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SinoMedia[®]

SINOMEDIA HOLDING LIMITED

中視金橋國際傳媒控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00623)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025**

The board of directors (the “**Board**”) of SinoMedia Holding Limited (“**SinoMedia**” or the “**Company**”) announces the results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2025, with comparative figures for the previous year.

FINANCIAL SUMMARY			
<i>RMB'000</i>	For the year ended 31 December 2025	For the year ended 31 December 2024	Change (%)
Revenue	382,288	612,517	-38%
Profit from operations	67,745	122,072	-45%
Profit attributable to equity shareholders of the Company	80,043	106,961	-25%
Earnings per share			
— basic and diluted	17.1 RMB cents	23.2 RMB cents	-26%
Proposed dividends per share			
— Final	11.0 HKD cents	11.0 HKD cents	—
— Special	—	24.0 HKD cents	N/A

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

	Note	2025 RMB'000	2024 RMB'000
Revenue	3	382,288	612,517
Cost of services		<u>(245,916)</u>	<u>(410,951)</u>
Gross profit		136,372	201,566
Other income	4	4,574	7,293
Selling and marketing expenses		(30,829)	(36,724)
General and administrative expenses		<u>(42,372)</u>	<u>(50,063)</u>
Profit from operations		67,745	122,072
Finance income	5(a)	28,438	35,139
Finance costs	5(a)	<u>(65)</u>	<u>(9,058)</u>
Net finance income		<u>28,373</u>	<u>26,081</u>
Profit before taxation	5	96,118	148,153
Income tax	6	<u>(15,699)</u>	<u>(41,799)</u>
Profit for the year		<u>80,419</u>	<u>106,354</u>
Attributable to:			
Equity shareholders of the Company		80,043	106,961
Non-controlling interests		<u>376</u>	<u>(607)</u>
Profit for the year		<u>80,419</u>	<u>106,354</u>
Earnings per share			
Basic and diluted (<i>RMB cents</i>)	7	17.1	23.2

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit for the year	80,419	106,354
Other comprehensive income for the year (after tax and reclassification adjustments)		
Items that will not be reclassified to profit or loss:		
Equity investments at fair value through other comprehensive income — net movement in fair value reserve (non-recycling)	15,845	213,739
Exchange differences on translation of financial statements of the Company	<u>(25,648)</u>	<u>21,731</u>
	(9,803)	235,470
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of the overseas subsidiaries	<u>9,229</u>	<u>(93)</u>
Other comprehensive income for the year	<u>(574)</u>	<u>235,377</u>
Total comprehensive income for the year	<u>79,845</u>	<u>341,731</u>
Attributable to:		
Equity shareholders of the Company	79,469	342,338
Non-controlling interests	<u>376</u>	<u>(607)</u>
Total comprehensive income for the year	<u>79,845</u>	<u>341,731</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	<i>Note</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Non-current assets			
Property, plant and equipment	8	161,558	161,319
Investment property	8	492,851	507,684
Intangible assets		901	1,639
Other non-current financial assets	9	512,960	375,993
		1,168,270	1,046,635
Current assets			
Inventories		1,552	603
Other current financial assets	9	72,798	—
Trade receivables, other receivables and prepayments	10	98,696	126,405
Restricted cash		80	—
Bank deposits	11	338,840	719,273
Cash and cash equivalents		316,191	217,422
		828,157	1,063,703
Current liabilities			
Trade and other payables	12	63,208	72,807
Contract liabilities and advance from customers	13	25,923	65,994
Lease liabilities		831	925
Current taxation		17,248	24,782
		107,210	164,508
Net current assets		720,947	899,195
Total assets less current liabilities		1,889,217	1,945,830

	<i>Note</i>	2025 RMB'000	2024 <i>RMB'000</i>
Non-current liability			
Lease liabilities		—	837
NET ASSETS		<u>1,889,217</u>	<u>1,944,993</u>
CAPITAL AND RESERVES			
Share capital	14	529,218	510,981
Reserves		<u>1,369,539</u>	<u>1,443,903</u>
Total equity attributable to equity shareholders of the Company		1,898,757	1,954,884
Non-controlling interests		<u>(9,540)</u>	<u>(9,891)</u>
TOTAL EQUITY		<u>1,889,217</u>	<u>1,944,993</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial information relating to the years ended 31 December 2025 and 2024 included in this document does not constitute the Company's statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (the "**Companies Ordinance**") is as follows:

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance and will deliver the financial statements for the year ended 31 December 2025 in due course.

The Company's auditor has reported on the consolidated financial statements for both years. The auditor's reports were unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports, and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.

These financial statements have been prepared in accordance with all applicable IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IASB**"). As HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards ("**HKFRSs**"), Hong Kong Accounting Standards ("**HKASs**") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") are derived from and consistent with IFRS Accounting Standards, these financial statements also comply with HKFRS Accounting Standards. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the requirements of the Hong Kong Companies Ordinance.

The measurement basis used in the preparation of the financial statements is the historical cost basis except for investments in equity securities which are stated at their fair value.

2 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to International Accounting Standard (“IAS”)/HKAS 21, *The effects of changes in foreign exchange rates — Lack of exchangeability* issued by the IASB/HKICPA to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in TV advertising, creative content production and digital marketing services.

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or services lines is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue from contracts with customers within the scope of IFRS 15/HKFRS 15		
TV media resources management and integrated communication	219,783	392,976
Digital marketing, content operations and others	137,153	184,245
	<u>356,936</u>	<u>577,221</u>
Revenue from other sources		
Rental income	25,352	35,296
	<u>382,288</u>	<u>612,517</u>

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Point in time	49,055	46,290
Over time	307,881	530,931
	356,936	577,221

(b) Segment information

In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resources allocation and performance assessment, the Group has determined and presented a single reportable segment to disclose information as a whole about its services, geographical areas and major customers.

For the year ended 31 December 2025, there are RMB5,690 thousand of revenue generated from outside Chinese Mainland (2024: RMB8,165 thousand). As at 31 December 2025, the balances of non-current assets other than other non-current financial assets and deferred tax assets, which are physically located outside Chinese Mainland, are amounting to RMB8 thousand (2024: RMB5 thousand).

4 OTHER INCOME

	<i>Note</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Government grants	(i)	1,339	527
Change in fair value of financial assets measured at fair value through profit or loss ("FVPL")	(ii)	3,584	4,371
Dividend income		1,051	1,154
Others		(1,400)	1,241
		4,574	7,293

- (i) It is the unconditional discretionary grants received from the local government authorities in recognition of the Group's contribution to the development of the local economy.
- (ii) The change in fair value of financial assets mainly arises from the investment in China Feihe Limited, Persistence Gold Group Ltd. and Shenzhen Xunce Technology Co., Ltd..

5 PROFIT BEFORE TAXATION

(a) Finance income and costs

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest income on bank deposits	27,195	35,139
Net foreign exchange gain	1,243	—
	<u>28,438</u>	<u>35,139</u>
Finance income		
Net foreign exchange loss	—	(8,971)
Interest on lease liabilities	(65)	(87)
	<u>(65)</u>	<u>(9,058)</u>
Finance costs		
Net finance income	<u><u>28,373</u></u>	<u><u>26,081</u></u>

(b) Staff costs

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Salaries, wages and other benefits	43,904	44,269
Contributions to defined contribution retirement plan	4,145	4,707
	<u>48,049</u>	<u>48,976</u>

(c) Other items

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Amortization	738	851
Depreciation	21,658	21,284
Reversal of impairment losses on trade and other receivables	(9,324)	(4,722)
Auditors' remuneration	2,493	2,637
Direct operating expenses (excluding depreciation) of investment property	656	965

6 INCOME TAX

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current tax		
Provision for income tax for the current year	17,032	45,451
(Over)/under-provision in respect of prior years	<u>(1,333)</u>	<u>1,268</u>
	<u>15,699</u>	<u>46,719</u>
Deferred tax		
Origination and reversal of temporary differences	<u>—</u>	<u>(4,920)</u>
	<u>15,699</u>	<u>41,799</u>

For the years ended 31 December 2025 and 2024, SinoMedia (Asia Pacific) Company Limited incorporated in Hong Kong is under the two-tiered profits tax regime. The first HKD2 million of assessable profits earned are taxed at half of the current tax rate (i.e. 8.25%) and the remaining assessable profits are taxed at 16.5%.

For the years ended 31 December 2025 and 2024, the assessable profits earned by the Company are taxed at 16.5%. The Company and its subsidiaries incorporated in Hong Kong did not have assessable profits subject to Hong Kong profits tax for the year ended 31 December 2025 (2024: Nil).

The corporate income tax rate of the Company's subsidiary in Singapore is 17% (2024: 17%). No provision has been made for Singapore income tax as this subsidiary did not have assessable profits for the year ended 31 December 2025 (2024: Nil).

The provision for PRC income tax is based on the respective applicable rates on the estimated assessable income of the Group entities in the PRC as determined in accordance with the relevant income tax rules and regulations of the PRC. For the year ended 31 December 2025 and 2024, certain Group entities established in the PRC are at a preferential rate of 20% as small meager-profit enterprises, one Group entity established in the PRC is taxed at a preferential rate of 15% as qualifying company in Guangdong-Macao In-Depth Cooperation Zone in Hengqin, other Group entities established in the PRC are subject to PRC corporate income tax rate of 25%.

For the year ended 31 December 2025, the Company applied dividends withholding tax rate at 5% as it obtained the certificate of resident of the Hong Kong Special Administrative Region under the "Arrangement between the Mainland China and the Hong Kong Special Administrative Region for the avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect of Taxes on Income" (2024: 5%).

7 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB80,043 thousand (2024: RMB106,961 thousand) and the weighted average of 467,374,362 ordinary shares (2024: 461,635,370) in issue during the year, calculated as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Earnings		
Profit attributable to ordinary equity shareholders	<u><u>80,043</u></u>	<u><u>106,961</u></u>
	2025	2024
Weighted average number of ordinary shares		
Issued ordinary shares at 1 January	461,635,370	461,635,370
Effect of share options exercised	<u>5,738,992</u>	<u>—</u>
Weighted average number of ordinary shares at 31 December	<u><u>467,374,362</u></u>	<u><u>461,635,370</u></u>

(b) Diluted earnings per share

There were no dilutive potential ordinary shares outstanding for the years ended 31 December 2025 and 2024.

8 PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTY

	Buildings held for own use carried at cost <i>RMB'000</i>	Fixtures, fittings and computer equipment <i>RMB'000</i>	Motor vehicles <i>RMB'000</i>	Sub-total <i>RMB'000</i>	Investment property <i>RMB'000</i>	Total <i>RMB'000</i>
Original cost						
Balance at 1 January 2024	239,094	11,262	13,438	263,794	683,770	947,564
Additions	820	474	—	1,294	—	1,294
Disposals	(2,566)	(3,607)	(142)	(6,315)	—	(6,315)
Balance at 31 December 2024	<u>237,348</u>	<u>8,129</u>	<u>13,296</u>	<u>258,773</u>	<u>683,770</u>	<u>942,543</u>
Balance at 1 January 2025	237,348	8,129	13,296	258,773	683,770	942,543
Additions	1,578	5,551	—	7,129	—	7,129
Disposals	—	(1,350)	—	(1,350)	—	(1,350)
Balance at 31 December 2025	<u>238,926</u>	<u>12,330</u>	<u>13,296</u>	<u>264,552</u>	<u>683,770</u>	<u>948,322</u>
Depreciation						
Balance at 1 January 2024	73,885	11,087	12,178	97,150	158,398	255,548
Charge for the year	6,059	227	165	6,451	14,833	21,284
Disposals	(2,566)	(3,446)	(135)	(6,147)	—	(6,147)
Balance at 31 December 2024	<u>77,378</u>	<u>7,868</u>	<u>12,208</u>	<u>97,454</u>	<u>173,231</u>	<u>270,685</u>
Balance at 1 January 2025	77,378	7,868	12,208	97,454	173,231	270,685
Charge for the year	5,955	870	—	6,825	14,833	21,658
Disposals	—	(1,285)	—	(1,285)	—	(1,285)
Balance at 31 December 2025	<u>83,333</u>	<u>7,453</u>	<u>12,208</u>	<u>102,994</u>	<u>188,064</u>	<u>291,058</u>
Impairment loss						
Balance at 1 January 2024, 31 December 2024 and 31 December 2025	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>2,855</u>	<u>2,855</u>
Net book value						
At 31 December 2025	<u>155,593</u>	<u>4,877</u>	<u>1,088</u>	<u>161,558</u>	<u>492,851</u>	<u>654,409</u>
At 31 December 2024	<u>159,970</u>	<u>261</u>	<u>1,088</u>	<u>161,319</u>	<u>507,684</u>	<u>669,003</u>

9 OTHER INVESTMENTS IN EQUITY SECURITIES

(a) Financial assets measured at FVPL

	<i>Note</i>	2025 RMB'000	2024 RMB'000
Non-current assets			
Investments not held for trading			
— Equity securities listed in Hong Kong	(i)	<u>129,280</u>	<u>20,407</u>
Current assets			
Trading securities			
— Equity securities listed in Hong Kong	(ii)	<u>72,798</u>	<u>—</u>

- (i) As at 31 December 2025, the Group holds issued shares of Shenzhen Xunce Technology Co., Ltd. (stock code: 3317), Persistence Gold Group Ltd. (stock code: 2489) and China Feihe Limited (stock code: 6186) and designated these investments at FVPL. Dividends received on these investments were HKD1,149 thousand (approximately RMB1,051 thousand) during the year ended 31 December 2025 (2024: approximately RMB1,154 thousand).
- (ii) As at 31 December 2025, the Group holds issued shares of Shenzhen Xunce Technology Co., Ltd. (stock code: 3317) under the discretionary account managed by Orient Asset Management (Hong Kong) Limited. The Group would redeem its assets from the discretionary account within one year.

(b) Equity securities designated at FVOCI

	<i>Note</i>	2025 RMB'000	2024 RMB'000
Non-current assets			
Equity securities listed in Hong Kong	(i)	323,653	—
Investments in unlisted equity securities	(ii)	<u>60,027</u>	<u>355,586</u>
		<u>383,680</u>	<u>355,586</u>

- (i) As 31 December 2025, the Group holds issued shares of Bloks Group Limited (stock code: 0325) and designated the investment at fair value through other comprehensive income (“FVOCI”) (non-recycling), as the investment is held for strategic purposes. No dividends were received on this investment during year ended 31 December 2025 (2024: Nil).
- (ii) As 31 December 2025, investments in unlisted equity securities mainly represent shares in Heilongjiang North Latitude 47 Green Organic Food Co., Ltd. and Beijing AIQI Technology Company Limited. The Group designated these investments in unlisted equity securities at FVOCI (non-recycling), as these investments are held for strategic purposes. No dividends were received on these investments during the year ended 31 December 2025 (2024: Nil).

10 TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS

	<i>Note</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade debtors and bills receivable, net of loss allowance	(i)	64,720	76,387
Deposits to media suppliers		11,083	7,006
Advances to employees, net of loss allowance		70	690
Other debtors, net of loss allowance		453	149
		<hr/>	<hr/>
Financial assets measured at amortised cost		76,326	84,232
		<hr/>	<hr/>
Prepayments to media suppliers		16,863	34,851
Others prepayments		1,391	3,219
Input VAT to be deducted		4,116	4,103
		<hr/>	<hr/>
		22,370	42,173
		<hr/>	<hr/>
Trade receivables, other receivables and prepayments, net of loss allowance		98,696	126,405
		<hr/> <hr/>	<hr/> <hr/>

- (i) As of the end of the reporting period, the ageing analysis of trade debtors and bills receivable based on the date of revenue recognition and net of loss allowance, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 3 months	38,070	65,833
4 months to 6 months	16,103	7,902
7 months to 12 months	10,193	2,179
Over 12 months	354	473
	<hr/>	<hr/>
	64,720	76,387
	<hr/> <hr/>	<hr/> <hr/>

Credit terms are granted to the customers, depending on credit assessment carried out by management on an individual basis. The credit terms for trade receivables are generally from nil to 90 days.

11 BANK DEPOSITS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Bank deposits	<u>338,840</u>	<u>719,273</u>

At 31 December 2025, bank deposits of the Group represented fixed-term deposits with 3-month in UBS AG Hong Kong Branch at an annual interest of 3.52%–3.75% (2024: 3.72%–5.24%).

12 TRADE AND OTHER PAYABLES

	<i>Note</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade payables	(i)	28,376	24,195
Payroll and welfare expenses payables		3,597	3,493
Other tax payables		3,005	6,450
Other payables and accrued charges		26,429	36,893
Dividends payable due to non-controlling interests		<u>1,801</u>	<u>1,776</u>
Financial liabilities measured at amortised cost		<u>63,208</u>	<u>72,807</u>

(i) As of the end of the reporting period, the ageing analysis of trade payables, based on the invoice date, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 3 months	15,705	15,749
4 months to 6 months	11,804	4,266
7 months to 12 months	13	1,332
Over 12 months	<u>854</u>	<u>2,848</u>
	<u>28,376</u>	<u>24,195</u>

13 CONTRACT LIABILITIES AND ADVANCE FROM CUSTOMERS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Contract liabilities		
— Billing in advance of media services contracts	19,503	59,789
Advance from customers		
— Billing in advance of rental contracts	<u>6,420</u>	<u>6,205</u>
	<u>25,923</u>	<u>65,994</u>

Contract liabilities and advance from customers primarily arises from the advance payments made by customers while the underlying services are yet to be provided. Contract liabilities and advance from customers would be recognised as revenue upon the rendering of services. All contract liabilities and advance from customers are expected to be recognised as revenue within one year.

14 SHARE CAPITAL

	2025		2024	
	<i>No. of ordinary shares</i>	<i>HKD</i>	<i>No. of ordinary shares</i>	<i>HKD</i>
Ordinary shares, issued and fully paid:				
At 1 January	461,635,370	581,930,830	461,635,370	581,930,830
Shares issued under share option scheme	9,408,000	16,652,160	—	—
Transfer of capital reserve upon exercise of share options	<u>—</u>	<u>3,538,349</u>	<u>—</u>	<u>—</u>
At 31 December	<u>471,043,370</u>	<u>602,121,339</u>	<u>461,635,370</u>	<u>581,930,830</u>
RMB equivalent		<u>529,217,578</u>		<u>510,981,107</u>

15 DIVIDENDS

(a) Dividends payable to equity shareholders of the Company attributable to the year

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Final dividend proposed after the end of the reporting period of HKD11.00 cents (equivalent to approximately RMB9.74 cents) (2024: HKD11.00 cents, (equivalent to approximately RMB10.02 cents)) per ordinary share	45,545	47,117
No special dividend proposed after the end of the reporting period (2024: HKD24.00 cents, (equivalent to approximately RMB21.85 cents) per ordinary share)	—	102,803
	<u>45,545</u>	<u>149,920</u>

The dividends proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Dividends approved and paid to equity shareholders of the Company during the year	<u>149,920</u>	<u>68,308</u>

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

In 2025, the global economy still faced complex uncertainties, with geopolitical risks persistently disrupting the market and international trade frictions showing no signs of easing. Domestically, structural economic adjustments and the transition from old to new growth drivers continued. While the Consumer Price Index (CPI) showed signs of a moderate rebound, the full recovery of consumer confidence and the path toward enhanced consumption capacity were still subject to constraints from numerous uncertainties.

According to the market research report released by CTR Media Intelligence, advertising spending increased by 5.4% year-on-year in 2025. Advertisers' expectations for market activity in the second half of the year improved compared to the first half. (Source: CTR Media Intelligence, February 2026) The advertising market transformed from "traffic dividends" to "value cultivation", with brand marketing logic gradually shifting from "performance-first" to "synergy between brand and performance" and even "brand-first". Meanwhile, the application of AI technology across the entire marketing funnel became increasingly widespread. Advertisers' interest for AI-powered innovative marketing services continued to grow.

In response to industry trends and market shifts, the Group deepened its engagement in the core business of inter-screen creative communication, and strengthened the construction of brand marketing capabilities, in order to deliver more targeted creative products and communication services to clients. While maintaining its core media operations, the Group enhanced its innovation-driven and diversified synergy development strategy, steadily advancing business structure optimization and innovation upgrades. During the year under review, the Group proactively identified trends, seized market opportunities, and expanded its business scope. We made a strategic investment in Shenzhen Xunce Technology Co., Ltd. (Stock Code: 3317) to explore synergies between application of AI agents and data technologies and the Group's business. This move positions the Group to enhance the production efficiency of AI-driven creative content and strengthen personalized capabilities based on big data processing, thereby supporting the Group's pursuit of diversified sustainable development. Meanwhile, the Group further enhanced the risk resilience and long-term growth potential of its strategic assets through its appropriate investment in gold industry.

BUSINESS REVIEW

TV ADVERTISING AND INTEGRATED COMMUNICATION

I. Media Resources Management

The Group stayed dedicated to a customer-oriented product and service strategy and strengthened its customer development and service capabilities in media resources marketing. During the year under review, the Group had the exclusive underwriting right for a total of 84,639 minutes of China Media Group advertising resources on “Boutique Financial Records” on CCTV-2 (Financial Channel), CCTV-9 (Documentary Channel) and CCTV-14 (Children’s Channel). It covered the market of finance and economics, culture and children, and brought diversified communication channels to clients. Throughout the year, the Group proactively adjusted its media resource structure, controlled scale costs, and leveraged its strengths and experience in TV broadcasting to actively expand its reach, overcome challenges, and continuously optimize marketing strategies and media product portfolios in response to a challenging and volatile market environment.

II. Integrated Communication Services

The Group has gained recognition from a large number of well-known clients for its professional and highly efficient communication services and caring client service philosophy. During the year under review, the Group provided brand information, advertising placement, promotion planning, public relation activities and other multi-dimensional brand integration communication services to clients including China Feihe, Ping An, Chimelong Group, Geely Auto, Suzhou Culture and Tourism, Bamboo Leaf Green Tea, Enshi Selenium-rich Tea and Zheng Shan Tang.

DIGITAL MARKETING AND CONTENT OPERATIONS

I. Digital Marketing

Relying on customer resources, media advantages, and data technology, the Group focuses on the core competitiveness of digital marketing by strengthening its Internet integration service capabilities, and offers clients customized one-stop digital marketing solutions. During the year under review, the Group successively served China Feihe, Qualcomm China, Jafron Biomedical, Didi, China Citic Bank, Hua Xia Bank, Wango Gold, Kuaishou and other clients, and was highly recognized and praised by the clients. Meanwhile, the Group actively developed AI-algorithm-powered advertisement placement system and explored the application of AIGC and multimodal large models in digital marketing to enhance its marketing and service capabilities in the Internet sector.

II. Content Operations

The Group continued to develop its content marketing business centered on video content R&D and production, providing clients with comprehensive and professional video creation and production services while delivering brand communication value through content marketing. During the year under review, the Group delivered tailored content creation and communication services for clients including China Feihe, Chimelong Group, Bank of Beijing, and Amway Nutrilite through diverse channels such as live-streaming interactions, short videos, content placement, animation development, and promotional campaigns. Additionally, the Group provided design, filming, production, and editing services for clients including Meihao Food, Wens Foodstuff Group, Geely Auto, Zeekr, and Suzhou Culture & Tourism. Meanwhile, the Group enhanced its investment in technical equipment and talents during the year, strengthening the technological R&D capabilities of its Imaging Technology Development Department. This enabled the application and integration of generative AI (“AIGC”) technology across advertising creative development, content production, and intelligent advertisement placement, thereby enhancing advertising production efficiency and campaign effectiveness.

FINANCIAL REVIEW

REVENUE

For the year ended 31 December 2025, the Group recorded revenue of RMB382,288 thousand, representing a year-on-year decrease of approximately 38% from RMB612,517 thousand for the last year.

Details of revenue for the year under review are as follows:

- (I) Revenue from media resources management and integrated communication amounted to RMB219,783 thousand, representing a year-on-year decrease of approximately 44% from RMB392,976 thousand for the last year. Facing operational pressures and challenges stemming from fluctuations in consumer market demand, the Group continued to implement structural optimization of its media resources, moderately scaling back business operations to control costs. Since the beginning of the year, we have reduced the advertising agency for certain TV programs. Meanwhile, the Group enhanced operational efficiency and strengthened the competitiveness of this business segment by optimizing marketing strategies, integrating marketing resources, and refining incentive mechanisms.
- (II) Revenue from digital marketing, content operations and others amounted to RMB137,153 thousand in aggregate, representing a year-on-year decrease of approximately 26% from RMB184,245 thousand for the last year. Among them: (1) Revenue from digital marketing amounted to RMB83,709 thousand, representing a year-on-year decrease of approximately 36% from RMB131,216 thousand for the last year. Due to reductions in advertising budgets by some clients, revenue decreased compared to the same period last year. (2) Revenue from content operations and others amounted to RMB53,444 thousand, basically flat with last year (RMB53,029 thousand). The Group enhanced its content marketing business centered on video content R&D and production, while continuously exploring AI-empowered content creation to drive the development of its content marketing operations.
- (III) The investment properties held by the Group are offices on multiple floors located at The Place-SinoMedia Tower, No. 9 Guanghua Road, Chaoyang District, Beijing, PRC, with a total gross floor area of 16,130.64 sq.m. and a land use right of 50 years from 8 August 2007 to 7 August 2057. Revenue from rental amounted to RMB25,352 thousand, representing a year-on-year decrease of approximately 28% from RMB35,296 thousand for the last year. Due to a decline in rental price, the revenue from this business was lower than that of last year.

OPERATING EXPENSES

For the year ended 31 December 2025, the Group's operating expenses were RMB73,201 thousand in aggregate, representing a year-on-year decrease of approximately 16% from RMB86,787 thousand for the last year, and accounted for approximately 19.1% of the Group's revenue (2024: 14.2%). The Group continuously strengthened and improved the comprehensive budget management for operating expenses, strictly reduced the inefficient and non-essential expenditures, and fully implemented the measures for cost reduction and efficiency improvement, leading to a decrease in operating expenses as compared with the last year.

Among them:

- (I) Selling and marketing expenses amounted to RMB30,829 thousand, representing a year-on-year decrease of approximately RMB5,895 thousand from RMB36,724 thousand for the last year, and accounted for approximately 8.0% of the Group's revenue (2024: 6.0%). The decrease in selling and marketing expenses was primarily attributable to: (1) A reduction in performance-based compensation for marketing personnel due to lower revenue scale, resulting in a year-on-year decrease in labor costs of approximately RMB2,999 thousand; (2) A year-on-year decrease in travel and transportation expenses of approximately RMB3,712 thousand.
- (II) General and administrative expenses amounted to RMB42,372 thousand, representing a year-on-year decrease of approximately RMB7,691 thousand from RMB50,063 thousand for the last year, and accounted for approximately 11.1% of the Group's revenue (2024: 8.2%). The decrease in general and administrative expenses was primarily attributable to an increase of RMB4,602 thousand in the reversal of impairment losses on accounts receivable compared to the same period last year.

MAJOR INVESTMENTS, ACQUISITIONS AND DISPOSALS

For the year ended 31 December 2025, the Group's major investments were as follows:

- (I) In September 2025, the Group subscribed for 41,940,000 placement shares of Persistence Gold Group Ltd (“**Persistence Gold**”) (Stock Code: 2489) at a placement price of HK\$1.18 per share, at a total consideration of HK\$49,741 thousand (equivalent to approximately RMB45,478 thousand). Persistence Gold primarily engages in the exploration, mining, and processing of gold, and sells refined gold bars. As of 31 December 2025, the transaction procedures had been completed.
- (II) In October 2025, the Group signed a capital increase agreement with Heilongjiang North Latitude 47 Green Organic Food Co., Ltd (“**North Latitude 47**”) to subscribe for a minority stake in North Latitude 47 through capital increase in cash of RMB13,360 thousand. North Latitude 47 is a smart agricultural company covering the full industrial chain, mainly engaged in the production and sales of corn, rice and plant-based deep-processed beverage products. As of 31 December 2025, the transaction procedures had been completed.
- (III) In December 2025, the Group entered into a cornerstone investment agreement with Shenzhen Xunce Technology Co., Ltd. (“**Xunce**”) (Stock Code: 3317) to subscribe for its shares at Xunce's offer price. As of 31 December 2025, the Group had completed the share subscription pursuant to the terms of the cornerstone investment agreement, namely subscribing for 1,620,600 shares of Xunce at an offer price of HK\$48 per share, representing approximately 0.50% of Xunce's total issued share capital as of 31 December 2025, at a total consideration of HK\$78,573 thousand (equivalent to approximately RMB71,104 thousand). Xunce is a company specializing in providing real-time data infrastructure and analysis solutions. Its business spans two major domains: data infrastructure and data analysis, delivering millisecond-level data processing services to industries such as finance, energy, and healthcare.
- (IV) In December 2025, the Group entered into a discretionary investment management agreement with Orient Asset Management (Hong Kong) Limited (“**Orient Asset Management**”), agreeing to appoint Orient Asset Management as the manager to provide investment services. Pursuant to the terms and conditions of the discretionary investment management agreement, Orient Asset Management subscribed for 1,596,000 shares of Xunce at an offer price of HK\$48 per share, representing approximately 0.49% of Xunce's total issued share capital as of 31 December 2025, at a total consideration of HK\$77,381 thousand (equivalent to approximately RMB70,025 thousand). The aforementioned shares were managed by Orient Asset Management in accordance with the terms of the discretionary investment management agreement. As of 31 December 2025, the transaction procedures had been completed.

As of 31 December 2025, the Group held the following significant investments representing 5% or more of the Group's total assets:

Investee	Category	Number of shares	Percentage	Cost of investment (RMB'000)	Fair value	Percentage	Unrealized gains for the year ended 31 December (RMB'000)
			of total shares owned by the Group as at 31 December 2025		as at 31 December 2025	of the Group's total assets as at 31 December 2025	
Bloks Group Limited	At fair value through other comprehensive income	5,352,255 shares	2.15%	123,313	323,653	16.21%	24,535
Shenzhen Xunce Technology Co., Ltd.	At fair value through profit or loss	3,216,600 shares	1.00%	139,454	146,718	7.35%	7,355

LIQUIDITY AND FINANCIAL RESOURCES

The Group had a stable financial position as a whole, with sufficient liquidity. As at 31 December 2025, cash and cash equivalents amounted to RMB316,191 thousand (2024: RMB217,422 thousand), of which approximately 67% was denominated in RMB, and 33% in HKD and other currencies. As at 31 December 2025, the Group had bank time deposits with 3-month mainly denominated in HKD and USD (equivalent to approximately RMB338,840 thousand in aggregate) (2024: equivalent to approximately RMB719,273 thousand).

During the year, details of the Group's cash flow status were as follows:

- (I) The net cash inflow from operating activities was RMB39,424 thousand (2024: RMB66,512 thousand), which was mainly because: (1) the balance of trade and bills receivable decreased by approximately RMB11,667 thousand compared with the end of last year; (2) costs and deposits paid in advance to media suppliers decreased by approximately RMB13,911 thousand compared with the end of last year; (3) costs payable to media suppliers increased by approximately RMB4,181 thousand compared with the end of last year; (4) the balance of advances from customers decreased by approximately RMB40,071 thousand compared with the end of last year; and (5) the income tax of approximately RMB23,233 thousand was paid.

- (II) The net cash inflow from investing activities was RMB195,249 thousand (2024: net cash outflow of RMB196,140 thousand), which was mainly attributable to: (1) the decrease in the time deposits with maturity over three months of approximately RMB367,378 thousand; (2) the proceeds from disposal of equity investment projects amounted to approximately RMB18,486 thousand; (3) the bank deposit interest received of approximately RMB27,195 thousand; (4) payment of approximately RMB211,746 thousand for equity investments; and (5) acquisition of fixed assets such as AI equipment totaling approximately RMB7,129 thousand.
- (III) The net cash outflow from financing activities was RMB136,592 thousand (2024: RMB69,250 thousand), which was mainly attributable to (1) the payment of the 2024 final dividend and special dividend of approximately RMB149,920 thousand; (2) payment of approximately RMB717 thousand to repurchase the Company's shares; and (3) proceeds of approximately RMB15,041 thousand from the issuance of shares under the share option scheme.

PROFIT AND EQUITY ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

For the year ended 31 December 2025, the profit attributable to equity shareholders of the Company amounted to RMB80,043 thousand, compared with profit attributable to equity shareholders of the Company of RMB106,961 thousand in the previous year.

As at 31 December 2025, the Group's total assets amounted to RMB1,996,427 thousand, which consisted of the equity attributable to equity shareholders of the Company of RMB1,898,757 thousand, and non-controlling interests of RMB-9,540 thousand.

As at 31 December 2025, the Group had no interest-bearing debts, and the gearing ratio of the Group was nil (31 December 2024: nil). The gearing ratio was calculated by dividing the sum of the year-end interest-bearing bank borrowings and other borrowings by the year-end total equity, and multiplying by 100%.

As at 31 December 2025, the Group had no material contingent liabilities.

The majority of the Group's turnover, expenses and capital investments were denominated in RMB.

HUMAN RESOURCES

As at 31 December 2025, the Group had 188 employees in total, representing a slight decrease from that at the beginning of the year. During the year under review, against the backdrop of intensifying competition for existing customers in the advertising market and the deep penetration of AI technology, the Group, based on the policy of giving equal

emphasis to the dynamic core optimization and capability improvement of the employees, achieved an upgrade of our talent pool through structural adjustments. On one hand, we reduced staffing levels in loss-making business segments; on the other hand, we strategically expanded emerging roles such as intelligent content generation and AI product operations to optimize our core talent structure. In addition, the Group strengthened the linkage between employee performance outcomes and individual compensation by increasing performance bonuses for marketing and market-related positions and implementing a dynamic performance-based compensation policy for all employees. In terms of staff training, the Group regularly shared integrated marketing resources and successful case studies to empower staff to efficiently convert omnichannel marketing professionals collaboration opportunities; conducted in-depth analyses of innovative content IP partnership models to help marketing professionals fully grasp IP monetization mechanisms and value realization pathways; and offered specialized training programs on AI tool applications and AI product solutions to equip marketing professionals with technology-driven business expansion capabilities. Meanwhile, the Group regularly organized interest and thought sharing events to enable employees to increase team cohesion and recognition of the corporate culture through group work and games.

INDUSTRY AND GROUP OUTLOOK

According to the China Purchasing Managers' Index released by the Service Sector Survey Center of the National Bureau of Statistics and the China Federation of Logistics and Purchasing, in February 2026, the PMI for the manufacturing sector stood at 49.0%, representing a decrease of 0.3 percentage points from the previous month; the business activity index of non-manufacturing sector stood at 49.5%, up 0.1 percentage points from the previous month. The composite PMI output index stood at 49.5%, down 0.3 percentage points from the previous month, indicating a slowdown in business production and operations. The economic recovery remains unstable, and the momentum for domestic demand recovery still needs to be consolidated (Source: NBS, March 2026).

Looking ahead, the global economic recovery in 2026 will continue to be influenced by factors such as geopolitical tensions and monetary policy. The gold market will persistently benefit from structural drivers like central banks' gold-purchasing demand, with its long-term allocation value and growth logic remaining robust. Domestic economic restructuring and transformation of growth drivers continue to advance. With macroeconomic policies maintaining their momentum, the consumer market is expected to recover gradually. The advertising industry will continue its development trajectory centered on "value cultivation". AI technology will evolve from a tool into a core marketing infrastructure, deeply penetrating into every stage of the process from creative development and strategy formulation to campaign execution and performance measurement.

The Group maintains a cautiously optimistic outlook on the fundamental trend of sustained long-term growth in its future development. Facing market challenges and development opportunities, the Group will adhere to a business philosophy that balances innovation and stability. We will leverage our strengths to enhance our core competitiveness in creative communication and brand strategy, while adapting to shifts in consumer demand and AI technology applications. We will steadily advance the development of new businesses, committed to achieving diversified and sustainable growth for the Group.

Specifically, in TV advertising and integrated communications, the Group will, based on a client-oriented product and service strategy, continue to optimize media resources, and enhance the brand value of clients by providing them with one-stop solutions encompassing brand positioning, visual creativity, communication strategies, media execution, and effectiveness evaluation. In digital marketing and content operations, the Group will accelerate technological iteration in intelligent advertising delivery and deepen the end-to-end application of AI technologies. We will respond to the evolving client demands by focusing on the research and application of cutting-edge technologies such as AIGC, multimodal generation, and big data processing. Meanwhile, the Group will continue to leverage its expertise in video content creation and brand communication to deliver customized creative videos for clients. We will also intensify our investment in AI, enhancing the efficiency and effectiveness of technological applications in content creation to comprehensively support the Group's business expansion.

The Group will further refine its end-to-end cost control system, optimize its business structure, enhance operational efficiency, and strengthen the analysis and prevention of market risks, industry risks, and investment risks. Meanwhile, the Group will continue to optimize its governance structure, enhance the professional capabilities of its team, and build a talent system that supports diversified development, thereby providing a solid foundation for the steady advancement of all its business operations. In the complex and dynamic market environment, the Group will also seize development opportunities, actively promote the expansion of new businesses driven by the application of AI agents and data technologies, in order to provide customers with superior and diversified products and services, and generate sustained and stable medium-to-long-term value for shareholders.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year under review, the Company purchased 419,000 ordinary shares of the Company on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) at an aggregate price of HKD791,850. The bought-back shares had been cancelled subsequently in January 2026. The details of the bought-back shares are as follows:

Date	Number of shares bought-back	Highest Price HKD	Lowest Price HKD	Total paid HKD
18 December 2025	107,000	1.83	1.76	193,700
29 December 2025	152,000	1.93	1.86	290,060
30 December 2025	160,000	1.93	1.91	308,090
	<u>419,000</u>			<u>791,850</u>

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year under review.

After the end of the reporting period, the Company repurchased 2,798,000 ordinary shares on Stock Exchange during January 2026. The total amount paid on the repurchased shares of HKD5,509 thousand (equivalent to approximately RMB4,918 thousand) was paid wholly out of retained profits. These shares have been subsequently cancelled during January to March 2026.

CORPORATE GOVERNANCE PRACTICES

During the year ended 31 December 2025, the Company has fully complied with all code provisions of the Corporate Governance Code as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), except for the following deviation:

Under Code Provision F.1.3 of the Code, the chairman of the board should attend the annual general meeting. The chairman of the board should also invite the lead independent non-executive director (if any) and the chairmen of the audit, remuneration, nomination and any other committees (as appropriate) to attend. In the absence of any committee chairman, the chairman should invite another member of the committee or failing this their duly appointed delegate, to attend. These persons should be available to answer relevant questions at the annual general meeting.

Ms. Ip Hung, the chairman of the Remuneration Committee and an Independent Non-executive Director of the Company, could not attend the annual general meeting (“AGM”) of the Company held on 11 June 2025 due to other business engagement. However, the other two members of the Remuneration Committee, Mr. Chen Xin and Dr. Zhang Hua, attended the AGM to ensure effective communication with the shareholders thereat.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions of the directors of the Company (the “**Directors**”). Having made specific enquiries, the Directors of the Company confirmed that they had complied with the required standard set out in the Model Code during the year ended 31 December 2025.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL INFORMATION

The audit committee was set up by the Board for the purpose of reviewing and providing supervision over the Group’s financial reporting process, risk management system and internal control system. It currently comprises three independent non-executive directors of the Company.

The audit committee has reviewed the consolidated financial statements, the annual results for the year ended 31 December 2025 of the Group and the accounting principles and practices adopted by the Group, together with the management of the Company.

SCOPE OF WORK OF THE COMPANY’S AUDITOR

The figures in respect of the Group’s consolidated statement of financial position as at 31 December 2025, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group’s auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group’s consolidated financial statements for the year. The work performed by KPMG in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by KPMG on the preliminary announcement.

ANNUAL GENERAL MEETING

The AGM of the Company will be held on Thursday, 11 June 2026. Notice of the AGM together with the Company’s annual report for the year ended 31 December 2025 will be dispatched to shareholders in due course.

FINAL DIVIDEND

The Board recommended a final dividend of HKD11.00 cents (2024: a final dividend of HKD11.00 cents and a special dividend of HKD24.00 cents) per ordinary share for the year ended 31 December 2025 to shareholders whose names appear on the register of members of the Company on Thursday, 18 June 2026. The final dividend will be paid in Hong Kong dollars on or about Friday, 10 July 2026 subject to the approval of shareholders at the forthcoming AGM.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 8 June 2026 to Thursday, 11 June 2026 (both dates inclusive), for the purposes of determining the entitlements of the members of the Company to attend and vote at the AGM. No transfer of shares may be registered during the said period. In order to qualify to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, by no later than 4:30 p.m. on Friday, 5 June 2026.

The register of members of the Company will also be closed from Tuesday, 16 June 2026 to Thursday, 18 June 2026 (both dates inclusive), for the purposes of determining the entitlements of the members of the Company to the proposed final dividend upon the passing of the relevant resolution. No transfer of shares may be registered during the said period. In order to qualify for the proposed final dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's share registrar, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, by no later than 4:30 p.m. on Monday, 15 June 2026.

On behalf of the Board
SinoMedia Holding Limited
CHEN Xin
Chairman

Hong Kong, 31 March 2026

As at the date of this announcement, the Board comprises Mr. Chen Xin, Ms. Liu Jinlan, Mr. Li Zongzhou and Ms. Liu Zhiyi as executive directors, and Mr. Qi Daqing, Ms. Ip Hung, Dr. Tan Henry and Dr. Zhang Hua as independent non-executive directors.