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CHINA RAILSMEDIA CORPORATION LIMITED

中國鐵聯傳媒有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 745)

MEMORANDUM OF UNDERSTANDING IN RELATION TO A PROPOSED ACQUISITION

This announcement is made pursuant to Rule 13.09 of the Listing Rules and Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

MEMORANDUM OF UNDERSTANDING

The Board is pleased to announce that on 17 January 2013 after trading hours, the Purchaser entered into the MOU with the Vendors in relation to the Proposed Acquisition of the Target.

To the best of the Directors' information and belief after having made reasonable enquiries, the Vendors are third parties independent of the Company and its connected persons.

The Target and its subsidiaries operates the i-marker business on global basis including Hong Kong, China, Cambodia, Singapore, ASEAN and other Asian countries. As advised by the Vendors, i-marker is a unique mobile communications platform for smart phone users to access real-time information combining traditional and online media, and enterprises to release personalized and user-relevant promotional push notification to selected smart phone users, including its exclusive matrix barcodes that provides a link between traditional print advertising and online database marketing, and the i-marker app and related components of back-end system of Customer Relationship Management system (CRM) and Content Management System (CMS). i-marker's superiority in speed, functionality features, security and powerful backend systems ensure it stands out from the commonplace matrix barcodes including QR Codes. i-marker app combines powerful customer loyalty, database management and m-commerce transaction capabilities that are specifically designed to match strategic marketing needs. The Target has maintained its website at www.i-marker.com.

Under the MOU, the Vendors have agreed not to enter into any agreement with or participate in any discussion, negotiation or arrangement similar to the Proposed Transaction and/or relating to the disposal of any of the Target and its subsidiaries and/or its assets or provide any information to any other party which would be inconsistent with or would hinder or impede the Proposed Transaction for a period of six months ("Exclusive Period") from the date of the MOU.

* For identification purpose only

The MOU shall terminate upon expiry of the Exclusive Period or upon entering into the formal agreement relating to the Proposed Acquisition whichever is earlier.

The MOU does not create legally binding obligations on the parties in relation to the Proposed Acquisition but is legally binding as to such terms relating to the Exclusive Period and confidentiality. The Proposed Acquisition is subject to the negotiation and execution of a formal sale and purchase agreement between the parties.

As the MOU is not legally binding with regard to the Proposed Acquisition, it may or may not proceed. Shareholders and investors are advised to exercise caution when dealing in the Shares of the Company.

INFORMATION ON STRATEGIC SHAREHOLDER AND PARTNERS

The Vendors have provided the following information to the Company relating to the Target's strategic shareholder and business partners:

Khmer Resources is a strategic shareholder of the Target. Khmer Resources is the "window" company of Khmer Holding. Khmer Resources' main area of investments includes three major segments: cultural education industry, financial industry, and resource development industry.

The Target, Khmer Resources and Khmer Media have entered into a strategic partnership agreement pursuant to which Khmer Media will be proactively seeking cooperation with related institutions of Cambodia Government to procure integration of i-marker platform to the major government operations of Cambodia, including immigration process, custom registration and clearance, passport issuance and registration, identity card issuance, driving license registration, companies registration and so on (the "Government-i-marker Model"). Khmer Media will be proactively procuring the universal application of i-marker in Cambodia, under the Government-i-marker Model, or on normal commercial basis, to all ten countries, including Cambodia, in The Association of Southeast Asian Nations (ASEAN).

A Singapore main board-listed company which is Southeast Asia's leading media organization ("Business Partner A"). It publishes 18 newspaper titles in four languages and over 100 magazine titles in Singapore and the region. Business Partner A collaborated with the Target, under a partnership agreement, to adopt the Target's technology and platform to reward customers, boost loyalty, provide easy interactive access for sales, gift redemption and e-coupon etc. during and starting from the high profile activities in 2012.

A subsidiary of a global group of energy and petrochemical companies which is a supplier of piped LPG gas in Hong Kong ("Business Partner B"). As the Target's exclusive business partner under partnership contractual arrangement, Business Partner B is currently developing with the Target a tailor made smart phone enabled loyalty program app on the i-marker platform, by adding value to household customers with extra convenience and additional features by working through secure access to a self service payment, enquiry, billing and meter reporting system.

DEFINITIONS

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

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| “Board” | the board of Directors |
| “Company” | China Railsmedia Corporation Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange |
| “connected persons” | has the meaning ascribed to it under the Listing Rules |
| “Director(s)” | the director(s) of the Company |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Khmer Holding” | Khmer Resources Investment Holding Group Co., Ltd, a company incorporated in the British Virgin Islands, whose board of directors is chaired by His Excellency Oknia Cao Yunde (Ministerial) |
| “Khmer Media” | Khmer International Media Group Corporation, an entity incorporated under the laws of the Kingdom of Cambodia in Phnom Penh and is wholly owned by Khmer Holding. Khmer Media operates Chinese and Khmer bilingual Khmer Economy Magazine and Khmer Daily newspaper |
| “Khmer Resources” | Khmer Resources Investment Holding Group Company Limited, a company incorporated in Hong Kong whose board of directors is chaired by His Excellency Oknia Cao Yunde (Rank of Minister), the Vice-President of Assistants & Advisors Team to Samdech Chea Sim – Chairman of the People’s Party and President of the Cambodian Senate |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “MOU” | the memorandum of understanding dated 17 January 2013 made between the Vendors and the Purchaser |
| “PRC” | The People’s Republic of China |
| “Proposed Acquisition” | the proposed acquisition of the Target |
| “Purchaser” | FingerAd Media Company Limited, a wholly owned subsidiary of the Company |

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| “Shareholder(s)” | the holder(s) of the Shares |
| “Share(s)” | ordinary share(s) of HK\$0.01 each in the capital of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Target” | i-marker Global Corporation, a company incorporated in the British Virgin Islands |
| “Vendors” | collectively Talent Profit International Limited, Opex Investments Limited, Honor Pixie Limited and Khmer Resources Investment Holding Group Company Limited |

By the order of the Board of
CHINA RAILSMEDIA CORPORATION LIMITED
Hui Chi Yung
Chairman

Hong Kong, 17 January 2013

As at the date of this announcement, the Board comprises Mr. Hui Chi Yung and Ms. Yih Chuen Yung, Grace as Executive Directors, Mr. Liu Kwong Sang, Mr. Sit Hing Wah and Dr. Hu Chung Kuen, David as Independent Non-Executive Directors.