

SinoMedia

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



2018 Annual Results

27 March 2019

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Keynotes in FY2018

- **Revenue increased by 10%** year-on-year to RMB 1.62 billion
- Leading market share of **TV advertising**
- TV media resources of 10 programs on **CCTV-1, CCTV-2, CCTV-4, CCTV-7**, and all advertising resources of **CCTV-9**
- Improved **property rental income** and **fund management income**



Business Review

Overview of business segments

TV media resources management (MRM)

Integrated communication services (ICS)

Content operations

• Digital marketing

Internet media

Overview of business segments

TV advertising & Content operations

- I. TV media resources management (MRM)
- II. Integrated communication services (ICS)
- III. Content operations

Digital marketing & Internet media

- I. Digital marketing
- II. Internet media

TV media resources management (MRM)

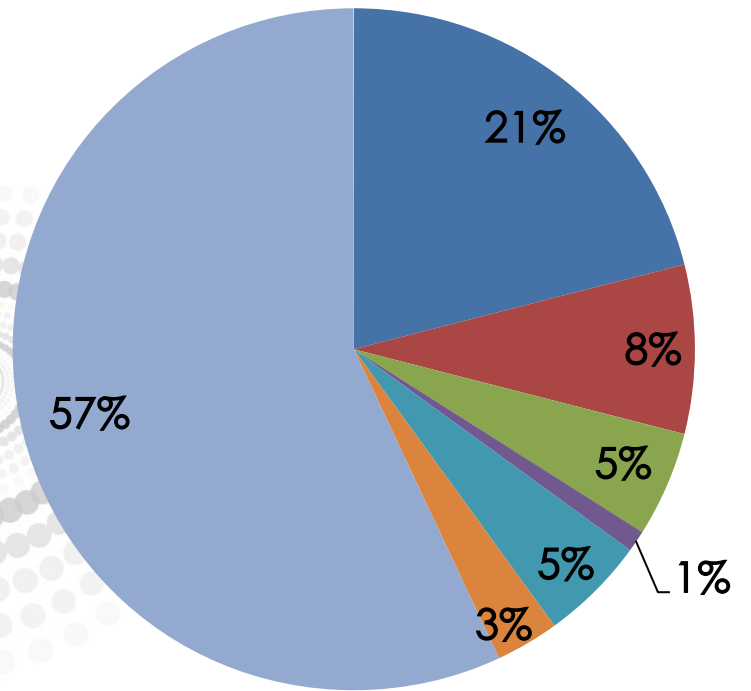
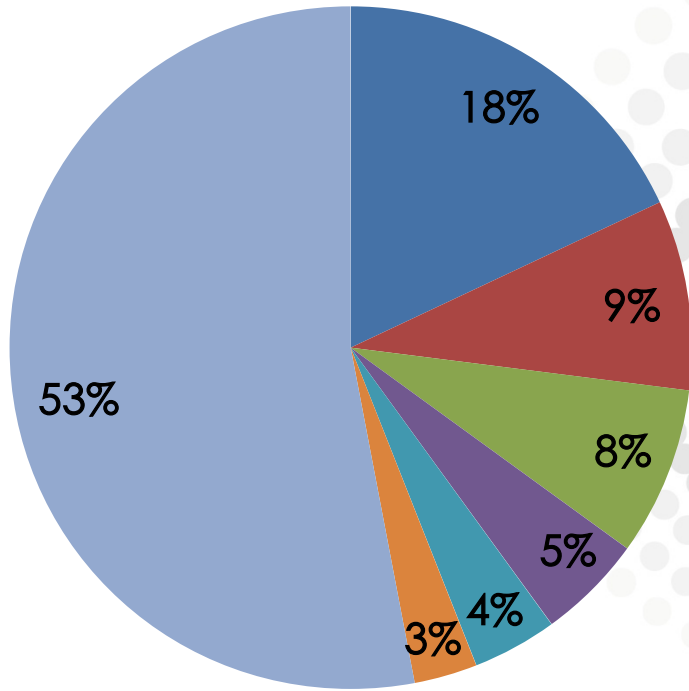


Exclusively underwritten 10,990 minutes of advertising time in CCTV-1, CCTV-2, CCTV-4, CCTV-7 and all ad resources of CCTV-9

MRM clientele

2018

2017



Tourism & City image

Automobile

Finance & Insurance

Consumer Goods

Healthcare

Real estate

Others

Integrated communication services (ICS)



Content operations



Creative production of commercial advertisement



Jointly produced with CCTV "Bond with China"



Invested and jointly produced Hollywood animation



Invested and jointly produced movies

Digital Marketing & Internet media



Self-developed intelligent programming advertising placement platform



Modern agricultural information service platform



Healthy lifestyle video interaction platform



Website of traveling inspiration



Financial Review

Financial summary

Segment revenue

Strict expenses control

Healthy balance sheet

Trade debtors in control

Cash flows



Financial summary

For the year ended 31 December

(RMB '000)

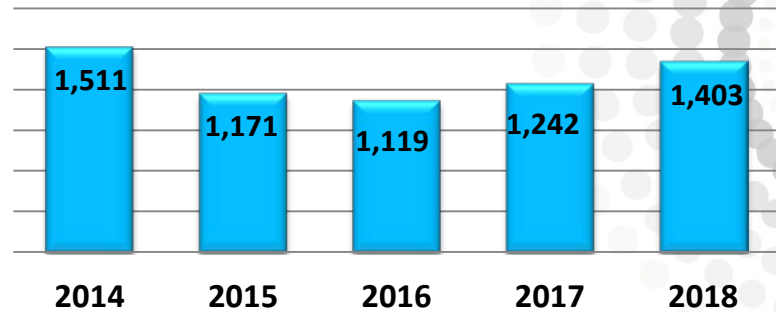
	2018	2017	Change
Revenue	1,615,704	1,472,698	+10%
Gross profit	254,890	299,107	-15%
Gross profit margin (%)	16%	20%	-4pts
Profit from operations	101,397	138,441	-27%
Profit attributable to equity shareholders	82,127	93,042	-12%
Basic earnings per share (RMB cents)	16.2	17.7	-8%

Segment revenue

MRM - Revenue

Core TV programmes ad time

RMB Million



	2018	2017
Minutes Acquired	2,875	2,555
Minutes Sold	2,290	2,249

Segment revenue

For the year ended 31 December

(RMB '000)	2018	2017	Change
ICS - Turnover	1,065,708	870,504	+22%
ICS - Revenue <i>(after netting off procurement cost under IFRS)</i>	57,791	76,480	-24%

Segment revenue

For the year ended 31 December

<i>(RMB '000)</i>	2018	2017	Change
Content operations	23,987	46,301	-48%
Digital marketing & Internet media	86,738	79,893	+9%
Rental income	60,371	44,591	+35%

Strict expenses control

For the year ended 31 December

(RMB '000)

	2018	2017
<i>Total operating expenses as a % of revenue</i>	9.7%	11.4%
Selling & marketing expenses	59,446	60,995
<i>% of revenue</i>	3.7%	4.2%
General & administrative expenses	97,106	106,283
<i>% of revenue</i>	6.0%	7.2%
Included in Cost & Expenses:	2018	2017
- Depreciation & Amortisation	26,704	26,802
- Impairment losses on doubtful debts	11,060	7,483

Healthy balance sheet

At 31 December

(RMB '000)

	2018	2017
Cash and cash equivalents	715,109	678,791
Trade debtors (net of impairment)	153,468	147,292
Current assets	1,154,105	1,323,330
Total assets	1,989,793	2,183,465
Current liabilities	400,439	608,027
Net assets	1,589,354	1,575,438

Trade debtors in control

At 31 December

(RMB '000)

	2018	2017
Within 3 months	96,050	99,794
3 to 6 months	18,094	17,716
6 to 12 months	13,296	9,835
Over 12 months	26,028	19,947
Trade debtors (net of impairment losses)	153,468	147,292
<i>Turnover days</i>	34	32

Cash flows

At 31 December

<i>(RMB '000)</i>	2018	2017
Net cash generated from operating activities	85,766	270,683
Net cash generated from investing activities	18,639	3,860
Net cash used in financing activities	(67,406)	(144,313)
Net change in cash and cash equivalents	36,999	130,230
Cash and cash equivalents at 1 January	678,791	552,531
Effect of exchange rate changes	(681)	(3,970)
Cash and cash equivalents at 31 December	715,109	678,791



Outlook

- I. Continuous slowdown in China's macroeconomic growth**
- II. Pressure and uncertainty to the Group's short-term performance**
- III. SinoMedia will focus on the existing advantages and core competitiveness**
- IV. Adhere to the strategy of providing inter-screen creative communication services**
- V. Obtained the full channel resources of CCTV-14 Children's Channel**