



OUR SPACE YOUR STAGE

INTERIM REPORT 2015

CLEAR MEDIA LIMITED

白馬戶外媒體有限公司

Stock code: 100



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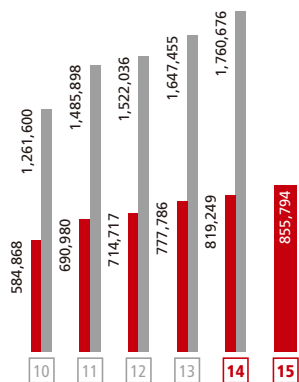


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FINANCIAL HIGHLIGHTS

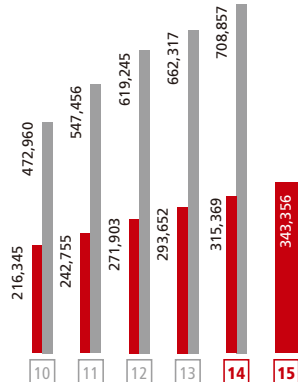
- The Group's total turnover increased by 4.5% to HK\$855.8 million.
- EBITDA increased by 8.9% to HK\$343.4 million.
- EBIT increased by 9.7% to HK\$165.9 million.
- Net profit¹ increased by 11.3% to HK\$100.9 million.
- Basic earnings per share increased by 10.8% to HK18.73 cents.

TURNOVER (HK\$'000)



■ Six months ended 30 June
■ Year ended 31 December

EBITDA (HK\$'000)



■ Six months ended 30 June
■ Year ended 31 December

¹ Net profit attributable to shareholders of the Company



MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

Trading conditions were challenging during the first half of the year. Revenue in May and June was adversely affected by last-minute cancellations resulting in revenue growth slightly below our internal targets for the first half.

Given the continued uncertainty in market conditions for the remainder of the year we have focused on reducing costs to mitigate any risk to our profit targets for the second half of the year.

We continued to take advantage of the attractive asset prices available in the market and to invest in our core business. Our capital expenditure increased by 3.1%. This allowed us to increase our market share in a number of key cities and positions the company well for further growth.

OPERATION OVERVIEW

Bus Shelter Advertising Business

As of 30 June 2015, Clear Media operates the most extensive standardized bus shelter advertising network in Mainland China, with a total of more than 44,000 panels (1H2014: 41,000) covering 27 cities. Our bus shelter advertising revenue, net of value added tax, increased by 4.5% to HK\$855.8 million.

The average selling price before value added tax (“ASP”) decreased by 3.1% during the first half of 2015. The average number of bus shelter panels increased by 7.4%. The overall occupancy rate decreased marginally to 59.2% (1H2014: 59.5%).

Key Cities

For the six months ended 30 June 2015, the revenue before value added tax (“Gross Revenue”) from Beijing, Guangzhou and Shanghai slightly increased by 0.6% to HK\$489.7 million (1H2014: HK\$486.8 million). Among the three key cities, the revenue performance was led by Beijing, followed by Guangzhou, then Shanghai.



MANAGEMENT DISCUSSION AND ANALYSIS

OPERATION OVERVIEW (continued)

Beijing

The Gross Revenue from Beijing increased by 3.3% to HK\$225.1 million (1H2014: HK\$217.9 million) as the average number of bus shelter panels increased by 3.5%, the occupancy rate increased to 66.2% (1H2014: 65.9%) and the ASP decreased by 0.7%.

Guangzhou

The Gross Revenue from Guangzhou increased by 2.1% to HK\$160.4 million (1H2014: HK\$157.1 million) due to the 3.5% increase in the average number of bus shelter panels and the increase in occupancy rate to 64.5% (1H2014: 58.2%). The ASP decreased by 11.0%.

Shanghai

The Gross Revenue from Shanghai decreased by 6.7% to HK\$104.3 million (1H2014: HK\$111.8 million) due to the 3.6% decrease in ASP and the decrease in occupancy rate to 45.3% (1H2014: 50.3%). The average number of bus shelter panels increased by 7.6%.

Mid-Tier Cities

The Gross Revenue from all mid-tier cities increased by 7.5% to HK\$410.0 million (1H2014: HK\$381.4 million) for the six months ended 30 June 2015. ASP slightly decreased by 0.6% and the average number of bus shelter panels increased by 9.5%. The occupancy rate decreased to 58.9% (1H2014: 59.6%).

Among the mid-tier cities where we operate, Foshan, Nanchang, Wuxi, Nanjing, Jinan, Hangzhou, Shenyang, Zhengzhou, Xi'an, Wuhan and Chengdu performed well with double digit increase in revenue.

Digital

In the second half of 2014, we have added 209 digital panels in Nanjing. Sales generated from the new digital operation amounted to HK\$7.0 million for the six months ended 30 June 2015.



FINANCIAL REVIEW

Turnover

The Group's total turnover increased by 4.5% to HK\$855.8 million during the first half of 2015.

Other Income

Other income decreased from HK\$8.7 million in the prior period to HK\$7.2 million mainly due to lower bank fixed deposits interest income.

Expenses

During the six months ended 30 June 2015, the Group's total direct operating costs, including rental, electricity and maintenance costs, and sales, cultural and other levies, slightly decreased by 0.8% to HK\$335.0 million (1H2014: HK\$337.7 million).

Despite the 7.4% increase in average inventory size, direct rental costs decreased by 0.8% during the current six-month period. This was due mainly to the reversal of certain rent provision made in the normal course of business which was subject to negotiations on an ongoing basis with the relevant authority. The reversal has resulted in HK\$19.8 million of provision being released in the current period. Electricity increased by 10.8% mainly driven by the increase in number of bus shelter panels and the newly commenced digital operation. Cleaning and maintenance costs decreased by 7.9% mainly due to cost control and adjustment of the cleaning and maintenance expenses subsidized by the Hainan White Horse Advertising Co., Ltd., (the "Hainan White Horse") the non-controlling shareholder of Hainan White Horse Advertising Media Investment Company Limited (the "WHA Joint Venture"). This cleaning and maintenance subsidy arrangement was made since 2001 as part of the pre-listing re-organisation exercise and is based on a certain percentage of the cleaning and maintenance cost. The ratio is negotiated on a yearly basis, with an aim to match the subsidy payable by Hainan White Horse to the cleaning and maintenance entity against the dividend attributable to this non-controlling shareholder.



MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW (continued)

Expenses (continued)

During the six months ended 30 June 2015, sales, cultural and other levies increased by 6.6%, due to the increase of total revenue.

Total selling, general and administrative expenses, excluding depreciation and amortisation, increased by 9.0% to HK\$175.9 million for the six months ended 30 June 2015 (1H2014: HK\$161.3 million), mainly due to higher impairment losses of trade receivable, legal expenses and travelling and meeting costs.

EBITDA

The Group's earnings before interest, tax, depreciation and amortisation ("EBITDA") increased by 8.9% to HK\$343.4 million (1H2014: HK\$315.4 million). EBITDA margin increased to 40.1% (1H2014: 38.5%).

EBIT

The Group's earnings before interest and tax ("EBIT") increased by 9.7% to HK\$165.9 million for the current six-month period from HK\$151.1 million in the same period last year, following the higher EBITDA and lower level of amortization expenses increment as certain concession rights have been fully amortized during the period.

Finance Costs

During the period under review, the Group carried no debt, hence the finance costs incurred were minimal at HK\$0.8 million (1H2014: HK\$2.2 million).

Taxation

According to the PRC Enterprise Income Tax Law effective 1 January 2008, the WHA Joint Venture, an indirect majority-owned subsidiary of the Company established in the Hainan Special Economic Zone of the PRC, was subject to a corporate income tax of 25% (2014: 25%) on its assessable profits arising in the PRC for the year 2015.



FINANCIAL REVIEW (continued)

Taxation (continued)

Further, a 10% (or a lower rate if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors) withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. The Group is therefore liable for withholding taxes on dividends distributed by the WHA Joint Venture, a subsidiary of the Company established in the Hainan Special Economic Zone of the PRC.

During the period, taxes provided for by the Group decreased to HK\$48.6 million for the six months ended 30 June 2015 from HK\$48.9 million for the same period last year mainly due to lower dividend withholding tax accrued for the period, partially offset by higher taxable profit of the period. As at 30 June 2015, the Group recognized a deferred tax liability of HK\$23.9 million (31 December 2014: HK\$23.1 million) in respect of the withholding tax on future dividend distribution by WHA Joint Venture.

Net Profit

Net profit increased by 11.3% to HK\$100.9 million (1H2014: HK\$90.6 million) for the six months ended 30 June 2015, while the net profit margin increased to 11.8% (1H2014: 11.1%).

Cashflow

Net cash flows from operating activities for the current period decreased to HK\$140.4 million (1H2014: HK\$233.5 million), mainly due to the increase in accounts receivable balances following slower payment from some of the major customers, including Guangdong White Horse Advertising Company Limited (“GWH”) and the effect of working capital changes, partially offset by the higher operating profit for the period.

Net cash flows used in investing activities during the six months ended 30 June 2015 increased to HK\$295.3 million (1H2014: HK\$153.3 million) mainly due to the payment for 2014 capital expenditure projects and investment in certain bus shelter acquisitions in the first half of 2015.



MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW (continued)

Cashflow (continued)

Net cash flow used in financing activities amounted to HK\$372.9 million for the period ended 30 June 2015. This was mainly due to the payment of 2014 final and special dividends to the shareholders of the Group during the period.

Free cash flow, defined as EBITDA (before losses on disposal and write off of concession rights and other assets and equity-settled share option expenses) less cash outflow on capital expenditure, less income tax and net interest expense, decreased to HK\$7.2 million for the current six-month period, compared to HK\$87.6 million in the same period last year. The decrease was mainly due to higher level of capital expenditure than prior period, partially compensated by a higher EBITDA generated in the current period.

Trade Receivables

The Group's accounts receivable balance due from third parties increased by 11.7% to HK\$706.1 million as at 30 June 2015 from HK\$631.9 million as at 31 December 2014. The increase was mainly from the outstanding balances in over 180 days category which increased by HK\$97.2 million due to slower repayment from certain major customers. The outstanding balances in the current to 90 days category increased by HK\$62.5 million following the higher sales during the current period. None of the accounts receivable was due from connected persons, as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). Accounts receivable from GWH are disclosed separately and discussed below.

The Group's trading terms with its customers are mainly on credit, except for new customers where payment in advance is normally required. The credit period is generally 90 days, extending up to 180 days for major customers. The Group maintains control over its outstanding receivables. Overdue balances are reviewed regularly and processes are in place to ensure balances are collected. The accounts receivable relates to a large number of different customers.



FINANCIAL REVIEW (continued)

Trade Receivables (continued)

Due to slower settlement from certain major customers, the average accounts receivable outstanding days, on a time-weighted basis, increased to 128 days for the current six-month period from 97 days for the same period last year. As at 30 June 2015, the provision for impairment of accounts receivables increased to HK\$27.0 million from HK\$21.2 million as at 31 December 2014. Collection in July 2015 were significantly ahead of July last year. Based on the customers' credential, past payment history and settlement subsequent to the period end, management is of the view that the provision level is adequate as of 30 June 2015. We will continue to closely monitor the accounts receivable balance and ensure the level of provision is appropriate and prudent.

Due from Related Party

As at 30 June 2015, the amount due from GWH increased to HK\$167.0 million from HK\$88.6 million as at 31 December 2014 mainly due to slower payment from customers represented by GWH during the current period. Main bulk of the increase was in the 90 to 180 days category and average balance due from GWH outstanding days, on a time-weighted basis, increased to 106 days for the current six-month period from 99 days for the same period last year. We will continue to work closely with GWH to expedite collection in the second half of the year.

Prepayments, Deposits and Other Receivables

The Group's total prepayments, deposits and other receivables as at 30 June 2015 increased to HK\$154.6 million from HK\$115.5 million as at 31 December 2014.

The balance as at 30 June 2015 included a receivable from Hainan White Horse Advertising Co., Ltd. ("Hainan White Horse"), the non-controlling shareholder of the WHA Joint Venture, amounting to HK\$85.9 million (31 December 2014: HK\$66.5 million), which are unsecured, interest-free and have no fixed terms of repayment.

The increase in prepayments, deposits and other receivables was mainly due to the increase of bus shelter rental prepayments and the receivable from Hainan White Horse during the period.



MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW (continued)

Long-term Prepayments, Deposits and Other Receivables

The Group's total long-term prepayments, deposits and other receivables as at 30 June 2015 increased to HK\$96.7 million from HK\$94.2 million as at 31 December 2014.

The increase in long-term prepayments, deposits and other receivables was mainly due to a deposit amounting to HK\$3.9 million made to an independent third party for the purchase of bus shelters during the period.

Other Payables and Accruals

The Group's total payables and accruals as at 30 June 2015 were HK\$712.7 million, compared to HK\$731.1 million as at 31 December 2014. The decrease was mainly due to the decrease in capital expenditure payables and bus shelter rental payables. It would be inappropriate to give the turnover days against sales figures as the payable is more closely related to capital expenditure incurred for the acquisition of bus shelter concession rights.

Assets and Liabilities

As at 30 June 2015, the Group's total assets amounted to HK\$3,632.9 million, a 6.3% decrease from HK\$3,875.5 million, as at 31 December 2014. The Group's total liabilities increased to HK\$906.8 million as at 30 June 2015 from HK\$877.9 million as at 31 December 2014. Net assets as at 30 June 2015 decreased by 9.1% to HK\$2,726.1 million from HK\$2,997.6 million as at 31 December 2014. This was mainly due to the 2014 final and special dividends paid to the shareholders of the Group, partially offset by the retention of the net profit earned in the six months ended 30 June 2015. Net current assets decreased from HK\$1,114.5 million as at 31 December 2014, to HK\$742.3 million as at 30 June 2015.

As at 30 June 2015, the Group's total cash and cash equivalents amounted to HK\$520.5 million (31 December 2014: HK\$1,049.6 million).



FINANCIAL REVIEW (continued)

Share Capital and Shareholders' Equity

Total issued and fully paid share capital increased to HK\$54.2 million as at 30 June 2015 from HK\$53.7 million as at 31 December 2014. Total shareholders' equity for the Group as at 30 June 2015 decreased by 9.1%, to HK\$2,726.1 million, from HK\$2,997.6 million as at 31 December 2014. The Group's reserves as at 30 June 2015 amounted to HK\$2,573.6 million, a 10.1% decrease over the corresponding balance of HK\$2,862.5 million as at 31 December 2014. This was mainly due to the 2014 final and special dividends paid to the shareholders of the Group, partially offset by the retention of the net profit earned in the six months ended 30 June 2015. The Group undertook no share repurchases during the period.

Exposure to Foreign Exchange Risk

The Group's only investment in China remains its operating vehicle, the WHA Joint Venture, which solely conducts business within the PRC. WHA Joint Venture's operations, the bulk of its turnover, capital investment and expenses is denominated in RMB. As at the date of this report, the Group has not experienced any difficulties in obtaining government approval for its necessary foreign exchange purchases. During the period under review, the Group did not issue any financial instruments for hedging purposes.

The average exchange rate of the RMB has depreciated by 0.61% against the Hong Kong Dollar during the six months ended 30 June 2015 as compared with the same period last year. The Group's turnover and costs are largely denominated in RMB, which will largely offset each other. However, as the Group's net profit is reported in Hong Kong Dollars, the depreciation of RMB will have a negative impact on the Group's net profit.

The majority of our operating assets are located in the PRC and is denominated in RMB. The operating assets are translated to Hong Kong Dollars at the 30 June 2015 spot rate. The spot rate of RMB as of 30 June 2015 has slightly appreciated against the Hong Kong Dollars by 0.02% as compared with the spot rate as at 31 December 2014.



MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW (continued)

Liquidity, Financial Resources, Borrowing and Gearing

The Group finances its operations and investment activities mainly with internally generated cash flow.

As at 30 June 2015, the Group's total cash and cash equivalents amounted to HK\$520.5 million (HK\$1,049.6 million as at 31 December 2014). The Group had no short-term or long-term debt outstanding as at 30 June 2015 (31 December 2014: Nil).

The Group's current policy is to maintain a low level of gearing. This policy will be reviewed on an annual basis. We plan to invest in and expand our bus shelter network, and explore investment opportunities with the aim to increase return to shareholders.

Capital Expenditure

For the six months ended 30 June 2015, the Group invested HK\$245.4 million in the construction of new bus shelters and the acquisition of concession rights, and HK\$24.5 million on fixed assets, compared to HK\$238.1 million and HK\$5.4 million, respectively, for the same period last year. The Group has completed certain bus shelter acquisition projects in the first half of 2015 which has resulted in higher level of capital expenditure in the first half of 2015.

Material Acquisitions and Disposals

There were no other material acquisitions or disposals of any subsidiaries, associates or joint ventures of the Group during the six months ended 30 June 2015.

Employment, Training and Development

As at 30 June 2015, the Group had a total of 582 employees, an increase of 6.4% over the same period in 2014. Total wages and salaries decreased by 6.4% mainly due to wage freeze and lower staff bonus expenses.



FINANCIAL REVIEW (continued)

Employment, Training and Development (continued)

As a matter of policy, employees are remunerated based on their performance, experience and the prevailing industry practices, and compensation policies and packages are reviewed on a regular basis. Bonuses are linked to the performance of both the Group and the individual as recognition of value creation. Share options are also granted to senior management in an effort to align their individual interests with the Group's interests. Training courses and conferences aimed at improving team members' knowledge and skills were organized throughout the period.

Charges on Group Assets

As at 30 June 2015, a bank balance of RMB1.3 million (equivalent to approximately HK\$1.6 million) was frozen by one of the financial institutions which has commenced legal proceedings against the Company's subsidiary. The directors of the Company are of the view that the dispute will not have any material impact on the condensed consolidated financial statements of the Group.

Capital Commitments

As at 30 June 2015, the Group had capital commitments contracted but not provided for in relation to the construction of bus shelters amounting to HK\$12.3 million (31 December 2014: HK\$0.6 million).



MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW (continued)

Contingent Liabilities

A supplier of the Group in China (the “Supplier”) has factored its accounts receivable allegedly due from the Group (the “Accounts Receivable”) under certain supply contracts (the “Purported Supply Contracts”) to certain financial institutions in China. Whilst the Purported Supply Contracts were allegedly entered into with a subsidiary of the Company, the Group has confirmed that none of them is an authentic supply contract to which it is a party. When the Accounts Receivable remained unpaid, the financial institutions commenced legal proceedings against, among others, the Company’s subsidiary to recover an aggregate amount of approximately RMB115 million. As of the date of this report, the trial dates for these legal proceedings had yet to be fixed. As the Group confirmed that it had not entered into any of the Purported Supply Contracts, the Group treated the Purported Supply Contracts as being contractual fraud and reported the cases to the competent police authority. The directors, taking into account the advices from the Group’s legal counsel, believe that the Group has a valid defence in law to the allegations against it and, accordingly, have not provided for any potential claim arising from the litigations, other than the related legal and other costs.

OUTLOOK

Management does not expect a significant change in the operating environment during the remainder of 2015. General market uncertainty is likely to keep trading conditions tight with pressure on pricing. However, we believe the strength and depth of our sales teams and our unrivalled display networks will continue to drive revenue growth in the second half of the year.

Asset prices continue to be at the most attractive level in years. We will continue to take advantage of these market conditions while they persist. We have also gained valuable market knowledge by operating our digital panels in Nanjing and are exploring opportunities to broaden our digital offering during the remainder of the year.



REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors

Clear Media Limited

(Incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the accompanying interim condensed consolidated financial statements of Clear Media Limited (the “Company”) and its subsidiaries (together, the “Group”) set out on pages 17 to 40, which comprise the condensed consolidated statement of financial position of the Group as at 30 June 2015 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 Interim Financial Reporting (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants.

The directors of the Company are responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on those interim condensed consolidated financial statements based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Ernst & Young
Certified Public Accountants
Hong Kong
11 August 2015

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2015

For the six months
ended 30 June

	Notes	2015 (Unaudited) HK\$'000	2014 (Unaudited) HK\$'000
Revenue	4	855,794	819,249
Cost of sales	6	(507,353)	(496,961)
Gross profit		348,441	322,288
Other income	4	7,156	8,730
Selling and distribution expenses		(90,148)	(86,806)
Administrative expenses		(90,908)	(79,466)
Other expenses		(1,520)	(4,870)
Finance costs	5	(801)	(2,179)
PROFIT BEFORE TAX	6	172,220	157,697
Income tax expenses	7	(48,617)	(48,906)
PROFIT FOR THE PERIOD		123,603	108,791
ATTRIBUTABLE TO:			
Owners of the parent		100,929	90,645
Non-controlling interests		22,674	18,146
		123,603	108,791
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic	8	HK 18.73 cents	HK 16.90 cents
Diluted	8	HK 18.66 cents	HK 16.79 cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2015

For the six months
ended 30 June

	2015	2014
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
PROFIT FOR THE PERIOD	123,603	108,791
Other comprehensive loss to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	(16,806)	(67,236)
Income tax effect	-	-
Other comprehensive loss for the period, net of tax	(16,806)	(67,236)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	106,797	41,555
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
Owners of the parent	84,136	22,167
Non-controlling interests	22,661	19,388
	106,797	41,555

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

	Notes	30 June 2015 (Unaudited) HK\$'000	31 December 2014 (Audited) HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment	10	48,262	26,488
Concession rights	11	1,938,030	1,867,726
Long-term prepayments, deposits and other receivables	12	96,736	94,176
Total non-current assets		2,083,028	1,988,390
CURRENT ASSETS			
Trade receivables	13	706,123	631,882
Prepayments, deposits and other receivables	14	154,602	115,463
Due from a related party	15	166,961	88,575
Pledged deposits and restricted cash	16	1,600	1,597
Cash and cash equivalents	16	520,540	1,049,604
Total current assets		1,549,826	1,887,121
CURRENT LIABILITIES			
Other payables and accruals		712,728	731,143
Deferred income		3,060	5,087
Tax payable		91,768	36,412
Total current liabilities		807,556	772,642
NET CURRENT ASSETS		742,270	1,114,479
TOTAL ASSETS LESS CURRENT LIABILITIES		2,825,298	3,102,869

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

	Notes	30 June 2015 (Unaudited) HK\$'000	31 December 2014 (Audited) HK\$'000
NON-CURRENT LIABILITIES			
Deferred tax liabilities		99,199	105,241
Total non-current liabilities		99,199	105,241
Net assets		2,726,099	2,997,628
EQUITY			
Equity attributable to owners of the parent			
Issued capital	17	54,170	53,740
Retained earnings		1,148,166	1,050,291
Other components of equity		1,425,393	1,430,653
Proposed final dividend		–	80,610
Proposed special dividend	9	–	300,943
		2,627,729	2,916,237
Non-controlling interests		98,370	81,391
Total equity		2,726,099	2,997,628

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2015

	Attributable to owners of the parent										
	Issued capital HK\$'000	Share premium account HK\$'000	Share option reserve HK\$'000	Contributed surplus HK\$'000	Foreign currency translation reserve HK\$'000	Retained earnings HK\$'000	Proposed dividend HK\$'000	Proposed special dividend HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
As at 1 January 2014	53,646	825,752	8,608	191,188	733,901	933,318	80,469	-	2,826,882	57,842	2,884,724
Profit for the period	-	-	-	-	-	90,645	-	-	90,645	18,146	108,791
Other comprehensive income/(loss)	-	-	-	-	(68,478)	-	-	-	(68,478)	1,242	(67,236)
Total comprehensive income/(loss) for the period	-	-	-	-	(68,478)	90,645	-	-	22,167	19,388	41,555
Final 2013 dividend declared	-	-	-	-	-	-	(80,469)	-	(80,469)	-	(80,469)
Share options exercised	19	782	(282)	-	-	-	-	-	519	-	519
Equity-settled share option arrangements	-	-	470	-	-	-	-	-	470	-	470
At 30 June 2014 (unaudited)	53,665	826,534	8,796	191,188	665,423	1,023,963	-	-	2,769,569	77,230	2,846,799
As at 1 January 2015	53,740	829,617	7,685	(67,153)	660,504	1,050,291	80,610	300,943	2,916,237	81,391	2,997,628
Profit for the period	-	-	-	-	-	100,929	-	-	100,929	22,674	123,603
Other comprehensive loss	-	-	-	-	(16,793)	-	-	-	(16,793)	(13)	(16,806)
Total comprehensive income/(loss) for the period	-	-	-	-	(16,793)	100,929	-	-	84,136	22,661	106,797
Share options exercised	430	17,689	(6,375)	-	-	-	-	-	11,744	-	11,744
Equity-settled share option arrangements	-	-	219	-	-	-	-	-	219	-	219
Dividends payable to a non-controlling shareholder	-	-	-	-	-	-	-	-	-	(5,682)	(5,682)
Final 2014 dividend declared	-	-	-	-	-	(645)	(80,610)	-	(81,255)	-	(81,255)
Special dividend declared	-	-	-	-	-	(2,409)	-	(300,943)	(303,352)	-	(303,352)
At 30 June 2015 (unaudited)	54,170	847,306	1,529	(67,153)	643,711	1,148,166	-	-	2,627,729	98,370	2,726,099

CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2015

For the six months
ended 30 June

	Notes	2015 (Unaudited) HK\$'000	2014 (Unaudited) (Restated) HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		172,220	157,697
Adjustments for:			
Write-down of concession rights	6	1,088	2,932
Loss on disposal of concession rights	6	417	1,707
Impairment losses of trade receivables recognised	6	7,496	–
Loss/(gain) on disposal of items of property, plant and equipment	6	15	(81)
Depreciation of items of property, plant and equipment	6	5,179	4,929
Recognition of a prepaid lease payment		1,398	1,266
Amortisation of concession rights	6	172,311	159,295
Foreign exchange losses, net	6	553	1,351
Other finance costs		248	822
Cash-settled share-based payments	6	6,278	3,800
Equity-settled share option expense	6	219	470
Interest income	4	(7,156)	(8,730)
		360,266	325,458
Increase in long-term prepayments, deposits and other receivables		(3,938)	(2,486)
Increase in trade receivables		(81,579)	(86,331)
(Increase)/decrease in prepayments, deposits and other receivables		(40,351)	7,756
(Increase)/decrease in amounts due from a related party		(78,364)	9,268
Increase in other payables and accruals		3,025	13,848
(Decrease)/increase in deferred income		(2,028)	575
Cash generated from operations		157,031	268,088
Income taxes paid		(16,644)	(34,632)
Net cash flows from operating activities		140,387	233,456

		For the six months ended 30 June	
	Notes	2015 (Unaudited) HK\$'000	2014 (Unaudited) (Restated) HK\$'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of items of property, plant and equipment, excluding construction in progress		(24,489)	(5,380)
Proceeds from disposal of items of property, plant and equipment		4	81
Proceeds from disposal of concession rights		68	105
Purchase of concession rights		(271,133)	(185,396)
Interest received		294	8,015
Decrease in pledged deposits		-	29,263
Net cash flows used in investing activities		(295,256)	(153,312)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from exercise of share options		11,744	519
Dividends paid to shareholders		(384,607)	-
Net cash flows (used in)/from financing activities		(372,863)	519
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS			
		(527,732)	80,663
Cash and cash equivalents at beginning of period		1,049,604	892,822
Effect of foreign exchange rate changes, net		(1,332)	(20,180)
CASH AND CASH EQUIVALENTS AT END OF PERIOD			
		520,540	953,305
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		520,540	953,305



NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2015

1. CORPORATE INFORMATION

Clear Media Limited is an exempted company incorporated in Bermuda on 30 March 2001 under the Companies Act 1981 of Bermuda. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The Group is engaged in the operation of outdoor advertising business. There were no significant changes in the nature of the Group's principal activities during the period.

In the opinion of the directors, the parent and the ultimate holding company of the Company is iHeartMedia, Inc. which is incorporated in the United States of America.

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 2015 have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2014.



2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2014, except for the adoption of the new or revised standards, interpretation and amendments as of 1 January 2015, noted below:

Amendments to HKAS 19 <i>Annual Improvements</i> <i>2010-2012 Cycle</i>	<i>Defined benefit plans: Employee contributions</i> Amendments to a number of HKFRSs
<i>Annual Improvements</i> <i>2011-2013 Cycle</i>	Amendments to a number of HKFRSs

The adoption of the above new or revised standards, interpretation and amendments has had no material financial effect on the accounting policies of the Group and the methods of computation in the interim condensed consolidated financial statements.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

3. SEGMENT INFORMATION

Outdoor advertising business is the only major reportable operating segment of the Group which comprises the display of advertisements on street furniture. Accordingly, no further business segment information is provided.

In determining the Group's geographical segments, revenues and results are attributed to the segments based on the location of the customers, and assets are attributable to the segments based on the location of the assets. As the Group's major operations and markets are all located in the PRC, no further geographical segment information is provided.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2015

4. REVENUE AND OTHER INCOME

	For the six months ended 30 June	
	2015 (Unaudited) HK\$'000	2014 (Unaudited) HK\$'000
Revenue		
Rental from outdoor advertising spaces	855,794	819,249
Other income		
Interest income	7,156	8,730

5. FINANCE COSTS

	For the six months ended 30 June	
	2015 (Unaudited) HK\$'000	2014 (Unaudited) HK\$'000
Other finance costs	801	2,179

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2015 (Unaudited) HK\$'000	2014 (Unaudited) HK\$'000
Cost of services provided	143,814	145,943
Operating lease rentals on bus shelters	188,768	191,723
Cost of services in a bus shelter joint-operation arrangement*	2,460	–
Amortisation of concession rights	172,311	159,295
Cost of sales	507,353	496,961
Impairment provision against trade receivables	7,496	–
Auditors' remuneration	1,507	1,351
Depreciation of property, plant and equipment	5,179	4,929
Write-down of concession rights	1,088	2,932
Loss on disposal of concession rights	417	1,707
Loss/(gain) on disposal of items of property, plant and equipment	15	(81)
Operating lease rentals on buildings	13,804	13,074
Employee benefits expense (including directors' and chief executive's remuneration):		
Wages and salaries	89,104	95,212
Cash-settled share-based payments	6,278	3,800
Equity-settled share option expenses	219	470
Pension scheme contributions	9,833	8,484
	105,434	107,966
Foreign exchange losses, net	553	1,351
Interest income	(7,156)	(8,730)

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2015

6. PROFIT BEFORE TAX (continued)

- * The Group operated certain bus shelters jointly with an independent third party under a profit sharing arrangement. The Group has the primary responsibility for providing services to the customers and acts as a principal in the arrangement. The Group recognised revenue on a gross basis. The cost of services represented the costs paid by the Group under this arrangement.

7. TAX

	For the six months ended 30 June	
	2015 (Unaudited) HK\$'000	2014 (Unaudited) HK\$'000
Current – Hong Kong profits tax	–	–
Current – PRC corporate income tax	54,659	53,833
Deferred tax	(6,042)	(4,927)
Total tax charge for the period	48,617	48,906

Hong Kong profits tax has not been provided as the Group has no assessable profits arising in Hong Kong during the period (six months ended 30 June 2014: Nil). Taxes on profits assessable in the PRC have been calculated at the prevailing tax rates, based on existing legislation, interpretations and practices in respect thereof.

According to the Enterprise Income Tax Law of the PRC effective on 1 January 2008, Hainan White Horse Advertising Media Investment Company Limited (the “WHA Joint Venture”), a subsidiary of the Company established in the Hainan Special Economic Zone of the PRC, was subject to a corporate income tax of 25% (2014: 25%) for the head office and its branches on its assessable profits arising in the PRC for the year 2015.



7. TAX (continued)

In accordance with the Enterprise Income Tax Law of the PRC effective on 1 January 2008, a 10% (or a lower rate if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors) withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. The Group is therefore liable for withholding taxes on dividends distributed by WHA Joint Venture, a subsidiary of the Company established in the Hainan Special Economic Zone of the PRC, in respect of earnings generated from 1 January 2008. As at 30 June 2015, the Group recognized a deferred tax liability of HK\$23,924,000 (31 December 2014: HK\$23,128,000) in respect of the withholding tax on future dividend distribution by WHA Joint Venture.

8. EARNINGS PER SHARE

The calculation of the basic earnings per share for the period is based on the profit attributable to ordinary equity holders of the parent of HK\$100,929,000 (six months ended 30 June 2014: HK\$90,645,000) and the weighted average number of 538,928,080 (six months ended 30 June 2014: 536,500,489) ordinary shares in issue during the period.

The calculation of the diluted earnings per share for the period is based on the profit attributable to ordinary equity holders of the parent of HK\$100,929,000 (six months ended 30 June 2014: HK\$90,645,000). The weighted average number of ordinary shares used in the calculation is the 538,928,080 (six months ended 30 June 2014: 536,500,489) ordinary shares in issue during the period, as used in the basic earnings per share calculation; and the weighted average of 1,900,301 (six months ended 30 June 2014: 3,249,414) ordinary shares assumed to have been issued at no consideration on the deemed exercise of all share options during the period.



NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2015

9. DIVIDEND

The Board of Directors resolved not to pay any interim dividend to shareholders in respect of the six months ended 30 June 2015 (six months ended 30 June 2014: Nil).

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2015, the Group acquired property, plant and equipment at a cost of HK\$2,738,000 (six months ended 30 June 2014: HK\$5,380,000), and incurred construction in progress at a cost of HK\$25,239,000 (six months ended 30 June 2014: HK\$31,608,000).

Property, plant and equipment with a net book value of HK\$19,000 were disposed of by the Group during the six months ended 30 June 2015 (six months ended 30 June 2014: Nil), resulting in a net loss on disposal of HK\$15,000 (six months ended 30 June 2014: gain on disposal of HK\$81,000).

11. CONCESSION RIGHTS

During the six months ended 30 June 2015, the Group had an addition of concession rights at a cost of HK\$242,908,000 (six months ended 30 June 2014: HK\$234,750,000), including concession rights transferred from construction in progress of HK\$987,000 (six months ended 30 June 2014: HK\$28,289,000).

Concession rights with a net book value of HK\$1,573,000 were disposed of/written down by the Group during the six months ended 30 June 2015 (six months ended 30 June 2014: HK\$4,744,000), resulting in a net loss on disposal of HK\$1,505,000 (six months ended 30 June 2014: HK\$4,639,000).

12. LONG-TERM PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Long-term prepayments amounting to RMB45,809,000 (equivalent to HK\$57,262,000) (31 December 2014: RMB45,809,000 (equivalent to HK\$57,247,000)) have been placed with certain independent third parties in connection with the extension and renewal of certain of the Group's bus shelter concession rights in the PRC.

12. LONG-TERM PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

Long-term prepayment as at 30 June 2015 also included a deposit amounting to RMB3,150,000 (equivalent to HK\$3,937,000) (31 December 2014: RMB Nil) made to an independent third party for the purchase of bus shelters.

The balance as at 30 June 2015 also included a non-current portion of a prepaid bus shelter lease payment amounting to HK\$9,454,000 (31 December 2014: HK\$10,712,000) and a long-term rental deposit of HK\$23,561,000 (31 December 2014: HK\$23,555,000).

13. TRADE RECEIVABLES

The Group's trading terms with its customers are mainly on credit, except for new customers, where advanced payments are normally required. The credit period is generally 90 days extending up to 180 days for major customers. Overdue balances are reviewed regularly by senior management. The Group's trade receivables relate to a diversity of numerous customers and are non-interest-bearing.

An aging analysis of the trade receivables as at the end of the reporting period, based on the revenue recognition date, is as follows:

	Group	
	30 June 2015 (Unaudited) HK\$'000	31 December 2014 (Audited) HK\$'000
Current to 90 days	356,226	293,759
91 days to 180 days	183,894	263,559
Over 180 days	193,000	95,782
	733,120	653,100
Less: Provision for impairment of trade receivables	(26,997)	(21,218)
Total trade receivables, net	706,123	631,882

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2015

13. TRADE RECEIVABLES (continued)

The movements in provision for impairment of trade receivables are as follows:

	For the six months ended 30 June	
	2015 (Unaudited) HK\$'000	2014 (Unaudited) HK\$'000
At 1 January	21,218	23,783
Impairment losses provided	7,496	–
Amount written off as uncollectible	(1,717)	(3,296)
At 30 June	26,997	20,487

The above provision for impairment of trade receivables is a provision to cover balances for which the Group may not be able to recover full amounts from the customers. The Group does not hold any collateral or other credit enhancements over these balances.

The aging analysis of the trade receivables that are not considered to be impaired is as follows:

	30 June 2015 (Unaudited) HK\$'000	31 December 2014 (Audited) HK\$'000
Neither past due nor impaired	540,120	554,873
Less than 3 months past due	133,269	68,368
Over 3 months past due	32,734	8,641
	706,123	631,882

13. TRADE RECEIVABLES (continued)

Receivables that were neither past due nor impaired relate to a diversity of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

14. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

The balance of prepayments, deposits and other receivables as at 30 June 2015 included a receivable from Hainan White Horse Advertising Co., Ltd. ("Hainan White Horse"), the non-controlling shareholder of WHA Joint Venture, amounting to HK\$85,881,000 (31 December 2014: HK\$66,487,000), which is unsecured, interest-free and has no fixed terms of repayment.

15. DUE FROM A RELATED PARTY

An aging analysis of the amounts due from Guangdong White Horse Advertising Company Limited ("GWH") as at the end of the reporting period, based on revenue recognition date, is as follows:

	30 June 2015 (Unaudited) HK\$'000	31 December 2014 (Audited) HK\$'000
Current to 90 days	91,179	76,793
91 days to 180 days	68,383	10,980
Over 180 days	7,399	802
	166,961	88,575

The balance with GWH is unsecured, interest-free and is repayable on demand.



NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2015

16. CASH AND CASH EQUIVALENTS, PLEDGED DEPOSITS AND RESTRICTED CASH

As at 30 June 2015, the Group's cash and bank balances, pledged deposits and restricted cash denominated in Renminbi ("RMB") and in Hong Kong dollars ("HK\$") amounted to HK\$352,496,000 (31 December 2014: HK\$796,233,000) and HK\$169,644,000 (31 December 2014: HK\$254,968,000), respectively. The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

All of the Group's bank balances and pledged deposits are placed with registered banking institutions in the PRC and Hong Kong. The Group's policy is to spread bank balance (including pledged deposits) among various creditworthy banks with no recent history of default. As at 30 June 2015, except for the Shanghai Pudong Development Bank which held 26% of the Group's total bank balance, the Group maintained less than 20% of the Group's total bank balances in each of the other banks.

As at 30 June 2015, a bank balance of RMB1,280,000 (equivalent to approximately HK\$1,600,000) was frozen by one of the financial institutions which has commenced legal proceedings against the Company's subsidiary as disclosed in note 22 to the financial statements. The directors of the Company are of the view that the dispute will not have any material impact on the condensed consolidated financial statements of the Group.

17. ISSUED CAPITAL

	30 June 2015 (Unaudited) HK\$'000	31 December 2014 (Audited) HK\$'000
Shares		
Authorised:		
1,000,000,000 ordinary shares of HK\$0.10 each	100,000	100,000
Issued and fully paid:		
541,700,500 ordinary shares of HK\$0.10 each (31 December 2014: 537,398,500)	54,170	53,740

During the period, the increase in share capital represented the subscription rights attaching to 4,302,000 share options exercised at the subscription price of HK\$2.73 per share, resulting in the issue of 4,302,000 shares of HK\$0.1 each for a total cash consideration, before expenses, of HK\$11,744,000. An amount of HK\$6,375,000 was transferred from the share option reserve to the share premium account upon the exercise of the share options.



NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2015

18. SHARE OPTION SCHEMES

On 10 June 2015, 5,000,000 share options were granted by the Company. The new options are valid for a period of seven years, commencing on 10 June 2015. One-third of the options granted to each of the grantees will vest in the third, fourth and fifth anniversary of 11 June 2015, respectively.

The fair value of the share options granted on 10 June 2015 was HK\$15,320,459 (HK\$3.06 each), of which the Group recognised a share option expense of HK\$219,000 during the period ended 30 June 2015.

The fair value of equity-settled share options granted during the period was estimated as at the date of grant, using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

Dividend yield	1.58%
Expected volatility	36.00%
Risk-free interest rate	1.41%
Expected life of options	7 years
Exercise price per share	HK\$9.54
Share price at grant date	HK\$9.49

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

19. RESERVES

The amount of the Group's reserves and the movements therein for the current period and prior period are presented in the condensed consolidated statement of changes in equity on page 21 of the report.

20. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions detailed elsewhere in these condensed consolidated financial statements, the Group had the following transactions with related parties during the period, which fall under the definition of “Continuing connected transactions” under Chapter 14A of the Listing Rules.

		For the six months ended 30 June	
	Notes	2015 (Unaudited) HK\$'000	2014 (Unaudited) HK\$'000
Agency commission paid to GWH	(i)	9,703	9,719
Sales to GWH	(ii)	158,177	137,490
Bus shelter maintenance and display fees	(iii)	21,122	20,405
Creative services fees payable to GWH	(iv)	1,768	1,776

Notes:

- (i) The agency commission paid to GWH was based on the standard percentage of gross sales rental revenue for outdoor advertising spaces payable to other major third party agencies used by the Group. On 11 March 2013, WHA Joint Venture entered into a three-year framework agreement with GWH for the years 2013, 2014 and 2015 on substantially the same terms as the framework agreements previously entered into between WHA Joint Venture and GWH. On 30 May 2014, WHA Joint Venture entered into the Supplemental Framework Agreement with GWH pursuant to which (i) the maximum amounts of gross advertising sales from GWH under the Framework Agreement for the two years ending 31 December 2014 and 31 December 2015 will be increased from HK\$285,000,000 and HK\$315,000,000 to HK\$374,000,000 and HK\$404,000,000 respectively; and (ii) the maximum amounts of the advertising commission payable to GWH under the Framework Agreement for the two years ending 31 December 2014 and 31 December 2015 will be increased from HK\$23,000,000 and HK\$25,000,000, respectively, to HK\$30,000,000 and HK\$32,500,000, respectively.

GWH is a related party of the Company because Mr. Han Zi Dian is the brother of Mr. Han Zi Jing, an executive director of the Company, and Mr. Han Zi Dian is able to exercise influence over the management and day-to-day operations as director and general manager of GWH and controls the composition of a majority of the board of directors of GWH with his indirect interest of 14.2% in GWH.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2015

20. RELATED PARTY TRANSACTIONS (continued)

(a) (continued):

Notes (continued):

- (ii) The sales to GWH were made according to published prices and conditions similar to those offered to other major customers and advertising agencies of the Group.
- (iii) On 28 January 2014, WHA Joint Venture entered into a Framework Maintenance Services Agreement with White Horse Holding in place of the maintenance services arrangements between WHA Joint Venture and White Horse Holding. The Framework Maintenance Services Agreement is entered into for a fixed term and will expire on 31 December 2016.

White Horse Holding is a related party of the Company because Mr. Han Zi Dian became interested in more than 50% of the voting power of White Horse Holding following a capital injection into White Horse Holding in November 2009. Mr. Han Zi Dian was a non-executive director of the Company from April 2001 to November 2012 and is the brother of Mr. Han Zi Jing, an executive director of the Company.

Under the Framework Maintenance Services Agreement, WHA Joint Venture would pay a maintenance fee consisting of a predetermined cost element and an incentive payment to White Horse Holding for the services provided by its branches. The same basis for calculating payment of the maintenance fee is applicable to all service providers of the Group including third party service providers.

Under the Framework Maintenance Services Agreement, the maintenance fees payable by WHA Joint Venture to White Horse Holding for the financial year ending 31 December 2014, 2015 and 2016 shall not exceed HK\$55,000,000, HK\$60,000,000 and HK\$65,000,000, respectively. Maintenance fees shall be settled by WHA Joint Venture on a monthly basis before the tenth day of every month.

- (iv) On 28 January 2014 WHA Joint Venture entered into a creative services agreement with GWH effective from 1 January 2014 to 31 December 2016, whereby GWH agreed to provide creative design services for poster, sales and marketing materials and company profiles to the Group. In the opinion of the directors, these transactions were entered into on terms similar to those available from independent third parties.

(b) Outstanding balances with a related party

The Group had outstanding receivables from GWH of HK\$166,961,000 (31 December 2014: HK\$88,575,000), as at the end of the reporting period. The balance is unsecured, interest-free and has no fixed terms of repayment.

20. RELATED PARTY TRANSACTIONS (continued)

(c) Compensation of key management personnel of the Group

	For the six months ended 30 June	
	2015 (Unaudited) HK\$'000	2014 (Unaudited) HK\$'000
Short-term employee benefits	10,851	11,175
Performance-related bonuses	–	–
Equity-settled share option expenses	101	258
Cash-settled share-based payments	6,278	3,800
Pension scheme contributions	79	62
Total compensation paid to key management personnel	17,309	15,295

21. COMMITMENTS

(a) Capital commitments

	30 June 2015 (Unaudited) HK\$'000	31 December 2014 (Audited) HK\$'000
Contracted, but not provided for: Construction of shelters for which concession rights are held	12,293	637

(b) Commitments under operating leases

The Group leases certain of its office buildings and concession rights under operating lease arrangements. Leases for office buildings are negotiated for terms ranging from 1 to 10 years, and those for concession rights are negotiated for terms ranging from 5 to 15 years.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2015

21. COMMITMENTS (continued)

(b) Commitments under operating leases (continued)

At 30 June 2015, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	30 June 2015 (Unaudited) HK\$'000	31 December 2014 (Audited) HK\$'000
Within one year	440,920	430,304
In the second to fifth year, inclusive	1,349,249	1,305,068
After five years	1,320,927	1,407,969
	3,111,096	3,143,341

22. CONTINGENT LIABILITIES

A supplier of the Group in China (the "Supplier") has factored its accounts receivable allegedly due from the Group (the "Accounts Receivable") under certain supply contracts (the "Purported Supply Contracts") to certain financial institutions in China. Whilst the Purported Supply Contracts were allegedly entered into with a subsidiary of the Company, the Group has confirmed that none of them is an authentic supply contract to which it is a party. When the Accounts Receivable remained unpaid, the financial institutions commenced legal proceedings against, among others, the Company's subsidiary to recover an aggregate amount of approximately RMB115 million. As of the date of this report, the trial dates for these legal proceedings had yet to be fixed. As the Group confirmed that it had not entered into any of the Purported Supply Contracts, the Group treated the Purported Supply Contracts as being contractual fraud and reported the cases to the competent police authority. The directors, taking into account the advices from the Group's legal counsel, believe that the Group has a valid defence in law to the allegations against it and, accordingly, have not provided for any potential claim arising from the litigations, other than the related legal and other costs.

23. APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements were approved and authorised for issue by the board of directors of the Company on 11 August 2015.

SUPPLEMENTARY INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2015, the interests and short positions of the directors, the chief executive or their associates in the share capital of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Ltd. (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") (the "Model Code"), were as follows:

A. Long Positions in Ordinary Shares of the Company as at 30 June 2015:

Name of director	Number of shares held, capacity and nature of interest					Total	% of the Company's issued share capital
	Directly	Through	Through	Beneficiary			
	beneficially owned	spouse or minor children	controlled corporation	of a trust			
			(Note)	(Note)			
Peter Cosgrove	-	-	-	250,000	250,000	0.05%	
Han Zi Jing	-	-	7,700,000	-	7,700,000	1.42%	

Note: The 250,000 shares are held by Media General Superannuation Fund of which Mr. Cosgrove is the sole beneficiary.

The 7,700,000 shares are held by Outdoor Media China, Inc. ("OMC"), a company incorporated in Western Samoa of Offshore Chambers. As at 30 June 2015, Mr. Han Zi Jing held approximately 94.5% of the issued share capital of Golden Profits Consultants Limited, which is the beneficial holder of 100% of the shares in OMC. The effective interest of Mr. Han in OMC is therefore 94.5%.

The interests of the directors in the share options of the Company are separately disclosed on pages 45 to 51.

SUPPLEMENTARY INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

B. Long Positions in the Shares of Clear Channel Outdoor Holdings, Inc. as at 30 June 2015: (Note 1)

Name of director	Number of shares held, capacity and nature of interest: shares					Total	% of issued share capital
	Directly beneficially owned	Through spouse or minor children	Through controlled corporation	Beneficiary of a trust			
Mark Thewlis	29,630	-	-	-	-	29,630	0.07
William Eccleshare	316,456	-	-	-	-	316,456	0.70
Cormac O'Shea	17,184	-	-	-	-	17,184	0.04

1. Clear Channel Outdoor Holdings, Inc. is an indirect holding company of the Company.

C. Right to Acquire Shares in Clear Channel Outdoor Holdings, Inc. as at 30 June 2015:

Name of director	Date of grant	Number of outstanding options as at 30 June 2015	Option period	Subscription price per share of Clear Channel Outdoor Holdings, Inc.
Mark Thewlis	23/05/2007	6,625	23/05/2008 – 23/05/2017	US\$22.94
	23/05/2007	6,625	23/05/2009 – 23/05/2017	US\$22.94
	23/05/2007	6,625	23/05/2010 – 23/05/2017	US\$22.94
	23/05/2007	6,625	23/05/2011 – 23/05/2017	US\$22.94

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

C. Right to Acquire Shares in Clear Channel Outdoor Holdings, Inc. as at 30 June 2015: (continued)

Name of director	Date of grant	Number of outstanding options as at 30 June 2015	Option period	Subscription price per share of Clear Channel Outdoor Holdings, Inc.
	16/05/2008	13,250	16/05/2009 – 16/05/2018	US\$14.55
	16/05/2008	13,250	16/05/2010 – 16/05/2018	US\$14.55
	16/05/2008	13,250	16/05/2011 – 16/05/2018	US\$14.55
	16/05/2008	13,250	16/05/2012 – 16/05/2018	US\$14.55
	26/03/2012	13,750	26/03/2016 – 26/03/2022	US\$7.90
William Eccleshare	10/09/2009	28,062	10/09/2010 – 10/09/2019	US\$4.05
	10/09/2009	56,830	10/09/2011 – 10/09/2019	US\$4.05
	10/09/2009	40,006	10/09/2012 – 10/09/2019	US\$4.05
	10/09/2009	40,009	10/09/2013 – 10/09/2019	US\$4.05
	24/02/2010	6,976	24/02/2013 – 24/02/2020	US\$3.48
	24/02/2010	15,524	24/02/2014 – 24/02/2020	US\$3.48
	10/09/2010	15,895	10/09/2011 – 10/09/2020	US\$4.31
	10/09/2010	15,896	10/09/2012 – 10/09/2020	US\$4.31
	10/09/2010	15,895	10/09/2013 – 10/09/2020	US\$4.31
	10/09/2010	15,897	10/09/2014 – 10/09/2020	US\$4.31
	13/12/2010	5,120	10/09/2011 – 13/12/2020	US\$7.66
	13/12/2010	5,120	10/09/2012 – 13/12/2020	US\$7.66
	13/12/2010	5,120	10/09/2013 – 13/12/2020	US\$7.66
	21/02/2011	22,500	21/02/2012 – 21/02/2021	US\$8.97
	21/02/2011	22,500	21/02/2013 – 21/02/2021	US\$8.97
	21/02/2011	22,500	21/02/2014 – 21/02/2021	US\$8.97

SUPPLEMENTARY INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

C. Right to Acquire Shares in Clear Channel Outdoor Holdings, Inc. as at 30 June 2015: (continued)

Name of director	Date of grant	Number of outstanding options as at 30 June 2015	Option period	Subscription price per share of Clear Channel Outdoor Holdings, Inc.
	21/02/2011	22,500	21/02/2015 – 21/02/2021	US\$8.97
	26/03/2012	22,500	26/03/2013 – 26/03/2022	US\$7.90
	26/03/2012	22,500	26/03/2014 – 26/03/2022	US\$7.90
	26/03/2012	22,500	26/03/2015 – 26/03/2022	US\$7.90
	26/03/2012	22,500	26/03/2016 – 26/03/2022	US\$7.90
Comac O'Shea	04/04/2014	926	04/04/2015 – 04/04/2024	US\$8.73
	04/04/2014	926	04/04/2016 – 04/04/2024	US\$8.73
	04/04/2014	926	04/04/2017 – 04/04/2024	US\$8.73
	04/04/2014	926	04/04/2018 – 04/04/2024	US\$8.73
	15/06/2015	2,360	15/06/2016 – 15/06/2025	US\$10.59
	15/06/2015	2,360	15/06/2017 – 15/06/2025	US\$10.59
	15/06/2015	2,360	15/06/2018 – 15/06/2025	US\$10.59
	15/06/2015	2,361	15/06/2019 – 15/06/2025	US\$10.59
Teo Hong Kiong	11/11/2005	2,500	11/11/2010 – 11/11/2015	US\$11.91

Save as disclosed above, none of the directors or the chief executive had registered an interest or short position in the shares, underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.



DIRECTORS' RIGHTS TO ACQUIRE SHARES

On 10 June 2015, the Company granted an aggregate of 5,000,000 share options to certain eligible participants under the share option scheme (the "New Scheme") adopted on 13 May 2009. Among these 5,000,000 share options, 2,300,000 options were granted to three Executive Directors and an Alternate Director. The details of such grant are set out on pages 48 to 50.

Apart from as disclosed under the headings "Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares" above, "Share Option Schemes" below and the aforementioned share option grant on 10 June 2015, at no time during the six months ended 30 June 2015 were rights to acquire benefits by means of the acquisition of shares in the Company granted to any director, or his or her respective spouse or minor children, or were any such rights exercised by them; or was the Company, or any of its holding companies, subsidiaries or fellow subsidiaries, a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

SHARE OPTION SCHEMES

Prior to 28 November 2008, the Company operated, among others, a share option scheme (the "Old Scheme") for the purpose of providing incentives and rewards to eligible participants who contributed to the Group's operations. The Old Scheme became effective on 28 November 2001 and expired on 28 November 2008, after then no further options had been granted under the Old Scheme. Options which were granted during the life of the Old Scheme shall continue to be exercisable in accordance with their terms of issue and the last remaining batch of such options expired on 29 June 2014. Accordingly, there are no outstanding options under the Old Scheme.

At the annual general meeting of the Company on 13 May 2009, an ordinary resolution was passed to approve the New Scheme. The purpose of the New Scheme is to enable the Company to grant options to eligible participants of the Company or any subsidiaries of the Company, as determined by the board of directors in recognition of their contributions to the Group. Under the New Scheme, the directors may, at their discretion, offer to grant options to any employees, directors or consultants of any company in the Group. The New Scheme became effective on 19 May 2009 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.



SUPPLEMENTARY INFORMATION

SHARE OPTION SCHEMES (continued)

The total number of shares which may be issued upon exercise of all options to be granted under the New Scheme shall be subject to a maximum limit of 10% of the shares in issue as at 13 May 2009 (excluding shares which may be issued upon exercise of options granted under the Old Scheme, whether such options are exercised, outstanding, cancelled or lapsed), unless the Company obtains an approval from shareholders in a general meeting to refresh such 10% limit in accordance with the Listing Rules. Options lapsed in accordance with the terms of the New Scheme will not be counted for the purpose of calculating such 10% limit. The limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Scheme and any other share option schemes of the Company and/or any of its subsidiaries must not exceed 30% of the shares of the Company in issue from time to time, and no options may be granted under the New Scheme or any other share option schemes of the Company and/or any of its subsidiaries if that will result in such 30% limit being exceeded.

No option may be granted to any person such that the total number of shares issued and to be issued upon the exercise of options granted and to be granted to such person in any 12-month period up to the date of the latest grant exceeds 1% of the issued share capital of the Company from time to time.

An option may be exercised in accordance with the respective terms of the New Scheme or Old Scheme at any time during the option period. The option period was determined by the board of directors and communicated to each grantee. The board of directors may provide restrictions on the period during which the options may be exercised. There are no performance targets which must be achieved before any of the options can be exercised except for the share options granted on 29 June 2007. Share options granted on 29 June 2007 (the "2007 Options") would not become vested unless the Company has achieved an average annual earnings per share growth of 5% each year in the first three full financial years after the grant date. As the vesting condition has not been met, the share option expenses of the 2007 Options recognised in previous years amounting to HK\$20 million were reversed in 2010.



SHARE OPTION SCHEMES (continued)

The subscription price for the Company's shares under the New Scheme and the Old Scheme would be a price determined by the board of directors and notified to each grantee. The subscription price would be the highest of: (i) the nominal value of a share; (ii) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day; and (iii) the average closing price of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant. An option shall be deemed to have been granted and accepted by an eligible participant (as defined in the respective schemes) and to have taken effect when the acceptance form as described in the respective schemes is completed, signed and returned by the grantee with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant.

As at 30 June 2015, the aggregate number of shares issuable under share options granted under the New Scheme was 5,000,000, which represented approximately 0.92% of the Company's shares in issue as at that date. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 5,000,000 additional ordinary shares of HK\$0.10 each in the Company and proceeds, before relevant share issue expenses, of approximately HK\$47,700,000.

The maximum number of shares issuable under share options which may be granted to each eligible participant under the New Scheme within any 12-month period up to the date of the latest grant is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

SUPPLEMENTARY INFORMATION

SHARE OPTION SCHEMES (continued)

The share options granted and outstanding under the New Scheme and Old Scheme for a consideration of HK\$1.00 per grant are set out below:

Name or category of participant	Type of share option scheme	Number of share options						Date of grant of share options [†]	Exercise period	Exercise price per share** HK\$	Price of the Company's shares***		
		At the beginning of the period	Granted during the period	Exercised during the period	Expired during the period	Forfeited during the period	At the end of the period				At grant date of options HK\$	Immediately before the exercise date HK\$	At exercise date of options HK\$
Director													
Han Zi Jing	The New Scheme	332	—	(332)	—	—	—	20/05/2009	21/05/2013 to 20/05/2016	2.73	2.73	9.77	9.84
	The New Scheme	866,668	—	(866,668)	—	—	—	20/05/2009	21/05/2014 to 20/05/2016	2.73	2.73	9.77	9.84
	The New Scheme	—	333,333	—	—	—	333,333	10/06/2015	11/06/2018 to 10/06/2022	9.54	9.52	—	—
	The New Scheme	—	333,333	—	—	—	333,333	10/06/2015	11/06/2019 to 10/06/2022	9.54	9.52	—	—
	The New Scheme	—	333,334	—	—	—	333,334	10/06/2015	11/06/2020 to 10/06/2022	9.54	9.52	—	—
		867,000	1,000,000	(867,000)	—	—	1,000,000						
Teo Hong Kiong	The New Scheme	250,000	—	(250,000)	—	—	—	20/05/2009	21/05/2013 to 20/05/2016	2.73	2.73	8.25	8.24
	The New Scheme	500,000	—	(500,000)	—	—	—	20/05/2009	21/05/2014 to 20/05/2016	2.73	2.73	8.25	8.24
	The New Scheme	—	166,666	—	—	—	166,666	10/06/2015	11/06/2018 to 10/06/2022	9.54	9.52	—	—
	The New Scheme	—	166,666	—	—	—	166,666	10/06/2015	11/06/2019 to 10/06/2022	9.54	9.52	—	—
	The New Scheme	—	166,668	—	—	—	166,668	10/06/2015	11/06/2020 to 10/06/2022	9.54	9.52	—	—
		750,000	500,000	(750,000)	—	—	500,000						

SHARE OPTION SCHEMES (continued)

Name or category of participant	Type of share option scheme	Number of share options						Date of grant of share options*	Exercise period	Exercise price per share**	Price of the Company's shares***			
		At the beginning of the period	Granted during the period	Exercised during the period	Expired during the period	Forfeited during the period	At the end of the period				At grant date of options	Immediately before the exercise date	At exercise date of options	
											HK\$	HK\$	HK\$	HK\$
Director (continued)														
Zhang Huai Jun	The New Scheme	666	—	(666)	—	—	—	20/05/2009	21/05/2013 to 20/05/2016	2.73	2.73	9.77	9.81	
	The New Scheme	533,334	—	(533,334)	—	—	—	20/05/2009	21/05/2014 to 20/05/2016	2.73	2.73	9.77	9.84	
	The New Scheme	—	166,666	—	—	—	166,666	10/06/2015	11/06/2018 to 10/06/2022	9.54	9.52	—	—	
	The New Scheme	—	166,666	—	—	—	166,666	10/06/2015	11/06/2019 to 10/06/2022	9.54	9.52	—	—	
	The New Scheme	—	166,668	—	—	—	166,668	10/06/2015	11/06/2020 to 10/06/2022	9.54	9.52	—	—	
		534,000	500,000	(534,000)	—	—	500,000							
Zou Nan Feng	The New Scheme	400,000	—	(400,000)	—	—	—	20/05/2009	21/05/2014 to 20/05/2016	2.73	2.73	9.77	9.84	
	The New Scheme	—	100,000	—	—	—	100,000	10/06/2015	11/06/2018 to 10/06/2022	9.54	9.52	—	—	
	The New Scheme	—	100,000	—	—	—	100,000	10/06/2015	11/06/2019 to 10/06/2022	9.54	9.52	—	—	
	The New Scheme	—	100,000	—	—	—	100,000	10/06/2015	11/06/2020 to 10/06/2022	9.54	9.52	—	—	
		400,000	300,000	(400,000)	—	—	300,000							

SUPPLEMENTARY INFORMATION

SHARE OPTION SCHEMES (continued)

Name or category of participant	Type of share option scheme	Number of share options						Date of grant of share options*	Exercise period	Exercise price per share** HK\$	Price of the Company's shares***		
		At the beginning of the period	Granted during the period	Expired during the period	Forfeited during the period	At the end of the period	At grant date of options HK\$				Immediately before the exercise date HK\$	At exercise date of options HK\$	
Other													
Member of senior management and other employees of the Group	The New Scheme	1,000	—	(1,000)	—	—	20/05/2009	21/05/2013 to 20/05/2016	2.73	2.73	9.19	9.21	
	The New Scheme	1,750,000	—	(1,750,000)	—	—	20/05/2009	21/05/2014 to 20/05/2016	2.73	2.73	9.19	9.21	
	The New Scheme	—	899,994	—	—	—	899,994	10/06/2015	11/06/2018 to 10/06/2022	9.54	9.52	—	—
	The New Scheme	—	899,994	—	—	—	899,994	10/06/2015	11/06/2019 to 10/06/2022	9.54	9.52	—	—
	The New Scheme	—	900,012	—	—	—	900,012	10/06/2015	11/06/2020 to 10/06/2022	9.54	9.52	—	—
		1,751,000	2,700,000	(1,751,000)	—	—	2,700,000						
In aggregate	The New Scheme	251,998	—	(251,998)	—	—	20/05/2009	21/05/2013 to 20/05/2016	2.73	2.73	9.27	9.27	
	The New Scheme	4,050,002	—	(4,050,002)	—	—	20/05/2009	21/05/2014 to 20/05/2016	2.73	2.73	9.27	9.30	
	The New Scheme	—	1,666,659	—	—	—	1,666,659	10/06/2015	11/06/2018 to 10/06/2022	9.54	9.52	—	—
	The New Scheme	—	1,666,659	—	—	—	1,666,659	10/06/2015	11/06/2019 to 10/06/2022	9.54	9.52	—	—
	The New Scheme	—	1,666,682	—	—	—	1,666,682	10/06/2015	11/06/2020 to 10/06/2022	9.54	9.52	—	—
		4,302,000	5,000,000	(4,302,000)	—	—	5,000,000						



SHARE OPTION SCHEMES (continued)

- * The vesting period of the share options is from the date of grant until the commencement of the exercise period except for the 2007 Options which would not become vested until the end of the third year after the grant date unless the Company achieved an average annual earnings per share growth of 5% each year for the first three full financial years after the grant date. The vesting condition was not met and the share option expenses of the 2007 Options recognised in previous years amounting to HK\$20 million were reversed in 2010.
- ** The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.
- *** The price of the Company's shares disclosed as at the date of the grant of the share options is the Stock Exchange closing price on the trading day immediately prior to the date of the grant of the options. The price of the Company's shares disclosed as at the date of the exercise of the share options is the weighted average of the Stock Exchange closing prices over all of the exercises of options within the disclosure line.
- **** The last remaining batch of options granted under the Old Scheme expired on 29 June 2014. Accordingly, there are no outstanding options under the Old Scheme.

On 10 June 2015, the Company granted an aggregate of 5,000,000 share options to certain eligible participants under the New Scheme. Among these 5,000,000 share options, 2,300,000 options were granted to three Executive Directors and an Alternate Director. The details of such grant are set out on pages 48 to 50.

Apart from the foregoing, at no time during the six months ended 30 June 2015 was the Company, or any of its subsidiaries, a party to any arrangement to enable the directors or any of their respective spouse or minor children to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SUPPLEMENTARY INFORMATION

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2015, the following interests and short positions of 5% or more in the issued share capital and share options of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long Positions:

Name	Note	Number of shares held	Percentage of the Company's issued share capital
Clear Channel KNR Neth Antilles NV	1	273,140,500	50.42%
International Value Advisers, LLC	2	105,683,770	19.51%

Notes:

- As at 30 June 2015, Clear Channel KNR Neth Antilles NV was an indirect wholly owned subsidiary of Clear Channel Outdoor Holdings, Inc. iHeartMedia, Inc. owns approximately 90% of the outstanding equity of Clear Channel Outdoor Holdings, Inc. Approximately 67% of the outstanding voting equity of iHeartMedia Inc., was indirectly held jointly by Bain Capital Investors, LLC and Thomas H Lee Advisors LLC.
- International Value Advisers, LLC notified the Stock Exchange that as at 13 December 2012, 105,683,770 shares of the Company were held by it.

CORPORATE GOVERNANCE

The Board is committed to the principles of corporate governance for a transparent, responsible and value-driven management that is focused on enhancing shareholders' value. In order to reinforce independence, accountability and responsibility, the role of Clear Media's Chairman is separate from that of Clear Media's Chief Executive Officer. The Board has established an Audit Committee, a Remuneration Committee, a Nomination Committee, a Capital Expenditure Committee, a Cash Committee and a Directors' Securities Dealing Committee with defined terms of reference.



CORPORATE GOVERNANCE (continued)

Corporate governance practices adopted by the Group during the period from 1 January 2015 to 30 June 2015 are in line with the code provisions set out in the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 to the Listing Rules.

None of the directors of the Company is aware of any information that would reasonably indicate that Clear Media is not, or was not for any part of the period from 1 January 2015 to 30 June 2015, in compliance with the code provisions set out in the Corporate Governance Code and Corporate Governance Report in Appendix 14 to the Listing Rules.

COMPLIANCE WITH THE MODEL CODE OF APPENDIX 10 OF THE LISTING RULES

The directors of the Company confirm that the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules has been adopted, and all Directors, following specific enquiry by Clear Media, have confirmed their compliance during the six months period under review.

AUDIT COMMITTEE

The Audit Committee is comprised of a majority of independent non-executive Directors with substantial expertise in finance as well as relevant market experience. The Audit Committee has reviewed the accounting policies and practices adopted by the Group as well as the unaudited interim condensed financial statements for the six months period ended 30 June 2015. The Committee has also discussed with the external auditors their work in relation to the interim review. As part of discharging its responsibilities, the Committee has also met with the internal auditor and monitored his work on internal controls, risk management and financial reporting matters during the period.

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

Neither Clear Media nor any of its subsidiaries has purchased, sold or redeemed any of Clear Media's securities during the interim period.



FACTSHEET AT A GLANCE

Listing: Main Board of The Stock Exchange of Hong Kong Limited

Listing Date: 19 December 2001

Ordinary Shares:

- Shares in issue as at 30 June 2015 541,700,500 shares

Nominal Value: HK\$0.10 per share

Market Capitalization:

- as at HK\$9.10 per share
(based on closing price on 30 June 2015) HK\$4,929 million
(approximately US\$634 million)

Stock Code:

- Hong Kong Stock Exchange 100
- Reuters 0100.HK
- Bloomberg 100 HK

Financial Year End: 31 December

Business Area: Outdoor Media



CORPORATE INFORMATION

DIRECTORS:

Executive Directors:

Mark Thewlis (*Executive Chairman*)

Han Zi Jing (*Chief Executive Officer*)

Teo Hong Kiong (*Chief Financial Officer*)

Zhang Huai Jun (*Chief Operating Officer*)

Non-Executive Directors:

William Eccleshare

Peter Cosgrove

Zhu Jia

Cormac O'Shea

Independent Non-Executive Directors:

Desmond Murray

Leonie Ki Man Fung

Wang Shou Zhi

Thomas Manning

Alternate Director:

Zou Nan Feng (alternate to Zhang Huai Jun)

Company Secretary: Jeffrey Yip

Head Office: Room 1202
12th Floor
The Lee Gardens
33 Hysan Avenue
Causeway Bay
Hong Kong

Registered Office: Clarendon House
2 Church Street
Hamilton HM 11
Bermuda



CORPORATE INFORMATION

Legal Advisors:

Hong Kong and United States Law
Sullivan & Cromwell

PRC Law
King & Wood PRC Lawyers

Bermuda Law
Conyers Dill & Pearman

Auditors:

Ernst & Young

Principal Bankers:

HSBC
Shanghai Pudong Development Bank

PRINCIPAL SHARE REGISTRAR:

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

HONG KONG SHARE REGISTRAR:

Tricor Tengis Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

AUTHORISED REPRESENTATIVES:

Teo Hong Kiong
Jeffrey Yip

INVESTOR RELATIONS CONTACT:

Jeffrey Yip

PR CONSULTANT:

iPR Ogilvy & Mather

CORPORATE WEBSITES:

www.clear-media.net
www.irasia.com/listco/hk/clearmedia