

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



歡喜傳媒集團有限公司*
HUANXI MEDIA GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1003)

PROFIT WARNING
FOR THE SIX MONTHS ENDED 30 JUNE 2021

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

The board of directors (“**Directors**”) of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2021, the Group expects to record revenue more than HK\$150,000,000 (revenue of approximately HK\$492,000,000 was recorded for the six months ended 30 June 2020) and loss less than HK\$100,000,000 for the six months ended 30 June 2021 (profit of approximately HK\$20,000,000 was recorded for the six months ended 30 June 2020).

Based on the latest information available to the Board, loss for the six months ended 30 June 2021 was mainly attributable to the fact that blockbusters invested by the Group were delayed to make debut on cinema screens due to the impact of the Coronavirus Disease 2019 pandemic, and the box office revenue was also affected by the implementation of prevention and control measures, leading to a decrease in the Group’s revenue for the period. In addition, the Group continued to optimise and update the contents of the online video platform of “huanxi.com” (歡喜首映), and increased the production and purchase of film rights, which resulted in an increase in amortised expenses of film rights. However, through the above initiatives, the number of downloads and fee-paying subscribers of “huanxi.com” keep growing, thus achieving the development target of the Group.

The Group expects the situation of Coronavirus Disease 2019 pandemic will be improved, the Group will arrange to debut the blockbusters invested by the Group gradually such as the films *Li Na* (獨自•上場), directed by Mr. Chan Ho Sun Peter; *Papa* (學爸), written and directed by Su Liang, and starring Huang Bo; *The Mountain* (上山), produced by Wang Xiaoshuai; and *Leaping Over The Dragon Gate* (龍門相), produced by Gao Qunshu on cinema screens which will contribute revenue to the Group, and the results of the Group will be improved.

* For identification purposes only

As the Company is in the process of finalising the Group's interim results for the six months ended 30 June 2021, the information contained in this announcement is only based on a preliminary assessment by the management of the Company with reference to the latest information available, which is not based on any figures or information as audited or reviewed by the Company's auditors or the audit committee of the Company, thus may be subject to further adjustments.

The interim results announcement of the Group for the six months ended 30 June 2021 is expected to be published on 30 August 2021.

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
Huanxi Media Group Limited
Xiang Shaokun, Steven
Executive Director and Chief Executive Officer

Hong Kong, 20 August 2021

As at the date of this announcement, the Board comprises Mr. Dong Ping (Chairman) and Mr. Xiang Shaokun, Steven (Chief Executive Officer) as executive Directors, Mr. Ning Hao, Mr. Xu Zheng and Ms. Li Ni as non-executive Directors, and Mr. Wong Tak Chuen, Mr. Li Xiaolong and Mr. Wang Hong as independent non-executive Directors.