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If you are in any doubt as to any aspect of this document or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold all your shares in **MING PAO ENTERPRISE CORPORATION LIMITED**, you should at once hand this document with the accompanying proxy form to the purchaser or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser.

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MING PAO ENTERPRISE CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

**PROPOSALS INVOLVING
GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES OF THE COMPANY,
AND
AMENDMENT TO EXISTING BYE-LAWS OF THE COMPANY**

A notice convening a special general meeting of Ming Pao Enterprise Corporation Limited to be held at Marina Room II, 2nd Floor, The Excelsior Hong Kong, 281 Gloucester Road, Causeway Bay, Hong Kong on Friday, 5th September 2003, at 10:40 a.m. (or so soon thereafter as the annual general meeting convened at the same place and date at 10:30 a.m. shall have been concluded or adjourned) is set out on pages 7 to 9 of this document. Whether or not you intend to attend the meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the head office and principal place of business of the Company at 15th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof.

Hong Kong, 24th July 2003

DEFINITIONS

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

“Companies Act”	the Companies Act 1981 of the laws of Bermuda
“Company”	Ming Pao Enterprise Corporation Limited, a company incorporated in Bermuda with limited liability and with its Shares listed on the Stock Exchange
“Directors”	the directors of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region of The People’s Republic of China
“Latest Practicable Date”	18th July 2003, being the latest practicable date prior to the printing of this document for ascertaining certain information referred to in this document
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Proposal”	the proposal to give a general mandate to the Directors to exercise the powers of the Company to repurchase during the period as set out in the Repurchase Resolution Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing the Repurchase Resolution
“Repurchase Resolution”	the proposed ordinary resolution as referred to in resolution no. 1 of the notice of the Special General Meeting
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company
“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own securities on the Stock Exchange
“Special General Meeting”	the special general meeting of the Company to be held at Marina Room II, 2nd Floor, The Excelsior Hong Kong, 281 Gloucester Road, Causeway Bay, Hong Kong on Friday, 5th September 2003 at 10:40 a.m. (or so soon thereafter as the annual general meeting of the Company convened at the same place and date at 10:30 a.m. shall have been concluded or adjourned), notice of which is set out on pages 7 to 9 of this document.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers

LETTER FROM THE CHAIRMAN



MING PAO ENTERPRISE CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

Directors:

Tan Sri Datuk TIONG Hiew King (*Chairman*)

Mr TIONG Kiu King

Dr TIONG Ik King

Mr TIONG Kiew Chiong

Mr TANG Ying Yu*

Mr David YU Hon To*

* *Independent non-executive directors*

Registered Office:

Cedar House
41 Cedar Avenue
Hamilton HM12
Bermuda

Head Office and Principal

Place of Business:

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

Hong Kong, 24th July 2003

To shareholders,

Dear Sir or Madam,

**PROPOSALS INVOLVING
GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES OF THE COMPANY,
AND
AMENDMENT TO EXISTING BYE-LAWS OF THE COMPANY**

GENERAL MANDATE TO REPURCHASE SHARES

At the special general meeting of the Company held on 20th August 2002, a general mandate was given by the Company to the Directors to exercise the powers of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the forthcoming annual general meeting to be held on 5th September 2003. The Directors propose to seek your approval of the Repurchase Resolution to be proposed at the Special General Meeting. An explanatory statement as required under the Share Repurchase Rules to provide the requisite information of the Repurchase Proposal is set out in the appendix hereto.

GENERAL MANDATE TO ISSUE SHARES

It will also be proposed at the Special General Meeting two ordinary resolutions granting to the Directors (i) a general mandate to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the

LETTER FROM THE CHAIRMAN

resolution; 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 general mandate to repurchase up to 10% of the issued share capital of the Company as at the date of passing the Repurchase Resolution.

AMENDMENT TO EXISTING BYE-LAWS OF THE COMPANY

On 1st April 2003, Securities and Futures (Clearing House) Ordinance was repealed and Securities and Futures Ordinance came into effect. The Directors noted that definition of “Clearing House” needs to be changed as it refers to the repealed Securities and Futures (Clearing House) Ordinance. The Directors therefore propose that the Company’s Bye-Laws be amended by adoption of a new definition of “Clearing House” in the manner as set out in the special resolution no. 4 in the notice of the Special General Meeting.

SPECIAL GENERAL MEETING

On pages 7 to 9 of this document, you will find a notice convening the Special General Meeting at which the following resolutions will be proposed:

- an ordinary resolution to grant to the Directors a general mandate to exercise all powers of the Company to repurchase Shares on the Stock Exchange representing up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the Repurchase Resolution;
- an ordinary resolution to grant to the Directors a general mandate to authorise the Directors to allot, issue and deal with Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing such resolution;
- an ordinary resolution to extend the general mandate which will be granted to the Directors to allot, issue and deal with additional Shares by adding to it the number of Shares repurchased under the Repurchase Proposal after the granting of the general mandate;
- a special resolution to amend the existing bye-laws of the Company.

ACTION TO BE TAKEN

A proxy form for use at the Special General Meeting is enclosed herein. Whether or not you intend to attend the Special General Meeting, you are requested to complete the proxy form and return it to the head office and principal place of business of the Company at 15th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the Special General Meeting or any adjournment thereof. Completion and return of a proxy form will not prevent you from attending and voting at the Special General Meeting if you so wish.

LETTER FROM THE CHAIRMAN

RECOMMENDATION

The Directors believe that all the above-mentioned resolutions to be proposed at the Special General Meeting are in the best interests of the Company and its shareholders. Accordingly, the Directors recommend that all shareholders should vote in favour of the resolutions set out in the notice of the Special General Meeting.

By Order of the Board
Tan Sri Datuk TIONG Hiew King
Chairman

This appendix serves as an explanatory statement, as required by the Share Repurchase Rules, to provide requisite information to you for your consideration of the proposal to permit the repurchase of Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing the Repurchase Resolution.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 392,345,000 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased prior to the Special General Meeting, the Company would be allowed under the Repurchase Resolution to repurchase a maximum of 39,234,500 Shares representing not more than 10% of the issued share capital of the Company as at the Latest Practicable Date.

2. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Proposal is in the best interests of the Company and its shareholders. Such a repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets value per share and/or earnings per share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and its shareholders.

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds entirely from the Company's available cashflow or working capital facilities which will be legally available for such purpose in accordance with its memorandum of association and bye-laws and the Companies Act.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31st March 2003 in the event that the power to repurchase Shares pursuant to the Repurchase Proposal were to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the power to repurchase Shares pursuant to the Repurchase Proposal to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

	Highest Price	Lowest Price
	<i>HK\$</i>	<i>HK\$</i>
2002		
July	1.450	1.390
August*	—	—
September	1.400	1.370
October	1.400	1.200
November	1.400	1.200
December	1.350	1.300
2003		
January	1.350	1.300
February	1.350	1.350
March	1.350	1.350
April	1.350	1.350
May	1.220	1.200
June	1.350	1.260

* No trading of Shares during the month

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Proposal and in accordance with the Listing Rules and the applicable laws of Bermuda.

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 or its subsidiaries under the Repurchase Proposal if such is approved by the shareholders.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Proposal is approved by the shareholders.

6. TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Proposal, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a shareholder or group of shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, (i) Conch Company Limited, which is controlled by Tan Sri Datuk TIONG Hiew King, Dr TIONG Ik King and their associates, is beneficially interested in approximately 64.35% of the issued share capital of the Company; (ii) China Strategic Holdings Limited is beneficially interested in approximately 10.00% of the issued share capital of the Company; and (iii) Dr Louis CHA is beneficially interested in approximately 9.89% of the issued share capital of the Company. Based on such shareholdings and in the event that the Directors exercised in full the power to repurchase Shares pursuant to the general mandate, the shareholdings of Conch Company Limited, China Strategic Holdings Limited and Dr Louis CHA in the Company will be increased to approximately 71.50%, 11.11% and 10.99% of the issued share capital of the Company respectively. The Directors are not aware of any consequences which may arise under Rule 26 of the Takeovers Code as a result of any repurchases made under the Repurchase Proposal. In addition, the Company will not repurchase Shares to such extent as to result in the amount of Shares held by the public being reduced to less than 25%.

7. SHARE REPURCHASES MADE BY THE COMPANY

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

8. GENERAL

The English text of this document shall prevail over the Chinese text.

NOTICE OF SPECIAL GENERAL MEETING



MING PAO ENTERPRISE CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

NOTICE IS HEREBY GIVEN that a Special General Meeting of the Company will be held at Marina Room II, 2nd Floor, The Excelsior Hong Kong, 281 Gloucester Road, Causeway Bay, Hong Kong on Friday, 5th September 2003, at 10:40 a.m. (or so soon thereafter as the annual general meeting of the Company convened at the same place and date at 10:30 a.m. shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing the following proposed ordinary resolutions and special resolution of the Company:

ORDINARY RESOLUTION

1. **“THAT:**
 - (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.10 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
 - (b) the aggregate nominal amount of shares of the Company which may be repurchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and
 - (c) for the purposes of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the bye-laws of the Company to be held; or
 - (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF SPECIAL GENERAL MEETING

ORDINARY RESOLUTION

2. “THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company; (iii) an issue of shares as scrip dividends pursuant to the bye-laws of the Company from time to time; or (iv) an issue of shares under any option scheme or similar arrangement for the grant or issue of shares or rights to acquire shares of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the bye-laws of the Company to be held; or
 - (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to the holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having

NOTICE OF SPECIAL GENERAL MEETING

regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

ORDINARY RESOLUTION

3. “**THAT** subject to the passing of the resolutions nos. 1 and 2 set out in the notice convening the meeting, the general mandate granted to the Directors of the Company to allot, issue and deal with additional shares pursuant to resolution no. 2 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to resolution no. 1 set out in the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the said resolution.”

SPECIAL RESOLUTION

4. “**THAT** the existing Bye-Laws of the Company be and is hereby amended by replacing the definition “Clearing House” in Bye-Law 1 with the following new definition:

“Clearing House” means a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction.”

By Order of the Board
LAW Yuk Kuen
Secretary

Hong Kong, 24th July 2003

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be lodged with the head office and principal place of business of the Company 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 appointed for holding the meeting or any adjournment thereof.