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MODERN MEDIA HOLDINGS LIMITED

現代傳播控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 72)

PROFIT WARNING

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

The board of directors of the Company (the “**Board**”) would like to inform shareholders of the Company and potential investors that it is expected that the Group will record a substantial decrease in profit for the financial year ended 31 December 2017 (“**FY2017**”) and it is expected to record a loss of no more than RMB40 million for FY2017 as compared with the profit for the financial year ended 31 December 2016 (“**FY2016**”).

Based on the information currently available, the Board considers that such loss was mainly due to, among other factors, the reduction in the Group’s advertising revenue attributable to (i) the slow recovery of the PRC economy and (ii) the weakening local consumption in the luxury segments in the PRC, to which most of the Group’s principal advertising clients belong. In addition, the Group has proactively promoted the transformation of our business during the past year, and has contributed in and developed new businesses such as the Nowness video platform and the cultural and creative space in Shanghai etc. As the new businesses was generally still under development, which led to increase in cost. However, the Group believed that there will be overall improvements in the financial results in 2018.

As the Company is still in the process of finalising the audited consolidated annual results of the Group for the Reporting Period, the information contained in this announcement is only based on preliminary assessment and review by the Board with reference to the unaudited consolidated management accounts of the Group and other information currently available, which have not been reviewed or audited by the Company’s auditors. The audited consolidated annual results of the Group for FY2017 are expected to be published on 23 March 2018/within the timeframe stipulated under the requirements of the Listing Rules. Financial information and other details of the Group will be disclosed in the annual results announcement of the Group for FY2017.

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

By Order of the Board
Modern Media Holdings Limited
Shao Zhong
Chairman

Hong Kong, 13 February 2018

As at the date of this announcement, the Board comprises the following members: (a) as executive directors, Mr. SHAO Zhong, Mr. MOK Chun Ho, Neil, Ms. YANG Ying, Mr. LI Jian and Mr. DEROCHE Alain; (b) as independent non-executive directors, Mr. JIANG Nanchun, Mr. WANG Shi, Mr. AU-YEUNG Kwong Wah and Dr. GAO Hao.