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(Incorporated in Bermuda with limited liability)

(Stock Code: 1060)

PROFIT WARNING

This announcement is made by ChinaVision Media Group Limited (the “Company”) 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 under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Reference is made to the circular of the Company dated 23 May 2014 (the “Circular”) and the announcement of the Company dated 24 June 2014 relating to, among other things, the completion of the Subscription by Ali CV Investment Holding Limited, an indirect wholly-owned subsidiary of Alibaba Holding. Capitalised terms used herein shall have the same meanings as defined in the Circular unless the context requires otherwise.

The Board wishes to inform the Shareholders and potential investors of the Company that based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2014, the Group is expected to record a substantial loss of approximately HK\$97 million to HK\$180 million for the six months ended 30 June 2014 as compared to a profit of approximately HK\$139 million for the corresponding period in 2013. This loss was expected to be mainly attributable to a substantial drop in revenue (in the range of approximately HK\$120 million to HK\$145 million) for the six months ended 30 June 2014, which represents a decrease of between 70% to 75% compared to revenue of approximately HK\$482 million recorded for the corresponding period in 2013, because (i) certain motion pictures which were under production in the first half of 2014 will only be available for distribution in the second half of 2014 and (ii) the Board has decided to postpone certain strategic decisions until after the Completion, taking consideration of the anticipated change of control of the Company at both the Shareholder and the Board levels.

Upon completion of the Subscription by Ali CV Investment Holding Limited, the Group’s financial position and funding capacity have been bolstered significantly and the Group has more resources to invest and expand its existing business operations as well as to explore other media-related investment opportunities that may arise in the near future. With the anticipated Change of Name, which will be “Alibaba Pictures Group Limited (阿里巴巴影業集團有限公司)”, the Company will also revitalise its corporate image by rebranding under the “Alibaba” brand. Given the strengthened financial position and relationship with Alibaba Group, the Board is of the view that the Group is now better positioned strategically to broaden the scope of its content production and to capitalise, through the Alibaba Group’s ecosystem, on new opportunities related to online entertainment and other media-related areas in addition to its core competence in film production and distribution. By leveraging the “Alibaba” brand and relationship with Alibaba Group, the Group will be also able to further strengthen its cooperation with renowned producers, directors and artists in the content production industry.

* For identification purpose only

As recently announced, the Group has entered into several motion pictures development cooperation agreements with leading movie producers and directors, including cooperations with (i) Block 2 Films Limited and Mr. Wong Kar Wai (王家衛), a highly acclaimed and nationally renowned director, producer and script writer; (ii) Star Ritz International Entertainment Co., Ltd, Ms. Chai Zhi Ping Angie (柴智屏), a renowned producer in Taiwan and Mr. Giddens Ko (九把刀), one of the most popular film directors in Taiwan; and (iii) We Pictures Limited and Mr. Chan Ho Sun, Peter (陳可辛), a distinguished director and producer and now one of the predominant Chinese filmmakers. With the existing business cooperation arrangements in place and the reasons stated above, the Board expects that the Group will pick up its business activities in the second half of 2014.

As the Company is still in the process of finalising the interim results for the six months ended 30 June 2014, the expected decline in revenue and the substantial loss referred to in this announcement has not been reviewed by the Company's auditors or the Company's audit committee and is only a preliminary assessment by the Board with reference to the information currently available. Further details of the Group's financial information will be disclosed in the interim results announcement, which will be published in due course pursuant to the requirements of the Listing Rules.

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

By Order of the Board
ChinaVision Media Group Limited
Shao Xiaofeng
Chairman

Hong Kong, 18 July 2014

As at the date of this announcement, the Board comprises Mr. Shao Xiaofeng and Mr. Liu Chunning, being the Executive Directors; and Mr. Li Lianjie, Mr. Tong Xiaomeng and Ms. Zhang Yu, being the Independent Non-Executive Directors.