

# SinoMedia®

中視金橋國際傳媒控股有限公司  
SinoMedia Holding Limited



## 2016 Annual Results

29 March 2016

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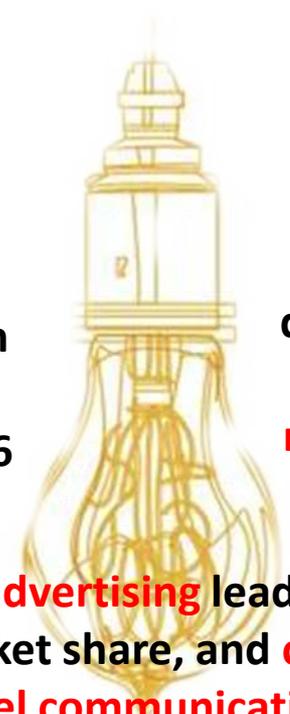
Outlook



# Keynotes in FY2016



Maintained **overall stability** of operation scale under heavy pressure in year 2016



**TV advertising** led market share, and **city travel communication** enjoys superiority



**Creative production** delivered remarkable performance and **revenue doubled** yoy



SinoMedia **iBCP** contributed as **new source of revenue** since its debut late 2015

# Business Review

Overview of business segments

TV media resources management (MRM)

Integrated communication services (ICS)

Content operations

Digital marketing (iBCP)

Internet media

# Overview of business segments

## TV advertising & Content operations

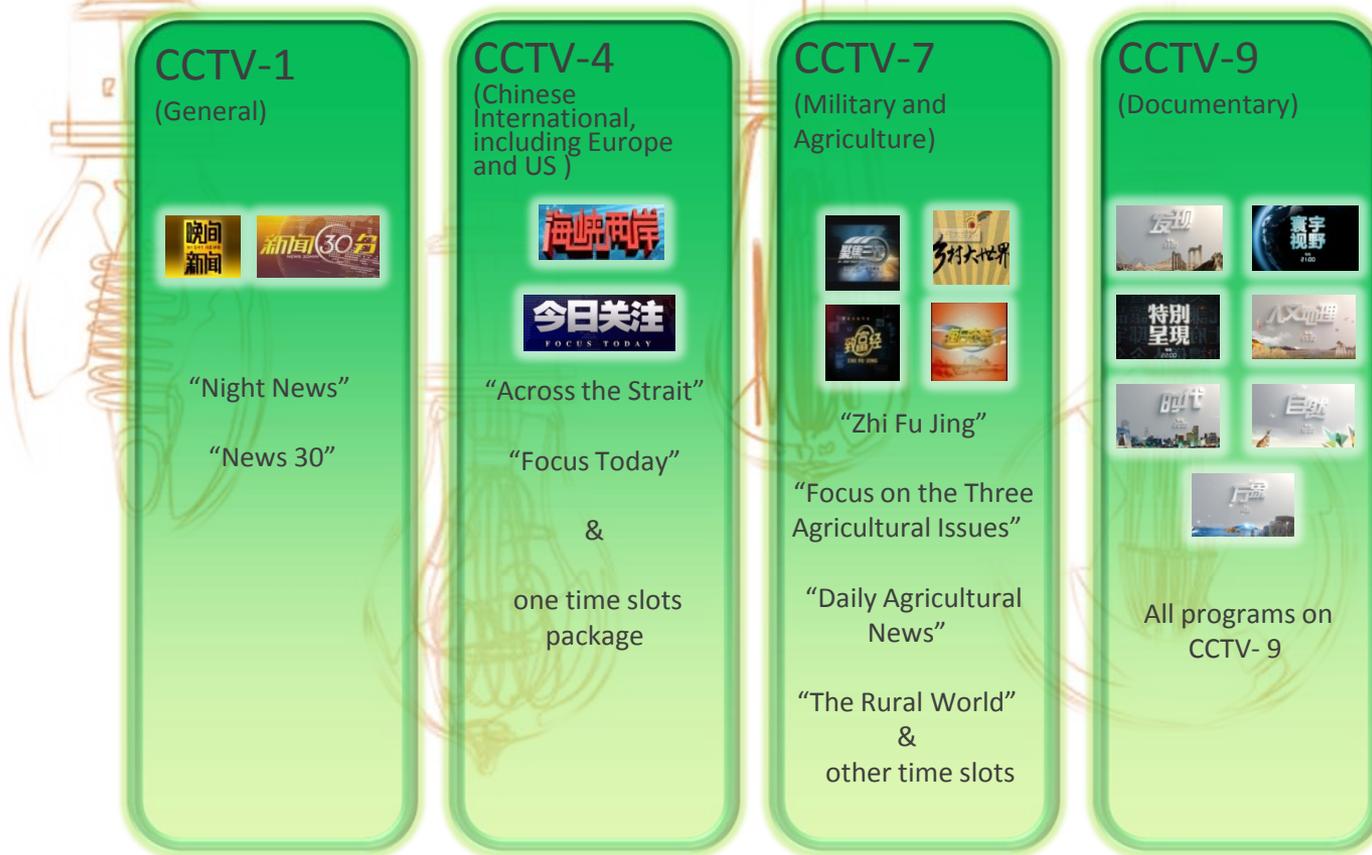
- I. TV media resources management (MRM)
- II. Integrated communication services (ICS)
- III. Content operations

## Digital marketing & Internet media

- I. Digital marketing 
- II. Internet media



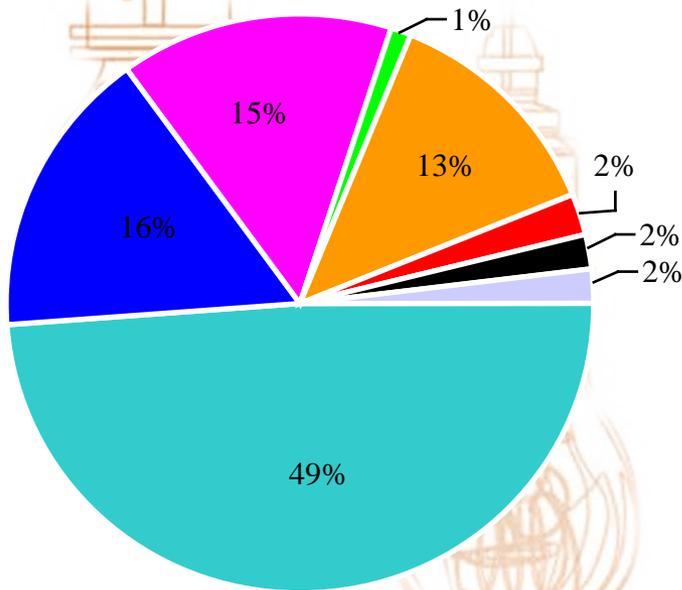
# TV media resources management (MRM)



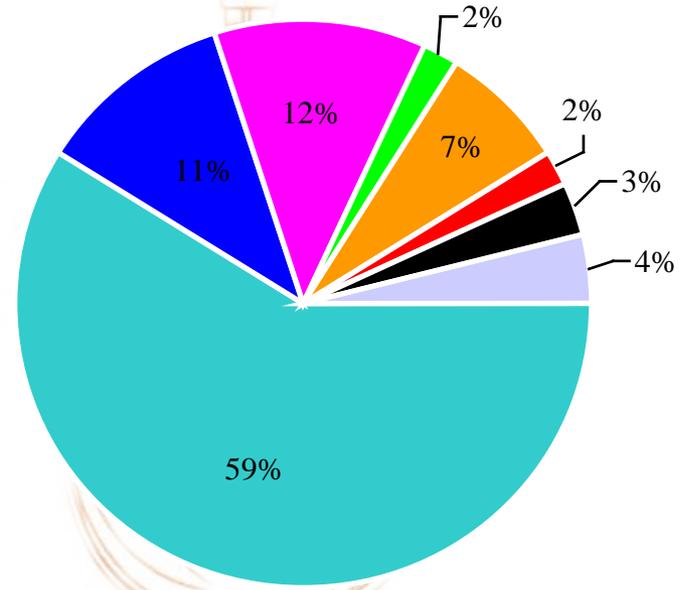
Exclusively underwritten **11,155** minutes of advertising time in **CCTV-1, 4, 7** and **all ad resources of CCTV-9**.

# MRM clientele

2016



2015



Tourism & City Image

Health & Medical

Energy & Refinery

Consumer Goods

Real Estate & Building Materials

Others

Automobile & Transportation

Finance & Insurance

# Integrated communication services (ICS)



# Content operations



**Creative production  
of commercial ads**



**Documentary  
operation**



**SinoMedia  
PSA platform**

# Digital marketing

**iBCP**™

**Rational digital technology  
& sensible brand service**

**20 million  
user data  
recorded**

**6 million  
users  
interacted**

**360 million  
view  
accumulated**

# Internet media



Strived to explore  
and lead China's  
agricultural  
branding  
communication



Generated original  
contents and  
exclusive feature  
contents, 70%  
increase of traffic



Highlighted PGC  
content from  
professional travelers

# Financial Review

Financial summary

Segment revenue

Strict cost control

Healthy balance sheet

Trade debtors in control

Cash flows

# Financial summary

For the year ended 31 December

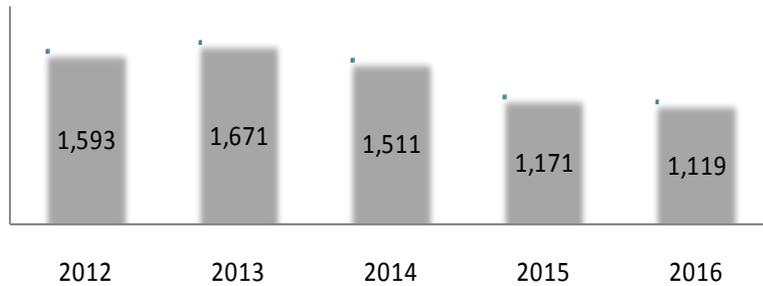
(RMB '000)

|  | 2016      | 2015      | Change |
|--|-----------|-----------|--------|
| Revenue  | 1,299,289 | 1,256,871 | 3%     |
| Gross profit                                       | 120,236   | 301,580   | -60%   |
| Gross profit margin (%)                            | 9%        | 24%       | -15pts |
| (Loss)/ profit from operations                     | (31,051)  | 172,259   | -118%  |
| (Loss)/ Profit attributable to equity shareholders | (27,066)  | 121,673   | -122%  |
| Basic (losses)/ earnings per share(RMB)            | (0.05)    | 0.220     | -123%  |

# Segment revenue - MRM

Revenue

RMB Million



Core TV programmes ad time

|                  | 2016  | 2015  |
|------------------|-------|-------|
| Minutes Acquired | 3,066 | 2,933 |
| Minutes Sold     | 1,753 | 1,710 |

# Segment revenue – ICS

For the year ended 31 December

| (RMB '000)   | 2016             | 2015             | Change      |
|--|------------------|------------------|-------------|
| <b>Turnover</b>  | <b>1,090,037</b> | <b>1,057,576</b> | <b>+3%</b>  |
| <b>Revenue</b><br><i>(after netting off procurement cost under IFRS)</i> | <b>44,797</b>    | <b>25,274</b>    | <b>+77%</b> |

# Segment revenue – Content operations

For the year ended 31 December

| (RMB '000)         | 2016   | 2015   | Change |
|--------------------|--------|--------|--------|
| Content operations | 37,609 | 12,236 | +207%  |

# Segment revenue

## – Digital marketing & Internet media

For the year ended 31 December

| (RMB '000)        | 2016   | 2015   | Change |
|-------------------|--------|--------|--------|
| Digital marketing | 46,870 | -      | 100%   |
| Internet media    | 17,158 | 16,833 | +2%    |

# Segment revenue – Rental income

For the year ended 31 December

| (RMB '000)    | 2016   | 2015   | Change |
|---------------|--------|--------|--------|
| Rental income | 46,565 | 51,218 | -9%    |

# Strict cost control

For the year ended 31 December

| (RMB '000)  | 2016           | 2015           |
|---|----------------|----------------|
| <b>Total operating expenses as a % of revenue</b> | <b>14.2%</b>   | <b>11.7%</b>   |
| <b>Selling &amp; marketing expenses</b>           | <b>57,638</b>  | <b>44,071</b>  |
| <i>as a % of revenue</i>                          | <i>4.5%</i>    | <i>3.5%</i>    |
| <b>General &amp; administrative expenses</b>      | <b>126,337</b> | <b>103,436</b> |
| <i>as a % of revenue</i>                          | <i>9.7%</i>    | <i>8.2%</i>    |
| <b>Included in Cost &amp; Expenses:</b>           | <b>2016</b>    | <b>2015</b>    |
| - Depreciation & Amortisation                     | 31,266         | 33,265         |
| - Impairment losses on assets & goodwill          | 23,283         | 7,009          |

# Healthy balance sheet

(RMB '000)

At 31 December

2016

2015

|                                   |           |           |
|-----------------------------------|-----------|-----------|
| Cash and cash equivalents         | 552,531   | 418,098   |
| Trade debtors (net of impairment) | 117,423   | 98,033    |
| Current assets                    | 1,087,262 | 989,596   |
| Total assets                      | 1,973,937 | 1,929,821 |
| Current liabilities               | 454,231   | 305,679   |
| Net assets                        | 1,519,706 | 1,624,142 |

# Trade debtors in control

(RMB '000)

At 31 December

2016

2015

Neither past due nor impaired

70,790

63,007

Less than 6 months past due

27,597

18,860

More than 6 months but  
less than 12 months past due

10,986

6,139

More than 12 months past due

8,050

10,027

Trade debtors and bills receivable  
(net of impairment losses)

117,423

98,033

Turnover days

30

27

# Cash flows

For the year ended 31 December

(RMB '000)

|   | 2016    | 2015      |
|---|---------|-----------|
| Net cash generated from/ (used in) operating activities | 75,839  | (223,032) |
| Net cash generated from investing activities            | 17,544  | 160,509   |
| Net cash generated from/ (used in) financing activities | 38,075  | (318,208) |
| Net change in cash and cash equivalents                 | 131,458 | (380,731) |
| Cash and cash equivalents at 1 January                  | 418,098 | 801,773   |
| Effect of exchange rate changes                         | 2,975   | (2,944)   |
| Cash and cash equivalents at 31 December                | 552,531 | 418,098   |

# Outlook

- I. As the 2nd largest ad market in the world, China's total ad spend is to continually increase
- II. SinoMedia is to accomplish the established strategies of developing content industry and inter-screen operation
- III. Further optimise media resources of MRM and be client-oriented
- IV. Expand the Group's content marketing operation along with CCTV9, commit to be a leading documentary provider and operator
- V. Accelerate the buildup of DMP database and speed up the growth of digital marketing