Sino Splendid Holdings Limited
中國華泰瑞銀控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8006)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors (the "Directors") of Sino Splendid Holdings Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and no misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

The board (the "Board") of directors (the "Directors") of Sino Splendid Holdings Limited (the "Company") is pleased to announce the annual consolidated results of the Company and its subsidiaries (hereinafter collectively referred to as the "Group") for the year ended 31 December 2014, together with the comparative figures for the year ended 31 December 2013.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2014

	Notes	2014 HK$'000	2013 HK$'000
Continuing operation			
Revenue	4	**81,573**	93,326
Cost of sales		**(39,253)**	(45,359)
Gross profit		**42,320**	47,967
Other income, gains and losses	6	**13,558**	35,118
Selling and distribution expenses		**(18,553)**	(16,736)
Administrative expenses		**(33,166)**	(32,401)
Profit before tax from continuing operation		**4,159**	33,948
Income tax expense	7	**(874)**	(2,032)
Profit for the year from continuing operation	8	**3,285**	31,916
Discontinued operation			
Profit for the year from discontinued operation	9	**–**	70,648
Profit for the year		**3,285**	102,564
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operation		**(3,178)**	(773)
Reclassification adjustment on translation difference upon disposal of subsidiaries		**–**	6,460
Reclassification adjustment upon capital distribution from available-for-sale investments		**(870)**	(2,632)
Other comprehensive income for the year		**(4,048)**	3,055
Total comprehensive income for the year		**(763)**	105,619

	Notes	**2014**	2013
		HK$'000	*HK$'000*
Profit attributable to:			
Owners of the Company			
Profit for the year from continuing operation		**3,322**	31,908
Profit for the year from discontinued operation		**–**	70,648
		3,322	102,556
Non-controlling interests			
(Loss)/profit for the year attributable to non-controlling interests		**(37)**	8
		3,285	102,564
Total comprehensive income attributable to:			
Owners of the Company			
(Loss)/profit for the year from continuing operation		**(726)**	28,503
Profit for the year from discontinued operation		**–**	77,108
		(726)	105,611
Non-controlling interests			
(Loss)/profit for the year attributable to non-controlling interests		**(37)**	8
		(763)	105,619
Earnings per share from continuing and discontinued operations	10		
Basic and diluted (cents per share)		**0.52**	15.95
Earnings per share from continuing operation	10		
Basic and diluted (cents per share)		**0.52**	4.96

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2014

	Notes	**2014**	2013
		HK$'000	*HK$'000*
Non-current assets			
Property, plant and equipment		**728**	644
Available-for-sale investments		**60,253**	61,752
Deposits		**777**	–
		61,758	62,396
Current assets			
Accounts receivable	12	**17,581**	13,449
Prepayments, deposits and other receivables		**3,300**	17,553
Bank balances and cash		**187,522**	373,497
		208,403	404,499
Current liabilities			
Accounts payable	13	**4,282**	5,797
Other payables and accrued liabilities		**8,224**	9,177
Deferred revenue		**2,094**	1,247
Tax liabilities		**1,555**	2,993
		16,155	19,214
Net current assets		**192,248**	385,285
Total assets less current liabilities		**254,006**	447,681
Capital and reserves			
Share capital	14	**6,430**	1,072
Share premium and reserves		**245,532**	444,528
Equity attributable to owners of the Company		**251,962**	445,600
Non-controlling interests		**2,044**	2,081
Total equity		**254,006**	447,681

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2014

	Share capital HK$'000	Share premium HK$'000 *(Note a)*	Capital reserve HK$'000 *(Note a)*	Goodwill reserve HK$'000	Investment revaluation reserve HK$'000	Capital redemption reserve HK$'000	Reserve funds HK$'000 *(Note b)*	Translation reserve HK$'000	Share options reserve HK$'000	Retained profits HK$'000	Subtotal HK$'000	Attributable to non-controlling interests HK$'000	Total HK$'000
At 1 January 2013	1,072	39,337	24,650	(31,193)	3,502	11,690	19,025	46,559	62,662	162,669	339,973	2,073	342,046
Profit for the year	–	–	–	–	–	–	–	–	–	102,556	102,556	8	102,564
Other comprehensive income for the year	–	–	–	–	(2,632)	–	–	5,687	–	–	3,055	–	3,055
Total comprehensive income for the year	–	–	–	–	(2,632)	–	–	5,687	–	102,556	105,611	8	105,619
Lapse of share options granted	–	–	–	–	–	–	–	–	(62,678)	62,678	–	–	–
Recognition of equity-settled share-based payments	–	–	–	–	–	–	–	–	16	–	16	–	16
At 31 December 2013	1,072	39,337	24,650	(31,193)	870	11,690	19,025	52,246	–	327,903	445,600	2,081	447,681
Profit for the year	–	–	–	–	–	–	–	–	–	3,322	3,322	(37)	3,285
Other comprehensive income for the year	–	–	–	–	(870)	–	–	(3,178)	–	–	(4,048)	–	(4,048)
Total comprehensive income for the year	–	–	–	–	(870)	–	–	(3,178)	–	3,322	(726)	(37)	(763)
Share issued upon bonus issue	5,358	(5,358)	–	–	–	–	–	–	–	–	–	–	–
Dividends *(Note 11)*	–	–	–	–	–	–	–	–	–	(192,912)	(192,912)	–	(192,912)
At 31 December 2014	6,430	33,979	24,650	(31,193)	–	11,690	19,025	49,068	–	138,313	251,962	2,044	254,006

Note a: Under the Companies Law of the Cayman Islands (2010 Revision as amended from time to time), the share premium and capital reserve of the Company may be applied for payment of distributions or dividends to shareholders provided that immediately following the date on which the distribution or dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business.

Note b: Pursuant to the relevant laws and regulations for foreign investment enterprises ("FIEs") established in the People's Republic of China excluding Hong Kong (the "PRC"), a certain portion of the FIE's profits is required to be transferred to reserve funds which are not distributable. Transfers to this reserve are made out of the FIE's profits after taxation calculated in accordance with accounting principles and financial regulations applicable to PRC enterprises ("PRC GAAP") and shall not be less than 10% of profit after taxation calculated in accordance with PRC GAAP. No such transfer was made in either year as there was no such profit after tax from the FIEs in either year.

NOTES

1. GENERAL

The Company is a public limited company incorporated in the Cayman Islands and its shares are listed on The Growth Enterprise Market (the "GEM") of the Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The principal activities of the Company and its subsidiaries are engaged in travel media operations with provision of advertising services through the internet and travel magazines, event organising services and magazine publication.

2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of Chapter 18 of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange.

The consolidated results of the Group have been prepared under historical cost convention, except for certain financial instruments, which are measured at fair value.

In October 2013, the Company has disposed its business segment of internet portal business in the People's Republic of China. This business segment is presented as discontinued operation in accordance with HKFRS 5.

3. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

(a) Adoption of new/revised HKFRSs – effective 1 January 2014

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011)	Investment entities
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets
HK (IFRIC) – INT 21	Levies

These new/revised standards and interpretations has no material impact on the Group's financial statements.

(b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group.

HKFRSs (Amendments)	Annual Improvements 2010-2012 Cycle [2]
HKFRSs (Amendments)	Annual Improvements 2011-2013 Cycle [1]
HKFRSs (Amendments)	Annual Improvements 2012-2014 Cycle [3]
Amendments to HKAS 1	Disclosure Initiative [3]
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation [3]
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception [3]
Amendments to HKAS 27	Equity Method in Separate Financial Statements [3]
HKFRS 9 (2014)	Financial Instruments [5]
HKFRS 15	Revenue from Contracts with Customers [4]

[1] Effective for annual periods beginning on or after 1 July 2014

[2] Effective for annual periods beginning, or transactions occurring, on or after 1 July 2014

[3] Effective for annual periods beginning on or after 1 January 2016

[4] Effective for annual periods beginning on or after 1 January 2017

[5] Effective for annual periods beginning on or after 1 January 2018

The Group is in the process of making an assessment of the potential impact of these new/revised HKFRSs and the Directors so far concluded that the application of these new/revised HKFRSs will have no material impact on the Group's financial statements.

4. REVENUE

An analysis of the Group's revenue for the year is as follows:

	Note	**2014** ***HK$'000***	2013 *HK$'000*
Continuing operation			
Travel Media		**81,573**	93,326
Discontinued operation			
Internet Portal	9	**–**	52,950
		81,573	146,276

5. **SEGMENT INFORMATION**

Information reported to the Chief Executive Officer of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of services provided.

The Group's operating businesses are structured and managed separately according to the nature of the operations. Each of the Group's operating segments represents a strategic unit that offers services which are subject to risks and returns that are different from those of the other operating segments.

Specifically, the Group's reportable and operating segments under HKFRS 8 are summarised as follows:

Continuing operation

- Travel media – provision of advertising services through the internet and travel magazines, event organising services and magazine publication.

Discontinued operation

- Internet portal – provision of content and internet services and advertising services.

Segment revenues and results

The following is an analysis of the Group's revenues and results by reportable and operating segment:

	Continuing operation		Discontinued operation			
	Travel media		Internet portal		Total	
	2014	2013	**2014**	2013	**2014**	2013
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Reportable segment revenue	**81,573**	93,326	**–**	52,950	**81,573**	146,276
Reportable segment profit	**11,591**	18,018	**–**	6,962	**11,591**	24,980
Bank interest income	**14**	18	**–**	211	**14**	229
Depreciation	**(385)**	(259)	**–**	(796)	**(385)**	(1,055)
Impairment loss on accounts receivable	**(787)**	(443)	**–**	(412)	**(787)**	(855)
Income tax expense	**(874)**	(2,032)	**–**	–	**(874)**	(2,032)
Reportable segment assets	**69,384**	60,742	**–**	–	**69,384**	60,742
Additions to non-current assets	**547**	463	**–**	1,055	**547**	1,518
Reportable segment liabilities	**14,577**	17,420	**–**	–	**14,577**	17,420

Reconciliation of segment results to profit before tax:

	2014	2013
	HK$'000	*HK$'000*
Segment profit	**11,591**	24,980
Less: Segment profit from discontinued operation	**–**	(6,962)
Segment profit from continuing operation	**11,591**	18,018
Investment and other income	**16,360**	34,990
Loss on disposal of available-for-sale investments	**–**	(1)
Central administration costs	**(23,792)**	(19,059)
Profit before tax from continuing operation	**4,159**	33,948

All revenue reported above represents revenue generated from external customers. There were no inter-segment sales in either year.

The accounting policies of the reportable and operating segment are the same as the Group's accounting policies. Segment profit represents the profit earned by the segment without allocation of gain on disposal of subsidiaries, investment and other income, loss on disposal of available-for-sale investments and central administration costs. Included in investment and other income consists of investment income and interest income from unallocated bank balances. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segment:

	2014	2013
	HK$'000	*HK$'000*
Segment assets		
Travel Media	**69,384**	60,742
Total Segment assets	**69,384**	60,742
Unallocated bank balances and cash	**139,282**	328,491
Available-for-sale investments	**60,253**	61,752
Others	**1,242**	15,910
Consolidated assets	**270,161**	466,895
Segment liabilities		
Travel Media	**14,577**	17,420
Total segment liabilities	**14,577**	17,420
Others	**1,578**	1,794
Consolidated liabilities	**16,155**	19,214

For the purposes of monitoring segment performances and allocating resources between segments:

- All assets are allocated to reportable and operating segments other than unallocated bank balances and cash, available-for-sale investments and unallocated other assets.

- All liabilities are allocated to reportable and operating segments other than unallocated other payables and accrued liabilities.

Geographical information

The Group's revenue from external customers and information about its non-current assets by geographical locations are detailed below:

	Revenue from external customers		**Non-current assets**	
	Year ended 31 December		**As at 31 December**	
	2014	2013	**2014**	2013
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Continuing operation				
Singapore (place of domicile)	**81,573**	93,326	**637**	644
Discontinued operation				
The PRC	**–**	52,950	**–**	–
	81,573	146,276	**637**	644

Note: Non-current assets excluded financial instruments, deposits and others.

No customer attributed more than 10% of the Group's total revenue (2013: Nil).

6. OTHER INCOME, GAINS AND LOSSES

	2014	2013
	HK$'000	*HK$'000*
Investment income	**15,947**	29,756
Bank interest income	**426**	4,759
Other non-operating income	**545**	605
Impairment loss on available-for-sale investments	**(3,360)**	–
Loss on disposal of property, plant and equipment	**–**	(1)
Loss on disposal of available-for-sale investments	**–**	(1)
	13,558	35,118

7. INCOME TAX EXPENSE

	2014	2013
	HK$'000	*HK$'000*
Current tax – Singapore	**1,759**	2,734
Over-provision in prior years	**(885)**	(702)
	874	2,032

Hong Kong Profits tax is calculated at 16.5% (2013: 16.5%) on the estimated assessable profits for the year. No provision for Hong Kong Profits Tax has been made as the Group had no assessable profit arising in Hong Kong for the year ended 31 December 2014 (2013: HK$ Nil).

For the subsidiary in Singapore, it is subject to a flat corporate tax rate of 17% (2013:17%).

8. PROFIT FOR THE YEAR FROM CONTINUING OPERATION

Profit for the year from continuing operation is arrived at after charging/(crediting):

	2014	2013
	HK$'000	*HK$'000*
Continuing operation		
Operating leases		
– in respect of office premises	**2,263**	4,128
– in respect of office equipment	**40**	70
Depreciation of property, plant and equipment	**436**	293
Staff costs (including Directors' emoluments and share-based payments)	**30,092**	27,190
Retirement benefits scheme contributions	**2,750**	2,449
Total staff costs	**32,842**	29,639
Net foreign exchange loss/(gain)	**3,968**	(2,809)
Auditor's remuneration	**550**	825
Impairment losses on other receivables	**3,509**	–
Impairment losses on accounts receivable	**787**	443
Gain on disposals of subsidiaries	**–**	(63,686)

9. DISCONTINUED OPERATION

On 13 August 2013, the Company entered into a sale and purchase agreement to dispose of Chinadotcom Communications Technology Development (Beijing) Limited (先達華網通信技術發展(北京)有限公司), Beijing China.com Technology Services Co. Ltd. (北京華網匯通技術服務有限公司) and its subsidiary and the uniform resource locator http://www.china.com. (collectively referred to as "Disposal Assets") to the Global Broadcasting Media Group (國廣環球傳媒控股有限公司) (the "Global Broadcasting"), at a total consideration of HK$90,800,000.

The Disposal Assets was engaged in provision of content and internet service in the PRC. The disposal was completed on 30 October 2013, the date on which the control of PRC internet portal segment passed to the Global Broadcasting. The revenue, results, cash flows and net assets of the Disposal Assets were as follows:

	10 months to October 2013 *HK$'000*
Revenue	52,950
Cost of sales	(13,055)
Other income	212
Selling and distribution expenses	(12,685)
General and administration expenses	(20,048)
Impairment losses	(412)
Profit before tax	6,962
Income tax expense	–
	6,962
Gain on disposal of operation	63,686
Profit for the year from discontinued operation	70,648
Net cash generated from operating activities	3,802
Net cash used in investing activities	(578)
Net cash used in financing activities	(1,924)
Total cash flows	1,300

A gain of HK$63,686,000 arose on the disposal of the Disposal Assets, being the proceeds of disposal less the carrying amount of the subsidiaries' net assets. No tax charge or credit arose from the disposal.

10. EARNINGS PER SHARE

From continuing and discontinued operations

The calculation of the basic and diluted earnings per share from continuing and discontinued operations attributable to the owners of the Company is based on the following data:

	2014	2013
	HK$'000	*HK$'000*
Profit from continuing and discontinued operations		
Earnings for the purpose of basic and diluted earnings per share	**3,322**	102,556

	2014	2013
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	**643,042**	107,174
Bonus issue of shares by capitalisation of the share premium account *(Note 14)*	**–**	535,868
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share after bonus issue	**643,042**	643,042

535,868,205 bonus shares issued on 16 January 2014 are deemed to be in issue at the beginning of the relevant periods assuming that the issuance of bonus shares has been effective.

For the year ended 31 December 2013, the calculation of diluted earnings per share does not assume the exercise of share options as the exercise prices of share options are higher than the average market price of the Company's shares over the reporting period. All the share options had lapsed on 21 March 2013.

From continuing operation

The calculation of the basic and diluted earnings per share from continuing operation attributable to the owners of the Company is based on the following data:

	2014	2013
	HK$'000	*HK$'000*
Profit for the year attributable to owners of the Company	**3,322**	102,556
Less: Profit for the year from discontinued operation	**–**	(70,648)
Earnings for the purpose of basic and diluted earnings per share from continuing operation	**3,322**	31,908

The denominators are the same as those detailed above for both basic and diluted earnings per share.

From discontinued operation

The Company does not have discontinued operation in 2014 and therefore no earnings per share for discontinued operation for the year ended 31 December 2014 is presented.

Basic and diluted earnings per share for the discontinued operation for the year ended 31 December 2013 is HK$10.99 cents, based on the profit for the year from the discontinued operation of approximately HK$70,648,000 and the denominators detailed above for both basic and diluted earnings per share.

11. DIVIDENDS

On 9 May 2014, the Company declared a special dividend of HK$0.3 per share (2013: HK$ Nil) to shareholders out of the Company's retained profits. The dividend was paid in June 2014 totaling HK$192,912,000.

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2014 and 31 December 2013.

12. ACCOUNTS RECEIVABLE

The Group's trading terms with its customers are mainly on credit. The credit period is generally for a period of one month, extending up to six months for major customers. The Group seeks to maintain strict control over its outstanding accounts receivable and has a credit control policy to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group has provided an impairment loss on accounts receivable based on experience of collecting payments.

The following is an aged analysis of accounts receivable net of allowance for doubtful debts presented based on the invoice date at the end of the reporting period:

	2014	2013
	HK$'000	*HK$'000*
Within 90 days	**13,957**	12,353
91-120 days	**646**	528
121-180 days	**1,031**	397
Over 180 days	**1,947**	171
	17,581	13,449

13. ACCOUNTS PAYABLE

The following is an aged analysis of accounts payable presented based on the invoice date at the end of the reporting period:

	The Group	
	2014	2013
	HK$'000	*HK$'000*
Within 90 days	**3,855**	4,643
91-120 days	**242**	7
121-180 days	**19**	2
Over 180 days	**166**	1,145
	4,282	5,797

The credit period on purchase is generally 1.5 to 3 months. The Group has financial risk management policies in place to ensure that all payables are paid within the credit time frame.

14. SHARE CAPITAL

	Number of shares	**Share capital** ***HK$'000***
Ordinary shares of HK$0.01 each		
Authorised:		
As at 1 January 2013	250,000,000	2,500
Increase during the year	2,750,000,000	27,500
As at 31 December 2013 and 31 December 2014	3,000,000,000	30,000
Issued and fully paid:		
As at 1 January 2013, 31 December 2013 and 1 January 2014	107,173,641	1,072
Share issued upon bonus issue	535,868,205	5,358
As at 31 December 2014	643,041,846	6,430

Pursuant to an ordinary resolution in relation to the bonus issue of share passed at the extraordinary general meeting of the Company held on 31 December 2013, 535,868,205 bonus shares of HK$0.01 each were issued on 16 January 2014 to the shareholders on the basis of five bonus shares for every existing ordinary share who were entitled to those bonus shares. The bonus shares rank pari passu with the existing shares in all respects.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue and gross profit

Revenue for the year ended 31 December 2014 was HK$81,573,000 representing a HK$11,753,000, or 13% decrease compared to last year. The net decrease was primarily attributable to a shortfall of the event management contract for ATF 2014 (ASEAN Tourism Forum) in the first quarter of 2014, but the effect of such shortfall had been partially offset by 2 successful trade shows, Singapore Gift Show 2014 and IT & CM India 2014.

Gross profit margin maintained at a stable level of 52% in 2014, compared to 51% in 2013.

Other income, gains and losses

Other income, gains and losses decreased by 61% to HK$13,558,000 in 2014, compared to HK$35,118,000 in 2013. The decrease was primarily due to (1) a HK$13,808,000 decrease in investment income from our private equity funds investments as certain one-off distribution from investments in 2013 did not recur; (2) a HK$4,333,000 decrease in bank interest income as a result of decrease in bank balance which used for the payment of special dividend during the year; and (3) HK$3,360,000 impairment loss had been recognised for one of our private equity funds.

Selling and distribution expenses

Selling and distribution expenses increased by 11% to HK$18,553,000 in 2014, compared to HK$16,736,000 in 2013. The increase is mainly due to the increase of show and event related expenses as a result of organising IT& CM India 2014, such trade show had been cancelled in 2013. Moreover, the launch of new business, “Roomonger”, together with the newly launched products of “TTGAssociation” and “Sentosa Harbourfront” during the year had further increased the advertising and business development expenses.

Administrative expenses

Administrative expenses remain stable, increased slightly by 2% to HK$33,166,000 in 2014, compared to HK$32,401,000 in 2013. The increase was primarily attributable to exchange losses incurred during the year.

Income tax

The Group recorded an income tax expense of HK$874,000 in 2014, compared to HK$2,032,000 in 2013.

Discontinued operation

The disposal of internet portal operation had been completed on 30 October 2013.

Non-controlling interests

Loss shared by non-controlling interests was HK$37,000 in 2014, compared to a profit of HK$8,000 in 2013. Loss shared by non-controlling interests represented non-controlling interests' share of loss in a company that is partly owned by a third party. The Group's equity interest in this company is 90% as at 31 December 2014 (2013: 90%).

Profit for the year attributable to owners of the Company

Profit for the year attributable to owners of the Company was HK$3,322,000 in 2014, compared to HK$102,556,000 in 2013.

Liquidity and financial resources

The Group generally financed its operations with its internally generated cash flows. The Group's total equity was HK$251,962,000 as at 31 December 2014 after the distribution of a special dividend totaling HK$192,912,000 from retained profits, compared to HK$445,600,000 as at 31 December 2013. Total assets amounted to HK$270,161,000 as at 31 December 2014, compared to HK$466,895,000 as at 31 December 2013, of which HK$187,522,000 (2013: HK$373,497,000) was bank balances and cash and HK$60,253,000 (2013: HK$61,752,000) was available-for-sale investments.

Capital structure

On 3 December 2013, the Board proposed a bonus issue of new shares ("Bonus Shares") on the basis of five bonus shares for every one share held by the existing shareholders. The Bonus Shares rank pari passu in all respect with the shares then in issue. On 16 January 2014, the bonus issue was completed. The issued share capital of the Company was therefore increased by 535,868,205 shares from 107,173,641 shares to 643,041,846 shares and approximately of HK$5,358,682 was credited to share capital with the same amount was debited to the share premium account.

Charges on the Group's assets

There was no charge on the Group's assets as at 31 December 2014 and 2013.

Gearing ratio

The Group has a zero gearing ratio as at 31 December 2014 and 2013 as calculated by net debts divided by shareholders' equity.

Exposure to fluctuations in exchange rates and any related hedges

The majority of the Group's assets and liabilities and business transactions were denominated in Renminbi, Singapore dollars, Hong Kong dollars and United States dollars. During the year ended 31 December 2014, the Group had not entered into any hedging arrangements. However the management will continue to monitor closely its foreign currency exposure and requirements and to arrange for hedging facilities when necessary.

Contingent liabilities

The Group had no significant contingent liability as at 31 December 2014 and 2013.

Material acquisitions, disposals and significant investments

Save as the subscription of private equity fund investment of JPY500,000,000 (equivalent to approximately HK$38,105,000), the Group did not have any material acquisitions, disposals or significant investments during the year ended 31 December 2014.

Employee information

As at 31 December 2014, the Group had 63 (2013: 62) full-time employees, of which 12 (2013: 13) were based in Hong Kong, 3 (2013: 2) in China, 47 (2013: 45) in Singapore, nil (2013: 1) in Thailand and 1 (2013: 1) in Malaysia. The Group has introduced share option schemes to recognise the contributions of the employees to the growth of the Group. The schemes have been or will be amended from time to time to take into account changes in market conditions and the GEM Listing Rules.

MARKET REVIEW

During 2014, the Asia-Pacific region welcomed approximately 5% more international tourists compared with 2013. The growth was mainly fuelled by the availability of more flights frequencies introduced by low cost carriers.

Arrival growth in South-east Asia which is the market where we conduct most of our business was however negatively impacted by regional geopolitics and negative reactions to unfortunate aviation incidents. The South-east Asian region posted arrival growth of a mere 2% despite previous robust growths in 2012 and 2013. This in turn, pulled down wider Asia-Pacific growth to 5% in 2014 compared to 7% in 2013. Geopolitical instability in Vietnam, political uncertainty in Thailand, coupled with negative reactions to aviation incidents, dented demand. However this impact was largely limited to South-east Asia.

The China market, a bread-and-butter for South-east Asia, reacted to the martial law in Thailand, the disappearance of Malaysia Airlines' MH370 and anti-Chinese sentiment in Vietnam as well as the Philippines. China's new tourism law implemented in October 2013 that prohibits low-cost tours also took a toll on South-east Asia in 2014.

Cities such as Bangkok, Kuala Lumpur and Singapore experienced softer arrival figures due to these events and the inclination for multi-city itineraries.

The best growths for inbound arrival came from our secondary advertising markets in Asia-Pacific – South Asia, led by India, and from North-east Asia where major destinations such as Japan and South Korea registered double-digit growth. Japan and South Korea were aggressively marketing their destinations. In addition, the former relaxed visa rules in 2014 which spurred demand from Asian markets.

BUSINESS REVIEW

As a result of the instable market in the Asia-Pacific region, the overall run-of-page advertising revenue for TTG saw a drop for the year from our main markets. The various events organised by TTG during the year were not spared with revenue shrunk when compared to 2013. Notwithstanding the above, careful cost management particularly on overheads and the satisfactory performance for the special projects helped tremendously in cushioning the decline in revenue. The special projects undertaken by the Travel Trade Publishing group in 2014 include the TTG Show Daily at major events such as ATF (ASEAN Tourism Forum), ITB Berlin, PTM (Pacific Asia Travel Association Travel Mart), CITM (China International Travel Mart), and various supplements and special publications.

In order to maintain our competitiveness in this challenging market, TTG saw a record launch of new products and services in a single year in 2014. Altogether, TTG launched four new publications namely: (1) TTGassociations, a quarterly publication in response to the rise of Asia-Pacific association meetings, and the growing importance of associations in this region, it's being positioned as "The Intelligent Resource To Association Meetings In Asia-Pacific"; (2) Sentosa Harbour Front Precinct Guide & Map, Singapore's only guide & map on the Sentosa Harbour Front precinct, created in partnership with the Sentosa Harbour Front Business Association; (3) Singapore River Precinct Guide & Map, Singapore's only tourist map of its kind, which centered on the key dining, entertainment and sightseeing activities along the Singapore River, encompassing Boat Quay, Clarke Quay and Robertson Quay, and earning the official endorsement of Singapore River One; and (4) The Map of Singapore – Cruise Travellers' Edition, Singapore's first and only map targeted at cruise visitors, reaching cruise passengers across all travel sectors and profiles. It serves as an all-in-one source of information to discovering Singapore during their port-of-call stop-over here. This map also has the additional support of Singapore Tourism Board and Cruise Lines International Association (South East Asia).

In addition to these new publications, TTG also launched Roomonger (www.roomonger.com), a B2B online hotel booking portal targeting retail travel agencies worldwide. While the B2B portal is expected to take a while before it can be profitable, all other publishing launches in 2014 are expected to start contributing to TTG's turnover in 2015 and years to come, albeit contribution from each publication may be small initially but expected to grow as it gains acceptance in the market place.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2014.

COMPETING INTERESTS

During the year ended 31 December 2014, the Board is not aware of any Director or the management shareholder of the Company (as defined under the GEM Listing Rules) having any interests in a business which competes or may compete with the business of the Group.

SECURITIES TRANSACTIONS BY DIRECTORS

During the year ended 31 December 2014, the Company has not adopted a code of conduct regarding the Directors' securities transactions but has applied the principles of the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules ("Required Standard of Dealings"). Having made specific enquiry of all Directors of the Company, the Directors confirmed that they have complied with or they were not aware of any non-compliance with the Required Standard of Dealings during the year ended 31 December 2014.

CORPORATE GOVERNANCE CODE COMPLIANCE

Save as disclosed below, the Company throughout the year 2014 has fully complied with the applicable code provisions in the Corporate Governance Code (the "CG Code") and Corporate Governance Report contained in Appendix 15 of the GEM Listing Rules of the Stock Exchange.

In respect A.6.7 of the CG Code provision, the Independent Non-executive Director, Mr. Wu Guilong was unable to attend the annual general meeting of the Company due to his other business commitment. Mr. Chow Chi Wa, the Executive Director and Chief Executive Officer, was also unable to attend the annual general meeting of the Company due to sickness.

SCOPE OF WORK OF BDO LIMITED

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2014 have been agreed by the Group's auditor, BDO Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by BDO Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by BDO Limited on the preliminary announcement.

REVIEW OF ACCOUNTS

The Audit Committee has reviewed with the management of the Company, the accounting principles and practices adopted by the Group and the consolidated financial statement for the year ended 31 December 2014.

DIVIDEND

On 9 May 2014, the Company declared a special dividend of HK$0.3 per share (2013: HK$ Nil) to shareholders out of the Company's retained profits. The dividend was paid in June 2014 totaling HK$192,912,000.

The Directors do not recommend the payment of final dividend for the year ended 31 December 2014.

By order of the Board
Sino Splendid Holdings Limited
Ms. Xu Yun
Chairlady

Hong Kong, 19 March 2015

As at the date of this announcement, the Directors of the Company are:

Executive Directors:
Mr. Chow Chi Wa, Mr. Xiao Hua and Mr. Yang Xingan

Non-Executive Director:
Ms. Xu Yun

Independent Non-Executive Directors:
Ms. Peng Jiang, Mr. Zhu Xiangrong and Mr. Wu Guilong