

[For Immediate Release]



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

SinoMedia Invests in Two of the Leading Mobile TV Service Providers in China

Establish Foothold in Mobile Internet Industry to Explore Mobile TV Market

HONG KONG, 11 July 2011 – **SinoMedia Holding Limited** (“SinoMedia” or the “Group”; stock code: 623), a leading TV media advertising operator in China, announced today that the Group has entered into agreements to invest in cash for the acquisition of equity interests of two mobile TV operators in China. SinoMedia is an important strategic investor for the two companies, and this marks the beginning of the Group’s expansion into mobile Internet media operations.

The Group has invested US\$6 million (equivalent to approximately HK\$46.8 million) in FoneNet Inc. (“100TV”), becoming 100TV’s third largest shareholder and appointed a member to join its board of directors. Well-known international institutions, including Cisco and iD TechVenture, have invested in 100TV. Headquartered in Beijing with approximately 150 employees, 100TV is one of China’s largest mobile TV platforms and service providers, focusing on the development of mobile TV technology and video players, and has obtained business licenses for telecommunications and information services and value-added telecommunications services. 100TV is an industry leader in terms of its business scale and operational capabilities and has established full network business relationships with major telecommunications operators in China. The company is committed to providing mobile subscribers with a full range of integrated mobile TV services in China.

In the meantime, the Group’s wholly owned subsidiary, Beijing Bozhiruicheng Information Consultancy Co., Ltd., has entered into an agreement with Beijing Shixunlianhe Cultural Media Co., Ltd. to acquire 5% stake in the mobile TV operator, Beijing Zhongtoushixun Cultural Media Co., Ltd. (“Zhongtoushixun”). With the China Internet Information Center holding controlling stake, Zhongtoushixun is responsible for the audio and visual content production of CNLive’s (視訊中國) mobile TV platform and provides mobile TV services through mobile communication network. It also provides its subscribers video services through the Internet. Zhongtoushixun is well experienced in operating value-added services for the mobile Internet industry and has obtained technology expertise for mobile TV. Its

sales revenue and market share in the mobile TV market have increased substantially since 2010, making it a leader in the mobile TV industry.

As mobile Internet applications become increasingly popular, the country's 3G network will offer more diversified mobile services, including audio, video, animation and game-related media applications. Of these, mobile TV applications have high potential for growth, and it is estimated that revenue from the industry will maintain an average CAGR of 150% over the next three years to reach RMB11.38 billion by 2013 (Source: Enfodesk's 2011 Special Report on the China Mobile TV Market).

Mr. Chen Xin, Chairman of SinoMedia, said, "The mobile Internet TV market in China is growing rapidly and is expected to maintain its high growth momentum despite the relatively small market size at present. SinoMedia is delighted to have become an important strategic investor of the two leading companies in China's mobile TV industry. Both possess excellent mobile Internet technology, and have different specialties in marketing and promotion and content production. Their strengths will help the Group to develop new media operations along the value chain, and create synergies with the Group's existing business operations and clientele in the next five years. It is expected that both investments will bring satisfactory returns in continuous growth to the Group's overall development."

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For further information, please contact Hill and Knowlton Asia Ltd.:

Linda Pui Tel: (852) 2894 6378/ 9700 0178 linda.pui@hillandknowlton.com.hk

Ho Kang Tel: (852) 2894 6257/ 6737 6433 ho.kang@hillandknowlton.com.hk