

[For Immediate Release]



## 2024 INTERIM RESULTS ANNOUNCEMENT

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### Market Fluctuations Weaken Demand, Business Structure is Ongoing

#### *Financial Highlights*

<i>(All amounts are denominated in thousands of RMB, unless otherwise specified)</i>	For the six months ended 30 June		
	2024	2023	YoY
Income	<b>333,120</b>	373,097	-11%
Gross profit	<b>70,523</b>	41,109	+72%
Profit attributable to equity shareholders of the Company	<b>29,879</b>	42,470	-30%
Earnings per share - Basic and diluted (RMB)	<b>RMB0.065</b>	RMB0.092	-29%

(26 August 2024 - Hong Kong) SinoMedia Holding Limited (“SinoMedia” or the “Company”, and together with its affiliates, the “Group”, stock code: 00623) announced its interim results for the six months ended 30 June 2024.

In the first half of 2024, escalating global trade frictions made the economic recovery more unpredictable, fuelled by the persistent adjustment of the Chinese real estate market undermining consumer demand, left weaker market expectations and insufficient effective demand. According to the market research report published by CTR Media Intelligence, the TV advertising spending had a year-on-year decline of 3.4% in the first half of 2024, of which, a 9.2% decline in June year on year. During the period under review, the Group continued to seek flexible practices and innovations to steadfastly push forward the development of its brand marketing capabilities with inter-screen creative communication services at its core by optimizing its business structure and stepping up sales and promotion efforts for new consumer trends and patterns to overcome market pressures.

During the period under review, the Group realized the revenue of RMB180 million, down 16% year on year, from the operation of TV media resources. Leveraging on its strengths and rich experience in TV communication, the Group refreshed its efforts in optimizing its marketing strategies and media product portfolio to enhance its service capabilities for more new customers. Eclipsed by the weaker-than-expected consumer demand, however, the overall advertising market is persistently unpredictable, suffering a significant drop in placement amount by clients in the maternal and child products, construction materials, furniture and electrical appliances categories as compared to the same period last year.

Revenue from content operations and other integrated communication services amounted to RMB43.7 million, representing a year-on-year decrease of 17%. During the period under review, staying focused on the market demand of family consumption, we offered tailor-made creative video content to our clients. We helped clients realize their brand integration communication value through live interaction, short

videos, content placement, program planning, animation development, promotional activities and other forms of creative content communication. Dragged by the budget reductions by some of our clients, the revenue of creative content marketing and commercial advertising video production dipped slightly compared to the same period last year.

Revenue from digital marketing and Internet media amounted to RMB95.6 million in aggregate, representing a year-on-year increase of 10%. Thanks to its edge in the Internet media resource matrix, the Group integrates quality traffic, optimizes its placement strategy and strengthens its Internet integration service capability to offer clients customized one-stop digital marketing solutions. The intelligent programming advertising platform independently developed by the Group operated well, and high-quality clients increased the placement amount of advertising during the period under review, resulting in a year-on-year growth in digital marketing revenue.

Profits attributable to equity shareholders of the Company for the first half of 2024 amounted to RMB29.9 million, as compared to a profit attributable to equity shareholders of the Company of RMB42.5 million for the same period last year due to a one-off gain of RMB68.2 million on disposal of properties. As of 30 June 2024, the Group maintained an overall prudent financial position, held a cash and bank deposit balance of RMB1.02 billion, and recorded total assets and net assets of RMB1.99 billion and RMB1.64 billion respectively.

For the future development, “embracing the current challenging market, as a leading integrated media operating group in China, the Group will focus on insights into and capturing the changing consumer demand to strengthen its connection with the consumer market for its better core competitiveness in creative communications and branding strategies, aiming to address the complex and volatile economic environment and business pressure with its experience accumulated over the past two decades,” says Mr. Chen Xin, Chairman of the Company. Specifically, the Group will, adhering to the client-oriented product and service strategy, continue optimizing media resources, 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. The Group will, leveraging on 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 and promote the in-depth integration of brand communication and creative content. The Group, exploring quality media resources, will enhance the technical iteration of its intelligent programming advertising platform and the placement effect of clients on the Internet and brand influence thanks to its professional capacity in precise communication. Furthermore, the Group will further optimize its business structure. Through the synergy of creative communication and brand investment management business, the Group will deepen the deployment in the family consumption industry, and the Group is also committed to creating long-term returns for our shareholders by enhancing its operational resilience through prudent financial management and striving to minimize the impact of market volatility.”

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### Profile of SinoMedia

SinoMedia was founded in 1999 and listed on the main board of the Hong Kong Stock Exchange in 2008. As a leading media operation group in China, SinoMedia focuses on conducting cross-media investment and operation with creative video communication as its core capability, so as to meet the demands of

client market for the communications of cross-screen among television + Internet + mobile Internet. The Group currently owns business sections including CCTV advertising agency business, brand advertising creative planning, film and television program investment and production, Internet precision marketing and other business segments. SinoMedia is an early pioneer in China's city image and tourism brand creative communication field and has remained a leader in the field for years. It is also one of the leaders in brand advertising services for industries such as finance and insurance, automobiles and consumer goods. Over the past twenty years, SinoMedia has provided comprehensive and professional creative communication services for more than 3,000 clients in total at home and abroad.

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