



Huanxi Media's 1H 2018 Revenue Surges to HK\$84.99 Million Due to Movie Box Office Successes

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Mega Box Office Hit *Dying to Survive* to be Booked to 2H 2018 Revenue

(Hong Kong, 29 August 2018) – **Huanxi Media Group Limited** (“Huanxi Media” or the “Group”; stock code: 1003) has posted a total revenue of HK\$84,988,000 for the six months ended 30 June 2018 (the “Review Period”), compared to HK\$107,000 in the same period last year. Impressive box office receipts of the movie *Us and Them* contributed to the Group’s improved results for the first half year. Gross profit of the Group also increased to HK\$14,914,000.

During the Review Period, loss attributable to owners of the Company amounted to HK\$111,608,000 (same period last year: HK\$35,510,000). If the non-cash items of HK\$65,469,000 recognised from the granted share options and exchange loss of HK\$9,492,000 are excluded, the adjusted loss attributable to owners of the Company would have been HK\$36,647,000, similar to that of the same period last year.

The Group’s principal business activities, movie production, started to yield positive results. During two of the most important box office windows in China this year, Labour Day in May and summer holiday, two of the Group’s movies, *Us and Them* and *Dying to Survive*, achieved box office of RMB1.36 billion and RMB3.1 billion, respectively. Each of these two movies ranked No. 1 in box office during the respective period. According to maoyan.com statistics, the Group ranked No. 2 nationally at RMB4.5 billion in terms of total box office generated as the primary producer of movies as of 29 August 2018.

Steven Xiang, CEO of Huanxi Media said, “The Group believes quality content is critical to our success. As a result, we value our directors and creative teams. We are starting to see results from our efforts in the last two years to build a strong pipeline of content. Looking forward, our forthcoming major productions include *Ash is Purest White* (to be released on 21 September 2018) and *Crazy Alien* (to be released on 5 February 2019). We have secured a minimum guaranteed distribution agreement worth RMB2.8 billion early last month for *Crazy Alien*, from which we will recognise at least RMB700 million in revenue.”

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About Huanxi Media Group Limited (Stock code: 1003)

Huanxi Media is the most innovative media company in China engaged in the investment and production of film and TV content, as well as the operation of a new media broadcast platform. Listed on the Stock Exchange of Hong Kong, it was jointly established by Dong Ping, Ning Hao, Xu Zheng and Xiang Shaokun in 2015. Huanxi Media has a new and unique shareholding structure which closely binds the shareholder directors with the long-term interests of the Company, enabling it to set the standard for quality content of film and online drama series in China based on its exclusive and original content.

Huanxi Media has secured the productions of some of the best domestic film directors for the coming few years, including Ning Hao, Xu Zheng, Wong Kar Wai, Chan Ho Sun Peter, Zhang Yibai, Gu Changwei and Jia Zhangke, which means it has procured the best original content of films and drama series in the country, in a bid to continue to deliver premium content for the fast-developing film and TV industry in China.

Huanxi Media is the sole operator of the new media broadcast platform “huanxi.com,” a subscription-based curated video platform. Living up to its promise of being “simple to access, affordable luxury, advertisement-free,” Huanxi Media selects quality domestic and overseas films for Internet users. huanxi.com is accessible on three major terminals: PC, mobile devices and TV, delivering excellent content and a smooth cinema-like viewing experience.

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