



**Asiaray Announces 2018 Annual Results
 Profit of the Year Surges 77.9% to HK\$126.7 million**

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**Secures Two National Projects Go towards
 Seizing Tremendous Opportunities from Greater Bay Area
 Strengthens DOOH Capability and Diversifies Upstream Businesses
 Lay a Good Foundation for Future Growth**

Financial Highlights

| For the Year Ended 31 December | | | |
|---|---------|---------|---------|
| (HKD Million) | 2018 | 2017 | Change |
| Revenue | 1,928.9 | 1,759.2 | +9.6% |
| Gross Profit | 484.1 | 362.7 | +33.5% |
| EBITDA | 196.0 | 133.5 | +46.8% |
| Profit for the Year | 126.7 | 71.2 | +77.9% |
| Profit Attributable to Owner of the Company | 63.0 | 44.7 | +40.9% |
| Gross Profit Margin (%) | 25.1% | 20.6% | +4.5ppt |

(Hong Kong, 27 March 2019) – **Asiaray Media Group Limited** (“Asiaray” or the “Group”; stock code: 1993), a leading out-of-home (“OOH”) media company with a strategic focus on airport and metro line advertising, has announced its annual results for the financial year ended 31 December 2018 with profit of the year surging by 77.9% to HK\$126.7 million.

Leveraging the satisfactory performance of the airport and metro advertising operations with two national projects granted in the second half of 2018 and other business development, the Group recorded satisfactory financial growth reversely in 2018 despite the challenging condition of the advertising industry in Mainland China and Hong Kong. Total reported revenue rose by 9.6% to approximately HKD1.93 billion, representing a CAGR of over 15.2% from 2011-2018. Combined revenue, which provides a more accurate representation of total business scale by including the above mentioned consolidated revenue and the revenue of all associated companies, grew by 9.1% to HKD2.80 billion. Meanwhile, gross profit rose by 33.5% to HKD484.1 million, while gross profit margin was up by 4.5 percentage points to 25.1%. An EBITDA (Earnings before tax, depreciation and amortization) of HKD196.0 million has been recorded, up 46.8% when compared with last year. Accordingly, profit attributable to owners of the Company also rose by 40.9% to HKD63.0 million.

In view of the Group’s strong financial position with cash and cash equivalents, short-term bank deposits and restricted cash of approximately HKD435.5 million as at 31 December 2018. The Board of Directors recommend the payment of a final dividend of HKD2.5 cents (2017: HKD10 cents) per share for the year ended 31 December 2018.

Mr Vincent Lam, Chairman and Executive Director of Asiaray, said, “With 2018 marking Asiaray’s 25th anniversary, we are delighted to deliver encouraging financial results that coincide with this special occasion. With our unique ‘Space Management’ approach and large media resources network, as well as our capability to deliver OOH advertising that seamlessly integrates online and offline (“O&O”) solutions, the Group has been able to withstand the challenging business conditions to deliver outstanding results that had outperformed the market. During the year, we were pleased to have secured two national projects; specifically, the exclusive concession rights to the media resources of the Hong Kong-Zhuhai-Macau Bridge (Macau-Zhuhai Port) and High Speed Railway (Hong Kong Section). Together with the winning of a series of new projects in 2018, including the media resources of six airports and two metro lines, the Group is set to substantially improve its presence in the prosperous Greater Bay Area, and further enrich its already well-established media resources network in Mainland China covering nearly 40 cities.”

Business Review

In 2018, the metro lines and billboards business segment became the growth engine of the Group with revenue up by 36.6% to HKD974.9 million, while segment gross profit surged by 66.1% to HKD184.3 million, mainly driven by several recently secured projects such as Hangzhou Metro Line 2 and 4 as well as other metro lines. Apart from the signature project High Speed Railway (Hong Kong Section), the Group also obtained the exclusive operation rights to the train media at the Beijing Capital Airport Line, as well as the Hangzhou Metro Line 5 that enjoys synergies with the city’s existing Metro Line 2 and 4. As for the billboard business, the Group has newly secured the billboards at the Star Ferry Carpark in Central, 1 Leighton Road, Laforet and Lin Fook House in Causeway Bay, and Sim City in Mong Kok - all located in prime locations, effectively enriching its media resources portfolio.

The airport business continues to deliver stable revenue at HKD727.7 million leveraging the improved performance of the Yunnan Group Airport and Zhengzhou Airport. Together with the efficient cost control measures and enhanced national marketing efforts, segment gross profit increased by 18.7% to HKD269.3 million. During the year, apart from Lancang Airport, Xi’an International Airport and Haikou Meilan International Airport, the Group also secured the operation rights to media resources in Zhuhai Airport, Beijing Capital International Airport and the new Beijing Daxing International Airport, which have further strengthened the Group’s presence in the Greater Bay Area and Beijing-Tianjin-Hebei region.

2018 also marks a year of the Asiaray’s innovative breakthrough. During the year, the Group created the first media buying platform with programmatic DOOH media in Hong Kong, represents a joint effort with Google and the global media investment management company under the WPP Group, enabling the convergence of the Internet and DOOH. This also echoes with the Group’s promising O&O strategies. The Group believes programmatic buying is a major future trend and introducing this platform in Hong Kong is in line with Asiaray’s pursuit of innovation and development in DOOH as an industry pioneer.

In addition, the Group completed the acquisition of 51% interest in Radius Displays International Limited (“Radius”), which is engaged in the provision of signage and urban furniture design, engineering and consulting work, expanding its business coverage upstream. Leveraging the cross-selling opportunities between the two companies, the Group will be strengthened in terms of having a more diversified business portfolio, income stream and client base. Backed by the engineering expertise of Radius, the Group is also able to deliver more comprehensive and sophisticated advertisement solutions to clients.

Future Prospects

Despite the uncertainties in the global economy, Asiaray, as the market leader with strong presence and extensive network in Hong Kong and Mainland China, remains prudently optimistic about the prospects given the potential of the OOH market and the competitive advantages it has established. Going forward, airports and metro lines remain the primary focus of the Group. In view of the transportation infrastructure boom along with various national projects expected to commence in the coming years, as well as the emerging opportunities not only in the Greater Bay Area, but also to be brought by the Belt and Road Initiatives, as well as development of the flourishing Yangtze River Delta area and the Beijing-Tianjin-Hebei region, the Group believes such developments will offer tremendous opportunities. During the past six months, we have secured several new projects including media concession rights of Beijing Capital International Airport and the new Beijing Daxing International Airport, exclusive concession rights of Wenzhou Metro S1, Beijing Metro Line 14, Hangzhou Metro Line 5, Haikou Meilan International Airport, Qionghai Bo'ao Airport in Hainan and two national projects – the Express Rail Link (Hong Kong Section) and the Hong Kong-Zhuhai-Macao Bridge (Zhuhai-Macau Boundary-Crossing Artificial Island), which further expand the Group's presence in the Guangdong-Hong Kong-Macao Greater Bay area, Beijing-Tianjin-Hebei region and the Yangtze River Delta area.

In addition to the core business, the Group will continue to pursue innovation and advancement as well as business diversification. On top of launching the pioneering programmatic DOOH media platform in Hong Kong, the Group will continue to optimize the Central Innovation and Technology Unit ("CTU"), which is involved in the development of programmatic buying and media technologies, including data-driven OOH advertising solutions, to further improve the programmatic buying experience as well as enhance internal inventory management. Backed by the acquisition of Radius, the Group is not only in a favorable position to extend coverage upstream, but also have the potential to leverage Radius' strong reputation in the European and the US markets to expand outside the Greater China region when appropriate.

Mr. Lam concluded, "Having celebrated our silver jubilee in 2018, we are very proud to have reached this important juncture and the many achievements that have been made leading up to this point. Our objective is now to set even more milestones in the next 25 years. We will as always strive to provide the best OOH communication solutions with the highest return on investment in an effective manner. We are confident in our ability to succeed in view of our capacity to innovate and adapt, as well as observe the same founding principles that have enabled us to flourish over the past 25 years."

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About Asiaray Media Group Limited (stock code: 1993.HK)

Established in 1993, Asiaray is a leading out-of-home media company in Greater China with a strategic focus on airport and metro line advertising. The Group provides media resources service in 35 airports (including exclusive concession rights of 35 airports and Sanya Phoenix International Airport Terminal 2, Hainan) and has exclusive concession rights to mainstream media resources for 19 metro lines, Guangzhou-Shenzhen-Hong Kong Express Rail Link (Hong Kong Section) West Kowloon Station and the artificial island in Zhuhai on the Hong Kong-Zhuhai-Macao Bridge, covering 39 cities.

Asiaray is also committed to invest in its corporate social responsibility and environmental protection initiatives. The Company has officially been awarded “Hong Kong Awards for Environmental Excellence (HKAAEE)” in 2016 and 2017, named as a “Hong Kong Green Organisation”, awarded the “Outstanding Import and Export Enterprise Award 2018 – Innovation Excellence Award” and named as a “Caring Company” for Tenth Consecutive Year .

For more details about Asiaray, please visit its official website: www.asiaray.com or follow the Group’s Wechat via the QR code below (ID: [asiaray_airport](https://www.asiaray.com) or 雅仕維傳媒集團)



Media Enquiries

Strategic Financial Relations Limited

| | | |
|--------------|--|--|
| Heidi So | +852 2864 4826 | heidi.so@sprg.com.hk |
| Angelus Lau | +852 2864 4805 | angelus.lau@sprg.com.hk |
| Adrianna Lau | +852 2114 4987 | adrianna.lau@sprg.com.hk |
| Website | www.sprg.com.hk | |



Investor Enquiries

Asiaray Media Group Limited

| | | |
|-------------|----------------|--|
| Jocelyn Yiu | +852 3153 1262 | jocelyn.yiu@asiaray.com |
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