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A8新媒体集团
A8 NEW MEDIA GROUP



Industry Overview

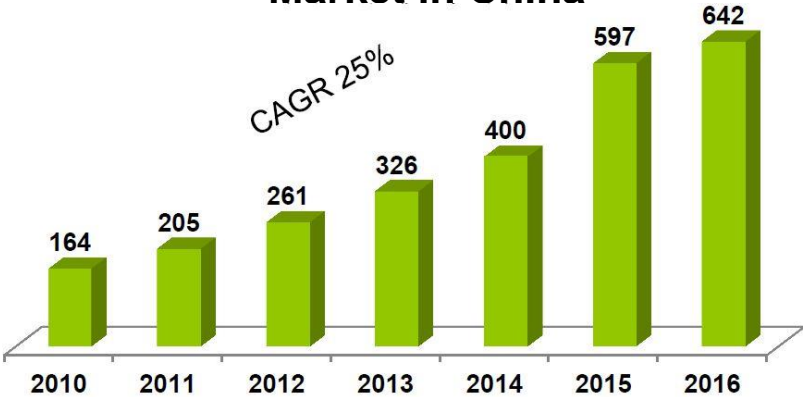
Market Size of the Pan-entertainment Industry in China



Source: White Paper on the Development of the pan-entertainment industry, released by MIIT

(RMB/’000 million)

Market Size of the Movie & Television Market in China



Source: Beijing Aikaidete Consultancy Company, China Industry Information Website, Sutu Research Institute

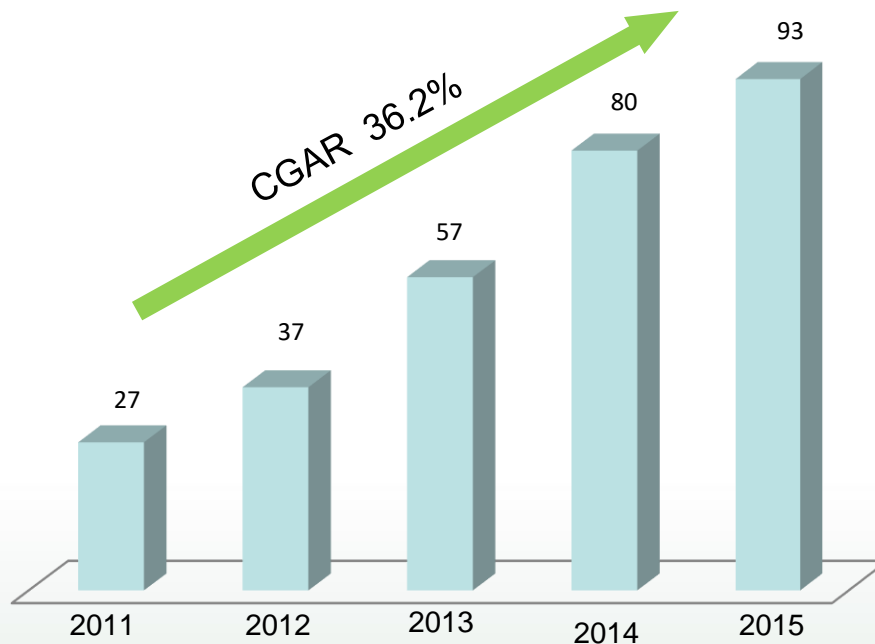
Market Size of Core Music Market in China



Source: Market Size Forecast and Industry Development Trend of Music Market in China, published by Chinaidr ("中国产业发展研究网")

Explosive Increase of Market Size of Online Literature and Games

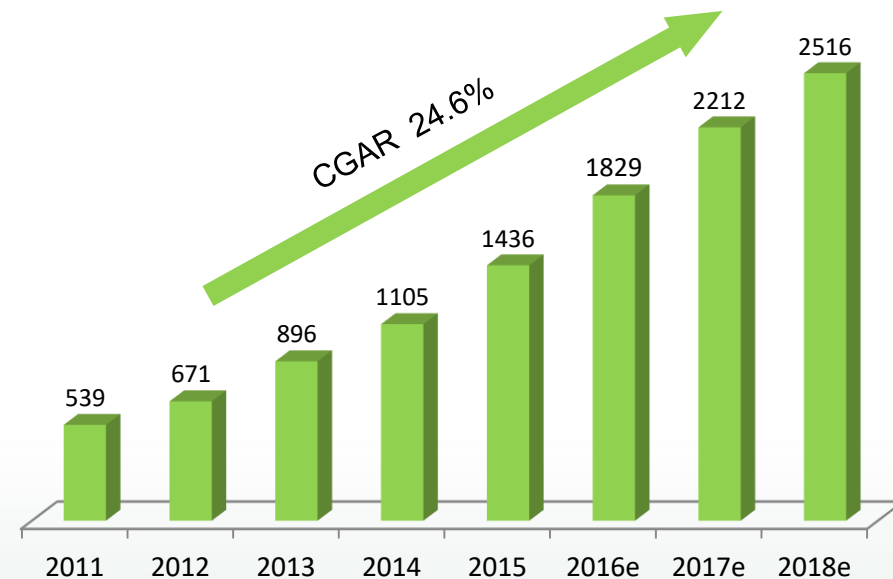
Market Size of Online Literature in China



(RMB/'000 million)

Source: White Paper on Digital Reading in China 2015, published by China Association of Audio-Video and Digital Publishing

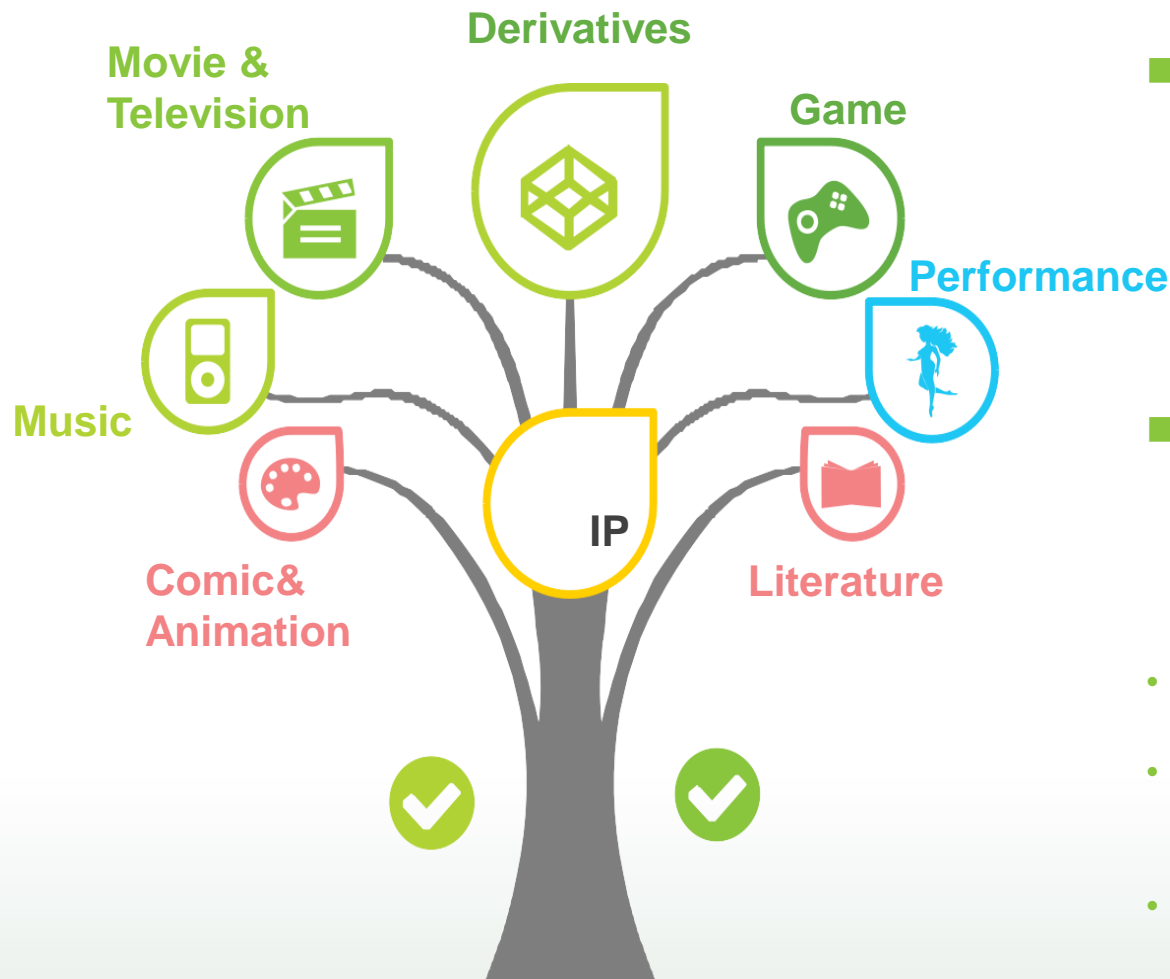
Explosive Increase in Market Size of Online Games in China



(RMB/'000 million)

Source: Research Report on Mobile Games in China 2016, published by iResearch

Integration and Intergrowth of the Pan-entertainment Market Promoting by IP



- The core of the pan-entertainment industry is IP creation. IP is the destination of the pan-entertainment group. IP generates continuous value
- Compared with channels, the impact of content and IP grows more and more greatly
 - Fine literature IP is scarce resource
 - Online games are the most powerful way to realize IP
 - Music performance IP is still in its infancy

Group Overview

Leading Whole Industry Chain Layout

Providing original contents

- Music publishing
- Music competitions
- Music training

Incubating IP & amplifying influence (Broadcast channels)

- Pay for audition
- Ticketing

Increasing value and monetizing of IP

- Games R&D and Publishing
- Advertising sponsor
- Cultural parks

Content of Music



A8 Artist Training



LIVE 4 LIVE



Providing original contents

- Literature online publishing
- Contents IP database
- Pay to read service

Incubating IP & amplifying influence (Broadcast channels)

- Development of Comic & Animation and Movie & Television
- Products R&D exhibition

Increasing value and monetizing of IP

- Cultural parks
- Live broadcast authorization
- Video shows

Content of Literature & Comic and Animation



少年dream



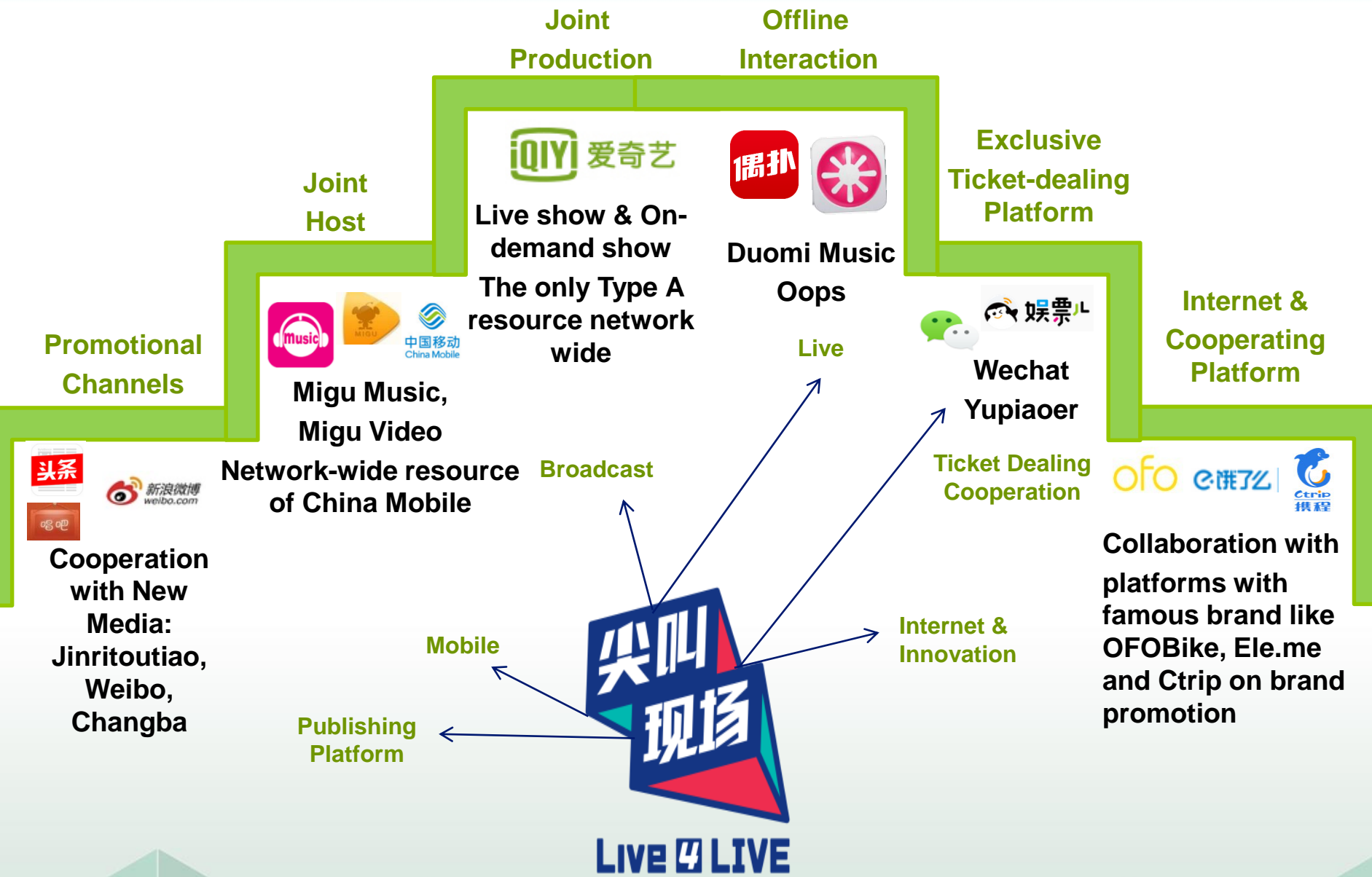
掌文股份
CHINA READINGHOLD

A8 Movie and Television



Music and Performance

Devoting to Creating Performance IP for Young Generations



Fans Economy

- Adopts a brand-new **Internet Plus** model in the brand-new entertainment Industry. Devoted to build China's largest fan platform by launching its own app "Oops"(偶扑) .
- Up to present, "Oops" are flush with more than 3,000 fans groups which covers nearly 90% of fan-groups in China.



Financing & Listing on NEEQ

- Received financing from famous investment organization including Enlight Media Group (“光線傳媒”), H.Brothers(“华谊兄弟”), Stone Capital (“磐石資本”), Seven Foxes (“七匹狼”) .
- Successfully listed on the National Equities Exchange and Quotations System in Oct 2016.



- Operated together with the LiveHouse Theater located in the podium of the A8 Music Building
- Its business functions include live music performance, professional studio, band rehearsal.



- Future development towards branding
- Started cooperating on video production with famous online-video platforms like LeTV, IQiyi and YY



Performance Lineup :

Denmark Body Rhythm Group/South Korean Singer - Jung Joon Young/South Korean Girl Group - Stellar/ British Singer - Tom Odell/ British Band - Starsailor/British Singer - Mika/ US OKGO Band/Lee Ritenour Band/Australian Band - The Clowns/Taiwan Idol Group - Spexial/Taiwan Girl Group - BY2/Hongkong Actor - Wang Zulan/Hongkong Pop Singers - Bao Yizheng, Gong Shuoliang, etc.

Guangdong National Music Industry Park – A8 Music Building



With a total area of about 50,000 square meters, Located in the core area of Nanshan District in Shenzhen, bordering Software Industry Fund

Cultural Industry Incubator

A8 LiveHouse, Recording Studio, Music Coffee Shop

Gross revenue for 2016 of Guangdong National Music Industry Base property related is about RMB 58.49million, with an increase of 12%

Employed Industry-leading property management professional Savills



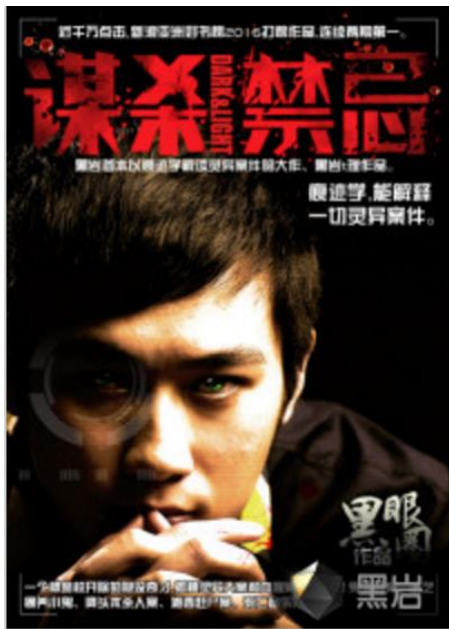
Literature, Movie & Television And Games

Great Reserve of Fine IPs

- Owning more than 50 million readers, and over 70% of which are after 90' s
- Its own platforms has more than 14 million readers
- Over 40,000 authors release their works on Zhangwen platforms
- Exclusively having over 60,000 original works
- Exclusively having derivative copyright of such 60,000 works
- Owning a number of national-wide known IPs with ten-million readership



By the advantageous reserves of fine literature contents , A8 Movie & Television actively cooperated with famous movie and television companies, having over 26 pieces of work being at the stage of development or shooting.



- A theatrical movie to be launched in 2017
- Cooperated with Dong Shen Studio
- Famous male actor Chen Kun is confirmed to be the starting actor



- A theatrical movie planned to be launched in 2017
- Cooperated with Onair Milky Way Studio



- A theatrical movie made in cooperation with Beifang Movie Group
- Attended 2017 Cannes Film Festival as exhibition work



- A TV play to be broadcasted in 2017 on both iQiyi website and Hunan TV
- Cooperated with Huaxiashiting which developed well-known TV plays such as <Xiaojianghu> & <Fengshenbang>

IP/Game Reserves

- Obtaining adaption right of fine IPs by cooperating with partners like Zhangwen(“掌文”)
- Obtaining fine games and Investing outstanding game developers

Game Publishing

- Publishing superior games, innovating game plays, mining players' need
- Focusing on boutique works in cut-throat competitive game industry

Overseas Publishing

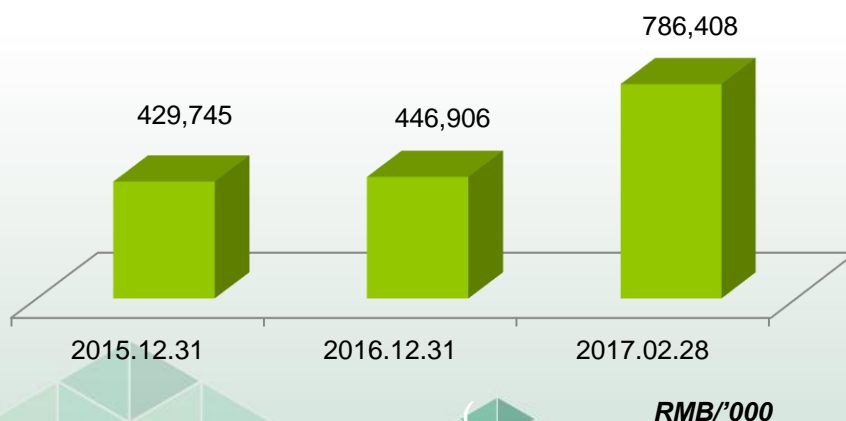
- Invested in an overseas publishing company in 2014
- Established an overseas team and the foundation for overseas publishing and launched overseas game works in 2016


Financial Summary

Balance Sheet – Sufficient Capital Reserve

<i>(RMB/'000)</i>	On 31 Dec 2016	On 31 Dec 2015
Current Assets	706,351	635,053
- Cash and cash equivalents	446,906	429,745
Current Liabilities	194,208	163,906
Non-Current Liabilities	661,683	642,781
Total Assets	1,368,034	1,277,834
Net Asset	1,089,908	1,049,343
Payoff Period of Receivables	39	67

Cash and cash equivalents



 By 28 Feb 2017, the total amount of cash and cash equivalents increased RMB 340 million, due to Ever Novel's subscription of the Company's 931.8 million shares at the price of HKD 0.41. The total price for such share subscription is approximately HKD 380 million, which is equivalent to RMB 340 million.

Note: Statistics of cash and cash equivalents by 28 Feb 2017 is unaudited.

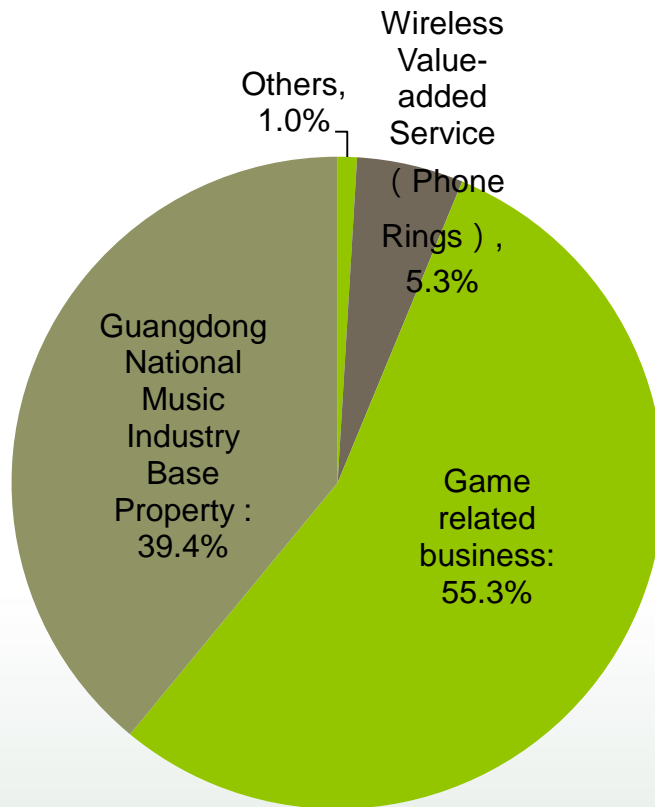
Financial Highlights – Better Improvement in Operational Efficiency

	The Year ended 31 December		
<i>RMB/'000</i>	2016	2015	Change
Revenue	148,468	148,355	+0.1%
Gross Profit	65,920	45,737	+44.1%
Gross Profit Margin	44.4%	30.8%	+13.6 percentage points
Net Profit	24,140	21,675	+11.4%
Net Profit Margin	16.3%	14.6%	+1.7 percentage points

- Gross Revenue for 2016 is about RMB 148,468,000, essentially equaled that of 2015
- The gross margin increased at 44.4% for the current period from 30.8% for the same period last year.
- Net profit margin is about RMB 24,140,000 for 2016, up from 11.4% over 2015

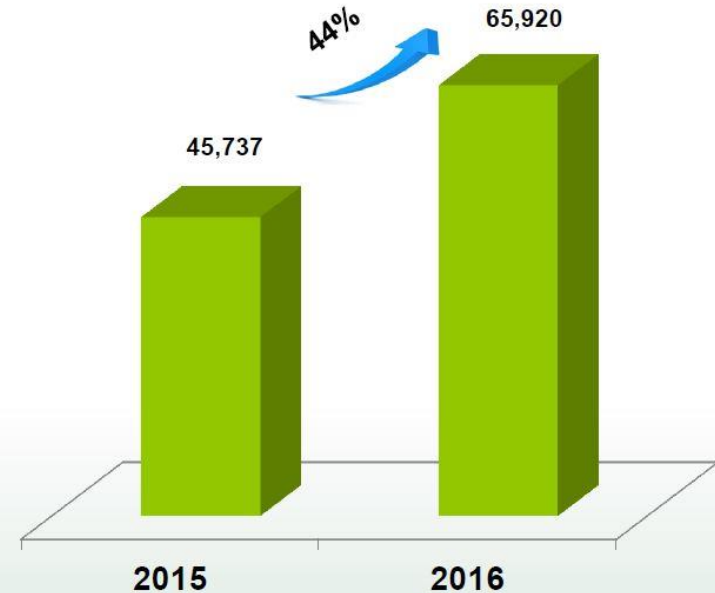
Successfully accomplishing Strategic Adjustment – Implementing the pan-entertainment strategy

Segment Revenue Breakdown 2016

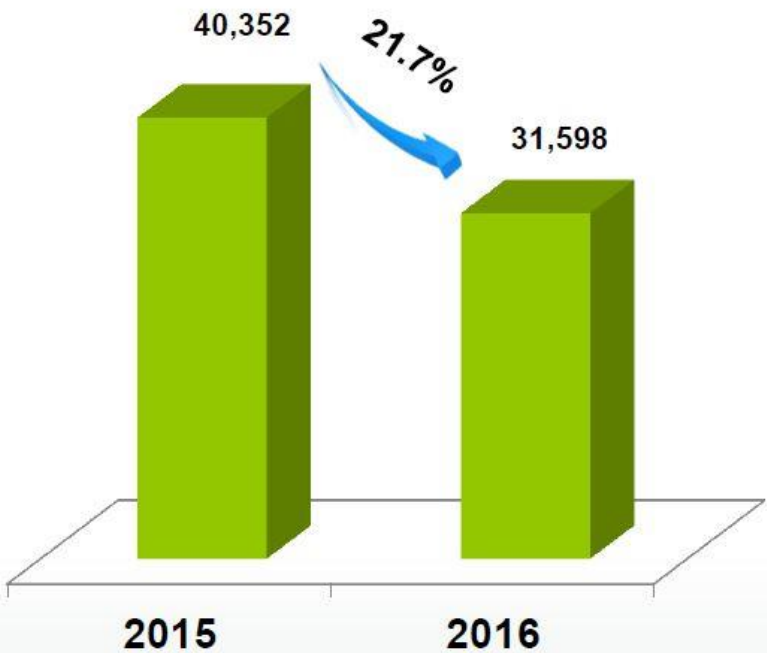


Gross Profit

RMB'000

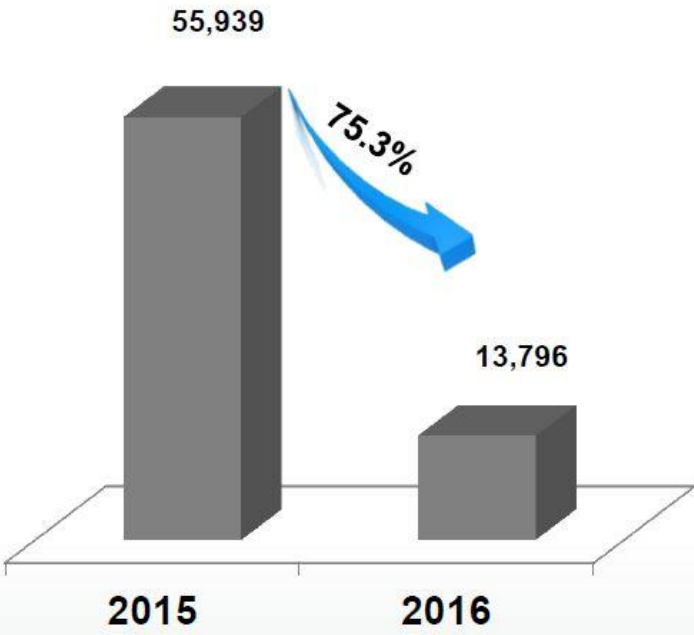


Management Fees



(RMB/'000)

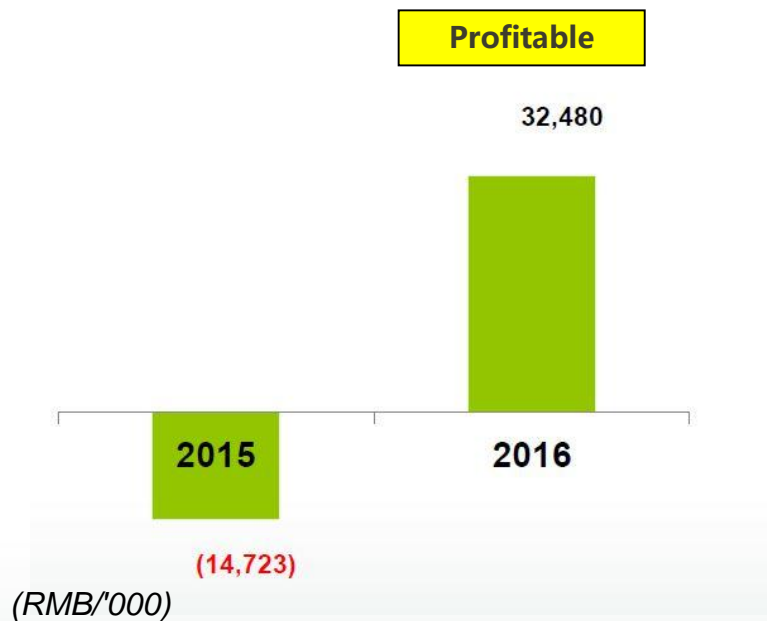
Selling Fees



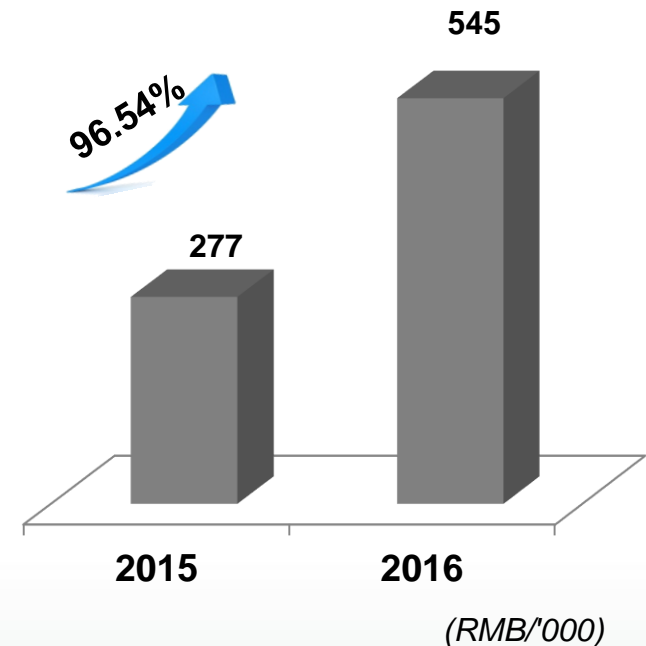
(RMB/'000)

Gross Margin Per Capita Doubles - Significantly Increased Operating Net Revenue

Net Revenue without non-operating elements



Gross Profit Per Capita



- Eliminating non-operating elements such as gain on redemption of convertible notes, value adjustment of proper investment – A8 Music Building, losses of joint ventures and associates, the adjusted net profit and loss is net profit for this year at RMB 32,480,000, compared to net loss at RMB 14,723,000 for the same period last year.

Official Wechat ID



Finger Fun



A8Live

Signature Products



Live 4 LIVE



Duomi Music



Inke

Signature Games



Papa Three Kingdoms



Hunger for World Conquest



Release the General

Online Literature Platform



Heiyan



Ruochu



Ruoxia

Open Forum