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華夏視聽

## CATHAY MEDIA AND EDUCATION GROUP INC.

華夏視聽教育集團

*(Incorporated in Cayman Islands with limited liability)*

**(Stock code: 1981)**

### PROFIT ALERT

This announcement is made by Cathay Media and Education Group Inc. (the “**Company**”, together with its subsidiaries and consolidated affiliated entities, the “**Group**”) pursuant to Rule 13.09(2) 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 (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that, based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2022 (the “**Reporting Period**”) and information currently available, it is expected that the Group will record an increase in consolidated profit for the Reporting Period (the “**Consolidated Net Profit**”) of at least 50 %, as compared to that of RMB71.8 million for year ended 31 December 2021.

The expected increase in the Consolidated Net Profit was primarily attributable to a profit arising mainly from the disposal of the entire equity interest (the “**Disposal**”) in Beijing Shuimu Huaxia Education & Technology Co., Ltd. (“**Shuimuyuan**”) which is recognised as a discontinued operation during the Reporting Period, whereas the discontinued operation of Shuimuyuan recorded a loss for the year ended 31 December 2021.

Excluding the results from the discontinued operation, it is expected that the Group’s profit for the Reporting Period from continuing operations decreased as compared to that for the year ended 31 December 2021, primarily due to (i) an increase in impairment losses on certain long outstanding trade receivables and (ii) provision for certain scripts from our TV/film production and investment business.

The Company is still in the process of finalising the annual results of the Group for the Reporting Period. The information contained in this announcement is only based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the Reporting Period and information currently available, which have not been audited or reviewed by the Company's auditors or audit committee and are subject to changes and adjustments. The announcement of the annual results of the Group for the Reporting Period is expected to be released on 31 March 2023.

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

By Order of the Board  
**Cathay Media and Education Group Inc.**  
**Pu Shulin**  
*Chairperson and Executive Director*

China, 27 March 2023

*As at the date of this announcement, the executive Directors are Mr. Pu Shulin, Mr. Wu Ye, Mr. Yan Xiang and Mr. Lau Chi Hung; and the independent non-executive Directors are Mr. Zhang Jizhong, Mr. Lee Cheuk Yin Dannis and Mr. Huang Yu.*