

[Instant Announcement]



Announcement of Results in 2020

Optimizing Business Structure for Sustained Growth of Content Marketing

Financial Summary

<i>(RMB' 000, unless otherwise indicated)</i>	For the year ended 31 December		
	2020	2019	Change
Revenue	1,175,947	1,496,813	-21%
Profit from operations	125,385	37,119	238%
Profit attributable to equity shareholders of the Company	87,213	26,403	230%
Earnings per share - Basic and Diluted (RMB)	18.1 RMB cents	5.4 RMB cents	235%
Proposed final dividend per share (HKD)	9.00 HKD cents	2.41 HKD cents	273%

Hong Kong, 29 March 2021 -- SinoMeida Holding Limited ("SinoMeida" or the "Company", collectively the "Group" with its subsidiaries, stock code: 623), a China's leading media operation group, announced its annual results of the year ended 31 December 2020. 2020, affected by the COVID-19 epidemic outbreak, saw the advertising market hard hit with a drop in advertisement placement intentions. The advertising expenses in the whole media were on the constant decline, representing a decrease of 34.8% year on year by February 2020 and 0.8% by December 2020. The total replacement throughout the year, despite the narrowing drop, recorded a big drop from the previous year, according to CTR Media Intelligence.

Confronting the industrial recession and market challenges by the epidemic, the Group took rapid action by optimizing the business structure and controlling the business costs and operating expenses, which maintained the financial stability. Furthermore, the Group focused on the existing strengths and core competitiveness and tapped into the client market using innovative marketing strategies and media product mix. This would help the Group move forward in the strategic direction with inter-screen creative communication as the core and offer clients premium creative products and communication services.

For the year ended 31 December 2020, the Group recorded revenue of approximately RMB1.18 billion, representing a decrease of 21% year on year. Of which, the revenue of the Group's TV media resources operation was RMB940 million, representing a decrease of 25% year on year. Affected by the epidemic, the TV advertising market was constantly weak, and some advertisers took a more prudent attitude to the TV advertising placement. Travel clients' advertising placement decreased sharply compared with the same period of last year. As a result, the Group's core advertising resource revenue declined compared with last year. Facing the pressure, the Group will continue optimizing

media resource structure and make the insight research of all sectors to secure opportunities for developing new clients.

Content operations and other integration communication services recorded revenue of RMB100 million, representing a 6% year-on-year increase. Of which, the content operation recorded revenue of RMB31.4 million, representing an increase of approximately 26%, and other integrated communication services record revenue of RMB68.6 million, basically equal year on year. The Group enhanced the creative brand communication service capacities in the living consumption market and offered diversified creative content services, which saw a significant increase compared with the same period of last year using live streaming interactions, video clips, content imbedding, program planning, animation development, and promotional campaigns and other forms. In the year, Chinese Youth Talk Show (中国少年说), a large talk show designed to share youth's ideas, was broadcast on CCTV-14 (Children's Channel), with remarkable audience effect and attentions from all walks of life. The first season was designed with 10 episodes, each of which is 60 minutes. The Group participated in the planning and production and co-presented the program with the Sports and Youth Program Center of China Media Group.

The digital marketing and Internet recorded revenue totaling RMB78.3 million, representing a decrease of 20% year on year. Despite the decline in the digital marketing business resulting from the epidemic, the Group followed the development trend of internet media by tapping into quality media resources, upgrading and updating its self-developed intelligent programming advertising placement platform iBCP to enhance clients' placing effect and brand influence on the Internet by optimizing the marketing efficiency of the advertising placement using big data. www.boosj.com (播视网) of the Group, concentrating on the core demand of family life, developed two major content series of the healthy life of the middle-aged and elderly and parent-child talent training. By means of precise content distribution, socializing users' interactions, and online and offline combination, www.boosj.com offered interactive platforms and channels linking products and services to family users and enterprise clients.

The Group, despite a decrease in the operating revenue, put the business costs and operating expenses under control. Furthermore, the Group recorded a significant increase compared with last year in the profit of the year thanks to the revenue from the equity security by selling strategic investments at an earlier date and positive impact on profits from the change in the fair value of the security. As of 31 December 2020, the Group's balance of cash and deposits was approximately RMB790 million, with the total assets and net assets amounting to RMB2.07 billion and RMB1.62 billion, respectively.

“As a leading integrated media operation group in China, we are committed to our mission and vision by moving forward in the strategic direction with inter-screen creative communication as the core with the aim of enhancing the value of clients' brands. We are convinced that, despite the changing market or the media, content creativity and brand strategy will remain the core competitiveness to empower and increase value for our partners. Confronting the severe market environment and the economic recovery full of uncertainties, the Group will develop the client market by seizing development opportunities in all sectors. Meanwhile, the Group will also accelerate the expansion of brand investment management in the consumption field by focusing on the industry chain of parent-kid family consumption and continuing the R&D and operation IP

accumulation to accelerate the optimization of the Group's business structure, laying a solid foundation for the long-term development," said the Group's Chairman Mr. Chen Xin when it comes to future development.

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About SinoMedia

Founded in 1999, SinoMedia was listed on the main board of the Stock Exchange of Hong Kong in 2008. As a leading integrated media operation group in China, SinoMedia, with creative video communication as the core capacity, has been committed to cross-media investment and operation to meet the demand of the client market for the TV-Internet+Mobile Internet inter-screen communication. The Group, currently covering such business segments as CCTV advertisement agency operation, brand advertisement creativity planning, investment and making of documentary film and television programs, and precise Internet marketing, is the pioneer and leader for years in the China urban image and travel brand creative communication and among the leaders of brand advertisement service in such sectors as financial insurance, auto, and consumer goods and other industries. Over the past two decades, SinoMedia has offered all-round and professional creative communication services to a total of over 3,000 clients at home and abroad.

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