
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, stockbroker, bank manager, solicitor, accountant or other professional advisor immediately.

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

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this circular, 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 circular.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, 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 circular.

Part B of this circular is prescribed as an Exempt Circular pursuant to paragraph 2.1(f) of Practice Note No. 18/2005 of the Listing Requirements of Bursa Malaysia Securities Berhad, and does not require its perusal. Accordingly, Bursa Malaysia Securities Berhad has not perused the contents of Part B of this circular.



MEDIA CHINESE INTERNATIONAL LIMITED

(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 THE

PART A

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

PART B

PROPOSED SHARE BUY-BACK MANDATE, PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES AND RE-ELECTION OF DIRECTORS

Notice of the Eighteenth Annual General Meeting of Media Chinese International Limited (the "Company") to be held at (i) Nanyang Siang Pau Building, Ground Floor, No. 1, Jalan SS 7/2, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia; and (ii) Annapurna Room, Pacific Place Conference Centre, Level 5, One Pacific Place, 88 Queensway, Hong Kong on Wednesday, 27 August 2008 at 10:00 a.m. together with a proxy form are enclosed together with the Annual Report 2008.

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 G-01, Ground Floor, Plaza Permata, Jalan Kampar off Jalan Tun Razak, 50400 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.

Last date and time for lodging the Proxy Form : 25 August 2008 at 10:00 a.m.
Date and time of the Annual General Meeting : 27 August 2008 at 10:00 a.m.

This circular is dated 31 July 2008

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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 2008”	the annual report of the Company for the financial year ended 31 March 2008
“Audit Committee”	the audit committee of the Board, comprising all non-executive Directors, namely Mr David Yu Hon To, Mr Victor Yang, Tan Sri Dato’ Lau Yin Pin, Temenggong Datuk Kenneth Kanyan Anak Temenggong Koh and Mr Leong Chew Meng
“Board”	the board of Directors of the Company
“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
“Company”	Media Chinese International Limited (Malaysia Company No. 995098-A) (formerly known as Ming Pao Enterprise Corporation Limited), 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
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company; or in relation to companies incorporated in Malaysia, “director(s)” shall have the meaning given in Section 4 of the Act and 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)
“Ezywood”	Ezywood Options Sdn Bhd (Malaysia Company No. 604068-X)
“GMRSB”	Guang-Ming Ribao Sdn Bhd (Malaysia Company No. 129555-W)
“Group”	the Company and its subsidiaries

DEFINITIONS

“HKEx”	The Stock Exchange of Hong Kong Limited
“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
“Latest Practicable Date”	16 July 2008, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Requirements”	Listing Requirements of Bursa Securities
“Listing Rules”	The Rules Governing the Listing of Securities in The Stock Exchange of Hong Kong Limited
“Madigreen”	Madigreen Sdn Bhd (Malaysia Company No. 305806-M)
“major shareholder”	<p>as defined under the Listing Requirements, a person who has (which includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon) an interest or interests in one or more voting shares in a company and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is</p> <ul style="list-style-type: none">(a) equal to or more than 10% of the aggregate of the nominal amounts of all the voting shares in the company; or(b) equal to or more than 5% of the aggregate of the nominal amounts of all the voting shares in the company where such person is the largest shareholder of the Company. <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
“MCSB”	Media Communications Sdn Bhd (Malaysia Company No. 80011-A)
“MNI”	Malaysian Newsprint Industries Sdn Bhd (Malaysia Company No. 28382-H)
“MPSB”	Mulu Press Sdn Bhd (Malaysia Company No. 137647-P)
“Nanyang”	Nanyang Press Holdings Berhad (Malaysia Company No. 3245-K)

DEFINITIONS

“Nanyang Group”	Nanyang and its subsidiary companies, the wholly-owned subsidiaries of the Company
“NSP”	Nanyang Siang Pau Sdn Bhd (Malaysia Company No. 6164-V)
“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">(a) a member of the Director’s or Major Shareholder’s family;(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 member of the Director’s or Major Shareholder’s family is the sole beneficiary;(c) a partner of the Director, Major Shareholder or a partner of a person connected with that Director or Major Shareholder;(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;(e) a person in accordance with whose directions, instructions or wishes the Director or Major Shareholder is accustomed or under an obligation, whether formal or informal, to act;(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;(g) a body corporate or its Directors whose directions, instructions or wishes the Director or Major Shareholder is accustomed or 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

DEFINITIONS

	(i) a body corporate which is a related corporation.
“PHSB”	Pacific Hijau Sdn Bhd (Malaysia Company No. 105483-K)
“Proposed Shareholders’ Ratification and Mandate”	the proposed shareholders’ ratification and 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
“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)
“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)
“RHS”	Rimbunan Hijau (Sarawak) Sdn Bhd (Malaysia Company No. 487227-D)
“RHSA”	Rimbunan Hijau Southeast Asia Sdn Bhd (Malaysia Company No. 487223-W)
“RHTT”	R. H. Tours & Travel Agency Sdn Bhd (Malaysia Company No. 156321-W)
“RRPT”	as defined under the Listing Requirements, recurrent related party transactions of a revenue or trading nature which are necessary for the Group’s day-to-day operations and are in the ordinary course of business of the Group
“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 share capital of the Company as at the date of passing the Share Buy-Back Resolution

DEFINITIONS

“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
“SOS”	the share option scheme 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
“TCP”	The China Press Berhad (Malaysia Company No. 1508-X)
“TSL”	Teck Sing Lik Enterprise Sdn Bhd (Malaysia Company No. 057850-M)
“TSTHK”	Tan Sri Datuk Diong Hiew King @ Tiong Hiew King
“TTS&S”	Tiong Toh Siong & Sons Sendirian Berhad (Malaysia Company No. 18223-P)
“TTSE”	Tiong Toh Siong Enterprises Sdn Bhd (Malaysia Company No. 178305-K)
“TTSH”	Tiong Toh Siong Holdings Sdn Bhd (Malaysia Company No. 105159-U)
“%”	per cent

Currencies:

“HKD” or “HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“RM” and “sen”	Ringgit Malaysia and sen respectively, the lawful currency of Malaysia
“USD” or “US\$”	United States dollar(s), the lawful currency of the United States of America

Notes:

In this circular, unless otherwise stated, certain amounts denominated in RM have been converted (for information only) into HK\$ using an exchange rate of RM1.00 = HK\$2.4160 (or vice versa) or into US\$ using an exchange rate of US\$1.00 = RM3.2280. Such conversion(s) shall not be construed as a representation that amounts of RM were or may have been converted into HK\$ or US\$, or vice versa (as the case may be) using such exchange rate or any other.

Some numbers in this circular have been rounded. As a result, totals may not add up to exactly 100%.

PART A

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

PART A: LETTER FROM THE BOARD



MEDIA CHINESE INTERNATIONAL LIMITED

(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 Tiong Hiew King (*Executive Chairman*)

Mr Tiong Kiu King

Dr Tiong Ik King

Dato' Leong Khee Seong

Mr Tiong Kiew Chiong (*Group CEO*)

Ms Siew Nyoke Chow

Ms Sim Sai Hoon

NON-EXECUTIVE DIRECTOR

Mr Leong Chew Meng

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr David Yu Hon To

Mr Victor Yang

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

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

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

31 July 2008

To: The Shareholders

Dear Sir/Madam

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

1 INTRODUCTION

On 16 July 2008, the Board announced that it proposes to seek Shareholders' approvals for the Proposed Shareholders' Ratification and Mandate and to set out the Board's recommendation thereon.

PART A: LETTER FROM THE BOARD

The Company made an application to Bursa Securities on 22 April 2008 for an extension of time for the Company to obtain Shareholders' mandate from the date of listing of the Company on Bursa Securities (i.e. 30 April 2008) to the date of the forthcoming AGM or special general meeting, whichever is held earlier. The extension of time was granted by Bursa Securities on 25 April 2008.

The purpose of this circular is to provide you with details of the Proposed Shareholders' Ratification and Mandate and to seek your approval for the ordinary resolution to be tabled at the forthcoming AGM. The notice of the AGM together with the proxy form are enclosed in the Annual Report 2008 which is despatched along with this circular.

2 DETAILS OF THE PROPOSED SHAREHOLDERS' RATIFICATION AND MANDATE

2.1 The Listing Requirements

Pursuant to paragraph 10.09(1) of the Listing Requirements, a listed issuer may seek shareholders' mandate in respect of recurrent related party transactions which of a revenue or trading nature 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 exceeds the applicable prescribed threshold under paragraph 2.1 of Practice Note No. 12/2001 pursuant to the Listing Requirements as follows:
 - a) the consideration, value of the assets, capital outlay or costs of the recurrent transactions is equal to or exceeds RM1,000,000; or
 - b) any one of the percentage ratios of such aggregated transactions is equal to or exceeds 1%,

whichever is higher;

- (iii) the issuance of a circular to shareholders by a listed issuer containing the information as specified in the Listing Requirements; and
- (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 approving 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.

PART A: LETTER FROM THE BOARD

In compliance with paragraph 10.09 of the Listing Requirements, the Board now proposes to seek the approval of Shareholders for the Proposed Shareholders' Ratification and Mandate.

2.2 Validity Period of the Proposed Shareholders' Ratification and Mandate

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

- a) the conclusion of the next AGM of the Company following the forthcoming Eighteenth AGM at which time the Proposed Shareholders' Ratification and Mandate is approved, at which time it will lapse, unless by ordinary resolution passed at the general meeting, the authority is renewed;
- 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 a general meeting,

whichever is earlier.

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

2.3 Principal Activities of the Group

The Group is principally engaged in the following core of businesses while the principal activities of its subsidiaries are set out in Appendix II:

- a) Publishing and printing of newspapers, books and magazines
- b) Internet related businesses
- c) Travel and travel related businesses
- d) Investment holding

PART A: LETTER FROM THE BOARD

2.4 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' Ratification and Mandate are detailed as below.

Related Party	Principal Activities	Nature of Transaction	Amount to be Ratified (from 30-4-2008 to 27-8-2008)		Estimated Amount from 28-8-2008 to date of next AGM, tentatively scheduled on 30-9-2009		Transacting Party	Nature of Interest
			RM'000	US\$'000	RM'000	US\$'000		
			MNI	Manufacture and sales of newsprint	(i) Purchase of newsprint	68,000		
		(ii) Disposal of scraps	-	-	4,950	1,533		(a) RHDC; and (b) RHE.
								TSTHK is both a major shareholder and director of the Company, TTSH and TSL; and a major shareholder of RHE and RHDC. He is a director of SCMCB.
								Dr Tiong Ik King is a director and major shareholder of the Company and TTSH. He is (pursuant to the Act) a substantial shareholder of RHDC.
								TSL is a major shareholder of TTSH and RHDC, and a shareholder of the Company.
RHE	Letting of properties and equipments and provision of management and services to tenants	SCMCB's tenancy for land and building on the land known as PN 3694, Lot 50, Seksyen 13, Bandar Petaling Jaya, Daerah Petaling Jaya, Malaysia from RHE as landlord at a monthly rental of RM300,000	1,200	372	3,900	1,208	SCMCB	TTSH is a major shareholder of both the Company and RHE. RHSA is a major shareholder of RHE and a shareholder of the Company. TSTHK is both a major shareholder and director of the Company, TTSH, RHSA, PAA and TSL; and a major shareholder of RHE. He is a director of SCMCB. Dr Tiong Ik King is both a major shareholder and director of the Company and TTSH. TSL is a major shareholder of TTSH and a shareholder of the Company. PAA is a major shareholder of RHSA and RHE, and a shareholder of the Company.

PART A: LETTER FROM THE BOARD

Related Party	Principal Activities	Nature of Transaction	Amount to be Ratified				Transacting Party	Nature of Interest
			(from 30-4-2008 to 27-8-2008)		Estimated Amount from 28-8-2008 to date of next AGM, tentatively scheduled on 30-9-2009			
			RM'000	US\$'000	RM'000	US\$'000		
PHSB	Property investment holdings	SCMCB's tenancy of various offices and condominium from PHSB as landlord at a total monthly rental of RM22,970. Please refer to Appendix III (A) for details of the offices and condominium	104	32	390	121	SCMCB	<p>TSTHK is both a major shareholder and director of the Company and PHSB. He is a director of SCMCB.</p> <p>Dr Tiong Ik King is both a director and major shareholder of the Company. He is a shareholder of PHSB.</p>
PHSB	Property investment holdings	GMRSB's tenancy of offices from PHSB as landlord at a total monthly rental of RM1,500. Please refer to Appendix III (B) for details of the offices	11	3	39	12	GMRSB	<p>TSTHK is both a major shareholder and director of the Company and PHSB. He is a director of SCMCB (the holding company of GMRSB).</p> <p>Dr Tiong Ik King is both a director and major shareholder of the Company. He is a shareholder of PHSB.</p>
TTS&S	Timber extraction, equipment rental, investment holding and operations in agriculture businesses	MPSB's tenancy of offices from TTS&S as landlord at a total monthly rental of RM3,800. Please refer to Appendix III (C) for details of the offices	9	3	73	23	MPSB	<p>TTSH is a major shareholder of the Company and is a holding company of TTS&S.</p> <p>TSL is a major shareholder of TTSH and a shareholder of the Company.</p> <p>TSTHK is both a director and major shareholder of the Company, TTSH and TSL. He is also a director of TTS&S and SCMCB (the holding company of MPSB).</p> <p>Dr Tiong Ik King is a director and major shareholder of the Company and TTSH.</p>

PART A: LETTER FROM THE BOARD

Related Party	Principal Activities	Nature of Transaction	Amount to be Ratified		Estimated Amount		Transacting Party	Nature of Interest
			(from 30-4-2008 to 27-8-2008)		from 28-8-2008 to date of next AGM, tentatively scheduled on 30-9-2009			
			RM'000	US\$'000	RM'000	US\$'000		
RHH	Investment holding and trading in computer and providing related services	MPSB's tenancy of office at Lot 235-236, Kemena Commercial Centre, Jalan Tanjung Batu, 97000 Bintulu, Sarawak, Malaysia from RHH as landlord at a monthly rental of RM1,000	4	1	16	5	MPSB	<p>TSL is a major shareholder of TTSH and RHH and a shareholder of the Company.</p> <p>TTSH is a major shareholder of the Company.</p> <p>TSTHK is both a director and major shareholder of the Company, TSL, TTSH and RHH. He is a director of SCMCB.</p> <p>Dr Tiong Ik King is a director and major shareholder of the Company and TTSH. He is also a major shareholder of RHH.</p>
Everfresh Dairy Products Sdn Bhd ("Everfresh")	Investment holdings and general farming	MPSB's tenancy of office at Lot 1054, Block 31, Kemena Commercial Centre, Jalan Tanjung Batu, 97000 Bintulu, Sarawak, Malaysia from Everfresh as landlord at a monthly rental of RM500	-	-	10	3	MPSB	<p>TTSE and TSL are major shareholders of Everfresh and a shareholder of the Company.</p> <p>TSTHK is both a major shareholder and director of Everfresh, TTSE, TSL and the Company.</p> <p>Dr Tiong Ik King is both a major shareholder and director of the Company. He is also a major shareholder of TTSE.</p> <p>TSL is a major shareholder of TTSE and a shareholder of the Company.</p>

PART A: LETTER FROM THE BOARD

Related Party	Principal Activities	Nature of Transaction	Amount to be Ratified				Transacting Party	Nature of Interest
			(from 30-4-2008 to 27-8-2008)		Estimated Amount from 28-8-2008 to date of next AGM, tentatively scheduled on 30-9-2009			
			RM'000	US\$'000	RM'000	US\$'000		
EA	Insurance agent and providing handling services	MPSB purchases motor vehicle insurance from EA	2	1	9	3	MPSB	<p>RHS is a shareholder of the Company and a major shareholder of EA.</p> <p>TTSE is a major shareholder of RHS and a shareholder of the Company.</p> <p>PAA is a major shareholder of RHS and a shareholder of the Company.</p> <p>TSL is a major shareholder of TTSE and RHS and a shareholder of the Company.</p> <p>TSTHK is both a director and major shareholder of the Company, TSL, RHS, PAA and TTSE. He is also a major shareholder of EA and a director of SCMCB.</p> <p>Dr Tiong Ik King is a director and major shareholder of the Company and a major shareholder of TTSE and (pursuant to the Act) a substantial shareholder of EA.</p>
EON Bank Berhad	Provision of banking services	Provision of advertising services to EON Bank Berhad	352	109	-	-	SCMCB Group	<p>EON Capital Berhad is the holding company of EON Bank Berhad.</p> <p>TTSH is a major shareholder of the Company and a shareholder of EON Capital Berhad.</p> <p>RHDC is the major shareholder of EON Capital Berhad.</p> <p>TSTHK is both a major shareholder and director of the Company, RHDC and TTSH. He is a director of SCMCB.</p> <p>Dr Tiong Ik King is both a major shareholder and director of the Company and TTSH. He is also a shareholder and director of EON Capital Berhad.</p>

PART A: LETTER FROM THE BOARD

Related Party	Principal Activities	Nature of Transaction	Amount to be Ratified (from 30-4-2008 to 27-8-2008)		Estimated Amount from 28-8-2008 to date of next AGM, tentatively scheduled on 30-9-2009		Transacting Party	Nature of Interest
			RM'000	US\$'000	RM'000	US\$'000		
			RHTT	Tour operator & travel agent	Selling of air tickets to SCMCB Group	24		
MNI	Manufacture and sales of newsprint	<p>(i) Purchase of newsprint</p> <p>(ii) Disposal of scraps</p>	50,000	15,490	159,720	49,480	Nanyang Group	<p>TTSH is a major shareholder of the Company and a major shareholder of the two following companies who each are (pursuant to the Act) substantial shareholders of MNI:</p> <p>(a) RHDC; and</p> <p>(b) RHE.</p> <p>TSTHK is both a major shareholder and director of the Company, TTSH and TSL and a major shareholder of RHE and RHDC.</p> <p>Dr Tiong Ik King is a director and major shareholder of the Company and TTSH. He is (pursuant to the Act) a substantial shareholder of RHDC.</p> <p>TSL is a major shareholder of TTSH and RHDC, and a shareholder of the Company.</p>

PART A: LETTER FROM THE BOARD

Related Party	Principal Activities	Nature of Transaction	Amount to be Ratified				Transacting Party	Nature of Interest
			(from 30-4-2008 to 27-8-2008)		Estimated Amount from 28-8-2008 to date of next AGM, tentatively scheduled on 30-9-2009			
			RM'000	US\$'000	RM'000	US\$'000		
RH Multimedia Broadcasting Corporation Sdn Bhd ("RH Multimedia")	Provision of multimedia and interactive services	RH Multimedia's tenancy of office at No. 1, Jalan SS 7/2, 47301 Petaling Jaya, Selangor, Malaysia from Nanyang as landlord at a monthly rental of RM1,533	6	2	20	6	Nanyang	TSTHK is both a director and major shareholder of the Company. Tiong Chiong Ong (son of TSTHK) is a director and major shareholder of RH Multimedia and a shareholder of the Company. Wong Hee Joo @ Hee Yu (son-in-law of TSTHK) is a director and major shareholder of RH Multimedia.

Note:

- (1) The figures represent the estimated value of transactions that will be undertaken during the period from the date of the forthcoming AGM, to 30 September 2009, being the tentative date of the next AGM. The estimated values of these transactions may vary and are subject to change.
- (2) Middle exchange rate quoted by Bank Negara Malaysia at 5:00 p.m. on the Latest Practicable Date was used.

2.5 Review Procedures of RRPT

The Group has established the following procedures to ensure that RRPT are undertaken on normal commercial terms that are not more favourable to the Related Party than those generally available to the public and are not detrimental to the minority shareholders:

- a) A list of Related Parties will be circulated to the Group, and at the same time, the Related Parties are notified that all 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;
- b) The Audit Committee shall review at each quarterly meeting and report to the Board on any RRPT. 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;
- c) Records shall be maintained to capture all RRPT which are entered into pursuant to the Proposed Shareholders' Ratification and Mandate;

PART A: LETTER FROM THE BOARD

- d) The annual internal audit plan shall incorporate a review of all RRPT entered into pursuant to the Proposed Shareholders' Ratification and Mandate to ensure that the relevant approvals have been obtained and the review procedures in respect of such transactions are adhered to; and
- e) The Board and the Audit Committee shall review the internal audit reports to ascertain that the review procedures established to monitor RRPT have been complied with.

The Board and the Audit Committee have reviewed the above procedures and will 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.

2.6 Statement By Audit Committee

The Audit Committee has read and reviewed the procedures mentioned in section 2.5 above and is of the view that the said procedures are sufficient to ensure that the RRPT will be carried out on normal commercial terms which are not prejudicial to the interests of Shareholders, and that the terms of the RRPT are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

2.7 Disclosure

Disclosure will be made in the next annual report of the aggregate value of RRPT conducted pursuant to the Proposed Shareholders' Ratification and Mandate. In the said disclosure, the Company must provide a breakdown of the aggregate value of the RRPT made during the financial year, amongst others, based on the following information:

- a) the type of the RRPT made; and
- b) the names of the Related Parties involved in each type of the RRPT made and their relationship with the Company.

Disclosure will also be made in the Company's annual report for subsequent financial year during which the Proposed Shareholders' Ratification and Mandate remains in force.

PART A: LETTER FROM THE BOARD

3 RATIONALE AND BENEFITS FOR THE PROPOSED SHAREHOLDERS' RATIFICATION AND MANDATE

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

- a) 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;
- b) 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 need which are time sensitive in nature;
- c) for 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
- d) to 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 of 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 EFFECTS OF THE PROPOSED SHAREHOLDERS' RATIFICATION AND MANDATE

The Proposed Shareholders' Ratification and Mandate will not have any effect on the issued and paid up share capital of the Company and is not expected to have any significant effect on the net assets and the earnings of the Group.

PART A: LETTER FROM THE BOARD

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

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

- a) TSTHK is a major shareholder of the Company, with direct and indirect shareholding in the Company. He is also a Director. As such, he is deemed interested in the Proposed Shareholders' Ratification and Mandate. His shareholding in the Company as at the Latest Practicable Date is as follows:

Name	Direct		Indirect (as calculated under the Listing Requirements)	
	<i>No. of Shares held</i>	%	<i>No. of Shares held</i>	%
TSTHK	86,509,058	5.13	798,678,690 ⁽¹⁾	47.40
			11,713,447 ⁽²⁾	0.70

⁽¹⁾ Deemed interested by virtue of his interests in Seaview Global Company Limited, Conch, TSL, TTSH, RHS, RHSA, TTSE, PAA, Ezywood and Madigreen.

⁽²⁾ Deemed interested by virtue of his family's interest.

- b) TTSH and TSL are major shareholders of the Company and they are deemed interested in the Proposed Shareholders' Ratification and Mandate. Their respective shareholdings in the Company as at the Latest Practicable Date are as follows:

Name	Direct		Indirect (as calculated under the Listing Requirements)	
	<i>No. of Shares held</i>	%	<i>No. of Shares held</i>	%
TTSH	326,663,556	19.39	–	–
TSL	65,319,186	3.88	403,351,877 ⁽³⁾	23.94

⁽³⁾ Deemed interested by virtue of its interests in TTSH, RHSA, RHS, TTSE and Madigreen.

PART A: LETTER FROM THE BOARD

- c) Conch, RHS, RHSA, PAA, TTSE, Ezywood, Madigreen, Seaview Global Company Limited and Tiong Chiong Ong 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’ Ratification and Mandate. Their respective shareholding in the Company as at the Latest Practicable Date are as follows:

Name	Direct		Indirect (as calculated under the Listing Requirements)	
	<i>No. of Shares held</i>	<i>%</i>	<i>No. of Shares held</i>	<i>%</i>
Conch	252,487,700	14.98	–	–
RHS	15,536,696	0.92	–	–
RHSA	6,532,188	0.39	–	–
PAA	1,902,432	0.11	74,944,004 ⁽⁴⁾	4.45
TTSE	1,744,317	0.10	22,068,884 ⁽⁵⁾	1.31
Ezywood	75,617,495	4.49	–	–
Madigreen	52,875,120	3.14	–	–
Seaview Global Company Limited	–	–	252,487,700 ⁽⁶⁾	14.98
Tiong Chiong Ong	5,359,105	0.32	75,617,495 ⁽⁷⁾	4.49
Wong Hee Joo @ Hee Yu	–	–	–	–

⁽⁴⁾ Deemed interested by virtue of its interests in RHSA, RHS and Madigreen.

⁽⁵⁾ Deemed interested by virtue of its interests in RHSA and RHS.

⁽⁶⁾ Deemed interested by virtue of its interests in Conch.

⁽⁷⁾ Deemed interested by virtue of his interests in Ezywood.

- d) Dr Tiong Ik King is a Director and major shareholder of the Company and is deemed interested in the Proposed Shareholders’ Ratification and Mandate. His shareholding in the Company as at the Latest Practicable Date is as follows:

Name	Direct		Indirect (as calculated under the Listing Requirements)	
	<i>No. of Shares held</i>	<i>%</i>	<i>No. of Shares held</i>	<i>%</i>
Dr Tiong Ik King	9,406,189	0.56	252,487,700 ⁽⁷⁾	14.98

⁽⁷⁾ Deemed interested by virtue of his interest in Conch.

PART A: LETTER FROM THE BOARD

The interested Directors, namely, TSTHK and Dr Tiong Ik King, have abstained and will continue to abstain from Board deliberations and voting in respect of their direct and indirect shareholdings on the Proposed Shareholders' Ratification and Mandate at the forthcoming AGM.

The interested major shareholders of the Company, namely, TSTHK, TTSH and TSL, will abstain from voting on the Proposed Shareholders' Ratification and Mandate in respect of their direct and/or indirect shareholdings in the Company at the forthcoming AGM.

The Interested Persons Connected, namely, Conch, RHS, RHSA, PAA, TTSE, Ezywood, Madigreen, Seaview Global Company Limited and Tiong Chiong Ong will abstain from voting on the Proposed Shareholders' Ratification and Mandate in respect of their direct and/or indirect shareholdings in the Company at the forthcoming AGM.

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

Save as aforesaid, none of the Directors or major shareholders or persons connected with them has any interest in the Proposed Shareholders' Ratification and Mandate.

6 APPROVALS REQUIRED

The Proposed Shareholders' Ratification and Mandate is subject to approval of the Shareholders at the forthcoming AGM.

7 DIRECTORS' RECOMMENDATION

The Board, save for TSTHK and Dr Tiong Ik King, having considered all aspects of the Proposed Shareholders' Ratification and Mandate is of the opinion that the Proposed Shareholders' Ratification and Mandate is in the best interest of the Company and the Shareholders. Accordingly, save for TSTHK and Dr Tiong Ik King, the Board recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Shareholders' Ratification and Mandate to be tabled at the forthcoming AGM.

8 AGM

The notice convening the AGM to vote on the ordinary resolution and the proxy form are enclosed in the Annual Report 2008 accompanying this circular. The AGM will be held at (i) Nanyang Siang Pau Building, Ground Floor, No. 1, Jalan SS 7/2, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia; and (ii) Annapurna Room, Pacific Place Conference Centre, Level 5, One Pacific Place, 88 Queensway, Hong Kong on Wednesday, 27 August 2008 at 10:00 a.m. for the purpose of considering, and if thought fit, passing, inter alia, the ordinary resolution on the Proposed Shareholders' Ratification and Mandate under the agenda of Special Business as set out in the notice enclosed in the Annual Report 2008.

PART A: LETTER FROM THE BOARD

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 2008 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 G-01, Ground Floor, Plaza Permata, Jalan Kampar off Jalan Tun Razak, 50400 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
Dato' Leong Khee Seong
Executive Director

PART B

**PROPOSED SHARE BUY-BACK MANDATE,
PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES,
AND RE-ELECTION OF DIRECTORS**

PART B: LETTER FROM THE BOARD



MEDIA CHINESE INTERNATIONAL LIMITED

(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 Tiong Hiew King (*Executive Chairman*)

Mr Tiong Kiu King

Dr Tiong Ik King

Dato' Leong Khee Seong

Mr Tiong Kiew Chiong (*Group CEO*)

Ms Siew Nyoke Chow

Ms Sim Sai Hoon

NON-EXECUTIVE DIRECTOR

Mr Leong Chew Meng

INDEPENDENT NON-EXECUTIVE DIRECTORS

Tan Sri Dato' Lau Yin Pin

Mr David Yu Hon To

Mr Victor Yang

Temenggong Datuk Kenneth Kanyan

Anak Temenggong Koh

Registered Office

Canon's Court

22 Victoria Street

Hamilton HM12

Bermuda

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

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

31 July 2008

To: The Shareholders

Dear Sir/Madam

**PROPOSED GENERAL MANDATE FOR SHARE BUY-BACK,
PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES,
AND RE-ELECTION OF DIRECTORS**

1 PROPOSED SHARE BUY-BACK MANDATE

At the annual general meeting of the Company held on 7 September 2007, the Shareholders granted a general mandate for the Directors to purchase up to a maximum of ten per cent (10%) of the issued and paid-up share capital of the Company. The said mandate shall, in accordance with the Listing Requirements and the Listing Rules, lapse at the conclusion of the forthcoming AGM.

PART B: LETTER FROM THE BOARD

On 16 July 2008, the Board announced the Company's intention to seek Shareholders' approval for the Share Buy-Back Mandate by passing the Share Buy-Back Resolution at the forthcoming AGM.

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 20% 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

Pursuant to Bye-Laws 99(A) and 102(B), Mr Tiong Kiew Chiong and Mr Victor Yang, Dato' Leong Khee Seong, Ms Siew Nyoke Chow, Ms Sim Sai Hoon, Mr Leong Chew Meng, Tan Sri Dato' Lau Yin Pin and Temenggong Datuk Kenneth Kanyan Anak Temenggong Koh will be retiring from their respective offices at the forthcoming AGM and are eligible for re-election. Details of the Directors proposed to be re-elected at the forthcoming AGM are set out in Appendix V.

4 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 and the re-election of the retiring Directors 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.

5 AGM

The notice convening the AGM to vote on the relevant resolutions and the proxy form are enclosed in the Annual Report 2008 accompanying this circular. The AGM will be held at (i) Nanyang Siang Pau Building, Ground Floor, No. 1, Jalan SS 7/2, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia; and (ii) Annapurna Room, Pacific Place Conference Centre, Level 5, One Pacific Place, 88 Queensway, Hong Kong on Wednesday, 27 August 2008 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 and the re-election of the retiring Directors, under the agenda of Special Business as set out in the notice enclosed in the Annual Report 2008.

PART B: LETTER FROM THE BOARD

6 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 2008 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 G-01, Ground Floor, Plaza Permata, Jalan Kampar off Jalan Tun Razak, 50400 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.

7 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 Tiong Hiew King
Chairman

APPENDICES

APPENDICES

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors 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.

PROCEDURES FOR DEMANDING A POLL BY SHAREHOLDERS

Pursuant to the existing Bye-Law 70, at any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is taken as may from time to time be required under the rules of the HKEx or unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- a) by the chairman of the meeting; or
- b) by at least three Shareholders present in person or by a duly authorised corporate representative or by proxy for the time being entitled to vote at the meeting; or
- c) by any Shareholder or Shareholders present in person or by a duly authorised corporate representative or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
- d) by a Shareholder or Shareholders present in person or by a duly authorised corporate representative or by proxy and holding Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right; or
- e) if required by the rules of the HKEx, by any Director or Directors who, individually or collectively, hold proxies in respect of Shares representing five per cent (5%) or more of the total voting rights or all the members having the right to vote at the meeting.

On a show of hands, every Shareholder present in person or by a duly authorised corporate representative or by proxy shall have one vote. On a poll, every Shareholder present in person or by a duly authorised corporate representative or by proxy shall have one vote for every fully paid up Share of which he is the holder. Notwithstanding anything contained in the Bye-Laws, where more than one proxy is appointed by a Shareholder which is a clearing house (or its nominee), each such proxy shall have one vote on a show of hands. Pursuant to the existing Bye-Law 76, a Shareholder entitled to more than one vote on poll need not use all his votes or cast all the votes he uses in the same way.

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.

- a) Ming Pao Newspapers Limited and Ming Pao Holdings Limited have been named as the defendants in the High Court Action No.80 of 2008 whereby the plaintiffs, Bio Beauty Group Limited, Global Green Tech Group Limited, Global Cosmetics (China) Company Limited and Global Cosmetics (HK) Company Limited commenced proceedings on 14 January 2008 for alleged defamation in the two articles published on 11 and 12 December 2007;
- b) Ming Pao Holdings Limited and Ming Pao Newspapers Limited have been named as the defendants by Oriental Daily Publisher Limited and Ma Ching Kwan under 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;
- c) Ming Pao Magazines Limited and Ming Pao Holdings Limited filed as the plaintiffs with the Court of First Instance of the High Court of Hong Kong against Sudden Weekly Limited as the defendant under High Court Action No.1009 of 2008 on 2 June 2008 to claim for copyright infringement of the photographs;
- d) Wong Cheer Feng, a practicing advocate and solicitor has filed a suit against SCM CB as second defendant alleging that SCM CB has defamed him by reason of an article published. Wong Cheer Feng is claiming for damages in the sum of RM5,000,000 plus costs. SCM CB's solicitors are of the opinion that SCM CB has a defence on the ground of justification and fair comment. The Court has fixed the above case on 13 August 2008 and 26 September 2008 for continued trial;
- e) Badrul Zaman Bin P.S.Md Zakariah, a managing director of an employment agency has filed a suit against SCM CB as first defendant alleging that SCM CB has defamed him by reason of an article published arising from a press conference by the second defendant, the then Deputy Director General of the Immigration Department. Badrul Zaman Bin P. S. Md Zakariah is claiming for damages in the sum of RM50,000,000 plus costs. SCM CB's solicitors are of the opinion that SCM CB has a defence on the ground of qualified privilege. The plaintiff's claim against the defendants has been dismissed with costs on the 28 June 2007. The plaintiff has appealed to the Court of Appeal;
- f) Chua Seow Heong has filed a suit against SCM CB and GMRSB as second and third defendants respectively, alleging that he has been defamed by reason of an article publishing the first defendant's (i.e. the Bank of China's) statement in response to the plaintiff's claim against the first defendant. Chua Seow Heong is claiming for damages

in the sum of RM40,000,000 plus costs. This suit was struck off on 27 June 2002 for the plaintiff's/plaintiff's solicitors' failure to attend court but the suit has been successfully reinstated on 30 October 2003. The High Court has fixed the matter for trial on 2 March 2010 to 25 March 2010. SCMCB's and GMRSB's solicitors are of the opinion that their defence in this matter ought to succeed;

- g) Airport Limo (M) Sdn Bhd has filed a suit against SCMCB alleging that SCMCB has defamed it by reason of an article published. Airport Limo (M) Sdn Bhd is claiming for damages in the sum of RM15,000,000 plus costs. SCMCB's solicitors are of the opinion that SCMCB has a defence if it is able to prove the truth of the material facts in the article published and if the plaintiff is to succeed in its claim, the sum to be awarded, if any, will not be material. The Court has fixed the above case on the 12 and 13 October 2009 for trial;
- h) Elvin Toh Chen Vin had filed a suit at the High Court of Sabah & Sarawak at Kuching against SCMCB and the Editor of Sin Chew Daily as the first and second defendants respectively. The plaintiff has alleged that both the defendants have defamed him by reason of articles published in Sin Chew Daily. The plaintiff is claiming amongst others for damages in the sum of RM50,000,000 and costs. A Summons in Chamber to strike out the plaintiff claim or relevant sections of the Statement of Claim have been filed. The court dismissed the same and granted the defendant time to file a defence;
- i) On 30 January 1999, Goh Choon Liang commenced legal proceedings against Wong Kam Hor as the first defendant and NSP as the second defendant claiming that an article published in Nanyang Siang Pau on 3 March 1998 defamed him. He is seeking general damages, aggravated damages, an injunction, interest, costs and other relief. The defendants have filed the Statement of Defence dated 9 April 1999. The solicitors of NSP are in the process of accumulating the relevant evidence and documents for the matter. The plaintiff has not taken any further action in this case;
- j) On 12 May 2000, Wong Cheer Feng commenced legal proceedings against Ng Ching Sea, the Chairman of the Johor Bahru District House Buyers Association, as the first defendant and NSP as the second defendant claiming that an article published in Nanyang Siang Pau on 13 December 1999 defamed him. The plaintiff is seeking damages in aggregate of RM5,000,000 as aggravated and exemplary damages, costs, interests, an injunction and other relief. On 20 October 2003 the plaintiff's application for consolidation of this case with a similar case brought by the plaintiff against Ng Ching Sea and Pemandangan Sinar Sdn. Bhd. was granted by the Court. The Court has fixed the matter for case management on 12 July 2006 to enable the parties to finalise the Statement of Agreed Facts. On 15 May 2008, the Court has allowed the plaintiff's application to amend its Statement of Claim. The trial took place on 23 June 2008. The Court has vacated 30 June 2008 upon application by solicitors for first defendant and the trial is now adjourned to 13 August 2008 and 26 September 2008;

- k) On 2 February 2001, Badrul Zaman Bin P.S. Md Zakariah commenced legal proceedings against NSP as the first defendant, Datuk Aseh Che Mat as the second defendant and the Government of Malaysia as the third defendant. He is seeking general damages of RM50,000,000, unspecified exemplary and aggravated damages, injunction, costs, interests and other relief. NSP filed its Statement of Defence dated 29 June 2001 for which the plaintiff filed a Reply to the Statement of Defence dated 4 July 2001. The Court has on 10 December 2001 approved the Attorney General Chamber's application to consolidate all related actions commenced by the plaintiff. On 28 June 2007, the learned Judge had dismissed the plaintiff's claims with costs. The plaintiff has appealed to the Court of Appeal;
- l) On 20 April 2004, Chan Cheng Keng commenced legal action against Lee Huan Choon as first defendant and NSP as the second defendant claiming that an advertisement published in the Nanyang Siang Pau on 1 September 2006 has defamed him. The Court has on 10 August 2004 struck off the plaintiff's writ and dismissed the plaintiff's application for extension of time to file its Statement of Claim. The plaintiff's appeal to the Judge in Chamber against the decision of the Senior Assistant Registrar was also dismissed by the Court on 21 June 2005. The Court of Appeal has on 29 May 2006 granted the plaintiff's application to appeal to the Court of Appeal against the High Court's decision;
- m) On 5 May 1999, Yim Chee Chong commenced legal proceedings against TCP as the first defendant and Poon Chau Huay (editor-in-chief) as the second defendant claiming that the articles published in The China Press on 17 June 1998, 19 June 1998 and 5 July 1998 defamed him. He is seeking damages of RM2,800,000 as general, aggravated and exemplary damages, interests, apology to be published in The China Press, injunction, costs and other relief. TCP is defending the claim. Trial proceeded and on 5 June 2007, the Judge had dismissed the plaintiff's claim with costs. The plaintiff has filed an appeal against this decision to the Court of Appeal. A hearing date has yet to be fixed for the appeal;
- n) On 2 February 2001, Badrul Zaman Bin P.S. Md Zakariah commenced legal proceedings against TCP as the first defendant, Datuk Aseh Che Mat as the second defendant and the Government of Malaysia as the third defendant claiming that an article published in The China Press on 25 February 1998 defamed him. He is seeking general damages of RM50,000,000, unspecified exemplary and aggravated damages, special damages, injunction, costs, interest and other relief. TCP filed its statement of defence dated 29 June 2001 for which the plaintiff has filed its Reply to the Statement of Defence of the first defendant dated 4 July 2001. On 28 June 2007, the learned Judge had dismissed the plaintiff's claims with costs. The plaintiff has appealed to the Court of Appeal;
- o) On 4 September 2002, A.J. Ariffin, Yeo & Harpal and Harwinder Kaur a/p Harbhajan Singh commenced legal proceedings against Teresa Kok Suh Sim as the first defendant and TCP as the second defendant claiming that an article published in The China Press dated 4 August 2002 has defamed them. They are claiming for loss of legal fees amounting to RM1,200,000, damages of RM25,000,000, unspecified exemplary damages against the defendants or each of them, special damages of RM1,200,000, apology, injunction, covenant that the Court or plaintiffs will be at liberty to commence contempt proceedings

against the defendants for contemptuous statements, costs, interest and other relief. The solicitors for TCP had filed the Statement of Defence and Counter Claim on 12 October 2002. Following the High Court Order dated 11 September 2003 striking out the plaintiffs' claim with cost and dismissing the plaintiffs' application for injunction on the basis that the article concerned did not refer to the second plaintiff and that the article is not defamatory, the plaintiff has filed an appeal to the Court of Appeal against the whole decision of the High Court Judge. The Court has fixed the case for hearing on 21 to 24 February 2011. On 13 May 2008, the same has adjourned to 25 August 2008 for further mention; and

- p) On 30 May 2006, 3JC Meatballs Sdn Bhd commenced legal proceedings against TCP claiming, inter alia, that the advertisement published by TCP on 25 February 2006 is false and malicious. The plaintiff is claiming for costs and expense, an apology and withdrawal of the advertisement, unspecified amount of general damages, exemplary damages, interests, costs and other relief. TCP has filed its Statement of Defence dated 11 July 2006. The plaintiff's application to strike out TCP's Statement of Defence dated 11 July 2006 was heard together with TCP's application to strike out the Writ and Statement of Claim. The Senior Assistant Registrar struck out the plaintiff's Statement of Claim was allowed with costs and dismissed the plaintiff's application also with costs. Therefore the plaintiff's suit has been struck off with costs on 16 November 2007. The plaintiff has made appeals to the Judge in chambers against the decision given by the senior Assistant Registrars on 16 November 2007 and on the 25 March 2008 the High Court Judge dismissed both appeals with costs. The plaintiff has appealed to the Court of Appeal.

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 unlikely that in these inactive cases the plaintiff will take further action.

MATERIAL CONTRACTS

As at the Latest Practicable Date, 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) The Heads of Agreement dated 29 January 2007 between the Company and SCM CB in relation to the merger among the Company, SCM CB and Nanyang (the "HOA").
- b) Irrevocable joint Letter of Offer dated 29 January 2007 from the Company and SCM CB and accepted by Nanyang on 19 April 2007 for and in relation to the offer by the Company and SCM CB to Nanyang to participate in the merger among the three companies upon the terms as set out therein and the HOA.

- c) A Deed of Accession dated 19 April 2007 between the Company, SCMCB and Nanyang whereby Nanyang acceded to the HOA and undertook to be bound by all provisions of the HOA.
- d) A conditional Merger Agreement dated 23 April 2007 between the Company, SCMCB and Nanyang in relation to the merger among the three companies.

No agreement or arrangement has been entered into with a competitor which relates to the prices or conditions of contract under which any goods or services are to be tendered for and/or performed or supplied by or to the Group.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal office hours on any weekday (except public holidays) at the registered office of the Company at (i) 10th Floor, Wisma Havela Thakardas, No. 1, Jalan Tiong Nam, Off Jalan Raja Laut, 50350 Kuala Lumpur, Malaysia; (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:

- a) the memorandum of association and Bye-Laws of the Company;
- b) the audited consolidated financial statements of the Company for the past two financial years ended 31 March 2007 and 31 March 2008 and the latest unaudited results since the last audited accounts;
- c) the Annual Report 2008;
- d) cause papers of the litigation as referred to in the paragraphs headed "Litigation" in this appendix; and
- e) the material contracts as referred to in the paragraphs 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
Subsidiaries of the Company in Hong Kong				
Centricon Enterprises Limited	02.01.91; Hong Kong	2 ordinary shares of HKD1 each	100.00	Property investment
Charming Holidays Limited	13.01.87; Hong Kong	1,000,000 ordinary shares of HKD1 each	100.00	Provision of travel and travel related services
Cheerlane Development Limited	23.06.93; Hong Kong	2 ordinary shares of HKD1 each	100.00	Property investment
Holgain Limited	11.02.92; Hong Kong	2 ordinary shares of HKD10 each	100.00	Property investment
Intelligent Printing Limited	19.05.92; Hong Kong	2 ordinary shares of HKD1 each	100.00	Investment holding
Intelligent Publications (China) Limited	29.09.92; Hong Kong	1,000,000 ordinary shares of HKD1 each	100.00	Investment holding
Kin Ming Printing Company Limited	26.11.64; Hong Kong	100 ordinary shares of HKD100 each	100.00	Provision of printing services
Maribo Brief Limited	24.08.93; Hong Kong	2 ordinary shares of HKD1 each	100.00	Property investment
Media2U Company Limited	29.09.94; Hong Kong	101 ordinary shares of HKD1 each	62.83	Magazine advertising & operation
Mingpao.com Limited	24.03.94; Hong Kong	2 ordinary shares of HKD1 each	97.78	Internet related businesses

APPENDIX II
DETAILS OF SUBSIDIARIES

Name of company	Date and country of incorporation	Issued and paid-up share capital	Effective equity interest %	Principal activities
Ming Pao Enterprise Corporation Limited (formerly known as Media Chinese International Limited and Weldon Owen Publishing Limited)	24.11.72; Hong Kong	9,300 ordinary shares of HKD1 each	100.00	Dormant
Ming Pao Holdings Limited	26.11.64; Hong Kong	900 ordinary shares at HKD1,000 each and 100 non-voting deferred shares of HKD1,000 each	100.00	Investment holding
Ming Pao Holdings (North America) Limited	01.06.93; Hong Kong	2 ordinary shares of HKD1 each	100.00	Investment holding
Ming Pao Magazines Limited	02.05.91; Hong Kong	165,000 ordinary shares of HKD10 each	62.83	Magazines publishing
Ming Pao Newspapers Limited	26.05.87; Hong Kong	2 ordinary shares of HKD1 each	100.00	Newspaper publishing
Ming Pao Nominees Limited	24.05.94; Hong Kong	2 ordinary shares of HKD1 each	100.00	Provision of nominees services
Ming Pao Publications Limited	16.09.86; Hong Kong	10 ordinary shares of HKD1 each	100.00	Books publishing
Ming Pao Secretarial Services Limited	24.05.94; Hong Kong	2 ordinary shares of HKD1 each	100.00	Provision of secretarial services
One Media Group (HK) Limited	27.03.02; Hong Kong	100 ordinary shares of HKD1 each	62.83	Dormant
One Media (HK) Limited	03.10.86; Hong Kong	10 ordinary shares of HKD1 each	62.83	Dormant
Perfect Gain Development Limited	23.04.92; Hong Kong	2 ordinary shares of HKD1 each	100.00	Property investment
Yazhou Zhoukan Limited	25.11.93; Hong Kong	9,500 ordinary shares of HKD1 each	100.00	Magazine publishing

APPENDIX II**DETAILS OF SUBSIDIARIES**

Name of company	Date and country of incorporation	Issued and paid-up share capital	Effective equity interest %	Principal activities
Subsidiaries of the Company in Malaysia				
Capital Foremost Sdn Bhd	22.07.93; Malaysia	RM3	100.00	Non-operating
The China Press Berhad	15.05.47; Malaysia	RM4,246,682	99.75	Publication of a daily newspaper and provision of printing services
CittaBella (Malaysia) Sdn Bhd	08.09.94; Malaysia	RM1,000,000	100.00	Publication and distribution of magazines
Evening Express Sdn Bhd	25.04.86; Malaysia	RM9,000	99.75	Non-operating
Guang-Ming Ribao Sdn Bhd	26.10.84; Malaysia	RM4,000,000	100.00	Publishing, printing and distribution of newspaper "Guang Ming Daily" and distribution of magazines and other publications
Lifepap Sdn Bhd	22.10.81; Malaysia	RM1,210,010	100.00	Non-operating
Life Publishers Berhad	28.07.71;	RM9,000,000	100.00	Publication of newspapers and magazines
Media Communications Sdn Bhd	13.01.82; Malaysia	RM100,000	100.00	Publishing and distribution of magazines
Mulu Press Sdn Bhd	29.03.85; Malaysia	RM500,000	100.00	Newspaper circulation and distribution agent and providing editorial and advertising services
Nanyang.Com Sdn Bhd	07.12.76; Malaysia	RM10,000	100.00	Non-operating

APPENDIX II**DETAILS OF SUBSIDIARIES**

Name of company	Date and country of incorporation	Issued and paid-up share capital	Effective equity interest %	Principal activities
Nanyang Online Sdn Bhd	01.06.00; Malaysia	RM10,000,000	100.00	Electronic commerce activities through the internet and multimedia
Nanyang Press Holdings Berhad	23.07.58; Malaysia	RM80,306,138	100.00	Investment holding, letting properties and provision of management services
Nanyang Press Marketing Sdn Bhd	04.09.63; Malaysia	RM1,000,000	100.00	Provision of marketing service of newspaper products
Nanyang Promotion Network Sdn Bhd	24.07.63; Malaysia	RM250,000	100.00	Non-operating
Nanyang Siang Pau Sdn Bhd	23.09.65; Malaysia	RM60,000,000	100.00	Publication and selling of newspapers and magazines
Sin Chew-i Sdn Bhd	31.05.00; Malaysia	RM4,500,000	100.00	Providing contents to web and mobile users, web hosting and designing, web advertising, web audio and video broadcasting
Sin Chew Media Corporation Berhad	15.03.83; Malaysia	RM151,000,000	100.00	Investment holding, publishing, printing and distribution of newspaper "Sin Chew Daily", printing of newspapers for other publishers and distribution of magazines

APPENDIX II
DETAILS OF SUBSIDIARIES

Name of company	Date and country of incorporation	Issued and paid-up share capital	Effective equity interest %	Principal activities
Subsidiaries of the Company outside Hong Kong and Malaysia				
Beijing OMG M2U Advertising Company Limited	20.05.05; The People's Republic of China	RMB30,000,000	62.83	Magazines advertising
Beijing Times Resource Advertising Company Limited ⁽ⁱⁱⁱ⁾	11.12.00; The People's Republic of China	RMB3,500,000	62.83	Magazines advertising
Beijing Times Resource Technology Consulting Limited ⁽ⁱⁱⁱ⁾	02.08.00; The People's Republic of China	RMB3,000,000	62.83	Magazines operation
Charming Holidays (Canada) Inc.	23.10.90; Canada	15,000 common shares at no par value	100.00	Dormant
Delta Tour & Travel Services (Canada), Inc.	25.11.87; Canada	850,000 common shares at no par value for CAD530,000	100.00	Provision of travel and travel related services
Delta Tour & Travel Services (Hawaii), Inc.	01.02.93; The United States of America	20 ordinary shares at no par value	100.00	Dormant
Delta Tour & Travel Services (New York), Inc.	03.03.93; The United States of America	20 common shares at no par value for USD10,000	100.00	Provision of travel and travel related services

APPENDIX II
DETAILS OF SUBSIDIARIES

Name of company	Date and country of incorporation	Issued and paid-up share capital	Effective equity interest %	Principal activities
Delta Tour & Travel Services, Inc.	09.03.81; The United States of America	461,500 common shares at no par value for USD300,500	100.00	Provision of travel and travel related services
First Collection Limited	21.12.94; British Virgin Islands	1 ordinary share of USD1	100.00	Investment holding
Guangzhou Kin Ming Printing Limited ⁽ⁱⁱ⁾	27.12.93; The People's Republic of China	HKD25,000,000	100.00	Provision of printing services
Media2U (Beijing) Company Limited	18.01.04; The People's Republic of China	USD70,000	62.83	Magazines operation
Media2U (BVI) Company Limited	02.01.04; British Virgin Islands	1 ordinary share of USD1	62.83	Investment holding
Mingpao.com Holdings Limited	09.11.99; Cayman Islands	717,735 ordinary shares of HKD0.10 each	97.78	Investment holding
Ming Pao Finance Limited	24.01.91; British Virgin Islands	10 ordinary shares of USD1 each	100.00	Publishing titles holding
Ming Pao Holdings (Canada) Limited	22.01.93; Canada	1 common share at no par value for CAD1	100.00	Investment holding
Ming Pao Holdings (USA) Inc.	24.03.94; The United States of America	1 common share at USD1	100.00	Investment holding

APPENDIX II**DETAILS OF SUBSIDIARIES**

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; British Virgin Islands	10 ordinary shares of USD1 each	100.00	Investment holding
Ming Pao Investment (Canada) Limited	16.03.07; Canada	1 common share at CAD1	100.00	Investment holding
Ming Pao Investment (USA) L.P.	03.05.07 The United States of America	1,000 units for USD150,150	100.00	Newspaper publishing
Ming Pao Newspapers (Canada) Limited	04.01.93; Canada	1,001 common shares at no par value for CAD11	100.00	Newspaper publishing
Ming Pao (New York) Inc.	05.04.94; The United States of America	1 common share of USD1	100.00	Newspaper publishing
Ming Pao (San Francisco) Inc.	25.03.94; The United States of America	1 common share of USD1	100.00	Newspaper publishing
MP Printing Inc.	29.10.03; The United States of America	1 common share at USD1	100.00	Provision of printing services
One Media Group Limited	11.03.05; Cayman Islands	400,000,000 ordinary shares of HKD0.001 each	62.83	Investment holding
One Media Holdings Limited	16.01.04; British Virgin Islands	20,000 ordinary shares of USD0.01 each	62.83	Investment holding

Name of company	Date and country of incorporation	Issued and paid-up share capital	Effective equity interest %	Principal activities
Starsome Limited	16.01.04; British Virgin Islands	10 ordinary shares of USD1 each	100.00	Investment holding
Sueur Investments Limited	20.12.89; British Virgin Islands	1 ordinary share of USD1	100.00	Investment holding
Top Plus Limited	30.12.03; British Virgin Islands	10 ordinary shares of USD1 each	62.83	Investment holding
Yazhou Zhoukan Holdings Limited	15.01.01; British Virgin Islands	12,000 ordinary shares of HKD1 each	100.00	Investment holding
Associated company of the Company				
Channel K TV Pte Ltd	14.01.95; Singapore	SGD5,440,000	18.38	In voluntary liquidation

Notes:

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

(A) SCMCB's tenancy of following offices and condominium from PHSB as landlord:

	Location of properties	Type of property	Monthly rental RM
1.	No. 152, Jalan Petaling, 50000 Kuala Lumpur, Malaysia	Office	3,000
2.	No. 16, Lorong Guang Nanas 2, 41400 Klang, Selangor, Malaysia	Office	3,900
3.	No. 12, Jalan Dr.Krishnan, 70000 Seremban, Negeri Sembilan, Malaysia	Office	2,120
4.	No. 93, Jalan Leong Sin Nam, 30300 Ipoh, Perak, Malaysia	Office	3,000
5.	No. 12(A), Tingkat Atas, Taman Anson, 32000 Sitiawan, Perak, Malaysia	Office	350
6.	No. 3, Tingkat 1, Medan Sri Intan, Jalan Sekolah, 36000 Teluk Intan, Perak, Malaysia	Office	500
7.	No. 240, Jalan Mersing, Taman Kurnia, 86000 Kluang, Johor, Malaysia	Office	2,000
8.	No. 8, Jalan Putri, 83000 Batu Pahat, Johor, Malaysia	Office	1,200
9.	No. 24, 1st Floor, Jalan Ibrahim, 85000 Segamat, Johor, Malaysia	Office	500
10.	No. 4567, Jalan Salleh, 84000 Muar, Johor, Malaysia	Office	2,000
11.	No. 15, Jalan Mewah 1, Off Jalan Sg. Nyoir, 12100 Butterworth, Pulau Pinang, Malaysia	Office	500
12.	No. 1025, 1st Floor, Jalan Berjaya 3, Seberang Jalan Putra, 05150 Alor Star, Kedah, Malaysia	Office	1,000
13.	No. 6, Jalan Mawar 2, Taman Pekan Baru, 08000 Sungai Petani, Kedah, Malaysia	Office	400
14.	No. 12, Jalan Bunga Raya, 28400 Mentakab, Pahang, Malaysia	Office	1,800
15.	Lot A1,13-07, Genting Highlands, 69000 Bentong, Pahang, Malaysia	Condominium	700
			22,970

(B) GMRSB's tenancy of the following offices from PHSB as landlord:

	Location of properties	Type of property	Monthly rental RM
1.	No. 1025, Jalan Berjaya 3, Seberang Jalan Putra, 05150 Alor Star, Kedah, Malaysia	Office	500
2.	No. 15, Jln Mewah Satu, Taman Mewah, 12100 Butterworth, Pulau Pinang, Malaysia	Office	500
3.	No. 6, Jln Mawar 2, Taman Pekan Baru, 08000 Sungai Petani, Kedah, Malaysia	Office	500
			1,500
			1,500

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

	Location of properties	Type of property	Monthly rental RM
1.	No. 29, Block F, Ground Floor, Taman Sri Sarawak Mall, Jalan Padungan, 93100 Kuching, Sarawak, Malaysia	Office	1,000
2.	No. 25, Second flr, Jln Kampung Nyabor, 96000 Sibul, Sarawak, Malaysia	Office	400
3.	No. 65, 1st Floor, Jalan Tiong Ung Hong, P.O.Box 89, 96807 Kapit, Sarawak, Malaysia	Office	300
4.	No. 25, Ground Floor, Jalan Kampung Nyabor, 96000 Sibul, Sarawak, Malaysia	Office	2,100
			3,800
			3,800

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 share capital of the Company as at the date of passing the Share Buy-Back Resolution.

1 SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company is HK\$168,495,024.10 comprising 1,684,950,241 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 168,495,024, representing not more than 10% of the aggregate nominal amount of the issued 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 the general meeting, the authority is renewed;
 - 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 is earlier.

2 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.

The repurchased Shares shall be cancelled pursuant to Rule 10.06(5) of the Listing Rules. This may enhance the net asset value per Share and/or earning per Share, which would serve as a reward to the Shareholders.

With the Share Buy-Back Mandate, the Company may also be able to stabilise the supply and demand of Shares traded on HKEx and Bursa Securities.

3 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 an amount of funds not exceeding the retained profits and/or share premium account of the Company for the repurchase of Shares pursuant to the Share Buy-Back Mandate. Based on the latest audited financial statements for the financial year ended 31 March 2008, the retained profits and share premium account of the Company were US\$104,385,000 and US\$12,809,000, 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.

4 POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE SHARE BUY-BACK MANDATE

The potential advantages and disadvantages of the Share Buy-Back Mandate, in the event that it were carried out in full at any time during the proposed mandate period, to the Company and the Shareholders are as follows:

Potential advantages

- a) The earnings per Share and the return on equity of the Company may be enhanced, assuming all other things being equal. This would be expected to have a positive impact on the market price of the Shares which would benefit Shareholders.
- b) The effect of the volatile fluctuation of the prices of the Shares may be reduced.

Potential disadvantages

- a) The Share Buy-Back Mandate may reduce the financial resources of the Group and may result in the Group foregoing better investment opportunities that may emerge in the future.
- b) As the Share Buy-Back Mandate can only be made out of the retained profits and share premium accounts of the Company, it may result in the reduction of financial resources available for distribution to Shareholders in the immediate future.

There may be 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 2008).

However, the Board does not propose to exercise the power to repurchase Shares pursuant to the Share Buy-Back Mandate to such extent as would, in the circumstances, have a material adverse effect on the financial resources, working capital or the gearing position of the Company which in the opinion of the Board are from time to time appropriate for the Company.

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 proforma effects of the Share Buy-Back Mandate on the issued share capital of the Company as at the Latest Practicable Date, assuming the repurchased Shares are cancelled, are illustrated below:

- Scenario I : Assuming that the Share Buy-Back Mandate is exercised in full and all the Shares repurchased are cancelled, and none of the outstanding SOS options are exercised into Shares during the proposed mandate period.
- Scenario II : Assuming that the Share Buy-Back Mandate is exercised in full and all the Shares repurchased are cancelled, and full exercise of the outstanding SOS options into Shares during the proposed mandate period.

	Scenario I Number of Shares	Scenario II Number of Shares
Issued share capital as at Latest Practicable Date	1,684,950,241	1,684,950,241
Assuming full exercise of the outstanding SOS options	<u>0</u>	<u>4,500,000</u>
Enlarged issued share capital after full exercise of the outstanding SOS options	1,684,950,241	1,689,450,241
Maximum number of Shares which may be repurchased and cancelled pursuant to the Share Buy-Back Mandate	<u>168,495,024</u>	<u>168,945,024</u>
Resulting issued share capital upon completion of cancellation of maximum number of Shares which may be repurchased under the Share Buy-Back Mandate	<u><u>1,516,455,217</u></u>	<u><u>1,520,505,217</u></u>

5.2 Net Assets

The net assets per Share will be reduced if the purchase price exceeds the net assets per Share at the time of purchase. Conversely, the net assets per Share will increase if the purchase price is less than net assets per Share at the time of 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.

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 2008:

	Dividend rate US cents per ordinary share of HK\$0.1 each	
First interim dividend	US0.258 cents	Paid on 15 January 2008
Second interim dividend	<u>US0.926 cents</u>	Payable on 15 August 2008
Total	<u><u>US1.184 cents</u></u>	

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.

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:

Scenario I

Assuming that the Share Buy-Back Mandate is exercised in full and all the Shares repurchased are cancelled, and none of the outstanding SOS options are exercised during the proposed mandate period.

	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	%
<i>Director</i> ⁽⁵⁾								
TSTHK	86,509,058	5.13%	470,405,383 ⁽¹⁾	27.92%	86,509,058	5.70%	470,405,383 ⁽¹⁾	31.02%
Mr Tiong Kiu King	2,454,559	0.15%	147,000	0.01%	2,454,559	0.16%	147,000	0.01%
Dr Tiong Ik King	9,406,189	0.56%	252,487,700 ⁽²⁾	14.98%	9,406,189	0.62%	252,487,700 ⁽²⁾	16.65%
Mr Tiong Kiew Chiong	5,088,783	0.30%	-	-	5,088,783	0.34%	-	-
Ms Siew Nyoke Chow	2,523,472	0.15%	-	-	2,523,472	0.17%	-	-
Temenggong Datuk Kenneth Kanyan Anak Temenggong Koh	135,925	0.01%	-	-	135,925	0.01%	-	-
<i>Substantial Shareholder</i> ⁽⁶⁾								
TTSH	326,663,556	19.39%	-	-	326,663,556	21.54%	-	-
Conch	252,487,700	14.98%	-	-	252,487,700	16.65%	-	-
Zaman Pemimpin Sdn Bhd	154,219,783	9.15%	-	-	154,219,783	10.17%	-	-
TSTHK	86,509,058	5.13%	470,405,383 ⁽¹⁾	27.92%	86,509,058	5.7%	470,405,383 ⁽¹⁾	31.02%
Dr Tiong Ik King	9,406,189	0.56%	252,487,700 ⁽²⁾	14.98%	9,406,189	0.62%	252,487,700 ⁽²⁾	16.65%
Seaview Global Company Limited	-	-	252,487,700 ⁽³⁾	14.98%	-	-	252,487,700 ⁽³⁾	16.65%
Sharifah Rokayah Binti Wan Othman	353	-*	154,219,783 ⁽⁴⁾	9.15%	353	-*	154,219,783 ⁽⁴⁾	10.17%
Salleh Bin Delamid	-	-	154,219,783 ⁽⁴⁾	9.15%	-	-	154,219,783 ⁽⁴⁾	10.17%

* *negligible*

Notes:

- (1) Deemed interested by virtue of his spouse's interest and his interests in Seaview Global Company Limited, Conch, TSL, PAA, Ezywood, RHS, RHSA and Madigreen.
- (2) Deemed interested by virtue of his interests in Seaview Global Company Limited and Conch.
- (3) Deemed interested by virtue of its interests in Conch.
- (4) Deemed interested by virtue his/her interests in Zaman Pemimpin Sdn Bhd.
- (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.

Scenario II

Assuming that the Share Buy-Back Mandate is exercised in full and all the Shares repurchased are cancelled and there is full exercise of the outstanding SOS options into the Shares during the proposed mandate period.

	As at Latest Practicable Date				(A) Full exercise of the outstanding SOS options and before exercise of Share Buy-Back Mandate				After (A) and full exercise of the Share Buy-Back Mandate			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	% Shares	No. of Shares	% Shares	No. of Shares	% Shares	No. of Shares	% Shares	No. of Shares	% Shares	No. of Shares	% Shares
<i>Director⁽⁵⁾</i>												
TSTHK	86,509,058	5.13%	470,405,383 ⁽¹⁾	27.92%	87,109,058	5.16%	470,405,383 ⁽¹⁾	27.84%	87,109,058	5.73%	470,405,383 ⁽¹⁾	30.94%
Mr Tiong Kiu King	2,454,559	0.15%	147,000	0.01%	3,054,559	0.18%	147,000	0.01%	3,054,559	0.20%	147,000	0.01%
Dr Tiong Ik King	9,406,189	0.56%	252,487,700 ⁽²⁾	14.98%	10,006,189	0.59%	252,487,700 ⁽²⁾	14.94%	10,006,189	0.66%	252,487,700 ⁽²⁾	16.61%
Mr Tiong Kiew Chiong	5,088,783	0.30%	-	-	5,688,783	0.34%	-	-	5,688,783	0.37%	-	-
Ms Siew Nyoke Chow	2,523,472	0.15%	-	-	2,523,472	0.15%	-	-	2,523,472	0.17%	-	-
Temenggong Datuk Kenneth Kayan Anak Temenggong Koh	135,925	0.01%	-	-	135,925	0.01%	-	-	135,925	0.01%	-	-
<i>Substantial Shareholder⁽⁶⁾</i>												
TTSH	326,663,556	19.39%	-	-	326,663,556	19.34%	-	-	326,663,556	21.48%	-	-
Conch	252,487,700	14.98%	-	-	252,487,700	14.94%	-	-	252,487,700	16.61%	-	-
Zaman Pemimpin Sdn Bhd	154,219,783	9.15%	-	-	154,219,783	9.13%	-	-	154,219,783	10.14%	-	-
TSTHK	86,509,058	5.13%	470,405,383 ⁽¹⁾	27.92%	87,109,058	5.16%	470,405,383 ⁽¹⁾	27.84%	87,109,058	5.73%	470,405,383 ⁽¹⁾	30.94%
Dr Tiong Ik King	9,406,189	0.56%	252,487,700 ⁽²⁾	14.98%	10,006,189	0.59%	252,487,700 ⁽²⁾	14.94%	10,006,189	0.66%	252,487,700 ⁽²⁾	16.61%
Seaview Global Company Limited	-	-	252,487,700 ⁽³⁾	14.98%	-	-	252,487,700 ⁽³⁾	14.94%	-	-	252,487,700 ⁽³⁾	16.61%
Sharifah Rokayah Binti Wan Othman	353	- *	154,219,783 ⁽⁴⁾	9.15%	353	- *	154,219,783 ⁽⁴⁾	9.13%	353	- *	154,219,783 ⁽⁴⁾	10.14%
Salleh Bin Delamid	-	-	154,219,783 ⁽⁴⁾	9.15%	-	-	154,219,783 ⁽⁴⁾	9.13%	-	-	154,219,783 ⁽⁴⁾	10.14%

* *negligible*

Notes:

- (1) Deemed interested by virtue of his spouse's interest and his interests in Seaview Global Company Limited, Conch, TSL, PAA, Ezywood, RHS, RHSA and Madigreen.
- (2) Deemed interested by virtue of his interests in Seaview Global Company Limited and Conch.
- (3) Deemed interested by virtue of its interests in Conch.
- (4) Deemed interested by virtue his/her interests in Zaman Pemimpin Sdn Bhd.
- (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 595,727,176 Shares representing 35.36% of the issued and paid-up share capital of the Company were held by 9,485 public shareholders holding not less than 100 Shares. The Board will endeavour to ensure that the Share Buy-Back Mandate will not breach: (i) Section 12.14 of the Listing Requirements, which states that a listed company must not purchase its own shares on Bursa Securities if the purchase(s) will result in the listed company being in breach of paragraph 8.15(1) of the Listing Requirements (which states that a listed issuer must ensure at least 25% of its total listed shares are in hands of a minimum of 1,000 public shareholders holding not less than 100 shares each); or (ii) Rule 8.08(1)(a) of the Listing Rules, which states that at least 25% of the Company's total issued share capital must at all times be held by the public.

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

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

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

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

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

9 SHARE BUY-BACKS/REPURCHASES MADE BY THE COMPANY

During the financial year ended 31 March 2008, the Company purchased a total of 3,166,000 Shares from the open market at an average price of HK\$1.84 per Share or a total consideration of HK\$5,814,913. All the Shares purchased during the financial year ended 31 March 2008 have been cancelled. Further information on the Shares repurchased by the Company during the financial year ended 31 March 2008 is set out under page 62, "Report of the Directors" in the Annual Report 2008.

Details of repurchases of Shares made by the Company in the previous six months are as follow:

Date of purchase	Number of Shares purchased	Method of purchase	Highest price paid (HKD)	Lowest price paid (HKD)	Total Paid (HKD)
6 Jun 2008	50,000	on HKEx	2.05	2.05	102,500.00
5 Jun 2008	150,000	on HKEx	2.05	2.04	306,300.00
4 Jun 2008	280,000	on HKEx	2.00	2.00	560,000.00
3 Jun 2008	300,000	on HKEx	2.00	1.99	597,030.00
30 May 2008	50,000	on HKEx	2.00	2.00	100,000.00
24 Apr 2008	500,000	on HKEx	2.20	2.20	1,100,000.00
8 Apr 2008	100,000	on HKEx	1.85	1.85	185,000.00
19 Mar 2008	49,000	on HKEx	1.80	1.78	87,817.80
18 Mar 2008	160,000	on HKEx	1.80	1.78	287,808.00

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:

	Highest price		Lowest price	
	HKEx (HKD)	Bursa Securities* (RM)	HKEx (HKD)	Bursa Securities* (RM)
Jul 2008 (up to the Latest Practicable Date)	2.00	0.83	1.95	0.77
Jun 2008	2.05	0.83	1.84	0.80
May 2008	2.63	0.94	1.81	0.78
Apr 2008	2.70	1.09	1.78	0.84
Mar 2008	1.88	–	1.60	–
Feb 2008	1.95	–	1.80	–
Jan 2008	2.08	–	1.70	–
Dec 2007	1.90	–	1.81	–
Nov 2007	2.00	–	1.60	–
Oct 2007	1.99	–	1.70	–
Sep 2007	2.01	–	1.80	–
Aug 2007	2.00	–	1.80	–
Jul 2007	2.35	–	1.96	–

* Date of listing of the Company on Bursa Securities was 30 April 2008

The last traded price of the Shares on 15 July 2008 (being the last trading day prior to the announcement of the Share Buy-Back Mandate) was HKD1.98 on HKEx and RM0.795 on Bursa Securities.

The last traded price on the Latest Practicable Date was HKD1.97 on HKEx and RM0.80 on Bursa Securities.

(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 at the forthcoming AGM in accordance with the Bye-Laws:

1. **Mr Tiong Kiew Chiong**, Malaysian, aged 48, was appointed as an executive director of the Company on 2 May 1998. He is currently the Group Chief Executive Officer and a member of the Group Executive Committee and Remuneration Committee of the Company. Mr Tiong is also the Deputy Chairman of One Media Group Limited, a subsidiary of the Group which was listed on the main board of HKEx on 18 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 a Bachelor of Business Administration Degree from York University, Toronto, Canada in 1982. He also holds directorships in several private limited companies. Mr Tiong is a distant nephew of TSTHK, Mr Tiong Kiu King and Dr Tiong Ik King who are also members of the Board.

Save as disclosed herein, Mr Tiong has not held any directorship in other listed 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 5,088,783 Shares and interest in share options to subscribe for 600,000 Shares within the meaning of Part XV of the SFO.

Mr Tiong Kiew Chiong has not entered into any service contract with the Company. The appointment as director of Mr Tiong Kiew Chiong 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 Tiong will be determined by the Board (or the Remuneration Committee) with reference to his experience and responsibilities in the Company. For the year ended 31 March 2008, total emoluments paid by a subsidiary of the Company to Mr Tiong Kiew Chiong amounted to US\$316,000.

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 Victor Yang**, Canadian, aged 62, was appointed as an independent non-executive director of the Company on 23 September 2004. He is the Chairman of the Nomination Committee, and is a member of Audit Committee and Remuneration Committee of the Company. Mr Victor Yang is a partner in Boughton Peterson Yang Anderson, Solicitors, Hong Kong SAR and is also a qualified lawyer in Canada and the United Kingdom. He has extensive experience in the areas of corporate finance, commercial law, mergers, acquisitions and taxation. Mr Victor Yang also sits on the boards of several listed companies in Hong Kong and the United States of America.

Save as disclosed herein, Mr Victor Yang has not held any directorship in other listed 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 Victor Yang was not interested in any Shares within the meaning of Part XV of the SFO.

Mr Victor Yang entered into a service contract with the Company for a term of 2 years, commencing on 1 April 2008 to and including 31 March 2010. The appointment as director of Mr Victor Yang 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 Victor Yang will be determined by the Board (or the Remuneration Committee) with reference to his experience and responsibilities in the Company. For the year ended 31 March 2008, the annual director's fee of Mr Victor Yang was US\$25,000.

Mr Victor Yang 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. **Dato' Leong Khee Seong**, Malaysian, aged 69, was appointed as an executive director of the Company on 20 March 2008. He is also the Chairman of Group Executive Committee and the Executive Chairman of Nanyang, a wholly-owned subsidiary of the Company and a listed company in Malaysia up to 30 April 2008. Dato' Leong obtained a Bachelor of Chemical Engineering from the University of New South Wales in Australia. He was a member of the Malaysia Parliament from 1974 to 1990 and the Minister of Primary Industries from 1978 to 1986. He was elected as the Chairman of the General Agreement on Tariffs and Trade's ("GATT") Negotiating Committee on Tropical Products from 1986 to 1990. During the period of 1986/1987, he was also the Chairman of the Group of 14 on ASEAN Economic Co-operation and Integration. Dato' Leong also sits on the board of Air Asia Berhad and TSH Resources Berhad, both of which are listed in Malaysia.

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

As at the Latest Practicable Date, Dato' Leong was not interested in any Shares within the meaning of Part XV of the SFO.

Dato' Leong Khee Seong has not entered into any service contract with the Company. The appointment as director of Dato' Leong Khee Seong 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 Dato' Leong will be determined by the Board (or the Remuneration Committee) with reference to his experience and responsibilities in the Company.

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

4. **Ms Siew Nyoke Chow**, Malaysian, aged 52, was appointed as an executive director of the Company on 20 March 2008. She is currently the Chairman of Group Editorial Committee, a member of the Group Executive Committee of the Company and the Group Editor-In-Chief of Southeast Asia. She is also the Deputy Managing Director and Group Editor-In-Chief of SCM CB, a wholly-owned subsidiary of the Company and a listed company in Malaysia up to 30 April 2008. Ms Siew obtained her high school certificate from Tunku Abdul Rahman College, Malaysia in 1977, and subsequently a certificate of intensive course of journalism in Manila in 1983. She started her career as a reporter with Sin Poh (Star News) Amalgamated Malaysia Sdn Berhad in 1978. She was appointed as the Head of Culture & Education Department of SCM CB in 1992, and subsequently Deputy Chief Editor in 1995. She is currently an Advisor to the World Chinese Culture Research Centre of Fu Dan University, Shanghai and a Special Researcher to the World Chinese Media Research Centre of Beijing University. Ms Siew is a trustee of Yayasan Sin Chew and JUST World International and holds directorships in several private limited companies in Malaysia.

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

As at the Latest Practicable Date, Ms Siew has personal interest in 2,523,472 Shares within the meaning of Part XV of the SFO.

Ms Siew Nyoke Chow has not entered into any service contract with the Company. The appointment as director of Ms Siew Nyoke Chow 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 Ms Siew will be determined by the Board (or the Remuneration Committee) with reference to her experience and responsibilities in the Company.

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

5. **Ms Sim Sai Hoon**, Malaysian, aged 48, was appointed as an executive director of the Company on 20 March 2008. She is a member of the Group Executive Committee and Remuneration Committee of the Company. She is an Executive Director of SCM CB, a

wholly-owned subsidiary of the Company and a listed company in Malaysia up to 30 April 2008. Ms Sim obtained a Bachelor of Science (Honours) in Chemistry and Management from University of London and a Post-Graduate Diploma in Chinese from Ealing College, London in the United Kingdom. She has significant experience in the setting up of joint venture companies with foreign partners in the manufacturing and utility businesses. Ms Sim is also a member of the National Association of Women Entrepreneurs, Malaysia and was a member of the National Advisory Council on the Integration of Women in Development, Malaysia. She sits on the Board of Yayasan Sin Chew as a Trustee and holds directorships in several private limited companies in Malaysia.

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

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

Ms Sim Sai Hoon has not entered into any service contract with the Company. The appointment as director of Ms Sim Sai Hoon 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 Ms Sim will be determined by the Board (or the Remuneration Committee) with reference to her experience and responsibilities in the Company.

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

6. **Mr Leong Chew Meng**, Malaysian, aged 52, was appointed as a non-executive (non-independent) Director of the Company on 14 April 2008. He is a member of the Audit Committee and Nomination Committee of the Company. He obtained a Bachelor of Commerce and Administration Degree majoring in accountancy from the Victoria University of Wellington in New Zealand. He is a Chartered Accountant of the Malaysian Institute of Accountants and qualified as an Associate Chartered Accountant of the Institute of Chartered Accountants, New Zealand. He is an accountant by profession, having extensive working experience for over 25 years in Malaysia. Prior to diversifying into the business sector as business consultant and advisor, he was the financial controller and finance director of several foreign-owned multinational companies in the manufacturing, trading and retail sectors. He is currently an independent non-executive director of Sunrise Berhad and Pulai Springs Berhad both of which are listed in Malaysia.

Mr Leong is a son-in-law of the current Chairman of SCMCB's executive committee, who is also the Managing Director, an executive director of SCMCB and a director of one of SCMCB's subsidiaries. SCMCB is a wholly-owned subsidiary of the Company. Mr Leong was also an Independent Non-executive Director of Nanyang which is a subsidiary of the Company and was a listed company in Malaysia up to 30 April 2008. Mr Leong resigned from the board of Nanyang effective from 30 April 2008.

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

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

Mr Leong Chew Meng has not entered into any service contract with the Company. The appointment as director of Mr Leong Chew Meng is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-Laws. The remuneration to be received by Mr Leong will be determined by the Board (or the Remuneration Committee) with reference to his experience and responsibilities in the Company.

Mr Leong 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.

7. **Tan Sri Dato' Lau Yin Pin**, Malaysian, aged 59, was appointed as an independent non-executive director on 14 April 2008. He is also the Chairman of the Remuneration Committee and a member of Audit Committee and Nomination Committee of the Company. Tan Sri Dato' Lau obtained his Diploma in Commerce with distinction from Tunku Abdul Rahman College, Malaysia in 1974. He has been a member of the Malaysian Institute of Accountants since 1979. He was made a fellow of the Chartered Association of Certified Accountants, United Kingdom in 1981 and became a graduate member of the Institute of Chartered Secretaries and Administrators, United Kingdom in 1987. He was the Chairman of the board of Matang Holdings Berhad (from January 2000 to June 2004), Chairman of Koperasi Serbaguna Malaysia Berhad (from August 1997 to June 2004). He was appointed as Senator of Dewan Negara for a three-year term commencing 25 November 2002 by Seri Paduka Baginda Yang diPertuan Agong, Malaysia until his voluntary resignation in March 2004. Tan Sri Dato' Lau Yin Pin is currently a director of Tenaga Nasional Berhad and YTL Power International Berhad, the Chairman of Star Publications (Malaysia) Berhad and Institute of Strategic Analysis and Policy Research.

Since Tan Sri Dato' Lau Yin Pin was a director of Nanyang, which became a subsidiary of the Company was a connected person of the Company, during the two years immediately prior to his appointment, he is unable to meet the independence guideline for independent non-executive directors set out in Rule 3.13(7) of the Listing Rules. Accordingly, as

required under Rule 3.14 of the Listing Rules, the Company had, prior to his appointment, successfully demonstrated to the satisfaction of the HKEx that Tan Sri Dato' Lau Yin Pin is independent. For the reasons set out as below, the Board considered that Tan Sri Dato' Lau Yin Pin was, and is, independent.

Tan Sri Dato' Lau Yin Pin was appointed to the board of Nanyang by Huaren Management Sdn Bhd ("Huaren"), which was, until 17 October 2006, the single largest major shareholder of Nanyang. Tan Sri Dato' Lau's resignation from the board of Nanyang was effective from 30 April 2008. Apart from being a former non-independent non-executive director of Nanyang, Tan Sri Dato' Lau Yin Pin does not have any other connection with Nanyang. In his capacity as a non-independent non-executive director, Tan Sri Dato' Lau Yin Pin was not involved in the day-to-day management of Nanyang, but his responsibility was to endorse corporate policy and to approve and authorise important transactions together with the other directors of Nanyang. Although Tan Sri Dato' Lau Yin Pin did not have a management role, his former appointment to the board of Nanyang was to ensure that the corporate direction and policies of Nanyang were adhered to and that Nanyang was being managed effectively and efficiently.

After completion of the merger among the Company, SCMCB and Nanyang, Huaren is no longer a substantial shareholder of the Company as its shareholding in the Company has been reduced to approximately 3.58%. Tan Sri Dato' Lau Yin Pin has been appointed as an Independent Non-executive Director of the Company due to his vast experience, which the Company believes will benefit both the Company and its shareholders as a whole. Tan Sri Dato' Lau Yin Pin accepted this appointment as an Independent Non-executive Director of the Company in his individual capacity, and not as representative of any shareholder of the Company.

The designation "Tan Sri" is the second most senior title in Malaysia and an honorific used to denote recipients of Malaysian Federal Awards. Tan Sri Dato' Lau Yin Pin has a respectable social status in Malaysia and therefore his appointment as an Independent Non-executive Director of the Company will reinforce the Board's credibility.

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

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

Tan Sri Dato' Lau Yin Pin has entered into a service contract with the Company for a term of 1 year and 11 months and 18 days, commencing on 14 April 2008 to and including 31 March 2010. The appointment as director of Tan Sri Dato' Lau Yin Pin is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-Laws. The remuneration to be received by Tan Sri Dato' Lau Yin Pin will be determined by the Board (or the Remuneration Committee) with reference to his experience and responsibilities in the Company.

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

8. **Temenggong Datuk Kenneth Kanyan Anak Temenggong Koh**, Malaysian, aged 65, was appointed as an independent non-executive director of the Company on 20 March 2008. He is a member of the Audit 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 the Deputy Prime Minister and Prime Minister from 1974 to 1981, and Senator from 1981 to 1987. He was 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 sits on the board of Subur Tiasa Holdings Berhad which is listed in Malaysia as Director, and holds directorships in several private limited companies in Malaysia. Temenggong Datuk Kenneth Kanyan was also an independent non-executive director of SCM CB which is a wholly-owned subsidiary of the Company and was a listed company in Malaysia until 30 April 2008. Temenggong Datuk Kenneth Kanyan Anak Temenggong Koh resigned from the board of SCM CB effective from 2 May 2008.

Save as disclosed herein, Temenggong Datuk Kenneth Kanyan Anak Temenggong Koh has not held any directorship in other listed 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, Temenggong Datuk Kenneth Kanyan Anak Temenggong Koh 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 service contract with the Company for a term of 2 years and 12 days, commencing on 20 March 2008 to and including 31 March 2010. 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 Temenggong Datuk Kenneth Kanyan Anak Temenggong Koh will be determined by the Board (or the Remuneration Committee) with reference to his experience and responsibilities in the Company.

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.