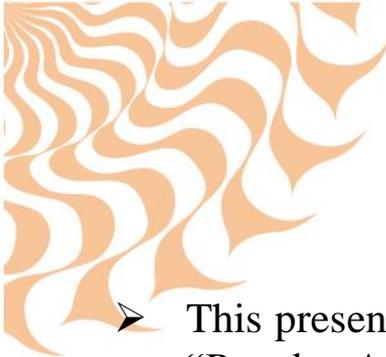


SinoMedia Holding Limited

Stock Code: 623

2012 Annual Results

20 March 2013



Confidentiality & Disclaimer

- This presentation incorporates information contained in the annual results announcement (the “Results Announcement”) for the year ended 31 December 2012 of SinoMedia Holding Limited (the “Company”). This presentation should be read in conjunction with the Results Announcement and is qualified in its entirety by the more detailed information and financial information contained in the Results Announcement.
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Agenda

About SinoMedia

Business Review

Financial Review

Outlook

Appendix



About SinoMedia

Company Profile

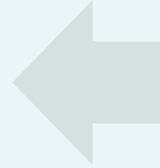
Stable
Dividend
Payout

40%



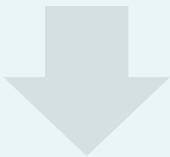
Net Profit
4- year CAGR

26%



Strong
Cash Position of

RMB **1.4 billion***



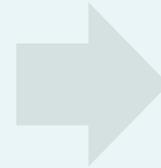
**A leading media corporation
with businesses spanning the
entire media value chain**



Market Cap
HK\$ 2.1 billion*



Stock Code
623.hk



Director Unit
of
China 4A

* As at 31 December 2012



Key Highlights

1

Net profit increased by 27% amid fluctuating economy and industry

2

Core businesses further expanded the market share

3

**Integrated brand communication services delivered impressive result;
turnover up 45% yoy**

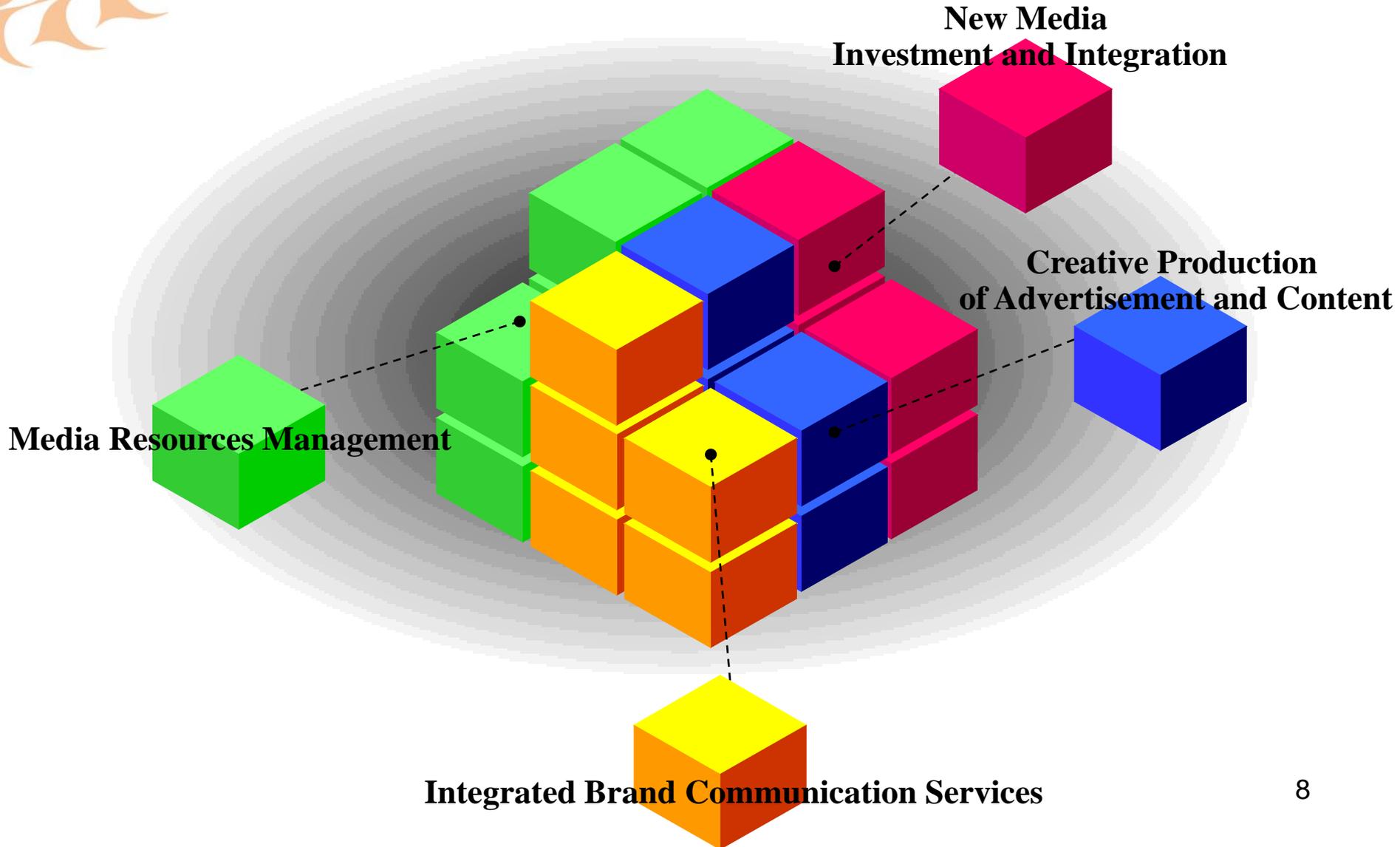
4

**Investments on wugu.com.cn, boosj.com, and Super Channel ;
“Three Screens” strategic layout preliminarily completed**



Business Review

Business Segments





Media Resources Management ('MRM')



CTV 中视金桥®

- Competitive sales efforts
- Diversified media product portfolios
- Active promotion and strong marketing initiatives

Clients

Multinational Companies	Domestic Companies
	

Working with CCTV to underwrite exclusive media resources

Marketing and packing of the media resources for multiple products

Selling the specific resources products to various advertisers



MRM - Underwritten Media Resources in 2012

The Group had approximately 39,718 minutes of advertising time resources on a total of 50 programs in 5 channels.

CCTV-1 (General)



“Night News”

“News 30”

CCTV-4 (Chinese International, including Europe and US)



“Across the Strait”

“China News Package”

“Exposition of Chinese Culture Relics”

“China Showbiz” & two time slots packages

CCTV-5 (Sports)



“Weather Forecast” during “Sports News”

CCTV-7 (Military and Agriculture)



“Zhi Fu Jing”

“Focus on the Three Agricultural Issues”

“Daily Agricultural News”

“The Rural World” & other time slots

CCTV-NEWS (English News)



All programs on CCTV-NEWS

Integrated Brand Communication Services

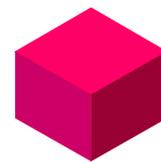


The Group's recent development focus

By consolidating brand communication needs, the Group offers its clients various services including brand positioning and planning, market research and consultancy, media strategy and research, media procurement and placement, planning and execution of public relations, and placement monitoring and evaluation, covering the resources on TV, the Internet and mobile Internet, radio, print and outdoor media.



Creative Production of Advertisement and Content

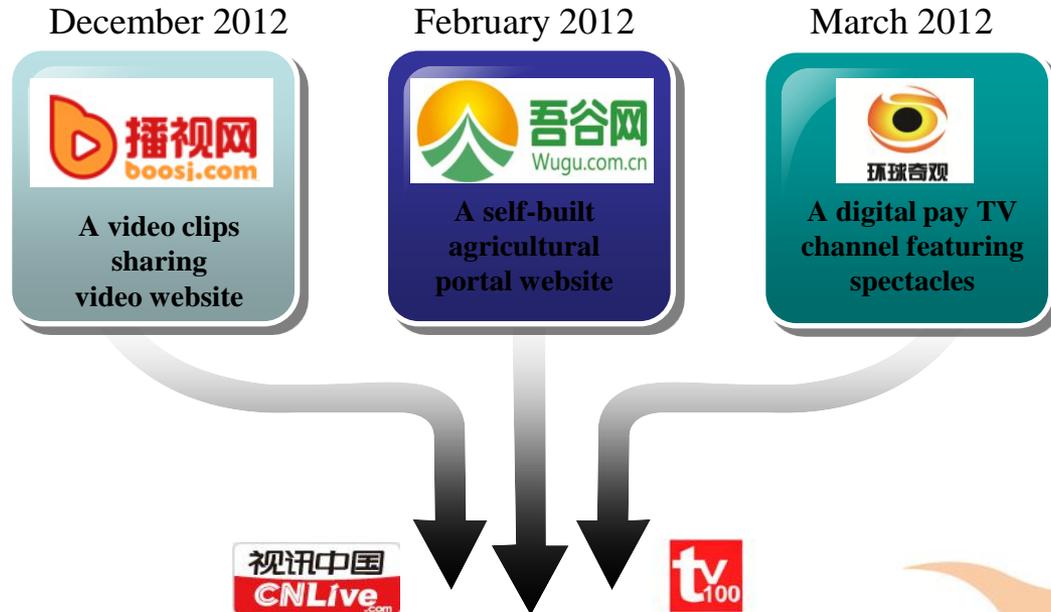


A professional team
gained widespread
recognition and awards

Collaboration with CCTV
for the goal of becoming a
'communication expert in
public service brands'



New Media Investment and Integration



The three newly invested projects, completed the Group's 'three screens' layout, and together with the projects of CNLive & 100TV, constituted a key framework for the Group's "TV+Internet+mobile" development strategy for the upstream media business.



Financial Review

Financial Summary

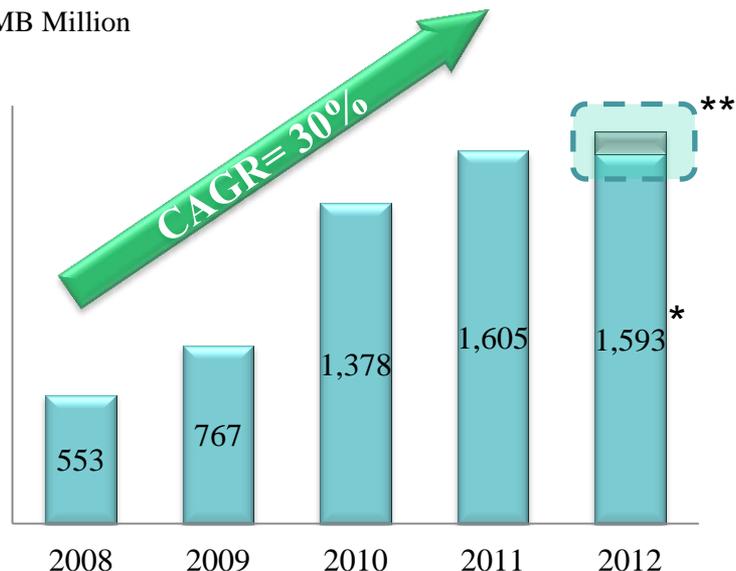
For the year ended 31 December

<i>(RMB '000)</i>	2012	2011	Change
Revenue	1,642,113	1,617,800	+2%
Gross profit	570,717	501,180	+14%
<i>Gross profit margin (%)</i>	35%	31%	+4pts.
Profit from operations	419,672	352,292	+19%
Profit attributable to equity shareholders of the Company	302,591	238,945	+27%
<i>Net profit margin (%)</i>	18%	15%	+3pts.
Basic earnings per share (RMB)	0.544	0.424	+28%

MRM – moderate increase yoy – with rebound in 2H

Revenue

RMB Million



*Revenue subject to VAT rather sales tax since 2012.

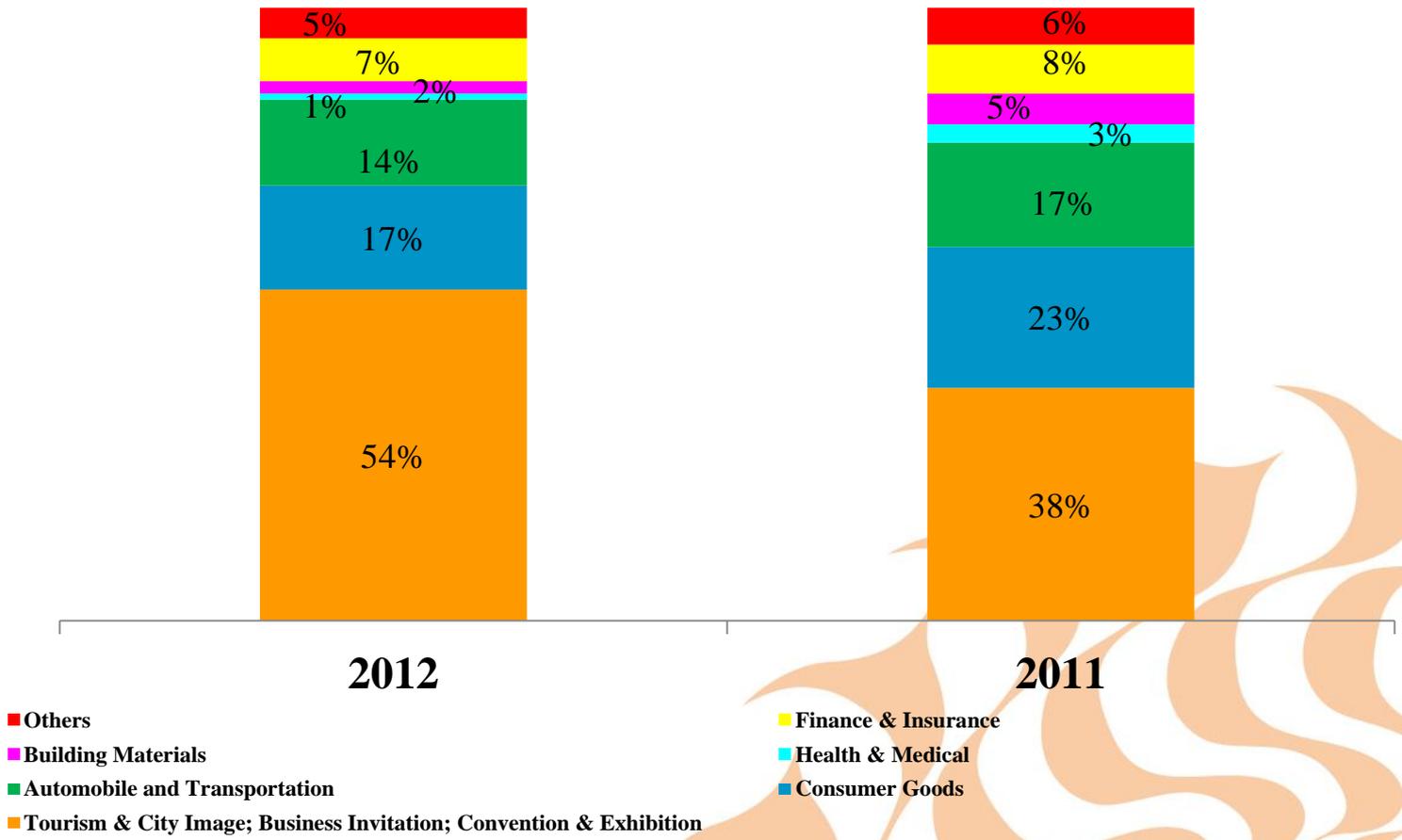
**Revenue in 2012 including VAT would have been about RMB1,689 Million.

Core CCTV TV programmes Ad Time

	2012	2011
Minutes Acquired	9,057	7,755
Minutes Sold	6,904	5,892

MRM – diversified client base

Composition of Clients



Integrated Brand Communication Services

For the year ended 31 December

(RMB '000)	2012	2011	Change
Turnover *	1,232,114	849,943	45%
Revenue * (after netting off procurement cost under IFRS)	39,276	18,613	111%

* Before deduction of sales taxes and surcharges

The Group increased promotion efforts and resource allocation to this business, as well as enhanced its professional service capabilities, thus acquired more corporate clients.

Creative Production of Advertisement and Content

For the year ended 31 December

(RMB '000)	2012	2011	Change
Creative production for commercial advertisement			
Nationwide public service advertising broadcast network	35,706	39,255	-9%

- The commercial advertisement production segment continued to develop and recorded an increase in revenue.
- The nationwide public service advertising broadcast network was affected by sluggish market. Optimistic about future performance with the gradual improvement in market conditions and growing demand from clients.

Costs under Control

For the year ended 31 December

<i>(RMB '000)</i>	2012	2011
Total operating expenses as a % of revenue	10.8%	9.7%
Selling & marketing expenses (RMB'000)	68,216	66,778
<i>As a % of revenue</i>	4.2%	4.1%
General & administrative expenses (RMB'000)	108,459	89,348
<i>As a % of revenue</i>	6.6%	5.5%
Included in cost of services, S&M expenses, and G&A expenses:	2012	2011
- Operating lease charges	10,119	6,514
- Staff costs	78,383	60,224
- Impairment losses	20,801	18,136

Strong Balance Sheet

At 31 December

(RMB '000)

	2012	2011
Cash and cash equivalents	1,442,752	913,179
Trade debtors & bills receivable (net of impairment)	108,850	93,737
Current assets	1,911,697	1,479,218
Total assets	2,839,156	1,851,158
Current liabilities	1,593,014	811,679
Net assets	1,233,700	1,025,234

Trade Debtors and Bills Receivable Maintained at Low Level

(RMB '000)

	2012	2011
Neither past due nor impaired	84,391	69,816
Less than 6 months past due	24,212	23,137
More than 6 months but less than 12 months past due	247	784
Trade debtors and bills receivable (net of impairment losses)	108,850	93,737
<i>Turnover days</i>	23	19
Impairment loss on trade debtors	6,921	(816)

Healthy Cash Flow

For the year ended 31 December

(RMB '000)

	2012	2011
Net cash generated from operating activities	1,197,847	526,983
Net cash used in investing activities	(567,611)	(319,014)
Net cash used in financing activities	(101,390)	(84,912)
Net increase in cash and cash equivalents	528,846	123,057
Cash and cash equivalents at 1 January	913,179	795,791
Effect of exchange rate changes	727	(5,669)
Cash and cash equivalents at 31 December	1,442,752	913,179



Outlook

Industry & Group Outlook

Industry

- The '12th Five-Year development plan for the advertising industry' will give extended support the media advertising industry
- Opportunities arise from industry consolidation and the swift change in the media industry

The Group

- Deeply plow the current customer base, expand clientele, maintain its market share and highlight its competitive advantages for MRM business
- Provide all-round media communication services and achieve breakthroughs in the brand management consultancy
- Develop the various acquired media platforms and build up interaction and linkage among them, to form a new bolster for the Group.

Opportunities & Challenges

CTV 中視金橋



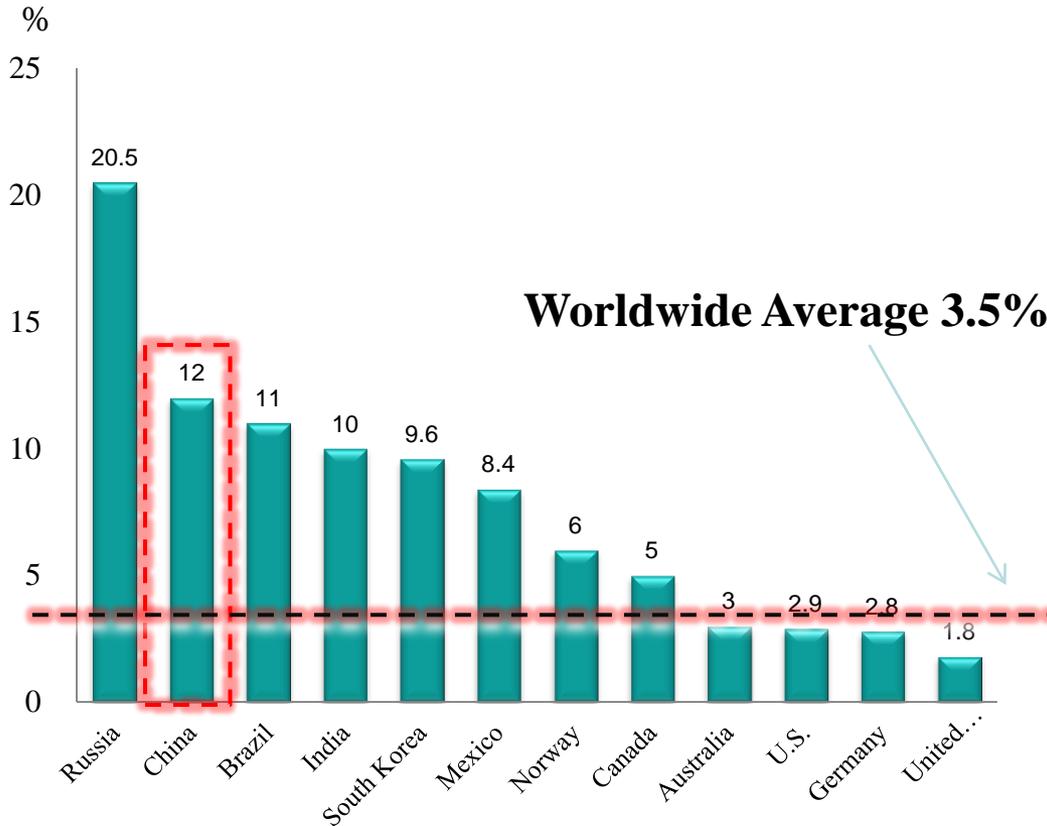
Open Forum



Appendix

Global Advertising Market

Total Media Ad Spending Growth Worldwide 2012



Source: eMarket, Dec 2012

Total media Ad spending in Asia-Pacific, 2011-2016

Total Media Ad Spending in Asia-Pacific, by Country, 2011-2016

billions

	2011	2012	2013	2014	2015	2016
Japan	\$45.87	\$47.25	\$48.19	\$49.54	\$50.89	\$51.53
China*	\$37.67	\$42.57	\$47.68	\$52.92	\$58.22	\$64.04
Australia	\$11.41	\$11.78	\$12.14	\$12.48	\$12.81	\$13.12
South Korea	\$8.90	\$9.35	\$9.71	\$10.02	\$10.27	\$10.52
Indonesia	\$5.49	\$6.20	\$6.95	\$7.99	\$8.79	\$9.58
India	\$5.40	\$5.88	\$6.35	\$6.89	\$7.48	\$8.08
Other	\$19.77	\$22.92	\$26.45	\$28.96	\$31.34	\$34.08

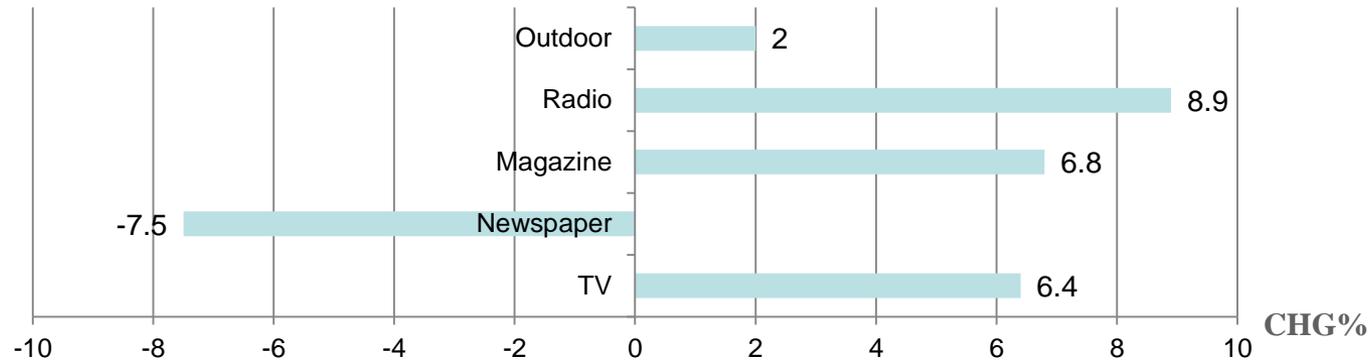
Asia-Pacific \$134.51 \$145.94 \$157.47 \$168.81 \$179.79 \$190.93

Note: includes digital (online and mobile), directories, magazines, newspapers, outdoor, radio and TV; numbers may not add up to total due to rounding; *excludes Hong Kong
Source: eMarketer, Dec 2012

China is the 2nd largest advertising market regionally in 2012, and is expected to be the 1st in 2014.

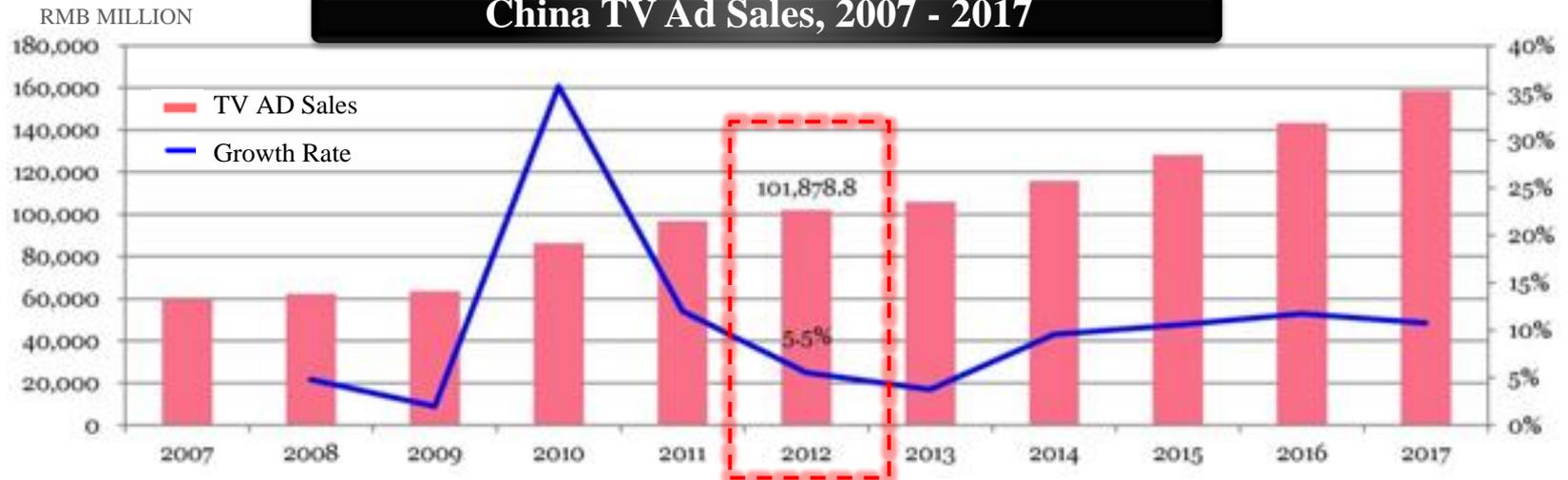
TV Remains the Rising Beat

China Ad Spending 2012



Source: CTR China, Jan 2013

China TV Ad Sales, 2007 - 2017

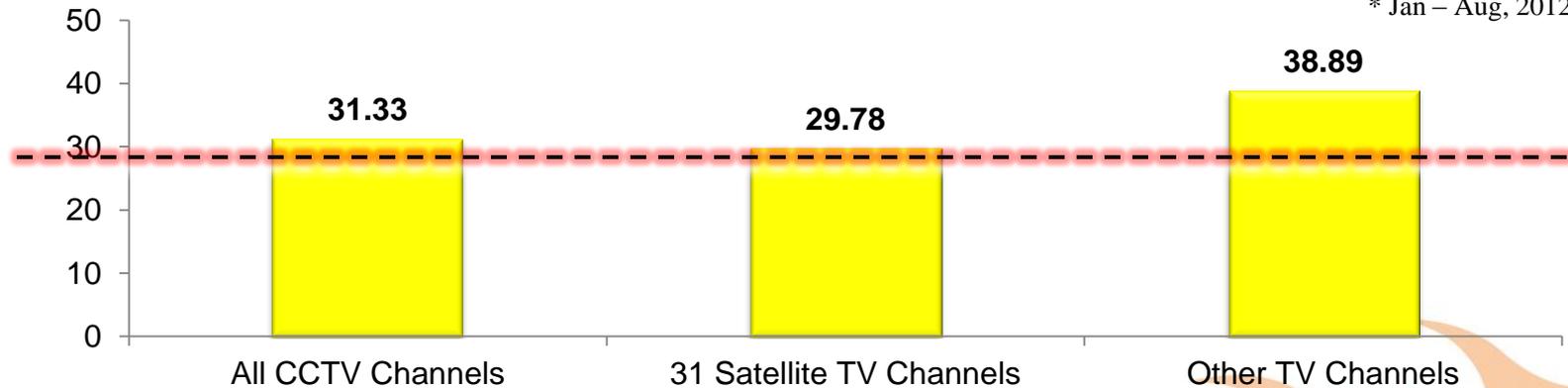


Source: Magna Global, Feb 2013

CCTV – The Powerhouse in China

Audience share % of each channel groups in comparison of CCTV and others 2012*

* Jan – Aug, 2012



Source: GSM 2012