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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)

### **ANNOUNCEMENT**

### **CONNECTED TRANSACTION**

#### **LAND ACQUISITION AGREEMENT**

The Board is pleased to announce that on 14 July 2008, the Purchaser, a wholly-owned subsidiary of the Company, entered into the Land Acquisition Agreement with the Vendor, pursuant to which the Purchaser conditionally agreed to acquire from the Vendor the Land for a consideration of RM46,000,000 (equivalent to HK\$110,698,000).

The Board believes that by combining the Land proposed to be acquired under the Land Acquisition Agreement with the land currently owned by the Purchaser (which is adjacent to the Land), the value of both may be enhanced and the said land will be unlocked for re-development purposes in the future. Further, the Land is easily accessible and is centrally located in the prime area of Petaling Jaya in the state of Selangor, Malaysia, and as such functions as an effective distribution centre for the publications of the Purchaser.

#### **IMPLICATIONS UNDER THE LISTING RULES/LISTING REQUIREMENTS**

As the Vendor is a connected person of the Company and since the relevant percentage ratios calculated under Chapter 14A of the Listing Rules in respect of the Land Acquisition are more than 2.5% and the consideration exceeds HK\$10 million, the Land Acquisition constitutes a non-exempt connected transaction and is subject to reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Pursuant to Paragraph 10.08 of the Listing Requirements and in view of the interest of certain Directors and major shareholders of the Company, the Land Acquisition constitutes a related party transaction under the Listing Requirements.

Accordingly, the Board has on 3 July 2008 appointed OSK Investment Bank Berhad in Malaysia and OSK Asia Capital Limited in Hong Kong as the independent financial advisors to the non-interested Directors/independent board committee and Independent Shareholders in respect of the Land Acquisition.

## LAND ACQUISITION AGREEMENT

### Date

14 July 2008

### Parties

Vendor : Rimbunan Hijau Estate Sdn Bhd

Purchaser : Sin Chew Media Corporation Berhad

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

TSTHK and Dr Tiong Ik King are both interested in the shares of the Vendor, and therefore interested in the Land Acquisition. Mr Tiong Kiu King is a brother to both TSTHK and Dr Tiong Ik King, and is therefore deemed interested in the Land Acquisition. TSTHK, Dr Tiong Ik King and Mr Tiong Kiu King (the “**Interested Directors**”) have abstained and will continue to abstain from all Board deliberations and voting pertaining to the Land Acquisition.

In compliance with the Listing Requirements, the following table describes the direct and indirect shareholdings (as calculated under the Listing Requirements) in the Company and/or in the Vendor as at 4 July 2008, of the Interested Directors and Shareholders with a material interest in the Land Acquisition (the “**Interested Shareholders**”):

	Shareholding in the Company				Shareholding in the Vendor			
	Direct	%	Indirect*	%	Direct	%	Indirect*	%
<b>Interested Directors</b>								
TSTHK	86,509,058	5.13	798,678,690 <sup>(1)</sup>	47.40	570,000	5.70	8,500,000 <sup>(2)</sup>	85.00
TSTHK's spouse	134,566	0.01	–	–	–	–	–	–
Tiong Kiu King	2,454,559	0.15	–	–	–	–	–	–
Tiong Kiu King's spouse	147,000	0.01	–	–	–	–	–	–
Tiong Ik King	9,406,189	0.56	252,487,700	14.98	300,000	3.00	–	–
<b>Other Directors</b>								
Tiong Kiew Chiong	5,088,783	0.30	–	–	–	–	–	–
Siew Nyoke Chow	2,523,472	0.15	–	–	–	–	–	–
Temenggong Datuk Kenneth Kanyan Anak Temenggong Koh	135,925	0.01	–	–	–	–	–	–
<b>Interested Shareholders</b>								
TTSH	326,663,556	19.39	–	–	4,000,000	40.00	–	–
Teck Sing Lik								
Enterprise Sdn Bhd <sup>(3)</sup>	65,319,186	3.88	–	–	–	–	–	–
Ezywood Options Sdn Bhd <sup>(3)</sup>	75,617,495	4.49	–	–	–	–	–	–
Pertumbuhan Abadi Asia Sdn Bhd <sup>(3)</sup>	1,902,432	0.11	74,944,004	4.45	–	–	4,500,000 <sup>(6)</sup>	45.00
Rimbunan Hijau (Sarawak) Sdn Bhd <sup>(3)</sup>	15,536,696	0.92	–	–	200,000	2.00	–	–
Rimbunan Hijau Southeast Asia Sdn Bhd <sup>(3)</sup>	6,532,188	0.39	–	–	4,300,000	43.00	–	–
Madigreen Sdn Bhd <sup>(3)</sup>	52,875,120	3.14	–	–	–	–	–	–
Conch Company Limited <sup>(3)</sup>	252,487,700	14.98	–	–	–	–	–	–
Seaview Global Company Limited <sup>(3)</sup>	–	–	252,487,700	14.98	–	–	–	–
Tiong Toh Siong Enterprises Sdn Bhd <sup>(3)</sup>	1,744,317	0.10	–	–	–	–	–	–
Interest of persons connected to Interested Directors <sup>(4)</sup>	28,529,534	1.69	–	–	630,000	6.30	–	–
<b>Substantial Shareholders<sup>(5)</sup></b>								
Zaman Pemimpin Sdn Bhd Sharifah Rokayah Binti Wan Othman	154,219,783	9.15	–	–	–	–	–	–
Salleh Bin Delamid	353	–	154,219,783	9.15	–	–	–	–
	–	–	154,219,783	9.15	–	–	–	–
<b>Directors of Subsidiaries</b>	1,313,686	0.08	–	–	–	–	–	–
<b>Public</b>								
Shareholders with less than 100 shares	10,269	–	–	–	–	–	–	–
Public shareholders	595,798,374	35.36	–	–	–	–	–	–
<b>Total</b>	<u>1,684,950,241</u>	<u>100.00</u>			<u>10,000,000</u>	<u>100.00</u>		

\* as calculated under Listing Requirements

*Notes:*

- (1) Deemed interested by virtue of his interests in TTSH, Teck Sing Lik Enterprise Sdn Bhd, Ezywood Options Sdn Bhd, Pertumbuhan Abadi Asia Sdn Bhd, Rimbunan Hijau (Sarawak) Sdn Bhd, Rimbunan Hijau Southeast Asia Sdn Bhd, Madigreen Sdn Bhd, Conch Company Limited, Seaview Global Company Limited and Tiong Toh Siong Enterprises Sdn Bhd.
- (2) Deemed interested by virtue of his interests in TTSH, Rimbunan Hijau (Sarawak) Sdn Bhd and Rimbunan Hijau Southeast Asia Sdn Bhd.
- (3) These Shareholders are Interested Shareholders by virtue of their being associates of TSTHK and/or Tiong Ik King.
- (4) These Shareholders are the associates of the Interested Directors.
- (5) The substantial shareholders of the Company do not have any material interest in the Land Acquisition and therefore do not have to abstain from voting.
- (6) Deemed interested by virtue of its interests in Rimbunan Hijau (Sarawak) Sdn Bhd and Rimbunan Hijau Southeast Asia Sdn Bhd.

The Interested Directors and Interested Shareholders will abstain, and have undertaken to the Board to ensure their associates will abstain, from voting in respect of their direct and/or indirect shareholdings in the Company on the resolution in relation to the Land Acquisition to be tabled at the general meeting to be convened in order to seek the approval of the Independent Shareholders.

Save as disclosed above, none of the other Directors or substantial shareholders of the Company, or their respective associates, has any interest, direct or indirect, in the Land Acquisition.

The Purchaser is a wholly-owned subsidiary of the Company.

There were no prior transactions between the Group and the Vendor which requires aggregation under Rule 14A.25 of the Listing Rules.

### **Land Acquisition**

Pursuant to the Land Acquisition Agreement, the Vendor agreed to sell, and the Purchaser agreed to acquire the Land free from all liens, charges or encumbrances and with full legal and beneficial title and all rights attaching thereto, and with vacant possession for industrial use.

The Company will not assume any liabilities from the proposed Land Acquisition.

## Consideration

The total consideration is RM46,000,000 (equivalent to HK\$110,698,000) (the “**Consideration**”), of which 10% (the “**Deposit**”) is payable in cash upon signing the Land Acquisition Agreement, and the balance of 90% (the “**Balance Purchase Price**”) is payable in cash not later than 3 months from the date on which the Land Acquisition Agreement becomes unconditional, with an automatic extension of 30 days from such date, subject to payment of interest at the rate of 8% per annum on the amount representing the 90% of the Consideration.

The Consideration will be satisfied by the Purchaser entirely by cash, via internally generated funds.

The Consideration was arrived at after arm’s length negotiations, on a “willing buyer willing seller” basis, between the Vendor and the Purchaser with reference to the valuation on the Land of RM46,000,000 (equivalent to HK\$110,698,000) as of 26 June 2008 conducted by an independent property valuer, Knight Frank, based on the appraisal undertaken by the said valuer using the comparison, investment and cost methods in order to derive the open market value.

The Vendor originally purchased the Land under a sale and purchase agreement dated 6 April 1988 between Sin Poh (Star News) Amalgamated (M) Sdn Bhd (in Receivership) and the Vendor for the consideration of RM4,747,000 (equivalent to HK\$11,423,552). As of 31 March 2008, the net book value of the Land on the balance sheet of the Vendor was RM20,018,861.67 (equivalent to HK\$48,174,955).

## Salient terms of the Land Acquisition Agreement

1. The Vendor will deliver vacant possession of the Land to the Purchaser on the date of full payment of the Balance Purchase Price and interest (if applicable) (the “**Completion Date**”). However, the Vendor shall be under no obligation to deliver vacant possession of the Land if the Purchaser enters into a new tenancy agreement with the existing tenant of part of the Land, Optical Communication Engineering Sdn Bhd (“**OCE**”), prior to the Completion Date in respect of such part of the Land upon terms mutually agreed upon between the Purchaser and OCE.
2. In the event that the Purchaser:–
  - (a) fails to pay the Balance Purchase Price in accordance with the provisions of the Land Acquisition Agreement; or
  - (b) fails to observe or perform or otherwise be in breach of any of the material provisions of the Land Acquisition Agreement or the material warranties and representations or the instrument of transfer is not accepted or is rejected for registration or is not registered for any reason whatsoever due to the default, willful neglect, omission or blameworthy conduct on the part of the Purchaser, and such failure or breach or reason for non-registration is not remedied by the Purchaser within fourteen (14) days after the Vendor has given written notice to the Purchaser to remedy such failure or breach;

and provided that the Vendor is not in breach of any of the provisions of the Land Acquisition Agreement, the Vendor will be entitled, at the cost and expense of the Purchaser, and at the Vendor's sole discretion to terminate the Land Acquisition Agreement at any time by giving a written notice to the Purchaser.

3. Upon termination, the Vendor is entitled to forfeit the Deposit as agreed liquidated damages whereupon the Purchaser must, at the Purchaser's own cost and expense, within fourteen (14) days from the date of receiving the termination notice from the Vendor:–

- (a) immediately remove all encumbrances and caveats, if any, on the Land attributable to the Purchaser; and
- (b) return to the Vendor all documents delivered by the Vendor to the Purchaser and/or the Purchaser's solicitors under the provisions of the Land Acquisition Agreement with the Vendor's interest in the Land remaining intact;

in exchange for the refund by the Vendor to the Purchaser of all moneys (save and except for the Deposit) paid towards account of the Consideration without any interest being payable whereupon the Land Acquisition Agreement will terminate and cease to be of any further effect.

4. In the event that:–

- (a) the Vendor fails to observe or perform or otherwise is in breach of any of the material provision of the Land Acquisition Agreement; or
- (b) any of the material representations or warranties of the Vendor is incorrect or inaccurate or misleading in any respect; or
- (c) the instrument of transfer is not accepted or is rejected for registration or is not registered for any reason whatsoever due to the default, wilful neglect, omission or blameworthy conduct on the part of the Vendor,

and such failure or breach or reason for non-registration is not remedied by the Vendor within fourteen (14) days after the Purchaser has given written notice to the Vendor to remedy such failure or breach, provided always that the Purchaser is not in breach of any provision of the Land Acquisition Agreement, the Purchaser will be entitled, at the cost and expense of the Vendor, and at the Purchaser's sole discretion to the following remedies:–

- (i) to the remedy of specific performance of the Land Acquisition Agreement against the Vendor;  
or

(ii) to terminate the Land Acquisition Agreement at any time by giving a written notice to the Vendor and upon such termination, the Vendor must within fourteen (14) days from the date of receiving the termination notice refund or caused to be refunded to the Purchaser all moneys including the Deposit paid towards account of the Consideration without any interest being payable together with a further sum equivalent to the Deposit as agreed liquidated damages in exchange for:-

(aa) the immediate removal of all encumbrances and caveats, if any, on the Land attributable to the Purchaser; and

(bb) the return to the Vendor of all documents delivered by the Vendor to the Purchaser and/or the Purchaser's solicitors under the provisions of the Land Acquisition Agreement with the Vendor's interest in the Land remaining intact;

whereupon the Land Acquisition Agreement will terminate and cease to be of any further effect.

5. In the event that the instrument of transfer is not accepted or is rejected for registration or is not registered for any reason whatsoever, save and except where there is any default, wilful neglect, omission or blameworthy conduct on the part of any party, each party will use its best endeavours:-

(a) to ascertain the cause or reason for such non-acceptance or rejection or non-registration, as the case may be;

(b) to rectify, remedy and/or overcome such cause or reason; and

(c) to cause the instrument of transfer to be accepted for registration and/or registered;

and in the event that such cause or reason cannot be or is not rectified, remedied and/or overcome within a period of two (2) weeks from the date of such non-acceptance or rejection or non-registration is made known to the Purchaser, or such other extended period as may be agreed by the Purchaser, a termination event will occur where the Purchaser may elect to terminate the Land Acquisition Agreement in accordance with paragraph 6 below.

6. Upon the Purchaser electing to terminate the Land Acquisition Agreement, the Purchaser will at the Purchaser's own cost and expense:-

(a) remove all encumbrances and/or caveat, if any, on the Land attributable to the Purchaser; and

(b) return to the Vendor all documents delivered by the Vendor to the Purchaser and/or the Purchaser's solicitors under the provisions of the Land Acquisition Agreement with the Vendor's interest in the Land remaining intact;

in exchange for the refund by the Vendor to the Purchaser of all moneys paid towards account of the Consideration (including the Deposit) without interest, which refund must in any event be made within fourteen (14) days from the date of the Purchaser electing to terminate the Land Acquisition Agreement whereupon the Land Acquisition Agreement shall terminate and cease to be of any further effect.

7. It is mutually agreed by the parties that risk to the Land will only pass to the Purchaser on the date of delivery of vacant possession of the Land by the Vendor.
8. In the event that the Land or any part of it is at any time before the Completion Date damaged or destroyed by fire or any other causes and has not been repaired or is not under repair by the Vendor so that it is reinstated to its previous state and condition, then the Purchaser will be entitled to terminate the Land Acquisition Agreement by giving notice in writing to that effect to the Vendor.
9. All quit rent, rates, assessments, service charges and other outgoings payable in respect of the Land will be apportioned between the parties as at the Completion Date provided always that the Vendor indemnifies the Purchaser against any non-payment, loss or penalty which may be imposed by the relevant authority in respect of any late or non-payment of such payments for the period prior to the Completion Date.

### **Approvals required**

Completion is conditional upon:–

1. the approval of the Malaysia Foreign Investment Committee to be obtained by the Purchaser for the acquisition of the Land;
2. the approval of the shareholders of the Purchaser being obtained for the acquisition of the Land from the Vendor; and
3. the approval of the Independent Shareholders at a general meeting in accordance with Chapter 14A of the Listing Rules.

The above-mentioned conditions (1) to (3) must be obtained within 6 months from the date of the Land Acquisition Agreement.

### **Estimated timeframe for completion**

Subject to fulfilment of all the condition precedents as set out in the Land Acquisition Agreement, the Land Acquisition is expected to be completed by the first quarter of 2009.



## **Reasons for and benefits of the Land Acquisition**

At the moment, the Purchaser has a tenancy agreement with the Vendor for the Land. The monthly rental is RM300,000 (equivalent to HK\$721,943) for a term of 3 years commencing from 2 March 2007, with an option to extend for a further 3 years. After the completion of the Land Acquisition, the Board believes that the Company will have a saving in rental expenses of RM3,600,000 (equivalent to HK\$8,663,322) per year.

The Purchaser has been operating from the Land since 1966 and has also built its printing plant on land adjoining the Land. The Land is easily accessible and is centrally located in the prime area of Petaling Jaya in the state of Selangor, Malaysia, and as such functions as an effective distribution centre for the Purchaser's publications. In the newspaper industry where the speed of delivering its products is crucial, securing property located in the vicinity of market centres would then be an asset to the Purchaser's business as it facilitates expedient delivery of its products to its customers.

## **Prospects of the Land**

One of the Company's strategies is to create synergy by consolidating the resources and to unlock the intrinsic value of the Group's assets. As such, the Board is of the opinion that the Land Acquisition is in line with the Company's business strategies and is expected to enhance the business operations of the Company. The Land is adjacent to the piece of land currently owned by the Purchaser and there is a possibility for the Company to unlock the value of this asset through re-development of the combined land in the future. At the moment, no re-development plan has been concluded.

## **Risk factors**

The Board is not aware and does not foresee any material risk associated directly with the Land Acquisition other than the general risks associated with the global economy, inflation and interest rate which may affect the financial and operating conditions of the Group.

## **Financial effects**

### *Share Capital and Substantial Shareholders*

The Land Acquisition will not have any effect on the issued and paid up share capital nor on any shareholdings of the Shareholders for the financial year ending 31 March 2009, as the Land Acquisition does not involve any issuance of Shares.

### *Earnings and net assets*

The Land Acquisition will not have any material effect on the consolidated earnings and consolidated net assets per Share for the financial year ending 31 March 2009.

The Directors are confident that the Land Acquisition will contribute to the long term future earnings of the Group.

## *Gearing*

The Land Acquisition is not expected to have any material impact on the gearing position of the Group for the financial year ending 31 March 2009, as it will be funded by internally generated funds.

### **Information on the Group**

The Group is a leading global Chinese-language media group dually listed on the main boards of The Stock Exchange of Hong Kong Limited (Stock Code: 685) and Bursa Securities (Stock Code: 5090). The Group was formed by the successful merger of the Company (formerly known as Ming Pao Enterprise Corporation Limited), the Purchaser 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.

### **Information on the Vendor**

The Vendor is a company with limited liability incorporated in Malaysia on 29 May 1986 under the Malaysian Companies Act, 1965. The authorised share capital of the Vendor is RM25,000,000 comprising 25,000,000 ordinary shares of RM1.00 each and the issued and fully paid-up share capital is RM10,000,000 comprising 10,000,000 ordinary shares of RM1.00 each.

The principal activity of the Vendor is letting of properties and equipment, and provision of property management and services to tenants.

### **Information on the Purchaser**

The Purchaser is a wholly-owned subsidiary of the Company and is a company with limited liability incorporated in Malaysia under the name of Pemandangan Sinar Sdn Bhd on 15 March 1983 under the Malaysian Companies Act, 1965. On 8 March 2004, it was converted into a public limited company and on 7 May 2004, it changed its name to Sin Chew Media Corporation Berhad. The Purchaser was listed on the main board of Bursa Securities on 18 October 2004 and was removed from the Official List of Bursa Securities following the completion of the merger amongst the Company, the Purchaser and Nanyang Press Holdings Berhad on 30 April 2008.

The authorised share capital of the Purchaser is RM250,000,000 comprising 500,000,000 ordinary shares of RM0.50 each and the issued and fully paid-up share capital is RM151,000,000 comprising 302,000,000 ordinary shares of RM0.50 each.

The principal activities of the Purchaser are investment holding, the publishing, printing and distribution of the newspaper “Sin Chew Daily”, printing of newspapers for other publishers and distribution of magazines.

## **Statement by Directors**

Save for the Interested Directors and the independent non-executive Directors, the Directors consider that the Land Acquisition Agreement has been entered into in the ordinary and usual course of business after arm's length negotiations, on normal commercial terms which are fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

## **Departure from Guidelines**

The Land Acquisition has not departed from the Guidelines on the Offering of Equity and Equity-linked Securities issued by the Malaysia Securities Commission.

## **IMPLICATIONS UNDER THE LISTING RULES/LISTING REQUIREMENTS**

As the Vendor is a connected person of the Company and since the relevant percentage ratios calculated under Chapter 14A of the Listing Rules in respect of the Land Acquisition are more than 2.5% and the consideration exceeds HK\$10 million, the Land Acquisition constitutes a non-exempt connected transaction and is subject to reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Pursuant to Paragraph 10.08 of the Listing Requirements and in view of the interest of certain Directors and major shareholders of the Company, the Land Acquisition constitutes a related party transaction under the Listing Requirements.

Accordingly, the Board has on 3 July 2008 appointed OSK Investment Bank Berhad in Malaysia and OSK Asia Capital Limited in Hong Kong as independent financial advisors to the non-interested Directors/independent board committee and Independent Shareholders in respect of the Land Acquisition.

Upon completion of the Land Acquisition, the existing tenancy agreement between the Vendor as landlord and the Purchaser as tenant will be terminated, and hence it will no longer constitute a continuing connected transaction of the Company.

## **GENERAL**

An independent board committee comprising all the independent non-executive Directors has been established to consider the terms of the Land Acquisition Agreement.

A general meeting will be convened in order to seek Independent Shareholders' approval of the Land Acquisition. A circular containing, inter alia, (i) further details of the Land Acquisition Agreement; (ii) the recommendation of the independent board committee; (iii) the advice of the independent financial advisors to the independent board committee and the Independent Shareholders; and (iv) an independent valuation certificate of the Land will be despatched to the Shareholders as soon as practicable.

A copy of the Land Acquisition Agreement and the valuation report on the Land are available for inspection at the following offices of the Company during normal office hours from Monday to Friday (except public holidays) for a period from the date of the circular being despatched to the date of the general meeting to be convened in order to seek Independent Shareholders' approval of the Land Acquisition:–

*Registered Office in Malaysia*

10th Floor, Wisma Havela Thakardas  
No.1, Jalan Tiong Nam  
Off Jalan Raja Laut  
50350 Kuala Lumpur  
Malaysia

*Head Office and principal place of business in Hong Kong*

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

**DEFINITIONS USED IN THIS ANNOUNCEMENT**

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

“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“Bursa Securities”	Bursa Malaysia Securities Berhad (Malaysia Company No. 635998-W)
“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
“Director”	a director of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Independent Shareholder”	any Shareholder other than TSTHK, Tiong Kiu King, Tiong Ik King, TTSH, Rimbunan Hijau (Sarawak) Sdn Bhd, Rimbunan Hijau Southeast Asia Sdn Bhd, Pertumbuhan Abadi Asia Sdn Bhd and their associates and any Shareholder and its associates which has a material interest in the Land Acquisition

“Land”	<p>the land measuring approximately 16,271.52 square metres together with the following buildings:</p> <p>(a) a single storey factory with an annexed double storey office building (approximately 18 years), a six storey office building with three basement levels and ancillary buildings (approximately 10 years); and</p> <p>(b) a single storey factory with an annexed double storey office building, a single storey warehouse and ancillary buildings (all approximately 16 years),</p> <p>held under leasehold title known as PN 3694, Lot No. 50, Seksyen 13, Bandar Petaling Jaya, Daerah Petaling State of Selangor Darul Ehsan bearing address known as No. 19, Jalan Semangat, 46200 Petaling Jaya, Malaysia. The leasehold tenure of 99 years commencing from 25 November 1960 and expiring on 24 November 2059. The Land is currently charged to United Malayan Banking Corporation Berhad. The land has a net lettable/gross floor area of 15,133.50 square metres of which approximately 81% is occupied by the Purchaser, 13% by OCE and the balance for ancillary facilities. The current income from the net lettable/gross floor area is RM3,667,320 (equivalent to HK\$8,825,326)</p>
“Land Acquisition”	the acquisition of the Land pursuant to the Land Acquisition Agreement
“Land Acquisition Agreement”	the agreement dated 14 July 2008 signed between the Vendor and the Purchaser in relation to the Land Acquisition
“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
“major shareholder”	<p>has the meaning ascribed to it under the Listing Requirements, which means a person who has 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) equal to or more than 10% of the aggregate of the nominal amounts of all voting shares in the company; or</p> <p>(b) equal to or more than 5% of the aggregate of the nominal amounts of all voting shares in the company where such person is the largest shareholder of the company</p>

“Purchaser”	Sin Chew Media Corporation Berhad, a company with limited liability incorporated in Malaysia (Malaysia Company No. 98702-V)
“RM”	Ringgit Malaysia, the lawful currency of Malaysia
“Share(s)”	the ordinary share(s) in the capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules, which, 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
“TSTHK”	Tan Sri Datuk Diong Hiew King @ Tiong Hiew King
“TTSH”	Tiong Toh Siong Holdings Sdn Bhd, a company with limited liability incorporated in Malaysia (Malaysia Company No. 105159-U)
“Vendor”	Rimbunan Hijau Estate Sdn Bhd, a company with limited liability incorporated in Malaysia (Malaysian Company No. 153596-K)

Sums in this announcement expressed in RM have been translated into HK\$ at the rate of RM0.415545 = HK\$1.00 (representing the middle exchange rate at 5:00 p.m. on 11 July 2008 as quoted by Bank Negara Malaysia).

No representation is made that any amounts in RM could have been or could be converted at the above rates or at any other rates or at all.

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

14 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.*