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**STARLIGHT CULTURE
ENTERTAINMENT**

STARLIGHT CULTURE ENTERTAINMENT GROUP LIMITED

星光文化娛樂集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1159)

PROFIT WARNING

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

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on its preliminary review of the unaudited management accounts and the information of the Group currently available to the Board, the Group is expected to record an unaudited consolidated net loss attributable to owners of the Company of approximately HK\$390.5 million for the year ended 31 December 2021, compared to an audited consolidated net loss attributable to owners of the Company of approximately HK\$162.3 million for the year ended 31 December 2020.

The Board considers that such increase in loss of approximately HK\$228.2 million was mainly attributable to the increase in gross loss of approximately HK\$67.2 million, increase in impairment loss on film investment of approximately HK\$80.2 million, increase in impairment loss on prepayments, other receivables and other assets of approximately HK\$152.1 million, which were partly offset by the increase in gain from changes in fair value of financial and derivative financial liabilities of approximately HK\$69.4 million.

The Group is still in the process of finalizing its results for the year ended 31 December 2021. The Board would like to point out that this announcement (except the figures for the net profit attributable to owners of the Company for the year ended 31 December 2020) is only based on the Company's preliminary evaluation of the available information of the Group and is not based on any financial figures or information that have been audited or reviewed by the Company's auditor and the Company's audit committee. Further adjustments and finalization in the Group's 2021 annual financial results may be required. Accordingly, Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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By Order of the Board
Starlight Culture Entertainment Group Limited
Tang Liang
Chairman

Hong Kong, 15 June 2022

As at the date of this announcement, the Board comprises six executive Directors, namely Mr. Tang Liang, Mr. Chau Chit, Mr. Luo Lei, Mr. Zhou Jingbo, Mr. Sang Kangqiao, and Ms. Wu Xiaoli; and four independent non-executive Directors, namely Mr. Wong Wai Kwan, Mr. Michael Ngai Ming Tak, Mr. Jing Xufeng.