中 視 金 橋 國 際 傳 媒 控 股 有 限 公 司

SINOMEDIA HOLDING LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock code: 623)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

FINANCIAL SUMMARY

RMB'000	**For the six months ended 31 December 2009**	For the six months ended 31 December 2008	**Change (%)**	**For the year ended 31 December 2009**	For the year ended 31 December 2008	**Change (%)**
Revenue	**445,206**	319,743	+39.2%	**766,804**	558,356	+37.3%
Profit from operations	**114,978**	106,339	+8.1%	**120,907**	159,712	-24.3%
Profit attributable to owners of the Company	**84,887**	76,014	+11.7%	**97,245**	120,800	-19.5%
Earnings per share *(RMB)*						
— Basic				**0.172**	0.243	-29.2%
— Diluted				**0.172**	0.243	-29.2%

Revenue by sales channels:

RMB'000	**For the year ended 31 December 2009**	For the year ended 31 December 2008	**Change (%)**
Advertising service	**773,443**	570,676	+35.5%
— CCTV	**769,063**	552,950	+39.1%
— Regional TV	**3,245**	17,707	-81.7%
— Others	**1,135**	19	+5,873.7%
Agency service	**17,762**	10,258	+73.2%
Sales taxes and surcharges	**(24,401)**	(22,578)	+8.1%
Revenue	**766,804**	558,356	+37.3%

The Board of directors (the "Board") of SinoMedia Holding Limited ("SinoMedia" or the "Company") is pleased to announce the audited results and financial position of the Company and its subsidiaries (the "Group") for the year ended 31 December 2009, with comparative figures for previous year.

Consolidated Income Statement

For the year ended 31 December 2009

	Notes	**2009**	2008
		RMB'000	*RMB'000*
Revenue		**766,804**	558,356
Cost of services		**(542,729)**	(335,667)
Gross profit		**224,075**	222,689
Other income		**4,663**	14,157
Selling and marketing expenses		**(29,060)**	(26,912)
General and administration expenses		**(78,771)**	(50,222)
Profit from operations		**120,907**	159,712
Finance income		**6,000**	6,761
Finance costs		**(354)**	(13,920)
Net finance income		**5,646**	(7,159)
Share of loss of equity accounted investees (net of income tax)		**(259)**	(107)
Profit before income tax	3	**126,294**	152,446
Income tax expense	4	**(37,407)**	(31,343)
Profit for the year		**88,887**	121,103
Attributable to:			
Owners of the Company		**97,245**	120,800
Non-controlling interest		**(8,358)**	303
Profit for the year		**88,887**	121,103
Final dividend	5	**17,832**	22,386
Earnings per share	6		
Basic earnings per share (RMB)		**0.172**	0.243
Diluted earnings per share (RMB)		**0.172**	0.243

Consolidated Balance Sheet

At 31 December 2009

	Notes	2009 RMB'000	2008 RMB'000
Assets			
Property, plant and equipment		**57,062**	54,182
Investment in equity accounted investee		**584**	843
Other financial asset		**11,031**	—
Deferred tax assets		**9,779**	6,350
Total non-current assets		**78,456**	61,375
Trade and other receivables	7	**515,466**	202,648
Cash and cash equivalents		**323,084**	574,503
Total current assets		**838,550**	777,151
Total assets		**917,006**	838,526
Equity			
Share capital		**173**	173
Reserves		**736,300**	670,473
Total equity attributable to owners of the Company		**736,473**	670,646
Non-controlling interest		**5,465**	7,419
Total equity		**741,938**	678,065
Liabilities			
Other financial liability		**18,155**	—
Deferred tax liability		**2,315**	1,286
Total non-current liabilities		**20,470**	1,286

	Notes	**2009** ***RMB'000***	2008 *RMB'000*
Trade and other payables	8	**134,917**	143,175
Income tax payables		**19,681**	16,000
Total current liabilities		**154,598**	159,175
Total liabilities		**175,068**	160,461
Total equity and liabilities		**917,006**	838,526
Net current assets		**683,952**	617,976
Total assets less current liabilities		**762,408**	679,351

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The financial statements have been prepared on the historical cost basis except that derivative financial instruments are measured at fair value.

There were a number of new interpretations and amendments to the IFRSs that were first effective for the current accounting period commencing 1 January 2009, but they had no material impact on the Group's financial statements.

2 Segment reporting

No analysis of the Group's turnover and contribution to profit from operations by geographical segment or business segment has been presented as most of the Group's operating activities are carried out in the PRC and less than 10 percent of the Group's turnover and contribution to profit from operations are derived from activities outside the Group's media related services. There is no other geographical or business segment with segment assets equal to or greater than 10 percent of the Group's total assets.

3 Profit before income tax

Profit before taxation is arrived at after charging:

	2009 ***RMB'000***	2008 *RMB'000*
Impairment losses on bad and doubtful accounts	**34,166**	12,705
Depreciation	**4,118**	2,575
Professional fee	**2,729**	1,922
Auditors' remuneration	**2,874**	2,827
Operating lease charges	**4,106**	4,134

4 Income tax expense

	2009	2008
	RMB'000	*RMB'000*
Current tax expense		
Provision for PRC income tax	**39,807**	33,139
Deferred tax expense		
Temporary differences	**(2,400)**	(1,796)
Total income tax expense	**37,407**	31,343

(i) No provision has been made for Hong Kong profits tax as the Company did not earn any income subject to Hong Kong profits tax during the year.

(ii) The provision for PRC income tax is based on the respective applicable rates on the estimated assessable income of the Group entities in the PRC as determined in accordance with the relevant income tax rules and regulations of the PRC.

5 Final dividend

Dividends payable to owners of the Company attributable to the year

	2009	2008
	RMB'000	*RMB'000*
Final dividend proposed after the balance sheet date of approximately RMB3 cents per ordinary share (2009: approximately RMB4 cents per ordinary share)	**17,832**	22,386

The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

6 Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB97,245 thousand (2008: RMB120,800 thousand) and the weighted average of 564,310 thousand ordinary shares (2008: 497,011 thousand shares after adjusting for the share subdivision in November 2007) in issue during the year, calculated as follows:

Profit attributable to ordinary equity shareholders	2009	2008
	RMB'000	*RMB'000*
Profit for the year	**97,245**	120,800
Profit attributable to ordinary equity shareholders	**97,245**	120,800

Weighted average number of ordinary shares	2009	2008
	'000	*'000*
Issued ordinary shares at 1 January	**564,310**	432,022
Effect of issues of ordinary shares under placing and public offering	**—**	66,355
Effect of shares repurchased	**—**	(1,366)
Weighted average number of ordinary shares at 31 December	**564,310**	497,011

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB97,245 thousand (2008: RMB120,800 thousand) and the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 564,325 thousand shares (2008: 497,011 thousand shares), calculated as follows:

Profit attributable to ordinary equity shareholders (diluted)	**2009**	2008
	RMB'000	*RMB'000*
Profit attributable to ordinary equity shareholders (basic and diluted)	**97,245**	120,800

Weighted average number of ordinary shares (diluted)	**2009**	2008
	'000	*'000*
Weighted average number of ordinary shares (basic)	**564,310**	497,011
Effect of share options on issue	**15**	—
Weighted average number of ordinary shares (diluted) at 31 December	**564,325**	497,011

7 Trade and other receivables

		2009	2008
	Note	***RMB'000***	*RMB'000*
Trade and bills receivables	(i)	**88,630**	123,638
Less: Impairment losses on bad and doubtful accounts	(i)	**(46,871)**	(12,705)
		41,759	110,933
Prepayments to media suppliers		**146,899**	61,438
Deposits		**321,131**	24,418
Advances to employees		**4,116**	3,314
Other debtors		**1,561**	2,545
		515,466	202,648

(i) Ageing analysis

Included in trade and other receivables are trade and bills receivables (net of impairment losses on bad and doubtful accounts) with the following ageing analysis as of the reporting date:

	2009		2008	
	Gross	**Impairment**	Gross	Impairment
	RMB'000	***RMB'000***	*RMB'000*	*RMB'000*
Less than three months	**32,713**	**—**	94,821	4,964
Three months to six months	**2,326**	**153**	9,692	1,012
Six months to one year	**18**	**—**	8,726	1,986
More than one year	**53,573**	**46,718**	10,399	4,743
	88,630	**46,871**	123,638	12,705

Credit terms are granted to the customers, depending on credit assessment carried out by management on an individual basis. The credit terms for trade receivables are generally from nil to 90 days.

8 Trade and other payables

	Note	2009 RMB'000	2008 RMB'000
Trade and bills payables	(i)	**13,087**	13,209
Payroll and welfare expenses payables		**2,367**	1,590
Other compulsory payables		**2,717**	1,603
Other tax payables		**2,500**	2,476
Other payables and accrued charges		**3,355**	8,095
Dividends payable due to non-controlling interests of a subsidiary		**16**	120
		24,042	27,093
Advances from customers		**110,875**	116,082
		134,917	143,175

(i) An ageing analysis of trade and bills payables is as follows:

	2009 RMB'000	2008 RMB'000
Due within three months or on demand	**13,087**	5,379
Due after three months but within six months	**—**	7,830
	13,087	13,209

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the year under review, the Group had the underwriting rights to approximately 23,079 minutes of the advertisement time of 43 programmes or time slot belonging to CCTV-1/News Channel, CCTV-2, CCTV-4 (Chinese International/Europe and the US) and CCTV-7, representing a year-on-year increase of 37%. The advertisement time includes:

- The underwriting rights to 1,645 minutes of the advertisement time of "Media Headline (媒體廣場)" on CCTV-1/News Channel;

- The underwriting rights to the advertisement time of more than half of the programmes on CCTV-4 (Chinese International/Europe and the US), totalling 15,069 minutes;

- CCTV-7, the Group's new media advertising resources acquired on 1 January 2009, providing not less than 4,800 minutes per year. The underwriting contracts are valid for five years and cover all advertisement time of seven programmes including "Zhi Fu Jing (致富經)", "Daily Agricultural News (每日農經)" and "Focus on the Three Agricultural Issues (聚焦三農)";

- The underwriting rights to sell all advertising resources of the news page of *www.cctv.com*;

- In addition, the Group has joined hands with its business partners to establish China's first and only nationwide public service advertising broadcast network (百家電視台公益廣告聯播網) and has achieved significant progress during the year under review.

The Group's strategy is to establish a business portfolio of substantial and diverse media resources, while nurture quality media outlets with growth potential. During the year under review, the Group seized the opportunity to participate in the "2010 CCTV Contracting Advertising Underwriting Rights Tender (央視 2010 承包資源廣告經營代理權招標會)" held in November 2009. Through participating in the bidding, coupled with acquiring underwriting rights through negotiation, the Group has successfully acquired the premium advertising resources of some prime channels (in terms of ratings and prime time slots). It helped further solidify and expand the Group's core high quality evening advertising resources on CCTV-4, which have been operated by SinoMedia for years. By consolidating and optimizing its advertising resources, the Group is poised to provide its clients (including advertisers and advertising agencies) with more diversified advertising options, generate higher revenue and maximize shareholders' value.

In 2010, the Group has the following media resources:

CCTV-1:

The Group has the exclusive underwriting rights to not less than 90 seconds per day of the advertisement time of "Evening News (晚間新聞)" on CCTV-1 and not less than 90 seconds per day of the advertisement time of "News 30 (新聞 30 分)" on CCTV-1/News Channel. The Group has been given the rights of first renewal for such programmes for 2011 and 2012.

CCTV-1 "Evening News (晚間新聞)" is one of the most influential CCTV programmes. It consists of four parts: "Current Affairs (時政要聞)", which features the most authoritative and latest news on current affairs; "Domestic News (國內報導)", which reports hot domestic issues, analyses major national policies and pays close attention to issues of public concerns; "World News (世界報導)", which delivers hot international news and news behind news, as well as "Sports News (體育報導)", which presents to viewers major domestic and international sports events of the day in the liveliest way. In all, the news programme has been established as a brand known for its interesting, up-to-date and authoritative content.

As a major noon news programme of the CCTV, "News 30 (新聞 30 分)" has won rave reviews and is popular because of its innovative and versatile news reports. For years its ratings have been consistently high. Following the integration of CCTV-1 and CCTV/News Channel, the programme has become even more popular and has attracted more attention. According to the latest CTR China Media Influence — Television Assessment Research report (source: CTR Market Research Co., Ltd., September 2009), "News 30" ranked fifth among all TV news and finance programmes in terms of programme influence.

CCTV-4:

The Group has the exclusive underwriting rights to the finest programmes of the channel, namely "China News Package (中國新聞套)", "Across the Strait (海峽兩岸)" and "Walk Through China (走遍中國)" for the whole year, and has been given the rights of first renewal for such programmes for 2011 and 2012. The three programmes cover the entire prime time from 20:00 to 22:00.

The Group also holds the exclusive underwriting rights to the advertisement time of CCTV-4 "All-Day Package (全天時段套)", which is divided into six slots per day with each slot lasting for one minute. The exclusive underwriting right was effective on 1 March 2010 and will expire on 31 December 2010. The Group enjoys the priority over renewing the contract.

By securing the exclusive underwriting rights to the advertisement time of the four programmes mentioned above (including packages), the Group enjoys an absolutely leading position in terms of the exclusive underwriting rights to the entire advertising resources of CCTV-4 (Chinese International/Europe and the US).

CCTV-7:

The Group's advertising resources in CCTV-7, amounting to not less than 4,800 minutes per year, cover all advertisement time of seven programmes including "Zhi Fu Jing (致富經)", "Daily Agricultural News (每日農經) and "Focus on the Three Agricultural Issues (聚焦三農)". The underwriting contracts, effective from 1 January 2009, are valid for five years.

The household penetration rate of CCTV-7 has reached 85.7% since 2008, ranking number two after CCTV-1 (source: China Mainland Media Research Co., Ltd.). With the support of the national agricultural policy, the growing consumption power of rural village residents, and concessionary measures such as allowances for rural villagers to buy electrical appliances, cars and construction materials, the consumer market in first-tier counties and townships is set to grow continuously. As the only national-level agricultural channel, CCTV-7 is expected to gain wider recognition among advertisers.

CCTV-9:

On 23 February 2010, the CCTV granted the Group the exclusive underwriting rights to the advertising resources of all programmes on CCTV-9. The contract was effective from 1 March 2010 to 31 December 2010, and the Group has the priority over the contract renewal.

Under current media outlet setting, CCTV-9 is the only English international channel of CCTV. The Group believes that it will complement the Group's advertising resources in CCTV-4, the Chinese international channel of CCTV, and thereby enrich the Group's advertising packages.

Internet advertising:

On 22 February 2010, the Group signed an agreement with Sohu Media, pursuant to which the Group has been assigned as the exclusive agency to sell advertising resources on any webpage of www.sohu.com and www.chinaren.com to clients relating to city tourism and business promotion industry in China. The contract is valid for five years.

The Group believes that the collaboration will enable us to better leverage on our strengths in the city tourism and business promotion industry, and therefore broaden our revenue base and provide more diversified advertising options for our clients.

In addition, the Group will continue to run the nationwide public service advertising broadcast network, with the number of TV stations signing up with the network growing steadily.

FINANCIAL REVIEW

FOR THE SIX MONTHS ENDED 31 DECEMBER 2009:

During the first half of the year, results of the Group was affected by economic uncertainties and a notable decline in the growth rate of advertising spending in general. By stepping up sales and marketing efforts, enhancing management effectiveness and improving overall operation efficiency, the Group achieved a notable rebound in the second half of the year, both in terms of revenue and profit attributable to owners of the Company compared with the same period in 2008 and with the first half of 2009.

For the six months ended 31 December 2009, the Group's revenue surged by 39% to approximately RMB445,206 thousand, compared with about RMB319,743 thousand for the same period last year.

The year-on-year growth in the average selling price of the advertisement time and average utilisation rate of the existing businesses (advertising agency of CCTV-1, 2 and 4 programmes) resulted in a 43% year-on-year increase in revenue. Revenue from the newly acquired CCTV-7 business and the nationwide public service advertising broadcast network also contributed to the growth.

For the six months ended 31 December 2009, the profit attributable to owners of the Company amounted to RMB84,887 thousand, up 12% from RMB76,014 thousand for the same period last year.

The increase in profit attributable to owners of the Company was mainly attributable to the significant increase in revenue from the existing businesses (advertising agency of CCTV-1, 2 and 4 programmes), while gross profit margin could be maintained at a similar level to that in last year. Meanwhile, the newly acquired CCTV-7 business was still in a start-up stage in the second half of the year and had not yet contributed any significant profit to the Group.

FOR THE YEAR ENDED 31 DECEMBER 2009:

Revenue and Profit Attributable to Owners of the Company

For the year ended 31 December 2009, the Group recorded a revenue of RMB766,804 thousand, up 37% from RMB558,356 thousand last year. It was mainly attributable to the stable average utilization rates in the Group's existing businesses (advertising agency of CCTV-1, 2 and 4 programmes) in 2009, as well as the increased average selling price of advertisement time. The newly acquired CCTV-7 business and nationwide public service advertising broadcast network also contributed to the revenue growth.

In 2009, the macro economy experienced a downward trend before bottoming out and picking up. The Group saw a rebound of revenue, which surged 35% year-on-year for the first half of the year and 39% for the second half.

For the year ended 31 December 2009, the Group's profit attributable to owners of the Company was RMB97,245 thousand, down 19% from RMB120,800 thousand last year. On a half-year basis, profit attributable to owners of the Company dropped by RMB32,428 thousand year-on-year for the first half of the year, and increased by RMB8,873 thousand for the second half.

The decline was mainly attributable to the following factors:

1. *Existing businesses — advertising agency of CCTV-1, 2 and 4 programmes:*

   For the first half of 2009, gross profit of the Group's existing businesses dropped slightly due to unfavourable economic conditions and weaker performance of the advertising industry in general. However, the Group managed to maintain positive growth in the second half of the year following the improving economic environment. The Group recorded a gross profit of RMB255,472 thousand for the year, up 18% from last year.

2. *New businesses:*

   The contract on the Group's exclusive underwriting rights to the newly developed CCTV-7 business is on a five-year term. The underwriting cost is to escalate on an annual basis based on contract terms. According to international accounting standards, the underwriting cost should be spread evenly over the entire contract period. Therefore, an additional non-cash cost of RMB12,323 thousand was recorded in the financial statements for 2009 due to the accounting treatment, when compared with the actual payments made based on contract terms.

   The newly acquired CCTV-7 business was in a start-up stage (in particular during the first half of the year). Gross loss of RMB22,855 thousand (including the non-cash cost as mentioned above) was incurred in 2009. Given the year-long nurturing efforts and based on analysis on future market development, the Group's management is optimistic about the business performance of this segment in 2010.

In terms of internet advertising, the newly acquired cctv.com business was also in an early stage of development and therefore the revenue was relatively small. The Group and its related business partner agreed to amend the original cooperation agreement. The exercise involved significantly cutting down the underwriting cost in 2009 and the Group recorded a gross loss of RMB2,869 thousand for the whole year. In 2010, both sides will adopt more flexible settlement terms and it is expected to bring down the fixed underwriting cost for the Group.

Meanwhile, the newly acquired nationwide public service advertising broadcast network was likewise in an early stage. Gross profit totalled RMB1,656 thousand. The management is optimistic about the performance of the China's first and only nationwide public service advertising broadcast network in 2010.

3. *Provisions for bad and doubtful debts*

The financial turmoil in the latter half of 2008 and the economic crisis had dealt a heavy blow to the business of some of the Group's clients. As a result, the Group was not able to collect some of its receivables on time. As at 31 December 2009, the Group's accounts receivables that were over 12 months due amounted to RMB53,573 thousand. As a prudent measure, the Group made a one-off extra bad debt provision of RMB34,166 thousand at the end of the year, which resulted in a negative impact on the profit attributable to owners of the Company for the year under review.

4. *Non-operating income*

The Group logged RMB4,663 thousand in other income, a significant year-on-year drop from RMB14,157 thousand. The decline was due to the fact that RMB11,448 thousand one-off income was derived from the dissolution of a subsidiary and net gains on sale of assets classified as held in the last year.

Operating Expenses

For the year ended 31 December 2009, the Group's selling and marketing expenses amounted to RMB29,060 thousand, accounting for 3.8% of revenue (4.8% for the same period last year). It reflected an improvement in the Group's marketing efficiency and sales management, notwithstanding the sharp increase in revenue.

Before provision for bad and doubtful debts, general and administration expenses totalled RMB44,605 thousand, accounting for 5.8% of the Group's revenue (6.7% for the same period last year). It showed the effectiveness of the Group's control over its general and administration expenses.

Significant Investments and Acquisitions

In accordance with a cooperation agreement entered into by the Group and a minority shareholder of the Group's subsidiary Beijing Golden Bridge Senmeng Media Advertising Co., Ltd ("Golden Bridge Senmeng") on 9 January 2009, the Group acquired 9% of equity interests in Golden Bridge Senmeng from the minority shareholder in early 2009 at a consideration of RMB6.52 million. As a result, the Group's interest in Golden Bridge Senmeng increased from 51% to 60%.

The Group placed substantial importance upon the CCTV-7 advertising agency business and the nationwide public service advertising broadcast network, acquired by means of investment and acquisition this year. Striving to develop the two businesses into new income and profit growth drivers, the Group has adopted a multitude of management and stimulus measures to push post-investment consolidation and foster business collaboration. The initiatives have led to positive results, with the businesses entering a period of accelerating growth. The Group is optimistic about the performance of the two businesses in 2010 and is confident of their ability to maintain sustainable growth.

Liquidity and Financial Resources

As at 31 December 2009, total assets of the Group amounted to approximately RMB917,006 thousand, which were financed by equity attributable to owners of the Company of RMB736,473 thousand, minority interests of RMB5,465 thousand, and non-current and current liabilities of RMB175,068 thousand. As at the year end, there was no bank borrowing or asset held under finance lease (as at 31 December 2008: nil).

The Group consistently maintained a very liquid position. As at the year end, the Group's cash and bank balances amounted to about RMB323,084 thousand (31 December 2008: RMB574,503thousand), of which 66% was maintained in Renminbi, 29% in US dollar and 5% in other currencies.

The majority of the turnover, expenses and capital investment was denominated in Renminbi.

The Group continued to reinforce management of receivables. As at 31 December 2009, the Group's outstanding accounts receivables after provision for bad and doubtful debts amounted to RMB34,458 thousand, representing a significant decline by RMB76,375 thousand when compared with 31 December 2008.

The liquidity and financial resources position as stated above demonstrates that the Group enjoys a relatively high level of financial security.

Human Resources

As at 31 December 2009, the Group had approximately 270 employees in total. We implement remuneration policy that is competitive in the industry, and pay commissions to our sales people and discretionary bonus to our other employees with reference to the performance of the Group and individual employees. In order to align the interests of employees with those of shareholders, share options were granted to employees under the Company's share option schemes. We also provide employees with such benefits as insurance, medical check-ups and various training courses, with a view to maintaining the Group's competitiveness.

INDUSTRY AND GROUP OUTLOOK

The Group sees the signs of global economic recovery since the second half of the year. Although there may be low-level fluctuations and recurrent uncertainties, the general economic situation is favourable to the media and advertising industry. In the second half of 2009, Chinese companies began to step up their efforts in opening up new markets. A number of Chinese companies also accelerated their pace in expanding their overseas markets. The Group believes such trend will continue for a long while.

As anticipated in our 2009 interim report, the TV advertising industry picked up its momentum and the advertising market in China rebounded from its trough in the second half of the year. The Board and management of the Group will seek to safeguard and solidify the position of SinoMedia as a leading advertising operator in the mainstream media, and to enrich and refine its media resources and product portfolio continuously, with a view to broadening client base, maintaining sustainable growth, and widening market share.

Meanwhile, with the accelerating reform and development of the cultural and media industry, the Group reckons that the productivity of the three screen sectors (TV, mobile phone and computer) may grow further due to expansion of the market resources allocation mechanism. The Group will continue to pay close attention to market development, seize every opportunity to widen its business coverage in these sectors, and step up its efforts in the strategic planning for the new media.

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

There were no purchases, sales or redemptions of the Company's listed securities by the Company or any of its subsidiaries during the year ended 31 December 2009.

CORPORATE GOVERNANCE PRACTICES

During the year ended 31 December 2009, the Company had complied with all the applicable code provisions of the Code on Corporate Governance Practices as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transactions.

Having been made specific enquiry, the directors of the Company confirmed that they had complied with the required standard set out in the Model Code during the year ended 31 December 2009.

REVIEW OF FINANCIAL INFORMATION

The Audit Committee has, together with the management of the Company, reviewed the Group's audited consolidated financial statements and the annual report for the year ended 31 December 2009, including the accounting principles and practices adopted by the Group.

FINAL DIVIDEND

The Board recommended a final dividend of 3.6 HK cents (equivalent to approximately 3.16 RMB cents) per share, with an aggregate value of approximately RMB17.8 million, to shareholders. Subject to the approval of shareholders at the forthcoming annual general meeting to be held on Friday, 28 May 2010 (the "AGM"), the final dividend will be paid in Hong Kong dollars on or about Friday, 11 June 2010 to those members registered in the Company's register of members as at Friday, 28 May 2010.

ANNUAL GENERAL MEETING

The AGM of the Company will be held on Friday, 28 May 2010. Notice of the AGM together with the Company's annual report for the year ended 31 December 2009 will be dispatched to shareholders in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 25 May 2010 to Friday, 28 May 2010 (both days inclusive), during which period no transfer of shares of the Company will be registered.

In order to qualify for (i) attendance and voting at the AGM of the Company to be held on Friday, 28 May 2010 (or any adjournment thereof) and (ii) the proposed 2009 final dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Monday, 24 May 2010.

On behalf of the Board
SinoMedia Holding Limited
CHEN Xin
Chairman

Hong Kong, 8 April 2010

As at the date of this announcement, the Board comprises Mr. Chen Xin, Ms. Liu Jinlan and Mr. Li Zongzhou as executive directors, Mr. Zhu Jia and Mr. Huang Jingsheng as non-executive directors and Mr. Ding Junjie, Mr. Qi Daqing and Mr. Chen Tianqiao as independent non-executive directors.