Asiaray Media Group
雅仕維傳媒集團

ASIARAY MEDIA GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1993)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015

The board of directors (the "Board") of Asiaray Media Group Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2015, together with the audited comparative figures for the year ended 31 December 2014 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Year ended 31 December	
		2015	2014
	Notes	***HKD'000***	*HKD'000*
Revenue	*2*	**1,406,293**	1,320,686
Cost of revenue	*3*	**(1,115,897)**	(875,313)
Gross profit		**290,396**	445,373
Selling and marketing expenses	*4*	**(100,553)**	(82,231)
Administrative expenses	*5*	**(166,744)**	(145,525)
Other income	*6*	**12,758**	10,013
Other (losses)/gains, net	*6*	**(52,393)**	1,934
Operating (loss)/profit		**(16,536)**	229,564
Finance income	*7*	**5,576**	6,844
Finance costs	*7*	**(3,222)**	(15,746)
Finance income/(costs), net	*7*	**2,354**	(8,902)
Share of results of investments in associates	*11*	**8,177**	(819)
(Loss)/profit before income tax		**(6,005)**	219,843
Income tax credit/(expense)	*8*	**3,809**	(27,531)
(Loss)/profit for the year		**(2,196)**	192,312

	Notes	Year ended 31 December **2015** ***HKD'000***	 2014 *HKD'000*
Other comprehensive (loss)/income			
Items that may be reclassified to profit or loss			
— Net losses from changes in fair value of available-for-sale financial assets, net of tax		**(1,545)**	(154)
— Currency translation differences		**(25,330)**	2,167
		(26,875)	2,013
Total comprehensive (loss)/income for the year		**(29,071)**	194,325
(Loss)/profit attributable to:			
Owners of the Company		**(39,616)**	142,555
Non-controlling interests		**37,420**	49,757
(Loss)/profit for the year		**(2,196)**	192,312
Total comprehensive (loss)/income attributable to:			
Owners of the Company		**(61,802)**	144,573
Non-controlling interests		**32,731**	49,752
Total comprehensive (loss)/income for the year		**(29,071)**	194,325
(Loss)/earnings per share attributable to owners of the Company for the year *(expressed in HK cents per share)*			
— Basic and diluted	*9*	**(9.09)**	43.20

CONSOLIDATED BALANCE SHEET

	Note	As at 31 December **2015** *HKD'000*	2014 *HKD'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**63,984**	83,518
Construction-in-progress		**16,776**	–
Land use rights		**15,583**	16,935
Investment properties		**652**	786
Intangible assets		**1,187**	1,061
Investments in associates	*11*	**37,938**	36,442
Financial assets at fair value through profit or loss		**3,877**	3,735
Available-for-sale financial assets		**56,926**	8,734
Deferred income tax assets		**80,054**	58,232
Non-current portion of other receivables	*12*	**18,248**	18,206
		295,225	227,649
Current assets			
Inventories		**1,343**	268
Trade and other receivables	*12*	**525,616**	353,735
Short-term deposits	*13*	**114,757**	194,136
Restricted cash	*13*	**81,807**	80,968
Cash and cash equivalents		**241,946**	135,630
		965,469	764,737
Total assets		**1,260,694**	992,386

	Note	As at 31 December 2015 HKD'000	2014 HKD'000
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		**44,000**	33,000
Share premium		**557,813**	–
Reserves		**(9,516)**	(4,269)
Retained earnings		**55,727**	95,343
		648,024	124,074
Non-controlling interests		**52,645**	84,697
Total equity		**700,669**	208,771
Liabilities			
Non-current liabilities			
Borrowings		**6,863**	8,557
Non-current portion of other payables	*14*	**–**	14,228
Deferred income tax liabilities		**160**	75
		7,023	22,860
Current liabilities			
Trade and other payables	*14*	**477,327**	631,142
Current income tax liabilities		**10,669**	17,987
Borrowings		**16,694**	111,626
Provision for compensation loss		**48,312**	–
		553,002	760,755
Total liabilities		**560,025**	783,615
Total equity and liabilities		**1,260,694**	992,386

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The consolidated financial statements of the Company have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRS") issued by Hong Kong Institute of Certified Public Accountants ("HKICPA"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and financial assets at fair value through profit or loss, which are carried at fair value.

(a) *New and amended standards adopted by the Group*

The following amendments to standards have been adopted by the Group for the first time for the financial year beginning on or after 1 January 2015:

		Effective for accounting periods beginning on or after
Annual improvements 2012	Changes from the 2010-2012 cycle of the annual improvements project	1 January 2015
Annual improvements 2013	Changes from the 2011-2013 cycle of the annual improvements project	1 January 2015
HKAS 19 (Amendment)	Employee Benefits	1 January 2015

The adoption of the improvements made in the 2010 - 2012 Cycle has required additional disclosures in the segment note. Other than that, the remaining amendments are not material to the Group.

(b) *New and amended standards have been issued but are not effective for the financial year and have not been early adopted.*

		Effective for accounting periods beginning on or after
HKAS 1 (Amendment)	Disclosure Initiative	1 January 2016
HKAS 10, HKAS 12 and HKAS 28 (Amendment)	Investment Entities: Applying the Consolidation Exception	1 January 2016
HKAS 10 and HKAS 28 (Amendment)	Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture	To be determined
HKAS 16 and HKAS 38 (Amendment)	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
HKFRS 11 (Amendment)	Accounting for Acquisitions of Interests In Joint Operation	1 January 2016
HKAS 27 (Amendment)	Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements Project	Annual Improvements 2014-2014 Cycle	1 January 2016
HKFRS 9	Financial Instruments	1 January 2018
HKFRS 15	Revenue from Contracts with Customers	1 January 2018

The Group did not early adopt any of these new amendments to existing standards. Management is currently assessing the financial impact of these revisions to the Group's consolidated financial position and performance.

(c) *New Hong Kong Companies Ordinance (Cap.622)*

In addition, the requirements of Part 9 "Accounts and Audit" of the new Hong Kong Companies Ordinance (Cap. 622) come into operation during the financial year, as a result, there are changes to presentation and disclosures of certain information in the consolidated financial statements.

2. SEGMENT INFORMATION

The chief operating decision-maker has been identified as the executive directors of the Company (the "Executive Directors"). The Executive Directors review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Executive Directors considered the business from product perspective, and determined that the Group has the following operating segments:

— Airports business — operation of advertising services in airports;

— Metro lines business — operation of advertising services in metro lines; and

— Billboards and building solutions — operation of advertising services on billboards and building solutions.

The chief operating decision-maker assesses the performance of the operating segments mainly based on revenue and gross profit of each operating segment. All of the businesses of the Group were carried out in the Mainland China and Hong Kong during the year. Selling and marketing expenses and administrative expenses are common costs incurred for the operating segments as a whole and therefore they are not included in the measure of the segments' performance which is used by the chief operating decision-maker as a basis for the purpose of resource allocation and assessment of segment performance. Other income, other (losses)/gains, net, finance income/(costs), net and income tax credit/(expense) are also not allocated to individual operating segment.

There were no segment assets and liabilities information provided to the chief operating decision maker.

The segment information for the operating segments is as follows:

	Airports business	**Metro lines business**	**Billboards and building solutions**	**Others**	**Total**
	HKD'000	*HKD'000*	*HKD'000*	*HKD'000*	*HKD'000*
Year ended 31 December 2015					
Revenue	**628,957**	**424,829**	**160,888**	**191,619**	**1,406,293**
Cost of revenue	**(438,332)**	**(359,883)**	**(146,199)**	**(171,483)**	**(1,115,897)**
Gross profit	**190,625**	**64,946**	**14,689**	**20,136**	**290,396**
Selling and marketing expenses					**(100,553)**
Administrative expenses					**(166,744)**
Other income					**12,758**
Other losses, net					**(52,393)**
Operating loss					**(16,536)**
Finance income					**5,576**
Finance costs					**(3,222)**
Finance income, net					**2,354**
Share of results of investments in associates	**8,177**	**–**	**–**	**–**	**8,177**
Loss before income tax					**(6,005)**
Income tax credit					**3,809**
Loss for the year					**(2,196)**

	Airports business	Metro lines business	Billboards and building solutions	Others	Total
	HKD'000	*HKD'000*	*HKD'000*	*HKD'000*	*HKD'000*
Year ended 31 December 2014					
Revenue	693,527	344,119	174,117	108,923	1,320,686
Cost of revenue	(390,546)	(268,791)	(123,276)	(92,700)	(875,313)
Gross profit	302,981	75,328	50,841	16,223	445,373
Selling and marketing expenses					(82,231)
Administrative expenses					(145,525)
Other income					10,013
Other gains, net					1,934
Operating profit					229,564
Finance income					6,844
Finance costs					(15,746)
Finance costs, net					(8,902)
Share of results of investments in associates	(819)	–	–	–	(819)
Profit before income tax					219,843
Income tax expense					(27,531)
Profit for the year					192,312

Revenue consisted of the following:

	Year ended 31 December	
	2015	2014
	HKD'000	*HKD'000*
Advertising display revenue	**1,277,497**	1,216,834
Advertising production, installation and dismantling revenue	**128,796**	103,852
	1,406,293	1,320,686

The geographical distribution of the Group's revenue was as follows:

	Year ended 31 December	
	2015	2014
	HKD'000	*HKD'000*
Mainland China	**1,098,405**	1,017,727
Hong Kong	**307,888**	302,959
	1,406,293	1,320,686

The Group has a large number of customers, none of whom contributed 10% or more of the Group's revenue during the years ended 31 December 2015 and 2014.

The Group's non-current assets other than financial instruments and deferred income tax assets were located in the Mainland China and Hong Kong at 31 December 2015 and 2014 as follows:

	As at 31 December	
	2015	2014
	HKD'000	*HKD'000*
Mainland China	**151,633**	153,274
Hong Kong	**2,735**	3,674
	154,368	156,948

3. COST OF REVENUE

Expenses included in cost of revenue are analysed as follows:

	Year ended 31 December	
	2015	2014
	HKD'000	*HKD'000*
Concession fee charges for advertising spaces	**967,533**	746,087
Project installation and dismantling costs	**73,295**	50,565
Depreciation of property, plant and equipment	**24,702**	23,827
Tax and surcharges	**17,576**	23,721
Utilities	**11,966**	12,728
Others	**20,825**	18,385
	1,115,897	875,313

4. SELLING AND MARKETING EXPENSES

Expenses included in selling and marketing expenses are analysed as follows:

	Year ended 31 December	
	2015	2014
	HKD'000	*HKD'000*
Employee benefit expenses	**78,682**	65,384
Travelling and entertainment expenses	**12,235**	8,546
Marketing research expense	**5,462**	4,818
Office expenses	**1,717**	1,435
Office rental expenses	**930**	883
Sales commissions	**507**	475
Depreciation of property, plant and equipment	**30**	254
Others	**990**	436
	100,553	82,231

5. ADMINISTRATIVE EXPENSES

Expenses included in administrative expenses are analysed as follows:

	Year ended 31 December	
	2015	2014
	HKD'000	*HKD'000*
Employee benefit expenses	**77,441**	55,483
Impairment provision for trade and other receivables	**16,830**	3,199
Travelling and entertainment expenses	**15,762**	14,278
Office rental expenses	**14,031**	11,085
Other professional service fees	**11,092**	6,477
Office expenses	**10,548**	8,809
Depreciation of property, plant and equipment	**6,833**	4,772
Auditors' remunerations	**4,400**	3,029
– Audit services	**2,876**	2,903
– Non-audit services	**1,524**	126
Bank charges	**2,841**	3,146
Listing-related expenses	**1,859**	31,139
Taxes and surcharges	**1,763**	1,611
Amortisation of land use rights	**421**	178
Amortisation of intangible assets	**312**	276
Depreciation of investment properties	**92**	93
Others	**2,519**	1,950
	166,744	145,525

6. OTHER INCOME AND OTHER (LOSSES)/GAINS, NET

	Year ended 31 December	
	2015	2014
	HKD'000	*HKD'000*
Other income		
Government subsidy income	**4,164**	4,521
Advertising consulting service income	**3,417**	2,731
Dividend income on available-for-sale financial assets	**1,202**	329
Interest income on loans to an associate	**1,151**	491
Interest income on available-for-sale financial assets	**976**	–
Compensation from counter parties for breach of contracts	**886**	1,770
Reimbursement of installation and maintenance costs	**793**	–
Rental income on investment properties	**169**	171
	12,758	10,013
Other (losses)/gains, net		
Compensation loss (a)	**(48,312)**	–
Net exchange losses	**(2,918)**	(1,001)
Fair value (losses)/gains on financial assets at fair value through profit or loss	**(445)**	452
(Losses)/gains on disposal of property, plant and equipment	**(3)**	285
Gains on partial disposal of an associate	**–**	1,743
Others	**(715)**	455
	(52,393)	1,934

(a) Compensation loss represented a provision for an arbitration claim brought against the Group by Ningbo Metro Group Limited ("Ningbo Metro"), owner of Ningbo Metro Line No.1 media resources. The arbitration claim aims to determine the compensation costs for Ningbo Metro's media resources vacancy and maintenance losses, as Shanghai Asiaray Advertising Co., Limited ("Shanghai Asiaray") unilaterally terminated the concession agreement with a term of 10 years from 1 May 2014 to 30 April 2024 on 14 October 2015. Legal advice indicates it is probable that a significant liability will arise and the outcome of final arbitration claim will not beyond the amounts provided as at 31 December 2015. Evidence was taken in the hearing from both parties in Ningbo in early March 2016 and the negotiation after the court of arbitration continues.

7. FINANCE (INCOME)/COSTS, NET

	Year ended 31 December	
	2015	2014
	HKD'000	*HKD'000*
Finance income		
Interest income on bank deposits	**(5,576)**	(6,844)
Finance costs		
Interest expense on bank borrowings	**3,222**	9,084
Discounting effects of loans to an associate	**–**	6,662
	3,222	15,746
Finance (income)/costs, net	**(2,354)**	8,902

8. INCOME TAX (CREDIT)/EXPENSE

	Year ended 31 December	
	2015	2014
	HKD'000	*HKD'000*
Current income tax		
— PRC corporate income tax	**18,406**	35,459
— Hong Kong profits tax	**3,678**	6,684
	22,084	42,143
Deferred income tax	**(25,893)**	(14,612)
	(3,809)	27,531

(a) Cayman Islands income tax

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of Cayman Islands and accordingly, is exempted from Cayman Islands income tax.

(b) Hong Kong profits tax

Hong Kong profits tax has been provided for as there was business operation that is subject to Hong Kong profits tax. It had been provided for at the rate of 16.5% on the estimated assessable profits for each of the years ended 31 December 2015 and 2014.

(c) PRC Corporate Income Tax

The income tax provision of the Group in respect of operations in the Mainland China has been calculated at the tax rate of 25% on the estimated assessable profits for each of the years ended, based on the existing legislation, interpretations and practices in respect thereof, unless preferential tax rates were applicable.

Yunnan Airport Asiaray Information Media Company Limited, a subsidiary of the Group, was established in Yunnan Province, PRC. It was eligible for preferential tax policies applicable for the development of western regions in the PRC, and was entitled to a preferential income tax rate of 15%.

(d) PRC withholding tax

According to the applicable PRC tax regulations, dividends distributed by a company established in the Mainland China to a foreign investor with respect to profits derived after 1 January 2008 are generally subject to a 10% withholding income tax. If a foreign investor incorporated in Hong Kong meets the conditions and requirements under the double taxation treaty arrangement entered into between the Mainland China and Hong Kong, the relevant withholding tax rate will be reduced from 10% to 5%.

9. (LOSS)/EARNINGS PER SHARE

Basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	Year ended 31 December	
	2015	2014
	HKD'000	*HKD'000*
(Loss)/profit attributable to owners of the Company	**(39,616)**	142,555
Weighted average number of ordinary shares in issue (thousands)	**435,781**	330,000
(Loss)/earnings per share (HK cents per share)	**(9.09)**	43.20

The Group's share option plan could potentially dilute basic (loss)/earnings per share in the future, but were not included in the calculation of diluted (loss)/earnings per share because they are anti-dilutive for the years presented.

10. DIVIDENDS

	Year ended 31 December	
	2015	2014
	HKD'000	*HKD'000*
Proposed final dividend of HKD0.09 (2014: HKD0.065) per share [a]	**39,600**	28,600
Interim dividend of HKD0.055 (2014: nil) per share	**24,200**	–
2013 dividend of HKD0.546 per share [b]	**–**	180,180
	63,800	208,780

(a) The Board recommend the payment of a final dividend of HKD0.09 per share for the year ended 31 December 2015 (2014: HKD0.065 per share).

This proposed dividend is subject to approval by the shareholders at the forthcoming annual general meeting. These consolidated financial statements do not reflect this dividend payable.

(b) Pursuant to the resolutions passed by the Board on 6 December 2014:

(i) the Board approved to declare and distribute a dividend in the amount of HKD180,180,000 (HKD0.546 per share), including HKD132,130,000 and HKD48,050,000 to Media Cornerstone Limited and Space Management Limited, respectively, for the year ended 31 December 2013;

(ii) the Company entered into an assignment of current accounts with certain subsidiaries of the Group, pursuant to which the outstanding current accounts repayable by Mr. Lam Tak Hing, Vincent ("Mr. Lam") and certain related parties controlled by Mr. Lam to those subsidiaries with the net balance of approximately HKD31,926,000 (the "Current Accounts") were assigned to the Company; and

(iii) the Current Accounts were settled with the same amount of the above dividend at the request of Mr. Lam and HKD74,000 of dividend was paid in cash on 6 December 2014.

11. INVESTMENTS IN ASSOCIATES

	Year ended/ As at 31 December	
	2015	2014
	HKD'000	*HKD'000*
At beginning of the year	**36,442**	66,444
Capital injections	**–**	514
Share of results	**8,177**	(819)
Partial disposal of an associate	**–**	(12,013)
Dividend	**(4,068)**	(19,248)
Currency translation differences	**(2,613)**	1,564
At end of the year	**37,938**	36,442

In October 2014, Shanghai Asiaray entered into a formal equity transfer agreement and a related supplemental agreement with Xiamen Iport Group Co., Ltd. (廈門翔業集團有限公司) ("Xiamen Iport") (the "Agreements"). Pursuant to the Agreements, Shanghai Asiaray disposed of 19% of equity interest in Fujian Zhaoxiang Asiaray Advertising Company Limited (福建兆翔雅仕維聯合廣告有限公司) ("Fujian Zhaoxiang Asiaray") to Xiamen Iport at a consideration of HKD12,959,000 (RMB10,857,000) and Shanghai Asiaray was to receive 49% of the retained earnings of Fujian Zhaoxiang Asiaray as at 30 June 2014 as dividends upon declaration and before the completion of the above disposal. The above disposal had been completed as at 31 December 2014 and resulted in a gain of approximately HKD1,743,000 (Note 6). After the completion of the above disposal, Shanghai Asiaray holds 30% equity interest in Fujian Zhaoxiang Asiaray.

Pursuant to the Agreements, approximately HKD18,204,000 (RMB15,251,000) (Note 12(d)) representing 49% of the retained earnings of Fujian Zhaoxiang Asiaray as at 30 June 2014 was declared as dividends to Shanghai Asiaray, which was immediately loaned to Fujian Zhaoxiang Asiaray through entrusted loan arrangement with commercial banks for funding its business expansion. This loan is interest-free, unsecured and has a term of six years. Pursuant to the Agreements, Fujian Zhaoxiang Asiaray was also renamed as Fujian Zhaoxiang Advertising Company Limited (福建兆翔廣告有限公司) ("Fujian Zhaoxiang Advertising").

12. TRADE AND OTHER RECEIVABLES

	As at 31 December	
	2015	2014
	HKD'000	*HKD'000*
Included in current assets		
Trade receivables[(a)]	**376,429**	229,626
— Due from related parties	**11,450**	12,733
— Due from third parties	**364,979**	216,893
Less: allowance for impairment of trade receivables	**(23,911)**	(8,027)
Trade receivables, net	**352,518**	221,599
Other receivables[(b)]	**106,623**	81,251
— Due from related parties	**572**	737
— Due from third parties	**106,051**	80,514
Less: allowance for impairment of other receivables	**(1,028)**	(1,285)
Other receivables, net	**105,595**	79,966
Interest receivable	**1,541**	3,692
Prepaid taxes	**10,831**	3,507
Other prepayments[(c)]	**55,131**	44,971
— Paid to related parties	**14,225**	1,051
— Paid to third parties	**40,906**	43,920
	525,616	353,735
Included in non-current assets		
Loans to an associate[(d)]	**18,248**	18,206
Total	**543,864**	371,941

(a) The Group has no specified credit terms for its customers. Ageing analysis of the gross trade receivables based on revenue recognition date at the respective balance sheet dates is as follows:

	As at 31 December	
	2015	2014
	HKD'000	*HKD'000*
Up to 6 months	**287,297**	184,483
6 months to 12 months	**56,380**	28,143
1 year to 2 years	**19,527**	8,025
2 years to 3 years	**4,984**	4,990
Over 3 years	**8,241**	3,985
	376,429	229,626

As at 31 December 2015 and 2014, trade receivables past due but not impaired were approximately HKD352,518,000 and HKD221,599,000, respectively. These mainly relate to a number of independent customers for whom there were no significant financial difficulties and based on the past experience, the overdue amount can be recovered. The ageing analysis of these trade receivables is as follows:

	As at 31 December	
	2015	2014
	HKD'000	*HKD'000*
Up to 6 months	**284,815**	183,875
6 months to 12 months	**55,240**	27,985
1 year to 2 years	**11,530**	6,879
2 years to 3 years	**933**	2,860
	352,518	221,599

As at 31 December 2015 and 2014, trade receivables of HKD23,911,000 and HKD8,027,000 were impaired. The amount of the provision were HKD23,911,000 and HKD8,027,000 as of 31 December 2015 and 2014. The ageing of these receivables is as follows:

	As at 31 December	
	2015	2014
	HKD'000	*HKD'000*
Up to 6 months	**2,482**	608
6 months to 12 months	**1,140**	158
1 year to 2 years	**7,997**	1,146
2 years to 3 years	**4,051**	2,130
Over 3 years	**8,241**	3,985
	23,911	8,027

(b) Other receivables mainly represent guaranteed deposits paid to various media resources owners and amounts due from certain related parties.

(c) Analysis of other prepayments is as follows:

	As at 31 December	
	2015	2014
	HKD'000	*HKD'000*
Prepayments for concession fee charges for advertising spaces	**52,690**	31,179
Prepaid listing-related expenses(*)	**–**	10,984
Others	**2,441**	2,808
	55,131	44,971

(*) It represented the payments made to certain professional parties for the preparation of the Listing, which were incremental and directly attributable to the issue of new shares of the Company and were capitalised into the share premium account upon the Listing which occurred on 15 January 2015.

(d) It represented two interest-free loans from a subsidiary to Fujian Zhaoxiang Advertising, including a loan of HKD18,204,000 (RMB15,251,000) (Note 11) which had a term of 6 years and a loan of HKD4,775,000 (RMB4,000,000) which had a term of 2 years. The initial fair values of the two loans were based on cash flows discounted using interest rates based on the prevailing borrowing rates of 6.55% and 6.15%, respectively, promulgated by the People's Bank of China.

13. SHORT-TERM DEPOSITS AND RESTRICTED CASH

The effective interest rate for the short-term deposits of the Group with initial terms ranging from 6 months to 1 year for the years ended 31 December 2015 and 2014 was 1.88% and 3.15%, respectively.

The Group's short-term deposits were denominated in HKD and RMB.

Short-term deposits were neither past due nor impaired. The directors of the Company considered that the carrying amount of the short-term deposits approximated their fair value as at 31 December 2015 and 2014.

14. TRADE AND OTHER PAYABLES

	As at 31 December	
	2015	2014
	HKD'000	*HKD'000*
Trade payables[(a)]	**69,077**	46,236
— Due to related parties	**23,080**	21,275
— Due to third parties	**45,997**	24,961
Accrued concession fee charges for advertising spaces[(b)]	**238,684**	254,489
— Due to related parties	**150,771**	108,863
— Due to third parties	**87,913**	145,626
Advances received from customers	**104,757**	144,896
Other taxes payable	**6,063**	5,681
Salary and staff welfare payables	**18,053**	24,291
Dividends payable to related parties	**–**	149,562
Other payables[(c)]	**40,693**	20,215
— Due to related parties	**145**	633
— Due to third parties	**40,548**	19,582
	477,327	645,370
Less: non-current portion of accrued concession fee charges for advertising spaces	**–**	(14,228)
	477,327	631,142

(a) As at 31 December 2015 and 2014, the ageing analysis of the trade payables based on invoice date was as follows:

	As at 31 December	
	2015	2014
	HKD'000	*HKD'000*
Up to 6 months	**63,335**	40,815
6 months to 12 months	**3,201**	2,575
1 year to 2 years	**1,421**	2,060
2 years to 3 years	**521**	529
Over 3 years	**599**	257
	69,077	46,236

(b) This mainly represented the differences between the minimum guaranteed concession fee charges recognised in profit or loss on a straight-line basis over the beneficial periods and the minimum guaranteed concession fee charges payable according to the concession rights agreements.

(c) Other payables mainly represented guarantee deposits received from customers and certain amounts due to related parties.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The Group's consolidated revenue was HKD1,406.3 million, representing an increase of 6.5% as compared with that of the previous year. To give a better view of the total business scale of the Group, we would also like to report on the Group's combined revenue, which included the consolidated revenue of the Group and the total revenue of all associated companies of the Group engaged in media advertising business. For the year ended 31 December 2015, the combined revenue of the Group increased by 8.6% to HKD2,033.4 million.

Despite the reported growth in revenues, 2015 was a year full of both challenges and opportunities for the Group. On one hand, we experienced a significant set-back in financial performance amidst the economic downturn in Mainland China and Hong Kong where the Group's businesses are operating in. On the other hand, we continued to explore new media projects with good prospect for the long-term development of the Group.

Begins from the top line, the increase in revenue was the net effect of (i) the increase in revenue from the metro lines segment by approximately 23.5%, primarily contributed by improved sales performance of businesses in Hong Kong and Shenzhen as well as additional revenue from new businesses in Wuxi and Beijing; and (ii) the decrease in revenue contributed from the airports segment by approximately 9.3%, mainly due to the worsened economic slowdown particularly in retail and properties markets and contracted advertising spending from top-tier brands and state-owned enterprises sectors in both Mainland China and Hong Kong, and the situation is further affected by the market sentiment caused by the sizable downward adjustment of the Chinese stock markets and the accelerated depreciation of Renminbi against U.S. dollars in the fourth quarter of 2015.

Reviewing of profitability, the Group's gross profit margin declined from 33.7% to 20.6% while the profit attributable to the owners of the Company turned from a profit of HKD142.6 million to a loss of HKD39.6 million. Such decrease was a composite effect of the aforesaid decrease in revenue from the airports segment and an increase of 27.5% in the cost of revenue of the Group, which was mainly due to the full year cost effect of five metro lines incepted since mid-2014 that were still at their ramp-up stage, and also the renewal of media concession rights contract with the Hangzhou Xiaoshan International Airport ("Hangzhou Airport"), where growth in concession fee was at a rate faster than the growth of the corresponding revenue due to the aforesaid market factor. However, we believe the narrow down of gross profit margin was cyclical in nature.

On the other hand, the net loss of the Company included a one-off compensation provision of HKD48.3 million for the early termination of the 10-year concession rights contract for the media resources at Ningbo Metro Line No. 1 in October 2015 due to a passenger flow far below the expected volume. Such decision was made after an in-depth review of the project. Following the review, the Company believed that the compensation payable by the Group would be substantially lower than the loss to be incurred by the Group in the operation of the media resources for the remaining approximately 9 years, even though it partially led the Group to register a loss attributable to the owners of the Company for the year ended 31 December 2015. Had the Group not operated the media resources at Ningbo Metro Line No. 1 in 2015, the Group would have reported a profit attributable to the owners of the Company for the year ended 31 December 2015.

To mitigate the operating loss of certain business segments of the Group, we took other immediate measures too. For instance, we proactively negotiated with and obtained further support from other media resource owners, including the media resource owner of Wuxi Metro Line, which offered enhanced advertising resources and reduced certain costs.

Meanwhile, as the Group endeavored to strike a balance between market share, portfolio quality and long-term profitability, we continued our efforts in business development in 2015. This led to the commencement of certain concession rights contracts with the media resource owners of Wuxi Metro Line No. 2 (January 2015), Beijing Metro Line No. 4 and Daxing Line (June 2015) and Terminal 4 of the Xiamen Gaoqi International Airport (January 2016). We also renewed certain existing concession rights contracts with the media resource owners of Zhengzhou Xinzheng International Airport ("Zhengzhou Airport") and Hangzhou Airport. Besides, we won the tender of the four Hong Kong metro lines for a period of 3 years expiring in 2018 with an optional extension of 3 years. As a result, the Group exclusively operated an extensive media resource network of 27 airports and 11 metro lines covering over 30 major cities in Mainland China and Hong Kong as at 31 December 2015.

It is worth noting that it normally takes 1-2 years (the ramp-up stage) for a new media project to be profitable. As the aforementioned projects remained in the ramp-up stage, they incurred a higher cost of revenue during the year. Nevertheless, we expect that they will contribute steadily increasing revenues when they move up along the project life cycle to reach the stable growth and even scale-up stages. At these stages, these projects are expected to deliver better profitability as we have seen in the other project of the Company.

Indeed, given the noticeable slowdown in the economic growth of both Mainland China and Hong Kong, the business environment in 2015 was extra-ordinarily challenging. Nevertheless, our "Space Management" approach differentiated us from other market players and kept us moving forward with unparalleled edges. In addition, we started to adopt the new "Digital-Out-Of-Home" (DOOH) concept in our clients' campaigns, including the one we carried out for a world-renowned fast food chain, requiring participants to redeem gifts in a nearby shop after completing a mobile game at the campaign site, it not only enhanced brand awareness but also achieved the "Offline and Online" (O&O) effect. We see this as one of the major development directions of the Group in the future and we continue to provide innovative advertising solutions to media resource owners and advertisers so as to capture the business opportunities arising from the out-of-home advertising market where expertise of this field remains scarce.

In addition, the Company has gone beyond from merely providing standard in-house media resources at airports and metro lines through joint-ventures or direct business models, to working closely with brand owners in negotiating desirable third party media resources. For instance, during the year under review, a member of the Group entered into a license agreement with the landlord of Wheelock House in Central, to exclusively operate the billboard of the commercial office building for one year commencing from 11 January 2016. At the same time, the Company secured a one year media booking of the billboard from one of the premium brands owned by the French luxury goods group, LVMH, to enhance its brand presence. Thanks to our closer business collaboration with L Capital Asia, the private equity arm of LVMH and a shareholder of the Company, we have won ample opportunities to provide various media solutions to a number of famous brands owned by LVMH. Apart from LVMH, we also had business cooperation with Lagardère Services China (Shanghai) Co., Ltd, a travel retail and distribution arm of Lagardère S.C.A., a global media group listed on Euronext Paris, and successfully brought a variety of famous brand retail shops into the Kunming Changshui International Airport on one hand, and contribute advertising revenue to the Company through making use of idle media resources for Lagardère at the airport under the new variable-rent model on the other.

A talented workforce is in the key of the Group's success. Hence, we dedicate significant resources to attract and retain talented employees and to ensure that they will grow alongside us. To raise the employees' loyalty to the Company and hence the stability of our workforce, the Company increased employee benefit expenses by HKD35.2 million in 2015.

As to environment protection, which is always an emphasis at the Group, we continued to take part in the annual Earth Hour Campaign, explore new printing materials and environmentally friendly applications such as LED lightings, and recycle certain kinds of advertising materials, in addition to the on-going implementation of a paper recycling and energy saving policy in our offices in Hong Kong and Mainland China. One endeavor that we are proud to report is our "WRAPLED" crossover solutions at One Peking, Tsimshatsui. Through the use of dismountable LED, we are able to offer our advertiser an energy-saving advertising solutions that peoples are viewing an energy-free static picture of company sign during the day time, while the same company sign will be switched to LED lumination when the sky turns dark. Such design enables the maximum use of sunlight and help further reduce energy consumption from the already low energy-driven LED. Thanks to these efforts, we successfully saved a considerable amount of energy, water and paper.

OUTLOOK

The Board anticipates that the market will be more challenging in 2016, as there remains no clear sign of bottom out for Mainland China's economy and also soft outlook for that of Hong Kong, and this is going to reshape our advertiser profile visibly. Nevertheless, particular opportunities are envisaged in our business in different airports and metro lines, including Beijing metro lines, which covers strategic locations of Beijing city such as Zhongguancun, a traditional technology hub as well as a newly emerged incubator for technology startups in Mainland China; and Xidan, a well-known commercial and shopping area in Beijing where famous tourist spot Wangfujing and financial street are located nearby; Hangzhou Airport, which is expected to enjoy an increase in passenger flow following the hosting of G20 Summit in the last quarter of 2016; Zhengzhou Airport, whose expansion is expected to result in an increase in the airport's annual passenger throughput; and last but not least, the thriving growth of mega LED lighting demand in Hong Kong for which the Company has built up with foresight strong reserves in talents and technical know-how that further anchors our market leadership in this high-end segment. In this regard, during the year the Company has entered into a partnership with a company specializing in properties development projects all over the globe with more weigh in Mainland China and Hong Kong. Through this partnership the Company has been working out with certain large scale developers in both Mainland China and Hong Kong which have shown their interest in adopting our innovative Building Solutions (e.g. the "WRAPLED" solution mentioned in the above) which include creative applications of mega LED lighting at their properties for both ambience enhancement and advertising purposes. We believe this partnership shall bring to the Company benefits on an ongoing manner.

The Group is also committed to building a strong sales and market team to implement, amidst an unfavaourable environment, better sales strategies backed by our "Space Management" philosophy. This innovative approach has made the Group unique in the industry and enabled it to develop creative and innovative media solutions for customers, convey their messages in novel and inspiring ways and thus connect with their audience. At the same time, we will be cautious in seeking new media resources and opportunities in airports and metro lines with the aim of building a solid foundation for the Group's long-term development.

Looking forward the Group strongly believes that the out-of-home advertising segment will play, hand-in-hand with those major mobile-net players, an equally important role in Mainland China's advertising market in the future, for we are able to capitalize on this trend calling for the best mix and match of creativity and versatility. Riding on our success in our initiative with Lagardère mentioned in the above, one other key initiative that the Company is focusing on is the O&O info-advertising mobile application ("APP") in selected airports of Mainland China. Through the smart use of traditional advertising resources and APP, the Company is able to connect, by push or by touch, a large number of valuable, high consumption power business and leisure travelers going in and out from the airports. As an irreversible trend, the use of APP enables all-time communications of unlimited kinds of products and services information. As one of the best venues, airports provide excellent people streams with high buying potential and our traditional media will work to "push" our APP or direct advertiser message to a busy traveler, and he or she could "touch" on the details of the messages while waiting for a flight or a taxi going home…… a clear picture of the future form of value-advertising and the Company is one of the very few that is advantageously ready to get the best from both worlds that distinguishes us from the others.

By the on-going efforts of our experienced management team, coupled with our well-developed "Space Management" capabilities and creative media solutions, we are confident that we will be able to thrive in the business through the ongoing consolidation of premium media resources in airports and metros, and more we will embrace changes and light-up the power of innovation to gear up our key competences, from people to technology, and from products to business models that would transform ourselves to a even stronger leader in the industry.

FINANCIAL REVIEW

Revenue

The revenue of the Group for the year ended 31 December 2015 increased from approximately HKD1,320.7 million to approximately HKD1,406.3 million, representing an increase of 6.5%. The increase was mainly attributable to the increase in revenue in the metro lines and others segments and partially offset by the decrease in revenue in airports segment.

The airports segment dropped by 9.3% from approximately HKD693.5 million in 2014 to approximately HKD629.0 million in 2015, mainly due to the worsened economic slowdown particularly in retail and properties markets in Mainland China and contracted advertising spending from top-tier brands and state-owned enterprises sectors in both Hong Kong and Mainland China. The Haikou Meilan International Airport and Hangzhou Airport contributed half of the decrease in airport business revenue during the year.

Our revenue from metro lines segment for the year ended 31 December 2015 increased by approximately HKD80.7 million or 23.5%, from approximately HKD344.1 million in 2014 to approximately HKD424.8 million in 2015, which was primarily attributable to the increase in revenue from our new metro lines media businesses in Wuxi and Beijing which incepted since January 2015 and June 2015 respectively, reinforced by the existing metro lines media businesses in Hong Kong and Shenzhen which also delivered strong performance in 2015.

Our revenue from billboards and building solutions segment decreased by approximately HKD13.2 million or 7.6%, from approximately HKD174.1 million in 2014 to approximately HKD160.9 million in 2015, which was primarily driven by decreased advertising income in Hong Kong and Shanghai.

Other revenue increased by HKD82.7 million or 75.9%, from approximately HKD108.9 million in 2014 to approximately HKD191.6 million in 2015 which was primarily attributable to the increase in our agency business in respect of sales of advertising spaces in media resources operated by certain associated companies and other companies.

Cost of Revenue

Our cost of revenue increased by approximately HKD240.6 million, or 27.5%, from HKD875.3 million for the year ended 31 December 2014 to HKD1,115.9 million for the year ended 31 December 2015. The increase was primarily due to the full year cost effect of five metro lines incepted since mid-2014 that were still at their ramp-up stage, and also the renewal of media concession rights contract with the Hangzhou Airport.

Gross Profit and Gross Profit Margin

The gross profit of the Group for the year ended 31 December 2015 decreased by 34.8% from approximately HKD445.4 million to approximately HKD290.4 million due to: (1) the new media projects of five metro lines incepted since the middle of 2014 that were still in their ramp-up stage; (2) revenue contributed by airports business dropped by 9.3%; and (3) one airport media resource for which the concession right contract was renewed in this year. The Group's gross profit margin dropped from 33.7% for 2014 to 20.6% for 2015.

Selling and Marketing Expenses

Our selling and marketing expenses increased by approximately HKD18.3 million, or 22.3%, from HKD82.2 million for the year ended 31 December 2014 to HKD100.6 million for the year ended 31 December 2015. This increase was primarily attributable to increased employee benefit expenses as a result of the growth of our business operations.

Administrative Expenses

Our administrative expenses increased by approximately HKD21.2 million, or 14.6%, from HKD145.5 million for the year ended 31 December 2014 to HKD166.7 million for the year ended 31 December 2015. The increase was primarily attributable to increase in employee benefit expenses due to the growth of our business operations whilst the additional share-based payment compensation expenses due to issuance of share options during the year.

Finance Income/(Costs), net

Net finance income was HKD2.4 million for the year ended 31 December 2015, compared with net finance costs of HKD8.9 million for the year ended 31 December 2014. This was primarily attributable to the decrease in average bank borrowings during the year.

Share of Results of Investments in Associates

Our share of results of investments in associates recorded a profit of HKD8.2 million for the year ended 31 December 2015, compared with a loss of HKD0.8 million for the year ended 31 December 2014. This was primarily attributable to the increase in share of profit from one of the associates, Shenzhen Airport Asiaray Media Company Limited, during the year.

Income Tax Credit/(Expense)

Income tax credit was HKD3.8 million for the year ended 31 December 2015, compared with income tax expense of HKD27.5 million for the year ended 31 December 2014. This was primarily attributable to the decrease in the (loss)/profit before income tax by 102.7%.

(Loss)/Profit Attributable to Owners of the Company

Loss attributable to owners of the Company was approximately HKD39.6 million for the year ended 31 December 2015, decreased by 127.8% from a profit of approximately HKD142.6 million for 2014. This steep decline was a composite effect of aforesaid decrease in revenue contributed from airports segment, and an increase of approximately 27.5% in the cost of revenue of the Group as fully explained in the above. Had the Group not operated the media resources at Ningbo Metro Line No. 1 during the year, the Group would have reported a profit attributable to owners of the Company amounted to HKD16.6 million.

FINANCIAL MANAGEMENT AND TREASURY POLICY

The Group adopts a conservative approach for cash management and investment on funds. The net proceeds from Listing have mainly been placed on short-term deposits with reputable banks in Hong Kong.

As the Group carries out business in the Mainland China and Hong Kong, most of our receipts and payments were denominated in Renminbi and Hong Kong dollars. The directors of the Company consider the Group's exposure to foreign exchange risk is insignificant. The Group will closely monitor foreign exchange exposure and consider hedging significant exposure should the need arise.

Liquidity and Financial Resources

The Group's cash and cash equivalents, short-term deposits and restricted cash was approximately HKD438.5 million as at 31 December 2015, an increase of approximately HKD27.8 million compared with that as at 31 December 2014. As at 31 December 2015, the financial ratios of the Group were as follows:

	As at 31 December	
	2015	2014
Current ratio[(1)]	**1.75**	1.01
Gearing ratio[(2)]	**Net cash**	Net cash

Notes:

(1) Current ratio is calculated by dividing current assets by current liabilities.

(2) Gearing ratio is calculated by dividing total debt by total equity.

Borrowings

The Group had bank borrowings as at 31 December 2015 in the sum of approximately HKD 23.6 million. Out of the total borrowings, HKD16.7 million was repayable within one year, while approximately HKD6.9 million was repayable after one year. The carrying amounts of bank borrowings are denominated in Hong Kong dollars and Renminbi. No financial instruments were used for hedging purposes, nor were there any foreign currency net investments hedged by current borrowings and/or other hedging instruments. The weighted average interest rate (per annum) was 7.38% for non-current borrowings and 2.74% for current borrowings as at 31 December 2015.

Exposure to Interest Rate Risk

The Group's interest rate risk arises from interest-bearing short-term deposits and bank borrowings. Short-term deposits and bank borrowings issued at variable rates expose the Group to cash flow interest rate risk.

Other than interest-bearing short-term deposits, the Group has no other significant interest-bearing assets. The directors of the Company do not anticipate there is any significant impact to interest-bearing assets resulted from the changes in interest rates, because the interest rates of short-term deposits are not expected to change significantly.

Pledge of Assets

As at 31 December 2015, the Group pledged its buildings, land use rights, bank deposits and available-for-sale financial assets with carrying amount of HKD33.7 million (31 December 2014: HKD32.0 million), respectively to secure borrowings of the Group. The total secured borrowings as at 31 December 2015 amounted to HKD23.6 million (31 December 2014: HKD120.2 million).

Use of Proceeds

The Company was listed on the Stock Exchange on 15 January 2015 and raised net proceeds from the Listing of approximately HKD586.6 million. During the period between the listing date and 31 December 2015, HKD350.0 million of the net proceeds from the listing were utilised in accordance with the proposed applications set out in the section headed "Future Plans and Use of Proceeds" in the Company's prospectus dated 31 December 2014. The unused proceeds were deposited in reputable banks in Hong Kong.

Capital Expenditures

Our capital expenditures primarily comprise cash expenditures for property, plant and equipment, such as advertising facilities and furniture and office equipment. Our capital expenditures for the years ended 31 December 2015 and 2014 were HKD24.7 million and HKD29.6 million, respectively.

Commitments

(1) As at 31 December 2015 and 2014, the Group did not have any material capital commitments.

(2) Operating leases commitments

The Group leases certain office buildings and certain media resources under non-cancellable operating lease agreements. The lease terms for office buildings are negotiated for terms ranging from 1 to 10 years, and those for media resources are negotiated for terms ranging from 1 to 10 years, and majority of lease agreements are renewable at the end of the lease period at market rate.

The Group's future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	As at 31 December	
	2015	2014
	HKD'000	*HKD'000*
Not later than 1 year	**805,066**	513,823
Later than 1 year and not later than 5 years	**1,727,255**	1,072,788
Later than 5 years	**817,451**	416,881
	3,349,772	2,003,492

Contingent liabilities

As at 31 December 2015 and 2014, the Group did not have any material contingent liabilities.

Subsequent events

Subsequent to 31 December 2015, no material events have occurred.

HUMAN RESOURCES

The Group offers competitive remuneration packages, including trainings, medical, insurance coverage and retirement benefits, to all employees in Hong Kong and in Mainland China. As at 31 December 2015, the Group has 788 permanent and temporary employees. The total salaries and related costs for the years ended 31 December 2015 and 2014 amounted to approximately HKD156.1 million and HKD120.9 million, respectively.

CLOSURE OF REGISTER OF MEMBERS

(a) Annual General Meeting

The register of members of the Company will be closed from Monday, 30 May 2016 to Wednesday, 1 June 2016, both days inclusive, during which period no transfer of shares will be effected.

In order to determine who are eligible to attend and vote at the annual general meeting of the Company to be held on Wednesday, 1 June 2016, the shareholders of the Company should ensure that all transfers accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, 27 May 2016.

(b) Payment of the proposed final dividend

The register of member of the Company will be closed from Tuesday, 7 June 2016 to Friday, 10 June 2016, both days inclusive, during which period no transfer of shares will be effected.

In order to be qualified for the proposed final dividend, all transfers, accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Monday, 6 June 2016.

FINAL DIVIDEND

The Board has recommended a final dividend of HKD0.09 (2014: HKD0.065) per share for the year ended 31 December 2015 payable on or around Friday, 24 June 2016 to the shareholders of the Company whose names appear on the register of members of the Company at the close of business on Friday, 10 June 2016 subject to the approval of the shareholders of the Company in the annual general meeting to be held on Wednesday, 1 June 2016.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

None of the Company or any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

CORPORATE GOVERNANCE

During the year, the Company has complied with all the applicable code provisions of the Corporate Governance Code ("CG Code") as set out in Appendix 14 to the Listing Rules, except for code provisions A.2.1 as explained below.

Under code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Lam Tak Hing, Vincent currently assumes the roles of both the chairman of the Board and the chief executive officer ("CEO") of the Company. The Board considers that this structure could enhance the efficiency in formulation and implementation of the Company's strategies. The Board will review the need of appointing a suitable candidate to assume the role of the CEO when necessary.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Director of the Listed Issuers as set out in Appendix 10 of the Listing Rules (the "Model Code") as the code for directors' securities transactions. All the Directors have confirmed their compliance with the required standards set out in the Model Code throughout the year ended 31 December 2015.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated balance sheet, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2015 as set out in this announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers 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 PricewaterhouseCoopers on this announcement.

REVIEW OF FINANCIAL STATEMENTS

The Audit Committee of the Company has reviewed the audited consolidated financial statements of the Group for the year ended 31 December 2015.

By Order of the Board
Asiaray Media Group Limited
Lam Tak Hing, Vincent
Chairman

Hong Kong, 30 March 2016

As at the date of this announcement, the executive directors of the Company are Mr. Lam Tak Hing, Vincent, Mr. Yung Chung Man, Mr. So Chi Man and Mr. Lam Ka Po and the independent non-executive directors of the Company are Mr. Ma Andrew Chiu Cheung, Mr. Ma Ho Fai SBS JP and Dr. Chan Chi Fai Andrew SBS JP.