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XINHUA NEWS MEDIA HOLDINGS LIMITED

新華通訊頻媒控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 309)

POSITIVE PROFIT ALERT

This announcement is made by Xinhua News Media Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Company's board of directors (the "**Board**") wishes to inform the Company's shareholders and potential investors that, based on the preliminary review of the Group's unaudited consolidated management accounts and the information currently available, it is expected that the Group may record a net profit after tax of approximately HK$22,000,000 for the year ended 31 March 2021, as compared to a net loss of HK$50,704,000 for last financial year. Such turnaround from loss to profit is mainly attributable to (1) the receipt of subsidies under the Employment Support Scheme under the Anti-epidemic Fund launched by the Hong Kong SAR Government of approximately HK$48,760,000 in total; (2) decrease in staff costs of approximately HK$62,500,000 and other operating expenses of approximately HK$26,300,000; and (3) a decrease in impairment losses on intangible assets and investment property through profit or loss of approximately HK$34,800,000.

As the Company is still in the process of finalizing its audited results for the year ended 31 March 2021, the information contained in this announcement is only based on preliminary assessment on the Group's unaudited management accounts and the information currently available. The audited results of the Group for the year ended 31 March 2021 will be published by end of June 2021.

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

By order of the Board
Xinhua News Media Holdings Limited
Fu Jun
Chief Executive Officer and Executive Director

Hong Kong, 21 June 2021

As at the date of this announcement, the Board comprises four executive Directors, namely, Mr. Lo Kou Hong, Mr. Fu Jun, Mr. Tsui Kwok Hing and Mr. Leung Cheung Hang; and three independent non-executive Directors, namely, Mr. Wang Qi, Mr. Tsang Chi Hon and Mr. Wong Hon Kit.