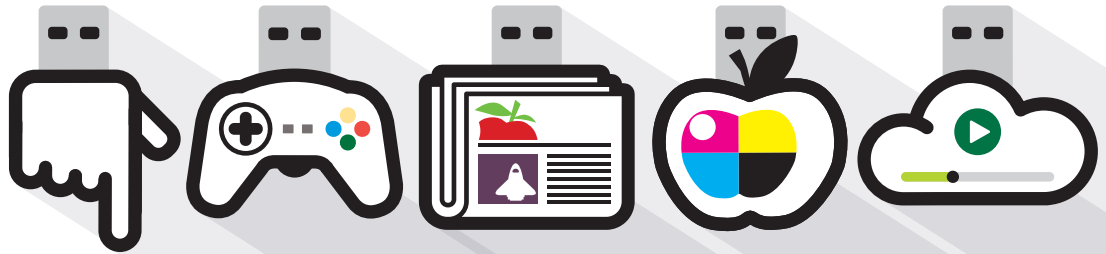


NEXTmedia



Interim **R**eport
2014/15

Next Media Limited
Stock Code: 00282



MULTI-

MEDIA



CONTENTS



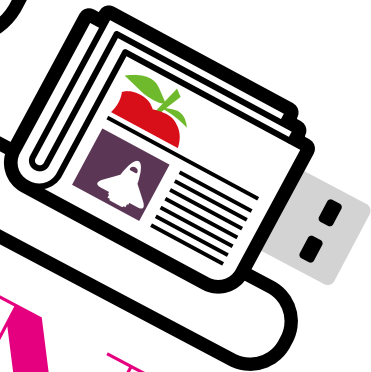
Financial Highlights	4
Management Discussion and Analysis	8
Corporate Governance	22
Corporate Information	32
Share Information	36
Other Information	38
Report on Review of Condensed Consolidated Financial Statements	49
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	50
Condensed Consolidated Statement of Financial Position	52
Condensed Consolidated Statement of Changes in Equity	54
Condensed Consolidated Statement of Cash Flows	55
Notes to the Condensed Consolidated Financial Statements	57
Glossary	90

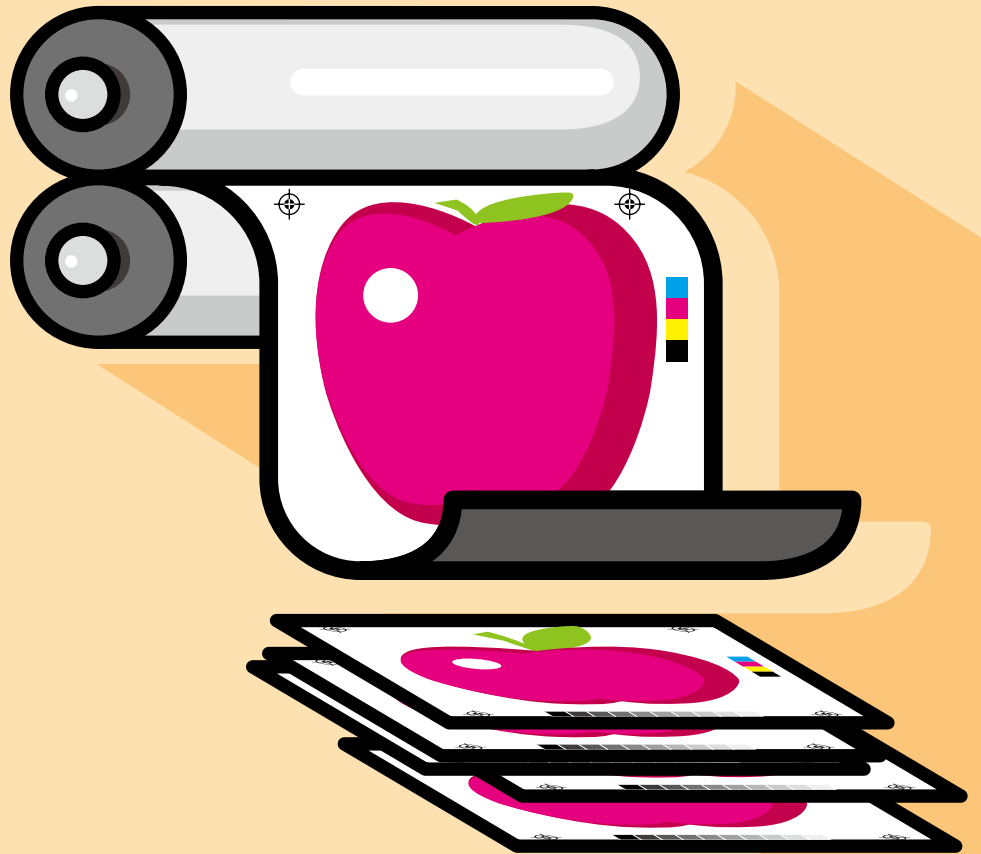
FINANCIAL HIGHLIGHTS



	(Unaudited)	
	Six months ended 30 September	
Financial Results from Continuing Operations	2014	2013
	HK\$'000	HK\$'000
Revenue	1,570,498	1,660,755
Earnings before interest, tax, depreciation, impairment and amortisation but after non-controlling interests	201,232	200,957
Profit for the period	106,492	88,170
Basic earnings per share	HK4.3 cents	HK3.5 cents
Diluted earnings per share	HK4.3 cents	HK3.5 cents
	(Unaudited)	(Audited)
	As at	As at
	30 September	31 March
	2014	2014
Statement of Financial Position	HK\$'000	HK\$'000
Non-current assets	2,645,426	2,675,940
Current assets	1,375,718	1,528,360
Total assets	4,021,144	4,204,300
Current liabilities	783,667	875,276
Non-current liabilities	700,494	738,843
Total liabilities	1,484,161	1,614,119
Net assets	2,536,983	2,590,181
Ratio Analysis		
Current ratio	175.5%	174.6%
Quick ratio	159.5%	160.0%
Gearing ratio	10.9%	15.7%

PRINT





MANAGEMENT DISCUSSION AND ANALYSIS

The Board of Next Media is pleased to announce the Group's unaudited consolidated interim results for the six months ended 30 September 2014, as well as comparative figures for the same period in 2013.

BUSINESSES

The Group's main business activities during this period were the printing and publication of newspapers, magazines and books in Hong Kong and Taiwan. It also sold advertising space in those and on its Web portals, as well as subscriptions to the Web portals. Furthermore, it provided printing and reprographic services, delivered internet content and developed mobile games and apps.

FINANCIAL RESULTS

The revenue from the continuing operations of Next Media and its subsidiaries amounted to HK\$1,570.5 million during the six months ended 30 September 2014. This was HK\$90.3 million or 5.4% less than the figure of HK\$1,660.8 million in the same period last year. The decline was mainly attributable to the decrease in advertising and circulation revenue of the Group's printed publications during the period under review.

The Group recorded earnings of HK\$201.2 million on its continuing operations during the period under review, before interest, tax, depreciation, impairment and amortisation, but after non-controlling interests, representing an increase of 0.1% or HK\$0.2 million on the earnings of HK\$201.0 million from its continuing operations during the corresponding period of 2013. The basic earnings per share from its continuing operations was HK4.3 cents, compared with a basic earnings per share of HK3.5 cents in the same period last year.

The Group had undergone a series of consolidation and innovative exercises last year. We refocused our attention on the Group's news media operations and devoted more resources to further develop its digital platform, which would broaden our horizons in reaching new audiences, in particularly, young people and bring in growing momentum in profitability.

The performance of the Group's print operations was within the expectation of the management during the six months ended 30 September 2014 albeit sluggish economy in both Hong Kong and Taiwan, as well as the trend away from print publications towards digital media. The unaudited consolidated profit from its continuing operations reached

HK\$106.5 million, representing an increase of 20.7% or HK\$18.3 million, compared with the profit of HK\$88.2 million for same period of 2013. This was mainly attributable to the turnaround of performance of the Group's digital businesses during the period under review.

OPERATIONAL REVIEW

The Group's continuing operations in Hong Kong and elsewhere accounted for about 60.3% of its total revenue during the six months ended 30 September 2014, compared with 59.6% in the same months of 2013 whilst its Taiwan operations contributed 39.7% of its total revenue, against 40.4% in last corresponding period.

Given the challenging conditions in the print media industry and shift of advertising and sale revenues from traditional print publications to online and electronic media, Next Media's print operations were still able to maintain their leading edges in the respective markets in both Hong Kong and Taiwan. On the other hand, the Group's digital businesses have made significant inroads and are well positioned as the market leader in this fastest growing segment.

NEWSPAPERS PUBLICATION AND PRINTING DIVISION

During the period under review, the Newspapers Publication and Printing Division achieved a total revenue of HK\$852.4 million, a decrease of 20.4% or HK\$218.2 million against the figure of HK\$1,070.6 million for the last corresponding period.

Apple Daily and *Taiwan Apple Daily* were the largest contributors to the Division's revenue, which amounted to HK\$795.1 million and accounted for 50.6% of the Group's total revenue. This represented a decrease of 15.7% or HK\$148.6 million on the figure of HK\$943.7 million for the same period last year. As a result, the Division's segmental profit decreased by 17.2% to HK\$108.2 million, compared with HK\$130.7 million recorded in the same period of 2013. This was mainly attributable to the decrease in advertising and circulation revenues derived from the Group's print publications during the period under review.

Apple Daily maintained its position as Hong Kong's most widely read paid-for daily and one of its best-selling newspapers during the first half of 2014. Its sales averaged 190,123¹ copies per day between January and June 2014, compared with 218,398¹ in the same period last year. It was read by an average of 1,348,000² people aged 12+ daily during the 12 months ended 30 June 2014, which was almost 280,000² people ahead of its closest competitor, albeit there was a decrease on the figure of 1,481,000² for the same months a year earlier. The newspaper's revenue stood at HK\$328.6 million during the period under review, a decrease of 21.4% or HK\$89.5 million on the figure of HK\$418.1 million recorded in the same period last year. Advertising revenue accounted for HK\$192.6 million of its revenue, whilst its circulation income was HK\$136.0 million, representing a decrease of 26.7% or HK\$70.1 million and 12.5% or HK\$19.4 million against the respective figures of HK\$262.7 million and HK\$155.4 million achieved in the same period last year. The major advertisers contributing the largest share of its advertising revenue came from the fashion, automobiles, personal items, pharmaceuticals and travel sectors.

Taiwan Apple Daily's unbiased editorial style and vivid layout kept it as the island's best-selling and one of the most widely read paid-for daily, despite it recorded a dip in its readership from 2,823,000³ a year earlier to 2,453,000³ during the 6 months ended 30 June 2014. Its sales averaged 343,638 copies a day in the period, compared with 401,425 copies a day in the last corresponding period. Its revenue amounted to HK\$466.5 million during the period under review, a decline of 11.2% or HK\$59.1 million against the HK\$525.6 million recorded in the last corresponding months. The advertising revenue accounted for HK\$329.4 million of the *Taiwan Apple Daily's* revenue, whilst its circulation income was HK\$136.2 million, representing a decrease of 9.9% or HK\$36.3 million and 14.0% or HK\$22.2 million against the respective figures of HK\$365.7 million and HK\$158.4 million recorded in the same period last year. The biggest contributors to *Taiwan Apple Daily's* advertising income during the period were arrayed in the order of the property, departmental stores and chains, cosmetics, automobiles and computer/communication/consumer electronics sectors.

Taiwan Sharp Daily, the Group's free newspaper in Taiwan, remained highly popular. Copies of the newspaper are distributed to commuters outside the city's Metro stations every morning from Mondays to Fridays. Although the Group trimmed its print run to around 138,542 copies daily during the period under review, it was still read by an average of 204,000³ people every day. *Taiwan Sharp Daily* particularly appeals to local advertisers, especially small business operators in the computer/communications/consumer electronics, banking and food sectors.

ADPL

Due to the decline in the paginations and print runs of Next Media's publications and the expiry of printing contracts for external publishers, the newspaper printing operation was adversely affected. Its revenue during the period under review amounted to HK\$106.8 million, a decline of 34.6% or HK\$56.6 million over the figure of HK\$163.4 million achieved in the corresponding period last year.

ADPL derived HK\$34.8 million in revenue from external customers during the period under review (total revenue minus transactions related to printing Next Media's own publications). Most of it came from the printing contracts for local and overseas newspapers. This was 28.5% or HK\$13.9 million less than the HK\$48.7 million it generated in the last corresponding months.

BOOKS AND MAGAZINES PUBLICATION AND PRINTING DIVISION

In view of the extremely competitive business environment and increasing popularity of digital media, the Books and Magazines Publication and Printing Division suffered a decline in its revenue during the period under review. Its revenue amounted to HK\$384.9 million, a decrease of 16.8% or HK\$77.6 million against HK\$462.5 million it achieved in the same period last year.

Being one of the best-selling and the most widely read magazine in Hong Kong, the revenue of *Next Magazine Bundle*, consisting of *Next Magazine* and a supplement named *NEXT+ONE*, amounted to HK\$102.8 million in the six months ended 30 September 2014, a decline of 13.8% or HK\$16.5 million compared with the figure of HK\$119.3 million for the corresponding period last year. Skincare and cosmetics, watches, fashion, health equipment and pharmaceuticals sectors accounted for the lion's share of its advertising revenue. Meanwhile, *Next Magazine's* readership aged 12+ dropped to 472,000² during the 12 months ended 30 June 2014, compared with 646,000² in the same period of 2013. Its sales averaged 67,381 copies a week in the first six months of 2014, compared with 79,005 in the same period last year.

Sudden Weekly Bundle — which consists of *Sudden Weekly*, *Eat & Travel Weekly* and *ME!* — being one of the best-selling and second most widely read weekly magazine in Hong Kong also experienced a decline in sales, which averaged 82,730 copies a week in the first six months of 2014, compared with 106,153 in the corresponding period last year. Meanwhile, its average weekly readership decreased to 450,000² in the year up to 30 June 2014, compared

with 671,000² during the same period last year. *Sudden Weekly Bundle*'s total revenue decreased by 20.5% or HK\$29.5 million to HK\$114.3 million for the six months ended 30 September 2014, compared with HK\$143.8 million recorded in the same period of 2013.

The largest shares of *Sudden Weekly*'s advertising revenue were contributed by beauty salons, food, beverages and drinks, health foods, toiletries and telecommunications and internet. Whilst food, beverages and drinks and restaurants were the biggest ad spenders in *Eat & Travel Weekly*. Perfume/cosmetics/skincare, toiletries, fashion/accessories/handbags/luggage, retail cosmetics shops and underwear were the high end advertisers in *ME!*.

FACE Bundle – which incorporates *FACE*, *Ketchup*, *Auto Express* and *Trading Express* – retained its status as an upmarket infotainment weekly that targets younger Hong Kong readers. Facing keen competition for advertising dollars in this segment, it recorded a total revenue of HK\$42.8 million in the six months ended 30 September 2014, compared with HK\$47.5 million during the same period last year, a decrease of 9.9% or HK\$4.7 million. Its weekly sales averaged 19,751 copies between January and June 2014, compared with 27,794 in the same months of 2013; whereas it has an average weekly readership of 91,000² during the 12 months ended 30 June 2014, compared with 226,000² in the corresponding 12 months last year. The major contributors to its advertising revenue came from the beauty and hair salons, toiletries, computer/internet, food/beverages and entertainments/karaoke sectors.

The *Taiwan Next Magazine*'s advertising revenue amounted to HK\$61.3 million during the first half of the financial year, compared with HK\$73.2 million in the same period last year, a decrease of 16.3% or HK\$11.9 million. Beauty and perfume, food and beverages, watches and eyeglasses, wines, and automobiles accounted for the largest share of its advertising revenue.

Although its circulation continued to dip from an average sale of 67,643 copies per week in the last corresponding period to 48,108 copies as recorded in the period, *Taiwan Next Magazine* retained its long-held lead in the island's weekly magazine market in terms of readership. Its average weekly readership was 1,494,000³ during the six months ended 30 June 2014, compared with 1,679,000³ in the corresponding period of 2013.

Commercial Printing

Apart from printing the Group's own magazines, the Division continued to produce high-quality printing work for external customers. Against a backdrop of intense competition in the industry, the commercial printing operation generated a revenue of HK\$43.1 million in the six months ended 30 September 2014, which was 20.8% or HK\$11.3 million less than its revenue of HK\$54.4 million in the same period last year.

DIGITAL BUSINESSES DIVISION

Next Media has clearly established its position as a leader and trend setter in driving reading habits on digital, especially, mobile media. This was accomplished through the development of innovative contents and services that it offers to a new generation of consumers, both in Hong Kong and Taiwan, during the period under review.

During the period, the digital (mobile and web) version of *Apple Daily* maintained its unchallenged position as the most-visited interactive news portal in Hong Kong. It attracted more than 31.0 million view counts every day from all channels and devices and its Monthly Average Unique Users (MAU) reached 17.0 million⁴. *Taiwan Apple Daily* achieved a daily pageview number of 20.0 million, with Monthly Average Users reaching 31.0 million⁴.

Aside from *Apple Action News*, *Apple Daily* has provided live programs and coverages of key social events that are widely popular with its target users, increasing the overall user base and also viewerships.

The Division also expanded its support to its direct subsidiary — *nxTomo Games*, a publisher of mobile games and apps with high monetization potential. During the period, the Group's online game — *Barcode Footballer*, earned the top-grossing rank on *Apple App Store* and *Google Play* respectively and generated positive contribution to the Division in terms of revenue and profitability.

The Division's external revenue consisted of subscription fees, online advertising revenue, content licensing payments and publishing of mobile games and apps. This amounted to HK\$333.2 million during the period under review, which represented an increase of 160.9% or HK\$205.5 million over the figure of HK\$127.7 million recorded in the same months last year. The bulk of this income, around 84.2%, was generated in Hong Kong, where there was a significant growth in online advertising and mobile games revenues.

The Division's segmental profit stood at HK\$40.2 million during the period under review, compared with a segmental loss of HK\$30.4 million, a remarkable improvement of 232.2% or HK\$70.6 million. This was mainly attributed by the considerable increase in online advertising and mobile games revenues.

FUTURE PROSPECTS AND OUTLOOK

The Group has undergone a very challenging year in 2013/14 and reshaped its operations by divesting itself of *Next TV* operations and consolidating its print media business. The years of investments on digital offerings have finally paid off. Next Media's digital platform is the choice for the younger generation in Hong Kong and Taiwan with its growing trend of smart phone usage and social media sharing. In the second half of the year, the Group will accelerate the introduction of the digital versions of its leading magazine titles, and offer our readers a new and enjoyable way of experiencing their favorite magazines. This will require some initial marketing investments to pave way for the long term sustainability of the magazine brands.

Against the backdrop of economic uncertainties in Hong Kong and Taiwan, in which the Group is now operating, we would act proactively under conscious approaches, on one hand, by sharpening our core brands — they are the most widely read newspapers and magazines with loyal readership and excellent demographic profiles and on the other hand, by grabbing the opportunities in the high growing digital sector.

SOURCES:

1. *Hong Kong Audit Bureau of Circulations Limited (January — June 2014)*
2. *2014 Nielsen Media Index: Hong Kong Report (July 2013 — June 2014)*
3. *Media Index (January — June 2014), Nielsen Media Research, Taiwan*
4. *Google Analytics*

LIQUIDITY AND FINANCIAL RESOURCES

The Group finances its operations principally with cash flow generated by its continuing operating activities and, to a lesser extent, bank facilities by its principal bankers.

As at 30 September 2014, the Group had available banking facilities totalled HK\$441.8 million, of which HK\$437.8 million had been utilised. There was no seasonality in the Group's bank borrowing requirements, and all the monies borrowed bearing interest at floating rates. The Group's bank borrowings are denominated in HK\$ and NT\$.

On 12 November 2012, the Group accepted a term credit facility for an aggregate amount of HK\$210.0 million offered by a syndicate of four banks (the "2012 Facility") for the working capital requirements of ADPL and ADL. Pursuant to the terms of the 2012 Facility, ADPL as borrower, the Company and certain of its subsidiaries, which are acting as guarantors must ensure that Mr. Lai will continue to be the chairman of the Company, and that he will continue to hold directly or indirectly at least 51.0% of the total issued share capital of the Company. Non-compliance with this term may constitute a breach of their general undertakings, and the syndicate may declare that any commitments under the respective 2012 Facility are cancelled, and/or declare that all outstanding amounts (together with interest thereon) are immediately due and payable. As announced by the Company on 7 June 2013, based on the audited consolidated annual results of the Company for the year ended 31 March 2013, the Company failed to fulfill certain required financial covenants of the 2012 Facility. As further announced by the Company on 2 July 2013, the Company, through the agent bank, obtained the consents from all lending banks to waive the breach of certain financial covenants for the year ended 31 March 2013 pursuant to the terms of the 2012 Facility. As at 30 September 2013, the 2012 Facility has been fully utilised and repaid.

As at 30 September 2014, the Group's aggregate bank balances and cash reserves amounted to HK\$513.9 million. The Group's current ratio on the same date was 175.5%, compared to 174.6% as at 31 March 2014. On the same date, its gearing ratio amounted to 10.9%, compared to 15.7% as at 31 March 2014. These figures were calculated by dividing its long-term liabilities, including current portions, by total asset value.

ASSETS PLEDGED

As at 30 September 2014, the Group had pledged its properties and printing equipment situated in Hong Kong and Taiwan with an aggregate carrying value of HK\$483.8 million to various banks as security for banking facilities granted to it.

EXCHANGE EXPOSURE AND CAPITAL EXPENDITURE

The Group's assets and liabilities are mainly denominated in HK\$ or NT\$. Its exchange exposure to NT\$ is due to its existing magazines and newspapers publishing and digital businesses in Taiwan.

As at 30 September 2014, the Group's net currency exposure stood at NT\$3,957.5 million (equivalent to HK\$1,010.1 million), an increase of 16.4% on the figure of NT\$3,399.2 million (equivalent to HK\$865.6 million) as at 31 March 2014.

SHARE CAPITAL

With effect from the commencement of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) on 3 March 2014, the Company's Shares are no longer have par value.

As at 30 September 2014, the Company's total amount of issued and fully paid share capital was HK\$2,434.7 million.

As of 30 September 2014, the Company's total number of issued Shares with no par value was 2,431,006,881 Shares.

CONTINGENT LIABILITIES

As at 30 September 2014, the Group had contingent liabilities in respect of a number of legal proceedings in Hong Kong and Taiwan arising in the normal course of its publishing business.

In addition, the Group had a dispute with UDL Contracting Limited ("UDL") as contractor for the construction of a printing facility of ADPL, over amounts payable in respect of the construction of the facility. As the aforesaid dispute is now under arbitration, the final outcome remains uncertain.

The Group has accrued for HK\$121.8 million (as at 31 March 2014: HK\$114.0 million) in legal expenses in trade and other payables. This provision was recognised in respect of the outstanding legal proceedings based on advice obtained from legal counsel.

In connection with the acquisition of Database Gateway Limited and its subsidiaries (the Acquired Group) on 26 October 2001, the Group may be subject to contingent liabilities including all payments, claims, suits, damages and settlement payments and any associated costs and expenses arising, made or incurred after 26 October 2001 arising out of or connected with (1) any third-party claims made against the Acquired Group on and before 26 October 2001; (2) defamation claims, claims for infringement of intellectual property rights and other proceedings and claims which may in the future arise from the content of the newspaper and magazines published by the Acquired Group on and at any time before 26 October 2001; and (3) the contractor dispute with UDL. Mr. Lai, the Chairman and a controlling shareholder of the Company, has undertaken to provide unlimited personal indemnities to the Acquired Group against all contingent liabilities (the Indemnity). In relation to the Indemnity, Mr. Lai has also procured a bank guarantee of HK\$60.0 million for a term of three years up to 25 October 2016 in favour of the Company and the Acquired Group in respect of his obligations under the Indemnity.

EMPLOYEES AND REMUNERATION POLICY

As at 30 September 2014, the Group employed a total of 3,928 employees, of whom 2,226 were in Hong Kong, 1,696 were in Taiwan and 6 were in Canada. There were no material changes to the policies regarding employee remuneration, bonuses, share incentive schemes and staff development disclosed in the 2013/14 annual report of the Company.

During the period under review, the total staff costs for the continuing operations of the Group amounted to HK\$715.6 million, compared to HK\$715.1 million incurred for the same period last year.

INTERIM DIVIDEND

The Directors have declared an interim dividend of HK1.5 cents per Share (for the six months ended 30 September 2013: Nil), amounting to HK\$36.5 million. It will be payable to the Shareholders whose names appear on the Register of Members of the Company on Tuesday, 9 December 2014.

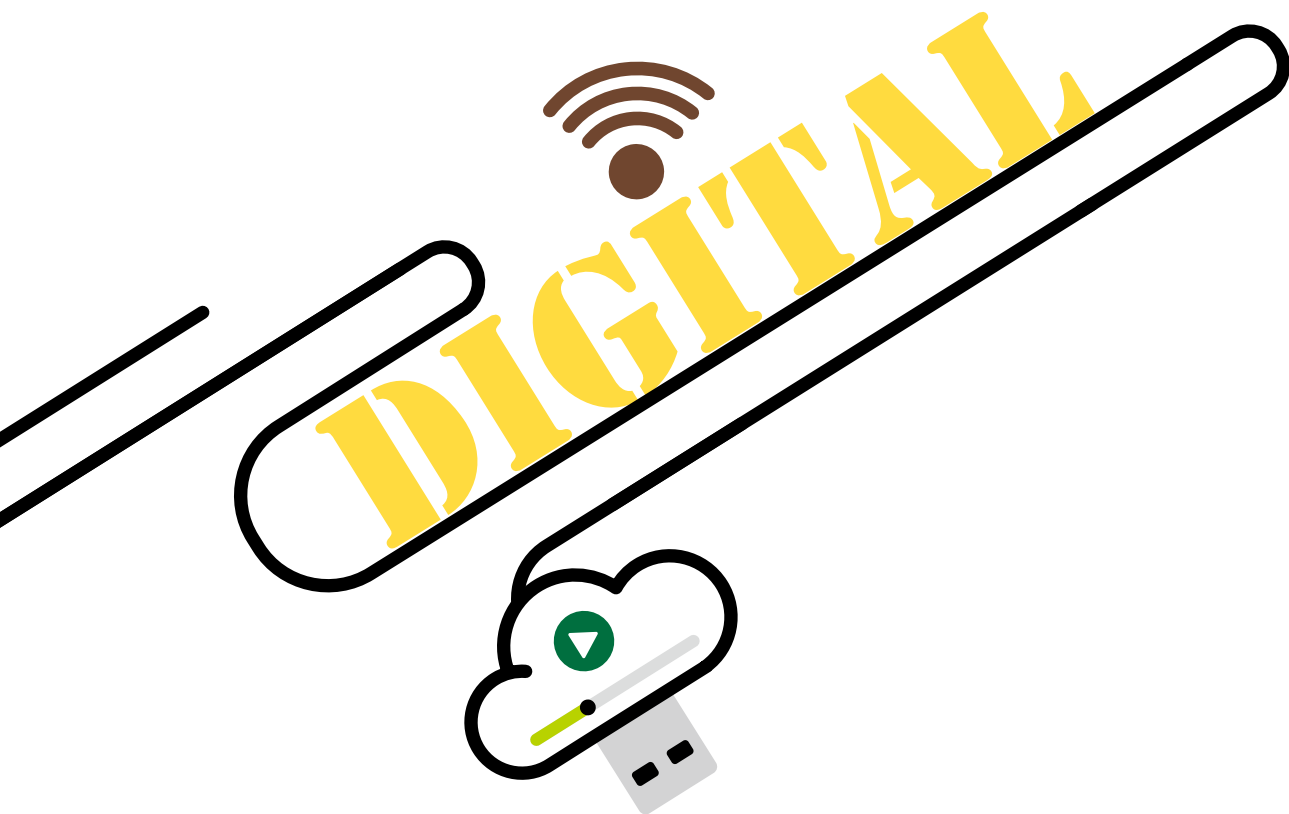
In addition to the special dividend of HK6.6 cents per Share (for the six months ended 30 September 2013: Nil) declared by the Directors on 14 July 2014 and paid to the Shareholders on 14 August 2014, the total dividends (including the special dividend of HK6.6 cents per Share and an interim dividend of HK1.5 cents per Share) paid and payable for the six months ended 30 September 2014 amounting to a total of HK\$196.9 million (for the six months ended 30 September 2013: Nil).

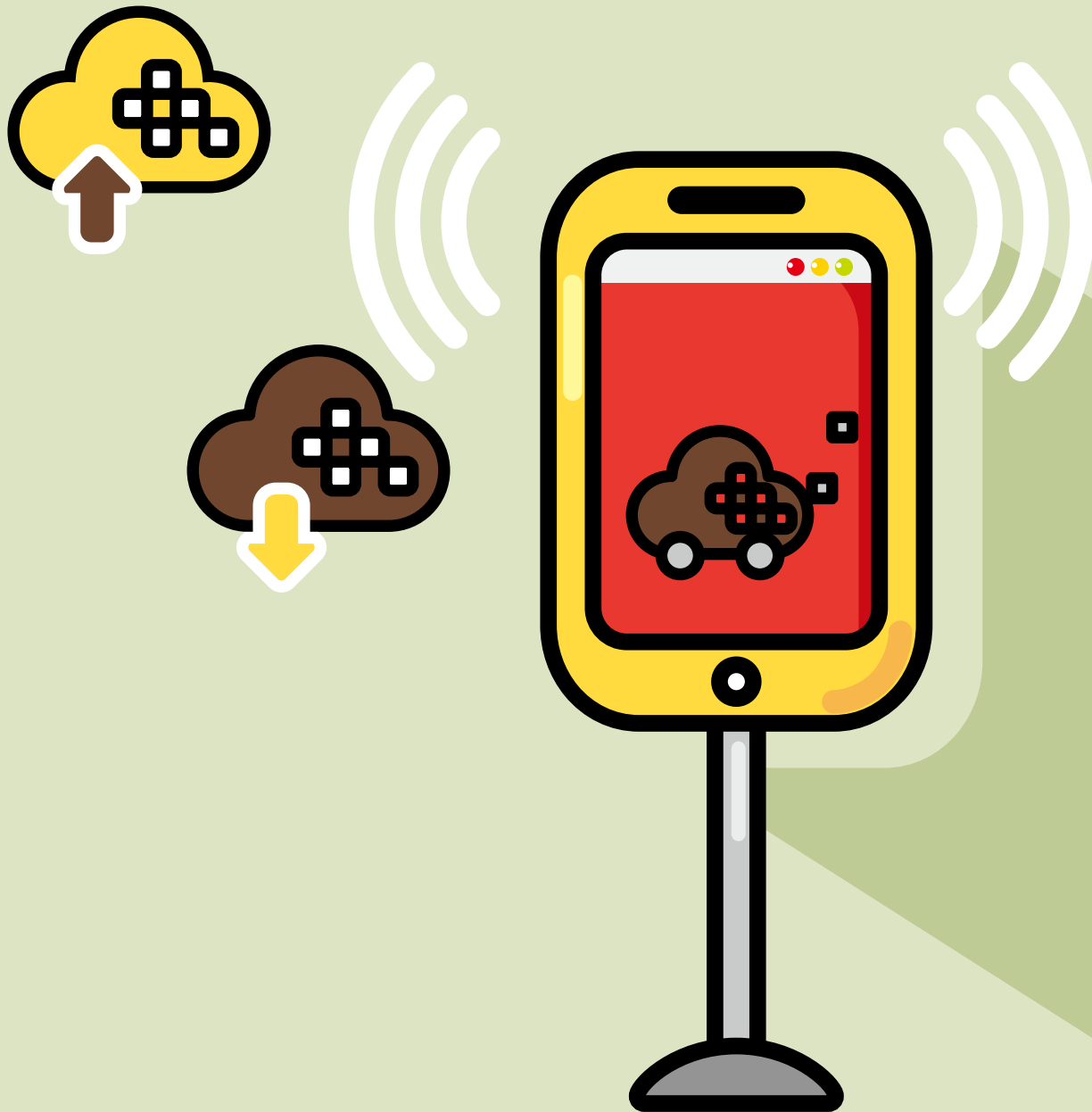
BOOK CLOSURE PERIOD

The Register of Members of the Company will be closed from Monday, 8 December 2014 to Tuesday, 9 December 2014, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to the payment of the interim dividend for the six months ended 30 September 2014 of the Company, all transfer of Shares accompanied by relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on Friday, 5 December 2014. Dividend warrants will be dispatched to the Shareholders on or around 19 December 2014.

FORWARD-LOOKING STATEMENTS

This interim report contains several statements that are "forward-looking", or which use various "forward-looking" terminologies. Such statements are based on the current beliefs, assumptions, expectations and projections of the Directors regarding the industry and markets in which the Group is active. These statements are subject to risks, uncertainties and other factors beyond the control of the Group.





CORPORATE GOVERNANCE

BOARD OF DIRECTORS

As of 30 September 2014, the Board consisted of seven Directors, four of whom were EDs and three were INEDs. The EDs were Mr. Lai Chee Ying, Jimmy, the Chairman of the Board; Mr. Cheung Ka Sing, Cassian, the CEO; Mr. Ting Ka Yu, Stephen, the COO and CFO; and Mr. Ip Yut Kin. The INEDs were Mr. Fok Kwong Hang, Terry; Mr. Wong Chi Hong, Frank; and Dr. Lee Ka Yam, Danny.

Detailed profiles of the current Directors are posted on the Company's website at www.nextmedia.com and disclosed in the Company's 2013/14 annual report.

The three INEDs participated in the Company's Board meetings in order to bring their independent judgment to bear on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conduct. They also served on the Audit Committee, Remuneration Committee and Nomination Committee.

CORPORATE GOVERNANCE POLICY

The Board's mandate is to oversee the management of the Group's business and affairs and to ensure that good governance practices and procedures are in place. The Board established a corporate governance policy that sets out the Company's basic approach to these. Details of this can be found on the Company's website at www.nextmedia.com.

BOARD DIVERSITY POLICY

The Company continuously seeks to enhance the effectiveness of its Board and recognises and embraces the benefits of having a diverse Board as an essential element in maintaining competitiveness. The Board adopted a board diversity policy that sets out the Company's approach to achieve diversity on board of directors of the Company. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and other qualifications. The Company will also take into account factors based on its own business model and specific needs from time to time. At any given time the Board may seek to improve one or more aspects of its diversity and measure progress accordingly. Details of this can be found on the Company's website at www.nextmedia.com.

BOARD ACTIVITIES

Below is an overview of the dates of the various Board/committee meetings and general meetings as well as a record of the attendance of its members during the six months ended 30 September 2014:

	Numbers of Meetings Attended/Held					
	Board Meetings	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting	Annual General Meeting	Extraordinary General Meeting
			(Note 1)	(Note 2)	(Note 4)	
EDs						
Lai Chee Ying, Jimmy (Chairman)	0/2 (0%)	N/A	N/A	N/A	0/1 (0%)	0/1 (0%)
Cheung Ka Sing, Cassian (CEO)	2/2 (100%)	N/A	N/A	N/A	1/1 (100%)	1/1 (100%)
Ting Ka Yu, Stephen (COO and CFO)	2/2 (100%)	N/A	N/A	N/A	1/1 (100%)	1/1 (100%)
Ip Yut Kin	2/2 (100%)	N/A	N/A	N/A	0/1 (0%)	0/1 (0%)
INEDs						
Fok Kwong Hang, Terry	2/2 (100%)	1/1 (100%)	N/A	N/A	0/1 (0%)	0/1 (0%)
Wong Chi Hong, Frank	2/2 (100%)	1/1 (100%)	N/A	N/A	0/1 (0%)	0/1 (0%)
Lee Ka Yam, Danny	2/2 (100%)	1/1 (100%)	N/A	N/A	0/1 (0%)	0/1 (0%)
Dates of Meetings						
	16.06.2014 22.09.2014	13.06.2014	N/A	N/A	31.07.2014	31.07.2014

Notes:

1. The Remuneration Committee did not hold any physical meetings during the six months ended 30 September 2014. The Remuneration Committee considered and approved relevant issues by way of written resolutions of all members. Details of these are set out in the section below headed "Remuneration Committee".
2. The Nomination Committee did not hold any physical meetings during the six months ended 30 September 2014.
3. In accordance with the Articles of Association, the Directors may attend the Board and/or committee(s) meetings in person or by means of telephonic communication or similar communications equipment. Any Director taking part in the meeting via such means of electronic communication shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in the quorum accordingly.
4. The Company's external auditor attended the 2014 AGM to answer questions from the Shareholders.

AUDIT COMMITTEE

The Audit Committee consisted solely of the Company's three INEDs. It was chaired by Dr. Lee Ka Yam, Danny. Full details of the Audit Committee, including its role and terms of reference, can be found on the Company's website at www.nextmedia.com. All the members of the Audit Committee attended the meeting held on 13 June 2014 (with the external auditor) and in the absence of the EDs. On 13 June 2014, the Audit Committee reviewed the following matters before submitting them to the Board for its consideration:

- The Group's audited consolidated financial statements for the year ended 31 March 2014;
- The Group's continuing connected transactions for the year ended 31 March 2014;
- The internal control review report for the year ended 31 March 2014;
- The valuation report of the Group's mastheads and publishing rights for the year ended 31 March 2014; and
- The valuation report of share option granted under the 2007 Share Option Scheme of the Company during the year ended 31 March 2014.

The deputy CFO and the financial controller of the Group were invited to attend the meeting in order to give a full account of the financial statements as well as to answer the Audit Committee's questions.

Working closely with Deloitte and RSM, the Audit Committee also reviewed the adequacy and effectiveness of the Group's internal control measures. The Chairman of the Audit Committee reported to the Board on the work done by the Audit Committee and highlighted significant related issues.

The Audit Committee also reviewed, with the management, the Group's accounting principles and practices, internal controls and risk management systems, as well as financial reporting matters, including a review of the Interim Financial Statements.

Deloitte has reviewed the Interim Financial Statements in accordance with the Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", and HKAS 34 "Interim Financial Reporting", both issued by the HKICPA.

REMUNERATION COMMITTEE

The Remuneration Committee consisted of a majority of INEDs. Its members were Mr. Fok Kwong Hang, Terry; Dr. Lee Ka Yam, Danny; and Mr. Ting Ka Yu, Stephen. Mr. Fok, an INED, was its chairman. Full details of the Remuneration Committee, including its role and terms of reference, can be found on the Company's website at www.nextmedia.com.

The Remuneration Committee did not hold any physical meetings during the six months ended 30 September 2014.

On 6 June 2014, the Remuneration Committee considered and approved the 2013/14 Extra Special Bonus to all employees of the Group by way of written resolutions of all members.

NOMINATION COMMITTEE

The Nomination Committee consisted of three members with a majority of INEDs, namely Mr. Wong Chi Hong, Frank; Mr. Fok Kwong Hang, Terry; and Mr. Cheung Ka Sing, Cassian. Mr. Wong, an INED, was its Chairman. Full details of the Nomination Committee, including its role and terms of reference, can be found on the Company's website at www.nextmedia.com.

The Nomination Committee did not hold any meetings during the six months ended 30 September 2014.

DIRECTORS' TRAINING AND CONTINUOUS DEVELOPMENT

Pursuant to CG Code provision A.6.5, Directors should participate in continuous professional development that places an appropriate emphasis on the roles, functions and duties of a listed company director. As and when necessary, the Company will arrange and fund the seminar(s) for the Directors.

Further details of training record for the Directors will be disclosed in the Company's 2014/15 Annual Report.

INTERNAL CONTROLS

The Board acknowledges its responsibility to maintain sound and effective internal controls to safeguard the Group's assets and shareholders' interests. Monthly management meetings are held to review the Company's financial performance and strategic planning objectives. Stringent internal control policies and procedures are also in place to ensure that transactions are carried out with proper approval by the senior management. The Board conducts half-yearly reviews of its internal control systems, particularly in the areas of financial reporting, operational controls, compliance and risk management, with the involvement of the Audit Committee and the assistance of Deloitte and RSM. Since 1 April 2010, the Board has engaged RSM to conduct assessments to evaluate the Group's entity-level controls with reference to the COSO (The Committee of Sponsoring Organisations) framework covering control environment, risk assessment, control activities, information and communication and monitoring.

The audit for each control unit was completed in accordance with the internal audit plan during the six months ended 30 September 2014. RSM will issue a preliminary internal audit report to the Audit Committee and the Board for their consideration and comments in due course. This will include details of the findings that it identified and their possible impact, as well as recommendations to the management. The management's feedback, including action plans, will also be incorporated into the report's final version. Follow-up reviews of each control unit audit will also be conducted, and a report on these will review and summarise the status of the implementation of their action plans.

Based on its assessment and findings during the period under review, RSM considers that a high level of awareness about these controls exists within the Group. Its findings and recommendations concerning improvements to the controls have been reported to the Audit Committee and the Board.

I NVESTOR RELATIONS AND CORPORATE COMMUNICATIONS

The Company has established various channels for communicating with its shareholders and investors. It disseminates information in a timely manner through the publication of press releases, formal announcements and corporate documents. The Company's general meetings also provide a forum for Board members and Shareholders to exchange opinions and ideas. The Company's 2014 AGM was held on 31 July 2014. All the resolutions tabled at the meeting were voted on by poll, and the result of each poll was published on the respective websites of the Stock Exchange and the Company on the same day.

Investors and shareholders of the Company can obtain updated information about the Group via the Company's website at www.nextmedia.com. They can also communicate directly with the Company by sending correspondence marked "For the attention of the Company Secretary" to the Company's registered office address, or via its designated investor relations e-mail account: ir@nextmedia.com.

This Interim Report is printed in English and Chinese and is available in the Investor Relations section of the Company's website at www.nextmedia.com and the website of the Stock Exchange at www.hkexnews.hk. Shareholders may elect to receive either a printed or electronic version. They can change their choice of language or means of receiving the Company's corporate communications free of charge at any time by giving not less than 7 days' notice in writing to the Company by e-mail at ir@nextmedia.com or to the Company's Registrar, Computershare Hong Kong Investor Services Limited, by post at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong. For environmental-protection purposes, Shareholders are encouraged to access the Company's corporate communications electronically via the Company's website.

Please note that the Chinese and English versions of all future corporate communications will be available on request in printed form from the Company or the Share Registrar, as well as on the respective websites of the Company at www.nextmedia.com or the Stock Exchange at www.hkexnews.hk.

S HAREHOLDER COMMUNICATION POLICY

In compliance with the CG Code, the Board established a shareholder communication policy to maintain an ongoing dialogue with the Shareholders and to review the policy regularly in order to ensure its effectiveness. Details of the policy can be found on the Company's website at www.nextmedia.com.

SHAREHOLDER RIGHTS

The Shareholders' Guide has been posted on the Company's website at www.nextmedia.com. It contains the following information:

- (i) The procedures for proposing a resolution at an AGM;
- (ii) The procedures for the election of Directors; and
- (iii) The procedures for convening an EGM on requisition.

CODE ON CORPORATE GOVERNANCE PRACTICES

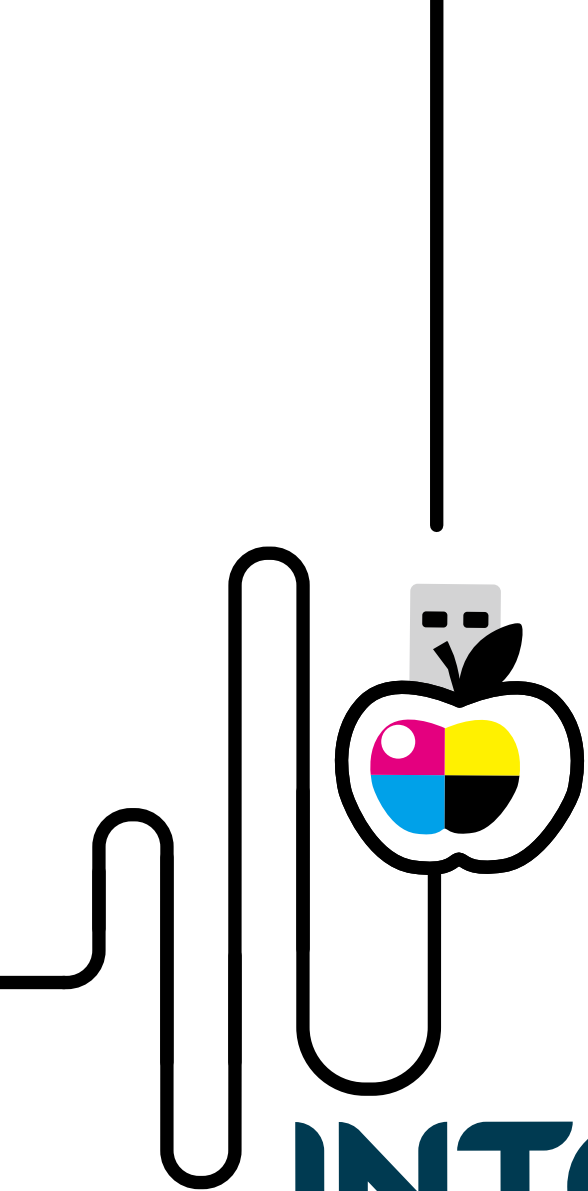
During the six months ended 30 September 2014, the Company complied fully with the applicable provisions of the CG Code, except for CG Code provisions A.6.7 and E.1.2. Due to other business engagements, Mr. Lai, the Chairman of the Board; Mr. Ip Yut Kin, an ED; Mr. Fok Kwong Hang, Terry; Mr. Wong Chi Hong, Frank and Dr. Lee Ka Yam, Danny (INEDs) did not attend the 2014 AGM. Instead, Mr. Cheung Ka Sing, Cassian, an ED and the CEO, chaired the meeting in accordance with the provisions of the Articles of Association.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code. Following specific enquiries by the Company, all the current Directors have confirmed that they fully complied with the required standard of the Model Code throughout the period under review.

ADOPTION OF THE NEW ARTICLES OF ASSOCIATION

A special resolution to adopt the new Articles of Association was proposed and passed at the 2014 AGM. Its purpose was to bring the Company's constitution in line with provisions in the New CO that became effective on 3 March 2014. The new Articles of Association can be found on the Company's website.



INTERACTIVE





CORPORATE INFORMATION

DIRECTORS**Executive Directors**

Lai Chee Ying, Jimmy (Chairman)
Cheung Ka Sing, Cassian (CEO)
Ting Ka Yu, Stephen (COO and CFO)
Ip Yut Kin

**Independent Non-executive
Directors**

Fok Kwong Hang, Terry
Wong Chi Hong, Frank
Lee Ka Yam, Danny

**AUTHORISED
REPRESENTATIVES**

Cheung Ka Sing, Cassian
Ting Ka Yu, Stephen

COMPANY SECRETARY

Wong Shuk Ha, Cat

AUDITOR

Deloitte Touche Tohmatsu

PRINCIPAL BANKERS

The Hongkong and Shanghai
Banking Corporation Limited
The Shanghai Commercial &
Savings Bank, Ltd.
DBS Bank (Hong Kong) Limited

LEGAL ADVISORS

Reed Smith Richards Butler
Deacons

REGISTERED OFFICE

1/F., 8 Chun Ying Street
Tseung Kwan O Industrial Estate
Tseung Kwan O
New Territories
Hong Kong

**SHARE REGISTRARS AND
TRANSFER OFFICE**

Computershare Hong Kong Investor
Services Limited
Shops 1712–1716
17/F., Hopewell Centre
183 Queen's Road East
Hong Kong

**SHAREHOLDERS'
ENQUIRIES**

For additional information,
please contact the Company
Secretary by:

Mail: Company's registered
office address

Fax: (852) 2623 9386

E-mail: ir@nextmedia.com

WEBSITE

www.nextmedia.com





SHARE
INFORMATION



As at 30 September 2014

Shareholders of Ordinary Shares

Mr. Lai Chee Ying, Jimmy	73.49%
Directors other than Mr. Lai Chee Ying, Jimmy	1.35%
Others	25.16%

Issued Shares

2,431,006,881 Ordinary Shares

Share Options for Ordinary Shares granted under the 2007 Share Option Scheme of the Company and remaining unexpired

Exercise price per Share	Number of Shares
HK\$1.000	53,500,000 Shares
HK\$1.050	12,524,000 Shares
HK\$1.370	650,000 Shares
HK\$1.420	5,000,000 Shares
Total	71,674,000 Shares

Market Capitalisation

at HK\$0.84 per Ordinary Share (closing price on 30 September 2014)

HK\$2.04 billion

Stock Code

The Stock Exchange of Hong Kong Limited

Main Board

00282

Board Lot

2,000 Ordinary Shares

OTHER INFORMATION

THE DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As of 30 September 2014, the Directors and Chief Executive of the Company and their associates had the following interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations (with the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code in the Listing Rules:

(a) Interests in the Company

The table below sets out the long positions of each Director and the Chief Executive of the Company in the Shares and underlying Shares:

Name of Director/ Chief Executive	Number of Shares				Interests in underlying Shares/equity derivatives	Total Shares	Percentage of issued share capital
	Personal interests	Family interests	Corporate interests	Other interests			
Lai Chee Ying, Jimmy	1,720,594,935	–	1,000,000	64,938,230	–	1,786,533,165	73.49
Cheung Ka Sing, Cassian	18,172,000	–	–	–	19,000,000 <i>(Note 1)</i>	37,172,000	1.53
Ting Ka Yu, Stephen	90,314	–	–	–	3,118,000 <i>(Note 1)</i>	3,208,314	0.13
Ip Yut Kin	10,200,377	2,630,000	–	–	2,500,000	15,330,377	0.63
Fok Kwong Hang, Terry	2,130,000 <i>(Note 2)</i>	–	–	–	510,000 <i>(Note 1)</i>	2,640,000	0.11
Wong Chi Hong, Frank	300,000 <i>(Note 2)</i>	–	–	–	510,000 <i>(Note 1)</i>	810,000	0.03
Lee Ka Yam, Danny	300,000 <i>(Note 2)</i>	–	–	–	510,000 <i>(Note 1)</i>	810,000	0.03

(b) Interests in Associated Corporations

The table below sets out the long positions in the underlying shares of the Company's associated corporations (within the meaning of Part XV of the SFO) of each Director and the Chief Executive of the Company:

ADPDL

Name of Director/ Chief Executive	Number of shares				Interests in underlying shares/equity derivatives	Total shares	Percentage of issued share capital
	Personal interests	Family interests	Corporate interests	Other interests			
Ting Ka Yu, Stephen	108,344 <i>(Note 3)</i>	–	–	–	–	108,344	1.00
Ip Yut Kin	216,688 <i>(Note 3)</i>	–	–	–	–	216,688	2.00

nxTomo Ltd. (“nxTomo”)

Name of Director/ Chief Executive	Number of shares				Interests in underlying shares/equity derivatives	Total shares	Percentage of issued share capital
	Personal interests	Family interests	Corporate interests	Other interests			
Cheung Ka Sing, Cassian	–	–	–	–	50,000 <i>(Note 4)</i>	50,000	0.50

nxTomo Games Limited (“nxTomo Games”)

Name of Director/ Chief Executive	Number of shares				Interests in underlying shares/equity derivatives	Total shares	Percentage of issued share capital
	Personal interests	Family interests	Corporate interests	Other interests			
Cheung Ka Sing, Cassian	-	-	-	-	50,000 (Note 5)	50,000	0.50

Notes:

- (1) These interests represented options granted under the 2007 Share Option Scheme of the Company to the Directors as beneficial owners, details of which are set out in the section headed “Share Incentive Schemes”.
- (2) These interests represent Shares of the Company beneficially held by the Directors (if any) and the Award Shares granted on 30 June 2014.
- (3) These interests represented shares of ADPDL issued upon the exercise of options granted under the 2007 ADPDL Share Option Scheme.
- (4) These interests represent options granted to under the 2013 nxTomo Share Option Scheme to the Director as a beneficial owner, details of which are set out in the section headed “Share Incentive Schemes”.
- (5) These interests represent options granted to under the 2008 nxTomo Games Share Option Scheme to the Director as a beneficial owner, details of which are set out in the section headed “Share Incentive Schemes”.

Apart from the details disclosed above and in the section headed “Discloseable Interests and Short Positions of Shareholders under the SFO” below, none of the Directors or the Chief Executive of the Company or their associates had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as at 30 September 2014.

DISCLOSEABLE INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS UNDER THE SFO

As of 30 September 2014, the following person (other than a person who is a Director or Chief Executive of the Company) had interests or short positions in the Shares and underlying Shares of the Company as recorded in the register required to be kept under Section 336 of the SFO and so far as is known to any of the Directors or Chief Executives of the Company:

Name of Shareholder	Number of Shares/ underlying Shares held	Percentage of issued share capital
Li Wan Kam, Teresa	1,786,533,165 (Note)	73.49

Note:

These represent the same total number of Shares held by Mr. Lai, as disclosed in the Section headed "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures". Ms. Li Wan Kam, Teresa, is the spouse of Mr. Lai, and is deemed to be interested in these Shares.

Save as disclosed above, the Company had not been notified of any other person (other than the Directors or Chief Executives of the Company) who had an interest or a short position in the Shares and underlying Shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO and so far as is known to any of the Directors or Chief Executives of the Company as at 30 September 2014.

SHARE INCENTIVE SCHEMES

(a) Share Option Schemes of the Company

(1) 2007 Share Option Scheme

On 30 July 2007, the Company adopted the 2007 Share Option Scheme. Its terms complied with the requirements of Chapter 17 of the Listing Rules.

Details of outstanding options granted under the 2007 Share Option Scheme as at 30 September 2014 are as follows:

Name or category of participant	Date of grant	Exercise price per share	Vesting date (%)	Exercisable period	Balance as at 01.04.2014	Granted during the period	Exercised during the period	Lapsed during the period	Balance as at 30.09.2014
Directors									
Cheung Ka Sing, Cassian	01.02.2012	HK\$1.000	01.02.2013 (100%)	02.02.2012–29.07.2017	9,000,000	–	–	–	9,000,000
	01.02.2013	HK\$1.420	01.02.2014 (100%)	02.02.2013–29.07.2017	5,000,000	–	–	–	5,000,000
	04.02.2014	HK\$1.000	04.02.2015 (100%)	05.02.2014–29.07.2017	5,000,000	–	–	–	5,000,000
Ting Ka Yu, Stephen	10.12.2010	HK\$1.050	10.12.2011 (30%) 10.12.2012 (60%) 10.12.2013 (100%)	11.12.2010–29.07.2017	1,618,000	–	–	–	1,618,000
	24.01.2014	HK\$1.000	25.01.2015 (30%) 25.01.2016 (60%) 25.01.2017 (100%)	25.01.2014–29.07.2017	1,500,000	–	–	–	1,500,000
Ip Yut Kin	24.01.2014	HK\$1.000	25.01.2015 (30%) 25.01.2016 (60%) 25.01.2017 (100%)	25.01.2014–29.07.2017	2,500,000	–	–	–	2,500,000
Fok Kwong Hang, Terry	10.12.2010	HK\$1.050	10.12.2011 (30%) 10.12.2012 (60%) 10.12.2013 (100%)	11.12.2010–29.07.2017	510,000	–	–	–	510,000
Wong Chi Hong, Frank	10.12.2010	HK\$1.050	10.12.2011 (30%) 10.12.2012 (60%) 10.12.2013 (100%)	11.12.2010–29.07.2017	510,000	–	–	–	510,000
Lee Ka Yam, Danny	10.12.2010	HK\$1.050	10.12.2011 (30%) 10.12.2012 (60%) 10.12.2013 (100%)	11.12.2010–29.07.2017	510,000	–	–	–	510,000
Employees									
In aggregate	15.04.2010	HK\$1.370	15.04.2011 (30%) 15.04.2012 (60%) 15.04.2013 (100%)	16.04.2010–29.07.2017	650,000	–	–	–	650,000
	10.12.2010	HK\$1.050	10.12.2011 (30%) 10.12.2012 (60%) 10.12.2013 (100%)	11.12.2010–29.07.2017	8,376,000	–	–	–	8,376,000
	08.07.2011	HK\$1.000	08.07.2012 (30%) 08.07.2013 (60%) 08.07.2014 (100%)	09.07.2011–29.07.2017	680,000	–	–	(480,000)	200,000
	01.02.2012	HK\$1.050	01.02.2013 (60%) 01.02.2014 (100%)	02.02.2012–29.07.2017	1,000,000	–	–	–	1,000,000
	26.09.2012	HK\$1.000	26.09.2013 (30%) 26.09.2014 (60%) 26.09.2015 (100%)	27.09.2012–29.07.2017	5,000,000	–	–	–	5,000,000
	24.01.2014	HK\$1.000	25.01.2015 (30%) 25.01.2016 (60%) 25.01.2017 (100%)	25.01.2014–29.07.2017	33,400,000	–	–	(3,100,000)	30,300,000
Total outstanding					75,254,000	–	–	(3,580,000)	71,674,000

Apart from the abovementioned movements, no options were granted, exercised or cancelled under the 2007 Share Option Scheme during the six months ended 30 September 2014.

(2) 2014 Share Option Scheme

The 2007 Share Option Scheme is due to expire on 29 July 2017. In order to provide the Company with the flexibility of granting share options to selected persons including but not limited to Directors and employees as incentives or reward for their contribution or potential contribution to the Group. On 31 July 2014, the Company adopted the 2014 Share Option Scheme. Its terms complied with the requirements of Chapter 17 of the Listing Rules. Any proposed grant of share options in the future will be granted under the 2014 Share Option Scheme upon its adoption on 31 July 2014.

No options were granted, exercised, lapsed or cancelled under the 2014 Share Option Scheme during the six months ended 30 September 2014.

(b) Hong Kong Subsidiary Share Option Schemes

During the period, the following Hong Kong subsidiaries of the Company had their own respective share option schemes (collectively referred to as the “Hong Kong Subsidiary Share Option Schemes”). Their terms complied with the requirements of Chapter 17 of the Listing Rules.

Name of Hong Kong Subsidiary	Adoption Date	Share Option Scheme Title
Apple Daily Publication Development Limited (ADPDL)	30 July 2007	2007 ADPDL Share Option Scheme
Next Media Publishing Limited (NMPL)	30 July 2007	2007 NMPL Share Option Scheme
Next Media Distribution Limited (NMDL) (formerly known as “Apple Community Infonet Limited”)	20 February 2008	2008 NMDL Share Option Scheme
nxTomo Games Limited (nxTomo Games)	20 February 2008	2008 nxTomo Games Share Option Scheme
Aim High Investments Limited (AHIL)	12 June 2009	2009 AHIL Share Option Scheme
Anyplex Company Limited (Anyplex)	20 March 2012	2012 Anyplex Share Option Scheme
Next E-Shopping Limited (Next E-Shopping)	20 March 2012	2012 Next E-Shopping Share Option Scheme
Next Mobile Limited (Next Mobile)	20 March 2012	2012 Next Mobile Share Option Scheme
Sharp Daily Limited (Sharp Daily)	20 March 2012	2012 Sharp Daily Share Option Scheme
nxTomo Ltd. (nxTomo)	14 June 2013	2013 nxTomo Share Option Scheme

The tables below set out movements in options under the Hong Kong Subsidiary Share Option Schemes during the six months ended 30 September 2014:

2007 ADPDL Share Option Scheme

Name or category of participant	Date of grant	Exercise price per share	Vesting date (%)	Exercisable period	Balance as at 01.04.2014	Granted during the period	Lapsed during the period	Balance as at 30.09.2014
Employees	16.04.2014	HK\$0.01	16.04.2015 (30%) 16.04.2016 (60%) 16.04.2017 (100%)	17.04.2015–30.07.2017	–	105,000	–	105,000
Total outstanding					–	105,000	–	105,000

2008 nxTomo Games Share Option Scheme

Name or category of participant	Date of grant	Exercise price per share	Vesting date (%)	Exercisable Period	Balance as at 01.04.2014	Granted during the period	Lapsed during the period	Balance as at 30.09.2014
Director	23.09.2013	HK\$0.01	23.09.2014 (100%)	24.09.2014–20.02.2018	50,000	–	–	50,000
Employees	23.09.2013	HK\$0.01	23.09.2014 (100%)	24.09.2014–20.02.2018	500,000	–	(40,000)	460,000
Total outstanding					550,000	–	(40,000)	510,000

2012 Sharp Daily Share Option Scheme

Name or category of participant	Date of grant	Exercise price per share	Vesting date (%)	Exercisable period	Balance as at 01.04.2014	Granted during the period	Lapsed during the period	Balance as at 30.09.2014
Employee	11.06.2012	HK\$0.01	11.06.2013 (30%) 11.06.2014 (60%) 11.06.2015 (100%)	12.06.2013–20.03.2022	100,000	–	–	100,000
	11.06.2013	HK\$0.01	11.06.2014 (30%) 11.06.2015 (60%) 11.06.2016 (100%)	12.06.2014–20.03.2022	100,000	–	–	100,000
Total outstanding					200,000	–	–	200,000

2013 nxTomo Share Option Scheme

Name or category of participant	Date of grant	Exercise price per share	Vesting date (%)	Exercisable period	Balance as at 01.04.2014	Granted during the period	Lapsed during the period	Balance as at 30.09.2014
Director	23.09.2013	HK\$0.01	23.09.2014 (100%)	24.09.2014–14.06.2023	50,000	–	–	50,000
Employees	23.09.2013	HK\$0.01	23.09.2014 (100%)	24.09.2014–14.06.2023	510,000	–	(155,000)	355,000
Total outstanding					560,000	–	(155,000)	405,000

Apart from the above movements in the Hong Kong Subsidiary Share Option Schemes, no options were granted, exercised, lapsed or cancelled under the other Hong Kong Subsidiary Share Option Schemes during the six months ended 30 September 2014.

The Company has used the Binomial Model to assess the fair value of the options granted under the 2007 ADPDL Share Option Scheme during the six months ended 30 September 2014. This is an appropriate method for assessing the fair value of the options that can be exercised before the expiry of the option period. The value of the options granted during the six months ended 30 September 2014 was calculated as follows:

Date of Grant	No. of options granted	Risk-free Interest Rate	Expected life (years)	Expected Volatility	Dividend yield	Fair value per option (HK\$)	Remarks
2007 ADPDL Share Option Scheme							
16.04.2014	105,000	0.52% to 0.59%	1 to 3	22.75% to 46.52%	0%	79.06	—

The fair value per option stated above is an averaged fair value of such options.

The Group has recognised an expense in amount of HK\$2,051,000 in the condensed consolidated statement of comprehensive income for the six months ended 30 September 2014 in respect of the value of the options granted during the period under the 2007 ADPDL Share Option Scheme.

When calculating the fair value of the options granted under the 2007 ADPDL Share Option Scheme during the period, no allowance was made for forfeiture prior to vesting. It should be noted that the value of an option under each grant varies according to different variables of certain subjective assumptions; and changes in the variables adopted may materially affect the fair value estimate.

SHARE SUBSCRIPTION AND FINANCING PLAN

The Subscription Plan allows the Board to invite eligible persons to subscribe for new Shares in the Company.

All the invitations for subscriptions issued on 8 November 2007 and 25 February 2008 respectively were all lapsed during the year ended 31 March 2013. No invitations for subscriptions under the Subscription Plan were issued, subscribed for or cancelled during the period ended 30 September 2014.

SHARES AWARD TO DIRECTORS

The Company has on 30 June 2014 (the "Award Date") conditionally awarded a total of 930,000 new Shares (the "Award Shares") to the three INEDs, namely, Mr. Fok Kwong Hang, Terry as to 330,000 Shares, Mr. Wong Chi Hong, Frank as to 300,000 Shares and Dr. Lee Ka Yam, Danny as to 300,000 Shares subject to the issuing terms and vesting conditions as stipulated in the offer letters dated 30 June 2014 issued to them.

Since the INEDs are connected persons of the Company, the issue of the Award Shares is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. The ordinary resolutions approving the issue of the Award Shares to each of the INEDs have been approved by the independent shareholders at an EGM duly held on 31 July 2014. The Stock Exchange has also granted the listing of and permission to deal in the Award Shares.

Details of the Award Shares are disclosed in note 18 to the Interim Financial Statements.

RELATED-PARTY TRANSACTIONS

During the period, the Group entered into certain transactions with parties regarded as “Related Parties” under applicable accounting principles, details of which are set out in note 21 to the Interim Financial Statements. These mainly concerned contracts entered into by the Group in the ordinary course of business. These contracts were negotiated on normal commercial terms and on an arm’s length basis with reference to prevailing market conditions.

Save as disclosed above and note 21 to the Interim Financial Statements, no other contract of significance between the Company or any of its subsidiaries and a controlling shareholder or any of its subsidiaries were entered into or existed during the period.

DISCLOSURES PURSUANT TO RULE 13.21 OF THE LISTING RULES

Reference is made to an announcement issued by the Company dated 12 November 2012, ADPL, as borrower, executed a facility agreement and the security and finance documents for a term loan facility in an aggregate amount of HK\$210,000,000 (the “2012 Facility”) offered by a syndicate of four banks (the “Syndicated Banks”). The 2012 Facility had been fully utilised for the working capital requirement of ADPL and ADL with a final maturity date falls in the 36th month from its first utilisation date. Pursuant to a term of the 2012 Facility, each of ADPL and the guarantors to the 2012 Facility (including the Company, ADL, Apple Daily I.P. Limited (“ADIP”) and Next Media I.P. Limited (“NMIP”), all three are indirect wholly owned subsidiaries of the Company) had undertaken to ensure that Mr. Lai, a controlling shareholder of the Company (i) is and will continue to be the Chairman of the Company; and (ii) holds and will continue to hold directly or indirectly at least 51% of the total issued shares in the Company. Such undertaking should remain in force from the date of the facility agreement for so long as any liability is outstanding or any commitment is in force under the 2012 Facility. The Syndicated Banks may declare any commitments under the 2012 Facility to be cancelled and/or declare all outstanding amounts together with interests thereon to be immediately due and payable upon occurrence of any breach of this term.

Based on the Company’s audited consolidated annual results for the year ended 31 March 2013 announced on 7 June 2013, the Company failed to fulfill the required financial covenants of the 2012 Facility. The Company formally applied to the agent bank to the 2012 Facility, which acted on behalf of all the lending banks, for the relevant waiver. Through the agent bank, the Company obtained the consents from all lending banks to waive the breach of certain financial covenants for the year ended 31 March 2013 pursuant to the terms of the 2012 Facility and issued an announcement on 2 July 2013.

On 11 June 2014, the Company fully repaid the outstanding principal amount and the interest accrued under the 2012 Facility to the Syndicated Banks.

REDUCTION OF SHARE PREMIUM ACCOUNT

Reference is made to an announcement dated 26 November 2013 and the circular dated 11 December 2013 issued by the Company proposing reduction of the share premium account of the Company by HK\$924,961,945 (the “Reduction of Share Premium Account”) and the application for the credit arising therefrom to set off against the accumulated losses of the Company for the purpose of placing the Company in a position to legally pay dividends. The Reduction of Share Premium Account was subject to the approval from the Shareholders at an EGM, confirmation from the High Court and registration of the order issued by the High Court (the “Order”) with the Companies Registry in Hong Kong.

At an EGM held on 15 January 2014, the special resolution approving the Reduction of Share Premium Account was duly approved by the Shareholders. On 9 May 2014, the Company announced that the High Court made the Order confirming the Reduction of Share Premium Account and the Order was duly registered with the Companies Registry in Hong Kong on 22 May 2014.

SPECIAL DIVIDEND

Following the Reduction of Share Premium Account becoming effective on 22 May 2014, the Company is in a position to legally pay dividends to the Shareholders. On 14 July 2014, the Company announced that the Board has declared a special dividend of HK6.6 cents per Share payable on 14 August 2014 to those Shareholders on the Register of Members of the Company as at the close of business on 8 August 2014.

PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the percentage of the Shares in the public’s hands exceed 25.0% as at 30 September 2014, the latest practicable date to ascertain such information prior to the issue of this interim report.

PURCHASE, SALE OR REDEMPTION OF LISTED SHARES

There was no purchase, sale or redemption of the Company’s listed Shares by the Company or any of its subsidiaries during the six months ended 30 September 2014.

On behalf of the Board
Lai Chee Ying, Jimmy
Chairman

Hong Kong, 17 November 2014

Deloitte.

德勤

TO THE BOARD OF DIRECTORS OF NEXT MEDIA LIMITED

壹傳媒有限公司

(incorporated in Hong Kong with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Next Media Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 50 to 89, which comprise the condensed consolidated statement of financial position as of 30 September 2014 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

17 November 2014

	NOTES	Six months ended 30 September	
		2014 HK\$'000 (unaudited)	2013 HK\$'000 (unaudited)
Continuing operations			
Revenue	3	1,570,498	1,660,755
Production costs			
Cost of raw materials consumed		(307,401)	(451,958)
Other overheads		(200,541)	(110,183)
Staff costs		(419,247)	(424,068)
Personnel costs excluding direct production staff costs		(296,320)	(291,079)
Other income	3	35,048	34,250
Allowance for bad and doubtful debts		(7,508)	(9,040)
Depreciation of property, plant and equipment		(59,457)	(65,210)
Release of prepaid lease payments		(899)	(899)
Other expenses		(171,105)	(203,359)
Finance costs	5	(7,310)	(10,344)
Profit before tax		135,758	128,865
Income tax expense	6	(29,266)	(40,695)
Profit for the period from continuing operations	7	106,492	88,170
Discontinued operations			
Loss for the period from discontinued operations		—	(72,281)
Profit for the period		106,492	15,889
Other comprehensive expense			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translating foreign operations		(6,820)	(3,670)
Total comprehensive income for the period		99,672	12,219

For the six months ended 30 September 2014

	NOTE	Six months ended 30 September	
		2014 HK\$'000 (unaudited)	2013 HK\$'000 (unaudited)
Profit (loss) for the period attributable to:			
Owners of the Company			
— Profit for the period from continuing operations		104,300	83,809
— Loss for the period from discontinued operations		—	(72,281)
		104,300	11,528
Non-controlling interests			
— Profit for the period from continuing operations		2,192	4,361
		106,492	15,889
Total comprehensive income attributable to:			
Owners of the Company		97,749	7,942
Non-controlling interests		1,923	4,277
		99,672	12,219
Earnings per share	9		
From continuing and discontinued operations			
Basic		HK4.3 cents	HK0.5 cent
Diluted		HK4.3 cents	HK0.5 cent
From continuing operations			
Basic		HK4.3 cents	HK3.5 cents
Diluted		HK4.3 cents	HK3.5 cents

At 30 September 2014

	NOTES	30 September 2014 HK\$'000 (unaudited)	31 March 2014 HK\$'000 (audited)
NON-CURRENT ASSETS			
Intangible assets		1,300,881	1,300,881
Property, plant and equipment	10	1,275,428	1,304,241
Prepaid lease payments	11	57,062	57,961
Deposit for acquisition of property, plant and equipment		12,055	12,857
		2,645,426	2,675,940
CURRENT ASSETS			
Inventories		125,888	127,955
Trade and other receivables	12	715,982	623,230
Prepaid lease payments	11	1,797	1,797
Tax recoverable		16,602	14,322
Restricted bank balances	13	1,500	4,815
Amounts due from related parties		1,537	799
Bank balances and cash		512,412	755,442
		1,375,718	1,528,360
CURRENT LIABILITIES			
Trade and other payables	14	544,272	460,258
Deferred revenue		14,817	11,274
Borrowings	15	80,824	264,388
Provisions	16	121,846	113,959
Tax liabilities		21,908	25,397
		783,667	875,276
NET CURRENT ASSETS		592,051	653,084
TOTAL ASSETS LESS CURRENT LIABILITIES		3,237,477	3,329,024

At 30 September 2014

	NOTES	30 September 2014 HK\$'000 (unaudited)	31 March 2014 HK\$'000 (audited)
NON-CURRENT LIABILITIES			
Borrowings	15	356,971	396,472
Retirement benefits plans		67,262	66,862
Deferred tax liabilities		276,261	275,509
		700,494	738,843
NET ASSETS		2,536,983	2,590,181
CAPITAL AND RESERVES			
Share capital	17	2,434,747	3,359,709
Reserves		63,572	(803,309)
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		2,498,319	2,556,400
NON-CONTROLLING INTERESTS		38,664	33,781
TOTAL EQUITY		2,536,983	2,590,181

For the six months ended 30 September 2014

	Attributable to owners of the Company					Attributable to non-controlling interests				
	Share capital HK\$'000	Share premium HK\$'000	Translation reserve HK\$'000	Share-based payment reserve HK\$'000	Accumulated (losses) profits HK\$'000	Subtotal HK\$'000	Share-based payment reserve of subsidiaries HK\$'000	Share of net assets of subsidiaries HK\$'000	Subtotal HK\$'000	Total HK\$'000
At 1 April 2013	2,431,007	928,702	(17,578)	7,058	(1,031,660)	2,317,529	–	27,472	27,472	2,345,001
Exchange differences on translating foreign operations	–	–	(3,586)	–	–	(3,586)	–	(84)	(84)	(3,670)
Profit for the period	–	–	–	–	11,528	11,528	–	4,361	4,361	15,889
Total comprehensive income (expenses) for the period	–	–	(3,586)	–	11,528	7,942	–	4,277	4,277	12,219
Recognition of equity-settled share-based payments	–	–	–	1,758	–	1,758	–	–	–	1,758
Lapse of share options	–	–	–	(389)	389	–	–	–	–	–
Acquisition of additional interest in a subsidiary	–	–	–	–	(488)	(488)	–	(2,380)	(2,380)	(2,868)
At 30 September 2013	2,431,007	928,702	(21,164)	8,427	(1,020,231)	2,326,741	–	29,369	29,369	2,356,110
Exchange differences on translating foreign operations	–	–	(23,178)	–	–	(23,178)	–	(1,027)	(1,027)	(24,205)
Profit for the period	–	–	–	–	228,618	228,618	–	3,969	3,969	232,587
Actuarial gain undefined deferred benefit liabilities and related income tax	–	–	–	–	21,713	21,713	–	–	–	21,713
Total comprehensive income (expenses) for the period	–	–	(23,178)	–	250,331	227,153	–	2,942	2,942	230,095
Recognition of equity-settled share-based payments	–	–	–	2,506	–	2,506	1,470	–	1,470	3,976
Transfer upon abolition of par value under the new Hong Kong Companies Ordinance (note 17b)	928,702	(928,702)	–	–	–	–	–	–	–	–
At 31 March 2014	3,359,709	–	(44,342)	10,933	(769,900)	2,556,400	1,470	32,311	33,781	2,590,181
Exchange differences on translating foreign operations	–	–	(6,551)	–	–	(6,551)	–	(269)	(269)	(6,820)
Profit for the period	–	–	–	–	104,300	104,300	–	2,192	2,192	106,492
Total comprehensive income (expenses) for the period	–	–	(6,551)	–	104,300	97,749	–	1,923	1,923	99,672
Recognition of equity-settled share-based payments	–	–	–	4,323	–	4,323	3,253	–	3,253	7,576
Lapse of share options	–	–	–	(579)	872	293	(293)	–	(293)	–
Dividend paid (note 8)	–	–	–	–	(160,446)	(160,446)	–	–	–	(160,446)
Capital reduction (note 17c)	(924,962)	–	–	–	924,962	–	–	–	–	–
At 30 September 2014 (unaudited)	2,434,747	–	(50,893)	14,677	99,788	2,498,319	4,430	34,234	38,664	2,536,983

For the six months ended 30 September 2014

	Six months ended 30 September	
	2014 HK\$'000 (unaudited)	2013 HK\$'000 (unaudited)
OPERATING ACTIVITIES		
Profit before tax	135,758	56,584
Adjustments for:		
Finance costs	7,310	13,336
Interest income on bank deposits	(996)	(555)
Interest income on loans to associates	—	(602)
Allowance for bad and doubtful debts	7,508	9,017
Share-based payment expense	7,576	1,758
Depreciation of property, plant and equipment	59,457	86,360
Release of prepaid lease payments	899	899
Loss on disposal of property, plant and equipment	775	412
Loss on disposal of Next TV Broadcasting Limited ("Next TV")	—	7,986
Operating cash flows before movements in working capital	218,287	175,195
Decrease in programmes and film rights	—	15,900
Decrease in inventories	2,214	37,392
(Increase) decrease in trade and other receivables	(98,795)	3,931
Increase in amounts due to associates	—	957
Increase in amounts due from related parties	(738)	—
Increase in trade and other payables	82,697	22,601
(Decrease) increase in retirement benefits plans	(531)	1,303
Increase in provision for litigation	7,887	5,688
Increase in deferred revenue	3,543	—
Net cash from operations	214,564	262,967
Income tax paid	(34,208)	(52,378)
NET CASH FROM OPERATING ACTIVITIES	180,356	210,589

For the six months ended 30 September 2014

	Six months ended 30 September	
	2014 HK\$'000 (unaudited)	2013 HK\$'000 (unaudited)
INVESTING ACTIVITIES		
Deposit for acquisition of property, plant and equipment	(12,054)	(1,264)
Purchases of property, plant and equipment	(16,134)	(33,125)
Repayment from associates	—	9,891
Interest received	996	1,157
Proceeds from disposal of property, plant and equipment	630	761
Penalty charged by the Purchaser of Next TV	—	(36,316)
Proceeds from disposal of a subsidiary	—	363,165
Refund of deposit received for the potential disposal of Taiwan business	—	(455,373)
NET CASH USED IN INVESTING ACTIVITIES	(26,562)	(151,104)
FINANCING ACTIVITIES		
New borrowings raised	—	150,000
Repayments of borrowings	(224,162)	(100,000)
Dividend paid	(160,446)	—
Interest paid	(7,310)	(13,336)
Acquisition of additional interest in subsidiaries	—	(2,868)
Release of restricted bank balance	3,315	—
NET CASH (USED IN) FROM FINANCING ACTIVITIES	(388,603)	33,796
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(234,809)	93,281
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	755,442	545,838
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(8,221)	(12,427)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD, represented by bank balances and cash	512,412	626,692

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2014 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2014.

In the current interim period, the Group has applied, for the first time, the following new interpretation and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are relevant for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting
HK(IFRIC) — Int 21	Levies

The application of the above new interpretation and amendments to HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and disclosures set out in these condensed consolidated financial statements.

3. REVENUE AND OTHER INCOME

The Group's continuing operations comprise the publication of newspapers, books and magazines, the sales of advertising space in newspapers, books and magazines, the provision of printing and reprographic services, the sales of advertising space on its web portals, as well as subscription to the web portals, delivery of internet content and development of mobile games and apps.

Revenue recognised during the period from continuing operations is as follows:

	Six months ended 30 September	
	2014 HK\$'000	2013 HK\$'000
Revenue		
Sales of newspapers	272,165	313,840
Sales of books and magazines	73,085	85,328
Newspapers advertising income	544,428	706,544
Books and magazines advertising income	268,799	322,790
Printing and reprographic services income	78,889	104,554
Internet advertising income, internet subscription and content provision and development of mobile games and apps ("Digital businesses")	333,132	127,699
	1,570,498	1,660,755
Other income		
Sales of waste materials	7,021	9,296
Interest income on bank deposits	996	440
Interest income on loans to associates	—	602
Rental income	10,545	4,980
Net exchange gain	11,041	11,364
Others	5,445	7,568
	35,048	34,250
Total	1,605,546	1,695,005

4. SEGMENT INFORMATION

Information reported to the Company's chief operating officer (who is the Group's chief operating decision maker "CODM") for the purposes of resource allocation and assessment of performance focuses on types of goods delivered and services rendered. This is also the basis upon which the Group is organised and specifically focuses on the Group's operating divisions. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable and operating segments from continuing operations under HKFRS 8 *Operating Segments* are as follows:

Operating segments	Principal activities
Newspapers publication and printing	Sales of newspapers and provision of newspapers printing and advertising services in Hong Kong and Taiwan
Books and magazines publication and printing	Sales of books and magazines and provision of books and magazines printing and advertising services in Hong Kong, Taiwan, North America, Europe and Australasia
Digital businesses	Advertising income, internet subscription, content provision and development of mobile games and apps in Hong Kong and Taiwan

All transactions between different operating segments are charged at prevailing market rates.

4. SEGMENT INFORMATION (CONTINUED)

The following is an analysis of the Group's revenue and results from continuing operations by operating segments for the period under review:

Six months ended 30 September 2014

Continuing operations

	Newspapers publication and printing HK\$'000	Books and magazines publication and printing HK\$'000	Digital businesses HK\$'000	Eliminations HK\$'000	Consolidated HK\$'000
REVENUE					
External sales	852,429	384,937	333,132	—	1,570,498
Inter-segment sales	94,561	4,453	39	(99,053)	—
Total	946,990	389,390	333,171	(99,053)	1,570,498
RESULTS					
Segment results	108,171	(4,567)	40,246	—	143,850
Unallocated expenses					(17,769)
Unallocated income					16,987
Finance costs					(7,310)
Profit before tax from continuing operations					135,758

4. **SEGMENT INFORMATION (CONTINUED)**

Six months ended 30 September 2013

Continuing operations

	Newspapers publication and printing HK\$'000	Books and magazines publication and printing HK\$'000	Digital businesses HK\$'000	Eliminations HK\$'000	Consolidated HK\$'000
REVENUE					
External sales	1,070,565	462,490	127,700	—	1,660,755
Inter-segment sales	41,232	10,690	9	(51,931)	—
Total	1,111,797	473,180	127,709	(51,931)	1,660,755
RESULTS					
Segment results	130,663	41,635	(30,360)	—	141,938
Unallocated expenses					(16,318)
Unallocated income					13,589
Finance costs					(10,344)
Profit before tax from continuing operations					128,865

Segment result represents the profit earned (loss incurred) by each segment without the allocation of income or expenses resulted from interest income, certain rental and other income, finance costs and certain corporate and administrative expenses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

4. SEGMENT INFORMATION (CONTINUED)

As at 30 September 2014

Continuing operations

	Newspapers publication and printing HK\$'000	Books and magazines publication and printing HK\$'000	Digital businesses HK\$'000	Consolidated HK\$'000
Segment assets	2,139,727	875,587	471,946	3,487,260
Unallocated assets				533,884
				4,021,144
Segment liabilities	(379,922)	(256,982)	(86,686)	(723,590)
Unallocated liabilities				(760,571)
				(1,484,161)

4. **SEGMENT INFORMATION (CONTINUED)**

As at 31 March 2014

Continuing operations

	Newspapers publication and printing HK\$'000	Books and magazines publication and printing HK\$'000	Digital businesses HK\$'000	Consolidated HK\$'000
Segment assets	2,129,798	860,277	436,026	3,426,101
Unallocated assets				778,199
				4,204,300
Segment liabilities	(299,841)	(245,622)	(311,991)	(857,454)
Unallocated liabilities				(756,665)
				(1,614,119)

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments other than amounts due from related parties, tax recoverable, certain bank balances and cash and corporate assets that are not attributable to segments; and
- all liabilities are allocated to operating segments other than certain other payables, tax liabilities, certain bank borrowings, deferred tax liabilities and corporate liabilities that are not attributable to segments.

4. SEGMENT INFORMATION (CONTINUED)

Other segment information

For the six months ended 30 September 2014

Continuing operations

	Newspapers publication and printing HK\$'000	Books and magazines publication and printing HK\$'000	Digital businesses HK\$'000	Corporate HK\$'000	Consolidated HK\$'000
Addition to non-current assets	9,757	5,499	12,368	567	28,191
Depreciation of property, plant and equipment	38,592	12,752	6,193	1,920	59,457

For the six months ended 30 September 2013

Continuing operations

	Newspapers publication and printing HK\$'000	Books and magazines publication and printing HK\$'000	Digital businesses HK\$'000	Corporate HK\$'000	Consolidated HK\$'000
Addition to non-current assets	12,131	10,609	4,741	26	27,507
Depreciation of property, plant and equipment	40,836	12,890	9,673	1,811	65,210

5. **F**INANCE COSTS

	Six months ended 30 September	
	2014	2013
	HK\$'000	HK\$'000
Continuing operations		
Interest expenses on bank borrowings:		
– wholly repayable within five years	1,063	6,689
– not wholly repayable within five years	6,247	3,655
	7,310	10,344

6. INCOME TAX EXPENSE

	Six months ended 30 September	
	2014	2013
	HK\$'000	HK\$'000
Continuing operations		
The charge comprises:		
Current tax:		
Hong Kong	13,547	20,028
Taiwan	11,881	21,177
Underprovision in prior period	3,074	—
	28,502	41,205
Deferred tax:		
Charge (credit) for the period	764	(510)
	29,266	40,695

Hong Kong Profits Tax is recognised based on management's best estimate of the average annual income tax rate expected for the full financial year. The estimated average annual tax rate used is 16.5% (2013: 16.5%) for the six months ended 30 September 2014.

Taiwan Income Tax is recognised based on management's best estimate of the average annual income tax rate expected for the full financial year. The estimated average annual tax rate used is 17% (2013: 17%) which is the rate prevailing in the relevant jurisdiction.

The effective tax rate for the six months ended 30 September 2014 is 17% (2013: 17%).

7. PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS

	Six months ended 30 September	
	2014	2013
	HK\$'000	HK\$'000
Profit for the period from continuing operations has been arrived at after charging:		
Operating lease expenses on:		
Properties	3,247	3,511
Plant and equipment	9,161	9,009
Loss on disposal of property, plant and equipment (included in other expenses)	775	293
Provision for litigation expenses (<i>note 16</i>) (included in other expenses)	20,044	18,294
Share-based payment expense (included in personnel costs)	7,576	1,758

8. DIVIDENDS

The directors have declared an interim dividend of HK1.5 cents per share for the six months ended 30 September 2014 (six months ended 30 September 2013: nil), amounting to HK\$36.5 million.

In addition, a special dividend of HK6.6 cents per share was declared by the Directors on 14 July 2014 and paid to the shareholders on 14 August 2014. The aggregate amount of the dividends paid and payable in the interim period amounted HK\$196.9 million.

9. EARNINGS PER SHARE

From continuing operations

The calculation of basic and diluted earnings per share from continuing operations attributable to the owners of the Company is based on the following data:

	Six months ended 30 September	
	2014	2013
	HK\$'000	HK\$'000
Profit figures are calculated as follows:		
Profit for the period attributable to the owners of the Company	104,300	11,528
Less: Loss for the period from discontinued operations	—	(72,281)
Profit for the purposes of basic and diluted earnings per share from continuing operations	104,300	83,809

Number of shares

	Six months ended 30 September	
	2014	2013
	No. of shares	No. of shares
Weighted average number of ordinary shares in issue during the period for the purpose of basic earnings per share	2,431,006,881	2,431,006,881
Effect of dilutive potential ordinary shares:		
Share options (<i>Note</i>)	—	—
Weighted average number of ordinary shares for the purpose of diluted earnings per share	2,431,006,881	2,431,006,881

9. EARNINGS PER SHARE (CONTINUED)

From continuing operations (continued)

Number of shares (continued)

Note: The computation of diluted earnings per share for the six months ended 30 September 2014 and 2013 does not assume the exercise of the Company's outstanding share options (see note 18a) as their exercise price exceeds the average market price of the shares during the periods.

From continuing and discontinued operations

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

	Six months ended 30 September	
	2014 HK\$'000	2013 HK\$'000
Earnings for the period attributable to the owners of the Company and earnings for the purposes of basic and diluted earnings per share	104,300	11,528

The denominators used are the same as those detailed above for both basic and diluted earnings per share.

From discontinued operations

For the six months ended 30 September 2013, basic and diluted loss per share for the discontinued operations were HK3.0 cents per share, based on loss for the period from discontinued operations of HK\$72,281,000 and the denominators detailed above for both basic and diluted loss per share.

10. **P**ROPERTY, PLANT AND EQUIPMENT

	HK\$'000
<hr/>	
COST	
At 1 April 2014	2,789,407
Exchange difference	4,007
Additions	28,991
Disposals	(11,019)
	<hr/>
At 30 September 2014	2,811,386
	<hr/>
ACCUMULATED DEPRECIATION AND IMPAIRMENT	
At 1 April 2014	1,485,166
Exchange difference	949
Charge for the period	59,457
Eliminated on disposals	(9,614)
	<hr/>
At 30 September 2014	1,535,958
	<hr/>
CARRYING VALUES	
At 30 September 2014	1,275,428
	<hr/>
At 31 March 2014	1,304,241
	<hr/>

11. PREPAID LEASE PAYMENTS

Leasehold land situated in Hong Kong is released on a straight line basis over the lease terms of 50 years.

	30 September 2014 HK\$'000	31 March 2014 HK\$'000
Analysed for reporting purposes as:		
Current asset	1,797	1,797
Non-current asset	57,062	57,961
	58,859	59,758

12. TRADE AND OTHER RECEIVABLES

	30 September 2014 HK\$'000	31 March 2014 HK\$'000
Trade receivables	728,726	618,579
Less: Allowance for doubtful debts	(104,107)	(96,667)
	624,619	521,912
Prepayments	57,563	49,481
Rental and other deposits	17,632	21,275
Others	16,168	30,562
Total trade and other receivables	715,982	623,230

The Group allows credit terms of 7 to 120 days to its trade customers.

12. TRADE AND OTHER RECEIVABLES (CONTINUED)

The following is an aged analysis of the trade receivables after deducting the allowance for doubtful debts presented based on invoice dates, which approximated the respective revenue recognition dates at the end of the reporting period:

	30 September 2014 HK\$'000	31 March 2014 HK\$'000
0–1 month	263,170	257,140
1–3 months	237,665	182,053
3–4 months	69,939	45,437
Over 4 months	53,845	37,282
	624,619	521,912

Included in the Group's trade receivable balances are debtors with an aggregate carrying amount of HK\$53,845,000 (31 March 2014: HK\$37,282,000) which are past due at the end of the reporting period for which the Group has not provided for impairment loss as the directors of the Company assessed that the balances will be recovered based on their settlement records. The Group does not hold any collateral over these balances.

The following is an aged analysis of trade receivables which are past due but not impaired:

	30 September 2014 HK\$'000	31 March 2014 HK\$'000
Over 4 months	53,845	37,282

13. RESTRICTED BANK BALANCES

As at 30 September 2014, bank balance amounting to HK\$1,500,000 (31 March 2014: HK\$4,815,000) were restricted for the use of settling certain potential debts and claims as stipulated as part of a share capital reduction exercise carried out during the period ended 30 September 2014. The restricted bank balances carry fixed interest rate at 0.50% per annum for the period (31 March 2014: 0.50% per annum for the year).

14. TRADE AND OTHER PAYABLES

	30 September 2014 HK\$'000	31 March 2014 HK\$'000
Trade payables	92,466	86,834
Accrued staff costs	187,766	157,682
Accrued charges	96,226	78,980
Other payables	167,814	136,762
	544,272	460,258

The following is an aged analysis of the trade payables presented based on the invoice date at the end of the reporting period:

	30 September 2014 HK\$'000	31 March 2014 HK\$'000
0–1 month	60,375	59,332
1–3 months	27,991	20,152
Over 3 months	4,100	7,350
	92,466	86,834

15. **B**ORROWINGS

	30 September 2014 HK\$'000	31 March 2014 HK\$'000
Secured bank loans (<i>Notes</i>)	437,795	660,860
An analysis of the secured bank loans of the Group is as follows:		
Carrying amount repayable		
— on demand or within one year	80,824	264,388
— in the second year	80,824	80,638
— in the third year	80,824	80,638
— in the fourth year	80,824	80,638
— in the fifth year	80,824	80,638
— more than five years	33,675	73,920
	437,795	660,860
Less: Amount due within one year or on demand shown under current liabilities	(80,824)	(264,388)
Non-current portion	356,971	396,472

Notes:

- (i) During the current interim period, the Group repaid bank loans amounting to HK\$224,162,000 (six months ended 30 September 2013: HK\$100,000,000).

15. **B**ORROWINGS (CONTINUED)

Notes: (continued)

- (ii) At 30 September 2014, bank loans balance of HK\$437,795,000 carry interest at Post Office 2-year Deposit rate in Taiwan plus 1.4275% per annum. At 31 March 2014, bank loans balance of HK\$477,110,000 carry interest at Post Office 2-year Deposit rate in Taiwan plus 1.4275% per annum and balance of HK\$183,750,000 carry interest at HIBOR plus 2.75% per annum.

The weighted average effective interest rates (which are equal to contractual interest rates) of borrowings is 2.80% per annum for the period (31 March 2014: 2.85% per annum for the year).

The Group's borrowings are denominated in New Taiwan Dollar ("NT\$") and HK\$, functional currencies of the relevant group entities.

- (iii) At 30 September 2014, the Group's utilised and unutilised banking facilities were secured by the following:
- Certain of the Group's land and buildings with an aggregate carrying value of HK\$483,759,000 (31 March 2014: HK\$879,784,000); and
 - Certain of the Group's plant and machinery with an aggregate carrying value of HK\$nil (31 March 2014: HK\$224,000).

16. PROVISIONS

	Litigations HK\$'000
At 1 April 2014	113,959
Additional provision for litigation during the period	20,044
Payment during the period	(12,085)
Exchange difference	(72)
At 30 September 2014	121,846

As at 30 September 2014, the Group had provisions classified as current liabilities in respect of a number of legal proceedings in Hong Kong and Taiwan arising in the normal course of its publishing business.

This provision was recognised in respect of the outstanding legal proceedings based on advice obtained from the Company's legal counsel.

17. SHARE CAPITAL

	Authorised	
	No. of shares	HK\$'000
Ordinary shares of HK\$1.00 each <i>(Note a)</i>		
At 1 April 2013, 30 September 2013, 1 April 2014 and 30 September 2014	4,600,000,000	4,600,000

17. **S**HARE CAPITAL (CONTINUED)

	Issued and fully paid	
	No. of shares	HK\$'000
At 1 April 2013 and 30 September 2013	2,431,006,881	2,431,007
Transfer of share premium reserve upon abolition of par value (<i>Note b</i>)	—	928,702
At 1 April 2014	2,431,006,881	3,359,709
Capital reduction (<i>Note c</i>)	—	(924,962)
At 30 September 2014	2,431,006,881	2,434,747

Note a: Under Chapter 622 of the new Hong Kong Companies Ordinance, the concept of “authorised share capital” had been abolished. However, the Company is required to disclose the authorised capital if the Company includes a maximum number of shares in its articles of association.

Note b: The Company’s shares have no par values from the commencement date of Chapter 622 of the new Hong Kong Companies Ordinance (i.e. 3 March 2014).

Note c: On 9 May 2014, the Hong Kong High Court made an order confirming the reduction of the share premium account of the Company by HK\$924,962,000 which has become effective upon the registration of such order with the Companies Registry on 22 May 2014. During the current interim period, the Company reduced its share capital account by HK\$924,962,000 to set off against the Company’s total accumulated losses.

18. SHARE INCENTIVE SCHEMES

(a) Share Option Schemes of the Company

(i) 2007 Share Option Scheme adopted by the Company

On 30 July 2007, a share option scheme was adopted by the Company (the "2007 Share Option Scheme") for the purpose of providing incentives to the participants (i.e. directors and full-time employees of the Group, as well as any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint-venture business partners, promoters and service providers of any members of the Group). Under the 2007 Share Option Scheme, the Board may grant options to the participants to subscribe for shares in the Company.

The Group recognised a total expense of HK\$4,200,000 for the six months ended 30 September 2014 (30 September 2013: HK\$1,758,000) in relation to options granted under the 2007 Share Option Scheme in current interim period.

Movements in the number of options granted pursuant to the 2007 Share Option Scheme are as follows:

	Number of options
At 30 September 2013	32,854,000
Granted during the period	42,700,000
Lapsed during the period	(300,000)
At 1 April 2014	75,254,000
Lapsed during the period	(3,580,000)
At 30 September 2014	71,674,000

18. **S**HARE INCENTIVE SCHEMES (CONTINUED)

(a) Share Option Schemes of the Company (continued)

(ii) **2014 Share Option Scheme adopted by the Company**

On 31 July 2014, a share option scheme was adopted by the Company (the “2014 Share Option Scheme”) for the purpose of providing incentives to the participants (i.e. directors and full-time employees of the Group, as well as any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint-venture business partners, promoters and service providers of any members of the Group). Under the 2014 Share Option Scheme, the Board may grant options to the participants to subscribe for shares in the Company.

No options were granted under the 2014 Share Option Scheme as at 30 September 2014.

(b) Share Subscription and Financing Plan adopted by the Company

The board of directors of Company adopted a Share Subscription and Financing Plan (the “Share Subscription Plan”) on 29 October 2007. Under the Share Subscription Plan, the Company may issue share invitations to any of their employees and directors or employees and directors of any of its subsidiaries and eligible persons as defined therein. The number of shares which may be issued upon exercise of all outstanding share invitations issued under the Share Subscription Plan is limited to 70,000,000 shares, representing 2.9% of the total issued shares of the Company as at 29 October 2007.

All the invitations for subscriptions issued on 8 November 2007 and 25 February 2008 respectively lapsed during the year ended 31 March 2013. No invitations for subscriptions under the Share Subscription Plan were issued or subscribed for during the six months ended 30 September 2014.

No expense was recognised for the six months ended 30 September 2014 and 2013 in relation to the Share Subscription Plan.

18. **S**HARE INCENTIVE SCHEMES (CONTINUED)

(c) Share Option Schemes adopted by certain subsidiaries

On 30 July 2007, each of Apple Daily Publication Development Limited (“ADPDL”) and Next Media Publishing Limited (“NMPL”) adopted a share option scheme (the “2007 Subsidiary Share Option Schemes”), on 20 February 2008, each of Next Media Distribution Limited (“NMDL”, formerly known as “Apple Community Infonet Limited”) and nxTomo Games Limited (“nxTomo Games”) adopted a share option scheme (the “2008 Subsidiary Share Option Schemes”), on 12 June 2009, Aim High Investments Limited (“AHIL”) adopted a share option scheme (the “2009 AHIL Share Option Scheme”), on 20 March 2012, each of Anyplex Company Limited (“Anyplex”), Next Mobile Limited (“Next Mobile”), Next E-Shopping Limited (“Next E-Shopping”) and Sharp Daily Limited (“Sharp Daily”) adopted a share option scheme (the “2012 Subsidiary Share Option Schemes”) and on 14 June 2013, nxTomo Ltd. (“nxTomo”) adopted a share option scheme (the “2013 nxTomo Share Option Scheme”). nxTomo together with ADPDL, NMPL, NMDL, nxTomo Games, AHIL, Anyplex, Next Mobile, Next E-Shopping and Sharp Daily are, collectively referred to as the “Hong Kong Subsidiaries”.

Under the 2007 Subsidiary Share Option Schemes, the 2008 Subsidiary Share Option Schemes, the 2009 AHIL Share Option Scheme, 2012 Subsidiary Share Option Schemes and 2013 nxTomo Share Option Scheme, the Hong Kong Subsidiaries may grant options to any of their full-time employees and directors or full-time employees and directors of any of their subsidiaries and any eligible persons as defined therein to subscribe for the respective ordinary shares of ADPDL, NMPL, NMDL, nxTomo Games, AHIL, Anyplex, Next Mobile, Next E-Shopping, Sharp Daily and nxTomo. The number of shares which may be issued upon exercise of all outstanding options granted under the 2007 Subsidiary Share Option Schemes, the 2008 Subsidiary Share Option Schemes, 2009 AHIL Share Option Scheme, 2012 Subsidiary Share Option Schemes and 2013 nxTomo Share Option Scheme and any other share option schemes of the Hong Kong Subsidiaries is limited to 30% of the respective subsidiaries’ shares in issue from time to time.

18. **S**HARE INCENTIVE SCHEMES (CONTINUED)

(c) Share Option Schemes adopted by certain subsidiaries (continued)

Movements in the number of options granted pursuant to the 2007 Subsidiary Share Option Schemes during the period are as follows:

	Number of options ADPDL
At 1 April 2014	—
Granted during the period	105,000
At 30 September 2014	105,000

The stock price of the ADPDL's shares immediately before 16 April 2014, the date of grant, was HK\$79.06.

In the current interim period, share options were granted on 16 April 2014. The fair value of the options determined at the date of grant using the Binomial model was HK\$8,300,000.

The following assumptions were used to calculate the fair value of share options:

Grant date	16 April 2014
Stock price	HK\$79.06
Exercise price	HK\$0.01
Expected life	1 to 3 years
Expected volatility	22.75% to 46.52%
Dividend yield	0%
Risk-free interest rate	0.52% to 0.59%

The Binomial Model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the options are based on Directors' best estimates. Changes in variables and assumptions may result in changes in the fair value of the options.

18. SHARE INCENTIVE SCHEMES (CONTINUED)

(c) Share Option Schemes adopted by certain subsidiaries (continued)

Movements in the number of options granted pursuant to the 2008 Subsidiary Share Option Schemes during the period are as follows:

	Number of options nxTomo Games
At 1 April 2014	550,000
Lapsed during the period	(40,000)
At 30 September 2014	510,000

Movements in the number of options granted pursuant to the 2013 nxTomo Share Option Scheme during the period are as follows:

	Number of options nxTomo
At 1 April 2014	560,000
Lapsed during the period	(155,000)
At 30 September 2014	405,000

Except for the above disclosure, during the six months ended 30 September 2014, no options were granted, exercised, lapsed or cancelled under the share option schemes adopted by the subsidiaries of the Company. The Group recognised a total expense of HK\$3,253,000 for the six months ended 30 September 2014 (30 September 2013: Nil) in relation to the options granted under the share option schemes adopted by the subsidiaries of the Company.

18. SHARE INCENTIVE SCHEMES (CONTINUED)

(d) Award of new shares to directors of the Company

The Company has on 30 June 2014 (the “Award Date”) conditionally awarded a total of 930,000 new Shares of the Company (the “Award Shares”) to the three independent non-executive directors (“INEDs”) subject to the vesting conditions below:

Name of INED	No. of Award Shares	Vesting Date/ No. of Award Shares
Fok Kwong Hang, Terry	330,000	30 June 2015/110,000 30 June 2016/110,000 30 June 2017/110,000
Wong Chi Hong, Frank	300,000	30 June 2015/100,000 30 June 2016/100,000 30 June 2017/100,000
Lee Ka Yam, Danny	300,000	30 June 2015/100,000 30 June 2016/100,000 30 June 2017/100,000

Subject to the payment of nominal amount of subscription price by the INEDs and the INEDs remaining as directors of the Company, the Company will allot and issue the Award Shares to each of the INEDs on the respective vesting dates as stated above.

Since the INEDs are connected persons of the Company, the issue of the Award Shares is subject to the reporting, announcement and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules. The ordinary resolutions approving the issue of the Award Shares to each of the INEDs have been approved by the independent shareholders at an extraordinary general meeting duly held on 31 July 2014. The Hong Kong Stock Exchange has also granted the listing of and permission to deal in the Award Shares.

The Group recognised a total expense of HK\$123,000 for the six months ended 30 September 2014 (30 September 2013: Nil) in relation to the Award Shares awarded in current interim period.

19. CONTINGENT LIABILITIES

(a) Pending litigations

As at 30 September 2014, the Group had contingent liabilities in respect of a number of legal proceedings in Hong Kong and Taiwan arising in the normal course of its publishing business.

The Group has accrued for HK\$121,846,000 for legal expenses in current liabilities as at 30 September 2014 (31 March 2014: HK\$113,959,000). This provision was recognised in respect of the outstanding legal proceedings based on advice obtained from the Company's legal counsel.

In addition, the Group had a dispute with UDL Contracting Limited ("UDL") as the contractor for the construction of a printing facility of a subsidiary of the Company, Apple Daily Printing Limited, over amounts payable in respect of the construction of the facility. As the aforesaid dispute is now under arbitration, the final outcome remains uncertain.

The Directors are of the opinion that it is unlikely that the Group will have any liability if UDL pursues its various claims to their ultimate conclusion.

(b) Contingent liabilities arising from the acquisition of Database Gateway Limited

In connection with the acquisition of Database Gateway Limited and its subsidiaries (the "Acquired Group") on 26 October 2001, the Group may be subject to contingent liabilities including all payments, claims, suits, damages and settlement payments and any associated costs and expenses arising, made or incurred after 26 October 2001 arising out of or in connection with (1) any third party claims made against the Acquired Group on and before 26 October 2001, (2) defamation claims, claims for infringement of intellectual property rights and other proceedings and claims which may in the future arise from the content of the newspapers and magazines published by the Acquired Group on and at any time before 26 October 2001, and (3) the contractor dispute with UDL.

Mr. Lai, the Chairman and a controlling shareholder of the Company, has undertaken to provide unlimited personal indemnities to the Acquired Group against all contingent liabilities (the "Indemnity"). In relation to the Indemnity, Mr. Lai also procures a bank guarantee of HK\$60,000,000 for a term of three years up to 25 October 2016 in favour of the Company and the Acquired Group in respect of his obligations under the Indemnity.

19. CONTINGENT LIABILITIES (CONTINUED)

(c) Guarantees given

As at 30 September 2014, the Company provided various corporate guarantees to financial institutions for facilities granted to its subsidiaries. The aggregate amounts of these guarantees amounted to HK\$441,794,000 (31 March 2014: HK\$697,830,000), HK\$437,794,000 (31 March 2014: HK\$664,380,000) of which has been utilised by its subsidiaries. In the opinion of the Directors, the fair value of financial guarantee contracts is insignificant at initial recognition. Also, no provision for the guarantee contracts as at 30 September 2014 and 31 March 2014 is recognised as, in the opinion of the Directors, the default risk is low.

20. COMMITMENTS

(a) Capital commitments in respect of the acquisition of property, plant and equipment

	30 September 2014 HK\$'000	31 March 2014 HK\$'000
Authorised but not contracted for	123	135
Contracted but not provided for	16,113	13,432
	16,236	13,567

20. COMMITMENTS (CONTINUED)

(b) Commitments under operating leases

The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	30 September 2014			31 March 2014		
	Properties HK\$'000	Plant and equipment HK\$'000	Total HK\$'000	Properties HK\$'000	Plant and equipment HK\$'000	Total HK\$'000
Within one year	5,867	13,630	19,497	5,729	15,689	21,418
In the second to fifth years inclusive	2,208	3,263	5,471	3,134	8,659	11,793
	8,075	16,893	24,968	8,863	24,348	33,211

Operating leases payments include rentals payable by the Group for certain of its office properties. Leases are negotiated for an average term of 2 years and rentals are fixed during the lease period.

Operating leases payments also include rental payable by the Group for certain of its plant and equipment. Leases are negotiated for an average term of 3 years.

20. COMMITMENTS (CONTINUED)

(b) Commitments under operating leases (continued)

The Group as lessor

Rental income earned during the period from continuing operations was HK\$10,545,000 (2013: HK\$4,980,000).

At the end of reporting period, the Group had contracted with tenants for the following future minimum lease payments under non-cancellable operating leases:

	30 September 2014 HK\$'000	31 March 2014 HK\$'000
Within one year	20,412	19,523
In the second to fifth years inclusive	59,208	60,342
	79,620	79,865

Operating lease payments represent rental receivable by the Group from leasing of its property, plant and equipment. Typically, leases are negotiated and rentals are fixed for lease term of one to five years.

21. RELATED PARTY DISCLOSURES

(a) Compensation of key management personnel

The remuneration of the directors and other members of key management personnel during the period was as follows:

	Six months ended 30 September	
	2014	2013
	HK\$'000	HK\$'000
Short-term benefits	12,583	12,672
Share-based payments	1,564	1,183
	14,147	13,855

(b) Related party transactions

Nature of transaction	Name of related company	Relationship with the Group	Six months ended 30 September	
			2014	2013
			HK\$'000	HK\$'000
Purchase of plant and equipment	Next Media Animation Limited	Indirectly wholly-owned by Mr. Lai, Chairman and a controlling shareholder of the Company	—	3,166
Purchase of plant and equipment	Next Media Animation Limited, Taiwan Branch	Indirectly wholly-owned by Mr. Lai, Chairman and a controlling shareholder of the Company	6	242
Supporting services income recharged by the Group	Next Media Animation Limited	Indirectly wholly-owned by Mr. Lai, Chairman and a controlling shareholder of the Company	—	(1,207)
Management fee received by the Group	Next Media Animation Limited	Indirectly wholly-owned by Mr. Lai, Chairman and a controlling shareholder of the Company	(869)	(2,690)

21. RELATED PARTY DISCLOSURES (CONTINUED)

(b) Related party transactions (continued)

Nature of transaction	Name of related company	Relationship with the Group	Six months ended 30 September	
			2014 HK\$'000	2013 HK\$'000
Proceeds received by the Group for disposal of plant and equipment	Next Media Animation Limited, Taiwan Branch	Indirectly wholly-owned by Mr. Lai, Chairman and a controlling shareholder of the Company	(14)	(136)
Proceeds received by the Group for disposal of plant and equipment	Next Media Animation Limited	Indirectly wholly-owned by Mr. Lai, Chairman and a controlling shareholder of the Company	—	(16)
Office rental income received by the Group	Next Media Animation Limited, Taiwan Branch	Indirectly wholly-owned by Mr. Lai, Chairman and a controlling shareholder of the Company	(2,382)	(1,497)
Animation production service charge paid by the Group	Next Media Animation Limited, Taiwan Branch	Indirectly wholly-owned by Mr. Lai, Chairman and a controlling shareholder of the Company	21,999	14,533
Interest income for shareholder's loan	Colored World	Indirectly wholly-owned by Mr. Lai, Chairman and a controlling shareholder of the Company	—	(602)
Car park rental expenses paid by the Group in Taiwan	Best Combo Limited, Taiwan Branch	Indirectly wholly-owned by Mr. Lai, Chairman and a controlling shareholder of the Company	—	100
Office rental expenses paid by the Group in Taiwan	Best Combo Limited, Taiwan Branch	Indirectly wholly-owned by Mr. Lai, Chairman and a controlling shareholder of the Company	—	1,983
Advertising income received by the Group	Best Combo Limited, Taiwan Branch	Indirectly wholly-owned by Mr. Lai, Chairman and a controlling shareholder of the Company	(39)	—
Income received by the Group for printing sticker and lookbook	Dico Consultants Limited	Indirectly wholly-owned by Mr. Lai, Chairman and a controlling shareholder of the Company	—	(100)

2007 ADPDL Share Option Scheme	The share option scheme of ADPDL adopted by ADPDL and approved by the Company on 30 July 2007
2007 Share Option Scheme	The share option scheme adopted by the Company on 30 July 2007
2014 AGM	The Company's Annual General Meeting held on 31 July 2014
2014 Share Option Scheme	The share option scheme adopted by the Company on 31 July 2014
ADL	Apple Daily Limited, an indirect wholly owned subsidiary of the Company
ADPDL	Apple Daily Publication Development Limited, an indirect non wholly owned subsidiary of the Company
ADPL	Apple Daily Printing Limited, an indirect wholly owned subsidiary of the Company
AGM	The Company's Annual General Meeting
Articles of Association	The Company's Articles of Association as amended, supplemented or modified from time to time
Board	The board of Directors of the Company
CEO	The Chief Executive Officer of the Group
CFO	The Chief Financial Officer of the Group
CG Code	The Corporate Governance Code and Corporate Governance Report, Appendix 14 to the Listing Rules
Colored World	Colored World Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and is the intermediate holding company of NMA, it is also a wholly owned subsidiary of STV
Colored World Group	Colored World and its subsidiaries
Company or Next Media	Next Media Limited

COO	The Chief Operating Officer of the Group
Deloitte	Deloitte Touche Tohmatsu, the external auditor of the Group
Director(s)	Director(s) of the Company
ED(s)	Executive director(s) of the Company
EGM	Extraordinary General Meeting of the Company
Group	Next Media together with its subsidiaries
HKAS(s)	Hong Kong Accounting Standard(s)
HKFRS(s)	Hong Kong Financial Reporting Standard(s)
HKICPA	Hong Kong Institute of Certified Public Accountants
HK\$	Hong Kong dollars, the lawful currency of Hong Kong
Hong Kong Subsidiary Share Option Schemes	The respective share option schemes adopted by ADPDL, Aim High Investments Limited, Anyplex Company Limited, Next Media Distribution Limited (formerly known as Apple Community Infonet Limited), Next E-Shopping Limited, Next Media Publishing Limited, Next Mobile Limited, nxTomo Ltd., nxTomo Games Limited and Sharp Daily Limited
INED(s)	Independent Non-executive director(s) of the Company
Interim Financial Statements	The unaudited interim financial statements of the Company and its subsidiaries for the six months ended 30 September 2014
Listing Rules	The Rules Governing the Listing of Securities on The Stock Exchange
Model Code	The Model Code for Securities Transactions by Directors of Listed Issuers, Appendix 10 to the Listing Rules

Mr. Lai	Mr. Lai Chee Ying, Jimmy, the Chairman and controlling Shareholder of the Company
New CO	The Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
Next TV	Next TV Broadcasting Limited
NMA	Next Media Animation Limited, a company incorporated in Hong Kong with limited liability and is a wholly owned subsidiary of Colored World
NT\$	New Taiwan dollars, the lawful currency of Taiwan
RSM	RSM Nelson Wheeler Consulting Limited, an independent professional firm engaged by the Group to carry out internal audit services for the Group
SFO	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
Share(s)	Ordinary share(s) of the Company
Shareholder(s)	Holder(s) of the Share(s)
Stock Exchange	The Stock Exchange of Hong Kong Limited
STV	Sum Tat Ventures Limited, a company 100% beneficially owned by Mr. Lai
Subscription Plan	The share subscription and financing plan adopted by the Company on 29 October 2007
Taiwan	Republic of China



Concept and design: **CRE8**corp CREATIVE REPORT DESIGN www.cre8corp.com



www.nextmedia.com



NEXTmedia

Next Media Limited

