

[For Immediate Release]



2018 INTERIM RESULTS ANNOUNCEMENT

REVENUE AND PROFIT SHOWING A RECOVERY GROWTH

Financial Summary

<i>(Expressed in RMB'000 unless otherwise specified)</i>	For the six months ended 30 June		
	2018	2017	Change
Revenue	819,066	689,058	+19%
Profit from operations	67,898	18,579	+265%
Profit attributable to equity shareholders of the Company	41,882	9,518	+340%
Earnings per share (RMB) — Basic and Diluted	0.082	0.018	+356%

(28 August 2018 — 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 interim results for the six months ended 30 June 2018. For the first half of 2018, the Group record revenue of RMB819 million, representing a year-on-year increase of 19%, by increasing client marketing and professional services, optimizing marketing strategies and further exploring TV advertising business. Meanwhile, the Group improved operation efficiency and the efficiency of operating expenses, thus realizing profit attributable to equity shareholders of RMB42 million, representing a year-on-year increase of 340%.

The revenue recorded from TV media resources management was RMB730 million, representing a year-on-year increase of 28%. During the period under review, the Group exclusively underwrites two additional programs, Di Yi Shi Jian (第一時間) and China Economic Forum (中國經濟大講堂) on CCTV-2 Finance, providing more diversified product portfolios for clients. The Group strengthened the service concept of clients being the core and the result orientation working mechanism, which resulted in a significant increase in the sales rate of advertisement resources for core programs. The Group maintained its leading position in the field of city travel brand communication and conducted a series of targeted media marketing activities, which increased advertising placements of clients from finance and insurance, consumer goods and energy as compared to the same period of last year.

Revenue recorded from integrated communication services and content operations was RMB33 million, down 51% as compared with the same period last year. During the period under review, the Group continued providing brand information, advertising placement, promotion planning, public relation activities, graphic design, shooting and producing and other multi-dimensional services to many brand clients. Meanwhile, the program Predestination with China (中國緣), which co-produced by CCTV and the Group, has been broadcasted in succession on seasonal basis; the Magical Circus (神奇馬戲團), a

Hollywood animation partly invested by the Group, has been released to the public in cinemas; and the post production of two suspense reasoning films, *The Disappearance of Suspects* (消失的嫌疑人) and *The Special Witness* (非常目擊) which were partly invested by the Group, have been completed. However, affected by the production cycle and settlement interval, revenue from this business recorded a decrease compared with the same period last year. Revenue recorded from digital marketing and internet media was totally RMB34 million, representing a year-on-year decrease of 6%, of which, the Group's self-developed intelligent programming advertising placement platform ran stable; boosj.com, wugu.com.cn and lotour.com of the Group continued the intensifying of professionalism in inter-screen precision communication service to improve the operating capacity of internet media.

The Group has sound financial condition and sufficient liquidity. As at 30 June 2018, the Group's cash and bank balances reached RMB570 million, while the total assets and net assets were RMB2.13 billion and RMB1.56 billion respectively.

When mentioning future development, Mr. Chen Xin, Chairman of the Group, expressed that: "the change in the international economic and trading status posted pressure and uncertainties to the business performance of the Group under recovery. In the face of challenges, the Group will strengthen the core competitiveness in creative communication, speed up business development in terms of innovative creation of media content and consumption brand, and by leverage of brand experience and client base accumulated over years, through the creation and investment in IP development and operation, help clients to develop consumer market and improve brand value, so as to enable the value space of the Group to expand to a larger consumption market. Meanwhile, the Group will continue to enhance the efficiency of operation and financial management, with profit and cash flow growth as basic objectives, to seek sustainable and healthy growth among the cyclical opportunities in the market."

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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 upheld firmly the strategy of inter-screen communication services with videos as the core, and has been continuously enhancing TV advertising field while investing in the development of content operations and rapidly improving the capability in digital precision marketing, so as to meet the demands of client market for the communications of "three screens" among TV, Computer and Mobile. The current business of the Group covers digital marketing, internet media, content production and operation, CCTV media resources management and overseas media. Its business extends from domestic market to international market, covering both traditional and new media platforms. SinoMedia enjoys marketing advantages in the vertical fields of travel destinations and agriculture. It adheres to the communication principles and operation systems of spanning the media value chain, and has provided comprehensive, professional and high-quality creative communication services to over 3,000 clients worldwide.

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