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華夏文化科技集團
CA CULTURAL TECHNOLOGY GROUP

CA CULTURAL TECHNOLOGY GROUP LIMITED

華夏文化科技集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 01566)

SUPPLEMENTAL ANNOUNCEMENT – PROFIT WARNING

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of CA Cultural Technology Group Limited (the “**Company**”) pursuant to Rule 13.09(2)(a) 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to (i) the Company’s profit warning announcement dated 28 June 2022 and supplemental announcement on profit warning dated 29 June 2022 in respect of the Group’s financial information for the 2022 Financial Year; and (ii) the Company’s announcement of unaudited annual results for the 2022 Financial Year dated 30 June 2022 (collectively, the “**Announcement(s)**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless otherwise specified.

The Board wishes to update the Shareholders and potential investors of the Company that based on further preliminary assessment of the latest unaudited consolidated management accounts of the Group and the latest information available to the management of the Group, the Group is expected to record a loss for the 2022 Financial Year of an amount not less than HK\$840 million.

The increase in the amount of expected loss compared to the one previously announced in the Announcement dated 30 June 2022 is primarily attributable to the following items on top of such loss in the amount of approximately HK\$384 million in the Announcement dated 30 June 2022:

- (i) the increase in amortisation of intangible assets in the amount of approximately HK\$55.8 million to be recorded in the 2022 Financial Year;
- (ii) the increase in share of losses in a joint venture and associates in the amount of approximately HK\$39.0 million to be recorded in the 2022 Financial Year;
- (iii) the impairment losses with respect to investments in a joint venture and associates in the amount of approximately HK\$93.1 million to be recorded in the 2022 Financial Year;
- (iv) the impairment losses made on property, plant and equipment in the amount of approximately HK\$70.2 million to be recorded in the 2022 Financial Year;
- (v) the impairment losses made on right-of-use assets in the amount of approximately HK\$20.7 million to be recorded in the 2022 Financial Year;
- (vi) the impairment losses made on intangible assets in the amount of approximately HK\$93.7 million to be recorded in the 2022 Financial Year; and
- (vii) the increase in the impairment losses under expected credit loss model in the amount of approximately HK\$82.3 million to be recorded in the 2022 Financial Year.

Such impairment losses are non-cash items and will not have any material impact on the Group's cash flows.

The information contained in this announcement is subject to finalisation of the consolidated financial statements of the Group and completion of audit by the independent auditor of the Company. Therefore, the actual final annual results for the 2022 Financial Year may differ from the information contained in this announcement. Shareholders and potential investors of the Company are advised to refer to the audited consolidated annual results announcement for the 2022 Financial Year, which is expected to be published on or before 20 September 2022 by the Company.

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

By order of the Board
CA Cultural Technology Group Limited
Chong Heung Chung Jason
Chairman and Executive Director

Hong Kong, 16 September 2022

As of the date of this announcement, the executive Directors are Mr. Chong Heung Chung Jason, Ms. Liu Moxiang and Mr. Xiong Hao, and the independent non-executive Directors are Mr. Ni Zhenliang, Mr. Tsang Wah Kwong and Mr. Hung Muk Ming.