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**If you have sold or transferred** all your shares in Media Chinese International Limited, you should at once hand this circular to the purchaser(s) or the transferee(s), or to the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for transmission to the purchaser(s) or the transferee(s).

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**MEDIA CHINESE INTERNATIONAL LIMITED**

**世界華文媒體有限公司**

*(Incorporated in Bermuda with limited liability)*

(Malaysia Company No. 995098-A)

(Hong Kong Stock Code: 685, Malaysia Stock Code: 5090)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO  
PART A**

**PROPOSED RENEWAL OF AND NEW SHAREHOLDERS' MANDATE FOR  
RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR  
TRADING NATURE**

**PART B  
STATEMENT IN RELATION TO PROPOSED RENEWAL OF  
SHARE BUY-BACK MANDATE,  
PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES,  
RE-ELECTION OF DIRECTORS AND  
PROPOSED RETENTION OF AN INDEPENDENT DIRECTOR**

Notice of the Twenty-third Annual General Meeting of Media Chinese International Limited (the "Company") to be held at (i) Sin Chew Media Corporation Berhad, Cultural Hall, No. 19, Jalan Semangat, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia; and (ii) 15th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong on Tuesday, 6 August 2013 at 10:00 a.m. together with a proxy form are enclosed together with the Annual Report 2012/13.

The Shareholders are requested to complete the proxy form and deposit the original proxy form at (i) the Malaysia share registrar office of the Company at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia or (ii) the Hong Kong head office and principal place of business at 15th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong, not less than 48 hours before the time stipulated for holding the meeting or any adjournment thereof. The lodging of the proxy form will not preclude you from attending and voting in person at the Annual General Meeting should you subsequently wish to do so.

Last date and time for lodging the proxy form : 4 August 2013 at 10:00 a.m.  
Date and time of the Annual General Meeting : 6 August 2013 at 10:00 a.m.

This circular is dated 8 July 2013

# CONTENTS

	<i>Page</i>
<b>DEFINITIONS</b> .....	1
<b>PART A — PROPOSED RENEWAL OF AND NEW SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE</b>	
<b>Letter from the Board</b>	
Introduction .....	8
Details of the Proposed Shareholders’ Mandate .....	9
Rationale and benefits for the Proposed Shareholders’ Mandate .....	21
Financial effects of the Proposed Shareholders’ Mandate .....	21
Interests of Directors, major shareholders and persons connected to them .....	22
Condition of the Proposed Shareholders’ Mandate .....	23
Directors’ recommendation .....	23
AGM .....	24
Action to be taken .....	24
Further information .....	24
<b>PART B — STATEMENT IN RELATION TO PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE, PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES, RE-ELECTION OF DIRECTORS AND PROPOSED RETENTION OF AN INDEPENDENT DIRECTOR</b>	
<b>Letter from the Board</b>	
Proposed Share Buy-Back Mandate .....	25
Proposed general mandate to issue new Shares .....	26
Re-election of the retiring Directors .....	26
Proposed retention of an independent Director .....	26
Directors’ recommendation .....	27
AGM .....	27
Action to be taken .....	27
Further information .....	27
<b>APPENDICES</b>	
<b>Appendix I — General information</b> .....	28
<b>Appendix II — Details of subsidiaries</b> .....	31
<b>Appendix III — Details of properties and rental</b> .....	41
<b>Appendix IV — Explanatory statement for Share Buy-Back</b> .....	42
<b>Appendix V — Details of Directors proposed to be re-elected and retained</b> ...	49

## DEFINITIONS

*Except where the context otherwise requires, the following definitions shall apply throughout this circular:*

“Act”	the Malaysian Companies Act, 1965, as amended from time to time and any re-enactment thereof
“AGM”	the annual general meeting of the Company
“Annual Report 2012/13”	the annual report of the Company for the financial year ended 31 March 2013
“Audit Committee”	the audit committee of the Board, comprising all non-executive Directors, namely Mr David Yu Hon To, Tan Sri Dato’ Lau Yin Pin and Temenggong Datuk Kenneth Kanyan Anak Temenggong Koh
“Beijing MA”	Beijing Media Advertising Company Limited, a wholly foreign-owned enterprise established in the People’s Republic of China
“Beijing OMG”	Beijing OMG Advertising Company Limited, a wholly foreign-owned enterprise established in the People’s Republic of China
“Board”	the board of Directors
“Bursa Securities”	Bursa Malaysia Securities Berhad (Malaysia Company No. 635998-W)
“Bye-Law(s)”	the Bye-Laws(s) of the Company as may be amended from time to time
“Charming”	Charming Holidays Limited, a company incorporated in Hong Kong
“Cheerhold”	Cheerhold (H.K.) Limited, a company incorporated in Hong Kong
“Company”	Media Chinese International Limited (Malaysia Company No. 995098-A), a company incorporated in Bermuda with limited liability and the Shares of which are dual listed on Bursa Securities and the HKEx
“Conch”	Conch Company Limited, a company incorporated in the British Virgin Islands
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

## DEFINITIONS

“Director(s)”	shall have the meaning given in Section 2(1) of the Malaysian Capital Markets and Services Act, 2007 and for purposes of the Proposed Shareholders’ Mandate includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a director of the Company or any other company which is its subsidiary or holding company or a chief executive officer of the Company, its subsidiary or holding company
“EA”	Evershine Agency Sdn Bhd (Malaysia Company No. 168726-X)
“Everfresh”	Everfresh Dairy Products Sdn Bhd (Malaysia Company No. 263971-U)
“Ezywood”	Ezywood Options Sdn Bhd (Malaysia Company No. 604068-X)
“Group”	the Company and its subsidiaries
“Guangzhou Kin Ming”	Guangzhou Kin Ming Printing Limited, a wholly foreign-owned enterprise established in the People’s Republic of China which was disposed to an independent third party by the Group on 12 November 2012 and ceased to be an indirect wholly-owned subsidiary of the Company
“HKEx”	The Stock Exchange of Hong Kong Limited
“Holgain”	Holgain Limited, a company incorporated in Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Takeovers Code”	The Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong
“Kin Ming”	Kin Ming Printing Company Limited, a company incorporated in Hong Kong
“Latest Practicable Date”	19 June 2013, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Requirements”	Main Market Listing Requirements of Bursa Securities
“Listing Rules”	The Rules Governing the Listing of Securities on HKEx

## DEFINITIONS

“Madigreen”	Madigreen Sdn Bhd (Malaysia Company No. 305806-M)
“major shareholder”	<p>as defined under the Listing Requirements, a person who has (which includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon) an interest or interests in one or more voting shares in a company and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is:</p> <p>(a) 10% or more of the aggregate of the nominal amounts of all the voting shares in the corporation; or</p> <p>(b) 5% or more of the aggregate of the nominal amounts of all the voting shares in the corporation where such person is the largest shareholder of the corporation;</p> <p>or any other corporation which is its subsidiary or holding company</p> <p>(For the purposes of this definition, “interest in shares” shall have the meaning given in Section 6A of the Act.)</p>
“Malaysian Takeovers Code”	the Malaysian Code on Takeovers and Mergers 1998, as amended from time to time
“MNI”	Malaysian Newsprint Industries Sdn Bhd (Malaysia Company No. 28382-H)
“MPF”	Ming Pao Finance Limited, a company incorporated in the British Virgin Islands
“MPH”	Ming Pao Holdings Limited, a company incorporated in Hong Kong
“MPN”	Ming Pao Newspapers Limited, a company incorporated in Hong Kong
“MPSB”	Mulu Press Sdn Bhd (Malaysia Company No. 137647-P)
“Nanyang”	Nanyang Press Holdings Berhad (Malaysia Company No. 3245-K)
“Nanyang Group”	Nanyang and its subsidiary companies, the wholly-owned subsidiaries of the Company

## DEFINITIONS

“OMG”	One Media Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of HKEx
“OMG Group”	OMG and its subsidiary companies
“OMH”	One Media Holdings Limited, a company incorporated in the British Virgin Islands
“PAA”	Pertumbuhan Abadi Asia Sdn Bhd (Malaysia Company No. 67069-X)
“person connected”	<p>as defined under the Listing Requirements, in relation to a Director or a major shareholder means such person who falls under any one of the following categories:</p> <ul style="list-style-type: none"><li>(a) a family member of the Director or major shareholder;</li><li>(b) a trustee of a trust (other than a trustee for an employee share scheme or pension scheme) under which the Director, major shareholder or a family member of the Director or major shareholder, is the sole beneficiary;</li><li>(c) a partner of the Director, major shareholder or a partner of a person connected with that Director or major shareholder;</li><li>(d) a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or major shareholder;</li><li>(e) a person in accordance with whose directions, instructions or wishes the Director or major shareholder is accustomed or is under an obligation, whether formal or informal, to act;</li><li>(f) a body corporate or its Directors which/who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or major shareholder;</li><li>(g) a body corporate or its Directors whose directions, instructions or wishes the Director or major shareholder is accustomed or is under an obligation, whether formal or informal, to act;</li></ul>

## DEFINITIONS

(h) a body corporate in which the Director, major shareholder and/or persons connected with him are entitled to exercise, or control the exercise of, not less than 15% of the votes attached to voting shares in the body corporate; or

(i) a body corporate which is a related corporation

“Progresif”	Progresif Growth Sdn Bhd (Malaysia Company No. 575150-P)
“Proposed Shareholders’ Mandate”	the proposed renewal of and new shareholders’ mandate pursuant to paragraph 10.09 of the Listing Requirements in respect of the RRPT, details of which are set out in section 2 contained in Part A of this circular, for the Group to enter into recurrent related party transactions of a revenue or trading nature
“Related Party(ies)”	as defined under the Listing Requirements, Director(s), major shareholder(s) or person connected with such Director(s) or major shareholder(s)
“RHCI”	RIMBUNAN HIJAU China Investment Inc., a company incorporated in the Cayman Islands
“RHDC”	R.H. Development Corporation Sdn Bhd (Malaysia Company No. 110220-V)
“RHE”	Rimbunan Hijau Estate Sdn Bhd (Malaysia Company No. 153596-K)
“RHH”	Rimbunan Hijau Holdings Sdn Bhd (Malaysia Company No. 356773-H)
“RHP”	RH Petrogas Limited (Company No. 198701138Z), a company incorporated in the Republic of Singapore
“RHS”	Rimbunan Hijau (Sarawak) Sdn Bhd (Malaysia Company No. 487227-D)
“RHSA”	Rimbunan Hijau Southeast Asia Sdn Bhd (Malaysia Company No. 487223-W)
“RHTT”	R. H. Tours & Travel Agency Sdn Bhd (Malaysia Company No. 156321-W)

## DEFINITIONS

“RRPT”	as defined under the Listing Requirements, related party transactions which are recurrent, of a revenue or trading nature and which are necessary for the Group’s day-to-day operations
“SCMCB”	Sin Chew Media Corporation Berhad (Malaysia Company No. 98702-V)
“SCMCB Group”	SCMCB and its subsidiary companies, the wholly-owned subsidiaries of the Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Buy-Back Mandate”	the proposed general mandate to permit the Company to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued and paid-up share capital of the Company as at the date of passing the Share Buy-Back Resolution
“Share Buy-Back Resolution”	the proposed ordinary resolution pertaining to the Share Buy-Back Mandate, to be tabled at the forthcoming AGM
“Share(s)”	the ordinary share(s) in the capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“substantial shareholder”	as defined under the Listing Rules, in relation to a company, means a person who is entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of the company
“TCB”	TC Blessed Holdings Sdn Bhd (Malaysia Company No. 388652-A)
“TSL”	Teck Sing Lik Enterprise Sdn Bhd (Malaysia Company No. 057850-M)
“TSTHK”	Tan Sri Datuk Sir Diong Hiew King @ Tiong Hiew King
“TTS&S”	Tiong Toh Siong & Sons Sendirian Berhad (Malaysia Company No. 18223-P)
“TTSE”	Tiong Toh Siong Enterprises Sdn Bhd (Malaysia Company No. 178305-K)
“TTSH”	Tiong Toh Siong Holdings Sdn Bhd (Malaysia Company No. 105159-U)



## DEFINITIONS

“%” per cent

**Currencies:**

“HKD” or “HK\$” Hong Kong dollar(s), the lawful currency of Hong Kong

“RM” and “sen” Ringgit Malaysia and sen respectively, the lawful currency of Malaysia

“RMB” Renminbi, the lawful currency of the People’s Republic of China

“USD” or “US\$” United States dollar(s), the lawful currency of the United States of America



**MEDIA CHINESE INTERNATIONAL LIMITED**

**世界華文媒體有限公司**

*(Incorporated in Bermuda with limited liability)*

(Malaysia Company No. 995098-A)

(Hong Kong Stock Code: 685, Malaysia Stock Code: 5090)

*Board of Directors:*

**Executive Directors:**

Tan Sri Datuk Sir Tiong Hiew King  
*(Group Executive Chairman)*

Dato' Sri Dr Tiong Ik King

Mr Tiong Kiew Chiong *(Group CEO)*

Mr Ng Chek Yong

Mr Leong Chew Meng

**Non-executive Director:**

Ms Tiong Choon

**Independent Non-executive Directors:**

Mr David Yu Hon To

Tan Sri Dato' Lau Yin Pin

Temenggong Datuk Kenneth Kanyan

Anak Temenggong Koh

*Registered Office:*

Canon's Court  
22 Victoria's Street  
Hamilton HM12  
Bermuda

*Registered Office in Malaysia:*

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Pusat Dagangan Dana 1, Jalan PJU 1A/46  
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Malaysia

*Head Office and Principal Place of Business:*

No. 19, Jalan Semangat  
46200 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

15th Floor, Block A  
Ming Pao Industrial Centre  
18 Ka Yip Street  
Chai Wan  
Hong Kong

8 July 2013

*To: The Shareholders*

Dear Sir/Madam,

**PART A — PROPOSED RENEWAL OF AND NEW SHAREHOLDERS' MANDATE  
FOR RECURRENT RELATED PARTY TRANSACTIONS OF  
A REVENUE OR TRADING NATURE**

**1 INTRODUCTION**

The Company had on 29 August 2012, obtained a shareholders' mandate for the Group to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the Group's day to day operations in the ordinary course of business based on

## **PART A: LETTER FROM THE BOARD**

commercial terms which are not more favourable to the Related Parties than those generally available to the public. The authority conferred by the said mandate shall, in accordance with the Listing Requirements lapse at the conclusion of the forthcoming 23rd AGM scheduled on 6 August 2013 unless authority for its renewal is obtained from the shareholders at the AGM.

On 4 June 2013, the Board announced that the Company proposes to seek shareholders' approval on the Proposed Shareholders' Mandate at the forthcoming AGM.

The purpose of Part A of this circular is to provide you with the relevant information of the Proposed Shareholders' Mandate and to seek your approval for the ordinary resolution to be tabled at the forthcoming AGM. Notice of the AGM and proxy form are enclosed in the Annual Report 2012/13 of the Company.

## **2 DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE**

### **2.1 Provisions under the Listing Requirements**

Paragraph 10.09(2) of the Listing Requirements provides that a listed issuer may seek a mandate from its shareholders for recurrent related party transactions subject to the following:

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Parties than those generally available to the public;
- (ii) the shareholder mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholder mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under paragraph 10.09(1) of the Listing Requirements;
- (iii) the listed issuer's circular to shareholders for the shareholder mandate includes the information as may be prescribed by the Bursa Securities. The draft circular must be submitted to Bursa Securities together with a checklist showing compliance with such information;
- (iv) in a meeting to obtain shareholders' mandate, the interested director, interested major shareholder or interested person connected with a director or major shareholder, and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution to approve the transactions. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions; and

## **PART A: LETTER FROM THE BOARD**

- (v) the listed issuer immediately announces to Bursa Securities when the actual value of a RRPT entered into by the listed issuer, exceeds the estimated value of the RRPT disclosed in the circular to shareholders by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

Accordingly, the Board proposes to procure the approval from the Shareholders for the Proposed Shareholders' Mandate for the Group to enter into the RRPT referred in Section 2.5, with the Related Party, which are of a revenue and trading nature and necessary for the Group's day-to-day operation and are in ordinary course of business, on terms not more favourable to the Related Party than those generally available to the public and are not to the detriment to the minority Shareholders.

### **2.2 Validity period of the Proposed Shareholders' Mandate**

The authority to be conferred pursuant to the Proposed Shareholders' Mandate, if approved by the Shareholders, shall take effect from the passing of the relevant ordinary resolution proposed at the forthcoming AGM and will continue to be in force until:

- (i) the conclusion of the next AGM following the forthcoming 23rd AGM at which time the Proposed Shareholders' Mandate is granted, at which time it will lapse, unless by an ordinary resolution passed at the general meeting, the authority is renewed;
- (ii) the expiration of the period within which the next AGM is required by applicable laws or the Bye-Laws of the Company to be held; or
- (iii) revoked or varied by ordinary resolution passed by the Shareholders in a general meeting;

whichever is the earliest.

Thereafter, approval from the Shareholders for subsequent renewals will be sought at each subsequent AGM.

### **2.3 Principal activities of the Group**

The Company is an investment holding company. The Group is principally engaged in the following core businesses while the principal activities of its subsidiaries are set out in Appendix II:

- (i) publishing and printing of newspapers, books and magazines
- (ii) internet related businesses
- (iii) travel and travel related businesses
- (iv) investment holding

## PART A: LETTER FROM THE BOARD

### 2.4 Classes of Related Party

The Proposed Shareholders' Mandate will apply to the following classes of Related Party:

- (i) Directors or major shareholders; and
- (ii) Persons connected with the Directors or major shareholders

The Related Party and companies involved in the RRPT includes MNI, TTS&S, RHH, Everfresh, EA, RHTT, OMH, Beijing OMG, RHCI, OMG Group, RHP and Cheerhold.

The categories of transactions involving MNI, TTS&S, RHH, Everfresh, EA, RHTT, OMH, Beijing OMG, RHCI, OMG Group, RHP and Cheerhold are stated in item 2.5.

### 2.5 Nature of the RRPT and their estimated value

The RRPT which are intended to be entered into by the Group pursuant to the Proposed Shareholders' Mandate are detailed as below.

#### (A) Existing transactions

Related party	Principal activities	Nature of transaction	Estimated value disclosed in preceding year's circular to Shareholders dated 23 July 2012		Actual value transacted from the date of last AGM on 29 August 2012 upto the Latest Practicable Date		Estimated value from 6 August 2013 (date of AGM) up to next AGM (Note 1)		Transacting party	Nature of interest
			RM'000	US\$'000	RM'000	US\$'000	RM'000	US\$'000		
			1. MNI	Manufacture and sales of newsprint	(i) SCMCB Group and Nanyang Group to purchase materials such as newsprint from MNI	252,000	79,962	84,119		
			140,000	44,423	41,109	13,044	118,300	37,538	Nanyang Group	TSTHK is both a major shareholder and a director of the Company. He is both a major shareholder and director of RHE and RHDC, and a director of SCMCB.
		(ii) Disposal of newsprint scraps from SCMCB Group and Nanyang Group to MNI	7,000	2,221	2,923	927	7,280	2,310	SCMCB Group	
			8,000	2,538	4,175	1,325	7,500	2,380	Nanyang Group	Dato' Sri Dr Tiong Ik King is both a major shareholder and a director of the Company. He is (pursuant to the Act) a substantial shareholder of RHDC.

## PART A: LETTER FROM THE BOARD

Related party	Principal activities	Nature of transaction	Estimated value		Actual value		Estimated value from		Transacting party	Nature of interest
			disclosed in preceding year's circular to Shareholders dated 23 July 2012		transacted from the date of last AGM on 29 August 2012 upto the Latest Practicable Date		6 August 2013 (date of AGM) up to next AGM (Note 1)			
			RM'000	US\$'000	RM'000	US\$'000	RM'000	US\$'000		
2. TTS&S	Equipment rental, investment holding and operations in agriculture businesses	MPSB's tenancy of offices from TTS&S as landlord. Please refer to Appendix III for details of the offices	50	16	34	11	50	16	MPSB	<p>TTSH is a holding company of TTS&amp;S.</p> <p>TSTHK is both a major shareholder and a director of the Company and TTSH. He is also a director of TTS&amp;S and SCMCB (the holding company of MPSB).</p> <p>Dato' Sri Dr Tiong Ik King is both a major shareholder and a director of the Company and TTSH.</p>
3. RHH	Investment holding	MPSB's tenancy of office at Lot 235-236, Kemena Commercial Centre, Jalan Tanjung Batu, 97000 Bintulu, Sarawak, Malaysia (size of rented premise: 1,728 square feet) from RHH as landlord at a monthly rental of RM1,200	16	5	12	4	18	6	MPSB	<p>TSL is a major shareholder of RHH and a shareholder of the Company.</p> <p>TSTHK is both a major shareholder and a director of the Company, TSL and RHH. He is a director of SCMCB (the holding company of MPSB).</p> <p>Dato' Sri Dr Tiong Ik King is both a major shareholder and a director of the Company. He is also a major shareholder of RHH.</p>
4. Everfresh	Investment holdings and general farming	MPSB's tenancy of office at Lot 1054, Block 31, Kemena Commercial Centre, Jalan Tanjung Batu, 97000 Bintulu, Sarawak, Malaysia (size of rented premise: 1,421 square feet) from Everfresh as landlord at a monthly rental of RM500	8	3	5	2	8	3	MPSB	<p>TTSE and TSL are major shareholders of Everfresh and shareholders of the Company.</p> <p>TSTHK is both a major shareholder and a director of Everfresh, TTSE, TSL and the Company. TSTHK is a director of SCMCB (the holding company of MPSB).</p> <p>Dato' Sri Dr Tiong Ik King is both a major shareholder and a director of the Company. He is also a major shareholder of TTSE.</p>

## PART A: LETTER FROM THE BOARD

Related party	Principal activities	Nature of transaction	Estimated value disclosed in preceding year's circular to Shareholders dated 23 July 2012		Actual value transacted from the date of last AGM on 29 August 2012 upto the Latest Practicable Date		Estimated value from 6 August 2013 (date of AGM) up to next AGM (Note 1)		Transacting party	Nature of interest
			RM'000	US\$'000	RM'000	US\$'000	RM'000	US\$'000		
5. EA	Insurance agent and providing handling services	Receipt of services i.e. MPSB purchases motor vehicle insurance from EA	7	2	2	1	7	2	MPSB	<p>RHS is a shareholder of the Company and a major shareholder of EA.</p> <p>PAA, TSL and TTSE are major shareholders of RHS and shareholders of the Company.</p> <p>TSTHK is a major shareholder of EA and a director of SCMCB (the holding company of MPSB). He is both a major shareholder and a director of the Company, RHS, PAA, TSL and TTSE.</p> <p>Dato' Sri Dr Tiong Ik King is both a major shareholder and a director of the Company. He is a major shareholder of TTSE and, pursuant to the Act, a substantial shareholder of EA.</p>
6. RHTT	Tour operator & travel agent	Receipt of services i.e. to purchase air tickets from RHTT	340	108	102	32	321	102	the Group	<p>RHS is a shareholder of the Company and a major shareholder of RHTT.</p> <p>PAA, TSL and TTSE are major shareholders of RHS and shareholders of the Company.</p> <p>TSTHK is both a major shareholder and a director of the Company, RHTT, RHS, PAA, TSL and TTSE.</p> <p>Dato' Sri Dr Tiong Ik King is both a major shareholder and a director of the Company. He is a major shareholder of TTSE and a shareholder of RHTT.</p>

## PART A: LETTER FROM THE BOARD

Related party	Principal activities	Nature of transaction	Estimated value		Actual value		Estimated value from		Transacting party	Nature of interest
			disclosed in preceding year's circular to Shareholders dated 23 July 2012		transacted from the date of last AGM on 29 August 2012 upto the Latest Practicable Date		6 August 2013 (date of AGM) up to next AGM (Note 1)			
			HK\$'000	US\$'000	HK\$'000	US\$'000	HK\$'000	US\$'000		
7. OMH	Investment holding	Provision of circulation support services and library support services by MPN to OMH and its subsidiaries	3,763	485	1,236	159	2,000	258	MPN	<p>OMH is a wholly-owned subsidiary of OMG. MPN is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of OMG.</p> <p>TSTHK is both a major shareholder and a director of the Company and OMG.</p> <p>Mr Tiong Kiew Chiong is a director of both OMH and MPN. He is also a director and a shareholder of the Company and OMG.</p>
8. OMH	Investment holding	Provision of administrative support services by MPH to OMH and its subsidiaries (Note 2)	6,903	890	4,642	598	7,464	962	MPH	<p>OMH is a wholly-owned subsidiary of OMG. MPH is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of OMG.</p> <p>TSTHK is both a major shareholder and a director of the Company and OMG. He is also a director of MPH.</p> <p>Mr Tiong Kiew Chiong is a director of both OMH and MPH. He is also a director and a shareholder of the Company and OMG.</p>
9. OMH	Investment holding	Leasing and licensing of parking spaces, office space and storage space inside Ming Pao Industrial Centre situated at 18 Ka Yip Street, Chaiwan, Hong Kong (size of rented & licensed premises: approximately 15,817 & 843 square feet respectively which may be agreed between OMH and Holgain from time to time) from Holgain to OMH and its subsidiaries at the monthly rental & licensing fees in aggregate of approximately HK\$174,885 (Note 3)	2,500	322	1,957	252	2,700	348	Holgain	<p>OMH is a wholly-owned subsidiary of OMG. Holgain is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of OMG.</p> <p>TSTHK is both a major shareholder and a director of the Company and OMG.</p> <p>Mr Tiong Kiew Chiong is a director of both OMH and Holgain. He is also a director and a shareholder of the Company and OMG.</p>



## PART A: LETTER FROM THE BOARD

Related party	Principal activities	Nature of transaction	Estimated value		Actual value		Estimated value from		Transacting party	Nature of interest	
			disclosed in preceding		transacted from		6 August 2013				
			year's circular to		the date of last AGM		(date of AGM)				
Shareholders dated		upto the Latest		up to next AGM							
23 July 2012		Practicable Date		(Note 1)							
HK\$'000		US\$'000		HK\$'000		US\$'000		HK\$'000		US\$'000	
10. OMG Group	Investment holding, publication, marketing and distribution of Chinese language lifestyle magazines	Provision of services such as air tickets and accommodation arrangement services by Charming to OMG Group	1,000	129	934	120	1,000	129	Charming	Charming is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of OMG.  TSTHK is both a major shareholder and a director of the Company and OMG.  Mr Tiong Kiew Chiong is a director of Charming. He is also a director and a shareholder of the Company and OMG.	
11. OMG Group	Investment holding, publication, marketing and distribution of Chinese language lifestyle magazines	Provision of barter advertising services by the Group to OMG Group	2,000	258	924	119	2,000	258	the Group	The Company is a major shareholder and a substantial shareholder of OMG.  TSTHK is both a major shareholder and a director of the Company and OMG.  Mr Tiong Kiew Chiong is a director and a shareholder of the Company and OMG.	
12. OMG Group	Investment holding, publication, marketing and distribution of Chinese language lifestyle magazines	Receipt of barter advertising services by the Group from OMG Group	2,000	258	1,046	135	2,000	258	the Group	The Company is a major shareholder and a substantial shareholder of OMG.  TSTHK is both a major shareholder and a director of the Company and OMG.  Mr Tiong Kiew Chiong is a director and a shareholder of the Company and OMG.	
13. OMH	Investment holding	Provision of pre-press services by Kin Ming to OMH and its subsidiaries	200	26	2	–*	22	3	Kin Ming	OMH is a wholly-owned subsidiary of OMG. Kin Ming is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of OMG.  TSTHK is both a major shareholder and a director of the Company and OMG.  Mr Tiong Kiew Chiong is a director of both OMH and Kin Ming. He is also a director and a shareholder of the Company and OMG.	

\* *negligible*

## PART A: LETTER FROM THE BOARD

Related party	Principal activities	Nature of transaction	Estimated value disclosed in preceding year's circular to Shareholders dated 23 July 2012		Actual value transacted from the date of last AGM on 29 August 2012 upto the Latest Practicable Date		Estimated value from 6 August 2013 (date of AGM) up to next AGM (Note 1)		Transacting party	Nature of interest
			HK\$'000	US\$'000	HK\$'000	US\$'000	HK\$'000	US\$'000		
14. OMG	Investment holding, publication, marketing and distribution of Chinese language lifestyle magazines	Interest income on the convertible bond issued by OMG in the principal amount of HK\$75,600,000 at an interest rate of 1% per annum	756	97	671	87	756	97	MPH	<p>MPH is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of OMG.</p> <p>TSTHK is both a major shareholder and a director of the Company and OMG. He is also a director of MPH.</p> <p>Mr Tiong Kiew Chiong is a director of MPH. He is also a director and a shareholder of the Company and OMG.</p>
15. RHP	Investment holding, and exploration and production of oil and gas	Provision of services such as air tickets and accommodation arrangement services by Charming to RHP	300	39	28	4	137	18	Charming	<p>Charming is a wholly-owned subsidiary of the Company.</p> <p>TSTHK and Dato' Sri Dr Tiong Ik King are both major shareholders and directors of the Company and RHP.</p> <p>Mr Tiong Kiew Chiong is a director of Charming and the Company. He is also a shareholder of RHP and the Company.</p>
			RMB'000	US\$'000	RMB'000	US\$'000	RMB'000	US\$'000		
16. RHCI	Investment holding	Leasing of office space of Unit C, 9/F., South Tower, China Overseas Plaza, Beijing, China (size of rented premise: approximately 241 square metres) from Beijing MA to RHCI at a monthly fee of RMB56,635	623	102	546	89	623	102	Beijing MA	<p>Beijing MA is a wholly-owned subsidiary of OMG. The Company is a major shareholder and a substantial shareholder of OMG.</p> <p>TSTHK is both a major shareholder and a director of the Company, OMG and RHCI.</p> <p>Mr Tiong Kiew Chiong is a director of OMG, Beijing MA and the Company. He is also a shareholder of OMG and the Company.</p>

## PART A: LETTER FROM THE BOARD

### (B) New transaction

Related party	Principal activities	Nature of transaction	Estimated value from 6 August 2013 (date of AGM) up to next AGM (Note 1)		Transacting party	Nature of interest
			HK\$'000	US\$'000		
1. Cheerhold	Investment holding	Provision of services such as air tickets and accommodation arrangement services by Charming to Cheerhold	880	113	Charming	Charming is a wholly-owned subsidiary of the Company. TSTHK is both a major shareholder and director of the Company.  TSTHK's sister-in-law is the major shareholder of Cheerhold.

### (C) Old transaction

Save for the above, the Company does not intend to seek approval from Shareholders on the following RRPT that appeared in the preceding year's circular to Shareholders:

Related party	Principal activities	Nature of transaction	Estimated value disclosed in preceding year's circular to Shareholders dated 23 July 2012		Actual value transacted from the date of last AGM on 29 August 2012 upto the Latest Practicable Date	
			HK\$'000	US\$'000	HK\$'000	US\$'000
1. Beijing OMG	Magazines operation	Provision of printing services by Guangzhou Kin Ming to Beijing OMG	8,850	1,141	657	85

#### Notes:

- (1) The estimated transactions value, for the period from 6 August 2013 up to next AGM are based on information, budgets and forecast available at the point of estimation and the actual value of transactions may vary accordingly.
- (2) The administrative support services include administrative, human resources, corporate communications and legal services, IS programming support services, and leasing of certain computer and office equipment from MPH to OMH and its subsidiaries.
- (3) The reason for the decrease in size of the rented and licensed premises in comparison to the previous circular dated 23 July 2012 was due to the decrease in the office space and storage space leased/licensed by the respective tenant and licensee in the coming years.
- (4) The presentation currencies of this table are RM, RMB and HK\$. Supplementary information in US\$ is shown for reference only and has been made at the same exchange rate of US\$1.00 to RM3.1515, US\$1.00 to RMB6.1266 and US\$1.00 to HK\$7.7569, being the middle exchange rates quoted by Bank Negara Malaysia at 5:00 p.m. on the Latest Practicable Date.

## **PART A: LETTER FROM THE BOARD**

### **2.6 Deviation from the previous shareholders' mandate**

The actual value of RRPT did not exceed the estimated value as approved under the previous shareholders' mandate granted to the Company at the last AGM.

### **2.7 Amount due and owing to the Company by Related Party**

As at the financial year ended 31 March 2013, there were no amounts due and owing to the Company by its Related Party, which exceeded the credit term given arising from the RRPT as per Section 2.5 of this Circular. The payments were made within the agreed credit terms.

### **2.8 Guidelines and procedures on which transaction prices are determined**

To ensure that the RRPT are conducted on commercial terms consistent with the Group's usual business practices and policies, transaction prices and on terms not more favourable to the Related Parties than those generally available to the public, where applicable, and are not, in the Group's opinion, detrimental to the minority shareholders, the following principles will apply:

- (i) The purchase of materials or goods, receipt of services and provision of services shall be determined based on prevailing rates/prices of the goods or services (including where applicable, preferential rates/prices/discounts accorded to a class or classes of customers or for bulk sales) according to commercial terms, business practices and policies or otherwise in accordance with other applicable industry norms/considerations, or on a cost reimbursement basis;
- (ii) Provision of management/support service are based on normal commercial terms;
- (iii) The tenancy/leasing/licensing/rental of properties and interest income on convertible bond shall be at the prevailing market rates for the same or substantially similar properties and convertible notes/bonds, and shall be on commercial terms.

At least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by the related parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities.

In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the Board and Audit Committee will rely on their market knowledge of prevailing industry norms bearing in mind the urgency and efficiency of transactions to be provided or required to ensure that the RRPT is not detrimental to the Group.

## PART A: LETTER FROM THE BOARD

### 2.9 Review procedures of RRPT

To identify, track and monitor the RRPT, the following review procedures have been established and implemented:

- (i) A list of Related Parties and a summary explaining what constitutes a RRPT will be circulated to the Directors and management of the Group, to notify that all such RRPT are required to be undertaken on an arm's length basis and on normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority Shareholders.

The list of Related Parties will be continuously updated and circulated to the Directors and management of the Group, as and when the RRPT's status changes or additional RRPT are included or in any event, at least once a year if there is no change in the RRPT's status;

- (ii) Records of RRPT will be retained and compiled for review by the Audit Committee;
- (iii) The Audit Committee will review all RRPT at each quarterly meeting and will report and make necessary recommendation to the Board. Any member of the Audit Committee may as he deems fit, request for additional information pertaining to the transaction including from independent sources or advisors;
- (iv) The annual internal audit plan shall incorporate a review of all RRPT entered into pursuant to the Proposed Shareholders' Mandate to ensure that the relevant approvals have been obtained and the review procedures in respect of such transactions are adhered to;
- (v) The Board and the Audit Committee shall review the internal audit reports to ascertain that the review procedures established to monitor RRPT have been complied with and the review shall be done at every quarter together with the review of quarterly results; and
- (vi) The Board and the Audit Committee have reviewed the above guidelines and procedures, and shall continue to review the procedures as and when required, with the authority to sub-delegate such function to individuals or committees within the Group as they deem appropriate. If a member of the Board or Audit Committee has an interest in the transaction to be reviewed by the Board or the Audit Committee as the case may be, he will not participate in the deliberation of such transaction and will abstain from any decision making by the Board or the Audit Committee in respect of that transaction.

## **PART A: LETTER FROM THE BOARD**

### **2.10 Threshold of authority**

There are no specific thresholds for approval of RRPT within the Group. Nevertheless, all RRPT are subject to the approval of appropriate level of authority as determined by senior management and/or the Board from time to time, subject to the provisions in the Listing Requirements, where necessary.

In compliance with Paragraph 10.09(1)(a) of the Listing Requirements, the Group shall immediately announce a RRPT where:

- (i) The consideration, value of the assets, capital outlay or costs of the RRPT is RM1 million or more; or
- (ii) The percentage ratio of such RRPT is 1% or more,

whichever is the higher.

### **2.11 Statement by Audit Committee**

The Audit Committee, having reviewed the procedures as outlined in section 2.8 and 2.9 above and, is of the view that the review procedures and processes which the Group has in place as well as the quarterly review to be made by the Audit Committee are adequate to ensure that the RRPT entered into are identified, tracked and monitored in a timely and orderly manner. The RRPT will be carried out on normal commercial terms which are not prejudicial to the interests of Shareholders and that the terms of the RRPT are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders of the Company. Such guidelines, procedures and processes are subject to review by the Audit Committee annually.

### **2.12 Disclosure**

Disclosure will be made in the annual report of the Company in accordance with paragraph 3.1.5 of Practice Note 12 of the Listing Requirements, which requires a breakdown of the aggregate value of the RRPT entered into during the financial year based on the following information:

- (i) the type of the RRPT made; and
- (ii) the names of the Related Parties involved in each type of the RRPT made and their relationships with the Company.

The above disclosure will be made in the Company's annual report for each subsequent financial year after the Proposed Shareholders' Mandate has been obtained.

## **PART A: LETTER FROM THE BOARD**

### **3 RATIONALE AND BENEFITS FOR THE PROPOSED SHAREHOLDERS' MANDATE**

The rationale and benefits of the Proposed Shareholders' Mandate to the Group are as follows:

- (i) to facilitate transactions with Related Parties which are in the ordinary course of business of the Group undertaken at arms' length, normal commercial terms and on terms which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the interests of minority Shareholders;
- (ii) to enhance the Group's ability to pursue business opportunities which are time-sensitive in nature and will eliminate the need to announce and/or convene separate general meetings on each occasion to seek Shareholders' approval for each transaction;
- (iii) for certain transactions where it is vital that confidentiality be maintained, it will not be viable for prior Shareholders' mandate to be obtained as this will entail the release of details of the transactions and may adversely affect the interests of the Group and place the Group at a disadvantage to its competitors who may not require Shareholders' mandate to be obtained; and
- (iv) to substantially reduce expenses, time and other resources associated with the making of announcements and convening of general meetings on an ad hoc basis, improve administrative efficiency considerably, and allow financial and manpower resources to be channeled towards attaining other corporate objectives.

### **4 FINANCIAL EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE**

The Proposed Shareholders' Mandate will not have any effect on the share capital, dividend, gearing, net assets, earnings and the shareholdings of the Directors and major shareholders of the Company.

**PART A: LETTER FROM THE BOARD**

**5 INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED TO THEM**

Save as disclosed below, none of the other Directors and major shareholders of the Company and/or persons connected with them has any interest, direct and indirect in the Proposed Shareholders' Mandate:

- (i) TSTHK and Dato' Sri Dr Tiong Ik King are Directors and major shareholders of the Company, with direct and indirect shareholdings in the Company. Mr Tiong Kiew Chiong and Ms Tiong Choon are Directors and shareholders of the Company, with direct/indirect shareholding in the Company. As such, they are deemed interested in the Proposed Shareholders' Mandate. Their respective shareholdings in the Company as at the Latest Practicable Date are as follows:

Name	Direct		Indirect (as calculated under the Act)	
	No. of Shares held	%	No. of Shares held	%
TSTHK	87,109,058	5.16	798,478,690 <sup>(1)</sup> 13,116,795 <sup>(2)</sup>	47.32 0.78
Dato' Sri Dr Tiong Ik King	11,144,189	0.66	252,487,700 <sup>(3)</sup>	14.96
Mr Tiong Kiew Chiong	1,482,039	0.09	—	—
Ms Tiong Choon	2,654,593	0.16	653,320 <sup>(4)</sup> 822,832 <sup>(5)</sup>	0.04 0.05

<sup>(1)</sup> Deemed interested by virtue of his interests in Progresif, Conch, Ezywood, TSL, Madigreen, RHS, RHSA, PAA and TTSE.

<sup>(2)</sup> Deemed interested by virtue of his family's interest.

<sup>(3)</sup> Deemed interested by virtue of his interest in Conch.

<sup>(4)</sup> Deemed interested by virtue of her interests in TCB.

<sup>(5)</sup> Deemed interested by virtue of her spouse's interest.



## PART A: LETTER FROM THE BOARD

- (ii) RHS, TSL, PAA and TTSE are Shareholders and also persons connected to interested Directors and major shareholders of the Company (“Interested Persons Connected”). They are deemed interested in the Proposed Shareholders’ Mandate. Their respective shareholdings in the Company as at the Latest Practicable Date are as follows:

Name	<b>Direct</b>		<b>Indirect (as calculated under the Act)</b>	
	<i>No. of Shares held</i>	%	<i>No. of Shares held</i>	%
RHS	15,536,696	0.92	—	—
TSL	65,319,186	3.87	76,688,321 <sup>(6)</sup>	4.55
PAA	1,902,432	0.11	477,025,055 <sup>(7)</sup>	28.27
TTSE	1,744,317	0.10	22,068,884 <sup>(8)</sup>	1.31

<sup>(6)</sup> Deemed interested by virtue of its interests in Madigreen, RHS, RHSA and TTSE.

<sup>(7)</sup> Deemed interested by virtue of its interests in Progresif, Ezywood, Madigreen, RHS and RHSA.

<sup>(8)</sup> Deemed interested by virtue of its interests in RHS and RHSA.

The interested Directors and/or major shareholders of the Company, namely, TSTHK, Dato’ Sri Dr Tiong Ik King, Mr Tiong Kiew Chiong and Ms Tiong Choon, have abstained and will continue to abstain from Board deliberations and voting on the Proposed Shareholders’ Mandate. TSTHK, Dato’ Sri Dr Tiong Ik King, Mr Tiong Kiew Chiong and Ms Tiong Choon will abstain from voting in respect of their direct and/or indirect shareholdings in the Company on the Proposed Shareholders’ Mandate at the forthcoming AGM.

The Interested Persons Connected, namely, Progresif, Conch, Ezywood, TSL, Madigreen, RHS, RHSA, PAA, TTSE and TCB will abstain from voting on the Proposed Shareholders’ Mandate in respect of their direct and/or indirect shareholdings in the Company at the forthcoming AGM.

In addition, the interested Directors and/or major shareholders of the Company have also undertaken to ensure that persons connected with them will abstain from voting on the Proposed Shareholders’ Mandate in respect of their direct and/or indirect shareholdings in the Company at the forthcoming AGM.

### 6 CONDITION OF THE PROPOSED SHAREHOLDERS’ MANDATE

The Proposed Shareholders’ Mandate is conditional upon the approval of the Shareholders at the forthcoming AGM.

### 7 DIRECTORS’ RECOMMENDATION

The Board, save for TSTHK, Dato’ Sri Dr Tiong Ik King, Mr Tiong Kiew Chiong and Ms Tiong Choon, having considered all aspects of the Proposed Shareholders’ Mandate is of the opinion that the Proposed Shareholders’ Mandate is in the best interest of the Company and the

## **PART A: LETTER FROM THE BOARD**

Shareholders. Accordingly, save for TSTHK, Dato' Sri Dr Tiong Ik King, Mr Tiong Kiew Chiong and Ms Tiong Choon, the Board recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM.

### **8 AGM**

The resolution to vote on the Proposed Shareholders' Mandate is set out as special business in the notice of AGM contained in the Annual Report 2012/13 which was sent to you together with this circular.

The notice convening the AGM to vote on the ordinary resolution and the proxy form are enclosed in the Annual Report 2012/13 accompanying this circular. The AGM will be held at (i) Sin Chew Media Corporation Berhad, Cultural Hall, No. 19, Jalan Semangat, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia; and (ii) 15th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong on Tuesday, 6 August 2013 at 10:00 a.m. for the purpose of considering, and if thought fit, passing, inter alia, the ordinary resolution on the Proposed Shareholders' Mandate under the agenda of special business as set out in the notice enclosed in the Annual Report 2012/13.

### **9 ACTION TO BE TAKEN**

If you are unable to attend and vote in person at the AGM, you are requested to complete and return the proxy form enclosed in the Annual Report 2012/13 in accordance with the instructions printed thereon as soon as possible, in any event, so as to arrive at (i) the Malaysia share registrar office of the Company at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia; or (ii) the Hong Kong head office and principal place of business at 15th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong, not less than forty eight (48) hours before the time fixed for the AGM or any adjournment thereof.

### **10 FURTHER INFORMATION**

Shareholders are requested to refer to the attached appendices for additional information.

Yours faithfully,  
On behalf of the Board of  
**MEDIA CHINESE INTERNATIONAL LIMITED**  
**Ng Chek Yong**  
*Executive Director*



**MEDIA CHINESE INTERNATIONAL LIMITED**

**世界華文媒體有限公司**

*(Incorporated in Bermuda with limited liability)*

(Malaysia Company No. 995098-A)

(Hong Kong Stock Code: 685, Malaysia Stock Code: 5090)

*Board of Directors:*

**Executive Directors:**

Tan Sri Datuk Sir Tiong Hiew King  
*(Group Executive Chairman)*

Dato' Sri Dr Tiong Ik King

Mr Tiong Kiew Chiong *(Group CEO)*

Mr Ng Chek Yong

Mr Leong Chew Meng

**Non-executive Director:**

Ms Tiong Choon

**Independent Non-executive Directors:**

Mr David Yu Hon To

Tan Sri Dato' Lau Yin Pin

Temenggong Datuk Kenneth Kanyan

Anak Temenggong Koh

*Registered Office:*

Canon's Court

22 Victoria Street

Hamilton HM12

Bermuda

*Registered Office in Malaysia:*

Level 8, Symphony House, Block D13

Pusat Dagangan Dana 1, Jalan PJU 1A/46

47301 Petaling Jaya

Selangor Darul Ehsan

Malaysia

*Head Office and Principal Place of Business:*

No. 19, Jalan Semangat

46200 Petaling Jaya

Selangor Darul Ehsan

Malaysia

15th Floor, Block A

Ming Pao Industrial Centre

18 Ka Yip Street

Chai Wan, Hong Kong

8 July 2013

*To: The Shareholders*

Dear Sir/Madam,

**PART B — STATEMENT IN RELATION TO PROPOSED RENEWAL  
OF SHARE BUY-BACK MANDATE,  
PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES,  
RE-ELECTION OF DIRECTORS  
AND PROPOSED RETENTION OF AN INDEPENDENT DIRECTOR**

**1 PROPOSED SHARE BUY-BACK MANDATE**

At the Company's AGM held on 29 August 2012, the Shareholders had granted the mandate for the Directors to purchase up to a maximum of ten per cent (10%) of the issued and

## **PART B: LETTER FROM THE BOARD**

paid-up share capital of the Company. The said mandate shall, in accordance with the Listing Requirements and the Listing Rules, lapse at the conclusion of the forthcoming AGM, which has been scheduled on 6 August 2013 unless the approval is renewed.

In relation thereto, the Company had on 4 June 2013 announced that the Board proposes to seek from the Shareholders the approval for the renewal of Share Buy-Back Mandate.

An explanatory statement which serves to provide you with the relevant information on the Share Buy-Back Mandate is set out in Appendix IV.

### **2 PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES**

Furthermore, at the forthcoming AGM, two ordinary resolutions will be proposed which aim to grant to the Directors (i) a general mandate to allot, issue and deal with Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the resolutions; and (ii) an extension to the general mandate so granted to the Directors, by the addition of any Shares representing the aggregate nominal amount of the Shares repurchased by the Company after the granting of the Share Buy-Back Mandate as at the date of passing the Share Buy-Back Resolution.

### **3 RE-ELECTION OF THE RETIRING DIRECTORS**

In accordance with Bye-Law 99(A) of the Company's Bye-Laws, Dato' Sri Dr Tiong Ik King, Mr Leong Chew Meng and Tan Sri Dato' Lau Yin Pin will retire by rotation at the forthcoming AGM and, being eligible, offer themselves for re-election.

Ms Tiong Choon was appointed as a non-executive Director of the Company on 31 March 2013 to fill a casual vacancy. In accordance with Bye-Law 102(B) of the Company's Bye-Laws, she will hold office until the forthcoming AGM and shall be eligible for re-election. Details of the Directors proposed to be re-elected at the forthcoming AGM are set out in Appendix V.

### **4 PROPOSED RETENTION OF AN INDEPENDENT DIRECTOR**

Mr David Yu Hon To was appointed as an independent non-executive Director of the Company on 30 March 1999 and has served the Company for more than 9 years.

Following an assessment conducted by the Board through the Nomination Committee of the Company, the Board viewed that Mr David Yu Hon To remains objective and independent in expressing his views and in participating in deliberations and decision-makings of the Board and the Board committees, notably in fulfilling his responsibilities as the Chairman of Audit Committee. His professional knowledge and experience in the audit and accounting sectors enable him to provide the Board with a diverse set of experience, expertise, skills and competencies. The length of his service on the Board does not in any way interfere with his independent judgment and ability to act in the best interest of the Group.

## **PART B: LETTER FROM THE BOARD**

During his tenure of office, Mr Yu has fulfilled all the requirements regarding independence of an independent non-executive Director and has provided annual confirmation of independence to the Company under Rule 3.13 of the Listing Rules.

In view of the above, the Board considers that it is in the best interests of the Board, the Company and the Shareholders as a whole to retain Mr Yu as an independent non-executive Director and recommends him for retention at the forthcoming AGM, pursuant to Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012.

### **5 DIRECTORS' RECOMMENDATION**

The Directors are of the opinion that the Share Buy-Back Mandate, the general mandate to issue new Shares, the extension of the general mandate to issue additional Shares, the re-election of the retiring Directors and the proposed retention of an independent Director are in the best interests of the Company and the Shareholders as a whole. Accordingly, they recommend that you vote in favour of all the relevant resolutions to be tabled at the forthcoming AGM.

### **6 AGM**

The notice convening the AGM to vote on the relevant resolutions and the proxy form are enclosed in the Annual Report 2012/13 accompanying this circular. The AGM will be held at (i) Sin Chew Media Corporation Berhad, Cultural Hall, No. 19, Jalan Semangat, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia; and (ii) 15th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong on Tuesday, 6 August 2013 at 10:00 a.m. for the purpose of considering, and, if thought fit, passing, inter alia, the Share Buy-Back Resolution, and the ordinary resolutions pertaining to the general mandate to issue new shares, the extension of the general mandate to issue additional Shares, the re-election of the retiring Directors and the retention of an independent Director, under the agenda of special business as set out in the notice enclosed in the Annual Report 2012/13.

### **7 ACTION TO BE TAKEN**

If you are unable to attend and vote in person at the AGM, you are requested to complete and return the proxy form enclosed in the Annual Report 2012/13 in accordance with the instructions printed thereon as soon as possible, in any event, so as to arrive at (i) the Malaysia share registrar office of the Company at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia; or (ii) the Hong Kong head office and principal place of business at 15th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong, not less than forty eight (48) hours before the time fixed for the AGM or any adjournment thereof.

### **8 FURTHER INFORMATION**

Shareholders are requested to refer to the attached appendices for additional information.

Yours faithfully,  
On behalf of the Board of  
**MEDIA CHINESE INTERNATIONAL LIMITED**  
**Tan Sri Datuk Sir Tiong Hiew King**  
*Group Executive Chairman*

## 1 RESPONSIBILITY STATEMENT

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

## 2 VOTING BY POLL

As required under rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, all resolutions will be put to vote by way of poll at the AGM. An announcement on the poll results will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

## 3 LITIGATION

As at the Latest Practicable Date, save as disclosed below, the Group is not engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Group and the Directors are not aware of any proceedings, pending or threatened, against the Group or of any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of the Group.

- (i) MPH and MPN have been named as the first and second defendants by the plaintiffs, Oriental Daily Publisher Limited and Ma Ching Kwan in High Court Action No. 607 of 2008 filed on 11 April 2008 relating to the alleged defamation in the article published on 10 April 2008. Judgment has been given on 28 May 2010, in favour of the plaintiffs. The defendants filed a Notice of Appeal on 23 June 2010 to appeal against the same. Judgment of the appeal has been given on 15 April 2011 which allowed the defendants' appeal against the quantum of damages and reduced the amount of damages payable by the defendants to the plaintiffs. By the leave of the court granted on 15 December 2011, the plaintiffs appealed against the reduction of damages. The hearing of the appeal before the Court of Final Appeal was heard on 4 September 2012 and 5 September 2012. The decision of the Court of Final Appeal was handed down on 26 September 2012. The plaintiffs' appeal was dismissed. The Order made by the Court of Appeal was upheld whereby the defendants were liable to pay damages in the sum of HK\$50,000 to the first plaintiff, and HK\$150,000 to the second plaintiff. The defendants were awarded 60% of their costs in the appeal to the Court of Appeal and their costs in the appeal to the Court of Final Appeal in full. On the other hand, the plaintiffs were still entitled to their costs in the trial before the Court of First Instance. The parties are undergoing taxation proceedings to ascertain the respective costs entitlements.

- (ii) MPH and MPN have been named as the first and second defendants in the High Court Action No. 854 of 2010 whereby the plaintiff, Pui Kwan Kay commenced proceedings on 10 June 2010 for alleged libel in relation to the article dated 10 April 2009. The Court granted leave for the plaintiff to file a Supplemental Witness Statement on 26 March 2013. The defendants filed a Supplemental Witness Statement in reply on 12 April 2013. The trial before a jury was scheduled on 27 June 2013. The legal counsel for MPH and MPN is of the view that the defendants would have arguable defences, on the basis of facts and matters currently pleaded.
- (iii) The plaintiffs, MPN and Lau Chun To Kevin commenced the action on 3 July 2012 against the defendants, Hong Kong Economic Journal Company Limited and Yuen Yiu Ching for reliefs against the plaintiffs on the libels published by the defendants in several articles in the period from 22 June 2012 to 27 June 2012 published in Hong Kong Economic Journal. The statement of claim and the amended writ of summons was filed on 13 August 2012 and 6 September 2012 respectively. The amended defence and counterclaim was filed by the defendants on 8 January 2013. The parties have completed the exchange of pleadings. There is an outstanding Request for Further and Better Particulars for the plaintiffs to reply. At this juncture, parties may consider attempting mediation to resolve the matter out of the Court. The Group is willing to attempt mediation and shall invite the defendants to commence mediation in due course. Should the parties fail to reach settlement agreement at the mediation, the legal action shall proceed to exchange of witness statements or other directions made by the Court. The solicitors acting for the plaintiffs are of the view that the legal action is at initial stage which pleadings have not been closed. At this stage, it is pre-mature to assess the outcome of the litigation.
- (iv) On 17 April 2009, Dato' Chong Itt Chew commenced legal proceedings against Life Publishers Berhad and one of its editor alleging that an article published in Special Weekly dated 23 March 2009 was defamatory to him. The plaintiff was claiming general damages of RM2,500,000, aggravated damages of RM2,500,000, exemplary damages of RM500,000, interests, costs and other relief. The court has fixed the case for mediation on 3 July 2013 and for full trial on 12 August 2013 up to 14 August 2013.

The counsel for Life Publishers Berhad is of the view that the claim by Dato' Chong Itt Chew against Life Publishers Berhad is unlikely to succeed.

The Company or the Group has received a number of complaints and letters of demand, some of which have not yet resulted in proceedings being issued, and the Company believes that these are not likely to be pursued. Other matters have involved proceedings being issued but further recent action has not been taken, and the Company believes it is unlikely that the plaintiff will take further action in these inactive cases.

#### 4 MATERIAL CONTRACTS

Save as disclosed below, the Group has not entered into any material contracts, not being contracts in the ordinary course of business, within two years immediately preceding the Latest Practicable Date, and are or may be material:

- (a) On 5 August 2011, MediaNet Resources Limited entered into a sale and purchase agreement with Sky Success Enterprises Limited to dispose one ordinary share with no par value (being the entire issued share capital) of Media Connect Investment Limited for a consideration of HK\$25,800,000 (equivalent to US\$3,307,000). The transaction was completed on 30 September 2011.
- (b) On 29 February 2012, MPH entered into a sale and purchase agreement with Top Plus Limited, for the disposal of 10 ordinary shares of US\$1.00 each, being its 100% indirect equity interest in MPF, for a total consideration of HK\$75,600,000 (equivalent to US\$9,748,000) to Top Plus Limited, which was satisfied by the issuance of the convertible bonds by OMG. The transaction was completed on 1 June 2012.
- (c) On 31 May 2012, SCMCB had entered into a sale and purchase agreement with RHE to acquire a parcel of land held under Title No. P.T. No. 209, H.S. (D) 116389, Bandar Sultan Sulaiman, District of Klang, State of Selangor, Malaysia, on which two single storey warehouses, a pump house and a guard house are erected thereon, for a consideration of RM9,500,000 (equivalent to US\$2,986,000).
- (d) On 22 November 2012, the Company had entered into a facility agreement in respect of a short term bridging loan of RM500,000,000 (equivalent to US\$156,990,000) with Malayan Banking Berhad to finance part of the capital management exercise undertaken by the Company in November 2012.

#### 5 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal office hours on any weekday (except public holidays) at (i) the registered office of the Company in Malaysia at Level 8, Symphony House, Block D13, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia; and (ii) the Hong Kong head office and principal place of business at 15th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong for a period from the date of this circular to the date of the AGM:

- (i) the memorandum of association and Bye-Laws of the Company;
- (ii) the audited consolidated financial statements of the Company for the past two financial years ended 31 March 2012 and 31 March 2013 and the latest unaudited results since the last audited accounts;
- (iii) the Annual Report 2012/13;
- (iv) cause papers of the litigation as referred to in the paragraphs headed "Litigation" in this appendix; and
- (v) the material contracts as referred to in the paragraph headed "Material Contracts" in this appendix.



## SUBSIDIARIES OF THE COMPANY

In compliance with the Listing Requirements, details of the subsidiaries of the Company as at the Latest Practicable Date are as follows:

Name of company	Date and country of incorporation	Issued and paid-up share capital	Effective equity interest %	Principal activities
<i>Subsidiaries of the Company in Hong Kong</i>				
Charming Holidays Limited	13.01.87; Hong Kong	1,000,000 ordinary shares of HKD1 each	100.00	Provision of travel and travel related services
Charming Holidays (North America) Limited	01.06.93; Hong Kong	2 ordinary shares of HKD1 each	100.00	Investment holding
Holgain Limited	11.02.92; Hong Kong	2 ordinary shares of HKD10 each	100.00	Property investment
Kin Ming Printing Company Limited	26.11.64; Hong Kong	100 ordinary shares of HKD100 each	100.00	Provision of printing services
Maribo Brief Limited	24.08.93; Hong Kong	2 ordinary shares of HKD1 each	100.00	Property investment
Media2U Company Limited	29.09.94; Hong Kong	101 ordinary shares of HKD1 each	73.18	Magazines advertising & operation
MediaNet Advertising Limited	27.03.02; Hong Kong	100 ordinary shares of HKD1 each	73.18	Media operation
MediaNet Holdings Limited	11.12.07; Hong Kong	1 ordinary share of HKD1	100.00	Digital media business
Mingpao.com Limited	24.03.94; Hong Kong	2 ordinary shares of HKD1 each	97.78	Internet related businesses
Ming Pao Enterprise Corporation Limited	24.11.72; Hong Kong	9,300 ordinary shares of HKD1 each	100.00	Dormant

Name of company	Date and country of incorporation	Issued and paid-up share capital	Effective equity interest %	Principal activities
Ming Pao Holdings Limited	26.11.64; Hong Kong	900 ordinary shares of HKD1,000 each and 100 non-voting deferred shares of HKD1,000 each	100.00	Investment holding and provision of management services
Ming Pao Magazines Limited	02.05.91; Hong Kong	165,000 ordinary shares of HKD10 each	73.18	Publication and distribution of magazines
Ming Pao Newspapers Limited	26.05.87; Hong Kong	2 ordinary shares of HKD1 each	100.00	Publication and distribution of newspaper and periodical
Ming Pao Nominees Limited	24.05.94; Hong Kong	2 ordinary shares of HKD1 each	100.00	Provision of nominees services
Ming Pao Publications Limited	16.09.86; Hong Kong	10 ordinary shares of HKD1 each	100.00	Publication and distribution of books
Ming Pao Secretarial Services Limited	24.05.94; Hong Kong	2 ordinary shares of HKD1 each	100.00	Provision of secretarial services
One Media (HK) Limited	03.10.86; Hong Kong	10 ordinary shares of HKD1 each	73.18	Investment holding
Perfect Gain Development Limited	23.04.92; Hong Kong	2 ordinary shares of HKD1 each	100.00	Dormant
Yazhou Zhoukan Limited	25.11.93; Hong Kong	9,500 ordinary shares of HKD1 each	100.00	Publication and distribution of magazine

Name of company	Date and country of incorporation	Issued and paid-up share capital	Effective equity interest %	Principal activities
<i>Subsidiaries of the Company in Malaysia</i>				
Capital Foremost Sdn Bhd	22.07.93; Malaysia	3 ordinary shares of RM1 each	100.00	Dormant
The China Press Berhad	15.05.47; Malaysia	4,246,682 ordinary shares of RM1 each	99.75	Publication of newspapers and provision of printing services
Cittabella (Malaysia) Sdn Bhd	08.09.94; Malaysia	1,000,000 ordinary shares of RM1 each	100.00	Dormant
Evening Express Sdn Bhd	25.04.86; Malaysia	9,000 ordinary shares of RM1 each	99.75	In voluntary liquidation
Guang-Ming Ribao Sdn Bhd	26.10.84; Malaysia	4,000,000 ordinary shares of RM1 each	100.00	Publication and distribution of newspaper and magazines
Lifepap Sdn Bhd	22.10.81; Malaysia	1,210,010 ordinary shares of RM1 each	100.00	In voluntary liquidation
Life Publishers Berhad	28.07.71; Malaysia	9,000,000 ordinary shares of RM1 each	100.00	Dormant
Malaysia Daily News Sdn Bhd	20.11.68; Malaysia	2,499,934 ordinary shares of RM1 each	100.00	Dormant
MCIL Multimedia Sdn Bhd	01.06.00; Malaysia	15,000,000 ordinary shares of RM1 each	100.00	Electronic commerce activities through the internet and multimedia

Name of company	Date and country of incorporation	Issued and paid-up share capital	Effective equity interest %	Principal activities
Media Communications Sdn Bhd	13.01.82; Malaysia	100,000 ordinary shares of RM1 each	100.00	Publication and distribution of magazines
Mulu Press Sdn Bhd	29.03.85; Malaysia	500,000 ordinary shares of RM1 each	100.00	Distribution of newspapers and provision of editorial and advertising services
Nanyang.Com Sdn Bhd	07.12.76; Malaysia	10,000 ordinary shares of RM1 each	100.00	In voluntary liquidation
Nanyang Press Holdings Berhad	23.07.58; Malaysia	76,107,375 ordinary shares of RM1 each	100.00	Publication and distribution of newspapers and magazines, investment holding, letting of properties and provision of management services
Nanyang Press Marketing Sdn Bhd	04.09.63; Malaysia	1,000,000 ordinary shares of RM1 each	100.00	Provision of marketing and circulation services of newspaper products
Nanyang Promotion Network Sdn Bhd	24.07.63; Malaysia	250,000 ordinary shares of RM1 each	100.00	In voluntary liquidation
Nanyang Siang Pau Sdn Bhd	23.09.65; Malaysia	60,000,000 ordinary shares of RM1 each	100.00	Publication of newspapers and magazines
Sinchew-i Sdn Bhd	31.05.00; Malaysia	25,000,000 ordinary shares of RM1 each	100.00	Investment holding

Name of company	Date and country of incorporation	Issued and paid-up share capital	Effective equity interest %	Principal activities
Sin Chew Media Corporation Berhad	15.03.83; Malaysia	302,000,000 ordinary shares of RM0.50 each	100.00	Publication and distribution of newspaper and magazines, and provision of printing services

*Subsidiaries of the Company outside Hong Kong and Malaysia*

Beijing Media Advertising Company Limited <sup>(ii)</sup>	11.12.00; The People's Republic of China	RMB3,500,000	73.18	Magazines advertising
Beijing OMG Advertising Company Limited <sup>(ii)</sup>	18.01.04; The People's Republic of China	RMB30,000,000	73.18	Magazines operation
Beijing OMG M2U Advertising Company Limited <sup>(ii)</sup>	20.05.05; The People's Republic of China	RMB50,000,000	73.18	Magazines advertising
Beijing Times Resource Technology Consulting Limited <sup>(iii)</sup>	02.08.00; The People's Republic of China	RMB3,000,000	73.18	Magazines operation
Best Gold Resources Limited	01.08.12; British Virgin Islands	1 share at no par value for HKD1	73.18	Investment holding
Charming Holidays (Canada) Inc.	23.10.90; Canada	15,000 common shares at no par value	100.00	Dormant
Charming Holidays (Guangdong) Limited <sup>(ii)</sup>	05.12.08; The People's Republic of China	HKD4,000,000	100.00	Provision of travel and travel related services

Name of company	Date and country of incorporation	Issued and paid-up share capital	Effective equity interest %	Principal activities
Charming Holidays Holdings Limited	15.08.12; British Virgin Islands	1 ordinary share of USD1	100.00	Investment holding
Charming Holidays International Limited	15.08.12; Cayman Islands	1 ordinary share of HKD0.01	100.00	Investment holding
Comwell Investment Limited	30.08.07; British Virgin Islands	1 ordinary share at no par value for HKD1	100.00	Investment holding
Delta Tour & Travel Services (Canada), Inc.	25.11.87; Canada	850,000 common shares at no par value for CAD530,000	100.00	Provision of travel and travel related services
Delta Tour & Travel Services (New York), Inc.	03.03.93; The United States of America	20 common shares at no par value for USD10,000	100.00	Dormant
Delta Tour & Travel Services, Inc.	09.03.81; The United States of America	461,500 common shares at no par value for USD300,500	100.00	Provision of travel and travel related services
Easy Trillion Limited	29.05.12; British Virgin Islands	1 ordinary share of USD1	100.00	Investment holding
Enston Investment Limited	12.12.12; British Virgin Islands	1 share at no par value for HKD1	73.18	Investment holding
Ever Gallant Limited	23.05.12; British Virgin Islands	1 ordinary share of USD1	100.00	Investment holding
First Collection Limited	21.12.94; British Virgin Islands	1 ordinary share of USD1	100.00	Investment holding

Name of company	Date and country of incorporation	Issued and paid-up share capital	Effective equity interest %	Principal activities
Loka Investment Limited	12.12.12; British Virgin Islands	1 share at no par value for HKD1	73.18	Investment holding
Media2U (BVI) Company Limited	02.01.04; British Virgin Islands	1 ordinary share of USD1	73.18	Investment holding
Media Chinese International Holdings Limited	24.10.07; British Virgin Islands	1 ordinary share at no par value for HKD1	100.00	Investment holding
Media Connect Investment Limited	06.08.09; British Virgin Islands	1 share at no par value for HKD1	73.18	Investment holding
MediaNet Investment Limited	24.10.07; British Virgin Islands	1 ordinary share at no par value for HKD1	100.00	Investment holding
MediaNet Resources Limited	03.10.07; British Virgin Islands	1 ordinary share at no par value for HKD1	100.00	Investment holding
Mingpao.com Holdings Limited	09.11.99; Cayman Islands	717,735 ordinary shares of HKD0.10 each	97.78	Investment holding
Ming Pao Enterprise Corporation Limited	29.09.08; Cayman Islands	1 ordinary share of USD1	100.00	Investment holding
Ming Pao Finance Limited	24.01.91; British Virgin Islands	10 ordinary shares of USD1 each	73.18	Licensing of trademarks
Ming Pao Holdings (Canada) Limited	22.01.93; Canada	1 common share at no par value for CAD1	100.00	Investment holding

Name of company	Date and country of incorporation	Issued and paid-up share capital	Effective equity interest %	Principal activities
Ming Pao Holdings (USA) Inc.	24.03.94; The United States of America	1 common share of USD1	100.00	Investment holding
Ming Pao International Investment Limited	23.01.91; British Virgin Islands	100 ordinary shares of USD1 each	100.00	Dormant
Ming Pao Investment (Canada) Limited	16.03.07; Canada	1 common share of CAD1	100.00	Investment holding
Ming Pao Investment (USA) L.P.	03.05.07; The United States of America	1,000 units for USD150,150	100.00	Publication and distribution of newspaper
Ming Pao Newspapers (Canada) Limited	04.01.93; Canada	1,001 common shares at no par value for CAD11	100.00	Publication and distribution of newspapers
Ming Pao (New York) Inc.	05.04.94; The United States of America	1 common share of USD1	100.00	Dormant
Ming Pao (San Francisco) Inc.	25.03.94; The United States of America	1 common share of USD1	100.00	Dormant
MP Printing Inc.	29.10.03; The United States of America	1 common share of USD1	100.00	Dormant
One Media Group Limited	11.03.05; Cayman Islands	400,000,000 ordinary shares of HKD0.001 each	73.18	Investment holding



Name of company	Date and country of incorporation	Issued and paid-up share capital	Effective equity interest %	Principal activities
One Media Holdings Limited	16.01.04; British Virgin Islands	20,000 ordinary shares of USD0.01 each	73.18	Investment holding
One Media Investment Limited	28.01.13; British Virgin Islands	1 share at no par value for HKD1	73.18	Dormant
Polyman Investment Limited	02.01.13; British Virgin Islands	1 share at no par value for HKD1	73.18	Investment holding
PT Sinchew Indonesia	10.08.12; Republic of Indonesia	1,500 shares of USD1,000 each	80.00	Acting as newspaper distribution agent
Shenzhen MediaNet Internet Services Company Limited <sup>(ii)</sup>	08.11.12; The People's Republic of China	RMB1,000,000	100.00	Provision of information technology services
Sinchew (USA) Inc.	31.08.12; The United State of America	200 common shares at no par value for USD200	100.00	Letting of property
Sky Success Enterprises Limited	17.03.11; British Virgin Islands	1 share at no par value for USD1	73.18	Investment holding
Sueur Investments Limited	20.12.89; British Virgin Islands	1 ordinary share of USD1	100.00	Investment holding
Sun Bloom Limited	29.05.12; British Virgin Islands	1 ordinary share of USD1	100.00	Investment holding
Top Plus Limited	30.12.03; British Virgin Islands	10 ordinary shares of USD1 each	73.18	Investment holding

Name of company	Date and country of incorporation	Issued and paid-up share capital	Effective equity interest %	Principal activities
Tronix Investment Limited	02.01.13; British Virgin Islands	1 share at no par value for HKD1	73.18	Investment holding
Yazhou Zhoukan Holdings Limited	15.01.01; British Virgin Islands	12,000 ordinary shares of HKD1 each	100.00	Investment holding

*Notes:*

- (i) All companies operate in their respective places of incorporation, except for Best Gold Resources Limited, Charming Holidays Holdings Limited, Charming Holidays International Limited, Comwell Investment Limited, Easy Trillion Limited, Enston Investment Limited, Ever Gallant Limited, First Collection Limited, Loka Investment Limited, Media2U (BVI) Company Limited, Media Chinese International Holdings Limited, Media Connect Investment Limited, MediaNet Investment Limited, MediaNet Resources Limited, Mingpao.com Holdings Limited, Ming Pao Enterprise Corporation Limited, Ming Pao Finance Limited, Ming Pao International Investment Limited, One Media Group Limited, One Media Holdings Limited, One Media Investment Limited, Polyman Investment Limited, Sky Success Enterprises Limited, Sueur Investments Limited, Sun Bloom Limited, Top Plus Limited, Tronix Investment Limited and Yazhou Zhoukan Holdings Limited, which operate principally in Hong Kong.
- (ii) These subsidiaries were established in the People's Republic of China in the form of wholly-owned foreign enterprises.
- (iii) Beijing Times Resource Technology Consulting Limited ("Beijing TRT") is a domestic enterprise in the People's Republic of China ("PRC") owned legally by PRC nationals. The Group has entered into contractual arrangements with the legal owners of Beijing TRT so that the decision-making rights, operating and financing activities of Beijing TRT are ultimately controlled by the Group. The Group is also entitled to substantially all of the operating profits and residual benefits generated by Beijing TRT under these arrangements. In particular, the legal owners of Beijing TRT are required under their contractual arrangements with the Group to transfer their interests in Beijing TRT to the Group or the Group's designee upon their request at a pre-agreed nominal consideration. Further, the Group can receive the cash flow derived from the operations of Beijing TRT through the levying of service and consultancy fees. The ownership interests in Beijing TRT have also been pledged by the legal owners of Beijing TRT to the Group. Based on the above, the directors of the Company regard Beijing TRT as a subsidiary of the Company.

MPSB's tenancy of the following offices from TTS&S as landlord:

	<b>Location of properties</b>	<b>Type of property</b>	<b>Size of premises rented</b> <i>(square feet)</i>	<b>Monthly rental</b> <i>(RM)</i>
1.	No. 29, Block F, Ground Floor, Taman Sri Sarawak Mall, Jalan Padungan, 93100 Kuching, Sarawak, Malaysia	Office	800	1,000
2.	No. 25, Second Floor, Jalan Kampung Nyabor, 96000 Sibul, Sarawak, Malaysia	Office	1,200	400
3.	No. 25, Ground Floor, Jalan Kampung Nyabor, 96000 Sibul, Sarawak, Malaysia	Office	1,200	2,100
				3,500

This appendix serves as an explanatory statement, as required by the Listing Requirements and the Listing Rules, to provide you with the relevant information for your consideration of the proposal to permit the Company to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued and paid-up share capital of the Company as at the date of passing the Share Buy-Back Resolution.

## **1 SHARE CAPITAL**

The Board proposes to seek a renewal of the authority from its Shareholders to purchase up to 10% of its issued and paid-up share capital.

As at the Latest Practicable Date, the issued and paid-up share capital of the Company is HK\$168,724,024.10 comprising 1,687,240,241 Shares of HK\$0.10 each. Subject to the passing of the Share Buy-Back Resolution and on the basis that no further Shares are issued or repurchased prior to the forthcoming AGM, the maximum number of Shares which the Company may repurchase is 168,724,024, representing not more than 10% of the aggregate nominal amount of the issued and paid-up share capital of the Company as at the Latest Practicable Date.

The authorisation from the Shareholders for the Share Buy-Back Mandate will be effective immediately after the passing of the Share Buy-Back Resolution to be tabled at the forthcoming AGM and will continue to be in full force until:

- (a) the conclusion of the next AGM of the Company following the passing of the Share Buy-Back Resolution, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions;
- (b) the expiration of the period within which the next AGM of the Company is required by applicable laws or the Bye-Laws of the Company to be held; or
- (c) revoked or varied by ordinary resolution passed by the Shareholders in general meeting,

whichever occurs first.

## **2 SOURCES OF FUNDS**

In repurchasing Shares, the Company may only apply funds which will be legally available for such purpose in accordance with the Company's memorandum of association, the Bye-Laws and the Companies Act 1981 of Bermuda. The Companies Act 1981 of Bermuda provides that the amount of capital repayable in connection with a repurchase of Shares may only be paid out of the capital paid up on such Shares or out of the funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a new issue of Shares made for the purpose. The Companies Act 1981 of Bermuda further provides that the amount of premium payable on repurchase may only be paid out of the funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account before the Shares are repurchased.

The Board proposes to allocate up to the amount available under the retained profits and/or share premium account of the Company for the repurchase of Shares pursuant to the Share Buy-Back Mandate, subject to compliance with Section 67A of the Act, and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by relevant authorities at the time of the purchase. Based on the latest audited financial statements for the financial year ended 31 March 2013, the retained profits and share premium account of the Company were US\$159,464,000 and US\$54,664,000, respectively.

The amount of funds allocated for the repurchase of Shares pursuant to the Share Buy-Back Mandate shall be financed from internally generated funds and/or external borrowings, the proportion of which will only be determined later depending on the available internally generated funds, actual number of Shares to be repurchased and other relevant cost factors. In the event the Company decides to use external borrowings, the Company will ensure that it has sufficient financial capability to repay such borrowings and that the external borrowings are not expected to have any adverse effects on the cash flow of the Company.

### **3 RATIONALE FOR THE SHARE BUY-BACK MANDATE**

The Share Buy-Back Mandate will enable the Company to utilise its surplus financial resources to repurchase Shares as and when the Board deems fit in the interest of the Shareholders during the proposed mandate period. It may stabilise the supply and demand of Shares traded on HKEx and Bursa Securities and thereby support the fundamental value of the Shares.

The Share Buy-Back Mandate would effectively reduce the number of Shares carrying voting and participation rights. As such, in arriving at the earning per share of the Company, the earnings of the Company would be divided by a reduced number of Shares. Based on among other things, the current market price of the Shares, Shareholders may enjoy an increase in the value of their investment in the Company arising from the consequent increase in earning per Share.

### **4 RISK ASSESSMENT OF THE SHARE BUY-BACK MANDATE**

The Share Buy-Back Mandate is not expected to have any potential material disadvantages to the Group and Shareholders.

The Share Buy-Back Mandate, if implemented, would reduce the financial resources of the Group. This may result in the Group having to forego future investment opportunities and/or any income that may be derived from the deposit of such funds in interest bearing instruments. The Share Buy-Back Mandate may also result in a reduction of financial resources available for distribution in the form of cash dividends to Shareholders.

Nevertheless, the Board will be mindful of the interest of the Company and its Shareholders in implementing the Share Buy-Back Mandate.

## **5      EFFECTS OF THE SHARE BUY-BACK MANDATE**

### **5.1    Share Capital**

The Share Buy-Back Mandate will result in the reduction of the issued and paid-up share capital of the Company as the Shares repurchased are to be cancelled pursuant to Rule 10.06(5) of the Listing Rules. The pro forma effects of the Share Buy-Back Mandate on the issued and paid-up share capital of the Company as at the Latest Practicable Date, assuming the repurchased Shares are cancelled, are illustrated below:

	<b>Number of Shares</b>
Issued and paid-up share capital as at Latest Practicable Date	1,687,240,241
Maximum number of Shares which may be repurchased and cancelled pursuant to the Share Buy-Back Mandate	<u>168,724,024</u>
Resulting issued share capital upon completion of cancellation of maximum number of Shares which may be repurchased under the Share Buy-Back Mandate	<u><u>1,518,516,217</u></u>

### **5.2    Net Assets (“NA”)**

The effects of the Share Buy-Back Mandate on the NA of the Company will depend on the purchase price and number of Shares purchased. The Share Buy-Back Mandate will reduce the consolidated NA per Share if the purchase price exceeds the consolidated NA per Share at the time of the purchase. Conversely, it would increase the consolidated NA per Share if the purchase price is less than the consolidated NA per Share of the Company at the time of the purchase.

### **5.3    Earnings**

The impact on the earnings of the Company and the Group depends on the purchase prices, the number of Shares purchased and the effective funding cost of the purchase or loss in interest income to the Group. The Shares purchased by the Company will be cancelled, hence the net earnings per Share may increase as a result of the reduction in the issued and paid-up Share capital of the Company.

### **5.4    Working Capital**

The Share Buy-Back Mandate is likely to reduce funds available for working capital purposes of the Group, the quantum depends on the purchase prices and the actual number of Shares repurchased. The cash flow of the Company will be reduced relatively to the number of Shares eventually purchased and the purchase prices of the Shares.

## 5.5 Dividends

Assuming the proposed Share Buy-Back Mandate is implemented in full and the dividend quantum is maintained at historical levels, the proposed Share Buy-Back Mandate will have the effect of increasing the dividend rate of the Company as a result of the reduction in the issued and paid-up share capital of the Company.

The Company has declared the following dividends for the financial year ended 31 March 2013:

<b>Dividend rate US cents per ordinary share of HK\$0.1 each</b>		
Special dividend	US13.00 cents	Paid on 28 November 2012
First interim dividend	US0.673 cents	Paid on 15 January 2013
Second interim dividend	US1.015 cents	Payable on 31 July 2013
 Total	 US14.688 cents	

## 5.6 Shareholding of Directors' and Substantial Shareholders

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company under the Share Buy-Back Mandate.

No connected persons (as defined under the Listing Requirements and Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Share Buy-Back Mandate is approved by the Shareholders.

## APPENDIX IV EXPLANATORY STATEMENT FOR SHARE BUY-BACK

In the event that the Share Buy-Back Mandate is exercised in full and all the Shares repurchased are cancelled, and on the assumption and that the Company will repurchase Shares from Shareholders other than the Directors and substantial Shareholders, the proforma effects of the Share Buy-Back Mandate on the shareholdings of the Directors and substantial Shareholders of the Company as at the Latest Practicable Date, are set out as follows:

<i>Director<sup>(6)</sup></i>	<b>As at Latest Practicable Date</b>				<b>After full exercise of Share Buy-Back Mandate</b>			
	<b>Direct</b>		<b>Indirect</b>		<b>Direct</b>		<b>Indirect</b>	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
TSTHK	87,109,058	5.16%	796,968,939 <sup>(1)</sup>	47.24%	87,109,058	5.74%	796,968,939 <sup>(1)</sup>	52.48%
Dato' Sri Dr Tiong Ik King	11,144,189	0.66%	252,487,700 <sup>(2)</sup>	14.96%	11,144,189	0.73%	252,487,700 <sup>(2)</sup>	16.63%
Mr Tiong Kiew Chiong	1,482,039	0.09%	—	—	1,482,039	0.10%	—	—
Mr Leong Chew Meng	80,000	—*	—	—	80,000	0.01%	—	—
Ms Tiong Choon	2,654,593	0.16%	1,476,152 <sup>(3)</sup>	0.09%	2,654,593	0.17%	1,476,152 <sup>(3)</sup>	0.10%
Temenggong Datuk Kenneth Kanyan Anak Temenggong Koh	135,925	0.01%	—	—	135,925	0.01%	—	—
<b><i>Substantial Shareholder<sup>(7)</sup></i></b>								
Progresif	326,463,556	19.35%	—	—	326,463,556	21.50%	—	—
Conch	252,487,700	14.96%	—	—	252,487,700	16.63%	—	—
Zaman Pemimpin Sdn Bhd	154,121,183	9.13%	—	—	154,121,183	10.15%	—	—
TSTHK	87,109,058	5.16%	798,968,939 <sup>(1)</sup>	47.24%	87,109,058	5.74%	798,968,939 <sup>(1)</sup>	52.48%
Dato' Sri Dr Tiong Ik King	11,144,189	0.66%	252,487,700 <sup>(2)</sup>	14.96%	11,144,189	0.73%	252,487,700 <sup>(2)</sup>	16.63%
Seaview Global Company Limited	—	—	252,487,700 <sup>(4)</sup>	14.96%	—	—	252,487,700 <sup>(4)</sup>	16.63%
Salmiah Binti Sani	—	—	154,121,183 <sup>(5)</sup>	9.13%	—	—	154,121,183 <sup>(5)</sup>	10.15%
Ms Lu Mee Bing	—	—	154,121,183 <sup>(5)</sup>	9.13%	—	—	154,121,183 <sup>(5)</sup>	10.15%
Globegate Alliance Sdn Bhd	—	—	154,121,183 <sup>(5)</sup>	9.13%	—	—	154,121,183 <sup>(5)</sup>	10.15%

\* negligible

*Notes:*

- (1) Deemed interested by virtue of his spouse's interest and his interests in Progresif, Conch, Ezywood, TSL, Madigreen, RHS, RHSA and PAA.
- (2) Deemed interested by virtue of his interests in Seaview Global Company Limited and Conch.
- (3) Deemed interested by virtue of her interest in TCB and her spouse's interest.
- (4) Deemed interested by virtue of its interests in Conch.
- (5) Deemed interested by virtue of her/its interests in Zaman Pemimpin Sdn Bhd.
- (6) The interests of the directors of the Company presented in the above are based on information set out in the register of interests of the directors, chief executives and their associates in the shares, underlying shares or debentures of the Company maintained under Section 352 of the SFO as at the Latest Practicable Date.
- (7) The interests of the substantial shareholders of the Company presented in the above are based on information set out in the register of interests and short positions maintained under Section 336 of the SFO as at the Latest Practicable Date.



## **6 PUBLIC SHAREHOLDINGS SPREAD**

As at the Latest Practicable Date, approximately 601,686,785 Shares were held by public Shareholders and the public shareholding spread of the Company was approximately 35.66% of its issued and paid-up share capital.

The public shareholding spread would be reduced to approximately 28.51% pursuant to the Share Buy-Back Mandate, assuming the Company implements the Share Buy-Back Mandate in full and that the Shares purchased are from public shareholders.

In this regard, the Board has undertaken to Bursa Securities and to HKEx to exercise the power of the Company to make repurchases pursuant to the Share Buy-Back Mandate in accordance with the Listing Requirements, the Listing Rules, and the laws of Bermuda prevailing at the time of the repurchase including compliance with the twenty-five per cent (25%) public shareholding spread as required by the Listing Requirements and the Listing Rules.

## **7 IMPLICATIONS RELATING TO THE HONG KONG TAKEOVERS CODE AND MALAYSIAN TAKEOVERS CODE**

As it is not intended for the Share Buy-Back Mandate to trigger the obligation to undertake a mandatory general offer under the Hong Kong Takeovers Code or the Malaysian Takeovers Code for any of the substantial Shareholders and parties acting in concert with them, the Board will ensure that only such number of Shares will be repurchased and cancelled so that neither the Hong Kong Takeovers Code nor the Malaysian Takeovers Code will be triggered. In this connection, the Board is mindful of the requirements when making any repurchase of Shares pursuant to the Share Buy Back Mandate. The Directors are not aware of any consequences which will arise under the Hong Kong Takeovers Code or the Malaysian Takeovers Code as a result of any repurchases made under the Share Buy-Back Mandate. The Board has reasonable grounds to believe that there is no implication relating to the Hong Kong Takeovers Code or the Malaysian Takeovers Code arising from the authority given under the Share Buy-Back Mandate.

## **8 INTEREST OF DIRECTORS, SUBSTANTIAL SHAREHOLDERS' INTERESTS AND PERSONS CONNECTED TO THEM**

Save for the consequential increase in the percentage shareholdings of the Directors and the substantial Shareholders as a result of the Share Buy-Back Mandate, none of the Directors and/or substantial Shareholders of the Company and persons connected to them have any interest, direct or indirect, in the Share Buy-Back Mandate.

**9      SHARE BUY-BACKS/REPURCHASES MADE BY THE COMPANY**

During the financial year ended 31 March 2013, the Company purchased a total of 1,000 Shares from the open market at an average price of HKD3.80 per Share or a total consideration of HKD3,800. All the Shares purchased during the financial year ended 31 March 2013 have been cancelled pursuant to the Listing Rules. Further information on the Shares repurchased by the Company during the financial year ended 31 March 2013 is set out under page 68, “Report of the Directors” in the Annual Report 2012/13.

The Company has not repurchased any of its Shares (whether on HKEx or Bursa Securities) in the six months preceding the Last Practicable Date.

**10     HISTORICAL PRICES OF SHARES**

The monthly highest and lowest prices of the Shares as traded on HKEx and Bursa Securities for the past twelve (12) months before the Latest Practicable Date are as follows:

	<b>Highest price</b>		<b>Lowest price</b>	
	<b>HKEx</b>	<b>Bursa</b>	<b>HKEx</b>	<b>Bursa</b>
	<i>(HKD)</i>	<i>(RM)</i>	<i>(HKD)</i>	<i>(RM)</i>
June 2013 (up to the Latest Practicable Date)	3.06	1.25	2.94	1.17
May 2013	3.23	1.35	2.70	1.11
April 2013	2.82	1.21	2.60	1.11
March 2013	2.61	1.20	2.37	1.08
February 2013	2.82	1.12	2.48	1.00
January 2013	3.24	1.18	2.40	1.08
December 2012	2.67	1.14	2.38	1.08
November 2012	4.08	1.67	2.45	1.08
October 2012	4.10	1.74	3.55	1.62
September 2012	3.80	1.64	3.20	1.52
August 2012	3.80	1.58	3.55	1.50
July 2012	3.90	1.65	2.80	1.18
June 2012	2.86	1.22	2.32	1.14

*(source: HKEx and Bursa Securities)*

**11     APPROVALS REQUIRED**

The Share Buy-Back Mandate is subject to approval of the Share Buy-Back Resolution being obtained from the Shareholders at the forthcoming AGM.

The following are the particulars of the Directors proposed to be re-elected and retained at the forthcoming AGM in accordance with Bye-Laws and the Malaysian Code on Governance 2012:

1. **Dato' Sri Dr Tiong Ik King**, Malaysian, aged 62, was appointed as an executive Director of the Company on 20 October 1995. He has extensive experience in media and publishing, information technology, timber, plantations, oil palm and manufacturing industries. Dato' Sri Dr Tiong graduated from National University of Singapore with an M.B.B.S. Degree in 1975 and became a member of the Royal College of Physicians, United Kingdom (M.R.C.P.) in 1977. He was conferred the datukship title of Dato' Sri by the Sultan of Pahang, Malaysia on 24 October 2008 in recognition of his contribution to the country.

During the three-year period immediately preceding 31 March 2013, Dato' Sri Dr Tiong had been and resigned as a non-independent non-executive director of EON Capital Berhad (stock code: 5266) in Malaysia. He currently sits on the board of Jaya Tiasa Holdings Berhad (stock code: 4383), a listed company in Malaysia and RH Petrogas Limited (stock code: T13), a listed company in Singapore. He also serves as a director in other private limited companies.

He is the brother of Tan Sri Datuk Sir Tiong Hiew King, the uncle of Ms Tiong Choon and the distant relative of Mr Tiong Kiew Chiong, all of them are Directors of the Company. In addition, Tan Sri Datuk Sir Tiong Hiew King is a substantial Shareholder of the Company.

Saved as disclosed herein, Dato' Sri Dr Tiong Ik King has not held any directorship in other public companies in the past three years and does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company and has not held any other positions with any members of the Group.

As at the Latest Practicable Date, Dato' Sri Dr Tiong Ik King has personal interest in 11,144,189 Shares and corporate interest in 252,487,700 Shares within the meaning of Part XV of the SFO.

Dato' Sri Dr Tiong Ik King has entered into a letter of appointment with the Company for a term of 2 years commencing on 1 April 2012 to 31 March 2014. The appointment as Director of Dato' Sri Dr Tiong Ik King is subject to retirement and re-election at annual general meetings of the Company in accordance with the Bye-Laws. The remuneration to be received by Dato' Sri Dr Tiong will be determined with reference to his experience and responsibilities in the Company. For the year ended 31 March 2013, total emoluments paid by the Group to Dato' Sri Dr Tiong amounted to US\$21,000.

Dato' Sri Dr Tiong Ik King has confirmed that there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders in connection with his re-election.

2. **Mr Leong Chew Meng**, Malaysian, aged 57, was appointed as a non-executive Director of the Company on 14 April 2008 and re-designated as an executive Director of the Company on 31 March 2013. He is currently a member of the Group Executive Committee of the Company and an executive Director of SCMCB. He obtained his Bachelor of Commerce and Administration Degree majoring in accountancy from the Victoria University of Wellington in New Zealand. He is a Chartered Accountant of the Malaysian Institute of Accountants and qualified as an Associate Chartered Accountant of the Institute of Chartered Accountants, New Zealand. He is an accountant by profession with extensive working experience of more than 30 years in Malaysia. In his professional roles, he was previously the financial controller and finance director of several foreign-owned multinational companies in the manufacturing, trading and retail sectors, and he subsequently diversified into the commercial sector as a business consultant and financial advisor to both private entities and public listed companies. Included in his diverse experience was a period of more than 10 years' business exposure in main stream media corporations.

Saved as disclosed herein, Mr Leong Chew Meng has not held any directorship in other public companies in the past three years and does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company and has not held any other positions with any members of the Group.

As at the Latest Practicable Date, Mr Leong Chew Meng has personal interest in 80,000 Shares within the meaning of Part XV of the SFO.

Mr Leong Chew Meng has entered into a letter of appointment with the Company for a term of 2 years and 1 day commencing on 31 March 2013 to 31 March 2015. The appointment as Director of Mr Leong is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-Laws. The remuneration to be received by Mr Leong will be determined with reference to his experience and responsibilities in the Company. For the year ended 31 March 2013, total emoluments paid by the Group to Mr Leong amounted to US\$27,000.

Mr Leong Chew Meng has confirmed that there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders in connection with his re-election.

3. **Tan Sri Dato' Lau Yin Pin**, Malaysian, aged 64, was appointed as an independent non-executive Director of the Company on 14 April 2008. He is also the Chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee of the Company. Tan Sri Dato' Lau obtained his Diploma in Commerce with distinction from Tunku Abdul Rahman College, Malaysia in 1974. He has been a member of the Malaysian Institute of Accountants since 1979. He was made Fellow of the Association of Chartered Certified Accountants, United Kingdom in 1981 and became a graduate member of the Institute of Chartered Secretaries and Administrators, United Kingdom in 1987. He was appointed as Senator of Dewan Negara for a three-year term commencing 25 November 2002 by Seri Paduka Baginda Yang di-Pertuan Agong, Malaysia until his voluntary resignation in March 2004.

During the three-year period immediately preceding 31 March 2013, Tan Sri Dato' Lau had been and subsequently resigned as an independent non-executive director of Tenaga Nasional Berhad (stock code: 5347). Tan Sri Dato' Lau is currently an independent non-executive director of two other listed companies in Malaysia, namely YTL Power International Berhad (stock code: 6742) and Ahmad Zaki Resources Berhad (stock code: 7078).

Saved as disclosed herein, Tan Sri Dato' Lau Yin Pin has not held any directorship in other public companies in the past three years and does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company and has not held any other positions with any members of the Group.

As at the Latest Practicable Date, Tan Sri Dato' Lau Yin Pin was not interested in any Shares within the meaning of Part XV of the SFO.

Tan Sri Dato' Lau Yin Pin has entered into a letter of appointment with the Company for a term of 2 years commencing on 1 April 2012 to 31 March 2014. The appointment as Director of Tan Sri Dato' Lau is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-Laws. The remuneration to be received by Tan Sri Dato' Lau will be determined with reference to his experience and responsibilities in the Company. For the year ended 31 March 2013, total emoluments paid by the Group to Tan Sri Dato' Lau amounted to US\$30,000.

Tan Sri Dato' Lau Yin Pin has confirmed that there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders in connection with his re-election.

4. **Ms Tiong Choon**, Malaysian, aged 44, was appointed as a non-executive Director of the Company on 31 March 2013. She started her career with Rimbunan Hijau Group since 1991 and served in various managerial and senior positions in plantation and hospitality sectors. She holds the Bachelor of Economics Degree from Monash University, Australia. She is currently a non-independent non-executive director of Jaya Tiasa Holdings Berhad (stock code: 4383), a listed company in Malaysia.

Ms Tiong is the daughter of Tan Sri Datuk Sir Tiong Hiew King, the niece of Dato' Sri Dr Tiong Ik King and the distant cousin of Mr Tiong Kiew Chiong, all of them are Directors of the Company. In addition, Tan Sri Datuk Sir Tiong Hiew King and Dato' Sri Dr Tiong Ik King are substantial Shareholders of the Company.

Saved as disclosed herein, Ms Tiong Choon has not held any directorship in other public companies in the past three years and does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company and has not held any other positions with any members of the Group.

As at the Latest Practicable Date, Ms Tiong Choon has personal interest in 2,654,593 Shares, family interest in 822,832 Shares and corporate interest in 653,320 Shares within the meaning of Part XV of the SFO.

Ms Tiong Choon has entered into a letter of appointment with the Company for a term of 2 years and 1 day commencing on 31 March 2013 to 31 March 2015. The appointment as Director of Ms Tiong Choon is subject to retirement and re-election at annual general meetings of the Company in accordance with the Bye-Laws. The remuneration to be received by Ms Tiong will be determined with reference to her experience and responsibilities in the Company. For the year ending 31 March 2014, she will be entitled to receive a director fee of RM77,650 per annum.

Ms Tiong Choon has confirmed that there is no information which is discloseable nor is/was she involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders in connection with her re-election.

5. **Mr David Yu Hon To**, Chinese, aged 65, was appointed as an independent non-executive Director of the Company on 30 March 1999. He is the Chairman of the Audit Committee, and a member of the Remuneration Committee and Nomination Committee of the Company. He is also an independent non-executive director of OMG, a subsidiary of the Company which has been publicly listed on the main board of HKEx (stock code: 426) since October 2005 and MPH, a wholly-owned subsidiary of the Company. Mr Yu is a Fellow of the Institute of Chartered Accountants in England and Wales and an Associate of the Hong Kong Institute of Certified Public Accountants. He was formerly a partner of an international accounting firm with extensive experience in corporate finance, auditing and corporate management. Mr Yu is the vice chairman of MCL Partners Limited, a Hong Kong based financial advisory and investment firm.

Mr Yu currently serves as an independent non-executive director of Great China Holdings Limited (stock code: 141), Keck Seng Investments (Hong Kong) Limited (stock code: 184), Playmates Holdings Limited (stock code: 635), VXL Capital Limited (stock code: 727), China Renewable Energy Investment Limited (stock code: 987), Haier Electronics Group Co., Limited (stock code: 1169), China Resources Gas Group Limited (stock code: 1193), Sateri Holdings Limited (stock code: 1768), China Datang Corporation Renewable Power Co., Limited (stock code: 1798), Synergis Holdings Limited (stock code: 2340) and TeleEye Holdings Limited (stock code: 8051), all of which are listed companies in Hong Kong.

Saved as disclosed herein, Mr David Yu has not held any directorship in other public companies in the past three years and does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company and has not held any other positions with any members of the Group.

As at the Latest Practicable Date, Mr David Yu was not interested in any Shares within the meaning of Part XV of the SFO.

Mr David Yu has entered into a service contract with the Company for a term of 2 years commencing on 1 April 2012 to 31 March 2014. The appointment as Director of Mr David Yu is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-Laws. The remuneration to be received by Mr David Yu will be determined with reference to his experience and responsibilities in the Company. For the year ended 31 March 2013, total emoluments paid by the Group to Mr David Yu amounted to US\$53,000.

Mr David Yu has confirmed that there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders in connection with his retention as an independent Director.