

[For Immediate Release]

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: 623)

2016 ANNUAL RESULTS ANNOUNCEMENT

TOTAL REVENUE REMAINING STABLE

DECREASE IN LOSS

HIGHER PROPORTION OF NEW BUSINESS

OUTSTANDING PERFORMANCE OF DIGITAL MARKETING

Financial Summary

<i>(RMB'000)</i>	For the year ended 31 December		
	2016	2015	Change
Revenue	1,299,289	1,256,871	3%
(Loss)/Profit from operations	(31,051)	172,259	-118%
(Loss)/Profit attributable to equity shareholders of the Company	(27,066)	121,673	-122%

(29 March 2017 — Hong Kong) SinoMedia Holding Limited (“SinoMedia” or the “Company”, together with its subsidiaries, collectively known as the “Group”, stock code: 623), a leading media corporation in China, announces its annual results for the year ended 31 December 2016. Due to the slowdown of the economic growth and the lack of growth drive of the TV advertising market in China, the Group encountered serious challenges during the first half of the year under review. Nonetheless, the Group subsequently adjusted its operating strategy and optimized the allocation of media resources, and eventually maintained a stable scale of operation on the whole and record revenue of RMB1.30 billion for the year, representing a year-on-year increase of 3%. The loss attributable to equity shareholders amounted to RMB27.1 million, representing a decrease as compared with that in the first half of the year. The Group maintained a healthy financial position in general, and as at 31 December 2016, the Group’s cash and bank balances amounted to RMB550 million, with total assets and net assets amounting to RMB1.97 billion and RMB1.52 billion, respectively.

During the year under review, the Group continued to maintain a leading position in the city tourism and communication field in terms of TV media resources management. However, the downturn of the TV advertising industry resulted in a continuous decrease in advertising placements of certain

clients since last year. By increasing marketing efforts, optimizing media strategies and product portfolio and strengthening marketing incentives, the Group's revenue growth rebounded in the second half of the year and amounted to RMB1.12 billion for the year, basically in line with that of last year.

Ever since the listing, the Group has been leveraging on its advantages in professional capability, capital strengths and corporate culture to develop new business in due course, while enhancing TV media resources management. In 2016, the proportion of the revenue from the Group's new business exceeded 10% for the first time, of which, the revenue from integrated communication services amounted to RMB44.8 million, representing a year-on-year growth of 77%; for the creative content production business, the Group explored and developed new clients from new industries while maintaining existing clients, and recorded a year-on-year growth of 207% in revenue. In the meanwhile, the Group established a strategy of developing content production and operations by treating documentary and documentary films as the entry point and by virtue of its status as the exclusive underwriter of all advertising resources of CCTV-9 (Documentary), and set up a content marketing department and enriched and refined the video program department with a view to making influential exploration and construction of the Chinese documentary industry operations.

In 2016, the Group continued to provide support for the benign development of www.wugu.com.cn (吾谷網), www.boosj.com (播視網) and www.lotour.com (樂途旅遊網) to capture opportunities while deepening the market exploration for digital precision marketing and making continuous investment in the technical development of intelligent programming advertising. After one year of improvement and development of SinoMedia iBCP, an intelligent programming advertising placement platform independently developed by the Group, it has surpassed most of the programming procurement platforms in the domestic market in terms of various technologies and functions. During the year under review, SinoMedia iBCP had received high recognition from numerous renowned clients by virtue of its unique advantages of “rational digital technologies + sensible brand services”, and contributed RMB46.9 million to the revenue of the Group.

Looking forward, Mr. Chen Xin, Chairman of the Group, said: “Under the possibility that the whole industry will become stable and generate new attractions in certain areas, the Group will devote to accomplish the established strategies of improving the industry chain layout, enhancing the inter-screen operating capability and developing content industry, and proactively build the sustainable important business segments. As a comprehensive media corporation, SinoMedia was bound to creative production since its inception. With the on-going development, it possesses the resources of content creative production. We will open a new prospect with a strong determination in combination with the features of “closely follow the market and fully connect the demands of users and clients with the integration capability of upstream and downstream of the industry chain” by virtue of the established platform advantages with profession, integrity and standardisation.”

— THE END —

About SinoMedia

SinoMedia was founded in 1999 and listed on the Main Board of the Hong Kong Stock Exchange in 2008. As a leading media corporation in China, SinoMedia has firmly adhered to strategy of focusing on inter-screen communication services centered on videos, and has been continuously enhancing TV advertising business while investing in the development of content operations and rapidly improving the capability in digital precision marketing, so as to meet the market demand for the inter-screen communications among “TV + Computer + Mobile”. The current businesses of the Company cover digital marketing iBCP, Internet media, including www.lotour.com (樂途旅遊網), www.boosj.com (播視網) and www.wugu.com.cn (吾谷網), content production and operations, CCTV media resources management, public service advertising broadcast network and overseas media. These businesses span from domestic to international markets and encompass both traditional and new media platforms. SinoMedia enjoys the marketing advantage in vertical fields of travel destinations and agriculture. It integrates the philosophy and operating system that span the entire media value chain and has provided comprehensive, professional and high-quality brand communication services to over 3,000 clients worldwide.

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