

SinoMedia

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



2017 Annual Results

27 March 2018

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Content

Keynotes in FY2017

Business Review

Financial Review

Outlook



Keynotes in FY2017

- Turnaround from **loss to profit** in 2017
- **Revenue increased by 13%** year-on-year to RMB1.47 billion
- **Leading** market share of **TV advertising, city travel** communication enjoys superiority
- Develop **content operations** by focusing on **documentary** films



Business Review

Overview of business segments

TV media resources management (MRM)

Integrated communication services (ICS)

Content operations

Digital marketing

Internet media



Overview of business segments

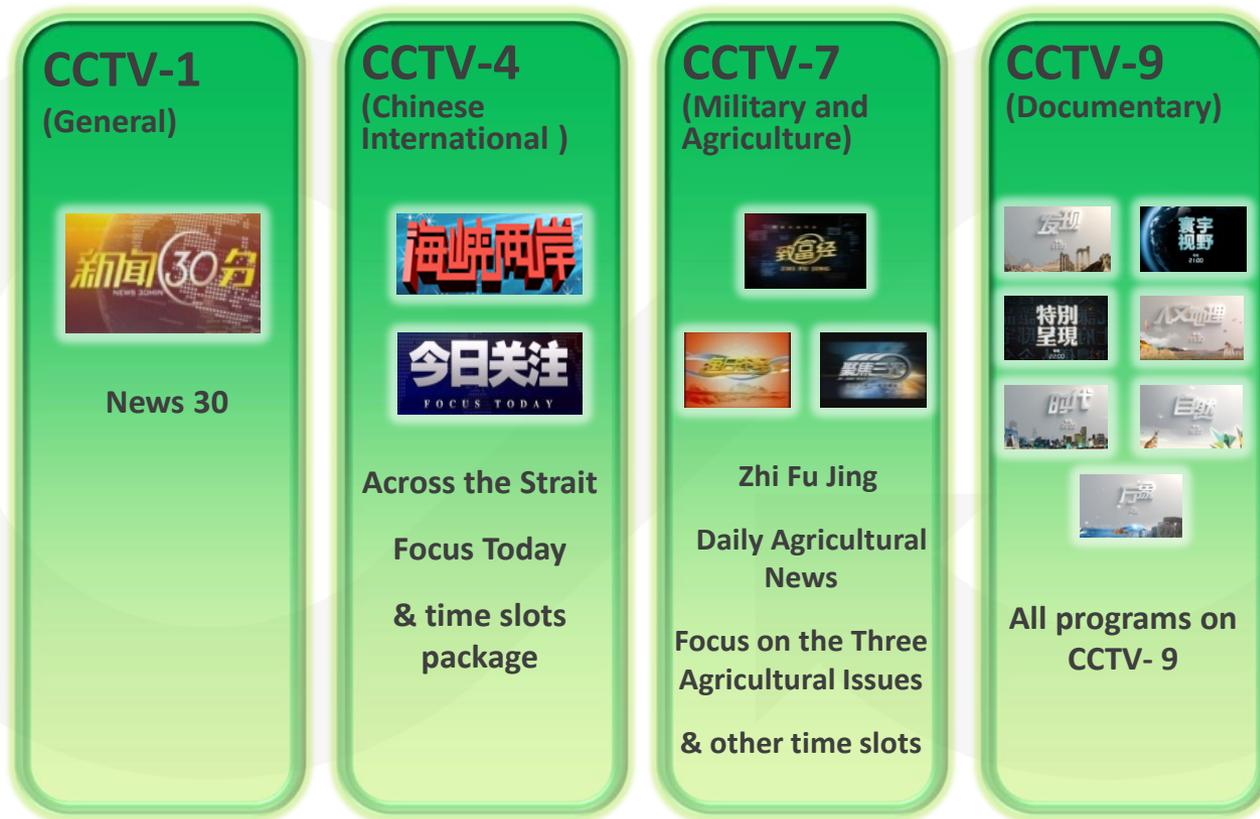
TV advertising & Content operations

- 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)

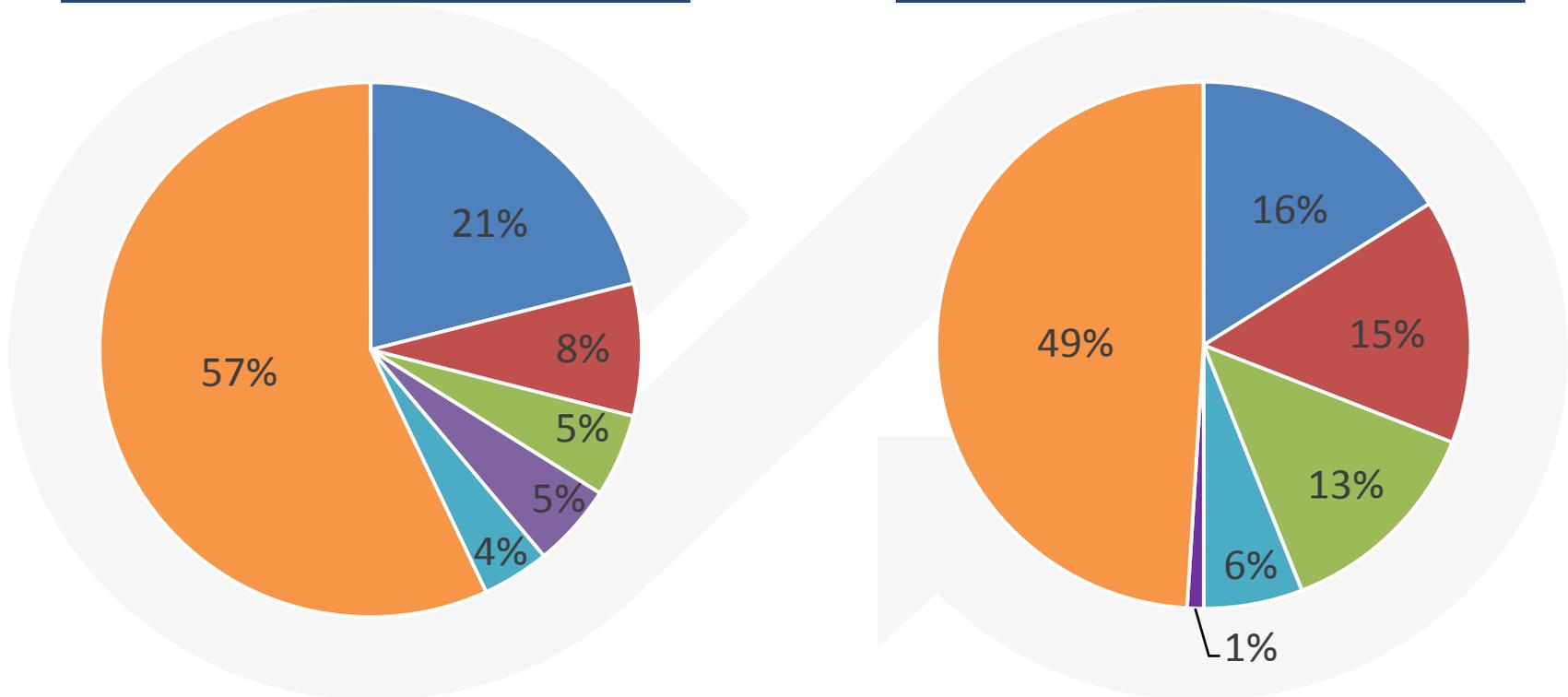


Exclusively underwritten 10,360 minutes of advertising time in CCTV-1, CCTV-4, CCTV-7 and all ad resources of CCTV-9.

MRM clientele

2017

2016



Tourism & City image

Automobile & Transportation

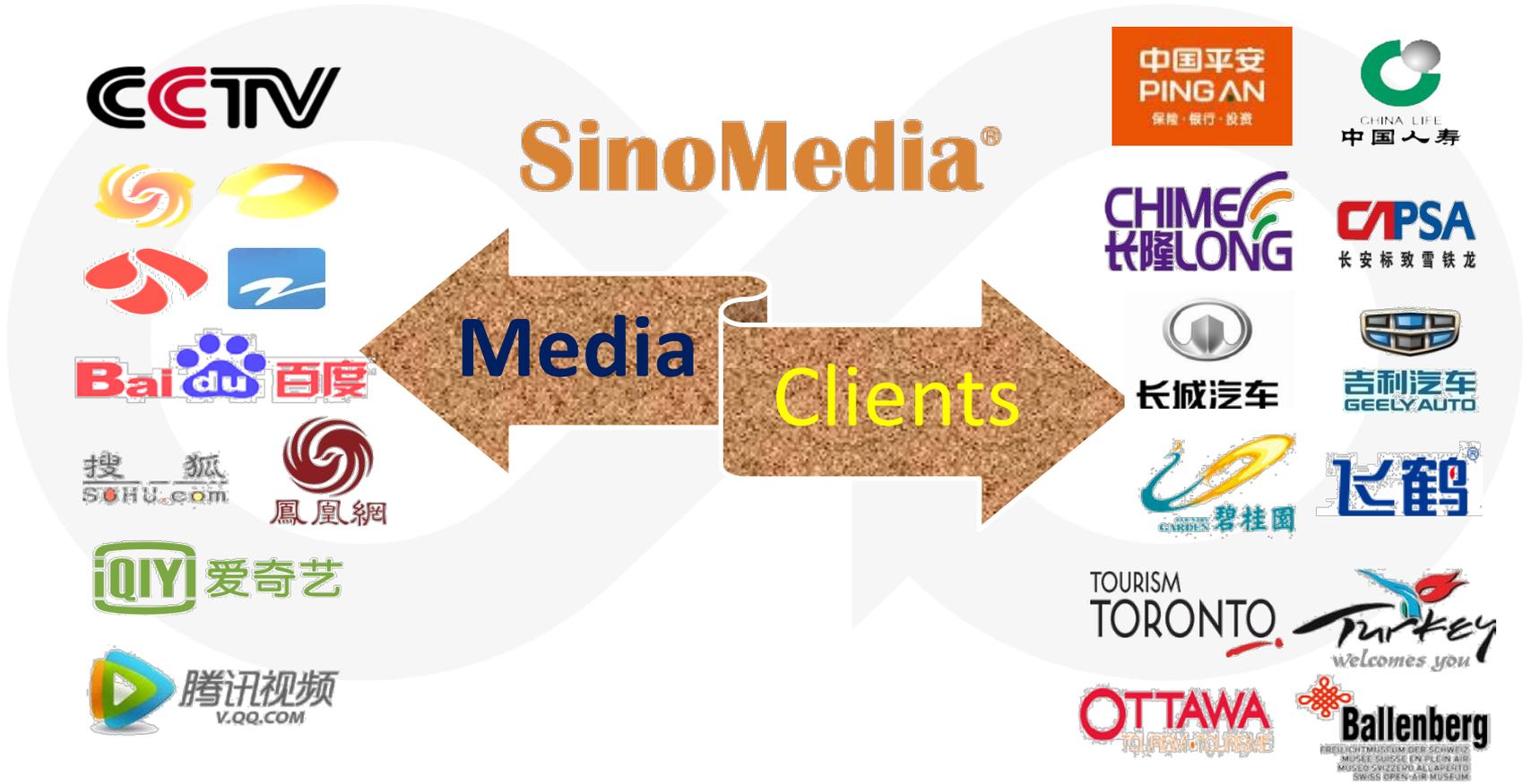
Health & Medical

Consumer Goods

Real estate & Building materials

Others

Integrated communication services (ICS)



Content operations



**Documentary
operation**



**Creative production
of commercial ads**



**Film ceremony
activities**

Digital Marketing & Internet media



iBCP™

Self-developed intelligent programming advertising placement platform



Modern agricultural information service platform



Healthy lifestyle video interaction platform



Website of traveling inspiration



Financial Review

Financial summary

Segment revenue

Strict cost control

Healthy balance sheet

Trade debtors in control

Cash flows



Financial summary

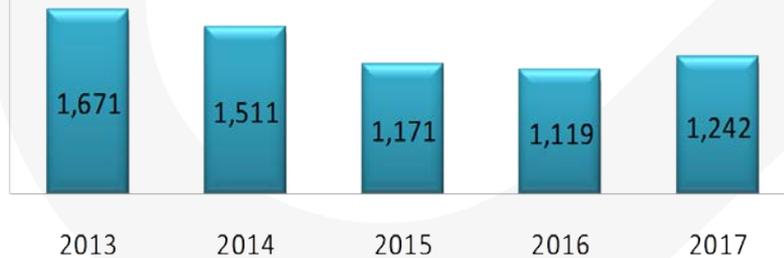
For the year ended 31 December

<i>(RMB '000)</i>	2017	2016	Change
Revenue	1,472,698	1,299,289	+13%
Gross profit	299,107	120,236	>100%
<i>Gross profit margin (%)</i>	20%	9%	+11pts
Profit/(Loss) from operations	138,441	(31,051)	>100%
Profit/(Loss) attributable to equity shareholders	93,042	(27,066)	>100%
Basic earnings/(losses) per share <i>(RMB)</i>	0.177	(0.050)	>100%

Segment revenue - MRM

Revenue

RMB Million



Core TV programmes ad time

	2017	2016
Minutes Acquired	2,555	3,066
Minutes Sold	2,249	1,753

Segment revenue – ICS

For the year ended 31 December

(RMB '000)	2017	2016	Change
Turnover	870,504	1,090,037	-20%
Revenue <i>(after netting off procurement cost under IFRS)</i>	76,480	44,797	+71%

Segment revenue – Content operations

For the year ended 31 December

<i>(RMB '000)</i>	2017	2016	Change
Content operations	46,301	37,609	+23%

Segment revenue

– Digital marketing & Internet media

For the year ended 31 December

<i>(RMB '000)</i>	2017	2016	Change
Digital marketing	65,014	46,870	+39%
Internet media	14,879	17,158	-13%

Segment revenue – Rental income

For the year ended 31 December

<i>(RMB '000)</i>	2017	2016	Change
Rental income	44,591	46,565	-4%

Strict cost control

For the year ended 31 December

(RMB '000)	2017	2016
Total operating expenses as a % of revenue	11.4%	14.2%
Selling & marketing expenses	60,995	57,638
<i>as a % of revenue</i>	4.2%	4.5%
General & administrative expenses	106,283	126,337
<i>as a % of revenue</i>	7.2%	9.7%
Included in Cost & Expenses:	2017	2016
- Depreciation & Amortisation	26,802	31,266
- Impairment losses on assets & goodwill	7,483	23,283

Healthy balance sheet

(RMB '000)

At 31 December

	2017	2016
Cash and cash equivalents	678,791	552,531
Trade debtors (net of impairment)	147,292	117,423
Current assets	1,323,330	1,087,262
Total assets	2,183,465	1,973,937
Current liabilities	608,027	454,231
Net assets	1,575,438	1,519,706

Trade debtors in control

(RMB '000)

At 31 December

	2017	2016
Neither past due nor impaired	99,794	70,790
Less than 6 months past due	19,517	27,597
More than 6 months but less than 12 months past due	18,142	10,986
More than 12 months past due	9,839	8,050
Trade debtors (net of impairment losses)	147,292	117,423
Turnover days	32	30

Cash flows

For the year ended 31 December

(RMB '000)

	2017	2016
Net cash generated from operating activities	270,683	75,839
Net cash generated from investing activities	3,860	17,544
Net cash (used in)/generated from financing activities	(144,313)	38,075
Net change in cash and cash equivalents	130,230	131,458
Cash and cash equivalents at 1 January	552,531	418,098
Effect of exchange rate changes	(3,970)	2,975
Cash and cash equivalents at 31 December	678,791	552,531



Outlook



- I. China's economy is expected to remain basically stable and GDP growth may slow down steadily
- II. SinoMedia will insist on established strategies and improve industry chain layout
- III. Further optimise media resources of MRM and be client-oriented
- IV. Expand investment, production and operation in documentary film programs
- V. Optimize organization structure and management mechanism