basis. The Board also refers to the announcements (the “**Announcements**”) of the Company dated 22 June 2017, 25 June 2017, 30 June 2017, 7 July 2017 and 19 September 2017 on the Petition. Unless the context requires otherwise, the capitalised terms used herein shall have the same meanings as defined in the Announcement.

Updated information on the Petition

Following the preliminary hearing of the Petition by the Court of First Instance of the High Court on 19 September 2017, the Petitioner intends to apply for stay of the Petition pending the outcome of the hearing of the Originating Summons (as defined below).

Possible derivative action

On 15 November 2017, the Company received an originating summons (the “**Originating Summons**”) dated 14 November 2017, in which the Petitioner, i.e. Chinaculture.com Limited, acting as the plaintiff in the Originating Summons, requests the Court of First Instance of High Court to grant the leave to commence a derivative action (the “**Derivative Action**”) on behalf of the Company against Mr. Lam Ting Ball, Paul (“**Mr. Lam**”), Mr. Tsui Ho Chuen, Philip (“**Mr. Tsui**”) and Mr. Chong Chi Kwan (“**Mr. Chong**”) for breach of directors’ duties owed to the Company. Mr. Lam and Mr. Chong are the executive Directors and Mr. Tsui is a non-executive Director as of the date of this announcement. No relief is sought against the Company under the draft statement of claim annexed to the Originating Summons even though the Company is named as one of the defendants in the draft statement of claim. The circumstances relating to the alleged breaches of directors’ duties by Mr. Lam, Mr. Tsui and Mr. Chong are similar to the facts described in the Petition and are relating to the Spin-Off and the Listing of CPM. CPM has been listed on the Stock Exchange since 10 July 2017.

Establishment of an independent board committee of the Board

As the Derivative Action is proposed to be made against Mr. Lam and Mr. Chong as the executive Directors and Mr. Tsui as a non-executive Director, the Board is of the view that the Company's conduct of the Derivative Action and the matters relating thereto should be delegated to an independent board committee (the "**Independent Board Committee**"). Pursuant to Article 121 of the bye-laws of the Company, the Board has resolved on 16 November 2017 that the Independent Board Committee is established for the purpose of (a) seeking professional legal advice (for itself or on behalf of the Company) on the course of action that may be taken by the Company in relation to the Derivative Action and all matters relating thereto and (b) conducting the Derivative Action and the matters relating thereto. The members of the Independent Board Committee are Mr. Wu Hong Cho and Mr. Danny T Wong, both are independent non-executive Directors. The Independent Board Committee is delegated with such powers, authorities and discretions as necessary or desirable for the purposes.

As of the date of this announcement, the Court of First Instance of High Court has yet to consider and grant the leave to commence the Derivative Action. The Company will issue further announcement as and when required if there is any material development on the Petition and the Derivative Action.

On behalf of the Board
CNT Group Limited
Lam Ting Ball, Paul
Chairman

Hong Kong, 16 November 2017

As at the date of this announcement, the Board comprises Mr. Lam Ting Ball, Paul and Mr. Chong Chi Kwan as executive Directors; Mr. Tsui Ho Chuen, Philip, Mr. Chan Wa Shek, Mr. Zhang Yulin and Mr. Hung Ting Ho, Richard as non-executive Directors; and Mr. Wu Hong Cho, Mr. Danny T Wong and Mr. Zhang Xiaojing as independent non-executive Directors.