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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 stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold all your shares in Sing Tao Holdings Limited, you should at once hand this circular and the form of proxy enclosed to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.



**PROPOSALS FOR
DISTRIBUTION OF SHARES IN
SING TAO MEDIA HOLDINGS LIMITED TO
SHAREHOLDERS OF SING TAO HOLDINGS LIMITED
AND
REDUCTION OF SHARE PREMIUM AND
CAPITAL REDEMPTION RESERVE ACCOUNTS
AND
CHANGE OF COMPANY NAME**

A notice convening a special general meeting of Sing Tao Holdings Limited to be held at Board Room, 6/F, Sing Tao Building, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong on 19th August, 2002 at 10:00 a.m. is set out on pages 14 to 15 of this circular. Whether or not you propose to attend the said meeting, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return the same to the principal place of business of the Company at 6th Floor, Sing Tao Building, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong for the attention of the Company Secretary as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. A member entitled to attend and vote at the said meeting may appoint one (or if holding two or more Shares, more than one) proxy(ies) to attend and, on a poll, vote on his/her behalf. A proxy need not be a member of the Company. Completion and the return of the proxy form will not preclude you from attending and voting at the said meeting should you so desire.

27th July, 2002

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EXPECTED TIMETABLE

2002

| | |
|--|--|
| Last day of dealings in Shares cum entitlement to the STM Shares pursuant to the Distribution | Wednesday, 7th August |
| Commencement of dealings in Shares on an ex-entitlement basis | Thursday, 8th August |
| Latest time for lodging transfer of the Shares in order to qualify for the Distribution | 4:00 p.m. on Friday, 9th August |
| Record Date | Monday, 12th August |
| Register of members closes (both dates inclusive) | Monday, 12th August to Monday, 19th August |
| Latest time for lodging proxy form | 10:00 a.m., Saturday, 17th August |
| SGM | 10:00 a.m., Monday, 19th August |

DEFINITIONS

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

| | |
|--|--|
| “Board” | the board of directors of the Company; |
| “Bye-Laws” | the bye-laws of the Company; |
| “Capital Redemption Reserve Reduction” | the proposed reduction of the capital redemption reserve account of the Company; |
| “Companies Act” | the Companies Act 1981 of Bermuda (as amended); |
| “Company” or “Sing Tao” | Sing Tao Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange; |
| “Directors” | the directors of the Company; |
| “Distribution” | the conditional payment of a special interim dividend by the Company to be satisfied by a distribution in specie of one STM Share to the Shareholders (including the Overseas Shareholders) for every one Share held on the Record Date; |
| “Effective Date” | the date on which the Share Premium Reduction and the Capital Redemption Reserve Reduction shall become effective, being the date of the SGM (or any adjournment thereof) at which the relevant resolution approving the Share Premium Reduction and the Capital Redemption Reserve Reduction will be considered and approved by the Shareholders; |
| “Global China” | Global China Technology Group Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange and which, through Global China Multimedia, holds approximately 74.5% of the issued share capital of the Company; |
| “Global China Multimedia” | Global China Multimedia Limited, a company incorporated in the British Virgin Islands and wholly-owned by Global China; |
| “Group” | the Company and its subsidiaries from time to time; |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong; |
| “Listing Rules” | The Rules Governing the Listing of Shares on The Stock Exchange of Hong Kong Limited; |
| “Name Change” | the proposed change of name of the Company from Sing Tao Holdings Limited to Shanghai Ming Yuan Holdings Limited; |
| “Overseas Shareholders” | the Shareholders whose addresses as noted on the branch register of members of the Company were outside Hong Kong on the Record Date; |
| “Record Date” | 12th August, 2002, or such other date as the Company may determine, being the record date for ascertaining the entitlement of Shareholders to participate in the Distribution; |

DEFINITIONS

| | |
|-------------------------------|---|
| “Sale and Purchase Agreement” | the sale and purchase agreement dated 3rd July, 2002 and entered into between Global China, Ming Yuan Investments Group Limited and Yao Yuan for the sale and purchase of the 312,624,443 Shares currently held by Global China Multimedia; |
| “Securities Exchange Offer” | the voluntary conditional securities exchange offer made by Global China Corporate Finance Limited on behalf of Global China Multimedia for the entire issued share capital of Sing Tao Media, other than such shares as may be received by Global China Multimedia pursuant to the Distribution; |
| “SGM” | the special general meeting of the Company to be held at Board Room, 6/F, Sing Tao Building, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong on 19th August, 2002 at 10:00 a.m., notice of which is set out on pages 14 and 15 of this circular; |
| “Share(s)” | share(s) of HK\$0.25 each in the issued share capital of the Company; |
| “Share Premium Reduction” | the proposed reduction of the share premium account of the Company as described in the section headed “Proposed reduction of share premium account and capital redemption reserve account” in this circular; |
| “Shareholder(s)” | holder(s) of the Shares; |
| “Sing Tao Media” | Sing Tao Media Holdings Limited, a company incorporated in the Cayman Islands and a wholly-owned subsidiary of the Company; |
| “STM Share(s)” | share(s) of HK\$0.01 each in the ordinary share capital of Sing Tao Media; and |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited. |



星島集團

SING TAO HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Directors:

Executive:

HO Tsu Kwok, Charles
WONG Wai Ming
CHAN Kwai Yin, Miranda
HO Kwok Fai, Morris
INN, Judy
LO Wing Hung

Independent Non-Executive:

FAN Sheung Tak, Stephen
TONG Yuk Lun, Paul
TUNG Chee Chen
YAO Kang, JP

Registered Office:

Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

Principal Place of

Business in Hong Kong:

Sing Tao Building
1 Wang Kwong Road
Kowloon Bay
Kowloon
Hong Kong

27th July, 2002

To Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
DISTRIBUTION OF SHARES IN
SING TAO MEDIA HOLDINGS LIMITED TO
SHAREHOLDERS OF SING TAO HOLDINGS LIMITED
AND
REDUCTION OF SHARE PREMIUM AND
CAPITAL REDEMPTION RESERVE ACCOUNTS
AND
CHANGE OF COMPANY NAME**

INTRODUCTION

The Board proposed on 16th July, 2002 to declare and pay to the Shareholders a conditional special interim dividend to be satisfied wholly by a distribution in specie of the STM Shares to the Shareholders (including the Overseas Shareholders) whose names appear on the register of members on the Record Date and to change its corporate name. For the purpose of implementing the Distribution, the share premium and capital redemption reserve accounts of the Company would need to be reduced in order to increase the distributable reserves available to the Company. Such reduction will, pursuant to bye-law 66(B) of the Bye-Laws, require the approval of members of the Company in general meeting by way of special resolution. In this connection, the Board intends to convene the SGM to approve the Share Premium Reduction, the Capital Redemption Reserve Reduction, the Distribution and the Name Change.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with further information in relation to the Distribution, the Share Premium Reduction, the Capital Redemption Reserve Reduction and the Name Change and the convening of the SGM to be held on 19th August, 2002 to consider and, if thought fit, approve the Distribution, the Share Premium Reduction, the Capital Redemption Reserve Reduction and the Name Change.

DISTRIBUTION

The Board has approved a resolution on 16th July, 2002, to recommend that the Shareholders should pass at the SGM a special resolution to approve the Share Premium Reduction and the Capital Redemption Reserve Reduction and, as an ordinary resolution, to approve the distributions of the STM Shares to the Shareholders, including the Overseas Shareholders, by way of a special interim dividend in the proportion of one STM Share for every Share then held by the Shareholders whose names appear on the register of members of the Company on the Record Date. STM Shares are not listed on any stock exchange.

It is proposed that the then entire issued share capital of Sing Tao Media will be distributed under the Distribution. No distribution of STM Shares will be made to the Shareholders in respect of fractional entitlements. The Distribution is subject to the Shareholders passing the necessary resolution for Share Premium Reduction and the Capital Redemption Reserve Reduction at the SGM.

Upon completion of the Distribution, the business of the Company will be property trading and investment and primarily comprise non-media related commercial, industrial and retail properties in Hong Kong, the People's Republic of China and Canada.

Reasons For the Distribution

The Distribution is being proposed in order to realize the growing synergies that exist between the business operations and management of the Company and Global China. As referred to in the Annual Report of the Company for the period ended 31st December, 2001, there is an increasing convergence between the Group's newspaper and magazine publishing business and that of Global China's media and information services business. Global China's media and information services arm is principally engaged in the creation and aggregation of multimedia content and the provision of an information and news exchange platform through its subsidiaries and associated companies. The Group's strategic objective of becoming a leading multimedia content provider and aggregator serving global Chinese communities may best be achieved by combining the respective strengths of the Group and Global China, as well as the financial and management resources of the two groups.

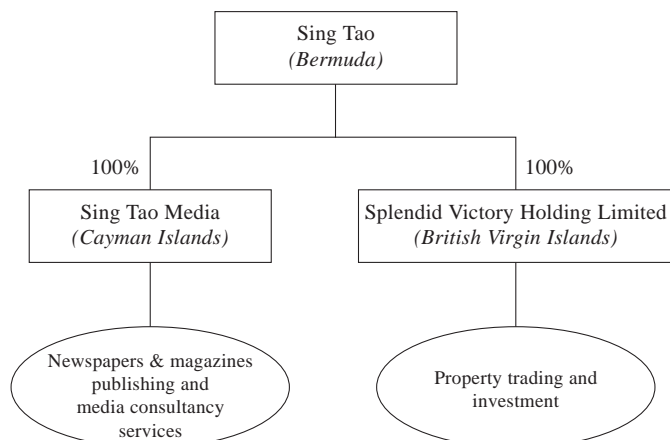
Conditions of the Distribution

The Distribution is subject to the Shareholders' approval and the approval of the Shareholders of the Share Premium Reduction and the Capital Redemption Reserve Reduction and is conditional upon the Company being able to satisfy that (a) the Company is, or would after the Distribution be, able to pay its liabilities as they become due; and (b) the realizable value of the Company's assets would not after the Distribution be less than the aggregate of its liabilities and its issued capital and share premium account, as provided under Section 54(1) of the Companies Act.

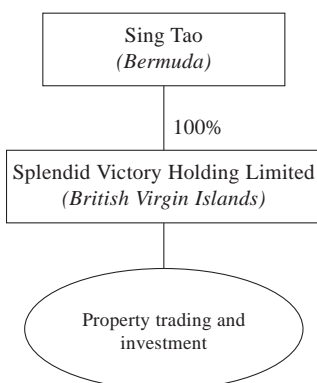
LETTER FROM THE BOARD

Effects of the Distribution

The following is the organizational structure of the Company immediately prior to the Distribution:



The following is the organizational structure of the Company immediately after the Distribution:



The audited consolidated net asset value of the Group before Distribution as at 31st March, 2001 and 31st December, 2001 were approximately HK\$819.8 million and HK\$755.0 million, respectively.

The audited consolidated net asset value per share of the Group before Distribution as at 31st March, 2001 and 31st December, 2001 were HK\$1.95 and HK\$1.80, respectively, based on 419,619,246 ordinary shares of the Company in issue on the respective dates.

The unaudited adjusted consolidated net asset value of the Group after Distribution as at 31st March, 2001 and 31st December, 2001 were approximately HK\$108.4 million and HK\$104.9 million, respectively, assuming that the Distribution had been effected and the Group structure set out thereabove was in existence on the respective dates.

The unaudited adjusted consolidated net asset value per share of the Group after Distribution as at 31st March, 2001 and 31st December, 2001 were HK\$0.26 and HK\$0.25, respectively, based on 419,619,246 ordinary shares of the Company in issue on the respective dates.

Information of Sing Tao Media

Sing Tao Media is a wholly-owned subsidiary of the Company, and is principally engaged in the publishing of newspapers and magazines, including Sing Tao Daily, The Standard, East Touch and Teens and the provision of media consultancy services. STM Shares are not listed on any stock exchange.

The unaudited combined loss after tax of Sing Tao Media for the year ended 31st March, 2001 and the nine months ended 31st December, 2001 (collectively the “**Results**”) were approximately HK\$74.3 million and HK\$62.3 million, respectively. The unaudited combined net asset value of Sing Tao Media as at 31st March, 2001 and 31st December, 2001 (collectively the “**Net Assets**”) were approximately HK\$711.4 million and HK\$650.1 million, respectively.

The unaudited combined net asset value per share of Sing Tao Media as at 31st March, 2001 and 31st December, 2001 (collectively the “**Net Asset Value Per Share**”) were HK\$1.70 and HK\$1.55, respectively, based on 419,619,246 ordinary shares of the Company in issue on the respective dates.

The Results, Net Assets and Net Asset Value Per Share are prepared on the assumption that the Group structure as set out under the heading “**Effects of the Distribution**” had been in existence throughout the relevant periods.

The above financial information has been reported on in accordance with Rule 10 of The Codes on Takeovers and Mergers and Share Repurchases by Ernst & Young, the auditors of the Company and Global China Corporate Finance Limited, the financial adviser to the Company. Each of them has respectively issued a comfort letter to the Company regarding the financial information stated above, the text of the letters are set out on pages 12 to 13 of this circular.

Benefits to the Shareholders

The Board believes that the Distribution, if implemented, will assist in streamlining the structure of the Group and allow the Shareholders to participate directly in the Group’s investment in the media-related group of companies. Coupled with the possible securities exchange offer by Global China Multimedia as more particularly described on page 8 of this circular and in the announcement dated 11th July, 2002, the Shareholders will be offered an alternative channel to realize the value in their unlisted STM Shares and to take up the securities of another company which is listed on the Stock Exchange.

Business of the Group after Distribution

Upon completion of the Distribution, the Company will continue to be engaged in property trading and investment, which has continued to be one of the principal activities of the Group. The Company will hold a portfolio of commercial, industrial and retail properties in Hong Kong and overseas.

As per the announcement of 11th July, 2002, subject to the fulfillment of certain conditions precedent, Global China has agreed to sell its approximately 74.5% interest in the Company to Ming Yuan Investments Group Limited under the Sale and Purchase Agreement and the current Directors will resign from their respective post after the completion of the Sale and Purchase Agreement or such other earliest date as permitted under The Codes on Takeovers and Mergers and Share Repurchases.

Share Certificates of STM Shares

On 11th July, 2002, the board of directors of both Global China and Global China Multimedia jointly announced the Securities Exchange Offer. The making of the Securities Exchange Offer is subject to the completion of certain conditions precedent, including the completion of the Distribution.

Share certificates of STM Shares would not be issued to the Shareholders at the time when the Distribution is completed. Instead, share certificates of STM Shares will only be issued after the completion of the Securities Exchange Offer which is expected to be no later than 23rd September, 2002. Definitive certificates for STM Shares are expected to be dispatched by ordinary mail to the Shareholders who elect not to accept the Securities Exchange Offer, at their own risks upon the completion of the Securities Exchange Offer. Fractional shares of Sing Tao Media will not be issued.

Shareholders who elect to accept the Securities Exchange Offer will not receive the certificates for STM Shares but, instead, will receive the share certificates representing the relevant shares in Global China.

PROPOSED REDUCTION OF SHARE PREMIUM ACCOUNT AND CAPITAL REDEMPTION RESERVE ACCOUNT

For the purpose of implementing the Distribution, the share premium account and the capital redemption reserve account of the Company would have to be reduced in order to increase the distributable reserves available to the Company. The amount standing to the credit of the Company's share premium account as at 31st December, 2001 was approximately HK\$286.192 million. The amount standing to the Company's credit of the capital redemption reserve account as at 31st December, 2001 was HK\$1.431 million. It is proposed that, subject to the conditions set out below, the whole amount of the share premium and capital redemption reserve accounts of the Company as at the Effective Date be reduced pursuant to Section 46 of the Companies Act and bye-law 66(B) of the Bye-Laws and that the amounts so reduced be transferred to the contributed surplus account of the Company.

As at 31st December, 2001, the amount standing to the credit of the contributed surplus account of the Company was HK\$618.818 million. Upon completion of the Share Premium Reduction and the Capital Redemption Reserve Reduction, the amount standing to the credit of the contributed surplus account of the Company will increase to HK\$906.441 million. The amount standing to the credit of the contributed surplus account of the Company would be used to effect the Distribution after offsetting the accumulated losses account of the Company in full.

As at 31st December, 2001, the Company recorded audited accumulated losses of HK\$278.022 million standing to the debit of the accumulated losses account of the Company. The Share Premium Reduction and the Capital Redemption Reserve Reduction will enable the Company to increase the distributable reserves of the Company, and as a result, enable the Company to effect the Distribution from its distributable reserves.

LETTER FROM THE BOARD

EFFECT OF THE SHARE PREMIUM REDUCTION AND THE CAPITAL REDEMPTION RESERVE REDUCTION ON SHAREHOLDERS' FUNDS

The effect of the Share Premium Reduction and the Capital Redemption Reserve Reduction on the components of the shareholders' funds of the Company is set out below:

| | Audited balance before the Share Premium Reduction and the Capital Redemption Reserve Reduction as at 31st December, 2001 (HK\$'000) | Balance as at 31st December, 2001 assuming the Share Premium Reduction and the Capital Redemption Reserve Reduction have become effective (HK\$'000) |
|----------------------------|---|---|
| Shareholders' funds | | |
| Issued share capital | 104,905 | 104,905 |
| Share premium account | 286,192 | — |
| Capital redemption reserve | 1,431 | — |
| Contributed surplus | 618,818 | 906,441 |
| Accumulated losses | 278,022 | 278,022 |

EFFECT OF THE SHARE PREMIUM REDUCTION AND THE CAPITAL REDEMPTION RESERVE REDUCTION

Implementation of the Share Premium Reduction and the Capital Redemption Reserve Reduction (without taking into account the Distribution) will not, in itself, alter the underlying assets, liabilities, business operations, management or financial position of the Company or the proportionate interest of the Shareholders, other than related expenses incurred which are immaterial. The Directors consider that the Share Premium Reduction and the Capital Redemption Reserve Reduction will not have an adverse effect on the financial position of the Group.

CONDITIONS OF THE SHARE PREMIUM REDUCTION AND THE CAPITAL REDEMPTION RESERVE REDUCTION

The Share Premium Reduction and the Capital Redemption Reserve Reduction are conditional upon, inter alia, the passing by the Shareholders of a special resolution to approve the Share Premium Reduction and the Capital Redemption Reserve Reduction at the SGM.

The passing of the special resolution for the Share Premium Reduction and the Capital Redemption Reserve Reduction by the Shareholders at the SGM and the passing of an ordinary resolution to approve the implementation of the Distribution are the conditions precedent to the completion of the Sale and Purchase Agreement and the making of the Securities Exchange Offer.

PROPOSED CHANGE OF NAME

The Directors propose to change the English name of the Company from "Sing Tao Holdings Limited" to "Shanghai Ming Yuan Holdings Limited". The Director will also adopt the new Chinese name of "上海銘源控股有限公司" for identification purposes upon the Name Change becoming effective. The Name Change will preserve the goodwill associated with "Sing Tao" to Sing Tao Media. It also reflects the

LETTER FROM THE BOARD

change in control of the Company upon completion of the Sale and Purchase Agreement. The Name Change is subject to the passing of a special resolution by the Shareholders at the SGM and the approval by the Registrar of Companies in each of Bermuda and Hong Kong being obtained. The Name Change shall take effect from the date on which the new English name is registered by the Registrar of Companies in Bermuda in place of the existing name. Thereafter, the Company will attend to the necessary filing procedures in Hong Kong. Further announcement on the Name Change and trading arrangement will be made after the approval from the Registrar of Companies in each of Bermuda and Hong Kong being obtained.

The Name Change will not affect any of the rights of the Shareholders. Existing share certificates in issue will continue to be evidence of title to the Shares held in the Company and will continue to be valid for trading and settlement purposes.

Shareholders may for a period of one month from the date when the Name Change becomes effective submit existing share certificates to the Hong Kong branch registrar of the Company, Computershare Hong Kong Investor Services Limited of Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for exchange, at the expense of the Company, for new certificates in the new name of the Company. After the expiry of such one month period, Share certificates will be accepted for change only on payment of a fee of HK\$2.50 or such higher amount as may be prescribed or allowed under the Listing Rules and the Bye-Laws from time to time for each such certificates issued.

CLOSURE OF REGISTER OF MEMBERS

The principal register and Hong Kong branch register of members of the Company will be closed from 12th August, 2002 to 19th August, 2002 (both dates inclusive), for the purpose of determining the identity of Shareholders who are entitled to receive the STM Shares under the Distribution. No transfer of Shares may be registered during the book closure period. **In order to qualify for the Distribution, all transfers must be lodged with the Hong Kong branch registrar of the Company, namely Computershare Hong Kong Investor Services Limited of Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong at or before 4:00 p.m. on 9th August, 2002.**

ACTIONS TO BE TAKEN

Notice of the SGM is set out on pages 14 and 15 of this circular and a proxy form for use at the SGM is enclosed for your attention. Whether or not you propose to attend the SGM, you are requested to complete the said proxy form and return it to the principal place of business in Hong Kong of the Company at 6th Floor, Sing Tao Building, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong for the attention of the Company Secretary not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the proxy form will not prevent you from attending and voting at the SGM if you so wish.

RECOMMENDATION

The Directors are of the opinion that the Distribution, the Share Premium Reduction, the Capital Redemption Reserve Reduction and the Name Change are all in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend that all Shareholders should vote in favour of the special resolution and ordinary resolution set out in the notice of the SGM.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular contains particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, opinions expressed in this circular have been arrived at after due and careful consideration and there are no other facts the omission of which would make any statement herein misleading.

MISCELLANEOUS

- (a) The registered office of the Company is at Cedar House, 41 Cedar Avenue, Hamilton HM 12, Bermuda.
- (b) The principal place of business of the Company in Hong Kong is at Sing Tao Building, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong.
- (c) The share registrar and the transfer office of the Company is Computershare Hong Kong Investor Services Limited of Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong.
- (d) Each of Ernst & Young and Global China Corporate Finance Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which they appear.
- (e) Global China Corporate Finance Limited, the financial adviser to the Company, is an investment adviser registered under the Securities Ordinance (Chapter 333 of the Laws of Hong Kong).
- (f) Ernst & Young, the auditors of the Company, are certified public accountants.
- (g) The English text of this circular shall prevail over the Chinese text.

By Order of the Board
HO Tsu Kwok, Charles
Chairman



15th Floor
Hutchison House
10 Harcourt Road
Central
Hong Kong

26th July, 2002

The Directors
Sing Tao Holdings Limited
Global China Corporate Finance Limited

Dear Sirs,

We have performed the procedures detailed below in connection with the financial information under the headings “Effects of the Distribution” and “Information of Sing Tao Media” as set out on pages 6 and 7 of the Company’s circular dated 26th July, 2002 (the “Circular”). The preparation of the financial information is the sole responsibility of the directors of the Company (the “Directors”). Our responsibility is to report on the results of our procedures.

Our procedures consisted of the following:

- (a) enquires of the Directors as to the accounting policies based on which the financial information has been prepared and as to whether they have taken into account the new and revised Statements of Standard Accounting Practice issued by the Hong Kong Society of Accountants which are effective for the first time on or after 1st January, 2001;
- (b) a comparison of the accounting policies based on which the financial information has been prepared with those adopted in the preparation of the audited financial statements of the Company and its subsidiaries (the “Group”) for the year ended 31st March, 2001 and the nine months ended 31st December, 2001; and
- (c) a check of the arithmetical calculation relating to the financial figures based on which the financial information is prepared.

The procedures do not constitute an audit or a review performed in accordance with auditing standards generally accepted in Hong Kong and, accordingly, we do not express an audit or a review opinion on the financial information.

Based on our procedures, so far as the accounting policies and calculations are concerned, the financial information has been properly prepared on the basis of the assumptions made by the Directors and is prepared on a basis consistent in all material respects with those accounting policies adopted by the Group in its financial statements for the year ended 31st March, 2001 and the nine months ended 31st December, 2001.

Yours faithfully,
Ernst & Young
Certified Public Accountants
Hong Kong



GLOBAL CHINA CORPORATE FINANCE LIMITED

泛華財務顧問有限公司

26th July, 2002

The directors of Sing Tao Holdings Limited
Sing Tao Building
1 Wang Kwong Road
Kowloon Bay
Kowloon
Hong Kong

Dear Sirs,

We refer to the financial information of Sing Tao Holdings Limited and Sing Tao Media Holdings Limited under the headings “Effects of the Distribution” and “Information of Sing Tao Media” as set out on pages 6 and 7 of the circular of Sing Tao Holdings Limited dated 26th July, 2002 (“**Financial Information**”).

We have discussed with you the bases upon which the Financial Information has been prepared. We have also considered the letter dated 26th July, 2002 addressed to the directors of Sing Tao Holdings Limited from Ernst & Young relating to the accounting policies and calculations upon which the Financial Information has been prepared.

On the bases adopted by you and the accounting policies and calculations reviewed by Ernst & Young, we are of the opinion that the Financial Information for which the directors of Sing Tao Holdings Limited are solely responsible, has been prepared after due and careful consideration.

Yours faithfully,
For and on behalf of
Global China Corporate Finance Limited
Ronald YANG

星島 SING TAO HOLDINGS LIMITED
星島集團 (Incorporated in Bermuda with limited liability)

NOTICE IS HEREBY GIVEN THAT a special general meeting of the shareholders of Sing Tao Holdings Limited (the “**Company**”) will be held at Board Room, 6/F, Sing Tao Building, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong on 19th August, 2002 at 10:00 a.m., for the purpose of considering and, if thought fit, passing each of resolutions No. 1 and No. 2 as a special resolution, and resolution No. 3 as an ordinary resolution of the Company:

SPECIAL RESOLUTIONS

1. “**THAT**,
 - (A) (i) the share premium account of the Company, as it shall stand at the close of business on the date immediately prior to the date of the special general meeting of the Company at which this special resolution is considered (or any adjournment thereof), be reduced by the sum of HK\$286.192 million from HK\$286.192 million to HK\$Nil with effect from the date of passing this special resolution (the “**Share Premium Reduction**”);
 - (ii) the capital redemption reserve account of the Company, as it shall stand at the close of business on the date immediately prior to the date of the special general meeting of the Company at which this special resolution is considered (or any adjournment thereof), be reduced by the sum of HK\$1.431 million from HK\$1.431 million to HK\$Nil with effect from the date of passing this special resolution (the “**Capital Redemption Reserve Reduction**”); and
 - (iii) those amounts released by the Share Premium Reduction and the Capital Redemption Reserve Reduction be credited and applied to the contributed surplus account of the Company and that the directors of the Company be and they are hereby authorized to apply such contributed surplus account in accordance with the bye-laws of the Company; and
- (B) any one of the directors of the Company be and is hereby authorized generally to do all things he or she may consider appropriate and desirable to effect and implement any of the foregoing.”
2. “**THAT**, subject to the approval by the Registrar of Companies in each of Bermuda and Hong Kong, the English name of the Company be changed from “Sing Tao Holdings Limited” to “Shanghai Ming Yuan Holdings Limited”.

ORDINARY RESOLUTION

3. “**THAT**, the distribution in specie of the Company’s entire holding of shares in Sing Tao Media Holdings Limited (“**Sing Tao Media**”), representing the then entire issued share capital of Sing Tao Media to the Company’s shareholders whose names appear on the registers of members of the Company at the close of business on 12th August, 2002, on the basis of one share in Sing Tao Media for every share of HK\$0.25 each in the capital of the Company (the “**Distribution**”) be and is hereby approved **AND THAT** the directors of the Company be and are hereby

NOTICE OF SPECIAL GENERAL MEETING

authorized to implement the Distribution and to take all steps and actions and to do and/or procure to be done all acts and things as they may in discretion consider to be necessary, desirable and/or expedient to implement and give effect to the Distribution.”

By Order of the Board
TSANG Sai Chung, Kirk
Company Secretary

Hong Kong, 25th July, 2002

Registered Office:

Cedar House,
41 Cedar Avenue,
Hamilton HM 12,
Bermuda

Principal Place of Business:

Sing Tao Building,
1 Wang Kwong Road,
Kowloon Bay,
Kowloon
Hong Kong

Notes:

- (1) *A member entitled to attend and vote at the above meeting may appoint one (or if holding two or more shares, more than one) proxy(ies) to attend and, on a poll, vote on his/her behalf. A proxy need not be a member of the Company.*
- (2) *To be valid, a proxy form must be completed in accordance with the instructions printed thereon and returned to 6th Floor, Sing Tao Building, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong for the attention of the Company Secretary as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the said meeting or any adjournment thereof. Completion and the return of the proxy form will not preclude the appointor from attending and voting at the said meeting.*