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SinoMedia[®]

SINOMEDIA HOLDING LIMITED

中視金橋國際傳媒控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00623)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024**

The board of directors (the “**Board**”) of SinoMedia Holding Limited (“**SinoMedia**” or the “**Company**”) announces the results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2024, with comparative figures for the previous year.

FINANCIAL SUMMARY			
<i>RMB'000</i>	For the year ended 31 December 2024	For the year ended 31 December 2023	Change (%)
Revenue	612,517	759,836	-19%
Profit from operations	122,072	99,064	+23%
Profit attributable to equity shareholders of the Company	106,961	96,778	+11%
Earnings per share			
— Basic and Diluted	23.2 RMB cents	21.0 RMB cents	+10%
Proposed dividends per share			
— Final	11.0 HKD cents	9.2 HKD cents	+20%
— Special	24.0 HKD cents	7.0 HKD cents	+243%

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2024

	Note	2024 RMB'000	2023 RMB'000
Revenue	3	612,517	759,836
Cost of services		<u>(410,951)</u>	<u>(637,869)</u>
Gross profit		201,566	121,967
Other income	4	7,293	67,433
Selling and marketing expenses		<u>(36,724)</u>	<u>(36,930)</u>
General and administrative expenses		<u>(50,063)</u>	<u>(53,406)</u>
Profit from operations		122,072	99,064
Finance income	5(a)	35,139	30,827
Finance costs	5(a)	<u>(9,058)</u>	<u>(593)</u>
Net finance income		26,081	30,234
Profit before taxation	5	148,153	129,298
Income tax	6	<u>(41,799)</u>	<u>(32,751)</u>
Profit for the year		<u>106,354</u>	<u>96,547</u>
Attributable to:			
Equity shareholders of the Company		106,961	96,778
Non-controlling interests		<u>(607)</u>	<u>(231)</u>
Profit for the year		<u>106,354</u>	<u>96,547</u>
Earnings per share			
Basic and diluted (RMB cents)	7	23.2	21.0

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Profit for the year	106,354	96,547
Other comprehensive income for the year (after tax and reclassification adjustments)		
Items that will not be reclassified to profit or loss:		
Equity investments at fair value through other comprehensive income (“FVOCI”) — net movement in fair value reserve (non-recycling)	213,739	(20,049)
Exchange differences on translation of financial statements of the Company	21,731	12,711
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of the overseas subsidiaries	<u>(93)</u>	<u>(7,189)</u>
Other comprehensive income for the year	<u>235,377</u>	<u>(14,527)</u>
Total comprehensive income for the year	<u>341,731</u>	<u>82,020</u>
Attributable to:		
Equity shareholders of the Company	342,338	82,251
Non-controlling interests	<u>(607)</u>	<u>(231)</u>
Total comprehensive income for the year	<u>341,731</u>	<u>82,020</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

	<i>Note</i>	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Non-current assets			
Property, plant and equipment	8	161,319	166,644
Investment property	8	507,684	522,517
Intangible assets		1,639	2,490
Other non-current financial assets	9	375,993	134,514
Deferred tax assets		—	267
		1,046,635	826,432
Current assets			
Inventories		603	794
Trade receivables, other receivables and prepayments	10	126,405	126,639
Restricted bank deposits		—	760
Bank deposits	11	719,273	505,742
Cash and cash equivalents		217,422	416,005
		1,063,703	1,049,940
Current liabilities			
Trade and other payables	12	72,807	121,407
Contract liabilities and advance from customers	13	65,994	56,772
Lease liabilities		925	609
Current taxation		24,782	19,179
		164,508	197,967
Net current assets		899,195	851,973
Total assets less current liabilities		1,945,830	1,678,405

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Non-current liabilities		
Lease liabilities	837	1,195
Deferred tax liabilities	—	5,190
	<u>837</u>	<u>6,385</u>
NET ASSETS	<u>1,944,993</u>	<u>1,672,020</u>
CAPITAL AND RESERVES		
Share capital	510,981	510,981
Reserves	1,443,903	1,169,873
Total equity attributable to equity shareholders of the Company	1,954,884	1,680,854
Non-controlling interests	(9,891)	(8,834)
TOTAL EQUITY	<u>1,944,993</u>	<u>1,672,020</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial information relating to the years ended 31 December 2024 and 2023 included in this document does not constitute the Company's statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (the "**Companies Ordinance**") is as follows:

The Company has delivered the financial statements for the year ended 31 December 2023 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance and will deliver the financial statements for the year ended 31 December 2024 in due course.

The Company's auditor has reported on the consolidated financial statements for both years. The auditor's reports were unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports, and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.

These financial statements have been prepared in accordance with all applicable IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IASB**"). As Hong Kong Financial Reporting Standards ("**HKFRSs**"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") are derived from and consistent with IFRS Accounting Standards, these financial statements also comply with HKFRSs. 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 and the requirements of the Hong Kong Companies Ordinance.

The measurement basis used in the preparation of the financial statements is the historical cost basis except for investments in equity securities which are stated at their fair value.

2 CHANGES IN ACCOUNTING POLICIES

The Group has applied the following amended HKFRS/IFRS Accounting Standards issued by the HKICPA/IASB to these financial statements for the current accounting period:

- Amendments to IAS 1/HKAS 1, *Presentation of financial statements — Classification of liabilities as current or non-current* (“2020 amendments”) and Amendments to IAS 1/HKAS 1, *Presentation of financial statements — Non-current liabilities with covenants* (“2022 amendments”)
- Amendments to IFRS 16/HKFRS 16, *Leases — Lease liability in a sale and leaseback*
- Amendments to IAS 7/HKAS 7, *Statement of cash flows* and amendments to IFRS 7/HKFRS 7, *Financial instruments: Disclosures — Supplier finance arrangements*

None of these developments have had a material effect on how the Group’s results and financial position for the current period have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in TV advertising, creative content production and digital marketing services.

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or services lines is as follows:

	2024 <i>RMB’000</i>	2023 <i>RMB’000</i>
Revenue from contracts with customers within the scope of IFRS 15/HKFRS 15		
TV media resources management	342,802	489,352
Content operations, other integrated communication services and others	103,203	112,516
Digital marketing and internet media	131,216	117,608
	577,221	719,476
Revenue from other sources		
Rental income	35,296	40,360
	612,517	759,836

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Point in time	46,290	80,275
Over time	530,931	639,201
	<u>577,221</u>	<u>719,476</u>

(b) Segment information

In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resources allocation and performance assessment, the Group has determined and presented a single reportable segment to disclose information as a whole about its services, geographical areas, and major customers.

For the year ended 31 December 2024, there are RMB8,165 thousand of revenue generated from outside Mainland China (2023: RMB4,672 thousand). As at 31 December 2024, the balances of non-current assets other than other non-current financial assets and deferred tax assets, which are physically located outside Mainland China, are amounting to RMB5 thousand (2023: RMB7 thousand).

4 OTHER INCOME

	<i>Note</i>	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Net gain on disposal of investment properties	(i)	—	68,153
Government grants	(ii)	527	4,528
Change in fair value of financial assets measured at fair value through profit or loss (“FVPL”)	(iii)	4,371	(8,622)
Dividend income		1,154	1,117
Net gain from acquisition of a subsidiary		—	1,120
Others		1,241	1,137
		<u>7,293</u>	<u>67,433</u>

- (i) The Group disposed certain investment properties with net proceeds of RMB87,808 thousand during the year ended 31 December 2023, including an office unit and 12 car parking spaces. At the time of the disposal, the net book value of the properties was RMB23,180 thousand, and the Group recognised a gain on disposal of RMB68,153 thousand.
- (ii) It is the unconditional discretionary grants received from the local government authorities in recognition of the Group's contribution to the development of the local economy.
- (iii) The change in fair value of financial assets was from the investment in China Feihe Limited.

5 PROFIT BEFORE TAXATION

(a) Finance income and costs

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Interest income on bank deposits	<u>35,139</u>	<u>30,827</u>
Finance income	<u>35,139</u>	<u>30,827</u>
Net foreign exchange loss	(8,971)	(550)
Interest on lease liabilities	<u>(87)</u>	<u>(43)</u>
Finance costs	<u>(9,058)</u>	<u>(593)</u>
Net finance income	<u><u>26,081</u></u>	<u><u>30,234</u></u>

(b) Staff cost

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Salaries, wages and other benefits	44,269	47,382
Contributions to defined contribution plan	<u>4,707</u>	<u>4,595</u>
	<u><u>48,976</u></u>	<u><u>51,977</u></u>

(c) Other items

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Amortization	851	852
Depreciation	21,284	23,478
(Reversal)/Recognition of impairment losses on trade and other receivables	(4,722)	(7,535)
Auditors' remuneration	2,637	2,915
Direct operating expenses (excluding depreciation) of investment property	965	654

6 INCOME TAX

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Current tax		
Provision for income tax for the current year	45,451	44,945
Under/(Over)-provision in respect of prior years	<u>1,268</u>	<u>(2,003)</u>
	<u>46,719</u>	<u>42,942</u>
Deferred tax		
Origination and reversal of temporary differences	<u>(4,920)</u>	<u>(10,191)</u>
	<u><u>41,799</u></u>	<u><u>32,751</u></u>

For the years ended 31 December 2024 and 2023, SinoMedia (Asia Pacific) Company Limited incorporated in Hong Kong is under the two-tiered profits tax regime. The first HKD2 million of assessable profits earned are taxed at half of the current tax rate (i.e. 8.25%) and the remaining assessable profits are taxed at 16.5%.

For the years ended 31 December 2024 and 2023, the assessable profits earned by the Company are taxed at 16.5%. The Company and its subsidiary incorporated in Hong Kong did not have assessable profits subject to Hong Kong profits tax for the year ended 31 December 2024 (2023: Nil).

The corporate income tax rate of the Company's subsidiary in Singapore is 17% (2023: 17%). No provision has been made for Singapore income tax as this subsidiary did not have assessable profits for the year ended 31 December 2024 (2023: Nil).

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. For the year ended 31 December 2024 and 2023, certain Group entities established in the PRC are at a preferential rate of 20% as small meager-profit enterprises, one Group entity established in the PRC is at a preferential rate of 15% as qualifying company in Guangdong-Macao In-Depth Cooperation Zone in Hengqin, other Group entities established in the PRC are subject to PRC corporate income tax rate of 25%.

For the year ended 31 December 2024, the Company applied dividends withholding tax rate at 5% as it obtained the certificate of resident of the Hong Kong Special Administrative Region under the "Arrangement between the Mainland China and the Hong Kong Special Administrative Region for the avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect of Taxes on Income" (2023: 5%).

7 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 RMB106,961 thousand (2023: RMB96,778 thousand) and the weighted average of 461,635,370 ordinary shares (2023: 461,635,370 shares) in issue during the year.

(b) Diluted earnings per share

There were no dilutive potential ordinary shares outstanding for the years ended 31 December 2024 and 2023. The effect of the deemed issue of shares under the Company's share option scheme was not included in the calculation of diluted earnings per share as they are anti-dilutive the years ended 31 December 2024 and 2023.

8 PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTY

	Buildings held for own use carried at cost <i>RMB'000</i>	Fixtures, fittings and computer equipment <i>RMB'000</i>	Motor vehicles <i>RMB'000</i>	Sub-total <i>RMB'000</i>	Investment property <i>RMB'000</i>	Total <i>RMB'000</i>
Original cost						
Balance at 1 January 2023	237,184	11,210	13,709	262,103	729,725	991,828
Additions	1,910	293	—	2,203	—	2,203
Disposals	—	(241)	(271)	(512)	(45,955)	(46,467)
Balance at 31 December 2023	<u>239,094</u>	<u>11,262</u>	<u>13,438</u>	<u>263,794</u>	<u>683,770</u>	<u>947,564</u>
Balance at 1 January 2024	239,094	11,262	13,438	263,794	683,770	947,564
Additions	820	474	—	1,294	—	1,294
Disposals	(2,566)	(3,607)	(142)	(6,315)	—	(6,315)
Balance at 31 December 2024	<u>237,348</u>	<u>8,129</u>	<u>13,296</u>	<u>258,773</u>	<u>683,770</u>	<u>942,543</u>
Depreciation						
Balance at 1 January 2023	66,615	11,010	12,098	89,723	165,611	255,334
Charge for the year	7,270	306	340	7,916	15,562	23,478
Disposals	—	(229)	(260)	(489)	(22,775)	(23,264)
Balance at 31 December 2023	<u>73,885</u>	<u>11,087</u>	<u>12,178</u>	<u>97,150</u>	<u>158,398</u>	<u>255,548</u>
Balance at 1 January 2024	73,885	11,087	12,178	97,150	158,398	255,548
Charge for the year	6,059	227	165	6,451	14,833	21,284
Disposals	(2,566)	(3,446)	(135)	(6,147)	—	(6,147)
Balance at 31 December 2024	<u>77,378</u>	<u>7,868</u>	<u>12,208</u>	<u>97,454</u>	<u>173,231</u>	<u>270,685</u>
Impairment loss						
Balance at 1 January 2023, 31 December 2023 and 31 December 2024	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>2,855</u>	<u>2,855</u>
Net book value						
At 31 December 2024	<u>159,970</u>	<u>261</u>	<u>1,088</u>	<u>161,319</u>	<u>507,684</u>	<u>669,003</u>
At 31 December 2023	<u>165,209</u>	<u>175</u>	<u>1,260</u>	<u>166,644</u>	<u>522,517</u>	<u>689,161</u>

9 OTHER NON-CURRENT FINANCIAL ASSETS

	<i>Note</i>	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Financial assets measured at FVPL			
— Equity securities listed in Hong Kong	(i)	20,407	15,646
Equity securities measured at FVOCI			
— Investments in unlisted equity securities	(ii)	<u>355,586</u>	<u>118,868</u>
		<u>375,993</u>	<u>134,514</u>

- (i) As at 31 December 2024, the Group holds issued shares of China Feihe Limited (stock code: 6186) and designated the investment at FVPL. Dividends received on this investment were HKD1,260 thousand (approximately RMB1,154 thousand) during the year ended 31 December 2024 (2023: approximately RMB1,117 thousand).
- (ii) Investments in unlisted equity securities mainly represent shares in Bloks Group Limited, Heilongjiang North Latitude 47 Green Organic Food Co., Ltd and Beijing AIQI Technology Company Limited. The Group designated its investments in unlisted equity securities at fair value through FVOCI (non-recycling), as the investments are held for strategic purposes. No dividends were received on these investments during the year ended 31 December 2024 (2023: Nil).

10 TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS

	<i>Note</i>	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade debtors and bills receivable, net of loss allowance	(i)	76,387	97,008
Deposits to media suppliers		7,006	9,126
Advances to employees, net of loss allowance		690	2,059
Other debtors, net of loss allowance		<u>149</u>	<u>728</u>
Financial assets measured at amortised cost		<u>84,232</u>	<u>108,921</u>
Prepayments to media suppliers		34,851	10,064
Others prepayments		3,219	2,464
Input VAT to be deducted		<u>4,103</u>	<u>5,190</u>
		<u>42,173</u>	<u>17,718</u>
Trade receivables, other receivables and Prepayments, net of loss allowance		<u>126,405</u>	<u>126,639</u>

- (i) As of the end of the reporting period, the ageing analysis of trade debtors and bills receivable based on the date of revenue recognition and net of loss allowance, is as follows:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Within 3 months	65,833	83,783
4 months to 6 months	7,902	8,261
7 months to 12 months	2,179	4,431
Over 12 months	473	533
	<u>76,387</u>	<u>97,008</u>

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.

11 BANK DEPOSITS

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Bank deposits	<u>719,273</u>	<u>505,742</u>

At 31 December 2024, bank deposits of the Group represented fixed-term deposits from 6 months to 1 year in UBS AG Hong Kong Branch at an annual interest of 3.72%–5.24% (2023: 5.11%–5.33%).

12 TRADE AND OTHER PAYABLES

	<i>Note</i>	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade payables	(i)	24,195	62,629
Payroll and welfare expenses payables		3,493	5,352
Other tax payables		6,450	4,550
Other payables and accrued charges		36,893	47,550
Dividends payable due to non-controlling interests		1,776	1,326
		<hr/>	<hr/>
Financial liabilities measured at amortised cost		72,807	121,407
		<hr/> <hr/>	<hr/> <hr/>

(i) As of the end of the reporting period, the ageing analysis of trade payables, based on the invoice date, is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Within 3 months	15,749	36,645
4 months to 6 months	4,266	11,425
7 months to 12 months	1,332	8,882
Over 12 months	2,848	5,677
	<hr/>	<hr/>
	24,195	62,629
	<hr/> <hr/>	<hr/> <hr/>

13 CONTRACT LIABILITIES AND ADVANCE FROM CUSTOMERS

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Contract liabilities		
— Billing in advance of media services contracts	59,789	47,165
Advance from customers		
— Billing in advance of rental contracts	6,205	9,607
	<hr/>	<hr/>
	65,994	56,772
	<hr/> <hr/>	<hr/> <hr/>

Contract liabilities and advance from customers primarily arises from the advance payments made by customers while the underlying services are yet to be provided. Contract liabilities and advance from customers would be recognised as revenue upon the rendering of services. All contract liabilities and advance from customers are expected to be recognised as revenue within one year.

14 DIVIDENDS

(a) Dividends payable to equity shareholders of the Company attributable to the year

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Final dividend proposed after the end of the reporting period of HKD11.00 cents (equivalent to approximately RMB10.16 cents) (2023: HKD9.20 cents, (equivalent to approximately RMB8.35 cents)) per ordinary share	46,881	38,534
Special dividend proposed after the end of the reporting period of HKD24.00 cents (equivalent to approximately RMB22.16 cents) (2023: HKD7.00 cents, (equivalent to approximately RMB6.35 cents)) per ordinary share	<u>102,287</u>	<u>29,319</u>
	<u>149,168</u>	<u>67,853</u>

The final dividend and the special dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Dividends approved and paid to equity shareholders of the Company during the year	<u>68,308</u>	<u>19,042</u>

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

In 2024, due to insufficient momentum of growth in the world economy, intensified geopolitical conflicts, and worsening trade protectionism, the adverse impact of changes in the external environment deepened, and domestic market expectations weakened, leading to insufficient effective demand and continuously suppressed consumer spending.

According to the market research report released by CTR Media Intelligence, advertising spending rose by 1.6% year-on-year in 2024, with the overall market remaining volatile within a reasonable range. (Source: CTR Media Intelligence, February 2025). Despite the overall positive trend in 2024, the market performance fell short of expectations, driving the advertisers to reassess their growth strategies. To address the macro-market uncertainties, advertisers are increasingly prioritizing operational efficiency and cost optimization, and become more conservative and prudent in allocating advertising budgets.

Facing a complex, volatile and challenging market environment, the Group is firmly committed to building its brand marketing capabilities with inter-screen creative communication services at its core, aiming at providing high-quality and diversified creative products and communication services to its clients. During the year under review, the Group maintained flexibility and innovation, optimized its business structure, intensified sales and promotion efforts, adapted to the development trend of the industry, and embraced new consumption trends and consumption patterns, in order to enhance its competitiveness and realize operational efficiency.

During the year under review, the Group established an imaging technology development department in accordance with its strategic development needs, which supported our business expansion by exploring the innovation and application of technologies such as artificial intelligence generated content (“AIGC”) and helped to cater to the changing needs and preferences of our customers through continuous efforts to expand the AIGC technology service offerings, enabling the Group to keep up with the cutting-edge trends in the industry. In addition, the Group continued to expand our operational capabilities in FMCG brands in the household consumption segment, and kept capitalizing on our strengths through the synergies of our creative communications and brand investment management businesses, contributing to the Group’s diversification and sustainable growth.

BUSINESS REVIEW

TV ADVERTISING AND CONTENT OPERATIONS

I. TV Media Resources Management

The Group stayed dedicated to a customer-oriented product and service strategy and strengthened its customer development and service capabilities in TV advertising marketing. During the year under review, the Group had the exclusive underwriting right for a total of 129,284 minutes of China Media Group advertising resources on “Boutique Financial Records” on CCTV-2 (Financial Channel), “Focus Today” and “Across the Strait” on CCTV-4 (Chinese International), CCTV-9 (Documentary Channel) and CCTV-14 (Children’s Channel). It covered the market of finance and economics, current politics, culture and children, and brought diversified communication channels to clients. During the year, confronting the fluctuating market and challenging business landscape, the Group, stretching its edges and experience in TV communications, worked on its leadership in the television advertising market amid difficulties by optimizing its marketing strategy and media product portfolio for enhanced competitiveness.

II. Content Operations

The Group provided clients with comprehensive and professional video creative and production services. During the year under review, the Group successively served China Feihe, Geely Auto, McDonald’s, China Citic Bank, PICC, Milkground, CDCT and other clients, providing services involving advertising video shooting, producing and editing, and graphic design.

The Group continued the development of the content marketing business centering on video content R&D and production, customized creative video for clients, and realized the brand communication value of clients in the form of content marketing. During the year under review, focusing on the market demand of family consumption, through live broadcast interaction, short video, content implantation, animation development and publicity activities, the Group provided creative content communication services to clients including China Feihe, BANDAI NAMCO Holdings, Bank of Beijing, Sinotruk and Caibai Jewelry.

III. Other Integrated Communication Services

The Group has gained recognition from a large number of renowned clients for its professional and efficient communication services and the philosophy of caring services. During the year under review, the Group provided brand information, advertising placement, promotion planning, public relation activities and other multi-dimensional brand integration communication services to clients including China Feihe, CITIC Group, Geely Auto, Chimelong Group, Tencent, Ping An, Suzhou Culture and Tourism, Hubei Culture and Tourism, FAW-Volkswagen, China Duty Free Group, Bamboo Leaf Green Tea, Enshi Selenium-rich Tea and Strong.

In respect of the international business, the Group actively offered Chinese market promotion, media propaganda, creative planning and other services to overseas clients. The main clients during the year under review included Destination DC, Queen Sirikit National Convention Center, Tourism Malaysia and YTL Hotels.

DIGITAL MARKETING AND INTERNET MEDIA

I. Digital Marketing

Relying on customer resources, media advantages, and data technology, the Group works on the core competitiveness of digital marketing by strengthening its Internet integration service capabilities, and offers clients one-stop digital marketing solutions covering IP customization, identity authorization, publicity and promotion. In addition, the Group actively follows artificial intelligence and algorithmic technology and develops and researches intelligent advertisement placement system, and explores using artificial intelligence algorithms as the engine. The Group has continued to integrate high-quality traffic, optimize its advertisement placement strategy and enhance the efficiency of advertisement placement. During the year under review, the Group successively served China Feihe, Didi, Hua Xia Bank, China Citic Bank, Kuaishou, Hodo Group, China Zheshang Bank, South Asset Management and other clients, and was highly recognized and praised by the clients.

II. Internet Media

www.boosj.com (播视网) of the Group focused on the video content operation in the healthy life field. In the two vertical fields, namely parent-child talent training and healthy life of the middle-aged and elderly, www.boosj.com refreshed its efforts to consolidate content building and self-media matrix deployment to deeply explore the health consumption needs of family users. In addition, on the basis of community operation and video content aggregation of users, www.boosj.com combines the MCN streamer matrix to enrich the content and form of live broadcast, further improve the channel functions of brand marketing and e-commerce delivery, and provide diversified and customized video creative and Internet communication services for different brand clients.

FINANCIAL REVIEW

REVENUE

For the year ended 31 December 2024, the Group recorded revenue of RMB612,517 thousand, representing a year-on-year decrease of approximately 19% from RMB759,836 thousand for the last year.

Details of revenue for the year under review are as follows:

- (I) Revenue from TV media resources management amounted to RMB342,802 thousand, representing a year-on-year decrease of approximately 30% from RMB489,352 thousand for the last year. Among them, the advertising spending on consumer goods, travel, and automobiles declined significantly compared with the previous year. In the face of operating pressure, the Group will continue to pay attention to changes in demand, innovate its media product portfolio, and enhance its operational efficiency and product competitiveness, so as to cope with the difficulties and challenges arising from fluctuations in market demand and weakening consumer expectations.
- (II) Revenue from content operations and other integrated communication services amounted to RMB103,203 thousand in aggregate, representing a year-on-year decrease of approximately 8% from RMB112,516 thousand for the last year. Among them:

Revenue from content operations amounted to RMB34,350 thousand, representing a year-on-year decrease of approximately 47% from RMB64,496 thousand for the last year. Revenue in this business was mainly generated from creative content marketing and commercial advertising video production. Dragged by the budget reductions by some of our clients, the revenue of content creative marketing and commercial advertising video production dipped slightly compared to the same period last year.

Revenue from other integrated communication services amounted to RMB68,853 thousand, representing a year-on-year increase of approximately 43% over RMB48,020 thousand for the last year. Revenue in this business was mainly generated from the commission revenue received from media suppliers where the Group acts as an agent to procure media resources for clients. Affected by the commission settlement cycle of media suppliers, commission revenue of the year increased as compared with the last year.

- (III) Revenue from digital marketing and Internet media amounted to RMB131,216 thousand in aggregate, representing a year-on-year increase of approximately 12% over RMB117,608 thousand for the last year. During the year under review, some of the Group's customers increased the amount of advertisements placed, resulting in a year-on-year increase in digital marketing revenue as compared with the previous year.
- (IV) The investment properties held by the Group are offices on multiple floors located at The Place-SinoMedia Tower, No. 9 Guanghua Road, Chaoyang District, Beijing, PRC, with a total gross floor area of 16,130.64 sq.m. and a land use right of 50 years from 8 August 2007 to 7 August 2057. Revenue from rental amounted to RMB35,296 thousand, representing a year-on-year decrease of approximately 13% from RMB40,360 thousand for the last year. Due to the combined effect of the disposal of certain investment properties in the last year and the decrease in rental prices of existing rental properties, the revenue from this business was lower than that of the same period last year.

OPERATING EXPENSES

For the year ended 31 December 2024, the Group's operating expenses were RMB86,787 thousand in aggregate, representing a year-on-year decrease of approximately 4% from RMB90,336 thousand for the last year, and accounted for approximately 14.2% of the Group's revenue (2023: 11.9%). The Group continuously strengthened and improved the comprehensive budget management for operating expenses, reduced the non-essential expenditures, and actively implemented the measures for cost reduction and efficiency improvement, leading to a decrease in operating expenses as compared with the last year.

Among them:

- (I) Selling and marketing expenses amounted to RMB36,724 thousand, representing a year-on-year decrease of approximately RMB206 thousand from RMB36,930 thousand for the last year, and accounted for approximately 6.0% of the Group's revenue (2023: 4.9%).
- (II) General and administrative expenses amounted to RMB50,063 thousand, representing a year-on-year decrease of approximately RMB3,343 thousand from RMB53,406 thousand for the last year, and accounted for approximately 8.2% of the Group's revenue (2023: 7.0%).

MAJOR INVESTMENTS, ACQUISITIONS AND DISPOSALS

- (I) In January 2024, the Group signed a capital increase agreement with Shenzhen Honghegu Biotechnology Co., Ltd. (深圳市紅禾谷生物科技有限公司) (“**Honghegu**”) to subscribe for a minority stake in Honghegu through capital increase in cash of RMB5,100 thousand. Honghegu is a new consumer company specializing in tomato products, committed to providing consumers with healthy, tasty and portable tomato products. Its business covers the whole industry chain of tomato primary processing, deep processing, and new consumer brand operation. As of 31 December 2024, the transaction procedures had been completed.
- (II) In September 2024, the Group signed a capital increase agreement with Heilongjiang North Latitude 47 Green Organic Food Co., Ltd (“**North Latitude 47**”) to subscribe for a minority stake in North Latitude 47 through capital increase in cash of RMB13,320 thousand. North Latitude 47 is a smart agricultural company that aims to build a full industrial chain, mainly engaged in the production and sales of corn, rice and plant-based deep-processed beverage products. As of 31 December 2024, the transaction procedures had been completed.

LIQUIDITY AND FINANCIAL RESOURCES

The Group had a stable financial position as a whole. As at 31 December 2024, cash and cash equivalents amounted to RMB217,422 thousand (2023: RMB416,005 thousand), of which approximately 85% was denominated in RMB, and 15% in HKD and other currencies. As at 31 December 2024, the Group had bank time deposits with maturity over three months mainly denominated in HKD and USD (equivalent to approximately RMB719,273 thousand in aggregate) (2023: equivalent to approximately RMB505,742 thousand).

During the year, details of the Group’s cash flow status were as follows:

- (I) The net cash inflow from operating activities was RMB66,512 thousand (2023: RMB21,139 thousand), which was mainly because: (1) the balance of trade and bills receivable decreased by approximately RMB20,621 thousand compared with the end of last year; (2) costs paid in advance to media suppliers increased by approximately RMB24,787 thousand compared with the end of last year; (3) costs payable to media suppliers increased by approximately RMB38,434 thousand compared with the end of last year; (4) the balance of advances from customers increased by approximately RMB9,222 thousand compared with the end of last year; and (5) the income tax of approximately RMB41,116 thousand was paid.

- (II) The net cash outflow from investing activities was RMB196,140 thousand (2023: RMB294,330 thousand), which was mainly attributable to: (1) the increase in the time deposits with maturity over three months of approximately RMB213,531 thousand; (2) the payment of equity investments of approximately RMB18,420 thousand; and (3) the bank deposit interest received of RMB35,139 thousand.
- (III) The net cash outflow from financing activities was RMB69,250 thousand (2023: RMB20,432 thousand), which was mainly attributable to the payment of the 2023 final dividend and special dividend of approximately RMB68,308 thousand.

PROFIT AND EQUITY ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

For the year ended 31 December 2024, the profit attributable to equity shareholders of the Company amounted to RMB106,961 thousand, compared with profit attributable to equity shareholders of the Company of RMB96,778 thousand in the previous year.

As at 31 December 2024, the Group's total assets amounted to RMB2,110,338 thousand, which consisted of the equity attributable to equity shareholders of the Company of RMB1,954,884 thousand, and non-controlling interests of RMB-9,891 thousand.

As at 31 December 2024, the Group had no interest-bearing debts, and the gearing ratio of the Group was nil (31 December 2023: nil). The gearing ratio was calculated by dividing the sum of the year-end interest-bearing bank borrowings and other borrowings by the year-end total equity, and multiplying 100%.

As at 31 December 2024, the Group had no material contingent liabilities.

The majority of the Group's turnover, expenses and capital investments were denominated in Renminbi.

HUMAN RESOURCES

As at 31 December 2024, the Group had 194 employees in total, which was flat with that at the beginning of the year. During the year under review, against the backdrop of fluctuating demand in the advertising market, the Group, based on the policy of maintaining the overall stability of the staff team, achieved dynamic balance of the talent team through structural adjustments. On the one hand, the loss-making business establishment was compressed, and on the other hand, the Imaging Technology Development Department was strategically established to expand the number of positions in content marketing, digital marketing and intelligent content generation services. In addition, the Group raised the performance bonus for professional positions in sales and marketing, and implemented dynamic performance-related remuneration policies for all employees, so as to intensify

the relevance of working results to personal income. In terms of staff training, the Group regularly shared cases of cutting-edge imaging technologies both at home and abroad and encouraged its staff to actively explore the integration of new technologies with traditional contents; made an in-depth introduction of the innovative cooperation models of several phenomenal documentary IPs, helping marketers to fully understand the cooperation mechanism and commercial value of large-scale IPs; launched training and sharing on cutting-edge technologies such as artificial intelligence, focusing on the expanding business of digital virtual imaging technology products and services, and encouraged our staff to actively expand their skills to enhance work efficiency and quality. Meanwhile, the Group regularly organized interest and thought sharing events to enable employees increase team cohesion and recognition of the corporate culture through group work and games. In order to align the personal interests of employees with those of shareholders, the Company granted share options to employees under share option schemes. Share options that were granted and remained unexercised as of the end of the year totaled 14,852,000 units.

INDUSTRY AND GROUP OUTLOOK

According to the China Purchasing Managers' Index released by the Service Sector Survey Center of the National Bureau of Statistics and the China Federation of Logistics and Purchasing, in January 2025, the purchasing managers' index for the manufacturing sector stood at 49.1%, a decrease of 1.0 percentage point from the previous month; the business activity index of non-manufacturing sector stood at 50.2%, down 2.0 percentage points from the previous month; the business activity index for the service sector was 50.3%, down 1.7 percentage points from the previous month. Both the manufacturing and non-manufacturing industry sentiment levels fell, indicating greater volatility in production and business activities, a marginal slowdown in the slope of economic recovery, and an unstable economic upturn. (Source: NBS, January 2025) According to the Consumer Price Index released by NBS, the Consumer Price Index rose by 0.5% year on year and 0.7% month on month in January 2025. (Source: NBS, February 2025) The data show that with the implementation of macro policies, business expectations and market demand will improve, and the consumer price index for 2025 is expected to rebound moderately.

Looking forward, geopolitical tensions and escalating international trade frictions are weakening the prospects for global economic recovery. Meanwhile, domestic economic development is still facing internal difficulties and external pressures; structural contradictions in the economy and the transformation of old and new energies have had a complex impact on consumer confidence; and the path of sustained restoration and enhancement of residents' consumption power is still subject to uncertainties.

Facing the uncertainties in the economic outlook and an increasingly competitive environment in the advertising industry, the Group, as a leading integrated media operating group in China, will continue to adhere to its corporate mission and objectives, integrate its strengths, enhance the quality of its services and operational efficiency, and strengthen its core competitiveness in creative communications and branding strategies. In addition, the Group will maintain a prudent and optimistic strategic vision, focusing on insights and capturing changes in consumer demand and technological application innovations, and continue to strengthen its connection with the consumer market, with an aim to expand the diversified growth of its business through stringent cost control and prudent operational management, and provide strong impetus for future value creation and long-term development.

Specifically, in the TV advertising business, the Group will, adhering to the client-oriented product and service strategy, continue to optimize media resources, adopt a flexible marketing strategy to expand customer base and service channels, and enhance the brand value of clients by providing them with one-stop solutions in brand positioning, visual creation, communication strategy, media execution and effect evaluation. In respect to content operation, the Group will, leveraging its experience and capabilities in video content creation and brand communication, further develop the content marketing business centering on video content R&D and production, customize creative videos for clients, and promote the in-depth integration of brand communication and creative content.

In digital marketing and Internet media, the Group will enhance the technical iteration of its intelligent advertising platform, and embrace cutting-edge technologies such as artificial intelligence and big data to respond to the rapid changes in market demand. With the continuous exploitation of quality media resources, the Group will optimize the placement strategy, and enhance the placement effect of customers on the Internet and brand influence by leveraging the advantages of the media resource matrix.

The Group remains cautiously optimistic about the underlying trend of long-term improvement in future development. The Group will further optimize its business structure and strengthen its business resilience to enhance the Group's influence and competitiveness in the industry, and embrace innovation and change in line with market demand and business development trends to provide more high quality services and products to customers. The Group will deepen the deployment in family consumption industry through the synergy of creative communication and brand investment management business, and accelerate the development of brand operation business in the field of FMCG, in order to seize the growth opportunities in the consumer market. The Group will maintain its prudent corporate philosophy, move steadily forward in the complex market environment and continue to create medium and long-term value for its shareholders.

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

During the year ended 31 December 2024, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company listed securities.

CORPORATE GOVERNANCE PRACTICES

During the year ended 31 December 2024, the Company has fully complied with all code provisions of the Corporate Governance Code as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), except for the following deviation:

Under Code Provision F.2.2 of the Code, the chairman of the Board should invite the chairman of the audit, remuneration, nomination and any other committees to attend the annual general meeting. In their absence, the chairman should invite another member of the committee or failing this their duly appointed delegate, to attend. These persons should be available to answer questions at the annual general meeting.

Mr. Qi Daqing, the chairman of the Audit Committee, could not attend the annual general meeting (“**AGM**”) of the Company held on 12 June 2024 due to his other business engagement. However, Mr. Chen Xin, the chairman of the Board, invited the other two members of the Audit Committee, Ms. Ip Hung and Dr. Zhang Hua, to attend the AGM to answer questions raised thereat.

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 C3 to the Listing Rules as its own code of conduct regarding securities transactions of the directors of the Company (the “**Directors**”). Having made specific enquiries, 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 2024.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL INFORMATION

The audit committee was set up by the Board for the purpose of reviewing and providing supervision over the Group’s financial reporting process, risk management system and internal control system. It currently comprises three independent non-executive directors of the Company.

The audit committee has reviewed the consolidated financial statements, the annual results for the year ended 31 December 2024 of the Group and the accounting principles and practices adopted by the Group, together with the management of the Company.

SCOPE OF WORK OF THE COMPANY'S AUDITOR

The figures in respect of the Group's consolidated statement of financial position as at 31 December 2024, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by KPMG in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by KPMG on the preliminary announcement.

ANNUAL GENERAL MEETING

The AGM of the Company will be held on Wednesday, 11 June 2025. Notice of the AGM together with the Company's annual report for the year ended 31 December 2024 will be dispatched to shareholders in due course.

FINAL DIVIDEND AND SPECIAL DIVIDEND

The Board recommended a final dividend of HKD11.00 cents (2023: HKD9.20 cents) per ordinary share and a special dividend of HKD24.00 cents (2023: HKD7.00 cents) per ordinary share for the year ended 31 December 2024 to shareholders whose names appear on the register of members of the Company on Friday, 20 June 2025. The final dividend and the special dividend will be paid in Hong Kong dollars on or about Friday, 11 July 2025 subject to the approval of shareholders at the forthcoming AGM.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 6 June 2025 to Wednesday, 11 June 2025 (both dates inclusive), for the purposes of determining the entitlements of the members of the Company to attend and vote at the AGM. No transfer of shares may be registered during the said period. In order to qualify to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, by no later than 4:30 p.m. on Thursday, 5 June 2025.

The register of members of the Company will also be closed from Wednesday, 18 June 2025 to Friday, 20 June 2025 (both dates inclusive), for the purposes of determining the entitlements of the members of the Company to the proposed final dividend and special dividend upon the passing of the relevant resolution. No transfer of shares may be registered during the said period. In order to qualify for the proposed final dividend and special dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's share registrar, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, by no later than 4:30 p.m. on Tuesday, 17 June 2025.

On behalf of the Board
SinoMedia Holding Limited
CHEN Xin
Chairman

Hong Kong, 31 March 2025

As at the date of this announcement, the Board comprises Mr. Chen Xin, Ms. Liu Jinlan, Mr. Li Zongzhou and Ms. Liu Zhiyi as executive directors, and Mr. Qi Daqing, Ms. Ip Hung, Dr. Tan Henry and Dr. Zhang Hua as independent non-executive directors.