CINDERELLA MEDIA GROUP LIMITED

先傳媒集團有限公司*

(continued in Bermuda with limited liability)

(Stock code: 550)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2013

The Board of Directors (the "Board") of Cinderella Media Group Limited (the "Company") presents the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 June 2013 together with the comparative unaudited figures for the corresponding period in 2012 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2013

		(Unaudited) Six months ended 30 June	
		2013	2012
	Notes	***HK$'000***	*HK$'000*
Turnover	*3*	**808,878**	709,892
Direct operating costs		**(586,051)**	(538,475)
Gross profit		**222,827**	171,417
Other income		**23,221**	20,900
Selling and distribution costs		**(93,845)**	(55,964)
Administrative expenses		**(33,282)**	(25,521)
Other expenses		**(4,248)**	(8,246)
Finance costs	*4*	**(1,293)**	(1,453)
Profit before income tax	*5*	**113,380**	101,133
Income tax expense	*6*	**(26,587)**	(14,624)
Profit for the period		**86,793**	86,509
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss:			
Exchange gain on translation of financial statements of foreign operations		**6,684**	198
Other comprehensive income for the period, net of tax		**6,684**	198
Total comprehensive income for the period		**93,477**	86,707

* *For identification purpose only*

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2013 (CONTINUED)

		(Unaudited) Six months ended 30 June	
		2013	2012
	Notes	***HK$'000***	*HK$'000*
Profit for the period attributable to:			
Owners of the Company		**66,416**	75,243
Non-controlling interests		**20,377**	11,266
		86,793	86,509
Total comprehensive income attributable to:			
Owners of the Company		**71,270**	75,413
Non-controlling interests		**22,207**	11,294
		93,477	86,707
Earnings per share for profit attributable to the owners of the Company during the period	*7*		
- Basic		**HK20.14 cents**	HK23.34 cents
- Diluted		**HK20.00 cents**	HK22.82 cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

	Notes	(Unaudited) At 30 June 2013 HK$'000	(Audited) At 31 December 2012 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	*8*	**216,729**	219,404
Investment properties	*9*	**10,345**	-
Prepaid land lease payments	*10*	**5,918**	5,848
Interests in associate		**3**	-
Intangible assets		**66,302**	66,487
Deferred tax assets		**4,716**	3,803
		304,013	295,542
Current assets			
Inventories		**116,671**	73,523
Trade and other receivables and deposits	*11*	**494,608**	517,167
Financial assets at fair value through profit or loss		**3,146**	870
Advances to associates		**157**	-
Taxes recoverable		**34**	-
Pledged cash and bank balances		**16,827**	7,297
Cash and cash equivalents		**360,948**	442,982
		992,391	1,041,839
Current liabilities			
Trade and other payables	*12*	**264,570**	289,277
Financial liabilities at fair value through profit or loss		**-**	718
Bank borrowings	*13*	**83,339**	118,297
Finance lease liabilities	*14*	**3,661**	6,227
Provision for taxation		**43,032**	60,591
		394,602	475,110
Net current assets		**597,789**	566,729
Total assets less current liabilities		**901,802**	862,271
Non-current liabilities			
Finance lease liabilities	*14*	**-**	526
Other payables		**32,000**	32,000
Deferred tax liabilities		**17,329**	15,940
		49,329	48,466
Net assets		**852,473**	813,805

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013 (CONTINUED)

	Notes	(Unaudited) At 30 June 2013 HK$'000	(Audited) At 31 December 2012 HK$'000
EQUITY			
Share capital	*15*	**66,234**	65,632
Reserves		**543,148**	566,820
Equity attributable to owners of the Company		**609,382**	632,452
Non-controlling interests		**243,091**	181,353
Total equity		**852,473**	813,805

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2013

	(Unaudited) For the six months ended 30 June **2013** *HK$'000*	2012 *HK$'000*
Net cash generated from operating activities	**69,403**	149,576
Investing activities		
Interest received	**950**	2,373
Increase in pledged cash and bank balances	**(9,530)**	-
Purchase of property, plant and equipment	**(20,673)**	(17,240)
Proceeds from disposal of property, plant and equipment	**315**	3
Advance to associate	**(157)**	-
Dividend income from listed equity securities	**25**	28
Disposal of a subsidiary	**(308)**	(461)
Payment on acquisition of subsidiaries	**(28,000)**	-
Purchase of additional interest in subsidiaries	**(529)**	-
Net cash used in investing activities	**(57,907)**	(15,297)
Financing activities		
Bank borrowings raised	**-**	46,528
Repayment of bank borrowings	**(34,838)**	(78,283)
Interest on bank borrowings paid	**(1,218)**	(1,295)
Interest element of finance lease payments	**(75)**	(158)
Capital element of finance lease liabilities paid	**(3,092)**	(3,008)
Proceeds from rights issue of a subsidiary	**40,021**	-
Proceeds from issue of new shares	**5,001**	5,507
Share issue expenses paid	**(23)**	(19)
Dividends paid to equity holders of the Company	**(99,306)**	(129,645)
Dividends paid to non-controlling interests	**-**	(6,003)
Net cash used in financing activities	**(93,530)**	(166,376)
Net decrease in cash and cash equivalents	**(82,034)**	(32,097)
Cash and cash equivalents at the beginning of the period	**442,982**	407,252
Cash and cash equivalents at the end of the period	**360,948**	375,155
Analysis of balances of cash and cash equivalents		
Bank balances and cash	**193,040**	173,413
Cash at brokers	**4,043**	3,994
Short-term deposits	**163,865**	197,748
	360,948	375,155

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2013

	Attributable to owners of the Company											Non-controlling interests	Total Equity
	Share capital	Share premium	Employee compensation reserve	Exchange reserve	Merger reserve	Contributed surplus	Statutory reserves	Other reserve	Proposed final and special dividends	Retained earnings	Total		
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Balance at 1 January 2013 (Audited)	65,632	108,238	2,123	131	(43,897)	2,371	2,341	(16,472)	98,589	413,396	632,452	181,353	813,805
Equity-settled share-based payment expense	-	-	27	-	-	-	-	-	-	-	27	-	27
Exercise of share options	602	5,562	(1,163)	-	-	-	-	-	-	-	5,001	-	5,001
Share issue expenses	-	(23)	-	-	-	-	-	-	-	-	(23)	-	(23)
Final and special 2012 dividends paid (note 17)	-	-	-	-	-	-	-	-	(98,589)	(717)	(99,306)	-	(99,306)
Acquisition of additional interest in subsidiaries (note 21)	-	-	-	-	-	-	-	(39)	-	-	(39)	(490)	(529)
Rights issue from a subsidiary	-	-	-	-	-	-	-	-	-	-	-	40,021	40,021
Transactions with owners	602	5,539	(1,136)	-	-	-	-	(39)	(98,589)	(717)	(94,340)	39,531	(54,809)
Profit for the period	-	-	-	-	-	-	-	-	-	66,416	66,416	20,377	86,793
Other comprehensive income													
Currency translation	-	-	-	4,854	-	-	-	-	-	-	4,854	1,830	6,684
Total comprehensive income for the period	-	-	-	4,854	-	-	-	-	-	66,416	71,270	22,207	93,477
Balance at 30 June 2013 (Unaudited)	**66,234**	**113,777**	**987**	**4,985**	**(43,897)**	**2,371**	**2,341**	**(16,511)**	**-**	**479,095**	**609,382**	**243,091**	**852,473**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2013 (CONTINUED)

	Attributable to owners of the Company											Non-controlling interests	Total Equity
	Share capital *HK$'000*	Share premium *HK$'000*	Employee compensation reserve *HK$'000*	Exchange reserve *HK$'000*	Merger reserve *HK$'000*	Contributed surplus *HK$'000*	Statutory reserves *HK$'000*	Other reserve *HK$'000*	Proposed final and special dividends *HK$'000*	Retained earnings *HK$'000*	Total *HK$'000*	*HK$'000*	*HK$'000*
Balance at 1 January 2012 (Audited)	64,118	95,396	4,146	(33)	(43,897)	2,371	2,089	(16,472)	128,284	378,014	614,016	164,263	778,279
Equity-settled share-based payment expense	-	-	664	-	-	-	-	-	-	-	664	-	664
Exercise of share options	755	6,025	(1,273)	-	-	-	-	-	-	-	5,507	-	5,507
Share issue expenses	-	(19)	-	-	-	-	-	-	-	-	(19)	-	(19)
Final and special 2011 dividends paid (note 17)	-	-	-	-	-	-	-	-	(128,284)	(1,361)	(129,645)	-	(129,645)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(6,003)	(6,003)
Transactions with owners	755	6,006	(609)	-	-	-	-	-	(128,284)	(1,361)	(123,493)	(6,003)	(129,496)
Profit for the period	-	-	-	-	-	-	-	-	-	75,243	75,243	11,266	86,509
Other comprehensive income													
Currency translation	-	-	-	170	-	-	-	-	-	-	170	28	198
Total comprehensive income for the period	-	-	-	170	-	-	-	-	-	75,243	75,413	11,294	86,707
Balance at 30 June 2012 (Unaudited)	**64,873**	**101,402**	**3,537**	**137**	**(43,897)**	**2,371**	**2,089**	**(16,472)**	**-**	**451,896**	**565,936**	**169,554**	**735,490**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. Basis of preparation

The Group's unaudited condensed consolidated interim financial statements for the six months ended 30 June 2013 have been prepared in accordance with the applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The condensed consolidated financial statements have been prepared under the historical cost convention, except for certain financial instruments that are measured at fair values. The condensed consolidated interim financial statements are unaudited but have been reviewed by the Company's audit committee.

2. Principal accounting policies

The accounting policies used in preparing the interim financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2012 except for the accounting policies as disclosed below and the adoption of the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKAS") and Interpretations as disclosed below.

Investment properties
Investment properties are buildings which are owned or held under a leasehold interest to earn rental income and/or for capital appreciation, but not held for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purpose.

On initial recognition, investment property is measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment property is stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is provided so as to write off the cost of investment property less their estimated residual value using straight-line method over the lease term. The asset's estimated residual value, depreciation method and estimated useful live are reviewed and adjusted if appropriate, at each reporting date.

Transfer from property, plant and equipment to investment property shall be made when, and only when, there is a change in use, evidenced by the end of owner-occupation. The transfers between owned-occupied property and investment property which are measured at cost less accumulated depreciation and impairment losses do not change the carrying amount of the property transferred and the cost of that property on transfer.

2. Principal accounting policies (Continued)

Inventories

The cost of the Group's inventories was determined using first-in, first-out method, and comprises direct materials and, where applicable, direct labour costs and those overhead costs that have been incurred in bringing the inventories to their present location and condition as at 31 December 2012.

With effect from 1 January 2013, the Group changed its accounting policy in its inventory valuation and the cost of inventories is determined using weighted average cost method. The Group considers that a weighted-average unit cost can be applied to the units in the ending inventory so that it better smoothes out the unit cost changes as well as simplifying the inventory valuation procedures.

In accordance with HKAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", change in accounting policy has been accounted for retrospectively.

Due to the short inventory turnover period of the Group during the year ended 31 December 2012 and the six months ended 30 June 2013, the change in accounting policy has had no material effect on the consolidated statement of financial position as at 1 January 2012, 31 December 2012 and 30 June 2013, and the comparative figures have not been restated and the third statement of financial position as at 1 January 2012 is not presented.

In the current interim period, the Group has also applied, for the first time, the following new or revised standards and interpretations issued by the HKICPA:

HKAS 1(Amendments)	*Presentation of Items of Other Comprehensive Income*
HKAS 19 (As revised in 2011)	*Employee Benefits*
HKAS 27 (As revised in 2011)	*Separate Financial Statements*
HKAS 28 (As revised in 2011)	*Investments in Associates and Joint Ventures*
HKFRSs (Amendments)	*Annual Improvements to HKFRSs 2009-2011 Cycle*
HKFRS 1 (Amendments)	*Government Loans*
HKFRS 7 (Amendments)	*Disclosures – Offsetting Financial Assets and Financial Liabilities*
HKFRS 10	*Consolidated Financial Statements*
HKFRS 11	*Joint Arrangements*
HKFRS 12	*Disclosure of Interests in Other Entities*
HKFRS 13	*Fair Value Measurement*
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	*Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance*
HK(IFRIC) – Int 20	*Stripping Costs in the Production Phase of a Surface Mine*

2. Principal accounting policies (Continued)

Amendments to HKAS 1 (Revised) - Presentation of Items of Other Comprehensive Income

This standard is effective for accounting periods beginning on or after 1 July 2012. The amendments change the disclosure of items presented in other comprehensive income in the statement of comprehensive income and require entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future. Items that will not be recycled will be presented separately from items that may be recycled in the future. Entities that choose to present other comprehensive income items before tax will be required to show the amount of tax related to the two groups separately. The title used by HKAS 1 for the statement of comprehensive income has changed to "Statement of profit or loss and other comprehensive income". The Group has applied the new terminology to rename 'statement of comprehensive income' as 'statement of profit or loss and other comprehensive income' and made disclosures in the other comprehensive income section such that items of other comprehensive income may be recycled subsequently to profit or loss is disclosed.

HKFRS 13 Fair Value Measurement

The adoption of HKFRS 13 did not result in a change in the accounting policy relating to fair value measurement. HKFRS 13 defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. In accordance with HKFRS 13, some of the disclosures for financial instruments required for annual financial statements are included in note 20 to these unaudited condensed consolidated financial statements.

The adoption of the other new HKFRSs had no material impact on the unaudited condensed consolidated financial statements of the Group for the current and prior accounting period.

The Group has not early adopted the new HKFRSs that have been issued but are not yet effective. The directors of the Company are currently assessing the impact of these new HKFRSs but are not yet in a position to state whether they would have material financial impact on the Group's results of operations and financial position.

3. Segment information

The Group determines its operating segments based on the reports reviewed by the chief operating decision-makers and which are used to make strategic decisions as follows:

Advertising	-	providing advertising services on different publications and magazines.
Printing	-	printing of books and magazines.
Investment	-	trading of financial assets at fair value through profit or loss.

3. Segment information (Continued)

The following tables present information of revenue and profit for the period on the basis of the Group's operating segments for the six months ended 30 June 2013 and 2012 respectively:

Six months ended 30 June 2013

	Advertising (Unaudited) *HK$'000*	**Printing** (Unaudited) *HK$'000*	**Investment** (Unaudited) *HK$'000*	**Consolidated** (Unaudited) *HK$'000*
Revenue				
- External sales	266,677	542,201	-	808,878
Segment profit	51,928	64,224	(31)	116,121
Unallocated corporate income				816
Unallocated corporate expenses				(2,264)
Finance costs				(1,293)
Profit before income tax				113,380
Income tax expense				(26,587)
Profit for the period				86,793

Six months ended 30 June 2012

	Advertising (Unaudited) *HK$'000*	**Printing** (Unaudited) *HK$'000*	**Investment** (Unaudited) *HK$'000*	**Consolidated** (Unaudited) *HK$'000*
Revenue				
- External sales	398,095	311,797	-	709,892
Segment profit	68,739	37,694	166	106,599
Unallocated corporate income				724
Unallocated corporate expenses				(4,737)
Finance costs				(1,453)
Profit before income tax				101,133
Income tax expense				(14,624)
Profit for the period				86,509

3. Segment information (Continued)

The following is an analysis of the Group's assets by operating segment:

	At 30 June 2013 (Unaudited) *HK$'000*	At 31 December 2012 (Audited) *HK$'000*
Advertising	**175,163**	222,792
Printing	**938,378**	856,621
Investment	**4,956**	4,967
Total segment assets	**1,118,497**	1,084,380

4. Finance costs

	Six months ended 30 June	
	2013 (Unaudited) *HK$'000*	2012 (Unaudited) *HK$'000*
Interest on bank borrowings, which contain a repayment on demand clause, wholly repayable within five years	**1,218**	1,295
Finance lease charges	**75**	158
	1,293	1,453

5. Profit before income tax

Profit before income tax has been arrived at after charging/(crediting):

	Six months ended 30 June	
	2013 (Unaudited) *HK$'000*	2012 (Unaudited) *HK$'000*
Amortisation of intangible assets	**185**	-
Amortisation of prepaid land lease payments	**72**	72
Depreciation	**16,389**	15,761
Employee benefit expense	**85,848**	63,775
Minimum lease payments paid under operating leases or leases in respect of		
- Rented premises and production facilities	**6,835**	6,741
- Internet access line	**151**	157
Loss on disposal of property, plant and equipment	**207**	26
Net foreign exchange loss (gain)	**2,023**	(2,381)
(Gain) loss on financial assets at fair value through profit or loss	**(3,983)**	994
Interest income	**(950)**	(2,373)

6. Income tax expense

The amount of income tax expense charged/(credited) to the condensed consolidated statement of profit and loss and other comprehensive income represents:

	Six months ended 30 June	
	2013	2012
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
The charge comprises:		
Hong Kong profits tax		
- Current year	**12,446**	18,812
Overseas tax		
- Current year	**12,016**	6,284
- Under provision in prior years	**60**	28
Deferred taxation – current year	**2,065**	(10,500)
	26,587	14,624

Hong Kong profits tax has been provided at the rate of 16.5% (2012: 16.5%) on the estimated assessable profits for the period. Taxation on overseas profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates.

7. Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

	Six months ended 30 June	
	2013	2012
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Earnings for the purposes of basic and diluted earnings per share for the period	**66,416**	75,243

	Number of shares (*'000*)	
	2013	2012
Weighted average number of ordinary shares for the purposes of basic earnings per share	**329,756**	322,340
Effect of dilutive share options	**2,348**	7,415
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**332,104**	329,755

8. Property, plant and equipment

	Leasehold land and Buildings	Furniture and fixtures	Office equipment	Leasehold improve-ments	Computer equipment and systems	Motor vehicles	Machinery	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 January 2013								
Cost	19,775	5,703	5,707	44,882	37,287	2,226	266,950	382,530
Accumulated depreciation	(784)	(4,137)	(3,954)	(27,359)	(34,853)	(1,261)	(90,778)	(163,126)
Net book amount	18,991	1,566	1,753	17,523	2,434	965	176,172	219,404
Period ended 30 June 2013								
Opening net book amount	18,991	1,566	1,753	17,523	2,434	965	176,172	219,404
Exchange differences	71	(2)	18	3	5	17	3,796	3,908
Transfer to investment properties (note 9)	(10,370)	-	-	-	-	-	-	(10,370)
Additions	-	256	389	6,114	643	1,140	12,131	20,673
Disposals	-	(4)	(47)	(28)	(1)	(254)	(188)	(522)
Depreciation	(193)	(424)	(369)	(2,531)	(987)	(244)	(11,616)	(16,364)
Closing net book amount	8,499	1,392	1,744	21,081	2,094	1,624	180,295	216,729
At 30 June 2013								
Cost	9,052	5,891	5,965	50,944	37,893	2,494	282,937	395,176
Accumulated depreciation	(553)	(4,499)	(4,221)	(29,863)	(35,799)	(870)	(102,642)	(178,447)
Net book amount	8,499	1,392	1,744	21,081	2,094	1,624	180,295	216,729

The net book amount of property, plant and equipment includes the net carrying amount of HK$18,400,000 (31 December 2012: HK$20,876,000) in respect of assets held under finance leases.

As at 30 June 2013, the Group's leasehold land and buildings with net book amount of HK$5,516,000 (31 December 2012: HK$16,042,000) were pledged to secure general banking facilities granted to the Group and certain of the Group's property, plant and equipment with net book amount of HK$190,000 (31 December 2012: HK$186,000) were collaterised against the banking facilities granted to the Group.

During the six months ended 30 June 2013, certain of the leasehold land and buildings were transferred to investment properties as those properties were held for lease to independent third parties to earn rental income.

9. Investment properties

	HK$'000
At 1 January 2013	-
Transfer from leasehold land and building (note 8)	10,370
Depreciation	(25)
Closing net book amount	10,345
At 30 June 2013	
Cost	10,370
Accumulated depreciation	(25)
Net book amount	10,345

The investment properties as at 30 June 2013 were pledged to secure general banking facilities granted to the Group.

As at 30 June 2013, the fair value of the investment properties were approximately HK$17,600,000 which were based on the valuation performed by BMI Appraisals Limited, an independent professional valuer. For the portion of the property which is subject to tenancy, the valuation was arrived at by taking into account the current passing rent of this portion being held under existing tenancy and the reversionary potential of the tenancy if it has been or would be let to tenant. For the remaining portion of the property, the Comparison Approach was adopted assuming sales in its existing state with the benefit of vacant possession and making reference to comparable sales evidence as available in the relevant market.

10. Prepaid land lease payments

	HK$'000
At 1 January 2013	
Cost	6,315
Accumulated amortisation	(467)
Net book amount	5,848
Opening net book amount	5,848
Exchange differences	142
Amortisation	(72)
Closing net book amount	5,918
At 30 June 2013	
Cost	6,469
Accumulated amortisation	(551)
Net book amount	5,918

10. Prepaid land lease payments (Continued)

The Group's prepaid land lease payments represent up-front payments to acquire an interest in the usage of land situated in the Shanghai, which is held under a medium-term lease.

11. Trade and other receivables and deposits

The Group allows a credit period from 7 days to 180 days to its trade customers.

Aging analysis of trade receivables as at 30 June 2013, based on invoice date and net of provisions, is as follows:

	At 30 June 2013 (Unaudited) *HK$'000*	At 31 December 2012 (Audited) *HK$'000*
0 - 30 days	**110,984**	108,386
31 - 60 days	**114,180**	96,945
61 - 90 days	**111,698**	73,981
91 - 120 days	**51,944**	73,309
121 - 150 days	**23,046**	67,497
Over 150 days	**17,885**	55,299
Total trade receivables	**429,737**	475,417
Other receivables and deposits	**64,871**	41,750
	494,608	517,167

12. Trade and other payables

As at 30 June 2013, the aging analysis of trade payables based on invoice date is as follows:

	At 30 June 2013 (Unaudited) *HK$'000*	At 31 December 2012 (Audited) *HK$'000*
0 - 30 days	**55,701**	51,345
31 - 60 days	**43,858**	34,716
61 - 90 days	**21,675**	25,325
91 - 120 days	**8,771**	8,595
Over 120 days	**11,152**	18,473
Total trade payables	**141,157**	138,454
Other payables	**123,413**	150,823
	264,570	289,277

13. Bank borrowings

During the six months ended 30 June 2013, repayments of bank loans amounting to HK$34,838,000 (30 June 2012: HK$78,283,000) were made in line with the relevant repayment terms. No new bank borrowings were raised for the six months ended 30 June 2013 (30 June 2012: HK$46,528,000).

All bank borrowings as at 30 June 2013 are secured by the corporate guarantees from the Company and bank borrowings of HK$9.4 million (31 December 2012: HK$10.0 million) are further secured by personal guarantee from the director and non-controlling shareholder of a subsidiary and the Group's leasehold land and buildings of HK$5,516,000 (31 December 2012: HK$16,042,000) and investment properties of HK$10,345,000 (31 December 2012: Nil).

14. Finance lease liabilities

The analysis of the obligations under finance lease is as follows:

	At 30 June 2013 (Unaudited) ***HK$'000***	At 31 December 2012 (Audited) *HK$'000*
Total minimum lease payments:		
Due within one year	**3,695**	6,335
Due in the second to fifth years	**-**	527
	3,695	6,862
Future finance charges on finance lease	**(34)**	(109)
Present value of finance lease liabilities	**3,661**	6,753
Present value of minimum lease payments:		
Due within one year	**3,661**	6,227
Due in the second to fifth years	**-**	526
	3,661	6,753
Less: Portion due within one year included under current liabilities	**(3,661)**	(6,227)
Non-current portion included under non-current liabilities	**-**	526

As at 30 June 2013 and 31 December 2012, all finance lease liabilities are secured by the corporate guarantees from the Company.

15. Share capital

	No. of shares *('000)*	*HK$'000*
Authorised:		
Ordinary shares of HK$0.20 each	500,000	100,000
Issued and fully paid:		
At 1 January 2013	328,160	65,632
Shares issued upon exercise of share options	3,010	602
At 30 June 2013	**331,170**	**66,234**

16. Capital commitments

As at 30 June 2013, the Group had capital commitment contracted but not provided for in respect of the acquisition of property, plant and equipment of approximately HK$709,000 (31 December 2012: HK$902,000).

17. Dividends

(a) Dividends attributable to the previous financial year, approved and paid during the interim period

	Six months ended 30 June	
	2013	2012
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Final dividend in respect of the year ended 31 December 2012, approved and paid during the period, of HK$0.2 per share (2011: HK$0.2)	**66,204**	64,822
Special dividend in respect of the year ended 31 December 2012, approved and paid during the period, of HK$0.1 per share (2011: HK$0.2)	**33,102**	64,823
	99,306	129,645

17. Dividends (Continued)

(b) Dividends attributable to the interim period

	2013	2012
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interim dividend – HK$0.08 (2012: HK$0.08) per share	**26,497**	26,191

Notes:

(i) On 21 February 2013, the Directors proposed a final dividend of HK$0.2 per share and a special dividend of HK$0.1 per share. The final and special dividends were paid on 13 May 2013.

(ii) The amount of the interim dividend declared for the six months ended 30 June 2013, which will be payable in cash, has been calculated by reference to the 331,210,000 issued ordinary shares outstanding as at the date of this report. The interim dividend is not reflected as dividend payable in the condensed consolidated interim financial statements, but will be reflected as an appropriation of retained earnings for the year ending 31 December 2013.

18. Related party transactions

(a) Related party transactions

Transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Details of significant transactions between the Group and other related parties for the six months ended 30 June 2013 are disclosed as follows:

	Six months ended 30 June	
	2013	2012
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Rental expenses paid to a related company	-	156

In the opinion of the directors, the related party transactions were conducted in the ordinary and usual course of business and on normal commercial terms. The above related party transactions also constitute exempted connected transactions as defined in Chapter 14A of the Listing Rule.

18. Related party transactions (Continued)

(b) Compensation of key management personnel

The directors of the Company were considered to be key management personnel of the Group. The remuneration of key management personnel is determined by the remuneration committee having regard to the performance of individuals and market trends.

	Six months ended 30 June	
	2013	2012
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Short-term employee benefits	1,200	2,013
Post-employment benefit	15	15
	1,215	2,028

19. Contingent liabilities

As at 30 June 2013, the Group had no significant contingent liabilities (31 December 2012: Nil).

20. Fair Value Measurement

(i) Recurring fair value measurements

	At 30 June 2013 (unaudited)		At 31 December 2012 (audited)	
	Level 1	**Level 2**	Level 1	Level 2
	HK$'000	***HK$'000***	*HK$'000*	*HK$'000*
Held for trading				
Equity securities, listed in Hong Kong	**834**	**-**	870	-
Forward foreign exchange contracts	**-**	**2,312**	-	(718)
Fair value	**834**	**2,312**	870	(718)

(ii) Fair values of financial instruments carried at other than fair value

Trade and other receivables, trade and other payables, bank borrowings and finance lease liabilities are carried at cost or amortised cost which are not materially different from their fair values as at 30 June 2013 and 31 December 2012.

20. Fair Value Measurement (Continued)

(iii) Measurement of fair values

The fair value of forward foreign exchange contracts is measured using forward exchange market rates at the reporting date.

21. Additional interest in subsidiaries

On 22 January 2013 and 25 January 2013, the Group acquired a further 20% of equity interests in two subsidiaries, Oceanic Graphic International Inc. and O.G. Printing Productions Limited, which are engaged in printing and production of graphic design services, increasing its equity interests from 80% to 100%, by acquiring the interests at a cash consideration of HK$155,000 and HK$320,000 respectively. The difference of HK$38,000 between the proportionate share of the carrying amount of their net assets and the consideration paid for the additional interests has been debited to other reserve.

During the period ended 30 Jun 2013, the Company increased its equity interests in 1010 Printing Group Limited from 59.98% to 59.99% by acquiring 68,000 shares from the stock market at a consideration of HK$54,000. The difference of HK$1,000 between the proportionate share of the carrying amount of their net assets and the consideration paid has been debited to other reserve.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Turnover for the six months ended 30 June 2013 was approximately HK$808.9 million, representing a growth of 14% (2012: HK$709.9 million). The advertising and printing business accounted for 33% and 67% respectively of the Group's overall revenue. The increase in turnover was mainly attributable to the increase of approximately HK$230 million in the printing business. The increase offset the decline of approximately HK$131 million in the advertising business in the reporting period.

Profit for the period attributable to the owners of the Company amounted to approximately HK$66.4 million (2012: HK$75.2 million). Taking advantage to the enlarged scale of operation through the December 2012 acquisition of Asia Pacific offset Limited, 1010 Printing Group Limited ("1010PGL") (Stock code: 1127), our printing business arm, significantly reduced its material and production costs. This resulted in an increase in the Group's gross profit margin by 3.4 percentage points to approximately 27.5% (2012: 24.1%).

During the first half of 2013, other income increased by 11% to approximately HK$23.2 million (2012: HK$20.9 million), which was mainly attributable to the gain of approximately HK$4.0 million on foreign currency forward contract. Such increase was offset by the decrease of approximately HK$2.4 million in exchange gain.

Overall, selling and distribution expenses grew from 7.9% to 11.6% of the turnover in the first half of 2013. Larger portion of sales from the printing business led to higher selling and distribution costs, which increased by 68% to approximately HK$93.8 million (2012: HK$56.0 million) during the reporting period. Other operating expenses decreased by 48% to approximately HK$4.2 million (2012: HK$8.2 million), which was mainly due to lower bad debt provision recorded from the Group's subsidiaries.

Income tax expenses increased by 82%, mainly due to increase in profits in the PRC subsidiaries and the payment and provision of dividend tax in the PRC. The Group's total comprehensive income for the reporting period climbed to approximately HK$93.5 million (2012: HK$86.7million).

Inflight Magazine

In the first half of 2013, the Group's inflight magazine business encountered a difficult time due to the loss of the Air China exclusive advertising sales contract. Air China took over the advertising business on her own in January 2013 but the Group has been appointed as a non-exclusive advertising sales agent. Our challenge was compounded by the slow down in the demand for luxury consumer goods in Mainland China, our main source of advertising. During the reporting period, the Group continued to search for market opportunities to ensure uninterrupted business development. In January 2013, the Group won the exclusive advertising sales contract with Hong Kong Airlines.

Currently, Cinderella remains the exclusive advertising agent of inflight magazines for major airlines in the Greater China. Our client portfolio includes China Eastern Airlines, China Southern Airlines, China Airlines and Hong Kong Airlines.

According to the estimates from the Commercial Aircraft Corporation of China, air passengers in China will grow at 7.2% annually in the next 20 years. With the Group's diverse client base and the stable advertising income, we believe that the inflight magazine business will continue to benefit from the growing aviation market in China.

Recruit Magazine and Website

Recruit Magazine remains the leading free subscription recruitment magazine in Hong Kong through various distribution channels, including the Mass Transit Railway stations, high-traffic commercial areas, universities and tertiary institutions. Given the rapid development in internet advertising, the Group has also made its efforts in expanding its online recruitment website to outreach to a wider group of jobseekers. In early 2013, our recruitment website www.recruit.com.hk partnered with a global recruitment online platform, "The Network", to extend its online platform to more than 125 countries worldwide. This has strengthened the Group's database and network, and thus enhanced Recruit's brand awareness and exposure worldwide. In addition, the Group launched a free-subscription bi-weekly magazine "Like" for job matching between the retail/service industry and fresh graduates since March 2012. Within a short span of time, "Like" has become one of the most popular platforms for young jobseekers. By expanding our revenue source in different channels, revenue from the Recruit magazine and website business registered a stable growth in turnover for the first half of 2013.

Printing Business

1010 PGL's turnover for the six months ended 30 June 2013 increased 73.9% to approximately HK$542.2 million (2012: HK$311.8 million). The substantial increase of HK$230.4 million was mainly attributable to the increase in sales orders contributed from the new print management subsidiary, Asia Pacific Offset Limited ("APOL"), which was acquired in late December 2012. Gross profit grew at a pace of 112.5% to approximately HK$146.5 million (2012: HK$68.9 million), whilst net profit attributable to the owners of 1010 PGL grew 77.0% to approximately HK$52.0 million (2012: HK$29.4 million).

BUSINESS REVIEW (CONTINUED)

The book printing trade continued to struggle in the first half of 2013, as more consumers turn to digital formats. Weaker printing operators have been pushed out, whilst large printers with solid financial position, like 1010 PGL, have benefited from this tough competition. Following the successful integration with APOL, one of the largest print management companies in the world, 1010 PGL has now repositioned itself as an integrated print management company with in-house printing capability. The merger has successfully allowed the Group to gain access to new markets across the value chain, thus significantly enhancing 1010 PGL's customer reach and reaping sustainably great cost savings. This new business alignment has also enhanced 1010 PGL's control on its order book allocation, creating flexibility between self-production and outsourcing. This in turn will effectively improve our cost and risk management in the long term. These endeavors have contributed significantly to 1010 PGL's gross margin enhancement, which increased to 27.0% from 22.1% last year. The Group anticipates further gross margin improvement in the coming year as greater economies of scale materialize.

PROSPECTS

The inflight magazine business is in a difficult operating environment. In view of this, the Group has taken initiatives to expand into other media businesses and platforms to diversify its operating risks and to build a larger portfolio for our advertising business.

On the other hand, our printing business is on a fast growth track after the successful APOL acquisition. Despite the external challenges for the book printing industry, the management perceives it as an opportunity to consolidate and gain scale, through vertical and/or horizontal mergers. The aim is to replicate the success of the recent acquisition, in order to pursue our vision to becoming a leader in the global book printing supply chain. The Group will ensure that appropriate cost control measures and stringent inventory management will be enforced, so as to ensure a healthy financial position for future development in the two divisions.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2013, the Group had net current assets of approximately HK$597.8 million (31 December 2012: HK$566.7 million). The Group's current ratio was approximately 2.5 (31 December 2012: 2.2). The financial position of the Group was healthy with total cash and bank deposits of approximately HK$377.8million (31 December 2012: HK$450.3 million).

Total bank borrowings and finance lease liabilities were HK$87.0 million (31 December 2012: HK$125.1 million). As at 30 June 2013, borrowings of HK$46.4 million (31 December 2012: HK$78.8 million) and HK$40.6 million (31 December 2012: HK$46.3 million) are denominated in Hong Kong dollars and US dollars respectively. All borrowings are at floating rates and repayable within five years except an amount of HK$3.5 million (31 December 2012: HK$4.1 million) being repayable after five years and subject to a repayable on demand clause. The Group's gearing ratio as at 30 June 2013 was 10.2% (31 December 2012: 15.4%), which is calculated on the basis of the Group's total interest-bearing debts over the total equity interest.

During the period, the Group had acquired machinery for printing division at approximately HK$12.1 million. The purchase is financed by internal resources. The net book amount of property, plant and equipment as at 30 June 2013 includes net carrying amount of approximately HK$18.4 million (31 December 2012: HK$20.9 million) in respect of assets held under finance leases. On 30 June 2013, the net book amount of the leasehold land and building of approximately HK$5.5 million (31 December 2012: HK$16.0 million) and investment properties of approximately HK$10.3 million (31 December 2012: HK$Nil) were pledged to secure general banking facilities granted to the Group.

As at 30 June 2013, the banking facilities of one of the Group's subsidiaries are secured by a charge over proceeds from documentary credit and an all monies debenture over the assets and an undertaking of the subsidiary. The banking facilities utilised by the subsidiary as at 30 June 2013 was HK$9.3 million (31 December 2012: HK$9.3 million). The assets collaterised included property, plant and equipment of HK$0.2 million (31 December 2012: HK$0.2 million), inventories of HK$28.1 million (31 December 2012: HK$11.5 million), trade and other receivables of HK$164.5 million (31 December 2012: HK$151.4 million) and bank balances and cash of HK$16.8 million (31 December 2012: HK$7.3 million).

The Group adopts centralized financing and treasury policies in order to ensure the group funding is utilized efficiently. Conservative approach is adopted on monitoring foreign exposure and interest rate risk. Forward contracts were used to hedge the foreign currency exposure in trading and capital expenditures when it was considered appropriate.

CAPITAL COMMITMENTS AND CONTINGENT LIABILITY

As at 30 June 2013, the Group had committed to acquire printing machinery of approximately HK$0.7 million. The acquisition will be financed by bank borrowings and the Group's internal resources.

The Group had no significant contingent liability as at 30 June 2013.

OTHER DISCLOSURES

INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board has resolved to recommend the payment of an interim dividend of HK$0.08 per ordinary share for the six months ended 30 June 2013 (2012: HK$0.08) to shareholders whose names appear on the register of holders of ordinary shares of the Company as at the close of business on 5 September 2013. The register of shareholders will be closed from 3 September 2013 to 5 September 2013, both days inclusive, during which period no transfer of shares will be registered. To qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrars in Hong Kong, Computershare Hong Kong Investor Services Limited whose share registration public offices are located at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on 2 September 2013. The relevant dividend warrants will be despatched to shareholders on or around 13 September 2013.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES

As at 30 June 2013, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept under Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 of the Listing Rules (the "Model Code"), were as follows:

(a) (i) Long Position in the shares of the Company

Name of Directors	Personal Interests *(Shares)*	Family Interests *(Shares)*	Corporate Interests *(Shares)*	Total Interests *(Shares)*	Percentage to the issued share capital of the Company *(%)*
Mr. Lau Chuk Kin *(Note 1)*	Nil	Nil	183,632,000	183,632,000	55.45
Ms. Lam Mei Lan	2,400,000	Nil	Nil	2,400,000	0.72
Mr. Lee Ching Ming, Adrian *(Note 2)*	100,500	50,000	Nil	150,500	0.05
Mr. Peter Stavros Patapios Christofis	1,000,500	Nil	Nil	1,000,500	0.30
Mr. Cheng Ping Kuen, Franco	120,000	Nil	Nil	120,000	0.04

(a) (ii) Long Position in the shares of ER2 Holdings Limited ("ER2 Holdings"), an associated corporation of the Company

Name of Directors	Personal Interests *(Shares)*	Family Interests *(Shares)*	Corporate Interests *(Shares)*	Total Interests *(Shares)*	Percentage to the issued share capital of ER2 Holdings *(%)*
Mr. Lau Chuk Kin	8,375	Nil	Nil	8,375	67.00
Mr. Wan Siu Kau	1,500	Nil	Nil	1,500	12.00

(a) (iii) Long Position in the shares of 1010 Printing Group Limited ("1010 PGL"), an associated corporation of the Company

Name of Directors	Personal Interests *(Shares)*	Family Interests *(Shares)*	Corporate Interests *(Shares)*	Total Interests *(Shares)*	Percentage to the issued share capital of 1010 PGL *(%)*
Mr. Lau Chuk Kin *(Note 3)*	171,906	Nil	473,090,392	473,262,298	61.46
Ms. Lam Mei Lan	72,688	Nil	Nil	72,688	0.01
Mr. Cheng Ping Kuen, Franco	7,299	Nil	Nil	7,299	0.00

Notes:

1. Of 183,632,000 shares, 5,678,000 shares and 177,954,000 shares are beneficially owned by ER2 Holdings and City Apex Limited respectively. As at 30 June 2013, Mr. Lau Chuk Kin beneficially owned 67% of the issued share capital of ER2 Holdings, which is the ultimate holding company of City Apex Limited. Accordingly, Mr. Lau is deemed to be interested in the said shares pursuant to Part XV of the SFO.

2. Of 150,500 shares, 50,000 shares are beneficially owned by the wife of Mr. Lee Ching Ming, Adrian, who is deemed to be interested in the said shares under Part XV of the SFO.

3. Of 473,090,392 shares, 461,838,155 shares, 68,000 shares, 10,779,266 shares and 404,971 shares are beneficially owned by Recruit (BVI) Limited, a wholly owned subsidiary of the Company, the Company, City Apex Limited and ER2 Holdings respectively.

Saved as disclosed above, as at 30 June 2013, to the knowledge of the Company, none of the directors or chief executive of the Company and their respective associates had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be maintained under section 352 of Part XV of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEME

The Company has adopted a share option scheme approved by a resolution passed by the shareholders of the Company on 13 July 2007, under which it may grant options to directors, employees, any advisors and service providers of any member of the Group to subscribe for shares in the Company.

The following table discloses movements in the share options of the Company during the period:

	Number of share options				
	Outstanding at 1.1.2013	Granted during the period	Exercised during the period	Cancelled/lapsed during the period	Outstanding at 30.6.2013
Directors	-	-	-	-	-
Employees	5,624,000	-	3,010,000	-	2,614,000
Total	5,624,000	-	3,010,000	-	2,614,000

Details of the share options granted are as follows:

Date of grant	Number of options granted	Vesting period	Exercisable period	Exercise price per share (HK$)
18.8.2008	5,700,000	18.8.2008 to 17.8.2009	18.8.2009 to 17.8.2013	0.93
18.8.2008	5,700,000	18.8.2008 to 17.8.2010	18.8.2010 to 17.8.2013	0.93
29.10.2009	300,000	29.10.2009 to 28.04.2010	29.04.2010 to 28.10.2014	0.902
29.10.2009	300,000	29.10.2009 to 28.10.2011	29.10.2011 to 28.10.2014	0.902
11.6.2010	2,190,000	11.6.2010 to 10.6.2011	11.6.2011 to 10.6.2015	1.60
11.6.2010	2,190,000	11.6.2010 to 10.6.2012	11.6.2012 to 10.6.2015	1.60
23.6.2010	4,860,000	23.6.2010 to 22.6.2011	23.6.2011 to 22.6.2015	1.636
23.6.2010	4,860,000	23.6.2010 to 22.6.2012	23.6.2012 to 22.6.2015	1.636
16.12.2011	250,000	16.12.2011 to 15.12.2012	16.12.2012 to 15.12.2016	2.000
16.12.2011	250,000	16.12.2011 to 15.12.2013	16.12.2013 to 15.12.2016	2.000

Notes:

(i) In total, HK$27,000 of share-based employee compensation expense were included in the consolidated statement of profit and loss and other comprehensive income for the period ended 30 June 2013 (2012: HK$664,000) with a corresponding credit in equity. No liabilities were recognised as these were all equity-settled share-based payment transactions.

(ii) As at 30 June 2013, 2,489,000 share options are exercisable and the weighted average exercise price of these share options is HK$1.65 (31 December 2012: HK$1.65).

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2013, the following persons, other than a director or chief executive of the Company, had interests or short positions in the shares or underlying shares of the Company, being 5% or more in the issued share capital of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of shareholder	Number of shares	Percentage to the issued share capital of the Company %
Mr. Lau Chuk Kin *(Note 1)*	183,632,000	55.45
ER2 Holdings Limited *(Note 1)*	183,632,000	55.45
City Apex Limited *(Note 1)*	177,954,000	53.73
JobStreet Corporation Berhad	26,250,000	7.93
Great Eagle Holdings Limited *(Note 2)*	21,638,000	6.53
Jolly Trend Limited *(Note 2)*	21,638,000	6.53
The Great Eagle Company, Limited *(Note 2)*	21,638,000	6.53
Dr. Lo Ka Shui *(Note 3)*	21,788,000	6.58
Chan Family Investment Corporation Limited *(Note 4)*	20,115,333	6.07
Tai Wah Investment Company Limited *(Note 4)*	18,000,000	5.44

Notes:

1. Of the 183,632,000 shares, Mr. Lau Chuk Kin is deemed to be interested in the 5,678,000 shares directly held by ER2 Holdings. City Apex Limited is owned as to 77% by ER2 Holdings and 23% by Wellsmart Assets Limited, an indirectly wholly owned subsidiary of Great Eagle Holdings Limited. Each of Mr. Lau Chuk Kin and ER2 Holdings is deemed to be interested in the 177,954,000 shares owned by City Apex Limited.

2. Each of Great Eagle Holdings Limited and Jolly Trend Limited is deemed to be interested in the 21,638,000 shares owned by The Great Eagle Company, Limited.

3. Of these shares, 21,638,000 shares are duplicated in the interest described in note 2, as The Great Eagle Company, Limited is a wholly-owned subsidiary of Great Eagle Holdings Limited. Dr. Lo Ka Shui was interested and/or deemed to be interested in the issued share capital of Great Eagle Holdings Limited. In addition, Dr. Lo Ka Shui has personal interest in 150,000 shares.

4. Of these shares, 1,117,333 shares are directly owned by Chan Family Investment Corporation Limited, 998,000 shares and 18,000,000 shares are respectively held by Earnyear Limited and Tai Wah Investment Company Limited. Both Earnyear Limited and Tai Wah Investment Company Limited are wholly-owned subsidiaries of Chan Family Investment Corporation Limited.

Save as disclosed above, as at 30 June 2013, the Company had not been notified of any other person (other than a director or chief executive of the Company) who had an interest or short position in the shares, underlying shares or debentures of the Company and was required to be recorded in the register required to be kept by the Company under Section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the six months ended 30 June 2013, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the Board, the Company has complied with the code provisions set out in the Corporate Governance Code and Corporate Governance Report (the "Code Provision") contained in Appendix 14 of the Listing Rules throughout the six months ended 30 June 2013.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct regarding directors' securities transactions. Having made specific enquiry of all directors, the Company was not aware of any non-compliance with the required standard set out in the Model Code regarding securities transactions by the directors throughout the six months ended 30 June 2013.

EMPLOYEES AND EMOLUMENT POLICY

As at 30 June 2013, the Group had around 1,163 full-time employees (30 June 2012: 1,128). The pay scale of the Group's employees is maintained at a competitive level and employees are rewarded on a performance-related basis within the general framework of the Group's salary and bonus system. Other employee benefits include provident fund, insurance and medical cover. As at 30 June 2013, outstanding options to subscribe for an aggregate of 2,614,000 shares of the Company had been granted to certain full-time employees, pursuant to the Company's share option scheme. Exercise prices of which are ranged from HK$1.60 to HK$2.00.

AUDIT COMMITTEE

The audit committee has three members comprising the three independent non-executive directors, namely, Mrs. Ling Lee Ching Man, Eleanor, Mr. Cheng Ping Kuen, Franco and Mr. Ho David, with terms of reference in compliance with the Listing Rules. The audit committee review the Group's financial reporting, internal controls and make relevant recommendations to the Board.

The audit committee had met with the management to review the Company's interim report for the six months ended 30 June 2013 and had the opinion that such report was compiled with the applicable accounting standards and adequate disclosures had been made.

By Order of the Board
Wan Siu Kau
Chairman

Hong Kong, 15 August 2013

As at the date of this announcement, the Board comprises Mr. Lau Chuk Kin and Ms. Lam Mei Lan as executive directors, Mr. Wan Siu Kau, Mr. Lee Ching Ming, Adrian and Mr. Peter Stavros Patapios Christofis as non-executive directors and Mrs. Ling Lee Ching Man, Eleanor, Mr. Cheng Ping Kuen, Franco and Mr. Ho David as independent non-executive directors.