

[Immediate Release]



Three Prominent Chinese Film Directors Sign Long Term Production Deals with Huanxi Media

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(Hong Kong, 7 December 2016) – **Huanxi Media Group Limited** (“Huanxi Media” or “the Group” stock code: 1003) announced today that it has signed long term production contracts with three prominent Chinese film directors, Gu Changwei, Zhang Yibai and Chen Daming. They will join famed directors Ning Hao, Xu Zheng, Wong Kar Wai and Peter Chan, who are under similar contracts with Huanxi Media. The addition of these talents will cement Huanxi Media’s position as one of the top content creators in the Chinese film and media market for years to come.

Huanxi Media will allot new shares to Mr. Gu and Mr. Zhang to secure exclusive or priority rights to invest in certain films and/or internet movie series directed by them. The Group also signed a cooperation agreement with Mr. Chen, giving it certain investment rights in the director’s films and internet movie series. The production contract with each director has an initial term of six years.

Introducing Gu Changwei, Asia’s Master Cinematographer

According to the cooperation agreement signed with Gu Changwei, the Group will have exclusive rights to invest in two seasons of internet movie series directed by Mr. Gu and will have the exclusive global distribution rights for these series. Mr. Gu is a member of the Academy of Motion Picture Arts and Sciences (AMPAS), host of the Academy Awards known as The Oscars, and has long-been hailed as the “master cinematographer in Asia”. A number of iconic movies with him as the cinematographer or director, including Red Sorghum, Farewell My Concubine, Peacock and And the Spring Comes have won accolades in international film festivals.

Zhang Yibai, Master of China’s Youth Romantic Films

Under the agreement with Zhang Yibai, Huanxi Media will have certain right to invest in two movies, as well as two seasons of internet movie series, directed by Mr. Zhang. Mr. Zhang, a master of youth romantic films, is often referred to as “Godfather of Youth Films” in China. The love stories he told on screen have enjoyed wide popularity, critical acclaim as well as huge commercial success. His 2016 film, I Belonged to You, brought in nearly RMB 900 million. Box office receipts of his films totalled more than RMB 2.8 billion. He is one of the most commercially successful directors and producers in China today.

Joined by acclaimed Hollywood actor-turned-director Chen Daming

In the cooperation agreement signed with Chen Daming, the Group will have the rights to invest in and other rights in relation to his films and Internet drama series. Mr. Chen went to the United States in the 90s to study screenwriting, directing and acting and had performed

in a number of Hollywood movies. With knowledge and sensibilities both of the East and West, many of the films he directed had won international awards. He is currently a visiting professor at the Beijing Film Academy and Vice President of the Shanghai International School of Beijing Film Academy dedicated to nurturing professionals for the film industry in China.

After diversifying into the film and entertainment business, Huanxi Media has been active in seizing opportunities to expand its film and online movie contents and forge long term strategic partnership with renowned directors in and outside the country. Such moves are made to enable the Group to boost creation of film and online movie contents and related investment so that it may tap the immense opportunities in China's media and entertainment market. Huanxi Media currently has six director shareholders, including Xu Zheng, Ning Hao, Wong Kar Wai and Peter Chan, and the latest additions Gu Changwei and Zhang Yibai. These directors have injected vigour into the Group's film and entertainment business and given it a solid foundation to realise its development vision of producing and distributing high quality film and online productions.

Mr. Dong Ping, Chairman of Huanxi Media Group, said, "We believe quality film and online contents are critical to our success after we have diversified into the film and entertainment industry in China. We also firmly believe China's film industry and new media entertainment business have just begun to flourish, and thus have bright prospects and abundant opportunities. I am pleased that we are able to have six renowned director shareholders on board in just a year-and-a-half and have also forged cooperative relationship with many well-known directors. Such relationships are going to substantially enhance the Group's core competitive advantages in film and online content productions."

Mr. Xiang Shaokun, Steven, Chief Executive Officer of Huanxi Media Group, said, "The three directors we signed today are artistically accomplished and commercially successful. They will bring us closer to the goal of being the best content creator and distributor in China's traditional and new media film market."

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Profiles of Directors

Gu Changwei

Mr. Gu is a remarkable and experienced contemporary professional in the film industry. He has been named a “top cinematographer in Asia” since early years and is one of the representative figures of the “Fifth Generation Movies Directors”. When he was a cinematographer, his extraordinary visual aesthetics shocked both China and the foreign countries and he won numerous awards: both *King of the Children* (1988) and *Red Sorghum* (1988) were awarded the Best Cinematography in the 8th Gold Rooster Awards in China; *In the Heat of the Sun* (1996) was awarded the Best Cinematography in the 33rd Golden Horse Film Festival in Taiwan; and by virtue of *Farewell My Concubine* (1993), Mr. Gu was awarded the Silver Frog Award in the 1st Camerimage Festival - the International Film Festival of the Art of Cinematography and the Academy Award Nomination for Best Cinematography in the 66th Oscars, etc. Furthermore, *Red Sorghum*, *Farewell My Concubine* and *Devils on the Doorstep* were respectively awarded the Golden Bear Award in Berlin International Film Festival, the Golden Palm Award in Cannes International Film Festival and the Grand Prix in Cannes International Film Festival, etc. After his transformation into a film director in 2003, his film *Peacock* (2005) was awarded, among others, the Jury Grand Prix-Silver Bear in the 55th Berlin International Film Festival and became one of the films drawing most attention in that year; with *And the Spring Comes* (2007), Jiang Wenli was awarded, among others, the Best Actress in the 2nd Rome Film Festival; with *Love for Life* (2011), Mr. Gu was awarded the Best Director in the 20th Shanghai Film Critics Association Awards. After that, Mr. Gu turned to the shooting of commercial films. After the low-cost small production *Love on the Cloud* (2014-2015) has been released in one year and shown over to the next year, there was an upsurge for such film leading to a box office exceeding RMB280,000,000 in the Mainland in that year. His talent in market-oriented films was shown off. Furthermore, Mr. Gu lived in Hollywood for seven years (1995 - 2001) for film shooting and studying, and was elected as a member of the Academy of Motion Picture Arts and Sciences (Oscar). Moreover, it is worth mentioned that Mr. Gu had made impressive achievements in modern art in recent years. His works are exhibited in, among others, Shanghai, Beijing, Hong Kong, the United States, Europe, and are also collections of National Art Museum of China and such other domestic and foreign famous collectors and collection agencies.

Zhang Yibai

Mr. Zhang is a film director and executive producer who graduated from The Central Academy of Drama (Faculty of Drama Literature) with a BA in literature and a Master in business administration. He is a member of the 6th Executive Committee of China Film Directors Guild. In 1998, by making the TV series *Eternal Moment*, Mr. Zhang started a new era of teen idol romance dramas in Mainland China, thereby affecting two whole generations of the 70's and 80's in terms of love concepts and outlook on life. In 2014, by virtue of the film *Fleet of Time*, a nostalgia craze of youthfulness by the 80's generation audience was set off again, further giving rise to the shared feelings of the 90's generation. *I Belonged to You* (2016), a film directed by Mr. Zhang, has a remarkable box office record among China's romantic movies. As many of his teen films were recognized by the market in succession, Mr. Zhang was named by many media as the Godfather of Youthful Dramas in China. Mr. Zhang's in-depth involvement in the design, execution and control of the film projects and his film director and creator roles have sufficiently realized his film artistic attainments and commercial energy. The box office gross of the films of which he acts as director or producer exceeds 2.8 billion. Therefore, he is undoubtedly one of the directors/producers with the highest commercial value and best business sense currently found in China.

Chen Daming

Mr. Chen Daming graduated from Performing Arts School of Beijing Film Academy and stayed on teaching there. He is currently a visiting professor of Beijing Film Academy and Vice President of Shanghai International School of Beijing Film Academy. He studied screenwriting, directorship and performance in the U.S. in 1990, and participated in performing many Hollywood movies, such as *Genghis Khan*, *Beverly Hills Ninja*, U.S. TV series *Vanishing Sun*, *Foreign Moon* etc. He also participated in the production of many other Hollywood movies and acted as the executive director

of Quentin Tarantino's Kill Bill and the U.S. TV drama Kelly Zhu. Mr. Chen went back to China in 2001 and was the screenwriter/director of his first work, Manhole, which was produced by the famous producer Dong Ping. Released in 2002, Manhole was shortlisted for the Best Emerging Director Award at the 47th San Francisco International Film Festival and well received in HIFF and the Far East Film Festival in Italy. Mr. Chen's second film One Foot off the Ground was released in China and Southeast Asia in 2006. It was regarded as an excellent film with both humane concern and entertaining factors, and was popular among people in the film industry and his fans. The film was also nominated at the 26th Golden Rooster and Hundred Flowers Film Festival for four awards, including awards of the Best Movie, the Best Screenplay, the Best Actor and the Best Actress, and was awarded the Best Emerging Director and the Best Emerging Screenwriter at the 54th San Sebastian International Film Festival and the Best Director Award at the 9th Festival de Brasília. In 2010, Mr. Chen filmed What Women Want starring Gong Li and Andy Lau. The film became the closing film of the 14th Far East Film Festival in Italy, and was released in, among others, the North America, Australia, Hong Kong, Taiwan and Southeast Asia with quite good comments.

About Huanxi Media Group Limited (Stock code: 1003)

Huanxi Media Group Limited is principally engaged in the media and entertainment, advertising agency, property agency and related services and securities trading and investment businesses. Mr. Dong Ping, the Group's Chairman and the producer of "Crouching Tiger Hidden Dragon" the Academy Award winner for Best Foreign Language Film, is among the first film producers in the movie investment sector in China. "Devils on the Doorstep" and "Peacock" produced by him won the "Grand Jury Prize" and the Silver Bear Award at the Berlin International Film Festival respectively. His recent movies included "Let the Bullets Fly", "Dearest", "Journey to the West", "Breakup Buddies" and "Lost in Hong Kong" made the highest box office record in their respective year of premiere. Under the leadership of Mr. Dong Ping and director shareholders including Mr. Xu Zheng, Mr. Ning Hao, Mr. Wong Kar Wai and Mr. Peter Chan, Huanxi Media continues to expand into the entertainment, films and online movie production and distribution businesses. The Group is a constituent stock of the MSCI China Small Cap Index.

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