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BEIJING MEDIA CORPORATION LIMITED

北青傳媒股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1000)

CONTINUING CONNECTED TRANSACTIONS FRAMEWORK GUARANTEE AGREEMENT

**Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders**



A letter from the Board is set out on pages 3 to 7 of this circular and a letter from the Independent Board Committee containing its recommendations to the Independent Shareholders is set out on page 8 of this circular. A letter from CSC Asia Limited, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 9 to 17 of this circular.

A notice convening the EGM to be held at 2:00 p.m. on Friday, 25 September 2009 at 21st Floor, Beijing Youth Daily Agency, Building A, No. 23 Baijiazhuang Dongli, Chaoyang District, Beijing 100026, the PRC is set out on pages 23 to 25 of this circular. Whether or not you are able to attend the EGM in person, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as practicable and in any event not less than 24 hours before the time appointed for the holding the EGM or any adjournment thereof, and deposit it with Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong, at Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or at any adjournment thereof should you so desire.

6 August 2009

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	
1. Introduction	3
2. Framework Guarantee Agreement	4
3. Reasons for the Guarantees Provided and to be Provided by the Company to COL	6
4. Listing Rules Implications	6
5. Information on the Parties to the Transaction	6
6. EGM	6
7. Recommendations	7
LETTER FROM THE INDEPENDENT BOARD COMMITTEE	8
LETTER FROM THE INDEPENDENT FINANCIAL ADVISER	9
APPENDIX – GENERAL INFORMATION	18
NOTICE OF EGM	23

DEFINITIONS

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

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“BYDA”	Beijing Youth Daily Agency (北京青年報社), a state-owned enterprise incorporated in PRC
“COL”	Beijing China Open Promotion Company Limited (北京中國網球公開體育推廣有限公司), a limited liability company incorporated under the laws of the PRC
“Company”	Beijing Media Corporation Limited (北青傳媒股份有限公司), a joint stock limited company incorporated under the laws of the PRC on 22 December 2004, the H shares of which are listed on The Stock Exchange
“Director(s)”	the director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be held at 2:00 p.m. on Friday, 25 September 2009 at 21st Floor, Beijing Youth Daily Agency, Building A, No. 23 Baijiazhuang Dongli, Chaoyang District, Beijing 100026, the PRC for the Independent Shareholders to consider and approve the Framework Guarantee Agreement and its annual caps
“Group”	the Company and its subsidiaries
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administration Region of the PRC
“Framework Guarantee Agreement”	a framework guarantee agreement dated 22 July 2009 and entered into between the Company and COL in relation to the provision of guarantees to COL by the Company
“Independent Board Committee”	an independent committee of the Board comprising Messrs. Tsang Hing Lun, Wu Changqi and Liao Li
“Independent Financial Adviser”	CSC Asia Limited, a licensed corporation to carry on type 6 (advising on corporate finance) regulated activity under the SFO, and the independent financial adviser to the Independent Board Committee and the Independent Shareholders as to the Framework Guarantee Agreement and its annual caps

DEFINITIONS

“Independent Shareholders”	shareholders of the Company who are not required by the Stock Exchange to abstain from voting on the resolution to be proposed at the EGM to approve the Framework Guarantee Agreement and its annual caps
“Latest Practicable Date”	6 August 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China (for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company

LETTER FROM THE BOARD



BEIJING MEDIA CORPORATION LIMITED

北青傳媒股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1000)

Executive Directors:

Zhang Yanping

Zhang Yabin

Sun Wei

He Pingping

Du Min

Registered office:

Beijing Youth Daily Agency

Building A, No. 23 Baijiazhuang Dongli

Chaoyang District

Beijing 100026

PRC

Non-executive Directors:

Liu Han

Xu Xun

Li Yigeng

Independent non-executive Directors:

Tsang Hing Lun

Wu Changqi

Liao Li

6 August 2009

To the Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS FRAMEWORK GUARANTEE AGREEMENT

1. INTRODUCTION

Reference is made to the announcement of the Company dated 22 July 2009.

To regulate the relationship between the Company and COL in respect of the provision of guarantees by the Company for the benefit of COL, the Company and COL entered into the Framework Guarantee Agreement on 22 July 2009 for a term commencing on the date of the EGM and ending on 30 September 2010, pursuant to which the Company agreed to provide guarantees for term loans granted to COL in the maximum outstanding balance of RMB224,700,000 (equivalent to approximately HKD254,935,330) (comprising a maximum principal amount of RMB209,100,000 and estimated accrued interest of RMB15,600,000).

LETTER FROM THE BOARD

The Independent Board Committee comprising all the independent non-executive Directors has been established to consider the terms of the Framework Guarantee Agreement and its annual caps. CSC Asia Limited has been appointed to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Framework Guarantee Agreement and its annual caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The purpose of this circular is to provide you with (i) further information in relation to the Framework Guarantee Agreement and its annual caps; (ii) the recommendation from the Independent Board Committee to the Independent Shareholders; (iii) the advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (iv) the notice convening the EGM.

2. FRAMEWORK GUARANTEE AGREEMENT

Date

22 July 2009

Parties

- (i) the Company,
- (ii) COL, a connected subsidiary of the Company

Transaction

Pursuant to the Framework Guarantee Agreement, the Company has agreed to provide guarantees, upon request from COL, for term loans granted to COL by various banks in the maximum outstanding balance of RMB224,700,000 (equivalent to approximately HKD254,935,330), (comprising a maximum principal amount of RMB209,100,000 and estimated accrued interest of RMB15,600,000). The Framework Guarantee Agreement will commence from the date that it is approved by the Independent Shareholders at the EGM, and will end on 30 September 2010. The Company will not receive any commission for provision of guarantees for the term loans granted to COL under the Framework Guarantee Agreement.

Under the Framework Guarantee Agreement, the Company will provide guarantees in proportion to the Company's equity interest in COL, being 51%. BYDA, which holds the remaining 49% equity interest in COL, will provide guarantees for the term loans utilized by COL in proportion to its equity interest in COL pursuant to a separate agreement to be entered into between BYDA and COL. As COL expects to raise funds in an amount of approximately RMB410,000,000 during the term of the Framework Guarantee Agreement, the Company expects that the maximum principal amount for term loans to be granted to COL, guaranteed by the Company, will not exceed RMB209,100,000 during the same period.

The Company expects that the total amount of accrued interest under the Framework Guarantee Agreement will not exceed RMB15,600,000 (equivalent to approximately HKD17,699,115), which was determined by reference to the current interest rate at 5.31% per annum for the term loans and any adjustment issued by the People's Bank of China from time to time.

LETTER FROM THE BOARD

Proposed Annual Caps

The Company proposes that the annual caps for the transactions under the Framework Guarantee Agreement be as follows:

	Year ending 31 December 2009 (RMB)	Nine months ending 30 September 2010 (RMB)
Principal	209,100,000	209,100,000
Accrued interest	<u>15,600,000</u>	<u>15,600,000</u>
Maximum outstanding balance	<u><u>224,700,000</u></u>	<u><u>224,700,000</u></u>

The annual caps were determined by the Board after taking into account (i) term loans incurred in the previous years for COL's operational needs; and (ii) the anticipated financial position of COL for the year ending 31 December 2009 and nine months ending 30 September 2010.

Utilization of the term loans

The Directors expect that the term loans amounting to approximately RMB209,100,000 (equivalent to approximately HKD237,236,215) to be guaranteed under the Framework Guarantee Agreement will be utilised for (i) the renewal of term loans which were mainly incurred in previous years for the operation of the China Open tennis tournaments and the renewal of term loans incurred in 2008 for other operational needs of COL, in an amount of approximately RMB147,900,000; and (ii) the renewal of term loans which were utilised for paying the consideration for COL's acquisition completed in 2008 of the 100% issued share capital of Champion Will International Limited and Swidon Enterprises Limited in an amount of approximately RMB61,200,000.

Pursuant to the Framework Guarantee Agreement, the Company will also enter into separate guarantee agreements for each specific guarantee contemplated under the Framework Guarantee Agreement, with various banks providing the respective term loans to COL. Each guarantee agreement will set out the specific duration, price and other relevant commercial terms and conditions for the respective loan. The term of each of the term loans granted to COL to be guaranteed by the Company under the Framework Guarantee Agreement will be no more than 12 months.

For the period from 1 July 2008 to the Latest Practicable Date, the Company had not provided guarantees for term loans to COL exceeding the maximum outstanding balance of RMB224,700,000 (comprising a maximum principal amount of RMB209,100,000 and estimated accrued interest of RMB15,600,000).

LETTER FROM THE BOARD

3. REASONS FOR THE GUARANTEES PROVIDED AND TO BE PROVIDED BY THE COMPANY TO COL

The Directors consider that the Company's provision of guarantees will i) facilitate the business operations of COL which is one of the Company's subsidiaries; and ii) generate higher returns for the Group when COL attains profitability in the future.

The Directors are of the view that the Framework Guarantee Agreement was entered into on normal commercial terms following arm's-length negotiations between the parties thereto and the terms thereof are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

4. LISTING RULES IMPLICATIONS

COL is held by the Company and BYDA as to 51% and 49%, respectively. BYDA and its associates hold in aggregate an approximate 63.72% equity interest in the Company and are also entitled to exercise more than 10% of the voting power at any general meeting of COL, a subsidiary of the Company. As such, COL is a connected person of the Company pursuant to Rule 14A.11(5) of the Listing Rules.

As the amount of the maximum outstanding balance (including interest) under the Framework Guarantee Agreement is expected to be more than 2.5%, on an annual basis, of the relevant percentage ratios (other than the profit ratio) under the Listing Rules, the transactions under the Framework Guarantee Agreement will constitute continuing connected transactions of the Company and will be subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Company confirms that there is no other transaction entered into between any member of the Group and COL or its associates within a 12-month period from the date of this announcement or otherwise related, which would be, together with the Framework Guarantee Agreement, regarded as a series of transactions and treated as if they are one transaction under Rules 14A.25 of the Listing Rules.

5. INFORMATION ON THE PARTIES TO THE TRANSACTIONS

The Company is a leading media company in the PRC principally engaged in production of the newspapers and magazines, printing, trading of print-related materials and organisation of large events.

COL is a 51%-owned subsidiary of the Company while BYDA holds the remaining 49% equity interest of COL. COL is treated as a jointly controlled entity and accounted for by the Company under the equity accounting method from an accounting perspective. COL is principally engaged in marketing and organising the China Open tennis tournaments.

BYDA is a state-owned enterprise and ultimately controlled by the Beijing Municipal Government. BYDA is principally engaged in the holding of nine newspapers, two magazines and two online media. BYDA is a controlling shareholder of the Company.

6. EGM

The EGM will be held for the purpose of considering and approving by the Independent Shareholders the Framework Guarantee Agreement and its annual caps.

LETTER FROM THE BOARD

Votes for the resolution at the EGM shall be taken by way of poll. In accordance with the Listing Rules, BYDA and its associates will abstain from voting on the resolution to be proposed at the EGM. As of the Latest Practicable Date, BYDA and its associates, who directly and indirectly, hold 124,839,974 domestic shares, (represent approximately 63.27% of the issued share capital of the Company), control or are entitled to control over the voting right in respect of their shares in the Company.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, other than BYDA and its associates, no connected person of the Company, Shareholder and their respective associates with a material interest in the transaction contemplated under the Framework Guarantee Agreement is required to abstain from voting at the EGM.

A notice convening the EGM is set out on pages 23 to 25 of this circular. The EGM will be held at 2:00 p.m. on Friday, 25 September 2009 at 21st Floor, Beijing Youth Daily Agency, Building A, No. 23 Baijiazhuang Dongli, Chaoyang District, Beijing 100026, the PRC, at which the resolution will be proposed to approve the Framework Guarantee Agreement and its annual caps.

Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon as soon as practicable and in any event not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof, and deposit it with Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong, at Rooms 1806-1807, 18th Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so desire.

7. RECOMMENDATIONS

Your attention is drawn to (i) the letter from the Independent Board Committee set out in this circular which contains the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Framework Guarantee Agreement; and (ii) the letter from the Independent Financial Adviser set out in this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to the Framework Guarantee Agreement and the principal factors and reasons taken into account by the Independent Financial Adviser in arriving at its advice.

The Directors are of the view that the terms of the Framework Guarantee Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Accordingly, the Directors recommend the Independent Shareholders to vote in favour of the resolution to approve the Framework Guarantee Agreement and its annual caps at the EGM as set out in the notice of EMG on pages 23 to 25 of this circular.

By order of the Board
Zhang Yanping
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



BEIJING MEDIA CORPORATION LIMITED

北青傳媒股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1000)

Members of the Independent Board Committee
Tsang Hing Lun
Wu Changqi
Liao Li

6 August 2009

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS FRAMEWORK GUARANTEE AGREEMENT

We refer to the circular of the Company dated 6 August 2009 (the “**Circular**”), of which this letter forms part. Terms defined in the Circular shall have the same meanings when used in this letter, unless the context otherwise requires.

We have been appointed to form the Independent Board Committee to consider and advise the Independent Shareholders as to whether, in our opinion, the terms of and the transaction contemplated under the Framework Guarantee Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Having considered the terms of the Framework Guarantee Agreement and the advice of the Independent Financial Adviser in relation thereto as set out on pages 9 to 17 of the Circular, we are of the opinion that the terms of the Framework Guarantee Agreement are fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Framework Guarantee Agreement and its annual caps by way of poll.

Tsang Hing Lun

Yours faithfully,
Wu Changqi
Independent Board Committee

Liao Li

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the text of a letter of advice from CSC Asia Limited which has been prepared for the purpose of incorporation into this circular, setting out its advice to the Independent Board Committee and the Independent Shareholders in respect of the Framework Guarantee Agreement and the Proposed Annual Caps (as defined below).



CSC Asia Limited
Units 3204-07, 32/F
Cosco Tower
183 Queen's Road Central
Hong Kong

6 August 2009

*To: The independent board committee and
the independent shareholders of Beijing Media Corporation Limited*

Dear Sirs,

CONTINUING CONNECTED TRANSACTIONS FRAMEWORK GUARANTEE AGREEMENT

INTRODUCTION

We refer to our engagement as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Framework Guarantee Agreement and the proposed annual caps for transactions contemplated thereunder (the "Proposed Annual Caps"), details of which are set out in the letter from the Board (the "Letter from the Board") contained in the circular of the Company to the Shareholders dated 6 August 2009 (the "Circular"), of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular unless the context otherwise requires.

On 22 July 2009, the Company entered into the Framework Guarantee Agreement with COL with effect from the date that is approved by the Independent Shareholders at the EGM and ending on 30 September 2010 for the provision of guarantees by the Company in relation to the term loans granted to COL from various banks.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As at the Latest Practicable Date, BYDA, the controlling Shareholder is directly interested in approximately 63.27% total equity interest in the Company and is also entitled to exercise over 10% of the voting power at any general meeting of COL. COL, a non-wholly owned subsidiary of the Company, is owned by the Company and BYDA as to 51% and 49% respectively, as such, COL is regarded as a connected person of the Company pursuant to Rule 14A.11(5) of the Listing Rules. Accordingly, the transactions contemplated under the Framework Guarantee Agreement constitute continuing connected transactions for the Company under the Listing Rules.

As the applicable percentage ratios (other than the profit ratio) in relation to the Proposed Annual Caps under the Framework Guarantee Agreement exceed 2.5% and the consideration is more than HK\$10 million, the Framework Guarantee Agreement and the Proposed Annual Caps are subject to the reporting, announcement and approval by the Independent Shareholders under Chapter 14A of the Listing Rules. In this connection, the Company will seek the Independent Shareholders' approval for the Framework Guarantee Agreement and the Proposed Annual Caps at the EGM to be conducted by poll. BYDA and its associates are required to abstain from voting at the EGM.

The Independent Board Committee comprising three independent non-executive Directors namely Messrs. Tsang Hing Lun, Wu Changqi and Liao Li, has been constituted to make recommendations to the Independent Shareholders on whether the terms of the Framework Guarantee Agreement and the Proposed Annual Caps are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. We, CSC Asia Limited, have been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

CSC Asia Limited is independent from, and not connected with, the Company or any of its substantial shareholders, directors or chief executive, or any of their respective associates, and is accordingly qualified to give independent advice to the Independent Board Committee and the Independent Shareholders.

BASIS OF OUR OPINION

In formulating our recommendations, we have relied on the information and facts supplied by the Company and the representations of, the Directors and management of the Company, including those set out in the Circular. We have assumed that all the information and representations so supplied by the Company and/or the Directors and all information and representations referred to or contained in the Circular, for which the Company and the Directors are solely and wholly responsible, were true, accurate and complete at the time they were made and continue to be so as the date hereof. No representation or warranty, expressed or implied, is made by us on the accuracy of such information or representation. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. The Directors have confirmed, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no material facts the omission of which would make any statements in the Circular misleading.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We consider that we have reviewed sufficient information and documents to reach an informed view and to provide a reasonable basis for our recommendations. We have not, however, conducted any independent investigation into the businesses or affairs or assets and liabilities or future prospects of the Group, BYDA or any of their associates, nor have we carried out any independent verification of information supplied.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion regarding the Framework Guarantee Agreement and the Proposed Annual Caps, we have taken into consideration the following principal factors and reasons:

(I) Background of and reasons for the entering into of the Framework Guarantee Agreement

The Company is principally engaged in the sales of advertising space, production of newspapers and magazines, printing, trading of print-related materials and organisation of large-scale events.

COL, a non-wholly owned subsidiary of the Company, which is owned by the Company and BYDA as to 51% and 49% respectively, is principally engaged in marketing and organizing the China Open tennis tournaments.

BYDA, the controlling shareholder of the Company and a state-owned enterprise being ultimately controlled by the Beijing Municipal Government, is principally engaged in the holding of nine newspapers, two magazines and two online media.

Since 2004, the Company has been providing guarantees for bank facilities granted to COL for the purpose of facilitating COL's business operations and development. The Directors advised that since 2007, the Company has begun to provide guarantees for bank facilities granted to COL in proportion to the Company's equity interest in COL. Apart from COL, the Company has also been acting as a guarantor to banks in respect of loans and credit facilities drawn by other members of the Group for their business and development needs. Furthermore, the Directors have advised that it is a common market practice for banks in the PRC to request for guarantee in connection with provision of loan to borrowers.

On 22 April 2008, the Company entered into a framework guarantee agreement (the "2008 Agreement") for a 24-month term commenced from 1 July 2008 for the provision of guarantees by the Company for loans and facilities granted to COL from various banks in an aggregate principal amount not exceeding RMB209.1 million, details of which were set out in the announcement and the circular of the Company dated 22 April 2008 and 15 May 2008 respectively. The 2008 Agreement and its annual caps were approved by the then independent Shareholders at an extraordinary general meeting of the Company held on 1 July 2008.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Although the 2008 Agreement is for a 24-month term that commenced from 1 July 2008 and ending on 30 June 2010, the Directors have advised us that COL and the Company have mutually agreed that after 30 June 2009, the Company may not enter into separate guarantee agreements for the provision of guarantees to term new loans granted by various banks to COL. According to the Directors, it was mutually agreed between COL and the Company that the period between 1 July 2009 and 30 June 2010 is for COL to repay the outstanding amount of the term loans granted by its banks.

In view of the prospective expiry in succession of the term loans under the 2008 Agreement together with its annual caps, on 22 July 2009, the Company entered into the Framework Guarantee Agreement with COL for the period commencing from the date that is approved by the Independent Shareholders at the EGM and ending on 30 September 2010 to continue to provide guarantees for term loans granted to COL from various banks in the Company's proportionate share of 51%. By entering into the Framework Guarantee Agreement, the Company can avoid having to go through the same disclosure and approval requirements each time when a guarantee agreement is entered into, and thus the Company will be able to provide financial support to COL in a more efficient and speedy manner. In addition, the Directors also confirm that the Company shall receive no consideration for provision of guarantees to COL.

As set out in the Letter from the Board, BYDA, which holds the remaining 49% equity interest of COL, will also provide guarantees for the term loans utilized by COL in proportion to its equity interest in COL by entering into a separate agreement with COL. Furthermore, BYDA has agreed to provide unsecured pro rata counter indemnity in favour of the Company for one of COL's banking facilities of which the Company had provided full guarantee (principal amount of RMB16.1 million) (the "Indemnified Guarantee") to the extent of BYDA's proportional 49% shareholdings in COL (the "Counter Indemnity").

We have enquired into and have been advised by the Directors that the term loans under the 2008 Agreement had been utilised mainly for renewal of loans incurred from the operations of the China Open tennis tournaments during the period from 2004 to 2007, renewal of loans utilised for paying the consideration for COL's acquisition of the 100% equity interests in Champion Will International Limited and Swidon Enterprises Limited in 2008 and facilitate the operations of the China Open tennis tournaments in 2008. As set out in the Letter from the Board, the Directors anticipate that the principal term loans will principally be utilised the same as under the 2008 Agreement but with the addition of the renewal of term loans incurred in 2008 for other operational needs of COL.

Furthermore, taking into consideration COL's the other shareholder, BYDA, will also be providing its guarantee in proportion to its equity interests, we are of the view that it is justifiable for the Company to provide continuous support to COL in proportion to its equity interests in terms of securing financial needs for COL's operation and development which enables the Group to capture future economic benefits of COL and eventually generate higher returns to the Group in the event that COL attains profits in the future.

Taken into account the above and the nature of the transactions remains unchanged as compared to those stipulated in the 2008 Agreement which had been approved by the then independent Shareholders, we consider that the entering into of the Framework Guarantee Agreement is in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(II) Principal terms of the Framework Guarantee Agreement

Pursuant to the Framework Guarantee Agreement, the Company has agreed to provide guarantee, upon request from COL, for term loans granted and to be granted to COL by various banks (the “COL Loans”) in proportion to the Company’s 51% equity interests in COL (the “Guarantees”). The maximum principal amount of RMB209.1 million to be guaranteed by the Company represents the Company’s proportionate share of guarantee to be provided for the COL Loans with reference made to COL’s total estimated funding needs of RMB410.0 million during the term of the Framework Guarantee Agreement. The total estimated accrued interests under the Framework Guarantee Agreement will not exceed RMB15.6 million and the current interest rate of the COL Loans guaranteed during the term of the Framework Guarantee Agreement is 5.31% per annum which may be subject to any adjustment issued by the People’s Bank of China from time to time. Accordingly, the total amount of the Guarantees to be provided by the Company under the Framework Guarantee Agreement is RMB224.7 million (including the principal amount of RMB209.1 million and the estimated accrued interests of RMB15.6 million) (the “Guarantee Amount”).

Under the Framework Guarantee Agreement, the Company may enter into separate guarantee agreements for the provision of guarantees for the COL Loans and each guarantee agreement will set out its specific terms including duration, price and other relevant commercial terms and conditions. Pursuant to the Framework Guarantee Agreement, it was stipulated that in general, the separate guarantee agreements should fulfil the terms under the Framework Guarantee Agreement and the requirements under the Listing Rules.

We have reviewed the 2008 Agreement and the Framework Guarantee Agreement and have noted that save and except for the usage of the bank facilities by COL and the duration, the other major terms of the Framework Guarantee Agreement are substantially the same as those of the 2008 Agreement.

Based on the information provided by the Company, during the period from 1 July 2008 and up to the Latest Practicable Date, COL had been granted a total of five separate bank facilities with an aggregate amount of RMB406.1 million (the “Bank Facilities”) of which the Company had provided four separate guarantees in an aggregate principal amount of RMB209.1 million (excluding the amount of accrued interests) in favour of COL’s banks (the “Existing Guarantee(s)”).

The Existing Guarantees amounted to RMB209.1 million accounted for approximately 51.49% of the Bank Facilities. Upon our review of the Company’s four guarantee agreements, we note that the Company had provided full guarantees in favour of COL’s banks for three of the Bank Facilities. It is also noted that BYDA had agreed to provide the Counter Indemnity for the Indemnified Guarantee of which the Company had provided 100% guarantee. As for the remaining Existing Guarantee, we note that the Company had provided guarantee in proportion to its equity interest in COL.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Although the Existing Guarantees had exceeded the Company's proportional interest in COL, the management of the Company considers that the exposure of the Group to the liabilities under the Existing Guarantees would be limited to the extent to the Company's proportional interest in COL on the basis BYDA would honour its commitment under the Counter Indemnity. When the management became aware of the excess amount in the Existing Guarantees over 51% of the Bank Facilities by merely 0.49%, the Company had requested and BYDA had agreed to provide the Counter Indemnity for the Indemnified Guarantee, thus, the Directors consider that on the basis of the Counter Indemnity, the Existing Guarantees had not exceeded the Company's proportional 51% interest in COL. Moreover, we are also given to understand that one of COL's banks requested BYDA to provide full guarantee which exceeded its 49% proportionate interest in COL and no counter indemnity was requested from the Company by BYDA.

Taking into account that i) BYDA had been requested to provide separate full guarantees which exceeded its proportional interests in COL and no counter indemnity had been provided by the Company; ii) the requests for the Company's full guarantees were commercial terms negotiated between the Company, COL and COL's banks; and iii) BYDA will provide the Counter Indemnity in favour of the Company, we are of the view that it is justifiable for the Company to provide separate full guarantees.

The Framework Guarantee Agreement shall be valid during the period commencing on the date that is approved by the Independent Shareholders at the EGM and ending on 30 September 2010.

Pursuant to the Framework Guarantee Agreement, no guarantee fee will be received by the Company. The Directors have also confirmed that BYDA will not charge any guarantee fee on its guarantees for COL. The Directors have advised that as the Group's principal activities do not include provision of guarantee, it is not the Group's usual practice to charge guarantee fee. Moreover, the Directors have confirmed that the Company does not charge any guarantee fee on its other members of the Group in connection with the provision of guarantees for their term loans associated with their banks.

Taking into account the above, we consider that the terms of the Framework Guarantee Agreement to be on normal commercial terms and are fair and reasonable insofar as the Independent Shareholders are concerned.

(III) The Proposed Annual Caps

The annual capped amount for the principal amount and accrued interests associated with the Guarantees under the Framework Guarantee Agreement are as follows:

	Year ending 31 December 2009 (RMB)	Nine months ending 30 September 2010 (RMB)
Principal amount	209,100,000	209,100,000
Accrued interests	<u>15,600,000</u>	<u>15,600,000</u>
Maximum outstanding balance	<u><u>224,700,000</u></u>	<u><u>224,700,000</u></u>

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

COL expects to raise approximately RMB410.0 million during the term of the Framework Guarantee Agreement for the purpose of its operating needs through bank financing by renewing majority of its existing bank loans.

As advised by the Directors, the primary use of the COL Loans will be mainly for the operation of the China Open tennis tournaments and other operation needs of COL as well as the payment for the consideration of COL's acquisition in 2008 of the 100% issued share capital of Champion Will International Limited and Swidon Enterprises Limited.

In assessing the reasonableness of the Proposed Annual Caps under the Framework Guarantee Agreement, we have reviewed the schedule of COL's existing bank loans which are intended to be renewed and are required to be guaranteed by the Company. Upon our review, we note that the Company had provided guarantees with a total principal amount of RMB209.1 million for COL's bank loan during the term of the 2008 Agreement. The Directors have further advised that majority of the term loans as stated in the aforesaid schedule are intended to be renewed by COL. It is noted that the annual capped amount for the principal amount of the Guarantees under the Framework Guarantee Agreement is equivalent to the guaranteed principal amount of RMB209.1 million during the term of the 2008 Agreement.

Under the Framework Guarantee Agreement, it was stipulated that the estimated accrued interests will not exceed RMB15.6 million. We have been advised by the Directors that the estimated accrued interests were determined with reference made to current interest rates of 5.31% per annum for the COL Loans and included buffers to cater for the adjustment of interest rates issued by the People's Bank of China from time to time during the term of the Framework Guarantee Agreement. We also note that the calculation of the estimated accrued interest amount was based on the peak of the interest rates at 7.47% per annum issued by the People's Bank of China during the period from December 2007 to September 2008 on the principal amount of the Guarantees of RMB209.1 million.

Having considered the basis on which the Proposed Annual Caps is determined as discussed above, we are of the view that the Proposed Annual Caps are reasonably determined.

(IV) Financial effects of the Framework Guarantee Agreement

Based on our discussion with the management of the Company, we understand that the provision of the Guarantees for the COL Loans pursuant to the Framework Guarantee Agreement will not have any direct impact on the profitability, gearing and cashflow of the Group unless and until such time that the Guarantees happen to be called upon. However, the Group is expected to be exposed to a contingent obligation of RMB224.7 million (including the principal guarantee amount of RMB209.1 million and estimated accrued interests of RMB15.6 million) as a result of the Guarantees during the term of the Framework Guarantee Agreement, which represents approximately 17.28% of the Group's audited consolidated net assets of approximately RMB1.30 billion as at 31 December 2008.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

According to the annual report of the Company for the year ended 31 December 2008, the gearing ratio (being calculated as interest-bearing borrowings over equity attributable to equity holders of the Company) of the Group as at 31 December 2008 is approximately 8.27%. Assuming the Company has to honour its obligation under the Guarantees in full, total interest-bearing liabilities of the Group will be increased by the maximum principal amount associated with the Guarantees of RMB209.1 million, thus, the gearing ratio of the Company will increase accordingly.

Although the Guarantee Amount of RMB224.7 million under the Guarantees represents approximately 99.6% of the Group's audited cash and cash equivalents which amounted to approximately RMB225.6 million as at 31 December 2008, as advised by the Directors, the Group currently has no capital commitment, we concur with the opinion of the Directors that the Group has sufficient financial resources and/or banking facilities to fulfil its guarantor obligation to repay for COL in the event COL is unable to repay its loans.

Apart from assessing the Group's financial ability in regards to provision of the Guarantees, we have also discussed with the management of the Company regarding the financial position and operation of COL. The Directors have advised that the Beijing Municipal Government has been providing continuous financial support to COL for its operation since 2004 by providing direct financial assistance. Apart from the aforesaid financial assistance, COL has also obtained financial assistance from the Beijing Municipal Government for upgrading the operations of the China Open tennis tournaments in 2007.

We have reviewed the financial information of COL as provided by the Company and noted that COL recorded audited consolidated net loss of around RMB21.4 million for the year ended 31 December 2008. Further, as at 31 December 2008, COL recorded audited consolidated cash and bank balance of around RMB186.5 million, net current assets of around RMB147.1 million and net liabilities of around RMB192.4 million.

Despite COL's loss-making status, the Directors have confirmed that the Company has not been requested by any bank to honour its guarantee obligations and repay those term loans on behalf of COL which the Company has provided guarantees.

In view of the analysis above, Shareholders should note that in the event of default by COL on the COL Loans, the Company's proportionate interest's repayment obligation of the Guarantee Amount will be borne by the Company. Notwithstanding the potential impact as discussed above, taking into account that (i) it will bring potential economic benefits to the Group by facilitating COL's business operation; (ii) the provision of the Guarantees is considered to be crucial to assure COL to gain access to the essential financial resources for its operation; (iii) provision of the Guarantees does not involve any immediate cash outflow of the Company unless the Guarantees are enforced by the banks; (iv) the Beijing Municipal Government provides continuous financial support to COL; and (v) the aggregate amount of the Guarantees will be in proportion to the Company's equity interests in COL, we concur with the views of the Directors that the provision of the Guarantees by the Company to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(V) Annual review of the Framework Guarantee Agreement

As confirmed by the Directors, the Company will fulfill the annual review requirements as required under Rules 14A.37 to 14A.40 of the Listing Rules and will re-comply with the relevant Listing Rules if the Proposed Annual Caps are exceeded or, when the Framework Guarantee Agreement is renewed or, when there is a material change to the terms thereof. In light of the above, we are of the view that there are appropriate measures in place to govern the conduct of the transactions contemplated under the Framework Guarantee Agreement and safeguard the interests of the Independent Shareholders.

RECOMMENDATIONS

Having considered the above principal factors and reasons in respect to the Framework Guarantee Agreement and the Proposed Annual Caps, we are of the view that the Guarantees are in the ordinary and usual course of business of the Group and the terms of the Framework Guarantee Agreement are on normal commercial terms. We also consider that the terms of the Framework Guarantee Agreement and the Proposed Annual Caps are fair and reasonable insofar as the Independent Shareholders are concerned and that the entering into of the Framework Guarantee Agreement is in the interests of the Company and the Shareholders as a whole. Accordingly, we would advise the Independent Shareholders, as well as recommend the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the ordinary resolution to approve the Framework Guarantee Agreement and the Proposed Annual Caps at the EGM.

Yours faithfully,
For and on behalf of
CSC Asia Limited
Bernard Wu
Director and Head of Investment Banking

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. 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. DISCLOSURE OF INTERESTS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE OFFICER

As at the Latest Practicable Date, none of the Directors, Supervisors nor chief executive officer of the Company has any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the SFO), which are required to be notified to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and to the Stock Exchange under the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken or were deemed to have taken under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register of members of the Company, or which were required, pursuant to the Model Code for Securities Transactions by the Directors of Listed Issuers, to be notified to the Company and the Stock Exchange

3. SUBSTANTIAL SHAREHOLDERS' INTERESTS

So far as is known to the Directors, Supervisors and chief executive officer of the Company, as at the Latest Practicable Date, the following persons (other than a Director, a Supervisor or the chief executive officer of the Company) had interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company under the provisions of divisions 2 and 3 of Part XV of the SFO, or, who is directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

APPENDIX

GENERAL INFORMATION

Name of shareholders	Class of shares	Nature	Number of share interests held or regarded as held	Approximate percentage of the respective class of issued shares (%)	Approximate percentage of the total issued share capital (%)
BYDA ^{Note 1}	Domestic	Long Position	124,839,974	87.66	63.27
MIH (BVI) Limited	H	Long Position	19,533,000	35.58	9.90
MIH Holdings Limited	H	Long Position	19,533,000	35.58	9.90
MIH Investments (PTY) Limited	H	Long Position	19,533,000	35.58	9.90
MIH Print Media Holdings Limited	H	Long Position	19,533,000	35.58	9.90
MIH QQ (BVI) Limited	H	Long Position	19,533,000	35.58	9.90
Naspers Limited	H	Long Position	19,533,000	35.58	9.90
Beijing Beida Founder Group Corporation	H	Long Position	4,939,000	8.99	2.50
Beijing University	H	Long Position	4,939,000	8.99	2.50
Beijing University Founder Investment Co., Ltd.	H	Long Position	4,939,000	8.99	2.50
Beijing University New Technology Corporation	H	Long Position	4,939,000	8.99	2.50
Cao Yawen	H	Long Position	4,939,000	8.99	2.50
CITICITI Ltd.	H	Long Position	4,939,000	8.99	2.50
Founder Investment (HK) Ltd.	H	Long Position	4,939,000	8.99	2.50
Xia Jie	H	Long Position	4,939,000	8.99	2.50
Yue Shan International Limited	H	Long Position	4,939,000	8.99	2.50

Note 1: As at the Latest Practicable Date, Mr. Zhang Yanping, Mr. Zhang Yabin, Mr. Liu Han are also currently the president, chief editor and the vice president of BYDA, respectively.

Save as disclosed above, as at the Latest Practicable Date, so far as is known to the Directors, Supervisors and chief executive officer of the Company, there was no other person (other than a Director, a Supervisor or a chief executive officer of the Company) who had interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company under the provisions of divisions 2 and 3 of Part XV of the SFO, or who is, directly, or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, none of the Directors nor Supervisors is aware of any material adverse change in the financial or trading position of the Group since 31 December 2008, being the date of the latest published audited financial statements of the Group was made up.

5. INTERESTS OF DIRECTORS AND SUPERVISORS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors, Supervisors nor their respective associates is interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group which would require disclosure under the Listing Rules and none of the Directors, Supervisors nor their respective associates is materially interested in any contract or arrangement at the Latest Practicable Date which is significant to the business of the Group taken as a whole;

6. DIRECTORS' INTEREST IN ASSETS

As at the Latest Practicable Date, none of the Directors nor Supervisors had any direct or indirect interest in any assets which have been, since 31 December 2008, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

7. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors nor Supervisors had any existing or proposed service contracts with the Company or any member of the Group which will not expire or is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

8. LITIGATION

As far as the Directors are aware, none of the members of the Group is engaged in any litigation or arbitration or claim of material importance and there is no litigation or claim of material importance known to the Directors to be pending or threatened by or against any member of the Group as at the Latest Practicable Date.

9. EXPERT'S QUALIFICATION AND CONSENT

CSC Asia Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter of advice, and references to its name in the form and context in which it appears.

The following is the qualification of CSC Asia Limited who has given its opinions or advices which are contained in this circular:

Name	Qualifications
CSC Asia Limited	a licensed corporation to carry on type 6 (advising on corporate finance) regulated activity under the SFO

10. EXPERT'S INTERESTS

As at the Latest Practicable Date, CSC Asia Limited, being the Independent Financial Adviser, had not any direct or indirect interest in any asset which had been acquired, or disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group, since 31 December 2008, the date to which the latest audited financial statements of the Group was made up, and was not beneficially interested in the share capital of any member of the Group and did not have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

11. RESOLUTION TO BE VOTED BY WAY OF POLL

Pursuant to the Listing Rules and in accordance with the articles of association of the Company, the chairman of the Board will demand the resolution to be voted by poll at the EGM.

12. MISCELLANEOUS

- (a) The Company Secretary is Mr. Edmund SIT, who is a fellow member of the Hong Kong Institute of Certified Public Accountants.
- (b) The registered office of the Company is situated at Building A, No. 23, Baijiazhuang Dongli, Chaoyang District, Beijing 100026, the PRC.
- (c) The H share registrar and transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited at Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of the Company at Beijing Youth Daily Agency, Building A, No. 23, Baijiazhuang Dongli, Chaoyang District, Beijing 100026, the PRC and the offices of Herbert Smith, at 23rd Floor, Gloucester Tower, 15 Queen's Road, Central, Hong Kong during normal business hours on any business day from the date of this circular up to and including 25 September 2009:

1. the Framework Guarantee Agreement;
2. the letter from the Independent Board Committee to the Independent Shareholders, the text of which is set out in this circular;
3. the letter from CSC Asia Limited to the Independent Board Committee and Independent Shareholders, the text of which is set out in this circular; and
4. the letter of consent from CSC Asia Limited referred to in the above paragraph headed "Expert's Qualification and Consent" in this circular.

NOTICE OF EGM



BEIJING MEDIA CORPORATION LIMITED

北青傳媒股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1000)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of BEIJING MEDIA CORPORATION LIMITED (“**Beijing Media**” or the “**Company**”) will be held at 2:00 p.m. on Friday, 25 September 2009 at 21st floor, Beijing Youth Daily Agency, Building A, No. 23 Baijiazhuang Dongli, Chaoyang District, Beijing 100026, the People's Republic of China (“**PRC**”) for the purpose of considering and, if thought fit, passing the following resolution:

As an Ordinary Resolution:

THAT, the execution of and performance by the Company of its obligations under the Framework Guarantee Agreement dated 22 July 2009 and entered into between the Company and Beijing China Open Promotion Company Limited (“**COL**”) in relation to the provision of guarantees by the Company to COL in the maximum outstanding balance amount not exceeding RMB224,700,000, which includes the maximum principal amount of RMB209,100,000 and the estimated accrued interest in the amount of RMB15,600,000, for a term commencing on the date of the EGM and ending on 30 September 2010, be and are hereby approved, ratified and confirmed; and **THAT** any one Director be and is hereby authorized to sign or execute such other documents or supplemental agreements or deeds on behalf of the Company and to do all such things and take all such actions as he may consider necessary or desirable for the purpose of giving effect to the Framework Guarantee Agreement and completing the transactions contemplated thereunder with such changes as he may consider necessary, desirable or expedient.

By order of the Board

Zhang Yanping

Chairman

Beijing, the PRC, 6 August 2009

As at the date of this circular, the Board comprises: the executive directors of the Company, Zhang Yanping, Zhang Yabin, Sun Wei, He Pingping, Du Min, the non-executive directors of the Company, Liu Han, Xu Xun, Li Yigeng, and the independent non-executive directors of the Company, Tsang Hing Lun, Wu Changqi and Liao Li.

NOTICE OF EGM

Notes:

1. Eligibility for Attending the EGM

Holders of H Shares whose names appear on the register of the Company maintained by Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong, at the close of business of 25 August 2009 shall be entitled to attend the EGM.

Holders of H Shares intending to attend and vote at the EGM shall lodge all the transfer documents for H Shares with the relevant share certificates to the H Share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at rooms 1712-1716, 17th Floor Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:00 pm on Monday, 24 August 2009.

2. Proxy

- (1) Shareholders entitled to attend and vote at the EGM may appoint one or more proxies in writing to attend and vote at the meeting on his behalf. The proxy need not be a shareholder of the Company.
- (2) A proxy shall be appointed by a shareholder by a written instrument signed by the appointor or his attorney duly authorized in writing. In case of a corporation, the same must be either under its common seal or under hand of its director(s) or duly authorized attorney(s). If the written instrument is signed by an attorney of the appointor, the power of attorney or other documents of authorization of such attorney shall be notarized.
- (3) To be valid, the notarized power of attorney or other document(s) of authorization (if any) and the form of proxy shall be delivered to (i) the registered address of Company for holders of domestic shares; and (ii) Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong, for holders of H Shares, no less than 24 hours before the time fixed for convening the EGM or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude a shareholder from attending and voting in person at the meeting if he so desires.
- (4) If a shareholder appoints more than one proxy, such proxies shall only exercise their voting rights by a poll.

3. Registration Procedures for Attending the EGM

- (1) A shareholder or his proxy shall produce his identification document when attending the EGM. Where a shareholder is a legal person, the legal representative of that shareholder or the person authorized by its board of directors or other governing body shall produce a copy of the resolution of the board of directors or other governing body of such shareholder appointing such person to attend the meeting.
- (2) Shareholders intending to attend the EGM shall return to the Company the reply slip stating their attendance on or before Friday, 4 September 2009.
- (3) A shareholder may return the above reply slip to the Company in person, by post or by facsimile.

4. Closure of Register of Members

The register of members of the Company will be closed from Tuesday, 25 August 2009 to Friday, 25 September 2009 (both dates inclusive), during which time no transfer of shares will be registered.

NOTICE OF EGM

5. Resolution to be Voted By Way of Poll

Pursuant to Rule 13.39 (4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of shareholders at a general meeting must be taken by way of poll. Accordingly, the chairman of the EGM will demand the resolution to be voted by way of poll at the EGM.

6. Miscellaneous

- (1) The EGM of the Company is expected to be held for less than half a day. Shareholders attending the EGM shall be responsible for their own travelling and accommodation expenses.
- (2) The address of the Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong is at Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (3) The registered office and the contact details of the Company are:

Beijing Youth Daily Agency,
Building A, No. 23 Baijiazhuang Dongli,
Chaoyang District,
Beijing,
PRC
Zip Code: 100026
Tel: (+86) 10 6590 2630
Fax: (+86) 10 6590 2630