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: 623)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

FINANCIAL SUMMARY

RMB'000	**For the ended 31 December 2008**	For the ended 31 December 2007	**Change (%)**
Revenue	**558,356**	364,702	+53.1%
Profit from operations	**159,712**	79,630	+100.6%
Profit attributable to equity holders of the Company	**120,800**	42,316	+1.9 times
Earnings per share *(RMB)*			
— Basic	**0.243**	0.098	+1.48 times
— Diluted	**0.243**	0.096	+1.53 times

Revenue by sales channels:

RMB'000	**For the ended 31 December 2008**	For the ended 31 December 2007	**Change (%)**
Advertising service	**570,676**	373,762	+52.7%
— CCTV	**552,950**	344,850	+60.3%
— Regional TV	**17,707**	22,990	–23.0%
— Others	**19**	5,922	–99.7%
Agency service	**10,258**	5,530	+85.5%
Others	**–**	30	N/A
Sales taxes and surcharges	**(22,578)**	(14,620)	+54.4%
Revenue	**558,356**	364,702	+53.1%

The Board of directors (the "Board") of SinoMedia Holding Limited ("SinoMedia" or the "Company") is pleased to announce the audited results and financial position of the Company and its subsidiaries (the "Group") for the year ended 31 December 2008, with comparative figures for previous year.

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2008

	Notes	2008 RMB'000	2007 RMB'000
Revenue	2	**558,356**	364,702
Cost of services		**(335,667)**	(237,857)
Gross profit		**222,689**	126,845
Other income		**14,157**	36
Selling and marketing expenses		**(26,912)**	(16,532)
General and administration expenses		**(50,222)**	(30,719)
Profit from operations		**159,712**	79,630
Finance income		**6,761**	3,045
Finance expenses related to convertible redeemable preference shares		**—**	(26,453)
Other finance expenses		**(13,920)**	(200)
Net finance expense		**(7,159)**	(23,608)
Share of profit of equity accounted investees (net of income tax)		**(107)**	—
Profit before income tax	3	**152,446**	56,022
Income tax expense	4	**(31,343)**	(13,247)
Profit for the year		**121,103**	42,775
Attributable to:			
Equity shareholders of the Company		**120,800**	42,316
Minority interests		**303**	459
Profit for the year		**121,103**	42,775
Dividends	5	**89,789**	—
Earnings per share	6		
Basic earnings per share (RMB)		**0.243**	0.098
Diluted earnings per share (RMB)		**0.243**	0.096

CONDENSED CONSOLIDATED BALANCE SHEET

At 31 December 2008

	Note	2008 *RMB'000*	2007 *RMB'000*
Assets			
Property, plant and equipment		**54,182**	48,266
Investment in equity accounted investee		**843**	—
Deferred tax assets		**6,350**	3,268
Total non-current assets		**61,375**	51,534
Trade and other receivables	7	**202,648**	97,258
Receivables due from related parties		**—**	28,255
Cash and cash equivalents		**574,503**	352,061
Assets classified as held for sale		**—**	11,041
Total current assets		**777,151**	488,615
Total assets		**838,526**	540,149
Equity			
Share capital		**173**	137
Reserves		**670,473**	388,556
Equity attributable to the equity shareholders of the Company		**670,646**	388,693
Minority interests		**7,419**	928
Total equity		**678,065**	389,621
Liabilities			
Deferred tax liabilities		**1,286**	—
Total non-current liabilities		**1,286**	—

	Note	2008 RMB'000	2007 RMB'000
Trade and other payables	8	**143,175**	136,725
Payables due to related parties		**—**	958
Income tax payables		**16,000**	12,845
Total current liabilities		**159,175**	150,528
Total liabilities		**160,461**	150,528
Total equity and liabilities		**838,526**	540,149
Net current assets		**617,976**	338,087
Total assets less current liabilities		**679,351**	389,621

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board and the requirements of the Hong Kong Companies Ordinance. 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.

The financial statements have been prepared on the historical cost basis except that derivative financial instruments are measured at fair value.

There were a number of new interpretations and amendments to the IFRSs that were first effective for the current accounting period commencing 1 January 2008, but they had no material impact on the Group's financial statements as they were either consistent with the accounting policies already adopted by the Group or not relevant to the Group's operations.

2 Segment reporting

No analysis of the Group's turnover and contribution to profit from operations by geographical segment or business segment has been presented as most of the Group's operating activities are carried out in the PRC and less than 10 percent of the Group's turnover and contribution to profit from operations are derived from activities outside the Group's media related services. There is no other geographical or business segment with segment assets equal to or greater than 10 percent of the Group's total assets.

3 Profit before income tax

Profit before income tax is arrived at after charging/(crediting):

	2008	2007
	RMB'000	*RMB'000*
Impairment losses on bad and doubtful accounts	**12,705**	—
Depreciation	**2,575**	2,115
Professional fee	**1,922**	4,067
Auditors' remuneration	**2,827**	255
Operating lease charges	**4,134**	1,736
Net gain from sale of assets classified as held for sale	**(3,695)**	—

4 Income tax expense

	2008	2007
	RMB'000	*RMB'000*
Current tax expense		
Provision for PRC income tax	**33,139**	16,515
Deferred tax expense		
Temporary differences	**(1,796)**	(3,268)
Total income tax expense	**31,343**	13,247

(i) No provision has been made for Hong Kong profits tax as the Company did not earn any income subject to Hong Kong profits tax during the year.

(ii) 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.

5 Dividends

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

	2008	2007
	RMB'000	*RMB'000*
Final dividend proposed after the balance sheet date of RMB3.96 cents (equivalent to 4.5 HK cents) per ordinary share (2008: RMB21 cents per ordinary share)	**22,347**	89,669

The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

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

	Note	**2008** **RMB'000**	2007 *RMB'000*
Dividends to equity shareholders of the Company	(i)	**89,669**	—
Dividends to minority shareholder of a subsidiary		**120**	—
		89,789	—

(i) Pursuant to the board resolutions dated 24 April 2008, the Company declared dividends at an aggregate amount of approximately HK$100 million (equivalent to RMB89.669 million at an exchange rate of 0.89669) to the shareholders from the distributable reserve. Such dividends were fully paid in June 2008.

6 Earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders of the Company of RMB120,800 thousand (2007: RMB26,570 thousand) and the weighted average of 497,011 thousand ordinary shares (2007: 271,708 thousand shares after adjusting for the share subdivision in November 2007) in issue during the year, calculated as follows:

Profit attributable to ordinary shareholders	**2008** **RMB'000**	2007 *RMB'000*
Profit for the year	**120,800**	42,316
Profit attributable to convertible redeemable preference share holders	**—**	(15,746)
Profit attributable to ordinary shareholders	**120,800**	26,570

Weighted average number of ordinary shares	**2008** **'000**	2007 '000
Issued ordinary shares at 1 January	**432,022**	271,267
Effect of the conversion of HK Series A Shares into ordinary shares	**—**	441
Effect of issues of ordinary shares under placing and public offering	**66,355**	—
Effect of shares repurchased	**(1,366)**	—
Weighted average number of ordinary shares at 31 December	**497,011**	271,708

The weighted average number of ordinary shares in issue during the years ended 31 December 2008 and 2007 has been retrospectively adjusted for the effects of the two share subdivisions of the ordinary shares took place in November 2007 and April 2008, respectively.

7 Trade and other receivables

	Note	2008 RMB'000	2007 RMB'000
Trade and bills receivables	(i)	**123,638**	40,050
Other receivables			
Prepayments to media suppliers		**61,438**	28,285
Deposits		**24,418**	13,150
Advances to employees		**3,314**	1,545
Prepaid listing fee		**—**	5,121
Others		**2,545**	9,107
		215,353	97,258
Less: Impairment losses on bad and doubtful accounts		**(12,705)**	—
		202,648	97,258

(i) Included in trade and other receivables are debtors and bills receivable (gross amount) with the following ageing analysis:

	2008 RMB'000	2007 RMB'000
Not past due	**94,821**	14,752
Past due less than three months	**9,692**	20,553
Past due three months to one year	**8,726**	3,409
More than one year	**10,399**	1,336
Trade and bills receivables	**123,638**	40,050

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.

8 Trade and other payables

	Notes	2008 RMB'000	2007 RMB'000
Trade and bills payables	(i)	**13,209**	42,127
Advances from customers	(ii)	**116,082**	78,626
Payroll and welfare expenses payables		**1,590**	55
Other compulsory payables		**1,603**	2,365
Other tax payables	(iii)	**2,476**	3,883
Other payables and accrued charges		**8,095**	9,669
Dividends payable due to minority interests of a subsidiary		**120**	—
		143,175	136,725

(i) An aging analysis of trade and bills payables is as follows:

	2008	2007
	RMB'000	*RMB'000*
Due within three months or on demand	**5,379**	38,817
Due after three months but within six months	**7,830**	—
Due after six months but within one year	**—**	3,310
	13,209	42,127

(ii) Advances from customers represented the down-payments received from customers, which are expected to be recovered within one year.

(iii) Other tax payables mainly comprise business tax payable and surcharges payable.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

At the end of 2008, the Group acquired the exclusive underwriting rights to the advertising time of CCTV-7, totaling approximately 4,800 minutes per year. The advertising time covers all advertising time of seven programmes including "Zhi Fu Jing (致富經)", "Daily Agricultural News (每日農經)" and "Focus on the Three Agricultural Issues (聚焦三農)", as well as an advertising slot of 1.5 minutes every night. Each of the advertising contracts related to CCTV-7 is valid for five years from 1 January 2009 to 31 December 2013. The advertising cost for the years 2012 and 2013 shall be negotiated and agreed by both parties before the end of 2011. The Group has already established a joint venture, in which the Group holds a controlling stake, to manage the advertisement resources of CCTV-7.

The Board decided to acquire the advertisement resources in reference to the economic situations both internationally and in Mainland China, as well as the sales direction of potential clients. Thanks to the national policy that favours the agricultural sector, CCTV-7 has achieved a household penetration rate of 85.7% in 2008, ranking the second after CCTV-1 (source: China Mainland Media Research Co., Ltd.). As the government is attaching increasing importance to the "three agricultural issues", CCTV-7 is set to become the best platform for various commercial brands to tap consumer markets in different provinces and cities.

On 31 December 2008, the Group signed an agreement with CCTV International Network Co., Ltd., the owner and operator of the website *www.cctv.com*. Pursuant to the agreement, the Group was granted the exclusive rights to sell all the advertisement resources of the news page (新聞頻道) of *www.cctv.com* for five years between 1 January 2009 and 31 December 2013, except for those in relation to 4 particular programmes, namely "News Broadcasting (新聞聯播)", "News 30' (新聞30分)", "Evening News (晚間新聞)" and "Topics in Focus (焦點訪談)".

In 2008, the Group had 33,526 minutes of advertisement time on CCTV (2007: 32,704 minutes). During the review period, the viewer ratings and level of satisfaction of audience in relation to the CCTV programmes owned by the Group showed consistent improvements:

CCTV-1/News Channel

"Media Headline (媒體廣場)" is the only newspaper reading programme under "The Morning News (朝聞天下)" on CCTV-1/news channel, delivering the latest daily news of nearly 100 authoritative media outlets across the country. In general, the news content of up to 50 newspaper columns and about 70 newspaper headlines are introduced in the programme, therefore it is an important channel for TV viewers to obtain news information in the morning. As the most distinctive programme under "The Morning News", "Media Headline" saw its average rating rise from 0.77% in 2007 to 0.89% in 2008 according to the study into 18 cities in Mainland China conducted by CVSC-Sofres Media. While enjoying the highest rating compared with all morning newspaper reading programmes, it is also a reputable programme among many government officials, corporate managers and white collar workers. The advertisement time of the programme exclusively owned by the Group grew by 4% from 1,282 minutes in 2007 to approximately 1,333 minutes in 2008.

CCTV-2

CCTV-2's "China Finance Report (中國財經報導)" is one of the oldest business programmes of its kind in China. Upholding the traditional format of authoritative business programmes while constantly exploring innovative ideas, the programme is a distinguished business programme in China marked by clear presentation of information and profound business insight. According to the CVSC-Sofres Media survey into 18 cities in Mainland China for the first ten months of 2008, "China Finance Report" recorded an average rating of 0.72% in 2008, compared with 0.65% in 2007 (based on a CVSC-Sofres Media survey into 14 cities in 2007). In 2008, the Group had the underwriting rights to around 264 minutes of advertisement time of the programme, which was consistent with that in 2007.

CCTV-4

As CCTV's international Chinese-language channel, CCTV-4 is an important channel through which overseas viewers can understand China and the Chinese government's position on key international affairs. Its TV signals are accessible to almost all regions across the country as well as 92 foreign countries and regions. CCTV-4 is a news-oriented channel supplemented with programmes related to culture, entertainment and services, as well as renowned programmes, quality programmes and homemade TV series of top quality on other CCTV channels. As a propaganda vehicle for the state, CCTV-4 has unmatched authority, taking the lead to issue the most authoritative commentaries on major events at home and abroad, including the September 11 attacks, the US war on Iraq, the SARS outbreak, the six-party talks, Taiwanese leaders' trips to the mainland, Taiwan's election and the Olympics. The channel's widespread influence is reflected by the slogan "in case of big issues, go for channel 4". In sum, CCTV-4 is becoming increasingly important for TV viewers at home and abroad and its influence is continuing to grow, enabling it to occupy a dominant position in Mainland China's TV sector. The Group had the rights to sell the advertisement time of 33, or nearly 50%, of CCTV-4's programmes. They include "Across the Strait (海峽兩岸)", "Walk Through China (走遍中國)", "Sentiments of Chinese (中華情)", "Happy

Hour Around the World (同樂五洲)", "Traditional Chinese Medicine (中華醫藥)", "The Stories of Taiwanese Merchants (台商故事)", "Time Together Across the World (天涯共此時)" and "Fate (緣分)", all of which are distinguished programmes of the channel. "Across the Strait" has repeatedly achieved record high daily ratings, with highest rating amounted to 2.88% and average rating 2.36% in 2008 (according to the study into 18 cities in Mainland China conducted by CVSC-Sofres Media). With contact between officials from both sides of the strait becoming more frequent, it is believed "Across the Strait" will receive overwhelming response again in the near future. The only national geographic TV programme of CCTV, "Walk Through China" recorded an average rating of 0.77% in 2008 (source: a study into 18 cities in Mainland China conducted by CVSC-Sofres Media), up from 0.63% in 2007 (source: a study into 14 cities in Mainland China conducted by CVSC-Sofres Media). The quality and impact of the show has gained widespread recognition from urban dwellers and tourists. During the period under review, the Group had the rights to sell approximately 15,900 minutes of advertisement time. The 2009 CCTV-4 underwriting contract renewed at the end of 2008 featured the same programmes as the previous contract, with one more programme having been added.

CCTV-9

CCTV-9 is the English-language international channel of CCTV. The Group had the exclusive underwriting rights to sell the advertisment time of its programmes between 2005 and 2008. In light of the persistent international financial crisis and China's domestic economic situation, the Board has decided not to renew the contract after it expired on 31 December 2008.

INDUSTRY AND GROUP OUTLOOK

According to the latest annual advertisements supervision report compiled by CTR Marketing Research, the total amount of advertising spending in China grew by 15% to RMB441.3 billion in 2008, thanks to the positive effects generated by the Olympics. TV advertising maintained its leading position, taking up 76% of the market share. At the 2009 CCTV Golden Resources and Advertising Tender held on 18 November 2008, the total turnover reached a new high of RMB9.3 billion, representing a 15% increase year-on-year. All these indicated that despite China's advertising market growth is slowing down in 2009 as a result of the macroeconomic slowdown, leading media outlets still manage to maintain considerable growth by taking advantage of the shortage in resources and their own solid monopolistic position. Nevertheless, the Board noticed that given the uncertain macroeconomic situation, the visibility of advertising market in 2009 remains low.

The Group has been focusing on the media realm and striving to be the industry leader in media marketing, clientele development and client servicing, as well as brand communication. The Group's core competitiveness lies on its visionary development strategies in media resources development, the consistent improvements in corporate culture and management standard, as well as the continuous enhancement of the competitiveness of its professional workforce. The Group has continued to establish a highly efficient platform for brand communication through the consolidation of its resources, including more than 50 quality programmes on CCTV-1, 2, 4 and 7, the news page of *www.cctv.com*, the nationwide public service advertisement broadcast platform, and such magazines as "Tourism (旅遊)" and "China Radio, Film & TV (中國廣播影視)". In addition, the Group strives to enhance the utilisation rate of existing mainstream media resources, while seeking to expand its regional TV businesses by means of forging joint venture, collaboration with partners and acquisition. Such initiatives aim at enriching the Group's already versatile media resource system and create synergy so as to maintain steady growth.

The Board and management will continue to uphold its mission of "maintaining steady development and focusing on long-term growth" and identify any market opportunities, further consolidating its leading position as CCTV's advertising operator. In addition, the Group will continue to maintain and reinforce its strength in the traditional media sector while speeding up expansion plans related to the new media.

FINANCIAL REVIEW

Revenue and Operation Profit

The Group was listed on the Main Board of the Stock Exchange of Hong Kong Limited on 8 July 2008, raising net proceeds of approximately HK$290 million (approximately RMB254 million).

For the financial year ended 31 December 2008, the Group recorded a revenue of RMB558,356 thousand, representing a 53.1% increase from RMB364,702 thousand recorded in 2007. It was mainly attributable to the increase in the average selling price of the advertisement time of CCTV underwritten by the Group, and the increase in sales of advertisement time of key programmes.

For the financial year ended 31 December 2008, the Group recorded an operating profit of RMB159,712 thousand, up 101% from RMB79,630 thousand recorded in 2007, while gross profit margin increased from 34.7% in 2007 to 39.9%. The surge in operating profit was mainly attributable to (1) the surge in revenue from the operation of CCTV's media resources; (2) other income amounting to RMB14,157 thousand; and (3) regional media operation having achieved a break-even this year when compared to the RMB12,877 thousand loss in 2007.

Up to 31 December 2008, the Group had sold in advance advertisement time for 2009 for the amount of more than RMB520 million, representing a 35% increase from RMB385 million for the same period in the previous year.

Operating Expenses

For the year ended 31 December 2008, the Group recorded RMB26,912 thousand in sales and marketing expenditure, accounting for 4.8% of its total revenue (2007: 4.5%). The increase, which amounted to RMB10,380 thousand, was mainly driven by increase in payroll and employee benefits of approximately RMB6,143 thousand due to the increased number of sales staff and the payment of performance bonus in accordance with the rise in sales revenue as part of the Group's plan to fortify business growth. Administrative expenses and other expenses totaled RMB50,222 thousand, accounting for 9.0% of the total revenue (2007: 8.4%). The increase, amounting to RMB19,503 thousand, was attributable to the following factors: (1) The Group has hired new employees and professional firms in keeping up with its development strategy and the needs of its IPO process, which added RMB4,927 thousand in salaries and professional fees to the operating expenses. (2) As a result of the financial crisis sweeping across the globe, some corporate clients had cash flow problems. In addition to its extra efforts to communicate with clients to collect receivables, the Group has also set aside RMB12,705 thousand for bad debts.

Significant Investments and Acquisitions

During the year under review, the Group based on its existing policy has carefully scrutinised strategic investment opportunities, aiming at enhancing its existing businesses and broadening its revenue base. Major acquisitions took place during the year are as follows:

1. On 25 October 2008, CTV Golden Bridge International Media Co., Ltd. ("CTV Media (Shanghai)"), a 99.7% owned subsidiary of the Company, entered into a framework agreement with two other parties to establish a joint venture, which operates a nationwide public service advertisement broadcast platform. Pursuant to the framework agreement, CTV Media Shanghai contributed RMB1.35 million to the joint venture, in which it currently holds a 45% equity interest, and shall acquire the remaining 55% equity interests of the joint venture held by other joint venture partners after 2010, subject to certain conditions.

2. On 24 November 2008, CTV Media (Shanghai) entered into a capital increase agreement with a third party, pursuant to which CTV Media (Shanghai) contributed RMB5.1 million to Beijing Golden Bridge Senmeng Media Advertising Co., Ltd. ("Golden Bridge Senmeng"), which operates and manages the advertising resources in relation to CCTV-7. Golden Bridge Senmeng is accounted for as a 51% owned subsidiary of CTV Media (Shanghai) after the capital contribution.

   On 9 January 2009, CTV Media (Shanghai) entered into with the joint venture partner of Golden Bridge Senmeng (a) another capital increase agreement, pursuant to which CTV Media (Shanghai) made additional capital contribution of RMB9.18 million to Golden Bridge Senmeng, maintaining its 51% stake in the subsidiary; and (b) a cooperation agreement and a supplemental agreement, under which CTV Media (Shanghai) shall acquire further equity interests in Golden Bridge Senmeng from the joint venture partner in three stages during the period from 2009 to 2011, subject to certain conditions.

Liquidity and Financial Resources

As at 31 December 2008, total assets of the Group amounted to RMB839 million, which were financed by equity attributable to equity holders of the Company of RMB671 million, minority interests of RMB7 million, and non-current and current liabilities of RMB161 million. There was no bank borrowing or asset held under finance lease at the year end (31 December 2007: nil).

The Group consistently maintained a very liquid position. The cash and bank balances as at the year end amounted to RMB575 million (31 December 2007: RMB352 million), of which 50.1% was maintained in Renminbi, 46.5% in US Dollars, and 3.4% in other currencies.

The majority of the turnover, expenses and capital investment is denominated in Renminbi.

Human Resources

As at 31 December 2008, the Group had a total of approximately 232 employees. We implement remuneration policy that is competitive in the industry, and pay commissions to our sales people and discretionary bonus to our other employees with reference to performance of the Group and individual employees. In order to align the interests of employees with those of shareholders, share options were granted to employees under the Company's share option scheme. We also provide benefits, such as insurance and medical check-ups, and various training programmes to employees to sustain competitiveness of the Group.

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

During the year ended 31 December 2008, the Company repurchased its own ordinary share on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") as follows:

Month/year	**Number of shares repurchased**	**Highest price paid per share**	**Lowest price paid per share**	**Aggregate price paid**
		HK$	*HK$*	*HK$*
Sep-08	1,485,000	0.56	0.54	821,948
Oct-08	3,271,000	0.80	0.61	2,504,462
Nov-08	2,303,000	0.87	0.72	1,850,520
	7,059,000			5,176,930
RMB equivalent				4,604,143

The repurchased shares were cancelled and accordingly the issued share capital of the Company was reduced by the nominal value of these shares.

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the period from the Company's listing on the Stock Exchange on 8 July 2008 (the "Listing Date") to 31 December 2008.

CORPORATE GOVERNANCE PRACTICES

Throughout the period from the Listing Date to 31 December 2008, the Company had complied with all the applicable code provisions of the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") except for the deviation from CG Code C.2.1 as described below.

The Company has not yet adopted CG Code C.2.1 which provides that the Company should at least annually conduct a review of the effectiveness of the system of internal control of the Group. An internal audit department has been established to review major operational and financial systems of the Group on a continuing basis and it aims to cover all significant functions within the Group on a rotational basis. The scope of the internal audit department's review and the audit programmes have been approved by the Audit Committee. The department reports directly to the Audit Committee and the Chairman of the Company, and submits regular reports for their review in accordance with the approved programmes. As such, the Company considers that the work performed by the Group and the internal audit department are sufficient to meet the underlying objective of the relevant provision of the CG Code.

DIRECTOR'S 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 10 to the Listing Rules as its own code of conduct regarding directors' securities transactions.

Having made specific enquiry of all Directors, the Directors confirmed that they had complied with the required standard set out in the Model Code during the period from the Listing Date to 31 December 2008.

REVIEW OF FINANCIAL INFORMATION

The Audit Committee has, together with the management of the Company, reviewed the Group's audited consolidated financial statements and the annual report for the year ended 31 December 2008, including the accounting principles and practices adopted by the Group.

FINAL DIVIDEND

The Board recommended a final dividend of 4.5 HK cents (equivalent to approximately 3.96 RMB cents) per share, with an aggregate value of approximately RMB22.3 million, to shareholders. Subject to the approval of shareholders at the forthcoming annual general meeting to be held on Friday, 12 June 2009 (the "AGM"), the final dividend will be paid in Hong Kong dollars on or about Friday, 26 June 2009 to those members registered in the Company's register of members as at Friday, 12 June 2009.

ANNUAL GENERAL MEETING

The AGM of the Company will be held on Friday, 12 June 2009. Notice of the AGM together with the Company's annual report for the year ended 31 December 2008 will be dispatched to shareholders in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 9 June 2009 to Friday, 12 June 2009 (both days inclusive), during which period no transfer of shares of the Company will be registered.

In order to qualify for (i) attendance and voting at the AGM of the Company to be held on Friday, 12 June 2009 (or any adjournment thereof) and (ii) the proposed 2008 final dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Monday, 8 June 2009.

On behalf of the Board
SinoMedia Holding Limited
CHEN Xin
Chairman

Hong Kong, 16 April 2009

As at the date of this announcement, the Board comprises Mr. Chen Xin, Ms. Liu Jinlan and Mr. Li Zongzhou as executive directors, Mr. Zhu Jia and Mr. Huang Jingsheng as non-executive directors and Mr. Ding Junjie, Mr. Qi Daqing and Mr. Chen Tianqiao as independent non-executive directors.