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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-fourth 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 Wednesday, 6 August 2014 at 10:00 a.m. together with a proxy form are enclosed together with the Annual Report 2013/14.

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 2014 at 10:00 a.m.

Date and time of the Annual General Meeting : 6 August 2014 at 10:00 a.m.

This circular is dated 8 July 2014

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## 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 2013/14” | the annual report of the Company for the financial year ended 31 March 2014  |
| “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   |
| “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   |
| “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 2014, 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  |
| “Madigreen”                | Madigreen Sdn Bhd (Malaysia Company No. 305806-M)  |

## DEFINITIONS

|                            |  |
|----------------------------|--|
| “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)  |
| “MP New Media”             | Ming Pao New Media Limited, a company incorporated in Hong Kong  |
| “MPH”                      | Ming Pao Holdings Limited, a company incorporated in Hong Kong   |
| “MPM”                      | Ming Pao Magazines 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

|                    |  |
|--------------------|--|
| “Narong”           | Narong Investments Limited, a company incorporated in Hong Kong  |
| “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></ul> |

## DEFINITIONS

(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;

(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 (Singapore Company No. 198701138Z), a company incorporated in 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)   |

## DEFINITIONS

|                             |   |
|-----------------------------|---|
| “RHTT”                      | R. H. Tours & Travel Agency Sdn Bhd (Malaysia Company No. 156321-W)   |
| “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                                   |
| “Sun Media”                 | Sun Media International Limited, a company incorporated in Hong Kong  |
| “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 Sdn Bhd (Malaysia Company No. 18223-P)   |



## DEFINITIONS

|                    |  |
|--------------------|--|
| “TTSE”             | Tiong Toh Siong Enterprises Sdn Bhd (Malaysia Company No. 178305-K)          |
| “TTSH”             | Tiong Toh Siong Holdings Sdn Bhd (Malaysia Company No. 105159-U)             |
| “Zero New Media”   | Zero New Media International Limited, a company incorporated in Hong Kong    |
| “%”                | per cent   |
| <b>Currencies:</b> |  |
| “HKD” or “HK\$”    | Hong Kong dollar(s), the lawful currency of Hong Kong                        |
| “RM” and “sen”     | Malaysian Ringgit 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 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 2014

*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**

At the AGM held on 6 August 2013, the Company had 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

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

based on 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 24th AGM unless authority for its renewal is obtained from the shareholders at the AGM.

In relation thereto, the Board had announced on 4 June 2014 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 2013/14 of the Company.

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

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

Pursuant to Part E, paragraph 10.09 of Chapter 10 of the Listing Requirements, a listed issuer may seek its shareholders' mandate with regard to related party transactions involving recurrent transactions of a revenue or trading nature which are made at arm's length and are necessary for its day-to-day operations subject to, inter alia, 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 shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' 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 shareholders' 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.

In this respect, 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 detrimental 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 at the forthcoming AGM will continue to be in force until:

- (i) the conclusion of the next AGM following the forthcoming 24th AGM when 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 an 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, printing and distribution of newspapers, magazines, digital contents and books
- (ii) travel and travel related businesses
- (iii) 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, OMG, OMG Group, Cheerhold, Narong, Sun Media, Zero New Media, RHCI and RHP.

The categories of transactions involving the abovementioned companies 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 8 July 2013 |          | Actual value transacted from the date of last AGM on 6 August 2013 up to the Latest Practicable Date |          | Estimated value from 6 August 2014 (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                                      | 230,000  | 71,584   | 91,928   | 28,611   | 200,000  | 62,247   | SCMCB Group       | RHDC and RHE are the substantial shareholders (pursuant to the Act) of MNI.  |
|               |   |   | 118,300  | 36,819   | 45,741   | 14,236   | 113,000  | 35,170   | Nanyang Group     | TSTHK is both a major shareholder and a director of the Company. He is both a major shareholder and a director of RHE and RHDC, and a director of SCMCB. |
|               |   | (ii) Disposal of newsprint scraps from SCMCB Group and Nanyang Group to MNI   | 7,280  | 2,266    | 3,665  | 1,141    | 8,000  | 2,490    | SCMCB Group       |  |
|               |   |   | 7,500  | 2,334    | 4,484  | 1,396    | 8,000  | 2,490    | 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.     |
| 2. TTS&S      | Equipment rental, investment holding and operations in agriculture businesses | MPSB's tenancy of various properties from TTS&S as landlord. Please refer to Appendix III for details of the properties | 50   | 16       | 35   | 11       | 50   | 16       | MPSB              | TTSH is a holding company of TTS&S.  |
|               |   |   |  |          |  |          |  |          |                   |  |
|               |   |   |  |          |  |          |  |          |                   | Dato' Sri Dr Tiong Ik King is a major shareholder and a director of the Company and TTSH.  |

## PART A: LETTER FROM THE BOARD

| Related party | Principal activities                            | Nature of transaction   | Estimated value disclosed in preceding year's circular to Shareholders dated 8 July 2013 |          | Actual value transacted from the date of last AGM on 6 August 2013 up to the Latest Practicable Date |          | Estimated value from 6 August 2014 (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 |                   |  |
|               |   |   |  |          |  |          |  |          |                   |  |
| 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 premises: 1,728 square feet) from RHH as landlord at a monthly rental of RM1,200            | 18   | 6        | 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 holding 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 premises: 1,421 square feet) from Everfresh as landlord at a monthly rental of RM500 | 8  | 2        | 5  | 2        | 8  | 2        | 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>   |
| 5. EA         | Insurance agent and providing handling services | Receipt of services i.e. MPSB purchases motor vehicle insurance from EA   | 7  | 2        | 3  | 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  | 321  | 100      | 156  | 49       | 352  | 110      | 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> <p>Ms Tiong Choon is both a shareholder and a director of the Company. She is a director of RHTT.</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 8 July 2013 |          | Actual value transacted from the date of last AGM on 6 August 2013 up to the Latest Practicable Date |          | Estimated value from 6 August 2014 (date of AGM) up to next AGM (Note 1) |          | Transacting party | Nature of interest  |
|---------------|--|---|--|----------|--|----------|--|----------|-------------------|---|
|               |  |   | HKS'000  | US\$'000 | HKS'000  | US\$'000 | HKS'000  | US\$'000 |                   |   |
|               |  |   |  |          |  |          |  |          |                   |   |
| 7. OMH        | Investment holding   | Provision of circulation support services and library support services by MPN to OMH and its subsidiaries   | 2,000  | 258      | 1,288  | 166      | 2,200  | 284      | 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> <p>Ms Tiong Choon is both a shareholder and a director of the Company. She is also a shareholder of OMG.</p>                               |
| 8. OMH        | Investment holding   | Provision of administrative support services by MPH to OMH and its subsidiaries (Note 2)  | 5,169  | 667      | 3,773  | 487      | 5,434  | 701      | 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> <p>Ms Tiong Choon is both a shareholder and a director of the Company. She is also a shareholder of 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, Chai Wan, Hong Kong (size of rented & licensed premises: approximately 15,817 & 1,147 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\$178,905 | 2,700  | 348      | 2,265  | 292      | 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> <p>Ms Tiong Choon is both a shareholder and a director of the Company. She is also a shareholder of OMG.</p>                       |
| 10. OMG Group | Investment holding, magazine publishing and digital media business | Provision of services such as air tickets and accommodation arrangement services by Charming to OMG Group   | 1,000  | 129      | 855  | 110      | 1,200  | 155      | Charming          | <p>Charming 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 Charming. He is also a director and a shareholder of the Company and OMG.</p> <p>Ms Tiong Choon is both a shareholder and a director of the Company. She is also a shareholder of OMG.</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 8 July 2013 |          | Actual value transacted from the date of last AGM on 6 August 2013 up to the Latest Practicable Date |          | Estimated value from 6 August 2014 (date of AGM) up to next AGM (Note 1) |          | Transacting party | Nature of interest  |
|---------------|--|---|--|----------|--|----------|--|----------|-------------------|---|
|               |  |   | HKS'000  | US\$'000 | HKS'000  | US\$'000 | HKS'000  | US\$'000 |                   |   |
|               |  |   |  |          |  |          |  |          |                   |   |
| 11. OMG Group | Investment holding, magazine publishing and digital media business | Provision of barter advertising services by the Group to OMG Group  | 2,000  | 258      | 886  | 114      | 2,000  | 258      | the Group         | <p>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 and a shareholder of the Company and OMG.</p> <p>Ms Tiong Choon is both a shareholder and a director of the Company. She is also a shareholder of OMG.</p>  |
| 12. OMG Group | Investment holding, magazine publishing and digital media business | Receipt of barter advertising services by the Group from OMG Group  | 2,000  | 258      | 930  | 120      | 2,000  | 258      | the Group         | <p>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 and a shareholder of the Company and OMG.</p> <p>Ms Tiong Choon is both a shareholder and a director of the Company. She is also a shareholder of OMG.</p>  |
| 13. OMH       | Investment holding   | Provision of pre-press services by Kin Ming to OMH and its subsidiaries   | 22   | 3        | 18   | 2        | 49   | 6        | Kin Ming          | <p>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.</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 Kin Ming. He is also a director and a shareholder of the Company and OMG.</p> <p>Ms Tiong Choon is both a shareholder and a director of the Company. She is also a shareholder of OMG.</p> |
| 14. OMG       | Investment holding   | 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  | 98       | 670  | 86       | 630  | 81       | 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> <p>Ms Tiong Choon is both a shareholder and a director of the Company. She is also a shareholder of OMG.</p>                                   |
| 15. Cheerhold | Investment holding   | Provision of services such as air tickets and accommodation arrangement services by Charming to Cheerhold                           | 880  | 114      | 22   | 3        | 1,300  | 168      | Charming          | <p>Charming is a wholly-owned subsidiary of the Company. TSTHK and Dato' Sri Dr Tiong Ik King are both major shareholders and directors of the Company.</p> <p>The sister-in-law of both TSTHK and Dato' Sri Dr Tiong Ik King is the major shareholder of Cheerhold.</p>  |



## PART A: LETTER FROM THE BOARD

### (B) *New transactions*

| Related party     | Principal activities  | Nature of transaction   | Estimated value from 6 August 2014 (date of AGM) up to next AGM<br>(Note 1) |          | Transacting party | Nature of interest   |
|-------------------|---|---|---|----------|-------------------|--|
|                   |   |   | HK\$'000  | US\$'000 |                   |  |
| 1. OMH            | Investment holding  | Provision of IS programming support services by MP New Media to OMH and its subsidiaries  | 5,775   | 745      | MP New Media      | <p>OMH is a wholly-owned subsidiary of OMG. MP New Media 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 MP New Media.</p> <p>Mr Tiong Kiew Chiong is a director of both OMH and MP Mew Media. He is also a director and a shareholder of the Company and OMG.</p> <p>Ms Tiong Choon is both a shareholder and a director of the Company. She is also a shareholder of OMG.</p> |
| 2. Narong         | Investment holding  | MPH's tenancy of premises at Flat A, 15th Floor, Marigold Mansion, Taikoo Shing, Hong Kong (size of rented premises: 1,237 square feet) from Narong as landlord at a monthly rental of HK\$38,347 | 500   | 65       | MPH               | <p>MPH is a wholly-owned subsidiary of the Company. TSTHK and Dato' Sri Dr Tiong Ik King are both a major shareholder and a director of the Company. TSTHK is also a director of MPH.</p> <p>The sister-in-law of TSTHK and Dato' Sri Dr Tiong Ik King is the major shareholder of Narong. Dato' Sri Dr Tiong Ik King is also a director of Narong.</p>  |
| 3. TTS&S          | Equipment rental, investment holding and operations in agriculture businesses | Provision of services such as air tickets and accommodation arrangement services by Charming to TTS&S   | 50  | 6        | Charming          | <p>Charming is a wholly-owned subsidiary of the Company.</p> <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.</p> <p>Dato' Sri Dr Tiong Ik King is both a major shareholder and a director of the Company and TTSH.</p>   |
| 4. Sun Media      | Investment holding  | Provision of accounting services by MPM to Sun Media at a monthly fee of RMB2,500   | 41  | 5        | MPM               | <p>MPM 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 Sun Media.</p>  |
| 5. Zero New Media | Investment holding  | Provision of accounting services by MPM to Zero New Media at a monthly fee of RMB2,500  | 41  | 5        | MPM               | <p>MPM 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 Zero New Media.</p>   |

## PART A: LETTER FROM THE BOARD

### (C) Old transactions

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 8 July 2013 |                 | Actual value transacted from the date of last AGM on 6 August 2013 up to the Latest Practicable Date |                 |
|---------------|---|---|--|-----------------|--|-----------------|
|               |   |   | RMB'000  | US\$'000        | RMB'000  | US\$'000        |
| 1 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 rental of RMB56,635 | 623  | 100             | 510  | 82              |
|               |   |   | <i>HK\$'000</i>  | <i>US\$'000</i> | <i>HK\$'000</i>  | <i>US\$'000</i> |
| 2 OMH         | Investment holding  | Provision of IS programming support services by MPH to OMH and its subsidiaries   | 2,295  | 296             | 880  | 114             |
| 3 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   | 137  | 18              | —  | —               |

#### Notes:

- (1) The estimated transactions value, for the period from 6 August 2014 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, and leasing of certain computer and office equipment from MPH to OMH and its subsidiaries.
- (3) 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 RM3.2130, US\$1.00 to RMB6.2292 and US\$1.00 to HK\$7.7507, being the middle exchange rate quoted by Bank Negara Malaysia at 5:00 p.m. on the Latest Practicable Date.

### 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 by Related Party

As at 31 March 2014, there were no amounts due and owing to the Group which exceeded the credit term.

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

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

To ensure that the RRPT are undertaken 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.

### **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.

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

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. Any divergence will be reported to the Audit Committee;
- (v) The Board and the Audit Committee shall review the internal audit reports to ascertain that the guidelines and 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.

### **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 announces a RRPT where:

- (i) The consideration, value of the assets, capital outlay or costs of the RRPT is RM1 million or more; or

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

(ii) The percentage ratio of such RRPT is 1% or more,  
whichever is higher.

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

The Audit Committee has seen and reviewed the procedures as outlined in section 2.8 and 2.9 above and is of the view that:

- (i) the Group has in place adequate procedures and processes to monitor, track and identify RRPT in a timely and orderly manner, and that these procedures and processes are reviewed annually; and
- (ii) the procedures are sufficient to ensure that the RRPT of a revenue or trading nature are conducted at arm's length and on normal commercial terms which are consistent with the Group's usual business practices and policies; and
- (iii) on terms 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.

### **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.

## **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;

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

- (ii) to enable the Group to transact with the Related Parties in an expeditious manner to meet business needs for the supply and/or provision of goods and services which are necessary for its day-to-day operations particularly business needs which are time sensitive in nature;
- (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) will eliminate the need to announce and convene separate general meetings to seek shareholders' mandate for each transaction and as such, substantially reduce expenses, time and other resources associated with the making of announcements and convening general meetings on an ad hoc basis, improve administrative efficiency considerably and allow financial and manpower resources to be channeled to attain more productive 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 shareholdings 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><br>12,461,695 <sup>(2)</sup> | 47.32<br>0.74 |
| Dato' Sri Dr Tiong Ik King | 11,144,189         | 0.66 | 252,487,700 <sup>(3)</sup>                              | 14.96         |
| Mr Tiong Kiew Chiong       | 1,908,039          | 0.11 | —   | —             |
| Ms Tiong Choon             | 2,654,593          | 0.16 | 653,320 <sup>(4)</sup><br>1,000,632 <sup>(5)</sup>      | 0.04<br>0.06  |

<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 interests.

<sup>(3)</sup> Deemed interested by virtue of his interests 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 interests.

## 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<br/>(as calculated under<br/>the Act)</b> |       |
|------|-------------------------------|------|---|-------|
|      | <i>No. of Shares<br/>held</i> | %    | <i>No. of Shares<br/>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, Ezywood, TSL, Madigreen, RHS, RHSA, PAA and TTSE 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.



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

### **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 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 2013/14 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 2013/14 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 Wednesday, 6 August 2014 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 2013/14.

### **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 2013/14 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 2014

*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 6 August 2013, a Shareholders' mandate was obtained for the Company to purchase up to a maximum of ten per cent (10%) of its issued and paid-up

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

share capital. 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 2014 unless the approval is renewed.

The Company had on 4 June 2014 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, Mr Tiong Kiew Chiong, Mr Ng Chek Yong and Temenggong Datuk Kenneth Kanyan Anak Temenggong Koh will retire by rotation at the forthcoming AGM and, being eligible, offer themselves 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.

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 addition, Mr Yu continues to demonstrate the attributes of an independent non-executive Director by providing independent views and advices. There is no evidence that his tenure has had any impact on his independence.

Following an assessment conducted by the Board through the Nomination Committee of the Company, the Board viewed that Mr David Yu Hon To is committed to his duties and responsibilities as a director of the Company and remains objective and independent in expressing his views and 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 expertise in the audit and finance sector, his knowledge in

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

corporate governance and regulatory matters and his experience in the business of the Group will continue to contribute to the effective functioning of the Board and the Board committees, thereby safeguarding the interests of the Shareholders.

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 2013/14 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 Wednesday, 6 August 2014 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 2013/14.

### **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 2013/14 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.

**PART B: LETTER FROM THE BOARD**

**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 favor 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. Costs agreed between the parties are at HK\$2,400,000. After offsetting the plaintiffs' costs of HK\$1,400,000, the defendants have already received HK\$1,000,000 from the Court.

- (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 trial before a jury was heard and judgment was given on 27 June 2013 in favor of the plaintiff. The defendants have paid the judgment sum and interests of HK\$508,438.36 and are prepared for the appeal for the case. 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. Witness statements of the plaintiffs have been filed. The defendants would amend the defence and serve further witness statements. The hearing in respect of the Summons for further witness statement would be adjourned to 24 September 2014.

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 22 November 2012, the Company had entered into a facility agreement in respect of a short term bridging loan of RM500 million (equivalent to US\$156,990,000) with Malayan Banking Berhad to finance part of the capital management exercise to be undertaken by the Company in November 2012.
- (b) On 22 January 2014, the Company had entered into a program agreement with CIMB Investment Bank Berhad, Maybank Investment Bank Berhad and OCBC Bank (Malaysia) Berhad in respect of a medium term notes programme of up to RM500 million in nominal value.

- (c) On 22 January 2014, the Company had entered into a trust deed with Malaysian Trustees Berhad in respect of a medium term notes programme of up to RM500 million in nominal value.
- (d) On 18 February 2014, the Company had entered into a subscription agreement with CIMB Investment Bank Berhad, Maybank Investment Bank Berhad and OCBC Bank (Malaysia) Berhad in respect of a medium term notes programme of up to RM500 million in nominal value.

## 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 2013 and 31 March 2014 and the latest unaudited results since the last audited accounts;
- (iii) the Annual Report 2013/14;
- (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;<br>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;<br>Hong Kong            | 2 ordinary shares of HKD1 each         | 100.00                      | Investment holding                              |
| Holgain Limited   | 11.02.92;<br>Hong Kong            | 2 ordinary shares of HKD10 each        | 100.00                      | Property investment                             |
| Kin Ming Printing Company Limited   | 26.11.64;<br>Hong Kong            | 100 ordinary shares of HKD100 each     | 100.00                      | Provision of printing services                  |
| Maribo Brief Limited  | 24.08.93;<br>Hong Kong            | 2 ordinary shares of HKD1 each         | 100.00                      | Property investment                             |
| Media2U Company Limited   | 29.09.94;<br>Hong Kong            | 101 ordinary shares of HKD1 each       | 73.18                       | Magazines advertising & operation               |
| MediaNet Advertising Limited  | 27.03.02;<br>Hong Kong            | 100 ordinary shares of HKD1 each       | 73.18                       | Media operation                                 |
| Mingpao.com Limited   | 24.03.94;<br>Hong Kong            | 2 ordinary shares of HKD1 each         | 97.78                       | Internet related businesses                     |
| Ming Pao Education Publications Limited (formerly known as MediaNet Holdings Limited) | 11.12.07;<br>Hong Kong            | 1 ordinary share of HKD1               | 100.00                      | Digital media business and books publishing     |

| Name of company   | Date and country of incorporation | Issued and paid-up share capital   | Effective equity interest % | Principal activities                                     |
|---|-----------------------------------|--|-----------------------------|--|
| Ming Pao Enterprise Corporation Limited   | 24.11.72;<br>Hong Kong            | 9,300 ordinary shares of HKD1 each   | 100.00                      | Dormant  |
| Ming Pao Holdings Limited   | 26.11.64;<br>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;<br>Hong Kong            | 165,000 ordinary shares of HKD10 each  | 73.18                       | Publication and distribution of magazines                |
| Ming Pao New Media Limited (formerly known as Perfect Gain Development Limited) | 23.04.92;<br>Hong Kong            | 2 ordinary shares of HKD1 each   | 100.00                      | Digital and multimedia business                          |
| Ming Pao Newspapers Limited   | 26.05.87;<br>Hong Kong            | 2 ordinary shares of HKD1 each   | 100.00                      | Publication and distribution of newspaper and periodical |
| Ming Pao Nominees Limited   | 24.05.94;<br>Hong Kong            | 2 ordinary shares of HKD1 each   | 100.00                      | Provision of nominees services                           |
| Ming Pao Publications Limited   | 16.09.86;<br>Hong Kong            | 10 ordinary shares of HKD1 each  | 100.00                      | Publication and distribution of books                    |
| Ming Pao Secretarial Services Limited   | 24.05.94;<br>Hong Kong            | 2 ordinary shares of HKD1 each   | 100.00                      | Provision of secretarial services                        |
| One Media (HK) Limited  | 03.10.86;<br>Hong Kong            | 10 ordinary shares of HKD1 each  | 73.18                       | Investment holding                                       |

| Name of company                                | Date and country of incorporation | Issued and paid-up share capital      | Effective equity interest % | Principal activities  |
|--|-----------------------------------|---------------------------------------|-----------------------------|---|
| Yazhou Zhoukan Limited                         | 25.11.93;<br>Hong Kong            | 9,500 ordinary shares of HKD1 each    | 100.00                      | Publication and distribution of magazine                    |
| <i>Subsidiaries of the Company in Malaysia</i> |                                   |                                       |                             |   |
| Capital Foremost Sdn Bhd                       | 22.07.93;<br>Malaysia             | 3 ordinary shares of RM1 each         | 100.00                      | Dormant   |
| The China Press Berhad                         | 15.05.47;<br>Malaysia             | 4,246,682 ordinary shares of RM1 each | 99.75                       | Publication of newspaper and provision of printing services |
| Cittabella (Malaysia) Sdn Bhd                  | 08.09.94;<br>Malaysia             | 1,000,000 ordinary shares of RM1 each | 100.00                      | Dormant   |
| Evening Express Sdn Bhd                        | 25.04.86;<br>Malaysia             | 9,000 ordinary shares of RM1 each     | 99.75                       | In voluntary liquidation                                    |
| Guang-Ming Ribao Sdn Bhd                       | 26.10.84;<br>Malaysia             | 4,000,000 ordinary shares of RM1 each | 100.00                      | Publication and distribution of newspaper and magazines     |
| Lifepap Sdn Bhd                                | 22.10.81;<br>Malaysia             | 1,210,010 ordinary shares of RM1 each | 100.00                      | In voluntary liquidation                                    |
| Life Publishers Berhad                         | 28.07.71;<br>Malaysia             | 9,000,000 ordinary shares of RM1 each | 100.00                      | Dormant   |
| Malaysia Daily News Sdn Bhd                    | 20.11.68;<br>Malaysia             | 2,499,934 ordinary shares of RM1 each | 100.00                      | Dormant   |

| Name of company                 | Date and country of incorporation | Issued and paid-up share capital             | Effective equity interest % | Principal activities   |
|---------------------------------|-----------------------------------|--|-----------------------------|--|
| MCIL Multimedia Sdn Bhd         | 01.06.00;<br>Malaysia             | 15,000,000<br>ordinary shares of<br>RM1 each | 100.00                      | Electronic commerce activities through the internet and multimedia   |
| Media Communications Sdn Bhd    | 13.01.82;<br>Malaysia             | 100,000 ordinary shares of RM1 each          | 100.00                      | Publication and distribution of magazines  |
| Mulu Press Sdn Bhd              | 29.03.85;<br>Malaysia             | 500,000 ordinary shares of RM1 each          | 100.00                      | Distribution of newspapers and provision of editorial and advertising services   |
| Nanyang Press Holdings Berhad   | 23.07.58;<br>Malaysia             | 76,107,375<br>ordinary shares of<br>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;<br>Malaysia             | 1,000,000<br>ordinary shares of<br>RM1 each  | 100.00                      | Provision of marketing and circulation services of newspapers  |
| Nanyang Siang Pau Sdn Bhd       | 23.09.65;<br>Malaysia             | 60,000,000<br>ordinary shares of<br>RM1 each | 100.00                      | Publication of newspapers and magazines  |
| Sinchew-i Sdn Bhd               | 31.05.00;<br>Malaysia             | 25,000,000<br>ordinary shares of<br>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;<br>Malaysia                       | 302,000,000<br>ordinary shares of<br>RM0.50 each | 100.00                      | Publication and distribution of newspaper and magazines, and provision of printing services |
| <i>Subsidiaries of the Company outside Hong Kong and Malaysia</i>     |   |  |                             |   |
| Beijing Media Advertising Company Limited <sup>(ii)</sup>             | 11.12.00;<br>The People's Republic of China | RMB3,500,000                                     | 73.18                       | Magazines advertising   |
| Beijing OMG Advertising Company Limited <sup>(ii)</sup>               | 18.01.04;<br>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;<br>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;<br>The People's Republic of China | RMB3,000,000                                     | 73.18                       | Magazines operation   |
| Best Gold Resources Limited   | 01.08.12;<br>British Virgin Islands         | 1 share at no par value for HKD1                 | 73.18                       | Investment holding  |
| Charming Holidays (Canada) Inc.                                       | 23.10.90;<br>Canada                         | 15,000 common shares at no par value             | 100.00                      | Dormant   |
| Charming Holidays (Guangdong) Limited <sup>(ii)</sup>                 | 05.12.08;<br>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;<br>British Virgin Islands       | 1 ordinary share of USD1                             | 100.00                      | Investment holding                              |
| Charming Holidays International Limited     | 15.08.12;<br>Cayman Islands               | 1 ordinary share of HKD0.01                          | 100.00                      | Investment holding                              |
| Comwell Investment Limited                  | 30.08.07;<br>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;<br>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, Inc.          | 09.03.81;<br>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;<br>British Virgin Islands       | 1 ordinary share of USD1                             | 100.00                      | Investment holding                              |
| Enston Investment Limited                   | 12.12.12;<br>British Virgin Islands       | 1 share at no par value for HKD1                     | 73.18                       | Investment holding                              |
| Ever Gallant Limited                        | 23.05.12;<br>British Virgin Islands       | 1 ordinary share of USD1                             | 100.00                      | Investment holding                              |
| First Collection Limited                    | 21.12.94;<br>British Virgin Islands       | 1 ordinary share of USD1                             | 100.00                      | Investment holding                              |
| Loka Investment Limited                     | 12.12.12;<br>British Virgin Islands       | 1 share at no par value for HKD1                     | 73.18                       | Investment holding                              |

| Name of company                              | Date and country of incorporation         | Issued and paid-up share capital          | Effective equity interest % | Principal activities    |
|--|---|---|-----------------------------|-------------------------|
| Media2U (BVI) Company Limited                | 02.01.04;<br>British Virgin Islands       | 1 ordinary share of USD1                  | 73.18                       | Investment holding      |
| Media Chinese International Holdings Limited | 24.10.07;<br>British Virgin Islands       | 1 ordinary share at no par value for HKD1 | 100.00                      | Investment holding      |
| Media Connect Investment Limited             | 06.08.09;<br>British Virgin Islands       | 1 share at no par value for HKD1          | 73.18                       | Investment holding      |
| MediaNet Investment Limited                  | 24.10.07;<br>British Virgin Islands       | 1 ordinary share at no par value for HKD1 | 100.00                      | Investment holding      |
| MediaNet Resources Limited                   | 03.10.07;<br>British Virgin Islands       | 1 ordinary share at no par value for HKD1 | 100.00                      | Investment holding      |
| Mingpao.com Holdings Limited                 | 09.11.99;<br>Cayman Islands               | 717,735 ordinary shares of HKD0.10 each   | 97.78                       | Investment holding      |
| Ming Pao Enterprise Corporation Limited      | 29.09.08;<br>Cayman Islands               | 1 ordinary share of USD1                  | 100.00                      | Investment holding      |
| Ming Pao Finance Limited                     | 24.01.91;<br>British Virgin Islands       | 10 ordinary shares of USD1 each           | 73.18                       | Licensing of trademarks |
| Ming Pao Holdings (Canada) Limited           | 22.01.93;<br>Canada                       | 1 common share at no par value for CAD1   | 100.00                      | Investment holding      |
| Ming Pao Holdings (USA) Inc.                 | 24.03.94;<br>The United States of America | 1 common 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                                       |
|---|---|---|-----------------------------|--|
| Ming Pao International Investment Limited | 23.01.91;<br>British Virgin Islands       | 100 ordinary shares of USD1 each              | 100.00                      | Dormant  |
| Ming Pao Investment (Canada) Limited      | 16.03.07;<br>Canada                       | 1 common share of CAD1                        | 100.00                      | Investment holding   |
| Ming Pao Investment (USA) L.P.            | 03.05.07;<br>The United States of America | 1,000 units for USD150,150                    | 100.00                      | Publication and distribution of newspaper and periodicals  |
| Ming Pao Newspapers (Canada) Limited      | 04.01.93;<br>Canada                       | 1,001 common shares at no par value for CAD11 | 100.00                      | Publication and distribution of newspapers and periodicals |
| Ming Pao (New York) Inc.                  | 05.04.94;<br>The United States of America | 1 common share of USD1                        | 100.00                      | Dormant  |
| Ming Pao (San Francisco) Inc.             | 25.03.94;<br>The United States of America | 1 common share of USD1                        | 100.00                      | Dormant  |
| MP Printing Inc.                          | 29.10.03;<br>The United States of America | 1 common share of USD1                        | 100.00                      | Dormant  |
| One Media Group Limited                   | 11.03.05;<br>Cayman Islands               | 400,000,000 ordinary shares of HKD0.001 each  | 73.18                       | Investment holding   |
| One Media Holdings Limited                | 16.01.04;<br>British Virgin Islands       | 20,000 ordinary shares of USD0.01 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 Investment Limited  | 28.01.13;<br>British Virgin Islands         | 1 share at no par value for HKD1             | 73.18                       | Dormant                                      |
| Polyman Investment Limited  | 02.01.13;<br>British Virgin Islands         | 1 share at no par value for HKD1             | 73.18                       | Investment holding                           |
| PT Sinchew Indonesia  | 10.08.12;<br>Republic of Indonesia          | 1,500 shares of USD 1,000 each               | 80.00                       | Acting as newspaper distribution agent       |
| Shenzhen MediaNet Internet Services Company Limited <sup>(ii)</sup> | 08.11.12;<br>The People's Republic of China | RMB1,000,000                                 | 100.00                      | Provision of information technology services |
| Sinchew (USA) Inc.  | 31.08.12;<br>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;<br>British Virgin Islands         | 1 share at no par value for USD1             | 73.18                       | Investment holding                           |
| Sueur Investments Limited   | 20.12.89;<br>British Virgin Islands         | 1 ordinary share of USD1                     | 100.00                      | Investment holding                           |
| Sun Bloom Limited   | 29.05.12;<br>British Virgin Islands         | 1 ordinary share of USD1                     | 100.00                      | Investment holding                           |
| Top Plus Limited  | 30.12.03;<br>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;<br>British Virgin Islands | 1 share at no par value for HKD1    | 73.18                       | Investment holding   |
| Yazhou Zhoukan Holdings Limited | 15.01.01;<br>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 a PRC national. The Group has entered into contractual arrangements with the legal owner 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 owner of Beijing TRT is required under the contractual arrangements with the Group to transfer the interests in Beijing TRT to the Group or the Group's designee upon 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 owner 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 properties from TTS&S as landlord:

|    | <b>Location of properties</b>  | <b>Type of property</b> | <b>Size of premises rented</b><br><i>(square feet)</i> | <b>Monthly rental</b><br><i>(RM)</i> |
|----|--|-------------------------|--|--------------------------------------|
| 1. | No. 29, Block F, Ground Floor,<br>Taman Sri Sarawak Mall,<br>Jalan Padungan, 93100 Kuching,<br>Sarawak, Malaysia | Office                  | 800  | 1,000                                |
| 2. | No. 25, Second Floor,<br>Jalan Kampung Nyabor, 96000 Sibul,<br>Sarawak, Malaysia                                 | Office                  | 1,200  | 400                                  |
| 3. | No. 25, Ground Floor,<br>Jalan Kampung Nyabor, 96000 Sibul,<br>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\$168,723,924.10 comprising 1,687,239,241 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 168,723,924, 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 2014, the retained profits and share premium account of the Company were US\$175,874,000 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<br/>Shares</b> |
|--|-----------------------------|
| Issued and paid-up share capital as at Latest Practicable Date   | 1,687,239,241               |
| Maximum number of Shares which may be repurchased and cancelled pursuant to the Share Buy-back Mandate   | <u>168,723,924</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>1,518,515,317</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 is implemented in full and the dividend quantum is maintained at historical levels, the proposed Share Buy-back 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 2014:

|                         | <b>Dividend rate US cents</b> | <b>per ordinary share of<br/>HK\$0.1 each</b> |
|-------------------------|-------------------------------|---|
| First interim dividend  | US0.750 cents                 | Paid on 15 January 2014                       |
| Second interim dividend | US0.680 cents                 | Payable on 1 August 2014                      |
| <br>Total               | <br>US1.430 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:

|   | As at Latest Practicable Date |        |                            |        | After full exercise of Share Buy-back Mandate |        |                            |        |
|---|-------------------------------|--------|----------------------------|--------|---|--------|----------------------------|--------|
|   | Direct                        |        | Indirect                   |        | Direct  |        | Indirect                   |        |
|   | No. of Shares                 | %      | No. of Shares              | %      | No. of Shares                                 | %      | No. of Shares              | %      |
| <b>Director<sup>(5)</sup></b>                       |                               |        |                            |        |   |        |                            |        |
| 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                                | 1,908,039                     | 0.11%  | —                          | —      | 1,908,039                                     | 0.13%  | —                          | —      |
| Mr Leong Chew Meng                                  | 80,000                        | —*     | —                          | —      | 80,000  | 0.01%  | —                          | —      |
| Ms Tiong Choon                                      | 2,654,593                     | 0.16%  | 1,653,952 <sup>(3)</sup>   | 0.10%  | 2,654,593                                     | 0.17%  | 1,653,952 <sup>(3)</sup>   | 0.11%  |
| Temenggong Datuk Kenneth Kanyan Anak Temenggong Koh | 135,925                       | 0.01%  | —                          | —      | 135,925                                       | 0.01%  | —                          | —      |
| <b>Substantial Shareholder<sup>(6)</sup></b>        |                               |        |                            |        |   |        |                            |        |
| Progresif   | 326,463,556                   | 19.35% | —                          | —      | 326,463,556                                   | 21.50% | —                          | —      |
| Conch   | 252,487,700                   | 14.96% | —                          | —      | 252,487,700                                   | 16.63% | —                          | —      |
| 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% |
| Seaview Global Company Limited                      | —                             | —      | 252,487,700 <sup>(4)</sup> | 14.96% | —   | —      | 252,487,700 <sup>(4)</sup> | 16.63% |

\* negligible

**Notes:**

- (1) Deemed interested by virtue of his spouse's interests 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 interests in TCB and her spouse's interests.
- (4) Deemed interested by virtue of its interests in Conch.
- (5) 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.
- (6) 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 757,471,392 Shares were held by public Shareholders and the public shareholding spread of the Company was approximately 44.89% of its issued and paid-up share capital.

The public shareholding spread would be reduced to approximately 38.77% 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 INTERESTS 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 2014, the Company purchased a total of 1,000 Shares from the open market at an average price of HKD2.90 per Share or a total consideration of HKD2,900. All the Shares purchased during the financial year ended 31 March 2014 have been cancelled pursuant to the Listing Rules. Further information on the Shares repurchased by the Company during the financial year ended 31 March 2014 is set out under page 67, “Report of the Directors” in the Annual Report 2013/14.

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 2014 (up to the Latest Practicable Date) | 2.20                 | 0.960        | 2.10                | 0.940        |
| May 2014                                      | 2.45                 | 0.975        | 2.01                | 0.945        |
| April 2014                                    | 2.25                 | 0.995        | 2.02                | 0.900        |
| March 2014                                    | —*                   | 0.915        | —*                  | 0.890        |
| February 2014                                 | 2.37                 | 0.965        | 2.10                | 0.880        |
| January 2014                                  | 2.50                 | 0.980        | 2.22                | 0.925        |
| December 2013                                 | 2.50                 | 1.050        | 2.20                | 0.895        |
| November 2013                                 | 2.50                 | 1.080        | 2.30                | 0.995        |
| October 2013                                  | 2.60                 | 1.100        | 2.33                | 1.040        |
| September 2013                                | 2.53                 | 1.120        | 2.50                | 1.030        |
| August 2013                                   | 2.90                 | 1.150        | 2.60                | 0.950        |
| July 2013                                     | 3.00                 | 1.200        | 2.66                | 1.100        |
| June 2013                                     | 3.06                 | 1.250        | 2.94                | 1.130        |

\* No trading of Shares during the month

(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. **Mr Tiong Kiew Chiong**, Malaysian, aged 54, was appointed as an executive director of the Company on 2 May 1998. He is currently the Group Chief Executive Officer, a member of the Group Executive Committee and Remuneration Committee of the Company. Mr Tiong is also the Deputy Chairman of OMG, a subsidiary of the Company which has been listed on the main board of the HKEx since October 2005. He has extensive experience in media and publishing business and is also one of the founders of *The National*, an English newspaper in Papua New Guinea launched in 1993. Mr Tiong obtained his Bachelor Degree of Business Administration (Honours) from York University, Toronto, Canada in 1982.

Mr Tiong currently sits on the board of various subsidiaries of the Company. In the past three years, Mr Tiong had been an executive director of RH Petrogas Limited, a listed company in Singapore.

He is the distant relative of Tan Sri Datuk Sir Tiong Hiew King, Dato' Sri Dr Tiong Ik King and Ms Tiong Choon, all of whom are directors of the Company. In addition, both Tan Sri Datuk Sir Tiong Hiew King and Dato' Sri Dr Tiong Ik King are substantial shareholders of the Company.

Saved as disclosed herein, Mr Tiong 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 Tiong has personal interest in 1,908,039 Shares within the meaning of Part XV of the SFO.

Mr Tiong has entered into a letter of appointment with the Company for a term of 2 years commencing on 1 April 2014 to 31 March 2016. The appointment as Director of Mr Tiong 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 Mr Tiong will be determined with reference to his experience and responsibilities in the Company. For the year ended 31 March 2014, total emoluments paid by the Group to Mr Tiong amounted to US\$466,000.

Mr Tiong 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 Ng Chek Yong**, Malaysian, aged 57, was appointed to the position of executive director of the Company on 1 March 2012. He is currently the Chairman of the Group Executive Committee, a member of the Remuneration Committee of the Company and the Managing Director of SCMCB. He obtained his Cambridge Higher School Certificate from St. Patrick School, Kuching, Sarawak, Malaysia. He began his career as a reporter/feature writer with *See Hua Daily News* in 1979. In 1988, he joined *TO-DAY News Sabah* as the Chief Reporter. He then took up the position of a reporter in SCMCB on 1 August 1988. From 1980 to 1988, he was the Secretary-General and Chairman of Sarawak Constellation Poetical Society. Moreover, he was the President of Federation of Sarawak Journalists Association as well as the President of Kuching Division Journalists Association in Malaysia from 1990 to 1991.

Saved as disclosed herein, Mr Ng 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 Ng was not interested in any Shares within the meaning of Part XV of the SFO.

Mr Ng has entered into a letter of appointment with the Company for a term of 2 years and 1 month commencing on 1 March 2014 to 31 March 2016. The appointment as Director of Mr Ng 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 Ng will be determined with reference to his experience and responsibilities in the Company. For the year ended 31 March 2014, total emoluments paid by the Group to Mr Ng amounted to US\$386,000.

Mr Ng 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. **Temenggong Datuk Kenneth Kanyan Anak Temenggong Koh**, Malaysian, aged 71, was appointed as an independent non-executive director of the Company on 20 March 2008. He is the Chairman of the Nomination Committee and a member of the Audit Committee and Remuneration Committee of the Company. He graduated from the Chartered Institute of Business Administration (Ireland). He was the Political Secretary to the Chief Minister of Sarawak, Malaysia from 1967 to 1970; a member of Council Negeri Sarawak, Malaysia from 1970 to 1974; the Political Secretary to Federal Minister for Sarawak Affairs; the Political Secretary to the Deputy Prime Minister and Prime Minister from 1974 to 1981; and Senator from 1981 to 1987. He was conferred the title of Datuk, Darjah Bintang Kenyalang Sarawak (PGBK) on 16 September 1988. He was also conferred the title of Temenggong for Kapit Division by the State Government of Sarawak, Malaysia in 2003 in recognition of his contribution to the community.

He serves as an independent director of Subur Tiasa Holdings Berhad, which is a listed company in Malaysia, and holds directorships in several private limited companies in Malaysia.

Saved as disclosed herein, Temenggong Datuk Kenneth Kanyan Anak Temenggong Koh 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, he has personal interest in 135,925 Shares within the meaning of Part XV of the SFO.

Temenggong Datuk Kenneth Kanyan Anak Temenggong Koh has entered into a letter of appointment with the Company for a term of 2 years commencing on 1 April 2014 to 31 March 2016. The appointment as Director of Temenggong Datuk Kenneth Kanyan Anak Temenggong Koh 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 him will be determined with reference to his experience and responsibilities in the Company. For the year ended 31 March 2014, total emoluments paid by the Group to Temenggong Datuk Kenneth Kanyan Anak Temenggong Koh amounted to US\$29,000.

Temenggong Datuk Kenneth Kanyan Anak Temenggong Koh 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. **Mr David Yu Hon To**, Chinese, aged 66, 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 listed on the main board of the HKEx 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 chairman of MCL Financial Group Ltd, a Hong Kong based financial advisory and investment firm.

Mr Yu is an independent non-executive director of China Renewable Energy Investment Limited, China Resources Gas Group Limited, Great China Holdings Limited, Haier Electronics Group Co., Limited, Keck Seng Investments (Hong Kong) Limited, New Century Asset Management Limited (the manager of New Century Real Estate Investment Trust which is listed on the HKEx), Playmates Holdings Limited, Sateri Holdings Limited and Synergis Holdings Limited, which are listed companies in Hong Kong. In the past three years, Mr Yu had been an independent non-executive director of China Datang Corporation Renewable Power Co., Limited, TeleEye Holdings Limited and VXL Capital Limited.

Saved as disclosed herein, Mr 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 Yu was not interested in any Shares within the meaning of Part XV of the SFO.

Mr Yu has entered into a letter of appointment with the Company for a term of 2 years commencing on 1 April 2014 to 31 March 2016. The appointment as Director of Mr 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 Yu will be determined with reference to his experience and responsibilities in the Company. For the year ended 31 March 2014, total emoluments paid by the Group to Mr Yu amounted to US\$54,000.

Mr 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.