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**If you have sold or transferred** all your shares in China Outdoor Media Group Limited (the "Company"), you should at once hand this circular to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected, for transmission to the purchaser or transferee.

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## **CHINA OUTDOOR MEDIA GROUP LIMITED**

### **中國戶外媒體集團有限公司**

*(Formerly known as eCyberChina Holdings Limited)*

*(前稱光訊控股集團有限公司)*

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 254)**

## **MAJOR TRANSACTION DISPOSAL OF SHARES IN FIRST UNION LIMITED**

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The Extraordinary General Meeting will be held at Room 4102, 41 Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong on Monday, 19th January 2009 at 10:00 a.m.. A notice of the Extraordinary General Meeting is set out on pages 29 to 30 of this circular.

There is enclosed a form of proxy for use at the Extraordinary General Meeting. Whether or not you intend to be present thereat, you are requested to complete the form of proxy and return it to the registered office of the Company situated at Unit 2508, 25th Floor, Harbour Centre, No. 25 Harbour Road, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the Extraordinary General Meeting. Completion and return of the form of proxy will not prevent you from attending and voting in person at the Extraordinary General Meeting or its adjournment thereof if you so wish.

29th December 2008

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*\* for identification purpose only*

## DEFINITIONS

*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“Agreement”	means an agreement for sale and purchase of the Sale Shares dated 26th November 2008 between the Vendor and the Purchaser in relation to the Disposal of the Sale Shares;
“Associate(s)”	has the meaning ascribed to it in the Listing Rules;
“Board”	means the board of Directors of the Company for the time being;
“Business Day”	means any day (excluding a Saturday) on which banks are generally open for business in Hong Kong;
“Company”	means China Outdoor Media Group Limited, a company incorporated in Hong Kong with limited liability and whose Shares are listed and traded on the main board of the Stock Exchange;
“Completion”	means the completion of the Agreement which will take place on the Completion Date;
“Completion Date”	means the Business Day after the date of fulfilling the Conditions Precedent or such other date as the Vendor and the Purchaser may agree in writing;
“Conditions Precedent”	as defined under the paragraph with the heading “Conditions Precedent” of this circular;
“Connected Persons”	has the same meaning as ascribed to it under the Listing Rules;
“Consideration”	means HK\$35,000,000.00, being the consideration for the Sale Shares;
“Deposit”	means an amount of HK\$1,000,000.00, being the deposit of the Consideration;
“Director(s)”	means the directors of the Company for the time being;
“Disposal”	means the proposed disposal of the Sale Shares pursuant to the Agreement;

## DEFINITIONS

“EGM”	means the extraordinary general meeting of the Company to be convened for the purpose of considering, and if thought fit, approving the terms of the Agreement and the transactions contemplated;
“First Union Limited”	means a company incorporated in Hong Kong with limited liability and is wholly-owned by the Vendor;
“Group”	means the Company and its subsidiaries;
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC;
“HKFRS”	means Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants;
“Latest Practicable Date”	22nd December 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange;
“Notice”	means the notice convening the Extraordinary General Meeting which is set out on pages 29 to 30 of this circular;
“PRC”	means the People’s Republic of China;
“Property”	means 內蒙古眾維家居裝飾建材商場 (Huhehaote Zhongwei Household Decoration and Construction Materials Shopping Centre*) located at 中國內蒙古自治區呼和浩特市新城區東庫西街139號 (No. 139 Dongku West Street, Xincheng District, Hohhot City, Inner Mongolia, China*);
“Purchaser”	means Target Smart Limited, a limited liability company incorporated in the British Virgin Islands;
“Remaining Group”	means the Group immediately after the Completion;

*\* for identification purpose only*

## DEFINITIONS

“RMB”	means Renminbi, the lawful currency in the PRC;
“Sale Shares”	means 2 shares of a par value of HK\$1.00 each, being the entire issued share capital of First Union Limited;
“Shareholder(s)”	means the holder(s) of the shares of the Company;
“Shares”	means ordinary share(s) of a par value of HK\$0.01 each in the share capital of the Company;
“Stock Exchange”	means the Stock Exchange of Hong Kong Limited;
“Vendor”	means Welchem Development Limited, a company incorporated in Hong Kong with limited liability;
“北京光迅投資管理顧問有限公司 (Beijing eCyberChina Investment Management Consultancy Limited*)”	means 北京光訊投資管理顧問有限公司 (Beijing eCyberChina Investment Management Consultancy Limited*), a company incorporated in the PRC with limited liability.

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## CHINA OUTDOOR MEDIA GROUP LIMITED

### 中國戶外媒體集團有限公司

*(Formerly known as eCyberChina Holdings Limited)*

*(前稱光訊控股集團有限公司)*

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 254)**

*Executive Directors:*

Mr. Lau Chi Yuen, Joseph

Mr. Chan Sing Fai

Mr. Lu Liang

Mr. Ng Yan

*Registered Office:*

Unit 2508, 25th Floor

Harbour Centre

No. 25 Harbour Road

Wanchai, Hong Kong

*Independent non-executive Directors:*

Mr. Cheng Kwong Choi, Alexander

Mr. Cheng Sheung Hing

Mr. Law Tai Yan

29th December 2008

*To Shareholders of the Company*

Dear Sir or Madam,

### MAJOR TRANSACTION DISPOSAL OF SHARES IN FIRST UNION LIMITED

#### I. INTRODUCTION

On 1st December 2008, the Directors announced that, on 26th November 2008, the Vendor, a wholly-owned subsidiary of the Company, entered into the Agreement with the Purchaser, pursuant to which the Vendor has agreed to sell the Sale Shares, being the entire issued share capital of First Union Limited, at a Consideration of HK\$35,000,000.00. The Agreement is subject to the fulfillment of the conditions precedent set out below in this circular. To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, the Purchaser and its respective ultimate beneficial owners are independent third parties not connected with the Company and its Connected Persons (as defined under the Listing Rules). The Disposal is expected to record a loss of approximately HK\$14,200,000.00.

## LETTER FROM THE BOARD

As the relevant percentage ratio as defined in the Listing Rules exceeds 25%, the Disposal constitutes a major transaction (disposal) for the Company under the Listing Rules and is therefore subject to the approval of the Shareholders at the EGM and the reporting and announcement requirements under Chapter 14 of the Listing Rules. No Shareholder has material interest in the Disposal. As such, no Shareholder is required to abstain from voting in respect of the proposed resolutions to approve the Disposal at the EGM.

Pursuant to the amendments to the Listing Rules which will be effective on 1st January 2009, the vote of Shareholders at the EGM must be taken by poll.

The purpose of this circular is to give you further information regarding the Agreement and the Disposal and to give you notice to convene the EGM to consider and, if thought fit, to approve the Agreement and the Disposal.

## II. THE DISPOSAL

### 1. The Agreement dated 26th November 2008

*Parties* :

**Vendor** : Welchem Development Limited, a company incorporated in Hong Kong with limited liability and a wholly owned subsidiary of the Company. Welchem Development Limited is principally engaged in investment holding.

**Purchaser** : Target Smart Limited, a limited liability company incorporated in the British Virgin Islands, is principally engaged in investment holding.

To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, the Purchaser and its respective ultimate beneficial owners are independent third parties not connected with the Company and its Connected Persons (as defined under the Listing Rules). The Purchaser and its Associates have no interest in the Shares of the Company.

The Company does not have any prior transactions with Target Smart Limited that requires aggregation under rule 14.22 of the Listing Rules.

*Assets to be disposed*

The Sale Shares which represent the entire issued share capital of First Union Limited will be sold to the Purchaser at a cash consideration of HK\$35,000,000.00. First Union Limited is an investment holding company and holds 100% equity interest of 北京光訊投資管理顧問有限公司 (Beijing eCyberChina Investment Management Consultancy Limited\*) whose principal asset is the Property before Completion. Upon Completion, First Union Limited and 北京光訊投資管理顧問有限公司 (Beijing eCyberChina Investment Management Consultancy Limited\*) will cease to be the subsidiaries of the Company.

\* for identification purpose only

## LETTER FROM THE BOARD

### *Consideration*

The Consideration is HK\$35,000,000.00, which shall be payable by the Purchaser by cheque in favour of the Vendor or to the Vendor's direction in the following manner:-

- (a) a non-refundable Deposit in the amount of HK\$1,000,000.00 within 14 days from the date of signing of the Agreement;
- (b) a non-refundable amount of HK\$4,000,000.00 within 30 days from the date of the EGM and after the Purchaser being reasonably satisfied with the results of a legal and financial due diligence review to be conducted on First Union Limited and 北京光訊投資管理顧問有限公司 (Beijing eCyberChina Investment Management Consultancy Limited\*); and
- (c) a non-refundable amount of HK\$30,000,000.00 being the balance of the Consideration within 12 months from the date of EGM.

The Consideration was agreed after arm's length negotiation between the Vendor and the Purchaser and on normal commercial terms and determined with reference to the value of the PRC property.

The non-refundable Deposit in the amount of HK\$1,000,000.00 has already been fully paid by the Purchaser to the Vendor on 1st December 2008.

### *Conditions Precedent*

Completion shall be conditional on approval by the shareholders of the Company in an EGM in order to fulfill the requirements for major transaction set out in Rule 14.40 of the Listing Rules.

Completion shall also be conditional on the Purchaser being reasonably satisfied with the results of a legal and financial due diligence review to be conducted on First Union Limited and 北京光訊投資管理顧問有限公司 (Beijing eCyberChina Investment Management Consultancy Limited\*).

If the Conditions have not been fulfilled by 31st January 2009 (or such later date as the Vendor and the Purchaser may agree in writing), all rights and obligations of the Vendor and the Purchaser shall cease and determine, save and except for certain survival provisions in the Agreement which shall remain in full force and effect, neither the Vendor nor the Purchaser shall have any claim against the others save of claims (if any) in respect of the aforesaid survival provisions or any antecedent breach.

\* for identification purpose only

## LETTER FROM THE BOARD

### *Completion*

Subject to the Conditions Precedent as aforesaid, Completion shall take place on the Completion Date.

### **2. Information about the Company**

The Company is a listed company on the Stock Exchange. The principal activities of the Company and its subsidiaries consist of media business and the holding of properties for investment and rental purposes.

### **3. Information on the Vendor**

The Vendor is a company incorporated in Hong Kong with limited liability on 1st September 1997. The authorized capital of the Vendor is HK\$10,000 divided into 10,000 shares of a par value of HK\$1.00 each 2 shares of which are issued and fully paid. The nature of business of the Vendor is investment holding. The Company currently holds 100% of the entire issued share capital of the Vendor. The Vendor is a wholly-owned subsidiary of the Company. The Agreement was entered into between the Vendor and the Purchaser pursuant to which the parties have agreed on the sale and purchase of the Sale Shares.

### **4. Information on First Union Limited**

First Union Limited is a wholly-owned subsidiary of the Vendor incorporated in Hong Kong with limited liability. The maximum number of shares authorized to be issued is 10,000 at a par value of HK\$1.00. The principal business activity of First Union Limited is the holding of 100% equity interest in 北京光訊投資管理顧問有限公司 (Beijing eCyberChina Investment Management Consultancy Limited\*). The consolidated net asset value of First Union Limited is approximately HK\$50,526,000.00 as at 30th June 2008.

### **5. Information on 北京光訊投資管理顧問有限公司 (Beijing eCyberChina Investment Management Consultancy Limited\*)**

北京光訊投資管理顧問有限公司 (Beijing eCyberChina Investment Management Consultancy Limited\*) is a company incorporated in the PRC with limited liability. 北京光訊投資管理顧問有限公司 (Beijing eCyberChina Investment Management Consultancy Limited\*) is an indirect wholly-owned subsidiary of the Company. The principal business of 北京光訊投資管理顧問有限公司 (Beijing eCyberChina Investment Management Consultancy Limited\*) is the holding of the Property.

### **6. Information on the Property**

The Property is 內蒙古眾維家居裝飾建材商場 (Huhehaote Zhongwei Household Decoration and Construction Materials Shopping Centre\*) located at 中國內蒙古自治區呼和浩特市新城區東庫西街139號 (No. 139 Dongku West Street, Xincheng District, Hohhot City, Inner Mongolia, China\*). The Property is for

\* for identification purpose only

## LETTER FROM THE BOARD

commercial use. The Property is a 4-storey building. The 4th floor of the Property is still under construction and the building ownership certificate for the 4th floor of the Property has not been granted by the relevant PRC authority. Therefore, no commercial value has been attributed to the 4th Floor of the Property which is included in the Disposal. As at 15th November 2008, the Property had an appraised value, which valuation is conducted by an independent valuer, of RMB62,000,000.00 (approximately HK\$70,000,000.00). The Property comprises a gross construction area of approximately 19,831.54 square meters. The net profits (both before and after taxation and extraordinary items) attributable to the Property which are the subject of the transaction for the financial year immediately preceding the transaction are as follows:

**For the year ended**  
**30th June 2008**  
*HK\$*

Net profit before taxation and extraordinary items	11.97 million
Net profit after taxation and extraordinary items	8.98 million

### **7. Information on the Purchaser**

Target Smart Limited, a limited liability company incorporated in the British Virgin Islands, is principally engaged in investment holding.

To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, the Purchaser and its respective ultimate beneficial owners are independent third parties not connected with the Company and its Connected Persons (as defined under the Listing Rules). The Purchaser and its Associates have no interest in the Shares of the Company.

The Company does not have any prior transactions with Target Smart Limited that requires aggregation under rule 14.22 of the Listing Rules.

### **8. Reasons for and benefits of entering into the Agreement**

The Board constantly reviews the Company's business strategy in maximizing the value of the Company and continues to explore attractive business opportunities. Given the media business has become the Company's major business, the Directors consider it is a good opportunity for the Company to realize the Property at a reasonable price which enables the Company to embark on its media business development which may have better returns.

The Board is of the view that the Disposal is in the interest of the Company and the terms of the Agreement are on normal commercial terms, which are fair and reasonable and in the interest of the Company and Shareholders as a whole. The Board considers that the transaction is fair and reasonable because the Board is of

## LETTER FROM THE BOARD

the opinion that the property market of mainland China may be further worsened in future due to the current worldwide financial turmoil and therefore it is more appropriate and less risky to sell the Property now in order to secure a higher price. It might be more difficult for the Company to find a suitable purchaser in future under the current worldwide financial turmoil.

### 9. Financial information of First Union Limited and 北京光訊投資管理顧問有限公司 (Beijing eCyberChina Investment Management Consultancy Limited\*)

The followings are financial information on FIRST UNION LIMITED and 北京光訊投資管理顧問有限公司 (Beijing eCyberChina Investment Management Consultancy Limited\*) for the three years ended 30th June 2006, 2007 and 2008 which were prepared in accordance with the accounting policies of Hong Kong HKFRSs:

	For the year ended 30th June 2006 HK\$	For the year ended 30th June 2007 HK\$	For the year ended 30th June 2008 HK\$
Combined net profit/(loss) before taxation and extraordinary items	(4.57) million	0.78 million	12.09 million
Combined net profit/(loss) after taxation and extraordinary items	(4.57) million	0.78 million	7.07 million

### 10. Financial effects of the Disposal

The Property was acquired in 5th March 2007 at a consideration of RMB58,000,000.00 and the remaining balance of the consideration in the amount of RMB18,877,000.00 as at 31 October 2008, being the Latest Practicable Date for the purpose of perpaing this statement prior to the printing of this circular, shall be paid by the Purchaser pursuant to the Agreement. The total cost of disposing the Sale Shares amounted to approximately HK\$500,000.00. Taking into account the net proceeds from the Disposal of approximately HK\$34,500,000.00 and the valuation of approximately HK\$70,000,000.00 of the Property as at 15th November 2008, it is estimated that upon completion, the Group will record a loss of approximately HK\$14,200,000.00.

The Disposal will have positive effect on the Group as the proceeds will be used for general working capital of the Company.

*\* for identification purpose only*

## LETTER FROM THE BOARD

Upon completion of the Disposal, First Union Limited and 北京光訊投資管理顧問有限公司 (Beijing eCyberChina Investment Management Consultancy Limited\*) will cease to be the subsidiaries of the Company.

The Disposal is expected to give rise to decrease in the earnings as well as the total assets and total liabilities of the Group.

### **11. Financial and trading prospects of the Company**

Upon completion of the Disposal, the Group will no longer be engaged in the property investment business. The Group's remaining business segments will comprise of media and media related business in Hong Kong and mainland China.

The media and media related business will be the core business of the Group and the Group will focus its resources in this business segment. The Directors are optimistic about the prospects of media and media related business in Hong Kong and mainland China and consider that the media and media related business will provide steady cash inflow with stable profit return to the Group which will make additional contribution to the Group's earnings. Therefore, the Company will continue its focus and effort to expand the Group's media and media related business and continue to explore potential investment opportunities in Hong Kong and mainland China.

### **12. Use of proceeds**

The Directors expect that approximately HK\$500,000.00 will be applied for payment of fees and expenses in connection with the Disposal. The remaining proceeds of the Disposal of approximately HK\$34,500,000.00 (subject to the deduction of tax to be determined by and payable to the Hong Kong Government) will be used for general working capital of the Company.

## **III. GENERAL**

### **Requirements of the Listing Rules**

As the relevant percentage ratio as defined in the Listing Rules exceeds 25%, the Disposal constitutes a major transaction for the Company under the Listing Rules and is therefore subject to the approval of the Shareholders at the EGM and the reporting and announcement requirements under Chapter 14 of the Listing Rules. As at the date of this circular, to the best knowledge, information and belief of the Directors and having made all reasonable enquiries, the Purchaser and its respective ultimate beneficial owners are independent third parties not connected with the Company and its Connected Persons (as defined under the Listing Rules). On this basis, the Directors believe that no Shareholder has a material interest in the Disposal and hence, no Shareholder will be required to abstain from voting for the relevant resolution at the EGM to be held to approve the Disposal due to its interest in the Disposal.

## LETTER FROM THE BOARD

The Board considers that the Agreement is entered into on normal commercial terms and the terms of the Agreement is fair and reasonable, and in the best interests of the Group and Shareholders as a whole. The Board considers that the transaction is fair and reasonable because the Board is of the opinion that the property market of mainland China may be further worsened in future due to the current worldwide financial turmoil and therefore it is more appropriate and less risky to sell the Property now in order to secure a higher price. It might be more difficult for the Company to find a suitable purchaser in future under the current worldwide financial turmoil.

Your attention is drawn to the additional information contained in the appendices to this circular.

#### **IV. EXTRAORDINARY GENERAL MEETING**

The Agreement constitutes a major transaction under the Listing Rules. Completion of the Agreement is therefore subject to, inter alia, Shareholders' approval at the EGM. A notice convening the EGM is set out on pages 29 to 30 of this circular. The EGM will be convened and held to consider and, if thought fit, to approve the ordinary resolution to approve the Agreement with the terms and conditions set out herein.

A form of proxy for the EGM is enclosed with this circular. If you do not intend to be present at the EGM, you are requested to complete the form of proxy and return it to the share registrar of the Company, that is Tricor Abacus Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the meeting. The completion and delivery of a form of proxy will not preclude you from attending and voting at the meeting in person.

Pursuant to the amendments to the Listing Rules which will be effective on 1st January 2009, the vote of Shareholders at the EGM must be taken by poll.

#### **V. PROCEDURES FOR DEMANDING POLL**

Pursuant to the Article 75 of the Articles of the Company, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is taken as required under the Listing Rules or any other applicable laws, rules or regulations in Hong Kong or unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- (i) by the chairman of the meeting; or
- (ii) by at least three members present in person or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members have the right to vote at the meeting; or

## LETTER FROM THE BOARD

- (iv) by a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

and a demand for a poll by a person as proxy for a member shall be valid as if the demand were made by the member himself.

Unless a poll be taken as required under the Listing Rules or any other applicable laws, rules or regulations in Hong Kong or unless a poll be so demanded and not withdrawn, a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

In accordance with the requirements of the Listing Rules, the results of the poll will be published on the website of the Company and the Stock Exchange on 19th January 2009.

### VI. DIRECTORS' RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the issuer. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

### VII. RECOMMENDATION

The Directors consider that the terms of the Agreement are fair and reasonable to the Company and in the interests of the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolution at the EGM to approve these transactions.

Yours faithfully,  
By order of the Board  
**China Outdoor Media Group Limited**  
*(formerly known as eCyberChina Holdings Limited)*  
**Lau Chi Yuen, Joseph**  
*Director*

*The following is the text of a letter, summary of valuation and valuation certificate, received from RHL, an independent property valuer, prepared for the purpose of incorporation into this circular in connection with its valuation of the Property as at 15th November 2008.*



永利行評值顧問有限公司  
**RHL Appraisal Limited**  
Corporate Valuation & Advisory

T +852 2730 6212  
F +852 2736 9284

Room 1010, 10/F, Star House  
Tsimshatsui, Hong Kong

29th December 2008

**The Board of Directors**  
**China Outdoor Media Group Limited**  
Unit 2508, 25th Floor  
Harbour Centre  
No. 25 Harbour Road  
Wanchai  
Hong Kong

Dear Sirs,

**Re: Valuation of Basement and Levels 1–4 of a commercial complex located at No. 139 Dongku West Street, Xincheng District, Hohhot City, Inner Mongolia, the PRC**

#### INSTRUCTION

In accordance with your instructions for us to value the captioned property (hereinafter referred to as the “Property”) which is contracted to be acquired from Huhehaote Zongwei Estate Development Company Limited (內蒙古眾維房地產開發有限責任公司) by **China Outdoor Media Group Limited** (hereinafter referred to as the “Company”) and its subsidiaries (hereinafter together referred to as the “Group”), we confirm that we have carried out site inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing our opinion of the market value of the Property as at 15th November 2008 (hereinafter referred to as the “Valuation Date”).

This letter, which forms part of our valuation report, explains the basis and methodology of valuation, clarifying assumption, valuation considerations and limiting conditions of this valuation.

## BASIS OF VALUATION

Our valuation of the property represents the market value which we would define as intended to mean “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion”.

## VALUATION METHODOLOGY

In our valuation, direct comparison method is adopted where comparison based on price realized on actual sales of comparable properties is made. Comparable properties of similar size, character and location are analysed and carefully weighted against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of market values.

## VALUATION CONSIDERATIONS

In valuing the property interests, we have complied with all the requirements contained in Chapter 5 and Practice Note 12 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and the HKIS Valuation Standards on Property (First Edition 2005) published by the Hong Kong Institute of Surveyors effective 1st January 2005.

## VALUATION ASSUMPTIONS

As the Property held on long term Land Use Rights Contract, we have assumed that the owner has free and uninterrupted rights to use the Property for the whole of the unexpired terms.

No allowance has been made in our valuation for any outstanding or additional land premium, charges, mortgages, or amounts owing on the Property nor for expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Property are free from encumbrances, restrictions and outgoings of an onerous nature which could affect its values.

Other special assumptions of the Property, if any, have been stated out in the footnotes of the valuation certificate attached herewith.

## TITLE INVESTIGATION

We have been, in some instances, provided with extracts of title documents relating to the Property in the PRC. For those Property situated in the PRC, where possible, we have examined the original documents to verify the existing title to the Property in the PRC and any material encumbrances that might be attached to the Property or any lease amendments.

We have also relied, to a considerable extent, on the information provided by the Group and the legal opinion prepared by the Group’s PRC legal adviser, GFE Law Firm (廣東恒益律師事務所) on the owners’ title to these property.

All legal documents supplied by the Company have been used for reference only. No responsibility regarding legal title to the Property is assumed in this valuation report.

### LIMITING CONDITIONS

No allowance has been made in our report for any charges, mortgages or amounts owing on the Property valued nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Property is free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

We have relied to a very considerable extent on the information given by the Company and have accepted advice given to us on such matters, in particular, but not limited to, tenure, planning approvals, statutory notices, easements, particulars of occupancy, site areas, floor areas and all other relevant matters in the identification of the Property in which the owner has a valid interest.

We have not carried out detailed site measurements to verify the correctness of the site areas in respect of the Property but have assumed that the site areas shown on the documents are correct. All documents have been used as reference only and all dimensions, measurements and areas are approximations.

We have inspected the exterior and, where possible, the interior of the Property. However, no structural survey has been made, but in the course of our inspection, we did not note any serious defects. We are not, however, able to report whether the Property are free of rot, infestation or any other structural defects. No tests were carried out on any of the services.

No site investigations have been carried out to determine the suitability of the ground conditions or the services for any property development thereon. Our valuation is on the basis that these aspects are satisfactory and that no extraordinary expenses or delays will be incurred during the construction period.

Unless otherwise stated in this report, the existence of these substances on the Property was not considered by the appraiser in his conclusion of fair market value. The stated value estimate is predicated on the assumption that there is no material on or in the Property that would cause such a loss in value. No responsibility is assumed for any such conditions, and the client has been advised that the valuer is not qualified to detect such substances, quantify the impact on values, or develop the remedial costs.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Company. We have also been advised by the Company that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

Liability in connection with this valuation report is limited to the client to whom this report is addressed and for the purpose for which it is carried out only. We will accept no liability to any other parties or any other purposes. No reference to our name or our report in whole or in part, in any document you prepare and/or distribute to third parties may be made without written consent.

## EXCHANGE RATE

All monetary sums stated in this report are in Renminbi (“RMB”).

Our valuation certificate is attached herewith.

Yours faithfully,  
for and on behalf of  
**RHL Appraisal Ltd.**

**Serena S. W. Lau**  
*FHKIS AAPI MRICS*  
*RPS(GP) MBA (HKU)*  
*Managing Director*

**Shirley Y.F. Yeung**  
*MEcon BSc (Surveying)*  
*MHKIS MRICS RPS(GP)*  
*Associate Director*

*Ms. Serena S. W. Lau is a Registered Professional Surveyor with over 17 years' experience in valuation of properties in Hong Kong, Macau SAR, mainland China and the Asia Pacific Region. Ms. Lau is an Associate of Australian Property Institute, a Fellow of The Hong Kong Institute of Surveyors, a member of the Royal Institute of the Chartered Surveyors as well as a registered real estate appraiser in the PRC.*

*Ms. Shirley Y. F. Yeung, is a Registered Professional Surveyor with over 9 years' experience in valuation of property in Hong Kong, mainland China. Ms. Yeung is a member of the Hong Kong Institute of Surveyors as well as the Royal Institution of Chartered Surveyors.*

## VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market Value in
			existing state as at 15th November 2008 RMB
Basement and Levels 1–4 of a commercial complex located at No. 139 Dongku West Street, Xincheng District, Hohhot City, Inner Mongolia, the PRC	The property comprises the Basement and Levels 1–4 of a 5-storey retail/commercial building completed in about 2005.	As at the Valuation Date, the property was vacant to facilitate the construction work of the new Level 4 and the renovation work of the remaining portion of the property.	62,000,000
	The registered total gross floor area of Levels 1–3 of the property is approximately 18,952.89 square metres. The planned gross floor area of new Level 4 is approximately 4,944.61 sq.m. The gross floor area of the Basement is approximately 7,000 square metres.	As advised by the Company, the construction of new Level 4 is scheduled to be completed on or before 31 January 2009.	Please refer to Notes 6–10 for details
	The land use rights of the property were granted for a term of expiring on 17th January 2044 for commercial uses.		

## Notes:–

- Pursuant to a State-owned Land Use Rights Certificate – Hu Guo Yong (2004) Zi Di No. 0044 (呼國用(2004)字第0044號) issued by the People's Government of Hohhot City dated 11th February 2004, the land use rights of the property with a site area of 8,721.40 square metres were granted to Huhehaote Zhongwei Estate Development Company Limited (內蒙古眾維房地產開發有限責任公司) for a term expiring on 17th January 2044 for commercial uses.
- Pursuant to a Building Ownership Certificate – Hu Fang Quan Zheng Xin Cheng Qu Zi Di No. 2005018199 (呼房新城區字第2005018199號) issued by the Real Estate Administration Bureau of Hohhot City, the building ownerships rights of the property with a total gross floor area of 19,831.54 square metres were legally vested in Huhehaote Zongwei Estate Development Company Limited (內蒙古眾維房地產開發有限責任公司) for commercial uses.
- Pursuant to an Agreement for Sale and Purchase entered into between Huhehaote Zhongwei Estate Development Company Limited (內蒙古眾維房地產開發有限責任公司) and First Union Limited (壹聯有限公司), which is a wholly subsidiary of the Company, dated 5th March 2007, the property with a site area of approximately 8,721.40 square metres and a gross floor area of approximately 19,831.54 square metres was agreed to be purchased by First Union Limited (壹聯有限公司) at a total consideration of RMB58,000,000. As advised by the Company, the outstanding consideration for the acquisition of the property as at 31st October 2008 is RMB18,877,000.

4. Pursuant to a Tenancy Agreement entered into between Huhehaote Zhongwei Estate Development Company Limited (內蒙古眾維房地產開發有限責任公司) and 北京居然之家投資控股集團有限公司 which is an independent third party dated 3rd November 2007, the property were agreed to be leased to 北京居然之家投資控股集團有限公司 as commercial use for a term tentatively commencing on 1st July 2008 and expiring on 31st December 2027. The details of tenancy are as follows:

Term	Rental details
10 months rent free period after commencing from the date of the tenancy (As stipulated to comment from 01-Jul-2008 to 30-Apr-2009)	Rent Free
01-May-2009 to 30-Apr-2014	Monthly Rent (approximate) Level 1 – RMB192,162 Level 2 – RMB153,730 Level 3 – RMB134,514 Level 4 – RMB91,250 Basement – RMB85,167
01-May-2014 to 30-Apr-2019	5% increase based on the immediately previous term
01-May-2019 to 30-Apr-2027	10% increase based on the immediately previous term

5. Pursuant to a 無條件不可撤銷擔保函 (Guarantee) dated 5th March 2007 issued by Huhehaote Zhongwei Estate Development Company Limited (內蒙古眾維房地產開發有限責任公司), Huhehaote Zhongwei Estate Development Company Limited (內蒙古眾維房地產開發有限責任公司) has guaranteed First Union Limited (壹聯有限公司) to receive an annual rental income and the net profit of the property not less than RMB9,000,000 and RMB4,000,000 respectively up to 27th February 2010.
6. Pursuant to the Document of Hohhot City Development and Reform Commission (呼和浩特市發展和改革委員會文件) – Hu Fa Gai Jing Mao Zi (2008) No. 170 (呼發改組貿字(2008) 170號) dated 18th March 2008, the extension works of the property with a gross floor area of approximately 5,000 square metres has been approved for registration. The schedule of the construction period is from 2008 to 2009.
7. The subject building includes a basement with a gross floor area of 7,000 square metres which is not included in the area as stated in the Building Ownership Certificate of the above Note 2.
8. As advised by the Company, as at the Valuation Date, an original Level 4 with a gross floor area of approximately 878.65 square metres has been demolished. A new Level 4 with a planned gross floor area of approximately 4,944.61 square metres is currently under construction. The construction is scheduled to be completed on or before 31st January 2009.
9. In our valuation, no commercial value has been attributed to the construction in progress of new Level 4 as at the valuation date since Huhehaote Zhongwei Estate Development Company Limited (內蒙古眾維房地產開發有限責任公司) has not yet obtained Building Ownership Certificate for new Level 4 in which alienation is restricted, i.e. cannot be free transferred, let or mortgaged. New Level 4's estimated Market Value as if completed is RMB7,200,000. Our valuation under "estimated Market Value as if completed" is based on the value of the development as if it was completed as at the date of valuation, and based on the approved building plans and other information provided to us.
10. According to the supplementary document provided by the Company, the total estimated cost of the extension works on the new Level 4 and the renovation works of the remaining portion of the property is approximately RMB18,590,000 and the cost in the amount of approximate RMB3,605,600 has been paid as at the Valuation Date.

11. The major certificates of the property are summarized as follow:
- |      |   |     |
|------|---|-----|
| (i)  | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate          | Yes |
12. We have been provided with a legal opinion regarding the property interests by the Group's PRC legal adviser GFE Law Firm (廣東恒益律師事務所), which contains, inter alia, the following:
- (i) Huhehaote Zongwei Estate Development Company Limited (內蒙古眾維房地產開發有限責任公司) legally owns the land use rights and building ownership rights of the property and is entitled to freely occupy, use, transfer, lease, and disposed of the property with the residual term of its land use rights at no extra land premium or other onerous payment payable to the government;
  - (ii) Huhehaote Zongwei Estate Development Company Limited (內蒙古眾維房地產開發有限責任公司) has sold the property to the Group;
  - (iii) There is no legal impediments to obtain the pre-requisite permits and approvals for the extension work of the new Level 4, and;
  - (iv) the tenancy agreement stated in the above Note 4 is legally binding, valid and protected under the PRC law.

## 1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

## 2. DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company and their associates in the Shares, underlying Shares and debentures of the Company and any of its Associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests or short positions which they have taken or deemed to have taken under such provisions of the SFO); or which are required to be recorded in the register required to be kept under Section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

### (i) Long positions in the Shares:

Name of Director	Nature of interest	Total	Approximate percentage or attributable percentage of shareholdings (%)
Mr. Lau Chi Yuen, Joseph	Personal	273,581,900	24.89

### (ii) Share options:

Name of Director	Number of options held	Nature of interest	Number of underlying shares	Approximate percentage or attributable percentage of shareholdings (%)
Mr. Lu Liang	3,200,000	Personal	3,200,000	0.29
Mr. Chan Sing Fai	2,200,000	Personal	2,200,000	0.20

Save as disclosed above, at the Latest Practicable Date, none of the Directors or chief executives of the Company or their Associates had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which would have to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests or short positions which they have taken or deemed to have taken under such provisions of the SFO); or which were required to be recorded in the register required to be kept under Section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to the Listing Rules.

### 3. SUBSTANTIAL SHAREHOLDERS

So far as is known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, the following person (not being Directors or chief executive of the Company) had, or was deemed to have, interests or short positions in the Shares or underlying shares of the Company (including any interests in options in respect of such capital) which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

<b>Name of substantial shareholders</b>	<b>Capacity</b>	<b>Number of shares held</b>	<b>Approximate percentage of the Company's issued share capital (%)</b>
Win Today Limited	Beneficial Owner	100,000,000	9.10
Big Good Management Limited	Beneficial Owner	88,800,000	8.08

Save as disclosed above, as at the Latest Practicable Date, the Directors and the chief executive of the Company were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interest or short positions in the Shares or underlying shares of the Company (including any interests in options in respect of such capital), which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who are, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

### 4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, save as disclosed herein, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 30th June 2008, being the date to which the Group's latest published audited accounts were made up.

## 5. LITIGATION

As at the Latest Practicable Date, the Group had the following material claims:-

- (1) In September 2004, a Writ of Summons was served on the Company by an individual third party demanding immediate repayment of borrowings of approximately HK\$1.6 million together with the interest thereon. As the Company had never borrowed money from that individual third party, the directors were of the opinion that the Company had no obligation to pay the demanded amount. In January 2005, an Amended Writ of Summons was served on the Company by the lender of the Group (the "2nd Plaintiff") to clarify that the individual third party acted as an agent of the 2nd Plaintiff. The Directors have instructed the lawyer of the Company to handle this matter. The loan advanced by the 2nd Plaintiff has been fully accrued in the financial statements and has not yet been settled, as at 30th June 2008. The Court has granted an order to adjourn sine die the Plaintiffs' application to set down this case on 15th March 2006. That is to say, the Plaintiffs have temporarily withheld the proceedings against the Company. This claim has not been settled up to the Latest Practicable Date.
- (2) According to an agreement entered into by the Company, two of its subsidiaries and two independent third parties in February 2003, the Group had disposed of a subsidiary, World Giant Limited ("World Giant"), a company engaged in property investment in the People's Republic of China ("PRC"). In this connection, the Company has undertaken to indemnify World Giant for, among others, any increase in the liabilities of World Giant as a result of any claim for taxation arising from any transactions effected on or before the completion date of the above disposal. In October 2004, World Giant received a payment request from the PRC tax authority in respect of PRC property taxes relating to the property held by World Giant, including the late payment surcharge levied by the tax authority, of which approximately RMB6.1 million was related to transactions on or before the completion date. The existing management of World Giant had indicated to the Directors that the amount in respect of transactions on or before the completion date should be paid by the Company. In February 2005, a Writ of Summons was served on the Company demanding the payment of approximately RMB6.1 million. However, such amounts are covered by the amount accrued in the accounts of World Giant at the time of disposal. Accordingly, in the opinion of the Directors and having obtained an opinion from the Company's lawyer, the Group or the Company has no obligation to pay the above taxes. Because of the uncertainty of the outcome of this matter, the amount involved of approximately RMB6.1 million, equivalent to approximately HK\$7 million has been disclosed as contingent liabilities in the financial statements as at 30th June 2008. Since the Writ of Summons was served on the Company in February 2005, the Company has not received further claims from the Plaintiff up to the Latest Practicable Date.

- (3) A Notice of Intention to Proceed after a Year's Delay dated 22nd October 2007 was received by the Company in respect of a Writ of Summons previously served on the Company in August 2004 by an independent consultancy company for repayment of outstanding consultancy fees in the amount of approximately HK\$2.2 million together with interest thereon. As that consultancy company had never been formally appointed as a consultant of the Company, the Directors are of the opinion that the Company has no obligations to pay the aforesaid amount to that consultancy company. In fact, an independent third party controlling that consultancy company had provided certain consultancy services to the Company during the relevant period. The Directors had negotiated with that independent third party who agreed to take up the responsibility of settlement of the aforesaid amount owing to that consultancy company and the related legal costs. Therefore, the Directors are of the opinion that no provision need to be made in view of such circumstances up to the Latest Practicable Date.

As at the Latest Practicable Date, save as disclosed above, neither the Company nor any of its subsidiaries is engaged in any litigation or arbitration of material importance and so far as the Directors are aware, no litigation or claim of material importance are pending or threatened by or against the Company or any of its subsidiaries.

#### **6. DIRECTORS' INTEREST**

As at the Latest Practicable Date, none of the Directors had any interest, either direct or indirect, in any assets which have been, since 30th June 2008, being the date to which the latest published audited accounts of the Company, were made up, acquired, disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group and there is no contract or arrangement subsisting in which any of the Director is materially interested and which is significant in relation to the business of the Group.

#### **7. COMPETING INTEREST**

As at the Latest Practicable Date, none of the Directors, management, Shareholders and substantial Shareholders, or their respective associates had any interests in any business which competes or may compete with the business of the Group pursuant to the Listing Rules.

## 8. MATERIAL CONTRACTS

As at the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of the Group within the two years preceding the issue of this circular and are or may be material:

- (a) the agreement, irrevocable guarantee and the supplemental agreement entered into by Huhehaote Zhongwei Estate Development Company Limited, as vendor and First Union Limited as purchaser, all dated 5 March 2007 in relation to the purchase of the Inner Mongolia properties from Huhehaote Zhongwei Estate Development Company Limited as vendor through a company to be formed by First Union Limited in the PRC for a consideration of RMB58,000,000 as set out in the circular of the Company dated 12 June 2007;
- (b) the underwriting agreement dated 18 July 2007 and entered into between the Company and Tanrich Capital Limited in relation to the open offer of 860,250,000 offer Shares on the basis of 30 offer Shares for every one Share;
- (c) the arranger agreement dated 17 July 2007 and entered into between the Company and Executive Talent Limited in relation to the open offer of 860,250,000 offer Shares on the basis of 30 offer Shares for every one Share;
- (d) the agreement dated 12 December 2007 entered into among the Konmate Investments Limited as Purchaser, Aviate Investments Limited and Mr. So Yeung in relation to the proposed acquisition of the 100 shares of US\$1.00 each in the share capital of Fadara Limited;
- (e) the agreement dated 7 January 2008 and entered into among the Konmate Investments Limited as Purchaser, L & L Partners' Limited and Mr. Lo Chun Chung, Johnny in relation to the proposed acquisition of shares in L & L Partners' Limited.
- (f) the deed of termination dated 3 April 2008 and entered into among the Konmate Investments Limited as Purchaser, L & L Partners' Limited and Lo Chun Chung, Johnny in relation to terminate the agreement dated 7 January 2008;
- (g) the agreement dated 3 April 2008 and entered into among the Konmate Investments Limited as Purchaser and Lo Chun Chung, Johnny in relation to sale and purchase of shares in L & L Partners' Limited;
- (h) the placing agreement dated 3 April 2008 and entered into the Company and Tanrich Capital Limited in relation to the placing shares up to 80,000,000 new shares to be allotted;
- (i) the supplemental agreement for sale and purchase of shares in L & L Partners' Limited dated 14 April 2008; and
- (j) the Agreement.

## 9. SERVICE CONTRACTS

Mr. Chan Sing Fai, an executive director of the Company has entered into a service contract with the Company for an initial term of two years commencing from 21st August 2007 and may be terminated by either party by giving not less than two months' written notice at the end of the initial terms or any time thereafter.

Mr. Lau Chi Yuen, Joseph, an executive director of the Company has entered into a service contract with the Company for an initial term of one year commencing from 27th November 2008 subject to retirement by rotating and re-election at the next annual general meeting of the Company and may be terminated by either party by giving not less than two months' written notice at the end of the initial terms or any time thereafter.

As at the Latest Practicable Date, save as disclosed above, none of the Directors had any existing or proposed service contracts with any member of the Group (excluding contracts expiring or determinable by the Group within one year without payment of compensation, other than statutory compensation).

## 10. INDEBTEDNESS

At the close of business on 31st October 2008, being the latest practicable date for the purpose of preparing this indebtedness statement prior to the printing of this circular, the Group had (i) outstanding unsecured borrowings of approximately HK\$3.1 million due to independent third parties; (ii) outstanding balance of consideration payable of approximately HK\$21.4 million due to the vendor of the Property; (iii) contingent balance of consideration payable of approximately HK\$40.0 million due to the vendor of L & L Partners' Limited and its PRC subsidiary, to be satisfied by the issue of convertible bonds upon fulfillment of the guaranteed earnings as disclosed in the Company's circular dated 23rd May 2008; (iv) contingent liabilities in respect of possible claims arising from guarantee related to a former related company amounted to approximately HK\$5.0 million and indemnity related to a former subsidiary amounted to approximately HK\$7.0 million; and (v) no outstanding bank borrowings.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities and normal trade payables, the Group did not have outstanding at the close of business on 31st October 2008 any debt securities issued and outstanding and authorised or otherwise created but unissued, and term loans, whether guaranteed or unguaranteed, secured or unsecured, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptable credits, debentures, mortgages, charges, finance lease or hire purchase commitments, guarantees or other material contingent liabilities.

Foreign currency amounts have been translated at the approximate exchange rates prevailing at the close of business on 31st October 2008.

To the best understanding and knowledge of the Directors, the Directors confirm that there are no material changes to the indebtedness position of the Group since 31st October 2008 up to the Latest Practicable Date.

**11. WORKING CAPITAL**

The Directors, after due and careful consideration, are of the opinion that in the absence of unforeseen circumstances and based on the expected cash flows and internal resources of the Group, the Group will have sufficient working capital for its present requirements for at least the next twelve months following the date of this circular.

**12. EXPERTS' CONSENT AND QUALIFICATION**

The following is the qualification of each professional adviser who has given opinion or advice which is contained in this circular:

<b>Name</b>	<b>Qualification</b>
RHL Appraisal Ltd ("RHL")	Property valuer
GFE Law Firm ("GFE")	Legal advisor on PRC law – Inner Mongolia Property

RHL and GFE have given and have not withdrawn their written consents to the issue of this circular with the inclusion of their reports, opinion and advice and all reference to their names in the form and context in which they are included.

The property valuation report dated 29th December 2008 made by RHL was incorporated in this circular.

As at the Latest Practicable Date, RHL and GFE did not have any shareholding in any member of the Group or had any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group nor did it have any interest, either direct or indirect, in any assets which have been, since 30th June 2008, being the date to which the latest published audited accounts of the Company, were made up, acquired, disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group.

**13. MISCELLANEOUS**

- (a) The registered office of the Company is at Unit 2508, 25th Floor, Harbour Centre, No. 25 Harbour Road, Wanchai, Hong Kong.
- (b) The share registrar and transfer office of the Company is Tricor Abacus Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (c) The company secretary and qualified accountant of the Company is Ms. Ng Ka Sim, who is a member of both the CPA Australia and The Hong Kong Institute of Certified Public Accountants.
- (d) The English text of this circular will prevail over the Chinese text in case of any inconsistency.

**14. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection during normal business hours (Saturdays and public holidays excepted) at Unit 2508, 25th Floor, Harbour Centre, No. 25 Harbour Road, Wanchai, Hong Kong from the date of this circular up to and including 19th January 2009 and at the EGM:

- (a) the memorandum of association and articles of association of the Company;
- (b) the valuation report, the text of which is set out in Appendix I to this circular;
- (c) the written consents referred to under the paragraph headed "Experts' consent and qualification" of this appendix;
- (d) the material contracts referred to under the paragraph headed "Material Contracts" of this circular;
- (e) a copy of the circular of the Company relating to a very substantial transaction dated 12 June 2007;
- (f) a copy of the prospectus of the Company relating to the open offer of the Company dated 13 September 2007;
- (g) a copy of the circular of the Company relating to a share transaction dated 4 January 2008;
- (h) a copy of the circular of the Company relating to a very substantial acquisition dated 23 May 2008;
- (i) the annual reports of the Company for the two years ended 30th June 2007 and 30th June 2008;

- (j) the interim report of the Company for the six months ended 31st December 2007;
- (k) the service contracts referred to under the paragraph headed “Service Contracts” of this circular;
- (l) copy of the Agreement;
- (m) this circular; and
- (n) a copy of each circular issued pursuant to the requirements set out in Chapters 14 and/or 14A of the Listing Rules since the date of the latest published audited accounts.

NOTICE OF EXTRAORDINARY GENERAL MEETING



**CHINA OUTDOOR MEDIA GROUP LIMITED**

**中國戶外媒體集團有限公司**

*(Formerly known as eCyberChina Holdings Limited)*

*(前稱光訊控股集團有限公司)*

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 254)**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting of China Outdoor Media Group Limited (the “Company”) will be held at Room 4102, 41 Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong on 19th January 2009 at 10:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company:

**ORDINARY RESOLUTION**

“**THAT** the agreement (the “Agreement”) dated 26th November 2008 entered into between Welchem Development Limited (the “Vendor”), a wholly-owned subsidiary of the Company as vendor, and Target Smart Limited (the “Purchaser”) as purchaser, pursuant to which the Vendor has agreed to sell, and the Purchaser has agreed to purchase the entire issued share capital in First Union Limited and the transactions contemplated thereunder be and are hereby approved, ratified and confirmed and that the directors of the Company be and are hereby authorized to implement all the transactions referred to in the Agreement and to do all such acts and things and execute all such documents in its absolute discretion as it deems fit or appropriate to give effect to the Agreement and the arrangements contemplated thereunder.”

By order of the Board

**China Outdoor Media Group Limited**

*(formerly known as eCyberChina Holdings Limited)*

**Lau Chi Yuen, Joseph**

*Director*

Hong Kong, 29th December 2008

*As at the date of this notice, the executive Directors of the Company are Mr. Lau Chi Yuen, Joseph, Mr. Lu Liang, Mr. Chan Sing Fai and Mr. Ng Yan and the independent non-executive Directors of the Company are Mr. Cheng Kwong Choi, Alexander, Mr. Cheng Sheung Hing and Mr. Law Tai Yan.*

## NOTICE OF EXTRAORDINARY GENERAL MEETING

*Registered Office:*

Unit 2508, 25th Floor  
Harbour Centre  
No. 25 Harbour Road  
Wanchai, Hong Kong

*Notes:*

- (1) A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
- (2) In order to be valid, the proxy form completed in accordance with the instructions set out therein, together with the power of attorney or other authority, if any, under which it is signed (or a notarially certified copy of that power or authority), must be deposited at the registered office of the Company situated at Unit 2508, 25th Floor, Harbour Centre, No. 25 Harbour Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for the Meeting or any adjournment thereof.
- (3) This form of proxy must be signed by you or your attorney duly authorized in writing or, in the case of a corporation, must be under its seal or under the hand of an officer or attorney duly authorized.
- (4) In the case of joint holders, the vote of the sender who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority will be determined by the order in which the names stand in the register in respect of the joint holding.
- (5) The proxy need not be a member of the Company but must attend the Meeting and at any adjournment thereof in person to represent you.