

ANNOUNCEMENT

Strategic Partnership between
Beijing News Focus Culture Development Company Limited and
Beijing Phoenix Digital Technology Company Limited



Basic Conditions of the Agreement

On 28 July 2017, our wholly owned subsidiary, Beijing News Focus Culture Development Company Limited ("NFM Beijing") signed the Strategic Cooperation Agreement with Beijing Phoenix Digital Technology Company Limited ("Phoenix Technology") in Beijing ETown Economic Technology Development Zone.

Beijing Phoenix is owned by Phoenix TV Media Group. It focuses on the integrated solution of digital interaction experience and provides services through the advanced technological R&D products including interactive multimedia (the innovative digital technologies including AR, VR, holographic image and motion capture), and digital image making. It has R&D team and marketing team with abundant experience and has deeply studied the innovative application of interaction technologies in the fields like marketing, public relation, art, education, TV and recreation.

It aims to create a win-win strategic cooperation partnership of sustainable development through the close cooperation of both companies aiming to improve the overall efficiency and to reduce cost in the construction of NAGA CITY project and other public relation activities, which enable both companies to gain more market shares in the future and create greater commercial values through cooperation.

Main Contents of the Agreement

Both companies promise to conduct close cooperation in the integral creation of the container commercial body of NAGA CITY, integration marketing in terms of publicity and promotion as follows:

- Activity originality and execution; planning, originality, design, and R&D
- Implementation of interactive multimedia space device; planning, design, and setup
- Content making and execution of stage performance
- Comprehensive exhibition arrangement
- Creative making of digital image advertisement



The specific details are as follows:

- (1) NFM Beijing is the operation company of the container commercial body project of NAGA CITY.
- (2) Phoenix Technology provides planning, design and implementation of the children theme space, digital theme space, digital art gallery, immersed digital interaction experience gallery, digital artistic device, VR experience store, VR cinema for Party A in the construction stage of the container commercial body project of NAGA CITY.
- (3) Phoenix Technology provides the activity IP implantation, business attraction of activity project and operation services for NFM Beijing during the operation period of container commercial body of NAGA CITY.

Both companies agree on long-term cooperation for the NAGA CITY project.

NFM GROUP LIMITED
July 28, 2017

