



**SinoMedia**<sup>®</sup>

中視金橋國際傳媒控股有限公司  
SinoMedia Holding Limited

*Stock Code: 00623.hk*



**2015  
Interim Results**

*19 August 2015*

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# Content

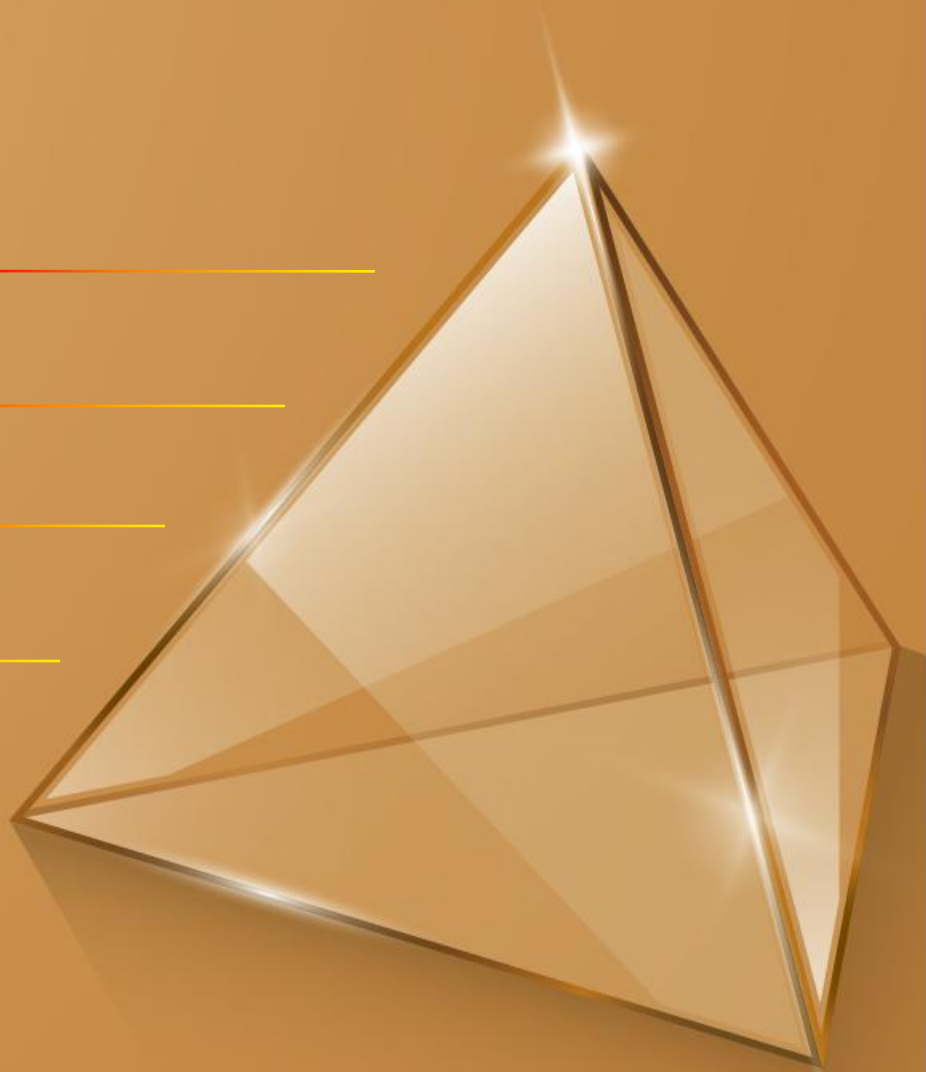
**Keynotes for 1H2015**

**Business review**

**Financial review**

**Outlook**

**Appendix**



# Keynotes for 1H2015

Recorded a decline in revenue and gross profit yoy, due to the cutback of advertising spend and a slowdown of the macro economy in China.

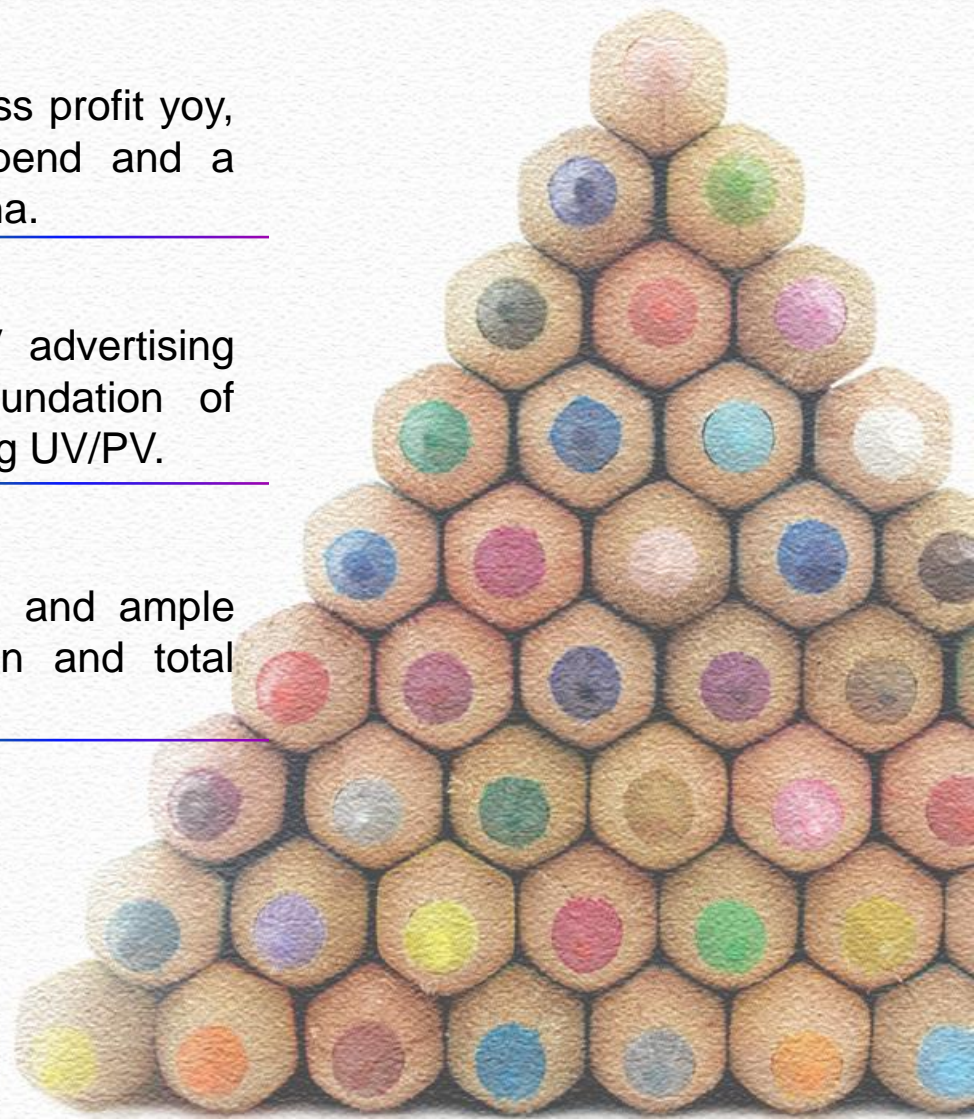
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Secured its solid market share in TV advertising business and enhanced its user foundation of internet business by delivering increasing UV/PV.

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Maintained a healthy financial position and ample liquidity, with cash of RMB729 million and total assets of RMB2.24 billion.

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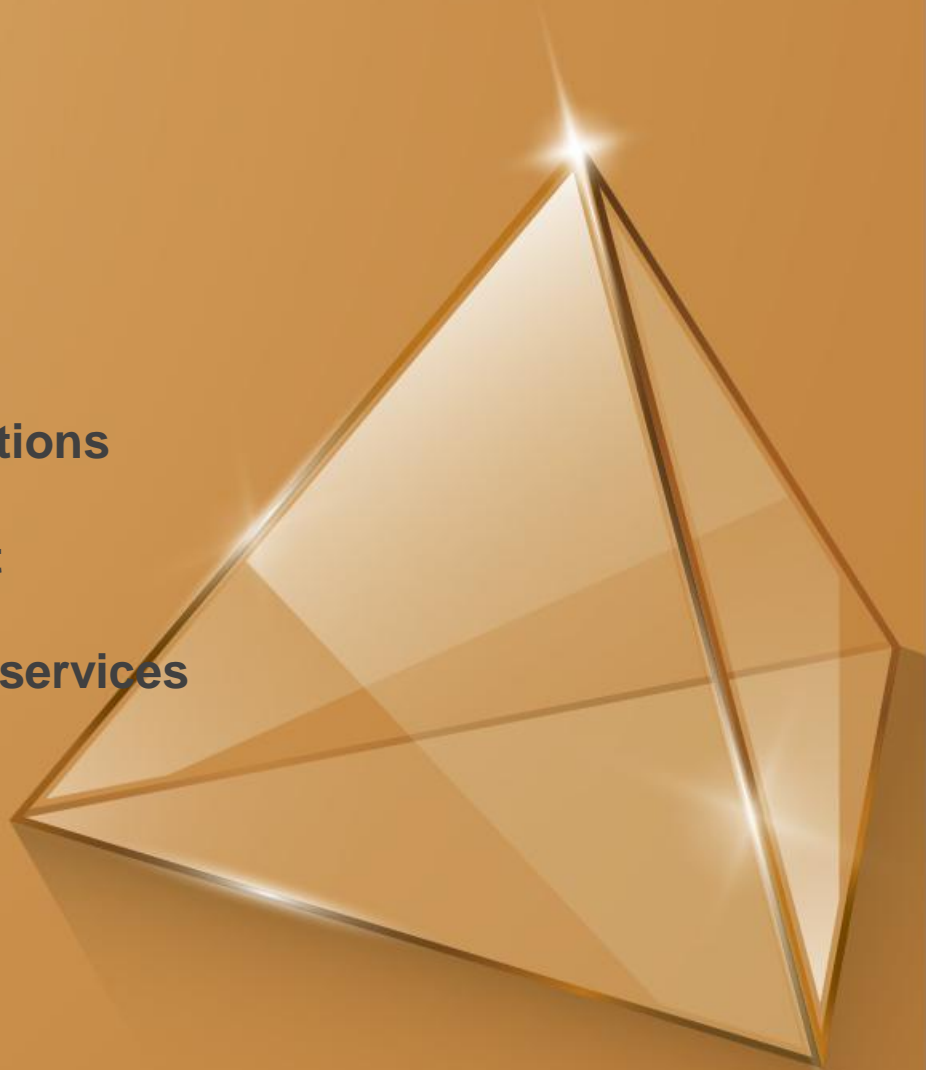




# Business review

## Overview of business segments

- Internet media and content operations
- TV media resources management
- Integrated brand communication services



# Overview of business segments



**Internet media and content operations**



## **TV advertising and branding services**

- TV media resources management(MRM)
- Integrated brand communication services(IBC)

# Internet media and content operations

The Group recorded a total **MUV 40 million** and **MPV/MVV 140 million**, increasing by **66%** and **65%**.  
(June 2015 VS December 2014)



An unique **video** website of **healthy lifestyle**, presenting channels of **Square Dance**, Children Dance, Yoga and Games.

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Featured as **a website of travel inspiration** and unveiled the competitive differentiation of **non-OTA** travel websites.

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**One Village, One Product** and specialised offline activities further consolidated its position in the industry.

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# TV advertising and branding services

## - Media resources management (MRM)

Exclusively underwritten 5,529 minutes of advertising time in 3 channels

**CCTV-1**  
(General)



“Night News”

“News 30”

**CCTV-4**  
(Chinese International, including Europe and US)



“Across the Strait”

“China News Package”

“Exposition of Chinese Culture Relics”

“China Showbiz”  
&  
two time slots packages

**CCTV-7**  
(Military and Agriculture)



“Zhi Fu Jing”

“Focus on the Three Agricultural Issues”

“Daily Agricultural News”

“The Rural World”  
&  
other time slots



# TV advertising and branding services

-Integrated brand communication services (IBC)

IBC provides branding solutions to satisfy the demand of clients.

SinoMedia®



CCTV



Baidu 百度

搜 狐  
SOHU.com

YOUKU



浦发银行  
SPD BANK

汇源 美的 Midea



SinoMedia®  
中視金橋國際傳媒控股有限公司  
SinoMedia Holding Limited

# Financial review

**Financial summary**

**Segment revenue**

**Stringent cost control**

**Healthy balance sheet**

**Trade debtors and bills receivable in control**

**Cash flows under control**



# Financial summary

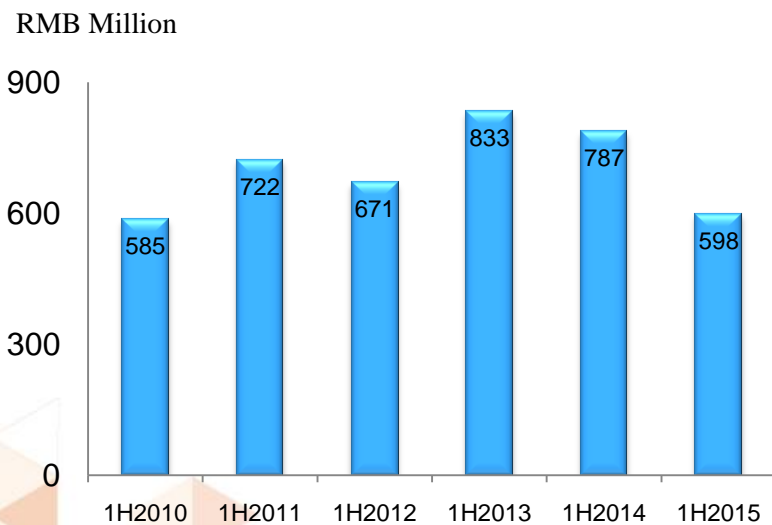
Six months ended 30 June

(RMB '000)

	2015	2014	Change
<b>Revenue</b>	<b>619,010</b>	836,428	<b>-26%</b>
<b>Gross profit</b>	<b>120,323</b>	259,189	<b>-54%</b>
<i>Gross profit margin (%)</i>	<i>19%</i>	<i>31%</i>	<i>-12pts</i>
<b>Profit from operations</b>	<b>49,172</b>	249,012	<b>-73%</b>
<b>Profit attributable to equity shareholders of the Company</b>	<b>35,433</b>	179,214	<b>-80%</b>
<i>Net profit margin (%)</i>	<i>6%</i>	<i>21%</i>	<i>-15pts</i>
<b>Basic earnings per share(RMB)</b>	<b>0.062</b>	0.319	<b>-81%</b>

# Segment revenue - MRM

## Revenue



## Core CCTV TV programmes ad time

	2015	2014
<b>Minutes Acquired</b>	<b>3,624</b>	4,566
<b>Minutes Sold</b>	<b>1,451</b>	2,766

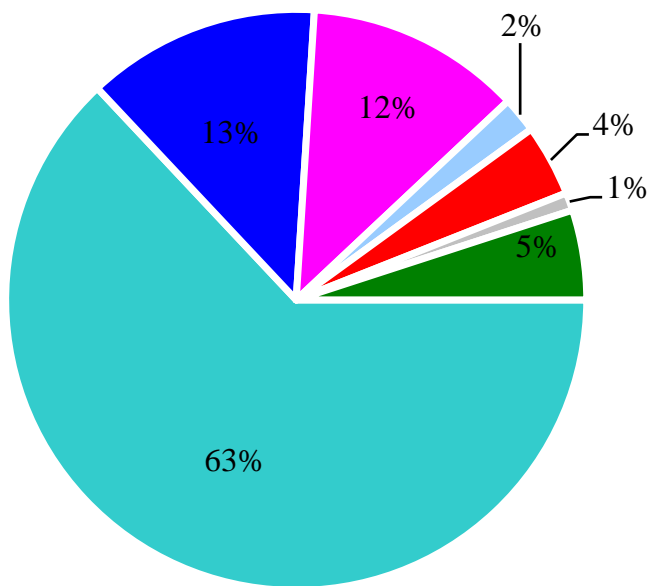


# Segment revenue - MRM

## - MRM Clientele

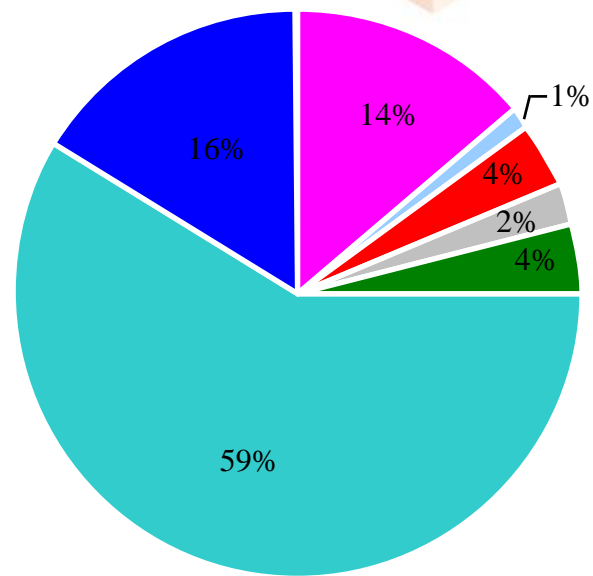
CCTV – 1, CCTV – 4 & CCTV – 7

**2015 1H**



- Tourism & city image, business promotion, convention & exhibition
- Automobile & transportation
- Manufacturing & building materials
- Others

**2014 1H**



- Consumer goods
- Health & medical
- Finance & insurance

# Segment revenue - IBC

Six months ended 30 June

<i>(RMB '000)</i>	2015	2014	Change
<b>Turnover</b>	<b>590,412</b>	1,031,986	<b>-43%</b>
<b>Revenue</b> <i>(after netting off procurement cost under IFRS)</i>	<b>(1,610)</b>	10,739	<b>N/A</b>

# Segment revenue

## -Internet media and content operations

Six months ended 30 June

<i>(RMB '000)</i>	2015	2014	Change
Revenue	8,287	22,146	-63%

# Stringent cost control

Six months ended 30 June

<i>(RMB '000)</i>	<b>2015</b>	<b>2014</b>
<b>Total operating expenses as a % of revenue</b>	<b>11.5%</b>	<b>9.9%</b>
<b>Selling &amp; marketing expenses(RMB'000)</b>	<b>20,364</b>	<b>27,901</b>
<i>As a % of revenue</i>	<b>3.3%</b>	<b>3.3%</b>
<b>General &amp; administrative expenses(RMB'000)</b>	<b>50,928</b>	<b>54,820</b>
<i>As a % of revenue</i>	<b>8.2%</b>	<b>6.6%</b>
<b>Included in cost of services, S&amp;M expenses, and G&amp;A expenses:</b>	<b>2015</b>	<b>2014</b>
<b>- Depreciation &amp; Amortisation</b>	<b>15,934</b>	<b>16,731</b>
<b>- Impairment losses on bad and doubtful accounts &amp; goodwill</b>	<b>3,532</b>	<b>5,548</b>



# Healthy balance sheet

(RMB '000)

	At 30 June 2015	At 31 December 2014
Cash and cash equivalents	728,555	801,771
Other bank deposits	35,578	182,875
Trade debtors & bills receivable (net of impairment)	128,705	92,227
<b>Current assets</b>	<b>1,289,414</b>	<b>1,416,372</b>
<b>Total assets</b>	<b>2,242,611</b>	<b>2,392,432</b>
<b>Current liabilities</b>	<b>650,806</b>	<b>713,112</b>
<b>Net assets</b>	<b>1,589,890</b>	<b>1,679,320</b>

# Trade debtors and bills receivable in control

<i>(RMB '000)</i>	<b>At 30 June 2015</b>	<b>At 31 December 2014</b>
<b>Within 3 months</b>	<b>51,749</b>	52,111
<b>3 to 6 months</b>	<b>31,103</b>	29,675
<b>6 to 12 months</b>	<b>37,424</b>	1,034
<b>Over 12 months</b>	<b>8,429</b>	9,407
<b>Trade debtors and bills receivable (net of impairment losses)</b>	<b>128,705</b>	<b>92,227</b>
<i>Turnover days</i>	<b>32</b>	18

# Cash flows under control

Six months ended 30 June

(RMB '000)

	2015	2014
Net cash used in operating activities	(72,061)	(372,956)
Net cash generated from / (used in) investing activities	147,571	(254,535)
Net cash (used in) / generated from financing activities	(142,271)	152,243
Net change in cash and cash equivalents	(66,761)	(475,248)
Cash and cash equivalents at 1 January	801,773	1,070,106
Effect of exchange rate changes	(6,457)	1,386
Cash and cash equivalents at 30 June	728,555	596,244

# Outlook





# Outlook

## UPGRADE

Integrate ranges of media resources and to provide digital marketing solutions



## ACCELERATE

Increase input to three websites and to swiftly capture the market in agriculture, tourism and healthy lifestyle

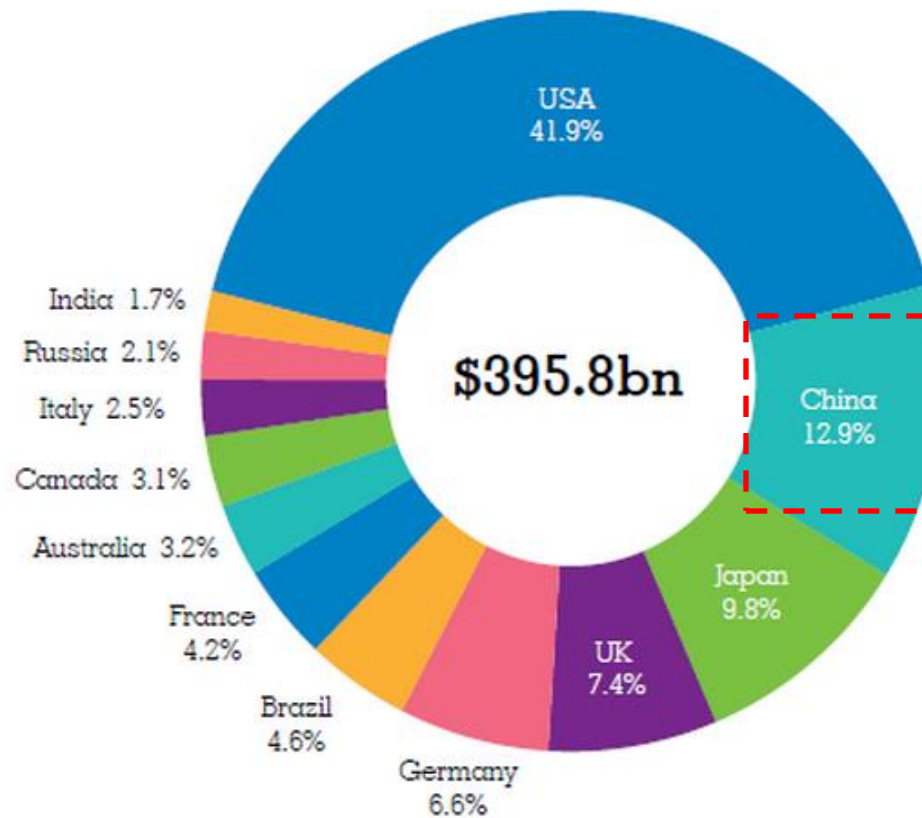
# Appendix



# China ranked 2<sup>nd</sup> largest ad spending country worldwide

- 2015 worldwide ad spending in share

US\$ (Current Prices)

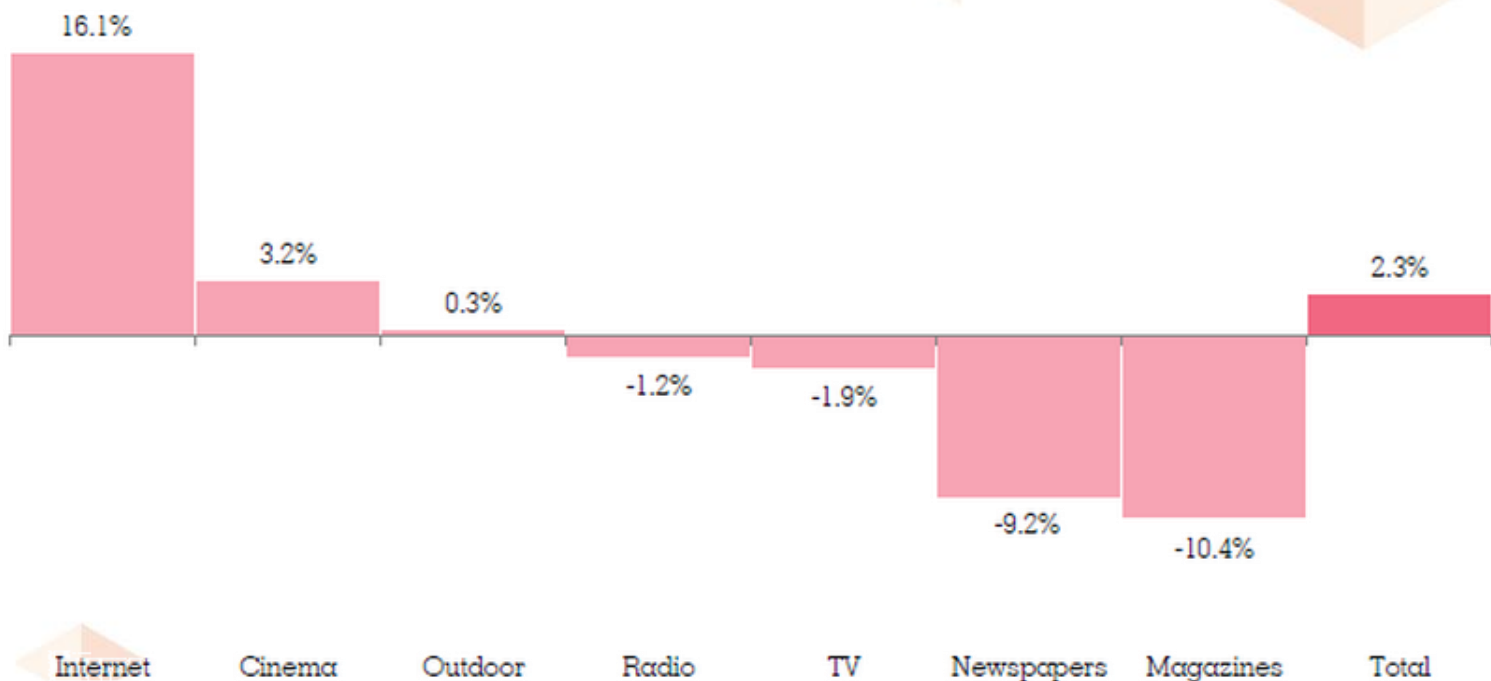


Source: WARC, August 2015

# Ad spending on internet keeps increasing, by 16.1%

- 2015 worldwide ad spending in media

Year-on-Year % Change, PPPs (Current Prices)

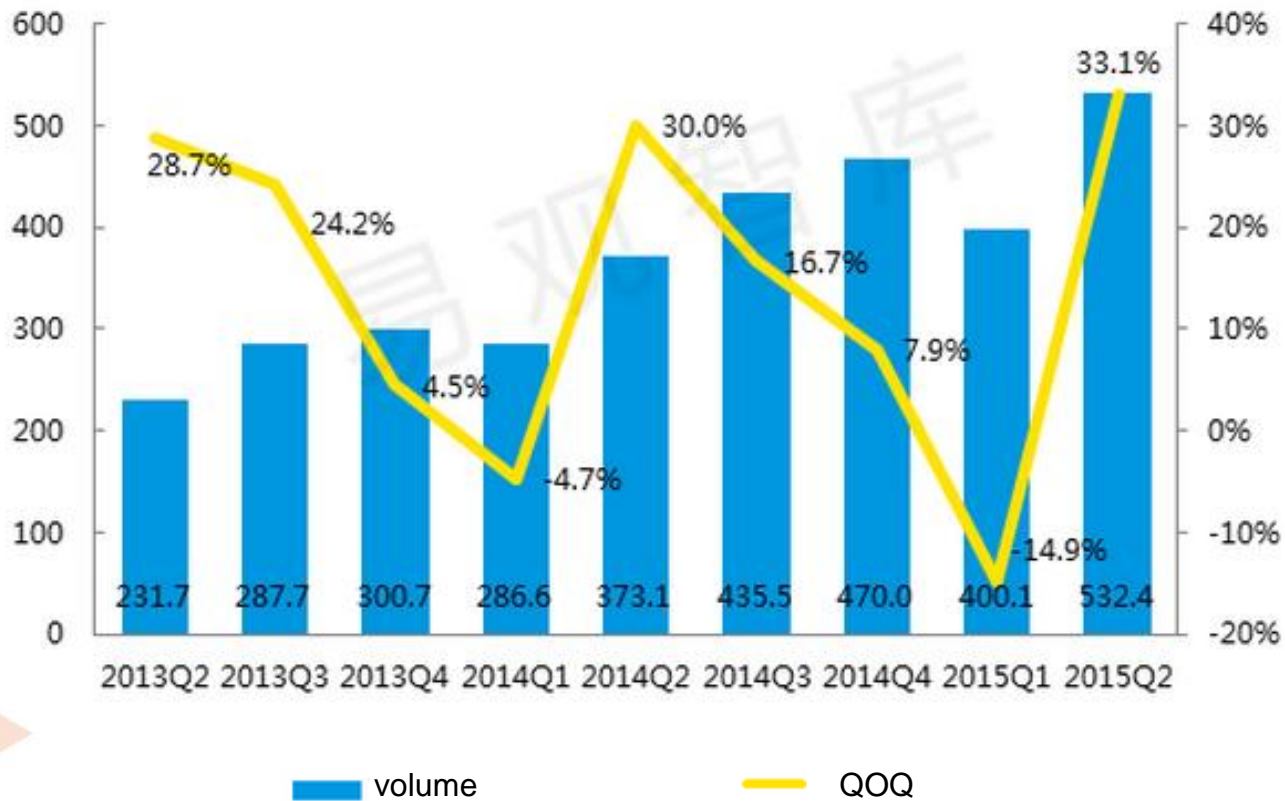


Source: WARC, August 2015



# Internet advertising sees rebound from 2015Q2

- 2013Q2 ~2015Q2 internet advertising in China



Source: Analysys, July 2015

## 5.9% decrease in traditional advertising, 1H2015

- 1H2015 traditional advertising spend in China

Medium	Ad spend	Change in resource
Television	-3.4%	-10.2%
Newspaper	-32.1%	-33.9%
Magazine	-15.6%	-24.6%
Radio	-2.9%	-14.4%
Outdoor board	-1.1%	-4.0%

Source: CTR media insight, July 2015