

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.



Transmit Entertainment Limited

傳遞娛樂有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1326)

PROFIT WARNING

This announcement is made by Transmit Entertainment Limited (the “**Company**”, and together with its subsidiaries, 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 (Cap. 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors of the Company (the “**Directors**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review by the Board on the unaudited consolidated management accounts of the Group for the six months ended 31 December 2020 (the “**Interim Period**”), the Group expects to record a net loss attributable to owners of the Company of approximately HK\$75,000,000 to HK\$80,000,000 for the Interim Period as compared to the net loss attributable to owners of the Company of approximately HK\$19,586,000 for the corresponding interim period in 2019. It was mainly attributable to (i) the significant decrease in revenue from the film exhibition business as a result of the continued weak market sentiment in the Interim Period due to the impact of COVID-19; and (ii) the fact that there was revenue from the sale of certain film and television rights during the corresponding interim period in 2019, but there was no such sales revenue during the Interim Period.

In order to actively respond to the challenges brought by the uncertainties of the economic environment, and to reallocate its financial and other resources to other businesses that the Group considers to have higher development potential, so as to bring more return to the Shareholders, on 18 January 2021, the Group entered into an agreement to dispose of certain equity interests in the film exhibition business to a connected person at the subsidiary level for a total consideration of HK\$108,200,000. Details of the disposal are set out in the announcement of the Company dated 18 January 2021. As of the date of this announcement, the disposal has not been completed.

The Company is still in the process of finalizing the interim results of the Group for the Interim Period. The information in this announcement is only based on the preliminary assessment of the unaudited management accounts of the Group and the information currently available to the Company, and such information has not been reviewed or audited by the auditors or the audit committee of the Company. The results of the Group for the Interim Period have not been finalized as at the date of this announcement. The actual results of the Group for the Interim Period may be different from the information disclosed in this announcement. The Group expects to release the interim results announcement for the Interim Period by the end of February 2021.

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

By order of the Board
Transmit Entertainment Limited
Zhang Liang, Johnson
Chairman and Executive Director

Hong Kong, 10 February 2021

As at the date of this announcement, the Board comprises (i) three executive Directors, namely Mr. ZHANG Liang, Johnson (Chairman), Ms. ZHAO Wenzhu and Mr. LEE Hin Kwong, Patrick; and (ii) three independent non-executive Directors, namely Mr. WANG Bo, Mr. XIANG Feng and Mr. CHANG Eric Jackson.