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China Mobile Games and Cultural Investment Limited
中國手遊文化投資有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 8081)

PROFIT WARNING

This announcement is made pursuant to Rule 17.10 of the Rule Governing the Listing Securities on the Growth Enterprise Market ("**GEM**") of The Stock Exchange of Hong Kong Limited ("**GEM Listing Rules**") and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board ("**Board**") of directors ("**Directors**") of China Mobile Games and Cultural Investment Limited ("**Company**" and together with its subsidiaries, the "**Group**") wishes to inform the shareholders of the Company and potential investors that, based on information currently available, the unaudited consolidated total comprehensive loss of the Group for the six months ended 30 June 2014 is expected to increase significantly as compared with the corresponding period in 2013, mainly attributable to (i) the unrealized fair value loss on available-for-sale financial assets included in other comprehensive loss of approximately HK$22 million; (ii) the loss recorded by the Group's health check business during the period under review (noting that the Group only commenced such business since October 2013); and (iii) the Group has scaled down its business on sales of IT hardware products during the period under review, resulting in a significant decrease in revenue from the IT business.

The information contained in this announcement is only based on the preliminary assessment by the management of the Company of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2014 and is not based on any figure or information which has been audited or reviewed by the Company's auditors. The Company is in the process of finalising the interim results of the Group for the six months ended 30 June 2014. Details of the Group's financial information and performance will be disclosed when the Group's interim results for the six months ended 30 June 2014 are announced.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

On behalf of the Board
China Mobile Games and Cultural Investment Limited
Zhang Xiongfeng
Chairman

Hong Kong, 25 July 2014

As at the date of this announcement, the Board comprises (i) three executive Directors, namely Mr. Zhang Xiongfeng, Mr. Zhang Peiao and Mr. Hung Kenneth, and (ii) three independent non-executive Directors, namely Mr. Wong Siu Keung, Joe, Mr. Wong Ching Yip and Mr. Luk Chi Shing.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in the compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at http://www.hkgem.com for a minimum period of seven days from the date of its publication and on the website of the Company at http://www.cmgc.com.hk.