

*The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **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)

### **ANNOUNCEMENT**

### **CONTINUING CONNECTED TRANSACTIONS**

#### **Background**

On 23 April 2008, pursuant to the Merger, the Company allotted and issued new shares to the SCM CB Shareholders and the Nanyang Shareholders as consideration for the exchange of their respective shareholdings in SCM CB and Nanyang.

Both SCM CB and Nanyang were previously public companies listed on the main board of Bursa Securities. Following the Merger, both became non-listed, wholly-owned subsidiaries of the Company, and the Company became dual listed on both the Bursa Securities and on HKEx.

Prior to the Merger and on 21 September 2007, SCM CB held its 24th annual general meeting during which, inter alia, the SCM CB Shareholders approved by ordinary resolution the renewal of a mandate for the SCM CB RRPTs as described in its circular dated 29 August 2007, in accordance with the Listing Requirements.

After the Merger, the SCM CB RRPTs have now become (a) in Malaysia, recurrent related party transactions of the Company as defined under paragraph 10.09 of the Listing Requirements; and (b) in Hong Kong, continuing connected transactions of the Company as defined under Chapter 14A of the Listing Rules.

#### **Continuing connected transactions subject to reporting and announcement requirements, but exempt from independent shareholders' approval requirements**

The SCM CB Tenancy Agreement, one of the SCM CB RRPTs, for which the applicable percentage ratios on an annual basis do not exceed 2.5%, are subject to reporting and announcement requirements but exempt from the independent shareholders' approval requirements as set out in Chapter 14A of the Listing Rules.

## **BACKGROUND**

### **The Merger**

On 23 April 2008, pursuant to the Merger, the Company allotted and issued new shares to the SCMCB Shareholders and the Nanyang Shareholders as consideration for the exchange of their respective shareholding in SCMCB and Nanyang.

Both SCMCB and Nanyang were previously public companies listed on the main board of Bursa Securities. Following the Merger, both became non-listed, wholly-owned subsidiaries of the Company, and the Company became dual listed on both the Bursa Securities and on HKEx.

Prior to the Merger and on 21 September 2007, SCMCB held its 24th annual general meeting during which, inter alia, the SCMCB Shareholders approved by ordinary resolution the renewal of a mandate for the SCMCB RRPTs as described in its circular dated 29 August 2007, in accordance with the Listing Requirements.

After the Merger, the SCMCB RRPTs have now become (a) in Malaysia, recurrent related party transactions of the Company as defined under paragraph 10.09 of the Listing Requirements; and (b) in Hong Kong, continuing connected transactions of the Company as defined under Chapter 14A of the Listing Rules.

### **Information on the Group**

The Group is a leading global Chinese-language media group dually listed on the main boards of HKEx (Stock Code: 685) and Bursa Securities (Stock Code: 5090). The Company was formed by the successful merger of Ming Pao Enterprise Corporation Limited, Sin Chew Media Corporation Berhad and Nanyang Press Holdings Berhad. It is principally engaged in the businesses of publishing newspapers, magazines and books, providing electronic content on the web, and providing travel and travel related businesses.

### **CONTINUING CONNECTED TRANSACTION SUBJECT TO REPORTING AND ANNOUNCEMENT REQUIREMENTS, BUT EXEMPT FROM INDEPENDENT SHAREHOLDERS' APPROVAL REQUIREMENTS**

The SCMCB Tenancy Agreement, one of the SCMCB RRPTs, for which the applicable percentage ratios on an annual basis do not exceed 2.5%, are subject to reporting and announcement requirements but exempt from the independent shareholders' approval requirements as set out in Chapter 14A of the Listing Rules.

Date : 13 August 2007

Parties : (a) SCMCB; and (b) RHE

Connected relationship : SCMCB is a wholly-owned subsidiary of the Company.

RHE is held as to 40% by TTSH, a substantial shareholder of the Company. RHE, being an associate of TTSH, is therefore a connected person of the Company.

Principal activities of connected person	:	RHE's principal business activities are the letting of properties and equipment, and provision of property management and services to tenants.
Nature of transaction	:	SCMCB has a tenancy agreement with RHE as landlord, for land held under Pajakan Negeri 3694 for Lot No. 50, Seksyen 13, Bandar Petaling Jaya, Daerah Kuala Lumpur, Negeri Selangor Darul Ehsan, Malaysia together with certain buildings erected thereon at address known as No. 19, Jalan Semangat, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
Term	:	3 years commencing from 2 March 2007, with an option to extend for a further 3 years on the same terms as the current agreement, save for the option to extend.
Consideration	:	The monthly rental is RM300,000, payable in cash monthly in advance. SCMCB has paid RM1,200,000 as deposit for rental.
Basis of consideration	:	Based on the market value of the surrounding properties.
Cap	:	The annual cap for the financial year ending 31 March 2009 shall be RM3,600,000, which is calculated with reference to the terms of the rental agreement.

The reasons for and benefits of SCMCB entering into the SCMCB Tenancy Agreement are that SCMCB has been operating from this property since 1966 and has also built its printing plant on an adjoining land. The property is centrally located and easily accessible for its customers, suppliers, newspapers vendors and staff. Its central location and proximity to market centres make it an effective distribution centre for SCMCB's newspapers.

The Board (including the independent non-executive Directors) considers that the terms of the SCMCB Tenancy Agreement were arrived at after arm's length negotiations between the parties with reference to the prevailing market rent of comparable properties in the relevant area, are fair and reasonable, and in the interests of the shareholders as a whole.

## **DEFINITIONS**

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

“Board”	the board of directors of the Company
“Bursa Securities”	Bursa Malaysia Securities Berhad (Malaysia Company No. 635998-W)
“cap”	the maximum aggregate annual value in respect of a continuing connected transaction, set by the Company in accordance with Rule 14A.35(2) of the Listing Rules
“Company”	Media Chinese International Limited, an exempted company incorporated in Bermuda with limited liability

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Group”	the Company and its subsidiaries
“HKEx”	The Stock Exchange of Hong Kong Limited
“Listing Requirements”	the Listing Requirements of Bursa Securities
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Merger”	the merger between the Company, SCM CB and Nanyang, which was completed on 23 April 2008
“Nanyang”	Nanyang Press Holdings Berhad, a company with limited liability incorporated in Malaysia (Malaysia Company No. 3245-K)
“Nanyang Shareholders”	prior to the Merger, the then holders of Nanyang shares
“RHE”	Rimbunan Hijau Estate Sdn Bhd, a company with limited liability incorporated in Malaysia (Malaysia Company No. 153596-K)
“RM”	Ringgit Malaysia, the lawful currency of Malaysia
“SCM CB”	Sin Chew Media Corporation Berhad, a company with limited liability incorporated in Malaysia (Malaysia Company No. 98702-V)
“SCM CB RRPTs”	SCM CB’s recurrent related party transactions, as defined under the Listing Requirements
“SCM CB Shareholders”	prior to the Merger, the then holders of SCM CB shares
“SCM CB Tenancy Agreement”	the tenancy agreement dated 13 August 2007 entered into by SCM CB as tenant and RHE as landlord
“TTSH”	Tiong Toh Siong Holdings Sdn Bhd, a company with limited liability incorporated in Malaysia (Malaysia Company No. 105159-U)

By order of the Board  
**Media Chinese International Limited**  
**Tiong Kiew Chiong**  
*Director*

10 July 2008

*As at the date of this announcement, the Board comprises Tan Sri Datuk Tiong Hiew King, Mr Tiong Kiu King, Dr Tiong Ik King, Dato’ Leong Khee Seong, Mr Tiong Kiew Chiong, Ms Siew Nyoke Chow and Ms Sim Sai Hoon, being executive Directors; Mr Leong Chew Meng, being non-executive Director; and Mr David Yu Hon To, Mr Victor Yang, Tan Sri Dato’ Lau Yin Pin and Temenggong Datuk Kenneth Kanyan Anak Temenggong Koh being independent non-executive Directors.*