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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)

VOLUNTARY DISCLOSURE
SHAREHOLDERS AGREEMENT
IN RESPECT OF ESTABLISHMENT OF A JOINT VENTURE

The Board is pleased to announce that on 8 December 2010, Beijing Bozhiruicheng, an indirect subsidiary of the Company, entered into the Shareholders Agreement with the JV Partner and Mr. Peng, pursuant to which the Group, the JV Partner and Mr. Peng will establish a joint venture in the PRC for operating a travel related website.

Beijing Bozhiruicheng and the JV Partner will contribute 38% and 62% respectively of the registered capital of the Joint Venture. Beijing Bozhiruicheng will contribute an aggregate sum of RMB30 million (equivalent to approximately HK\$34.98 million) to the Joint Venture by way of cash and other assets.

As the relevant applicable percentage ratios are less than 5%, the entering into the Shareholders Agreement does not fall within the notifiable transaction under Chapter 14 of the Listing Rules. However, for the sake of transparency, the Company would like to make a voluntary announcement for the transaction.

DATE OF THE SHAREHOLDERS AGREEMENT

8 December 2010

PARTIES TO THE SHAREHOLDERS AGREEMENT

- (a) Beijing Bozhiruicheng;
- (b) JV Partner; and
- (c) Mr. Peng.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, each of the JV Partner (including its ultimate beneficial owner(s)) and Mr. Peng is an Independent Third Party.

SUMMARY TERMS OF THE SHAREHOLDERS AGREEMENT

Under the Shareholders Agreement, the Parties will establish a joint venture in the PRC for operating the Relevant Website.

Beijing Bozhiruicheng and the JV Partner will contribute 38% and 62% respectively of the registered capital of the Joint Venture. Beijing Bozhiruicheng will contribute an aggregate sum of RMB30 million (equivalent to approximately HK\$34.98 million) to the Joint Venture by way of cash and other assets.

After the establishment of the Joint Venture, the Parties shall procure the Joint Venture in acquiring the necessary telecommunications and information services operation permits. Before the above mentioned permits are acquired by the Joint Venture, the Joint Venture shall have the exclusive and irrevocable right to operate the Relevant Website. After the above mentioned permits are acquired, the Joint Venture shall govern the operation and finance of the Relevant Website and obtain the entire economic interests and benefits and bear the operation costs of the Relevant Website.

BENEFITS OF ESTABLISHING THE JOINT VENTURE

The joint venture arrangement is expected to bring the following benefits to the Group:

1. The JV Partner is operating a leading internet portal for travel industry in the PRC. Through cooperation with the JV Partner and investment in the Joint Venture, the Group can provide more advertising channels to its customers in the travel industry, one of the major source of customers of the Group. The Group is also expecting to benefit from the high growth internet advertising market through this investment.
2. For small and medium travel industry customers which cannot afford the cost of television advertising, the Relevant Website provides a cost-effective alternative for their advertising campaigns. For customers with more budget, the Group can provide them various advertisement packages including both television advertisements and interactive Internet advertisements through this Joint Venture. This will help the Group expand its customer base and retain its customers.

GENERAL

Listing Rules Implications

As the relevant applicable percentage ratios are less than 5%, the entering into the Shareholders Agreement does not fall within the notifiable transaction under Chapter 14 of the Listing Rules. However, for the sake of transparency, the Company would like to make a voluntary announcement for the transaction.

Information on the Parties

Beijing Bozhiruicheng is legally owned by two Independent Third Parties as to 50% and 50% respectively. As a result of certain contractual arrangements entered into between Beijing Bozhiruicheng and CTV Media (Shanghai), a 99.7% owned subsidiary of the Company, Beijing Bozhiruicheng is treated as a subsidiary of the Company and its accounts will be fully consolidated into the consolidated financial statements of the Company. The principal business of Beijing Bozhiruicheng is the provision of nationwide advertising coverage, campaign planning and advertisement production.

The Company is principally engaged in media advertising business.

The JV Partner is principally engaged in the operation of a travel related website.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“associate”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Beijing Bozhiruicheng ”	Beijing Bozhiruicheng Information Consultancy Co., Ltd. (北京博智瑞誠信息諮詢有限公司), a company established in the PRC;
“Company”	SinoMedia Holding Limited (中視金橋國際傳媒控股有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 623);
“CTV Media (Shanghai)”	CTV Golden Bridge International Media Co., Ltd. (中視金橋國際傳媒有限公司), a sino-foreign equity joint venture enterprise which is owned as to 99.7% by the Company;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Third Party(ies)”	third party(ies) not connected to any Director, chief executive or substantial shareholder of the Company or any of its subsidiaries or an associate of any of them as defined in the Listing Rules;

“Joint Venture”	a joint venture company to be established under the Shareholders Agreement;
“JV Partner”	Beijing Lotour Internet Technology Co., Ltd. (北京樂途遊網絡科技有限責任公司), a company established in the PRC, which is owned as to 100% by Mr. Peng;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“Shareholders Agreement”	the shareholders agreement dated 8 December 2010 and entered into among Beijing Bozhiruicheng, the JV Partner and Mr. Peng in connection with the establishment of the Joint Venture, a summary of which is set out in the section headed “Summary terms of the Shareholders Agreement” in this announcement;
“Parties”	the parties to the Shareholders Agreement, namely Beijing Bozhiruicheng, the JV Partner and Mr. Peng;
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macao Special Administrative Region and Taiwan for the purposes of this announcement;
“Relevant Website”	<i>www.lotour.com</i> (樂途旅遊網), a travel-related website which is solely operated by the JV Partner before the establishment of the Joint Venture;
“RMB”	Renminbi, the lawful currency of the PRC;
“Mr. Peng”	an individual who holds 100% equity interest in the JV Partner;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.

For the purpose of this announcement, unless otherwise indicated, the exchange rate of RMB1.00 = HK\$1.166 has been used, where applicable, for purpose of illustration only and does not constitute a representation that any amount has been, could have been or may be exchanged at such a rate or at any other rates.

On behalf of the Board
SinoMedia Holding Limited
Chen Xin
Chairman

Hong Kong, 8 December 2010

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.