Asiaray Media Group Limited
雅仕維傳媒集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1993)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board of directors (the "Board" and the "Directors", respectively) of Asiaray Media Group Limited (the "Company", together with its subsidiaries, the "Group") announces the unaudited condensed consolidated financial results of the Group for the six months ended 30 June 2025 (the "Period"), together with the comparative figures for the corresponding period of 2024 as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Six months ended 30 June	
		2025	2024
	Note	***RMB'000***	*RMB'000*
		Unaudited	Unaudited
Revenue	*4*	**421,955**	580,953
Cost of revenue		**(306,757)**	(416,006)
Gross profit		**115,198**	164,947
Selling and marketing expenses		**(37,446)**	(58,108)
Administrative expenses		**(53,162)**	(74,924)
Net impairment losses on financial assets		**(8,165)**	(6,223)
Other income	*6*	**5,980**	5,124
Other gains/(losses), net	*7*	**27,593**	15,217
Operating profit	*5*	**49,998**	46,033

	Note	Six months ended 30 June **2025** **_RMB'000_** **Unaudited**	2024 _RMB'000_ Unaudited
Finance income	_8_	**739**	1,305
Finance costs	_8_	**(27,312)**	(54,736)
Finance costs, net	_8_	**(26,573)**	(53,431)
Share of net loss of investments accounted for using the equity method		**(1,531)**	(2,016)
Profit/(Loss) before income tax		**21,894**	(9,414)
Income tax (expense)/credit	_9_	**(7,270)**	1,847
Profit/(Loss) for the period		**14,624**	(7,567)
Profit/(Loss) attributable to:			
Owners of the Company		**2,165**	(13,979)
Non-controlling interests		**12,459**	6,412
		14,624	(7,567)
Other comprehensive income/(loss)			
Items that may be reclassified to profit or loss			
– Net gains/(losses) from changes in financial assets at fair value through other comprehensive income, net of tax		**69**	(84)
– Currency translation differences		**3,129**	(1,900)
Items that will not be reclassified to profit or loss			
– Currency translation differences		**(6,377)**	3,234
		(3,179)	1,250
Total comprehensive income/(loss) for the period		**11,445**	(6,317)
Attributable to:			
Owners of the Company		**(831)**	(12,824)
Non-controlling interests		**12,276**	6,507
Total comprehensive income/(loss) for the period		**11,445**	(6,317)
Loss per share attributable to owners of the Company for the period (expressed in RMB cents per share)			
– Basic and diluted	_10_	**(0.8)**	(4.2)

CONDENSED CONSOLIDATED BALANCE SHEET

	Note	**As at 30 June 2025** *RMB'000* **Unaudited**	As at 31 December 2024 *RMB'000* Audited
ASSETS			
Non-current assets			
Property, plant and equipment		**107,015**	112,419
Right-of-use assets	*14*	**545,241**	724,965
Investment properties		**124,228**	125,427
Intangible assets		**9,103**	9,825
Investments accounted for using the equity method		**54,404**	55,935
Financial assets at fair value through profit or loss		**11,860**	12,042
Financial assets at fair value through other comprehensive income		**6,164**	6,170
Deferred income tax assets		**120,106**	127,091
Deposits	*12*	**3,748**	5,171
		981,869	1,179,045
Current assets			
Inventories		**73,784**	68,388
Trade and other receivables	*12*	**533,990**	573,886
Current income tax recoverable		**162**	162
Restricted cash		**15,082**	17,140
Cash and cash equivalents		**185,094**	215,334
		808,112	874,910
Total assets		**1,789,981**	2,053,955

	Note	As at 30 June 2025 RMB'000 Unaudited	As at 31 December 2024 RMB'000 Audited
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		**38,947**	38,947
Reserves		**32,171**	38,442
		71,118	77,389
Non-controlling interests		**195,521**	183,245
Total equity		**266,639**	260,634
Liabilities			
Non-current liabilities			
Borrowings		**102,967**	103,660
Lease liabilities	*14*	**323,215**	508,179
Deferred income tax liabilities		**1,214**	1,366
		427,396	613,205
Current liabilities			
Trade and other payables	*13*	**334,425**	342,262
Contract liabilities		**117,784**	85,848
Borrowings		**220,517**	251,759
Current income tax liabilities		**1,360**	678
Lease liabilities	*14*	**421,860**	499,569
		1,095,946	1,180,116
Total liabilities		**1,523,342**	1,793,321
Total equity and liabilities		**1,789,981**	2,053,955

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 20 May 2014 as an exempted company with limited liability under the laws of the Cayman Islands. The address of the Company's registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 15 January 2015.

The Company is an investment holding company. The Group is principally engaged in the development and operations of out-of-home advertising media, including advertising in airports, metro lines, billboards and building solutions, mainly in the People's Republic of China (the "PRC" or "Mainland China"), Hong Kong, Macau and Southeast Asia.

The condensed consolidated interim financial information are presented in Renminbi ("RMB") and all figures are rounded to the nearest thousand (RMB'000), unless otherwise stated, and have been approved by the Board on 27 August 2025.

2 BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34, "Interim financial reporting". The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2024, which have been prepared in accordance with HKFRS Accounting Standards ("HKFRSs").

As at 30 June 2025, the Group's current liabilities exceeded its current assets by approximately RMB287,834,000 (31 December 2024: RMB305,206,000). Included in the current liabilities were the lease liabilities of approximately RMB421,860,000 (31 December 2024: RMB499,569,000) and borrowings of approximately RMB220,517,000 (31 December 2024: RMB251,759,000). The Group had cash and cash equivalents balance of approximately RMB185,094,000 (31 December 2024: RMB215,334,000).

The Directors are of the opinion that the Group's available sources of funds, including the Group's expected net cash inflows from its operating activities and the continuous availability of the existing banking facilities, are sufficient to fulfil its financial obligations as and when they fall due in the coming twelve months from 30 June 2025. Accordingly, these condensed consolidated interim financial information have been prepared on a going concern basis.

The principal accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2024, except for the adoption of amended standards and interpretation as set out below.

(a) Amended standards adopted by the Group

The following amended standards have been adopted by the Group for the first time for the financial year beginning on or after 1 January 2025:

HKAS 21 and HKFRS 1 (Amendments)	Lack of Exchangeability

The adoption of these amended standards does not have any significant impact on the results and financial position of the Group.

(b) New and amended standards and interpretation not yet adopted by the Group

The following new and amended standards and interpretation have been issued but are not effective for the financial year beginning 1 January 2025 and have not been early adopted by the Group:

		Effective for annual periods beginning on or after
HKFRS 9 and HKFRS 7 (Amendments)	Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 (Amendments)	Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Hong Kong Interpretation 5 (Amendments)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group has commenced an assessment of the impact of these new and amended standards and interpretation, but is yet in a position to state whether they would have significant impacts on its results of operations and financial position.

3 SIGNIFICANT ESTIMATES

The preparation of condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the consolidated financial statements for the year ended 31 December 2024.

4 SEGMENT INFORMATION

The Executive Directors have been identified as the chief operating decision-maker ("CODM") of the Group who review the Group's internal reporting in order to assess performance and allocate resources. The CODM identifies operating segments based on these reports.

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

– Airport business — operation of advertising services in airports;

– Metro and billboards business — operation of advertising services in metro lines and billboards and building solutions; and

– Bus and other business — operation of advertising services in bus exterior and interior, and bus shelter, and also advertising services from other media spaces.

The CODM assesses the performance of the operating segments mainly based on revenue and gross profit of each operating segment. Majority of the businesses of the Group are carried out in Mainland China and Hong Kong during the Period. 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 CODM as a basis for the purpose of resource allocation and assessment of segment performance. Other income, other net gains, net finance costs and income tax (expense)/credit are also not allocated to individual operating segment.

There are no segment assets and liabilities information provided to CODM.

The segment information for the operating segments is as follows:

	Airport business *RMB'000*	Metro and billboards business *RMB'000*	Bus and other business *RMB'000*	Total *RMB'000*
Six months ended 30 June 2025, unaudited				
Revenue	**105,319**	**224,426**	**92,210**	**421,955**
Cost of revenue	**(102,479)**	**(142,560)**	**(61,718)**	**(306,757)**
Gross profit	**2,840**	**81,866**	**30,492**	**115,198**
Share of net loss of investments accounted for using the equity method	**(999)**	**(532)**	**–**	**(1,531)**
Segment results	**1,841**	**81,334**	**30,492**	**113,667**
Selling and marketing expenses				**(37,446)**
Administrative expenses				**(53,162)**
Net impairment losses on financial assets				**(8,165)**
Other income				**5,980**
Other gains/(losses), net				**27,593**
				48,467
Finance income				**739**
Finance costs				**(27,312)**
Finance costs, net				**(26,573)**
Profit before income tax				**21,894**

	Airport business	Metro and billboards business	Bus and other business	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Six months ended 30 June 2024, unaudited				
Revenue	180,822	187,098	213,033	580,953
Cost of revenue	(101,901)	(132,917)	(181,188)	(416,006)
Gross profit	78,921	54,181	31,845	164,947
Share of net (loss)/profit of investments accounted for using the equity method	(2,775)	759	–	(2,016)
Segment results	76,146	54,940	31,845	162,931
Selling and marketing expenses				(58,108)
Administrative expenses				(74,924)
Net impairment losses on financial assets				(6,223)
Other income				5,124
Other gains/(losses), net				15,217
				44,017
Finance income				1,305
Finance costs				(54,736)
Finance costs, net				(53,431)
Loss before income tax				(9,414)

Revenue consists of the following:

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	Unaudited	Unaudited
Advertising display revenue	**353,549**	454,542
Advertising production, installation and dismantling revenue	**68,406**	126,411
	421,955	580,953

The timing of revenue recognition of the Group's revenue is as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	Unaudited	Unaudited
Revenue over time	**353,549**	454,542
Revenue at a point in time	**68,406**	126,411
	421,955	580,953

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

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	Unaudited	Unaudited
Mainland China	**270,282**	319,130
Hong Kong and others	**151,673**	261,823
	421,955	580,953

The Group has a large number of customers, none of whom contributed 10% or more of the Group's total revenue.

The Group's non-current assets other than financial instruments and deferred income tax assets located in Mainland China, Hong Kong and others are as follows:

	As at 30 June 2025 *RMB'000* **Unaudited**	As at 31 December 2024 *RMB'000* Audited
Mainland China	**579,353**	732,856
Hong Kong	**245,041**	281,739
Others	**19,345**	19,147
	843,739	1,033,742

5 OPERATING PROFIT

The following items have been charged to the operating profit during the interim period:

	Six months ended 30 June	
	2025 *RMB'000* **Unaudited**	2024 *RMB'000* Unaudited
Variable concession fee charges for advertising spaces	**168,732**	56,792
Expenses related to short-term concession fee	**60,445**	41,594
Depreciation of property, plant and equipment	**10,919**	12,920
Depreciation of right-of-use assets *(Note 14)*	**140,454**	260,816
Impairment losses on right-of-use assets *(Note 14)*	**–**	5,300
Employee benefit expenses	**73,147**	93,405
Project installation and dismantling costs	**28,794**	54,143
Travelling and entertainment expenses	**3,963**	7,944
Amortisation of intangible assets	**868**	1,082

6 OTHER INCOME

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	Unaudited	Unaudited
Advertising design service income	**3,302**	2,891
Advertising consulting service income	**538**	48
Rental income	**1,402**	1,587
Dividend income	**196**	194
Government subsidy income *(Note)*	**28**	–
Others	**514**	404
	5,980	5,124

Note: Government subsidy income mainly represented various tax refunds granted by the relevant government authorities with no future obligations.

7 OTHER GAINS/(LOSSES), NET

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	Unaudited	Unaudited
Net gains/(losses) from early termination of leases	**28,354**	14,798
Fair value gains/(losses) on investment properties	**–**	(1,393)
Fair value gains/(losses) on financial assets at fair value through profit or loss	**–**	(257)
Gains/(Losses) on disposal of property, plant and equipment	**(28)**	(44)
Net exchange gains/(losses)	**(626)**	424
Others	**(107)**	1,689
	27,593	15,217

8 FINANCE COSTS, NET

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	Unaudited	Unaudited
Finance income		
Interest income on bank deposits	**(739)**	(1,305)
Finance costs		
Interest expense on bank borrowings	**8,673**	11,269
Interest expense on lease liabilities	**18,639**	43,467
	27,312	54,736
Finance costs, net	**26,573**	53,431

9 INCOME TAX EXPENSE/(CREDIT)

The income tax expense/(credit) of the Group for the six months ended 30 June 2025 and 2024 is analysed as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	Unaudited	Unaudited
Current income tax expenses		
PRC corporate income tax expenses	**526**	1,677
Deferred income tax expenses/(credit)	**6,744**	(3,605)
Under-provision in prior years	**–**	81
	7,270	(1,847)

10 PROFIT/(LOSS) PER SHARE

(a) Basic profit/(loss) per share

Basic loss per share is calculated by dividing the profit/(loss) attributable to owners of the Company less the distribution of perpetual subordinated convertible securities ("PSCS"), by the weighted average number of ordinary shares in issue during the periods excluding treasury shares.

	Six months ended 30 June	
	2025	2024
	Unaudited	Unaudited
Profit/(Loss) attributable to owners of the Company (RMB'000)	**2,165**	(13,979)
Less: distribution to PSCS (RMB'000)	**(5,830)**	(5,775)
	(3,665)	(19,754)
Weighted average number of ordinary shares in issue (thousands shares)	**476,930**	475,934
Profit/(Loss) per share (RMB cents per share)	**(0.8)**	(4.2)

(b) Diluted loss per share

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding by the assumption of the conversion of all potential dilutive ordinary shares arising from share options granted by the Company and PSCS.

For the period ended 30 June 2025 and 2024, the Group's PSCS could potentially dilute basic loss per share in the future, but were not included in the calculation of diluted loss per share because they are anti-dilutive for the periods.

11 DIVIDENDS

No dividend was paid or proposed during the six months ended 30 June 2025 and 2024, nor has any dividend been proposed since the end of the interim reporting periods.

12 TRADE AND OTHER RECEIVABLES

	As at 30 June 2025 *RMB'000* Unaudited	As at 31 December 2024 *RMB'000* Audited
Current assets		
Trade receivables *(a)*	**412,552**	437,538
Less: loss allowance of trade receivables	**(124,739)**	(126,823)
Trade receivables, net	**287,813**	310,715
Other receivables	**133,130**	154,185
Less: loss allowance of other receivables	**(4,197)**	(4,336)
Other receivables, net	**128,933**	149,849
Interest receivable	**15**	20
Value-added-tax recoverable	**38,826**	42,239
Prepayments	**78,403**	71,063
	533,990	573,886
Non-current assets		
Deposits	**3,748**	5,171
Total	**537,738**	579,057

(a) The Group has various credit terms for its customers. Ageing analysis of the trade receivables by invoice date is as follows:

	As at 30 June 2025 *RMB'000* Unaudited	As at 31 December 2024 *RMB'000* Audited
Up to 6 months	**166,679**	186,653
6 months to 12 months	**34,751**	47,662
1 year to 2 years	**70,715**	70,989
2 years to 3 years	**41,165**	35,797
Over 3 years	**99,242**	96,437
	412,552	437,538

13 TRADE AND OTHER PAYABLES

	As at 30 June 2025 *RMB'000* Unaudited	As at 31 December 2024 *RMB'000* Audited
Trade payables	**171,386**	200,229
Accrued concession fee charges for advertising spaces	**82,026**	38,650
Other taxes payables	**1,301**	2,518
Interests payables	**558**	559
Salary and staff welfare payables	**10,328**	25,142
Other payables	**68,826**	75,164
	334,425	342,262

Ageing analysis of the trade payables by invoice date is as follows:

	As at 30 June 2025 *RMB'000* Unaudited	As at 31 December 2024 *RMB'000* Audited
Up to 6 months	**122,394**	83,183
6 months to 12 months	**27,310**	66,582
1 year to 2 years	**12,569**	43,448
2 years to 3 years	**2,575**	2,114
Over 3 years	**6,538**	4,902
	171,386	200,229

14 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Balance recognised in the condensed consolidated interim balance sheet

Right-of-use assets

	Land use rights *RMB'000*	**Advertising fixtures** *RMB'000*	**Offices** *RMB'000*	**Total** *RMB'000*
As at 1 January 2025, audited	**17,377**	**694,622**	**12,966**	**724,965**
Additions	**–**	**48,087**	**2,299**	**50,386**
Depreciation *(Note 5)*	**(284)**	**(135,796)**	**(4,374)**	**(140,454)**
Termination	**–**	**(88,572)**	**–**	**(88,572)**
Currency translation differences	**–**	**(1,015)**	**(69)**	**(1,084)**
As at 30 June 2025, unaudited	**17,093**	**517,326**	**10,822**	**545,241**
As at 1 January 2024, audited	17,945	1,146,227	14,285	1,178,457
Additions	–	227,639	2,367	230,006
Depreciation *(Note 5)*	(284)	(256,367)	(4,165)	(260,816)
Termination	–	(53,350)	(789)	(54,139)
Modification	–	35,604	–	35,604
Impairment loss *(Note 5)*	–	(5,300)	–	(5,300)
Currency translation differences	–	1,264	65	1,329
As at 30 June 2024, unaudited	17,661	1,095,717	11,763	1,125,141

Lease liabilities

	As at 30 June 2025 *RMB'000* **Unaudited**	As at 31 December 2024 *RMB'000* Audited
Current portion	**421,860**	499,569
Non-current portion	**323,215**	508,179
Total lease liabilities	**745,075**	1,007,748

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Despite the global uncertainties fueled by escalating trade tensions and geopolitical conflicts, the economies of Mainland China and Hong Kong achieved steady recovery in the first half of 2025. Seizing the opportunity presented by the modest rebound in domestic demand, Asiaray continued to advance its comprehensive strategy to optimize its media network and enhance operational efficiency. This strategy included the selective divestment of unprofitable resources, the continuous optimization of current assets, and the strategic re-acquisition of media resources with growth potential on more favorable terms. Furthermore, the Group has been also securing new projects with promising futures, as illustrated by the exclusive concession rights for the media resources at Hong Kong Eastern Harbour Crossing granted in August 2025.

The strategy drove financial improvement for the Period. Despite the decline in media resources levels and the delayed contribution from regained assets, the Group recorded revenue of RMB422.0 million for the Period (six months ended 30 June 2024: RMB581.0 million), leveraging its unique expertise in space management and immersive scenarios to create innovative, value-driven advertising solutions. Notably, the exit of non-profitable media resources is near completion, paving the way for stabilized revenue moving forward. The Group recorded gross profit of RMB115.2 million, with the gross profit margin remaining relatively stable at 27.3% (six months ended 30 June 2024: RMB164.9 million and 28.4%). EBITDA amounted to RMB201.5 million (six months ended 30 June 2024: RMB320.1 million). The Group achieved a turnaround in profit for the Period, with profit of RMB14.6 million for the Period compared with a loss of RMB7.6 million for the corresponding period of last year.

As of 30 June 2025, the Group was in a healthy financial position with cash and cash equivalents (including restricted cash) amounting to RMB200.2 million (31 December 2024: RMB232.5 million), laying a solid foundation for its business recovery.

Business Segment Performance

Metro lines and billboards

Revenue from this segment increased by 19.9% to RMB224.4 million for the Period. Gross profit improved to RMB81.9 million, with the gross profit margin growing by 7.5 percentage points to 36.5%. The Group's metro portfolio achieved a steady performance during the Period, benefiting from its pioneering role in cross-border advertising campaigns, which earned it greater trust from leading brands. Regained resources such as the Shenzhen Metro contributed as expected, while Hong Kong West Kowloon Station attracted rising interest amid the growth of cross-border travel within the Greater Bay Area. The Group continued to deploy its innovative advertising solutions to capture key opportunities, exemplified by a campaign for a global fast-food chain's breakfast line displayed at core metro station across Shenzhen. By turning the station into immersive brand zones featuring a pop-up restaurant and holographic mascots to cheer up the public, vibrant "morning energy" environments were created in the brand's signature colors. This effectively increased foot traffic, sparked social media engagement, and ultimately boosted in-store visits and sales. Meanwhile, the Singapore Thomson-East Coast MRT line (TEL) saw increased activity following its downtown extension, where heightened passenger traffic attracted more campaigns. The Group applied its technical and innovative expertise for a film partnership. In collaboration with a major movie distributor, the Group presented Singapore's first fog screen at Orchard MRT to bring dinosaurs from Jurassic Period into the transit space. The immersive setup turned daily commutes into spontaneous cinematic encounters, prompting passengers to stop, snap photos of the lively projections, and stroll through the drifting mist.

Furthermore, the Group strategically leveraged its premium billboard footprint across the city to actively drive and fully capitalize on Hong Kong's mega-event economy and its thriving entertainment scene. This included delivering dominant visibility in key districts like Tsim Sha Tsui, Causeway Bay, and Kai Tak to promote performances by a top local artist and a renowned British alternative rock band at Kai Tak Stadium, encouraging organic engagement with photo-worthy installations. Additionally, showcasing its innovative capabilities, the Group transformed a prime Tsim Sha Tsui billboard into a viral sensation for a fashion brand with cutting-edge 3D technology to create the illusion of action bursting through the screen, mirroring the city's athletic energy where speed meets style. These initiatives demonstrated the Group's proactive approach to government policies promoting mega-event-driven economic growth, utilizing its superior media resources to empower brands and maximize exposure.

Bus and others

Segment revenue was RMB92.2 million for the Period. While revenue was impacted by the deliberate termination of non-performing and unprofitable contracts, which led to a decline media resources, gross profit was RMB30.5 million, with gross profit margin surging by 18.2 percentage points to 33.1%. The improvement was driven by streamlined operations and enhanced efficiency. Drawing on its market insights, the Group advised several global sportswear leaders and a premium local fitness chain to utilize bus shelters along Nathan Road for advertising during Hong Kong's flagship marathon event. In addition to vibrant product displays, installations featured runner-centric promotional messages to energize the runners and add photo hotspots along the race route, thereby increasing brand exposure among the target customer group. Moreover, the Group continued to be the preferred partner for Mainland China brands expanding into Hong Kong, including some healthcare services brands such as dental and optical centers. Having pioneered the introduction of their advertising campaigns locally, the Group continues to host their consistent presence across its advertising spaces. Beyond bus shelter advertising, the Group executed a highly impactful campaign for a well-known e-commerce giant that transformed an entire major bus interchange into a vibrant brand canvas through full-scale wrapping. The eye-catching and dominant presence significantly amplified brand visibility during its critical launch phase in Hong Kong.

Airports

Segment revenue for the Period was RMB105.3 million, with gross profit of RMB2.8 million and gross profit margin of 2.7%. Full segment recovery will follow the completion of operational restructuring.

O&O New Media Strategy Development

Garnering 23 industry awards for innovative campaigns during the Period, the Group's established Outdoor and Online (the "O&O") New Media Strategy and Digital Out-of-Home Plus (the "DOOH+") platform harnessed deep market insights, decades of expertise, and economies of scale, seamlessly integrate creativity with operational efficiency to connect brands and audiences in a precise and cost-effective manner. Notable projects included transforming a prime bus shelter and a mall entrance in Hong Kong into an immersive experience zone for a local beverage company. Applying the Group's unique "five sense" space management philosophy, commuters played touchscreen games next to giant lemon tea bottle installations to win drinks, with zesty lemon fragrances enhancing the experience. This multisensory takeover increased engagement by blending play, sampling, and shareable moments.

By deepening its collaboration with pioneers in programmatic advertising such as The Trade Desk, Hivestack by Perion, and Vistar Media, the Group unlocked new efficiencies in matching premium OOH resources with data driven campaigns. By leveraging the latest advertising technology, it enables advertisers to optimize campaigns in real-time. During the Period, the Group executed a data driven campaign for a takeaway platform, it allows the advertiser to deliver specific messages to audiences, showcasing optimal meal options and promotions for breakfast, lunch, or dinner as the day progressed. It improves the relevance and effectiveness of the campaigns.

PROSPECTS

Asiaray is entering the second half of 2025 with cautious optimism. Although global uncertainties persist, Mainland China's economy is poised for steady growth thanks to policy stimulus and consumption recovery, concurrently driving Hong Kong's rebound via spillover effects and revived tourism. Against this backdrop, the Group is well positioned to navigate challenges and identify opportunities.

Cross-border tourism and the economy surrounding mega-events are important near-term growth catalysts, especially in the Greater Bay Area. Capitalizing on its pioneering role in Greater Bay Area integration, the Group is actively developing customized advertising solutions for cross-border brands, especially in the healthcare services, food and beverage, insurance, and wealth management sectors, targeting commuters seeking diversified lifestyle experience across the region. This strategic focus has been further demonstrated by the curation of impactful immersive advertising spaces for major sporting and cultural events. As of the date of this announcement, the Group has further strengthened its position by securing the exclusive concession rights to use and operate the advertising media resources at the Hong Kong Eastern Harbour Crossing for a period of three years. This tunnel serves as a vital transportation hub connecting commercial, residential, and leisure spaces. In addition, the Group continues to harness its strategically positioned media resources in airports, metros, and high-speed rail networks, integrating these touchpoints with its "mega transport, multimedia, and full-scenario" solutions to craft advertising offerings that effectively connect brand objectives with evolving consumer trends.

To ensure sustainable development and respond to long-term market changes, the Group maintains a strong emphasis on enhancing internal controls and exercising financial prudence to mitigate risk. At the same time, it is optimizing its media resource portfolio by deepening partnerships with key owners and leveraging keen market insights, aiming to boost profitability without compromising operational efficiency. These efforts are underpinned by the Group's ongoing internal restructuring, which aims to enhance organizational agility and responsiveness to emerging opportunities.

Asiaray is renowned for its deep market expertise, strategic Greater China footprint, and proven track record of balancing innovation and operational efficiency. The foundation in Greater China and Singapore, combined with inherent adaptability and agility, enables it to maintain solid partnerships and consistently meet evolving market demands. The Group is committed to pioneering cutting-edge, digitally advanced, and innovative advertising solutions, including immersive interactive experiences, for advertisers, brands, and audiences alike. This commitment enables Asiaray to create a positive impact in the advertising ecosystem and generate sustainable long-term value for our shareholders and stakeholders.

FINANCIAL REVIEW

Revenue

The revenue of the Group for the Period decreased from RMB581.0 million for the corresponding period of 2024 to RMB422.0 million, representing a decrease by RMB159.0 million, or 27.4%. The decrease was primarily derived from the impact of termination project. The combined revenue of the Group, which includes the consolidated revenue of the Group and the total revenue of the Group's associated companies engaged in the media business, reached RMB444.4 million.

The airports segment revenue decreased by RMB75.5 million, or 41.8% from RMB180.8 million for the corresponding period of 2024 to RMB105.3 million for the Period. The decrease was due to the early termination of Kunming Airport project.

The metro and billboards segment revenue increased by RMB37.3 million, or 20.0% from RMB187.1 million for the corresponding period of 2024 to RMB224.4 million for the Period. This was primarily attributable to the increased revenue from the addition of exclusive metro lines and billboards in Mainland China and Hong Kong.

The bus and others segment revenue decreased by RMB120.8 million, or 56.7%, from RMB213.0 million for the corresponding period of 2024 to RMB92.2 million for the Period. The decrease was primarily attributable to the expiry of bus body project.

Cost of Revenue

The cost of revenue decreased by RMB109.2 million, or 26.3%, from RMB416.0 million for the corresponding period of 2024 to RMB306.8 million for the Period. The decrease was primarily due to the termination of projects and rent reduction.

Gross Profit and Gross Profit Margin

The gross profit for the Period slightly decreased by RMB49.7 million, or 30.2%, from RMB164.9 million for the corresponding period of 2024 to RMB115.2 million for the Period and the gross profit margin slightly decreased from 28.4% for the corresponding period of 2024 to 27.3% for the Period.

Selling and Marketing Expenses

The selling and marketing expenses decreased by RMB20.7 million, or 35.6% from RMB58.1 million for the corresponding period of 2024 to RMB37.4 million for the Period.

Administrative Expenses

The administrative expenses decreased by RMB21.8 million, or 29.0%, from RMB74.9 million for the corresponding period of 2024 to RMB53.2 million for the Period.

Finance Costs, Net

Net finance cost decreased by RMB26.9 million, or 50.3%, from RMB53.4 million for the corresponding period of 2024 to RMB26.6 million for the Period. This was primarily attributable to the decrease in interest expenses incurred from lease liabilities of HKFRS 16.

Share of Net Loss of Investments Accounted for Using the Equity Method

The share of net loss of investments in associates decreased by 24.1% from RMB2.0 million for the corresponding period of 2024 to RMB1.5 million for the Period due to the decreased loss from media under airports in Shenzhen.

Income Tax (Expense)/Credit

Income tax (expense)/credit decreased by 493.6% from an income tax credit of RMB1.8 million for the corresponding period of 2024 to an income tax expense of RMB7.3 million for the Period.

Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)

The EBITDA of the Group decreased by RMB118.7 million, or 37.1%, from RMB320.1 million for the corresponding period of 2024 to RMB201.5 million for the Period.

Profit/(Loss) Attributable to Owners of the Company

Profit attributable to owners of the Company increased by RMB16.2 million, or 115.5%, from loss attributable to owners of the Company of RMB14.0 million for the corresponding period of 2024 to profit attributable to owners of the Company of RMB2.2 million for the Period.

FINANCIAL MANAGEMENT AND TREASURY POLICY

The Group adopts a conservative approach for cash management and investment on funds. As the Group carries out business in the Mainland China and Hong Kong, most of its receipts and payments were denominated in Renminbi and Hong Kong dollars. The Directors consider that there is no significant exposure on the foreign exchange risk. The Group will closely monitor foreign exchange exposure and consider hedging significant exposure should the need arises.

Dividend Policy

The Company endeavours to maintain a balance between meeting shareholders' expectations and prudent capital management with a sustainable dividend policy. The Company adopts a dividend policy, which is based on the profit attributable to owners of the Company, and the distribution amount is up to 100% of the profit attributable to owners of the Company.

Liquidity and Financial Resources

The Group adopts conservative treasury policies and controls tightly over its cash and risk management. During the Period, the Group's operations and investments were supported by internal resources.

The Group's cash and cash equivalents and restricted cash was RMB200.2 million as at 30 June 2025, representing a decrease when compared to RMB232.5 million as at 31 December 2024. As at 30 June 2025, the financial ratios of the Group were as follows:

	As at 30 June 2025	As at 31 December 2024
Current ratio[(1)]	**0.75**	0.75
Gearing ratio[(2)]	**0.5**	0.4

Notes:

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

(2) Gearing ratio is calculated by dividing net debt by total equity. Net debt is calculated as total borrowings less cash and cash equivalents. Total equity represents the equity attributable to owners of the Company and non-controlling interests.

Borrowings

The Group had bank borrowings as at 30 June 2025 in the sum of RMB323.5 million. Out of the total borrowings, RMB220.5 million was repayable within one year, while RMB103.0 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.

Exposure to Interest Rate Risk

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

The Group's interest rate risks arise primarily from variable rates bank borrowings. The management manages interest rate risks and controls such risks within a reasonable level by closely tracking changes in the macroeconomic environment and monitoring changes in current and projected interest rates on a regular basis, taking into account conditions in the domestic and international markets.

Pledge of Assets

As at 30 June 2025 and 31 December 2024, the Group did not pledge any of its assets to secure borrowings of the Group.

Capital Expenditures

The 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 Period and the corresponding period of 2024 were RMB4.8 million and RMB3.1 million, respectively.

Contingent liabilities

The Group had no material contingent liabilities outstanding as at 30 June 2025 and 31 December 2024.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

No important events affecting the Group have occurred since 30 June 2025 and up to the date of this announcement.

HUMAN RESOURCES AND REMUNERATION POLICIES

The Group offers competitive remuneration packages, including trainings, medical, insurance coverage and retirement benefits, to all employees in Hong Kong and Mainland China. As at 30 June 2025, the Group had 476 employees (30 June 2024: 612 employees). The total salaries and related costs for the Period and the corresponding period of 2024 amounted to RMB67.8 million and RMB93.4 million, respectively.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the Period (30 June 2024: Nil).

CORPORATE GOVERNANCE

During the Period, the Company had complied with all the applicable code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), except the deviation from code provisions C.2.1 and C.1.5 of the CG Code.

Under code provision C.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 *JP* currently assumes the roles of both chairman of the Board and chief executive officer (the "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.

Under code provision C.1.5 of the CG Code, independent non-executive Directors and non-executive Directors should attend general meetings of the Company and develop a balanced understanding of the shareholders' view. Due to other business engagement, the non-executive Director was unable to attend the annual general meeting of the Company held on 3 June 2025. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company had adopted the Model Code for Securities Transactions by Directors of the Listed Issuers as set out in Appendix C3 to the Listing Rules (the "Model Code") as the code of conduct regarding securities transactions by the Directors. The Company has made specific enquiries of all Directors and that all the Directors have confirmed their compliance with the required standard set out in the Model Code throughout the Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Period.

AUDIT COMMITTEE

The Company's audit committee has reviewed the unaudited consolidated financial results and the interim report of the Company for the Period and agreed to the accounting principles and practices adopted by the Company. The audit committee of the Company comprises three independent non-executive Directors, namely Mr. Ma Andrew Chiu Cheung (Chairman), Mr. Ma Ho Fai *GBS JP*, and Ms. Mak Ka Ling.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

All the financial and other related information of the Company as required by the Listing Rules will be published on the websites of each of the Company (https://www.asiaray.com/en/home/) and the Stock Exchange (https://www.hkexnews.hk) in due course.

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

Hong Kong, 27 August 2025

As at the date of this announcement, the executive Directors are Mr. Lam Tak Hing, Vincent JP and Mr. Kwan Tat Cheong; the non-executive Director is Ms. Wu Xiaopin; and the independent non-executive Directors are Mr. Ma Andrew Chiu Cheung, Mr. Ma Ho Fai GBS JP and Ms. Mak Ka Ling.