世界華文媒體 MEDIA CHINESE

Annual Report 2012/13

Media Chinese International Limited

明報 MING PAO DAILY NEWS

星洲日報 SIN CHEW DAILY

南洋商報 NANYANG SIANG PAU

中國報 CHINA PRESS

光明日報

Malaysia Company No. 995098-A Malaysia Stock Code : 5090 Hong Kong Stock Code : 685

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Corporate Information

EXECUTIVE DIRECTORS

Tan Sri Datuk Sir TIONG Hiew King *(Group Executive Chairman)*
Dato' Sri Dr TIONG Ik King
Mr TIONG Kiew Chiong *(Group Chief Executive Officer)*
Mr NG Chek Yong
Mr LEONG Chew Meng

NON-EXECUTIVE DIRECTOR

Ms TIONG Choon

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr David YU Hon To
Tan Sri Dato' LAU Yin Pin
Temenggong Datuk Kenneth Kanyan
ANAK TEMENGGONG KOH

GROUP EXECUTIVE COMMITTEE

Mr NG Chek Yong *(Chairman)*
Mr TIONG Kiew Chiong
Ms SIEW Nyoke Chow
Mr LEONG Chew Meng
Mr ONG See Boon

AUDIT COMMITTEE

Mr David YU Hon To *(Chairman)*
Tan Sri Dato' LAU Yin Pin
Temenggong Datuk Kenneth Kanyan
ANAK TEMENGGONG KOH

REMUNERATION COMMITTEE

Tan Sri Dato' LAU Yin Pin *(Chairman)*
Mr David YU Hon To
Temenggong Datuk Kenneth Kanyan
ANAK TEMENGGONG KOH
Mr TIONG Kiew Chiong
Mr NG Chek Yong

NOMINATION COMMITTEE

Temenggong Datuk Kenneth Kanyan
ANAK TEMENGGONG KOH *(Chairman)*
Mr David YU Hon To
Tan Sri Dato' LAU Yin Pin

JOINT COMPANY SECRETARIES

Ms LAW Yuk Kuen
Ms TONG Siew Kheng

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Hang Seng Bank Limited
RHB Bank Berhad
HSBC Bank Malaysia Berhad
OCBC Bank (Malaysia) Berhad
Malayan Banking Berhad

AUDITOR

PricewaterhouseCoopers

STOCK CODE

The Stock Exchange of Hong Kong Limited	685
Bursa Malaysia Securities Berhad	5090

WEBSITE

www.mediachinesegroup.com

Corporate Information

HONG KONG HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

15th Floor, Block A
Ming Pao Industrial Centre
18 Ka Yip Street
Chai Wan
Hong Kong
Tel: (852) 2595 3111
Fax: (852) 2898 2691

MALAYSIA HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

No. 19, Jalan Semangat
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia
Tel: (603) 7965 8888
Fax: (603) 7965 8689

REGISTERED OFFICE IN BERMUDA

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda
Tel: (441) 295 1443
Fax: (441) 292 8666

REGISTERED OFFICE IN MALAYSIA

Level 8, Symphony House
Block D13, Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia
Tel: (603) 7841 8000
Fax: (603) 7841 8199

PRINCIPAL REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcrum Group (Bermuda) Limited
26 Burnaby Street
Hamilton HM11
Bermuda
Tel: (852) 2978 5656
Fax: (852) 2530 5152

HONG KONG BRANCH REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Wan Chai
Hong Kong
Tel: (852) 2980 1333
Fax: (852) 2861 0285

MALAYSIA BRANCH REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Sdn Bhd
Level 17, The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Malaysia
Tel: (603) 2264 3883
Fax: (603) 2282 1886

Profile of Board of Directors

Tan Sri Datuk Sir TIONG Hiew King

Group Executive Chairman and Executive Director

Malaysian, aged 79, was appointed as the Chairman of Media Chinese International Limited (the "Company") on 20 October 1995. He was also appointed as the Chairman of One Media Group Limited ("One Media") on 1 April 2012, a subsidiary of the Company publicly listed on the main board of The Stock Exchange of Hong Kong Limited (the "HK Stock Exchange") (stock code: 426). Tan Sri Datuk Sir TIONG Hiew King is also the Executive Chairman of Rimbunan Hijau Group, a large diversified conglomerate in Malaysia comprising timber harvesting, processing and manufacturing of timber products, plantations and other businesses around the world. He has extensive experience in a number of industries, including media and publishing, timber, oil palm plantations and mills, oil and gas, mining, fishery, information technology and manufacturing. He is the founder of an English newspaper named *The National* in Papua New Guinea and is currently the President of The Chinese Language Press Institute Limited. He was bestowed the Knight Commander of the Most Excellent Order of the British Empire (K.B.E.) by Queen Elizabeth II of the United Kingdom in June 2009 in recognition of his contribution to commerce, community and charitable organisations. In 2010, he was awarded "Malaysia Business Leadership Award 2010 — The Lifetime Achievement Award" by the Kuala Lumpur Malay Chamber of Commerce in recognition of his entrepreneurship and his contribution to the country.

Tan Sri Datuk Sir TIONG Hiew King is the Executive Chairman of Sin Chew Media Corporation Berhad ("Sin Chew"), a wholly-owned subsidiary of the Company in Malaysia. He currently serves as the Executive Director of Rimbunan Sawit Berhad (stock code: 5113), a listed company in Malaysia and as the Executive Chairman of RH Petrogas Limited (stock code: T13), a listed company in Singapore. He is a trustee of Yayasan Sin Chew and also a director of other private limited companies, some of which being subsidiaries of the Company.

He is the father of Ms TIONG Choon, the brother of Dato' Sri Dr TIONG Ik King and the distant relative of Mr TIONG Kiew Chiong, all of whom are directors of the Company. In addition, Dato' Sri Dr TIONG Ik King is a substantial shareholder of the Company.

丹斯里拿督張曉卿爵士

集團執行主席及執行董事

馬來西亞公民，79歲，於1995年10月20日獲委任為世界華文媒體有限公司(「本公司」)主席，他亦於2012年4月1日獲委任為萬華媒體集團有限公司(「萬華媒體」)之主席。萬華媒體為本公司之附屬公司，於香港聯合交易所有限公司(「香港聯交所」)主板上市(股份代號：426)。丹斯里拿督張曉卿爵士亦為馬來西亞大型多元化綜合企業常青集團之執行主席，該集團在全球擁有採伐、加工及製造木材產品、林業及其他業務。他在多個行業均有豐富經驗，包括傳媒及出版、木材、油棕林業、氣油、礦業、漁業、資訊科技及製造業等。他是在巴布亞新幾內亞出版之英文報章《*The National*》之創辦人，也是世界中文報業協會有限公司之現任會長。他於2009年6月獲英女皇伊利沙伯二世冊封爵級司令勳章(K.B.E.)，以嘉許他對商界、社會及慈善機構之貢獻。他也於2010年榮獲吉隆坡馬來商聯會頒授「2010年度馬來西亞商業領袖大獎—終生成就獎」，以表揚彼之企業成就及對國家之貢獻。

丹斯里拿督張曉卿爵士是本公司馬來西亞全資附屬公司星洲媒體集團有限公司(「星洲媒體」)之執行主席。他現任馬來西亞上市公司常青油棕有限公司(股份代號：5113)之執行董事及新加坡上市公司常青石油及天然氣有限公司(股份代號：T13)之執行主席。他是星洲日報基金會信託人，同時也出任多間其他私人有限公司(部分為本公司之附屬公司)之董事。

丹斯里拿督張曉卿爵士是張聰女士之父親、拿督斯里張翼卿醫生之胞兄及張裘昌先生之遠房親戚，他們均為本公司董事。此外，拿督斯里張翼卿醫生為本公司之主要股東。

Profile of Board of Directors

Dato' Sri Dr TIONG Ik King

Executive Director

Malaysian, aged 62, was appointed as an executive director of the Company on 20 October 1995. He has extensive experience in media and publishing, information technology, timber, plantations, oil palm and manufacturing industries. Dato' Sri Dr TIONG graduated from National University of Singapore with an M.B.B.S. Degree in 1975 and became a member of the Royal College of Physicians, United Kingdom (M.R.C.P.) in 1977. He was conferred the datukship title of Dato' Sri by the Sultan of Pahang, Malaysia on 24 October 2008 in recognition of his contribution to the country.

During the three-year period immediately preceding 31 March 2013, Dato' Sri Dr TIONG had been and resigned as a non-independent non-executive director of EON Capital Berhad (stock code: 5266) in Malaysia. He currently sits on the board of Jaya Tiasa Holdings Berhad (stock code: 4383), a listed company in Malaysia and RH Petrogas Limited (stock code: T13), a listed company in Singapore. He also serves as a director in other private limited companies.

He is the brother of Tan Sri Datuk Sir TIONG Hiew King, the uncle of Ms TIONG Choon and the distant relative of Mr TIONG Kiew Chiong, all of whom are directors of the Company. In addition, Tan Sri Datuk Sir TIONG Hiew King is a substantial shareholder of the Company.

拿督斯里張翼卿醫生

執行董事

馬來西亞公民，62歲，於1995年10月20日獲委任為本公司執行董事。他在傳媒及出版、資訊科技、木材、林業、油棕及製造業等領域均擁有豐富經驗。拿督斯里張翼卿醫生於1975年畢業於新加坡國立大學，獲頒醫學學士學位，並於1977年取得英國皇家內科醫師學會會員資格。於2008年10月24日，拿督斯里張翼卿醫生獲馬來西亞彭亨州蘇丹頒授拿督斯里封號，以表揚他對國家之貢獻。

截至2013年3月31日前三年期間，拿督斯里張翼卿醫生曾任及其後辭任馬來西亞之國貿資本有限公司(股份代號：5266)非獨立非執行董事。他現任馬來西亞上市公司常成控股有限公司(股份代號：4383)及新加坡上市公司常青石油及天然氣有限公司(股份代號：T13)之董事。他也出任其他私人有限公司之董事。

他是丹斯里拿督張曉卿爵士之胞弟、張聰女士之叔父，也是張裘昌先生之遠房親戚，他們均為本公司董事。此外，丹斯里拿督張曉卿爵士為本公司之主要股東。

Mr TIONG Kiew Chiong

Executive Director and Group Chief Executive Officer

Malaysian, aged 53, was appointed as an executive director of the Company on 2 May 1998. He is currently the Group Chief Executive Officer, a member of the Group Executive Committee and Remuneration Committee of the Company. Mr TIONG is also the Deputy Chairman of One Media, a subsidiary of the Company which has been publicly listed on the main board of the HK Stock Exchange (stock code: 426) since 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 his Bachelor Degree of Business Administration (Honours) from York University, Toronto, Canada in 1982.

During the three-year period immediately preceding 31 March 2013, Mr TIONG had been and resigned as an executive director of RH Petrogas Limited (stock code: T13), a listed company in Singapore. He sits on the board of various subsidiaries of the Company and several private limited companies.

He is the distant relative of Tan Sri Datuk Sir TIONG Hiew King, Dato' Sri Dr TIONG Ik King and Ms TIONG Choon, all of whom are directors of the Company. In addition, Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King are substantial shareholders of the Company.

張裘昌先生

執行董事兼集團行政總裁

馬來西亞公民，53歲，於1998年5月2日獲委任為本公司執行董事。他目前為集團行政總裁，本公司之集團行政委員會及薪酬委員會成員。張裘昌先生也是萬華媒體之副主席。該公司是本公司附屬公司，自2005年10月起在香港聯交所主板上市(股份代號：426)。他在傳媒及出版業擁有豐富經驗。他於1993年在巴布亞新畿內亞參與創辦英文報章《*The National*》。張裘昌先生於1982年畢業於加拿大多倫多約克大學，獲頒工商管理學士(榮譽)學位。

截至2013年3月31日前三年期間，張先生曾出任並已辭任新加坡上市公司常青石油及天然氣有限公司(股份代號：T13)之執行董事。他出任本公司多間附屬公司及數間私人有限公司之董事。

他是丹斯里拿督張曉卿爵士、拿督斯里張翼卿醫生及張聰女士之遠房親戚。他們均為本公司董事。此外，丹斯里拿督張曉卿爵士及拿督斯里張翼卿醫生為本公司主要股東。

Profile of Board of Directors

Mr NG Chek Yong

Executive Director and Chairman of the Group Executive Committee

Malaysian, aged 56, was appointed as an executive director of the Company on 1 March 2012. He joined the Group in 1988 and is currently the Chairman of the Group Executive Committee, a member of the Remuneration Committee of the Company and an executive director and Managing Director of Sin Chew. He obtained his higher school certificate from St. Patrick School, Kuching, Sarawak, Malaysia. He began his career as a reporter/feature writer with *See Hua Daily News* in 1979. In 1988, he joined *TO-DAY News Sabah* as the Chief Reporter. He then took up the position of a reporter in Sin Chew. From 1980 to 1988, he was the Secretary-General and Chairman of Sarawak Constellation Poetical Society. Moreover, he was the President of Federation of Sarawak Journalists Association as well as the President of Kuching Division Journalists Association in Malaysia from 1990 to 1991. He is also a director of other private limited companies.

黃澤榮先生

執行董事及集團行政委員會主席

馬來西亞公民，56歲，於2012年3月1日獲委任為本公司執行董事。他於1988年加入本集團，現任集團行政委員會主席、本公司薪酬委員會成員及星洲媒體之執行董事兼董事總經理。他於馬來西亞砂拉越古晉省St. Patrick School考獲高級劍橋文憑。他於1979年加入《*詩華日報*》當記者／專題作家，於1988年加入《*沙巴今日新聞*》擔任首席記者，其後加入星洲媒體當記者。於1980年至1988年期間，他出任砂拉越星座詩社秘書及主席。此外，他於1990年至1991年期間出任馬來西亞砂拉越新聞從業員協會主席及古晉省新聞從業員協會主席。他也出任其他私人有限公司之董事。

Mr LEONG Chew Meng

Executive Director

Malaysian, aged 57, was appointed as a non-executive director of the Company on 14 April 2008 and re-designated as an executive director of the Company on 31 March 2013. He is currently a member of the Group Executive Committee of the Company and an executive director of Sin Chew. He obtained his 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 with extensive working experience of more than 30 years in Malaysia. In his professional roles, he was previously the financial controller and finance director of several foreign-owned multinational companies in the manufacturing, trading and retail sectors, and he subsequently diversified into the commercial sector as a business consultant and financial advisor to both private entities and public listed companies. Included in his diverse experience was a period of more than 10 years' business exposure in main stream media corporations.

梁秋明先生

執行董事

馬來西亞公民，57歲，於2008年4月14日獲委任為本公司非執行董事，後於2013年3月31日調任為本公司執行董事。他現為本公司集團行政委員會成員及星洲媒體之執行董事。他在紐西蘭威靈頓維多利亞大學取得商管學學士學位，主修會計。他是馬來西亞會計師公會之特許會計師及紐西蘭特許會計師公會之特許會計師。他是一名專業會計師，在馬來西亞擁有超過30年之豐富工作經驗。在他的專業範疇中，他曾於數間經營製造業、貿易及零售業之外資跨國公司出任財務主管及財務總監，其後晉身商界，出任私人實體及公眾上市公司之商業諮詢顧問及財務顧問，當中亦包括逾10年主流媒體機構之豐富商業經驗。

Ms TIONG Choon

Non-executive Director (Non-independent)

Malaysian, aged 44, was appointed as a non-executive director of the Company on 31 March 2013. She started her career with Rimbunan Hijau Group since 1991 and served in various managerial and senior positions in plantation and hospitality sectors. She holds the Bachelor of Economics Degree from Monash University, Australia. She is currently a non-independent non-executive director of Jaya Tiasa Holdings Berhad (stock code: 4383), a listed company in Malaysia.

Ms TIONG is the daughter of Tan Sri Datuk Sir TIONG Hiew King, the niece of Dato' Sri Dr TIONG Ik King and the distant cousin of Mr TIONG Kiew Chiong, all of whom are directors of the Company. In addition, Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King are substantial shareholders of the Company.

張聰女士

非執行董事(非獨立)

馬來西亞公民，44歲，於2013年3月31日獲委任為本公司非執行董事。她於1991年加入常青集團開展其職業歷程，於林業及酒店服務業曾擔任管理層及高級主管之職務。她持有澳洲莫納什大學經濟學學士學位。張女士現為馬來西亞上市公司常成控股有限公司(股份代號：4383)之非獨立非執行董事。

張女士為丹斯里拿督張曉卿爵士之女兒、拿督斯里張翼卿醫生之侄女及張裘昌先生之遠房親戚，他們均為本公司董事。此外，丹斯里拿督張曉卿爵士及拿督斯里張翼卿醫生為本公司之主要股東。

Profile of Board of Directors

Mr David YU Hon To

Independent Non-executive Director

Chinese, aged 65, was appointed as an independent non-executive director of the Company on 30 March 1999. He is the Chairman of the Audit Committee, and a member of the Remuneration Committee and Nomination Committee of the Company. He is also an independent non-executive director of One Media, a subsidiary of the Company which has been publicly listed on the main board of the HK Stock Exchange (stock code: 426) since October 2005 and Ming Pao Holdings Limited, a wholly-owned subsidiary of the Company. Mr YU is a Fellow of the Institute of Chartered Accountants in England and Wales and an Associate of the Hong Kong Institute of Certified Public Accountants. He was formerly a partner of an international accounting firm with extensive experience in corporate finance, auditing and corporate management. Mr Yu is the vice chairman of MCL Partners Limited, a Hong Kong based financial advisory and investment firm.

Mr YU currently serves as an independent non-executive director of Great China Holdings Limited (stock code: 141), Keck Seng Investments (Hong Kong) Limited (stock code: 184), Playmates Holdings Limited (stock code: 635), VXL Capital Limited (stock code: 727), China Renewable Energy Investment Limited (stock code: 987), Haier Electronics Group Co., Limited (stock code: 1169), China Resources Gas Group Limited (stock code: 1193), Sateri Holdings Limited (stock code: 1768), China Datang Corporation Renewable Power Co., Limited (stock code: 1798), Synergis Holdings Limited (stock code: 2340) and TeleEye Holdings Limited (stock code: 8051), all of which are listed companies in Hong Kong.

俞漢度先生

獨立非執行董事

中國公民，65歲，於1999年3月30日獲委任為本公司獨立非執行董事。他是本公司之審核委員會主席，以及薪酬委員會及提名委員會成員。另外，他也是萬華媒體及本公司全資附屬公司明報集團有限公司之獨立非執行董事。萬華媒體是本公司附屬公司，自2005年10月起於香港聯交所主板上市(股份代號：426)。俞先生為英格蘭及威爾斯特許會計師公會資深會員及香港會計師公會會員。他是一間國際會計師事務所之前合夥人，擁有豐富之企業融資、審核及企業管理經驗。俞先生為偉業資本有限公司之副董事長，該公司專門在香港從事財務顧問及投資等活動。

俞先生目前是大中華集團有限公司(股份代號：141)、激成投資(香港)有限公司(股份代號：184)、彩星集團有限公司(股份代號：635)、卓越金融有限公司(股份代號：727)、中國再生能源投資有限公司(股份代號：987)、海爾電器集團有限公司(股份代號：1169)、華潤燃氣控股有限公司(股份代號：1193)、賽得利控股有限公司(股份代號：1768)、中國大唐集團新能源股份有限公司(股份代號：1798)、新昌管理集團有限公司(股份代號：2340)及千里眼控股有限公司(股份代號：8051)之獨立非執行董事，該等公司均為香港上市公司。

Tan Sri Dato' LAU Yin Pin

Independent Non-executive Director

Malaysian, aged 64, was appointed as an independent non-executive director of the Company on 14 April 2008. He is also the Chairman of the Remuneration Committee and a member of the 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 Fellow of the Association of Chartered 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 appointed as Senator of Dewan Negara for a three-year term commencing 25 November 2002 by Seri Paduka Baginda Yang di-Pertuan Agong, Malaysia until his voluntary resignation in March 2004.

During the three-year period immediately preceding 31 March 2013, Tan Sri Dato' LAU had been and subsequently resigned as an independent non-executive director of Tenaga Nasional Berhad (stock code: 5347). Tan Sri Dato' LAU is currently an independent non-executive director of two other listed companies in Malaysia, namely YTL Power International Berhad (stock code: 6742) and Ahmad Zaki Resources Berhad (stock code: 7078).

丹斯里拿督劉衍明

獨立非執行董事

馬來西亞公民，64歲，於2008年4月14日獲委任為本公司獨立非執行董事。他也是本公司之薪酬委員會主席，以及審核委員會及提名委員會成員。丹斯里拿督劉衍明在1974年考獲馬來西亞拉曼學院商業文憑(特優)。他自1979年成為馬來西亞會計師公會會員。他於1981年成為英國特許公認會計師公會之資深會員及於1987年成為英國特許秘書及行政人員公會畢業會員。他獲國家元首委任為上議員，任期從2002年11月25日開始為期三年，直到2004年3月自願辭任。

截至2013年3月31日前三年期間，丹斯里拿督劉衍明曾任及後辭任國家能源有限公司(股份代號：5347)之獨立非執行董事。丹斯里拿督劉衍明目前是兩間馬來西亞上市公司楊忠禮國際電力有限公司(股份代號：6742)及阿末查基資源有限公司(股份代號：7078)之獨立非執行董事。

Profile of Board of Directors

Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH

Independent Non-executive Director

Malaysian, aged 70, was appointed as an independent non-executive director of the Company on 20 March 2008. He is the Chairman of the Nomination Committee and a member of the Audit Committee and Remuneration 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 Federal Minister for Sarawak Affairs; 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 Datuk, Darjah Bintang Kenyalang Sarawak (PGBK) on 16 September 1988. He was also 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 serves as an independent director of Subur Tiasa Holdings Berhad (stock code: 6904), which is a listed company in Malaysia, and holds directorships in several private limited companies in Malaysia.

Notes:

Conflict of interest

Save for Tan Sri Datuk Sir TIONG Hiew King, Dato' Sri Dr TIONG Ik King and Mr TIONG Kiew Chiong, who are related parties in some related party transactions with the Group, the details of which are set out in the circular dated 8 July 2013 and on pages 52 to 57 of this Annual Report, none of the other directors has any conflict of interest with the Company.

Conviction of offences

None of the directors has been convicted of any offence within the past 10 years other than traffic offences.

Family relationship

Saved as disclosed, none of the other directors has any family relationship with any director and/or major shareholders of the Company.

Record of attendance of directors for board meetings during the financial year ended 31 March 2013 is set out on page 39.

天猛公拿督肯勒甘雅安納天猛公柯

獨立非執行董事

馬來西亞公民，70歲，於2008年3月20日獲委任為本公司之獨立非執行董事。他是本公司之提名委員會主席，以及審核委員會及薪酬委員會成員。他畢業於愛爾蘭商業管理學院。他於1967年至1970年間出任馬來西亞砂拉越首席部長政治秘書；1970年至1974年，獲選為馬來西亞砂州議員；1974年至1981年，任砂拉越聯邦政府秘書以及副首相及首相政治秘書；1981年至1987年，被委任為上議員。他於1988年9月16日獲頒授Darjah Bintang Kenyalang Sarawak (PGBK)拿督勛銜。為了表揚他對伊班族之貢獻，砂拉越政府於2003年亦委任他為加帛省天猛公，即伊班族之最高領袖。

他是馬來西亞上市公司常豐控股有限公司(股份代號：6904)之獨立董事，亦擔任馬來西亞多間私人有限公司之董事。

附註：

利益衝突

除丹斯里拿督張曉卿爵士、拿督斯里張翼卿醫生及張裘昌先生(為本集團若干關連方交易中之有關連方，有關詳情載於2013年7月8日刊發之通函及本年報第52至57頁)外，概無其他董事與本公司有任何利益衝突。

犯罪紀錄

除交通違規外，概無任何董事於過去十年內有任何犯罪紀錄。

家族成員關係

除所披露者外，概無其他董事與本公司任何董事及／或主要股東有任何家族關係。

董事於截至2013年3月31日止財政年度之董事會會議出席記錄載於第39頁。

Profile of Senior Management

Ms SIEW Nyoke Chow, Malaysian, aged 57, was appointed as an executive director of the Company on 20 March 2008 and resigned this position on 31 March 2013. She is an executive director of Sin Chew and the Group Editor-In-Chief. She is currently the Chairman of the Group Editorial Committee, a member of the Group Executive Committee and the Malaysian Executive Committee. Ms SIEW obtained her high school certificate from Tunku Abdul Rahman College, Malaysia in 1977, and a certificate of intensive course of journalism in Manila in 1983. She started her career as a reporter in Sin Poh (Star News) Amalgamated Malaysia Sdn Berhad (former publisher of *Sin Chew Daily*) in 1978. She was appointed as the Head of Culture and Education Department of Sin Chew in 1992, Deputy Chief Editor in 1995 and subsequently Group Editor-In-Chief in 2000. She has vast experience in journalism and won many journalism awards from The Malaysian Press Institute and The Malaysian Chinese Editor's Association. She is also one of the founders of Cambodia *Sin Chew Daily*.

蕭依釗女士，馬來西亞公民，57歲，於2008年3月20日獲委任為本公司執行董事，後於2013年3月31日辭任。她是星洲媒體之執行董事與集團總編輯。她目前為集團總編輯與集團編輯委員會主席、集團行政委員會成員兼馬來西亞行政委員會成員。蕭女士於1977年在馬來西亞拉曼學院考獲高級劍橋文憑；其後於1983年在馬尼拉獲新聞專業課程證書。她於1978年加入星系報業（馬來西亞）私人有限公司（*《星洲日報》*前出版人）擔任記者，展開彼之新聞工作生涯，更於1992年獲擢升為星洲媒體文教部主任，她於1995年擔任副總編輯，其後於2000年晉升為集團總編輯。她在新聞業方面具備豐富經驗，並曾贏得馬來西亞新聞學會及馬來西亞報刊編輯人協會頒發之多個新聞業獎項。她也是柬埔寨*《星洲日報》*其中一名創辦人。

Mr ONG See Boon, Malaysian, aged 62, joined the Group in 1997. He is a member of the Group Executive Committee and the Hong Kong Executive Committee. He is also the Special Assistant to the Group Executive Chairman. He holds directorships in various subsidiaries of the Company. Mr ONG, who started his career as a journalist in Sin Chew, has over 37 years of experience in the newspaper industry in Hong Kong and Malaysia. Before joining the Company, he held various key positions and directorships in companies of the Rimbunan Hijau Group in Mainland China.

翁昌文先生，馬來西亞公民，62歲，於1997年加入本集團，為集團行政委員會及香港行政委員會成員。他也是集團執行主席之特別助理。他出任本公司多間附屬公司之董事。翁昌文先生於事業發展初期已於星洲媒體從事新聞工作，在香港及馬來西亞報界累積經驗逾37年。加入本公司之前，他曾為常青集團於中國內地之公司擔任多個重要職位及董事。

Mr NG Kait Leong, Malaysian, aged 60, joined the Group in 2007. He is an executive director of Nanyang Press Holdings Berhad ("Nanyang"), and is a member of the Malaysian Executive Committee. He graduated from London College of Printing, United Kingdom and later obtained his Advance Certificate in Graphic Reproduction from City & Guilds of London Institute, United Kingdom. He was the Production Manager of Nanyang from 1974 to 1983, was promoted to the position of Senior Production Manager in 1983 and became the General Manager (Production) from 1986 to 1989. He joined Sin Chew as Technical and Project Consultant in 1990, joined MAN Roland Asia Pacific as Regional Technical Director in 1993 and re-joined Sin Chew as Group Technical and Project Consultant from 2002 to 2006.

伍吉隆先生，馬來西亞公民，60歲，於2007年加入本集團。他是南洋報業控股有限公司（「南洋報業」）之執行董事及馬來西亞行政委員會成員。他畢業於英國倫敦印刷學院，其後獲英國城市專業學會頒發圖像複製高級證書。他於1974年至1983年期間任職南洋報業生產經理，並於1983年擢升為高級生產經理，及後於1986年至1989年期間出任生產部總經理。他於1990年加入星洲媒體擔任技術及項目顧問，於1993年轉投曼羅蘭亞太出任地區技術董事，及後於2002年至2006年期間重返星洲媒體出任集團技術及項目顧問。

Profile of Senior Management

Mr KOO Cheng, Malaysian, aged 57, joined the Group in 1978. He is an executive director of Sin Chew and Chief Executive Officer of *Sin Chew Daily*. He is also a member of the Malaysian Executive Committee. He obtained his Diploma in Management Programme (DIMP) with distinction from Malaysia Institute of Management (MIM) in 2003. He was also selected as the recipient of the Silver Medal for 2003 DIMP Medal Award. Mr KOO started his career as a reporter in Sin Poh (Star News) Amalgamated Malaysia Sdn Berhad (former publisher of *Sin Chew Daily*) in 1978. He was promoted as the Assistant Chief Reporter in 1986, Chief Reporter in 1989, News Editor in 1993, Deputy Editor-In-Chief in 1994, Editor-In-Chief in 2000 and Chief Operating Officer in 2006.

Mr KOO is also the Chairman of National Union of Journalist (NUJ), Sin Chew Daily Branch from 1985 to 1988, President of the Editor's Association (Chinese Medium) Malaysia from 2002 to 2006 and the council member of the Malaysian National News Agency (BERNAMA) from 2006 to 2010.

Mr LIEW Sam Ngan, Malaysian, aged 55, joined the Group in 1994. He is an executive director of Nanyang and its subsidiaries, and currently the Group Chief Operating Officer of Nanyang cum Chief Executive Officer of Nanyang Siang Pau Sdn Bhd and The China Press Berhad.

He is a Chartered Accountant by profession, a member of the Malaysian Institute of Accountants and a Fellow of the Association of Chartered Certified Accountants, United Kingdom. He started his career in one of the major public accounting firms after graduation in 1983. He joined the media industry in 1987 and has since then gained extensive working experience in the media industry. He had worked in New Strait Times Press, Life Publishers and Nanyang. Prior to taking up operating role in *China Press* in 2001, he was the Group Financial Controller of Nanyang.

Mr CHEUNG Kin Bor, Chinese, aged 58, joined the Group in 1986. He is the Editorial Director of *Ming Pao Daily News* and a member of the Hong Kong Executive Committee. He is also a director of Ming Pao Newspapers Limited and Mingpao.com Limited. Mr CHEUNG graduated from the Chinese University of Hong Kong with a Bachelor of Business Administration Degree and has over 35 years of publishing and editorial experience in Hong Kong. Before joining the Group, he had worked with *Hong Kong Economic Journal Monthly* and *Hong Kong Economic Journal*. He was the Chairperson of the Hong Kong News Executives Association in 2000.

許春先生，馬來西亞公民，57歲，於1978年加入本集團。他是星洲媒體之執行董事、《*星洲日報*》行政總裁及馬來西亞行政委員會成員。他於2003年以特優成績完成馬來西亞管理學院的管理證書。他亦獲頒2003年管理證書組銀牌獎。許先生於1978年展開其新聞工作生涯，加入星系報業（馬來西亞）私人有限公司（《*星洲日報*》前出版人）任職記者。他於1986年擢升為助理採訪主任，後於1989年、1993年、1994年、2000年及2006年分別晉升為採訪主任、新聞編輯、副總編輯、總編輯及營運總裁。

許先生亦於1985年至1988年出任全國新聞從業員職工會星洲日報分會之主席、於2002年至2006年出任馬來西亞華文報刊編輯人協會會長及於2006年至2010年出任馬來西亞國家新聞社理事會理事。

廖深仁先生，馬來西亞公民，55歲，於1994年加入本集團。他為南洋報業及其附屬公司之執行董事，現任南洋報業之集團營運總裁兼南洋商報私人有限公司與中國報有限公司之行政總裁。

他是一名專業特許會計師、馬來西亞會計師公會會員及英國特許公認會計師公會之資深會員。他於1983年畢業後加入其中一間主要公眾會計師事務所展開工作生涯。他於1987年加入媒體行業，自此於媒體行業取得豐富經驗。他曾任職於New Strait Times Press、生活出版社及南洋報業。於2001年在《*中國報*》擔任營運角色前，他曾任南洋報業之集團財務主管。

張健波先生，中國公民，58歲，於1986年加入本集團。他是《*明報*》之編務總監及香港行政委員會成員。他亦是明報報業有限公司及明報網站有限公司之董事。張先生畢業於香港中文大學，持有工商管理學士學位，在香港擁有超過35年之出版及編採經驗。加入本集團前，他曾在《*信報財經月刊*》及《*信報*》工作。在2000年，他曾出任香港新聞行政人員協會主席一職。

Profile of Senior Management

Mr Keith KAM Woon Ting, Chinese, aged 56, joined the Group in 1995. He is the Chief Operating Officer of Ming Pao Holdings Limited, Mingpao.com Limited and Yazhou Zhoukan Limited. He is also a member of the Hong Kong Executive Committee. Mr KAM has been in the media and newspaper industry since 1976. Prior to joining the Group, he had held various positions in advertising and marketing firms as well as a newspaper publishing company, namely, Express News Limited. Mr KAM has extensive managerial experience in publishing, advertising and distribution of newspapers and media products. He has been the Chairman of The Newspaper Society of Hong Kong since 2007.

甘煥騰先生，中國公民，56歲，於1995年加入本集團。他是明報集團有限公司、明報網站有限公司及亞洲週刊有限公司之營運總裁。他亦是香港行政委員會成員。甘先生自1976年起已從事傳媒及報業工作。加入本集團前，他曾在多間廣告及市場推廣公司擔任多個職位，並在一間報章出版公司快報有限公司任職。甘先生於報章及傳媒產品之出版、廣告及發行方面擁有豐富管理經驗。甘先生自2007年起一直擔任香港報業公會主席。

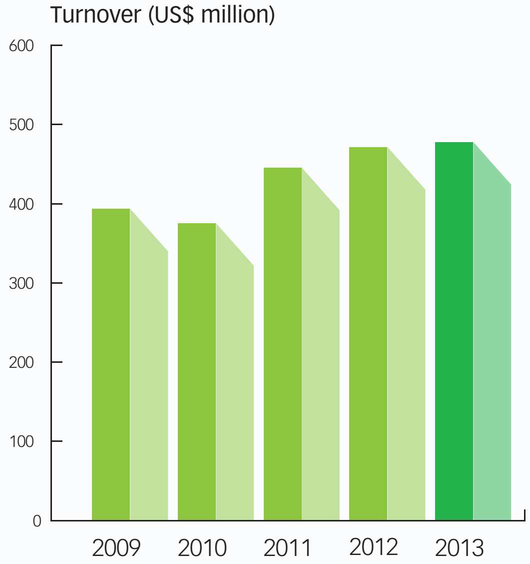
Mr LAM Pak Cheong, Chinese, aged 44, joined the Group in 2000. He is the Head of Finance and a member of the Hong Kong Executive Committee. He is also the Chief Executive Officer and an executive director of One Media. Mr LAM has extensive experience in corporate development, financial management, mergers and acquisitions, corporate governance and investor relations. He is an Associate of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators. Mr LAM obtained his Master of Business Administration in Financial Services jointly from the University of Manchester and the University of Wales, Bangor in the United Kingdom and Master of Corporate Governance from the Hong Kong Polytechnic University.

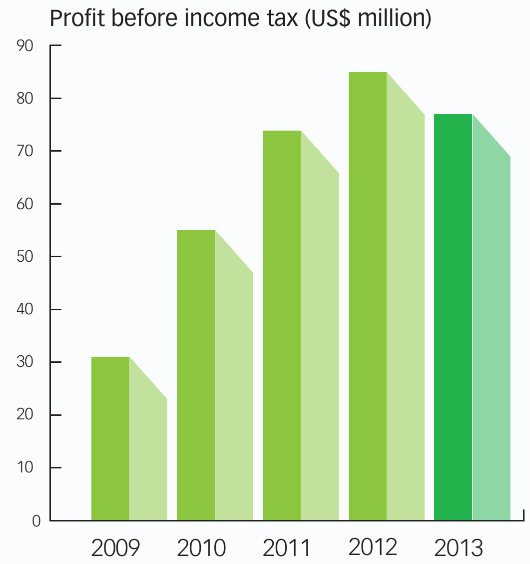
林栢昌先生，中國公民，44歲，於2000年加入本集團。他為集團之財務總裁及香港行政委員會成員。他亦是萬華媒體之行政總裁兼執行董事。林先生在企業發展、財務管理、合併收購、企業管治及投資者關係方面擁有豐富經驗。他是香港特許秘書公會以及英國特許秘書及行政人員公會會員。林先生獲英國曼徹斯特大學及威爾斯大學(班戈)聯合頒授財務服務學工商管理碩士學位，以及香港理工大學頒授公司管治碩士學位。

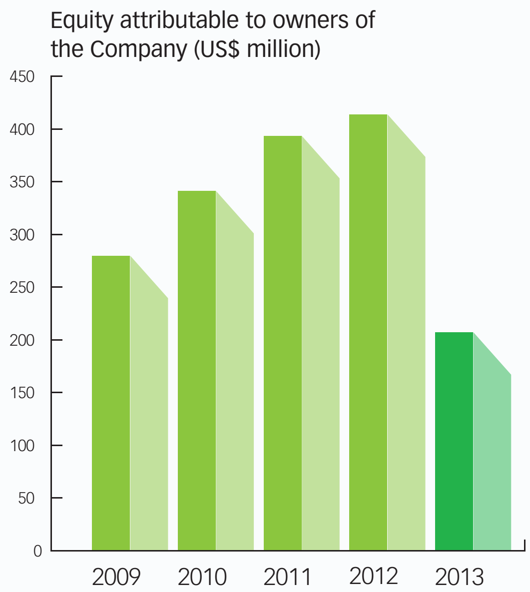
Mr LAU Chun To, Kevin, Chinese, aged 48, joined the Group in 1995. He is the Chief Editor of *Ming Pao Daily News* and a member of the Hong Kong Executive Committee. He is also a director of Ming Pao Newspapers Limited and Mingpao.com Limited. He has over 23 years of experience in newspaper journalism and editorial in Hong Kong. He began his journalistic career in 1989 working for a financial daily newspaper as political news reporter and column writer. He graduated from the Law Faculty of the University of Hong Kong with a law degree (LL.B) and a professional certificate of legal practice (P. C.LL.). He later obtained his Master of Law Degree from the London School of Economics and Political Science.

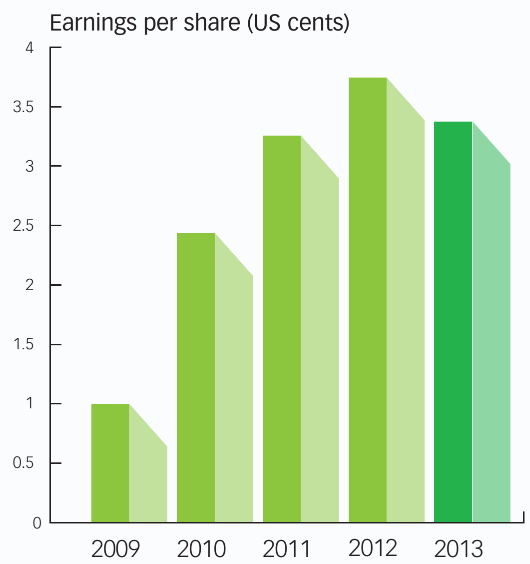
劉進圖先生，中國公民，48歲，於1995年加入本集團。他是*《明報》*之總編輯，也是香港行政委員會成員，以及明報報業有限公司及明報網站有限公司之董事。他在香港擁有超過23年之報章新聞及編採經驗。他於1989年擔任一份財經日報之政治新聞記者及專欄作家，開展新聞及記者事業。他畢業於香港大學法律學院，獲頒法律學士學位及法律專業執業文憑。他其後獲倫敦經濟及政治科學學院頒授法律碩士學位。

Chairman's Statement









	2009	2010	2011	2012	**2013**
Turnover (US$ million)	394	376	446	472	**478**
Profit before income tax (US$ million)	31	55	74	85	**77**
Equity attributable to owners of the Company (US$ million)	280	341	394	414	**207**
Earnings per share (US cents)	1.00	2.44	3.26	3.75	**3.38**
EBITDA (US$ million)	42	65	84	95	**90**
Dividend per share (US cents)	0.593	1.221	1.953	2.648	**14.688**

Chairman's Statement

Tan Sri Datuk Sir TIONG Hiew King
Group Executive Chairman
丹斯里拿督張曉卿爵士
集團執行主席

Dear Shareholders,

I am pleased to present the annual results of Media Chinese International Limited and its subsidiaries (the "Group") for the financial year ended 31 March 2013.

FINANCIAL RESULTS

It has been a challenging year for the Group as we braved the European debt crisis as well as economic slowdown in the markets that the Group operates in.

The Group recorded a profit before tax of US$77,401,000 as compared with US$84,915,000 in the last financial year, down by 8.8% or US$7,514,000. The Group's performance for the current year was impacted by rising operating expenses, which rose 4% mainly due to higher labour costs and finance charges.

Revenue increased 1.2% or US$5,616,000 from US$472,237,000 last year to US$477,853,000 this year. The underlying revenue growth was mainly driven by growth in tour revenue while the publishing and printing segment's revenue was virtually flat.

各位股東：

本人欣然提呈世界華文媒體有限公司及其附屬公司(「本集團」)截至2013年3月31日止財政年度之年度業績。

財務業績

於本年度，本集團經歷重重挑戰，不單需要勇敢面對歐債危機，集團經營所在市場亦面對經濟放緩問題。

本集團錄得除税前溢利77,401,000美元，較上一個財政年度之84,915,000美元減少8.8%或7,514,000美元。年內，經營支出上漲4%，主要由於員工成本及財務支出增加，令本集團表現備受影響。

收入由去年472,237,000美元增加1.2%或5,616,000美元至本年度之477,853,000美元。相關收入增長主要受旅遊收入升幅所帶動，而出版及印刷分部所產生收益則維持穩定。

Chairman's Statement

The publishing and printing segment's revenue for the year was maintained at US$400,265,000. The Malaysian operations registered a 1.3% growth in revenue, driven by the increase in advertising revenue. On the other hand, revenue from the operations in Hong Kong and Mainland China as well as North America were adversely affected by tightened government policies on the respective local property markets and the slow moving economy in North America, which led to advertisers scaling down their spending.

年內，出版及印刷分部收入維持於400,265,000美元之穩定水平。受廣告收入增加所帶動，馬來西亞業務錄得1.3%收入增長。另一方面，隨著香港及中國內地政府收緊樓市政策，加上北美經濟放緩，廣告商紛紛削減開支，拖累上述三地之業務收入。

According to Nielsen Media Research, Malaysian advertising spending on media grew by 11% to RM11.8 billion (equivalent to US$3.8 billion) from RM10.7 billion (equivalent to US$3.5 billion) for the period from April 2012 to March 2013. Much of the growth in advertising expenditure was driven by the growth in TV segment (+21%) benefiting from additional advertising and promotion activities on the London Olympics 2012, the European Football Championship 2012 and pre-election campaigns during the year. Newspapers and magazine segments have been most affected by the weak market sentiment with advertising expenditure shrinking 1% and 5% respectively. Nevertheless, advertising spending on Chinese newspapers maintained stable growth momentum at 3% or RM37.5 million to RM1.3 billion (equivalent to US$0.4 billion).

根據尼爾森媒體研究(Nielsen Media Research)，於2012年4月至2013年3月期間，馬來西亞媒體廣告開支由107億馬幣(相當於35億美元)增長11%至118億馬幣(相當於38億美元)。廣告開支增長主要受電視分部(+21%)所帶動；年內，電視分部受惠於2012年倫敦奧運會、歐洲國家盃及選舉拉票帶來之額外廣告及宣傳活動。報章及雜誌分部受市場不景氣影響最深，廣告開支分別倒退1%及5%。然而，華文報章廣告開支仍然維持穩定增長勢頭，上升3%或37,500,000馬幣至13億馬幣(相當於4億美元)。

Total gross advertising spending in Hong Kong rose 10% during the year under review according to a research report by admanGo. Gross advertising spending on Chinese newspapers grew 10%, with the free papers' share increasing to almost 41%. Besides the free newspapers, the digital media is also getting more popular among advertisers. Hong Kong market's online advertising expenditure for 2012/2013 grew 42% from that of the previous year.

據admanGo研究報告顯示，回顧年內香港廣告開支總額增長10%。華文報章之廣告開支總額增長10%，而免費報章佔有率升至近41%。除免費報章外，電子媒體亦愈來愈受廣告商歡迎。於2012/2013年度，香港市場之網上廣告開支較去年上升42%。

Tour revenue grew 10.3% to US$77,588,000 from US$70,317,000 a year ago, mainly attributable to higher demand from customers in the Asian travel market.

旅遊收入較去年70,317,000美元增加10.3%至77,588,000美元，主要受惠於亞洲旅遊市場客戶需求增加。

Basic earnings per share for the year was US3.38 cents, representing a decrease of 9.9% as compared with last year.

年內每股基本盈利為3.38美仙，較去年減少9.9%。

As at 31 March 2013, the Group's net assets stood at US$213,945,000, which was 49.0% lower than the previous year's US$419,793,000. The decrease was mainly caused by the special dividend payment amounting to US$225,715,000 during the year.

於2013年3月31日，本集團之資產淨值為213,945,000美元，較去年419,793,000美元下跌49.0%，主要由於年內派發特別股息225,715,000美元所致。

Chairman's Statement

ACHIEVEMENT

Our long-term strategic objective is to remain as the leading Chinese media group globally with sustainable earnings and dividend growth. Our mission is to ensure our news and entertainment contents will remain the top choice of our customers across all media platforms.

History has repeatedly taught us that our business could only be successful through consistently providing quality journalism to demanding readers. This is because readers have become more educated and sophisticated, and have choices.

We are able to survive and continue to thrive throughout decades of intense market competition because our journalists are dedicated to the principles of fast, accurate and fair reporting.

The Group has deep roots in Hong Kong and Malaysia. Four of our five daily newspapers have served the local market for more than 50 years, and we have served our readers in Malaysia for 90 years through our oldest newspaper, *Nanyang Siang Pau*.

Over the years, we capitalised on our vast experience and profound knowledge of the local issues and markets, in which all our newspapers identify the communities' top issues and cover them in depth. This is essential as localism and relevance are key factors in attracting readers and increasing our market share.

While we do not pursue excellent journalism in order to win media awards, however, our strong commitment to quality journalism was reflected in the honours and many recognitions received from our peers.

Ming Pao Daily News won a total of 12 awards including 4 Winner awards and 4 First Runner-up awards in the Hong Kong News Awards 2012 organised by The Newspaper Society of Hong Kong.

Sin Chew Daily won 24 awards, *Nanyang Siang Pau* garnered 14 awards, *China Press* picked up 22 awards and *Guang Ming Daily* received 17 awards for their high quality journalism. Our magazine titles in Malaysia won 15 awards for their outstanding content and design.

成就

我們視穩守全球華文媒體集團龍頭地位及持續盈利與股息增長為長遠策略目標，並本著使命確保新聞及娛樂內容始終為所有媒體平台客戶之首選。

歷史再三教導我們，唯有努力不懈提供優質新聞報道，方能帶領業務走向成功，滿足教育水平及格調不斷提升的讀者，於芸芸選擇中脫穎而出。

我們在過去數十年激烈的市場競爭中仍然穩步向前，成功關鍵在於我們的新聞從業員堅守迅速、準確、公平之報道原則，日後定必繼續秉承此傳統。

本集團紮根香港及馬來西亞，旗下五份日報當中四份服務本地市場超過50年，歷史最悠久之《*南洋商報*》更為馬來西亞讀者服務90載。

多年來，我們於本地議題及市場累積豐富經驗及淵博知識，有助旗下各報章識別並深入探討社會熱門話題。由於本土性及相關性是吸引讀者及擴大市場佔有率之關鍵因素，故此十分重要。

雖然我們並非為奪獎而追求卓越新聞報道，但過去所獲得榮譽及屢獲業界認同，正正彰顯我們對優質新聞報道之堅持。

於香港報業公會舉辦之《*2012年香港最佳新聞獎*》中，《*明報*》合共奪得12項殊榮，包括四個冠軍及四個亞軍獎項。

憑藉優質新聞報道，《*星洲日報*》、《*南洋商報*》、《*中國報*》及《*光明日報*》分別榮獲24個、14個、22個及17個獎項。集團旗下馬來西亞雜誌以精彩內容及出色設計勇奪15個獎項。

Chairman's Statement

DIVIDENDS

The Board has declared a second interim dividend, in lieu of a final dividend, of US1.015 cents per ordinary share to be paid on 31 July 2013. Together with the first interim dividend and special dividend of US0.673 cents and US13 cents per ordinary share respectively, total dividend for the year will be US14.688 cents per share.

股息

董事會已宣派並將於2013年7月31日派付第二次中期股息每股普通股1.015美仙，以取代末期股息。連同第一次中期股息及特別股息分別每股普通股0.673美仙及13美仙，年度股息總額將為每股14.688美仙。

CORPORATE DEVELOPMENT

On 15 August 2012, the Board announced the proposal to spin off the Group's travel and travel related business and have a separate listing of the same on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited ("GEM"). In this connection, an application has been submitted to the GEM on 9 October 2012.

The Group has expanded its business into the education e-textbook market in Hong Kong. Under the E-Textbook Market Development Scheme (the "Scheme") organised by the Education Bureau, MediaNet Holdings Limited, a subsidiary of the Group, was granted licences to develop e-textbooks in line with local curricula. The Scheme aims to enhance interactive and individually-paced learning for students.

One Media Group Limited ("One Media"), the Company's subsidiary listed on the main board of The Stock Exchange of Hong Kong Limited (stock code: 426), entered into an agreement with Chu Kong Shipping Enterprises (Group) Company Limited (stock code: 560) in November 2012 to form a new media company, namely Connect Media Company Limited ("Connect Media"). Connect Media will develop a brand new media platform engaged in all-around media business in cross-boundary passenger transportation across the Pearl River Delta. This new venture will assist One Media in exploring strategic business opportunities and take it closer to its objective of becoming a more diversified media group in the Greater China region.

企業發展

於2012年8月15日，董事會宣布建議分拆本集團旅遊及與旅遊有關業務於香港聯合交易所有限公司創業板(「創業板」)獨立上市，並已就此於2012年10月9日向創業板提交申請。

本集團業務版圖已拓展至香港電子教科書市場。根據教育局籌備之電子教科書市場開拓計劃(「該計劃」)，集團旗下附屬公司世華網絡控股有限公司獲授特許權開發配合本地課程的電子教科書。該計劃旨在加強學生互動及個人學習進度。

本公司於香港聯合交易所有限公司主板上市之附屬公司萬華媒體集團有限公司(「萬華媒體」，股份代號：426)於2012年11月與珠江船務企業(股份)有限公司(股份代號：560)訂立協議，組成新媒體公司匯聚傳媒有限公司(「匯聚傳媒」)。匯聚傳媒將開發嶄新媒體平台，拓展珠江三角洲跨境客運之全方位媒體業務。此新合營公司將協助萬華媒體發掘策略性商機，並帶領萬華媒體向成為大中華區內多元化媒體集團之目標邁進一步。

PROSPECTS

Moving forward, publishing and printing will continue to be the main source of revenue and profit for the Group. In this connection, we will stay focus and strengthen our core newspaper and magazine business.

Taking into account the challenging economic climate and increased competition from free newspapers in the Hong Kong market, the Group will continue to strengthen its unique position to tap on its strong publishing brands and expand its market share.

We will continue to invest in our core business and at the same time pursue new investment opportunities that will diversify our revenue stream and drive long-term profitability.

展望

展望未來，出版及印刷仍然為本集團之主要收入及利潤來源。因此，我們將專注加強核心報章及雜誌業務。

有見經濟環境充滿挑戰及香港免費報章市場競爭加劇，本集團將不斷加強本身獨特優勢，力求壯大旗下出版品牌及擴大市場佔有率。

我們將繼續投資於旗下核心業務，同時物色可開拓收益來源及帶動長遠盈利之新投資機遇。

Chairman's Statement

DIRECTORATE

On behalf of the Board, I would like to record our appreciation to our former Executive Director, Ms SIEW Nyoke Chow who has relinquished her position at the Board in March 2013 in order to focus on her core responsibilities as the Group Editor-In-Chief.

It also gives me great pleasure to extend a warm welcome to Ms TIONG Choon who was appointed as a non-executive director of the Company since March 2013.

董事

前執行董事蕭依釗女士為專注履行集團總編輯之主要職責而於2013年3月卸下董事會職務，本人謹代表董事會對此深表感謝。

本人亦欣然對自2013年3月起獲委任為本公司非執行董事之張聰女士表示熱烈歡迎。

APPRECIATION

On behalf of the Board, I would like to thank the management and employees of the Group for their dedication and tireless efforts in strengthening the Group's businesses. I would also like to express my sincere gratitude to our shareholders, business partners, customers and readers for their continuous support.

致謝

本人謹代表董事會，感謝本集團管理層及僱員一直以來為壯大集團業務作出的不懈努力。本人亦衷心感謝股東、業務夥伴、客戶及讀者長久以來的鼎力支持。

Tan Sri Datuk Sir TIONG Hiew King
Group Executive Chairman
29 May 2013

丹斯里拿督張曉卿爵士
集團執行主席
2013年5月29日

Management Discussion and Analysis

FINANCIAL HIGHLIGHTS

	Year ended 31 March 2013 US$'000	Year ended 31 March 2012 US$'000	Change (%)
Turnover	**477,853**	472,237	+1.2
Profit before income tax	**77,401**	84,915	–8.8
Profit for the year	**58,276**	64,343	–9.4
Profit attributable to owners of the Company	**56,985**	63,209	–9.8
EBITDA	**90,090**	94,842	–5.0
Basic earnings per share (US cents)	**3.38**	3.75	–9.9

OVERALL REVIEW OF OPERATIONS

For the year ended 31 March 2013, the Group's turnover registered a marginal increase of 1.2% or US$5,616,000 to US$477,853,000 from US$472,237,000 in the last financial year. The increase was attributable to improved performance of the travel segment while the publishing and printing segment's revenue remained at last year's level.

The revenue growth, however, was offset by the increase in operating expenses and finance costs. The Group's profit before income tax was US$77,401,000, which was 8.8% or US$7,514,000 lower than last year's US$84,915,000.

The publishing and printing segment's revenue was US$400,265,000, about the same level as last year. Revenue from the Malaysian operations grew marginally by 1.3%, driven mainly by the increase in advertising revenue. On the other hand, the slow moving economic conditions in North America and the intensified competition from the free papers in Hong Kong have led to decrease in revenue from these two markets.

The publishing and printing segment achieved a profit before tax of US$79,681,000, down 4.4% or US$3,706,000 from last year mainly due to rise in costs.

Turnover from the travel segment registered a growth of 10.3% or US$7,271,000 to US$77,588,000, while its profit before income tax dropped by 27.3% or US$671,000 to US$1,790,000 from US$2,461,000 in last year. The decline in profit was mainly due to costs incurred in connection with the ongoing listing application of the travel segment.

Basic earnings per share for the year ended 31 March 2013 was US3.38 cents, compared with last year's US3.75 cents. As at 31 March 2013, the Group's cash and cash equivalents and net assets per share attributable to owners of the Company amounted to US$101,829,000 and US12.27 cents respectively.

SEGMENT REVIEW

Publishing and Printing

Malaysia and other Southeast Asia countries

In spite of the challenging trading conditions, the Malaysian operations were able to generate moderate growth in revenue year-on-year.

Total revenue increased by 1.3% or US$3,812,000 to US$295,809,000. However, the revenue growth was offset by surge in operating costs during the year under review. As a result, profit before income tax for the current year was down by 3.8% or US$2,733,000 to US$69,985,000 compared with US$72,718,000 a year ago.

Management Discussion and Analysis

The performance of the Malaysian operations was also impacted by the impairment of an investment in an exchangeable bond amounting to US$1,148,000. Excluding the impairment charge, the Malaysian operations' profit before income tax would have decreased by 2.2%.

According to Nielsen Media Research, newspaper advertising expenditure in Malaysia fell by 1% for the period from April 2012 to March 2013 to RM4.3 billion (equivalent to US$1.4 billion). The weak performance was caused by contraction in the English segment (down by 4%) while the Malay segment was flat and the Chinese segment maintained stable growth momentum of 3% to RM1.3 billion (equivalent to US$0.4 billion). The Group's newspapers grew in tandem with the Chinese newspaper advertising market, and accounted for 73.1% market share of the Chinese newspaper advertising market.

Our businesses benefit from the Group's strong market position in Malaysia with 4 print brands having a total combined average daily readership of 2,857,000, reaching 65.0% of Chinese population aged 15 and above. It accounts for 87.8% of Chinese newspapers sold in Peninsular Malaysia. These strong market positions are built on our long term commitment to deliver high quality products to our readers and advertisers.

Sin Chew Daily remained the most widely read Chinese newspaper in Malaysia attracting 1,285,000 readers each day for the period of January to December 2012 according to AC Nielsen Readership Survey; up 3.9% or 48,000 readers as compared to the same period last year. It is commanding 38.5% market share of the Chinese newspaper advertising market in Malaysia.

Sin Chew Daily's performance was achieved through continued improvement in the editorial quality, impactful commentary which triggered national debate on issues concerning the Chinese communities and outstanding news coverage. With its growing readership, *Sin Chew Daily* will continue to strengthen advertising growth in the future.

China Press continues to maintain its leadership as the most popular evening newspaper, while continuing to grow steadily nationwide. The paper had an average daily readership of 1,089,000 readers during the period of January to December 2012, an increase of 78,000 readers or 7.7% over the same period last year. Meanwhile, it enjoyed a 22.3% share of Chinese newspaper advertising market. *China Press* has been particularly successful in classified advertising and this contributes to its overall performance.

Guang Ming Daily remained its position as the most read newspaper in the northern market with 357,000 readers. During the year, *Guang Ming Daily* redesigned its presentation and strengthened its contents to be more appealing to readers and advertisers. The successful mix of strong regional news and strong feature based journalism differentiated *Guang Ming Daily* from its competitors.

Nanyang Siang Pau is celebrating its 90th anniversary this year. Through all these years' efforts, *Nanyang Siang Pau* has raised the demographic profile of its readerships targeting at professionals, managers, businessmen and executives. It reached out to 126,000 educated and quality readers daily. This strong readership profile has made *Nanyang Siang Pau* a preferred paper for companies to advertise their services and products targeting at highly educated and affluent professional and manager readers.

Life Magazines is the largest Chinese language magazine publisher in Malaysia, which publishes one tabloid newspaper and 17 magazines titles. Our flagship title, *Feminine*, continues to maintain its position as number one Chinese women magazine in the country in terms of advertising revenue and readership. In May 2012, Life Magazines launched a new Malay language pet magazine, *Jinak*. It is Malaysia's first Malay language lifestyle magazine targeting pet owners.

The Malaysian operations continued to expand into the exhibition and event business with the highly successful "My Wedding Bridal Fair", "Nanyang Education Fair", "International Health Fair" and "Nanyang Property Fair". The exhibition and event business have achieved strong stand space growth and increase in visitor numbers.

During the year, the Group further extended its geographical presence in Indonesia Chinese newspaper market through the joint venture with the local partners to manage and distribute a Chinese daily called "*Sin Chew-Harian Indonesia*".

Management Discussion and Analysis

Hong Kong and Mainland China

Faced with a tough operating environment, the Group's publishing and printing segment in Hong Kong and Mainland China reported a 4.3% drop in revenue to US$76,515,000 from US$79,924,000 a year ago. The segment's profit before income tax for the year was US$9,717,000, reflecting a 5.4% increase from last year's US$9,217,000, mainly attributed to gains from the disposals of subsidiaries and convertible notes of US$1,243,000 and US$1,126,000 respectively during the year.

Ming Pao Daily News, the Group's flagship newspaper in Hong Kong, differentiating itself with a niche market position, consistently adheres to high standard of professional journalism and provides comprehensive coverage of social, political and economic issues across the Greater China region. Over the past years, *Ming Pao Daily News* has been recognised for its journalistic integrity and excellence. In the Hong Kong News Awards 2012, an annual competition hosted by The Newspaper Society of Hong Kong, *Ming Pao Daily News* won a total of 12 awards including 4 Winner awards in Best Scoop, Best News Reporting, Best Business News Reporting and Best Young Reporter categories.

During the year under review, *Ming Pao Daily News* was granted licenses to develop e-textbooks in line with the local curricula. The Group will continue to invest in this education sector by upgrading its current educational package which consists of i-campus, e-learning and library management, etc. With its strong school network, this business venture will open up new opportunities and further expand the Group's presence in the education market.

For the year ended 31 March 2013, the Group's subsidiary, One Media achieved record results since its listing, with the completion of the restructuring plan together with organic growth in its Hong Kong operations. The profit attributable to owners of One Media for the year under review rose 10%.

North America

Given the slow recovery in the U.S. and the downturn in Canada's housing market, both consumers and advertisers in North America have become increasingly cautious on their spending which drove a decline in advertising revenue from this segment. Turnover of the Group's operations in North America dropped 6.9% to US$27,941,000 and the segment delivered a near breakeven result for 2012/2013 compared to a profit before income tax of US$1,452,000 in 2011/12.

Travel and travel related services

Despite continued economic volatility around the globe, international tourism managed to stay on course. According to the latest *UNWTO World Tourism Barometer*, international tourist arrivals grew by 4% in 2012 with Asia and the Pacific showing the strongest results (+7%) while Europe, a popular destination of the Group's travel segment, saw an increase of 3%. In tandem with the trends in the macro-environment, the Group's travel segment, operated through Charming Holidays and Delta Group, reported satisfactory growth in its long-haul tours mainly supported by Asian customers as well as higher demand for European tours driven by the weakening of Euro.

The travel segment's turnover for 2012/2013 grew 10.3% to US$77,588,000 from US$70,317,000 in 2011/2012. Profit before income tax was US$1,790,000 against last year's US$2,461,000, the decrease was mainly due to higher operating expenses and costs associated with the proposed listing of the travel segment in Hong Kong.

On 15 August 2012, the Board announced the proposal to spin off the Group's travel and travel related business and have a separate listing of the same on the GEM. In this connection, an application has been submitted to the GEM on 9 October 2012.

Digital Media

Riding on the wave of digital revolution, media industry is undergoing reshuffle which brings opportunities to companies capable of taking good advantages of the unresisting trend. The Group is committed to providing multi-platform digital media content through the web, smart phones and tablets. The Group believes that the quality and richness of media contents are keys to reach a larger spectrum of audience and bring about new sources of revenue. The Group's strategic moves in this business enable it to provide comprehensive marketing solutions to advertisers and achieve synergetic effects from cross-selling activities.

OUTLOOK

The directors anticipate that the business environment in those markets that the Group operates in will be challenging.

The Group's advertising revenue is expected to grow in tandem with the local economy that the Group operates in. With the ongoing efforts to strengthen the editorial contents of the Group's publications, circulations sales are expected to remain at sustainable level.

The Group will continue to put in place cost management measures and take steps to preserve the profit margin.

Barring any unforeseen circumstances, the Group is expected to achieve satisfactory performance in the new financial year.

PLEDGE OF ASSETS

General security agreements under which all the assets of certain subsidiaries with net book value of US$12,401,000 at 31 March 2013 (2012: US$11,741,000) were pledged to certain banks.

CONTINGENT LIABILITIES

At 31 March 2013, there were several libel suits which involved claims against some companies in the Group. The Group has been strongly contesting those claims. Even though the final outcome of the proceedings was still uncertain as of the date of this announcement, the directors of the Company are of the opinion that the respective ultimate liability, if any, will not have a material adverse impact upon the Group's financial position.

CAPITAL COMMITMENTS

As at 31 March 2013, the Group's authorised capital expenditure for property, plant and equipment contracted but not provided for in the consolidated financial information amounted to US$4,402,000 whereas authorised capital expenditure for property, plant and equipment not contracted and not provided for in the consolidated financial information amounted to US$1,143,000.

FINANCIAL GUARANTEES

As at 31 March 2013, the Company issued financial guarantees in favour of certain of its subsidiaries totaling US$19,814,000 (31 March 2012: US$20,057,000) in connection with general banking facilities granted to those subsidiaries. As at 31 March 2013, total facilities utilised amounted to US$1,330,000 (31 March 2012: US$1,906,000). The directors of the Company do not consider it probable that a claim will be made against the Company under the financial guarantees. The maximum liability of the Company as at 31 March 2013 under the financial guarantees was the facility drawn down by its subsidiaries. No provision was therefore made in this respect as at 31 March 2013.

Management Discussion and Analysis

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Ringgit Malaysia ("RM"), Renminbi, Canadian dollar, HK$ and US$. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The assets and liabilities of each entity within the Group are mostly denominated in its own functional currency and do not have material impact on profit or loss for the year.

During the year ended 31 March 2013, the Group is particularly exposed to movements in the US$ to RM exchange rate as a major part of the Group's operations is located in Malaysia, and a decrease in the exchange fluctuation reserve of US$609,000 was recognised largely due to the changes in the exchange rate of US$ to RM.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

As at 31 March 2013, the Group's cash and cash equivalents were US$101,829,000 (31 March 2012: US$134,657,000) and total bank borrowings were US$170,602,000 (31 March 2012: US$5,285,000). The net debt position was US$68,773,000 (31 March 2012: net cash US$129,372,000). Owners' equity was US$207,006,000 (31 March 2012: US$413,564,000).

The gearing ratio of the Group, calculated as net debt over owners' equity, was approximately 33% as at 31 March 2013 (31 March 2012: zero). The increase in gearing was primarily due to the drawdown of a short-term bank borrowing to finance, in part, the payment of the special dividend on 28 November 2012.

As at 31 March 2013, the Group's net current liabilities amounted to US$22,856,000 (31 March 2012: net current asset US$189,604,000) primarily resulted from the drawdown of the abovementioned short-term bank borrowing. Notwithstanding this, the Group has sufficient working capital and is able to continue to generate net cash inflows from its operating activities to enable it to meet in full its financial obligations as and when they fall due. In addition, the Group is currently in the process of refinancing such borrowing.

CAPITAL STRUCTURE

During the year, the Company repurchased a total of 1,000 shares at an aggregate purchase consideration of HK$3,800 (equivalent to US$490). Details of the repurchase are set out in note 32(a) to the financial statements.

EMPLOYEES AND EMOLUMENT POLICY

At 31 March 2013, the Group has 4,651 employees (2012: 4,728 employees), the majority of whom are employed in Malaysia and Hong Kong. The Group remunerates its employees based on industry practice and performance of individual employees. The emoluments of the directors and senior management are reviewed by the Remuneration Committee regularly, having regard to the Group's operating results, individual performance and comparable market statistics. No director, or any of his associates is involved in dealing with his own remuneration. The Group has share option schemes as an incentive to directors and eligible employees.

Corporate Social Responsibility

The Group's corporate social responsibility is an on-going commitment to protect and benefit the well-being of the community and the environment in which we operate. We believe that the social and environmental initiatives that we integrated into our business will make our efforts more sustainable and ultimately benefit our shareholders and other stakeholders.

As an international media corporate, the Group's business and publications reach out to transnational Chinese communities, we thus believe it is our unshirkable responsibility to carry out projects that benefit society at all levels.

We always incorporate social and environmental considerations into our business strategy and daily operation. Our approach to corporate social responsibility ("CSR") primarily encompasses four areas: Community, Marketplace, Workplace and Environment.

COMMUNITY

The Group has developed a strong relationship with the community. As a pioneer of current trends in society, on top of reporting the first hand news to the public, the Group also serves as a bridge to raise funds for the disadvantaged.

Humanitarian assistance

The Group's publications have encouraged participation by and contribution from the public through highlighting stories and plights of poor families in need of assistance. This is part of the Group's social responsibility initiatives to help ease the burden of the underprivileged and persons in need through a variety of programmes.

In Malaysia, Yayasan Sin Chew and Yayasan Nanyang Press have been the social work platforms for the general public to donate money to various charitable causes, including provision of aids to victims of major catastrophes, natural disasters and humanitarian crises. Over the years, the fund has been used to aid people who are less fortunate, especially those in need of medical treatments.

The selection and assessment process to assist the applicants is guided by examining a broad spectrum of community needs including the disadvantaged group with health and social problems in poverty, disabled and victims of natural disasters, etc.

Education is a fundamental human right and vital to achieving economic growth, increasing income and sustaining progress in society. With this in mind, Yayasan Sin Chew has started the "Sponsor-A-Child Programme" since 2003. It encourages readers to make donation to provide the poor children with monthly financial aid to help purchase textbooks, pay tuition fees and other needs for schooling. Similar projects are also extended to underprivileged children from impoverished families and orphanages in other countries including China, Myanmar and Cambodia.

To foster literacy, we encourage the public to donate funds to children who have only limited access to reading materials in rural areas in Malaysia. Books will be distributed to these children to enrich their learning while promoting the habit of reading in the society.

To help single mothers, counseling services like tele-coaching helpline services, various empowerment workshops and family bonding workshops have been provided to help them overcome their dilemmas and extend appropriate assistance when required.

These programmes have always been very popular and responses received are overwhelming. With the successful launch of these programmes, much closer ties with the communities have been built.

Yayasan Nanyang Press's "16 Navigators Visit with Compassion" is a pragmatic social programme that deliver social services by paying visits to poor patients and underprivileged families with aims to spread the spirit of giving and sharing. During the visits, volunteers help refurbish houses and provide food, groceries and free counseling to those visited. This project has been well received by the communities.

Corporate Social Responsibility

Yayasan Nanyang Press has set up 4 dialysis centers throughout Malaysia. Other than donating dialysis machines, it also provides monthly dialysis treatment subsidies to low-income patients.

In Hong Kong, the Group also organise donation activities on a regular basis. In the company donation event, our staff is encouraged to donate their used textbooks, fictions and magazines which will then be classified and given away to schools, charitable groups and hospitals. Used computers and electronic equipment are also collected and re-distributed to non-profit making organisations.

Education

In Malaysia, the Group has always been in the forefront of fund raising activities for education. With the support from Yayasan Hai-O and Carlsberg Malaysia, we have organised a series of charity shows throughout the country to raise fund for Chinese primary schools to build new schools, upgrade existing facilities and provide scholarships to the less-privileged.

Working together with many private higher education institutions, we continue to meet annually and assess the needs and academic qualifications of the disadvantaged applicants and offer scholarships to finance their further studies. During the year, scholarships of various courses have been awarded to students to fulfill their dreams in Malaysia.

The "Malaysian School Teachers Counseling Conference" was also conducted with the objective to enhance school teachers' knowledge and skills in the areas of child and all-round development.

These events allowed our group titles to establish an interactive and friendly relationship with the community.

The "Ming Pao Student Reporter Scheme" has been held by *Ming Pao Daily News* for 16 years in Hong Kong and has served almost 6,500 senior secondary students over the years. The scheme aims to expand the students' horizons and stimulate their independent thinking and analytical skills by a series of lectures and trainings on basic journalistic and multimedia publishing skills. Exclusive reporting opportunities have been lined up to provide them with practical training. Students with outstanding performance will be selected as trainees in our pressroom and to join the interflow camp with student reporters across the region.

"The 7th Hong Kong Cup Diplomatic Knowledge Contest" was held to broaden students' understanding on the national diplomatic policy of Mainland China and nurture their sense of belonging to the country. It was well-received by schools and the public with over 3,000 participants participated in this year contest, which broke the record of past years.

The Group has continued to support "The Guangdong Province Remote Area Education Relief Fund" jointly with Department of Education of Guangdong Province. This year marks the 20th year of the fund and over HK$25 million has been donated to provide financial aid to 176 schools in Guangdong Province for renovation and re-building of dangerous school buildings. To enhance the competitiveness of the students and keep them apprise with current technological knowledge, classroom facilities have also been upgraded to make e-learning possible.

MARKETPLACE

As a media corporate, we strive to maintain our reputation as an independent and trusted source of news and information provider. In this connection, all employees are required to conduct business in an honest manner and with the highest integrity. The Group has adopted the Code of Ethics and Conduct to assist employees in understanding these obligations.

The Group continues to organise various activities such as carnivals, exhibitions, seminars, education programmes, health talks and social events for its readers and advertisers. These enable us to have an interactive relationship with our readers and advertisers thus defying the perception that print media is a static media.

Corporate Social Responsibility

As an effort for advertisers to reach out to our readers, contests like "Miss & Mr Sunshine", "Romance 2012 最浪漫新人競賽", "National Dynamic Dance Competition 2012", "Futsal Carnival", "Sin Chew Image Transformation" have been held during the year.

Ming Pao Daily News and the Chinese University of Hong Kong have jointly organised the "Prestigious Corporate Brand Awards 2012" to recognise the devotion and innovation of brands in Hong Kong and Mainland China. *Yazhou Zhoukan* has also hosted "Asia Excellence Brand Award 2012" in appreciation of outstanding brandnames in the Asian region, and to encourage Asian enterprises to pursue business excellence.

WORKPLACE

The Group continues to invest in our own people and organisation as we believe that this is as important as our philanthropic and community CSR endeavours. We perceive our human capital as an invaluable asset as we thrive in a competitive business environment. Thus, courses and training workshops to enhance employees' skills and knowledge are conducted periodically to develop its talent pool and to groom future leaders.

The Group also strives to maintain a highly safe and healthy working environment for its employees that go beyond all statutory labour, health and safety laws. To achieve this objective, we continue to create better awareness and understanding at the workplace. A series of in-house training programmes on safety and occupational health have been conducted with external experts and the committee members. Body checks such as eye checks, blood tests and free glucose and cholesterol checks were also provided to some of our staff.

The Group considers "work-life-balance" a key to maintain mental and physical health. As such, the Group encourages employees to reduce over-time work in order to allocate time to their family lives and further studies. We also encourage employees to bond with each other through social events held by our sports clubs such as sports activities, day trips, gatherings and feasts during festive seasons, etc.

For years, the Group has provided its staff in Hong Kong with shuttle bus service that circulates between the company office and nearby MTR station to make travelling to and from work more convenient.

ENVIRONMENT

The Group acknowledges that environmental sustainability is vital to the well-being of our organisation, society and nation. Hence, the Group has kept a vigilant eye on the environment to ensure that corporate initiatives, activities and practices are executed with minimal adverse impact on the environment, and where possible, are geared towards conservation and preservation of the surrounding environment.

To offset resources used in the production of newspaper, our newsprint supply was mainly produced from recycled paper. Moreover, all waste newsprint, unsold newspapers, aluminium plates, plastics, cardboard, ink and rags from the print sites are separately disposed for recycling.

During the year, the Group participated in "Used Printer Cartridges Reuse & Recycling Programme" organised by Friends of the Earth in Hong Kong. Through this programme, used printer cartridges are collected and sent for refill or recycle depending on their condition. The recycling partner of Friends of the Earth will then make donations for every cartridge received.

In our daily operations, the Group promotes eco-friendly elements such as the recycling of paper, as well as electronic communications and energy saving practices among staff. In addition, energy consumption has been reduced through the installation of energy efficient equipment and water saving apparatus.

Major Awards of the Year — Hong Kong
(Ming Pao Daily News)

HONG KONG NEWS AWARDS 2012

— The Newspaper Society of Hong Kong

Ming Pao Daily News captured 12 prizes including 4 Winner awards and was the newspaper which won the most Winner awards.

Best Scoop


明報

唐英年涉隱瞞僭建

Best News Reporting


明報

梁振英山頂豪宅僭建

Best Business News Reporting


旺陽家人：從未同意自殺論

Best Young Reporter


英綠化地來港賣貴50倍

1st Runner-up:
Best Scoop
Best Business News Writing (Chinese)
Best Headline (Chinese)
Photographic Section (Features)

2nd Runner-up:
Best News Reporting
Best Business News Writing (Chinese)

Merit:
Best Business News Reporting
Best Arts and Culture News Reporting

"FOCUS AT THE FRONTLINE 2012" PHOTO CONTEST

— Hong Kong Press Photographers Association

1st Runner-up:
Nature & Environment

Merit:
People

Major Awards of the Year — Hong Kong
(Ming Pao Daily News)

THE 17TH ANNUAL HUMAN RIGHTS PRESS AWARDS 2012

— Hong Kong Journalists Association, The Foreign Correspondents' Club, Hong Kong and Amnesty International Hong Kong

Prize:
Newspaper (General News)
Newspaper (Feature) (2 awards)
Commentary and Analysis

Merit:
Newspaper (General News) (2 awards)
Newspaper (Feature) (3 awards)
Photojournalism (Feature) (3 awards)
Photojournalism (Spot News) (2 awards)

THE 12TH CONSUMER RIGHTS REPORTING AWARDS 2012

— Consumer Council, Hong Kong Journalists Association and Hong Kong Press Photographers Association

Silver Award:
News

Merit:
News
Feature

THE SOPA 2013 AWARDS FOR EDITORIAL EXCELLENCE

— The Society of Publishers in Asia

Award for Excellence:
Investigative Reporting
Reporting Breaking News

Honourable Mention:
Editorial Cartooning

THE 4TH ANNUAL KAM YIU-YU PRESS FREEDOM AWARDS 2012

— Kam Yiu-yu Foundation

Winner:
Print Media

Major Awards of the Year — Malaysia
(Sin Chew Group)

DATUK WONG KEE TAT JOURNALISM AWARDS 2011

— Editors' Association of Chinese Medium of Malaysia

Datuk Seri Joseph CHONG Chek Ah Distinguished Media Service Award
Winner: *Guang Ming Daily*

Tan Sri YAP Yong Seong Feature Writing Award
Outstanding Prize: *Guang Ming Daily*

Tan Sri NG Teck Fong News Reporting Award
Outstanding Prize: *Guang Ming Daily*

Tan Sri TEONG Teck Leng Commentary Award
Outstanding Prize: *Guang Ming Daily, Sin Chew Daily*

Dato' P.C. KOH Business News Reporting Award
Excellence Prize: *Sin Chew Daily*

Dato' KONG Hon Kong Sports Reporting Award
Outstanding Prize: *Sin Chew Daily*

Mr. TAN Yew Sing Education News Reporting Award
Excellence Prize: *Sin Chew Daily*
Outstanding Prize: *Sin Chew Daily*

Dato' TAN Leong Ming News Photography Award
Outstanding Prize: *Sin Chew Daily*

Datuk WONG Kee Tat News Editing Award (News Section)
Excellence Prize: *Guang Ming Daily*
2 Outstanding Prizes: *Guang Ming Daily*

Datuk WONG Kee Tat News Editing Award (Feature Section)
Excellence Prize: *Guang Ming Daily*
Outstanding Prize: *Guang Ming Daily, Sin Chew Daily*

Tan Sri LAW Tien Seng Front Page of the Year Award
Outstanding Prize: *Sin Chew Daily*

MALAYSIA'S 30 MOST VALUABLE BRANDS 2012

— The Association of Accredited Advertising Agents of Malaysia

Sin Chew Daily has made it to the list of "Malaysia's 30 Most Valuable Brands" for the 3rd consecutive year. Mr. WONG Khang Yen (2nd from right), Sin Chew Media Corporation Executive Director and Director of Group Marketing received the award on behalf of *Sin Chew Daily*.

Major Awards of the Year — Malaysia
(Sin Chew Group)

KENYALANG SHELL PRESS AWARDS 2012

— Sarawak State Government, Sarawak Shell Berhad and Federation of Sarawak Journalists Association

Health News Reporting Award
1st Prize: *Sin Chew Daily*
3rd Prize: *Sin Chew Daily*

News Reporting Award
2nd Prize: *Sin Chew Daily*

Sports Reporting Award
2nd Prize: *Sin Chew Daily*

Photography Award
2nd Prize: *Sin Chew Daily*
3rd Prize: *Sin Chew Daily*

Business and Economy Reporting Award
3rd Prize: *Sin Chew Daily*

THE 6TH MEDIA AWARDS OF THE MINISTRY OF HEALTH MALAYSIA 2012

— Ministry of Health, Malaysia

Best Photography Award
First Prize: *Sin Chew Daily*
Consolation Prize: *Sin Chew Daily*

Best Health News Reporting Award
(Chinese newspaper)
Consolation Prize: *Sin Chew Daily*

THE 8TH PENANG TEONG GUAN ASSOCIATION JOURNALISM AWARDS

— Penang Teong Guan Association

Society Caring News Award
Champion: *Sin Chew Daily*
2nd Runner-up: *Guang Ming Daily*
2 Excellence Prizes: *Guang Ming Daily*

Cultural News Award
1st Runner-up: *Guang Ming Daily*
2nd Runner-up: *Guang Ming Daily*
2 Excellence Prizes: *Guang Ming Daily*

Photography Award
Champion: *Sin Chew Daily*
1st Runner-up: *Guang Ming Daily*

NATIONAL PRESS CLUB AWARD 2012

— The National Press Club of Malaysia

Mr TAY Tian Yian (2nd from left), Deputy Editor-in-Chief of *Sin Chew Daily*, received the Best Reporter Award (Chinese medium) from Prime Minister YAB Dato' Sri NAJIB Tun Razak (2nd from right).

MEDIA NIGHT OF POLIS DIRAJA MALAYSIA

— Royal Malaysia Police

Sin Chew Daily reporter was awarded Commendatory Certificate on the Malaysian Police Day 2013 to recognise their positive assistance to the Police in prevention and detection of crime.

MEDIA COOPERATION AWARD

— Tourism Malaysia

Representative of *Sin Chew Daily* received the Media Cooperation Award from YAB Tan Sri Dato' ABDUL KHALID bin Ibrahim (centre), Chief Minister of Selangor.

Major Awards of the Year — Malaysia
(Nanyang Group)

DATUK WONG KEE TAT JOURNALISM AWARDS 2011

— Editors' Association of Chinese Medium of Malaysia

Tan Sri NG Teck Fong News Reporting Award
Excellence Prize: *Nanyang Siang Pau*
Outstanding Prize: *China Press*

Tan Sri TEONG Teck Leng Commentary Award
Excellence Prize: *Nanyang Siang Pau*

Dato' P.C. KOH Business News Reporting Award
Outstanding Prize: *China Press*

Dato' KONG Hon Kong Sports Reporting Award
Excellence Prize: *Nanyang Siang Pau*

Dato' LEE Travel News Reporting Award
Excellence Prize: *China Press*
Outstanding Prize: *Nanyang Siang Pau*

Tan Sri YAP Yong Seong Feature Writing Award
Excellence Prize: *China Press*
2 Outstanding Prizes: *China Press*

Datuk WONG Kee Tat News Editing Award (Feature Section)
Outstanding Prize: *China Press*

Datuk WONG Kee Tat News Editing Award (News Section)
Outstanding Prize: *China Press*

Dato' TAN Leong Ming News Photography Award
Excellence Prize: *Nanyang Siang Pau*

Tan Sri LAW Tien Seng Front Page Of The Year Award
Excellence Prize: *Nanyang Siang Pau*
2 Outstanding Prizes: *China Press*

MPA MAGAZINE AWARDS 2012 (BEST COVER DESIGN)

— Magazine Publishers Association, Malaysia

Editorial Award
Special Interest & Niche Category (Chinese)
Silver Award: *Let's Travel, Pets*

Magazine Design Award
Special Interest & Niche Category (Chinese)
Silver Award: *Let's Travel*

Front Cover Award
Current Affairs/Business Category (Chinese)
Gold Award: *Special Weekly*
Silver Award: *Special Weekly*

Special Interest & Niche Category (Chinese)
Gold Award: *Rod & Line*
Silver Award: *Pets*
Bronze Award: *Let's Travel*

Special Interest & Niche Category (Bahasa)
Bronze Award: *Pancing*

Health & Fitness Category (Chinese)
Gold Award: *Long Life*
Silver Award: *Long Life*

Lifestyle & Men Category (Chinese)
Gold Award: *New Icon For Him*

Major Awards of the Year — Malaysia
(Nanyang Group)

MCPA PHOTO AWARD 2012
— Malaysia Chinese Photojournalists Association (MCPA)

General News Photo Award
Excellence Award: *Nanyang Siang Pau*
Consolation Award: *Nanyang Siang Pau*
Special Award: *China Press*

Cultural & Entertainment Photo Award
Excellence Award: *Nanyang Siang Pau*
Special Award: *Nanyang Siang Pau, China Press*

Photo Essay Award
Excellence Award: *China Press*
Merit Award: *Nanyang Siang Pau*
Special Award: *Nanyang Siang Pau, China Press*

Spot News Photo Award
Merit Award: *China Press*
Special Award: *China Press*

Sport News Photo Awards
Excellence Award: *China Press*
Merit Award: *China Press*

Best Spirit Award
Winner: *China Press*

"THE BEAUTY OF DONG ZEN" PHOTOGRAPHY CONTEST 2013
— FGS Dong Zen Temple

1st Prize: *China Press*

THE GREEN WALK PHOTOGRAPHY CONTEST 2012
— Himpunan Hijau Committee

1st Prize: *China Press*

ONE MALAYSIA PHOTOGRAPHY CONTEST 2012
— MCA Information Bureau

2nd Prize: *China Press*

MEDIA AWARDS OF THE MINISTRY OF HEALTH MALAYSIA 2012
— Ministry of Health, Malaysia

Best Health News Reporting Award (Chinese magazine)
2 First Prizes: *Feminine*
Consolation Prize: *Feminine*

NATIONAL PRESS CLUB AWARD 2012
— The National Press Club of Malaysia

DRB Hicom Best Media Organisation
(Community Service) Award
Winner: *Nanyang Siang Pau*

Significant Events — Hong Kong

Ming Pao Daily News

"The 16th Ming Pao Student Reporters Scheme"






The scheme offered a series of lectures, trainings and on-site news reporting exercises as well as learning exchange visits to student reporters, with an aim to provide them a better understanding of the media industry.

"Lower Carbon • Greener Future" English Writing Competition

Ming Pao Daily News hosted "Lower Carbon • Greener Future" English Writing Competition to enhance students' proficiency in English language and their concern for low-carbon living.

"Shaping Your Future • A Lifetime of Difference"

This is the third year that *Ming Pao Daily News* and the City University of Hong Kong co-organised the "Shaping Your Future • A Lifetime of Difference" programme. It received an overwhelming response from student applicants. Talks and sharing sessions helped students identify their objectives and make early plans for their future.

"Prestigious Corporate Brand Awards 2012" Presentation

"Prestigious Corporate Brand Awards 2012" praised outstanding corporate brands from Mainland China and Hong Kong. Representatives of awarded corporations took a photo with judges and distinguished guests.

"Exploring Liberal Teaching Direction from DSE Results" Seminar


Ming Pao Daily News organised liberal studies seminar to explore the future direction of teaching liberal studies so as to help teachers and students in mastering preparation strategies for examinations.

Significant Events — Hong Kong

"2013 Infinite Sunset" Investment Forum

A number of renowned financial and business management experts from Asia Pacific analysed the global economic situation in an investment forum co-organised by *Ming Pao Daily News* and www.wongsir.com.hk. It received an overwhelming response from the audience.

"Property Market Potential and Wisdom of Choosing a Residential Flat" Seminar

Guest speakers shared their professional knowledge and insights as well as answered queries to the participants in the property seminar.

"You Need to Know Mental Health" Emotional Management Seminar

Ming Pao Daily News and Hong Kong Sanatorium & Hospital co-organised emotional management seminar to enhance public awareness of mental health.

Ming Pao Monthly

"Mainland China, Hong Kong, Macau and Taiwan — World Chinese Literature Preview Forum"

The Forum, held in Hong Kong and Macau, was jointly hosted by *Ming Pao Monthly*, Chinese Civilisation Center of City University of Hong Kong, Macao Foundation and Hong Kong Writers. Renowned writers, scholars and translators analysed and illustrated the current status quo and future of Chinese Literature.

53rd Anniversary Dinner of *Ming Pao Daily News*

Tan Sri Datuk Sir TIONG Hiew King, Group Executive Chairman, led the management to kick off the Anniversary Dinner of *Ming Pao Daily News*.

Yazhou Zhoukan

25th Anniversary Party & "Global Chinese Business 1000 Awards" Presentation

Management of *Yazhou Zhoukan* took a group photo with representatives of awarded Chinese enterprises.

Ming Pao Publications

Ming Pao Publications organised readers' gatherings for renowned writers, Ms CHEUK Wan Chi and Mr ONG Yi Hing at Macau. They shared the writing techniques with their fans coming from Hong Kong, Macau and Mainland China.

Significant Events — Malaysia
(Sin Chew Group)

Media Chinese International Limited and Xin Hua News Agency jointly set up a news platform — www.newchinesenet.com. Tan Sri Datuk Sir TIONG Hiew King (3rd from right), Group Executive Chairman and the distinguished guests attended the launching ceremony.

Sin Chew Media Corporation Berhad and Nanyang Press Holdings Berhad jointly organised 2013 Chinese New Year Celebration. More than 1,000 representatives from 300 Chinese Associations participated in this joyful event.

Yayasan Sin Chew

Sponsored children and corporate partners attended "We Care — Sponsor-A-Child Programme" Luncheon & Gifts Presentation Ceremony.

Guang Ming Daily

"New Concept and Therapy of Cancer Treatment" seminar, organised by *Guang Ming Daily*, received an overwhelming response from readers. They raised questions to the speaker enthusiastically after the seminar.

Penang Spring Festival (Miao Hui) has been organised by *Guang Ming Daily* for 8 consecutive years to spread New Year's festival atmosphere to Penang citizens.

The 1st "Malaysian Filial Awards" organised by *Sin Chew Daily*, aims to promote the traditional virtue of filial piety by paying compliment to the inspirational deeds of its 10 winners.

Sin Chew Daily

Sin Chew Daily and sinchew.com.my co-organised "Sin Chew Business Excellence Awards" to recognise the excellent business management SMEs. Tan Sri Datuk Sir TIONG Hiew King (left), Group Executive Chairman and Mr NG Chek Yong (2nd from right), Executive Director of the Group officiated the launching ceremony.

111 primary students participated in "8-Hour Famine", co-organised by *Bintang Sin Chew* and *Sinaran Sin Chew*, to experience the moment of hunger and love sharing. They cheered and upheld their certificates after the event.

Sin Chew Daily has organised "Senior Citizens' Night" for 20 consecutive years to inspire filial piety to the community. More than 1,000 families attended in 10 sessions of dinner nationwide. It was the time full of love and concern.

Significant Events — Malaysia
(Nanyang Group)

Nanyang Siang Pau

Nanyang Siang Pau celebrates its 90th anniversary in 2013. Tan Sri Datuk Sir TIONG Hiew King, Group Executive Chairman led the senior management and staff to officiate the launching ceremony at its headquarters.

"My New Village Carnival 2012" held at Puchong Sin Ming Primary School, recorded the highest fund raising of RM3.69 million since its launch in 2009.

In conjunction with the Golden Bull Award's 10th anniversary, *Nanyang Siang Pau* published a commemorative book titled *"10 Golden Years of Brilliance • 1000 Golden Bulls Par Excellence"* to recognise the Golden Bull Awards SME winners and share their successful experiences.

"The Top Ten Charity Show", jointly organised by *Nanyang Siang Pau* and *China Press*, proved to be the best single school fundraising with a record breaking of RM6.58 million collected at SMJK Jit Sin High School over the past 26 years.

China Press

China Press and *Nanyang Siang Pau* co-organised with the sponsor "Yeo's" for the 1st "Yeo's Mid Autumn Festival" at Malacca. It attracted over 3,000 local citizens to participate in and celebrate together this Chinese traditional festival.

Over 130 teams of indoor football lovers nationwide participated in the 4th Futsal Carnival organised by *China Press*.

Life Magazines

Feminine & *My Wedding* organised the 9th "My Wedding Bridal Fair" and invited Datuk Senator Ir Donald LIM Siang Chai, Malaysia Deputy Minister of Finance to officiate the opening ceremony.

Yayasan Nanyang Press

Yayasan Nanyang Press set up the "16 Navigators" fund raising and compassionate visit projects to arrange volunteers to visit disadvantaged groups to spread the virtues of "16 Navigators": humility, patience, contentment, delight, kindness, honesty, generosity, thoughtful speech, respect, forgiveness, gratitude, loyalty, aspiration, principles, service and courage.

Yayasan Nanyang Press partnered with Pernod Ricard Group of Malaysia to host 55 sessions of "Martell Cordon Bleu 100th Charity Dinner" nationwide. The total charity fund raised over RM2 million.

Statement on Corporate Governance

INTRODUCTION

The Board recognises the importance of sound corporate governance and will continue to enhance its role in maintaining a high standard of corporate governance throughout the Group.

The Company has adopted all the code provisions in the Corporate Governance Code (the "Hong Kong Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "HK Listing Rules") as its own code on corporate governance practices. During the year, the Company has complied with the code provisions as set out in the Hong Kong Code.

In addition, the principles and recommendations set out in the Malaysian Code on Corporate Governance 2012 (the "Malaysian Code") have been complied by the Group throughout the year wherever possible in observing the highest standard of transparency, accountability and integrity.

This statement outlines how the Group has applied the principles of the Malaysian Code and the Hong Kong Code for the financial year ended 31 March 2013.

CONDUCT ON SHARE DEALINGS

The Company has adopted the Model Code for Securities Transactions by Directors and Listed Issuers (the "Model Code") as set out in Appendix 10 of the HK Listing Rules as its own code for securities transactions by directors of the Company. Following specific enquiry by the Company, all directors of the Company have confirmed their compliance with the required standards as set out in the Model Code during the year.

The Company has also established written guidelines regarding securities transactions on no less exacting terms than the Model Code for senior management and specific individuals who may have access to price sensitive information in relation to the securities of the Company.

THE BOARD OF DIRECTORS

(a) The Board and its responsibilities

The Board is responsible for the corporate governance practices of the Group as set out below:

- Developing and reviewing the Company's policies and practices on corporate governance;
- Reviewing and monitoring the training and continuous professional development of directors and senior management;
- Reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;
- Developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and directors; and
- Reviewing the Company's compliance with the Hong Kong Code and disclosure in the Corporate Governance Report under Appendix 14 to the HK Listing Rules.

The Board guides and monitors the affairs of the Group on behalf of the shareholders and retains full and effective control over the Group. During the year, the Board has reviewed the Company's compliance with the Hong Kong Code and the Malaysian Code and the Training on continuous professional development of Directors and senior management.

The key responsibilities of the Board also include, among others:

- Reviewing the strategic direction for the Group;
- Overseeing and evaluating the business;
- Reviewing the adequacy of internal control;
- Identifying principal risks and ensuring that the risk are properly managed;
- Establishing succession planning; and
- Developing and implementing a shareholders' communication policy.

The responsibility for matters material to the Group is in the hands of the Board, with no individual unfettered powers to make the decisions.

The Board delegates certain responsibilities to the Board committees, all of which operate within defined terms of reference to assist the Board in the execution of its duties and responsibilities. The respective committees report to the Board on matters that have been discussed and deliberated at committees' meetings and make recommendations to the Board for final decision. The Board committees include the Group Executive Committee, Audit Committee, Nomination Committee and Remuneration Committee. The composition of the Board committees is presented on pages 40 to 43 of this Annual Report.

The Board has approved a Board Charter to ensure that all Board members are aware of their duties and responsibilities as directors, the various legislations and regulations affecting their conduct and the principles and practices of good corporate governance that applied to all dealings by Board members individually and/or behalf of the Group. A Code of Ethics and Conducts has been adopted to formalise the standard of ethical values and behaviors that is expected from the Board members at all times.

In performing their duties, all directors have access to the advices and services of the company secretary and if necessary, may seek professional independent advices about the affairs of the Group.

The Group is also committed towards sustainable development. Employees' welfare, environment as well as community responsibilities are integral to the way in which the Group conducts its business. A report on the activities pertaining to corporate social responsibilities is set out on pages 23 to 25.

The Board Charter, Code of Ethics and Conducts and the terms of reference of Audit Committee, Remuneration Committee and Nomination Committees are accessible in the Company's website: www.mediachinesegroup.com.

(b) Board composition and balance

The Board has 9 members, comprising 5 executive directors, Tan Sri Datuk Sir TIONG Hiew King (the Group Executive Chairman), Dato' Sri Dr TIONG Ik King, Mr TIONG Kiew Chiong, Mr NG Chek Yong and Mr LEONG Chew Meng; a non-executive director, Ms TIONG Choon; and 3 independent non-executive directors ("INEDs"), Mr David YU Hon To, Tan Sri Dato' LAU Yin Pin and Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH, which fulfills the prescribed requirement of at least one third of the Board to be independent as stated in the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities Listing Requirements") and the HK Listing Rules. The directors are drawn from different backgrounds such as accountancy and business. Together, they bring a mix of qualifications, skills and experience which is necessary for the success of the Group.

A brief profile of each director including his/her relationship, if any, between Board members is presented on pages 4 to 8 of this Annual Report.

There is a clear division of responsibilities between the Group Executive Chairman and Group Chief Executive Officer of the Company ("GCEO"). The roles of Group Executive Chairman and GCEO are separate and clearly defined, and are held individually by two persons to ensure a balance of power and authority.

Tan Sri Datuk Sir TIONG Hiew King, the Group Executive Chairman, plays a crucial role in providing overall business direction while the implementation falls under the responsibility of the GCEO. The Group Executive Chairman is responsible for, among others, providing leadership for and overseeing the functions of the Board. He should ensure that the Board works effectively and performs its responsibilities and that all key and appropriate issues are discussed by the Board in a timely manner. The GCEO's role is to manage the Group's business and to ensure the delivery of the objectives and strategies set by the Board within the authority limits delegated by the Board.

The executive directors and the Group Executive Committee are responsible for the day-to-day management of business and operational matters. The non-executive directors ensure that the business and investment proposals presented by management are fully deliberated and examined. They perform a key role by providing unbiased and independent views, advices and judgment, which take into account of the Group and all its stakeholders.

The Board through the Nomination Committee conducts an effective assessment to evaluate the effectiveness of the Board as a whole, the Board committees and contribution of each individual director, including the INEDs.

In accordance with the recommendations of the Malaysian Code the Group has to appoint an independent non-executive chairman, or to have a board, with a majority of independent directors where the chairman is not an independent director. The Board, having assessed and reviewed, inter-alia, the skills, knowledge and experience of the Group Executive Chairman as well as the current Board composition, is of the view that the chairmanship of Tan Sri Datuk Sir TIONG Hiew King shall remain. The Board is of the view that his vast and diversified experience, skill and knowledge in the global Chinese media industry will be instrumental in spearheading the Group to achieve greater heights for years to come.

The Board believes that the current Board composition is appropriate for its purpose, and is satisfied that it reflects the interest of minority shareholders of the Company and the Group. The Board shall continue to monitor and review the Board size and composition from time to time.

In addition, the Board is of the view that there is no urgency to appoint a senior independent director. However, the Board will continuously review and evaluate such recommendation under the Malaysian Code, as the Board is committed to achieving and sustaining high standards of corporate governance.

(c) Board meetings

The Board meets at least 4 times a year at quarterly interval with additional meetings to be convened as and when required. Board meetings are scheduled in advance at the beginning of each calendar year. All proceedings of the Board meetings are duly minuted and signed by the chairman of the meeting. Where a potential conflict of interest arises, the director concerned will declare his/her interest and abstain from the decision making process.

During the financial year under review, 7 Board meetings, were held in which 4 were regular board meetings. Notice of at least 14 days has been given to all directors for the regular board meetings. The attendance record for each director is as follows:

Name	**Number of meetings attended**	**Percentage of attendance**
Executive directors		
Tan Sri Datuk Sir TIONG Hiew King *(Group Executive Chairman)*	6/7	86%
Dato' Sri Dr TIONG Ik King	7/7	100%
Mr TIONG Kiew Chiong *(GCEO)*	7/7	100%
Mr NG Chek Yong	7/7	100%
Ms SIEW Nyoke Chow *(note 1)*	6/7	86%
Mr LEONG Chew Meng *(note 2)*	7/7	100%
Non-executive director		
Ms TIONG Choon *(note 3)*	N/A	N/A
Independent non-executive directors		
Mr David YU Hon To	7/7	100%
Tan Sri Dato' LAU Yin Pin	7/7	100%
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	7/7	100%

Notes:

(1) Ms SIEW Nyoke Chow resigned as an executive director on 31 March 2013.

(2) Mr LEONG Chew Meng was re-designated from a non-executive director to an executive director on 31 March 2013.

(3) Ms TIONG Choon was appointed as a non-executive director on 31 March 2013.

(d) Information to the Board

The directors are provided with adequate Board reports on a timely manner prior to the Board meeting to enable the directors to obtain further explanations, where necessary. With effect from 1 April 2012, the Company provides directors with monthly updates on the performance of the Group. These reports provide information on the Group's performance and major operational, financial and corporate issues. Minutes of the Board committees are also circulated for the Board's information and deliberation.

The Board has full access to advice and services of the company secretary. The directors are also regularly updated on any new regulations, guidelines or directives issued by Bursa Malaysia Securities Berhad ("Bursa Securities"), Securities Commission of Malaysia, the HK Stock Exchange and other relevant regulatory authorities.

The directors, whether as a group or individually, may seek independent professional advices and when necessary in furtherance of their duties at the Company's expenses. The appointment of such professional advisor is subject to the approval of the Board.

(e) Re-election of directors

In accordance with the Company's Bye-Laws, all newly appointed directors shall retire from office but shall be eligible for re-election in the next annual general meeting ("AGM") subsequent to their appointment. The Bye-Laws further provide that at least one third of the remaining directors (save for the Group Executive Chairman) for the time being are required to retire from office at each AGM. This is done on a rotation basis, and subject to re-election. Further, in accordance with the HK Listing Rules, all directors (including the Group Executive Chairman) shall retire from office once in every 3 years but shall be eligible for re-election.

(f) Term of appointment of non-executive directors

The Company had entered into appointment letters with the INEDs namely, Mr David YU Hon To, Tan Sri Dato' LAU Yin Pin and Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH, for a term of two years from 1 April 2012 to 31 March 2014 subject to retirement and re-election by rotation at the AGM under the Bye-Laws of the Company. In respect of the newly appointed non-executive director, Ms TIONG Choon, her appointment term is 2 years and 1 day from 31 March 2013 to 31 March 2015 and subject to retirement and re-election by rotation at the AGM in accordance with the Bye-Laws of the Company.

(g) Shareholders' approval for re-appointment of independent director who has served for 9 years or more

Mr David YU Hon To was appointed to the Board as an INED on 30 March 1999, and has therefore served in the Board for more than 9 years.

Following an assessment conducted by the Board through the Nomination Committee, the Board viewed that Mr David YU Hon To remains objective and independent in expressing his views and in participating in deliberations and decision-makings of the Board and the Board committees, notably in fulfilling his responsibilities as the Chairman of Audit Committee. His professional knowledge and experience in the audit and accounting sectors enable him to provide the Board with a diverse set of experience, expertise, skills and competencies. The length of his service on the Board does not in any way interfere with his independent judgment and ability to act in the best interest of the Group.

Hence, based on the recommendation by the Nomination Committee, the Board recommended that Mr David YU Hon To continues to act as an INED of the Company subject to shareholders' approval at the forthcoming AGM as he fulfilled the definition of independent director as stated in both Bursa Securities Listing Requirements and the HK Listing Rules.

(h) Board committees

The current Board committees which assist the Board in the execution of its responsibilities are as follows:

- Group Executive Committee
- Audit Committee
- Nomination Committee
- Remuneration Committee

Statement on Corporate Governance

The composition, functions and responsibilities of each Board committee and the attendance records of the board committee meetings for the year ended 31 March 2013 (save and except for the Audit Committee of which attendance is set out on page 62) are set out below:

	Number of meetings attended and percentage of attendance					
Member	**Group Executive Committee**		**Remuneration Committee**		**Nomination Committee**	
Group Executive Committee						
Mr NG Chek Yong *(Chairman)*	4/4	100%				
Mr TIONG Kiew Chiong	4/4	100%				
Ms SIEW Nyoke Chow	3/4	75%				
Mr LEONG Chew Meng *(note 1)*	N/A	N/A				
Mr ONG See Boon	4/4	100%				
Remuneration Committee						
Tan Sri Dato' LAU Yin Pin *(Chairman)*			3/3	100%		
Mr David YU Hon To			3/3	100%		
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH			3/3	100%		
Mr TIONG Kiew Chiong			3/3	100%		
Mr NG Chek Yong			3/3	100%		
Nomination Committee						
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH *(Chairman)*					1/1	100%
Mr David YU Hon To					1/1	100%
Tan Sri Dato' LAU Yin Pin					1/1	100%
Mr LEONG Chew Meng *(note 1)*					1/1	100%

Note:

(1) Mr LEONG Chew Meng was re-designated from a non-executive director to an executive director on 31 March 2013. On the same day, he was appointed as a member of the Group Executive Committee. Upon his re-designation, he ceased to be a member of the Nomination Committee.

Group Executive Committee

The Board has established a Group Executive Committee on 25 March 2008 and the members during the year and up to the date of this report are:

- Mr NG Chek Yong *(Chairman)*
- Mr TIONG Kiew Chiong
- Ms SIEW Nyoke Chow
- Mr LEONG Chew Meng *(appointed as a member of the Group Executive Committee on 31 March 2013)*
- Mr ONG See Boon

Statement on Corporate Governance

The Board has delegated the day-to-day operations of the Group's businesses to the Group Executive Committee. Its responsibilities include, among others:

- Monitoring and reviewing the operations in Hong Kong, Mainland China, North America, Malaysia and other Southeast Asian countries;
- Performing duties delegated by the Board and exercising the authorities and rights authorised by the same;
- Formulating strategies and business development plans, submitting the same to the Board for approval and implementing such strategies and business development plans, thereafter; and
- Assisting the Board in conducting the review of the effectiveness of internal control system of the Group.

The Group Executive Committee had met regularly to deliberate and consider matters related to business operations. During the year, the Group Executive Committee has assisted the Board in reviewing the Group's business performance and financial reviews, implementing new policies and business strategies required by the Board.

Audit Committee

The Audit Committee was established on 30 March 1999 and the members during the year and up to the date of this report are:

- Mr David YU Hon To *(Chairman)*
- Tan Sri Dato' LAU Yin Pin
- Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH
- Mr LEONG Chew Meng *(ceased to be a member of the Audit Committee on 31 March 2013)*

A full Audit Committee Report detailing its composition, terms of reference and summary of activities during the year is set out on pages 62 to 66 of this Annual Report.

Nomination Committee

The Board has established a Nomination Committee on 25 May 2005 entirely comprised of non-executive directors and its members during the year and up to the date of this report are:

- Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH *(Chairman)*
- Mr David YU Hon To
- Tan Sri Dato' LAU Yin Pin
- Mr LEONG Chew Meng *(ceased to be a member of the Nomination Committee on 31 March 2013)*

The duties and responsibilities of the Nomination Committee include, among others:

- Reviewing the structure, size and composition of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

- Assessing annually the effectiveness of the Board as a whole, the committees of the Board and the contribution of each individual director based on the process implemented by the Board; and

- Identifying and recommending new nominees to the Board and committees of the Board. The final decision as to who shall be appointed as director remains the responsibility of the full Board, after considering the recommendation of the Nomination Committee.

Meetings of the Nomination Committee are held as and when necessary, and at least once a year. During the year, the Nomination Committee has assessed the overall effectiveness of the Board, its committees and performance of the directors, including its size, structure and composition. It also assessed the independence of INEDs, as well as evaluated and recommended new nominee to the Board. The Nomination Committee, upon its recent annual review carried out, is satisfied that the size of the Board is optimum and that there is an appropriate mix of experience and expertise in the composition of the Board.

Remuneration Committee

The Board has established a Remuneration Committee on 25 May 2005 and the majority of its members are independent non-executive directors. The members during the year and up to the date of this report are:

- Tan Sri Dato' LAU Yin Pin *(Chairman)*

- Mr David YU Hon To

- Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH

- Mr TIONG Kiew Chiong

- Mr NG Chek Yong

The duties and responsibilities of the Remuneration Committee include, among others:

- Recommending to the Board on the Company's policies and structure for directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing a remuneration policy; and

- Recommending to the Board on the remuneration packages of individual executive directors and senior management; and the remuneration of non-executive directors.

Meetings of the Remuneration Committee are held as and when necessary and at least once a year. During the year, the Remuneration Committee has reviewed and recommended to the Board the remuneration policy and structure of the executive directors and senior management of the Company. It has also reviewed and recommended to the Board, the specific remuneration packages including the terms of employment and performance-based bonus of the directors and senior management of the Company.

(i) Board appointment

The Nomination Committee is empowered to identify and recommend suitable candidates for new appointment as a director of the Company, before making recommendations to the Board for approval. The Nomination Committee evaluates candidates for appointment based on criteria such as their qualification, skills, functional knowledge, integrity and professionalism to ensure that the candidates will contribute significantly to the effectiveness of the Board.

The Nomination Committee carries out an annual review on the composition of the Board to ensure the selection of Board members with different mix of skill sets, competencies and gender diversity.

(j) Annual assessment of independence of INEDs

All INEDs fulfill the criteria of "independence" as prescribed under Chapter 1 of the Bursa Securities Listing Requirements.

The Company has received annual written confirmations from each INED of his independence to the Group and the Company considered all INEDs to be independent, in accordance to the HK Listing Rules.

The Board has also assessed and satisfied that these independent directors have the ability to exercise independent judgment at all times.

(k) Directors' training

The Company continuously updates directors the latest developments and changes to the applicable regulatory requirements and provides training to develop and refresh the directors' knowledge and skills.

In addition to the Mandatory Accreditation Programme prescribed by Bursa Securities, all directors are encouraged to attend training programmes to enhance their skills, knowledge, and to keep abreast with the relevant changes in law, regulations and the business environment. The Company has prepared a training record in order to assist the directors to record the training that have undertaken.

During the year, two internal trainings relating to corporate governance updates on "Board Effectiveness — What Works Best" and "Hot Topics for Directors — Price Sensitive Information and Others" were conducted on 30 May 2012 and 29 November 2012 respectively. Among the external training programmes attended by some of the directors are:

- Malaysian Media Conference 2012 — Digital Disclosures
- Crisis & Social Media, Holistic Approach to Managing Crisis Through Effective Communications
- MAICSA Annual Conference 2012 — Moving Forward: Changing Perspectives
- Audit Committee Conference 2013 — Powering for Effectiveness

Below is a summary of the training the directors had received during the year under review:

Name of director	**Type of training**
Tan Sri Datuk Sir TIONG Hiew King	A, B, C
Dato' Sri Dr TIONG Ik King	A, C
Mr TIONG Kiew Chiong	A, C
Mr NG Chek Yong	A, C
Ms SIEW Nyoke Chow *(note 1)*	A, C
Mr LEONG Chew Meng	A, C
Ms TIONG Choon *(note 2)*	N/A
Mr David YU Hon To	A, C
Tan Sri Dato' LAU Yin Pin	A, C
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	A, C

A: attend seminars/conferences/workshops/forums

B: giving talks at seminars/conferences

C: reading newspapers, journals and updates relating to the economy, media business or director's duties and responsibilities, etc

Notes:

(1) Ms SIEW Nyoke Chow resigned as an executive director on 31 March 2013.

(2) Ms TIONG Choon was appointed as a non-executive director on 31 March 2013.

The directors will continue to undergo other relevant training programmes and seminars from time to time as they consider necessary to equip themselves with the relevant knowledge and ideas to discharge their duties effectively.

(I) Directors' remuneration

(i) Remuneration procedure

The Remuneration Committee is responsible for the annual review of remuneration of the executive directors, non-executive directors and senior management whereupon recommendations are submitted to the Board for approval. The executive directors who are full time employees are remunerated in the form of salaries and bonuses. It is nevertheless, the ultimate responsibility of the Board to approve the remuneration of these directors.

The determination of the fees of non-executive directors and executive directors who are not full time employees of the Group is a matter for the Board as a whole subject to approval of shareholders at the AGM. Each individual director abstains from the Board's decision on his/her remuneration.

(ii) Remuneration package

The remuneration package of directors is as follows:

(1) Basic salary and bonus

The basic salary for each executive director is recommended by the Remuneration Committee, taking into consideration all relevant factors including function, workload, contribution and performance of the directors, as well as the market rate in comparable companies. Bonuses payable to the executive directors are reviewed by the Remuneration Committee and approved by the Board.

(2) Fees and other emoluments

Non-executive directors and executive directors (who are not full time employees of the Group) are remunerated by way of fees and other emoluments based on experience and level of responsibilities undertaken by the particular director concerned. Fees payable to them are subject to shareholders' approval at the AGM.

(3) Benefits-in-kind

Other benefits (such as chauffer, insurance coverage and travelling allowance) are made available as appropriate.

(iii) Disclosure on remuneration

The details on the aggregate remuneration of the directors for the financial year ended 31 March 2013 is categorised as follows:

	Fees US$'000	Salaries & other emoluments US$'000	Total US$'000
Executive directors	405	1,181	1,586
Non-executive directors	134	6	140

The number of directors and senior management of the Company whose total remuneration falls into the following bands is as follows:

Range of remuneration	Executive directors	Non-executive directors	Senior management
from US$16,162 to US$32,324 (equivalent to RM50,001 to RM100,000)	1	3 *(note 1)*	–
from US$48,486 to US$64,648 (equivalent to RM150,001 to RM200,000)	–	1	–
from US$177,781 to US$193,943 (equivalent to RM550,001 to RM600,000)	–	–	1
from US$193,943 to US$210,104 (equivalent to RM600,001 to RM650,000)	–	–	3
from US$258,590 to US$274,752 (equivalent to RM800,001 to RM850,000)	–	–	1
from US$290,914 to US$307,076 (equivalent to RM900,001 to RM950,000)	–	–	1
from US$323,238 to US$339,399 (equivalent to RM1,000,001 to RM1,050,000)	1	–	1
from US$339,400 to US$355,561 (equivalent to RM1,050,001 to RM1,100,000)	1 *(note 2)*	–	–
from US$420,209 to US$436,371 (equivalent to RM1,300,001 to RM1,350,000)	1	–	–
from US$452,533 to US$468,694 (equivalent to RM1,400,001 to RM1,450,000)	1	–	–
from US$468,695 to US$484,856 (equivalent to RM1,450,001 to RM1,500,000)	–	–	1

Notes:

(1) This band includes the director's fee to Mr LEONG Chew Meng for his office as a non-executive director of the Company during the year. Mr LEONG has been re-designated as an executive director on 31 March 2013.

(2) This band includes the director's remuneration to Ms SIEW Nyoke Chow for her office as an executive director of the Company during the year. Ms SIEW has resigned as an executive director on 31 March 2013.

(3) Ms TIONG Choon was appointed as a non-executive director on 31 March 2013, she has not received any director's fee during the year.

JOINT COMPANY SECRETARIES

The Joint Company Secretaries are full time employees of the Company and report to the Chairman of the Board and the GCEO. They are responsible for advising the Board on governance matters. During the year under review, the Joint Company Secretaries have complied with the professional training requirements under the Hong Kong Code.

SHAREHOLDERS

The Board has established a shareholders' communication policy that sets out the principles of the Company in relation to the shareholders' communication, with the objective of providing our shareholders with detailed information about the Company so that they can exercise their rights as shareholders in an informed manner. The Company uses a range of communication tools to ensure its shareholders are kept well informed of key business imperatives.

(a) Communications between the Company and investors

The Company is committed in maintaining a high standard for the dissemination of relevant and material information on the development of the Group. The Company also places strong emphasis on the importance of timely and equitable dissemination of information to shareholders. The Company uses a number of formal channels for effective dissemination of information to the shareholders and stakeholders, such as corporate announcements made through Bursa Securities and the HK Stock Exchange, circulars, website of the Company, press conferences, media releases, analyst briefings, annual reports and through its general meetings. Nevertheless, whilst the Company endeavours to provide as much information as possible to its shareholders and stakeholders, it is mindful of the legal and regulatory framework governing the release of material and price sensitive information.

At the 2012 AGM, procedure for voting by poll has been read out by the Chairman, separate resolution was proposed by the Chairman in respect of each separate issue, including re-election of directors, and voted by way of poll. The Company announced the results of the poll in the manner prescribed under the HK Listing Rules and the Chairman of the Board has attended the 2012 AGM to ensure effective communication with shareholders of the Company.

(b) AGM and special general meeting ("SGM")

The AGMs and SGMs remain the principal forum for dialogue and communication with the shareholders and are held via video conference connecting shareholders in Malaysia and Hong Kong. At each AGM/SGM, the Board presents the progress and performance of the business or proposals and encourages shareholders to participate in the question and answer session. All directors, senior management and external auditor are available to answer shareholders' questions during the meeting.

Separate resolutions are proposed at general meetings for substantially separate issues and the shareholders participate in the deliberation of resolutions being proposed. The Chairman declares the outcome of each resolution after proposal and secondment are done by shareholders of the Company. A press conference is also held immediately after the AGM/SGM where the GCEO and executive directors will meet the media to answer queries related to the Group and its performance.

Pursuant to Rule 13.39(4) of the HK Listing Rules, all votes of the shareholders at the general meetings shall be taken by poll. The attendance record of the general meetings for the year ended 31 March 2013 is set out below:

Name	**Number of general meetings attended**	**Percentage of attendance**
Executive directors		
Tan Sri Datuk Sir TIONG Hiew King *(Group Executive Chairman)*	1/2	50%
Dato' Sri Dr TIONG Ik King	1/2	50%
Mr TIONG Kiew Chiong *(GCEO)*	2/2	100%
Mr NG Chek Yong	2/2	100%
Ms SIEW Nyoke Chow *(note 1)*	2/2	100%
Mr LEONG Chew Meng *(note 2)*	2/2	100%
Non-executive director		
Ms TIONG Choon *(note 3)*	N/A	N/A
Independent non-executive directors		
Mr David YU Hon To	2/2	100%
Tan Sri Dato' LAU Yin Pin	2/2	100%
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	2/2	100%

Notes:

(1) Ms SIEW Nyoke Chow resigned as an executive director on 31 March 2013.

(2) Mr LEONG Chew Meng was re-designated from a non-executive director to an executive director on 31 March 2013.

(3) Ms TIONG Choon was appointed as a non-executive director on 31 March 2013.

(c) Website

The Group strives to ensure that shareholders and the general public would have easy and convenient access to the Group's latest financial results, press releases, annual reports and other corporation information via www.mediachinesegroup.com. Corporate presentations and financial information utilised during analyst and fund manager briefings are also available on the Company's website.

(d) Procedures of raising enquiries

The Group welcomes inquiries and feedbacks from shareholders and stakeholders. Shareholders may direct their questions in respect of their shareholdings to the Company's branch share registrars set out below:

(i) Malaysia: Tricor Investor Services Sdn Bhd, Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia, or

(ii) Hong Kong: Tricor Tengis Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wan Chai, Hong Kong.

All queries and concerns regarding the Group may be emailed to corpcom@mediachinese.com or may be conveyed to the directors at the following addresses:

(i) Malaysia head office: No. 19, Jalan Semangat, 46200 Petaling Jaya, Selangor, Darul Ehsan, Malaysia, or

(ii) Hong Kong head office: 15th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong.

(e) Implications of the dual primary listings on the Company's investors in Hong Kong

On 30 April 2008, the Company's admission to the Official List of Bursa Securities and the listing of and quotation for the Company's shares on the main market of Bursa Securities took effect. As a result, shareholders of the Company are entitled to trade the shares on both the HK Stock Exchange and Bursa Securities. Certain additional obligations which they are subject to as shareholders of an entity listed in Malaysia, among others, are set out as follows:

(i) Trading of the Company's shares

If a shareholder chooses to trade his shares in the Company on Bursa Securities, there is a stamp duty of RM1 for RM1,000 or fractional part of value of securities (payable by both buyer and seller) chargeable on the transaction and the maximum stamp duty to be paid is RM200. For the trading in Hong Kong, stamp duty on sale or purchase of the Company's shares is charged at a rate of 0.1% of the amount of the consideration or of its value on every sold note and every bought note together with a transfer deed stamp duty of HK$5. The applicable brokerage and clearing fees would also be payable by the seller and the buyer.

(ii) Transfer of shares from Bursa Securities to the HK Stock Exchange and vice versa

If a shareholder whose shares are deposited in Bursa Malaysia Depository Sdn Bhd (i.e. the central depository of the Bursa Securities) ("Bursa Depository"), wishes to withdraw his shares from Bursa Depository and deposit them into the Hong Kong securities system for trading in Hong Kong, the share transfer form will be subject to Malaysian stamp duty. The stamp duty payable on such share transfer form is a nominal sum of RM10 pursuant to Item 32(i) First Schedule to the Malaysian Stamp Act 1949 on the basis that no beneficial interest passes in such transfer as the transfer is made by a bare trustee (i.e. Bursa Depository) to a beneficiary (i.e. the investor).

For the share transmission between the Hong Kong branch share register and the Malaysian branch share register, a Company's shareholder has to pay approximately RM211 or HK$442 to the relevant share registrar as administrative fees for registration and issuance of new share certificates. Such fees are subject to revision from time to time.

CONVENING OF SGM ON REQUISITION BY SHAREHOLDERS

In accordance with the Section 74 of the Companies Act 1981 of Bermuda ("Bermuda Companies Act"), a shareholder or shareholders of the Company holding at the date of the deposit of the requisition not less than one-tenth (10%) of the paid-up capital of the Company as at the date of the deposit carrying the right of voting at general meetings of the Company may requisition the directors of the Company to forthwith proceed duly to convene an SGM by depositing a written requisition at the registered office at Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda (the "Registered Office") with a copy to one of the head offices of the Company as below for the attention of the Company Secretary:

(i) Malaysia head office: No. 19, Jalan Semangat, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, or

(ii) Hong Kong head office: 15th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong (collectively the "Head Offices").

The written requisition must state the purposes of the meeting (including the resolutions to be considered at the meeting), signed by the requisitionists, deposited at the Registered Office with a copy to one of the Head Offices for the attention of the Company Secretary and may consist of several documents in like form each signed by one or more requisitionists. If the directors do not within 21 days from the date of the deposit of the requisition proceed duly to convene a SGM, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene an SGM, but any SGM so convened shall not be held after the expiration of 3 months from the date of deposit of the requisition.

PUTTING FORWARD PROPOSAL AT GENERAL MEETINGS

The Bermuda Companies Act allows shareholder(s) to requisition the Company to move a resolution at an AGM of the Company or circulate a statement at any general meeting of the Company.

Pursuant to the Sections 79 and 80 of the Bermuda Companies Act, either any number of the registered shareholders holding not less than one-twentieth (5%) of the paid-up capital of the Company carrying the right of voting at general meetings of the Company, or not less than 100 of such registered shareholders, can request the Company in writing to (a) give to shareholders entitled to receive notice of the next general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and (b) circulate to shareholders entitled to have notice of any general meeting any statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

The requisition signed by all the requsitionists may consist of several documents in like form, each signed by one or more of the requisitionists; and it must be deposited at the Registered Office with a copy to one of the Head Offices of the Company for the attention of the Company Secretary with a sum reasonably sufficient to meet the Company's relevant expenses, not less than 6 weeks before the meeting in case of a requisition requiring notice of a resolution or not less than 1 week before the meeting in the case of any other requisition.

Provided that if, after a copy of the requisition requiring notice of a resolution has been deposited at the Registered Office with a copy to one of the Head Offices of the Company, an AGM is called for a date 6 weeks or less after the copy has been deposited, the copy though not deposited within the above-mentioned time shall be deemed to have been properly deposited for the purposes thereof.

With respect to proposing a person for election as a director, the procedures can be accessible on the Company's website: www.mediachinesegroup.com.

ACCOUNTABILITY AND AUDIT

(a) Financial reporting

The Board aims to provide a clear, balanced and comprehensive assessment of the Group's financial performance and prospects through the annual audited financial statements, interim financial statements, quarterly results announcements and corporate announcements on significant developments affecting the Group in accordance with the Bursa Securities Listing Requirements and the HK Listing Rules.

The Audit Committee assists the Board in reviewing the information to be disclosed to ensure its completeness, accuracy and adequacy prior to release to Bursa Securities and the HK Stock Exchange. The Group's financial statements are prepared in accordance with applicable International Financial Reporting Standards.

(b) Statement of directors' responsibility in relation to the financial statements

The Board is responsible for ensuring that the consolidated financial statements of the Group give a true and fair presentation of the state of affairs of the Group and of the Company as at the end of the financial year.

In preparing the financial statements, the directors have selected suitable accounting policies and applied them consistently and supported by prudent judgments and estimates. The Board has also ensured that the financial statements are in adherence to all applicable accounting standards.

The directors have overall responsibilities to take such steps as are reasonably available to them to safeguard the assets of the Group and to implement and maintain adequate accounting and internal control systems for the prevention and detection of fraud and other irregularities.

(c) Internal controls and risk management

The information on the Group's internal control is presented in the Statement on Risk Management and Internal Control in the Annual Report.

(d) Relationship with external auditor

The Board has established transparent and appropriate relationship with the external auditor through the Audit Committee. The role of the Audit Committee in relation to the external auditor is described in the Audit Committee Report in the Annual Report.

The external auditor of the Company is PricewaterhouseCoopers. The total fees for audit services and non-audit services provided by other external auditors to the subsidiaries of the Group were approximately US$8,000 and US$48,000 respectively.

During the year, PricewaterhouseCoopers and its other member firms provided the following audit and non-audit services to the Group:

	US$'000
• Audit services (including interim review & IPO)	951
• Non-audit services	
— Tax services	150

PricewaterhouseCoopers will retire and offer itself for re-appointment at AGM to be held in August 2013.

A statement by PricewaterhouseCoopers about the reporting responsibilities on the consolidated financial statements of the Group is set out in the independent Auditor's Report of this Annual Report on pages 80 to 81.

ADDITIONAL COMPLIANCE INFORMATION

In compliance with the Bursa Securities Listing Requirements, the following is disclosed for shareholders' information:

(a) Share repurchase

The details of shares repurchased by the Company during the financial year ended 31 March 2013 are set out on page 68.

(b) Exercise of options, warrants or convertible securities

The share option scheme of the Company expired on 20 August 2011 and no new share option scheme has been adopted. Thus, during the financial year ended 31 March 2013, no share option was exercised and the Company did not issue any warrants or convertible securities.

(c) American Depository Receipt ("ADR") or Global Depository Receipt ("GDR Programme")

The Company has not sponsored any ADR or GDR Programme during the financial year ended 31 March 2013.

(d) Imposition of sanctions/penalties

There were no sanctions or penalties imposed by the relevant regulatory bodies on the Company or its subsidiaries, directors or management during the financial year ended 31 March 2013.

Statement on Corporate Governance

(e) Variation in results

The audited results of the Company and of the Group for the financial year ended 31 March 2013 did not vary by 10% or more from the unaudited results announced to Bursa Securities on 29 May 2013.

(f) Profit guarantee

The Company did not issue any profit guarantee during the financial year ended 31 March 2013.

(g) Material contracts involving directors and major shareholders

There were no material contracts outside the ordinary course of business entered by the Company or its subsidiaries involving directors and major shareholders of the Company during the financial year ended 31 March 2013 and as at the date of this Annual Report.

(h) Revaluation policy

The Company's revaluation policy on landed properties is disclosed in note 2.7 to the financial statements.

(I) Recurrent related party transactions of a revenue nature or trading nature (as defined under paragraph 10.09 of the Bursa Securities Listing Requirements)

No.	Related parties	Contracting parties	Nature of transaction	Transacted value for the financial year ended 31 March 2013 RM'000	Equivalent in US$'000	Nature of relationship
1.	Malaysian Newsprint Industries Sdn Bhd ("MNI")	Sin Chew Group Nanyang Group	(i) Purchase of newsprint from MNI:			R.H. Development Corporation Sdn Bhd ("RHDC") and Rimbunan Hijau Estate Sdn Bhd ("RHE") are the substantial shareholders (pursuant to the Malaysian Companies Act, 1965 (the "Act")) of MNI.
			— Sin Chew Group	102,489	33,164	
			— Nanyang Group	41,690	13,483	
			(ii) Disposal of newsprint scraps to MNI:			Tan Sri Datuk Sir TIONG Hiew King ("TSTHK") is both a major shareholder and a director of the Company. He is both a major shareholder and director of RHE and RHDC, and a director of Sin Chew.
			— Sin Chew Group	3,612	1,166	
			— Nanyang Group	5,045	1,630	
						Dato' Sri Dr TIONG Ik King is both a major shareholder and a director of the Company. He is (pursuant to the Act) a substantial shareholder of RHDC.
2.	Tiong Toh Siong & Sons Sendirian Berhad ("TTS&S")	Mulu Press Sdn BHd ("MPSB")	MPSB's tenancy of various properties from TTS&S as landlord	42	14	Tiong Toh Siong Holdings Sdn Bhd ("TTSH") is a holding company of TTS&S.
						TSTHK is both a major shareholder and a director of the Company and TTSH. He is also a director of TTS&S and Sin Chew (the holding company of MPSB).
						Dato' Sri Dr TIONG Ik King is a major shareholder and a director of the Company and TTSH.

No.	Related parties	Contracting parties	Nature of transaction	Transacted value for the financial year ended 31 March 2013 RM'000	Equivalent in US$'000	Nature of relationship
3.	Rimbunan Hijau Holdings Sdn Bhd ("RHH")	MPSB	MPSB's tenancy of office at Lot 235-236, Kemena Commercial Centre, Jalan Tanjung Batu, 97000 Bintulu, Sarawak, Malaysia from RHH as landlord	14	5	Teck Sing Lik Enterprise Sdn Bhd ("TSL") is a major shareholder of RHH and a shareholder of the Company. TSTHK is both a major shareholder and a director of the Company, TSL and RHH. He is a director of Sin Chew (the holding company of MPSB). Dato' Sri Dr TIONG Ik King is both a major shareholder and a director of the Company. He is also a major shareholder of RHH.
4.	Everfresh Dairy Products Sdn Bhd ("Everfresh")	MPSB	MPSB's tenancy of office at Lot 1054, Block 31, Kemena Commercial Centre, Jalan Tanjung Batu, 97000 Bintulu, Sarawak, Malaysia from Everfresh as landlord	6	2	Tiong Toh Siong Enterprises Sdn Bhd ("TTSE") and TSL are major shareholders of Everfresh and shareholders of the Company. TSTHK is both a major shareholder and a director of Everfresh, TTSE, TSL and the Company. TSTHK is a director of Sin Chew (the holding company of MPSB). Dato' Sri Dr TIONG Ik King is both a major shareholder and a director of the Company. He is also a major shareholder of TTSE.
5.	Evershine Agency Sdn Bhd ("EA")	MPSB	MPSB purchases motor vehicle insurance from EA	3	1	Rimbunan Hijau (Sarawak) Sdn Bhd ("RHS") is a shareholder of the Company and a major shareholder of EA. Pertumbuhan Abadi Asia Sdn Bhd ("PAA"), TSL and TTSE are major shareholders of RHS and shareholders of the Company. TSTHK is a major shareholder of EA and a director of Sin Chew (the holding company of MPSB). He is both a major shareholder and a director of the Company, RHS, PAA, TSL and TTSE. Dato' Sri Dr TIONG Ik King is both a major shareholder and a director of the Company. He is a major shareholder of TTSE and, pursuant to the Act, a substantial shareholder of EA.

No.	Related parties	Contracting parties	Nature of transaction	Transacted value for the financial year ended 31 March 2013 RM'000	Equivalent in US$'000	Nature of relationship
6.	R.H. Tours & Travel Agency Sdn Bhd ("RHTT")	the Group	Purchasing of air tickets from RHTT	139	45	RHS is a shareholder of the Company and a major shareholder of RHTT. TSL, PAA and TTSE are major shareholders of RHS and shareholders of the Company. TSTHK is both a major shareholder and a director of the Company, RHTT, RHS, PAA, TSL and TTSE. Dato' Sri Dr TIONG Ik King is both a major shareholder and a director of the Company. He is a major shareholder of TTSE and a shareholder of RHTT.
				HK'000	Equivalent in US$'000	
7.	RH Petrogas Limited ("RH Petrogas")	Charming Holidays Limited ("Charming")	Provision of services such as air tickets and accommodation arrangement services by Charming to RH Petrogas	85	11	Charming is a wholly-owned subsidiary of the Company. TSTHK and Dato' Sri Dr TIONG Ik King are both major shareholders and directors of the Company and RH Petrogas. Mr TIONG Kiew Chiong is a director of Charming and the Company. He is also a shareholder of the Company and RH Petrogas.
8.	Ming Pao Magazines Limited ("MPM")	Ming Pao Finance Limited ("MPF")	Granting the rights and licenses by MPF to MPM to use the trademarks and past contents of various publications	1,921	247	MPM is a wholly-owned subsidiary of One Media. MPF is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of One Media. MPF was disposed to One Media Group on 1 June 2012. The recurrent related party transactions were terminated. TSTHK is both a major shareholder and a director of the Company and One Media. Mr TIONG Kiew Chiong is a director of both MPM and MPF. He is also a director and a shareholder of the Company and One Media.

No.	Related parties	Contracting parties	Nature of transaction	Transacted value for the financial year ended 31 March 2013 HK$'000	Equivalent in US$'000	Nature of relationship
9.	One Media Holdings Limited ("OMH")	Ming Pao Newspapers Limited ("MPN")	Provision of circulation support services and library support services by MPN to OMH and its subsidiaries	1,291	167	OMH is a wholly-owned subsidiary of One Media. MPN is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of One Media. TSTHK is both a major shareholder and a director of the Company and One Media. Mr TIONG Kiew Chiong is a director of both OMH and MPN. He is also a director and a shareholder of the Company and One Media.
10.	OMH	Ming Pao Holdings Limited ("MPH")	Provision of IS programming support services, administrative support services and human resources, corporate communications and legal services by MPH and leasing of computer and other office equipment from MPH to OMH and its subsidiaries	5,370	692	OMH is a wholly-owned subsidiary of One Media. MPH is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of One Media. TSTHK is both a major shareholder and a director of the Company and One Media. He is also a director of MPH. Mr TIONG Kiew Chiong is a director of both OMH and MPH. He is also a director and a shareholder of the Company and One Media.
11.	OMH	Holgain Limited ("Holgain")	Leasing of parking space, office space and storage space inside Ming Pao Industrial Centre situated at 18 Ka Yip Street, Chaiwan, Hong Kong from Holgain as landlord to OMH and its subsidiaries	2,098	270	OMH is a wholly-owned subsidiary of One Media. Holgain is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of One Media. TSTHK is both a major shareholder and a director of the Company and One Media. Mr TIONG Kiew Chiong is a director of both OMH and Holgain. He is also a director and a shareholder of the Company and One Media.

No.	Related parties	Contracting parties	Nature of transaction	Transacted value for the financial year ended 31 March 2013 HK$'000	Equivalent in US$'000	Nature of relationship
12.	One Media Group	Charming	Provision of services such as air tickets and accommodation arrangement services by Charming to One Media Group	992	128	Charming is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of One Media. TSTHK is both a major shareholder and a director of the Company and One Media. Mr TIONG Kiew Chiong is a director of Charming. He is also a director and a shareholder of the Company and One Media.
13.	One Media Group	the Group	Provision of barter advertising services by the Group to One Media Group	1,487	192	The Company is a major shareholder and a substantial shareholder of One Media. TSTHK is both a major shareholder and a director of the Company and One Media. Mr TIONG Kiew Chiong is a director and a shareholder of the Company and One Media.
14.	One Media Group	the Group	Receipt of barter advertising services by the Group from One Media Group	1,487	192	The Company is a major shareholder and a substantial shareholder of One Media. TSTHK is both a major shareholder and a director of the Company and One Media. Mr TIONG Kiew Chiong is a director and a shareholder of the Company and One Media.
15.	OMH	Kin Ming Printing Company Limited ("Kin Ming")	Provision of pre-press services by Kin Ming to OMH and its subsidiaries	2	–	OMH is a wholly-owned subsidiary of One Media. Kin Ming is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of One Media. TSTHK is both a major shareholder and a director of the Company and One Media. Mr TIONG Kiew Chiong is a director of both OMH and Kin Ming. He is also a director and a shareholder of the Company and One Media.

No.	Related parties	Contracting parties	Nature of transaction	Transacted value for the financial year ended 31 March 2013 HK$'000	Equivalent in US$'000	Nature of relationship
16.	One Media	MPH	Interest income on the convertible bond issued by One Media in the principal amount of HK$75,600,000 at an interest rate of 1% per annum	630	81	MPH is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of One Media. TSTHK is both a major shareholder and a director of the Company and One Media. He is also a director of MPH. Mr TIONG Kiew Chiong is a director of MPH. He is also a director and a shareholder of the Company and One Media.
17.	Beijing OMG Advertising Company Limited ("Beijing OMG")	Guangzhou Kin Ming Printing Limited ("GZ Kin Ming")	Provision of printing services by GZ Kin Ming to Beijing OMG	1,676	216	Beijing OMG is a wholly-owned subsidiary of One Media. GZ Kin Ming is a wholly-owned subsidiary of the Company. The Company is a major shareholder and a substantial shareholder of One Media. GZ Kin Ming ceased to be a subsidiary of the Company since 12 November 2012 following its disposal by the Group to an independent third party. The recurrent related party transactions were terminated. TSTHK is both a major shareholder and a director of the Company and One Media. Mr TIONG Kiew Chiong is a director of both Beijing OMG and GZ Kin Ming. He is also a director and a shareholder of the Company and One Media.
				RMB'000	Equivalent in US$'000	
18.	RIMBUNAN HIJAU China Investment Inc. ("RHCI")	Beijing Media Advertising Company Limited ("BJMA")	Leasing of office space of Unit C, 9/F., South Tower, China Overseas Plaza, Beijing, China from BJMA to RHCI	623	99	BJMA is a wholly-owned subsidiary of One Media. The Company is a major shareholder and a substantial shareholder of One Media. TSTHK is both a major shareholder and a director of the Company, One Media and RHCI. Mr TIONG Kiew Chiong is a director of One Media, BJMA and the Company. He is a shareholder of the Company and One Media.

Statement on Corporate Governance

CONSTITUTIONAL DOCUMENTS

During the year under review, there was no change on the Company's Memorandum of Association and Bye-Laws except for the following that streamlined the Bye-Laws with the Bursa Securities Listing Requirements, the prevailing laws, guidelines or requirements of the relevant authorities:

(a) by deleting the existing Bye-Law 44 in its entirety and substituting therefor the following new Bye-Law 44:

"44. The registration of transfers may be suspended and the registers may be closed at such times and for such periods as the Board may from time to time determine and either generally or in respect of any class of shares. The register shall not be closed for more than thirty days in any year.";

(b) by deleting the existing Bye-Law 81 in its entirety and substituting therefor the following new Bye-Law 81:

"81. Any member of the Company entitled to attend and vote at a meeting of the Company or a meeting of the holders of any class of shares in the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. Votes may be given either personally or by a duly authorised corporate representative or by proxy. A member who is the holder of two or more shares may appoint not more than two (2) proxies to attend and vote instead of him on the same occasion. A proxy need not be a member. In addition, a proxy or proxies representing either an individual member or a member which is a corporation, shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise, including the right to speak and vote at the meeting and to vote individually on a show of hands."; and

(c) by adding the following new Bye-Law 81B immediately following the existing Bye-Law 81A:

"81B. (A) Where a member of the Company is an exempt authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 which holds shares in the Company for multiple beneficial owners in one (1) securities account, such member may appoint more than two (2) proxies notwithstanding Bye-Law 81 and the maximum number of proxies that such member can appoint shall be the total number of shares held by such member at the time of appointing the proxies.

(B) Where a member appoints more than two (2) proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.".

The abovementioned changes have been submitted for shareholders' approval at AGM 2012 and were duly passed as a special resolution. A copy of the latest consolidated version of the Memorandum of Association and Bye-Laws is available on the websites of the Company, the HK Stock Exchange and Bursa Securities.

Statement on Risk Management and Internal Control

INTRODUCTION

The Board remains committed to maintaining a sound system of risk management and internal controls to safeguard shareholders' investments and the Group's assets. This Statement on Risk Management and Internal Control (the "Statement") is made pursuant to Paragraph 15.26(b) of the Bursa Securities Listing Requirements, with reference to the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers and in accordance with the Hong Kong Code contained in Appendix 14 of the HK Listing Rules.

BOARD RESPONSIBILITY

The Board is responsible for the Group's system of risk management and internal control and for monitoring its adequacy and effectiveness. In view of the inherent limitations in any system of risk management and internal control (the "System"), it should be noted that the Group's System can provide only reasonable, and not absolute, assurance that material financial irregularies will be detected or that the risk of failure to achieve business objectives is eliminated. The Board's objective is to ensure that the Group has an appropriate system in place for the identification and management of risks, including the deployment of internal controls to address the risks so identified.

INTERNAL CONTROL AND RISK MANAGEMENT

During the year under review and up to the date of this Statement, the Group has been proactive in its management of risks and control issues as demonstrated by the existence of policies, procedures and strategies as illustrated below:

- The Group has established an organisational structure with clear operating and reporting procedures, lines of responsibility and delegated authority;

- Relevant executive directors and senior management have been delegated with specific accountability for monitoring the performance of designated business operating units;

- Annual business plans and budgets of the Group are reviewed and approved by the Board. The Group senior management meets on a quarterly basis with operating company management to review their business and financial performance against the business plans and approved budgets. Significant business risks relevant to each operating company are reviewed in these meetings;

- Explanations on significant variances from budgets are provided to the Board on a quarterly basis. This helps the Board and senior management monitor the Group's business operations and plans on a timely basis;

- Each operating company's management is responsible for its own identification and evaluation of key business risks applicable to their parts of business and for managing how these risks are reduced, transferred to third parties or insured;

- Each operating company maintains internal controls and procedures appropriate to its structure and business environment whilst complying with Group's policies, standards and guidelines;

- The Internal Audit Function conducts a systematic review of financial and business processes in order to provide independent assurance to management on the adequacy and effectiveness of internal controls. Where weaknesses are identified in the system of internal controls, management will take necessary measures to ensure that improvements are implemented;

- The Group maintains an appropriate insurance programme in order to provide sufficient insurance coverage on major assets and libel suits that could result in material loss. The insurance brokers assist management in conducting a risk assessment on a yearly basis on the Group's operations, which helps the Group in assessing the adequacy of intended cover;

- One of the key business units of the Group has implemented an Integrated Talent Management Programme which assists its Human Resource Department in creating and maintaining a high quality team. Adding to this, the Group is committed to talent development in order to groom and retain capable and high potential employees in all business units;

- The Board reviews all areas of significant financial risk and approves all significant capital projects and investments after careful corporate review;

- The Group has established an IT Services Continuity Plan in a key business unit primarily aimed at ensuring continuity of business operations. It has recovery procedures and backup systems in place to handle potential service interruptions;

- The Group has established a Crisis Management Team in a key business unit to manage and handle significant risk or crisis faced by the business unit;

- Treasury department manages the cash balances and exposure to currency transaction risks through treasury policies, risk limits and monitoring procedures; and

- Code of ethics are established and adhered to by all employees to ensure high standards of conduct and ethical values in all business practices.

The Board recognises the need to formalise a structured risk management framework to be adopted and deployed across the Group for consistency in its risk management initiatives and activities. As such, an independent professional firm has been appointed during the current financial year to conduct training on risk management, including a risk workshop, for relevant personnel in the Group on how business risks are identified, evaluated, controlled, reported and monitored on an ongoing basis. This engagement is aimed to equip the relevant personnel in the Group in formalising a structured risk management framework across the Group to streamline the process of identifying, evaluating, controlling, reporting and monitoring significant risks faced by the various companies and business units in the Group.

The Board at its meeting on 29 May 2013 approved the Group's Risk Management Policy and risk management framework.

INTERNAL AUDIT

The Group's Internal Audit Function is an independent function that reports directly to the Audit Committee. It undertakes regular reviews of the Group's operations and system of internal controls based on annual audit plans approved by the Audit Committee. The Internal Audit Function carries out the reviews with impartiality, proficiency and due professional care.

The Internal Audit findings are discussed at management level and actions are agreed in response to the Internal Audit Function's recommendations. The progress of implementation of the agreed actions is reviewed and verified by the Internal Audit Function through its follow-up reviews. The Audit Committee reviews all internal audit findings, management responses and the adequacy and effectiveness of the internal controls. Significant risk issues, if any, are referred to the Board for consideration. The Audit Committee reports to the Board on a quarterly basis of its deliberations and recommendations.

Statement on Risk Management and Internal Control

WHISTLE BLOWING POLICY

The Group has implemented a whistle blowing policy which aims to provide an avenue for employees to raise concerns about possible improprieties in financial reporting, internal controls or other matters within the Group. Proper arrangements have been put in place for fair and independent investigation for such matters if any. The effectiveness of this policy will be monitored and reviewed regularly by the Audit Committee.

REVIEW OF ADEQUACY AND EFFECTIVENESS

The Board has reviewed the adequacy and effectiveness of the Group's risk management activities and internal control framework and ensured that necessary actions have been or are being taken to rectify weaknesses identified during the year.

The Group Chief Executive Officer and Head of Finance have confirmed to the Board that the Group's System is operating adequately and effectively in all material aspects during the financial year and up to the date of this Statement.

In this connection, the Board concludes that an effective system of risk management and internal control is in place to safeguard the shareholders' investment and the Group's assets.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITOR

The external auditor has reviewed this Statement for inclusion in the Group's Annual Report for the financial year ended 31 March 2013. The external auditor has reported to the Board that nothing has come to its attention that causes it to believe that the Statement is inconsistent with its understanding of the process adopted by the Board in reviewing the adequacy and integrity of the risk management system and internal controls.

Audit Committee Report

MEMBERS AND MEETINGS

Details of the composition of the Audit Committee and the attendance by each member at the committee meetings are set out below, a total of 4 meetings were held during the year:

Members	Number of meetings attended	Percentage of attendance
Mr David YU Hon To *(Chairman/Independent Non-executive Director)*	4/4	100%
Tan Sri Dato' LAU Yin Pin *(Member/Independent Non-executive Director)*	4/4	100%
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH *(Member/Independent Non-executive Director)*	4/4	100%
Mr LEONG Chew Meng* *(Member/Non-executive Director)*	4/4	100%

Note:

* Mr LEONG Chew Meng was re-designated as an executive director on 31 March 2013. He therefore ceased to act as a member of the Audit Committee.

The Group Chief Executive Officer, the relevant executive directors, Head of Internal Audit Function and Head of Finance Department attended all the meetings held during the year under review. The external auditor attended two of these meetings. The meetings were appropriately structured through the use of agendas, which were distributed to members with sufficient notification.

The Chairman of the Audit Committee, after each meeting, is responsible to update the Board the summary of matters discussed at the Audit Committee meetings and make appropriate recommendations when necessary. This is to ensure that the Board is aware of matters that may significantly impact the financial position or affairs of the Group.

TERMS OF REFERENCE

The Audit Committee is governed by its terms of reference which have been reviewed from time to time. The detailed terms of reference of the Audit Committee is available on the Company's website at www.mediachinesegroup.com.

1. Formation

The Audit Committee was formed pursuant to the board resolution of the Company passed on 30 March 1999.

2. Composition

The Audit Committee shall be appointed by the Board from amongst its directors excluding alternate director and shall comprise no fewer than three (3) members, all of whom must be non-executive directors, with a majority of them being independent directors.

At least one member of the Audit Committee:

a) Must be a member of the Malaysian Institute of Accountants; or

b) If not a member of the Malaysian Institute of Accountants, that member must have at least 3 years' working experience and must have passed the examinations specified in Part I of the First Schedule of the Malaysian Accountants Act, 1967, or must be a member of one of the associations of the accountants specified in Part II of the First Schedule of the Malaysian Accountants Act, 1967; or

c) Must have a degree/master/doctorate in accounting or finance and at least 3 years' post qualification in accounting or finance; or

d) Must have at least 7 years' experience being a chief financial officer of a corporation or having the function of being primarily responsible for the management of the financial affairs of a corporation; and

e) Fulfils such other requirements as prescribed or approved by the Bursa Securities.

f) Is an independent non-executive director with appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the HK Listing Rules.

In the event of any vacancy in the Audit Committee resulting in the non-compliance of the Bursa Securities Listing Requirements or HK Listing Rules, the Board shall within three (3) months of that event fill the vacancy.

The term of office and performance of the Audit Committee and each of its members shall be reviewed by the Board at least once every three (3) years to determine whether the Audit Committee and its members have carried out their duties in accordance with the terms of reference.

3. Quorum

A quorum shall consist of a majority of independent non-executive directors and shall not less than two (2).

4. Chairman

The Chairman of the Audit Committee shall be appointed by members of Audit Committee and must be an independent non-executive director.

5. Meetings

The Audit Committee shall meet not less than four (4) times a year and such additional meetings as the Chairman shall decide in order to fulfill its duties.

The Audit Committee shall be able to convene meetings with external auditor, internal auditor or both without the presence of any other directors or employees whenever it deems necessary. The external auditor and internal auditor have the right to appear and to be heard at any meeting and shall appear before the Audit Committee when required to do so by the Audit Committee.

The Audit Committee shall meet with the external auditor without executive Board members at least twice (2) a year.

The company secretary shall be the secretary of the Audit Committee.

6. Objectives

The primary objective of the Audit Committee is to review and supervise the Company's financial reporting process and internal controls.

7. **Authority**

The Audit Committee is authorised by the Board:

a) to investigate any matter within duties and responsibilities outlined in its terms of reference;

b) to have resources which are sufficient to perform its duties;

c) to have full and unrestricted access to any information pertaining to the Company;

d) to have direct communication channels with the external and internal auditors;

e) to obtain independent professional or other advice; and

f) to convene meetings with the external auditor, the internal auditor or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary.

8. **Duties and responsibilities**

The functions of the Audit Committee shall include, among others:

a) To review the following and report the same to the Board:

(i) with the external auditor, the audit plan;

(ii) with the external auditor, the evaluation of the system of internal controls;

(iii) with the external auditor, the audit report;

(iv) the assistance given by the employees of the Group to the external auditor;

(v) the adequacy of scope, functions, competency and resources of the Internal Audit Function and that it has the necessary authority to carry out its works;

(vi) the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the Internal Audit Function;

(vii) the quarterly, half-yearly, and annual financial results and reports prior to the approval by the Board, focusing particularly on:

- changes in and implementation of accounting policies and practices;
- major judgmental areas;
- significant adjustments resulting from audit;
- the going concern assumptions and qualifications;
- compliance with accounting standards;

- compliance with the HK Listing Rules, Bursa Securities Listing Requirements and other legal and regulatory requirements in relation to financial reporting; and

- significant and unusual events;

(viii) any related party transaction and conflict of interest situation that may arise within the Group including any transaction, procedure or course of conduct that raises questions of management integrity;

b) to review the Group's financial controls, internal controls and risk management systems;

c) to consider the appointment of the external auditor, the audit fee and any questions on resignation or dismissal;

d) to recommend the nomination of a person or persons as external auditor; and

e) such other functions as the Board may from time to time determine.

SUMMARY OF ACTIVITIES

During the year, the Audit Committee carried out its duties in accordance with its terms of reference.

The principal activities of the Audit Committee were as follows:

Financial results

a) Reviewed the Group's quarterly, half-yearly and annual financial results before recommending to the Board for consideration and approval;

b) Reviewed the interim financial information and annual financial statements of the Company and of the Group with the external auditor prior to submission to the Board for approval.

Internal audit

a) Reviewed the internal audit plan ensuring the principal risk areas were adequately identified and covered in the plan;

b) Reviewed the scope and coverage of the audit of respective operating units of the Group and the basis of assessment and risk rating of the proposed areas of audit;

c) Reviewed and deliberated on audit reports and follow-up reports conducted by Internal Audit Function;

d) Reviewed the recommendations by Internal Audit Function and appraised the adequacy and effectiveness of management response in resolving the audit issues reported;

e) Reviewed the corrective actions taken by management in addressing and resolving issues as well as enhancing the internal control system on a timely basis;

f) Reviewed the adequacy of resources and the competencies of staff within the Internal Audit Function to execute the plan and the results of its work.

Audit Committee Report

External audit

a) Reviewed with the external auditor the audit plan, strategy and scope of statutory audits of the Group's financial statements for the year under review;

b) Reviewed the results and issues arising from the annual audit and interim review, audit review report and management letter together with management's response to the findings of the external auditor;

c) Reviewed the proposed audit fees to the external auditor for the financial year ended 31 March 2013;

d) Reviewed the performance and effectiveness of the external auditor before recommending to the Board on its re-appointment and remuneration.

Others

a) Reviewed the related party transactions (or connected transactions) and recurrent related party transactions (or continuing connected transactions) entered into by the Group;

b) Reviewed the circular to shareholders in respect of the proposed shareholders' mandate for recurrent related party transactions;

c) Reviewed the Audit Committee Report and Statement on Risk Management and Internal Control for inclusion in the Annual Report for the financial year under review;

d) Reviewed the training programmes of the staff of the Group's accounting and financial reporting function.

INTERNAL AUDIT FUNCTION

The Group has an in-house Internal Audit Function, which reports directly to the Audit Committee and assists the Board in reviewing the adequacy and effectiveness of risk management and internal controls. The Internal Audit Function is independent of the activities or operations it reviews.

The principal role of the Internal Audit Function is to undertake independent regular and systematic reviews of the systems of internal controls so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively.

It is the responsibility of the Internal Audit Function to provide the Audit Committee with independent and objective report on the state of internal control of various operating units within the Group and the extent of compliance with the Group's established policies and procedures as well as the relevant statutory requirements.

During the year, the Internal Audit Function had carried out audits according to the internal audit plan which had been approved by the Audit Committee. The completed audit reports were presented to the Audit Committee for deliberation and follow-up audits were also performed to ensure management had addressed the control weaknesses accordingly.

The total costs incurred for the Internal Audit Function in respect of the financial year ended 31 March 2013 was approximately US$183,000.

Report of the Directors

The directors submit their report together with the audited financial statements of the Group for the year ended 31 March 2013.

PRINCIPAL ACTIVITIES AND SEGMENT INFORMATION

The Company is an investment holding company. The principal activities of its subsidiaries are the publishing, printing and distribution of Chinese language newspapers, magazines and books, and the provision of travel and travel related services in Hong Kong, Mainland China, North America, Malaysia and other Southeast Asian countries.

The activities of the Company's principal subsidiaries are set out in note 42 to the financial statements.

An analysis of the Group's performance for the year by operating segments is set out in note 5 to the financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 82.

A first interim dividend in respect of the current year of US0.673 cents (2012: US0.800 cents) per ordinary share totaling US$11,355,000 (2012: US$13,498,000) were paid on 15 January 2013. A special dividend of US$0.13 (2012: US0.400 cents) per ordinary share totaling US$225,715,000 (2012: US$6,749,000) in respect of the year ended 31 March 2013 was paid on 28 November 2012.

On 29 May 2013, the Board has declared a second interim dividend of US1.015 cents per ordinary share in lieu of a final dividend for the year ended 31 March 2013. The dividend will be payable on 31 July 2013 in cash in RM or in HK$ at exchange rates determined on 29 May 2013 by reference to the middle exchange rates applicable to US$ at 12:00 noon as quoted by Bank Negara Malaysia to ordinary shareholders, whose names appear on the register of members of the Company at the close of business on 12 July 2013.

The middle exchange rates at 12:00 noon on 29 May 2013 as quoted by Bank Negara Malaysia of US$ to RM and US$ to HK$, and the amount of the second interim dividend payable are as follows:

	Exchange rates	**Dividend per ordinary share**
US$ to RM	3.0575	3.103 sen
US$ to HK$	7.7634	HK7.880 cents

No tax is payable on the dividend declared by the Company to be received by shareholders in Malaysia as it is income from foreign source in accordance to paragraph 28 of Schedule 6 of the Malaysian Income Tax Act 1967.

RESERVES

Movements in the reserves of the Group and of the Company during the year are set out in notes 33 and 34 to the financial statements.

DONATIONS

Charitable and other donations made by the Group during the year amounted to US$31,000.

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of the movements in property, plant and equipment and details of investment properties of the Group are set out in note 16 and note 17 to the financial statements, respectively.

SHARE CAPITAL

Details of the movements in share capital of the Company are set out in note 32 to the financial statements.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company at 31 March 2013, calculated under the Companies Act of 1981 of Bermuda (as amended), amounted to US$185,692,000 (2012: US$123,629,000).

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last 5 financial years is set out on page 166.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

During the year, the Company repurchased a total of 1,000 of its listed shares on the HK Stock Exchange from the open market at the price of HK$3.80 per share for the purpose of validating the declaration of solvency in relation to the share buyback mandate in accordance with the provision of the Malaysian Companies Act. The repurchase was financed by internally generated funds. Details of the repurchases are summarised as follows:

Month/Year	Number of ordinary shares repurchased	Purchase price per share Highest	Purchase price per share Lowest	Aggregate purchase consideration	Equivalents in
		HK$	HK$	HK$	US$
August 2012	1,000	3.80	3.80	3,800	490

All the shares repurchased during the year were cancelled. Accordingly, the issued share capital of the Company was reduced by the par value of the repurchased shares and the premiums paid on these shares were charged against the share premium account. An amount equivalent to the par value of the shares cancelled was transferred from the Company's retained earnings to the capital redemption reserve.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or the Company had redeemed any of the Company's listed securities during the year.

Report of the Directors

DIRECTORS

The directors during the year and up to the date of this report were:

Executive Directors

Tan Sri Datuk Sir TIONG Hiew King *(Group Executive Chairman)*
Dato' Sri Dr TIONG Ik King
Mr TIONG Kiew Chiong *(Group Chief Executive Officer)*
Mr NG Chek Yong
Ms SIEW Nyoke Chow (resigned as an executive director on 31 March 2013)
Mr LEONG Chew Meng (re-designated from a non-executive director to an executive director on 31 March 2013)

Non-executive Director

Ms TIONG Choon (appointed as a non-executive director on 31 March 2013)

Independent Non-executive Directors

Mr David YU Hon To
Tan Sri Dato' LAU Yin Pin
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH

Ms TIONG Choon was appointed as a non-executive director of the Company on 31 March 2013. In accordance with Bye-Law 102(B) of the Company's Bye-Laws, she will hold office until the forthcoming annual general meeting and shall be eligible for re-election.

In accordance with Bye-Law 99(A) of the Company's Bye-Laws, Dato' Sri Dr TIONG Ik King, Mr LEONG Chew Meng and Tan Sri Dato' LAU Yin Pin will retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

In addition, pursuant to Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012, the retention of Mr David YU Hon To, who has served the Company for more than 9 years, as an independent non-executive director of the Company shall be subject to shareholders' approval at the forthcoming annual general meeting.

Pursuant to the requirements of the HK Listing Rules, the Company has received annual written confirmations from each independent non-executive director for his independence to the Group and the Company considered all independent non-executive directors to be independent.

COMPETING BUSINESS

Pursuant to the HK Listing Rules, the Company discloses that during the year under review, Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King are the substantial shareholders and directors of the Company, and both of them hold directorships and/or ownerships in Pacific Star Limited and R.H. Tours & Travel Agency Sdn Bhd. In addition, Ms TIONG Choon is a director of the Company and she is also a director of R.H. Tours & Travel Agency Sdn Bhd. Pacific Star Limited is engaged in the business of newspapers publishing in Papua New Guinea. R.H. Tours & Travel Agency Sdn Bhd is engaged in the travel and travel related services business in Malaysia. As the board of directors of the Company is independent of the boards of the aforesaid companies, the Group operates its business independently of, and at arm's length from, the businesses of the aforesaid companies.

Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King are also deemed interested in One Media, a subsidiary of the Company which is listed on the HK Stock Exchange. In addition, Tan Sri Datuk Sir TIONG Hiew King and Mr TIONG Kiew Chiong are directors of the Company and One Media. Mr TIONG Kiew Chiong is also a shareholder of One Media. One Media Group is engaged in the business of the publication, marketing and distribution of Chinese language lifestyle magazines and the sale of advertising space in those magazines in Hong Kong and Mainland China. As the contents and demographic readership of the publications of the Group and those of One Media Group are different, the directors consider that there is a clear delineation and no competition between the businesses of the Group and One Media Group and that the Group is carrying on its business independently of, and at arm's length with, One Media Group.

Save as disclosed above, none of the directors of the Company has any interest in a business which competes or is likely to compete with the business of the Group during the year.

DIRECTORS' SERVICE CONTRACTS

Each of the directors has entered into an appointment letter with the Company for a term of 2 years commencing from 1 April 2012 until 31 March 2014, except for Mr NG Chek Yong whose appointment letter with the Company commenced from 1 March 2012 to 28 February 2014 and Mr LEONG Chew Meng and Ms TIONG Choon whose appointment letters with the Company commenced from 31 March 2013 to 31 March 2015.

Save as disclosed above, none of the directors who are proposed for re-election at the forthcoming annual general meeting have service contracts with the Company or any of its subsidiaries which are not determinable by the Group within one year without payment of compensation, other than statutory compensation.

SHARE OPTION SCHEMES

One Media is an exempted company incorporated in the Cayman Islands with limited liability on 11 March 2005 whose shares have been listed on the main board of the HK Stock Exchange since 18 October 2005 and is a subsidiary of the Company owned as to 73.18% at the date of this report.

The pre-IPO share option scheme ("Pre-IPO Scheme") and the post-IPO share option scheme ("Post-IPO Scheme") (together the "One Media Schemes") were conditionally approved and adopted by ordinary resolutions of the shareholders of One Media and the Company on 26 September 2005 ("Adoption Date"). The principal terms of the Pre-IPO Scheme are substantially the same as the terms of the Post-IPO Scheme (where applicable) except for the following principal terms: (a) the subscription price per share of One Media shall be the offer price; and (b) no options will be offered or granted upon the commencement of dealings in the shares of One Media on the HK Stock Exchange.

Pursuant to the One Media Schemes, the board of One Media may, at its absolute discretion, grant share options to any full time employees, executive and non-executive directors (including independent non-executive directors) of One Media Group or the Group (for so long as One Media remains a subsidiary of the Company) to subscribe for shares in One Media subject to the terms and conditions stipulated therein. The purposes of the One Media Schemes are to encourage employees to work towards enhancing the value of One Media and its shares for the benefit of One Media and its shareholders as a whole, and to motivate them to achieve higher levels of good corporate governance.

(i) Summary of terms:

The maximum number of shares in respect of which options may be granted under the One Media Schemes when aggregated with the maximum number of shares in respect of any options to be granted under any other share option scheme established by One Media (if any) is that number which is equal to 10% of the issued share capital of One Media immediately following the commencement of dealings in the shares of One Media on the HK Stock Exchange. No employee shall be granted an option if the total number of shares issued and to be issued upon exercise of the options granted and to be granted to such employee in any 12-month period up to the date of the latest grant would exceed 1% of the issued share capital of One Media from time to time.

The period within which an option may be exercised under each of the One Media Schemes will be determined and notified by the board of One Media in its absolute discretion (subject to any vesting periods, if applicable), save that no option may be exercised later than 10 years from the date of offer of the option or 10 years after the Adoption Date, whichever is earlier. As evidenced by the vesting periods of the options granted under the Pre-IPO Scheme, no option granted under the Pre-IPO Scheme will be exercisable within 6 months from the listing date of One Media. Save for the number of shares which may be subscribed for pursuant to the exercise of options and the vesting periods of the options granted, each option so granted under the Pre-IPO Scheme has the same terms and conditions.

The offer of a grant of share option may be accepted within 28 days from the date of offer upon payment of a nominal consideration of HK$1.00 by the grantee.

Under each of the One Media Schemes, the subscription price in relation to each option shall be determined by the board of One Media in its absolute discretion, but in any event shall be the highest of: (i) the closing price of the shares of One Media as stated in the HK Stock Exchange's daily quotation sheet on the date, which must be a business day, of the written offer of the option; (ii) the average closing price of the shares of One Media as stated in the HK Stock Exchange's daily quotation sheets for the 5 business days immediately preceding the date of the offer of the grant of such option; and (iii) the nominal value of the shares of One Media.

In relation to each option granted to the grantees, either of the following two vesting scales has been applied:

(1) 20% of the shares comprised in the option will vest on each of the 5 anniversaries of the One Media listing date from the 1st anniversary of the listing date to the 5th anniversary of the listing date; or

(2) 100% of the shares comprised in the option will fully vest on the first anniversary of the One Media listing date,

as the case may be, which has been specified in the offer letters to the grantees.

(ii) As at 31 March 2013, no option has been granted or agreed to be granted by One Media under the Post-IPO Scheme. During the year, movements of the share options granted under the Pre-IPO Scheme are as follows:

	Number of shares involved in share options								
Grantee	Balance at 1 April 2012	Granted during the year *(note 2)*	Exercised during the year *(note 2)*	Lapsed during the year *(notes 3&4)*	Balance at 31 March 2013	Percentage of issued ordinary shares of One Media at 31 March 2013	Exercise price per share HK$	Date of grant	Exercisable period
Directors:									
Tan Sri Datuk Sir TIONG Hiew King *(note 1a)*	1,250,000	–	–	–	1,250,000	0.31%	1.200	27/09/2005	18/10/2005–25/09/2015
Dato' Sri Dr TIONG Ik King *(note 1a)*	1,000,000	–	–	–	1,000,000	0.25%	1.200	27/09/2005	18/10/2005–25/09/2015
Mr TIONG Kiew Chiong *(note 1a)*	1,250,000	–	–	–	1,250,000	0.31%	1.200	27/09/2005	18/10/2005–25/09/2015
Mr David YU Hon To *(note 1a)*	150,000	–	–	–	150,000	0.04%	1.200	27/09/2005	18/10/2005–25/09/2015
	3,650,000	–	–	–	3,650,000	0.91%			
Directors of One Media and full time employees of the Group *(note 1a)*	3,500,000	–	–	–	3,500,000	0.88%	1.200	27/09/2005	18/10/2005–25/09/2015
Full time employees of the Group *(note 1b)*	792,000	–	–	(16,000)	776,000	0.19%	1.200	27/09/2005	8/10/2005–25/09/2015
Legal representative of Mr TIONG Kiu King	1,250,000	–	–	(1,250,000)	–	–	1.200	27/09/2005	18/10/2005–25/09/2015
Total	9,192,000	–	–	(1,266,000)	7,926,000	1.98%			

Notes:

(1) In relation to each option granted to the grantees, either of the following 2 vesting scales has been applied:

a. 20% of the shares in the option will vest on each of the 5 anniversaries of the One Media listing date from the 1st anniversary of the listing date to the 5th anniversary of the listing date; or

b. 100% of the shares in the option will fully vest on the 1st anniversary of the One Media listing date,

as the case may be, which has been specified in the offer letters to the grantees. Subject to the relevant vesting period, each option has a 10-year exercisable period from the date of the offer of the option. As evidenced by the vesting periods of the options granted under the One Media Schemes, no option granted under the One Media Schemes will be exercisable within six months from the listing date.

(2) No share option was granted, exercised or cancelled during the year.

(3) During the year, 16,000 share options lapsed by reason of the grantees ceased their employments with One Media and its subsidiaries.

(4) Mr TIONG Kiu King passed away on 14 January 2012 and his legal personal representative was entitled within the period of 12 months from the date of his death to exercise the options in full pursuant to the terms of Pre-IPO Scheme. The 1,250,000 share options were not exercised during the specified period and were lapsed during the year.

Apart from the above share option schemes, at no time during the year were rights to acquire benefits by means of the acquisition of shares, underlying shares or debentures of the Company granted to any director or their respective spouses or children under 18 years of age, or were any such rights exercised by them; or was the Company or its holding company or any its subsidiaries or fellow subsidiaries a party to any arrangements to enable the directors of the Company to acquire such rights in any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in Statement on Corporate Governance under "Recurrent Related Party Transactions of a Revenue Nature or Trading Nature" on pages 52 to 57, and in Report of the Directors under "Connected Transactions and Continuing Connected Transactions" on page 76 no contracts of significance in relation to the Group's businesses to which the Company, any of its subsidiaries, its holding company or its fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

PARTICULARS OF INTERESTS HELD BY DIRECTORS, CHIEF EXECUTIVES AND THEIR ASSOCIATES

(a) According to the register of directors' shareholdings, particular of interests in the shares of the Company and its related corporations during the financial year of those directors holding office at the end of the financial year are as follows:

		Number of shares held			
		As at 1 April 2012	**Bought**	**Sold**	**As at 31 March 2013**
(i)	**The Company**				
	Direct interest in shares:				
	Tan Sri Datuk Sir TIONG Hiew King	87,109,058	–	–	87,109,058
	Dato' Sri Dr TIONG Ik King	11,144,189	–	–	11,144,189
	Mr TIONG Kiew Chiong	3,607,783	292,000	2,417,744	1,482,039
	Mr LEONG Chew Meng	–	80,000	–	80,000
	Ms TIONG Choon *(note 4)*	N/A	N/A	N/A	2,654,593
	Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	135,925	–	–	135,925
	Indirect interest in shares:				
	Tan Sri Datuk Sir TIONG Hiew King	796,968,939	–	–	796,968,939[(2)]
	Dato' Sri Dr TIONG Ik King	252,487,700	–	–	252,487,700[(1)]
	Ms TIONG Choon *(note 4)*	N/A	N/A	N/A	1,476,152[(4)]
(ii)	**Subsidiary — One Media**				
	Direct interest in shares:				
	Mr TIONG Kiew Chiong	4,000,000	–	–	4,000,000
	Ms TIONG Choon *(note 4)*	N/A	N/A	N/A	26,000
	Indirect interest in shares:				
	Tan Sri Datuk Sir TIONG Hiew King	292,700,000	–	–	292,700,000[(3)]
	Dato' Sri Dr TIONG Ik King	292,700,000	–	–	292,700,000[(3)]

Notes:

(1) Dato' Sri Dr TIONG Ik King is deemed to be interested in the shares by virtue of his interest in Conch Company Limited and Seaview Global Company Limited.

(2) Tan Sri Datuk Sir TIONG Hiew King is deemed to be interested in the shares by virtue of his spouse's interest in 234,566 shares and his corporate interests in 796,734,373 shares. The details of corporate interests are set out in note 1 of paragraph (b)(i) "Interests in shares in the Company" on page 74.

(3) Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King are deemed interested in the 292,700,000 shares in One Media held by Comwell Investment Limited which is an indirect wholly-owned subsidiary of the Company.

(4) Ms TIONG Choon was appointed as an non-executive director of the Company on 31 March 2013. Ms TIONG Choon is deemed to be interested in the shares by virtue of her spouse's interest in 822,832 shares and her corporate interest in 653,320 shares.

(b) At 31 March 2013, the interests and share options of the directors, chief executives and their associates in the shares, underlying shares or debentures of the Company or any of its associated corporations (as defined in Part XV of the Hong Kong Securities and Futures Ordinance ("SFO")) as recorded in the register maintained by the Company under Section 352 of the SFO or as otherwise notified to the Company and the HK Stock Exchange pursuant to the Model Code are as follows:

(i) Interests in shares in the Company

	Number of shares held				
Name of director	**Personal interests**	**Family interests**	**Corporate interests**	**Total interests in shares**	**Percentage of issued ordinary shares at 31 March 2013**
Tan Sri Datuk Sir TIONG Hiew King	87,109,058	234,566	796,734,373 *(note 1)*	884,077,997	52.40%
Dato' Sri Dr TIONG Ik King	11,144,189	–	252,487,700 *(note 2)*	263,631,889	15.63%
Mr TIONG Kiew Chiong	1,482,039	–	–	1,482,039	0.09%
Mr LEONG Chew Meng	80,000	–	–	80,000	–*
Ms TIONG Choon	2,654,593	822,832	653,320	4,130,745	0.24%
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	135,925	–	–	135,925	0.01%

All the interests stated above represent long positions in the shares of the Company.

* negligible

Notes:

(1) The corporate interests of Tan Sri Datuk Sir TIONG Hiew King comprise:

(i) 326,463,556 shares held by Progresif Growth Sdn Bhd ("Progresif");
(ii) 252,487,700 shares held by Conch Company Limited ("Conch");
(iii) 75,617,495 shares held by Ezywood Options Sdn Bhd ("Ezywood");
(iv) 65,319,186 shares held by Teck Sing Lik Enterprise Sdn Bhd ("TSL");
(v) 52,875,120 shares held by Madigreen Sdn Bhd ("Madigreen");
(vi) 15,536,696 shares held by Rimbunan Hijau (Sarawak) Sdn Bhd ("RHS");
(vii) 6,532,188 shares held by Rimbunan Hijau Southeast Asia Sdn Bhd ("RHSA");
(viii) 1,902,432 shares held by Pertumbuhan Abadi Asia Sdn Bhd ("PAA").

Tan Sri Datuk Sir TIONG Hiew King directly holds 84% interest in TSL and 99.99% interest in PAA. In addition, PAA directly holds 47.62% interest in both RHS and RHSA, and 45% in Madigreen. Tan Sri Datuk Sir TIONG Hiew King also directly and indirectly holds 45% interest in Progresif and 70% interest in Ezywood. The details of shares held by Conch are set out in note 2 below.

(2) Conch holds 252,487,700 shares of the Company. 40% of the interest in Conch is held by Seaview Global Company Limited, a company jointly owned by Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King. In addition, Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King directly hold 25% and 22% of the interest in Conch respectively.

(ii) Interests in shares and underlying shares in One Media

	Number of shares/underlying shares held					
Name of director	**Personal interests**	**Corporate interests**	**Total interest in shares**	**Interests in underlying shares pursuant to share options** *(note 1)*	**Aggregate interests**	**Percentage of issued ordinary shares of One Media at 31 March 2013**
Tan Sri Datuk Sir TIONG Hiew King	–	292,700,000 *(note 2)*	292,700,000	1,250,000	293,950,000	73.49%
Dato' Sri Dr TIONG Ik King	–	292,700,000 *(note 2)*	292,700,000	1,000,000	293,700,000	73.43%
Mr TIONG Kiew Chiong	4,000,000	–	4,000,000	1,250,000	5,250,000	1.31%
Ms TIONG Choon	26,000	–	–	–	26,000	0.01%
Mr David YU Hon To	–	–	–	150,000	150,000	0.04%

All the interests stated above represent long positions in the shares of One Media.

Notes:

(1) These represent share options granted by One Media to the directors of the Company under the Pre-IPO Scheme conditionally approved by the Company and conditionally approved and adopted by One Media on 26 September 2005 to subscribe for shares of One Media.

(2) Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King are deemed interested in the 292,700,000 shares in One Media held by Comwell Investment Limited which is an indirect wholly-owned subsidiary of the Company. Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King are deemed interested in 52.40% and 15.63% of the Company's shares respectively. Details of their shareholdings in the Company are set out in paragraph (b)(i) "Interests in shares in the Company" on page 74.

Save as disclosed above and those disclosed under "Share Option Schemes", at 31 March 2013, none of the directors, chief executives and their associates had any interests in the shares, underlying shares or debentures of the Company or any of its associated corporations (as defined in Part XV of the SFO), which are required to be recorded in the register maintained by the Company under Section 352 of the SFO or as otherwise notified to the Company and the HK Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OF THE COMPANY

The register of substantial shareholders required to be kept under Section 336 of Part XV of the SFO shows that as at 31 March 2013, the Company had been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital:

Name of shareholder	**Number of ordinary shares held**	**Percentage of issued ordinary shares at 31 March 2013**
Progresif Growth Sdn Bhd *(note 1)*	326,463,556	19.35%
Conch Company Limited *(note 2)*	252,487,700	14.96%
Zaman Pemimpin Sdn Bhd *(note 3)*	154,219,783	9.14%

All the interests stated above represent long positions in the shares of the Company.

Notes:

(1) Tan Sri Datuk Sir TIONG Hiew King directly and indirectly holds 45% interest in Progresif.

(2) The details of shares held by Conch are set out in note 2 of paragraph (b)(i) "Interests in shares in the Company" on page 74.

(3) Zaman Pemimpin Sdn Bhd ("Zaman") owns 154,219,783 shares of the Company. 49% of the interest in Zaman is held by Globegate Alliance Sdn Bhd, a company jointly owned by Ms LU Mee Bing and Salmiah Binti SANI.

Save as disclosed above and those disclosed under "Particulars of Interests Held by Directors, Chief Executives and Their Associates", the Company had not been notified of any other interests representing 5% or more of the issued share capital of the Company as at 31 March 2013.

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

Set out below is information regarding a connected transaction which the Group is required to disclose in the Company's Annual Report pursuant to Chapter 14A of the HK Listing Rules.

Acquisition of a warehouse

Reference is made to an announcement of the Company on 31 May 2012, the Board announced that on 31 May 2012, Sin Chew, a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with RHE to acquire a warehouse in Malaysia from RHE for a total consideration of RM9,500,000 (equivalent to US$2,986,000).

Tan Sri Datuk Sir TIONG Hiew King, who is a substantial shareholder of the Company, together with his family interests taken together, is directly and indirectly interested in 30% or more of the voting power at the general meetings of RHE. RHE, being an associate of Tan Sri Datuk Sir TIONG Hiew King, is therefore a connected person of the Company.

Since the relevant percentage ratios calculated under Chapter 14A of the HK Listing Rules in respect of the transaction are all less than 5%, the transaction constitutes a connected transaction which is exempt from the independent shareholders' approval requirement under Chapter 14A of the HK Listing Rules.

The acquisition met the operation needs of Sin Chew as the warehouse is specifically built for storage of newsprint. A substantial amount of Sin Chew's newsprint is stored in the warehouse. The warehouse is managed by a warehouse manager who has entered into a tenancy with RHE for the rental of the warehouse. Upon completion of the acquisition, Sin Chew has continued the existing tenancy to rent the warehouse to warehouse manager and is able to generate rental income for the Group.

Save as disclosed above, during the year ended 31 March 2013, certain directors and companies controlled by certain directors entered into transactions with the Group which are disclosed in note 40 "Related party transactions" to the financial statements.

These related party transactions, which were carried out by the Group in the ordinary course of business and on normal commercial terms during the year ended 31 March 2013, did not constitute discloseable connected transactions or continuing connected transactions (as the case may be) under Chapter 14A of the HK Listing Rules.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

PENSION SCHEME ARRANGEMENT

Hong Kong

The Group operates a hybrid retirement benefit scheme (the "Scheme") and a Mandatory Provident Fund Scheme (the "MPF") for its employees in Hong Kong.

During the year, the Scheme was funded by contributions from both the employees and the Group at 5% each of the monthly basic salaries of the employees. Actual contributions paid by the Group was only 3.8% of the monthly basic salaries of the employees, the difference was funded from the forfeiture reserve. Forfeited employers' contributions arising from early termination of services by employees are credited to a forfeiture reserve for the purposes of funding the differences in the Group's contributions as aforesaid and for covering any shortfall on the defined benefit plans. The total amount available for such purposes amounted to US$1,074,000 at 31 March 2013 (31 March 2012: US$1,235,000).

The most recent independent actuarial valuation of the Scheme (the "Valuation") was carried out as at 31 March 2013 by Towers Watson Hong Kong Limited, a professionally qualified independent actuary. According to the Valuation, the Scheme was solvent at the date of the Valuation.

With effect from 1 December 2000, all new joiners of the Group are eligible to join the MPF. The Group's contributions to the MPF are at 5% of the employees' relevant income as defined in the Hong Kong Mandatory Provident Fund Schemes Ordinance up to a maximum of HK$1,250 per employee per month (the "MPF Contributions"). The MPF Contributions are fully and immediately vested in the employees as accrued benefit once they are paid.

Malaysia

The Group also operates 2 types of retirement benefit schemes in Malaysia:

(a) **Defined contribution plans**

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the income statement as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund.

(b) **Defined benefit plans**

The Group operates an unfunded, defined benefit retirement benefit scheme (the "Malaysia Scheme") for some of its eligible employees in Malaysia. The Group's obligation under the Malaysia Scheme is calculated using the projected unit credit method, and is determined based on actuarial computations by independent actuaries, through which the amount of benefit that employees have earned in return for their services in the current and prior years is estimated. That benefit is discounted in order to determine its present value.

Other countries

Employees in other countries are under separate pension schemes which are defined contribution plans set up in the countries that the Group operates.

The assets of all retirement plans are held separately from those of the Group in independently administered funds. The defined benefit plans and defined contribution plans are generally funded by payments from the relevant Group's companies and/or their respective employees.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, sales to the Group's 5 largest customers accounted for less than 30% of the total sales for the year. The percentage of purchases for the year attributable to the Group's major suppliers are as follows:

— the largest supplier	21%
— 5 largest suppliers combined	40%

Tan Sri Datuk Sir TIONG Hiew King and Dato' Sri Dr TIONG Ik King are both directors and shareholders of the Company. They are also shareholders of R.H. Development Corporation Sdn Bhd and Rimbunan Hijau Estate Sdn Bhd, which are shareholders of one of the five largest suppliers, Malaysian Newsprint Industries Sdn Bhd.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Bye-Laws and there was no restriction against such rights under the laws in Bermuda.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company, as at the date of this report, it is confirmed that there is sufficient public float of not less than 25% of the Company's issued shares as required under the HK Listing Rules and Bursa Securities Listing Requirements.

AUDITOR

The financial statements have been audited by PricewaterhouseCoopers who retires and, being eligible, offers itself for re-appointment at the forthcoming annual general meeting.

On behalf of the Board

TIONG Kiew Chiong
Director
29 May 2013

Statement of Directors' Responsibilities in relation to the Financial Statements

The following statement, which should be read in conjunction with the Independent Auditor's Report set out on pages 80 to 81, is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and of the Auditor in relation to the financial statements.

Directors are responsible for the preparation of the Group's financial statements in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB") and the disclosure requirements of the Hong Kong Companies Ordinance. The financial statements are required by law to give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

— select suitable accounting policies and then apply them consistently;

— make judgements and estimates that are reasonable and prudent;

— state whether the financial statements comply with IFRSs as issued by the IASB; and

— prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report

羅兵咸永道

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

TO THE SHAREHOLDERS OF MEDIA CHINESE INTERNATIONAL LIMITED
(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Media Chinese International Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 82 to 163, which comprise the consolidated and company statements of financial position as at 31 March 2013, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

PricewaterhouseCoopers, 22/F, Prince's Building, Central, Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

Independent Auditor's Report

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2013, and of the Group's profit and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out on page 164 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

This report, including the opinion, has been prepared for and only for you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 29 May 2013

Consolidated Income Statement

	Note	Year ended 31 March 2013 US$'000	2012 US$'000
Turnover	5	**477,853**	472,237
Cost of goods sold		**(289,116)**	(285,492)
Gross profit		**188,737**	186,745
Other income	6	**11,875**	9,707
Other gains, net	7	**3,165**	3,037
Selling and distribution expenses		**(72,511)**	(70,489)
Administrative expenses		**(42,045)**	(36,969)
Other operating expenses		**(8,261)**	(6,516)
Operating profit		**80,960**	85,515
Finance costs	9	**(3,417)**	(339)
Share of losses of jointly controlled entities and associates	21	**(142)**	(294)
Gain on dilution of interest in an associate	21	**–**	33
Profit before income tax		**77,401**	84,915
Income tax expense	10	**(19,125)**	(20,572)
Profit for the year		**58,276**	64,343
Profit attributable to:			
Owners of the Company		**56,985**	63,209
Non-controlling interests		**1,291**	1,134
		58,276	64,343
Earnings per share attributable to owners of the Company			
Basic (US cents)	12	**3.38**	3.75
Diluted (US cents)	12	**3.38**	3.75

The notes on pages 90 to 163 are an integral part of these consolidated financial statements.

	Note	Year ended 31 March 2013 US$'000	2012 US$'000
Dividends	13	**254,195**	44,678

Consolidated Statement of Comprehensive Income

	Year ended 31 March	
	2013	2012
	US$'000	US$'000
Profit for the year	**58,276**	64,343
Other comprehensive (losses)/income		
Currency translation differences	**(591)**	(3,941)
Currency translation differences released upon disposal of subsidiaries	**(1,413)**	–
Actuarial losses of defined benefit plan assets	**(141)**	(830)
Actuarial gains/(losses) of long service payment obligations	**79**	(93)
Others	**46**	–
Other comprehensive losses for the year, net of tax	**(2,020)**	(4,864)
Total comprehensive income for the year	**56,256**	59,479
Total comprehensive income for the year attributable to:		
Owners of the Company	**54,943**	58,287
Non-controlling interests	**1,313**	1,192
	56,256	59,479

The notes on pages 90 to 163 are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

	Note	At 31 March 2013 US$'000	2012 US$'000
ASSETS			
Non-current assets			
Property, plant and equipment	*16*	**150,935**	151,049
Investment properties	*17*	**17,579**	11,212
Land use rights	*18*	**–**	2,025
Intangible assets	*19*	**77,908**	78,124
Deferred income tax assets	*20*	**1,674**	1,426
Interests in jointly controlled entities and associates	*21*	**3,142**	2,253
		251,238	246,089
Current assets			
Inventories	*25*	**50,128**	57,899
Available-for-sale financial assets	*26*	**97**	97
Financial assets at fair value through profit or loss	*22*	**230**	191
Investment in convertible notes — debt portion	*22*	**–**	568
Trade and other receivables	*27*	**74,695**	76,140
Income tax recoverable		**870**	1,625
Cash and cash equivalents	*28*	**101,829**	134,657
		227,849	271,177
Current liabilities			
Trade and other payables	*29*	**72,898**	70,623
Income tax liabilities		**7,147**	5,520
Short-term bank borrowings	*30*	**170,602**	5,285
Current portion of long-term liabilities	*31*	**58**	145
		250,705	81,573
Net current (liabilities)/assets		**(22,856)**	189,604
Total assets less current liabilities		**228,382**	435,693

Consolidated Statement of Financial Position

	Note	At 31 March 2013 US$'000	2012 US$'000
EQUITY			
Equity attributable to owners of the Company			
Share capital	*32*	**21,715**	21,715
Share premium	*32*	**54,664**	280,818
Other reserves	*33*	**(74,282)**	(72,679)
Retained earnings			
— Proposed dividend	*13*	**17,125**	24,431
— Others		**187,784**	159,279
		204,909	183,710
		207,006	413,564
Non-controlling interests		**6,939**	6,229
Total equity		**213,945**	419,793
Non-current liabilities			
Other long-term liabilities	*31*	**1,332**	1,348
Deferred income tax liabilities	*20*	**13,105**	14,552
		14,437	15,900
		228,382	435,693

The notes on pages 90 to 163 are an integral part of these consolidated financial statements.

The financial statements and supplementary information on pages 82 to 164 were approved by the Board of Directors on 29 May 2013 and were signed on its behalf by:

Tan Sri Datuk Sir TIONG Hiew King
Director

TIONG Kiew Chiong
Director

Statement of Financial Position

	Note	At 31 March 2013 US$'000	2012 US$'000
ASSETS			
Non-current assets			
Interests in subsidiaries	*23*	**430,541**	430,541
Current assets			
Other receivables	*27*	**55**	52
Cash and cash equivalents	*28*	**96**	56
		151	108
Current liabilities			
Other payables	*29*	**5,485**	5,535
Short-term bank borrowings	*30*	**160,519**	–
		166,004	5,535
Net current liabilities		**(165,853)**	(5,427)
Total assets less current liabilities		**264,688**	425,114
EQUITY			
Equity attributable to owners of the Company			
Share capital	*32*	**21,715**	21,715
Share premium	*32*	**54,664**	280,818
Other reserves	*33*	**28,845**	24,741
Retained earnings			
— Proposed dividend	*13*	**17,125**	24,431
— Others		**142,339**	73,409
	34	**159,464**	97,840
Total equity		**264,688**	425,114

The notes on pages 90 to 163 are an integral part of these financial statements.

The financial statements and supplementary information on pages 82 to 164 were approved by the Board of Directors on 29 May 2013 and were signed on its behalf by:

Tan Sri Datuk Sir TIONG Hiew King
Director

TIONG Kiew Chiong
Director

Consolidated Statement of Changes in Equity

	Attributable to owners of the Company						
	Share capital US$'000	Share premium US$'000	Other reserves US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
Balance at 1 April 2011	21,681	280,299	(67,757)	160,185	394,408	5,457	399,865
Comprehensive income							
Profit for the year	–	–	–	63,209	63,209	1,134	64,343
Other comprehensive (losses)/income							
Currency translation differences	–	–	(4,003)	–	(4,003)	62	(3,941)
Actuarial losses of defined benefit plan assets	–	–	(830)	–	(830)	–	(830)
Actuarial losses of long service payment obligations	–	–	(89)	–	(89)	(4)	(93)
Other comprehensive (losses)/income, net of tax	–	–	(4,922)	–	(4,922)	58	(4,864)
Total comprehensive (losses)/income for the year	–	–	(4,922)	63,209	58,287	1,192	59,479
Total contributions by and distributions to owners of the Company recognised directly in equity							
Exercise of share options	34	520	–	–	554	–	554
Repurchase of ordinary shares	–	(1)	–	–	(1)	–	(1)
2011 second interim dividend paid	–	–	–	(19,437)	(19,437)	–	(19,437)
2012 special dividend paid	–	–	–	(6,749)	(6,749)	–	(6,749)
2012 first interim dividend paid	–	–	–	(13,498)	(13,498)	–	(13,498)
Total contributions by and distributions to owners of the Company	34	519	–	(39,684)	(39,131)	–	(39,131)
2011 final dividend paid by a listed subsidiary	–	–	–	–	–	(286)	(286)
2012 interim dividend paid by a listed subsidiary	–	–	–	–	–	(134)	(134)
Total transactions with owners	34	519	–	(39,684)	(39,131)	(420)	(39,551)
Balance at 31 March 2012	21,715	280,818	(72,679)	183,710	413,564	6,229	419,793

Consolidated Statement of Changes in Equity

	Attributable to owners of the Company						
	Share capital US$'000	Share premium US$'000	Other reserves US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
Balance at 1 April 2012	21,715	280,818	(72,679)	183,710	413,564	6,229	419,793
Comprehensive income							
Profit for the year	–	–	–	56,985	56,985	1,291	58,276
Other comprehensive (losses)/income							
Currency translation differences	–	–	(609)	–	(609)	18	(591)
Currency translation differences released upon disposal of subsidiaries *(note 41)*	–	–	(1,413)	–	(1,413)	–	(1,413)
Actuarial losses of defined benefit plan assets	–	–	(141)	–	(141)	–	(141)
Actuarial gains of long service payment obligations	–	–	75	–	75	4	79
Others	–	–	46	–	46	–	46
Other comprehensive (losses)/income, net of tax	–	–	(2,042)	–	(2,042)	22	(2,020)
Total comprehensive (losses)/income for the year	–	–	(2,042)	56,985	54,943	1,313	56,256
Total contributions by and distributions to owners of the Company recognised directly in equity							
Transferred from share premium to contributed surplus *(note 32(c))*	–	(226,154)	226,154	–	–	–	–
2012 second interim dividend paid	–	–	–	(24,431)	(24,431)	–	(24,431)
2013 special dividend paid	–	–	(225,715)	–	(225,715)	–	(225,715)
2013 first interim dividend paid	–	–	–	(11,355)	(11,355)	–	(11,355)
Total contributions by and distributions to owners of the Company	–	(226,154)	439	(35,786)	(261,501)	–	(261,501)
Capital contribution from a non-controlling interest of a newly incorporated subsidiary	–	–	–	–	–	297	297
2013 interim dividends paid by a subsidiary	–	–	–	–	–	(70)	(70)
2012 final dividend paid by a listed subsidiary	–	–	–	–	–	(553)	(553)
2013 interim dividend paid by a listed subsidiary	–	–	–	–	–	(277)	(277)
Total transactions with owners	–	(226,154)	439	(35,786)	(261,501)	(603)	(262,104)
Balance at 31 March 2013	21,715	54,664	(74,282)	204,909	207,006	6,939	213,945

The notes on pages 90 to 163 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

	Note	Year ended 31 March 2013 US$'000	2012 US$'000
Cash flows from operating activities			
Cash generated from operations	*36(a)*	**99,365**	99,918
Interest paid		**(2,855)**	(339)
Income tax paid		**(18,173)**	(20,113)
Net cash generated from operating activities		**78,337**	79,466
Cash flows from investing activities			
Formation of jointly controlled entities	*21*	**(1,032)**	–
Acquisition of a subsidiary, net of cash acquired		**(75)**	–
Acquisition of an associate		**–**	(64)
Acquisition of an exchangeable bond — equity derivatives		**(1,145)**	–
Purchases of property, plant and equipment		**(17,218)**	(7,200)
Purchases of intangible assets		**(1,606)**	(586)
Purchase of an investment property		**(3,402)**	–
Proceeds from disposal of property, plant and equipment	*36(b)*	**193**	292
Proceeds from disposal of investment properties		**–**	206
Proceeds from disposal of convertible notes	*22*	**1,694**	–
Net cash inflow from disposal of subsidiaries	*41*	**4,480**	–
Interest received		**2,379**	2,543
Dividends received		**10**	10
Net cash used in investing activities		**(15,722)**	(4,799)
Cash flows from financing activities			
Repurchase of ordinary shares		**–**	(1)
Proceeds from exercise of share options		**–**	554
Dividends paid		**(261,501)**	(39,684)
Dividends paid to non-controlling interests by a listed subsidiary		**(830)**	(420)
Dividends paid to non-controlling interests by a subsidiary		**(70)**	–
Capital contribution from a non-controlling interest of a newly incorporated subsidiary		**297**	–
Proceeds from bank borrowings		**184,622**	15,846
Repayments of bank borrowings		**(17,806)**	(25,450)
Capital element of finance lease payments		**–**	(734)
Net cash used in financing activities		**(95,288)**	(49,889)
Net (decrease)/increase in cash and cash equivalents		**(32,673)**	24,778
Cash and cash equivalents at beginning of year		**134,657**	110,519
Exchange adjustments on cash and cash equivalents		**(155)**	(640)
Cash and cash equivalents at end of year	*28*	**101,829**	134,657

The notes on pages 90 to 163 are an integral part of these consolidated financial statements.

Notes to the Financial Statements

For the year ended 31 March 2013

1 GENERAL INFORMATION

Media Chinese International Limited (the "Company") is a limited liability company incorporated in Bermuda. Its registered address is Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda.

The Company is an investment holding company. The principal activities of its subsidiaries are the publishing, printing and distribution of newspapers, magazines, digital contents and books in primarily Chinese language, and the provision of travel and travel related services in Hong Kong, Mainland China, North America, Malaysia and other Southeast Asian countries. The shares of the Company have been listed on The Stock Exchange of Hong Kong Limited (the "HK Stock Exchange") since 22 March 1991 and subsequently dual-listed on Bursa Malaysia Securities Berhad ("Bursa Securities") on 30 April 2008.

These consolidated financial statements are presented in US dollar ("US$"), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 29 May 2013.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Company and its subsidiaries (collectively the "Group") have been prepared in accordance with International Financial Reporting Standards ("IFRSs"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets at fair value through profit or loss and investment properties, which are carried at fair value.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

(a) New and amended standards adopted by the Group

The International Accounting Standards Board ("IASB") has amended IAS 12, 'Income taxes', to introduce an exception to the principle for the measurement of deferred tax assets or liabilities arising on an investment property measured at fair value. IAS 12 requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. The amendment introduces a rebuttable presumption that an investment property measured at fair value is recovered entirely by sale. The amendment is applicable retrospectively to annual periods beginning on or after 1 January 2012.

As required by the amendment, the Group has re-measured the deferred tax relating to all investment properties according to the tax consequence on the presumption that they are recovered entirely by sales retrospectively, and the impact to the Group's financial statement is considered as insignificant. The comparative figures for the previous year have not been restated accordingly.

Other than as disclosed above, there are no IFRSs or International Financial Reporting Interpretations Committee ("IFRIC") interpretations that are effective for the first time for the financial year beginning on 1 April 2012 that would be expected to have a material impact on the Group.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.1 Basis of preparation *(Continued)*

(b) New accounting standards, amendments to standards and interpretations to existing standards that are not yet effective and have not been early adopted by the Group

The following new standards, amendments and interpretations are effective for annual periods beginning after 1 April 2012, and have not been early adopted in preparing these consolidated financial statements:

		Effective for annual periods beginning on or after
IAS 19 (Revised 2011)	Employee benefits	1 January 2013
IAS 27 (Revised 2011)	Separate financial statements	1 January 2013
IAS 28 (Revised 2011)	Associates and joint ventures	1 January 2013
IFRS 9	Financial instruments	1 January 2015
IFRS 10	Consolidated financial statements	1 January 2013
IFRS 11	Joint arrangement	1 January 2013
IFRS 12	Disclosures of interests in other entities	1 January 2013
IFRS 13	Fair value measurements	1 January 2013
IFRIC-Int 20	Stripping costs in the production phase of a surface mine (November 2011)	1 January 2013
Amendments to IAS 1	Presentation of financial statements on other comprehensive income	1 July 2012
Amendments to IAS 32	Financial instruments: Presentation — Offsetting financial assets and financial liabilities	1 January 2014
Amendments to IFRS 7	Financial instruments: Disclosures — Offsetting financial assets and financial liabilities	1 January 2013
Amendments to IFRS 10 and 12, and IAS 27 (Revised 2011)	Investment entities	1 January 2014
Amendments to IFRS 10, 11 and 12	Transition guidance	1 January 2013
Improvements to IFRSs 2011	Several IFRSs	1 January 2013

IFRS 10, "Consolidated financial statements", builds on existing principles by identifying the concept of control as the determining factors in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess.

The Group has assessed that the adoption of IFRS 10 does not have any financial impact on the Group as all subsidiaries within the Group satisfy the requirements for control under IFRS 10 and there are no new subsidiaries identified under the new guidance.

Apart from IFRS 10, management is in the process of making an assessment of the impact of the standards, amendments and interpretations above. Management is not yet in a position to state what impact they would have, if any, on the Group's results of operations and financial positions.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Subsidiaries

2.2.1 Consolidation

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. The Group also assesses the existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control.

De-facto control may arise from circumstances where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(a) *Business combinations*

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred by the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amount of the acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the amount of non-controlling interest over the fair value of net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

(b) *Changes in ownership interests in subsidiaries without change of control*

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions — that is, as transactions with the owners in their capacity as owners. The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Subsidiaries *(Continued)*

2.2.1 Consolidation *(Continued)*

(c) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.2.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.3 Jointly controlled entities and associates

Jointly controlled entities are entities which operate under a contractual arrangement whereby the Group and other parties undertake an economic activity which is subject to joint control and none of the participating parties has unilateral control over the economic activity.

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Interests in associates are accounted for using the equity method of accounting.

If the ownership interests in associates are reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

Interests in jointly controlled entities and associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's interests in jointly controlled entities and associates include goodwill identified on acquisition, net of any accumulated impairment loss.

Under the equity method, the interest is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's interests in jointly controlled entities and associates include goodwill identified on acquisition.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.3 Jointly controlled entities and associates *(Continued)*

The Group's share of post-acquisition profit or loss is recognised in the consolidated income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in jointly controlled entities and associates equals or exceeds its interests in the jointly controlled entities and associates, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the jointly controlled entities and associates.

The Group determines at each reporting date whether there is any objective evidence that the interests in jointly controlled entities and associates are impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the jointly controlled entities and associates and its carrying amount and recognises the amount adjacent to "Share of losses of jointly controlled entities and associates" in the consolidated income statement.

Profits and losses resulting from upstream and downstream transactions between the Group and its jointly controlled entities and associates are recognised in the Group's financial statements only to the extent of unrelated investors' interests in the jointly controlled entities and associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the jointly controlled entities and associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising from interests in jointly controlled entities and associates are recognised in the consolidated income statement.

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who has been identified as the Group Executive Committee, is responsible for allocating resources, assessing performance of the operating segments and making strategic decisions.

2.5 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates, i.e. the functional currency. The functional currency of the Company is Ringgit Malaysia ("RM"). However, each entity within the Group can present its financial statements in any currency, which can be the same or different from the entity's functional currency. As the Group operates internationally, management considers that it is more appropriate to use US$, a globally recognised currency, as the presentation currency for the Group's consolidated financial statements. For the entity whose functional currency is not the presentation currency, i.e. US$, its results and financial position have been translated into US$.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.5 Foreign currency translation *(Continued)*

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of each reporting period;

(ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

(iii) all resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

(d) Disposal of foreign operation

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a disposal involving loss of joint control over a jointly controlled entity that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

2.6 Property, plant and equipment

Freehold land is not amortised. Buildings which are situated on freehold land, are stated at cost and are depreciated on a straight-line basis over their expected useful lives to the Group, and the principal annual rates used for this purpose range from 2% to 5%.

Buildings which are situated on leasehold land and held for own use are stated at cost and are depreciated on a straight-line basis over the unexpired periods of the leases or their expected useful lives to the Group, whichever is shorter. The principal annual rates used for this purpose range from 2% to 5%.

Leasehold land held for own use under a finance lease is stated at cost and amortised over the period of the lease on a straight-line basis.

Plant and equipment, comprising leasehold improvements, furniture, fixtures, office equipment, machinery, printing equipment and motor vehicles, are stated at cost less accumulated depreciation and accumulated impairment losses. Construction in progress is stated at cost less accumulated impairment losses.

Subsequent costs are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.6 Property, plant and equipment *(Continued)*

Depreciation is calculated using the straight-line method to allocate the assets' costs over their estimated useful lives, as follows:

Leasehold land classified as finance lease	Shorter of remaining lease term of 29 to 82 years and useful life
Leasehold improvements	Shorter of remaining lease term of 3 to 13 years and useful life
Furniture, fixtures and office equipment	2 to 13 years
Machineries and printing equipment	
— Printing equipment	10 to 20 years
— Machineries	3 to 10 years
Motor vehicles	4 to 10 years

The assets' depreciation method, useful lives and residual value are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.9).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "Other operating expenses" in the consolidated income statement.

2.7 Investment property

Investment property, principally comprising leasehold land and buildings, is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group. Land held under operating leases is accounted for as investment properties when the rest of the definition of an investment property is met. In such cases, the operating leases concerned are accounted for as if they were finance leases. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment properties are carried at fair value, representing open market value determined at each reporting date by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are recorded in the consolidated income statement as part of a valuation gain or loss in "Other gains, net".

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, except that the land portion is reclassified as land use right if it is operating lease in nature, and its fair value at the date of reclassification becomes its cost for accounting purposes.

If an item of owner-occupied property becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognised in equity as a revaluation of property, plant and equipment under IAS 16. Any resulting increase in the carrying amount of the property is recognised in the consolidated income statement to the extent that it reverses a previous impairment loss, with any remaining increase recognised directly to revaluation surplus within equity. Any resulting decrease in the carrying amount of the property is charged to the consolidated income statement. Upon the subsequent disposal of the investment property, any revaluation reserve balance of the property is transferred to retained earnings and is shown as a movement in equity.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.8 Intangible assets

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries, jointly controlled entities and associates and represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the amount of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying amount of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(b) Other intangible assets

Other intangible assets primarily comprise costs of computer softwares, archives, mastheads and publishing rights that are acquired by the Group and are stated at cost less accumulated amortisation.

Amortisation of other intangible assets is charged to the consolidated income statement on a straight-line basis over the assets' estimated useful lives. The following other intangible assets with finite useful lives are amortised from the date they are available for use and their estimated useful lives are as follows:

Archives, mastheads, publishing rights	40 years
Computer softwares	5–10 years

2.9 Impairment of investments in subsidiaries, associates, jointly controlled entities and non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.10 Financial assets

2.10.1 Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale. The classification depends on the purposes for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current assets.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amount that are settled or expected to be settled more than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise "Trade and other receivables" (note 2.14) and "Cash and cash equivalents" (note 2.15) in the consolidated statement of financial position.

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of each reporting period.

2.10.2 Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade-date — the date on which the Group commits to purchase or sell the assets. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the consolidated income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the "Financial assets at fair value through profit or loss" category are presented as "Other gains, net" in the consolidated income statement in the period in which they arise.

The fair value of quoted investments is based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.12 Impairment of financial assets

(a) Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

(b) Assets classified as available-for-sale

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For debt securities, the Group uses the criteria referred to in (a) above. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss — measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in consolidated income statement — is removed from equity and recognised in consolidated income statement. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the consolidated income statement, the impairment loss is reversed through the consolidated income statement.

2.13 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.14 Trade and other receivables

Trade and other receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

2.15 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash on hand, bank deposits, other short-term highly liquid investments with original maturities of three months or less.

2.16 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.17 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.18 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.19 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.20 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of each reporting period in the countries where the Company, its subsidiaries, jointly controlled entities and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred income tax

Inside basis differences

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of each reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Outside basis differences

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, jointly controlled entities and associates, except for deferred income tax liabilities where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

(c) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same tax jurisdiction on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.21 Employee benefits

(a) Pension obligations

Group companies operate various pension schemes. These schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Group has both defined contribution and defined benefit plans.

Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee services in the current and prior periods.

The Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available. The Group's defined contribution plans cover eligible employees in Hong Kong, North America, Mainland China, Malaysia and other Southeast Asian countries.

Defined benefit plans

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the consolidated statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in the consolidated income statement unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.21 Employee benefits *(Continued)*

(a) Pension obligations *(Continued)*

Defined benefit plans (Continued)

The Group's defined benefit plans cover eligible employees in Hong Kong and Malaysia.

(i) The defined benefit plan for the Group's employees in Hong Kong is funded by means of an independent pension fund. The liability recognised in the consolidated statement of financial position in respect of the defined benefit plan is the present value of the defined benefit obligations at the end of each reporting period less the fair value of plan assets, together with adjustments for actuarial gains and losses and unrecognised past-service costs. Defined benefit obligations are calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligations is determined by discounting the estimated future cash outflows by reference to market yields of Hong Kong Government's Exchange Fund Notes which are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

(ii) The defined benefit plan for the Group's employees in Malaysia is not funded. The Group's obligation under the plan, calculated using the projected unit credit method, is determined based on actuarial computations by independent actuaries, through which the amount of benefit that the employees have earned in return for their services in the current and prior years is estimated. The benefit is discounted based on the interest rates of high-quality corporate bonds in order to determine its present value.

(b) Profit sharing and bonus plans

The expected cost of profit sharing and bonus plans is recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by the employees and a reliable estimate of the obligation can be made. Liabilities for profit sharing and bonus plans are expected to be settled within 12 months of the end of each reporting period and are measured at the amounts expected to be paid when they are settled.

(c) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to the employees. A provision is made for the estimated liability for annual leave as a result of services rendered by the employees up to the end of each reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(d) Long service payments

The Group's net obligation in respect of long service payments to its employees in Hong Kong upon cessation of their employment in certain circumstances under the Hong Kong Employment Ordinance is the amount of future benefits that the employees have earned in return for their services in the current and prior periods.

The obligation is calculated using the projected unit credit method, discounted to its present value and reduced by entitlements accrued under the Group's retirement schemes that are attributed to contributions made by the Group. The discount rate is the yield at the end of each reporting period of Hong Kong Government's Exchange Fund Notes which have terms to maturity approximating the terms of the related liability. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit plans. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in full in other comprehensive income in the year in which they occur in the consolidated statement of comprehensive income.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.22 Share-based payments

Equity-settled share-based payment transactions

The Group operates a number of equity-settled, share-based compensation plans, under which the Group receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

— including any market performance conditions (for example, the Group's share prices);

— excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the Group over a specified time period); and

— including the impact of any non-vesting conditions (for example, the requirement for employees to save).

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated income statement, with a corresponding adjustment to equity.

When the options are exercised, the Group issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

2.23 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.24 Financial guarantees

A financial guarantee (a kind of insurance contract) is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified customer fails to make payments when due in accordance with the original or modified terms of a debt instrument. The Group does not recognise liabilities for financial guarantees at inception, but performs a liability adequacy test at each reporting date by comparing the carrying amount of the net liability regarding the financial guarantee with its present legal or constructive obligation amount. If the carrying amount of the net liability is less than its present legal or constructive obligation amount, the entire difference is recognised in the consolidated income statement immediately.

2.25 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, business tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Advertising income, net of trade discounts, is recognised when the newspapers and magazines are published.

Revenue from the circulation and subscription sales of newspapers, magazines and books, net of trade discounts and returns, is recognised on the transfer of risks and rewards of ownership, which generally coincides with the date of delivery. Unearned subscription fees received from subscribers are recorded as receipts in advance under trade and other payables in the consolidated statement of financial position.

Revenue from tour operations is based on the percentage of the tour that has been completed, where the revenue from provision of other travel related services is recognised at the point that the services have been rendered.

Revenue from scrap sales of old newspapers and magazines is recognised on the date of delivery.

Licence fees and royalty income are recognised on an accrual basis in accordance with the substance of the relevant agreements.

Interest income is recognised using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

Management fee income is recognised on an accrual basis.

Operating lease rental income is recognised in equal instalments over the periods covered by the lease term.

Dividend income is recognised when the right to receive payment is established.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.26 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the commencement of leases at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in current and non-current liabilities. The interest element of the finance cost is charged to the consolidated income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under a finance lease is depreciated over the shorter of the useful life of the asset and the lease term.

2.27 Dividend distribution

Dividend distributions to the Company's shareholders are recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are declared by the directors in the case of interim and special dividends or approved by the Company's shareholders in the case of final dividends.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including price risk, interest rate risk and foreign exchange risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by management according to the policies of the Group. The Group's management identifies and evaluates financial risks in close co-operation with the Group's operating units.

(a) Market risk

(i) Price risk

The Group is exposed to listed equity securities price risk because investments held by the Group are classified on the consolidated statement of financial position as financial assets at fair value through profit or loss, for which management adopts the indicative market value in accordance with the stock market as its best estimate of the fair values of such securities. Details are set out in note 22. The management monitors the investment portfolio and the related price risk.

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(a) Market risk *(Continued)*

(ii) Interest rate risk

The Group's cash balances are placed with authorised financial institutions, which generate interest income for the Group. They are exposed to the cash flow interest rate risk. The Group manages this risk by placing deposits at various maturities and interest rate terms.

The Group's bank borrowings and obligations under finance leases have exposure to risk arising from changing interest rates. Bank borrowings and obligations under finance leases at variable rates expose the Group to cash flow interest rate risk. The Group manages these risks by maintaining an appropriate level at variable rates for its bank borrowings and obligations under finance leases.

To evaluate the sensitivity of the Group's profit before income tax from possible changes in interest rates, the impact of an interest rate change was modeled on the floating rate of bank borrowings and obligation under finance leases while all other variables were held constant. Based on these assumptions, a hypothetical increase of 100 basis points, or 1% per annum, in interest rates would have reduced the Group's profit before income tax for the years ended 31 March 2013 and 2012 by approximately US$1,706,000 and US$53,000 respectively.

(iii) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to RM, Renminbi ("RMB"), Canadian dollars, Hong Kong dollars ("HK$") and US$. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The assets and liabilities of each entity within the Group are mostly denominated in its own functional currency and do not have material currency impact on the consolidated income statement for the year.

(b) Credit risk

Credit risk is the risk of a loss resulting from the failure of one of the Group's counterparties to discharge its contractual obligations. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and by monitoring exposures in relation to such limits.

The extent of credit risk relating to the Group's trade receivables (according to the extent to which allowance for impairment are warranted) is disclosed in note 27. The Group maintains cash and cash equivalents with reputable financial institutions from which management believes the risk of loss to be remote. The management assesses the credit quality of outstanding cash and cash equivalents balances as high and considers no individually significant exposure. Maximum exposure to credit risk at the reporting date is the carrying value of the cash at banks.

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(c) Liquidity risk

The liquidity risk of the Group is controlled by maintaining sufficient banking facilities and cash and cash equivalents, which are generated from the operating cash flows and financing cash flows.

The table below analyses the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the end of each reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Group		**Company**	
	2013	2012	**2013**	2012
	US$'000	US$'000	**US$'000**	US$'000
Bank borrowings				
within one year	**170,618**	5,297	**160,519**	–
in the second year	**–**	–	**–**	–
in the third to fifth year	**–**	–	**–**	–
	170,618	5,297	**160,519**	–
Trade and other payables within one year	**54,716**	48,197	**1,694**	1,575
Amounts due to subsidiaries within one year	**–**	–	**3,791**	3,960
	225,334	53,494	**166,004**	5,535

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, repurchase of shares, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital.

Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as equity attributable to owners of the Company, as shown in the consolidated statement of financial position.

During the year ended 31 March 2013, the Group's strategy was to maintain a gearing ratio below 40% (2012: 10%).

As at 31 March 2013, the Group's gearing ratio was 33% (2012: zero), primarily due to the drawdown of a short-term bank borrowing to finance, in part, the payment of the special dividend on 28 November 2012 (note 30).

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.3 Insurance risk management

The Company and its subsidiaries issue contracts that transfer significant insurance risk.

The risk relates to the financial guarantees provided to banks by the Company on the borrowings of subsidiaries. The risk under any one financial guarantee contract is the possibility that the insured event (default of a specified debtor) occurs and the uncertainty of the amount of the resulting claims. By the nature of a financial guarantee contract, this risk is predictable.

Experience shows credit risks from the specified debtors are relatively remote. The Company maintains a close watch on the financial position and liquidity of the subsidiaries for which financial guarantees have been granted in order to mitigate such risk. The Company takes all reasonable steps to ensure that they have appropriate information regarding any claim exposures.

3.4 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

— Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

— Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

— Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets that are measured at fair value at 31 March 2013:

	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000	Total US$'000
Financial assets at fair value through profit or loss				
Listed equity securities	**230**	**–**	**–**	**230**
Available-for-sale financial assets				
Unlisted club debentures	**–**	**–**	**97**	**97**
	230	**–**	**97**	**327**

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.4 Fair value estimation *(Continued)*

The following table presents the Group's assets that are measured at fair value at 31 March 2012:

	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000	Total US$'000
Financial assets at fair value through profit or loss				
Listed equity securities	191	–	–	191
Available-for-sale financial assets				
Unlisted club debentures	–	–	97	97
	191	–	97	288

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of each reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the entity-specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There was no transfer between level 1 and level 2 of the fair value hierarchy during the year. There was no change during the year attributable to level 3 of the fair value hierarchy.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes estimates and judgements concerning the future based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) Impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in note 2.8(a). The recoverable amounts of cash-generating units have been determined based on value in use calculations. These calculations require the use of estimates. Changing the assumptions selected by the Group to determine the level, if any, of impairment, including the discount rate or the growth rate assumptions, could significantly affect the Group's reported financial condition and results of operations. The assumptions used are set out in note 19.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(Continued)*

(b) Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

(c) Deferred income tax assets

Management has considered future taxable income and on-going prudent and feasible tax planning strategies in assessing the recognition criteria for deferred income tax assets recorded in relation to cumulative tax loss carried forwards. The assumptions regarding future profitability of various subsidiaries and agreed tax losses with the tax authorities require significant judgement, and significant changes in these assumptions from period to period may have a material impact on the Group's reported financial condition and results of operations.

(d) Fair value of investment properties

Investment properties are stated at fair values which have been determined by accredited independent valuers.

(e) Defined benefit plan liabilities

Determination of the carrying amount of defined benefit plan liabilities requires actuarial assumptions made in respect of discount rate, rate of return on plan assets and rate of future salary increase. Changes to these assumptions could have a significant risk of causing a material adjustment to the carrying amount in the consolidated statement of financial position.

Other key assumptions for defined benefit plan liabilities are based in part on current market conditions. Additional information is disclosed in note 35.

(f) Provision for long service payments

The provision for long service payments is based on the best estimation of the probable future payments that have been earned by the employees from their services to the Group at the end of each reporting period. Actuarial assumptions made in respect of discount rate and rate of future salary increase also determine the carrying amount of the provision for long service payments. Changes to these assumptions could have a significant risk of causing a material adjustment to the carrying amount in the consolidated statement of financial position.

Other key assumptions for provision for long service payments are based in part on current market conditions. Additional information is disclosed in note 31.

(g) Allowance for impairment of interests in jointly controlled entities and associates

The Group assesses the indicators if the interests in jointly controlled entities and associates are impaired. Any allowance for impairment of these investments is based on an assessment of the recoverability of these balances. The identification of impairment of these balances requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying amount of investments and receivables and allowance for impairment losses in the year in which such estimate has been changed.

(h) Useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of the property, plant and equipment of similar nature and functions. Management will alter the depreciation where useful lives are different from the previously estimated lives. It will also write-off or write down non-strategic assets that have been abandoned or sold.

5 TURNOVER AND SEGMENT INFORMATION

The Group has determined the operating segments based on the reports that are reviewed and used by the Group Executive Committee for making strategic decisions.

The Group is organised operationally on a worldwide basis in four major operating segments:

Publishing and printing: Malaysia and other Southeast Asian countries
Publishing and printing: Hong Kong and Mainland China
Publishing and printing: North America
Travel and travel related services

Publishing and printing segment is engaged in the publication of various newspapers and magazines, and other related printed and digital publications in primarily Chinese language. It derives its revenue mainly from advertising and sales of newspapers and magazines. Travel and travel related services segment derives revenue from the sale of travel packages and provision of tour services.

The Group Executive Committee assesses the performance of the operating segments based on a measure of segment profit before income tax as per the internal financial report. Other information provided is measured in a manner consistent with that in the internal financial report.

5 TURNOVER AND SEGMENT INFORMATION *(Continued)*

The Group's turnover and results for the year ended 31 March 2013, analysed by operating segments, are as follows:

	Publishing and printing					
	Malaysia and other Southeast Asian countries US$'000	Hong Kong and Mainland China US$'000	North America US$'000	Sub-total US$'000	Travel and travel related services US$'000	Total US$'000
Turnover	295,809	76,515	27,941	400,265	77,588	477,853
Segment profit/(loss) before income tax	69,985	9,717	(21)	79,681	1,790	81,471
Unallocated interest expense						(3,185)
Other net unallocated expenses						(743)
Share of losses of jointly controlled entities and associates						(142)
Profit before income tax						77,401
Income tax expense						(19,125)
Profit for the year						58,276
Other information:						
Interest income	2,124	249	–	2,373	6	2,379
Interest expense	(232)	–	–	(232)	–	(232)
Depreciation	(8,524)	(1,474)	(483)	(10,481)	(43)	(10,524)
Amortisation of land use rights	–	(35)	–	(35)	–	(35)
Amortisation of intangible assets	(872)	(118)	(84)	(1,074)	(18)	(1,092)
Share of losses of jointly controlled entities and associates	–	(142)	–	(142)	–	(142)
Impairment of investment in an exchangeable bond — equity derivatives	(1,148)	–	–	(1,148)	–	(1,148)
Income tax expense	(16,697)	(1,536)	(374)	(18,607)	(518)	(19,125)

5 TURNOVER AND SEGMENT INFORMATION *(Continued)*

The Group's turnover and results for the year ended 31 March 2012, analysed by operating segments, are as follows:

	Publishing and printing					
	Malaysia and other Southeast Asian countries US$'000	Hong Kong and Mainland China US$'000	North America US$'000	Sub-total US$'000	Travel and travel related services US$'000	Total US$'000
Turnover	291,997	79,924	29,999	401,920	70,317	472,237
Segment profit before income tax	72,718	9,217	1,452	83,387	2,461	85,848
Net unallocated expenses						(672)
Share of losses of associates						(294)
Gain on dilution of interest in an associate						33
Profit before income tax						84,915
Income tax expense						(20,572)
Profit for the year						64,343
Other information:						
Interest income	2,278	285	4	2,567	5	2,572
Interest expense	(286)	(9)	(44)	(339)	–	(339)
Depreciation	(8,309)	(2,146)	(511)	(10,966)	(78)	(11,044)
Amortisation of land use rights	–	(60)	–	(60)	–	(60)
Amortisation of intangible assets	(877)	(88)	(79)	(1,044)	(12)	(1,056)
Share of losses of associates	–	(294)	–	(294)	–	(294)
Gain on dilution of interest in an associate	–	33	–	33	–	33
Income tax expense	(18,581)	(1,180)	(450)	(20,211)	(361)	(20,572)

Turnover is derived from publishing, printing and distribution of newspapers, magazines, digital contents and books in primarily Chinese language, and provision of travel and travel related services. Turnover recognised during the year is as follows:

	Year ended 31 March	
	2013 US$'000	2012 US$'000
Advertising income, net of trade discounts	**286,816**	285,369
Sales of newspapers, magazines, digital contents and books, net of trade discounts and returns	**113,449**	116,551
Travel and travel related service income	**77,588**	70,317
	477,853	472,237

5 TURNOVER AND SEGMENT INFORMATION *(Continued)*

The segment assets as at 31 March 2013 are as follows:

	Publishing and printing						
	Malaysia and other Southeast Asian countries US$'000	Hong Kong and Mainland China US$'000	North America US$'000	Sub-total US$'000	Travel and travel related services US$'000	Elimination US$'000	Total US$'000
Segment assets	373,398	73,512	18,043	464,953	13,786	(2,674)	476,065
Unallocated assets							3,022
Total assets							479,087
Total assets include:							
Interests in jointly controlled entities and associates	–	3,142	–	3,142	–	–	3,142
Additions to non-current assets (other than investment in an exchangeable bond — equity derivatives and deferred income tax assets)	15,855	2,750	3,554	22,159	67	–	22,226

The segment assets as at 31 March 2012 are as follows:

	Publishing and printing						
	Malaysia and other Southeast Asian countries US$'000	Hong Kong and Mainland China US$'000	North America US$'000	Sub-total US$'000	Travel and travel related services US$'000	Elimination US$'000	Total US$'000
Segment assets	408,824	85,138	14,814	508,776	11,352	(6,309)	513,819
Unallocated assets							3,447
Total assets							517,266
Total assets include:							
Interests in associates	–	2,253	–	2,253	–	–	2,253
Additions to non-current assets (other than deferred income tax assets)	5,949	1,520	203	7,672	114	–	7,786

The elimination between segments represented intercompany receivables and payables between segments.

5 TURNOVER AND SEGMENT INFORMATION *(Continued)*

Segment assets consist of property, plant and equipment, investment properties, land use rights, intangible assets, interests in jointly controlled entities and associates, inventories, investment in convertible notes — debt portion, trade and other receivables, and cash and cash equivalents. They exclude deferred income tax assets, available-for-sale financial assets, financial assets at fair value through profit or loss — listed equity securities, income tax recoverable and assets held by the Company.

The Group operates its publishing and printing businesses mainly in Malaysia, other Southeast Asian countries, Hong Kong and Mainland China ("Main operating countries"). Revenue from external customers of the Group's publishing and printing businesses for the year ended 31 March 2013 and 2012, analysed by operating countries, is as follows:

	2013 **US$'000**	2012 US$'000
Main operating countries		
— Malaysia and other Southeast Asian countries	**295,809**	291,997
— Hong Kong and Mainland China	**76,515**	79,924
Other countries	**27,941**	29,999
	400,265	401,920

As at 31 March 2013, the Group's total non-current assets, other than deferred income tax assets, analysed by operating countries, are as follows:

	2013 **US$'000**	2012 US$'000
Main operating countries		
— Malaysia and other Southeast Asian countries	**218,812**	214,714
— Hong Kong and Mainland China	**22,574**	24,464
Other countries	**8,178**	5,485
	249,564	244,663

6 OTHER INCOME

	2013 **US$'000**	2012 US$'000
Scrap sales of old newspapers and magazines	**4,871**	5,610
Interest income	**2,379**	2,572
Other media-related income	**2,099**	–
Rental and management fee income	**1,257**	1,210
Reversal of provision for service tax	**741**	–
Licence fee and royalty income	**337**	305
Dividend income	**10**	10
Others	**181**	–
	11,875	9,707

7 OTHER GAINS, NET

	2013 US$'000	2012 US$'000
Gain on disposal of subsidiaries *(note 41)*	**1,243**	–
Gain on disposal of convertible notes *(note 22(b))*	**1,126**	–
Net exchange gain	**231**	534
Fair value gains/(losses) on financial assets at fair value through profit or loss	**38**	(22)
Fair value gains on investment properties	**17**	118
Others	**510**	2,407
	3,165	3,037

8 EXPENSES BY NATURE

	2013 US$'000	2012 US$'000
Amortisation of intangible assets	**1,092**	1,056
Amortisation of land use rights	**35**	60
Auditor's remuneration		
Current year	**959**	693
(Over)/under provision in prior years	**(13)**	33
Depreciation	**10,524**	11,044
Direct costs of travel and travel related services	**67,109**	61,427
Employee benefit expense (including directors' emoluments) *(note 14)*	**116,927**	107,224
Losses/(gains) on disposal of property, plant and equipment — net *(note 36(b))*	**410**	(27)
Gains on disposal of investment properties	**–**	(19)
Losses on disposal of intangible assets *(note 19)*	**11**	–
Impairment of investment in an exchangeable bond — equity derivatives	**1,148**	–
Operating lease expenses		
Land and buildings	**2,149**	2,033
Machineries	**19**	18
Allowance for impairment and written off of trade receivables	**171**	205
Allowance for inventory obsolescence	**107**	102
Raw materials and consumables used	**115,055**	118,065
Other expenses	**96,230**	97,552
Total cost of goods sold, selling and distribution expenses, administrative expenses, and other operating expenses	**411,933**	399,466

9 FINANCE COSTS

	2013 US$'000	2012 US$'000
Interest on bank borrowings	**3,417**	295
Interest element of finance lease payments	**–**	44
	3,417	339

10 INCOME TAX EXPENSE

Income tax for the Group's Hong Kong operations has been provided at the rate of 16.5% (2012: 16.5%) on the estimated assessable profit derived from Hong Kong for the year. Income tax for the Group's Malaysian operations is calculated at the rate of 25% (2012: 25%) on the estimated assessable profit derived from Malaysia for the year. Taxation on other countries' profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

	2013 US$'000	2012 US$'000
Hong Kong taxation		
Current year	**1,704**	1,687
Over provision in prior years	**(13)**	–
Malaysian taxation		
Current year	**18,396**	17,712
(Over)/under provision in prior years	**(36)**	39
Other countries' taxation		
Current year	**401**	471
Under provision in prior years	**209**	3
Deferred income tax (credit)/expense *(note 20)*	**(1,536)**	660
	19,125	20,572

10 INCOME TAX EXPENSE *(Continued)*

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

	2013	2012
	US$'000	US$'000
Profit before income tax	**77,401**	84,915
Tax calculated at domestic tax rates applicable to profits in the respective countries	**17,420**	20,453
Income not subject to tax	**(144)**	(197)
Expenses not deductible for tax purposes	**1,566**	842
Utilisation of previously unrecognised tax losses	**(434)**	(521)
Temporary differences not recognised	**(157)**	90
Utilisation of current year's reinvestment allowance	**–**	(392)
Under provision in prior years — current tax	**160**	42
Tax losses for which no deferred income tax asset was recognised	**1,006**	1,133
Recognition of deferred tax assets arising from previously unrecognised tax losses	**(301)**	(812)
Under/(over) provision in prior years — deferred tax	**9**	(66)
Income tax expense	**19,125**	20,572

The weighted average applicable tax rate for the year was 23% (2012: 24%).

11 PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

The profit attributable to owners of the Company was dealt with in the financial statements of the Company to the extent of US$97,410,000 (2012: US$38,510,000).

12 EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2013	2012
Profit attributable to owners of the Company *(US$'000)*	**56,985**	63,209
Weighted average number of ordinary shares in issue	**1,687,240,655**	1,686,608,949
Basic earnings per share *(US cents)*	**3.38**	3.75

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares, which are the share options. The number of shares that would have been issued assuming the exercise of share options less the number of shares that could have been issued at fair value (determined as the average price of the Company's shares during the financial year) for the same total proceeds is the number of shares issued for no consideration. The number of shares issued for no consideration is added to the weighted average number of ordinary shares in issue to arrive at the weighted average number of shares for diluted earnings per share.

The share option scheme of the Company expired on 20 August 2011 and no new share option scheme has been adopted by the Company.

	2013	2012
Profit attributable to owners of the Company *(US$'000)*	**56,985**	63,209
Weighted average number of ordinary shares in issue	**1,687,240,655**	1,686,608,949
Adjustment for share options	**–**	363,463
Weighted average number of ordinary shares for diluted earnings per share	**1,687,240,655**	1,686,972,412
Diluted earnings per share *(US cents)*	**3.38**	3.75

13 DIVIDENDS

	2013 US$'000	2012 US$'000
Dividends attributable to the year:		
Special, paid, US$0.13 (equivalent to RM0.41 or HK$1.01) (2012: US0.400 cents) per ordinary share *(note (a))*	**225,715**	6,749
First interim, paid, US0.673 cents (2012: US0.800 cents) per ordinary share *(note (b))*	**11,355**	13,498
Second interim, declared after the end of the reporting period of US1.015 cents (2012: US1.448 cents) per ordinary share *(note (c))*	**17,125**	24,431
	254,195	44,678
Dividends paid during the year:		
Second interim, 2012, US1.448 cents (2011: US1.153 cents) per ordinary share *(note (d))*	**24,431**	19,437
Special, 2013, US$0.13 (equivalent to RM0.41 or HK$1.01) (2012: US0.400 cents) per ordinary share	**225,715**	6,749
First interim, 2013, US0.673 cents (2012: US0.800 cents) per ordinary share	**11,355**	13,498
	261,501	39,684

13 DIVIDENDS *(Continued)*

Notes:

(a) The special dividend of US$0.13 (equivalent to RM0.41 or HK$1.01) (2012: US0.400 cents) per ordinary share amounting to US$225,715,000 was paid on 28 November 2012. The total dividend paid was different from the declared dividend stated in the circular dated 25 September 2012. This was caused by the fluctuations in exchange rates between the dividend declaration date and the dividend payment date.

(b) The first interim dividend of US0.673 cents (2012: US0.800 cents) per ordinary share amounting to US$11,355,000 was paid on 15 January 2013.

(c) On 29 May 2013, the Board of Directors has declared a second interim dividend of US1.015 cents per ordinary share in lieu of a final dividend for the year ended 31 March 2013. The dividend will be payable on 31 July 2013 in cash in RM or in HK$ at exchange rates determined on 29 May 2013 by reference to the middle exchange rates applicable to US$ at 12:00 noon as quoted by Bank Negara Malaysia to ordinary shareholders, whose names appear on the register of members of the Company at the close of business on 12 July 2013. No tax is payable on the dividend declared by the Company to be received by shareholders in Malaysia as it is income from foreign source in accordance to paragraph 28 of Schedule 6 of Malaysian Income Tax Act 1967.

The middle exchange rates at 12:00 noon on 29 May 2013 as quoted by Bank Negara Malaysia of US$ to RM and US$ to HK$, and the amount of the second interim dividend payable is as follows:

	Exchange rates	**Dividend per ordinary share**
US$ to RM	3.0575	3.103 sen
US$ to HK$	7.7634	HK7.880 cents

(d) The 2012 second interim dividend represented a dividend of US1.448 cents per ordinary share in respect of the year ended 31 March 2012 and was paid to shareholders of the Company on 27 June 2012.

14 EMPLOYEE BENEFIT EXPENSE

	Group	
	2013	2012
	US$'000	US$'000
Wages and salaries	**84,458**	81,367
Unutilised annual leave	**98**	135
Pension costs — defined contribution plans	**7,839**	7,422
Pension income — defined benefit plans *(note 35(b))*	**(80)**	(68)
Long service payments *(note 31(a))*	**107**	124
Other staff costs	**24,505**	18,244
	116,927	107,224

15 DIRECTORS', CHIEF EXECUTIVES' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) The remuneration of every director and chief executive for the years ended 31 March 2013 and 2012 is set out below:

Name of Director	Fees US$'000	Salaries, allowances and benefits in kind US$'000	Bonuses US$'000	Employer's contributions to pension schemes US$'000	Total US$'000
Group Chief Executive Officer and executive director					
Mr TIONG Kiew Chiong *(note 2)*	**15**	**303**	**129**	**15**	**462**
Executive directors					
Tan Sri Datuk Sir TIONG Hiew King *(note 3)*	**369**	**–**	**65**	**–**	**434**
Dato' Sri Dr TIONG Ik King	**21**	**–**	**–**	**–**	**21**
Mr NG Chek Yong	**–**	**216**	**73**	**41**	**330**
Ms SIEW Nyoke Chow *(note 5)*	**–**	**224**	**72**	**43**	**339**
Mr LEONG Chew Meng *(note 6)*	**–**	**–**	**–**	**–**	**–**
Non-executive directors					
Mr LEONG Chew Meng *(note 6)*	**25**	**2**	**–**	**–**	**27**
Ms TIONG Choon *(note 7)*	**–**	**–**	**–**	**–**	**–**
Independent non-executive directors					
Mr David YU Hon To *(note 4)*	**53**	**–**	**–**	**–**	**53**
Tan Sri Dato' LAU Yin Pin	**28**	**2**	**–**	**–**	**30**
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	**28**	**2**	**–**	**–**	**30**
Total for the year ended 31 March 2013	**539**	**749**	**339**	**99**	**1,726**
Group Chief Executive Officer and executive director					
Mr TIONG Kiew Chiong *(note 2)*	15	293	166	15	489
Executive directors					
Tan Sri Datuk Sir TIONG Hiew King *(note 3)*	359	–	65	–	424
Mr TIONG Kiu King *(note 1)*	29	–	–	–	29
Dato' Sri Dr TIONG Ik King	21	–	–	–	21
Mr NG Chek Yong *(note 8)*	–	17	3	3	23
Ms SIEW Nyoke Chow	–	212	70	42	324
Ms SIM Sai Hoon *(note 9)*	–	95	29	16	140
Non-executive directors					
Mr LEONG Chew Meng	22	2	–	–	24
Ms SIM Sai Hoon *(note 9)*	11	1	–	–	12
Independent non-executive directors					
Mr David YU Hon To *(note 4)*	49	–	–	–	49
Tan Sri Dato' LAU Yin Pin	25	3	–	–	28
Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	25	3	–	–	28
Total for the year ended 31 March 2012	556	626	333	76	1,591

15 DIRECTORS', CHIEF EXECUTIVES' AND SENIOR MANAGEMENT'S EMOLUMENTS

(Continued)

(a) The remuneration of every director and chief executive for the years ended 31 March 2013 and 2012 is set out below: *(Continued)*

Notes:

(1) The director's fee for Mr TIONG Kiu King paid in 2011/2012 included his fee as an executive director of One Media in the amount of US$12,000.

(2) The director's fee for Mr TIONG Kiew Chiong included his fee and bonus as an executive director of One Media in the amount of US$115,000 (2012: US$105,000).

(3) The director's fee for Tan Sri Datuk Sir TIONG Hiew King included his fee as a non-executive director of One Media in the amount of US$15,000 (2012: nil).

(4) The director's fee for Mr David YU Hon To included his fee as an independent non-executive director of One Media in the amount of US$22,000 (2012: US$22,000).

(5) Ms SIEW Nyoke Chow resigned as an executive director on 31 March 2013.

(6) Mr LEONG Chew Meng has been re-designated from a non-executive director to an executive director with effect from 31 March 2013.

(7) Ms TIONG Choon has been appointed as a non-executive director with effect from 31 March 2013.

(8) Mr NG Chek Yong was appointed as an executive director on 1 March 2012.

(9) Ms SIM Sai Hoon was re-designated from an executive director to a non-executive director on 1 October 2011, and resigned on 1 April 2012.

(10) During the years ended 31 March 2013 and 2012, no option was granted to the directors under the Post-IPO Scheme of One Media.

(11) No director waived any emoluments and no emoluments were paid to the directors as an inducement fee to join or as compensation for loss of office during the years ended 31 March 2013 and 2012.

(b) The five highest paid individuals during the year include four (2012: two) executive directors whose emoluments are reflected in the analysis presented above. The emoluments paid to the remaining one (2012: three) individual(s) during the year are as follows:

	2013 **US$'000**	2012 US$'000
Basic salaries, bonuses, other allowances and benefits in kind	**476**	1,179
Contributions to pension schemes	**2**	61
	478	1,240

The emoluments of the one (2012: three) individual(s) fall within the following bands:

	Number of individuals	
	2013	2012
From US$257,865 to US$322,330 (equivalent to HK$2,000,001 to HK$2,500,000)	**–**	–
From US$322,331 to US$386,797 (equivalent to HK$2,500,001 to HK$3,000,000)	**–**	1
From US$386,798 to US$451,264 (equivalent to HK$3,000,001 to HK$3,500,000)	**–**	1
From US$451,265 to US$515,730 (equivalent to HK$3,500,001 to HK$4,000,000)	**1**	1
	1	3

16 PROPERTY, PLANT AND EQUIPMENT

	Group											
	Other properties											
	Freehold land and buildings outside Hong Kong US$'000	Leasehold land held on long-term leases outside Hong Kong US$'000	Buildings held on long-term leases outside Hong Kong US$'000	Leasehold land held on medium-term leases in Hong Kong US$'000	Buildings held on medium-term leases in Hong Kong US$'000	Leasehold land held on medium-term leases outside Hong Kong US$'000	Buildings held on medium-term leases outside Hong Kong US$'000	Leasehold improvements, furniture, fixtures and office equipment US$'000	Machineries and printing equipment US$'000	Motor vehicles US$'000	Construction-in-progress US$'000	Total US$'000
At 31 March 2011												
Cost	27,549	7,498	16,362	15,326	8,755	12,069	16,957	41,679	125,454	3,024	123	274,796
Accumulated depreciation	(1,846)	(1,029)	(4,337)	(5,177)	(3,599)	(1,025)	(3,846)	(30,474)	(64,285)	(2,033)	–	(117,651)
Net book amount	25,703	6,469	12,025	10,149	5,156	11,044	13,111	11,205	61,169	991	123	157,145
Year ended 31 March 2012												
Opening net book amount	25,703	6,469	12,025	10,149	5,156	11,044	13,111	11,205	61,169	991	123	157,145
Additions	261	–	1	–	–	86	13	4,858	1,048	637	296	7,200
Exchange adjustments	(349)	(83)	(149)	22	14	(140)	(160)	(104)	(731)	(8)	(1)	(1,689)
Reclassifications	–	–	–	–	–	–	1,063	(3,754)	2,734	–	(43)	–
Transferred to intangible assets	–	–	–	–	–	–	–	(225)	–	–	(73)	(298)
Disposals	–	–	–	–	–	–	(100)	(46)	(53)	(66)	–	(265)
Depreciation *(note (b))*	(336)	(122)	(700)	(279)	(244)	(251)	(796)	(2,296)	(5,617)	(403)	–	(11,044)
Closing net book amount	25,279	6,264	11,177	9,892	4,926	10,739	13,131	9,638	58,550	1,151	302	151,049
At 31 March 2012												
Cost	27,424	7,401	16,158	15,363	8,777	12,002	17,694	39,963	127,461	3,119	302	275,664
Accumulated depreciation	(2,145)	(1,137)	(4,981)	(5,471)	(3,851)	(1,263)	(4,563)	(30,325)	(68,911)	(1,968)	–	(124,615)
Net book amount	25,279	6,264	11,177	9,892	4,926	10,739	13,131	9,638	58,550	1,151	302	151,049
Year ended 31 March 2013												
Opening net book amount	25,279	6,264	11,177	9,892	4,926	10,739	13,131	9,638	58,550	1,151	302	151,049
Additions	894	674	–	–	–	1,284	1,866	4,026	4,375	606	3,493	17,218
Exchange adjustments	(251)	(81)	(99)	1	–	(75)	(137)	(93)	(527)	(9)	(10)	(1,281)
Reclassifications	–	(4,598)	(652)	–	–	4,598	652	–	1,965	–	(1,965)	–
Transferred to investment properties	–	–	–	–	–	(1,282)	(1,783)	–	–	–	–	(3,065)
Disposals	–	–	–	–	–	–	–	(65)	(445)	(93)	–	(603)
Disposals of subsidiaries *(note 41)*	–	–	(198)	–	–	–	(910)	(170)	(558)	(23)	–	(1,859)
Depreciation *(note (b))*	(355)	(35)	(621)	(280)	(244)	(339)	(900)	(2,312)	(5,041)	(397)	–	(10,524)
Closing net book amount	25,567	2,224	9,607	9,613	4,682	14,925	11,919	11,024	58,319	1,235	1,820	150,935
At 31 March 2013												
Cost	28,037	2,406	14,353	15,365	8,777	17,492	17,548	39,137	121,726	2,974	1,820	269,635
Accumulated depreciation	(2,470)	(182)	(4,746)	(5,752)	(4,095)	(2,567)	(5,629)	(28,113)	(63,407)	(1,739)	–	(118,700)
Net book amount	25,567	2,224	9,607	9,613	4,682	14,925	11,919	11,024	58,319	1,235	1,820	150,935

16 PROPERTY, PLANT AND EQUIPMENT *(Continued)*

Notes:

(a) Certain property, plant and equipment are pledged as collateral for the Group's banking facilities. The details are set out in note 37 to the financial statements.

(b) Depreciation expense of US$5,041,000 (2012: US$5,617,000) was included in "Cost of goods sold" and US$5,483,000 (2012: US$5,427,000) was charged in "Other operating expenses".

17 INVESTMENT PROPERTIES

	Group	
	2013	2012
	US$'000	US$'000
At 1 April	**11,212**	11,428
Additions	**3,402**	–
Transferred from property, plant and equipment	**3,065**	–
Net gain from fair value adjustments	**17**	118
Disposals	**–**	(187)
Exchange adjustments	**(117)**	(147)
At 31 March	**17,579**	11,212

The fair value of the Group's investment properties is analysed as follows:

	Group	
	2013	2012
	US$'000	US$'000
In Malaysia, held on:		
Freehold	**5,454**	5,515
Leases of over 50 years	**8,925**	5,697
	14,379	11,212
In USA, held on:		
Freehold	**3,200**	–
	17,579	11,212

Investment properties are stated at fair values, which have been determined based on valuations performed by Raine & Horne International Zaki + Partners Sdn Bhd and Betsy Mak Appraisal Group, accredited independent valuers. The fair values represent the amounts at which the assets could be exchanged between knowledgeable, willing parties in arm's length transactions at the dates of valuation.

17 INVESTMENT PROPERTIES *(Continued)*

The following amounts have been recognised in the consolidated income statement:

	Group	
	2013	2012
	US$'000	US$'000
Rental income	**921**	915
Direct operating expenses arising from investment properties that generate rental income	**(72)**	(55)
	849	860

At 31 March 2013, the Group has future aggregate minimum rental receivables under non-cancellable operating leases as follows:

	Group	
	2013	2012
	US$'000	US$'000
No later than one year	**132**	629
Later than one year and no later than five years	**1,836**	542
Later than five years	**–**	254
	1,968	1,425

17 INVESTMENT PROPERTIES *(Continued)*

Particulars of the Group's investment properties as at 31 March 2013 are as follows:

	Location	Tenure/ Expiry of lease	Uses	US$'000
1	V5-09-05, Block 5, Sri Palma Villa, Jalan KL-Seremban, Bandar University Teknologi Lagenda, 71700 Mantin, Negeri Sembilan Darul Khusus, Malaysia	Freehold	Residential building (1 unit of service apartment)	23
2	PT12917 HS(D) 103390 (Ground Floor) Putra Indah A, Putra Nilai, 71800 Nilai, Negeri Sembilan Darul Khusus, Malaysia	Freehold	Commercial building	84
3	Lot 25, Rawang Integrated Industrial Park, Jalan Batu Arang, 48000 Rawang, Selangor Darul Ehsan, Malaysia	Freehold	Office building and single storey factory building	5,347
4	37-06, Prince Street, Flushing NY 11354, the USA	Freehold	Commercial building	3,200
5	No. 76 Jalan University, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia	Leasehold/2063	Office building	3,598
6	59-1-2, Jalan TMR 2, Taman Melaka Raya, 75000 Melaka, Malaysia	Leasehold/2094	Commercial building	165
7	AR09-F3A0, Ara Ria 09, Jalan UTL 9, Bandar University Teknologi Lagenda, 71700 Mantin, Negeri Sembilan Darul Khusus, Malaysia	Leasehold/2099	Residential building	19
8	Lot 22, Jalan Sultan Mohamed 4, Taman Perindustrian Bandar Sultan Sulaiman, 42000 Pelabuhan Klang Utara, Selangor Darul Ehsan, Malaysia	Leasehold/2105	Warehouse	3,265
9	No. 3, Lorong Kilang F, Kelombong, 88450 Kota Kinabalu, Sabah, Malaysia	Leasehold/2920	Office building	1,878
				17,579

18 LAND USE RIGHTS

The Group's interests in land use rights represent prepaid operating lease payments and their net book amount are analysed as follows:

	Group	
	2013	2012
	US$'000	US$'000
In Mainland China, held on:		
Leases of between 10 and 50 years	**–**	1,538
Leases of over 50 years	**–**	487
	–	2,025

	Group	
	2013	2012
	US$'000	US$'000
Cost		
At 1 April	**3,128**	3,120
Disposal of subsidiaries *(note 41)*	**(3,132)**	–
Exchange adjustments	**4**	8
At 31 March	**–**	3,128
Accumulated amortisation		
At 1 April	**1,103**	1,041
Amortisation of prepaid operating lease payments	**35**	60
Disposal of subsidiaries *(note 41)*	**(1,139)**	–
Exchange adjustments	**1**	2
At 31 March	**–**	1,103
Net book amount		
At 31 March	**–**	2,025

19 INTANGIBLE ASSETS

	Group				
	Archives, mastheads and publishing rights US$'000	Computer softwares US$'000	Sub-total US$'000	Goodwill US$'000 *(note (b))*	Total US$'000
Year ended 31 March 2012					
Opening net book amount	15,535	2,048	17,583	61,717	79,300
Additions	–	586	586	–	586
Transferred from property, plant and equipment	–	298	298	–	298
Amortisation expense *(note (a))*	(408)	(648)	(1,056)	–	(1,056)
Exchange adjustments	(200)	(31)	(231)	(773)	(1,004)
Closing net book amount	14,927	2,253	17,180	60,944	78,124
At 31 March 2012					
Cost	27,338	4,492	31,830	68,328	100,158
Accumulated amortisation and impairment	(12,411)	(2,239)	(14,650)	(7,384)	(22,034)
Net book amount	14,927	2,253	17,180	60,944	78,124
Year ended 31 March 2013					
Opening net book amount	**14,927**	**2,253**	**17,180**	**60,944**	**78,124**
Additions	**903**	**703**	**1,606**	**80**	**1,686**
Amortisation expense *(note (a))*	**(447)**	**(645)**	**(1,092)**	**–**	**(1,092)**
Disposals	**–**	**(11)**	**(11)**	**–**	**(11)**
Exchange adjustments	**(152)**	**(5)**	**(157)**	**(642)**	**(799)**
Closing net book amount	**15,231**	**2,295**	**17,526**	**60,382**	**77,908**
At 31 March 2013					
Cost	**28,024**	**5,153**	**33,177**	**67,812**	**100,989**
Accumulated amortisation and impairment	**(12,793)**	**(2,858)**	**(15,651)**	**(7,430)**	**(23,081)**
Net book amount	**15,231**	**2,295**	**17,526**	**60,382**	**77,908**

19 INTANGIBLE ASSETS *(Continued)*

Notes:

(a) Amortisation expense of US$1,092,000 (2012: US$1,056,000) is included in "Other operating expenses" in the consolidated income statement.

(b) Goodwill acquired through business combinations is allocated to cash-generating units ("CGUs") for impairment testing. The allocation is made to those CGUs that are expected to benefit from the business combinations in which the goodwill arose.

The carrying amounts of goodwill are allocated to the following CGUs:

	Group	
	2013	2012
	US$'000	US$'000
Guang-Ming Ribao Sdn Bhd *(note (i))*	**8,897**	8,982
Mulu Press Sdn Bhd *(note (i))*	**587**	592
Sinchew-i Sdn Bhd *(note (i))*	**46**	46
Subsidiaries in Mainland China *(note (iii))*	**348**	342
Sin Chew Media Corporation Berhad *(note (ii))*	**50,504**	50,982
	60,382	60,944

The recoverable amount of each of these CGUs has been determined based on a value-in-use calculation using cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated without any growth rate. Management determined budgeted gross margin based on past performance and its expectations for market development. The growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant CGUs.

Key assumptions used for the value-in-use calculations:

	Average growth rate in revenue 2013	**Pre-tax discount rate 2013**
Goodwill of Guang-Ming Ribao Sdn Bhd *(note (i))*	**3%**	**10.8%**
Goodwill of Mulu Press Sdn Bhd *(note (i))*	**1%**	**10.8%**
Goodwill of Sinchew-i Sdn Bhd *(note (i))*	**0%**	**10.8%**
Goodwill of subsidiaries in Mainland China *(note (iii))*	**7%**	**10.1%**
Goodwill of Sin Chew Media Corporation Berhad *(note (ii))*	**4%**	**10.8%**

The value-in-use calculations for all the CGUs are sensitive to these key assumptions, which included discount rates and revenue growth during the five-year period.

With regard to the assessment of the value-in-use, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying amount of the CGUs to materially exceed their respective recoverable amount, except as mentioned in note (i) below.

(i) Arose from the acquisition of Guang-Ming Ribao Sdn Bhd, Mulu Press Sdn Bhd and Sinchew-i Sdn Bhd by Sin Chew Media Corporation Berhad ("Sin Chew") in 2004. During the year ended 31 March 2011, the goodwill of Guang-Ming Ribao Sdn Bhd was impaired by US$4,132,000 as the annual assessment performed indicated that the carrying amount of the goodwill exceeded its recoverable amount. This was primarily attributable to the challenging business conditions faced by this subsidiary. The impairment charge was included in "Other operating expenses" in the consolidated income statement.

(ii) 506,667,259 ordinary shares of HK$0.1 each were deemed to have been issued on 31 March 2008 for the acquisition of the remaining equity interest in Sin Chew from its non-controlling shareholders. The purchase resulted in the Company recording a goodwill of US$49,018,000 as at 31 March 2008. At 31 March 2013, the goodwill amounted to US$50,504,000 (2012: US$50,982,000) after an exchange adjustment of US$478,000 during the year.

Management has assessed that, amongst all assumptions used in the value-in-use calculations, the most sensitive key assumption is the discount rate which was arrived at based on weighted average cost of capital. The discount rate applied in determining the recoverable amounts of the CGUs was 10.8% (2012: 10.6%). As an increase in the discount rate of 1% (2012: 1%) would result in approximately US$38,954,000 (2012: US$19,455,000) change in the recoverable amount of Sin Chew, whereas an increase in the discount rate of 1% (2012: 1%) would result in approximately US$1,018,000 (2012: US$2,093,000) change in the recoverable amount of Guang-Ming Ribao Sdn Bhd. There is still sufficient headroom after considering the reasonably possible change in the recoverable amounts as mentioned above.

(iii) Arose from the acquisition of the Group's subsidiaries in Mainland China in 2004.

20 DEFERRED INCOME TAX

The analysis of deferred income tax assets and liabilities is as follows:

	Group	
	2013	2012
	US$'000	US$'000
Deferred income tax assets:		
to be recovered within 12 months	**(790)**	(730)
to be recovered after 12 months	**(884)**	(696)
	(1,674)	(1,426)
Deferred income tax liabilities:		
to be realised within 12 months	**515**	765
to be realised after 12 months	**12,590**	13,787
	13,105	14,552
Deferred tax liabilities — net	**11,431**	13,126

Movements on net deferred income tax liabilities are as follows:

	Group	
	2013	2012
	US$'000	US$'000
At 1 April	**13,126**	12,574
(Credited)/charged to the consolidated income statement *(note 10)*	**(1,536)**	660
Credited directly to other comprehensive income	**(46)**	–
Exchange adjustments	**(113)**	(108)
At 31 March	**11,431**	13,126

20 DEFERRED INCOME TAX *(Continued)*

The components of deferred income tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements (prior to offsetting of the balances within the same tax jurisdiction) during the year are as follows:

	Group						
	Accelerated tax depreciation US$'000	Allowance for impairment of trade receivables US$'000	Provision for employee benefits and other liabilities US$'000	Decelerated tax depreciation US$'000	Tax losses US$'000	Revaluation on other properties US$'000	Total US$'000
At 1 April 2011	14,787	(135)	(2,338)	(474)	(1,436)	2,170	12,574
Charged/(credited) to the consolidated income statement	531	(304)	572	(46)	39	(132)	660
Exchange adjustments	(157)	2	32	9	8	(2)	(108)
At 31 March 2012	15,161	(437)	(1,734)	(511)	(1,389)	2,036	13,126
At 1 April 2012	**15,161**	**(437)**	**(1,734)**	**(511)**	**(1,389)**	**2,036**	**13,126**
(Credited)/charged to the consolidated income statement	**(656)**	**18**	**(96)**	**101**	**599**	**(1,502)**	**(1,536)**
Credited directly to other comprehensive income	**–**	**–**	**–**	**–**	**–**	**(46)**	**(46)**
Exchange adjustments	**(127)**	**1**	**15**	**2**	**4**	**(8)**	**(113)**
At 31 March 2013	**14,378**	**(418)**	**(1,815)**	**(408)**	**(786)**	**480**	**11,431**

Deferred income tax assets are recognised for tax losses carry-forwards to the extent that the realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses of US$71,878,000 (2012: US$73,184,000) to carry forward against future taxable income. Losses amounting to US$3,460,000 (2012: US$7,023,000) will expire within five years. Losses amounting to US$35,138,000 (2012: US$35,136,000) will expire between six and twenty years. The remaining tax losses amounting to US$33,280,000 (2012: US$31,025,000) can be carried forward indefinitely.

21 INTERESTS IN JOINTLY CONTROLLED ENTITIES AND ASSOCIATES

	Group 2013 US$'000	2012 US$'000
Interests in jointly controlled entities	**963**	–
Interests in associates	**2,179**	2,253
	3,142	2,253

Movements on the interests in jointly controlled entities and associates are as follows:

	Group 2013 US$'000	2012 US$'000
At 1 April	**2,253**	2,379
Acquisition of an associate *(note (b))*	**–**	129
Formation of jointly controlled entities *(note (e))*	**1,032**	–
Share of losses (including amortisation of trademark and customer list)	**(142)**	(294)
Gain on dilution of interest *(note (d))*	**–**	33
Exchange adjustments	**(1)**	6
At 31 March	**3,142**	2,253

Notes:

(a) Particulars of the Group's associates are as follows:

Name of associates	Place of incorporation	% interest held	Principal activities
ByRead Inc.	The Cayman Islands	24.97%	*Note (ii)*
Blackpaper Limited	Hong Kong	10%	*Note (iii)*

Notes:

(i) All the investments in associates above are owned by One Media Group Limited ("One Media"), a listed subsidiary of the Company owned as to 73.18% at the date of this report.

(ii) ByRead Inc. is engaged in investment holding and the principal activities of its subsidiaries include provision of mobile value-added services such as entertainment, learning and multimedia applications for individuals and enterprises in Mainland China.

(iii) Blackpaper Limited is engaged in providing creative multimedia services and advertising campaigns.

(b) During the year ended 31 March 2012, One Media, through its subsidiary, subscribed for 10% of the entire issued share capital as enlarged by the subscription of the shares in Blackpaper Limited for a consideration of HK$1,000,000. Although the Group holds less than 20% of the equity shares of this company, the Group exercises significant influence by virtue of its contractual right to nominate and remove one director out of the four directors, all having equal voting rights, which form the board of directors of this company. In addition, One Media has the power to participate in making the financial and operating policy decisions of this company.

(c) As at 31 March 2013, interest in ByRead Inc. included goodwill of US$1,751,000 (2012: US$1,751,000), trademark of US$781,000 (2012: US$810,000) and customer list of US$30,000 (2012: US$48,000) have been identified from the acquisition. The useful lives for trademark and customer list are 30 years and 5 years respectively.

21 INTERESTS IN JOINTLY CONTROLLED ENTITIES AND ASSOCIATES *(Continued)*

Notes: (Continued)

(d) The Group's shareholding in ByRead Inc. was diluted from 25.44% to 24.97% following the acquisition and subscription of ByRead Inc.'s shares by a new independent third party investor in August 2011.

(e) On 26 November 2012, One Media entered into an agreement with Chu Kong Passenger Transport Company Limited, a wholly-owned subsidiary of Chu Kong Shipping Enterprises (Group) Company Limited (Stock code: 0560) to form a jointly controlled entity, namely Chu Kong Culture Media Company Limited ("CKCM"), whereby One Media subscribed for 40,000 shares in the jointly controlled entity, which represents 40% of the issued share capital of CKCM. Connect Media Company Limited is a wholly-owned subsidiary of CKCM.

Name of joint controlled entities	Place of incorporation	% interest held	Principal activities
Chu Kong Culture Media Company Limited	The British Virgin Islands	40%	*Note (ii)*
Connect Media Company Limited	Hong Kong	40%	*Note (ii)*

Notes:

(i) All the investments in jointly controlled entities above are owned by One Media.

(ii) CKCM is an investment holding company and the principal activities of Connect Media Company Limited include but not limited to video programmes, posters, seat covers, magazine racks, magazines, hull advertising, light box advertisement and e-commerce at the transportation vehicles and also their terminals.

(f) The Group's share of results and aggregated assets and liabilities (excluding goodwill and intangible assets) of the jointly controlled entities and associates are as follows:

	2013	2012
	US$'000	US$'000
Revenue	**143**	88
Expenses	**(285)**	(349)
Losses for the year	**(142)**	(261)
Non-current assets	**40**	22
Current assets	**1,084**	103
Current liabilities	**(101)**	(45)
Net assets	**1,023**	80

22 INVESTMENT IN CONVERTIBLE NOTES/FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group	
	2013	2012
	US$'000	US$'000
Investment in convertible notes — debt portion *(note (b))*	**–**	568
Financial assets at fair value through profit or loss:		
Listed equity securities in Hong Kong, at market value *(note (a))*	**230**	191

22 INVESTMENT IN CONVERTIBLE NOTES/FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS *(Continued)*

Notes:

(a) The listed equity securities purchased were designated as financial assets at fair value through profit or loss at inception. The fair values of the listed equity securities were based on their current bid prices in an active market. Fair value gains on the listed equity securities at 31 March 2013 of US$38,000 (2012: losses of US$22,000) were included under "Other gains, net" in the consolidated income statement.

(b) The convertible notes (the "CN") were held by MediaNet Investment Limited ("MIL"), an indirect wholly-owned subsidiary of the Company.

On 17 August 2009, MIL entered into an agreement to subscribe for the CN of an aggregate principal amount of approximately US$580,000 (equivalent to HK$4,500,000) issued by IATOPIA.COM LIMITED ("IATOPIA") in three stages which would allow MIL to convert the principal amount of the CN into, in aggregate, no more than 8.84% of the issued ordinary shares of IATOPIA over a three-year period. On 17 August 2009, the first tranche CN was issued by IATOPIA and MIL paid the subscription price of approximately US$290,000 (equivalent to HK$2,250,000). On 22 October 2009, the second tranche CN was issued by IATOPIA and MIL paid the subscription price of approximately US$145,000 (equivalent to HK$1,125,000). On 22 February 2010, the third tranche CN was issued by IATOPIA and MIL paid the subscription price of approximately US$145,000 (equivalent to HK$1,125,000). The CN were non-interest bearing and would have matured on 16 August 2012 ("maturity date").

The debt portion of the CN was classified as loans and receivables and stated at amortised cost.

On 18 April 2012, the Group disposed of all the CN to an independent third party for a consideration of US$1,694,000 (equivalent to HK$13,150,000). The gain on disposal of US$1,126,000 was included under "Other gains, net" in the consolidated income statement.

23 INTERESTS IN SUBSIDIARIES

	Company	
	2013	2012
	US$'000	US$'000
Unlisted shares, at cost	**466,667**	466,667
Less: allowance for impairment	**(36,126)**	(36,126)
	430,541	430,541

Details of the Company's principal subsidiaries are set out in note 42 to the financial statements.

24 FINANCIAL INSTRUMENTS BY CATEGORY

	Group				Company
	Loans and receivables US$'000	Assets at fair value through profit or loss US$'000	Available-for-sale US$'000	Total US$'000	Loans and receivables US$'000
Assets					
At 31 March 2013					
Available-for-sale financial assets *(note 26)*	**–**	**–**	**97**	**97**	**–**
Trade and other receivables excluding prepayments	**68,054**	**–**	**–**	**68,054**	**55**
Listed equity securities *(note 22)*	**–**	**230**	**–**	**230**	**–**
Cash and cash equivalents *(note 28)*	**101,829**	**–**	**–**	**101,829**	**96**
Total	**169,883**	**230**	**97**	**170,210**	**151**
At 31 March 2012					
Available-for-sale financial assets *(note 26)*	–	–	97	97	–
Investment in convertible notes					
— debt portion *(note 22)*	568	–	–	568	–
Trade and other receivables excluding prepayments	69,477	–	–	69,477	52
Listed equity securities *(note 22)*	–	191	–	191	–
Cash and cash equivalents *(note 28)*	134,657	–	–	134,657	56
Total	204,702	191	97	204,990	108

	Financial liabilities at amortised cost			
	Group		Company	
	2013 US$'000	2012 US$'000	**2013 US$'000**	2012 US$'000
Liabilities				
Short-term bank borrowings *(note 30)*	**170,602**	5,285	**160,519**	–
Trade and other payables excluding non-financial liabilities	**49,507**	48,197	**1,694**	1,575
Amounts due to subsidiaries *(note 29)*	**–**	–	**3,791**	3,960
Total	**220,109**	53,482	**166,004**	5,535

25 INVENTORIES

	Group	
	2013	2012
	US$'000	US$'000
Raw materials	**48,906**	56,731
Finished goods	**1,222**	1,168
	50,128	57,899

Raw materials and consumables recognised as expenses and included in "Cost of goods sold" amounted to US$115,055,000 (2012: US$118,065,000).

26 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group	
	2013	2012
	US$'000	US$'000
At 1 April and 31 March	**97**	97

Available-for-sale financial assets comprise unlisted club debentures.

As at 31 March 2013, the carrying amounts of the available-for-sale financial assets approximated their fair value, and are denominated in Hong Kong dollars.

The maximum exposure to credit risk at the reporting date is the carrying amounts of the available-for-sale financial assets.

27 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2013	2012	**2013**	2012
	US$'000	US$'000	**US$'000**	US$'000
Trade receivables	**66,452**	66,638	**–**	–
Less: allowance for impairment of trade receivables	**(2,362)**	(2,806)	**–**	–
Trade receivables, net *(note (a))*	**64,090**	63,832	**–**	–
Deposits and prepayments *(note (b))*	**7,063**	8,622	**55**	52
Other receivables *(note (b))*	**3,542**	3,686	**–**	–
	74,695	76,140	**55**	52

At 31 March 2013, the carrying amounts of trade and other receivables approximated their fair values.

Notes:

(a) The Group allows in general a credit period ranging from 7 to 120 days to its trade customers.

At 31 March 2013, the ageing analysis of the net trade receivables based on invoice date is as follows:

	Group	
	2013	2012
	US$'000	US$'000
1 to 60 days	**45,739**	44,711
61 to 120 days	**14,631**	15,241
121 to 180 days	**2,023**	2,756
Over 180 days	**1,697**	1,124
	64,090	63,832

The carrying amounts of the Group's net trade receivables are denominated in the following currencies:

	Group	
	2013	2012
	US$'000	US$'000
Ringgit Malaysia	**42,000**	40,223
HK dollar	**13,466**	15,115
Canadian dollar	**5,157**	5,218
Renminbi	**1,854**	2,189
US dollar	**1,399**	857
Other currencies	**214**	230
	64,090	63,832

27 TRADE AND OTHER RECEIVABLES *(Continued)*

Notes: (Continued)

(a) *(Continued)*

The Group has trade receivables from customers engaged in various industries and who are not concentrated in any specific geographical area. Credit risk concentration with respect to trade receivables is mitigated by the Group's large customer base.

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers are monitored on an on-going basis to reduce the Group's exposure to bad debts. The credit period on trade receivables, depending on the business area, is 7 days to 120 days.

As at 31 March 2013, trade receivables that were neither past due nor impaired amounted to US$42,437,000 (2012: US$41,301,000), which represented about 66% (2012: 65%) of the net trade receivables balance. These balances related to a wide range of customers for whom there were good trade records without default history. Based on past experience and the credit quality of the customers, there is no evidence of impairment in respect of these balances and the balances are considered fully recoverable.

As at 31 March 2013, the ageing analysis of the Group's net trade receivables that were past due but not impaired is as follows:

	Group	
	2013	2012
	US$'000	US$'000
Overdue by:		
1 to 60 days	**17,909**	18,633
61 to 120 days	**2,151**	2,640
121 to 180 days	**730**	572
Over 180 days	**863**	686
	21,653	22,531

During the year ended 31 March 2013, the Group has recognised a net loss of US$23,000 (2012: US$147,000) for the impairment of its trade receivables and directly written off an amount of US$148,000 (2012: US$58,000) as bad debts. These are included in "Selling and distribution expenses" in the consolidated income statement.

Movements in the allowance for impairment of trade receivables are as follows:

	Group	
	2013	2012
	US$'000	US$'000
At 1 April	**2,806**	3,082
Allowance for impairment of receivables	**1,255**	1,337
Receivables written off as uncollectible	**(448)**	(395)
Unused amounts reversed	**(1,232)**	(1,190)
Exchange adjustments	**(19)**	(28)
At 31 March	**2,362**	2,806

27 TRADE AND OTHER RECEIVABLES *(Continued)*

Notes: (Continued)

(a) *(Continued)*

The creation and release of allowance for impairment of receivables have been included in "Selling and distribution expenses" in the consolidated income statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The Group holds deposits and bank guarantees of US$3,897,000 (2012: US$3,988,000) and US$16,321,000 (2012: US$19,096,000) respectively provided by the customers as security for certain trade receivables with a carrying amount of US$13,024,000 (2012: US$12,401,000). Other than that, the Group does not hold any collateral as security.

(b) The deposits and other receivables were neither past due nor impaired.

(c) The trade and other receivables do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the carrying amounts of each class of receivables mentioned above.

28 CASH AND CASH EQUIVALENTS

	Group		Company	
	2013	2012	**2013**	2012
	US$'000	US$'000	**US$'000**	US$'000
Cash at bank and on hand	**45,468**	36,943	**96**	56
Short-term bank deposits	**56,361**	97,714	**–**	–
Cash and cash equivalents	**101,829**	134,657	**96**	56

The effective interest rates on short-term bank deposits ranged from 1.28% to 3.30% per annum during the year ended 31 March 2013 (2012: 1.36% to 3.51%); the maturity dates of these deposits ranged from 3 to 90 days (2012: 7 to 90 days).

29 TRADE AND OTHER PAYABLES

	Group		Company	
	2013	2012	**2013**	2012
	US$'000	US$'000	**US$'000**	US$'000
Trade payables *(note (a))*	**22,601**	23,271	**–**	–
Accrued charges and other payables	**30,283**	28,586	**1,694**	1,575
Receipts in advance	**16,921**	15,725	**–**	–
Amounts due to subsidiaries *(note (b))*	**–**	–	**3,791**	3,960
Amounts due to related parties *(note 40)*	**3,093**	3,041	**–**	–
	72,898	70,623	**5,485**	5,535

As at 31 March 2013, the carrying amounts of trade and other payables approximated their fair values.

29 TRADE AND OTHER PAYABLES *(Continued)*

Notes:

(a) At 31 March 2013, the ageing analysis of the trade payables based on invoice date is as follows:

	Group	
	2013	2012
	US$'000	US$'000
1 to 60 days	**19,990**	20,628
61 to 120 days	**1,889**	1,928
121 to 180 days	**253**	239
Over 180 days	**469**	476
	22,601	23,271

(b) The amounts due to subsidiaries were unsecured, non-interest bearing and repayable on demand.

30 SHORT-TERM BANK BORROWINGS

	Group		Company	
	2013	2012	**2013**	2012
	US$'000	US$'000	**US$'000**	US$'000
Secured	**–**	336	**–**	–
Unsecured	**170,602**	4,949	**160,519**	–
	170,602	5,285	**160,519**	–

The carrying amounts of the short-term bank borrowings are denominated in the following currencies:

	Group		Company	
	2013	2012	**2013**	2012
	US$'000	US$'000	**US$'000**	US$'000
Ringgit Malaysia	**170,602**	4,949	**160,519**	–
US dollar	**–**	336	**–**	–
	170,602	5,285	**160,519**	–

Secured bank borrowings are secured by the guarantee issued by the Company and have a term of up to 120 days.

Short-term bank borrowings bear average coupon rate of 4.5% annually (2012: 3.6% annually).

The increase in short-term bank borrowings was primarily due to the drawdown of a short-term bank borrowing to finance, in part, the payment of the special dividend on 28 November 2012.

The carrying amounts of the short-term bank borrowings approximate their fair values.

31 OTHER LONG-TERM LIABILITIES

	Group	
	2013	2012
	US$'000	US$'000
Retirement benefit obligations *(note (a))*	**1,025**	1,103
Defined benefit plan liabilities *(note 35)*	**365**	390
	1,390	1,493
Current portion of other long-term liabilities	**(58)**	(145)
	1,332	1,348

Notes:

(a) Retirement benefit obligations represent the present value of the Group's obligations under the following:

(i) long service payment obligations and respective actuarial (gains)/losses for its employees in Hong Kong (the "HK Scheme"); and

(ii) an unfunded defined benefit retirement benefit scheme for its eligible employees in Malaysia (the "Malaysia Scheme").

Current service costs and interest on obligations have been recognised during the year and included in employee benefit expense (note 14).

The amounts recognised in the consolidated statement of financial position are as follows:

	Group	
	2013	2012
	US$'000	US$'000
Present value of the retirement benefit obligations	**1,025**	1,103

Movements in the retirement benefit obligations during the year are as follows:

	Group	
	2013	2012
	US$'000	US$'000
At 1 April	**1,103**	994
Current service cost	**74**	83
Interest cost	**33**	41
Long service payments made	**(99)**	(95)
Actuarial (gains)/losses of long service payment obligations	**(79)**	93
Exchange adjustments	**(7)**	(13)
At 31 March	**1,025**	1,103

31 OTHER LONG-TERM LIABILITIES *(Continued)*

Notes: (Continued)

(a) *(Continued)*

The amounts recognised in the consolidated statement of comprehensive income are as follows:

	Group 2013 US$'000	2012 US$'000
Cumulative amount of actuarial gains at the beginning of the year	**621**	714
Net actuarial gains/(losses) during the year	**79**	(93)
Cumulative amount of actuarial gains at the end of the year	**700**	621

The amounts recognised in the consolidated income statement are as follows:

	Group 2013 US$'000	2012 US$'000
Current service cost	**74**	83
Interest cost	**33**	41
Total included in employee benefit expense *(note 14)*	**107**	124

The principal actuarial assumptions used are as follows:

For obligations under the HK Scheme:

	Group 2013	2012
Average future working lifetime (in years)	**21**	20
Discount rate	**0.8%**	1.2%
Expected inflation rate	**3.0%**	3.0%
Expected rate of return on plan assets	**4.8%–6.2%**	4.3%–6.5%
Expected rate of future salary increases		
2012 and onwards	**–**	3.5%
2013 and onwards	**3.5%**	–

31 OTHER LONG-TERM LIABILITIES *(Continued)*

Notes: (Continued)

(a) *(Continued)*

For obligations under the Malaysia Scheme:

	Group 2013	2012
Discount rate	**5.0%**	6.0%
Expected inflation rate	**3.5%**	3.5%
Expected rate of salary increases	**7.3%**	7.0%

	Group 2013 US$'000	2012 US$'000
At 31 March		
Present value of retirement benefit obligations	**1,025**	1,103
Experience (losses)/gains on long service payment obligations	**(51)**	51

32 SHARE CAPITAL AND PREMIUM

	Group and Company			
	Number of ordinary shares	**Issued share capital US$'000**	**Share premium US$'000**	**Total US$'000**
At 1 April 2011	1,684,586,241	21,681	280,299	301,980
Repurchase of ordinary shares *(note (a))*	(3,000)	–	(1)	(1)
Exercise of share options *(note (b))*	2,658,000	34	520	554
At 31 March 2012	1,687,241,241	21,715	280,818	302,533
Repurchase of ordinary shares *(note (a))*	(1,000)	–	–	–
Transferred from share premium to contributed surplus *(note (c))*	–	–	(226,154)	(226,154)
At 31 March 2013	**1,687,240,241**	**21,715**	**54,664**	**76,379**

The number of authorised ordinary shares is 2,500 million shares (2012: 2,500 million shares) with a par value of HK$0.10 per share. All issued shares are fully paid.

32 SHARE CAPITAL AND PREMIUM *(Continued)*

Notes:

(a) Details of the repurchase during the year ended 31 March 2013 are summarised as follows:

Month/Year	Number of ordinary shares repurchased	Purchase price per share Highest HK$	Purchase price per share Lowest HK$	Aggregate purchase consideration HK$	Equivalents in US$
August 2012	**1,000**	**3.80**	**3.80**	**3,800**	**490**

Details of the repurchase during the year ended 31 March 2012 are summarised as follows:

Month/Year	Number of ordinary shares repurchased	Purchase price per share Highest HK$	Purchase price per share Lowest HK$	Aggregate purchase consideration HK$	Equivalents in US$
August 2011	3,000	2.95	2.95	8,850	1,135

(b) Pursuant to a share option scheme approved at the Special General Meeting of the Company held on 21 August 2001 (the "MCI Scheme") and for the primary purpose of providing incentive to full time employees, the directors of the Company might at their discretion invite full time employees including executive directors of the Company and its subsidiaries to take up options to subscribe for shares in the Company subject to the terms and conditions stipulated therein. The Company had no legal or constructive obligation to repurchase or settle the options in cash. The MCI Scheme expired on 20 August 2011 and no new share option scheme has been adopted by the Company.

32 SHARE CAPITAL AND PREMIUM *(Continued)*

Notes: (Continued)

(b) *(Continued)*

Movements in the number of shares under share options and their respective weighted average exercise prices are as follows:

	2012		
	Weighted average exercise price per share HK$	Equivalents in US$	Number of shares under share options
At 1 April	1.602	0.206	3,288,000
Exercised	1.626	0.208	(2,658,000)
Lapsed	1.499	0.192	(630,000)
At 31 March	–	–	–

Share options exercised during the year ended 31 March 2012 resulted in 2,658,000 shares being issued at an average exercise price of HK$1.626 (equivalent to US$0.208) per share.

The subsidiary of the Company, One Media, has two share option schemes. The pre-IPO share option scheme ("Pre-IPO Scheme") and the post-IPO share option scheme ("Post-IPO Scheme") were conditionally approved and adopted by ordinary resolutions of the shareholders of One Media on 26 September 2005 ("Adoption Date"). The schemes were approved by the Company on the same day. The principal terms of the Pre-IPO Scheme are substantially the same as those of the Post-IPO Scheme (where applicable) except for the following terms:

(i) *Subscription price per share*
For Pre-IPO Scheme, the subscription price per share shall be the final HK dollar price per share at which shares were to be sold in an offer for sale in Hong Kong on 18 October 2005 (the "the Listing Date"), being the date the shares of One Media were listed on the main board of the HK Stock Exchange;

For Post-IPO Scheme, the subscription price per share shall be determined by the Board of Directors of One Media and notified to an employee at the time of offer of the option.

(ii) *Duration of the share option schemes*
For Pre-IPO Scheme, the scheme shall be valid and effective up to the Listing date.

For Post-IPO Scheme, the scheme shall be valid and effective for a period of 10 years from 26 September 2005, being the date which the scheme was conditionally approved and adopted.

Pursuant to the Pre-IPO Scheme and Post-IPO Scheme, the board of One Media may, at its absolute discretion, grant share options to any full time employees, executive and non-executive directors (including independent non-executive directors) of One Media or the Group (for so long as One Media remains a subsidiary of the Company) to subscribe for shares in One Media subject to the terms and conditions stipulated therein.

The period within which an option may be exercised under each of the Pre-IPO Scheme and Post-IPO Scheme will be determined and notified by the board of One Media in its absolute discretion (subject to any vesting periods, if applicable), save that no option may be exercised later than 10 years from the date of offer of the option.

32 SHARE CAPITAL AND PREMIUM *(Continued)*

Notes: (Continued)

(b) *(Continued)*

Movements in the number of shares under options of the Pre-IPO Scheme and the weighted average exercise prices are as follows:

	2013			2012		
	Weighted average exercise price per share HK$	**Equivalents in US$**	**Number of shares under options**	Weighted average exercise price per share HK$	Equivalents in US$	Number of shares under options
At 1 April	**1.200**	**0.155**	9,192,000	1.200	0.154	10,208,000
Lapsed	**1.200**	**0.155**	(1,266,000)	1.200	0.154	(1,016,000)
At 31 March	**1.200**	**0.155**	7,926,000	1.200	0.155	9,192,000

The above share options were conditionally granted on 27 September 2005 and the exercisable period is from 18 October 2005 to 25 September 2015 with 7,926,000 shares options being exercisable as at 31 March 2013 (2012: 9,192,000 share options).

The fair value of options granted under the Pre-IPO Scheme was determined using the Binomial Option valuation model and amounted to US$821,000. The significant inputs into the model were share price of HK$1.200 (equivalent to US$0.155) (being the IPO and placing share price of One Media), volatility of the underlying stock of 48% (being the volatility of the stock returns of listed companies in the media industry in Hong Kong), risk-free interest rate of 4.16% (being the yield of 10-year fund note issued by the Hong Kong Monetary Authority as at 23 September 2005) and suboptimal exercise factor of 1.4 (being the factor to account for the early exercise behavior of the share option).

Share compensation costs on share options granted are amortised over the vesting periods of one year or five years in accordance with terms specified in the Pre-IPO Scheme. For the year ended 31 March 2013, no share compensation cost (2012: Nil) was recognised in the consolidated income statement.

During the years ended 31 March 2013 and 2012, no option was granted or agreed to be granted under the Post-IPO Scheme.

(c) On 16 July 2012, the board of directors announced that the Company proposed to:

(i) cancel approximately US$226.15 million (equivalent to approximately RM700.00 million or HK$1,704.41 million) standing to the credit of the Company's share premium account;

(ii) transfer the credit arising from the cancellation of the share premium account of the Company to the contributed surplus account of the Company; and

(iii) distribute approximately US$226.15 million (equivalent to approximately RM700.00 million or HK$1,704.41 million) or US$0.13 (equivalent to RM0.41 or HK$1.01) per ordinary share to the shareholders ("Proposed Dividend") (collectively referred to as the "Proposals").

At the special general meeting held on 19 October 2012, the Proposals were approved.

33 OTHER RESERVES

	Group							
	Capital redemption reserve US$'000	Exchange fluctuation reserve US$'000	Employee share-based payment reserve US$'000	Merger reserve US$'000	Other reserves US$'000	Reserves arising from actuarial adjustments on defined benefit plan assets US$'000	Reserves arising from actuarial adjustments on long service payment obligations US$'000	Total US$'000
At 1 April 2011	183	26,281	506	(92,647)	(426)	(2,367)	713	(67,757)
Currency translation differences	–	(4,003)	–	–	–	–	–	(4,003)
Actuarial losses of defined benefit plan assets	–	–	–	–	–	(830)	–	(830)
Actuarial losses of long service payment obligations	–	–	–	–	–	–	(89)	(89)
Repurchase of ordinary shares *(note 32)*	–	–	–	–	–	–	–	–
At 31 March 2012	183	22,278	506	(92,647)	(426)	(3,197)	624	(72,679)
At 1 April 2012	**183**	**22,278**	**506**	**(92,647)**	**(426)**	**(3,197)**	**624**	**(72,679)**
Currency translation differences	**–**	**(609)**	**–**	**–**	**–**	**–**	**–**	**(609)**
Transferred from share premium to contributed surplus *(note 32(c))*	**–**	**–**	**–**	**–**	**226,154**	**–**	**–**	**226,154**
2013 special dividend paid	**–**	**–**	**–**	**–**	**(225,715)**	**–**	**–**	**(225,715)**
Actuarial losses of defined benefit plan assets	**–**	**–**	**–**	**–**	**–**	**(141)**	**–**	**(141)**
Actuarial gains of long service payment obligations	**–**	**–**	**–**	**–**	**–**	**–**	**75**	**75**
Currency translation differences released upon disposal of subsidiaries *(note 41)*	**–**	**(1,413)**	**–**	**–**	**–**	**–**	**–**	**(1,413)**
Repurchase of ordinary shares *(note 32)*	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Others	**–**	**–**	**–**	**–**	**46**	**–**	**–**	**46**
At 31 March 2013	**183**	**20,256**	**506**	**(92,647)**	**59**	**(3,338)**	**699**	**(74,282)**

33 OTHER RESERVES *(Continued)*

	Company			
	Capital redemption reserve US$'000	**Exchange fluctuation reserve US$'000**	**Contributed surplus US$'000**	**Total US$'000**
At 1 April 2011	183	(1,251)	25,789	24,721
Exchange adjustments	–	20	–	20
At 31 March 2012	183	(1,231)	25,789	24,741
At 1 April 2012	**183**	**(1,231)**	**25,789**	**24,741**
Exchange adjustments	**–**	**3,665**	**–**	**3,665**
Transferred from share premium to contributed surplus *(note 32(c))*	**–**	**–**	**226,154**	**226,154**
2013 special dividend paid	**–**	**–**	**(225,715)**	**(225,715)**
At 31 March 2013	**183**	**2,434**	**26,228**	**28,845**

The contributed surplus of the Company arose when the Company issued shares in exchange for the shares of subsidiaries being acquired, and represented the difference between the nominal value of the Company's shares issued and the value of net assets of the subsidiaries acquired. Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus is distributable to owners of the Company. At the Group level, the contributed surplus is reclassified into its components of reserves of the underlying subsidiaries. Refer to note 32(c) for the movements in contributed surplus during the year.

34 RETAINED EARNINGS

(a) Movements in the Group's retained earnings for the years ended 31 March 2013 and 2012 are presented in the consolidated statement of changes in equity on pages 87 and 88.

(b) Movements in the Company's retained earnings for the years ended 31 March 2013 and 2012 are as follows:

	Company	
	2013 US$'000	2012 US$'000
At 1 April	**97,840**	99,014
Profit for the year	**97,410**	38,510
Second interim dividend, 2012, paid, US1.448 cents (2011: US1.153 cents)	**(24,431)**	(19,437)
Special dividend, 2012, paid, US0.400 cents	**–**	(6,749)
First interim dividend, 2013, paid, US0.673 cents (2012: US0.800 cents)	**(11,355)**	(13,498)
At 31 March	**159,464**	97,840

35 DEFINED BENEFIT PLAN LIABILITIES

The Group operates a number of staff retirement schemes which include a hybrid retirement benefit scheme (the "Scheme") for its employees in Hong Kong.

(a) The Scheme has three categories of members: Regular Member, Special Member and Defined Benefit ("DB") Member

Regular Member	—	defined contribution type of benefits based on accumulated contributions and investment gains and losses thereon.
Special Member	—	benefits based on salary and service or accumulated employer's contributions with credited investment gains and losses, whichever is higher.
DB Member	—	benefits based on final salary and service only.

Regular Members and Special Members are required to contribute monthly at 5% of their basic monthly salaries to the Scheme. The accumulated members' contributions with investment gains and losses will be paid to the members upon their leaving the employment in addition to the benefits described above.

Expected Group's contributions to the Scheme for the year ending 31 March 2014 are US$384,000.

(b) Defined benefit scheme for Special Member and DB Member

Pension costs are assessed using the projected unit credit method. The pension costs are charged to the consolidated income statement so as to spread the regular costs over the service lives of employees. A full valuation of the defined benefit scheme based on the projected unit credit method has been carried out by Towers Watson Hong Kong Limited, an independent qualified actuary, and the pension costs are charged to the consolidated income statement in accordance with its advice.

The amounts recognised in the consolidated statement of financial position are determined as follows:

	Group	
	2013	2012
	US$'000	US$'000
Fair value of the plan assets	**4,871**	4,971
Present value of the defined benefit obligations	**(5,236)**	(5,361)
Net liabilities in the consolidated statement of financial position	**(365)**	(390)

35 DEFINED BENEFIT PLAN LIABILITIES *(Continued)*

(b) Defined benefit scheme for Special Member and DB Member *(Continued)*

Movements in the fair value of the plan assets are as follows:

	Group	
	2013	2012
	US$'000	US$'000
At 1 April	**4,971**	5,618
Group contributions paid	**86**	95
Expected return on plan assets	**324**	382
Actual benefits paid	**(522)**	(156)
Actuarial gains/(losses) on plan assets	**11**	(982)
Exchange adjustments	**1**	14
At 31 March	**4,871**	4,971

Movements in the present value of the defined benefit obligations are as follows:

	Group	
	2013	2012
	US$'000	US$'000
At 1 April	**5,361**	5,341
Current service costs	**180**	176
Interest cost	**64**	138
Actual benefits paid	**(522)**	(156)
Actuarial losses/(gains) on obligations	**152**	(152)
Exchange adjustments	**1**	14
At 31 March	**5,236**	5,361

The amounts recognised in the consolidated income statement are as follows:

	Group	
	2013	2012
	US$'000	US$'000
Current service costs	**(180)**	(176)
Interest cost	**(64)**	(138)
Expected return on plan assets	**324**	382
Total pension income included in employee benefit expense *(note 14)*	**80**	68

35 DEFINED BENEFIT PLAN LIABILITIES *(Continued)*

(b) Defined benefit scheme for Special Member and DB Member *(Continued)*

The amounts recognised in the consolidated statement of comprehensive income are as follows:

	Group	
	2013	2012
	US$'000	US$'000
Cumulative amount of actuarial losses at the beginning of the year	**3,197**	2,367
Actuarial losses for the year	**141**	830
Cumulative amount of actuarial losses at the end of the year	**3,338**	3,197

The actual return on plan assets was US$428,000 (2012: loss of US$507,000).

Movements in the net liabilities recognised in the consolidated statement of financial position are as follows:

	Group	
	2013	2012
	US$'000	US$'000
At 1 April	**(390)**	277
Total pension income recognised in the consolidated income statement *(note 14)*	**80**	68
Actuarial losses recognised in the consolidated statement of comprehensive income	**(141)**	(830)
Group contributions paid	**86**	95
At 31 March	**(365)**	(390)

The principal actuarial assumptions used are as follows:

	Group	
	2013	2012
Discount rate	**0.8%**	1.2%
Expected inflation rate	**3.0%**	3.0%
Expected rate of return on plan assets	**6.5%**	6.5%
Expected rate of future salary increases		
2012 and onwards	**–**	3.5%
2013 and onwards	**3.5%**	–

35 DEFINED BENEFIT PLAN LIABILITIES *(Continued)*

(b) Defined benefit scheme for Special Member and DB Member *(Continued)*

Other disclosure figures for the current and previous years are as follows:

	Group				
	2013	2012	2011	2010	2009
	US$'000	US$'000	US$'000	US$'000	US$'000
Present value of the defined benefit obligations	**(5,236)**	(5,361)	(5,341)	(4,693)	(3,896)
Fair value of the plan assets	**4,871**	4,971	5,618	4,951	3,811
(Deficit)/surplus	**(365)**	(390)	277	258	(85)
Experience (losses)/gains on the defined benefit obligations	**(91)**	582	(405)	(1,074)	1,874
Experience gains/(losses) on the plan assets	**11**	(982)	233	984	(2,445)

The plan assets are managed by independent investment managers and are invested in unit trusts based on the long-term benchmark allocation of 65% in equities and 35% in bonds. After allowing for the administration expenses, an expected long-term rate of return of 6.5% per annum is adopted.

36 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Cash generated from operations

	Group 2013 US$'000	2012 US$'000
Operating profit	**80,960**	85,515
Fair value (gains)/losses on financial assets at fair value through profit or loss	**(38)**	22
Fair value gains on investment properties *(note 17)*	**(17)**	(118)
Depreciation *(note 16)*	**10,524**	11,044
Amortisation of land use rights *(note 18)*	**35**	60
Amortisation of intangible assets *(note 19)*	**1,092**	1,056
Allowance for impairment and written off of trade receivables	**171**	205
Allowance for inventory obsolescence	**107**	102
Dividend income	**(10)**	(10)
Interest income	**(2,379)**	(2,572)
Impairment of investment in an exchangeable bond — equity derivatives	**1,148**	–
Gain on disposal of subsidiaries *(note 41)*	**(1,243)**	–
Gain on disposal of convertible notes *(note 22)*	**(1,126)**	–
Losses/(gains) on disposal of property, plant and equipment — net	**410**	(27)
Loss on disposal of intangible assets	**11**	–
Gain on disposal of investment properties	**–**	(19)
Pension income	**(80)**	(68)
Long service payment obligations	**107**	124
Operating profit before working capital changes	**89,672**	95,314
Changes in working capital		
Inventories	**6,982**	10,275
Trade and other receivables	**(62)**	(7,748)
Trade and other payables	**2,773**	2,077
Cash generated from operations	**99,365**	99,918

(b) In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

	Group 2013 US$'000	2012 US$'000
Property, plant and equipment — net book amount *(note 16)*	**603**	265
(Losses)/gains on disposal of property, plant and equipment — net	**(410)**	27
Proceeds from disposal of property, plant and equipment	**193**	292

37 BANKING FACILITIES, PLEDGE OF ASSETS AND FINANCIAL GUARANTEES

At 31 March 2013, the Group's banking facilities were secured by the following:

(a) first legal charges on certain of the Group's freehold properties with an aggregate carrying value of US$1,191,000 at 31 March 2013 (2012: US$1,226,000) and assignment of rental income derived therefrom;

(b) general security agreements under which all the assets of certain subsidiaries with net book amount of US$12,401,000 at 31 March 2013 (2012: US$11,741,000) were pledged to certain banks, including US$1,191,000 (2012: US$1,226,000) attributable to freehold properties disclosed under note (a) above; and

(c) corporate guarantees issued by the Company:

The Company issued financial guarantees in favour of certain of its subsidiaries totaling US$19,814,000 (2012: US$20,057,000) in connection with general banking facilities granted to those subsidiaries. At the end of the reporting period, total facilities utilised amounted to US$1,330,000 (2012: US$1,906,000). The directors of the Company do not consider it probable that a claim will be made against the Company under the financial guarantees. The maximum liability of the Company at 31 March 2013 and 2012 under the financial guarantees was the facility drawn down by its subsidiaries. No provision was therefore made in this respect at 31 March 2013 and 2012.

38 CONTINGENCIES

There are several libel suits which involve claims against some companies in the Group. The Group has been strongly contesting those claims. Even though the final outcome of the proceedings is still uncertain as of the date these financial statements are authorised for issue, the directors of the Company are of the opinion that the respective ultimate liability, if any, will not have a material adverse impact upon the Group's financial position.

39 COMMITMENTS

(a) Capital commitments

Capital commitments outstanding at the end of each reporting period are as follows:

	Group	
	2013	2012
	US$'000	US$'000
Property, plant and equipment		
— Authorised and contracted for	**4,402**	2,550
— Authorised but not contracted for	**1,143**	3,425
	5,545	5,975

39 COMMITMENTS *(Continued)*

(b) Operating lease commitments

The Group leases various offices under non-cancellable operating lease agreements. The majority of these lease agreements have terms between one and five years and are renewable at the end of the lease period at market rates.

At 31 March 2013, the Group has future aggregate minimum lease payments under non-cancellable operating leases as follows:

	Group	
	2013	2012
	US$'000	US$'000
No later than one year	**2,166**	2,042
Later than one year and no later than five years	**818**	985
Later than five years	**7**	15
	2,991	3,042

The Company did not have any capital commitments or operating lease commitments at 31 March 2013 and 31 March 2012.

40 RELATED PARTY TRANSACTIONS

(a) Transactions with related parties

	Group	
	2013	2012
	US$'000	US$'000
Newsprint purchases from a related company *(note a)*	**46,647**	42,585
Consultancy fee paid to a non-executive director	**121**	121
Retainer fee paid to an associate	**37**	–
Advertising expenses paid to an associate	**33**	–
Rental expenses paid to related companies *(note a)*	**21**	62
Purchases of air tickets from a related company *(note a)*	**45**	28
Script fees paid to a related person	**1**	1
Motor vehicle insurance premiums paid to a related company *(note a)*	**1**	1
Scrap sales of old newspapers and magazines to a related company *(note a)*	**(2,796)**	(3,159)
Advertising income received on behalf of an associate	**(120)**	–
Provision of services such as air-tickets and accommodation arrangement services to related companies *(note a)*	**(109)**	–
Rental income received from a related company *(note)*	**(99)**	(100)
Advertising service income received from a related company *(note a)*	**–**	(6)

Notes:

(a) Certain shareholders and directors of the Company are shareholders and/or directors of these related companies.

(b) All the transactions above have been entered into in the normal course of business and have been charged at predetermined rates agreed mutually by the parties involved.

40 RELATED PARTY TRANSACTIONS *(Continued)*

(b) Key management compensation

Key management comprised all members of the Group's executive committees, some of whom are directors of the Company. The compensation paid or payable to key management for employee services is shown below:

	Group	
	2013	2012
	US$'000	US$'000
Directors' fees, basic salaries, bonuses, other allowances and benefits in kind	**3,090**	3,021
Contributions to pension scheme	**206**	185
	3,296	3,206

(c) Year-end balances with related parties

	Group		Company	
	2013	2012	**2013**	2012
	US$'000	US$'000	**US$'000**	US$'000
Payables to related companies of certain directors	**(3,093)**	(3,041)	**–**	–
Payables to subsidiaries	**–**	–	**(3,791)**	(3,960)

The payables to related companies of certain directors mainly arise from purchases of newsprint from a related company. The payables are unsecured, interest-free and repayable on demand.

The payables to subsidiaries mainly arise from expenses paid by the subsidiaries on behalf of the Company. The payables are unsecured, interest-free and repayable on demand.

(d) Ultimate controlling party

The ultimate controlling party of the Group is Tan Sri Datuk Sir TIONG Hiew King, who is the Group Executive Chairman and the controlling shareholder holding an aggregate equity of 52.40% in the Company as at 31 March 2013. Details of interests held by Tan Sri Datuk Sir TIONG Hiew King in the Company are set out in paragraph (b)(i) "Interests in shares in the Company" on page 74.

41 DISPOSAL OF SUBSIDIARIES

During the year, Ming Pao Enterprise Corporation Limited ("MPE"), an indirect wholly-owned subsidiary of the Company, has disposed to an independent third party 10 shares of US$1.00 each in Starsome Limited ("Starsome", which together with its subsidiaries, the "Starsome Group"), a direct wholly-owned subsidiary of MPE, representing 100% of the entire issued and paid-up capital of Starsome at a consideration of US$6,176,000 (equivalent to HK$48,000,000) (the "Disposal"). The Disposal was completed on 12 November 2012.

Gain on disposal of Starsome Group

	US$'000
Consideration received	**6,176**
Analysis of assets and liabilities over which control was lost:	
Property, plant and equipment	**1,859**
Land use rights	**1,993**
Inventories	**190**
Trade and other receivables	**947**
Cash and cash equivalents	**1,696**
Trade and other payables	**(211)**
Income tax liabilities	**(128)**
Net assets disposed of	**6,346**
Release of reserve upon disposal of Starsome Group	**(1,413)**
Sub-total	**4,933**
Gain on disposal of Starsome Group	**1,243**

Net cash inflow on disposal

	US$'000
Consideration received	**6,176**
Cash and cash equivalents disposed of	**(1,696)**
Net cash inflow on disposal	**4,480**

42 PARTICULARS OF PRINCIPAL SUBSIDIARIES

(a) Particulars of the Company's principal subsidiaries at 31 March 2013 that are incorporated and operate in Hong Kong are as follows:

Name of subsidiary	Particulars of issued and fully paid share capital/registered capital	Effective equity interest	Principal activities
Charming Holidays Limited	1,000,000 ordinary shares of HK$1 each	100%	Provision of travel and travel related services
Charming Holidays (North America) Limited	2 ordinary shares of HK$1 each	100%	Investment holding
Holgain Limited	2 ordinary shares of HK$10 each	100%	Property investment
Kin Ming Printing Company Limited	100 ordinary shares of HK$100 each	100%	Provision of printing services
MediaNet Advertising Limited	100 ordinary shares of HK$1 each	73.18%	Media operation
MediaNet Holdings Limited	1 ordinary share of HK$1	100%	Digital media business
Media2U Company Limited	101 ordinary shares of HK$1 each	73.18%	Magazines advertising and operation
Mingpao.com Limited	2 ordinary shares of HK$1 each	97.78%	Internet related businesses
Ming Pao Holdings Limited	900 ordinary shares of HK$1,000 each and 100 non-voting deferred shares of HK$1,000 each	100%	Investment holding and provision of management services
Ming Pao Magazines Limited	165,000 ordinary shares of HK$10 each	73.18%	Publication and distribution of magazines
Ming Pao Newspapers Limited	2 ordinary shares of HK$1 each	100%	Publication and distribution of newspaper and periodical
Ming Pao Publications Limited	10 ordinary shares of HK$1 each	100%	Publication and distribution of books
Yazhou Zhoukan Limited	9,500 ordinary shares of HK$1 each	100%	Publication and distribution of magazine

42 PARTICULARS OF PRINCIPAL SUBSIDIARIES *(Continued)*

(b) Particulars of the Company's principal subsidiaries at 31 March 2013 that are incorporated and operate in Malaysia are as follows:

Name of subsidiary	Particulars of issued and fully paid share capital/registered capital	Effective equity interest	Principal activities
The China Press Berhad	4,246,682 ordinary shares of RM1 each	99.75%	Publication of newspaper and provision of printing services
Guang-Ming Ribao Sdn Bhd	4,000,000 ordinary shares of RM1 each	100%	Publication and distribution of newspaper and magazines
MCIL Multimedia Sdn Bhd	15,000,000 ordinary shares of RM1 each	100%	Electronic commerce activities through the internet and multimedia
Media Communications Sdn Bhd	100,000 ordinary shares of RM1 each	100%	Publication and distribution of magazines
Mulu Press Sdn Bhd	500,000 ordinary shares of RM1 each	100%	Distribution of newspapers and provision of editorial and advertising services
Nanyang Press Holdings Berhad	76,107,375 ordinary shares of RM1 each	100%	Publication and distribution of newspapers and magazines, investment holding, letting of properties and provision of management services
Nanyang Press Marketing Sdn Bhd	1,000,000 ordinary shares of RM1 each	100%	Provision of marketing and circulation services of newspaper products
Nanyang Siang Pau Sdn Bhd	60,000,000 ordinary shares of RM1 each	100%	Publication of newspapers and magazines
Sinchew-i Sdn Bhd	25,000,000 ordinary shares of RM1 each	100%	Investment holding
Sin Chew Media Corporation Berhad	302,000,000 ordinary shares of RM0.50 each	100%	Publication and distribution of newspaper and magazines, and provision of printing services

42 PARTICULARS OF PRINCIPAL SUBSIDIARIES *(Continued)*

(c) Particulars of the Company's principal subsidiaries at 31 March 2013 that are incorporated outside Hong Kong and Malaysia are as follows:

Name of subsidiary	Place of incorporation/ operation	Particulars of issued and fully paid share capital/ registered capital	Effective equity interest	Principal activities
Beijing Media Advertising Company Limited *(note 2)*	The People's Republic of China ("PRC")/PRC	RMB3,500,000	73.18%	Magazines advertising
Beijing OMG Advertising Company Limited *(note 2)*	PRC/PRC	RMB30,000,000	73.18%	Magazines operation
Beijing OMG M2U Advertising Company Limited *(note 2)*	PRC/PRC	RMB50,000,000	73.18%	Magazines advertising
Beijing Times Resource Technology Consulting Limited *(notes 1 & 2)*	PRC/PRC	RMB3,000,000	73.18%	Magazines operation
Charming Holidays (Guangdong) Limited *(note 2)*	PRC/PRC	HK$4,000,000	100%	Provision of travel and travel related services
Comwell Investment Limited	The British Virgin Islands ("BVI")/HK	1 ordinary share at no par value for HK$1	100%	Investment holding
Delta Tour & Travel Services (Canada), Inc.	Canada/Canada	850,000 common shares at no par value for CAD530,000	100%	Provision of travel and travel related services
Delta Tour & Travel Services, Inc.	The United States of America ("USA")/USA	461,500 common shares at no par value for US$300,500	100%	Provision of travel and travel related services
First Collection Limited	BVI/HK	1 ordinary share of US$1	100%	Investment holding
Media2U (BVI) Company Limited	BVI/HK	1 ordinary share of US$1	73.18%	Investment holding
Media Chinese International Holdings Limited	BVI/HK	1 ordinary share at no par value for HK$1	100%	Investment holding
Media Connect Investment Limited	BVI/PRC	1 share at no par value for HK$1	73.18%	Investment holding
MediaNet Investment Limited	BVI/HK	1 ordinary share at no par value for HK$1	100%	Investment holding
MediaNet Resources Limited	BVI/HK	1 ordinary share at no par value for HK$1	100%	Investment holding
Mingpao.com Holdings Limited	The Cayman Islands ("CI")/HK	717,735 ordinary shares of HK$0.1 each	97.78%	Investment holding
Ming Pao Enterprise Corporation Limited	CI/HK	1 ordinary share of US$1 each	100%	Investment holding
Ming Pao Finance Limited	BVI/HK	10 ordinary shares of US$1 each	73.18%	Licensing of trademarks

42 PARTICULARS OF PRINCIPAL SUBSIDIARIES *(Continued)*

(c) Particulars of the Company's principal subsidiaries at 31 March 2013 that are incorporated outside Hong Kong and Malaysia are as follows: *(Continued)*

Name of subsidiary	Place of incorporation/ operation	Particulars of issued and fully paid share capital/ registered capital	Effective equity interest	Principal activities
Ming Pao Holdings (Canada) Limited	Canada/Canada	1 common share at no par value for CAD1	100%	Investment holding
Ming Pao Holdings (USA) Inc.	USA/USA	1 common share of US$1	100%	Investment holding
Ming Pao Investment (Canada) Limited	Canada/Canada	1 common share of CAD1	100%	Investment holding
Ming Pao Investment (USA) L.P.	USA/USA	1,000 units for US$150,150	100%	Publication and distribution of newspaper
Ming Pao Newspapers (Canada) Limited	Canada/Canada	1,001 common shares at no par value for CAD11	100%	Publication and distribution of newspapers
One Media Group Limited	CI/HK	400,000,000 ordinary shares of HK$0.001 each	73.18%	Investment holding
One Media Holdings Limited	BVI/HK	20,000 ordinary shares of US$0.01 each	73.18%	Investment holding
PT Sinchew Indonesia	Indonesia/Indonesia	1,500 shares of US$1,000 each	80%	Acting as newspaper distribution agent
Sinchew (USA) Inc.	USA/USA	200 common shares at no par value for US$200	100%	Letting of property
Sky Success Enterprises Limited	BVI/HK & PRC	1 share at no par value for US$1	73.18%	Investment holding
Top Plus Limited	BVI/HK	10 ordinary shares of US$1 each	73.18%	Investment holding

Notes:

(1) Beijing Times Resource Technology Consulting Limited ("TRT") is a domestic enterprise in PRC owned legally by PRC nationals. The Group has entered into contractual arrangements with the legal owners of this company so that the decision-making rights, operating and financing activities of TRT are ultimately controlled by the Group. The Group is also entitled to substantially all of the operating profits and residual benefits generated by TRT under these arrangements. In particular, the legal owners of TRT are required under their contractual arrangements with the Group to transfer their interests in TRT to the Group or the Group's designee upon the Group's request at a pre-agreed nominal consideration. In addition, the Group can receive the cash flow derived from the operations of TRT through the levying of service and consultancy fees. The ownership interests in TRT have also been pledged by the legal owners of this company to the Group. Based on the above, the directors regard TRT as a subsidiary of the Company.

(2) These subsidiaries have 31 December as their financial accounting year end date, which is not coterminous with that of the Group for the reason of compliance with local regulations.

The table above includes the subsidiaries of the Company which, in the opinion of the directors, principally affected the Group's results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Supplementary Information

DISCLOSURE OF REALISED AND UNREALISED RETAINED PROFITS/(ACCUMULATED LOSSES)

The following analysis of realised and unrealised retained profits is prepared in accordance with the Guidance on Special Matter No.1 Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, as issued by the Malaysian Institute of Accountants and based on the prescribed format by Bursa Securities.

	Group As at 31 March 2013 US$'000	Company As at 31 March 2013 US$'000
Total retained profits:		
— Realised	**230,589**	**159,464**
— Unrealised	**(10,543)**	**–**
	220,046	**159,464**
Total share of accumulated losses from jointly controlled entities and associates:		
— Realised	**(874)**	**–**
— Unrealised	**33**	**–**
	(841)	**–**
Less: consolidation adjustments	**(14,296)**	**–**
Retained profits as per consolidated statement of financial position/statement of financial position	**204,909**	**159,464**

The disclosure of realised and unrealised retained profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

Additional Compliance Information

STATUTORY DECLARATION

Pursuant to Paragraph 4A.16 of the Listing Requirements of Bursa Malaysia Securities Berhad

I, FU Shuk Kuen, being the person primarily responsible for the financial management of Media Chinese International Limited, do solemnly and sincerely declare that the financial statements and supplementary information set out on pages 82 to 164 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Ordinance (Chapter 11) of the Laws of Hong Kong.

Subscribed and solemnly declared by FU Shuk Kuen
at Hong Kong
on 29 May 2013

Before me,

Notary Public

Five-Year Financial Summary

The results of the Group for the last five financial years are as follows:

	For the year ended 31 March				
	2013	2012	2011	2010	2009
	US$'000	US$'000	US$'000	US$'000	US$'000
Turnover	**477,853**	472,237	445,844	376,001	394,303
Profit attributable to owners of the Company	**56,985**	63,209	54,825	41,136	16,790
Basic earnings per share (US cents)	**3.38**	3.75	3.26	2.44	1.00

The assets and liabilities of the Group for the last five financial years are as follows:

	As at 31 March				
	2013	2012	2011	2010	2009
	US$'000	US$'000	US$'000	US$'000	US$'000
Property, plant and equipment	**150,935**	151,049	157,145	139,962	119,929
Investment properties	**17,579**	11,212	11,428	8,686	6,224
Land use rights	**–**	2,025	2,079	2,144	2,208
Intangible assets	**77,908**	78,124	79,300	77,466	69,481
Non-current assets held for sale	**–**	–	–	–	77
Interests in jointly controlled entities and associates	**3,142**	2,253	2,379	2,739	–
Investment in convertible notes — debt portion	**–**	–	537	511	–
Defined benefit plan assets	**–**	–	277	258	–
Deferred income tax assets	**1,674**	1,426	972	1,831	2,430
Non-current assets	**251,238**	246,089	254,117	233,597	200,349
Current assets	**227,849**	271,177	250,364	223,610	173,057
Current liabilities	**(250,705)**	(81,573)	(89,803)	(93,701)	(72,078)
Net current (liabilities)/assets	**(22,856)**	189,604	160,561	129,909	100,979
Total assets less current liabilities	**228,382**	435,693	414,678	363,506	301,328
Non-controlling interests	**(6,939)**	(6,229)	(5,457)	(8,263)	(8,189)
Other long-term liabilities	**(1,332)**	(1,348)	(1,267)	(1,560)	(3,072)
Deferred income tax liabilities	**(13,105)**	(14,552)	(13,546)	(12,374)	(10,249)
Owners' funds	**207,006**	413,564	394,408	341,309	279,818

Additional Information

CONSOLIDATED INCOME STATEMENT

	(Unaudited) Year ended 31 March	
	2013	2012
	RM'000	RM'000
	(note)	*(note)*
Turnover	**1,478,238**	1,460,865
Cost of goods sold	**(894,380)**	(883,170)
Gross profit	**583,858**	577,695
Other income	**36,735**	30,029
Other gains, net	**9,791**	9,395
Selling and distribution expenses	**(224,313)**	(218,058)
Administrative expenses	**(130,066)**	(114,364)
Other operating expenses	**(25,555)**	(20,157)
Operating profit	**250,450**	264,540
Finance costs	**(10,571)**	(1,049)
Share of losses of jointly controlled entities and associates	**(439)**	(909)
Gain on dilution of interest in an associate	**–**	102
Profit before income tax	**239,440**	262,684
Income tax expense	**(59,163)**	(63,639)
Profit for the year	**180,277**	199,045
Profit attributable to:		
Owners of the Company	**176,283**	195,537
Non-controlling interests	**3,994**	3,508
	180,277	199,045
Earnings per share attributable to owners of the Company		
Basic (sen)	**10.46**	11.60
Diluted (sen)	**10.46**	11.60
Dividends	**786,352**	138,211

Note: The presentation currency of these consolidated financial statements is US$. Additional information in RM for the year ended 31 March 2013 with comparatives are shown for reference only and have been made at the same exchange rate of US$1 to RM3.0935 ruling at 31 March 2013. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

Additional Information

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	(Unaudited) Year ended 31 March	
	2013	2012
	RM'000	RM'000
	(note)	*(note)*
Profit for the year	**180,277**	199,045
Other comprehensive (losses)/income		
Currency translation differences	**(1,828)**	(12,192)
Currency translation differences released upon disposal of subsidiaries	**(4,371)**	–
Actuarial losses of defined benefit plan assets	**(436)**	(2,567)
Actuarial gains/(losses) of long service payment obligations	**244**	(288)
Others	**142**	–
Other comprehensive losses for the year, net of tax	**(6,249)**	(15,047)
Total comprehensive income for the year	**174,028**	183,998
Total comprehensive income for the year attributable to:		
Owners of the Company	**169,966**	180,311
Non-controlling interests	**4,062**	3,687
	174,028	183,998

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Additional Information

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(Unaudited) At 31 March 2013 RM'000 *(note)*	2012 RM'000 *(note)*
ASSETS		
Non-current assets		
Property, plant and equipment	**466,917**	467,270
Investment properties	**54,381**	34,684
Land use rights	**–**	6,264
Intangible assets	**241,008**	241,677
Deferred income tax assets	**5,179**	4,411
Interests in jointly controlled entities and associates	**9,720**	6,970
	777,205	761,276
Current assets		
Inventories	**155,071**	179,111
Available-for-sale financial assets	**300**	300
Financial assets at fair value through profit or loss	**712**	591
Investment in convertible notes — debt portion	**–**	1,757
Trade and other receivables	**231,069**	235,539
Income tax recoverable	**2,691**	5,027
Cash and cash equivalents	**315,008**	416,561
	704,851	838,886
Current liabilities		
Trade and other payables	**225,510**	218,472
Income tax liabilities	**22,109**	17,076
Short-term bank borrowings	**527,757**	16,349
Current portion of long-term liabilities	**180**	449
	775,556	252,346
Net current (liabilities)/assets	**(70,705)**	586,540
Total assets less current liabilities	**706,500**	1,347,816

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

	(Unaudited) At 31 March 2013 RM'000 *(note)*	2012 RM'000 *(note)*
EQUITY		
Equity attributable to owners of the Company		
Share capital	**67,175**	67,175
Share premium	**169,103**	868,710
Other reserves	**(229,791)**	(224,832)
Retained earnings		
— Proposed dividend	**52,976**	75,577
— Others	**580,910**	492,730
	633,886	568,307
	640,373	1,279,360
Non-controlling interests	**21,466**	19,269
Total equity	**661,839**	1,298,629
Non-current liabilities		
Other long-term liabilities	**4,121**	4,170
Deferred income tax liabilities	**40,540**	45,017
	44,661	49,187
	706,500	1,347,816

Note: The presentation currency of these consolidated financial statements is US$. Additional information in RM as at 31 March 2013 with comparatives are shown for reference only and have been made at the same exchange rate of US$1 to RM3.0935 ruling at 31 March 2013. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

Additional Information

STATEMENT OF FINANCIAL POSITION

	(Unaudited) At 31 March 2013 RM'000 *(note)*	2012 RM'000 *(note)*
ASSETS		
Non-current assets		
Interests in subsidiaries	**1,331,879**	1,331,879
Current assets		
Other receivables	**170**	161
Cash and cash equivalents	**297**	173
	467	334
Current liabilities		
Other payables	**16,968**	17,123
Short-term bank borrowings	**496,566**	–
	513,534	17,123
Net current liabilities	**(513,067)**	(16,789)
Total assets less current liabilities	**818,812**	1,315,090
EQUITY		
Equity attributable to owners of the Company		
Share capital	**67,175**	67,175
Share premium	**169,103**	868,711
Other reserves	**89,232**	76,536
Retained earnings		
— Proposed dividend	**52,976**	75,577
— Others	**440,326**	227,091
	493,302	302,668
Total equity	**818,812**	1,315,090

Note: The presentation currency of these consolidated financial statements is US$. Additional information in RM as at 31 March 2013 with comparatives are shown for reference only and have been made at the same exchange rate of US$1 to RM3.0935 ruling at 31 March 2013. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

Additional Information

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	(Unaudited) Attributable to owners of the Company						
	Share capital RM'000 *(note)*	Share premium RM'000 *(note)*	Other reserves RM'000 *(note)*	Retained earnings RM'000 *(note)*	Total RM'000 *(note)*	Non-controlling interests RM'000 *(note)*	Total equity RM'000 *(note)*
Balance at 1 April 2011	67,070	867,105	(209,606)	495,532	1,220,101	16,881	1,236,982
Comprehensive income							
Profit for the year	–	–	–	195,537	195,537	3,508	199,045
Other comprehensive (losses)/income							
Currency translation differences	–	–	(12,383)	–	(12,383)	191	(12,192)
Actuarial losses of defined benefit plan assets	–	–	(2,567)	–	(2,567)	–	(2,567)
Actuarial losses of long service payment obligations	–	–	(276)	–	(276)	(12)	(288)
Other comprehensive (losses)/income, net of tax	–	–	(15,226)	–	(15,226)	179	(15,047)
Total comprehensive (losses)/income for the year	–	–	(15,226)	195,537	180,311	3,687	183,998
Total contributions by and distributions to owners of the Company recognised directly in equity							
Exercise of share options	105	1,608	–	–	1,713	–	1,713
Repurchase of ordinary shares	–	(3)	–	–	(3)	–	(3)
2011 second interim dividend paid	–	–	–	(60,128)	(60,128)	–	(60,128)
2012 special dividend paid	–	–	–	(20,878)	(20,878)	–	(20,878)
2012 first interim dividend paid	–	–	–	(41,756)	(41,756)	–	(41,756)
Total contributions by and distributions to owners of the Company	105	1,605	–	(122,762)	(121,052)	–	(121,052)
2011 final dividend paid by a listed subsidiary	–	–	–	–	–	(885)	(885)
2012 interim dividend paid by a listed subsidiary	–	–	–	–	–	(414)	(414)
Total transactions with owners	105	1,605	–	(122,762)	(121,052)	(1,299)	(122,351)
Balance at 31 March 2012	67,175	868,710	(224,832)	568,307	1,279,360	19,269	1,298,629

Additional Information

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY *(Continued)*

	(Unaudited) Attributable to owners of the Company						
	Share capital RM'000 *(note)*	Share premium RM'000 *(note)*	Other reserves RM'000 *(note)*	Retained earnings RM'000 *(note)*	Total RM'000 *(note)*	Non-controlling interests RM'000 *(note)*	Total equity RM'000 *(note)*
Balance at 1 April 2012	**67,175**	**868,710**	**(224,832)**	**568,307**	**1,279,360**	**19,269**	**1,298,629**
Comprehensive income							
Profit for the year	–	–	–	176,283	176,283	3,994	180,277
Other comprehensive (losses)/income							
Currency translation differences	–	–	(1,884)	–	(1,884)	56	(1,828)
Currency translation differences released upon disposal of subsidiaries	–	–	(4,371)	–	(4,371)	–	(4,371)
Actuarial losses of defined benefit plan assets	–	–	(436)	–	(436)	–	(436)
Actuarial gains of long service payment obligations	–	–	232	–	232	12	244
Others	–	–	142	–	142	–	142
Other comprehensive (losses)/income, net of tax	–	–	(6,317)	–	(6,317)	68	(6,249)
Total comprehensive (losses)/income for the year	–	–	(6,317)	176,283	169,966	4,062	174,028
Total contributions by and distributions to owners of the Company recognised directly in equity							
Transferred from share premium to contributed surplus	–	(699,607)	699,607	–	–	–	–
2012 second interim dividend paid	–	–	–	(75,577)	(75,577)	–	(75,577)
2013 special dividend paid	–	–	(698,249)	–	(698,249)	–	(698,249)
2013 first interim dividend paid	–	–	–	(35,127)	(35,127)	–	(35,127)
Total contributions by and distributions to owners of the Company	–	(699,607)	1,358	(110,704)	(808,953)	–	(808,953)
Capital contribution from a non-controlling interest of a newly incorporated subsidiary	–	–	–	–	–	919	919
2013 interim dividends paid by a subsidiary	–	–	–	–	–	(216)	(216)
2012 final dividend paid by a listed subsidiary	–	–	–	–	–	(1,711)	(1,711)
2013 interim dividend paid by a listed subsidiary	–	–	–	–	–	(857)	(857)
Total transactions with owners	–	(699,607)	1,358	(110,704)	(808,953)	(1,865)	(810,818)
Balance at 31 March 2013	**67,175**	**169,103**	**(229,791)**	**633,886**	**640,373**	**21,466**	**661,839**

Note: The presentation currency of these consolidated financial statements is US$. Additional information in RM for the year ended 31 March 2013 with comparatives are shown for reference only and have been made at the same exchange rate of US$1 to RM3.0935 ruling at 31 March 2013. This translation should not be construed as a representation that the US$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

Additional Information

CONSOLIDATED STATEMENT OF CASH FLOWS

	(Unaudited) Year ended 31 March	
	2013	2012
	RM'000	RM'000
	(note)	*(note)*
Cash flows from operating activities		
Cash generated from operations	**307,386**	309,096
Interest paid	**(8,832)**	(1,049)
Income tax paid	**(56,218)**	(62,220)
Net cash generated from operating activities	**242,336**	245,827
Cash flows from investing activities		
Formation of jointly controlled entities	**(3,192)**	–
Acquisition of a subsidiary, net of cash acquired	**(232)**	–
Acquisition of an associate	**–**	(198)
Acquisition of an exchangeable bond — equity derivatives	**(3,542)**	–
Purchases of property, plant and equipment	**(53,264)**	(22,273)
Purchases of intangible assets	**(4,968)**	(1,813)
Purchase of an investment property	**(10,524)**	–
Proceeds from disposal of property, plant and equipment	**597**	903
Proceeds from disposal of investment properties	**–**	637
Proceeds from disposal of convertible notes	**5,240**	–
Net cash inflow from disposal of subsidiaries	**13,859**	–
Interest received	**7,359**	7,867
Dividends received	**31**	31
Net cash used in investing activities	**(48,636)**	(14,846)
Cash flows from financing activities		
Repurchase of ordinary shares	**–**	(3)
Proceeds from exercise of share options	**–**	1,713
Dividends paid	**(808,953)**	(122,762)
Dividends paid to non-controlling interests by a listed subsidiary	**(2,568)**	(1,299)
Dividends paid to non-controlling interests by a subsidiary	**(216)**	–
Capital contribution from a non-controlling interest of a newly incorporated subsidiary	**919**	–
Proceeds from bank borrowings	**571,128**	49,020
Repayments of bank borrowings	**(55,083)**	(78,729)
Capital element of finance lease payments	**–**	(2,271)
Net cash used in financing activities	**(294,773)**	(154,331)
Net (decrease)/increase in cash and cash equivalents	**(101,073)**	76,650
Cash and cash equivalents at beginning of year	**416,561**	341,891
Exchange adjustments on cash and cash equivalents	**(480)**	(1,980)
Cash and cash equivalents at end of year	**315,008**	416,561

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Analysis of Shareholdings

As at 19 June 2013

Authorised share capital	:	HK$250,000,000 divided into 2,500,000,000 ordinary shares of HK$0.10 each
Issued and paid-up capital	:	HK$168,724,024.10
Class of shares	:	ordinary shares of HK$0.10 each
Voting rights	:	one vote per ordinary share

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of shareholdings	Number of shareholders	% of shareholders	Number of shares held	% of issued capital
Less than 100	591	6.14	26,413	–*
100 to 1,000	1,359	14.11	964,624	0.06
1,001 to 10,000	5,736	59.53	25,874,799	1.53
10,001 to 100,000	1,667	17.30	44,299,895	2.63
100,001 to less than 5% of issued shares	276	2.87	758,984,215	44.98
5% and above of issued shares	5	0.05	857,090,295	50.80
TOTAL	**9,634**	**100.00**	**1,687,240,241**	**100.00**

* negligible

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS AS PER RECORD OF DEPOSITORY OR REGISTER OF MEMBERS

	Name of shareholders	Number of shares held	% of issued capital
1	Progresif Growth Sdn Bhd	326,463,556	19.35
2	HSBC Nominees (Hong Kong) Limited	179,222,700	10.63
3	Zaman Pemimpin Sdn Bhd	154,121,183	9.13
4	HKSCC Nominees Limited	110,173,798	6.53
5	Tan Sri Datuk Sir TIONG Hiew King	87,109,058	5.16
6	Ezywood Options Sdn Bhd	75,617,495	4.48
7	Teck Sing Lik Enterprise Sdn Bhd	65,319,186	3.87
8	Citigroup Nominees (Tempatan) Sdn Bhd (Employees Provident Fund Board)	62,465,817	3.70
9	Madigreen Sdn Bhd	52,875,120	3.14
10	Persada Jaya Sdn Bhd	40,695,560	2.41
11	Citigroup Nominees (Tempatan) Sdn Bhd (Exempt An for AIA Bhd)	23,275,390	1.38
12	Cartaban Nominees (Asing) Sdn Bhd (BBH (Lux) SCA for Fidelity Funds Asean)	22,767,800	1.35
13	Cartaban Nominees (Tempatan) Sdn Bhd (Exempt An for Eastspring Investments Berhad)	16,983,917	1.01
14	Suria Kilat Sdn Bhd	16,100,697	0.95
15	Rimbunan Hijau (Sarawak) Sdn Bhd	15,536,696	0.92
16	Citigroup Nominees (Tempatan) Sdn Bhd (ING Insurance Berhad (INV-IL PAR))	14,908,400	0.88
17	Malaysia Nominees (Tempatan) Sendirian Berhad (Great Eastern Life Assurance (Malaysia) Berhad (PAR 2))	14,540,591	0.86
18	Malaysia Nominees (Tempatan) Sendirian Berhad (Great Eastern Life Assurance (Malaysia) Berhad (LPF))	13,606,316	0.80

Analysis of Shareholdings

As at 19 June 2013

	Name of shareholders	Number of shares held	% of issued capital
19	Kenanga Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Datuk TIONG Thai King)	12,271,700	0.73
20	Maybank Securities Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For Dato' Sri Dr TIONG Ik King)	11,144,189	0.66
21	Pertumbuhan Tiasa Sdn Bhd	10,230,945	0.61
22	Amanahraya Trustees Berhad (Public Islamic Select Treasures Fund)	10,219,000	0.61
23	Ms WONG Yiing Ngiik	10,126,000	0.60
24	HSBC Nominees (Asing) Sdn Bhd (Exempt An for Credit Suisse (HK BR-TST-Asing))	9,559,525	0.57
25	Amanahraya Trustees Berhad (Public Islamic Sector Select Fund)	9,076,100	0.54
26	Malaysia Nominees (Tempatan) Sendirian Berhad (Great Eastern Life Assurance (Malaysia) Berhad (PAR 1))	8,861,900	0.53
27	Malaysia Nominees (Tempatan) Sendirian Berhad (Great Eastern Life Assurance (Malaysia) Berhad (DR))	8,804,000	0.52
28	Malaysia Nominees (Tempatan) Sendirian Berhad (Great Eastern Life Assurance (Malaysia) Berhad (PAR 3))	8,660,137	0.51
29	Malaysia Nominees (Tempatan) Sendirian Berhad (Great Eastern Life Assurance (Malaysia) Berhad (LGF))	8,480,000	0.50
30	Valuecap Sdn Bhd	7,141,000	0.42
		1,406,357,776	83.35

DIRECTORS' INTERESTS

		Direct interest		Indirect interest[8]	
	Name of directors	Number of shares	% of issued capital	Number of shares	% of issued capital
(a)	The Company				
	Tan Sri Datuk Sir TIONG Hiew King	87,109,058	5.16	798,478,690[1]	47.32
				13,116,795[2]	0.78
	Dato' Sri Dr TIONG Ik King	11,144,189	0.66	252,487,700[3]	14.96
	Mr TIONG Kiew Chiong	1,482,039	0.09	–	–
	Mr LEONG Chew Meng	80,000	–*	–	–
	Ms TIONG Choon	2,654,593	0.16	1,476,152[4]	0.09
	Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH	135,925	0.01	–	–

* negligible

Analysis of Shareholdings

As at 19 June 2013

	Name of directors	Direct interest Number of shares	% of issued capital	Indirect interest Number of shares	% of issued capital	Number of share options granted
(b)	Subsidiary — One Media Group Limited					
	Tan Sri Datuk Sir TIONG Hiew King	–	–	292,700,000	73.18	1,250,000
	Dato' Sri Dr TIONG Ik King	–	–	292,700,000	73.18	1,000,000
	Mr TIONG Kiew Chiong	4,000,000	1.00	–	–	1,250,000
	Ms TIONG Choon	26,000	0.01	–	–	–
	Mr David YU Hon To	–	–	–	–	150,000

SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

Name of shareholders	Direct interest Number of shares	% of issued capital	Indirect interest[8] Number of shares	% of issued capital
Tan Sri Datuk Sir TIONG Hiew King	87,109,058	5.16	798,478,690[1]	47.32
			13,116,795[2]	0.78
Dato' Sri Dr TIONG Ik King	11,144,189	0.66	252,487,700[3]	14.96
Progresif Growth Sdn Bhd	326,463,556	19.35	–	–
Conch Company Limited	252,487,700	14.96	–	–
Zaman Pemimpin Sdn Bhd	154,121,183	9.13	–	–
Pertumbuhan Abadi Asia Sdn Bhd	1,902,432	0.11	477,025,055[5]	28.27
Seaview Global Company Limited	–	–	252,487,700[6]	14.96
Salmiah Binti SANI	–	–	154,121,183[7]	9.13
Ms LU Mee Bing	–	–	154,121,183[7]	9.13
Globegate Alliance Sdn Bhd	–	–	154,121,183[7]	9.13

Notes:

(1) Deemed interested by virtue of his interests in Progresif Growth Sdn Bhd, Conch Company Limited, Ezywood Options Sdn Bhd, Teck Sing Lik Enterprise Sdn Bhd, Madigreen Sdn Bhd, Rimbunan Hijau (Sarawak) Sdn Bhd, Rimbunan Hijau Southeast Asia Sdn Bhd, Pertumbuhan Abadi Asia Sdn Bhd and Tiong Toh Siong Enterprises Sdn Bhd.

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

(3) Deemed interested by virtue of his interest in Conch Company Limited.

(4) Deemed interested by virtue of her interest in TC Blessed Holdings Sdn Bhd and her spouse's interest.

(5) Deemed interested by virtue of its interest in Progresif Growth Sdn Bhd, Ezywood Options Sdn Bhd, Madigreen Sdn Bhd, Rimbunan Hijau (Sarawak) Sdn Bhd and Rimbunan Hijau Southeast Asia Sdn Bhd.

(6) Deemed interested by virtue of its interest in Conch Company Limited.

(7) Deemed interested by virtue of its/her interest in Zaman Pemimpin Sdn Bhd.

(8) The indirect interests of directors and shareholders of the Company presented in the above are calculated pursuant to the Malaysian Companies Act, 1965.

List of Properties

As at 31 March 2013

The top 10 land and buildings in terms of highest net book amount owned by the Group are as follows:

	Location	Year of acquisition	Tenure/ Expiry of lease	Description	Approximate area (Sq ft)	Approximate age of buildings	Carrying amount US$'000
1	1, Jalan SS7/2, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia	1994	Freehold	Office building and factory building	269,892	19 years	12,951
2	Lot 50 & 51, Seksyen 13, Bandar Petaling Jaya, Selangor Darul Ehsan, Malaysia	2008	Leasehold/2059	Office building	150,470	4 years	12,410
3	No. 76, Jalan Universiti, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia	2001	Leasehold/2063	Printing plant	151,769	8 years	10,410
4	Lot 25, Rawang Integrated Industrial Park, Jalan Batu Arang, 48000 Rawang, Selangor Darul Ehsan, Malaysia	2002	Freehold	Office building and single storey factory building	132,000	18 years	5,347
5	31, Jalan Lima, Off Jalan Chan Sow Lin, 55200 Kuala Lumpur, Malaysia	1990	Leasehold/2066	Office building and factory building	46,866	5 years	3,704
6	No. 76 Jalan University, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia	2001	Leasehold/2063	Office building	40,500	22 years	3,598
7	80, Jalan Riong, 59100 Kuala Lumpur, Malaysia	1976	Freehold	Office building and factory building	42,716	38 years	3,526
8	Lot 22, Jalan Sultan Mohamed 4, Taman Perindustrian Bandar Sultan Sulaiman, 42000 Pelabuhan Klang Utara, Selangor Darul Ehsan, Malaysia	2012	Leasehold/2105	Warehouse	77,024	18 years	3,265
9	37-06, Prince Street, Flushing NY 11354, the USA	2012	Freehold	Commercial building	3,938	9 years	3,200
10	Lot 2123, Section 66, Lorong 3, Jalan Semangat, Pending, Kuching, Sarawak, Malaysia	1996	Leasehold/2047	Office and printing plant	44,950	16 years	3,093

Notice of the 23rd Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twenty-third Annual General Meeting ("AGM") of Media Chinese International Limited will be held at (i) Sin Chew Media Corporation Berhad, Cultural Hall, No. 19, Jalan Semangat, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia; and (ii) 15th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong on Tuesday, 6 August 2013 at 10:00 a.m. for the following purposes:

AGENDA
AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 March 2013 together with the Directors' and Independent Auditor's Reports thereon. — Ordinary Resolution 1

2. To approve the payment of Directors' fees for the financial year ended 31 March 2013 in the amount of US$539,000. — Ordinary Resolution 2

3. To re-elect the following Directors who retire pursuant to the Company's Bye-Laws:
   i. Dato' Sri Dr TIONG Ik King — Ordinary Resolution 3
   ii. Mr LEONG Chew Meng — Ordinary Resolution 4
   iii. Tan Sri Dato' LAU Yin Pin — Ordinary Resolution 5
   iv. Ms TIONG Choon — Ordinary Resolution 6

4. To re-appoint Messrs PricewaterhouseCoopers as auditor of the Company for the ensuing year and to authorise the Directors to fix its remuneration. — Ordinary Resolution 7

AS SPECIAL BUSINESS

To consider and, if thought fit, pass with or without amendments the following resolutions:

5. ORDINARY RESOLUTION

   RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

   "**THAT**, authority be and is hereby given to Mr David YU Hon To to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next AGM in accordance with the Malaysian Code of Corporate Governance 2012." — Ordinary Resolution 8

6. ORDINARY RESOLUTION

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

   "**THAT**, subject to the provisions of Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), approval be and is hereby given for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with specific classes of Related Parties (as set out in Section 2 of Part A of the circular to shareholders dated 8 July 2013), which are necessary for the day to day operations of the Company and its subsidiaries, in the ordinary course of business on terms not more favourable than those generally available to the public and are not detrimental to the minority shareholders of the Company; — Ordinary Resolution 9

   THAT such an approval shall only continue to be in force until:

   (a) the conclusion of the next AGM of the Company at which time it will lapse, unless the mandate is renewed by an ordinary resolution passed at the next AGM;

(b) the expiration of the period within which the next AGM of the Company is required by any applicable laws or the Bye-Laws of the Company to be held; or

(c) the date on which the approval set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting,

whichever is the earliest.

AND **THAT** the Directors of the Company be and are hereby authorised to take all steps and to do all such acts and deeds as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

7. ORDINARY RESOLUTION

PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE

"**THAT** subject always to the rules, regulations, orders made pursuant to the Malaysian Companies Act, 1965 (the "Act"), provisions of the Company's Bye-Laws, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Listing Rules"), the Listing Requirements of Bursa Securities or of any other stock exchange and any other relevant authority or approval for the time being in force or as amended from time to time, and paragraph (a) below, the Directors of the Company be hereby authorised to repurchase ordinary shares of HK$0.10 each in the Company's issued and paid-up ordinary share capital as may be determined by the Directors from time to time through The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), Bursa Securities or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong, the Stock Exchange and Bursa Securities for this purpose, upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company, provided that: Ordinary Resolution 10

(a) the aggregate nominal amount of shares of the Company which may be repurchased pursuant to the approval in the paragraph above shall not exceed 10% of the aggregate nominal amount of the total issued and paid up ordinary share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly;

(b) the maximum funds to be allocated by the Company for the purpose of purchasing its shares shall not exceed the total retained earnings and share premium reserves of the Company at the time of the said purchase(s); and

(c) the authority conferred by this resolution shall commence immediately upon the passing of this resolution and continue to be in force during the Relevant Period.

For the purposes of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next AGM of the Company following the passing of the share buyback resolution, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions;

(ii) the expiration of the period within which the next AGM of the Company is required by any applicable laws or the Bye-Laws of the Company to be held; or

(iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

THAT upon completion of the purchase by the Company of its own shares, the Directors of the Company be and are hereby authorised to cancel all the shares so purchased pursuant to Rule 10.06(5) of the Hong Kong Listing Rules and/or to deal with the shares in any other manner as may be allowed or prescribed by the Act, rules, regulations and orders made pursuant to the Act, the Hong Kong Listing Rules and Listing Requirements of Bursa Securities.

AND **THAT** the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise or to effect the aforesaid purchase(s) of shares with full powers to assent to any conditions, modifications, resolutions, variations and/or amendments (if any) as may be imposed by the relevant authorities and to do all such acts and things as the Directors may deem fit and expedient in the best interests of the Company."

8. ORDINARY RESOLUTION

PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES

"**THAT**:

(a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK$0.10 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved; Ordinary Resolution 11

(b) the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;

(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company; (iii) an issue of shares as scrip dividends pursuant to the Bye-Laws of the Company from time to time; or (iv) an issue of shares under any option scheme or similar arrangement for the grant or issue of shares or rights to acquire shares of the Company, shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

    (i) the conclusion of the next AGM of the Company;

    (ii) the expiration of the period within which the next AGM of the Company is required by any applicable laws or the Bye-Laws of the Company to be held; or

(iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

"Rights Issue" means an offer of shares open for a period fixed by the Directors of the Company to the holders of the shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company)."

9. ORDINARY RESOLUTION

PROPOSED GENERAL MANDATE RELATING TO AN EXTENSION TO THE GENERAL MANDATE TO ISSUE NEW SHARES

"**THAT** subject to the passing of the resolutions Nos. 10 and 11 set out in the notice convening the meeting, the general mandate granted to the Directors of the Company to allot, issue and deal with additional shares pursuant to resolution No. 11 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to resolution No. 10 set out in the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as the date of the said resolution." Ordinary Resolution 12

By Order of the Board
MEDIA CHINESE INTERNATIONAL LIMITED
LAW Yuk Kuen
TONG Siew Kheng
Joint Company Secretaries

8 July 2013

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one proxy or proxies to attend and vote instead of him. A proxy may but need not be a member of the Company. When a member appoints more than one proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.

2. A member of the Company who is an authorised nominee as defined under the Malaysian Securities Industry (Central Depositories) Act 1991 may appoint at least one (1) proxy (but not more than two proxies) in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

3. In respect of the members in Malaysia, only members registered in the Record of Depositors as at 29 July 2013 shall be eligible to attend the meeting or appoint proxy or proxies to attend and vote on their behalf.

4. To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be lodged with (i) Malaysia share registrar office of the Company at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia; or (ii) the Hong Kong head office and principal place of business of the Company at 15th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

Notice of the 23rd Annual General Meeting

5. Explanatory notes on special business:

   (a) Pursuant to the Malaysian Code of Corporate Governance 2012, the tenure of an independent director should not exceed a cumulative term of nine years unless approval is sought from the Company's shareholders at the AGM to retain the said director as an independent director under proposed Ordinary Resolution No. 8. The Board via the Nomination Committee has conducted an annual assessment of the independent directors of the Company and the Board has recommended to retain Mr David YU Hon To continues to act as an independent director of the Company. The Board viewed that Mr David YU Hon To remains objective and independent in expressing his views and in participating in deliberations and decision-making of the Board and the Board Committees. His professional knowledge and experience in the audit and accounting sectors enable him to provide the Board with a diverse set of experience, expertise, skills and competencies. The length of his service on the Board does not in any way interfere with his independent judgment and ability to act in the best interest of the Company.

   (b) The proposed Ordinary Resolution No. 9, if passed, will empower the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with related parties in the ordinary course of business based on normal commercial terms which are not more favourable to the related parties than those generally available to the public which are necessary for the day-to-day operations of the Company and its subsidiaries. Please refer to the circular to shareholders dated 8 July 2013 for more information.

   (c) The explanatory notes on Ordinary Resolution No. 10 are set out in the circular to shareholders dated 8 July 2013 accompanying the Annual Report.

   (d) The Company has not issued any new shares under the general mandate for issuance and allotment of shares up to 10% of the issued and paid-up capital of the Company, which was approved at the 22nd AGM held on 29 August 2012 and which will lapse at the conclusion of the 23rd AGM to be held on 6 August 2013. A renewal of this mandate is sought at the 23rd AGM under proposed Ordinary Resolution No. 11.

       The proposed Ordinary Resolution No. 11, if passed, will authorise the Directors to issue and allot shares up to 10% of the issued and paid-up capital of the Company for the time being for such purposes as the Directors would consider to be in the interest of the Company. This is to avoid any delay and cost involved in convening a general meeting to approve such an issue of shares. This authority, unless revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting, will expire at the conclusion of the next AGM of the Company.

       The general mandate, if passed, will provide flexibility to the Directors of the Company to allot and issue shares for any possible fund raising activities, including but not limited to placement of shares, for the purpose of funding future investment, working capital and/or acquisition.

Statement Accompanying Notice of Annual General Meeting

Dato' Sri Dr TIONG Ik King, Mr LEONG Chew Meng, Tan Sri Dato' LAU Yin Pin and Ms TIONG Choon are the Directors standing for re-election at the forthcoming Twenty-third Annual General Meeting of the Company. In addition, pursuant to the Malaysian Code of Corporate Governance 2012, shareholder' approval will be sought to retain Mr David YU Hon To who has served the Company for more than nine years as an independent non-executive director. Details of their respective further details are shown in the Annual Report as follows:

	Further details	**Page no.**
(a)	Age, nationality, qualification, and whether the position is an executive or non-executive one and whether such director is an independent director	4-8
(b)	Working experience and occupation	4-8
(c)	Any other directorships of public companies	4-8
(d)	Details of any interest in the Company and/or its subsidiaries	4-8
(e)	Family relationship with any director and/or major shareholder of the Company	4-8
(f)	Any conflict of interest that he/she has with the Company	8
(g)	The list of convictions for offences within the past 10 years other than traffic offences, if any	8

Details of attendance of directors at board meetings are set out on page 39 of the Annual Report.

Media Chinese International Limited

MALAYSIA
No. 19, Jalan Semangat, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia
Tel: (603) 7965 8888 Fax: (603) 7965 8689

HONG KONG
15/F, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong
Tel: (852) 2595 3111 Fax: (852) 2898 2691

www.mediachinesegroup.com