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香港經濟日報集團有限公司
HONG KONG ECONOMIC TIMES HOLDINGS LIMITED
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 00423)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2016

The Directors of Hong Kong Economic Times Holdings Limited (the "Company") are pleased to announce the audited consolidated final results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2016 as follows:

CONSOLIDATED INCOME STATEMENT

		Year ended 31 March	
		2016	2015
	Note	***HK$'000***	*HK$'000*
Revenue	*2*	**1,176,087**	1,121,582
Cost of sales	*3*	**(747,227)**	(722,515)
Gross profit		**428,860**	399,067
Selling and distribution expenses	*3*	**(171,660)**	(168,282)
General and administrative expenses	*3*	**(194,765)**	(182,199)
Other income		**2,531**	1,029
Operating profit		**64,966**	49,615
Finance income		**8,058**	7,732
Finance costs		**(1,829)**	(2,681)
Finance income – net		**6,229**	5,051
Profit before income tax		**71,195**	54,666
Income tax expense	*4*	**(12,061)**	(8,193)
Profit for the year		**59,134**	46,473
Profit attributable to:			
Owners of the Company		**57,482**	45,377
Non-controlling interests		**1,652**	1,096
		59,134	46,473
Earnings per share attributable to owners of the Company (expressed in HK cents)			
Basic and diluted	*5*	**13.32**	10.51

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 March	
	2016	2015
	HK$'000	*HK$'000*
Profit for the year	**59,134**	46,473
Other comprehensive (loss)/income:		
Item that may be reclassified to profit or loss		
Currency translation differences arising from foreign operations	**(714)**	(98)
Item that will not be reclassified subsequently to profit or loss		
Remeasurement of long service payment provision	**(3,696)**	677
Other comprehensive (loss)/income for the year, net of tax	**(4,410)**	579
Total comprehensive income for the year	**54,724**	47,052
Total comprehensive income attributable to:		
Owners of the Company	**53,072**	45,956
Non-controlling interests	**1,652**	1,096
	54,724	47,052

CONSOLIDATED BALANCE SHEET

	Note	As at 31 March **2016** *HK$'000*	2015 *HK$'000*
Non-current assets			
Property, plant and equipment		**456,269**	496,297
Investment properties		**72,109**	72,919
Deferred income tax assets		**23,701**	22,203
Deposits paid for property, plant and equipment		**4,325**	–
		556,404	591,419
Current assets			
Inventories		**29,843**	33,789
Trade receivables	*7*	**214,364**	213,896
Deposits, prepayments and other receivables		**34,484**	32,707
Tax recoverable		**344**	6,268
Pledged deposits		**3,320**	3,320
Term deposits with original maturities of over three months		**248,601**	223,348
Cash and cash equivalents		**117,344**	136,255
		648,300	649,583
Current liabilities			
Trade payables	*8*	**37,604**	38,975
Fees in advance		**128,491**	109,383
Accruals, other payables and provisions		**110,661**	102,934
Current income tax liabilities		**2,496**	294
Bank borrowings	*9*	**8,080**	38,306
		287,332	289,892
Net current assets		**360,968**	359,691
Total assets less current liabilities		**917,372**	951,110
Equity attributable to owners of the Company			
Share capital		**43,160**	43,160
Reserves			
Proposed final dividend	*6*	**30,212**	25,896
Others		**763,599**	749,371
		836,971	818,427
Non-controlling interests		**10,586**	9,132
Total equity		**847,557**	827,559
Non-current liabilities			
Bank borrowings	*9*	**22,220**	81,937
Deferred income tax liabilities		**33,462**	31,951
Other non-current liabilities		**14,133**	9,663
		69,815	123,551
Total equity and non-current liabilities		**917,372**	951,110

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2016

1. Basis of preparation and accounting policies

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants. The consolidated financial statements have been prepared under the historical cost convention.

The following improvements and amendments to standards are relevant to the Group's operation and are mandatory for the financial year ended 31 March 2016:

Annual improvements project	Annual improvements 2010–2012 cycle
Annual improvements project	Annual improvements 2011–2013 cycle
HKAS 19 (Amendment)	Defined benefit plans: Employee contributions

These improvements and amendments to standards had no material impact on the presentation of the Group's financial statements.

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.

The following improvements, new or revised standards and amendments to standards are relevant to the Group's operation but are not effective for the Group's financial year beginning on or after 1 April 2015 and have not been early adopted in these consolidated financial statements:

		Effective for accounting period beginning on or after
Annual improvements project	Annual improvements 2012–2014 cycle	1 January 2016
HKAS 1 (Amendment)	Disclosure initiative	1 January 2016
HKAS 16 and HKAS 38 (Amendment)	Clarification of acceptable methods of depreciation and amortisation	1 January 2016
HKAS 27 (Amendment)	Equity method in separate financial statements	1 January 2016
HKFRS 10, HKFRS 12 and HKAS 28 (Amendment)	Investment entities: Applying the consolidation exception	1 January 2016
HKFRS 9	Financial instruments	1 January 2018
HKFRS 15	Revenue from contracts with customers	1 January 2018
HKFRS 16	Leases	1 January 2019

The Group has commenced the assessment of the impact of these improvements, new or revised standards and amendments to standards but is not yet in a position to state whether they would have a significant impact on the Group's consolidated financial statements.

2. Revenue and segment information

The chief operating decision-maker has been identified as the Chief Executive Officer ("CEO") of the Group. He reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Group has 4 reportable segments:

(a) Printed media segment – principally engaged in the printing and publication of newspapers, magazines and books and generates advertising income, circulation income and service income from these publications.

(b) Financial news agency, information and solutions segment – principally engaged in the provision of electronic financial and property market information and related solutions and generates service income from provision of information subscription services, solutions and other related maintenance services.

(c) Recruitment advertising and training segment – principally engaged in the provision of recruitment advertising and training services. This segment generates advertising income from placement of recruitment advertisements, and enrolment income on the provision of professional training.

(d) Lifestyle portals segment – principally engaged in the operation of portals in food, travel, health and other lifestyle focus. This segment generates advertising income and service income from operation of internet portals.

The chief operating decision-maker assesses the performance of the operating segments based on their respective segment results.

Sales between segments are carried out at arm's length.

Turnover consists of revenue comprising the advertising income, circulation income, service income and enrolment income.

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

	2016	2015
	HK$'000	*HK$'000*
Revenue		
Advertising income	**639,103**	636,951
Circulation income	**108,941**	112,717
Service income	**412,375**	358,339
Enrolment income	**15,668**	13,575
	1,176,087	1,121,582

More than 90% of the Group's activities are carried out in Hong Kong and more than 90% of the Group's assets and liabilities are located in Hong Kong. Accordingly, no analysis by geographical basis for the relevant years is presented.

The segment results for the year ended 31 March 2016 are as follows:

	Printed media		Financial news agency, information and solutions		Recruitment advertising and training		Lifestyle portals		Corporate		Total	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
REVENUE												
Revenue	**796,423**	805,179	**312,517**	255,868	**49,735**	44,249	**24,714**	22,948	**–**	–	**1,183,389**	1,128,244
Inter-segment transactions	**(3,233)**	(2,928)	**(3,885)**	(3,716)	**(180)**	(13)	**(4)**	(5)	**–**	–	**(7,302)**	(6,662)
Revenue – from external customers	**793,190**	802,251	**308,632**	252,152	**49,555**	44,236	**24,710**	22,943	**–**	–	**1,176,087**	1,121,582
RESULTS												
Profit/(loss) for the year	**8,163**	13,866	**51,544**	37,301	**5,326**	2,954	**(5,921)**	(7,597)	**22**	(51)	**59,134**	46,473

For the year ended 31 March 2016, revenue of approximately HK$84,318,000 (2015: HK$83,435,000) is derived from a single external customer. The revenue is attributable to the printed media segment.

The Group is domiciled in Hong Kong. The revenue from external customers attributed to Hong Kong and other countries are HK$1,173,870,000 (2015: HK$1,118,370,000) and HK$2,217,000 (2015: HK$3,212,000), respectively. The Group's revenue by geographical location is determined by the respective places of domicile of the relevant group entities which include Hong Kong and the People's Republic of China ("PRC").

The total non-current assets other than deferred income tax assets located in Hong Kong and other countries are HK$532,588,000 (2015: HK$568,988,000) and HK$115,000 (2015: HK$228,000), respectively.

3. Expenses by nature

Expenses included cost of sales, selling and distribution expenses and general and administrative expenses are analysed as follows:

	2016	2015
	HK$'000	*HK$'000*
Crediting		
Gain/(loss) on disposal of property, plant and equipment	**65**	(254)
Charging		
Cost of inventories sold or consumed in operation	**194,023**	200,907
Auditors' remuneration	**2,720**	2,680
Bad debts written off	**11**	147
Depreciation of property, plant and equipment and investment properties	**59,314**	58,574
Inventories written off	**172**	153
Operating lease rentals on land and buildings	**25,761**	24,207
Provision for impairment of trade receivables	**438**	572
Provision for obsolete inventories	**422**	498
Staff costs including Directors' and CEO's remuneration	**520,809**	495,715

4. Income tax expense

Hong Kong profits tax has been provided at the rate of 16.5% (2015: 16.5%) on the estimated assessable profit for the year. The PRC enterprise income tax has been calculated at the rate of 25% (2015: 25%) on the estimated assessable profit of subsidiaries operating in the PRC.

	2016	2015
	HK$'000	*HK$'000*
Current income tax		
Hong Kong profits tax	**11,806**	9,310
PRC enterprise income tax	**358**	135
Over-provisions in prior years	**(116)**	(35)
Total current income tax	**12,048**	9,410
Deferred income tax	**13**	(1,217)
Income tax expense	**12,061**	8,193

5. Earnings per share

The calculation of basic earnings per share for current year is based on the profit attributable to owners of the Company of HK$57,482,000 (2015: HK$45,377,000) and number of 431,600,000 (2015: 431,600,000) shares in issue during the year.

Diluted earnings per share are the same as basic earnings per share as there were no dilutive potential ordinary shares for the year ended 31 March 2016 (2015: same).

6. Dividends

	2016	2015
	HK$'000	*HK$'000*
Dividends attributable to the year		
Interim dividend paid of HK2.0 cents (2015: HK2.0 cents) per ordinary share	**8,632**	8,632
Proposed final dividend of HK7.0 cents (2015: HK6.0 cents) per ordinary share	**30,212**	25,896
	38,844	34,528
Dividends paid during the year	**34,528**	30,212

A final dividend in respect of the year ended 31 March 2016 of HK7.0 cents per ordinary share, amounting to a total dividend of HK$30,212,000, is to be proposed at the annual general meeting on 4 August 2016. This proposed dividend is not reflected as a dividend payable in the consolidated balance sheet, but is reflected as an appropriation of retained earnings.

7. Trade receivables

The credit period granted by the Group to its trade customers ranges from 0 to 90 days. The ageing analysis of trade receivables by overdue day is as follows:

	2016	2015
	HK$'000	*HK$'000*
0 to 30 days	**123,856**	126,812
31 to 60 days	**33,697**	29,222
61 to 90 days	**22,197**	20,907
Over 90 days	**38,733**	40,636
Trade receivables, gross	**218,483**	217,577
Less: provision for impairment of trade receivables	**(4,119)**	(3,681)
	214,364	213,896

8. Trade payables

The ageing analysis of trade payables is as follows:

	2016	2015
	HK$'000	*HK$'000*
0 to 30 days	**33,204**	35,591
31 to 60 days	**2,894**	1,863
61 to 90 days	**412**	195
Over 90 days	**1,094**	1,326
	37,604	38,975

9. Bank borrowings

	2016	2015
	HK$'000	*HK$'000*
Non-current		
Bank borrowings	**22,220**	81,937
Current		
Bank borrowings	**8,080**	38,306
Total	**30,300**	120,243

Movements in bank borrowings are analysed as follows:

	2016	2015
	HK$'000	*HK$'000*
At beginning of the year	**120,243**	111,361
Proceeds from bank borrowings	**–**	40,400
Repayment of bank borrowings	**(89,943)**	(31,518)
At end of the year	**30,300**	120,243

Bank borrowings are repayable as follows:

	2016	2015
	HK$'000	*HK$'000*
Within one year	**8,080**	38,306
Between one and two years	**8,080**	39,070
Between two and five years	**14,140**	42,867
	30,300	120,243

The carrying amounts of the floating rate bank borrowings are denominated in Hong Kong dollars and are secured by leasehold improvements, plant and machinery and investment properties of the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

Summary of Profit and Loss Account

	Year ended 31 March		
	2016	2015	% Change
	HK$'000	*HK$'000*	
Revenue	**1,176,087**	**1,121,582**	**5%**
Cost of sales	**(747,227)**	(722,515)	3%
Gross profit	**428,860**	399,067	7%
Gross profit margin	**36.5%**	**35.6%**	
Selling and distribution expenses	**(171,660)**	(168,282)	2%
General and administrative expenses	**(194,765)**	(182,199)	7%
Other income	**2,531**	1,029	146%
Operating profit	**64,966**	49,615	31%
Finance income – net	**6,229**	5,051	23%
Profit before income tax	**71,195**	54,666	30%
Income tax expense	**(12,061)**	(8,193)	47%
Profit for the year	**59,134**	**46,473**	**27%**
Non-controlling interests	**(1,652)**	(1,096)	51%
Profit attributable to owners	**57,482**	**45,377**	**27%**
Net profit margin	**5.0%**	**4.1%**	

General

The Group's revenue for the financial year ended 31 March 2016 increased to HK$1,176.1 million, an increase of HK$54.5 million or 5% over the preceding financial year. Profit attributable to owners increased by 27% from HK$45.4 million to HK$57.5 million.

Revenue

	Year ended 31 March		
	2016	2015	% Change
	HK$'000	*HK$'000*	
Revenue:			
Advertising income	**639,103**	636,951	0%
Circulation income	**108,941**	112,717	-3%
Service income	**412,375**	358,339	15%
Enrolment income	**15,668**	13,575	15%
Total	**1,176,087**	1,121,582	5%

Advertising income for the year ended 31 March 2016 recorded HK$639.1 million, similar to the amount for the year ended 31 March 2015. The paradigm shift of promotion platform from print to digital focus, exacerbated by the slowdown in retail market and stock market particularly in the second half of current financial year, led to an adverse business environment for media players. The Group, however, was able to preserve and retain its core income category. *Hong Kong Economic Times*, with niche positioning in finance and property markets, recorded a slight drop in advertising revenue. *Sky Post*, the Group's free Chinese daily, continued its growth momentum in both readership figure and advertising volume. *U Magazine*, *e-zone* and *iMoney*, the Group's paid weeklies, were able to maintain the advertising income albeit the shrinking market trend. Advertising income from the Group's various portals, including recruitment, finance and lifestyle portals, registered double digit growth for the year ended 31 March 2016, an encouraging result for the Group's effort placed in digital businesses.

Circulation income recorded a moderate decrease of 3% from HK$112.7 million in the year ended 31 March 2015 to HK$108.9 million for the financial year under review. The trend of readers shifting to online platforms and free content continued. The Group's paid publications were able to contain the decline through editorial teams' insistence on credible and quality content.

Service income for the year ended 31 March 2016 increased significantly from HK$358.3 million recorded in preceding year to HK$412.4 million, an increase of 15%. The increase was mainly contributed by the increase of stock market transaction volume in the first half of current financial year and the full year effect from the launch of new products and projects of the financial news agency, information and solutions businesses, including the launch of real-time financial information services to support Shanghai Hong Kong Stock Connect and the new generation of trading systems in replacement of the Hong Kong Stock Exchange's old trading systems.

Operating Costs

Gross profit margin for the year ended 31 March 2016 improved further by 0.9 percentage point to 36.5% from 35.6% for the year ended 31 March 2015. The increase in gross profit margin was mainly due to the improved top line performance.

Staff costs, representing approximately 47% of the Group's total operating costs, increased by 5% as compared to the year ended 31 March 2015. The increase was mainly due to general salary increment in line with the employment market.

Newsprint costs, constituting around 9% of the Group's total operating costs, decreased by 13% when compared to the year ended 31 March 2015. The decrease was mainly a result of material decrease in newsprint price during the year under review. Consumption volume increased slightly when compared to last financial year which was in line with the increase in number of advertising pages of *Sky Post*.

Income Tax Expense

The effective tax rates of the Group for the financial years ended 31 March 2016 and 2015 were 16.9% and 15.0% respectively. These were in line with the standard profits tax rate of 16.5% which was applicable to companies incorporated in Hong Kong, the Group's major place of operation.

Profit Attributable to Owners

Profit attributable to owners of the Group for the year under review was HK$57.5 million, an increase of HK$12.1 million or 27% as compared to HK$45.4 million recorded for the year ended 31 March 2015. Net profit margin increased by 0.9 percentage point to 5.0% for the current financial year.

Printed media segment recorded a decline in revenue and profit for the year under review. The Group's publications, both paid and free, would continue to preserve our existing revenue and broaden our customer and income bases by strengthening our competitive advantages and fostering readers' and customers' loyalty.

Financial news agency, information and solutions segment was the largest profit contributor to the Group for the year under review, recorded remarkable growth of revenue and profit by 22% and 38% respectively. The winning product team and the fulfilling customer service team earned the segment a record high revenue and profit for current financial year.

Recruitment advertising and training segment continued to expand market share in the online recruitment advertising and training businesses, contributing positively to the Group's operating results.

Lifestyle portals, leveraging on the strengths of the Group's publications, were gaining support from web and mobile surfers looking for quality content. Being one of the main drivers of revenue growth in the coming years, the Group would continue its investments in these portals which were necessary to sustain the continuous growth of the Group.

Liquidity and Capital Resources

	As at 31 March	
(in HK$ million)	**2016**	2015
Net current assets	**361.0**	359.7
Term deposits, pledged deposits and cash and cash equivalents	**369.3**	362.9
Bank borrowings	**30.3**	120.2
Owners' funds	**837.0**	818.4
Gearing ratio	**2.5%**	9.7%
Current ratio	**2.26 times**	2.24 times

The Group's net current assets as at 31 March 2016 were HK$361.0 million, similar to HK$359.7 million as at 31 March 2015. Contribution from the positive operating results of the Group was offset by repayment of bank loans and distribution of dividends during the year. The Group recorded net cash generated from operating activities of HK$154.2 million for the year under review.

Net cash used in investing activities was HK$39.5 million. During the year, the Group had purchased property, plant and equipment amounting to HK$22.5 million.

The Group had distributed the final dividend declared for the financial year ended 31 March 2015 and interim dividend for the six months period ended 30 September 2015 amounting to an aggregate total of HK$34.5 million. During the year, the Group had repaid HK$89.9 million bank loan. The outstanding loans were secured on the Group's certain investment properties with a total net book value of approximately HK$59.9 million as at 31 March 2016. Net cash used in financing activities for the year therefore amounted to HK$124.7 million.

Gearing ratio of the Group, being total interest bearing liabilities divided by total assets, was 2.5% as at 31 March 2016, a relatively low level.

As at 31 March 2016, the Group had a cash balance of HK$369.3 million as compared to HK$362.9 million as at 31 March 2015. Majority of the cash was placed under short-term deposits with banks in Hong Kong and was held in Hong Kong dollars or in Renminbi. Exchange rate risk of Renminbi could be partly offset by the higher deposit interest rate received. The Group's exposure to foreign exchange fluctuations was considered controllable.

The Group is able to meet its working capital requirements, support investment needs of any future business plans and fulfill the dividend payment policy at the current fund level.

OUTLOOK

The transformation of media industry is still underway. Advertisers are increasingly accepting the validity and persuasiveness of advertising on digital platforms. Online media, especially mobile platforms, will be perceived as the main driver of revenue growth in the coming years. Our investments in various digital platforms, including recruitment, finance and lifestyle, begin to contribute to the growth of the Group. We will continue to increase our presence in the digital landscape across all of our business segments and are confident that these initiatives will become the drivers in the medium and longer term.

Looking ahead, economic challenges will persist in the coming years. In the absence of a strong recovery from the demand side, global economy is likely to remain sub-par for an extended period. An uneven recovery, wide divergence in monetary policies, fast flow of hot funds and the heightened geopolitical tensions will continue to create ongoing challenges and downside risks. Mainland's economy, under a structural transition towards services and local consumption, is moving towards a lower but more sustainable growth path under the National 13th Five-Year Plan. The further opening-up of Mainland's services and financial markets, internationalization of the Renminbi, and the "One Belt, One Road" strategy shall hopefully bring ample opportunities for Hong Kong's long term economic progress.

While the economic outlook remains unclear, we shall take a cautious and prudent approach in cost management and take effective steps to further streamline our cost structure and improve operational efficiency. The Group is in a strong cash flow position with a cash balance of around HK$370 million as at 31 March 2016, and we are well placed to ride through the cyclical swings and capitalize on the opportunities ahead.

EMPLOYEES

As at 31 March 2016, the Group had 1,499 employees (31 March 2015: 1,499 employees). The Directors believe that employees are the most valuable assets of the Group and competitive remuneration packages are offered to retain quality staff. Employee benefits include medical insurance, discretionary bonus, provident fund schemes and other staff benefits.

DIVIDENDS

The Directors recommend a payment from the distributable reserves of the Company a final dividend of HK7.0 cents per share in respect of the year ended 31 March 2016 to the shareholders whose names appear on the Register of Members of the Company at the close of business on 12 August 2016, amounting to HK$30,212,000. The final dividend, payable on 30 September 2016, is subject to the approval of the shareholders of the Company at the forthcoming annual general meeting to be held on 4 August 2016 (“the Meeting”).

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from 1 August 2016 to 4 August 2016 (both days inclusive) and 15 August 2016 to 17 August 2016 (both days inclusive) respectively, during which period no transfer of shares will be effected. In order to qualify for the entitlement to attend and vote at the Meeting, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on 29 July 2016. In order to qualify for the proposed final dividend, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on 12 August 2016.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has complied with the provisions set out in the Corporate Governance Code (the "Code Provisions") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") for the year ended 31 March 2016 except as stated and explained below.

Under Code A.2.1 of the Code Provisions, the roles of Chairman and CEO should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and CEO should be clearly established and set out in writing. However, the Company has appointed Mr. Fung Siu Por, Lawrence as both its Chairman and the CEO. The Board believes that vesting the roles of the Chairman and the CEO in the same person would allow the Company to be more effective and efficient in developing long-term business strategies and execution of business plans. The Board believes that the balance of power and authority is adequately ensured by the operation of the Board, which comprises experienced and high calibre individuals with a substantial number thereof being Non-executive Directors.

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company confirmed the adoption of the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules (the "Model Code"). All Directors of the Company confirmed their compliance with the required standard set out in the Model Code throughout the year ended 31 March 2016.

AUDIT COMMITTEE

The Company established an Audit Committee in 2005 with written terms of reference. The Audit Committee comprises Non-executive Director, Mr. Chu Yu Lun and two Independent Non-executive Directors, Mr. O'Yang Wiley as Committee Chairman and Mr. Lo Foo Cheung. The Audit Committee has reviewed the Group's audited final results for the year ended 31 March 2016.

REMUNERATION COMMITTEE

The Company established a Remuneration Committee in 2005 with written terms of reference. The Remuneration Committee comprises Non-executive Director, Mr. Chu Yu Lun, and two Independent Non-executive Directors, Mr. Lo Foo Cheung as Committee Chairman and Professor Leung Gabriel Matthew.

NOMINATION COMMITTEE

The Company established a Nomination Committee in 2005 with written terms of reference. The Nomination Committee comprises three Independent Non-executive Directors, Mr. Chow On Kiu as Committee Chairman, Professor Leung Gabriel Matthew and Mr. O'Yang Wiley.

On Behalf of the Board
Hong Kong Economic Times Holdings Limited
Fung Siu Por, Lawrence
Chairman

Hong Kong, 20 June 2016

As at the date of this announcement, the Board comprises: (a) Executive Directors: Mr. Fung Siu Por, Lawrence, Mr. Mak Ping Leung (alias: Mr. Mak Wah Cheung), Mr. Chan Cho Biu, Mr. Shek Kang Chuen and Ms. See Sau Mei Salome; (b) Non-executive Director: Mr. Chu Yu Lun; and (c) Independent Non-executive Directors: Mr. Chow On Kiu, Professor Leung Gabriel Matthew, Mr. Lo Foo Cheung and Mr. O'Yang Wiley.

This announcement is published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the Company's websites at www.hketgroup.com and at www.etnet.com.hk/etg. The Group's Annual Report 2015/2016 containing all the information required by the Listing Rules will be dispatched to shareholders and published on the above websites in due course.